



REAL PROPERTY RESEARCH GROUP

ATLANTA ■ WASHINGTON/BALTIMORE

Market Feasibility Analysis

925 Apartments

Virginia Beach, Virginia

Prepared for:

925 Apts. I, L.P.

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EXECUTIVE SUMMARY

Real Property Research Group, Inc. (RPRG) has been retained by 925 Apts. I, L.P. to conduct a market feasibility study for a proposed new construction multifamily rental community to be located at 925 S Military Highway in Virginia Beach, Virginia. The rental community will include 220 apartments, all of which will target households with incomes at or below 40 percent, 50 percent, 60 percent, 70 percent, and 80 percent of the Area Median Income (AMI) – with a weighted average of 60.0 percent AMI. A portion of the community, 128 units (58 percent), will be financed with equity raised from the sale of nine percent Low Income Housing Tax Credits, while the remaining 92 units (42 percent) will be financed with four percent Low Income Housing Tax Credits and tax-exempt bond financing.

The subject of this report, 925 Apartments, is that portion of the proposed rental community that includes the first 128-unit phase financed with equity raised from the sale of nine percent Low Income Housing Tax Credits.

This analysis has been conducted and formatted in accordance with the 2020 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 nine percent (competitive) 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:

Unit	Units	Income Level	Rent Subsidy	Net Unit Size*	Contract Rent (1)	Utility Allowance	Gross Rent
9% LIHTC							
1BR/1BA	4	40%	LIHTC	718	\$485	\$80	\$565
1BR/1BA	7	50%	LIHTC	718	\$625	\$80	\$705
1BR/1BA	7	70%	LIHTC	718	\$940	\$80	\$1,020
1BR/1BA	4	80%	LIHTC	718	\$975	\$80	\$1,055
2BR/2BA	7	40%	LIHTC	965	\$565	\$104	\$669
2BR/2BA	31	50%	LIHTC	965	\$735	\$104	\$839
2BR/2BA	31	70%	LIHTC	965	\$1,165	\$104	\$1,269
2BR/2BA	7	80%	LIHTC	965	\$1,225	\$104	\$1,329
3BR/2BA	2	40%	LIHTC	1,153	\$640	\$140	\$780
3BR/2BA	13	50%	LIHTC	1,153	\$845	\$140	\$985
3BR/2BA	13	70%	LIHTC	1,153	\$1,250	\$140	\$1,390
3BR/2BA	2	80%	LIHTC	1,153	\$1,325	\$140	\$1,465
Total/Avg	128				\$933	\$108	\$1,041
4% LIHTC							
1BR/1BA	18	60%	LIHTC	690	\$845	\$80	\$925
2BR/2BA	60	60%	LIHTC	965	\$1,010	\$104	\$1,114
3BR/2BA	14	60%	LIHTC	1,160	\$1,145	\$140	\$1,285
Total/Avg	92				\$998	\$105	\$1,103
Grand Total	220						

(1) Contract rents include trash collection

*Weighted average

Source: 925 Apts. I, L.P.



Based on our research, including a site visit in December 2020, we have arrived at the following findings:

Site Analysis: 925 Apartments will be located in a highly visible area along Military Highway, in a vibrant corridor containing commercial, residential, and industrial uses in the vibrant South Hampton Roads region.

- The site will benefit from significant drive-by visibility from Military Highway, a primary arterial connecting Chesapeake, Virginia Beach, and Norfolk.
- The subject site is located within minutes of Downtown Norfolk, amongst a rich amenity base including numerous dining, shopping, retail, and recreational options.
- The subject's location along the Military Highway corridor provides numerous opportunities for convenience and comparison retail shopping. Nearby retail nodes in Norfolk, Virginia Beach, and Chesapeake offer residents all of the necessary community amenities within a short drive. The region's largest concentration of retail amenities is along the Military Highway corridor centered on Military Circle Mall, three miles north of the subject site.
- Transforming the parcel of land from its current use as a contractor's yard used by a civil engineering firm into a high quality, affordable rental community will provide an asset to the community and will contribute to highest and best land use along the Military Highway.
- The subject site is appropriate for affordable multifamily rental housing.

Economic Analysis: Monthly unemployment rates improved significantly in second half of 2020 following a spike due to COVID-19. Virginia Beach represents one of the primary economic engines for the Hampton Roads region. The city's unemployment rate has consistently declined since 2010, while At-Place Employment reached its highest point since 2008 in 2019, despite annual fluctuations

- The Virginia Beach labor force has expanded steadily the last seven years after a brief small decline in 2012. The city attained unemployment rates have remained below both the state and national averages from the past ten years. Virginia Beach's most recent annual average unemployment rate of 2.7 percent in 2019 represents a significant drop from the recession-era high of 6.5 percent in 2010 and is lower than the 3.7 percent national rate. Monthly unemployment data shows a rapid improvement to 4.2 percent unemployment by November 2020, one-third of the April 2020 unemployment rate at the onset of the COVID-19 pandemic.
- The 925 Market Area is commuter-oriented with one fifth (19.9 percent) of workers reporting commute times of 15 minutes or less, while 42 percent commuted 15 to 24 minutes, and 34.5 percent commuted 25 or more minutes. Approximately 51 percent of workers residing in the market commute to another Virginia municipality other than their place of residence.
- Virginia Beach At-Place Employment has ranged from a low of 155,799 jobs in 2012 to the highest number in the past ten years, 179,379 jobs in 2019. Since 2013, job growth has averaged almost 1,660 jobs per year through 2019, though most of these gains took place in 2016 and 2017. At-Place Employment decreased by 12,637 jobs during the first half of 2020 as the COVID-19 pandemic began to affect the market area and nation as a whole. As illustrated by monthly unemployment data, most of these losses are expected to be temporary.
- Virginia Beach's economy is well diversified across many sectors, including four sectors accounting for more than 15 percent or more of jobs: 17.4 percent of jobs are within the Government sector, followed by Professional-Business (15.9 percent), Trade-Transportation-Utilities (15.8 percent), and Education-Health (15.5 percent).



Population and Household Trends: The 925 Market Area has over the past 11 years with household and population growth rates projected to continue steady growth over the next five years.

- The number of renter households in the market area increased 15.6 percent from 9,681 in 2010 to 11,402 in 2021 for net growth of 1,541 renter households. The number of owner households has decreased by 0.8 percent over the same period. The market area's average annual household change by tenure over the past 11 years was 140 renter households (1.3 percent) and -14 owner households (-0.1 percent).
- The market area is projected to reach 77,794 people and 29,852 households by 2026. Annual increases in the market area from 2021 to 2026 are projected at 282 people and 111 households; the average annual growth rate is projected at 0.4 percent for population and 0.4 percent for households.

Demographic Analysis: The 925 Market Area's household base increased at a steady pace between 2000 and 2021, with continued household growth projected for the next five years.

- The 925 Market Area added a net of over 1,392 households, representing growth of 5.0 percent, from 2010 to 2021. As of 2021, an estimated 29,027 households reside in the 925 Market Area. Based on Esri trends, RPRG projects that the market area will add households at an average net rate of 0.4 percent (111 households) per year from 2021 to 2026.
- Nearly two-fifths (39.3 percent) of households in the 925 Market Area are renters as of 2021. Over one third (35.9 percent) of market area renters as of 2021 are under the age of 35, and renter households between the ages of 35 and 54 account for 33.7 percent of all renter households within the market area. These are the households who are most likely to be permanent renters, renting more out of necessity than lifestyle preference.
- The estimated 2021 median household income in the 925 Market Area is \$66,168, roughly eight percent lower than the South Hampton Roads overall median household income of \$72,008. The 925 Market Area's median income among renter households is \$45,784 per year. Over one-third (38.2 percent) of the market area's renters have annual incomes below \$35,000.
- Over one-third (34.5 percent) of all renter households residing in the 925 Market Area have rent burdens of 40 percent or higher; 43.3 percent have rent burdens of 35 percent or higher. This excludes those households who reside in subsidized rent situations as their housing expenses are capped at 30 percent of their income.

Competitive Analysis: The market area competitive multifamily stock is divided into three categories for ease of comparison: Upper Tier market rate; Lower Tier market rate; and Affordable/Tax Credit. The 925 Market Area's multi-family stock is performing well with low vacancy rates among market rate and LIHTC communities, indicating strong demand for housing.

- Multifamily housing in the 925 Market Area has an average year built of 1983, with Upper Tier and Tax Credit communities being newer than the Lower Tier. The aggregate vacancy rate is 0.7 percent among 4,489 units including 1.1 percent amount 713 LIHTC units. The low vacancy rates for most market area communities are indicative of a tight rental market.
- The effective rents for Upper Tier one-bedroom units average \$1,291 (\$1.53 per square foot); the two-bedroom units average \$1,541 (\$1.35 per square foot); and the three-bedroom units average \$1,778 (\$1.30 per square foot).
- The Lower Tier rental communities have an average year built of 1970 with just one community undergoing renovation in 2008. The effective rents for Lower Tier market rate one-bedroom



- apartments average \$949 (\$1.17 per square foot); two-bedroom units average \$1,041 (\$1.10 per square foot); and three-bedroom units average \$1,192 (\$1.01 per square foot).
- Only five income-restricted communities (non-deeply subsidized) are currently in the 925 Market Area; all operate under LIHTC guidelines. Effective rents for affordable one-bedroom apartments average \$719 (\$1.02 per square foot); two-bedroom units average \$880 (\$0.94 per square foot); and three-bedroom units average \$1,030 (\$0.91 per square foot).
 - RPRG did not identify any pipeline communities in the market area.

Net Demand: This analysis indicates sufficient demand to absorb the 220-unit subject community and approximately 389 additional rental units to the 925 Market Area over the next three years. It should be noted that the subject property is still in the development phase and will not be placed in service until 2023.

The alternate demand calculation reflects potential changes to market dynamics related to the ongoing COVID-19 pandemic. We expect any COVID-19 impact to total housing demand to be deeper during the near term of the three-year period, with its effect moderating by the end of the Net Demand period. This sensitivity analysis indicates demand for units following the slowdown related to COVID-19 is unlikely to be significantly different than demand without accounting for COVID-19.

Effective Demand: The renter capture rate of 3.9 is readily achievable, particularly since the proposed apartments will be the newest and most attractive affordable rental community within the market area. Furthermore, the penetration rate for the tax credit units of 13.9 percent of income-restricted renter households to be reasonable within the context of the 925 Market Area. In essence, our analysis suggests that the most directly competitive rental units will need to capture less than one out of every six income-qualified renter households. Both the capture and penetration rates are well within a reasonable and achievable range.

Based on these findings, we have arrived at the following conclusions:

- **Structure Type:** Most competitive Lower Tier market rate and income-restricted rental communities include two and three-story garden buildings. The subject will have three and four-story garden buildings, consistent with the market area's existing multi-family stock.
- **Project Size:** The surveyed rental communities within the market area range in size from 13 to 480 units, with an average size of 187 units. Although the 220-unit 925 Apartments will be larger than the income-restricted average of 143 units, it is smaller than the Upper Tier average and within the competitive range. 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 will offer one-bedroom units (18.2 percent), two-bedroom units (61.8 percent), and three-bedroom units (20 percent). The subject's unit distribution is similar to the distribution of units in the other tax credit rental properties where one-bedroom units account for 10.5 percent of all units; two-bedroom units account for 67.7 percent; and three-bedroom units account for 24 percent of the supply. The proposed unit distribution positions the subject to target a wide variety of households, including single-person households, couples, roommates, single parent households and families. We believe that the proposed unit distribution is reasonable within the context of the directly competitive rental supply.
- **Income Targeting:** The subject's income targeting is as follows: 13 units (6 percent) will address households with incomes at or below 40 percent of AMI; 51 units (23 percent) will address households with incomes at or below 50 percent of AMI; 92 units (42 percent) will



target households with incomes at or below 60 percent of AMI; 51 units (23 percent) will target households with incomes at or below 70 percent of AMI; and 13 units (6 percent) will target household with incomes at or below 80 percent of AMI. The subject's weighted average income target is 60 percent of AMI. RPRG's penetration analysis indicates that all of the subject's units as well as those existing and future units address less than one out of seven (13.9 percent) of all income-qualified households.

- **Unit Size:** The proposed unit sizes for 925 Apartments average 705 square feet for one-bedroom units; 965 square feet for two-bedroom units; and 1,155 square feet for the average three-bedroom units. The subject's unit sizes are generally comparable to or larger than the directly competitive affordable and Lower Tier rental supply within the market area. Additionally, the units are planned with an open and modern floor plan. We believe that the size of the subject's units will be marketable and will be directly competitive with the other rental units in the multifamily supply, with a competitive advantage in some cases.
- **Number of Bathrooms:** All of the subject's one-bedroom units will have one full bathroom, while the two- and three-bedroom units will have two bathrooms. Within the directly competitive tax credit rental supply, only Pickett Farms and Quill offer two baths for all two- and three-bedroom units. As a result, the availability of two baths in these units is viewed as a competitive advantage.
- **Kitchen Features:** All unit kitchens at 925 Apartments will include features not typically found in the affordable rental supply, such as a microwave and garbage disposal. Additionally, proposed energy-efficient and modern appliances is a positive feature.
- **Laundry:** The developer intends to equip all units at 925 Apartments with full-size washers and dryers. As in-unit washer/dryers are only available at six of 19 Lower Tier or tax credit communities, this feature is considered to provide the subject with a competitive advantage.
- **Other Unit Features:** Units at 925 Apartments will have carpeted bedrooms and vinyl plank flooring in all other areas. All of the subject's units will have private outdoor space with either a patio or balcony. This is also a desirable feature that always available in the competitive supply.
- **Utilities Included in Rent:** The developer proposes to include trash removal costs in monthly rents in 925 Apartments, leaving tenants responsible for paying all other utility bills. This is the same utility situation as the two newest market area tax credit communities, Picket Farms and Quill. The trend in newer rental communities is to include only trash collection as it places more responsibility on tenants and promotes energy conservation.
- **Common Area Amenities:** The developer intends to provide a significant offering of common area amenities at the subject, including clubhouse with community meeting space, a fitness center, and an outdoor swimming pool. The proposed slate of amenities would position the subject community similar to or exceeding most market rate properties in the primary market area. Clubhouses/community rooms, fitness centers, and outdoor pools are available at all Upper Tier market area communities but are less available among Lower Tier communities. The proposed amenity slate is considered to be a competitive advantage in many cases.
- **Parking:** The subject will have free surface parking which is consistent with the other rental communities. We do not believe that other parking options are necessary in the 925 Market Area. As such, surface parking is not considered to be either an advantage or disadvantage within this market area but comparable to what is currently available.

Price Position: The tax credit rents proposed by the developer for 925 Apartments are at or below the allowable maximums for all unit types, given the assumed utility allowances of \$80 for one-



bedroom units; \$104 for two-bedroom units; and \$140 for three-bedroom units. The proposed rents are considered to be reasonable when viewed within the context of the directly competitive rental supply.

Absorption Estimate: In estimating an absorption pace for the subject community, we consider recent absorption activity in the market in addition to demand and supply factors. As mentioned previously, only one rental community has opened within the past five years. 525 Historic Kempsville, an Upper Tier community, opened in August 2016 with a rolling delivery of three phases through December 2017. The property manager reported an average absorption rate of 15 units per month, though delays in unit delivery reduced lease up paces.

To provide some context we obtained absorption history for two tax credit communities in the secondary market area; both are within five miles northeast of the subject site in Virginia Beach:

- **Baker Woods** opened in May 2015 and was fully leased as of October 2015, with an average absorption pace of 19 units per month. However, the lease up pace reflects when the buildings were released for occupancy rather than market interest. Prior to opening, this community had an interest list of over 400 households.
- **Summer Haven** opened in March 2017 with a significant number of pre-leased units. All 54 units were fully leased by June 2017 for an average absorption pace of 19 units per month, and the community now reports an extensive wait list.

The demand for these apartments was very strong and the lease up pace is actually a reflection of when the buildings and units were released for occupancy rather than market interest. Both Baker Woods and Summer Haven currently maintain extensive pre-qualified wait lists. We note that no pipeline projects were identified in the market area, and the subject community will be the first income-restricted community delivered to the market in seven years. With this consideration and given the fact that almost three fourths of the subject's units will target households with incomes at or below 60 percent of AMI, we conservatively estimate an absorption pace of 20 units per month. Assuming this absorption pace, we would expect that the subject would attain stabilized occupancy in approximately 11 months.

Final Conclusion and Recommendation

RPRG does not anticipate that the subject will have an adverse impact on the existing rental market. The overall vacancy rate for the income-restricted rental communities within the market area is very low at 1.1 percent. Additionally, the subject's VHDA capture rate for all units is 10.1 percent which is considered reasonable and achievable. Importantly, the overall penetration rate for the income-restricted units is very low at 13.9 percent.



I. INTRODUCTION

A. Overview of Subject

925 Apartments is a proposed new construction multifamily rental community to be located at 925 S Military Highway in Virginia Beach, Virginia. The rental community will include two phases totaling 220 rental units, all of which will be income-restricted in accordance with the Department of Housing and Urban Development's 2020 median household income for the Virginia Beach-Norfolk-Newport News-VA-NC MSA (Table 1).

Phase I will consist of 128 apartments to be financed, in part, with equity raised from the sale of nine percent Low Income Housing Tax Credits. Phase II will include 92 units to be financed with four percent Low Income Housing Tax Credits and tax-exempt bond financing. The project will be developed in two phases.

This report is intended to be submitted as part of an application for nine percent Low Income Housing Tax Credits for the 128 rental units planned for Phase I.

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). In accordance with Virginia Housing Development Authority's 2020 Market Study Guidelines, both net and effective demand will include all 220 units proposed at the subject property.

C. Format of Report

The report format is Comprehensive. Accordingly, the market study addresses all required items set forth in the 2020 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

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

E. Applicable Requirements

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

- VHDA's 2020 Market Study Guidelines.
- NCHMA's Model Content Standards and Market Study Checklist.



Table 1 HUD Rent & Income Limits

HUD 2020 Median Household Income										
Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area										\$82,500
Very Low Income for 4 Person Household										\$41,250
2020 Computed Area Median Gross Income										\$82,500
Utility Allowance:										
1 Bedroom										\$80
2 Bedroom										\$104
3 Bedroom										\$140
Household Income Limits by Household Size:										
Household Size	30%	40%	50%	60%	70%	80%	120%	150%	200%	
1 Person	\$17,340	\$23,120	\$28,900	\$34,680	\$40,460	\$46,240	\$69,360	\$86,700	\$115,600	
2 Persons	\$19,800	\$26,400	\$33,000	\$39,600	\$46,200	\$52,800	\$79,200	\$99,000	\$132,000	
3 Persons	\$22,290	\$29,720	\$37,150	\$44,580	\$52,010	\$59,440	\$89,160	\$111,450	\$148,600	
4 Persons	\$24,750	\$33,000	\$41,250	\$49,500	\$57,750	\$66,000	\$99,000	\$123,750	\$165,000	
5 Persons	\$26,730	\$35,640	\$44,550	\$53,460	\$62,370	\$71,280	\$106,920	\$133,650	\$178,200	
6 Persons	\$28,710	\$38,280	\$47,850	\$57,420	\$66,990	\$76,560	\$114,840	\$143,550	\$191,400	
Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):										
Persons	# Bed-rooms	30%	40%	50%	60%	70%	80%	120%	150%	200%
1	0	\$17,340	\$23,120	\$28,900	\$34,680	\$40,460	\$46,240	\$69,360	\$86,700	\$115,600
1.5	1	\$18,570	\$24,760	\$30,950	\$37,140	\$43,330	\$49,520	\$74,280	\$92,850	\$123,800
3	2	\$22,290	\$29,720	\$37,150	\$44,580	\$52,010	\$59,440	\$89,160	\$111,450	\$148,600
4.5	3	\$25,740	\$34,320	\$42,900	\$51,480	\$60,060	\$68,640	\$102,960	\$128,700	\$171,600
6	4	\$28,710	\$38,280	\$47,850	\$57,420	\$66,990	\$76,560	\$114,840	\$143,550	\$191,400
LIHTC Tenant Rent Limits by Number of Bedrooms (assumes 1.5 persons per bedroom):										
# Persons	40%		50%		60%		70%		80%	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
1 Bedroom	\$619	\$539	\$773	\$693	\$928	\$848	\$1,083	\$1,003	\$1,238	\$1,158
2 Bedroom	\$743	\$639	\$928	\$824	\$1,114	\$1,010	\$1,300	\$1,196	\$1,486	\$1,382
3 Bedroom	\$858	\$718	\$1,072	\$932	\$1,287	\$1,147	\$1,501	\$1,361	\$1,716	\$1,576

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.
- Justin Moultrie, Analyst for Real Property Research Group, Inc., conducted a visit to the subject site, its immediate neighborhood, and wider primary market area on February 25, 2021.
- RPRG gathered primary information through field and phone interviews with rental community leasing agents and property managers. In the course of research, we obtained information on proposed developments through interviews and email correspondence with officials with the City of Norfolk, City of Virginia Beach, and City of Chesapeake.
- All information obtained is incorporated in the appropriate section(s) of this report.



G. Report Limitations

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

H. Other Pertinent Remarks

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



II. PROJECT DESCRIPTION

A. Project Overview

925 Apartments is a proposed Low Income Housing Tax Credit (LIHTC) multifamily rental community to be located at 925 S Military Highway in Virginia Beach, Virginia. The rental community will include 220 apartments and associated community amenities on a 9.45-acre site. The project will have two separate financing structures. Phase I, the subject of this report, will consist of 128 rental units and the clubhouse/swimming pool, fitness center, and playground to be constructed on 5.06 acres. These apartments will be financed in part with nine percent tax credits. Phase II will include 92 units to be constructed on 4.39 acres and finance in part with four percent tax credits and tax-exempt bond financing. The developer for both Phases is 925 Developers I, L.L.C. illustrates the conceptual rendering for the proposed apartment buildings.

B. Project Type and Target Market

925 Apartments will be a general occupancy multifamily rental complex that will target low- and moderate-income renter households. The project will have two separate financing structures but will be constructed as one project. All 220 apartments will require that tenants pay the contract rent or have their own Housing Choice voucher. These 220 rental units will include a broad range of target incomes with units restricted to households with incomes at 40 percent, 50 percent, 60 percent, 70 percent, and 80 percent of Area Median Income (AMI) for the Virginia Beach-Norfolk-Newport News-VA-NC MSA, with a total LIHTC weighted average income-restriction of 60 percent AMI, as adjusted for household size. The 128 units at 925 Apartments Phase I will be financed, in part, with nine percent (competitive) tax credits. The remaining 92 units in an additional phase will be financed with equity raised from the sale of four percent (non-competitive) tax credits and tax-exempt bond financing. With a unit mix of one-, two- and three-bedroom units, the community will target a range of renter households, including single-person households, couples, roommates, and families with as many as six persons.

C. Building Types and Placement

The proposed 925 Apartments will consist of two components to be financed with tax credits. The nine percent LIHTC component will include two (4) four-story and one (1) three-story garden style walk-up residential buildings with associated parking on a 5.06-acre site (Figure 1). The buildings will be positioned on the west side of Military Highway with residential buildings positions along a looping community access road (Figure 2). This portion of the subject site will include the community's clubhouse with outdoor swimming pool, and associated surface parking.

A second project component financed with four percent tax credits will be located on a 4.39-acre site and will include one (1) four-story and one (1) three-story garden style walk-up residential buildings with a total of 92 units.

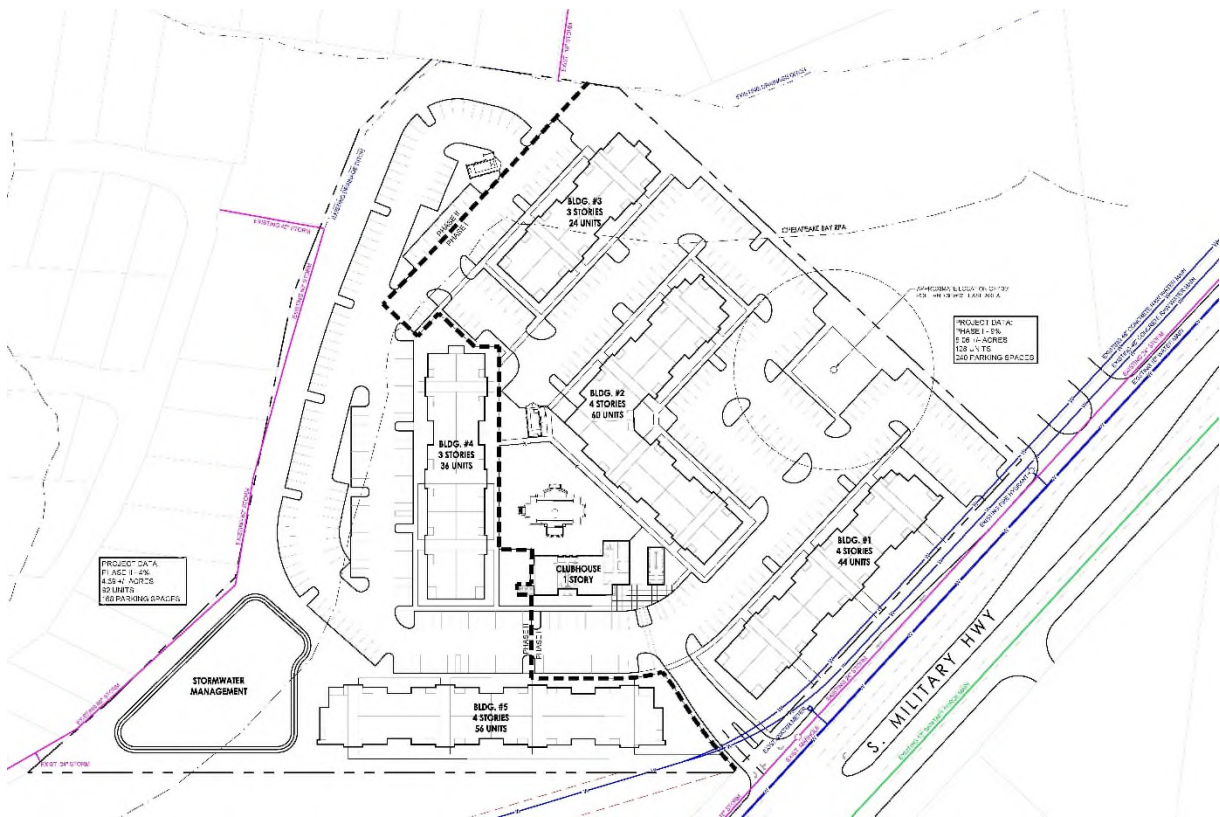
The main entrance into the rental community will be from the west side of Military Highway, approximately 2.2 miles south of I-264.

Figure 1 Building Rendering, 925 Apartments



Source: 925 Apts. I, L.P.

Figure 2 Site Plan, 925 Apartments



Source: 925 Apts. I, L.P.

D. Detailed Project Description

1. Project Description

925 Apartments will include a total of 220 one, two, and three-bedroom units. All of the apartments and community amenities will be constructed as one project, although with two



phases having different financing structures. From a renter perspective, there will be no visible distinction between the portion of the rental community financed with nine percent and four percent tax credits. The community will feature one-, two-, and three-bedroom units at multiple income targets for the nine percent component; all units in the four percent component will be restricted to renter households earning up to 60 percent AMI (Table 2).

Table 2 Unit Distribution, Unit Sizes and Net Rents, 925 Apartments

Unit	Units	Income Level	Rent Subsidy	Net Unit Size*	Contract Rent (1)	Utility Allowance	Gross Rent
9% LIHTC							
1BR/1BA	4	40%	LIHTC	718	\$485	\$80	\$565
1BR/1BA	7	50%	LIHTC	718	\$625	\$80	\$705
1BR/1BA	7	70%	LIHTC	718	\$940	\$80	\$1,020
1BR/1BA	4	80%	LIHTC	718	\$975	\$80	\$1,055
2BR/2BA	7	40%	LIHTC	965	\$565	\$104	\$669
2BR/2BA	31	50%	LIHTC	965	\$735	\$104	\$839
2BR/2BA	31	70%	LIHTC	965	\$1,165	\$104	\$1,269
2BR/2BA	7	80%	LIHTC	965	\$1,225	\$104	\$1,329
3BR/2BA	2	40%	LIHTC	1,153	\$640	\$140	\$780
3BR/2BA	13	50%	LIHTC	1,153	\$845	\$140	\$985
3BR/2BA	13	70%	LIHTC	1,153	\$1,250	\$140	\$1,390
3BR/2BA	2	80%	LIHTC	1,153	\$1,325	\$140	\$1,465
Total/Avg	128				\$933	\$108	\$1,041
4% LIHTC							
1BR/1BA	18	60%	LIHTC	690	\$845	\$80	\$925
2BR/2BA	60	60%	LIHTC	965	\$1,010	\$104	\$1,114
3BR/2BA	14	60%	LIHTC	1,160	\$1,145	\$140	\$1,285
Total/Avg	92				\$998	\$105	\$1,103
Grand Total	220						

(1) Contract rents include trash collection

*Weighted average

Source: 925 Apts. I, L.P.

Proposed one-bedroom units will have one bathroom while the two and three-bedroom units will have two full bathrooms. The one-bedroom units in Phase I will average 718 net square feet and one-bedroom units in Phase II will average 690 square feet; two-bedroom units will average 965 net square feet in both phases; and three-bedroom units will average 1,153 net square feet in Phase I and 1,160 square feet in Phase II. The monthly net rents at 925 Apartments will include the cost of trash removal. All the other utilities will be the direct responsibility of future tenants. The proposed utility allowances are \$80 for one-bedroom units, \$104 for two-bedroom units, and \$140 for three-bedroom units. The community will include free surface parking.

All units at 925 Apartments will be equipped with electric range, refrigerator with an icemaker, dishwasher, microwave, range hood, and garbage disposal (Table 3). Kitchen appliances will have standard finishes. A full-size washer/dryer will be provided in each unit. All units will have central



air conditioning. The units will have carpeted bedrooms and vinyl plank flooring in all other areas. The units will have private patios or balconies and window coverings.

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

2. Other Proposed Uses

The overall community includes two phases as noted previously; this study addresses the nine percent Phase I. The existing commercial structures on the subject site will be demolished.

Table 3 Unit Features and Community Amenities, 925 Apartments

Unit Features	Community Amenities
<ul style="list-style-type: none"> • Washer/Dryer • Carpeted living and dining areas • Carpeted bedrooms, vinyl plank flooring in all other areas • Energy efficient appliances and fixtures • Refrigerator, dishwasher, microwave, range/oven, and garbage disposal • Patio/balcony 	<ul style="list-style-type: none"> • Clubhouse (includes leasing offices, clubroom, and fitness center) • Pool • Playground

Source: 925 Apts. I, L.P.

3. Zoning and Government Review

The site recently received conditional approval to be re-zoned from B-2 Community Business District to A-24 Apartment District. The proposed use is allowable for this site.

4. Proposed Timing of Development

The developer intends to begin construction by March 2022. All units are scheduled to be delivered by July 2023. The developer will engage in pre-leasing with the first move-ins expected to start in March 2023.

III. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location

The site for the proposed multifamily rental community is 925 S. Military Highway, Virginia Beach, Virginia (Map 1). The site is on the west side of Military Highway, approximately 1.5 mile south of the Elizabeth River and the border with the City of Norfolk. The overall site is 9.45 acres. Phase I will be 5.06 acres and Phase II will be 4.39 acres.

2. Size, Shape and Topography.

The site is generally rectangular in shape. The site’s overall topography is flat.

3. Existing Uses

The subject site is currently a location for civil engineering contractor, Branch Civil, with a one-story office building, yard, and maintenance shop facility (Figure 3). The business is a highway contractor and works in new construction of highways and repairs. The Branch Civil owner is proposing to relocate this operation and develop the site with a new multifamily rental community. The existing structures will be demolished as part of the development of the 925 Apartments.

