



REAL PROPERTY **RESEARCH** GROUP

ATLANTA ■ WASHINGTON/BALTIMORE

Market Feasibility Analysis

Princedale Apartments

Dale City, Prince William County, Virginia

Prepared for:

Franklin Johnston Group

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EXECUTIVE SUMMARY

Real Property Research Group, Inc. (RPRG) has been retained by Franklin Johnston Group to conduct a market feasibility study for Princedale Apartments, a proposed new construction multifamily rental community to be located at the northwest corner of Princedale Drive and Dale Boulevard in Dale City, an unincorporated census-designated place in Prince William County, Virginia. The rental community will include 280 apartments, all of which will target households with incomes at or below 60 percent of the Area Median Income (AMI).

This analysis has been conducted and formatted in accordance with the 2021 Market Study Guidelines of the Virginia Housing Development Authority (VHDA) and the guidelines of the National Council of Housing Market Analysts (NCHMA). The intended use of this report is to accompany applications to VHDA for four percent Low-Income Housing Tax Credits.

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

Bed	Bath	Quantity	Income Level	Net Sq. Ft.	Contract Rent (1)	Utility Allowance	Gross Rent	Net Rent/SF
1	1	120	60%	778	\$1,300	\$89	\$1,389	\$1.67
2	2	140	60%	1,125	\$1,545	\$122	\$1,667	\$1.37
3	2	20	60%	1,350	\$1,750	\$155	\$1,905	\$1.30
Total		280						

Source: Franklin Johnston Group

(1) Contract rents include trash

Based on our research, including a site visit on November 23, 2021, we arrived at the following findings:

Site and Neighborhood Analysis: The subject site is an appropriate location for the development of a general occupancy, affordable rental community. The area offers good access to public transportation, regional thoroughfares, retail amenities, and neighborhood services.

- The subject site is in an established suburban area consisting primarily of single- and multi-family residential development, schools, and neighborhood retail centers.
- The site is within six miles from Interstate 95, nine miles from Manassas, 15 miles from employment centers in northern Virginia, and 30 miles from downtown Washington DC.
- Surrounding neighborhoods offer a variety of retail and neighborhood services needed on a daily and occasional basis, including pharmacies, medical facilities, and grocery-anchored retail centers within a convenient bus ride or driving distance from the subject site.

Economic Analysis: Prince William County has a stable, diverse economy with average annual unemployment rates consistently below state and national rates and steady job growth prior to the COVID-19 pandemic.

- The county's total labor force expanded most years from 2010 to 2019 driven by employed workers; the number of unemployed workers declined from 15,269 in 2010 to 7,059 in 2019. The number of unemployed workers spiked in April 2020 due to the onset of the COVID-19 pandemic but has decreased to roughly one third of the April 2020 peak as of August 2021.
- Prior to the COVID-19 pandemic, the county's 2019 unemployment rate was 2.5 percent, slightly lower than the state's 2.8 percent and well below the national rate of 3.7 percent. At the onset of the pandemic in April 2020, the local unemployment rate spiked to 11.4 percent in tandem with the state (11 percent) and nation (14.4 percent). As of August 2021, rates have



- fallen significantly reaching 3.8 percent in the county, 3.8 percent in the state, and 5.3 percent in the nation.
- Workers residing in the market area work both locally and throughout the region with 39.5 percent of workers residing in the market area working in Prince William County, 46.1 percent employed in another Virginia county, and 14 percent working outside the state of Virginia.
 - The Prince William County economy is diverse with six sectors each representing at least 10 percent of the local employment base. Trade-Transportation-Utilities, Government, and Professional-Business are Prince William County's largest economic sectors representing a combined 54.5 percent of the county's total At-Place Employment. Nine of 11 economic sectors added jobs in Prince William County from 2011 through the first quarter of 2021, inclusive of the recent impacts of the COVID-19 pandemic.

Population and Household Trends: The Princedale Market Area had strong household growth over the past 11 years. RPRG projects household growth to remain steady over the next five years.

- The market area added 29,230 net people (19.9 percent) and 8,668 households (17.8 percent) between the 2000 and 2010 Census counts; annual growth was 2,923 people (1.8 percent) and 867 households (1.7 percent) over this period. Annual growth slowed but remained strong over the past 11 years at 2,266 people (1.2 percent) and 786 households (1.3 percent) from 2010 to 2021, resulting in 200,858 people and 66,001 households in 2021.
- Growth in the market area is projected to be steady over the next five years with the net addition of 9,030 people (4.5 percent) and 3,489 households (5.3 percent) from 2021 to 2026; annual growth over this period is projected at 1,806 people (0.9 percent) and 698 households (1.0 percent). The Princedale Market Area will have 209,888 people and 69,490 households by 2026.

Demographic and Income Analysis: Households within the market area and county are family-oriented with high proportions of households with children. Princedale Market Area has a generally balanced distribution among household size and age cohorts with market area household incomes similar to those throughout the county.

- As of the 2010 Census, approximately 45 percent of households in both the Princedale Market Area and Prince William County include children.
- One quarter (24.3 percent) of households in the Princedale Market Area are renters as of 2021, slightly lower than the county proportion of 26.9 percent. RPRG projects renters to contribute 25.3 percent of net household growth through 2026, consistent with the trend over the past 21 years. More than half of the renter households in the Princedale Market Area (55.1 percent) are young and middle-aged householders aged 25 to 44, and 46.6 percent of all market area households have one or two persons.
- The estimated 2021 median household income in the Princedale Market Area is \$107,125, in line with the Prince William County's median income of \$107,171. The median income of renters in the Princedale Market Area as of 2021 is \$77,766. Roughly 16 percent of market area renter households have incomes between \$25,000 and \$50,000, and 11.5 percent have incomes less than \$25,000. One fifth (20 percent) of market area renter households have incomes between \$50,000 and \$75,000; 19.2 percent have incomes between \$75,000 and \$100,000, and 20.7 percent have incomes between \$100,000 and \$149,999.
- Just under one third (30.3 percent) of all renter households residing in the Princedale Market Area have rent burdens of 40 percent or higher; and 37.8 percent have rent burdens of 35 percent. Additionally, 6.5 percent of the rental housing stock within the market area can be considered substandard, i.e., lacking complete plumbing facilities, or overcrowded with more than 1.0 occupants per room.



Competitive Housing Analysis: The existing rental inventory of the Princedale Market Area is performing well and vacancy rates are very low including LIHTC communities.

- The aggregate vacancy rate for the 21 surveyed rental communities is 1.5 percent. LIHTC communities are outperforming the market rate rental market with an aggregate vacancy rate of just 0.5 percent. Seven LIHTC properties reported full occupancy, and two have a vacancy rate of less than three percent. Several communities reported waitlists ranging from several months to three years.
- The average market rate studio rent is \$1,488 for an average of 589 square feet or \$2.52 per square foot. The average market rate one-bedroom net rent is \$1,662 for an average of 774 square feet or \$2.15 per square foot. The average market rate two-bedroom net rent is \$1,975 for an average of 1,024 square feet or \$1.93 per square foot. The average market rate three-bedroom rent is \$2,694 for an average size of 1,439 square feet or \$1.87 per square foot.
- Eight tax credit communities offer units at 60 percent AMI with an average net rent for one-bedroom units at 60 percent AMI of \$1,311 for an average size of 722 square feet, or \$1.81 per square foot. The average net two-bedroom rent at 60 percent AMI is \$1,543 for an average size of 936 square feet, or \$1.65 per square foot. The average net three-bedroom rent at 60 percent AMI is \$1,760 for an average size of 1,122 square feet, or \$1.57 per square foot.
- Three near term pipeline projects were identified in the Princedale Market Area expected to deliver a combined 733 rental units within the next three years. RPRG also identified seven proposed projects that are less likely to be placed in service during the three-year demand period (or possibly stalled) and thus classified as long term.

Net Demand: The results of the Net Demand analysis indicate demand for 860 rental units over the next three years. Accounting for anticipated pipeline addition, the market area will have a moderate short term excess supply of 102 rental units over the next three years. This represents only four additional months of demand. We note that one near term pipeline community is a luxury market-rate property which will not directly compete with the subject, and a second pipeline project is age-restricted and will also not directly compete with the subject. Strong market conditions with almost full occupancy among the market's affordable rental stock indicate significant pent-up demand for affordable general occupancy rental units. This market study was completed based on the most recent available data, which considers any recent impacts by the COVID-19 pandemic on demographic and economic trends as well as housing demand. However, in general, we have not seen a diminution of demand due to COVID-19. At this stage, we do not believe demand for affordable rental housing will be reduced in the long term due to economic losses related to COVID-19. Demand for rental housing, especially affordable housing, is projected to increase over the next several years.

Effective Demand – Affordability/Capture and Penetration: Assuming a 35 percent rent burden, the subject's units would need to capture 6.7 percent of the 4,161 income-qualified renter households as of 2023 to lease all 280 units. RPRG judges that there are sufficient numbers of income-qualified renter households in the market area who could afford the subject at the proposed rents.

RPRG considers the calculated penetration rate of 49.5 percent to be reasonable in the context of the Princedale Market Area. The penetration rate suggests that there is adequate income-qualified demand to support the subject project and the existing and proposed 60 percent AMI units in the market.



VHDA Demand Methodology: Given a calculated net demand of 1,446 households, the 280-unit Princedale Apartments would need to capture 19.4 percent of income-qualified renter households per the demand methodology mandated by VHDA. RPRG considers the subject's capture rate to be slightly elevated but achievable, indicating sufficient demand to absorb all 280 units at the subject. Market conditions including almost full occupancy among tax credit communities with wait lists indicate strong demand for quality rental units targeting households earning up to 60 percent AMI.

Target Markets: As indicated in the Effective Demand Analysis (Affordability/Capture & Penetration), the subject's units would serve households with incomes generally between \$47,600 and \$80,500. The groups most likely to reside at the subject's income restricted units include individuals working in service sectors such as retail, leisure, and hospitality, or in civilian positions associated with the numerous military installations in the area. Other persons likely to reside at the subject project include government or contract workers; local public servants such as firefighters, police officers, and teachers; and early career workers in the professional-business, financial activities, information, and health sectors. With one-, two-, and three-bedroom units, the proposed community would have the capacity to serve single-person households, married and unmarried couples, roommate households, single- and dual-parent families with children, and possibly multi-generational households.

The community would be attractive to households who work in the surrounding region but are priced out of nearby areas with higher housing costs. Housing costs continue to rise in Washington DC and neighboring counties driving many lower and moderate-income families further south for a relatively more affordable cost of living.

Product Evaluation: Considered in the context of the competitive environment, the relative position of the proposed Princedale Apartments is as follows:

- **Structure Type:** The community is designed with four-story garden style buildings. The garden style design is appropriate for the location and key target markets. While the newer and much higher-priced market rate properties in the market offer mid-rise, elevator-served buildings, older market rate buildings and most of the tax credit properties in the market are garden style. This design is appropriate for the surrounding suburban neighborhood.
- **Project Size:** The subject community as designed would have 280 units. The average community size among existing rental properties in this market is 253 units and the average tax credit community size is 205 units. The subject's size will appropriately allow it to provide on-site management and services similar to other market area rental communities.
- **Unit Distribution:** The subject's proposed unit distribution is 43 percent one-bedroom units, 50 percent two-bedroom units, and seven percent three-bedroom units. Among the reported unit distribution for market area communities, 31.5 percent are one-bedroom units, 56.8 percent are two-bedroom units, and 9.8 percent are three-bedroom units. The subject's unit mix is similar to market area communities and appropriate for the market area demographics.
- **Income Targeting:** All units proposed for the subject are targeted to households earning up to 60 percent AMI. The subject's key captures rates are all reasonable and achievable.
- **Unit Size:** The proposed unit sizes for Princedale Apartments are 778 square feet for one-bedroom units, 1,125 square feet, for two-bedroom units, and 1,350 square feet for three-bedroom units. The proposed unit sizes are two to 13 percent larger than market area averages and five to 18 percent larger than averages among tax credit communities. As such the property will have a competitive advantage in many cases.



- **Unit Features:** Units at Princedale Apartments will have vinyl plank flooring in the kitchen and bathrooms, while living areas and bedrooms will have carpet. All units will include a dishwasher, disposal, and washer/dryer machines. Appliances will be energy efficient and counters will be upgraded laminate. This unit features package will be comparable to market area tax credit communities and appropriate for the target market.
- **Common Area Amenities:** The property will have a competitive amenity package including a community center with clubroom, fitness center, outdoor pool, and 24-hour maintenance. This amenity package is appropriate and similar to most tax credit communities.
- **Parking:** The subject will have free surface parking which is the standard offering in the market. This is appropriate for the subject site location and key target markets.

Price Position/Rents: For all bedroom types, the subject's rents are below maximum achievable rents, below market rate rents, and below leading 60 percent AMI tax credit rents. This is a competitive position and will be achievable.

Absorption Estimate: Based on RPRG's survey of the general occupancy rental communities, the aggregate vacancy rate is low at 1.5 percent; the tax credit vacancy rate is even lower at 0.5 percent. Additionally, the key capture rate for the subject overall is 6.7 percent, and the penetration rate for the subject and all comparable units is 49.5 percent; both are reasonable and readily achievable.

The Net Demand analysis indicates moderate short term excess supply in the market area over the next three years. However, of the three near term pipeline projects, only one will have competitive general occupancy tax credit units. Given that the last affordable general occupancy community, Riverwoods at Lake Ridge, was placed in service in 2014, the subject will offer local renters newer high quality rental housing at an affordable price. Riverwoods at Lake Ridge was fully occupied at the time of our survey with a waitlist ranging from six months to two years in the duration. Prior to Riverwoods at Lake Ridge opening, all units were pre-leased. Two market rate communities have delivered over the past four years. Flats at Neabsco II opened in mid-December 2018 and stabilized in October 2020 for an average absorption pace of eight units per month. Management at Flats at Neabsco II stated that the COVID-19 pandemic had slowed leasing. The community reported a low vacancy rate of 2.2 percent at the time of our survey. Rivergate opened in December 2017 and stabilized in October 2019 for an average absorption pace of 17 units per month. The subject's affordable pricing will enhance marketability and absorption.

Taking into consideration these factors, we have conservatively estimated an overall project lease up pace of roughly 17 to 18 units per month or 15 to 16 months to achieve 95 percent occupancy. Although demographic estimates and projections were developed prior to the onset of the COVID-19 pandemic and associated economic disruptions, demand for affordable housing remains strong in the market area. The most recent economic data indicate significant recovery of the local economy, and the multi-family inventory, especially LIHTC communities, are performing well. By the time the subject leases up in 2023, we do not anticipate that the pandemic will have any effect on absorption.

Impact on Existing Market: RPRG does not anticipate that the subject will have an adverse impact on the existing rental market. The aggregate vacancy rate for the income-restricted rental communities within the market area is very low at 0.5 percent. The VHDA capture rate for the subject is reasonable and will be achievable. The subject will provide a value-added rental community that will assist in meeting the market's demand for affordable high quality rental options. The need for affordable housing will address any turnover that might occur in the affordable inventory in this market, and the market area inventory, including the subject, is expected to retain very low vacancies through the near term.



I. INTRODUCTION

A. Overview of Subject

The subject of this report is the proposed development of Princedale Apartments, a general occupancy Low Income Housing Tax Credit (LIHTC) rental community to be located at 13362 Princedale Drive in the Dale City area of Prince William County, Virginia.

The rental community will include 280 garden style apartments, all of which will be income-restricted in accordance with the Department of Housing and Urban Development's 2021 median household income for the Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area (Table 1). All 280 units will target households earning up to 60 percent of the Area Median Income (AMI).

This report is intended to be submitted as part of an application for four percent Low Income Housing Tax Credits for the proposed 280 rental units.

B. Purpose

The purpose of this study is to perform a market feasibility report and analysis. This report examines the subject site, the economic context of the jurisdiction in which the site is located, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of net demand and effective demand (affordability/penetration analyses).

C. Format of Report

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

D. Client, Intended User, and Intended Use

The Client is Franklin Johnston Group (Developer). Along with the Client, the Intended Users are representatives of VHDA and potential investors. VHDA is an authorized user of the market study and VHDA may rely on the representation made therein. The subject report will be submitted to VHDA as part of an application for four percent Low-Income Housing Tax Credits.

E. Applicable Requirements

This market study is intended to conform to the requirements of the National Council of Housing Market Analyst's (NCHMA) content standards and VHDA's 2021 Market Study Guidelines.

Table 1 LIHTC Income and Rent Limits, Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area

HUD 2021 Median Household Income										
Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area										\$129,000
Very Low Income for 4 Person Household										\$64,500
2021 Computed Area Median Gross Income										\$129,000
Utility Allowance:										
1 Bedroom										\$89
2 Bedroom										\$122
3 Bedroom										\$155
Household Income Limits by Household Size:										
Household Size	30%	40%	50%	60%	80%	100%	120%	150%	200%	
1 Person	\$27,090	\$36,120	\$45,150	\$54,180	\$72,240	\$90,300	\$108,360	\$135,450	\$180,600	
2 Persons	\$30,960	\$41,280	\$51,600	\$61,920	\$82,560	\$103,200	\$123,840	\$154,800	\$206,400	
3 Persons	\$34,830	\$46,440	\$58,050	\$69,660	\$92,880	\$116,100	\$139,320	\$174,150	\$232,200	
4 Persons	\$38,700	\$51,600	\$64,500	\$77,400	\$103,200	\$129,000	\$154,800	\$193,500	\$258,000	
5 Persons	\$41,820	\$55,760	\$69,700	\$83,640	\$111,520	\$139,400	\$167,280	\$209,100	\$278,800	
Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):										
Persons	# Bedrooms	30%	40%	50%	60%	80%	100%	120%	150%	200%
1.5	1	\$29,025	\$38,700	\$48,375	\$58,050	\$77,400	\$96,750	\$116,100	\$145,125	\$193,500
3	2	\$34,830	\$46,440	\$58,050	\$69,660	\$92,880	\$116,100	\$139,320	\$174,150	\$232,200
4.5	3	\$40,260	\$53,680	\$67,100	\$80,520	\$107,360	\$134,200	\$161,040	\$201,300	\$268,400
LIHTC Tenant Rent Limits by Number of Bedrooms (assumes 1.5 persons per bedroom):										
# Persons	30%		40%		50%		60%		80%	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
1 Bedroom	\$725	\$636	\$967	\$878	\$1,209	\$1,120	\$1,451	\$1,362	\$1,935	\$1,846
2 Bedroom	\$870	\$748	\$1,161	\$1,039	\$1,451	\$1,329	\$1,741	\$1,619	\$2,322	\$2,200
3 Bedroom	\$1,006	\$851	\$1,342	\$1,187	\$1,677	\$1,522	\$2,013	\$1,858	\$2,684	\$2,529

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

F. Scope of Work

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

- Please refer to Appendix 2 for a detailed list of NCHMA requirements and the corresponding pages of requirements within the report.
- Ethan Reed, Senior Analyst, conducted visits to the subject site, neighborhood, and market area on November 23, 2021.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community leasing agents and property managers. We also reviewed pipeline information using the Prince William County Planning Department's GIS system and other data provided on their website, checked listings of recent LIHTC awards, and spoke to developers and lenders.
- All pertinent information obtained was incorporated in the appropriate section(s) of this report.



G. Report Limitations

The conclusions reached in a market assessment are inherently subjective and should not be relied upon as a determinative predictor of results that will actually occur in the marketplace. There can be no assurance that the estimates made, or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix 1 of this report.

H. Other Pertinent Remarks

This market study was completed based on data collected in November 2021 as the COVID-19 pandemic was ongoing nationally and locally. Potential long term economic and demographic ramifications are not clearly evident at the time this report was completed. This market study will comment on the potential impact of the evolving situation as it relates to rental housing demand in the primary market area.

II. PROJECT DESCRIPTION

A. Project Overview

Princedale Apartments will offer 280 Low Income Housing Tax Credit (LIHTC) apartments in three garden buildings with associated community amenities and common areas, as well as free surface parking. All units will target renter households earning up to 60 percent of the Area Median Income (AMI).

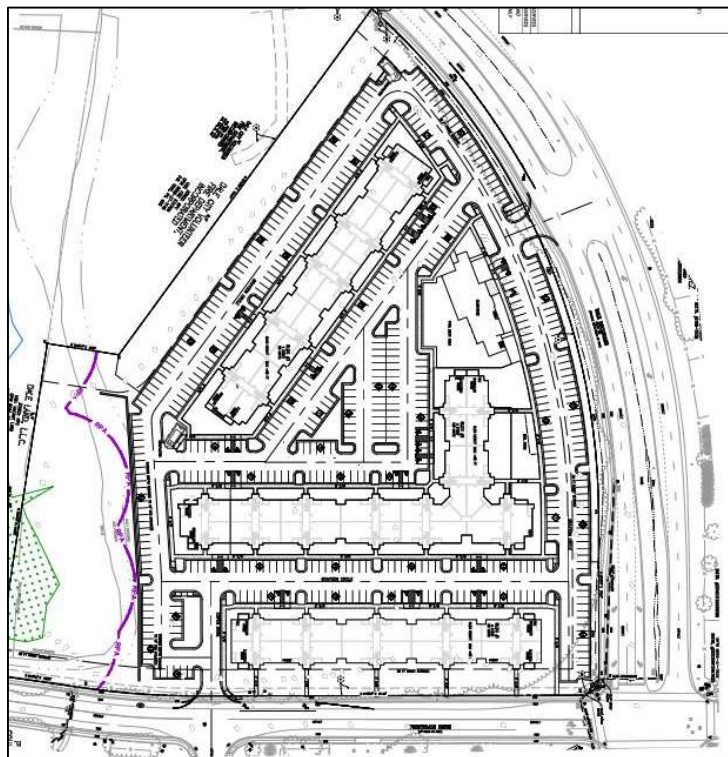
B. Project Type and Target Market

Princedale Apartments will be a general occupancy multifamily community targeted to low-income renter households. All units will be restricted to renter households earning up to 60 percent AMI for the Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area. With a proposed unit mix of one-, two-, and three-bedroom floorplans, the community will target a wide range of renter households, including single individuals, couples, roommates, active adults, and small families.

C. Building Types and Placement

Princedale Apartments will consist of three walk-up, garden-style residential buildings with four stories, each with central open breezeways. Surface parking will be adjacent to each residential building. A community center and outdoor pool will be located at the main entrance to the community along Dale Boulevard (Figure 1). The main entrance into the rental community will be from the west side of Dale Boulevard.

Figure 1 Site Plan, Princedale Apartments



Source: Franklin Johnston Group



D. Detailed Project Description

1. Project Description

The project sponsor proposes to develop one-, two-, and three-bedroom units. The proposed unit mix is weighted toward one and two-bedroom units, with one-bedroom units comprising 43 percent of the distribution, two-bedroom units making up 50 percent of the unit total, and three-bedroom units accounting for seven percent of all units (Table 2). One-bedroom units will have one bathroom, while two and three-bedroom units will have two bathrooms. One-bedroom units will have 778 square feet; two-bedroom units will have 1,125 square feet; and three-bedroom units will have 1,350 square feet.

All units will target households earning up to 60 percent AMI. The proposed utility allowances are \$89 for one-bedroom units, \$122 for two-bedroom units, and \$155 for three-bedroom units. Monthly rents at Princedale Apartments will include free surface parking as well as trash collection. All other utility bills including electric cooking, electric heating and cooling, water/sewer, and general electricity will be the direct responsibility of tenants.

Table 2 Proposed Unit Mix, Unit Sizes and Rents, Princedale Apartments

Bed	Bath	Quantity	Income Level	Net Sq. Ft.	Contract Rent (1)	Utility Allowance	Gross Rent	Net Rent/SF
1	1	120	60%	778	\$1,300	\$89	\$1,389	\$1.67
2	2	140	60%	1,125	\$1,545	\$122	\$1,667	\$1.37
3	2	20	60%	1,350	\$1,750	\$155	\$1,905	\$1.30
Total		280						

Source: Franklin Johnston Group

(1) Contract rents include trash

Units will be equipped with a full slate of energy efficient kitchen appliances including a range, refrigerator, dishwasher, and disposal (Table 3). Kitchens will have upgraded laminate countertops. Flooring will be vinyl plank in the kitchen and bathrooms with carpet in living areas and bedrooms. All units will have washer/dryer machines and a private balcony/patio. Exterior building finishes will be a combination of brick and fiber cement siding. Common area amenities will include a clubhouse with clubroom and fitness center, an outdoor swimming pool and lounge area, on-site leasing office, and 24-hour maintenance.

Table 3 Unit Features and Community Amenities, Princedale Apartments

Unit Features	Community Amenities
<ul style="list-style-type: none"> Energy efficient appliances including refrigerator, range, dishwasher, and disposal Upgraded laminate countertops In-unit washer/dryer Balcony/patio Capet and vinyl plank flooring 	<ul style="list-style-type: none"> Clubhouse Outdoor swimming pool Fitness center On-site leasing office 24-hour maintenance

Source: Franklin Johnston Group

2. Proposed Timing of Development

The developer intends to begin construction in August 2022. Initial occupancies are expected in August 2023 with completion by December 2023.

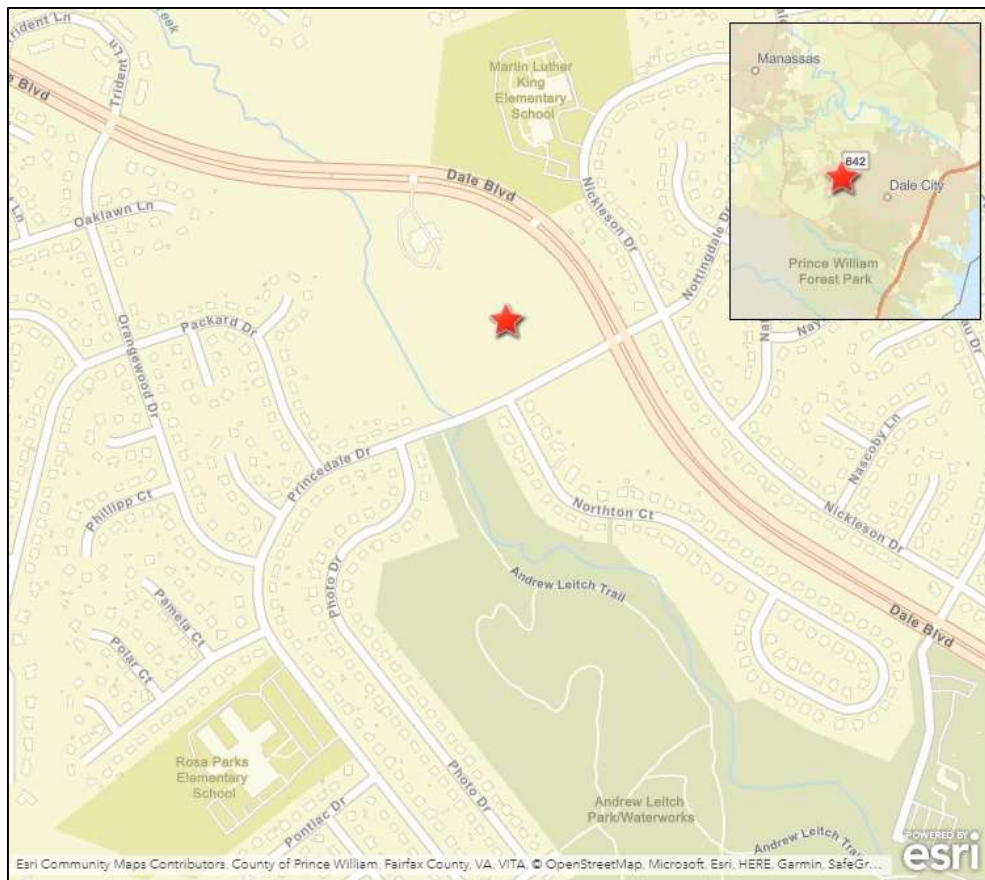
III. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location

The subject site is located at the northwest corner of Princedale Drive and Dale Boulevard in Dale City, an unincorporated census-designated place in Prince William County, Virginia (Map 1). The site is located approximately one mile southeast of Hoadly Road, six miles from Interstate 95, nine miles from Manassas, and 30 miles from downtown Washington, DC.

Map 1 Site Location



2. Size, Shape and Topography

The subject site is 11.47 acres and roughly triangular. Topography could not be fully ascertained due to the wooded state of the site, but it appears to be slightly sloping (Figure 2).

Figure 2 Views of Subject Site



View of site facing west from Dale Blvd



View of site facing northwest from Dale Blvd



View of site southern boundary facing southwest along Princedale Drive



View of site facing north from Princedale Drive



View of site eastern boundary along Dale Blvd facing south



View of site southern boundary facing northeast along Princedale Drive

3. General Description of Land Uses Near the Subject Site

The site is in a low to medium-density residential area with surrounding land uses including primarily single-family residential subdivisions with some nearby institutional uses (Map 2). Several large wooded unimproved parcels are near the subject site as well, and the Dale City Volunteer

Fire Department-Station 18 is directly northwest of the subject site. An elementary school is directly north, and another school is further southwest.

