

MARKET STUDY

Property:
Deerfield Apartments
1651 Maryland Avenue
Crewe, Virginia 23930



Type of Property:
Affordable Multifamily Development
Elderly
Renovation

Date of Report:
March 12, 2023

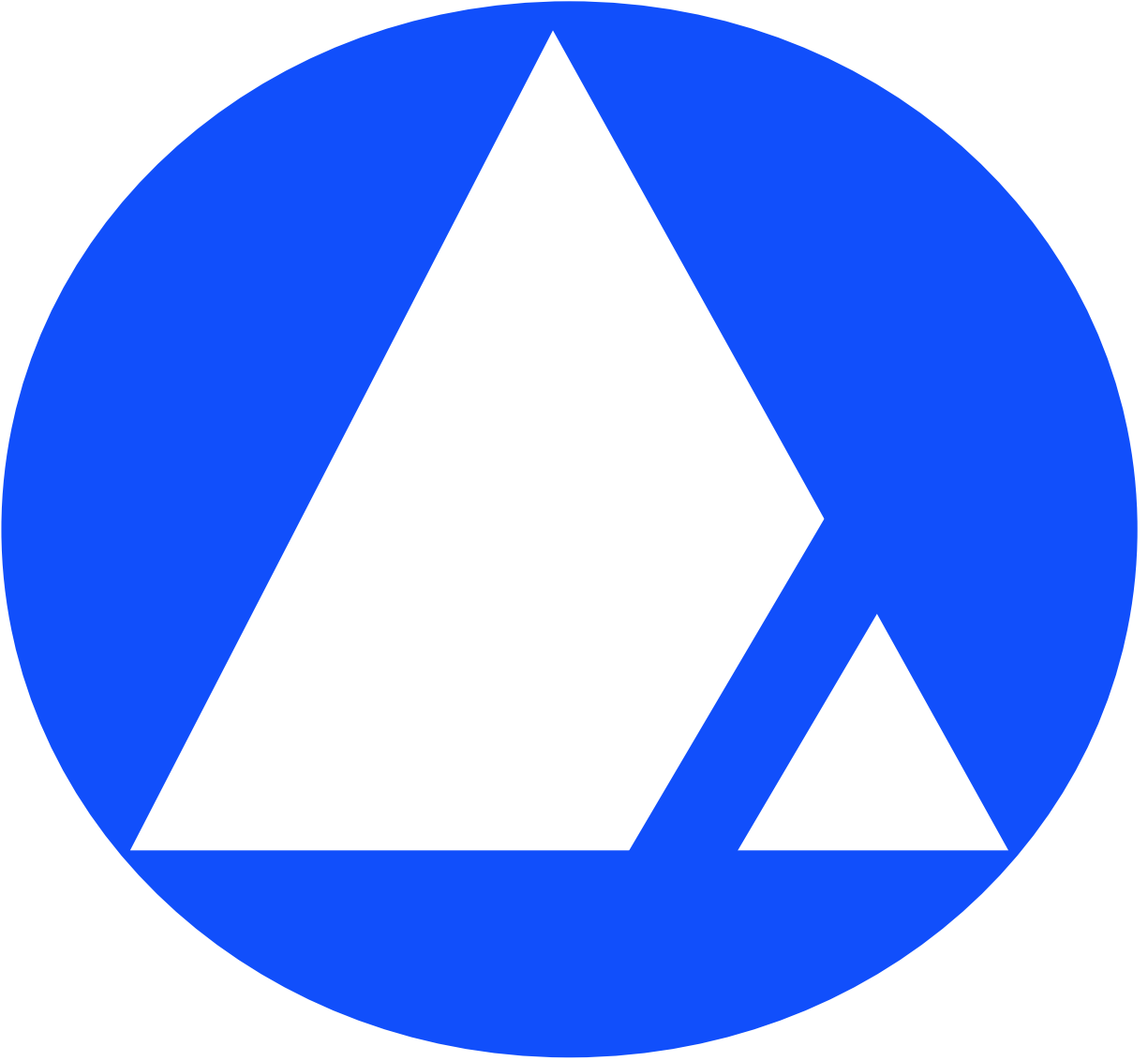
Effective Date:
March 10, 2023

Date of Site Visit:
February 17, 2023

Prepared For:
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Rockville, Maryland 20850
Phone: 240-428-7799 x110 | Cell: 425-281-8359
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AAC File Number:
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March 12, 2023

Mr. Michael Giannopoulos
TM Associates
1375 Piccard Drive
Rockville, Maryland 20850

Re: Deerfield Apartments

Dear Mr. Michael Giannopoulos:

The subject property, known as Deerfield Apartments, is an existing affordable multifamily development located at 1651 Maryland Avenue in Crewe, Nottoway County, Virginia (Parcel Number 18A12-1-36). The subject property consists of 39 revenue-producing units originally constructed in 1991. The sponsor has proposed to renovate the property with an allocation of tax credits. The subject property is a 62+ age restricted community.

The subject property is proposed to consist of 39 revenue-producing units including 1-bedroom garden apartments. A total of 4 units are proposed to be income restricted to 40% of AMI; a total of 16 units are proposed to be income restricted to 50% of AMI; a total of 19 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 39 units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing.

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

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

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

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

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

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

Feel free to contact us with any questions or comments.

Respectfully submitted:
ALLEN & ASSOCIATES CONSULTING

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

Jeff Carroll

EXECUTIVE SUMMARY

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

Project Description

The subject property, known as Deerfield Apartments, is an existing affordable multifamily development located at 1651 Maryland Avenue in Crewe, Nottoway County, Virginia (Parcel Number 18A12-1-36). The subject property consists of 39 revenue-producing units originally constructed in 1991. The sponsor has proposed to renovate the property with an allocation of tax credits. The subject property is a 62+ age restricted community.

Proposed Unit Mix

The subject property is proposed to consist of 39 revenue-producing units including 1-bedroom garden apartments. A total of 4 units are proposed to be income restricted to 40% of AMI; a total of 16 units are proposed to be income restricted to 50% of AMI; a total of 19 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 39 units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing.

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

| Unit Type / Income Limit / Rent Limit | Proposed Unit Configuration | | | Gross Rent | UA | Net Rent |
|---|-----------------------------|------------|-------|------------|-------|----------|
| | HOME | Subsidized | Units | | | |
| 1BR-1BA-571sf / 40% of AMI / 40% of AMI | No | Yes | 4 | \$912 | \$150 | \$762 |
| 1BR-1BA-571sf / 50% of AMI / 50% of AMI | No | Yes | 16 | \$912 | \$150 | \$762 |
| 1BR-1BA-571sf / 60% of AMI / 60% of AMI | No | Yes | 19 | \$912 | \$150 | \$762 |
| Total/Average | | | 39 | \$912 | \$150 | \$762 |

Site Description

The subject property includes an irregular-shaped parcel consisting of approximately 4.194 acres and approximately 1300 feet of road frontage.

A total of 42 parking spaces are planned for this development (34 regular / 8 accessible / 1.08 spaces per unit). Privately-owned parking areas are planned for the subject property. We normally see 1.5 to 2.0 spaces per unit for projects like the subject. Public transportation is not found in the area. In our opinion, the current parking appears light for the subject

Additional Considerations:

| | |
|---------------|--|
| Zoning | R-3. Legal, conforming use. |
| Environmental | 1992 construction. No suspected environmental conditions. |
| Topography | No issues detected. |
| Flood | Zone X. Outside the 100-year flood zone. |
| DDA Status | Nottoway, Virginia. Not designated as a Difficult to Develop Area. |
| QCT Status | Tract 3.00. Not designated as a Qualified Census Tract. |
| Access | Good. Located near a moderately-traveled road. |
| Visibility | Fair. Significant frontage. Limited traffic. |

In our opinion, the site is suitable for development.

Neighborhood Description

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

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

Additional Considerations:

| | |
|-----------------|-----------------------------|
| Crime | Higher than market average. |
| Schools | Similar to market average. |
| Average Commute | Similar to market average. |

In our opinion, the neighborhood is suitable for development.

Primary Market Area

We defined the primary market area by generating a 25-minute drive time zone around the subject property. We also considered existing concentrations of multifamily properties and the nearest census tract boundaries in our analysis.

The primary market area includes a population of 51,699 persons and covers a total of 949.5 square miles, making it 34.8 miles across on average.

We estimate that up to 40 percent of demand will come from areas outside of the primary market area.

