

HUD MAP Formatted Market Feasibility Analysis

One University Senior
4500 University Drive
Fairfax, Fairfax County, Virginia 22030

Prepared For

Mr. Brian Shull
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One Light Street, 12th Floor
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Effective Date

August 25, 2020

Inspection Date

August 10, 2020

Job Reference Number

20-432 Craig Rupert



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Prior to transmitting the Market Analysis to the Lender, the Analyst/Appraiser is required to complete the following Self-checklist to assure that HUD minimum requirements have been satisfied. This checklist conforms to that published in the MAP Guide, Appendix 2, Quality Control Plan paragraph IX.

THE MARKET ANALYSIS FOR HUD PRE-APPLICATION AND APPLICATION PROCESSING

SELF-CHECKLIST

CRAIG RUPERT-MARKET ANALYST

COMPLETED BY: _____
MARKET ANALYST/APPRaiser

VERIFIED BY: _____
UNDERWRITER

MARKET ANALYSIS

- A. Review appraiser's opinion as to the completeness of the material under review, and determination of overall compliance with market study processing requirements.
1. Does the market analyst meet the qualification and competence requirements outlined in the MAP Guide? **Yes**
 2. Is the market study a narrative self-contained report? **Yes**
 3. Does the market study have an effective date within 120 days before the (*probable*) date of submission of the pre-application, or, with refinancing, within 120 days of (*the probable*) submission of the application for a firm commitment? **Yes**
 4. Does the market study adequately describe and analyze the geographic boundaries and general characteristics of the market area, specific market conditions, characteristics of projects under construction and in the planning stages, and contain a supply and demand estimate and analysis and estimated absorption time (if applicable)? **Yes**
 5. Is the market study prepared in accordance with the information supplied by the MAP lender described in Appendix 4 of the MAP Guide? **Yes**
 6. Is the market study prepared in accordance with the format prescribed in the appropriate MAP Guide Appendix? **Yes**
 7. Does the market study include the market analyst's certification? **Yes**
- B. Review appraiser's opinion as to the adequacy and relevance of the data and the propriety of any adjustments to the data.
- C. Review appraiser's opinion as to the appropriateness of the analysis methods and techniques used.
- D. Review appraiser's opinion as to the analyses, opinions, and conclusions.

Market Analyst Certification

This analysis is formatted to respond specifically to the issues outlined in HUD's Guide for Content and Format of a Market Analysis for Senior Housing.

I understand that my market study will be used by M&T Realty Capital Corporation to document to the U.S. Department of Housing and Urban Development that the MAP Lender's application for FHA mortgage insurance was prepared and reviewed in accordance with HUD requirements. I certify that my market analysis is in accordance with the HUD requirements applicable on the date of my report, and that I have no financial interest or family relationship with the officers, directors, stockholders, partners of the Borrower, the general contractor, any subcontractors, the buyer or the seller of the proposed property, nor do I engage in any business that might present a conflict of interest.

I am employed full time by the MAP Lender (underwriter) or under contract for this specific assignment (appraiser, market analyst, cost architect) and that I have no other side deals, agreements, or financial consideration with the MAP Lender or others in connection with this transaction.

HUD is the intended user of this report and has the right to rely on this study's conclusions to the same degree as the developer/applicant.



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Date: August 25, 2020



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Date: August 25, 2020



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Date: August 25, 2020

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I. Introduction

A. PURPOSE

The purpose of this report is to evaluate the market feasibility of the construction of the 120-unit One University Senior rental community in Fairfax, Fairfax County, Virginia. This report follows the market study guidelines of the Multifamily Accelerated Processing (MAP) program.

B. METHODOLOGIES

Methodologies used by Bowen National Research are outlined in Section X of the report.

C. REPORT LIMITATIONS

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period. Bowen National Research relies on a variety of sources of data to generate this report. These data sources are not always verifiable; Bowen National Research, however, makes a significant effort to assure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

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II. Executive Summary

The purpose of this report is to evaluate the market feasibility of a proposed age-restricted rental property to be built utilizing Low-Income Housing Tax Credit (LIHTC) financing in Fairfax, Virginia. Note that the components of the main body of this report comply to market study guidelines under the HUD 221(d)(4) program.

Based on the findings reported in our market study, it is our opinion that a market exists for the 120 proposed subject units at One University Senior in Fairfax, Virginia, assuming it is built and operated as detailed in this report. Changes in the project's rents, amenities, design, or completion date may alter these findings.

Project Concept

The subject project involves the new construction of the 120-unit One University Senior rental community on an approximate 10.8-acre site located at 4500 University Drive in Fairfax, Virginia. The project will be developed using 4% Tax-Exempt Bond financing and will target lower-income senior households ages 62 and older earning up to 40% and 60% of Area Median Household Income (AMHI). Additionally, 20 of the units (those at the 40% AMHI level) will operate with Project-Based Voucher (PBV) assistance. The proposed project is expected to be complete in December of 2023.

Note that this development is part of a multi-component project that will also include a low-income family housing project and an off-campus student housing development. *Only the proposed senior units have been analyzed throughout this report.* Additional details of the subject project are as follows:

Proposed Unit Configuration						Program Rents			
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
15	One-Br	1.0	Garden	670	40%/PBV	\$1,396	\$104	\$1,500	\$945
75	One-Br	1.0	Garden	670	60%	\$1,313	\$104	\$1,417	\$1,417
5	Two-Br	2.0	Garden	950	40%/PBV	\$1,576	\$131	\$1,707	\$1,134
25	Two-Br	2.0	Garden	950	60%	\$1,570	\$131	\$1,701	\$1,701
120	Total								

Source: M&T Realty Capital Corporation

AMHI – Area Median Household Income (Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area; 2020)

PBV – Project-Based Voucher

The maximum allowable LIHTC gross rents ranging from \$945 to \$1,134 for the subject units targeting households earning up to 40% of AMHI are the programmatic limits for these unit types. However, these limits would only apply in the unlikely scenario that the property ceased to operate with the proposed Project-Based Vouchers (PBV). Nonetheless, as the proposed contract rents under the PBV program

exceed these maximum allowable limits, we have evaluated these unit types assuming maximum allowable LIHTC rent limits throughout this report. Additional details regarding amenities, utility structure and parking options for the proposed project are included beginning on page *III-2*.

Site Evaluation

The proposed site is located west of the intersection of University Drive and Ox Road (State Route 123) in Fairfax, Virginia. The site currently comprises existing rental housing and a county records office which are anticipated to be demolished prior to the development of the subject project. The site is surrounded by single-family homes and additional residential dwellings, George Mason University and its facilities, and a variety of local businesses and services. The surrounding area consists of moderate to heavy traffic patterns; however, access to arterial roads and public transportation is easy and the area is pedestrian-friendly. The site is expected to be visible to passerby traffic along both University Drive and Ox Road (State Route 123). The nearest essential community services, including shopping, employment, public safety and medical care are located within 2.0 miles of the site and can be easily accessed using the nearby roads and public bus stops. Overall the site's surrounding land uses and proximity to community services should positively contribute to its overall marketability. Additional site information is included beginning on page *III-7*.

Primary Market Area

The Primary Market Area (PMA) is the geographical area from which most of the support for the proposed development is expected to originate and from which most of the comparable supply is located. The Fairfax Site PMA includes all of Fairfax, Vienna, Burke and Merrifield, as well as portions of Oakton and Springfield, Virginia and some of the surrounding areas of Fairfax County. The boundaries of the Site PMA generally include U.S. Highway 50, Rugby Road, State Route 672, the Vienna city limits, Wolftrap Road and Madron Lane to the north; Interstate 495 to the east; State Route 644, State Route 643 and Burke Lake Road to the south; and State Route 286, State Route 620 and State Route 645 to the west. A full description of the analysis conducted to establish the PMA and a map illustrating the PMA are included in *Section IV*.

Economics

Based on information obtained at the time of this analysis, the Fairfax area was experiencing steady growth in total employment and a steadily declining unemployment rate prior to the COVID-19 pandemic. There are also numerous announcements of ongoing business creation/expansion within the Fairfax area. While some of this development activity has likely slowed due to the impact of COVID-19, this development activity is a good indication of interest and investment within the Fairfax economy.

Nonetheless, the total employment base within the county has declined by more than 22,000 jobs (3.6%) since 2019 and the unemployment rate has increased by more than three full percentage points to a rate of 5.7% through June of 2020. The monthly unemployment rate within the county reached a high of 10.2% in April of 2020 as a result of many non-essential businesses closing during the initial impact of the COVID-19 pandemic. While the monthly unemployment rate has declined by approximately two full percentage points since this spike, it remains well above pre-COVID-19 levels. Based on the preceding factors, we expect the Fairfax economy will continue to experience lower levels of total employment and elevated unemployment rates for the foreseeable future, similar to most markets throughout the country. Additional economic data is included in *Section V*.

Demographics

The Fairfax Site PMA is projected to experience both population and household growth between 2019 and 2024, a trend which has been ongoing since 2000. Demographic growth within the market is expected to occur at a rate similar to that projected for Fairfax County as a whole, but slower than the rate projected for the state of Virginia. Household growth will occur among several age cohorts, though the greatest growth is expected to occur among seniors age 65 and older. Household growth is also expected to occur among both owner- and renter-occupied households. Renter growth is projected to be concentrated among moderate to higher income households, though it is important to note that 37.0% of all renter households (all ages) will earn less than \$75,000 in 2024 while senior (age 62 and older) renter households earning less than \$50,000 will account for 31.2% of all senior renters in 2024. Based on the preceding factors, a good base of potential support for affordable rental product, both family and senior-oriented, will continue to exist in the Fairfax market for the foreseeable future. Additional demographic data is included in *Section VI*.

Comparable Supply

The subject project will target senior (age 62 and older) households earning up to 40% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Fairfax Site PMA, we identified and surveyed three non-subsidized Tax Credit properties which offer unit types similar to those proposed for the subject property in terms of bedroom type and/or targeted income (AMHI) level. Note, however, that only one of these three properties is age-restricted and will be directly competitive with the subject property.

Due to the limited supply of directly competitive LIHTC product within the Fairfax Site PMA, we also identified and surveyed two additional age-restricted LIHTC properties outside the Site PMA but within the nearby surrounding area. While these properties will not be directly competitive with the subject project due to their location, they will provide a good additional base of comparison for the subject property.

The five comparable LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in *Addendum C, Comparable Property Profiles*.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	One University Senior	2023	120	-	-	-	Seniors 62+; 40% & 60% AMHI
17	Olley Glen Senior Residences	2010	90	100.0%	3.5 Miles	108 HH	Seniors 62+; 50% & 60% AMHI
20	Residences at Government Center I & II	2016	270	100.0%	4.9 Miles	50 HH	Families; 50% & 60% AMHI
23	West Wood Oaks	1972 / 1995	39*	100.0%	1.0 Miles	None	Families; 50% & 60% AMHI & Section 8
901	Forest Glen Senior	1999 / 2016	119 + 83**	100.0%	11.6 Miles	None	Seniors 62+; 60% AMHI
902	Manchester Lakes I & II	2000	256	96.9%	15.2 Miles	None	Seniors 55+; 50% & 60% AMHI

900 Series Map IDs are located outside the Site PMA

OCC. – Occupancy

HH - Households

*Tax Credit units only

**Units under construction

The five LIHTC projects have a combined occupancy rate of 99.0%, reflective of just eight (8) vacant units at Manchester Lakes I & II. The four remaining properties are 100.0% occupied and two of those located within the Fairfax Site PMA currently maintain waiting lists of up to 108-households. These are clear indications of strong and pent-up demand for product similar to that proposed for the subject site.

The gross rents for the comparable projects and the proposed rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)				Rent Special
		Studio	One-Br.	Two-Br.	Three-Br.	
Site	One University Senior	-	\$945/40% (15)* \$1,417/60% (75)	\$1,134/40% (5)* \$1,701/60% (25)	-	-
17	Olley Glen Senior Residences	-	\$1,035-\$1,071/50% (78/0) \$1,285/60% (12/0)	-	-	None
20	Residences at Government Center I & II	\$1,082/50% (5/0) \$1,303/60% (6/0)	\$1,178/50% (32/0) \$1,414/60% (49/0)	\$1,399/50% (76/0) \$1,683/60% (86/0)	\$1,592/50% (6/0) \$1,919/60% (10/0)	None
23	West Wood Oaks	-	\$1,051/50% (4/0)* \$1,129/60% (19/0)	\$1,262/50% (6/0)* \$1,380/60% (10/0)	-	None
901	Forest Glen Senior	-	\$1,340/60% (48+50**/0)	\$1,600/60% (71+33**/0)	-	None
902	Manchester Lakes I & II	-	\$1,178/50% (36/1) \$1,414/60% (84/3)	\$1,409/50% (83/3) \$1,693/60% (53/1)	-	None

900 Series Map IDs are located outside the Site PMA

*Subsidized (residents pay 30% of their income, as this is a government-subsidized property, which also operates under the Tax Credit program)

**Units under construction

The subject's proposed gross rents are competitive with those reported for similar unit types among the comparable LIHTC properties surveyed. It is also of note that the subject property will offer the only units targeting households earning up to 40% of AMHI among the comparable properties. These units would be the lowest priced units offered among the comparable properties. It is important to understand, however, that these units (40% AMHI) will effectively operate with a project-based subsidy that will allow tenants to pay up to only 30% of their income towards rent. This will further enhance marketability and affordability of the subject property within the Fairfax market.

Management for two of the five comparable LIHTC properties (West Wood Oaks and Manchester Lakes I & II) provided historic rent data at the time of our survey. Based on this information, these properties have experienced rent increases ranging from approximately 3.4% to 5.0% over the past year. These rent increases are good indications of the strength of the LIHTC market within the Fairfax area. This is particularly true when considering the strong occupancy rates maintained among these properties following these rent increases.

Comparable Summary

The five comparable LIHTC properties surveyed report a strong overall occupancy rate of 99.0%, with four of the five reporting at 100.0% occupancy. Two of the three properties which are located within the Fairfax Site PMA also maintain waiting lists of up to 108-households, including the one age-restricted property surveyed in the Site PMA. These are clear indications of strong and pent-up demand for LIHTC product similar to that proposed for the subject site. The subject's proposed rents are competitive with those offered among the comparable properties and those at the 40% AMHI level will be the lowest LIHTC rents offered among the surveyed properties. The property will also, however, provide a project-based subsidy to all units at the 40% AMHI level, further enhancing marketability and affordability of these units and the subject property as a whole.

In terms of design, the subject property will offer some of the largest unit sizes (square feet) and generally a greater number of bathrooms within its two-bedroom units as compared to existing LIHTC product in the area. The property will also be well-positioned in terms of amenities and will include some features which are expected to create a competitive advantage for the property, including in-unit washer/dryer appliances, a parking garage, computer center and community center.

Development Pipeline

As detailed in *Section VII*, there are several multifamily projects currently in the development pipeline. However, only three of the projects identified are known to be under construction and/or moving forward with development as of the time of this analysis. These three projects are summarized as follows:

- Scout on the Circle located at 9500 Fairfax Boulevard in Fairfax is a currently under construction mixed-use development. The developer, Combined Properties, is constructing 400 general-occupancy market-rate units consisting of 133 studio units at 445 square feet, 134 one-bedroom units at 703 square feet, and 133 two-bedroom units at 1,003 square feet. Six percent (24 units) of the units will be affordable. However, the affordable units are not expected to operate under the LIHTC program. Units will have premium appliances, full-size washers and dryers, large walk-in closets and a private outdoor terrace or balcony for select units. There also will be a swimming pool, outdoor courtyards, grills, fire pits, café, fitness center, business center, billiards room, shuffleboard, outdoor ping pong table, and dog parks. The property will also consist of 29,000 square feet of small-shop retail and 54,000 square feet for a grocer. Estimated completion is sometime in the third quarter of 2020.

- Moxley (also known as Fairfield at Gateway) located at 11101 and 11091 Fairfax Boulevard and 11160 Lee Highway in Fairfax is a currently under construction mixed-use development. The developer, Fairfield Residential, is constructing 403 general-occupancy residential units consisting of 43 studio units, 179 one-bedroom units, 169 two-bedroom units, and 12 three-bedroom units; 24 of these units will be affordable housing units. However, the affordable units are not expected to operate under the LIHTC program. There also will be a swimming pool and dog park. The property will also consist of 21,249 square feet of commercial space. Court-Appointed Special Advocates (CASA), a non-profit, will occupy 4,000 square feet of office space, and the other 17,249 square feet will be for restaurant, retail and office space. Estimated completion is sometime in 2021.
- Scholar Yard (also known as Capstone Collegiate), to be located at 3807 University Drive in Fairfax, is a planned development. The developer, Capstone Collegiate Communities, LLC, plans to replace an existing office park to construct 275 market-rate units of off-campus student housing consisting of studio, one-, two-, three-, and four-bedroom fully furnished units providing housing for up to 825 students. The property will also include 737 parking spaces, of which 680 will be in a parking garage and 57 spaces will be on-street. City Council approved the comprehensive plan in December 2018. Estimated completion is July 2021.

Two of these three properties will operate as market-rate with some affordable units also to be provided. The affordable units, however, are not expected to operate under the LIHTC program and neither of these projects will be provided any type of project-based subsidy. The third project currently planned for the market, Scholar Yard, will be a student housing project. Based on the preceding factors, we do not anticipate any of the currently planned/under construction projects to be directly competitive with the subject property. Nonetheless, the two general-occupancy market-rate properties currently planned for the market have been considered in our Net Demand analysis included in *Section VIII*.

It is also important to reiterate the subject project will be part of a multiphase development which will also include a 120-unit family (general-occupancy) component. This portion of the larger overall subject development is also expected to operate under the LIHTC guidelines and be complete in 2023. This property has also been considered in our demand estimates included in *Section VIII*.

Market Demand

The following table summarizes the number of age- and income-appropriate renter households for the subject project in the PMA in 2023 (year of opening):

Income Range	Income-Qualified Senior Renter Households					
	Scenario One: LIHTC w/Subsidy (\$0-\$60,480*)			Scenario Two: LIHTC Only (\$28,350-\$60,480*)		
	Number of Renters	Share Within Range	Qualified Renter Households (2023)	Number of Renters	Share Within Range	Qualified Renter Households (2023)
\$0-10,000	440	100.0%	440	440	0.0%	-
\$10,000-20,000	340	100.0%	340	340	0.0%	-
\$20,000-30,000	366	100.0%	366	366	16.5%	60
\$30,000-40,000	338	100.0%	338	338	100.0%	338
\$40,000-50,000	246	78.0%	192	246	78.0%	192
\$50,000-60,000	549	100.0%	549	549	100.0%	549
\$60,000-75,000	744	3.2%	24	744	3.2%	24
\$75,000-100,000	866	0.0%	-	866	0.0%	-
\$100,000-125,000	451	0.0%	-	451	0.0%	-
\$125,000-150,000	460	0.0%	-	460	0.0%	-
\$150,000-200,000	198	0.0%	-	198	0.0%	-
\$200,000+	373	0.0%	-	373	0.0%	-
Total	5,370		2,249	5,370		1,163

*Excludes the \$40,321 to \$42,509 income band due to the gap in affordability between the 40% and 60% AMHI levels

As the preceding table illustrates, there will be 2,249 age- and income-appropriate senior renters in the market to support the subject project. This assumes the property operates with the availability of a project-based subsidy to some units, as detailed in *Section III*. **Under this subsidized scenario, the 120 subject units would have a capture rate of 5.3%.** Typically, capture rates up to 10.0% are considered acceptable for age-restricted rental product in markets such as the Fairfax Site PMA when utilizing the methodology detailed in this report. Thus, the subject's subsidized capture rate is considered low and indicative of a sufficient base of potential senior renter support for the subject property within the Fairfax market.

In the unlikely event the property had to operate exclusively under the Tax Credit program, the qualified senior renter base declines to 1,163 as the property would no longer be capable of targeting households earning below \$28,350. Nonetheless, this results in a **non-subsidized capture rate of 10.3%**, which is considered acceptable within the Fairfax market. This is particularly true when considering the strong occupancy rates reported among existing age-restricted rental product surveyed within the Fairfax Site PMA.

It is also important to note that we expect some support from senior homeowners looking to downsize to a maintenance-free senior-oriented rental community. Thus, the subject's capture rate(s) is actually lower than what is illustrated within the preceding table as our demand estimates consider only senior renter households.

Recommendations

The subject project is marketable as proposed. As a result, we do not recommend any changes or modifications to the proposed subject project.

Absorption Projection

Considering the facts contained in the market study, as well as the preceding factors, and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the proposed subject development. It is our opinion that the 120 LIHTC units proposed for the subject site will reach a stabilized occupancy of 93% within seven months of opening. This absorption rate is based on an average monthly absorption rate of approximately 16 units per month.

These absorption projections assume a December 2023 opening date and that the property will operate with a project-based subsidy available to 20 of the 120 proposed units. Changes to the project's rents, amenities, floor plans, location, subsidy availability, or other features may invalidate our findings.

Should the project-based subsidy not be secured, and the property had to operate exclusively under the LIHTC guidelines at the proposed rent levels evaluated throughout this report, the subject project would likely experience an extended absorption period. This is due to the more limited demographic base for the property in the market as the property would no longer be capable of targeting households earning below \$28,350. In this unlikely scenario we would expect the subject project would reach a stabilized occupancy rate of 93% within eight months of opening. This is based on an average monthly absorption rate of approximately 14 units per month.

III. Description Of The Proposed Project

The market study must include a thorough description of the proposed project, including:

1. The number of units by type and size with information on the number of bedrooms and bathrooms, structure type, square footage, etc. Actual (paint to paint) size should be noted as well as the size in published brochures or other media.
2. The proposed contract, utility allowance and resulting gross rents by unit type. (Gross rent is defined as the cost of renting the unit, including the cost of resident paid utilities.)
3. Description of any income or rent restrictions imposed on the project by the use of public financing and/or subsidies (e.g., LIHTC, tax-exempt bonds or subordinate loans). Identify any project-based rental subsidies to be offered, specify the number of subsidized units, the type and form of the assistance, and rent levels related to market rents.
4. Utility policy in terms of which costs are paid by the tenant and which costs are paid by the owner/landlord.
5. The unit features, project amenities and services and associated cost.
6. For rehabilitation projects provide:
 - a. Description of the proposed scope of rehabilitation including a breakdown of hard and soft costs, if available.
 - b. An estimate of total construction cost and cost per unit.
 - c. Identification of the existing unit mix and rents including any existing housing subsidies. Current and proposed rents should be compared.
 - d. Current and historical (if available) occupancy information.
 - e. An analysis of the current rent roll (if available) to determine

Project Name:	One University Senior
Location:	4500 University Drive, Fairfax, Virginia 22030 (Fairfax County)
Census Tract:	4405.02
Target Market:	Senior Age 62+
Construction Type:	New Construction
Funding Source:	4% Tax-Exempt Bond

The subject project involves the new construction of the 120-unit One University Senior rental community on an approximate 10.8-acre site located at 4500 University Drive in Fairfax, Virginia. The project will be developed using 4% Tax-Exempt Bond financing and will target lower-income senior households ages 62 and older earning up to 40% and 60% of Area Median Household Income (AMHI). Additionally, 20 of the units (those at the 40% AMHI level) will operate with Project-Based Voucher (PBV) assistance. The proposed project is expected to be complete in December of 2023.

Note that this development is part of a multi-component project that will also include a low-income family housing project and an off-campus student housing development. *Only the proposed senior units have been analyzed throughout this report.* Additional details of the subject project are as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Program Rents			
						Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
15	One-Br	1.0	Garden	670	40%/PBV	\$1,396	\$104	\$1,500	\$945
75	One-Br	1.0	Garden	670	60%	\$1,313	\$104	\$1,417	\$1,417
5	Two-Br	2.0	Garden	950	40%/PBV	\$1,576	\$131	\$1,707	\$1,134
25	Two-Br	2.0	Garden	950	60%	\$1,570	\$131	\$1,701	\$1,701
120	Total								

Source: M&T Realty Capital Corporation

AMHI – Area Median Household Income (Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area; 2020)

PBV – Project-Based Voucher

The maximum allowable LIHTC gross rents ranging from \$945 to \$1,134 for the subject units targeting households earning up to 40% of AMHI are the programmatic limits for these unit types. However, these limits would only apply in the unlikely scenario that the property ceased to operate with the proposed Project-Based Vouchers (PBV). Nonetheless, as the proposed contract rents under the PBV program exceed these maximum allowable limits, we have evaluated these unit types assuming maximum allowable LIHTC rent limits throughout this report.

Building/Site Information	
Residential Buildings:	One (1) four-story building
Building Style:	Elevator-served
Community Space:	Stand-alone building
Acres:	10.8

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	June 2021
Begin Preleasing:	June 2023
Construction End:	December 2023

Unit Amenities		
• Electric Range	• Microwave	• Carpet/Ceramic Tile/Composite
• Refrigerator w/Icemaker	• In-Unit Washer/Dryer Machines	• Window Blinds
• Garbage Disposal	• Central Air Conditioning	• Controlled Access/Key Fob
• Dishwasher	• Walk-In Closet	• Emergency Call System

Community Amenities		
• Clubhouse	• On-Site Management	• Laundry Room
• Elevator	• Bike Racks	• Computer Center
• Copy/Print/Fax	• Car Charging Station	• Common Patio
• Conference Room	• Multipurpose Room	• TV Lounge
• Courtyard	• Firepit	• Fitness Center
• Picnic Area with Grills	• Game Room/Billiards	• Playground
• Community Wide Wi-Fi	• CCTV/Cameras	• Dog Park
• Dog Wash	• Pet Clean-Up Stations	• Activities (Classes, Parties, Picnics)
• Meals on Wheels	• Storage Units (\$25/Month)	• Underground Parking (384 Spaces)

Utility Responsibility							
	Heat	Hot Water	Cooking	General Electric	Cold Water	Sewer	Trash
Paid By	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant	Landlord
Source	Electric	Electric	Electric				

FLOOR AND SITE PLAN REVIEW:

Floor and site plans were not provided for the subject project for review at the time this report was prepared. Information provided at the time of this analysis, however, indicates that the subject property will include one- and two-bedroom garden-style units located within a four-story elevator-equipped building. These unit and building types are considered appropriate for senior-restricted housing such as that proposed. The subject units will range in size from 670 to 950 square feet, with the two-bedroom units including two (2.0) bathrooms and the one-bedroom units offering one (1.0) bathroom. Each unit will come well-equipped in terms of unit amenities and will feature a full kitchen appliance package and dedicated laundry area with in-unit washer/dryer appliances.

In addition to the subject’s residential units, the property will feature an array of community amenities integrated throughout the property. This will further enhance marketability of the subject project. Overall, the subject property appears to be marketable in terms of overall design. Nonetheless, an in-depth comparable/competitive analysis is included in *Section VII* to better determine the competitive position and overall marketability of the subject project within the Fairfax market.

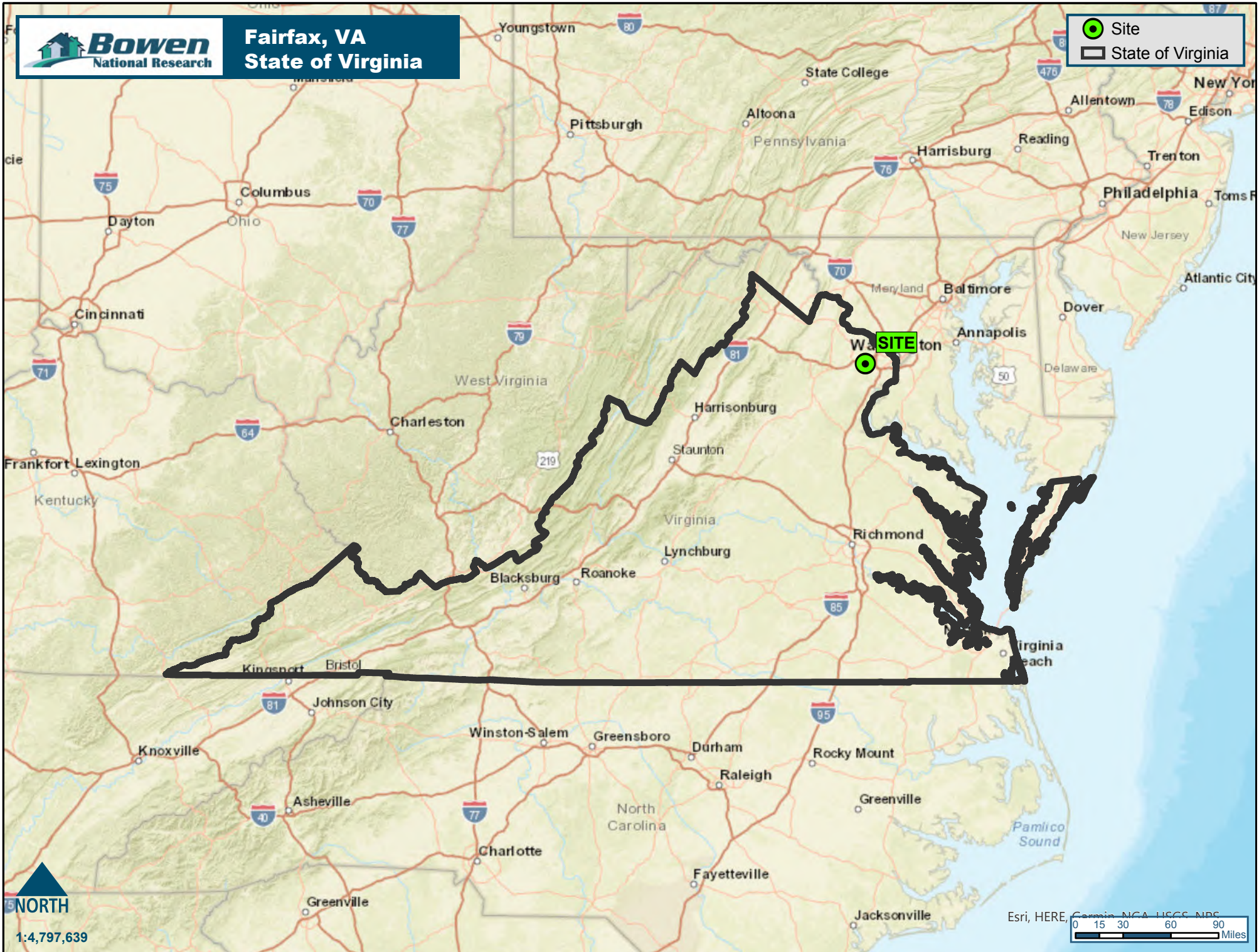
State and surrounding area maps, as well as a map illustrating the site neighborhood, are on the following pages.