Map 1 Site Location

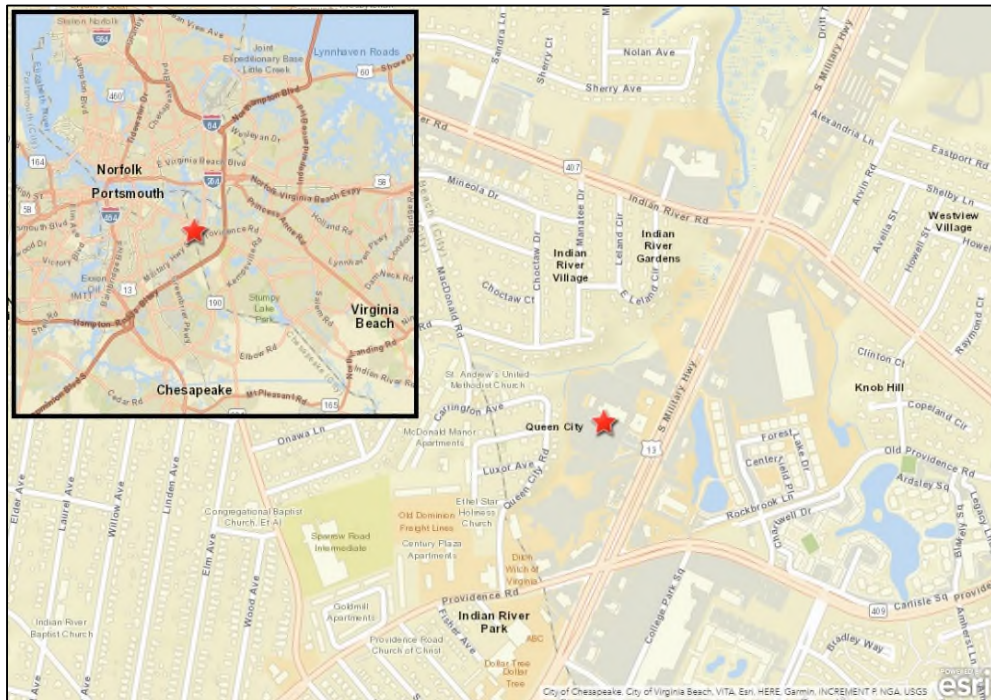


Figure 3 Views of Subject Site



View of site entrance facing north from Military Highway



View of site's western portion



View of site facing northwest



View from northern portion of site facing east



View of existing Branch Civil offices facing northwest from S Military Highway

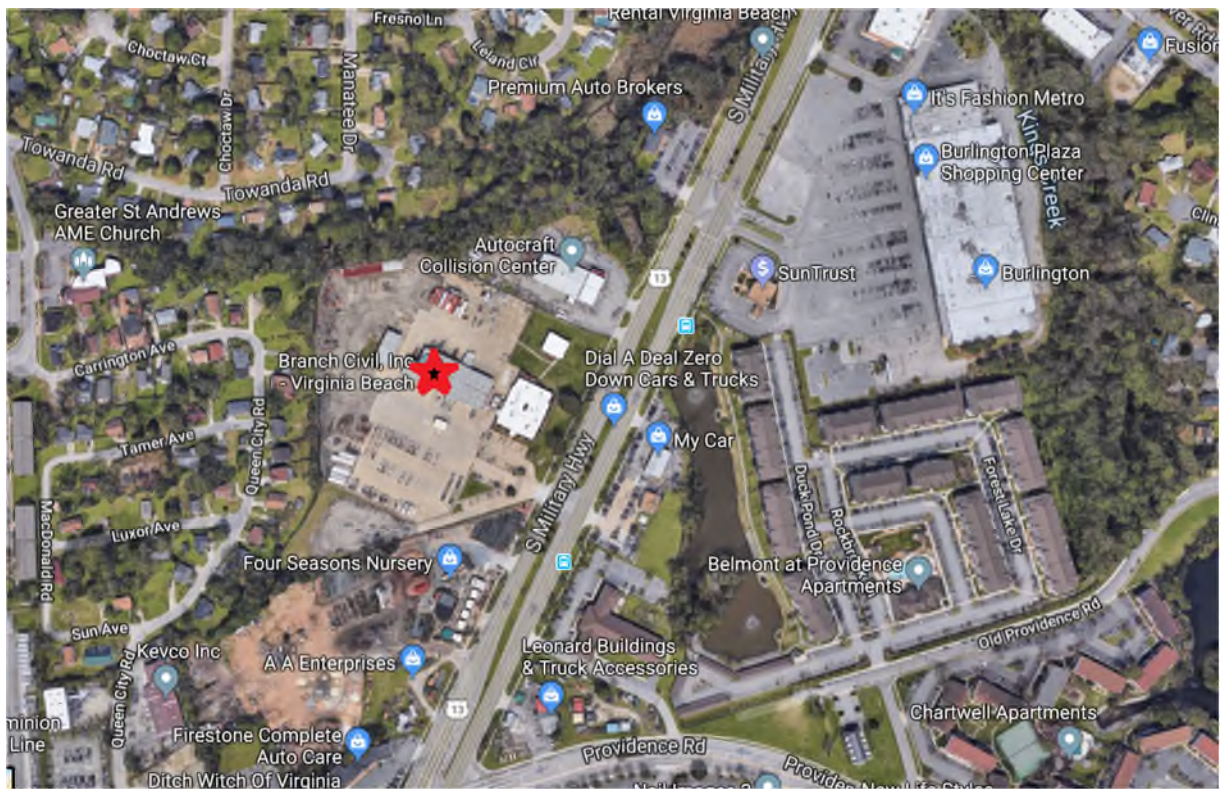


View of site's eastern border

4. General Description of Land Uses Near the Subject Site

The subject site is on the west side of Military Highway. The stretch of the highway in front of the site is six lanes, and surrounding land uses are primarily older and fairly modest. Commercial, retail, and light industrial facilities are located along the eastern (northbound) portion of Military Highway and south of I-264 (Figure 4). Further north of the site, Military Highway expands to eight lanes. The Elizabeth River and the border of Virginia Beach and Norfolk is about 1.5 mile north of the site via Military Highway. Single-family residential neighborhoods are located directly north and west of the subject site primarily with modest homes that are well-established and maintained.

Figure 4 Satellite View of Subject Site and Surrounding Area



5. Specific Identification of Land Uses Surrounding the Subject Site

The land uses directly bordering the subject site include (Figure 5):

- **North:** Commercial facilities, a single-family neighborhood further northeast
- **East:** Military Highway, Commercial Facilities, Apartments
- **South:** Four Seasons Nursery , single-family neighborhood
- **West:** Old and modest, one-story brick detached homes along Queen City Road

Figure 5 Views of Surrounding Land Uses



Nursery east of subject site



Single family homes north of subject site



Auto dealer west of subject site



Commercial facilities across from subject site



Offices across from subject site



Burlington Plaza across from subject site



B. Neighborhood Analysis

The subject site is in an established, primarily commercial section of western Virginia Beach near the borders with Norfolk and Chesapeake. The site is on a section of Military Highway with older and fairly modest commercial uses. Businesses in the vicinity of the subject site include: Food Lion and Lidl groceries; a nursery; modest offices; several auto related businesses including car sales and auto repair; gas stations and convenience stores; public storage facility; church; and the Drift Tide condominium development. Additional residential uses in the area include older, modest detached home subdivisions to the north and west of the site, and Belmont at Providence, a 312-unit market rate rental community that opened in 2009.

Although the surrounding neighborhood is established and built-out, recent development and redevelopment is evident including residential, commercial, retail, and institutional projects – especially south of the subject site in the nearby Greenbrier neighborhood of Chesapeake. While the surrounding neighborhoods are primarily suburban in nature, recent trends are moving towards higher-density, walkable mixed-use development.

The region's largest concentration of retail amenities is along the Military Highway corridor centered on Military Circle Mall, three miles north of the subject site. The Norfolk Premium Outlets are located further north as well. The Norfolk Industrial Park is to the northwest, marking a transition to Norfolk's Downtown District. Residents living in this portion of the South Hampton Roads region have access to both urban and suburban settings with numerous employment opportunities and convenient access to the region's recreational amenities.

The subject site is located two miles south of I-264, a major east-west interstate that connects much of the South Hampton Roads region including Virginia Beach, Norfolk, Chesapeake, and Portsmouth. The subject site is also located in the Military Highway corridor, an important commercial corridor for Virginia Beach, Norfolk, and Chesapeake. This roadway leads directly to key retail nodes and employment centers to the north.

The subject site is positioned at the transition from single-family residential neighborhoods to the east and a commercial node to the west and south along the Military Highway corridor were recently selling in the low to \$200,000's according to real estate data provider, Trulia.

1. Visibility

The subject site has excellent visibility along Military Highway, a six-lane divided highway that continues southwest of the site to the Greenbrier area of Chesapeake and north to Norfolk.

2. Vehicular Access

The subject site is accessed from Military Highway, a six-lane highway. While the site entrance will not have a stop sign or traffic signal, we do not anticipate problems with accessibility. The subject site is operating as a commercial business and the site superintendent indicated that employees do not have difficulty arriving to or leaving the site. RPRG also noted during the site visit that while traffic is moderate, sufficient breaks in the traffic allow for access. We noted that Solace, an existing multifamily rental community that is also located on Military Highway, has a stoplight at its entrance. However, Military Highway at Solace is expanded to eight lanes, making left hand turns from the community virtually impossible if not for the traffic light.

The site is centrally located in the Hampton Roads region, offering convenient access to points east in Virginia Beach, points south in Chesapeake, and points north in Norfolk. To the north, Military



Highway connects to Route 264 approximately two miles from the subject site. Route 264 continues east through Virginia Beach to the oceanfront, and west to Norfolk and Portsmouth. In addition, Route 264 intersects with Interstate 64/Hampton Roads Beltway three miles northeast of the subject site.

3. Availability of Public Transit

Hampton Roads Transit (HRT) is the primary provider of mass transit services to the citizens of Virginia Beach. The other regional cities incorporated within the HRT transit network are Chesapeake, Portsmouth, Virginia Beach, Hampton, and Newport News. Most of the HRT transit routes are bus routes, though the system also includes a trolley in Virginia Beach and a paddlewheel ferry that links downtown Portsmouth and downtown Norfolk.

The region's light rail system, The Tide, links key activity nodes in and near Downtown Norfolk, including the Eastern Virginia Medical Center, Civic Plaza, the MacArthur Center, Harbor Park, and Norfolk State University. Military Highway Station provides access to The Tide Light Rail line, approximately two miles from the subject site.

Additionally, an HRT bus stop serving the Military and Indian River stop on Route 15 is located on the east side of Military Highway (northbound) one-quarter mile from the main street boundary of the subject property's entrance. Route 15 terminates in the south at Greenbrier Mall in Chesapeake and its northern terminus is East Little Creek Road in Norfolk, a few minutes north of I-64.

4. Availability of Inter Regional Transit

Amtrak has service from the rail station adjacent to Harbor Park in Norfolk at 280 Park Avenue, 6.4 miles west of the subject site. The Norfolk station has service along Amtrak's Northeast Regional route which links to other major cities on the East Coast, including Washington, D.C., Philadelphia, New York, and Boston. Greyhound Bus also has a station in downtown Norfolk at 701 Monticello Avenue, 6.0 miles to the west.

Norfolk International Airport is located at 2200 Norview Avenue, 7.0 miles north of the site. American Airlines, Delta Air Lines, Southwest Airlines and United Airlines offer daily flights into and out of Norfolk International. Destinations that can be reached via non-stop service from Norfolk International include Washington, DC, Baltimore, Philadelphia, New York, Charlotte, Atlanta, Boston, Detroit, Chicago, Nashville, Jacksonville, Orlando, Tampa, Miami, Houston, Dallas, Minneapolis, and Las Vegas.

5. Pedestrian Access

A sidewalk is installed on Military Highway in front of the site. However, due to the suburban nature of the local area, and the steady traffic on the highway, we expect that residents of the subject community will primarily use vehicles to access local services and amenities.

6. Accessibility Improvements Under Construction and Planned

Through site visit observations, a review of the Virginia Department of Transportation's (VDOT) current Six-Year Improvement Program and a review of their website, RPRG assessed whether any capital improvement projects impacting road, transit, or pedestrian access to the subject site are currently underway or likely to commence in the next few years.



The I-64/I-264 Interchange Improvements Project is the most significant transportation improvement project in the area. Upon completion, this project will enhance accessibility in the area surrounding the subject site; the interchange is one mile northeast of the subject site. The I-64/I-264 Interchange Improvements Phase II recently commenced with improvements planned to provide additional capacity, reduce daily congestion, and improve safety and traffic operations in the corridor. Construction on Phase II is expected to complete by the end of 2021.

Similarly, several VDOT road projects are either underway or under study to mitigate traffic congestion throughout the entire Hampton Roads region. Some of these projects include the replacement of bridges throughout the region, the widening of roads and improvements in intersections, the construction of a new I-564 intermodal connector, among others.

C. Public Safety

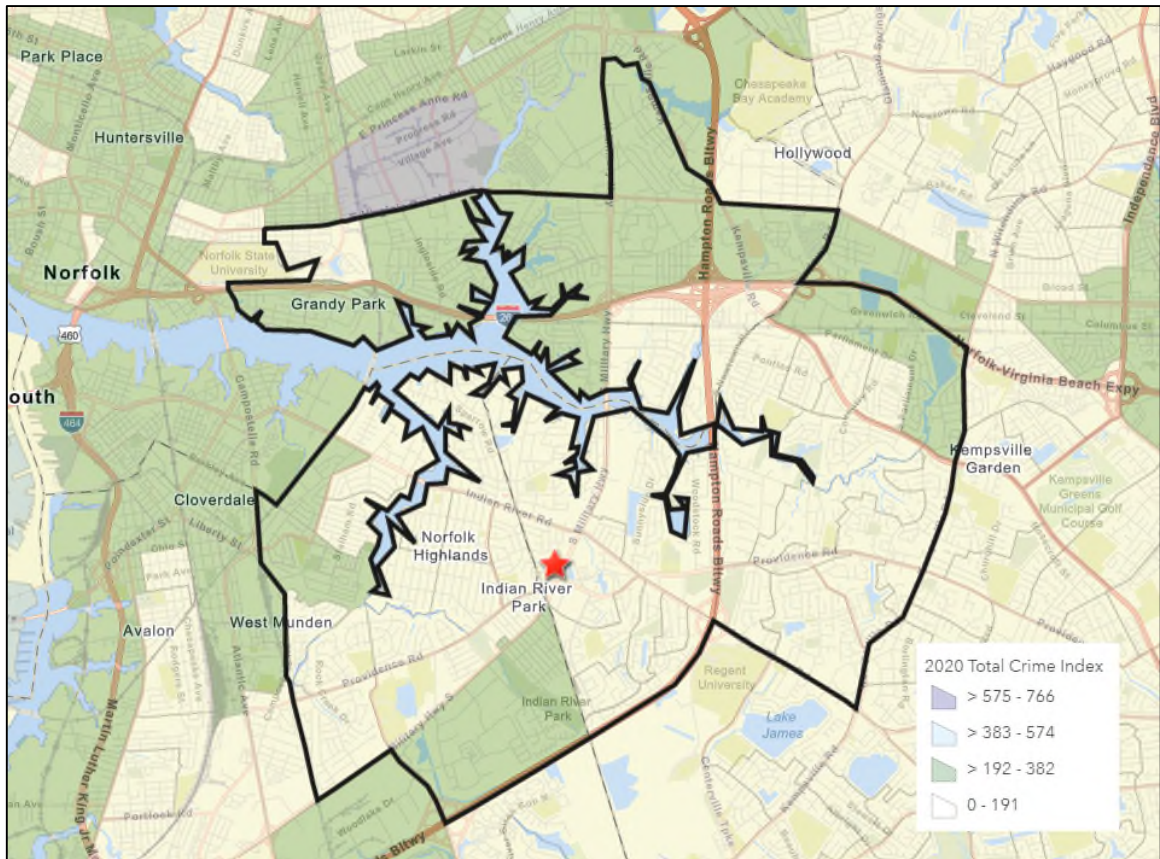
The Virginia Beach Police Department, which is responsible for the subject site's neighborhood, is located 3.5 miles west of the subject at 5152 Lobaugh Drive. The subject is located roughly 2.4 miles from Virginia Beach Fire Department Station 10 located at 5656 Providence Road.

In order to gauge the topic of crime in the vicinity of the subject site, RPRG considered CrimeRisk data provided by Applied Geographic Solutions (AGS). CrimeRisk is an index that measures the relative risk of crime compared to a national average at the narrow geographic level of U.S. Census block groups. AGS analyzes known socio-economic indicators for local jurisdictions that report crime statistics to the Federal Bureau of Investigations (FBI) under the Uniform Crime Reporting (UCR) program. The UCR program tracks violent crimes (murder, forcible rape, robbery, and aggravated assault) and property crimes (burglary, larceny-theft, auto theft, and arson).

Based on modeling of these relationships, CrimeRisk provides a detailed view of the risk of total crime as well as specific crime types at the block-group level. Aggregate indexes have been prepared as a total crime index (as well as separately for violent and property crimes in accordance with the reporting procedures used in the UCR reports). An index value 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. In considering the indexes, note that they are not weighted, such that a murder is weighted no more heavily than a purse snatching. The indexes provide a useful measure of the relative overall crime risk in an area but are most useful when considered in conjunction with other measures.

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

Map 2 Total Crime Index by Block Group



D. Residential Support Network

1. Key Facilities and Services near the Subject Site

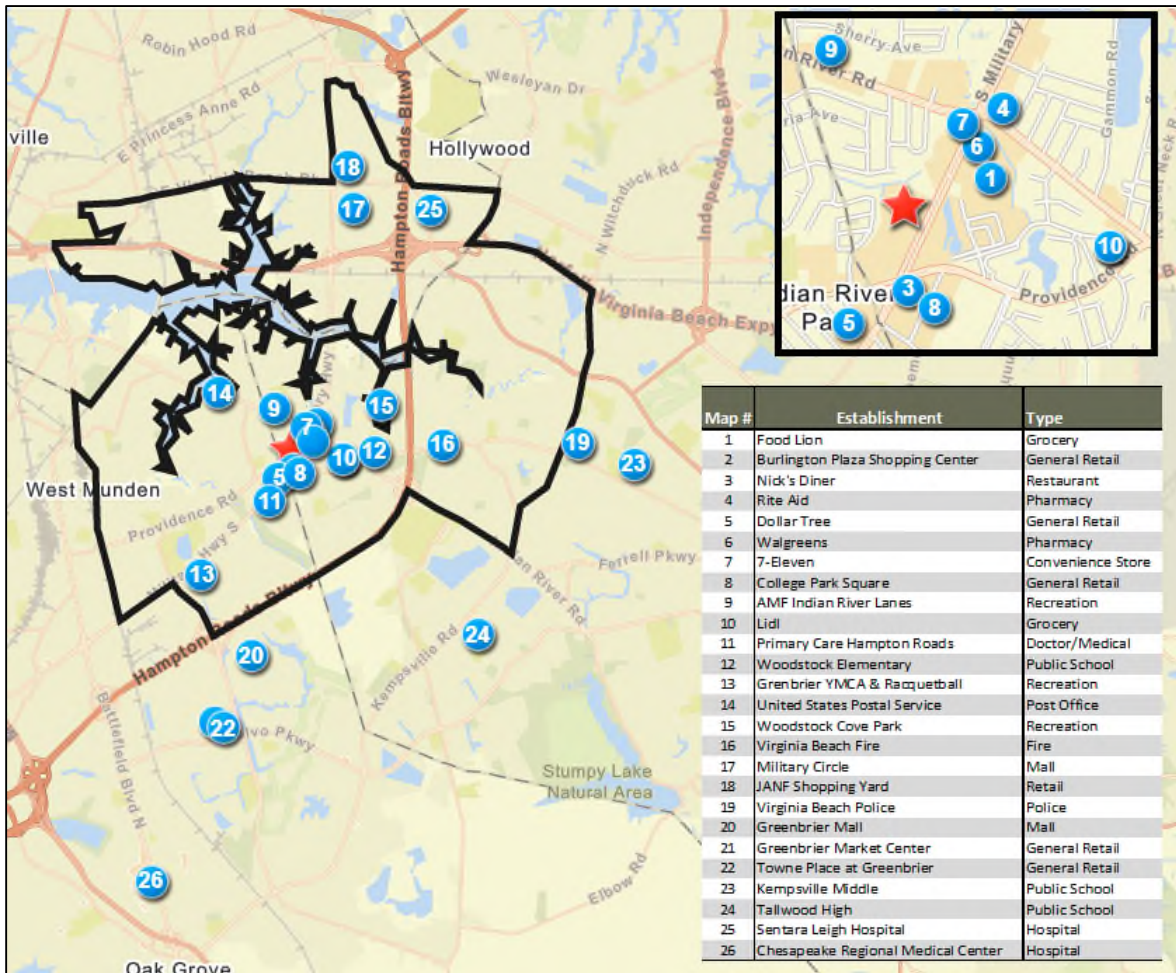
The appeal of a residential community is based in part on its proximity to facilities and services that are required on a day-to-day basis. Key facilities and services and their distances from the subject site are listed in Table 4 and the locations of those facilities are plotted on Map 3.

**Table 4 Key Facilities and Services Near Subject Site**

Map #	Establishment	Type	Address	City	Driving Distance
1	Food Lion	Grocery	880 S Military Hwy	Virginia Beach	0.3 mile
2	Burlington Plaza Shopping Center	General Retail	880 S Military Hwy	Virginia Beach	0.3 mile
3	Nick's Diner	Restaurant	6561 College Park Sq	Virginia Beach	0.3 mile
4	Rite Aid	Pharmacy	840 S Military Hwy	Virginia Beach	0.4 mile
5	Dollar Tree	General Retail	1105 S Military Hwy	Chesapeake	0.4 mile
6	Walgreens	Pharmacy	856 S Military Hwy	Virginia Beach	0.5 mile
7	7-Eleven	Convenience Store	841 S Military Hwy	Virginia Beach	0.5 mile
8	College Park Square	General Retail	6641 College Park Square	Virginia Beach	0.5 mile
9	AMF Indian River Lanes	Recreation	6660 Indian River Rd	Virginia Beach	0.8 mile
10	Lidl	Grocery	6196 Providence Rd	Virginia Beach	0.9 mile
11	Primary Care Hampton Roads	Doctor/Medical	1200 S Military Hwy	Virginia Beach	0.9 mile
12	Woodstock Elementary	Public School	610 Providence Rd	Virginia Beach	1.4 miles
13	Greenbrier YMCA & Racquetball	Recreation	2100 Old Greenbrier Rd	Chesapeake	1.8 miles
14	United States Postal Service	Post Office	3810 Indian River Rd	Chesapeake	1.9 miles
15	Woodstock Cove Park	Recreation	5913 Woodhaven Ct	Virginia Beach	2.2 miles
16	Virginia Beach Fire	Fire	5656 Providence Rd	Virginia Beach	2.4 miles
17	Military Circle	Mall	880 N Military Hwy	Norfolk	3.2 miles
18	JANF Shopping Yard	Retail	5900 E Virginia Beach Blvd	Norfolk	3.4 miles
19	Virginia Beach Police	Police	5152 Lobaugh Dr	Virginia Beach	3.5 miles
20	Greenbrier Mall	Mall	1401 Greenbrier Pkwy	Chesapeake	3.7 miles
21	Greenbrier Market Center	General Retail	1328 Greenbrier Pky	Chesapeake	3.8 miles
22	Towne Place at Greenbrier	General Retail	3075 Eden Way N	Chesapeake	3.9 miles
23	Kempsville Middle	Public School	860 Churchill Rd	Virginia Beach	4 miles
24	Tallwood High	Public School	1668 Kempsville Rd	Virginia Beach	4.1 miles
25	Sentara Leigh Hospital	Hospital	830 Kempsville Rd	Norfolk	4.9 miles
26	Chesapeake Regional Medical Center	Hospital	736 N Battlefield Blvd	Chesapeake	6.1 miles

Source: Field and Internet Research, RPRG, Inc.

Map 3 Neighborhood Amenities



2. Essential Services

a) Health Care

The subject site has good access to nearby healthcare services necessary for the health and well-being of residents of the subject property:

- The nearest full-service hospital to the site is Chesapeake Regional Medical Center, located approximately six miles driving distance on Battlefield Boulevard. The public hospital opened in 1976 and has 310 beds. In addition, the NowCare urgent care facility is located on Indian River Road, less than one mile from the subject site.
- Sentara Leigh Hospital: One of the region’s primary full-service hospitals located at 830 Kempsville Road, less than five miles to the northeast of the subject site. Sentara Leigh Hospital has 250 inpatient beds as well as outpatient services and an emergency room. Sentara Norfolk General Hospital is undergoing a five-year, \$199 million expansion and modernization project.



b) Education

Virginia Beach Public Schools serve roughly 67,000 students with over 9,000 full-time staff. The school system includes over 86 total schools: 53 elementary schools, 14 middle schools, and 12 high schools, as well as additional charter and specialty schools. Students residing at the subject site would attend Woodstock Elementary (1.4 miles from the subject site), Kempsville Middle School (4.0 miles), and Tallwood High School (4.1 miles).

Compared to other schools in the school system reporting school scores, Woodstock Elementary ranked 45th of 53 elementary schools; Kempsville Middle School ranked 9th of 14 middle schools; and Tallwood High ranked 10th of 12 high schools (Table 5). Virginia Beach’s average school scores are above the state-wide averages.

Table 5 Virginia Beach, Test Scores

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	North Landing	99.0%	100.0%	99.5%	1	Old Donation School	100.0%	99.0%	99.5%
2	Strawbridge	98.0%	97.0%	97.5%	2	Great Neck	93.0%	92.0%	92.5%
3	Kingston	96.0%	98.0%	97.0%	3	Princess Anne	90.0%	92.0%	91.0%
9	Tallwood	93.0%	96.0%	94.5%	9	Kempsville	83.0%	86.0%	84.5%
10	Centerville	95.0%	94.0%	94.5%	10	Landstown	82.0%	83.0%	82.5%
14	Pembroke	88.0%	98.0%	93.0%	14	Bayside	69.0%	88.0%	78.5%
15	Holland	86.0%	99.0%	92.5%	Virginia Beach City Average				
16	Thoroughgood	93.0%	92.0%	92.5%	State Average				
17	Three Oaks	92.0%	93.0%	92.5%	76.0%				
18	New Castle	93.0%	91.0%	92.0%	77.0%				
19	Princess Anne	91.0%	93.0%	92.0%	76.5%				
20	Rosemont Forest	91.0%	93.0%	92.0%	High Schools				
21	Rosemont	89.0%	95.0%	92.0%	EOC - 2019				
22	Alanton	94.0%	89.0%	91.5%	Rank	High Schools	Reading	Algebra II	Composite
29	Green Run	89.0%	90.0%	89.5%	1	Frank W. Cox	94.0%	99.0%	96.5%
30	Shelton Park	89.0%	89.0%	89.0%	2	Green Run Collegiate	99.0%	93.0%	96.0%
31	Christopher Farms	91.0%	85.0%	88.0%	9	Landstown	89.0%	93.0%	91.0%
32	Luxford	87.0%	88.0%	87.5%	10	Tallwood	90.0%	92.0%	91.0%
33	Windsor Oaks	93.0%	82.0%	87.5%	11	Green Run	83.0%	96.0%	89.5%
34	Windsor Woods	91.0%	84.0%	87.5%	12	Bayside	80.0%	88.0%	84.0%
45	Woodstock	82.0%	87.0%	84.5%	Virginia Beach City Average				
46	Thalia	80.0%	83.0%	81.5%	90.9%				
53	Seatack an Achievable Dream	69.0%	71.0%	70.0%	94.5%				
Virginia Beach City Average		88.3%	88.9%	88.6%	State Average				
State Average		78.0%	81.0%	79.5%	86.0%				
					91.0%				
					88.5%				

Source: Virginia Department of Education

The closest institutions of higher learning to the subject site include Tidewater Community College in Virginia Beach located 8 miles southeast of the subject site and Norfolk State University (NSU) located 4.5 miles northwest of the subject site. NSU enrolls over 6,800 students in a wide number of bachelor’s degree programs, 18 Master’s level degree programs and several doctoral degree programs. NSU is well known throughout the region for its schools of Education, Liberal Arts, Science and Technology, Social Work and Business/Entrepreneurship.

An additional major public university, Old Dominion University (ODU) is located nine miles northwest of the subject. Old Dominion University (ODU) enrolls nearly 20,000 undergraduate students in 70 bachelor’s degree programs. More than 5,000 graduate students are enrolled in ODU’s 54 master’s degree programs and 42 doctoral programs. The major colleges include Arts and Letters, Business and Public Administration, Education, Engineering and Technology, Health Sciences and Sciences.



3. Shopping

Convenience shopping in this portion of Norfolk and Virginia Beach is primarily located along Military Highway. Small retailers and neighborhood service providers are located directly southeast of the subject site along Military Highway. The nearest full-service grocery store, Food Lion, is located less than one-half mile east of the subject site at Military Highway and Indian River Road. Lidl is three miles east of the subject along Indian River Road, and several additional retail nodes including College Park Square and Family Dollar are within minutes of the subject site.

The largest concentration of retail in the area is two miles north of the subject along Military Highway centered at Military Circle Mall. This center includes Ross and a wide selection of apparel, home goods, and dining options. This location is being considered for a large-scale redevelopment. The nearby J.A.N.F. Shopping Yard is a one million-square-foot strip center with several major retailers, such as BJ's, TJ Maxx, Petco, and Costco, among others.

The Greenbrier Mall is a traditional mall located less than four miles from the subject site. Mall anchors include Dillard's, Macys, JCPenney, and GameWorks Cinema. The mall is surrounded by restaurants, fast food establishments, and other retail uses and services. North of the mall along Greenbrier Parkway is the Crossways Center with a variety of big box retailers, including Michael's, Ashley Furniture, Ross, and TJ Maxx, complimented by a wide variety of restaurants and service uses. Also, on the southwest corner of Volvo Parkway and Greenbrier Parkway is the Greenbrier Market Center with big box retailers including Target, Best Buy, Bed Bath & Beyond, Old Navy, and PetSmart. The closest Walmart to the site is in Norfolk, less than four miles driving distance.

4. Recreational and Other Community Amenities

Neighborhoods surrounding the subject site include multiple recreational amenities. YMCA has two facilities within miles of the subject site, Greenbrier North in Chesapeake (1.8 miles) and Indian River (2.1 miles) offering fitness classes, before and after care, and youth sports. Indian River Community Center is 1.6 miles from the subject site offering a gym, fitness room, game room, and small meeting room. Kempsville Recreation Center is 4.1 miles from the subject site located at 800 Monmouth Lane offering fitness and gym amenities including cardio equipment, group fitness classes, basketball gym, and an indoor walking/jogging track.

Several entertainment and cultural amenities are within downtown Norfolk, six miles northwest of the subject site. Downtown Norfolk's recreational and cultural amenities include Scope Arena, Chrysler Hall, the Hurrah Players Perry Family Theatre, the Norfolk Police & Fire Museums, and Moses Myers House. The revitalized Waterside District includes 135,000 square feet of retail, event, and public space overlooking the Elizabeth River. Harbor Park Stadium, home of the Norfolk Tides minor league baseball team, is adjacent to downtown Norfolk along I-264. The Virginia Beach oceanfront area is approximately 15 miles east of the subject site offering many recreational, dining, and entertainment options.

E. Overall Site Conclusions

The subject site is centrally located within the Hampton Roads region, offering convenient access to retail, services, and several employment nodes. The site is in an established area and is surrounded by older and fairly modest commercial uses, as well as older residential uses. However, it is not unusual in this area to see new market rate rental communities introduced as infill redevelopment projects in older, established areas. The site also has excellent visibility on Military Highway, a major thoroughfare. The site is appropriate for the development of a market rate, multifamily rental community.



