



**BOWEN
NATIONAL
RESEARCH**

Market Feasibility Analysis

Bains Pointe
1100 High Street
Portsmouth, Virginia 23704

Prepared For

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Authorized User

Virginia Housing
601 South Belvidere Street
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Effective Date

December 15, 2022

Job Reference Number

22-582 NS

Market Study Certification

NCHMA Certification

This certifies that Jonathan Kabat, an employee of Bowen National Research, personally made an inspection of the area including competing properties and the proposed site in Portsmouth, Virginia. Further, the information contained in this report is true and accurate as of December 15, 2022.

Bowen National Research is a disinterested third party without any current or future financial interest in the project under consideration. We have received a fee for the preparation of the market study. However, no contingency fees exist between our firm and the client.

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 the proposed rental units.
3. To the best of my knowledge the market can support the demand shown in this study. I understand that any misrepresentation in this statement may result in the denial of participation in the Low-Income Housing Tax Credit (LIHTC) 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, 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.

Certified:



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Date: December 15, 2022



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Certificate of Membership

Bowen National Research
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Membership Term
7/1/2022 to 6/30/2023



A handwritten signature in blue ink that reads 'Kaitlyn Snyder'.

Kaitlyn Snyder
Managing Director, NH&RA

Table of Contents

- I. Introduction
- II. Executive Summary
- III. Project Description
- IV. Area Analysis
- V. Rental Housing Analysis (Supply)
- VI. Achievable Market Rent Analysis
- VII. Capture Rate Analysis
- VIII. Local Perspective
- IX. Analysis & Conclusions
- X. Site Photographs
- XI. Comparable Property Profiles
- XII. Field Survey of Conventional Rentals
- XIII. Qualifications

Addendum A – NCHMA Member Certification & Checklist

Addendum B – Supportive Services for Homeless Individuals

I. Introduction

A. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Portsmouth, Virginia. This study was initiated by Mr. Greg Mustric of Woda Cooper Companies, Incorporated and complies with the guidelines of Virginia Housing. This study conforms to the standards adopted by the National Council of Housing Market Analysts (NCHMA). These standards include the accepted 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 end users.

B. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

- The Primary Market Area (PMA) generated for the proposed site is identified. The Site PMA is generally described as the smallest geographic area expected to generate most of the support for the proposed project. Site PMAs are not defined by radius. The use of a radius is an ineffective approach because it does not consider mobility patterns, changes in socioeconomic or demographic character of neighborhoods or physical landmarks that might impede development.

PMAs are established using a variety of factors that include, but are not limited to:

- A detailed demographic and socioeconomic evaluation.
- Interviews with area planners, realtors and other individuals who are familiar with area growth patterns.
- A drive-time analysis to the site.
- Personal observations of the field analyst.
- An evaluation of existing housing supply characteristics and trends.
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the subject property. The information in this survey was collected through a variety of methods, including phone surveys, in-person visits, email and fax. The contact person for each property is listed in *Section XII: Field Survey of Conventional Rentals*.

- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to the proposed development. An in-depth evaluation of those two property types provides an indication of the potential of the proposed development.
- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information, as well as projections that determine what the characteristics of the market will be when the proposed project opens and after it achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of those properties that might be planned or proposed for the area that will have an impact on the marketability of the proposed development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the subject development.
- We conduct an analysis following Virginia Housing and NCHMA market study guidelines of the subject project's required capture of the number of income-appropriate households within the Site PMA. This analysis is conducted on a renter household level and a market capture rate is determined for the subject development. This capture rate is compared with acceptable capture rates for similar types of projects to determine whether the subject development's capture rate is achievable. In addition, Bowen National Research also compares all existing and planned LIHTC housing within the market to the number of income-appropriate households. The resulting penetration rate is evaluated in conjunction with the project's capture rate.
- Achievable market rent for the proposed subject development is determined. Using a Rent Comparability Grid, the features of the proposed development are compared item-by-item with the most comparable properties in the market. Adjustments are made for each feature that differs from that of the proposed subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the proposed unit.

C. SOURCES

Bowen National Research uses various sources to gather and confirm data used in each analysis. These sources include the following:

- The 2010 and 2020 Census on Housing
- American Community Survey
- ESRI
- Applied Geographic Solutions
- U.S. Department of Labor
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- U.S. Department of Housing and Urban Development (HUD)

D. REPORT LIMITATIONS

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

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property that is the subject of this report and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event (such as the approval of a loan) resulting from the analyses, opinions, conclusions in or the use of this study.

Any reproduction or duplication of this report without the express approval of Woda Cooper Companies, Incorporated or Bowen National Research is strictly prohibited.

II. Executive Summary

Based on the findings contained in this report, it is our opinion that a market exists for the development of the proposed Bains Pointe rental community in Portsmouth, Virginia utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program. The following points support this conclusion:

Project Description

The subject project involves the new construction of the 50-unit Bains Pointe rental community at 1100 High Street in Portsmouth, Virginia. The project will target family (general-occupancy) households earning up to 30%, 50% and 80% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Additionally, eight of the subject units restricted to 30% of AMHI will receive Project-Based Rental Assistance (PBRA), targeting homeless and/or at-risk households. This subsidy will require tenants to pay up to 30% of their adjusted gross household incomes towards shelter costs (collected rent and tenant-paid utilities). The proposed project is expected to be complete by June of 2025. Additional details of the subject project can be found in Section III - *Project Description* of this report.

Site Evaluation

The subject site consists of an undeveloped parcel of land located at 1100 High Street in Portsmouth, Virginia. The surrounding neighborhood is redeveloping and mixed-use, with nearby residential structures in good condition. While the site is situated near several damaged and/or vacant commercial structures, all surveyed low-income apartment communities within the site neighborhood are 100.0% occupied despite the proximity of these properties to vacant and/or lower quality commercial structures. Neighborhood redevelopment efforts are also currently underway, as evidenced by several recent projects in the area (including the construction of the nearby Tax Credit Holley Pointe rental community). As such, development of the subject project is expected to contribute towards ongoing redevelopment efforts within the site neighborhood. Visibility and access are considered good, given the light traffic patterns of the project's proposed access roadways and the proximity of the site to the heavily travelled State Route 141. The site is situated within 2.0 miles of nearly all essential community services. Additionally, all nearby services are conveniently accessible through the fixed-route services of Hampton Roads Transit, which operates a stop adjacent south of the site. Overall, the subject site location is considered conducive to the proposed development and is expected to positively impact marketability. Additional information regarding the subject site, surrounding land uses and the proximity of community services is included in Section IV - *Area Analysis*.

Primary Market Area (PMA)

The Portsmouth Site PMA includes all of the southern incorporated portions of Portsmouth City. The boundaries of the Site PMA include the Western Branch Elizabeth River to the north; the Portsmouth incorporated limits to the east; the Portsmouth incorporated limits to the south; and the Portsmouth incorporated limits to the west. A justification of this market area and a map illustrating the boundaries of the Site PMA can be found in Section IV, beginning on page IV-9.

Demographic Trends

Both the population and household bases within the Portsmouth Site PMA have experienced growth overall since 2010, a trend that is expected to continue through 2027. Households under the age of 65, which are expected to be the primary age cohort of potential renters at the general-occupancy subject project, comprise nearly 70.0% of all households in 2022 and will comprise approximately 67.0% of all households through 2027. Nearly half (47.0%) of all households were renters in 2022 and the 13,483 renter households projected for 2027 illustrate a deep base of renter support for the subject project. Further, over 79.0% of all renter households in the market are projected to earn less than \$75,000 in 2027. Based on the preceding analysis, a large base of low- and moderate-income renter households will continue to exist in the market for the foreseeable future. Detailed demographic trends are included in Section IV, beginning on page IV-11.

Economic Trends

The Portsmouth economy generally experienced growth between 2012 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, which caused many area businesses to shut down in an attempt to mitigate the spread of the coronavirus. Between 2019 and 2021, the Portsmouth employment base declined by 2,579 jobs (6.0%), and its *annual* unemployment rate increased by 5.5 percentage points between 2019 and 2020. Specifically, the *monthly* unemployment rate spiked by over 10 percentage points between March 2020 and July 2020. On a positive note, the local economy appears to be improving thus far in 2022, as the city employment base has increased by 807 jobs (2.0%) and the annual unemployment rate has declined by nearly five percentage points to a rate of 4.6% through October 2022. Nonetheless, several of the businesses impacted include those within the Retail Trade and Accommodation & Food Services sectors, which provide lower wage paying positions. The subject site will provide a good quality affordable housing option in an economy where lower-wage employees are most vulnerable as the local economy continues to recover. Detailed economic trends are included in Section IV, beginning on page IV-15.

Overall Rental Housing Market Conditions

We identified and personally surveyed 33 conventional rental housing projects containing a total of 4,069 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 97.3%, a strong rate for rental housing. The surveyed rental communities are broken out by project type in the following table.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	9	1,230	91	92.6%
Market-Rate/Tax Credit	1	52	0	100.0%
Tax Credit	9	1,029	17	98.3%
Tax Credit/Government-Subsidized	11	1,263	0	100.0%
Market-Rate/Tax Credit/Government-Subsidized	2	393	0	100.0%
Government-Subsidized	1	102	0	100.0%
Total	33	4,069	108	97.3%

Other than the market-rate housing segment, the rental housing market is performing very well overall, with all other segments reporting occupancy rates of 98.3% and above. While the market-rate segment is operating at an overall occupancy rate of 92.6%, 96.7% of the vacant units reported within this segment were reported among two properties (Newport Landing and Beacon 303 at Old Towne Apartments), which attributed their current occupancy rates to recent eviction sweeps. Excluding these two properties, all other surveyed market-rate developments reported very strong occupancy rates of 99.1% and above, indicating that the Portsmouth rental housing market is actually performing well and the low occupancy levels at the aforementioned rental communities are likely due to project and/or management deficiencies.

Tax Credit Property Disclosure: In addition to the 23 properties surveyed that at least partially operate under the Tax Credit program, we identified five Tax Credit properties within the Site PMA that we were unable to survey at the time of this report. The known details of these projects based on previous surveys conducted by Bowen National Research in the Portsmouth area and from our review of the state Tax Credit allocation list are summarized as follows.

Name	Location	Year Built/ Renovated	Total Units	Target Population	Occupancy at Last Survey
Hope Village Apts.	611 6th St.	1978 / 2014	48	Family; 40% & 50% AMHI & Section 8	100.0% (August 2020)
Malvern Hills	426 King St.	1983 / 2015	55	Seniors; Section 8	100.0% (June 2012)
Seaboard Square I & II	2847 Berkley Ave.	2011	221	Family; 50% AMHI & Public Housing	100.0% (January 2022)
Victory Village	2304 Victory Blvd.	1997	112	Family; 60% AMHI	99.1% (March 2016)
Westbury Pine Apts.	706 Crabapple St.	2000	58	Family; 50% AMHI & Public Housing	100.0% (August 2020)

AMHI – Area Median Household Income

It is estimated that of the five Tax Credit projects we were unable to survey within the market, only one (Victory Village) offers non-subsidized Tax Credit apartments. The 112 units offered at this property have been included in our penetration rate analysis illustrated later in this section.

Competitive/Comparable Tax Credit Analysis

We identified and surveyed eight family (general-occupancy) properties that offer non-subsidized Low-Income Housing Tax Credit (LIHTC) units within the Portsmouth Site PMA, five of which were selected for this comparability analysis based on targeted Area Median Household Income (AMHI) cohorts and/or relative newness. We also identified one LIHTC and government-subsidized property, South Bay Apartments, which targets homeless households. This property offers 60 units and is 100.0% occupied with waiting list maintained by Portsmouth Housing Authority. This reflects the ongoing need for housing alternatives targeting homeless households within the market.

The five selected LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the Field Survey of Conventional Rentals.

Map I.D.	Project Name	Quality Rating	Nbhd. Rating	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Bains Pointe	A-*	B-	2025	50	-	-	-	Families; 30%, 50% & 80% AMHI & PBRA
1	Ansell Gardens Apts.	C+	B-	1969 / 2003	78	100.0%	2.3 Miles	50 HH	Families; 50% & 60% AMHI
4	Belle Hall Apts.	B+	B	2008	120	98.3%	4.2 Miles	None	Families; 60% AMHI
7	Crescent Place Apts.	B	B	2008	156	98.7%	1.6 Miles	None	Families; 60% AMHI
14	Hamilton Place II	B	B	2012	56**	100.0%	2.3 Miles	84 Months	Families; 50% & 60% AMHI
17	Holley Pointe	B	B	2022	50	100.0%	0.3 Mile	200 HH	Families; 30%, 40%, 50%, 70%, & 80% AMHI

*Anticipated Quality

**Non-subsidized units only

Occ. – Occupancy

Nbhd. – Neighborhood

HH - Households

The five selected LIHTC projects have a combined occupancy rate of 99.2% (a result of only four vacant units), a very strong rate for rental housing. In fact, three of these projects are fully occupied and maintain extensive waiting lists. Notably, the newest LIHTC property in the market, Holley Pointe, is 100.0% occupied with a waiting list of 200 households. As noted in our analysis, Holley Pointe experienced a lease-up rate of approximately 45 units per month from time of opening, a very rapid rate for

general-occupancy LIHTC product in markets of this size. These trends illustrate that significant pent-up demand exists for additional affordable rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Bains Pointe	-	\$630*/30% (9) \$1,047/50% (10) \$1,447/80% (20)	\$728*/30% (3) \$1,210/50% (2) \$1,625/80% (6)	-
1	Ansell Gardens Apts.	-	\$897/50% (38/0) \$897/60% (40/0)	-	None
4	Belle Hall Apts.	-	\$1,303/60% (76/1)	\$1,546/60% (44/1)	None
7	Crescent Place Apts.	\$1,051/60% (16/1)	\$1,264/60% (104/1)	\$1,461/60% (36/0)	None
14	Hamilton Place II**	\$816/50% (7/0) \$974/60% (1/0)	\$998/50% (35/0) \$1,116/60% (4/0)	\$1,158/50% (8/0) \$1,302/60% (1/0)	None
17	Holley Pointe	-	\$547/30% (4/0) \$730/40% (4/0) \$907/50% (12/0) \$1,097/70% (8/0) \$1,197/80% (12/0)	\$640/30% (1/0) \$885/40% (1/0) \$1,052/50% (3/0) \$1,325/70% (2/0) \$1,410/80% (3/0)	None

*Assumes all units would operate at proposed rent levels without subsidy

**Non-subsidized units only

Note that the gross rents have been calculated for each property based on a Utility Allowance Worksheet provided by the City of Portsmouth, effective July 2021. This has been done to more accurately compare the total cost of renting between properties. However, this estimated allowance results in an *approximate* gross rent, as each property may calculate their utility allowance differently or employ energy saving features. The comparable gross rents that exceed the maximum allowable LIHTC limits are most likely operating at, or slightly below, the maximum rents reported. In some cases, it is likely due in part to the age of the comparable LIHTC projects, nearly all of which were all built or renovated prior to 2022 and are likely eligible to operate under the Hold Harmless rule, which does not require these properties to operate under current maximum allowable LIHTC limits when the area experiences an income reduction.

The proposed subject gross rents, ranging from \$630 to \$1,625, will be above the rents offered at the selected LIHTC properties for similar unit types targeting similar income cohorts. However, it is important to point out that all comparable projects offering units targeting similar income cohorts (30%, 50% and/or 80% AMHI) are 100.0% occupied with extensive waiting lists. This indicates that these properties could likely achieve higher rents without adversely impacting their occupancy rates. The site will also be one of the only LIHTC projects in the market to offer non-subsidized units at the 30% and 80% AMHI levels, offering PBRA on eight units

restricted to 30% AMHI. This is expected to create a competitive advantage for the site property, as it will be able to accommodate very low- and moderate-income renter households that are currently underserved in the market. As illustrated in Section VI, all of the subject rents represent strong rent advantages over similar unrestricted market-rate product in this market. Further, as illustrated in Section VII, the subject project will have access to deep bases of income-qualified renter households at its proposed rent levels, regardless of whether the property operates with PBRA. Considering the preceding factors, the subject's proposed rents are considered appropriately positioned; however, the rent levels proposed for the subject units at 80% AMHI are untested within the market, which may have a slowing impact on absorption.

Comparable Tax Credit Summary

The five comparable general-occupancy LIHTC properties have a combined occupancy rate of 99.2%, while all comparable projects offering units targeting similar income cohorts (30%, 50% and/or 80% AMHI) are 100.0% occupied with extensive waiting lists. In fact, the newest LIHTC property in the market, Holley Pointe, is 100.0% occupied with a waiting list of 200 households and experienced a very rapid absorption rate of approximately 45 units per month from its opening. These trends illustrate that significant pent-up demand exists for additional affordable rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand. While the proposed subject gross rents will be above the rents offered at the selected LIHTC properties with similar unit types targeting similar income cohorts, the aforementioned pent-up demand at these properties indicates that they could likely achieve higher rents without adversely impacting their occupancy rates. The site will also be one of the only LIHTC projects in the market to offer non-subsidized units at the 30% and 80% AMHI levels, offering PBRA on eight units restricted to 30% AMHI. This is expected to create a competitive advantage for the site property, as it will be able to accommodate very low- and moderate-income renter households that are currently underserved in the market. Further, as illustrated later within this report, the subject units will represent strong values relative to unrestricted market-rate rents in the market, with deep bases of demographic support at the proposed rent levels. It is noteworthy, however, that the rent levels proposed for the subject units restricted to 80% AMHI are untested in this market, which may have a slowing impact on absorption. While the subject units will be generally smaller than the comparable LIHTC properties in terms of unit size (square feet) and will not offer two full bathrooms within its two-bedroom units, the aforementioned pent-up demand for LIHTC units similar to those proposed is anticipated to offset these characteristics. The subject project will also be competitive in terms of amenities offered, relative to the comparable LIHTC projects. As such, the subject project is expected to represent a substantial value to low- and moderate-income renters within the market. This has been considered in our absorption projections.

Perception of Value

Based on HUD Rent Comparability Grids in Section VI, it was determined that the present-day achievable market rents for units similar to the proposed subject development are as follows:

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
Two-Br.	\$508 (30%)	\$1,525	66.7%
	\$925 (50%)		39.3%
	\$1,325 (80%)		13.1%
Three-Br.	\$578 (30%)	\$1,750	67.0%
	\$1,060 (50%)		39.4%
	\$1,475 (80%)		15.7%

Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will represent a value and have a sufficient flow of tenants. Therefore, the subject's proposed Tax Credit rents, which represent market rent advantages of 13.1% to 67.0%, are considered appropriate and should represent substantial values within the Portsmouth market. It is also important to reiterate that the subject project will operate with Project-Based Rental Assistance (PBRA) available to the eight subject units targeting homeless/at-risk households. Thus, a portion of the units at the property will represent an even greater value than that reflected by the market rent advantages in the preceding table, as these tenants will pay only 30% of their income towards rent, rather than the proposed rents evaluated throughout this report.

Capture Rate Estimates

The subject project will be developed using financing from the LIHTC program. It will also offer a subsidy on eight of the 50 units, requiring tenants to pay no more than 30% of their income towards gross rent. Because the project will target the homeless population, the traditional method of calculating the capture rate of income-qualified renter households using U.S. Census data is not necessarily an accurate measure of the depth of support for the proposed development. As a result, we have calculated two sets of demand. First, we calculated the traditional capture rate of the project following Virginia Housing market study requirements. This approach evaluates the number of income-qualified renter households in the market, regardless if they meet the criteria of being designated as "homeless." We then calculated the capture rate of the project that considers only homeless individuals based on Point-in-Time survey data.

Virginia Housing Demand

The following is a summary of our demand calculations for the subject site as-proposed, as well as in the unlikely scenario that the project did not operate with PBRA.

As-Proposed (With PBRA)					
Demand Component	30% AMHI/ PBRA (\$0-\$30,300)	30% AMHI (\$21,600- \$30,300)	50% AMHI (\$35,897- \$50,500)	80% AMHI (\$49,611- \$80,800)	Overall* (\$0-\$80,800)
Net Demand	2,350	564	1,346	1,204	4,842
Proposed Units	8	4	12	26	50
Proposed Units / Net Demand	8 / 2,350	4 / 564	12 / 1,346	26 / 1,204	50 / 4,842
Capture Rate	= 0.3%	= 0.7%	= 0.9%	= 2.2%	= 1.0%

*Excludes households earning between \$30,301 and \$35,896

LIHTC Only (Without PBRA)				
Demand Component	30% AMHI (\$21,600-\$30,300)	50% AMHI (\$35,897-\$50,500)	80% AMHI (\$49,611-\$80,800)	Overall LIHTC* (\$21,600-\$80,800)
Net Demand	564	1,346	1,204	3,058
Proposed Units	12	12	26	50
Proposed Units / Net Demand	12 / 564	12 / 1,346	26 / 1,204	50 / 3,058
Capture Rate	= 2.1%	= 0.9%	= 2.2%	= 1.6%

*Excludes households earning between \$30,301 and \$35,896

Regardless of if the property operates as proposed with a subsidy on select units or exclusively under the LIHTC program, capture rates are low, as none exceed 2.2%. This illustrates that a substantial base of demographic support will exist for the subject development.

Homeless Demand

We have provided two homeless household capture rates, the first considers Point-in-Time survey data only, while the second considers Point-in-Time and at-risk of homelessness data combined. Calculations for each capture rate are summarized in the following table:

	Homeless Capture Rates	
	Scenario One	Scenario Two
	Point-in-Time Homeless Survey	Point-in-Time and At-Risk of Homelessness
Designated Units	8	8
Eligible Persons	/ 120	/ 206
Capture Rate	= 6.7%	= 3.9%

Considering the nature of homelessness, capture rates up to and even beyond 100% are considered achievable. Therefore, the capture rates of 3.9% and 6.7% provided above are considered to be low and illustrate the demand for such housing.

Penetration Rate

The 1,275 existing and planned non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned non-subsidized Tax Credit units is \$18,754 to \$80,800. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, there will be an estimated 7,710 renter households with eligible incomes in 2025. The 1,325 existing, planned and proposed subject Tax Credit units represent a penetration rate of 17.2% of the 7,710 income-eligible renter households, which is summarized in the following table.

	Market Penetration
Number of LIHTC Units (Planned, Proposed Subject and Existing)	1,325
Income-Eligible Renter Households – 2025	/ 7,710
Overall Market Penetration Rate	= 17.2%

It is our opinion that the 17.2% penetration rate for the LIHTC units, existing, planned and proposed subject, is low and achievable.

Absorption Projections

Considering the facts contained in the market study, as well as the preceding factors, and comparing them with the lease-up trends of other projects with similar characteristics in the Site PMA and other markets, we are able to establish absorption projections for the proposed subject development. It is our opinion that the 50 proposed LIHTC units at the subject site will reach a stabilized occupancy of 95.0% in less than four months of opening. This absorption rate is based on an average monthly absorption rate of 14 to 15 units per month. Note that these absorption projections assume the proposed project will operate with a subsidy available to eight of the subject units. In the unlikely scenario the subject project did not operate with a subsidy available to these units, the proposed project will likely experience a slightly longer absorption period of up to four full months, which is reflective of an absorption rate of approximately 12 units per month.

These absorption projections assume a June 2025 opening date. A different opening date may have a slowing or hastening impact on the subject's initial absorption potential. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, unit design, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development receives.

III. Project Description

Project Name:	Bains Pointe
Location:	1100 High Street, Portsmouth, Virginia 23704 (Portsmouth City)
Census Tract:	2111.00
Target Market:	Family
Construction Type:	New Construction
Funding Source:	Low-Income Housing Tax Credit (LIHTC)

The subject project involves the new construction of the 50-unit Bains Pointe rental community at 1100 High Street in Portsmouth, Virginia. The project will target family (general-occupancy) households earning up to 30%, 50% and 80% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Additionally, eight of the subject units restricted to 30% of AMHI will receive Project-Based Rental Assistance (PBRA), targeting homeless and/or at-risk households. This subsidy will require tenants to pay up to 30% of their adjusted gross household incomes towards shelter costs (collected rent and tenant-paid utilities). The proposed project is expected to be complete by June of 2025. Additional details of the subject development are summarized as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			
						Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
6	Two-Br.	1.5	Garden	853	30%/PBRA	\$1,264	\$197	\$1,461	\$631
3	Two-Br.	1.5	Garden	853	30%	\$508	\$122	\$630	\$631
10	Two-Br.	1.5	Garden	853	50%	\$925	\$122	\$1,047	\$1,052
20	Two-Br.	1.5	Garden	853	80%	\$1,325	\$122	\$1,447	\$1,684
2	Three-Br.	2.0	Garden	1,039	30%/PBRA	\$1,763	\$279	\$2,042	\$729
1	Three-Br.	2.0	Garden	1,039	30%	\$578	\$150	\$728	\$729
2	Three-Br.	2.0	Garden	1,039	50%	\$1,060	\$150	\$1,210	\$1,215
6	Three-Br.	2.0	Garden	1,039	80%	\$1,475	\$150	\$1,625	\$1,945
50	Total								

Source: Woda Cooper Companies, Inc.

PBRA – Project-Based Rental Assistance

AMHI – Area Median Household Income (Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area; 2022)

Note that tenants residing within the eight units with PBRA will effectively pay up to 30% of their adjusted gross household income towards gross rent due to the presence of the subsidy. The maximum allowable LIHTC gross rents of \$631 and \$729 are the respective programmatic limits for two- and three-bedroom units targeting households earning up to 30% of AMHI. However, these limits would only apply in the unlikely scenario that the property did not to operate with a project-based subsidy. Nonetheless, as the proposed contract rents under the PBRA program are above these maximum allowable limits, we have evaluated these unit types assuming the proposed rents for the subject’s non-subsidized units restricted to 30% of AMHI throughout this report.