Fairfax, VA State of Virginia

● Site
▭ State of Virginia

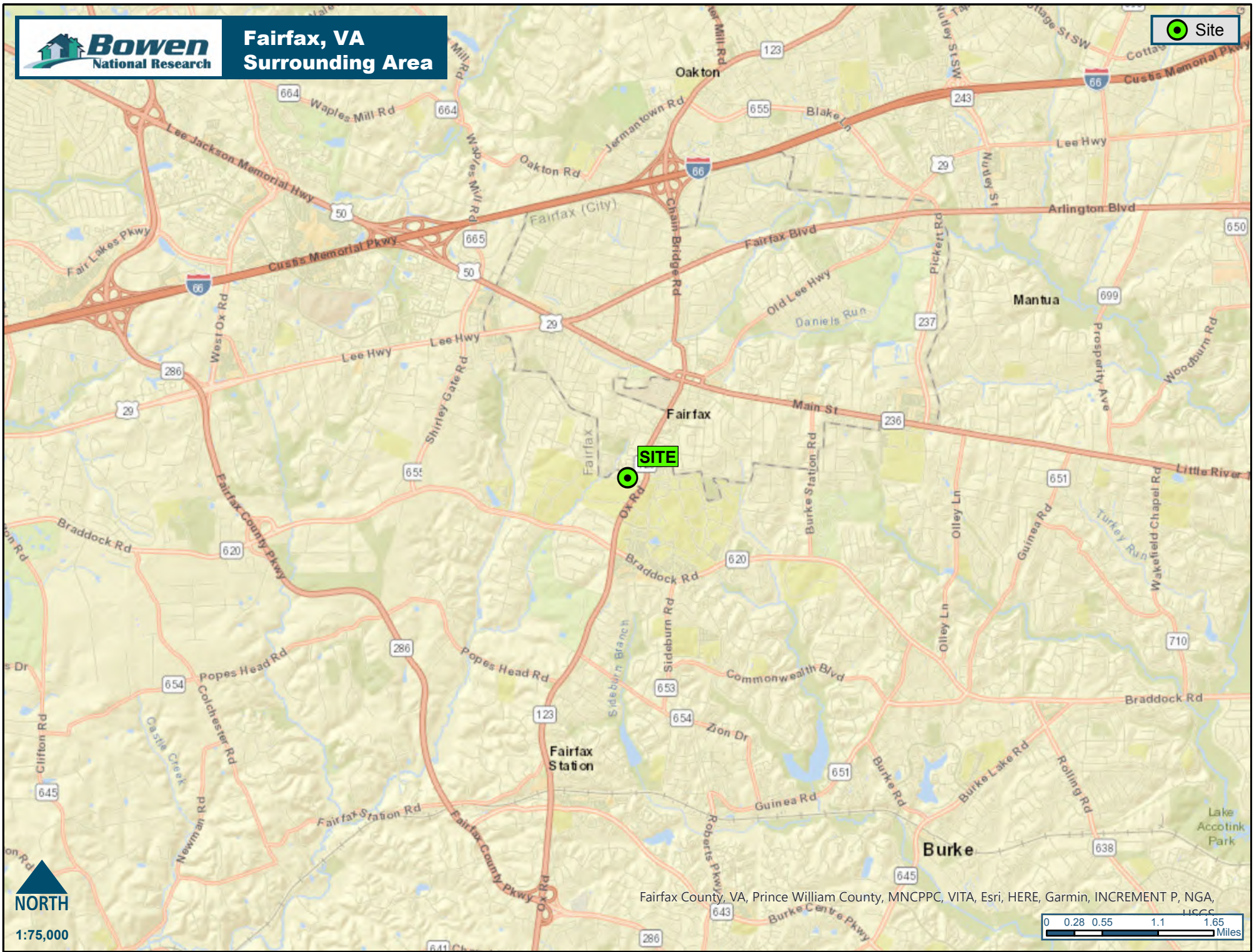


1:4,797,639



Fairfax, VA Surrounding Area

Site



Fairfax County, VA, Prince William County, MNCPPC, VITA, Esri, HERE, Garmin, INCREMENT P, NGA, USGS

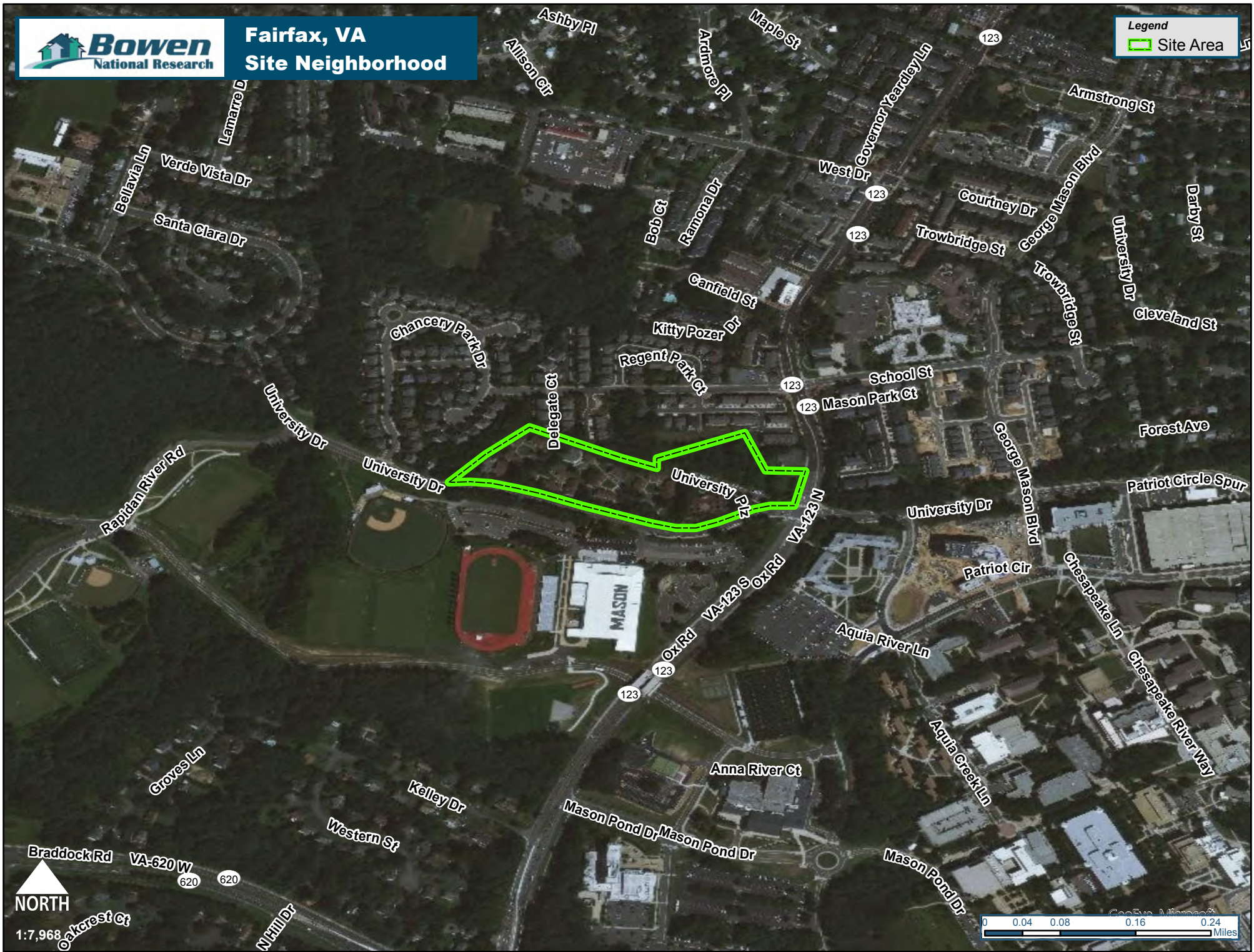


NORTH
1:75,000



Fairfax, VA Site Neighborhood

Legend
Site Area



NORTH
1:7,968
akrest Ct

0 0.04 0.08 0.16 0.24 Miles

7. The project location in terms of:

- a. Characteristics of the neighborhood in relation to schools, transportation, shopping, employment centers, social and community services, etc., to include a study of the adequacy of the public facilities that will service the site. The report must include a map showing the site and important neighborhood facilities and amenities.**
- b. Any other locational considerations relevant to the market and marketability of the proposed project.**
- c. A conclusion concerning the suitability/appropriateness of the site for the proposed use.**

Location

The proposed site is currently comprised of an existing multifamily property and the Fairfax County Circuit Court Off-Site Records Center located at 4348 Old Ox Road, 4400 St. Edwards Place and 4500 University Drive in the central portion of Fairfax, Virginia. The proposed subject development will ultimately have an address of 4500 University Drive. Note the existing structures located at the subject site will be demolished and redeveloped as part of the proposed subject development. The subject site visit and corresponding fieldwork were completed during the week of August 10, 2020.

Surrounding Land Uses

The proposed site is located within an established, mixed-use portion of Fairfax. Surrounding land uses include George Mason University and affiliated athletic facilities, single-family homes and a variety of community services and local businesses. Adjacent land uses are detailed as follows:

North -	The northern boundary is defined by a neighborhood of single-family homes in excellent condition. Continuing north is a mixed-use area that includes for-sale townhomes, condominiums and single-family homes, restaurants, additional community services and local government buildings. Extending north is State Route 236 and other businesses and services in the downtown Fairfax area that extend toward U.S. Highway 50.
East -	The eastern boundary is defined by Ox Road (State Route 123), a four-lane arterial with moderate to heavy traffic. East of State Route 123 is George Mason University followed by single-family homes.

South -	The southern boundary is defined by University Drive, a two-lane road with light traffic patterns. George Mason University athletic facilities are located on the south side of University Drive. Continuing south are single-family homes in good condition and Braddock Road (State Route 620), a four-lane arterial with moderate to heavy traffic. South of State Route 620 is the University Mall shopping plaza and additional single-family homes.
West -	The western boundary is defined by single-family homes in excellent condition. Residential neighborhoods, in addition to wooded land, continue west.

The subject site is located within an established, mixed-use area of Fairfax. Surrounding land uses primarily consist of single-family homes and additional residential buildings, George Mason University and its accompanying facilities, and the local businesses and services of Fairfax. Surrounding buildings and residences all appear to be well-maintained and in good or better condition. Overall, the subject property is expected to fit well with the surrounding land uses which will contribute to the overall marketability of the subject site. Site photographs are found in *Addendum B*.

Nuisances

No nuisances were identified at or near the subject site.

Visibility and Access

The subject site is proposed to maintain frontage along University Drive to the south and Ox Road (State Route 123) to the east. The property is expected to be visible to traffic in all directions along both aforementioned roadways. Signage placed along State Route 123 and/or State Route 620 would enhance site visibility, especially during initial lease-up of the subject development. The proximity to George Mason University and the area's high traffic patterns will also contribute to visibility and enhance awareness of the subject property. As the site currently stands, existing tree lines that serve as buffers to adjacent single-family homes are located to the north and west and limit visibility of the subject property from these directions. It is recommended, however, that these buffers remain as part of the proposed development, as they do not appear to have any adverse impact on the overall visibility of the subject site.

The subject site is located west of the intersection of University Drive and Ox Road (State Route 123), a relatively heavily-traveled area within proximity of public transportation and various arterial roadways. Within 1.0 mile of the site are State Routes 123 and 620, which experience moderate to heavy traffic patterns that increase and can become congested during peak commute times. The location of George Mason University, its surrounding facilities and shopping opportunities contribute to the high traffic patterns. However, various traffic lights/signals are present within the immediate site area, helping to mitigate potential traffic delays within the area. Walking paths and sidewalks are also present along all surrounding roadways to aid pedestrian traffic. Site ingress and egress are expected to occur along University Drive to the south, which experiences lighter traffic patterns than the surrounding roadways. Public transit is also readily available within the area with services such as CUE Bus, Fairfax Connector and West Campus Shuttle providing bus stops throughout the surrounding area, with the nearest being just 0.2 miles east of the site.

Due to restrictions from COVID-19, however, some public transportation services are temporarily unavailable or operating in a limited capacity. Notably, the Fairfax Connector and West Campus Shuttle service stops that operate nearest the site are temporarily unavailable. CUE Bus, however, is operating at full capacity and is not currently charging ride admission fees. Overall, access to the subject site is considered good.

Proximity to Community Services

The site is served by the community services detailed in the following table:

Community Services	Name	Driving Distance From Site (miles)
Major Highways	State Route 123 State Route 620 State Route 236	0.1 East 0.7 South 1.0 Northeast
Public Bus Stop	CUE Bus	0.2 East
Major Employers/ Employment Centers	George Mason University INOVA Health System	0.2 East 0.4 Northeast
Convenience Store	A Plus Royal Gas & Auto Service 7-Eleven	1.0 South 1.0 Northeast 1.2 Northeast
Grocery	Giant Food Safeway ALDI	1.0 South 1.3 Northeast 1.8 Northwest
Discount Department Store	T.J. Maxx	1.2 Northeast
Shopping Center/Mall	University Mall Main Street Marketplace Courthouse Plaza Shopping Center	0.9 South 1.2 Northeast 1.3 Northeast

(Continued)

Community Services	Name	Driving Distance From Site (miles)
Schools:		
Elementary	Oak View Elementary	1.6 Southeast
Middle/Junior High	Frost Middle School	3.4 East
High	Woodson High School	2.6 East
College	George Mason University	0.2 East
Hospital	INOVA Emergency Care Center	0.4 Northeast
	Star Family Medicine	1.3 Northeast
Police	Fairfax City Police Department	1.8 Northeast
Fire	Fairfax Volunteer Fire Department	1.0 Northeast
Post Office	U.S. Post Office	1.2 North
Bank	BB&T	0.8 Northeast
	MainStreet Bank	0.9 Northeast
	United Bank	1.0 South
Senior Center	Little River Glen Senior Center	3.3 East
Recreational Facilities	EagleBank Arena	0.9 Southeast
	George Mason Center for the Arts	1.0 Southeast
	University Mall Theatres	1.1 South
Gas Station	Sunoco	1.0 South
	Royal Gas & Auto Service	1.0 Northeast
	Shell	1.9 Northeast
Pharmacy	Giant Pharmacy	1.0 South
	Walgreens	1.2 Northeast
	CVS	1.3 Northeast
Restaurant	Zaytoon Pizzeria	0.3 Northeast
	Pho Bahn Mi & Grill	0.3 Northeast
	Subway	0.3 East
Day Care	George Mason Childhood Development Center	0.5 East
	Teddy Bear Day Care & Preschool	1.0 South
	Main Street Child Development Center	1.4 East
Community Center	Stacy C. Sherwood Community Center	1.7 Northeast
Church	Bible Way Church	0.2 Northeast
	One God Ministry	0.4 Northeast
Library	City of Fairfax Regional Library	1.3 Northeast
Golf	Country Club of Fairfax	1.4 South
Park	Providence Park	0.9 North
	Fairfax Villa Park	1.6 Northwest

The subject site is within 2.0 miles of all essential services, including shopping, dining, employment, education and recreational, public safety and medical facilities. The surrounding services can be accessed via sidewalks and walking paths, the surrounding arterial roads or public transportation. CUE Bus is the primary local bus service and the nearest stop is within 0.2 mile of the site. Additionally, State Routes 123, 620 and 236 can be accessed within 1.0 mile.

Most notably, George Mason University and its buildings and facilities surround the site to the east and the south. The university offers a wide range of employment, recreational and educational opportunities. Approximately 1.0 mile south of the site is University Mall shopping plaza, which includes Giant Foods grocery and pharmacy, numerous restaurants, a movie theater, day care center and additional services. Approximately 1.0 mile north is downtown Fairfax and its variety of services, shopping centers and entertainment options. Public transit provides transportation to these areas and throughout Northern Virginia.

The Fairfax Fire and Police departments are within 2.0 miles of the site and the nearest emergency medical center, INOVA Emergency Care Center, is only 0.4 mile from the site. Overall, the site's proximity to community services should positively contribute to its overall marketability.

Crime Index

The primary source for Crime Risk data is the FBI Uniform Crime Report (UCR). The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas.

Applied Geographic Solutions uses the UCR at the jurisdictional level to model each of the seven crime types at other levels of geography. Risk indexes are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the United States.

It should be noted that aggregate indexes for total crime, personal crime and property crime are not weighted, and murder is no more significant statistically in these indexes than petty theft. Thus, caution should be exercised when using them.

Total crime risk for the Site ZIP Code is 95, with an overall personal crime index of 47 and a property crime index of 102. Total crime risk for Fairfax City is 63, with indexes for personal and property crime of 33 and 67, respectively.

	Crime Risk Index	
	Site Zip Code	Fairfax City
Total Crime	95	63
Personal Crime	47	33
Murder	53	12
Rape	125	85
Robbery	53	47
Assault	33	19
Property Crime	102	67
Burglary	38	22
Larceny	126	84
Motor Vehicle Theft	51	32

Source: Applied Geographic Solutions

The Site Zip Code crime index (95) is higher than that reported for the city of Fairfax (63) but is lower than the national average of 100. A crime index of 95 is also considered to be relatively low for a densely populated and established area such as the subject site location. Based on the preceding factors and considering the generally high occupancy rates of surveyed properties, it is likely there is a low perception of crime within the Fairfax area. This will contribute to the subject's overall marketability.

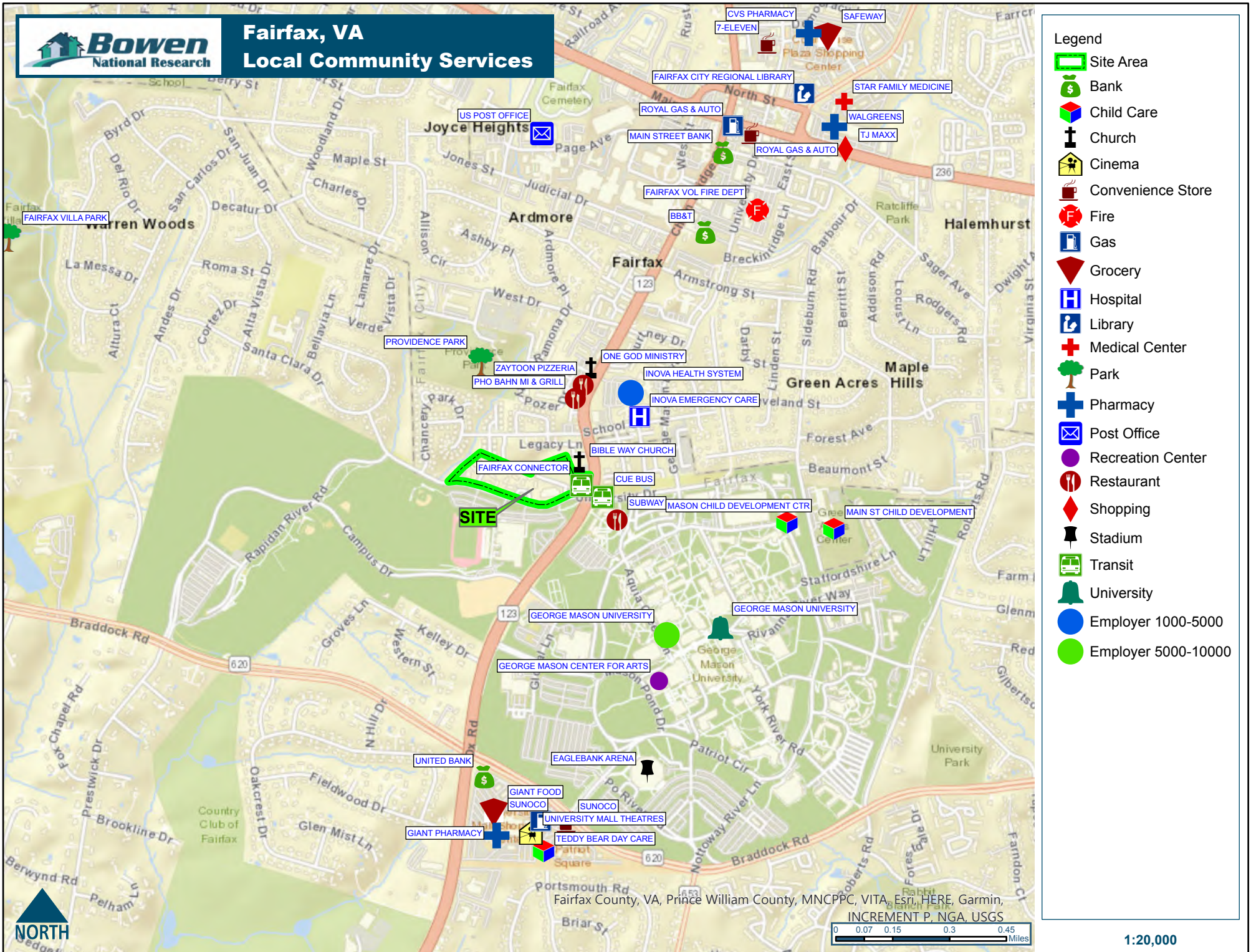
Overall Site Evaluation

The proposed site is located west of the intersection of University Drive and Ox Road (State Route 123) in Fairfax, Virginia. The site currently comprises existing rental housing and a county records office which are anticipated to be demolished prior to the development of the subject project. The site is surrounded by single-family homes and additional residential dwellings, George Mason University and its facilities, and a variety of local businesses and services. The surrounding area consists of moderate to heavy traffic patterns; however, access to arterial roads and public transportation is easy and the area is pedestrian-friendly. The site is expected to be visible to passerby traffic along both University Drive and Ox Road (State Route 123). The nearest essential community services, including shopping, employment, public safety and medical care are located within 2.0 miles of the site and can be easily accessed using the nearby roads and public bus stops. Overall the site's surrounding land uses and proximity to community services should positively contribute to its overall marketability.

Maps illustrating the location of community services and crime risk are on the following pages.



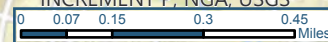
Fairfax, VA Local Community Services



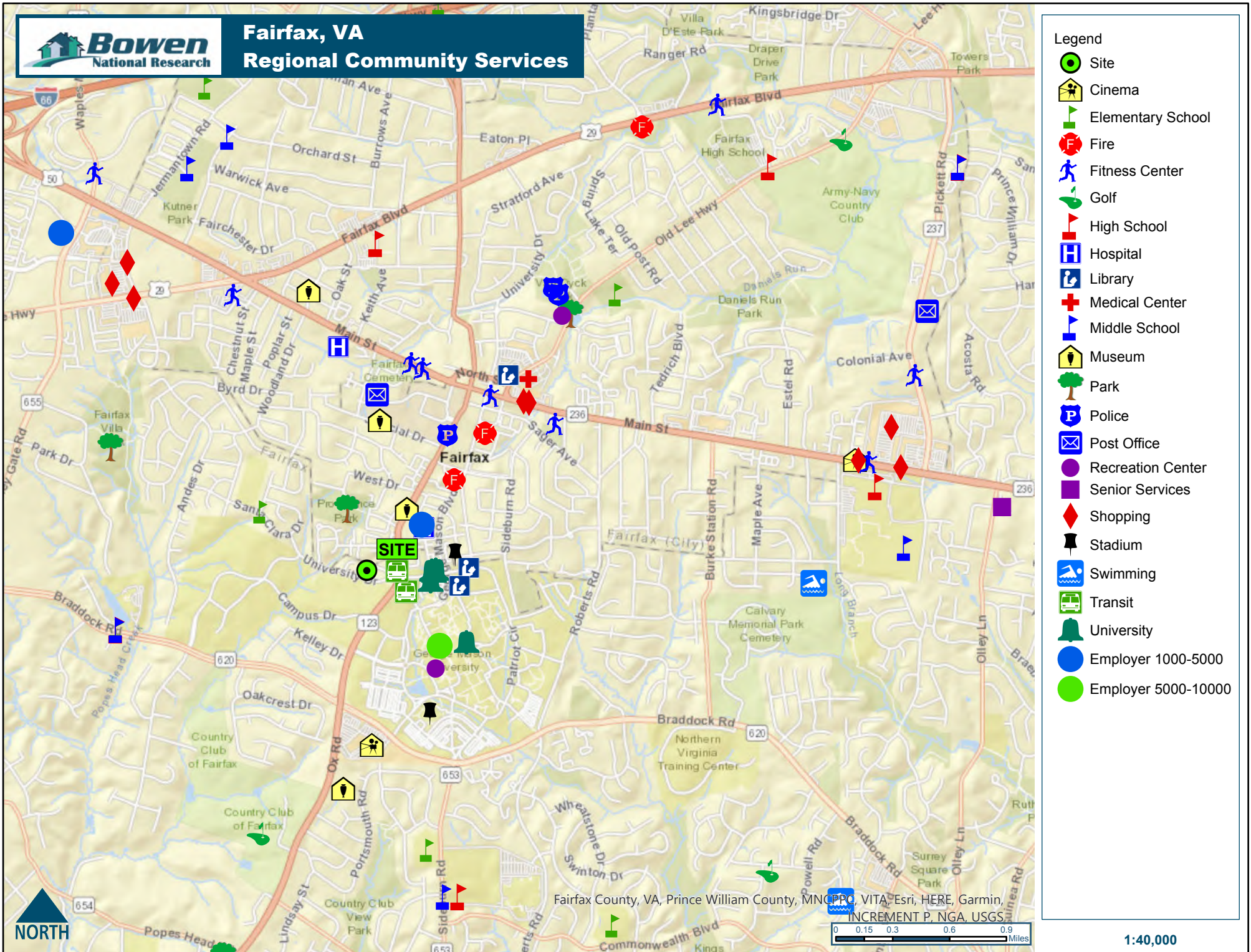
- Legend**
- Site Area
 - Bank
 - Child Care
 - Church
 - Cinema
 - Convenience Store
 - Fire
 - Gas
 - Grocery
 - Hospital
 - Library
 - Medical Center
 - Park
 - Pharmacy
 - Post Office
 - Recreation Center
 - Restaurant
 - Shopping
 - Stadium
 - Transit
 - University
 - Employer 1000-5000
 - Employer 5000-10000



Fairfax County, VA, Prince William County, MNCPPC, VITA, Esri, HERE, Garmin, INCREMENT P, NGA, USGS

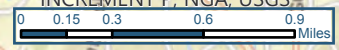


1:20,000



- Legend**
- Site
 - Cinema
 - Elementary School
 - Fire
 - Fitness Center
 - Golf
 - High School
 - Hospital
 - Library
 - Medical Center
 - Middle School
 - Museum
 - Park
 - Police
 - Post Office
 - Recreation Center
 - Senior Services
 - Shopping
 - Stadium
 - Swimming
 - Transit
 - University
 - Employer 1000-5000
 - Employer 5000-10000

Fairfax County, VA, Prince William County, MNCPPC, VITA, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



1:40,000



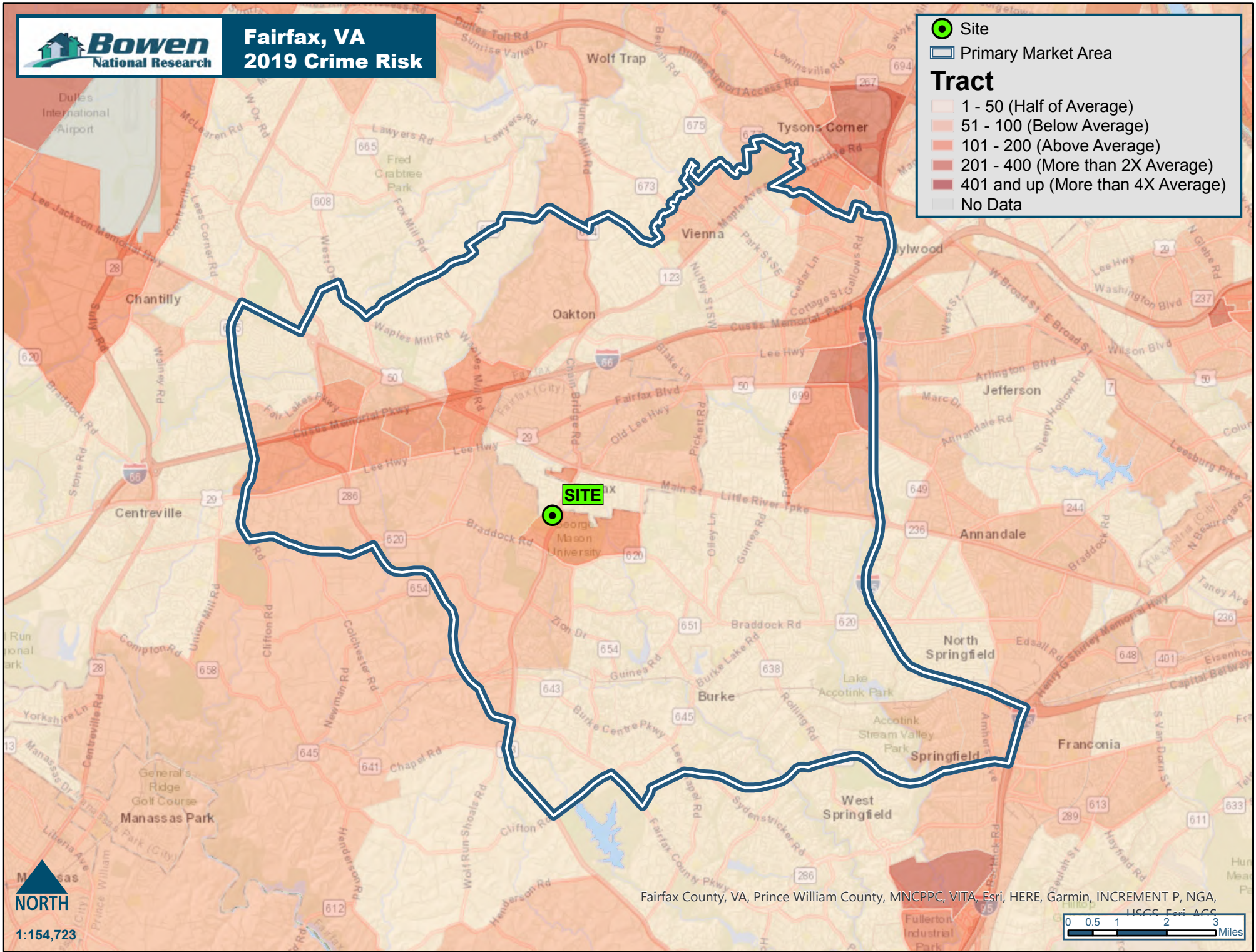
Fairfax, VA 2019 Crime Risk

Site

Primary Market Area

Tract

- 1 - 50 (Half of Average)
- 51 - 100 (Below Average)
- 101 - 200 (Above Average)
- 201 - 400 (More than 2X Average)
- 401 and up (More than 4X Average)
- No Data



NORTH
1:154,723

Fairfax County, VA, Prince William County, MNCPPC, VITA, Esri, HERE, Garmin, INCREMENT P, NGA,



8. Other Characteristics, if any, of the proposal that will have a specific bearing on its market prospects and overall marketability.

The proposed subject project will offer one- and two-bedroom garden-style units located within an elevator equipped building. This design is conducive to the targeted senior population at the subject site. In addition to the residential units, the property will also offer various community amenities integrated throughout the property. This will enhance the sense of community within the subject development and contribute to its marketability.

The subject's location is also expected to have a positive impact on marketability among area seniors as the property is located within proximity of most basic area services. Most services, as well as the subject site, are also accessible via public transportation which is provided within walking distance of the subject site. This is considered beneficial to the targeted low-income senior population at the subject project.

Overall, we believe the site's design, features and location will be very marketable and will contribute to its lease-up and overall performance. A detailed competitive analysis is included in *Section VII*.

IV. The Primary Market Area

The Primary Market Area (PMA) is the geographic area in which units with similar characteristics, e.g., number of bedrooms and rents, are in equal competition. The location of the competing projects and where the majority of the residents be derived from must be discussed. The size of the PMA for general occupancy rental housing can vary significantly depending on the extent and location of comparable and competitive products within a specific area and geography. In some cases, both a primary and secondary market area must be defined. When defining the boundary of a market area, the analyst should consider the locations of comparable and competitive rental developments (existing, under construction and developments in planning) and commuting times from employment. Data on place of work or residence, population from the Decennial Census, American Community Survey (ACS), private data services and local sources will aid in this determination.

The market area analysis must include the following:

1. A legible map of the PMA, showing delineated boundaries, location of the subject, major highways and thoroughfares, geographic features like rivers and lakes, and political divisions such as state lines and city limits. The map must have a title, bar scale, north arrow and legend.

A map of the PMA is included on page five of this section.

2. A description of the geographic boundaries of the PMA and a justification for the delineation, including a discussion of the location of competitive housing, relevant services and amenities and concentrations of employment opportunities.

The Primary Market Area (PMA) is the geographical area from which most of the support for the proposed development originates and from which most of the competitive supply is located. The Site PMA was determined through interviews with area leasing agents, government officials, economic development representatives and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market, a demographic analysis of the area households and population, proximity to community services, and a drive-time analysis from the subject site.

Current Site Information: Not applicable, as proposed subject project involves the new construction of affordable rental units.

Competitive Supply: As shown in *Section VII* of this report, we identified and surveyed three multifamily projects that are considered comparable to the subject project, one of which is age-restricted and expected to be directly competitive with the proposed subject development. These projects are located no more than approximately 5.0 miles from the subject site and were used to establish the PMA for the subject project. A full discussion and analysis, including a property location map, of these comparable/competitive properties is included in *Section VII* of this report.

Socioeconomic & Demographic Differences: Based on an evaluation of various demographic characteristics that demonstrate socioeconomic differences of the area including population density, median household income levels, and concentration of renter households, we were able to establish the areas from which the largest concentration of lower income renter households that could support the subject project might originate. Various demographic thematic maps are included later in this section.

Proximity to Community Services: As shown in *Section III* of this report, the subject project is within 1.5 miles of most key community services including basic shopping, employment, recreation and entertainment opportunities, as well as social and public safety services. The site also has convenient access to various state routes, providing convenient access to additional community services in the larger region and/or city. Specific community services that serve the subject site, including a map, are discussed in greater detail in *Section III*.