IV. ECONOMIC CONTEXT

A. Introduction

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

B. Resident Unemployment

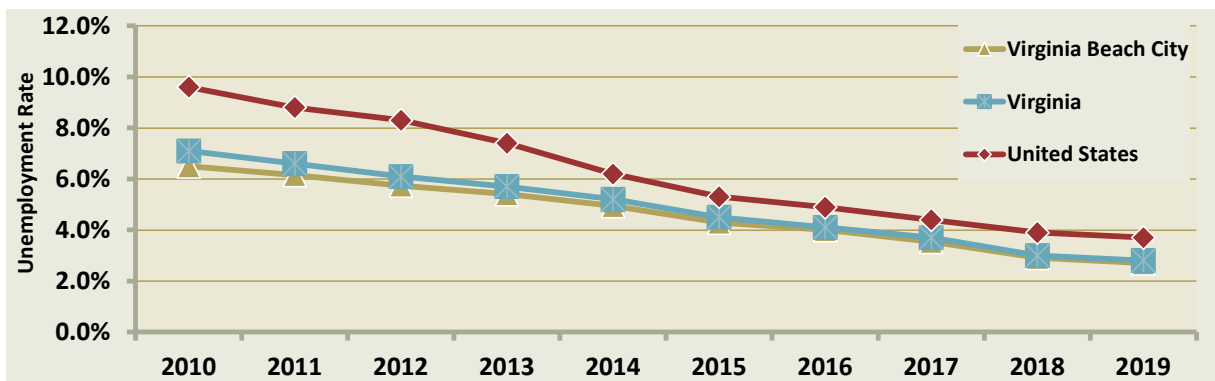
1. Trends in Annual Average Labor Force and Unemployment Data

The Virginia Beach annual average labor force has expanded every year since 2013 and has been at or above 229,000 since recovery from the recession in 2011 (Table 6). The city’s labor force reached 234,597 workers in 2019, three percent higher than the historic low of 226,894 in 2010. The overall net increase from 2010 to 2019 was 7,703. The employed portion of the labor force increased by 16,121 persons over this period while those classified as unemployed decreased by 8,148 persons; the number of unemployed persons has nearly been halved with a decline of 42.9 percent.

Table 6 Annual Average Labor Force and Unemployment Rates

Annual Average Unemployment	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Labor Force	226,894	229,211	229,035	231,008	231,599	228,751	228,905	231,550	232,337	234,597
Employment	212,145	215,118	215,892	218,514	220,150	218,937	219,741	223,354	225,561	228,266
Unemployment	14,749	14,093	13,143	12,494	11,449	9,814	9,164	8,196	6,776	6,331
Unemployment Rate										
Virginia Beach City	6.5%	6.1%	5.7%	5.4%	4.9%	4.3%	4.0%	3.5%	2.9%	2.7%
Virginia	7.1%	6.6%	6.1%	5.7%	5.2%	4.5%	4.1%	3.7%	3.0%	2.8%
United States	9.6%	8.8%	8.3%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%

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





Virginia Beach’s unemployment rate has historically been lower than Virginia and the nation. The city’s unemployment rate has declined steadily from its peak of 6.5 percent at the height of the recession in 2010 following similar trends in both the station and the nation. As of 2019, the annual average unemployment rate was 2.7 percent in the city, 2.8 percent in the state, and 3.7 percent in the nation.

2. Trends in Monthly Labor Force and Unemployment Data

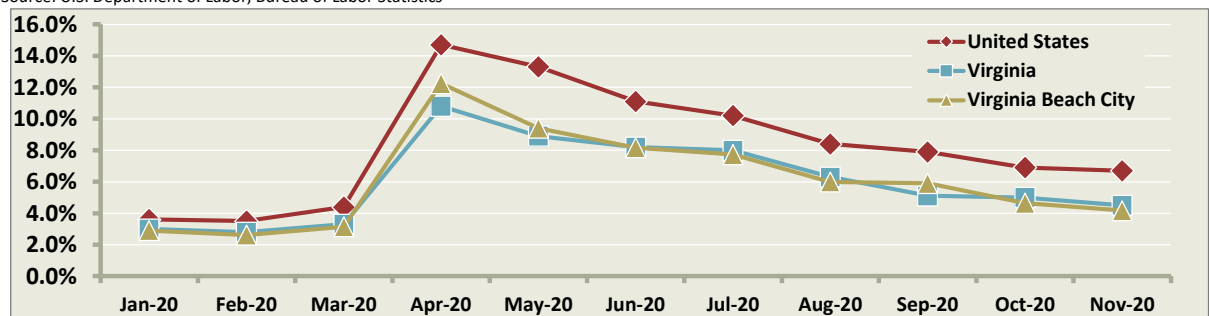
The impact of COVID-19 pandemic on the Virginia Beach economy is presented in the monthly 2020 labor force and unemployment data (Table 7). Virginia Beach’s labor force increased through March 2020 before declining in April; The total labor force in November 2020 was 225,809. Employed workers increased by seven percent to 216,402 in November 2020 compared to 202,103 in April 2020.

During the first three months of 2020, the unemployment rate increased modestly in all three geographies from January 2020 to March 2020 but spiked in April as the economy was negatively impacted by closures related to the COVID-19 pandemic. Unemployment rates have improved dramatically in all three areas over the past several months with the most recent monthly rates (November at 4.2 percent in Virginia Beach, 4.5 percent in Virginia, and 6.7 percent in the United States). The City’s most recent monthly unemployment rate is roughly one-third of the peak in April.

Table 7 2020 Monthly Labor Force and Unemployment Data

Monthly Unemployment	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20
Labor Force	234,357	235,430	236,016	230,313	231,762	232,107	235,021	232,567	227,155	226,432	225,809
Employment	227,555	229,285	228,594	202,103	209,980	213,158	216,853	218,640	213,754	215,920	216,402
Unemployment	6,802	6,145	7,422	28,210	21,782	18,949	18,168	13,927	13,401	10,512	9,407
Unemployment Rate											
Virginia Beach City	2.9%	2.6%	3.1%	12.2%	9.4%	8.2%	7.7%	6.0%	5.9%	4.6%	4.2%
Virginia	3.0%	2.8%	3.3%	10.8%	8.9%	8.2%	8.0%	6.3%	5.1%	5.0%	4.5%
United States	3.6%	3.5%	4.4%	14.7%	13.3%	11.1%	10.2%	8.4%	7.9%	6.9%	6.7%

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



C. Commuting Patterns

Virginia Beach is one of the economic engines of the large and economically diverse Hampton Roads region, which is also comprised of the municipalities of Chesapeake, Portsmouth, Norfolk, Hampton, and Newport News, among others. The economic integration of the Hampton Roads region is demonstrated by reference to commuting patterns for residents of the primary market area for the subject project – labeled the 925 Market Area and defined in the next section. Data from the 2015 to 2019 American Community Survey (ACS) show that only 47.9 percent of all market area workers were



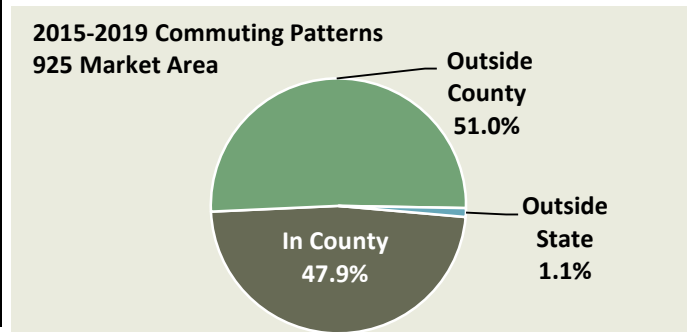
employed in their jurisdiction of residence, while 51.0 percent commuted to another Virginia municipality (Table 8). Just over one percent of employed market area residents work outside Virginia.

Approximately one fifth (19.9 percent) of 925 Market Area workers reported commute times of 15 minutes or less while 42.0 percent commuted 15 to 24 minutes, and 34.5 percent commuted 25 or more minutes.

Table 8 2014-2018 Commutation Data, 925 Market Area

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home:	35,512	96.4%	Worked in state of residence:	36,437	98.9%
Less than 5 minutes	801	2.2%	Worked in county of residence	17,647	47.9%
5 to 9 minutes	2,068	5.6%	Worked outside county of residence	18,790	51.0%
10 to 14 minutes	4,452	12.1%	Worked outside state of residence	405	1.1%
15 to 19 minutes	7,405	20.1%	Total	36,842	100%
20 to 24 minutes	8,066	21.9%			
25 to 29 minutes	3,161	8.6%			
30 to 34 minutes	4,739	12.9%			
35 to 39 minutes	855	2.3%			
40 to 44 minutes	915	2.5%			
45 to 59 minutes	1,655	4.5%			
60 to 89 minutes	905	2.5%			
90 or more minutes	490	1.3%			
Worked at home	1,330	3.6%			
Total	36,842				

Source: American Community Survey 2015-2019



Source: American Community Survey 2015-2019

D. At-Place Employment

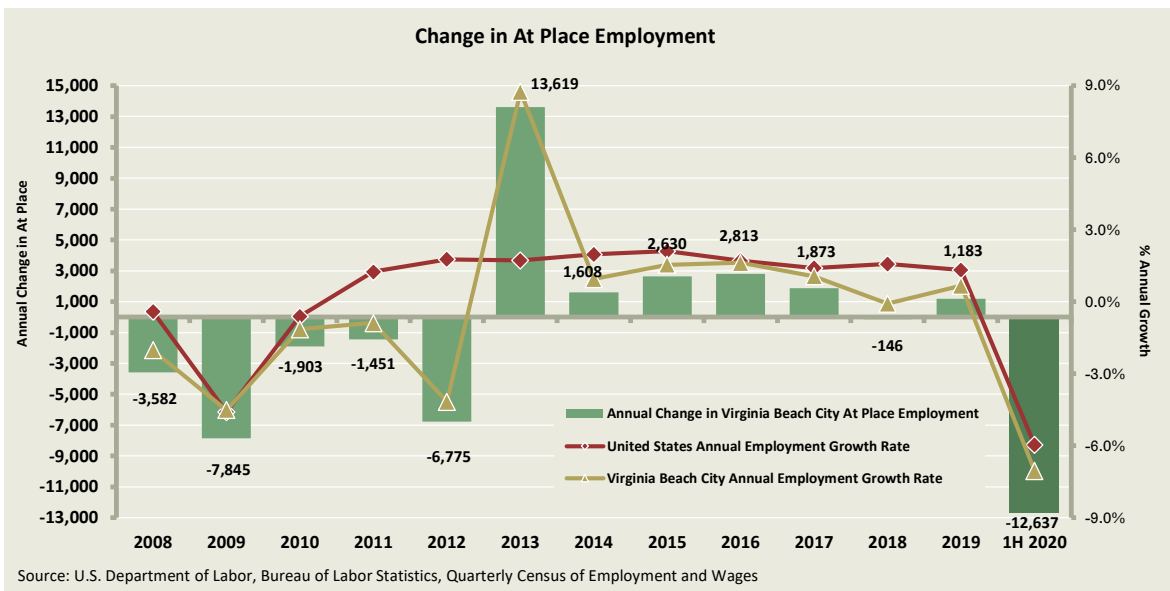
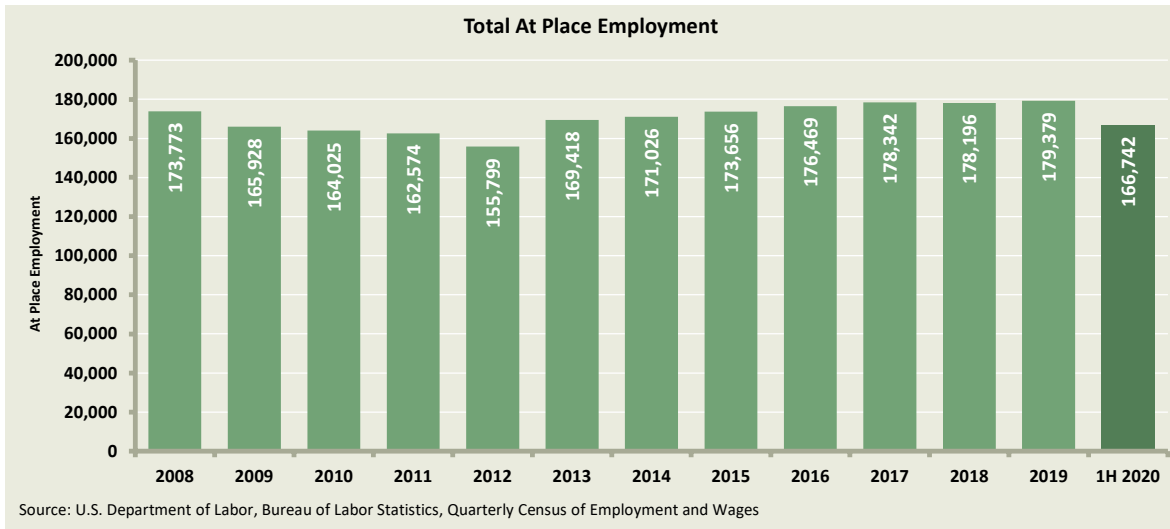
1. Trends in Total At-Place Employment

Virginia Beach’s At-Place Employment has increased significantly since 2013 following declines between 2008 and 2012. After reaching a low of 155,799 in 2012, job growth averaged almost 3,400 jobs per year through 2019 with the most significant gains occurring in 2013. At-Place Employment decreased by 12,367 through first half 2020, reflecting losses related to the COVID-19 epidemic affecting the city as well as the state and nation as a whole, although we would anticipate a rebound through 2020, consistent with declining unemployment numbers presented in Table 7.

As illustrated by the trend lines in the bottom portion of Figure 6, Virginia Beach annual employment growth rates generally trended below those of the nation except for 2012. The county’s job losses were roughly on par with the nation during the national recession in 2008 and 2009, and the recovery has generally kept pace with the national rate of job growth on an annual basis. The through the first half of 2020 in Virginia Beach, losses slightly exceeded those in the nation although it is possible that the losses on the national level have not yet been fully incorporated in the data.



Figure 6 Trends in Total At-Place Employment



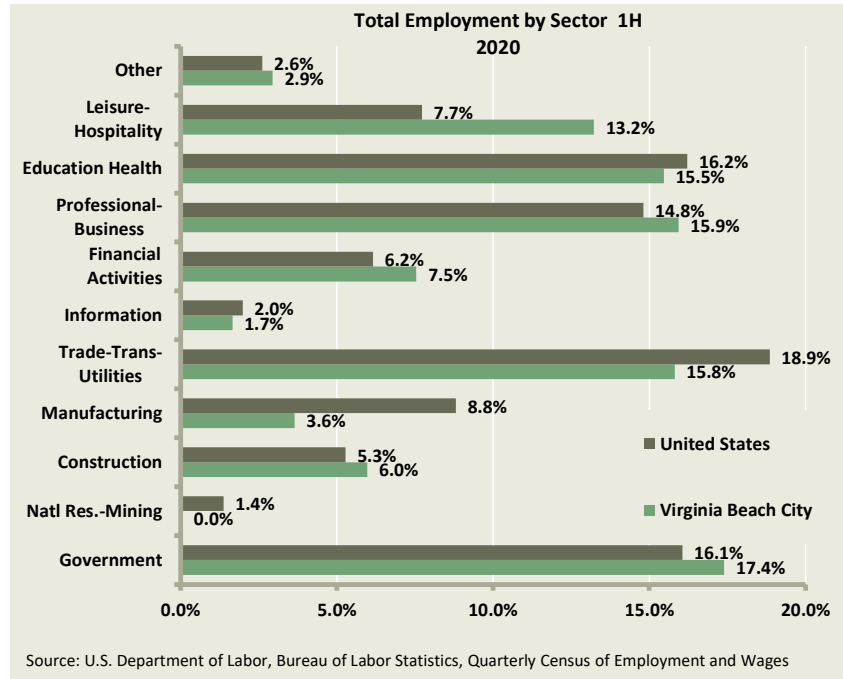
2. At-Place Employment by Industry Sector

Government, Professional-Business, Trade-Transportation-Utilities and Education are Virginia Beach’s largest economic sectors through the first half of 2020 (Figure 7), each accounting for more than fifteen percent of employment by industry and combining for 64.6 percent of all jobs in Virginia Beach. Virginia Beach has an equal or larger percentage of jobs than in the nation in six sectors, although proportionately fewer jobs in several significant sectors including Education Health and Trade-Transportation-Utilities.



Figure 7 Total Employment by Sector 2020 (1H)

Virginia Beach City Employment by Industry Sector 1H 2020	
Sector	Jobs
Other	4,915
Leisure-Hospitality	22,063
Education-Health	25,789
Professional-Business	26,574
Financial Activities	12,579
Information	2,776
Trade-Trans-Utilities	26,360
Manufacturing	6,083
Construction	9,957
Natl. Res.-Mining	80
Government	29,006
Total Employment	166,182



Prior to the onset of the COVID-19 pandemic, five of 11 economic sectors added jobs in Virginia Beach from 2011 through the first quarter of 2020 (Figure 8). The largest percentage gains were in Manufacturing and Education Health with 15.6 percent and 13.5 percent increases, respectively. Government, the largest sector, saw a slight decline of 0.1 percent and another large sector, Trade-Transportation-Utilities experienced higher losses of 4.5 percent. The other large sector, Professional-Business, had a modest gain of 7.5 percent.

Given the rapidly changing economic conditions in the latter part of 2020, we have isolated At-Place Employment change by sector from the first quarter of 2020 (Pre-Pandemic) to the second quarter of 2020 (most recent data available) (Figure 9). Over this period, eight of 11 sectors lost jobs including the sharpest declines in Leisure-Hospitality which declined by 33.0 percent. Other sectors losing more than ten percent of jobs included Education Health (10.5 percent) and Information (11.8 percent). The city’s largest sector, Government, was essentially unchanged with a modest gain of 0.4 percent.



Figure 8 Employment Change by Sector, 2011 – 2020 (Q1)

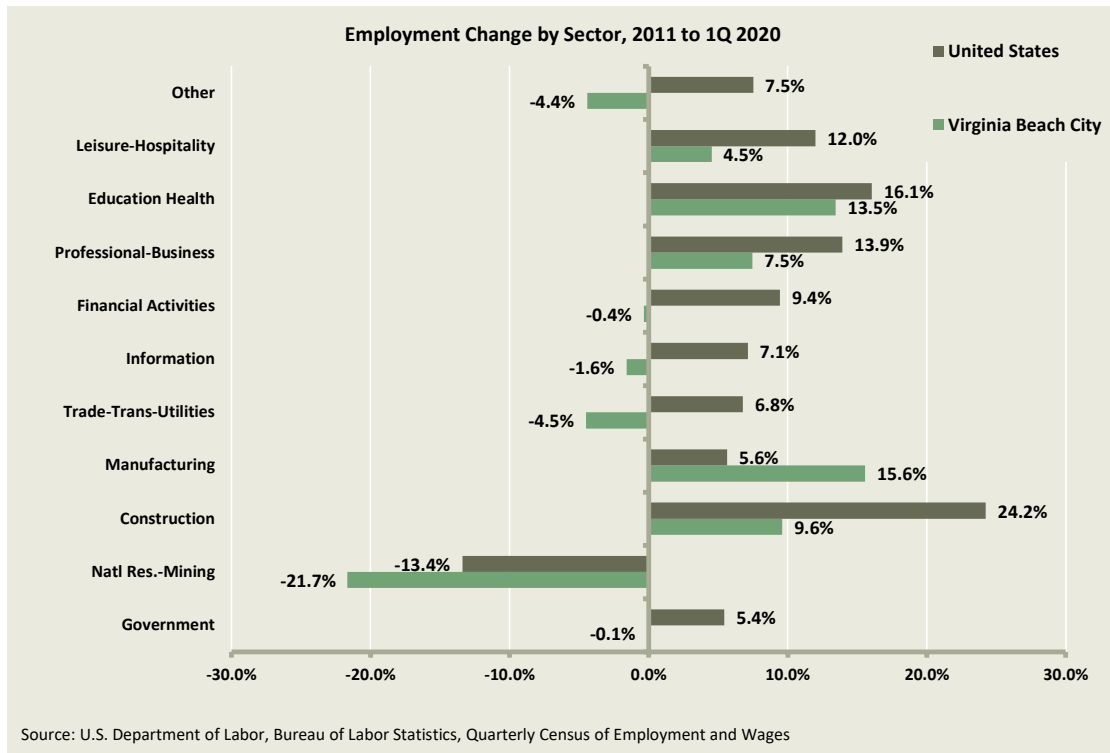
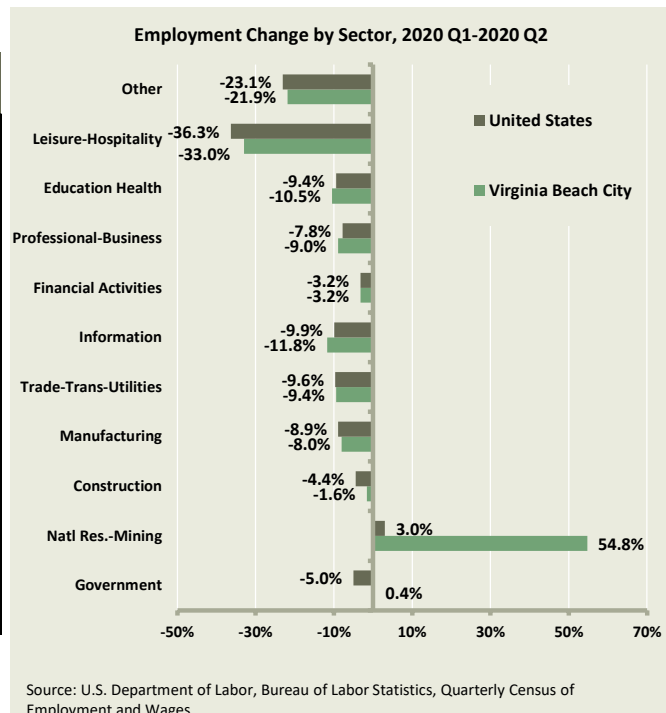


Figure 9 Employment Change by Sector, 2020 (Q1-Q2)

Sector	2020 Q1	2020 Q2	# Change	% Change
Other	5,518	4,311	-1,207	-22%
Leisure-Hospitality	26,420	17,705	-8,715	-33%
Education-Health	27,219	24,359	-2,861	-11%
Professional-Business	27,824	25,324	-2,499	-9%
Financial Activities	12,784	12,375	-409	-3%
Information	2,950	2,603	-347	-12%
Trade-Trans-Utilities	27,660	25,060	-2,600	-9%
Manufacturing	6,337	5,829	-508	-8%
Construction	10,037	9,878	-159	-2%
Natl. Res.-Mining	63	97	34	55%
Government	28,954	29,057	102	0%
Total Employment	175,765	156,598	-19,167	-11%



3. Major Private Employers

Ten of the largest employers are in the areas of Education/Healthcare and five are in the area of Government (Table 9). Two of the 20 employers are located in Virginia Beach and five employers have locations throughout the region.

Table 9 Largest Employers. Hampton Roads Region, 2019

Rank	Name	Sector	Employment
1	United States Federal Government	Government	50,000
2	Huntington Ingalls Industries, Inc.	Manufacturing	20,000
3	Sentra Healthcare	Healthcare	20,000
4	Virginia Beach City Public Schools	Education	12,000
5	Norfolk Naval Shipyard	Government	10,000
6	Riverside Health System	Healthcare	8,000
7	Chesapeake City Public Schools	Education	7,000
8	Norfolk City Public Schools	Education	7,000
9	Virginia Beach City Government	Government	7,000
10	Chesapeake City Government	Government	6,000
11	Norfolk City Government	Government	6,000
12	Dominion Enterprises	Information	5,700
13	Bon Secours Hampton Roads Health System	Healthcare	4,000
14	Old Dominion University	Education	4,000
15	Bank of America	Finance	3,600
16	Naval Medical Center Portsmouth	Healthcare	3,500
17	Portsmouth City Public Schools	Education	3,000
18	U.S Marine Repair/UDI	Manufacturing	2,570
19	Childrens Hospital of The King's Daughters	Healthcare	1,905
20	Landmark Communication	Communication	1,731

Source: Virginia Employment Commission

E. Wage Trends

The average annual wage in 2019 for Virginia Beach was \$44,409 (Table 10). Virginia Beach's average annual pay was 26.2 percent lower than the statewide average wage of \$60,200 and 25.0 percent lower than the national average annual wage of \$59,219. The average annual wage throughout Virginia Beach increased every year but one from 2010 to 2019.

Table 10 Average Annual Wage

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Virginia Beach City	\$36,794	\$38,032	\$39,454	\$38,940	\$39,776	\$40,735	\$41,003	\$41,841	\$42,784	\$44,409
Virginia	\$49,651	\$50,657	\$51,646	\$51,918	\$52,929	\$54,276	\$54,836	\$56,503	\$58,239	\$60,200
United States	\$46,751	\$48,043	\$49,289	\$49,808	\$51,364	\$52,942	\$53,621	\$55,390	\$57,266	\$59,219

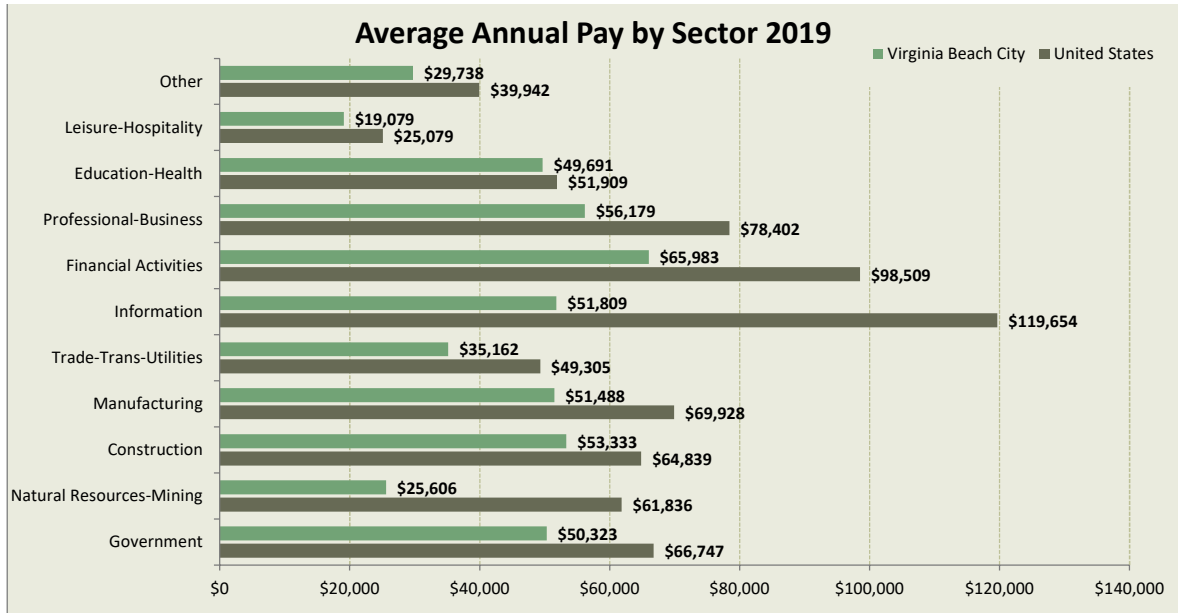
Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

The average annual wage in the city lagged the average annual wage nationally in every sector (Figure 10). Among the city's most significant sectors, Government has an average wage of



\$50,323, Trade-Transportation-Utilities averaged \$35,162, Education Health averaged \$49,691 and Professional-Business averaged \$56,179 throughout the city.

Figure 10 Annualized Wage Data by Sector



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

F. Economic Conclusions and Projections

Virginia Beach represents one of the economic engines for the Hampton Roads region. The city’s unemployment rate declined through 2019, while At-Place Employment was strong through 2019. Virginia Beach’s economy is concentrated among four economic sectors (Government, Professional-Business, Trade-Transportation Utilities, and Education Health) with average wages generally lagging national averages. The region recovered well following losses due to the COVID-19 pandemic as illustrated by monthly unemployment data.



V. HOUSING MARKET AREA

A. Introduction

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

B. Delineation of Market Area

The primary market area defined by RPRG to evaluate the proposed 925 Apartments rental community is depicted in Map 4. The 19 census tracts comprising the primary market area are listed on the edge of the map. The primary market area will be referred to as the 925 Market Area for the remainder of this report.

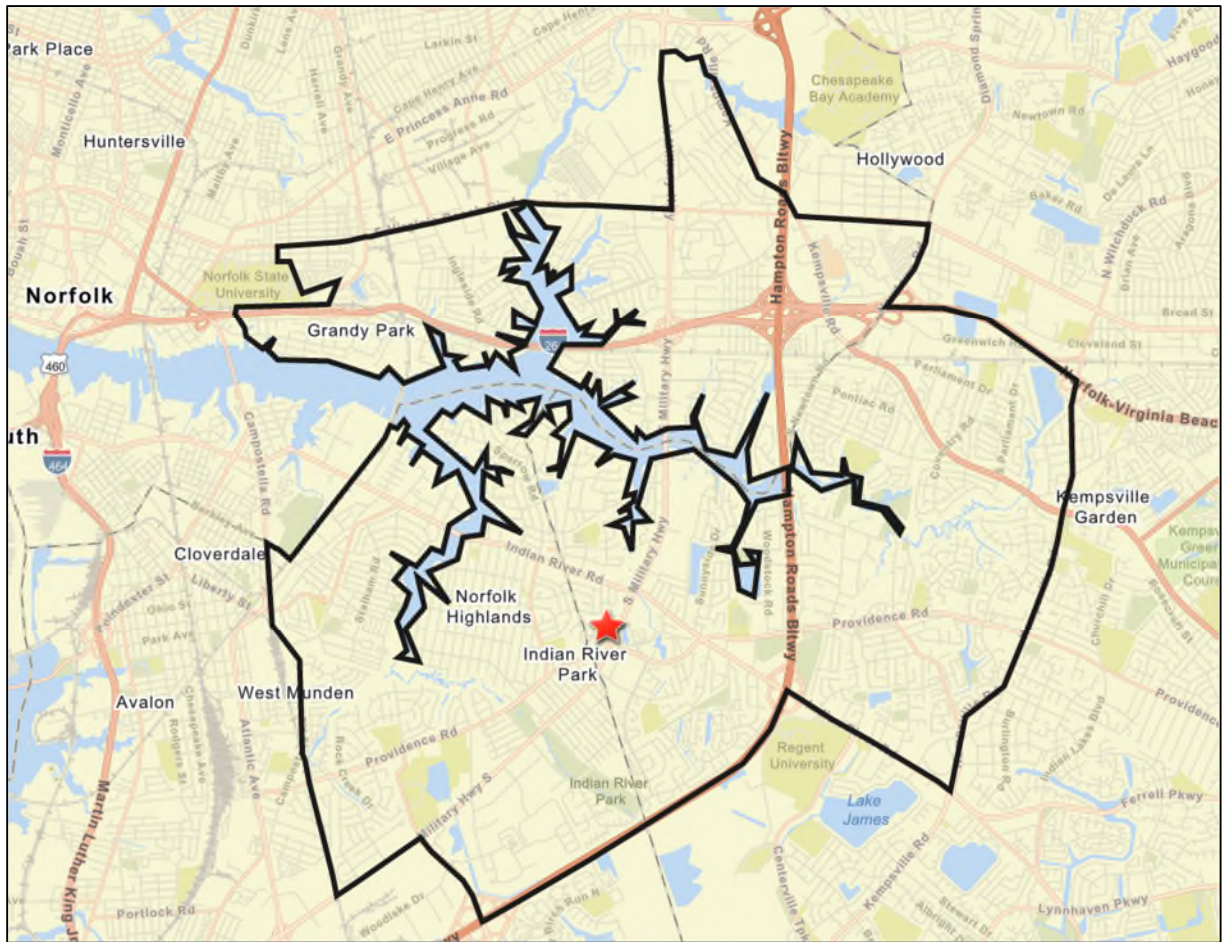
The 925 Market Area includes the northwestern portion of Virginia Beach as well as portions of northern Chesapeake Virginia Beach and a small portion of eastern Norfolk. Neighborhoods within these areas are generally consistent with the subject's neighborhoods and include the most competitive multifamily communities. Beyond the northern, western, and eastern boundaries of the market area, the neighborhoods become more urban, and areas south of the market area are more associated with Chesapeake with more unique neighborhood characteristics.

The approximate boundaries of the 925 Market Area and their distances from the subject site are as follows:

- **North:** Cornick Road, Norfolk Eastern City Limits (4.9 miles)
- **East:** Kempsville Road (4.0 miles)
- **South:** Hampton Roads Parkway, Indian River Road (7.4 miles)
- **West:** Chesapeake Eastern City Limits, Campostella Road (3.0 miles)

As appropriate for this analysis, RPRG compares and contrasts the 925 Market Area with the South Hampton Roads region including Norfolk, Virginia Beach, and Chesapeake. We consider the South Hampton Roads Region to be the secondary market area for 925 Apartments while demand estimates are based only on the 925 Market Area.

