

MARKET STUDY

Property:
Birch Island Apartments Phase 1
10322 Penny Lane
Wakefield, Virginia 23888



Type of Property:
Affordable Multifamily Development
Family
Renovation

Date of Report:
March 6, 2022

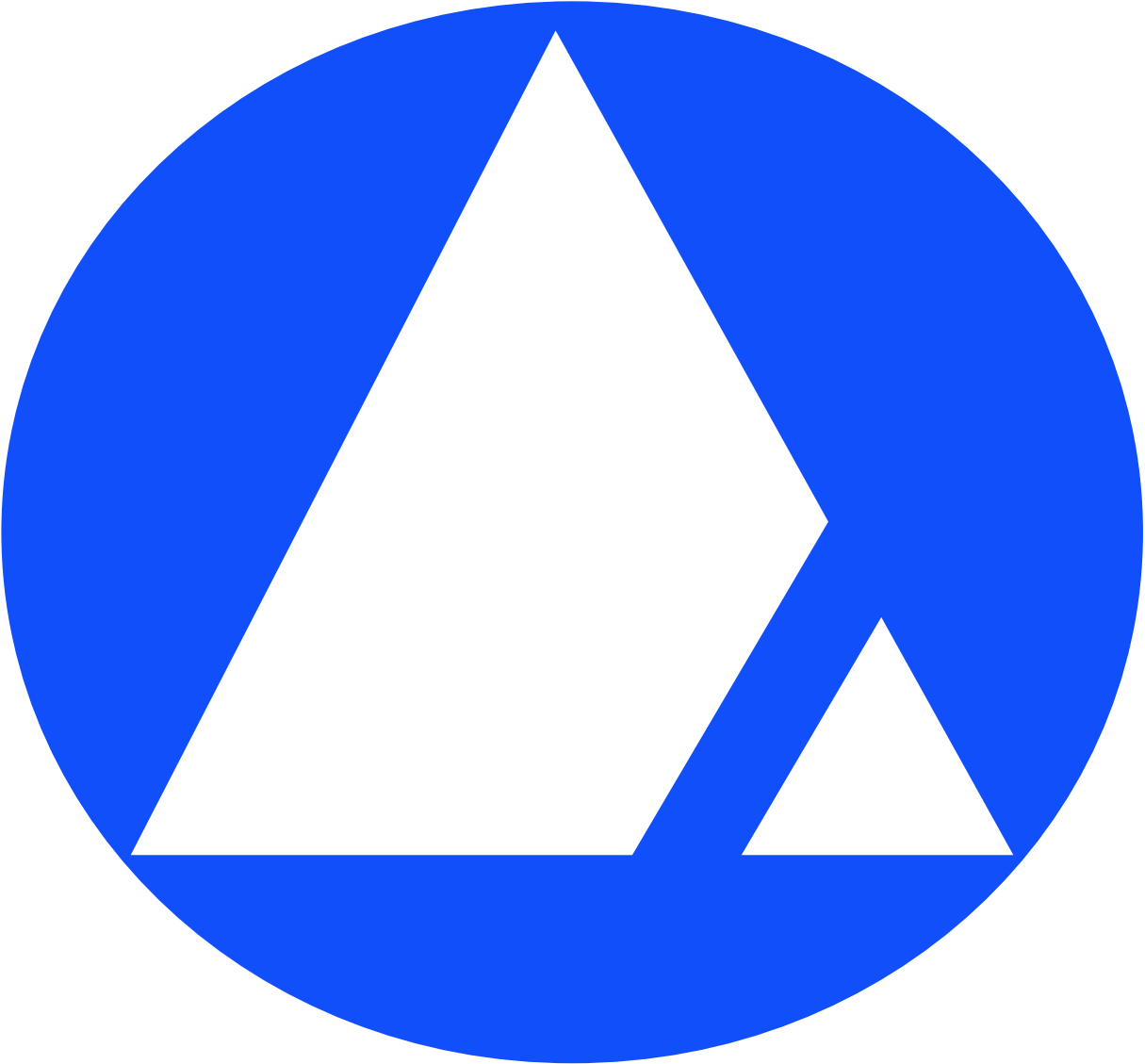
Effective Date:
March 5, 2022

Date of Site Visit:
February 4, 2022

Prepared For:
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March 6, 2022

Mr. Donald Nuzzio
TM Associates
1375 Piccard Drive
Rockville, Maryland 20850

Re: Birch Island Apartments Phase 1

Dear Mr. Donald Nuzzio:

The subject property, known as Birch Island Apartments Phase 1, is an existing affordable multifamily development located at 10322 Penny Lane in Wakefield, Sussex County, Virginia (Parcel Number 61-4-ABC). The subject property consists of 48 revenue-producing units originally constructed in 1984 and renovated in 2000. The sponsor has proposed to renovate the property with an allocation of tax credits. The subject property is an open age community.

The subject property is proposed to consist of 48 revenue-producing units including 1, 2 and 3-bedroom garden apartments. A total of 5 units are proposed to be income restricted to 40% of AMI; a total of 19 units are proposed to be income restricted to 50% of AMI; a total of 24 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 35 units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing.

The sponsor has proposed to reamortize the existing USDA-RD loan for 50 years; the rent and income restrictions associated with this loan will remain in place until it is repaid. The rent and income restrictions associated with the proposed allocation of tax credits will run for the next 30 years.

The scope of this assignment consists of a comprehensive market analysis for the subject property. The market study was completed in accordance with VHDA, National Council for Housing Market Analyst (NCHMA) guidelines and the Uniform Standards of Professional Practice (USPAP). The completion of this report involved a site visit, interviews with local property managers, and the collection of market data through discussions with persons knowledgeable of the local real estate market.

The purpose, intended use, and function of the report is to assess the marketability of the subject property for tax credit application purposes. This report should not be used for any other purposes without the express written permission of Allen & Associates Consulting.

The report has been generated for the benefit of our client TM Associates. VHDA is named as an additional user of the report. No other person or entity may use the report for any reason whatsoever without our express written permission.

A summary of our findings and conclusions is found in the following pages. The conclusions reported are based on the conditions that exist as of the effective date of this report. These factors are subject to change and may alter, or otherwise affect the findings and conclusions presented in this report.

To the best of our knowledge, this report presents an accurate evaluation of market conditions for the subject property as of the effective date of this report. While the analysis that follows is based upon information obtained from sources believed to be reliable, no guarantee is made of its accuracy.

Feel free to contact us with any questions or comments.

Respectfully submitted:
ALLEN & ASSOCIATES CONSULTING

A handwritten signature in blue ink, appearing to read "Jeff Carroll", is positioned above the printed name.

Jeff Carroll

EXECUTIVE SUMMARY

The following is a summary of our key findings and conclusions with respect to the subject property:

Project Description

The subject property, known as Birch Island Apartments Phase 1, is an existing affordable multifamily development located at 10322 Penny Lane in Wakefield, Sussex County, Virginia (Parcel Number 61-4-ABC). The subject property consists of 48 revenue-producing units originally constructed in 1984 and renovated in 2000. The sponsor has proposed to renovate the property with an allocation of tax credits. The subject property is an open age community.

Proposed Unit Mix

The subject property is proposed to consist of 48 revenue-producing units including 1, 2 and 3-bedroom garden apartments. A total of 5 units are proposed to be income restricted to 40% of AMI; a total of 19 units are proposed to be income restricted to 50% of AMI; a total of 24 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 35 units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing.

The sponsor has proposed to reamortize the existing USDA-RD loan for 50 years; the rent and income restrictions associated with this loan will remain in place until it is repaid. The rent and income restrictions associated with the proposed allocation of tax credits will run for the next 30 years.

Unit Type / Income Limit / Rent Limit	Proposed Unit Configuration		Units	Gross Rent	UA	Net Rent
	HOME	Subsidized				
1BR-1BA-550sf / 40% of AMI / 40% of AMI	No	Yes	2	\$739	\$138	\$601
1BR-1BA-550sf / 50% of AMI / 50% of AMI	No	Yes	6	\$739	\$138	\$601
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	Yes	4	\$739	\$138	\$601
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	No	4	\$739	\$138	\$601
2BR-1BA-724sf / 40% of AMI / 40% of AMI	No	Yes	2	\$816	\$167	\$649
2BR-1BA-724sf / 50% of AMI / 50% of AMI	No	Yes	10	\$816	\$167	\$649
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	Yes	7	\$816	\$167	\$649
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	No	5	\$816	\$167	\$649
3BR-1BA-967sf / 40% of AMI / 40% of AMI	No	Yes	1	\$978	\$224	\$754
3BR-1BA-967sf / 50% of AMI / 50% of AMI	No	Yes	3	\$978	\$224	\$754
3BR-1BA-967sf / 60% of AMI / 60% of AMI	No	No	4	\$978	\$224	\$754
Total/Average			48	\$817	\$167	\$651

Site Description

The subject property includes an irregular-shaped parcel consisting of approximately 3.045 acres and approximately 300 feet of road frontage.

A total of 62 parking spaces are planned for this development (58 regular / 4 accessible / 1.29 spaces per unit). Privately-owned parking areas are planned for the subject property. We normally see 1.5 to 2.0 spaces per unit for projects like the subject. Public transportation is not found in the area. In our opinion, the current parking appears light for the subject property.

Additional Considerations:

Zoning	A1. Legal, non-conforming use.
Environmental	1984 construction. No suspected environmental conditions.
Topography	No issues detected.
Flood	Zone X. Outside the 100-year flood zone.
DDA Status	Sussex, Virginia. Not designated as a Difficult to Develop Area.
QCT Status	Tract 8704.00. Designated as a Qualified Census Tract.
Access	Good. Located near a moderately-traveled road.
Visibility	Good. Moderate drive-traffic and frontage.

In our opinion, the site is suitable for development.

Neighborhood Description

In our opinion, the subject property has a good location relative to competing properties with respect to neighborhood characteristics.

In our opinion, the subject property has a fair location relative to competing properties with respect to area amenities.

Additional Considerations:

Crime	Lower crime rates than market average.
Schools	Lower graduation rates than market average.
Average Commute	Shorter commutes than market average.

In our opinion, the neighborhood is suitable for development.

Primary Market Area

We defined the primary market area by generating a 30-minute drive time zone around the subject property. We also considered existing concentrations of multifamily properties and the nearest census tract boundaries in our analysis.

The primary market area includes a population of 43,623 persons and covers a total of 989.5 square miles, making it 35.5 miles across on average.

We estimate that up to 20 percent of demand will come from areas outside of the primary market area.

Demographic Characteristics

We anticipate moderate population and household growth for the market area. Renter households are anticipated to increase modestly as well. Finally, we anticipate that rents will grow with CPI over the next few years. Additional details follow:

Population	Market area population currently stands at 43,623 and is projected to grow 0.5 percent this year.
Households	Market area households currently stand at 15,463 and is projected to grow 0.2 percent this year.
Renter Households	Market area renter households currently stand at 3,654 and is projected to grow 0.1 percent this year.
Renter Tenure	Market area renter tenure currently stands at 23.6 percent.
Rent Growth	Market area rents have grown 2.28% annually since 2010.

Regional Economic Outlook

We anticipate moderate economic growth for the region. Additional details follow:

Est Employment	Regional establishment employment currently stands at 36,351 and is projected to grow 1.0 percent this year.
Civ Employment	Regional civilian employment currently stands at 38,881 and is projected to grow 0.3 percent this year.
Empl by Industry	Regional establishment employment currently stands at 36,351. The data suggests that State and Local Government is the largest employment category accounting for 15.2% of total regional employment. Manufacturing is the second largest category accounting for 10.5% of total employment. Health Care and Social Assistance is the third largest category accounting for 9.6% of total employment. Retail Trade is the fourth largest category accounting for 9.4% of total employment. Other Services is the fifth largest category accounting for 7.3% of total employment.

Top Employers The top employers include: (1) Smithfield Foods (2200 employees); (2) Smithfield Foods (2000 employees) and; (3) International Paper Co (1800 employees).

Layoffs/Expansions Major employers are currently hiring; none reported any pending layoffs.

Supply Analysis

Our analysis includes a total of 19 confirmed market area properties consisting of 845 units. The occupancy rate for these units currently stands at 96 percent. This rate reflects the occupancy for all confirmed market area units, regardless of project status (stabilized, under construction, proposed, etc.).

The following tables summarize our findings for this market area:

Grand Total				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	2	102	0	100%
Restricted	11	234	12	95%
Subsidized	6	509	24	95%
Total	19	845	36	96%

Stabilized				
Family				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	2	102	0	100%
Restricted	10	233	12	95%
Subsidized	3	398	24	94%
Total	15	733	36	95%

Elderly				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	0	0	0	0%
Restricted	1	1	0	100%
Subsidized	3	111	0	100%
Total	4	112	0	100%

Pipeline				
Family				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	0	0	0	0%
Restricted	0	0	0	0%
Subsidized	0	0	0	0%
Total	0	0	0	0%

Elderly				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	0	0	0	0%
Restricted	0	0	0	0%
Subsidized	0	0	0	0%
Total	0	0	0	0%

Most Comparable Properties

An overview of the market rate comparables selected for purposes of our analysis follows. The properties we consider to be the best comparables are highlighted for the reader's reference.

Key	Property	Units	Occupancy	Built	Renovated	Rents	Type	Miles to Sub
001	Autumn Ridge 1	128	96%	1975	2016	Market Rate	Family	26.38
047	Hillpoint Woods Apartments	144	99%	2005	na	Market Rate	Family	24.95
060	Meadowridge Apartments	97	100%	1991	2018	Market Rate	Family	16.87
063	Morris Creek Landing Apartm	87	100%	1988	2004	Market Rate	Family	20.67
084	Sadler Pond Apartments	109	100%	1989	2015	Market Rate	Family	24.28
090	Suffolk Station Apartments	111	95%	1987	2015	Market Rate	Family	26.26

An overview of the restricted rent comparables selected for purposes of our analysis follows. The properties we consider to be the best comparables are highlighted for the reader's reference.

Key	Property	Units	Occupancy	Built	Renovated	Rents	Type	Miles to Sub
003	Autumn Ridge 2 - LC2	24	96%	1998	na	Restricted	Family	26.38
013	Bradford Mews Phase 1 & 2	120	99%	1994	2013	Restricted	Family	21.17
053	King's Landing Apartments	120	100%	1992	na	Restricted	Family	24.53
075	October Station Apartments	48	100%	2016	na	Restricted	Family	27.40
110	Woods Edge Apartments	60	88%	1984	1999	Restricted	Family	18.66

Achievable Rents

In the following table we present our concluded achievable rents and rent advantage for the subject property:

Unit Type / Income Limit / Rent Limit	Achievable Rents			Units	Achievable	Proposed	Advantage
	HOME	Subsidized					
1BR-1BA-550sf / 40% of AMI / 40% of AMI	No	Yes		2	\$880	\$601	31.7%
1BR-1BA-550sf / 50% of AMI / 50% of AMI	No	Yes		6	\$880	\$601	31.7%
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	Yes		4	\$880	\$601	31.7%
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	No		4	\$625	\$601	3.8%
2BR-1BA-724sf / 40% of AMI / 40% of AMI	No	Yes		2	\$1,015	\$649	36.1%
2BR-1BA-724sf / 50% of AMI / 50% of AMI	No	Yes		10	\$1,015	\$649	36.1%
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	Yes		7	\$1,015	\$649	36.1%
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	No		5	\$750	\$649	13.5%
3BR-1BA-967sf / 40% of AMI / 40% of AMI	No	Yes		1	\$1,120	\$754	32.7%
3BR-1BA-967sf / 50% of AMI / 50% of AMI	No	Yes		3	\$1,120	\$754	32.7%
3BR-1BA-967sf / 60% of AMI / 60% of AMI	No	No		4	\$800	\$754	5.8%
Total / Average				48	\$912	\$651	28.7%

Our analysis suggests an average achievable rent of \$912 for the subject property. This is compared with an average proposed rent of \$651, yielding an achievable rent advantage of 28.7 percent. Overall, the subject property appears to be priced at or below achievable rents for the area.

NCHMA Demand Analysis

In the following tables we present our concluded demand, capture rate, penetration rate and absorption period estimates for the subject property using the NCHMA demand methodology:

Unit Type / Rent Type / Income Limit	Vac Units at Market Entry	Gross Demand	Vacant & Pipeline Units	Capture Rate Gross	Capture Rate Net	Penetration Rate	Absorption Pd (Mos)
1-Bedroom / Subsidized / 60% of AMI	6	1,327	6	0.5%	0.5%	8.7%	2
1-Bedroom / Restricted / 60% of AMI	2	384	1	0.5%	0.5%	4.4%	2
2-Bedroom / Subsidized / 60% of AMI	9	1,841	13	0.5%	0.5%	14.4%	2
2-Bedroom / Restricted / 60% of AMI	3	503	5	0.6%	0.6%	17.7%	2
3-Bedroom / Subsidized / 50% of AMI	2	1,676	5	0.1%	0.1%	2.0%	<1
3-Bedroom / Restricted / 60% of AMI	2	347	3	0.6%	0.6%	15.6%	2

Project-Wide Gross Capture Rate	1.2%
Project-Wide Net Capture Rate	1.2%
Project-Wide Penetration Rate	28.3%
Stabilized Occupancy	95%
Project-Wide Absorption Period	2 mos

In our opinion, the estimated project-level capture rate suggests an appropriate number of units for the subject property. The unit level capture rates suggest an appropriate mix of units for the subject property.

In our opinion, the estimated project-level penetration rate suggest an appropriate number of units for the subject property. The unit-level penetration rates suggest an appropriate mix of units for the subject property.

Our analysis suggests that the subject property will stabilize at 95 percent occupancy. We estimate 2 months of absorption and an average absorption rate of 10.7 units per month for this project. In our opinion, the absorption period suggests an appropriate number and mix of units for the subject property.

It is important to note that this analysis does not account for pent-up demand, pre-leasing efforts or rent concessions. In our opinion, an effective pre-leasing effort could result in a month-for-month reduction in the estimated absorption period for this project. In addition, any concessions or rent subsidies not accounted for already in this analysis could cut capture rates and absorption periods significantly.

VHDA Demand Analysis

In the following table we present our concluded capture rate and absorption period estimates for the subject property using the VHDA demand methodology:

Project-Wide Capture Rate - LIHTC Units	4.5%
Project-Wide Capture Rate - Market Units	0.0%
Project-Wide Capture Rate - All Units	4.5%
Project-Wide Absorption Period (Months)	2 mos

Conclusion

In conclusion, the subject property appears to be feasible from a market standpoint. Because of the demonstrated depth of demand in this area and the current occupied status of the subject property, we do not believe the renovation of this property will have an adverse impact on existing projects in the market area. The units appear to be priced appropriately and we anticipate a rapid lease-up after renovation.

Birch Island Apartments Phase 1
10322 Penny Lane
Wakefield, Virginia 23888

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Minimum Income	\$4,731				\$25,337				\$4,731
Maximum Income	\$54,000				\$58,320				\$58,320
New Rental Households	5				2				7
(+)									
Existing Households - Overburdened	667				219				886
(+)									
Existing Households - Substandard Housing	146				48				194
(+)									
Elderly Households - Likely to Convert to Rental Housing									
(+)									
Existing Qualifying Tenants - To Remain After Renovation	18				6				24
(+)									
Total Demand	836				275				1,111
(-)									
Supply (Directly Comparable Vacant Units Completed or in Pipeline in PMA)	24				9				33
(=)									
Net Demand	812				266				1,078
Proposed Units	35				13				48
Capture Rate	4.3%				4.9%				4.5%
Absorption Period (Months)	2 mos				2 mos				2 mos

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PROJECT OVERVIEW

Project Description

The subject property, known as Birch Island Apartments Phase 1, is an existing affordable multifamily development located at 10322 Penny Lane in Wakefield, Sussex County, Virginia (Parcel Number 61-4-ABC). The subject property consists of 48 revenue-producing units originally constructed in 1984 and renovated in 2000. The sponsor has proposed to renovate the property with an allocation of tax credits. The subject property is an open age community.

Select project details are summarized below:

Project Description	
Property Name	Birch Island Apartments Phase 1
Street Number	10322
Street Name	Penny
Street Type	Lane
City	Wakefield
County	Sussex County
State	Virginia
Zip	23888
Units	48
Project Rent	Restricted
Project Type	Family
Project Status	Prop Rehab
Financing Type	Tax Credit
Latitude	36.9737
Longitude	-76.9748

Scope of Renovation

The subject property is currently in fair condition. The sponsor has proposed to rehabilitate the subject property to bring it up to “like new” condition using tax credit financing. The contemplated rehabilitation scope includes roof, parking lot, landscape, appliance, cabinet, HVAC and tile repairs and/or replacement. Tenants will be temporarily displaced as renovation progresses for this property.

Construction and Lease-Up Schedule

We anticipate a 12-month construction period for this project. Assuming a December 1, 2022 closing, this yields a date of completion of December 1, 2023. Our demand analysis (found later in this report) suggests a 2-month absorption period. This yields a date of stabilization of February 1, 2024.

Unit Configuration

The subject property currently consists of 48 revenue-producing units including 1, 2 and 3-bedroom garden apartments. A total of 38 units are currently income restricted to 50% of AMI; a total of 10 units are currently income restricted to 60% of AMI; no units are currently set aside as market rate units; a total of 35 units currently benefit from project-based rental assistance. The subject property currently stands at 94% occupancy. The current rent and income restrictions will remain in place for the next 28 years or until the outstanding USDA-RD debt is repaid, whichever is earlier.

Current Unit Configuration										
BR	BA	SF	Unit Type	Income Limit	Rent Limit	HOME Units	Subs Units	Total Units	Gross Rent	Net Rent
1	1.0	550	Garden/Flat	50%	50%	No	Yes	3	\$700	\$601
1	1.0	550	Garden/Flat	50%	50%	No	Yes	8	\$700	\$601
1	1.0	550	Garden/Flat	50%	50%	No	No	2	\$700	\$601
1	1.0	550	Garden/Flat	60%	60%	No	No	3	\$700	\$601
2	1.0	724	Garden/Flat	50%	50%	No	Yes	5	\$776	\$649
2	1.0	724	Garden/Flat	50%	50%	No	Yes	13	\$776	\$649
2	1.0	724	Garden/Flat	50%	50%	No	No	1	\$776	\$649
2	1.0	724	Garden/Flat	60%	60%	No	No	5	\$776	\$649
3	1.0	967	Garden/Flat	50%	50%	No	Yes	2	\$927	\$754
3	1.0	967	Garden/Flat	50%	50%	No	Yes	4	\$927	\$754
3	1.0	967	Garden/Flat	60%	60%	No	No	2	\$927	\$754
Total/Average		707						48	\$776	\$651

The subject property is proposed to consist of 48 revenue-producing units including 1, 2 and 3-bedroom garden apartments. A total of 5 units are proposed to be income restricted to 40% of AMI; a total of 19 units are proposed to be income restricted to 50% of AMI; a total of 24 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 35 units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing.

The sponsor has proposed to reamortize the existing USDA-RD loan for 50 years; the rent and income restrictions associated with this loan will remain in place until it is repaid. The rent and income restrictions associated with the proposed allocation of tax credits will run for the next 30 years.

Proposed Unit Configuration										
BR	BA	SF	Unit Type	Income Limit	Rent Limit	HOME Units	Subs Units	Total Units	Gross Rent	Net Rent
1	1.0	550	Garden/Flat	40%	40%	No	Yes	2	\$739	\$601
1	1.0	550	Garden/Flat	50%	50%	No	Yes	6	\$739	\$601
1	1.0	550	Garden/Flat	60%	60%	No	Yes	4	\$739	\$601
1	1.0	550	Garden/Flat	60%	60%	No	No	4	\$739	\$601
2	1.0	724	Garden/Flat	40%	40%	No	Yes	2	\$816	\$649
2	1.0	724	Garden/Flat	50%	50%	No	Yes	10	\$816	\$649
2	1.0	724	Garden/Flat	60%	60%	No	Yes	7	\$816	\$649
2	1.0	724	Garden/Flat	60%	60%	No	No	5	\$816	\$649
3	1.0	967	Garden/Flat	40%	40%	No	Yes	1	\$978	\$754
3	1.0	967	Garden/Flat	50%	50%	No	Yes	3	\$978	\$754
3	1.0	967	Garden/Flat	60%	60%	No	No	4	\$978	\$754
Total/Average		707						48	\$817	\$651

Income & Rent Limits

The subject property is operated subject to certain income restrictions. The following table gives the applicable income limits for this area:

Income Limits						
HH Size	30% of AMI	40% of AMI	50% of AMI	60% of AMI	70% of AMI	80% of AMI
1.0 Person	\$18,900	\$25,200	\$31,500	\$37,800	\$44,100	\$50,400
2.0 Person	\$21,600	\$28,800	\$36,000	\$43,200	\$50,400	\$57,600
3.0 Person	\$24,300	\$32,400	\$40,500	\$48,600	\$56,700	\$64,800
4.0 Person	\$27,000	\$36,000	\$45,000	\$54,000	\$63,000	\$72,000
5.0 Person	\$29,160	\$38,880	\$48,600	\$58,320	\$68,040	\$77,760
6.0 Person	\$31,320	\$41,760	\$52,200	\$62,640	\$73,080	\$83,520
7.0 Person	\$33,480	\$44,640	\$55,800	\$66,960	\$78,120	\$89,280
8.0 Person	\$35,640	\$47,520	\$59,400	\$71,280	\$83,160	\$95,040

Source: HUD; State Housing Finance Agency

The income limits found above were based (in part) on HUD's published median household income for the area. The table below shows how this statistic has increased/decreased over the past several years:

Historical Median Income		
Year	\$	Change
2010	\$73,900	1.0%
2011	\$74,600	0.9%
2012	\$75,600	1.3%
2013	\$73,900	-2.2%
2014	\$72,900	-1.4%
2015	\$74,200	1.8%
2016	\$72,400	-2.4%
2017	\$78,700	8.7%
2018	\$83,200	5.7%
2019	\$86,400	3.8%
2020	\$89,400	3.5%
2021	\$90,000	0.7%

Source: HUD

The subject property is operated subject to certain rent restrictions. The following table gives the maximum housing expense (net rent limit + tenant-paid utilities) for this area:

Maximum Housing Expense						
Unit Type	30% of AMI	40% of AMI	50% of AMI	60% of AMI	70% of AMI	80% of AMI
0 Bedroom	\$472	\$630	\$787	\$945	\$1,102	\$1,260
1 Bedroom	\$506	\$675	\$843	\$1,012	\$1,181	\$1,350
2 Bedroom	\$607	\$810	\$1,012	\$1,215	\$1,417	\$1,620
3 Bedroom	\$702	\$936	\$1,170	\$1,404	\$1,638	\$1,872
4 Bedroom	\$783	\$1,044	\$1,305	\$1,566	\$1,827	\$2,088

Source: HUD

The following table sets forth the gross fair market rents (net fair market rents + tenant-paid utilities) that would apply to any Section 8 voucher recipients or any units benefiting from HOME financing at the subject property:

Fair Market Rents	
Unit Type	Gross Rent
0 Bedroom	\$1,022
1 Bedroom	\$1,044
2 Bedroom	\$1,189
3 Bedroom	\$1,556
4 Bedroom	\$1,864

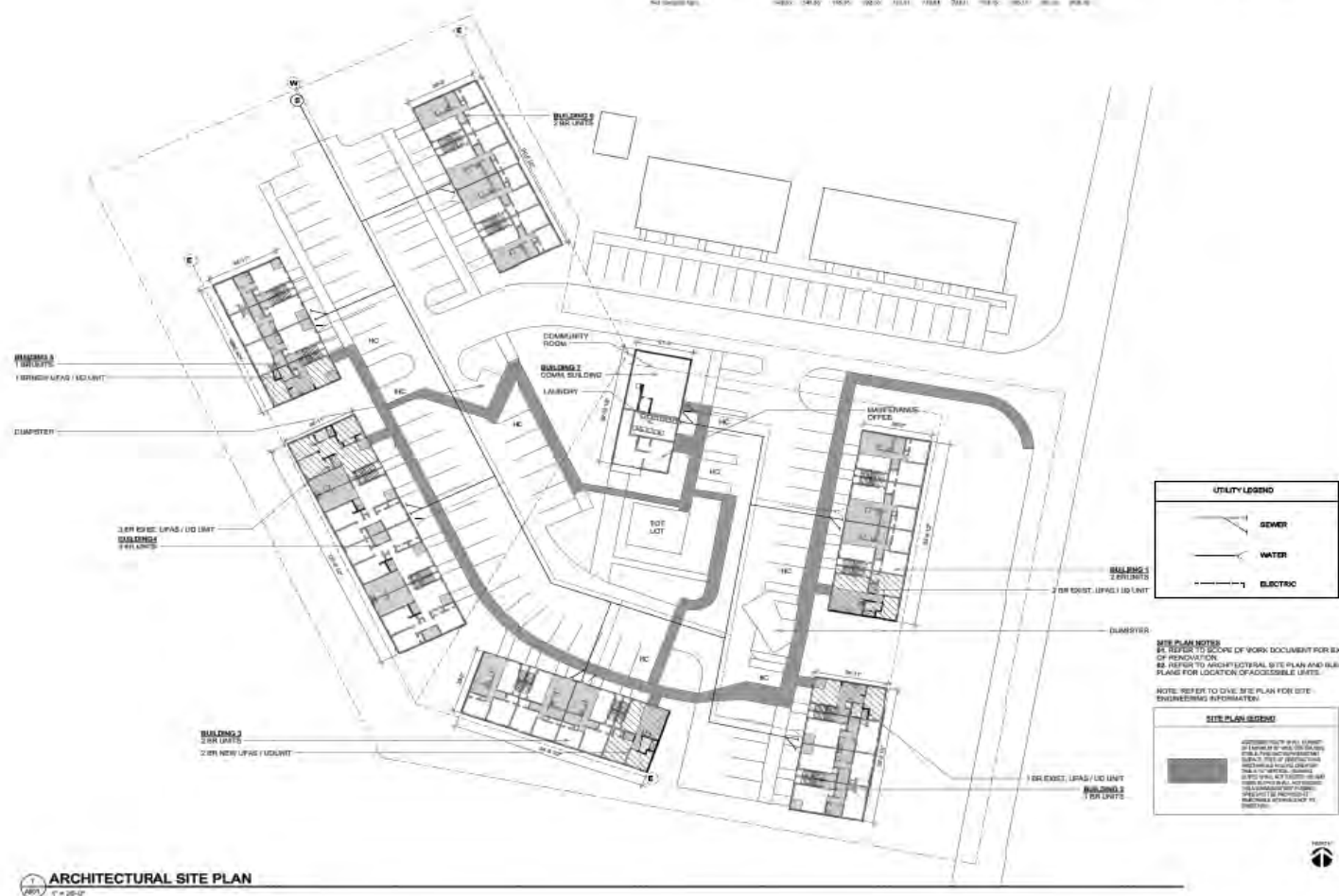
Source: HUD



Site Plan

Building	Floor	UNIT MATRIX											
		1	2	3	4	5	6	7	8	9	10	11	12
Building 1	1												
Building 2	1												
Building 3	1												
Building 4	1												
Building 5	1												
Building 6	1												
Building 7	1												
Building 8	1												
Building 9	1												
Building 10	1												
Building 11	1												
Building 12	1												
Building 13	1												
Building 14	1												
Building 15	1												
Building 16	1												
Building 17	1												
Building 18	1												
Building 19	1												
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Building 40	1												
Building 41	1												
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Building 48	1												
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Building 88	1												
Building 89	1												
Building 90	1												
Building 91	1												
Building 92	1												
Building 93	1												
Building 94	1												
Building 95	1												
Building 96	1												
Building 97	1												
Building 98	1												
Building 99	1												
Building 100	1												

WALTER FENSTER ARCHITECTS, LLC
 21 Ward Park Drive, Suite 100
 Frederick, Maryland 21701
 301.760.7006
 www.WFAA.com



Architect's Project Number: 2102
 USDA SUBMISSION: 3.16.2021

Renovation of
Birch Island Apartments
 10322 Penny Lane
 Wakefield, VA 23888

Owner:
 Birch Island Apartments
 Limited Partnership
 1375 Picard Drive, Ste 150
 Rockville, MD 20850



ARCHITECTURAL
 SITE PLAN AND
 UNIT MATRIX
G001

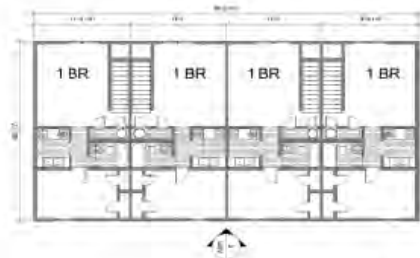
2021 03 16
 WALTER FENSTER ARCHITECTS, LLC
 21 WARD PARK DRIVE, SUITE 100
 FREDERICK, MD 21701
 301.760.7006
 WWW.WFAA.COM

Building Plans

WHEE FORTEN ARCHITECTS, LLC
 21 Wood Park Dr., Suite 100
 Frederick, Maryland 21701
 301.760.7036
 www.WFAA@earthlink.net

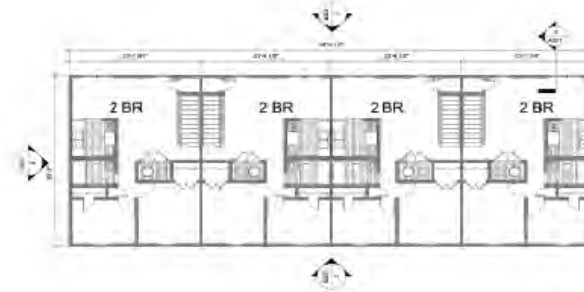
BLDG PLAN LEGEND

[Pattern]	EXISTING FLOORING
[Pattern]	NEW FLOORING
[Pattern]	WALLS
[Pattern]	DOORS
[Pattern]	STAIRS
[Symbol]	TOILET
[Symbol]	BATH
[Symbol]	KITCHEN
[Symbol]	APR. FOR DISPOSITION



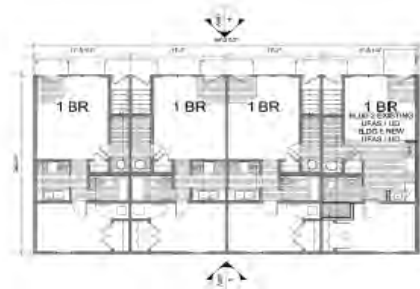
BLDG 2 & 5 - SECOND FLOOR PLAN

A201 1/8" = 1'-0"



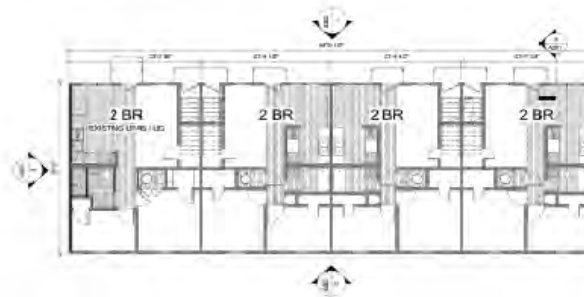
BLDG 1 - SECOND FLOOR PLAN

A201 1/8" = 1'-0"



BLDG 2 & 5 - FIRST FLOOR PLAN

A201 1/8" = 1'-0"



BLDG 1 - FIRST FLOOR PLAN

A201 1/8" = 1'-0"

Architect's Project Number: 2102
 WDA SUBMISSION: 3.16.2021

Renovation of
**Birch Island
 Apartments**
 10322 Penny Lane
 Waterfield, VA 23868

Owner:
 Birch Island Apartments
 Limited Partnership
 1375 Picard Drive, Ste 150
 Rockville, MD 20850



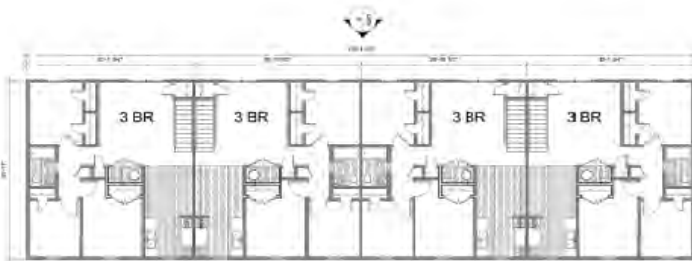
**BUILDING FLOOR
PLANS**

A201

Building Plans (Continued)

WHEAT FENSTER ARCHITECTS, LLC
 21 Wood Park Dr., Suite 100
 Frederick, Maryland 21701
 301.760.7096
 www.WFAA.com

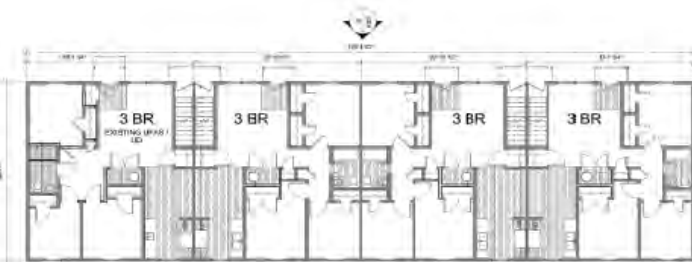
LEGEND	
[Symbol]	COMMON WALL
[Symbol]	WALL
[Symbol]	DOOR
[Symbol]	WINDOW
[Symbol]	STAIR
[Symbol]	ELEVATOR
[Symbol]	MECHANICAL ROOM
[Symbol]	RESTROOM
[Symbol]	STORAGE
[Symbol]	CL. (CLOSET)
[Symbol]	FINISH
[Symbol]	CONCRETE
[Symbol]	CEILING
[Symbol]	FLOOR
[Symbol]	ROOF
[Symbol]	FOUNDATION
[Symbol]	FOUNDATION WALL
[Symbol]	FOUNDATION FOOTING
[Symbol]	FOUNDATION SLAB
[Symbol]	FOUNDATION WALL
[Symbol]	FOUNDATION FOOTING
[Symbol]	FOUNDATION SLAB



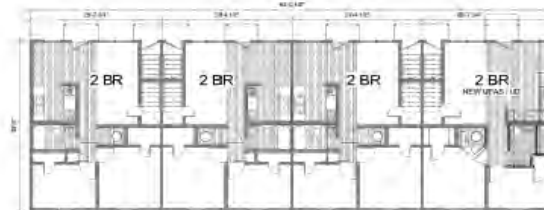
BLDG 4 - SECOND FLOOR PLAN
 1/8" = 1'-0"



BLDG 3 - SECOND FLOOR PLAN
 1/8" = 1'-0"



BLDG 4 - FIRST FLOOR PLAN
 1/8" = 1'-0"



BLDG 3 - FIRST FLOOR PLAN
 1/8" = 1'-0"

Architect's Project Number: 2102
 WDA SUBMISSION: 3.16.2021

Renovation of
**Birch Island
 Apartments**
 10322 Penny Lane
 Waterfield, VA 23868

Owner:
 Birch Island Apartments
 Limited Partnership
 1375 Picard Drive, Ste 150
 Rockville, MD 20850

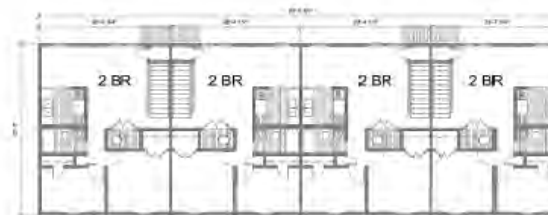


BUILDING FLOOR
 PLANS
A202

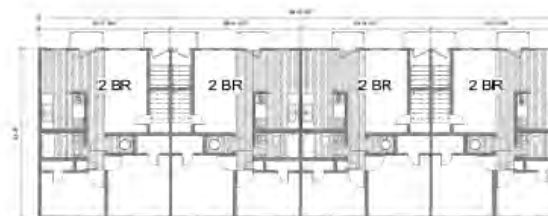
Building Plans (Continued)

ALLEN & ASSOCIATES CONSULTING
 21 Wood Park Dr., Suite 100
 Rockville, Maryland 20851
 301.760.7098
 www.AAConsulting.com

FLOOR PLAN LEGEND	
	EXISTING CONCRETE
	NEW CONCRETE
	WOOD
	CERAMIC TILE
	DOOR
	WINDOW
	MECHANICAL



BLDG 6 - SECOND FLOOR PLAN



BLDG 6 - FIRST FLOOR PLAN

Architect's Project Number: 2103
 WDA SUBMISSION: 3.16.2021

Renovation of
**Birch Island
 Apartments**
 10322 Penny Lane
 Wakefield, VA 23688

Owner:
 Birch Island Apartments
 Limited Partnership
 1375 Picard Drive, Ste 150
 Rockville, MD 20850



BUILDING FLOOR
 PLANS

A203

Building Plans (Continued)

BIROE FENSTER ARCHITECTS, LLC
 31 Wood Park Dr., Suite 100
 Parkville, Maryland 21781
 301.760.7006
 www.BFPA.com



BLDG 4 - SOUTH ELEVATION



BLDG 4 - NORTH ELEVATION



BLDG 2 & 5 - SOUTH ELEVATION



BLDG 2 & 5 - NORTH ELEVATION



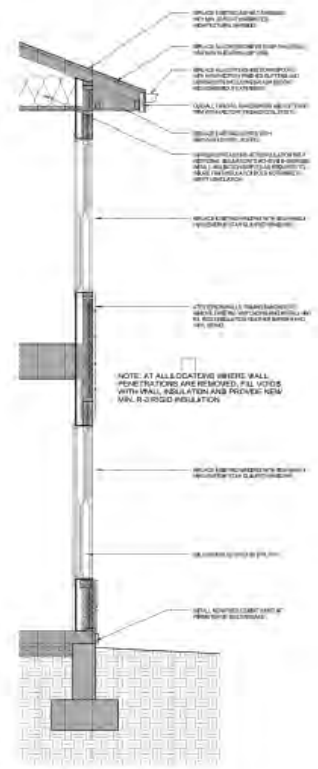
BLDG 1, 3 & 6 - WEST ELEVATION, TYP.



BLDG 1, 3 & 6 - SOUTH ELEVATION



BLDG 1, 3 & 6 - NORTH ELEVATION



WALL SECTION, TYP.

- ELEVATION KEYNOTES**
- FF NEW GUTTER AND DOWNSPOUT, TYP.
 - GF NEW GABLET GABLE ROOF, TYP.
 - GL NEW VINYL SIDING
 - SL NEW SHINGLES, TYP.
 - DS NEW DOWRY DOORS, TYP.
 - EP NEW ENTRY OVERHANGS, TYP.

Architect's Project Number: 2103
 WDA SUBMISSION: 3.16.2021

Renovation of
Birch Island Apartments
 10322 Penny Lane
 Wakefield, VA 23888

Owner:
 Birch Island Apartments
 Limited Partnership
 1375 Picard Drive, Ste 150
 Rockville, MD 20850



BUILDING ELEVATIONS AND WALL SECTION

A301

Unit Plans

WHEE FORTEN ARCHITECTS, LLC
 21 Wood Park Dr., Suite 100
 Frederick, Maryland 21701
 301.760.7098
 www.WFAA.com



2 BR SECOND FLOOR
 A211 108' x 112'



1 BR SECOND FLOOR
 A211 88' x 112'



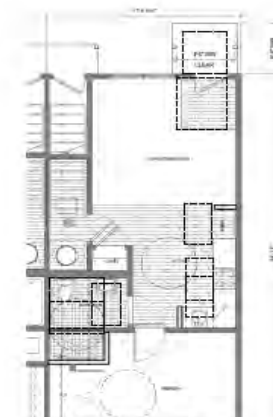
2 BR FIRST FLOOR
 A211 108' x 112'



2 BR FIRST FLOOR - UFAS / UD
 A211 108' x 112'



1 BR FIRST FLOOR
 A211 88' x 112'



1 BR FIRST FLOOR - UFAS / UD
 A211 88' x 112'

Applicant's Project Number: 2103
 WDA SUBMISSION: 3.16.2021

Renovation of
**Birch Island
 Apartments**
 10322 Penny Lane
 Waterfield, VA 23888

Owner:
 Birch Island Apartments
 Limited Partnership
 1375 Picard Drive, Ste 150
 Rockville, MD 20850



DWELLING UNIT
 FLOOR PLANS

A211

Unit Plans (Continued)

WHEE FENWICK ARCHITECTS, LLC
 21 Wood Park Dr., Suite 100
 Frederick, Maryland 21701
 301.760.7006
 www.WFAA.com



3 BR SECOND FLOOR
 1/4" = 1'-0"



3 BR FIRST FLOOR
 1/4" = 1'-0"



3 BR FIRST FLOOR - UFAS / UD
 1/4" = 1'-0"

Applicant's Project Number: 2103
 WDA SUBMISSION: 3.16.2021

Renovation of
**Birch Island
 Apartments**
 10322 Penny Lane
 Waterfield, VA 23868

Owner:
 Birch Island Apartments
 Limited Partnership
 1375 Picard Drive, Ste 150
 Rockville, MD 20850



DWELLING UNIT
 FLOOR PLANS

A212

IMPROVEMENT DESCRIPTION & ANALYSIS

Our improvement analysis includes an evaluation of the following factors with respect to the subject property: (1) Building Features; (2) Unit Features; (3) Project Amenities, (4) Utility Configuration; and (5) Useful Life Analysis.

Building Features

The subject property currently consists of 48 revenue-producing units in 6 residential buildings and 1 non-residential building. The development currently includes approximately 33,912 square feet of net rentable area and 38,999 square feet of gross building area.

The subject property is proposed to consist of 48 revenue-producing units in 6 residential buildings and 1 non-residential building. The development is proposed to include approximately 33,912 square feet of net rentable area and 38,999 square feet of gross building area.

Additional information regarding the subject property's major building systems is found below.

Foundation - Concrete Slab, Basements, Crawl Spaces, etc.

The subject property includes slab on grade foundations.

Structural Frame - Floor, Wall, Roof Structural Systems, etc.

The subject property is constructed with wood frame surfaced with plywood. Floor/ceiling assemblies consist of wood joists & plywood or concrete subfloors. Roof assemblies consist of wood trusses & plywood sheathing.

Exterior Wall - Exterior Finishes, Doors, Windows, Exterior Stairs, etc.

The subject currently includes vinyl siding, horizontal sliding & double hung aluminum double pane windows, and steel clad insulated six-panel unit entry doors with glass. The sponsor proposes to replace the siding, windows and exterior doors as part of the planned renovation. Vinyl windows are proposed after renovation.

Roof - Sheathing, Coverings, Warranties, Gutters & Downspouts, Soffit & Fascia, etc.

The subject includes gabled asphalt shingle roofs. The sponsor proposes to replace the roofs as part of the planned renovation.

Vertical Transportation - Elevator, Interior Stair Systems

The subject property includes 2-story walk up buildings with no elevators.

Plumbing - Sanitary, Storm, Sewer, Fixtures, Domestic Hot Water

Domestic water piping is constructed of CPVC pipe and fittings. Wastewater lines consist of PVC pipe and fittings. Potable hot water is supplied via individual electric hot water heaters. The sponsor proposes to replace the water heaters as part of the planned renovation.

HVAC - Heating, Air Conditioning, Ventilation

The subject property currently includes individual interior-mounted electric heat, individual exterior-mounted a/c compressors with interior-mounted air handlers. New HVAC systems are proposed as part of the planned renovation.

Electrical and Communications - Distribution, Aluminum Wiring, etc.

Buildings receive electrical power from exterior pad-mounted transformers. Electrical service to units consists of 120/240V AC with 100 amps available for each panel. Electrical wiring is made of copper. Properly grounded, three-prong outlets are found in each dwelling unit. The outlets located in the wet areas are Ground Fault Circuit Interrupter (GFCI) outlets. Surface-mounted fluorescent & LED fixtures are proposed after renovation.

Fire Suppression

The subject property is not currently equipped with an NFPA-13 fully automatic fire suppression (sprinkler) system. However, hard-wired smoke detectors with battery backup are found in each bedroom area. The sponsor proposes to replace the smoke detectors as part of the planned renovation.

Unit Features

The subject property currently contains 48 revenue-producing units including 45 regular units and 3 accessible units including 88 bedrooms, 48 full bathrooms and 0 half bathrooms.

The subject property is proposed to contain 48 revenue-producing units including 43 regular units and 5 accessible units, including 88 bedrooms, 48 full bathrooms and 0 half bathrooms.

Additional information regarding the subject property's unit features is found below.

Walls / Ceilings / Interior Doors

Subject property units include 8 foot ceilings, painted gypsum wallboard & ceilings, wood hollow-core flat panel interior doors and wood hollow-core flat panel closet doors. The sponsor proposes to replace the interior doors as part of the planned renovation. Wood solid-core flat panel doors are planned post renovation.

Floor Covering

Floor covering currently consists of vinyl sheeting in the entryways, bathrooms, kitchens, living areas & bedrooms. The sponsor proposes to replace the flooring as part of the planned renovation. Luxury vinyl plank is proposed for the entryways, bathrooms, kitchens & living areas. Wall-to-wall carpeting is planned for the bedrooms.

Kitchens

Kitchens currently include electric four-top ranges, range hoods, frost-free refrigerators, wood cabinets, laminated countertops and stainless steel sinks. The sponsor proposes to replace the appliances, cabinets and countertops as part of the planned renovation. Dishwashers are planned after renovation.

Bathrooms

Bathrooms currently include porcelain sinks & toilets along with fiberglass tubs & surrounds. The bathrooms also include exhaust fans and other accessories. The sponsor proposes to replace these components as part of the planned renovation.

Project Amenities

A discussion of the development's project amenities is found below.

Site & Common Area Amenities

A playground is currently found at the subject property. A community center is planned post renovation.

Parking

Open parking is found at the subject property.

Laundry

Central laundry facilities are currently found at the subject property.

Security

No security amenities are currently found at the subject property. Call buttons are proposed for select units post renovation.

Services

No additional services are currently found at the subject property.

Tables comparing the subject property's amenities to that of the most comparable properties are found at the end of this section.

Utility Configuration

The subject property currently includes electric heat, electric cooking and electric hot water. All utilities - with the exception of cold water, sewer and trash - are currently paid by the resident.

The sponsor has proposed a utility configuration change as part of the planned renovation. All utilities - with the

exception of trash - are proposed to be paid by the resident.

In the table that follows we compare the subject's proposed utility allowances (also known as tenant paid utilities) to the estimated allowances using the HUD Utility Schedule Model:

Utility Allowances										
BR	BA	SF	Unit Type	Inc Lmt	Rnt Lmt	HOME	Subs	Units	UA	HUD UA
1	1.0	550	Garden/Flat	40% of AMI	40% of AMI	No	Yes	2	\$138	\$108
1	1.0	550	Garden/Flat	50% of AMI	50% of AMI	No	Yes	6	\$138	\$108
1	1.0	550	Garden/Flat	60% of AMI	60% of AMI	No	Yes	4	\$138	\$108
1	1.0	550	Garden/Flat	60% of AMI	60% of AMI	No	No	4	\$138	\$108
2	1.0	724	Garden/Flat	40% of AMI	40% of AMI	No	Yes	2	\$167	\$131
2	1.0	724	Garden/Flat	50% of AMI	50% of AMI	No	Yes	10	\$167	\$131
2	1.0	724	Garden/Flat	60% of AMI	60% of AMI	No	Yes	7	\$167	\$131
2	1.0	724	Garden/Flat	60% of AMI	60% of AMI	No	No	5	\$167	\$131
3	1.0	967	Garden/Flat	40% of AMI	40% of AMI	No	Yes	1	\$224	\$176
3	1.0	967	Garden/Flat	50% of AMI	50% of AMI	No	Yes	3	\$224	\$176
3	1.0	967	Garden/Flat	60% of AMI	60% of AMI	No	No	4	\$224	\$176
Total/Average								48	\$167	\$131

The HUD utility allowances are a good measure of the energy costs for a given property. Our analysis suggests that the proposed utility allowances are higher than those established using the HUD model.

Tables comparing the subject property's utility configuration to that of the most comparable properties are found at the end of this section. Outputs from the HUD Utility Schedule Model are also found there.

Useful Life Analysis

The subject property was originally constructed in 1984 and is currently in fair condition. In our opinion, the subject has a remaining useful life & remaining economic life of 20 years in its current condition. Assuming the scope of work described above, we anticipate a remaining useful life & remaining economic life of 50 years after renovation. Finally, we estimate a post-renovation effective age of 10 years for this project.

