



REAL PROPERTY **RESEARCH** GROUP

ATLANTA ■ WASHINGTON/BALTIMORE

## Market Feasibility Analysis

# 1203 East Brookland Park Blvd

Richmond, Virginia

Prepared for:

Enterprise Community Development, Inc.

Effective Date: December 14, 2022

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## EXECUTIVE SUMMARY

Real Property Research Group, Inc. (RPRG) has been retained by Enterprise Community Development, Inc. to conduct a market feasibility study for 1203 East Brookland Park Blvd, a proposed new construction multifamily rental community to be located at 1203 East Brookland Park Blvd in Richmond, Virginia. The rental community will offer 43 units in a four level midrise building with associated community amenities and common areas, as well as free surface parking. All units will be income-restricted at 40, 50, 60 or 80 percent of the Area Median Income (AMI).

This analysis has been conducted and formatted in accordance with the 2023 Market Study Guidelines of Virginia Housing and the guidelines of the National Council of Housing Market Analysts (NCHMA). The intended use of this report is to accompany applications to Virginia Housing for nine percent Low-Income Housing Tax Credits.

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

AMI Level	Units	#		Published Sq Ft#	Rent/Sq		Utility	
		Bed	Bath		Net Rent	Ft	Allowance	Gross Rent
40%**	1	1	1	610	\$1,043	\$1.71	\$140	\$1,183
50%	2	1	1	610	\$767	\$1.26	\$140	\$907
60%	2	1	1	610	\$946	\$1.55	\$140	\$1,086
80%	2	1	1	610	\$1,170	\$1.92	\$140	\$1,310
<b>Subtotal</b>	<b>7</b>							
40%**	4	2	1.5	820	\$1,156	\$1.41	\$180	\$1,336
50%	10	2	1.5	820	\$908	\$1.11	\$180	\$1,088
60%	9	2	1.5	820	\$1,125	\$1.37	\$180	\$1,305
80%	3	2	1.5	820	\$1,350	\$1.65	\$180	\$1,530
<b>Subtotal</b>	<b>26</b>							
40%**	3	3	2	1,035	\$1,508	\$1.46	\$219	\$1,727
50%	2	3	2	1,035	\$1,039	\$1.00	\$219	\$1,258
60%	3	3	2	1,035	\$1,221	\$1.18	\$219	\$1,440
80%	2	3	2	1,035	\$1,665	\$1.61	\$219	\$1,884
<b>Subtotal</b>	<b>10</b>							
<b>Total</b>	<b>43</b>							

(\*\*) Units will have PBRA

(#) Weighted average of multiple floorplans.

Source: Enterprise Community Development, Inc.

Based on our research, including a site visit on December 14, 2022, we arrived at the following findings:

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

- Several small food markets and a Family Dollar are located within a quarter mile of the site. A large community center is 0.2 miles from the site with another nonprofit providing teen programming 0.1 miles from the site.
- Considerable investment is underway around the subject. A health hub with a nonprofit pharmacy will be constructed two blocks from the site and an affordable rental community will



be constructed on the site of a vacant church across from the site.

- A bus stop is adjacent to the subject site and access to I-64/95 is approximately 1.4 miles south of the site.

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

- The city's total labor force expanded every year from 2012 to 2019 driven by employed workers; the number of unemployed workers declined from 8,201 in 2012 to 3,916 in 2019. In 2020, the labor force remained stable, but the number of unemployed workers increased 170 percent. In 2021, unemployment fell to 6,378 workers, but the labor force also decreased, averaging 116,270 persons. During the first ten months of 2022, the labor force remained stable and the number of unemployed workers continued to fall.
- Prior to the COVID-19 pandemic, the city's 2019 unemployment rate was 3.3 percent, slightly higher than the state's 2.8 percent, but below the national rate of 3.7 percent. At the onset of the pandemic in 2020, the local unemployment rate averaged 8.8 percent, higher than the state (6.2 percent) and nation (8.1 percent). The city's unemployment rate has subsequently improved to 3.8 percent during the first ten months of 2022, compared to the state's rate of 2.9 percent, and the nation's rate of 3.8 percent.
- Between 2014 and 2019, the city added a net 15,074 jobs or 10.5 percent. In 2019, the city's At-Place Employment level stood at 158,487 before losing 10,869 jobs or 6.9 percent in 2020. During 2021, the city added 5,623 jobs, more than half of those lost during 2020.
- Three industry sectors dominate the local economy. Because Richmond is the state capital of Virginia, the Government sector is the largest in the city, accounting for more than one-quarter (26 percent) of employment, higher than the national average of 15 percent. The next two largest sectors are the Professional-Business (19 percent) and Education Health (17 percent) sectors, both exceeding the national average.

**Population and Household Trends:** The Brookland Park Market Area had moderate household growth over the past 12 years. RPRG projects household growth to remain constant over the next five years.

- The market area lost 544 net people (1.2 percent) but gained 897 households (4.7 percent) between the 2010 and 2020 Census counts. Since 2020, the market recovered all population losses and household growth accelerated, adding 1,006 persons (2.2 percent) and 502 households (2.5 percent) with annual growth of 503 people (1.1 percent) and 251 households (1.3 percent) over this period. When the total growth is combined over the past 12 year period, the market area population grew at an annual rate of 0.1 percent while the household base grew at an annual rate of 0.6 percent.
- Growth in the market area is projected to continue over the next five years with the net addition of 194 people (0.4 percent) and 613 households (3.0 percent) from 2022 to 2027; annual growth over this period is projected at 39 people (0.1 percent) and 123 households (0.6 percent). The Brookland Park Market Area will have 47,193 people and 20,988 households by 2027.

**Demographic and Income Analysis:** Households within the market area are older and more are family-oriented compared to the city as a whole.

- The median age of the Brookland Park Market Area is 39, six years older than the Richmond median of 33.
- As of the 2010 Census, approximately 31 percent of households in the Brookland Park Market Area include children, while 24 percent of citywide households have children.





- One half (50.8 percent) of households in the Brookland Park Market Area are renters as of 2022, lower than the city proportion of 58.4 percent. RPRG projects renters will continue to comprise 50.8 percent of households through 2027.
- Approximately 28 percent of renter households in the Brookland Park Market Area are young renters under age 35, significantly less than the city-wide proportion of 46 percent. Meanwhile, one-quarter (25 percent) of renter households in the market area are seniors age 65 and older, compared to 15 percent in Richmond as a whole. Almost two thirds (64 percent) of all market area households have one or two persons.
- The Brookland Park Market Area's 2022 median income of \$47,455 is 17 percent lower than the citywide median household income of \$57,035. About 39 percent of market area households earn less than \$35,000, while 31 percent earn from \$35,000 to \$74,999.
- The median income of renters in the Brookland Park Market Area as of 2022 is \$34,424, or 53 percent of the median income of owner households (\$65,589). Almost one-quarter (24 percent) of market area renter households have incomes less than \$15,000. Another 26 percent of renter households have incomes between \$15,000 and \$35,000, and 33 percent have incomes between \$35,000 and \$75,000.
- Almost one-half (46 percent) of all renter households residing in the Brookland Park Market Area have rent burdens of 35 percent or higher, and 37 percent of all renter households have rent burdens of 40 percent or higher.

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

- The aggregate vacancy rate for the 16 surveyed rental communities is 0.4 percent. All LIHTC communities are completely occupied. Several communities reported waitlists.
- The average market rate one-bedroom net rent is \$1,148 for an average of 663 square feet or \$1.73 per square foot. The average market rate two-bedroom net rent is \$1,354 for an average of 863 square feet or \$1.57 per square foot. The average market rate three-bedroom rent is \$2,110 for an average size of 1,277 square feet or \$1.65 per square foot.
- The tax credit communities offer units at 40, 50, and 60 percent AMI with an average net rent for one-bedroom units of \$797 for an average size of 613 square feet, or \$1.30 per square foot. The average net two-bedroom rent is \$907 for an average size of 840 square feet, or \$1.08 per square foot. The average net three-bedroom rent is \$1,059 for an average size of 1,145 square feet, or \$0.93 per square foot.
- RPRG identified five rental projects in the near-term pipeline for the Brookland Park Market Area totaling 473 units, of which 208 would be LIHTC units.

**Net Demand:** The results of the Net Demand analysis indicate demand for 421 rental units over the next three years. Accounting for anticipated pipeline and the subject, the market area will have a nominal surplus of 70 units over the next three years. That said, over one-half of the pipeline units will be market rate and unavailable for residents that would live at the subject.

**Effective Demand – Affordability/Capture and Penetration:** Assuming a 35 percent rent burden, the subject's units would need to capture 0.5 percent of the 8,892 income-qualified renter households as of 2025 to lease all 43 units. RPRG judges that there are sufficient numbers of income-qualified renter households in the market area who could afford the subject at the proposed rents.



RPRG considers the calculated penetration rate of 15.7 percent to be reasonable in the context of the Brookland Park Market Area. The penetration rate suggests that there is adequate income-qualified demand to support the subject project and the existing and proposed tax credit units in the market.

**Virginia Housing Demand Methodology:** Given a calculated net demand of 3,454 households, the 43-unit 1203 East Brookland Park Blvd would need to capture 1.2 percent of income-qualified renter households per the demand methodology mandated by Virginia Housing. RPRG considers the subject's capture rate to be achievable, indicating sufficient demand to absorb all 43 units at the subject. Market conditions, including full occupancy among tax credit communities with wait lists, indicate strong demand for quality rental units targeting low income households.

**Target Markets:** As The location of the subject site will offer future residents convenient access to retail, services, and employment centers. Combining these benefits with the subject's affordable rents, we would expect it to attract singles, couples, roommates, and families with children.

**Product Evaluation:** Considered in the context of the competitive environment, the relative position of the proposed 1203 East Brookland Park Blvd is as follows:

- **Structure Type:** The community is designed as a four story elevator serviced building. Midrise buildings are rare in this market with only the highest priced market rate communities offering this structure type. This design is appropriate for the subject and will be a competitive advantage.
- **Unit Distribution:** The subject's proposed unit distribution is seven one bedroom units (16 percent), 26 two bedroom units (61 percent), and ten three bedroom units (23 percent). Among the reported unit distribution for market area LIHTC communities, 28 percent are one-bedroom units, 51 percent are two-bedroom units, and 22 percent are three-bedroom units. The subject's unit mix is similar to the affordable communities and appropriate for the market area demographics.
- **Unit Size:** The proposed unit sizes for 1203 East Brookland Park Blvd are 610 square feet for one-bedroom units, 820 square feet, for two-bedroom units, and 1,035 square feet for three-bedroom units. The proposed one and two bedroom unit sizes are comparable to the LIHTC average. The three bedroom unit is ten percent smaller than the LIHTC average, but still within the range of existing units. The subject's unit sizes are appropriate for an affordable community in this market.
- **Unit Features:** Units at 1203 East Brookland Park Blvd will have Luxury Vinyl Tile flooring. All units will include a dishwasher, disposal, and washer/dryer hook ups. This unit features package will be comparable to most communities and appropriate for the target market. In unit washer/dryers are a standard feature at only one tax credit community and four market rate communities; even hooks ups are relatively rare.
- **Common Area Amenities:** The property will have a competitive amenity package including a community room, business center/homework room, and bicycle storage. This amenity package is appropriate and superior to most communities.
- **Parking:** The subject will have free surface parking which is the standard offering in the market. This is appropriate for the subject site location and key target markets.

**Price Position/Rents:** For all bedroom types, the subject's rents are below the maximum achievable rents. The subject's rents will allow it to offer lower income residents a modern unit at a range of income levels with most priced less than most market rate communities. While some market rate communities offer some floorplans priced comparable to the subject's higher income



units, those communities can raise rents as demand grows in this corridor while the subject's rents will remain affordable. Moreover, those market rate communities are inferior to the subject in quality and offer fewer features and amenities.

**Absorption Estimate:** Based on RPRG's survey of the general occupancy rental communities, the aggregate vacancy rate is low at is 0.4 percent and all LIHTC communities are completely occupied. Additionally, the key capture rate for the subject overall is 0.5 percent, and the penetration rate for the subject and all comparable units is 15.7 percent; both are reasonable and readily achievable.

Only one affordable general occupancy community has been placed in service since 2013. The Foundry opened in July 2022 with 200 units restricted to 60 percent AMI. According to onsite staff, all units were filled by the end of the month through the lengthy wait list at Virginia Housing. That said, we have conservatively estimated an overall project lease up pace of roughly five months, reflecting an average absorption pace of eight to nine units per month. The subject will offer local renters newer high quality rental housing at an affordable price.

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



## I. INTRODUCTION

### A. Overview of Subject

The subject of this report is the proposed development of 1203 East Brookland Park Blvd, a general occupancy Low Income Housing Tax Credit (LIHTC) rental community to be located at 1203 E Brookland Park Blvd in the Highland Park area of Richmond, Virginia.

The rental community will include 43 units in a four level midrise building, all of which will be income-restricted in accordance with the Department of Housing and Urban Development's 2022 median household income for the Richmond HUD Metro FMR Area (Table 1). Units will target households earning up to 40, 50, 60 or 80 percent of the Area Median Income (AMI). This report is intended to be submitted as part of an application for nine percent Low Income Housing Tax Credits for the proposed 43 rental units.

### B. Purpose

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

### C. Format of Report

The report format is Comprehensive. Accordingly, the market study addresses all required items set forth in the 2023 Market Study Guidelines of Virginia Housing (VH). Furthermore, the market analyst has considered the recommended model content and market study index of the National Council of Housing Market Analysts (NCHMA).

### D. Client, Intended User, and Intended Use

The Client is Enterprise Community Development, Inc. (Developer). Along with the Client, the Intended Users are representatives of Virginia Housing (VH) and potential investors. VH is an authorized user of the market study and may rely on the representation made therein. The subject report will be submitted to VH as part of an application for nine percent Low-Income Housing Tax Credits.

### E. Applicable Requirements

This market study is intended to conform to the requirements of the National Council of Housing Market Analyst's (NCHMA) content standards and VH's 2023 Market Study Guidelines.



**Table 1 LIHTC Income and Rent Limits, Richmond HUD Metro FMR Area**

HUD 2022 Median Household Income										
Richmond, VA MSA \$101,000										
Very Low Income for 4 Person Household \$50,350										
2022 Computed Area Median Gross Income <b>\$100,700</b>										
Utility Allowance:										
1 Bedroom \$140										
2 Bedroom \$180										
3 Bedroom \$219										
Household Income Limits by Household Size:										
Household Size	30%	40%	50%	60%	80%	100%	120%	150%	200%	
1 Person	\$21,150	\$28,200	\$35,250	\$42,300	\$56,400	\$70,500	\$84,600	\$105,750	\$141,000	
2 Persons	\$24,180	\$32,240	\$40,300	\$48,360	\$64,480	\$80,600	\$96,720	\$120,900	\$161,200	
3 Persons	\$27,210	\$36,280	\$45,350	\$54,420	\$72,560	\$90,700	\$108,840	\$136,050	\$181,400	
4 Persons	\$30,210	\$40,280	\$50,350	\$60,420	\$80,560	\$100,700	\$120,840	\$151,050	\$201,400	
5 Persons	\$32,640	\$43,520	\$54,400	\$65,280	\$87,040	\$108,800	\$130,560	\$163,200	\$217,600	
6 Persons	\$35,070	\$46,760	\$58,450	\$70,140	\$93,520	\$116,900	\$140,280	\$175,350	\$233,800	
Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):										
Persons	# Bed-rooms	30%	40%	50%	60%	80%	100%	120%	150%	200%
1	0	\$21,150	\$28,200	\$35,250	\$42,300	\$56,400	\$70,500	\$84,600	\$105,750	\$141,000
1.5	1	\$22,665	\$30,220	\$37,775	\$45,330	\$60,440	\$75,550	\$90,660	\$113,325	\$151,100
3	2	\$27,210	\$36,280	\$45,350	\$54,420	\$72,560	\$90,700	\$108,840	\$136,050	\$181,400
4.5	3	\$31,425	\$41,900	\$52,375	\$62,850	\$83,800	\$104,750	\$125,700	\$157,125	\$209,500
6	4	\$35,070	\$46,760	\$58,450	\$70,140	\$93,520	\$116,900	\$140,280	\$175,350	\$233,800
LIHTC Tenant Rent Limits by Number of Bedrooms (assumes 1.5 persons per bedroom):										
# Persons	30%		40%		50%		60%		80%	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
1 Bedroom	\$566	\$426	\$755	\$615	\$944	\$804	\$1,133	\$993	\$1,511	\$1,371
2 Bedroom	\$680	\$500	\$907	\$727	\$1,133	\$953	\$1,360	\$1,180	\$1,814	\$1,634
3 Bedroom	\$785	\$566	\$1,047	\$828	\$1,309	\$1,090	\$1,571	\$1,352	\$2,095	\$1,876

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

**F. Scope of Work**

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

- Please refer to Appendix 2 for a detailed list of NCHMA requirements and the corresponding pages of requirements within the report.
- Nicole Mathison, Senior Analyst, conducted visits to the subject site, neighborhood, and market area on December 14, 2022.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community leasing agents and property managers. We also reviewed pipeline information using the Richmond Planning Department’s GIS system and other data provided on their website, checked listings of recent LIHTC awards, and spoke to developers and lenders, as well as staff at Henrico County’s planning department.
- All pertinent information obtained was incorporated in the appropriate section(s) of this report.



## **G. Report Limitations**

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

## **H. Other Pertinent Remarks**

None.

## II. PROJECT DESCRIPTION

### A. Project Overview

1203 East Brookland Park Blvd will offer 43 units in a four level midrise building with associated community amenities and common areas, as well as free surface parking. All units will be income-restricted at 40, 50, 60 or 80 percent of the Area Median Income (AMI).

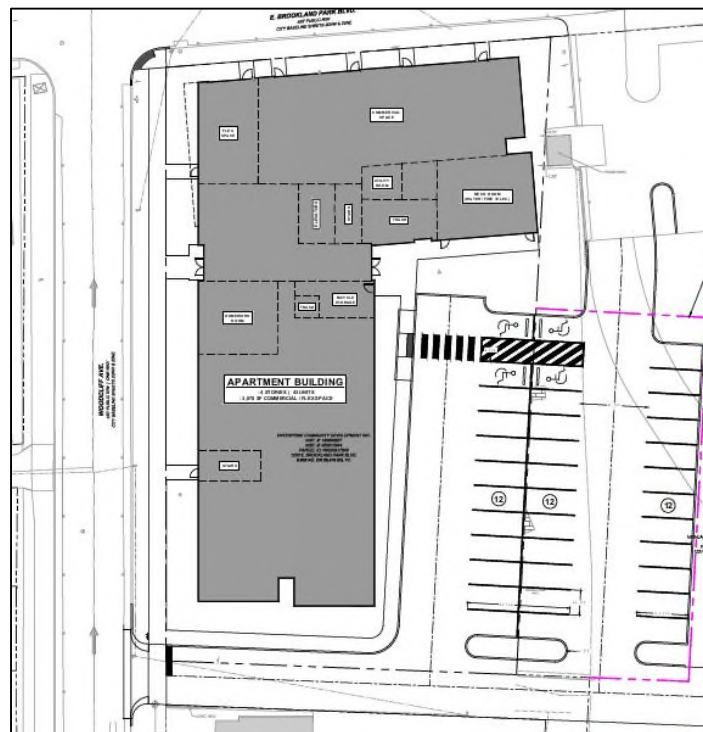
### B. Project Type and Target Market

1203 East Brookland Park Blvd will be a general occupancy multifamily community targeted to low-income renter households. All units will be restricted to renter households earning up to 40, 50, 60, or 80 percent AMI for the Richmond HUD Metro FMR Area. All units at the 40 percent AMI designation will have project based rental assistance provided by the Richmond Revitalization and Housing Authority. With a proposed unit mix of one-, two-, and three-bedroom floorplans, the community will target a wide range of renter households, including single individuals, couples, roommates, active adults, and small families.

### C. Building Types and Placement

1203 East Brookland Park Blvd will consist of one four-story midrise building. The ground floor will include approximately 3,000 square feet of commercial space along the north side of the building fronting Brookland Park Blvd (Figure 1). The main entrance into the rental community will be from Woodcliff Avenue at the southwest corner of the site. Parking will be located on the southeast portion of the site.

**Figure 1 Site Plan, 1203 East Brookland Park Blvd**



Source: Enterprise Community Development, Inc.



## D. Detailed Project Description

### 1. Project Description

The project sponsor proposes to develop one-, two-, and three-bedroom units. The proposed unit mix includes seven one bedroom units (16 percent), 26 two bedroom units (61 percent), and ten three bedroom units (23 percent) (Table 2). One-bedroom units will have 610 square feet; two-bedroom units will have 820 square feet; and three-bedroom units will average 1,035 square feet.

All units will be income restricted. The proposed utility allowances are \$140 for one-bedroom units, \$180 for two-bedroom units, and \$219 for three-bedroom units. Monthly rents at 1203 East Brookland Park Blvd will include free surface parking as well as trash collection. All other utility bills including electric cooking, electric heating and cooling, water/sewer, and general electricity will be the direct responsibility of tenants.

**Table 2 Proposed Unit Mix, Unit Sizes and Rents, 1203 East Brookland Park Blvd**

AMI Level	Units	# Bed	# Bath	Published Sq Ft#	Net Rent	Rent/Sq Ft	Utility Allowance	Gross Rent
40%**	1	1	1	610	\$1,043	\$1.71	\$140	\$1,183
50%	2	1	1	610	\$767	\$1.26	\$140	\$907
60%	2	1	1	610	\$946	\$1.55	\$140	\$1,086
80%	2	1	1	610	\$1,170	\$1.92	\$140	\$1,310
<b>Subtotal</b>	<b>7</b>							
40%**	4	2	1.5	820	\$1,156	\$1.41	\$180	\$1,336
50%	10	2	1.5	820	\$908	\$1.11	\$180	\$1,088
60%	9	2	1.5	820	\$1,125	\$1.37	\$180	\$1,305
80%	3	2	1.5	820	\$1,350	\$1.65	\$180	\$1,530
<b>Subtotal</b>	<b>26</b>							
40%**	3	3	2	1,035	\$1,508	\$1.46	\$219	\$1,727
50%	2	3	2	1,035	\$1,039	\$1.00	\$219	\$1,258
60%	3	3	2	1,035	\$1,221	\$1.18	\$219	\$1,440
80%	2	3	2	1,035	\$1,665	\$1.61	\$219	\$1,884
<b>Subtotal</b>	<b>10</b>							
<b>Total</b>	<b>43</b>							

(\*\*) Units will have PBRA

(#) Weighted average of multiple floorplans.

Source: Enterprise Community Development, Inc.

Units will be equipped with a full slate of energy efficient kitchen appliances including a range, refrigerator, dishwasher, and disposal (Table 3). Flooring will be Luxury Vinyl Tile (LVT). All units will have washer/dryer hook ups. Exterior building finishes will be a combination of brick and fiber cement siding. Common area amenities will include a community room and computer/homework room as well as bicycle storage.





**Table 3 Unit Features and Community Amenities, 1203 East Brookland Park Blvd**

Unit Features	Community Amenities
<ul style="list-style-type: none"> <li>• Energy efficient appliances including refrigerator, range, dishwasher, microwave, and disposal</li> <li>• Washer/dryer hookups</li> <li>• LVT flooring</li> </ul>	<ul style="list-style-type: none"> <li>• Community room</li> <li>• Computer/rec room</li> <li>• Bike storage</li> </ul>

**Source:** Enterprise Community Development, Inc.

**2. Proposed Timing of Development**

The developer intends to begin construction in February 2024. Completion is expected in April 2025.

### III. SITE AND NEIGHBORHOOD ANALYSIS

#### A. Site Analysis

##### 1. Site Location

The subject site is located at 1203 E Brookland Park Blvd, on the west side of the Six Points traffic circle in Richmond, Virginia (Map 1). The site is located on the north side of Richmond, approximately one-half mile east of the city’s boundary with Henrico County. The site is approximately 2.5 miles north of the downtown Richmond.

**Map 1 Site Location**



##### 2. Size, Shape and Topography

The subject site is 0.609 acres and roughly square. Topography appeared generally flat (Figure 2).

**Figure 2 Views of Subject Site**

View of site facing west from Woodcliff Ave



SE corner of site as seen beyond fence at adjacent property



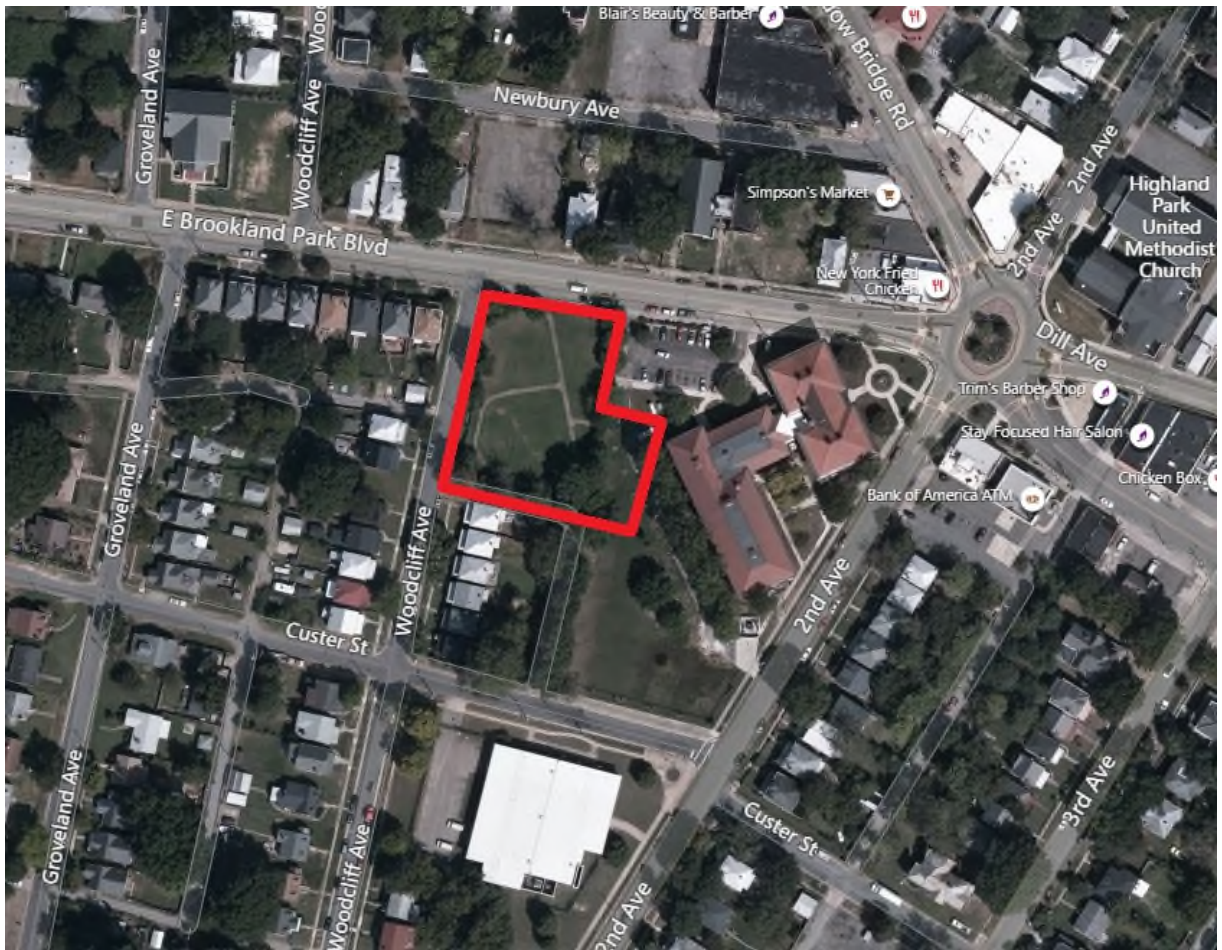
View facing south from Brookland Park Blvd



View facing SE from NW corner of site

**3. General Description of Land Uses Near the Subject Site**

The site is in a historic neighborhood that includes both single family detached homes as well as a 'Main Street' type commercial area and multifamily housing. All buildings, residential and commercial, were constructed in the early 20<sup>th</sup> Century (Map 2). Most homes appear occupied, but maintenance is extremely variable. The commercial area includes a greater number of vacant properties, but most properties are still reasonably well maintained. The interior of the large traffic circle at Six Points includes shrubbery, trees, brick sidewalks, and attractive lamp posts. The building adjacent to the site is a historic school that was redeveloped several years ago into a senior affordable rental community. A vacant church located across the street will be replaced with a general occupancy LIHTC community prior to construction of the subject.

**Map 2 Aerial View of Site**


#### 4. Specific Identification of Land Uses Surrounding the Subject Site

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

- **North:** Single-family homes as well as the site for the planned Brookland Park affordable rental community.
- **East:** Highland Park Senior Apartments, an age-restricted LIHTC community with 77 units opened in 2016. Further east is the Six Points traffic circle and commercial district.
- **South:** Single-family homes constructed in the 1920s and in varying states of repair followed by Verizon utility building.
- **West:** Single-family homes constructed in the 1920s and in varying states of repair. Further west is the Hotchkiss Community Center.