Map 4 925 Market Area





VI. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the 925 Market Area and the wider South Hampton Roads region using the following data sources:

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

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

It is important to note that all demographic data is based on historic Census data and the most recent local area projections available for the 925 Market Area and Virginia Beach. In this case, estimates and projections were derived by Esri in 2020 and trended forward by RPRG. We recognize that the current COVID-19 situation is likely to have an impact on short-term growth and demographic trends. The demographic projections have not been altered, but RPRG will discuss the impact of these potential changes as they relate to housing demand in the conclusions of this report.

B. Trends in Population and Households

1. Recent Past Trends

At the time of the 2000 Census, 72,451 persons and 26,735 households resided in the 925 Market Area (Table 11). Based on the 2010 Census, the population of the 925 Market Area stood at 72,882 in 2010, reflecting a 0.6 percent increase since 2000. The market area's 2010 household base of 27,635 reflected an increase of 3.4 percent versus the 2000 base. Between 2000 and 2010, South Hampton Roads grew by 44,162 persons and 20,583 households. These overall increases translate to annual growth rates of 0.5 percent for population and 0.6 percent households. As of 2010, South Hampton Roads included 903,006 persons and 331,148 households.

Based on Esri data, RPRG projects that population and household growth has continued since 2010 and this trend will continue over the next five years. RPRG estimates that the primary market area's population grew by 318 (0.4 percent) and its household base grew by 127 households (0.4 percent) annually from 2010 to 2021. The estimated population and household totals for the 925 Market Area as of 2021 are 76,383 persons and 29,027 households. The South Hampton Roads population and household bases each increased by 0.5 percent between 2010 and 2021.

2. Projected Trends

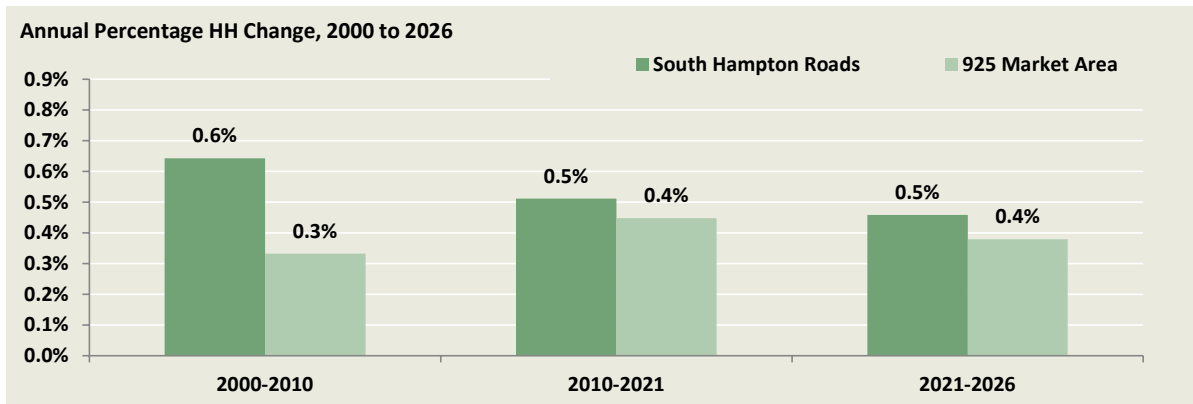
Based on Esri data, RPRG projects that the 925 Market Area will continue to experience steady net population increases at an average rate of 0.4 percent, or 282 persons per year over the next five years. The market area's household base will expand by a net of 111 households (0.4 percent) per year through 2026. South Hampton Roads is projected to experience similar annual growth of 0.4 percent in population and 0.5 percent in household base through 2026.



Table 11 Population and Household Trends, 2000 to 2026

South Hampton Roads						925 Market Area					
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change		
		#	%	#	%		#	%	#	%	
2000	858,844					72,451					
2010	903,006	44,162	5.1%	4,416	0.5%	72,882	431	0.6%	43	0.1%	
2021	955,761	52,755	5.8%	4,796	0.5%	76,383	3,501	4.8%	318	0.4%	
2026	977,301	21,540	2.3%	4,308	0.4%	77,794	1,411	1.8%	282	0.4%	
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change		
		#	%	#	%		#	%	#	%	
2000	310,565					26,735					
2010	331,148	20,583	6.6%	2,058	0.6%	27,635	900	3.4%	90	0.3%	
2021	350,274	19,126	5.8%	1,739	0.5%	29,027	1,392	5.0%	127	0.4%	
2026	358,382	8,108	2.3%	1,622	0.5%	29,582	555	1.9%	111	0.4%	

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



3. Building Permit Trends

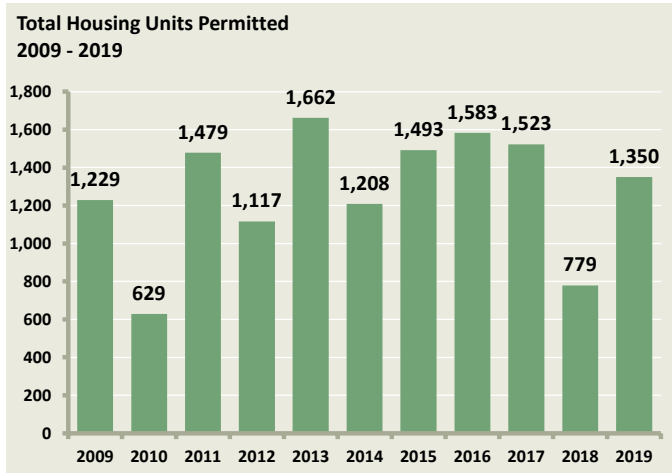
Building permit trends across Norfolk show increased development activity in recent years, especially from 2011 through 2017 (Table 12). The city has averaged 1,277 units permitted annually from 2009 through 2019. Permit activity trends indicate accelerated growth throughout the city starting in 2011, with an annual average of 1,438 units permitted through 2017. An average of 1,069 units have been permitted annually during the last two years. From 2009 through 2019, multifamily units accounted for 51 percent of the new residential supply.



Table 12 Building Permits for New Residential Units, Virginia Beach

Virginia Beach City					
Year	Single - Unit	Two Units	3-4 Units	5+ Units	Ann. Total
2009	503	0	0	726	1,229
2010	529	10	0	90	629
2011	535	2	4	938	1,479
2012	594	10	0	513	1,117
2013	733	0	0	929	1,662
2014	688	0	0	520	1,208
2015	696	0	12	785	1,493
2016	768	0	0	815	1,583
2017	646	0	0	877	1,523
2018	534	0	0	245	779
2019	667	0	0	683	1,350
2009-2019	6,893	22	16	7,121	14,052
Ann. Avg.	627	2	1	647	1,277

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



C. Demographic Characteristics

1. Age Distribution and Household Type

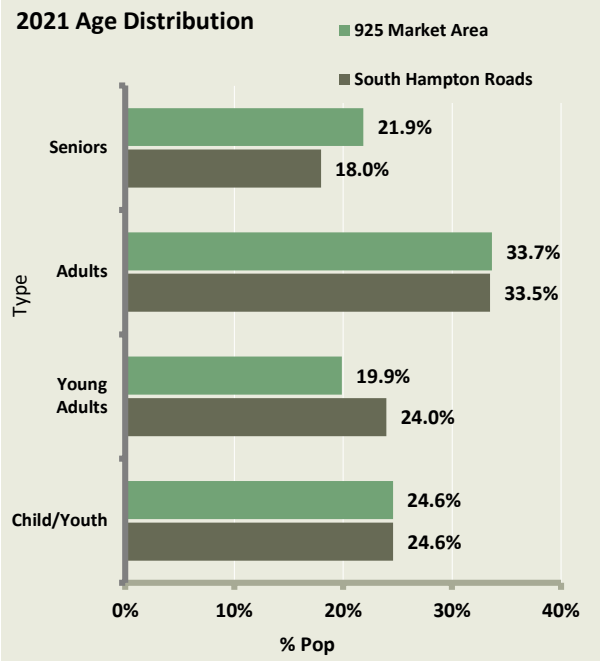
The median age in the 925 Market Area is 38, three years older than the median age of 35 for residents of the South Hampton Roads (Table 13). Young adults comprise a lower percentage of the market area’s population than the South Hampton Roads population – 19.9 percent versus 24.0 percent. Adults ages 35 to 61 account for one third of the populations in both the 925 Market Area (33.7 percent) as well as South Hampton Roads (33.5 percent). Senior citizens aged 62 and older account for 21.9 percent of the primary market area’s population, a larger proportion compared to the 18.0 percent share in South Hampton Roads. Children and youth under age 20 comprise roughly one-quarter of the population in both areas.

According to the 2010 Census, the most common household type in the 925 Market Area were multi-persons without children, comprising 41.3 percent of all market area households and 39.6 percent of all South Hampton Roads households. The percentage of households with children in the 925 Market Area (35.5 percent) was similar to the 35.9 percent share in South Hampton Roads. Individuals living alone – a category that typically includes many young adults and seniors – accounted for almost one-quarter (23.2 percent) of the households in the 925 Market Area, similar to the 24.5 percent of the households throughout South Hampton Roads (Table 14). Married households without children accounted for 26.3 percent of all households in the market area, and 5.8 percent of households fell into the ‘non-family without children’ category, a designation that includes roommate living arrangements and unmarried couples.



Table 13 2021 Age Distribution

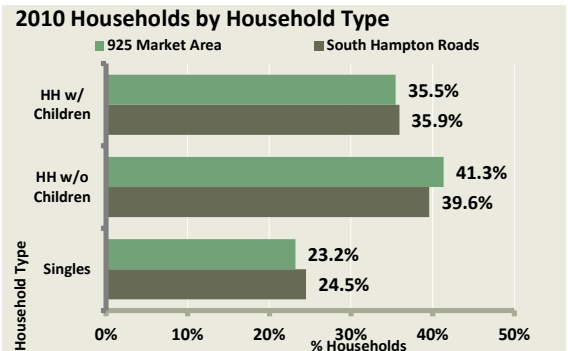
2021 Age Distribution	South Hampton Roads		925 Market Area	
	#	%	#	%
Children/Youth	234,988	24.6%	18,768	24.6%
Under 5 years	56,649	5.9%	4,667	6.1%
5-9 years	56,958	6.0%	4,754	6.2%
10-14 years	58,088	6.1%	4,868	6.4%
15-19 years	63,293	6.6%	4,479	5.9%
Young Adults	229,096	24.0%	15,187	19.9%
20-24 years	80,889	8.5%	4,346	5.7%
25-34 years	148,207	15.5%	10,841	14.2%
Adults	320,094	33.5%	25,722	33.7%
35-44 years	125,637	13.1%	10,029	13.1%
45-54 years	112,831	11.8%	8,838	11.6%
55-61 years	81,625	8.5%	6,854	9.0%
Seniors	171,583	18.0%	16,706	21.9%
62-64 years	34,982	3.7%	2,937	3.8%
65-74 years	80,916	8.5%	7,636	10.0%
75-84 years	39,777	4.2%	4,290	5.6%
85 and older	15,908	1.7%	1,843	2.4%
TOTAL	955,761	100%	76,383	100%
Median Age	35		38	



Source: Esri; RPRG, Inc.

Table 14 2010 Households by Household Type

2010 Households by Household Type	South Hampton Roads		925 Market Area	
	#	%	#	%
Married w/Children	73,353	22.2%	5,271	19.1%
Other w/ Children	45,569	13.8%	4,528	16.4%
Households w/ Children	118,922	35.9%	9,799	35.5%
Married w/o Children	83,823	25.3%	7,256	26.3%
Other Family w/o Children	23,267	7.0%	2,554	9.2%
Non-Family w/o Children	24,057	7.3%	1,616	5.8%
Households w/o Children	131,147	39.6%	11,426	41.3%
Singles	81,079	24.5%	6,410	23.2%
Total	331,148	100%	27,635	100%



Source: 2010 Census; RPRG, Inc.

2. Households by Tenure

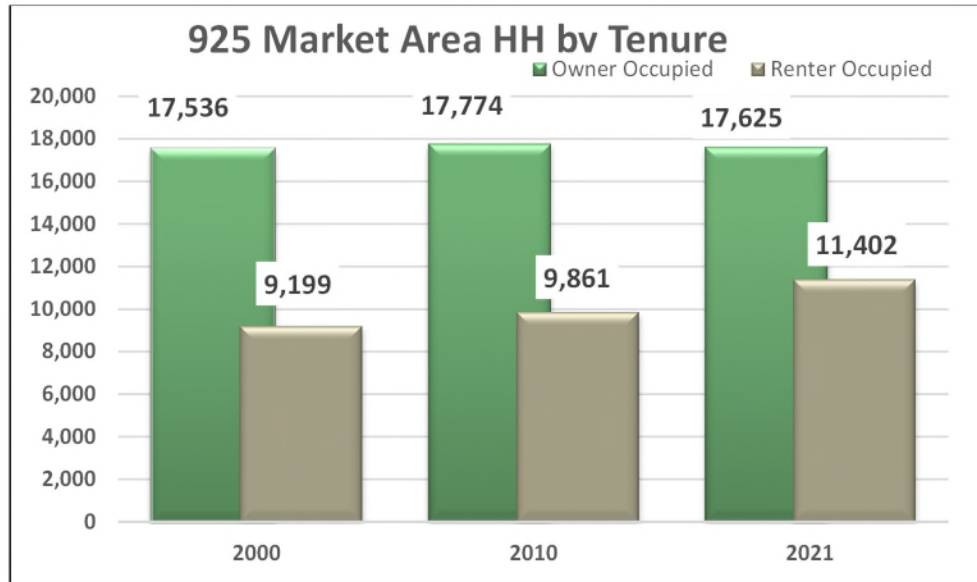
a. Recent Past Trends

The number of renter households in the market area increased 15.6 percent from 9,681 in 2010 to 11,402 in 2021 (Figure 11) for net growth of 1,541 renter households. The number of owner households has decreased by 0.8 percent over the same period. The market area’s average annual household change by tenure over the past 11 years was 140 renter households (1.3 percent) and -14 owner households (-0.1 percent) (Table 15). The blue shaded columns in Table 15 quantify the market area and county’s net growth by tenure over the past 11 years; renter households



contributed all of the 925 Market Area’s net household growth and 85.1 percent of South Hampton Roads’ net growth over this period.

Figure 11 Households by Tenure, 925 Market Area



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

Table 15 Households by Tenure, 2000-2021

South Hampton Roads	2000		2010		2021		Change 2010-2021				% of Change 2010 - 2021
	#	%	#	%	#	%	Total Change		Annual Change		
Housing Units							#	%	#	%	
Owner Occupied	192,881	62.1%	205,143	61.9%	207,989	59.4%	2,846	1.4%	259	0.1%	14.9%
Renter Occupied	117,684	37.9%	126,005	38.1%	142,284	40.6%	16,279	12.9%	1,480	1.1%	85.1%
Total Occupied	310,565	100%	331,148	100%	350,274	100%	19,126	5.8%	1,739	0.5%	100%
Total Vacant	18,800		24,945		29,531						
TOTAL UNITS	329,365		356,093		379,804						

925 Market Area	2000		2010		2021		Change 2010-2021				% of Change 2010 - 2021
	#	%	#	%	#	%	Total Change		Annual Change		
Housing Units							#	%	#	%	
Owner Occupied	17,536	65.6%	17,774	64.3%	17,625	60.7%	-149	-0.8%	-14	-0.1%	-10.7%
Renter Occupied	9,199	34.4%	9,861	35.7%	11,402	39.3%	1,541	15.6%	140	1.3%	110.7%
Total Occupied	26,735	100%	27,635	100%	29,027	100%	1,392	5.0%	127	0.4%	100%
Total Vacant	939		1,298		1,709						
TOTAL UNITS	27,674		28,933		30,736						

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

b. Projected Household Tenure Trends

Esri’s data suggests renter households will account for 16.0 percent of the 925 Market Area’s net household growth over the next five years (Table 16), which is below the trend over the past 11 years and also below the overall renter percentage in 2021. The projection yields annual growth of 18 renter households, well below the trend over of 140 renter households over the past 11



years. Based on the current development activity and past trends this projection appears overly conservative. Given that renters have contributed all net household growth in the past 11 years, we project the renter share of growth will be 69.6 percent. We derived this by averaging 100 percent with the 2021 renter share of 39.3 percent. This projection yields average annual renter household growth of 77 renter households, conservatively lower than the past 11 years but higher than ESRI's original projections of 18 renter households per year.

Table 16 Households by Tenure, 2021-2026

925 Market Area	2021		2026 Esri HH by Tenure		Esri Change by Tenure		Annual Change by Tenure	
	#	%	#	%	#	%	#	%
Housing Units								
Owner Occupied	17,625	60.7%	18,091	61.2%	466	84.0%	93	0.5%
Renter Occupied	11,402	39.3%	11,491	38.8%	89	16.0%	18	0.2%
Total Occupied	29,027	100%	29,582	100%	555	100%	111	0.4%
Total Vacant	1,709		1,848					
TOTAL UNITS	30,736		31,430					

925 Market Area	2021		2026 RPRG HH by Tenure		RPRG Change by Tenure		Annual Change by Tenure	
	#	%	#	%	#	%	#	%
Housing Units								
Owner Occupied	17,625	60.7%	17,794	60.2%	168	30.4%	34	0.2%
Renter Occupied	11,402	39.3%	11,788	39.8%	387	69.6%	77	0.7%
Total Occupied	29,027	100%	29,582	100%	555	100%	111	0.4%
Total Vacant	1,709		1,848					
TOTAL UNITS	30,736		31,430					

Source: Esri, RPRG, Inc.

3. Household Characteristics

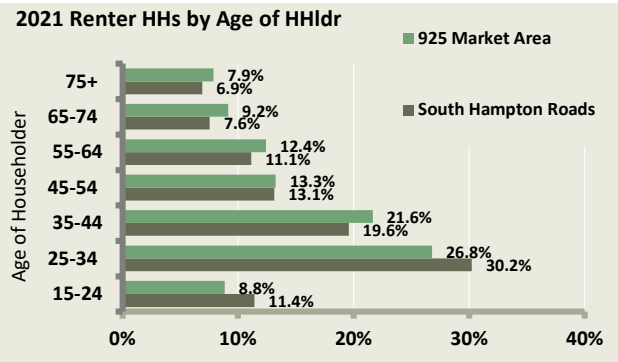
The 925 Market Area has a slightly lower proportion of younger renters than does South Hampton Roads (Table 17). Over one third (35.6 percent) of market area renters as of 2020 are estimated to be below the age of 35 while 41.6 percent are represented throughout South Hampton Roads. Renter households between the ages of 35 and 54 account for 34.9 percent of all renter households within the market area and 32.7 percent of renters in South Hampton Roads. These are the households who are most likely to be permanent renters, renting more out of necessity than lifestyle preference. Seniors aged 55 and older represent 29.5 percent of all renters within the market area and one quarter of all households in the region.



Table 17 Renter Households by Age of Householder

Renter Households	South Hampton Roads		925 Market Area	
	#	%	#	%
15-24 years	16,245	11.4%	1,009	8.8%
25-34 years	43,024	30.2%	3,053	26.8%
35-44 years	27,882	19.6%	2,468	21.6%
45-54 years	18,708	13.1%	1,513	13.3%
55-64 years	15,850	11.1%	1,416	12.4%
65-74 years	10,747	7.6%	1,044	9.2%
75+ years	9,828	6.9%	899	7.9%
Total	142,284	100%	11,402	100%

Source: Esri, Real Property Research Group, Inc.

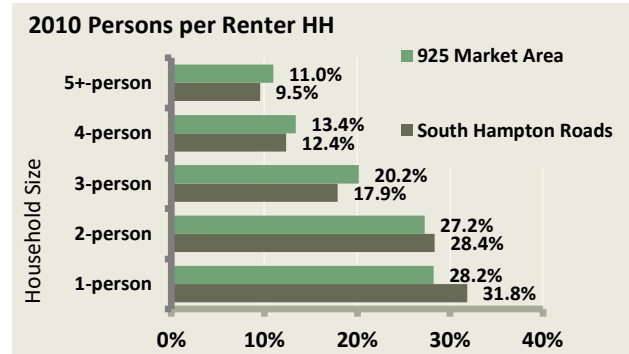


One and two-person households combined for 55.4 percent of the renter households in the 925 Market Area and a greater proportion (60.2 percent) throughout South Hampton Roads, as of the 2010 Census (Table 18). Renter households with three to four members accounted for one-third (33.6 percent) of all renter households in the market area and 30.3 percent throughout the region. Renter households with five or more members were slightly more common in the market area (11.0 percent of renters) than throughout South Hampton Roads (9.5 percent).

Table 18 Renter Households by Household Size

Renter Occupied	South Hampton Roads		925 Market Area	
	#	%	#	%
1-person hhld	40,129	31.8%	2,784	28.2%
2-person hhld	35,744	28.4%	2,687	27.2%
3-person hhld	22,536	17.9%	1,990	20.2%
4-person hhld	15,563	12.4%	1,319	13.4%
5+-person hhld	12,033	9.5%	1,081	11.0%
TOTAL	126,005	100%	9,861	100%

Source: 2010 Census



4. Income Characteristics

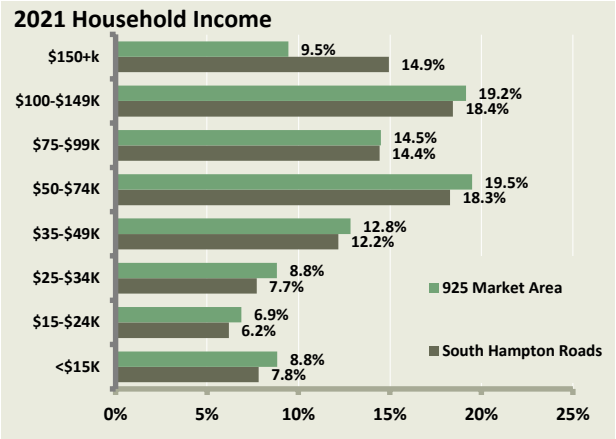
The 925 Market Area is a moderate-income market with lower median income than South Hampton Roads (Table 19). Based on income projections from Esri, RPRG estimates the median annual household income in the 925 Market Area at \$66,168, roughly eight percent lower than the South Hampton Roads overall median household income of \$72,008. Roughly 16 percent market area households have annual incomes below \$25,000 while 22 percent have incomes between \$25,000 and \$50,000. One-fifth of market area households earn \$50,000 to \$74,999, and the highest income households with incomes of \$75,000 or more, account for 43 percent of all households within the market area.



Table 19 2021 Household Income

Estimated 2021 Household Income		South Hampton Roads		925 Market Area	
		#	%	#	%
less than \$15,000		27,406	7.8%	2,566	8.8%
\$15,000 - \$24,999		21,668	6.2%	1,997	6.9%
\$25,000 - \$34,999		27,022	7.7%	2,562	8.8%
\$35,000 - \$49,999		42,667	12.2%	3,727	12.8%
\$50,000 - \$74,999		64,034	18.3%	5,660	19.5%
\$75,000 - \$99,999		50,556	14.4%	4,210	14.5%
\$100,000 - \$149,999		64,591	18.4%	5,559	19.2%
\$150,000 Over		52,329	14.9%	2,745	9.5%
Total		350,274	100%	29,027	100%
Median Income		\$72,008		\$66,168	

Source: Esri; Real Property Research Group, Inc.

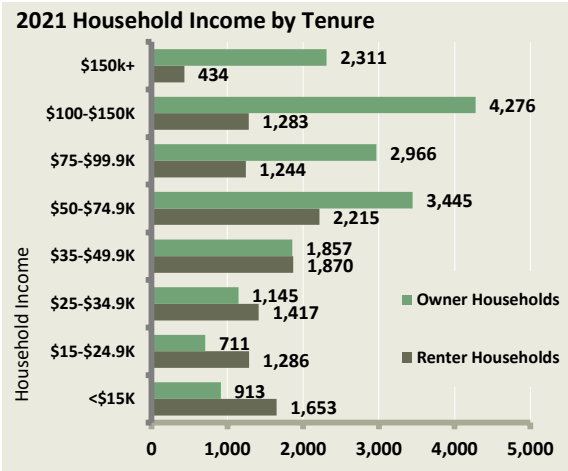


Based on income estimate data from the 2015-2019 ACS, Esri income projections, and RPRG’s household estimates, the median annual income among the market area’s renter households as of 2021 is estimated at \$45,784 (Table 20). The median income of homeowner households in the 925 Market Area (\$81,243) is 77 percent higher than the median renter income. Over one third (38.2 percent) of the market area’s renters have annual incomes below \$35,000. Roughly 36 percent earn between \$35,000 and \$75,000, while the remaining 26 percent have incomes of \$75,000 or more.

Table 20 2021 Household Income by Tenure

Estimated 2021 HH Income		Renter Households		Owner Households	
925 Market Area		#	%	#	%
less than \$15,000		1,653	14.5%	913	5.2%
\$15,000 - \$24,999		1,286	11.3%	711	4.0%
\$25,000 - \$34,999		1,417	12.4%	1,145	6.5%
\$35,000 - \$49,999		1,870	16.4%	1,857	10.5%
\$50,000 - \$74,999		2,215	19.4%	3,445	19.5%
\$75,000 - \$99,999		1,244	10.9%	2,966	16.8%
\$100,000 - \$149,999		1,283	11.3%	4,276	24.3%
\$150,000 over		434	3.8%	2,311	13.1%
Total		11,402	100%	17,625	100%
Median Income		\$45,784		\$81,243	

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



D. Cost-Burdened Renter Households

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



Rent burden data from the 2015-2019 ACS highlights that lower-income renter households in the 925 Market Area tend to pay a very high percentage of their monthly income toward housing costs (Table 21). Over one third (34.5 percent) of all renter households residing in the 925 Market Area have rent burdens of 40 percent or higher; 43.3 percent have rent burdens of 35 percent or higher. The cost-burdened situation of many low- to moderate-income renter households is a primary indicator of a need for new affordable income- and rent-restricted rental housing in the primary market area. Additionally, 3.3 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 925 Market Area

Rent Cost Burden		
Total Households	#	%
Less than 10.0 percent	320	2.9%
10.0 to 14.9 percent	720	6.6%
15.0 to 19.9 percent	1,246	11.3%
20.0 to 24.9 percent	1,201	10.9%
25.0 to 29.9 percent	1,374	12.5%
30.0 to 34.9 percent	1,080	9.8%
35.0 to 39.9 percent	923	8.4%
40.0 to 49.9 percent	846	7.7%
50.0 percent or more	2,774	25.3%
Not computed	494	4.5%
Total	10,978	100.0%
> 35% income on rent	4,543	43.3%
> 40% income on rent	3,620	34.5%

Source: American Community Survey 2015-2019

Substandardness	
Total Households	
Owner occupied:	
Complete plumbing facilities:	17,737
1.00 or less occupants per room	17,528
1.01 or more occupants per room	209
Lacking complete plumbing facilities:	23
Overcrowded or lacking plumbing	232
Renter occupied:	
Complete plumbing facilities:	10,954
1.00 or less occupants per room	10,611
1.01 or more occupants per room	343
Lacking complete plumbing facilities:	24
Overcrowded or lacking plumbing	367
Substandard Housing	599
% Total Stock Substandard	2.1%
% Rental Stock Substandard	3.3%



VII. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the 925 Market Area. We provide data regarding structure types, structure age, and home values from the 2015-2019 American Community Survey. We then report the results of our survey of competitive rental communities in February 2021. Furthermore, we identify residential rental projects actively planned or that currently under construction, based on interviews with local government officials, on-line resources, and RPRG site visit observations.

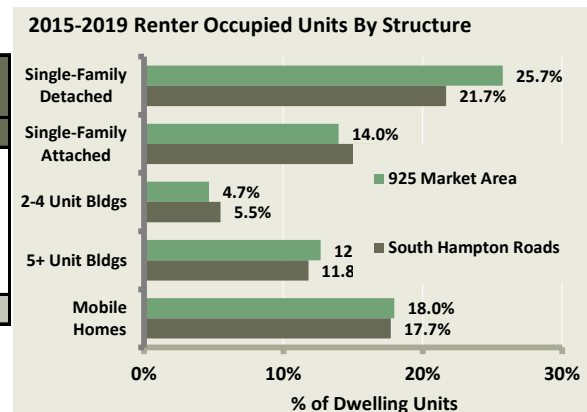
B. Overview of Market Area Housing Stock

Among the renter-occupied housing stock of the 925 Market Area, 42.5 percent is within multifamily structures of five or more units (Table 22). Single-family detached structures comprise 25.7 percent of all market area rental units, and 14.0 percent are among single-family attached structures. Throughout South Hampton Roads, a similar ratio of renter-occupied units were in multi-family structures with five or more units (43.6 percent) and fewer were in single-family detached homes (21.7 percent).

Table 22 Rental Dwelling Units by Structure Type

Renter Occupied Housing Units	South Hampton Roads		925 Market Area	
	#	%	#	%
Single-Family Detached	29,531	21.7%	2,825	25.7%
Single-Family Attached	22,133	16.2%	1,533	14.0%
2-4 Unit Bldgs	23,560	17.3%	1,904	17.3%
5+ Unit Bldgs	59,444	43.6%	4,666	42.5%
Mobile Homes	1,575	1.2%	50	0.5%
Total	136,243	100%	10,978	100%

Source: American Community Survey 2015-2019



The housing stock of the 925 Market Area was slightly older than in South Hampton Roads (Table 23). The median rental unit in the 925 Market Area was constructed in 1978, three years older than the 1981 median year built of the South Hampton Roads rental stock. Homes built in the 1970's represent one quarter 22.1 percent of the market area's rental stock and 18.9 percent of South Hampton Roads. An additional 13.5 percent of market area rental units were built in the 1960's and 20.1 percent were built in the 1980's. Since 2000, only 16.1 percent of all market area renter units were placed in service, compared to 17.0 percent among all South Hampton Roads renter units. Owner occupied housing units are older in the market area, with a median year built if 1971 compared to 1981 throughout the region.



Table 23 Dwelling Units by Tenure and Year Built

Year Built	Owner Occupied				Renter Occupied			
	South Hampton Roads		925 Market Area		South Hampton Roads		925 Market Area	
	#	%	#	%	#	%	#	%
2014 or later	5,411	2.6%	212	1.2%	3,569	2.6%	302	2.8%
2010 to 2013	5,793	2.8%	254	1.4%	5,008	3.7%	483	4.4%
2000 to 2009	22,346	10.8%	1,118	6.3%	14,624	10.7%	981	8.9%
1990 to 1999	30,652	14.8%	957	5.4%	19,012	13.9%	1,368	12.5%
1980 to 1989	46,497	22.4%	2,349	13.2%	27,674	20.3%	2,207	20.1%
1970 to 1979	32,738	15.8%	4,614	26.0%	25,736	18.9%	2,426	22.1%
1960 to 1969	24,666	11.9%	3,840	21.6%	15,929	11.7%	1,482	13.5%
1950 to 1959	23,005	11.1%	3,474	19.6%	11,247	8.3%	901	8.2%
1940 to 1949	7,548	3.6%	451	2.5%	5,868	4.3%	436	4.0%
1939 or earlier	9,038	4.4%	491	2.8%	7,639	5.6%	392	3.6%
TOTAL	207,694	100%	17,760	100%	136,306	100%	10,978	100%
MEDIAN YEAR BUILT	1981		1971		1981		1978	

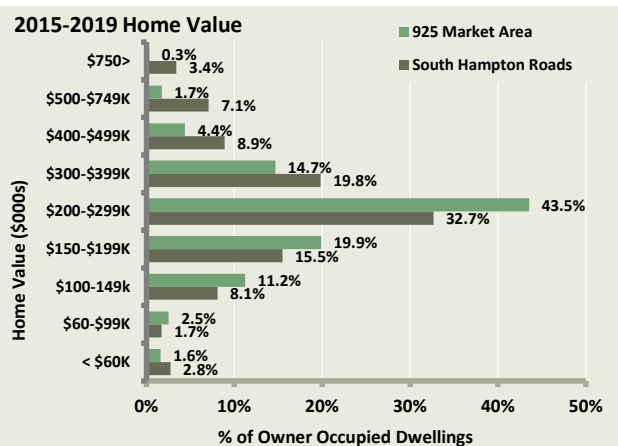
Source: American Community Survey 2015-2019

Per the 2015-2019 ACS, both the 925 Market Area and South Hampton Roads offer moderately priced for-sale housing (Table 24). The median value across the owner-occupied housing stock in the market area was \$233,750. The median homeownership unit in South Hampton Roads as a whole was higher at \$267,127. Affordable homeownership opportunities in the 925 Market Area are limited, as 4.2 percent of all housing units are valued at less than \$100,000 and 15.4 percent are valued at less than \$150,000.