Map 2 Aerial View of Site



4. Specific Identification of Land Uses Surrounding the Subject Site

The land uses surrounding the subject site, starting from the north and proceeding in a clockwise direction, are as follows (see Figure 3):

- **North:** Dale Boulevard, Dale City Volunteer Fire Department-Station 18 to the northwest, Martin Luther King Jr. Elementary School north of Dale Boulevard, single-family homes northeast of Dale Boulevard.
- **East:** Dale Boulevard, single-family homes east of Dale Boulevard.
- **South:** Princedale Drive, single-family homes, and a vacant wooded parcel south of Princedale Drive. Rosa Parks Elementary School further southwest
- **West:** A small wooded parcel and single-family homes

Figure 3 Views of Surrounding and Neighboring Land Uses



Single-family home south of site



Single-family homes east of site



Single-family homes west of site



Fire station northwest of site



Wooded area west of site



Single-family home southwest of site

B. Neighborhood Analysis

The site is located in the Dale City area of Prince William County. Surrounding neighborhoods comprise an established bedroom community for the region. Development throughout the area is largely centered on Dale Boulevard which serves as a primary neighborhood arterial connecting



residential enclaves and retail nodes in the subject neighborhood with nearby Interstate 95 and regional employment and retail centers in Woodbridge. Uses along this corridor include older single-family homes, townhomes, schools, freestanding retail/commercial establishments, and shopping centers.

Most of the existing development near the subject site is modest and suburban-oriented, including single family subdivisions, institutional uses such as schools and a fire station, and modest retail centers. In general, the area serves as a bedroom community for nearby regional employment centers that offers a lower-cost housing alternative compared to higher-priced areas further northeast, such as Fairfax County, Alexandria, and Washington, DC.

Single-family homes near the subject site were generally built in the 1980's and are selling in the \$400,000's according to online data provider, Trulia.

Several retail/commercial nodes are within a short drive from the subject site at prominent intersections. Residential and commercial development activity was recently completed and still underway at the intersection of Prince William Parkway and Hoadly Road, including newly constructed townhomes and commercial establishments.

C. Site Visibility and Accessibility

1. Visibility

The subject will have excellent visibility at the intersection of Dale Boulevard and Princedale Drive. Dale Boulevard serves as a primary arterial for the surrounding neighborhood with moderate to heavy traffic, while Princedale Drive serves as a collector street with light to moderate traffic. The intersection of these two roads at the subject's southeast corner is signalized.

2. Vehicular Access

The subject community will have two points of ingress/egress, one on Princedale Avenue at Northton Court and one on Dale Boulevard. The Dale Boulevard entrance will be the main entrance at the northern end of the community. Dale Boulevard is a four-lane arterial with a cut in the median divider at the subject's entrance to allow for left turns in and out of the community. Princedale Drive is a two-lane undivided collector street with light to moderate traffic. Moderate traffic with regular traffic breaks facilitated by a signalized intersection allows for convenient ingress/egress at the subject site.

Interstate 95 can be accessed roughly six miles from the site from Dale Boulevard, and Route 1 can be reached 6.5 miles from the site. Route 1 and I-95 are the primary north-south arterials that connect the subject's Dale City/Woodbridge area to Fairfax County, Washington DC, and other points north, as well as to Fredericksburg and other points south.

3. Availability of Public Transit

OmniRide is the public bus transportation system serving Prince William County and five other jurisdictions in the region. Services include Express and Local bus routes for the neighborhoods along the I-95 and I-66 corridors. Several routes have stops near the subject site including a stop adjacent to the subject site at the corner of Dale Boulevard and Princedale Drive. The nearest OmniRide commuter lot is located at Dale Boulevard and Lindendale Road, approximately one mile east of the subject site. In addition, the Rippon Amtrak and VRE Station is just over eight miles from the site. This station is on the Fredericksburg line, providing weekday commuter service to Spotsylvania County to the south and Alexandria, Crystal City, and Washington, DC to the north.



4. Pedestrian Access

Pedestrian access at the subject site is excellent as sidewalks are available on all streets adjacent to the subject site, as well as throughout the surrounding neighborhood. A bus stop and elementary school are within walking distance to the subject site.

5. Accessibility Improvements Under Construction and Planned

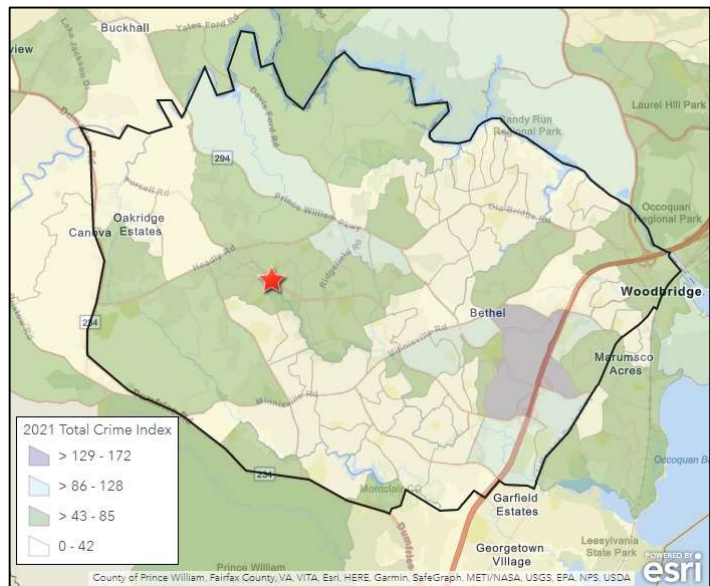
We reviewed information on VDOT’s website to determine whether any capital improvement projects affecting road or transit access to the subject site are currently underway or likely to begin within the next few years. No improvements projects were identified that would affect mobility access to the subject site in the near term. The most significant transportation project in the surrounding neighborhoods is associated with the Quartz District planned mixed-use development at the intersection of Prince William Pkwy and Minnieville Road.

D. Public Safety

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

Map 3 displays the 2021 CrimeRisk Index for the block groups in the general vicinity of the subject site. The relative risk of crime is displayed in gradations from beige (least risk) to purple (most risk). The subject site is in an area with a relatively lower crime risk, similar to much of the surrounding area. Higher crime risk areas are further north and east, mostly near I-95. We do not expect that crime risk or perceived crime risk would have a significant negative effect on the marketability of the subject community.

Map 3 CrimeRisk Index, Princedale Market Area





E. Residential Support Network

1. Key Facilities and Services near the Subject Site

The appeal of any given community is often based in part to its proximity to those facilities and services required on a daily basis. Key facilities and services are listed in Table 4. The location of those facilities is plotted on Map 4.

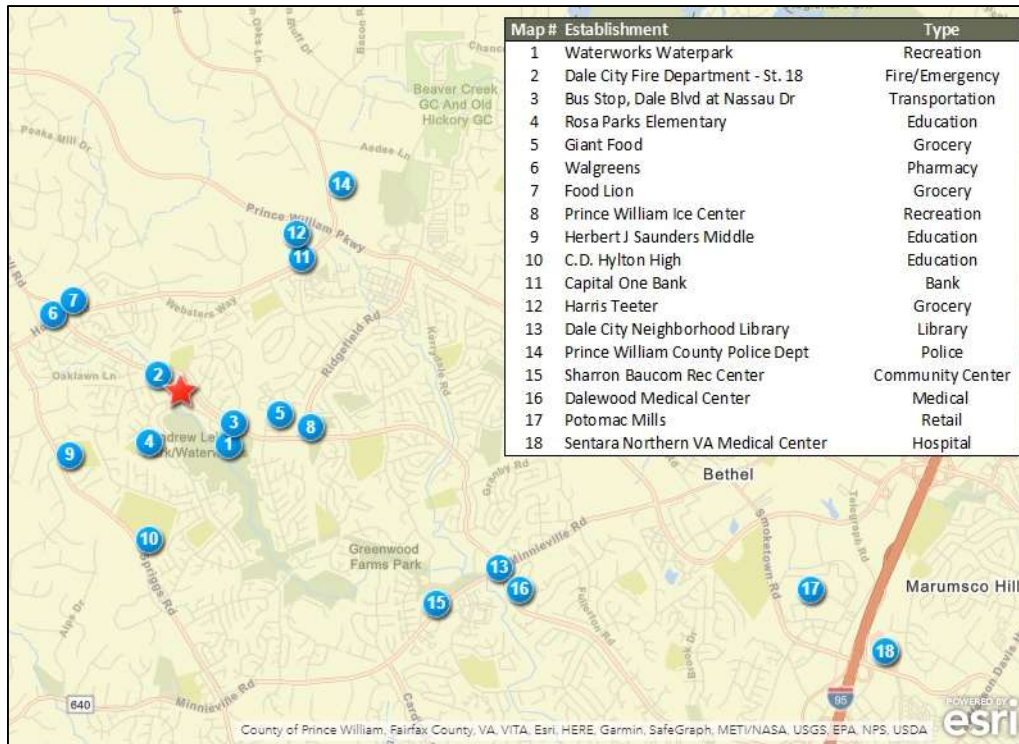
Table 4 Key Facilities and Services

Establishment	Type	Address	Driving Dist (miles)
Dale City Fire Department - St. 18	Fire/Emergency	5849 Dale Blvd	0.1
Bus Stop, Dale Blvd at Nassau Dr	Transportation	Dale Blvd/Princedale	0.1
Waterworks Waterpark	Recreation	5301 Dale Blvd	0.5
Rosa Parks Elementary	Education	13446 Princedale Dr	0.8
Giant Food	Grocery	5469 Mapledale Plaza	1.0
Walgreens	Pharmacy	6400 Hoadly Rd	1.2
Food Lion	Grocery	6306 Hoadly Rd	1.3
Prince William Ice Center	Recreation	5180 Dale Blvd	1.3
Herbert J Saunders Middle	Education	13557 Spriggs Rd	1.6
C.D. Hylton High	Education	14051 Spriggs Rd	2.5
Capital One Bank	Bank	12891 Galveston Ct	3.0
Harris Teeter	Grocery	12623 Galveston Ct	3.0
Dale City Neighborhood Library	Library	4249 Dale Blvd	3.5
Prince William County Police Dept	Police	5036 Davis Ford Rd	3.5
Sharron Baucom Rec Center	Community Center	14300 Minnieville Rd	3.6
Dalewood Medical Center	Medical	4158 Dale Blvd	3.6
Potomac Mills	Retail	2700 Potomac Mills Cir	6.5
Sentara Northern VA Medical Center	Hospital	2300 Opitz Blvd	7.3

Source: Field and Internet Research, Real Property Research Group, Inc.



Map 4 Neighborhood Features



2. Essential Services

a) Health Care

The nearest full-service hospital to the subject site is Sentara Northern Virginia Medical Center, a 183-bed hospital in Woodbridge about seven miles driving distance from the site. Services include emergency care, cardiovascular care, cancer services, surgery, and more.

Sentara Lake Ridge is a state-of-the-art outpatient medical facility located 4.8 miles northeast of the subject site. Services include 24-hour emergency care, an ambulatory surgery center, family and internal medicine, advanced imaging services, and lab services.

In addition, Dalewood Medical Center is a smaller medical facility located 3.6 miles driving distance from the site. This urgent care center is open weekdays from 9 am to 6 pm, and from 9 am to 3 pm on Saturday. Additional healthcare services are also within a short drive from the subject site including Millennium Medical Care and Mapledale Family Dentistry.

b) Education

The State of Virginia administers Standards of Learning (SOL) Assessment Tests to monitor student performance and the quality of classroom instruction in public school systems throughout the state. The most comprehensive testing occurs in the 5th and 8th grades as well as high school. Elementary and middle school students are tested in core areas including English, mathematics, science, and writing. High school tests are conducted upon students' completion of relevant coursework and focus on more specific subject areas such as algebra II, biology, and geometry, in addition to English and writing. The results of SOL tests can be used to compare the performance



of students in various schools and school districts, and by extension the quality of the schools themselves. To construct this comparison, we compiled and analyzed data on the percentage of students testing at the state-defined ‘proficient’ level or ‘advanced’ level in core subject areas. The most current data available is for the 2018 to 2019 school year.

School-age residents of the subject site would be assigned to Rosa Parks Elementary School, Herbert J. Saunders Middle School, and C.D. Hylton High School. Composite test results placed Rosa Parks Elementary 35th out of 63 elementary schools for which data was available. Students attained a composite proficiency rate of 81.5 percent which is near the countywide average of 81.7 percent and higher than the statewide average of 79.5 percent (Table 5).

Residents of the subject property would attend Herbert J. Saunders Middle School which ranked 7th out of 18 middle schools serving eighth grade students. With a composite proficiency score of 86 percent, students scored higher than the countywide average of 79.1 percent and the statewide average of 76.5 percent. High school students would attend CD Hylton High School which ranked 8th out of 12 high schools in the county and achieved a composite score of 87 percent, near the countywide composite average of 88.2 percent and statewide average of 88.5 percent. The subject’s designated public schools have assessment scores near or higher than district and statewide averages, though given the overwhelming need for quality affordable housing, school scores will not affect the ability of the subject property to reach and maintain stabilization.

Table 5 Prince William County Public Schools, 2018-2019

Elementary Schools					Middle Schools					
VSLA - 2019		Grade 5			VSLA - 2019		Grade 8			
Rank	Elementary Schools	English	Math	Composite	Rank	Middle Schools	English	Math	Composite	
1	Old Bridge	92.0%	97.0%	94.5%	1	Mary G. Porter Traditional	96.0%	98.0%	97.0%	
2	Pennington	93.0%	95.0%	94.0%	2	E.H. Marsteller	88.0%	88.0%	88.0%	
3	Thurgood Marshall	94.0%	93.0%	93.5%	3	Lake Ridge	85.0%	90.0%	87.5%	
4	Ashland	93.0%	93.0%	93.0%	4	Louise A. Benton	84.0%	91.0%	87.5%	
5	Bristow Run	91.0%	95.0%	93.0%	5	Ronald Wilson Reagan	86.0%	89.0%	87.5%	
30	Antietam	84.0%	81.0%	82.5%	6	The Nokesville	85.0%	89.0%	87.0%	
31	Potomac View	79.0%	86.0%	82.5%	7	Herbert J. Saunders	85.0%	87.0%	86.0%	
32	Sharon C. McAuliffe	79.0%	86.0%	82.5%	8	Gainesville	81.0%	90.0%	85.5%	
33	Bel Air	79.0%	85.0%	82.0%	9	Bull Run	80.0%	81.0%	80.5%	
34	Fannie W. Fitzgerald	78.0%	86.0%	82.0%	10	Woodbridge	79.0%	79.0%	79.0%	
35	Rosa Parks	82.0%	81.0%	81.5%	18	Stonewall	58.0%	66.0%	62.0%	
36	Leesylvania	81.0%	81.0%	81.0%	Prince William County Average			76.8%	81.4%	79.1%
37	George G. Tyler	81.0%	80.0%	80.5%	State Average			76.0%	77.0%	76.5%
38	Martin Luther King Jr.	83.0%	78.0%	80.5%	High Schools					
39	Victory	76.0%	85.0%	80.5%	EOC - 2019					
40	Lake Ridge	81.0%	79.0%	80.0%	Rank	High Schools	Reading	Algebra	Composite	
55	Belmont	61.0%	78.0%	69.5%	1	Battlefield	94.0%	96.0%	95.0%	
56	George P. Mullen	65.0%	72.0%	68.5%	2	Osborn Park	91.0%	97.0%	94.0%	
57	Marumsco Hills	64.0%	73.0%	68.5%	3	Patriot	94.0%	93.0%	93.5%	
58	Featherstone	70.0%	65.0%	67.5%	4	Charles J. Colgan Sr.	94.0%	85.0%	89.5%	
59	Triangle	61.0%	73.0%	67.0%	5	Forest Park	90.0%	88.0%	89.0%	
60	Kerrydale	67.0%	66.0%	66.5%	6	Woodbridge	86.0%	89.0%	87.5%	
61	R. Dean Kilby	64.0%	64.0%	64.0%	7	Brentsville District	88.0%	86.0%	87.0%	
62	Yorkshire	60.0%	65.0%	62.5%	8	C.D. Hylton	88.0%	86.0%	87.0%	
63	Suella G. Ellis	61.0%	58.0%	59.5%	9	Potomac	76.0%	94.0%	85.0%	
Prince William County Average		79.8%	83.5%	81.7%	10	Stonewall Jackson	77.0%	93.0%	85.0%	
State Average		78.0%	81.0%	79.5%	11	Freedom	76.0%	92.0%	84.0%	
					12	Gar-Field	78.0%	86.0%	82.0%	
					Prince William County Average			86.0%	90.4%	88.2%
					State Average			86.0%	91.0%	88.5%

Source: Virginia Department of Education



3. Shopping

The site is in a suburban location, with retail services and amenities within a convenient bus ride or driving distance. The retail and services closest to the site are in established neighborhood shopping centers. Three grocery-anchored shopping centers are within three miles of the subject site including Giant Food, Food Lion, and Harris Teeter. A minor retail node including Forestdale Shopping Center is located on Dale Boulevard, three miles east of the site. Tenants at the center include Dollar General, World Gym, Dalewood Medical Center, and smaller convenience retail stores. Several pharmacies are within a short drive including a CVS and Walgreens each 1.3 miles from the subject site at the intersection of Dale Boulevard and Hoadly Road.

Additional retail and services are within three to five miles driving distance including Target, Lowe's, Home Depot, and Kohls, within five miles from the site along Prince William Parkway.

Potomac Mills is a regional outlet shopping mall in Woodbridge, about six miles driving distance from the site. The mall's anchors include Bloomingdale's, buybuyBABY, Costco, H&M, JCPenney, Marshalls, Nordstrom Rack, Saks Off 5th, Sears, and TJ Maxx. IKEA home furnishings store is adjacent to the mall.

4. Recreational and Other Community Amenities

Dale City Neighborhood Library is 3.5 miles southeast of the site. Several community parks are nearby including Andrew Leitch Park, Hillendale Park, and Cunard Park. Waterworks Waterpark and Prince William Ice Center are each within roughly one mile southeast of the site along Dale Boulevard. Sharron Baucom Dale City Recreation Center is located approximately three miles southeast of the subject site. The center offers cardio and strength training, group fitness classes, studio for dance, gymnastics, martial arts, indoor pool, indoor basketball court, racquetball court, preschool, summer camps, and youth sports. Prince William Forest Park is a 16,000-acre protected natural area located eight miles south of the subject site. The park offers wildlife viewing, 37 miles of hiking trails, 21 miles of bicycle accessible trails and roads, as well as several camping options. Washington, DC is about 30 miles driving distance from the site to the northeast via I-95 and I-395 offering myriad cultural attractions, national museums, theaters, restaurants, and more.

F. Overall Site Conclusions

The subject site is appropriate for an affordable general occupancy rental community. A variety of convenience goods establishments and neighborhood services are within a short drive, and major employment centers and the region's primary retail nodes are within a reasonable commute. A bus stop is adjacent to the subject site, and two elementary schools are within one mile. Land uses throughout the subject neighborhood and near the site include single-family homes, a fire station, and schools, with three grocery-anchored shopping centers within three miles. No detracting uses surrounding the subject site were identified.



IV. ECONOMIC CONTEXT

A. Introduction

This section of the report focuses primarily on economic trends and conditions in Prince William County, the jurisdiction in which the subject site is located. Economic trends in the nation are also discussed for comparison purposes. The combination of At-Place Employment and Resident Labor Force data provide an indicator of the recent impact of the COVID-19 pandemic on the local economy relative to state and national trends. The full economic impact on any specific market area or county will be dependent on the longevity and severity of the COVID-19 pandemic including the emergence of new variants over the next several months, which may be affected by widespread availability and distribution of vaccines as well as state and local government actions. RPRG will provide an analysis and conclusion on the potential impact of COVID-19 in the Findings and Conclusions section of this market study.

B. Labor Force, Resident Employment, and Unemployment

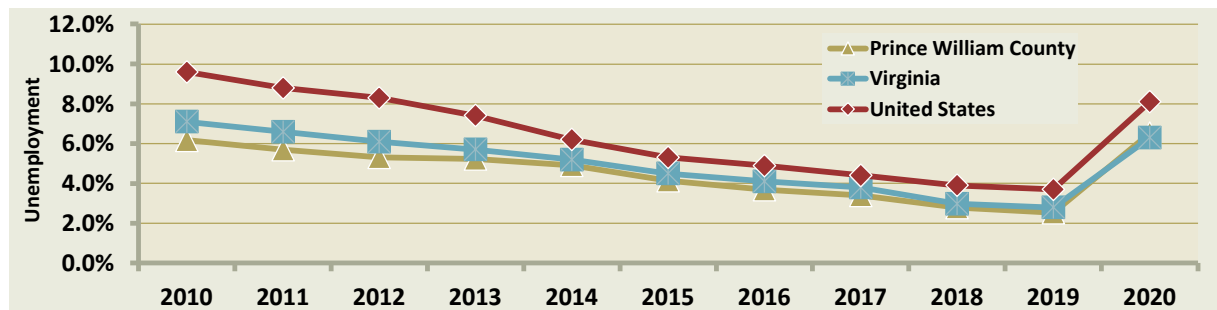
1. Trends in Annual Average Labor Force and Unemployment Data

Prince William County’s labor force has expanded since 2010 from 247,432 workers in 2010 to 279,541 workers in 2019, an increase of 32,109 workers or 13 percent, prior to the COVID-19 pandemic. The number of employed working residents increased by roughly 40,300 (1.9 percent annually) during this period (Table 6). Prince William County’s unemployment rate has trended lower than that of the state and nation since 2010. The county’s unemployment rate has improved significantly since the previous recession, declining from a high of 6.2 percent in 2010 to 2.5 percent as of 2019, lower than the state’s 2019 rate of 2.8 percent and the national rate of 3.7 percent. The overall labor force and employed portion of the labor force declined in 2020 relative to 2019 with the onset of the COVID-19 pandemic, while those considered unemployed more than doubled.

Table 6 Annual Average Labor Force and Unemployment Data

Annual Average Unemployment	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Labor Force	247,432	255,232	259,510	262,147	261,908	261,227	264,644	269,739	273,506	279,541	277,095
Employment	232,163	240,696	245,738	248,453	249,048	250,423	254,905	260,589	265,892	272,482	259,013
Unemployment	15,269	14,536	13,772	13,694	12,860	10,804	9,739	9,150	7,614	7,059	18,082
Unemployment Rate											
Prince William County	6.2%	5.7%	5.3%	5.2%	4.9%	4.1%	3.7%	3.4%	2.8%	2.5%	6.5%
Virginia	7.1%	6.6%	6.1%	5.7%	5.2%	4.5%	4.1%	3.8%	3.0%	2.8%	6.3%
United States	9.6%	8.8%	8.3%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%

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





2. Trends in Recent Monthly Labor Force and Unemployment Data

Prince William County’s total labor force continued to expand through the first quarter of 2020 but decreased to 279,593 workers in April 2020 at the onset of the COVID-19 pandemic, followed by continued contraction to 273,695 workers in May 2020 (Table 7). The number of unemployed workers ticked down during the first quarter of 2020 followed by a spike to 31,926 unemployed workers in April 2020. After steady improvement, the number of unemployed workers has declined to 10,311 as of August 2021.

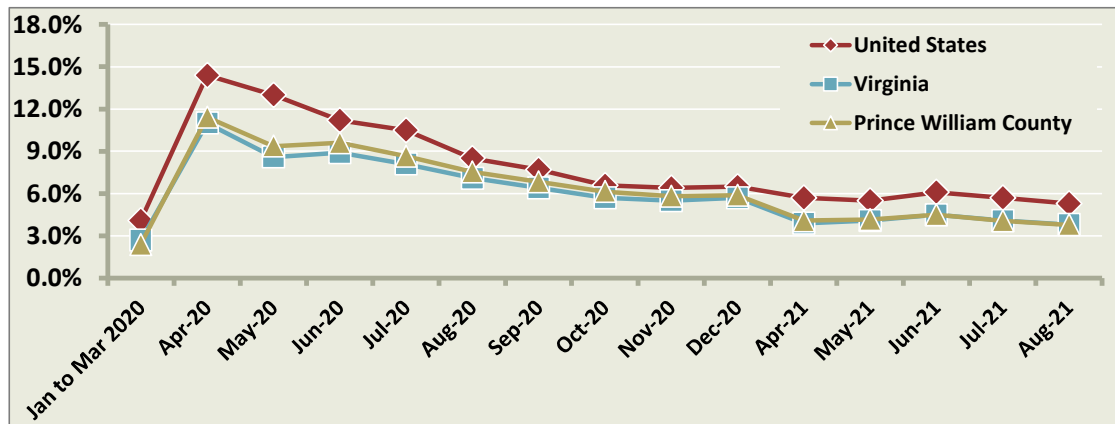
Prince William County’s unemployment rate held steady during the first quarter of 2020 but spiked to 11.4 percent in April 2020; this increase reflects the impact of business-related closures related to the COVID-19 pandemic. The unemployment rate has subsequently improved to 3.8 percent as of August 2021, in line with the state’s rate of 3.8 percent and well below the nation’s rate of 5.3 percent.

Table 7 Recent Monthly Labor Force and Unemployment Data

2020 Monthly Unemployment	Jan to Mar 2020	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Labor Force	283,111	279,593	273,695	279,522	278,502	280,882	273,495	271,615	270,010	268,491
Employment	276,315	247,667	248,051	252,675	254,407	259,707	254,794	254,910	254,326	252,675
Unemployment	6,797	31,926	25,644	26,847	24,095	21,175	18,701	16,705	15,684	15,816
Unemployment Rate										
Prince William County	2.4%	11.4%	9.4%	9.6%	8.7%	7.5%	6.8%	6.2%	5.8%	5.9%
Virginia	2.7%	11.0%	8.6%	8.9%	8.1%	7.1%	6.4%	5.7%	5.5%	5.7%
United States	4.1%	14.4%	13.0%	11.2%	10.5%	8.5%	7.7%	6.6%	6.4%	6.5%

2021 Monthly Unemployment	Jan to Mar 2021	Apr-21	May-21	Jun-21	Jul-21	Aug-21
Labor Force	269,152	268,881	270,691	273,375	274,327	272,187
Employment	254,340	257,909	259,419	261,086	263,154	261,876
Unemployment	14,812	10,972	11,272	12,289	11,173	10,311
Unemployment Rate						
Prince William County	5.5%	4.1%	4.2%	4.5%	4.1%	3.8%
Virginia	5.4%	3.9%	4.1%	4.5%	4.1%	3.8%
United States	6.5%	5.7%	5.5%	6.1%	5.7%	5.3%

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





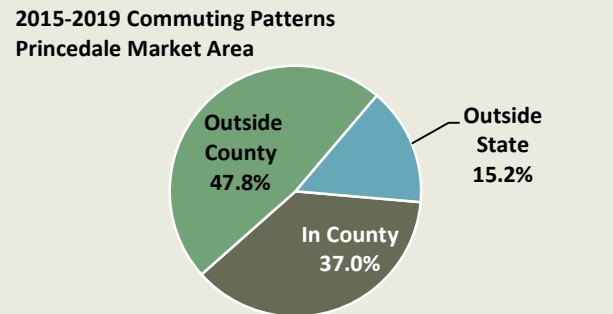
C. Commuting Patterns

The market area serves as a bedroom community for several nearby employment centers. According to 2015-2019 American Community Survey (ACS) data, just under one quarter (23.9 percent) of the workers residing in the market area spent less than 20 minutes commuting to work or worked from home (Table 8). Another quarter (24 percent) of workers spent 20 to 34 minutes commuting to work. Approximately 28 percent of workers commuted 35 to 59 minutes to work, while 24.4 percent of market area workers commuted 60 minutes or more to work. Just over one third (37 percent) of workers residing in the market area worked in Prince William County. Almost half (47.8 percent) of market area workers are employed in another Virginia county, and just over 15 percent of working residents worked outside the state of Virginia.

Table 8 2015-2019 Commutation Data, Princedale Market Area

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home:	98,964	96.0%	Worked in state of residence:	87,474	84.8%
Less than 5 minutes	625	0.6%	Worked in county of residence	38,169	37.0%
5 to 9 minutes	2,441	2.4%	Worked outside county of residence	49,305	47.8%
10 to 14 minutes	5,331	5.2%	Worked outside state of residence	15,625	15.2%
15 to 19 minutes	12,082	11.7%	Total	103,099	100%
20 to 24 minutes	6,047	5.9%			
25 to 29 minutes	2,802	2.7%			
30 to 34 minutes	15,845	15.4%			
35 to 39 minutes	3,403	3.3%			
40 to 44 minutes	4,825	4.7%			
45 to 59 minutes	20,426	19.8%			
60 to 89 minutes	20,009	19.4%			
90 or more minutes	5,128	5.0%			
Worked at home	4,135	4.0%			
Total	103,099				

Source: American Community Survey 2015-2019



Source: American Community Survey 2015-2019

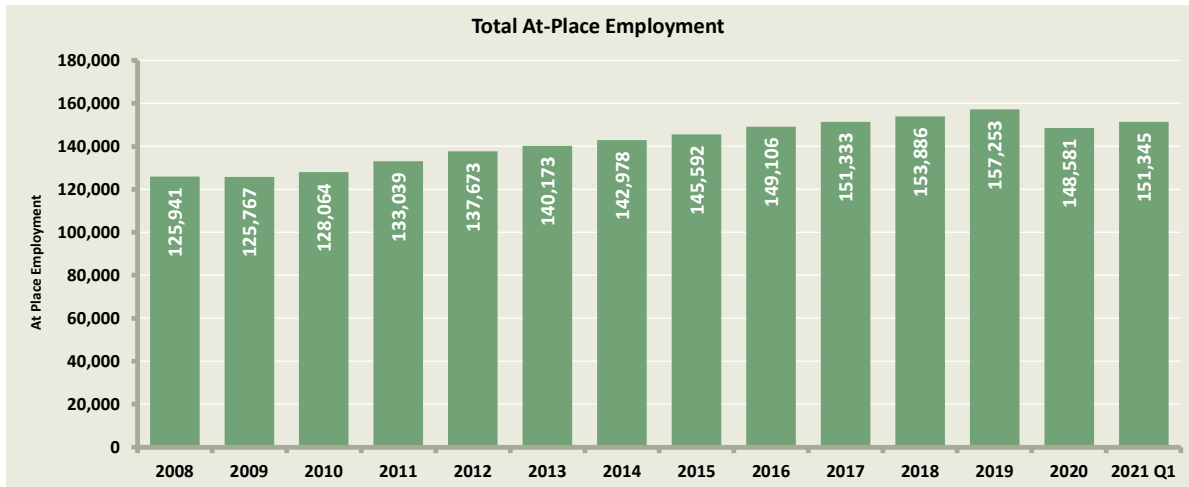
D. At-Place Employment Trends

Prince William County’s economy added approximately 31,486 net new jobs (an increase of 25 percent) from 2010 through 2019, prior to the COVID-19 pandemic (Figure 4). The county’s At-Place Employment base grew every year during this ten-year period from 125,767 jobs in 2010 to 157,253 jobs in 2019. During the previous national recession, Prince William County lost 3,424 net jobs, followed by a quick recovery of these losses within two years, faster than the national recovery.