Demographic Characteristics

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

| | |
|-------------------|--|
| Population | Market area population currently stands at 51,699 and is projected to grow 0.4 percent this year. |
| Households | Market area households currently stand at 18,735 and is projected to grow 0.2 percent this year. |
| Renter Households | Market area renter households currently stand at 6,066 and is projected to grow 0.1 percent this year. |
| Renter Tenure | Market area renter tenure currently stands at 32.4 percent. |
| Rent Growth | Market area rents have grown 2.69% annually since 2010. |

Regional Economic Outlook

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

| | |
|------------------|--|
| Est Employment | Regional establishment employment currently stands at 29,958 and is projected to grow 0.8 percent this year. |
| Civ Employment | Regional civilian employment currently stands at 29,993 and is projected to grow 0.2 percent this year. |
| Empl by Industry | Regional establishment employment currently stands at 29,711. The data suggests that State and Local Government is the largest employment category accounting for 20.9% of total regional employment. Health Care and Social Assistance is the second largest category accounting for 12.4% of total employment. Retail Trade is the third largest category accounting for 9.3% of total employment. Other Services is the fourth largest category accounting for 6.2% of total employment. Accommodation and Food Services is the fifth largest category accounting for 6.2% of total employment. |
| Top Employers | The top employers include: (1) Longwood University (786 employees); (2) Southside Community Hosp Inc (438 employees) and; (3) Nottoway Correctional Ctr (435 employees). |

Supply Analysis

Our analysis includes a total of 33 confirmed market area properties consisting of 938 units. The occupancy rate for these units currently stands at 97 percent. This rate reflects the occupancy for all confirmed market area units, regardless of project status (stabilized, under construction, proposed, etc.).

The following tables summarize our findings for this market area:

| Grand Total | | | | |
|--------------|------------|-------|--------|-----------|
| Project Type | Properties | Units | Vacant | Occupancy |
| Market Rate | 18 | 378 | 3 | 99% |
| Restricted | 6 | 67 | 5 | 93% |
| Subsidized | 9 | 493 | 24 | 95% |
| Total | 33 | 938 | 32 | 97% |

| Stabilized | | | | |
|--------------|------------|-------|--------|-----------|
| Family | | | | |
| Project Type | Properties | Units | Vacant | Occupancy |
| Market Rate | 17 | 339 | 3 | 99% |
| Restricted | 4 | 22 | 3 | 86% |
| Subsidized | 4 | 274 | 7 | 97% |
| Total | 25 | 635 | 13 | 98% |

| Elderly | | | | |
|--------------|------------|-------|--------|-----------|
| Project Type | Properties | Units | Vacant | Occupancy |
| Market Rate | 1 | 39 | 0 | 100% |
| Restricted | 2 | 45 | 2 | 96% |
| Subsidized | 5 | 219 | 17 | 92% |
| Total | 8 | 303 | 19 | 94% |

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

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

Most Comparable Properties

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

| Key | Property | Units | Occupancy | Built | Renovated | Rents | Type | Miles to Sub |
|-----|------------------------------|-------|-----------|-------|-----------|-------------|---------|--------------|
| 006 | Blackstone Lofts | 25 | 96% | 1945 | 2011 | Market Rate | Family | 10.35 |
| 014 | Churchill Apartments | 24 | 100% | 1967 | 2008 | Market Rate | Family | 15.02 |
| 031 | Lofts at Worsham School | 14 | 100% | 1927 | 2011 | Market Rate | Family | 17.22 |
| 036 | Mann Street Apartments | 39 | 100% | 1998 | na | Market Rate | Elderly | 10.51 |
| 048 | Poplar Forest Apartments Ph: | 138 | 99% | 1999 | 2010 | Market Rate | Family | 14.75 |

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

| Key | Property | Units | Occupancy | Built | Renovated | Rents | Type | Miles to Sub |
|-----|-----------------------------|-------|-----------|-------|-----------|------------|---------|--------------|
| 015 | Cole-Harbour Apartments | 36 | 92% | 1981 | 2008 | Restricted | Family | 9.39 |
| 016 | Country Estates Apartments | 24 | 100% | 1978 | 2016 | Restricted | Family | 14.63 |
| 026 | Giles Apartments | 16 | 100% | 1986 | 1999 | Restricted | Family | 12.15 |
| 035 | Magnolia Place Apartments | 56 | 75% | 1980 | 2021 | Restricted | Elderly | 9.98 |
| 039 | Meadows Apartments | 40 | 100% | 1988 | 2008 | Restricted | Family | 14.49 |
| 044 | Parc Crest at Poplar Forest | 44 | 98% | 2008 | na | Restricted | Elderly | 14.60 |

Achievable Rents

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

| Unit Type / Income Limit / Rent Limit | Achievable Rents | | | Units | Achievable | Proposed | Advantage |
|---|------------------|------------|--|-------|------------|----------|-----------|
| | HOME | Subsidized | | | | | |
| 1BR-1BA-571sf / 40% of AMI / 40% of AMI | No | Yes | | 4 | \$800 | \$762 | 4.8% |
| 1BR-1BA-571sf / 50% of AMI / 50% of AMI | No | Yes | | 16 | \$800 | \$762 | 4.8% |
| 1BR-1BA-571sf / 60% of AMI / 60% of AMI | No | Yes | | 19 | \$800 | \$762 | 4.8% |
| Total / Average | | | | 39 | \$800 | \$762 | 4.8% |

Our analysis suggests an average achievable rent of \$800 for the subject property. This is compared with an average proposed rent of \$762, yielding an achievable rent advantage of 4.8 percent. Overall, the subject property appears to be priced at or below achievable rents for the area.

NCHMA Demand Analysis

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

| Unit Type / Rent Type / Income Limit | Vac Units at Market Entry | Gross Demand | Vacant & Pipeline Units | Capture Rate Gross | Capture Rate Net | Penetration Rate | Absorption Pd (Mos) |
|--------------------------------------|---------------------------|--------------|-------------------------|---------------------------------|------------------|------------------|---------------------|
| 1-Bedroom / Subsidized / 60% of AMI | 19 | 892 | 17 | 2.1% | 2.2% | 26.7% | 4 |
| | | | | Project-Wide Gross Capture Rate | 2.1% | | |
| | | | | Project-Wide Net Capture Rate | 2.2% | | |
| | | | | Project-Wide Penetration Rate | 26.7% | | |
| | | | | Stabilized Occupancy | 97% | | |
| | | | | Project-Wide Absorption Period | 4 mos | | |

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

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

Our analysis suggests that the subject property will stabilize at 97 percent occupancy. We estimate 4 months of absorption and an average absorption rate of 5.0 units per month for this project. In our opinion, the absorption period suggests an appropriate number and mix of units for the subject property.

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

VHDA Demand Analysis

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

| | |
|--|-------|
| Project-Wide Capture Rate - LIHTC Units | 5.0% |
| Project-Wide Capture Rate - Market Units | 0.0% |
| Project-Wide Capture Rate - All Units | 5.0% |
| Project-Wide Absorption Period (Months) | 4 mos |

Conclusion

In conclusion, the subject property appears to be feasible from a market standpoint. The units appear to be priced appropriately and we anticipate a rapid lease-up after renovation.

Because of the demonstrated depth of demand in this area and the current occupied status of the subject, we do not believe the renovation of this property will have an adverse impact on existing projects in the market area.

Deerfield Apartments
 1651 Maryland Avenue
 Crewe, Virginia 23930

| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
|--|----------|-----|-----|-----|-----|-----|-----|-----|----------|
| Minimum Income | \$4,500 | | | | | | | | \$4,500 |
| Maximum Income | \$34,200 | | | | | | | | \$34,200 |
| New Rental Households | 21 | | | | | | | | 21 |
| (+) | | | | | | | | | |
| Existing Households - Overburdened | 502 | | | | | | | | 502 |
| (+) | | | | | | | | | |
| Existing Households - Substandard Housing | 93 | | | | | | | | 93 |
| (+) | | | | | | | | | |
| Elderly Households - Likely to Convert to Rental Housing | 159 | | | | | | | | |
| (+) | | | | | | | | | |
| Existing Qualifying Tenants - To Remain After Renovation | 20 | | | | | | | | 20 |
| (+) | | | | | | | | | |
| Total Demand | 795 | | | | | | | | 636 |
| (-) | | | | | | | | | |
| Supply (Directly Comparable Vacant Units Completed or in Pipeline in PMA) | 17 | | | | | | | | 17 |
| (=) | | | | | | | | | |
| Net Demand | 778 | | | | | | | | 619 |
| Proposed Units | 39 | | | | | | | | 39 |
| Capture Rate | 5.0% | | | | | | | | 6.3% |
| Absorption Period (Months) | 4 mos | | | | | | | | 4 mos |

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PROJECT OVERVIEW

Project Description

The subject property, known as Deerfield Apartments, is an existing affordable multifamily development located at 1651 Maryland Avenue in Crewe, Nottoway County, Virginia (Parcel Number 18A12-1-36). The subject property consists of 39 revenue-producing units originally constructed in 1991. The sponsor has proposed to renovate the property with an allocation of tax credits. The subject property is a 62+ age restricted community.

Select project details are summarized below:

| Project Description | |
|---------------------|----------------------|
| Property Name | Deerfield Apartments |
| Street Number | 1651 |
| Street Name | Maryland |
| Street Type | Avenue |
| City | Crewe |
| County | Nottoway County |
| State | Virginia |
| Zip | 23930 |
| Units | 39 |
| Project Rent | Subsidized |
| Project Type | Elderly |
| Project Status | Prop Rehab |
| Financing Type | Tax Credit |
| Latitude | 37.1922 |
| Longitude | -78.1448 |

Scope of Renovation

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

Construction and Lease-Up Schedule

We anticipate a 14-month construction period for this project. Assuming a December 1, 2023 closing, this yields a date of completion of February 1, 2025. Our demand analysis (found later in this report) suggests a 4-month absorption period. This yields a date of stabilization of June 1, 2025.