Drive-Time Analysis:

Typical travel times to work for Site PMA residents are illustrated as follows:

Travel Time	Workers 16+	
	Number	Percent
Less Than 15 Minutes	20,234	12.3%
15 – 29 Minutes	46,757	28.3%
30 – 44 Minutes	44,577	27.0%
45 – 59 Minutes	21,634	13.1%
60 + Minutes	21,120	12.8%
Work at Home	10,663	6.5%
Total	164,985	100.0%

Source: American Community Survey (2014-2018); ESRI; Urban Decision Group; Bowen National Research

The largest share of area commuters has typical travel times to work ranging from 15 to 29 minutes. The subject site is within a 30-minute drive to most of the area’s largest employers, which should contribute to the project’s marketability. A drive-time map for the subject site is included at the end of this section.



PMA Interviews: We conducted interviews with area stakeholders and real estate professionals to help establish and confirm the boundaries of the Primary Market Area for the proposed subject project. The following is a summary of key interviews we conducted to establish this market area.

- Maggie Cherlow is a Regional Manager for Finley at Fairfax Corner, a market-rate and income-restricted property in the northwestern portion of the Fairfax Site PMA. Ms. Cherlow confirmed the boundaries of the PMA, stating that the Fairfax County school district, proximity of George Mason University, proximity of Washington-Dulles Airport and numerous major healthcare employers tends to keep residents in the area. Ms. Cherlow added that there are several major highways that run through Fairfax, including Interstate 66, that are desirable to area residents and provide convenient access to Arlington and Washington, D.C.
- Jasmine Wood is a Supervisor for Eaves Fairfax City, a market-rate property in the central portion of the Fairfax Site PMA. Ms. Wood stated that most of her tenants come from Fairfax and the George Mason University area, adding that the proximity to the university, the Fairfax County school district and the proximity of Arlington and Washington, D.C. are desirable attributes of her property and contribute to her relatively local support base. Ms. Wood also confirmed the boundaries of the Fairfax Site PMA.

Primary Market Area Delineation

Based on input from area real estate professionals and local stakeholders, our analysis of socioeconomic and demographic characteristics, the inventory of competitive supply, the site's proximity to community services, and an area drive-time analysis, we were able to establish the Site PMA for the proposed subject project.

The Fairfax Site PMA includes all of Fairfax, Vienna, Burke and Merrifield, as well as portions of Oakton and Springfield, Virginia and some of the surrounding areas of Fairfax County. The boundaries of the Site PMA generally include U.S. Highway 50, Rugby Road, State Route 672, the Vienna city limits, Wolftrap Road and Madron Lane to the north; Interstate 495 to the east; State Route 644, State Route 643 and Burke Lake Road to the south; and State Route 286, State Route 620 and State Route 645 to the west.

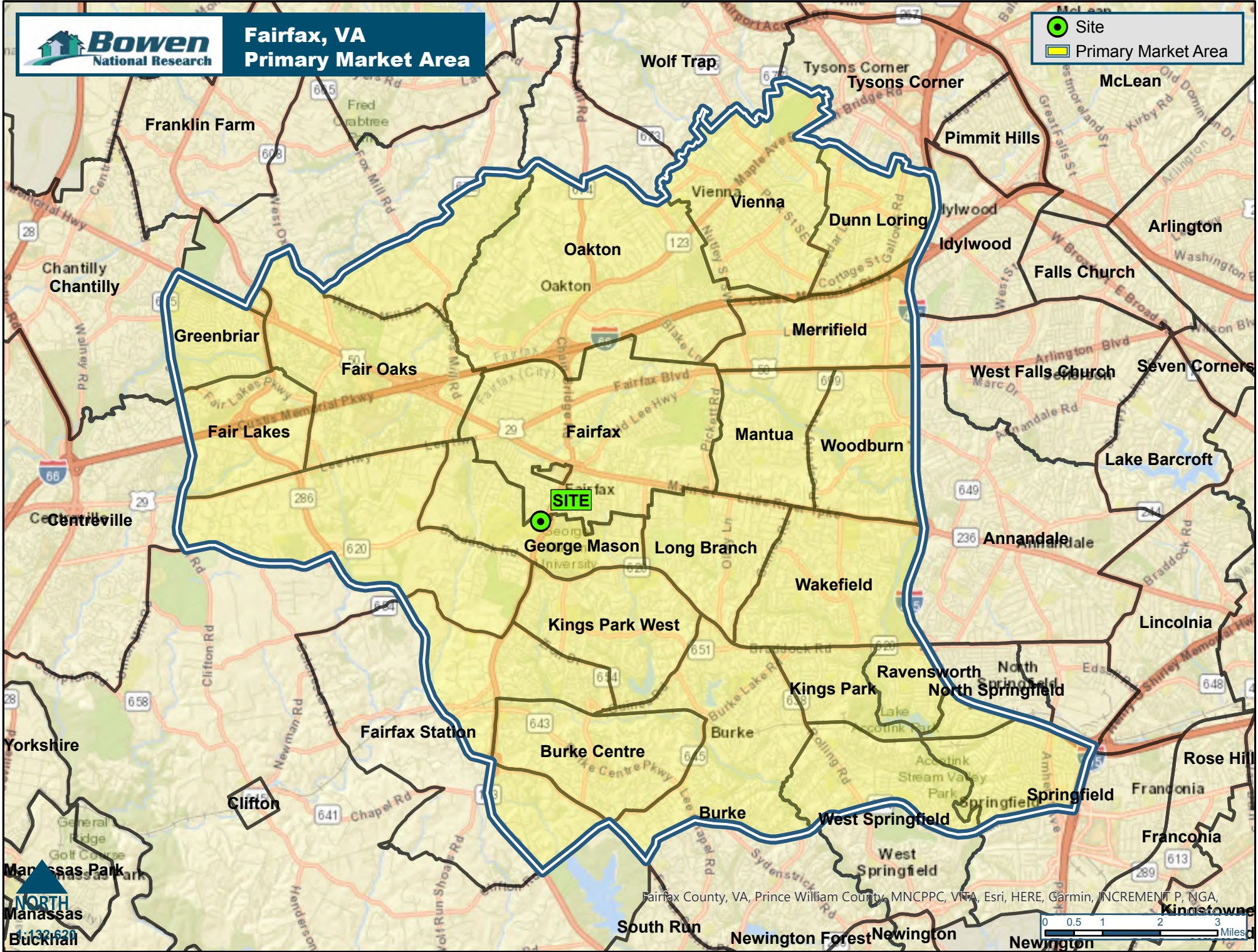
A small portion of support may originate from some of the outlying areas of Fairfax, such as Chantilly, Centerville, Manassas, Annandale, Falls Church and/or portions of Springfield. However, households in these areas have convenient access to their own community services and housing options, resulting in less of a need to relocate. Additionally, public transportation is easily available throughout Fairfax County, allowing households currently outside of the Site PMA to commute to and from the area if needed. Due to these factors and considering the densely populated nature of the Site PMA, we anticipate the majority of support will originate from within the boundaries of the Fairfax Site PMA. We have not considered any secondary market area in this report.

A map delineating the boundaries of the Site PMA is on the following page.



Fairfax, VA Primary Market Area

Site
 Primary Market Area



NORTH
Manassas
Buckhall

Fairfax County, VA, Prince William County, MNCPPC, VITA, Esri, HERE, Garmin, INCREMENT P, NGA,
0 0.5 1 2 3 Miles

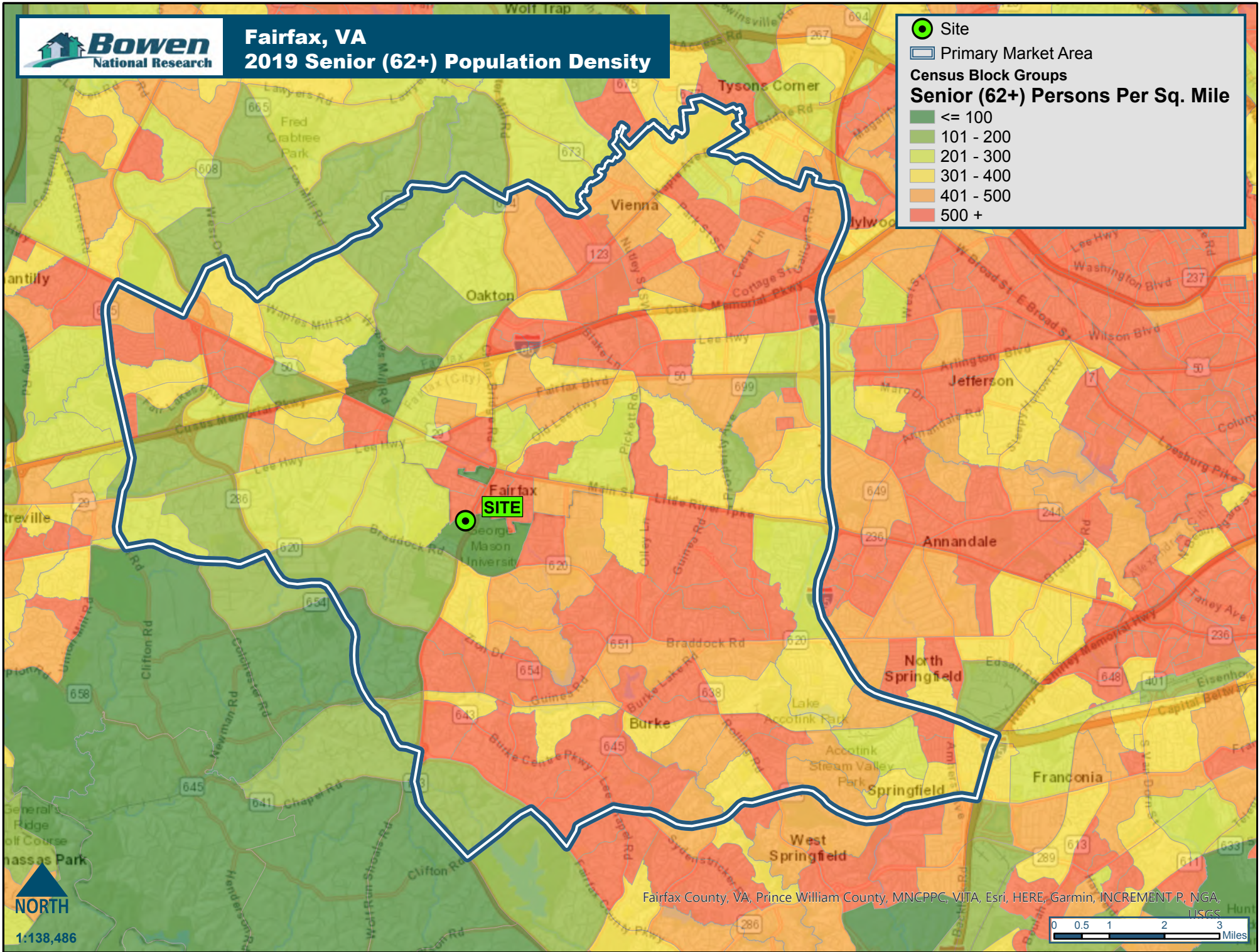
Fairfax, VA 2019 Senior (62+) Population Density

 Site

 Primary Market Area

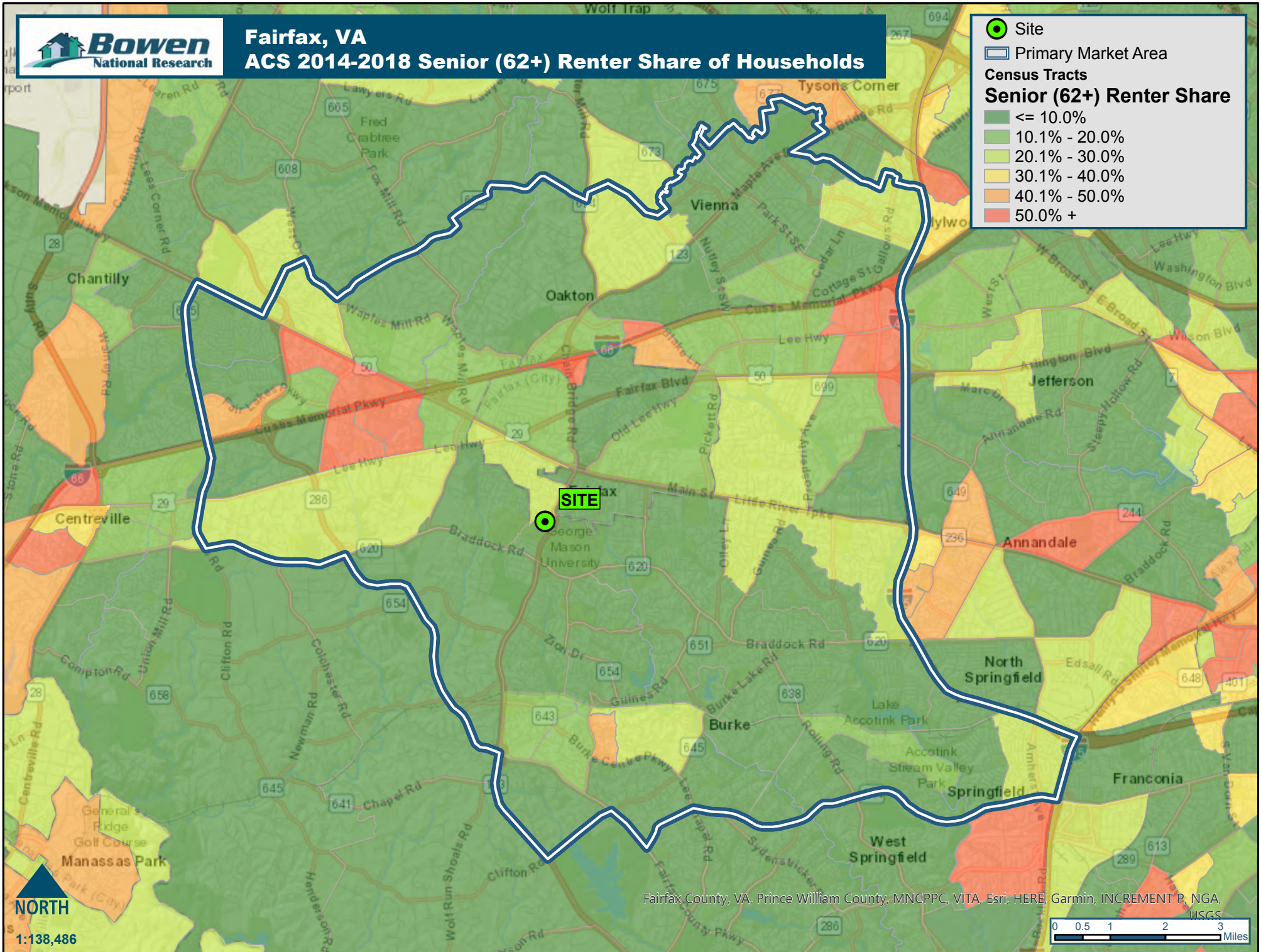
Census Block Groups
Senior (62+) Persons Per Sq. Mile

-  <= 100
-  101 - 200
-  201 - 300
-  301 - 400
-  401 - 500
-  500 +



Fairfax, VA ACS 2014-2018 Senior (62+) Renter Share of Households

Site
 Primary Market Area
Census Tracts
Senior (62+) Renter Share
 ≤ 10.0%
 10.1% - 20.0%
 20.1% - 30.0%
 30.1% - 40.0%
 40.1% - 50.0%
 50.0% +



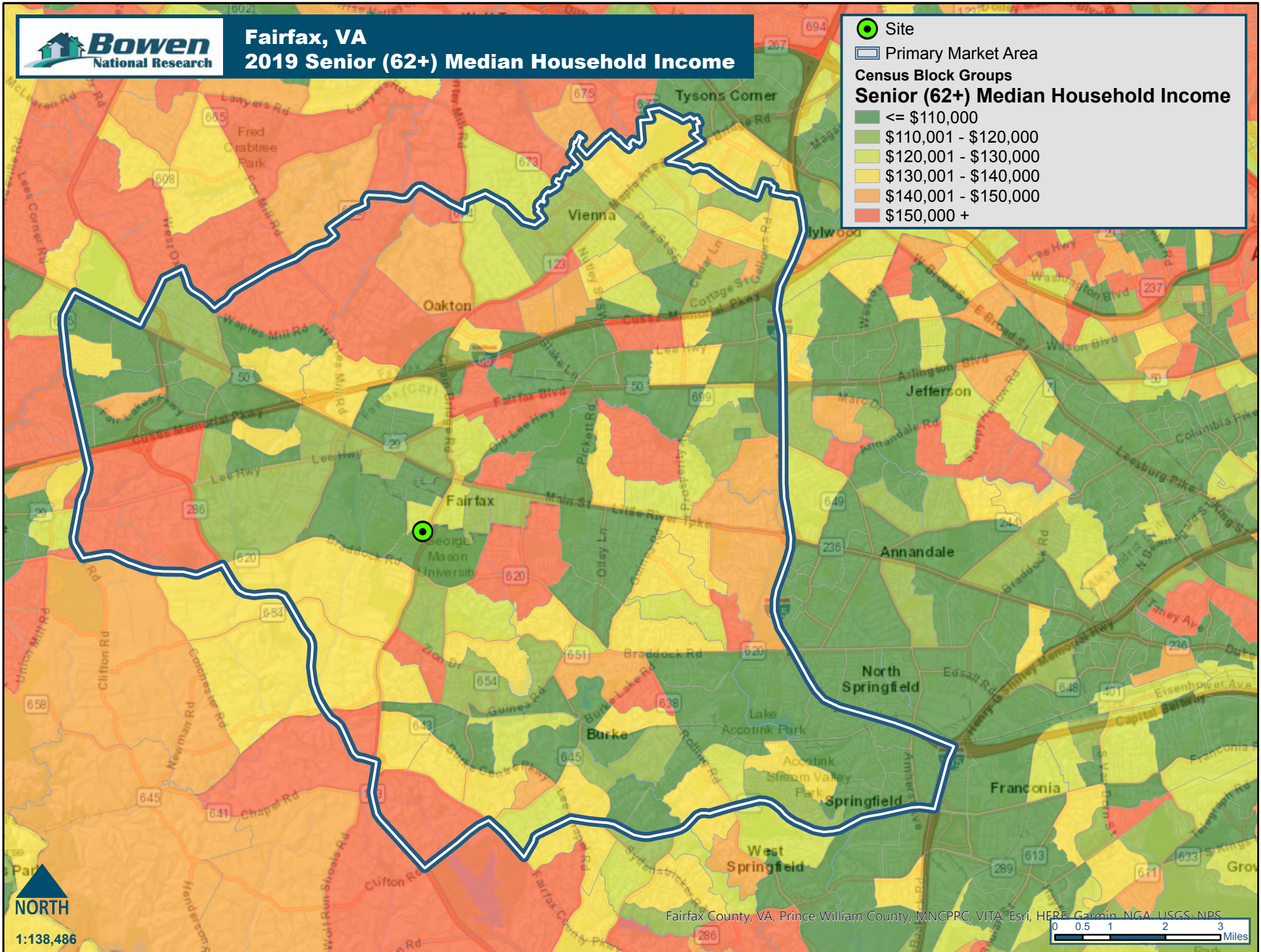


Fairfax, VA 2019 Senior (62+) Median Household Income

● Site
□ Primary Market Area

**Census Block Groups
Senior (62+) Median Household Income**

- ≤ \$110,000
- \$110,001 - \$120,000
- \$120,001 - \$130,000
- \$130,001 - \$140,000
- \$140,001 - \$150,000
- \$150,000 +



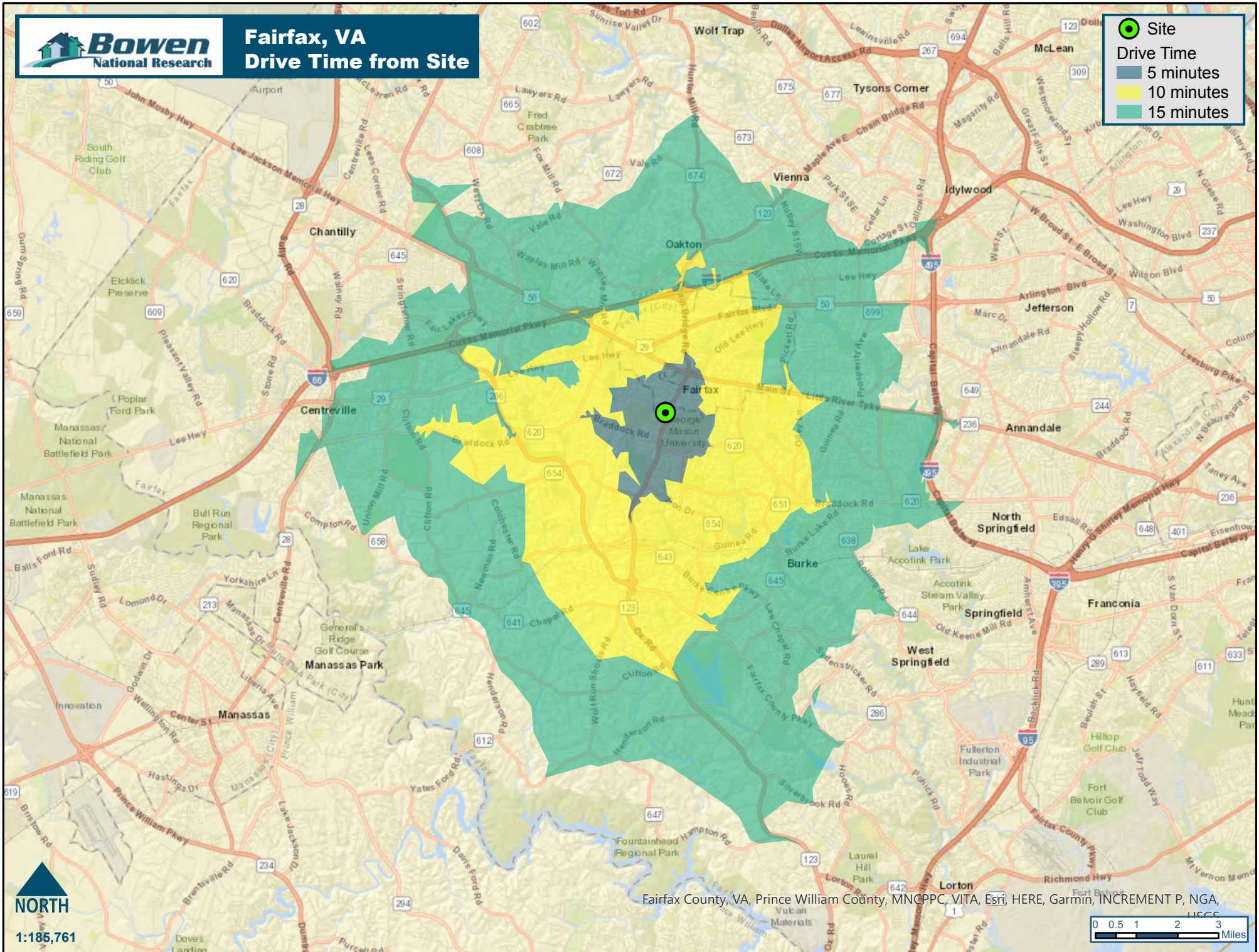
NORTH
1:138,486

Fairfax County, VA, Prince William County, MNCPPC, VITA, Esri, HERE, Garmin, NGA, USGS, NPS
0 0.5 1 2 3 Miles



Fairfax, VA Drive Time from Site

Site
 Site
Drive Time
 5 minutes
 10 minutes
 15 minutes



1:185,761

Fairfax County, VA, Prince William County, MNCPPC, VITA, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



V. Economic Context

The market study must include a thorough description of the current and forecast economic and demographic characteristics and conditions of the PMA, county, "micropolitan" or metropolitan area whichever is applicable). The description is necessary to provide background and justification for the subsequent demographic analysis and estimates of demand for additional rental housing. A discussion of current economic conditions and employment characteristics must be discussed, including:

1. Identification of growth sectors in the economy and emerging trends, including a detailed discussion of the sectors in the economy that have a major impact on the local housing market, such as military facilities, colleges and universities, federal and state government, major employers or tourism.
2. A study of recent trends in employment, including unemployment statistics, new job creation or loss, with a detailed discussion of: Historical nonfarm and resident employment levels and changes;
3. Any anticipated changes in employment as a result of expected closings, openings, expansions or cutbacks by leading employers, with a particular emphasis on how this would affect the rental market during the forecast period, including any seasonal employment markets.
4. Information on the types of jobs being created and lost, including data on pay scales and how these wage levels relate to the affordability of the proposed rental units.
5. List of major employers in the PMA, the type of businesses and the number employed.
6. In relevant markets (such as resort areas), comment on the availability of affordable housing for employees of businesses and industries that draw from the PMA.
7. A forecast of employment for the specified forecast period and how this forecast supports demand for additional new rental housing.

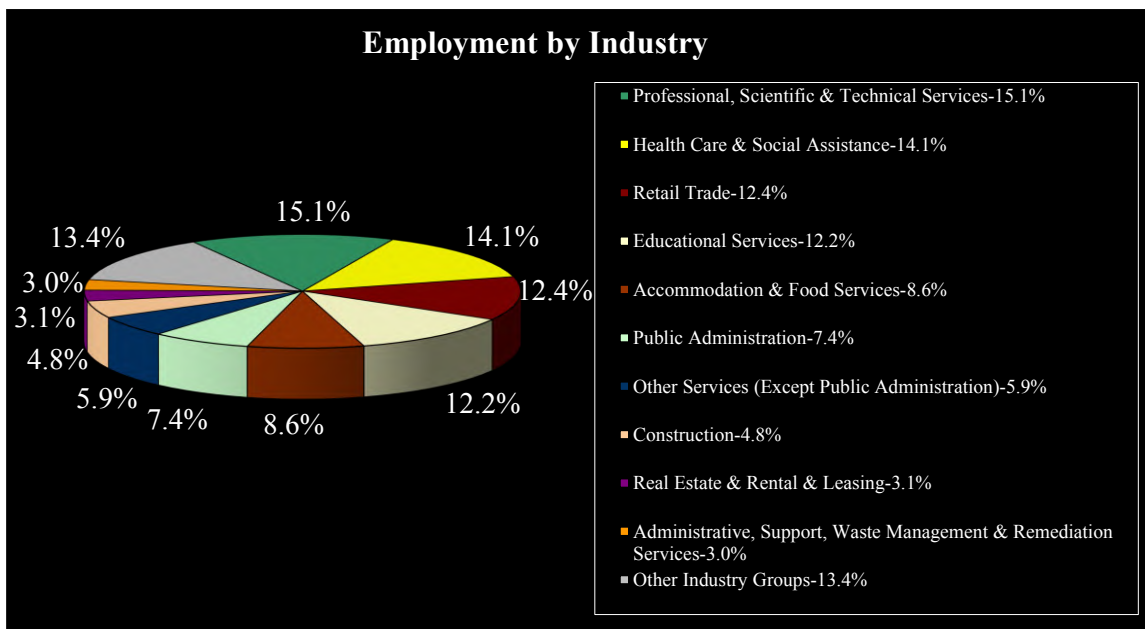
The labor force within the Fairfax Site PMA is based primarily in four sectors. Professional, Scientific & Technical Services (which comprises 15.1%), Health Care & Social Assistance, Retail Trade and Educational Services comprise nearly 54% of the Site PMA labor force. Employment in the Fairfax Site PMA, as of 2019, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	8	0.1%	25	0.0%	3.1
Mining	3	0.0%	10	0.0%	3.3
Utilities	3	0.0%	19	0.0%	6.3
Construction	745	6.6%	8,004	4.8%	10.7
Manufacturing	205	1.8%	3,422	2.1%	16.7
Wholesale Trade	178	1.6%	2,555	1.5%	14.4
Retail Trade	1,170	10.4%	20,553	12.4%	17.6
Transportation & Warehousing	117	1.0%	2,228	1.3%	19.0
Information	315	2.8%	4,637	2.8%	14.7
Finance & Insurance	598	5.3%	4,608	2.8%	7.7
Real Estate & Rental & Leasing	518	4.6%	5,108	3.1%	9.9
Professional, Scientific & Technical Services	1,635	14.6%	25,076	15.1%	15.3
Management of Companies & Enterprises	13	0.1%	129	0.1%	9.9
Administrative, Support, Waste Management & Remediation Services	450	4.0%	4,943	3.0%	11.0
Educational Services	356	3.2%	20,179	12.2%	56.7
Health Care & Social Assistance	1,250	11.1%	23,366	14.1%	18.7
Arts, Entertainment & Recreation	209	1.9%	2,654	1.6%	12.7
Accommodation & Food Services	785	7.0%	14,239	8.6%	18.1
Other Services (Except Public Administration)	1,261	11.2%	9,795	5.9%	7.8
Public Administration	248	2.2%	12,237	7.4%	49.3
Nonclassifiable	1,166	10.4%	1,953	1.2%	1.7
Total	11,233	100.0%	165,740	100.0%	14.8

*Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

E.P.E. - Average Employees Per Establishment

Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the Site PMA. These employees, however, are included in our labor force calculations because their places of employment are located within the Site PMA.



Typical wages by job category for the Washington-Arlington-Alexandria Metropolitan Statistical Area (MSA) are compared with those of Virginia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Washington-Arlington-Alexandria MSA	Virginia
Management Occupations	\$150,870	\$139,610
Business and Financial Occupations	\$95,950	\$86,060
Computer and Mathematical Occupations	\$108,640	\$103,350
Architecture and Engineering Occupations	\$106,280	\$91,730
Community and Social Service Occupations	\$61,260	\$51,320
Art, Design, Entertainment and Sports Medicine Occupations	\$85,000	\$62,380
Healthcare Practitioners and Technical Occupations	\$97,290	\$82,840
Healthcare Support Occupations	\$34,350	\$30,170
Protective Service Occupations	\$59,680	\$48,380
Food Preparation and Serving Related Occupations	\$30,420	\$24,840
Building and Grounds Cleaning and Maintenance Occupations	\$34,030	\$29,210
Personal Care and Service Occupations	\$33,960	\$30,640
Sales and Related Occupations	\$47,180	\$42,290
Office and Administrative Support Occupations	\$48,270	\$41,160
Construction and Extraction Occupations	\$53,070	\$46,800
Installation, Maintenance and Repair Occupations	\$57,440	\$51,510
Production Occupations	\$43,740	\$39,640
Transportation and Moving Occupations	\$41,140	\$37,050

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

Most annual blue-collar salaries range from \$30,420 to \$85,000 within the Washington-Arlington-Alexandria MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$111,806. It is important to note that most occupational types within the Washington-Arlington-Alexandria MSA have higher typical wages than the state of Virginia's typical wages. Regardless, as the subject property will be restricted to seniors age 62 and older, most tenants of the property are likely to be retired and thus unaffected by typical area wages.

The ten largest employers within the *City of Fairfax* area are summarized in the following table. Note the total number employed by each of these employers was unavailable at the time of this analysis.

Employer Name	Business Type
County of Fairfax	Government
City of Fairfax	Government
The Wackenhut Corporation	Security Guard Service
Ted Britt Ford Sales, Inc	Automotive Dealer
Fairfax Nursing Center	Healthcare
Zeta Associates	Software Company
Inova Health System	Healthcare
First Watch Restaurants, Inc.	Restaurant
Walmart	Retail
Catholic Diocese of Arlington	Religious Organization

Source: Virginia Employment Commission (4th Quarter 2019)

Despite multiple attempts, we were unable to receive a response from area economic development representatives. The following summarize some recent and notable economic development activity/announcements within the Fairfax area based on extensive online research:

- Scout on the Circle located at 9500 Fairfax Boulevard in Fairfax is a currently under construction mixed-use development. The developer, Combined Properties, is constructing 400 market-rate units, though six percent of the units will be affordable. The property will also consist of 29,000 square feet of small-shop retail and 54,000 square feet for a grocer. Estimated completion is sometime during the third quarter of 2020.
- Moxley (also known as Fairfield at Gateway) located at 11101 and 11091 Fairfax Boulevard and 11160 Lee Highway in Fairfax is a currently under construction mixed-use development. The developer, Fairfield Residential, is constructing 403 residential units, 24 of which will be affordable housing units. The affordable units are not expected to operate under the LIHTC program. The property will also consist of 21,249 square feet of commercial space. Court-Appointed Special Advocates (CASA), a non-profit, will occupy 4,000 square feet of office space, and the other 17,249 square feet will be for restaurant, retail and office space. Estimated completion is sometime in 2021.
- Point 50, located at 10334 Fairfax Boulevard in Fairfax is a currently under construction shopping center. The developer, Regency Centers, is demolishing and redeveloping the existing 75,000 square-foot Fairfax Shopping Center into 48,000 square feet of commercial space. Whole Foods 365 grocery will occupy 30,000 square feet with the remaining 18,000 square feet to be for retail and restaurant space.