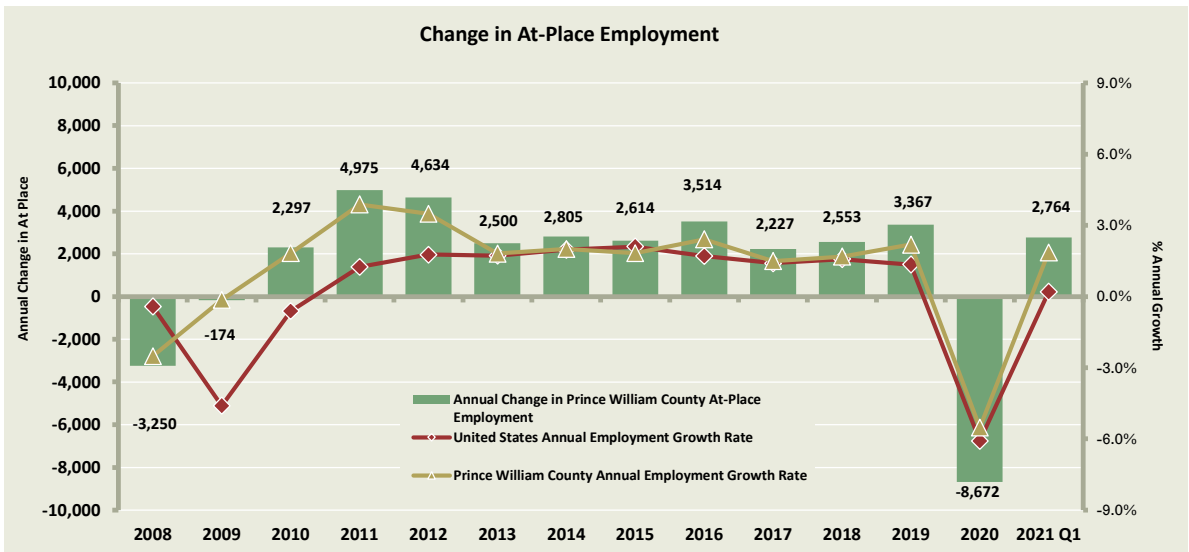
Reflecting the impact of pandemic-related closures, At-Place employment dropped by 5.5 percent, or a loss of 8,672 jobs in 2020. The county’s 5.5 percent employment decline in 2020 was less than the nation’s 6.1 percent loss, and these losses are expected to be largely temporary. Reflecting the beginning of economic recovery, the county added 2,764 jobs (1.9 percent) in the first quarter of 2021.



Figure 4 At-Place Employment, Prince William County



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



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

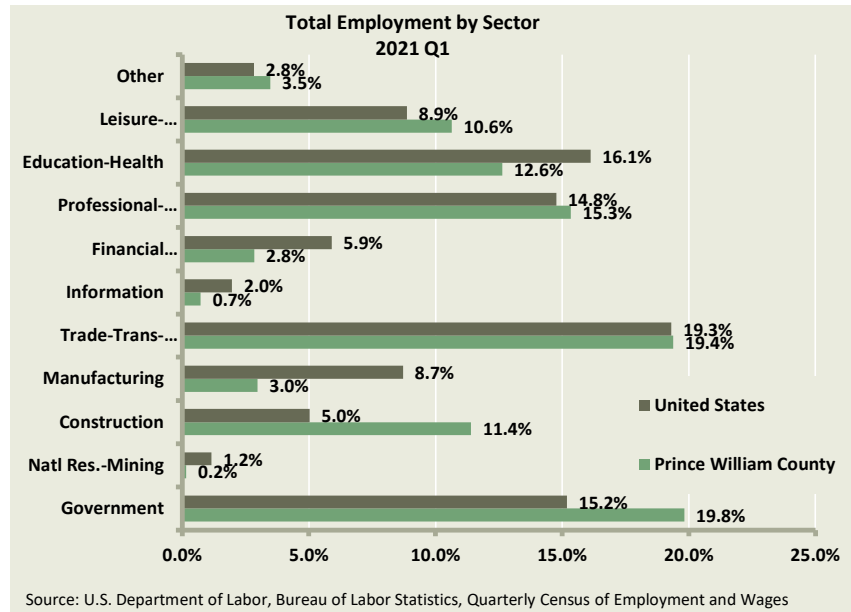
E. At-Place Employment by Industry Sector

The local economy is diverse with six industry sectors each representing at least 10 percent of the county employment base sector as of the first quarter of 2021. The county’s two largest sectors are Government and Trade-Transportation-Utilities. Reflecting the region’s proximity to key federal government and military facilities, the Government sector represents 19.8 percent of the county’s employment base, higher than the national share of 15.2 percent in this sector. The Trade-Transportation-Utilities sector accounts for 19.4 percent of employment, similar to the national average of 19.3 percent (Figure 5). Professional Business, Education-Health, Construction and Leisure-Hospitality sectors are also important sectors throughout the county, with shares ranging from 10.6 to 12.6 percent. The county’s share of Leisure-Hospitality and Professional–Business jobs exceeded the national share, while the county’s Education-Health sector had a lower share compared to the respective national share.



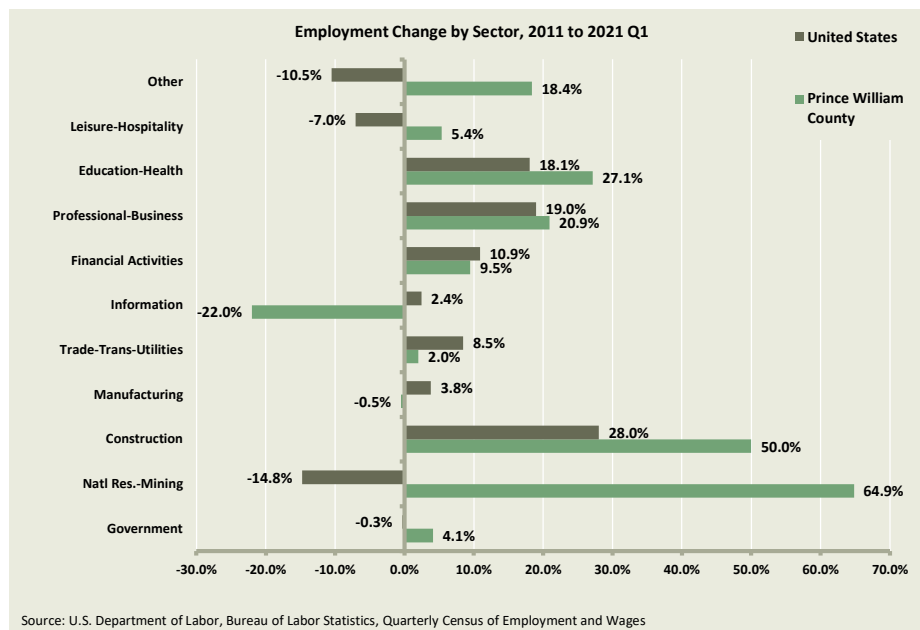
Figure 5 Total Employment by Sector, 2021 (Q1)

Prince William County Employment by Industry Sector 2021 Q1	
Sector	Jobs
Other	5,261
Leisure-Hospitality	16,106
Education-Health	19,113
Professional-Business	23,225
Financial Activities	4,291
Information	1,097
Trade-Trans-Utilities	29,338
Manufacturing	4,496
Construction	17,255
Natl. Res.-Mining	242
Government	29,998
Total Employment	150,422



Nine of 11 economic sectors added jobs in Prince William County from 2011 through the first quarter of 2021, inclusive of the recent impacts of the COVID-19 pandemic (Figure 6). The key Trade-Transportation-Utilities and Government sectors grew by 2.0 percent and 4.1 percent, respectively. Industry sectors reflecting the strongest growth include Education Health (27.1 percent), Construction (50 percent), and Professional-Business (20.9 percent). Natural Resources-Mining recorded the largest percentage gain (64.9 percent) but is the county’s smallest sector. The only two sectors to contract during this period (Manufacturing and Information) are among the county’s smallest sectors.

Figure 6 Employment Change by Sector, 2011-2021 (Q1)

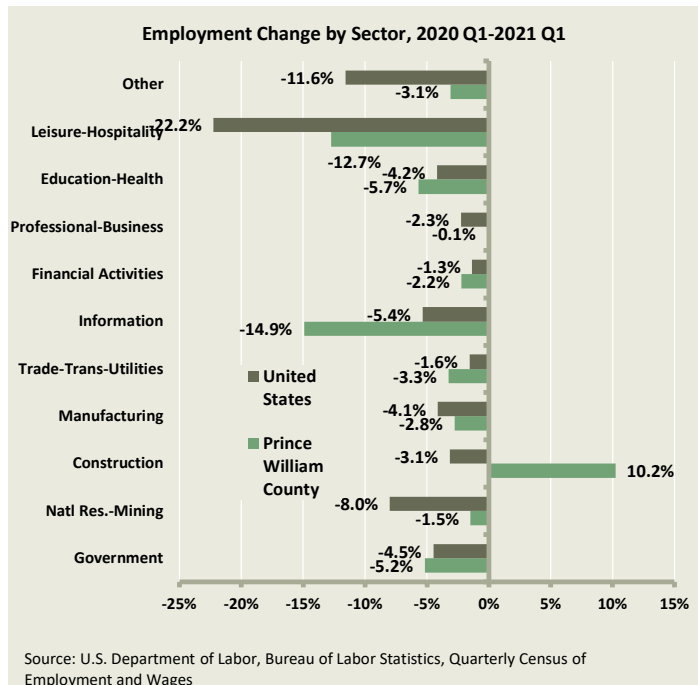




To gain insight on how the COVID-19 pandemic affected the sector trends of the local job base, we examined employment changes by sector from the first quarter of 2020 (Pre-Pandemic) to the first quarter of 2021 (most recent data available) (Figure 7). Over this period, only one of 11 sectors had net job growth in the county due to the broad impact of the COVID-19 pandemic. The Construction sector increased by 10.2 percent (1,604 jobs). The largest sectors in the county (Government and Trade-Transportation-Utilities) contracted by 5.2 percent and 3.3 percent, respectively. The largest decline was in the Leisure-Hospitality sector which decreased by 12.7 percent (2,350 jobs) compared to the 22.2 percent decrease nationwide.

Figure 7 Employment Change by Sector, 2020 Q1 – 2021 Q1

Prince William County Employment by Industry Sector 2020 Q1 - 2021 Q1				
Sector	2020 Q1	2021 Q1	# Change	% Change
Other	5,429	5,261	-168	-3.1%
Leisure-Hospitality	18,456	16,106	-2,350	-12.7%
Education-Health	20,265	19,113	-1,152	-5.7%
Professional-Business	23,253	23,225	-28	-0.1%
Financial Activities	4,388	4,291	-97	-2.2%
Information	1,289	1,097	-192	-14.9%
Trade-Trans-Utilities	30,328	29,338	-990	-3.3%
Manufacturing	4,624	4,496	-128	-2.8%
Construction	15,651	17,255	1,604	10.2%
Natl. Res.-Mining	246	242	-4	-1.5%
Government	31,632	29,998	-1,634	-5.2%
Total Employment	155,561	150,422	-5,138	-3.3%



F. Wages

The average annual wage in 2020 for Prince William County was \$55,173, approximately \$10,000 or 15 percent lower than the average annual wage of \$65,159 throughout the state of Virginia (Table 9). The average wage in the county was \$8,840 lower than the average national wage (\$64,013). The average annual wage in Prince William County increased each year of the last ten years. Affordability including labor costs has been a key criteria cited among businesses who recently relocated to the area.

Table 9 Average Annual Pay, 2010 to 2020

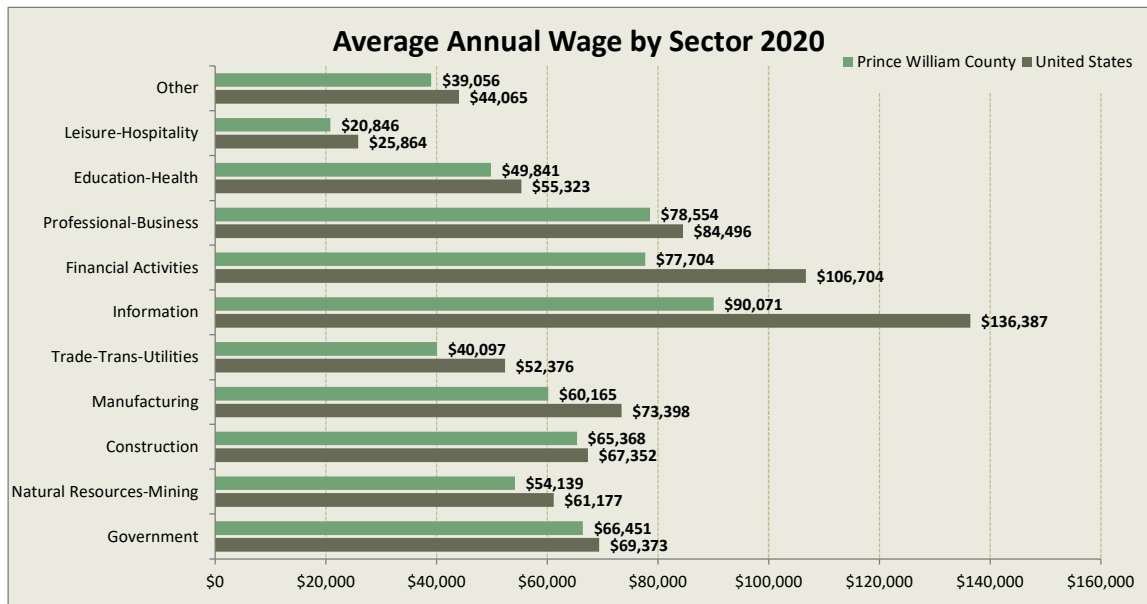
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Prince William County	\$42,136	\$42,619	\$43,337	\$43,525	\$44,019	\$44,966	\$46,064	\$47,111	\$49,200	\$50,244	\$55,173
Virginia	\$49,651	\$50,657	\$51,646	\$51,918	\$52,929	\$54,276	\$54,836	\$56,503	\$58,239	\$60,200	\$65,159
United States	\$46,751	\$48,043	\$49,289	\$49,808	\$51,364	\$52,942	\$53,621	\$55,390	\$57,266	\$59,209	\$64,013

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



The average annual wage in Prince William County was lower than the average wage nationally in all eleven sectors as of 2020 (Figure 8). The two highest-paying sectors in Prince William County are Information (\$90,071) and Professional-Business (\$78,554); the county’s average wages in these sectors were 66 and 93 percent of the national average wages in these sectors, respectively. Financial Activities is the county’s third highest paying sector with an average wage of \$77,704, lower than the national average of \$106,704. The countywide average annual wage for the key Trade-Transportation-Utilities sector was \$40,097, much lower than the national average wage of \$52,376. The county’s largest sector, Government, had an average wage of \$66,451 which is four percent less than the national average wage of \$69,373.

Figure 8 Wages by Industry Sector, Prince William County - 2020



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

G. Major Employers

Major county employers include county government entities, defense-related federal government entities, retailers, and education-health employers (Table 10). The four largest employers are the Prince William County government and county school board, US Department of Defense, and Walmart. Additional major employers include Sentara Healthcare, several grocery stores and big box retailers, and the local community college. As shown in Map 5, most of the major employers in the county are within convenient commuting distance of the subject site.

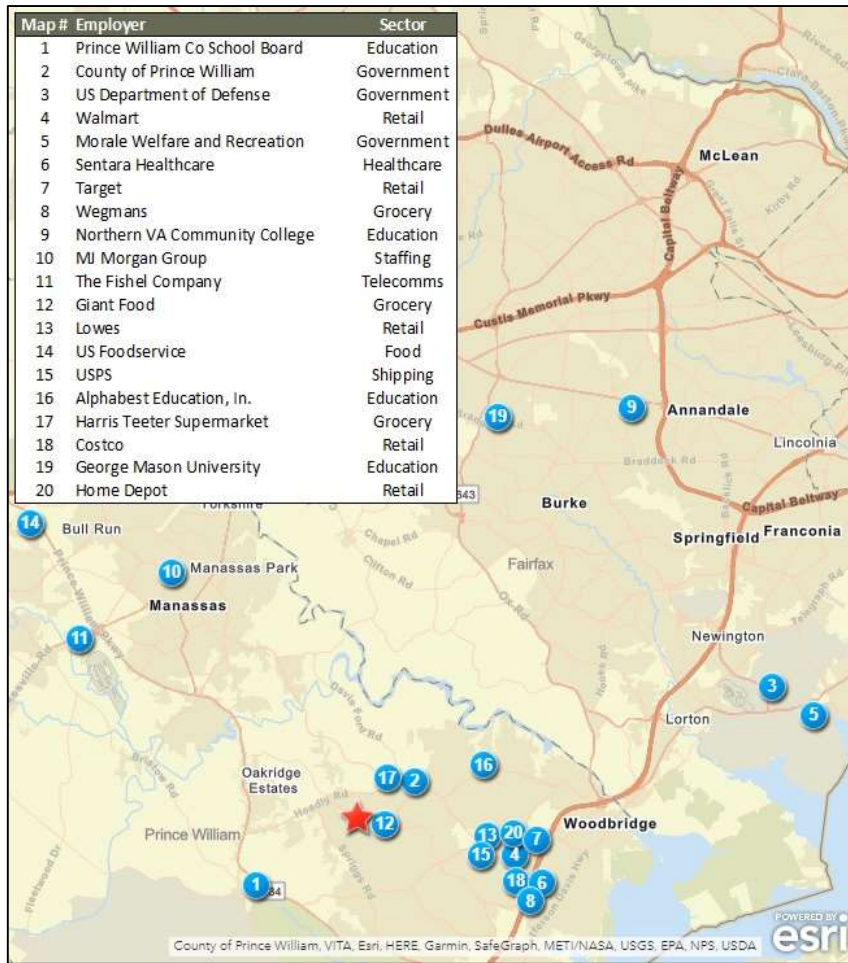
Table 10 Major Employers, Prince William County

Rank	Name	Sector	Employment
1	Prince William County School Board	Education	1,000 +
2	County of Prince William	Government	1,000 +
3	US Department of Defense	Government	1,000 +
4	Walmart	Retail	1,000 +
5	Morale Welfare and Recreation	Government	1,000 +
6	Sentara Healthcare	Healthcare	1,000 +
7	Target	Retail	500-999
8	Wegmans	Grocery	500-999
9	Northern VA Community College	Education	500-999
10	MJ Morgan Group	Staffing	500-999
11	The Fishel Company	Telecomms	500-999
12	Giant Food	Grocery	500-999
13	Lowes	Retail	250-499
14	US Foodservice	Food	250-499
15	USPS	Shipping	250-499
16	Alphabest Education, In.	Education	250-499
17	Harris Teeter Supermarket	Grocery	250-499
18	Costco	Retail	250-499
19	George Mason University	Education	250-499
20	Home Depot	Retail	250-499

Source: Virginia Employment Commission. Labor Market Information: 2020 Q2



Map 5 Major Employers, Prince William County



H. Economic Conclusions

Prince William County’s At-Place Employment increased every year from 2010 to 2019, prior to the COVID-19 pandemic, with net growth of 31,486 jobs or 25 percent, more than nine times the recession-era losses of 3,424 jobs from 2008 to 2010. The county’s annual rate of job growth since 2009 was comparable to or faster than the national rate each year during this period. Prince William County’s 2019 average unemployment rate of 2.5 percent was the lowest level in more than a decade and below the state’s 2.8 percent and the national 3.7 percent. After peaking at 11.4 percent in April 2020 during the onset of the COVID-19 pandemic, the county’s unemployment rate subsequently improved to 3.8 percent as of August 2021, lower than the nation’s 5.3 percent rate. The Prince William County economy is diverse with six industry sectors each representing at least ten percent of the county employment base. In addition to the federal government presence, local government entities (Prince William County School Board and County of Prince William) are among the top major employers in the county which provide stability during economic downturns.



V. HOUSING MARKET AREA

A. Introduction

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

B. Delineation of Market Area

The primary market area for Princedale Apartments site consists of 27 census tracts in northeastern Prince William County, Virginia (Map 6). The market area includes the Dale City and Woodbridge areas and part of Lake Ridge and Montclair. The market area is generally bounded by the Route 1 corridor, Dumfries Road, and the Occoquan River and Fairfax County line. Portions of the county further south, including Triangle, Quantico, and Dumfries, are excluded from the market area due to geographic distance from the subject site and differing demographic and development patterns. We exclude Fairfax County to the north of the site given the natural boundary of the Occoquan River as well as the political boundary of the county line. This designated market area has similar neighborhood characteristics and demographics and contain multifamily rental properties most comparable to the proposed subject property.

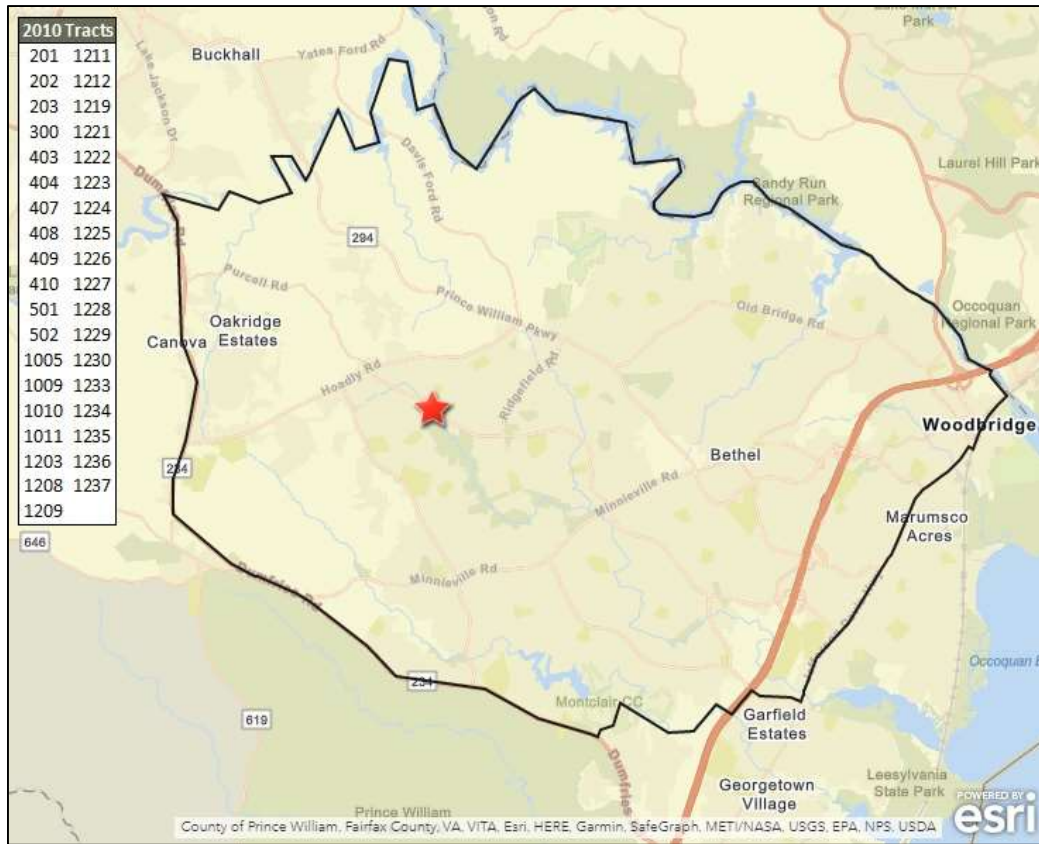
The approximate boundaries of the Princedale Market Area and their distance from the subject site is as follows:

- **North:** Occoquan River/Fairfax County line (4.1 miles)
- **East:** Route 1 (5.6 miles)
- **South:** Dumfries Road, Powells Creek (3.5 miles)
- **West:** Dumfries Road (3.2 miles)

As appropriate for this analysis, the Princedale Market Area is compared and contrasted to the Prince William County region as a whole, which can be perceived as a secondary market area. The Prince William County region is comprised of Prince William County and the independent cities of Manassas and Manassas Park which are surrounded by Prince William County. Demand estimates are based only on the Princedale Market Area.



Map 6 Princedale Market Area





VI. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

RPRG analyzed recent trends and characteristics of population and households in the Princedale Market Area and Prince William County using several sources. For small area estimates, projections of population and households prepared by Esri were considered. We also examined the Round 9.1 forecasts from the area's metropolitan planning organization, the Metropolitan Washington Council of Governments (MWCOG). The forecasts were adopted in October 2018. We compared and evaluated data from both sources in the context of decennial U.S. Census data (from 2000 and 2010).

Upon examining population and household estimates and projections from both Esri and MWCOG, we elected to use MWCOG's local area projections as a base. When available, RPRG typically relies on data from the local metropolitan planning organization, as local government members have intimate knowledge of local development patterns. Overall, MWCOG's forecasts appear realistic in light of past performances and unfolding trends.

We recognize the impact of the COVID-19 pandemic is fluid and specific to regions or markets, thus we have evaluated MWCOG and Esri's projections considering recent trends, available economic data, and current market conditions. We will present available estimates and projections and evaluate their appropriateness.

B. Trends in Population and Households

1. Recent Past Trends

Between 2000 and 2010 Census counts, the population of the Princedale Market Area grew by 19.9 percent, from 146,701 to 175,931 persons, a 1.8 percent annual increase (Table 11). During the same period, the number of market area households grew by 17.8 percent, from 48,682 to 57,350 households or an annual increase of 1.7 percent.

During the same decade, the population and household base of Prince William County grew at a stronger rate. The population of the county increased by 39.2 percent from 2000 to 2010, or by 3.4 percent annually, while the number of households increased at a rate of 34.9 percent or 3.0 percent per annum.

Based on data from MWCOG, population and household growth moderated in the market area over the last 11 years while remaining strong. The Princedale Market Area increased by 2,266 people (1.2 percent) and 786 households (1.3 percent) annually from 2010 through 2021. The Prince William County population and household base each grew annually by 1.4 percent.

2. Projected Trends

The Princedale Market Area population and household growth rates are projected to continue to moderate over the next five years. Based on data from MWCOG, RPRG projects the market area population will increase annually by 1,806 people or 0.9 percent from 2021 through 2026, bringing the total population to 209,888 persons in 2026. The number of households will increase at a rate of 1.0 percent or 698 new households per annum, resulting in a projected 69,490 households in 2026.



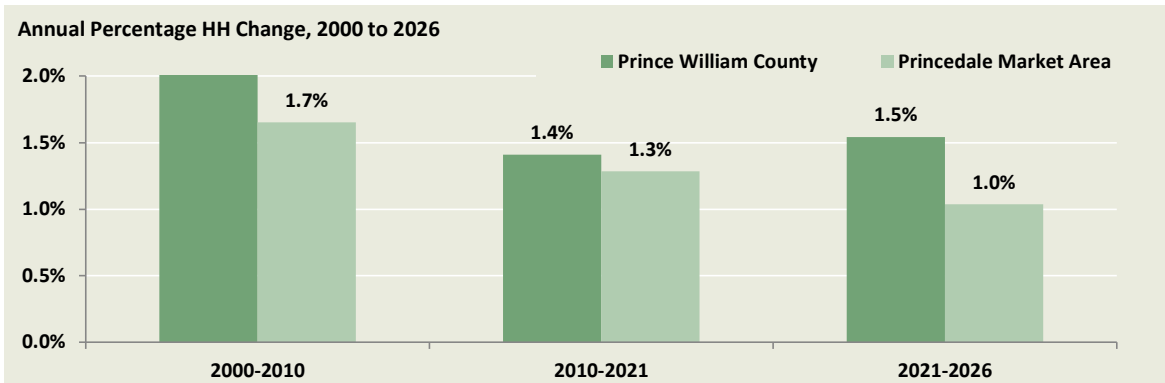
Across Prince William County, projected population and household growth rates are higher than those of the Princedale Market Area. Prince William County will experience population growth of 1.4 percent per year and household growth of 1.5 percent per year through 2026.