Building/Site Information	
Residential Buildings:	One (1) four-story building
Building Style:	Elevator-served
Community Space:	Integrated throughout
Acres:	1.65

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	April 2024
Begin Preleasing:	March 2025
Construction End:	June 2025

Unit Amenities		
• Electric Range	• Washer/Dryer Hookups	• Vinyl/Composite Flooring
• Refrigerator	• Central Air Conditioning	• Window Blinds
• Garbage Disposal	• Microwave	• Controlled Access/Key Fob
• Dishwasher	• Ceiling Fans	

Community Amenities		
• Bike Racks/Storage	• Business/Computer Center	• Clubhouse/Community Room
• Playground	• Common Area Wi-Fi	• Fitness Center
• CCTV/Cameras	• Elevator	• Laundry Room
• On-Site Management	• Surface Parking Lot (77 Spaces)	• Covered Outdoor Seating
• Social Services*		

*For homeless/supportive housing units; detailed in Addendum B

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

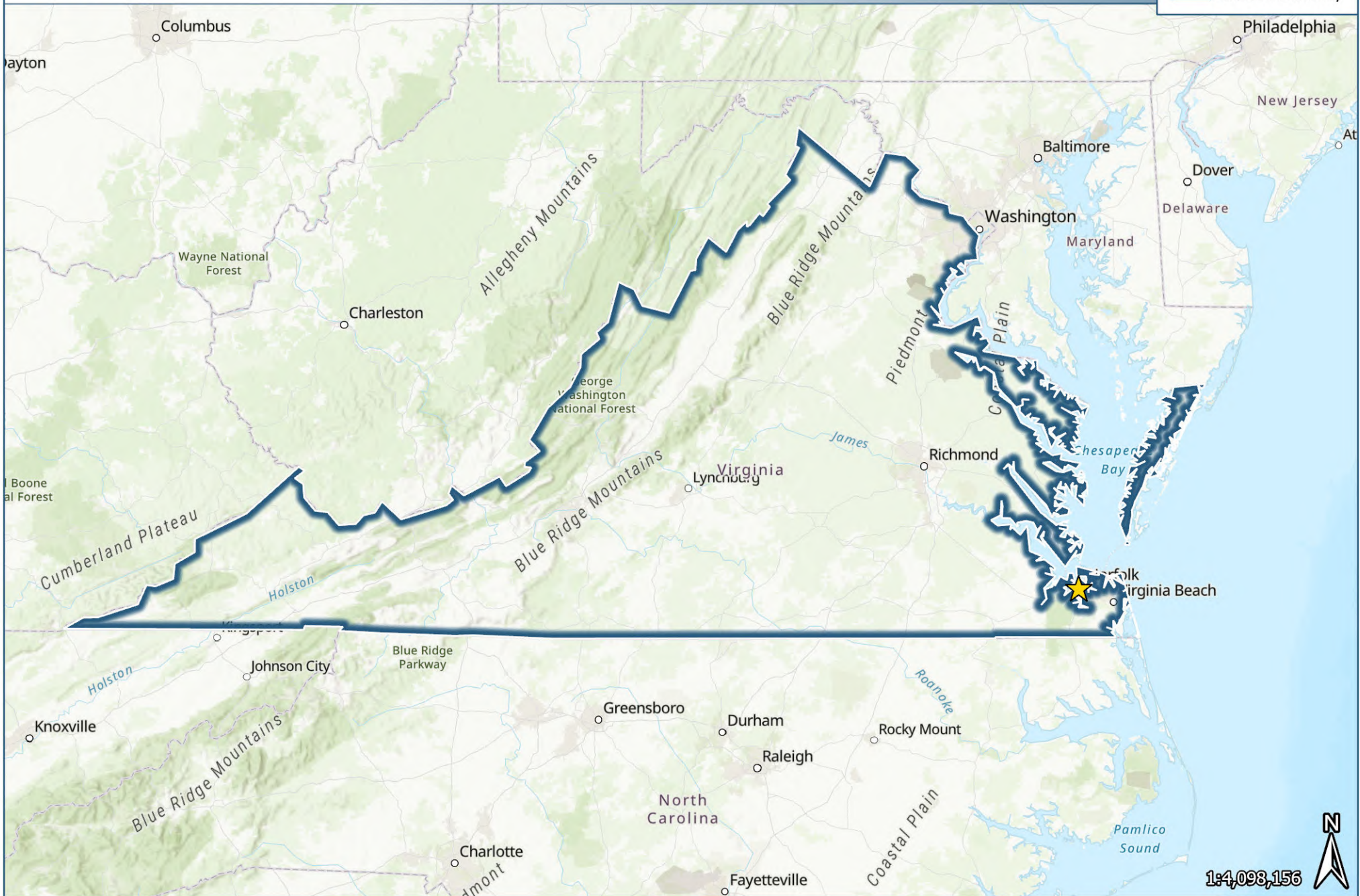
*The cost of internet services will also be included in the rent

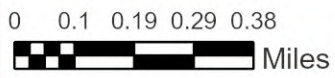
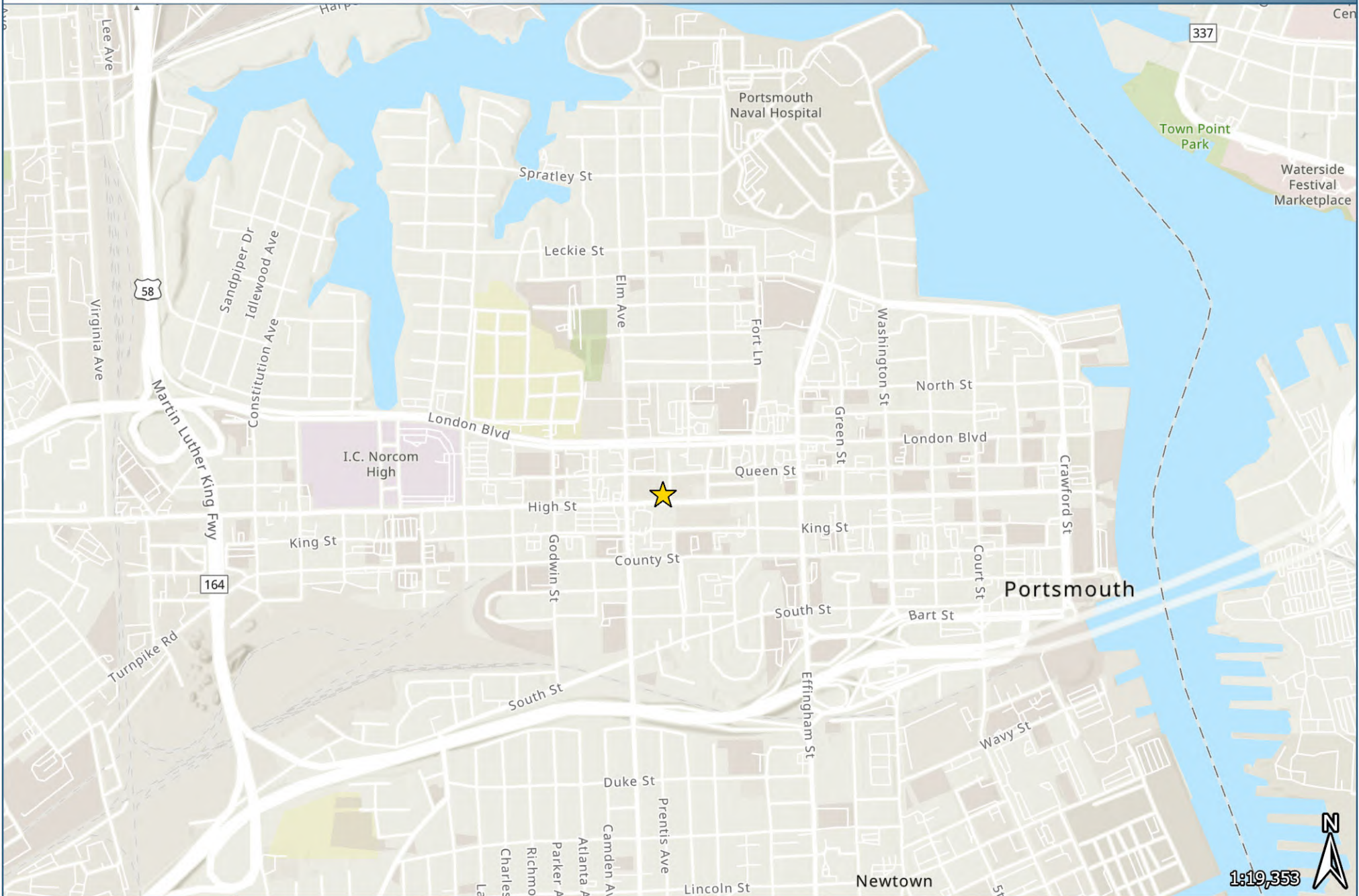
FLOOR AND SITE PLAN REVIEW:

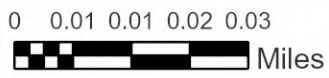
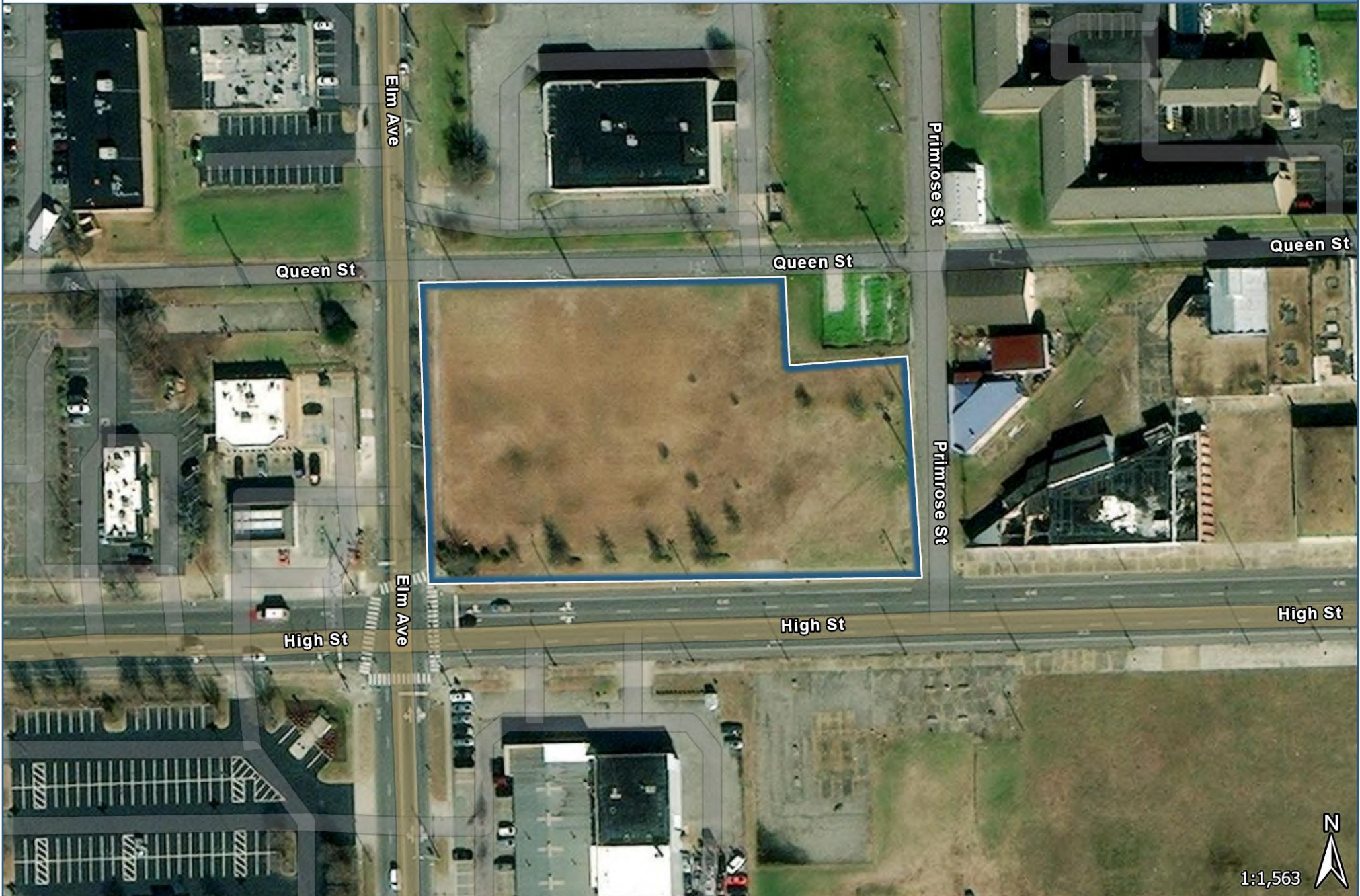
Floor plans were not provided for the subject project for review at the time this report was prepared. However, overall site plans and additional information provided at the time of this analysis indicate that the subject property will include two- and three-bedroom garden-style units located within a four-story, elevator-equipped building. These unit types will allow the property to attract to a wide demographic base in terms of household size. The subject units will range in size from 828 to 1,054 square feet, with the two-bedroom units including one and one-half (1.5) bathrooms and the three-bedroom units offering two full bathrooms. Each unit will come well-equipped in terms of unit amenities and will feature a full kitchen appliance package and laundry area with in-unit washer/dryer connections.

In addition to the subject’s residential units, the property will feature an array of community amenities integrated throughout the property. These will include but not be limited to a community room, on-site management office, business/computer center, laundry room, fitness center and playground. These features will further enhance marketability of the subject project. Overall, the subject property appears to be marketable in terms of overall design. Nonetheless, an in-depth comparable/competitive analysis is included in Section V to better determine the competitive position and overall marketability of the subject project within the Portsmouth market.

A state map, an area map and a site neighborhood map are on the following pages.







IV. Area Analysis

A. SITE DESCRIPTION AND EVALUATION

1. LOCATION

The subject site consists of an undeveloped parcel of land formerly occupied by an office building located at 1100 High Street in Portsmouth, Virginia. Located in the southeastern portion of the city of Portsmouth, the subject site is situated approximately 2.0 miles southwest of downtown Norfolk, Virginia and 12.0 miles southeast of downtown Newport News, Virginia. The subject site visit and corresponding fieldwork were completed during the week of December 12, 2022.

2. SURROUNDING LAND USES

The subject site is within a redeveloping mixed-use portion of Portsmouth. Surrounding land uses include various businesses and current/former commercial facilities, single-family homes and apartment communities in good condition. Adjacent land uses are detailed as follows:

North -	The northern site boundary is defined by a parcel of undeveloped land and Queen Street, an eastbound one-way roadway with light vehicular traffic. A new Dollar Tree store adaptively reused from a former Rite Aid pharmacy is located north of this roadway. Extending north are a small retail plaza, a self-storage facility, the Quarters at Park View Apartments property in good condition, various health and rehabilitation services, a cemetery and a neighborhood of single-family homes.
East -	The eastern site boundary is defined by Primrose Street, a two-lane roadway with light vehicular traffic. Extending east are commercial buildings/structures in fair to poor condition, various restaurants, additional businesses and apartment communities in good condition.
South -	The southern site boundary is defined by High Street, a four-lane roadway with moderate vehicular traffic. Extending south are various businesses in fair to poor condition, apartment communities and townhomes in good condition.
West -	The western site boundary is defined by Elm Avenue, a three-lane roadway with moderate vehicular traffic. Extending west are a 7-Eleven gas station and convenience store, various auto retailers, commercial spaces in fair to poor condition and a Food Lion grocery store.

The subject site neighborhood is redeveloping and mixed-use, with surrounding rental communities observed to be in good condition. The site neighborhood contains former commercial structures in poor condition, several of which are visible from the site. However, redevelopment efforts are currently underway within the site neighborhood, as evidenced by the recent demolition of a vacant office building on the site parcel, the adaptive reuse of a former Rite Aid pharmacy into a new Dollar Tree store north of the site, and the construction of the nearby Tax Credit Holley Pointe rental community. Further, the 100.0% occupancy rates reported by Holley Pointe and all other surveyed low-income rental properties in the site neighborhood indicate that the presence of these lower quality commercial structures does not have any adverse impact on the marketability of low-income rental housing within the site neighborhood. Development of the subject project will contribute towards redevelopment efforts within the site neighborhood, which is expected to positively impact marketability of the proposed project. Photographs of the site can be found in Section X.

3. VISIBILITY AND ACCESS

The subject site is expected to be clearly visible and unobstructed from all adjacent roadways, most notably including the moderately travelled High Street and Elm Avenue to the south and west, respectively. According to the Virginia Department of Transportation (VDOT), Elm Avenue maintains an Annual Average Daily Traffic (AADT) volume of 5,700 vehicles. Further, the proposed four-story design of the subject property will enable the site project to be partially visible from the nearby London Boulevard/State Route 141 (herein referred to as “State Route 141”), an arterial roadway with heavy vehicular traffic. According to VDOT, State Route 141 maintains an AADT volume of 18,000 to 24,000 vehicles. Considering the preceding factors, visibility of the subject project is considered good and is expected to positively impact marketability.

Site plans provided at the time of analysis indicate that the subject project will maintain two vehicular access points, with one along Queen Street to the north and one along Primrose Street to the east. Site plans also indicate that the site may maintain a third vehicular access point for additional surface parking spaces along High Street to the south. Given the light vehicular traffic patterns of Primrose Street and Queen Street, direct vehicular ingress and egress are considered convenient. The subject site is within 1.1 miles of numerous arterial roadways, notably including Interstate 264 to the southeast. This roadway is a primary east-west thoroughfare in Portsmouth and facilitates accessibility of the site throughout the greater Hampton Roads region. Additionally, the subject site has access to the fixed-route bus services of Hampton Roads Transit (HRT), which operates a stop adjacent south of the site. Overall, accessibility of the site is considered good and is expected to positively impact marketability.

4. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	State Route 141	0.2 North
	Interstate 264	0.6 Southeast
	U.S. Highway 58/State Route 164	1.1 Northwest
Public Bus Stop	HRT	Adjacent South
Major Employers/ Employment Centers	Food Lion	0.5 West
	Portsmouth City Public Schools	0.5 West
	City of Portsmouth	1.0 East
	Naval Medical Center Portsmouth	1.0 Northeast
Convenience Store	7-Eleven	0.1 East
	Wawa	0.4 East
Grocery	Food Lion	0.5 West
	Kroger	1.7 Southwest
Discount Department Store	Dollar Tree	0.1 North
	Family Dollar	0.3 West
	Dollar General	0.7 East
Shopping Center/Mall	Frederick Boulevard Retail Corridor	2.0 Southwest
	MacArthur Center	3.0 Northeast
Schools:		
Elementary (Grades K-6)	Park View Elementary School	0.5 North
Middle/Junior High (Grades 7-8)	Churchland Middle School	6.3 Northwest
High (Grades 9-12)	I.C. Norcom High School	0.5 West
College/University	Norfolk State University	3.6 East
Hospital	Bon Secours Maryview Medical Center	2.0 West
Police	Portsmouth Police Department	0.7 East
Fire	Portsmouth Fire Department	1.0 Southeast
Post Office	U.S. Post Office	0.9 East
Bank	Bayport Credit Union	0.6 East
	TowneBank	0.9 East
Recreational Facilities	Neighborhood Facility Recreation Center	0.3 South
	Columbia Park/Portsmouth Splash Park	0.3 South
Gas Station	7-Eleven	0.1 East
	Wawa	0.4 East
Pharmacy	Olde Towne Drug Center Pharmacy	0.5 East
	Kroger Pharmacy	1.7 Southwest
Restaurant	KFC	0.4 East
	Wendy's	0.4 East
	McDonald's	0.5 East
Day Care	The World Changers Academy	0.3 South
Community Center	Effingham Street Family YMCA	0.6 Southeast

The subject site is within a mixed-use urban area and is within 2.0 miles of nearly all essential community services, including grocery stores, banks, restaurants, pharmacies, discount retailers, a shopping center, gas stations and convenience stores. The subject site is notably situated within 2.0 miles of the Frederick Boulevard retail corridor, which anchors most shopping and dining options in the immediate Portsmouth area.

Public safety services are provided by the Portsmouth Police and Fire departments, which are respectively situated 0.7 and 1.0 mile from the site. The nearest hospital, Bon Secours Maryview Medical Center, is situated 2.0 miles west of the site. With the exception of Churchland Middle School, all applicable public schools serving the subject site location are within 0.5 mile. The subject site is also within walking distance of the Neighborhood Facility Recreation Center and Columbia Park/Portsmouth Splash Park, which are within 0.3 mile. Additionally, all nearby services are conveniently accessible through the fixed-route services of Hampton Roads Transit, which operates a stop adjacent south of the site.

Overall, the site's proximity to community services is considered good and is expected to positively its impact marketability.

5. OVERALL SITE EVALUATION

The subject site consists of an undeveloped parcel of land located at 1100 High Street in Portsmouth, Virginia. The surrounding neighborhood is redeveloping and mixed-use, with nearby residential structures in good condition. While the site is situated near several damaged and/or vacant commercial structures, all surveyed low-income apartment communities within the site neighborhood are 100.0% occupied despite the proximity of these properties to vacant and/or lower quality commercial structures. Neighborhood redevelopment efforts are also currently underway, as evidenced by several recent projects in the area (including the construction of the nearby Tax Credit Holley Pointe rental community). As such, development of the subject project is expected to contribute towards ongoing redevelopment efforts within the site neighborhood. Visibility and access are considered good, given the light traffic patterns of the project's proposed access roadways and the proximity of the site to the heavily travelled State Route 141. The site is situated within 2.0 miles of nearly all essential community services. Additionally, all nearby services are conveniently accessible through the fixed-route services of Hampton Roads Transit, which operates a stop adjacent south of the site. Overall, the subject site location is considered conducive to the proposed development and is expected to positively impact marketability.

6. CRIME ISSUES

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

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

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

Total crime risk for the Site Primary Market Area (PMA) is 265, with an overall personal crime index of 244 and a property crime index of 268. Total crime risk for Portsmouth City is 224, with indexes for personal and property crime of 200 and 228, respectively.















	2022 Crime Indexes (AGS)	
	PMA	Portsmouth City
Total Crime Index	265	224
Personal Crime Index	244	200
Murder	483	384
Rape	114	105
Robbery	305	243
Assault	237	196
Property Crime Index	268	228
Burglary	272	231
Larceny	273	233
Motor Vehicle Theft	229	186

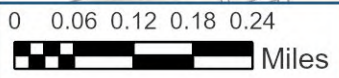
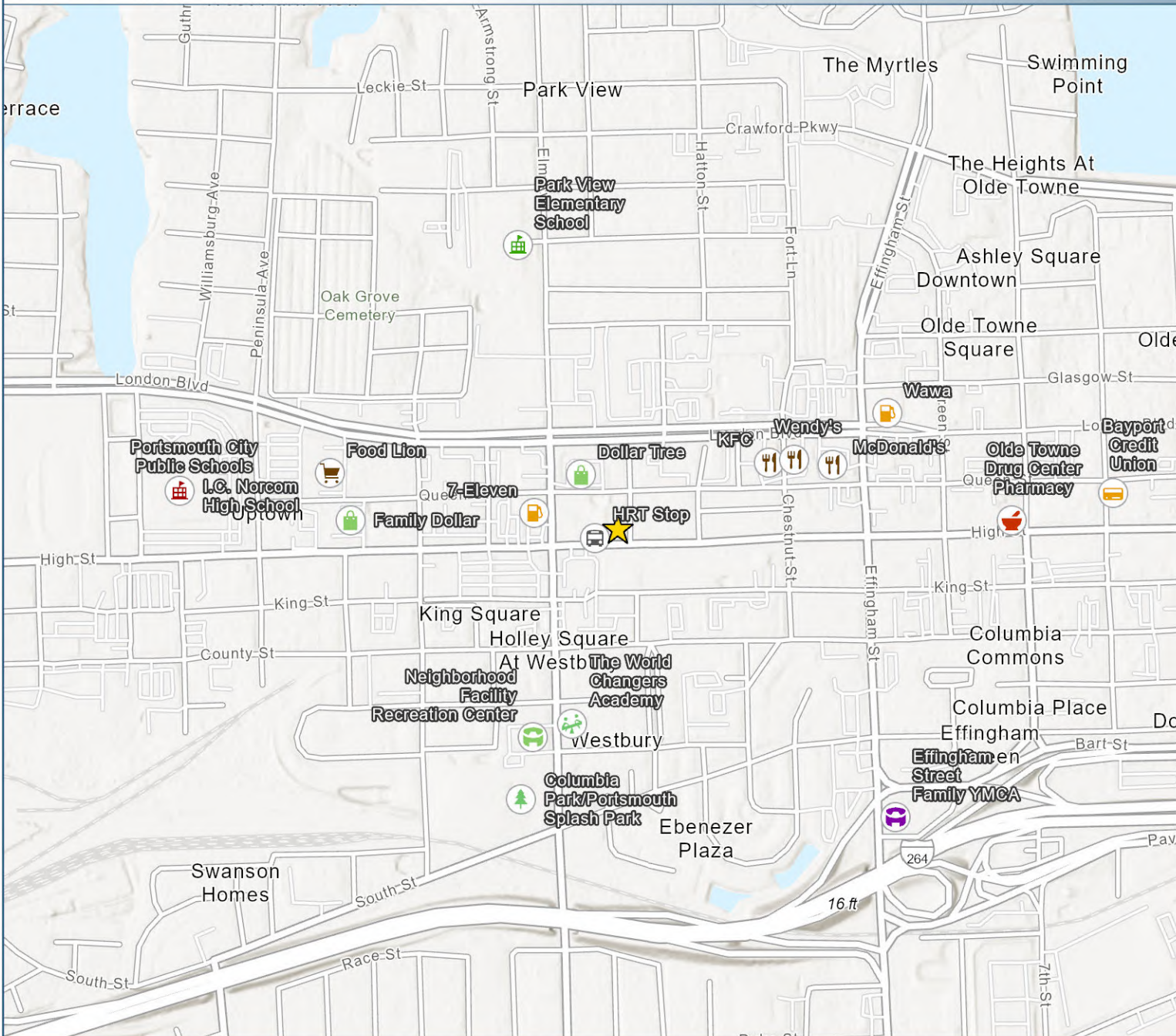
Source: Applied Geographic Solutions, FBI, ESRI

The crime risk index reported for the Site PMA (265) is above that reported for Portsmouth City (224), though both are above the national average of 100. Crime indexes such as those reported for the site area and Portsmouth City, however, are not uncommon for established and densely populated areas such as the Portsmouth market. Further, the high occupancy rates reported among most existing rental properties surveyed in the market are clear indications that crime is not a factor impacting the area rental market. As such, we do not expect crime to have any adverse impact on the marketability of the subject project.