Unit Configuration

The subject property currently consists of 39 revenue-producing units including 1-bedroom garden apartments. A total of 39 units are currently income restricted to 50% of AMI; no units are currently set aside as market rate units; a total of 39 units currently benefit from project-based rental assistance. The subject property currently stands at 97% occupancy. The current rent and income restrictions will remain in place for the next 19 years or until the outstanding USDA-RD debt is repaid, whichever is earlier.

| Current Unit Configuration | | | | | | | | | | |
|----------------------------|-----|-----|-------------|--------------|------------|------------|------------|-------------|------------|----------|
| BR | BA | SF | Unit Type | Income Limit | Rent Limit | HOME Units | Subs Units | Total Units | Gross Rent | Net Rent |
| 1 | 1.0 | 571 | Garden/Flat | 50% | 50% | No | Yes | 39 | \$829 | \$744 |
| Total/Average | | 571 | | | | | | 39 | \$829 | \$744 |

The subject property is proposed to consist of 39 revenue-producing units including 1-bedroom garden apartments. A total of 4 units are proposed to be income restricted to 40% of AMI; a total of 16 units are proposed to be income restricted to 50% of AMI; a total of 19 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 39 units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing.

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

| Proposed Unit Configuration | | | | | | | | | | |
|-----------------------------|-----|-----|-------------|--------------|------------|------------|------------|-------------|------------|----------|
| BR | BA | SF | Unit Type | Income Limit | Rent Limit | HOME Units | Subs Units | Total Units | Gross Rent | Net Rent |
| 1 | 1.0 | 571 | Garden/Flat | 40% | 40% | No | Yes | 4 | \$912 | \$762 |
| 1 | 1.0 | 571 | Garden/Flat | 50% | 50% | No | Yes | 16 | \$912 | \$762 |
| 1 | 1.0 | 571 | Garden/Flat | 60% | 60% | No | Yes | 19 | \$912 | \$762 |
| Total/Average | | 571 | | | | | | 39 | \$912 | \$762 |

Income & Rent Limits

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

| Income Limits | | | | | | |
|---------------|------------|------------|------------|------------|------------|------------|
| HH Size | 30% of AMI | 40% of AMI | 50% of AMI | 60% of AMI | 70% of AMI | 80% of AMI |
| 1.0 Person | \$14,970 | \$19,960 | \$24,950 | \$29,940 | \$34,930 | \$39,920 |
| 2.0 Person | \$17,100 | \$22,800 | \$28,500 | \$34,200 | \$39,900 | \$45,600 |
| 3.0 Person | \$19,260 | \$25,680 | \$32,100 | \$38,520 | \$44,940 | \$51,360 |
| 4.0 Person | \$21,390 | \$28,520 | \$35,650 | \$42,780 | \$49,910 | \$57,040 |
| 5.0 Person | \$23,100 | \$30,800 | \$38,500 | \$46,200 | \$53,900 | \$61,600 |
| 6.0 Person | \$24,810 | \$33,080 | \$41,350 | \$49,620 | \$57,890 | \$66,160 |
| 7.0 Person | \$26,520 | \$35,360 | \$44,200 | \$53,040 | \$61,880 | \$70,720 |
| 8.0 Person | \$28,230 | \$37,640 | \$47,050 | \$56,460 | \$65,870 | \$75,280 |

Source: HUD; State Housing Finance Agency

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

| Historical Median Income | | |
|--------------------------|----------|--------|
| Year | \$ | Change |
| 2012 | \$51,900 | 1.4% |
| 2013 | \$47,400 | -8.7% |
| 2014 | \$48,400 | 2.1% |
| 2015 | \$56,400 | 16.5% |
| 2016 | \$54,200 | -3.9% |
| 2017 | \$55,700 | 2.8% |
| 2018 | \$55,600 | -0.2% |
| 2019 | \$58,500 | 5.2% |
| 2020 | \$50,700 | -13.3% |
| 2021 | \$57,600 | 13.6% |
| 2022 | \$63,100 | 9.5% |

Source: HUD

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

| Maximum Housing Expense | | | | | | |
|-------------------------|------------|------------|------------|------------|------------|------------|
| Unit Type | 30% of AMI | 40% of AMI | 50% of AMI | 60% of AMI | 70% of AMI | 80% of AMI |
| 0 Bedroom | \$374 | \$499 | \$623 | \$748 | \$873 | \$998 |
| 1 Bedroom | \$400 | \$534 | \$668 | \$801 | \$935 | \$1,069 |
| 2 Bedroom | \$481 | \$642 | \$802 | \$963 | \$1,123 | \$1,284 |
| 3 Bedroom | \$556 | \$741 | \$926 | \$1,112 | \$1,297 | \$1,483 |
| 4 Bedroom | \$620 | \$827 | \$1,033 | \$1,240 | \$1,447 | \$1,654 |

Source: HUD

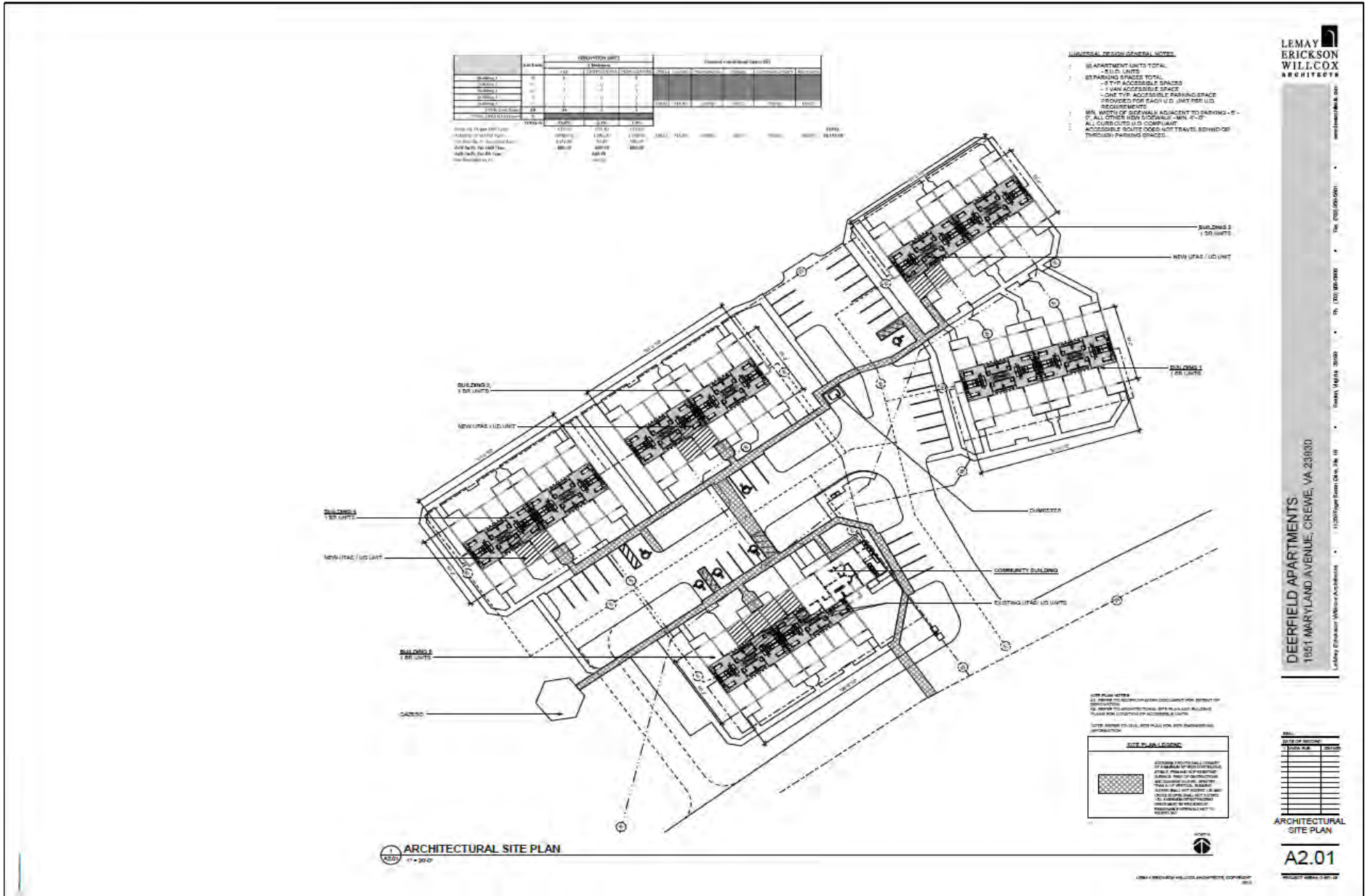
The following table sets forth the gross fair market rents (net fair market rents + tenant-paid utilities) that would apply to any Section 8 voucher recipients or any units benefiting from HOME financing at the subject property:

| Fair Market Rents | |
|-------------------|------------|
| Unit Type | Gross Rent |
| 0 Bedroom | \$618 |
| 1 Bedroom | \$688 |
| 2 Bedroom | \$833 |
| 3 Bedroom | \$1,131 |
| 4 Bedroom | \$1,325 |