**Figure 3 Views of Surrounding and Neighboring Land Uses**



**Residential property west of site as seen from Woodcliff Ave**



**Highland Park Senior Apartments east of site**



**Single-family homes north of site**



**Vacant church north of site to be redeveloped into 66 affordable units.**



**Single-family homes south of site**



**Verizon building south of Custer St**



Building on the subject's side of Six Points intersection



Buildings are part of an interactive street art project north of Six Points

## B. Neighborhood Analysis

The portion of Richmond north of I-95/64 is broadly referred to as the North Side; it is separated from downtown, the East End, and the West End by rusting train tracks, eroding ravines, and the highway. As such, the North Side is somewhat isolated from the rest of the city, and mostly quiet and residential.

The subject is located in the portion of the North Side broadly referred to as Highland Park. Highland Park comprises several historic districts and the subject is adjacent to the Chestnut Hill/Plateau District and four blocks west of the Brookland Park Historic District. Largely residential in character, the area is notable for having Richmond's largest remaining stock of Queen Anne style homes. Six Points, located east of the site is a six-way intersection that was the center of the city's first streetcar suburb. The area declined after World War II, when the streetcars left and economic factors encouraged wealthy and middle-class residents to depart for newer neighborhoods. By the late '90s, early 2000s, the business district had atrophied. In recent years, blighted housing projects have been replaced by mixed-income housing, nonprofits have been active in the area, and languishing homes have been rehabbed and sold as affordable housing.

While Six Points is east of the site, to the west are several notable recreational amenities. Hotchkiss Field Community Center is located 0.2 miles west of the site and it will be a valuable amenity for subject residents. The center offers a gymnasium, game room, and computer lab. Located outside the community center are two baseball fields, three basketball courts, a large playground, two tennis courts, and a swimming pool. A variety of recreation programs and classes are offered. The center also hosts The Great Summer Escape camp and Trophies by Teens program.

The starting point for the Cannon Creek Greenway Bike & Pedestrian Trail is less than one mile west of the site. This trail is a 10 foot wide paved path that extends 1.9 miles from E. Brookland Park Boulevard along the Richmond-Henrico Turnpike. When completed, the Trail will cross Broad Street and continue to Shockoe Bottom and the James River where it will connect with the Capital Trail.

Richmond Community High School is a public college preparatory alternative high school with an enrollment of approximately 250 students located 0.6 miles west of the subject. The public-private partnership provides outstanding education for gifted students from lower income families. Nearly three quarters of admission spaces for incoming freshmen are designated for students from low socio-economic background.



## 1. Neighborhood Investment

As noted earlier, Highland Park, and Six Points in particular, has been the focus of considerable investment in recent years and more is coming:

In 2016, major intersection improvements at Six Points included creation of a traffic roundabout with pedestrian crosswalks. The landscaped roundabout installation project cost \$1.2 million and was funded with federal and state dollars.

In 2017, 6PIC opened in a renovated 4,000 square-foot building located two blocks from the site. This fully-programmed youth center offers neighborhood youth access to innovative programming in advocacy, art, green construction, education, and career success.

As noted earlier, even vacant business are still well maintained in the corridor. In 2017, Virginia Local Initiatives Support Corp. and Capital One awarded several business improvement grants in the Six Points commercial area. The grant program was open to existing businesses. Funds could be used for projects such as exterior painting, signage, windows, doors, security improvements, equipment to expand or upgrade business operations, marketing, and back office services such as bookkeeping. According to project staff, the focus on improving the physical aesthetics of the corridor was meant to provide stabilization for the existing businesses in hopes of attracting new businesses.

Local historian Free Egunfemi is leading an effort to rebrand Meadowbridge Road as the “Black Monument Avenue”. In 2019, Egunfemi created an interactive street art project is Black Monument Avenue, a three block urban exploration experience. It includes large format African patterns adorning the streetscape alongside bold, colorful statements affirming the appreciation for ancestral remembrance and reclaimed memory culture.

In 2021, the nonprofit Maggie Walker Community Land Trust issued an RFP for the redevelopment of the former Bank of America branch at 1307 E. Brookland Park Blvd, two blocks east of the subject. The land trust has owned the 4,800-square-foot building since 2019, when the bank donated it after closing the branch. The land trust held community meetings to ascertain the best use for the building. Suggestions included a grocery store or farmer’s market, restaurant, coffee shop, cafe or bakery, a community center, financial institution, or a doctor’s office. The group then issued an RFP and local nonprofit HandUp Community Resource Center was selected. HandUP Community Resource Center supports persons in crisis by working toward long term solutions that promote stability. Crisis circumstances include legal issues, mental and physical health problems, homelessness, financial setbacks, and unemployment. HandUp will convert the former bank building into a community pharmacy to be known as the Six Points Health Hub. The center would offer primary and preventative care in addition to being a retail pharmacy.

Highland Grove is a mixed-income development filling the area around Dove Street that was formerly the Dove Court public housing community. The first phase included 128 income based rental units and was completed in 2013. The Richmond Redevelopment & Housing Authority selected Better Housing Coalition to develop the final phase. Estimated at \$35 million, the second phase will include 122 attached and detached homes which will be sold at discounted pricing. Notably, plans also include renovating the adjacent Overby-Shepherd Elementary School as part of the project. This is the school subject residents will attend.

In addition to the subject, and the adaptive reuse planned for the church across from the site, other residential developments are planned for the area that will be discussed in the pipeline section. They include a tax credit community on the site of St. Elizabeth’s Church which is three blocks south of the subject as well as a 52-unit community planned for a site several blocks east of the subject.



## **C. Site Visibility and Accessibility**

### **1. Visibility**

The subject will have excellent visibility from Brookland Park Boulevard where 6,900 cars pass daily. Brookland Park Blvd serves as a primary arterial for the surrounding neighborhood with moderate traffic.

### **2. Vehicular Access**

Access to the community will be from Woodcliff Avenue, a local one-way street with minimal traffic. The site has convenient access to the regional highway network. Access to I-64/95 is approximately 1.4 miles south of the site.

### **3. Availability of Public Transit**

The Greater Richmond Transit Company (GRTC) Transit System is the primary provider of public transit in the greater Richmond Area and is jointly owned by the City of Richmond and Chesterfield City. A stop at the site on Brookland Park Blvd is serviced by bus Route 20. Route 20 travels west along Brookland Park Blvd before turning south and connecting with other routes on Broad Street. It terminates south of the James River at the VA Hospital. In addition, the Amtrak Station is 3.5 miles from the site.

### **4. Pedestrian Access**

Pedestrian access at the subject site is excellent as sidewalks are available on all streets adjacent to the subject site, as well as throughout the surrounding neighborhood. A bus stop as well as Family Dollar, the Hotchkiss Community Center, and a future health hub/pharmacy are within easy walking distance to the subject site.

### **5. Accessibility Improvements Under Construction and Planned**

We reviewed information on VDOT's website to determine whether any capital improvement projects affecting road or transit access to the subject site are currently underway or likely to begin within the next few years. No improvements projects were identified that would affect mobility access to the subject site in the near term.

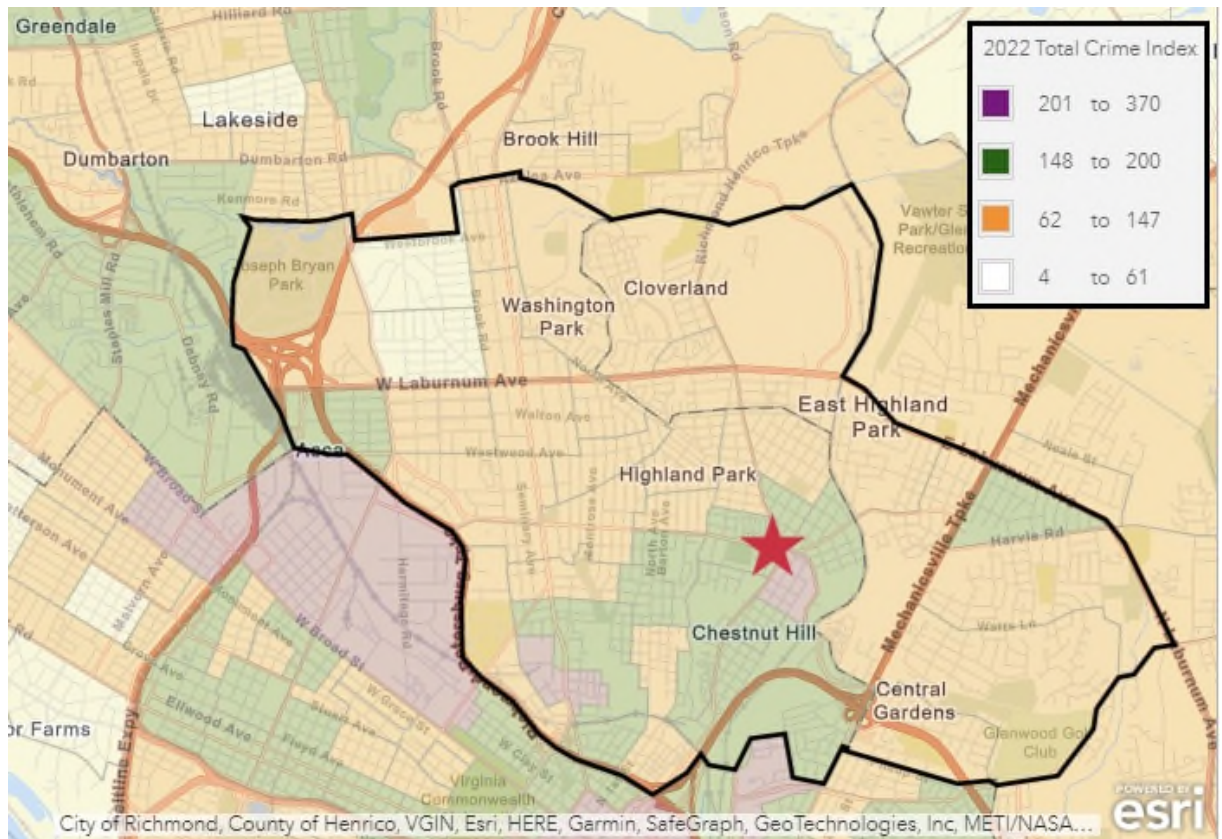
## **D. Public Safety**

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



Map 3 displays the 2022 CrimeRisk Index for the block groups in the general vicinity of the subject site. The relative risk of crime is displayed in gradations from beige (least risk) to purple (most risk). The subject site is in an area with moderate to somewhat higher crime risk, similar to much of the surrounding area, including the areas where the competitive properties are located. The Highest crime risk areas are generally south of I-95/64 in the densely developed downtown area. We do not expect that crime risk or perceived crime risk would have a significant negative effect on the marketability of the subject community.

**Map 3 CrimeRisk Index, Brookland Park Market Area**



## E. Residential Support Network

### 1. Key Facilities and Services near the Subject Site

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



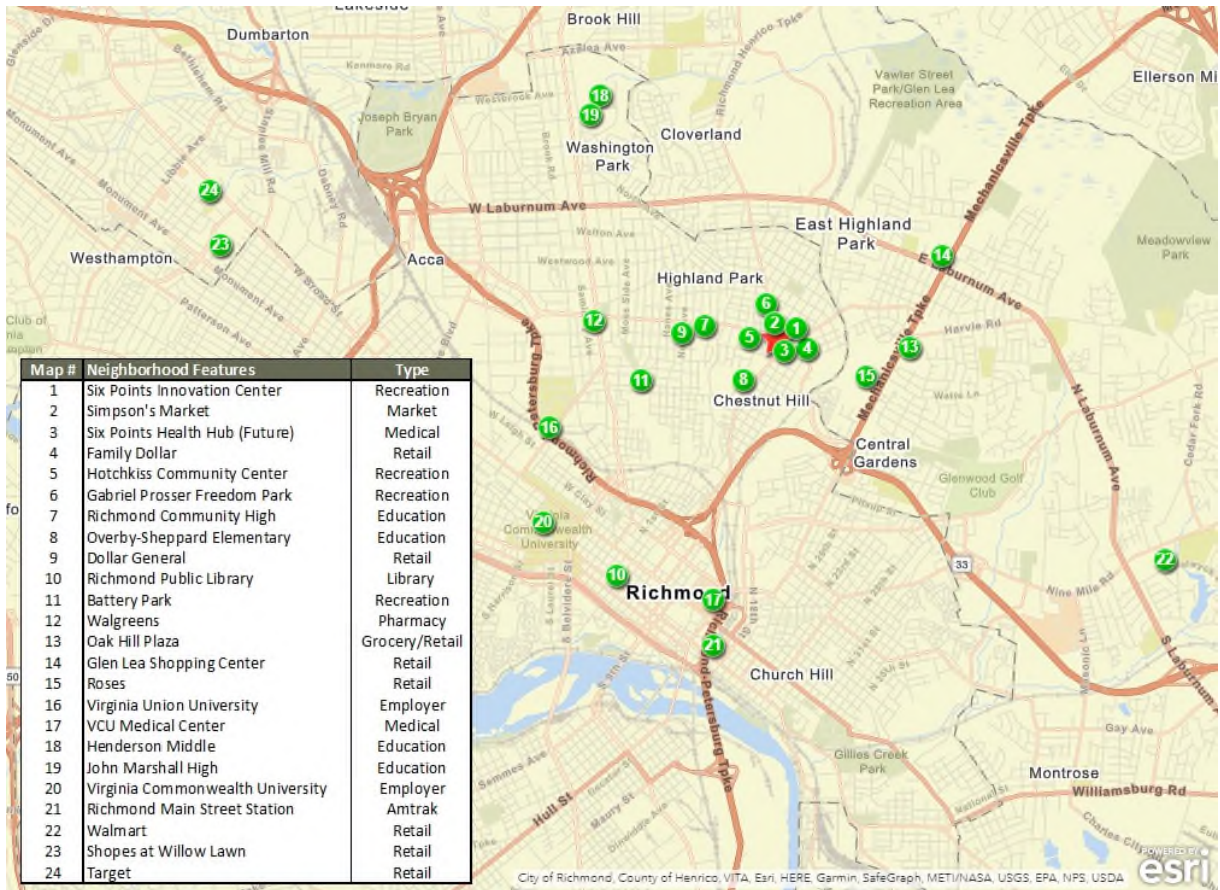
**Table 4 Key Facilities and Services**

Establishment	Type	Address	Distance (mi)
Six Points Innovation Center	Recreation	3001 Meadowbridge Rd	0.1
Simpson's Market	Market	3006 Meadowbridge Rd	0.1
Six Points Health Hub (Future)	Medical	1307 E Brookland Park Blvd	0.1
Richmond Community High School	Education	201 E Brookland Park Blvd	0.6
Family Dollar	Retail	1404 E Brookland Park Blvd	0.2
Hotchkiss Community Center	Recreation	701 E Brookland Park Blvd	0.2
Overby-Sheppard Elementary School	Education	2300 1st Ave	0.6
Gabriel Prosser Freedom Park	Recreation	793 Woodcliff Ave	0.2
Dollar General	Retail	2910 North Ave	0.8
Richmond Public Library North Ave Branch	Library	2901 North Ave	0.8
Battery Park	Recreation	2803 Dupont Cir	1.4
Walgreens	Pharmacy	2924 Chamberlayne Ave	1.4
Oak Hill Plaza (Food Lion, Advance Auto Parts, Shoe City, DTLR, hair salon, cell phone store, dining, etc.)	Grocery/Retail	3089 Mechanicsville Tpke	1.6
Glen Lea Shopping Center (Save A Lot, Rent-A-Center, Dollar General, Virginia ABC, dining, etc.)	Retail	3808 Mechanicsville Tpke	1.8
Roses	Retail	3000 Mechanicsville Tpke	2.0
Virginia Union University	Employer	1500 N Lombardy St	2.4
VCU Medical Center	Medical	403 N 13th St	2.6
Henderson Middle School	Education	4319 Old Brook Rd	2.8
John Marshall High School	Education	4225 Old Brook Rd	2.8
Virginia Commonwealth University	Employer	1363 W Broad St	3.3
Richmond Main Street Station	Amtrak	1500 E Main St	3.5
Walmart	Retail	5001 Nine Mile Rd	4.6
Shopes at Willow Lawn (Ross, Old Navy, DSW, Michaels, Staples, Rack Room, dining, etc.)	Retail	1601 Willow Lawn Dr	5.2
Target	Retail	5401 W Broad St	5.5

Source: RPRG



**Map 4 Neighborhood Features**



**2. Essential Services**

**a) Health Care**

The subject site has good access to medical facilities. The Virginia Commonwealth University (VCU) Medical Center is the nearest to the subject site 2.6 miles to the south on VCU's medical campus in downtown Richmond. The medical center is a tertiary care teaching hospital offering 779 licensed beds and the region's only Level I trauma center in addition to featuring a variety of outpatient services. Of note are the hospital's centers for cancer, cardiology, neurology, and transplantation.

The nearest pharmacy is Walgreens on Chamberlayne Avenue at 1.4 miles to the east, but that will change when the aforementioned Health Hub opens.

**b) Education**

The State of Virginia administers Standards of Learning (SOL) Assessment Tests to monitor student performance and the quality of classroom instruction in public school systems throughout the state. The most comprehensive testing occurs in the 5th and 8th grades as well as high school. Elementary and middle school students are tested in core areas including English, mathematics, science, and writing. High school tests are conducted upon students' completion of relevant



coursework and focus on more specific subject areas such as algebra II, biology, and geometry, in addition to English and writing. The results of SOL tests can be used to compare the performance of students in various schools and school districts, and by extension the quality of the schools themselves. To construct this comparison, we compiled and analyzed data on the percentage of students testing at the state-defined 'proficient' level or 'advanced' level in core subject areas. The most current data available is for the 2018 to 2019 school year.

School-age residents of the subject site would be assigned to Overby-Sheppard Elementary School, Henderson Middle School, and John Marshall High School. Composite test results placed Overby Sheppard Elementary 17<sup>th</sup> out of 26 elementary schools for which data was available. Students attained a composite proficiency rate of 63.5 percent which is comparable to the citywide average of 63.8 percent, but less than the statewide average of 79.5 percent (Table 5).

Residents of the subject property would attend Henderson Middle School which ranked 6<sup>th</sup> out of nine middle schools serving eighth grade students. With a composite proficiency score of 39.5 percent, students scored lower than the citywide average of 54.2 percent and the statewide average of 76.5 percent.

High school students would attend John Marshall High School which ranked 7<sup>th</sup> out of nine high schools in the city and achieved a composite score of 55 percent, less than the citywide average of 68.7 percent and the statewide average of 88.5 percent. As mentioned earlier, Richmond Community High is located 0.6 miles from the subject. All students at this public magnet school passed the state assessments. The subject's designated public schools have assessment scores lower than district and statewide averages, though given the overwhelming need for high quality affordable housing, school scores will not affect the ability of the subject property to reach and maintain stabilization.

### **3. Shopping**

There are several small markets along Meadowbridge Road, including Simpsons which is two blocks from the site. In addition to those markets, another retail node is located 0.7 miles to the west around the intersection of Brookland Park Blvd and North Avenue. While these nodes offer services and dining, as well as general retail goods at Family Dollar and Dollar General, the nearest full-service grocery store is a Food Lion located 1.6 miles to the east in the Oak Hill Plaza Shopping Center. Oak Hill Plaza also includes Advance Auto Parts, Shoe City, DTLR and several service providers. Nearby Glen Lea Shopping Center offers Save A Lot grocery, Dollar General, Rent A Center and several restaurant and service tenants. The nearest Walmart is 4.6 miles from the site. Slightly farther from the subject site (5.2 miles to the southwest), the Willow Lawn shopping center features a combination of shopping strip structures and indoor mall areas. One of the oldest malls in the area, Willow Lawn is anchored by Old Navy, Kroger, Ross, Staples, and DSW.



**Table 5 Richmond Public Schools, 2018-2019**

Elementary Schools					Middle Schools				
VSLA-2019		Grade 3			VSLA-2019		Grade 8		
Rank	School	English	Math	Composite	Rank	School	English	Math	Composite
1	William Fox	88.0%	94.0%	91.0%	1	Franklin Military Academy	88.0%	92.0%	90.0%
2	Mary Munford	87.0%	90.0%	88.5%	2	Richmond Alternative	81.0%	72.0%	76.5%
3	John B. Cary	75.0%	92.0%	83.5%	3	Albert Hill Middle	67.0%	71.0%	69.0%
4	Patrick Henry School	81.0%	78.0%	79.5%	4	Binford Middle	62.0%	53.0%	57.5%
5	Linwood Holton	78.0%	77.0%	77.5%	5	Lucille M. Brown Middle	61.0%	53.0%	57.0%
6	Southampton	75.0%	73.0%	74.0%	6	<b>Henderson Middle</b>	<b>38.0%</b>	<b>41.0%</b>	<b>39.5%</b>
7	J.L. Francis	66.0%	81.0%	73.5%	7	Elkhardt Thompson Middle	38.0%	40.0%	39.0%
8	Barack Obama	70.0%	73.0%	71.5%	8	Thomas C. Boushall Middle	38.0%	28.0%	33.0%
9	George Mason	74.0%	66.0%	70.0%	9	Martin Luther King Jr. Middle	23.0%	30.0%	26.5%
10	J.B. Fisher	67.0%	71.0%	69.0%	<b>Richmond City Average</b>		<b>55.1%</b>	<b>53.3%</b>	<b>54.2%</b>
11	Elizabeth D. Redd	64.0%	71.0%	67.5%	<b>Virginia Average</b>		<b>76.0%</b>	<b>77.0%</b>	<b>76.5%</b>
12	Chimborazo	59.0%	74.0%	66.5%					
13	Westover Hills	65.0%	67.0%	66.0%					
14	Broad Rock	62.0%	68.0%	65.0%					
15	G.H. Reid	61.0%	69.0%	65.0%					
16	Oak Grove/Bellemeade	63.0%	64.0%	63.5%					
17	<b>Overby-Sheppard</b>	<b>65.0%</b>	<b>62.0%</b>	<b>63.5%</b>					
18	Bellevue	54.0%	64.0%	59.0%					
19	Miles Jones	59.0%	59.0%	59.0%					
20	Ginter Park	50.0%	59.0%	54.5%					
21	Swansboro	48.0%	46.0%	47.0%					
22	Blackwell	54.0%	37.0%	45.5%					
23	E.S.H. Greene	41.0%	50.0%	45.5%					
24	Woodville	41.0%	44.0%	42.5%					
25	George W. Carver	42.0%	40.0%	41.0%					
26	Fairfield Court	35.0%	26.0%	30.5%					
<b>Richmond City Average</b>		<b>62.5%</b>	<b>65.2%</b>	<b>63.8%</b>					
<b>Virginia Average</b>		<b>78.0%</b>	<b>81.0%</b>	<b>79.5%</b>					

High Schools				
VSLA-2019				
Rank	School	English	Math	Composite
1	Richmond Community High	100.0%	100.0%	100.0%
2	Open High	100.0%	92.0%	96.0%
3	Franklin Military Academy	95.0%	91.0%	93.0%
4	Thomas Jefferson High	69.0%	56.0%	62.5%
5	Richmond Alternative	73.0%	48.0%	60.5%
6	Huguenot High	59.0%	57.0%	58.0%
7	<b>John Marshall High</b>	<b>70.0%</b>	<b>40.0%</b>	<b>55.0%</b>
8	Armstrong High	52.0%	47.0%	49.5%
9	George Wythe High	60.0%	27.0%	43.5%
<b>Richmond City Average</b>		<b>75.3%</b>	<b>62.0%</b>	<b>68.7%</b>
<b>Virginia Average</b>		<b>86.0%</b>	<b>91.0%</b>	<b>88.5%</b>

Source: Virginia Department of Education, SOL Results

**4. Recreational and Other Community Amenities**

Richmond provides numerous recreational opportunities for its residents. As noted earlier, the Hotchkiss Community Center is located 0.2 miles from the site. The aforementioned 6PIC provides teen programming at Six Points. Other nearby parks include Gabriel Posser, 0.2 miles north of the site and the much larger Battery Park, 1.4 miles west of the site.

**F. Overall Site Conclusions**

The subject site is appropriate for an affordable general occupancy rental community. Several small food markets and a Family Dollar are located within a quarter mile of the site. A large community center is 0.2 miles from the site with another nonprofit providing teen programming 0.1 miles from the site. A health hub with a nonprofit pharmacy will be constructed two blocks from the site. A bus stop is adjacent to the subject site and access to I-64/95 is approximately 1.4 miles south of the site.



## IV. ECONOMIC CONTEXT

### A. Introduction

This section of the report focuses primarily on economic trends and conditions in Richmond, the jurisdiction in which the subject site is located. Economic trends in the nation are also discussed for comparison purposes.

### B. Labor Force, Resident Employment, and Unemployment

#### 1. Trends in Annual Average Labor Force and Unemployment Data

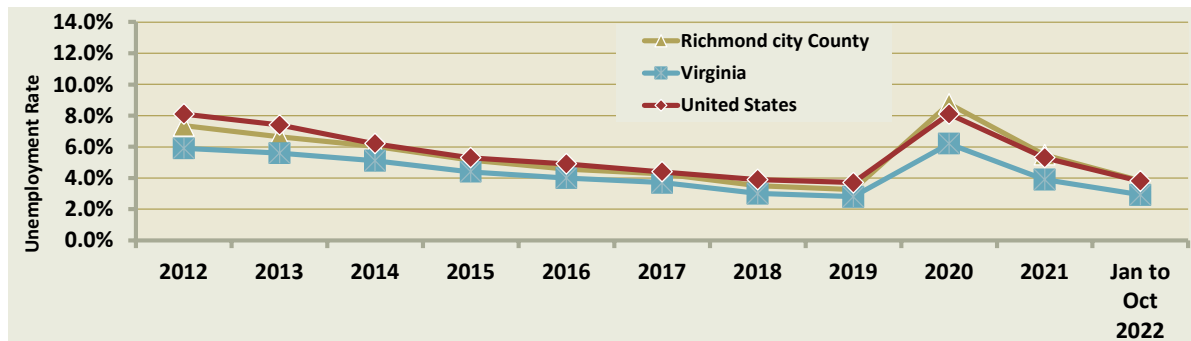
During the last decade, Richmond’s labor force increased at a steady pace from 109,135 in 2012 to 120,511 in 2019, an increase of ten percent (11,376 workers) (Table 6). The number of unemployed workers fell during much of this period, falling from 8,021 in 2012 to 3,916 workers in 2019, a decline of 62 percent. In 2020, the labor force remained stable, but the number of unemployed workers increased 170 percent to 10,558. More recently, unemployment fell to 4,459 workers, but the labor force also decreased, averaging 116,386 persons during the first ten months of 2022.

Since 2012, Richmond’s unemployment rate has remained above that of Virginia, but typically comparable to that of the nation. Between 2012 and 2019, Richmond’s unemployment rate steadily declined, reaching a low 3.3 percent in 2019, compared to 2.8 percent in the state and 3.7 percent in the nation. The city’s average unemployment rate in 2020 was 8.8 percent, above Virginia at 6.2 percent and slightly higher than the national rate of 8.1 percent. In 2021, the unemployment rate fell to 5.5 percent in the city, comparable to the national average of 5.3 percent, but higher than the state average of 3.9 percent. During the first ten months of 2022, the city rate averaged just 3.8 percent, comparable to the nation, but higher than the state of Virginia.

**Table 6 Annual Average Labor Force and Unemployment Data**

Annual Average Unemployment	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Jan to Oct 2022
Labor Force	109,135	110,460	112,740	113,141	114,798	117,943	118,719	120,429	120,511	116,270	116,386
Employment	101,114	103,127	105,947	107,324	109,549	112,921	114,564	116,513	109,953	109,892	111,927
Unemployment	8,021	7,333	6,793	5,817	5,249	5,022	4,155	3,916	10,558	6,378	4,459
<b>Unemployment Rate</b>											
Richmond city County	7.3%	6.6%	6.0%	5.1%	4.6%	4.3%	3.5%	3.3%	8.8%	5.5%	3.8%
Virginia	5.9%	5.6%	5.1%	4.4%	4.0%	3.7%	3.0%	2.8%	6.2%	3.9%	2.9%
United States	8.1%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%	5.3%	3.8%

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





### C. Commuting Patterns

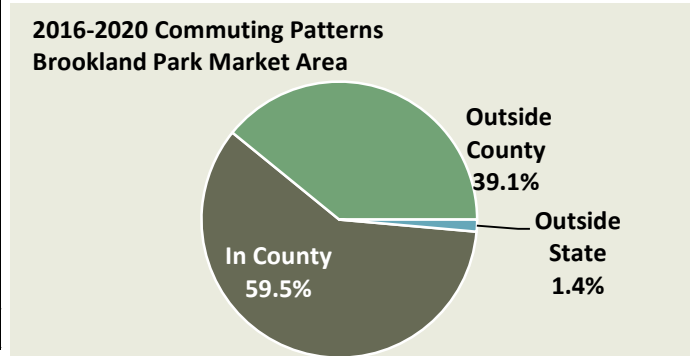
According to 2016-2020 American Community Survey (ACS) data, over one half (56 percent) of the workers residing in the market area spent less than 20 minutes commuting to work or worked from home (Table 7). Another 33 percent of workers spent 20 to 34 minutes commuting to work. Approximately seven percent of workers commuted 35 to 59 minutes to work, while four percent of market area workers commuted 60 minutes or more to work.

Sixty percent of workers residing in the market area worked in the jurisdiction where they live. Approximately 39 percent of market area workers are employed in another Virginia city, and just one percent of working residents worked outside the state of Virginia.