In the course of completing this study, we rated the condition of the subject property and the most comparable properties on a 1-5 scale (1 being the worst and 5 being the best). We also evaluated the actual and effective ages of the subject and select comparables. A table summarizing our findings is found below:

		Actual Age Effective Age Condition			Rank		
		Rating					
Key	Project Name	Actual Age	Effective Age	Property Condition	Actual Age	Effective Age	Property Condition
Sub	Birch Island Apartments Phase 1	1984	2012	2.50	10	2	11
001	Autumn Ridge 1	1975	2010	3.75	12	3	5
003	Autumn Ridge 2 - LC2	1998	2005	3.50	3	7	7
013	Bradford Mews Phase 1 & 2	1994	2005	4.00	4	7	2
047	Hillpoint Woods Apartments	2005	2010	4.50	2	3	1
053	King's Landing Apartments	1992	2010	4.00	5	3	2
060	Meadowridge Apartments	1991	2005	3.50	6	7	7
063	Morris Creek Landing Apartments	1988	2005	3.75	8	7	5
075	October Station Apartments	2016	2016	4.00	1	1	2
084	Sadler Pond Apartments	1989	2000	3.25	7	11	9
090	Suffolk Station Apartments	1987	2010	3.25	9	3	9
110	Woods Edge Apartments	1984	1990	2.50	10	12	11

Source: Allen & Associates; Sponsor

Amenities

		Site & Common Area Amenities																				
Key	Project Name	Ball Field	BBQ Area	Billiards Game Rm	Business Comp Ctr	Car Care Center	Community Center	Elevator	Fitness Center	Gazebo Patio	Hot Tub Jacuzzi	Herb Garden	Horseshoes	Lake	Library	Movie Media Ctr	Picnic Area	Playground	Pool	Sauna	Sports Court	Walking Trail
Sub	Birch Island Apartments Phase 1	no	no	no	no	no	yes	no	no	no	no	no	no	no	no	no	no	yes	no	no	no	no
001	Autumn Ridge 1	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	yes	no	no	no	no
003	Autumn Ridge 2 - LC2	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	yes	no	no	no	no
013	Bradford Mews Phase 1 & 2	no	yes	no	no	yes	yes	no	yes	no	no	no	no	no	no	no	yes	yes	yes	no	no	no
047	Hillpoint Woods Apartments	no	yes	no	no	no	yes	no	no	yes	no	no	no	no	no	no	yes	yes	yes	no	no	no
053	King's Landing Apartments	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	no	yes	no
060	Meadowridge Apartments	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	yes	no	no	no	no
063	Morris Creek Landing Apartments	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	no	no	no
075	October Station Apartments	no	yes	no	no	no	yes	no	yes	yes	no	no	no	no	no	no	yes	yes	no	no	no	yes
084	Sadler Pond Apartments	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	yes	no	yes	no	yes	no
090	Suffolk Station Apartments	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no
110	Woods Edge Apartments	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	yes	no	no	no	no

		Unit Amenities					Kitchen Amenities					Air Conditioning				Heat					
Key	Project Name	Blinds	Ceiling Fans	Carpeting	Fireplace	Patio Balcony	Storage	Stove	Refrigerator	Disposal	Dishwasher	Microwave	Central	Wall Units	Window Units	None	Central	Wall Units	Baseboards	Boiler Radiator	None
Sub	Birch Island Apartments Phase 1	yes	yes	yes	no	no	no	yes	yes	no	yes	no	yes	no	no	no	yes	no	no	no	no
001	Autumn Ridge 1	yes	no	no	no	no	no	yes	yes	no	no	no	yes	no	no	no	yes	no	no	no	no
003	Autumn Ridge 2 - LC2	yes	no	no	no	no	no	yes	yes	no	yes	no	yes	no	no	no	yes	no	no	no	no
013	Bradford Mews Phase 1 & 2	yes	no	yes	no	yes	no	yes	yes	no	yes	yes	yes	no	no	no	yes	no	no	no	no
047	Hillpoint Woods Apartments	yes	no	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
053	King's Landing Apartments	yes	some	yes	no	no	no	yes	yes	yes	yes	no	yes	no	no	no	yes	no	no	no	no
060	Meadowridge Apartments	yes	no	yes	no	yes	no	yes	yes	no	yes	no	yes	no	no	no	yes	no	no	no	no
063	Morris Creek Landing Apartments	yes	yes	yes	no	some	no	yes	yes	yes	yes	no	yes	no	no	no	yes	no	no	no	no
075	October Station Apartments	yes	no	yes	no	yes	no	yes	yes	no	yes	no	yes	no	no	no	yes	no	no	no	no
084	Sadler Pond Apartments	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	no	yes	no	no	no	yes	no	no	no	no
090	Suffolk Station Apartments	yes	no	yes	no	yes	yes	yes	yes	no	yes	yes	yes	no	no	no	yes	no	no	no	no
110	Woods Edge Apartments	yes	yes	yes	no	no	no	yes	yes	no	no	no	yes	no	no	no	yes	no	no	no	no

		Parking					Laundry			Security					Services							
Key	Project Name	Garage	Covered Parking	Assigned Parking	Open Parking	None	Central	W/D Units	W/D Hookups	Call Buttons	Controlled Access	Courtesy Officer	Monitoring	Security Alarms	Security Patrols	After School	Concierge	Hair Salon	Health Care	House-keeping	Meals	Transportation
Sub	Birch Island Apartments Phase 1	no	no	no	yes	no	yes	no	no	some	no	no	no	no	no	no	no	no	no	no	no	no
001	Autumn Ridge 1	no	no	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no
003	Autumn Ridge 2 - LC2	no	no	no	yes	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no
013	Bradford Mews Phase 1 & 2	no	no	yes	no	no	yes	no	yes	no	no	no	no	no	no	na	na	na	na	na	na	na
047	Hillpoint Woods Apartments	no	no	no	yes	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no
053	King's Landing Apartments	no	no	no	yes	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no
060	Meadowridge Apartments	no	no	yes	yes	no	yes	no	some	no	no	no	no	no	no	no	no	no	no	no	no	no
063	Morris Creek Landing Apartments	no	no	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no
075	October Station Apartments	no	no	no	yes	no	yes	no	yes	no	no	no	no	no	no	na	na	na	na	na	na	na
084	Sadler Pond Apartments	no	no	no	yes	no	no	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no
090	Suffolk Station Apartments	no	no	no	yes	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no
110	Woods Edge Apartments	no	no	no	yes	no	yes	no	no	no	no	no	no	no	yes	no	no	no	no	no	no	no

Source: Allen & Associates; Sponsor

		Utilities																					
Key	Project Name	Tenant-Paid											Owner-Paid										
		Heat / Gas	Heat / Electric	Cooking / Gas	Cooking / Electric	Other / Electric	AC / Electric	HW / Gas	HW / Electric	Water	Sewer	Trash	Heat / Gas	Heat / Electric	Cooking / Gas	Cooking / Electric	Other / Electric	AC / Electric	HW / Gas	HW / Electric	Water	Sewer	Trash
Sub	Birch Island Apartments Phase 1	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
001	Autumn Ridge 1	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
003	Autumn Ridge 2 - LC2	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes
013	Bradford Mews Phase 1 & 2	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes
047	Hillpoint Woods Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
053	King's Landing Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes
060	Meadowridge Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
063	Morris Creek Landing Apartments	yes	no	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes
075	October Station Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
084	Sadler Pond Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
090	Suffolk Station Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
110	Woods Edge Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes

Source: Allen & Associates; Sponsor

HUD Utility Schedule Model Output

	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Heat - Gas	9	10	12	14	14
Heat - Elec	9	10	12	14	14
Cooking - Gas	4	4	6	8	10
Cooking - Elec	4	4	6	8	10
Other Electric	13	16	22	28	34
Air Conditioning	6	7	9	11	13
Hot Water-Gas	8	10	13	15	18
Hot Water-Elec	8	10	13	15	18
Water	15	15	16	16	17
Sewer	46	46	53	84	116
Trash	8	8	8	8	8

Source: Local Utility Providers; HUD

SITE DESCRIPTION & ANALYSIS

Our assessment of the site included an evaluation of the following factors with respect to the subject property: (1) Survey; (2) Site Plan; (3) Nuisances, Hazards, Detrimental Influences & Environmental; (4) Topography; (5) Flood Zone; (6) Difficult to Develop Area Status; (7) Qualified Census Tract Status; and (8) Traffic Patterns, Access & Visibility.

Survey

A survey for the subject property was not provided to the analyst for review. Current surveys should be evaluated to ascertain whether there are any easements encumbering the subject property.

Site Plan

A site plan for the subject property was provided to the analyst for review. Site plans are necessary to analyze the site improvements, parking configuration, internal traffic flow, location of building improvements and landscaping improvements for the subject property. Our review did not identify any problem areas with respect to the subject property. A summary of the development's site features is found below.

Acres / Lot Shape / Frontage

The subject property includes an irregular-shaped parcel consisting of approximately 3.045 acres and approximately 300 feet of road frontage.

Zoning

According to the local zoning administrator, the subject property is currently zoned A-1. It is our understanding that the current zoning for the subject is a legal, nonconforming use. According to the local zoning administrator, the subject property was constructed prior to zoning being adopted in the area. It is our understanding that if the subject property were destroyed by fire or some other hazard, it would be approved for rebuild.

Parking / Streets / Curbs / Sidewalks

A total of 62 parking spaces are planned for this development (58 regular / 4 accessible / 1.29 spaces per unit). Privately-owned parking areas are planned for the subject property. We normally see 1.5 to 2.0 spaces per unit for projects like the subject. Public transportation is not found in the area. In our opinion, the current parking appears light for the subject property.

Dumpsters / Dumpster Enclosures

The subject includes 2 publicly-owned dumpsters along with 2 privately-owned wood enclosures.

Landscaping / Perimeter Fence / Retaining Walls / Entry Sign

Trees, shrubs & lawns are found at the subject property. A perimeter fence is not found at the subject property. Retaining walls are not found at this property. One unlighted entry sign is found at this property.

Stormwater Management / Site Lighting / Water Service / Wastewater Service

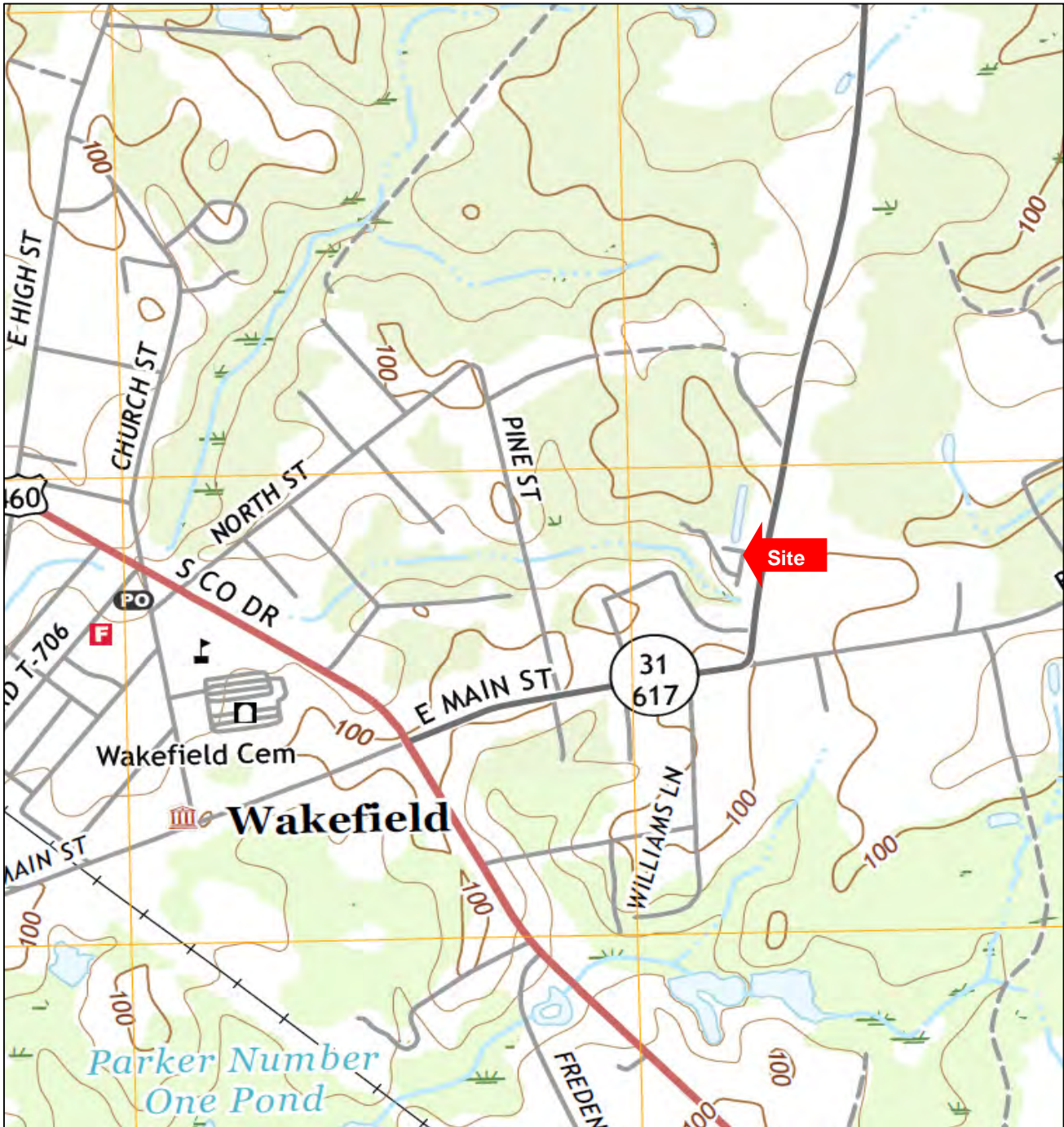
Stormwater management consists of catch basins and concrete pipe connecting to a public system. Site lighting consists of publicly-owned HID poles. Domestic water service to buildings consists of ductile iron pipe connecting to a public system. Wastewater service to buildings consists of PVC pipe connecting to a public system.

Nuisances, Hazards, Detrimental Influences & Environmental

We did not observe any nuisances, hazards, detrimental influences or recognized environmental conditions on our inspection of the subject property. The subject property was originally constructed in 1984, after the 1978 ban on lead and asbestos containing construction materials. Nevertheless, we recommend that the sponsor obtain a comprehensive environmental assessment from a qualified professional.

Topography


The USGS map showing the topography of the subject property and surrounding area is found below:



The topographic map shows that the site is flat and drains to adjacent properties to the south. In our opinion, there do not appear to be any topographic issues with respect to the subject property.

Flood Zone

The map showing the location of the subject property relative to nearby areas prone to flooding (identified in purple) is found below:

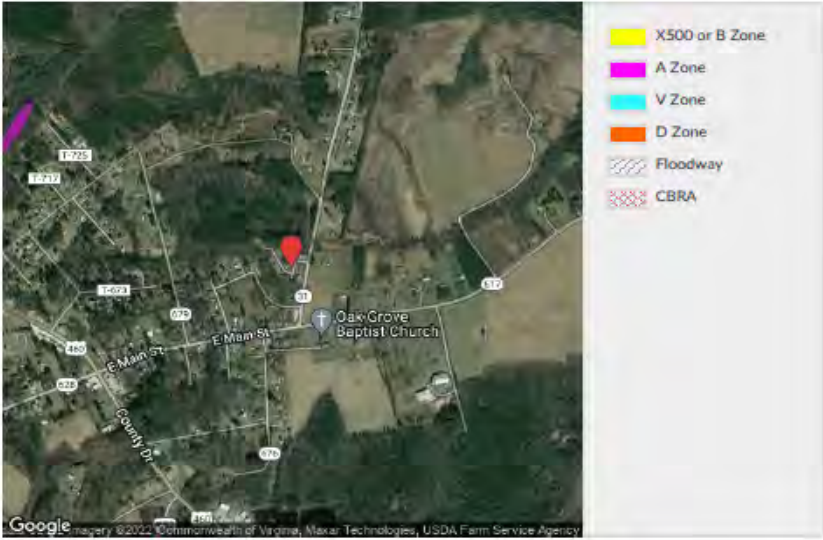


LATITUDE: 36.973716, LONGITUDE: -76.974832
 LOCATION ACCURACY: *User defined location* LATITUDE: 36.973716 LONGITUDE: -76.974832 MATCH CODE: SOURCE: CENSUS BLOCK ID: 511838704001051

Flood Zone Determination Report

Flood Zone Determination: OUT

SFHA (FLOOD ZONE)	OUT	WITHIN 250 FEET OF FLOOD ZONE	NO
FLOOD ZONE	X	COMMUNITY	510192
COMMUNITY NAME	SUSSEX COUNTY	PANEL	0280D
PANEL DATE	July 07, 2009	COBRA	OUT
PARTICIPATION STATUS	R	ORIGIN FIRM DATE	March 02, 1983
MAP NUMBER	51183C0280D	FIPS CODE	51183



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 Report generated Mar 2, 2022 by jcarroll@allenadvisors.com Page 2 of 2

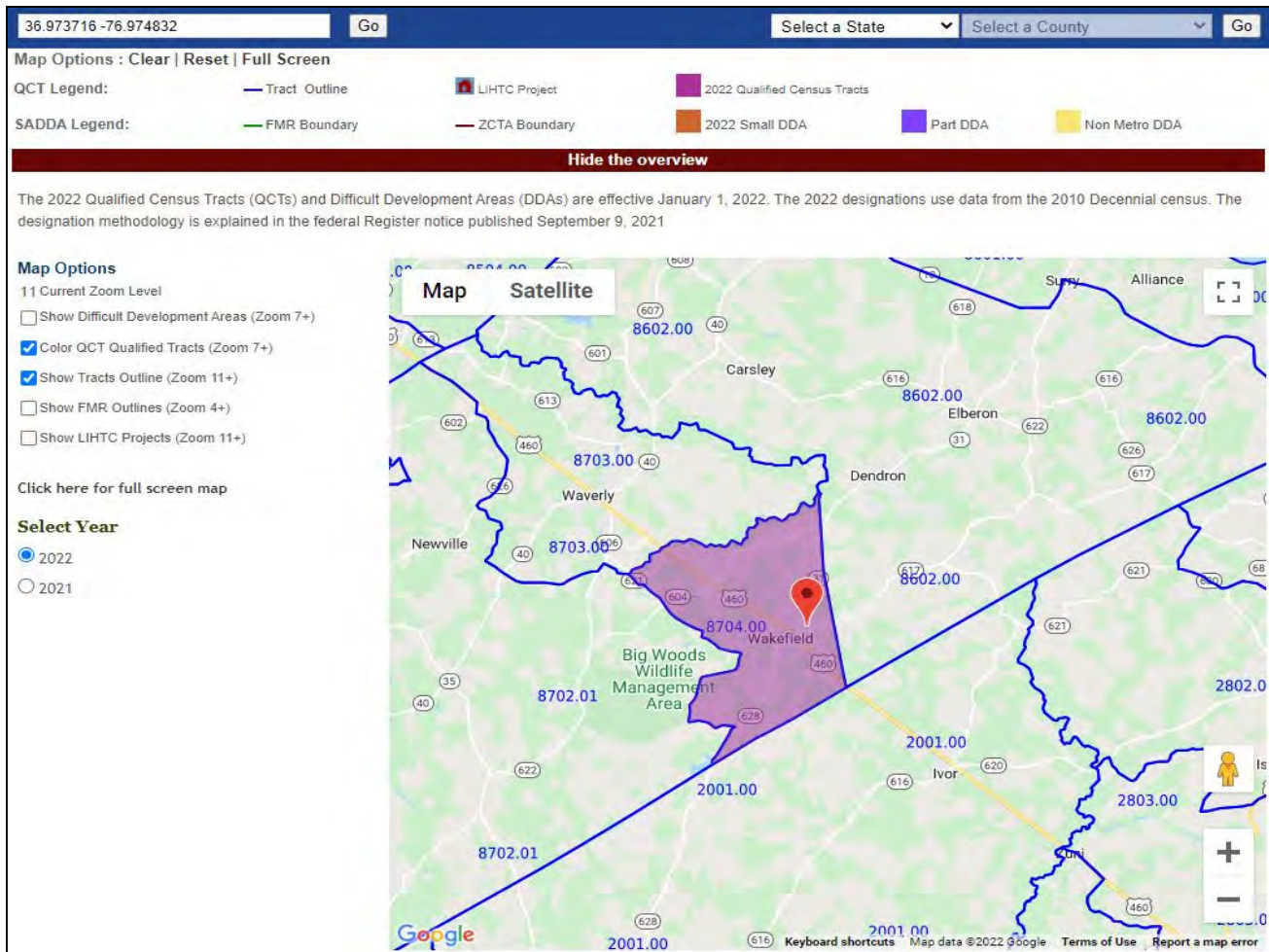
According to FEMA map number 51183C0280D dated July 07, 2009, the subject property is located in Zone X. This is an area that is identified as being located outside the 100-year flood zone.

Difficult to Develop Area Status

The subject property is located in Wakefield, Virginia - an area that is not designated as a Difficult to Develop Area. Consequently, the subject property does not appear to qualify for special DDA funding under state and federal programs.

Qualified Census Tract Status

The federal government has identified census tracts throughout the United States that include high concentrations of low-income households and substandard housing units. These areas, known as Qualified Census Tracts, qualify for special funding under various state and federal programs. A QCT map showing the location of the subject property is found below:



The subject property is located in Census Tract 8704.00 - an area that is designated as a Qualified Census Tract. Consequently, the subject property does appear to qualify for special QCT funding under state and federal programs.

Traffic Patterns, Access & Visibility

A traffic map identifying the subject property is found below:



Access

The subject property is located on the west side of Birch Island Road, approximately 2 blocks north of Rocky Hock Road in Wakefield, Virginia. Birch Island Road is a moderately-traveled north-south road carrying approximately 2,500 vehicles per day. Rocky Hock Road is a moderately-traveled east-west road carrying approximately 1,000 vehicles per day. We did not observe any road or infrastructure improvements taking place in the immediate vicinity of the subject property. In our opinion, therefore, accessibility is good by virtue of the location of the subject property relative to existing streets and thoroughfares.

Visibility

The subject property is visible from Birch Island Road with +/- 300 feet of frontage and a moderate volume of drive-by traffic. Consequently, in our opinion visibility is good by virtue of the exposure of the subject property to existing drive-by traffic volumes.

In the course of completing this study, we rated the access and visibility for the subject property and the most comparable properties on a 1-5 scale (1 being the worst and 5 being the best). A table summarizing our findings is found below:

Access & Visibility

Rating				Rank	
Key	Project Name	Access	Visibility	Access	Visibility
Sub	Birch Island Apartments Phase 1	3.50	3.00	2	4
001	Autumn Ridge 1	2.25	2.25	10	10
003	Autumn Ridge 2 - LC2	2.00	2.00	12	12
013	Bradford Mews Phase 1 & 2	3.50	2.50	2	8
047	Hillpoint Woods Apartments	3.00	3.00	6	4
053	King's Landing Apartments	3.25	3.25	5	2
060	Meadowridge Apartments	3.00	2.75	6	6
063	Morris Creek Landing Apartments	3.00	2.75	6	6
075	October Station Apartments	2.50	2.50	9	8
084	Sadler Pond Apartments	2.25	2.25	10	10
090	Suffolk Station Apartments	3.50	3.25	2	2
110	Woods Edge Apartments	4.00	4.00	1	1

Source: Allen & Associates

NEIGHBORHOOD DESCRIPTION & ANALYSIS

Neighborhood

Our assessment of the neighborhood includes an evaluation of the following factors with respect to the subject property: (1) Life Cycle; (2) Surrounding Properties; (3) Economic Characteristics; (4) Crime Rates; (5) Educational Attainment; and (6) Commuting Patterns.

Life Cycle

Neighborhoods are sometimes thought to evolve through four distinct stages:

- Growth – A period during which the area gains public favor and acceptance.
- Stability – A period of equilibrium without marked gains or losses.
- Decline – A period of diminishing demand.
- Revitalization – A period of renewal, redevelopment, modernization, and increasing demand.

Based on our evaluation of the neighborhood, the subject property is located in an area that appears to be in the stability stage of its life cycle. Modest population growth is anticipated for the next several years.

Surrounding Properties

The subject property is located in Wakefield, Virginia. The immediate area consists of a mix of land uses.

Single family in good condition is located to the north and east of the subject property; commercial in good condition is located to the south; vacant land is located to the west of the subject property. Neighboring land uses appear to be complimentary to the use of the subject property. The condition of the neighboring properties appears to be complimentary as well.

Surrounding property uses are summarized in the table found below:

Surrounding Properties		
Direction	Use	Condition
North	Single Family	Good
South	Commercial	Good
East	Single Family	Good
West	Vacant Land	-

Source: Allen & Associates

Economic Characteristics

The subject property is located in an area with average household incomes of \$31,250 (in 2015 dollars); this is compared with \$46,094 for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with median cash rents of \$548 (in 2015 dollars); this is compared with \$793 for the most comparable properties included in this analysis.

Finally, the subject property is located in an area with median single family home values of \$126,100 (in 2015 dollars); this is compared with \$199,458 for the most comparable properties included in this analysis.

Crime Rates

The subject property is located in an area with personal crime rates of 3.4%. Personal crime includes offenses such as rape, murder, robbery and assault. Our research suggests that the average personal crime rate for the most comparable properties stands at 6.9%.

In addition, the subject property is located in an area with property crime rates of 2.4%. Property crimes include offenses such as burglary, larceny and theft. Our research suggests that the average property crime rate for the most

comparable properties stands at 4.8%.

Please note: The crime statistics included in this analysis are historical area-wide figures. These statistics make no consideration for changing demographics or the implementation of an affirmative crime prevention program at the subject property.

Educational Attainment

The subject property is located in an area with high school graduation rates of 74.0%; this is compared with 78.7% for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with college graduation rates of 10.2%; this is compared with 18.2% for the most comparable properties included in this analysis.

Commuting Patterns

The subject property is located in an area with an average drive to work of 24.4 minutes; this is compared with 29.5 minutes for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with an average of 1.49 vehicles per household; this is compared with 1.53 vehicles per household for the most comparable properties included in this analysis.

Conclusion

In our opinion, the subject property has a good location relative to competing properties with respect to neighborhood characteristics.

Proximity to Area Amenities

Our assessment included an evaluation of the proximity of various amenities to the subject and the most comparable properties. We looked at the following amenities in our analysis: (1) Banks; (2) Grocery; (3) Emergency Clinics; (4) Pharmacies; and (5) Discount Stores.

A listing of some of the area amenities is found below. An amenity map is found in the following pages:

Proximity to Area Amenities		
Amenity	Name	Miles
Bank	Truist	0.9 mi SW
Grocery	Wakefield Great Valu	0.9 mi W
Emergency Clinic	Sentara Obici Hospital	26.0 mi SE
Pharmacy	CVS	17.0 mi SE
Discount Store	Dollar General	0.6 mi SW
Elementary School	Ivor Elementary School	6.2 mi SE
Middle School	Luther P. Jackson Middle School	8.4 mi NE
High School	Surry County High School	8.4 mi NE
Bus Stop	-	-

Source: Google Maps

Truist, Great Valu, and Dollar General are all located less than 1.0 miles away from the subject property. Sentara Obici Hospital and CVS Pharmacy are located less than 26.0 miles away.

Number of Area Amenities

We utilized Microsoft Streets & Trips to evaluate the subject and the most comparable properties with respect to the number of amenities in the immediate area.

- Microsoft Streets & Trips identified 2 banks within 2.0 miles of the subject property. The subject is ranked 12 out of the 12 properties included in this analysis.
- A total of 1 grocery store is in the vicinity of the subject property. The subject is ranked 14 for the area.
- A total of 0 hospital are in the vicinity of the subject property. The subject is ranked 5 for the area.
- A total of 1 pharmacy is in the vicinity of the subject property. The subject is ranked 11 for the area.
- A total of 2 shopping centers are in the vicinity of the subject property. The subject is ranked 12 for the area.

Nearest Area Amenities

We utilized Microsoft Streets & Trips to evaluate the subject and the most comparable properties with respect to the nearest area amenities.

- According to Microsoft Streets & Trips, the nearest bank is 0.9 miles away from the subject property. The subject is ranked 8 out of the 12 properties included in this analysis.
- The nearest grocery store is 0.9 miles away from the subject property. The subject is ranked 11 for the area.
- The nearest hospital is 19.63 miles away from the subject property. The subject is ranked 14 for the area.
- The nearest pharmacy is 0.89 miles away from the subject property. The subject is ranked 7 for the area.
- The nearest shopping center is 0.49 miles away from the subject property. The subject is ranked 8 for the area.

Conclusion

In our opinion, the subject property has a fair location relative to competing properties with respect to area amenities.

Tables comparing the subject property's proximity to area amenities to that of the most comparable properties is found on the next page. Maps showing the proximity of the subject property to area amenities and area employers is also found in the following pages.

In the course of completing this study, we rated the neighborhood and the proximity to area amenities for the subject property and the most comparable properties on a 1-5 scale (1 being the worst and 5 being the best). The tables on the following pages give these ratings.

Neighborhood Ratings

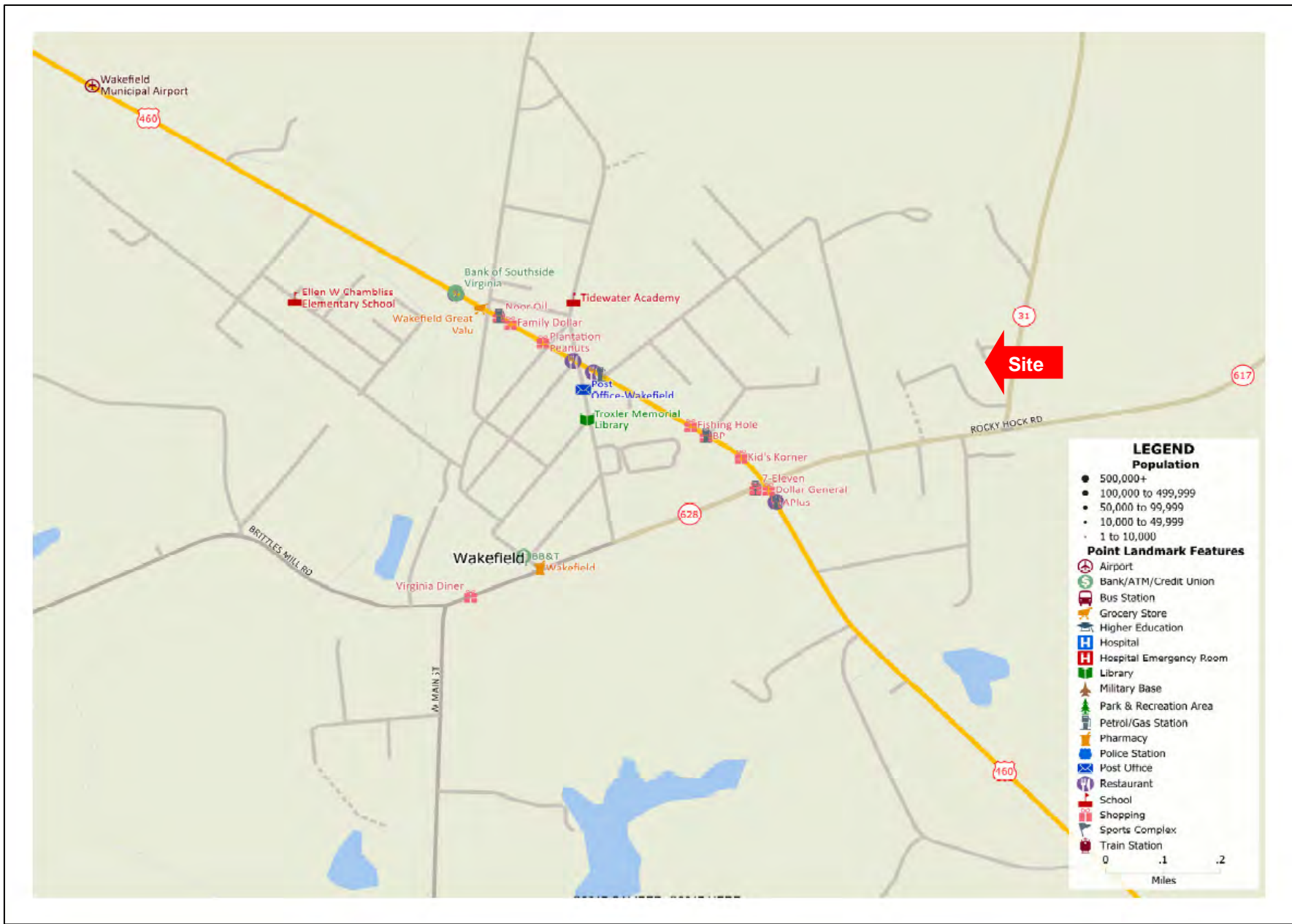
		Rating									Rank (1 = Property with Highest Rating)									Final Rating (1-5 Scale)
		Surrounding Area			Crime Rates		Education		Commute	Surrounding Area			Crime Rates		Education		Commute			
Key	Project Name	Avg HH Income (2015)	Med Cash Rent (2015)	Med SF Value (2015)	Personal Crime	Property Crime	High School or More	Bachelor's or More	Average Commute	Avg HH Income (2015)	Med Cash Rent (2015)	Med SF Value (2015)	Personal Crime	Property Crime	High School or More	Bachelor's or More	Average Commute			
Sub	Birch Island Apartments Phase 1	\$31,250	\$548	\$126,100	3.4%	2.4%	74.0%	10.2%	24.41	8	9	12	4	6	9	8	1	2.90		
001	Autumn Ridge 1	\$15,417	\$333	\$172,500	13.2%	1.9%	46.6%	4.5%	27.61	11	10	7	10	2	11	10	5	2.20		
003	Autumn Ridge 2 - LC2	\$15,417	\$333	\$172,500	13.2%	1.9%	46.6%	4.5%	27.61	11	10	7	10	2	11	10	5	2.20		
013	Bradford Mews Phase 1 & 2	\$88,141	\$329	\$290,600	1.8%	2.3%	98.9%	38.2%	33.09	2	12	1	1	5	1	2	10	4.30		
047	Hillpoint Woods Apartments	\$77,045	\$1,113	\$275,200	7.3%	3.6%	94.2%	38.8%	26.26	3	3	2	9	7	2	1	4	4.50		
053	King's Landing Apartments	\$70,801	\$1,178	\$205,900	2.8%	1.3%	93.1%	28.5%	41.13	4	2	5	3	1	3	4	12	4.20		
060	Meadowridge Apartments	\$36,902	\$883	\$160,400	6.3%	10.6%	83.4%	16.8%	30.14	5	7	10	8	11	6	6	8	2.50		
063	Morris Creek Landing Apartments	\$89,625	\$1,365	\$259,800	4.7%	8.4%	93.0%	35.2%	33.37	1	1	3	7	10	4	3	11	4.10		
075	October Station Apartments	\$26,731	\$929	\$166,500	17.9%	10.7%	74.7%	8.2%	28.22	10	5	9	12	12	8	9	7	2.00		
084	Sadler Pond Apartments	\$36,603	\$948	\$217,200	4.5%	2.2%	72.8%	13.5%	31.17	6	4	4	5	4	10	7	9	3.40		
090	Suffolk Station Apartments	\$29,483	\$925	\$151,500	2.7%	4.1%	84.3%	2.1%	25.96	9	6	11	2	8	5	12	3	2.90		
110	Woods Edge Apartments	\$35,714	\$628	\$195,300	4.6%	8.2%	82.5%	18.0%	25.58	7	8	6	6	9	7	5	2	3.30		

Proximity to Area Amenities

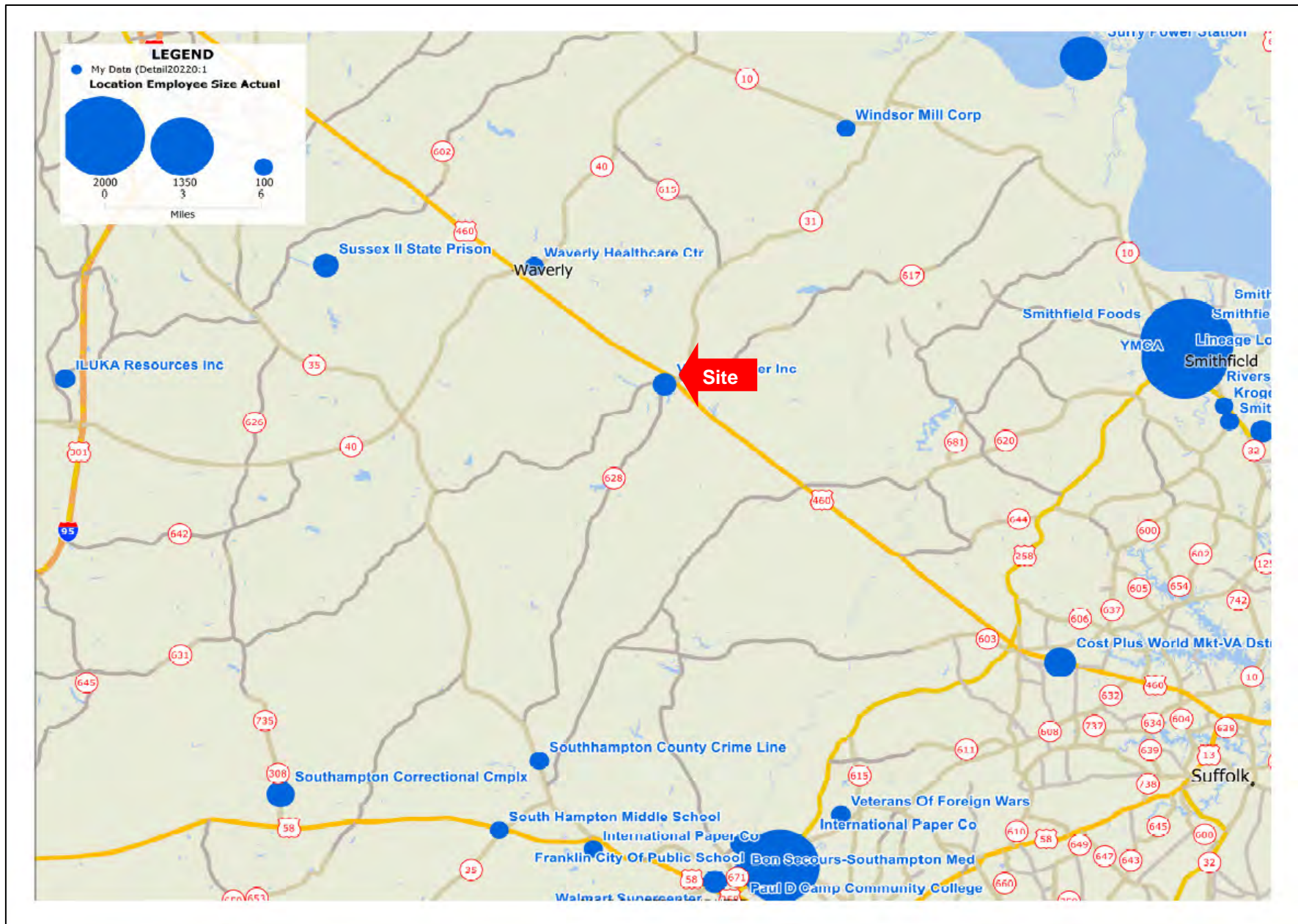
		Rating									Rank (1 = Property with Highest Rating)									Final Rating (1-5 Scale)
		Number within 2.0 miles of Property					Nearest to Property, Miles				Number within 2.0 miles of Property					Nearest to Property, Miles				
Key	Project Name	Banks	Grocery	Hospital	Pharmacy	Shopping Center	Shopping Center	Grocery	Hospital	Banks	Grocery	Hospital	Pharmacy	Shopping Center	Shopping Center	Grocery	Hospital			
Sub	Birch Island Apartments Phase 1	2	1	0	1	2	0.5	0.9	19.6	12	12	5	11	12	8	11	12	2.00		
001	Autumn Ridge 1	11	4	0	4	23	0.3	0.3	4.0	2	6	5	5	3	6	3	7	3.60		
003	Autumn Ridge 2 - LC2	11	4	0	4	23	0.3	0.3	4.0	2	6	5	5	3	6	3	7	3.60		
013	Bradford Mews Phase 1 & 2	4	4	0	3	9	0.2	0.3	9.5	10	6	5	8	8	1	5	10	3.50		
047	Hillpoint Woods Apartments	4	3	2	2	4	0.3	0.4	0.5	10	10	1	10	11	5	7	2	3.50		
053	King's Landing Apartments	6	4	2	3	8	0.3	0.3	0.4	8	6	1	8	9	4	5	1	4.00		
060	Meadowridge Apartments	7	7	2	6	21	0.5	0.5	1.0	7	1	1	2	6	8	10	4	4.00		
063	Morris Creek Landing Apartments	8	5	0	4	13	0.2	0.1	9.0	6	5	5	5	7	3	1	9	3.90		
075	October Station Apartments	11	7	0	7	31	0.8	0.4	3.1	2	1	5	1	2	12	8	5	3.40		
084	Sadler Pond Apartments	9	7	2	6	22	0.6	0.4	0.9	5	1	1	2	5	10	8	3	3.50		
090	Suffolk Station Apartments	12	6	0	6	35	0.2	0.2	3.6	1	4	5	2	1	2	2	6	4.50		
110	Woods Edge Apartments	6	2	0	1	7	0.8	1.0	10.6	8	11	5	11	10	11	12	11	2.20		

Source: US Census; Claritas; Google Maps

Proximity to Area Amenities



Proximity to Area Employers



SUBJECT PROPERTY PHOTOS

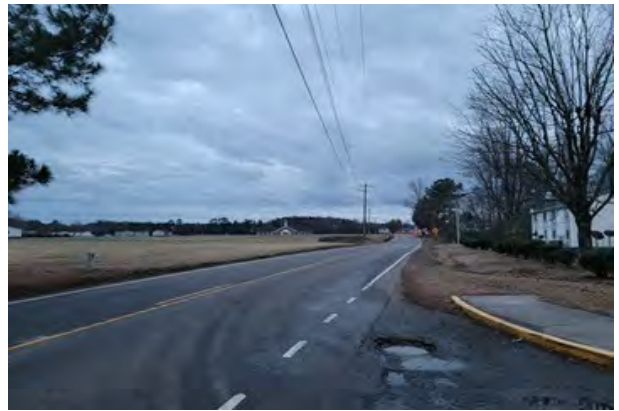
Photos of the subject property and the surrounding area are found below:



Subject Property



Looking North from Entrance



Looking South from Entrance



Looking East from Entrance



Looking West from Entrance



Typical Family Room



Typical Kitchen



Typical Bedroom



Typical Closet



Typical Bathroom



Utility Room



Laundry Room



Playground

MARKET AREA

Overview

Market areas are influenced by a variety of interrelated factors. These factors include site location, economic, and demographic characteristics (tenure, income, rent levels, etc.), local transportation patterns, physical boundaries (rivers, streams, topography, etc.), census geographies, and the location of comparable and/or potentially competing communities.

In areas where the county seat is the largest city, centrally located, and draws from the entire county, the county may be the market area. In the case where there are potentially competing communities in one county, the market area may be part of the county. In fact, the market area could include portions of adjacent counties. In this case, a combination of county subdivisions may be used to define the market area. In urban or suburban areas, the market area will be adjacent to the site extending to all locations of similar character with residents or potential residents likely to be interested in the project. In this case, county subdivisions, townships, or a combination of census tracts may be used to define the market area.

Allen & Associates recently conducted a series of property management interviews to better understand market areas and resident moving patterns for multifamily properties. Our study suggested that markets may be classified into the following general categories: urban, suburban and rural. Renters in urban markets are typically willing to move 5 to 10 minutes when looking for a new apartment. Our research also shows that renters in suburban markets are normally willing to move 10 to 15 minutes when looking for a new place to live. Renters in rural markets are typically willing to move 15 to 20 minutes when looking for a new apartment. We considered these general guidelines in our evaluation of the subject property.

Our study suggested that secondary market areas were generally a function of whether the proposed development was family or elderly. Our research suggested that secondary market demand for family properties ranged from 10 to 30 percent. Secondary market demand for elderly properties ranged from 10 to 50 percent. Although seniors move less frequently than younger renters, they are often willing to move longer distances when looking for housing. We considered these general secondary market guidelines in our evaluation of the subject property.

Our primary and secondary market area definitions are found below.

Primary Market Area

We defined the primary market area by generating a 30-minute drive time zone around the subject property. We also considered existing concentrations of multifamily properties and the nearest census tract boundaries in our analysis.

Primary market area, drive time and existing multifamily maps are found in the following pages. The primary market area included all or part of the following census tracts:

Census Tract	County	State
51093280101	Isle of Wight County	Virginia
51093280104	Isle of Wight County	Virginia
51093280105	Isle of Wight County	Virginia
51093280106	Isle of Wight County	Virginia
51093280200	Isle of Wight County	Virginia
51093280300	Isle of Wight County	Virginia
51093280400	Isle of Wight County	Virginia
51175200100	Southampton County	Virginia
51175200200	Southampton County	Virginia
51175200400	Southampton County	Virginia
51181860100	Surry County	Virginia
51181860200	Surry County	Virginia
51183870100	Sussex County	Virginia
51183870201	Sussex County	Virginia

51183870202
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Sussex County
Sussex County
Sussex County

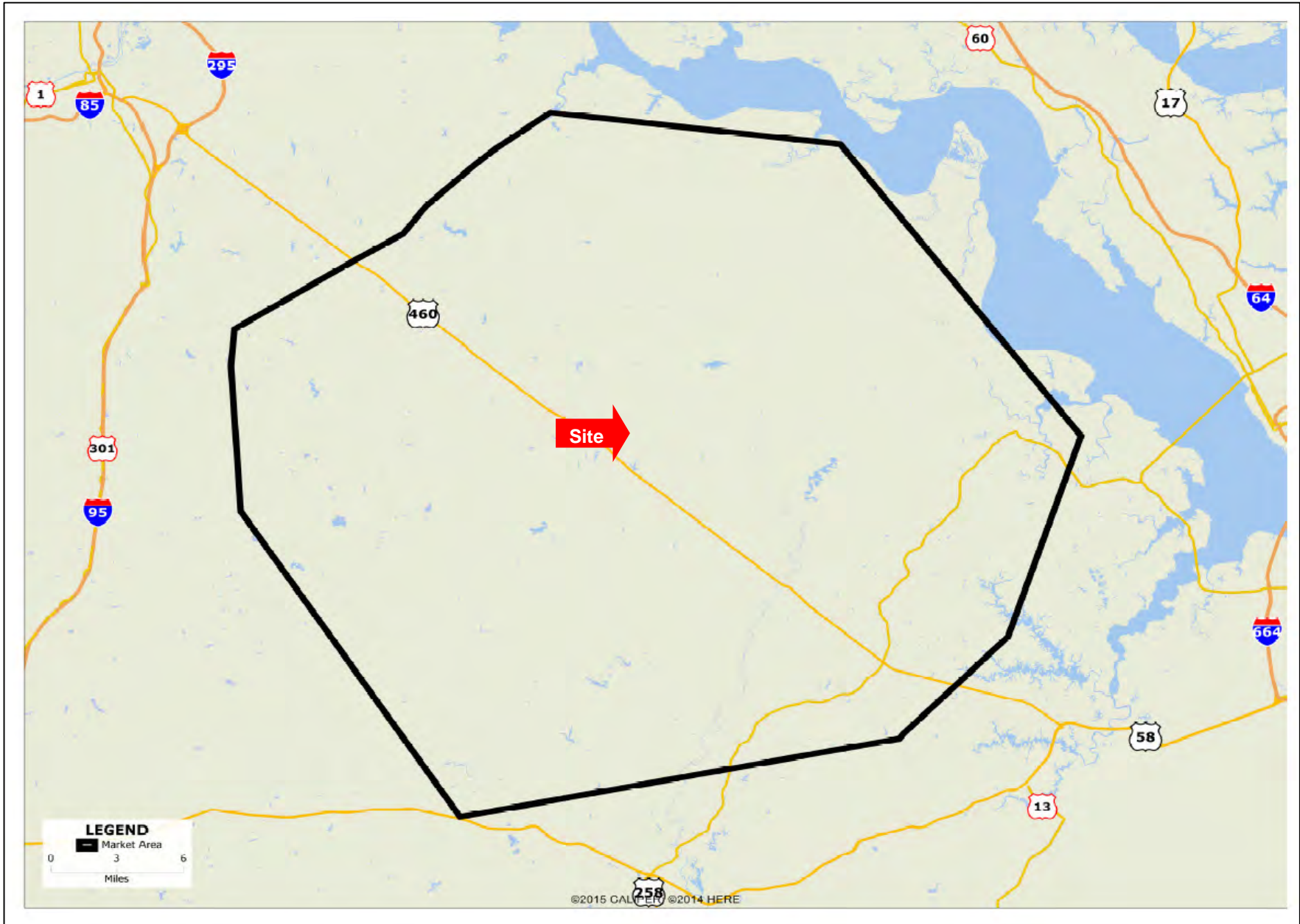
Virginia
Virginia
Virginia

The primary market area includes a population of 43,623 persons and covers a total of 989.5 square miles, making it 35.5 miles across on average.

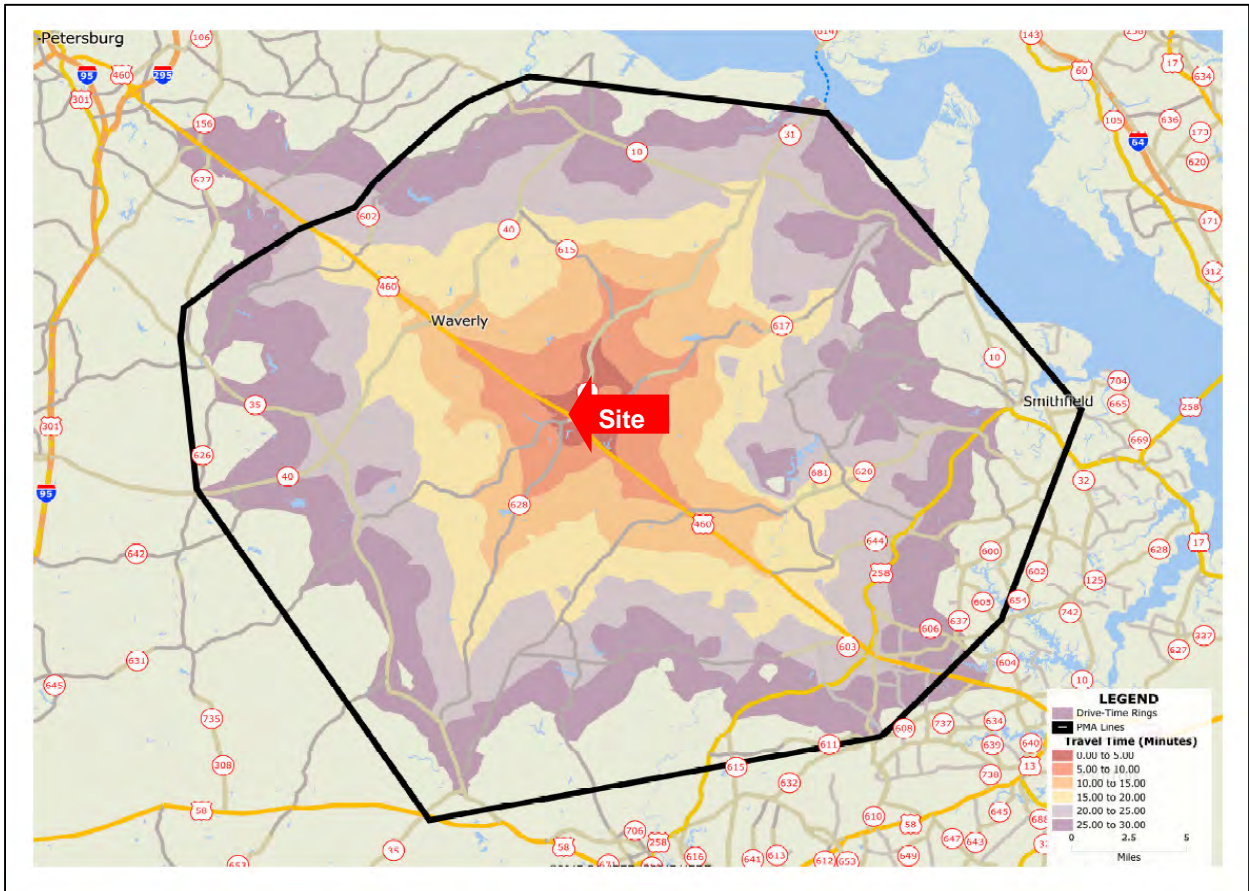
Secondary Market Area

We estimate that up to 20 percent of demand will come from areas outside of the primary market area.

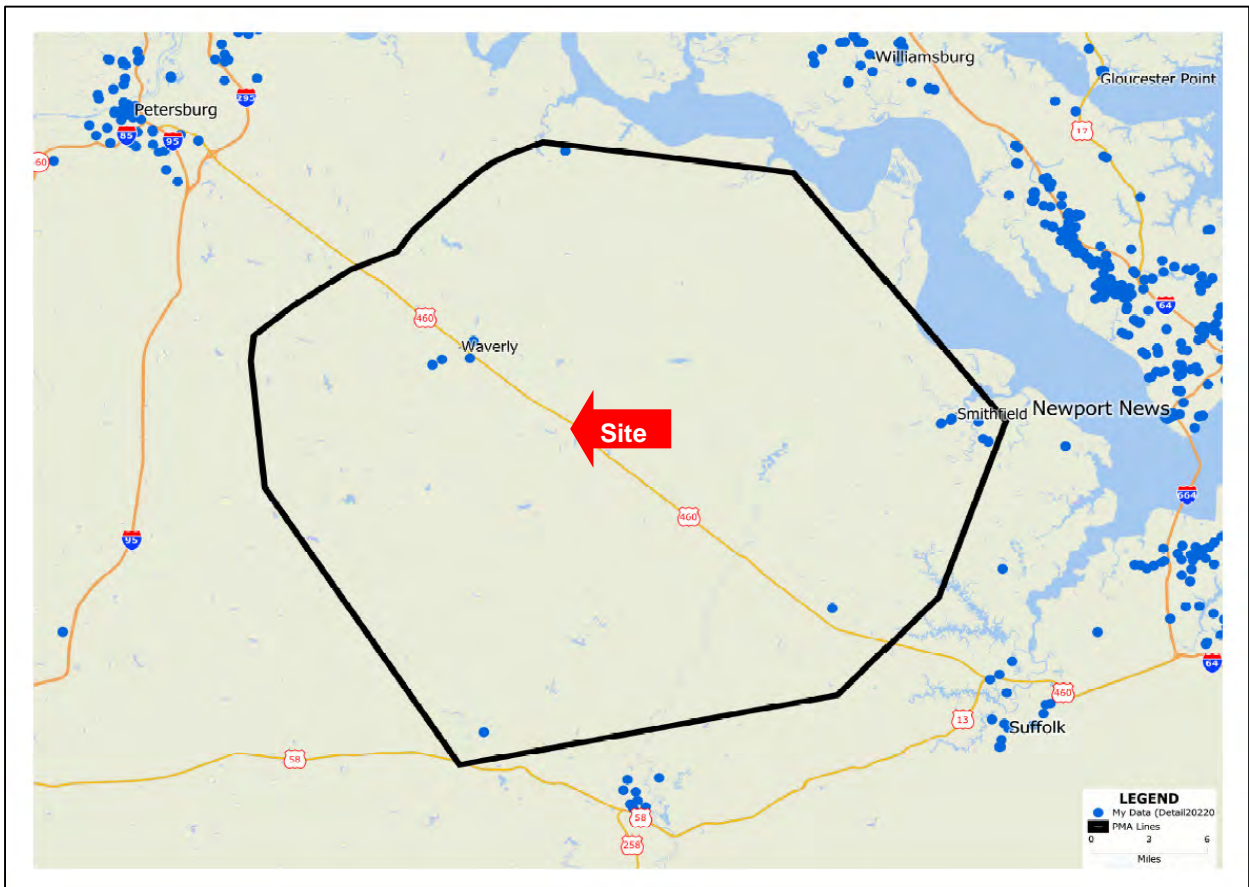
Market Area



Drive Time

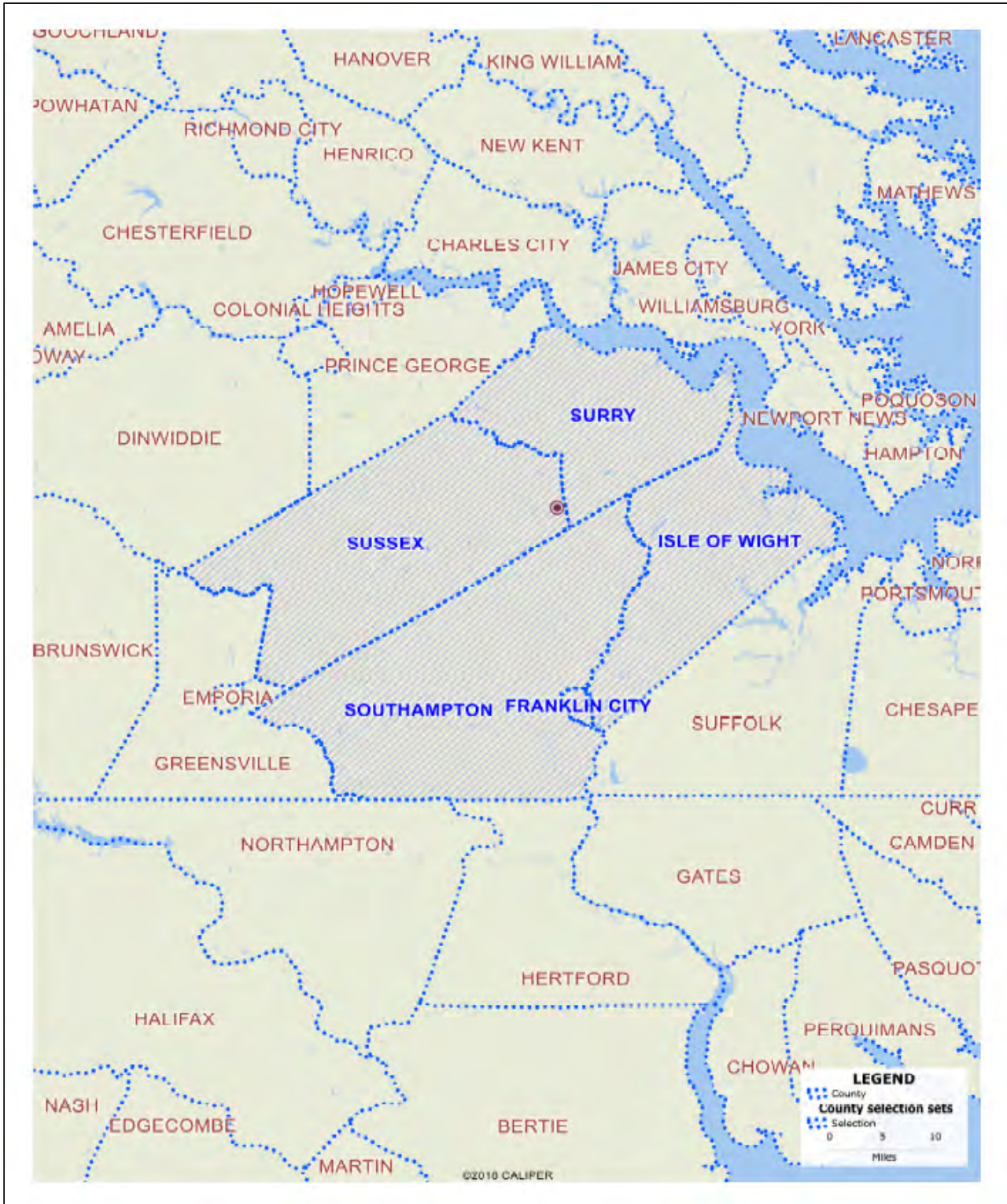


Existing Multifamily



ECONOMIC OUTLOOK

In this section we conduct an analysis of the regional economy. For purposes of our analysis, we define the region as Isle of Wight, Franklin City, Southampton, Surry, and Sussex, Virginia. A map depicting the Region is found below.