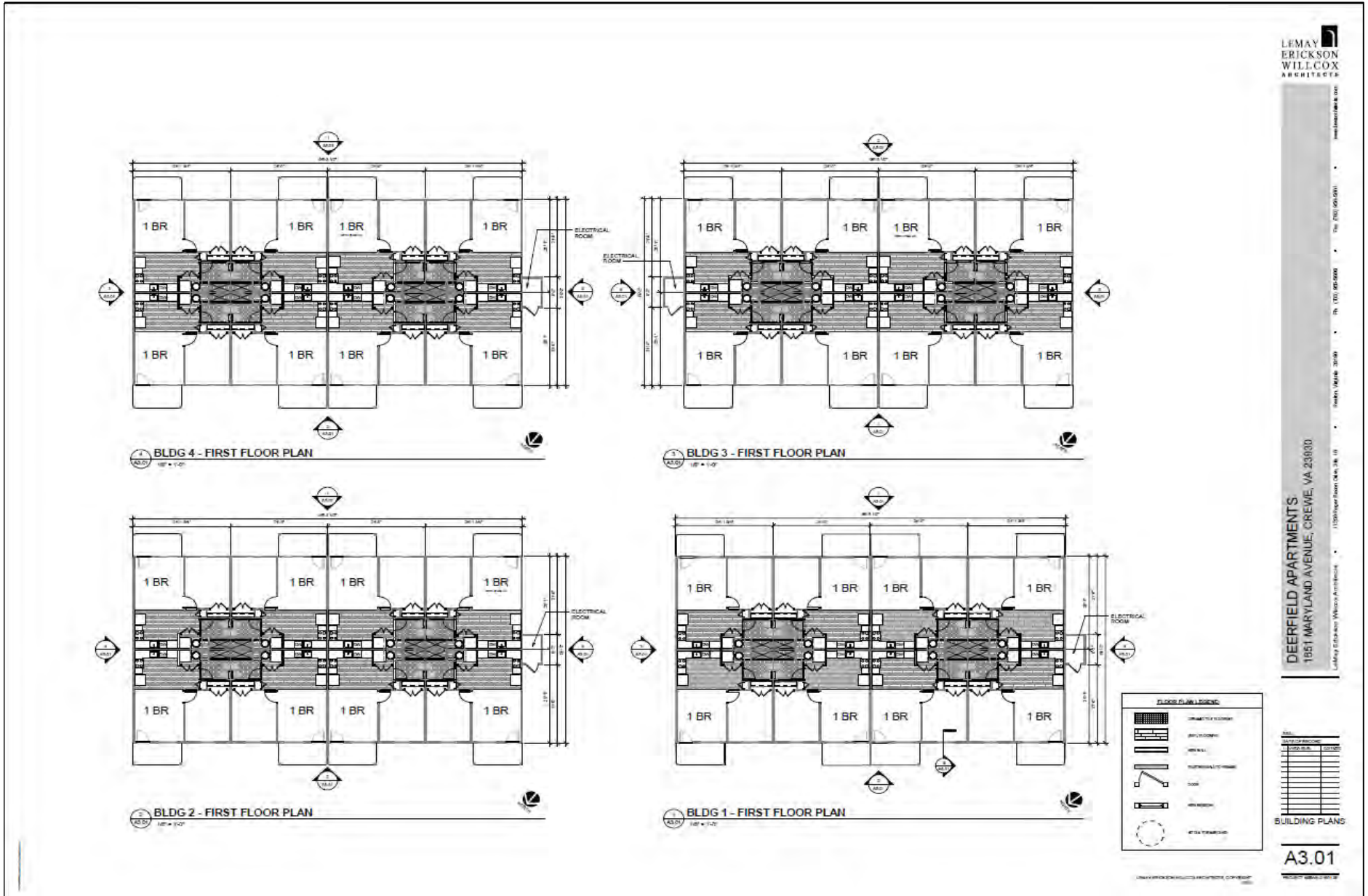
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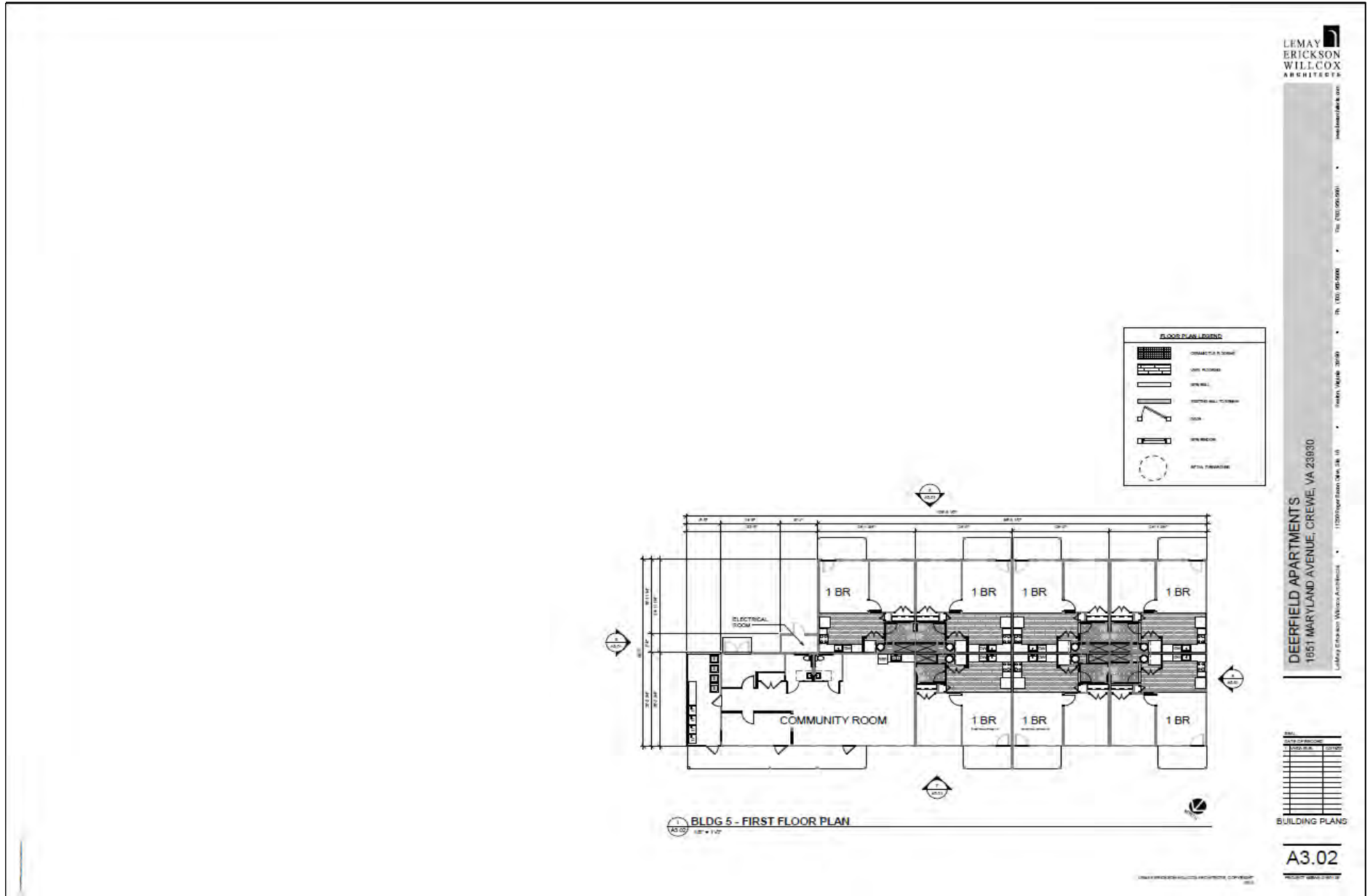
Site Plan



Building Plans



Building Plans (Continued)



Unit Plans

UNIT PLANS AND ELEVATION - GENERAL NOTES

1. VERIFY DIMENSIONS OF ALL ELEMENTS.
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UNIVERSAL DESIGN GENERAL NOTES

- THREE UPAS/D UNITS CENTRED IN BLDG 1, 2, & 3 ALL ON GROUND FLOOR PLAN
- ALL ESSENTIAL U.D. ELEMENTS IDENTIFIED ON PLANS
- CLEAR FLOOR SPACE EXTENDING MIN. 18" PAST THE LAPCH AT FULL SIDE OF ALL DOORS
- CLEAR OPENING WIDTH IS NOT LESS THAN 32" AT PASSAGE DOORS
- LEVER HANDLES AND PUSH BUTTONS PROVIDED AT ALL DOORS
- FLUDDING FIXTURES, ALL CONTROLS, SWITCHES, OUTLETS, AND ELEC. PANELS, BREAKERS ARE LOCATED PER U.D. REACH RANGES