- Paul VI, located at 10675 Fairfax Boulevard and 10600 and 10606 Cedar Avenue in Fairfax is currently a planned mixed-use development. The developer, IDI Group Companies, plans to redevelop the Paul VI High School site. The redevelopment will have 20,000 square feet of retail space and 24,000 square feet of office space. The property will also consist of 266 for-sale residential units which will include 115 townhomes, seven (7) single-family homes, and 144 condominiums. Construction started in 2020.
- Boulevard Marketplace, located at 10120 Fairfax Boulevard in Fairfax is currently a planned development. The developer, JDC Boulevard, LLC, plans to replace a 3,500 square-foot bank with 5,100 square feet of general retail space. City council approved the project in 2017 though the site plan is still under review.
- Warwick Zamin, located at 10540 Warwick Avenue in Fairfax is currently a planned development. The developer, Reza Tahbaz, plans to redevelop the existing building into a 3,000 square-foot office building.

The ten largest employers within the *Fairfax County* area are summarized in the following table. Note the total number employed by each of these employers was unavailable at the time of this analysis.

Employer Name	Business Type
Fairfax County Public Schools	Education
County of Fairfax	Government
Inova Health System	Healthcare
U.S. Department of Defense	Federal Government
Capital One Bank	Bank
Booz, Allen-Hamilton	Business Management Consultant
Federal Home Loan Mortgage	Real Estate Agency
George Mason University	Education
Navy Federal Credit Union	Credit Union
The Mitre Corporation	Non-profit Organization

Source: Virginia Employment Commission (4th Quarter 2019)

Despite multiple attempts, we were unable to receive a response from area economic development representatives. The following summarize some recent and notable economic development activity/announcements within the Fairfax County area based on extensive online research:

- Capital One, now located at 1680 Capital One Drive in McLean at Tysons Corner in Fairfax County is currently expanding in phases. Phase I, Capital One’s new headquarters, is approximately 940,500 square feet of office space and 25,000 square feet of retail space that opened in December 2018. Phase II will consist of an 80,000 square-foot Wegmans grocery store, two restaurants (Davio’s and an upscale Northern Italian restaurant), 375,300 square feet of office space, 9,900 square feet of retail, and the 125,000 square-foot mixed-use Capital One Center which will include a 1,500-seat

auditorium, 300-seat multiuse room, classrooms, and a large outdoor terrace. Wegmans is expected to open in late 2020 and the office space, Capital One Center, Davio's and retail is expected to open the second half of 2021. Phase III will consist of approximately 850,000 square feet of office space and 36,000 square feet of retail space. Completion is expected in the first quarter of 2023.

- Expel, Inc., located at 12950 Worldgate Drive in Herndon, announced in January 2020 plans to expand its operations. The company will invest \$1.4 million, creating 164 jobs over the next three years.
- Refraction, located in the Reston Town Center, announced in November 2018 plans for expansion. The company plans to invest \$1 million to move into an approximate 25,000 square-foot office space and launch a new program called the apprenticeship. The project is expected to create 800 jobs through 2023.
- Appian, a low-code and business process management platform provider, to be located in Valo Park in Fairfax County, announced in April 2018 plans to expand. The company plans to invest \$28.4 million to move into a 785,000 square-foot multi-tenant campus. The project is expected to create 600 jobs through 2023.
- Microsoft announced in May 2020 plans to establish a new software development and R&D regional hub in the Reston Town Center in Fairfax County. The company will move into a 400,000 square-foot building which will include a new retail space that will allow direct contact with customers. The \$64 million investment is expected to be ready for operation in summer of 2021, creating 1,500 jobs.
- 1901 Group, a provider of IT services for the public and private sectors, announced in November 2018 plans for expansion. The company plans to invest \$4 million to expand its corporate offices in Fairfax County and its operations center headquartered in Montgomery County. The project is expected to create 225 jobs in Fairfax County and 580 jobs in Montgomery County by 2021.
- Zantech IT Services, Inc announced in March 2019 plans to expand its corporate offices to the Tysons area. The company plans to invest \$317,853 and create 120 jobs.
- KPMG LLP, a tax and audit advisory firm, located at 8350 Broad Street in McLean is the company's new headquarters. The project was completed in fall 2019 and is expected to create 500 jobs through 2022.
- Inova is planning to expand its Center for Personalized Health, to be located across the street from Inova Fairfax Hospital in Merrifield. Phase I of their expansion is to have 705 residential units that could be used for student

housing, workforce housing, or assisted living and new academic and research space. Future development will include an approximate 120,000 square-foot hotel.

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed on August 18, 2020 and according to the Virginia Employment Commission there have been 40 WARN notices reported for the City of Fairfax and Fairfax County over the past 12 months. These notices impacted a total of 5,443 jobs. The top 20 WARN notices in terms of jobs impacted are summarized in the following table:

WARN Notices					
Company	Location	Jobs	Notice Date	Effective Date	Type of Layoff
Yoga Works, Inc.	Arlington & Fairfax	115	7/14/2020	10/1/2020	COVID-19
The Ritz Carlton Tysons Corner	McLean	344	6/5/2020	3/21/2020	COVID-19
Marriott-Westfields Washington Dulles	Chantilly	167	6/5/2020	3/18/2020	COVID-19
B.F. Saul Company Hospitality Group (Doubletree Tysons)	Arlington, McLean, & Sterling	161	5/18/2020	3/24/2020	COVID-19
Medical Faculty Associates	Arlington, Alexandria, & Reston	117	5/5/2020	7/5/2020	Closure
Bloomin' Brands (Outback Steakhouse)	Alexandria, Arlington, Clifton, Fairfax, Herndon, Springfield, Sterling, Vienna, Warrenton, Winchester, & Woodbridge	736	4/27/2020	3/15/2020	COVID-19
Bloomin' Brands (Bonefish Grill)	Alexandria, Arlington, Ashburn, Centreville, Fairfax, & Gainesville	291	4/27/2020	3/15/2020	COVID-19
Bloomin' Brands (Carrabba's Italian Grill)	Centreville, Reston, Winchester, & Woodbridge	224	4/27/2020	3/15/2020	COVID-19
Visionworks, Inc	Alexandria, Arlington, Bailey's Crossroad, Fairfax, Herndon, Leesburg, Manassas, Prince William, Reston, Springfield, Sterling, & Vienna	143	4/23/2020	3/21/2020	COVID-19
OneWeb	McClean	301	4/3/2020	3/20/2020	COVID-19
Bartaco	Fairfax & Reston	175	4/1/2020	3/21/2020	COVID-19
Crescent Hotels & Resorts	Tysons	171	3/31/2020	4/3/2020	COVID-19
Jackson's Mighty Fine Food & Luck Lounge	Reston	137	3/30/2020	3/30/2020	COVID-19
Costal Flats Tysons	McLean	135	3/30/2020	3/30/2020	COVID-19
Cinemark USA, Inc.	Centreville & Fairfax	103	3/26/2020	3/26/2020	N/A
Hooters of America, LLC	Chantilly, Fairfax, Manassas, & Woodbridge	180	3/23/2020	3/16/2020	N/A
Sweetwater Tavern	Centreville, Falls Church, & Sterling	376	3/20/2020	3/20/2020	COVID-19
Mike's American Grill	Springfield	174	3/20/2020	3/20/2020	COVID-19
Costal Flats	Fairfax	134	3/20/2020	3/20/2020	COVID-19
Lord+Taylor (Tyson's Corner Store)	McLean	117	10/31/2019	1/31/2020	Closure

N/A – Not Available

Employment Trends

The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

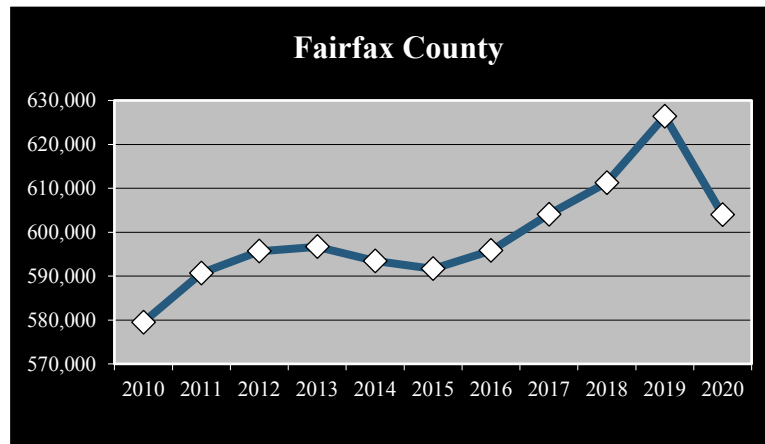
Excluding 2020, the employment base has increased by 5.9% over the past five years in Fairfax County, less than the Virginia state increase of 6.5%. Total employment reflects the number of employed persons who live within the county.

The following illustrates the total employment base for Fairfax County, the state of Virginia and the United States.

Year	Total Employment					
	Fairfax County		Virginia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2010	579,499	-	3,860,386	-	140,469,139	-
2011	590,687	1.9%	3,934,326	1.9%	141,791,255	0.9%
2012	595,687	0.8%	3,967,987	0.9%	143,621,634	1.3%
2013	596,686	0.2%	3,995,182	0.7%	145,017,562	1.0%
2014	593,460	-0.5%	4,019,470	0.6%	147,313,048	1.6%
2015	591,667	-0.3%	4,028,801	0.2%	149,500,941	1.5%
2016	595,834	0.7%	4,069,395	1.0%	151,887,366	1.6%
2017	604,061	1.4%	4,151,746	2.0%	154,160,937	1.5%
2018	611,282	1.2%	4,209,651	1.4%	156,081,212	1.2%
2019	626,394	2.5%	4,289,132	1.9%	158,102,439	1.3%
2020*	603,962	-3.6%	4,120,239	-3.9%	151,821,562	-4.0%

Source: Department of Labor; Bureau of Labor Statistics

*Through June



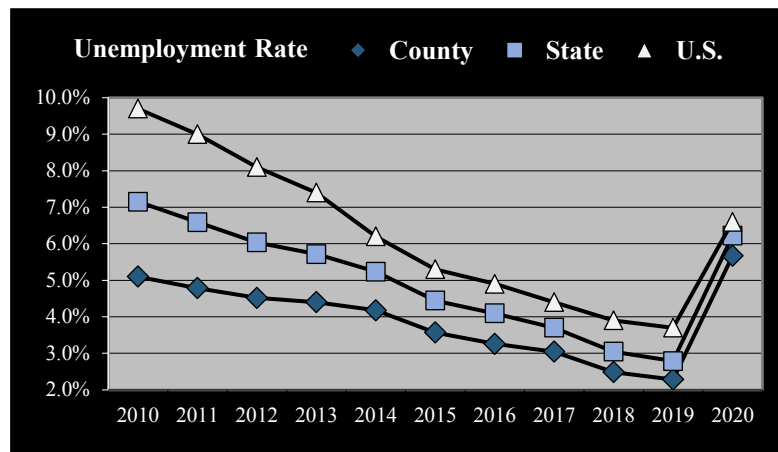
As the preceding illustrates, the Fairfax County employment base steadily increased by at least 1.2% each of the past three years before declining by 3.6% thus far (through June) in 2020. This decline is reflective of the impact of the COVID-19 pandemic, which resulted in the closure of many non-essential businesses throughout much of the country between March and April of 2020. This is evident by the WARN Notices reported for the Fairfax area during this time period, as detailed earlier in this section.

Unemployment rates for Fairfax County, the state of Virginia and the United States are illustrated as follows:

Year	Unemployment Rate		
	Fairfax County	Virginia	United States
2010	5.1%	7.2%	9.7%
2011	4.8%	6.6%	9.0%
2012	4.5%	6.0%	8.1%
2013	4.4%	5.7%	7.4%
2014	4.2%	5.2%	6.2%
2015	3.6%	4.4%	5.3%
2016	3.3%	4.1%	4.9%
2017	3.0%	3.7%	4.4%
2018	2.5%	3.0%	3.9%
2019	2.3%	2.8%	3.7%
2020*	5.7%	6.2%	6.6%

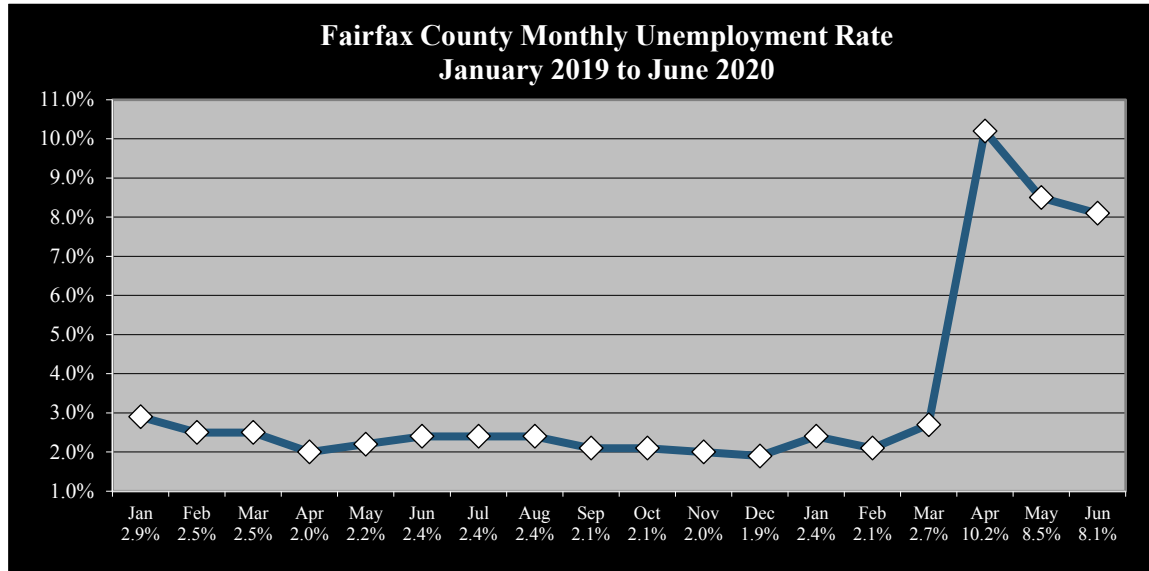
Source: Department of Labor, Bureau of Labor Statistics

*Through June



The unemployment rate in Fairfax County declined each of the past nine years and by a total of nearly three full percentage points during this time period, to a rate of 2.3% at year-end 2019. Since this decline, however, the unemployment rate has increased by more than three full percentage points to a rate of 5.7% through June of 2020. This is reflective of the impact of the COVID-19 pandemic and is similar to trends reported for both the state of Virginia and the country as a whole.

The following table illustrates the monthly unemployment rate in Fairfax County for the most recent 18-month period for which data is currently available.



The monthly unemployment rate within the county remained below 3.0% between January of 2019 to March of 2020. However, between March and April of 2020, the monthly unemployment rate spiked to 10.2% as many non-essential businesses closed due to the COVID-19 pandemic. Since this spike in unemployment, the monthly unemployment rate has declined to 8.1% for the month of June. While this is still well above pre-COVID-19 levels, it is a good indication that employers are reopening and area residents are beginning to go back to work following the initial impact of the COVID-19 pandemic.

In-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total in-place employment base for Fairfax County.

In-Place Employment Fairfax County			
Year	Employment	Change	Percent Change
2009	570,987	-	-
2010	573,551	2,564	0.4%
2011	581,120	7,569	1.3%
2012	590,490	9,370	1.6%
2013	586,818	-3,672	-0.6%
2014	579,539	-7,279	-1.2%
2015	586,870	7,331	1.3%
2016	595,313	8,443	1.4%
2017	601,868	6,555	1.1%
2018	612,537	10,669	1.8%
2019	621,988	9,451	1.5%

Source: Department of Labor, Bureau of Labor Statistics

Data for 2019, the most recent year that year-end figures are available, indicates in-place employment in Fairfax County to be 99.3% of the total Fairfax County employment. This means that Fairfax County has a good share of employed persons that both live and work in the county. A high share of employed persons leaving the county for employment could have an adverse impact on residency with increasing energy costs.

Economic Summary

Based on information obtained at the time of this analysis, the Fairfax area was experiencing steady growth in total employment and a steadily declining unemployment rate prior to the COVID-19 pandemic. There are also numerous announcements of ongoing business creation/expansion within the Fairfax area. While some of this development activity has likely slowed due to the impact of COVID-19, this development activity is a good indication of interest and investment within the Fairfax economy.

Nonetheless, the total employment base within the county has declined by more than 22,000 jobs (3.6%) since 2019 and the unemployment rate has increased by more than three full percentage points to a rate of 5.7% through June of 2020. The monthly unemployment rate within the county reached a high of 10.2% in April of 2020 as a result of many non-essential businesses closing during the initial impact of the COVID-19 pandemic. While the monthly unemployment rate has declined by approximately two full percentage points since this spike, it remains well above pre-COVID-19 levels. Based on the preceding factors, we expect the Fairfax economy will continue to experience lower levels of total employment and elevated unemployment rates for the foreseeable future, similar to most markets throughout the country.

VI. Demographic Analysis

The market study must include a thorough description of the current and forecast demographic characteristics and conditions of the PMA and a comparison secondary market including a detailed explanation of all significant trends and changes.

- 1. Recent trends in population and household growth from the most recent decennial census, current estimates and growth projections over the next 5 years covering such subjects as population change, migration, net natural change, household growth or decline, changes in the average household size.**
- 2. For senior communities, current and projected senior household base with 55+ and/or 62+ householders.**
- 3. A thorough discussion of past building trends in comparison to household trends.**
- 4. Characteristics of the current household base, including family type, current and change in tenure, age distribution and household type and rent burden.**
- 5. Current income characteristics of the population and income by tenure.**
- 6. For senior communities, tenure breakdown, income characteristics and rent burden of senior households.**

Demographic Trends

The following table reflects trends projected to 2024.

	PMA		Fairfax County		Washington-Arlington-Alexandria MSA		Virginia		U.S.	
	Pop.	H.H.	Pop.	H.H.	Pop.	H.H.	Pop.	H.H.	Pop.	H.H.
2000 Census	257,143	92,142	21,498	8,035	4,796,185	1,799,967	7,077,189	2,698,516	281,080,868	105,346,241
2010 Census	289,703	104,188	22,565	8,347	5,582,170	2,074,730	8,000,897	3,056,005	308,745,538	116,716,292
Change 2000-2010	32,560	12,046	1,067	312	785,985	274,763	923,708	357,489	27,664,670	11,370,051
Percent Change 2000-2010	12.7%	13.1%	5.0%	3.9%	16.4%	15.3%	13.1%	13.2%	9.8%	10.8%
2019 Estimated	304,972	109,524	23,949	8,806	6,189,212	2,286,630	8,632,078	3,276,234	332,068,614	125,023,755
Change 2010-2019	15,269	5,336	1,384	459	607,042	211,900	631,181	220,229	23,323,076	8,307,463
Percent Change 2010-2019	5.3%	5.1%	6.1%	5.5%	10.9%	10.2%	7.9%	7.2%	7.6%	7.1%
2024 Projected	313,228	112,392	24,556	9,011	6,534,132	2,408,662	8,982,001	3,398,970	345,115,768	129,767,796
Change 2019-2024	8,256	2,868	607	205	344,920	122,032	349,923	122,736	13,047,154	4,744,041
Percent Change 2019-2024	2.7%	2.6%	2.5%	2.3%	5.6%	5.3%	4.1%	3.7%	3.9%	3.8%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Pop. - Population

H.H. - Households

The Fairfax Site PMA experienced an increase in both population and households between 2010 and 2019, a trend which is projected to continue through 2024. Demographic growth within the Fairfax Site PMA is projected to occur at a slightly more rapid rate than that projected for the county as a whole, but slower than that projected for both the MSA and the state of Virginia. Regardless, the projected demographic growth is likely to increase housing demand within the subject market.

The Site PMA population bases by age are summarized as follows:

Population by Age	2010 (Census)		2019 (Estimated)		2024 (Projected)		Change 2019-2024	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	73,393	25.3%	72,436	23.8%	70,917	22.6%	-1,519	-2.1%
20 to 24	19,660	6.8%	19,738	6.5%	19,351	6.2%	-387	-2.0%
25 to 34	42,983	14.8%	43,611	14.3%	45,567	14.5%	1,956	4.5%
35 to 44	42,173	14.6%	42,604	14.0%	46,350	14.8%	3,746	8.8%
45 to 54	45,580	15.7%	40,995	13.4%	40,005	12.8%	-990	-2.4%
55 to 64	35,447	12.2%	41,047	13.5%	39,556	12.6%	-1,491	-3.6%
65 to 74	18,085	6.2%	27,494	9.0%	30,381	9.7%	2,887	10.5%
75 & Over	12,382	4.3%	17,047	5.6%	21,101	6.7%	4,054	23.8%
Total	289,703	100.0%	304,972	100.0%	313,228	100.0%	8,256	2.7%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

More than half (55.2%) of the Fairfax Site PMA population base was estimated to be between 25 and 64 years of age in 2019. Comparatively, 14.6% of the population was estimated to be age 65 or older. It is of note, however, that the senior population (age 65 and older) is projected to expand more rapidly than the younger 25 to 64 age group between 2019 and 2024, increasing by 6,941, or 15.6%, during this time period. Comparatively, the younger population (age 25 to 64) will also increase, though by less than 2.0% during this same time period.

The Site PMA household bases by age are summarized as follows:

Households by Age	2010 (Census)		2019 (Estimated)		2024 (Projected)		Change 2019-2024	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	3,112	3.0%	3,065	2.8%	3,215	2.9%	150	4.9%
25 to 34	17,166	16.5%	16,656	15.2%	17,453	15.5%	797	4.8%
35 to 44	21,136	20.3%	21,020	19.2%	22,115	19.7%	1,095	5.2%
45 to 54	24,854	23.9%	21,520	19.6%	20,656	18.4%	-864	-4.0%
55 to 64	19,955	19.2%	22,217	20.3%	20,899	18.6%	-1,318	-5.9%
65 to 74	10,449	10.0%	15,196	13.9%	16,327	14.5%	1,131	7.4%
75 to 84	5,507	5.3%	7,054	6.4%	8,398	7.5%	1,344	19.1%
85 & Over	2,009	1.9%	2,796	2.6%	3,329	3.0%	533	19.1%
Total	104,188	100.0%	109,524	100.0%	112,392	100.0%	2,868	2.6%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Similar to population trends, household growth is projected among several age cohorts but will be greatest among seniors age 65 and older between 2019 and 2024. Specifically, each age cohort within the 65 and older age group is projected to increase by more than 500 households, or by a rate of more than 7.0%, between 2019 and 2024. Note that while growth among seniors will outpace that projected among younger households, those between the ages of 25 and 64 will continue to represent nearly three-quarters (72.2%) of the overall household base through 2024. These are good indications of ongoing demand for both family- and senior-oriented housing alternatives within the Fairfax Site PMA.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2019 (Estimated)		2024 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	74,887	71.9%	74,041	67.6%	76,703	68.2%
Renter-Occupied	29,301	28.1%	35,483	32.4%	35,688	31.8%
Total	104,188	100.0%	109,524	100.0%	112,391	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2019, homeowners occupied 67.6% of all occupied housing units, while the remaining 32.4% were occupied by renters. This is considered a moderate share of renter households for a market such as the Fairfax Site PMA. Note that the number of renter households is projected to increase by 205, or 0.6%, between 2019 and 2024. Although modest, this growth is indicative of an expanding overall rental market within the Fairfax Site PMA.

Households by tenure for those age 62 and older in 2010, 2019 (estimated) and 2024 (projected) are distributed as follows:

Tenure Age 62+	2010 (Census)		2019 (Estimated)		2024 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	21,290	88.9%	26,752	84.4%	28,846	84.1%
Renter-Occupied	2,667	11.1%	4,956	15.6%	5,474	15.9%
Total	23,957	100.0%	31,708	100.0%	34,320	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

A total of 4,956 (15.6%) of all households age 62 and older within the Site PMA were renters in 2019. While this is considered a relatively low share of senior renter households, it is also important to point out that nearly 5,000 senior renter households were estimated within the market in 2019 and that the number of senior renter households is projected to increase by 518, or 10.5%, between 2019 and 2024. This is a good indication that demand for senior-oriented rental product will increase within the subject market for the foreseeable future.

The household sizes by tenure for age 62 and older within the Site PMA, based on the 2019 estimates and 2024 projections, were distributed as follows:

Persons Per Renter Household Age 62+	2019 (Estimated)		2024 (Projected)		Change 2019-2024	
	Households	Percent	Households	Percent	Households	Percent
1 Person	2,802	56.5%	3,397	62.0%	595	21.2%
2 Persons	911	18.4%	895	16.4%	-15	-1.7%
3 Persons	479	9.7%	446	8.1%	-33	-7.0%
4 Persons	459	9.3%	433	7.9%	-27	-5.8%
5 Persons+	306	6.2%	304	5.6%	-2	-0.6%
Total	4,956	100.0%	5,474	100.0%	518	10.4%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Persons Per Owner Household Age 62+	2019 (Estimated)		2024 (Projected)		Change 2019-2024	
	Households	Percent	Households	Percent	Households	Percent
1 Person	7,139	26.7%	7,818	27.1%	678	9.5%
2 Persons	7,885	29.5%	8,401	29.1%	515	6.5%
3 Persons	4,755	17.8%	5,114	17.7%	360	7.6%
4 Persons	4,567	17.1%	4,952	17.2%	386	8.4%
5 Persons+	2,406	9.0%	2,561	8.9%	155	6.4%
Total	26,752	100.0%	28,846	100.0%	2,094	7.8%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The one- and two-bedroom units proposed for the subject project are expected to house up to two-person senior renter households. Notably, nearly three-quarters (74.9%) of all senior renter households in the market were comprised of one- and two-person households in 2019. Such households are projected to increase by 580, or 15.6%, between 2019 and 2024. Thus, the subject property will provide a rental alternative to a demographic which is expanding at a relatively rapid rate within the Fairfax Site PMA.

The distribution of households by income within the Fairfax Site PMA is summarized as follows:

Household Income	2010 (Census)		2019 (Estimated)		2024 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	2,261	2.2%	2,803	2.6%	2,741	2.4%
\$10,000 to \$19,999	3,067	2.9%	2,312	2.1%	2,075	1.8%
\$20,000 to \$29,999	3,301	3.2%	3,375	3.1%	3,238	2.9%
\$30,000 to \$39,999	5,192	5.0%	3,484	3.2%	3,068	2.7%
\$40,000 to \$49,999	5,392	5.2%	4,071	3.7%	3,864	3.4%
\$50,000 to \$59,999	6,318	6.1%	5,004	4.6%	4,831	4.3%
\$60,000 to \$74,999	9,066	8.7%	7,232	6.6%	6,543	5.8%
\$75,000 to \$99,999	14,187	13.6%	12,968	11.8%	12,451	11.1%
\$100,000 to \$124,999	14,038	13.5%	12,846	11.7%	12,508	11.1%
\$125,000 to \$149,999	11,296	10.8%	12,457	11.4%	12,774	11.4%
\$150,000 to \$199,999	14,785	14.2%	17,418	15.9%	19,306	17.2%
\$200,000 & Over	15,285	14.7%	25,554	23.3%	28,992	25.8%
Total	104,188	100.0%	109,524	100.0%	112,391	100.0%
Median Income	\$105,895		\$126,339		\$134,544	

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the median household income was \$105,895. This increased by 19.3% to \$126,339 in 2019. By 2024, it is projected that the median household income will be \$134,544, an increase of 6.5% over 2019.

The distribution of households by income age 62 and older within the Fairfax Site PMA is summarized as follows:

Household Income 62+	2010 (Census)		2019 (Estimated)		2024 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	662	2.8%	1,092	3.4%	1,169	3.4%
\$10,000 to \$19,999	1,162	4.9%	1,076	3.4%	1,012	2.9%
\$20,000 to \$29,999	1,132	4.7%	1,407	4.4%	1,474	4.3%
\$30,000 to \$39,999	1,314	5.5%	1,354	4.3%	1,373	4.0%
\$40,000 to \$49,999	1,395	5.8%	1,315	4.1%	1,340	3.9%
\$50,000 to \$59,999	1,452	6.1%	2,132	6.7%	2,325	6.8%
\$60,000 to \$74,999	2,262	9.4%	3,112	9.8%	3,018	8.8%
\$75,000 to \$99,999	3,056	12.8%	3,938	12.4%	4,118	12.0%
\$100,000 to \$124,999	2,802	11.7%	3,382	10.7%	3,607	10.5%
\$125,000 to \$149,999	2,274	9.5%	3,080	9.7%	3,402	9.9%
\$150,000 to \$199,999	3,136	13.1%	3,865	12.2%	4,430	12.9%
\$200,000 & Over	3,310	13.8%	5,955	18.8%	7,052	20.5%
Total	23,957	100.0%	31,708	100.0%	34,320	100.0%
Median Income	\$96,266		\$103,164		\$109,225	

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the median household income for households age 62 and older was \$96,266. This increased by 7.2% to \$103,164 in 2019. By 2024, it is projected that the median household income will be \$109,225, an increase of 5.9% over 2019.

The following tables illustrate renter household income by household size for 2010, 2019 and 2024 for the Fairfax Site PMA:

Renter Households	2010 (Census)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	448	389	242	228	129	1,436
\$10,000 to \$19,999	554	445	276	261	148	1,684
\$20,000 to \$29,999	495	437	271	256	145	1,605
\$30,000 to \$39,999	696	692	430	406	230	2,453
\$40,000 to \$49,999	677	672	418	395	223	2,385
\$50,000 to \$59,999	685	713	443	419	237	2,497
\$60,000 to \$74,999	991	1,020	634	599	339	3,582
\$75,000 to \$99,999	1,339	1,413	878	830	469	4,929
\$100,000 to \$124,999	836	891	554	523	296	3,100
\$125,000 to \$149,999	673	717	445	421	238	2,494
\$150,000 to \$199,999	414	444	276	261	147	1,542
\$200,000 & Over	431	458	284	269	152	1,594
Total	8,239	8,292	5,151	4,867	2,751	29,301

Source: ESRI; Urban Decision Group

Renter Households	2019 (Estimated)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	632	513	270	258	173	1,846
\$10,000 to \$19,999	491	372	196	187	125	1,371
\$20,000 to \$29,999	577	505	266	254	170	1,772
\$30,000 to \$39,999	573	522	275	263	176	1,809
\$40,000 to \$49,999	598	614	323	309	207	2,051
\$50,000 to \$59,999	747	676	356	340	228	2,346
\$60,000 to \$74,999	1,095	970	510	488	327	3,390
\$75,000 to \$99,999	1,669	1,826	961	918	616	5,990
\$100,000 to \$124,999	1,144	1,332	701	670	449	4,297
\$125,000 to \$149,999	1,113	1,290	679	649	435	4,167
\$150,000 to \$199,999	674	819	431	412	276	2,613
\$200,000 & Over	1,011	1,193	628	600	402	3,833
Total	10,326	10,631	5,596	5,347	3,584	35,483

Source: ESRI; Urban Decision Group

Renter Households	2024 (Projected)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	600	472	235	228	161	1,696
\$10,000 to \$19,999	414	311	155	150	106	1,136
\$20,000 to \$29,999	530	454	226	219	155	1,583
\$30,000 to \$39,999	512	431	214	208	147	1,512
\$40,000 to \$49,999	551	575	286	278	196	1,887
\$50,000 to \$59,999	789	644	320	311	219	2,283
\$60,000 to \$74,999	1,053	878	437	424	299	3,091
\$75,000 to \$99,999	1,667	1,790	890	865	610	5,822
\$100,000 to \$124,999	1,239	1,448	720	700	493	4,600
\$125,000 to \$149,999	1,263	1,480	736	715	504	4,698
\$150,000 to \$199,999	747	949	472	458	323	2,950
\$200,000 & Over	1,156	1,410	701	681	480	4,430
Total	10,520	10,843	5,393	5,238	3,693	35,688

Source: ESRI; Urban Decision Group

While renter growth is projected to be concentrated among households earning \$75,000 or more between 2019 and 2024, it is also important to note that renters earning less than \$75,000 will continue to represent more than one-third (37.0%) of all renter households through 2024. Thus, a good base of potential support for affordable rental product will continue to exist.