**Table 7 2016-2020 Commutation Data, Brookland Park Market Area**

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home:	21,179	90.7%	Worked in state of residence:	23,019	98.6%
Less than 5 minutes	403	1.7%	Worked in county of residence	13,888	59.5%
5 to 9 minutes	2,279	9.8%	Worked outside county of residence	9,131	39.1%
10 to 14 minutes	3,116	13.3%	Worked outside state of residence	324	1.4%
15 to 19 minutes	5,083	21.8%	<b>Total</b>	<b>23,343</b>	<b>100%</b>
20 to 24 minutes	4,272	18.3%			
25 to 29 minutes	1,338	5.7%			
30 to 34 minutes	2,136	9.2%			
35 to 39 minutes	387	1.7%			
40 to 44 minutes	390	1.7%			
45 to 59 minutes	778	3.3%			
60 to 89 minutes	626	2.7%			
90 or more minutes	371	1.6%			
Worked at home	2,164	9.3%			
<b>Total</b>	<b>23,343</b>				

Source: American Community Survey 2016-2020



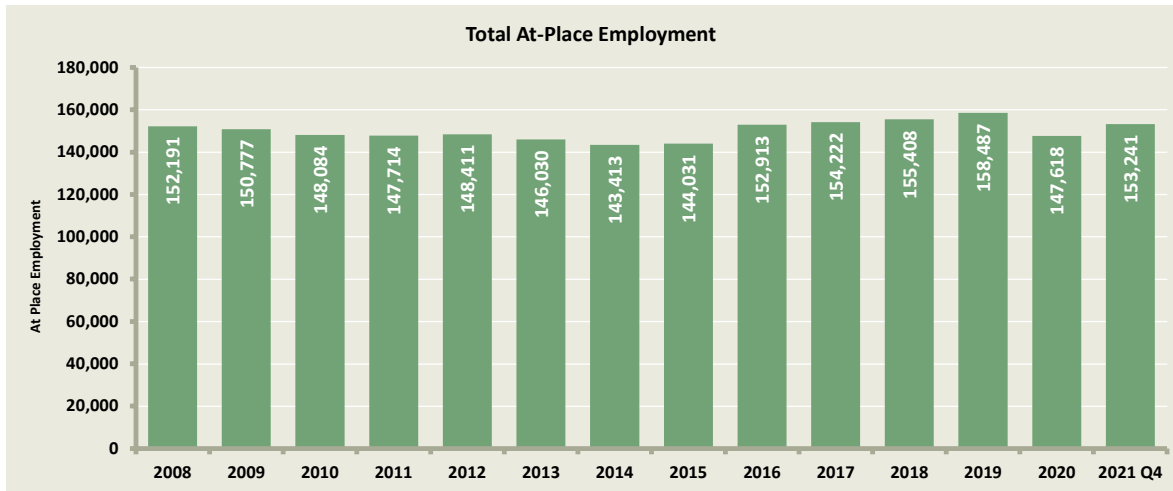
Source: American Community Survey 2016-2020

### D. At-Place Employment Trends

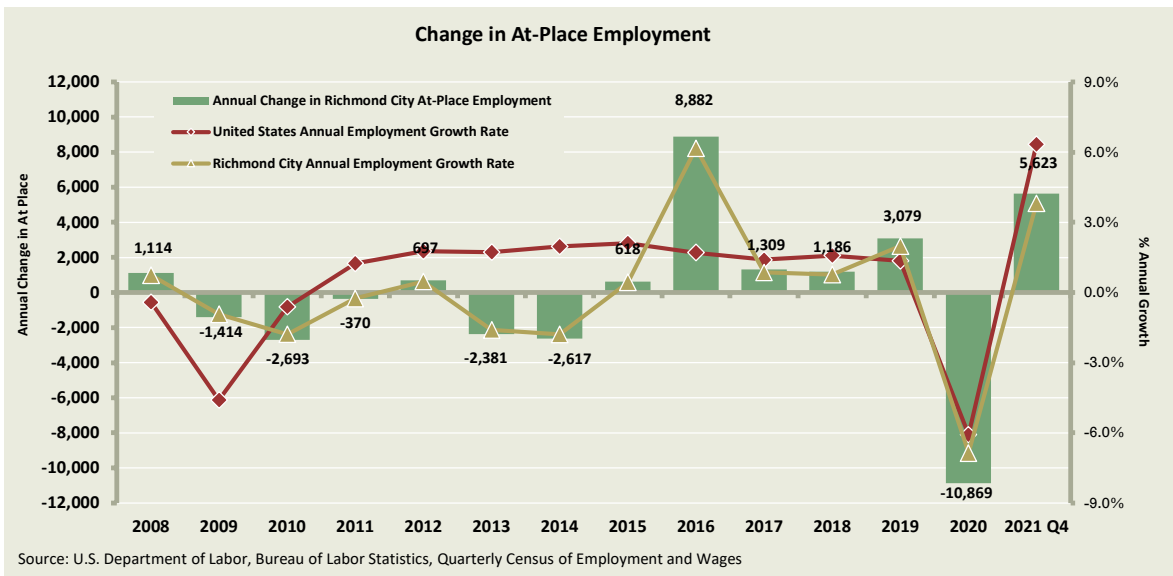
At-Place Employment in Richmond fluctuated from 2008 through 2013 before exhibiting consistent expansion over the second half of the period. Between 2014 and 2019, the city added a net 15,074 jobs, an average of 3,015 jobs per year (Figure 4). In 2019, the city’s at-place employment level stood at 158,487, before losing 10,869 jobs or 6.9 percent in 2020 predominately due to the Pandemic. As of fourth quarter 2021, At Place Employment was 153,241, an increase of 5,623 jobs or 3.8 percent over the pandemic low.



**Figure 4 At-Place Employment, Richmond**



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



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

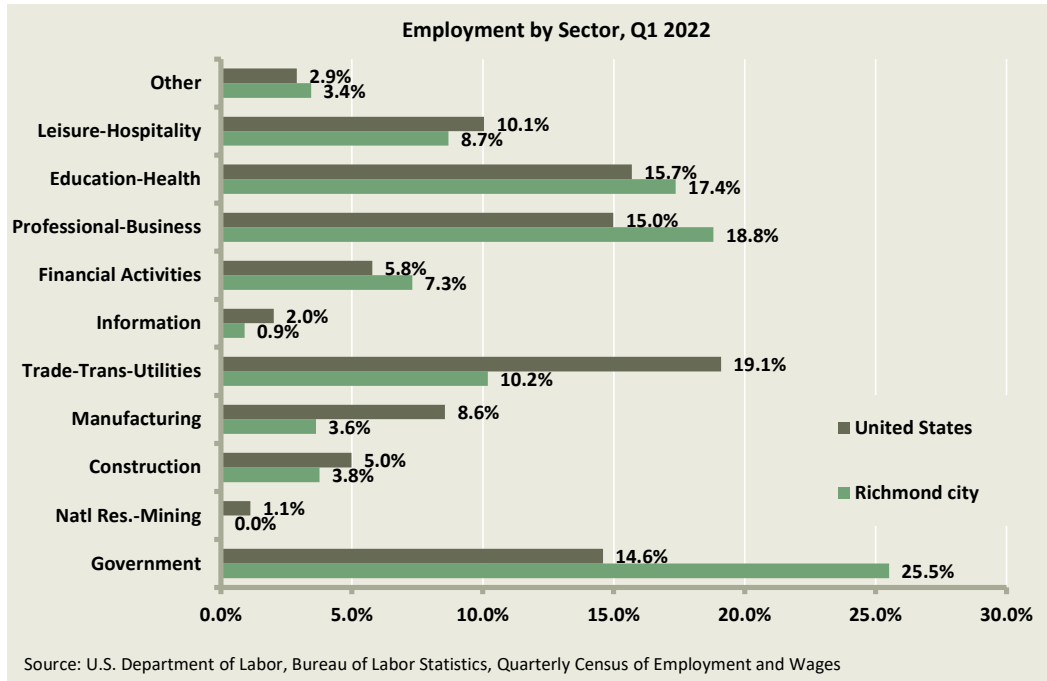
### E. At-Place Employment by Industry Sector

The local economy is relatively diverse with three industry sectors each representing at least 17 percent of the city employment base. As Richmond is the state capital of Virginia, the Government sector is the largest in the city, accounting for more than one-quarter (26 percent) of employment, higher than the national average of 15 percent (Figure 5). The next two largest sectors are the Professional-Business and Education Health sectors, each representing approximately 18 percent of city employment, and both exceeding the national average. The remainder of employment sectors, except for the Other and Financial Activities sector, represents less than the national average.





**Figure 5 Total Employment by Sector, 2022 (Q1)**

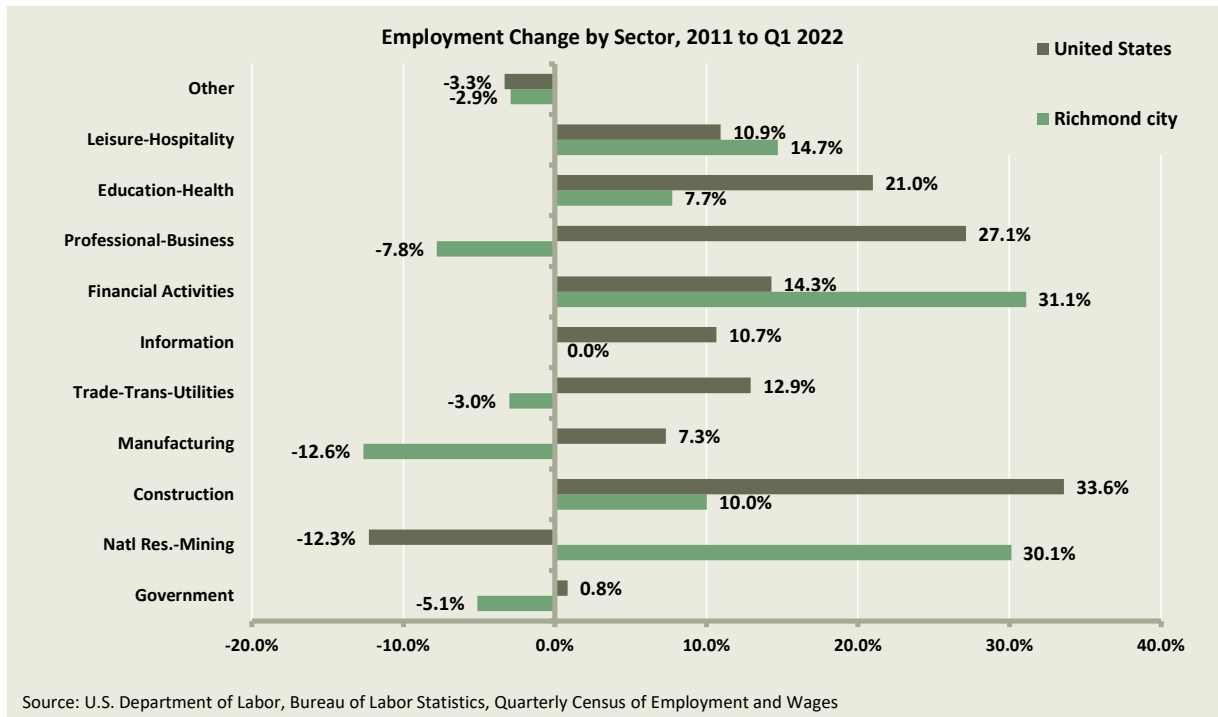


Sector	Other	Leisure-Hospitality	Education-Health	Professional-Business	Financial Activities	Information	Trade-Trans-Utilities	Manufacturing	Construction	Natl. Res. Mining	Government	Total Employment
Jobs	5,674	13,073	26,113	28,292	10,989	1,358	15,315	5,463	5,672	68	38,367	150,383

Five of the 11 economic sectors added jobs in Richmond from 2011 through 2022 Q1. The most significant increase took place in Financial Activities which grew 31 percent. Leisure-Hospitality grew 15 percent, followed by Construction which grew ten percent. Education Health grew eight percent. The biggest proportional loss was in Manufacturing which comprises less than four percent of the local economy. The only significant sectors to see a decline were Professional Business at eight percent and Government at five percent (Figure 6). The Natural Resources-Mining sector grew substantially, but it is a small party of the local economy.



**Figure 6 Employment Change by Sector, 2011-2022 (Q1)**



**F. Wages**

The 2021 average annual wage in Richmond was \$58,257, 2.5 percent lower than the state-wide average of \$59,768 and 13.8 percent less than the national average of \$67,610 (Table 8). Richmond’s average annual wage in 2021 represents an increase of approximately \$13,400 or 30 percent since 2010; the city’s average annual wage increased by 6.1 percent from 2020 to 2021.

**Table 8 Average Annual Pay, 2010 to 2022**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Richmond City	\$44,832	\$45,067	\$44,674	\$45,803	\$47,430	\$47,353	\$48,140	\$48,996	\$50,069	\$51,940	\$54,882	\$58,257
Virginia	\$48,115	\$47,861	\$50,592	\$51,060	\$52,337	\$53,353	\$54,418	\$54,923	\$54,923	\$54,420	\$55,988	\$59,768
United States	\$46,751	\$48,043	\$49,289	\$49,808	\$51,364	\$52,942	\$53,621	\$55,390	\$57,266	\$59,209	\$64,021	\$67,610

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

The average local wage was higher for five sectors when compared to that of the nation including key sectors such as Professional-Business and Financial Activities. The local wages for the largest sector, government, were comparable to the national average. According to the 2021 data, the largest disparities where local wages lag were in the Information and Natural Resources-Mining sectors, which are also the sectors with the fewest jobs (Figure 7). The highest paying sectors in Richmond were Financial Activities and Professional-Business.



**Figure 7 Wages by Industry Sector, Richmond - 2021**



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

**G. Major Employers**

Major employers include financial institutions, utilities, and education-health sector employers (Table 9). The largest employer is the local hospital system followed by Virginia Commonwealth University. Four of the top eight employers are in the Financial Services sector.

**Table 9 Major Employers, Richmond**

Rank	Name	Sector	Employment
1	VA Commonwealth Health System	Healthcare	13,500
2	Virginia Commonwealth University	Education	7,832
3	Dominion Energy	Utilities	5,433
4	Truist	Financial	4,549
5	Federal Reserve Bank	Financial	2,700
6	Wells Fargo	Financial	2,582
7	UPS	Trade	2,490
8	Bank of America	Financial	1,921
9	Verizon	Telecommunications	1,700
10	University of Richmond	Education	1,578
11	Estes Express Lines	Transport	1,345
12	CoStar	Professional Services	1,150

Source: Greater Richmond Partnership, April 2022.

**H. Economic Conclusions**

Richmond’s At-Place Employment increased every year from 2014 to 2019, prior to the COVID-19 pandemic, with net growth of 15,074 jobs or 10.5 percent. Prior to the COVID-19 pandemic, the city’s 2019 unemployment rate was 3.2 percent, slightly higher than the state’s 2.8 percent, but



below the national rate of 3.7 percent. At the onset of the pandemic in 2020, the local unemployment rate averaged 8.8 percent, higher than the state (6.2 percent) and nation (8.1 percent). The unemployment rate has subsequently improved to 5.5 percent in 2021, compared to the state's rate of 3.9 percent and the nation's rate of 5.4 percent. The Richmond economy is relatively diverse with three industry sectors each representing at least 17 percent of the city employment base: Government, Professional-Business and Education Health. Major private employers include financial institutions, utilities, and education-health employers.



## V. HOUSING MARKET AREA

### A. Introduction

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

### B. Delineation of Market Area

The subject site is approximately one-half mile east of the city's boundary with Henrico County. The primary market area for 1203 East Brookland Park Blvd site consists of census tracts in northeastern Richmond as well as a limited number of tracts adjacent to the city in Henrico County (Map 5). This portion of Henrico County is similar to the subject's part of Richmond in that both are established and mostly built out. Both include some attractive suburban neighborhoods, but shift quickly and include modest, low-income areas as well. Census tracts south of Interstate 64/95 are excluded because they are more densely developed.

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

- **North:** Henrico County line, Horse Creek (2.0 miles)
- **East:** Laburnum Rd (VA-197), Carolina Avenue (2.1 miles)
- **South:** Creighton Rd, Ford Ave, Hospital Street (1.4 miles)
- **West:** Interstate 64, Henrico County line, (2.2 miles)

As appropriate for this analysis, the Brookland Park Market Area is compared and contrasted to the city of Richmond as a whole, which can be perceived as a secondary market area. Demand estimates are based only on the Brookland Park Market Area.



Map 5 Brookland Park Market Area





## VI. DEMOGRAPHIC ANALYSIS

### A. Introduction and Methodology

RPRG analyzed recent trends and characteristics of population and households in the Brookland Park Market Area and Richmond using U.S. Census Bureau data sources including the 2010 and 2020 Censuses of Population and Housing and the American Community Survey (ACS) for the years 2016 through 2020. For small area estimates, we examined projections of population and households prepared by Esri, a national data vendor. Building permit trends collected from the HUD State of the Cities Data Systems (SOCDS) database were also considered.

Esri growth projections for the market area and county were released in summer 2022, projecting 0.5 percent growth for households in the market area in part based on recently released 2020 Census data. This projection is less than the previous 0.6 percent annual growth among households that occurred in the market area between 2010 and 2022. In fact, it is contrary to Esri's own 2022 population and household estimates, when Esri estimated annual growth rate of 1.3 percent for households since 2020. While this has not historically been a high growth area, development has started moving in this direction and several residential pipeline projects are already under construction. Given the market's recent, ongoing, and planned economic and residential development activity, we have elected to use the growth trends from the 2010 Census to the 2022 Esri population/household estimate as a base for population and household trends going forward.

### B. Trends in Population and Households

#### 1. Recent Past Trends

Between 2010 and 2020 Census counts, the population of the Brookland Park Market Area decreased modestly by 1.2 percent, from 46,537 to 45,993 persons, a 0.1 percent annual decrease (Table 10). During the same period, the number of market area households increased by 4.7 percent, from 18,946 to 19,873 households or an annual decrease of 0.5 percent. A decrease in population with an increase in household count reflects a decrease in the average household size. During the same decade, the population and household base of Richmond grew annually 1.1 percent and 1.7 percent, respectively.

Based on Esri data, the rate of population and household growth has accelerated since 2020. The population increased by 503 people or 1.1 percent annually since 2020. The household base increased by 251 households or 1.3 percent annually.

#### 2. Projected Trends

Based on trending forward the 2010 to 2022 growth rate, RPRG projects that the market area's population will increase by 194 persons (an annual increase of 39 persons or 0.1 percent) between 2022 and 2027, bringing the total population to 47,193 persons by 2027. The number of households will increase at a rate of 0.6 percent or 123 new households per annum, resulting in a projected total of 20,988 households by 2027. It should be noted that since these projections are conservatively based on trending forward the rate of growth between 2010 and 2022, projected household growth is slower than that estimated to have occurred between 2020 and 2022 when growth was estimated at 251 households or 1.3 percent per year.

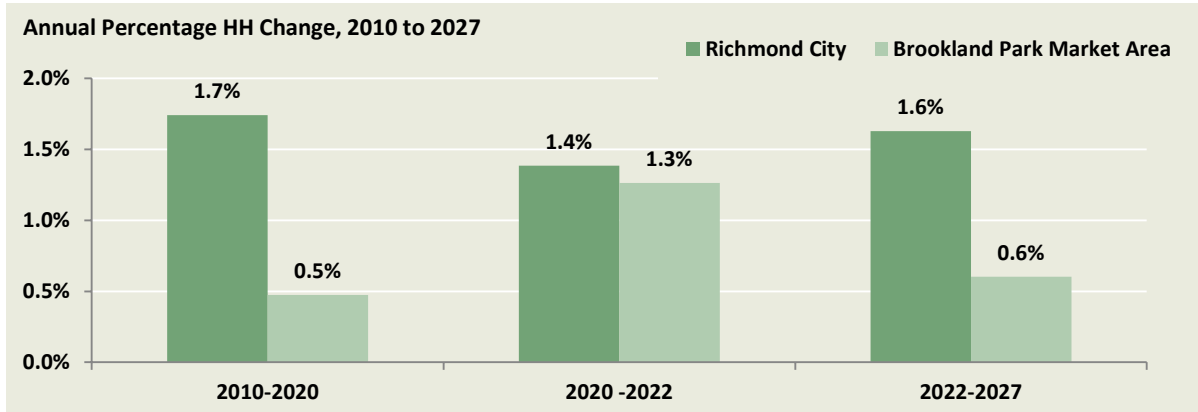
Across Richmond, the population base is projected to grow 1.1 percent annually and the household base is projected to grow by 1.6 percent annually.



**Table 10 Population and Household Projections**

		Richmond City				Brookland Park Market Area				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2010	204,256					46,537				
2020	226,610	22,354	10.9%	2,235	1.1%	45,993	-544	-1.2%	-54	-0.1%
2022	231,285	4,675	2.1%	2,338	1.0%	46,999	1,006	2.2%	503	1.1%
	Change 2010-22	27,029	13.2%	2,252	1.1%	Change 2010-22	462	1.0%	38	0.1%
2027	243,577	12,292	5.3%	2,458	1.1%	47,193	194	0.4%	39	0.1%
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2010	87,183					18,976				
2020	102,359	15,176	17.4%	1,518	1.7%	19,873	897	4.7%	90	0.5%
2022	105,194	2,835	2.8%	1,417	1.4%	20,375	502	2.5%	251	1.3%
	Change 2010-22	18,011	20.7%	1,501	1.7%	Change 2010-22	1,399	7.4%	117	0.6%
2027	113,756	8,562	8.1%	1,712	1.6%	20,988	613	3.0%	123	0.6%

Source: 2010 Census; 2020 Census; Esri; and Real Property Research Group, Inc.



### 3. Building Permit Trends

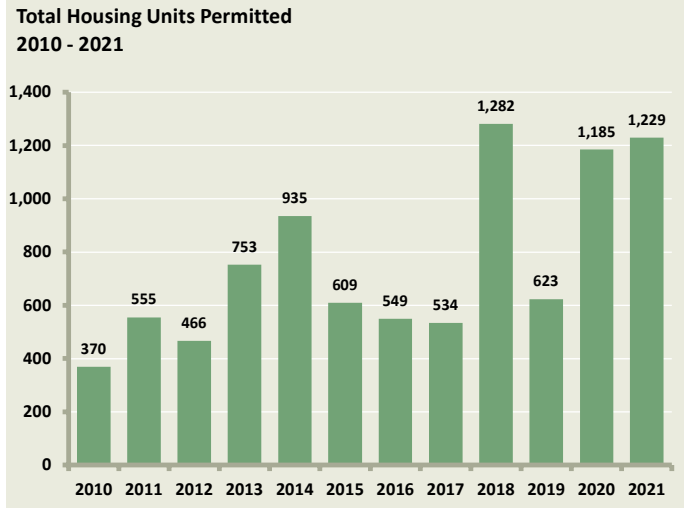
RPRG examines building permit trends as one way of determining if the housing supply is meeting demand, as measured by new households. Annual building permit activity in Richmond averaged 758 residential units permitted from 2010 to 2021 but varied widely from year to year (Table 11). Annual permits ranged from 370 in 2010 to 1,282 in 2018. Permit activity fell to 623 in 2019 before climbing to 1,185 again in 2020 and then 1,229 in 2021. Over this 12-year period, multifamily units represented 64 percent of all units permitted, or an average of 489 units annually.





**Table 11 Building Permits by Structure Type, Richmond**

Richmond City					
Year	Single - Unit	Two Units	3-4 Units	5+ Units	Ann. Total
2010	126	24	0	220	370
2011	92	6	0	457	555
2012	119	102	3	242	466
2013	106	28	0	619	753
2014	182	38	4	711	935
2015	258	20	0	331	609
2016	280	24	4	241	549
2017	326	2	10	196	534
2018	273	20	10	979	1,282
2019	353	0	0	270	623
2020	294	4	15	872	1,185
2021	502	2	0	725	1,229
<b>2010-2021</b>	<b>2,911</b>	<b>270</b>	<b>46</b>	<b>5,863</b>	<b>9,090</b>
<b>Ann. Avg.</b>	<b>243</b>	<b>23</b>	<b>4</b>	<b>489</b>	<b>758</b>



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

## C. Demographic Characteristics

### 1. Age Distribution and Household Type

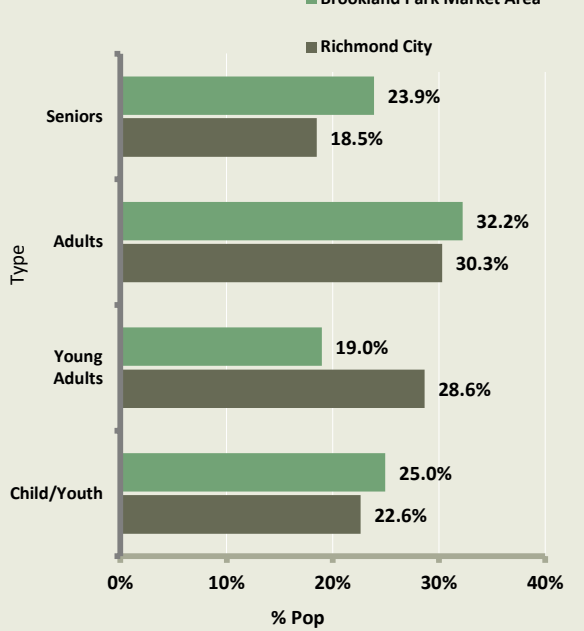
According to Esri data, the median age of the Brookland Park Market Area is 39, six years older than the Richmond median of 33. The most common age cohort is Adults aged 35 to 61, comprising 32 percent of the market area and 30 percent of the city. Children and youth aged 19 and under comprise 25 percent of the market area population and 23 percent of the city (Table 12). Young adults aged 20 to 34 make up 19 percent of the market area population, but 29 percent of the city. Seniors aged 62 and older comprise roughly 24 percent of the market area population compared to just 19 percent citywide.



**Table 12 2022 Age Distribution**

2022 Age Distribution	Richmond City		Brookland Park Market Area	
	#	%	#	%
<b>Children/Youth</b>	<b>52,297</b>	<b>22.6%</b>	<b>11,729</b>	<b>25.0%</b>
Under 5 years	12,513	5.4%	2,887	6.1%
5-9 years	12,065	5.2%	2,862	6.1%
10-14 years	11,620	5.0%	2,912	6.2%
15-19 years	16,099	7.0%	3,068	6.5%
<b>Young Adults</b>	<b>66,214</b>	<b>28.6%</b>	<b>8,911</b>	<b>19.0%</b>
20-24 years	26,953	11.7%	2,902	6.2%
25-34 years	39,261	17.0%	6,009	12.8%
<b>Adults</b>	<b>70,036</b>	<b>30.3%</b>	<b>15,145</b>	<b>32.2%</b>
35-44 years	28,544	12.3%	5,273	11.2%
45-54 years	23,270	10.1%	5,371	11.4%
55-61 years	18,222	7.9%	4,501	9.6%
<b>Seniors</b>	<b>42,738</b>	<b>18.5%</b>	<b>11,214</b>	<b>23.9%</b>
62-64 years	7,809	3.4%	1,929	4.1%
65-74 years	20,212	8.7%	5,127	10.9%
75-84 years	10,020	4.3%	2,770	5.9%
85 and older	4,697	2.0%	1,388	3.0%
<b>TOTAL</b>	<b>231,285</b>	<b>100%</b>	<b>46,999</b>	<b>100%</b>
<b>Median Age</b>	<b>33</b>		<b>39</b>	

**2022 Age Distribution**



Source: Esri; RPRG, Inc.

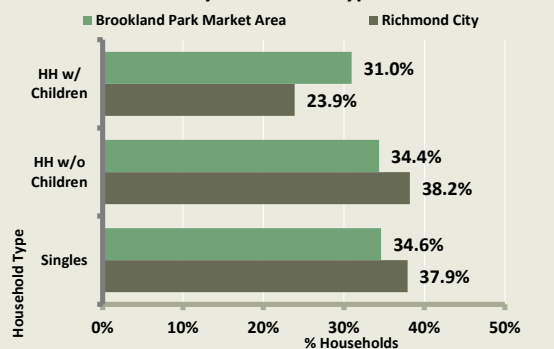
The Brookland Park Market Area had a larger proportion of households with children compared to Richmond as of the 2010 Census (most recent data available), as roughly 31 percent of households had children compared to the city proportion of 24 percent. Over one third (34 percent) of households in the Brookland Park Market Area were multi-person households without children compared to 38 percent in the city (Table 13). This classification includes married and unmarried couples as well as roommate situations. Approximately 35 percent of households in the market area were singles, similar to the city proportion of 38 percent.

**Table 13 2010 Households by Household Type**

2010 Households by Household Type	Richmond City		Brookland Park Market Area	
	#	%	#	%
Married w/Children	7,952	9.1%	1,714	9.0%
Other w/ Children	12,878	14.8%	4,154	21.9%
<b>Households w/ Children</b>	<b>20,830</b>	<b>23.9%</b>	<b>5,868</b>	<b>31.0%</b>
Married w/o Children	12,962	14.9%	2,738	14.5%
Other Family w/o Children	7,797	8.9%	2,331	12.3%
Non-Family w/o Children	12,533	14.4%	1,445	7.6%
<b>Households w/o Children</b>	<b>33,292</b>	<b>38.2%</b>	<b>6,514</b>	<b>34.4%</b>
<b>Singles</b>	<b>33,029</b>	<b>37.9%</b>	<b>6,563</b>	<b>34.6%</b>
<b>Total</b>	<b>87,151</b>	<b>100%</b>	<b>18,945</b>	<b>100%</b>

Source: 2010 Census; RPRG, Inc.