FLOOR PLAN LEGEND

| | |
|---|----------------------------------|
| | CORRIDOR/ENTRANCE |
| | HALL |
| | STAIR |
| | DOOR |
| | WINDOW |
| | WALL |
| | CEILING |
| | FLOOR |
| | KITCHEN |
| | BATHROOM |
| | BEDROOM |
| | LIVING ROOM |
| | LAUNDRY |
| | UTILITY ROOM |
| | OFFICE |
| | STORAGE |
| | CLOSET |
| | BALCONY |
| | TERRACE |
| | POOL |
| | DECK |
| | GARDEN |
| | PARKING |
| | DRIVEWAY |
| | ROAD |
| | SIDEWALK |
| | FENCE |
| | GATE |
| | LIGHT |
| | PLANT |
| | TREE |
| | SHRUB |
| | FLOWER |
| | FRUIT |
| | VEGETABLE |
| | HERB |
| | SPICE |
| | TEA |
| | COFFEE |
| | JUICE |
| | MILK |
| | CREAM |
| | BUTTER |
| | OIL |
| | SUGAR |
| | HONEY |
| | SYRUP |
| | SAUCE |
| | DRESSING |
| | MARINADE |
| | RUB |
| | PASTE |
| | GLAZE |
| | FROSTING |
| | ICING |
| | FILLING |
| | TOPPING |
| | GARNISH |
| | ACCENT |
| | FINISH |
| | TRIM |
| | MOLDING |
| | BASEBOARD |
| | CROWN MOLDING |
| | CHAIR RAIL |
| | PICTURE RAIL |
| | BALUSTRADE |
| | HANDRAIL |
| | GRAB BAR |
| | SUPPORT POST |
| | ANCHOR BOLT |
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IMPROVEMENT DESCRIPTION & ANALYSIS

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

Building Features

The subject property currently consists of 39 revenue-producing units in 5 residential buildings and 0 non-residential buildings. The development currently includes approximately 22,269 square feet of net rentable area and 27,343 square feet of gross building area.

The subject property is proposed to consist of 39 revenue-producing units in 5 residential buildings and 0 non-residential buildings. The development is proposed to include approximately 22,269 square feet of net rentable area and 27,343 square feet of gross building area.

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

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

The subject property includes slab on grade foundations.

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

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

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

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

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

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

Vertical Transportation - Elevator, Interior Stair Systems

The subject property consists of one-story buildings

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

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

HVAC - Heating, Air Conditioning, Ventilation

The subject property currently includes individual ducted P-Tac units. Interior-mounted electric heat, individual exterior-mounted a/c compressors with interior-mounted air handlers are proposed post renovation.

Electrical and Communications - Distribution, Aluminum Wiring, etc.

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

Fire Suppression

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

Unit Features

The subject property currently contains 39 revenue-producing units including 37 regular units and 2 accessible units including 39 bedrooms, 39 full bathrooms and 0 half bathrooms.

The subject property is proposed to contain 39 revenue-producing units including 34 regular units and 5 accessible units, including 39 bedrooms, 39 full bathrooms and 0 half bathrooms.

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

Walls / Ceilings / Interior Doors

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

Floor Covering

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

Kitchens

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

Bathrooms

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

Project Amenities

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

Site & Common Area Amenities

A BBQ area, community center, gazebo/patio, horseshoes, picnic area, and sports court are currently found at the subject property.

Parking

Open parking is found at the subject property.

Laundry

Central laundry facilities are currently found at the subject property.

Security

Call buttons are currently found at the subject property.

Services

No additional services are currently found at the subject property.

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

Utility Configuration

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

The sponsor has proposed a utility configuration change as part of the planned renovation. All utilities - with the exception of trash - are proposed to be paid by the resident.

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

| Utility Allowances | | | | | | | | | | |
|--------------------|-----|-----|-------------|------------|------------|------|------|-------|-------|--------|
| BR | BA | SF | Unit Type | Inc Lmt | Rnt Lmt | HOME | Subs | Units | UA | HUD UA |
| 1 | 1.0 | 571 | Garden/Flat | 40% of AMI | 40% of AMI | No | Yes | 4 | \$150 | \$123 |
| 1 | 1.0 | 571 | Garden/Flat | 50% of AMI | 50% of AMI | No | Yes | 16 | \$150 | \$123 |
| 1 | 1.0 | 571 | Garden/Flat | 60% of AMI | 60% of AMI | No | Yes | 19 | \$150 | \$123 |
| Total/Average | | | | | | | | 39 | \$150 | \$123 |

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

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

Useful Life Analysis

The subject property was originally constructed in 1992 and is currently in fair condition. In our opinion, the subject has a remaining useful life & remaining economic life of 20 years in its current condition. Assuming the scope of work described above, we anticipate a remaining useful life & remaining economic life of 50 years after renovation. Finally, we estimate a post-renovation effective age of 10 years for this project.

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

| | | Actual Age Effective Age Condition | | | Rank | | |
|-----|--------------------------------------|--|---------------|--------------------|------------|---------------|--------------------|
| | | Rating | | | | | |
| Key | Project Name | Actual Age | Effective Age | Property Condition | Actual Age | Effective Age | Property Condition |
| Sub | Deerfield Apartments | 1992 | 2013 | 4.00 | 4 | 1 | 2 |
| 006 | Blackstone Lofts | 1945 | 2001 | 3.00 | 11 | 5 | 10 |
| 014 | Churchill Apartments | 1967 | 1967 | 3.00 | 10 | 12 | 10 |
| 015 | Cole-Harbour Apartments | 1981 | 1998 | 4.00 | 7 | 8 | 2 |
| 016 | Country Estates Apartments | 1978 | 2006 | 4.00 | 9 | 4 | 2 |
| 026 | Giles Apartments | 1986 | 1989 | 3.00 | 6 | 11 | 10 |
| 031 | Lofts at Worsham School | 1927 | 2001 | 3.50 | 12 | 5 | 7 |
| 035 | Magnolia Place Apartments | 1980 | 2011 | 4.00 | 8 | 2 | 2 |
| 036 | Mann Street Apartments | 1998 | 1998 | 3.50 | 3 | 8 | 7 |
| 039 | Meadows Apartments | 1988 | 1998 | 3.50 | 5 | 8 | 7 |
| 044 | Parc Crest at Poplar Forest | 2008 | 2008 | 4.00 | 1 | 3 | 2 |
| 048 | Poplar Forest Apartments Phase 1 & 2 | 1999 | 2000 | 4.50 | 2 | 7 | 1 |

Source: Allen & Associates; Sponsor

Amenities

| | | Site & Common Area Amenities | | | | | | | | | | | | | | | | | | | | |
|-----|--------------------------------------|------------------------------|----------|-------------------|-------------------|-----------------|------------------|----------|----------------|--------------|-----------------|-------------|------------|------|---------|-----------------|-------------|------------|------|-------|--------------|---------------|
| Key | Project Name | Ball Field | BBQ Area | Billiards Game Rm | Business Comp Ctr | Car Care Center | Community Center | Elevator | Fitness Center | Gazebo Patio | Hot Tub Jacuzzi | Herb Garden | Horseshoes | Lake | Library | Movie Media Ctr | Picnic Area | Playground | Pool | Sauna | Sports Court | Walking Trail |
| Sub | Deerfield Apartments | no | yes | no | no | no | yes | no | no | yes | no | no | yes | no | no | no | yes | no | no | no | yes | no |
| 006 | Blackstone Lofts | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no |
| 014 | Churchill Apartments | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no |
| 015 | Cole-Harbour Apartments | no | no | no | no | no | yes | no | no | no | no | no | no | no | no | no | no | yes | no | no | no | no |
| 016 | Country Estates Apartments | no | no | no | yes | no | yes | no | no | no | no | no | no | no | no | no | no | yes | no | no | no | no |
| 026 | Giles Apartments | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | yes | no | no | no | no |
| 031 | Lofts at Worsham School | no | no | no | no | no | yes | no | yes | no | no | no | no | no | no | no | no | no | no | no | no | no |
| 035 | Magnolia Place Apartments | no | no | no | no | no | yes | no | no | yes | no | no | no | no | no | no | no | no | no | no | no | no |
| 036 | Mann Street Apartments | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no |
| 039 | Meadows Apartments | no | no | no | no | no | yes | no | no | no | no | no | no | no | no | no | no | yes | no | no | no | no |
| 044 | Parc Crest at Poplar Forest | no | no | no | no | no | yes | no | yes | no | no | no | no | no | no | no | no | no | yes | no | no | no |
| 048 | Poplar Forest Apartments Phase 1 & 2 | no | yes | no | no | no | yes | no | yes | no | no | no | no | no | no | no | yes | yes | yes | no | yes | yes |