Table 11 Population and Household Projections

		Prince William County				Princedale Market Area				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	326,239					146,701				
2010	454,096	127,857	39.2%	12,786	3.4%	175,931	29,230	19.9%	2,923	1.8%
2021	528,746	74,650	16.4%	6,786	1.4%	200,858	24,927	14.2%	2,266	1.2%
2026	565,679	36,933	7.0%	7,387	1.4%	209,888	9,030	4.5%	1,806	0.9%

		Prince William County				Princedale Market Area				
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	109,581					48,682				
2010	147,819	38,238	34.9%	3,824	3.0%	57,350	8,668	17.8%	867	1.7%
2021	172,444	24,625	16.7%	2,239	1.4%	66,001	8,651	15.1%	786	1.3%
2026	186,170	13,726	8.0%	2,745	1.5%	69,490	3,489	5.3%	698	1.0%

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



3. Building Permit Trends

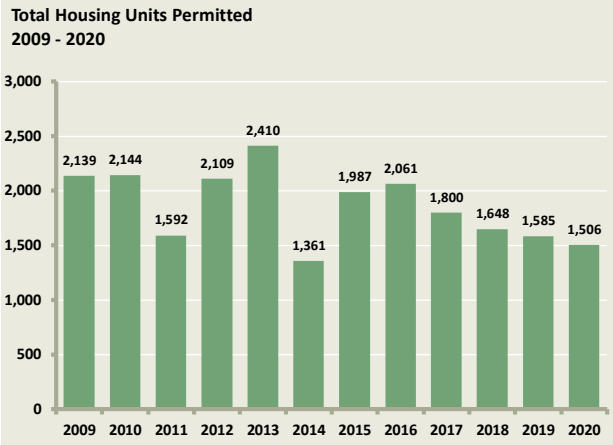
Building permit data for Prince William County shows a gradual decrease in activity over the most recent decade. Between 2009 and 2013, annual residential building permit totals averaged 2,079 units, slowing to an average of 1,802 units from 2014 through 2017 (Table 12). Building permit activity decreased further to an average of 1,580 units from 2018 through 2020.

Over this twelve-year period, 79 percent of the permit total was for single family homes and 20 percent was for units in multifamily buildings of five or more units.



Table 12 Building Permits by Structure Type, Prince William County

Prince William County					
Year	Single - Unit	Two Units	3-4 Units	5+ Units	Ann. Total
2009	1,769	158	0	212	2,139
2010	1,654	0	0	490	2,144
2011	1,298	0	0	294	1,592
2012	1,501	0	80	528	2,109
2013	1,602	0	0	808	2,410
2014	1,344	0	0	17	1,361
2015	1,591	0	0	396	1,987
2016	1,359	0	0	702	2,061
2017	1,497	0	0	303	1,800
2018	1,323	12	0	313	1,648
2019	1,295	12	0	278	1,585
2020	1,442	0	0	64	1,506
2009-2020	17,675	182	80	4,405	22,342
Ann. Avg.	1,473	15	7	367	1,862



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

C. Demographic Characteristics

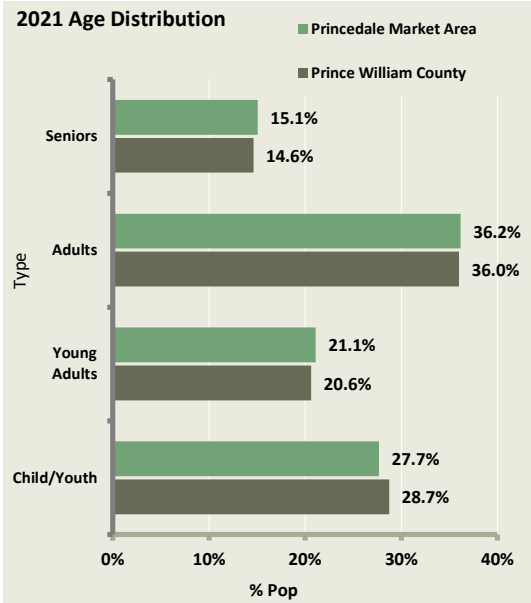
1. Age Distribution and Household Type

According to Esri data, the median age of the Princedale Market Area is 35, one year older than the Prince William County median of 34. The most common age cohort is Adults aged 35 to 61, comprising 36.2 percent of the market area and 36 percent of the county. Children and youth aged 19 and under comprise 27.7 percent of the market area population and 28.7 percent of the county (Table 13). Young adults aged 20 to 34 make up 21.1 percent of the market area population and 20.6 percent in the county. Seniors aged 62 and older comprise roughly 15 percent of the population in both areas.

Table 13 2021 Age Distribution

2021 Age Distribution	Prince William County		Princedale Market Area	
	#	%	#	%
Children/Youth	151,917	28.7%	55,599	27.7%
Under 5 years	38,238	7.2%	13,679	6.8%
5-9 years	39,572	7.5%	14,194	7.1%
10-14 years	40,173	7.6%	14,784	7.4%
15-19 years	33,933	6.4%	12,942	6.4%
Young Adults	109,091	20.6%	42,358	21.1%
20-24 years	30,221	5.7%	11,533	5.7%
25-34 years	78,870	14.9%	30,825	15.3%
Adults	190,408	36.0%	72,644	36.2%
35-44 years	79,658	15.1%	29,242	14.6%
45-54 years	67,834	12.8%	25,663	12.8%
55-61 years	42,915	8.1%	17,739	8.8%
Seniors	77,330	14.6%	30,257	15.1%
62-64 years	18,392	3.5%	7,603	3.8%
65-74 years	39,164	7.4%	15,567	7.8%
75-84 years	15,319	2.9%	5,488	2.7%
85 and older	4,456	0.8%	1,598	0.8%
TOTAL	528,746	100%	200,858	100%
Median Age	34		35	

Source: Esri; RPRG, Inc.



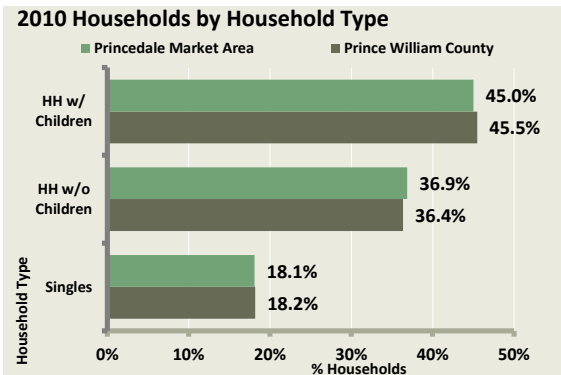


The Princedale Market Area had a similar proportion of households with children compared to Prince William County as of the 2010 Census (most recent data available), as roughly 45 percent of households in both geographies had children. Over one third (36.9 percent) of households in the Princedale Market Area were multi-person households without children compared to 36.4 percent in the county (Table 14). This classification includes married and unmarried couples as well as roommate situations. Approximately 18.1 percent of households in the market area were singles, similar to the county proportion of 18.2 percent.

Table 14 2010 Households by Household Type

2010 Households by Household Type	Prince William County		Princedale Market Area	
	#	%	#	%
Married w/Children	49,239	33.3%	18,542	32.3%
Other w/ Children	17,959	12.1%	7,277	12.7%
Households w/ Children	67,198	45.5%	25,819	45.0%
Married w/o Children	37,551	25.4%	14,968	26.1%
Other Family w/o Children	8,596	5.8%	3,548	6.2%
Non-Family w/o Children	7,601	5.1%	2,632	4.6%
Households w/o Children	53,748	36.4%	21,148	36.9%
Singles	26,873	18.2%	10,383	18.1%
Total	147,819	100%	57,350	100%

Source: 2010 Census; RPRG, Inc.



2. Households by Tenure

a) Recent Tenure Trends

The number of renter households in the Princedale Market Area increased from 11,665 in 2000 to 16,055 in 2021 for a net increase of 4,390 renter households or 37.6 percent (Table 15). By comparison, the number of owner households in the market area increased by 12,929 households or 34.9 percent during the same period.

The Princedale Market Area’s renter percentage of 24.3 percent in 2021 is slightly lower than the renter percentage for the county of 26.9 percent. The market area’s annual average growth by tenure over the past 21 years was 209 renter households (1.5 percent) and 616 owner households (1.4 percent). The last column of Table 15 (blue shaded) quantifies the market area’s net growth by tenure over the past 21 years; renter households contributed 25.3 percent of net household growth over this period. Renter households contributed a similar percentage of net household growth in the county at 24.3 percent over the past 21 years.



Table 15 Households by Tenure, 2000-2021

Prince William County	2000		2010		2021		Change 2000-2021				% of Change 2000 - 2021
							Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	78,550	71.7%	106,745	72.2%	126,131	73.1%	47,581	60.6%	2,266	2.3%	75.7%
Renter Occupied	31,031	28.3%	41,074	27.8%	46,313	26.9%	15,282	49.2%	728	1.9%	24.3%
Total Occupied	109,581	100%	147,819	100%	172,444	100%	62,863	57.4%	2,993	2.2%	100%
Total Vacant	3,950		7,323		5,872						
TOTAL UNITS	113,531		155,142		178,316						

Princedale Market Area	2000		2010		2021		Change 2000-2021				% of Change 2000 - 2021
							Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	37,017	76.0%	43,224	75.4%	49,946	75.7%	12,929	34.9%	616	1.4%	74.7%
Renter Occupied	11,665	24.0%	14,126	24.6%	16,055	24.3%	4,390	37.6%	209	1.5%	25.3%
Total Occupied	48,682	100%	57,350	100%	66,001	100%	17,319	35.6%	825	1.5%	100%
Total Vacant	1,466		2,562		2,389						
TOTAL UNITS	50,148		59,912		68,389						

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

b) Projected Trends

Esri projections indicate renter households will contribute only 9.7 percent of the market area’s net household growth over the next five years with total growth of 306 renter households and 2,858 owner households (Table 16). The resulting annual renter household growth is 61 renter households and 572 owner households. This projection is contrary to recent trends and current conditions. Based on our review of past trends and the current development activity, this projection is understated. RPRG projects renters to continue contributing 25.3 percent of net household growth through 2026, consistent with the trend over the past 21 years.

Table 16 Households by Tenure, 2021-2026

Princedale Market Area	2021		2026 Esri HH by Tenure		Esri Change by Tenure		Annual Change by Tenure	
Housing Units	#	%	#	%	#	%	#	%
Owner Occupied	47,215	75.7%	50,073	76.4%	2,858	90.3%	572	1.2%
Renter Occupied	15,177	24.3%	15,483	23.6%	306	9.7%	61	0.4%
Total Occupied	62,392	100%	65,556	100%	3,164	100%	633	1.0%
Total Vacant	2,258		2,668					
TOTAL UNITS	64,650		68,224					

Princedale Market Area	2021		2026 RPRG HH by Tenure		RPRG Change by Tenure		Annual Change by Tenure	
Housing Units	#	%	#	%	#	%	#	%
Owner Occupied	49,946	75.7%	52,551	75.6%	2,605	74.7%	521	1.0%
Renter Occupied	16,055	24.3%	16,939	24.4%	884	25.3%	177	1.1%
Total Occupied	66,001	100%	69,490	100%	3,489	100%	698	1.1%
Total Vacant	2,258		2,668					
TOTAL UNITS	68,259		72,158					

Source: Esri, RPRG, Inc.



3. Renter Household Characteristics

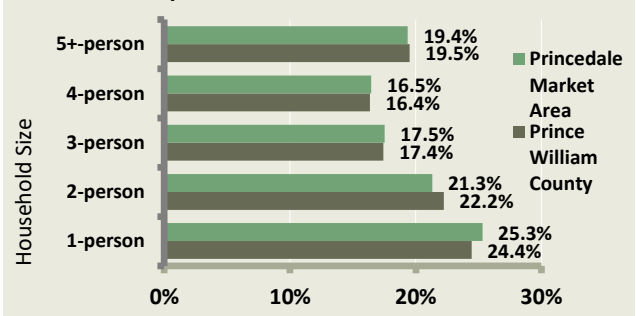
Renter household size distributions in the market area are similar to those in the county. One-person households accounted for 25.3 percent of renter households in the Princedale Market Area and 24.4 percent of Prince William County as of the 2010 Census (Table 17). Two-person households accounted for over one fifth (21.3 percent) of renter households in the market area, and three- and four-person households combine for one third (34 percent) of market area households. Households with five or more persons represented 19.4 percent of market area households.

Table 17 Renter Households by Persons per Household

Renter Occupied	Prince William County		Princedale Market Area	
	#	%	#	%
1-person hhld	10,038	24.4%	3,574	25.3%
2-person hhld	9,129	22.2%	3,011	21.3%
3-person hhld	7,162	17.4%	2,478	17.5%
4-person hhld	6,724	16.4%	2,326	16.5%
5+-person hhld	8,021	19.5%	2,737	19.4%
TOTAL	41,074	100%	14,126	100%

Source: 2010 Census

2010 Persons per Renter HH



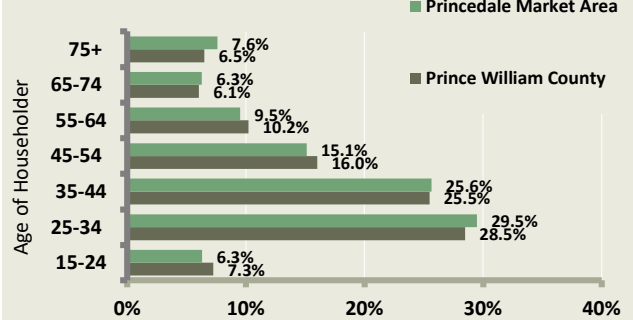
Both the market area and county have a high proportion of young working-age and middle-aged renters (Table 18). Approximately 30 percent of the renter households in the Princedale Market Area and the 28.5 percent of the county are aged 25 to 34. Renter households aged 35 to 44 comprise one quarter (25.6 percent) of the market area, similar to the 25.5 percent in the county. Almost one quarter (23.4 percent) of renter households in the primary market area are seniors aged 55 and older, compared to 22.8 percent in the county.

Table 18 Renter Households by Age of Householder

Renter Households	Prince William County		Princedale Market Area	
	#	%	#	%
15-24 years	3,366	7.3%	1,015	6.3%
25-34 years	13,192	28.5%	4,733	29.5%
35-44 years	11,796	25.5%	4,118	25.6%
45-54 years	7,417	16.0%	2,429	15.1%
55-64 years	4,732	10.2%	1,530	9.5%
65-74 years	2,806	6.1%	1,011	6.3%
75+ years	3,005	6.5%	1,219	7.6%
Total	46,313	100%	16,055	100%

Source: Esri, Real Property Research Group, Inc.

2021 Renter HHs by Age of HHldr





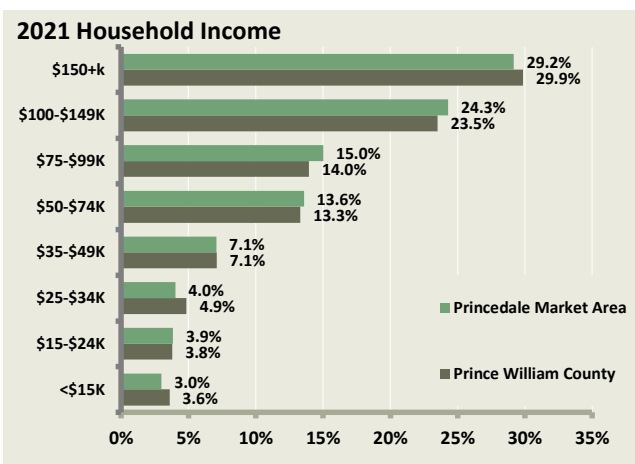
D. Income Characteristics

Household incomes in the Princedale Market Area are similar to those of Prince William County. Households living in the Princedale Market Area have an estimated 2021 median income of \$107,125, in line with the Prince William County’s median income of \$107,171 (Table 19). Households earning less than \$35,000 comprise 10.9 percent of the market area and 11.3 percent of the county. Just over one fifth (20.7 percent) of market area households earn \$35,000 to \$74,999. Households earning \$75,000 to \$99,999 make up 15 percent of the market area, and 24.3 percent earn \$100,000 to \$149,999.

Table 19 2021 Household Income

Estimated 2021 Household Income		Prince William County		Princedale Market Area	
		#	%	#	%
less than	\$15,000	6,195	3.6%	1,975	3.0%
	\$15,000 - \$24,999	6,536	3.8%	2,545	3.9%
	\$25,000 - \$34,999	8,383	4.9%	2,659	4.0%
	\$35,000 - \$49,999	12,269	7.1%	4,666	7.1%
	\$50,000 - \$74,999	22,954	13.3%	8,965	13.6%
	\$75,000 - \$99,999	24,071	14.0%	9,905	15.0%
	\$100,000 - \$149,999	40,538	23.5%	16,033	24.3%
	\$150,000 - Over	51,499	29.9%	19,253	29.2%
Total		172,444	100%	66,001	100%
Median Income		\$107,171		\$107,125	

Source: Esri; Real Property Research Group, Inc.



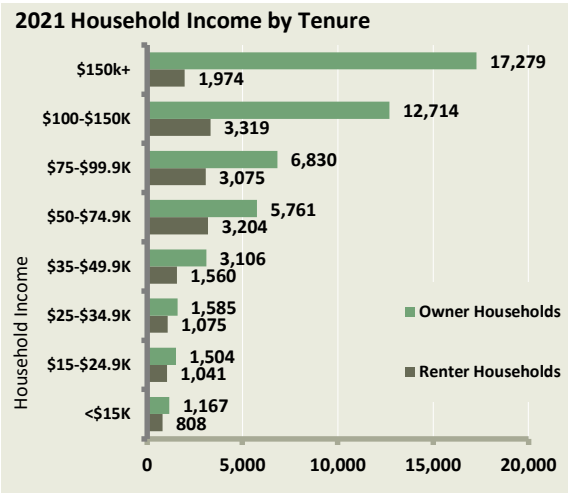
Based on the U.S. Census Bureau’s American Community Survey data, Esri data, the breakdown of tenure, and household estimates, RPRG estimates the median income of renters in the Princedale Market Area as of 2021 at \$77,766, or 65 percent of the median income of owner households (\$119,740) (Table 20). Roughly 16 percent of market area renter households have incomes between \$25,000 and \$50,000, and 11.5 percent have incomes less than \$25,000. One fifth (20 percent) of market area renter households have incomes between \$50,000 and \$75,000; 19.2 percent have incomes between \$75,000 and \$100,000, and 20.7 percent have incomes between \$100,000 and \$149,999.



Table 20 2021 Household Income by Tenure, Princedale Market Area

Estimated 2021 HH Income		Renter Households		Owner Households	
Princedale Market Area		#	%	#	%
less than \$15,000		808	5.0%	1,167	2.3%
\$15,000 - \$24,999		1,041	6.5%	1,504	3.0%
\$25,000 - \$34,999		1,075	6.7%	1,585	3.2%
\$35,000 - \$49,999		1,560	9.7%	3,106	6.2%
\$50,000 - \$74,999		3,204	20.0%	5,761	11.5%
\$75,000 - \$99,999		3,075	19.2%	6,830	13.7%
\$100,000 - \$149,999		3,319	20.7%	12,714	25.5%
\$150,000 over		1,974	12.3%	17,279	34.6%
Total		16,055	100%	49,946	100%
Median Income		\$77,766		\$119,740	

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



E. Cost-Burdened Renter Households

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

Data regarding the concept of rent burden from the 2015-2019 ACS highlight that lower-income renter households in the Princedale Market Area tend to pay a very high percentage of their monthly income toward housing costs (Table 21). Almost two fifths (37.8 percent) of all renter households residing in the Princedale Market Area have rent burdens of 35 percent or higher, and 30.3 percent of all renter households have rent burdens of 40 percent or higher. The cost-burdened situation of many low- to moderate-income renter households is a primary indicator of a need for new affordable income- and rent-restricted rental housing in the primary market area. Additionally, 6.5 percent of the rental housing stock within the market area can be considered substandard, i.e., lacking complete plumbing facilities, or overcrowded with more than 1.0 occupants per room.



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

Rent Cost Burden		
Total Households	#	%
Less than 10.0 percent	244	1.6%
10.0 to 14.9 percent	991	6.7%
15.0 to 19.9 percent	1,718	11.6%
20.0 to 24.9 percent	2,434	16.4%
25.0 to 29.9 percent	2,061	13.9%
30.0 to 34.9 percent	1,464	9.8%
35.0 to 39.9 percent	1,071	7.2%
40.0 to 49.9 percent	1,126	7.6%
50.0 percent or more	3,215	21.6%
Not computed	550	3.7%
Total	14,874	100%
> 35% income on rent	5,412	37.8%
> 40% income on rent	4,341	30.3%

Source: American Community Survey 2015-2019

Substandardness	
Total Households	
Owner occupied:	
Complete plumbing facilities:	45,675
1.00 or less occupants per room	44,566
1.01 or more occupants per room	1,109
Lacking complete plumbing facilities:	102
Overcrowded or lacking plumbing	1,211
Renter occupied:	
Complete plumbing facilities:	14,848
1.00 or less occupants per room	13,903
1.01 or more occupants per room	945
Lacking complete plumbing facilities:	26
Overcrowded or lacking plumbing	971
Substandard Housing	2,182
% Total Stock Substandard	3.6%
% Rental Stock Substandard	6.5%

VII. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the Princedale Market Area. First, we highlight characteristics of the existing housing stock in the market using data from the American Community Survey. Next, we present the results of primary research in the form of surveys of competitive rental communities completed in November 2021. The competitive housing analysis concludes with information on the development pipeline in the Princedale Market Area. We pursued several avenues of research to identify multifamily communities that are in the planning stages or under construction in the market area. Sources of information include rental community leasing agents and property managers. We also reviewed pipeline information using the Prince William County Planning Department's GIS system and other data provided on their website, checked listings of recent LIHTC awards, and spoke to developers and lenders.

B. Overview of Market Area Housing Stock

Based on the 2015-2019 ACS survey, rental housing in multifamily buildings of five or more units accounted for 46.2 percent of renter-occupied housing units in the market area, slightly less than the 49.8 percent of rental units in the county (Table 22). Approximately 21 percent of the rental housing stock in the market area consists of single family detached homes while 27.9 percent are single-family attached homes; the county had a slightly lower share of rental housing units in both categories. Most of the owner-occupied housing stock in both areas is comprised of single family detached and attached homes, making up 95.7 percent of the market area and 95.6 percent of the county.

Table 22 Dwelling Units by Structure and Tenure

Structure Type	Owner Occupied				Renter Occupied			
	Prince William County		Princedale Market Area		Prince William County		Princedale Market Area	
	#	%	#	%	#	%	#	%
1, detached	79,250	68.5%	31,196	68.1%	8,860	20.2%	3,110	20.9%
1, attached	31,270	27.0%	12,597	27.5%	10,888	24.8%	4,156	27.9%
2	333	0.3%	154	0.3%	689	1.6%	131	0.9%
3-4	315	0.3%	191	0.4%	1,595	3.6%	437	2.9%
5-9	797	0.7%	264	0.6%	3,450	7.9%	768	5.2%
10-19	1,531	1.3%	639	1.4%	11,498	26.2%	3,900	26.2%
20+ units	895	0.8%	138	0.3%	6,607	15.1%	2,209	14.9%
Mobile home	1,244	1.1%	598	1.3%	302	0.7%	163	1.1%
TOTAL	115,635	100%	45,777	100%	43,889	100%	14,874	100%

Source: American Community Survey 2015-2019

The median year built of 1987 for renter-occupied housing units in the Princedale Market Area is three years older than the median year built of 1990 in Prince William County (Table 23). The 1980's, 1990's, and 2000's marked the period in which much of the rental stock was constructed in both geographies. During this three-decade period, 62.6 percent of the market area rental inventory and 55.4 percent of the county's rental units were placed in service. Both geographies experienced a drop off in rental housing development since 2010, as 8.1 percent of the market



area and 9.9 percent of the county’s rental housing stock were built during this time. Owner-occupied units are similar in age to rental units in both geographies. The owner-occupied housing stock in the market area has a median year built of 1986, while Prince William County’s median year built is 1992.

Table 23 Dwelling Units by Year Built and Tenure

Year Built	Owner Occupied				Renter Occupied			
	Prince William County		Princedale Market Area		Prince William County		Princedale Market Area	
	#	%	#	%	#	%	#	%
2014 or later	3,672	3.2%	702	1.5%	2,103	4.8%	574	3.9%
2010 to 2013	4,860	4.2%	1,404	3.1%	2,253	5.1%	629	4.2%
2000 to 2009	32,771	28.3%	7,604	16.6%	8,685	19.8%	2,349	15.8%
1990 to 1999	19,932	17.2%	8,121	17.7%	8,910	20.3%	3,203	21.5%
1980 to 1989	23,031	19.9%	13,041	28.5%	9,275	21.1%	3,678	24.7%
1970 to 1979	16,607	14.4%	9,187	20.1%	6,117	13.9%	2,423	16.3%
1960 to 1969	9,240	8.0%	4,148	9.1%	3,414	7.8%	1,227	8.2%
1950 to 1959	3,737	3.2%	1,248	2.7%	1,597	3.6%	387	2.6%
1940 to 1949	864	0.7%	128	0.3%	809	1.8%	204	1.4%
1939 or earlier	936	0.8%	194	0.4%	726	1.7%	200	1.3%
TOTAL	115,650	100%	45,777	100%	43,889	100%	14,874	100%
MEDIAN YEAR BUILT	1992		1986		1990		1987	

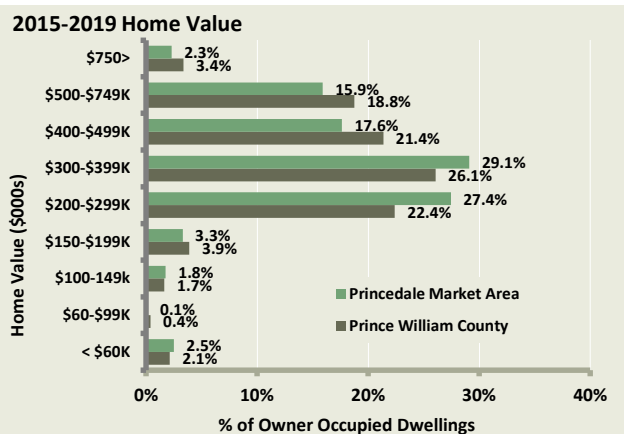
Source: American Community Survey 2015-2019

Based on the 2015-2019 ACS survey, the median value among owner-occupied housing units in the Princedale Market Area was \$351,283, which is six percent lower than the county’s median value of \$374,953 (Table 24). ACS home value estimates are based upon respondent’s assessments of the values of their homes. This data is traditionally a less accurate and reliable indicator of home prices than actual sales data but is typically a strong gauge of relative home values across two or more areas.

Table 24 Value of Owner-Occupied Housing Stock

2015-2019 Home Value	Prince William County		Princedale Market Area	
	#	%	#	%
less than \$60,000	2,465	2.1%	1,139	2.5%
\$60,000 - \$99,999	457	0.4%	51	0.1%
\$100,000 - \$149,999	1,912	1.7%	804	1.8%
\$150,000 - \$199,999	4,495	3.9%	1,508	3.3%
\$200,000 - \$299,999	25,904	22.4%	12,557	27.4%
\$300,000 - \$399,999	30,141	26.1%	13,317	29.1%
\$400,000 - \$499,999	24,699	21.4%	8,071	17.6%
\$500,000 - \$749,999	21,689	18.8%	7,278	15.9%
\$750,000 over	3,888	3.4%	1,052	2.3%
Total	115,650	100%	45,777	100%
Median Value	\$374,953		\$351,283	

Source: American Community Survey 2015-2019





C. Survey of General Occupancy Rental Communities

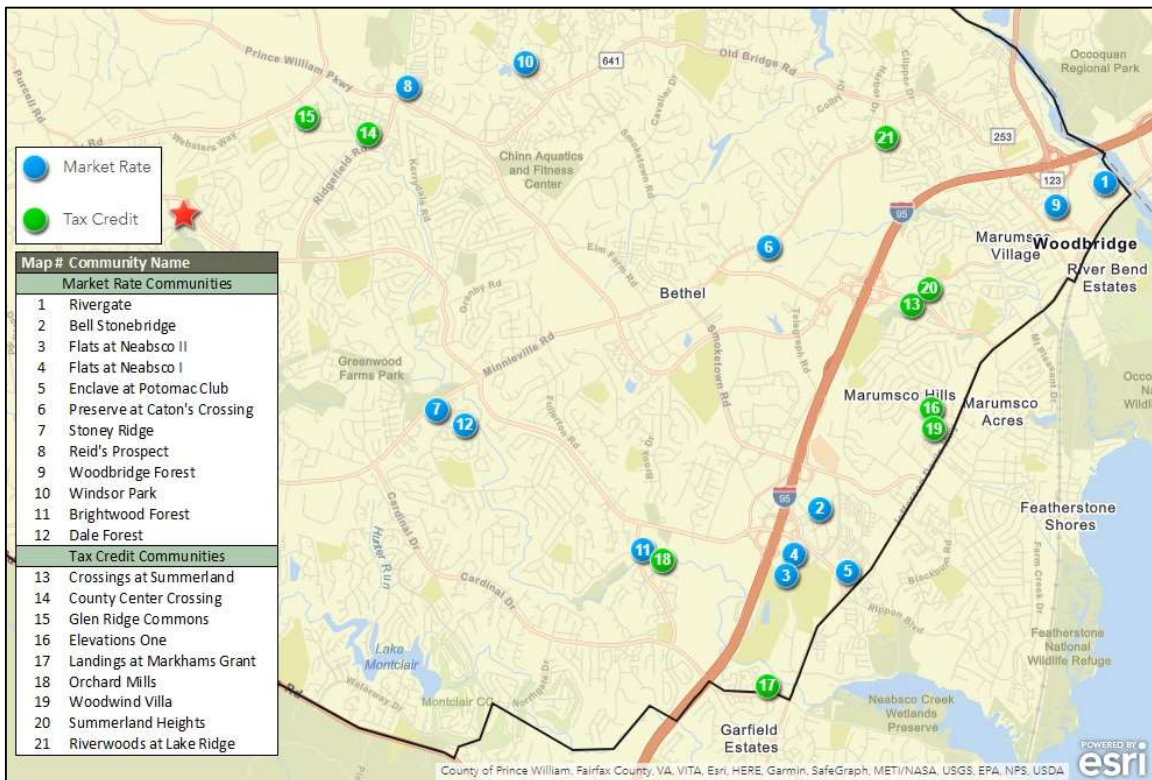
1. Introduction

To gauge the status of the rental market within which the proposed Princedale Apartments would compete, RPRG surveyed 21 general occupancy rental communities in the Princedale Market Area. Twelve properties are market rate communities and nine are income- and rent-restricted through the Low Income Housing Tax Credit (LIHTC) program. The multifamily rental survey excludes age-restricted senior properties as well as communities with deep subsidies as these communities are not directly comparable to the proposed general occupancy subject community. Profile sheets with detailed information on each surveyed general occupancy community, including photographs, are attached as Appendix 2.