Employment by Industry

The Bureau of Labor Statistics (BLS) tracks establishment employment by major industry. In the table below we present the current breakdown and percent distribution. The data set comes from the Bureau of Labor Statistics (BLS) via Woods & Pool Economics.

Establishment Employment			
Industry	Region	Reg %	US %
Farm Employment	1,002	2.8%	1.3%
Forestry, Fishing, Related Activities And Other Employment	506	1.4%	0.5%
Mining Employment	181	0.5%	0.7%
Utilities Employment	68	0.2%	0.3%
Construction Employment	1,506	4.1%	5.4%
Manufacturing Employment	3,816	10.5%	6.4%
Wholesale Trade Employment	806	2.2%	3.5%
Retail Trade Employment	3,434	9.4%	10.3%
Transportation And Warehousing Employment	1,728	4.8%	3.4%
Information Employment	134	0.4%	1.6%
Finance And Insurance Employment	1,241	3.4%	5.4%
Real Estate And Rental And Lease Employment	1,871	5.1%	4.8%
Professional And Technical Services Employment	1,575	4.3%	6.9%
Management Of Companies And Enterprises Employment	481	1.3%	1.3%
Administrative And Waste Services Employment	2,276	6.3%	6.0%
Educational Services Employment	579	1.6%	2.5%
Health Care And Social Assistance Employment	3,483	9.6%	12.1%
Arts, Entertainment, And Recreation Employment	539	1.5%	2.2%
Accommodation And Food Services Employment	2,513	6.9%	7.5%
Other Services, Except Public Administration Employment	2,647	7.3%	5.9%
Federal Civilian Government Employment	214	0.6%	1.4%
Federal Military Employment	240	0.7%	0.9%
State And Local Government Employment	5,511	15.2%	9.8%
Establishment Employment	36,351	100.0%	100.0%

Source: W&P Economics

Regional establishment employment currently stands at 36,351. The data suggests that State and Local Government is the largest employment category accounting for 15.2% of total regional employment. Manufacturing is the second largest category accounting for 10.5% of total employment. Health Care and Social Assistance is the third largest category accounting for 9.6% of total employment. Retail Trade is the fourth largest category accounting for 9.4% of total employment. Other Services is the fifth largest category accounting for 7.3% of total employment.

Economists generally classify employment two ways: basic and non-basic. Basic employment, which is considered to be the engine of a local economy, includes industries that rely on external factors to fuel demand. For instance, mining, logging and manufacturers are frequently considered basic employers. Goods for these industries are shipped outside the location where they are produced. Non-basic employers depend largely on local demand and usually employ local workers. For example, grocery stores and restaurants are sometimes considered non-basic employers.

The Location Quotient (LQ) technique is the most common method of identifying basic industries for a given economy. The LQ technique compares the share of workers in each industry of a given economy with that of a larger reference economy. If the number of workers in the given economy is greater than that of the reference economy, these are considered to be basic industries because they fill needs beyond those of the reference community.

In the table above we highlight the basic industries for the region. The distribution of employment in these industries exceeds that for the United States. These basic industries represent about 19,838 employees or about 54.6% of total regional employment. These are the industries that drive the regional economy.

Earnings by Industry

The Bureau of Labor Statistics (BLS) tracks average earnings by major industry. In the table below we present the current breakdown and rank. The data set comes from the Bureau of Labor Statistics (BLS) via Woods & Pool Economics.

Average Earnings (2012 \$)		
Industry	Earnings	Rank
Farm Employment	\$27,037	20
Forestry, Fishing, Related Activities And Other Employment	\$47,198	9
Mining Employment	\$33,497	14
Utilities Employment	\$219,338	1
Construction Employment	\$44,855	10
Manufacturing Employment	\$56,362	4
Wholesale Trade Employment	\$56,269	5
Retail Trade Employment	\$22,038	22
Transportation And Warehousing Employment	\$53,034	7
Information Employment	\$29,828	18
Finance And Insurance Employment	\$33,378	15
Real Estate And Rental And Lease Employment	\$11,083	23
Professional And Technical Services Employment	\$48,464	8
Management Of Companies And Enterprises Employment	\$196,644	2
Administrative And Waste Services Employment	\$41,855	11
Educational Services Employment	\$27,967	19
Health Care And Social Assistance Employment	\$39,842	12
Arts, Entertainment, And Recreation Employment	\$32,824	16
Accommodation And Food Services Employment	\$32,425	17
Other Services, Except Public Administration Employment	\$26,729	21
Federal Civilian Government Employment	\$85,748	3
Federal Military Employment	\$34,142	13
State And Local Government Employment	\$55,154	6
Establishment Employment	\$42,777	

Source: W&P Economics

The data suggests that Utilities is the highest paid industry averaging \$219,338 per employee. Management of Companies is the second highest paid industry averaging \$196,644 per employee. Federal Civilian Government is the third highest paid profession averaging \$85,748 per employee. Manufacturing is the fourth highest paid industry averaging \$56,362 per employee. Wholesale trade is the fifth highest paid category averaging \$56,269 per employee. These figures are compared with regional Average Earnings of \$42,777 per employee.

The highlighted industries represent basic industries for the region. Average earnings for these basic industries comes to \$57,233 or 33.8% higher than average for the region.

Top Employers

The table below gives a listing of the region's top employers. The data comes from InfoUSA and includes a primary industry description for each employer.

Top Employers				
Name	Employees	SIC Code	Industry Description	Location Type
Smithfield Foods	2,200	2011-04	Meat Products (Mfrs)	-
Smithfield Foods	2,000	2011-04	Meat Products (Mfrs)	Branch
International Paper Co	1,800	9224-04	Fire Departments	Branch
Smithfield North Facility	1,000	2011-01	Meat Packers (Mfrs)	-
Surry Power Station	900	4911-04	Power Plants	-
Cost Plus World Mkt-VA Dstrbtn	475	5099-98	Distribution Centers (Whls)	-
Southampton Correctional Cmplx	370	9121-02	Government Offices-State	-
Sussex II State Prison	300	9121-02	Government Offices-State	-
Walmart Supercenter	259	5311-02	Department Stores	Branch
Sentara St Luke's	258	8062-02	Hospitals	-

Source: InfoUSA

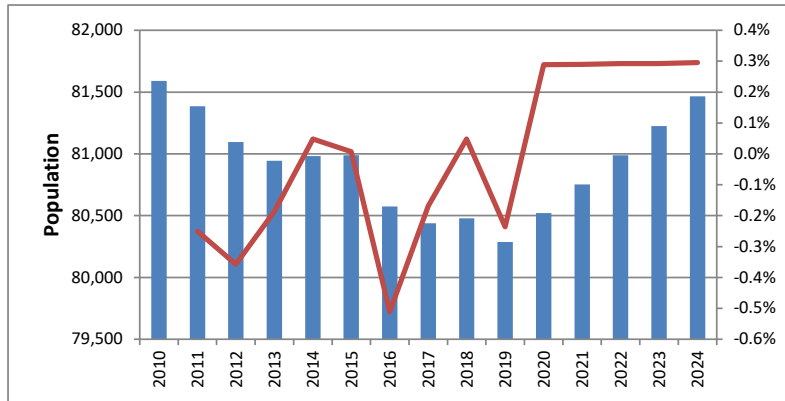
The top employers include: (1) Smithfield Foods (2200 employees); (2) Smithfield Foods (2000 employees) and; (3) International Paper Co (1800 employees).

Population

In this section we present population data for the region. The table and graph below show historic data since 2010. The historic data comes from the US Census; the forecast comes from Woods & Pool Economics.

Population Forecast		
Year	Pop	Growth %
2010	81,590	
2011	81,386	-0.3%
2012	81,095	-0.4%
2013	80,944	-0.2%
2014	80,983	0.0%
2015	80,989	0.0%
2016	80,575	-0.5%
2017	80,439	-0.2%
2018	80,478	0.0%
2019	80,288	-0.2%
2020	80,520	0.3%
2021	80,753	0.3%
2022	80,989	0.3%
2023	81,226	0.3%
2024	81,466	0.3%

Source: US Census; W&P Economics



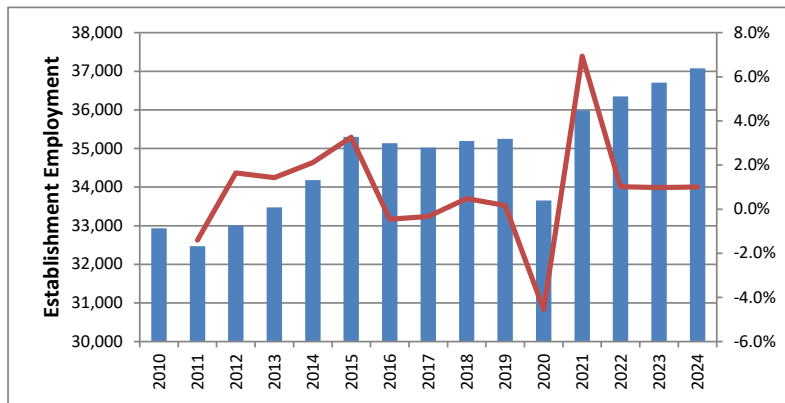
Population decreased from 81,590 in 2010 to 80,520 in 2020 and is anticipated to increase to 81,466 in 2024.

Establishment Employment

In this section we present establishment employment data for the region. The table and graph below show historic data since 2010. The historic data comes from the Bureau of Labor Statistics (BLS); the forecast comes from Woods & Pool Economics.

Establishment Employment Forecast		
Year	Est Emp	Growth %
2010	32,932	
2011	32,471	-1.4%
2012	33,003	1.6%
2013	33,474	1.4%
2014	34,183	2.1%
2015	35,298	3.3%
2016	35,138	-0.5%
2017	35,024	-0.3%
2018	35,192	0.5%
2019	35,252	0.2%
2020	33,650	-4.5%
2021	35,984	6.9%
2022	36,351	1.0%
2023	36,706	1.0%
2024	37,075	1.0%

Source: BLS; W&P Economics



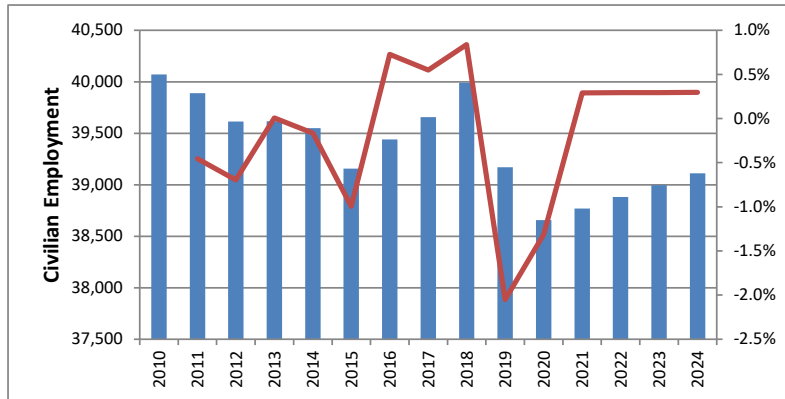
Establishment employment increased from 32,932 in 2010 to 33,650 in 2020 and is anticipated to increase to 37,075 in 2024.

Civilian Employment

In this section we present civilian employment data for the region. The table and graph below show historic data since 2010. The historic data comes from the Bureau of Labor Statistics (BLS); the forecast utilizes data from Woods & Pool Economics.

Civilian Employment Forecast		
Year	Civ Emp	Growth %
2010	40,072	
2011	39,890	-0.5%
2012	39,613	-0.7%
2013	39,616	0.0%
2014	39,550	-0.2%
2015	39,156	-1.0%
2016	39,441	0.7%
2017	39,658	0.5%
2018	39,990	0.8%
2019	39,170	-2.1%
2020	38,656	-1.3%
2021	38,768	0.3%
2022	38,881	0.3%
2023	38,995	0.3%
2024	39,110	0.3%

Source: BLS; W&P Economics



Civilian employment decreased from 40,072 in 2010 to 38,656 in 2020 and is anticipated to increase to 39,110 in 2024.

Labor Force and Unemployment

In this section we take a look at the labor force and unemployment. The table below shows civilian employment, unemployment and labor force statistics for the region since 2010. The data set comes from the Bureau of Labor Statistics (BLS) via the Texas A&M Real Estate Center.

Labor Force & Unemployment				
Year	Civ Emp	Unemp	Lab Force	Unemp Rate
2010	40,072	3,217	36,855	8.0%
2011	39,890	2,803	37,087	7.0%
2012	39,613	2,536	37,077	6.4%
2013	39,616	2,240	37,376	5.7%
2014	39,550	1,916	37,634	4.8%
2015	39,156	1,798	37,358	4.6%
2016	39,441	1,630	37,811	4.1%
2017	39,658	1,284	38,374	3.2%
2018	39,990	1,190	38,800	3.0%
2019	39,170	2,263	36,907	5.8%
2020	38,656	1,610	37,046	4.2%

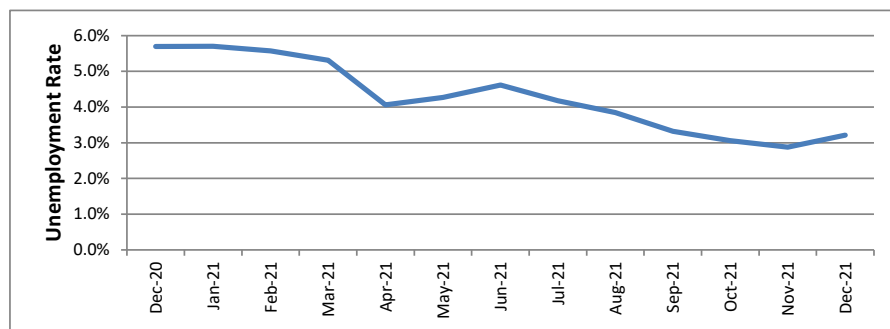
Source: BLS; Texas A&M Real Estate Center

Unemployment decreased from 3,217 in 2010 to 1,610 in 2020. The unemployment rate decreased from 8.0% in 2010 to 4.2% in 2020.

The table and graph below show the unemployment rate for the region for the past 12 months.

Unemployment Rate	
Month	Unemp Rate
Dec-20	5.7%
Jan-21	5.7%
Feb-21	5.6%
Mar-21	5.3%
Apr-21	4.1%
May-21	4.3%
Jun-21	4.6%
Jul-21	4.2%
Aug-21	3.8%
Sep-21	3.3%
Oct-21	3.1%
Nov-21	2.9%
Dec-21	3.2%

Source: TAMU



The Unemployment Rate for the Region came in at 5.7% in December 2020 and 3.2% in December 2021.

Building Permits

In this section we look at building permits. The table and graph below show historical data for the region since 2000. The data set comes from the US Census.

Building Permits				
Year	1 Family	2-4 Family	5+ Family	Total
2000	392	5	0	397
2001	418	32	0	450
2002	435	13	0	448
2003	516	12	0	528
2004	580	16	0	596
2005	812	4	0	816
2006	708	4	60	772
2007	533	2	0	535
2008	328	4	0	332
2009	262	4	0	266
2010	204	4	144	352
2011	172	4	0	176
2012	165	2	0	167
2013	199	2	0	201
2014	207	0	0	207
2015	192	0	208	400
2016	262	0	0	262
2017	299	0	13	312
2018	286	0	0	286
2019	328	0	0	328
2020	387	0	28	415

Source: US Census

Building permits for the region increased from 397 in 2000 to 816 in 2005, before decreasing to 167 in 2012 and increasing to 415 in 2020.

Conclusion

We anticipate moderate economic growth accompanied by modest population growth for the region over the next several years.

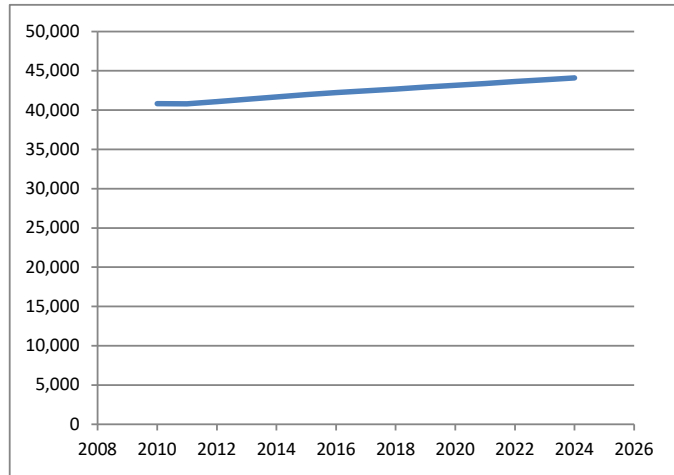
DEMOGRAPHIC CHARACTERISTICS

Population

In the table below we give the 2010-2024 Caliper Corporation population projection for the Market Area.

Population Forecast		
Year	Population	Growth %
2010	40,814	-
2011	40,798	0.0%
2012	41,095	0.7%
2013	41,392	0.7%
2014	41,688	0.7%
2015	41,985	0.7%
2016	42,218	0.6%
2017	42,452	0.6%
2018	42,685	0.5%
2019	42,919	0.5%
2020	43,152	0.5%
2021	43,387	0.5%
2022	43,623	0.5%
2023	43,860	0.5%
2024	44,098	0.5%

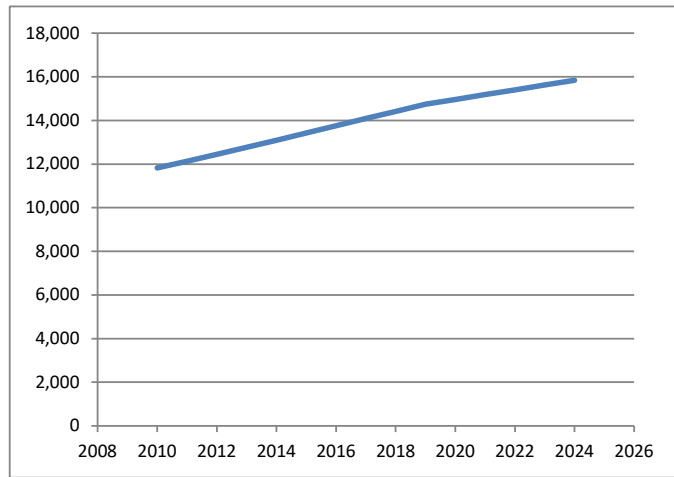
Source: Caliper; Allen & Associates



In the table below we give the 2010-2024 Caliper Corporation 55+ population projection for the Market Area.

55+ Population Forecast		
Year	Population	Growth %
2010	11,823	-
2011	12,129	2.6%
2012	12,442	2.6%
2013	12,764	2.6%
2014	13,094	2.6%
2015	13,424	2.5%
2016	13,754	2.5%
2017	14,084	2.4%
2018	14,414	2.3%
2019	14,744	2.3%
2020	14,963	1.5%
2021	15,182	1.5%
2022	15,401	1.4%
2023	15,621	1.4%
2024	15,840	1.4%

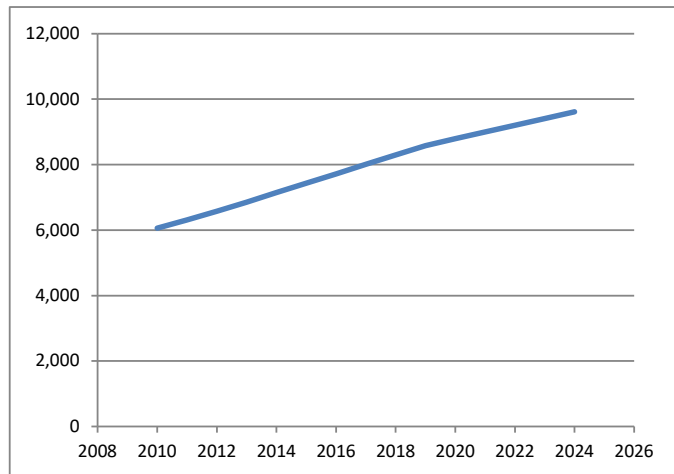
Source: Caliper; Allen & Associates



In the table below we give the 2010-2024 Caliper Corporation 65+ population projection for the Market Area.

65+ Population Forecast		
Year	Population	Growth %
2010	6,059	-
2011	6,313	4.2%
2012	6,578	4.2%
2013	6,855	4.2%
2014	7,143	4.2%
2015	7,431	4.0%
2016	7,719	3.9%
2017	8,007	3.7%
2018	8,295	3.6%
2019	8,583	3.5%
2020	8,789	2.4%
2021	8,996	2.3%
2022	9,202	2.3%
2023	9,408	2.2%
2024	9,615	2.2%

Source: Caliper; Allen & Associates

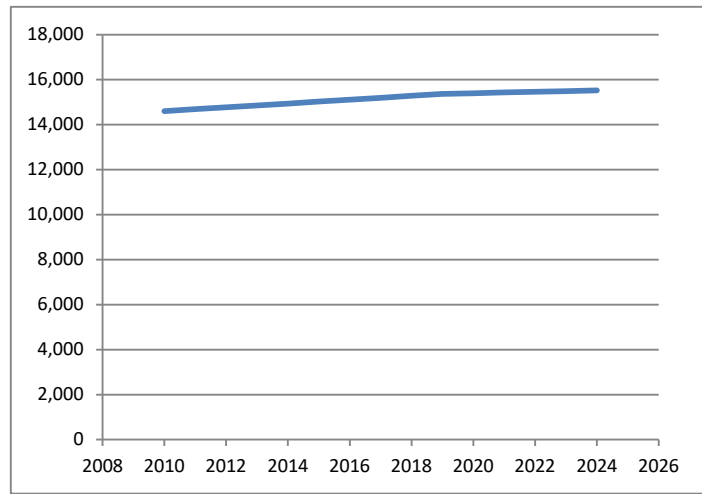


Households

In the table below we give the 2010-2024 Claritas household projection for the Market Area.

Household Forecast		
Year	Households	Growth %
2010	14,601	-
2011	14,685	0.6%
2012	14,770	0.6%
2013	14,855	0.6%
2014	14,941	0.6%
2015	15,027	0.6%
2016	15,113	0.6%
2017	15,198	0.6%
2018	15,284	0.6%
2019	15,370	0.6%
2020	15,401	0.2%
2021	15,432	0.2%
2022	15,463	0.2%
2023	15,494	0.2%
2024	15,525	0.2%

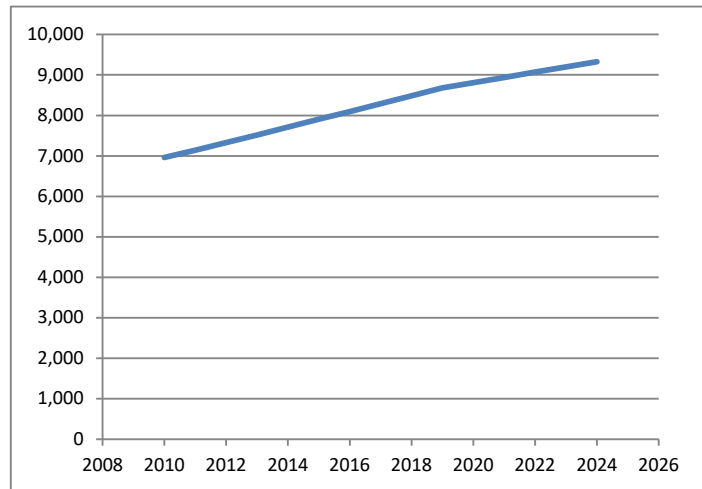
Source: Claritas; Allen & Associates



In the table below we give the 2010-2024 Claritas 55+ household projection for the Market Area.

55+ Household Forecast		
Year	Households	Growth %
2010	6,961	-
2011	7,141	2.6%
2012	7,325	2.6%
2013	7,515	2.6%
2014	7,709	2.6%
2015	7,903	2.5%
2016	8,098	2.5%
2017	8,292	2.4%
2018	8,486	2.3%
2019	8,681	2.3%
2020	8,810	1.5%
2021	8,939	1.5%
2022	9,068	1.4%
2023	9,197	1.4%
2024	9,326	1.4%

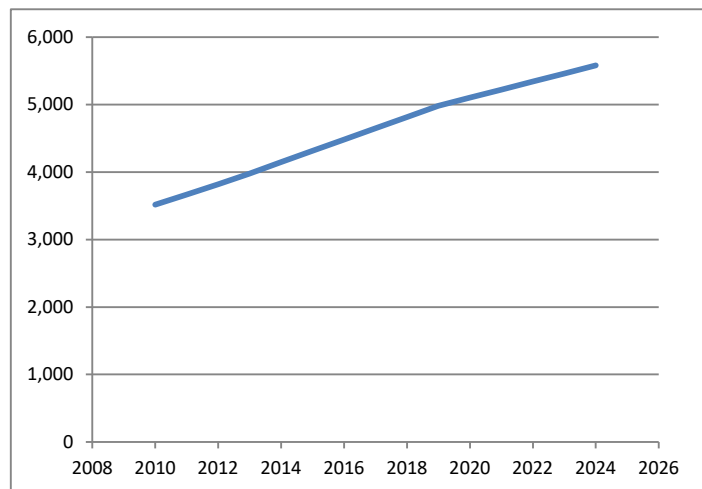
Source: Claritas; Allen & Associates



In the table below we give the 2010-2024 Claritas 65+ household projection for the Market Area.

65+ Household Forecast		
Year	Households	Growth %
2010	3,517	-
2011	3,665	4.2%
2012	3,819	4.2%
2013	3,979	4.2%
2014	4,146	4.2%
2015	4,314	4.0%
2016	4,481	3.9%
2017	4,648	3.7%
2018	4,815	3.6%
2019	4,983	3.5%
2020	5,102	2.4%
2021	5,222	2.3%
2022	5,342	2.3%
2023	5,462	2.2%
2024	5,581	2.2%

Source: Claritas; Allen & Associates

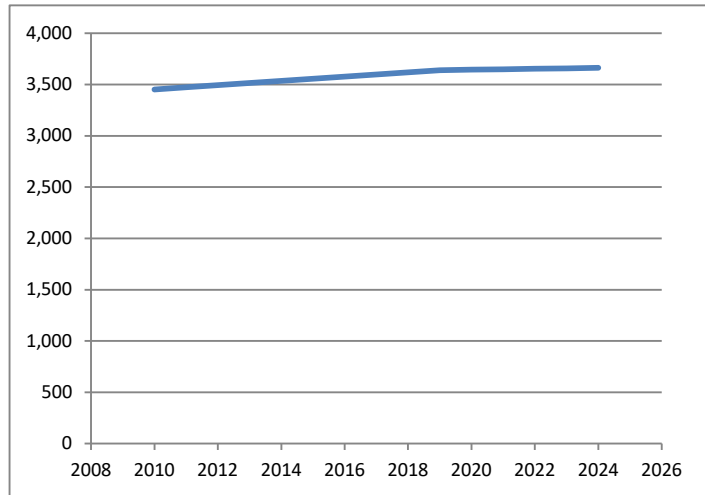


Renter Households

In the table below we give the 2010-2024 Claritas renter household projection for the Market Area.

Renter Household Forecast		
Year	Households	Growth %
2010	3,451	-
2011	3,472	0.6%
2012	3,493	0.6%
2013	3,514	0.6%
2014	3,535	0.6%
2015	3,556	0.6%
2016	3,577	0.6%
2017	3,598	0.6%
2018	3,619	0.6%
2019	3,640	0.6%
2020	3,645	0.1%
2021	3,649	0.1%
2022	3,654	0.1%
2023	3,658	0.1%
2024	3,663	0.1%

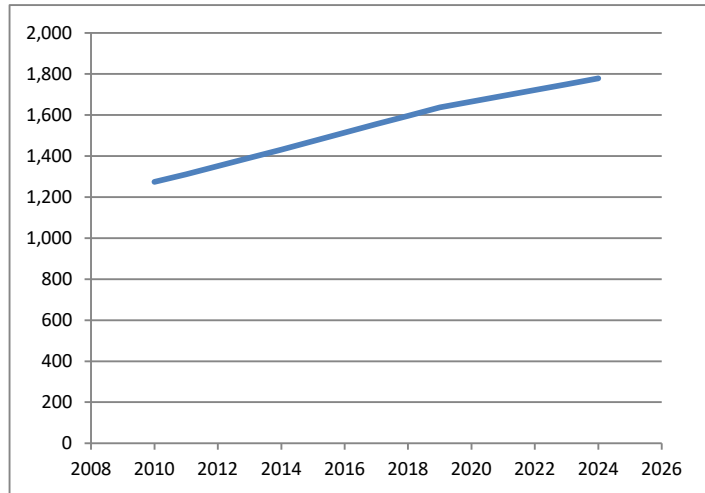
Source: Claritas; Allen & Associates



In the table below we give the 2010-2024 Claritas 55+ renter household projection for the Market Area.

55+ Renter Household Forecast		
Year	Households	Growth %
2010	1,274	-
2011	1,312	3.0%
2012	1,351	3.0%
2013	1,390	3.0%
2014	1,432	3.0%
2015	1,473	2.9%
2016	1,514	2.8%
2017	1,555	2.7%
2018	1,596	2.6%
2019	1,637	2.6%
2020	1,666	1.7%
2021	1,694	1.7%
2022	1,722	1.7%
2023	1,750	1.6%
2024	1,779	1.6%

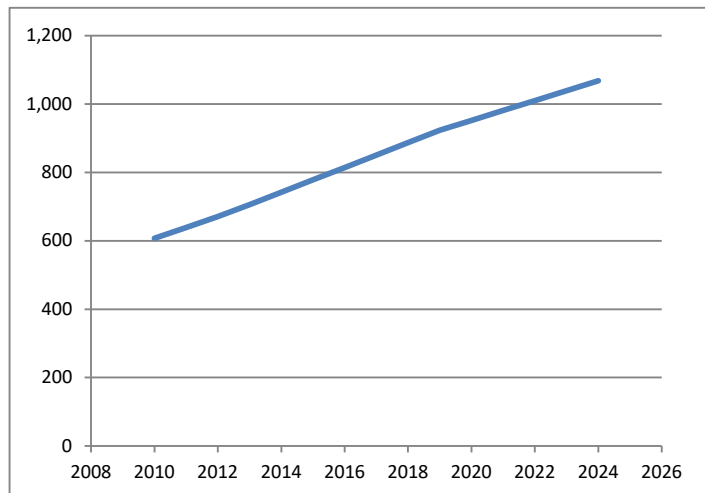
Source: Claritas; Allen & Associates



In the table below we give the 2010-2024 Claritas 65+ renter household projection for the Market Area.

65+ Renter Household Forecast		
Year	Households	Growth %
2010	607	-
2011	639	5.1%
2012	671	5.1%
2013	706	5.1%
2014	742	5.1%
2015	778	4.9%
2016	814	4.7%
2017	851	4.4%
2018	887	4.3%
2019	923	4.1%
2020	952	3.1%
2021	981	3.0%
2022	1,010	3.0%
2023	1,039	2.9%
2024	1,068	2.8%

Source: Claritas; Allen & Associates



Household Income

The following table shows the current distribution of household incomes for the Market Area. The data set comes from Claritas and Ribbon Demographics.

2022 \$		Households, by Income, by Size						
Min	Max	2022 Households						
		1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	559	192	135	103	29	16	1,034
\$10,000	\$19,999	787	437	200	66	43	19	1,553
\$20,000	\$29,999	641	388	170	160	36	16	1,411
\$30,000	\$39,999	335	563	184	84	73	35	1,274
\$40,000	\$49,999	385	549	187	100	64	30	1,316
\$50,000	\$59,999	305	515	104	88	61	31	1,103
\$60,000	\$74,999	229	746	347	215	67	31	1,635
\$75,000	\$99,999	202	789	530	392	85	45	2,042
\$100,000	\$124,999	107	517	335	441	147	75	1,623
\$125,000	\$149,999	141	433	258	119	89	48	1,088
\$150,000	\$199,999	54	275	186	185	91	38	829
\$200,000	more	59	229	92	72	71	32	556
Total		3,804	5,633	2,729	2,025	856	415	15,463

The following table shows the current distribution of 55+ household incomes for the Market Area.

2022 \$		55+ Households, by Income, by Size						
Min	Max	2022 Households						
		1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	464	124	40	10	7	1	646
\$10,000	\$19,999	686	266	58	11	27	8	1,057
\$20,000	\$29,999	524	309	83	16	12	3	947
\$30,000	\$39,999	276	397	93	21	29	13	830
\$40,000	\$49,999	277	476	88	20	26	13	901
\$50,000	\$59,999	174	398	60	19	10	5	665
\$60,000	\$74,999	168	527	149	57	24	12	937
\$75,000	\$99,999	154	524	235	62	47	24	1,046
\$100,000	\$124,999	85	391	156	28	38	16	714
\$125,000	\$149,999	84	338	90	15	29	15	571
\$150,000	\$199,999	41	221	86	28	38	17	430
\$200,000	more	59	158	40	11	41	16	325
Total		2,991	4,130	1,179	298	328	142	9,068

The following table shows the current distribution of 65+ household incomes for the Market Area.

2022 \$		65+ Households, by Income, by Size						
Min	Max	2022 Households						
		1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	313	66	14	9	4	0	406
\$10,000	\$19,999	529	159	27	6	8	1	730
\$20,000	\$29,999	399	198	67	4	4	0	671
\$30,000	\$39,999	219	319	41	3	13	6	601
\$40,000	\$49,999	186	348	60	15	3	0	612
\$50,000	\$59,999	106	258	33	17	2	0	416
\$60,000	\$74,999	96	322	27	44	9	5	504
\$75,000	\$99,999	99	274	97	28	26	14	538
\$100,000	\$124,999	48	164	67	7	6	0	293
\$125,000	\$149,999	39	170	13	8	7	3	240
\$150,000	\$199,999	28	95	26	3	21	9	180
\$200,000	more	32	82	26	1	7	3	151
Total		2,095	2,455	498	144	109	40	5,342

Source: Claritas & Ribbon Demographics

Renter Household Income

The following table shows the current distribution of renter household incomes for the Market Area. The data set comes from Claritas and Ribbon Demographics.

2022 \$		2022 Households						
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	285	83	93	67	21	12	560
\$10,000	\$19,999	369	204	112	36	33	17	771
\$20,000	\$29,999	221	111	80	91	26	12	541
\$30,000	\$39,999	97	125	55	15	45	19	356
\$40,000	\$49,999	152	66	38	51	24	11	342
\$50,000	\$59,999	36	81	13	18	23	8	180
\$60,000	\$74,999	34	97	23	45	8	3	210
\$75,000	\$99,999	57	145	72	57	10	4	345
\$100,000	\$124,999	19	28	15	58	8	0	127
\$125,000	\$149,999	37	21	19	25	11	4	117
\$150,000	\$199,999	15	8	2	1	11	4	42
\$200,000	more	17	25	11	4	6	0	63
Total		1,338	994	533	468	227	94	3,654

The following table shows the current distribution of 55+ renter household incomes for the Market Area.

2022 \$		2022 Households						
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	236	61	13	1	5	1	316
\$10,000	\$19,999	292	47	13	5	17	6	380
\$20,000	\$29,999	143	58	14	10	8	2	234
\$30,000	\$39,999	79	40	19	4	25	12	178
\$40,000	\$49,999	93	36	26	8	3	0	165
\$50,000	\$59,999	23	39	3	4	2	0	71
\$60,000	\$74,999	20	34	10	3	3	0	71
\$75,000	\$99,999	36	42	42	4	3	1	128
\$100,000	\$124,999	16	24	6	3	6	0	55
\$125,000	\$149,999	21	12	9	4	9	3	59
\$150,000	\$199,999	13	8	2	1	4	1	29
\$200,000	more	16	6	8	2	4	0	37
Total		989	407	164	48	88	26	1,722

The following table shows the current distribution of 65+ renter household incomes for the Market Area.

2022 \$		2022 Households						
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	135	16	2	0	3	0	156
\$10,000	\$19,999	212	28	1	5	3	1	250
\$20,000	\$29,999	99	33	11	2	3	0	148
\$30,000	\$39,999	68	30	8	2	12	6	125
\$40,000	\$49,999	54	2	6	6	2	0	70
\$50,000	\$59,999	19	31	2	4	1	0	57
\$60,000	\$74,999	15	7	2	1	3	0	29
\$75,000	\$99,999	17	37	23	3	3	1	84
\$100,000	\$124,999	8	18	3	2	4	0	35
\$125,000	\$149,999	10	5	2	3	0	0	21
\$150,000	\$199,999	9	5	1	1	2	0	18
\$200,000	more	10	6	1	1	1	0	19
Total		655	219	62	29	37	8	1,010

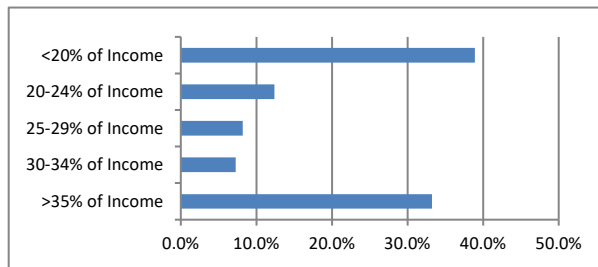
Source: Claritas & Ribbon Demographics

Overburdened Renter Households

The following tables give overburdened renter household data for the Market Area. The data set comes from the U.S. Census Bureau.

Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	38.9%
20-24% of Income Spent on Housing	12.4%
25-29% of Income Spent on Housing	8.2%
30-34% of Income Spent on Housing	7.3%
>35% of Income Spent on Housing	33.2%
Total	100.0%

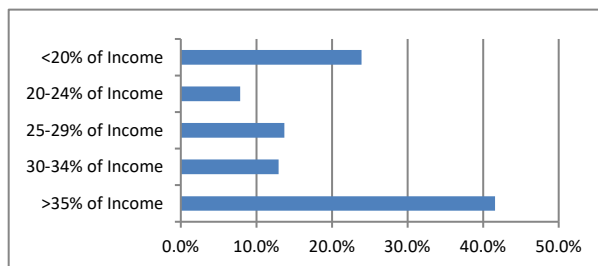
Source: U.S. Census Bureau



Our research suggests that 33.2 percent of the renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 40.5 percent of the renter households are overburdened to 30 percent of income.

55+ Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	23.9%
20-24% of Income Spent on Housing	7.9%
25-29% of Income Spent on Housing	13.7%
30-34% of Income Spent on Housing	12.9%
>35% of Income Spent on Housing	41.6%
Total	100.0%

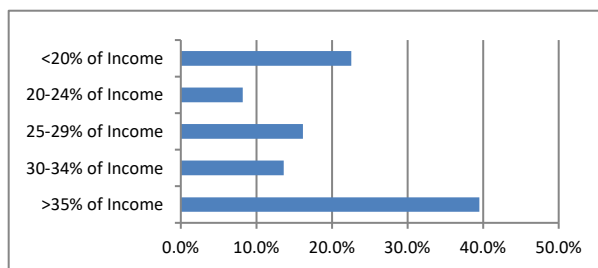
Source: U.S. Census Bureau



Our research suggests that 41.6 percent of the 55+ renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 54.5 percent of the 55+ renter households are overburdened to 30 percent of income.

65+ Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	22.6%
20-24% of Income Spent on Housing	8.2%
25-29% of Income Spent on Housing	16.2%
30-34% of Income Spent on Housing	13.6%
>35% of Income Spent on Housing	39.5%
Total	100.0%

Source: U.S. Census Bureau



Our research suggests that 39.5 percent of the 65+ renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 53.1 percent of the 65+ renter households are overburdened to 30 percent of income.

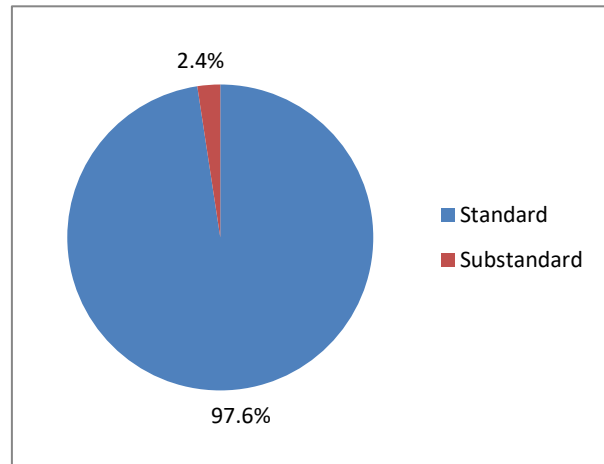
Owner Substandard Units

The U.S. Census Bureau defines substandard housing units as follows: (1) Units without complete plumbing; or (2) Units with 1.00 or more persons per room.

The following tables give owner substandard housing unit data for occupied housing units in the nation, state, region and market area. The data comes from the U.S. Census Bureau:

Owner Substandard Units	
	% of Total
1.00 persons per room or less	97.6%
1.01 to 1.50 persons per room	1.3%
1.51 persons per room or more	0.3%
Complete Plumbing	99.2%
1.00 persons per room or less	0.8%
1.01 to 1.50 persons per room	0.0%
1.51 persons per room or more	0.0%
Lacking Complete Plumbing	0.8%
Standard	97.6%
Substandard	2.4%
Total	100.0%

Source: U.S. Census Bureau



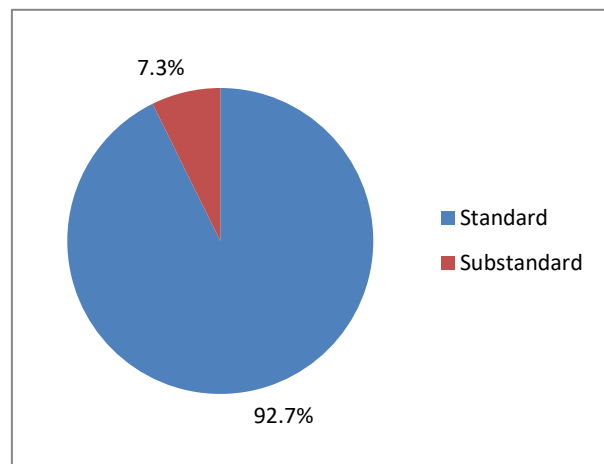
Our research suggests that 2.4 percent of occupied owner housing units in the market area are substandard.

Renter Substandard Units

The following tables give renter substandard housing unit data for occupied housing units in the nation, state, region and market area. The data comes from the U.S. Census Bureau:

Renter Substandard Units	
	% of Total
1.00 persons per room or less	92.7%
1.01 to 1.50 persons per room	2.3%
1.51 persons per room or more	0.7%
Complete Plumbing	95.7%
1.00 persons per room or less	4.2%
1.01 to 1.50 persons per room	0.1%
1.51 persons per room or more	0.0%
Lacking Complete Plumbing	4.3%
Standard	92.7%
Substandard	7.3%
Total	100.0%

Source: U.S. Census Bureau



Our research suggests that 7.3 percent of renter owner housing units in the market area are substandard.

Owner Movership

The following tables give owner household movership data for the market area with an estimated breakout by household size. The data comes from the U.S. Census Bureau and the American Housing Survey:

Owner Movership, by Size								
Market Area								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Owner to Owner	2.4%	3.7%	4.8%	4.7%	5.1%	5.5%	6.4%	3.9%
Owner to Renter	2.2%	2.1%	3.8%	3.5%	3.5%	5.3%	8.1%	2.9%
Owner Movership Rate	4.6%	5.8%	8.6%	8.3%	8.6%	10.8%	14.5%	6.8%

Source: U.S. Census, American Housing Survey; Allen & Associates

Our research suggests an owner movership rate of 6.8 percent.

Elderly Owner Movership, by Size								
AHS Survey								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Owner to Owner	2.0%	2.8%	2.3%	1.6%	3.1%	1.0%	3.7%	2.4%
Owner to Renter	1.7%	0.8%	1.4%	2.1%	0.6%	2.6%	0.0%	1.2%
Owner Movership Rate	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%

Source: U.S. Census, American Housing Survey; Allen & Associates

Our research suggests an elderly owner movership rate of 3.7 percent.

Renter Movership

The following tables give renter household movership data for the market area with an estimated breakout by household size. The data comes from the U.S. Census Bureau and the American Housing Survey:

Renter Movership, by Size								
Market Area								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Renter to Renter	8.5%	18.9%	26.7%	32.1%	32.4%	35.1%	54.2%	19.1%
Renter to Owner	2.1%	7.7%	7.8%	10.0%	11.0%	8.5%	10.0%	6.1%
Renter Movership Rate	10.5%	26.6%	34.5%	42.1%	43.4%	43.6%	64.2%	25.2%

Source: U.S. Census, American Housing Survey; Allen & Associates

Our research suggests a renter movership rate of 25.2 percent.

Elderly Renter Movership, by Size								
AHS Survey								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Renter to Renter	7.4%	6.6%	7.2%	7.6%	6.0%	7.8%	0.0%	7.1%
Renter to Owner	0.6%	1.4%	0.7%	0.4%	2.0%	0.2%	8.0%	0.9%
Renter Movership Rate	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%

Source: U.S. Census, American Housing Survey; Allen & Associates

Our research suggests an elderly renter movership rate of 8.0 percent.

SUPPLY ANALYSIS

In conducting our analysis, we began by attempting to compile a list of every multifamily property with 10 or more units in the market area. We included conventionally-financed multifamily communities as well as properties financed by the local housing authority and the state housing finance agency in our listing. We even included properties financed by and/or subsidized by USDA and/or HUD. Finally, we included properties that are either proposed or currently under construction. The result was a listing of projects with 10 or more units - whether existing, under construction, or proposed - for this area. Our rental property inventory listing is found in the pages that follow.

A map showing the location of the properties included in the rental property inventory is found in the pages that follow. Properties identified with red pushpins have 100 percent market rate units (market rate properties), properties identified with yellow pushpins have a mixture of market rate / restricted / subsidized units (restricted properties), and properties identified with blue pushpins have 100 percent project-based rental assistance (subsidized properties).

After accounting for any unconfirmed properties and any properties that are located outside the defined market area, we arrived at a list of confirmed market area properties. This was the listing of properties upon which our analysis is based. In our opinion, the properties included on this list give a credible picture of market conditions as of the effective date of this report. This listing is found in the pages that follow.

Our next step was to compile a master list of unrestricted market rate rent comparables from the listing of confirmed properties. We eliminated any properties which were either under construction, being renovated, in lease up, or which were unstabilized for one reason or another. We identified market rate properties of similar age and condition to the subject property. If we were unable to identify a sufficient number of market rate comparables in the market area, we included market rate properties from outside the market area. If we were still unable to identify a sufficient number of market rate comparables, we included rent restricted properties - provided, however, that the rents charged at these properties were below statutory limits and similar to the rents charged at the market rate properties in the market area (suggesting that these rent restricted properties were *de facto* market rate properties).

Finally, we compiled a master list of restricted rent comparables from the listing of confirmed properties. We used the same approach described above for unrestricted market rate properties.

The resulting master lists of rent comparables and accompanying locator maps are found in this section as well. Detailed write-ups for the properties included on these lists are found in the Appendix. We include write-ups for *all* of the rent comparables identified on our master lists, regardless of whether they ended up being selected as one of the *best* rent comparables. We did this for two reasons: (1) To be transparent; and (2) To provide the reader with context regarding our selection process.

The balance of this section includes a breakdown of confirmed market area properties by rent type, project status, year built, and financing source. We also include a rent, unit mix, and amenity summary for confirmed market area properties. Finally, we provide summary of vouchers, concessions, and waiting lists for the properties included in this report.

Rental Property Inventory

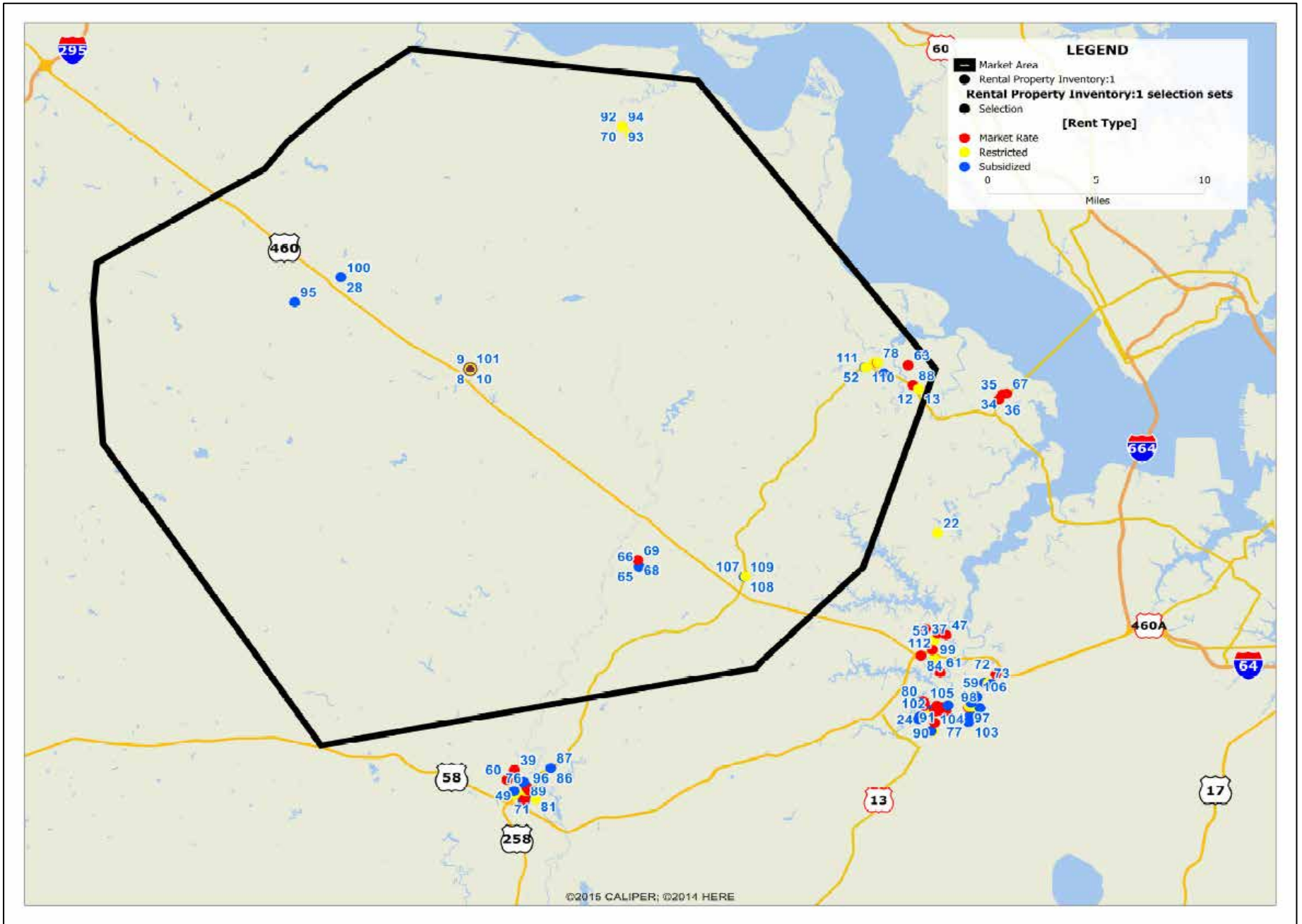
Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
001	Autumn Ridge 1	36.7121	-76.5894	1975	2016	Market Rate	Family	Stabilized	Bond	128	5	96.1%
002	Autumn Ridge 2 - LC1	36.7121	-76.5894	1996	na	Restricted	Family	Stabilized	Tax Credit	24	0	100.0%
003	Autumn Ridge 2 - LC2	36.7121	-76.5894	1998	na	Restricted	Family	Stabilized	Tax Credit	24	1	95.8%
004	Barrett House Apartments	36.7231	-76.6002	na	na	Subsidized	Family	Special Needs	HUD	4	0	100.0%
005	Beamon's Mills Townhomes	36.7536	-76.5368	2008	na	Market Rate	Family	Duplicate	Conventional	55	0	100.0%
006	Berkley Court	36.6758	-76.9304	1972	2015	Subsidized	Family	Stabilized	Tax Credit	75	3	96.0%
007	Bettie S Davis Village Apartments	36.7125	-76.5908	1983	2014	Subsidized	Elderly	Stabilized	Bond	60	0	100.0%
008	Birch Island Apartments Phase 1	36.9737	-76.9748	1984	2022	Restricted	Family	Prop Rehab	Tax Credit	48	3	93.8%
009	Birch Island Apartments Phase 1	36.9737	-76.9748	1984	2000	Restricted	Family	Stabilized	Tax Credit	48	3	93.8%
010	Birch Island Apartments Phase 2	36.9737	-76.9748	1988	2008	Restricted	Family	Stabilized	Tax Credit	16	1	93.8%
011	Bradford Mews Apartments Phase 1	36.9594	-76.6012	1994	na	Market Rate	Family	Duplicate	Tax Credit	0	0	0.0%
012	Bradford Mews Apartments Phase 2	36.9594	-76.6012	1997	na	Market Rate	Family	Duplicate	Tax Credit	0	0	0.0%
013	Bradford Mews Phase 1 & 2	36.9594	-76.6012	1994	2013	Restricted	Family	Stabilized	Bond	120	1	99.2%
014	Breeden Co Inc	36.9556	-76.5313	2005	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
015	C J's Place	36.7283	-76.5835	2012	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
016	CAM	36.7270	-76.5822	1920	2011	Market Rate	Family	Duplicate	Conventional	16	0	100.0%
017	Cedar Street Apartments	36.9785	-76.6353	1990	2010	Restricted	Family	Stabilized	Tax Credit	24	0	100.0%
018	Center 800 Apartments Phase 1	36.7306	-76.5965	2010	na	Market Rate	Family	Non-Inventory	Conventional	11	0	100.0%
019	Center 800 Apartments Phase 2	36.7306	-76.5965	2010	na	Market Rate	Family	Non-Inventory	Conventional	13	13	0.0%
020	Center 801 Apartments	36.7306	-76.5965	2010	na	Restricted	Family	Non-Inventory	Tax Credit	34	0	100.0%
021	Chorey Park Apartments	36.7319	-76.5970	na	na	Subsidized	Family	Unconfirmed	PHA	100	5	95.0%
022	Chuckatuck Village Apartments	36.8553	-76.5856	1990	2009	Restricted	Family	Stabilized	Tax Credit	42	3	92.9%
023	Church Manor Apartments	36.9785	-76.6383	1972	2004	Restricted	Family	Stabilized	Tax Credit	50	0	100.0%
024	Colander Bishop Meadows	36.7211	-76.6012	na	na	Subsidized	Family	Unconfirmed	PHA	80	4	95.0%
025	Commons at Centerbrooke Village	36.7710	-76.5898	2006	na	Market Rate	Elderly	Stabilized	Conventional	132	8	93.9%
026	Constance Manor Apartments	36.7331	-76.5966	na	na	Market Rate	Family	Duplicate	Tax Credit	0	0	0.0%
027	Covenant Place Apartments	36.9707	-76.6301	1993	na	Subsidized	Elderly	Stabilized	HUD	40	0	100.0%
028	Covington Court Apartments	37.0398	-77.0826	1991	na	Subsidized	Elderly	Stabilized	Tax Credit	24	0	100.0%
029	Crestline Realty Corp	36.6774	-76.9441	2005	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
030	Cross Management Corp	36.7307	-76.5861	2011	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
031	Cypress Manor Apartments	36.7191	-76.5600	1992	2020	Subsidized	Family	Duplicate	Bond	113	6	94.7%
032	Dick Kelly Apartments	36.7275	-76.5806	1985	na	Market Rate	Family	Stabilized	Conventional	5	0	100.0%
033	Dorchester Square Apartments	36.6619	-76.9309	1972	2003	Subsidized	Family	Stabilized	Tax Credit	125	7	94.4%
034	Eagle Harbor Apartments Phase 1	36.9556	-76.5313	2005	na	Market Rate	Family	Stabilized	Conventional	240	0	100.0%
035	Eagle Harbor Apartments Phase 2	36.9556	-76.5313	2011	na	Market Rate	Family	Stabilized	Conventional	144	0	100.0%
036	Eagle Harbor West	36.9515	-76.5344	2017	na	Market Rate	Family	Duplicate	Conventional	240	0	100.0%
037	Epps Senior Village	36.7861	-76.5954	na	na	Market Rate	Elderly	Non-Inventory	Conventional	120	120	0.0%
038	Finney Avenue Residences	36.7310	-76.5768	na	na	Subsidized	Family	Special Needs	HUD	12	1	91.7%
039	Forest Pine Apartments	36.6845	-76.9379	1992	na	Market Rate	Family	Stabilized	Conventional	244	0	100.0%
040	Franklin South	36.6690	-76.9287	1987	2006	Restricted	Family	Stabilized	Tax Credit	32	0	100.0%
041	Franklin Redevelopment Housing	36.6633	-76.9296	1972	na	Market Rate	Family	Duplicate	Other	0	0	0.0%
042	Franklin Redevelopment Housing Elderly	36.6695	-76.9256	na	na	Market Rate	Elderly	Non-Inventory	Tax Credit	0	0	0.0%
043	Galloway Terrace Apartments Phase 1	36.6715	-76.9272	1985	2014	Market Rate	Family	Duplicate	Conventional	12	0	100.0%
044	Galloway Terrace Apartments Phase 2	36.6732	-76.9285	1985	na	Subsidized	Family	Duplicate	RD	3	0	100.0%
045	Galloway Terrace Apartments Phase 3	36.6692	-76.9383	1985	na	Subsidized	Family	Duplicate	RD	3	0	100.0%
046	Heritage Acres X Apartments	36.7464	-76.5405	1992	2019	Subsidized	Family	Rehabilitation	Bond	76	0	100.0%
047	Hillpoint Woods Apartments	36.7816	-76.5783	2005	na	Market Rate	Family	Stabilized	Conventional	144	1	99.3%
048	Hoffler Apartments	36.7330	-76.5577	na	na	Subsidized	Family	Unconfirmed	PHA	80	4	95.0%
049	Holland Trace Senior Apartments	36.6659	-76.9359	2000	na	Restricted	Elderly	Stabilized	Tax Credit	48	0	100.0%
050	Jay's Place Group Home	36.7291	-76.5501	1985	na	Subsidized	Family	Special Needs	HUD	4	0	100.0%
051	Jefferson Manor Apartments	36.7268	-76.5876	1945	1985	Market Rate	Family	Stabilized	Conventional	39	8	79.5%
052	Jersey Park Apartments	36.9749	-76.6461	1986	2006	Subsidized	Family	Stabilized	Tax Credit	80	3	96.3%