The following tables illustrate renter household income by household size for age 62 and older for 2010, 2019 and 2024 for the Fairfax Site PMA:

Renter Age 62+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	135	37	23	22	13	231
\$10,000 to \$19,999	206	53	33	31	17	341
\$20,000 to \$29,999	142	37	23	21	13	235
\$30,000 to \$39,999	118	37	23	21	12	211
\$40,000 to \$49,999	119	40	25	23	13	221
\$50,000 to \$59,999	90	37	23	22	12	184
\$60,000 to \$74,999	145	61	38	36	20	301
\$75,000 to \$99,999	158	75	46	44	25	347
\$100,000 to \$124,999	87	43	27	25	14	197
\$125,000 to \$149,999	70	33	21	20	11	156
\$150,000 to \$199,999	44	28	18	16	10	115
\$200,000 & Over	51	31	19	18	10	129
Total	1,365	512	320	299	171	2,667

Source: ESRI; Urban Decision Group

Renter Age 62+ Households	2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	285	72	38	37	24	455
\$10,000 to \$19,999	249	63	33	32	22	399
\$20,000 to \$29,999	232	64	33	32	21	383
\$30,000 to \$39,999	211	51	27	26	18	333
\$40,000 to \$49,999	161	39	20	19	13	252
\$50,000 to \$59,999	283	76	40	39	25	462
\$60,000 to \$74,999	433	117	62	59	38	708
\$75,000 to \$99,999	379	164	87	82	56	767
\$100,000 to \$124,999	182	76	39	38	25	361
\$125,000 to \$149,999	177	78	41	39	27	363
\$150,000 to \$199,999	74	39	21	20	14	168
\$200,000 & Over	136	72	38	36	24	306
Total	2,802	911	479	459	306	4,956

Source: ESRI; Urban Decision Group

Renter Age 62+ Households	2024 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	300	58	29	28	20	436
\$10,000 to \$19,999	222	44	22	22	15	325
\$20,000 to \$29,999	241	52	26	25	18	362
\$30,000 to \$39,999	238	44	21	21	15	339
\$40,000 to \$49,999	171	32	15	15	10	244
\$50,000 to \$59,999	384	80	40	39	27	571
\$60,000 to \$74,999	499	109	55	53	37	753
\$75,000 to \$99,999	500	168	83	82	57	891
\$100,000 to \$124,999	275	86	43	41	29	474
\$125,000 to \$149,999	269	93	46	45	32	484
\$150,000 to \$199,999	102	44	22	22	15	205
\$200,000 & Over	194	84	42	41	29	390
Total	3,397	895	446	433	304	5,474

Source: ESRI; Urban Decision Group

The following tables illustrate owner household income by household size for age 62 and older for 2010, 2019 and 2024 for the Fairfax Site PMA:

Owner Age 62+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	133	126	71	64	38	431
\$10,000 to \$19,999	255	238	134	121	72	821
\$20,000 to \$29,999	278	261	147	132	79	897
\$30,000 to \$39,999	326	328	184	166	98	1,103
\$40,000 to \$49,999	338	352	198	179	107	1,174
\$50,000 to \$59,999	336	393	221	200	118	1,268
\$60,000 to \$74,999	518	609	343	309	182	1,961
\$75,000 to \$99,999	692	851	479	431	255	2,709
\$100,000 to \$124,999	671	816	460	414	244	2,605
\$125,000 to \$149,999	550	661	372	336	199	2,118
\$150,000 to \$199,999	702	978	550	497	293	3,021
\$200,000 & Over	756	1,023	576	519	306	3,181
Total	5,558	6,636	3,737	3,368	1,991	21,290

Source: ESRI; Urban Decision Group

Owner Age 62+ Households	2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	197	177	107	102	54	637
\$10,000 to \$19,999	208	189	114	109	58	677
\$20,000 to \$29,999	310	287	173	167	87	1,024
\$30,000 to \$39,999	319	283	170	163	86	1,021
\$40,000 to \$49,999	333	294	177	170	89	1,063
\$50,000 to \$59,999	505	468	282	271	143	1,670
\$60,000 to \$74,999	728	674	406	390	206	2,404
\$75,000 to \$99,999	813	948	572	549	289	3,171
\$100,000 to \$124,999	795	895	540	519	273	3,021
\$125,000 to \$149,999	700	811	489	469	248	2,717
\$150,000 to \$199,999	879	1,133	684	656	345	3,697
\$200,000 & Over	1,353	1,728	1,042	1,000	526	5,649
Total	7,139	7,885	4,755	4,567	2,406	26,752

Source: ESRI; Urban Decision Group

Owner Age 62+ Households	2024 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	231	200	122	119	61	733
\$10,000 to \$19,999	214	189	115	112	57	687
\$20,000 to \$29,999	341	308	188	181	94	1,112
\$30,000 to \$39,999	328	282	172	166	86	1,034
\$40,000 to \$49,999	349	299	182	176	91	1,096
\$50,000 to \$59,999	542	484	295	286	147	1,754
\$60,000 to \$74,999	690	629	383	371	192	2,265
\$75,000 to \$99,999	851	950	578	560	289	3,227
\$100,000 to \$124,999	854	911	554	537	277	3,133
\$125,000 to \$149,999	773	857	521	505	261	2,918
\$150,000 to \$199,999	1,025	1,279	778	753	389	4,225
\$200,000 & Over	1,620	2,014	1,226	1,187	615	6,662
Total	7,818	8,401	5,114	4,952	2,561	28,846

Source: ESRI; Urban Decision Group

Renter household growth among seniors age 62 and older is projected to be concentrated among those earning \$50,000 or more between 2019 and 2024. As the subject property will target households earning up to approximately \$60,000, it will be able to accommodate a portion of this expanding senior renter base. It is also important to point out that while growth will be concentrated among moderate to higher income senior renter households, those earning less than \$50,000 will still comprise nearly one-third (31.2%) of all senior renter households in the market in 2024.

Householder costs as a percent of income is illustrated in the following table:

Percentage of Income	Owner		Renter	
	Number	Percent	Number	Percent
Less Than 20%	40,518	54.4%	7,954	25.0%
20% to 29%	17,257	23.2%	8,899	28.0%
30% or More	16,508	22.2%	13,193	41.5%
Not Computed	244	0.3%	1,710	5.4%
Total	74,527	100.0%	31,756	100.0%

Source: American Community Survey (2014-2018); ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, 13,193, or 41.5%, of all *renter* households in the Site PMA were considered to be cost burdened, paying 30% or more of their household income towards rent.

Senior renter (ages 62 and older) costs as a percent of income is illustrated in the following table:

Percentage of Income	Senior Renter (62+)	
	Number	Percent
Less Than 20%	986	21.4%
20% to 29%	1,018	22.1%
30% or More	2,208	47.9%
Not Computed	396	8.6%
Total	4,609	100.0%

Source: American Community Survey (2013-2017); ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, 2,208, or 47.9%, of senior renter households ages 62 and older in the Site PMA were considered to be cost burdened, paying 30% or more of their household income towards rent.

Building Permit Data

The following tables illustrate single-family and multifamily building permits issued within the city of Fairfax and Fairfax County for the past ten years:

Housing Unit Building Permits for Fairfax, VA:										
Permits	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Multifamily Permits	0	0	0	0	0	0	96	30	5	0
Single-Family Permits	22	52	59	55	54	30	178	34	12	12
Total Units	22	52	59	55	54	30	274	64	17	12

Source: SOCDS Building Permits Database at <http://socds.huduser.org/permits/index.html>

Housing Unit Building Permits for Fairfax County:										
Permits	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Multifamily Permits	0	0	728	313	1,324	1,898	1,785	930	499	1,020
Single-Family Permits	896	785	706	722	925	823	885	1,034	1,058	1,118
Total Units	896	785	1,434	1,035	2,249	2,721	2,670	1,964	1,557	2,138

Source: SOCDS Building Permits Database at <http://socds.huduser.org/permits/index.html>

While the number of multifamily building permits has not exceeded 96 for the city of Fairfax in any year over the past ten years, at least 499 such permits have been issued each of the past six years within the county. This is a good indication of an expanding multifamily market throughout Fairfax County and coincides with renter household growth experienced within the Fairfax Site PMA in recent years.

Demographic Summary and Conclusions

The Fairfax Site PMA is projected to experience both population and household growth between 2019 and 2024, a trend which has been ongoing since 2000. Demographic growth within the market is expected to occur at a rate similar to that projected for Fairfax County as a whole, but slower than the rate projected for the state of Virginia. Household growth will occur among several age cohorts, though the greatest growth is expected to occur among seniors age 65 and older. Household growth is also expected to occur among both owner- and renter-occupied households. Renter growth is projected to be concentrated among moderate to higher income households, though it is important to note that 37.0% of all renter households (all ages) will earn less than \$75,000 in 2024 while senior (age 62 and older) renter households earning less than \$50,000 will account for 31.2% of all senior renters in 2024. Based on the preceding factors, a good base of potential support for affordable rental product, both family and senior-oriented, will continue to exist in the Fairfax market for the foreseeable future.

VII. Current Housing Market Conditions

Existing Housing Supply

The market study must include a comprehensive description of the current conditions of the rental market and of the sales market, in the PMA, if relevant. This description should include a summary statement on the current condition of the overall rental market and of the rent levels in the market of comparable projects, looking at both market rate communities and affordable units/communities. If appropriate to analyze, subsidized communities in which tenants are not responsible for all rent being charged should be discussed separately from market/affordable communities.

The analyses should include the following:

1. An estimate of the current competitive rental inventory of both single-family and multifamily units in the PMA, with data on the number of units by structure type, number of bedrooms, rent levels, year built and location.
2. A thorough discussion of recent market trends analyzing the following:
 - a. Current vacancy levels and recent trends in occupancy/vacancy in existing rental projects. Occupancy levels should be reported for market rate as well as affordable communities, and/or age restricted communities, if applicable.
 - b. Absorption experience of recently completed rental developments, including estimates at a project level of per unit per month absorption rates, with particular emphasis on comparable and competitive projects that have entered the market within the past 24 months.
 - c. Current effective rents for comparable and competitive projects, reflecting incentives and utility policies. A discussion of rent trends in this inventory during the past 24 to 36 months. The description should identify any services included in base rents or offered at a premium. Where relevant, the report should include information on the extent of rent concessions or similar incentives, particularly in projects in initial occupancy and must address the impact of concessions on rent levels and whether the quoted rents are overstated due to concessions or other factors.
 - d. Estimated current overall rental vacancy rate and vacancy rate for units similar to those in the proposed project. Significant seasonal variations in vacancy rates, if applicable, should be discussed.

- e. **Discussion of any vacancy or absorption problems in the market, particularly in the segments of the market most relevant to the subject project.**

Rental Housing Overview

We identified and personally surveyed 24 conventional rental housing projects containing a total of 7,167 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 97.0%, a good rate for rental housing. Each rental housing segment surveyed is summarized in the following table.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	10	3,010	93	96.9%
Market-Rate/Tax Credit	9	3,543	118	96.7%
Tax Credit	2	360	0	100.0%
Tax Credit/Government-Subsidized	1	100	0	100.0%
Market-rate/Tax Credit/Government-Subsidized	1	54	1	98.1%
Government-Subsidized	1	100	0	100.0%
Total	24	7,167	212	97.0%

A variety of rental product is offered within the Fairfax Site PMA, as detailed in the preceding table. All segments surveyed report overall occupancy rates of 96.7% or higher, demonstrating that rental product is in high demand across multiple affordability levels within this market. It is important to point out, however, that nearly all (98.1%) of the vacant units reported among the surveyed properties are concentrated among market-rate units. Notably, only four (4) vacant affordable (i.e. Tax Credit and/or government-subsidized) units are reported among the properties surveyed. This is a clear indication of very strong demand for affordable rental product within this market.

The following table summarizes the breakdown of market-rate and non-subsidized income-restricted units surveyed within the Site PMA.

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	311	5.0%	9	2.9%	\$1,697
One-Bedroom	1.0	2,460	39.2%	83	3.4%	\$1,836
One-Bedroom	1.5	245	3.9%	3	1.2%	\$2,289
Two-Bedroom	1.0	592	9.4%	23	3.9%	\$2,018
Two-Bedroom	2.0	2,177	34.7%	71	3.3%	\$2,128
Two-Bedroom	2.5	136	2.2%	8	5.9%	\$2,701
Three-Bedroom	2.0	332	5.3%	11	3.3%	\$2,570
Three-Bedroom	2.5	28	0.4%	0	0.0%	\$3,220
Total Market-rate		6,281	100.0%	208	3.3%	-

Non-Subsidized Income-Restricted (Includes Tax Credit)						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	68	10.1%	0	0.0%	\$1,462
One-Bedroom	1.0	300	44.4%	2	0.7%	\$1,178
Two-Bedroom	1.0	43	6.4%	0	0.0%	\$1,561
Two-Bedroom	2.0	242	35.8%	2	0.8%	\$1,613
Three-Bedroom	2.0	23	3.4%	0	0.0%	\$1,836
Total Income-Restricted		676	100.0%	4	0.6%	-

The market-rate units are 96.7% occupied and the non-subsidized income-restricted units are 99.4% occupied. A variety of unit types is offered within each of these segments, as detailed in the preceding table. As income-restricted product is 99.4% occupied overall, it is clear that such product is in strong demand among households of all sizes within the Fairfax Site PMA. Also note the median gross income-restricted rents reported in the preceding table as they are significantly lower than the median gross rents reported for similar unrestricted market-rate unit types surveyed. These lower rents along with the 99.4% occupancy rate are good indications of the value non-subsidized income-restricted product, including Tax Credit product, represents within this market.

The following is a distribution of units surveyed by year built for the Site PMA:

Year Built	Projects	Units	Vacancy Rate
Before 1970	0	0	0.0%
1970 to 1979	2	288	3.5%
1980 to 1989	3	948	3.4%
1990 to 1999	4	1,486	4.0%
2000 to 2009	3	985	2.3%
2010 to 2014	7	2,477	3.2%
2015	1	213	3.8%
2016	1	270	0.0%
2017	1	290	0.0%
2018	0	0	0.0%
2019	0	0	0.0%
2020*	0	0	0.0%

*As of August

Overall vacancy rates do not exceed 4.0% among any of the age segments detailed in the preceding table. This is a good indication that age of product does not have a direct correlation to occupancy trends within this market. Nonetheless, it is of note that the two newest properties surveyed (built in 2016 and 2017) are both 100.0% occupied (0.0% vacancy rate), demonstrating that modern product is in high demand within this market.

The newest Tax Credit property surveyed in the Fairfax Site PMA, Residences at Government Center I & II, opened in December of 2016 but began preleasing units in September of 2016. Based on information provided by management at the time of our survey, this property first reached a stabilized occupancy rate of at least 93.0% in June of 2017. This is reflective of an average monthly absorption rate of approximately 25 units per month from the time of preleasing. This is considered a rapid absorption rate and further demonstrates the level of demand for Tax Credit product within the Fairfax market.

We rated each property surveyed on a scale of "A" through "F". All properties were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping and grounds appearance). Following is a distribution by quality rating, units and vacancies.

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	5	1,503	3.4%
A-	1	443	3.2%
B+	5	1,671	3.1%
B	6	1,809	3.8%
B-	3	855	2.7%
Non-Subsidized Income-Restricted (Includes Tax Credit)			
Quality Rating	Projects	Total Units	Vacancy Rate
A	3	117	0.0%
A-	1	40	0.0%
B+	4	418	0.0%
B	3	101	4.0%

Non-subsidized rental product surveyed, both market-rate and income-restricted, is generally of good to excellent condition as indicated by the quality ratings assigned by our analyst and reflected in the preceding table. The subject property is expected to have an excellent overall quality/condition upon completion which will contribute to its overall marketability within the Fairfax market.

Government-Subsidized

The unit distribution of the government-subsidized projects, both with and without Tax Credits, surveyed within the Site PMA is summarized as follows.

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	4	3.6%	0	0.0%
Two-Bedroom	1.0	56	50.9%	0	0.0%
Three-Bedroom	1.5	25	22.7%	0	0.0%
Three-Bedroom	2.0	25	22.7%	0	0.0%
Total Subsidized Tax Credit		110	100.0%	0	0.0%

Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	100	100.0%	0	0.0%
Total Subsidized		100	100.0%	0	0.0%

The subsidized properties surveyed, both with and without Tax Credits, are 100.0% occupied. As the subject property will offer some units which will operate with a project-based subsidy, it will provide a modern and good quality rental alternative that is affordable to very low-income households within the Fairfax Site PMA. This will enhance marketability of the subject property.

Competitive Analysis

The subject project will target senior (age 62 and older) households earning up to 40% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Fairfax Site PMA, we identified and surveyed three non-subsidized Tax Credit properties which offer unit types similar to those proposed for the subject property in terms of bedroom type and/or targeted income (AMHI) level. Note, however, that only one of these three properties is age-restricted and will be directly competitive with the subject property.

Due to the limited supply of directly competitive LIHTC product within the Fairfax Site PMA, we also identified and surveyed two additional age-restricted LIHTC properties outside the Site PMA but within the nearby surrounding area. While these properties will not be directly competitive with the subject project due to their location, they will provide a good additional base of comparison for the subject property.

The five comparable LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in *Addendum C, Comparable Property Profiles*.



Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	One University Senior	2023	120	-	-	-	Seniors 62+; 40% & 60% AMHI
17	Olley Glen Senior Residences	2010	90	100.0%	3.5 Miles	108 HH	Seniors 62+; 50% & 60% AMHI
20	Residences at Government Center I & II	2016	270	100.0%	4.9 Miles	50 HH	Families; 50% & 60% AMHI
23	West Wood Oaks	1972 / 1995	39*	100.0%	1.0 Miles	None	Families; 50% & 60% AMHI & Section 8
901	Forest Glen Senior	1999 / 2016	119 + 83**	100.0%	11.6 Miles	None	Seniors 62+; 60% AMHI
902	Manchester Lakes I & II	2000	256	96.9%	15.2 Miles	None	Seniors 55+; 50% & 60% AMHI

900 Series Map IDs are located outside the Site PMA

OCC. – Occupancy

HH - Households

*Tax Credit units only

**Units under construction

The five LIHTC projects have a combined occupancy rate of 99.0%, reflective of just eight (8) vacant units at Manchester Lakes I & II. The four remaining properties are 100.0% occupied and two of those located within the Fairfax Site PMA currently maintain waiting lists of up to 108-households. These are clear indications of strong and pent-up demand for product similar to that proposed for the subject site.

The following table identifies the comparable LIHTC properties that accept Housing Choice Vouchers as well as the approximate number and share of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
17	Olley Glen Senior Residences	90	N/A	-
20	Residences at Government Center I & II	270	N/A	-
23	West Wood Oaks	39*	12	30.8%
901	Forest Glen Senior	119 + 83**	N/A	-
902	Manchester Lakes I & II	256	65	25.4%
Total		295	77	26.1%

900 Series Map IDs are located outside the Site PMA

*Tax Credit units only

**Units under construction (not included in total)

N/A – Number not available (units not included in total)

As the preceding table illustrates, there are a total of approximately 77 voucher holders residing at the comparable properties for which this information was available. This comprises 26.1% of the 295 total non-subsidized LIHTC units offered among these properties. This is considered a typical share of voucher support. This also indicates that the gross rents reported for these properties are achievable within the Fairfax area and will serve as accurate benchmarks with which to compare the subject property, given the fact that nearly three-quarters of the units offered among these properties are occupied by non-voucher holders.

The gross rents for the comparable projects and the proposed rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)				Rent Special
		Studio	One-Br.	Two-Br.	Three-Br.	
Site	One University Senior	-	\$945/40% (15)* \$1,417/60% (75)	\$1,134/40% (5)* \$1,701/60% (25)	-	-
17	Olley Glen Senior Residences	-	\$1,035-\$1,071/50% (78/0) \$1,285/60% (12/0)	-	-	None
20	Residences at Government Center I & II	\$1,082/50% (5/0) \$1,303/60% (6/0)	\$1,178/50% (32/0) \$1,414/60% (49/0)	\$1,399/50% (76/0) \$1,683/60% (86/0)	\$1,592/50% (6/0) \$1,919/60% (10/0)	None
23	West Wood Oaks	-	\$1,051/50% (4/0)* \$1,129/60% (19/0)	\$1,262/50% (6/0)* \$1,380/60% (10/0)	-	None
901	Forest Glen Senior	-	\$1,340/60% (48+50**/0)	\$1,600/60% (71+33**/0)	-	None
902	Manchester Lakes I & II	-	\$1,178/50% (36/1) \$1,414/60% (84/3)	\$1,409/50% (83/3) \$1,693/60% (53/1)	-	None

900 Series Map IDs are located outside the Site PMA

*Subsidized (residents pay 30% of their income, as this is a government-subsidized property, which also operates under the Tax Credit program)

**Units under construction

The subject's proposed gross rents are competitive with those reported for similar unit types among the comparable LIHTC properties surveyed. It is also of note that the subject property will offer the only units targeting households earning up to 40% of AMHI among the comparable properties. These units would be the lowest priced units offered among the comparable properties. It is important to understand, however, that these units (40% AMHI) will effectively operate with a project-based subsidy that will allow tenants to pay up to only 30% of their income towards rent. This will further enhance marketability and affordability of the subject property within the Fairfax market.

Management for two of the five comparable LIHTC properties (West Wood Oaks and Manchester Lakes I & II) provided historic rent data at the time of our survey. Based on this information, these properties have experienced rent increases ranging from approximately 3.4% to 5.0% over the past year. These rent increases are good indications of the strength of the LIHTC market within the Fairfax area. This is particularly true when considering the strong occupancy rates maintained among these properties following these rent increases.

The unit sizes (square footage) and number of bathrooms included in each of the different LIHTC unit types offered in the market and region are compared with the subject development in the following tables:

Map I.D.	Project Name	Square Footage			
		Studio	One-Br.	Two-Br.	Three-Br.
Site	One University Senior	-	670	950	-
17	Olley Glen Senior Residences	-	415 - 604	-	-
20	Residences at Government Center I & II	541 - 581	648 - 717	857 - 1,010	1,169 - 1,200
23	West Wood Oaks	-	690	805	-
901	Forest Glen Senior	-	564 - 566	806	-
902	Manchester Lakes I & II	-	564	803	-

900 Series Map IDs are located outside the Site PMA

Map I.D.	Project Name	Number of Baths			
		Studio	One-Br.	Two-Br.	Three-Br.
Site	One University Senior	-	1.0	2.0	-
17	Olley Glen Senior Residences	-	1.0	-	-
20	Residences at Government Center I & II	1.0	1.0	2.0	2.0
23	West Wood Oaks	-	1.0	1.0	-
901	Forest Glen Senior	-	1.0	1.0	-
902	Manchester Lakes I & II	-	1.0	1.0	-

900 Series Map IDs are located outside the Site PMA

The proposed development will be competitive with the existing LIHTC projects in the market and region based on unit size (square footage) and the number of baths offered. In fact, the subject property will offer some of the largest unit sizes in terms of square footage and generally a greater number of bathrooms within the two-bedroom units as compared to the selected properties.

The following tables compare the appliances and the unit and project amenities of the subject site with existing Tax Credit properties in the market and region.

Tax Credit Unit Amenities by Map ID							
	Site**	17	20	23	901	902	
Appliances	Dishwasher	X	X	X	X	X	X
	Disposal	X		X	X	X	X
	Icemaker	X		X			
	Microwave	X					
	Range	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X
	No Appliances						
Unit Amenities	AC-Central	X	X	X	X	X	X
	AC-Other						
	Balcony				X	X	X
	Deck / Patio				X	X	X
	Basement						
	Ceiling Fan			S			
	Controlled Access	X		X	X		X
	E-Call System	X	X				X
	Fireplace						
	Furnished						
	Security System						
	Sunroom						
	W/D Hookup						
	W/D	X	X	X	S		
	Walk-In Closet	X	S				
	Window Treatments	X	X	X	X	X	X
	Flooring	Carpet	X	X	X		X
Ceramic Tile		X		X			
Composite (VCT)(LVT)		X					
Hardwood					X		
Finished Concrete							
Vinyl			X			X	X
Wood Laminate / Plank				X			
Upgraded	Premium Appliances						
	Premium Countertops						
	Premium Cabinetry						
	Premium Fixtures						
	High Ceilings						
	Vaulted Ceilings						
	Crown Molding						
	Oversized Windows						
Parking	Attached Garage						
	Detached Garage						O
	Surface Lot		X		X	X	X
	Carport					O	O
	Property Parking Garage	X		X			
	Podium Parking						
	No Provided Parking						

** Proposed Site(s): One University Senior

X = All Units, S = Some Units, O = Optional with Fee

* Details in Comparable Property Profile Report

Tax Credit Property Amenities by Map ID

	Site**	17	20	23	901	902
Bike Racks / Storage	X		X			
Business Center *	X					
Car Care *	X					
Common Patio	X	X				
Community Garden						
Community Space						
Activity / Craft Room	X					
Chapel						
Clubhouse	X					
Conference Room	X					
Community Kitchen						
Community Room						
Dining Room - Private						
Dining Room - Public						
Rooftop Lounge						
Study Lounge						
TV Lounge	X		X		X	
Concierge Service *						
Convenience Amenities *		X				X
Courtyard	X		X			
Covered Outdoor Area *						X
Elevator	X		X		X	X
Laundry Room	X			X	X	X
Meals						
On-Site Management	X		X	X	X	X
Pet Care *	X		X			X
Recreation						
Basketball						
Bocce Ball						
Firepit	X					
Fitness Center	X		X		X	X
Grill	X		X	X		
Game Room - Billiards	X		X			
Hiking - Walking Trail						
Hot Tub						
Library						
Media Room / Theater						
Picnic Table / Area	X	X	X	X		
Playground	X		X			
Putting Green						
Racquetball						
Shuffleboard		X				
Sports Court						
Swimming Pool - Indoor						
Swimming Pool - Outdoor			X			
Tennis						
Volleyball						
Security						
CCTV	X					
Courtesy Officer						
Gated Community						
Gated Parking						
Police Substation						
Social Services *	X	X				
Storage - Extra	O		O			
Water Feature						
WiFi	X					

** Proposed Site(s): One University Senior

X = All Units, S = Some Units, O = Optional with Fee

* Details in Comparable Property Profile Report

As the preceding tables illustrate, the subject's amenities package is considered superior to those offered at the comparable affordable developments within the market and region. In terms of unit amenities, the subject development will be the only development to offer a microwave, and one of just two or three developments to offer a refrigerator w/icemaker, an emergency call system, washer/dryer appliances and a parking garage. Regarding community amenities, the subject development will be the only affordable community to offer a business/computer center, a community room and a social services package, and one of two to include a game room and playground. The inclusion of the aforementioned amenities will create a competitive advantage for the subject property.

Competitive/Comparable Summary

The five comparable LIHTC properties surveyed report a strong overall occupancy rate of 99.0%, with four of the five reporting at 100.0% occupancy. Two of the three properties which are located within the Fairfax Site PMA also maintain waiting lists of up to 108-households, including the one age-restricted property surveyed in the Site PMA. These are clear indications of strong and pent-up demand for LIHTC product similar to that proposed for the subject site. The subject's proposed rents are competitive with those offered among the comparable properties and those at the 40% AMHI level will be the lowest LIHTC rents offered among the surveyed properties. The property will also, however, provide a project-based subsidy to all units at the 40% AMHI level, further enhancing marketability and affordability of these units and the subject property as a whole.

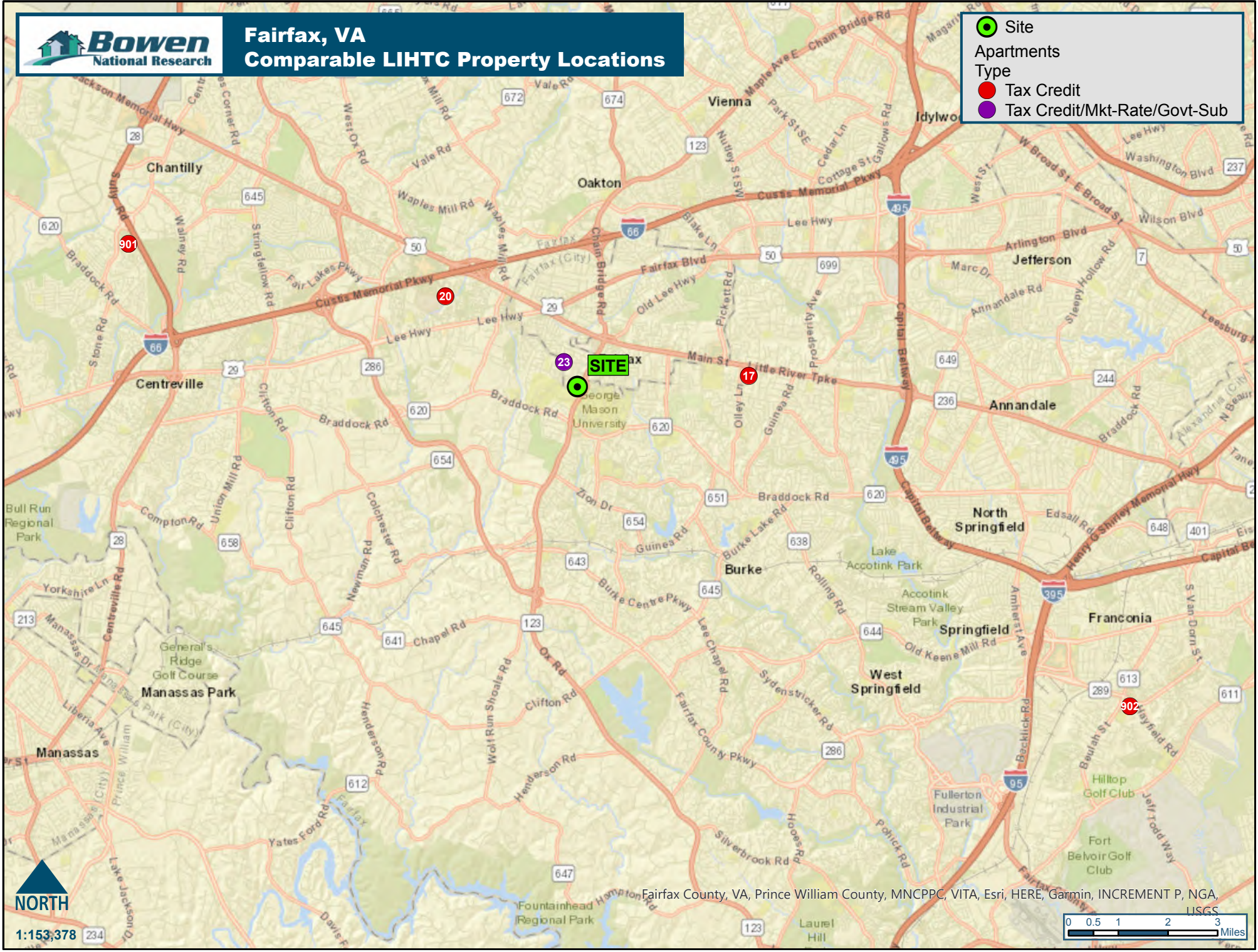
In terms of design, the subject property will offer some of the largest unit sizes (square feet) and generally a greater number of bathrooms within its two-bedroom units as compared to existing LIHTC product in the area. The property will also be well-positioned in terms of amenities and will include some features which are expected to create a competitive advantage for the property, including in-unit washer/dryer appliances, a parking garage, computer center and community center.

A map of the comparable LIHTC properties is included on the following page.



Fairfax, VA Comparable LIHTC Property Locations

- Site
- Apartments Type
- Tax Credit
- Tax Credit/Mkt-Rate/Govt-Sub



1:153,378

Fairfax County, VA, Prince William County, MNCPPC, VITA, Esri, HERE, Garmin, INCREMENT P, NGIS



f. The impact, if any, of the single family and condominium market conditions, including an analysis of the cost to rent versus to own, and the impact of foreclosures and of the shadow inventory of single family and condominium units.