2. Location

The surveyed communities are generally within the more densely developed eastern portions of the market area. The closest communities to the subject site are two tax credit communities, Glen Ridge Commons and County Center Crossing, approximately three miles northeast of the subject site (Map 7). Two market rate communities are located further northeast, and two market rate communities are approximately three miles southeast of the subject site in the center of the market area. The remaining communities are in the southeast portion of the market area near the I-95 corridor. Compared to the subject site, most surveyed communities are closer to retail amenities and neighborhood services, while those near the I-95 corridor have convenient access to major employment nodes and retail centers.

Map 7 Surveyed Rental Communities, Princedale Market Area





3. Age of Communities

The 21 surveyed properties have an average year built of 1999 (Table 25). The tax credit properties have an average year built of 2000 and range from 1974 to 2014. Market rate communities were built from 1968 to 2018 with an average year built of 1999.

4. Structure Type

The structure type of the surveyed communities reflects the transition from traditional garden style buildings among older and lower priced communities to modern mid-rise structures of newer and higher-priced communities. Seven of the nine tax credit communities are garden communities, and two have mid-rise buildings (Riverwoods at Lake Ridge was originally designed as a for sale condominium). Of the twelve market rate communities, seven have mid-rise structures; four have exclusively garden buildings; and one has both garden and townhome units.

5. Size of Communities

The average community size among the 21 surveyed communities is 253 units, with communities ranging in size from the 72-unit Riverwoods at Lake Ridge to 868 units at Dale Forest. The average tax credit community size is 205 units, ranging from the 72-unit Riverwoods at Lake Ridge to the 366-unit Landings at Markhams Grant.

Table 25 Rental Communities Summary, Princedale Market Area

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Avg 3BR Rent (1)	Incentives
	Subject Property - 60% AMI	2023	Gar	280			\$1,300	\$1,545	\$1,750	
Market Rate Communities										
1	Rivergate	2017	Midrise	402	5	1.2%	\$1,910	\$2,314	\$2,888	None
2	Bell Stonebridge	2015	Midrise	308	5	1.6%	\$1,825	\$2,246	\$2,695	None
3	Flats at Neabsco II	2018	Midrise	172	1	0.6%	\$1,828	\$2,186	\$2,925	None
4	Flats at Neabsco I	2015	Midrise	186	4	2.2%	\$1,799	\$2,171	\$2,845	None
5	Enclave at Potomac Club	2012	Midrise	406	5	1.2%	\$1,811	\$2,075	\$2,742	None
6	Preserve at Caton's Crossing	2009	Midrise	200	2	1.0%	\$1,638	\$2,059		None
7	Stoney Ridge	1985	Gar	264	11	4.2%	\$1,543	\$1,952		None
8	Reid's Prospect	2011	Midrise	200	6	3.0%	\$1,610	\$1,886		None
9	Woodbridge Forest	1968	Gar/TH	152	3	2.0%	\$1,430	\$1,701	\$1,998	None
10	Windsor Park	1987	Gar	220	1	0.5%	\$1,558	\$1,700		None
11	Brightwood Forest	1970	Gar	90	0	0.0%	\$1,428	\$1,660		None
12	Dale Forest	1976	Gar	868	26	3.0%	\$1,440	\$1,633		None
Market Rate Total				3,468	69	2.0%				
Market Rate Average				1999			\$1,652	\$1,965	\$2,682	
Tax Credit Communities										
13	Crossings at Summerland*	2003	Gar	126	0	0.0%	\$1,364	\$1,631	\$1,880	None
14	County Center Crossing*	2004	Gar	224	0	0.0%		\$1,625	\$1,882	None
15	Glen Ridge Commons*	1997	Gar	140	4	2.9%		\$1,554	\$1,858	None
16	Elevations One*	1974	Gar	210	5	2.4%		\$1,507	\$1,689	None
17	Landings at Markhams Grant*	1999	Gar	366	0	0.0%	\$1,382	\$1,506	\$1,743	None
18	Orchard Mills*	2004	Gar	280	0	0.0%	\$1,287	\$1,486	\$1,725	None
19	Woodwind Villa*	2006	Gar	111	0	0.0%		\$1,474	\$1,574	None
20	Summerland Heights*	1997	Midrise	318	0	0.0%	\$1,255	\$1,455	\$1,675	None
21	Riverwoods at Lake Ridge*	2014	Midrise	72	0	0.0%	\$819	\$1,188	\$1,442	None
Tax Credit Total				1,847	9	0.5%				
Tax Credit Average				2000			\$1,221	\$1,492	\$1,719	
Total Average				1999			\$1,525	\$1,762	\$2,104	

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

(*) LIHTC

Source: Phone Survey, RPRG, Inc. November 2021



6. Vacancy Rates

The aggregate vacancy rate in the Princedale Market Area is low at 1.5 percent with 78 vacancies reported among 5,315 total units. The market rate communities have a vacancy rate of 2.0 percent, while tax credit communities have an aggregate vacancy rate of only 0.5 percent (nine vacancies of 1,847 units). All surveyed communities reported a vacancy rate of 4.2 percent or lower. Seven tax credit communities reported full occupancy. Several communities maintain waitlists ranging from several months to three years.

7. Rent Concessions

Reflecting the tight market, none of the market area communities is offering a rent concession.

8. Absorption History

RPRG obtained absorption data on the two newest market area communities:

- **Flats at Neabsco II:** This 172-unit market rate property opened in mid-December 2018 and stabilized in October 2020. This translates to an average absorption pace of 8 units per month. According to property management, the COVID-19 pandemic slowed leasing.
- **Flats at Neabsco I:** This 186-unit market rate property opened in June 2015 and stabilized in December 2016, for an average absorption pace of 10 units per month.
- **Rivergate:** This 402-unit market rate property opened in late December 2017. The community stabilized in October 2019 for an average absorption pace of 17 units per month.
- **Riverwoods at Lake Ridge:** This 72-unit tax credit property opened in October 2014, and all units were pre-leased prior to opening.

D. Analysis of Rental Products and Pricing

1. Payment of Utility Costs

Two market rate communities include trash collection in the base rent, and the remaining market rate communities do not include any utility expenses in the rent (Table 27). Among tax credit communities, two include trash collection; one does not include any utilities in the rent; and six include water, sewer, and trash.

2. Parking

Most properties offer free surface parking as the standard parking option, including all tax credit communities. Ten market area communities offer alternate parking options including reserved surface parking for a monthly fee of \$25, covered parking for \$35, and structured garage spaces for monthly fees ranging from free to \$75 (Table 26).

Table 26 Parking Options, Princedale Market Area

Community	Paid Surface	Reserved	Covered	Garages		
				Attached	Reserved	Structured
Bell Stonebridge					\$65	\$50
Enclave at Potomac Club						\$30
Flats at Neabsco I					\$50	\$0
Flats at Neabsco II					\$50	\$0
Preserves at Caton's Crossing				\$163		
Reid's Prospect						\$45
Rivergate						\$60
Riverwoods at Lake Ridge						\$75
Stoney Ridge		\$25				
Windsor Park	\$18	\$25	\$35			
Source: Phone Survey, RPRG, Inc. November 2021	\$18	\$25	\$35	\$163	\$55	\$37



3. Unit Features & Finishes

All market area communities have modern kitchens with refrigerators, range/ovens, and dishwashers; two market rate and one tax credit community have dishwashers in select units. Nine market rate communities and two tax credit communities have microwaves in each unit. Eleven market rate communities and six tax credit communities have in-unit washer/dryers, and three tax credit communities have laundry connections.

Upscale unit features are limited to the highest-priced market rate communities with eight including stainless steel appliances and granite or quartz countertops. Four market rate communities have black appliances and laminate countertops, and all tax credit communities feature white or black appliances and laminate countertops.

Table 27 Utility Arrangement and Unit Features, Princedale Market Area

Community	Heat Source	Utilities Included in Rent						Dish-washer	Micro-wave	Applia-nces	Counters	In Unit Laundry	Patio Balcony
		Heat	Hot Water	Cooking	Electric	Water	Trash						
Subject Property	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	SS	STD	STD - Full	STD
Market Rate Communities													
Rivergate	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	SS	Granite	STD - Full	STD
Bell Stonebridge	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	SS	Granite	STD - Full	
Flats at Neabsco II	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	SS	Granite	STD - Full	
Flats at Neabsco I	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	SS	Granite	STD - Full	STD
Enclave at Potomac Club	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	SS	Granite	STD - Full	STD
Preserve at Caton's Crossing	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	SS	Granite	STD - Full	STD
Stoney Ridge	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD		SS	Quartz	STD - Full	STD
Reid's Prospect	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Black	Laminate	STD - Full	
Woodbridge Forest	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Select		Black	Laminate		
Windsor Park	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD		SS	Quartz	STD - Full	STD
Brightwood Forest	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	Black	Laminate	STD - Full	STD
Dale Forest	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Select	STD	Black	Laminate	STD - Full	
Tax Credit Communities													
Crossings at Summerland	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD				STD - Full	STD
County Center Crossing	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		White	Laminate	STD - Full	STD
Glen Ridge Commons	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	White	Laminate	STD - Full	STD
Elevations One	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Select				Hook Ups	
Landings at Markhams Grant	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		White	Laminate	STD - Full	
Orchard Mills	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		White	Laminate	STD - Full	STD
Woodwind Villa	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		White	Laminate	Hook Ups	STD
Summerland Heights	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		White	Laminate	STD - Full	
Riverwoods at Lake Ridge	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Black	Laminate	Hook Ups	STD

Source: Phone Survey, RPRG, Inc. November 2021

4. Community Amenities

Most of the properties have at least a moderate amenity package that is typical for a suburban location (Table 28). All market rate communities offer a swimming pool, and all but two have a playground. Nine market rate communities have a fitness center; seven have a clubhouse/community room; five have a business center; two have a volleyball court; and one has a tennis court.



Among the nine tax credit properties in the market, a clubhouse or community room, fitness center, outdoor pool, and playground are all available at eight communities. Three tax credit communities offer a business center, and one has a volleyball court.

Table 28 Community Amenities, Princedale Market Area

Community	Clubhouse	Fitness Room	Outdoor Pool	Hot Tub	Playground	Tennis	Business Center	Volleyball
Subject Property	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market Rate Communities								
Rivergate	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Bell Stonebridge	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Flats at Neabsco II	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Flats at Neabsco I	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Enclave at Potomac Club	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Preserve at Caton's Crossing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Stoney Ridge	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reid's Prospect	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Woodbridge Forest	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Windsor Park	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Brightwood Forest	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dale Forest	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tax Credit Communities								
Crossings at Summerland	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
County Center Crossing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Glen Ridge Commons	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Elevations One	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Landings at Markhams Grant	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Orchard Mills	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Woodwind Villa	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Summerland Heights	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Riverwoods at Lake Ridge	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Source: Phone Survey, RPRG, Inc. November 2021

5. Unit Distribution

Communities reporting unit distributions represent 80 percent of all market area units. As is typical of a suburban market, two-bedroom units are the dominant unit type (Table 29). Among all surveyed communities, two-bedroom units comprise 56.8 percent of the reported unit distribution, while one-bedroom units make up 31.5 percent. Three-bedroom units represent 9.8 percent of the market area unit distribution, and studios comprise 1.9 percent. Among tax credit units, two-bedroom units comprise 60.7 percent; three-bedroom units account for 23.6 percent; and one-bedroom units make up 15.6 percent. None of the tax credit communities offer efficiency units.



Table 29 Unit Distribution, Size and Pricing, Rental Communities

Community	Total Units	Efficiency Units				One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
		Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF
Subject Property - 60% AMI	280					120	\$1,300	778	\$1.67	140	\$1,545	1,125	\$1.37	20	\$1,750	1,350	\$1.30
Market Rate Communities																	
Rivergate	402					144	\$1,920	831	\$2.31	150	\$2,324	1,071	\$2.17	8	\$2,898	1,361	\$2.13
Bell Stonebridge	308	32	\$1,595	595	\$2.68	148	\$1,825	815	\$2.24	114	\$2,246	1,126	\$1.99	14	\$2,695	1,292	\$2.09
Flats at Neabscos II	172		\$1,759	655	\$2.69		\$1,848	874	\$2.11		\$2,206	1,155	\$1.91		\$2,945	1,331	\$2.21
Flats at Neabscos I	186						\$1,819	835	\$2.18		\$2,191	1,151	\$1.90		\$2,865	1,413	\$2.03
Enclave at Potomac Club	406						\$1,821	895	\$2.03		\$2,085	1,172	\$1.78		\$2,752	2,320	\$1.19
Preserve at Caton's Crossing	200					92	\$1,648	713	\$2.31	108	\$2,069	1,118	\$1.85				
Stoney Ridge	264					118	\$1,553	706	\$2.20	146	\$1,962	945	\$2.08				
Reid's Prospect	200					45	\$1,610	737	\$2.18	155	\$1,886	984	\$1.92				
Woodbridge Forest	152					71	\$1,440	700	\$2.06	73	\$1,711	750	\$2.28	8	\$2,008	920	\$2.18
Windsor Park	220					126	\$1,568	797	\$1.97	94	\$1,710	902	\$1.89				
Brightwood Forest	90	6	\$1,328	560	\$2.37	28	\$1,438	688	\$2.09	56	\$1,670	968	\$1.73				
Dale Forest	868	42	\$1,269	548	\$2.32	308	\$1,455	695	\$2.09	518	\$1,648	947	\$1.74				
Market Rate Total/Average	3,468		\$1,488	589	\$2.52		\$1,662	774	\$2.15		\$1,975	1,024	\$1.93		\$2,694	1,439	\$1.87
Market Rate Unit Distribution	2,604	80				1,080				1,414				30			
Market Rate % of Total	75.1%	3.1%				41.5%				54.3%				1.2%			
Tax Credit Communities																	
Landings at Markhams Grant* 60%	234					80	\$1,367	807	\$1.69	97	\$1,631	992	\$1.64	57	\$1,886	1,140	\$1.65
Crossings at Summerland* 60%	126					55	\$1,349	766	\$1.76	55	\$1,611	1,060	\$1.52	16	\$1,855	1,252	\$1.48
Glen Ridge Commons* 60%	112									104	\$1,606	880	\$1.83	8	\$1,858	1,101	\$1.69
County Center Crossing* 60%	224									168	\$1,605	988	\$1.62	56	\$1,857	1,185	\$1.57
Elevations One* 60%	210							680			\$1,517	764	\$1.99		\$1,699	1,000	\$1.70
Orchard Mills* 60%	280					50	\$1,287	698	\$1.84	171	\$1,486	919	\$1.62	59	\$1,725	1,136	\$1.52
Woodwind Villa* 60%	111									55	\$1,454	1,008	\$1.44	56	\$1,549	1,141	\$1.36
Glen Ridge Commons* 50%	28									28	\$1,451	880	\$1.65				
Summerland Heights* 60%	318					70	\$1,240	660	\$1.88	180	\$1,435	877	\$1.64	68	\$1,650	1,024	\$1.61
Landings at Markhams Grant* 50%	132									84	\$1,341	992	\$1.35	48	\$1,550	1,140	\$1.36
Riverwoods at Lake Ridge* 50%	64									50	\$1,238	1,258	\$0.98	20	\$1,417	1,284	\$1.10
Riverwoods at Lake Ridge* 40%	8					2	\$804	845	\$0.95	6	\$958	978	\$0.98				
Tax Credit Total/Average	1,847						\$1,209	743	\$1.63		\$1,444	966	\$1.49		\$1,705	1,140	\$1.49
Tax Credit Unit Distribution	1,643	0				257				998				388			
Tax Credit % of Total	89.0%	0.0%				15.6%				60.7%				23.6%			
Total/Average	5,315		\$1,488	589	\$2.52		\$1,529	763	\$2.00		\$1,710	995	\$1.72		\$2,076	1,252	\$1.66
Unit Distribution	4,247	80				1,337				2,412				418			
% of Total	79.9%	1.9%				31.5%				56.8%				9.8%			

(1) Rent is adjusted to include trash and incentives

Source: Phone Survey, RPRG, Inc. November 2021

(*) LUHTC

6. Unit Pricing

Unit rents presented in Table 29 are net or effective rents, as opposed to street or advertised rents. We typically apply downward adjustments to street rents to account for current rental incentives, though none were reported. We further make adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where the cost of trash removal is included in rent, the proposed utility situation for the subject community.

Among market rate communities:

- The average studio rent is \$1,488 for an average of 589 square feet or \$2.52 per square foot.
- The average one-bedroom net rent is \$1,662 for an average of 774 square feet or \$2.15 per square foot.
- The average two-bedroom net rent is \$1,975 for an average of 1,024 square feet or \$1.93 per square foot.



- The average net three-bedroom rent is \$2,694 for an average size of 1,439 square feet or \$1.87 per square foot.

The subject community as proposed would offer all units at 60 percent of AMI. Eight tax credit communities offer units at 60 percent AMI:

- The average net rent for one-bedroom units at 60 percent AMI is \$1,311 for an average size of 722 square feet, or \$1.81 per square foot.
- The average net two-bedroom rent at 60 percent AMI is \$1,543 for an average size of 936 square feet, or \$1.65 per square foot.
- The average net three-bedroom rent at 60 percent AMI is \$1,760 for an average size of 1,122 square feet, or \$1.57 per square foot.

E. Derivation of Market Rent

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

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

We used six rent comparables in this analysis: Stoney Ridge, Reid’s Prospect, Dale Forest, Flats at Neabsco I and II, and Rivergate. We selected rental comparables most relevant to the subject property in terms of target market (family, senior), structure types offered (garden, townhomes, mid-rise), age and condition, and community features and amenities offered. Stoney Ridge, Reid’s Prospect, and Dale Forest have comparable locations and structure types but do not have three-bedroom units.

Once a particular floor plan’s market rent has been determined, it can be used to evaluate a.) whether or not thine subject project has a rent advantage or disadvantage versus competing communities, and b.) the extent of that rent advantage or disadvantage. The assumptions used in the calculations are shown in Table 30.

Table 30 Rent Adjustments Summary

Rent Adjustments Summary	
B. Design, Location, Condition	
Structure / Stories	\$50.00
Year Built / Renovated	\$0.75
Quality/Street Appeal	\$50.00
Location	\$50.00
C. Unit Equipment / Amenities	
Number of Bedrooms	\$100.00
Number of Bathrooms	\$30.00
Unit Interior Square Feet	\$0.25
Balcony / Patio / Porch	\$5.00
AC Type:	\$5.00
Range / Refrigerator	\$25.00
Microwave / Dishwasher	\$5.00
Washer / Dryer: In Unit	\$25.00
Washer / Dryer: Hook-ups	\$5.00
D. Site Equipment / Amenities	
Playground	\$10.00
Outdoor Pool	\$10.00
Lounge	\$10.00
Business Center	\$10.00
Game/Media Room	\$10.00
Fitness Center	\$10.00
Parking	\$50.00



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

After adjustments, the estimated market rent for a one-bedroom unit is \$1,549, providing the subject’s one-bedroom units with a market advantage of 14.2 percent. The estimated market rent for two-bedroom unit is \$1,949, resulting in an 18.4 percent rent advantage. The estimated market rent for three-bedroom units is \$2,697, resulting in a 32.1 percent rent advantage. Additionally, the subject’s proposed 60 percent rents are below leading 60 percent rents among market area LIHTC communities.

Table 31 Market Rent Analysis, One-Bedroom Units

One Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
The Reserve at Woodbridge 14500 Darbydale Avenue Dale City, Virginia	Stoney Ridge		Reid's Prospect		Dale Forest		
	14392 Westminster Lane		4640 Daisy Reid Ave		14321 Wrangler Lane		
	Dale City	Virginia	Woodbridge	Virginia	Woodbridge	Virginia	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent (60% AMI)	\$1,330	\$1,543	\$0	\$1,575	\$0	\$1,415	\$0
Utilities Included	T	None	\$10	T	\$0	None	\$10
Rent Concessions	N/A	None	\$0	None	\$0	None	\$0
Effective Rent	\$1,330	\$1,553		\$1,575		\$1,425	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Garden/4	Garden/3	\$0	Mid/4	(\$50)	Gar/3	\$0
Year Built / Renovated	2022	1985	\$28	2011	\$8	1976	\$35
Quality/Street Appeal	Excellent	Average	\$100	Excellent	\$0	Average	\$100
Location	Average	Above Average	(\$50)	Above Average	(\$50)	Above Average	(\$50)
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	1	1	\$0	1	\$0	1	\$0
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0
Unit Interior Square Feet	778	706	\$18	709	\$17	702	\$19
Balcony / Patio / Porch	Yes	Yes	\$0	Yes	\$0	Yes	\$0
AC Type:	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	No / Yes	No / Yes	\$0	Yes / Yes	(\$5)	Yes / Yes	(\$5)
Washer / Dryer: In Unit	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Playground	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Outdoor Pool	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Clubhouse/Lounge	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	No	\$10	Yes	\$0	Yes	\$0
Parking	Surf.	Surf.	\$0	Surf.	\$0	Surf.	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		4	2	2	4	3	3
Sum of Adjustments B to D		\$156	(\$60)	\$25	(\$115)	\$154	(\$65)
F. Total Summary							
<i>Gross Total Adjustment</i>		\$216		\$140		\$219	
<i>Net Total Adjustment</i>		\$96		(\$90)		\$89	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,649		\$1,485		\$1,514	
% of Effective Rent		106.2%		94.3%		106.2%	
Estimated Market Rent	\$1,549						
Rent Advantage \$	\$219						
Rent Advantage %	14.2%						



Table 32 Market Rent Analysis, Two-Bedroom Units

Two Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
The Reserve at Woodbridge 14500 Darbydale Avenue Dale City, Virginia	Stoney Ridge		Reid's Prospect		Dale Forest		
	14392 Westminster Lane		4640 Daisy Reid Ave		14321 Wrangler Lane		
	Dale City	Virginia	Woodbridge	Virginia	Woodbridge	Virginia	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent (60% AML)	\$1,591	\$2,049	\$0	\$1,920	\$0	\$1,720	\$0
Utilities Included	T	None	\$10	T	\$0	None	\$10
Rent Concessions	N/A	None	\$0	None	\$0	None	\$0
Effective Rent	\$1,591	\$2,059		\$1,920		\$1,730	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Garden/4	Garden/3	\$0	Mid/4	(\$50)	Gar/3	\$0
Year Built / Condition	2022	1985	\$28	2011	\$8	1976	\$35
Quality/Street Appeal	Excellent	Average	\$100	Excellent	\$0	Average	\$100
Location	Average	Above Average	(\$50)	Above Average	(\$50)	Above Average	(\$50)
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	2	2	\$0	2	\$0	2	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0
Unit Interior Square Feet	1,125	1,013	\$28	1,044	\$20	968	\$39
Balcony / Patio / Porch	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Air Conditioning	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	No / Yes	No / Yes	\$0	Yes / Yes	(\$5)	Yes / Yes	(\$5)
Washer / Dryer: In Unit	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Playground	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Outdoor Pool	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Clubhouse/Lounge	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	No	\$10	Yes	\$0	Yes	\$0
Parking	Surf.	Surf.	\$0	Surf.	\$0	Surf.	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		5	2	2	4	3	3
Sum of Adjustments B to D		\$176	(\$60)	\$28	(\$115)	\$174	(\$65)
F. Total Summary							
Gross Total Adjustment		\$236		\$143		\$239	
Net Total Adjustment		\$116		(\$87)		\$109	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$2,175		\$1,833		\$1,839	
% of Effective Rent		105.6%		95.5%		106.3%	
Estimated Market Rent	\$1,949						
Rent Advantage \$	\$358						
Rent Advantage %	18.4%						



Table 33 Market Rent Analysis, Three-Bedroom Units

Three Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
The Reserve at Woodbridge 14500 Darbydale Avenue Dale City, Virginia	Flats at Neabsco II		Flats at Neabsco I		Rivergate		
	2701 Neabsco Common Place		2701 Neabsco Common Place		13175 Marina Way		
	Woodbridge	Virginia	Woodbridge	Virginia	Woodbridge	Virginia	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent (60% AMI)	\$1,831	\$2,925	\$0	\$2,845	\$0	\$2,888	\$0
Utilities Included	T	None	\$10	T	\$0	None	\$10
Rent Concessions	N/A	None	\$0	None	\$0	None	\$0
Effective Rent	\$1,831	\$2,935		\$2,845		\$2,898	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Garden/4	Mid/4	(\$50)	Mid/4	(\$50)	Mid/6	(\$50)
Year Built / Condition	2022	2018	\$3	2015	\$5	2017	\$4
Quality/Street Appeal	Excellent	Excellent	\$0	Excellent	\$0	Excellent	\$0
Location	Average	Excellent	(\$100)	Excellent	(\$100)	Excellent	(\$100)
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	3	3	\$0	3	\$0	3	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0
Unit Interior Square Feet	1,350	1,334	\$4	1,413	(\$16)	1,361	(\$3)
Balcony / Patio / Porch	Yes	No	\$5	No	\$5	Yes	\$0
AC: (C)entral / (W)all / (N)c	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	No / Yes	Yes / Yes	(\$5)	Yes / Yes	(\$5)	Yes / Yes	(\$5)
Washer / Dryer: In Unit	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Playground	No	Yes	(\$10)	No	\$0	No	\$0
Outdoor Pool	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Clubhouse/Lounge	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Business Center	No	Yes	(\$10)	No	\$0	Yes	(\$10)
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Parking	Surf.	Str. Garage	(\$50)	Str. Garage	(\$50)	Surf/Gar	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		3	6	2	5	1	5
Sum of Adjustments B to D		\$12	(\$225)	\$10	(\$221)	\$4	(\$168)
F. Total Summary							
<i>Gross Total Adjustment</i>		\$237		\$231		\$172	
<i>Net Total Adjustment</i>		(\$213)		(\$211)		(\$164)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$2,722		\$2,634		\$2,734	
% of Effective Rent		92.7%		92.6%		94.3%	
Estimated Market Rent	\$2,697						
Rent Advantage \$	\$866						
Rent Advantage %	32.1%						



Table 34 Market Rent Advantage Summary

	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
60% AMI Units			
Subject Rent	\$1,330	\$1,591	\$1,831
Estimated Market Rent	\$1,549	\$1,949	\$2,697
Rent Advantage (\$)	\$219	\$358	\$866
Rent Advantage (%)	14.2%	18.4%	32.1%

F. Achievable Restricted Rents

The market rent derived above is an estimate of what a willing landlord might reasonably expect to receive, and a willing tenant might reasonably expect to pay for a unit at the subject community. However, the maximum rent at a tax credit unit is a gross rent based on bedroom size and the annualized median gross income in the subject area. If these LIHTC maximum gross rents are below the market rent, then the maximum rent also functions as the *achievable rents* for each unit type and income band. Conversely, if the market rent is below the LIHTC maximum rents, then the market rent serves as the *achievable rents*. Additionally, the tax credit rents should have a 10 percent advantage over market rent. Therefore, the achievable rent is the lower of the (reduced) market rent or LIHTC rent.

LIHTC units should not have a rent advantage over derived rents based on other restricted properties in the market area. Rents on other restricted properties are subject to programmatic restrictions and not reflective of market rents. Several non-market related factors can affect the rents of these properties such as when the community received their allocations, programmatic restrictions, or organizational policy objectives.

As shown in Table 35, the achievable rent for the subject’s LIHTC units is the maximum LIHTC rents as they are all below the estimated market rent less 10 percent for the one-, two-, and three-bedroom floorplans. All proposed rents for the subject community are below the achievable rents.

Table 35 Achievable Tax Credit Rent

	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
60% AMI Units			
Estimated Market Rent	\$1,549	\$1,949	\$2,697
Less 10%	\$1,394	\$1,754	\$2,427
Maximum LIHTC Rent	\$1,362	\$1,619	\$1,858
Achievable Rent	\$1,362	\$1,619	\$1,858
SUBJECT RENT	\$1,330	\$1,591	\$1,831



G. Proposed and Pipeline Rental Communities

We pursued several avenues of research to identify residential rental projects that are actively being planned or that are currently under construction within the Princedale Market Area. We obtained pipeline information from rental community leasing agents and property managers. We also reviewed pipeline information using the Prince William County Planning Department's GIS system and other data provided on their website, checked listings of recent LIHTC awards, and spoke to developers and lenders.