Table 24 Value of Owner-Occupied Housing Stock

2015-2019 Home Value	South Hampton Roads		925 Market Area	
	#	%	#	%
less than \$60,000	5,741	2.8%	290	1.6%
\$60,000 - \$99,999	3,600	1.7%	452	2.5%
\$100,000 - \$149,999	16,801	8.1%	1,995	11.2%
\$150,000 - \$199,999	32,177	15.5%	3,533	19.9%
\$200,000 - \$299,999	67,823	32.7%	7,733	43.5%
\$300,000 - \$399,999	41,194	19.8%	2,608	14.7%
\$400,000 - \$499,999	18,506	8.9%	780	4.4%
\$500,000 - \$749,999	14,719	7.1%	309	1.7%
\$750,000 over	7,133	3.4%	60	0.3%
Total	207,694	100%	17,760	100%
Median Value	\$267,127		\$233,750	

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 subject would compete, RPRG surveyed 24 general occupancy rental communities in the 925 Market Area in February 2021. Twenty properties offer strictly conventional market rate units; four communities are LIHTC properties, one of which includes both market rate and tax credit units.

We have divided the rental communities into three categories for ease of comparison: Upper Tier market rate; Lower Tier market rate; and Affordable/Tax Credit. The four Upper Tier market rate communities represent the most modern and highest priced rental product available within the market area and typically offer an extensive community amenity package. The 15 Lower Tier market rate communities surveyed are lower priced, older communities which are generally more modest in the amenities available to residents. The Affordable/Tax Credit rental communities include older properties that have been purchased and renovated with tax credit equity as well as more recent construction. These communities generally can offer a competitive (or even superior) product as the Lower Tier rental properties. We note that one income-restricted community, Mayfair Apartments, also has market rate units.

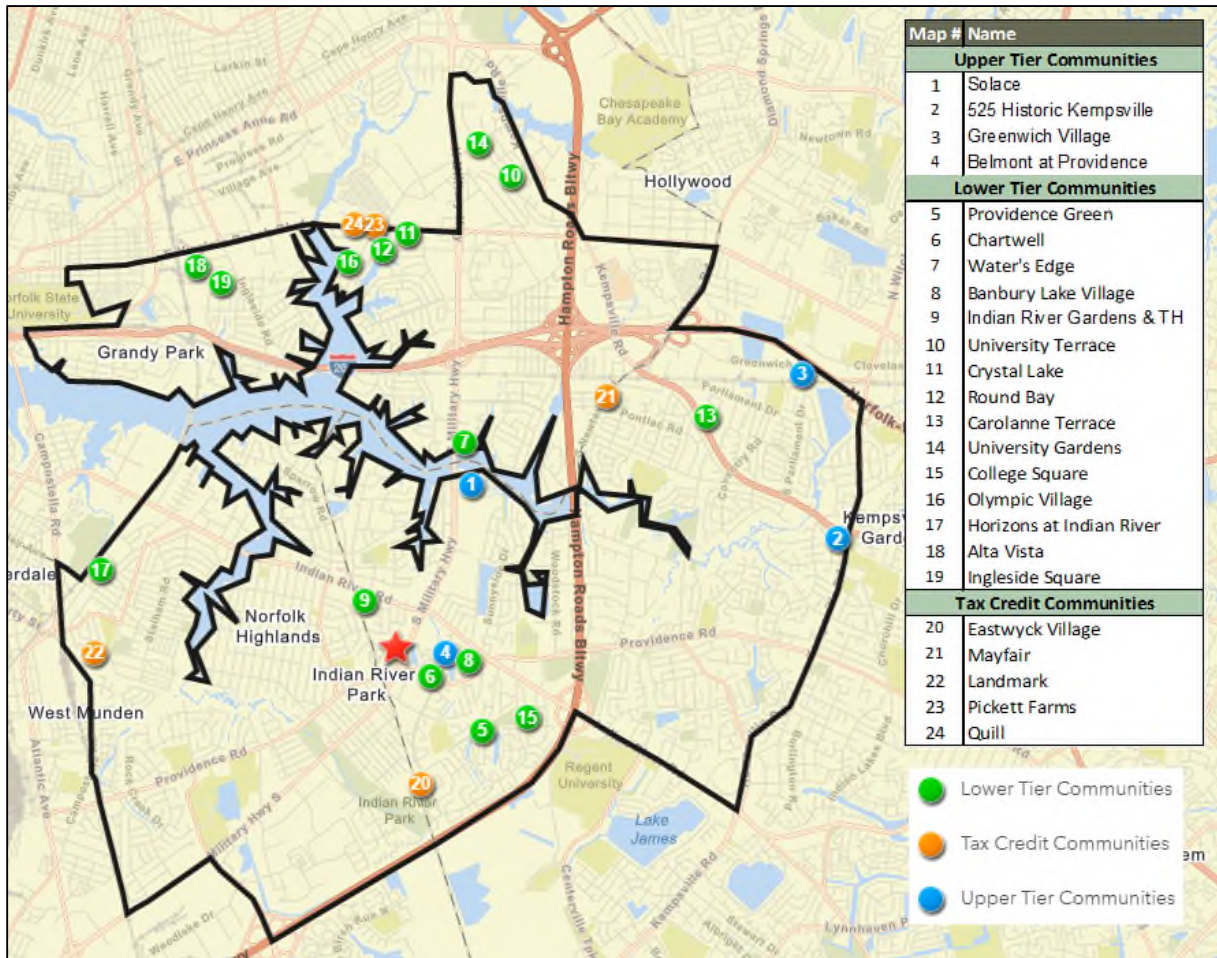
The detailed competitive survey excludes age-restricted senior rental properties; the market area includes a 132-unit LIHTC community restricted to householders aged 62 and older, Shorewood Cove. A separate discussion of rental communities with project-based rental subsidies will be presented later in this section. Profile sheets with detailed information on each surveyed general occupancy community, including photographs, are attached as Appendix 2.

2. Location

Of the five rental communities with income-restricted units, none are in the subject's immediate vicinity. Eastwyck Village is 1.3 miles southeast of the subject along College Park Boulevard and Mayfair is 3.5 miles southwest of the subject along the market area's western border (Map 5). The three remaining tax credit communities are in the northern portion of the market area, north of Virginia Beach Boulevard and west of Military Highway. Of the Upper Tier communities, two are southeast of the subject site along Military Highway and the remaining two are in the eastern portion of the Market Area. Among the Lower Tier market rate communities, most are in Norfolk, north of the Elizabeth River, while five are within the southern portion of the market area.



Map 5 Competitive Rental Communities, 925 Market Area



3. Age of Communities

The surveyed stock of general occupancy rental communities has an average year built of 1983 (Table 25). The Upper Tier market rate rental communities are relatively modern with an average year built of 2013, while the Lower Tier market rate communities are older with an average year built of 1970. One Lower Tier property has undergone significant renovations in 2008. The market area’s four tax credit communities were placed in service from 1974 to 2014 (Mayfair completed significant renovations since 1974 but an exact date is undetermined).

4. Structure Type

Garden-style buildings are the most common with 20 properties having this structure type. Generally, these communities have either two or three stories. All tax credit communities have exclusively garden buildings. The Upper Tier rental communities have a more varied structure type, including one adaptive reuse rental property, two communities with mid-rise buildings, and one garden community. The newest rental community, 525 Historic Kempsville, currently has a limited number of units in a former school building with additional phases including mid-rise buildings.



Table 25 Rental Communities Summary, 925 Market Area

Map #	Community	Year Built	Year Rehab	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
Upper Tier Communities										
1	Solace	2014		Mid Rise	250	2	0.8%	\$1,270	\$1,617	None
2	525 Historic Kempsville	2017		Adapt Reuse	168	1	0.6%	\$1,394	\$1,570	None
3	Greenwich Village	2012		Mid Rise	224	5	2.2%	\$1,317	\$1,494	LRO; None
4	Belmont at Providence	2009		Gar	312	0	0.0%	\$1,152	\$1,453	None
Upper Tier Total					954	8	0.8%			
Upper Tier Average					239			\$1,283	\$1,533	
Lower Tier Communities										
5	Providence Green	1973		Gar	352	1	0.3%	\$1,170	\$1,302	None
6	Chartwell	1976		Gar	192	0	0.0%	\$1,065	\$1,228	Daily Pricing; None
7	Water's Edge	1986		Gar	190	0	0.0%	\$1,085	\$1,220	None
8	Banbury Lake Village	1972		Gar	187	0	0.0%	\$970	\$1,109	None
9	Indian River Gardens & TH	1966	2008	Gar/TH	68	4	5.9%		\$1,114	LRO; None
10	University Terrace	1964		Gar	152	0	0.0%	\$992	\$1,124	None
11	Crystal Lake	1985		Gar	96	0	0.0%		\$1,098	None
12	Round Bay	1962		Gar	64	0	0.0%	\$894	\$1,064	None
13	Carolanne Terrace	1975		Gar	112	0	0.0%		\$1,195	None
14	University Gardens	1962		Gar	192	0	0.0%	\$878	\$1,057	None
15	College Square	1974		TH	282	0	0.0%		\$975	None
16	Olympic Village	1980		Gar	142	1	0.7%	\$839	\$944	\$20-\$50 off select units
17	Horizons at Indian River	1965		Gar	480	3	0.6%		\$942	None
18	Alta Vista	1960		Gar	13	2	15.4%		\$780	None
19	Ingleside Square	1956		Gar	300	5	1.7%	\$710	\$768	None
Lower Tier Total					2,822	16	0.6%			
Lower Tier Average					188			\$956	\$1,061	
Tax Credit Communities										
20	Eastwyck Village	1994		Gar	96	0	0.0%		\$1,036	None
21	Mayfair	1974		Gar	197	4	2.0%	\$847	\$967	None
22	Landmark	1988		Gar	120	3	2.5%		\$875	None
23	Quill	2014		Gar	180	1	0.6%	\$688	\$801	None
24	Pickett Farms	2014		Gar	120	0	0.0%	\$659	\$780	None
Tax Credit Total					713	8	1.1%			
Tax Credit Average					143			\$731	\$892	
Total Average					4,489	32	0.7%			
					187			\$996	\$1,105	

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

(*) Tax Credit Community

Source: Phone Survey, RPRG, Inc. February 2021

5. Size of Communities

The 24 surveyed rental communities include 4,489 market rate and affordable units, with an overall average size of 187 units per community. The average size among the Upper Tier market rate rental communities is larger with 239 units, while the Lower Tier market rate communities have an average size of 188 units. The tax credit communities are smaller with an average of 188 units.

6. Vacancy Rates

As of our survey, 35 of the 4,489 units were reported vacant, yielding a low overall vacancy rate of 0.7 percent. Among the Upper Tier market rate communities, the vacancy rate is 0.8 percent. The Lower Tier market rate communities reported an overall vacancy rate of 0.6 percent, while the tax credit communities are all fully occupied. The low vacancy rates for most market area communities



are indicative of a tight rental market, given that 5.0 percent is a typical stabilized vacancy standard.

7. Rent Concessions

Among the 24 surveyed rental communities, only one market rate rental property is advertising some leasing concessions, one Lower Tier community is offering \$20-\$50 off select units. None of the tax credit communities are offering any leasing concessions.

8. Absorption History

As none of the tax credit properties have been constructed in the past six years, absorption history is unavailable for these communities. Only one Upper Tier community has opened within the past five years. 525 Historic Kempsville opened in August 2016 with a rolling delivery of three phases through December 2017. The property manager reported an average absorption rate of 15 units per month, though delays in unit delivery extended the overall lease-up period.

To provide additional context we obtained absorption history for two tax credit communities in the secondary market area; both are within three miles northeast of the subject site in Virginia Beach:

- **Baker Woods** opened in May 2015 and was fully leased as of October 2015, with an average absorption pace of 19 units per month. However, the lease up pace reflects when the buildings were released for occupancy rather than market interest. Prior to opening, this community had an interest list of over 400 households.
- **Summer Haven** opened in March 2017 with a significant number of pre-leased units. All 54 units were fully leased by June 2017 for an average absorption pace of 19 units per month, and the community now reports an extensive wait list.

D. Analysis of Rental Products and Pricing

1. Payment of Utility Costs

Among the five tax credit communities, one community includes water, sewer, and trash; one property includes gas cooking as well as water, sewer, and trash. Two LIHTC communities include only trash. Among Upper Tier market rate communities, trash removal only is included in monthly rents at one community, while tenants pay all utilities in the remaining properties (Table 26). Among the Lower Tier rental communities, three communities include only trash; five communities include water, sewer, and trash; two include no utilities; and the remainder include various selections of included utilities.

2. Parking

All surveyed rental communities incorporate on-site surface or structured parking at no charge to residents. Three market rate communities offer detached garages for monthly fees of up to \$150.



Table 26 Utility Arrangement and Unit Features, Surveyed Communities

Community	Heat Type	Utilities Included in Rent						Dish-washer	Micro-wave	Parking	In-Unit Laundry	Storage
		Heat	Hot Water	Cooking	Electric	Water	Trash					
Subject Property	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	STD - Full	
Upper Tier Communities												
Solace	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Std	Surface	Std - Full	In Bldg/Fee
525 Historic Kempsville	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	Surface	Std - Full	
Greenwich Village	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Std	Surface	Std - Full	In Bldg/Fee
Belmont at Providence	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Std	Surface	Std - Full	Std - Unit
Lower Tier Communities												
Providence Green	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Std	Surface	Hook Ups	In Bldg/Fee
Chartwell	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std	N/A	Surface	Hook Ups	Std - Bldg
Water's Edge	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	Surface	Std - Full	Std - Unit
Banbury Lake Village	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Std	Surface	Select	Std - Unit
Indian River Gardens & TH	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std	N/A	Surface	Hook Ups	N/A
University Terrace	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Std	N/A	Surface	Select	N/A
Crystal Lake	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	N/A	N/A	Surface	Std - Full	Std - Bldg
Round Bay	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	Surface	N/A	
Carolanne Terrace	Elec	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Std		Surface	Std - Full	
University Gardens	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Std	N/A	Surface	Select	N/A
College Square	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std	N/A	Surface	Hook Ups	Std - Unit
Olympic Village	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	N/A	N/A	Surface	Std - Full	N/A
Horizons at Indian River	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Std	N/A	Surface	Optional/Fee	N/A
Alta Vista	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	N/A	N/A	Surface	N/A	N/A
Ingleside Square	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	tree Parkir	N/A	N/A
Tax Credit Communities												
Eastwyck Village	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Std	N/A	Surface	Hook Ups	Std - Unit
Mayfair	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Std	N/A	Surface		
Landmark	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std	N/A	Surface	N/A	
Quill	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	Surface	STD-Full	
Picket Farms	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	Surface	Std - Full	

Source: Phone Survey, RPRG, Inc. February 2021

3. Kitchen Features & Finishes

All unit kitchens at the surveyed rental communities are equipped with stoves/ranges and refrigerators; three Lower Tier market rate properties do not include dishwashers in units. Microwaves are available in all Upper Tier market rate properties; five Lower Tier communities include microwaves; two income-restricted tax credit communities include microwaves. As expected, the Upper Tier market rate communities have the highest level of finish, including units with granite countertop, stainless steel appliances, laminate wood (or similar) flooring. The level of finish among the Lower Tier market rate and income-restricted rental supply is more basic, generally including laminated countertop and white appliances. Quill and Picket Farms, the newest tax credit rental communities, include black appliances and breakfast bars. Several properties report varying levels of renovation, upgrading unit features as well as building structures.

4. Other Unit Features & Finishes

All Upper Tier market rate communities have an in-unit washer/dryer. Nine Lower Tier communities have this feature in some or all units. Two tax credit communities, Quill and Picket Farms, include in-unit washer/dryers, while Eastwyck Village includes laundry connections and neither Mayfair nor Landmark have in-unit laundry options. Private outdoor space in the form of



patios or balconies is incorporated in some or all of the units at most rental communities. Other features that are available in some rental communities include fireplaces; extra storage; and unit alarms. All of the Upper Tier market rate communities include higher end finishes and extra features, such as high ceilings; designer fixtures; track or recessed lighting; built-in computer nooks, etc.

5. Community Amenities

Almost all of the surveyed rental communities in the 925 Market Area incorporate common area amenities (Table 27). All of the Upper Tier market rate communities include a clubhouse (or dedicated community center space) with fitness center, and outdoor swimming pool. Two communities also have a business center, and one has a playground. The most typical common area amenity among the Lower Tier market rate communities is a swimming pool, available in 12 communities. A clubhouse or community room is available in four Lower Tier market rate properties and four include a fitness room.

Table 27 Community Amenities, Surveyed Rental Communities

Seven Lower Tier properties have playgrounds available for residents, and four have tennis courts. Among the income-restricted rental supply, clubhouses/community rooms and playgrounds are available in all communities. Mayfair and Landmark are the only tax credit communities without a fitness room, and both Quill and Picket Farms have gated entry. Other features available within some newer communities include outdoor grilling areas, dog parks, and walking trails.

Community	Clubhouse	Fitness Room	Pool	Hot Tub	Sauna	Playground	Tennis Court	Business Center	Gated Entry
Subject Property	<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"/>	<input type="checkbox"/>
Upper Tier Communities									
Solace	<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 checked="" type="checkbox"/>	<input type="checkbox"/>
525 Historic Kempsville	<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"/>	<input type="checkbox"/>
Greenwich Village	<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 checked="" type="checkbox"/>	<input type="checkbox"/>
Belmont at Providence	<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"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lower Tier Communities									
Providence Green	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chartwell	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Water's Edge	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Banbury Lake Village	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Indian River Gardens & TH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
University Terrace	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Crystal Lake	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Round Bay	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carolanne Terrace	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
University Gardens	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
College Square	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Olympic Village	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Horizons at Indian River	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alta Vista	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ingleside Square	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tax Credit Communities									
Eastwyck Village	<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"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayfair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Landmark	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quill	<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"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Pickett Farms	<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"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Source: Phone Survey, RPRG, Inc. February 2021



6. Unit Distribution

RPRG obtained unit distribution details for 91 percent of all surveyed units; 76 percent of all Upper Tier units, 93 percent of all Lower Tier units; and 100 percent of all tax credit units (Table 28). The three Upper Tier communities reporting unit distributions are similarly split among one-bedroom units (47.9 percent) and two-bedroom units (48.2 percent). Lower Tier market rate communities are more heavily weighted towards two-bedroom units comprising 72.9 percent, while one-bedroom units make up only 15.0 percent and three-bedroom units account for 12.1 percent. The income-restricted rental supply also has a larger proportion of two-bedroom units (65.5 percent) with one-bedroom units comprising 10.5 percent and three-bedroom units representing 24.0 percent.

7. Unit Size

The average unit sizes for the surveyed Upper Tier market rate units are 842 square feet for the one-bedroom units; 1,143 square feet for two-bedroom units; and 1,363 square feet for three-bedroom units. The Lower Tier market rate units are slightly smaller in size across all unit types with average sizes of 801 square feet for the one-bedroom units; 945 square feet for the two-bedroom units; and 1,172 square feet for the three-bedroom units. Among the tax credit rental supply, units are either in line with or smaller than in the market rate properties with an average of 707 square feet for one-bedroom units; 939 square feet for two-bedroom units; and 1,130 square feet for three-bedroom units.

8. Unit Pricing

The rents listed in Table 28 are net or effective rents, as opposed to street or advertised rents. We applied downward adjustments to street rents to control for current rental incentives. The net rents further reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where base rents only include trash collection expenses, the utility situation for the subject.

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

- One-bedroom rents averaging \$1,291 for 842 square feet, or \$1.53 per square foot.
- Two-bedroom rents averaging \$1,541 for 1,143 square feet, or \$1.35 per square foot.
- Three-bedroom rents averaging \$1,778 for 1,363 square feet, or \$1.30 per square foot.

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

- One-bedroom rents averaging \$949 for 814 square feet, or \$1.17 per square foot.
- Two-bedroom rents averaging \$1,041 for 948 square feet, or \$1.10 per square foot.
- Three-bedroom rents averaging \$1,192 for 1,178 square feet, or \$1.01 per square foot.

Among tax credit communities, the average effective rents are:

- One-bedroom rents averaging \$719 for 707 square feet, or \$1.02 per square foot.
- Two-bedroom rents averaging \$880 for 939 square feet, or \$0.94 per square foot.
- Three-bedroom rents averaging \$1,030 for 1,130 square feet, or \$0.91 per square foot.



Table 28 Unit Distribution, Size and Pricing, Surveyed Communities

Community	Type	Total Units	One Bedroom Units			Two Bedroom Units			Three Bedroom Units					
			Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF
Subject Property - 40% AMI	Gar	13	4	\$485	718	\$0.68	7	\$565	965	\$0.59	2	\$640	1,153	\$0.56
Subject Property - 50% AMI	Gar	51	7	\$625	718	\$0.87	31	\$735	965	\$0.76	13	\$845	1,153	\$0.73
Subject Property - 60% AMI	Gar	92	18	\$845	690	\$1.22	60	\$1,010	965	\$1.05	14	\$1,145	1,160	\$0.99
Subject Property - 70% AMI	Gar	51	7	\$940	718	\$1.31	31	\$1,165	965	\$1.21	13	\$1,250	1,153	\$1.08
Subject Property - 80% AMI	Gar	13	4	\$975	718	\$1.36	7	\$1,225	965	\$1.27	2	\$1,325	1,153	\$1.15
Upper Tier Communities														
Solace	Mid Rise	250	131	\$1,270	890	\$1.43	119	\$1,617	1,289	\$1.25				
525 Historic Kempsville	Adaptive Reuse	168	62	\$1,384	935	\$1.48	88	\$1,560	1,069	\$1.46	16	\$1,894	1,476	\$1.28
Greenwich Village	Mid Rise	224		\$1,317	744	\$1.77		\$1,494	1,115	\$1.34				
Belmont at Providence	Gar	312	156	\$1,152	799	\$1.44	144	\$1,453	1,099	\$1.32	12	\$1,642	1,249	\$1.31
Upper Tier Total/Average	Total/Average	954		\$1,281	842	\$1.52		\$1,531	1,143	\$1.34		\$1,768	1,363	\$1.30
Upper Tier Unit Distribution	Unit Distribution	728	349				351				28			
Upper Tier % of Total	% of Total	76.3%	47.9%				48.2%				3.8%			
Lower Tier Communities														
Providence Green	Gar	352	72	\$1,170	912	\$1.28	266	\$1,302	1,101	\$1.18	14	\$1,428	1,269	\$1.13
Chartwell	Gar	192	32	\$1,055	920	\$1.15	128	\$1,218	1,092	\$1.11	32	\$1,315	1,287	\$1.02
Water's Edge	Gar	190		\$1,060	642	\$1.65		\$1,190	910	\$1.31				
Banbury Lake Village	Gar	187	85	\$970	781	\$1.24	67	\$1,109	990	\$1.12	35	\$1,185	1,318	\$0.90
Indian River Gardens & TH	Gar/TH	68					60	\$1,104	815	\$1.36	8	\$1,330	866	\$1.54
University Terrace	Gar	152	36	\$962	1,005	\$0.96	104	\$1,089	1,205	\$0.90	12	\$1,315	1,604	\$0.82
Crystal Lake	Gar	96					96	\$1,068	1,094	\$0.98				
Round Bay	Gar	64	20	\$879	729	\$1.21	40	\$1,049	1,000	\$1.05	4	\$1,153	1,050	\$1.10
Carolanne Terrace	Gar	112					112	\$1,035	950	\$1.09				
University Gardens	Gar	192	68	\$858	765	\$1.12	112	\$1,032	959	\$1.08	12	\$1,170	1,404	\$0.83
College Square	TH	282					190	\$965	1,000	\$0.97	92	\$1,135	1,180	\$0.96
Olympic Village	Gar	142	52	\$814	850	\$0.96	90	\$914	912	\$1.00				
Horizons at Indian River	Gar	480					416	\$907	740	\$1.23	64	\$998	920	\$1.08
Alta Vista	Gar	13					13	\$750	680	\$1.10				
Ingleside Square	Gar	300	27	\$685	720	\$0.95	246	\$738	770	\$0.96	27	\$793	880	\$0.90
Lower Tier Total/Average	Total/Average	2,822		\$939	814	\$1.15		\$1,031	948	\$1.09		\$1,182	1,178	\$1.00
Lower Tier Unit Distribution	Unit Distribution	2,632	392				1,940				300			
Lower Tier % of Total	% of Total	93.3%	14.9%				73.7%				11.4%			
Tax Credit Communities														
Eastwyck Village - 60%*	Gar	96					72	\$1,006	850	\$1.18	24	\$1,167	1,025	\$1.14
Quill - 60%*	Gar	91	14	\$822	720	\$1.14	59	\$986	1,035	\$0.95	18	\$1,130	1,222	\$0.92
Mayfair - MKT (^)	Gar	122	22	\$860	682	\$1.26	75	\$980	900	\$1.09	25	\$1,150	1,112	\$1.03
Pickett Farms - 60%	Gar	60	9	\$796	720	\$1.05	39	\$944	1,035	\$0.86	12	\$1,081	1,222	\$0.83
Mayfair - 60%*	Gar	25					20	\$960	900	\$1.07	5	\$1,200	1,112	\$1.08
Landmark - 60%	Gar	120					72	\$875	757	\$1.16	48	\$1,000	922	\$1.08
Mayfair - 50%*	Gar	32	6	\$800	682	\$1.17	21	\$925	900	\$1.03	5	\$1,127	1,112	\$1.01
Quill - 40%*	Gar	89	13	\$514	720	\$0.71	58	\$615	1,035	\$0.59	18	\$701	1,222	\$0.57
Pickett Farms - 40%	Gar	60	9	\$521	720	\$0.66	39	\$616	1,035	\$0.54	12	\$702	1,222	\$0.51
Tax Credit Total/Average	Total/Average	695		\$719	707	\$1.02		\$879	939	\$0.94		\$1,029	1,130	\$0.91
Tax Credit Unit Distribution	Unit Distribution	695	73				455				167			
Tax Credit % of Total	% of Total	100.0%	10.5%				65.5%				24.0%			
Total/Average	Total/Average	4,471		\$929	779	\$1.19		\$1,044	968	\$1.08		\$1,159	1,167	\$0.99
Unit Distribution	Unit Distribution	4,055	814				2,746				495			
% of Total	% of Total	90.7%	20.1%				67.7%				12.2%			

(1) Rent is adjusted to include only Incentives

Source: Phone Survey, RPRG, Inc. February 2021

(*) Tax Credit Community

(^) Mayfair includes a small number of four-bedroom units

E. Subsidized Rental Communities & Housing Choice Voucher Statistics

RPRG did not identify any multifamily rental community within the market with project-based rental subsidies, commonly referred to as “deep” subsidy rental housing. Deep subsidy units include those where rental assistance is provided in the form of project-based Section 8 rent subsidies or other governmental programs, such as in public housing. In many subsidized arrangements, tenants pay an amount roughly equivalent to 30 percent of their income toward housing costs (rents plus utility costs), while the rent subsidy covers the remainder of the relevant housing costs.



The Department of Housing and Neighborhood Preservation with the City of Virginia Beach administers the Housing Choice Voucher (HCV) program for Virginia Beach residents. While we were unable to contact this entity for an update, previous data provided by Andrew Friedman, Director indicates that there are 2,059 vouchers. Of these, 1,959 (95.0 percent) are actively utilized at this time. The waiting list for the HCV program is extensive with roughly 10,000 active applications. Of these, the screening preference make-up is as follows: over 1,500 persons are homeless; 7,500 are comprised of families with children; 200 are elderly/disabled; and over 200 are veterans.

In addition, the HCV program in Norfolk is administered by the Norfolk Redevelopment and Housing Authority (NRHA). We were unable to reach NRHA for an update, but previous data showed that NRHA administers approximately 2,800 vouchers throughout the city, with over 8,000 people currently on a waiting status for their HCV Standard waitlist.

F. Derivation of Market Rent

To better understand how the proposed contract rents for 925 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 offer a value relative to market-rate rent levels within a given market area. The rent derived for bedroom type is not to be confused with an appraisal or rent comparability study (RCS) based approach, which is more specific as it compares specific models in comparable rental communities to specific floor plans at the subject and is used for income/expense analysis and valuation.

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

The derivation of achievable rent calculations for the 60 percent of AMI units are displayed in Table 29, Table 30, and Table 31. The results of the calculations are summarized in Table 32. The assumptions used in the calculations are shown in Table 33.