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

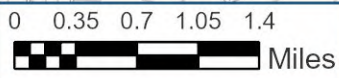
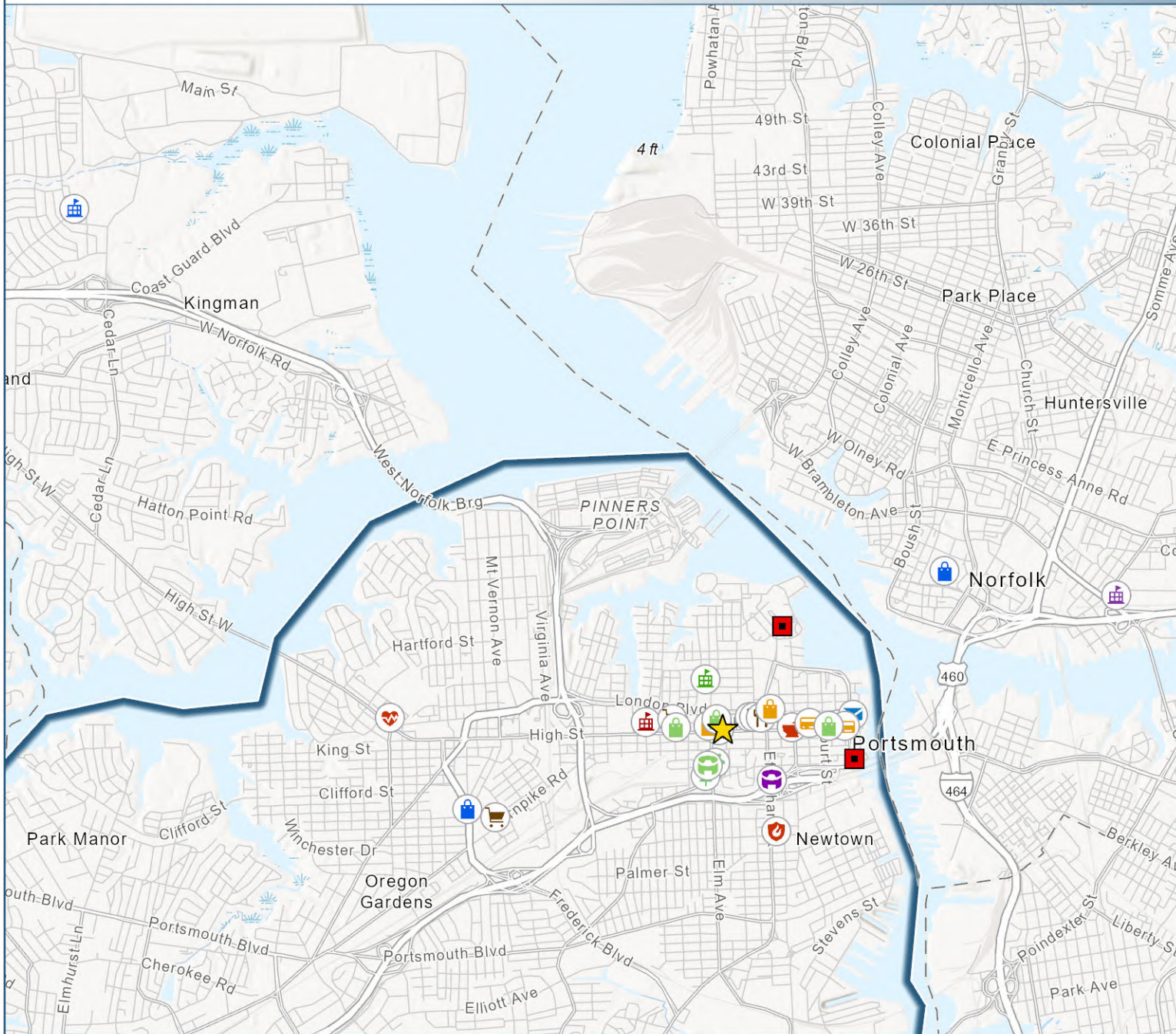
Community Services

-  Major Employers/Employment Centers
-  Pharmacy
-  Gas Station
-  Public Bus Stop
-  Bank
-  Day Care
-  Schools, Elementary
-  Schools, High
-  Park
-  Recreational Facility
-  Community Center
-  Restaurant
-  Grocery
-  Discount Department Store



Community Services

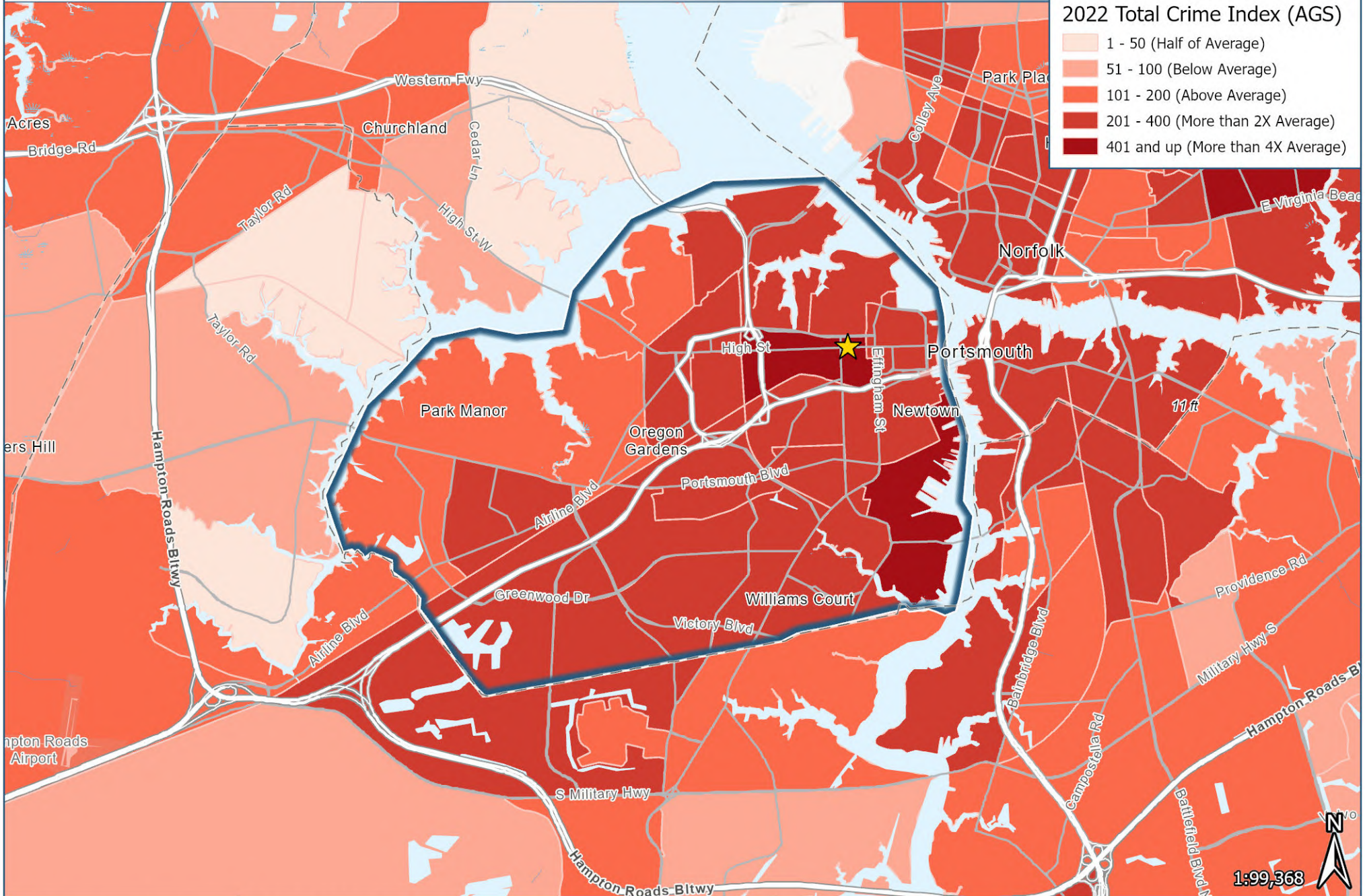
- Major Employers/ Employment Centers
- Hospital/ Medical Center
- Police
- Fire
- Post Office
- Pharmacy
- Gas Station
- Public Bus Stop
- Bank
- Day Care
- Schools, Elementary
- Schools, Middle/Junior High
- Schools, High
- Schools, College/University
- Park
- Recreational Facility
- Community Center
- Restaurant
- Grocery
- Convenience Store
- Discount Department Store
- Shopping Center/Mall





2022 Total Crime Index (AGS)

- 1 - 50 (Half of Average)
- 51 - 100 (Below Average)
- 101 - 200 (Above Average)
- 201 - 400 (More than 2X Average)
- 401 and up (More than 4X Average)



B. PRIMARY MARKET AREA DELINEATION

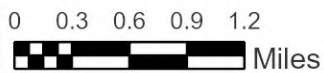
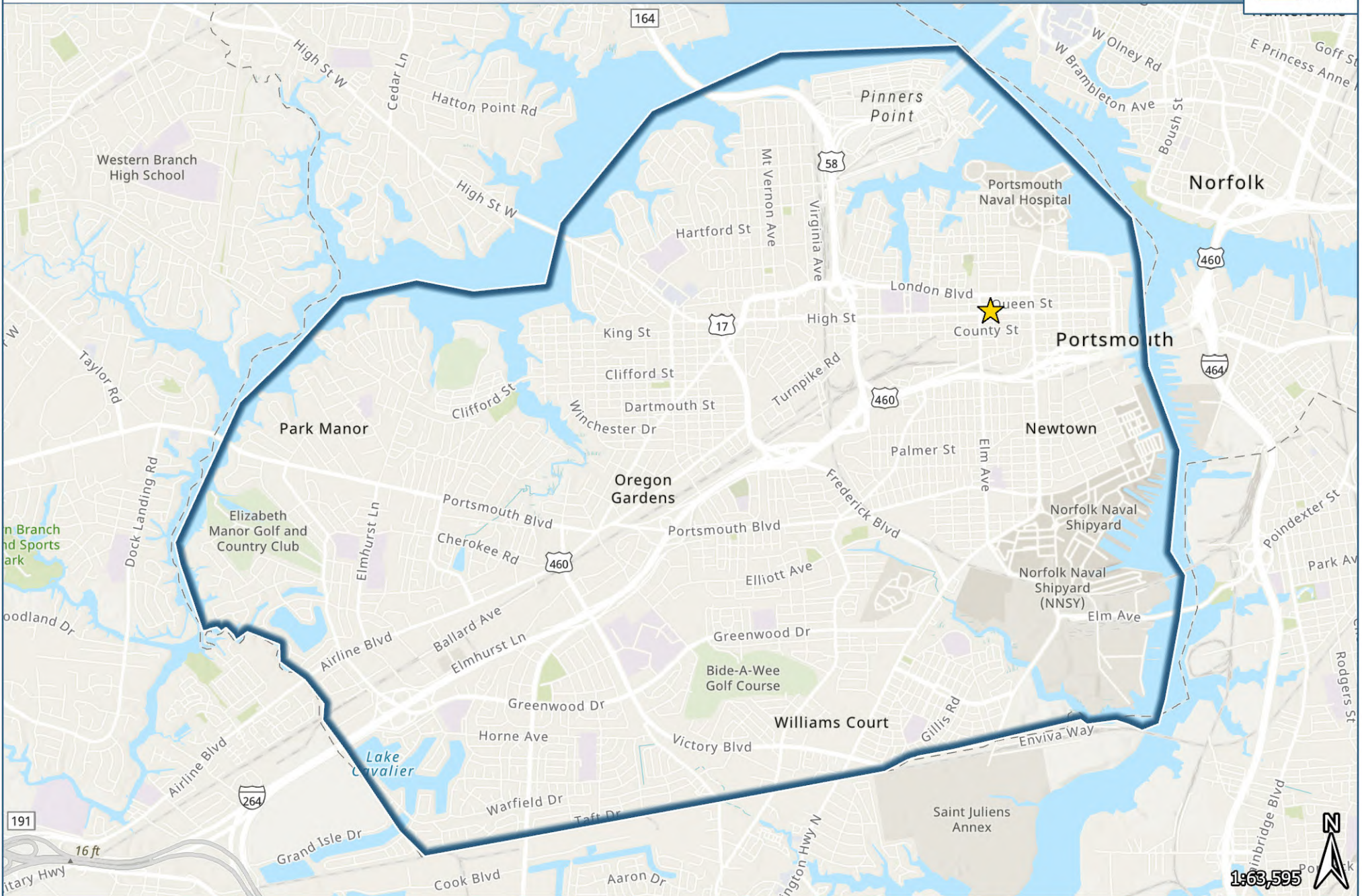
The Primary Market Area (PMA) is the geographical area from which most of the support for the proposed development is expected to originate. The Portsmouth Site PMA was determined through interviews with area leasing and real estate agents and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Portsmouth Site PMA includes all of the southern incorporated portions of Portsmouth City. The boundaries of the Site PMA include the Western Branch Elizabeth River to the north; the Portsmouth incorporated limits to the east; the Portsmouth incorporated limits to the south; and the Portsmouth incorporated limits to the west. The communities of northern Portsmouth and Norfolk could provide some support for the project; however, the majority of support is expected to come from residents living within the immediate areas of southern Portsmouth.

- Kennedy Williamson is the Assistant Property Manager for Phoebus Square and King's Square Apartments, two Tax Credit and government-subsidized properties in the Site PMA. Ms. Williamson confirmed the boundaries of the Site PMA, stating that most support for her properties originates from Portsmouth's Cradock neighborhood and other neighborhoods of southern Portsmouth situated along the Interstate 264 corridor. Ms. Williamson noted that demand for affordable housing within the Site PMA should be high, as Portsmouth has generally lower typical incomes than surrounding communities in the Hampton Roads region.

A small portion of support may originate from some of the larger communities within the Hampton Roads region and suburban communities in the area; we have not, however, considered any secondary market area in this report.

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



C. DEMOGRAPHIC CHARACTERISTICS AND TRENDS

The following demographic data relates to the Site PMA. It is important to note that not all estimates/projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the estimates/projections do not vary more than 1.0%.

1. POPULATION TRENDS

The Site PMA population bases for 2010, 2020, 2022 (estimated), and 2027 (projected) are summarized as follows:

	Year			
	2010 (Census)	2020 (Census)	2022 (Estimated)	2027 (Projected)
Population	69,757	71,391	71,679	71,843
Population Change	-	1,634	288	164
Percent Change	-	2.3%	0.4%	0.2%

Source: 2010 & 2020 Census; ESRI; Bowen National Research

The Portsmouth Site PMA population base increased by 1,634 between 2010 and 2020. This represents a 2.3% increase over the 2010 population, or an annual rate of 0.2%. Between 2020 and 2022, the population increased by 288, or 0.4%. It is projected that the population will increase by 164, or 0.2%, between 2022 and 2027.

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

Population by Age	2010 (Census)		2022 (Estimated)		2027 (Projected)		Change 2022-2027	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	18,296	26.2%	17,956	25.1%	18,143	25.3%	187	1.0%
20 to 24	5,325	7.6%	4,610	6.4%	4,720	6.6%	110	2.4%
25 to 34	10,568	15.1%	10,299	14.4%	9,260	12.9%	-1,039	-10.1%
35 to 44	8,127	11.7%	9,493	13.2%	9,868	13.7%	375	4.0%
45 to 54	9,901	14.2%	7,634	10.7%	8,068	11.2%	434	5.7%
55 to 64	8,055	11.5%	8,947	12.5%	7,885	11.0%	-1,062	-11.9%
65 to 74	4,721	6.8%	7,130	9.9%	7,723	10.7%	593	8.3%
75 & Older	4,769	6.8%	5,615	7.8%	6,182	8.6%	567	10.1%
Total	69,757	100.0%	71,679	100.0%	71,843	100.0%	164	0.2%

Source: Bowen National Research, ESRI, Census

As the preceding table illustrates, nearly 51% of the population is expected to be between 25 and 64 years old in 2022. This age group is the primary group of potential renters for the subject site and will likely represent a significant number of the tenants.

2. HOUSEHOLD TRENDS

Household trends within the Portsmouth Site PMA are summarized as follows:

	Year			
	2010 (Census)	2020 (Census)	2022 (Estimated)	2027 (Projected)
Households	27,334	29,069	29,232	29,379
Household Change	-	1,735	163	147
Percent Change	-	6.3%	0.6%	0.5%
Average Household Size	2.48	2.44	2.37	2.36

Source: Bowen National Research, ESRI, Census

Within the Portsmouth Site PMA, households increased by 1,735 (6.3%) between 2010 and 2020. Between 2020 and 2022, households increased by 163 (0.6%). By 2027, there will be 29,379 households, an increase of 147 (0.5%) households over 2022 levels. This is an increase of approximately 29 households annually over the next five years.

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

Households by Age	2010 (Census)		2022 (Estimated)		2027 (Projected)		Change 2022-2027	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	1,580	5.8%	1,337	4.6%	1,381	4.7%	44	3.3%
25 to 34	4,860	17.8%	4,727	16.2%	4,228	14.4%	-499	-10.6%
35 to 44	4,137	15.1%	4,893	16.7%	5,079	17.3%	186	3.8%
45 to 54	5,287	19.3%	4,059	13.9%	4,301	14.6%	242	6.0%
55 to 64	4,845	17.7%	5,351	18.3%	4,703	16.0%	-648	-12.1%
65 to 74	3,131	11.5%	4,680	16.0%	5,072	17.3%	392	8.4%
75 & Older	3,495	12.8%	4,186	14.3%	4,616	15.7%	430	10.3%
Total	27,334	100.0%	29,232	100.0%	29,379	100.0%	147	0.5%

Source: Bowen National Research, ESRI, Census

The primary age group of potential renters for the subject project is expected to be comprised of households under the age of 65. Notably, this age cohort is estimated to comprise nearly 70.0% of all households in 2022. Although this age cohort is projected to decline overall between 2022 and 2027, this age cohort is anticipated to continue to comprise approximately 67.0% of all households in the market in 2027.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2022 (Estimated)		2027 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	15,059	55.1%	15,479	53.0%	15,896	54.1%
Renter-Occupied	12,275	44.9%	13,753	47.0%	13,483	45.9%
Total	27,334	100.0%	29,232	100.0%	29,379	100.0%

Source: Bowen National Research, ESRI, Census

In 2022, homeowners occupied 53.0% of all occupied housing units, while the remaining 47.0% were occupied by renters. The share of renters is considered typical for an urban market, such as the Portsmouth Site PMA, and represents a deep base of potential renter support in the market for the subject development.

The household sizes by tenure within the Portsmouth Site PMA, based on the 2022 estimates and 2027 projections, were distributed as follows:

Persons per Owner Household	2022 (Estimated)		2027 (Projected)		Change 2022-2027	
	Households	Percent	Households	Percent	Households	Percent
1 Person	4,841	31.3%	5,265	33.1%	424	8.8%
2 Persons	5,605	36.2%	5,874	37.0%	269	4.8%
3 Persons	2,391	15.4%	2,287	14.4%	-104	-4.3%
4 Persons	1,653	10.7%	1,647	10.4%	-6	-0.4%
5+ Persons	990	6.4%	822	5.2%	-168	-16.9%
Total	15,479	100.0%	15,895	100.0%	416	2.7%

Source: Bowen National Research, ESRI, Census

Persons per Renter Household	2022 (Estimated)		2027 (Projected)		Change 2022-2027	
	Households	Percent	Households	Percent	Households	Percent
1 Person	5,007	36.4%	4,994	37.0%	-13	-0.3%
2 Persons	3,972	28.9%	4,068	30.2%	96	2.4%
3 Persons	2,433	17.7%	2,408	17.9%	-25	-1.0%
4 Persons	1,248	9.1%	1,104	8.2%	-144	-11.5%
5+ Persons	1,093	7.9%	909	6.7%	-184	-16.8%
Total	13,753	100.0%	13,483	100.0%	-270	-2.0%

Source: Bowen National Research, ESRI, Census

The two- and three-bedroom units proposed at the subject site are expected to generally house up to five-person households. As such, the subject project will be able to accommodate virtually all renter households in the market, based on household size.

3. INCOME TRENDS

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

Household Income	2010 (Census)		2022 (Estimated)		2027 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$15,000	4,343	15.9%	4,298	14.7%	3,633	12.4%
\$15,000 - \$24,999	3,522	12.9%	3,163	10.8%	2,812	9.6%
\$25,000 - \$34,999	3,613	13.2%	2,172	7.4%	1,965	6.7%
\$35,000 - \$49,999	4,716	17.3%	5,226	17.9%	4,949	16.8%
\$50,000 - \$74,999	5,833	21.3%	5,386	18.4%	5,443	18.5%
\$75,000 - \$99,999	2,605	9.5%	4,318	14.8%	4,790	16.3%
\$100,000 - \$149,999	1,825	6.7%	3,197	10.9%	3,754	12.8%
\$150,000 & Higher	877	3.2%	1,472	5.0%	2,035	6.9%
Total	27,334	100.0%	29,232	100.0%	29,379	100.0%
Median Income	\$41,962		\$49,302		\$56,115	

Source: Bowen National Research, ESRI, Census

In 2022, the median household income is estimated to be \$49,302. By 2027, it is projected that the median household income will be \$56,115, an increase of 13.8% over 2022.

The following tables illustrate renter household income for 2020, 2022 (estimated) and 2027 (projected) for the Site PMA:

Renter Households	2020 (ACS)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	1,748	761	444	213	190	3,356
\$15,000 - \$24,999	823	594	292	147	116	1,973
\$25,000 - \$34,999	478	376	282	96	79	1,311
\$35,000 - \$49,999	1,201	709	613	342	276	3,139
\$50,000 - \$74,999	500	671	264	301	198	1,936
\$75,000 - \$99,999	133	436	335	167	167	1,239
\$100,000 - \$149,999	119	316	191	25	59	710
\$150,000 & Higher	9	71	22	16	80	198
Total	5,012	3,934	2,443	1,306	1,167	13,861

Source: ESRI, Bowen National Research

Renter Households	2022 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	1,680	719	416	193	168	3,176
\$15,000 - \$24,999	809	573	279	135	104	1,901
\$25,000 - \$34,999	474	366	271	89	71	1,271
\$35,000 - \$49,999	1,217	703	601	323	252	3,095
\$50,000 - \$74,999	528	691	269	293	186	1,968
\$75,000 - \$99,999	149	475	359	170	163	1,317
\$100,000 - \$149,999	136	351	209	26	59	781
\$150,000 & Higher	13	94	28	19	90	244
Total	5,007	3,972	2,433	1,248	1,093	13,753

Source: ESRI, Bowen National Research

Renter Households	2027 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	1,511	614	345	143	112	2,725
\$15,000 - \$24,999	774	520	246	106	74	1,721
\$25,000 - \$34,999	463	340	244	72	51	1,171
\$35,000 - \$49,999	1,257	689	572	276	192	2,986
\$50,000 - \$74,999	597	742	281	273	155	2,049
\$75,000 - \$99,999	189	572	420	178	153	1,513
\$100,000 - \$149,999	179	439	254	28	58	958
\$150,000 & Higher	23	152	44	27	114	360
Total	4,994	4,068	2,408	1,104	909	13,483

Source: ESRI, Bowen National Research

Data from the preceding tables is used in our demand estimates.

Demographic Summary

Both the population and household bases within the Portsmouth Site PMA have experienced growth overall since 2010, a trend that is expected to continue through 2027. Households under the age of 65, which are expected to be the primary age cohort of potential renters at the general-occupancy subject project, comprise nearly 70.0% of all households in 2022 and will comprise approximately 67.0% of all households through 2027. Nearly half (47.0%) of all households were renters in 2022 and the 13,483 renter households projected for 2027 illustrate a deep base of renter support for the subject project. Further, over 79.0% of all renter households in the market are projected to earn less than \$75,000 in 2027. Based on the preceding analysis, a large base of low- and moderate-income renter households will continue to exist in the market for the foreseeable future.