**2010 Households by Household Type**



## 2. Households by Tenure

### a) Recent Tenure Trends

Esri estimates a moderate decrease in the proportion of rental households over the past 12 years. Based on the delivery of rental units in this market, we developed our own breakdown of growth by tenure which reflects the recent dominance of rental construction in this market. The market area's renter percentage of 50.8 percent in 2022 is less than the renter percentage of 58.4 percent in Richmond (Table 14). RPRG estimates that almost one half (49 percent) of net new households added to the market have been renters.

**Table 14 Households by Tenure, 2000-2022**

Richmond City	2010		2022		Change 2010-2022				% of Change 2010 - 2022
					Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	
Owner Occupied	37,600	43.1%	43,781	41.6%	6,181	16.4%	515	1.3%	34.3%
Renter Occupied	49,586	56.9%	61,413	58.4%	11,827	23.9%	986	1.8%	65.7%
<b>Total Occupied</b>	<b>87,186</b>	<b>100%</b>	<b>105,194</b>	<b>100%</b>	<b>18,008</b>	<b>20.7%</b>	<b>1,501</b>	<b>1.6%</b>	<b>100%</b>
Total Vacant	11,198		10,160						
<b>TOTAL UNITS</b>	<b>98,384</b>		<b>115,354</b>						

Brookland Park Market Area	2010		2022		Change 2010-2022				% of Change 2010 - 2022
					Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	
Owner Occupied	9,314	49.1%	10,026	49.2%	712	7.6%	59	0.6%	51.0%
Renter Occupied	9,665	50.9%	10,349	50.8%	684	7.1%	57	0.6%	49.0%
<b>Total Occupied</b>	<b>18,979</b>	<b>100%</b>	<b>20,375</b>	<b>100%</b>	<b>1,396</b>	<b>7.4%</b>	<b>116</b>	<b>0.6%</b>	<b>100%</b>
Total Vacant	2,702		2,556						
<b>TOTAL UNITS</b>	<b>21,681</b>		<b>22,931</b>						

Source: U.S. Census of Population and Housing, 2010, 2020; Esri, RPRG, Inc.

### b) Projected Trends

Looking forward, Esri projects the proportion of renters in this market area to decrease over the next five years. With an increasing supply of multifamily rental housing options and limited for-sale housing under construction, we believe that this projection may be conservative and even underestimate the renter growth potential of the Brookland Park Market Area. We project that the renter proportion will remain constant over the next five years at 50.8 percent (Table 15).



**Table 15 Households by Tenure, 2022-2027**

Brookland Park Market Area	2022		2027 RPRG HH by Tenure		RPRG Change by Tenure		Annual Change by Tenure	
	#	%	#	%	#	%	#	%
<b>Housing Units</b>								
Owner Occupied	10,026	49.2%	10,328	49.2%	302	49.2%	60	0.6%
Renter Occupied	10,349	50.8%	10,660	50.8%	311	50.8%	62	0.6%
<b>Total Occupied</b>	<b>20,375</b>	<b>100%</b>	<b>20,988</b>	<b>100%</b>	<b>613</b>	<b>100%</b>	<b>123</b>	<b>0.6%</b>
Total Vacant	2,556		2,741					
<b>TOTAL UNITS</b>	<b>22,931</b>		<b>23,729</b>					

Source: Esri, RPRG, Inc.

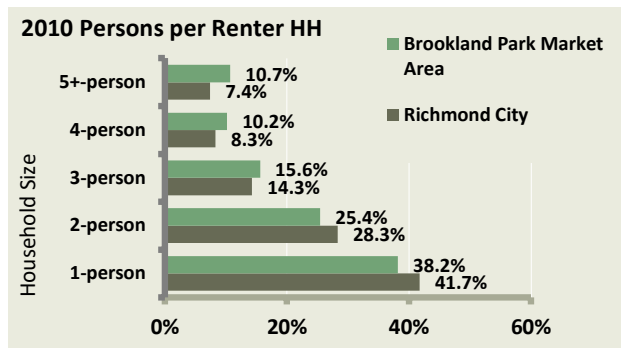
### 3. Renter Household Characteristics

Single person households are the most common household type among renter households in the Brookland Park Market Area with an estimated 38 percent share, which is still less than the citywide proportion of 42 percent (Table 16). Two-person households accounted for 25 percent of renter households in the primary market area and 28 percent in Richmond overall. Households with three or more members comprised about 36 percent of the primary market area’s renter base, more than the 30 percent of the renter base in the city.

**Table 16 Renter Households by Persons per Household**

Renter Occupied	Richmond City		Brookland Park Market Area	
	#	%	#	%
1-person hhld	20,675	41.7%	3,676	38.2%
2-person hhld	14,022	28.3%	2,449	25.4%
3-person hhld	7,081	14.3%	1,502	15.6%
4-person hhld	4,118	8.3%	980	10.2%
5+-person hhld	3,659	7.4%	1,028	10.7%
<b>TOTAL</b>	<b>49,555</b>	<b>100%</b>	<b>9,635</b>	<b>100%</b>

Source: 2010 Census



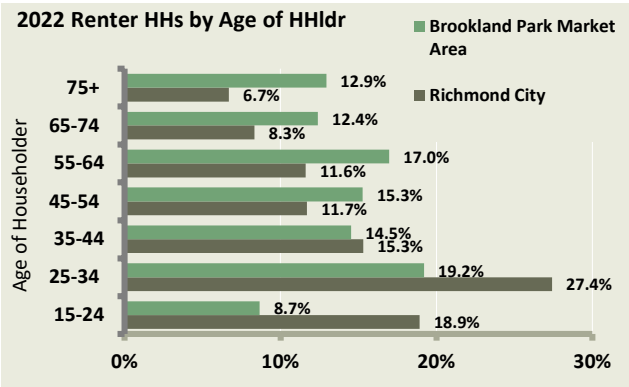
Approximately 28 percent of renter households in the Brookland Park Market Area are young renters under age 35, significantly less than the city-wide proportion of 46 percent (Table 17). Approximately 47 percent of renter households in the market area are adults age 35 to 64, compared to 39 percent in the city as a whole. One-quarter (25 percent) of renter households in the market area are seniors age 65 and older, compared to 15 percent in Richmond as a whole.



**Table 17 Renter Households by Age of Householder**

Renter Households	Richmond City		Brookland Park Market Area	
	#	%	#	%
Age of HHldr				
15-24 years	11,627	18.9%	888	8.7%
25-34 years	16,832	27.4%	1,968	19.2%
35-44 years	9,399	15.3%	1,490	14.5%
45-54 years	7,186	11.7%	1,565	15.3%
55-64 years	7,134	11.6%	1,740	17.0%
65-74 years	5,118	8.3%	1,272	12.4%
75+ years	4,118	6.7%	1,326	12.9%
<b>Total</b>	<b>61,413</b>	<b>100%</b>	<b>10,249</b>	<b>100%</b>

Source: Esri, Real Property Research Group, Inc.



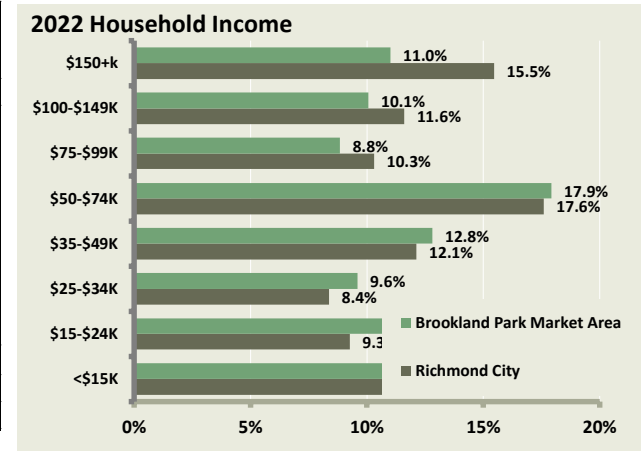
**D. Income Characteristics**

The Brookland Park Market Area’s 2022 median income of \$47,455 is 17 percent lower than the citywide median household income of \$57,035 (Table 18). About 39 percent of market area households earn less than \$35,000, while 31 percent earn from \$35,000 to \$74,999. Thirty percent of market area households earn \$75,000 or more.

**Table 18 2022 Household Income**

Estimated 2022 Household Income	Richmond City		Brookland Park Market Area	
	#	%	#	%
less than \$15,000	16,090	15.3%	3,733	18.3%
\$15,000 - \$24,999	9,741	9.3%	2,335	11.5%
\$25,000 - \$34,999	8,805	8.4%	1,953	9.6%
\$35,000 - \$49,999	12,754	12.1%	2,609	12.8%
\$50,000 - \$74,999	18,505	17.6%	3,652	17.9%
\$75,000 - \$99,999	10,838	10.3%	1,801	8.8%
\$100,000 - \$149,999	12,195	11.6%	2,049	10.1%
\$150,000 - Over	16,267	15.5%	2,243	11.0%
<b>Total</b>	<b>105,194</b>	<b>100%</b>	<b>20,375</b>	<b>100%</b>
<b>Median Income</b>	<b>\$57,035</b>		<b>\$47,455</b>	

Source: Esri; Real Property Research Group, Inc.



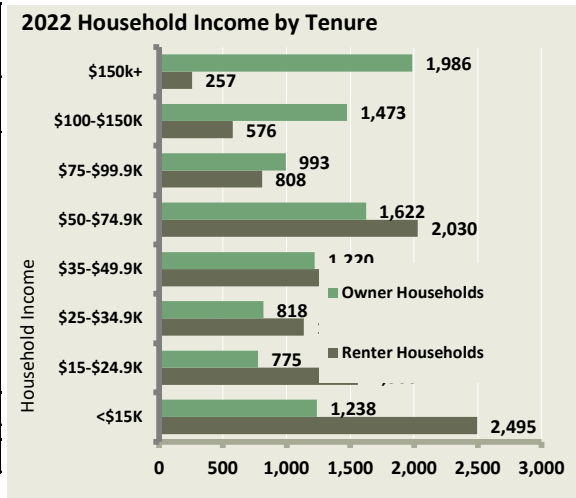
Based on the U.S. Census Bureau’s American Community Survey data, Esri data, the breakdown of tenure, and household estimates, RPRG estimates the median income of renters in the Brookland Park Market Area as of 2022 at \$34,424, or 53 percent of the median income of owner households (\$65,589) (Table 19). Almost one-quarter (24 percent) of market area renter households have incomes less than \$15,000. Another 26 percent of renter households have incomes between \$15,000 and \$35,000, and 33 percent have incomes between \$35,000 and \$75,000. Sixteen percent have incomes above \$75,000.



**Table 19 2022 Household Income by Tenure, Brookland Park Market Area**

Estimated 2022 HH Income		Renter Households		Owner Households	
Brookland Park Market Area		#	%	#	%
less than \$15,000		2,495	24.3%	1,238	12.2%
\$15,000 - \$24,999		1,560	15.2%	775	7.6%
\$25,000 - \$34,999		1,135	11.1%	818	8.1%
\$35,000 - \$49,999		1,389	13.6%	1,220	12.0%
\$50,000 - \$74,999		2,030	19.8%	1,622	16.0%
\$75,000 - \$99,999		808	7.9%	993	9.8%
\$100,000 - \$149,999		576	5.6%	1,473	14.5%
\$150,000 over		257	2.5%	1,986	19.6%
<b>Total</b>		<b>10,249</b>	<b>100%</b>	<b>10,126</b>	<b>100%</b>
<b>Median Income</b>		<b>\$34,424</b>		<b>\$65,589</b>	

Source: American Community Survey 2016-2020 Estimates, Esri, RPRG



**E. Cost-Burdened Renter Households**

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

Data regarding the concept of rent burden from the 2016-2020 ACS highlight that lower-income renter households in the Brookland Park Market Area tend to pay a very high percentage of their monthly income toward housing costs (Table 20). Almost one-half (46 percent) of all renter households residing in the Brookland Park Market Area have rent burdens of 35 percent or higher, and 37 percent of all renter households have rent burdens of 40 percent or higher. The cost-burdened situation of many low- to moderate-income renter households is a primary indicator of a need for new affordable income- and rent-restricted rental housing in the primary market area. Additionally, 2.8 percent of the rental housing stock within the market area can be considered substandard, i.e., lacking complete plumbing facilities, or overcrowded with more than 1.0 occupants per room.



**Table 20 Rent Burden by Household Income, 2016-2020, Brookland Park Market Area**

Rent Cost Burden		
Total Households	#	%
Less than 10.0 percent	319	3.0%
10.0 to 14.9 percent	633	5.9%
15.0 to 19.9 percent	1,128	10.5%
20.0 to 24.9 percent	1,004	9.4%
25.0 to 29.9 percent	1,609	15.0%
30.0 to 34.9 percent	896	8.4%
35.0 to 39.9 percent	914	8.5%
40.0 to 49.9 percent	796	7.4%
50.0 percent or more	2,963	27.7%
Not computed	451	4.2%
<b>Total</b>	<b>10,713</b>	<b>100.0%</b>
<b>&gt; 40% income on rent</b>	<b>3,759</b>	<b>36.6%</b>
<b>&gt; 35% income on rent</b>	<b>4,673</b>	<b>45.5%</b>

Source: American Community Survey 2016-2020

Substandardness	
Total Households	
<b>Owner occupied:</b>	
Complete plumbing facilities:	8,738
1.00 or less occupants per room	8,710
1.01 or more occupants per room	28
Lacking complete plumbing facilities:	46
Overcrowded or lacking plumbing	74
<b>Renter occupied:</b>	
Complete plumbing facilities:	10,591
1.00 or less occupants per room	10,415
1.01 or more occupants per room	176
Lacking complete plumbing facilities:	122
Overcrowded or lacking plumbing	298
<b>Substandard Housing</b>	<b>372</b>
<b>% Total Stock Substandard</b>	<b>1.9%</b>
<b>% Rental Stock Substandard</b>	<b>2.8%</b>

## VII. COMPETITIVE HOUSING ANALYSIS

### A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the Brookland Park Market Area. First, we highlight characteristics of the existing housing stock in the market using data from the American Community Survey. Next, we present the results of primary research in the form of surveys of competitive rental communities completed in December 2022. The competitive housing analysis concludes with information on the development pipeline in the Brookland Park Market Area. We pursued several avenues of research to identify multifamily communities that are in the planning stages or under construction in the market area. Sources of information include rental community leasing agents and property managers. We also reviewed pipeline information using the Richmond Planning Department's GIS system and other data provided on their website, checked listings of recent LIHTC awards, and spoke to developers and lenders.

### B. Overview of Market Area Housing Stock

Based on the 2016-2020 ACS survey, rental housing in multifamily buildings of five or more units accounted for 54 percent of renter-occupied housing units in both the market area and Richmond as a whole (Table 21). Approximately 25 percent of the rental housing stock in the market area consists of single-family detached homes or attached homes. Multi-family structures with two to four units accounted for 22 percent of the rental units in the market area and 17 percent in Richmond as a whole.

**Table 21 Dwelling Units by Structure and Tenure**

Structure Type	Owner Occupied				Renter Occupied			
	Richmond City		Brookland Park Market Area		Richmond City		Brookland Park Market Area	
	#	%	#	%	#	%	#	%
1, detached	33,696	84.7%	8,108	92.3%	11,177	21.8%	2,046	19.2%
1, attached	3,692	9.3%	296	3.4%	3,102	6.1%	570	5.3%
2	521	1.3%	93	1.1%	3,763	7.4%	1,164	10.9%
3-4	295	0.7%	45	0.5%	5,136	10.0%	1,164	10.9%
5-9	329	0.8%	5	0.1%	8,663	16.9%	662	6.2%
10-19	346	0.9%	6	0.1%	4,797	9.4%	895	8.4%
20+ units	709	1.8%	222	2.5%	14,275	27.9%	4,160	39.0%
Mobile home	213	0.5%	9	0.1%	257	0.5%	18	0.2%
<b>TOTAL</b>	<b>39,801</b>	<b>100%</b>	<b>8,784</b>	<b>100%</b>	<b>51,170</b>	<b>100%</b>	<b>10,679</b>	<b>100%</b>

Source: American Community Survey 2016-2020

The median year built for rental units in the market is 1964, comparable to the city median of 1963 (Table 22). Approximately one-fifth of the renter-occupied housing units were built prior to 1940 and 22 percent were built in the 40s and 50s. Approximately 44 percent of the market area's rental housing stock was built from the 1960s to the 1990s, while 14 percent has been built since 2000. The owner occupied housing stock in the primary market area is older than that of the renter occupied stock, with 56 percent built prior to 1940.





**Table 22 Dwelling Units by Year Built and Tenure**

Year Built	Owner Occupied				Renter Occupied			
	Richmond City		Brookland Park Market Area		Richmond City		Brookland Park Market Area	
	#	%	#	%	#	%	#	%
2014 or later	941	2.4%	41	0.5%	1,900	3.7%	359	3.4%
2010 to 2013	356	0.9%	86	1.0%	1,815	3.5%	734	6.9%
2000 to 2009	2,115	5.3%	309	3.5%	2,521	4.9%	451	4.2%
1990 to 1999	1,419	3.6%	169	1.9%	3,486	6.8%	808	7.5%
1980 to 1989	2,259	5.7%	159	1.8%	4,532	8.9%	567	5.3%
1970 to 1979	2,187	5.5%	294	3.3%	6,932	13.5%	1,323	12.3%
1960 to 1969	4,156	10.4%	449	5.1%	7,076	13.8%	1,975	18.4%
1950 to 1959	7,423	18.7%	1,460	16.6%	6,411	12.5%	1,656	15.5%
1940 to 1949	4,376	11.0%	880	10.0%	3,669	7.2%	661	6.2%
1939 or earlier	14,569	36.6%	4,937	56.2%	12,862	25.1%	2,179	20.3%
<b>TOTAL</b>	<b>39,801</b>	<b>100%</b>	<b>8,784</b>	<b>100%</b>	<b>51,204</b>	<b>100%</b>	<b>10,713</b>	<b>100%</b>
<b>MEDIAN YEAR BUILT</b>	<b>1951</b>		<b>N/A</b>		<b>1963</b>		<b>1964</b>	

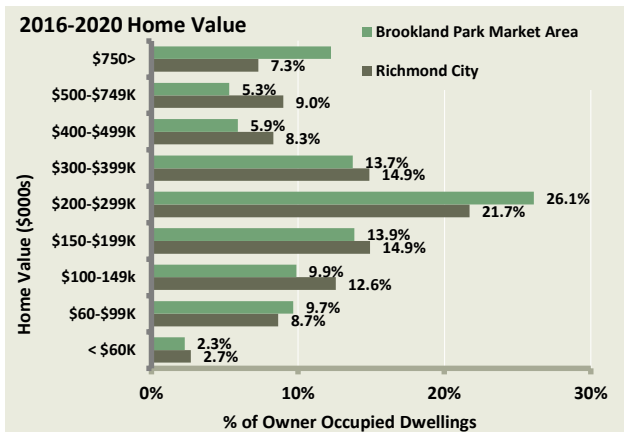
Source: American Community Survey 2016-2020

According to ACS data, the median value among owner-occupied housing units in the Brookland Park Market Area as of 2016-2020 was \$254,794, comparable to the city median of \$251,428 (Table 23). ACS home value estimates are based upon respondent’s assessments of the values of their homes. This data is traditionally a less accurate and reliable indicator of home prices than actual sales data but is typically a strong gauge of relative home values across two or more areas.

**Table 23 Value of Owner-Occupied Housing Stock**

2016-2020 Home Value	Richmond City		Brookland Park Market Area	
	#	%	#	%
less than \$60,000	1,070	2.7%	199	2.3%
\$60,000 - \$99,999	3,444	8.7%	850	9.7%
\$100,000 - \$149,999	5,001	12.6%	869	9.9%
\$150,000 - \$199,999	5,940	14.9%	1,217	13.9%
\$200,000 - \$299,999	8,644	21.7%	2,294	26.1%
\$300,000 - \$399,999	5,921	14.9%	1,207	13.7%
\$400,000 - \$499,999	3,306	8.3%	518	5.9%
\$500,000 - \$749,999	3,579	9.0%	466	5.3%
\$750,000 over	2,896	7.3%	1,164	13.3%
<b>Total</b>	<b>39,801</b>	<b>100%</b>	<b>8,784</b>	<b>100%</b>
<b>Median Value</b>	<b>\$251,428</b>		<b>\$254,794</b>	

Source: American Community Survey 2016-2020





### C. Survey of General Occupancy Rental Communities

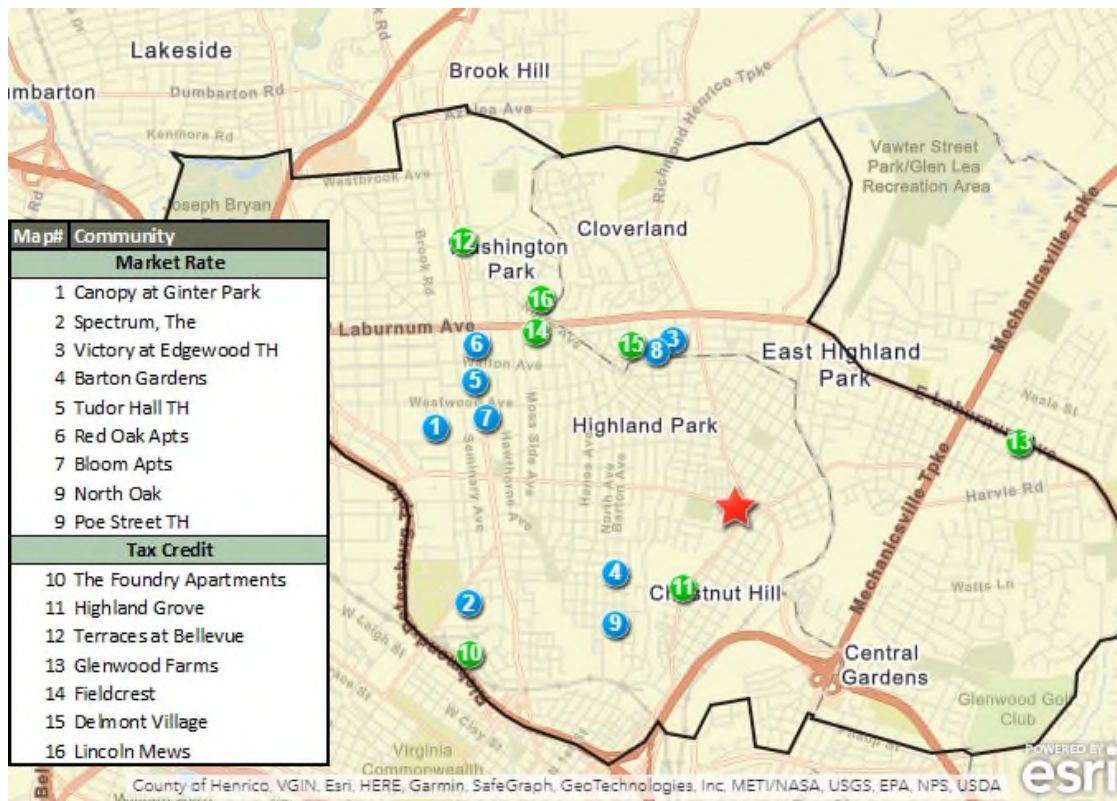
#### 1. Introduction

To gauge the status of the rental market within which the proposed 1203 East Brookland Park Blvd would compete, RPRG surveyed 16 general occupancy rental communities in the Brookland Park Market Area. Eight properties are market rate communities and eight are income- and rent-restricted through the Low Income Housing Tax Credit (LIHTC) program. The multifamily rental survey excludes age-restricted senior properties as well as communities with deep subsidies as these communities are not directly comparable to the proposed general occupancy subject community. Profile sheets with detailed information on each surveyed general occupancy community, including photographs, are attached as Appendix 2. LIHTC communities targeting a different tenant base (elderly, family, and/or PBRA) may be excluded from the analysis but identified. Senior LIHTC communities inside the PMA include The Concord Northside, Baker Senior Apartments, Shockoe Hill Senior Apartments, and Highland Park Senior. Subsidized communities with tax credits include Newman Village and Delmont Plaza.

#### 2. Location

The surveyed communities are located throughout the market area. Four tax credit communities and one market rate community are located in Henrico County; the remaining communities are located in the city of Richmond. The closest community to the subject site is the tax credit Highland Grove, located 0.7 miles south of the site (Map 6).

**Map 6 Surveyed Rental Communities, Brookland Park Market Area**





### 3. Age of Communities

The 16 surveyed properties have an average year built of 1983 (Table 24). The tax credit properties have an average year built of 1992 and range from 1946 to 2022. Market rate communities were built from 1950 to 2019 with an average year built of 1975.

### 4. Structure Type

Lower density garden style units and townhomes dominate this market. Four market rate communities and two tax credit communities only offer units in walk up/garden style buildings. Two market rate communities and two tax credit communities are comprised of townhomes. Three tax credit communities offer both garden and townhome style units. The Foundry (tax credit) and The Spectrum (market rate) only offer units in elevator serviced midrise buildings. The same is true for most of the units at Canopy at Ginter Park, however that community also offers some units big house style or carriage style buildings with an integral garage.

### 5. Size of Communities

The average community size among the 16 surveyed communities is 191 units, with communities ranging in size from the 18-unit Barton Gardens to 692 units at Bloom. The average tax credit community size is 154 units, ranging from the 29-unit Fieldcrest to the 294-unit Glenwood Farms.

**Table 24 Rental Communities Summary, Brookland Park Market Area**

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Avg 3BR Rent (1)	Incentives
<b>Market Rate Communities</b>										
1	Canopy at Ginter Park	2019	Mix	301	8	2.7%	\$1,770	\$2,397	\$3,001	None
2	Spectrum, The	2015	MRise	103	2	1.9%	\$1,604	\$1,877	\$1,909	None
3	Victory at Edgewood TH	1965	Gar	145	3	2.1%		\$1,389		None
4	Barton Gardens	1940	Gar	18	0	0.0%		\$1,253		None
5	Tudor Hall TH	1968	TH	20	0	0.0%	\$905	\$1,205		None
6	Red Oak Apts	1972	Gar	498	0	0.0%	\$798	\$1,180		None
7	Bloom Apts	1950	Gar	692	0	0.0%	\$929	\$1,089	\$1,409	None
8	Poe Street TH	1968	TH	47	0	0.0%		\$850		None
<b>Market Rate Total</b>				<b>1,824</b>	<b>13</b>	<b>0.7%</b>				
<b>Market Rate Average</b>		<b>1975</b>		<b>228</b>			<b>\$1,201</b>	<b>\$1,405</b>	<b>\$2,107</b>	
<b>Tax Credit Communities</b>										
9	The Foundry*	2022	MRise	200	0	0.0%	\$825	\$1,085	\$1,236	None
10	Highland Grove*	2013	Gar/TH	80	0	0.0%	\$844	\$1,032	\$1,211	None
11	Terraces at Bellevue*	1946	Gar/TH	144	0	0.0%	\$904	\$1,014	\$1,214	None
12	Glenwood Farms*	2006	Gar/TH	294	0	0.0%	\$875	\$975	\$1,075	None
13	North Oak*	1966	Gar	144	0	0.0%	\$806	\$923		None
14	Fieldcrest*	2007	TH	29	0	0.0%		\$875	\$1,010	None
15	Delmont Village*	2007	Gar	94	0	0.0%		\$831	\$960	None
16	Lincoln Mews*	1970	TH	245	0	0.0%	\$673	\$785	\$1,025	None
<b>Tax Credit Total</b>				<b>1,230</b>	<b>0</b>	<b>0.0%</b>				
<b>Tax Credit Average</b>		<b>1992</b>		<b>154</b>			<b>\$821</b>	<b>\$940</b>	<b>\$1,104</b>	
<b>Total Average</b>				<b>3,054</b>	<b>13</b>	<b>0.4%</b>				
<b>Total Average</b>		<b>1983</b>		<b>191</b>			<b>\$994</b>	<b>\$1,173</b>	<b>\$1,405</b>	

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

(\*) LIHTC

Source: Phone Survey, RPRG, Inc. December 2022



## 6. Vacancy Rates

The aggregate vacancy rate in the Brookland Park Market Area is low at 0.4 percent with 13 vacancies reported among 3,054 total units. The market rate communities have a vacancy rate of 0.7 percent, while all tax credit communities are completely occupied. All surveyed communities reported a vacancy rate of 2.7 percent or lower. Several tax credit communities maintain waitlists.

## 7. Rent Concessions

Reflecting the tight market, none of the communities are offering incentives.

## 8. Absorption History

Only two communities have opened in this market in the last several years. Absorption information was not available for Canopy at Ginter Park. The Foundry opened in July 2022 with 200 tax credit units. According to onsite staff, the waitlist at Virginia Housing was so long that it leased up immediately.

# D. Analysis of Rental Products and Pricing

## 1. Payment of Utility Costs

Two market rate and two tax credit communities only include trash collection in the base rent, and two market rate community do not include any utility expenses in the rent (Table 25). Four market rate and three tax credit communities include water, sewer, and trash. One tax credit community includes all utilities in the rent except for electricity. The remaining three communities include those utilities as well as heat and hot water.