The pipeline communities are divided into two categories: near term and long term. Near term projects include those that are under construction, and those that we believe have the greatest likelihood of delivering in the next three years. Near term projects are considered in our derivation of three-year rental demand in the market. Long term projects do not have financing secured, are on hold for the present, and/or have estimated delivery dates beyond the next three years. While it is RPRG's best estimate that such projects are long term, it is entirely possible that such projects could secure financing and deliver in a three-year period. Conversely, it is also possible that near term projects could become stalled, tabled, or abandoned all together. Determinations regarding near term and long-term projects were based on current activity, developers' comments regarding project timing, status of financing, and insights provided by planning officials.

Based on our research, RPRG has identified three rental projects in the near-term pipeline for the Princedale Market Area totaling 733 units (Table 36, Map 8). One near term pipeline project, Rivergate Phase 2, is under construction, and two near term pipeline projects are in initial planning stages. Of the three near term projects, one is a general occupancy income-restricted community; one is an age- and income-restricted community targeting seniors aged 55+; and one has exclusively market rate units.

RPRG also identified seven proposed projects that are less likely to be placed in service during the three-year demand period (or possibly stalled) and thus classified as long term. The following is a brief description of all identified projects:

Table 36 Multifamily Rental Pipeline, Princedale Market Area

Name of	Location	Developer	No. of Units	Status/Comments
Near Term				
Reserve at Woodbridge	14500 Darbydale Avenue	Ideal Realty	165	A proposed general occupancy LIHTC community targeting 60% AMI which recently submitted an application for 4% tax credits. Most approvals are complete and they are now applying for building permits
Rivergate South Ph2	13175 Marina Way, Woodbridge	IDI Group	318	The second phase of an existing market rate community. Originally planned as condominiums, this phase is all market rate rental units. Construction is underway and planned for completion by mid-2022.
Park Landing Sr	Prince William Parkway and Golansky Boulevard	KCG Development, LLC	250	The Prince William County Planning Commission recently approved the rezoning application. Units will target senior households aged 55 and older earning up to 60% AMI
Total Near Term			733	
Long Term				
Windsor Oaks	SEQ of Prince William Parkway (Rt. 294) and Elm Farm Road (Rt. 892), Woodbridge	Atlantic Funding Ltd	160	Rezoning under review for a 9.77-acre property to allow up to 160 residential units and 25,000 square feet of commercial/retail uses.
Neabsco Common	2670 Neabsco Common Place, Woodridge, just on edge of PMA	Uniwest Development, LLC	65	Rezoning approved as of January 19, 2021 for a 3.6-acre property to allow up to 65 residential units, but no plans have been submitted; property manager says it's not active
North Woodbridge Town Ctr	Route 1 and Occoquan Road, Woodbridge	IDI Group Cos. and Boosalis Properties	900	The North Woodbridge Town Center project will include 160,000 square feet of retail space, restaurants, bars, grocery stores as well as 900 apartment units. It will be built over the next five to 10 years.
Ray's Regarde	Horner Road	2016 Horner Road LLC	175	A 56-acre project near Prince William Pky and I-95 planned for up to 325 housing units including 175 townhouses and 150 two-over-two stacked townhouses condominiums. The project was approved by the Board of County Supervisors in January 2019 but is now on hold.
Landing at Mason's Bridge	1101 Annapolis Way, Woodbridge	The Lawson Companies	342	The proposed project will consist of 342 LIHTC units at 60 percent AMI. The project will have one-, two- and three-bedroom floorplans. The Developer is currently applying for VHDA tax credit funding.
Primeland	13401 Haversack Ln, Woodbridge	Primeland LLC	16	A 2.53-acre project located along Haversack Lane, southeast of Prince William Parkway and Hoffman Drive. Planned for a mix-use development with 16 multifamily units and an 18,150-square-foot shopping center. According to the Prince William Department of Planning the rezoning request is pending.
Quartz District	13930 Minnieville Rd, Woodbridge	Buchanan Partners	225	The 143.15-acre project located at the NWC of Prince William Pkwy and Minnieville Rd (along the northeastern market area boundary) planned for 610 for-sale single-family attached townhomes, 180 condominiums, 225 mixed-income multi-family units, commercial space, and a grocery store. After the project was put on hold, revised plans were recently submitted.
Total Longer Term			1,883	

Sources: Prince William County Planning Department; local newspaper articles; project and developer websites; Real Property Research Group, November 2021



Map 8 Multifamily Rental Pipeline, Princedale Market Area



VIII. FINDINGS AND CONCLUSIONS

A. Key Findings

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

1. Site and Neighborhood Analysis

The subject site is an appropriate location for the development of a general occupancy, affordable rental community. The area offers good access to public transportation, regional thoroughfares, retail amenities, and neighborhood services.

- The subject site is in an established suburban area consisting primarily of single- and multi-family residential development, schools, and neighborhood retail centers.
- The site is within six miles from Interstate 95, nine miles from Manassas, 15 miles from employment centers in northern Virginia, and 30 miles from downtown Washington DC.
- Surrounding neighborhoods offer a variety of retail and neighborhood services needed on a daily and occasional basis, including pharmacies, medical facilities, and grocery-anchored retail centers within a convenient bus ride or driving distance from the subject site.

2. Economic Context

Prince William County has a stable, diverse economy with average annual unemployment rates consistently below state and national rates and steady job growth prior to the COVID-19 pandemic.

- The county's total labor force expanded most years from 2010 to 2019 driven by employed workers; the number of unemployed workers declined from 15,269 in 2010 to 7,059 in 2019. The number of unemployed workers spiked in April 2020 due to the onset of the COVID-19 pandemic but has decreased to roughly one third of the April 2020 peak as of August 2021.
- Prior to the COVID-19 pandemic, the county's 2019 unemployment rate was 2.5 percent, slightly lower than the state's 2.8 percent and well below the national rate of 3.7 percent. At the onset of the pandemic in April 2020, the local unemployment rate spiked to 11.4 percent in tandem with the state (11 percent) and nation (14.4 percent). As of August 2021, rates have fallen significantly reaching 3.8 percent in the county, 3.8 percent in the state, and 5.3 percent in the nation.
- Workers residing in the market area work both locally and throughout the region with 39.5 percent of workers residing in the market area working in Prince William County, 46.1 percent employed in another Virginia county, and 14 percent working outside the state of Virginia.
- The Prince William County economy is diverse with six sectors each representing at least 10 percent of the local employment base. Trade-Transportation-Utilities, Government, and Professional-Business are Prince William County's largest economic sectors representing a combined 54.5 percent of the county's total At-Place Employment. Nine of 11 economic sectors added jobs in Prince William County from 2011 through the first quarter of 2021, inclusive of the recent impacts of the COVID-19 pandemic.

3. Population and Household Trends

The Princedale Market Area had strong household growth over the past 11 years. RPRG projects household growth to remain steady over the next five years.



- The market area added 29,230 net people (19.9 percent) and 8,668 households (17.8 percent) between the 2000 and 2010 Census counts; annual growth was 2,923 people (1.8 percent) and 867 households (1.7 percent) over this period. Annual growth slowed but remained strong over the past 11 years at 2,266 people (1.2 percent) and 786 households (1.3 percent) from 2010 to 2021, resulting in 200,858 people and 66,001 households in 2021.
- Growth in the market area is projected to be steady over the next five years with the net addition of 9,030 people (4.5 percent) and 3,489 households (5.3 percent) from 2021 to 2026; annual growth over this period is projected at 1,806 people (0.9 percent) and 698 households (1.0 percent). The Princedale Market Area will have 209,888 people and 69,490 households by 2026.

4. Demographic and Income Analysis

Households within the market area and county are family-oriented with high proportions of households with children. Princedale Market Area has a generally balanced distribution among household size and age cohorts with market area household incomes similar to those throughout the county.

- As of the 2010 Census, approximately 45 percent of households in both the Princedale Market Area and Prince William County include children.
- One quarter (24.3 percent) of households in the Princedale Market Area are renters as of 2021, slightly lower than the county proportion of 26.9 percent. RPRG projects renters to contribute 25.3 percent of net household growth through 2026, consistent with the trend over the past 21 years. More than half of the renter households in the Princedale Market Area (55.1 percent) are young and middle-aged householders aged 25 to 44, and 46.6 percent of all market area households have one or two persons.
- The estimated 2021 median household income in the Princedale Market Area is \$107,125, in line with the Prince William County's median income of \$107,171. The median income of renters in the Princedale Market Area as of 2021 is \$77,766. Roughly 16 percent of market area renter households have incomes between \$25,000 and \$50,000, and 11.5 percent have incomes less than \$25,000. One fifth (20 percent) of market area renter households have incomes between \$50,000 and \$75,000; 19.2 percent have incomes between \$75,000 and \$100,000, and 20.7 percent have incomes between \$100,000 and \$149,999.
- Just under one third (30.3 percent) of all renter households residing in the Princedale Market Area have rent burdens of 40 percent or higher; and 37.8 percent have rent burdens of 35 percent. Additionally, 6.5 percent of the rental housing stock within the market area can be considered substandard, i.e., lacking complete plumbing facilities, or overcrowded with more than 1.0 occupants per room.

5. Competitive Housing Analysis

The existing rental inventory of the Princedale Market Area is performing well and vacancy rates are very low including LIHTC communities.

- The aggregate vacancy rate for the 21 surveyed rental communities is 1.5 percent. LIHTC communities are outperforming the market rate rental market with an aggregate vacancy rate of just 0.5 percent. Seven LIHTC properties reported full occupancy, and two have a vacancy rate of less than three percent. Several communities reported waitlists ranging from several months to three years.
- The average market rate studio rent is \$1,488 for an average of 589 square feet or \$2.52 per square foot. The average market rate one-bedroom net rent is \$1,662 for an average of 774



- square feet or \$2.15 per square foot. The average market rate two-bedroom net rent is \$1,975 for an average of 1,024 square feet or \$1.93 per square foot. The average market rate three-bedroom rent is \$2,694 for an average size of 1,439 square feet or \$1.87 per square foot.
- Eight tax credit communities offer units at 60 percent AMI with an average net rent for one-bedroom units at 60 percent AMI of \$1,311 for an average size of 722 square feet, or \$1.81 per square foot. The average net two-bedroom rent at 60 percent AMI is \$1,543 for an average size of 936 square feet, or \$1.65 per square foot. The average net three-bedroom rent at 60 percent AMI is \$1,760 for an average size of 1,122 square feet, or \$1.57 per square foot.
 - Three near term pipeline projects were identified in the Princedale Market Area expected to deliver a combined 733 rental units within the next three years. RPRG also identified seven proposed projects that are less likely to be placed in service during the three-year demand period (or possibly stalled) and thus classified as long term.

B. Derivation of Demand

1. Net Demand Methodology

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

The three-year period in question for this analysis is the period from November 2021 through November 2024. RPRG's Derivation of Demand calculation is a gross analysis, meaning that the calculation balances the demand for new rental housing units of all types (i.e. luxury market-rate, more affordable market-rate, tax credit, rent-subsidized, and age-restricted) versus the upcoming supply of rental housing units of all types. The Derivation of Demand calculation is an incremental or net analysis, in that it focuses on the change in demand over the period in question as opposed to focusing on the market's total demand. Considerations such as household incomes and the floor plan types and proposed rents for the subject and other pipeline projects are not factored into the Derivation of Demand; rather, we address the interplay of these factors within the Affordability Analysis and Penetration Analysis in the next section of this report.

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

- **Projected Change in the Household Base.** Earlier in this report, RPRG presented projections of household change within the primary market area over the 2010 to 2026 period. For this analysis, we factor in three years' worth of the household change suggested by the annual rate of household growth or decline (2021 to 2022, 2022 to 2023, and 2023 to 2024). Note that net household change incorporates growth or decline stemming from both household migration into and out of the market area and organic changes within existing households (i.e. new household formation as a result of children moving out of their parents' homes, divorces, roommates beginning to rent separately).



- **Need for Housing Stock Upgrades.** Demand for new housing units within a primary market area is generated when the stock of available housing units ceases to meet the housing needs of households that wish to remain residents of that primary market. In such instances, the housing stock needs to be upgraded – either through the renovation of existing units or the construction of new units. That a particular housing unit has ceased to meet the housing needs of a market area’s households becomes evident in any number of ways, including:
 - **Physical Removal or Demolition.** Clearly, if a unit is demolished or otherwise physically removed from a market, it is no longer available to serve local households. A number of factors contribute to the removal of housing units. Housing units are occasionally removed from any given market through disasters such as fires and various types of weather phenomenon. While such disasters occur somewhat randomly, the decision whether to repair or demolish a unit is based on the economic value of the property. Thus, a unit being permanently lost in a disaster should be correlated with factors such as its age, structure type, and physical condition. Demolitions can also be instigated through the loss of economic value or in response to a situation where vacant land has become more valuable than the land plus its existing structure. Based on American Housing Survey data, researchers have analyzed Components of Inventory Change (CINCH) (Table 37). CINCH data indicated that renter-occupied or vacant units were far more likely to be demolished than owner-occupied units; among renter-occupied and vacant units, single-family detached units were more likely to be demolished than multifamily units.
 - **Permanent Abandonment.** Housing units can be technically removed from the stock available to serve households without being physically removed. This happens when a housing unit’s owner elects to permanently abandon the unit – due to obsolescence, overwhelming repair costs, or other factors – without going through the steps (and costs) of demolishing it. If a dilapidated unit was occupied up until the time of permanent abandonment, the former occupant represents a source of demand for other units in the area.
 - **Overcrowding.** As defined by the U.S. Census Bureau, a housing unit is classified as overcrowded if the household occupying the unit has more people than the housing unit has rooms. Particularly in markets with high housing costs, lower-income individuals and families are often driven into an overcrowded housing situation. Overcrowded households constitute pent-up demand for new housing units not typically captured in household growth projections; were two affordable units to become available, an overcrowded household would very likely split into two households and generate an additional net unit of housing demand.
 - **Mismatch between Household Incomes and Housing Stock Quality.** While permanent abandonment and overcrowding are two factors likely to lead to net new demand for affordable housing units, limited recent housing construction in a stable, long-established neighborhood can be an indicator of pent-up demand for new housing units serving middle- to upper-income households. Areas that exhibit this phenomenon are often downtown, inner city, or inner ring suburban locations that currently have – and have had for years – limited to no undeveloped land available for new housing construction/growth. When a neighborhood is stable in terms of overall household numbers but near the point of build-out for many years, many resident households develop a desire for a modern housing unit and the wherewithal to rent or purchase one but have no stock of modern units from which to choose. Such households are ‘under-housed’ in that the quality of the housing stock in the area where they live (and wish to remain) does not match the type of housing they demand and could afford. Such pent-up demand is rarely captured in public projections of



household growth and is difficult to translate to specific calculations. However, this pent-up demand is a very real factor driving demand for new housing units in stable, established residential neighborhoods.

- Competitive Multifamily Vacancy Rates.** The final source of demand that factors into RPRG’s calculation of demand for rental units is the observed vacancy rate in the primary market area’s competitive rental market. RPRG assumes that a 5.0 percent vacancy rate is required to keep a rental market relatively elastic. Elasticity in this context means that an adequate number of quality housing units are vacant and available at any given time so that households seeking rental units can be accommodated and can have some choice among units. When the market vacancy rate is below 5.0 percent, additional units are needed to ensure an adequate number of available units from which to choose. When the market vacancy rate is above 5.0 percent, the market has the capacity to absorb some additional demand (whereby that amount of demand would not need to be met through the development of new units).

In considering competitive vacancy rates, we focus on multifamily units for a number of reasons. One of the primary reasons is that the scattered market in single-family homes, condominiums, and other properties is extremely fluid and cannot be relied upon to consistently serve renter households, since the inventory can convert to homeownership very quickly.

Table 37 Components of Inventory Change in Housing (CINCH)

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

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



2. Net Demand Calculation

The steps in the derivation of demand for rental housing are detailed below (Table 38):

- Per the household trend information discussed previously, RPRG estimates that 66,001 households resided in the Princedale Market Area as of January 2021, a number projected to increase to 69,490 by January 2026. RPRG then derived the number of households in the market area in November 2021 to November 2024 via interpolation.
- Based on this estimate and projection, RPRG computed 66,582 households reside in the market as of November 2021, increasing to 68,676 households in November 2024. The Princedale Market Area would thus gain 2,094 net new households during the three-year study period.
- Using national statistical observations from 2011 and 2013 CINCH data, Econometrica determined that the average annual loss of occupied housing units in the United States between 2011 and 2013 (for all reasons other than the moving of homes, particularly mobile homes) was 0.27 percent of the total occupied stock (See Table 37). This blended rate includes an annual loss of 0.47 percent of renter-occupied units and 0.18 percent of owner-occupied units. In the interest of conservatively estimating demand, we assume the lower blended rate of 0.27 percent rather than the higher renter-occupied rate of 0.47 percent. We determined the size of the housing stock in 2021, 2022, and 2023 via interpolation of household projections. Applying the 0.27 percent removal rate over the three years in question, we estimate that 560 units are likely to be lost.
- Combining this figure with household changes, a total demand for 2,654 new housing units will exist in the market between November 2021 to November 2024.
- As detailed previously, RPRG projects renter households will contribute 25.3 percent of net household growth over the next five years in the market area. Applying this renter percentage to new housing demand results in demand for 673 new rental units over the next three years.
- Typically, it is assumed that a 5.0 percent vacancy rate is required to keep a rental market relatively fluid. There must be some number of quality units vacant and available at any given time so that households seeking rental units can be accommodated and can have some choice among units. RPRG's survey of the general occupancy rental communities in the market area consisted of 5,315 units. Of these, 78 units are currently vacant, for a vacancy rate of 1.5 percent. With a total stock of 5,315 units, 266 units would be required to be vacant for a five percent vacancy rate. Subtracting the 78 current vacancies from the 266 required for five percent vacancy suggests 188 units must be added to achieve a structural vacancy rate of five percent. These 188 units are added to the demand.
- Combining the effects of household trends, necessary unit replacement, and the preferred structural vacancy rate, demand will exist for 860 additional rental units in the market area over the three-year period.
- Total rental demand must be balanced against new rental stock likely to be added between November 2021 and November 2024. In addition to the subject's 280 proposed rental units, we include the three near term pipeline projects, combining for a new rental supply of 1,078 units.
- Subtracting 95 percent of these units (962) from the total demand for 860 units yields a moderate excess supply of 102 units in the market area through November 2024.

Table 38 Derivation of Net Demand, Princedale Market Area

Demand			
<i>Projected Change in Household Base</i>			Units
November 2021 Households			66,582
November 2024 Households			68,676
Net Change in Households			2,094
Add: Units Removed from Housing Stock	Housing Stock	Removal Rate	Units Removed
2021 Housing Stock	68,389	0.27%	185
2022 Housing Stock	69,142	0.27%	187
2023 Housing Stock	69,895	0.27%	189
Total Units Removed from Housing Stock			560
New Housing Demand			2,654
Average Percent Renter Households over Analysis Period			25.3%
New Rental Housing Demand			673
Add: Multifamily Competitive Vacancy	Inventory		Vacant
Total Competitive Inventory	5,315		78
Market Vacancy at 5%			266
Less: Current Vacant Units			-78
Vacant Units Required to Reach 5% Market Vacancy			188
Total Demand for New Rental Units			860
Planned Additions to the Supply			
		Total Units	95% Occupancy
Neabsco Common		65	
Reserve at Woodbridge		165	157
Rivergate South Ph2		318	302
Park Landing Sr		250	238
Subject Property		280	266
Total New Rental Supply		1,078	962
Excess Demand for Rental Housing			-102

Source: RPRG, Inc.

3. Conclusions on Net Demand

The results of the Net Demand analysis indicate demand for 860 rental units over the next three years. Accounting for anticipated pipeline addition, the market area will have a moderate short term excess supply of 102 rental units over the next three years. This represents only four additional months of demand. We note that one near term pipeline community is a luxury market-rate property which will not directly compete with the subject, and a second pipeline project is age-restricted and will also not directly compete with the subject. Strong market conditions with almost full occupancy among the market's affordable rental stock indicate significant pent-up demand for affordable general occupancy rental units. This market study was completed based on the most recent available data, which considers any recent impacts by the COVID-19 pandemic on demographic and economic trends as well as housing demand. However, in general, we have not seen a diminution of demand due to COVID-19. At this stage, we do not believe demand for

affordable rental housing will be reduced in the long term due to economic losses related to COVID-19. Demand for rental housing, especially affordable housing, is projected to increase over the next several years.

C. Effective Demand – Affordability/Capture & Penetration Analyses

1. Methodology

Following our estimate of the depth of demand for net new rental units in the market area, we next test whether sufficient income-qualified households would be available to support the specific units at the subject property and properties in the same broad segment of the rental market in terms of pricing. This analysis is conducted independently of the Derivation of Demand as units at the subject property are likely to be filled by a combination of new households (either moving to or created within the market area) and existing households moving within the market area. The total demand—comprised of the net or incremental demand and the demand from existing households—is the relevant frame of reference for the analysis. The affordability analysis tests the percent of income-qualified households in the market area that the subject community must capture in order to achieve full occupancy. The penetration analysis tests the percent of income-qualified households in the market area that the subject community and comparable competitive communities combined must capture to achieve full occupancy. The combination of the Derivation of Demand, Affordability and Penetration Analyses determines if the primary market area can support additional rental units and if sufficient households exist in the target income range to support the proposed units.

Using 2023 as our target year for this analysis, RPRG calculated the income distribution for both total households and renter households based on the relationship between owner and renter household incomes by income cohort from the 2015-2019 American Community Survey with estimates and projected income growth since the Census (Table 39).

Table 39 2023 Total and Renter Income Distribution

Princedale Market Area		2023 Total Households		2023 Renter Households	
2023 Income		#	%	#	%
less than	\$15,000	1,865	2.8%	775	4.7%
	\$15,000 - \$24,999	2,444	3.6%	1,016	6.2%
	\$25,000 - \$34,999	2,592	3.8%	1,065	6.5%
	\$35,000 - \$49,999	4,571	6.8%	1,553	9.5%
	\$50,000 - \$74,999	8,852	13.1%	3,216	19.6%
	\$75,000 - \$99,999	10,028	14.9%	3,164	19.3%
	\$100,000 - \$149,999	16,463	24.4%	3,464	21.1%
	\$150,000 - Over	20,582	30.5%	2,155	13.1%
Total		67,396	100%	16,408	100%
Median Income		\$110,162		\$79,578	

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

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit.



In the case of rental units, these expenses are generally of two types—monthly contract rents paid to landlords and payment of utility bills for which the tenant is responsible. The sum of the contract rent, and utility bills is referred to as a household’s ‘gross rent burden’. For the Affordability and Penetration Analyses, RPRG employs a 35 percent gross rent burden. The 35 percent rent burden is the rent burden mandated by VHDA for use in evaluating proposed general occupancy LIHTC communities. Rent burdens of 35 percent are also typically used in underwriting multifamily rental communities in the Mid-Atlantic region, particularly communities with rents targeting low- and moderate-income households in areas with high housing costs.

2. Affordability Analysis

The affordability analysis for the project is presented in Table 40. The steps of the analysis are demonstrated for two-bedroom units, the most common proposed floorplan. This analysis can be similarly applied to the other units. The steps are as follows:

- The two-bedroom units at 60 percent AMI have an average gross rent burden of \$1,667 (\$1,545 contract rent plus \$122 utility allowance for tenant-paid utilities). Applying a 35 percent rent burden to this gross rent, we determined that these two-bedroom units would be affordable to households earning at least \$57,154 per year. The projected number of market area renter households earning at least this amount in 2023 is 11,079.
- On the assumption of 1.5 persons per bedroom and an income ceiling of 60 percent AMI, the maximum income for households renting a two-bedroom unit at the subject is \$69,660. According to the interpolated income distribution for 2023, a projected 9,471 renter households will reside in the market area with incomes exceeding this upper income limit.
- Subtracting the 9,471 renter households with incomes above the maximum income limit from the 11,079 renter households who have the minimum income necessary to rent this unit, RPRG calculates that 1,609 renter households in the market area would be income-qualified for the subject’s two-bedroom units. The subject would have to capture 8.7 percent of these renter households to fill the proposed 140 two-bedroom units at 60 percent AMI.

Table 40 Affordability Analysis

60% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		120		140		20	
Net Rent		\$1,300		\$1,545		\$1,750	
Gross Rent		\$1,389		\$1,667		\$1,905	
Income Range (Min, Max)		\$47,623	\$58,050	\$57,154	\$69,660	\$65,314	\$80,520
Renter Households							
Range of Qualified Hhlds		12,246	10,964	11,079	9,471	10,030	8,085
# Qualified Hhlds			1,282		1,609		1,945
Renter HH Capture Rate			9.4%		8.7%		1.0%

Income Target	# Units	Renter Households = 16,408				
		Band of Qualified Hhlds		# Qualified HHs	Capture Rate	
60% AMI	280	<i>Income Households</i>	\$47,623	\$80,520	4,161	6.7%
			12,246	8,085		

Source: Income Projections, RPRG, Inc.



- The same methodology was applied to test the affordability of each of the subject’s unit types at 60 percent AMI yielding a capture rate of 9.4 percent for one-bedroom units and 1.0 percent for three-bedroom units. Overall, the subject would need to capture 6.7 percent of all income-qualified renter households to absorb all 280 units.

3. Penetration Analysis

To provide further insight into the market dynamics, we have also conducted a Penetration Analysis (Table 41). The Penetration Analysis evaluates the capacity of the market area to serve the entire inventory of directly competitive rental units. Our analysis utilizes the same target date of 2023; the same 35 percent rent burden; and income levels as presented in the Affordability Analysis. To test the most competitive and relevant subset of the rental stock, RPRG limited communities included to those that offer LIHTC units at 60 percent AMI. One general occupancy near term pipeline project with 60 percent AMI units is included as well.

- The range of household incomes employed in our penetration analysis is consistent with the affordability analysis, from \$47,623 for the subject’s 60 percent one-bedroom units up to the maximum allowable household income for a three-bedroom unit at 60 percent of AMI (\$80,520). This analysis utilizes the subject’s proposed utility allowances when calculating the minimum income required for the total housing cost as well as a 35 percent housing affordability ratio.
- As of 2023, a projected 4,161 renter households in the market area will be in the band of affordability for the relevant income-restricted tax credit rental stock. The existing and planned affordable supply would need to capture 49.5 percent of these renter households to reach full occupancy.

Table 41 Penetration Analysis

Competitive Communities			
Competitive Communities	Units	Planned Communities	Units
Landings at Markhams Grant	234	Reserve at Woodbridge	165
Crossings at Summerland	126		
Glen Ridge Commons	112		
County Center Crossing	224		
Elevations One	210		
Orchard Mills	280		
Woodwind Villa	111		
Summerland Heights	318		
Subtotal	1,615	Subtotal	165
		Subject Property	Units
Grand Total of Competitive Supply	2,060	Subtotal	280

	Minimum Income	Maximum Income
	One Bedroom	Three Bedroom
Net Rent	\$1,300	
Gross Rent	\$1,389	
% Income for Shelter	35%	
Income Range (Min, Max)	\$47,623	\$80,520
Qualified Renter HHs	12,246	8,085

All Renter Households = 16,408				
	Band of Qualified Households		# Qual HHs	Penetration Rate
Income	\$47,623	\$80,520		
Households	12,246	8,085	4,161	49.5%

Source: 2010 U.S. Census, Esri, Estimates, RPRG, Inc.



4. Conclusions on Affordability and Penetration

RPRG judges that the tax credit renter capture rate of 6.7 percent is achievable, particularly since the subject will be the newest and most attractive affordable rental community within the market area. RPRG considers the calculated penetration rate for the tax credit units of 49.5 percent of income-restricted renter to be reasonable within the context of the Princedale Market Area. In essence, our analysis suggests that the most directly competitive rental units will need to capture roughly half of all income-qualified renter households. Both the capture and penetration rates are well within a reasonable and achievable range.

D. VHDA Demand Methodology

1. VHDA Demand Analysis

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

- **Household Growth or Decline.** The household trend required by VHDA is the net increase or decrease in the number of income-qualified renter households in the primary market area between a base year of 2021 and a target year of 2024.
- **Cost Burdened Renters.** VHDA's second component of demand is cost burdened renters, a designation which is defined as those renter households paying more than 35 percent of household income for housing costs. RPRG uses the 2015-2019 ACS data on cost-burdened renter households presented earlier in Table 21 to estimate the percentage and number of income-qualified renters for the subject project that will be cost-burdened as of 2021. We conservatively use a rent burden of 40 percent, which accounts for 30.3 percent of renter households.
- **Renter Households in Substandard Housing.** VHDA's third component of demand accounts for income-qualified renter households living in substandard units, defined as overcrowded units (having 1.01 or more persons per room) and/or units lacking complete plumbing facilities. According to the 2015-2019 ACS, the percentage of renter households in the primary market area that lived in substandard conditions was 6.5 percent.
- **Existing Tenants Likely to Remain.** For projects that constitute the renovation of an existing property with current tenants, VHDA requests that analysts consider the percentage of current tenants that are likely to remain following the proposed renovation. Princedale Apartments will be a new construction project and, as such, VHDA's fourth component of demand is not relevant.

Table 42 outlines the detailed VHDA demand calculations for the subject. Total demand available for the 280-unit project is expected to include 128 net new renter households, 1,225 cost-burdened households, and 264 households currently residing in substandard housing. The calculation thus yields a total net demand for 1,617 additional units of rental housing serving the targeted 60 percent of AMI income band.

Comparable units that are presently available or that likely would be available constitute supply that must be subtracted from total VHDA demand to arrive at VHDA net demand. Based on the competitive rental survey, six vacancies were reported among the 60 percent AMI LIHTC units. One



of the near-term pipeline projects will have 165 units restricted to 60 percent AMI. Subtracting the vacant existing and pipeline units, VHDA net demand totals 1,446 units.