D. LOCAL ECONOMIC PROFILE AND ANALYSIS

1. LABOR FORCE PROFILE

The labor force within the Portsmouth Site PMA is based primarily in two sectors. Health Care & Social Assistance (which comprises 36.4%) and Public Administration comprise nearly 53.6% of the Site PMA labor force. Employment in the Portsmouth Site PMA, as of 2022, was distributed as follows:

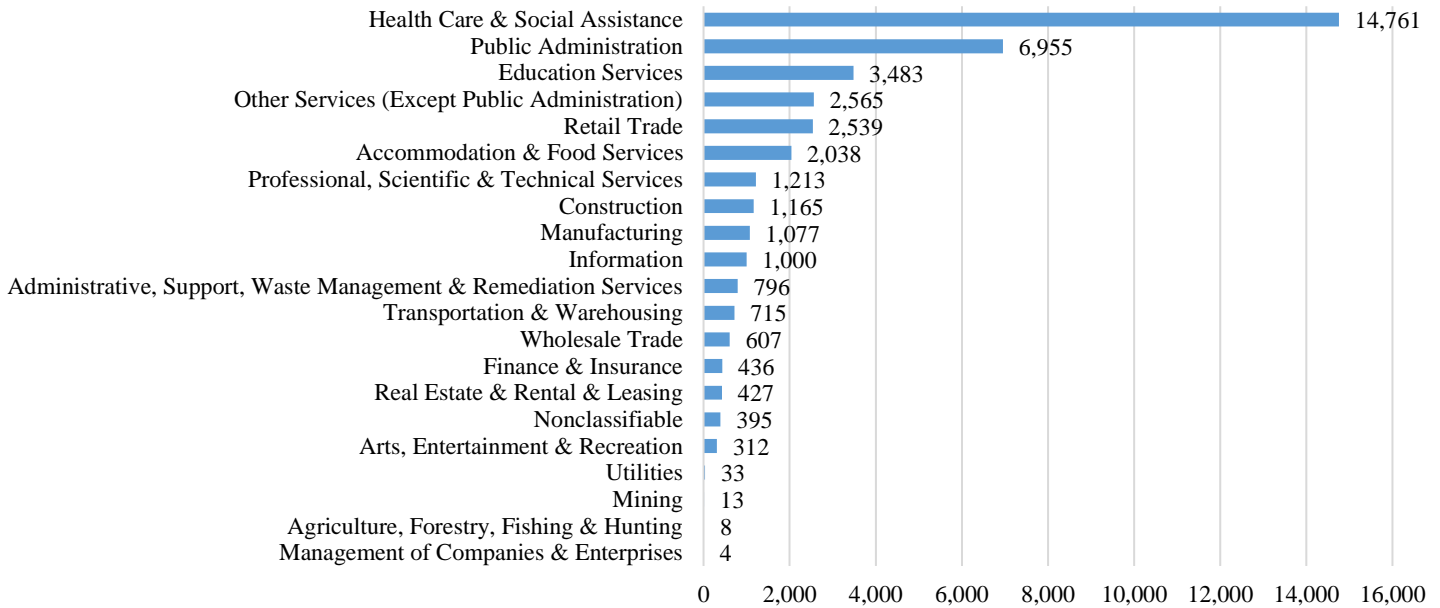
NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	3	0.1%	8	< 0.1%	3
Mining	1	< 0.1%	13	< 0.1%	13
Utilities	5	0.2%	33	0.1%	7
Construction	118	5.6%	1,165	2.9%	10
Manufacturing	57	2.7%	1,077	2.7%	19
Wholesale Trade	45	2.2%	607	1.5%	13
Retail Trade	313	15.0%	2,539	6.3%	8
Transportation & Warehousing	64	3.1%	715	1.8%	11
Information	28	1.3%	1,000	2.5%	36
Finance & Insurance	81	3.9%	436	1.1%	5
Real Estate & Rental & Leasing	103	4.9%	427	1.1%	4
Professional, Scientific & Technical Services	152	7.3%	1,213	3.0%	8
Management of Companies & Enterprises	1	< 0.1%	4	< 0.1%	4
Administrative, Support, Waste Management & Remediation Services	60	2.9%	796	2.0%	13
Education Services	46	2.2%	3,483	8.6%	76
Health Care & Social Assistance	206	9.9%	14,761	36.4%	72
Arts, Entertainment & Recreation	37	1.8%	312	0.8%	8
Accommodation & Food Services	160	7.7%	2,038	5.0%	13
Other Services (Except Public Administration)	335	16.0%	2,565	6.3%	8
Public Administration	153	7.3%	6,955	17.2%	45
Nonclassifiable	122	5.8%	395	1.0%	3
Total	2,090	100.0%	40,542	100.0%	19

Source: Bowen National Research, ESRI, Census

E.P.E.- Average Employees Per Establishment

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

Total Employment by Industry



Typical wages by job category for the Virginia Beach-Norfolk-Newport News Metropolitan Statistical Area (MSA) are compared with those of Virginia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Virginia Beach-Norfolk- Newport News MSA	Virginia
Management Occupations	\$68,400	\$82,810
Business And Financial Occupations	\$60,456	\$75,304
Computer And Mathematical Occupations	\$77,060	\$96,987
Architecture And Engineering Occupations	\$80,125	\$88,024
Community And Social Service Occupations	\$44,117	\$45,264
Art, Design, Entertainment, Sports, and Media Occupations	\$37,053	\$48,060
Healthcare Practitioners And Technical Occupations	\$54,805	\$58,457
Healthcare Support Occupations	\$25,096	\$24,349
Protective Service Occupations	\$47,166	\$51,694
Food Preparation And Serving Related Occupations	\$14,293	\$14,603
Building And Grounds Cleaning And Maintenance Occupations	\$20,741	\$21,490
Personal Care And Service Occupations	\$18,186	\$17,690
Sales And Related Occupations	\$26,854	\$30,076
Office And Administrative Support Occupations	\$32,462	\$34,891
Construction And Extraction Occupations	\$38,244	\$37,792
Installation, Maintenance And Repair Occupations	\$45,991	\$46,689
Production Occupations	\$39,941	\$37,169
Transportation Occupations	\$33,419	\$35,036
Material Moving Occupations	\$22,324	\$23,155

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

Most annual blue-collar salaries range from \$14,293 to \$47,166 within the Virginia Beach-Norfolk-Newport News MSA. White-collar jobs, such as those related to professional positions, management and medicine, have salaries ranging from \$54,805 to \$80,125. It is important to note that most occupational types within the Virginia Beach-Norfolk-Newport News MSA have lower typical wages than the State of Virginia's typical wages.

The ten largest employers within the Portsmouth area are summarized in the following table:

Employer Name	Business Type	Total Employed
Department of Defense	National Security & International Affairs	1,000+
Portsmouth City Public Schools	Education	1,000+
Bon Secours Maryview Medical Center	Medical	1,000+
City of Portsmouth	Government	1,000+
AYA Healthcare	Administrative & Support Services	1,000+
VA International Terminal Inc	Support Activities for Transportation	500-999
US Department of Homeland Security	Government	250-499
International Marine & Industry	Manufacturing	250-499
First Hospital Corp Ports	Nursing & Residential Care Facility	250-499
Food Lion LLC	Grocery	250-499

Source: Virginia Employment Commission (2nd Quarter 2022)

According to a representative with Portsmouth Economic Development, the Portsmouth economy is growing and has experienced numerous significant investments since 2018. Investment figures during this time period total over \$1.4 billion, resulting in the creation and retention of over 6,200 jobs. However, the COVID-19 pandemic exacerbated labor and hiring shortages within the hospitality and manufacturing sectors. The following summarizes several recent and/or ongoing economic development projects within the Portsmouth area at the time of this analysis.

- Rivers Casino Portsmouth, the largest ongoing economic project in the Portsmouth area, broke ground in December 2021. This development will cost roughly \$340 million and will create 1,300 jobs within the city, as well as an additional 1,400 jobs during construction. The current estimated completion date for the casino is January 2023.
- The Offshore Wind Project, announced in August 2021, is a \$223 million project expected to create 310 jobs over the next few years. Dominion Energy plans to create turbine foundations and blades to be located off the coast of Virginia Beach, which are expected to power 660,000 households throughout the region. To support this project, Skanska has signed a contract with the Virginia Port Authority to redevelop the Portsmouth Marine Terminal. Construction on the terminal broke ground in July 2022 and is expected to be complete in 2025.

- In July 2022, Bloom Coworking, a nonprofit co-working space, opened a facility in Olde Towne Portsmouth within the former Bloomberg Department store. Launched by the Portsmouth Partnership, the center offers affordable office space, training sessions and opportunities for networking and collaboration. The \$1.3 million project is focused on helping small businesses and startups in the area. Additional information was unavailable at the time of this report.
- There have been several proposals for the relocation and redevelopment of the land currently occupied by the Portsmouth City Hall. In 2021, A4 Development submitted a proposal for a mixed-use project with 1,400 housing units, performing arts theater, hotel, retail and restaurants. No further information was available at the time of this report.

Infrastructure:

- The Portsmouth Complete High Street Innovation Corridor project was awarded \$19 million from the U.S. Department of Transportation's Rebuilding American Infrastructure with Sustainability and Equity grant funds. The project will convert the High Street corridor from a four-lane undivided road into a two-lane divided road. The project will focus on the portions of High Street from Effingham Street to the MLK Expressway. No further information was available at the time of this report.
- The Dry Dock Floodwall Protection Improvements Project broke ground within Norfolk in November 2020 and is currently under construction. The project will involve 12 phases of construction and will add a perimeter floodwall around the dry dock area of the Norfolk Naval Shipyard. The project will cost a total of \$43.6 million and is expected to be complete by summer of 2023.

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed in December 2022 and according to the Virginia Employment Commission, there have been no WARN notices reported for Portsmouth City over the past 12 months.

2. EMPLOYMENT TRENDS

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

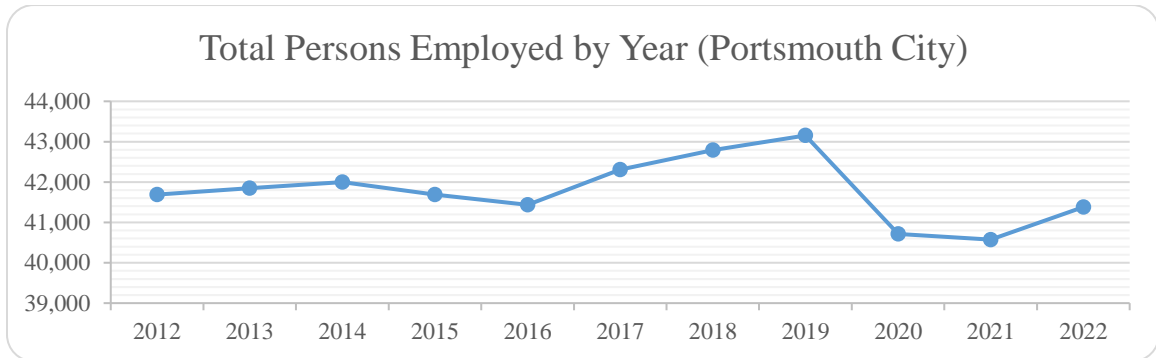
Excluding 2022, the employment base has decreased by 4.1% over the past five years in Portsmouth City, while the state of Virginia decreased by 2.2%. Total employment reflects the number of employed persons who live within the county/city.

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

Year	Total Employment					
	Portsmouth City		Virginia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2012	41,689	-	3,967,151	-	142,469,000	-
2013	41,847	0.4%	4,002,057	0.9%	143,929,000	1.0%
2014	41,996	0.4%	4,040,908	1.0%	146,305,000	1.7%
2015	41,689	-0.7%	4,048,081	0.2%	148,833,000	1.7%
2016	41,436	-0.6%	4,084,822	0.9%	151,436,000	1.7%
2017	42,308	2.1%	4,193,290	2.7%	153,337,000	1.3%
2018	42,790	1.1%	4,255,213	1.5%	155,761,000	1.6%
2019	43,153	0.8%	4,332,647	1.8%	157,538,000	1.1%
2020	40,715	-5.6%	4,097,860	-5.4%	147,795,000	-6.2%
2021	40,574	-0.3%	4,100,803	0.1%	152,581,000	3.2%
2022*	41,381	2.0%	4,218,866	2.9%	158,238,000	3.7%

Source: Bureau of Labor Statistics

*Through October

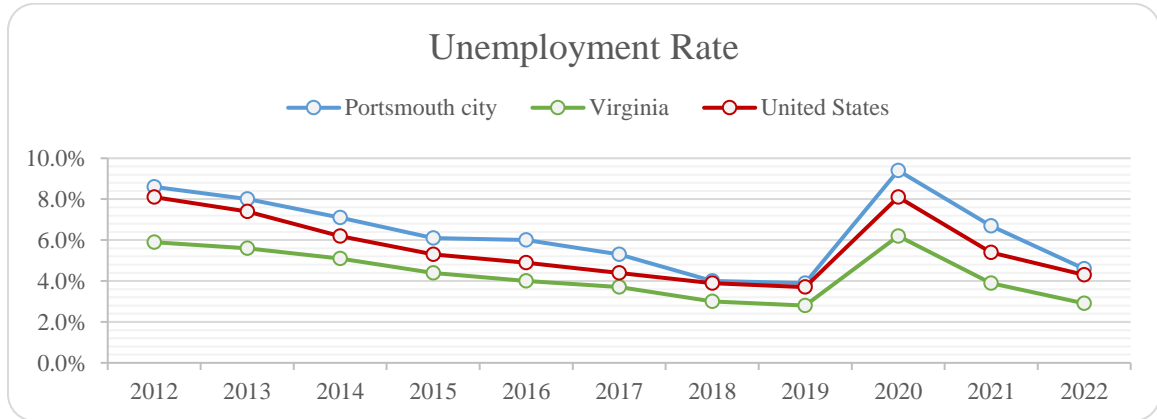


As the preceding illustrates, the Portsmouth City employment base generally experienced growth between 2012 and 2019. However, between 2019 and 2021, the city's employment base declined by 6.0% as the result of the COVID-19 pandemic. On a positive note, the city's employment base has increased by 2.0% thus far in 2022 (through October), indicating that the local economy is beginning to improve.

Annual unemployment rates for Portsmouth City, the state of Virginia and the United States are illustrated as follows:

Year	Unemployment Rate		
	Portsmouth City	Virginia	United States
2012	8.6%	5.9%	8.1%
2013	8.0%	5.6%	7.4%
2014	7.1%	5.1%	6.2%
2015	6.1%	4.4%	5.3%
2016	6.0%	4.0%	4.9%
2017	5.3%	3.7%	4.4%
2018	4.0%	3.0%	3.9%
2019	3.9%	2.8%	3.7%
2020	9.4%	6.2%	8.1%
2021	6.7%	3.9%	5.4%
2022*	4.6%	2.9%	4.3%

Source: Department of Labor, Bureau of Labor Statistics
 *Through October



Between 2011 and 2019, the *annual* unemployment rate within Portsmouth declined by nearly five percentage points, then increased by 5.5 percentage points between 2019 and 2020 as the result of the COVID-19 pandemic. Similar to employment trends, the unemployment rate within Portsmouth has improved thus far in 2022, declining by nearly five full percentage points between 2020 and 2022.

The following table illustrates the monthly unemployment rate within Portsmouth City since January 2020:

Monthly Unemployment Rate – Portsmouth City					
Month	Rate	Month	Rate	Month	Rate
2020		2021		2022	
January	3.8%	January	8.5%	January	5.6%
February	3.6%	February	8.2%	February	5.0%
March	4.0%	March	7.5%	March	4.4%
April	13.0%	April	6.8%	April	4.3%
May	12.5%	May	6.8%	May	4.6%
June	13.5%	June	7.3%	June	4.5%
July	14.1%	July	6.7%	July	4.5%
August	12.5%	August	6.6%	August	4.8%
September	10.5%	September	5.9%	September	4.0%
October	9.2%	October	6.0%	October	4.1%
November	8.3%	November	5.2%		
December	7.8%	December	4.8%		

Source: Department of Labor, Bureau of Labor Statistics

The *monthly* unemployment rate for Portsmouth City increased by over 10 full percentage points between March 2020 and July 2020 during the onset of the pandemic. However, the monthly unemployment rate has since declined to a rate of 4.1% in October 2022, which is similar to pre-pandemic figures.

In-place employment reflects the total number of jobs within the county/city regardless of the employee's county/city of residence. The following illustrates the total in-place employment base for Portsmouth City:

Year	In-Place Employment Portsmouth City		
	Employment	Change	Percent Change
2012	43,920	-	-
2013	44,647	727	1.7%
2014	44,093	-554	-1.2%
2015	44,750	657	1.5%
2016	43,715	-1,035	-2.3%
2017	43,638	-77	-0.2%
2018	44,343	705	1.6%
2019	44,682	339	0.8%
2020	43,184	-1,498	-3.4%
2021	43,115	-69	-0.2%
2022*	42,815	-300	-0.7%

Source: Department of Labor, Bureau of Labor Statistics

*Through June

Data for 2021, the most recent year that year-end figures are available, indicates in-place employment in Portsmouth City to be 106.3% of the total Portsmouth City employment. This means that Portsmouth City has more employed persons coming to the city from other cities/counties for work (daytime employment) than those who both live and work there.

3. ECONOMIC FORECAST

The Portsmouth economy generally experienced growth between 2012 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, which caused many area businesses to shut down in an attempt to mitigate the spread of the coronavirus. Between 2019 and 2021, the Portsmouth employment base declined by 2,579 jobs (6.0%), and its *annual* unemployment rate increased by 5.5 percentage points between 2019 and 2020. Specifically, the *monthly* unemployment rate spiked by over 10 percentage points between March 2020 and July 2020. On a positive note, the local economy appears to be improving thus far in 2022, as the city employment base has increased by 807 jobs (2.0%) and the annual unemployment rate has declined by nearly five percentage points to a rate of 4.6% through October 2022. Nonetheless, several of the businesses impacted include those within the Retail Trade and Accommodation & Food Services sectors, which provide lower wage paying positions. The subject site will provide a good quality affordable housing option in an economy where lower-wage employees are most vulnerable as the local economy continues to recover.

4. COMMUTING PATTERNS

The following is a distribution of commuting patterns for Site PMA workers age 16 and over:

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	23,626	76.9%
Carpooled	3,409	11.1%
Public Transit	923	3.0%
Walked	988	3.2%
Motorcycle	69	0.2%
Bicycle	135	0.4%
Other Means	729	2.4%
Worked at Home	859	2.8%
Total	30,738	100.0%

Source: Bowen National Research, ESRI

Nearly 77.0% of all workers drove alone, 11.1% carpoled and only 3.0% used public transportation.

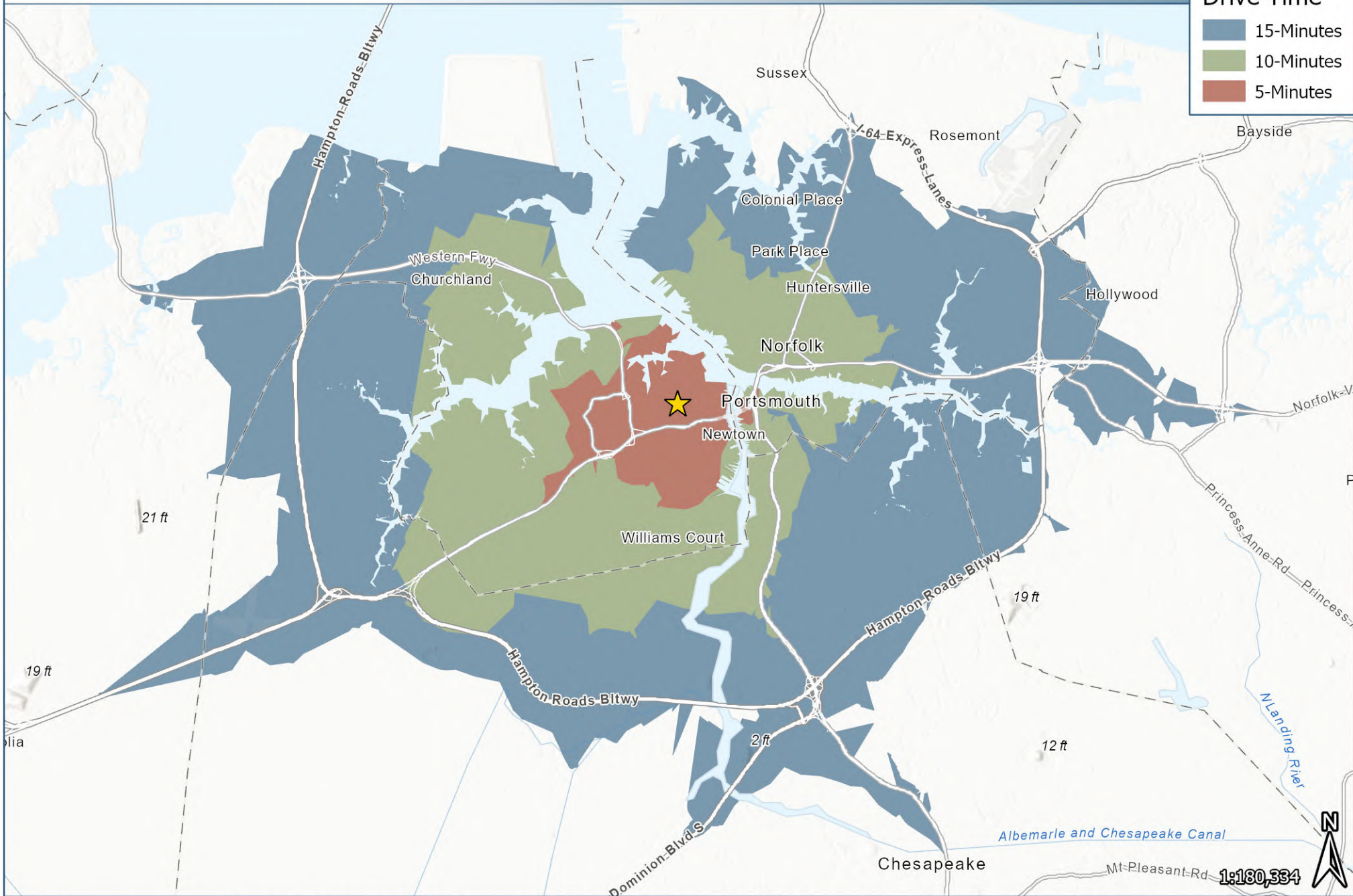
Typical travel times to work for Site PMA residents are illustrated as follows:

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	8,155	27.3%
15 – 29 Minutes	11,347	38.0%
30 – 44 Minutes	7,140	23.9%
45 – 59 Minutes	1,962	6.6%
60 + Minutes	1,293	4.3%
Total	29,897	100.0%

Source: Bowen National Research, ESRI

The largest share of area commuters has typical travel times to work ranging from 15 to 29 minutes. The subject site is within a 15-minute drive to most of the area's largest employers, which should contribute to its marketability. A drive-time map for the subject site is on the following page.

- 15-Minutes
- 10-Minutes
- 5-Minutes



V. Rental Housing Analysis (Supply)

A. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Portsmouth Site PMA in 2010 and 2022 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2022 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	27,334	90.4%	29,232	90.6%
Owner-Occupied	15,059	55.1%	15,479	53.0%
Renter-Occupied	12,275	44.9%	13,753	47.0%
Vacant	2,917	9.6%	3,049	9.4%
Total	30,251	100.0%	32,281	100.0%

Source: 2010 Census, ESRI, Bowen National Research

Based on a 2022 update of the 2010 Census, of the 32,281 total housing units in the market, 9.4% were vacant. In 2022, it was estimated that homeowners occupied 53.0% of all occupied housing units, while the remaining 47.0% were occupied by renters. The share of renters is considered typical for an urban market, such as the Portsmouth Site PMA, and the 13,753 renter households estimated in 2022 represent a deep base of potential support for the subject development.

Conventional Apartments

We identified and personally surveyed 33 conventional rental housing projects containing a total of 4,069 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 97.3%, a strong rate for rental housing. The surveyed rental communities are broken out by project type in the following table.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	9	1,230	91	92.6%
Market-Rate/Tax Credit	1	52	0	100.0%
Tax Credit	9	1,029	17	98.3%
Tax Credit/Government-Subsidized	11	1,263	0	100.0%
Market-Rate/Tax Credit/Government-Subsidized	2	393	0	100.0%
Government-Subsidized	1	102	0	100.0%
Total	33	4,069	108	97.3%

Other than the market-rate housing segment, the rental housing market is performing very well overall, with all other segments reporting occupancy rates of 98.3% and above. While the market-rate segment is operating at an overall occupancy rate of 92.6%, 96.7% of the vacant units reported within this segment were reported among two properties (Newport Landing and Beacon 303 at Old Towne Apartments), which attributed their current occupancy rates to recent eviction sweeps. Excluding these two properties, all other surveyed market-rate developments reported very strong occupancy rates of 99.1% and above, indicating that the Portsmouth rental housing market is actually performing well and the low occupancy levels at the aforementioned rental communities are likely due to project and/or management deficiencies.

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

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	6	0.5%	0	0.0%	\$1,324
One-Bedroom	1.0	622	49.2%	53	8.5%	\$1,519
Two-Bedroom	1.0	269	21.3%	34	12.6%	\$1,200
Two-Bedroom	1.5	32	2.5%	0	0.0%	\$1,500
Two-Bedroom	2.0	257	20.3%	0	0.0%	\$1,892
Two-Bedroom	2.5	4	0.3%	0	0.0%	\$2,492
Three-Bedroom	1.0	26	2.1%	0	0.0%	\$1,008
Three-Bedroom	2.0	49	3.9%	4	8.2%	\$2,070
Total Market-Rate		1,265	100.0%	91	7.2%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	202	18.0%	1	0.5%	\$1,051
Two-Bedroom	1.0	256	22.8%	3	1.2%	\$1,152
Two-Bedroom	1.5	120	10.7%	3	2.5%	\$1,219
Two-Bedroom	2.0	323	28.8%	2	0.6%	\$1,264
Three-Bedroom	1.5	80	7.1%	7	8.8%	\$1,690
Three-Bedroom	2.0	142	12.6%	1	0.7%	\$1,461
Total Tax Credit		1,123	100.0%	17	1.5%	-

As the preceding table illustrates, the median gross Tax Credit rents are generally well below the corresponding median gross market-rate rents. Therefore, Tax Credit product likely represents an excellent value to low-income renters within the market. This is further evidenced by the low combined vacancy rate of 1.5% among all non-subsidized Tax Credit units surveyed within the market.