## 2. Parking

Most properties offer free surface parking as the standard parking option, including all tax credit communities. The Spectrum offers surface parking for a monthly fee of \$65. Canopy at Ginger Park offers free surface parking but also rents detached garages for \$125; some units have an integral garage which is included in the unit rent.

## 3. Unit Features & Finishes

Features are relatively limited in this market. Four market rate communities and six tax credit communities offer dishwashers as a standard feature. Two market rate and three tax credit communities offer microwaves. Four market rate communities provide washer and dryers in every unit and one offers them in select units. Only one tax credit community offers washer/dryers as a standard feature, and another offers them in select units. Three tax credit communities offer hook ups.

Upscale unit features are limited to the highest-priced market rate communities with three including stainless steel appliances and granite or quartz countertops. One tax credit community offers granite counters and black appliances. The remaining communities have black or white appliances and laminate countertops.



**Table 25 Utility Arrangement and Unit Features, Brookland Park Market Area**

Community	Heat Source	Utilities Included in Rent					Dish-washer	Micro-wave	Applia-nces	Count-ers	Parking	In Unit Laundry
		Heat	Hot Water	Cooking	Electric	Water						
<b>Market Rate Communities</b>												
Canopy at Ginter Park	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	SS	Quartz	Det Gar/\$125	STD
Spectrum, The	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	SS	Gran	Surface/\$65	STD
Victory at Edgewood TH	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>			Wht	Lam	Surface	STD
Barton Gardens	Oil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			Wht	Lam	Surface	
Tudor Hall TH	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Blk	Lam	Surface	Sel Units
Red Oak Apts	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		SS	Gran	Surface	
Bloom Apts	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>			Blk	Lam	Surface	
Poe Street TH	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>			Blk	Lam	Surface	STD
<b>Tax Credit Communities</b>												
The Foundry*	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Blk	Gran	Surface	Hook Ups
Highland Grove*	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		STD	Blk	Lam	Surface	Sel Units
Terraces at Bellevue*	Gas	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Blk	Lam	Surface	Hook Ups
Glenwood Farms*	Gas	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Wht	Lam	Surface	
North Oak*	Gas	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>			Wht	Lam	Surface	
Fieldcrest*	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Blk	Lam	Surface	STD
Delmont Village*	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Wht	Lam	Surface	Hook Ups
Lincoln Mews*	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Blk	Lam	Surface	

Source: Phone Survey, RPRG, Inc. December 2022 (\*) LIHTC

**4. Community Amenities**

This is not a high amenity market (Table 26). The two highest priced market rate communities offer a modern amenity package that includes a lounge, fitness room, business center, and swimming pool. Bloom offers a lounge while Victory at Edgewood has a pool and a playground. Five of the eight tax credit properties in the market have a clubhouse or community room and five have a playground. Two offer a fitness center and three tax credit communities offer a business center.



**Table 26 Community Amenities, Brookland Park Market Area**

Community	Clubhouse	Fitness Room	Outdoor Pool	Playground	Business Center
<b>Market Rate Communities</b>					
Canopy at Ginter Park	☒	☒	☒	☐	☒
Spectrum, The	☒	☒	☒	☐	☒
Victory at Edgewood TH	☐	☐	☒	☒	☐
Barton Gardens	☐	☐	☐	☐	☐
Tudor Hall TH	☐	☐	☐	☐	☐
Red Oak Apts	☐	☐	☐	☐	☐
Bloom Apts	☒	☐	☐	☐	☐
Poe Street TH	☐	☐	☐	☐	☐
<b>Tax Credit Communities</b>					
The Foundry*	☒	☒	☒	☒	☒
Highland Grove*	☒	☒	☐	☐	☒
Terraces at Bellevue*	☐	☐	☐	☐	☐
Glenwood Farms	☐	☐	☐	☒	☐
North Oak	☐	☐	☐	☐	☐
Fieldcrest*	☒	☐	☐	☒	☐
Delmont Village	☒	☐	☐	☒	☐
Lincoln Mews	☒	☐	☐	☒	☒

Source: Phone Survey, RPRG, Inc. December 2022

**5. Unit Distribution**

Communities reporting unit distributions represent 63 percent of all market area units (Table 27). Among all surveyed communities, two-bedroom units comprise 59 percent of the reported unit distribution, while one-bedroom units make up 26 percent. Three-bedroom units represent 15 percent of the market area unit distribution. Among tax credit units, two-bedroom units comprise 51 percent; three-bedroom units account for 22 percent; and one-bedroom units make up 28 percent.



**Table 27 Unit Distribution, Size and Pricing, Rental Communities**

Community	Total Units	One Bedroom Units			Two Bedroom Units			Three Bedroom Units					
		Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
<b>Market Rate Communities</b>													
Canopy at Ginter Park	301	112	\$1,780	748	\$2.38	186	\$2,407	1,166	\$2.06	3	\$3,011	1,623	\$1.86
Spectrum, The	103		\$1,604	734	\$2.19		\$1,877	916	\$2.05		\$1,909	1,157	\$1.65
Victory at Edgewood TH	145					145	\$1,369	784	\$1.75				
Barton Gardens	18					18	\$1,263	813	\$1.55				
Tudor Hall TH	20	4	\$890	800	\$1.11	16	\$1,185	950	\$1.25				
Red Oak Apts	498		\$783	550	\$1.42		\$1,160	774	\$1.50				
Bloom Apts	692		\$929	617	\$1.51		\$1,089	847	\$1.29		\$1,409	1,050	\$1.34
North Oak*-MKT	37	11	\$905	529	\$1.71	26	\$1,005	713	\$1.41				
Poe Street TH	47					47	\$830	800	\$1.04				
<b>Market Rate Total/Avg</b>	<b>1,861</b>		<b>\$1,148</b>	<b>663</b>	<b>\$1.73</b>		<b>\$1,354</b>	<b>863</b>	<b>\$1.57</b>		<b>\$2,110</b>	<b>1,277</b>	<b>\$1.65</b>
<b>Unit Distribution</b>	<b>568</b>	<b>127</b>				<b>438</b>				<b>3</b>			
<b>Market Rate % of Total</b>	<b>30.5%</b>	<b>22.4%</b>				<b>77.1%</b>				<b>0.5%</b>			
<b>Tax Credit Communities</b>													
The Foundry*-60%	200	62	\$825	687	\$1.20	80	\$1,085	946	\$1.15	58	\$1,236	1,129	\$1.10
Highland Grove*-50%	80	11	\$844	877	\$0.96	33	\$1,032	1,068	\$0.97	36	\$1,211	1,478	\$0.82
North Oak*-60%	23	11	\$845	529	\$1.60	12	\$945	713	\$1.33				
Terraces at Bellevue*-60%	144	36	\$824	560	\$1.47	96	\$914	785	\$1.16	12	\$1,094	1,050	\$1.04
North Oak*-50%	84	42	\$785	529	\$1.48	42	\$885	713	\$1.24				
Glenwood Farms*-60%	294	134	\$795	508	\$1.57	110	\$875	697	\$1.26	50	\$955	915	\$1.04
Fieldcrest*-50%	29					19	\$855	1,066	\$0.80	10	\$985	1,238	\$0.80
Delmont Village*-40%	94					62	\$811	821	\$0.99	32	\$935	1,175	\$0.80
Lincoln Mews*-50%	245	34	\$658	605	\$1.09	150	\$765	748	\$1.02	61	\$1,000	1,028	\$0.97
<b>Tax Credit Total/Average</b>	<b>1,193</b>		<b>\$797</b>	<b>613</b>	<b>\$1.30</b>		<b>\$907</b>	<b>840</b>	<b>\$1.08</b>		<b>\$1,059</b>	<b>1,145</b>	<b>\$0.93</b>
<b>Unit Distribution</b>	<b>1,193</b>	<b>330</b>				<b>604</b>				<b>259</b>			
<b>Tax Credit % of Total</b>	<b>100.0%</b>	<b>27.7%</b>				<b>50.6%</b>				<b>21.7%</b>			
<b>Total/Average</b>	<b>2,809</b>		<b>\$959</b>	<b>636</b>	<b>\$1.51</b>		<b>\$1,131</b>	<b>851</b>	<b>\$1.33</b>		<b>\$1,375</b>	<b>1,184</b>	<b>\$1.16</b>
<b>Unit Distribution</b>	<b>1,761</b>	<b>457</b>				<b>1,042</b>				<b>262</b>			
<b>% of Total</b>	<b>62.7%</b>	<b>26.0%</b>				<b>59.2%</b>				<b>14.9%</b>			

(1) Rent is adjusted to include trash, and Incentives

(\*) LIHTC

## 6. Unit Pricing

Unit rents presented in Table 27 are net or effective rents, as opposed to street or advertised rents. We typically apply downward adjustments to street rents to account for current rental incentives, though none were reported. We further make adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where the cost of trash removal is included in rent, the proposed utility situation for the subject community.

Among market rate communities:

- The average one-bedroom net rent is \$1,148 for an average of 663 square feet or \$1.73 per square foot.
- The average two-bedroom net rent is \$1,354 for an average of 863 square feet or \$1.57 per square foot.
- The average net three-bedroom rent is \$2,110 for an average size of 1,277 square feet or \$1.65 per square foot.

The tax credit communities offer units at 40, 50, and 60 percent AMI with a range of pricing within each income band. The range in pricing reflects the variability in age and condition of tax credit



units in this market as well as the lower end market rate communities with which some much compete. Tax credit pricing is as follows:

- The average LIHTC net rent for one-bedroom units of \$797 for an average size of 613 square feet, or \$1.30 per square foot.
- The average LIHTC net two-bedroom rent is \$907 for an average size of 840 square feet, or \$1.08 per square foot.
- The average LIHTC net three-bedroom rent is \$1,059 for an average size of 1,145 square feet, or \$0.93 per square foot.

## E. Derivation of Market Rent

To better understand how the proposed contract rents for 1203 East Brookland Park Blvd compare with the surveyed rental market, the contract rents of comparable communities can be adjusted for differences in a variety of factors including curb appeal, structure age, square footage, the handling of utilities, and shared amenities. Market-rate communities are the most desirable comparables to be used in this type of analysis, as the use of market-rate communities allows RPRG to derive an estimate of market rent.

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

We used three rent comparables in this analysis: The Spectrum, Canopy at Ginter Park, and Bloom Apartments. We selected rental comparables most relevant to the subject property in terms of target market (family, senior), structure types offered (garden, townhomes, mid-rise), floorplans offered, age and condition, and community features and amenities offered. All units at the subject will be located in a midrise building which is also the case at The Spectrum. Most of the units at Canopy are also located in midrise structures as well. None of the other market rate communities offer this structure type; as such we used a garden style community and adjusted for elevator service.

Once a particular floor plan's market rent has been determined, it can be used to evaluate a.) whether or not the subject project has a rent advantage or disadvantage versus competing communities, and b.) the extent of that rent advantage or disadvantage. The assumptions used in the calculations are shown in Table 28.





**Table 28 Rent Adjustments Summary**

<b>Rent Adjustments Summary</b>	
<b>B. Design, Location, Condition</b>	
Structure / Stories	\$25.00
Year Built / Renovated	\$0.75
Quality/Street Appeal	\$30.00
Location	\$30.00
<b>C. Unit Equipment / Amenities</b>	
Number of Bathrooms	\$30.00
Unit Interior Square Feet	\$0.25
Balcony / Patio / Porch	\$5.00
AC: (C)entral / (W)all / (N)on	\$5.00
Range / Refrigerator	\$25.00
Microwave / Dishwasher	\$5.00
Washer / Dryer: In Unit	\$35.00
Washer / Dryer: Hook-ups	\$10.00
<b>D. Site Equipment / Amenities</b>	
Community Room	\$10.00
Dog Park	\$10.00
Pool	\$10.00
Homework Rm/Business Ctr	\$10.00
Fitness Center	\$10.00

The derivation of market rent calculations for the subject’s 60 percent AMI units are displayed in Table 29, Table 30, and Table 31. The results of the calculations are summarized in Table 32.

After adjustments, the estimated market rent for a one-bedroom unit is \$1,373, providing the subject’s one-bedroom units with a market advantage of 31.1 percent. The estimated market rent for two-bedroom unit is \$1,711, resulting in a 34.3 percent rent advantage. The estimated market rent for three-bedroom units is \$1,999, resulting in a 38.9 percent rent advantage.



**Table 29 Market Rent Analysis, One-Bedroom Units**

One-Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
1203 East Brookland Park Blvd 1203 East Brookland Park Blvd Richmond, VA	The Spectrum		Canopy at Ginter Park		Bloom Apts		
	2017 Brook Rd		3200 Brook Rd		3211 Chamberlayne Ave		
	Richmond	VA	Richmond	VA	Richmond	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent	\$946	\$1,604	\$0	\$1,770	\$0	\$929	\$0
Utilities Included	T	T	\$0	None	\$10	T	\$0
Rent Concessions		None	\$0	None	\$0	None	\$0
<b>Effective Rent (60% AMI)</b>	<b>\$946</b>	<b>\$1,604</b>		<b>\$1,780</b>		<b>\$929</b>	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Elevator	Elevator	\$0	Elevator	\$0	Gar	\$25
Year Built / Renovated	2025	2015	\$8	2019	\$5	1950	\$56
Quality/Street Appeal	Above Average	Above Average	\$0	Excellent	(\$30)	Below Average	\$60
Location	Below Average	Above Average	(\$60)	Above Average	(\$60)	Average	(\$30)
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	1	1	\$0	1	\$0	1	\$0
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0
Unit Interior Square Feet	610	734	(\$31)	748	(\$35)	617	(\$2)
Balcony / Patio / Porch	No	No	\$0	Yes	(\$5)	Yes	(\$5)
AC: (C)entral / (W)all / (N)o	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	No / No	\$10
Washer / Dryer: In Unit	No	Yes	(\$35)	Yes	(\$35)	No	\$0
Washer / Dryer: Hook-ups	Yes	Yes	\$0	Yes	\$0	No	\$10
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Community Room	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Dog Park	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Pool	No	No	\$0	Yes	(\$10)	No	\$0
Homework Rm/Business Ct	Yes	No	\$10	Yes	\$0	No	\$10
Fitness Center	No	Yes	(\$10)	Yes	(\$10)	No	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		2	5	1	8	6	4
Sum of Adjustments B to D		\$18	(\$146)	\$5	(\$195)	\$171	(\$47)
F. Total Summary							
Gross Total Adjustment		\$164		\$200		\$218	
Net Total Adjustment		(\$128)		(\$190)		\$124	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,476		\$1,590		\$1,053	
% of Effective Rent		92.0%		89.3%		113.3%	
<b>Estimated Market Rent</b>	<b>\$1,373</b>						
<b>Rent Advantage \$</b>	<b>\$427</b>						
<b>Rent Advantage %</b>	<b>31.1%</b>						



**Table 30 Market Rent Analysis, Two-Bedroom Units**

Two-Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
1203 East Brookland Park Blvd	The Spectrum		Canopy at Ginter Park		Bloom Apts		
1203 East Brookland Park Blvd Richmond, VA	2017 Brook Rd		3200 Brook Rd		3211 Chamberlayne Ave		
	Richmond	VA	Richmond	VA	Richmond	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent	\$1,125	\$1,877	\$0	\$2,397	\$0	\$1,089	\$0
Utilities Included	T	T	\$0	None	\$10	T	\$0
Rent Concessions		None	\$0	None	\$0	None	\$0
<b>Effective Rent (60% AMI)</b>	<b>\$1,125</b>	<b>\$1,877</b>		<b>\$2,407</b>		<b>\$1,089</b>	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Elevator	Elevator	\$25	Elevator	\$25	Gar	\$25
Year Built / Condition	2025	2015	\$8	2019	\$5	1950	\$56
Quality/Street Appeal	Above Average	Above Average	\$0	Excellent	(\$30)	Below Average	\$60
Location	Below Average	Above Average	(\$60)	Above Average	(\$60)	Average	(\$30)
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	2	2	\$0	2	\$0	2	\$0
Number of Bathrooms	1.5	2	(\$15)	2	(\$15)	2	(\$15)
Unit Interior Square Feet	820	916	(\$24)	1,166	(\$87)	847	(\$7)
Balcony / Patio / Porch	No	No	\$0	Yes	(\$5)	Yes	(\$5)
AC: (C)entral / (W)all / (N)o	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	No / No	\$10
Washer / Dryer: In Unit	No	Yes	(\$35)	Yes	(\$35)	No	\$0
Washer / Dryer: Hook-ups	Yes	Yes	\$0	Yes	\$0	No	\$10
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Community Room	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Dog Park	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Pool	No	No	\$0	Yes	(\$10)	No	\$0
Homework Rm/Business Ct	Yes	No	\$10	Yes	\$0	No	\$10
Fitness Center	No	Yes	(\$10)	Yes	(\$10)	No	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		3	6	2	9	6	5
Sum of Adjustments B to D		\$43	(\$154)	\$30	(\$262)	\$171	(\$67)
F. Total Summary							
Gross Total Adjustment			\$197		\$292		\$238
Net Total Adjustment			(\$111)		(\$232)		\$104
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,766		\$2,175		\$1,193	
% of Effective Rent		94.1%		90.4%		109.6%	
<b>Estimated Market Rent</b>	<b>\$1,711</b>						
<b>Rent Advantage \$</b>	<b>\$586</b>						
<b>Rent Advantage %</b>	<b>34.3%</b>						



**Table 31 Market Rent Analysis, Three-Bedroom Units**

Three-Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
1203 East Brookland Park Blvd	The Spectrum		Canopy at Ginter Park		Bloom Apts		
1203 East Brookland Park Blvd	2017 Brook Rd		3200 Brook Rd		3211 Chamberlayne Ave		
Richmond, VA	Richmond	VA	Richmond	VA	Richmond	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent	\$1,221	\$1,909	\$0	\$3,001	\$0	\$1,409	\$0
Utilities Included	T	T	\$0	None	\$10	T	\$0
Rent Concessions		None	\$13	None	\$0	None	\$0
<b>Effective Rent (60% AMI)</b>	<b>\$1,221</b>	<b>\$1,909</b>		<b>\$3,011</b>		<b>\$1,409</b>	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Elevator	Elevator	\$0	Elevator	\$0	Gar	\$25
Year Built / Condition	2025	2015	\$8	2019	\$5	1950	\$56
Quality/Street Appeal	Above Average	Above Average	\$0	Excellent	(\$30)	Below Average	\$60
Location	Below Average	Above Average	(\$60)	Above Average	(\$60)	Average	(\$30)
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	3	3	\$0	3	\$0	3	\$0
Number of Bathrooms	2	3	(\$30)	2	\$0	2	\$0
Unit Interior Square Feet	1,035	1,157	(\$31)	1,623	(\$147)	1,050	(\$4)
Balcony / Patio / Porch	No	No	\$0	Yes	(\$5)	No	\$0
AC: (C)entral/(W)all/(N)one	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	No / No	\$10
Washer / Dryer: In Unit	No	Yes	(\$35)	Yes	(\$35)	No	\$0
Washer / Dryer: Hook-ups	Yes	Yes	\$0	Yes	\$0	No	\$10
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Community Room	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Dog Park	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Pool	No	No	\$0	Yes	(\$10)	No	\$0
Homework Rm/Business Ctr	Yes	No	\$10	Yes	\$0	No	\$10
Fitness Center	No	Yes	(\$10)	Yes	(\$10)	No	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		2	6	1	8	6	3
Sum of Adjustments B to D		\$18	(\$176)	\$5	(\$307)	\$171	(\$44)
F. Total Summary							
Gross Total Adjustment		\$194		\$312		\$215	
Net Total Adjustment		(\$158)		(\$302)		\$127	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,751		\$2,709		\$1,536	
% of Effective Rent		91.7%		90.0%		109.0%	
<b>Estimated Market Rent</b>	<b>\$1,999</b>						
<b>Rent Advantage \$</b>	<b>\$778</b>						
<b>Rent Advantage %</b>	<b>38.9%</b>						



**Table 32 Market Rent Advantage Summary**

50% AMI Units	One Bedroom	Two Bedroom	Three Bedroom
	Units	Units	Units
Subject Rent	\$767	\$908	\$1,039
Estimated Market Rent	\$1,373	\$1,711	\$1,999
Rent Advantage (\$)	\$606	\$803	\$960
Rent Advantage (%)	44.1%	46.9%	48.0%
60% AMI Units	One Bedroom	Two Bedroom	Three Bedroom
	Units	Units	Units
Subject Rent	\$946	\$1,125	\$1,221
Estimated Market Rent	\$1,373	\$1,711	\$1,999
Rent Advantage (\$)	\$427	\$586	\$778
Rent Advantage (%)	31.1%	34.3%	38.9%
80% AMI Units	One Bedroom	Two Bedroom	Three Bedroom
	Units	Units	Units
Subject Rent	\$1,170	\$1,350	\$1,665
Estimated Market Rent	\$1,373	\$1,711	\$1,999
Rent Advantage (\$)	\$203	\$361	\$334
Rent Advantage (%)	14.8%	21.1%	16.7%

**F. Achievable Restricted Rents**

The market rent derived above is an estimate of what a willing landlord might reasonably expect to receive, and a willing tenant might reasonably expect to pay for a unit at the subject community. However, the maximum rent at a tax credit unit is a gross rent based on bedroom size and the annualized median gross income in the subject area. If these LIHTC maximum gross rents are below the market rent, then the maximum rent also functions as the *achievable rents* for each unit type and income band. Conversely, if the market rent is below the LIHTC maximum rents, then the market rent serves as the *achievable rents*. Additionally, the tax credit rents (up to 60 percent AMI) should have a 10 percent advantage over market rent. Therefore, the achievable rent is the lower of the (reduced) market rent or LIHTC rent. We assumed a five percent rent advantage for 80 percent units.

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

As shown in Table 33, the achievable rent for the subject’s LIHTC units is the maximum LIHTC rents as they are all below the estimated market rent less 10 percent for the one-, two-, and three-bedroom floorplans (or in the case of the 80 percent units, five percent). All proposed rents for the subject community are below the achievable rents.



**Table 33 Achievable Tax Credit Rent**

<b>50% AMI Units</b>	<b>One Bedroom Units</b>	<b>Two Bedroom Units</b>	<b>Three Bedroom Units</b>
Estimated Market Rent	\$1,373	\$1,711	\$1,999
Less 10%	\$1,236	\$1,540	\$1,799
Maximum LIHTC Rent*	\$747	\$870	\$963
<b>Achievable Rent</b>	<b>\$747</b>	<b>\$870</b>	<b>\$963</b>
SUBJECT RENT	\$767	\$908	\$1,039
<b>60% AMI Units</b>	<b>One Bedroom Units</b>	<b>Two Bedroom Units</b>	<b>Three Bedroom Units</b>
Estimated Market Rent	\$1,373	\$1,711	\$1,999
Less 10%	\$1,236	\$1,540	\$1,799
Maximum LIHTC Rent*	\$916	\$1,073	\$1,197
<b>Achievable Rent</b>	<b>\$916</b>	<b>\$1,073</b>	<b>\$1,197</b>
SUBJECT RENT	\$946	\$1,125	\$1,221
<b>80% AMI Units</b>	<b>One Bedroom Units</b>	<b>Two Bedroom Units</b>	<b>Three Bedroom Units</b>
Estimated Market Rent	\$1,373	\$1,711	\$1,999
Less 5%	\$1,304	\$1,626	\$1,899
Maximum LIHTC Rent*	\$1,254	\$1,478	\$1,665
<b>Achievable Rent</b>	<b>\$1,254</b>	<b>\$1,478</b>	<b>\$1,665</b>
SUBJECT RENT	\$1,170	\$1,350	\$1,665

\*Assumes the following utility allowances: 1BR: \$140, 2BR: \$180, 3BR: \$219

**G. Proposed and Pipeline Rental Communities**

We pursued several avenues of research to identify residential rental projects that are actively being planned or that are currently under construction within the Brookland Park Market Area. We obtained pipeline information from rental community leasing agents and property managers. We also reviewed pipeline information using the Richmond Planning Department’s GIS system and other data provided on their website, checked listings of recent LIHTC awards, and spoke to developers and lenders. We also corresponded with a local planner in Henrico County.

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

Based on our research, RPRG has identified five rental projects in the near-term pipeline for the Brookland Park Market Area totaling 473 units (Map 7). RPRG also identified five proposed rental communities that are less likely to be placed in service during the three-year demand period (or possibly stalled) and thus classified as long term. The following is a brief description of all identified projects:

**Near Term:**

- **Sphere:** MVP Equities is constructing this market rate community at 2009 Brook Road. Two midrise buildings will have a total 61 studio, 90 1BR, and 73 2BR units. Amenities to include pool, fitness center, dog park, and bike shop. Units will deliver by mid-2023.
- **Cool Lane Commons:** Virginia Supportive Housing is renovating the former assisted-living facility at 1900 Cool Lane into permanent supportive housing for homeless and low-income tenants. The existing structure will be adapted to create 86 units for homeless and low-income tenants earning less than 50 percent AMI from Henrico County and the City of Richmond. Of the 86 units, 13 will be restricted to households at 40 percent AMI and 73 units will be restricted to households at 50 percent AMI. Units will deliver by mid-2023.
- **St. Elizabeth Apartments:** Commonwealth Catholic Charities is planning a development with 56 apartments on about 3.25 acres at 1031 and 1101 Fourquare Lane, about two blocks south of the subject site. The project was awarded nine percent tax credits in 2022. Of the 56 units, 14 will be restricted to households at 40 percent AMI, 14 units will be 50 percent AMI, and 28 units will be at 60 percent AMI.
- **711 Dawn Street:** Plans for the midrise building proposed for this site include 24 one-bedroom units and 17 two-bedroom units. The rezoning request indicated that one-fifth of the units (eight units) would be designated for families making 80 percent AMI. The ground-floor will contain commercial space and a parking area with 41 spaces, as well as bike racks and a dog wash. The plan of development (POD) was approved in May 2022.
- **Brookland Park Apartments:** The subject developer is planning to construct a new multifamily midrise community on the north side of Brookland Park Blvd across from the subject. That community will include 66 general occupancy units. It will be financed in part with four percent tax credits and all units will be restricted to households at 60 percent AMI. Construction should get underway in first quarter 2023.

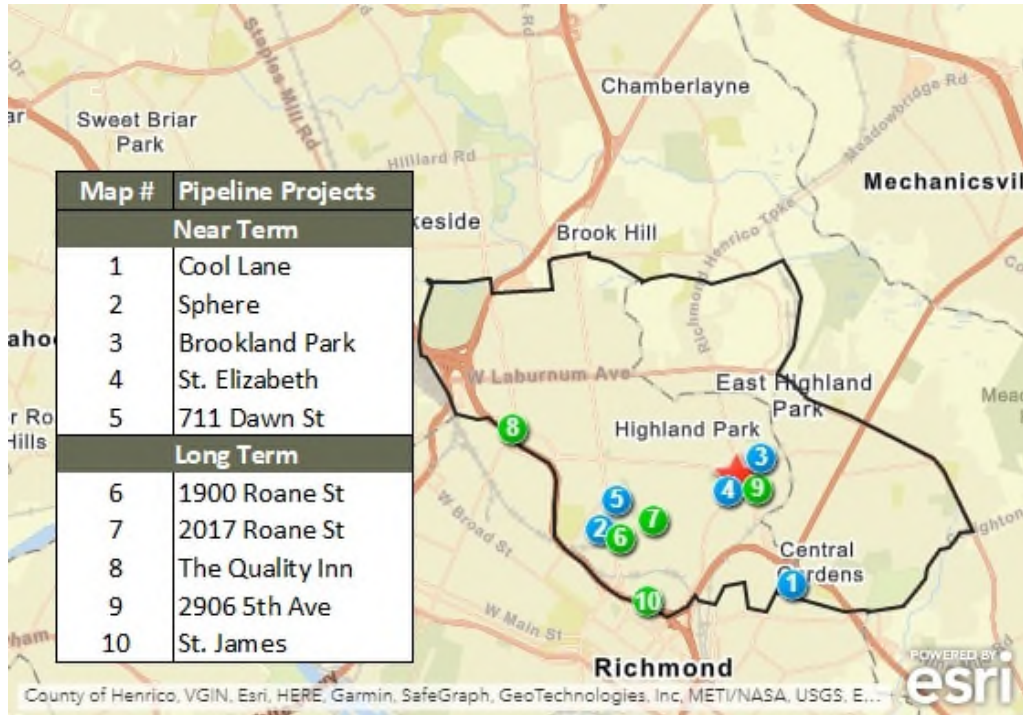
**Long Term:**

- **2906 5<sup>th</sup> Ave:** Clean Livin LLC submitted plans for a 52-unit, three-story building at 2906 Fifth Avenue, a wooded lot along Rady Street south of its intersection with East Brookland Park Boulevard, approximately one-half mile southeast of the subject site. The first-time developer owns about a dozen rental units under the LLC, which provides transitional housing for people in recovery from substance abuse. The apartments would be income-based. The apartments would range in size from 660 to 915 square feet, with 35 one-bedroom, one-bathroom units and 17 two-bedrooms with two bathrooms. The developer submitted an application for the necessary special-use permit in December 2021 but there has been no recent movement on the project.
- **The Quality Inn:** Trinsic Residential Group has proposed redeveloping a site currently occupied by a hotel at 3207 N Arthur Ashe Blvd. The proposed five-story building would have a 510-space parking deck. The proposed unit mix would include 198 one bedroom, 168 two bedroom, and nine three bedroom units. Presumably all units would be market rate. Local media reported that the developer plans to file a rezoning application in early 2023.
- **1900 Roane Street:** Thalhimer Realty Partners purchased this site in June 2021 for \$2.75 million and had the site rezoned for mixed use. The developer did not have immediate plans for the site and no POD has been submitted.
- **2017 Roane Street:** A rezoning for this site is currently under review, but no plans or developer is listed.