Rental Property Inventory

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
053	King's Landing Apartments	36.7778	-76.5885	1992	na	Restricted	Family	Stabilized	Tax Credit	120	0	100.0%
054	Lebanon Village Apartments Phase 1	37.1431	-76.8418	1989	2006	Subsidized	Elderly	Stabilized	Tax Credit	24	0	100.0%
055	Lebanon Village Apartments Phase 2	37.1431	-76.8418	1993	2012	Restricted	Elderly	Stabilized	Tax Credit	24	0	100.0%
056	Lofts at East Pointe	36.7270	-76.5783	1920	2011	Market Rate	Family	Unconfirmed	Conventional	34	0	100.0%
057	Lynnhill Commons Phase 1	36.7121	-76.5894	1996	na	Restricted	Family	Duplicate	Tax Credit	24	1	95.8%
058	Lynnhill Commons Phase 2	36.7121	-76.5894	1998	na	Restricted	Family	Duplicate	Tax Credit	24	1	95.8%
059	Magnolia Gardens Apartments	36.7474	-76.5464	2003	na	Subsidized	Elderly	Stabilized	HUD	67	0	100.0%
060	Meadowridge Apartments	36.6774	-76.9441	1991	2018	Market Rate	Family	Stabilized	Conventional	97	0	100.0%
061	Meridian Obici	36.7548	-76.5831	2016	na	Market Rate	Family	Lease Up	Conventional	224	101	54.9%
062	Montgomery Lofts On Main	36.7291	-76.5832	1912	2008	Market Rate	Family	Unconfirmed	Conventional	12	1	91.7%
063	Morris Creek Landing Apartments	36.9765	-76.6099	1988	2004	Market Rate	Family	Stabilized	Conventional	87	0	100.0%
064	Nansemond Square Apartments	36.7121	-76.5894	1975	2012	Restricted	Family	Duplicate	Bond	128	26	79.7%
065	Neighbors Place Apartments	36.8312	-76.8342	na	na	Subsidized	Family	Special Needs	HUD	12	0	100.0%
066	Neighbors Place Apartments	36.8312	-76.8342	na	na	Subsidized	Family	Duplicate	HUD	12	0	100.0%
067	Nest (The) on 17	36.9561	-76.5278	2017	na	Market Rate	Family	Stabilized	Conventional	240	0	100.0%
068	New Bold Apartments	36.8357	-76.8351	2003	na	Market Rate	Family	Special Needs	HUD	0	0	0.0%
069	New Bold Apartments	36.8357	-76.8351	2003	na	Market Rate	Family	Duplicate	HUD	0	0	0.0%
070	New Surry Village	37.1487	-76.8481	1990	2015	Restricted	Family	Stabilized	Tax Credit	32	3	90.6%
071	Newport Village	36.6635	-76.9202	1990	2009	Restricted	Family	Stabilized	Tax Credit	48	2	95.8%
072	Noah At Beamon's Mill	36.7536	-76.5368	2008	na	Market Rate	Family	Stabilized	Conventional	55	0	100.0%
073	Oak Terrace	36.7473	-76.5434	2022	na	Restricted	Family	Construction	Bond	120	5	95.8%
074	October at Fair Downs	36.7294	-76.5597	2015	na	Market Rate	Family	Condominiums	Conventional	0	0	0.0%
075	October Station Apartments	36.7299	-76.5569	2016	na	Restricted	Family	Stabilized	Tax Credit	48	0	100.0%
076	Oldtown Terrace	36.6716	-76.9274	1985	na	Subsidized	Family	Duplicate	Other	35	0	100.0%
077	Parker Riddick Village	36.7191	-76.5600	1992	2020	Subsidized	Family	Duplicate	Bond	113	6	94.7%
078	Patriots Landing Apartments	36.9783	-76.6357	2010	na	Market Rate	Family	Stabilized	Conventional	15	0	100.0%
079	Preserve (The)	36.7305	-76.5963	2012	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
080	Preserve At Lake Meade	36.7343	-76.5976	2021	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
081	Pretlow-Old Town Apartments	36.6651	-76.9209	1983	2015	Subsidized	Family	Stabilized	Tax Credit	75	75	0.0%
082	Reggie's Place Apartments	36.7240	-76.5581	na	na	Subsidized	Family	Special Needs	HUD	4	0	100.0%
083	Residences at October (The)	36.7301	-76.5593	2013	na	Restricted	Family	Stabilized	Tax Credit	72	0	100.0%
084	Sadler Pond Apartments	36.7669	-76.5993	1989	2015	Market Rate	Family	Stabilized	Conventional	109	0	100.0%
085	Seventy-Five Place lofts	36.7270	-76.5822	1920	2011	Market Rate	Family	Unconfirmed	Conventional	16	0	100.0%
086	Springdale Apartments Phase 1	36.6859	-76.9077	1994	na	Subsidized	Elderly	Stabilized	HUD	40	0	100.0%
087	Springdale Apartments Phase 2	36.6859	-76.9077	1997	na	Subsidized	Elderly	Stabilized	HUD	40	0	100.0%
088	Stillwater Provisions	36.9620	-76.6060	2010	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
089	Suburban Gardens	36.6622	-76.9294	na	na	Subsidized	Family	Demolished/Burr	Other	75	75	0.0%
090	Suffolk Station Apartments	36.7185	-76.5878	1987	2015	Market Rate	Family	Stabilized	Conventional	111	6	94.6%
091	Suffolk Towers Apartments	36.7297	-76.5826	1925	na	Market Rate	Family	Demolished/Burr	Conventional	59	3	94.9%
092	Surry Village Apartments Phase 1	37.1487	-76.8481	1985	2006	Restricted	Family	Stabilized	Tax Credit	47	3	93.6%
093	Surry Village Apartments Phase 2	37.1487	-76.8481	1990	2015	Restricted	Family	Duplicate	Tax Credit	32	2	93.8%
094	Surry Village Apartments Phase 3	37.1487	-76.8481	1992	na	Restricted	Family	Duplicate	Tax Credit	8	1	87.5%
095	Sussex Trace Apartments	37.0221	-77.1210	1982	na	Subsidized	Family	Stabilized	HUD	50	8	84.0%
096	Terrace (The)	36.6715	-76.9272	1985	2014	Market Rate	Family	Stabilized	Conventional	12	0	100.0%
097	Tidewater Fair Downs	36.7294	-76.5597	na	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
098	Villas at October	36.7301	-76.5593	2019	na	Restricted	Family	Unconfirmed	Bond	39	2	94.9%
099	Villas at Reid Landing (The)	36.7641	-76.5883	2020	na	Restricted	Elderly	Stabilized	Tax Credit	51	0	100.0%
100	Waverly Elderly	37.0398	-77.0826	1991	na	Subsidized	Elderly	Duplicate	Tax Credit	24	0	100.0%
101	Waverly Village Apartments	36.9740	-76.9745	1988	2004	Restricted	Family	Stabilized	Tax Credit	40	4	90.0%
102	Wellons Street Project	36.7252	-76.5907	1988	na	Restricted	Family	Unconfirmed	Tax Credit	6	0	100.0%
103	White Marsh Pointe at Eagle Landing	36.7191	-76.5594	2022	na	Subsidized	Family	Construction	Bond	206	206	0.0%
104	Wilkins Group Home	36.7285	-76.5883	na	na	Subsidized	Family	Special Needs	HUD	4	0	100.0%

Rental Property Inventory

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
105	Williamtown Commons Apartments	36.7331	-76.5966	1990	2014	Market Rate	Family	Stabilized	Tax Credit	16	0	100.0%
106	Wilson Pines Apartments	36.7373	-76.5527	1981	2014	Subsidized	Family	Stabilized	Tax Credit	104	0	100.0%
107	Windsor Court Apartments Phase 1	36.8240	-76.7456	1988	2005	Restricted	Family	Stabilized	Tax Credit	40	2	95.0%
108	Windsor Court Apartments Phase 2	36.8237	-76.7466	1990	2022	Subsidized	Family	Prop Rehab	Tax Credit	24	1	95.8%
109	Windsor Court Apartments Phase 2	36.8237	-76.7466	1990	na	Subsidized	Family	Stabilized	Tax Credit	24	1	95.8%
110	Woods Edge Apartments	36.9748	-76.6453	1984	1999	Restricted	Family	Stabilized	Tax Credit	60	7	88.3%
111	Woods Edge Apartments	36.9748	-76.6453	1984	2017	Restricted	Family	Non-Inventory	Tax Credit	60	1	98.3%
112	Port 58 at Hillpoint	36.7831	-76.5856	2022	na	Market Rate	Family	Lease Up	Conventional	230	10	95.7%



Rental Property Inventory, Unconfirmed

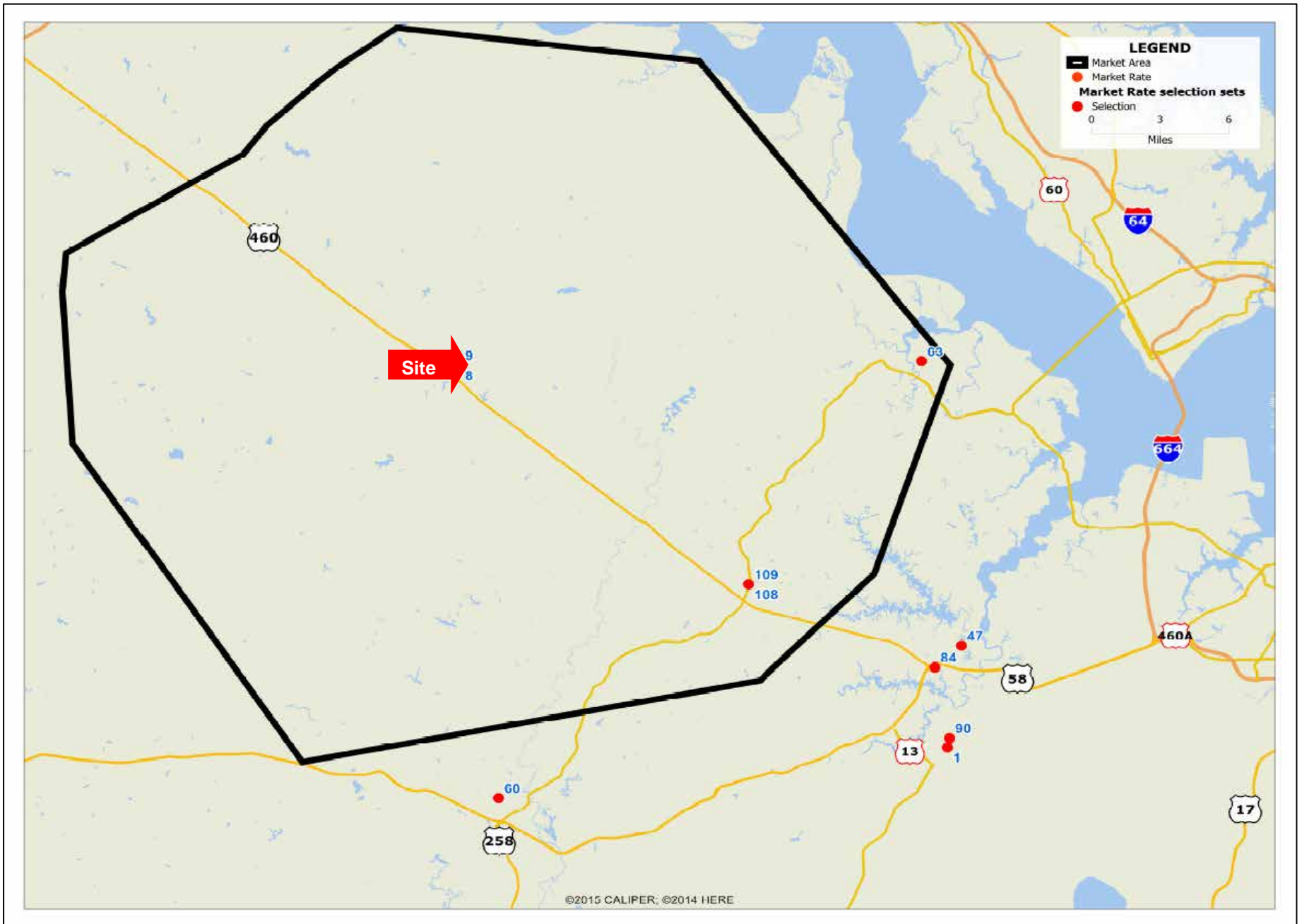
Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
021	Chorey Park Apartments	36.7319	-76.5970	na	na	Subsidized	Family	Unconfirmed	PHA	100	5	95.0%
024	Colander Bishop Meadows	36.7211	-76.6012	na	na	Subsidized	Family	Unconfirmed	PHA	80	4	95.0%
048	Hoffler Apartments	36.7330	-76.5577	na	na	Subsidized	Family	Unconfirmed	PHA	80	4	95.0%
056	Lofts at East Pointe	36.7270	-76.5783	1920	2011	Market Rate	Family	Unconfirmed	Conventional	34	0	100.0%
062	Montgomery Lofts On Main	36.7291	-76.5832	1912	2008	Market Rate	Family	Unconfirmed	Conventional	12	1	91.7%
085	Seventy-Five Place lofts	36.7270	-76.5822	1920	2011	Market Rate	Family	Unconfirmed	Conventional	16	0	100.0%
098	Villas at October	36.7301	-76.5593	2019	na	Restricted	Family	Unconfirmed	Bond	39	2	94.9%
102	Wellons Street Project	36.7252	-76.5907	1988	na	Restricted	Family	Unconfirmed	Tax Credit	6	0	100.0%

Rental Property Inventory, Confirmed, Inside Market Area

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
009	Birch Island Apartments Phase 1	36.9737	-76.9748	1984	2000	Restricted	Family	Stabilized	Tax Credit	48	3	93.8%
010	Birch Island Apartments Phase 2	36.9737	-76.9748	1988	2008	Restricted	Family	Stabilized	Tax Credit	16	1	93.8%
013	Bradford Mews Phase 1 & 2	36.9594	-76.6012	1994	2013	Restricted	Family	Stabilized	Bond	120	1	99.2%
017	Cedar Street Apartments	36.9785	-76.6353	1990	2010	Restricted	Family	Stabilized	Tax Credit	24	0	100.0%
023	Church Manor Apartments	36.9785	-76.6383	1972	2004	Restricted	Family	Stabilized	Tax Credit	50	0	100.0%
027	Covenant Place Apartments	36.9707	-76.6301	1993	na	Subsidized	Elderly	Stabilized	HUD	40	0	100.0%
028	Covington Court Apartments	37.0398	-77.0826	1991	na	Subsidized	Elderly	Stabilized	Tax Credit	24	0	100.0%
052	Jersey Park Apartments	36.9749	-76.6461	1986	2006	Subsidized	Family	Stabilized	Tax Credit	80	3	96.3%
054	Lebanon Village Apartments Phase 1	37.1431	-76.8418	1989	2006	Subsidized	Elderly	Stabilized	Tax Credit	24	0	100.0%
055	Lebanon Village Apartments Phase 2	37.1431	-76.8418	1993	2012	Restricted	Elderly	Stabilized	Tax Credit	24	0	100.0%
063	Morris Creek Landing Apartments	36.9765	-76.6099	1988	2004	Market Rate	Family	Stabilized	Conventional	87	0	100.0%
070	New Surry Village	37.1487	-76.8481	1990	2015	Restricted	Family	Stabilized	Tax Credit	32	3	90.6%
078	Patriots Landing Apartments	36.9783	-76.6357	2010	na	Market Rate	Family	Stabilized	Conventional	15	0	100.0%
092	Surry Village Apartments Phase 1	37.1487	-76.8481	1985	2006	Restricted	Family	Stabilized	Tax Credit	47	3	93.6%
095	Sussex Trace Apartments	37.0221	-77.1210	1982	na	Subsidized	Family	Stabilized	HUD	50	8	84.0%
101	Waverly Village Apartments	36.9740	-76.9745	1988	2004	Restricted	Family	Stabilized	Tax Credit	40	4	90.0%
107	Windsor Court Apartments Phase 1	36.8240	-76.7456	1988	2005	Restricted	Family	Stabilized	Tax Credit	40	2	95.0%
109	Windsor Court Apartments Phase 2	36.8237	-76.7466	1990	na	Subsidized	Family	Stabilized	Tax Credit	24	1	95.8%
110	Woods Edge Apartments	36.9748	-76.6453	1984	1999	Restricted	Family	Stabilized	Tax Credit	60	7	88.3%

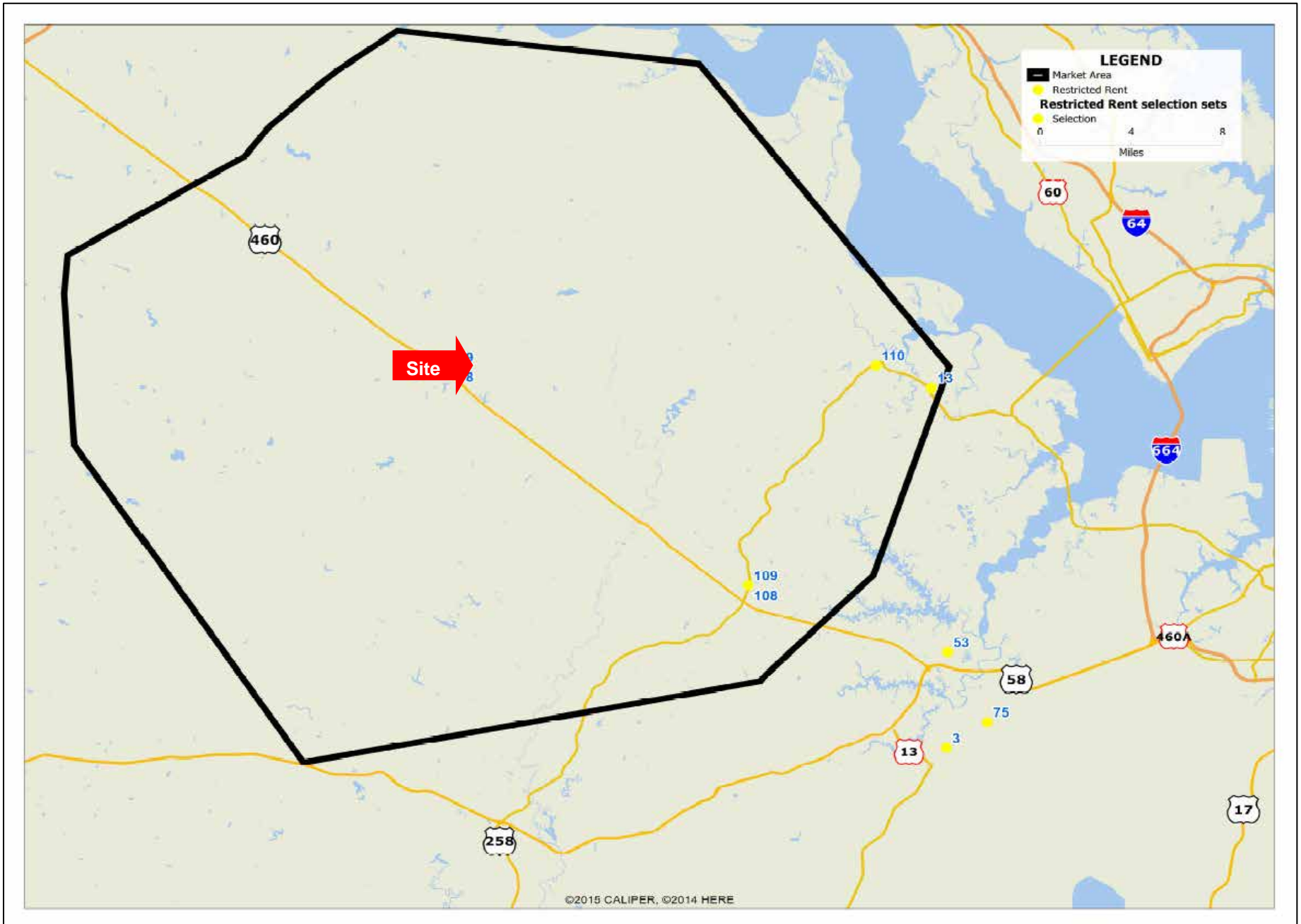
Master List of Market Rate Comparables

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
001	Autumn Ridge 1	36.7121	-76.5894	1975	2016	Market Rate	Family	Stabilized	Bond	128	5	96.1%
047	Hillpoint Woods Apartments	36.7816	-76.5783	2005	na	Market Rate	Family	Stabilized	Conventional	144	1	99.3%
060	Meadowridge Apartments	36.6774	-76.9441	1991	2018	Market Rate	Family	Stabilized	Conventional	97	0	100.0%
063	Morris Creek Landing Apartments	36.9765	-76.6099	1988	2004	Market Rate	Family	Stabilized	Conventional	87	0	100.0%
084	Sadler Pond Apartments	36.7669	-76.5993	1989	2015	Market Rate	Family	Stabilized	Conventional	109	0	100.0%
090	Suffolk Station Apartments	36.7185	-76.5878	1987	2015	Market Rate	Family	Stabilized	Conventional	111	6	94.6%



Master List of Restricted Rent Comparables

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
003	Autumn Ridge 2 - LC2	36.7121	-76.5894	1998	na	Restricted	Family	Stabilized	Tax Credit	24	1	95.8%
013	Bradford Mews Phase 1 & 2	36.9594	-76.6012	1994	2013	Restricted	Family	Stabilized	Bond	120	1	99.2%
053	King's Landing Apartments	36.7778	-76.5885	1992	na	Restricted	Family	Stabilized	Tax Credit	120	0	100.0%
075	October Station Apartments	36.7299	-76.5569	2016	na	Restricted	Family	Stabilized	Tax Credit	48	0	100.0%
110	Woods Edge Apartments	36.9748	-76.6453	1984	1999	Restricted	Family	Stabilized	Tax Credit	60	7	88.3%



Rental Property Inventory, Confirmed, Inside Market Area, by Rent Type

The following tables and graphs provide a summary of the confirmed market area properties included in this analysis broken out by rent type:

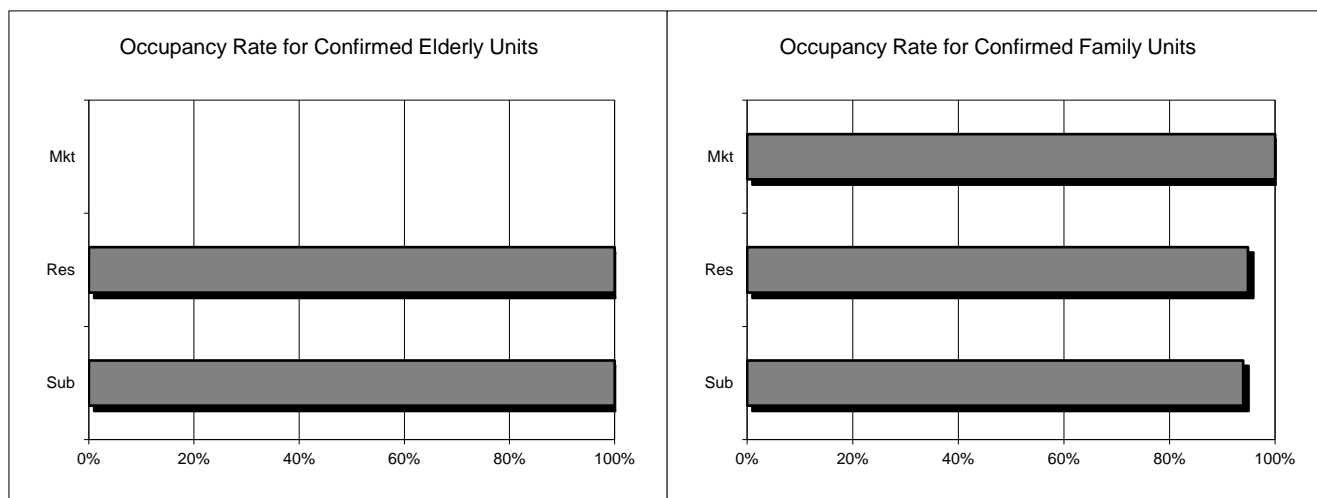
Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
Market Rate		2	2
Restricted	1	10	11
Subsidized	3	3	6
Total	4	15	19

Total Units			
	Elderly	Family	Total
Market Rate		102	102
Restricted	1	233	234
Subsidized	111	398	509
Total	112	733	845

Vacant Units			
	Elderly	Family	Total
Market Rate			
Restricted		12	12
Subsidized		24	24
Total		36	36

Occupancy Rate			
	Elderly	Family	Total
Market Rate		100%	100%
Restricted	100%	95%	95%
Subsidized	100%	94%	95%
Total	100%	95%	96%

Source: Allen & Associates



Our analysis includes a total of 19 confirmed market area properties consisting of 845 units. The occupancy rate for these units currently stands at 96 percent. This rate reflects the occupancy for all confirmed market area units, regardless of project status (stabilized, under construction, proposed, etc.).

Confirmed market area properties break down by rent type and tenure as shown in the tables above.

Rental Property Inventory, Confirmed, Inside Market Area, by Project Status

The following tables and graphs provide a summary of the confirmed market area properties included in this analysis broken out by project status:

Rental Property Inventory, Confirmed, Inside Market Area

Elderly					Family				
Total Properties					Total Properties				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	3	1		4	Stabilized	3	10	2	15
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal				
Total	3	1		4	Total	3	10	2	15

Total Units					Total Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	111	1		112	Stabilized	398	233	102	733
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal				
Total	111	1		112	Total	398	233	102	733

Vacant Units					Vacant Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized					Stabilized	24	12		36
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal				
Total					Total	24	12		36

Source: Allen & Associates

Our survey includes a total of 19 stabilized market area properties consisting of 845 units standing at 96 percent occupancy.

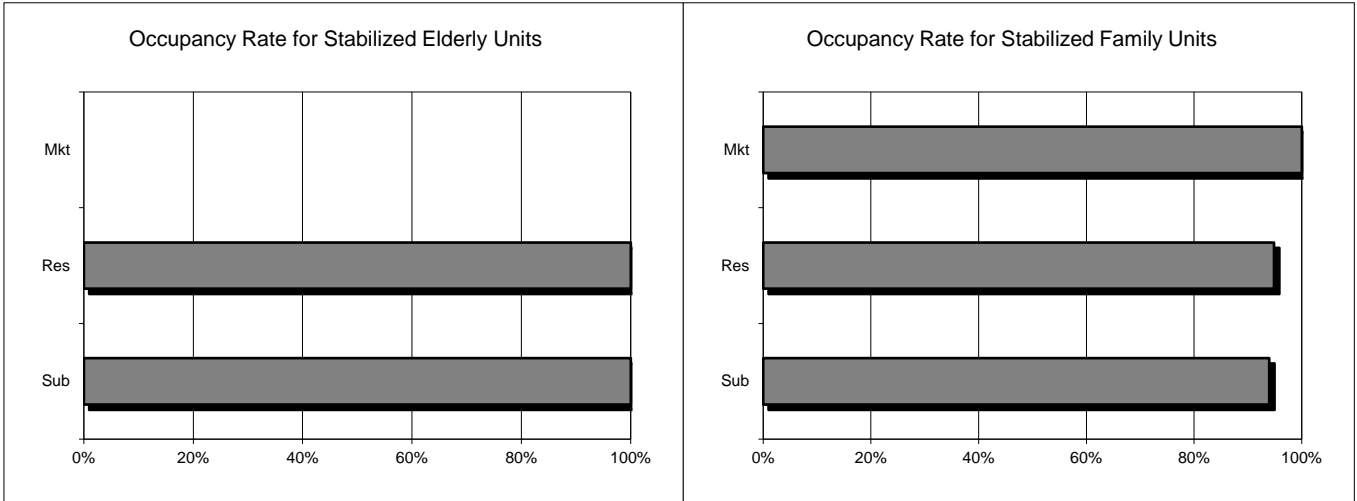
Our research suggests that there are no properties in the market area that are not yet stabilized. Unstabilized units (also referred to as pipeline units) include vacant units in lease up, construction, rehabilitation, proposed new construction, and units with proposed renovation plans.

Rental Property Inventory, Confirmed, Inside Market Area

Elderly					Family				
Occupancy Rate					Occupancy Rate				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	100%	100%		100%	Stabilized	94%	95%	100%	95%
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal				
Total	100%	100%		100%	Total	94%	95%	100%	95%

Source: Allen & Associates

Occupancies of stabilized market area properties broken out by occupancy type (elderly or family) and rent type (subsidized, restricted or market rate) are found below:



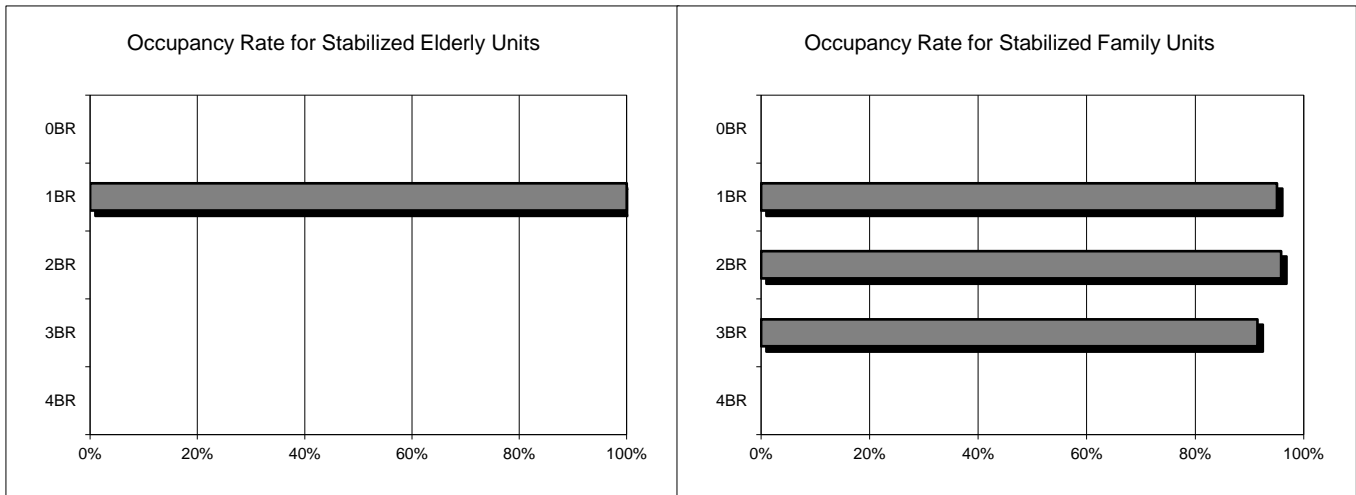
Our research suggests the following occupancy levels for the 112 stabilized elderly units in this market area:

- Subsidized, 100 percent (111 units in survey)
- Restricted, 100 percent (1 units in survey)
- Market Rate, not applicable (0 units in survey)

Our research suggests the following occupancy levels for the 733 stabilized family units in this market area:

- Subsidized, 94 percent (398 units in survey)
- Restricted, 95 percent (233 units in survey)
- Market Rate, 100 percent (102 units in survey)

Occupancy rates for stabilized market area properties broken out by occupancy type (elderly or family) and unit type are found below (supporting data is found in the pages that follow):



Our research suggests the following occupancy levels for the 112 stabilized elderly units in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 100 percent (112 units in survey)
- 2-Bedroom, not applicable (0 units in survey)
- 3-Bedroom, not applicable (0 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Our research suggests the following occupancy levels for the 733 stabilized family units in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 95 percent (162 units in survey)
- 2-Bedroom, 96 percent (477 units in survey)
- 3-Bedroom, 91 percent (94 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Rental Property Inventory, Confirmed, Inside Market Area, 0-Bedroom Units

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Source: Allen & Associates

Rental Property Inventory, Confirmed, Inside Market Area, 1-Bedroom Units

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	4			1					5
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	4			1					5

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	9			4	3			1	17
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	9			4	3			1	17

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	111			1					112
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	111			1					112

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	110			17	15			20	162
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	110			17	15			20	162

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	6			1	1				8
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	6			1	1				8

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	100%			100%					100%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	100%			100%					100%

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	95%			94%	93%			100%	95%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	95%			94%	93%			100%	95%

Source: Allen & Associates

Rental Property Inventory, Confirmed, Inside Market Area, 2-Bedroom Units

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	11		1	7	4			2	25
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	11		1	7	4			2	25

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	256		5	50	86			80	477
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	256		5	50	86			80	477

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	13			2	5				20
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	13			2	5				20

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	95%		100%	96%	94%			100%	96%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	95%		100%	96%	94%			100%	96%

Source: Allen & Associates

Rental Property Inventory, Confirmed, Inside Market Area, 3-Bedroom Units

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	3			1	3			1	8
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	3			1	3			1	8

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	32			8	52			2	94
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	32			8	52			2	94

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	5				3				8
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	5				3				8

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	84%			100%	94%			100%	91%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	84%			100%	94%			100%	91%

Source: Allen & Associates

Rental Property Inventory, Confirmed, Inside Market Area, 4-Bedroom Units

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Source: Allen & Associates

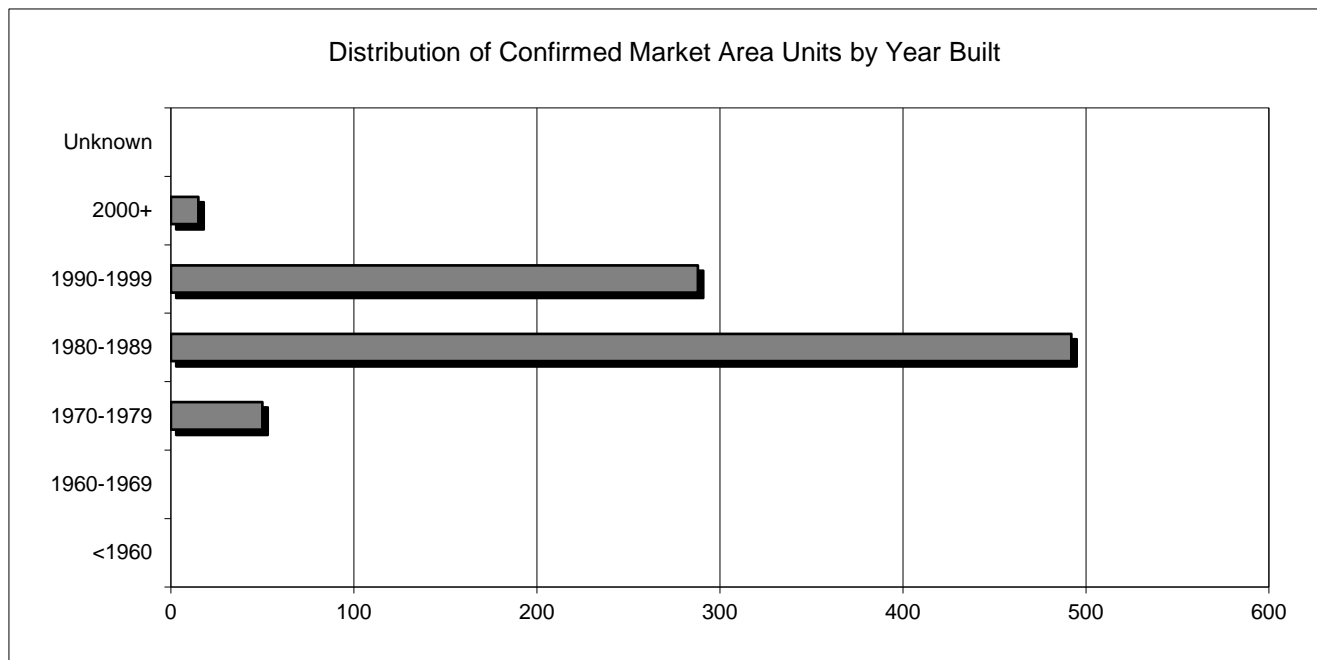
Rental Property Inventory, Confirmed, Inside Market Area, by Year Built

The following tables and graph provide a summary of the confirmed market area properties included in this analysis broken out by year built:

Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
<1960			
1960-1969			
1970-1979		1	1
1980-1989	1	9	10
1990-1999	3	4	7
2000+		1	1
Unknown			
Total	4	15	19

Total Units			
	Elderly	Family	Total
<1960			
1960-1969			
1970-1979		50	50
1980-1989	24	468	492
1990-1999	88	200	288
2000+		15	15
Unknown			
Total	112	733	845

Source: Allen & Associates



Our research suggests that of the 19 confirmed market area properties (845 units) included in this report, 0 properties (0 units) were constructed before 1960, 0 properties (0 units) were constructed between 1960 and 1969, 1 property (50 units) between 1970 and 1979, 10 properties (492 units) between 1980 and 1989, 7 properties (288 units) between 1990 and 1999, and 1 property (15 units) after 2000. In addition, 0 properties (0 units) had an unknown date of construction.

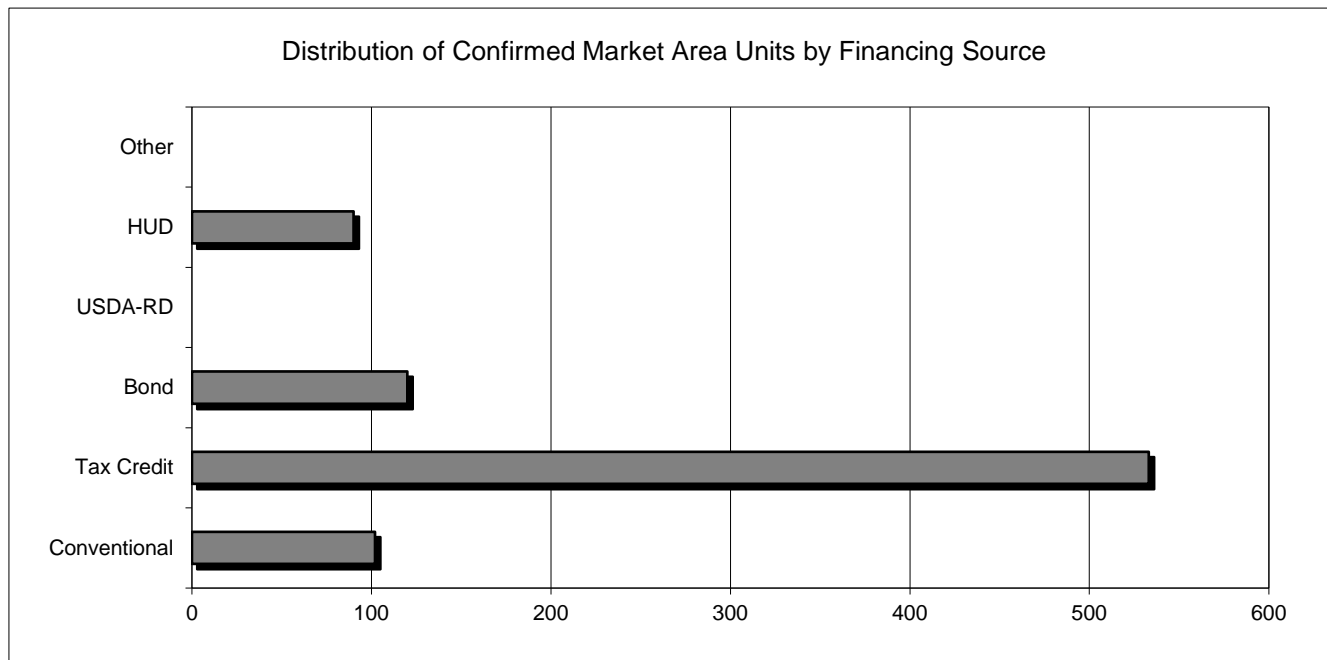
Rental Property Inventory, Confirmed, Inside Market Area, by Financing Source

The following tables and graph provide a summary of the confirmed market area properties included in this analysis broken out by financing source:

Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
Conventional		2	2
Tax Credit	3	11	14
Bond		1	1
USDA-RD			
HUD	1	1	2
Other			
Total	4	15	19

Total Units			
	Elderly	Family	Total
Conventional		102	102
Tax Credit	72	461	533
Bond		120	120
USDA-RD			
HUD	40	50	90
Other			
Total	112	733	845

Source: Allen & Associates



Our research suggests that of the 19 confirmed properties in the market area, 2 properties (consisting of 102 units) are conventionally financed, 14 properties (consisting of 533 units) include tax credit financing, 1 property (consisting of 120 units) is bond financed, 0 properties (consisting of 0 units) are exclusively USDA-RD financed, and 2 properties (consisting of 90 units) are exclusively HUD financed.

The average project size for this market area is 44 units. The smallest projects are tax credit financed, averaging 38 units in size. The largest projects are bond financed, averaging 120 units in size.

Rental Property Inventory, Confirmed, Inside Market Area, Rent Summary

The following tables and graphs provide a summary of the rents charged at confirmed market area properties broken out by unit type:

Rental Property Inventory, Confirmed, Inside Market Area

Rents									
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	-	-	-	-	-	-	-	-	-
1-Bedroom	\$514	\$728	\$610	\$577	\$682	\$620	\$889	\$889	\$889
2-Bedroom	\$587	\$794	\$676	\$587	\$1,038	\$762	\$960	\$1,159	\$1,059
3-Bedroom	\$748	\$762	\$755	\$754	\$1,194	\$889	\$1,300	\$1,300	\$1,300
4-Bedroom	-	-	-	-	-	-	-	-	-

Unit Size

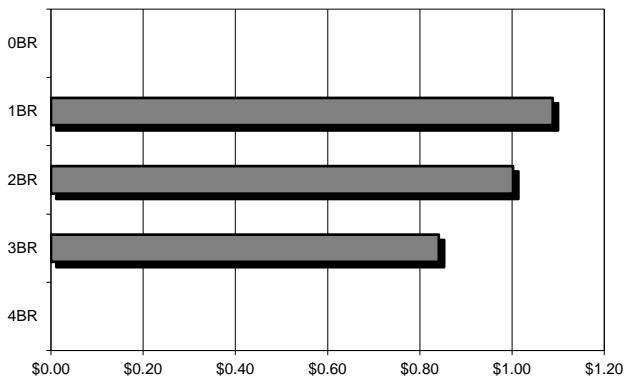
Unit Size									
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	-	-	-	-	-	-	-	-	-
1-Bedroom	506	700	581	506	632	569	650	650	650
2-Bedroom	724	963	770	714	1,000	760	898	1,000	949
3-Bedroom	967	1,191	1,054	937	1,320	1,057	1,250	1,250	1,250
4-Bedroom	-	-	-	-	-	-	-	-	-

Rent per Square Foot

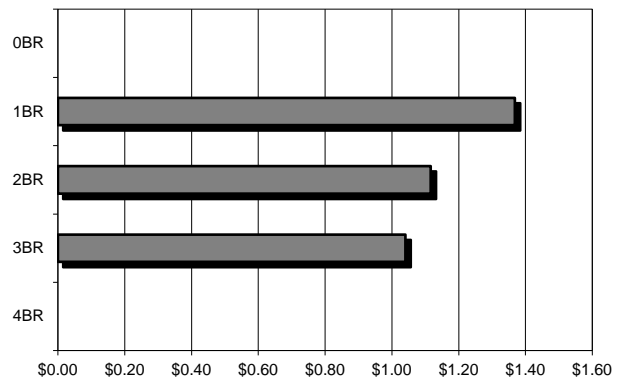
Rent per Square Foot									
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	-	-	-	-	-	-	-	-	-
1-Bedroom	\$1.02	\$1.04	\$1.05	\$1.08	\$1.14	\$1.09	\$1.37	\$1.37	\$1.37
2-Bedroom	\$0.81	\$0.82	\$0.88	\$0.82	\$1.04	\$1.00	\$1.07	\$1.16	\$1.12
3-Bedroom	\$0.64	\$0.77	\$0.72	\$0.80	\$0.90	\$0.84	\$1.04	\$1.04	\$1.04
4-Bedroom	-	-	-	-	-	-	-	-	-

Source: Allen & Associates

Rent per Square Foot for Restricted Units



Rent per Square Foot for Market Rate Units



Our research suggests the following average rent levels for confirmed restricted rent units:

- 0-Bedroom, not applicable
- 1-Bedroom, \$1.09 per square foot
- 2-Bedroom, \$1.0 per square foot
- 3-Bedroom, \$0.84 per square foot
- 4-Bedroom, not applicable

Our research suggests the following average rent levels for confirmed market rate units:

- 0-Bedroom, not applicable
- 1-Bedroom, \$1.37 per square foot
- 2-Bedroom, \$1.12 per square foot
- 3-Bedroom, \$1.04 per square foot
- 4-Bedroom, not applicable

A detailed listing of rents and floor areas for confirmed market area properties by unit type and income target is found in the following pages.

Rental Property Inventory, Confirmed, Inside Market Area, Unit Mix Summary

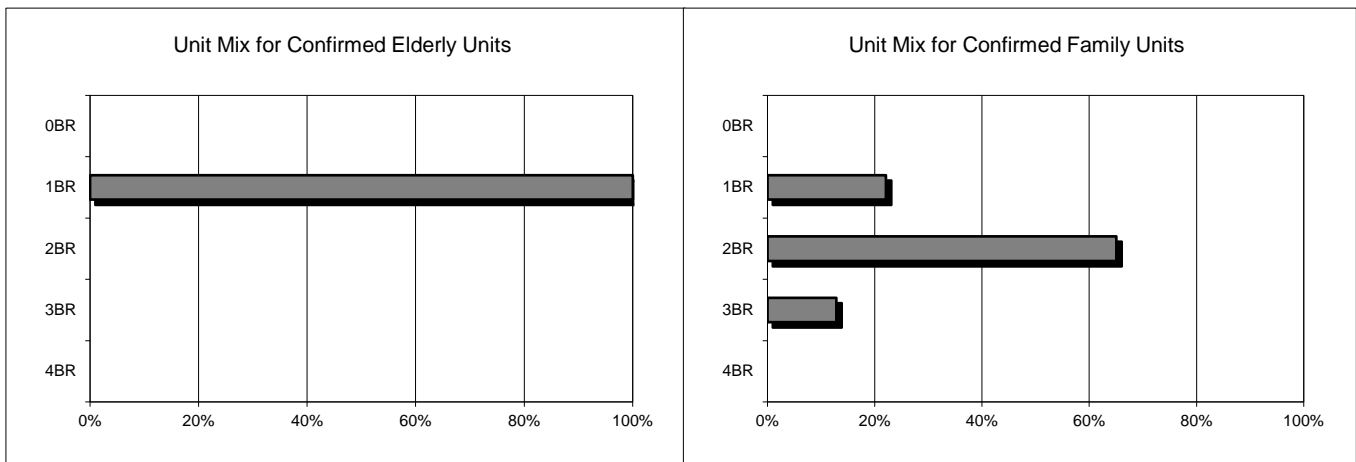
In the tables and graphs found below we present a breakdown of unit mix for confirmed market area properties broken out by occupancy type (elderly or family):

Rental Property Inventory, Confirmed, Inside Market Area, Unit Mix Summary

Elderly					Family				
Total Units					Total Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
0-Bedroom					0-Bedroom				
1-Bedroom	111	1		112	1-Bedroom	110	32	20	162
2-Bedroom					2-Bedroom	256	141	80	477
3-Bedroom					3-Bedroom	32	60	2	94
4-Bedroom					4-Bedroom				
Total	111	1		112	Total	398	233	102	733

Unit Mix					Unit Mix				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
0-Bedroom					0-Bedroom				
1-Bedroom	100%	100%		100%	1-Bedroom	28%	14%	20%	22%
2-Bedroom					2-Bedroom	64%	61%	78%	65%
3-Bedroom					3-Bedroom	8%	26%	2%	13%
4-Bedroom					4-Bedroom				
Total	100%	100%		100%	Total	100%	100%	100%	100%

Source: Allen & Associates



Our research suggests the following unit mix for the 112 confirmed elderly units located in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 100 percent (112 units in survey)
- 2-Bedroom, not applicable (0 units in survey)
- 3-Bedroom, not applicable (0 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Our research suggests the following unit mix for the 733 confirmed family units located in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 22 percent (162 units in survey)
- 2-Bedroom, 65 percent (477 units in survey)
- 3-Bedroom, 13 percent (94 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Rental Property Inventory, Confirmed, Inside Market Area, Amenity Summary

In the table found below we present a summary of amenities found at confirmed market area properties:

Rental Property Inventory, Confirmed, Inside Market Area, Amenity Summary			
Building Type		Air Conditioning	
1 Story	16%	Central	100%
2-4 Story	84%	Wall Units	0%
5-10 Story	0%	Window Units	0%
>10 Story	0%	None	0%
Project Amenities		Heat	
Ball Field	0%	Central	100%
BBQ Area	5%	Wall Units	0%
Billiards	0%	Baseboards	0%
Bus/Comp Ctr	5%	Radiators	0%
Car Care Ctr	5%	None	0%
Comm Center	63%		
Elevator	0%	Parking	
Fitness Center	11%	Garage	0%
Gazebo	0%	Covered	0%
Hot Tub/Jacuzzi	0%	Assigned	5%
Horseshoe Pit	0%	Open	95%
Lake	0%	None	0%
Library	5%		
Movie Theatre	0%	Laundry	
Picnic Area	11%	Central	95%
Playground	74%	W/D Units	5%
Pool	11%	W/D Hookups	11%
Sauna	0%		
Sports Court	16%	Security	
Walking Trail	0%	Call Buttons	16%
		Cont Access	0%
		Courtesy Officer	0%
		Monitoring	5%
		Security Alarms	0%
		Security Patrols	11%
Unit Amenities		Services	
Blinds	100%	After School	5%
Ceiling Fans	16%	Concierge	0%
Upgraded Flooring	95%	Hair Salon	0%
Fireplace	0%	Health Care	0%
Patio/Balcony	26%	Linens	0%
Storage	16%	Meals	0%
		Transportation	0%
Kitchen Amenities			
Stove	100%		
Refrigerator	100%		
Disposal	16%		
Dishwasher	37%		
Microwave	11%		

Source: Allen & Associates

Our research suggests that 16 percent of confirmed market area properties are 1 story in height, 84 percent are 2-4 stories in height, 0 percent are 5-10 stories in height, and 0 percent are over 10 stories in height. In addition, surveyed properties benefit from the following project amenities: 5 percent have a business/computer center, 63 percent have a community center, 11 percent have a fitness center, 74 percent have a playground, and 16 percent have a sports court.

Our research also suggests that the following unit amenities are present at surveyed properties: 100 percent have blinds, 95 percent have carpeting, 26 percent have patios/balconies, and 16 percent have outside storage. Surveyed properties also include the following kitchen amenities: 100 percent have a stove, 100 percent have a refrigerator, 16 percent have a disposal, 37 percent have a dishwasher, and 11 percent have a microwave.

In addition, 100 percent of confirmed market area properties have central heat while 100 percent have central air. Our research also suggests that 95 percent of surveyed properties have open parking. A total of 95 percent of area properties have central laundry facilities, while 11 percent have washer/dryer hookups, and 5 percent have washer/dryer units in each residential unit.

A total of 16 percent of confirmed market area properties have call buttons, 0 percent have controlled access, and 0 percent have security alarms.

It is also our understanding that the majority of confirmed market area properties provide cable access.

Finally, in the following pages we provide a summary of vouchers, concessions and waiting lists for the confirmed market area properties included in this report. We also include any absorption information we have uncovered as part of our research.

Rental Property Inventory, Confirmed, Inside Market Area

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy	Concessions	Vouchers	Abs Rate	Waiting List
009	Birch Island Apartments Phase 1	36.9737	-76.9748	1984	2000	Restricted	Family	Stabilized	Tax Credit	48	3	93.8%	0%	19%	-	14 people
010	Birch Island Apartments Phase 2	36.9737	-76.9748	1988	2008	Restricted	Family	Stabilized	Tax Credit	16	1	93.8%	0%	13%	-	-
013	Bradford Mews Phase 1 & 2	36.9594	-76.6012	1994	2013	Restricted	Family	Stabilized	Bond	120	1	99.2%	0%	67%	-	no
017	Cedar Street Apartments	36.9785	-76.6353	1990	2010	Restricted	Family	Stabilized	Tax Credit	24	0	100.0%	0%	13%	-	9 people
023	Church Manor Apartments	36.9785	-76.6383	1972	2004	Restricted	Family	Stabilized	Tax Credit	50	0	100.0%	0%	34%	-	4 people
027	Covenant Place Apartments	36.9707	-76.6301	1993	na	Subsidized	Elderly	Stabilized	HUD	40	0	100.0%	0%	0%	-	-
028	Covington Court Apartments	37.0398	-77.0826	1991	na	Subsidized	Elderly	Stabilized	Tax Credit	24	0	100.0%	0%	0%	-	yes
052	Jersey Park Apartments	36.9749	-76.6461	1986	2006	Subsidized	Family	Stabilized	Tax Credit	80	3	96.3%	0%	0%	-	2 years
054	Lebanon Village Apartments Phase 1	37.1431	-76.8418	1989	2006	Subsidized	Elderly	Stabilized	Tax Credit	24	0	100.0%	0%	0%	-	2 people
055	Lebanon Village Apartments Phase 2	37.1431	-76.8418	1993	2012	Restricted	Elderly	Stabilized	Tax Credit	24	0	100.0%	0%	4%	-	6 people
063	Morris Creek Landing Apartments	36.9765	-76.6099	1988	2004	Market Rate	Family	Stabilized	Conventional	87	0	100.0%	0%	0%	-	20 people
070	New Surry Village	37.1487	-76.8481	1990	2015	Restricted	Family	Stabilized	Tax Credit	32	3	90.6%	0%	0%	-	no
078	Patriots Landing Apartments	36.9783	-76.6357	2010	na	Market Rate	Family	Stabilized	Conventional	15	0	100.0%	0%	0%	-	no
092	Surry Village Apartments Phase 1	37.1487	-76.8481	1985	2006	Restricted	Family	Stabilized	Tax Credit	47	3	93.6%	0%	2%	-	yes
095	Sussex Trace Apartments	37.0221	-77.1210	1982	na	Subsidized	Family	Stabilized	HUD	50	8	84.0%	0%	0%	-	-
101	Waverly Village Apartments	36.9740	-76.9745	1988	2004	Restricted	Family	Stabilized	Tax Credit	40	4	90.0%	0%	3%	-	no
107	Windsor Court Apartments Phase 1	36.8240	-76.7456	1988	2005	Restricted	Family	Stabilized	Tax Credit	40	2	95.0%	0%	8%	-	5 people
109	Windsor Court Apartments Phase 2	36.8237	-76.7466	1990	na	Subsidized	Family	Stabilized	Tax Credit	24	1	95.8%	0%	0%	-	2 people
110	Woods Edge Apartments	36.9748	-76.6453	1984	1999	Restricted	Family	Stabilized	Tax Credit	60	7	88.3%	0%	5%	-	yes

RENT COMPARABILITY ANALYSIS

In this section we develop restricted and unrestricted market rent conclusions for the subject property on an "as if complete & stabilized" basis. Our analysis begins with an evaluation of unrestricted market rents.