| | | Unit Amenities | | | | | Kitchen Amenities | | | | | Air Conditioning | | | | Heat | | | | | | |
|-----|--------------------------------------|----------------|--------------|-----------|-----------|---------------|-------------------|-------|--------------|----------|------------|------------------|---------|------------|--------------|------|---------|------------|------------|-----------------|------|----|
| Key | Project Name | Blinds | Ceiling Fans | Carpeting | Fireplace | Patio Balcony | Storage | Stove | Refrigerator | Disposal | Dishwasher | Microwave | Central | Wall Units | Window Units | None | Central | Wall Units | Baseboards | Boiler Radiator | None | |
| Sub | Deerfield Apartments | yes | yes | yes | no | yes | no | yes | yes | no | yes | no | no | yes | no | no | no | yes | no | no | no | no |
| 006 | Blackstone Lofts | yes | no | yes | no | no | no | yes | yes | yes | yes | yes | yes | no | no | no | yes | no | no | no | no | no |
| 014 | Churchill Apartments | yes | no | yes | no | no | no | yes | yes | yes | no | no | yes | no | no | no | yes | no | no | no | no | no |
| 015 | Cole-Harbour Apartments | yes | no | yes | no | yes | some | yes | yes | no | no | no | yes | no | no | no | yes | no | no | no | no | no |
| 016 | Country Estates Apartments | yes | yes | yes | no | yes | yes | yes | yes | no | yes | no | yes | no | no | no | yes | no | no | no | no | no |
| 026 | Giles Apartments | yes | no | yes | no | some | yes | yes | yes | no | no | no | no | yes | no | no | no | yes | no | no | no | no |
| 031 | Lofts at Worsham School | yes | yes | some | no | no | no | yes | yes | no | yes | yes | yes | no | no | no | yes | no | no | no | no | no |
| 035 | Magnolia Place Apartments | yes | yes | yes | no | yes | no | yes | yes | no | yes | no | yes | no | no | no | yes | no | no | no | no | no |
| 036 | Mann Street Apartments | yes | no | no | no | no | no | yes | yes | no | no | no | yes | no | no | no | yes | no | no | no | no | no |
| 039 | Meadows Apartments | yes | yes | yes | no | no | no | yes | yes | no | yes | no | yes | no | no | no | yes | no | no | no | no | no |
| 044 | Parc Crest at Poplar Forest | yes | no | yes | no | no | no | yes | yes | yes | yes | no | yes | no | no | no | yes | no | no | no | no | no |
| 048 | Poplar Forest Apartments Phase 1 & 2 | yes | no | yes | some | some | yes | yes | yes | yes | yes | yes | yes | no | no | no | yes | no | no | no | no | no |

| | | Parking | | | | | Laundry | | | Security | | | | | | Services | | | | | | |
|-----|--------------------------------------|---------|-----------------|------------------|--------------|------|---------|-----------|-------------|--------------|-------------------|------------------|------------|-----------------|------------------|--------------|-----------|------------|-------------|---------------|-------|------------------|
| Key | Project Name | Garage | Covered Parking | Assigned Parking | Open Parking | None | Central | W/D Units | W/D Hookups | Call Buttons | Controlled Access | Courtesy Officer | Monitoring | Security Alarms | Security Patrols | After School | Concierge | Hair Salon | Health Care | House-keeping | Meals | Trans- portation |
| Sub | Deerfield Apartments | no | no | no | yes | no | yes | no | no | yes | no | no | no | no | no | no | no | no | no | no | no | no |
| 006 | Blackstone Lofts | no | no | no | yes | no | no | yes | no | no | no | no | no | no | no | na | na | na | na | na | na | na |
| 014 | Churchill Apartments | no | no | no | yes | no | yes | no | no | no | no | yes | no | no | no | no | no | no | no | no | no | no |
| 015 | Cole-Harbour Apartments | no | no | no | yes | no | yes | no | no | no | no | no | no | no | yes | no | no | no | no | no | no | no |
| 016 | Country Estates Apartments | no | no | no | yes | no | yes | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no |
| 026 | Giles Apartments | no | no | no | yes | no | yes | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no |
| 031 | Lofts at Worsham School | no | no | no | yes | no | no | yes | no | no | yes | no | yes | no | no | na | na | na | na | na | na | na |
| 035 | Magnolia Place Apartments | no | no | no | yes | no | yes | no | no | yes | no | no | no | no | no | no | no | no | no | no | no | no |
| 036 | Mann Street Apartments | no | no | no | yes | no | no | no | yes | no | no | no | no | no | no | no | no | no | no | no | no | no |
| 039 | Meadows Apartments | no | no | no | yes | no | yes | no | no | no | no | no | no | no | no | no | no | no | no | no | no | no |
| 044 | Parc Crest at Poplar Forest | no | no | no | yes | no | no | yes | no | no | no | no | no | no | no | no | no | no | no | no | no | no |
| 048 | Poplar Forest Apartments Phase 1 & 2 | no | no | no | yes | no | no | yes | no | no | no | yes | no | no | no | no | no | no | no | no | no | no |

Source: Allen & Associates; Sponsor

| | | Utilities | | | | | | | | | | | | | | | | | | | | | | |
|-----|--------------------------------------|-------------|-----------------|---------------|--------------------|------------------|---------------|----------|---------------|-------|-------|-------|------------|-----------------|---------------|--------------------|------------------|---------------|----------|---------------|-------|-------|-------|-----|
| | | Tenant-Paid | | | | | | | | | | | Owner-Paid | | | | | | | | | | | |
| Key | Project Name | Heat / Gas | Heat / Electric | Cooking / Gas | Cooking / Electric | Other / Electric | AC / Electric | HW / Gas | HW / Electric | Water | Sewer | Trash | Heat / Gas | Heat / Electric | Cooking / Gas | Cooking / Electric | Other / Electric | AC / Electric | HW / Gas | HW / Electric | Water | Sewer | Trash | |
| Sub | Deerfield Apartments | no | yes | no | yes | yes | yes | no | yes | yes | yes | no | no | no | no | no | no | no | no | no | no | no | no | yes |
| 006 | Blackstone Lofts | no | yes | no | yes | yes | yes | no | yes | no | no | yes | no | no | no | no | no | no | no | no | no | yes | yes | no |
| 014 | Churchill Apartments | no | yes | no | yes | yes | yes | yes | no | no | no | no | no | no | no | no | no | no | no | no | yes | yes | yes | |
| 015 | Cole-Harbour Apartments | no | yes | no | yes | yes | yes | no | yes | no | no | yes | no | no | no | no | no | no | no | no | yes | yes | no | |
| 016 | Country Estates Apartments | no | yes | no | yes | yes | yes | no | yes | no | no | no | no | no | no | no | no | no | no | no | yes | yes | yes | |
| 026 | Giles Apartments | no | yes | no | yes | yes | yes | no | yes | no | no | no | no | no | no | no | no | no | no | no | yes | yes | yes | |
| 031 | Lofts at Worsham School | no | no | no | no | no | no | no | no | no | no | no | no | yes | no | yes | yes | yes | no | yes | yes | yes | yes | |
| 035 | Magnolia Place Apartments | no | yes | no | yes | yes | yes | no | yes | yes | yes | no | no | no | no | no | no | no | no | no | no | no | yes | |
| 036 | Mann Street Apartments | no | yes | no | yes | yes | yes | no | yes | no | no | yes | no | no | no | no | no | no | no | no | yes | yes | no | |
| 039 | Meadows Apartments | no | yes | no | yes | yes | yes | no | yes | no | no | no | no | no | no | no | no | no | no | no | yes | yes | yes | |
| 044 | Parc Crest at Poplar Forest | no | yes | no | yes | yes | yes | no | yes | no | no | no | no | no | no | no | no | no | no | no | yes | yes | yes | |
| 048 | Poplar Forest Apartments Phase 1 & 2 | no | yes | no | yes | yes | yes | no | yes | yes | yes | no | no | no | no | no | no | no | no | no | no | no | yes | |

Source: Allen & Associates; Sponsor

| HUD Utility Schedule Model Output | | | | | |
|-----------------------------------|-----------|-----------|-----------|-----------|-----------|
| | 0 Bedroom | 1 Bedroom | 2 Bedroom | 3 Bedroom | 4 Bedroom |
| Heat - Gas | 51 | 56 | 61 | 66 | 71 |
| Heat - Elec | 13 | 15 | 18 | 20 | 21 |
| Cooking - Gas | 4 | 5 | 7 | 10 | 12 |
| Cooking - Elec | 5 | 5 | 8 | 10 | 13 |
| Other Electric | 17 | 20 | 29 | 37 | 45 |
| Air Conditioning | 6 | 7 | 9 | 12 | 15 |
| Hot Water-Gas | 10 | 12 | 17 | 22 | 27 |
| Hot Water-Elec | 11 | 13 | 17 | 21 | 24 |
| Water | 29 | 31 | 46 | 68 | 90 |
| Sewer | 29 | 32 | 54 | 87 | 119 |
| Trash | 28 | 28 | 28 | 28 | 28 |

Source: Local Utility Providers; HUD

SITE DESCRIPTION & ANALYSIS

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

Survey

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

Site Plan

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

Acres / Lot Shape / Frontage

The subject property includes an irregular-shaped parcel consisting of approximately 4.194 acres and approximately 1300 feet of road frontage.

Zoning

According to the sponsor, the subject property is currently zoned R-3. It is our understanding that the current zoning for the subject is a legal, conforming use.

Parking / Streets / Curbs / Sidewalks

A total of 42 parking spaces are planned for this development (34 regular / 8 accessible / 1.08 spaces per unit). Privately-owned parking areas are planned for the subject property. We normally see 1.5 to 2.0 spaces per unit for projects like the subject. Public transportation is not found in the area. In our opinion, the current parking appears light for the subject property.