- St. James Apartments:** River City Ventures is planning to construct a 24-unit apartment building on the northeast corner of St. James Street and Baker Street. The building will be the first of five similar structures that would ultimately total 120 market-rate apartments.

**Map 7 Multifamily Rental Pipeline, Brookland Park Market Area**





## VIII. FINDINGS AND CONCLUSIONS

### A. Key Findings

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

#### 1. Site and Neighborhood Analysis

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

- Several small food markets and a Family Dollar are located within a quarter mile of the site. A large community center is 0.2 miles from the site with another nonprofit providing teen programming 0.1 miles from the site.
- Considerable investment is underway around the subject. A health hub with a nonprofit pharmacy will be constructed two blocks from the site and an affordable rental community will be constructed on the site of a vacant church across from the site.
- A bus stop is adjacent to the subject site and access to I-64/95 is approximately 1.4 miles south of the site.

#### 2. Economic Context

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

- The city's total labor force expanded every year from 2012 to 2019 driven by employed workers; the number of unemployed workers declined from 8,201 in 2012 to 3,916 in 2019. In 2020, the labor force remained stable, but the number of unemployed workers increased 170 percent. In 2021, unemployment fell to 6,378 workers, but the labor force also decreased, averaging 116,270 persons. During the first ten months of 2022, the labor force remained stable and the number of unemployed workers continued to fall.
- Prior to the COVID-19 pandemic, the city's 2019 unemployment rate was 3.3 percent, slightly higher than the state's 2.8 percent, but below the national rate of 3.7 percent. At the onset of the pandemic in 2020, the local unemployment rate averaged 8.8 percent, higher than the state (6.2 percent) and nation (8.1 percent). The city's unemployment rate has subsequently improved to 3.8 percent during the first ten months of 2022, compared to the state's rate of 2.9 percent, and the nation's rate of 3.8 percent.
- Between 2014 and 2019, the city added a net 15,074 jobs or 10.5 percent. In 2019, the city's At-Place Employment level stood at 158,487 before losing 10,869 jobs or 6.9 percent in 2020. During 2021, the city added 5,623 jobs, more than half of those lost during 2020.
- Three industry sectors dominate the local economy. Because Richmond is the state capital of Virginia, the Government sector is the largest in the city, accounting for more than one-quarter (26 percent) of employment, higher than the national average of 15 percent. The next two largest sectors are the Professional-Business (19 percent) and Education Health (17 percent) sectors, both exceeding the national average.



### 3. Population and Household Trends

The Brookland Park Market Area had moderate household growth over the past 12 years. RPRG projects household growth to remain constant over the next five years.

- The market area lost 544 net people (1.2 percent) but gained 897 households (4.7 percent) between the 2010 and 2020 Census counts. Since 2020, the market recovered all population losses and household growth accelerated, adding 1,006 persons (2.2 percent) and 502 households (2.5 percent) with annual growth of 503 people (1.1 percent) and 251 households (1.3 percent) over this period. When the total growth is combined over the past 12 year period, the market area population grew at an annual rate of 0.1 percent while the household base grew at an annual rate of 0.6 percent.
- Growth in the market area is projected to continue over the next five years with the net addition of 194 people (0.4 percent) and 613 households (3.0 percent) from 2022 to 2027; annual growth over this period is projected at 39 people (0.1 percent) and 123 households (0.6 percent). The Brookland Park Market Area will have 47,193 people and 20,988 households by 2027.

### 4. Demographic and Income Analysis

Households within the market area are older and more are family-oriented compared to the city as a whole.

- The median age of the Brookland Park Market Area is 39, six years older than the Richmond median of 33.
- As of the 2010 Census, approximately 31 percent of households in the Brookland Park Market Area include children, while 24 percent of citywide households have children.
- One half (50.8 percent) of households in the Brookland Park Market Area are renters as of 2022, lower than the city proportion of 58.4 percent. RPRG projects renters will continue to comprise 50.8 percent of households through 2027.
- Approximately 28 percent of renter households in the Brookland Park Market Area are young renters under age 35, significantly less than the city-wide proportion of 46 percent. Meanwhile, one-quarter (25 percent) of renter households in the market area are seniors age 65 and older, compared to 15 percent in Richmond as a whole. Almost two thirds (64 percent) of all market area households have one or two persons.
- The Brookland Park Market Area's 2022 median income of \$47,455 is 17 percent lower than the citywide median household income of \$57,035. About 39 percent of market area households earn less than \$35,000, while 31 percent earn from \$35,000 to \$74,999.
- The median income of renters in the Brookland Park Market Area as of 2022 is \$34,424, or 53 percent of the median income of owner households (\$65,589). Almost one-quarter (24 percent) of market area renter households have incomes less than \$15,000. Another 26 percent of renter households have incomes between \$15,000 and \$35,000, and 33 percent have incomes between \$35,000 and \$75,000.
- Almost one-half (46 percent) of all renter households residing in the Brookland Park Market Area have rent burdens of 35 percent or higher, and 37 percent of all renter households have rent burdens of 40 percent or higher.



## 5. Competitive Housing Analysis

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

- The aggregate vacancy rate for the 16 surveyed rental communities is 0.4 percent. All LIHTC communities are completely occupied. Several communities reported waitlists.
- The average market rate one-bedroom net rent is \$1,148 for an average of 663 square feet or \$1.73 per square foot. The average market rate two-bedroom net rent is \$1,354 for an average of 863 square feet or \$1.57 per square foot. The average market rate three-bedroom rent is \$2,110 for an average size of 1,277 square feet or \$1.65 per square foot.
- The tax credit communities offer units at 40, 50, and 60 percent AMI with an average net rent for one-bedroom units of \$797 for an average size of 613 square feet, or \$1.30 per square foot. The average net two-bedroom rent is \$907 for an average size of 840 square feet, or \$1.08 per square foot. The average net three-bedroom rent is \$1,059 for an average size of 1,145 square feet, or \$0.93 per square foot.
- RPRG identified five rental projects in the near-term pipeline for the Brookland Park Market Area totaling 473 units, of which 208 would be LIHTC units.

## B. Derivation of Demand

### 1. Net Demand Methodology

RPRG's Derivation of Demand calculation is intended to gauge whether sufficient demand from renter households would be available in the primary market area to absorb the number of units proposed for the subject 1203 East Brookland Park Blvd plus those units proposed at other pipeline rental communities that are expected to be brought online over a coming typical three-year period. The result of this analysis can be either a positive number (which shows the extent to which available demand for rental units would exceed available supply) or a negative number (which shows the extent to which available supply would exceed the number of units needed/demanded over the period in question). The closer the concluded number is to zero, the closer the rental market would be to an effective balance of supply and demand.

The three-year period in question for this analysis is the period from December 2022 through December 2025. RPRG's Derivation of Demand calculation is a gross analysis, meaning that the calculation balances the demand for new rental housing units of all types (i.e. luxury market-rate, more affordable market-rate, tax credit, rent-subsidized, and age-restricted) versus the upcoming supply of rental housing units of all types. The Derivation of Demand calculation is an incremental or net analysis, in that it focuses on the change in demand over the period in question as opposed to focusing on the market's total demand. Considerations such as household incomes and the floor plan types and proposed rents for the subject and other pipeline projects are not factored into the Derivation of Demand; rather, we address the interplay of these factors within the Affordability Analysis and Penetration Analysis in the next section of this report.

RPRG sums demand generated from three broad sources in order to arrive at 'Total Demand for New Rental Units' over the December 2022 to December 2025 period:

- **Projected Change in the Household Base.** Earlier in this report, RPRG presented projections of household change within the primary market area over the 2022 to 2027 period. For this analysis, we factor in three years' worth of the household change suggested by the annual rate



of household growth or decline (2022 to 2023, 2023 to 2024, and 2024 to 2025). Note that net household change incorporates growth or decline stemming from both household migration into and out of the market area and organic changes within existing households (i.e. new household formation as a result of children moving out of their parents' homes, divorces, roommates beginning to rent separately).

- **Need for Housing Stock Upgrades.** Demand for new housing units within a primary market area is generated when the stock of available housing units ceases to meet the housing needs of households that wish to remain residents of that primary market. In such instances, the housing stock needs to be upgraded – either through the renovation of existing units or the construction of new units. That a particular housing unit has ceased to meet the housing needs of a market area's households becomes evident in any number of ways, including:
  - **Physical Removal or Demolition.** Clearly, if a unit is demolished or otherwise physically removed from a market, it is no longer available to serve local households. A number of factors contribute to the removal of housing units. Housing units are occasionally removed from any given market through disasters such as fires and various types of weather phenomenon. While such disasters occur somewhat randomly, the decision whether to repair or demolish a unit is based on the economic value of the property. Thus, a unit being permanently lost in a disaster should be correlated with factors such as its age, structure type, and physical condition. Demolitions can also be instigated through the loss of economic value or in response to a situation where vacant land has become more valuable than the land plus its existing structure. Based on American Housing Survey data, researchers have analyzed Components of Inventory Change (CINCH) (Table 34). CINCH data indicated that renter-occupied or vacant units were far more likely to be demolished than owner-occupied units; among renter-occupied and vacant units, single-family detached units were more likely to be demolished than multifamily units.
  - **Permanent Abandonment.** Housing units can be technically removed from the stock available to serve households without being physically removed. This happens when a housing unit's owner elects to permanently abandon the unit – due to obsolescence, overwhelming repair costs, or other factors – without going through the steps (and costs) of demolishing it. If a dilapidated unit was occupied up until the time of permanent abandonment, the former occupant represents a source of demand for other units in the area.
  - **Overcrowding.** As defined by the U.S. Census Bureau, a housing unit is classified as overcrowded if the household occupying the unit has more people than the housing unit has rooms. Particularly in markets with high housing costs, lower-income individuals and families are often driven into an overcrowded housing situation. Overcrowded households constitute pent-up demand for new housing units not typically captured in household growth projections; were two affordable units to become available, an overcrowded household would very likely split into two households and generate an additional net unit of housing demand.
  - **Mismatch between Household Incomes and Housing Stock Quality.** While permanent abandonment and overcrowding are two factors likely to lead to net new demand for affordable housing units, limited recent housing construction in a stable, long-established neighborhood can be an indicator of pent-up demand for new housing units serving middle- to upper-income households. Areas that exhibit this phenomenon are often downtown, inner city, or inner ring suburban locations that currently have – and have had for years – limited to no undeveloped land available for new housing construction/growth. When a neighborhood is stable in terms of overall



household numbers but near the point of build-out for many years, many resident households develop a desire for a modern housing unit and the wherewithal to rent or purchase one but have no stock of modern units from which to choose. Such households are ‘under-housed’ in that the quality of the housing stock in the area where they live (and wish to remain) does not match the type of housing they demand and could afford. Such pent-up demand is rarely captured in public projections of household growth and is difficult to translate to specific calculations. However, this pent-up demand is a very real factor driving demand for new housing units in stable, established residential neighborhoods.

**Table 34 Components of Inventory Change in Housing (CINCH)**

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

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

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

In considering competitive vacancy rates, we focus on multifamily units for several reasons. One of the primary reasons is that the scattered market in single-family homes, condominiums,



and other properties is extremely fluid and cannot be relied upon to consistently serve renter households, since the inventory can convert to homeownership very quickly.

## 2. Net Demand Calculation

The steps in the derivation of demand for rental housing are detailed below (Table 35):

- Per the household trend information discussed previously, RPRG estimates that 20,375 households resided in the Brookland Park Market Area as of January 2022, a number projected to increase to 20,988 by January 2027. RPRG then derived the number of households in the market area in December 2022 and 2025 via interpolation.

Based on this estimate and projection, RPRG computed 20,487 households reside in the market as of December 2022, increasing to 20,855 households in December 2025. The Brookland Park Market Area would thus gain 368 net new households during the three-year study period.

- Using national statistical observations from 2011 and 2013 CINCH data, Econometrica determined that the average annual loss of occupied housing units in the United States between 2011 and 2013 (for all reasons other than the moving of homes, particularly mobile homes) was 0.27 percent of the total occupied stock (See Table 34). This blended rate includes an annual loss of 0.47 percent of renter-occupied units and 0.18 percent of owner-occupied units. In the interest of conservatively estimating demand, we assume the lower blended rate of 0.27 percent rather than the higher renter-occupied rate of 0.47 percent. We determined the size of the housing stock in 2022, 2023, and 2024 via interpolation of household projections. Applying the 0.27 percent removal rate over the three years in question, we estimate that 187 units are likely to be lost.
- Combining this figure with household changes, a total demand for 555 new housing units will exist in the market between December 2022 to December 2025.
- As detailed previously, RPRG projects renter households will contribute 50.8 percent of net household growth over the next five years in the market area. Applying this renter percentage to new housing demand results in demand for 282 new rental units over the next three years.
- Typically, it is assumed that a 5.0 percent vacancy rate is required to keep a rental market relatively fluid. There must be some number of quality units vacant and available at any given time so that households seeking rental units can be accommodated and can have some choice among units. RPRG's survey of the general occupancy rental communities in the market area consisted of 3,035 units. Of these, 13 units are currently vacant, for a vacancy rate of 0.8 percent. With a total stock of 3,035 units, 152 units would be required to be vacant for a five percent vacancy rate. Subtracting the 18 current vacancies from the 152 required for five percent vacancy suggests 139 units must be added to achieve a structural vacancy rate of five percent. These 139 units are added to the demand.
- Combining the effects of household trends, necessary unit replacement, and the preferred structural vacancy rate, demand will exist for 421 additional rental units in the market area over the three-year period.
- Total rental demand must be balanced against new rental stock likely to be added between December 2022 and December 2025. In addition to the subject's 43 proposed rental units, we include the five near term pipeline projects, combining for a new rental supply of 516 units.
- Subtracting 95 percent of these units (490) from the total demand for 421 units yields a surplus of 70 units in the market area through December 2025.

**Table 35 Derivation of Net Demand, Brookland Park Market Area**

<b>Demand</b>			
<i>Projected Change in Household Base</i>			<b>Units</b>
December 2022 Households			<b>20,487</b>
December 2025 Households			<b>20,855</b>
<b>Net Change in Households</b>			<b>368</b>
<b>Add: Units Removed from Housing Stock</b>	Housing Stock	Removal Rate	Units Removed
2022 Housing Stock	22,931	0.27%	62
2023 Housing Stock	23,090	0.27%	62
2024 Housing Stock	23,249	0.27%	63
<b>Total Units Removed from Housing Stock</b>			<b>187</b>
<b>New Housing Demand</b>			<b>555</b>
Average Percent Renter Households over Analysis Period			<b>50.8%</b>
<b>New Rental Housing Demand</b>			<b>282</b>
<b>Add: Multifamily Competitive Vacancy</b>	Inventory		Vacant
Total Competitive Inventory	3,035		13
Market Vacancy at 5%			152
Less: Current Vacant Units			-13
<b>Vacant Units Required to Reach 5% Market Vacancy</b>			<b>139</b>
<b>Total Demand for New Rental Units</b>			<b>421</b>
<b>Planned Additions to the Supply</b>			
		Total Units	95% Occupancy
Sphere Apartments		224	213
Cool Lane Commons (LIHTC)		86	82
Nehmiah Apartments (LIHTC)		66	63
711 Dawn St		41	39
St. Elizabeth Apts (LIHTC)		56	53
<b>Subject Property</b>		<b>43</b>	<b>41</b>
<b>Total New Rental Supply</b>		<b>516</b>	<b>490</b>
<b>Excess Demand for Rental Housing</b>			<b>-70</b>

Source: RPRG, Inc.

### 3. Conclusions on Net Demand

The results of the Net Demand analysis indicate demand for 421 rental units over the next three years. Accounting for anticipated pipeline and the subject, the market area will have a nominal surplus of 70 units over the next three years. That said, over one-half of the pipeline units will be market rate and unavailable for residents that would live at the subject.

## C. Effective Demand – Affordability/Capture & Penetration Analyses

### 1. Methodology

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

Using 2025 as our target year for this analysis, RPRG calculated the income distribution for both total households and renter households based on the relationship between owner and renter household incomes by income cohort from the 2016-2020 American Community Survey with estimates and projected income growth since the Census (Table 36).

**Table 36 2025 Total and Renter Income Distribution**

Brookland Park Market Area		2025 Total Households		2025 Renter Households	
2025 Income		#	%	#	%
less than	\$15,000	3,412	16.4%	2,378	22.7%
	\$15,000 - \$24,999	2,241	10.8%	1,561	14.9%
	\$25,000 - \$34,999	1,948	9.4%	1,180	11.2%
	\$35,000 - \$49,999	2,505	12.1%	1,391	13.3%
	\$50,000 - \$74,999	3,554	17.1%	2,060	19.6%
	\$75,000 - \$99,999	1,957	9.4%	915	8.7%
	\$100,000 - \$149,999	2,300	11.1%	674	6.4%
	\$150,000 Over	2,827	13.6%	336	3.2%
<b>Total</b>		<b>20,743</b>	<b>100%</b>	<b>10,495</b>	<b>100%</b>
<b>Median Income</b>		<b>\$51,873</b>		<b>\$36,386</b>	

Source: American Community Survey 2016-2020 Estimates, Esri, RPRG

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





is the rent burden mandated by VH for use in evaluating proposed general occupancy LIHTC communities. Rent burdens of 35 percent are also typically used in underwriting multifamily rental communities in the Mid-Atlantic region, particularly communities with rents targeting low- and moderate-income households in areas with high housing costs.

## 2. Affordability Analysis

The affordability analysis for the project is presented in Table 37. The steps of the analysis are demonstrated for two-bedroom units at 50 percent AMI, the most common proposed floorplan. This analysis can be similarly applied to the other units. The steps are as follows:

- The two-bedroom units at 50 percent AMI have a gross rent burden of \$1,088 (\$908 contract rent plus \$180 utility allowance for tenant-paid utilities). Applying a 35 percent rent burden to this gross rent, we determined that these two-bedroom units would be affordable to households earning at least \$37,303 per year. The projected number of market area renter households earning at least this amount in 2025 is 5,163.
- On the assumption of 1.5 persons per bedroom and an income ceiling of 50 percent AMI, the maximum income for households renting a two-bedroom unit at the subject is \$45,350. According to the interpolated income distribution for 2025, a projected 4,417 renter households will reside in the market area with incomes exceeding this upper income limit.
- Subtracting the 4,417 renter households with incomes above the maximum income limit from the 5,163 renter households who have the minimum income necessary to rent this unit, RPRG calculates that 746 renter households in the market area would be income-qualified for the subject's two-bedroom units. The subject would have to capture 1.3 percent of these renter households to fill the proposed 10 two-bedroom units at 50 percent AMI.
- The same methodology was applied to test the affordability of each of the subject's unit types. Overall, the subject would need to capture 0.5 percent of all income-qualified renter households to absorb all 43 units.

We further performed the same affordability analyses for the subject without the subsidy resulting in an overall capture rate of 0.9 percent (Table 38).



**Table 37 Affordability Analysis**

40% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		1		4		3			
Net Rent		\$1,043		\$1,156		\$1,508			
Gross Rent		\$1,183		\$1,336		\$1,727			
Income Range (Min, Max)		no min\$ \$30,220		no min\$ \$36,280		no min\$ \$41,900			
<b>Renter Households</b>									
Range of Qualified Hhlds		10,495 5,940		10,495 5,257		10,495 4,736			
# Qualified Hhlds		4,555		5,238		5,759			
<b>Renter HH Capture Rate</b>		<b>0.0%</b>		<b>0.1%</b>		<b>0.1%</b>			
50% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		2		10		2			
Net Rent		\$767		\$908		\$1,039			
Gross Rent		\$907		\$1,088		\$1,258			
Income Range (Min, Max)		\$31,097 \$37,775		\$37,303 \$45,350		\$43,131 \$52,375			
<b>Renter Households</b>									
Range of Qualified Hhlds		5,837 5,119		5,163 4,417		4,622 3,790			
# Qualified Hhlds		718		746		833			
<b>Renter HH Capture Rate</b>		<b>0.3%</b>		<b>1.3%</b>		<b>0.2%</b>			
60% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		2		9		3			
Net Rent		\$946		\$1,125		\$1,221			
Gross Rent		\$1,086		\$1,305		\$1,440			
Income Range (Min, Max)		\$37,234 \$45,330		\$44,743 \$54,420		\$49,371 \$62,850			
<b>Renter Households</b>									
Range of Qualified Hhlds		5,169 4,418		4,473 3,621		4,044 2,927			
# Qualified Households		751		852		1,117			
<b>Renter HH Capture Rate</b>		<b>0.3%</b>		<b>1.1%</b>		<b>0.3%</b>			
80% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		2		3		2			
Net Rent		\$1,170		\$1,350		\$1,665			
Gross Rent		\$1,310		\$1,530		\$1,884			
Income Range (Min, Max)		\$44,914 \$60,440		\$52,457 \$72,560		\$64,594 \$83,800			
<b>Renter Households</b>									
Range of Qualified Hhlds		4,457 3,125		3,783 2,126		2,783 1,603			
# Qualified Households		1,332		1,656		1,180			
<b>Renter HH Capture Rate</b>		<b>0.2%</b>		<b>0.2%</b>		<b>0.2%</b>			
Income Target		# Units	Band of Qualified Hhlds		# Qualified Hhls	Capture Rate			
40% AMI	8	Income Households	no min\$ 10,495	\$41,900 4,736	5,759	0.1%			
50% AMI	14	Income Households	\$31,097 5,837	\$52,375 3,790	2,047	0.7%			
60% AMI	14	Income Households	\$37,234 5,169	\$62,850 2,927	2,242	0.6%			
80% AMI	7	Income Households	\$44,914 4,457	\$83,800 1,603	2,854	0.2%			
<b>Total Units</b>	<b>43</b>	<b>Income Households</b>	<b>no min\$ 10,495</b>	<b>\$83,800 1,603</b>	<b>8,892</b>	<b>0.5%</b>			

Source: Income Projections, RPRG, Inc.



**Table 38 Affordability Analysis without Subsidy**

40% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		1		4		3	
Net Rent		\$615		\$727		\$828	
Gross Rent		\$755		\$907		\$1,047	
Income Range (Min, Max)		\$25,886	\$30,220	\$31,097	\$36,280	\$35,897	\$41,900
<b>Renter Households</b>							
Range of Qualified Hhlds		6,452	5,940	5,837	5,257	5,293	4,736
# Qualified Hhlds		511		579		557	
<b>Renter HH Capture Rate</b>		<b>0.2%</b>		<b>0.7%</b>		<b>0.5%</b>	

50% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		2		10		2	
Net Rent		\$767		\$908		\$1,039	
Gross Rent		\$907		\$1,088		\$1,258	
Income Range (Min, Max)		\$31,097	\$37,775	\$37,303	\$45,350	\$43,131	\$52,375
<b>Renter Households</b>							
Range of Qualified Hhlds		5,837	5,119	5,163	4,417	4,622	3,790
# Qualified Hhlds		718		746		833	
<b>Renter HH Capture Rate</b>		<b>0.3%</b>		<b>1.3%</b>		<b>0.2%</b>	

60% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		2		9		3	
Net Rent		\$946		\$1,125		\$1,221	
Gross Rent		\$1,086		\$1,305		\$1,440	
Income Range (Min, Max)		\$37,234	\$45,330	\$44,743	\$54,420	\$49,371	\$62,850
<b>Renter Households</b>							
Range of Qualified Hhlds		5,169	4,418	4,473	3,621	4,044	2,927
# Qualified Households		751		852		1,117	
<b>Renter HH Capture Rate</b>		<b>0.3%</b>		<b>1.1%</b>		<b>0.3%</b>	

80% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		2		3		2	
Net Rent		\$1,170		\$1,350		\$1,665	
Gross Rent		\$1,310		\$1,530		\$1,884	
Income Range (Min, Max)		\$44,914	\$60,440	\$52,457	\$72,560	\$64,594	\$83,800
<b>Renter Households</b>							
Range of Qualified Hhlds		4,457	3,125	3,783	2,126	2,783	1,603
# Qualified Households		1,332		1,656		1,180	
<b>Renter HH Capture Rate</b>		<b>0.2%</b>		<b>0.2%</b>		<b>0.2%</b>	

Income Target	# Units	Renter Households = 10,495				# Qualified HHs	Capture Rate	
		Band of Qualified Hhlds						
40% AMI	8	Income Households	\$25,886	\$41,900	6,452	4,736	1,715	0.5%
50% AMI	14	Income Households	\$31,097	\$52,375	5,837	3,790	2,047	0.7%
60% AMI	14	Income Households	\$37,234	\$62,850	5,169	2,927	2,242	0.6%
80% AMI	7	Income Households	\$44,914	\$83,800	4,457	1,603	2,854	0.2%
<b>Total Units</b>	<b>43</b>	<b>Income Households</b>	<b>\$25,886</b>	<b>\$83,800</b>	<b>6,452</b>	<b>1,603</b>	<b>4,848</b>	<b>0.9%</b>

Source: Income Projections, RPRG, Inc.



### 3. Penetration Analysis

To provide further insight into the market dynamics, we have also conducted a Penetration Analysis (Table 39). The Penetration Analysis evaluates the capacity of the market area to serve the entire inventory of directly competitive rental units. Our analysis utilizes the same target date of 2025; the same 35 percent rent burden; and income levels as presented in the Affordability Analysis. To test the most competitive and relevant subset of the rental stock, RPRG limited communities included to those that offer LIHTC units at 40, 50, 60 or 80 percent AMI. Three general occupancy near term pipeline projects with units in these income targets were included as well.

This analysis indicates that the directly competitive Tax Credit units would need to capture 15.7 percent of income-qualified renters to fill all comparable units in the market area in 2025.

In the unlikely event the subsidy was removed and the units at 40 percent AMI had to be filled with by residents who could afford those rents, the penetration rate increases to 28.8 percent but is still very reasonable (Table 40).

**Table 39 Penetration Analysis**

40% Units		50% Units		60% Units		80% Units	
Competitive Unit	Units	Competitive Units	Units	Competitive Units	Units	Competitive Units	Units
Delmont Village	94	Highland Grove	80	The Foundry	200		
		North Oak	84	North Oak	23		
		Fieldcrest	29	Terr at Bellevue	144		
		Lincoln Mews	245	Glenwood Farms	294		
subtotal	94	subtotal	438	subtotal	661	subtotal	0
Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units
Cool Lane Cmns	13	Cool Lane Cmns	73	Nehemiah Apts	66	711 Dawn St	8
subtotal	13	subtotal	73	subtotal	66	subtotal	8
Subject Property	Units	Subject Property	Units	Subject Property	Units	Subject Property	Units
	8		14		14		7
Total	115	Total	525	Total	741	Total	15

Income Target	Total Competitive Units	Renter Households = 10,495		# Qualified HHs	Penetration Rate
		Band of Qualified Hhlds			
		One Bedroom	Three Bedroom		
40% Units	115	no min\$ 10,495	\$41,900 4,736	5,759	2.0%
		One Bedroom	Three Bedroom		
50% Units	525	\$27,360 6,278	\$52,375 3,790	2,488	21.1%
		One Bedroom	Three Bedroom		
60% Units	741	\$32,057 5,723	\$62,850 2,927	2,797	26.5%
		One Bedroom	Three Bedroom		
80% Units	15	\$44,914 4,457	\$83,800 1,603	2,854	0.5%
		One Bedroom	Three Bedroom		
Total Units	1,396	no min\$ 10,495	\$83,800 1,603	8,892	15.7%



**Table 40 Penetration Analysis without Subsidy**

40% Units		50% Units		60% Units		80% Units	
Competitive Unit	Units	Competitive Units	Units	Competitive Units	Units	Competitive Units	Units
Delmont Village	94	Highland Grove	80	The Foundry	200		
		North Oak	84	North Oak	23		
		Fieldcrest	29	Terr at Bellevue	144		
		Lincoln Mews	245	Glenwood Farms	294		
subtotal	94	subtotal	438	subtotal	661	subtotal	0
Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units
Cool Lane Cmns	13	Cool Lane Cmns	73	Nehemiah Apts	66	711 Dawn St	8
subtotal	13	subtotal	73	subtotal	66	subtotal	8
Subject Property	Units	Subject Property	Units	Subject Property	Units	Subject Property	Units
	8		14		14		7
Total	115	Total	525	Total	741	Total	15

Income Target	Total Competitive Units	Renter Households = 10,495		# Qualified HHs	Penetration Rate
		Band of Qualified Hhlds			
		One Bedroom	Three Bedroom		
40% Units	115	\$25,886 6,452	\$41,900 4,736	1,715	6.7%
		One Bedroom	Three Bedroom		
50% Units	525	\$27,360 6,278	\$52,375 3,790	2,488	21.1%
		One Bedroom	Three Bedroom		
60% Units	741	\$32,057 5,723	\$62,850 2,927	2,797	26.5%
		One Bedroom	Three Bedroom		
80% Units	15	\$44,914 4,457	\$83,800 1,603	2,854	0.5%
		One Bedroom	Three Bedroom		
Total Units	1,396	\$25,886 6,452	\$83,800 1,603	4,848	28.8%

**4. Conclusions on Affordability and Penetration**

The affordability capture rates indicate a significant number of income qualified renter households within the projected target market for the units proposed at 1203 East Brookland Park Blvd. A projected 8,892 renter households fall within the subject property’s projected income range of \$0 to \$83,800, resulting in a capture rate of 0.5 percent. The penetration rate of 15.7 percent leaves 84 percent of income qualified renter households within the market area to lease lower priced or scattered site rentals. Both the affordability capture rate and penetration rate are considered acceptable and achievable

**D. Virginia Housing Demand Methodology**

**1. Virginia Housing Demand Analysis**

Virginia Housing (VH) mandates a particular demand methodology in evaluating applications for Low-Income Housing Tax Credits. VH opts for a need-driven demand methodology which factors the topics of cost-burdened renters and substandard rental housing into the demand equation. In this section, RPRG calculates demand according to the VH methodology for 1203 East Brookland



Park Blvd. VH's demand methodology for general occupancy LIHTC projects such as the subject accounts for the following components of potential need/demand:

- **Household Growth or Decline.** The household trend required by VH is the net increase or decrease in the number of income-qualified renter households in the primary market area between a base year of 2022 and a target year of 2025.
- **Cost Burdened Renters.** VH's second component of demand is cost burdened renters, a designation which is defined as those renter households paying more than 35 percent of household income for housing costs. RPRG uses the 2016-2020 ACS data on cost-burdened renter households presented earlier in Table 20 to estimate the percentage and number of income-qualified renters for the subject project that will be cost-burdened as of 2022. We conservatively use a rent burden of 40 percent, which accounts for 36.6 percent of renter households.
- **Renter Households in Substandard Housing.** VH's third component of demand accounts for income-qualified renter households living in substandard units, defined as overcrowded units (having 1.01 or more persons per room) and/or units lacking complete plumbing facilities. According to the 2016-2020 ACS, the percentage of renter households in the primary market area that lived in substandard conditions was 2.8 percent.
- **Existing Tenants Likely to Remain.** For projects that constitute the renovation of an existing property with current tenants, VH requests that analysts consider the percentage of current tenants that are likely to remain following the proposed renovation. 1203 East Brookland Park Blvd will be a new construction project and, as such, VH's fourth component of demand is not relevant.