Table 29 Market Rent Analysis, One-Bedroom Units

One Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
925 Apartments 925 S Military Highway Virginia Beach, VA	Providence Green		Solace		Belmont at Providence		
	1101 Craftsman Dr		400 S Military Highway		6324 Rockbrook Lane		
	Virginia Beach	VA	Norfolk	VA	Virginia Beach	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60% AMI	\$845	\$1,170	\$0	\$1,270	\$0	\$1,152	\$0
Utilities Included	T	None	\$10	T	\$0	None	\$10
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$845	\$1,180		\$1,270		\$1,162	
<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/2	\$0	Mid/4	(\$25)	Garden/3	\$0
Year Built / Renovated	2023	1973	\$38	2014	\$7	2009	\$11
Quality/Street Appeal	Excellent	Average	\$20	Excellent	\$0	Excellent	\$0
Location	Above Average	Average	\$10	Average	\$10	Above Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	1	1	\$0	1	\$0	1	\$0
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0
Unit Interior Square Feet	690	912	(\$56)	789	(\$25)	798	(\$27)
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	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Washer / Dryer: In Unit	Yes	No	\$25	Yes	\$0	Yes	\$0
Washer / Dryer: Hook-ups	No	Yes	(\$5)	No	\$0	No	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Club House	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Recreation Areas	Yes	No	\$5	Yes	\$0	Yes	\$0
Fitness Center	Yes	No	\$10	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		6	2	2	2	1	1
Sum of Adjustments B to D		\$108	(\$61)	\$17	(\$50)	\$11	(\$27)
F. Total Summary							
Gross Total Adjustment		\$169		\$67		\$38	
Net Total Adjustment		\$47		(\$33)		(\$16)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,227		\$1,237		\$1,146	
% of Effective Rent		104.0%		97.4%		98.6%	
Estimated Market Rent	\$1,203						
Rent Advantage \$	\$358						
Rent Advantage %	29.8%						



Table 30 Market Rent Analysis, Two-Bedroom Units

Two Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
925 Apartments 925 S Military Highway Virginia Beach, VA	Providence Green		Solace		Belmont at Providence		
	1101 Craftsman Dr		400 S Military Highway		6324 Rockbrook Lane		
	Virginia Beach	VA	Norfolk	VA	Virginia Beach	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60% AMI	\$1,010	\$1,302	\$0	\$1,617	\$0	\$1,453	\$0
Utilities Included	T	None	(\$20)	T	\$0	None	\$10
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$1,010	\$1,282		\$1,617		\$1,463	
<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/2	\$0	Mid/4	(\$25)	Garden/3	\$0
Year Built / Condition	2023	1973	\$38	2014	\$7	2009	\$11
Quality/Street Appeal	Excellent	Average	\$20	Excellent	\$0	Excellent	\$0
Location	Above Average	Average	\$10	Average	\$10	Above Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	2	2	\$0	2	\$0	2	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0
Unit Interior Square Feet	965	1,101	(\$34)	1,162	(\$49)	1,130	(\$41)
Balcony / Patio / Porch	Yes	Yes	\$0	Yes	\$0	Yes	\$0
AC: (C)entral / (W)all / (N)on	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Washer / Dryer: In Unit	Yes	No	\$25	Yes	\$0	Yes	\$0
Washer / Dryer: Hook-ups	No	Yes	(\$5)	No	\$0	No	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Club House	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Recreation Areas	Yes	No	\$5	Yes	\$0	Yes	\$0
Fitness Center	Yes	No	\$10	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		6	2	2	2	1	1
Sum of Adjustments B to D		\$108	(\$39)	\$17	(\$74)	\$11	(\$41)
F. Total Summary							
Gross Total Adjustment		\$147		\$91		\$52	
Net Total Adjustment		\$69		(\$57)		(\$30)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,351		\$1,560		\$1,433	
% of Effective Rent		105.4%		96.5%		97.9%	
Estimated Market Rent	\$1,448						
Rent Advantage \$	\$438						
Rent Advantage %	30.2%						



Table 31 Market Rent Analysis, Three-Bedroom Units

Three Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
925 Apartments 925 S Military Highway Virginia Beach, VA	Providence Green		Solace		Belmont at Providence		
	1101 Craftsman Dr		400 S Military Highway		6324 Rockbrook Lane		
	Virginia Beach	VA	Norfolk	VA	Virginia Beach	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60% AMI	\$1,145	\$1,428	\$0	\$1,617	\$0	\$1,642	\$0
Utilities Included	T	None	(\$25)	T	\$0	None	\$10
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$1,145	\$1,403		\$1,617		\$1,652	
<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/2	\$0	Mid/4	(\$25)	Garden/3	\$0
Year Built / Condition	2023	1973	\$38	2014	\$7	2009	\$11
Quality/Street Appeal	Excellent	Average	\$20	Excellent	\$0	Excellent	\$0
Location	bove Average	Average	\$10	Average	\$10	Above Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	3	3	\$0	2	\$25	3	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0
Unit Interior Square Feet	1,160	1,269	(\$27)	1,397	(\$59)	1,249	(\$22)
Balcony / Patio / Porch	Yes	Yes	\$0	Yes	\$0	Yes	\$0
AC: (C)entral / (W)all / (N)on	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Washer / Dryer: In Unit	Yes	No	\$25	Yes	\$0	Yes	\$0
Washer / Dryer: Hook-ups	No	Yes	(\$5)	No	\$0	No	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Club House	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Recreation Areas	Yes	No	\$5	Yes	\$0	Yes	\$0
Fitness Center	Yes	No	\$10	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		6	2	3	2	1	1
Sum of Adjustments B to D		\$108	(\$32)	\$42	(\$84)	\$11	(\$22)
F. Total Summary							
Gross Total Adjustment		\$140		\$126		\$33	
Net Total Adjustment		\$76		(\$42)		(\$11)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,479		\$1,575		\$1,641	
% of Effective Rent		105.4%		97.4%		99.3%	
Estimated Market Rent	\$1,565						
Rent Advantage \$	\$420						
Rent Advantage %	26.8%						



Table 32 Market Rent Advantage Summary

	One Bedroom	Two Bedroom	Three Bedroom
40% AMI Units	Units	Units	Units
Subject Rent	\$485	\$565	\$640
Estimated Market Rent	\$1,203	\$1,448	\$1,565
Rent Advantage (\$)	\$718	\$883	\$925
Rent Advantage (%)	59.7%	61.0%	59.1%
	One Bedroom	Two Bedroom	Three Bedroom
50% AMI Units	Units	Units	Units
Subject Rent	\$625	\$735	\$845
Estimated Market Rent	\$1,203	\$1,448	\$1,565
Rent Advantage (\$)	\$578	\$713	\$720
Rent Advantage (%)	48.1%	49.2%	46.0%
	One Bedroom	Two Bedroom	Three Bedroom
60% AMI Units	Units	Units	Units
Subject Rent	\$845	\$1,010	\$1,145
Estimated Market Rent	\$1,203	\$1,448	\$1,565
Rent Advantage (\$)	\$358	\$438	\$420
Rent Advantage (%)	29.8%	30.2%	26.8%
	One Bedroom	Two Bedroom	Three Bedroom
70% AMI Units	Units	Units	Units
Subject Rent	\$940	\$1,165	\$1,250
Estimated Market Rent	\$1,203	\$1,448	\$1,565
Rent Advantage (\$)	\$263	\$283	\$315
Rent Advantage (%)	21.9%	19.5%	20.1%
	One Bedroom	Two Bedroom	Three Bedroom
80% AMI Units	Units	Units	Units
Subject Rent	\$975	\$1,225	\$1,325
Estimated Market Rent	\$1,203	\$1,448	\$1,565
Rent Advantage (\$)	\$228	\$223	\$240
Rent Advantage (%)	19.0%	15.4%	15.3%



Table 33 Market Rent Advantage – Adjustment Table

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

After adjustments, the estimated market rent for a one-bedroom unit is \$1,203, providing the subject’s 60 percent of AMI one-bedroom units with a market advantage of 29.8 percent. The estimated market rent for two-bedroom/two bath unit is \$1,448, resulting in the subject’s 60 percent of AMI units having a 30.2 percent rent advantage. The estimated market rent for three-bedroom/two bath unit is \$1,565, resulting in the subject’s 60 percent of AMI units having a 26.8 percent rent advantage. Market rent advantages among all other subject floorplans and income targets range from 15.3 percent for three-bedroom 80 percent AMI units to 61.0 percent for two-bedroom 40 percent AMI units.

G. Achievable Restricted Rents

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

As shown in Table 34, all of the maximum LIHTC rents are at or below estimated adjusted market rents.



Table 34 Achievable Tax Credit Rent

40% AMI Units	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
Estimated Market Rent	\$1,203	\$1,448	\$1,565
Less 10%	\$1,083	\$1,303	\$1,409
Maximum LIHTC Rent*	\$539	\$639	\$718
Achievable Rent	\$539	\$639	\$718
SUBJECT RENT	\$485	\$565	\$640
50% AMI Units	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
Estimated Market Rent	\$1,203	\$1,448	\$1,565
Less 10%	\$1,083	\$1,303	\$1,409
Maximum LIHTC Rent*	\$693	\$824	\$932
Achievable Rent	\$693	\$824	\$932
SUBJECT RENT	\$625	\$735	\$845
60% AMI Units	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
Estimated Market Rent	\$1,203	\$1,448	\$1,565
Less 10%	\$1,083	\$1,303	\$1,409
Maximum LIHTC Rent*	\$848	\$1,010	\$1,147
Achievable Rent	\$848	\$1,010	\$1,147
SUBJECT RENT	\$845	\$1,010	\$1,145
70% AMI Units	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
Estimated Market Rent	\$1,203	\$1,448	\$1,565
Less 10%	\$1,083	\$1,303	\$1,409
Maximum LIHTC Rent*	\$1,003	\$1,196	\$1,361
Achievable Rent	\$1,003	\$1,196	\$1,361
SUBJECT RENT	\$940	\$1,165	\$1,250
80% AMI Units	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
Estimated Market Rent	\$1,203	\$1,448	\$1,565
Less 10%	\$1,083	\$1,303	\$1,409
Maximum LIHTC Rent*	\$1,158	\$1,382	\$1,576
Achievable Rent	\$1,083	\$1,303	\$1,409
SUBJECT RENT	\$975	\$1,225	\$1,325

*Assumes utility allowances of \$80 1BR; \$104 2BR; \$140 avg 3BR

H. Proposed and Pipeline Rental Communities

RPRG pursued several avenues of research to identify residential rental projects that are actively being planned or that are currently under construction within the 925 Market Area. In the course of research, we obtained information on proposed developments through communication with



Paula Shea, Principal Planner with the City of Norfolk; Kim Dotson, Development Services/Planning Department with the City of Virginia Beach; and the Planning Department for the City of Chesapeake. We also accessed listings of projects that recently received or applied for allocations of Low-Income Housing Tax Credits from the Virginia Housing Development Authority (VHDA). Lastly, we relied upon previous work conducted in Virginia Beach, Chesapeake, and Norfolk over the past several years.

The pipeline communities are divided into two categories: near term and long term. Near term projects include those that are under construction and those that we believe have the greatest likelihood of delivering in the next three years. Near term projects are 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. Long term projects also include those for which rezoning, or site plan approval is still required.

Through our research, RPRG did not identify any near term or long-term pipeline projects in the 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 925 Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

925 Apartments will be located in a highly visible area along Military Highway, in a vibrant corridor containing commercial, residential, and industrial uses in the vibrant South Hampton Roads region.

- The site will benefit from significant drive-by visibility from Military Highway, a primary arterial connecting Chesapeake, Virginia Beach, and Norfolk.
- The subject site is located within minutes of Downtown Norfolk, amongst a rich amenity base including numerous dining, shopping, retail, and recreational options.
- The subject's location along the Military Highway corridor provides numerous opportunities for convenience and comparison retail shopping. Nearby retail nodes in Norfolk, Virginia Beach, and Chesapeake offer residents all of the necessary community amenities within a short drive. The region's largest concentration of retail amenities is along the Military Highway corridor centered on Military Circle Mall, three miles north of the subject site.
- Transforming the parcel of land from its current use as a contractor's yard used by a civil engineering firm into a high quality, affordable rental community will provide an asset to the community and will contribute to highest and best land use along the Military Highway.
- The subject site is appropriate for affordable multifamily rental housing.

2. Economic Context

Monthly unemployment rates improved significantly in second half of 2020 following a spike due to COVID-19. Virginia Beach represents one of the primary economic engines for the Hampton Roads region. The city's unemployment rate has consistently declined since 2010, while At-Place Employment reached its highest point since 2008 in 2019, despite annual fluctuations.

- The Virginia Beach labor force has expanded steadily the last seven years after a brief small decline in 2012. The city attained unemployment rates have remained below both the state and national averages from the past ten years. Virginia Beach's most recent annual average unemployment rate of 2.7 percent in 2019 represents a significant drop from the recession-era high of 6.5 percent in 2010 and is lower than the 3.7 percent national rate. Monthly unemployment data shows a rapid improvement to 4.2 percent unemployment by November 2020, one-third of the April 2020 unemployment rate at the onset of the COVID-19 pandemic.
- The 925 Market Area is commuter-oriented with one fifth (19.9 percent) of workers reporting commute times of 15 minutes or less, while 42 percent commuted 15 to 24 minutes, and 34.5 percent commuted 25 or more minutes. Approximately 51 percent of workers residing in the market commute to another Virginia municipality other than their place of residence.
- Virginia Beach At-Place Employment has ranged from a low of 155,799 jobs in 2012 to the highest number in the past ten years, 179,379 jobs in 2019. Since 2013, job growth has averaged almost 1,660 jobs per year through 2019, though most of these gains took place in 2016 and 2017. At-Place Employment decreased by 12,637 jobs during the first half of 2020 as

the COVID-19 pandemic began to affect the market area and nation as a whole. As illustrated by monthly unemployment data, most of these losses are expected to be temporary.

- Virginia Beach's economy is well diversified across many sectors, including four sectors accounting for more than 15 percent or more of jobs: 17.4 percent of jobs are within the Government sector, followed by Professional-Business (15.9 percent), Trade-Transportation-Utilities (15.8 percent), and Education-Health (15.5 percent).

3. Demographic Analysis

The 925 Market Area's household base increased at a steady pace between 2000 and 2021, with continued household growth projected for the next five years.

- The 925 Market Area added a net of over 1,392 households, representing growth of 5.0 percent, from 2010 to 2021. As of 2021, an estimated 29,027 households reside in the 925 Market Area. Based on Esri trends, RPRG projects that the market area will add households at an average net rate of 0.4 percent (111 households) per year from 2021 to 2026.
- Nearly two-fifths (39.3 percent) of households in the 925 Market Area are renters as of 2021. Over one third (35.9 percent) of market area renters as of 2021 are under the age of 35, and renter households between the ages of 35 and 54 account for 33.7 percent of all renter households within the market area. These are the households who are most likely to be permanent renters, renting more out of necessity than lifestyle preference.
- The estimated 2021 median household income in the 925 Market Area is \$66,168, roughly eight percent lower than the South Hampton Roads overall median household income of \$72,008. The 925 Market Area's median income among renter households is \$45,784 per year. Over one-third (38.2 percent) of the market area's renters have annual incomes below \$35,000.
- Over one-third (34.5 percent) of all renter households residing in the 925 Market Area have rent burdens of 40 percent or higher; 43.3 percent have rent burdens of 35 percent or higher. This excludes those households who reside in subsidized rent situations as their housing expenses are capped at 30 percent of their income.

4. Competitive Housing Analysis

The market area competitive multifamily stock is divided into three categories for ease of comparison: Upper Tier market rate; Lower Tier market rate; and Affordable/Tax Credit. The 925 Market Area's multi-family stock is performing well with low vacancy rates among market rate and LIHTC communities, indicating strong demand for housing.

- Multifamily housing in the 925 Market Area has an average year built of 1983, with Upper Tier and Tax Credit communities being newer than the Lower Tier. The aggregate vacancy rate is 0.7 percent among 4,489 units including 1.1 percent amount 713 LIHTC units. The low vacancy rates for most market area communities are indicative of a tight rental market.
- The effective rents for Upper Tier one-bedroom units average \$1,291 (\$1.53 per square foot); the two-bedroom units average \$1,541 (\$1.35 per square foot); and the three-bedroom units average \$1,778 (\$1.30 per square foot).
- The Lower Tier rental communities have an average year built of 1970 with just one community undergoing renovation in 2008. The effective rents for Lower Tier market rate one-bedroom apartments average \$949 (\$1.17 per square foot); two-bedroom units average \$1,041 (\$1.10 per square foot); and three-bedroom units average \$1,192 (\$1.01 per square foot).



- Only five income-restricted communities (non-deeply subsidized) are currently in the 925 Market Area; all operate under LIHTC guidelines. Effective rents for affordable one-bedroom apartments average \$719 (\$1.02 per square foot); two-bedroom units average \$880 (\$0.94 per square foot); and three-bedroom units average \$1,030 (\$0.91 per square foot).
- RPRG did not identify any pipeline communities in the market area.

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 925 Apartments plus those units proposed at other pipeline rental communities that are expected to be brought online over a coming three-year period. The result of this analysis can be either a positive number (which shows the extent to which available demand for rental units would exceed available supply) or a negative number (which shows the extent to which available supply would exceed the number of units needed/demanded over the period in question). The closer the concluded number is to zero, the closer the rental market would be to an effective balance of supply and demand.

The three-year period in question for this analysis is the period from February 2020 through February 2023. We restrict the analysis to a three-year period in part to avoid artificially inflating demand by incorporating demand that would not be created until well after the subject project was introduced to the market and in part due to the difficulty in accurately predicting the likely supply of competing rental units beyond the three-year period.

RPRG's Derivation of Demand calculation is a gross analysis, meaning that the calculation balances the demand for new rental housing units of all types (i.e., luxury market-rate, more affordable market-rate, tax credit, rent-subsidized, and age-restricted) versus the upcoming supply of rental housing units of all types. The Derivation of Demand calculation is an incremental or net analysis, in that it focuses on the change in demand over the period in question as opposed to focusing on the market's total demand. Considerations such as household incomes and the floor plan types and proposed rents for the subject and other pipeline projects are not factored into the Derivation of Demand; rather, we address the interplay of these factors within the Affordability Analysis and Penetration Analysis in the next section of this report. Given today's rapidly changing environment, we conduct a net demand analysis based on current available data and a sensitivity analysis reflecting impact of COVID-19.

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

- **Projected Change in the Household Base.** Recall that in the Growth Trends section of this report, we presented projections of household change within the primary market area over the 2010 to 2026 period. We factor in three years' worth of the household change suggested by the annual rate of household growth or decline (2021 to 2024). Note that net household change incorporates growth or decline stemming from both organic changes within existing households (i.e., new household formation as children move out of their parents' homes, divorces, roommates electing to begin renting separately) and household migration into and out of the market area.
- **Need for Housing Stock Upgrades.** Demand for new housing units within a primary market area is generated when the stock of available housing units ceases to meet the housing needs



of households that wish to remain residents of that primary market. In such instances, the housing stock needs to be upgraded either through the renovation of existing units or the construction of new units. That a particular housing unit has ceased to meet the housing needs of a market area's households becomes evident in any number of ways, including:

- **Physical Removal or Demolition.** Clearly, if a unit is demolished or otherwise physically removed from a market, it is no longer available to serve local households. Many factors contribute to the removal of housing units. Housing units are occasionally removed from any given market through disasters such as fires and various types of weather phenomenon. While such disasters occur somewhat randomly, the decision whether to repair or demolish a unit is based on the economic value of the property. Thus, a unit being permanently lost in a disaster should be correlated with factors such as its age, structure type, and physical condition. Demolitions can also be instigated through the loss of economic value or in response to a situation where vacant land has become more valuable than the land plus its existing structure. Based on American Housing Survey data, researchers have analyzed Components of Inventory Change (CINCH) (Table 35). CINCH data indicated that renter-occupied or vacant units were far more likely to be demolished than owner-occupied units; among renter-occupied and vacant units, single-family detached units were more likely to be demolished than multifamily units.
- **Permanent Abandonment.** Housing units can be technically removed from the stock available to serve households without being physically removed. This happens when a housing unit's owner elects to permanently abandon the unit – due to obsolescence, overwhelming repair costs, or other factors – without going through the steps (and costs) of demolishing it. If a dilapidated unit was occupied up until the time of permanent abandonment, the former occupant represents a source of demand for other units in the area.
- **Overcrowding.** As defined by the U.S. Census Bureau, a housing unit is classified as overcrowded if the household occupying the unit has more people than the housing unit has rooms. Particularly in markets with high housing costs, lower-income individuals and families are often driven into an overcrowded housing situation. Overcrowded households constitute pent-up demand for new housing units not typically captured in household growth projections; were two affordable units to become available, an overcrowded household would very likely split into two households and generate an additional net unit of housing demand.
- **Mismatch between Household Incomes and Housing Stock Quality.** While permanent abandonment and overcrowding are two factors likely to lead to net new demand for affordable housing units, limited recent housing construction in a stable, long-established neighborhood can be an indicator of pent-up demand for new housing units serving middle- to upper-income households. Areas that exhibit this phenomenon are often downtown, inner city, or inner ring suburban locations that currently have – and have had for years – limited to no undeveloped land available for new housing construction/growth. When a neighborhood is stable in terms of overall household numbers but near the point of build-out for many years, many resident households develop a desire for a modern housing unit and the wherewithal to rent or purchase one, but have no stock of modern units from which to choose. Such households are 'under-housed' in that the quality of the housing stock in the area where they live (and wish to remain) does not match the type of housing they demand and could afford. Such pent-up demand is rarely captured in public projections of household growth and is difficult to translate to specific calculations. However, this pent-up demand is a very real factor driving demand for new housing units in stable, established residential neighborhoods.



Table 35 Components of Inventory Change in Housing (CINCH)

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

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

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

2. Net Demand Calculation

Table 36 applies the discussion of sources of demand for new rental units to the 925 Market Area. The steps in our Derivation of Demand analysis for the three-year period between February 2021 and February 2024 are as follows:



- Based on Esri trends, RPRG estimates that 29,036 households reside in the 925 Market Area as of February 2021, a number that is projected to increase to 29,369 by February 2024. The 925 Market Area is expected to gain 333 net households during the three-year 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 35). This blended rate includes an annual loss of 0.47 percent of renter-occupied units and 0.18 percent of owner-occupied units. In the interest of conservatively estimating demand, we assume the lower blended rate of 0.27 percent rather than the higher renter-occupied rate of 0.47 percent. We determined the size of the housing stock in 2021, 2022, and 2023 via interpolation of household projections. Applying the removal rate over the three years in question, we estimate that 250 units are likely to be lost in the 925 Market Area.
- Summing the net household increases from the number of units removed from the market, we calculate the demand for housing units of all types over the three-year period to be 583 units.
- Esri data suggests 39.3 percent of all market area households are renters as of 2021, and projects renter market share to tick down slightly to 38.8 percent in 2026. Renters have accounted for all of the household growth in the market area over the past eleven years. Recent trends and development patterns point to increased renter households, therefore, to determine the five-year estimate of renter share of household growth we conservatively average 100 percent with the 2021 Renter share of 39.3 percent yielding renter share growth of 69.6 percent, resulting in demand for demand for 406 new rental units over the next three years.
- RPRG's survey of the general occupancy rental communities in the market area consisted of 4,489 units. Of these, 32 are currently vacant, yielding a 0.7 percent vacancy rate.
- Typically, it is assumed that a 5.0 percent vacancy rate is required to keep a rental market relatively fluid. There must be some number of quality units vacant and available at any given time so that households seeking rental units can be accommodated and can have some choice among units. Given the total competitive inventory of 4,489 units, 224 vacancies would be required to arrive at a 5.0 percent vacancy rate. Subtracting the 32 vacant units in the market from this number reveals 192 units must be added to reach 5.0 percent vacancy. These 192 units are added to demand.
- Summing demand from household change, projected unit removals, and the vacancy rate in the existing market, results in total demand for 598 additional rental units in the market area over the next three years.
- Total demand for new rental units must be balanced against new rental stock likely to be added to the market area's inventory over this period. No pipeline projects were identified other than the subject's proposed 220 units among both components.
- Subtracting 95 percent of these units (209) from the total demand of 598 units yields net excess demand for 389 rental units in the market area over the next three years.



Table 36 Derivation of Net Demand, 925 Market Area

Demand				Pre-COVID-19 Net Demand	COVID-19 Related Adjustment		
<i>Projected Change in Household Base</i>				<i>Units</i>	10% Discount		
February 2021 Households				29,036			
February 2024 Households				29,369			
Net Change in Households				333	300		
Add: Units Removed from Housing Stock				Housing Stock	Removal Rate	Units Removed	10% Discount
2021 Housing Stock				30,736	0.27%	83	
2022 Housing Stock				30,874	0.27%	83	
2023 Housing Stock				31,013	0.27%	84	
Total Units Removed from Housing Stock				250			225
New Housing Demand				583			525
Average Percent Renter Households over Analysis Period				69.6%			2% Boost
New Rental Housing Demand				406			373
Add: Multifamily Competitive Vacancy				Inventory		Vacant	No Adjustment
Total Competitive Inventory				4,489		32	
Market Vacancy at 5%						224	
Less: Current Vacant Units						-32	
Vacant Units Required to Reach 5% Market Vacancy						192	
Total Demand for New Rental Units				598			565
Planned Additions to the Supply							
				Total Units	95% Occupancy	95% Occupancy	
Subject Property				220	209	209	
Total New Rental Supply				220	209	209	
Excess Demand for Rental Housing				389			356

Source: RPRG, Inc.

3. COVID-19 Impact

As noted previously, the economic, demographic, and competitive data presented in the report and on related conclusions are effective as of June 2020 and do not reflect recent effects of the national COVID-19 pandemic. This pandemic is expected to have a significant negative impact on the national economy, likely to be widespread among most economic sectors and areas of the country. The extent of the impact on any one county or market area is impossible to measure based on the lack of available data and the rapidly evolving situation. The lack of specific economic and demographic data prevents any reasonable expectation of a detailed numerical adjustment to



demand metrics including housing demand. Instead, we evaluate certain indicators to make an educated judgement of potential impact of COVID on the market in the short term.

Virginia Beach's economy has grown steadily over the past 12 years and recovered from the previous recession at a faster rate than the Nation as a whole. The economy is balanced and not dependent on one vulnerable economic sector. The household projections are not dependent on any extraordinary economic expansions that might be vulnerable under current conditions. Growth has been strong in the 925 Market Area and region over the past 20 years. The market area's projected annual average household growth over the next five years was slightly lower on a percentage basis than the previous two decades. The economic ramifications of the COVID-19 pandemic are expected to shift household growth and housing demand towards rental housing in at least the near term. We identified no communities in the multi-family pipeline in the 925 Market Area.

Based the above factors, we have calculated an alternate Net Demand Estimate as a sensitivity analysis to test the potential of the market area to absorb a COVID-19 related slowdown. The deviations from the original demand estimate include:

- *A 10 percent reduction in demand from household growth and housing removals/upgrades based on local factors.*
- *Near-term vacancies are expected to increase across the nation, but long-term demand for rental housing is expected to increase.*
- *A two percent increase in the renter-share of New Housing Demand over the next three years. This increases the renter percentage utilized in the demand estimate from 69.6 percent to 71.0 percent.*

The adjusted Net Demand Estimate results in a modest decrease relative to the original analysis from 389 to 356 units.

4. Conclusions on Net Demand

This analysis indicates sufficient demand to absorb the 220-unit subject community and approximately 389 additional rental units to the 925 Market Area over the next three years. It should be noted that the subject property is still in the development phase and will not be placed in service until 2023.

The alternate demand calculation reflects potential changes to market dynamics related to the ongoing COVID-19 pandemic. We expect any COVID-19 impact to total housing demand to be deeper during the near term of the three-year period, with its effect moderating by the end of the Net Demand period. This sensitivity analysis indicates demand for units following the slowdown related to COVID-19 is unlikely to be significantly different than demand without accounting for COVID-19.

C. Effective Demand – Affordability/Capture & Penetration Analyses

1. Methodology

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



moving to or created in the market area) and existing households moving within the market area. The total demand – comprised of the net or incremental demand and the demand from existing households – is the relevant frame of reference for the analysis.

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

The first component of the Effective Demand analysis involves looking at total income and renter income among 925 Market Area households for the target year. The developer projects that units at 925 Apartments will be placed in service in 2023 and as such, 2023 is used as the target year for these analyses. RPRG calculated 2023 income distributions for total households and renter households based on RPRG household projections, income estimates from the 2015-2019 ACS, and income projections from Esri (Table 37).

Table 37 2023 Total and Renter Income Distribution, 925 Market Area

925 Market Area		2023 Total Households		2023 Renter Households	
2023 Income		#	%	#	%
less than	\$15,000	2,520	8.6%	1,644	14.2%
	\$15,000	1,979	6.8%	1,292	11.2%
	\$25,000	2,525	8.6%	1,415	12.2%
	\$35,000	3,709	12.7%	1,886	16.3%
	\$50,000	5,643	19.3%	2,237	19.4%
	\$75,000	4,293	14.7%	1,285	11.1%
	\$100,000	5,734	19.6%	1,341	11.6%
	\$150,000	2,845	9.7%	456	3.9%
	Over				
Total		29,249	100%	11,556	100%
Median Income		\$67,236		\$46,349	

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

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

The subject will include a broad range of target incomes with units restricted to households with incomes at 40 percent, 50 percent, 60 percent, 70 percent, and 80 percent of AMI, with a weighted



average income restriction of 60.0 percent AMI. The household sizes assume an average household size of 1.5 persons per bedroom.

2. Affordability Analysis

The steps in our Affordability Analysis for 925 Apartments at the developer's proposed rents are as follows (Table 38). We note, per instructions from VHDA, that both components of the project (the units which are expected to be financed with nine percent tax credits and the units which are expected to be financed with four percent tax credits) are analyzed as one combined property. We further assume no minimum income for subsidized units.

- The overall shelter cost (gross rent) for a 60 percent two-bedroom unit at 925 Apartments (most common floorplan) would be \$1,114 per month (\$1,010 rent plus a \$104 utility allowance for utility costs beyond those for trash removal).
- By applying a 35 percent rent burden to this gross rent, we determined that the 60 percent two-bedroom unit would be affordable to households earning at least \$38,194 per year. A projected 6,803 renter households will reside in the market area earning at least this amount in 2023.
- A household occupying a two-bedroom unit (assuming 1.5 persons/bedroom) and earning 60 percent of AMI for the Virginia Beach-Norfolk-Newport News-VA-NC MSA would have an income of up to \$44,580. According to the interpolated income distribution for 2023, a projected 6,000 renter households will reside in the market area with incomes exceeding the upper income bound.
- Subtracting the 6,000 renter households with incomes above the 60 percent maximum income limit from the 6,803 renter households that could afford to rent this unit, we calculate that 803 renter households in the primary market area as of 2023 would be in the band of affordability for the subject's 60 percent two-bedroom units. 925 Apartments would need to capture 7.5 percent of these income-qualified renter households to absorb the 60 units in the 60 percent/two-bedroom floorplan.
- Following the same methodology, we tested the affordability of the remaining unit types at each of the income bands. The capture rates by income level are 0.6 percent for 40 percent units, 2.0 percent for 50 percent units, 1.1 percent for 60 percent units, 1.8 percent for 70 percent units, and 0.4 percent for 80 percent.
- The 220 tax credit units would need to capture 3.9 percent of the 5,695 income-qualified renter households. This analysis conservatively assumes a minimum income of \$19,371.



Table 38 2023 Affordability Analysis, 925 Apartments

40% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		4		7		2	
Net Rent		\$485		\$565		\$640	
Gross Rent		\$565		\$669		\$780	
Income Range (Min, Max)		\$19,371	\$24,760	\$22,937	\$29,720	\$26,743	\$34,320
Renter Households							
Range of Qualified Hhlds		9,347	8,651	8,886	7,952	8,373	7,301
# Qualified Hhlds		696		934		1,072	
Renter HH Capture Rate		0.6%		0.7%		0.2%	

50% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		7		31		13	
Net Rent		\$625		\$735		\$845	
Gross Rent		\$705		\$839		\$985	
Income Range (Min, Max)		\$24,171	\$30,950	\$28,766	\$37,150	\$33,771	\$42,900
Renter Households							
Range of Qualified Hhlds		8,727	7,778	8,087	6,935	7,379	6,212
# Qualified Hhlds		949		1,152		1,167	
Renter HH Capture Rate		0.7%		2.7%		1.1%	

60% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		18		60		14	
Net Rent		\$845		\$1,010		\$1,145	
Gross Rent		\$925		\$1,114		\$1,285	
Income Range (Min, Max)		\$31,714	\$37,140	\$38,194	\$44,580	\$44,057	\$51,480
Renter Households							
Range of Qualified Hhlds		7,670	6,936	6,803	6,000	6,066	5,187
# Qualified Households		734		803		880	
Renter HH Capture Rate		2.5%		7.5%		1.6%	

70% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		7		31		13	
Net Rent		\$940		\$1,165		\$1,250	
Gross Rent		\$1,020		\$1,269		\$1,390	
Income Range (Min, Max)		\$34,971	\$43,330	\$43,509	\$52,010	\$47,657	\$60,060
Renter Households							
Range of Qualified Hhlds		7,209	6,158	6,135	5,139	5,614	4,419
# Qualified Households		1,051		996		1,195	
Renter HH Capture Rate		0.7%		3.1%		1.1%	

80% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		4		7		2	
Net Rent		\$975		\$1,225		\$1,325	
Gross Rent		\$1,055		\$1,329		\$1,465	
Income Range (Min, Max)		\$36,171	\$49,520	\$45,566	\$59,440	\$50,229	\$68,640
Renter Households							
Range of Qualified Hhlds		7,058	5,379	5,876	4,474	5,299	3,651
# Qualified Households		1,678		1,402		1,647	
Renter HH Capture Rate		0.2%		0.5%		0.1%	

Income Target	# Units	Renter Households = 11,556				
		Band of Qualified Hhlds	# Qualified Hhlds	Capture Rate		
40% AMI	13	Income Households \$19,371 - \$34,320 9,347 - 7,301	2,046	0.6%		
50% AMI	51	Income Households \$24,171 - \$42,900 8,727 - 6,212	2,515	2.0%		
60% AMI	92	Income Households \$31,714 - \$51,480 7,670 - 5,187	8,552	1.1%		
70% AMI	51	Income Households \$34,971 - \$60,060 7,209 - 4,419	2,768	1.8%		
80% AMI	13	Income Households \$36,171 - \$68,640 7,058 - 3,651	3,406	0.4%		
LIHTC Units	220	Income Households \$19,371 - \$68,640 9,347 - 3,651	5,695	3.9%		

Source: Income Projections, RPRG, Inc.



3. Penetration Analysis

In order to provide further insight into the market dynamics, we have also conducted a Penetration Analysis (Table 39). The Penetration Analysis evaluates the capacity of the market area to serve the entire inventory of directly competitive rental units. Our analysis utilizes the same target date of 2023; the same 35 percent rent burden; and income levels as presented in the Affordability Analysis.

The steps in our Penetration Analysis for 925 Apartments follow:

- Based on effective rents from RPRG's survey, the stock of existing rental units that would be closely competitive with the subject's 40 percent, 50 percent, 60 percent, 70 percent, and 80 percent AMI units consists of a total of 573 units in the existing subsidized and affordable rental communities. No pipeline projects were identified in the market area in addition to the subject's proposed units. Summing the existing units with the anticipated supply including the subject, the relevant stock of directly competitive one-bedroom, two-bedroom and three-bedroom units consists of 793 units.
- The range of household incomes employed in our analysis ranges from \$19,371 for Pickett Farms and Quill's 40 percent one-bedroom unit up to the maximum allowable household income for a three-bedroom unit at 80 percent of AMI (\$68,640). 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 5,696 renter households in the primary market area will be in the band of affordability for the relevant income-restricted tax credit one, two, and three-bedroom rental stock (non-subsidized). The existing and planned affordable (non-subsidized) supply represent 13.9 percent of these renter households.