Dumpsters / Dumpster Enclosures

The subject includes 1 publicly-owned dumpster along with 1 privately-owned vinyl enclosure.

Landscaping / Perimeter Fence / Retaining Walls / Entry Sign

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

Stormwater Management / Site Lighting / Water Service / Wastewater Service

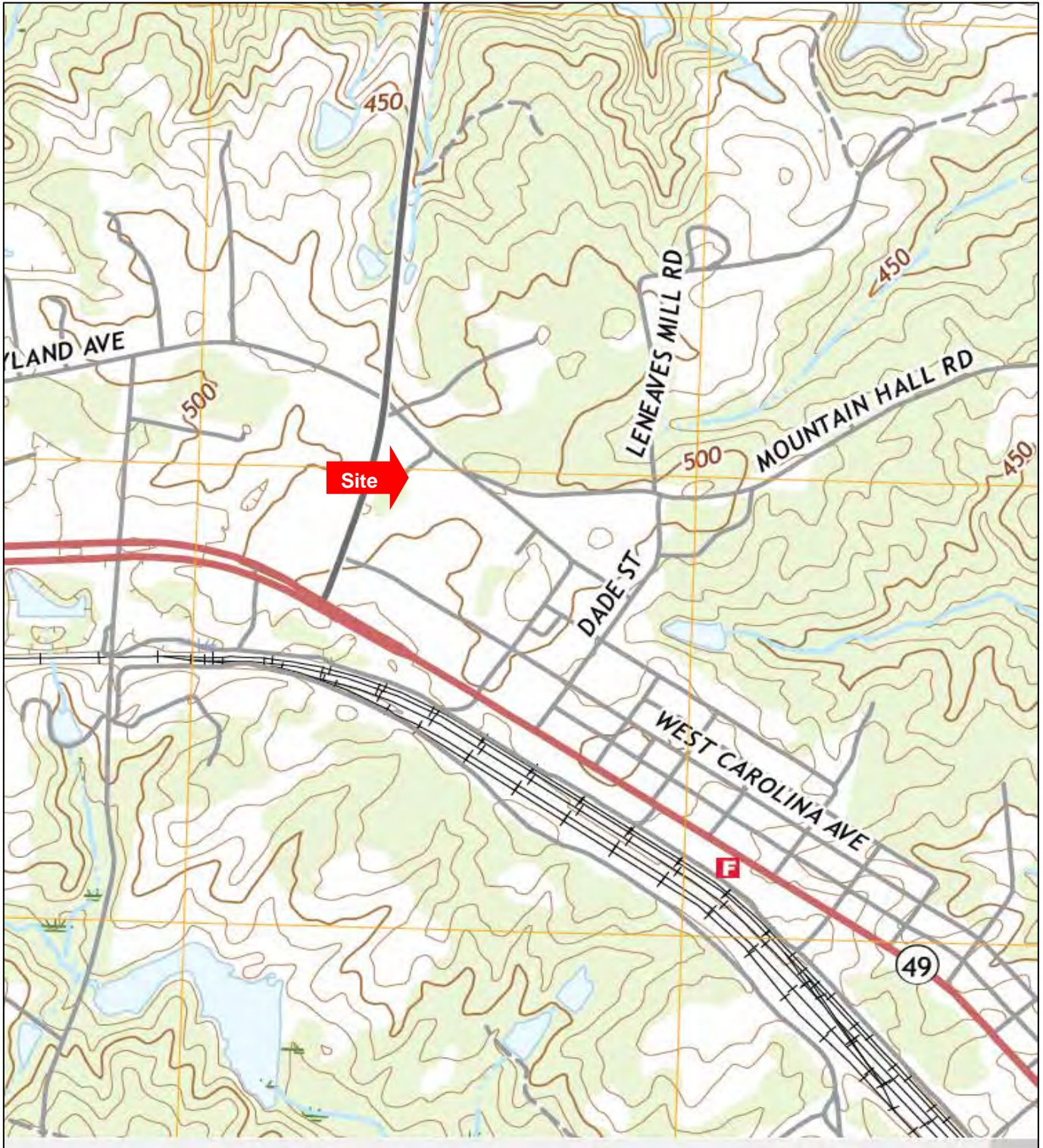
Stormwater management consists of catch basins and concrete pipe connecting to a public system. Site lighting consists of publicly-owned HID poles. Domestic water service to buildings consists of ductile iron pipe connecting to a public system. Wastewater service to buildings consists of PVC pipe connecting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

Nuisances, Hazards, Detrimental Influences & Environmental

We did not observe any nuisances, hazards, detrimental influences or recognized environmental conditions on our inspection of the subject property. The subject property was originally constructed in 1992, after the 1978 ban on lead and asbestos containing construction materials. Nevertheless, we recommend that the sponsor obtain a comprehensive environmental assessment from a qualified professional.

Topography


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



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

Flood Zone

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




LATITUDE: 37.192244, LONGITUDE: -78.144755
 LOCATION ACCURACY: Liberalized Location
 LATITUDE: 37.192244
 LONGITUDE: -78.144755
 MATCH CODE:
 SOURCE: CENSUS BLOCK ID: 511350003003021

Flood Zone Determination Report

Flood Zone Determination: OUT

| | | | |
|----------------------|----------------|-------------------------------|---------------|
| SFHA (FLOOD ZONE) | OUT | WITHIN 250 FEET OF FLOOD ZONE | NO |
| FLOOD ZONE | X | COMMUNITY | 510264 |
| COMMUNITY NAME | CREWE, TOWN OF | PANEL | 0059C |
| PANEL DATE | June 02, 2009 | COBRA | OUT |
| PARTICIPATION STATUS | R | ORIGIN FIRM DATE | June 02, 2009 |
| MAP NUMBER | 51135C0059C | FIPS CODE | 51135 |



- X500 or B Zone
- A Zone
- V Zone
- D Zone
- Floodway
- CBRA

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Report generated Mar 5, 2022 by jcarroll@allenadvisors.com
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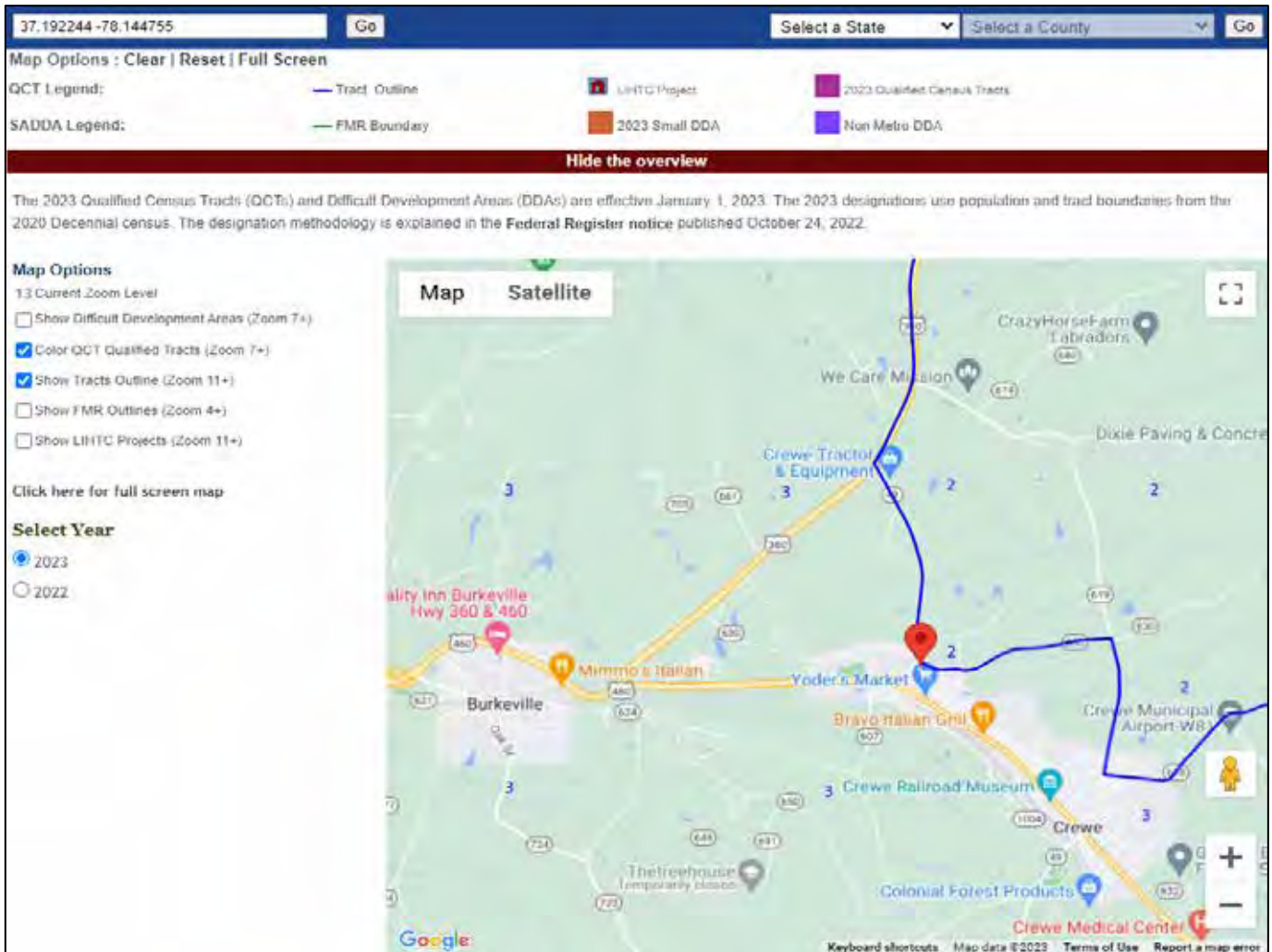
According to FEMA map number 51135C0059C dated June 02, 2009, the subject property is located in Zone X. This is an area that is identified as being located outside the 100-year flood zone.