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

Year Built	Projects	Units	Vacancy Rate
Before 1970	5	405	15.3%
1970 to 1979	4	505	7.1%
1980 to 1989	4	545	0.6%
1990 to 1999	1	52	0.0%
2000 to 2009	3	388	1.0%
2010 to 2014	2	196	0.5%
2015	0	0	0.0%
2016	2	247	0.8%
2017 to 2021	0	0	0.0%
2022*	1	50	0.0%

*As of December

Vacancies are the highest among the properties surveyed built before 1980, though most vacant units among these older projects were reported by the two aforementioned properties that have undergone recent eviction sweeps. Excluding these two properties, the surveyed projects built before 1970 and between 1970 and 1979 have low overall vacancy rates of 0.0% and 2.8%, respectively. Considering that vacancy levels are low among all other property age cohorts, it can be concluded that there is no correlation between vacancy levels and year built within the Portsmouth rental housing market.

As the preceding table illustrates, we identified and surveyed one non-subsidized rental property within the market that has been built since 2020. This project, Holley Pointe, began pre-leasing efforts in July 2021. The property opened in July 2022, reaching a management-acceptable stabilized occupancy rate of 90.0% in August 2022. This results in a lease-up rate of approximately 45 units per month from time of opening, a very rapid rate for general-occupancy LIHTC product in markets of this size. Further, management for Holley Pointe reported that the project is currently 100.0% occupied with an extensive 200-household waiting list, indicating that the project has been very well-received in the Portsmouth market. As evaluated later within this section in our *Survey of Comparable/Competitive Properties*, Holley Pointe is considered very similar to the proposed project in terms of design, age, unit types offered and AMHI cohorts targeted. It is also noteworthy to point out that the proposed project will be managed by the Woda Cooper Companies, Inc., which developed and currently manages Holley Pointe. The preceding trends will bode well for demand of the subject project and have been considered in our absorption estimates later within this report.

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

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A+	1	134	0.7%
B+	2	261	10.3%
B	8	818	7.7%
B-	1	52	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	2	170	1.2%
B	7	854	1.8%
B-	1	21	0.0%
C+	1	78	0.0%

Vacancies are the highest among the market-rate properties surveyed with quality ratings of a “B+” or “B”, which includes the two aforementioned properties that recently underwent eviction sweeps. As all other vacancy levels are relatively low, it can also be concluded that there is no correlation between appearance and vacancies within the Portsmouth rental housing market.

Government-Subsidized

We identified and surveyed 14 rental communities that offer government-subsidized units within the Site PMA. Generally, these properties have few amenities, are older and offer small unit sizes (square feet). The government-subsidized units (both with and without Tax Credits) in the Site PMA are summarized as follows.

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
Studio	1.0	60	3.8%	0	0.0%
One-Bedroom	1.0	456	28.9%	0	0.0%
Two-Bedroom	1.0	579	36.7%	0	0.0%
Two-Bedroom	1.5	64	4.1%	0	0.0%
Two-Bedroom	2.0	102	6.5%	0	0.0%
Three-Bedroom	1.0	121	7.7%	0	0.0%
Three-Bedroom	1.5	76	4.8%	0	0.0%
Three-Bedroom	2.0	15	0.9%	0	0.0%
Three-Bedroom	2.5	50	3.2%	0	0.0%
Four-Bedroom	1.0	10	0.6%	0	0.0%
Four-Bedroom	1.5	30	1.9%	0	0.0%
Four-Bedroom	2.0	16	1.0%	0	0.0%
Total Subsidized Tax Credit		1,579	100.0%	0	0.0%
Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
Two-Bedroom	2.0	61	59.8%	0	0.0%
Three-Bedroom	2.0	41	40.2%	0	0.0%
Total Subsidized		102	100.0%	0	0.0%

All government-subsidized units surveyed are fully occupied and maintain a waiting list, illustrating that pent-up demand exists for very low-income rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand.

A complete field survey of all conventional apartments we surveyed, as well as an apartment location map, is included in Section XII, Field Survey of Conventional Rentals.

Tax Credit Property Disclosure: In addition to the 23 properties surveyed that at least partially operate under the Tax Credit program, we identified five Tax Credit properties within the Site PMA that we were unable to survey at the time of this report. The known details of these projects based on previous surveys conducted by Bowen National Research in the Portsmouth area and from our review of the state Tax Credit allocation list are summarized as follows.

Name	Location	Year Built/ Renovated	Total Units	Target Population	Occupancy at Last Survey
Hope Village Apts.	611 6th St.	1978 / 2014	48	Family; 40% & 50% AMHI & Section 8	100.0% (August 2020)
Malvern Hills	426 King St.	1983 / 2015	55	Seniors; Section 8	100.0% (June 2012)
Seaboard Square I & II	2847 Berkley Ave.	2011	221	Family; 50% AMHI & Public Housing	100.0% (January 2022)
Victory Village	2304 Victory Blvd.	1997	112	Family; 60% AMHI	99.1% (March 2016)
Westbury Pine Apts.	706 Crabapple St.	2000	58	Family; 50% AMHI & Public Housing	100.0% (August 2020)

AMHI – Area Median Household Income

It is estimated that of the five Tax Credit projects we were unable to survey within the market, only one (Victory Village) offers non-subsidized Tax Credit apartments. The 112 units offered at this property have been included in our penetration rate analysis illustrated later in Section VII – *Capture Rate Analysis* of this report.

B. SURVEY OF COMPARABLE PROPERTIES

We identified and surveyed eight family (general-occupancy) properties that offer non-subsidized Low-Income Housing Tax Credit (LIHTC) units within the Portsmouth Site PMA, five of which were selected for this comparability analysis based on targeted Area Median Household Income (AMHI) cohorts and/or relative newness. We also identified one LIHTC and government-subsidized property, South Bay Apartments, which targets homeless households. This property offers 60 units and is 100.0% occupied with waiting list maintained by Portsmouth Housing Authority. This reflects the ongoing need for housing alternatives targeting homeless households within the market.

The five selected LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the Field Survey of Conventional Rentals.

Map I.D.	Project Name	Quality Rating	Nbhd. Rating	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Bains Pointe	A-*	B-	2025	50	-	-	-	Families; 30%, 50% & 80% AMHI & PBRA
1	Ansell Gardens Apts.	C+	B-	1969 / 2003	78	100.0%	2.3 Miles	50 HH	Families; 50% & 60% AMHI
4	Belle Hall Apts.	B+	B	2008	120	98.3%	4.2 Miles	None	Families; 60% AMHI
7	Crescent Place Apts.	B	B	2008	156	98.7%	1.6 Miles	None	Families; 60% AMHI
14	Hamilton Place II	B	B	2012	56**	100.0%	2.3 Miles	84 Months	Families; 50% & 60% AMHI
17	Holley Pointe	B	B	2022	50	100.0%	0.3 Mile	200 HH	Families; 30%, 40%, 50%, 70%, & 80% AMHI

*Anticipated Quality

**Non-subsidized units only

Occ. – Occupancy

Nbhd. – Neighborhood

HH - Households

The five selected LIHTC projects have a combined occupancy rate of 99.2% (a result of only four vacant units), a very strong rate for rental housing. In fact, three of these projects are fully occupied and maintain extensive waiting lists. Notably, the newest LIHTC property in the market, Holley Pointe, is 100.0% occupied with a waiting list of 200 households. As previously mentioned, Holley Pointe experienced a lease-up rate of approximately 45 units per month from time of opening, a very rapid rate for general-occupancy LIHTC product in markets of this size. These trends illustrate that significant pent-up demand exists for additional affordable rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Bains Pointe	-	\$630*/30% (9) \$1,047/50% (10) \$1,447/80% (20)	\$728*/30% (3) \$1,210/50% (2) \$1,625/80% (6)	-
1	Ansell Gardens Apts.	-	\$897/50% (38/0) \$897/60% (40/0)	-	None
4	Belle Hall Apts.	-	\$1,303/60% (76/1)	\$1,546/60% (44/1)	None
7	Crescent Place Apts.	\$1,051/60% (16/1)	\$1,264/60% (104/1)	\$1,461/60% (36/0)	None
14	Hamilton Place II**	\$816/50% (7/0) \$974/60% (1/0)	\$998/50% (35/0) \$1,116/60% (4/0)	\$1,158/50% (8/0) \$1,302/60% (1/0)	None
17	Holley Pointe	-	\$547/30% (4/0) \$730/40% (4/0) \$907/50% (12/0) \$1,097/70% (8/0) \$1,197/80% (12/0)	\$640/30% (1/0) \$885/40% (1/0) \$1,052/50% (3/0) \$1,325/70% (2/0) \$1,410/80% (3/0)	None

*Assumes all units would operate at proposed rent levels without subsidy

**Non-subsidized units only

Note that the gross rents have been calculated for each property based on a Utility Allowance Worksheet provided by the City of Portsmouth, effective July 2021. This has been done to more accurately compare the total cost of renting between properties. However, this estimated allowance results in an *approximate* gross rent, as each property may calculate their utility allowance differently or employ energy saving features. The comparable gross rents that exceed the maximum allowable LIHTC limits are most likely operating at, or slightly below, the maximum rents reported. In some cases, it is likely due in part to the age of the comparable LIHTC projects, nearly all of which were all built or renovated prior to 2022 and are likely eligible to operate under the Hold Harmless rule, which does not require these properties to operate under current maximum allowable LIHTC limits when the area experiences an income reduction.

The proposed subject gross rents, ranging from \$630 to \$1,625, will be above the rents offered at the selected LIHTC properties for similar unit types targeting similar income cohorts. However, it is important to point out that all comparable projects offering units targeting similar income cohorts (30%, 50% and/or 80% AMHI) are 100.0% occupied with extensive waiting lists. This indicates that these properties could likely achieve higher rents without adversely impacting their occupancy rates. The site will also be one of the only LIHTC projects in the market to offer non-subsidized units at the 30% and 80% AMHI levels, offering PBRA on eight units restricted to 30% AMHI. This is expected to create a competitive advantage for the site property, as it will be able to accommodate very low- and moderate-income renter households that are currently underserved in the market. As illustrated in Section VI, all of the subject rents represent strong

rent advantages over similar unrestricted market-rate product in this market. Further, as illustrated in Section VII, the subject project will have access to deep bases of income-qualified renter households at its proposed rent levels, regardless of whether the property operates with PBRA. Considering the preceding factors, the subject’s proposed rents are considered appropriately positioned; however, the rent levels proposed for the subject units at 80% AMHI are untested within the market, which may have a slowing impact on absorption.

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

Map I.D.	Project Name	Total Occupied Units	Number of Vouchers	Share of Vouchers
1	Ansell Gardens Apts.	78	10	12.8%
4	Belle Hall Apts.	118	18	15.3%
7	Crescent Place Apts.	154	81	52.6%
14	Hamilton Place II	56*	9	16.1%
17	Holley Pointe	50	4	8.0%
Total		456	122	26.8%

*Non-subsidized units only

There are approximately 122 Voucher holders residing at the comparable LIHTC properties within the market. This comprises 26.8% of the 456 occupied non-subsidized LIHTC units, which is considered a typical share of Voucher support. However, given that nearly 73.0% of occupied units at these properties are occupied by tenants paying the quoted rents, the gross rents currently offered within the Portsmouth market are achievable and will serve as accurate benchmarks with which to compare the subject project.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Bains Pointe	-	853	1,039
1	Ansell Gardens Apts.	-	620 - 710	-
4	Belle Hall Apts.	-	1,051	1,178
7	Crescent Place Apts.	812	1,181	1,379
14	Hamilton Place II	840	1,080	1,327
17	Holley Pointe	-	846	1,209

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Bains Pointe	-	1.5	2.0
1	Ansell Gardens Apts.	-	1.0	-
4	Belle Hall Apts.	-	2.0	2.0
7	Crescent Place Apts.	1.0	2.0	2.0
14	Hamilton Place II	1.0	2.0	2.0
17	Holley Pointe	-	1.5	2.0

The proposed development will offer unit sizes (square feet) which are generally smaller than those offered among the comparable LIHTC projects in the market and will be one of few projects without a second full bathroom within its two-bedroom units. However, given the aforementioned pent-up demand reported in the market for LIHTC units similar to those proposed for the subject project, we do not anticipate that these features will impact demand or marketability of the subject site. The subject project's unit sizes and number of bathrooms, however, have been considered in our Achievable Rent Analysis illustrated in Section VI.

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

		Tax Credit Unit Amenities by Map ID					
		Site*	1	4	7	14	17
Appliances	Dishwasher	X		X	X	X	X
	Disposal	X		X	X	X	X
	Microwave	X		X		X	X
	Range	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X
	W/D Hookup	X		X	X	X	X
	W/D			O	O		
	No Appliances						
Unit Amenities	AC-Central	X	X	X	X	X	X
	AC-Other						
	Balcony/ Patio/ Sunroom		X	X	X	X	S
	Basement						
	Ceiling Fan	X					
	Controlled Access	X					X
	E-Call System						
	Furnished						
	Walk-In Closet			X	X		
	Window Treatments	X	X	X	X	X	X
	Carpet		X	X	X	X	
Flooring	Ceramic Tile						
	Hardwood						
	Finished Concrete						
	Composite/Vinyl/Laminate	X		X	X	X	X
Upgraded	Premium Appliances						
	Premium Countertops						
	Premium Cabinetry						
	Premium Fixtures						
	High/Vaulted Ceilings						
	Oversized Windows						
Parking	Attached Garage						
	Detached Garage						
	Street Parking						
	Surface Lot	X	X	X	X	X	X
	Carport						
	Property Parking Garage						
	No Provided Parking						

◆ - Senior Property

* Proposed Site(s): Bains Pointe

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

** Details in Comparable Property Profile Report

Continued on Next Page

Tax Credit Property Amenities by Map ID

	Site*	1	4	7	14	17	
	Bike Racks / Storage	X				X	
	Computer/Business Center	X	X			X	
	Car Care **						
	Community Garden						
Community	Multipurpose Room	X	X			X	
	Chapel						
	Community Kitchen					X	
	Dining Room - Private						
	Dining Room - Public						
	Rooftop Terrace						
	Concierge Service **						
	Convenience Amenities **						
	Covered Outdoor Area **	X					
	Elevator	X					X
Laundry Room	X	X	X	X	X	X	
On-Site Management	X	X	X	X	X	X	
Pet Care **			X				
Recreation	Basketball						
	Bocce Ball						
	Firepit						
	Fitness Center	X			X	X	X
	Grilling Area						
	Game Room - Billiards						
	Walking Path						
	Hot Tub						
	Library						X
	Media Room / Theater						
	Playground	X	X	X			
	Putting Green						
	Racquetball						
	Shuffleboard						
	Swimming Pool - Indoor						
	Swimming Pool - Outdoor				X		
	Tennis						
Volleyball							
Security	CCTV	X			X	X	X
	Courtesy Officer					X	
	Security Gate						
	Social Services **	X					
	Storage - Extra						X
Common Space WiFi	X		X			X	

◆ - Senior Property

* Proposed Site(s): Bains Pointe

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

** Details in Comparable Property Profile Report

The proposed amenity package for the subject project is very competitive with those offered among the comparable general-occupancy LIHTC properties, both in terms of unit and project amenities. Notably, the subject site will offer in-unit Wi-Fi services available to all tenants. This is considered a premium amenity and will enable the subject project to achieve higher rents. The subject property does not appear to lack any key amenities that would adversely impact its marketability as a LIHTC property within the Portsmouth Site PMA. This is particularly true when considering the high occupancy rates maintained among the comparable properties and the PBRA to be provided at the subject project.

Comparable Tax Credit Summary

The five comparable general-occupancy LIHTC properties have a combined occupancy rate of 99.2%, while all comparable projects offering units targeting similar income cohorts (30%, 50% and/or 80% AMHI) are 100.0% occupied with extensive waiting lists. In fact, the newest LIHTC property in the market, Holley Pointe, is 100.0% occupied with a waiting list of 200 households and experienced a very rapid absorption rate of approximately 45 units per month from its opening. These trends illustrate that significant pent-up demand exists for additional affordable rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand. While the proposed subject gross rents will be above the rents offered at the selected LIHTC properties with similar unit types targeting similar income cohorts, the aforementioned pent-up demand at these properties indicates that they could likely achieve higher rents without adversely impacting their occupancy rates. The site will also be one of the only LIHTC projects in the market to offer non-subsidized units at the 30% and 80% AMHI levels, offering PBRA on eight units restricted to 30% AMHI. This is expected to create a competitive advantage for the site property, as it will be able to accommodate very low- and moderate-income renter households that are currently underserved in the market. Further, as illustrated later within this report, the subject units will represent strong values relative to unrestricted market-rate rents in the market, with deep bases of demographic support at the proposed rent levels. It is noteworthy, however, that the rent levels proposed for the subject units restricted to 80% AMHI are untested in this market, which may have a slowing impact on absorption. While the subject units will be generally smaller than the comparable LIHTC properties in terms of unit size (square feet) and will not offer two full bathrooms within its two-bedroom units, the aforementioned pent-up demand for LIHTC units similar to those proposed is anticipated to offset these characteristics. The subject project will also be competitive in terms of amenities offered, relative to the comparable LIHTC projects. As such, the subject project is expected to represent a substantial value to low- and moderate-income renters within the market. This has been considered in our absorption projections.

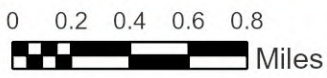
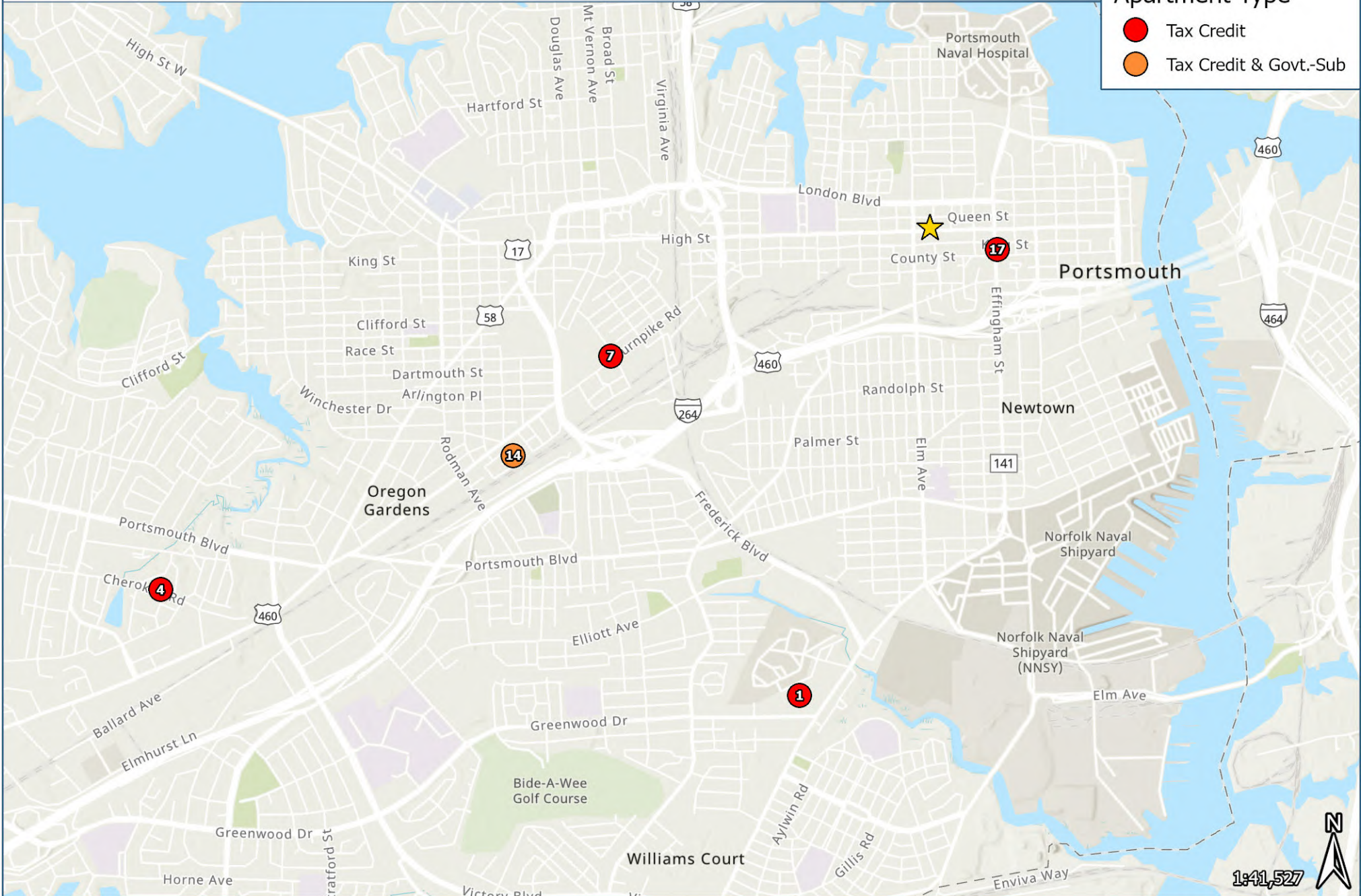
A map depicting the location of the comparable LIHTC properties in relation to the subject site is included on the following page.

★ Site

Apartment Type

● Tax Credit

● Tax Credit & Govt.-Sub



Esri, NASA, NGA, USGS, FEMA, City of Chesapeake, City of Portsmouth, VA, VGIN, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA
 Additional Source(s): Bowen National Research



C. PLANNED RENTAL DEVELOPMENT

From interviews with planning representatives that responded to our inquiries, and from extensive online research and the observations of our analyst while in the field, it was determined there are currently five rental housing projects within the development pipeline in the Site PMA. These projects are summarized in the following table:

Project Name & Address	Type	Units	Developer	Status/Details
A4 Acres at Greenwood 4358 Greenwood Drive	Market-Rate	280	A4 Development	Planned: To be built on the site of the former Bonneville Apartments built in 1960 and demolished in 2013; Mixed-use; Seven (7) four-story buildings with 56 one-bedrooms, 140 two-bedrooms, and 84 three-bedrooms; Approved in April 2021; Construction was expected to begin in early 2022 with ECD spring 2023; Project has not broken ground and construction timeline unavailable at the time of this report.
Cross Creek New Construction 2519 & 2521 Bird Lane	Tax Credit & Subsidized	78	Community Housing Partners	Planned: Allocated LIHTC 2021; Demolition and redevelopment of an existing apartment community built in 1969; Will be demolished to make way for new units; 78 units will be LIHTC at 50%, 60% and 80% of AMHI, 40 of which will be non-subsidized; ECD 2023. As of December 2022, the project is on hold indefinitely for reasons unknown.
Lexington Senior 1 Lexington Drive	Senior Tax Credit	106	TRG Community Development	Proposed: Phase II of Lexington Place Apartments, a multifamily complex completed in 2021; Complex will be one (1) three-story building with 81 one-bedroom and 25 two-bedroom units; Approved July 2022, but not allocated as of December 2022; Expected to break ground spring 2023.
Harbor Vista II 700 Crawford Street	Market-Rate	60	The Breeden Companies	Proposed: One-, two- and three-bedroom units; Construction was originally expected to begin to begin in 2021 and to be completed by 2023 but plans for the project were rejected by the city council in June 2021; Project must be revised before it can move forward; No further plans had been submitted at the time this report was issued. Representative from Harbor Vista I confirmed phase II is still planned, but no construction timeline is currently available.
N/A Columbia Street & Crawford Street	Market-Rate	1,200	A4 Development	Proposed: Proposal submitted in November 2021 for a mixed-use project involving the relocation of City Hall; Project calls for 1,200 multifamily units; Two 18-floor apartment buildings, a six-floor mid-rise luxury apartment building, a 15-floor mixed-use building, two (2) five-floor mixed-use buildings, and a 23-floor mixed-use building; No further information was available at the time of this report.

N/A – Not Available

ECD – Expected Completion Date

LIHTC – Low Income Housing Tax Credits

AMHI – Area Median Household Income

Of the five rental projects within the development pipeline, Cross Creek New Construction has received funding from the Tax Credit program and will offer general-occupancy (family) units that will likely directly compete with the subject site. While this project is currently on hold for unknown reasons, it has been considered in our demand estimates included in Section VII to avoid underestimating the competitive pipeline.

D. ANTICIPATED IMPACT ON EXISTING TAX CREDIT PROPERTIES

The anticipated occupancy rates of the existing and surveyed comparable Tax Credit developments during the first year of occupancy at the subject property are as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2025
1	Ansell Gardens Apts.	100.0%	95.0%+
4	Belle Hall Apts.	98.3%	95.0%+
7	Crescent Place Apts.	98.7%	95.0%+
14	Hamilton Place II	100.0%	95.0%+
17	Holley Pointe	100.0%	95.0%+

The comparable LIHTC properties have a combined occupancy rate of 99.2%, a very strong rate for rental housing. In fact, three of these projects are fully occupied and maintain extensive waiting lists. Among these project's is the market's newest LIHTC development, Holley Pointe, which is 100.0% occupied with a 200-household waiting list. This illustrates that significant pent-up demand exists for additional affordable rental housing similar to that proposed for the subject project within the Portsmouth Site PMA. Considering the depth of support (demand estimates) for the subject project and the existing properties, we do not anticipate the subject project having any adverse impact on future occupancy rates among existing comparable LIHTC product in the market. In fact, the subject property is expected to help alleviate a portion of the pent-up demand that exists for additional general-occupancy LIHTC product.