Given the net demand for 1,446 units, the 280-unit subject would need to capture 19.4 percent of income-qualified renter households per VHDA’s demand methodology.

Table 42 VHDA Demand by Overall Income Targeting

	<i>Income Target</i>	60% AMI
<i>Minimum Income Limit</i>		\$47,623
<i>Maximum Income Limit</i>		\$80,520
(A) Renter Income Qualification Percentage		25.2%
Demand from New Renter Households - <i>Calculation (C-B)*F*A</i>		128
+ Demand from Rent Overburdened HHs - <i>Calculation: B*E*F*A</i>		1,225
+ Demand from Substandard Housing - <i>Calculation B*D*F*A</i>		264
+ Existing Qualified Tenants to Remain		
Total Income Qualified Renter Demand		1,617
Less: Comparable Vacant Units		6
Less: Comparable Pipeline Units		165
Net Demand		1,446
Subject Proposed Units		280
Capture Rate		19.4%
Estimated Absorption Period (Months)		15-16

Demand Calculation Inputs	
A). % of Renter Hhlds with Qualifying Income	see above
B). 2021 Households	66,001
C). 2024 Households	68,094
D). Substandard Housing (% of Rental Stock)	6.5%
E). Rent Overburdened (% of Renter Hhlds at >40%)	30.3%
F). Renter Percentage (% of all 2021 HHlds)	24.3%

2. Conclusions on VHDA Demand

RPRG considers the subject’s capture rate to be slightly elevated but achievable, indicating sufficient demand to absorb all 280 units at the subject. Market conditions including almost full occupancy among tax credit communities with wait lists indicate strong demand for quality rental units targeting households earning up to 60 percent AMI. Taking into consideration these factors, we have conservatively estimated an overall project lease up pace of roughly 15 to 16 months, reflecting an average absorption pace of 17 to 18 units per month.

E. Target Markets

As indicated in the Effective Demand Analysis (Affordability/Capture & Penetration), the subject’s units would serve households with incomes generally between \$47,600 and \$80,500. The groups most likely to reside at the subject’s income restricted units include individuals working in service sectors such as retail, leisure, and hospitality, or in civilian positions associated with the numerous military installations in the area. Other persons likely to reside at the subject project include government or contract workers; local public servants such as firefighters, police officers, and teachers; and early career workers in the professional-business, financial activities, information, and health sectors. With one-, two-, and three-bedroom units, the proposed community would have the capacity to serve single-person households, married and unmarried couples, roommate



households, single- and dual-parent families with children, and possibly multi-generational households.

The community would be attractive to households who work in the surrounding region but are priced out of nearby areas with higher housing costs. Housing costs continue to rise in Washington DC and neighboring counties driving many lower and moderate-income families further south for a relatively more affordable cost of living.

F. Product Evaluation

Considered in the context of the competitive environment, the relative position of the proposed Princedale Apartments is as follows:

- **Structure Type:** The community is designed with four-story garden style buildings. The garden style design is appropriate for the location and key target markets. While the newer and much higher-priced market rate properties in the market offer mid-rise, elevator-served buildings, older market rate buildings and most of the tax credit properties in the market are garden style. This design is appropriate for the surrounding suburban neighborhood.
- **Project Size:** The subject community as designed would have 280 units. The average community size among existing rental properties in this market is 253 units and the average tax credit community size is 205 units. The subject's size will appropriately allow it to provide on-site management and services similar to other market area rental communities.
- **Unit Distribution:** The subject's proposed unit distribution is 43 percent one-bedroom units, 50 percent two-bedroom units, and seven percent three-bedroom units. Among the reported unit distribution for market area communities, 31.5 percent are one-bedroom units, 56.8 percent are two-bedroom units, and 9.8 percent are three-bedroom units. The subject's unit mix is similar to market area communities and appropriate for the market area demographics.
- **Income Targeting:** All units proposed for the subject are targeted to households earning up to 60 percent AMI. The subject's key captures rates are all reasonable and achievable.
- **Unit Size:** The proposed unit sizes for Princedale Apartments are 778 square feet for one-bedroom units, 1,125 square feet, for two-bedroom units, and 1,350 square feet for three-bedroom units. The proposed unit sizes are two to 13 percent larger than market area averages and five to 18 percent larger than averages among tax credit communities. As such the property will have a competitive advantage in many cases.
- **Unit Features:** Units at Princedale Apartments will have vinyl plank flooring in the kitchen and bathrooms, while living areas and bedrooms will have carpet. All units will include a dishwasher, disposal, and washer/dryer machines. Appliances will be energy efficient and counters will be upgraded laminate. This unit features package will be comparable to market area tax credit communities and appropriate for the target market.
- **Common Area Amenities:** The property will have a competitive amenity package including a community center with clubroom, fitness center, outdoor pool, and 24-hour maintenance. This amenity package is appropriate and similar to most tax credit communities.
- **Parking:** The subject will have free surface parking which is the standard offering in the market. This is appropriate for the subject site location and key target markets.

G. Price Position

The tax credit rents proposed by the developer for Princedale Apartments are all below the allowable maximums for all unit types, given the assumed utility allowances of \$89 for one-bedroom units, \$122 for two-bedroom units, and \$155 for three-bedroom units. The proposed



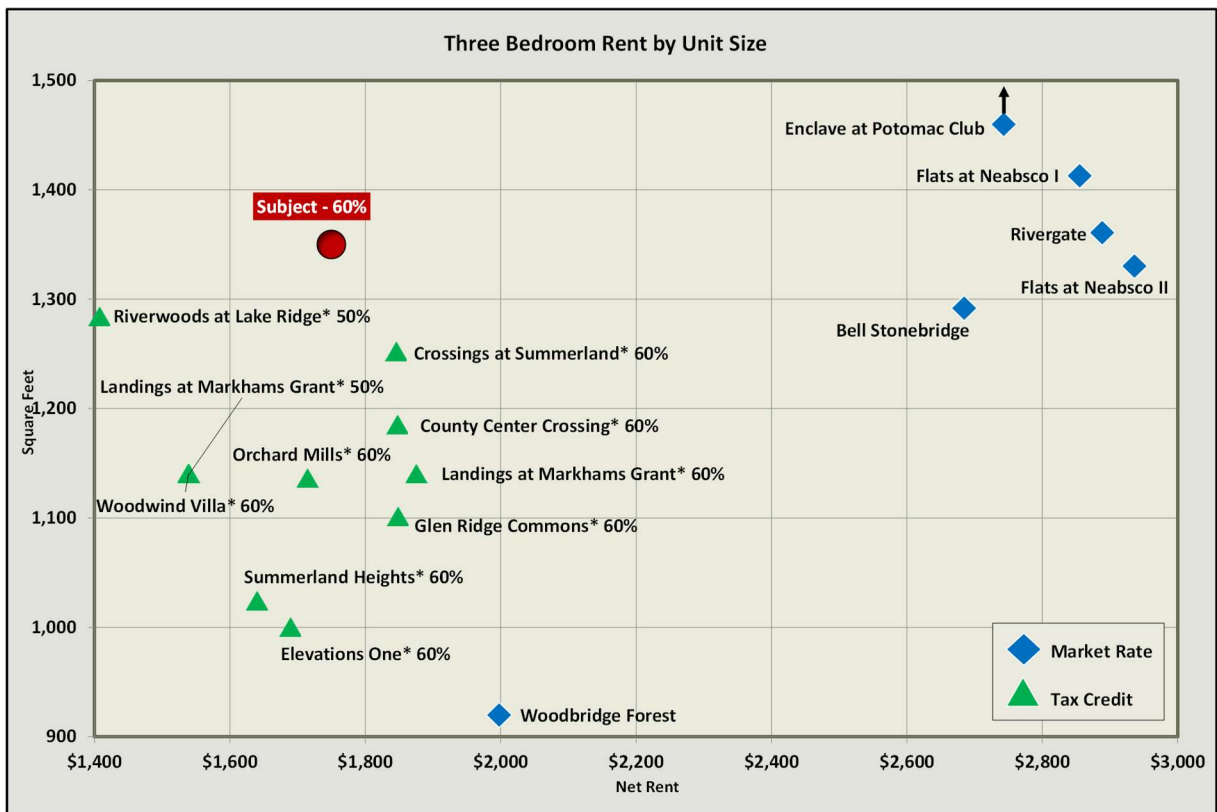
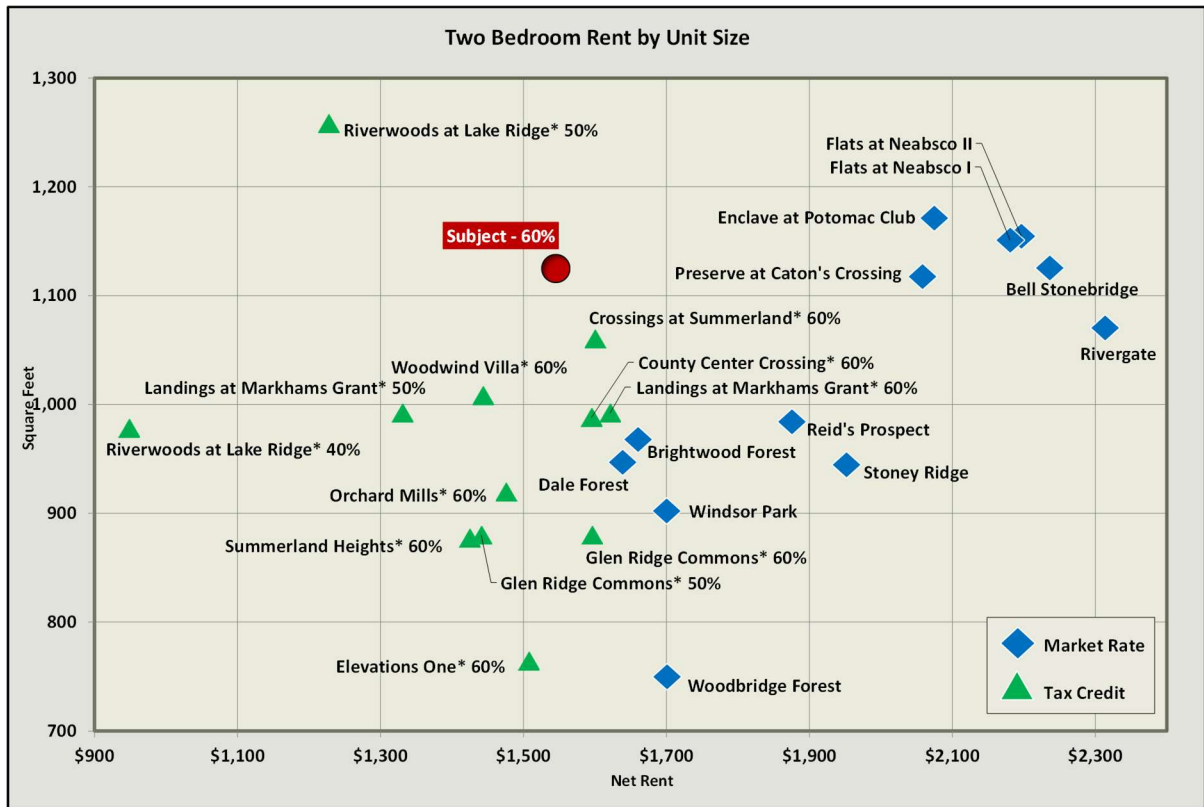
rents offer a significant market advantage and are reasonable when viewed within the context of the directly competitive rental supply.

Figure 9 provides a graphic representation of the competitive positions of the rents and square footages proposed for the subject’s one-, two, and three-bedroom units at 60 percent AMI. For all bedroom types, the subject’s rents are all positioned below market rate communities in the market area as well as below leading 60 percent AMI rents among existing tax credit communities in the market area. This is a competitive position and will be achievable.

- One-bedroom units:** The subject’s one-bedroom units at 60 percent AMI are priced 15 percent (\$229) below the market area average; one percent (\$11) below the 60 percent AMI tax credit average; and priced lower than 60 percent AMI units at two market area tax credit communities (Landings at Markhams Grant and Crossings at Summerland).
- Two-bedroom units:** The subject’s two-bedroom units at 60 percent AMI are priced 9.6 percent (\$229) below the market area average; in line with the 60 percent AMI tax credit average; and priced lower than 60 percent AMI units at two market area tax credit communities (Landings at Markhams Grant and Crossings at Summerland).
- Three-bedroom units:** The subject’s three-bedroom units at 60 percent AMI are priced 15.7 percent (\$326) below the market area average; one percent (\$10) below the 60 percent AMI tax credit average; and priced lower than 60 percent AMI units at four market area tax credit communities.

Figure 9 Price Position of Princedale Apartments







H. Absorption Estimate

Based on RPRG's survey of the general occupancy rental communities, the aggregate vacancy rate is low at 1.5 percent; the tax credit vacancy rate is even lower at 0.5 percent. Additionally, the key capture rate for the subject overall is 6.7 percent, and the penetration rate for the subject and all comparable units is 49.5 percent; both are reasonable and readily achievable.

The Net Demand analysis indicates moderate short term excess supply in the market area over the next three years. However, of the three near term pipeline projects, only one will have competitive general occupancy tax credit units. Given that the last affordable general occupancy community, Riverwoods at Lake Ridge, was placed in service in 2014, the subject will offer local renters newer high quality rental housing at an affordable price. Riverwoods at Lake Ridge was fully occupied at the time of our survey with a waitlist ranging from six months to two years in the duration. Prior to Riverwoods at Lake Ridge opening, all units were pre-leased. Two market rate communities have delivered over the past four years. Flats at Neabsco II opened in mid-December 2018 and stabilized in October 2020 for an average absorption pace of eight units per month. Management at Flats at Neabsco II stated that the COVID-19 pandemic had slowed leasing. The community reported a low vacancy rate of 2.2 percent at the time of our survey. Rivergate opened in December 2017 and stabilized in October 2019 for an average absorption pace of 17 units per month. The subject's affordable pricing will enhance marketability and absorption.

Taking into consideration these factors, we have conservatively estimated an overall project lease up pace of roughly 17 to 18 units per month or 15 to 16 months to achieve 95 percent occupancy. Although demographic estimates and projections were developed prior to the onset of the COVID-19 pandemic and associated economic disruptions, demand for affordable housing remains strong in the market area. The most recent economic data indicate significant recovery of the local economy, and the multi-family inventory, especially LIHTC communities, are performing well. By the time the subject leases up in 2023, we do not anticipate that the pandemic will have any effect on absorption.

I. Impact on Existing Market

RPRG does not anticipate that the subject will have an adverse impact on the existing rental market. The aggregate vacancy rate for the income-restricted rental communities within the market area is very low at 0.5 percent. The VHDA capture rate for the subject is reasonable and will be achievable. The subject will provide a value-added rental community that will assist in meeting the market's demand for affordable high quality rental options. The need for affordable housing will address any turnover that might occur in the affordable inventory in this market, and the market area inventory, including the subject, is expected to retain very low vacancies through the near term.

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

Handwritten signature of Ethan Reed in black ink.

Ethan Reed
Sr. Analyst

Handwritten signature of Robert M. Lefenfeld in black ink.

Robert M. Lefenfeld
Founding Principal



IX. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

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

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



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

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



X. APPENDIX 2 RENTAL COMMUNITY PROFILES

Bell Stonebridge



ADDRESS
14701 River Walk Way, Woodbridge, VA, 22191
Phone: 703-730-1700

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
5 Story - Mid Rise

UNITS
308

VACANCY
1.6 % (5 Units) as of 11/24/21

OPENED IN
2015



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	10%	\$1,585	595	\$2.66
One	48%	\$1,770	761	\$2.33
Two	35%	\$2,125	1,101	\$1.93
Two/Den	2%	\$2,520	1,198	\$2.10
Three	5%	\$2,685	1,292	\$2.08

Community Amenities
Clubhouse, Community Room, Fitness Room, Outdoor Pool, Playground

Features

Standard	Dishwasher, Microwave, High Ceilings
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
SS	Appliances
Granite	Countertops
Community Security	Gated Entry

Parking

Parking Description	Structured Garage — \$0.00
Parking Description #2	Fee for Reserved — \$65.00

Contacts

Phone	703-730-1700
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Comments

Ph I opened 2014; Ph II opened 2015. At Potomac Town Center. SS appl, Granite CT. Formerly Stonebridge Terrace, purchased By Bell Partners 7/17. Lot of military-Quantico, Belvoir. Clubroom, media room, bbq/picnic areas. Extra parking space \$50. Trash \$5.15. 1 Free parking space per bedroom. Several rents from 2/16/21 survey.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
S1 Mid Rise - Elevator		0	1.0	32	\$1,595	595	\$2.68	Market	0%
A1 Mid Rise - Elevator		1	1.0	32	\$1,770	721	\$2.45	Market	0%
A2 High Rise - Elevator		1	1.0	48	\$1,808	763	\$2.37	Market	0%
A3 Mid Rise - Elevator		1	1.0	64	\$1,753	764	\$2.29	Market	0%
A4 Mid Rise - Elevator		1	1.0	4	\$1,970	1,011	\$1.95	Market	0%
B1 Mid Rise - Elevator		2	2.0	24	\$2,043	1,065	\$1.92	Market	0%
B2 Mid Rise - Elevator		2	2.0	48	\$2,105	1,103	\$1.91	Market	0%
B3 Mid Rise - Elevator		2	2.0	28	\$2,205	1,118	\$1.97	Market	0%
B4 Mid Rise - Elevator		2	2.0	8	\$2,345	1,144	\$2.05	Market	0%
Mid Rise - Elevator	Den	2	2.0	6	\$2,530	1,198	\$2.11	Market	0%
C1 Mid Rise - Elevator		3	2.0	14	\$2,695	1,292	\$2.09	Market	0%

Historic Vacancy & Eff. Rent (1)			
Date	11/24/21	06/01/21	02/16/21
% Vac	1.6%	0.0%	1.9%
Studio	\$1,595	\$1,530	\$1,670
One	\$1,825	\$1,911	\$1,835
Two	\$1,740	\$1,893	\$1,801
Two/Den	\$506	\$506	\$506
Three	\$2,695	\$2,635	\$2,635

Adjustments to Rent

Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Brightwood Forest



ADDRESS
15704 Cloverdale Road, Woodbridge, VA, 22193
Phone: 571-989-6945

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
Garden

UNITS
90

VACANCY
0.0 % (0 Units) as of 11/19/21

OPENED IN
1970



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	7%	\$1,318	560	\$2.36
One	31%	\$1,428	688	\$2.07
Two	62%	\$1,660	968	\$1.71

Community Amenities
Outdoor Pool, Playground

Features

Standard	Dishwasher, Disposal, Microwave, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Black	Appliances
Laminate	Countertops

Parking

Parking Description Free Surface Parking

Parking Description #2

Contacts

Phone 571-989-6945

Comments

Can use Dale Forest amenities. Properties also share leasing office.

Waitlist: 2 people

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Garden	Studio	0	1.0	6	\$1,318	560	\$2.36	Market	0%
Garden		1	1.0	28	\$1,428	688	\$2.07	Market	0%
Garden		2	2.0	56	\$1,660	968	\$1.71	Market	0%

Historic Vacancy & Eff. Rent (1)			
Date	11/19/21	03/18/13	02/29/12
% Vac	0.0%	0.0%	1.1%
Studio	\$1,318	\$0	\$0
One	\$1,428	\$0	\$0
Two	\$1,660	\$0	\$0

Adjustments to Rent

Incentives	None
Utilities in Rent	
Heat Source	Natural Gas

Brightwood Forest

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent

(2) Published Rent is rent as quoted by management.



County Center Crossing

ADDRESS
7000 Lakota Dr, Woodbridge, VA, 22192
Phone: 703-680-1185

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
4 Story - Garden

UNITS
224

VACANCY
0.0 % (0 Units) as of 11/19/21

OPENED IN
2004



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	0%	\$1,595	988	\$1.61
Three	0%	\$1,847	1,185	\$1.56

Community Amenities
Clubhouse, Fitness Room, Outdoor Pool, Playground, Business Center

Features

Standard	Dishwasher, Disposal, Ceiling Fan, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Select Units	Fireplace, High Ceilings
White	Appliances
Laminate	Countertops

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Contact	Carlos
Phone	703-680-1185

Comments

Unit breakdown: 56 3BR; 168 2BRs
No WL

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Windsor Forest Garden		2	2.0	0	\$1,625	913	\$1.78	LIHTC	60%
Carlisle Garden		2	2.0	0	\$1,625	960	\$1.69	LIHTC	60%
Edinburg Garden		2	2.0	0	\$1,625	1,001	\$1.62	LIHTC	60%
Augustus Garden		2	2.0	0	\$1,625	1,014	\$1.60	LIHTC	60%
St. James Garden		2	2.0	0	\$1,625	1,052	\$1.54	LIHTC	60%
Cranbourne Garden		3	2.0	0	\$1,882	1,156	\$1.63	LIHTC	60%
Frederick Garden		3	2.0	0	\$1,882	1,159	\$1.62	LIHTC	60%
Berkshire Garden		3	2.0	0	\$1,882	1,240	\$1.52	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	11/19/21	03/15/21	12/16/10
% Vac	0.0%	0.4%	0.4%
Two	\$1,625	\$1,632	\$0
Three	\$1,882	\$1,880	\$0

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

County Center Crossing

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Crossings at Summerland



ADDRESS
13701 Keelingwood Circle, Woodbridge, VA, 22191
Phone: 703-492-0400

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
4 Story - Garden

UNITS
126

VACANCY
0.0 % (0 Units) as of 11/24/21

OPENED IN
2003



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	44%	\$1,339	766	\$1.75
Two	44%	\$1,601	1,060	\$1.51
Three	13%	\$1,845	1,252	\$1.47

Community Amenities
Clubhouse, Fitness Room, Outdoor Pool, Playground

Features

Standard	Dishwasher, Disposal, Ceiling Fan, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Phone	703-492-0400
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Comments

Demand changes for BR type monthly. Need more 3BR's. Mgmt said its easy to find income qualified ppl & they are good. No wait list, 1st come 1st serve.

@ 60% AMI.

WL: 1BR 2 ppl.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Garden		1	1.0	55	\$1,364	766	\$1.78	LIHTC	60%
Garden		2	2.0	55	\$1,631	1,060	\$1.54	LIHTC	60%
Garden		3	2.0	16	\$1,880	1,252	\$1.50	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	11/24/21	02/16/21	04/24/19
% Vac	0.0%	0.0%	0.0%
One	\$1,364	\$1,330	\$1,236
Two	\$1,631	\$1,591	\$1,478
Three	\$1,880	\$1,832	\$1,703

Adjustments to Rent

Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Crossings at Summerland

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(2) Published Rent is rent as quoted by management.

Dale Forest



ADDRESS
14321 Wrangler Lane, Woodbridge, VA, 22193
Phone: 571-454-5651

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story - Garden

UNITS
868

VACANCY
3.0 % (26 Units) as of 11/19/21

OPENED IN
1976



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	5%	\$1,259	548	\$2.30
One	35%	\$1,420	702	\$2.02
Two	60%	\$1,725	968	\$1.78

Community Amenities
Fitness Room, Central Laundry, Outdoor Pool, Tennis, Playground, Car Wash

Features

Select Units	Dishwasher
Standard	Disposal, Microwave, IceMaker
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Black	Appliances
Laminate	Countertops

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Contact	Christine
Phone	571-454-5651

Comments

Renovations as units turn over-wood plank floors, lighting fixtures, new cabinets, laminate CT, Blk appl
Trash \$15.
New management in 2020, speculated higher vacancy is due to higher rents in renovated units.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Garden	Studio	0	1.0	42	\$1,254	548	\$2.29	Market	0%
Garden		1	1.0	0	\$1,465	688	\$2.13	Market	0%
Garden		1	1.0	308	\$1,415	702	\$2.02	Market	0%
Garden		2	1.5	0	\$1,545	926	\$1.67	Market	0%
Garden		2	2.0	518	\$1,720	968	\$1.78	Market	0%

Historic Vacancy & Eff. Rent (1)			
Date	11/19/21	05/27/21	03/15/21
% Vac	3.0%	0.5%	0.0%
Studio	\$1,254	\$1,224	\$1,224
One	\$1,440	\$1,347	\$1,270
Two	\$1,633	\$1,646	\$1,569

Adjustments to Rent

Incentives	None
Utilities in Rent	
Heat Source	Electric

Dale Forest

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Elevations One



ADDRESS
1900 Stevens Road, Woodbridge, VA, 22191
Phone: 703-494-5088

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
Garden

UNITS
210

VACANCY
2.4 % (5 Units) as of 11/24/21

OPENED IN
1974



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$0	680	\$
Two	0%	\$1,507	764	\$1.97
Three	0%	\$1,689	1,000	\$1.69
Four+	0%	\$1,888	1,200	\$1.57

Community Amenities
Central Laundry, Outdoor Pool, Playground

Features

- Select Units** Dishwasher, Storage
- Standard** Disposal, IceMaker
- Hook Ups** In Unit Laundry
- Central / Heat Pump** Air Conditioning
- Hardwood** Flooring Type 1
- Parking** Contacts

Parking Description	Free Surface Parking	Phone	703-494-5088
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Parking Description #2

Comments

Renovated with tax credits in 2017 @ 60% AML.
Gas/W/S/T Estimate: 1B \$158; 2B \$203; 3B \$263; 4B \$325.
No waitlist

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Garden		1	1.0	0	\$0	680	\$0.00	LIHTC	60%
Garden		2	1.0	0	\$1,507	764	\$1.97	LIHTC	60%
Garden		3	1.0	0	\$1,689	1,000	\$1.69	LIHTC	60%
Garden		4	1.5	0	\$1,888	1,200	\$1.57	LIHTC	60%
Garden		4	2.0	0	\$1,888	1,200	\$1.57	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	11/24/21	02/16/21	04/26/19
% Vac	2.4%	4.8%	8.1%
One	\$0	\$1,246	\$1,129
Two	\$1,507	\$1,485	\$1,279
Three	\$0	\$1,689	\$1,449
Four+	\$1,888	\$1,840	\$1,544

Adjustments to Rent

Incentives	None
Utilities in Rent	
Heat Source	Natural Gas

Elevations One

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.



Enclave at Potomac Club

ADDRESS
15200 Leicestershire Street, Woodbridge, VA, 22191
Phone: 703-595-4521

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
4 Story - Mid Rise

UNITS
406

VACANCY
1.2 % (5 Units) as of 11/24/21

OPENED IN
2012



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$1,778	888	\$2.00
One/Den	0%	\$1,909	916	\$2.08
Two	0%	\$2,075	1,172	\$1.77
Three	0%	\$2,742	2,320	\$1.18

Community Amenities
Clubhouse, Community Room, Fitness Room, Hot Tub, Sauna, Outdoor Pool, Business Center

Features

Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan, Patio Balcony, High Ceilings
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Not Available	Fireplace
In Building/Fee	Storage
Vinyl/Linoleum	Flooring Type 1
Carpet	Flooring Type 2
SS	Appliances
Granite	Countertops
Community Security	Monitored Unit Alarms, Gated Entry, Keyed Bldg Entry, Cameras

Parking

Parking Description	Structured Garage — \$30.00
Parking Description #2	

Contacts

Contact	Julius
Phone	703-595-4521

Comments

236 units went online in December 2012. Full delivery (406 units) occurred in March 2013.
17 floorplans, 1 & 2 BR have stck w/d, 3BR have full size. Game room, lounge, courtyard w/ grill, walking paths
\$15 per month HOA fee (property is located at the back of a townhome community). Wood style floors. Trash \$6.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Mid Rise - Elevator		1	1.0	0	\$1,712	777	\$2.20	Market	0%
Mid Rise - Elevator		1	1.0	0	\$1,750	855	\$2.05	Market	0%
Mid Rise - Elevator	Den	1	1.0	0	\$1,909	916	\$2.08	Market	0%
Mid Rise - Elevator	Loft	1	1.0	0	\$1,873	1,033	\$1.81	Market	0%
Mid Rise - Elevator		2	2.0	0	\$2,075	1,172	\$1.77	Market	0%
Mid Rise - Elevator		3	2.0	0	\$2,742	2,320	\$1.18	Market	0%

Historic Vacancy & Eff. Rent (1)			
Date	11/24/21	06/01/21	02/17/21
% Vac	1.2%	1.0%	2.5%
One	\$1,334	\$1,286	\$1,300
One/Den	\$477	\$447	\$458
Two	\$2,075	\$2,207	\$1,921
Three	\$2,742	\$2,685	\$2,434

Adjustments to Rent

Incentives	None
Utilities in Rent	
Heat Source	Electric

Enclave at Potomac Club

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Flats at Neabsco I



ADDRESS
2701 Neabsco Common Place, Woodbridge, VA, 22191
Phone: 844-780-6238

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
Mid Rise

UNITS
186

VACANCY
2.2 % (4 Units) as of 11/19/21

OPENED IN
2015



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$1,809	835	\$2.17
Two	0%	\$2,181	1,151	\$1.89
Three	0%	\$2,855	1,413	\$2.02

Community Amenities
Clubhouse, Community Room, Fitness Room, Hot Tub, Outdoor Pool, Playground, Business Center

Features

Standard	Dishwasher, Disposal, Microwave, Ceiling Fan, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
SS	Appliances
Granite	Countertops

Parking

Parking Description	Structured Garage
Parking Description #2	Fee for Reserved — \$50.00

Contacts

Phone	844-780-6238
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Comments

Opened June 2015. Stabilized Dec.2016.

Trash-\$20. 2nd Car-\$50.