Unrestricted Rent Analysis

In this section we develop an unrestricted market rent conclusion for the subject property units. Our analysis began by selecting comparable rentals to use to develop estimates of market rents for the units at the subject property, assuming that the subject was an unrestricted property. Our selection of comparables was based on location, age, condition, unit mix and amenities of the comparable properties relative to the subject property.

Rental Property Inventory, by Unit Type

In the following pages we present an inventory of properties included in this analysis. Rents for these properties, broken out by unit type, were used in selecting the rent comparables used in this analysis.

The properties that we consider to be comparable to the subject property are highlighted in the tables found in the following pages. We attempted to select stabilized market rate properties as comparables for purposes of our rent comparability analysis.

Comparables with restricted rents are used when a sufficient number of market rent comparables are not available and when maximum allowable rents for properties with restricted rents exceed prevailing rents in the area. In the event that program rental rates exceed market rental rates, restricted units are, in fact, *de facto* market rate units.

Rent Comparables, Market Rate, Map

A map showing the location of the properties selected as comparables in this analysis is found in the following pages. Properties identified with red pushpins have market rents, properties identified with yellow pushpins have restricted rents, and properties identified with blue pushpins have subsidized rents. Detailed write-ups for the select rent comparables are found in the Appendix to this report.

Rent Comparability Grids

Our analysis employed the use of rent comparability grids and resulted in an unrestricted market rent estimate for each of the subject's unit types. These grids and a narrative describing our rent adjustments are found in the following pages.

Rental Property Inventory, 1-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
001	Autumn Ridge 1	1975	2016	Market Rate	Family	Stabilized								\$950
025	Commons at Centerbrooke Village	2006	na	Market Rate	Elderly	Stabilized								\$1,030
032	Dick Kelly Apartments	1985	na	Market Rate	Family	Stabilized								
034	Eagle Harbor Apartments Phase 1	2005	na	Market Rate	Family	Stabilized								\$1,387
035	Eagle Harbor Apartments Phase 2	2011	na	Market Rate	Family	Stabilized								\$1,437
039	Forest Pine Apartments	1992	na	Market Rate	Family	Stabilized								\$660
047	Hillpoint Woods Apartments	2005	na	Market Rate	Family	Stabilized								\$1,031
051	Jefferson Manor Apartments	1945	1985	Market Rate	Family	Stabilized								\$599
060	Meadowridge Apartments	1991	2018	Market Rate	Family	Stabilized								\$1,019
063	Morris Creek Landing Apartments	1988	2004	Market Rate	Family	Stabilized								\$889
067	Nest (The) on 17	2017	na	Market Rate	Family	Stabilized								\$1,559
072	Noah At Beamon's Mill	2008	na	Market Rate	Family	Stabilized								\$975
078	Patriots Landing Apartments	2010	na	Market Rate	Family	Stabilized								
084	Sadler Pond Apartments	1989	2015	Market Rate	Family	Stabilized								
090	Suffolk Station Apartments	1987	2015	Market Rate	Family	Stabilized								
096	Terrace (The)	1985	2014	Market Rate	Family	Stabilized								
105	Williamtown Commons Apartments	1990	2014	Market Rate	Family	Stabilized								

Source: Allen & Associates

Rental Property Inventory, 2-Bedroom Units

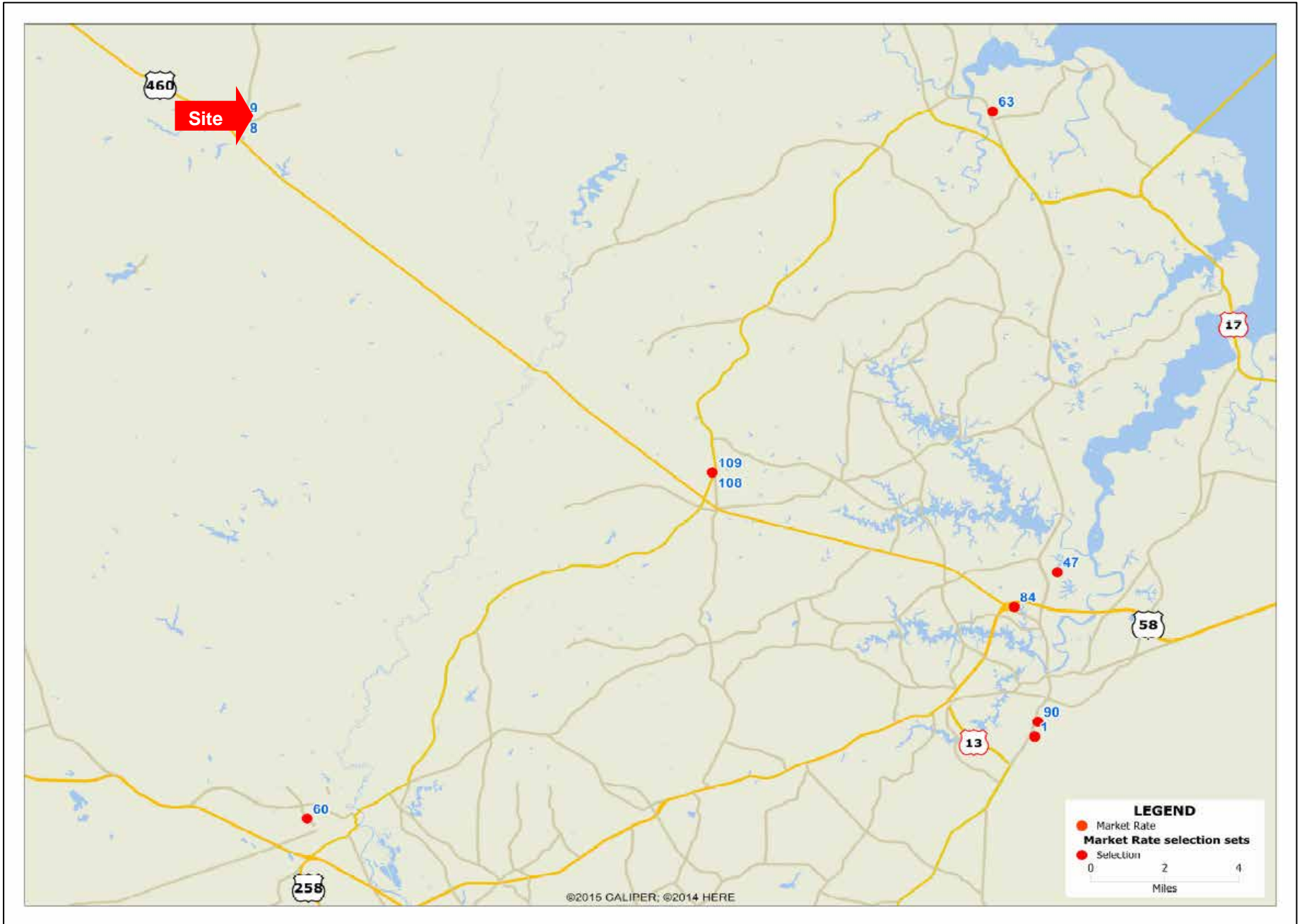
Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
001	Autumn Ridge 1	1975	2016	Market Rate	Family	Stabilized								\$1,200
025	Commons at Centerbrooke Village	2006	na	Market Rate	Elderly	Stabilized								\$1,009
032	Dick Kelly Apartments	1985	na	Market Rate	Family	Stabilized								\$725
034	Eagle Harbor Apartments Phase 1	2005	na	Market Rate	Family	Stabilized								\$1,587
035	Eagle Harbor Apartments Phase 2	2011	na	Market Rate	Family	Stabilized								\$1,687
039	Forest Pine Apartments	1992	na	Market Rate	Family	Stabilized								\$805
047	Hillpoint Woods Apartments	2005	na	Market Rate	Family	Stabilized								\$1,143
051	Jefferson Manor Apartments	1945	1985	Market Rate	Family	Stabilized								\$699
060	Meadowridge Apartments	1991	2018	Market Rate	Family	Stabilized								\$1,097
063	Morris Creek Landing Apartments	1988	2004	Market Rate	Family	Stabilized								\$1,159
067	Nest (The) on 17	2017	na	Market Rate	Family	Stabilized								\$1,729
072	Noah At Beamon's Mill	2008	na	Market Rate	Family	Stabilized								\$1,498
078	Patriots Landing Apartments	2010	na	Market Rate	Family	Stabilized								\$960
084	Sadler Pond Apartments	1989	2015	Market Rate	Family	Stabilized								\$1,055
090	Suffolk Station Apartments	1987	2015	Market Rate	Family	Stabilized								\$1,035
096	Terrace (The)	1985	2014	Market Rate	Family	Stabilized								\$800
105	Williamtown Commons Apartments	1990	2014	Market Rate	Family	Stabilized								\$650

Source: Allen & Associates

Rental Property Inventory, 3-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
001	Autumn Ridge 1	1975	2016	Market Rate	Family	Stabilized								\$1,400
025	Commons at Centerbrooke Village	2006	na	Market Rate	Elderly	Stabilized								
032	Dick Kelly Apartments	1985	na	Market Rate	Family	Stabilized								
034	Eagle Harbor Apartments Phase 1	2005	na	Market Rate	Family	Stabilized								\$1,757
035	Eagle Harbor Apartments Phase 2	2011	na	Market Rate	Family	Stabilized								\$1,837
039	Forest Pine Apartments	1992	na	Market Rate	Family	Stabilized								\$863
047	Hillpoint Woods Apartments	2005	na	Market Rate	Family	Stabilized								
051	Jefferson Manor Apartments	1945	1985	Market Rate	Family	Stabilized								
060	Meadowridge Apartments	1991	2018	Market Rate	Family	Stabilized								\$1,154
063	Morris Creek Landing Apartments	1988	2004	Market Rate	Family	Stabilized								
067	Nest (The) on 17	2017	na	Market Rate	Family	Stabilized								\$1,969
072	Noah At Beamon's Mill	2008	na	Market Rate	Family	Stabilized								\$1,573
078	Patriots Landing Apartments	2010	na	Market Rate	Family	Stabilized								\$1,300
084	Sadler Pond Apartments	1989	2015	Market Rate	Family	Stabilized								\$1,130
090	Suffolk Station Apartments	1987	2015	Market Rate	Family	Stabilized								\$1,125
096	Terrace (The)	1985	2014	Market Rate	Family	Stabilized								\$900
105	Williamtown Commons Apartments	1990	2014	Market Rate	Family	Stabilized								\$750

Source: Allen & Associates



Rent Adjustments

Our analysis included a property management survey and a technique known as "statistical extraction" to help us identify the best adjustments to use. Statistical extraction, which is similar to the matched pair method, helped us derive the optimal adjustments for our particular data set.

Here's a hypothetical example to illustrate how we derived our rent adjustments. Assume that property managers tell us we should expect rent adjustments ranging from \$0.00 to \$0.50 per square foot for a particular market. Next, assume that we select 25 rent comparables with an adjusted sample standard deviation (a statistical measure of variability) of \$100. We employ a square foot rent adjustment of \$0.10 for each comparable resulting in an adjusted sample standard deviation of \$90. This tells us that the assumed adjustment "explained" some of the variability in the data. We repeat this process for adjustments of \$0.20, \$0.30, \$0.40 and \$0.50 which yielded adjusted sample standard deviations of \$80, \$70, \$65 and \$75, respectively. The \$0.40 square foot adjustment "explains" the most variability because any other adjustment yields a higher adjusted sample standard deviation. Consequently, a \$0.40 rent adjustment is the best adjustment for purposes of this example. This is a simplified example because we actually adjusted for numerous variables simultaneously in our analysis.

Many adjustments (bedroom count, bathroom count and square footage) are highly interrelated. Statistical extraction helped us unravel the interrelationships between these variables. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is superior a "plus" adjustment is made. If the subject is inferior a "minus" adjustment is made.

We used the Excel Solver function to help us with our analysis. The Solver function was programmed to minimize the adjusted standard deviation for our data set. We evaluated a total of 62 variables in 22 categories (AC systems, heating systems, technology, bedrooms, bathrooms, square feet, visibility, access, neighborhood, area amenities, condition, effective age, project amenities, elevator, unit amenities, storage, kitchen amenities, parking, laundry, security, on-site management, on-site maintenance) in an effort to identify the mix of adjustments that explained the most variability found in our raw data.

A discussion of our surveyed and concluded adjustments is found below.

Concessions

The first step in our analysis was to account for any concessions at the subject and the comparables. We considered the advertised street rent and concessions being offered and derived a net rent estimate for each comparable. Net rent, defined as advertised street rent minus monthly concessions, represents the cash rent paid by new residents at the various properties. This is the best measure of market value (prior to any other adjustments) for the comparables included in this analysis.

Tenant-Paid Utilities

The next step in our analysis was to account for differences in tenant-paid utilities between the comparable properties and the subject. We used the HUD Utility Schedule Model to derive our adjustments. The HUD model includes a current utility rate survey for the area. In the event that the tenant-paid utilities associated with a particular property are higher or lower than the subject, adjustments were made to account for the differences. Adjustments reflect the difference between the tenant-paid utilities for the comparable property minus that for the subject.

Technology

We accounted for technology (cable and internet access) offered in the rent for each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0 per month for cable; internet access was valued at \$0.

Adjustment	Technology		Concluded
	Survey	Range	
Cable	\$0	\$0	\$0
Internet	\$0	\$0	\$0

Bedrooms

Our analysis also included an adjustment for the number of bedrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$110 per bedroom.

Bedrooms			
Adjustment	Survey Range		Concluded
Bedrooms	\$50	\$200	\$110

Bathrooms

Our analysis also included an adjustment for the number of bathrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$25 per bathroom.

Bathrooms			
Adjustment	Survey Range		Concluded
Bathrooms	\$25	\$100	\$25

Square Feet

Our analysis also included an adjustment for square footage at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.10 per square foot.

Square Feet			
Adjustment	Survey Range		Concluded
Square Feet	\$0.10	\$2.00	\$0.10

Visibility

We also accounted for differences in visibility at each of the comparables as compared to the subject property in our analysis. Based on our field review, we assigned a visibility rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$0 per point for differences in visibility ratings between the subject and the comparables.

Visibility			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$0

Access

Our analysis also included an adjustment for access at each of the comparables as compared to the subject property. Based on our field review, we assigned an access rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$0 per point for differences in access ratings between the subject and the comparables.

Access			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$0

Neighborhood

We considered differences in neighborhood at each of the comparables as compared to the subject property in our analysis. Based on our field review and our evaluation of local demographic and crime data (presented earlier in this report), we assigned a neighborhood rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$0 per point for differences in neighborhood ratings between the subject and the comparables.

Neighborhood			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$0

Area Amenities

We also accounted for area amenities for each of the comparables as compared to the subject property in our analysis. Based on our field review and our evaluation of local amenity data (presented earlier in this report), we assigned a local amenity rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$0 per point for differences in amenity ratings between the subject and the comparables.

Area Amenities			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$0

Median Household Income

Our analysis also included an adjustment for median household income for the area in which each of the comparables is located as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.0000 per dollar of median household income.

Median Household Income			
Adjustment	Survey Range		Concluded
Med HH Inc	\$0.0000	\$0.0000	\$0.0000

Average Commute

Our analysis also included an adjustment for average commute for the area in which each of the comparables is located as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.00 per each minute of commute.

Average Commute			
Adjustment	Survey Range		Concluded
Avg Commute	\$0.00	\$0.00	\$0.00

Public Transportation

Our analysis also included an adjustment for the existence of public transportation within walking distance of each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.00 for public transportation.

Public Transportation			
Adjustment	Survey Range		Concluded
Public Trans	\$0.00	\$0.00	\$0.00

Personal Crime

Our analysis also included an adjustment for personal crime rates for the area in which each of the comparables is located as compared to the subject property. Statistical extraction resulted in an adjustment of \$0 per 0.01 percentage points.

Personal Crime			
Adjustment	Survey Range		Concluded
Personal Crime	\$0	\$0	\$0

Condition

Our analysis also included an adjustment for the condition of each comparable as compared to the subject property. Based on our field review, we assigned a condition rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$25 per point for differences in condition ratings between the subject and the comparables.

Condition			
Adjustment	Survey Range		Concluded
Rating	\$10	\$50	\$25

Effective Age

We considered differences in effective age in our analysis. Based on our field review, we estimated the effective age for each of the properties included in this analysis. Our estimates reflected the condition-adjusted age and remaining useful life of each property. Statistical extraction resulted in an adjustment of \$5.00 per year for differences in effective age between the subject and the comparables.

Effective Age			
Adjustment	Survey Range		Concluded
Rating	\$1.00	\$5.00	\$5.00

Project Amenities

We considered the presence of various project amenities at the comparables as compared to the subject property. Project amenities include ball fields, BBQ areas, billiards, business/computer centers, car care centers, community centers, elevators, fitness centers, gazebos, hot tubs/Jacuzzis, horseshoe pits, lakes, libraries, movie theatres, picnic areas, playgrounds, pools, saunas, sports courts and walking trails. The survey range and our concluded adjustment for each amenity is summarized below.

Project Amenities			
Adjustment	Survey Range		Concluded
Ball Field	\$2	\$10	\$2
BBQ Area	\$2	\$10	\$2
Billiards	\$2	\$10	\$2
Bus/Comp Ctrs	\$2	\$10	\$2
Car Care Center	\$2	\$10	\$2
Community Center	\$2	\$10	\$2
Elevator	\$10	\$100	\$10
Fitness Center	\$2	\$10	\$2
Gazebo	\$2	\$10	\$2
Hot Tub/Jacuzzi	\$2	\$10	\$2
Horseshoe Pit	\$2	\$10	\$2
Lake	\$2	\$10	\$2
Library	\$2	\$10	\$2
Movie Theatre	\$2	\$10	\$2
Picnic Area	\$2	\$10	\$2
Playground	\$2	\$10	\$10
Pool	\$2	\$10	\$2
Sauna	\$2	\$10	\$2
Sports Court	\$2	\$10	\$2
Walking Trail	\$2	\$10	\$2

Unit Amenities

We considered the presence of various unit amenities at the comparables as compared to the subject property. Unit amenities include blinds, ceiling fans, carpeting/upgraded flooring, fireplaces, patios/balconies and storage. The survey range and our concluded adjustment for each amenity is summarized below.

Unit Amenities			
Adjustment	Survey Range		Concluded
Blinds	\$2	\$10	\$2
Ceiling Fans	\$2	\$10	\$2
Carpeting	\$2	\$10	\$2
Fireplace	\$2	\$10	\$2
Patio/Balcony	\$2	\$10	\$2
Storage	\$10	\$50	\$10

Kitchen Amenities

We considered the presence of various kitchen amenities at the comparables as compared to the subject property. Kitchen amenities include stoves, refrigerators, disposals, dishwashers and microwaves. The survey range and our concluded adjustment for each amenity is summarized below.

Kitchen Amenities			
Adjustment	Survey Range		Concluded
Stove	\$2	\$10	\$2
Refrigerator	\$2	\$10	\$2
Disposal	\$2	\$10	\$2
Dishwasher	\$2	\$10	\$2
Microwave	\$2	\$10	\$2

Parking

We also adjusted for differing types of parking configurations. We classified parking five ways: (1) Garage, (2) Covered; (3) Assigned, (4) Open and (5) No parking offered. Statistical extraction resulted in an adjustment of \$50 per month for garages; covered parking was valued at \$20; assigned parking was valued at \$10; open parking was valued at \$0; no parking was valued at \$0.

Parking			
Adjustment	Survey Range		Concluded
Garage	\$50	\$200	\$50
Covered	\$20	\$100	\$20
Assigned	\$10	\$50	\$10
Open	\$0	\$0	\$0
None	\$0	\$0	\$0

Laundry

We also evaluated differing types of laundry configurations. We classified laundry amenities three ways: (1) Central Laundry, (2) Washer/Dryer Units; and (3) Washer/Dryer Hookups. Our analysis resulted in an adjustment of \$15 per month for central laundries; washer/dryer units were valued at \$10; washer/dryer hookups were valued at \$5.

Laundry			
Adjustment	Survey Range		Concluded
Central	\$5	\$25	\$15
W/D Units	\$10	\$50	\$10
W/D Hookups	\$5	\$25	\$5

Security

We considered the presence of various security amenities at the comparables as compared to the subject property. Security amenities include call buttons, controlled access, courtesy officers, monitoring, security alarms and security patrols. The survey range and our concluded adjustment for each amenity is summarized below.

Security			
Adjustment	Survey Range		Concluded
Call Buttons	\$2	\$10	\$2
Controlled Access	\$2	\$10	\$2
Courtesy Officer	\$2	\$10	\$2
Monitoring	\$2	\$10	\$2
Security Alarms	\$2	\$10	\$2
Security Patrols	\$2	\$10	\$2

Rent Conclusion, 1BR-1BA-550sf

The development of our rent conclusion for the 1BR-1BA-550sf units is found below.

Our analysis included the evaluation of a total of 18 unit types found at 6 properties. We selected the 18 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 18 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

		Rent Conclusion							
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-04	Birch Island Apartments Phase 1	1BR-1BA-550sf	\$601	\$0	\$601	-	\$0	\$601	-
001-01	Autumn Ridge 1	1BR-1BA-556sf	\$950	\$0	\$950	\$80	-\$44	\$906	1
001-02	Autumn Ridge 1	2BR-1BA-731sf	\$1,200	\$0	\$1,200	\$184	-\$148	\$1,052	7
001-03	Autumn Ridge 1	3BR-1BA-990sf	\$1,400	\$0	\$1,400	\$351	-\$239	\$1,161	15
047-01	Hillpoint Woods Apartments	1BR-1BA-702sf	\$1,025	\$0	\$1,025	\$136	-\$112	\$913	3
047-02	Hillpoint Woods Apartments	1BR-1BA-864sf	\$1,050	\$0	\$1,050	\$152	-\$128	\$922	5
047-03	Hillpoint Woods Apartments	2BR-1BA-902sf	\$1,130	\$0	\$1,130	\$243	-\$219	\$911	9
047-04	Hillpoint Woods Apartments	2BR-2BA-924sf	\$1,155	\$0	\$1,155	\$270	-\$246	\$909	12
060-01	Meadowridge Apartments	1BR-1BA-765sf	\$1,050	\$21	\$1,029	\$128	-\$50	\$980	2
060-02	Meadowridge Apartments	1BR-1BA-940sf	\$1,030	\$21	\$1,009	\$145	-\$67	\$942	4
060-03	Meadowridge Apartments	2BR-1BA-890sf	\$1,030	\$21	\$1,009	\$227	-\$149	\$860	8
060-04	Meadowridge Apartments	2BR-2BA-940sf	\$1,175	\$21	\$1,154	\$257	-\$179	\$975	11
060-05	Meadowridge Apartments	3BR-2BA-1090sf	\$1,175	\$21	\$1,154	\$413	-\$259	\$895	17
063-01	Morris Creek Landing Apartments	1BR-1BA-650sf	\$889	\$0	\$889	\$175	-\$101	\$788	6
063-02	Morris Creek Landing Apartments	2BR-2BA-898sf	\$1,159	\$0	\$1,159	\$320	-\$246	\$913	14
084-01	Sadler Pond Apartments	2BR-2BA-1000sf	\$1,055	\$0	\$1,055	\$318	-\$144	\$911	13
084-02	Sadler Pond Apartments	3BR-2BA-1100sf	\$1,130	\$0	\$1,130	\$469	-\$219	\$911	18
090-01	Suffolk Station Apartments	2BR-2BA-1000sf	\$1,035	\$0	\$1,035	\$249	-\$201	\$834	10
090-02	Suffolk Station Apartments	3BR-2BA-1100sf	\$1,125	\$0	\$1,125	\$400	-\$276	\$849	16
	Adjusted Rent, Minimum					\$788			
	Adjusted Rent, Maximum					\$1,161			
	Adjusted Rent, Average					\$924			
	Adjusted Rent, Modified Average					\$918			
	Rent, Concluded					\$880			

Our analysis suggests a rent of \$880 for the 1BR-1BA-550sf units at the subject property.

In our opinion, the 1BR-1BA-556sf units at Autumn Ridge 1 (Property # 001), the 1BR-1BA-765sf units at Meadowridge Apartments (Property # 060), the 1BR-1BA-702sf units at Hillpoint Woods Apartments (Property # 047), the 1BR-1BA-650sf units at Morris Creek Landing Apartments (Property # 063), and the 2BR-2BA-1000sf units at Suffolk Station Apartments (Property # 090) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

In the table below we derive our "as is" rent conclusion using the "as renovated" rent conclusion developed above:

Rent Conclusion, As Is				
Adjustment	Conc Adj	As Ren	As Is	\$ Adj
Tenant Paid Utilities	0	\$138	\$99	\$39
Effective Age	\$5.00	2012	1995	-\$85
Community Center	\$2	yes	no	-\$2
Ceiling Fans	\$2	yes	no	-\$2
Dishwasher	\$2	yes	no	-\$2
Adjustments				-\$52
Adjusted Rent, Minimum				\$736
Adjusted Rent, Maximum				\$1,109
Adjusted Rent, Average				\$872
Adjusted Rent, Modified Average				\$866
Rent, Concluded, As Is				\$830

Our analysis suggests an "as is" rent of \$830 for the 1BR-1BA-550sf units at the subject property.

Comparable	Subject	1		2		3		4		5	
Property-Unit Key	Sub-04	001-01		047-01		060-01		063-01		090-01	
Unit Type	1BR-1BA-550sf	1BR-1BA-556sf		1BR-1BA-702sf		1BR-1BA-765sf		1BR-1BA-650sf		2BR-2BA-1000sf	
Property Name	Birch Island Apartments Phase 1	Autumn Ridge 1		Hillpoint Woods Apartments		Meadowridge Apartments		Morris Creek Landing Apartments		Suffolk Station Apartments	
Address	10322 Penny Lane	114 Nancy Drive		601 Hill Point Road		340 N. College Drive		982 John Rolfe Drive		100 Forest Oak Lane	
City	Wakefield	Suffolk		Suffolk		Franklin		Smithfield		Suffolk	
State	Virginia	Virginia		Virginia		Virginia		Virginia		Virginia	
Zip	23888	23434		23434		23851		23430		23434	
Latitude	36.97372	36.71214		36.78163		36.67741		36.97645		36.71848	
Longitude	-76.97483	-76.58937		-76.57833		-76.94413		-76.60989		-76.58779	
Miles to Subject	0.00	26.38		24.95		16.87		20.67		26.26	
Year Built	1984	1975		2005		1991		1988		1987	
Year Rehab	2022	2016		na		2018		2004		2015	
Project Rent	Restricted	Market Rate		Market Rate		Market Rate		Market Rate		Market Rate	
Project Type	Family	Family		Family		Family		Family		Family	
Project Status	Prop Rehab	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized	
Phone	(757) 899-4803	(757) 934-0847		(757) 923-2700		(757) 657-4421		(757) 357-0102		(757) 934-3444	
Effective Date	05-Mar-22	15-Feb-22		16-Feb-22		14-Feb-22		15-Feb-22		15-Feb-22	
<u>Project Level</u>											
Units	48	128		144		97		87		111	
Vacant Units	3	5		1		0		0		6	
Vacancy Rate	6%	4%		1%		0%		0%		5%	
<u>Unit Type</u>											
Units	4	36		18		8		20		79	
Vacant Units	0	0		0		0		0		3	
Vacancy Rate	0%	0%		0%		0%		0%		4%	
Street Rent	\$601	\$950		\$1,025		\$1,050		\$889		\$1,035	
Concessions	\$0	\$0		\$0		\$21		\$0		\$0	
Net Rent	\$601	\$950		\$1,025		\$1,029		\$889		\$1,035	
	<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>
Tenant-Paid Utilities	TPU	\$138	\$108	-\$30	\$108	-\$30	\$108	-\$30	\$47	-\$91	\$131
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Internet	\$0	yes	no	\$0	no	\$0	no	\$0	no	\$0	no
Bedrooms	\$110	1	1	\$0	1	\$0	1	\$0	1	\$0	2
Bathrooms	\$25	1.00	1.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0	2.00
Square Feet	\$0.10	550	556	-\$1	702	-\$15	765	-\$22	650	-\$10	1000
Visibility	\$0	3.00	2.25	\$0	3.00	\$0	2.75	\$0	2.75	\$0	3.25
Access	\$0	3.50	2.25	\$0	3.00	\$0	3.00	\$0	3.00	\$0	3.50
Neighborhood	\$0	2.90	2.20	\$0	4.50	\$0	2.50	\$0	4.10	\$0	2.90
Area Amenities	\$0	2.00	3.60	\$0	3.50	\$0	4.00	\$0	3.90	\$0	4.50
Median HH Income	\$0.0000	\$31,250	\$15,417	\$0	\$77,045	\$0	\$36,902	\$0	\$89,625	\$0	\$29,483
Average Commute	\$0	24.41	27.61	\$0	26.26	\$0	30.14	\$0	33.37	\$0	25.96
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0	na	\$0	na
Personal Crime	\$0	3.4%	13.2%	\$0	7.3%	\$0	6.3%	\$0	4.7%	\$0	2.7%
Condition	\$25	2.50	3.75	-\$31	4.50	-\$50	3.50	-\$25	3.75	-\$31	3.25
Effective Age	\$5.00	2012	2010	\$10	2010	\$10	2005	\$35	2005	\$35	2010
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
BBQ Area	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Bus/Comp Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Community Center	\$2	yes	no	\$2	yes	\$0	no	\$2	no	\$2	no
Elevator	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Fitness Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Gazebo	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Picnic Area	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	no
Playground	\$10	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	no
Pool	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	no
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Ceiling Fans	\$2	yes	no	\$2	no	\$2	no	\$2	yes	\$0	no
Carpeting	\$2	yes	no	\$2	yes	\$0	yes	\$0	yes	\$0	yes
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Patio/Balcony	\$2	no	no	\$0	yes	-\$2	yes	-\$2	some	\$0	yes
Storage	\$10	no	no	\$0	yes	-\$10	no	\$0	no	\$0	yes
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Disposal	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	no
Dishwasher	\$2	yes	no	\$2	yes	\$0	yes	\$0	yes	\$0	yes
Microwave	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	yes
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Assigned	\$10	no	no	\$0	no	\$0	yes	-\$10	no	\$0	no
Open	\$0	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Central	\$15	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
W/D Units	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
W/D Hookups	\$5	no	no	\$0	yes	-\$5	some	\$0	no	\$0	yes
Call Buttons	\$2	some	no	\$0	no	\$0	no	\$0	no	\$0	no
Controlled Access	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Monitoring	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Security Patrols	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Indicated Rent		\$880	\$906		\$913		\$980		\$788		\$834

Rent Conclusion, 2BR-1BA-724sf

The development of our rent conclusion for the 2BR-1BA-724sf units is found below.

Our analysis included the evaluation of a total of 18 unit types found at 6 properties. We selected the 18 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 18 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

		Rent Conclusion							
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-08	Birch Island Apartments Phase 1	2BR-1BA-724sf	\$649	\$0	\$649	-	\$0	\$649	-
001-01	Autumn Ridge 1	1BR-1BA-556sf	\$950	\$0	\$950	\$235	\$55	\$1,005	10
001-02	Autumn Ridge 1	2BR-1BA-731sf	\$1,200	\$0	\$1,200	\$86	-\$50	\$1,150	1
001-03	Autumn Ridge 1	3BR-1BA-990sf	\$1,400	\$0	\$1,400	\$195	-\$141	\$1,259	7
047-01	Hillpoint Woods Apartments	1BR-1BA-702sf	\$1,025	\$0	\$1,025	\$262	-\$14	\$1,011	14
047-02	Hillpoint Woods Apartments	1BR-1BA-864sf	\$1,050	\$0	\$1,050	\$274	-\$30	\$1,020	16
047-03	Hillpoint Woods Apartments	2BR-1BA-902sf	\$1,130	\$0	\$1,130	\$145	-\$121	\$1,009	3
047-04	Hillpoint Woods Apartments	2BR-2BA-924sf	\$1,155	\$0	\$1,155	\$172	-\$148	\$1,007	6
060-01	Meadowridge Apartments	1BR-1BA-765sf	\$1,050	\$21	\$1,029	\$249	\$49	\$1,078	12
060-02	Meadowridge Apartments	1BR-1BA-940sf	\$1,030	\$21	\$1,009	\$267	\$31	\$1,040	15
060-03	Meadowridge Apartments	2BR-1BA-890sf	\$1,030	\$21	\$1,009	\$129	-\$51	\$958	2
060-04	Meadowridge Apartments	2BR-2BA-940sf	\$1,175	\$21	\$1,154	\$159	-\$81	\$1,073	5
060-05	Meadowridge Apartments	3BR-2BA-1090sf	\$1,175	\$21	\$1,154	\$257	-\$161	\$993	13
063-01	Morris Creek Landing Apartments	1BR-1BA-650sf	\$889	\$0	\$889	\$312	-\$3	\$886	17
063-02	Morris Creek Landing Apartments	2BR-2BA-898sf	\$1,159	\$0	\$1,159	\$222	-\$148	\$1,011	9
084-01	Sadler Pond Apartments	2BR-2BA-1000sf	\$1,055	\$0	\$1,055	\$219	-\$45	\$1,010	8
084-02	Sadler Pond Apartments	3BR-2BA-1100sf	\$1,130	\$0	\$1,130	\$312	-\$120	\$1,010	18
090-01	Suffolk Station Apartments	2BR-2BA-1000sf	\$1,035	\$0	\$1,035	\$150	-\$102	\$933	4
090-02	Suffolk Station Apartments	3BR-2BA-1100sf	\$1,125	\$0	\$1,125	\$243	-\$177	\$948	11
	Adjusted Rent, Minimum					\$886			
	Adjusted Rent, Maximum					\$1,259			
	Adjusted Rent, Average					\$1,022			
	Adjusted Rent, Modified Average					\$1,016			
	Rent, Concluded					\$1,015			

Our analysis suggests a rent of \$1,015 for the 2BR-1BA-724sf units at the subject property.

In our opinion, the 2BR-1BA-731sf units at Autumn Ridge 1 (Property # 001), the 2BR-1BA-890sf units at Meadowridge Apartments (Property # 060), the 2BR-1BA-902sf units at Hillpoint Woods Apartments (Property # 047), the 2BR-2BA-1000sf units at Suffolk Station Apartments (Property # 090), and the 2BR-2BA-1000sf units at Sadler Pond Apartments (Property # 084) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

In the table below we derive our "as is" rent conclusion using the "as renovated" rent conclusion developed above:

Rent Conclusion, As Is				
Adjustment	Conc Adj	As Ren	As Is	\$ Adj
Tenant Paid Utilities	0	\$167	\$127	\$40
Effective Age	\$5.00	2012	1995	-\$85
Community Center	\$2	yes	no	-\$2
Ceiling Fans	\$2	yes	no	-\$2
Dishwasher	\$2	yes	no	-\$2
Adjustments				-\$51
Adjusted Rent, Minimum				\$835
Adjusted Rent, Maximum				\$1,208
Adjusted Rent, Average				\$971
Adjusted Rent, Modified Average				\$965
Rent, Concluded, As Is				\$965

Our analysis suggests an "as is" rent of \$965 for the 2BR-1BA-724sf units at the subject property.

Comparable	Subject	1		2		3		4		5	
Property-Unit Key	Sub-08	001-02		047-03		060-03		084-01		090-01	
Unit Type	2BR-1BA-724sf	2BR-1BA-731sf		2BR-1BA-902sf		2BR-1BA-890sf		2BR-2BA-1000sf		2BR-2BA-1000sf	
Property Name	Birch Island Apartments Phase 1	Autumn Ridge 1		Hillpoint Woods Apartments		Meadowridge Apartments		Sadler Pond Apartments		Suffolk Station Apartments	
Address	10322 Penny Lane	114 Nancy Drive		601 Hill Point Road		340 N. College Drive		2500 Sandy Spring Lane		100 Forest Oak Lane	
City	Wakefield	Suffolk		Suffolk		Franklin		Suffolk		Suffolk	
State	Virginia	Virginia		Virginia		Virginia		Virginia		Virginia	
Zip	23888	23434		23434		23851		23434		23434	
Latitude	36.97372	36.71214		36.78163		36.67741		36.76686		36.71848	
Longitude	-76.97483	-76.58937		-76.57833		-76.94413		-76.59934		-76.58779	
Miles to Subject	0.00	26.38		24.95		16.87		24.28		26.26	
Year Built	1984	1975		2005		1991		1989		1987	
Year Rehab	2022	2016		na		2018		2015		2015	
Project Rent	Restricted	Market Rate		Market Rate		Market Rate		Market Rate		Market Rate	
Project Type	Family	Family		Family		Family		Family		Family	
Project Status	Prop Rehab	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized	
Phone	(757) 899-4803	(757) 934-0847		(757) 923-2700		(757) 657-4421		(757) 934-0738		(757) 934-3444	
Effective Date	05-Mar-22	15-Feb-22		16-Feb-22		14-Feb-22		15-Feb-22		15-Feb-22	
<u>Project Level</u>											
Units	48	128		144		97		109		111	
Vacant Units	3	5		1		0		0		6	
Vacancy Rate	6%	4%		1%		0%		0%		5%	
<u>Unit Type</u>											
Units	5	68		56		21		84		79	
Vacant Units	3	4		1		0		0		3	
Vacancy Rate	60%	6%		2%		0%		0%		4%	
Street Rent	\$649	\$1,200		\$1,130		\$1,030		\$1,055		\$1,035	
Concessions	\$0	\$0		\$0		\$21		\$0		\$0	
Net Rent	\$649	\$1,200		\$1,130		\$1,009		\$1,055		\$1,035	
	<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>
Tenant-Paid Utilities	TPU	\$167	\$131	-\$36	\$131	-\$36	\$131	-\$36	\$131	-\$36	\$131
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Internet	\$0	yes	no	\$0	no	\$0	no	\$0	no	\$0	no
Bedrooms	\$110	2	2	\$0	2	\$0	2	\$0	2	\$0	2
Bathrooms	\$25	1.00	1.00	\$0	1.00	\$0	1.00	\$0	2.00	-\$25	2.00
Square Feet	\$0.10	724	731	-\$1	902	-\$18	890	-\$17	1000	-\$28	1000
Visibility	\$0	3.00	2.25	\$0	3.00	\$0	2.75	\$0	2.25	\$0	3.25
Access	\$0	3.50	2.25	\$0	3.00	\$0	3.00	\$0	2.25	\$0	3.50
Neighborhood	\$0	2.90	2.20	\$0	4.50	\$0	2.50	\$0	3.40	\$0	2.90
Area Amenities	\$0	2.00	3.60	\$0	3.50	\$0	4.00	\$0	3.50	\$0	4.50
Median HH Income	\$0.0000	\$31,250	\$15,417	\$0	\$77,045	\$0	\$36,902	\$0	\$36,603	\$0	\$29,483
Average Commute	\$0	24.41	27.61	\$0	26.26	\$0	30.14	\$0	31.17	\$0	25.96
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0	na	\$0	na
Personal Crime	\$0	3.4%	13.2%	\$0	7.3%	\$0	6.3%	\$0	4.5%	\$0	2.7%
Condition	\$25	2.50	3.75	-\$31	4.50	-\$50	3.50	-\$25	3.25	-\$19	3.25
Effective Age	\$5.00	2012	2010	\$10	2010	\$10	2005	\$35	2000	\$60	2010
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
BBQ Area	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Bus/Comp Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Community Center	\$2	yes	no	\$2	yes	\$0	no	\$2	no	\$2	no
Elevator	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Fitness Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Gazebo	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Picnic Area	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	no
Playground	\$10	yes	yes	\$0	yes	\$0	yes	\$0	no	\$10	no
Pool	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	no
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Ceiling Fans	\$2	yes	no	\$2	no	\$2	no	\$2	yes	\$0	no
Carpeting	\$2	yes	no	\$2	yes	\$0	yes	\$0	yes	\$0	yes
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Patio/Balcony	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2	yes
Storage	\$10	no	no	\$0	yes	-\$10	no	\$0	yes	-\$10	yes
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Disposal	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	no
Dishwasher	\$2	yes	no	\$2	yes	\$0	yes	\$0	yes	\$0	yes
Microwave	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	yes
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Assigned	\$10	no	no	\$0	no	\$0	yes	-\$10	no	\$0	no
Open	\$0	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Central	\$15	yes	yes	\$0	yes	\$0	yes	\$0	no	\$15	yes
W/D Units	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
W/D Hookups	\$5	no	no	\$0	yes	-\$5	some	\$0	yes	-\$5	yes
Call Buttons	\$2	some	no	\$0	no	\$0	no	\$0	no	\$0	no
Controlled Access	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Monitoring	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Security Patrols	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Indicated Rent	\$1,015	\$1,150		\$1,009		\$958		\$1,010		\$933	

Rent Conclusion, 3BR-1BA-967sf

The development of our rent conclusion for the 3BR-1BA-967sf units is found below.

Our analysis included the evaluation of a total of 18 unit types found at 6 properties. We selected the 18 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 18 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-11	Birch Island Apartments Phase 1	3BR-1BA-967sf	\$754	\$0	\$754	-	\$0	\$754	-
001-01	Autumn Ridge 1	1BR-1BA-556sf	\$950	\$0	\$950	\$426	\$132	\$1,082	14
001-02	Autumn Ridge 1	2BR-1BA-731sf	\$1,200	\$0	\$1,200	\$276	\$27	\$1,227	5
001-03	Autumn Ridge 1	3BR-1BA-990sf	\$1,400	\$0	\$1,400	\$100	-\$64	\$1,336	1
047-01	Hillpoint Woods Apartments	1BR-1BA-702sf	\$1,025	\$0	\$1,025	\$454	\$64	\$1,089	17
047-02	Hillpoint Woods Apartments	1BR-1BA-864sf	\$1,050	\$0	\$1,050	\$437	\$47	\$1,097	16
047-03	Hillpoint Woods Apartments	2BR-1BA-902sf	\$1,130	\$0	\$1,130	\$301	-\$44	\$1,087	8
047-04	Hillpoint Woods Apartments	2BR-2BA-924sf	\$1,155	\$0	\$1,155	\$323	-\$71	\$1,084	10
060-01	Meadowridge Apartments	1BR-1BA-765sf	\$1,050	\$21	\$1,029	\$432	\$126	\$1,155	15
060-02	Meadowridge Apartments	1BR-1BA-940sf	\$1,030	\$21	\$1,009	\$415	\$109	\$1,118	13
060-03	Meadowridge Apartments	2BR-1BA-890sf	\$1,030	\$21	\$1,009	\$287	\$27	\$1,036	6
060-04	Meadowridge Apartments	2BR-2BA-940sf	\$1,175	\$21	\$1,154	\$307	-\$3	\$1,151	9
060-05	Meadowridge Apartments	3BR-2BA-1090sf	\$1,175	\$21	\$1,154	\$161	-\$83	\$1,071	3
063-01	Morris Creek Landing Apartments	1BR-1BA-650sf	\$889	\$0	\$889	\$503	\$74	\$963	18
063-02	Morris Creek Landing Apartments	2BR-2BA-898sf	\$1,159	\$0	\$1,159	\$378	-\$70	\$1,089	12
084-01	Sadler Pond Apartments	2BR-2BA-1000sf	\$1,055	\$0	\$1,055	\$362	\$32	\$1,087	11
084-02	Sadler Pond Apartments	3BR-2BA-1100sf	\$1,130	\$0	\$1,130	\$217	-\$43	\$1,087	4
090-01	Suffolk Station Apartments	2BR-2BA-1000sf	\$1,035	\$0	\$1,035	\$293	-\$25	\$1,010	7
090-02	Suffolk Station Apartments	3BR-2BA-1100sf	\$1,125	\$0	\$1,125	\$148	-\$100	\$1,025	2

Adjusted Rent, Minimum	\$963
Adjusted Rent, Maximum	\$1,336
Adjusted Rent, Average	\$1,100
Adjusted Rent, Modified Average	\$1,093
 Rent, Concluded	 \$1,120

Our analysis suggests a rent of \$1,120 for the 3BR-1BA-967sf units at the subject property.

In our opinion, the 3BR-1BA-990sf units at Autumn Ridge 1 (Property # 001), the 3BR-2BA-1100sf units at Suffolk Station Apartments (Property # 090), the 3BR-2BA-1090sf units at Meadowridge Apartments (Property # 060), the 3BR-2BA-1100sf units at Sadler Pond Apartments (Property # 084), and the 2BR-1BA-902sf units at Hillpoint Woods Apartments (Property # 047) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

In the table below we derive our "as is" rent conclusion using the "as renovated" rent conclusion developed above:

Rent Conclusion, As Is				
Adjustment	Conc Adj	As Ren	As Is	\$ Adj
Tenant Paid Utilities	0	\$224	\$173	\$51
Effective Age	\$5.00	2012	1995	-\$85
Community Center	\$2	yes	no	-\$2
Ceiling Fans	\$2	yes	no	-\$2
Dishwasher	\$2	yes	no	-\$2
Adjustments				-\$40
Adjusted Rent, Minimum				\$923
Adjusted Rent, Maximum				\$1,296
Adjusted Rent, Average				\$1,060
Adjusted Rent, Modified Average				\$1,053
Rent, Concluded, As Is				\$1,080

Our analysis suggests an "as is" rent of \$1,080 for the 3BR-1BA-967sf units at the subject property.

Comparable	Subject	1		2		3		4		5	
Property-Unit Key	Sub-11	001-03		047-03		060-05		084-02		090-02	
Unit Type	3BR-1BA-967sf	3BR-1BA-990sf		2BR-1BA-902sf		3BR-2BA-1090sf		3BR-2BA-1100sf		3BR-2BA-1100sf	
Property Name	Birch Island Apartments Phase 1	Autumn Ridge 1		Hillpoint Woods Apartments		Meadowridge Apartments		Sadler Pond Apartments		Suffolk Station Apartments	
Address	10322 Penny Lane	114 Nancy Drive		601 Hill Point Road		340 N. College Drive		2500 Sandy Spring Lane		100 Forest Oak Lane	
City	Wakefield	Suffolk		Suffolk		Franklin		Suffolk		Suffolk	
State	Virginia	Virginia		Virginia		Virginia		Virginia		Virginia	
Zip	23888	23434		23434		23851		23434		23434	
Latitude	36.97372	36.71214		36.78163		36.67741		36.76686		36.71848	
Longitude	-76.97483	-76.58937		-76.57833		-76.94413		-76.59934		-76.58779	
Miles to Subject	0.00	26.38		24.95		16.87		24.28		26.26	
Year Built	1984	1975		2005		1991		1989		1987	
Year Rehab	2022	2016		na		2018		2015		2015	
Project Rent	Restricted	Market Rate		Market Rate		Market Rate		Market Rate		Market Rate	
Project Type	Family	Family		Family		Family		Family		Family	
Project Status	Prop Rehab	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized	
Phone	(757) 899-4803	(757) 934-0847		(757) 923-2700		(757) 657-4421		(757) 934-0738		(757) 934-3444	
Effective Date	05-Mar-22	15-Feb-22		16-Feb-22		14-Feb-22		15-Feb-22		15-Feb-22	
<u>Project Level</u>											
Units	48	128		144		97		109		111	
Vacant Units	3	5		1		0		0		6	
Vacancy Rate	6%	4%		1%		0%		0%		5%	
<u>Unit Type</u>											
Units	4	24		56		28		25		32	
Vacant Units	0	1		1		0		0		3	
Vacancy Rate	0%	4%		2%		0%		0%		9%	
Street Rent	\$754	\$1,400		\$1,130		\$1,175		\$1,130		\$1,125	
Concessions	\$0	\$0		\$0		\$21		\$0		\$0	
Net Rent	\$754	\$1,400		\$1,130		\$1,154		\$1,130		\$1,125	
	Adj	Data	Data	Adj	Data	Adj	Data	Adj	Data	Adj	Data
Tenant-Paid Utilities	TPU	\$224	\$176	-\$48	\$131	-\$93	\$176	-\$48	\$176	-\$48	\$176
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Internet	\$0	yes	no	\$0	no	\$0	no	\$0	no	\$0	no
Bedrooms	\$110	3	3	\$0	2	\$110	3	\$0	3	\$0	3
Bathrooms	\$25	1.00	1.00	\$0	1.00	\$0	2.00	-\$25	2.00	-\$25	2.00
Square Feet	\$0.10	967	990	-\$2	902	\$7	1090	-\$12	1100	-\$13	1100
Visibility	\$0	3.00	2.25	\$0	3.00	\$0	2.75	\$0	2.25	\$0	3.25
Access	\$0	3.50	2.25	\$0	3.00	\$0	3.00	\$0	2.25	\$0	3.50
Neighborhood	\$0	2.90	2.20	\$0	4.50	\$0	2.50	\$0	3.40	\$0	2.90
Area Amenities	\$0	2.00	3.60	\$0	3.50	\$0	4.00	\$0	3.50	\$0	4.50
Median HH Income	\$0.0000	\$31,250	\$15,417	\$0	\$77,045	\$0	\$36,902	\$0	\$36,603	\$0	\$29,483
Average Commute	\$0	24.41	27.61	\$0	26.26	\$0	30.14	\$0	31.17	\$0	25.96
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0	na	\$0	na
Personal Crime	\$0	3.4%	13.2%	\$0	7.3%	\$0	6.3%	\$0	4.5%	\$0	2.7%
Condition	\$25	2.50	3.75	-\$31	4.50	-\$50	3.50	-\$25	3.25	-\$19	3.25
Effective Age	\$5.00	2012	2010	\$10	2010	\$10	2005	\$35	2000	\$60	2010
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
BBQ Area	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Bus/Comp Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Community Center	\$2	yes	no	\$2	yes	\$0	no	\$2	no	\$2	no
Elevator	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Fitness Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Gazebo	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Picnic Area	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	no
Playground	\$10	yes	yes	\$0	yes	\$0	yes	\$0	no	\$10	no
Pool	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	no
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Ceiling Fans	\$2	yes	no	\$2	no	\$2	no	\$2	yes	\$0	no
Carpeting	\$2	yes	no	\$2	yes	\$0	yes	\$0	yes	\$0	yes
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Patio/Balcony	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2	yes
Storage	\$10	no	no	\$0	yes	-\$10	no	\$0	yes	-\$10	yes
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Disposal	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	no
Dishwasher	\$2	yes	no	\$2	yes	\$0	yes	\$0	yes	\$0	yes
Microwave	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	yes
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Assigned	\$10	no	no	\$0	no	\$0	yes	-\$10	no	\$0	no
Open	\$0	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Central	\$15	yes	yes	\$0	yes	\$0	yes	\$0	no	\$15	yes
W/D Units	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
W/D Hookups	\$5	no	no	\$0	yes	-\$5	some	\$0	yes	-\$5	yes
Call Buttons	\$2	some	no	\$0	no	\$0	no	\$0	no	\$0	no
Controlled Access	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Monitoring	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Security Patrols	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Indicated Rent	\$1,120	\$1,336		\$1,087		\$1,071		\$1,087		\$1,025	

Unrestricted Market Rent Conclusion

Based on our evaluation of the rents at the select comparable properties, and considering the location, quality and amenities of the subject property, we conclude the following market rents for the subject property units, assuming that the subject were an unrestricted property:

Unrestricted Market Rent Conclusion						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Market	Proposed	Advantage
1BR-1BA-550sf / 40% of AMI / 40% of AMI	No	Yes	2	\$880	\$601	31.7%
1BR-1BA-550sf / 50% of AMI / 50% of AMI	No	Yes	6	\$880	\$601	31.7%
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	Yes	4	\$880	\$601	31.7%
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	No	4	\$880	\$601	31.7%
2BR-1BA-724sf / 40% of AMI / 40% of AMI	No	Yes	2	\$1,015	\$649	36.1%
2BR-1BA-724sf / 50% of AMI / 50% of AMI	No	Yes	10	\$1,015	\$649	36.1%
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	Yes	7	\$1,015	\$649	36.1%
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	No	5	\$1,015	\$649	36.1%
3BR-1BA-967sf / 40% of AMI / 40% of AMI	No	Yes	1	\$1,120	\$754	32.7%
3BR-1BA-967sf / 50% of AMI / 50% of AMI	No	Yes	3	\$1,120	\$754	32.7%
3BR-1BA-967sf / 60% of AMI / 60% of AMI	No	No	4	\$1,120	\$754	32.7%
Total / Average			48	\$988	\$651	34.1%

Our analysis suggests an average unrestricted market rent of \$988 for the subject property. This is compared with an average proposed rent of \$651, yielding an unrestricted market rent advantage of 34.1 percent. Overall, the subject property appears to be priced at or below unrestricted market rents for the area.

We selected a total of 6 properties as comparables for purposes of our analysis. The average occupancy at the select rent comparables currently stands at 98 percent.

Occupancy rates for the selected rent comparables are broken out below:

Occupancy Rate, Select Comparables								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								
1-Bedroom								100%
2-Bedroom								98%
3-Bedroom								96%
4-Bedroom								
Total								98%

Occupancy rates for all stabilized market area properties are broken out below:

Occupancy Rate, Stabilized Properties								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								
1-Bedroom	97%			94%	93%			100%
2-Bedroom	95%		100%	96%	94%			100%
3-Bedroom	84%			100%	94%			100%
4-Bedroom								
Total	95%		100%	96%	94%			100%

HUD conducts an annual rent survey to derive Fair Market Rent estimates for an area. Based on this, 2-bedroom rents for the area grew from \$930 to \$1163 since 2010. This represents an average 2.3% annual increase over this period.

Fair market rent data for the area is found below:

Year	Rent			Change		
	1BR	2BR	3BR	1BR	2BR	3BR
2008	\$779	\$870	\$1,161	-	-	-
2009	\$828	\$925	\$1,234	6.3%	6.3%	6.3%
2010	\$832	\$930	\$1,241	0.5%	0.5%	0.6%
2011	\$857	\$958	\$1,278	3.0%	3.0%	3.0%
2012	\$786	\$878	\$1,171	-8.3%	-8.4%	-8.4%
2013	\$826	\$979	\$1,287	5.1%	11.5%	9.9%
2014	\$830	\$984	\$1,294	0.5%	0.5%	0.5%
2015	\$838	\$993	\$1,306	1.0%	0.9%	0.9%
2016	\$835	\$966	\$1,276	-0.4%	-2.7%	-2.3%
2017	\$871	\$1,005	\$1,332	4.3%	4.0%	4.4%
2018	\$907	\$1,042	\$1,386	4.1%	3.7%	4.1%
2019	\$932	\$1,067	\$1,421	2.8%	2.4%	2.5%
2020	\$932	\$1,061	\$1,410		-0.6%	-0.8%
2021	\$1,020	\$1,163	\$1,538	9.4%	9.6%	9.1%

Source: HUD

Unrestricted Market Rent Conclusion, As Is

In the table found below we summarize the market rents for the subject property units on an "as is" basis, assuming that the subject were an unrestricted property:

Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Market	Proposed	Advantage
1BR-1BA-550sf / 50% of AMI / 50% of AMI	No	Yes	3	\$830	\$601	27.6%
1BR-1BA-550sf / 50% of AMI / 50% of AMI	No	Yes	8	\$830	\$601	27.6%
1BR-1BA-550sf / 50% of AMI / 50% of AMI	No	No	2	\$830	\$601	27.6%
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	No	3	\$830	\$601	27.6%
2BR-1BA-724sf / 50% of AMI / 50% of AMI	No	Yes	5	\$965	\$649	32.7%
2BR-1BA-724sf / 50% of AMI / 50% of AMI	No	Yes	13	\$965	\$649	32.7%
2BR-1BA-724sf / 50% of AMI / 50% of AMI	No	No	1	\$965	\$649	32.7%
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	No	5	\$965	\$649	32.7%
3BR-1BA-967sf / 50% of AMI / 50% of AMI	No	Yes	2	\$1,080	\$754	30.2%
3BR-1BA-967sf / 50% of AMI / 50% of AMI	No	Yes	4	\$1,080	\$754	30.2%
3BR-1BA-967sf / 60% of AMI / 60% of AMI	No	No	2	\$1,080	\$754	30.2%
Total / Average			48	\$939	\$651	30.7%

Restricted Rent Analysis

In this section we develop a restricted market rent conclusion and an achievable rent conclusion for the subject property units. Our analysis began by selecting comparable rentals to use to develop estimates of market rents for the units at the subject property, assuming that the subject was a restricted property. Our selection of comparables was based on location, age, condition, unit mix and amenities of the comparable properties relative to the subject property.