E. BUY VERSUS RENT ANALYSIS

According to ESRI, the median home value in the Site PMA was \$187,472. At an estimated interest rate of 5.89% and a 30-year term (and 95% LTV), the monthly mortgage for a \$187,472 home is \$1,319, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price – ESRI	\$187,472
Mortgaged Value = 95% Of Median Home Price	\$178,098
Interest Rate – Bankrate.Com	5.89%
Term	30
Monthly Principal & Interest	\$1,055
Estimated Taxes and Insurance*	\$264
Estimated Monthly Mortgage Payment:	\$1,319

* Estimated at 25% of principal and interest.

In comparison, the collected Tax Credit rents for the subject property range from \$508 to \$1,475 per month. While it is possible that some potential tenants of the subject project could afford the monthly payments required to own a home in this market, the number that could also afford the down payment, routine maintenance costs, and/or utility costs associated with such a home is considered minimal. Further, the proposed PBRA subsidy for eight of the subject units must also be considered, as the homeless/at-risk tenants of these units will effectively pay only 30% of their income towards rent, rather than the proposed rents evaluated throughout this report. Based on the preceding factors, we do not anticipate any competitive impact on or from the homebuyer market.

VI. Achievable Market Rent Analysis

A. INTRODUCTION

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

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

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

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

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

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

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

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					Studio	One-Br.	Two-Br.	Three-Br.
Site	Bains Pointe	2025	50	-	-	-	39 (-)	11 (-)
2	Ashton Village Apts.	1984 / 2013	116 + 4*	100.0%	-	23 (100.0%)	93 (100.0%)	-
3	Beacon 303 at Old Towne Apts.	1972	148	82.4%	-	45 (82.2%)	78 (82.1%)	25 (84.0%)
24	Quarters at Park View Apts.	2014	140	99.3%	6 (100.0%)	112 (99.1%)	22 (100.0%)	-
29	Sterling King Apts.	2016	113	99.1%	-	81 (98.8%)	32 (100.0%)	-
901	Harbour Breeze Lifestyle	2002	328	100.0%	-	72 (100.0%)	240 (100.0%)	16 (100.0%)

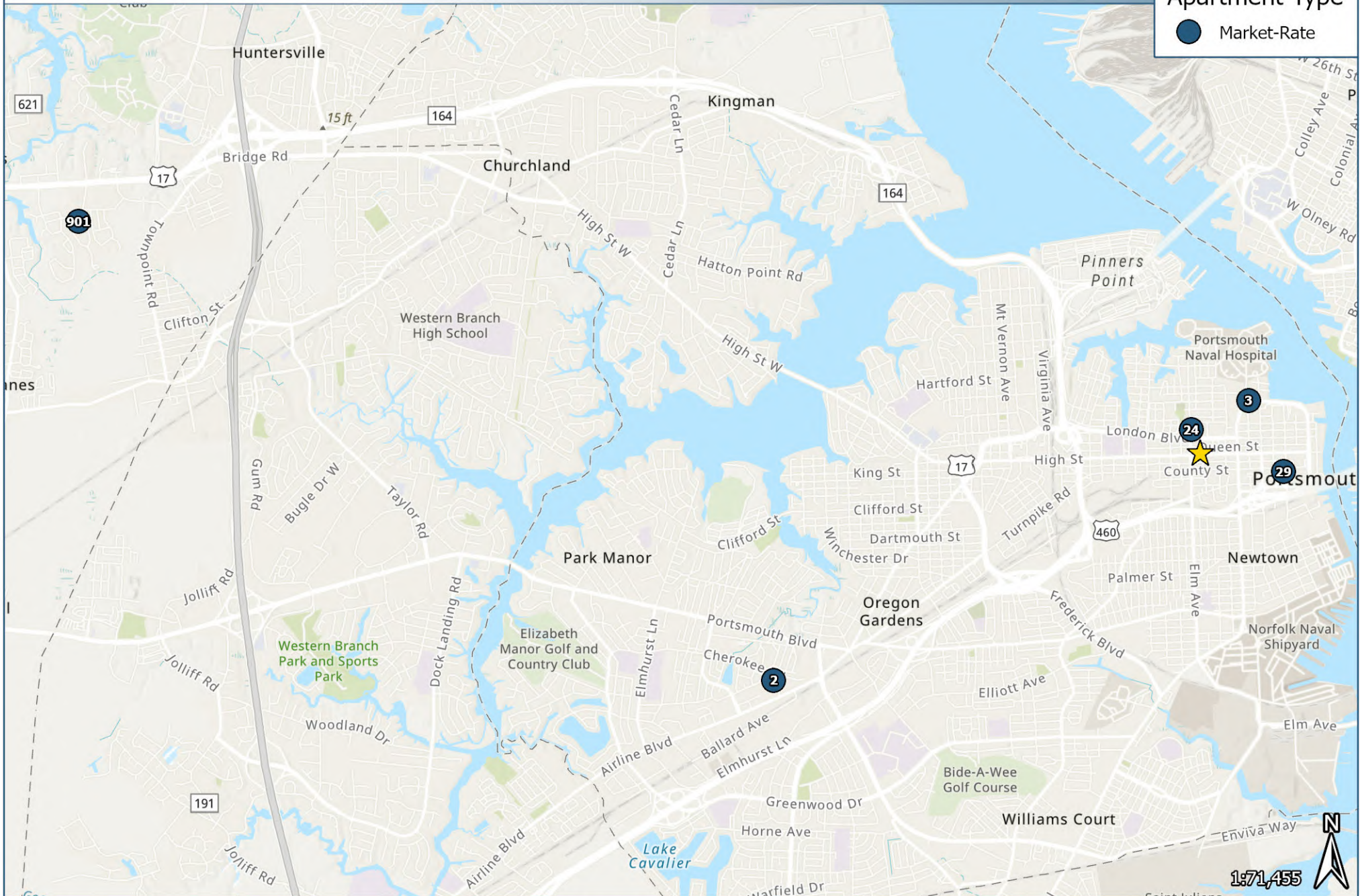
Occ. – Occupancy

Map ID 901 is located outside the Site PMA

*Units under construction

The five selected market-rate projects have a combined total of 845 units with a good overall occupancy rate of 96.7%. Notably, all but one property maintains an occupancy rate above 99.0%. As noted in Section V of this report, the 82.4% occupancy rate at Beacon 303 at Old Towne Apartments is reflective of a recent eviction sweep, with management at this property having reported a good occupancy rate of 95.3% as of February 2021. As such, the selected projects have been well received within their respective markets and will serve as accurate benchmarks with which to compare the subject project.

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



Rent Comparability Grid

Unit Type → **TWO-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Bains Pointe		Ashton Village Apts.		Beacon 303 at Old Towne Apts.		Quarters at Park View Apts.		Sterling King Apts.		Harbour Breeze Lifestyle	
1100 High Street		224 Chowan Dr		303 Effingham St		1140 London Blvd.		714 Court St.		3900 Breezeport Way	
Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Suffolk, VA	
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1	\$ Last Rent / Restricted?	\$1,565		\$1,057		\$1,744		\$1,713		\$1,651	
2	Date Surveyed	Dec-22		Dec-22		Dec-22		Dec-22		Dec-22	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		82%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,565	1.96	\$1,057	1.21	\$1,744	1.50	\$1,713	1.53	\$1,651	1.60
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/4		EE/8		EE/3,4		EE/4		WU/2,3	
7	Yr. Built/Yr. Renovated	2025	\$26	1972	\$53	2014	\$11	2016	\$9	2002	\$23
8	Condition/Street Appeal	E	\$15	G	\$15	G	\$15	G	\$15	G	\$15
9	Neighborhood	G	\$10	G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		No	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1.5	(\$15)	1	\$15	2	(\$15)	2	(\$15)	2	(\$15)
13	Unit Interior Sq. Ft.	853	\$21	872	(\$7)	1160	(\$119)	1116	(\$102)	1034	(\$70)
14	Patio/Balcony/Sunroom	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	HU/L	(\$25)	HU/L		W/D	(\$25)	W/D	(\$25)	HU/L	
19	Floor Coverings	V		C/V		C/V		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	Y	\$3	Y		Y		Y		N	\$3
22	Garbage Disposal	Y	\$5	Y		Y		Y		Y	
23	Ceiling Fan/Storage	Y/N		Y/N	\$5	Y/N		Y/N		N/N	\$5
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y		Y		Y		Y		Y	
27	Community Space	Y	\$5	Y		Y		Y		Y	
28	Pool/Recreation Areas	F	(\$10)	P/F	(\$10)	P/F/GR/MT	(\$16)	F/GR/MT	(\$6)	P/F/S	(\$13)
29	Business/Computer Center	Y	\$3	Y		Y		N	\$3	Y	
30	Grilling Area	N		N		Y	(\$3)	Y	(\$3)	Y	(\$3)
31	Playground	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/G		N/E		N/E		Y/E	(\$19)
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		Y/E	
35	Cooking (in rent?/ type)	N/E		N/G		N/E		N/E		Y/E	(\$8)
36	Hot Water (in rent?/ type)	N/E		N/G		N/E		N/E		Y/E	(\$17)
37	Other Electric	N		N		N		N		Y	(\$48)
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		Y/Y	(\$105)
39	Trash/Recycling	Y/N	\$33	N/N	\$33	Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	10	4	6	3	4	6	5	6	6	5
41	Sum Adjustments B to D	\$101	(\$55)	\$101	(\$22)	\$39	(\$183)	\$40	(\$156)	\$59	(\$106)
42	Sum Utility Adjustments	\$33		\$33							(\$197)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$79	\$189	\$112	\$156	(\$144)	\$222	(\$116)	\$196	(\$244)	\$362
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,644		\$1,169		\$1,600		\$1,597		\$1,407	
45	Adj Rent/Last rent		105%		111%		92%		93%		85%
46	Estimated Market Rent	\$1,525		\$1.79		← Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type → **THREE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Bains Pointe		Ashton Village Apts.		Beacon 303 at Old Towne Apts.		Quarters at Park View Apts.		Sterling King Apts.		Harbour Breeze Lifestyle	
1100 High Street		224 Chowan Dr		303 Effingham St		1140 London Blvd.		714 Court St.		3900 Breezeport Way	
Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Suffolk, VA	
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1	\$ Last Rent / Restricted?	\$1,565		\$1,822		\$1,744		\$1,713		\$2,037	
2	Date Surveyed	Dec-22		Dec-22		Dec-22		Dec-22		Dec-22	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		84%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,565	1.96	\$1,822	1.55	\$1,744	1.50	\$1,713	1.53	\$2,037	1.71
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/4		EE/8		EE/3,4		EE/4		WU/2,3	
7	Yr. Built/Yr. Renovated	2025	\$26	1972	\$53	2014	\$11	2016	\$9	2002	\$23
8	Condition/Street Appeal	E	\$15	G	\$15	G	\$15	G	\$15	G	\$15
9	Neighborhood	G	\$10	G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		No	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3	\$50	3		2	\$50	2	\$50	3	
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	1039	\$98	1172	(\$54)	1160	(\$49)	1116	(\$31)	1189	(\$61)
14	Patio/Balcony/Sunroom	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	HU/L	(\$25)	HU/L		W/D	(\$25)	W/D	(\$25)	HU/L	
19	Floor Coverings	V		C/V		C/V		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	Y	\$3	Y		Y		Y		N	\$3
22	Garbage Disposal	Y	\$5	Y		Y		Y		Y	
23	Ceiling Fan/Storage	Y/N		N/N	\$5	Y/N		Y/N		N/N	\$5
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y		Y		Y		Y		Y	
27	Community Space	Y	\$5	Y		Y		Y		Y	
28	Pool/Recreation Areas	F	(\$10)	P/F	(\$10)	P/F/GR/MT	(\$16)	F/GR/MT	(\$6)	P/F/S	(\$13)
29	Business/Computer Center	Y	\$3	Y		Y		N	\$3	Y	
30	Grilling Area	N		N		Y	(\$3)	Y	(\$3)	Y	(\$3)
31	Playground	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/G		N/E		N/E		Y/E	(\$22)
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		Y/E	
35	Cooking (in rent?/ type)	N/E		N/G		N/E		N/E		Y/E	(\$10)
36	Hot Water (in rent?/ type)	N/E		N/G		N/E		N/E		Y/E	(\$20)
37	Other Electric	N		N		N		N		Y	(\$60)
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		Y/Y	(\$163)
39	Trash/Recycling	Y/N	\$33	N/N	\$33	Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	11	3	5	3	5	5	6	5	6	4
41	Sum Adjustments B to D	\$228	(\$40)	\$86	(\$69)	\$89	(\$98)	\$90	(\$70)	\$59	(\$82)
42	Sum Utility Adjustments	\$33		\$33							(\$275)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$221	\$301	\$50	\$188	(\$9)	\$187	\$20	\$160	(\$298)	\$416
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,786		\$1,872		\$1,735		\$1,733		\$1,739	
45	Adj Rent/Last rent		114%		103%		99%		101%		85%
46	Estimated Market Rent	\$1,750	\$1.68 ←	Estimated Market Rent/ Sq. Ft							

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

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents for units similar to the proposed subject development are as follows:

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
Two-Br.	\$508 (30%)	\$1,525	66.7%
	\$925 (50%)		39.3%
	\$1,325 (80%)		13.1%
Three-Br.	\$578 (30%)	\$1,750	67.0%
	\$1,060 (50%)		39.4%
	\$1,475 (80%)		15.7%

Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will represent a value and have a sufficient flow of tenants. Therefore, the subject’s proposed Tax Credit rents, which represent market rent advantages of 13.1% to 67.0%, are considered appropriate and should represent substantial values within the Portsmouth market. It is also important to reiterate that the subject project will operate with Project-Based Rental Assistance (PBRA) available to the eight subject units targeting homeless/at-risk households. Thus, a portion of the units at the property will represent an even greater value than that reflected by the market rent advantages in the preceding table, as these tenants will pay only 30% of their income towards rent, rather than the proposed rents evaluated throughout this report.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

None of the selected properties offer the same amenities as the subject property. As a result, we have made adjustments to the collected rents to reflect the differences between the subject property and the selected properties. The following are explanations (preceded by the line reference number on the comparability grid table) for each rent adjustment made to each selected property.

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions.

7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1972 and 2016. As such, we have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.
8. It is anticipated that the proposed subject project will have an excellent appearance, once construction is complete. We have made adjustments for all properties that we consider to be of inferior quality compared to the subject development.
9. One of the selected properties is located in a less desirable neighborhood than the subject project. As such, we have made an adjustment to account for differences in neighborhood desirability between this project and the subject project.
10. Due to the limited supply of comparable market-rate product located within the Portsmouth Site PMA, one of the properties selected for this analysis is located in the nearby city of Suffolk, Virginia. While we recognize the Suffolk area is outside of the Portsmouth market, the property selected from this area for this analysis is believed to be an appropriate comparable market-rate property to the subject site/market, given the similarly urban/suburban nature of many of the immediately surrounding areas. The Suffolk market is considered comparable to the Portsmouth market in terms of household income, rents charged, population, and/or home values, based on American Community Survey data. Thus, out of market adjustments were not warranted for the property located outside the Portsmouth Site PMA.
11. Each of the selected market-rate properties offer two-bedroom units. However, not all of the selected properties offer three-bedroom units, similar to the subject project. As such, we have used the two-bedroom units at the selected properties and applied a positive adjustment of \$50 to reflect the inclusion of an additional defined bedroom within the subject project's three-bedroom units as compared to these comparable properties.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.

- 14.- 23. The proposed subject project will offer a unit amenity package slightly inferior to those offered at the selected properties. We have made numerous adjustments for features lacking at the subject project, and in some cases, we have made adjustments for features the subject property does offer.

- 24.-32. The proposed project will offer a comprehensive project amenities package. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.

- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the City of Portsmouth's utility cost estimates as of July 2021.

VII. Capture Rate Analysis

A. DETERMINATION OF INCOME ELIGIBILITY

The number of income-eligible households necessary to support the project from the Site PMA is an important consideration in evaluating the proposed subject project's potential.

Under the Low-Income Housing Tax Credit (LIHTC) program, household eligibility is based on household income not exceeding the targeted percentage of Area Median Household Income (AMHI), depending upon household size.

The subject site is within the Virginia Beach-Norfolk-Newport News, Virginia-North Carolina HUD Metro FMR Area, which has a median four-person household income of \$93,500 for 2022. The subject property will be restricted to households with incomes of up to 30%, 50% and 80% of AMHI, with eight of the subject units restricted to 30% of AMHI proposed to operate with Project-Based Rental Assistance (PBRA). The following table summarizes the maximum allowable income by household size and targeted AMHI levels.

Household Size	Targeted AMHI Maximum Allowable Income		
	30%	50%	80%
One-Person	\$19,650	\$32,750	\$52,400
Two-Person	\$22,440	\$37,400	\$59,840
Three-Person	\$25,260	\$42,100	\$67,360
Four-Person	\$28,050	\$46,750	\$74,800
Five-Person	\$30,300	\$50,500	\$80,800

1. Maximum Income Limits

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income at the subject site is **\$80,800**.

2. Minimum Income Requirements

Leasing industry standards typically require households to have rent-to-income ratios of 27% to 40%. Pursuant to Virginia Housing market study guidelines, the maximum rent-to-income ratio permitted for family projects is 35%, while elderly projects have a 40% rent-to-income ratio.

The lowest proposed LIHTC gross rent at the subject site is \$630. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$7,560. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement of **\$21,600**.

3. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate ranges by targeted income level are illustrated as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit w/ PBRA (Limited to 30% of AMHI)	\$0	\$30,300
Tax Credit (Limited to 30% of AMHI)	\$21,600	\$30,300
Tax Credit (Limited to 50% of AMHI)	\$35,897	\$50,500
Tax Credit (Limited to 80% of AMHI)	\$49,611	\$80,800
Overall Tax Credit w/ PBRA*	\$0	\$80,800
Overall Tax Credit*	\$21,600	\$80,800

*Excludes households earning between \$30,301 and \$35,896

B. CAPTURE RATE CALCULATIONS

Per Virginia Housing market study requirements, analysts are required to use net demand in calculating capture rates and the absorption period. Net demand is determined by subtracting the supply of vacant comparable units in the PMA, completed or pipeline, from Total Demand. Total Demand includes New Renter Household Growth and Demand from Existing Households (defined below).

The following are the demand components as outlined by Virginia Housing:

1. **Demand from New Renter Households.** *Determine demand for new units in the Primary Market Area based on projected rental household growth. This is to be determined using 2022 as the base year and projecting forward to 2025, per Virginia Housing guidelines. The projected population must be limited to the target group, age- and income-appropriate. Demand for each target group must be shown separately, as reflected in the market study requirements. In instances where a significant number of proposed units (more than 20%) are comprised on three- and four-bedroom units, the analyst must refine the analysis by factoring in the number of large households, typically four or more persons. Failure to account for this may result in overstated demand.*
2. **Demand from Existing Households:** *The sum of demand from rental household growth and demand from all components of existing households will constitute **Total Demand**. The demand components from existing households are detailed below:*
 - a) **Rent overburdened households, if any, within the age group, income groups and renters targeted for the proposed development.** *“Overburdened” is defined by Virginia Housing as households paying more than 35% of gross income (40% if elderly) for gross rent. Analysts are encouraged to be conservative in this regard.*

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25074), 44.2% of income-appropriate renter households within the market are considered to be rent overburdened.

- b) **Households in substandard housing** (*i.e. overcrowded and/or lack of plumbing: Must be age and income group appropriate. Analysts must use their knowledge of the market area and the proposed development to determine if demand from this source is realistic. Analysts are encouraged to be conservative in this regard.*

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25016), approximately 3.8% of all households within market are living in substandard housing. Considering the targeted low-income tenant base, this estimate is considered appropriate for the area.

- c) **Elderly Homeowners likely to convert to rental housing:** *This component may not comprise more than 20% of total demand. The analyst must provide a narrative describing how these numbers were derived. Analysts are encouraged to be conservative in this regard.*

Not applicable; subject site is general-occupancy.

- d) **Existing qualifying tenants likely to remain after renovations:** *This component of demand applies only to existing developments undergoing rehabilitations.*

The sum of demand from rental household growth and demand from all components of existing households will constitute total demand.

C. DEMAND/CAPTURE RATE CALCULATIONS

As discussed in *Section V*, we identified and surveyed five comparable LIHTC projects in the Site PMA, three of which are considered directly competitive with the site based on targeted AMHI cohorts. Among these projects, there are no directly comparable (similar bedroom type and targeted income level) vacant units. The unit breakdowns of these existing Tax Credit units are illustrated in the table on the following page. Also note that there are 40 directly comparable non-subsidized general-occupancy Tax Credit units in the development pipeline, which have been considered.

Map I.D.	Project Name	Year Built / Renovated	LIHTC Units	Directly Comparable LIHTC Units* at Targeted AMHI (Vacant Units)		
				30% AMHI	50% AMHI	80% AMHI
1	Ansell Gardens Apts.	1969/2003	78	-	40 (0)	-
14	Hamilton Place II	2012	56**	-	43 (0)	-
17	Holley Pointe	2022	50	5 (0)	15 (0)	15 (0)
P/P	Cross Creek New Construction	2024	40**^	-	10	-

*Directly comparable units are those that are of similar bedroom type and targeted income level as the subject site

**Non-subsidized Tax Credit units only

^Units in pipeline

P/P – Planned/Proposed

The directly comparable non-subsidized LIHTC units within the development pipeline have been subtracted from the total demand in the following analysis to determine the net demand. The following is a summary of our demand calculations for the subject project, both with and without PBRA.

As-Proposed (With PBRA)					
Demand Component	30% AMHI/ PBRA (\$0-\$30,300)	30% AMHI (\$21,600- \$30,300)	50% AMHI (\$35,897- \$50,500)	80% AMHI (\$49,611- \$80,800)	Overall* (\$0-\$80,800)
Demand from New Rental Households (Income-Appropriate)	5,340 - 5,751 = -411	1,251 - 1,320 = -69	2,889 - 2,949 = -60	2,428 - 2,354 = 74	10,538 - 10,934 = -396
+					
Demand from Existing Households (Rent Overburdened)	5,751 X 44.2% = 2,541	1,320 X 44.2% = 583	2,949 X 44.2% = 1,303	2,354 X 44.2% = 1,040	10,963 X 44.2% = 4,833
+					
Demand from Existing Households (Renters in Substandard Housing)	5,751 X 3.8% = 220	1,320 X 3.8% = 50	2,949 X 3.8% = 113	2,354 X 3.8% = 90	10,963 X 3.8% = 415
+					
Demand from Existing Households (Elderly Homeowner Conversion)	N/A				
+					
Existing Qualifying Tenants to Remain After Renovation	N/A				
=					
Total Demand	2,350	564	1,356	1,204	4,852
-					
Supply (Directly Comparable Vacant Units Completed or in the Pipeline)	0	0	10	0	10
=					
Net Demand	2,350	564	1,346	1,204	4,842
Proposed Units	8	4	12	26	50
Proposed Units / Net Demand	8 / 2,350	4 / 564	12 / 1,346	26 / 1,204	50 / 4,842
Capture Rate	= 0.3%	= 0.7%	= 0.9%	= 2.2%	= 1.0%
Total Absorption Period	< 1 Month	< 1 Month	< 1 Month	3 Months	4 Months

*Excludes households earning between \$30,301 and \$35,896

N/A-Not Applicable

LIHTC Only (Without PBRA)				
Demand Component	30% AMHI (\$21,600-\$30,300)	50% AMHI (\$35,897-\$50,500)	80% AMHI (\$49,611-\$80,800)	Overall LIHTC* (\$21,600-\$80,800)
Demand from New Rental Households (Income-Appropriate)	1,251 - 1,320 = -69	2,889 - 2,949 = -60	2,428 - 2,354 = 74	6,450 - 6,504 = -54
+				
Demand from Existing Households (Rent Overburdened)	1,320 X 44.2% = 583	2,949 X 44.2% = 1,303	2,354 X 44.2% = 1,040	6,504 X 44.2% = 2,875
+				
Demand from Existing Households (Renters in Substandard Housing)	1,320 X 3.8% = 50	2,949 X 3.8% = 113	2,354 X 3.8% = 90	6,504 X 3.8% = 247
+				
Demand from Existing Households (Elderly Homeowner Conversion)	N/A			
+				
Existing Qualifying Tenants to Remain After Renovation	N/A			
=				
Total Demand	564	1,356	1,204	3,068
-				
Supply (Directly Comparable Vacant Units Completed or in the Pipeline)	0	10	0	10
=				
Net Demand	564	1,346	1,204	3,058
Proposed Units	12	12	26	50
Proposed Units / Net Demand	12 / 564	12 / 1,346	26 / 1,204	50 / 3,058
Capture Rate	= 2.1%	= 0.9%	= 2.2%	= 1.6%
Total Absorption Period	1 Month	< 1 Month	3 Months	4 Months

*Excludes households earning between \$30,301 and \$35,896

N/A-Not Applicable

Regardless of if the property operates as proposed with a subsidy on select units or exclusively under the LIHTC program, capture rates are low, as none exceed 2.2%. This illustrates that a substantial base of demographic support will exist for the subject development.

Homeless Capture Rate

Of the 50 total units at the subject project, eight will specifically target homeless, formerly homeless and at-risk of being homeless individuals.

Traditional demand calculations, including those required by Virginia Housing, essentially consider demand components such as renter household growth, renters living in substandard housing (i.e. overcrowded housing or housing lacking complete plumbing facilities) and rent overburdened households. These demand components are to be calculated based on income eligibility. Since specific data of homeless households by income level is not available through the U.S. Census, we have used state and local Point-in-Time homeless surveys and other data collection processes to attempt to quantify the number of homeless individuals who may respond to the proposed subject development.

The VA-507 Portsmouth Continuum of Care (CoC) conducted a Point-in-Time survey of homeless individuals in the CoC. The most recent Point-in-Time survey, completed in late January 2022, identified 120 persons as homeless. It is important to note that this is a conservative count, as not all homeless individuals are identified within the 24-hour survey period.