According to ESRI, the median home value within the Site PMA was \$564,918. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$564,918 home is \$3,399, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$564,918
Mortgaged Value = 95% of Median Home Price	\$536,672
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$2,719
Estimated Taxes and Insurance*	\$680
Estimated Monthly Mortgage Payment	\$3,399

*Estimated at 25% of principal and interest

In comparison, the proposed collected *non-subsidized* LIHTC rents for the subject property range from \$1,313 to \$1,570 per month. Therefore, the cost of a monthly mortgage for a typical home in the area is at least \$1,829 greater than the cost of renting at the subject project. Therefore, it is very unlikely that potential tenants of the subject project would be able to afford the monthly payments required to own a home or would be able to afford the down payment on such a home. In fact, as the subject project will target senior households, we expect some support from elderly homeowners downsizing from their homes and seeking a maintenance-free housing alternative. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

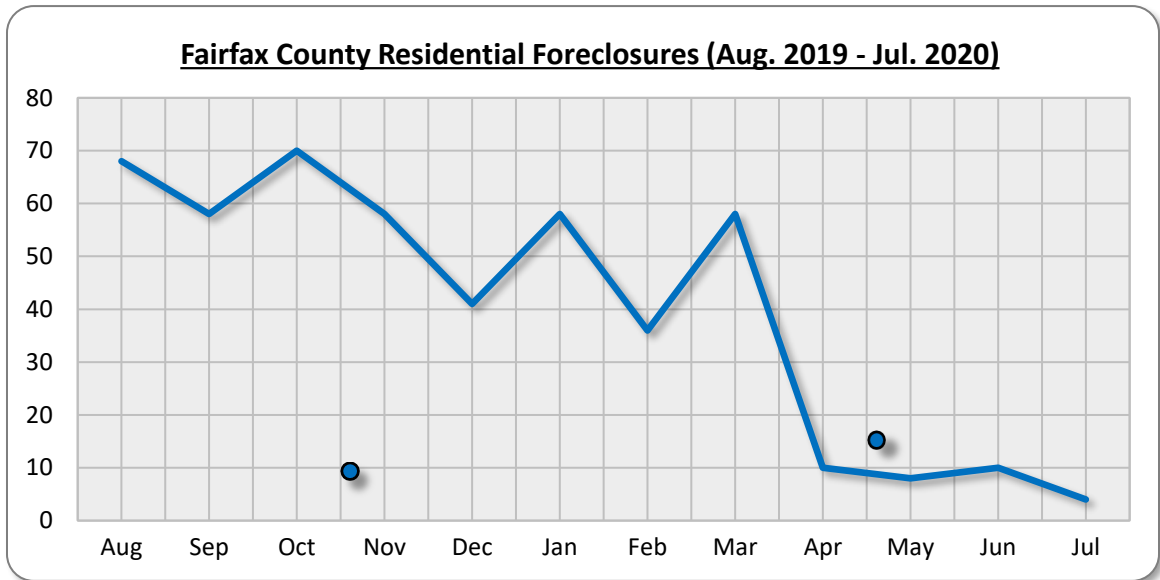
The foreclosure of residential structures became prominent in markets throughout the United States during the national recession starting in 2008. The Fairfax area was not immune to the rapid increase in foreclosures that resulted from loss of jobs, declining household incomes, predatory lending practices, and other factors that prohibited homeowners from paying their monthly mortgage. The following analysis focuses on *recent* foreclosure activity for Fairfax County.

The following table summarizes monthly residential foreclosure activity over the past 12 months within Fairfax County:

Residential Foreclosure Filings – Fairfax County		
Month	Filings	Monthly Change
2019 - August	68	-
September	58	-10
October	70	12
November	58	-12
December	41	-17
2020 – January	58	17
February	36	-22
March	58	22
April	10	-48
May	8	-2
June	10	2
July	4	-6
Total Foreclosures	479	-
Avg. Monthly	39.9	-

Source: RealtyTrac.com

Note: Number of monthly filings is approximate



Since August of 2019 there have been approximately 479 foreclosure filings within Fairfax County. Between August of 2019 and March of 2020, the number of monthly foreclosure filings generally ranged from 40 to 70 filings per month. Note, however, that the number of filings has declined significantly since March of 2020, with no more than 10 filings reported for any of the past four months. This is likely reflective of the COVID-19 pandemic as many lending institutions/mortgage providers have allowed borrowers to suspend/defer mortgage payments if needed due to their job/income being impacted by the pandemic.

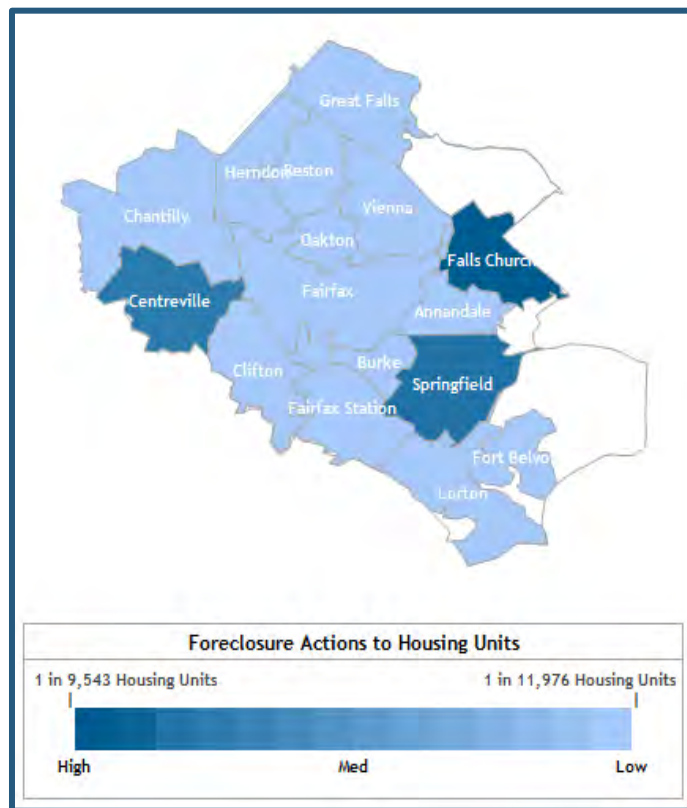
The following table summarizes foreclosure ratios for cities within Fairfax County. Note, however, that this data was not available for the City of Fairfax.

Foreclosure Concentration		
Market	Area	Foreclosure Ratio
Fairfax County	Falls Church	1 in every 9,543
	Springfield	1 in every 9,962
	Centreville	1 in every 10,174
	Reston	1 in every 11,976
Overall Rate of Foreclosure		1 in every 10,323

Source: RealtyTrac.com

While the foreclosure ratio for the City of Fairfax was unavailable at the time of this analysis, the ratio for the Site Zip Code (22030) is 1 in every 10,052. This is similar to that reported for the county overall.

A map of foreclosure activity in the county by city is illustrated below:



3. **The report must include a map showing locations of existing competing rental projects, projects currently under construction, and those in the planning and development process.**

A map of existing comparable rental projects is included on page 12 of this section.

4. **If appropriate, analyze inventory, occupancy levels, and waiting list of deeply subsidized communities in the PMA.**

A total of three properties surveyed offer units which operate with some type of project-based subsidy. Notably, all subsidized units offered among these properties are 100.0% occupied, as detailed on page 4 of this section. Two of these three properties also maintain waiting lists ranging from 50- to 204-households. These are clear indications of strong and pent-up demand for rental product affordable to very low-income households. As the subject property will offer some units which will operate with a project-based subsidy, it will help to alleviate a portion of this pent-up demand.

Housing Development Pipeline

Characteristics of Rental Units in the Pipeline, Under Construction and in Planning: The market study must include separate estimates of the numbers of rental units currently under construction and the numbers in the planning and development process likely to enter the housing market during the specified forecast period. These estimates should include all rental developments known, not solely those determined by the analyst to be comparable and competitive. The description of the pipeline activity should clearly identify any significant characteristics of specific developments with rent restrictions or rent limits such as LIHTC or age-restricted occupancy. The report should contain estimates of:

1. **The number of projects currently under construction, the total number of units, the numbers by bedroom size (number of bedrooms) by rent range, structure type and amenities (if available).**
2. **The number of projects in planning stages that are likely to be developed, including but not limited to those with building permits or firm financial commitments, including details on the number of units by bedroom size, rents, locations, and stage of development.**

Despite multiple attempts to contact local planning and building officials, a response was not received. However, based on extensive online research and the observations of our analyst, it was determined there are several rental housing projects currently in the development pipeline within the Fairfax Site PMA. The known details of these developments are summarized as follows:

- Scout on the Circle located at 9500 Fairfax Boulevard in Fairfax is a currently under construction mixed-use development. The developer, Combined Properties, is constructing 400 general-occupancy market-rate units consisting of 133 studio units at 445 square feet, 134 one-bedroom units at 703 square feet, and 133 two-bedroom units at 1,003 square feet. Six percent (24 units) of the units will be affordable. However, the affordable units are not expected to operate under the LIHTC program. Units will have premium appliances, full-size washers and dryers, large walk-in closets and a private outdoor terrace or balcony for select units. There also will be a swimming pool, outdoor courtyards, grills, fire pits, café, fitness center, business center, billiards room, shuffleboard, outdoor ping pong table, and dog parks. The property will also consist of 29,000 square feet of small-shop retail and 54,000 square feet for a grocer. Estimated completion is sometime in the third quarter of 2020.
- Moxley (also known as Fairfield at Gateway) located at 11101 and 11091 Fairfax Boulevard and 11160 Lee Highway in Fairfax is a currently under construction mixed-use development. The developer, Fairfield Residential, is constructing 403 general-occupancy residential units consisting of 43 studio units, 179 one-bedroom units, 169 two-bedroom units, and 12 three-bedroom units; 24 of these units will be affordable housing units. However, the affordable units are not expected to operate under the LIHTC program. There also will be a swimming pool and dog park. The property will also consist of 21,249 square feet of commercial space. Court-Appointed Special Advocates (CASA), a non-profit, will occupy 4,000 square feet of office space, and the other 17,249 square feet will be for restaurant, retail and office space. Estimated completion is sometime in 2021.
- Scholar Yard (also known as Capstone Collegiate), to be located at 3807 University Drive in Fairfax, is a planned development. The developer, Capstone Collegiate Communities, LLC, plans to replace an existing office park to construct 275 market-rate units of off-campus student housing consisting of studio, one-, two-, three-, and four-bedroom fully furnished units providing housing for up to 825 students. The property will also include 737 parking spaces, of which 680 will be in a parking garage and 57 spaces will be on-street. City Council approved the comprehensive plan in December 2018. Estimated completion is July 2021.

- Breezeway Redevelopment, to be located along Fairfax Boulevard, Walnut, Cedar, and Oak Avenues in Fairfax is a currently proposed community. The developer, Pulte Homes, plans to redevelop the existing Breezeway Motel with 50 rooms, Fairfax Gardens Apartments with 38 units, and four single-family homes into 74 townhomes which will include eight Live/Work units. As of August 2020, the application is still under review.
- Layton Hall Apartments, located at 10320 Layton Hall Drive in Fairfax, is an existing 110-unit community. Courtland Homes plans to redevelop and replace the current units with 360 market-rate units. Plans were approved in 2012, though construction never began.
- Post 177 Apartments, to be located at 3939 Oak Street in Fairfax is a currently proposed Tax Credit community. The developer, Post 177 Apartments LLC (a partnership between Good Works LP and TM Associates, Inc.), plans to redevelop the American Legion Post 177 and construct 76 apartment units comprised of studio, one-, two-, and three-bedroom units. The property will target families earning up to 60% of AMHI. Post 177 Apartments LLC intends to apply for both 4% and 9% Tax Credits in March 2021 and will also request special funding for Veterans housing, anticipating 25% of the units giving preference to Veterans. This property has not yet applied for or been allocated Tax Credits.
- Inova is planning to expand its Center for Personalized Health, to be located across the street from Inova Fairfax Hospital in Merrifield. Phase I of their expansion is to have 705 residential units that could be used for student housing, workforce housing, or assisted living, along with new academic and research space. Future development will also include a 120,000 square-foot hotel. Plans were approved by Fairfax County Board of Supervisors in September of 2019 though no additional information pertaining to the development timeline for this project were available at the time of this analysis.

As the preceding details, only three of the seven properties identified within the development pipeline in the Fairfax Site PMA are known to be under construction and/or progressing with development. Notably, two of these three properties will operate as market-rate with some affordable units also to be provided. The affordable units, however, are not expected to operate under the LIHTC program and neither of these projects will be provided any type of project-based subsidy. The third project currently planned for the market, Scholar Yard, will be a student housing project. Based on the preceding factors, we do not anticipate any of the currently planned/under construction projects to be directly competitive with the subject property. Nonetheless, the two general-occupancy market-rate properties currently planned for the market have been considered in our Net Demand analysis included in *Section VIII*.

It is also important to reiterate the subject project will be part of a multiphase development which will also include a 120-unit family (general-occupancy) component. This portion of the larger overall subject development is also expected to operate under the LIHTC guidelines and be complete in 2023. This property has also been considered in our demand estimates included in *Section VIII*.

- 3. A list of LIHTC projects in or near the market area that are not yet placed in service, giving as much known detail as possible on estimated placed-in-service dates, unit mix and income levels to be served.**

Aside from the subject project, there are no LIHTC projects which have yet to be placed in service or that are currently approved and in the development pipeline within the Fairfax Site PMA.

- 4. For senior proposals, a list of all existing and anticipated senior projects within or near the market area, including characteristics such as type of age-restriction (55+ or 62+), number of units by bedroom size, income restrictions (if applicable), location, rents, and any features, amenities, etc. included with the rents. For future projects, as much known detail as possible on estimated placed-in-service dates should be included.**

Aside from the subject project, there are no age-restricted projects which have yet to be placed in service or that are currently in the development pipeline within the Fairfax Site PMA.

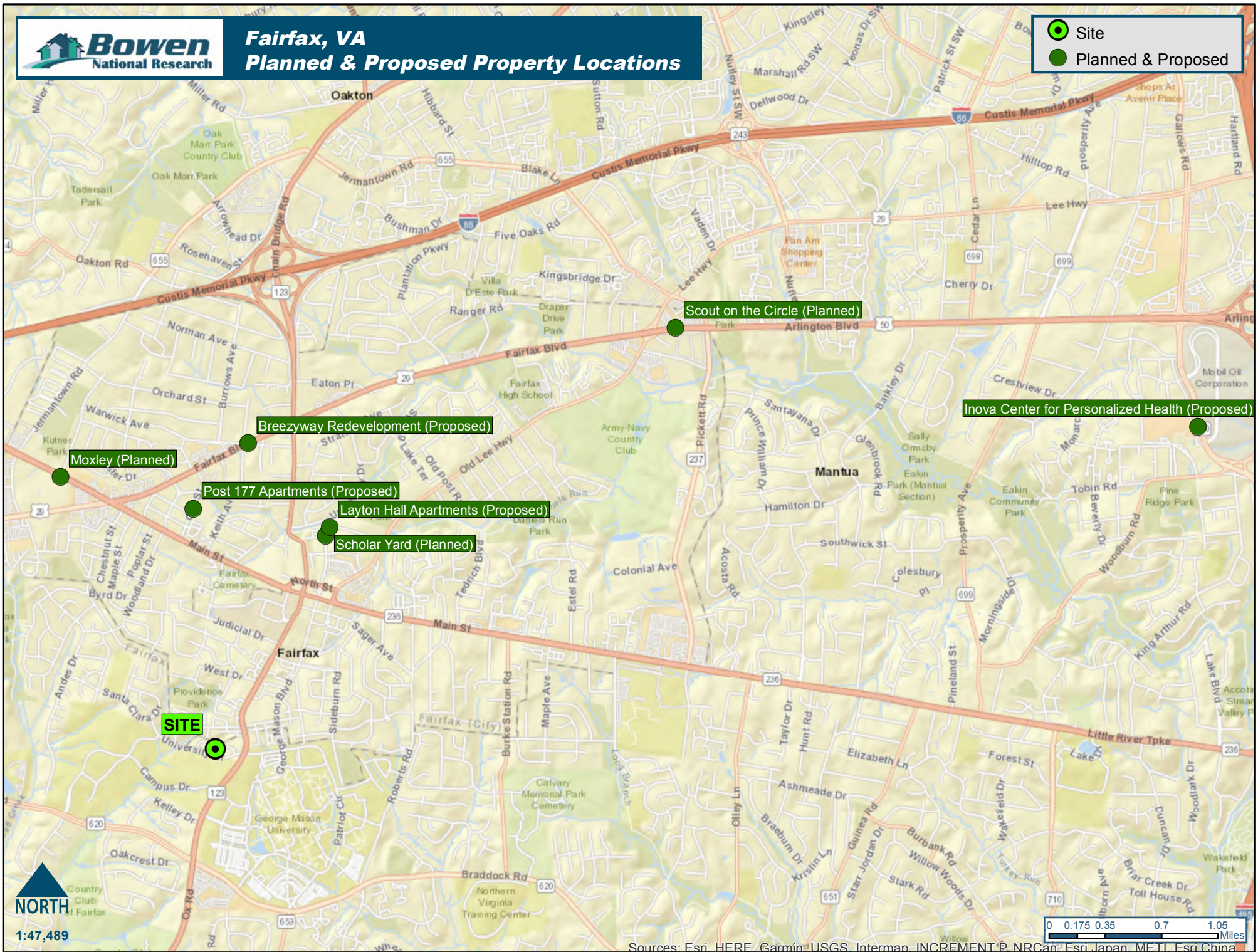
- 5. A map locating all proposed communities.**

A map of all planned/proposed or under construction communities is included on the following page.



Fairfax, VA Planned & Proposed Property Locations

- Site
- Planned & Proposed



NORTH
1:47,489

0 0.175 0.35 0.7 1.05 Miles

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China

VIII. Demand Estimate And Analysis

1. **Net Demand Analysis:** The market study must include an estimate of future demand for the specified forecast period, typically 36 months. The estimate of demand must be based on a calculation of incremental demand (i.e. demand for additional new units) and must address the following factors:
 - a. Renter household growth during the forecast period.
 - b. Recent trends in tenure broken down by homeownership and rental that may increase/decrease the demand for rental units. (e.g. households shifting from renter to owner tenure).
 - c. Replacement of existing rental units lost from the inventory due to demolition, conversion, shifting of owner units into the rental market and by other means.
 - d. The effect of any current excess vacant supply, based on an estimate of the balanced market vacancy rate.
 - e. The study must reconcile the number of units in the proposed project with the demand estimate for the PMA, taking into consideration current housing market conditions, available vacancy, and forecast additions to the supply (planned and under construction).
2. **Effective Demand:** The estimate of "effective demand" is the pool of households with sufficient incomes and/or applicable household size that would be expected to demand such housing during the forecast period, including the income levels and rent- to-income ratio(s) assumed in the study. Evaluation of Effective Demand includes an analysis of Capture Rate and Penetration Rate:
 - a. **Capture Rate** is defined as the percentage of qualified households in the PMA that the property must capture to fill the units and achieve stabilized occupancy. **Qualified Household** is defined as households that meet any applicable age and household size restrictions and are within any limiting income eligible band such as LIHTC Income Limits and who have sufficient minimum income to pay the proposed rent without being rent overburdened, The Capture Rate is calculated by dividing the total number of units at the property by the total number of households that meet the applicable age and any income band requirements.

- b. When the proposed rents are set at the LIHTC maximums, the market of income qualified residents for the restricted units is comprised of a relatively narrow band of income-eligible renters whose incomes do not exceed the maximum but are sufficiently high to pay the rent without being rent-burdened. This can result in problems with the market feasibility of the project. Depending on income and rental market conditions in the area, there may not be a sufficient number of potential renters who meet the income limit and are also able to afford the restricted rent. In many markets, LIHTC project rents need to be set below the maximum permitted.**
- c. Some LIHTC projects include additional types of assistance (such as Section 8 rental assistance or various forms of subordinate financing) which further reduce the effective rents and thus expand the pool of potential income-eligible residents. The market study must identify the estimated number of households who are eligible but are not excessively rent-burdened when paying gross rent (including utilities).**
- d. The determination of demand and capture/penetration rates should take into consideration:**
 - i) The current and anticipated supply/demand conditions in the overall rental market,**
 - ii) The potential depth of the market of income-eligible households in comparison to the number of units at the proposed rents, and**
 - iii) The marketability of the proposed units taking into account the project's amenities, rents and location relative to comparable and competitive projects and other available housing options.**

In this *Net Demand* analysis, we considered various supply and demand factors for additional rental housing for the Primary Market Area (PMA). This demand analysis outlines each supply and demand component. Per HUD guidelines, the *Net Demand* analysis is conducted on a macro level, and considers the potential demand for the overall rental housing market. This includes demand originating from new renter household growth, units required for balanced market, and replacement housing. A site-specific *Effective Demand* analysis for the proposed subject project at the proposed rent levels begins on page VIII-7.

The following tables summarize the supply and demand factors within the Fairfax Site PMA that we considered in our *Net Demand* analysis:

Demand from New Renter Household Growth	Calculations
Total Current Renter Households (2019)	35,483
Total Projected Renter Households (2022)	35,606
New Renter Households Within the Site PMA	123

Total Units Needed for Balanced (93.0% Occupied) Market	Calculations
Total Current Renter Households (2019)	35,483
Total Existing Rentals Divided By 93% (Balanced Market)	38,154
Vacant Units Needed for Balanced Market	2,671
Estimated Vacant Units in 2019*	1,145
Total Rental Units Needed for Balanced (93.0% Occupied) Market	1,526

*Based on a 3.0% share of vacant rental units from Bowen National Research survey of the market

Replacement of Rental Product	Calculations
Total Occupied Rental Units In 2019	35,483
Replacement/Conversion/Demolition Rate*	0.9%
Total Units Removed from Market Since 2019	319

*Estimates based of typical annual share (0.3%) of demolitions for comparable markets.

Total Supply and Demand	Calculations
Renter Household Growth	123
Units Required for Balanced Market	1,526
Replacement Units Needed	319
Less Product in the Development Pipeline	- 859*
Units Needed Over Projection Period (2019 to 2022)	1,109

*Based on stabilized occupancy rate of 93.0%

Overall, this demand evaluation projects an overall deficit of 1,109 rental units in the PMA by 2022. If the subject project's 120 units are built, there will still be a deficit of 989 rental units. As illustrated earlier in this report, senior renter households are projected to increase by more than 10.0% between 2019 and 2024 within the Fairfax Site PMA. Senior renter growth is projected to be concentrated among households earning \$50,000 or more. However, nearly one-third (31.2%) of all senior renter households are projected to earn less than \$50,000 through 2024. As such, the demand for age-restricted rental housing of all affordability levels is expected to be ongoing within the Fairfax market for the foreseeable future and the subject property will be able to accommodate a portion of the projected senior renter household growth as it will generally target households earning up to \$60,000. Based on the existing rental housing stock by bedroom types and distribution of household sizes, as well as projected growth among renter household sizes, it is believed that demand will continue to exist for all unit types, though demand for senior product will likely be higher for smaller studio, one- and/or two-bedroom units. Based on the market's distribution of households by age, it appears that over 80% of the demand is for housing that meets the needs of younger households, including families, while approximately one-fifth of the demand will be for age-restricted housing (over the age of 64).

The following tables summarize the supply and demand factors within the Fairfax Site PMA that we considered in our *Net Demand* analysis for those ages 62 and older. Given that the three existing conventional, age-restricted rental developments within the Fairfax Site PMA are 100.0% occupied and maintain waiting lists for their next available units, we have utilized a 0.0% vacancy rate and 0.0% annual share of demolitions for the overall market in the following demand estimates.

Demand from New Senior (62+) Renter Household Growth	Calculations
Total Current Senior Renter Households (2019)	4,956
Total Projected Senior Renter Households (2022)	5,267
New Senior Renter Households Within the Site PMA	311

Total Senior Units Needed for Balanced (93.0% Occupied) Market	Calculations
Total Current Senior Renter Households (2019)	4,956
Total Existing Senior Rentals Divided By 93% (Balanced Market)	5,329
Vacant Senior Units Needed for Balanced Market	373
Estimated Vacant Senior Units in 2019	0
Total Senior Rental Units Needed for Balanced (93.0% Occupied) Market	373

Replacement of Senior Rental Product	Calculations
Total Current Senior Renter Households (2019)	4,956
Replacement/Conversion/Demolition Rate	0.0%
Total Senior Units Removed from Market Since 2019	0

*Estimates based of typical annual share (0.3%) of demolitions for comparable markets.

Total Senior Supply and Demand	Calculations
Senior Renter Household Growth	311
Senior Units Required for Balanced Market	373
Replacement Senior Units Needed	0
Less Senior Product in the Development Pipeline	- 0
Senior Units Needed Over Projection Period (2019 to 2022)	684

As the preceding illustrates, there will be an overall deficit of 684 rental units for those ages 62 and older in the PMA by 2022. When factoring for the subject's 120 age-restricted rental units, there will still be a deficit of 564 senior apartments.

Demand for the subject project is discussed on the following pages.

1. For projects designed for the elderly, age 62 and over:
 - a. The demand estimate should reflect "effective demand" and should be based on the numbers of elderly households meeting the relevant economic and demographic criteria (sufficient incomes, age, household size, and need for the type of shelter and care) that reasonably could be expected to demand such housing during the forecast period.
 - b. The report must include a descriptive study of the demand estimate that addresses the primary determinants including:
 - (1.) Current and forecast population and households of the target group(s) by age cohort and the proportion of the market each group comprises.
 - (2.) Current income level/band of income of prospective households comprising demand, including cost/rent to income ratio(s) assumed in the study.
 - (3.) Changes in the population (including migration patterns) of adult children of the potential elderly occupants. Discuss the impact of anticipated population changes on the demand for the project and the portion of demand expected to come from outside of the Primary Market Area.
2. For Income Restricted Projects. Discuss demand and calculate the capture rate based on the eligible income band considering the proposed project's income restricted unit mix and restricted rents. In calculating the capture rate it is important to confirm that the income qualified renter households in the PMA used in the determination have an eligible income band similar to the subject.

Effective Demand (Site-Specific Capture Rate Estimates)

The subject project will offer 120 age-restricted Low-Income Housing Tax Credit (LIHTC) units which will target households age 62 and older earning up to 40% and 60% of Area Median Household Income (AMHI). The property will, however, also offer some units (those at the 40% AMHI set aside) which will operate with a project-based subsidy. This subsidy will allow the property to effectively target households earning as little as \$0. This has been considered in our analysis.

Nonetheless, we have also provided effective demand estimates for the unlikely scenario the property had to operate exclusively under the LIHTC guidelines. Since the proposed contract rents under the subsidized program exceed maximum allowable LIHTC rent levels for the area, we have assumed the 40% AMHI units at the property would operate at maximum allowable LIHTC rent levels in the unlikely event the property lost subsidy and had to operate exclusively under the LIHTC guidelines. In this scenario, the property would have a lowest gross rent of \$945 as detailed in *Section III*. Considering this rent level and a 40% rent-to-income ratio for the age-restricted subject property, the minimum income requirement for the subject project is \$28,350 ($\$945 \times 12 \text{ months} = \$11,340/40\% = \$28,350$) under the LIHTC only scenario.

The maximum allowable income limit for the subject property is \$60,480, reflective of the 2020 two-person maximum allowable income limit at 60% of AMHI within the Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area.

The following table summarizes the number of age- and income-appropriate renter households for the subject project in the PMA in 2023 (year of opening):

Income Range	Income-Qualified Senior Renter Households					
	Scenario One: LIHTC w/Subsidy (\$0-\$60,480*)			Scenario Two: LIHTC Only (\$28,350-\$60,480*)		
	Number of Renters	Share Within Range	Qualified Renter Households (2023)	Number of Renters	Share Within Range	Qualified Renter Households (2023)
\$0-10,000	440	100.0%	440	440	0.0%	-
\$10,000-20,000	340	100.0%	340	340	0.0%	-
\$20,000-30,000	366	100.0%	366	366	16.5%	60
\$30,000-40,000	338	100.0%	338	338	100.0%	338
\$40,000-50,000	246	78.0%	192	246	78.0%	192
\$50,000-60,000	549	100.0%	549	549	100.0%	549
\$60,000-75,000	744	3.2%	24	744	3.2%	24
\$75,000-100,000	866	0.0%	-	866	0.0%	-
\$100,000-125,000	451	0.0%	-	451	0.0%	-
\$125,000-150,000	460	0.0%	-	460	0.0%	-
\$150,000-200,000	198	0.0%	-	198	0.0%	-
\$200,000+	373	0.0%	-	373	0.0%	-
Total	5,370		2,249	5,370		1,163

*Excludes the \$40,321 to \$42,509 income band due to the gap in affordability between the 40% and 60% AMHI levels

As the preceding table illustrates, there will be 2,249 age- and income-appropriate senior renters in the market to support the subject project. This assumes the property operates with the availability of a project-based subsidy to some units, as detailed in *Section III*. **Under this subsidized scenario, the 120 subject units would have a capture rate of 5.3%.** Typically, capture rates up to 10.0% are considered acceptable for age-restricted rental product in markets such as the Fairfax Site PMA when utilizing the methodology detailed in this report. Thus, the subject’s subsidized capture rate is considered low and indicative of a sufficient base of potential senior renter support for the subject property within the Fairfax market.

In the unlikely event the property had to operate exclusively under the Tax Credit program, the qualified senior renter base declines to 1,163 as the property would no longer be capable of targeting households earning below \$28,350. Nonetheless, this results in a **non-subsidized capture rate of 10.3%**, which is considered acceptable within the Fairfax market. This is particularly true when considering the strong occupancy rates reported among existing age-restricted rental product surveyed within the Fairfax Site PMA.

It is also important to note that we expect some support from senior homeowners looking to downsize to a maintenance-free senior-oriented rental community. Thus, the subject’s capture rate(s) is actually lower than what is illustrated within the preceding table as our demand estimates consider only senior renter households.

Penetration Rate Estimates

Per HUD requirements, we have also calculated a penetration rate that takes into account the base of support for both the subject project and the competitive supply serving the same market. The 90 existing age-restricted Tax Credit units in the market are considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned age-restricted Tax Credit units is \$28,350 to \$60,480. The following table summarizes the market penetration rate for the subject project based on the preceding factors and demographic data contained within this report.

	Market Penetration
Number of LIHTC Units (Proposed and Existing)	210
Age- and Income-Eligible Renter Households – 2023	/ 1,217
Overall Market Penetration Rate	= 17.3%



It is our opinion that the 17.3% penetration rate for the LIHTC units, both existing and proposed, is achievable. This is particularly true given the limited supply of existing age-restricted LIHTC product in this market and the 100.0% occupancy rate of the one such property surveyed in the Fairfax Site PMA.

Achievable Market Rent Analysis

We identified five market-rate properties within the Fairfax Site PMA that we consider most comparable to the proposed subject development. These selected properties are used to derive market rents for a project with characteristics similar to the proposed subject development. It is important to note that for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

The basis for the selection of these projects includes, but is not limited to, the following factors:

- Surrounding neighborhood characteristics
- Target market (seniors, families, disabled, etc.)
- Unit types offered (garden or townhouse, bedroom types, etc.)
- Building type (single-story, midrise, high-rise, etc.)
- Unit and project amenities offered
- Age and appearance of property

Since it is unlikely that any two properties are identical, we adjust the collected rents (the actual rents paid by tenants) of the selected properties according to whether or not they compare favorably with the subject development. Rents of projects that have additional or better features than the subject site are adjusted negatively, while projects with inferior or fewer features are adjusted positively. For example, if the proposed subject project does not have a washer or dryer and a selected property does, then we lower the collected rent of the selected property by the estimated value of a washer and dryer to derive an *achievable market rent* for a project similar to the proposed project.

The rent adjustments used in this analysis are based on various sources, including known charges for additional features within the Site PMA, estimates made by area property managers and realtors, quoted rental rates from furniture rental companies and Bowen National Research's prior experience in markets nationwide.

It is important to note that one or more of the selected properties may be more similar to the subject property than others. These properties are given more weight in terms of reaching the final achievable market rent determination. While monetary adjustments are made for various unit and project features, the final market rent determination is based upon the judgments of our market analysts.

The proposed subject development and the five selected properties include the following:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					Studio	One-Br.	Two-Br.	Three-Br.
Site	One University Senior	2023	120	-	-	90 (-)	30 (-)	-
1	Apartments at Regent's Park	1997	523*	94.5%	-	158 (93.0%)	312 (95.5%)	53 (92.5%)
5	Camden Fairfax Corner	2005	488	99.0%	68 (98.5%)	205 (99.0%)	190 (98.9%)	25 (100.0%)
7	Dwell Vienna Metro Apts.	2008	245*	96.3%	1 (100.0%)	147 (96.6%)	97 (95.9%)	-
16	Modera Fairfax Ridge	2015	182*	95.6%	-	104 (98.1%)	78 (92.3%)	-
21	Ridgewood by Windsor	2010	443*	96.8%	63 (100.0%)	139 (96.4%)	200 (96.0%)	41 (97.6%)

Occ. – Occupancy
 *Market-rate units only

The five selected market-rate projects have a combined total of 1,881 units with an overall occupancy rate of 96.5%, a good rate for rental housing. This indicates that these projects have been well received within the market and will serve as accurate benchmarks with which to compare the subject project.