Rental Property Inventory, by Unit Type

In the following pages we present an inventory of properties included in this analysis. Rents for these properties, broken out by unit type, were used in selecting the rent comparables used in this analysis.

The properties that we consider to be comparable to the subject property are highlighted in the tables found in the following pages. We attempted to select stabilized restricted rent properties as comparables for purposes of our rent comparability analysis.

Comparables with market rents are used when a sufficient number of restricted rent comparables are not available and when maximum allowable rents for properties with restricted rents exceed prevailing rents in the area. In the event that program rental rates exceed market rental rates, restricted units are, in fact, *de facto* market rate units.

Rent Comparables, Restricted Rent, Map

A map showing the location of the properties selected as comparables in this analysis is found in the following pages. Properties identified with red pushpins have market rents, properties identified with yellow pushpins have restricted rents, and properties identified with blue pushpins have subsidized rents. Detailed write-ups for the select rent comparables are found in the Appendix to this report.

Rent Comparability Grids

Our analysis employed the use of rent comparability grids and resulted in a restricted market rent estimate for each of the subject's unit types. These grids and a narrative describing our rent adjustments are found in the following pages.

Rental Property Inventory, 1-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
002	Autumn Ridge 2 - LC1	1996	na	Restricted	Family	Stabilized								
003	Autumn Ridge 2 - LC2	1998	na	Restricted	Family	Stabilized								
009	Birch Island Apartments Phase 1	1984	2000	Restricted	Family	Stabilized	\$601			\$601	\$601			
010	Birch Island Apartments Phase 2	1988	2008	Restricted	Family	Stabilized	\$577			\$577				
013	Bradford Mews Phase 1 & 2	1994	2013	Restricted	Family	Stabilized								
017	Cedar Street Apartments	1990	2010	Restricted	Family	Stabilized								
022	Chuckatuck Village Apartments	1990	2009	Restricted	Family	Stabilized	\$707							
023	Church Manor Apartments	1972	2004	Restricted	Family	Stabilized				\$659				
040	Franklin South	1987	2006	Restricted	Family	Stabilized	\$569						\$664	
049	Holland Trace Senior Apartments	2000	na	Restricted	Elderly	Stabilized				\$500	\$550			
053	King's Landing Apartments	1992	na	Restricted	Family	Stabilized							\$865	
055	Lebanon Village Apartments Phase 2	1993	2012	Restricted	Elderly	Stabilized	\$619			\$619				
070	New Surry Village	1990	2015	Restricted	Family	Stabilized	\$529							
071	Newport Village	1990	2009	Restricted	Family	Stabilized	\$525			\$525				
075	October Station Apartments	2016	na	Restricted	Family	Stabilized								
083	Residences at October (The)	2013	na	Restricted	Family	Stabilized								
092	Surry Village Apartments Phase 1	1985	2006	Restricted	Family	Stabilized	\$557							
099	Villas at Reid Landing (The)	2020	na	Restricted	Elderly	Stabilized	\$898			\$701	\$809			
101	Waverly Village Apartments	1988	2004	Restricted	Family	Stabilized	\$621						\$621	
107	Windsor Court Apartments Phase 1	1988	2005	Restricted	Family	Stabilized	\$596			\$596				
110	Woods Edge Apartments	1984	1999	Restricted	Family	Stabilized	\$682						\$682	

Source: Allen & Associates

Rental Property Inventory, 2-Bedroom Units

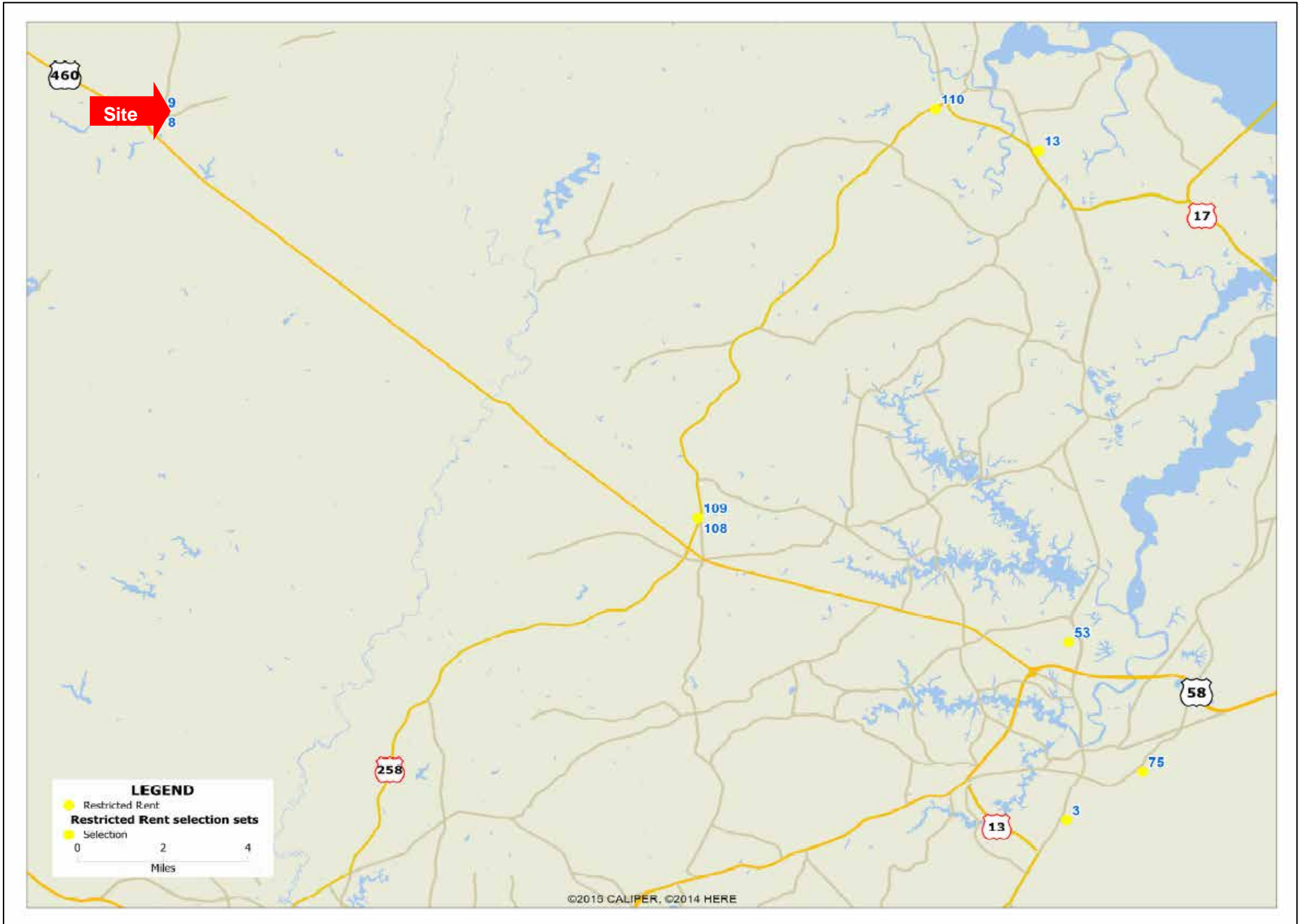
Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
002	Autumn Ridge 2 - LC1	1996	na	Restricted	Family	Stabilized				\$846	\$1,036			
003	Autumn Ridge 2 - LC2	1998	na	Restricted	Family	Stabilized				\$846	\$1,036			
009	Birch Island Apartments Phase 1	1984	2000	Restricted	Family	Stabilized	\$649			\$649	\$649			
010	Birch Island Apartments Phase 2	1988	2008	Restricted	Family	Stabilized	\$628			\$721				
013	Bradford Mews Phase 1 & 2	1994	2013	Restricted	Family	Stabilized					\$1,038			
017	Cedar Street Apartments	1990	2010	Restricted	Family	Stabilized	\$693			\$886				
022	Chuckatuck Village Apartments	1990	2009	Restricted	Family	Stabilized	\$752			\$882				
023	Church Manor Apartments	1972	2004	Restricted	Family	Stabilized			\$624	\$775				
040	Franklin South	1987	2006	Restricted	Family	Stabilized	\$609				\$662			
049	Holland Trace Senior Apartments	2000	na	Restricted	Elderly	Stabilized				\$550	\$650			
053	King's Landing Apartments	1992	na	Restricted	Family	Stabilized					\$1,005			
055	Lebanon Village Apartments Phase 2	1993	2012	Restricted	Elderly	Stabilized								
070	New Surry Village	1990	2015	Restricted	Family	Stabilized	\$587			\$587				
071	Newport Village	1990	2009	Restricted	Family	Stabilized	\$584			\$759				
075	October Station Apartments	2016	na	Restricted	Family	Stabilized	\$799			\$799	\$950			
083	Residences at October (The)	2013	na	Restricted	Family	Stabilized				\$768				
092	Surry Village Apartments Phase 1	1985	2006	Restricted	Family	Stabilized	\$630			\$630				
099	Villas at Reid Landing (The)	2020	na	Restricted	Elderly	Stabilized	\$1,063			\$834	\$960			
101	Waverly Village Apartments	1988	2004	Restricted	Family	Stabilized	\$667				\$859			
107	Windsor Court Apartments Phase 1	1988	2005	Restricted	Family	Stabilized	\$645			\$850				
110	Woods Edge Apartments	1984	1999	Restricted	Family	Stabilized	\$722				\$878			

Source: Allen & Associates

Rental Property Inventory, 3-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
002	Autumn Ridge 2 - LC1	1996	na	Restricted	Family	Stabilized				\$977	\$1,197			
003	Autumn Ridge 2 - LC2	1998	na	Restricted	Family	Stabilized				\$977	\$1,197			
009	Birch Island Apartments Phase 1	1984	2000	Restricted	Family	Stabilized	\$754				\$754			
010	Birch Island Apartments Phase 2	1988	2008	Restricted	Family	Stabilized								
013	Bradford Mews Phase 1 & 2	1994	2013	Restricted	Family	Stabilized					\$1,194			
017	Cedar Street Apartments	1990	2010	Restricted	Family	Stabilized								
022	Chuckatuck Village Apartments	1990	2009	Restricted	Family	Stabilized								
023	Church Manor Apartments	1972	2004	Restricted	Family	Stabilized				\$845				
040	Franklin South	1987	2006	Restricted	Family	Stabilized								
049	Holland Trace Senior Apartments	2000	na	Restricted	Elderly	Stabilized								
053	King's Landing Apartments	1992	na	Restricted	Family	Stabilized								
055	Lebanon Village Apartments Phase 2	1993	2012	Restricted	Elderly	Stabilized								
070	New Surry Village	1990	2015	Restricted	Family	Stabilized								
071	Newport Village	1990	2009	Restricted	Family	Stabilized								
075	October Station Apartments	2016	na	Restricted	Family	Stabilized					\$1,040			
083	Residences at October (The)	2013	na	Restricted	Family	Stabilized				\$909				
092	Surry Village Apartments Phase 1	1985	2006	Restricted	Family	Stabilized								
099	Villas at Reid Landing (The)	2020	na	Restricted	Elderly	Stabilized								
101	Waverly Village Apartments	1988	2004	Restricted	Family	Stabilized								
107	Windsor Court Apartments Phase 1	1988	2005	Restricted	Family	Stabilized								
110	Woods Edge Apartments	1984	1999	Restricted	Family	Stabilized	\$762				\$762			

Source: Allen & Associates



Rent Adjustments

Our analysis included a property management survey and a technique known as "statistical extraction" to help us identify the best adjustments to use. Statistical extraction, which is similar to the matched pair method, helped us derive the optimal adjustments for our particular data set.

Here's a hypothetical example to illustrate how we derived our rent adjustments. Assume that property managers tell us we should expect rent adjustments ranging from \$0.00 to \$0.50 per square foot for a particular market. Next, assume that we select 25 rent comparables with an adjusted sample standard deviation (a statistical measure of variability) of \$100. We employ a square foot rent adjustment of \$0.10 for each comparable resulting in an adjusted sample standard deviation of \$90. This tells us that the assumed adjustment "explained" some of the variability in the data. We repeat this process for adjustments of \$0.20, \$0.30, \$0.40 and \$0.50 which yielded adjusted sample standard deviations of \$80, \$70, \$65 and \$75, respectively. The \$0.40 square foot adjustment "explains" the most variability because any other adjustment yields a higher adjusted sample standard deviation. Consequently, a \$0.40 rent adjustment is the best adjustment for purposes of this example. This is a simplified example because we actually adjusted for numerous variables simultaneously in our analysis.

Many adjustments (bedroom count, bathroom count and square footage) are highly interrelated. Statistical extraction helped us unravel the interrelationships between these variables. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is superior a "plus" adjustment is made. If the subject is inferior a "minus" adjustment is made.

We used the Excel Solver function to help us with our analysis. The Solver function was programmed to minimize the adjusted standard deviation for our data set. We evaluated a total of 62 variables in 22 categories (AC systems, heating systems, technology, bedrooms, bathrooms, square feet, visibility, access, neighborhood, area amenities, condition, effective age, project amenities, elevator, unit amenities, storage, kitchen amenities, parking, laundry, security, on-site management, on-site maintenance) in an effort to identify the mix of adjustments that explained the most variability found in our raw data.

A discussion of our surveyed and concluded adjustments is found below.

Concessions

The first step in our analysis was to account for any concessions at the subject and the comparables. We considered the advertised street rent and concessions being offered and derived a net rent estimate for each comparable. Net rent, defined as advertised street rent minus monthly concessions, represents the cash rent paid by new residents at the various properties. This is the best measure of market value (prior to any other adjustments) for the comparables included in this analysis.

Tenant-Paid Utilities

The next step in our analysis was to account for differences in tenant-paid utilities between the comparable properties and the subject. We used the HUD Utility Schedule Model to derive our adjustments. The HUD model includes a current utility rate survey for the area. In the event that the tenant-paid utilities associated with a particular property are higher or lower than the subject, adjustments were made to account for the differences. Adjustments reflect the difference between the tenant-paid utilities for the comparable property minus that for the subject.

Technology

We accounted for technology (cable and internet access) offered in the rent for each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0 per month for cable; internet access was valued at \$0.

Adjustment	Technology		Concluded
	Survey	Range	
Cable	\$0	\$0	\$0
Internet	\$0	\$0	\$0

Bedrooms

Our analysis also included an adjustment for the number of bedrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$120 per bedroom.

Bedrooms			
Adjustment	Survey Range		Concluded
Bedrooms	\$50	\$200	\$120

Bathrooms

Our analysis also included an adjustment for the number of bathrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$50 per bathroom.

Bathrooms			
Adjustment	Survey Range		Concluded
Bathrooms	\$25	\$100	\$50

Square Feet

Our analysis also included an adjustment for square footage at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.10 per square foot.

Square Feet			
Adjustment	Survey Range		Concluded
Square Feet	\$0.10	\$2.00	\$0.10

Visibility

We also accounted for differences in visibility at each of the comparables as compared to the subject property in our analysis. Based on our field review, we assigned a visibility rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$0 per point for differences in visibility ratings between the subject and the comparables.

Visibility			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$0

Access

Our analysis also included an adjustment for access at each of the comparables as compared to the subject property. Based on our field review, we assigned an access rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$0 per point for differences in access ratings between the subject and the comparables.

Access			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$0

Neighborhood

We considered differences in neighborhood at each of the comparables as compared to the subject property in our analysis. Based on our field review and our evaluation of local demographic and crime data (presented earlier in this report), we assigned a neighborhood rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$0 per point for differences in neighborhood ratings between the subject and the comparables.

Neighborhood			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$0

Area Amenities

We also accounted for area amenities for each of the comparables as compared to the subject property in our analysis. Based on our field review and our evaluation of local amenity data (presented earlier in this report), we assigned a local amenity rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$80 per point for differences in amenity ratings between the subject and the comparables.

Area Amenities			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$80

Median Household Income

Our analysis also included an adjustment for median household income for the area in which each of the comparables is located as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.0000 per dollar of median household income.

Median Household Income			
Adjustment	Survey Range		Concluded
Med HH Inc	\$0.0000	\$0.0000	\$0.0000

Average Commute

Our analysis also included an adjustment for average commute for the area in which each of the comparables is located as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.00 per each minute of commute.

Average Commute			
Adjustment	Survey Range		Concluded
Avg Commute	\$0.00	\$0.00	\$0.00

Public Transportation

Our analysis also included an adjustment for the existence of public transportation within walking distance of each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.00 for public transportation.

Public Transportation			
Adjustment	Survey Range		Concluded
Public Trans	\$0.00	\$0.00	\$0.00

Personal Crime

Our analysis also included an adjustment for personal crime rates for the area in which each of the comparables is located as compared to the subject property. Statistical extraction resulted in an adjustment of \$0 per 0.01 percentage points.

Personal Crime			
Adjustment	Survey Range		Concluded
Personal Crime	\$0	\$0	\$0

Condition

Our analysis also included an adjustment for the condition of each comparable as compared to the subject property. Based on our field review, we assigned a condition rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$10 per point for differences in condition ratings between the subject and the comparables.

Condition			
Adjustment	Survey Range		Concluded
Rating	\$10	\$50	\$10

Effective Age

We considered differences in effective age in our analysis. Based on our field review, we estimated the effective age for each of the properties included in this analysis. Our estimates reflected the condition-adjusted age and remaining useful life of each property. Statistical extraction resulted in an adjustment of \$1.00 per year for differences in effective age between the subject and the comparables.

Effective Age			
Adjustment	Survey Range		Concluded
Rating	\$1.00	\$5.00	\$1.00

Project Amenities

We considered the presence of various project amenities at the comparables as compared to the subject property. Project amenities include ball fields, BBQ areas, billiards, business/computer centers, car care centers, community centers, elevators, fitness centers, gazebos, hot tubs/Jacuzzis, horseshoe pits, lakes, libraries, movie theatres, picnic areas, playgrounds, pools, saunas, sports courts and walking trails. The survey range and our concluded adjustment for each amenity is summarized below.

Project Amenities			
Adjustment	Survey Range		Concluded
Ball Field	\$2	\$10	\$2
BBQ Area	\$2	\$10	\$2
Billiards	\$2	\$10	\$2
Bus/Comp Ctrs	\$2	\$10	\$2
Car Care Center	\$2	\$10	\$2
Community Center	\$2	\$10	\$2
Elevator	\$10	\$100	\$10
Fitness Center	\$2	\$10	\$2
Gazebo	\$2	\$10	\$2
Hot Tub/Jacuzzi	\$2	\$10	\$2
Horseshoe Pit	\$2	\$10	\$2
Lake	\$2	\$10	\$2
Library	\$2	\$10	\$2
Movie Theatre	\$2	\$10	\$2
Picnic Area	\$2	\$10	\$2
Playground	\$2	\$10	\$2
Pool	\$2	\$10	\$2
Sauna	\$2	\$10	\$2
Sports Court	\$2	\$10	\$2
Walking Trail	\$2	\$10	\$2

Unit Amenities

We considered the presence of various unit amenities at the comparables as compared to the subject property. Unit amenities include blinds, ceiling fans, carpeting/upgraded flooring, fireplaces, patios/balconies and storage. The survey range and our concluded adjustment for each amenity is summarized below.

Unit Amenities			
Adjustment	Survey Range		Concluded
Blinds	\$2	\$10	\$2
Ceiling Fans	\$2	\$10	\$2
Carpeting	\$2	\$10	\$2
Fireplace	\$2	\$10	\$2
Patio/Balcony	\$2	\$10	\$2
Storage	\$10	\$50	\$10

Kitchen Amenities

We considered the presence of various kitchen amenities at the comparables as compared to the subject property. Kitchen amenities include stoves, refrigerators, disposals, dishwashers and microwaves. The survey range and our concluded adjustment for each amenity is summarized below.

Kitchen Amenities			
Adjustment	Survey Range		Concluded
Stove	\$2	\$10	\$2
Refrigerator	\$2	\$10	\$2
Disposal	\$2	\$10	\$2
Dishwasher	\$2	\$10	\$10
Microwave	\$2	\$10	\$2

Parking

We also adjusted for differing types of parking configurations. We classified parking five ways: (1) Garage, (2) Covered; (3) Assigned, (4) Open and (5) No parking offered. Statistical extraction resulted in an adjustment of \$50 per month for garages; covered parking was valued at \$20; assigned parking was valued at \$10; open parking was valued at \$0; no parking was valued at \$0.

Parking			
Adjustment	Survey Range		Concluded
Garage	\$50	\$200	\$50
Covered	\$20	\$100	\$20
Assigned	\$10	\$50	\$10
Open	\$0	\$0	\$0
None	\$0	\$0	\$0

Laundry

We also evaluated differing types of laundry configurations. We classified laundry amenities three ways: (1) Central Laundry, (2) Washer/Dryer Units; and (3) Washer/Dryer Hookups. Our analysis resulted in an adjustment of \$5 per month for central laundries; washer/dryer units were valued at \$10; washer/dryer hookups were valued at \$25.

Laundry			
Adjustment	Survey Range		Concluded
Central	\$5	\$25	\$5
W/D Units	\$10	\$50	\$10
W/D Hookups	\$5	\$25	\$25

Security

We considered the presence of various security amenities at the comparables as compared to the subject property. Security amenities include call buttons, controlled access, courtesy officers, monitoring, security alarms and security patrols. The survey range and our concluded adjustment for each amenity is summarized below.

Security			
Adjustment	Survey Range		Concluded
Call Buttons	\$2	\$10	\$2
Controlled Access	\$2	\$10	\$2
Courtesy Officer	\$2	\$10	\$2
Monitoring	\$2	\$10	\$2
Security Alarms	\$2	\$10	\$2
Security Patrols	\$2	\$10	\$2

Rent Conclusion, 1BR-1BA-550sf

The development of our rent conclusion for the 1BR-1BA-550sf units is found below.

Our analysis included the evaluation of a total of 11 unit types found at 5 properties. We selected the 11 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 11 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-04	Birch Island Apartments Phase 1	1BR-1BA-550sf	\$601	\$0	\$601	-	\$0	\$601	-
003-02	Autumn Ridge 2 - LC2	2BR-1BA-850sf	\$1,036	\$0	\$1,036	\$339	-\$313	\$723	4
003-04	Autumn Ridge 2 - LC2	3BR-2BA-1013sf	\$1,197	\$0	\$1,197	\$544	-\$454	\$743	10
013-02	Bradford Mews Phase 1 & 2	2BR-2BA-1000sf	\$1,038	\$0	\$1,038	\$443	-\$425	\$613	8
013-04	Bradford Mews Phase 1 & 2	3BR-2BA-1320sf	\$1,194	\$0	\$1,194	\$574	-\$556	\$638	11
053-01	King's Landing Apartments	1BR-1BA-661sf	\$865	\$0	\$865	\$305	-\$293	\$572	3
053-02	King's Landing Apartments	2BR-1BA-858sf	\$1,005	\$0	\$1,005	\$417	-\$405	\$600	7
075-04	October Station Apartments	2BR-2BA-887sf	\$950	\$0	\$950	\$380	-\$376	\$574	6
075-05	October Station Apartments	3BR-2BA-1015sf	\$1,040	\$0	\$1,040	\$528	-\$482	\$559	9
110-02	Woods Edge Apartments	1BR-1BA-572sf	\$682	\$0	\$682	\$107	-\$39	\$643	1
110-04	Woods Edge Apartments	2BR-1BA-752sf	\$878	\$0	\$878	\$227	-\$159	\$719	2
110-06	Woods Edge Apartments	3BR-1BA-1003sf	\$762	\$0	\$762	\$367	-\$239	\$523	5
	Adjusted Rent, Minimum							\$523	
	Adjusted Rent, Maximum							\$743	
	Adjusted Rent, Average							\$628	
	Adjusted Rent, Modified Average							\$627	
	Rent, Concluded							\$625	

Our analysis suggests a rent of \$625 for the 1BR-1BA-550sf units at the subject property.

In our opinion, the 1BR-1BA-572sf units at Woods Edge Apartments (Property # 110), the 1BR-1BA-661sf units at King's Landing Apartments (Property # 053), the 2BR-1BA-850sf units at Autumn Ridge 2 - LC2 (Property # 003), the 2BR-2BA-887sf units at October Station Apartments (Property # 075), and the 2BR-2BA-1000sf units at Bradford Mews Phase 1 & 2 (Property # 013) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

In the table below we derive our "as is" rent conclusion using the "as renovated" rent conclusion developed above:

Rent Conclusion, As Is				
Adjustment	Conc Adj	As Ren	As Is	\$ Adj
Tenant Paid Utilities	0	\$138	\$99	\$39
Effective Age	\$1.00	2012	1995	-\$17
Community Center	\$2	yes	no	-\$2
Ceiling Fans	\$2	yes	no	-\$2
Dishwasher	\$10	yes	no	-\$10
Adjustments				\$8
Adjusted Rent, Minimum				\$531
Adjusted Rent, Maximum				\$751
Adjusted Rent, Average				\$636
Adjusted Rent, Modified Average				\$635
Rent, Concluded, As Is				\$635

Our analysis suggests an "as is" rent of \$635 for the 1BR-1BA-550sf units at the subject property.

Comparable	Subject	1		2		3		4		5	
Property-Unit Key	Sub-04	003-02		013-02		053-01		075-04		110-02	
Unit Type	1BR-1BA-550sf	2BR-1BA-850sf		2BR-2BA-1000sf		1BR-1BA-661sf		2BR-2BA-887sf		1BR-1BA-572sf	
Property Name	Birch Island Apartments Phase 1	Autumn Ridge 2 - LC2		Bradford Mews Phase 1 & 2		King's Landing Apartments		October Station Apartments		Woods Edge Apartments	
Address	10322 Penny Lane	116 Nancy Drive		100 Cattail Lane		1000 Litton Lane		2065 Freaney Avenue		764 Wrenn Road	
City	Wakefield	Suffolk		Smithfield		Suffolk		Suffolk		Smithfield	
State	Virginia	Virginia		Virginia		Virginia		Virginia		Virginia	
Zip	23888	23434		23430		23434		23434		23430	
Latitude	36.97372	36.71214		36.95939		36.77780		36.72995		36.97482	
Longitude	-76.97483	-76.58937		-76.60123		-76.58845		-76.55692		-76.64529	
Miles to Subject	0.00	26.38		21.17		24.53		27.40		18.66	
Year Built	1984	1998		1994		1992		2016		1984	
Year Rehab	2022	na		2013		na		na		1999	
Project Rent	Restricted	Restricted		Restricted		Restricted		Restricted		Restricted	
Project Type	Family	Family		Family		Family		Family		Family	
Project Status	Prop Rehab	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized	
Phone	(757) 899-4803	(757) 934-0847		(757) 357-0707		(877) 883-0784		757-935-5212		(757) 357-3263	
Effective Date	05-Mar-22	11-Feb-22		11-Feb-22		11-Feb-22		11-Feb-22		10-Feb-22	
<u>Project Level</u>											
Units	48	24		120		120		48		60	
Vacant Units	3	1		1		0		0		7	
Vacancy Rate	6%	4%		1%		0%		0%		12%	
<u>Unit Type</u>											
Units	4	8		66		48		12		4	
Vacant Units	0	0		0		0		0		0	
Vacancy Rate	0%	0%		0%		0%		0%		0%	
Street Rent	\$601	\$1,036		\$1,038		\$865		\$950		\$682	
Concessions	\$0	\$0		\$0		\$0		\$0		\$0	
Net Rent	\$601	\$1,036		\$1,038		\$865		\$950		\$682	
	<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>
Tenant-Paid Utilities	TPU	\$138	\$125	-\$13	\$103	-\$35	\$60	-\$78	\$132	-\$6	\$85
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Internet	\$0	yes	no	\$0	no	\$0	no	\$0	no	\$0	no
Bedrooms	\$120	1	2	-\$120	2	-\$120	1	\$0	2	-\$120	1
Bathrooms	\$50	1.00	1.00	\$0	2.00	-\$50	1.00	\$0	2.00	-\$50	1.00
Square Feet	\$0.10	550	850	-\$30	1000	-\$45	661	-\$11	887	-\$34	572
Visibility	\$0	3.00	2.00	\$0	2.50	\$0	3.25	\$0	2.50	\$0	4.00
Access	\$0	3.50	2.00	\$0	3.50	\$0	3.25	\$0	2.50	\$0	4.00
Neighborhood	\$0	2.90	2.20	\$0	4.30	\$0	4.20	\$0	2.00	\$0	3.30
Area Amenities	\$80	2.00	3.60	-\$128	3.50	-\$120	4.00	-\$160	3.40	-\$112	2.20
Median HH Income	\$0.0000	\$31,250	\$15,417	\$0	\$88,141	\$0	\$70,801	\$0	\$26,731	\$0	\$35,714
Average Commute	\$0	24.41	27.61	\$0	33.09	\$0	41.13	\$0	28.22	\$0	25.58
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0	na	\$0	na
Personal Crime	\$0	3.4%	13.2%	\$0	1.8%	\$0	2.8%	\$0	17.9%	\$0	4.6%
Condition	\$10	2.50	3.50	-\$10	4.00	-\$15	4.00	-\$15	4.00	-\$15	2.50
Effective Age	\$1.00	2012	2005	\$7	2005	\$7	2010	\$2	2016	-\$4	1990
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
BBQ Area	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2	no
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Bus/Comp Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Car Care Center	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no
Community Center	\$2	yes	no	\$2	yes	\$0	no	\$2	yes	\$0	no
Elevator	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Fitness Center	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	no
Gazebo	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Picnic Area	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2	no
Playground	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Pool	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	no
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Sports Court	\$2	no	no	\$0	no	\$0	yes	-\$2	no	\$0	no
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Ceiling Fans	\$2	yes	no	\$2	no	\$2	some	\$2	no	\$2	yes
Carpeting	\$2	yes	no	\$2	yes	\$0	yes	\$0	yes	\$0	yes
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Patio/Balcony	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	no
Storage	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Disposal	\$2	no	no	\$0	no	\$0	yes	-\$2	no	\$0	no
Dishwasher	\$10	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	no
Microwave	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Assigned	\$10	no	no	\$0	yes	-\$10	no	\$0	no	\$0	no
Open	\$0	yes	yes	\$0	no	\$0	yes	\$0	yes	\$0	yes
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Central	\$5	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
W/D Units	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
W/D Hookups	\$25	no	yes	-\$25	yes	-\$25	yes	-\$25	yes	-\$25	no
Call Buttons	\$2	some	no	\$0	no	\$0	no	\$0	no	\$0	no
Controlled Access	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Monitoring	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Security Patrols	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	yes
Indicated Rent		\$625	\$723		\$613		\$572		\$574		\$643

Rent Conclusion, 2BR-1BA-724sf

The development of our rent conclusion for the 2BR-1BA-724sf units is found below.

Our analysis included the evaluation of a total of 11 unit types found at 5 properties. We selected the 11 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 11 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-08	Birch Island Apartments Phase 1	2BR-1BA-724sf	\$649	\$0	\$649	-	\$0	\$649	-
003-02	Autumn Ridge 2 - LC2	2BR-1BA-850sf	\$1,036	\$0	\$1,036	\$231	-\$205	\$831	3
003-04	Autumn Ridge 2 - LC2	3BR-2BA-1013sf	\$1,197	\$0	\$1,197	\$378	-\$346	\$851	9
013-02	Bradford Mews Phase 1 & 2	2BR-2BA-1000sf	\$1,038	\$0	\$1,038	\$335	-\$317	\$721	7
013-04	Bradford Mews Phase 1 & 2	3BR-2BA-1320sf	\$1,194	\$0	\$1,194	\$466	-\$448	\$746	11
053-01	King's Landing Apartments	1BR-1BA-661sf	\$865	\$0	\$865	\$449	-\$185	\$680	10
053-02	King's Landing Apartments	2BR-1BA-858sf	\$1,005	\$0	\$1,005	\$308	-\$296	\$709	6
075-04	October Station Apartments	2BR-2BA-887sf	\$950	\$0	\$950	\$271	-\$267	\$683	5
075-05	October Station Apartments	3BR-2BA-1015sf	\$1,040	\$0	\$1,040	\$377	-\$373	\$667	8
110-02	Woods Edge Apartments	1BR-1BA-572sf	\$682	\$0	\$682	\$269	\$69	\$751	4
110-04	Woods Edge Apartments	2BR-1BA-752sf	\$878	\$0	\$878	\$119	-\$51	\$827	1
110-06	Woods Edge Apartments	3BR-1BA-1003sf	\$762	\$0	\$762	\$201	-\$131	\$631	2
	Adjusted Rent, Minimum					\$631			
	Adjusted Rent, Maximum					\$851			
	Adjusted Rent, Average					\$736			
	Adjusted Rent, Modified Average					\$735			
	Rent, Concluded					\$750			

Our analysis suggests a rent of \$750 for the 2BR-1BA-724sf units at the subject property.

In our opinion, the 2BR-1BA-752sf units at Woods Edge Apartments (Property # 110), the 2BR-1BA-850sf units at Autumn Ridge 2 - LC2 (Property # 003), the 2BR-2BA-887sf units at October Station Apartments (Property # 075), the 2BR-1BA-858sf units at King's Landing Apartments (Property # 053), and the 2BR-2BA-1000sf units at Bradford Mews Phase 1 & 2 (Property # 013) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

In the table below we derive our "as is" rent conclusion using the "as renovated" rent conclusion developed above:

Rent Conclusion, As Is				
Adjustment	Conc Adj	As Ren	As Is	\$ Adj
Tenant Paid Utilities	0	\$167	\$127	\$40
Effective Age	\$1.00	2012	1995	-\$17
Community Center	\$2	yes	no	-\$2
Ceiling Fans	\$2	yes	no	-\$2
Dishwasher	\$10	yes	no	-\$10
Adjustments				\$9
Adjusted Rent, Minimum				\$640
Adjusted Rent, Maximum				\$860
Adjusted Rent, Average				\$745
Adjusted Rent, Modified Average				\$744
Rent, Concluded, As Is				\$760

Our analysis suggests an "as is" rent of \$760 for the 2BR-1BA-724sf units at the subject property.

Comparable	Subject	1		2		3		4		5	
Property-Unit Key	Sub-08	003-02		013-02		053-02		075-04		110-04	
Unit Type	2BR-1BA-724sf	2BR-1BA-850sf		2BR-2BA-1000sf		2BR-1BA-858sf		2BR-2BA-887sf		2BR-1BA-752sf	
Property Name	Birch Island Apartments Phase 1	Autumn Ridge 2 - LC2		Bradford Mews Phase 1 & 2		King's Landing Apartments		October Station Apartments		Woods Edge Apartments	
Address	10322 Penny Lane	116 Nancy Drive		100 Cattail Lane		1000 Litton Lane		2065 Freaney Avenue		764 Wrenn Road	
City	Wakefield	Suffolk		Smithfield		Suffolk		Suffolk		Smithfield	
State	Virginia	Virginia		Virginia		Virginia		Virginia		Virginia	
Zip	23888	23434		23430		23434		23434		23430	
Latitude	36.97372	36.71214		36.95939		36.77780		36.72995		36.97482	
Longitude	-76.97483	-76.58937		-76.60123		-76.58845		-76.55692		-76.64529	
Miles to Subject	0.00	26.38		21.17		24.53		27.40		18.66	
Year Built	1984	1998		1994		1992		2016		1984	
Year Rehab	2022	na		2013		na		na		1999	
Project Rent	Restricted	Restricted		Restricted		Restricted		Restricted		Restricted	
Project Type	Family	Family		Family		Family		Family		Family	
Project Status	Prop Rehab	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized	
Phone	(757) 899-4803	(757) 934-0847		(757) 357-0707		(877) 883-0784		757-935-5212		(757) 357-3263	
Effective Date	05-Mar-22	11-Feb-22		11-Feb-22		11-Feb-22		11-Feb-22		10-Feb-22	
<u>Project Level</u>											
Units	48	24		120		120		48		60	
Vacant Units	3	1		1		0		0		7	
Vacancy Rate	6%	4%		1%		0%		0%		12%	
<u>Unit Type</u>											
Units	5	8		66		72		12		4	
Vacant Units	3	0		0		0		0		1	
Vacancy Rate	60%	0%		0%		0%		0%		25%	
Street Rent	\$649	\$1,036		\$1,038		\$1,005		\$950		\$878	
Concessions	\$0	\$0		\$0		\$0		\$0		\$0	
Net Rent	\$649	\$1,036		\$1,038		\$1,005		\$950		\$878	
	<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>
Tenant-Paid Utilities	TPU	\$167	\$125	-\$42	\$103	-\$64	\$88	-\$79	\$132	-\$35	\$103
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Internet	\$0	yes	no	\$0	no	\$0	no	\$0	no	\$0	no
Bedrooms	\$120	2	2	\$0	2	\$0	2	\$0	2	\$0	2
Bathrooms	\$50	1.00	1.00	\$0	2.00	-\$50	1.00	\$0	2.00	-\$50	1.00
Square Feet	\$0.10	724	850	-\$13	1000	-\$28	858	-\$13	887	-\$16	752
Visibility	\$0	3.00	2.00	\$0	2.50	\$0	3.25	\$0	2.50	\$0	4.00
Access	\$0	3.50	2.00	\$0	3.50	\$0	3.25	\$0	2.50	\$0	4.00
Neighborhood	\$0	2.90	2.20	\$0	4.30	\$0	4.20	\$0	2.00	\$0	3.30
Area Amenities	\$80	2.00	3.60	-\$128	3.50	-\$120	4.00	-\$160	3.40	-\$112	2.20
Median HH Income	\$0.0000	\$31,250	\$15,417	\$0	\$88,141	\$0	\$70,801	\$0	\$26,731	\$0	\$35,714
Average Commute	\$0	24.41	27.61	\$0	33.09	\$0	41.13	\$0	28.22	\$0	25.58
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0	na	\$0	na
Personal Crime	\$0	3.4%	13.2%	\$0	1.8%	\$0	2.8%	\$0	17.9%	\$0	4.6%
Condition	\$10	2.50	3.50	-\$10	4.00	-\$15	4.00	-\$15	4.00	-\$15	2.50
Effective Age	\$1.00	2012	2005	\$7	2005	\$7	2010	\$2	2016	-\$4	1990
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
BBQ Area	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2	no
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Bus/Comp Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Car Care Center	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no
Community Center	\$2	yes	no	\$2	yes	\$0	no	\$2	yes	\$0	no
Elevator	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Fitness Center	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	no
Gazebo	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Picnic Area	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2	no
Playground	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Pool	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	no
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Sports Court	\$2	no	no	\$0	no	\$0	yes	-\$2	no	\$0	no
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Ceiling Fans	\$2	yes	no	\$2	no	\$2	some	\$2	no	\$2	yes
Carpeting	\$2	yes	no	\$2	yes	\$0	yes	\$0	yes	\$0	yes
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Patio/Balcony	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	no
Storage	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Disposal	\$2	no	no	\$0	no	\$0	yes	-\$2	no	\$0	no
Dishwasher	\$10	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	no
Microwave	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Assigned	\$10	no	no	\$0	yes	-\$10	no	\$0	no	\$0	no
Open	\$0	yes	yes	\$0	no	\$0	yes	\$0	yes	\$0	yes
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Central	\$5	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
W/D Units	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
W/D Hookups	\$25	no	yes	-\$25	yes	-\$25	yes	-\$25	yes	-\$25	no
Call Buttons	\$2	some	no	\$0	no	\$0	no	\$0	no	\$0	no
Controlled Access	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Monitoring	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Security Patrols	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	yes
Indicated Rent		\$750	\$831		\$721		\$709		\$683		\$827

Rent Conclusion, 3BR-1BA-967sf

The development of our rent conclusion for the 3BR-1BA-967sf units is found below.

Our analysis included the evaluation of a total of 11 unit types found at 5 properties. We selected the 11 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 11 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-11	Birch Island Apartments Phase 1	3BR-1BA-967sf	\$754	\$0	\$754	-	\$0	\$754	-
003-02	Autumn Ridge 2 - LC2	2BR-1BA-850sf	\$1,036	\$0	\$1,036	\$407	-\$117	\$919	6
003-04	Autumn Ridge 2 - LC2	3BR-2BA-1013sf	\$1,197	\$0	\$1,197	\$285	-\$259	\$938	2
013-02	Bradford Mews Phase 1 & 2	2BR-2BA-1000sf	\$1,038	\$0	\$1,038	\$487	-\$229	\$809	10
013-04	Bradford Mews Phase 1 & 2	3BR-2BA-1320sf	\$1,194	\$0	\$1,194	\$378	-\$360	\$834	5
053-01	King's Landing Apartments	1BR-1BA-661sf	\$865	\$0	\$865	\$651	-\$97	\$768	11
053-02	King's Landing Apartments	2BR-1BA-858sf	\$1,005	\$0	\$1,005	\$483	-\$209	\$796	9
075-04	October Station Apartments	2BR-2BA-887sf	\$950	\$0	\$950	\$440	-\$180	\$770	7
075-05	October Station Apartments	3BR-2BA-1015sf	\$1,040	\$0	\$1,040	\$290	-\$286	\$754	3
110-02	Woods Edge Apartments	1BR-1BA-572sf	\$682	\$0	\$682	\$471	\$157	\$839	8
110-04	Woods Edge Apartments	2BR-1BA-752sf	\$878	\$0	\$878	\$315	\$37	\$915	4
110-06	Woods Edge Apartments	3BR-1BA-1003sf	\$762	\$0	\$762	\$112	-\$44	\$718	1

Adjusted Rent, Minimum	\$718
Adjusted Rent, Maximum	\$938
Adjusted Rent, Average	\$824
Adjusted Rent, Modified Average	\$822
Rent, Concluded	\$800

Our analysis suggests a rent of \$800 for the 3BR-1BA-967sf units at the subject property.

In our opinion, the 3BR-1BA-1003sf units at Woods Edge Apartments (Property # 110), the 3BR-2BA-1013sf units at Autumn Ridge 2 - LC2 (Property # 003), the 3BR-2BA-1015sf units at October Station Apartments (Property # 075), the 3BR-2BA-1320sf units at Bradford Mews Phase 1 & 2 (Property # 013), and the 2BR-1BA-858sf units at King's Landing Apartments (Property # 053) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

In the table below we derive our "as is" rent conclusion using the "as renovated" rent conclusion developed above:

Rent Conclusion, As Is				
Adjustment	Conc Adj	As Ren	As Is	\$ Adj
Tenant Paid Utilities	0	\$224	\$173	\$51
Effective Age	\$1.00	2012	1995	-\$17
Community Center	\$2	yes	no	-\$2
Ceiling Fans	\$2	yes	no	-\$2
Dishwasher	\$10	yes	no	-\$10
Adjustments				\$20
Adjusted Rent, Minimum				\$738
Adjusted Rent, Maximum				\$958
Adjusted Rent, Average				\$844
Adjusted Rent, Modified Average				\$842
Rent, Concluded, As Is				\$820

Our analysis suggests an "as is" rent of \$820 for the 3BR-1BA-967sf units at the subject property.

Comparable	Subject	1		2		3		4		5		
Property-Unit Key	Sub-11	003-04		013-04		053-02		075-05		110-06		
Unit Type	3BR-1BA-967sf	3BR-2BA-1013sf		3BR-2BA-1320sf		2BR-1BA-858sf		3BR-2BA-1015sf		3BR-1BA-1003sf		
Property Name	Birch Island Apartments Phase 1	Autumn Ridge 2 - LC2		Bradford Mews Phase 1 & 2		King's Landing Apartments		October Station Apartments		Woods Edge Apartments		
Address	10322 Penny Lane	116 Nancy Drive		100 Cattail Lane		1000 Litton Lane		2065 Freaney Avenue		764 Wrenn Road		
City	Wakefield	Suffolk		Smithfield		Suffolk		Suffolk		Smithfield		
State	Virginia	Virginia		Virginia		Virginia		Virginia		Virginia		
Zip	23888	23434		23430		23434		23434		23430		
Latitude	36.97372	36.71214		36.95939		36.77780		36.72995		36.97482		
Longitude	-76.97483	-76.58937		-76.60123		-76.58845		-76.55692		-76.64529		
Miles to Subject	0.00	26.38		21.17		24.53		27.40		18.66		
Year Built	1984	1998		1994		1992		2016		1984		
Year Rehab	2022	na		2013		na		na		1999		
Project Rent	Restricted	Restricted		Restricted		Restricted		Restricted		Restricted		
Project Type	Family	Family		Family		Family		Family		Family		
Project Status	Prop Rehab	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized		
Phone	(757) 899-4803	(757) 934-0847		(757) 357-0707		(877) 883-0784		757-935-5212		(757) 357-3263		
Effective Date	05-Mar-22	11-Feb-22		11-Feb-22		11-Feb-22		11-Feb-22		10-Feb-22		
<u>Project Level</u>												
Units	48	24		120		120		48		60		
Vacant Units	3	1		1		0		0		7		
Vacancy Rate	6%	4%		1%		0%		0%		12%		
<u>Unit Type</u>												
Units	4	4		36		72		12		2		
Vacant Units	0	0		1		0		0		2		
Vacancy Rate	0%	0%		3%		0%		0%		100%		
Street Rent	\$754	\$1,197		\$1,194		\$1,005		\$1,040		\$762		
Concessions	\$0	\$0		\$0		\$0		\$0		\$0		
Net Rent	\$754	\$1,197		\$1,194		\$1,005		\$1,040		\$762		
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	
Tenant-Paid Utilities	TPU	\$224	\$170	-\$54	\$124	-\$100	\$88	-\$136	\$159	-\$65	\$168	-\$56
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Internet	\$0	yes	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$120	3	3	\$0	3	\$0	2	\$120	3	\$0	3	\$0
Bathrooms	\$50	1.00	2.00	-\$50	2.00	-\$50	1.00	\$0	2.00	-\$50	1.00	\$0
Square Feet	\$0.10	967	1013	-\$5	1320	-\$35	858	\$11	1015	-\$5	1003	-\$4
Visibility	\$0	3.00	2.00	\$0	2.50	\$0	3.25	\$0	2.50	\$0	4.00	\$0
Access	\$0	3.50	2.00	\$0	3.50	\$0	3.25	\$0	2.50	\$0	4.00	\$0
Neighborhood	\$0	2.90	2.20	\$0	4.30	\$0	4.20	\$0	2.00	\$0	3.30	\$0
Area Amenities	\$80	2.00	3.60	-\$128	3.50	-\$120	4.00	-\$160	3.40	-\$112	2.20	-\$16
Median HH Income	\$0.0000	\$31,250	\$15,417	\$0	\$88,141	\$0	\$70,801	\$0	\$26,731	\$0	\$35,714	\$0
Average Commute	\$0	24.41	27.61	\$0	33.09	\$0	41.13	\$0	28.22	\$0	25.58	\$0
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0	na	\$0	na	\$0
Personal Crime	\$0	3.4%	13.2%	\$0	1.8%	\$0	2.8%	\$0	17.9%	\$0	4.6%	\$0
Condition	\$10	2.50	3.50	-\$10	4.00	-\$15	4.00	-\$15	4.00	-\$15	2.50	\$0
Effective Age	\$1.00	2012	2005	\$7	2005	\$7	2010	\$2	2016	-\$4	1990	\$22
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2	no	\$0
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bus/Comp Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Car Care Center	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	no	\$2	yes	\$0	no	\$2	yes	\$0	no	\$2
Elevator	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Fitness Center	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	no	\$0
Gazebo	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no	\$0
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Picnic Area	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2	no	\$0
Playground	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Pool	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	no	\$0
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	no	\$0	yes	-\$2	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$2	yes	no	\$2	no	\$2	some	\$2	no	\$2	yes	\$0
Carpeting	\$2	yes	no	\$2	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Patio/Balcony	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	no	\$0
Storage	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	no	\$0	no	\$0	yes	-\$2	no	\$0	no	\$0
Dishwasher	\$10	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	no	\$10
Microwave	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	no	\$0	yes	-\$10	no	\$0	no	\$0	no	\$0
Open	\$0	yes	yes	\$0	no	\$0	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$5	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
W/D Units	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
W/D Hookups	\$25	no	yes	-\$25	yes	-\$25	yes	-\$25	yes	-\$25	no	\$0
Call Buttons	\$2	some	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Controlled Access	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Monitoring	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Patrols	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	yes	-\$2
Indicated Rent	\$800	\$938		\$834		\$796		\$754		\$718		

Restricted Market Rent Conclusion

Based on our evaluation of the rents at the select comparable properties, and considering the location, quality and amenities of the subject property, we conclude the following market rents for the subject property units, assuming that the subject were a restricted property:

Restricted Market Rent Conclusion				
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Market
1BR-1BA-550sf / 40% of AMI / 40% of AMI	No	Yes	2	\$625
1BR-1BA-550sf / 50% of AMI / 50% of AMI	No	Yes	6	\$625
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	Yes	4	\$625
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	No	4	\$625
2BR-1BA-724sf / 40% of AMI / 40% of AMI	No	Yes	2	\$750
2BR-1BA-724sf / 50% of AMI / 50% of AMI	No	Yes	10	\$750
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	Yes	7	\$750
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	No	5	\$750
3BR-1BA-967sf / 40% of AMI / 40% of AMI	No	Yes	1	\$800
3BR-1BA-967sf / 50% of AMI / 50% of AMI	No	Yes	3	\$800
3BR-1BA-967sf / 60% of AMI / 60% of AMI	No	No	4	\$800
Total / Average			48	\$717

Our analysis suggests an average restricted market rent of \$717 for the subject property.

We selected a total of 5 properties as comparables for purposes of our analysis. The average occupancy at the select rent comparables currently stands at 99 percent.

The occupancy rate of the selected rent comparables is broken out in the tables below:

Occupancy Rate, Select Comparables								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								
1-Bedroom	90%				100%			
2-Bedroom	100%			96%	99%			
3-Bedroom	67%			100%	95%			
4-Bedroom								
Total	93%			97%	99%			

Occupancy rates for all stabilized market area properties are broken out below:

Occupancy Rate, Stabilized Properties								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								
1-Bedroom	97%			94%	93%			100%
2-Bedroom	95%		100%	96%	94%			100%
3-Bedroom	84%			100%	94%			100%
4-Bedroom								
Total	95%		100%	96%	94%			100%

Rents at rent restricted properties tend to move with median household incomes for an area. Given HUD's published median incomes, we were able to derive 1, 2 and 3-bedroom 60% of AMI rent limits for the subject's primary market area. According to our analysis, maximum 2-bedroom rents for the area grew from \$998 to \$1215 since 2010. This represents an average 2.0% annual increase over this period.

Maximum tax credit rent data for the area is found below:

Maximum Tax Credit Rents, 60% of AMI						
Year	Rent			Change		
	1BR	2BR	3BR	1BR	2BR	3BR
2008	\$780	\$936	\$1,081	-	-	-
2009	\$824	\$988	\$1,142	5.6%	5.6%	5.6%
2010	\$831	\$998	\$1,153	0.8%	1.0%	1.0%
2011	\$839	\$1,007	\$1,164	1.0%	0.9%	1.0%
2012	\$851	\$1,021	\$1,179	1.4%	1.4%	1.3%
2013	\$831	\$998	\$1,153	-2.4%	-2.3%	-2.2%
2014	\$820	\$984	\$1,137	-1.3%	-1.4%	-1.4%
2015	\$835	\$1,002	\$1,158	1.8%	1.8%	1.8%
2016	\$814	\$977	\$1,129	-2.5%	-2.5%	-2.5%
2017	\$885	\$1,062	\$1,228	8.7%	8.7%	8.8%
2018	\$936	\$1,123	\$1,298	5.8%	5.7%	5.7%
2019	\$972	\$1,166	\$1,348	3.8%	3.8%	3.9%
2020	\$1,006	\$1,207	\$1,395	3.5%	3.5%	3.5%
2021	\$1,012	\$1,215	\$1,404	0.6%	0.7%	0.6%

Source: HUD

Restricted Market Rent Conclusion, As Is

In the table found below we summarize the market rents for the subject property units on an "as is" basis, assuming that the subject were a restricted property:

Restricted Market Rent Conclusion, As Is				
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Market
1BR-1BA-550sf / 50% of AMI / 50% of AMI	No	Yes	3	\$635
1BR-1BA-550sf / 50% of AMI / 50% of AMI	No	Yes	8	\$635
1BR-1BA-550sf / 50% of AMI / 50% of AMI	No	No	2	\$635
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	No	3	\$635
2BR-1BA-724sf / 50% of AMI / 50% of AMI	No	Yes	5	\$760
2BR-1BA-724sf / 50% of AMI / 50% of AMI	No	Yes	13	\$760
2BR-1BA-724sf / 50% of AMI / 50% of AMI	No	No	1	\$760
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	No	5	\$760
3BR-1BA-967sf / 50% of AMI / 50% of AMI	No	Yes	2	\$820
3BR-1BA-967sf / 50% of AMI / 50% of AMI	No	Yes	4	\$820
3BR-1BA-967sf / 60% of AMI / 60% of AMI	No	No	2	\$820
Total / Average			48	\$728

Achievable Rent Conclusion

The next step in our analysis is to develop an achievable rent conclusion for the subject property. Achievable rents represent the absolute highest rent permissible for the area, considering market rents, program rent limits, and any other applicable rent restrictions on the subject property.

Our analysis begins by establishing the applicable program rent limits for the subject property. Program rent limits include any applicable LIHTC and FMR rent limits. LIHTC rent limits typically apply to units benefitting from tax credit and/or bond financing. The LIHTC rent limits for applicable units at the subject property follow:

LIHTC Rent Limits						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Gross Rent	Utilities	Net Rent
1BR-1BA-550sf / 40% of AMI / 40% of AMI	No	Yes	2	\$675	\$138	\$537
1BR-1BA-550sf / 50% of AMI / 50% of AMI	No	Yes	6	\$843	\$138	\$705
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	Yes	4	\$1,012	\$138	\$874
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	No	4	\$1,012	\$138	\$874
2BR-1BA-724sf / 40% of AMI / 40% of AMI	No	Yes	2	\$810	\$167	\$643
2BR-1BA-724sf / 50% of AMI / 50% of AMI	No	Yes	10	\$1,012	\$167	\$845
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	Yes	7	\$1,215	\$167	\$1,048
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	No	5	\$1,215	\$167	\$1,048
3BR-1BA-967sf / 40% of AMI / 40% of AMI	No	Yes	1	\$936	\$224	\$712
3BR-1BA-967sf / 50% of AMI / 50% of AMI	No	Yes	3	\$1,170	\$224	\$946
3BR-1BA-967sf / 60% of AMI / 60% of AMI	No	No	4	\$1,404	\$224	\$1,180
Total / Average			48	\$1,060	\$167	\$893

Our analysis suggests an average net LIHTC rent limit of \$893 for 48 applicable units at the subject property.

FMR rent limits typically apply to units benefitting from HOME funds. The FMR rent limits for applicable units at the subject property follow:

FMR Rent Limits						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Gross Rent	Utilities	Net Rent
1BR-1BA-550sf / 40% of AMI / 40% of AMI	No	Yes	-	-	-	-
1BR-1BA-550sf / 50% of AMI / 50% of AMI	No	Yes	-	-	-	-
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	Yes	-	-	-	-
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	No	-	-	-	-
2BR-1BA-724sf / 40% of AMI / 40% of AMI	No	Yes	-	-	-	-
2BR-1BA-724sf / 50% of AMI / 50% of AMI	No	Yes	-	-	-	-
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	Yes	-	-	-	-
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	No	-	-	-	-
3BR-1BA-967sf / 40% of AMI / 40% of AMI	No	Yes	-	-	-	-
3BR-1BA-967sf / 50% of AMI / 50% of AMI	No	Yes	-	-	-	-
3BR-1BA-967sf / 60% of AMI / 60% of AMI	No	No	-	-	-	-
Total / Average			-	-	-	-

HOME funding is not proposed for the subject property.