Table 39 Penetration Analysis for 925 Apartments, Assuming 35% Rent Burden

40% Units		50% Units		60% Units		70% Units		80% Units	
Competitive Units	Units	Competitive Units	Units	Competitive Units	Units	Competitive Units	Units	Competitive Units	Units
Quill	89	Mayfair	32	Eastwyck Village	96				
Pickett Farms	60			Quill	91				
				Pickett Farms	60				
				Mayfair	25				
				Landmark	120				
subtotal	149	subtotal	32	subtotal	392	subtotal	0	subtotal	0
Pipeline Units	0	Pipeline Units	0	Pipeline Units	0	Pipeline Units	0	Pipeline Units	0
subtotal	0	subtotal	0	subtotal	0	subtotal	0	subtotal	0
Subject Property	13	Subject Property	51	Subject Property	92	Subject Property	51	Subject Property	13
Total	162	Total	83	Total	484	Total	51	Total	13

Income Target	Total Competitive Units	Renter Households = 11,556		# Qualified HHs	Penetration Rate
		Band of Qualified HHlds			
		One Bedroom	Three Bedroom		
40% Units	162	\$19,371 9,347	\$34,320 7,301	2,046	7.9%
50% Units	83	\$24,171 8,727	\$42,900 6,212	2,515	3.3%
60% Units	484	\$31,714 7,670	\$51,480 5,187	2,483	19.5%
70% Units	51	\$34,971 7,209	\$60,060 4,419	2,790	1.8%
80% Units	13	\$36,171 7,058	\$68,640 3,651	3,407	0.4%
Total Units	793	\$19,371 9,347	\$68,640 3,651	5,696	13.9%

4. Conclusions on Affordability and Penetration

The renter capture rate of 3.9 is readily achievable, particularly since the proposed apartments will be the newest and most attractive affordable rental community within the market area. Furthermore, the penetration rate for the tax credit units of 13.9 percent of income-restricted renter households to be reasonable within the context of the 925 Market Area. In essence, our analysis suggests that the most directly competitive rental units will need to capture less than one out of every six 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 925 Apartments VHDA’s demand methodology for general occupancy LIHTC



projects such as the subject accounts for as many as four primary components of potential need/demand:

- Household Growth or Decline.** The household trend required by VHDA is the net increase or decrease in the number of income-qualified renter households in the primary market area between a base year of 2021 and a target year of 2024.
- Cost Burdened Renters.** VHDA’s second component of demand is cost burdened renters, a designation which is typically defined as those renter households paying more than 35 percent of household income for housing costs. To be conservative, RPRG uses the 2015-2019 ACS data on cost-burdened renter households presented earlier in Table 21 to estimate the percentage and number of income-qualified renters for the subject project that will be cost-burdened as of 2021 as defined by spending 40 percent of income on rent, or 34.5 percent of renters.
- Renter Households in Substandard Housing.** VHDA’s third component of demand accounts for income-qualified renter households living in substandard units, defined as overcrowded units (having 1.01 or more persons per room) and/or units lacking complete plumbing facilities. According to the 2015-2019 ACS, the percentage of renter households in the primary market area that lived in substandard conditions was 3.3 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. 925 Apartments will be a new construction project and, as such, VHDA’s fourth component of demand is not relevant.

Table 40 outlines the detailed VHDA demand calculations for 925 Apartments that stem from the three relevant demand components. Total demand available for the 220-unit proposed affordable project is expected to include 64 net new renter households, 1,940 cost-burdened households, and 188 households currently residing in substandard housing. The calculation thus yields a total demand for 2,193 additional units of rental housing serving the targeted income bands.

Table 40 VHDA Demand by Overall Income Targeting

Income Target	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	Project Total
Minimum Income Limit	\$19,371	\$31,714	\$34,971	\$36,171	\$36,171	\$19,371
Maximum Income Limit	\$34,320	\$51,480	\$51,480	\$60,060	\$68,640	\$68,640
(A) Renter Income Qualification Percentage	17.7%	21.8%	74.0%	23.9%	29.5%	49.3%
Demand from New Renter Households - Calculation (C-B)*F*A	23	28	97	31	39	64
+ Demand from Rent Overburdened HHs - Calculation: B*E*F*A	697	857	2,914	943	1,161	1,940
+ Demand from Substandard Housing - Calculation B*D*F*A	67	83	282	91	112	188
Total Income Qualified Renter Demand	788	968	3,293	1,066	1,311	2,193
Less: Comparable Vacant Units	1	4	3	0	0	8
Less: Comparable Pipeline Units	0	0	0	0	0	0
Net Demand	787	964	3,290	1,066	1,311	2,185
Subject Proposed Units	13	51	92	51	13	220
Capture Rate	1.7%	5.3%	2.8%	4.8%	1.0%	10.1%
Estimated Absorption Period						

Demand Calculation Inputs	
A). % of Renter HHlds with Qualifying Income	see above
B). 2021 Households	29,027
C). 2024 Households	29,360
D). Substandard Housing (% of Rental Stock)	3.3%
E). Rent Overburdened (% of Renter HHlds at >40%)	34.5%
F). Renter Percentage (% of all 2021 HHlds)	39.3%

Project Wide Capture Rate - All Units	10.1%
Project Wide Absorption Period (Months)	11 months

Comparable units that are presently available or that would likely be available constitute supply that must be subtracted from total VHDA demand to arrive at VHDA net demand. Based on our February 2021 competitive survey, eight income-restricted units were reported vacant in the affordable rental supply. Additionally, no pipeline projects were identified in the market area. Therefore, with eight existing units and no pipeline units, VHDA net demand totals 2,185 units.

Given net demand for 2,185 units, the 220-unit 925 Apartments would need to capture 10.1 percent of income-qualified renter households per VHDA's demand methodology.

Table 41 calculates demand for the proposed subject's three-bedroom units. In this analysis, we have applied a large family factor of 45 percent in order to reflect the proportion of three-person and larger households within the market area, as referenced in Table 18. The VHDA capture rate for this unit type is 2.9 percent.

Table 41 VHDA Three-Bedroom Demand

Project Total	Three Bedroom Units
<i>Minimum Income Limit</i>	\$26,743
<i>Maximum Income Limit</i>	\$60,060
Renter Income Qualification Percentage	34.22%
Total Income Qualified Renter Demand	1,522
Vacant and Comparable Units	0
Net Demand	1522
Proposed Units	44
Capture Rate	2.9%

2. Conclusions on VHDA Demand

RPRG considers the captures rates for 925 Apartments to be both reasonable and readily achievable, particularly since the project's overall capture rate is just over eight percent. Taking into consideration all these factors, we have conservatively estimated an overall project lease up pace of roughly 11 months, reflecting an average absorption pace of 20 units per month. According to Norfolk and Virginia Beach planning officials, affordable housing is a dire need throughout the cities, including the subject neighborhood. In addition, property managers at market area tax credit communities report high demand among lower-income households with consistently long wait lists at all tax credit communities.

E. Target Markets

As indicated in the Effective Demand Analysis (Affordability/Capture & Penetration), the subject's income-restricted units would serve households with incomes from \$19,371 to \$68,640. 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. It is also possible that military personnel posted to the Hampton Roads region would find the subject's apartments to be an attractive housing alternative to on-base housing.



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

F. Product Evaluation

Considered in the context of the competitive environment, the relative position of the proposed 925 Apartments is as follows:

- **Structure Type:** Most competitive Lower Tier market rate and income-restricted rental communities include two and three-story garden buildings. The subject will have three and four-story garden buildings, consistent with the market area's existing multi-family stock.
- **Project Size:** The surveyed rental communities within the market area range in size from 13 to 480 units, with an average size of 187 units. Although the 220-unit 925 Apartments will be larger than the income-restricted average of 143 units, it is smaller than the Upper Tier average and within the competitive range. 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 will offer one-bedroom units (18.2 percent), two-bedroom units (61.8 percent), and three-bedroom units (20 percent). The subject's unit distribution is similar to the distribution of units in the other tax credit rental properties where one-bedroom units account for 10.5 percent of all units; two-bedroom units account for 67.7 percent; and three-bedroom units account for 24 percent of the supply. The proposed unit distribution positions the subject to target a wide variety of households, including single-person households, couples, roommates, single parent households and families. We believe that the proposed unit distribution is reasonable within the context of the directly competitive rental supply.
- **Income Targeting:** The subject's income targeting is as follows: 13 units (6 percent) will address households with incomes at or below 40 percent of AMI; 51 units (23 percent) will address households with incomes at or below 50 percent of AMI; 92 units (42 percent) will target households with incomes at or below 60 percent of AMI; 51 units (23 percent) will target households with incomes at or below 70 percent of AMI; and 13 units (6 percent) will target household with incomes at or below 80 percent of AMI. The subject's weighted average income target is 60 percent of AMI. RPRG's penetration analysis indicates that all of the subject's units as well as those existing and future units address less than one out of seven (13.9 percent) of all income-qualified households.
- **Unit Size:** The proposed unit sizes for 925 Apartments average 705 square feet for one-bedroom units; 965 square feet for two-bedroom units; and 1,155 square feet for the average three-bedroom units. The subject's unit sizes are generally comparable to or larger than the directly competitive affordable and Lower Tier rental supply within the market area. Additionally, the units are planned with an open and modern floor plan. We believe that the size of the subject's units will be marketable and will be directly competitive with the other rental units in the multifamily supply, with a competitive advantage in some cases.
- **Number of Bathrooms:** All of the subject's one-bedroom units will have one full bathroom, while the two- and three-bedroom units will have two bathrooms. Within the directly competitive tax credit rental supply, only Pickett Farms and Quill offer two baths for all two- and three-bedroom units. As a result, the availability of two baths in these units is viewed as a competitive advantage.
- **Kitchen Features:** All unit kitchens at 925 Apartments will include features not typically found in the affordable rental supply, such as a microwave and garbage disposal. Additionally, proposed energy-efficient and modern appliances is a positive feature.



- **Laundry:** The developer intends to equip all units at 925 Apartments with full-size washers and dryers. As in-unit washer/dryers are only available at six of 19 Lower Tier or tax credit communities, this feature is considered to provide the subject with a competitive advantage.
- **Other Unit Features:** Units at 925 Apartments will have carpeted bedrooms and vinyl plank flooring in all other areas. All of the subject's units will have private outdoor space with either a patio or balcony. This is also a desirable feature that always available in the competitive supply.
- **Utilities Included in Rent:** The developer proposes to include trash removal costs in monthly rents in 925 Apartments, leaving tenants responsible for paying all other utility bills. This is the same utility situation as the two newest market area tax credit communities, Picket Farms and Quill. The trend in newer rental communities is to include only trash collection as it places more responsibility on tenants and promotes energy conservation.
- **Common Area Amenities:** The developer intends to provide a significant offering of common area amenities at the subject, including clubhouse with community meeting space, a fitness center, and an outdoor swimming pool. The proposed slate of amenities would position the subject community similar to or exceeding most market rate properties in the primary market area. Clubhouses/community rooms, fitness centers, and outdoor pools are available at all Upper Tier market area communities but are less available among Lower Tier communities. The proposed amenity slate is considered to be a competitive advantage in many cases.
- **Parking:** The subject will have free surface parking which is consistent with the other rental communities. We do not believe that other parking options are necessary in the 925 Market Area. As such, surface parking is not considered to be either an advantage or disadvantage within this market area but comparable to what is currently available.

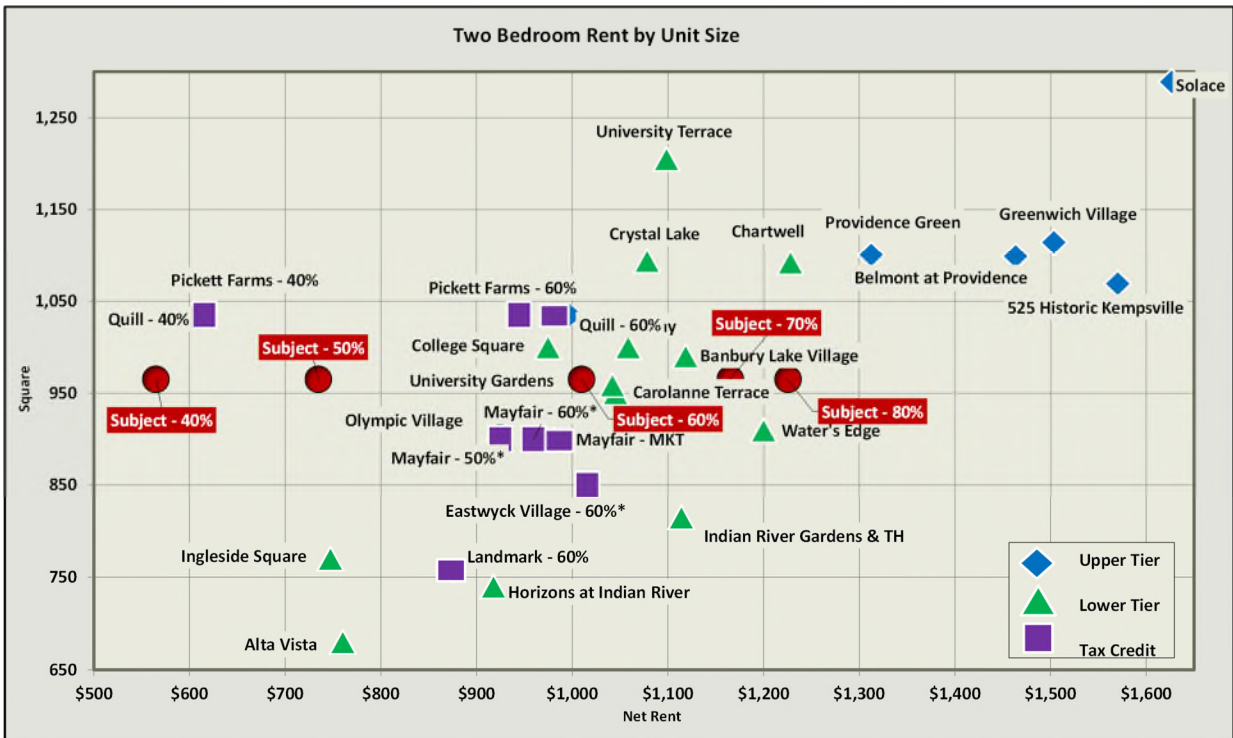
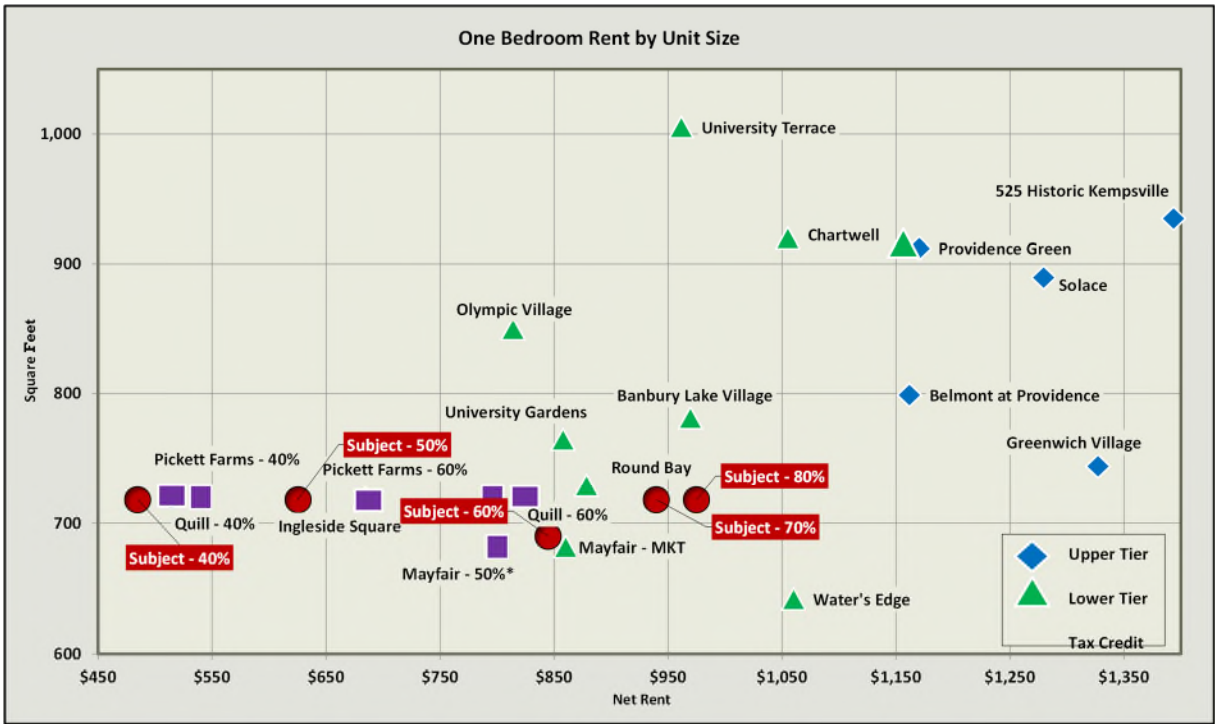
G. Price Position

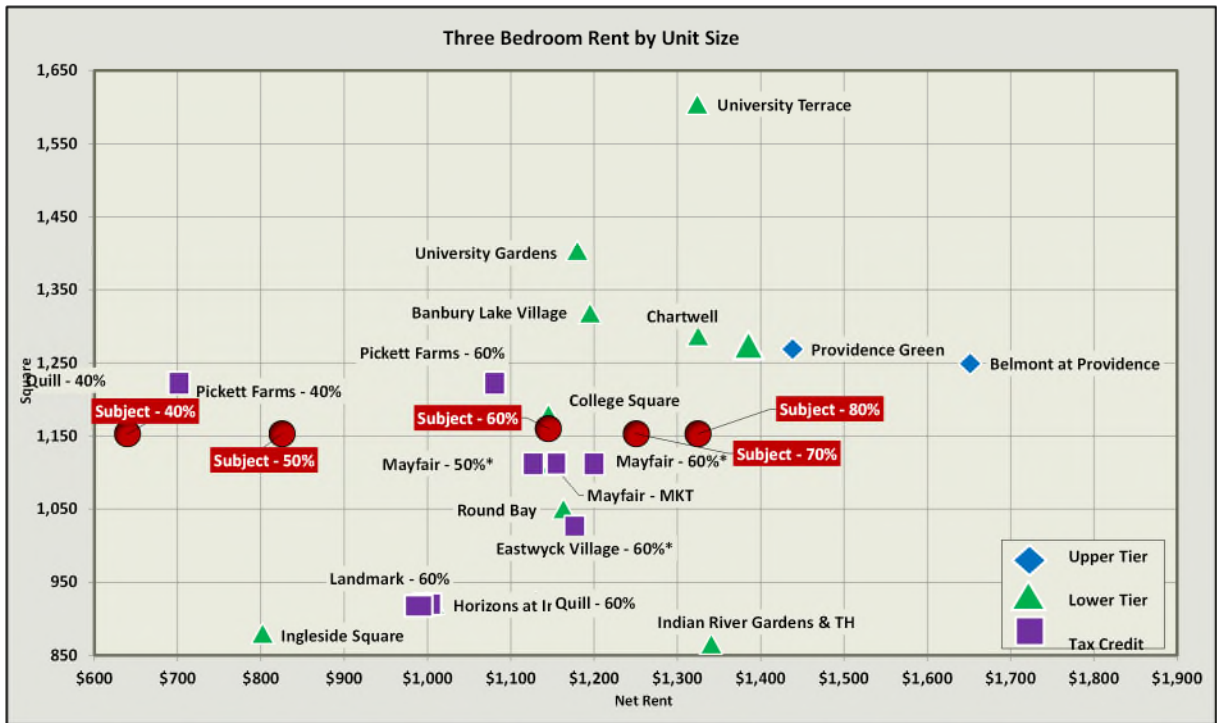
The tax credit rents proposed by the developer for 925 Apartments are at or below the allowable maximums for all unit types, given the assumed utility allowances of \$80 for one-bedroom units; \$104 for two-bedroom units; and \$140 for three-bedroom units. The proposed rents are considered to be reasonable when viewed within the context of the directly competitive rental supply.

The scatter charts indicate that the rents for the affordable rental supply are generally below those without income restrictions. Figure 12 provides a graphic representation of the competitive positions of the rents and square footages proposed for the subject's one, two, and three-bedroom units.



Figure 12 Price Position, 925 Apartments





H. Absorption Estimate

In estimating an absorption pace for the subject community, we consider recent absorption activity in the market in addition to demand and supply factors. As mentioned previously, only one rental community has opened within the past five years. 525 Historic Kempsville, an Upper Tier community, opened in August 2016 with a rolling delivery of three phases through December 2017. The property manager reported an average absorption rate of 15 units per month, though delays in unit delivery reduced lease up paces.

To provide some context we obtained absorption history for two tax credit communities in the secondary market area; both are within five miles northeast of the subject site in Virginia Beach:

- **Baker Woods** opened in May 2015 and was fully leased as of October 2015, with an average absorption pace of 19 units per month. However, the lease up pace reflects when the buildings were released for occupancy rather than market interest. Prior to opening, this community had an interest list of over 400 households.
- **Summer Haven** opened in March 2017 with a significant number of pre-leased units. All 54 units were fully leased by June 2017 for an average absorption pace of 19 units per month, and the community now reports an extensive wait list.

The demand for these apartments was very strong and the lease up pace is actually a reflection of when the buildings and units were released for occupancy rather than market interest. Both Baker Woods and Summer Haven currently maintain extensive pre-qualified wait lists. We note that no pipeline projects were identified in the market area, and the subject community will be the first income-restricted community delivered to the market in seven years. With this consideration and given the fact that almost three fourths of the subject’s units will target households with incomes at or below 60 percent of AMI, we conservatively estimate an absorption pace of 20 units per month. Assuming this absorption pace, we would expect that the subject would attain stabilized occupancy in approximately 11 months.



I. Impact on Existing Market

RPRG does not anticipate that the subject will have an adverse impact on the existing rental market. The overall vacancy rate for the income-restricted rental communities within the market area is very low at 1.1 percent. Additionally, the subject's VHDA capture rate for all units is 10.1 percent which is considered reasonable and achievable. Importantly, the overall penetration rate for the income-restricted units is very low at 13.9 percent.

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

Handwritten signature of Justin Moultrie in black ink.

Justin Moultrie
Analyst

Handwritten signature of Ethan Reed in black ink.

Ethan Reed
Senior Analyst

Handwritten signature of Tad Scepianiak in black ink.

Tad Scepianiak
Managing 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

525 Historic Kempsville

Multifamily Community Profile

525 Kempsville Road
Virginia Beach, VA 23464

CommunityType: Market Rate - General
Structure Type: 3-Story Adaptive Reuse

168 Units 0.6% Vacant (1 units vacant) as of 2/17/2021

Opened in 2017



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$1,365	827	\$1.65	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	\$1,496	1,150	\$1.30	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$1,590	1,069	\$1.49	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$1,929	1,476	\$1.31	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size); Cable TV; Hardwood	
Select Units: Ceiling Fan; Patio/Balcony	
Optional(\$): --	
Security: Intercom; Keyed Bldg Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: Covered Spaces Fee: \$30
Property Manager: Ripley Heatwole Com Owner: --	

Comments

24 units in former school. Opened 8/16 leased up 1/17; 72 units opened mid 3/17, leased up 6/17; 72 opened 6/17
35 units released, leased up 12/17. Glass stove top, nickel hardware, built in wine racks, SS appl, granite counters, garden tubs in select units. Coffee bar, billiards, shuffleboard, & poolside grill. Unit mix: 62-1BR, 88-2BR, 16-3BR

Floorplans (Published Rents as of 2/17/2021) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
chief/rollenston/arrowhea	Den	1	1	--	\$1,407	1,052	\$1.34	Market	2/17/21	0.6%	\$1,409	\$1,590	\$1,929
kempsville/woodstock /	--	1	1	--	\$1,450	1,086	\$1.34	Market	10/9/20	0.0%	\$1,386	\$1,576	\$1,921
kempsville w/den / Garde	Den	1	1	--	\$1,555	1,249	\$1.25	Market	2/10/20	0.6%	\$1,385	\$1,576	\$1,921
saalem/tallwood / Garden	--	1	1	--	\$1,312	713	\$1.84	Market	7/8/19	1.2%	\$1,372	\$1,558	\$1,901
brandon / Garden	--	1	1	--	\$1,310	728	\$1.80	Market					
carraway/elizabeth / Gard	--	1	1	--	\$1,327	782	\$1.70	Market					
greenwich/dunmore/singl	--	2	2	--	\$1,525	1,074	\$1.42	Market	Opened:8/1/2016				Months:14.0
logan/princess anne / Gar	--	2	2	--	\$1,630	1,178	\$1.38	Market	Closed:10/28/2017				11.2 units/month
centerville upper/centervi	--	2	2	--	\$1,555	957	\$1.63	Market					
kemp w/den / Garden	Den	3	2	--	\$1,865	1,417	\$1.32	Market					
farfield/providence/walke	--	3	2	--	\$1,942	1,536	\$1.26	Market					

Initial Absorption	
Opened:8/1/2016	Months:14.0
Closed:10/28/2017	11.2 units/month

Adjustments to Rent	
Incentives: None	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

525 Historic Kempsville

VA810-024322

Alta Vista

Multifamily Community Profile

Scott Street @ Mangrove Avenue
Norfolk, VA 23502

Map Ref: VA SH 221 B4

CommunityType: Market Rate - General

Structure Type: 2-Story Garden

13 Units 15.4% Vacant (2 units vacant) as of 1/6/2021

Opened in 1960



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	100.0%	\$780	680	\$1.15	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard: Ice Maker; Vinyl/Linoleum / Carpet	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Ingleside Square Owner: --	

Comments

Both wall and window a/c units visible. Property is at the Scott/Mangrove intersection's southwest corner.
Approximately 14 parking spaces. Was Alta Vista. Same leasing office as Ingleside Square Apts.
Two 2-story buildings & one 1-story building.

Floorplans (Published Rents as of 1/6/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	13	\$780	680	\$1.15	Market	1/6/21	15.4%	--	\$780	--
									12/1/20	0.0%	--	\$775	--
									5/13/20	0.0%	--	\$775	--
									2/7/20	0.0%	--	\$709	--
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Alta Vista

VA710-009117

Banbury Lake Village

Multifamily Community Profile

6300 Blakely Square
Virginia Beach, VA 23464

Community Type: Market Rate - General

Structure Type: 3-Story Garden

187 Units 0.0% Vacant (0 units vacant) as of 2/12/2021

Opened in 1972



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	45.5%	\$995	781	\$1.27	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	35.8%	\$1,139	990	\$1.15	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	18.7%	\$1,220	1,318	\$0.93	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input checked="" type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

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

Comments

Outdoor pool & children's pool. On-site pond/lake. Pavilion used by mgmt; no clubhouse rented to residents.

Deluxe/renovated units have Euro washer/dryer combo, granite counters & fridge w/ icemakers.

Std units have white appl, laminate counters & no W/D hookups. No admin/amenity fees. Valet trash \$25

Floorplans (Published Rents as of 2/12/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	64	\$905	754	\$1.20	Market	2/12/21	0.0%	\$995	\$1,139	\$1,220
Deluxe / Garden	--	1	1	4	\$1,005	754	\$1.33	Market	10/9/20	0.0%	\$985	\$1,160	\$1,300
J Premier / Garden	--	1	1	17	\$1,205	891	\$1.35	Market	2/10/20	9.1%	\$931	\$1,028	\$1,250
Garden	--	2	1	50	\$1,095	990	\$1.11	Market	7/8/19	0.5%	\$911	\$1,008	\$1,330
Garden	--	2	2	17	\$1,150	990	\$1.16	Market					
Garden	--	3	2	35	\$1,185	1,318	\$0.90	Market					

Adjustments to Rent	
Incentives: None	
Utilities in Rent: Heat Fuel: Gas	
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input type="checkbox"/>

Banbury Lake Village

VA810-009298

Belmont at Providence

Multifamily Community Profile

6324 Rockbrook Lane
Virginia Beach, VA 23464

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

312 Units 0.0% Vacant (0 units vacant) as of 2/12/2021

Opened in 2009



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	50.0%	\$1,177	799	\$1.47	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	46.2%	\$1,483	1,099	\$1.35	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	3.8%	\$1,677	1,249	\$1.34	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings; Storage (In Unit); Carpet / Ceramic	
Select Units: Ceiling Fan	
Optional(\$): --	
Security: Cameras	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$99
Property Manager: KPM LLC Owner: --	

Comments

Pre-leasing began 11/1/09; 1st move-ins 12/21/09; 100% leased 8/16/10. Ceramic floor kitchens, foyers. Vinyl baths. Grilling area. Pond trail. W/S/T fee is 1BR \$35; 2BR \$45; 3BR \$65. Black appl, laminate counters (SS/granite upgrades) Storage closet in unit or on balcony. Game room.

Amenity Fee: \$ 150

Floorplans (Published Rents as of 2/12/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Brookside / Garden	--	1	1	74	\$1,155	798	\$1.45	Market	2/12/21	0.0%	\$1,177	\$1,483	\$1,677
Callaway / Garden	--	1	1	82	\$1,149	800	\$1.44	Market	10/8/20	0.0%	\$1,178	\$1,466	\$1,742
Cypress / Garden	--	2	2	72	\$1,429	1,068	\$1.34	Market	2/7/20	1.0%	\$1,198	\$1,480	\$1,647
Magnolia / Garden	--	2	2	72	\$1,478	1,130	\$1.31	Market	7/8/19	0.0%	\$1,125	\$1,389	\$1,552
Huntington / Garden	--	3	2	12	\$1,642	1,249	\$1.31	Market	* Indicates initial lease-up.				

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Belmont at Providence

VA810-013038

Carolanne Terrace

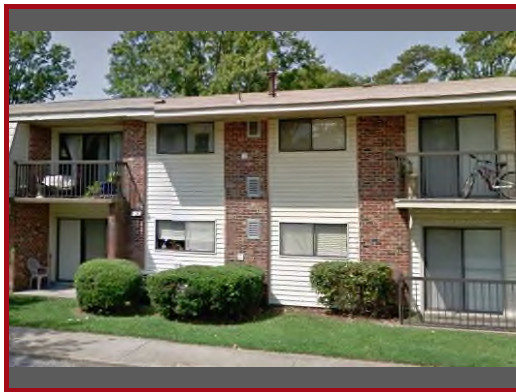
Multifamily Community Profile

5528 Carolanne Ter
Virginia Beach, VA 23462

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

112 Units 0.0% Vacant (0 units vacant) as of 2/12/2021

Opened in 1975



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	100.0%	\$1,065	950	\$1.12	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	--	--	--	--	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Carpet	
Select Units: --	
Optional(\$): --	
Security: Unit Alarms	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: B & W Properties Owner: --	

Comments

Next available unit will be in March.
All utilities included.

Floorplans (Published Rents as of 2/12/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	112	\$1,195	950	\$1.26	Market	2/12/21	0.0%	--	\$1,065	--
									2/10/20	0.0%	--	\$1,070	--
									1/15/19	0.0%	--	\$1,065	--
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input checked="" type="checkbox"/> Cooking: <input checked="" type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>													
Hot Water: <input checked="" type="checkbox"/> Electricity: <input checked="" type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Carolanne Terrace

VA810-030036

Chartwell

Multifamily Community Profile

6464 Chartwell Drive
Virginia Beach, VA 23464

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

192 Units 0.0% Vacant (0 units vacant) as of 2/12/2021

Opened in 1976



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	16.7%	\$1,080	920	\$1.17	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	66.7%	\$1,248	1,092	\$1.14	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	16.7%	\$1,350	1,287	\$1.05	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

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

Comments

All units have hookups for full-size washers/dryers. Can rent W/D for \$40 per month.
White appl, laminate counters. Only 1 3BR unit has been renovated. Only 3BR being renovated. 2s will be next.
Two playgrounds. Storage lockers outside on ground floor of buildings.