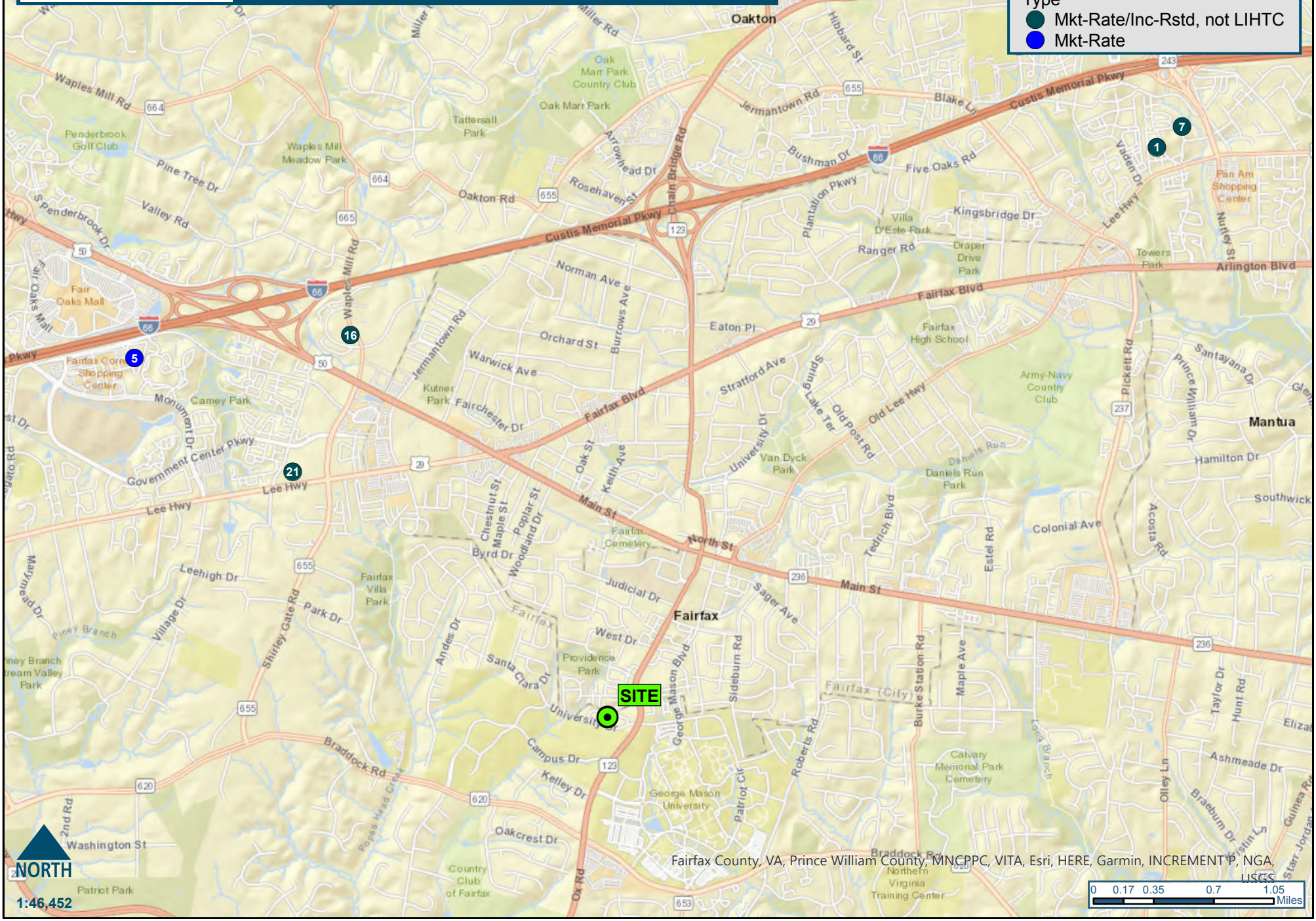
The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate adjustments made (as needed) for various features and locations or neighborhood characteristics, as well as for quality differences that exist between the selected properties and the subject development. Preceding the rent comparability grids is a map depicting the location of the comparable market-rate properties in relation to the subject site.





Fairfax, VA Comparable Market-rate Property Locations

- Site
- Apartments
- Type
 - Mkt-Rate/Inc-Rstd, not LIHTC
 - Mkt-Rate



NORTH
1:46,452

Fairfax County, VA, Prince William County, MNCPPC, VITA, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



Rent Comparability Grid

Unit Type → **ONE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
One University Senior		Apartments at Regent's Park		Camden Fairfax Corner		Dwell Vienna Metro Apts		Modera Fairfax Ridge		Ridgewood by Windsor	
4500 University Drive		9333 Clocktower Pl		4245 Summit Corner Dr		2975 Hunters Branch Rd		3887 Fairfax Ridge Rd		4211 Ridge Top Rd	
Fairfax, VA		Fairfax, VA		Fairfax, VA		Fairfax, VA		Fairfax, VA		Fairfax, VA	
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,561		\$1,659		\$1,505		\$1,680		\$1,665	
2	Date Surveyed	Aug-20		Aug-20		Aug-20		Aug-20		Aug-20	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	93%		99%		97%		98%		96%	
5	Effective Rent & Rent/ sq. ft	\$1,561	2.33	\$1,659	2.38	\$1,505	2.40	\$1,680	2.31	\$1,665	2.32
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/4		EE/4		EE/3,4		EE/5		EE/4,6	
7	Yr. Built/Yr. Renovated	2023	\$26	2005	\$18	2008	\$15	2015	\$8	2010	\$13
8	Condition/Street Appeal	E	\$15	G	\$15	G	\$15	E		E	
9	Neighborhood	G		E	(\$10)	G		E	(\$10)	G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	670	(\$1)	698	(\$16)	626	\$26	728	(\$34)	719	(\$29)
14	Patio/Balcony	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	W/D		W/D		W/D		W/D		W/D	
19	Floor Coverings	C/T/V		C/T/V		C/L		C/T/L		C/W/T	
20	Window Treatments	Y		Y		N	\$5	Y		Y	
21	Secured Entry	Y	\$3	Y		N	\$3	Y		Y	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fan/E-Call System	N/Y	\$5	Y/N		N/N	\$5	N/N	\$5	N/N	\$5
D. Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	P-GAR	\$30	P-GAR		P-GAR		P-GAR		P-GAR	
25	On-Site Management	Y		Y		Y		N	\$5	Y	
26	Security Features	Y	\$5	Y		N	\$5	N	\$5	N	\$5
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	F/S	(\$7)	P/F	(\$7)	P/F	(\$7)	P/S	(\$5)	P/F/MT	(\$10)
29	Computer/Business Center	Y		Y		Y		Y		Y	
30	Picnic Area/Storage	Y/N		Y/N		Y/N		N/N	\$3	Y/N	
31	Library	N		N		N		N		N	
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		Y/Y	(\$49)	N/N	
39	Trash/Recycling	Y/N		N/N	\$12	N/N	\$12	Y/N		N/N	\$12
F. Adjustments Recap	Pos	Neg		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	7	3	3	4	8	2	6	4	4	3
41	Sum Adjustments B to D	\$94	(\$13)	\$43	(\$38)	\$84	(\$12)	\$36	(\$54)	\$33	(\$44)
42	Sum Utility Adjustments			\$12		\$12			(\$49)	\$12	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$81	\$107	\$17	\$93	\$84	\$108	(\$67)	\$139	\$1	\$89
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,642		\$1,676		\$1,589		\$1,613		\$1,666	
45	Adj Rent/Last rent		105%		101%		106%		96%		100%
46	Estimated Market Rent	\$1,640	\$2.45 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **TWO-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
One University Senior		Apartments at Regent's Park		Camden Fairfax Corner		Dwell Vienna Metro Apts		Modera Fairfax Ridge		Ridgewood by Windsor	
4500 University Drive		9333 Clocktower Pl		4245 Summit Corner Dr		2975 Hunters Branch Rd		3887 Fairfax Ridge Rd		4211 Ridge Top Rd	
Fairfax, VA		Fairfax, VA		Fairfax, VA		Fairfax, VA		Fairfax, VA		Fairfax, VA	
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$2,285		\$1,869		\$1,935		\$2,662		\$1,970	
2	Date Surveyed	Aug-20		Aug-20		Aug-20		Aug-20		Aug-20	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	96%		99%		96%		92%		96%	
5	Effective Rent & Rent/ sq. ft	\$2,285	2.08	\$1,869	1.80	\$1,935	2.13	\$2,662	3.18	\$1,970	1.93
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/4		EE/4		EE/3,4		EE/5		EE/4,6	
7	Yr. Built/Yr. Renovated	2023	\$26	2005	\$18	2008	\$15	2015	\$8	2010	\$13
8	Condition/Street Appeal	E	\$15	G	\$15	G	\$15	E		E	
9	Neighborhood	G		E	(\$10)	G		E	(\$10)	G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	2		2		2		1	\$30	2	
13	Unit Interior Sq. Ft.	950	(\$81)	1040	(\$49)	907	\$23	837	\$62	1023	(\$40)
14	Patio/Balcony	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	W/D		W/D		W/D		W/D		W/D	
19	Floor Coverings	C/T/V		C/V/L		C/L		C/T/L		C/W/T	
20	Window Treatments	Y		Y		N	\$5	Y		Y	
21	Secured Entry	Y	\$3	Y		N	\$3	Y		Y	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fan/E-Call System	N/Y	\$5	Y/N		N/N	\$5	N/N	\$5	N/N	\$5
D. Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	P-GAR	\$30	P-GAR		P-GAR		P-GAR		P-GAR	
25	On-Site Management	Y		Y		Y		N	\$5	Y	
26	Security Features	Y	\$5	Y		N	\$5	N	\$5	N	\$5
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	F/S	(\$7)	P/F	(\$7)	P/F	(\$7)	P/S	(\$5)	P/F/MT	(\$10)
29	Computer/Business Center	Y		Y		Y		Y		Y	
30	Picnic Area/Storage	Y/N		Y/N		Y/N		N/N	\$3	Y/N	
31	Library	N		N		N		N		N	
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		Y/Y	(\$63)	N/N	
39	Trash/Recycling	Y/N		N/N	\$12	N/N	\$12	Y/N		N/N	\$12
F. Adjustments Recap	Pos	Neg		Pos	Neg			Pos	Neg	Pos	Neg
40	# Adjustments B to D	7	3	3	4	8	2	8	3	4	3
41	Sum Adjustments B to D	\$94	(\$93)	\$43	(\$71)	\$81	(\$12)	\$128	(\$20)	\$33	(\$55)
42	Sum Utility Adjustments			\$12		\$12			(\$63)	\$12	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$1	\$187	(\$16)	\$126	\$81	\$105	\$45	\$211	(\$10)	\$100
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$2,286		\$1,853		\$2,016		\$2,707		\$1,960	
45	Adj Rent/Last rent		100%		99%		104%		102%		99%
46	Estimated Market Rent	\$2,090		\$2.20		← Estimated Market Rent/ Sq. Ft					

Once all adjustments to collected rents were made, the adjusted rents for each comparable were used to derive an achievable market rent for each bedroom type. Each property was considered and weighed based upon its proximity to the subject site and its amenities and unit layout compared to the subject site.

Based on the preceding Rent Comparability Grids, it was determined that achievable market rents for units similar to the subject development are \$1,640 for a one-bedroom unit and \$2,090 for a two-bedroom unit, which are illustrated as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Bedroom	40%	\$841*	\$1,640	48.7%
One-Bedroom	60%	\$1,313	\$1,640	19.9%
Two-Bedroom	40%	\$1,003*	\$2,090	52.0%
Two-Bedroom	60%	\$1,570	\$2,090	24.9%

*Reflective of maximum allowable LIHTC rent limit as proposed contract rent under subsidized program exceeds this limit

Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will represent a value and have a sufficient flow of tenants. Therefore, the subject rents are expected to be perceived as good to excellent values as they represent market rent advantages ranging from 19.9% to 52.0%. In fact, the subject units at the 40% AMHI level are expected to represent an even greater value than that reflected by the market rent advantages detailed in the preceding table as they will effectively operate with a project-based subsidy. This will allow tenants of these units to only pay up to 30% of their income towards rent rather than the non-subsidized rents reflected in the preceding table.



IX. Findings And Conclusions

1. **Project Evaluation: Evaluate the subject property within the context of the site, economic, demographic and competitive characteristics. Comment on the strengths and weaknesses of the proposed project in terms of location, project size, unit breakdown, unit sizes, amenities, features and rents.**
2. **The absorption rate is defined as a projection of the pace of unit lease up as units become available for occupancy. The study should also include an estimate of the absorption period needed for the project to reach sustaining occupancy based on current market data and the *quantitative and qualitative demand* estimates.**
3. **The market study must include an assessment of the impact the proposed project will have on existing rental developments. Specifically, the study must address the impact on existing insured properties and show if sufficient demand will be derived from new renter households, the shifting of households into the rental market, or the replacement of lost or sub-standard units. It must be demonstrated quantitatively that the number of units under construction and the proposed supply, including the subject, will not create over-supplied or overall soft market conditions. Even if the subject does not directly compete with existing insured or uninsured properties, an oversupply of units could spill over into all segments of the market.**
4. **For age restricted properties, the market analyst must describe the intended occupancy regime. The MAP Lender's underwriter narrative must ensure that the analysis and owner's intent based on their representations comply with FHA program guidance and Fair Housing law.**

Overall Project Evaluation

Based on our analysis of the unit sizes (square footage), amenities, location, quality and occupancy rates of the existing comparable LIHTC properties within the Site PMA and nearby region, it is our opinion that the proposed subject development will be very marketable. The project's newness, anticipated quality, generally larger unit sizes (square feet), and superior amenities package will create a competitive advantage and contribute to the subject's rent potential within the Fairfax market. In addition, the property will also be competitively positioned in terms of price point (gross rent), particularly when considering the availability of a project-based subsidy for the proposed units at the 40% AMHI set aside. Overall, we expect the proposed subject project will be met with positive demand and will help alleviate a portion of the pent-up demand for additional age-restricted LIHTC product within this market.

Absorption Projections

Considering the facts contained in the market study, as well as the preceding factors, and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the proposed subject development. It is our opinion that the 120 LIHTC units proposed for the subject site will reach a stabilized occupancy of 93% within seven months of opening. This absorption rate is based on an average monthly absorption rate of approximately 16 units per month.

These absorption projections assume a December 2023 opening date. A different opening may impact the absorption potential (positively or negatively) for the subject project. Further, these absorption projections assume the project will be built as outlined in this report and will provide a project-based subsidy to 20 of the 120 proposed units. Changes to the project's rents, amenities, floor plans, location, subsidy availability, or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period.

Should the project-based subsidy not be secured, and the property had to operate exclusively under the LIHTC guidelines at the proposed rent levels evaluated throughout this report, the subject project would likely experience an extended absorption period. This is due to the more limited demographic base for the property in the market as the property would no longer be capable of targeting households earning below \$28,350. In this unlikely scenario we would expect the subject project would reach a stabilized occupancy rate of 93% within eight months of opening. This is based on an average monthly absorption rate of approximately 14 units per month.

Housing Impact Statement

Based on our demand estimates and other findings of this report, we estimate occupancies of the most comparable/competitive rental housing projects within the *market* after the proposed subject project is built as follows:

Map ID	Project Name	Occupancy Rate	
		Current	Projected*
17	Olley Glen Senior Residences	100.0%	93.0%+

*Projected occupancy rate at the time the subject project completes its initial lease-up

As discussed throughout this report and again detailed in the preceding table, a very limited supply of existing directly comparable/competitive age-restricted LIHTC product is offered within the Fairfax Site PMA. The one such property surveyed, however, is currently 100.0% occupied and maintains a waiting list of 108-households for its next available unit. Thus, there is clearly strong and significant pent-up demand for additional age-restricted LIHTC product within the Fairfax Site PMA. As such, the development of the subject property is not expected to have any adverse impact on future occupancy rates at this property.

Within the Site PMA, we identified four HUD-insured conventional rental developments, which are summarized in the following table. Note that while four HUD-insured properties were identified, we were only able to survey two of the four properties as of the time of this report, despite multiple attempts both in-person and via telephone.

Map I.D.	Project Name	Year Built/ Renovated	Number of Units	Occupancy Rate	Unit Types Offered	Project Profile
15	Little River Glen	1990	120	100.0%	One-bedroom garden	Market-Rate; Senior
13	Olley Glen Senior Residences	2010	90	100.0%	One-bedroom garden	Tax Credit; Senior
N/S	Springfield Gardens Apts.	1970	220	N/A	One- through three-bedroom garden	Market-Rate; Family
N/S	Yorkville	1973	237	N/A	One- through five-bedroom garden	Subsidized; Family

N/S – Not Surveyed
 N/A – Not Available

As the preceding table illustrates, the two HUD-insured projects identified *and* surveyed in the market offer a total of 210 units with a combined occupancy rate of 100.0%. Notably, one of these two properties is the age-restricted Olley Glen Senior Residences, which operates under the LIHTC program and also maintains a waiting list of 108-households. Therefore, while the subject property will compete with this existing property, it is also expected to help alleviate a portion of the pent-up demand for additional age-restricted LIHTC product in this market and will not have any significant impact on the performance of the existing HUD-insured supply.



X. Data, Estimates And Forecast

The study should document the methods and techniques used to develop all estimates and forecasts and provide relevant and current citations on the sources of all data, estimates and forecasts. Conclusions in the study must be consistent with the facts presented; findings and recommendations should be based on a reasonable forecast of market supply/demand conditions and sound assumptions regarding capture rates, absorption, achievable rents, income affordability and similar factors. To the extent possible, the qualitative and quantitative estimates of demand for additional rental units should take into account the changes in renter households by household size, not just in total. Although data for all household sizes may be used, a study of the trend of change by household size may derive a more representative and accurate demand estimate consistent with the characteristics of the target market.

Methodologies used by Bowen National Research include the following:

- A Primary Market Area (PMA) that impacts the proposed site is established. The Site PMA is generally described as the smallest geographic area expected to generate most of the support for the proposed project. Site PMAs are not defined by a radius. The use of a radius is an ineffective approach because it does not consider mobility patterns, changes in socioeconomic or demographic character of neighborhoods or physical landmarks that might impede development.
- PMAs are established using a variety of factors that include, but are not limited to:
 - A detailed demographic and socioeconomic evaluation.
 - Interviews with area planners, realtors and other individuals who are familiar with area growth patterns.
 - A drive-time analysis to the site.
 - Personal observations of the field analyst.
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by evaluation of unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the proposed property.
- Directly comparable properties are identified through the field survey. They include other market-rate developments that offer unit and project amenities similar to the proposed development. An in-depth evaluation of these projects provides an indication of the potential of the proposed development.

- Economic and demographic characteristics of the area are evaluated. Demographic data is based on 2000 and 2010 Census information, and some 2010 data as well as 2019 estimates and 2024 projections are based on information from ESRI, a nationally recognized provider of demographics. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information and projections that determine what the characteristics of the market will be when the proposed project opens and after it achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of those properties that might be planned or proposed for the area that will have an impact on the marketability of the proposed development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the proposed development.
- An analysis includes demand from new renter households, loss in rental housing stock, support from rent-overburdened households and support from those living in substandard housing. The subject's window of affordability is accounted for when considering demand.

Sources

The following sources were used in our analysis of the subject market:

- U.S. Census on Housing 1990, 2000, and 2010
- ESRI
- Urban Decision Group (UDG)
- Applied Geographic Solutions
- Department of Housing and Urban Development
- Bureau of Labor Statistics
- Local Planning and Building Departments
- Various on-site managers of area apartment properties within the market

Report Limitations

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period. Bowen National Research relies on a variety of sources of data to generate this report. These data sources are not always verifiable; Bowen National Research, however, makes a significant effort to assure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

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XI. Qualifications

The Company

Bowen National Research employs an expert staff to ensure that each market study is of the utmost quality. Each staff member has hands-on experience evaluating sites and comparable properties, analyzing market characteristics and trends, and providing realistic recommendations and conclusions. The Bowen National Research staff has the expertise to provide the answers for your development.

Company Leadership

Patrick Bowen is the President of Bowen National Research. He has prepared and supervised thousands of market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing and student housing, since 1996. He has also prepared various studies for submittal as part of HUD 221(d)(3) & (4), HUD 202 developments and applications for housing for Native Americans. He has also conducted studies and provided advice to city, county and state development entities as it relates to residential development, including affordable and market rate housing, for both rental and for-sale housing. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

Desireé Johnson is the Director of Operations for Bowen National Research. Ms. Johnson is responsible for all client relations, the procurement of work contracts, and the overall supervision and day-to-day operations of the company. She has been involved in the real estate market research industry since 2006. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

Market Analysts

Christopher T. Bunch, Market Analyst has over ten years of professional experience in real estate, including five years of experience in the real estate market research field. Mr. Bunch is responsible for preparing market feasibility studies for a variety of clients. Mr. Bunch earned a bachelor's degree in Geography with a concentration in Urban and Regional Planning from Ohio University in Athens, Ohio.

Lisa Goff, Market Analyst, has conducted site-specific analyses in both rural and urban markets throughout the country. She is also experienced in the day-to-day operation and financing of Low-Income Housing Tax Credit and subsidized properties, which gives her a unique understanding of the impact of housing development on current market conditions.

Ambrose Lester, Market Analyst, has conducted detailed research and analysis on a variety of residential alternatives, including rental and for-sale housing. She has conducted on-site research of buildable sites, surveyed existing rental and for-sale housing and conducted numerous stakeholder interviews. She has also conducted research on unique housing issues such as accessory dwelling units, government policy and programs and numerous special needs populations. Ms. Lester has a degree in Economics from Franciscan University of Steubenville.

Sidney McCrary, Market Analyst, is experienced in the on-site analysis of residential and commercial properties. He has the ability to analyze a site's location in relation to community services, competitive properties and the ease of access and visibility. Mr. McCrary has a Bachelor of Science in Business Administration from Ohio Dominican University.

Jeff Peters, Market Analyst, has conducted on-site inspection and analysis for rental properties throughout the country since 2014. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Peters graduated from The Ohio State University with a Bachelor of Arts in Economics.

Gregory Piduch, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Piduch holds a Bachelor of Arts in Communication and Rhetoric from the University of Albany, State University of New York and a Master of Professional Studies in Sports Industry Management from Georgetown University.

Ron Pompey, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Pompey has a Bachelor of Science in Electrical Engineering from the University of Florida.

Craig Rupert, Market Analyst, has conducted more than 1,000 market feasibility studies throughout the United States since 2010, within both urban and rural markets as well as on various tribal reservations. Mr. Rupert has prepared market studies for numerous types of housing including market-rate, Tax Credit, and various government-subsidized rental product, for-sale product, senior living (assisted living, nursing care, etc.), as well as market studies for retail/commercial space. Market studies prepared by Mr. Rupert have been used for submittal as part of state finance agency Tax Credit and HUD 221 (d)(4) applications, as well as various other financing applications submitted to local, regional, and national-level lenders/financial institutions. Mr. Rupert has a bachelor's degree in Hospitality Management from Youngstown State University.

Nathan Stelts, Market Analyst, is experienced in the assessment of housing operating under various programs throughout the country, as well as other development alternatives. He is also experienced in evaluating projects in the development pipeline and economic trends. Mr. Stelts has a Bachelor of Science in Business Administration from Bowling Green State University.

Jack Wiseman, Market Analyst, has conducted extensive market research in over 200 markets throughout the United States since 2007. He provides thorough evaluation of site attributes, area competitors, market trends, economic characteristics and a wide range of issues impacting the viability of real estate development. He has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, retail and office establishments, student housing, and a variety of senior residential alternatives. Mr. Wiseman has a Bachelor of Arts degree in Economics from Miami University.

Research Staff

Bowen National Research employs a staff of in-house researchers who are experienced in the surveying and evaluation of all rental and for-sale housing types, as well as in conducting interviews and surveys with city officials, economic development offices, chambers of commerce, housing authorities and residents.

June Davis, Office Manager of Bowen National Research, has been in the market feasibility research industry since 1988. Ms. Davis has overseen production on over 20,000 market studies for projects throughout the United States.

Stephanie Viren is the Research and Travel Coordinator at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary to conduct surveys of diverse pools of respondents regarding population and housing trends, housing marketability, economic development and other socioeconomic issues relative to the housing industry. Ms. Viren's professional specialty is condominium and senior housing research. Ms. Viren earned a Bachelor of Arts in Business Administration from Heidelberg University.

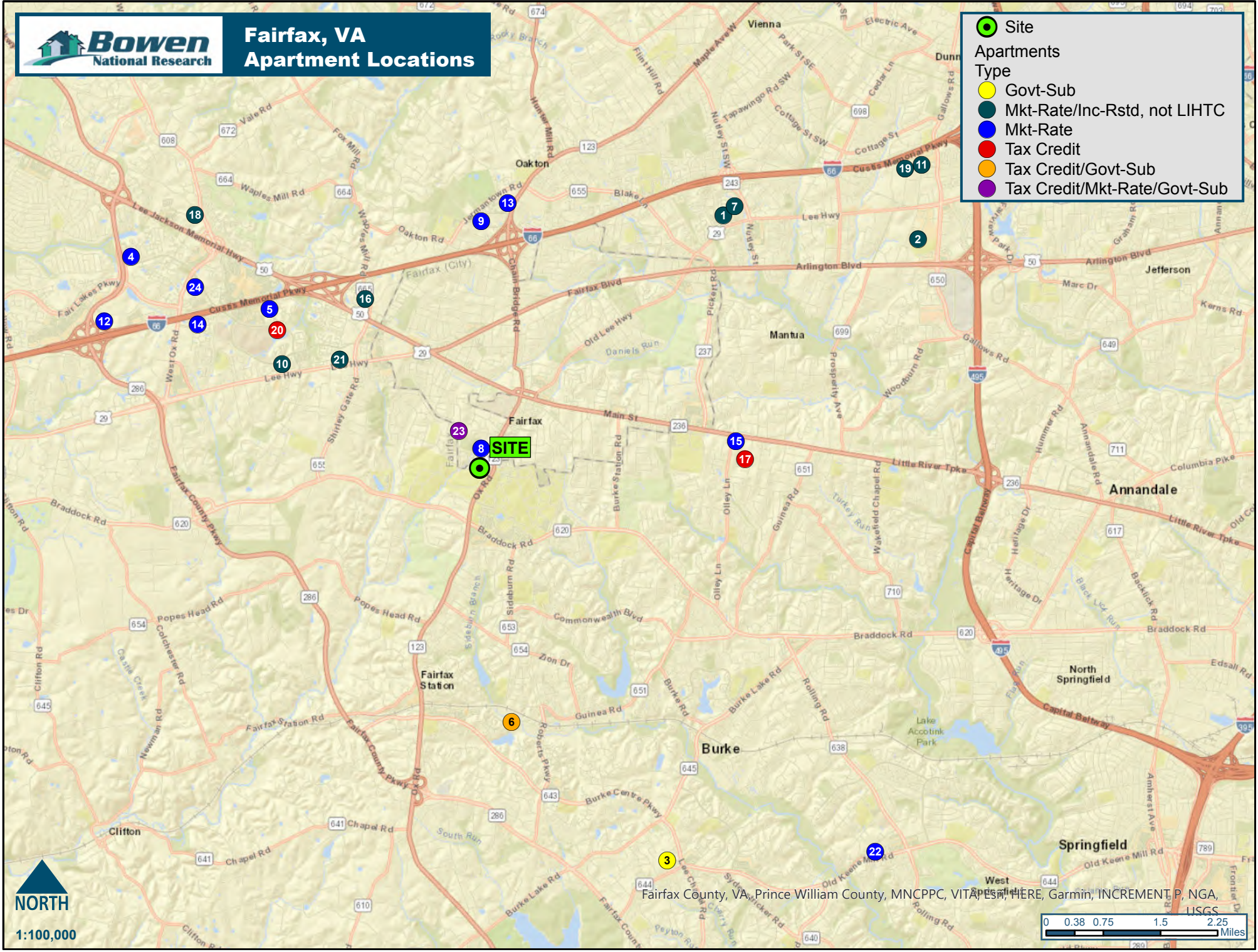
Kelly Wiseman, Research Specialist Director, has significant experience in the evaluation and surveying of housing projects operating under a variety of programs. In addition, she has conducted numerous interviews with experts throughout the country, including economic development, planning, housing authorities and other stakeholders.