Units benefitting exclusively from tax credits and/or bond financing are subject to LIHTC rent limits. Units benefitting from HOME funds in addition to tax credit and/or bond financing are subject to the lesser of LIHTC rent limits or FMR rent limits. Units benefitting from project-based rental assistance are normally limited to unrestricted market rent. With these parameters in mind, the following table sets forth the concluded program rent limits for applicable units at the subject property:

Program Rent Limits							
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	LIHTC	FMR	Market	Program
1BR-1BA-550sf / 40% of AMI / 40% of AMI	No	Yes	2	\$537	-	\$880	\$880
1BR-1BA-550sf / 50% of AMI / 50% of AMI	No	Yes	6	\$705	-	\$880	\$880
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	Yes	4	\$874	-	\$880	\$880
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	No	4	\$874	-	-	\$874
2BR-1BA-724sf / 40% of AMI / 40% of AMI	No	Yes	2	\$643	-	\$1,015	\$1,015
2BR-1BA-724sf / 50% of AMI / 50% of AMI	No	Yes	10	\$845	-	\$1,015	\$1,015
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	Yes	7	\$1,048	-	\$1,015	\$1,015
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	No	5	\$1,048	-	-	\$1,048
3BR-1BA-967sf / 40% of AMI / 40% of AMI	No	Yes	1	\$712	-	\$1,120	\$1,120
3BR-1BA-967sf / 50% of AMI / 50% of AMI	No	Yes	3	\$946	-	\$1,120	\$1,120
3BR-1BA-967sf / 60% of AMI / 60% of AMI	No	No	4	\$1,180	-	-	\$1,180
Total / Average			48	\$893	-	\$981	\$995

Our analysis suggests an average program rent limit of \$995 for 48 applicable units at the subject property.

Now that we have established program rent limits, we are in a position to develop an achievable rent conclusion for the subject property. Achievable rents represent the absolute highest rent permissible for the area, considering unrestricted and restricted market rents, program rent limits, and any other applicable rent restrictions on the subject property. The following table summarizes our findings:

Achievable Rents									
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Program	Unrestricted	Restricted	Achievable	Proposed	Advantage
1BR-1BA-550sf / 40% of AMI / 40% of AMI	No	Yes	2	\$880	\$880	\$625	\$880	\$601	31.7%
1BR-1BA-550sf / 50% of AMI / 50% of AMI	No	Yes	6	\$880	\$880	\$625	\$880	\$601	31.7%
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	Yes	4	\$880	\$880	\$625	\$880	\$601	31.7%
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	No	4	\$874	\$880	\$625	\$625	\$601	3.8%
2BR-1BA-724sf / 40% of AMI / 40% of AMI	No	Yes	2	\$1,015	\$1,015	\$750	\$1,015	\$649	36.1%
2BR-1BA-724sf / 50% of AMI / 50% of AMI	No	Yes	10	\$1,015	\$1,015	\$750	\$1,015	\$649	36.1%
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	Yes	7	\$1,015	\$1,015	\$750	\$1,015	\$649	36.1%
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	No	5	\$1,048	\$1,015	\$750	\$750	\$649	13.5%
3BR-1BA-967sf / 40% of AMI / 40% of AMI	No	Yes	1	\$1,120	\$1,120	\$800	\$1,120	\$754	32.7%
3BR-1BA-967sf / 50% of AMI / 50% of AMI	No	Yes	3	\$1,120	\$1,120	\$800	\$1,120	\$754	32.7%
3BR-1BA-967sf / 60% of AMI / 60% of AMI	No	No	4	\$1,180	\$1,120	\$800	\$800	\$754	5.8%
Total / Average			48	\$995	\$988	\$717	\$912	\$651	28.7%

Our analysis suggests an average achievable rent of \$912 for the subject property. This is compared with an average proposed rent of \$651, yielding an achievable rent advantage of 28.7 percent. Overall, the subject property appears to be priced at or below achievable rents for the area.

Finally, assuming no rent subsidies, we arrive at the following achievable rents for units at this property:

Achievable Rents, No Rent Subsidies									
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Program	Unrestricted	Restricted	Achievable	Proposed	Advantage
1BR-1BA-550sf / 40% of AMI / 40% of AMI	No	No	2	\$537	\$880	\$625	\$537	\$601	-11.9%
1BR-1BA-550sf / 50% of AMI / 50% of AMI	No	No	6	\$705	\$880	\$625	\$625	\$601	3.8%
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	No	4	\$874	\$880	\$625	\$625	\$601	3.8%
1BR-1BA-550sf / 60% of AMI / 60% of AMI	No	No	4	\$874	\$880	\$625	\$625	\$601	3.8%
2BR-1BA-724sf / 40% of AMI / 40% of AMI	No	No	2	\$643	\$1,015	\$750	\$643	\$649	-0.9%
2BR-1BA-724sf / 50% of AMI / 50% of AMI	No	No	10	\$845	\$1,015	\$750	\$750	\$649	13.5%
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	No	7	\$1,048	\$1,015	\$750	\$750	\$649	13.5%
2BR-1BA-724sf / 60% of AMI / 60% of AMI	No	No	5	\$1,048	\$1,015	\$750	\$750	\$649	13.5%
3BR-1BA-967sf / 40% of AMI / 40% of AMI	No	No	1	\$712	\$1,120	\$800	\$712	\$754	-5.9%
3BR-1BA-967sf / 50% of AMI / 50% of AMI	No	No	3	\$946	\$1,120	\$800	\$800	\$754	5.8%
3BR-1BA-967sf / 60% of AMI / 60% of AMI	No	No	4	\$1,180	\$1,120	\$800	\$800	\$754	5.8%
Total / Average			48	\$893	\$988	\$717	\$707	\$651	8.0%

DEMAND ANALYSIS

Overview

In this section we evaluate demand for the subject property using the recommended demand methodology promulgated by the National Council of Housing Market Analysts (NCHMA). For purposes of this analysis, we define demand as the number of income-qualified renter households (by household size and unit type) that would qualify to live at the subject property at the lesser of the developer's proposed rents or achievable rents.

Our analysis begins by developing a breakdown of the number of renter households, by income, by size as of the date of market entry for this development. This breakdown, which utilizes demographic data presented earlier in this report, is presented below:

2022 \$		Renter Households, by Income, by Size							
		2023							
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Total	
\$0	to \$9,999	285	83	93	67	21	12	561	
\$0	to \$19,999	655	287	204	103	54	29	1,333	
\$0	to \$29,999	876	399	284	195	80	41	1,875	
\$0	to \$39,999	973	524	340	210	126	60	2,231	
\$0	to \$49,999	1,125	590	377	260	150	71	2,573	
\$0	to \$59,999	1,161	671	391	278	173	79	2,754	
\$0	to \$74,999	1,195	768	414	323	181	82	2,964	
\$0	to \$99,999	1,252	913	487	381	191	86	3,310	
\$0	to \$124,999	1,271	941	501	439	199	86	3,437	
\$0	to \$149,999	1,308	963	520	463	210	90	3,554	
\$0	to \$199,999	1,323	971	522	465	222	94	3,596	
\$0	or more	1,339	996	533	469	227	94	3,658	

Source: ESRI & Ribbon Demographics

Our analysis includes an estimate of demand along with capture rate and penetration rate estimates. Capture rates were computed two ways: (1) On a gross basis (the number of proposed units divided by qualified demand) and (2) On a net basis (the number of proposed units divided by qualified demand minus competing & pipeline units). Penetration rates are defined as the number of proposed units plus competing & pipeline units divided by income-qualified demand. In the following pages we provide detailed listings of competing & pipeline units in the market area broken by unit type.

Competing & Pipeline Units, 1-Bedroom Units

Overview						Total Units								Vacant Units									
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt	Sub	30%	40%	50%	60%	70%	80%	Mkt	
009	Birch Island Apartments Phase 1	1984	2000	Restricted	Family	Stabilized	11			2	3												
010	Birch Island Apartments Phase 2	1988	2008	Restricted	Family	Stabilized	3			5													
013	Bradford Mews Phase 1 & 2	1994	2013	Restricted	Family	Stabilized																	
017	Cedar Street Apartments	1990	2010	Restricted	Family	Stabilized																	
023	Church Manor Apartments	1972	2004	Restricted	Family	Stabilized				6													
052	Jersey Park Apartments	1986	2006	Subsidized	Family	Stabilized	16								1								
063	Morris Creek Landing Apartments	1988	2004	Market Rate	Family	Stabilized								20									
070	New Surry Village	1990	2015	Restricted	Family	Stabilized	8								1								
078	Patriots Landing Apartments	2010	na	Market Rate	Family	Stabilized																	
092	Surry Village Apartments Phase 1	1985	2006	Restricted	Family	Stabilized	16								1								
095	Sussex Trace Apartments	1982	na	Subsidized	Family	Stabilized																	
101	Waverly Village Apartments	1988	2004	Restricted	Family	Stabilized	8				8				1							1	
107	Windsor Court Apartments Phase 1	1988	2005	Restricted	Family	Stabilized	12			4								1					
109	Windsor Court Apartments Phase 2	1990	na	Subsidized	Family	Stabilized	16																
110	Woods Edge Apartments	1984	1999	Restricted	Family	Stabilized	20				4				2								
Total							110			17	15			20	6			1	1				

Source: Allen & Associates

Competing & Pipeline Units, 2-Bedroom Units

Overview		Total Units												Vacant Units									
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt	Sub	30%	40%	50%	60%	70%	80%	Mkt	
009	Birch Island Apartments Phase 1	1984	2000	Restricted	Family	Stabilized	18			1	5												
010	Birch Island Apartments Phase 2	1988	2008	Restricted	Family	Stabilized	3			5								1					
013	Bradford Mews Phase 1 & 2	1994	2013	Restricted	Family	Stabilized					72												
017	Cedar Street Apartments	1990	2010	Restricted	Family	Stabilized	18			6													
023	Church Manor Apartments	1972	2004	Restricted	Family	Stabilized			5	31													
052	Jersey Park Apartments	1986	2006	Subsidized	Family	Stabilized	64								2								
063	Morris Creek Landing Apartments	1988	2004	Market Rate	Family	Stabilized																	67
070	New Surry Village	1990	2015	Restricted	Family	Stabilized	23			1					2								
078	Patriots Landing Apartments	2010	na	Market Rate	Family	Stabilized																	13
092	Surry Village Apartments Phase 1	1985	2006	Restricted	Family	Stabilized	30			1					2								
095	Sussex Trace Apartments	1982	na	Subsidized	Family	Stabilized	30								5								
101	Waverly Village Apartments	1988	2004	Restricted	Family	Stabilized	19				5				1								1
107	Windsor Court Apartments Phase 1	1988	2005	Restricted	Family	Stabilized	19			5								1					
109	Windsor Court Apartments Phase 2	1990	na	Subsidized	Family	Stabilized	8								1								
110	Woods Edge Apartments	1984	1999	Restricted	Family	Stabilized	24				4												1
Total							256		5	50	86			80	13			2					5

Source: Allen & Associates

Competing & Pipeline Units, 3-Bedroom Units

Overview						Total Units								Vacant Units									
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt	Sub	30%	40%	50%	60%	70%	80%	Mkt	
009	Birch Island Apartments Phase 1	1984	2000	Restricted	Family	Stabilized	6				2												
010	Birch Island Apartments Phase 2	1988	2008	Restricted	Family	Stabilized																	
013	Bradford Mews Phase 1 & 2	1994	2013	Restricted	Family	Stabilized					48												1
017	Cedar Street Apartments	1990	2010	Restricted	Family	Stabilized																	
023	Church Manor Apartments	1972	2004	Restricted	Family	Stabilized				8													
052	Jersey Park Apartments	1986	2006	Subsidized	Family	Stabilized																	
063	Morris Creek Landing Apartments	1988	2004	Market Rate	Family	Stabilized																	
070	New Surry Village	1990	2015	Restricted	Family	Stabilized																	
078	Patriots Landing Apartments	2010	na	Market Rate	Family	Stabilized								2									
092	Surry Village Apartments Phase 1	1985	2006	Restricted	Family	Stabilized																	
095	Sussex Trace Apartments	1982	na	Subsidized	Family	Stabilized	20								3								
101	Waverly Village Apartments	1988	2004	Restricted	Family	Stabilized																	
107	Windsor Court Apartments Phase 1	1988	2005	Restricted	Family	Stabilized																	
109	Windsor Court Apartments Phase 2	1990	na	Subsidized	Family	Stabilized																	
110	Woods Edge Apartments	1984	1999	Restricted	Family	Stabilized	6				2				2								2
Total							32			8	52			2	5								3

Source: Allen & Associates

Demand Estimate, 1-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 1-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 12 units, 6 of which are anticipated to be vacant on market entry in 2023. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Subsidized
Income Limit	60% of AMI
Total Units	12
Vacant Units at Market Entry	6

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$138
Gross Rent	\$138
Income Qualification Ratio	35%
Minimum Qualified Income	\$394
Months/Year	12
Minimum Qualified Income	\$4,731

Renter Households, by Income, by Size								
2023								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	655	287	204	103	54	29
\$0	to	\$29,999	876	399	284	195	80	41
\$0	to	\$39,999	973	524	340	210	126	60
\$0	to	\$49,999	1,125	590	377	260	150	71
\$0	to	\$59,999	1,161	671	391	278	173	79
\$0	to	\$74,999	1,195	768	414	323	181	82
\$0	to	\$99,999	1,252	913	487	381	191	86
\$0	to	\$124,999	1,271	941	501	439	199	86
\$0	to	\$149,999	1,308	963	520	463	210	90
\$0	to	\$199,999	1,323	971	522	465	222	94
\$0	or	more	1,339	996	533	469	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	\$62,640	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	No	No	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	949	544	0	0	0	0
HH Below Minimum Income	128	37	0	0	0	0
Subtotal	820	506	0	0	0	0

Demand Estimate 1,327

Our analysis suggests demand for a total of 1,327 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 1-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 1-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 4 units, 2 of which are anticipated to be vacant on market entry in 2023. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	4
Vacant Units at Market Entry	2

Minimum Qualified Income	
Net Rent	\$601
Utilities	\$138
Gross Rent	\$739
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,111
Months/Year	12
Minimum Qualified Income	\$25,337

Renter Households, by Income, by Size								
2023								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	655	287	204	103	54	29
\$0	to	\$29,999	876	399	284	195	80	41
\$0	to	\$39,999	973	524	340	210	126	60
\$0	to	\$49,999	1,125	590	377	260	150	71
\$0	to	\$59,999	1,161	671	391	278	173	79
\$0	to	\$74,999	1,195	768	414	323	181	82
\$0	to	\$99,999	1,252	913	487	381	191	86
\$0	to	\$124,999	1,271	941	501	439	199	86
\$0	to	\$149,999	1,308	963	520	463	210	90
\$0	to	\$199,999	1,323	971	522	465	222	94
\$0	or	more	1,339	996	533	469	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	\$62,640	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	No	No	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	949	544	0	0	0	0
HH Below Minimum Income	766	343	0	0	0	0
Subtotal	183	201	0	0	0	0

Demand Estimate 384

Our analysis suggests demand for a total of 384 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 2-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 19 units, 9 of which are anticipated to be vacant on market entry in 2023. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Subsidized
Income Limit	60% of AMI
Total Units	19
Vacant Units at Market Entry	9

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$167
Gross Rent	\$167
Income Qualification Ratio	35%
Minimum Qualified Income	\$477
Months/Year	12
Minimum Qualified Income	\$5,726

Renter Households, by Income, by Size								
2023								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	655	287	204	103	54	29
\$0	to	\$29,999	876	399	284	195	80	41
\$0	to	\$39,999	973	524	340	210	126	60
\$0	to	\$49,999	1,125	590	377	260	150	71
\$0	to	\$59,999	1,161	671	391	278	173	79
\$0	to	\$74,999	1,195	768	414	323	181	82
\$0	to	\$99,999	1,252	913	487	381	191	86
\$0	to	\$124,999	1,271	941	501	439	199	86
\$0	to	\$149,999	1,308	963	520	463	210	90
\$0	to	\$199,999	1,323	971	522	465	222	94
\$0	or	more	1,339	996	533	469	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	\$62,640	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	949	544	371	267	0	0
HH Below Minimum Income	157	46	51	37	0	0
Subtotal	792	498	320	230	0	0

Demand Estimate 1,841

Our analysis suggests demand for a total of 1,841 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 2-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 5 units, 3 of which are anticipated to be vacant on market entry in 2023. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	5
Vacant Units at Market Entry	3

Minimum Qualified Income	
Net Rent	\$649
Utilities	\$167
Gross Rent	\$816
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,331
Months/Year	12
Minimum Qualified Income	\$27,977

Renter Households, by Income, by Size								
2023								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	655	287	204	103	54	29
\$0	to	\$29,999	876	399	284	195	80	41
\$0	to	\$39,999	973	524	340	210	126	60
\$0	to	\$49,999	1,125	590	377	260	150	71
\$0	to	\$59,999	1,161	671	391	278	173	79
\$0	to	\$74,999	1,195	768	414	323	181	82
\$0	to	\$99,999	1,252	913	487	381	191	86
\$0	to	\$124,999	1,271	941	501	439	199	86
\$0	to	\$149,999	1,308	963	520	463	210	90
\$0	to	\$199,999	1,323	971	522	465	222	94
\$0	or	more	1,339	996	533	469	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	\$62,640	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	949	544	371	267	0	0
HH Below Minimum Income	821	371	264	172	0	0
Subtotal	128	173	107	95	0	0

Demand Estimate 503

Our analysis suggests demand for a total of 503 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 3-Bedroom, Subsidized, 50% of AMI

In this section we estimate demand for the 3-Bedroom / Subsidized / 50% of AMI units at the subject property. Our analysis assumes a total of 4 units, 2 of which are anticipated to be vacant on market entry in 2023. Our analysis assumes a 35% income qualification ratio and 5-person households.

Unit Details	
Target Population	Family Households
Unit Type	3-Bedroom
Rent Type	Subsidized
Income Limit	50% of AMI
Total Units	4
Vacant Units at Market Entry	2

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$224
Gross Rent	\$224
Income Qualification Ratio	35%
Minimum Qualified Income	\$640
Months/Year	12
Minimum Qualified Income	\$7,680

Renter Households, by Income, by Size								
2023								
2022		\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	655	287	204	103	54	29
\$0	to	\$29,999	876	399	284	195	80	41
\$0	to	\$39,999	973	524	340	210	126	60
\$0	to	\$49,999	1,125	590	377	260	150	71
\$0	to	\$59,999	1,161	671	391	278	173	79
\$0	to	\$74,999	1,195	768	414	323	181	82
\$0	to	\$99,999	1,252	913	487	381	191	86
\$0	to	\$124,999	1,271	941	501	439	199	86
\$0	to	\$149,999	1,308	963	520	463	210	90
\$0	to	\$199,999	1,323	971	522	465	222	94
\$0	or	more	1,339	996	533	469	227	94

Maximum Allowable Income								
			1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income			\$31,500	\$36,000	\$40,500	\$45,000	\$48,600	\$52,200

Size Qualified								
			1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified			Yes	Yes	Yes	Yes	Yes	No

Demand Estimate								
			1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income			891	474	342	235	146	0
HH Below Minimum Income			214	62	70	50	16	0
Subtotal			677	412	272	185	131	0

Demand Estimate 1,676

Our analysis suggests demand for a total of 1,676 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 3-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 3-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 4 units, 2 of which are anticipated to be vacant on market entry in 2023. Our analysis assumes a 35% income qualification ratio and 5-person households.

Unit Details	
Target Population	Family Households
Unit Type	3-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	4
Vacant Units at Market Entry	2

Minimum Qualified Income	
Net Rent	\$754
Utilities	\$224
Gross Rent	\$978
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,794
Months/Year	12
Minimum Qualified Income	\$33,531

Renter Households, by Income, by Size								
2023								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	655	287	204	103	54	29
\$0	to	\$29,999	876	399	284	195	80	41
\$0	to	\$39,999	973	524	340	210	126	60
\$0	to	\$49,999	1,125	590	377	260	150	71
\$0	to	\$59,999	1,161	671	391	278	173	79
\$0	to	\$74,999	1,195	768	414	323	181	82
\$0	to	\$99,999	1,252	913	487	381	191	86
\$0	to	\$124,999	1,271	941	501	439	199	86
\$0	to	\$149,999	1,308	963	520	463	210	90
\$0	to	\$199,999	1,323	971	522	465	222	94
\$0	or	more	1,339	996	533	469	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	\$62,640	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	Yes	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	949	544	371	267	168	0
HH Below Minimum Income	910	443	304	200	96	0
Subtotal	39	101	68	67	72	0

Demand Estimate 347

Our analysis suggests demand for a total of 347 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, Subsidized

In this section we account for income-band overlap and develop a demand estimate for the subsidized units at the subject property.

Renter Households, by Income, by Size								
		2023						
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	655	287	204	103	54	29
\$0	to	\$29,999	876	399	284	195	80	41
\$0	to	\$39,999	973	524	340	210	126	60
\$0	to	\$49,999	1,125	590	377	260	150	71
\$0	to	\$59,999	1,161	671	391	278	173	79
\$0	to	\$74,999	1,195	768	414	323	181	82
\$0	to	\$99,999	1,252	913	487	381	191	86
\$0	to	\$124,999	1,271	941	501	439	199	86
\$0	to	\$149,999	1,308	963	520	463	210	90
\$0	to	\$199,999	1,323	971	522	465	222	94
\$0	or	more	1,339	996	533	469	227	94

Demand Estimate, Subsidized						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Income, 0BR	-	-	-	-	-	-
Maximum Income, 1BR	\$37,800	\$43,200	-	-	-	-
Maximum Income, 2BR	\$37,800	\$43,200	\$48,600	\$54,000	-	-
Maximum Income, 3BR	\$31,500	\$36,000	\$40,500	\$45,000	\$48,600	-
Maximum Income, 4BR	-	-	-	-	-	-
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$48,600	-
Minimum Income, 0BR	-	-	-	-	-	-
Minimum Income, 1BR	\$4,731	\$4,731	-	-	-	-
Minimum Income, 2BR	\$5,726	\$5,726	\$5,726	\$5,726	-	-
Minimum Income, 3BR	\$7,680	\$7,680	\$7,680	\$7,680	\$7,680	-
Minimum Income, 4BR	-	-	-	-	-	-
Minimum Qualified Income	\$4,731	\$4,731	\$5,726	\$5,726	\$7,680	-
HH Below Upper Income	949	544	371	267	146	0
HH Below Lower Income	128	37	51	37	16	0
Subtotal	820	506	320	230	131	0

Demand Estimate 2,008

Our analysis suggests demand for a total of 2,008 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

Demand Estimate, Restricted, 50% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 50% of AMI at the subject property.

Renter Households, by Income, by Size								
			2023					
2022	\$		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	655	287	204	103	54	29
\$0	to	\$29,999	876	399	284	195	80	41
\$0	to	\$39,999	973	524	340	210	126	60
\$0	to	\$49,999	1,125	590	377	260	150	71
\$0	to	\$59,999	1,161	671	391	278	173	79
\$0	to	\$74,999	1,195	768	414	323	181	82
\$0	to	\$99,999	1,252	913	487	381	191	86
\$0	to	\$124,999	1,271	941	501	439	199	86
\$0	to	\$149,999	1,308	963	520	463	210	90
\$0	to	\$199,999	1,323	971	522	465	222	94
\$0	or	more	1,339	996	533	469	227	94

Demand Estimate, Restricted, 50% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	-	-	-	-	-	-	-
Maximum Income, 2BR	-	-	-	-	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	-	-	-	-	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	-	-	-	-	-	-	-
Minimum Income, 2BR	-	-	-	-	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	-	-	-	-	-	-	-
HH Below Upper Income	0	0	0	0	0	0	0
HH Below Lower Income	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	0

Demand Estimate 0

Our analysis suggests demand for a total of 0 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

Demand Estimate, Restricted, 60% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 60% of AMI at the subject property.

Renter Households, by Income, by Size								
		2023						
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	655	287	204	103	54	29
\$0	to	\$29,999	876	399	284	195	80	41
\$0	to	\$39,999	973	524	340	210	126	60
\$0	to	\$49,999	1,125	590	377	260	150	71
\$0	to	\$59,999	1,161	671	391	278	173	79
\$0	to	\$74,999	1,195	768	414	323	181	82
\$0	to	\$99,999	1,252	913	487	381	191	86
\$0	to	\$124,999	1,271	941	501	439	199	86
\$0	to	\$149,999	1,308	963	520	463	210	90
\$0	to	\$199,999	1,323	971	522	465	222	94
\$0	or	more	1,339	996	533	469	227	94

Demand Estimate, Restricted, 60% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$37,800	\$43,200	-	-	-	-	-
Maximum Income, 2BR	\$37,800	\$43,200	\$48,600	\$54,000	-	-	-
Maximum Income, 3BR	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$25,337	\$25,337	-	-	-	-	-
Minimum Income, 2BR	\$27,977	\$27,977	\$27,977	\$27,977	-	-	-
Minimum Income, 3BR	\$33,531	\$33,531	\$33,531	\$33,531	\$33,531	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$25,337	\$25,337	\$27,977	\$27,977	\$33,531	-	-
HH Below Upper Income	949	544	371	267	168	0	
HH Below Lower Income	766	343	264	172	96	0	
Subtotal	183	201	107	95	72	0	

Demand Estimate

659

Our analysis suggests demand for a total of 659 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

Demand Estimate, Project-Level

In this section we account for income-band overlap and develop a project-level demand estimate for the subject property.

Renter Households, by Income, by Size								
			2023					
2022	\$		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	655	287	204	103	54	29
\$0	to	\$29,999	876	399	284	195	80	41
\$0	to	\$39,999	973	524	340	210	126	60
\$0	to	\$49,999	1,125	590	377	260	150	71
\$0	to	\$59,999	1,161	671	391	278	173	79
\$0	to	\$74,999	1,195	768	414	323	181	82
\$0	to	\$99,999	1,252	913	487	381	191	86
\$0	to	\$124,999	1,271	941	501	439	199	86
\$0	to	\$149,999	1,308	963	520	463	210	90
\$0	to	\$199,999	1,323	971	522	465	222	94
\$0	or	more	1,339	996	533	469	227	94

Demand Estimate, Project-Level							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, Subsidized	\$37,800	\$43,200	\$48,600	\$54,000	\$48,600	-	-
Maximum Income, 30% of AMI	-	-	-	-	-	-	-
Maximum Income, 40% of AMI	-	-	-	-	-	-	-
Maximum Income, 50% of AMI	-	-	-	-	-	-	-
Maximum Income, 60% of AMI	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	-	-
Maximum Income, 70% of AMI	-	-	-	-	-	-	-
Maximum Income, 80% of AMI	-	-	-	-	-	-	-
Maximum Income, Market Rate	-	-	-	-	-	-	-
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	-	-
Minimum Income, Subsidized	\$4,731	\$4,731	\$5,726	\$5,726	\$7,680	-	-
Minimum Income, 30% of AMI	-	-	-	-	-	-	-
Minimum Income, 40% of AMI	-	-	-	-	-	-	-
Minimum Income, 50% of AMI	-	-	-	-	-	-	-
Minimum Income, 60% of AMI	\$25,337	\$25,337	\$27,977	\$27,977	\$33,531	-	-
Minimum Income, 70% of AMI	-	-	-	-	-	-	-
Minimum Income, 80% of AMI	-	-	-	-	-	-	-
Minimum Income, Market Rate	-	-	-	-	-	-	-
Minimum Qualified Income	\$4,731	\$4,731	\$5,726	\$5,726	\$7,680	-	-
HH Below Upper Income	949	544	371	267	168	0	0
HH Below Lower Income	128	37	51	37	16	0	0
Subtotal	820	506	320	230	153	0	0

Demand Estimate 2,030

Our analysis suggests project-level demand for a total of 2,030 size- and income-qualified units in the market area.

Capture Rates

In this section, we summarize our demand conclusions and estimate the capture rate for the subject property. Our analysis begins by summarizing the estimated number of vacant subject property units on the date of market entry.

Subject Property Units (Total)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	12				4				16
2BR	19				5				24
3BR	4				4				8
4BR									
Tot	35				13				48

Subject Property Units (Vacant at Market Entry)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	6				2				8
2BR	9				3				12
3BR	2				2				4
4BR									
Tot	17				7				24

The next step in our analysis is to summarize the demand conclusions derived previously. For purposes of this analysis, we define demand as age- and income- qualified renter households for each of the unit types proposed at the subject property. Unit-level demand estimates are found in the body of the chart found below; project-level demand estimates are found in the column and row totals.

Please note: Because of income-band overlap, unit-level demand may not add up to project-level demand. The overlap, which was quantified in the demand estimates presented earlier, has been accounted for in our estimates of project-level demand.

Gross Demand									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	1,327				384				1,711
2BR	1,841				503				2,344
3BR	1,676				347				2,023
4BR									
Tot	2,008				659				2,030

The next step in our analysis is to compute the capture rate for the project. For purposes of this computation, we define capture rate as the number of subject property units divided by gross demand. Underwriters often utilize capture rate limits of 10 to 25 percent using this methodology. Our estimates are presented below:

Capture Rates (Subject Property Units / Gross Demand)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	0.5%				0.5%				0.5%
2BR	0.5%				0.6%				0.5%
3BR	0.1%				0.6%				0.2%
4BR									
Tot	0.8%				1.1%				1.2%

The next step in our analysis is to tabulate the number of vacant competing & pipeline units in the market area by

unit/income type. This information will be used to further refine our capture rate estimate for the subject property. A table showing the distribution of vacant competing & pipeline units is found below.

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	6				1				7
2BR	13				5				18
3BR	5				3				8
4BR									
Tot	24				9				33

The next step in our analysis is to subtract the number of vacant competing & pipeline units from gross demand to arrive at a net demand estimate for the subject property units. As described earlier, unit-level net demand estimates are found in the body of the chart found below; project-level net demand estimates are found in the column and row totals.

Please note: Because of income-band overlap, unit-level net demand may not add up to project-level net demand. The overlap, which was quantified in the demand estimates presented earlier, has been accounted for in our estimates of project-level net demand.

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	1,321				383				1,704
2BR	1,828				498				2,326
3BR	1,671				344				2,015
4BR									
Tot	1,984				650				1,997

The next step in our analysis is to compute the capture rate for the project. For purposes of this computation, we define capture rate as the number of subject property units divided by net demand. A capture rate in excess of 20 percent is considered excessive using this methodology. Our estimates are presented below:

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	0.5%				0.5%				0.5%
2BR	0.5%				0.6%				0.5%
3BR	0.1%				0.6%				0.2%
4BR									
Tot	0.9%				1.1%				1.2%

In our opinion, the estimated project-level capture rate suggests an appropriate number of units for the subject property. The unit level capture rates suggest an appropriate mix of units for the subject property.

Penetration Rates

In this section, we summarize our demand conclusions and estimate the penetration rate for the subject property. Our analysis begins by summarizing the estimated number of vacant subject property units on the date of market entry.

Subject Property Units (Total)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	12				4				16
2BR	19				5				24
3BR	4				4				8
4BR									
Tot	35				13				48

Subject Property Units (Vacant at Market Entry)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	6				2				8
2BR	9				3				12
3BR	2				2				4
4BR									
Tot	17				7				24

The next step in our analysis is to summarize the demand conclusions derived previously. For purposes of this analysis, we define demand as age- and income- qualified renter households for each of the unit types proposed at the subject property. Unit-level demand estimates are found in the body of the chart found below; project-level demand estimates are found in the column and row totals.

Please note: Because of income-band overlap, unit-level demand may not add up to project-level demand. The overlap, which was quantified in the demand estimates presented earlier, has been accounted for in our estimates of project-level demand.

Gross Demand									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	1,327				384				1,711
2BR	1,841				503				2,344
3BR	1,676				347				2,023
4BR									
Tot	2,008				659				2,030

The next step in our analysis is to tabulate the number of competing & pipeline units in the market area by unit/income type. This information will be used to derive our penetration rate estimate for the subject property. A table showing the distribution of competing & pipeline units is found below.

Competing & Pipeline Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	110				15				125
2BR	256				86				342
3BR	32				52				84
4BR									
Tot	398				153				551

The next step in our analysis is to compute inclusive supply for the market area by unit/income type. Inclusive

supply will be taken into account in our penetration rate estimate for the subject property. For purposes of this estimate, inclusive supply consists of vacant subject property units plus competing & pipeline units.

Inclusive Supply (Subject Property Units + Competing & Pipeline Units)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	116				17				133
2BR	265				89				354
3BR	34				54				88
4BR									
Tot	415				160				575

The next step in our analysis is to compute the penetration rate for the project. For purposes of this computation, penetration rate is defined as inclusive supply divided by gross demand. A penetration rate in excess of 100 percent is considered excessive using this methodology. Our estimates are presented below:

Penetration Rates (Inclusive Supply / Gross Demand)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	8.7%				4.4%				7.8%
2BR	14.4%				17.7%				15.1%
3BR	2.0%				15.6%				4.3%
4BR									
Tot	20.7%				24.3%				28.3%

In our opinion, the estimated project-level penetration rate suggest an appropriate number of units for the subject property. The unit-level penetration rates suggest an appropriate mix of units for the subject property.

Absorption Period

In this section, we estimate the absorption period for the subject property. Our analysis begins by summarizing the estimated number of vacant subject property units on the date of market entry.

Subject Property Units (Total)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	12				4			
2BR	19				5			
3BR	4				4			
4BR								

Subject Property Units (Vacant at Market Entry)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	6				2			
2BR	9				3			
3BR	2				2			
4BR								

The next step in our analysis is to summarize the demand conclusions derived previously. For purposes of this analysis, we define demand as age- and income- qualified renter households for each of the unit types proposed at the subject property. Our analysis uses the unit-level demand estimates derived previously.

Gross Demand								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	1,327				384			
2BR	1,841				503			
3BR	1,676				347			
4BR								

The next step in our analysis is to apply an annual growth & movership rate to derive an annual rental household growth & movership estimate for the market area. Our estimates are found in the tables below.

Annual Growth & Movership Rate	
Growth	0.1%
Movership	25.2%
Total	25.3%

Growth & Movership Estimate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	336				97			
2BR	466				127			
3BR	424				88			
4BR								

The next step in our analysis is to account for secondary market area migration in our annual rental household growth & movership estimate for the market area. Our estimates are found in the tables below.

Secondary Market Area	
	20%

Growth & Movership Estimate

	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	420				122			
2BR	583				159			
3BR	530				110			
4BR								

The next step in our analysis is to estimate fair share, or the proportion of growth and movership that we would expect the subject property to capture. The fair share analysis is used extensively in single-family, multifamily, commercial, and retail market studies. The books entitled Market Analysis for Valuation Appraisals (1994, Appraisal Institute) and Market Analysis and Highest & Best Use (2005, Appraisal institute) provide a good overview of this technique and its application to a variety of property types.

Based on our review of the subject and competing properties, along with their relative conditions/locations, we arrive at the following fair share estimates for the various unit/income types at the subject property.

Competing Properties

	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	9			4	3			1
2BR	11		1	7	4			2
3BR	3			1	3			1
4BR								

Fair Share

	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	10.0%				10.0%			
2BR	10.0%				10.0%			
3BR	10.0%				10.0%			
4BR								

Applying the concluded fair share estimates to annual growth & movership and dividing by twelve yields the following monthly absorption rate estimates for the various unit/income types at the subject property.

Monthly Absorption Rate Estimate

	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	3.5				1.0			
2BR	4.9				1.3			
3BR	4.4				0.9			
4BR								

The next step in our analysis is to estimate stabilized occupancy by unit/income type for the subject property. These estimates, which were based on data previously presented in the supply analysis and rent comparability analysis sections of this report, are found below.

Rental Property Inventory, Confirmed, Inside Market Area, Family, Stabilized Occupancy

	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	95%			94%	93%			100%
2BR	95%		100%	96%	94%			100%
3BR	84%			100%	94%			100%
4BR								

Occupancy Rate, Select Comparables								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	90%				100%			100%
2BR	100%			96%	99%			98%
3BR	67%			100%	95%			96%
4BR								

Concluded Stabilized Occupancy Rate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	95%				94%			
2BR	95%				94%			
3BR	95%				94%			
4BR								

Applying the stabilized occupancy rate estimates to the number of vacant subject property units at market entry, yields the number of occupied units by unit/income type at stabilization as set forth below.

Occupied Units at Stabilization								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	6				2			
2BR	9				3			
3BR	2				2			
4BR								

Dividing the number of occupied units at stabilization by the monthly absorption rate yields an absorption period estimate by unit/income type for the various units at the subject property. Underwriters often utilize absorption period limits of 12 to 18 months for projects similar to the subject property. Our absorption period estimates are found below.

Absorption Period (Months to Stabilization)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	2				2			
2BR	2				2			
3BR	<1				2			
4BR								

Our analysis suggests that the subject property will stabilize at 95 percent occupancy. We estimate 2 months of absorption and an average absorption rate of 10.7 units per month for this project. In our opinion, the absorption period suggests an appropriate number and mix of units for the subject property.

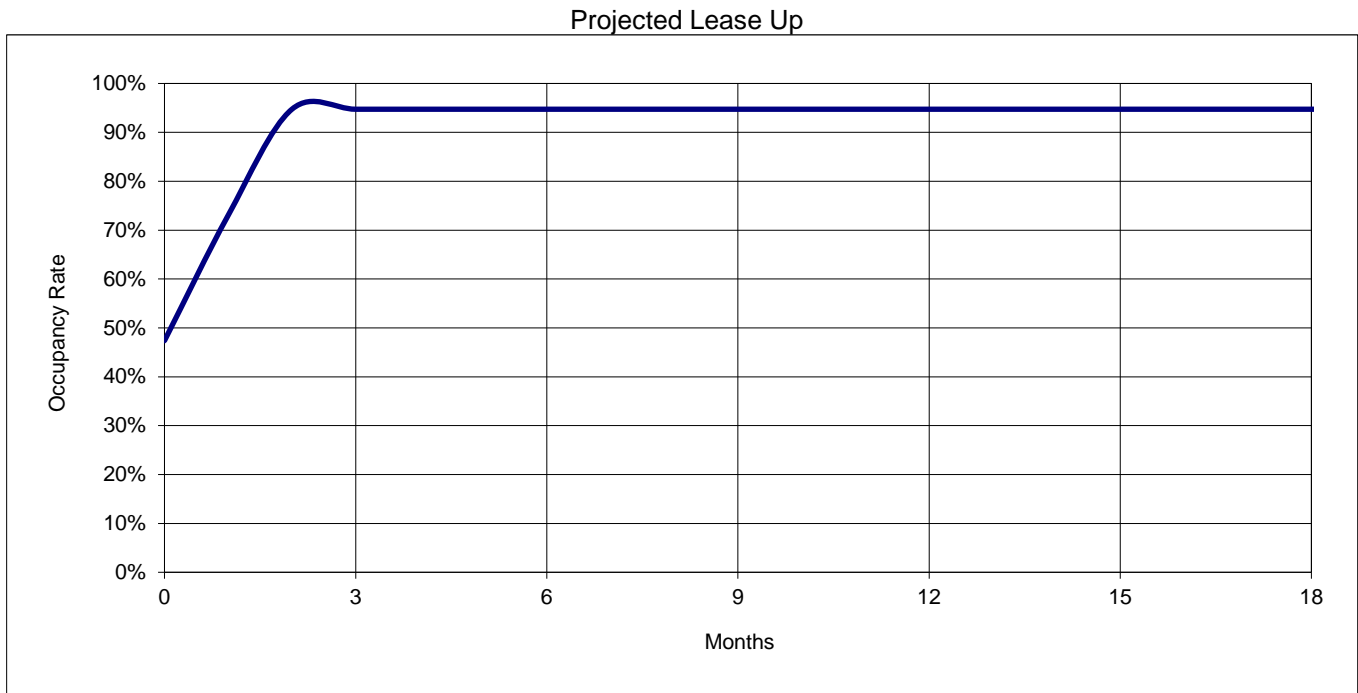
Absorption rates for multifamily properties depend on a variety of factors: (1) The competitive environment in which the property resides; (2) The pricing of the subject property units relative to competing units, (3) The presence of rent or income restrictions at the subject property; and (4) The availability of any rent concessions or rental assistance at the subject property. Subsidized properties normally lease up at a rate of 15-20 units per month. Unsubsidized properties with rent and income restrictions typically fill at a rate of 5-10 units per month. Market rate properties normally lease up at a rate of 10-15 units per month.

As part of our analysis, we inquired about the absorption history for every property we surveyed. The following list summarizes our findings:

Key	Project	Built	Renovated	Rent Type	Occ Type	Tot Units	Ab Rte
061	Meridian Obici	2016	na	Market Rate	Family	224	15.4
083	Residences at October (The)	2013	na	Restricted	Family	72	14.4

Absorption Analysis

In this section, we analyze the anticipated lease up for the subject property. We begin our analysis by taking the the absorption period conclusions from the previous section and restating them graphically as illustrated below.



Our analysis suggests that the subject property will achieve 70 percent occupancy in 0 months, 80 percent occupancy in 1 months, and 90 percent occupancy in 1 months. We anticipate that the subject property will stabilize at 95 percent occupancy in 2 months.

It is important to note that this analysis does not account for pent-up demand, pre-leasing efforts or rent concessions. In our opinion, an effective pre-leasing effort could result in a month-for-month reduction in the estimated absorption period for this project. In addition, any concessions or rent subsidies not accounted for already in this analysis could cut capture rates and absorption periods significantly.

VHDA DEMAND ANALYSIS

Overview

In this section we evaluate demand for the subject property using the VHDA demand methodology. For purposes of this analysis, we define VHDA demand as the number of new income-qualified and existing income-qualified overburdened and substandard renter households that would qualify to live at the subject property at the lesser of achievable rents or the sponsor's proposed rents. Our analysis accounts for any rent subsidies for the subject property.

Our analysis begins by developing a breakdown of the number of renter households, by income, by size as of the date of market entry for this development. This breakdown, which utilizes demographic data presented earlier in this report, is presented below:

2022 \$		Renter Households, by Income, by Size							Total
		2022							
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person		
\$0	to \$9,999	285	83	93	67	21	12	560	
\$0	to \$19,999	654	287	204	103	54	29	1,331	
\$0	to \$29,999	875	398	284	194	80	41	1,872	
\$0	to \$39,999	972	523	339	209	126	60	2,229	
\$0	to \$49,999	1,124	589	377	260	150	71	2,570	
\$0	to \$59,999	1,160	670	390	278	173	79	2,750	
\$0	to \$74,999	1,194	767	414	323	181	82	2,960	
\$0	to \$99,999	1,251	912	486	380	191	86	3,305	
\$0	to \$124,999	1,269	940	501	438	199	86	3,433	
\$0	to \$149,999	1,306	961	519	463	210	90	3,550	
\$0	to \$199,999	1,321	969	522	464	221	94	3,591	
\$0	or more	1,338	994	533	468	227	94	3,654	

Source: ESRI & Ribbon Demographics

Demand Estimate, 1-Bedroom, Subsidized, 50% of AMI

In this section we estimate demand for the 1-Bedroom / Subsidized / 50% of AMI units at the subject property. Our analysis assumes a total of 12 units, 6 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Subsidized
Income Limit	50% of AMI
Total Units	12
Vacant Units at Market Entry	6

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$138
Gross Rent	\$138
Income Qualification Ratio	35%
Minimum Qualified Income	\$394
Months/Year	12
Minimum Qualified Income	\$4,731

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$31,500	\$36,000	\$40,500	\$45,000	\$48,600	\$52,200	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	No	No	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	890	473	0	0	0	0
HH Below Minimum Income	128	37	0	0	0	0
Subtotal	761	436	0	0	0	0

Demand Estimate 1,197

Our analysis suggests demand for a total of 1,197 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 1-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 1-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 4 units, 2 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	4
Vacant Units at Market Entry	2

Minimum Qualified Income	
Net Rent	\$601
Utilities	\$138
Gross Rent	\$739
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,111
Months/Year	12
Minimum Qualified Income	\$25,337

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	\$62,640	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	No	No	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	948	543	0	0	0	0
HH Below Minimum Income	765	343	0	0	0	0
Subtotal	183	200	0	0	0	0

Demand Estimate 384

Our analysis suggests demand for a total of 384 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 2-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 19 units, 9 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Subsidized
Income Limit	60% of AMI
Total Units	19
Vacant Units at Market Entry	9

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$167
Gross Rent	\$167
Income Qualification Ratio	35%
Minimum Qualified Income	\$477
Months/Year	12
Minimum Qualified Income	\$5,726

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	\$62,640	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	948	543	371	267	0	0
HH Below Minimum Income	157	46	51	37	0	0
Subtotal	791	497	320	230	0	0

Demand Estimate 1,839

Our analysis suggests demand for a total of 1,839 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 2-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 5 units, 3 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	5
Vacant Units at Market Entry	3

Minimum Qualified Income	
Net Rent	\$649
Utilities	\$167
Gross Rent	\$816
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,331
Months/Year	12
Minimum Qualified Income	\$27,977

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	\$62,640	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	948	543	371	267	0	0
HH Below Minimum Income	820	370	264	171	0	0
Subtotal	128	173	107	96	0	0

Demand Estimate 504

Our analysis suggests demand for a total of 504 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 3-Bedroom, Subsidized, 50% of AMI

In this section we estimate demand for the 3-Bedroom / Subsidized / 50% of AMI units at the subject property. Our analysis assumes a total of 4 units, 2 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 5-person households.

Unit Details	
Target Population	Family Households
Unit Type	3-Bedroom
Rent Type	Subsidized
Income Limit	50% of AMI
Total Units	4
Vacant Units at Market Entry	2

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$224
Gross Rent	\$224
Income Qualification Ratio	35%
Minimum Qualified Income	\$640
Months/Year	12
Minimum Qualified Income	\$7,680

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$31,500	\$36,000	\$40,500	\$45,000	\$48,600	\$52,200	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	Yes	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	890	473	341	235	146	0
HH Below Minimum Income	214	62	70	50	16	0
Subtotal	676	411	271	184	131	0

Demand Estimate 1,673

Our analysis suggests demand for a total of 1,673 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 3-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 3-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 4 units, 2 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 5-person households.

Unit Details	
Target Population	Family Households
Unit Type	3-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	4
Vacant Units at Market Entry	2

Minimum Qualified Income	
Net Rent	\$754
Utilities	\$224
Gross Rent	\$978
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,794
Months/Year	12
Minimum Qualified Income	\$33,531

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	\$62,640	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	Yes	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	948	543	371	267	168	0
HH Below Minimum Income	909	442	303	199	96	0
Subtotal	39	101	68	68	72	0

Demand Estimate 348

Our analysis suggests demand for a total of 348 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, Subsidized

In this section we account for income-band overlap and develop a demand estimate for the subsidized units at the subject property.

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Demand Estimate, Subsidized						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Income, 0BR	-	-	-	-	-	-
Maximum Income, 1BR	\$31,500	\$36,000	-	-	-	-
Maximum Income, 2BR	\$37,800	\$43,200	\$48,600	\$54,000	-	-
Maximum Income, 3BR	\$31,500	\$36,000	\$40,500	\$45,000	\$48,600	-
Maximum Income, 4BR	-	-	-	-	-	-
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$48,600	-
Minimum Income, 0BR	-	-	-	-	-	-
Minimum Income, 1BR	\$4,731	\$4,731	-	-	-	-
Minimum Income, 2BR	\$5,726	\$5,726	\$5,726	\$5,726	-	-
Minimum Income, 3BR	\$7,680	\$7,680	\$7,680	\$7,680	\$7,680	-
Minimum Income, 4BR	-	-	-	-	-	-
Minimum Qualified Income	\$4,731	\$4,731	\$5,726	\$5,726	\$7,680	-
HH Below Upper Income	948	543	371	267	146	0
HH Below Lower Income	128	37	51	37	16	0
Subtotal	820	505	320	230	131	0

Demand Estimate 2,006

Our analysis suggests demand for a total of 2,006 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

Demand Estimate, Restricted, 60% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 60% of AMI at the subject property.

Renter Households, by Income, by Size								
2022								
	2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Demand Estimate, Restricted, 60% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$37,800	\$43,200	-	-	-	-	-
Maximum Income, 2BR	\$37,800	\$43,200	\$48,600	\$54,000	-	-	-
Maximum Income, 3BR	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$25,337	\$25,337	-	-	-	-	-
Minimum Income, 2BR	\$27,977	\$27,977	\$27,977	\$27,977	-	-	-
Minimum Income, 3BR	\$33,531	\$33,531	\$33,531	\$33,531	\$33,531	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$25,337	\$25,337	\$27,977	\$27,977	\$33,531	-	-
HH Below Upper Income	948	543	371	267	168	0	
HH Below Lower Income	765	343	264	171	96	0	
Subtotal	183	200	107	96	72	0	

Demand Estimate

659

Our analysis suggests demand for a total of 659 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

Demand Estimate

In this section, we derive our overburdened demand and capture rate estimates for the subject property. Our analysis, which begins with the income-qualified renter household estimates developed above, is found below.

Income Qualified Renter Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	2,006				659			

The next step in our analysis is to account for 2 years of growth to estimate the demand stemming from new income qualified rental households. Our estimates are found below.

Annual Renter Household Growth Rate								
0.1%								
New Rental Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	5				2			

The next step in our analysis is to estimate existing demand stemming from income-qualified overburdened renter households in this market area. Our estimates are found below.

Overburdened Renter Households								
33.2%								
Existing Households - Rent Overburdened								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	667				219			

The next step in our analysis is to estimate existing demand stemming from income-qualified substandard renter households in this market area. Our estimates are found below.

Substandard Renter Households								
7.3%								
Existing Households - Substandard								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	146				48			

The next step in our analysis is to account for elderly homeowners likely to convert to rental housing. This component may not comprise more than 20 percent of total demand. Our estimates are found below.

Elderly Homeowners Likely to Convert to Rental Housing								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot								

The next step in our analysis is to account for existing qualifying tenants likely to remain after renovation. Our estimates are found below.

Subject Property Units (Total)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	35				13			
Existing Qualifying Tenants Likely to Remain after Renovation								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	18				6			

The next step in our analysis is to tally up total demand for the subject property. Our estimates are found below.

Total Demand								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	836				275			

The next step in our analysis is to tabulate the number of vacant competing & pipeline units in the market area by unit/income type. This information will be used to further refine our capture rate estimate for the subject property. A table showing the distribution of vacant competing & pipeline units is found below.

Vacant Competing & Pipeline Units								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	24				9			

The next step in our analysis is to subtract the number of vacant competing & pipeline units from total demand to arrive at a net demand estimate for the subject property. Our estimates are found below.

Net Demand (Total Demand - Vacant Competing & Pipeline Units)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	812				266			

The next step in our analysis is to compute the capture rate for the project. For purposes of this computation, we define capture rate as the total number of subject property units divided by net demand. Underwriters often utilize capture rate limits of 10 to 20 percent using this methodology. Our estimates are presented below:

Capture Rates (Subject Property Units / Net Demand)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	4.3%				4.9%			

Our findings are summarized below.

Project-Wide Capture Rate - LIHTC Units	4.5%
Project-Wide Capture Rate - Market Units	
Project-Wide Capture Rate - All Units	4.5%
Project-Wide Absorption Period (Months)	2 months

Please note: Project-wide capture rate estimates do not account for income band overlap at the project level.

VHDA DEMAND ANALYSIS (UNSUBSIDIZED)

Overview

In this section we evaluate demand for the subject property using the VHDA demand methodology. For purposes of this analysis, we define VHDA demand as the number of new income-qualified and existing income-qualified overburdened and substandard renter households that would qualify to live at the subject property at the lesser of achievable rents or the sponsor's proposed rents. Our analysis ignores any rent subsidies for the subject property.

Our analysis begins by developing a breakdown of the number of renter households, by income, by size as of the date of market entry for this development. This breakdown, which utilizes demographic data presented earlier in this report, is presented below:

2022 \$		Renter Households, by Income, by Size							Total
		2022							
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person		
\$0	to \$9,999	285	83	93	67	21	12	560	
\$0	to \$19,999	654	287	204	103	54	29	1,331	
\$0	to \$29,999	875	398	284	194	80	41	1,872	
\$0	to \$39,999	972	523	339	209	126	60	2,229	
\$0	to \$49,999	1,124	589	377	260	150	71	2,570	
\$0	to \$59,999	1,160	670	390	278	173	79	2,750	
\$0	to \$74,999	1,194	767	414	323	181	82	2,960	
\$0	to \$99,999	1,251	912	486	380	191	86	3,305	
\$0	to \$124,999	1,269	940	501	438	199	86	3,433	
\$0	to \$149,999	1,306	961	519	463	210	90	3,550	
\$0	to \$199,999	1,321	969	522	464	221	94	3,591	
\$0	or more	1,338	994	533	468	227	94	3,654	

Source: ESRI & Ribbon Demographics

Demand Estimate, 1-Bedroom, Restricted, 40% of AMI

In this section we estimate demand for the 1-Bedroom / Restricted / 40% of AMI units at the subject property. Our analysis assumes a total of 2 units, 1 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	40% of AMI
Total Units	2
Vacant Units at Market Entry	1

Minimum Qualified Income	
Net Rent	\$537
Utilities	\$138
Gross Rent	\$675
Income Qualification Ratio	35%
Minimum Qualified Income	\$1,929
Months/Year	12
Minimum Qualified Income	\$23,143

Renter Households, by Income, by Size								
2022								
	2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$25,200	\$28,800	\$32,400	\$36,000	\$38,880	\$41,760	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	No	No	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	765	381	0	0	0	0
HH Below Minimum Income	720	320	0	0	0	0
Subtotal	44	61	0	0	0	0

Demand Estimate 105

Our analysis suggests demand for a total of 105 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 1-Bedroom, Restricted, 50% of AMI

In this section we estimate demand for the 1-Bedroom / Restricted / 50% of AMI units at the subject property. Our analysis assumes a total of 6 units, 3 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	50% of AMI
Total Units	6
Vacant Units at Market Entry	3

Minimum Qualified Income	
Net Rent	\$601
Utilities	\$138
Gross Rent	\$739
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,111
Months/Year	12
Minimum Qualified Income	\$25,337

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$31,500	\$36,000	\$40,500	\$45,000	\$48,600	\$52,200	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	No	No	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	890	473	0	0	0	0
HH Below Minimum Income	765	343	0	0	0	0
Subtotal	125	131	0	0	0	0

Demand Estimate 256

Our analysis suggests demand for a total of 256 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 1-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 1-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 8 units, 4 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	8
Vacant Units at Market Entry	4

Minimum Qualified Income	
Net Rent	\$601
Utilities	\$138
Gross Rent	\$739
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,111
Months/Year	12
Minimum Qualified Income	\$25,337

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	\$62,640	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	No	No	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	948	543	0	0	0	0
HH Below Minimum Income	765	343	0	0	0	0
Subtotal	183	200	0	0	0	0

Demand Estimate 384

Our analysis suggests demand for a total of 384 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 2-Bedroom, Restricted, 40% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 40% of AMI units at the subject property. Our analysis assumes a total of 2 units, 1 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	40% of AMI
Total Units	2
Vacant Units at Market Entry	1

Minimum Qualified Income	
Net Rent	\$643
Utilities	\$167
Gross Rent	\$810
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,314
Months/Year	12
Minimum Qualified Income	\$27,771

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$25,200	\$28,800	\$32,400	\$36,000	\$38,880	\$41,760	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	0	381	295	203	0	0
HH Below Minimum Income	0	370	264	171	0	0
Subtotal	0	11	31	32	0	0

Demand Estimate 74

Our analysis suggests demand for a total of 74 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 2-Bedroom, Restricted, 50% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 50% of AMI units at the subject property. Our analysis assumes a total of 10 units, 5 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	50% of AMI
Total Units	10
Vacant Units at Market Entry	5

Minimum Qualified Income	
Net Rent	\$649
Utilities	\$167
Gross Rent	\$816
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,331
Months/Year	12
Minimum Qualified Income	\$27,977

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$31,500	\$36,000	\$40,500	\$45,000	\$48,600	\$52,200	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	890	473	341	235	0	0
HH Below Minimum Income	820	370	264	171	0	0
Subtotal	70	103	77	63	0	0

Demand Estimate 313

Our analysis suggests demand for a total of 313 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 2-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 12 units, 6 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	12
Vacant Units at Market Entry	6

Minimum Qualified Income	
Net Rent	\$649
Utilities	\$167
Gross Rent	\$816
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,331
Months/Year	12
Minimum Qualified Income	\$27,977

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	\$62,640	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	948	543	371	267	0	0
HH Below Minimum Income	820	370	264	171	0	0
Subtotal	128	173	107	96	0	0

Demand Estimate 504

Our analysis suggests demand for a total of 504 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 3-Bedroom, Restricted, 40% of AMI

In this section we estimate demand for the 3-Bedroom / Restricted / 40% of AMI units at the subject property. Our analysis assumes a total of 1 units, 1 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 5-person households.