Table 41 outlines the detailed VH demand calculations for the subject. Total demand available for the 43-unit project is expected to include 158 net new renter households, 3,212 cost-burdened households, and 244 households currently residing in substandard housing. The calculation thus yields a total net demand for 3,614 additional units of rental housing serving the targeted 40, 50, 60, or 80 percent of AMI income bands.

Comparable units that are presently available or that likely would be available constitute supply that must be subtracted from total VH demand to arrive at VH net demand. Based on the competitive rental survey, zero vacancies were reported among LIHTC units. The three near-term pipeline projects will have a combined 160 units restricted to 40, 50, 60, or 80 percent AMI. Subtracting the vacant existing and pipeline units, VH net demand totals 3,454 units.

Given the net demand for 3,454 units, the 43-unit subject would need to capture 1.2 percent of income-qualified renter households per VH's demand methodology.

In the unlikely event the subsidy is removed, VH demand increases modestly to 2.4 percent (Table 42).



**Table 41 VH Demand by Overall Income Targeting**

<i>Income Target</i>	40% AMI	50% AMI	60% AMI	80% AMI	Project Total
<i>Minimum Income Limit</i>	no min\$	\$31,097	\$37,234	\$44,914	no min\$
<i>Maximum Income Limit</i>	\$41,900	\$52,375	\$62,850	\$83,800	\$83,800
<b>(A) Renter Income Qualification Percentage</b>	<b>54.9%</b>	<b>19.5%</b>	<b>21.4%</b>	<b>27.2%</b>	<b>84.7%</b>
Demand from New Renter Households - <i>Calculation (C-B)*F*A</i>	103	36	40	51	158
+ Demand from Rent Overburdened HHs - <i>Calculation: B*E*F*A</i>	2,080	739	810	1,031	3,212
+ Demand from Substandard Housing - <i>Calculation B*D*F*A</i>	158	56	62	78	244
<b>Total Income Qualified Renter Demand</b>	<b>2,341</b>	<b>832</b>	<b>912</b>	<b>1,160</b>	<b>3,614</b>
Less: Comparable Vacant Units	0	0	0	0	0
Less: Comparable Pipeline Units	13	73	66	8	160
<b>Net Demand</b>	<b>2,328</b>	<b>759</b>	<b>846</b>	<b>1,152</b>	<b>3,454</b>
Subject Proposed Units	8	14	14	7	43
<b>Capture Rate</b>	<b>0.3%</b>	<b>1.8%</b>	<b>1.7%</b>	<b>0.6%</b>	<b>1.2%</b>
<b>Estimated Absorption Period</b>					<b>5 months</b>

Demand Calculation Inputs	
A). % of Renter Hhlds with Qualifying Income	see above
B). 2022 Households	20,375
C). 2025 Households	20,743
D). Substandard Housing (% of Rental Stock)	2.8%
E). Rent Overburdened (% of Renter Hhlds at >40%)	36.6%
F). Renter Percentage (% of all 2022 HHLds)	50.8%

**Table 42 VH Demand by Overall Income Targeting without Subsidy**

<i>Income Target</i>	40% AMI	50% AMI	60% AMI	80% AMI	Project Total
<i>Minimum Income Limit</i>	\$25,886	\$31,097	\$37,234	\$44,914	\$25,886
<i>Maximum Income Limit</i>	\$41,900	\$52,375	\$62,850	\$83,800	\$83,800
<b>(A) Renter Income Qualification Percentage</b>	<b>15.0%</b>	<b>19.5%</b>	<b>21.4%</b>	<b>27.2%</b>	<b>46.2%</b>
Demand from New Renter Households - <i>Calculation (C-B)*F*A</i>	28	36	40	51	86
+ Demand from Rent Overburdened HHs - <i>Calculation: B*E*F*A</i>	568	739	810	1,031	1,751
+ Demand from Substandard Housing - <i>Calculation B*D*F*A</i>	43	56	62	78	133
<b>Total Income Qualified Renter Demand</b>	<b>639</b>	<b>832</b>	<b>912</b>	<b>1,160</b>	<b>1,971</b>
Less: Comparable Vacant Units	0	0	0	0	0
Less: Comparable Pipeline Units	13	73	66	8	160
<b>Net Demand</b>	<b>626</b>	<b>759</b>	<b>846</b>	<b>1,152</b>	<b>1,811</b>
Subject Proposed Units	8	14	14	7	43
<b>Capture Rate</b>	<b>1.3%</b>	<b>1.8%</b>	<b>1.7%</b>	<b>0.6%</b>	<b>2.4%</b>
<b>Estimated Absorption Period</b>					<b>5 months</b>

Demand Calculation Inputs	
A). % of Renter Hhlds with Qualifying Income	see above
B). 2022 Households	20,375
C). 2025 Households	20,743
D). Substandard Housing (% of Rental Stock)	2.8%
E). Rent Overburdened (% of Renter Hhlds at >40%)	36.6%
F). Renter Percentage (% of all 2022 HHLds)	50.8%

**2. Conclusions on Virginia Housing Demand**

RPRG considers the subject’s capture rate to be achievable, indicating sufficient demand to absorb all 43 units at the subject. Market conditions, including full occupancy among tax credit communities with wait lists, indicate strong demand for quality rental units targeting low income households. Taking into consideration these factors, we have conservatively estimated an overall project lease up pace of roughly five months, reflecting an average absorption pace of eight to nine



units per month. The lower income designations will likely absorb faster, with the subsidized units filled upon availability.

## E. Target Markets

The location of the subject site will offer future residents convenient access to retail, services, and employment centers. Combining these benefits with the subject's affordable rents, we would expect it to attract singles, couples, roommates, and families with children.

## F. Product Evaluation

Considered in the context of the competitive environment, the relative position of the proposed 1203 East Brookland Park Blvd is as follows:

- **Structure Type:** The community is designed as a four story elevator serviced building. Midrise buildings are rare in this market with only the highest priced market rate communities offering this structure type. This design is appropriate for the subject and will be a competitive advantage.
- **Unit Distribution:** The subject's proposed unit distribution is seven one bedroom units (16 percent), 26 two bedroom units (61 percent), and ten three bedroom units (23 percent). Among the reported unit distribution for market area LIHTC communities, 28 percent are one-bedroom units, 51 percent are two-bedroom units, and 22 percent are three-bedroom units. The subject's unit mix is similar to the affordable communities and appropriate for the market area demographics.
- **Unit Size:** The proposed unit sizes for 1203 East Brookland Park Blvd are 610 square feet for one-bedroom units, 820 square feet, for two-bedroom units, and 1,035 square feet for three-bedroom units. The proposed one and two bedroom unit sizes are comparable to the LIHTC average. The three bedroom unit is ten percent smaller than the LIHTC average, but still within the range of existing units. The subject's unit sizes are appropriate for an affordable community in this market.
- **Unit Features:** Units at 1203 East Brookland Park Blvd will have Luxury Vinyl Tile flooring. All units will include a dishwasher, disposal, and washer/dryer hook ups. This unit features package will be comparable to most communities and appropriate for the target market. In unit washer/dryers are a standard feature at only one tax credit community and four market rate communities; even hooks ups are relatively rare.
- **Common Area Amenities:** The property will have a competitive amenity package including a community room, homework room/business center, and bicycle storage. This amenity package is appropriate and superior to most communities.
- **Parking:** The subject will have free surface parking which is the standard offering in the market. This is appropriate for the subject site location and key target markets.

## G. Price Position

The tax credit rents proposed by the developer for 1203 East Brookland Park Blvd are all below the allowable maximums for all unit types, given the assumed utility allowances of \$140 for one-bedroom units, \$180 for two-bedroom units, and \$219 for three-bedroom units. The proposed rents offer a significant market advantage and are reasonable when viewed within the context of the directly competitive rental supply.

Figure 8 provides a graphic representation of the competitive positions of the rents and square footages proposed for the subject's one-, two-, and three-bedroom units at 50, 60, and 80 percent





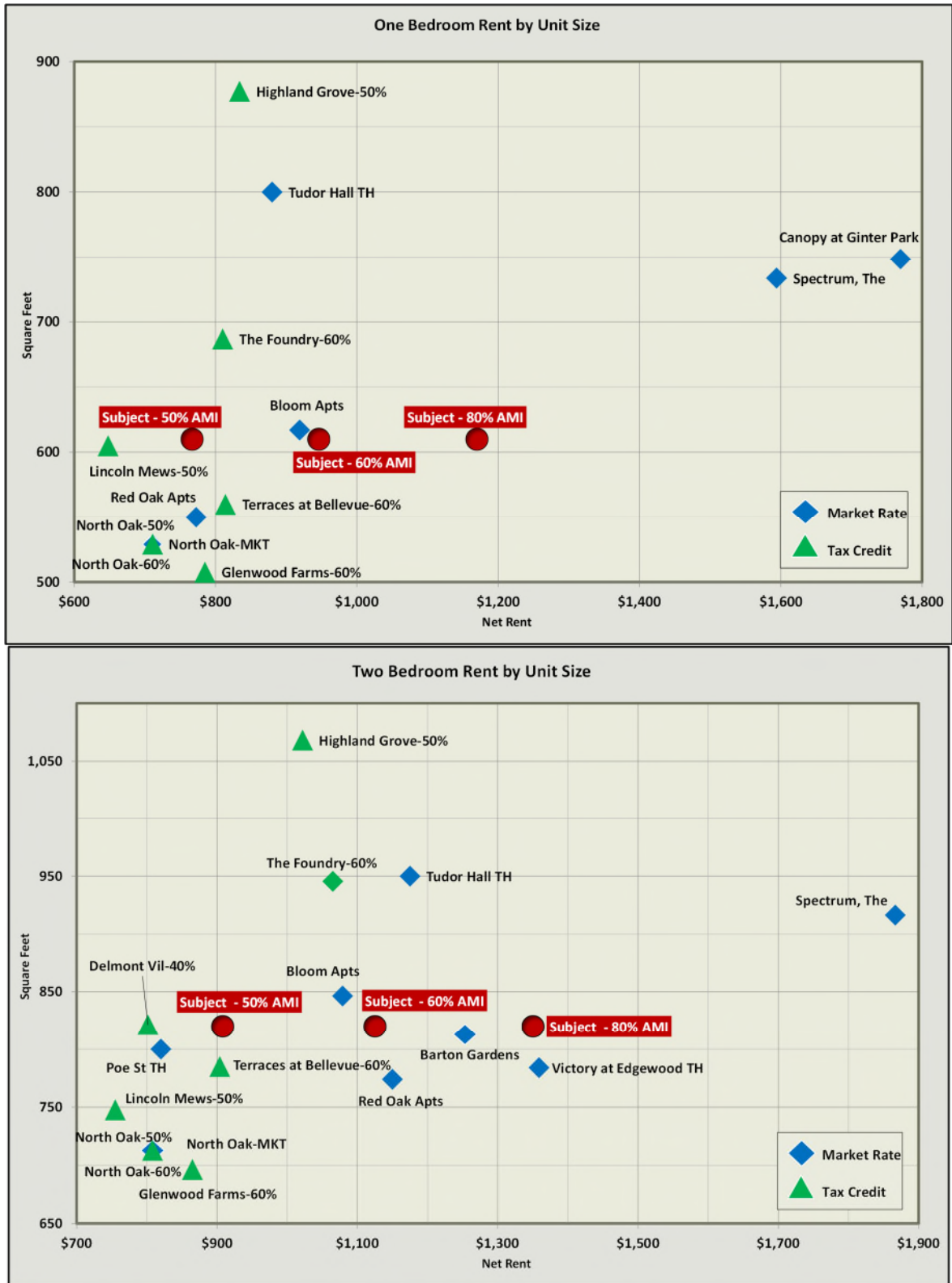
AMI; the subject's units at 40 percent AMI will be subsidized. Canopy at Ginter Park was removed from most charts because it was priced so much higher it skewed the graphics. The proposed rents for 1203 East Brookland Park Blvd will be positioned among the more affordable communities in the market. Based on our review of the site, product, and competitive environment, we offer the following conclusions on rent.

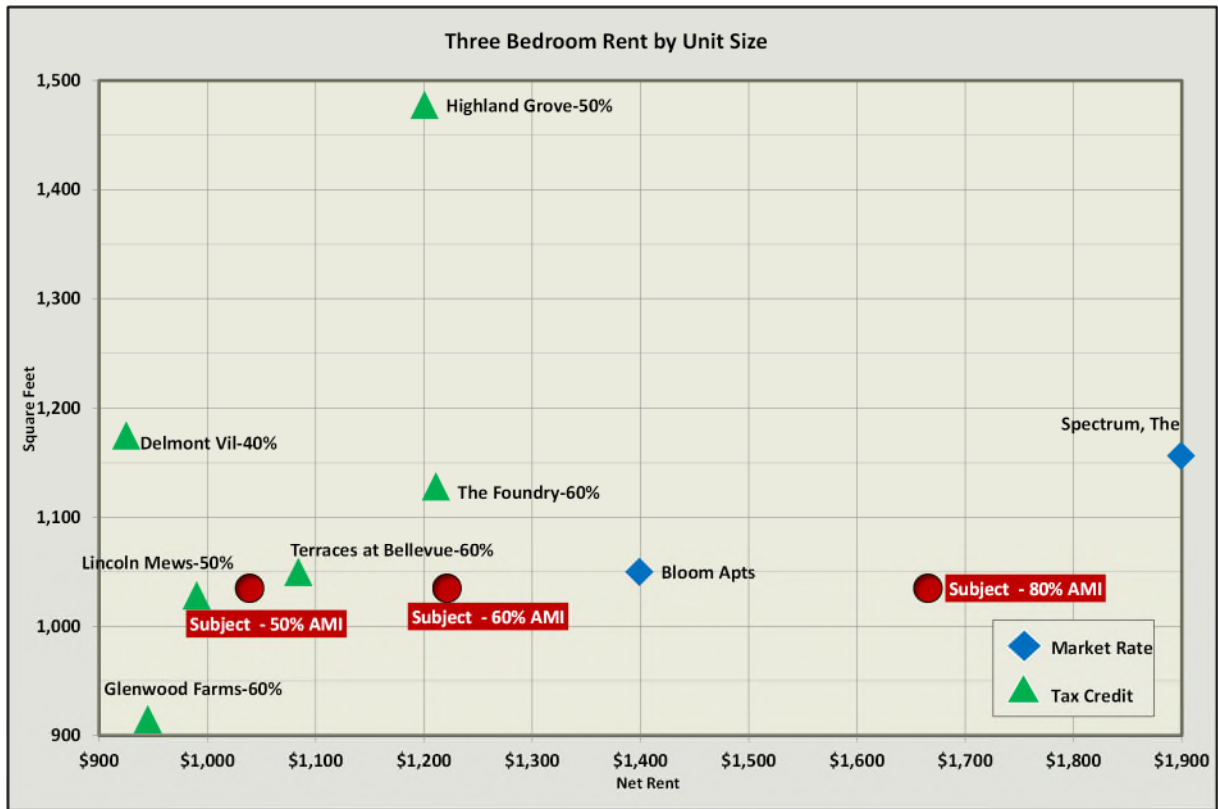
- The subject's proposed 50 percent AMI one-bedroom rent of \$767 is nine percent less than the one-bedroom at 50 percent AMI offered at Highland Grove (\$844), however the Highland's units are 30 percent larger. The townhouse style units offered at this site skew the units towards larger sizes. The subject's proposed 50 percent two-bedroom rent of \$908 is 12 percent less than the two-bedroom rent at Highland Grove (\$1,032) for a unit that is 23 percent smaller in size. The subject's proposed 50 percent three-bedroom rent of \$1,039 is 14 percent less than the three-bedroom rent at Highland (\$1,211), but the subject's unit is substantially smaller.
- The subject's proposed 60 percent AMI one-bedroom rent of \$946 is 14 percent higher than the one-bedroom at 60 percent AMI offered at The Foundry (\$825), and the subject's units are 11 percent smaller. The subject's proposed 60 percent two-bedroom rent of \$1,125 is four percent higher than the two-bedroom rent at The Foundry (\$1,085) for a unit that is 13 percent smaller in size. The subject's proposed 60 percent three-bedroom rent of \$1,221 is comparable to the three-bedroom rent at Foundry (\$1,236), for a unit that is eight percent smaller in size.
- There are no units restricted to 80 percent AMI in this market, but for illustration purposes we compared the pricing to a market rate community. The subject's proposed 80 percent AMI one-bedroom rent of \$1,170 is 27 percent less than the one-bedroom at The Spectrum (\$1,604), however Spectrum's units are 17 percent larger. The subject's proposed 80 percent two-bedroom rent of \$1,350 is 28 percent less than the rent at Spectrum (\$1,877) for a unit that is 11 percent smaller in size. The subject's proposed 80 percent three-bedroom rent of \$1,665 is 13 percent less than the three-bedroom rent at Spectrum (\$1,909), but the subject's unit is 11 percent smaller.

The subject's rents will allow it to offer lower income residents a modern unit at a range of income levels with most priced less than most market rate communities. While some market rate communities offer some floorplans priced comparable to the subject's higher income units, those communities can raise rents as demand grows in this corridor while the subject's rents will remain affordable. Moreover, those market rate communities are inferior to the subject in quality and offer fewer features and amenities.



**Figure 8 Price Position of 1203 East Brookland Park Blvd**





**H. Absorption Estimate**

Based on RPRG’s survey of the general occupancy rental communities, the aggregate vacancy rate is low at is 0.4 percent and all LIHTC communities are completely occupied. Additionally, the key capture rate for the subject overall is 0.5 percent, and the penetration rate for the subject and all comparable units is 15.7 percent; both are reasonable and readily achievable.

Only one affordable general occupancy community has been placed in service since 2013. The Foundry opened in July 2022 with 200 units restricted to 60 percent AMI. According to onsite staff, all units were filled by the end of the month through the lengthy wait list at Virginia Housing. That said, we have conservatively estimated an overall project lease up pace of roughly five months, reflecting an average absorption pace of eight to nine units per month. The subject will offer local renters newer high quality rental housing at an affordable price.

**I. Impact on Existing Market**

RPRG does not anticipate that the subject will have an adverse impact on the existing rental market. All LIHTC communities are completely occupied. The VH capture rate for the subject is reasonable and will be achievable. The subject will provide a value-added rental community that will assist in meeting the market’s demand for affordable high quality rental options. The need for affordable housing will address any turnover that might occur in the affordable inventory in this market, and the market area inventory, including the subject, is expected to retain very low vacancies through the near term.



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

A handwritten signature in black ink that reads "Nicole D. Mathison".

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Nicole D. Mathison  
Senior Analyst

A handwritten signature in black ink that reads "Robert M. Lefenfeld".

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Robert M. Lefenfeld  
Founding Principal



## IX. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

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

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



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

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



## X. APPENDIX 2 RENTAL COMMUNITY PROFILES

# Barton Gardens



**ADDRESS**  
2400 Barton Avenue, Richmond, VA

**COMMUNITY TYPE**  
Market Rate - General

**STRUCTURE TYPE**  
3 Story - Garden

**UNITS**  
18

**VACANCY**  
0.0 % (0 Units) as of 12/27/22

**OPENED IN**  
1940



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	100%	\$1,253	813	\$1.54

### Community Amenities

### Features

<b>Standard</b>	Disposal, Ceiling Fan, Patio Balcony
<b>Central / Heat Pump</b>	Air Conditioning
<b>Carpet</b>	Flooring Type 1
<b>Hardwood</b>	Flooring Type 2
<b>White</b>	Appliances
<b>Laminate</b>	Countertops

### Parking

<b>Parking Description</b>	Free Surface Parking
<b>Parking Description #2</b>	

### Contacts

<b>Phone</b>	571-451-2365
--------------	--------------

### Comments

Water/sewer/trash = \$50/mo.  
Waitlist is 3 to 6 months.

Floorplans (Published Rents as of 12/27/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		2	1.0	18	\$1,253	813	\$1.54	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/27/22	12/23/21	06/03/09
<b>% Vac</b>	0.0%	0.0%	11.1%
<b>Two</b>	\$1,253	\$1,200	\$0

### Adjustments to Rent

<b>Incentives</b>	none
<b>Utilities in Rent</b>	
<b>Heat Source</b>	Oil

## Barton Gardens

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

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



# Bloom Apts



**ADDRESS**  
3211 Chamberlayne Avenue, Richmond, VA, 23227

**COMMUNITY TYPE**  
Market Rate - General

**STRUCTURE TYPE**  
3 Story - Garden

**UNITS**  
692

**VACANCY**  
0.0 % (0 Units) as of 12/27/22

**OPENED IN**  
1950



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$919	617	\$1.49
Two	0%	\$1,079	847	\$1.27
Three	0%	\$1,399	1,050	\$1.33

Community Amenities
Clubhouse, Community Room, Central Laundry, Dog Park, Picnic Area

### Features

<b>Standard</b>	Disposal, Ceiling Fan, Patio Balcony
<b>Wall Units</b>	Air Conditioning
<b>Hardwood</b>	Flooring Type 1
<b>Black</b>	Appliances
<b>Laminate</b>	Countertops

Parking		Contacts	
<b>Parking Description</b>	Free Surface Parking	<b>Owner / Mgmt.</b>	Bloom Homes
<b>Parking Description #2</b>		<b>Phone</b>	804-308-2002

### Comments

Mgmt office located at 3211 Chamberlayne Avenue, but buildings are scattered along Chamberlayne. FKA Flats at Ginter Park. Game room, courtyard.  
 Waitlist one year.  
 New owners and mgmt as of 2018. Recently renovated.  
 W/S/T/Gas fee: 1B \$30; 2B \$40; 3B \$50. Buildings constructed between 1940 and 1970.

Floorplans (Published Rents as of 12/27/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0		\$929	617	\$1.51	Market	-
Garden		2	1.0		\$1,089	847	\$1.29	Market	-
Garden		3	1.0		\$1,289	1,000	\$1.29	Market	-
Garden		3	2.0		\$1,529	1,100	\$1.39	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/27/22	12/23/21	01/30/20
<b>% Vac</b>	0.0%	0.0%	2.0%
<b>One</b>	\$929	\$784	\$779
<b>Two</b>	\$1,089	\$969	\$832
<b>Three</b>	\$1,409	\$1,188	\$949

Adjustments to Rent	
<b>Incentives</b>	None
<b>Utilities in Rent</b>	Trash
<b>Heat Source</b>	Natural Gas

## Bloom Apts

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

# Canopy at Ginter Park



**ADDRESS**  
3200 Brook Rd, Richmond, VA, 23227

**COMMUNITY TYPE**  
Market Rate - General

**STRUCTURE TYPE**  
3 Story - Mix

**UNITS**  
301

**VACANCY**  
2.7 % (8 Units) as of 12/19/22

**OPENED IN**  
2019



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	37%	\$1,770	748	\$2.36
Two	62%	\$2,397	1,166	\$2.06
Three	1%	\$3,001	1,623	\$1.85

Community Amenities
Clubhouse, Community Room, Fitness Room, Outdoor Pool, Business Center, Elevators, Pet Spa, Outdoor Kitchen, Firepit, Picnic Area, Dog Park, Elevator Served

Features	
<b>Standard</b>	Dishwasher, Disposal, Microwave, Ceiling Fan, Patio Balcony
<b>Standard - Stacked</b>	In Unit Laundry
<b>Central / Heat Pump</b>	Air Conditioning
<b>Vinyl/Linoleum</b>	Flooring Type 1
<b>SS</b>	Appliances
<b>Quartz</b>	Countertops
<b>Community Security</b>	Keyed Bldg Entry

Parking	
<b>Parking Description</b>	Free Surface Parking
<b>Parking Description #2</b>	Detached Garage — \$150.00

Contacts	
<b>Owner / Mgmt.</b>	BH Management
<b>Phone</b>	804-781-3696

**Comments**  
Designer cabinets, wood-plank flrs, WIC, soak tubs, tile bcksplsh. Coffee station, lounge are w/TV's & kitch, conf rm, yoga, bike storage, courtyard, billiards, porch sitting area, grills.  
Valet trash \$25. No garage fee for units where it is attached to unit.  
Big house concept w/ integral garage: 67 units. Remaining units in three story bldgs with elevator.

Floorplans (Published Rents as of 12/19/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Agecroft Mid Rise - Elevator		1	1.0	9	\$1,778	629	\$2.83	Market	-
Barret Garden	Garage	1	1.0	8	\$1,856	699	\$2.66	Market	-
Armory Mid Rise - Elevator		1	1.0	36	\$1,860	726	\$2.56	Market	-
Belgian Mid Rise - Elevator		1	1.0	12	\$1,717	750	\$2.29	Market	-
Cabell Garden	Garage	1	1.0	1	\$1,589	755	\$2.10	Market	-
Byrd Mid Rise - Elevator		1	1.0	36	\$1,715	784	\$2.19	Market	-
Belle Isle Garden	Garage	1	1.0	1	\$1,641	808	\$2.03	Market	-
Centenary Garden	Garage	1	1.0	9	\$1,645	848	\$1.94	Market	-
Crozet Mid Rise - Elevator		2	2.0	51	\$2,416	1,050	\$2.30	Market	-
Ginter Park Garden	Garage	2	2.0	16	\$1,965	1,082	\$1.82	Market	-
Galsgow Mid Rise - Elevator		2	2.0	42	\$2,431	1,127	\$2.16	Market	-
Linden Mid Rise - Elevator		2	2.0	42	\$2,313	1,237	\$1.87	Market	-
Mason Garden	Garage	2	2.0	16	\$2,385	1,307	\$1.82	Market	-
Monroe Garden	Garage	2	2.0	16	\$2,694	1,327	\$2.03	Market	-
National Mid Rise - Elevator		2	2.0	3	\$3,553	1,536	\$2.31	Market	-
Reveille Mid Rise - Elevator		3	2.5	1	\$3,146	1,623	\$1.94	Market	-
Scott Mid Rise - Elevator		3	2.5	2	\$2,929	1,623	\$1.80	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/19/22	12/27/21	01/28/20
<b>% Vac</b>	2.7%	3.7%	68.8%
<b>One</b>	\$1,725	\$1,553	\$1,412
<b>Two</b>	\$2,537	\$2,394	\$2,099
<b>Three</b>	\$3,038	\$2,938	\$2,750

Adjustments to Rent	
<b>Incentives</b>	None
<b>Utilities in Rent</b>	
<b>Heat Source</b>	Electric

## Canopy at Ginter Park

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

# Delmont Village



**ADDRESS**  
3716 Delmont St, Richmond, VA, 23222

**COMMUNITY TYPE**  
LIHTC - General

**STRUCTURE TYPE**  
2 Story - Garden

**UNITS**  
94

**VACANCY**  
0.0 % (0 Units) as of 12/27/22

**OPENED IN**  
2007



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	66%	\$801	821	\$0.98
Three	34%	\$925	1,175	\$0.79

Community Amenities
Clubhouse, Community Room, Central Laundry, Playground, Parcel Lockers

Features	
Standard	Dishwasher, Disposal, Ceiling Fan
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning
Not Available	Patio Balcony, High Ceilings
Standard - In Unit	Storage
Carpet	Flooring Type 1
White	Appliances
Laminate	Countertops
Community Security	Perimeter Fence, Gated Entry, Cameras

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	United Property Associates
Parking Description #2		Phone	804-329-1881

Comments
Henrico County Wait list-40 ppl.