ADDENDUM A:
FIELD SURVEY OF
CONVENTIONAL RENTALS



Fairfax, VA Apartment Locations

- Site
- Apartment Type
 - Govt-Sub
 - Mkt-Rate/Inc-Rstd, not LIHTC
 - Mkt-Rate
 - Tax Credit
 - Tax Credit/Govt-Sub
 - Tax Credit/Mkt-Rate/Govt-Sub



NORTH
1:100,000

Fairfax County, VA, Prince William County, MNCPPC, VITA, ESRI, HERE, Garmin, INCREMENT P, NGI, USGS

0 0.38 0.75 1.5 2.25 Miles

Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Apartments at Regent's Park	MIN	B	1997	552	29	94.7%	4.1
2	Avalon Mosaic	MIN	A	2013	531	8	98.5%	5.9
◆ 3	Burke Lake Gardens	GSS	C	1984	100	0	100.0%	6.5
4	Camden Fair Lakes	MRR	B	1998	530	15	97.2%	7.1
✓ 5	Camden Fairfax Corner	MRR	B+	2005	488	5	99.0%	5.1
6	Crevenna Oaks & Summit Oaks Apts.	TGS	B-	1980	100	0	100.0%	3.8
✓ 7	Dwell Vienna Metro Apts	MIN	B+	2008	251	9	96.4%	5.2
8	Eaves Fairfax City	MRR	B	1988	144	12	91.7%	0.5
9	Elms at Oakton	MRR	B	1987	313	6	98.1%	3.9
10	Finley at Fairfax Corner	MIN	B+	2010	460	12	97.4%	4.6
11	Halstead Square - Lofts & Lotus	MIN	A	2012	436	28	93.6%	6.5
12	Julian at Fair Lakes	MRR	A	2014	150	7	95.3%	7.3
13	Lerner Falls at Flint Hill Apts.	MRR	B+	2008	246	9	96.3%	3.3
14	Lincoln at Fair Oaks	MRR	B+	1998	284	16	94.4%	5.8
◆ 15	Little River Glen	MRR	B-	1990	120	0	100.0%	3.5
✓ 16	Modera Fairfax Ridge	MIN	A	2015	213	8	96.2%	2.9
◆ ✓ 17	Olley Glen Senior Residences	TAX	B+	2010	90	0	100.0%	3.5
◆ 18	Overture Fair Ridge	MIN	A	2017	290	0	100.0%	5.0
19	Prosperity Flats	MIN	B	2013	327	10	96.9%	6.4
✓ 20	Residences at Government Center I & II	TAX	B+	2016	270	0	100.0%	4.9
✓ 21	Ridgewood by Windsor	MIN	A-	2010	483	14	97.1%	4.0
22	West Springfield Terrace Apts.	MRR	B-	1978	244	9	96.3%	7.1
✓ 23	West Wood Oaks	TMG	B	1972	54	1	98.1%	1.0
24	Wheelhouse of Fair Oaks	MRR	B-	1987	491	14	97.1%	6.1
◆ ✓ 901	Forest Glen Senior	TAX	B	1999	119	0	100.0%	11.6
◆ ✓ 902	Manchester Lakes I & II	TAX	B	2000	256	8	96.9%	15.2

*Drive distance in miles

✓ Comparable Property	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
◆ Senior Restricted	(TAX) Tax Credit	(INR) Income-Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	



1	Apartments at Regent's Park		Contact: Mary			
	9333 Clocktower Pl, Fairfax, VA 22031		Phone: (703) 352-0300			
	Total Units: 552	UC: 0	Occupancy: 94.7%	Stories: 4	w/Elevator	Year Built: 1997
	BR: 1, 2, 3		Vacant Units: 29	Waitlist: None		AR Year:
Target Population: Family		Yr Renovated:				
Rent Special:						
Notes: Market-rate (523 units); Income-restricted, not LIHTC (29 units); HCV (2 units); Rents range based on amenities, upgrades & floorplan; Rents change daily						

2	Avalon Mosaic		Contact: Susan			
	2987 District Ave, Fairfax, VA 22031		Phone: (571) 318-5846			
	Total Units: 531	UC: 0	Occupancy: 98.5%	Stories: 6	w/Elevator	Year Built: 2013
	BR: 0, 1, 2		Vacant Units: 8	Waitlist: None		AR Year:
Target Population: Family		Yr Renovated:				
Rent Special:						
Notes: Market-rate (568 units); Income-restricted, not LIHTC (63 units); Does not accept HCV						




3	Burke Lake Gardens		Contact: Dolly			
	9608 Old Keene Mill Rd, Burke, VA 22015		Phone: (703) 644-0061			
	Total Units: 100	UC: 0	Occupancy: 100.0%	Stories: 4	w/Elevator	Year Built: 1984
	BR: 1		Vacant Units: 0	Waitlist: 50 HH		AR Year:
Target Population: Senior 62+		Yr Renovated:				
Rent Special:						
Notes: HUD Section 202 & 8						


4	Camden Fair Lakes		Contact: Suzy			
	12565 Summit Manor Dr, Fairfax, VA 22033		Phone: (866) 718-0361			
	Total Units: 530	UC: 0	Occupancy: 97.2%	Stories: 3,4		Year Built: 1998
	BR: 1, 2, 3		Vacant Units: 15	Waitlist: None		AR Year:
Target Population: Family		Yr Renovated:				
Rent Special:						
Notes: Accepts HCV (0 currently); Rents change daily						





5	Camden Fairfax Corner		Contact: Rebecca			
	4245 Summit Corner Dr, Fairfax, VA 22030		Phone: (703) 266-6088			
	Total Units: 488	UC: 0	Occupancy: 99.0%	Stories: 4	w/Elevator	Year Built: 2005
	BR: 0, 1, 2, 3		Vacant Units: 5	Waitlist: None		AR Year:
Target Population: Family		Yr Renovated:				
Rent Special:						
Notes: Accepts HCV (0 currently)						


Comparable Property	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income-Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	


















6	Crevenna Oaks & Summit Oaks Apts. 10550 Oak Bluff Ct, Burke, VA 22015	Contact: Renee Phone: (703) 323-1116
		Total Units: 100 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1980 BR: 2, 3 Vacant Units: 0 Waitlist: 204 HH AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Tax Credit & HUD Section 8


7	Dwell Vienna Metro Apts 2975 Hunters Branch Rd, Fairfax, VA 22031	Contact: Sean Phone: (571) 297-3890
		Total Units: 251 UC: 0 Occupancy: 96.4% Stories: 3,4 w/Elevator Year Built: 2008 BR: 0, 1, 2 Vacant Units: 9 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Market-rate (254 units); Income-restricted, not LIHTC (6 units); Accepts HCV (0 currently)


8	Eaves Fairfax City 10608 E Kitty Pozer Dr, Fairfax, VA 22030	Contact: Jasmine Phone: (571) 318-5842
		Total Units: 144 UC: 0 Occupancy: 91.7% Stories: 2,3 Year Built: 1988 BR: 1, 2, 3 Vacant Units: 12 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2015 Rent Special: Notes: Does not accept HCV


9	Elms at Oakton 3223 Arrowhead Cir, Fairfax, VA 22030	Contact: Anna Phone: (703) 591-5660
		Total Units: 313 UC: 0 Occupancy: 98.1% Stories: 2,3 w/Elevator Year Built: 1987 BR: 1, 2 Vacant Units: 6 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV


10	Finley at Fairfax Corner 4457 Oakdale Crescent Ct, Fairfax, VA 22030	Contact: Maggie Phone: (703) 502-4711
		Total Units: 460 UC: 0 Occupancy: 97.4% Stories: 4 Year Built: 2010 BR: 1, 2, 3 Vacant Units: 12 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Market-rate (408 units); Income-restricted, not LIHTC (52 units); HCV (6 units); Rents change daily


 Comparable Property	 (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	 (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
 Senior Restricted	 (TAX) Tax Credit	 (INR) Income-Restricted (not LIHTC)
 (MRR) Market-Rate	 (TGS) Tax Credit & Government-Subsidized	 (ING) Income-Restricted (not LIHTC) & Government-Subsidized
 (MRT) Market-Rate & Tax Credit	 (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	 (GSS) Government-Subsidized
 (MRG) Market-Rate & Government-Subsidized	 (TIN) Tax Credit & Income-Restricted (not LIHTC)	 (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
 (MIN) Market-Rate & Income-Restricted (not LIHTC)	 (TMG) Tax Credit, Market-Rate & Government-Subsidized	


















11	Halstead Square - Lofts & Lotus 2729 Merrilee Dr, Fairfax, VA 22031	Contact: Madelyn Phone: (888) 531-0052
		<p>Total Units: 436 UC: 0 Occupancy: 93.6% Stories: 6 w/Elevator Year Built: 2012</p> <p>BR: 0, 1, 2 Vacant Units: 28 Waitlist: None AR Year:</p> <p>Target Population: Family Yr Renovated:</p> <p>Rent Special: One month's rent is free</p> <p>Notes: Market-rate (345 units); Income-restricted, not LIHTC (56 units); Does not accept HCV; Mixed-use</p>

12	Julian at Fair Lakes 12751 Fair Lakes Cir, Fairfax, VA 22033	Contact: Julian Phone: (833) 804-1566
		<p>Total Units: 150 UC: 0 Occupancy: 95.3% Stories: 6 w/Elevator Year Built: 2014</p> <p>BR: 0, 1, 2 Vacant Units: 7 Waitlist: None AR Year:</p> <p>Target Population: Family Yr Renovated:</p> <p>Rent Special: One month's rent is free</p> <p>Notes: Accepts HCV (0 currently)</p>


13	Lerner Falls at Flint Hill Apts. 10520 Rosehaven St, Fairfax, VA 22030	Contact: Anne Phone: (703) 337-0957
		<p>Total Units: 246 UC: 0 Occupancy: 96.3% Stories: 3,4 Year Built: 2008</p> <p>BR: 1, 2, 3 Vacant Units: 9 Waitlist: None AR Year:</p> <p>Target Population: Family Yr Renovated:</p> <p>Rent Special:</p> <p>Notes: Accepts HCV (0 currently); Rents change daily</p>

14	Lincoln at Fair Oaks 12167 Lincoln Lake Way, Fairfax, VA 22030	Contact: Bri Phone: (703) 449-8900
		<p>Total Units: 284 UC: 0 Occupancy: 94.4% Stories: 3,4 Year Built: 1998</p> <p>BR: 1, 2, 3 Vacant Units: 16 Waitlist: None AR Year:</p> <p>Target Population: Family Yr Renovated:</p> <p>Rent Special: 1-br: \$500 off 1st month's rent</p> <p>Notes: Accept HCV (0 currently); Rent range due to amenities, upgrades, floorplan & unit location; Rents change daily</p>


15	Little River Glen 4001 Barker Ct, Fairfax, VA 22032	Contact: Shirley Phone: (703) 503-8702
		<p>Total Units: 120 UC: 0 Occupancy: 100.0% Stories: 1, 2 w/Elevator Year Built: 1990</p> <p>BR: 1 Vacant Units: 0 Waitlist: 80 HH AR Year:</p> <p>Target Population: Senior 62+ Yr Renovated: 2011</p> <p>Rent Special:</p> <p>Notes: Accepts HCV</p>

<ul style="list-style-type: none">  Comparable Property  Senior Restricted  (MRR) Market-Rate  (MRT) Market-Rate & Tax Credit  (MRG) Market-Rate & Government-Subsidized  (MIN) Market-Rate & Income-Restricted (not LIHTC) 	<ul style="list-style-type: none">  (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized  (TAX) Tax Credit  (TGS) Tax Credit & Government-Subsidized  (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)  (TIN) Tax Credit & Income-Restricted (not LIHTC)  (TMG) Tax Credit, Market-Rate & Government-Subsidized 	<ul style="list-style-type: none">  (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized  (INR) Income-Restricted (not LIHTC)  (ING) Income-Restricted (not LIHTC) & Government-Subsidized  (GSS) Government-Subsidized  (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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16	Modera Fairfax Ridge 3887 Fairfax Ridge Rd, Fairfax, VA 22030	Contact: Stephanie Phone: (703) 272-8044
	Total Units: 213 UC: 0 Occupancy: 96.2% Stories: 5 w/Elevator Year Built: 2015 BR: 1, 2 Vacant Units: 8 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Market-rate (182 units); Income-restricted, not LIHTC (31 units); Accepts HCV (0 currently)	





17	Olley Glen Senior Residences 4023 Olley Ln, Fairfax, VA 22032	Contact: Alberta Phone: (703) 323-6565
	Total Units: 90 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2010 BR: 1 Vacant Units: 0 Waitlist: 108 HH AR Year: Target Population: Senior 62+ Yr Renovated: Rent Special: Notes: Tax Credit; Accepts HCV	



18	Overture Fair Ridge 3975 Fair Ridge Dr, Fairfax, VA 22033	Contact: Joy Phone: (844) 260-8685
	Total Units: 290 UC: 0 Occupancy: 100.0% Stories: 4 w/Elevator Year Built: 2017 BR: 1, 2 Vacant Units: 0 Waitlist: 10 HH AR Year: Target Population: Senior 62+ Yr Renovated: Rent Special: Notes: Market-rate (260 units); Income-restricted, not LIHTC (30 units); Accepts HCV (0 currently)	




19	Prosperity Flats 2700 Dorr Ave, Fairfax, VA 22031	Contact: Sergie Phone: (703) 645-7368
	Total Units: 327 UC: 0 Occupancy: 96.9% Stories: 11 w/Elevator Year Built: 2013 BR: 1, 2 Vacant Units: 10 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Market-rate (284 units); Income-restricted, not LIHTC (43 units); Accepts HCV (0 currently)	


20	Residences at Government Center I & II 11851 Monument Dr, Fairfax, VA 22030	Contact: Todd Phone: (703) 865-0100
	Total Units: 270 UC: 0 Occupancy: 100.0% Stories: 5 w/Elevator Year Built: 2016 BR: 0, 1, 2, 3 Vacant Units: 0 Waitlist: 50 HH AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Tax Credit; Accepts HCV	

Comparable Property	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income-Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	




21	Ridgewood by Windsor 4211 Ridge Top Rd, Fairfax, VA 22030	Contact: Chelsea Phone: (703) 383-3996
	Total Units: 483 UC: 0 Occupancy: 97.1% Stories: 4,6 w/Elevator Year Built: 2010 BR: 0, 1, 2, 3 Vacant Units: 14 Waitlist: None AR Year:	
	Target Population: Family Yr Renovated:	
	Rent Special:	
	Notes: Market-rate (443 units); Income-restricted, not LIHTC (40 units); Does not accept HCV; Rents change daily	




22	West Springfield Terrace Apts. 8525 Burling Wood Dr, Springfield, VA 22152	Contact: Lena Phone: (703) 569-0555
	Total Units: 244 UC: 0 Occupancy: 96.3% Stories: 3,4 Year Built: 1978 BR: 1, 2, 3 Vacant Units: 9 Waitlist: None AR Year:	
	Target Population: Family Yr Renovated: 2018	
	Rent Special:	
	Notes: Accepts HCV (0 currently); Rents change daily	




23	West Wood Oaks 10726 West Dr, Fairfax, VA 22030	Contact: Michelle Phone: (703) 273-6609
	Total Units: 54 UC: 0 Occupancy: 98.1% Stories: 3 Year Built: 1972 BR: 1, 2 Vacant Units: 1 Waitlist: None AR Year:	
	Target Population: Family Yr Renovated: 1995	
	Rent Special:	
	Notes: Tax Credit (29 units); Market-rate (15 units); HUD Section 8 & Tax Credit (10 units); HCV (12 units)	




24	Wheelhouse of Fair Oaks 12105 Polo Dr, Fairfax, VA 22033	Contact: Dominique Phone: (703) 349-0044
	Total Units: 491 UC: 0 Occupancy: 97.1% Stories: 3 Year Built: 1987 BR: 1, 2, 3 Vacant Units: 14 Waitlist: None AR Year:	
	Target Population: Family Yr Renovated: 2016	
	Rent Special:	
	Notes: Does not accept HCV; Rents change daily; Rent range based on view	



901	Forest Glen Senior 14400 & 14401 Woodmere Ct, Centreville, VA 20120	Contact: NHU-Y Phone: (703) 802-9501
	Total Units: 119 UC: 83 Occupancy: 100.0% Stories: 4 w/Elevator Year Built: 1999 BR: 1, 2 Vacant Units: 0 Waitlist: None AR Year:	
	Target Population: Senior 62+ Yr Renovated: 2016	
	Rent Special:	
	Notes: Tax Credit; Accepts HCV; One building, 83 units destroyed by fire 5/2018, will begin construction 2021	

Comparable Property	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income-Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	



902	Manchester Lakes I & II		Contact: Susan			
	7131 Silver Lake Blvd, Alexandria, VA 22315		Phone: (703) 921-5500			
	Total Units: 256	UC: 0	Occupancy: 96.9%	Stories: 4	w/Elevator	Year Built: 2000
	BR: 1, 2		Vacant Units: 8	Waitlist: None		AR Year:
	Target Population: Senior 55+					Yr Renovated:
	Rent Special:					
	Notes: Tax Credit; HCV (65 units)					

Comparable Property	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income-Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	

Source: Virginia Housing
Effective: 07/2020

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	9	14	17	21	26	30	9	14	17	21	26	30
	+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0
	Bottled Gas	45	63	81	99	125	143	45	63	81	99	125	143
	Electric	19	26	34	42	53	61	19	26	34	42	53	61
	Heat Pump	0	0	0	0	0	0	0	0	0	0	0	0
	Oil	36	49	63	78	99	112	36	49	63	78	99	112
Cooking	Natural Gas	2	2	3	3	4	5	2	2	3	3	4	5
	Bottled Gas	8	11	14	17	21	24	8	11	14	17	21	24
	Electric	3	4	5	7	8	10	3	4	5	7	8	10
Other Electric		11	15	19	23	29	34	11	15	19	23	29	34
	+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0
Air Conditioning		5	7	9	12	15	17	5	7	9	12	15	17
Water Heating	Natural Gas	4	6	7	9	11	13	4	6	7	9	11	13
	Bottled Gas	19	26	33	41	52	59	19	26	33	41	52	59
	Electric	9	13	16	20	25	29	9	13	16	20	25	29
	Oil	15	20	26	32	41	46	15	20	26	32	41	46
Water		16	22	29	35	45	51	16	22	29	35	45	51
Sewer		19	27	34	42	53	61	19	27	34	42	53	61
Trash Collection		12	12	12	12	12	12	12	12	12	12	12	12
Internet*		20	20	20	20	20	20	20	20	20	20	20	20
Cable*		20	20	20	20	20	20	20	20	20	20	20	20
Alarm Monitoring*		0	0	0	0	0	0	0	0	0	0	0	0

* Estimated- not from source

ADDENDUM B:
SITE PHOTOGRAPHS



View of site from the north



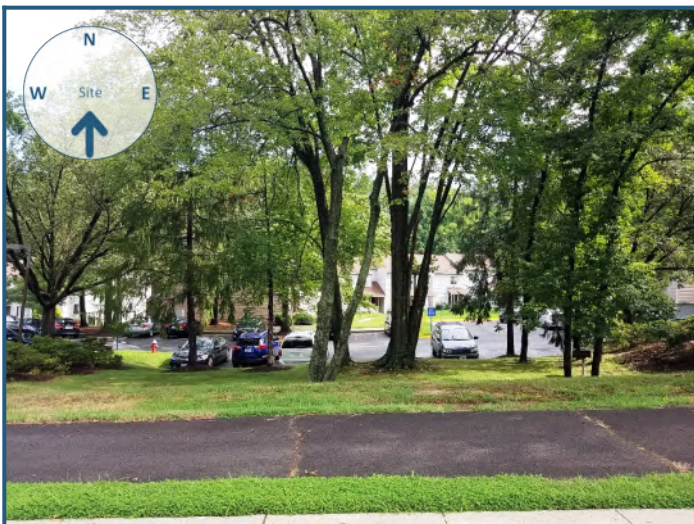
View of site from the northeast



View of site from the east



View of site from the southeast



View of site from the south



View of site from the southwest



View of site from the west



View of site from the northwest



North view from site



Northeast view from site



East view from site



Southeast view from site



South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: North view of St. John's Place



Streetscape: North view of St. Edward's Place



Streetscape: North view of Ox Road



Streetscape: South view of Ox Road



Streetscape: West view of University Drive



Streetscape: East view of University Drive

ADDENDUM C:
COMPARABLE
PROPERTY PROFILES

1 Apartments at Regent's Park 4.1 miles to site



Address: 9333 Clocktower Pl, Fairfax, VA 22031
 Phone: (703) 352-0300 Contact: Mary
 Property Type: Market Rate, Income Restricted
 Target Population: Family
 Total Units: 552 Year Built: 1997
 Vacant Units: 29 *AR Year:
 Occupancy: 94.7% Yr Renovated:
 Turnover: Stories: 4 (w/Elev)
 Waitlist: None
 Rent Special:

Ratings
 Quality: B
 Neighborhood: B
 Access/Visibility: B/B



Notes: Market-rate (523 units); Income-restricted, not LIHTC (29 units); HCV (2 units); Rents range based on amenities, upgrades & floorplan; Rents change daily

Features And Utilities

Utility Schedule Provided by: Virginia Housing
 Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Fireplace; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite, Vinyl, Wood Laminate / Plank)

Property Amenities: Business Center (Computer, Copy); Car Care (Car Vacuum, Car Wash); Clubhouse; Concierge Services (Package Receiving); Elevator; On-Site Management; Recreation Areas (Fitness Center, Picnic Table / Area, Playground, Outdoor Swimming Pool)

Parking Type: Surface Lot; Parking Garage

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	158	11	671 - 874	\$2.33 - \$2.23	\$1,561 - \$1,945	0%
1	1	G	3	0	671 - 874	\$1.56 - \$1.20	\$1,050	0%
1	1	G	5	0	671 - 874	\$2.03 - \$1.56	\$1,365	0%
2	1 - 2	G	312	14	1,055 - 1,098	\$1.71 - \$2.08	\$1,802 - \$2,285	0%
2	1 - 2	G	7	0	1,055 - 1,098	\$1.12 - \$1.08	\$1,181	0%
2	1 - 2	G	13	0	1,055 - 1,098	\$1.46 - \$1.40	\$1,536	0%
3	2	G	53	4	1,320	\$2.40	\$3,171	0%
3	2	G	1	0	1,320	\$1.29	\$1,706	0%

* Adaptive Reuse

5 Camden Fairfax Corner 5.1 miles to site



Address: 4245 Summit Corner Dr, Fairfax, VA 22030
 Phone: (703) 266-6088 Contact: Rebecca
 Property Type: Market Rate
 Target Population: Family
 Total Units: 488 Year Built: 2005
 Vacant Units: 5 *AR Year:
 Occupancy: 99.0% Yr Renovated:
 Turnover: Stories: 4 (w/Elev)
 Waitlist: None
 Rent Special:

Ratings
 Quality: B+
 Neighborhood: A
 Access/Visibility: B+/B

Notes: Accepts HCV (0 currently)



Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Ceiling Fan; Controlled Access; Fireplace; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Ceramic Tile, Vinyl)

Property Amenities: Business Center (Computer, Copy); Car Care (Car Vacuum, Car Wash); Community Room; Elevator; On-Site Management; Recreation Areas (Fitness Center, Grill, Picnic Table / Area, Outdoor Swimming Pool); Gated Community; Extra Storage; WiFi

Parking Type: Surface Lot; Parking Garage

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	68	1	650 - 860	\$2.34 - \$1.93	\$1,519 - \$1,659	0%
1	1	G	187	2	698 - 1,104	\$2.38 - \$1.66	\$1,659 - \$1,829	0%
1	1.5	T	18	0	950 - 1,163	\$2.15 - \$1.82	\$2,039 - \$2,115	0%
2	2	G	176	2	1,040 - 1,390	\$1.80 - \$1.40	\$1,869 - \$1,949	0%
2	2.5	T	14	0	1,163	\$1.84 - \$1.87	\$2,139 - \$2,179	0%
3	2	G	25	0	1,265 - 1,442	\$2.25 - \$1.98	\$2,849	0%

* Adaptive Reuse

7 Dwell Vienna Metro Apts 5.2 miles to site



Address: 2975 Hunters Branch Rd, Fairfax, VA 22031
 Phone: (571) 297-3890 Contact: Sean
 Property Type: Market Rate, Income Restricted
 Target Population: Family
 Total Units: 251 Year Built: 2008
 Vacant Units: 9 *AR Year:
 Occupancy: 96.4% Yr Renovated:
 Turnover: Stories: 3,4 (w/Elev)
 Waitlist: None
 Rent Special:

Ratings
 Quality: B+
 Neighborhood: B
 Access/Visibility: B/B



Notes: Market-rate (254 units); Income-restricted, not LIHTC (6 units); Accepts HCV (0 currently)

Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Microwave; Range; Refrigerator; Central AC; Balcony; Deck / Patio; W/D; Walk-In Closet; Flooring (Carpet, Wood Laminate / Plank); Premium Appliances; Premium Countertops; High Ceilings

Property Amenities: Business Center (Computer, Copy); Clubhouse; Concierge Services (Package Receiving); Courtyard; Pavilion; Elevator; On-Site Management; Recreation Areas (Fitness Center, Outdoor Swimming Pool, Yoga Room)

Parking Type: Parking Garage

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	1	0	560	\$2.54	\$1,425	0%
1	1	G	147	5	626 - 862	\$2.40 - \$2.08	\$1,505 - \$1,790	0%
1	1	G	1	0	626	\$1.62	\$1,011	0%
1	1	G	2	0	626	\$2.10	\$1,314	0%
2	2	G	97	4	907 - 1,517	\$2.13 - \$1.58	\$1,935 - \$2,400	0%
2	2	G	1	0	907	\$1.25	\$1,137	0%
2	2	G	2	0	907	\$1.63	\$1,478	0%

* Adaptive Reuse

16 Modera Fairfax Ridge

2.9 miles to site



Address: 3887 Fairfax Ridge Rd, Fairfax, VA 22030
 Phone: (703) 272-8044 Contact: Stephanie
 Property Type: Market Rate, Income Restricted
 Target Population: Family
 Total Units: 213 Year Built: 2015
 Vacant Units: 8 *AR Year:
 Occupancy: 96.2% Yr Renovated:
 Turnover: Stories: 5 (w/Elev)
 Waitlist: None
 Rent Special:

Ratings
 Quality: A
 Neighborhood: A
 Access/Visibility: A-/A-

Notes: Market-rate (182 units); Income-restricted, not LIHTC (31 units); Accepts HCV (0 currently)



Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Controlled Access; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Ceramic Tile, Wood Laminate / Plank); Premium Cabinetry; High Ceilings; Vaulted Ceilings

Property Amenities: Business Center (Computer, Copy); Clubhouse, Conference Room; Concierge Services (Package Receiving); Pub; Courtyard; Elevator; Recreation Areas (Basketball, Game Room-Billiards, Outdoor Swimming Pool, Yoga Room); WiFi

Parking Type: Parking Garage

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	104	2	728 - 842	\$2.31 - \$3.11	\$1,680 - \$2,618	0%
1	1	G	3	0	728 - 842	\$1.39 - \$1.20	\$1,011	0%
1	1	G	6	0	728 - 842	\$1.80 - \$1.56	\$1,314	0%
2	1	G	78	6	837 - 1,208	\$3.18 - \$3.23	\$2,662 - \$3,906	0%
2	1	G	5	0	837 - 1,208	\$1.36 - \$0.94	\$1,137	0%
2	1	G	10	0	837 - 1,208	\$1.77 - \$1.22	\$1,478	0%
2	1	G	3	0	837 - 1,208	\$2.11 - \$1.46	\$1,765	0%
2	1	G	4	0	837 - 1,208	\$2.27 - \$1.57	\$1,899	0%

* Adaptive Reuse

17 Olley Glen Senior Residences 3.5 miles to site



Address: 4023 Olley Ln, Fairfax, VA 22032
 Phone: (703) 323-6565 Contact: Alberta
 Property Type: Tax Credit
 Target Population: Senior 62+
 Total Units: 90 Year Built: 2010
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: 108 HH
 Rent Special:

Ratings
 Quality: B+
 Neighborhood: B
 Access/Visibility: C/D

Notes: Tax Credit; Accepts HCV



Features And Utilities

Utility Schedule Provided by: Virginia Housing
 Utility Type & Responsibility: Landlord pays Electric, Heat (Electric), Hot Water (Electric), Cooking (Electric), Water, Sewer, Trash
 Unit Amenities: Dishwasher; Range; Refrigerator; Central AC; E-Call System; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Vinyl)
 Property Amenities: Common Patio; Senior Center; Recreation Areas (Picnic Table / Area, Shuffleboard); Social Services (Transportation)
 Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	12	0	604	\$2.13	\$1,285	60%
1	1	G	78	0	415 - 470	\$2.49 - \$2.28	\$1,035 - \$1,071	50%

* Adaptive Reuse

20 Residences at Government Center I & II 4.9 miles to site



Address: 11851 Monument Dr, Fairfax, VA 22030
 Phone: (703) 865-0100 Contact: Todd
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 270 Year Built: 2016
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 5 (w/Elev)
 Waitlist: 50 HH
 Rent Special:

Ratings
 Quality: B+
 Neighborhood: A
 Access/Visibility: B+/A

Notes: Tax Credit; Accepts HCV



Features And Utilities

Utility Schedule Provided by: Virginia Housing
 Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Range; Refrigerator; Central AC; Ceiling Fan; Controlled Access; W/D; Window Treatments; Flooring (Carpet, Ceramic Tile, Wood Laminate / Plank)

Property Amenities: Bike Racks / Storage; TV Lounge; Courtyard; Elevator; On-Site Management; Dog Wash, Pet Stations; Recreation Areas (Fitness Center, Grill, Game Room-Billiards, Picnic Table / Area, Playground, Outdoor Swimming Pool); Extra Storage

Parking Type: Parking Garage

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	5	0	541 - 581	\$1.85 - \$1.72	\$1,000	50%
0	1	G	6	0	541 - 581	\$2.26 - \$2.10	\$1,221	60%
1	1	G	32	0	648 - 717	\$1.64 - \$1.48	\$1,064	50%
1	1	G	49	0	648 - 717	\$2.01 - \$1.81	\$1,300	60%
2	2	G	76	0	857 - 1,010	\$1.46 - \$1.24	\$1,253	50%
2	2	G	86	0	857 - 1,010	\$1.79 - \$1.52	\$1,537	60%
3	2	G	6	0	1,169 - 1,200	\$1.21 - \$1.18	\$1,411	50%
3	2	G	10	0	1,169 - 1,200	\$1.49 - \$1.45	\$1,738	60%

* Adaptive Reuse

21 Ridgewood by Windsor

4.0 miles to site



Address: 4211 Ridge Top Rd, Fairfax, VA 22030
 Phone: (703) 383-3996 Contact: Chelsea
 Property Type: Market Rate, Income Restricted
 Target Population: Family
 Total Units: 483 Year Built: 2010
 Vacant Units: 14 *AR Year:
 Occupancy: 97.1% Yr Renovated:
 Turnover: Stories: 4,6 (w/Elev)
 Waitlist: None
 Rent Special:

Ratings
 Quality: A-
 Neighborhood: B+
 Access/Visibility: A/A



Notes: Market-rate (443 units); Income-restricted, not LIHTC (40 units); Does not accept HCV; Rents change daily

Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Controlled Access; W/D; Window Treatments; Flooring (Carpet, Ceramic Tile, Hardwood); Premium Countertops

Property Amenities: Business Center (Computer, Copy, Fax); Clubhouse; Concierge Services (Package Receiving); Elevator; On-Site Management; Pet Stations; Recreation Areas (Fitness Center, Grill, Media Room / Theater, Picnic Table / Area, Outdoor Swimming Pool)

Parking Type: Surface Lot; Parking Garage

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	63	0	567 - 607	\$2.66 - \$2.64	\$1,510 - \$1,605	0%
0	1	G	24	0	567 - 607	\$2.59 - \$2.42	\$1,468	0%
1	1	G	139	5	719 - 937	\$2.32 - \$2.02	\$1,665 - \$1,890	0%
1	1	G	2	0	719 - 937	\$1.34 - \$1.03	\$963	0%
1	1	G	4	0	719 - 937	\$1.55 - \$1.19	\$1,113	0%
2	2	G	200	8	1,023 - 1,135	\$1.93 - \$1.84	\$1,970 - \$2,085	0%
2	2	G	3	0	1,023 - 1,135	\$1.11 - \$1.00	\$1,137	0%
2	2	G	6	0	1,023 - 1,135	\$1.44 - \$1.30	\$1,475	0%
3	2	G	41	1	1,285 - 1,289	\$1.93 - \$1.92	\$2,480	0%
3	2	G	1	0	1,285	\$1.28	\$1,643	0%

* Adaptive Reuse

23 West Wood Oaks 1.0 miles to site



Address: 10726 West Dr, Fairfax, VA 22030
 Phone: (703) 273-6609 Contact: Michelle (By Phone)
 Property Type: Tax Credit, Market Rate, Government Subsidized
 Target Population: Family
 Total Units: 54 Year Built: 1972 Ratings
 Vacant Units: 1 *AR Year: Quality: B
 Occupancy: 98.1% Yr Renovated: 1995 Neighborhood: B
 Turnover: Stories: 3 Access/Visibility: B/C
 Waitlist: None
 Rent Special:



Notes: Tax Credit (29 units); Market-rate (15 units); HUD Section 8 & Tax Credit (10 units); HCV (12 units)

Features And Utilities

Utility Schedule Provided by: Virginia Housing
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash
 Unit Amenities: Dishwasher; Disposal; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Controlled Access; W/D; Window Treatments; Flooring (Hardwood)
 Property Amenities: Laundry Room; On-Site Management; Recreation Areas (Grill, Picnic Table / Area)
 Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	4	0	690	\$1.43	\$986	50%
1	1	G	19	0	690	\$1.54	\$1,064	60%
2	1	G	15	1	805	\$1.86	\$1,498	0%
2	1	G	6	0	805	\$1.46	\$1,179	50%
2	1	G	10	0	805	\$1.61	\$1,297	60%

* Adaptive Reuse

901 Forest Glen Senior 11.6 miles to site



Address: 14400 & 14401 Woodmere Ct, Centreville, VA 20120
 Phone: (703) 802-9501 Contact: NHU-Y
 Property Type: Tax Credit
 Target Population: Senior 62+
 Total Units: 119 Year Built: 1999
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated: 2016
 Turnover: Stories: 4 (w/Elev)
 Waitlist: None
 Rent Special:

Ratings
 Quality: B
 Neighborhood: B
 Access/Visibility: B/C



Notes: Tax Credit; Accepts HCV; One building, 83 units destroyed by fire 5/2018, will begin construction 2021

Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: Landlord pays Heat (Natural Gas), Hot Water (Electric), Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Window Treatments; Flooring (Carpet, Vinyl)

Property Amenities: TV Lounge; Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center)

Parking Type: Surface Lot; Carport

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	48	0	564 - 566	\$2.33 - \$2.32	\$1,314	60%
2	1	G	71	0	806	\$1.94	\$1,567	60%

* Adaptive Reuse

902 Manchester Lakes I & II 15.2 miles to site



Address: 7131 Silver Lake Blvd, Alexandria, VA 22315
 Phone: (703) 921-5500 Contact: Susan
 Property Type: Tax Credit
 Target Population: Senior 55+
 Total Units: 256 Year Built: 2000
 Vacant Units: 8 *AR Year:
 Occupancy: 96.9% Yr Renovated:
 Turnover: Stories: 4 (w/Elev)
 Waitlist: None
 Rent Special:

Ratings
 Quality: B
 Neighborhood: B
 Access/Visibility: B+/B



Notes: Tax Credit; HCV (65 units)

Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: Landlord pays Hot Water (Natural Gas), Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Controlled Access; E-Call System; Window Treatments; Flooring (Carpet, Vinyl)

Property Amenities: Salon; Gazebo; Elevator; Laundry Room; On-Site Management; Dog Park, Pet Stations; Recreation Areas (Fitness Center)

Parking Type: Detached Garage; Surface Lot; Carport

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	36	1	564	\$2.00	\$1,126	50%
1	1	G	84	3	564	\$2.41	\$1,362	60%
2	1	G	83	3	803	\$1.67	\$1,342	50%
2	1	G	53	1	803	\$2.02	\$1,626	60%

* Adaptive Reuse