Unit Details	
Target Population	Family Households
Unit Type	3-Bedroom
Rent Type	Restricted
Income Limit	40% of AMI
Total Units	1
Vacant Units at Market Entry	1

Minimum Qualified Income	
Net Rent	\$712
Utilities	\$224
Gross Rent	\$936
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,674
Months/Year	12
Minimum Qualified Income	\$32,091

Renter Households, by Income, by Size								
2022								
	2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$25,200	\$28,800	\$32,400	\$36,000	\$38,880	\$41,760	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	Yes	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	0	0	295	203	119	0
HH Below Minimum Income	0	0	295	197	89	0
Subtotal	0	0	0	6	30	0

Demand Estimate 36

Our analysis suggests demand for a total of 36 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 3-Bedroom, Restricted, 50% of AMI

In this section we estimate demand for the 3-Bedroom / Restricted / 50% of AMI units at the subject property. Our analysis assumes a total of 3 units, 1 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 5-person households.

Unit Details	
Target Population	Family Households
Unit Type	3-Bedroom
Rent Type	Restricted
Income Limit	50% of AMI
Total Units	3
Vacant Units at Market Entry	1

Minimum Qualified Income	
Net Rent	\$754
Utilities	\$224
Gross Rent	\$978
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,794
Months/Year	12
Minimum Qualified Income	\$33,531

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$31,500	\$36,000	\$40,500	\$45,000	\$48,600	\$52,200	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	Yes	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	0	473	341	235	146	0
HH Below Minimum Income	0	442	303	199	96	0
Subtotal	0	31	38	35	50	0

Demand Estimate 154

Our analysis suggests demand for a total of 154 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 3-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 3-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 4 units, 2 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 5-person households.

Unit Details	
Target Population	Family Households
Unit Type	3-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	4
Vacant Units at Market Entry	2

Minimum Qualified Income	
Net Rent	\$754
Utilities	\$224
Gross Rent	\$978
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,794
Months/Year	12
Minimum Qualified Income	\$33,531

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	\$62,640	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	Yes	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	948	543	371	267	168	0
HH Below Minimum Income	909	442	303	199	96	0
Subtotal	39	101	68	68	72	0

Demand Estimate 348

Our analysis suggests demand for a total of 348 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, Restricted, 40% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 40% of AMI at the subject property.

Renter Households, by Income, by Size								
2022								
	2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Demand Estimate, Restricted, 40% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$25,200	\$28,800	-	-	-	-	-
Maximum Income, 2BR	-	\$28,800	\$32,400	\$36,000	-	-	-
Maximum Income, 3BR	-	-	\$32,400	\$36,000	\$38,880	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$25,200	\$28,800	\$32,400	\$36,000	\$38,880	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$23,143	\$23,143	-	-	-	-	-
Minimum Income, 2BR	-	\$27,771	\$27,771	\$27,771	-	-	-
Minimum Income, 3BR	-	-	\$32,091	\$32,091	\$32,091	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$23,143	\$23,143	\$27,771	\$27,771	\$32,091	-	-
HH Below Upper Income	765	381	295	203	119	0	
HH Below Lower Income	720	320	264	171	89	0	
Subtotal	44	61	31	32	30	0	

Demand Estimate

198

Our analysis suggests demand for a total of 198 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

Demand Estimate, Restricted, 50% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 50% of AMI at the subject property.

Renter Households, by Income, by Size								
2022								
	2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Demand Estimate, Restricted, 50% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$31,500	\$36,000	-	-	-	-	-
Maximum Income, 2BR	\$31,500	\$36,000	\$40,500	\$45,000	-	-	-
Maximum Income, 3BR	-	\$36,000	\$40,500	\$45,000	\$48,600	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$31,500	\$36,000	\$40,500	\$45,000	\$48,600	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$25,337	\$25,337	-	-	-	-	-
Minimum Income, 2BR	\$27,977	\$27,977	\$27,977	\$27,977	-	-	-
Minimum Income, 3BR	-	\$33,531	\$33,531	\$33,531	\$33,531	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$25,337	\$25,337	\$27,977	\$27,977	\$33,531	-	-
HH Below Upper Income	890	473	341	235	146	0	
HH Below Lower Income	765	343	264	171	96	0	
Subtotal	125	131	77	63	50	0	

Demand Estimate

446

Our analysis suggests demand for a total of 446 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

Demand Estimate, Restricted, 60% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 60% of AMI at the subject property.

Renter Households, by Income, by Size								
2022								
	2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	285	83	93	67	21	12
\$0	to	\$19,999	654	287	204	103	54	29
\$0	to	\$29,999	875	398	284	194	80	41
\$0	to	\$39,999	972	523	339	209	126	60
\$0	to	\$49,999	1,124	589	377	260	150	71
\$0	to	\$59,999	1,160	670	390	278	173	79
\$0	to	\$74,999	1,194	767	414	323	181	82
\$0	to	\$99,999	1,251	912	486	380	191	86
\$0	to	\$124,999	1,269	940	501	438	199	86
\$0	to	\$149,999	1,306	961	519	463	210	90
\$0	to	\$199,999	1,321	969	522	464	221	94
\$0	or	more	1,338	994	533	468	227	94

Demand Estimate, Restricted, 60% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$37,800	\$43,200	-	-	-	-	-
Maximum Income, 2BR	\$37,800	\$43,200	\$48,600	\$54,000	-	-	-
Maximum Income, 3BR	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$37,800	\$43,200	\$48,600	\$54,000	\$58,320	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$25,337	\$25,337	-	-	-	-	-
Minimum Income, 2BR	\$27,977	\$27,977	\$27,977	\$27,977	-	-	-
Minimum Income, 3BR	\$33,531	\$33,531	\$33,531	\$33,531	\$33,531	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$25,337	\$25,337	\$27,977	\$27,977	\$33,531	-	-
HH Below Upper Income	948	543	371	267	168	0	0
HH Below Lower Income	765	343	264	171	96	0	0
Subtotal	183	200	107	96	72	0	0

Demand Estimate

659

Our analysis suggests demand for a total of 659 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

Demand Estimate

In this section, we derive our overburdened demand and capture rate estimates for the subject property. Our analysis, which begins with the income-qualified renter household estimates developed above, is found below.

Income Qualified Renter Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			198	446	659			

The next step in our analysis is to account for 2 years of growth to estimate the demand stemming from new income qualified rental households. Our estimates are found below.

Annual Renter Household Growth Rate								
0.1%								
New Rental Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			0	1	2			

The next step in our analysis is to estimate existing demand stemming from income-qualified overburdened renter households in this market area. Our estimates are found below.

Overburdened Renter Households								
33.2%								
Existing Households - Rent Overburdened								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			66	148	219			

The next step in our analysis is to estimate existing demand stemming from income-qualified substandard renter households in this market area. Our estimates are found below.

Substandard Renter Households								
7.3%								
Existing Households - Substandard								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			14	33	48			

The next step in our analysis is to account for elderly homeowners likely to convert to rental housing. This component may not comprise more than 20 percent of total demand. Our estimates are found below.

Elderly Homeowners Likely to Convert to Rental Housing								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot								

The next step in our analysis is to account for existing qualifying tenants likely to remain after renovation. Our estimates are found below.

Subject Property Units (Total)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			5	19	24			
Existing Qualifying Tenants Likely to Remain after Renovation								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			2	10	12			

The next step in our analysis is to tally up total demand for the subject property. Our estimates are found below.

Total Demand								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			83	192	281			

The next step in our analysis is to tabulate the number of vacant competing & pipeline units in the market area by unit/income type. This information will be used to further refine our capture rate estimate for the subject property. A table showing the distribution of vacant competing & pipeline units is found below.

Vacant Competing & Pipeline Units								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot				3	9			

The next step in our analysis is to subtract the number of vacant competing & pipeline units from total demand to arrive at a net demand estimate for the subject property. Our estimates are found below.

Net Demand (Total Demand - Vacant Competing & Pipeline Units)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			83	189	272			

The next step in our analysis is to compute the capture rate for the project. For purposes of this computation, we define capture rate as the total number of subject property units divided by net demand. Underwriters often utilize capture rate limits of 10 to 20 percent using this methodology. Our estimates are presented below:

Capture Rates (Subject Property Units / Net Demand)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			6.0%	10.1%	8.8%			

Our findings are summarized below.

Project-Wide Capture Rate - LIHTC Units	8.8%
Project-Wide Capture Rate - Market Units	
Project-Wide Capture Rate - All Units	8.8%
Project-Wide Absorption Period (Months)	2 months

Please note: Project-wide capture rate estimates do not account for income band overlap at the project level.

RENT COMPARABLES, MARKET RATE

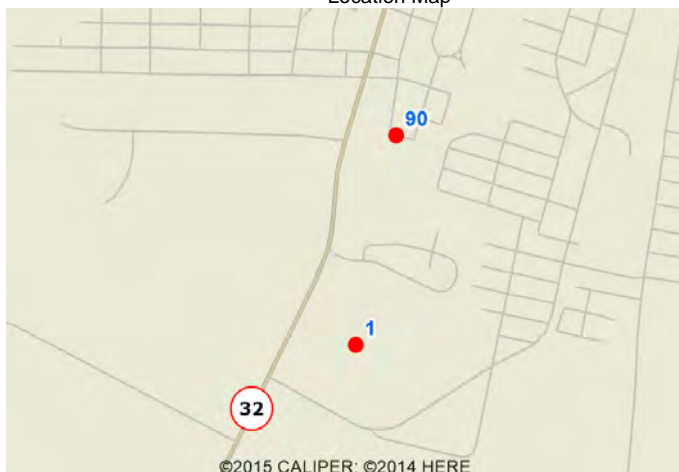
Project Information

Property Name	Autumn Ridge 1
Street Number	114
Street Name	Nancy
Street Type	Drive
City	Suffolk
State	Virginia
Zip	23434
Phone Number	(757) 934-0847
Year Built	1975
Year Renovated	2016
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$69
Waiting List	no
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	2002 Bond
Vouchers	20
Latitude	36.7121
Longitude	-76.5894
Nearest Crossroads	na
AAC Code	22-022 001

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Ruby, Leasing Agent
Phone Number	(757) 934-0847
Interview Date	15-Feb-22
Interviewed By	AK

2002 Bond awarded for rehabilitation of this HUD property without project based rental assistance. 2012 renovations included new roofs, gutters, siding, doors and other exterior work. Rehab which began in 2016 includes flooring, cabinets and countertops, which is still on going as of our 2022 survey. Units have carpet and vinyl, with contacts

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	556	Garden/Flat	Mar	Mar	No	No	36		\$950		\$950	\$108	\$1,058
2	1.0	731	Garden/Flat	Mar	Mar	No	No	68	4	\$1,200		\$1,200	\$131	\$1,331
3	1.0	990	Garden/Flat	Mar	Mar	No	No	24	1	\$1,400		\$1,400	\$176	\$1,576
Total / Average		730						128	5	\$1,167		\$1,167	\$133	\$1,300

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	yes	yes
Sewer	yes	yes
Trash	no	no
Comp vs. Subject	Similar	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	no
Comp vs. Subject	Inferior	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.25	3.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.25	3.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.20	2.90
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.60	2.00
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.75	2.50
Comp vs. Subject	Superior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2010	2012
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	yes	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	yes
Carpeting	no	yes
Fireplace	no	no
Patio/Balcony	no	no
Storage	no	no
Comp vs. Subject	Inferior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	no	yes
Microwave	no	no
Comp vs. Subject	Inferior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	some
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Similar	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Autumn Ridge 1 is an existing multifamily development located at 114 Nancy Drive in Suffolk, Virginia. The property, which consists of 128 apartment units, was originally constructed in 1975 with bond financing. All units are set aside as market rate units. The property currently stands at 96 percent occupancy.

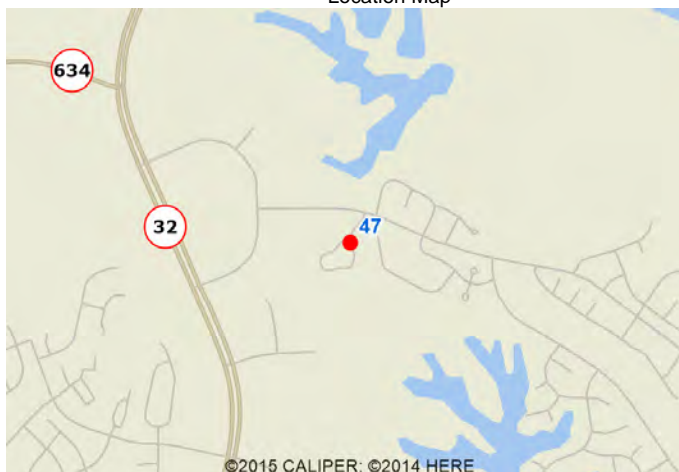
Project Information

Property Name	Hillpoint Woods Apartments
Street Number	601
Street Name	Hill Point
Street Type	Road
City	Suffolk
State	Virginia
Zip	23434
Phone Number	(757) 923-2700
Year Built	2005
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	\$300
Other Fees	\$50
Waiting List	no
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.7816
Longitude	-76.5783
Nearest Crossroads	na
AAC Code	22-022 047

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Allison, Manager
Phone Number	(757) 923-2700
Interview Date	16-Feb-22
Interviewed By	AK

4 units rehabbed due to fire in 2014. Contact advised new apartments "Port 58", which we have included in our study.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	702	Garden/Flat	Mar	Mar	No	No	18		\$1,025		\$1,025	\$108	\$1,133
1	1.0	864	Garden/Den	Mar	Mar	No	No	6		\$1,050		\$1,050	\$108	\$1,158
2	1.0	902	Garden/Flat	Mar	Mar	No	No	56	1	\$1,130		\$1,130	\$131	\$1,261
2	2.0	924	Garden/Flat	Mar	Mar	No	No	64		\$1,155		\$1,155	\$131	\$1,286
Total / Average		885						144	1	\$1,125		\$1,125	\$127	\$1,252

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	yes	yes
Sewer	yes	yes
Trash	no	no
Comp vs. Subject	Similar	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	no
Comp vs. Subject	Inferior	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	3.00	3.00
Comp vs. Subject	Similar	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	3.00	3.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.50	2.90
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.50	2.00
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.50	2.50
Comp vs. Subject	Superior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2010	2012
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	yes	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	yes	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	no
Playground	yes	yes
Pool	yes	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Superior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	no
Storage	yes	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	yes
Microwave	yes	no
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	yes	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	some
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Similar	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Hillpoint Woods Apartments is an existing multifamily development located at 601 Hill Point Road in Suffolk, Virginia. The property, which consists of 144 apartment units, was originally constructed in 2005 with conventional financing. All units are set aside as market rate units. The property currently stands at 99 percent occupancy.

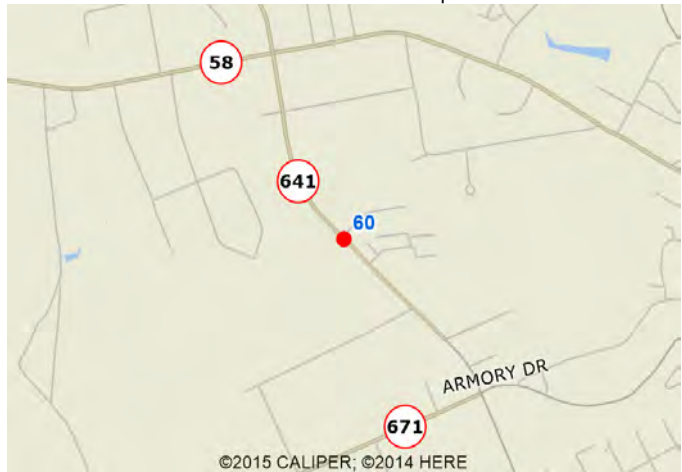
Project Information

Property Name	Meadowridge Apartments
Street Number	340
Street Name	N. College
Street Type	Drive
City	Franklin
State	Virginia
Zip	23851
Phone Number	(757) 657-4421
Year Built	1991
Year Renovated	2018
Minimum Lease	12
Min. Security Dep.	1 month rent
Other Fees	\$50
Waiting List	yes
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.6774
Longitude	-76.9441
Nearest Crossroads	na
AAC Code	22-022 060

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Paula, Manager
Phone Number	(757) 986-6287
Interview Date	14-Feb-22
Interviewed By	AK

Property began renovations in 2012 and are continuing at a rate of about 6 per year, which include new cabinets, counter tops, flooring and flooring. Contact advised renovated units have a \$60 premium over the non-renovated units. This report reflects rates for the renovated units. Higher rate for smaller 1 bedroom units due to unit location.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	765	Garden/Flat	Mar	Mar	No	No	8		\$1,050	\$21	\$1,029	\$108	\$1,137
1	1.0	940	Garden/Flat	Mar	Mar	No	No	8		\$1,030	\$21	\$1,009	\$108	\$1,117
2	1.0	890	Garden/Flat	Mar	Mar	No	No	21		\$1,030	\$21	\$1,009	\$131	\$1,140
2	2.0	940	Garden/Flat	Mar	Mar	No	No	32		\$1,175	\$21	\$1,154	\$131	\$1,285
3	2.0	1090	Garden/Flat	Mar	Mar	No	No	28		\$1,175	\$21	\$1,154	\$176	\$1,330
Total / Average		958						187	97	\$1,121	\$21	\$1,100	\$140	\$1,241

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	yes	yes
Sewer	yes	yes
Trash	no	no
Comp vs. Subject	Similar	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	no
Comp vs. Subject	Inferior	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.75	3.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	3.00	3.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.50	2.90
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.00	2.00
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.50	2.50
Comp vs. Subject	Superior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2005	2012
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	yes	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	no
Storage	no	no
Comp vs. Subject	Similar	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	yes	yes
Microwave	no	no
Comp vs. Subject	Similar	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	yes	no
Open	yes	yes
None	no	no
Comp vs. Subject	Superior	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	some	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	some
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Similar	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Meadowridge Apartments is an existing multifamily development located at 340 N. College Drive in Franklin, Virginia. The property, which consists of 97 apartment units, was originally constructed in 1991 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

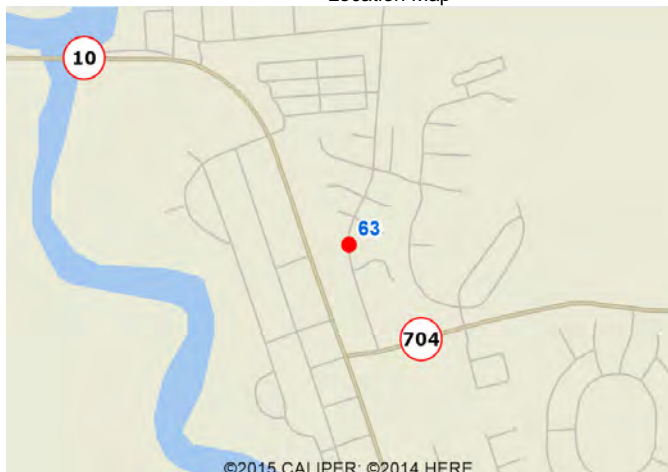
Project Information

Property Name	Morris Creek Landing Apartments
Street Number	982
Street Name	John Rolfe
Street Type	Drive
City	Smithfield
State	Virginia
Zip	23430
Phone Number	(757) 357-0102
Year Built	1988
Year Renovated	2004
Minimum Lease	12
Min. Security Dep.	\$450
Other Fees	\$165
Waiting List	20 people
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.9765
Longitude	-76.6099
Nearest Crossroads	na
AAC Code	22-022 063

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Joyce, Manager
Phone Number	(757) 357-0102
Interview Date	15-Feb-22
Interviewed By	AK

2017, manager reported approximate year of renovation as 2004, which included new windows and roofs. 2015 - 2018 renovation included replacing balconies and stairs, and will be adding a community center with gym and business center in the future. During our 2018 survey contact advised still in the process with county planning to add

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	650	Garden/Flat	Mar	Mar	No	No	20		\$889		\$889	\$47	\$936
2	2.0	898	Garden/Flat	Mar	Mar	No	No	67		\$1,159		\$1,159	\$62	\$1,221
Total / Average		841						189		\$1,097		\$1,097	\$59	\$1,155

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Gas	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Gas	yes	yes
Water	no	yes
Sewer	no	yes
Trash	no	no
Comp vs. Subject	Superior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	no
Comp vs. Subject	Inferior	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.75	3.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	3.00	3.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.10	2.90
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.90	2.00
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.75	2.50
Comp vs. Subject	Superior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2005	2012
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	no
Playground	yes	yes
Pool	yes	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Superior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	some	no
Storage	no	no
Comp vs. Subject	Similar	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	yes
Microwave	no	no
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	some
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Similar	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Morris Creek Landing Apartments is an existing multifamily development located at 982 John Rolfe Drive in Smithfield, Virginia. The property, which consists of 87 apartment units, was originally constructed in 1988 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

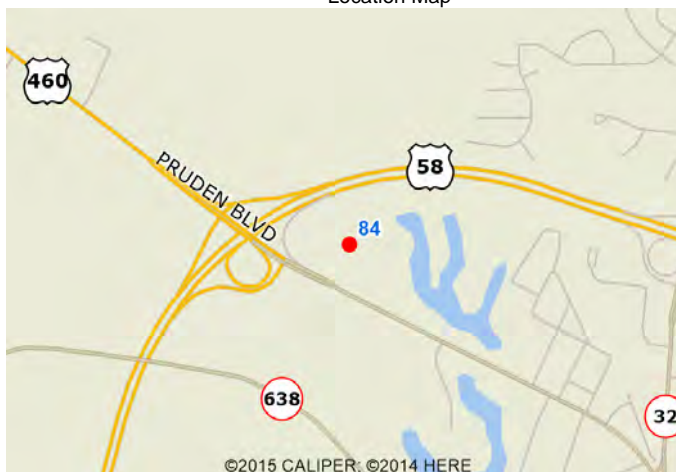
Project Information

Property Name	Sadler Pond Apartments
Street Number	2500
Street Name	Sandy Spring
Street Type	Lane
City	Suffolk
State	Virginia
Zip	23434
Phone Number	(757) 934-0738
Year Built	1989
Year Renovated	2015
Minimum Lease	12
Min. Security Dep.	\$450
Other Fees	\$199
Waiting List	no
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.7669
Longitude	-76.5993
Nearest Crossroads	na
AAC Code	22-022 084

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Lisa, Manager
Phone Number	844-558-7553
Interview Date	15-Feb-22
Interviewed By	AK

2012 new roofs and Basketball goal. 2015 replaced all windows, 2015 - 2022 renovations of kitchens and baths as units become available. All reported rents for renovated units. Contact advised of new apartments across the street but could not give any information.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
2	2.0	1000	Garden/Flat	Mar	Mar	No	No	84		\$1,055		\$1,055	\$131	\$1,186
3	2.0	1100	Garden/Flat	Mar	Mar	No	No	25		\$1,130		\$1,130	\$176	\$1,306
Total / Average		1,023						109		\$1,072		\$1,072	\$141	\$1,214

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	yes	yes
Sewer	yes	yes
Trash	no	no
Comp vs. Subject	Similar	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	no
Comp vs. Subject	Inferior	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.25	3.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.25	3.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.40	2.90
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.50	2.00
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.25	2.50
Comp vs. Subject	Superior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2000	2012
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	no
Playground	no	yes
Pool	yes	no
Sauna	no	no
Sports Court	yes	no
Walking Trail	no	no
Comp vs. Subject	Superior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	no
Storage	yes	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	yes
Microwave	no	no
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	no	yes
W/D Units	no	no
W/D Hookups	yes	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	some
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Similar	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Sadler Pond Apartments is an existing multifamily development located at 2500 Sandy Spring Lane in Suffolk, Virginia. The property, which consists of 109 apartment units, was originally constructed in 1989 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

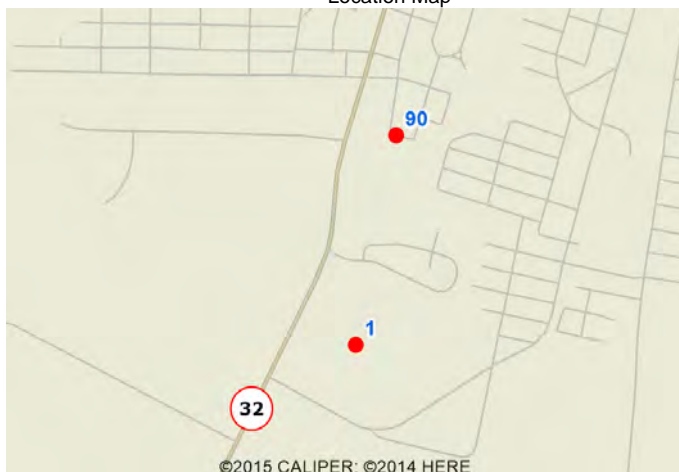
Project Information

Property Name	Suffolk Station Apartments
Street Number	100
Street Name	Forest Oak
Street Type	Lane
City	Suffolk
State	Virginia
Zip	23434
Phone Number	(757) 934-3444
Year Built	1987
Year Renovated	2015
Minimum Lease	12
Min. Security Dep.	\$450
Other Fees	\$199
Waiting List	no
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	25
Latitude	36.7185
Longitude	-76.5878
Nearest Crossroads	na
AAC Code	22-022 090

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Brenda, Reginal Manager
Phone Number	(757) 934-3444
Interview Date	15-Feb-22
Interviewed By	AK

2010 renovations included new roofs on 2 buildings, 2015 1 more roof. 2015 - 2018 renovations of kitchens and baths as units become available. In 2022, contact advised replacing cabinets, storage door, patio doors and balconies as needed. All reported rents for renovated units.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
2	2.0	1000	Garden/Flat	Mar	Mar	No	No	79	3	\$1,035		\$1,035	\$131	\$1,166
3	2.0	1100	Garden/Flat	Mar	Mar	No	No	32	3	\$1,125		\$1,125	\$176	\$1,301
Total / Average		1,029						111	6	\$1,061		\$1,061	\$144	\$1,205

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	yes	yes
Sewer	yes	yes
Trash	no	no
Comp vs. Subject	Similar	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	no
Comp vs. Subject	Inferior	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	3.25	3.00
Comp vs. Subject	Superior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	3.50	3.50
Comp vs. Subject	Similar	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.90	2.90
Comp vs. Subject	Similar	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.50	2.00
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.25	2.50
Comp vs. Subject	Superior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2010	2012
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	no	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	no
Storage	yes	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	yes	yes
Microwave	yes	no
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	yes	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	some
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Similar	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Suffolk Station Apartments is an existing multifamily development located at 100 Forest Oak Lane in Suffolk, Virginia. The property, which consists of 111 apartment units, was originally constructed in 1987 with conventional financing. All units are set aside as market rate units. The property currently stands at 95 percent occupancy.

RENT COMPARABLES, RESTRICTED RENT

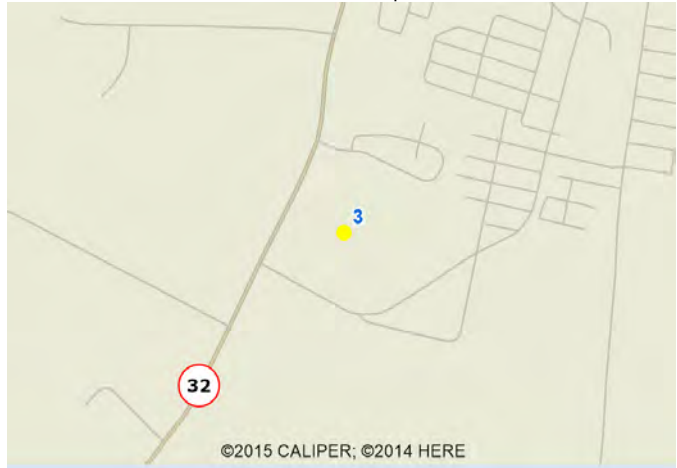
Project Information

Property Name	Autumn Ridge 2 - LC2
Street Number	116
Street Name	Nancy
Street Type	Drive
City	Suffolk
State	Virginia
Zip	23434
Phone Number	(757) 934-0847
Year Built	1998
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$69
Waiting List	no
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	1994 Tax Credit
Vouchers	7
Latitude	36.7121
Longitude	-76.5894
Nearest Crossroads	Behind Nansemond Square Apts
AAC Code	22-022 003

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Ruthie, Leasing Agent
Phone Number	(757) 934-0847
Interview Date	11-Feb-22
Interviewed By	PL

1994 TC's awarded for construction of this property without project based rental assistance. Units have carpet and vinyl, although contact advised in 2016, property is changing to laminate wood. 2019 renovations included countertops and windows. Contact advised of new Kroger and several new shopping centers in the area.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
2	1.0	850	Garden/Flat	50%	50%	No	No	8	1	\$846		\$846	\$125	\$971
2	1.0	850	Garden/Flat	60%	60%	No	No	8		\$1,036		\$1,036	\$125	\$1,161
3	2.0	1013	Garden/Flat	50%	50%	No	No	4		\$977		\$977	\$170	\$1,147
3	2.0	1013	Garden/Flat	60%	60%	No	No	4		\$1,197		\$1,197	\$170	\$1,367
Total / Average		904						24	1	\$990		\$990	\$140	\$1,130

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	no	yes
Sewer	no	yes
Trash	no	no
Comp vs. Subject	Superior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	no
Comp vs. Subject	Inferior	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.00	3.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.00	3.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.20	2.90
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.60	2.00
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.50	2.50
Comp vs. Subject	Superior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2005	2012
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	yes	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	yes
Carpeting	no	yes
Fireplace	no	no
Patio/Balcony	no	no
Storage	no	no
Comp vs. Subject	Inferior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	yes	yes
Microwave	no	no
Comp vs. Subject	Similar	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	yes	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	some
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Similar	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Autumn Ridge 2 - LC2 is an existing multifamily development located at 116 Nancy Drive in Suffolk, Virginia. The property, which consists of 24 apartment units, was originally constructed in 1998 . This property is currently operated as a rent restricted property. The property currently stands at 96 percent occupancy.

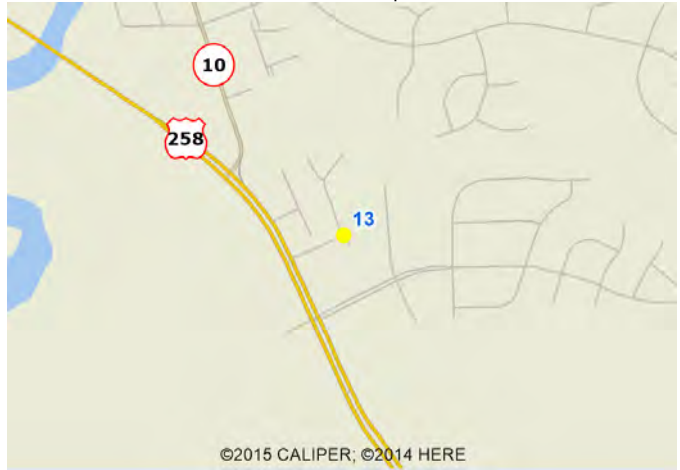
Project Information

Property Name	Bradford Mews Phase 1 & 2
Street Number	100
Street Name	Cattail
Street Type	Lane
City	Smithfield
State	Virginia
Zip	23430
Phone Number	(757) 357-0707
Year Built	1994
Year Renovated	2013
Minimum Lease	12
Min. Security Dep.	\$175
Other Fees	\$32
Waiting List	no
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	2012 Bond
Vouchers	80
Latitude	36.9594
Longitude	-76.6012
Nearest Crossroads	na
AAC Code	22-022 013

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Kendra, Leasing Agent
Phone Number	(757) 357-0707
Interview Date	11-Feb-22
Interviewed By	PL

2012 Bond awarded for construction of this property without units of project based rental assistance available to tenants. 2012 and 2013 renovations included kitchen cabinets, appliances, counter tops, H/W heaters, A/C units, windows, hardwood laminate in entry halls and dining rooms. New roofs in 2010.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
2	2.0	1000	Garden/Flat	60%	50%	No	No	6		\$1,038		\$1,038	\$103	\$1,141
2	2.0	1000	Garden/Flat	60%	60%	No	No	66		\$1,038		\$1,038	\$103	\$1,141
3	2.0	1320	Garden/Flat	60%	50%	No	No	12		\$1,194		\$1,194	\$124	\$1,318
3	2.0	1320	Garden/Flat	60%	60%	No	No	36	1	\$1,194		\$1,194	\$124	\$1,318
Total / Average		1,128						108	1	\$1,100		\$1,100	\$111	\$1,212

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	no	yes
Sewer	no	yes
Trash	no	no
Comp vs. Subject	Superior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	no
Comp vs. Subject	Inferior	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.50	3.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	3.50	3.50
Comp vs. Subject	Similar	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.30	2.90
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.50	2.00
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	2.50
Comp vs. Subject	Superior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2005	2012
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	yes	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	yes	no
Comm Center	yes	yes
Elevator	no	no
Fitness Ctr	yes	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	no
Playground	yes	yes
Pool	yes	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Superior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	no
Storage	no	no
Comp vs. Subject	Similar	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	yes	yes
Microwave	yes	no
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	yes	no
Open	no	yes
None	no	no
Comp vs. Subject	Superior	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	yes	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	some
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Similar	

Services		
Amenity	Comp	Subj
After School	na	no
Concierge	na	no
Hair Salon	na	no
Health Care	na	no
Housekeeping	na	no
Meals	na	no
Transportation	na	no
Comp vs. Subject	Similar	

Bradford Mews Phase 1 & 2 is an existing multifamily development located at 100 Cattail Lane in Smithfield, Virginia. The property, which consists of 120 apartment units, was originally constructed in 1994 . This property is currently operated as a rent restricted property. The property currently stands at 99 percent occupancy.

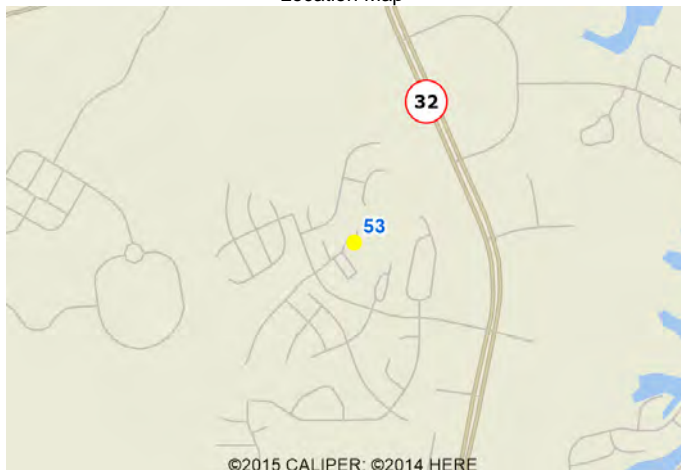
Project Information

Property Name	King's Landing Apartments
Street Number	1000
Street Name	Litton
Street Type	Lane
City	Suffolk
State	Virginia
Zip	23434
Phone Number	(877) 883-0784
Year Built	1992
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	\$500
Other Fees	\$32
Waiting List	6 people
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	1990 Tax Credit
Vouchers	24
Latitude	36.7778
Longitude	-76.5885
Nearest Crossroads	off Kensington Boulevard
AAC Code	22-022 053

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Amanda, Management
Phone Number	(877) 883-0784
Interview Date	11-Feb-22
Interviewed By	PL

1990 TC's awarded for construction of this property without project based rental assistance. 2014 and 2015 property replaced stoves and refrigerators. 2013 replaced all AC units. 2017 new roof. 2018 rehab of some 1BR units - kitchen countertops, flooring, and cabinets. 2021 resurfaced parking lot. There are no new apartments or businesses

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	661	Garden/Flat	60%	60%	No	No	48		\$865		\$865	\$60	\$925
2	1.0	858	Garden/Flat	60%	60%	No	No	72		\$1,005		\$1,005	\$88	\$1,093
Total / Average		779						200		\$949		\$949	\$77	\$1,026

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	no	yes
Sewer	no	yes
Trash	no	no
Comp vs. Subject	Superior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	no
Comp vs. Subject	Inferior	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	3.25	3.00
Comp vs. Subject	Superior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	3.25	3.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.20	2.90
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.00	2.00
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	2.50
Comp vs. Subject	Superior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2010	2012
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	yes	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	no
Playground	yes	yes
Pool	yes	no
Sauna	no	no
Sports Court	yes	no
Walking Trail	no	no
Comp vs. Subject	Superior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	some	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	no	no
Storage	no	no
Comp vs. Subject	Inferior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	yes
Microwave	no	no
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	yes	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	some
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Similar	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

King's Landing Apartments is an existing multifamily development located at 1000 Litton Lane in Suffolk, Virginia. The property, which consists of 120 apartment units, was originally constructed in 1992. This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

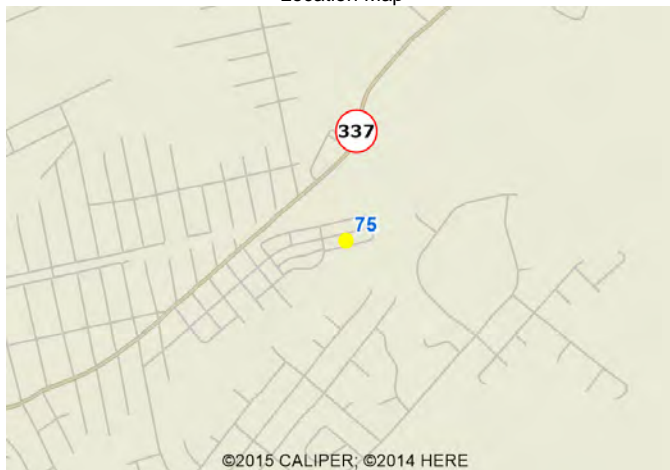
Project Information

Property Name	October Station Apartments
Street Number	2065
Street Name	Freeney
Street Type	Avenue
City	Suffolk
State	Virginia
Zip	23434
Phone Number	757-935-5212
Year Built	2016
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	\$250
Other Fees	\$160
Waiting List	no
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	2016 Tax Credit
Vouchers	27
Latitude	36.7299
Longitude	-76.5569
Nearest Crossroads	na
AAC Code	22-022 075

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Jasmine, Manager
Phone Number	(757) 935-5212
Interview Date	11-Feb-22
Interviewed By	PL

2016 & 2017 Tax Credits were awarded for new construction of this property with 8 HUD project based rental assistance units available to tenants. 5 HC units. Lawson Investment - Carl Hardee 757-499-6161. Property has a clubhouse patio for residents in lieu of a gazebo. There are no new apartments or businesses nearby.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
2	2.0	887	Garden/Flat	50%	40%	No	Yes	5		\$799		\$799	\$132	\$931
2	2.0	887	Garden/Flat	50%	50%	No	Yes	1		\$799		\$799	\$132	\$931
2	2.0	887	Garden/Flat	50%	50%	No	No	18		\$799		\$799	\$132	\$931
2	2.0	887	Garden/Flat	60%	60%	No	No	12		\$950		\$950	\$132	\$1,082
3	2.0	1015	Garden/Flat	60%	60%	No	No	12		\$1,040		\$1,040	\$159	\$1,199
Total / Average		919						48		\$897		\$897	\$139	\$1,036

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	yes	yes
Sewer	yes	yes
Trash	no	no
Comp vs. Subject	Similar	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	no
Comp vs. Subject	Inferior	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.50	3.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.50	3.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.00	2.90
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.40	2.00
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	2.50
Comp vs. Subject	Superior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2016	2012
Comp vs. Subject	Superior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	yes	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	no	no
Fitness Ctr	yes	no
Gazebo/Patio	yes	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	no
Playground	yes	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	yes	no
Comp vs. Subject	Superior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	no
Storage	no	no
Comp vs. Subject	Similar	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	yes	yes
Microwave	no	no
Comp vs. Subject	Similar	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	yes	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	some
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Similar	

Services		
Amenity	Comp	Subj
After School	na	no
Concierge	na	no
Hair Salon	na	no
Health Care	na	no
Housekeeping	na	no
Meals	na	no
Transportation	na	no
Comp vs. Subject	Similar	

October Station Apartments is an existing multifamily development located at 2065 Freney Avenue in Suffolk, Virginia. The property, which consists of 48 apartment units, was originally constructed in 2016 . This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

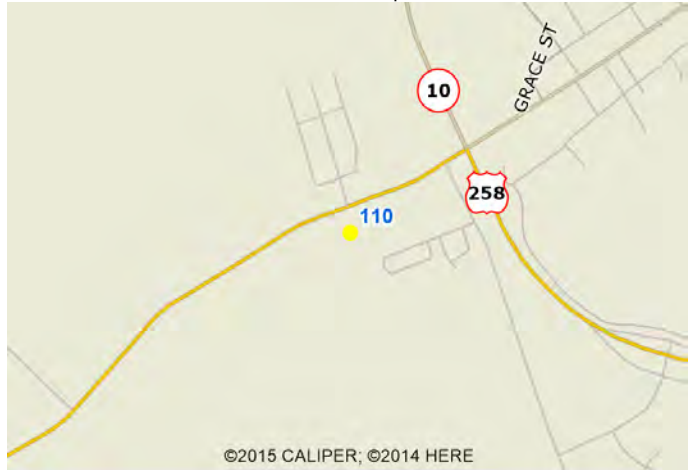
Project Information

Property Name	Woods Edge Apartments
Street Number	764
Street Name	Wrenn
Street Type	Road
City	Smithfield
State	Virginia
Zip	23430
Phone Number	(757) 357-3263
Year Built	1984
Year Renovated	1999
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$19
Waiting List	yes
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	1998 Tax Credit
Vouchers	3
Latitude	36.9748
Longitude	-76.6453
Nearest Crossroads	on the corner of Main Street
AAC Code	22-022 110

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Dee Riggs, Manager
Phone Number	(757) 357-3263
Interview Date	10-Feb-22
Interviewed By	DK

1998 TC's awarded for rehabilitation of this RD property with 50 units of project based rental assistance available to tenants. Units have carpet and vinyl. Property has 6 HC units and 0 Non Revenue units.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	572	Garden/Flat	50%	50%	No	Yes	20	2	\$682		\$682	\$85	\$767
1	1.0	572	Garden/Flat	60%	60%	No	No	4		\$682		\$682	\$85	\$767
2	1.0	752	Garden/Flat	50%	50%	No	Yes	24		\$722		\$722	\$103	\$825
2	1.0	752	Garden/Flat	60%	60%	No	No	4	1	\$878		\$878	\$103	\$981
3	1.0	1003	Garden/Flat	50%	50%	No	Yes	6	2	\$762		\$762	\$168	\$930
3	1.0	1003	Garden/Flat	60%	60%	No	No	2	2	\$762		\$762	\$168	\$930
Total / Average		713						204	60	7		\$722	\$104	\$826

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	no	yes
Sewer	no	yes
Trash	no	no
Comp vs. Subject	Superior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	no
Comp vs. Subject	Inferior	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	4.00	3.00
Comp vs. Subject	Superior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	4.00	3.50
Comp vs. Subject	Superior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.30	2.90
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.20	2.00
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	2.50	2.50
Comp vs. Subject	Similar	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1990	2012
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Mov/ry/Media Ctr	no	no
Picnic Area	no	no
Playground	yes	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	no	no
Storage	no	no
Comp vs. Subject	Similar	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	no	yes
Microwave	no	no
Comp vs. Subject	Inferior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	some
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
Security Alarms	no	no
Security Patrols	yes	no
Comp vs. Subject	Superior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Woods Edge Apartments is an existing multifamily development located at 764 Wrenn Road in Smithfield, Virginia. The property, which consists of 60 apartment units, was originally constructed in 1984 . This property is currently operated as a rent restricted property. The property currently stands at 88 percent occupancy.

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The title to the subject property is merchantable, and the property is free and clear of all liens and encumbrances, except as noted.
- No liability is assumed for matters legal in nature.
- Ownership and management are assumed to be in competent and responsible hands.
- No survey has been made by the appraiser. Dimensions are as supplied by others and are assumed to be correct.
- The report was prepared for the purpose so stated and should not be used for any other reason.
- All direct and indirect information supplied by the owner and their representatives concerning the subject property is assumed to be true and accurate.
- No responsibility is assumed for information supplied by others and such information is believed to be reliable and correct. This includes zoning and tax information provided by Municipal officials.
- The signatories shall not be required to give testimony or attend court or be at any governmental hearing with respect to the subject property unless prior arrangements have been made with the client.
- Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute.
- The legal description is assumed to be accurate.
- This report specifically assumes that there are no site, subsoil, or building contaminants present resulting from residual substances or construction materials, such as asbestos, radon gas, PCB, etc. Should any of these factors exist, the appraiser reserves the right to review these findings, review the value estimates, and change the estimates, if deemed necessary.
- The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with
- This analysis specifically assumes that the subject property is operated as described in this report.
- This analysis specifically assumes that the subject property is constructed/rehabilitated as described in this report.
- This analysis specifically assumes that the subject property is financed as described in this report.
- This analysis specifically assumes the timing set forth in this report.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I performed an appraisal and market study for the subject property in 2019.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
- I made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification. Debbie Rucker (Allen & Associates Consulting) assisted in compiling the data used in this report.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the Standards and Ethics Education Requirements for Members of the Appraisal Institute.
- I am presently licensed in good standing as a Certified General Real Estate Appraiser in the states of Delaware, Georgia, Maryland, North Carolina, South Carolina, and Virginia, allowing me to appraise all types of real estate.

Respectfully submitted:

ALLEN & ASSOCIATES CONSULTING, INC.



Jeff Carroll

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 the proposed rental units.
- 3) To the best of my knowledge the market can support the demand shown in this study. I understand that any misrepresentation in this statement may result in the denial of participation in the Low Income Housing Tax Credit Program in Virginia as administered by the 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.



Jeff Carroll

March 6, 2022

Date

NCHMA MARKET STUDY INDEX

Introduction: Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

Executive Summary		
1	Executive Summary	Executive Summary
Scope of Work		
2	Scope of Work	Letter of Transmittal
Project Description		
3	Unit mix including bedrooms, bathrooms, square footage, rents, and income targeting	Section 1
4	Utilities (and utility sources) included in rent	Section 2
5	Target market/population description	Section 1
6	Project description including unit features and community amenities	Section 2
7	Date of construction/preliminary completion	Section 1
8	If rehabilitation, scope of work, existing rents, and existing vacancies	Section 1
Location		
9	Concise description of the site and adjacent parcels	Sections 3 & 4
10	Site photos/maps	Section 5
11	Map of community services	Section 4
12	Site evaluation/neighborhood including visibility, accessibility, and crime	Section 4
Market Area		
13	PMA description	Section 6
14	PMA Map	Section 6
Employment and Economy		
15	At-Place employment trends	Section 7
16	Employment by sector	Section 7
17	Unemployment rates	Section 7
18	Area major employers/employment centers and proximity to site	Section 7
19	Recent or planned employment expansions/reductions	Section 7
Demographic Characteristics		
20	Population and household estimates and projections	Section 8
21	Area building permits	Section 7
22	Population and household characteristics including income, tenure, and size	Section 8
23	For senior or special needs projects, provide data specific to target market	Section 8
Competitive Environment		
24	Comparable property profiles and photos	Appendix
25	Map of comparable properties	Section 10
26	Existing rental housing evaluation including vacancy and rents	Section 9
27	Comparison of subject property to comparable properties	Section 10
28	Discussion of availability and cost of other affordable housing options including homeownership, if applicable	NA
29	Rental communities under construction, approved, or proposed	Section 9
30	For senior or special needs populations, provide data specific to target market	Section 8

NCHMA MARKET STUDY INDEX

Introduction: Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

Affordability, Demand, and Penetration Rate Analysis		
31	Estimate of demand	Section 11
32	Affordability analysis with capture rate	Section 11
33	Penetration rate analysis with capture rate	Section 11
Analysis/Conclusions		
34	Absorption rate and estimated stabilized occupancy for subject	Section 11
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	Section 10
36	Precise statement of key conclusions	Executive Summary
37	Market strengths and weaknesses impacting project	Executive Summary
38	Product recommendations and/or suggested modifications to subject	Executive Summary
39	Discussion of subject property's impact on existing housing	Executive Summary
40	Discussion of risks or other mitigating circumstances impacting subject	Executive Summary
41	Interviews with area housing stakeholders	Appendix
Other Requirements		
42	Certifications	Appendix
43	Statement of qualifications	Appendix
44	Sources of data not otherwise identified	NA

MISCELLANEOUS

Certificate of Professional Designation

This certificate verifies that

Jeff Carroll

Allen & Associates Consulting Inc.

*Has completed NCHMA's Professional Designation Requirements
and is hence an approved member in good standing of:*



Formerly known as
NCAHMA

National Council of Housing Market Analysts
1400 16th St. NW
Suite 420
Washington, DC 20036
202-939-1750

Membership Term
1/1/2022 to 12/31/2022



A handwritten signature in black ink, appearing to read 'Thomas Amdur'.

Thomas Amdur
President, NCHMA



QUALIFICATIONS

Allen & Associates Consulting is a real estate advisory firm specializing in affordable housing. Practice areas include low-income housing tax credits, tax-exempt bond transactions, HUD assisted and financed multifamily, USDA-RD assisted and financed properties, public housing, historic tax credits, conventional multifamily, and manufactured housing. Services include development consulting, rent comparability studies, market analysis, feasibility studies, appraisals, capital needs assessments, and utility studies.

Allen & Associates Consulting and its sister organization Allen & Associates Appraisal maintain offices in Charlotte, North Carolina and Detroit, Michigan, respectively. Allen & Associates is approved to provide its services throughout the United States.

The following is a listing of key personnel for Allen & Associates Consulting:

Jeffrey B. Carroll

Jeffrey B. Carroll is President of Allen & Associates Consulting. Since 2000, Mr. Carroll has completed over 3000 development consulting assignments in 46 states. Major projects include:

- *Market Feasibility* - Completed market studies for 13 proposed tax credit apartment developments on behalf of the Georgia Department of Community Affairs. The portfolio included 5 family and 8 senior communities. Our analysis identified the 4 best deals for the housing finance agency to consider funding.
- *Valuation* - Developed a disposition plan for a 30-property portfolio of apartments on behalf of a private owner. The 921-unit portfolio (located in MD, DE, PA and VA) was valued at \$23 million. Our client relied on our valuations and advice to maximize sales proceeds for the portfolio.
- *Capital Needs Assessments* - Completed capital needs assessments for an 8-property portfolio of RD-financed apartments on behalf of a private developer. The portfolio (located in FL) included 6 family and 2 senior communities. Our client utilized our assessments to develop a scope of work for the proposed acquisition and renovation of the 214-unit portfolio.
- *Utility Allowance Studies* - Completed utility allowance studies for a portfolio of tax credit apartments on behalf of a large national owner/developer. The portfolio (located in CT, DC, IL, IN, MA, NC, OH, PA and VA) included 31 properties. Our client utilized our research to maximize rents and net operating income for the portfolio.
- *Underwriting* - Conducted a financial review on behalf of a local housing authority for the proposed redevelopment of a vacant historic textile mill into loft apartments. Our client had been asked to issue \$4 million in tax-exempt bonds for

the \$15 million project. Our assistance in underwriting the transaction resulted in the green light for the development.

Mr. Carroll is a certified general appraiser, licensed to appraise real estate in the states of Delaware, Georgia, Maryland, North Carolina, South Carolina and Virginia. Mr. Carroll is also a designated member of the Appraisal Institute (MAI).

Mr. Carroll is a peer-reviewed member of the National Council of Housing Market Analysts, where he served on the Executive Committee and chaired the Data and Ethics Committees.

In addition, Mr. Carroll has also served as a market study reviewer for the Georgia and Michigan housing finance agencies.

Mr. Carroll has written articles on affordable housing, development, property management, market feasibility, and financial analysis for Urban Land magazine, The Journal of Property Management, Community Management magazine, Merchandise magazine, HousingThink, and a publication of the Texas A&M Real Estate Research Center known as Terra Grande.

Mr. Carroll has conducted seminars on affordable housing, development, property management, market feasibility, and financial analysis for the American Planning Association, Community Management magazine, the Georgia Department of Community Affairs, the Manufactured Housing Institute, the National Association of State and Local Equity Funds, the Virginia Community Development Corporation, and the National Council of Affordable Housing Market Analysts.

Mr. Carroll is also an experienced developer and property manager. His experience includes the development of tax credit apartment communities, conventional market rate apartments, manufactured home communities, and single-family subdivisions. He has also managed a portfolio of apartment complexes and manufactured home communities.

The following is a summary of Mr. Carroll's relevant educational background:

Clemson University, Bachelor of Science Degree	
Major in Engineering	
Minor Concentration in Economics	1983
Harvard University, Master's Degree in Business Administration	
Major in General Management	
Minor Concentration in Economics and Real Estate	1988
Appraisal Institute	
Qualifying Education for Licensure	2001
Continuing Education for Licensure & MAI Designation	2020
ASTM International	
Property Condition Assessments E2018.01	September 2006

The Institute for Professional and Executive Development Tax Credit Property Disposition	October 2007
National Council of Affordable Housing Market Analysts Semi-Annual Meeting & Continuing Education	2002 - 2014
U.S. Department of Housing and Urban Development Utility Allowance Guidebook	September 2007
MAP Training & Certification	September 2007
USDA Rural Development Capital Needs Assessment Provider Training	September 2007
Accessibility Standards Training	September 2007

Mr. Carroll, who was awarded a scholarship on the Clemson University varsity wrestling team, has served as an assistant coach for a local high school wrestling team. Mr. Carroll resides in Charlotte, North Carolina with his wife Becky and his two children, Luke and Brittany.

Debbie Rucker

Debbie Rucker is an analyst with Allen & Associates Consulting, coordinating market research for the company. Mrs. Rucker has worked on over 2000 assignments and has conducted over 40,000 rent surveys.

Mrs. Rucker was also responsible for compiling the database of detailed information on of every tax credit and tax-exempt bond transaction in Virginia, North Carolina, South Carolina, Georgia, Florida, and Texas since 1999.

The following is a summary of Mrs. Rucker’s relevant educational background:

National Council of Affordable Housing Market Analysts Semi-Annual Meeting & Continuing Education	September 2005
Semi-Annual Meeting & Continuing Education	October 2006
Carolinas Council for Affordable Housing Spectrum C ³ P Certification	October 2008

Mrs. Rucker is active in her church and helps run a local judo club. Mrs. Rucker is the mother of three and resides in Weddington, North Carolina.

Michael W. Lash

Michael W. Lash is President of Lash Engineering, an engineering firm located in Charlotte, North Carolina that works closely with Allen & Associates Consulting on utility allowance studies and other specific engagements. Since 1981, Mr. Lash has completed hundreds of assignments including the design of industrial, commercial, multifamily, and single family developments. Mr. Lash is an expert in the design of utility systems, including wastewater and storm water treatment facilities.

Mr. Lash is a certified professional engineer, licensed in the states of Kansas, Louisiana, North Carolina, South Carolina, and Virginia. Mr. Lash graduated from Louisiana Tech University in Civil Engineering in 1981 and has conducted seminars on advanced wastewater treatment, storm water quality treatment and automated engineering drafting and design with Eagle Point Software.

Mr. Lash is active in his church and volunteers his time teaching karate at a local martial arts academy. Mr. Lash resides in Charlotte, North Carolina with his wife and three children.