Floorplans (Published Rents as of 12/27/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		2	1.0	18	\$725	654	\$1.11	LIHTC	40%
Garden		2	2.0	44	\$875	890	\$0.98	LIHTC	40%
Garden		3	2.0	32	\$960	1,175	\$0.82	LIHTC	40%

Historic Vacancy & Eff. Rent (1)			
Date	12/27/22	01/10/22	06/02/09
% Vac	0.0%	0.0%	8.5%
Two	\$725	\$800	\$0
Three	\$0	\$960	\$0

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

## Delmont Village

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

# Fieldcrest



**ADDRESS**  
3731 Delmont St, Richmond, VA, 23222

**COMMUNITY TYPE**  
LIHTC - General

**STRUCTURE TYPE**  
2 Story - Townhouse

**UNITS**  
29

**VACANCY**  
0.0 % (0 Units) as of 12/27/22

**OPENED IN**  
2007



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	66%	\$845	1,066	\$0.79
Three	34%	\$975	1,238	\$0.79

Community Amenities
Clubhouse, Playground, Picnic Area

### Features

Standard	Dishwasher, Disposal, IceMaker
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
Black	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Art Craft Management
Parking Description #2		Phone	804-228-3727

**Comments**  
Henrico County. No waitlist. Rents based off last time something was available. Per leasing agent, 1-2 units become available every 12-18 months.

Floorplans (Published Rents as of 12/27/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Townhouse		2	1.5	19	\$875	1,066	\$0.82	LIHTC	50%
Townhouse		3	2.5	10	\$1,010	1,238	\$0.82	LIHTC	50%

Historic Vacancy & Eff. Rent (1)			
Date	12/27/22	12/23/21	06/04/09
% Vac	0.0%	0.0%	0.0%
Two	\$875	\$875	\$0
Three	\$1,010	\$1,010	\$0

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

## Fieldcrest

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

# Foundry, The



**ADDRESS**  
946 Sledd Street, Richmond, VA, 23220

**COMMUNITY TYPE**  
LIHTC - General

**STRUCTURE TYPE**  
5 Story - Mid Rise

**UNITS**  
200

**VACANCY**  
0.0 % (0 Units) as of 12/29/22

**OPENED IN**  
2022



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	31%	\$815	687	\$1.19
Two	40%	\$1,075	946	\$1.14
Three	29%	\$1,226	1,129	\$1.09

Community Amenities
Fitness Room, Central Laundry, Outdoor Pool, Playground, Picnic Area, Clubhouse, Business Center, Elevators, Community Room, Elevator Served

### Features

<b>Standard</b>	Dishwasher, Disposal, Microwave
<b>Hook Ups</b>	In Unit Laundry
<b>Central / Heat Pump</b>	Air Conditioning
<b>Vinyl/Linoleum</b>	Flooring Type 1
<b>Carpet</b>	Flooring Type 2
<b>Black</b>	Appliances
<b>Granite</b>	Countertops
<b>Community Security</b>	Intercom, Cameras, Keyed Bldg Entry

### Parking

<b>Parking Description</b>	Free Surface Parking
<b>Parking Description #2</b>	

### Contacts

<b>Owner / Mgmt.</b>	Lawson Property Management
<b>Phone</b>	Emmanual - 833-602-0859

### Comments

Unit mix: 62-1bd, 80-2bd, 58-3bd.  
Grilling stations, bike storage, sundeck around pool.  
Kitchen islands, pantries, walk-in closets.  
Opened July, 2022. Waitlist at VA Housing was so long that it leased up immediately.

Floorplans (Published Rents as of 12/29/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Steel/Zinc Mid Rise - Elevator		1	1.0	31	\$825	649	\$1.27	LIHTC	60%
Alloy/Brass Mid Rise - Elevator		1	1.0	31	\$825	725	\$1.14	LIHTC	60%
Magnesium Mid Rise - Elevator		2	2.0	40	\$1,085	935	\$1.16	LIHTC	60%
Iron/Copper Mid Rise - Elevator		2	2.0	40	\$1,085	956	\$1.13	LIHTC	60%
Aluminum/Bronze Mid Rise - Elevator		3	2.0	29	\$1,236	1,118	\$1.11	LIHTC	60%
Titanium Mid Rise - Elevator		3	2.0	29	\$1,236	1,139	\$1.09	LIHTC	60%

Historic Vacancy & Eff. Rent (1)	
Date	12/29/22
<b>% Vac</b>	0.0%
<b>One</b>	\$825
<b>Two</b>	\$1,085
<b>Three</b>	\$1,236

Adjustments to Rent	
<b>Incentives</b>	None
<b>Utilities in Rent</b>	Trash
<b>Heat Source</b>	Electric

## Foundry, The

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

# Glenwood Farms



**ADDRESS**  
3753 Bolling Rd, Richmond, Va, 23223

**COMMUNITY TYPE**  
LIHTC - General

**STRUCTURE TYPE**  
2 Story - Garden/TH

**UNITS**  
294

**VACANCY**  
0.0 % (0 Units) as of 01/10/22

**OPENED IN**  
2006



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	46%	\$785	508	\$1.55
Two	37%	\$865	697	\$1.24
Three	17%	\$945	915	\$1.03

Community Amenities
Community Room, Dog Park, Playground, Central Laundry, Picnic Area, Elevator Served

Features	
<b>Standard</b>	Dishwasher, Disposal, Patio Balcony, Ceiling Fan
<b>Hardwood</b>	Flooring Type 1
<b>Select Units</b>	High Ceilings
<b>White</b>	Appliances
<b>Laminate</b>	Countertops
<b>Standard - In Unit</b>	Storage
<b>Central / Heat Pump</b>	Air Conditioning
<b>Community Security</b>	Perimeter Fence, Gated Entry

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	TRG Mgmt
Parking Description #2		Phone	804-643-8954

Comments
Eat-in kitchens, large floorplans, interior lighting packages. No wait list.

Floorplans (Published Rents as of 01/10/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden	1	1.0	134	\$875	508	\$1.72	LIHTC	60%	
Garden	2	1.0	110	\$975	697	\$1.40	LIHTC	60%	
Townhouse	3	1.0	50	\$1,075	915	\$1.17	LIHTC	60%	

Historic Vacancy & Eff. Rent (1)	
Date	01/10/22
% Vac	0.0%
One	\$875
Two	\$975
Three	\$1,075

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

## Glenwood Farms

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

# Highland Grove



**ADDRESS**  
1132 Dove St, Richmond, VA, 23222

**COMMUNITY TYPE**  
LIHTC - General

**STRUCTURE TYPE**  
3 Story - Garden/TH

**UNITS**  
80

**VACANCY**  
0.0 % (0 Units) as of 12/27/22

**OPENED IN**  
2013



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	14%	\$834	877	\$0.95
Two	41%	\$1,022	1,068	\$0.96
Three	45%	\$1,201	1,478	\$0.81

Community Amenities
Clubhouse, Community Room, Fitness Room, Business Center, Dog Park, Picnic Area

### Features

<b>Standard</b>	Disposal, Microwave, Ceiling Fan, Patio Balcony
<b>Select Units</b>	In Unit Laundry
<b>Central / Heat Pump</b>	Air Conditioning
<b>Black</b>	Appliances
<b>Laminate</b>	Countertops

Parking		Contacts	
<b>Parking Description</b>	Free Surface Parking	<b>Owner / Mgmt.</b>	S.L. Nusbaum
<b>Parking Description #2</b>		<b>Phone</b>	804-979-2113

### Comments

Of the 128 units onsite, 38 are public housing units not included below. No waitlist  
Internet café. Large bathrooms w/garden tubs, breakfast bar.

Floorplans (Published Rents as of 12/27/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Park		1	1.0	2	\$844	761	\$1.11	LIHTC	50%
Heights		1	1.0	9	\$844	903	\$0.93	LIHTC	50%
Cannon Creek		2	1.5	2	\$996	1,005	\$0.99	LIHTC	50%
Oak Grove I		2	1.5	10	\$996	1,056	\$0.94	LIHTC	50%
Oak Grove II Townhouse		2	1.5	12	\$1,095	1,056	\$1.04	LIHTC	50%
Dogwood		2	2.0	2	\$996	1,088	\$0.92	LIHTC	50%
Maymount		2	2.0	7	\$996	1,120	\$0.89	LIHTC	50%
Landmark		3	2.0	7	\$1,160	1,334	\$0.87	LIHTC	50%
Commonwealth Townhouse		3	2.5	8	\$1,151	1,511	\$0.76	LIHTC	50%
Carytown Townhouse		3	2.5	21	\$1,250	1,513	\$0.83	LIHTC	50%

Historic Vacancy & Eff. Rent (1)			
Date	12/27/22	12/27/21	
<b>% Vac</b>	0.0%	0.0%	N/A
<b>One</b>	\$844	\$749	\$0
<b>Two</b>	\$1,016	\$853	\$0
<b>Three</b>	\$1,187	\$1,059	\$0

Adjustments to Rent	
<b>Incentives</b>	None
<b>Utilities in Rent</b>	Trash

## Highland Grove

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

# Lincoln Mews



**ADDRESS** 4101 North Avenue, Richmond, VA, 23222      **COMMUNITY TYPE** LIHTC - General      **STRUCTURE TYPE** 2 Story - Townhouse      **UNITS** 245      **VACANCY** 0.0 % (0 Units) as of 12/27/22      **OPENED IN** 1970



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	14%	\$648	605	\$1.07
Two	61%	\$755	748	\$1.01
Three	25%	\$990	1,028	\$0.96

Community Amenities
Clubhouse, Central Laundry, Playground, Business Center

### Features

<b>Standard</b>	Dishwasher, Disposal, IceMaker, Patio Balcony
<b>Central / Heat Pump</b>	Air Conditioning
<b>Vinyl/Linoleum</b>	Flooring Type 1
<b>Select Units</b>	Accessibility
<b>Laminate</b>	Countertops
<b>Black</b>	Appliances

Parking		Contacts	
<b>Parking Description</b>	Free Surface Parking	<b>Owner / Mgmt.</b>	Better Housing Coalition
<b>Parking Description #2</b>		<b>Phone</b>	804-321-6225

### Comments

Brand New Interiors-Vinyl plank flooring, window coverings.  
Public transportation, courtyard.  
W/S/T 1B S; 2B5; 3B535. WL: Over 100 ppl

Floorplans (Published Rents as of 12/27/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Single story		1	1.0	34	\$673	605	\$1.11	LIHTC	50%
Single story		2	1.0	25	\$785	746	\$1.05	LIHTC	50%
Single story		2	1.5	125	\$785	748	\$1.05	LIHTC	50%
Single story		3	1.5	32	\$1,025	893	\$1.15	LIHTC	50%
Single story		3	2.0	29	\$1,025	1,178	\$0.87	LIHTC	50%

Historic Vacancy & Eff. Rent (1)			
Date	12/27/22	12/23/21	07/11/19
<b>% Vac</b>	0.0%	0.0%	2.0%
<b>One</b>	\$673	\$625	\$619
<b>Two</b>	\$785	\$755	\$730
<b>Three</b>	\$1,025	\$895	\$870

Adjustments to Rent	
<b>Incentives</b>	none
<b>Utilities in Rent</b>	Water/Sewer, Trash
<b>Heat Source</b>	Natural Gas

## Lincoln Mews

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



# North Oak



**ADDRESS**  
617 W. Laburnum Avenue, Richmond, VA, 23222

**COMMUNITY TYPE**  
LIHTC - General

**STRUCTURE TYPE**  
3 Story - Garden

**UNITS**  
144

**VACANCY**  
0.0 % (0 Units) as of 12/27/22

**OPENED IN**  
1966



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	44%	\$711	529	\$1.34
Two	56%	\$808	713	\$1.13

Community Amenities
Central Laundry, Picnic Area

### Features

Standard	Disposal
Central / Heat Pump	Air Conditioning
Select Units	Patio Balcony
Hardwood	Flooring Type 1
Laminate	Countertops
White	Appliances

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Better Housing Coalition
Parking Description #2		Phone	804-321-1155

### Comments

23 units at 60% AMI and 84 units at 50% AMI; unit mix below is an estimate. Waitlist: 96 ppl for tax credit, 3-5 months for market.

Floorplans (Published Rents as of 12/28/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	11	\$895	529	\$1.69	Market	-
Garden		1	1.0	11	\$835	529	\$1.58	LIHTC	60%
Garden		1	1.0	42	\$775	529	\$1.47	LIHTC	50%
Garden		2	1.0	26	\$995	713	\$1.40	Market	-
Garden		2	1.0	12	\$935	713	\$1.31	LIHTC	60%
Garden		2	1.0	42	\$875	713	\$1.23	LIHTC	50%

Historic Vacancy & Eff. Rent (1)			
Date	12/27/22	12/23/21	06/28/19
% Vac	0.0%	0.0%	0.0%
One	\$0	\$650	\$650
Two	\$0	\$750	\$725

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

## North Oak

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

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

# Poe Street TH



**ADDRESS** 101 Poe Street, Richmond, VA      **COMMUNITY TYPE** Market Rate - General      **STRUCTURE TYPE** 2 Story – Townhouse      **UNITS** 47      **VACANCY** 0.0 % (0 Units) as of 12/27/22      **OPENED IN** 1968



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	100%	\$820	800	\$1.03

Community Amenities
Basketball, Picnic Area

### Features

<b>Standard</b>	Disposal, Patio Balcony
<b>Standard - Stacked</b>	In Unit Laundry
<b>Central / Heat Pump</b>	Air Conditioning
<b>Hardwood</b>	Flooring Type 1
<b>Ceramic</b>	Flooring Type 2
<b>Black</b>	Appliances
<b>Laminate</b>	Countertops
<b>Community Security</b>	Gated Entry

Parking		Contacts	
<b>Parking Description</b>	Free Surface Parking	<b>Owner / Mgmt.</b>	Tattershall Real Estate Management
<b>Parking Description #2</b>		<b>Phone</b>	804-228-9440

### Comments

Units are stacked 1H units. Rarely available - only expect 1 to open up in the next 3-6 months.

Floorplans (Published Rents as of 12/27/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Townhouse		2	1.0	47	\$850	800	\$1.06	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/27/22	12/23/21	06/02/09
<b>% Vac</b>	0.0%	0.0%	6.4%
<b>Two</b>	\$850	\$850	\$0

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

## Poe Street TH

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

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

# Red Oak Apts



**ADDRESS**  
3609 Chamberlayne Ave, Richmond, va, 23227

**COMMUNITY TYPE**  
Market Rate - General

**STRUCTURE TYPE**  
2 Story - Garden

**UNITS**  
498

**VACANCY**  
0.0 % (0 Units) as of 12/27/22

**OPENED IN**  
1972



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$773	550	\$1.40
Two	0%	\$1,150	774	\$1.49

Community Amenities
Central Laundry, Picnic Area

### Features

Central / Heat Pump	Air Conditioning
Standard	Patio Balcony, Dishwasher, Disposal
Hardwood	Flooring Type 1
Carpet	Flooring Type 2
SS	Appliances
Granite	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Greenbriar Management
Parking Description #2		Phone	804-329-6249

### Comments

Large number of scattered apartment buildings. Some 2 story, others 3 story. Exterior is highly variable. Kitchens and flooring recently renovated. Leasing office does not know unit mix.

Floorplans (Published Rents as of 12/27/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0		\$798	550	\$1.45	Market	-
Garden		2	1.5		\$1,180	774	\$1.52	Market	-

Historic Vacancy & Eff. Rent (1)		
Date	12/27/22	01/10/22
% Vac	0.0%	0.0%
One	\$798	\$853
Two	\$1,180	\$1,100

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

## Red Oak Apts

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

# Spectrum, The



**ADDRESS**  
2017 Brook Road, Richmond, VA, 23220

**COMMUNITY TYPE**  
Market Rate - General

**STRUCTURE TYPE**  
4 Story – Mid Rise

**UNITS**  
103

**VACANCY**  
1.9 % (2 Units) as of 12/20/22

**OPENED IN**  
2015



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$1,594	734	\$2.17
Two	0%	\$1,867	916	\$2.04
Three	0%	\$1,899	1,157	\$1.64

Community Amenities
Clubhouse, Community Room, Fitness Room, Outdoor Pool, Business Center, Concierge, Dog Park, Elevators, Pet Spa, Picnic Area, Firepit, Elevator Served

Features	
<b>Standard</b>	Dishwasher, Disposal, Microwave, IceMaker, Cable TV, Broadband Internet
<b>Standard - Stacked</b>	In Unit Laundry
<b>Central / Heat Pump</b>	Air Conditioning
<b>Carpet</b>	Flooring Type 1
<b>Hardwood</b>	Flooring Type 2
<b>Granite</b>	Countertops
<b>SS</b>	Appliances
<b>Community Security</b>	Patrol, Intercom, Keyed Bldg Entry, Cameras

Parking	
<b>Parking Description</b>	Paid Surface Parking/On Site — \$65.00
<b>Parking Description #2</b>	

Contacts	
<b>Owner / Mgmt.</b>	Dodson Property Mgmt
<b>Phone</b>	804-823-3939

Comments
Coffee bar, Conf room, media center/theatre w/popcorn machine. Abundant cabinet space, breakfast bar, pantry. Includes cable/internet/valet trash. Gamerroom, Pin Cars car sharing, study/lounge area.

Floorplans (Published Rents as of 12/20/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Azure Mid Rise - Elevator		1	1.0		\$1,364	492	\$2.77	Market	-
Emerald Mid Rise - Elevator		1	1.0		\$1,614	742	\$2.18	Market	-
Slate mini Mid Rise - Elevator		1	1.0		\$1,714	840	\$2.04	Market	-
Cobalt mini Mid Rise - Elevator		1	1.0		\$1,724	860	\$2.00	Market	-
Cyan/Slate Mid Rise - Elevator		2	2.0		\$1,795	835	\$2.15	Market	-
Cobalt Mid Rise - Elevator		2	2.0		\$1,820	860	\$2.12	Market	-
Olive Mid Rise - Elevator		2	2.0		\$2,015	1,054	\$1.91	Market	-
Crimson Mid Rise - Elevator		3	3.0		\$1,757	998	\$1.76	Market	-
Sienna Mid Rise - Elevator		3	3.0		\$1,935	1,185	\$1.63	Market	-
Amber Mid Rise - Elevator		3	3.0		\$1,960	1,211	\$1.62	Market	-
Coral Mid Rise - Elevator		3	3.0		\$1,985	1,232	\$1.61	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/20/22	12/23/21	06/27/19
<b>% Vac</b>	1.9%	1.9%	1.0%
<b>One</b>	\$1,604	\$1,464	\$1,078
<b>Two</b>	\$1,877	\$1,730	\$1,322
<b>Three</b>	\$1,909	\$1,873	\$1,704

Adjustments to Rent	
<b>Incentives</b>	none
<b>Utilities in Rent</b>	Trash, Internet, Cable
<b>Heat Source</b>	Electric

## Spectrum, The

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

# Terraces at Bellevue



**ADDRESS**  
3943 Chamberlayne Avenue, Richmond, VA, 23227

**COMMUNITY TYPE**  
LIHTC - General

**STRUCTURE TYPE**  
2 Story - Garden/TH

**UNITS**  
144

**VACANCY**  
0.0 % (0 Units) as of 12/27/22

**OPENED IN**  
1946



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	25%	\$814	560	\$1.45
Two	67%	\$904	785	\$1.15
Three	8%	\$1,084	1,050	\$1.03

### Community Amenities

### Features

<b>Standard</b>	Dishwasher, Disposal, Microwave, Patio Balcony
<b>Hook Ups</b>	In Unit Laundry
<b>Central / Heat Pump</b>	Air Conditioning
<b>Hardwood</b>	Flooring Type 1
<b>Black</b>	Appliances
<b>Laminate</b>	Countertops
<b>Community Security</b>	Patrol

### Parking

<b>Parking Description</b>	Free Surface Parking
<b>Parking Description #2</b>	

### Contacts

<b>Owner / Mgmt.</b>	Genesis Properties
<b>Phone</b>	804-228-1363

### Comments

Waitlist: None  
Kitchen pantry, bus line on property, walk-in closets.  
W/D rental-\$45/mo.  
Assigned parking.

Floorplans (Published Rents as of 12/27/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	36	\$904	560	\$1.61	LIHTC	60%
Garden		2	1.0	96	\$1,014	785	\$1.29	LIHTC	60%
Townhouse		3	1.0	12	\$1,214	1,050	\$1.16	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	12/27/22	12/23/21	06/25/19
<b>% Vac</b>	0.0%	0.0%	0.0%
<b>One</b>	\$904	\$899	\$789
<b>Two</b>	\$1,014	\$999	\$899
<b>Three</b>	\$1,214	\$1,199	\$1,099

### Adjustments to Rent

<b>Incentives</b>	None
<b>Utilities in Rent</b>	Heat, Hot Water, Water/Sewer, Trash, Internet, Cable
<b>Heat Source</b>	Natural Gas

## Terraces at Bellevue

# Tudor Hall TH



**ADDRESS**  
3510 Chamberlayne Ave, Richmond, VA

**COMMUNITY TYPE**  
Market Rate - General

**STRUCTURE TYPE**  
2 Story – Townhouse

**UNITS**  
20

**VACANCY**  
0.0 % (0 Units) as of 12/27/22

**OPENED IN**  
1968



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	20%	\$880	800	\$1.10
Two	80%	\$1,175	950	\$1.24

Community Amenities
Central Laundry

### Features

Standard	Dishwasher, Disposal
Select Units	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
Black	Appliances
Solid Surface	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	One South Property Management
Parking Description #2		Phone	804-737-6633

**Comments**  
Waitlist- 8-9 months. Assigned parking.

Floorplans (Published Rents as of 12/27/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Townhouse		1	1.0	4	\$905	800	\$1.13	Market	-
Townhouse		2	1.0	16	\$1,205	950	\$1.27	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/27/22	12/23/21	06/03/09
% Vac	0.0%	0.0%	0.0%
One	\$905	\$880	\$0
Two	\$1,205	\$1,180	\$0

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

## Tudor Hall TH

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

# Victory at Edgewood TH



**ADDRESS** 319 Winston St, Richmond, VA, 23222      **COMMUNITY TYPE** Market Rate - General      **STRUCTURE TYPE** 3 Story - Garden      **UNITS** 145      **VACANCY** 2.1% (3 Units) as of 12/27/22      **OPENED IN** 1965



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	100%	\$1,359	784	\$1.73

Community Amenities
Central Laundry, Outdoor Pool, Playground, Dog Park, Picnic Area

### Features

<b>Standard</b>	Disposal, Patio Balcony
<b>Standard - Stacked</b>	In Unit Laundry
<b>Central / Heat Pump</b>	Air Conditioning
<b>Carpet</b>	Flooring Type 1
<b>Hardwood</b>	Flooring Type 2
<b>White</b>	Appliances
<b>Laminate</b>	Countertops

Parking		Contacts	
<b>Parking Description</b>	Free Surface Parking	<b>Owner / Mgmt.</b>	BH Management
<b>Parking Description #2</b>		<b>Phone</b>	804-329-1433

### Comments

Formerly: Winston Manor.  
Currently in process of renovating as units come available. Reno'd units have ss appliances/granite counters, new carpet.

Floorplans (Published Rents as of 12/27/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		2	1.0	145	\$1,389	784	\$1.77		-

Historic Vacancy & Eff. Rent (1)			
Date	12/27/22	12/23/21	06/03/09
<b>% Vac</b>	2.1%	0.0%	9.0%
<b>Two</b>	\$1,389	\$880	\$0

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

## Victory at Edgewood TH

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

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



## XI. APPENDIX 3 NCHMA CERTIFICATION

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

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

**Real Property Research Group, Inc.**



Tad Scepianiak

Name

Managing Principal

Title

December 14, 2022

Date





## XII. APPENDIX 4 NCHMA CHECKLIST

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

<b>Component (*First occurring page is noted)</b>		<b>*Page(s)</b>
<b>Executive Summary</b>		
1.	Executive Summary	VI
<b>Project Summary</b>		
2.	Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents, and utility allowances	16
3.	Utilities (and utility sources) included in rent	16
4.	Project design description	15
5.	Unit and project amenities; parking	16
6.	Public programs included	15
7.	Target population description	15
8.	Date of construction/preliminary completion	17
9.	If rehabilitation, existing unit breakdown and rents	N/A
10.	Reference to review/status of project plans	N/A
<b>Location and Market Area</b>		
11.	Market area/secondary market area description	37
12.	Concise description of the site and adjacent parcels	18
13.	Description of site characteristics	18
14.	Site photos/maps	19
15.	Map of community services	27
16.	Visibility and accessibility evaluation	22
17.	Crime information	24
<b>Employment and Economy</b>		
18.	Employment by industry	32
19.	Historical unemployment rate	30



20.	Area major employers	31
21.	Five-year employment growth	31
22.	Typical wages by occupation	34
23.	Discussion of commuting patterns of area workers	30
<b>Demographic Characteristics</b>		
24.	Population and household estimates and projections	39
25.	Area building permits	40
26.	Distribution of income	44
27.	Households by tenure	41
<b>Competitive Environment</b>		
28.	Comparable property profiles	87
29.	Map of comparable properties	50
30.	Comparable property photos	87
31.	Existing rental housing evaluation	48
32.	Comparable property discussion	50
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	52
34.	Comparison of subject property to comparable properties	80
35.	Availability of Housing Choice Vouchers	15
36.	Identification of waiting lists	87
37.	Description of overall rental market including share of market-rate and affordable properties	50
38.	List of existing LIHTC properties	50
39.	Discussion of future changes in housing stock	55
40.	Discussion of availability and cost of other affordable housing options, including homeownership	N/A
41.	Tax credit and other planned or under construction rental communities in market area	55
<b>Analysis/Conclusions</b>		
42.	Calculation and analysis of Capture Rate	72
43.	Calculation and analysis of Penetration Rate	73
44.	Evaluation of proposed rent levels	80
45.	Derivation of Achievable Market Rent and Market Advantage	56
46.	Derivation of Achievable Restricted Rent	56
47.	Precise statement of key conclusions	65



48.	Market strengths and weaknesses impacting project	67
49.	Recommendation and/or modification to project description	80, if applicable
50.	Discussion of subject property's impact on existing housing	83
51.	Absorption projection with issues impacting performance	83
52.	Discussion of risks or other mitigating circumstances impacting project	83, if applicable
53.	Interviews with area housing stakeholders	13
<b>Certifications</b>		
54.	Preparation date of report	Cover
55.	Date of field work	Cover
56.	Certifications	88
57.	Statement of qualifications	92
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	16



### XIII. APPENDIX 5 ANALYST RESUMES

#### TAD SCEPANIAK Managing Principal

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

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

##### **Areas of Concentration:**

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

##### **Education:**

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



## ROBERT M. LEFENFELD

### Founding Principal

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

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

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

#### Areas of Concentration:

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

#### Education:

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



## **NICOLE MATHISON**

### **Senior Analyst**

Nicole Mathison joined RPRG in 2013 where she focuses on rental market studies and community and economic analyses for development projects. She has also completed countywide rental assessments in Maryland for the Maryland Department of Housing and Community Development.

Nicole's background is in research and nonprofit administration in the fields of public health and higher education. Nicole earned a Master of Urban and Regional Planning degree at Virginia Tech. She obtained a specialization in Land Use Planning and completed coursework in Geographic Information Systems (GIS). As a student she conducted research on downtown revitalization, adaptive reuse of vacant big box stores, and the value of public art.

#### **Areas of Concentration:**

- Low Income Housing Tax Credits: Nicole prepares rental market studies for submission to lenders and state agencies for nine percent and four percent Low Income Housing Tax Credit allocations. Studies include analysis of new construction as well as the feasibility of renovating existing family rental communities.
- FHA Section 221(d)(4): Nicole prepares comprehensive feasibility studies for submission to HUD regional offices as part of a lender's application for Section 221(d)(4) mortgage insurance. These reports strictly adhere to HUD's Multifamily Accelerated Processing (MAP) guidelines for market studies.
- Market and Product Advisory Analysis: Nicole provides detailed analysis of existing markets, product and pricing recommendations, and targeted marketing suggestions for developers and land owners in the preliminary stages of development.
- Mixed-Use and Mixed-Income Development: Nicole has studied mixed-use projects with integrated uses such as market-rate and affordable rental housing, for-sale housing, and retail space.

#### **Education:**

Master of Urban & Regional Planning; Virginia Polytechnic Institute and State University.

Bachelor of Science, Food Science; North Carolina State University.



## XIV. APPENDIX 6 VIRGINIA HOUSING CERTIFICATION

I affirm the following:

- 1.) I have made a physical inspection of the site and market area.
- 2.) The appropriate information has been used in the comprehensive evaluation of the need and demand for proposed rental units.
- 3.) To the best of my knowledge, the market can support the demand shown in this study. I understand that any misrepresentation in this statement may result in the denial of participation in the Low-Income Housing Tax Credit Program in Virginia as administered by Virginia Housing.
- 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 Virginia Housing or in any way acting for, at the request of, or on behalf of Virginia Housing.
- 6.) Compensation for my services is not contingent upon this development receiving a LIHTC reservation or allocation.
- 7.) Evidence of my NCHMA membership is included.

*Nicole D. Mathison*

\_\_\_\_\_  
Nicole Mathison

Sr. Analyst

\_\_\_\_\_  
December 14, 2022

Date