Floorplans (Published Rents as of 2/12/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	32	\$1,065	920	\$1.16	Market	2/12/21	0.0%	\$1,080	\$1,248	\$1,350
Garden	--	2	1.5	128	\$1,228	1,092	\$1.12	Market	10/9/20	0.0%	\$1,100	\$1,340	\$1,410
Garden	--	3	2	32	\$1,325	1,287	\$1.03	Market	2/7/20	0.0%	\$1,100	\$1,240	\$1,410
									7/8/19	2.6%	\$1,018	\$1,188	\$1,338

Adjustments to Rent

Incentives:
Daily Pricing: None

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

College Square

Multifamily Community Profile

1012 Riviera Drive
Virginia Beach, VA 23464

Community Type: Market Rate - General

Structure Type: 2-Story Townhouse

282 Units 0.0% Vacant (0 units vacant) as of 2/12/2021

Opened in 1974



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt		
Eff	--	--	--	--	Clubhouse:	<input type="checkbox"/> Pool-Outdr: <input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm:	<input type="checkbox"/> Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry:	<input checked="" type="checkbox"/> Tennis: <input checked="" type="checkbox"/>
Two	67.4%	\$995	1,000	\$1.00	Elevator:	<input type="checkbox"/> Volleyball: <input checked="" type="checkbox"/>
Two/Den	--	--	--	--	Fitness:	<input checked="" type="checkbox"/> CarWash: <input type="checkbox"/>
Three	32.6%	\$1,170	1,180	\$0.99	Hot Tub:	<input type="checkbox"/> BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna:	<input type="checkbox"/> ComputerCtr: <input type="checkbox"/>
					Playground:	<input checked="" type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Storage (In Unit); Carpet / Vinyl/Linoleum	
Select Units: --	
Optional(\$): --	
Security: Gated Entry	
Parking 1: Free Surface Parking Fee: \$0	Parking 2: -- Fee: --
Property Manager: Haven Properties Owner: --	

Comments

No property-wide renovations; renovations as needed. Laundry hookups in all units. Mix of black/white appl. Laminate counters. 6 mo leases available. Surface parking is decal-controlled. Storage shed at rear of units. W/S/T Fee: 2BR \$65; 3BR \$95

Floorplans (Published Rents as of 2/12/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	1.5	190	\$975	1,000	\$.98	Market	2/12/21	0.0%	--	\$995	\$1,170
Townhouse	--	3	1.5	92	\$1,145	1,180	\$.97	Market	10/9/20	0.0%	--	\$1,030	\$1,230
									2/7/20	0.0%	--	\$965	\$1,150
									7/8/19	0.0%	--	\$975	\$1,150

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Crystal Lake

Multifamily Community Profile

5535 E. Virginia Beach Blvd
Norfolk, VA 23502

Map Ref: VA SH 221 F4

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

96 Units 0.0% Vacant (0 units vacant) as of 2/12/2021

Opened in 1985



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	100.0%	\$1,098	1,094	\$1.00	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	--	--	--	--	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	

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

Comments

Surface parking is in assigned spaces (many double-loaded spaces). Storage closet is on balconies.

Four 3-story & one 2-story buildings. WL-None. Vacancies: 1-standard.

Buildings have motel-like exterior breezeways.

Floorplans (Published Rents as of 2/12/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
standard / Garden	--	2	2	68	\$1,076	1,050	\$1.02	Market	2/12/21	0.0%	--	\$1,098	--
large / Garden	--	2	2	28	\$1,150	1,200	\$0.96	Market	2/7/20	0.0%	--	\$1,098	--
									1/15/19	1.0%	--	\$1,045	--
									7/13/18	4.2%	--	\$1,045	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Eastwyck Village

Multifamily Community Profile

1201 Edenham Court
Virginia Beach, VA 23464

CommunityType: LIHTC - General
Structure Type: 2-Story Garden

96 Units 0.0% Vacant (0 units vacant) as of 2/12/2021

Opened in 1994



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	75.0%	\$1,036	850	\$1.22	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	25.0%	\$1,202	1,025	\$1.17	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

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

Comments

Picnic area. College Square Neighborhood.
White appliances. Laminate countertops. Pet free.
Laundry hookups in all units. Storage closets on patios/balconies. Wait list: None

Floorplans (Published Rents as of 2/12/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1.5	72	\$1,036	850	\$1.22	LIHTC/ 60%	2/12/21	0.0%	--	\$1,036	\$1,202
Garden	--	3	2	24	\$1,202	1,025	\$1.17	LIHTC/ 60%	10/9/20	0.0%	--	\$1,036	\$1,202
									2/7/20	0.0%	--	\$935	\$1,100
									4/26/19	0.0%	--	\$905	\$1,070

Adjustments to Rent

Incentives:
None

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

Greenwich Village

Multifamily Community Profile

5321 Greenwich Rd
Virginia Beach, VA 23462

CommunityType: Market Rate - General
Structure Type: 4-Story Mid Rise

224 Units 2.2% Vacant (5 units vacant) as of 2/12/2021

Opened in 2012



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$1,342	744	\$1.80	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$1,524	1,115	\$1.37	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Franklin Johnson Gr Owner: Reider Properties	

Comments

SS appliances, granite counters, walk-in closets. Stand up shower in 2nd bath. Master: dual sinks, soaking tub.
Laminate floor in kitchen. Dog park, fire pit.
Trash fee: \$10.

Floorplans (Published Rents as of 2/12/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Soho / Mid Rise - Elevato	--	1	1	--	\$1,335	705	\$1.89	Market	2/12/21	2.2%	\$1,342	\$1,524	--
Hudson / Mid Rise - Eleva	--	1	1	--	\$1,239	714	\$1.74	Market	2/10/20	4.5%	\$1,214	\$1,490	--
Chelsea / Mid Rise - Elev	--	1	1	--	\$1,378	813	\$1.69	Market	1/15/19	0.0%	\$1,123	\$1,376	--
Madison / Mid Rise - Elev	--	2	2	--	\$1,612	1,021	\$1.58	Market	7/25/18	0.0%	\$1,167	\$1,477	--
Carnegie / Mid Rise - Elev	--	2	2	--	\$1,399	1,097	\$1.28	Market					
Broadway / Mid Rise - Ele	--	2	2	--	\$1,399	1,097	\$1.28	Market					
Rockefeller / Mid Rise - El	--	2	2	--	\$1,565	1,243	\$1.26	Market					

Adjustments to Rent

Incentives:
LRO; None

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

Horizons at Indian River

Multifamily Community Profile

2815 Indian River Road
Chesapeake, VA 23325

CommunityType: Market Rate - General

Structure Type: 2-Story Garden

480 Units 0.6% Vacant (3 units vacant) as of 2/12/2021

Opened in 1965



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	86.7%	\$937	740	\$1.27	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	13.3%	\$1,033	920	\$1.12	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input checked="" type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Central A/C	
Select Units: Ceiling Fan; Patio/Balcony	
Optional(\$): In Unit Laundry (\$35.00)	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: SL Nusbaum Owner: --	

Comments

Formerly Cambridge Manor. HUD insured property. No wait list.
Extensive kitchen+bath renovation underway (new cabinets, appliances, floor, counter). Black appl, granite counters
Stackable washer can be hooked up to kitchen sink. No W/D hookups in units. Trash-\$6

Floorplans (Published Rents as of 2/12/2021) (2)										Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$	
Albemarle / Garden	--	2	1	416	\$942	740	\$1.27	Market	2/12/21	0.6%	--	\$937	\$1,033	
Drummond / Garden	--	3	1	64	\$1,043	920	\$1.13	Market	2/7/20	0.0%	--	\$917	\$1,019	
									7/9/19	1.3%	--	\$904	\$995	
									1/15/19	0.0%	--	\$894	\$985	

Adjustments to Rent

Incentives:
None

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

Indian River Gardens & TH

Multifamily Community Profile

1008 Mineola Drive
Virginia Beach, VA 23464

CommunityType: Market Rate - General

Structure Type: 2-Story Garden/TH

68 Units 5.9% Vacant (4 units vacant) as of 2/12/2021

Last Major Rehab in 2008 Opened in 1966



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	88.2%	\$1,134	815	\$1.39	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	11.8%	\$1,365	866	\$1.58	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

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

Comments

New windows & fencing in 2008. Upcoming replacement of roofs.
Laundry hookups in 8 townhouse units only. Assigned parking spaces.
Residents provided pool passes for pool at a sister property off-site.

Floorplans (Published Rents as of 2/12/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	1.5	8	\$1,465	1,104	\$1.33	Market	2/12/21	5.9%	--	\$1,134	\$1,365
Garden	--	2	1	52	\$1,060	770	\$1.38	Market	10/9/20	0.0%	--	\$1,097	\$1,290
Garden	--	3	1	8	\$1,340	866	\$1.55	Market	2/7/20	4.4%	--	\$1,027	\$1,205
									5/9/19	0.0%	--	\$1,003	\$1,015

Adjustments to Rent

Incentives:
LRO; None

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

Ingleside Square

Multifamily Community Profile

3515 Gatling Ave
Norfolk, VA 23502

Map Ref: VA SH 221 B5

CommunityType: Market Rate - General

Structure Type: 2-Story Garden

300 Units

1.7% Vacant (5 units vacant) as of 2/12/2021

Opened in 1956



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	9.0%	\$710	720	\$0.99	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	82.0%	\$768	770	\$1.00	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	Elevator:	Volleyball:
Three	9.0%	\$828	880	\$0.94	Fitness:	CarWash:
Four+	--	--	--	--	Hot Tub:	BusinessCtr:
					Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Microwave; Ice Maker; Window A/C; Carpet	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Street Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Ingleside Square	Owner: --

Comments

Community relies upon street parking. No on-site lots.

Not currently renovating.

Same leasing office as Alta Vista Apts.

Floorplans (Published Rents as of 2/12/2021) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	27	\$710	720	\$0.99	Market	2/12/21	1.7%	\$710	\$768	\$828
Garden	--	2	1	246	\$768	770	\$1.00	Market	1/4/21	4.0%	\$710	\$755	\$820
Garden	--	3	1	27	\$828	880	\$0.94	Market	12/1/20	0.7%	\$710	\$755	\$880
									5/14/20	9.0%	\$710	\$755	\$820

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Ingleside Square

VA710-009114

Landmark

Multifamily Community Profile

2900 Fireside Rd
Chesapeake, VA 23324

CommunityType: LIHTC - General
Structure Type: 2-Story Garden

120 Units 2.5% Vacant (3 units vacant) as of 2/12/2021

Last Major Rehab in 2011 Opened in 1988



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	60.0%	\$895	757	\$1.18	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	40.0%	\$1,025	922	\$1.11	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; Central A/C	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Greenbrier Managem Owner: --	

Comments

Units were renovated with new kitchens & baths in 2011.
No wait list
Vacancies: 3-3BR

Floorplans (Published Rents as of 2/12/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	72	\$875	757	\$1.16	LIHTC/ 60%	2/12/21	2.5%	--	\$895	\$1,025
Garden	--	3	1.5	48	\$1,000	922	\$1.08	LIHTC/ 60%	2/7/20	2.5%	--	\$845	\$975
									1/15/19	3.3%	--	\$830	\$955
									2/5/18	0.8%	--	\$820	\$930
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Landmark

VA550-010824

Mayfair

Multifamily Community Profile

5826 Newtown Arch
Virginia Beach, VA 23462

CommunityType: LIHTC - General
Structure Type: 2-Story Garden

197 Units 2.0% Vacant (4 units vacant) as of 2/17/2021

Opened in 1974



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	14.2%	\$842	682	\$1.23	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	58.9%	\$962	900	\$1.07	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	22.8%	\$1,143	1,112	\$1.03	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	3.0%	\$1,413	1,377	\$1.03	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	
Features						
Standard: Dishwasher; Disposal; Central A/C; carpet						
Select Units: --						
Optional(\$): --						
Security: --						
Parking 1: Free Surface Parking			Parking 2: --			
Fee: --			Fee: --			
Property Manager: Landmark Properties						
Owner: --						

Comments

Only Gas & Trash included w/Mkt units.
50% & 60%

Floorplans (Published Rents as of 2/17/2021) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	6	\$800	682	\$1.17	LIHTC/ 50%	2/17/21	2.0%	\$842	\$962	\$1,143
Garden	--	1	1	22	\$860	682	\$1.26	Market	2/10/20	0.0%	\$874	\$901	\$1,108
Garden	--	2	1	75	\$980	900	\$1.09	Market	1/15/19	4.1%	\$844	\$825	\$1,051
Garden	--	2	1	20	\$960	900	\$1.07	LIHTC/ 60%	2/7/18	9.1%	\$723	\$820	\$950
Garden	--	2	1	21	\$925	900	\$1.03	LIHTC/ 50%					
Garden	--	3	2	5	\$1,127	1,112	\$1.01	LIHTC/ 50%					
Garden	--	3	2	5	\$1,200	1,112	\$1.08	LIHTC/ 60%					
Garden	--	3	2	35	\$1,150	1,112	\$1.03	Market					
Garden	--	4	2	6	\$1,425	1,377	\$1.03	Market					

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Gas

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

Mayfair

VA810-002220

Olympic Village

Multifamily Community Profile

815 Pecan Point Rd.
Norfolk, VA 23502

Map Ref: VA SH 221 E4

CommunityType: Market Rate - General

Structure Type: 2-Story Garden

142 Units

0.7% Vacant (1 units vacant) as of 2/12/2021

Opened in 1980



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	36.6%	\$839	850	\$0.99	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	63.4%	\$944	912	\$1.04	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Disposal; Ice Maker; In Unit Laundry (Full Size); Central A/C; Carpet / Vinyl/Linoleum	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: KPM	
Owner: --	

Comments

All units have separate entrances.
Surface parking is in assigned spaces. 0 move in ready, 96.48% occupied 2/7/2020
No on-site laundry facility, due to availability of washers/dryers in units.

Floorplans (Published Rents as of 2/12/2021) (2)										Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$	
Garden	--	1	1	52	\$839	850	\$0.99	Market	2/12/21	0.7%	\$839	\$944	--	
Garden	--	2	1	90	\$944	912	\$1.04	Market	2/7/20	0.0%	\$839	\$944	--	
									1/17/19	0.7%	\$739	\$829	--	
									9/29/17	1.4%	\$724	\$899	--	

Adjustments to Rent

Incentives:
\$20-\$50 off select units

Utilities in Rent: Heat Fuel: Electric

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

Pickett Farms

Multifamily Community Profile

5400 Greenplain Rd
Norfolk, VA 23502

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

120 Units 0.0% Vacant (0 units vacant) as of 2/10/2020

Opened in 2014



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	15.0%	\$687	720	\$0.95	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	65.0%	\$821	1,035	\$0.79	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	20.0%	\$941	1,222	\$0.77	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size)	
Select Units: --	
Optional(\$): --	
Security: Gated Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: The Franklin Johnsto Owner: --	

Comments

"Pointe at Picket Farms" includes 2 communities: Picket Farms and Quill
50% and 60% AMI; Wait list-20 ppl

Floorplans (Published Rents as of 2/10/2020) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	9	\$521	720	\$.72	LIHTC/ 40%	2/10/20	0.0%	\$687	\$821	\$941
Garden	--	1	1	9	\$822	720	\$1.14	LIHTC/ 60%	1/15/19	0.0%	\$617	\$729	\$830
Garden	--	2	2	39	\$986	1,035	\$.95	LIHTC/ 60%	7/20/17	0.0%	\$609	\$719	\$816
Garden	--	2	2	39	\$615	1,035	\$.59	LIHTC/ 40%	7/19/17	0.0%	--	--	--
Garden	--	3	2	12	\$701	1,222	\$.57	LIHTC/ 40%					
Garden	--	3	2	12	\$1,130	1,222	\$.92	LIHTC/ 60%					

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: **Electric**

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Pickett Farms

VA710-025488

Providence Green

Multifamily Community Profile

1101 Craftsman Drive
Virginia Beach, VA 23464

CommunityType: Market Rate - General

Structure Type: 2-Story Garden

352 Units 0.3% Vacant (1 units vacant) as of 2/12/2021

Opened in 1973



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	20.5%	\$1,195	912	\$1.31	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	44.3%	\$1,350	1,090	\$1.24	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	31.3%	\$1,306	1,116	\$1.17	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	4.0%	\$1,463	1,269	\$1.15	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Carpet / Vinyl/Linoleum	
Select Units: Patio/Balcony	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: \$0	Parking 2: -- Fee: --
Property Manager: Drucker & Falk Mgmt Owner: --	

Comments

Laundry hookups in select units. Storage: \$20-\$25. Laminate counters, black appl
2 clubhouses, 2 pools, coin laundry in each bldg. New name 7/19 FKA Brookfield.
Still doing renovations. Trash \$6.71.

Amenity Fee: \$ 0

Floorplans (Published Rents as of 2/12/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	72	\$1,170	912	\$1.28	Market	2/12/21	0.3%	\$1,195	\$1,332	\$1,463
Garden	--	2	2	156	\$1,320	1,090	\$1.21	Market	10/9/20	0.0%	\$1,140	\$1,220	\$1,456
Den / Garden	Den	2	2	110	\$1,276	1,116	\$1.14	Market	2/10/20	1.1%	\$973	\$1,048	\$1,319
Garden	--	3	2	6	\$1,318	1,190	\$1.11	Market	7/8/19	2.6%	\$935	\$1,070	\$1,282
Garden	--	3	2	8	\$1,510	1,328	\$1.14	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Quill

Multifamily Community Profile

5354 E. Virginia Beach Blvd
Norfolk, VA 23502

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

180 Units 0.6% Vacant (1 units vacant) as of 2/17/2021

Opened in 2014



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	15.0%	\$689	720	\$0.96	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	65.0%	\$822	1,035	\$0.79	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	20.0%	\$941	1,222	\$0.77	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size)	
Select Units: --	
Optional(\$): --	
Security: Gated Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: The Franklin Johnsto Owner: --	

Comments

"Pointe at Picket Farms" includes 2 communities: Picket Farms and Quill

50% and 60%; Wait list-1BR 4 ppl; 2BR 16 ppl; 3BR 4 ppl.

Floorplans (Published Rents as of 2/17/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	13	\$514	720	\$.71	LIHTC/ 40%	2/17/21	0.6%	\$689	\$822	\$941
Garden	--	1	1	14	\$822	720	\$1.14	LIHTC/ 60%	2/10/20	0.0%	\$660	\$776	\$881
Garden	--	2	2	59	\$986	1,035	\$.95	LIHTC/ 60%	1/22/19	0.0%	\$618	\$730	\$834
Garden	--	2	2	58	\$615	1,035	\$.59	LIHTC/ 40%	7/20/17	0.0%	\$604	\$718	\$824
Garden	--	3	2	18	\$701	1,222	\$.57	LIHTC/ 40%					
Garden	--	3	2	18	\$1,130	1,222	\$.92	LIHTC/ 60%					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Quill

VA710-025487

Round Bay

Multifamily Community Profile

944 Round Bay Rd
Norfolk, VA 23502

Map Ref: VA SH 221 E4

CommunityType: Market Rate - General

Structure Type: 2-Story Garden

64 Units 0.0% Vacant (0 units vacant) as of 2/12/2021

Opened in 1962



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	28.1%	\$903	718	\$1.26	Comm Rm:	Basketball:
One/Den	3.1%	\$916	830	\$1.10	<input type="checkbox"/>	<input type="checkbox"/>
Two	9.4%	\$1,000	898	\$1.11	Centrl Lndry:	Tennis:
Two/Den	53.1%	\$1,093	1,018	\$1.07	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	6.3%	\$1,188	1,050	\$1.13	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>
					<input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Central A/C; Patio/Balcony; Carpet	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Larrymore Organizati Owner: --	

Comments

Gas for cooking & trash included in rent.
Surface parking is in assigned spaces. Storage facility available on site.
Picnic area. Shuffleboard. Gazebo. Kiddie Pool. No Waiting list.

Floorplans (Published Rents as of 2/12/2021) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	18	\$893	718	\$1.24	Market	2/12/21	0.0%	\$904	\$1,079	\$1,188
Garden	Den	1	1	2	\$906	830	\$1.09	Market	2/7/20	0.0%	\$842	\$1,038	\$1,138
Garden	Den	2	1	34	\$1,078	1,018	\$1.06	Market	1/17/19	1.6%	\$818	\$1,008	\$1,120
Garden	--	2	1	6	\$985	898	\$1.10	Market	8/2/17	3.1%	\$811	\$963	\$1,065
Garden	--	3	1.5	4	\$1,173	1,050	\$1.12	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Round Bay

VA710-009118

Solace

Multifamily Community Profile

400 South Military Highway
Virginia Beach, VA 23464

Community Type: Market Rate - General

Structure Type: 4-Story Mid Rise

250 Units 0.8% Vacant (2 units vacant) as of 2/17/2021

Opened in 2014



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$1,295	890	\$1.46	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	--	\$1,647	1,289	\$1.28	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Full Size); Window A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking Fee: --	Parking 2: Covered Spaces Fee: \$20
Property Manager: Drucker & Faulk Owner: --	

Comments

poolside kitchen with grills, dog park, TV lounge, yoga room. Premiums for waterview, floor, corner etc.

SS appl, ceramic tile, marble vanities, quartz counters.

Unit mix: 131-1BR, 119-2BR. Covered parking \$20-\$30. Trash \$5.

Floorplans (Published Rents as of 2/17/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Oasis-Balcony / Mid Rise	--	1	1	--	\$1,410	1,018	\$1.39	Market	2/17/21	0.8%	\$1,295	\$1,647	--
Oasis-Sunroom / Mid Ris	--	1	1	--	\$1,425	1,089	\$1.31	Market	10/9/20	0.0%	\$1,281	\$1,644	--
Blue Water / Mid Rise - El	--	1	1	--	\$1,160	760	\$1.53	Market	2/10/20	4.8%	\$1,266	\$1,614	--
Emerge/Syn / Mid Rise -	--	1	1	--	\$1,175	789	\$1.49	Market	7/9/19	4.0%	\$1,255	\$1,603	--
Zen / Mid Rise - Elevator	--	1	1	--	\$1,150	789	\$1.46	Market	* Indicates initial lease-up.				
Balance-Balcony / Mid Ri	--	1	1	--	\$1,235	857	\$1.44	Market					
Balance-Sunroom / Mid R	--	1	1	--	\$1,335	926	\$1.44	Market					
Essence-Balcony / Mid Ri	--	2	2	--	\$1,445	1,162	\$1.24	Market					
Essence-Sunroom / Mid	--	2	2	--	\$1,485	1,234	\$1.20	Market					
Aqua / Mid Rise - Elevato	--	2	2	--	\$1,620	1,289	\$1.26	Market	Incentives: None				
Watervale-Balcony / Mid	Loft	2	2	--	\$1,725	1,324	\$1.30	Market	Utilities in Rent: Heat Fuel: Electric				
Reflection / Mid Rise - Ele	--	2	2	--	\$1,700	1,328	\$1.28	Market	Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>				
Watervale-Sunroom / Mid	Loft	2	2	--	\$1,725	1,397	\$1.23	Market	Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input type="checkbox"/>				

Solace

VA810-020243

University Gardens

Multifamily Community Profile

5801 Lowery Road
Norfolk, VA 23502

CommunityType: Market Rate - General

Structure Type: 2-Story Garden

192 Units 0.0% Vacant (0 units vacant) as of 2/17/2021

Opened in 1962



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	32.3%	\$871	750	\$1.16	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	3.1%	\$1,000	916	\$1.09	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	46.4%	\$1,035	932	\$1.11	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	12.0%	\$1,164	1,061	\$1.10	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	6.3%	\$1,205	1,404	\$0.86	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	
Features						
Standard: Dishwasher; Disposal; Central A/C; Patio/Balcony; Carpet / Vinyl/Linoleum						
Select Units: In Unit Laundry						
Optional(\$): --						
Security: --						
Parking 1: Free Surface Parking			Parking 2: --			
Fee: \$0			Fee: --			
Property Manager: S.L. Nusbaum						
Owner: --						

Comments

On-site management office also handles University Terrace & Norcova Gardens. Amenities shared w/ University Terrace.

Enclosed breezeways. Washer/dryer hookups in select units. \$55 Hookups. \$40 W/D Fee

Gas stoves.

Floorplans (Published Rents as of 2/17/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	61	\$865	750	\$1.15	Market	2/17/21	0.0%	\$883	\$1,062	\$1,205
Upgraded / Garden	--	1	1	1	\$955	750	\$1.27	Market	2/10/20	1.6%	\$863	\$1,051	\$1,195
Garden	Den	1	1	6	\$995	916	\$1.09	Market	1/17/19	0.5%	\$912	\$1,063	\$1,290
Garden	Den	2	1	19	\$1,155	1,032	\$1.12	Market	7/20/18	1.0%	\$863	\$1,015	\$1,195
Upgraded / Garden	Den	2	1.5	4	\$1,180	1,200	\$0.98	Market					
Garden	--	2	1	65	\$995	932	\$1.07	Market					
Upgraded / Garden	--	2	1	24	\$1,125	932	\$1.21	Market					
Garden	--	3	1.5	6	\$1,139	1,207	\$0.94	Market					
Upgraded / Garden	--	3	1.5	6	\$1,270	1,600	\$0.79	Market					
										Adjustments to Rent			
										Incentives: None			
										Utilities in Rent: Heat Fuel: Natural Gas			
										Heat: <input type="checkbox"/> Cooking: <input checked="" type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>			
										Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input type="checkbox"/>			

University Gardens

VA710-017321

University Terrace

Multifamily Community Profile

Georgetown Road @ Prince Avenue
Norfolk, VA 23502

Community Type: Market Rate - General

Structure Type: 2-Story Garden

152 Units 0.0% Vacant (0 units vacant) as of 2/17/2021

Opened in 1964



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	23.7%	\$987	1,005	\$0.98	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	68.4%	\$1,119	1,205	\$0.93	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	7.9%	\$1,350	1,604	\$0.84	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Central A/C; Patio/Balcony; Carpet / Vinyl/Linoleum	
Select Units: In Unit Laundry	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: \$0	Parking 2: -- Fee: --
Property Manager: S.L. Nusbaum Owner: --	

Comments

No on-site management office; managed out of University Gardens. Enclosed breezeways.
Amenities shared w/ adjoining University Gardens. Laundry hookups in select units. Gas stoves. No waiting list
\$55 Hookups. \$40 W/D Fee

Floorplans (Published Rents as of 2/17/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	31	\$989	1,000	\$0.99	Market	2/17/21	0.0%	\$987	\$1,119	\$1,350
Upgraded / Garden	--	1	1	1	\$1,075	1,000	\$1.08	Market	2/10/20	1.3%	\$974	\$1,166	\$1,331
Deluxe / Garden	--	1	1	4	\$994	1,048	\$0.95	Market	1/17/19	0.7%	\$990	\$1,166	\$1,322
Garden	--	2	2	71	\$1,075	1,200	\$0.90	Market	7/20/18	1.3%	\$949	\$1,055	\$1,322
Upgraded / Garden	--	2	1.5	22	\$1,239	1,200	\$1.03	Market					
Deluxe / Garden	--	2	1.5	11	\$1,208	1,248	\$0.97	Market					
Garden	--	3	2	7	\$1,381	1,600	\$0.86	Market					
Upgraded / Garden	--	3	2	4	\$1,320	1,600	\$0.83	Market					
Deluxe / Garden	--	3	2	1	\$1,369	1,648	\$0.83	Market					

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Gas

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

University Terrace

VA710-017322

Water's Edge

Multifamily Community Profile

390 S. Military Highway
Norfolk, VA 23502

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

190 Units 0.0% Vacant (0 units vacant) as of 2/12/2021

Opened in 1986



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$1,085	642	\$1.69	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$1,220	910	\$1.34	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Storage (In Unit); Carpet / Ceramic	
Select Units: Fireplace; HighCeilings	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: \$0	Parking 2: -- Fee: --
Property Manager: The Breeden Co Owner: --	

Comments

Faux granite countertops. White appliances in many units, black appliances in upgraded.
Unassigned permit parking. Vaulted ceilings in select units. More 2 BRs than 3BRs, unit mix unknown.

Floorplans (Published Rents as of 2/12/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$1,085	600	\$1.81	Market	2/12/21	0.0%	\$1,085	\$1,220	--
Garden	Fireplace	1	1	--	\$1,085	684	\$1.59	Market	1/16/19	0.0%	\$1,013	\$1,167	--
Garden	--	2	1	--	\$1,185	895	\$1.32	Market	10/2/17	0.0%	\$1,013	\$1,166	--
Garden	Fireplace	2	2	--	\$1,255	924	\$1.36	Market	6/6/17	1.1%	\$1,013	\$1,089	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:



XI. APPENDIX 3 NCHMA CERTIFICATION

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

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

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

Real Property Research Group, Inc.



Tad Scepianiak

 Name

Managing Principal

 Title

February 25, 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	17
3.	Utilities (and utility sources) included in rent	18
4.	Project design description	15
5.	Unit and project amenities; parking	18
6.	Public programs included	15
7.	Target population description	15
8.	Date of construction/preliminary completion	18
9.	If rehabilitation, existing unit breakdown and rents	N/A
10.	Reference to review/status of project plans	66
Location and Market Area		
11.	Market area/secondary market area description	39
12.	Concise description of the site and adjacent parcels	19
13.	Description of site characteristics	19
14.	Site photos/maps	21
15.	Map of community services	19
16.	Visibility and accessibility evaluation	23
17.	Crime information	25
Employment and Economy		
18.	Employment by industry	34
19.	Historical unemployment rate	31



20.	Area major employers	34
21.	Five-year employment growth	33
22.	Typical wages by occupation	37
23.	Discussion of commuting patterns of area workers	32
Demographic Characteristics		
24.	Population and household estimates and projections	41
25.	Area building permits	42
26.	Distribution of income	37
27.	Households by tenure	44
Competitive Environment		
28.	Comparable property profiles	90
29.	Map of comparable properties	51
30.	Comparable property photos	90
31.	Existing rental housing evaluation	50
32.	Comparable property discussion	52
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	54
34.	Comparison of subject property to comparable properties	83
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	54
38.	List of existing LIHTC properties	52
39.	Discussion of future changes in housing stock	59
40.	Discussion of availability and cost of other affordable housing options, including homeownership	51
41.	Tax credit and other planned or under construction rental communities in market area	59
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	77
43.	Calculation and analysis of Penetration Rate	79
44.	Evaluation of proposed rent levels	84
45.	Derivation of Achievable Market Rent and Market Advantage	60
46.	Derivation of Achievable Restricted Rent	65
47.	Precise statement of key conclusions	68



48.	Market strengths and weaknesses impacting project	69
49.	Recommendation and/or modification to project description	83, if applicable
50.	Discussion of subject property's impact on existing housing	87
51.	Absorption projection with issues impacting performance	86
52.	Discussion of risks or other mitigating circumstances impacting project	86, if applicable
53.	Interviews with area housing stakeholders	13
Certifications		
54.	Preparation date of report	Cover
55.	Date of field work	Cover
56.	Certifications	91
57.	Statement of qualifications	95
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	N/A



XIII. APPENDIX 5 ANALYST RESUMES

TAD SCEPANIAK **Managing Principal**

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

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

Areas of Concentration:

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

Education:

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



ROBERT M. LEFENFELD
Founding Principal

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

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

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

Areas of Concentration:

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

Education:

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



ETHAN REED
Senior Analyst

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

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

Areas of Concentration:

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

Education:

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



JUSTIN MOULTRIE
Analyst

Justin Moultrie joined RPRG in 2020 bringing real estate research and analysis experience from both the residential and commercial real estate industries. As an Analyst with RPRG, Justin focuses on rental market studies and community and economic analyses for development projects.

Areas of Concentration:

- Low Income Housing Tax Credits: Justin prepares rental market studies for submission to lenders and state agencies for nine percent and four percent Low Income Housing Tax Credit allocations. Studies include analysis of new construction as well as the feasibility of renovating existing family rental communities.
- FHA Section 221(d)(4): Justin 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.

Education:

Bachelor of Science, Marketing; University of Maryland, College Park, MD



XIV. APPENDIX 6 VHDA CERTIFICATION

I affirm the following:

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

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

Justin Moultrie
Market Analyst

February 25, 2021

Date