As the proposed subject development will also target individuals that are at-risk of becoming homeless, we must also consider this portion of the targeted demographic. Therefore, we have calculated a second homeless household capture rate that includes the number of homeless individuals from the aforementioned Point-in-Time survey combined with the number of individuals considered to be at-risk of becoming homeless. It is reasonable to conclude that households with incomes below the poverty line will be the most at-risk of becoming homeless. According to Table S1701 (American Community Survey 2017-2021 5-year estimates) there were an estimated 11,249 individuals age 18 or older within the city of Portsmouth that had incomes below the poverty line. This figure accounts for 11.9% of the entire population within the city of Portsmouth. Applying the 11.9% ratio to the projected population in 2025 within the Site PMA yields approximately 8,554 persons considered to be at-risk of homelessness. Assuming no more than 1.0% (86) of the at-risk population actually becomes homeless within a given year, we have applied these persons to the potential demand numbers.

Based on the preceding analysis, we have provided two homeless capture rates, the first considers Point-in-Time survey data only, while the second considers Point-in-Time and at-risk of homelessness data combined. Calculations for each capture rate are summarized as follows:

	Homeless Capture Rates	
	Scenario One	Scenario Two
	Point-in-Time Homeless Survey	Point-in-Time and At-Risk of Homelessness
Designated Units	8	8
Eligible Persons	/ 120	/ 206
Capture Rate	= 6.7%	= 3.9%

Considering the nature of homelessness, capture rates up to and even beyond 100% are considered achievable. Therefore, the capture rates of 3.9% and 6.7% provided above are considered to be low and illustrate the demand for such housing.

D. PENETRATION RATE CALCULATIONS

The 1,275 existing and planned non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned non-subsidized Tax Credit units is \$18,754 to \$80,800. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, there will be an estimated 7,710 renter households with eligible incomes in 2025. The 1,325 existing, planned and proposed subject Tax Credit units represent a penetration rate of 17.2% of the 7,710 income-eligible renter households, which is summarized in the following table.

	Market Penetration
Number of LIHTC Units (Planned, Proposed Subject and Existing)	1,325
Income-Eligible Renter Households – 2025	/ 7,710
Overall Market Penetration Rate	= 17.2%

It is our opinion that the 17.2% penetration rate for the LIHTC units, existing, planned and proposed subject, is low and achievable.

E. SUPPORT FROM HOUSING CHOICE VOUCHER HOLDERS

Despite numerous attempts, we were unable to receive a response from the Portsmouth Redevelopment and Housing Authority regarding information on their Housing Choice Voucher (HCV) program at the time this report was issued.

If the rents do not exceed the payment standards established by the local housing authority, households with Housing Choice Vouchers may be willing to reside at a LIHTC project. Established by the Portsmouth Redevelopment and Housing Authority, the local payment standards, as well as the proposed subject gross rents, are summarized in the following table:

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (AMHI)
Two-Bedroom	\$1,461	\$630 (30%)
		\$1,047 (50%)
		\$1,447 (80%)
Three-Bedroom	\$2,042	\$728 (30%)
		\$1,210 (50%)
		\$1,625 (80%)

As the preceding table illustrates, all of the proposed LIHTC gross rents are below the local payment standards. As such, the subject project will be able to rely on support from Housing Choice Voucher holders. This will increase the demographic base of potential support for the proposed development and has been considered in our absorption projections.

F. ABSORPTION PROJECTIONS

Considering the facts contained in the market study, as well as the preceding factors, and comparing them with the lease-up trends of other projects with similar characteristics in the Site PMA and other markets, we are able to establish absorption projections for the proposed subject development. It is our opinion that the 50 proposed LIHTC units at the subject site will reach a stabilized occupancy of 95.0% in less than four months of opening. This absorption rate is based on an average monthly absorption rate of 14 to 15 units per month. Note that these absorption projections assume the proposed project will operate with a subsidy available to eight of the subject units. In the unlikely scenario the subject project did not operate with a subsidy available to these units, the proposed project will likely experience a slightly longer absorption period of up to four full months, which is reflective of an absorption rate of approximately 12 units per month.

These absorption projections assume a June 2025 opening date. A different opening date may have a slowing or hastening impact on the subject's initial absorption potential. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, unit design, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development receives.

VIII. Local Perspective (Interviews)

We conducted numerous interviews with local sources familiar with the Portsmouth area and the housing, economic and/or demographic characteristics that impact the need for affordable housing. These include, but are not limited to, interviews with local planning and building department representatives, local chamber of commerce and/or economic development officials, local real estate professionals and/or apartment managers. Summaries of key interviews regarding the need for affordable rental housing within the area follow:

- Julie Chop is the Principal Planner for the City of Portsmouth. Ms. Chop stated that, according to the Portsmouth Citywide Strategic Housing Plan (SHP) from June 2020, there is a need for more family-oriented affordable housing in the Portsmouth area. According to the SHP, a large share of households earning below \$50,000 annually are either cost-burdened and/or extremely cost-burdened. The SHP also notes that while the Portsmouth Redevelopment and Housing Authority has managed to build and/or rebuild a total of 500 low-income rental units in recent years, there is still a need for more units – particularly for good-quality/newer units. Ms. Chop added that affordable housing demand is expected to increase as the area recovers from pandemic-related economic challenges.
- Sheila Parker is the Director of Property Management for Virginia Supportive Housing. Ms. Parker stated that there is a need for more affordable housing for families in Portsmouth. Ms. Parker noted that the demand for affordable housing is not limited to just the Portsmouth market, as there is high demand for affordable housing throughout the state of Virginia.
- Lyric Thourogood is the Property Manager for Ansell Gardens, a Tax Credit property in Portsmouth. Ms. Thourogood stated that there is a need for more affordable housing in the Portsmouth area, noting that her property receives calls on a daily basis from area residents looking for affordable apartments. Ms. Thourogood indicated that her property maintains an extensive waiting list of 50 households and estimated that her property has had not had any vacancies for over a year. Ms. Thourogood noted that demand for affordable housing in the area has increased in the post-pandemic economy, as many tenants that had been relying on rental assistance programs during the height of the COVID-19 pandemic are now facing evictions.
- Kennedy Williamson is the Assistant Property Manager for Phoebus Square and King’s Square Apartments, two Tax Credit and government-subsidized properties in the Site PMA. Ms. Williamson confirmed the need for affordable housing in the Portsmouth area, noting that demand is always high for her properties (as evidenced by the shared waitlist of over one year between both properties).

IX. Analysis & Conclusions

Based on the findings of this report, a market exists for the subject property and the project is considered marketable as proposed.

The subject project involves the new construction of the 50-unit Bains Pointe rental community at 1100 High Street in Portsmouth, Virginia. The project will target family (general-occupancy) households earning up to 30%, 50% and 80% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Additionally, eight of the subject units restricted to 30% of AMHI will receive Project-Based Rental Assistance (PBRA) targeting households which are homeless or at-risk of becoming homeless. While the subject site neighborhood contains commercial structures in poor condition, nearby residential structures are highly occupied and well-kept. Development of the proposed project is also expected to contribute to ongoing redevelopment efforts in the site neighborhood. The proposed site is also within proximity of numerous community services, as well as public transportation.

The subject property will offer units which will operate under the Tax Credit program, a product type that is clearly in high demand given the 100.0% occupancy rates and waiting lists maintained among many of the existing Tax Credit properties surveyed. The subject's gross rents will be above the rents offered at the comparable LIHTC properties with similar unit types targeting similar income cohorts, and the subject project will offer units that are generally smaller in terms of unit size (square feet). However, the pent-up demand reported among most LIHTC projects in the market indicates that these projects could likely achieve higher rents without adversely impacting their occupancy rates. The site will also be one of the only LIHTC projects in the market to offer non-subsidized units at the 30% and 80% AMHI levels, offering PBRA on eight units restricted to 30% AMHI. This is expected to create a competitive advantage for the site property, as it will be able to accommodate very low- and moderate-income renter households that are currently underserved in the market. As such, the subject's proposed rents are considered appropriate; however, the rent levels proposed for the subject units restricted to 80% AMHI are untested in this market, which may have a slowing impact on absorption.

The overall population and household bases within the market are projected to increase between 2022 and 2027, with over 79.0% of all renter households projected to earn below \$75,000 in 2027. The subject's overall capture rates of 1.0% (with PBRA) and 1.6% (without PBRA) are considered very low and further demonstrates a deep base of potential support for the subject project. Additionally, the eight proposed units restricted to homeless/at-risk households have low capture rates ranging from 3.9% to 6.7% within the Portsmouth Continuum of Care (CoC).

Considering the preceding factors and additional information contained within this report, the subject property is expected to help alleviate a portion of the pent-up demand for additional general-occupancy Tax Credit product in the market. The subject project is not expected to have any adverse impact on future occupancy rates among the existing comparable Tax Credit properties in the Portsmouth Site PMA. The subject property is considered competitive and marketable as proposed. We have no recommendations or modifications to the subject project at this time.

X.

SITE PHOTOGRAPHS

Bains Pointe



View of site from the north



View of site from the northeast



View of site from the east



View of site from the southeast



View of site from the south



View of site from the southwest

Bains Pointe



View of site from the west



View of site from the northwest



North view from site



Northeast view from site



East view from site

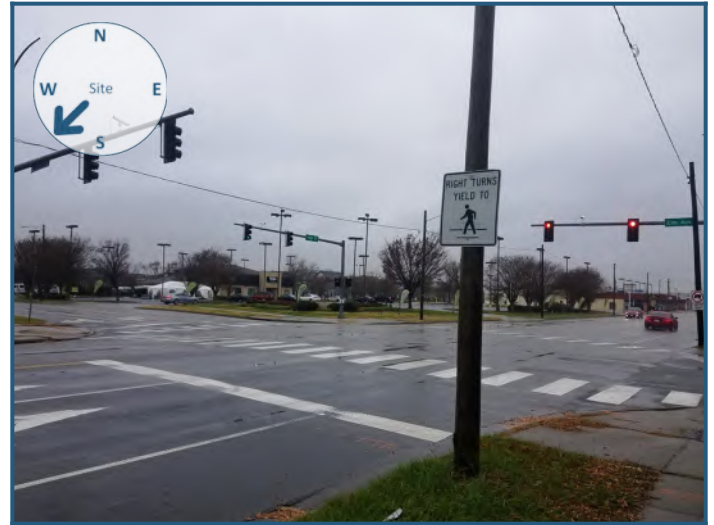


Southeast view from site

Bains Pointe



South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: North view of Elm Avenue



Streetscape: South view of Elm Avenue

Bains Pointe



Streetscape: East view of Queen Street



Streetscape: West view of Queen Street



Streetscape: North view of Primrose Street



Streetscape: South view of Primrose Street



Streetscape: West view of High Street



Streetscape: East view of High Street

XI.

COMPARABLE
PROPERTY PROFILES

1 Ansell Gardens Apts. 2.3 miles to site



Address: 301 Ansell Ave, Portsmouth, VA 23702
 Phone: (757) 397-6161 Contact: Lyric (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 78 Year Built: 1969
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated: 2003
 Turnover: Stories: 2
 Waitlist: 50 HH
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: City of Portsmouth

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

Unit Amenities: Range; Refrigerator; Central AC; Window Treatments; Flooring (Carpet)

Property Amenities: Multipurpose Room, Clubhouse/Community Room; Laundry Room; On-Site Management; Recreation Areas (Playground)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1	G	26	0	620	\$1.30	\$805	50%
2	1	G	12	0	710	\$1.13	\$805	50%
2	1	G	28	0	620	\$1.30	\$805	60%
2	1	G	12	0	710	\$1.13	\$805	60%

*Adaptive Reuse

*DTS is based on drive time

2 Ashton Village Apts. 4.1 miles to site



Address: 224 Chowan Dr, Portsmouth, VA 23701
 Phone: (757) 465-2875 Contact: Danielle (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 116 Year Built: 1984 Ratings
 Vacant Units: 0 *AR Year: Quality: B
 Occupancy: 100.0% Yr Renovated: 2013 Neighborhood: C
 Turnover: Stories: 2,2.5 Access/Visibility: A/B
 Waitlist: 10 HH
 Rent Special: None

Notes: 4 units under renovation



Features And Utilities

Utility Schedule Provided by: City of Portsmouth

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate); Premium Appliances; Premium Countertops; Premium Cabinetry

Property Amenities: Cafe / Coffee Bar; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Outdoor Swimming Pool); CCTV, Courtesy Officer; Extra Storage; WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	23	0	675	\$1.95	\$1,314	Market
2	1.5	G	32	0	750	\$1.69	\$1,270	Market
2	2	G	61	0	800	\$1.96	\$1,565	Market

*Adaptive Reuse

*DTS is based on drive time

3 Beacon 303 at Old Towne Apts. 0.7 miles to site



Address: 303 Effingham St, Portsmouth, VA 23704
 Phone: (757) 972-7978 Contact: Faith (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 148 Year Built: 1972
 Vacant Units: 26 *AR Year:
 Occupancy: 82.4% Yr Renovated:
 Turnover: Stories: 8 (w/Elev)
 Waitlist: None
 Rent Special: None

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

Notes:



Features And Utilities

Utility Schedule Provided by: City of Portsmouth

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Controlled Access; W/D Hookup; W/D; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Business Center (Computer/Business Center); Multipurpose Room, Clubhouse/Community Room; Cafe / Coffee Bar; Elevator; Laundry Room; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Outdoor Swimming Pool); CCTV, Courtesy Officer; Extra Storage; WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	45	8	604	\$1.81 - \$2.10	\$1,095 - \$1,266	Market
2	1	G	78	14	872 - 879	\$1.21 - \$1.53	\$1,057 - \$1,348	Market
3	2	G	25	4	1,172	\$1.49 - \$1.62	\$1,744 - \$1,899	Market

*Adaptive Reuse

*DTS is based on drive time

4 Belle Hall Apts 4.2 miles to site



Address: 159 Cheyenne Trl., Portsmouth, VA 23701
 Phone: (757) 488-1411 Contact: Renee (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 120 Year Built: 2008
 Vacant Units: 2 *AR Year:
 Occupancy: 98.3% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist: None
 Rent Special: None

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

Notes: Tax Credit;



Features And Utilities

Utility Schedule Provided by: City of Portsmouth
 Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Microwave; Range; Refrigerator; Central AC; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Business Center (Computer/Business Center); Laundry Room; On-Site Management; Dog Park/Pet Care; Recreation Areas (Playground); WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	76	1	1,051	\$1.05	\$1,106	60%
3	2	G	44	1	1,178	\$1.08	\$1,271	60%

*Adaptive Reuse

*DTS is based on drive time

7 Crescent Place Apts. 1.6 miles to site



Address: 2804 Turnpike Rd, Portsmouth, VA 23707
 Phone: (757) 673-3962 Contact: Maria (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 156 Year Built: 2008
 Vacant Units: 2 *AR Year:
 Occupancy: 98.7% Yr Renovated:
 Turnover: Stories: 3,4
 Waitlist: None
 Rent Special: None

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

Notes: Tax Credit;



Features And Utilities

Utility Schedule Provided by: City of Portsmouth

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

Unit Amenities: Dishwasher; Disposal; Icemaker; Range; Refrigerator; Central AC; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Outdoor Swimming Pool); CCTV

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	16	1	812	\$1.21	\$981	60%
2	2	G	104	1	1,181	\$0.99	\$1,172	60%
3	2	G	36	0	1,379	\$0.98	\$1,349	60%

*Adaptive Reuse

*DTS is based on drive time

14 Hamilton Place II 2.3 miles to site



Address: 3401 Turnpike Rd., Portsmouth, VA 23701
 Phone: (757) 391-2918 Contact: Victoria (By Phone)
 Property Type: Tax Credit, Government Subsidized
 Target Population: Family
 Total Units: 84 Year Built: 2012
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3
 Waitlist: Shared with phase I; 84 mos
 Rent Special: None

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

Notes: Tax Credit (56 units); HUD Section 8 & Tax Credit (28 units)



Features And Utilities

Utility Schedule Provided by: City of Portsmouth
 Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Microwave; Range; Refrigerator; Central AC; W/D Hookup; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Laundry Room; On-Site Management; Recreation Areas (Fitness Center); CCTV, Courtesy Officer; Water Feature

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	1	0	840	Subsidized	Subsidized	Subsidized
1	1	G	7	0	840	\$0.82	\$685	50%
1	1	G	3	0	840	Subsidized	Subsidized	Subsidized
1	1	G	1	0	840	\$1.00	\$843	60%
2	2	G	7	0	1,080	Subsidized	Subsidized	Subsidized
2	2	G	35	0	1,080	\$0.75	\$806	50%
2	2	G	14	0	1,080	Subsidized	Subsidized	Subsidized
2	2	G	4	0	1,080	\$0.86	\$924	60%
3	2	G	1	0	1,327	Subsidized	Subsidized	Subsidized
3	2	G	8	0	1,327	\$0.67	\$887	50%
3	2	G	2	0	1,327	Subsidized	Subsidized	Subsidized

*Adaptive Reuse

*DTS is based on drive time

14 Unit Configuration- cont.								
Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
3	2	G	1	0	1,327	\$0.78	\$1,031	60%

17 **Holley Pointe** 0.3 miles to site



Address: 818 County St, Portsmouth, VA 23704
 Phone: (757) 323-498 Contact: Wanda (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 50 Year Built: 2022
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 4 (w/Elev)
 Waitlist: 200 HH
 Rent Special: None

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

Notes: Tax Credit; Preleasing 7/2021; 1st units opened 07/2022; 90% occupied 08/2022



Features And Utilities

Utility Schedule Provided by: City of Portsmouth
 Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Microwave; Range; Refrigerator; Central AC; Controlled Access; W/D Hookup; Window Treatments; Flooring (Composite/Vinyl/Laminate)

Property Amenities: Bike Racks / Storage; Business Center (Computer/Business Center); Multipurpose Room, Community Kitchen, Clubhouse/Community Room; Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Library); CCTV; Extra Storage; WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1.5	G	4	0	846	\$0.41	\$350	30%
2	1.5	G	4	0	846	\$0.63	\$533	40%
2	1.5	G	12	0	846	\$0.84	\$710	50%
2	1.5	G	8	0	846	\$1.06	\$900	70%
2	1.5	G	12	0	846	\$1.18	\$1,000	80%
3	2	G	1	0	1,209	\$0.30	\$365	30%
3	2	G	1	0	1,209	\$0.50	\$610	40%
3	2	G	3	0	1,209	\$0.64	\$777	50%
3	2	G	2	0	1,209	\$0.87	\$1,050	70%
3	2	G	3	0	1,209	\$0.94	\$1,135	80%

*Adaptive Reuse

*DTS is based on drive time

24 Quarters at Park View Apts. 0.3 miles to site



Address: 1140 London Blvd., Portsmouth, VA 23704
 Phone: (757) 673-7500 Contact: Kennal (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 140 Year Built: 2014 Ratings
 Vacant Units: 1 *AR Year: Quality: B
 Occupancy: 99.3% Yr Renovated: Neighborhood: B
 Turnover: Stories: 3,4 (w/Elev) Access/Visibility: B+/B+
 Waitlist: None
 Rent Special: None



Notes: Rent range due to floorplan

Features And Utilities

Utility Schedule Provided by: City of Portsmouth
 Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; Controlled Access; Security System; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate); Premium Appliances; Premium Countertops; High/Vaulted Ceilings

Property Amenities: Bike Racks / Storage; Business Center (Computer/Business Center); Common Patio; Clubhouse/Community Room; Cafe / Coffee Bar; Elevator; On-Site Management; Dog Park/Pet Care; Recreation Areas (Firepit, Fitness Center, Grilling Area, Game Room-Billiards, Media Room / Theater, Outdoor Swimming Pool); Courtesy Officer; WiFi

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	6	0	516	\$2.28 - \$2.38	\$1,176 - \$1,230	Market
1	1	G	112	1	562 - 1,044	\$2.42 - \$1.65	\$1,358 - \$1,718	Market
2	2	G	22	0	1,160	\$1.50	\$1,744	Market

*Adaptive Reuse

*DTS is based on drive time

29 Sterling King Apts. 0.7 miles to site



Address: 714 Court St., Portsmouth, VA 23704
 Phone: (757) 399-0058 Contact: Melissa (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 113 Year Built: 2016
 Vacant Units: 1 *AR Year:
 Occupancy: 99.1% Yr Renovated:
 Turnover: Stories: 4 (w/Elev)
 Waitlist: Yes
 Rent Special: None

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

Notes: Rent range based on floorplan



Features And Utilities

Utility Schedule Provided by: City of Portsmouth
 Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; Controlled Access; W/D Hookup; W/D; Walk-In Closet;
 Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate); Premium Appliances; Premium Countertops; Oversized Windows

Property Amenities: Bike Racks / Storage; Community Kitchen, Clubhouse/Community Room; Cafe / Coffee Bar; Pavilion/Gazebo; Elevator; On-Site Management;
 Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Game Room-Billiards, Media Room / Theater, Shuffleboard); CCTV, Courtesy Officer; WiFi

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	81	1	623 - 864	\$2.22 - \$1.79	\$1,383 - \$1,550	Market
2	2	G	32	0	1,116	\$1.53	\$1,713	Market

*Adaptive Reuse

*DTS is based on drive time

901 Harbour Breeze Lifestyle 9.9 miles to site



Address: 3900 Breezeport Way, Suffolk, VA 23435
 Phone: (757) 686-2300 Contact: Miasia (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 328 Year Built: 2002
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist: 10 HH
 Rent Special: None

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

Notes:



Features And Utilities

Utility Schedule Provided by: City of Portsmouth
 Utility Type & Responsibility: Landlord pays Electric, Heat (Electric), Hot Water (Electric), Cooking (Electric), Water, Sewer, Trash, Cable, Internet

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate); Premium Appliances; Premium Countertops

Property Amenities: Bike Racks / Storage; Business Center (Computer/Business Center); Car Care (Car Wash Area); Multipurpose Room, Community Kitchen, Clubhouse/Community Room; Cafe / Coffee Bar; Pavilion/Gazebo; Laundry Room; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Outdoor Swimming Pool, Volleyball); CCTV; Extra Storage; Water Feature; WiFi

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	72	0	787	\$1.55 - \$1.60	\$1,450 - \$1,490	Market
2	2	G	240	0	1,034 - 1,074	\$1.32 - \$1.30	\$1,651 - \$1,691	Market
3	2	G	16	0	1,189	\$1.41 - \$1.45	\$2,017 - \$2,057	Market

*Adaptive Reuse

*DTS is based on drive time

XII.