Outdoor kitchen w/grills, courtyard, firepit, media room/theater, on-site retail, conf room, billiards game/room

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
A1M1 Mid Rise - Elevator		1	1.0	0	\$1,730	739	\$2.34	Market	0%
A1M3 Mid Rise - Elevator		1	1.0	0	\$1,834	777	\$2.36	Market	0%
B2 Mid Rise - Elevator		1	1.0	0	\$1,834	988	\$1.86	Market	0%
C1M3 Mid Rise - Elevator		2	2.0	0	\$2,073	1,076	\$1.93	Market	0%
C1 Mid Rise - Elevator		2	2.0	0	\$2,075	1,098	\$1.89	Market	0%
C2 Mid Rise - Elevator		2	2.0	0	\$2,205	1,162	\$1.90	Market	0%
C3 Mid Rise - Elevator		2	2.0	0	\$2,220	1,167	\$1.90	Market	0%
C2M1 Mid Rise - Elevator		2	2.0	0	\$2,280	1,253	\$1.82	Market	0%
E4 HC, E2, E1, E4 Mid Rise - Elevator		3	2.0	0	\$2,845	1,413	\$2.01	Market	0%

Historic Vacancy & Eff. Rent (1)			
Date	11/19/21	06/01/21	02/17/21
% Vac	2.2%	1.1%	1.1%
One	\$1,799	\$1,717	\$1,552
Two	\$2,171	\$2,091	\$2,017
Three	\$2,845	\$2,615	\$2,223

Adjustments to Rent

Incentives Daily Pricing; None

Utilities in Rent

Heat Source Electric

Flats at Neabsco I

Flats at Neabsco II



ADDRESS
2701 Neabsco Common Place, Woodbridge, VA, 22191
Phone: 844-780-6238

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
Mid Rise

UNITS
172

VACANCY
0.6 % (1 Units) as of 11/19/21

OPENED IN
2018



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	0%	\$1,749	655	\$2.67
One	0%	\$1,838	874	\$2.10
Two	0%	\$2,196	1,155	\$1.90
Three	0%	\$2,935	1,331	\$2.21

Community Amenities
Clubhouse, Community Room, Fitness Room, Hot Tub, Outdoor Pool, Playground, Business Center

Features

Standard	Dishwasher, Disposal, Microwave, Ceiling Fan
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
SS	Appliances
Granite	Countertops

Parking

Parking Description	Structured Garage — \$0.00
Parking Description #2	Fee for Reserved — \$50.00

Contacts

Phone	844-780-6238
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Comments

Trash-\$20. 2nd Car-\$50

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
S1 Mid Rise - Elevator		0	1.0	0	\$1,739	655	\$2.65	Market	0%
A1 Mid Rise - Elevator		1	1.0	0	\$1,816	767	\$2.37	Market	0%
A2 Mid Rise - Elevator		1	1.0	0	\$1,835	827	\$2.22	Market	0%
B3 Mid Rise - Elevator		1	2.0	0	\$1,835	1,029	\$1.78	Market	0%
B1 Mid Rise - Elevator		2	1.0	0	\$2,231	941	\$2.37	Market	0%
C1 HC Mid Rise - Elevator		2	2.0	0	\$2,231	1,136	\$1.96	Market	0%
C2 Mid Rise - Elevator		2	2.0	0	\$2,008	1,162	\$1.73	Market	0%
C4 Mid Rise - Elevator		2	2.0	0	\$2,231	1,232	\$1.81	Market	0%
C4M2 Mid Rise - Elevator		2	2.0	0	\$2,231	1,303	\$1.71	Market	0%
E3HC Mid Rise - Elevator		3	2.0	0	\$2,925	1,327	\$2.20	Market	0%
E3 Mid Rise - Elevator		3	2.0	0	\$2,925	1,334	\$2.19	Market	0%

Historic Vacancy & Eff. Rent (1)			
Date	11/19/21	06/01/21	02/17/21
% Vac	0.6%	1.2%	0.6%
Studio	\$1,739	\$1,521	\$1,521
One	\$1,828	\$1,762	\$1,691
Two	\$2,186	\$1,969	\$1,981
Three	\$2,925	\$2,362	\$2,361

Adjustments to Rent

Incentives	Daily Pricing; None
Utilities in Rent	
Heat Source	Electric

Flats at Neabsco II

Glen Ridge Commons



ADDRESS
12810 Island House Loop, Woodbridge, VA, 22193
Phone: 703-670-7744

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
Garden

UNITS
140

VACANCY
2.9 % (4 Units) as of 11/19/21

OPENED IN
1997



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	80%	\$1,557	881	\$1.77
Three	6%	\$1,848	1,101	\$1.68

Community Amenities
Clubhouse, Fitness Room, Outdoor Pool, Playground

Features

Standard	Dishwasher, Disposal, Microwave, IceMaker, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
White	Appliances
Laminate	Countertops

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Phone	703-670-7744
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Comments

Waitlist: None
Unit mix: 114 2BR, 28 3BR

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Garden		2	1.5	28	\$1,451	872	\$1.66	LIHTC	50%
Garden		2	1.5	42	\$1,606	872	\$1.84	LIHTC	60%
Garden		2	2.0	42	\$1,606	895	\$1.79	LIHTC	60%
Garden		3	2.0	8	\$1,858	1,101	\$1.69	LIHTC	60%

Historic Vacancy & Eff. Rent (1)		
Date	11/19/21	12/07/10
% Vac	2.9%	0.0%
Two	\$1,554	\$0
Three	\$1,858	\$0

Adjustments to Rent	
Incentives	Reduced rent vacant units
Utilities in Rent	Trash
Heat Source	Electric

Glen Ridge Commons

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.



Landings at Markhams Grant

ADDRESS
15750 Norris Parkway, Woodbridge, VA, 22191
Phone: 703-580-8121

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
Garden

UNITS
366

VACANCY
0.0 % (0 Units) as of 11/19/21

OPENED IN
1999



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	14%	\$1,357	747	\$1.82
One/Den	8%	\$1,357	867	\$1.57
Two	49%	\$1,486	992	\$1.50
Three	29%	\$1,722	1,140	\$1.51

Community Amenities
Clubhouse, Fitness Room, Outdoor Pool, Playground

Features

Standard Dishwasher, Disposal, IceMaker
Standard - Full In Unit Laundry
Central / Heat Pump Air Conditioning
Standard - In Building Storage
Carpet Flooring Type 1
White Appliances
Laminate Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Contact	Ashley
Parking Description #2		Phone	703-580-8121

Comments

Phase one opened in 1999 (72 units), phase two in 2003 (132 units), phase 3 in 2004 (162 units).
 Most demand is for 1BR/Den units; mgmt wishes for more 1BR/Den's. About half of people who apply are income qualified.
 WL: Mgmt said they keep a contact list for callbacks, 45+ people

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Garden		1	1.0	52	\$1,382	747	\$1.85	LIHTC	60%
Garden	Den	1	1.0	28	\$1,382	867	\$1.59	LIHTC	60%
Garden		2	2.0	84	\$1,361	992	\$1.37	LIHTC	50%
Garden		2	2.0	97	\$1,651	992	\$1.66	LIHTC	60%
Garden		3	2.0	48	\$1,575	1,140	\$1.38	LIHTC	50%
Garden		3	2.0	57	\$1,911	1,140	\$1.68	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	11/19/21	06/01/21	02/17/21
% Vac	0.0%	0.0%	0.0%
One	\$691	\$621	\$601
One/Den	\$691	\$643	\$618
Two	\$1,506	\$1,389	\$1,364
Three	\$1,743	\$1,588	\$1,553

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Landings at Markhams Grant

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Orchard Mills



ADDRESS
15131 Brickwood Court, Woodbridge, VA, 22193
Phone: 703-670-3100

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
4 Story - Garden

UNITS
280

VACANCY
0.0 % (0 Units) as of 11/19/21

OPENED IN
2004



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	18%	\$1,284	703	\$1.83
Two	61%	\$1,500	962	\$1.56
Three	21%	\$1,715	1,136	\$1.51

Community Amenities
Clubhouse, Fitness Room, Outdoor Pool, Playground

Features

Standard	Dishwasher, Disposal, Patio Balcony
Not Available	Microwave
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
White	Appliances
Laminate	Countertops

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Phone	703-670-3100
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Comments

Received 45 Tax Credits in 2002 cycle. Waitlist: 3 months.
Tough to have all units at 60% AMI, they always leave wiggle room. Wish they could get mkt rate, they would be 100%.
Mix works, but demand varies. Sports court.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Jefferson		1	1.0	10	\$1,275	689	\$1.85	LIHTC	60%
Hillcrest		1	1.0	40	\$1,299	707	\$1.84	LIHTC	60%
Clifton		2	1.0	20	\$1,435	802	\$1.79	LIHTC	60%
Ashton		2	2.0	30	\$1,499	970	\$1.55	LIHTC	60%
Highland		2	2.0	121	\$1,525	986	\$1.55	LIHTC	60%
Potomac		3	2.0	59	\$1,725	1,136	\$1.52	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	11/19/21	02/16/21	04/26/19
% Vac	0.0%	0.4%	1.4%
One	\$1,287	\$1,235	\$1,138
Two	\$1,486	\$1,413	\$1,333
Three	\$1,725	\$1,645	\$1,475

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Orchard Mills

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(2) Published Rent is rent as quoted by management.



Preserve at Caton's Crossing

ADDRESS
2670 Green Ash Loop, Woodbridge, VA, 22192
Phone: 703-499-9073

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
4 Story - Mid Rise

UNITS
200

VACANCY
1.0 % (2 Units) as of 11/24/21

OPENED IN
2009



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	46%	\$1,640	714	\$2.30
Two	54%	\$2,046	1,099	\$1.86

Community Amenities
Clubhouse, Fitness Room, Hot Tub, Outdoor Pool, Basketball, Playground, Business Center

Features

Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Optional/Fee	Fireplace
In Building/Fee	Storage
Carpet	Flooring Type 1
Ceramic	Flooring Type 2
Select Units	Accessibility
SS	Appliances
Granite	Countertops

Parking

Parking Description	Free Surface Parking
Parking Description #2	Attached Garage — \$163

Contacts

Contact	Terrance
Phone	703-499-9073

Comments

Billiards room/bar. Midsize 2BR more expensive than larger 2BR b/c current units available have a fireplace.

No amenity fee. Garage fee: (S)\$150; (L)\$175. Trash \$10

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Mid Rise - Elevator		1	1.0	44	\$1,585	691	\$2.29	Market	0%
Mid Rise - Elevator		1	1.0	48	\$1,690	735	\$2.30	Market	0%
Mid Rise - Elevator		2	2.0	48	\$2,005	1,034	\$1.94	Market	0%
Mid Rise - Elevator		2	2.0	42	\$2,070	1,140	\$1.82	Market	0%
Mid Rise - Elevator		2	2.0	18	\$2,101	1,179	\$1.78	Market	0%

Historic Vacancy & Eff. Rent (1)			
Date	11/24/21	02/16/21	04/26/19
% Vac	1.0%	1.5%	0.5%
One	\$1,638	\$1,573	\$1,789
Two	\$2,059	\$1,883	\$2,037

Adjustments to Rent

Incentives	Reduced admin fee
Utilities in Rent	
Heat Source	Electric

Preserve at Caton's Crossing

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(2) Published Rent is rent as quoted by management.

Reid's Prospect



ADDRESS
4640 Daisy Reid Ave, Woodbridge, VA, 22192
Phone: 571-659-0453

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
4 Story - Mid Rise

UNITS
200

VACANCY
3.0 % (6 Units) as of 11/19/21

OPENED IN
2011



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	23%	\$1,617	757	\$2.13
Two	78%	\$1,882	996	\$1.89

Community Amenities
Fitness Room, Outdoor Pool, Playground

Features

Standard Dishwasher, Disposal, Microwave
Standard - Full In Unit Laundry
Central / Heat Pump Air Conditioning
Carpet Flooring Type 1
Black Appliances
Laminate Countertops

Parking

Parking Description	Free Surface Parking
Parking Description #2	Underground Garage — \$45

Contacts

Phone	571-659-0453
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Comments

Underground parking: \$40-50

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
B Mid Rise - Elevator		1	1.0	5	\$1,560	676	\$2.31	Market	0%
C Mid Rise - Elevator		1	1.0	20	\$1,575	709	\$2.22	Market	0%
F Mid Rise - Elevator		1	1.0	20	\$1,695	826	\$2.05	Market	0%
D Mid Rise - Elevator		2	2.0	40	\$1,845	961	\$1.92	Market	0%
E Mid Rise - Elevator		2	2.0	40	\$1,898	962	\$1.97	Market	0%
G Mid Rise - Elevator		2	2.0	12	\$1,880	970	\$1.94	Market	0%
A Mid Rise - Elevator		2	2.0	63	\$1,920	1,044	\$1.84	Market	0%

Historic Vacancy & Eff. Rent (1)			
Date	11/19/21	12/28/12	09/05/12
% Vac	3.0%	2.5%	0.5%
One	\$1,610	\$0	\$0
Two	\$1,886	\$0	\$0

Adjustments to Rent	
Incentives	None; LRO Pricing
Utilities in Rent	Trash
Heat Source	Electric

Reid's Prospect

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 (2) Published Rent is rent as quoted by management.

Rivergate



ADDRESS
13175 Marina Way, Woodbridge, VA, 22191
Phone: 833-779-3047

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
6 Story – Mid Rise

UNITS
402

VACANCY
1.2 % (5 Units) as of 11/24/21

OPENED IN
2017



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	31%	\$1,744	776	\$2.25
One/Den	5%	\$2,077	887	\$2.34
Two	37%	\$2,314	1,071	\$2.16
Three	2%	\$2,888	1,361	\$2.12

Community Amenities
Clubhouse, Community Room, Fitness Room, Outdoor Pool, Volleyball, Business Center

Features

Standard	Dishwasher, Disposal, Microwave, IceMaker, Patio Balcony, High Ceilings
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
In Building/Fee	Storage
Carpet	Flooring Type 1
Hardwood	Flooring Type 2
SS	Appliances
Granite	Countertops

Parking

Parking Description	Free Surface Parking
Parking Description #2	Structured Garage — \$60

Contacts

Contact	Emily
Phone	833-779-3047

Comments

SS appl, granite counters, kitchen islands. About 130 units have river views. Park on your level. Floor/view premiums. Garage parking: \$45 uncovered top level, \$75 covered levels

Courtyard, 2 lounges, rooftop terrace w/ cabanas, grill area, firepit, pet salon, bike storage. Trash \$10.

Comps: Stone Point, Highlands at Laurel Vista. People moving from out of town, Fredericksburg, DC. Work in DC.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Mid Rise - Elevator		1	1.0	125	\$1,744	776	\$2.25	Market	0%
Mid Rise - Elevator	Den	1	1.5	19	\$2,077	887	\$2.34	Market	0%
Mid Rise - Elevator		2	2.0	150	\$2,314	1,071	\$2.16	Market	0%
Mid Rise - Elevator		3	2.0	8	\$2,888	1,361	\$2.12	Market	0%

Historic Vacancy & Eff. Rent (1)			
Date	11/24/21	02/16/21	04/26/19
% Vac	1.2%	2.5%	20.9%
One	\$872	\$828	\$838
One/Den	\$1,039	\$992	\$959
Two	\$2,314	\$1,932	\$2,078
Three	\$2,888	\$2,895	\$2,777

Adjustments to Rent	
Incentives	Daily Pricing, None
Utilities in Rent	
Heat Source	Electric

Rivergate



Riverwoods at Lake Ridge

ADDRESS
2085 Tacketts Village Square, Woodbridge, VA, 22192
Phone: 703-490-0863

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
Mid Rise

UNITS
72

VACANCY
0.0 % (0 Units) as of 11/24/21

OPENED IN
2014



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	3%	\$794	845	\$0.94
Two	17%	\$1,085	1,119	\$0.97
Two/Den	53%	\$1,231	1,157	\$1.06
Three	28%	\$1,407	1,277	\$1.10

Community Amenities
Community Room, Fitness Room, Central Laundry

Features

Standard Dishwasher, Disposal, Microwave, Patio Balcony
Hook Ups In Unit Laundry
Carpet Flooring Type 1

Parking

Parking Description	
Parking Description	Free Surface Parking
Parking Description #2	Underground Garage — \$75.00

Contacts

Contact	
Contact	Ann
Phone	703-490-0863

Comments

Planned as condos. Developed by Osprey & wished they had more 1BR and less 3BR. Success is due to location & affordability. 40% are hard to qualify. WL: 1B and select 2BRs--waitlist closed; 2 & 3BRs 6 mo-1 year.
 Waitlist: 1BR-2 years 2BR&3BR- 6 months-1 year

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Belmont		1	1.0	2	\$819	845	\$0.97	LIHTC	40%
Belvoir		2	2.0	6	\$978	1,119	\$0.87	LIHTC	40%
Belvoir		2	2.0	6	\$1,251	1,119	\$1.12	LIHTC	50%
Mason	Den	2	2.0	12	\$1,261	1,139	\$1.11	LIHTC	50%
Potomac	Den	2	2.0	26	\$1,261	1,166	\$1.08	LIHTC	50%
River Shore		3	2.0	12	\$1,442	1,247	\$1.16	LIHTC	50%
Stonebridge		3	2.0	8	\$1,442	1,321	\$1.09	LIHTC	50%

Historic Vacancy & Eff. Rent (1)			
Date	11/24/21	02/16/21	04/26/19
% Vac	0.0%	0.0%	0.0%
One	\$819	\$819	\$791
Two	\$557	\$557	\$535
Two/Den	\$631	\$631	\$608
Three	\$1,442	\$1,442	\$1,393

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Riverwoods at Lake Ridge

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 (2) Published Rent is rent as quoted by management.

Stoney Ridge



ADDRESS
14392 Westminster Lane, Dale City, VA, 22193
Phone: 703-680-3162

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story – Garden

UNITS
264

VACANCY
4.2 % (11 Units) as of 11/19/21

OPENED IN
1985



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	45%	\$1,543	706	\$2.19
Two	55%	\$1,857	936	\$1.99

Community Amenities
Outdoor Pool, Playground

Features

Standard	Dishwasher, Disposal, IceMaker, Ceiling Fan, Patio Balcony
Not Available	Microwave, Storage
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
SS	Appliances
Quartz	Countertops

Parking	
Parking Description	Free Surface Parking
Parking Description #2	Fee for Reserved — \$25.00

Contacts	
Contact	Ariel
Phone	703-680-3162

Comments

Valet trash \$25. W/S/T Fees: 1BR \$55; 2BR/2 (876SF) \$85-\$90; 2B/2(937SF)\$100; 2B/2B(942SF)\$110; 2B/2B(1013SF)\$120
Unit mix: 1BR: 118 units/ 2 BR: 146 units
White apps/Lam CT standard, SS apps/Quartz CT renovated units. Daily pricing.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
non-renov Garden		1	1.0	118	\$1,543	706	\$2.19	Market	0%
non-renov Garden		2	1.0	72	\$1,660	887	\$1.87	Market	0%
non-renov Garden		2	2.0	22	\$2,049	937	\$2.19	Market	0%
non-renov Garden		2	2.0	8	\$2,049	942	\$2.18	Market	0%
non-renov Garden		2	2.0	44	\$2,049	1,013	\$2.02	Market	0%

Historic Vacancy & Eff. Rent (1)			
Date	11/19/21	03/15/21	03/18/13
% Vac	4.2%	1.9%	3.4%
One	\$1,543	\$1,360	\$0
Two	\$1,952	\$1,201	\$0

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Stoney Ridge

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.



Summerland Heights

ADDRESS
13671 Cridercrest Place, Woodbridge, VA, 22191
Phone: 703-492-1305

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
4 Story - Mid Rise

UNITS
318

VACANCY
0.0 % (0 Units) as of 11/24/21

OPENED IN
1997



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	22%	\$1,230	660	\$1.86
Two	57%	\$1,425	877	\$1.62
Three	21%	\$1,640	1,024	\$1.60

Community Amenities
Clubhouse, Community Room, Fitness Room, Outdoor Pool, Playground, Business Center

Features

- Standard** Dishwasher, Disposal, Ceiling Fan
- Standard - Full** In Unit Laundry
- Central / Heat Pump** Air Conditioning
- Standard - In Building** Storage
- Carpet** Flooring Type 1
- White** Appliances
- Laminate** Countertops

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Contact	The Franklin Johnston Group
Phone	703-492-1305

Comments

No waitlist
More demand for 1BR's, during the summer the demand was for 2BR units. Fairly easy to find income qualified people.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Garden		1	1.0	70	\$1,255	660	\$1.90	LIHTC	60%
Garden		2	2.0	180	\$1,455	877	\$1.66	LIHTC	60%
Garden		3	2.0	68	\$1,675	1,024	\$1.64	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	11/24/21	02/16/21	04/26/19
% Vac	0.0%	0.0%	0.0%
One	\$1,255	\$1,215	\$1,171
Two	\$1,455	\$1,415	\$1,365
Three	\$1,675	\$1,640	\$1,585

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Summerland Heights

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Windsor Park



ADDRESS
3937 Penshurst Lane, Lake Ridge, VA, 22192
Phone: 703-590-3006, (571) 402-1670

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story - Garden

UNITS
220

VACANCY
0.5 % (1 Units) as of 11/24/21

OPENED IN
1987



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	25%	\$1,516	742	\$2.04
One/Den	33%	\$1,640	836	\$1.96
Two	43%	\$1,692	931	\$1.82

Community Amenities
Clubhouse, Community Room, Fitness Room, Hot Tub, Outdoor Pool, Volleyball, Playground, Raquetball, Car Wash

Features

Standard	Dishwasher, Disposal, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Select Units	Fireplace
Standard - In Building	Storage
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
SS	Appliances
Quartz	Countertops

Parking

Parking Description	Paid Surface Parking/Off Site — \$18.00
Parking Description #2	Fee for Reserved — \$25.00

Contacts

Contact	AIR Communities
Phone	703-590-3006, (571) 402-1670

Comments

26 units renovated (2008) - granite like counters, SS appl
Carport-\$35. Vacants: 2-2BRs.
Trash varies \$10-\$15 mo

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Kensington Garden		1	1.0	42	\$1,515	713	\$2.12	Market	0%
Darby Garden	Den	1	1.0	72	\$1,640	836	\$1.96	Market	0%
Chelsea Garden		1	1.0	12	\$1,520	843	\$1.80	Market	0%
Shelby Garden		2	1.0	12	\$1,818	855	\$2.13	Market	0%
Avon Garden		2	1.0	12	\$1,593	903	\$1.76	Market	0%
Cambridge Garden		2	2.0	70	\$1,688	949	\$1.78	Market	0%

Historic Vacancy & Eff. Rent (1)			
Date	11/24/21	02/16/21	04/26/19
% Vac	0.5%	0.9%	1.4%
One	\$1,012	\$1,012	\$928
One/Den	\$547	\$547	\$476
Two	\$1,700	\$553	\$1,521

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Windsor Park



Woodbridge Forest

ADDRESS
1511 Monroe Drive, Woodbridge, VA, 22191
Phone: 703-643-1035

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
2 Story - Garden/TH

UNITS
152

VACANCY
2.0 % (3 Units) as of 11/24/21

OPENED IN
1968



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	47%	\$1,430	700	\$2.04
Two	48%	\$1,701	750	\$2.27
Three	5%	\$1,998	920	\$2.17

Community Amenities
Central Laundry, Outdoor Pool, Basketball, Playground

Features

Select Units	Dishwasher
Standard	Disposal
Not Available	Microwave
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Black	Appliances
Laminate	Countertops
Parking	Contacts

Parking Description	Free Surface Parking
Parking Description #2	

Contact	Southern Mgmt
Phone	703-643-1035

Comments

Dishwashers in 2BR & 3BR. All 3BR units are townhomes, 1 & 2BRs are Garden Apartments.
Washer/dryer hook ups in Townhouse units.
Waitlist: 6 ppl.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Garden		1	1.0	71	\$1,430	700	\$2.04	Market	0%
Garden		2	1.0	73	\$1,701	750	\$2.27	Market	0%
Townhouse		3	1.5	8	\$1,998	920	\$2.17	Market	0%

Historic Vacancy & Eff. Rent (1)			
Date	11/24/21	02/16/21	04/26/19
% Vac	2.0%	0.0%	0.0%
One	\$1,430	\$1,235	\$1,195
Two	\$1,701	\$1,420	\$1,380
Three	\$1,998	\$1,680	\$1,640

Adjustments to Rent

Incentives	None
Utilities in Rent	
Heat Source	Natural Gas

Woodbridge Forest

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Woodwind Villa



ADDRESS
1805 Clarinet Court, Woodbridge, VA, 22191
Phone: 703-491-2626

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
3 Story - Garden

UNITS
111

VACANCY
0.0 % (0 Units) as of 11/24/21

OPENED IN
2006



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	50%	\$1,442	1,006	\$1.43
Three	50%	\$1,537	1,135	\$1.35

Community Amenities
Clubhouse, Community Room, Fitness Room, Central Laundry, Outdoor Pool, Indoor Pool, Basketball, Volleyball, Playground, Business Center

Features	
Standard	Dishwasher, Disposal, Patio Balcony
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning
Select Units	High Ceilings
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
White	Appliances
Laminate	Countertops
Community Security	Perimeter Fence, Gated Entry, Cameras

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Contact	S.L. Nusbaum
Phone	703-491-2626

Comments

Most demand for 2/3BRs, wish for more of both. Usually don't have any vacancies because no one ever wants to leave. Likes having 60%, makes it easier to distinguish what percentage goes to what BR type. Leased up in 11 months. W/D - \$40/mo. Waitlist- 2-3 months

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg#
Harmony Garden		2	1.0	31	\$1,459	995	\$1.47	LIHTC	60%
Melody Garden		2	1.0	24	\$1,489	1,021	\$1.46	LIHTC	60%
Lyric Garden		3	1.0	32	\$1,559	1,100	\$1.42	LIHTC	60%
Ballad Garden		3	1.0	24	\$1,589	1,181	\$1.35	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	11/24/21	02/16/21	04/26/19
% Vac	0.0%	0.0%	0.0%
Two	\$1,474	\$1,454	\$1,369
Three	\$1,574	\$1,554	\$1,484

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Natural Gas

Woodwind Villa

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.



XI. APPENDIX 3 NCHMA CERTIFICATION

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

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

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

Real Property Research Group, Inc.



A handwritten signature in black ink, appearing to read 'Tad Scepianiak'.

Tad Scepianiak

Name

Managing Principal

Title

November 24, 2021

Date



XII. APPENDIX 4 NCHMA CHECKLIST

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

Component (*First occurring page is noted)		*Page(s)
Executive Summary		
1.	Executive Summary	VI
Project Summary		
2.	Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents, and utility allowances	16
3.	Utilities (and utility sources) included in rent	16
4.	Project design description	15
5.	Unit and project amenities; parking	16
6.	Public programs included	15
7.	Target population description	15
8.	Date of construction/preliminary completion	16
9.	If rehabilitation, existing unit breakdown and rents	N/A
10.	Reference to review/status of project plans	N/A
Location and Market Area		
11.	Market area/secondary market area description	35
12.	Concise description of the site and adjacent parcels	17
13.	Description of site characteristics	17
14.	Site photos/maps	18
15.	Map of community services	24
16.	Visibility and accessibility evaluation	20
17.	Crime information	22
Employment and Economy		
18.	Employment by industry	30
19.	Historical unemployment rate	27



20.	Area major employers	29
21.	Five-year employment growth	29
22.	Typical wages by occupation	32
23.	Discussion of commuting patterns of area workers	27
Demographic Characteristics		
24.	Population and household estimates and projections	37
25.	Area building permits	38
26.	Distribution of income	42
27.	Households by tenure	39
Competitive Environment		
28.	Comparable property profiles	80
29.	Map of comparable properties	48
30.	Comparable property photos	80
31.	Existing rental housing evaluation	46
32.	Comparable property discussion	48
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	50
34.	Comparison of subject property to comparable properties	74
35.	Availability of Housing Choice Vouchers	15
36.	Identification of waiting lists	N/A
37.	Description of overall rental market including share of market-rate and affordable properties	48
38.	List of existing LIHTC properties	48
39.	Discussion of future changes in housing stock	53
40.	Discussion of availability and cost of other affordable housing options, including homeownership	N/A
41.	Tax credit and other planned or under construction rental communities in market area	53
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	69
43.	Calculation and analysis of Penetration Rate	70
44.	Evaluation of proposed rent levels	74
45.	Derivation of Achievable Market Rent and Market Advantage	54
46.	Derivation of Achievable Restricted Rent	54
47.	Precise statement of key conclusions	62



48.	Market strengths and weaknesses impacting project	63
49.	Recommendation and/or modification to project description	74, if applicable
50.	Discussion of subject property's impact on existing housing	77
51.	Absorption projection with issues impacting performance	77
52.	Discussion of risks or other mitigating circumstances impacting project	77, if applicable
53.	Interviews with area housing stakeholders	13
Certifications		
54.	Preparation date of report	Cover
55.	Date of field work	Cover
56.	Certifications	81
57.	Statement of qualifications	85
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	N/A



XIII. APPENDIX 5 ANALYST RESUMES

TAD SCEPANIAK **Managing Principal**

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

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

Areas of Concentration:

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

Education:

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



ROBERT M. LEFENFELD

Founding Principal

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

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

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

Areas of Concentration:

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

Education:

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



ETHAN REED

Senior Analyst

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

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

Areas of Concentration:

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

Education:

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



XIV. APPENDIX 6 VHDA CERTIFICATION

I affirm the following:

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

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

Ethan Reed

Sr. Analyst

November 24, 2021

Date