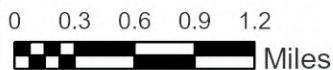
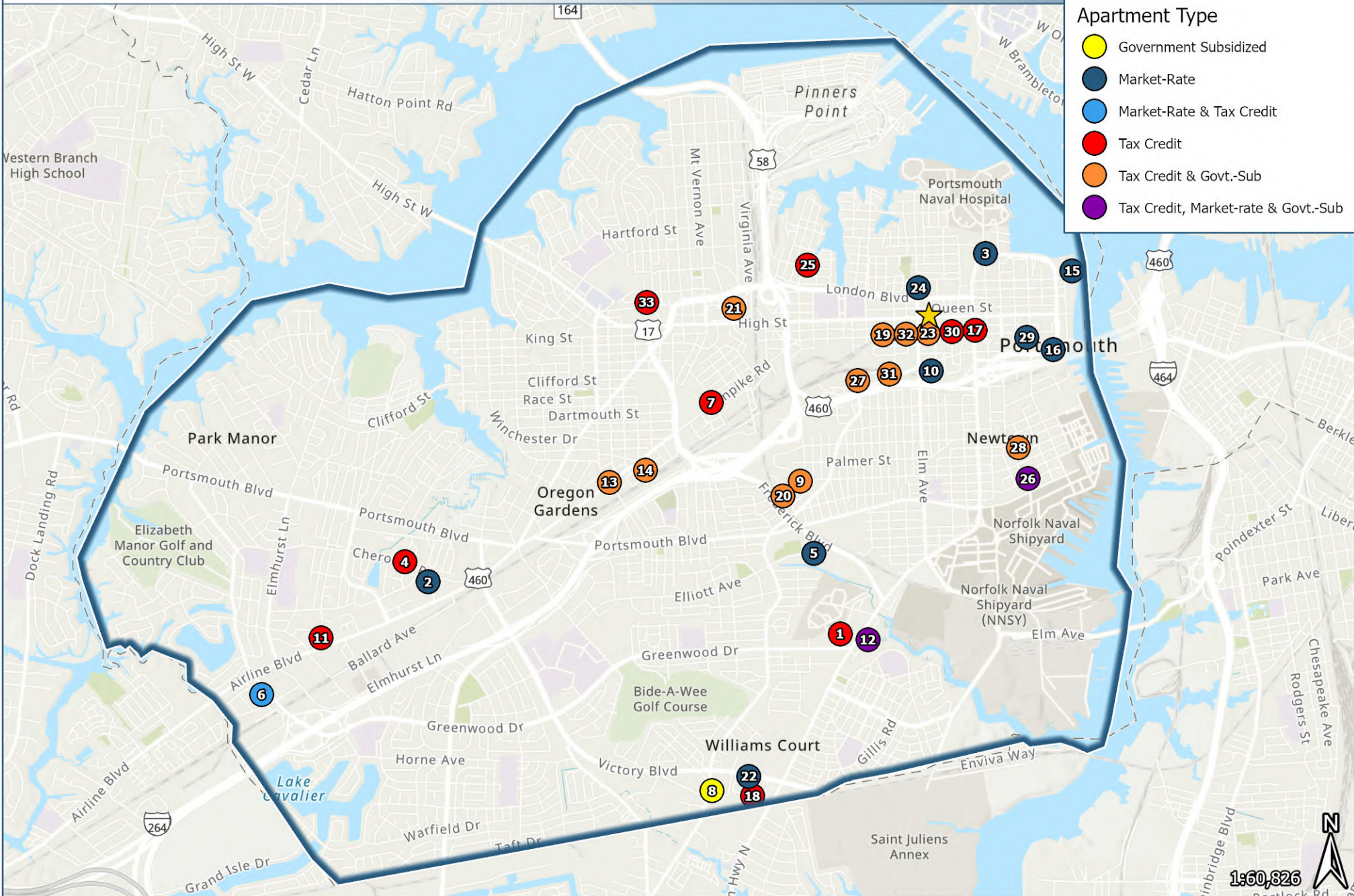
FIELD SURVEY OF CONVENTIONAL RENTALS

★ Site

— PMA

Apartment Type

- Government Subsidized
- Market-Rate
- Market-Rate & Tax Credit
- Tax Credit
- Tax Credit & Govt.-Sub
- Tax Credit, Market-rate & Govt.-Sub




Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Ansell Gardens Apts.	TAX	C+	1969	78	0	100.0%	2.3
✓ 2	Ashton Village Apts.	MRR	B	1984	116	0	100.0%	4.1
✓ 3	Beacon 303 at Old Towne Apts.	MRR	B+	1972	148	26	82.4%	0.7
✓ 4	Belle Hall Apts	TAX	B+	2008	120	2	98.3%	4.2
5	Biltmore Commons Apts.	MRR	B	1989	89	0	100.0%	2.2
◆ 6	Commons at Greenwood Apts.	MRT	B	1995	52	0	100.0%	5.3
✓ 7	Crescent Place Apts.	TAX	B	2008	156	2	98.7%	1.6
8	Cross Creek Apts.	GSS	C	1969	102	0	100.0%	3.6
9	Dale Homes	TGS	C	1940	279	0	100.0%	1.5
10	Ebenezer Plaza Apts.	MRR	B-	1969	52	0	100.0%	0.5
11	Grand at Mallard Manor	TAX	B	1975	160	10	93.8%	5.9
12	Grand at New Port	TMG	B	1942	215	0	100.0%	2.1
13	Hamilton Place I	TGS	B	2010	84	0	100.0%	2.3
✓ 14	Hamilton Place II	TGS	B	2012	84	0	100.0%	2.3
15	Harbor Towers Apts.	MRR	B	1983	188	0	100.0%	1.3
16	Harbor Vista at Crawford Street I	MRR	A+	2016	134	1	99.3%	1.0
✓ 17	Holley Pointe	TAX	B+	2022	50	0	100.0%	0.3
18	Independence Square Apts.	TAX	B	1985	152	3	98.0%	3.3
19	King Square Apts.	TGS	A	2007	57	0	100.0%	0.3
20	Lexington Place Apts. I	TGS	B+	2020	72	0	100.0%	1.7
21	London Oaks Apts.	TGS	B	1977	296	0	100.0%	1.4
22	Newport Landing Apts.	MRR	B	1943	250	62	75.2%	3.6
◆ 23	Phoebus Square Apts.	TGS	A	2010	122	0	100.0%	0.3
✓ 24	Quarters at Park View Apts.	MRR	B	2014	140	1	99.3%	0.3
◆ 25	Shea Terrace Senior Apts.	TAX	B-	1925	21	0	100.0%	1.2
◆ 26	Silver Tree Seniors of Portsmouth	TMG	B	1979	178	0	100.0%	1.9
27	South Bay Apts.	TGS	A	2010	60	0	100.0%	0.7
28	Southside Gardens Apts.	TGS	B	1985	134	0	100.0%	1.3
✓ 29	Sterling King Apts.	MRR	B+	2016	113	1	99.1%	0.7
◆ 30	Victory Square Senior Apts.	TAX	B	2004	112	0	100.0%	0.3
31	Westbury Cottages	TGS	B+	2015	16	0	100.0%	0.6
32	Westbury Holley Square Apts.	TGS	A	2006	59	0	100.0%	0.3
33	Whispering Oaks Apts.	TAX	B	1970	180	0	100.0%	1.8
✓ 901	Harbour Breeze Lifestyle	MRR	B+	2002	328	0	100.0%	9.9


*Drive distance in miles

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




1	Ansell Gardens Apts. 301 Ansell Ave, Portsmouth, VA 23702	Contact: Lyric Phone: (757) 397-6161			
		Total Units: 78 UC: 0 BR: 2 Target Population: Family Rent Special: None Notes: Tax Credit	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: 50 HH	Year Built: 1969 AR Year: Yr Renovated: 2003





2	Ashton Village Apts. 224 Chowan Dr, Portsmouth, VA 23701	Contact: Danielle Phone: (757) 465-2875			
		Total Units: 116 UC: 4 BR: 1, 2 Target Population: Family Rent Special: None Notes: 4 units under renovation	Occupancy: 100.0% Vacant Units: 0	Stories: 2,2.5 Waitlist: 10 HH	Year Built: 1984 AR Year: Yr Renovated: 2013




3	Beacon 303 at Old Towne Apts. 303 Effingham St, Portsmouth, VA 23704	Contact: Faith Phone: (757) 972-7978			
		Total Units: 148 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes:	Occupancy: 82.4% Vacant Units: 26	Stories: 8 Waitlist: None	w/Elevator Year Built: 1972 AR Year: Yr Renovated:





4	Belle Hall Apts 159 Cheyenne Trl., Portsmouth, VA 23701	Contact: Renee Phone: (757) 488-1411			
		Total Units: 120 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit;	Occupancy: 98.3% Vacant Units: 2	Stories: 2,3 Waitlist: None	Year Built: 2008 AR Year: Yr Renovated:


5	Biltmore Commons Apts. 2341 Elliott Ave., Portsmouth, VA 23702	Contact: Lori Phone: (757) 393-7535			
		Total Units: 89 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0	Stories: 2,3 Waitlist: None	Year Built: 1989 AR Year: Yr Renovated:


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

6	Commons at Greenwood Apts. 205 Bedford Ct, Portsmouth, VA 23701		Contact: Janee Jones Phone: (757) 465-9007	
		Total Units: 52 UC: 0 BR: 2 Target Population: Senior 62+, Disabled Rent Special: None Notes: Market-rate (14 units); Tax Credit (38 units)	Occupancy: 100.0% Vacant Units: 0	Stories: 3 Waitlist: 30 HH






7	Crescent Place Apts. 2804 Turnpike Rd, Portsmouth, VA 23707		Contact: Maria Phone: (757) 673-3962	
		Total Units: 156 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit;	Occupancy: 98.7% Vacant Units: 2	Stories: 3,4 Waitlist: None

8	Cross Creek Apts. 2542-B Bird Ln, Portsmouth, VA 23702		Contact: Shakia Phone: (757) 487-0935	
		Total Units: 102 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes: HUD Section 236	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: Yes

9	Dale Homes 240 Dale Dr., Portsmouth, VA 23704		Contact: Mr. Stokes Phone: (757) 391-3051	
		Total Units: 279 UC: 0 BR: 1, 2, 3, 4 Target Population: Family Rent Special: None Notes: Tax Credit; Section 8; Renovated 2018	Occupancy: 100.0% Vacant Units: 0	Stories: 1,2 Waitlist: Yes



10	Ebenezer Plaza Apts. 1140 Chisholm Cir, Portsmouth, VA 23704		Contact: Jackie Horton Phone: (757) 399-1722	
		Total Units: 52 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: 120 HH



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



11	Grand at Mallard Manor 840 Lancer Dr., Portsmouth, VA 23701	Contact: Christi Phone: (757) 488-4848
	Total Units: 160 UC: 0 Occupancy: 93.8% Stories: 2 Year Built: 1975 BR: 2, 3 Vacant Units: 10 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2000 Rent Special: None Notes: Tax Credit	
12	Grand at New Port 3817 George Washington Highway, Portsmouth, VA 23702	Contact: Mia Phone: (757) 393-1064
	Total Units: 215 UC: 35 Occupancy: 100.0% Stories: 2 Year Built: 1942 BR: 2 Vacant Units: 0 Waitlist: 5 HH AR Year: Target Population: Family Yr Renovated: 1999 Rent Special: None Notes: Tax Credit; market-rate; Section 8	
13	Hamilton Place I 3401 Turnpike Rd., Portsmouth, VA 23701	Contact: Victoria Phone: (757) 391-2918
	Total Units: 84 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2010 BR: 1, 2, 3 Vacant Units: 0 Waitlist: Shared with phase II; 84 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; HUD Section 8	
14	Hamilton Place II 3401 Turnpike Rd., Portsmouth, VA 23701	Contact: Victoria Phone: (757) 391-2918
	Total Units: 84 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2012 BR: 1, 2, 3 Vacant Units: 0 Waitlist: Shared with phase I; 84 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit (56 units); HUD Section 8 & Tax Credit (28 units)	
15	Harbor Towers Apts. 1 Harbor Ct, Portsmouth, VA 23704	Contact: Robin Phone: (757) 393-1600
	Total Units: 188 UC: 0 Occupancy: 100.0% Stories: 25 w/Elevator Year Built: 1983 BR: 1, 2 Vacant Units: 0 Waitlist: 7 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rents change daily; Rent range for floor, view, renovation	







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


















	16	Harbor Vista at Crawford Street I 800 Crawford St, Portsmouth, VA 23704	Contact: Jackie Phone: (757) 500-8780
		Total Units: 134 UC: 0 Occupancy: 99.3% Stories: 5 Year Built: 2016 BR: 1, 2 Vacant Units: 1 Waitlist: 2-Br; 3 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range for floor and view	






	17	Holley Pointe 818 County St, Portsmouth, VA 23704	Contact: Wanda Phone: (757) 323-498
		Total Units: 50 UC: 0 Occupancy: 100.0% Stories: 4 w/Elevator Year Built: 2022 BR: 2, 3 Vacant Units: 0 Waitlist: 200 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; Preleasing 7/2021; 1sst units opened 07/2022; 90% occupied 08/2022	


















	18	Independence Square Apts. 5120 George Washington Hwy, Portsmouth, VA 23702	Contact: Brittney Phone: (757) 487-6660
		Total Units: 152 UC: 0 Occupancy: 98.0% Stories: 2,3 Year Built: 1985 BR: 1, 2, 3 Vacant Units: 3 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2005 Rent Special: None Notes: Tax Credit	


	19	King Square Apts. Godwin St & County St, Portsmouth, VA 23704	Contact: Miss Phone: (757) 391-2971
		Total Units: 57 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2007 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 60 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; HUD Section 8	


	20	Lexington Place Apts. I 4 Lexington Dr, Portsmouth, VA 23704	Contact: Mr. Stokes Phone: (757) 391-3051
		Total Units: 72 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2020 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 24 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; PBV/PBRA; Preleasing & opened 12/2020	


 Comparable Property  Senior Restricted  (MRR) Market-Rate  (MRT) Market-Rate & Tax Credit  (MRG) Market-Rate & Government-Subsidized  (MIN) Market-Rate & Income-Restricted (not LIHTC)	 (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized  (TAX) Tax Credit  (TGS) Tax Credit & Government-Subsidized  (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)  (TIN) Tax Credit & Income-Restricted (not LIHTC)  (TMG) Tax Credit, Market-Rate & Government-Subsidized	 (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized  (INR) Income-Restricted (not LIHTC)  (ING) Income-Restricted (not LIHTC) & Government-Subsidized  (GSS) Government-Subsidized  (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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<p>21</p>	<p>London Oaks Apts. 2680 High St, Portsmouth, VA 23707</p> 	<p>Contact: Andrea Phone: (757) 399-6347</p>
<p>Total Units: 296 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1977 BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: 6-48 mos AR Year: Target Population: Family Yr Renovated: 2012 Rent Special: None Notes: Tax Credit; HUD Section 8</p>		
<p>22</p>	<p>Newport Landing Apts. 9 Seminole Dr., Portsmouth, VA 23702</p> 	<p>Contact: Diamond Phone: (877) 768-9514</p>
<p>Total Units: 250 UC: 0 Occupancy: 75.2% Stories: 2 Year Built: 1943 BR: 1, 2 Vacant Units: 62 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2012 Rent Special: None Notes: Rent range due to renovated units</p>		
<p>23</p>	<p>Phoebus Square Apts. 606 Phoebus St., Portsmouth, VA 23704</p> 	<p>Contact: Miss Phone: (757) 391-2971</p>
<p>Total Units: 122 UC: 0 Occupancy: 100.0% Stories: 4 w/Elevator Year Built: 2010 BR: 1 Vacant Units: 0 Waitlist: 24 mos AR Year: Target Population: Senior 62+ Yr Renovated: Rent Special: None Notes: Tax Credit; HUD Section 8</p>		
<p>24</p>	<p>Quarters at Park View Apts. 1140 London Blvd., Portsmouth, VA 23704</p> 	<p>Contact: Kennal Phone: (757) 673-7500</p>
<p>Total Units: 140 UC: 0 Occupancy: 99.3% Stories: 3,4 w/Elevator Year Built: 2014 BR: 0, 1, 2 Vacant Units: 1 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to floorplan</p>		
<p>25</p>	<p>Shea Terrace Senior Apts. 253 Constitution Ave, Portsmouth, VA 23704</p> 	<p>Contact: Latoya Phone: (757) 397-9804</p>
<p>Total Units: 21 UC: 0 Occupancy: 100.0% Stories: 2 w/Elevator Year Built: 1925 BR: 1, 2 Vacant Units: 0 Waitlist: 4 HH AR Year: 2001 Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit</p>		


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


















26	Silver Tree Seniors of Portsmouth 715 & 817 Madison St., Portsmouth, VA 23704	Contact: Dahmon Phone: (757) 393-4757
		<p>Total Units: 178 UC: 0 Occupancy: 100.0% Stories: 4 w/Elevator Year Built: 1979</p> <p>BR: 1, 2 Vacant Units: 0 Waitlist: 1-br; 12-16 mos AR Year:</p> <p>Target Population: Senior 62+, Disabled Yr Renovated: 2009</p> <p>Rent Special: None</p> <p>Notes: Market-rate (17 units) HUD Section 8 & Tax Credit (161 units)</p>


27	South Bay Apts. 1600 South St., Portsmouth, VA 23704	Contact: Sheila Parker Phone: (757) 394-3077
		<p>Total Units: 60 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2010</p> <p>BR: 0 Vacant Units: 0 Waitlist: Yes AR Year:</p> <p>Target Population: Homeless Yr Renovated:</p> <p>Rent Special: None</p> <p>Notes: Tax Credit; PBV/PBRA; Supportive housing for the formerly homeless</p>


28	Southside Gardens Apts. 707 7th St., Portsmouth, VA 23704	Contact: Lina Phone: (757) 399-0271
		<p>Total Units: 134 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1985</p> <p>BR: 2, 3, 4 Vacant Units: 0 Waitlist: 6-12 mos AR Year:</p> <p>Target Population: Family Yr Renovated: 2011</p> <p>Rent Special: None</p> <p>Notes: 40% & 50% AMHI; HUD Section 8; Year built, unit mix & square footage estimated</p>


29	Sterling King Apts. 714 Court St., Portsmouth, VA 23704	Contact: Melissa Phone: (757) 399-0058
		<p>Total Units: 113 UC: 0 Occupancy: 99.1% Stories: 4 w/Elevator Year Built: 2016</p> <p>BR: 1, 2 Vacant Units: 1 Waitlist: Yes AR Year:</p> <p>Target Population: Family Yr Renovated:</p> <p>Rent Special: None</p> <p>Notes: Rent range based on floorplan</p>

30	Victory Square Senior Apts. 900 County St, Portsmouth, VA 23704	Contact: Tanara Phone: (757) 397-9991
		<p>Total Units: 112 UC: 0 Occupancy: 100.0% Stories: 4 w/Elevator Year Built: 2004</p> <p>BR: 1, 2 Vacant Units: 0 Waitlist: None AR Year:</p> <p>Target Population: Senior 55+ Yr Renovated:</p> <p>Rent Special: None</p> <p>Notes: Tax Credit</p>


<ul style="list-style-type: none">  Comparable Property  Senior Restricted  (MRR) Market-Rate  (MRT) Market-Rate & Tax Credit  (MRG) Market-Rate & Government-Subsidized  (MIN) Market-Rate & Income-Restricted (not LIHTC) 	<ul style="list-style-type: none">  (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized  (TAX) Tax Credit  (TGS) Tax Credit & Government-Subsidized  (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)  (TIN) Tax Credit & Income-Restricted (not LIHTC)  (TMG) Tax Credit, Market-Rate & Government-Subsidized 	<ul style="list-style-type: none">  (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized  (INR) Income-Restricted (not LIHTC)  (ING) Income-Restricted (not LIHTC) & Government-Subsidized  (GSS) Government-Subsidized  (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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31	Westbury Cottages South St and Godwin St, Portsmouth, VA 23704	Contact: Miss Phone: (757) 391-2971
	Total Units: 16 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 2015 BR: 1 Vacant Units: 0 Waitlist: 60 HH AR Year: Target Population: Disabled Yr Renovated: Rent Special: None Notes: Tax Credit; Public Housing	

32	Westbury Holley Square Apts. 1300 County St., Portsmouth, VA 23704	Contact: Victoria Phone: (757) 391-2918
	Total Units: 59 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 2006 BR: 1, 2, 3 Vacant Units: 0 Waitlist: Yes AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; Public Housing	

33	Whispering Oaks Apts. 2500 Oakleaf Pl., Portsmouth, VA 23707	Contact: Tammy Phone: (757) 397-6461
	Total Units: 180 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 1970 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 180 HH AR Year: Target Population: Family Yr Renovated: 2004 Rent Special: None Notes: Tax Credit	



901	Harbour Breeze Lifestyle 3900 Breezeport Way, Suffolk, VA 23435	Contact: Miasia Phone: (757) 686-2300
	Total Units: 328 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 2002 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 10 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:	

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

Source: City of Portsmouth
Effective: 07/2021

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	19	22	25	28	31	34	19	22	25	28	31	34
	+Base Charge	19	19	19	19	19	19	19	19	19	19	19	19
	Bottled Gas	50	58	66	74	82	90	50	58	66	74	82	90
	Electric	13	15	19	22	25	27	13	15	19	22	25	27
	Heat Pump	11	13	15	16	17	18	11	13	15	16	17	18
	Oil	34	40	46	51	56	62	34	40	46	51	56	62
Cooking	Natural Gas	3	4	5	7	9	10	3	4	5	7	9	10
	Bottled Gas	8	10	14	19	23	28	8	10	14	19	23	28
	Electric	5	5	8	10	13	15	5	5	8	10	13	15
Other Electric	17	21	29	37	45	53	17	21	29	37	45	53	
+Base Charge	7	7	7	7	7	7	7	7	7	7	7	7	
Air Conditioning	8	9	12	16	20	24	8	9	12	16	20	24	
Water Heating	Natural Gas	7	8	12	16	19	23	7	8	12	16	19	23
	Bottled Gas	19	22	32	42	52	62	19	22	32	42	52	62
	Electric	11	13	17	20	24	27	11	13	17	20	24	27
	Oil	13	15	22	29	36	42	13	15	22	29	36	42
Water	24	26	39	58	78	97	24	26	39	58	78	97	
Sewer	36	40	66	105	145	185	36	40	66	105	145	185	
Trash Collection	33	33	33	33	33	33	33	33	33	33	33	33	
Internet*	20	20	20	20	20	20	20	20	20	20	20	20	
Cable*	20	20	20	20	20	20	20	20	20	20	20	20	
Alarm Monitoring*	0	0	0	0	0	0	0	0	0	0	0	0	

* Estimated- not from source

XIII. Qualifications

The Company

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

Company Leadership

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

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

Market Analysts

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

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

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

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

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

Tanja Hairston, Market Analyst, has extensive property management experience in both the Midwest and northeastern United States. She has assisted low-income, veterans and homeless persons in securing affordable and permanent housing, administered HUD recertifications and reviewed Housing Choice Voucher applications. In addition, she has cultivated relationships with realtors, property managers and brokers. Ms. Hairston holds a Bachelor of Arts degree in Sociology from South Carolina State University.

Jonathan Kabat, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Kabat graduated from The Ohio State University with a Bachelor of Art in History and a minor in Geography.

Andrew Lundell, Market Analyst, has an experienced background in customer service and financial analysis. He has evaluated the rental market in cities throughout the United States and is able to provide detailed site-specific analysis. Mr. Lundell has a Bachelor of Arts in Criminal Justice from Ohio University.

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

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

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

Research Staff

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

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

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

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

Addendum A – Member Certification & Checklist

This market study has been prepared by Bowen National Research, 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 Housing Projects*, and *Model Content Standards for the Content of Market Studies for 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.

Bowen National Research is duly qualified and experienced in providing market analysis for housing. The company's principals participate in the National Council of Housing Market Analysts (NCHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Bowen National Research is an independent market analyst. No principal or employee of Bowen National Research has any financial interest whatsoever in the development for which this analysis has been undertaken.



Patrick M. Bowen

President

patrickb@bowennational.com

Date: December 15, 2022



Nathan Stelts (Primary Contact)

Market Analyst

nathans@bowennational.com

Date: December 15, 2022

Note: Information on the National Council of Housing Market Analysts may be obtained by calling 202-939-1750, or by visiting <http://www.housingonline.com>.

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

Members of the National Council of Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location content of issues relevant to the evaluation and analysis of market studies.

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

The following components have been addressed in this market study. The section number of each component is noted below. Each component is fully discussed in that section. 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 'VAR' (variation) with a comment explaining the conflict.

C. CHECKLIST

		Section (s)
Executive Summary		
1.	Executive Summary	II
Project Description		
2.	Proposed number of bedrooms and baths proposed, income limitations, proposed rents and utility allowances	III
3.	Utilities (and utility sources) included in rent	III
4.	Project design description	III
5.	Unit and project amenities; parking	III
6.	Public programs included	III
7.	Target population description	III
8.	Date of construction/preliminary completion	III
9.	If rehabilitation, existing unit breakdown and rents	III
10.	Reference to review/status of project plans	III
Location and Market Area		
11.	Market area/secondary market area description	IV
12.	Concise description of the site and adjacent parcels	IV
13.	Description of site characteristics	IV
14.	Site photos/maps	X
15.	Map of community services	IV
16.	Visibility and accessibility evaluation	IV
17.	Crime Information	IV

CHECKLIST (Continued)

		Section (s)
Employment and Economy		
18.	Employment by industry	IV
19.	Historical unemployment rate	IV
20.	Area major employers	IV
21.	Five-year employment growth	IV
22.	Typical wages by occupation	IV
23.	Discussion of commuting patterns of area workers	IV
Demographic Characteristics		
24.	Population and household estimates and projections	IV
25.	Area building permits	V
26.	Distribution of income	IV
27.	Households by tenure	IV
Competitive Environment		
28.	Comparable property profiles	XI
29.	Map of comparable properties	X
30.	Comparable property photographs	XI
31.	Existing rental housing evaluation	V
32.	Comparable property discussion	V
33.	Area vacancy rates, including rates for Tax Credit and government-subsidized	V
34.	Comparison of subject property to comparable properties	V
35.	Availability of Housing Choice Vouchers	V
36.	Identification of waiting lists	V & XII
37.	Description of overall rental market including share of market-rate and affordable properties	V
38.	List of existing LIHTC properties	V
39.	Discussion of future changes in housing stock	V
40.	Discussion of availability and cost of other affordable housing options including homeownership	V
41.	Tax Credit and other planned or under construction rental communities in market area	V
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	VII
43.	Calculation and analysis of Penetration Rate	VII
44.	Evaluation of proposed rent levels	V & VI
45.	Derivation of Achievable Market Rent and Market Advantage	VI
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	II
48.	Market strengths and weaknesses impacting project	II
49.	Recommendations and/or modification to project discussion	II
50.	Discussion of subject property's impact on existing housing	V
51.	Absorption projection with issues impacting performance	II
52.	Discussion of risks or other mitigating circumstances impacting project projection	II
53.	Interviews with area housing stakeholders	V

CHECKLIST (Continued)

Other Requirements		Section (s)
54.	Preparation date of report	Title Page
55.	Date of Field Work	Certification
56.	Certifications	Certification
57.	Statement of qualifications	XIII
58.	Sources of data not otherwise identified	I
59.	Utility allowance schedule	XII

ADDENDUM B:
SUPPORTIVE SERVICES FOR
HOMELESS INDIVIDUALS

Bains Pointe

List of services offered by STOP Inc. and to be offered at Bains Pointe

The below list of services will be offered at Bains Pointe and may include additional services as required:

- Creating and updating individualized supportive services plans and connecting tenants to varying resources to support their personal goals. STOP INC. will assist tenants with adapting plans as service needs evolve over time.
- Coordinating services and service planning with other agencies and providers involved with the individual.
- Managing the case load to ensure case management team is meeting and exceeding the needs of onsite tenants.
- Tracking data and trends related to individual tenants' unique needs and referrals to meet those needs.
- Partner with tenants to provide support with independent living skills and basic life skills.
- Provide, coordinate, and/or act as a referral agent to assure that supportive services will be available to the targeted tenants.
- Certified housing counseling/prevention services.
- Childcare financial assistance.
- Emergency home and accessibility repairs program.
- Employment supportive services.
- Employment training.
- Finance and consumer education.
- Health and wellness initiatives.
- Homeless veterans' reintegration program.
- KLEAN SLATE Initiative.
- ON TIME Initiative.
- Project Discovery.
- Opioid & substance use disorder community response.
- STOP/Dominion Energy: Energyshare weatherization.
- Supportive services for veteran families.
- Technology bus.
- Weatherization assistance program.
- Workforce preparation and development/entrepreneurial pathway.
- Youth development initiatives.
- Behavioral and mental health services/counseling.
- Primary healthcare.
- Telehealth or virtual healthcare.
- Eviction Prevention.
- Food and clothing assistance.