Difficult to Develop Area Status

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

Qualified Census Tract Status

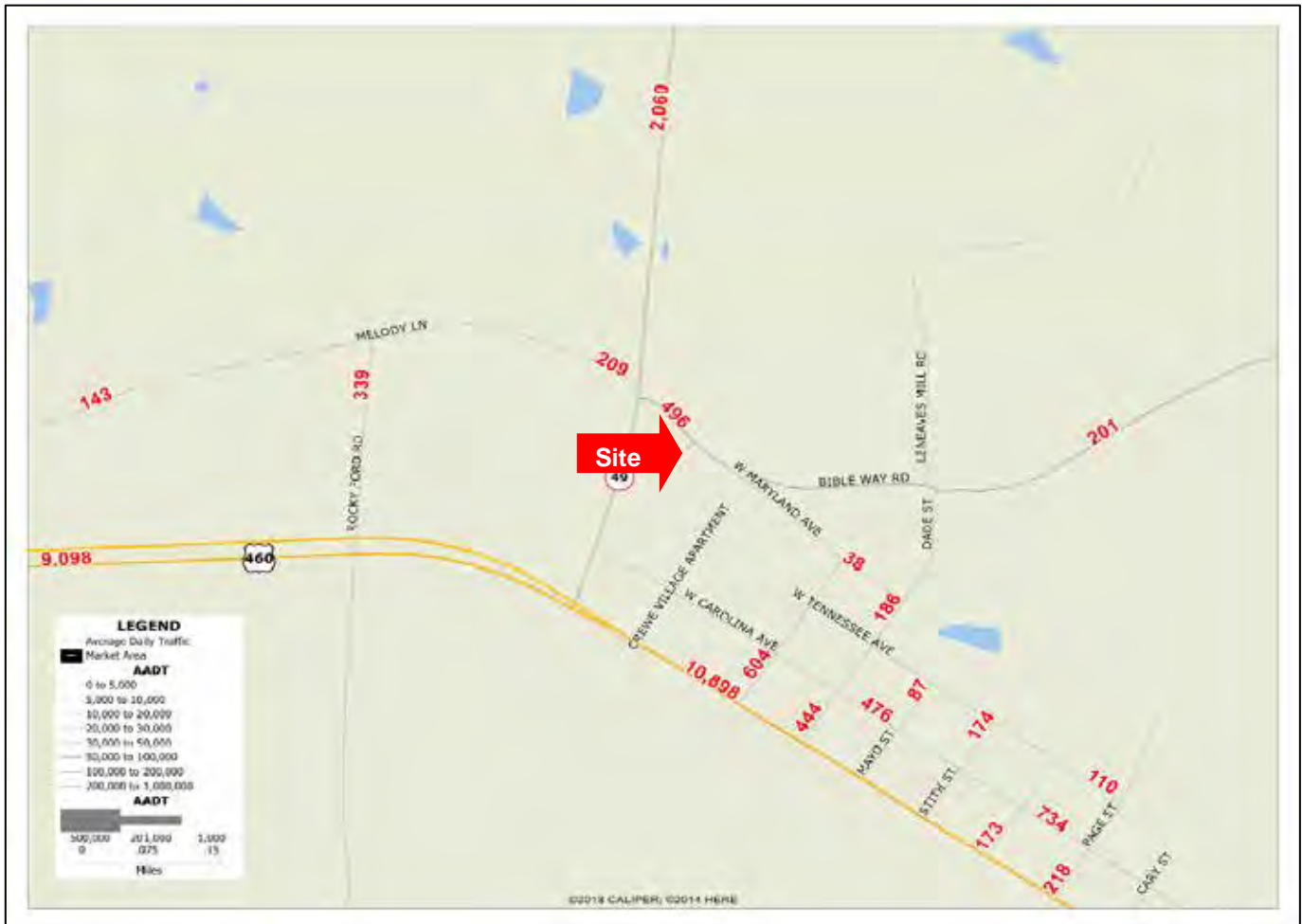
The federal government has identified census tracts throughout the United States that include high concentrations of low-income households and substandard housing units. These areas, known as Qualified Census Tracts, qualify for special funding under various state and federal programs. A QCT map showing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



The subject property is located in Census Tract 3.00 - an area that is not designated as a Qualified Census Tract. Consequently, the subject property does not appear to qualify for special QCT funding under state and federal programs.

Traffic Patterns, Access & Visibility

A traffic map identifying the subject property is found below:



Access

The subject property is located on Maryland Avenue, approximately 2 blocks north of US Highway 460 in Crewe, Virginia. US Highway 460 is a heavily-traveled east-west road carrying approximately 10,000 vehicles per day. We did not observe any road or infrastructure improvements taking place in the immediate vicinity of the subject property. In our opinion, therefore, accessibility is good by virtue of the location of the subject property relative to existing streets and thoroughfares.

Visibility

The subject property is visible from Maryland with +/- 1300 feet of frontage and a limited volume of drive-by traffic. Consequently, in our opinion visibility is fair to good by virtue of the exposure of the subject property to existing drive-by traffic volumes.

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

Access & Visibility

| Rating | | | | Rank | |
|--------|--------------------------------------|--------|------------|--------|------------|
| Key | Project Name | Access | Visibility | Access | Visibility |
| Sub | Deerfield Apartments | 3.00 | 2.50 | 2 | 10 |
| 006 | Blackstone Lofts | 3.00 | 3.00 | 2 | 4 |
| 014 | Churchill Apartments | 3.00 | 2.75 | 2 | 7 |
| 015 | Cole-Harbour Apartments | 3.00 | 3.50 | 2 | 2 |
| 016 | Country Estates Apartments | 3.00 | 2.75 | 2 | 7 |
| 026 | Giles Apartments | 3.00 | 2.75 | 2 | 7 |
| 031 | Lofts at Worsham School | 3.00 | 4.00 | 2 | 1 |
| 035 | Magnolia Place Apartments | 3.00 | 3.00 | 2 | 4 |
| 036 | Mann Street Apartments | 3.25 | 3.25 | 1 | 3 |
| 039 | Meadows Apartments | 3.00 | 2.00 | 2 | 12 |
| 044 | Parc Crest at Poplar Forest | 2.50 | 2.50 | 12 | 10 |
| 048 | Poplar Forest Apartments Phase 1 & 2 | 3.00 | 3.00 | 2 | 4 |

Source: Allen & Associates

NEIGHBORHOOD DESCRIPTION & ANALYSIS

Neighborhood

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

Life Cycle

Neighborhoods are sometimes thought to evolve through four distinct stages:

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

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

Surrounding Properties

The subject property is located in Crewe, Virginia. The immediate area consists of residential land uses.

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

Surrounding property uses are summarized in the table found below:

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

Source: Allen & Associates

Economic Characteristics

The subject property is located in an area with average household incomes of \$33,050 (in 2015 dollars); this is compared with \$29,110 for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with median cash rents of \$788 (in 2015 dollars); this is compared with \$651 for the most comparable properties included in this analysis.

Finally, the subject property is located in an area with median single family home values of \$89,200 (in 2015 dollars); this is compared with \$147,075 for the most comparable properties included in this analysis.

Crime Rates

The subject property is located in an area with personal crime rates of 5.3%. Personal crime includes offenses such as rape, murder, robbery and assault. Our research suggests that the average personal crime rate for the most comparable properties stands at 3.2%.

In addition, the subject property is located in an area with property crime rates of 5.6%. Property crimes include offenses such as burglary, larceny and theft. Our research suggests that the average property crime rate for the most comparable properties stands at 3.7%.

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

Educational Attainment

The subject property is located in an area with high school graduation rates of 78.9%; this is compared with 75.6% for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with college graduation rates of 14.1%; this is compared with 21.5% for the most comparable properties included in this analysis.

Commuting Patterns

The subject property is located in an area with an average drive to work of 25.8 minutes; this is compared with 24.4 minutes for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with an average of 1.72 vehicles per household; this is compared with 1.50 vehicles per household for the most comparable properties included in this analysis.

Conclusion

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

Proximity to Area Amenities

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

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

| Proximity to Area Amenities | | |
|-----------------------------|---------------------------------------|------------|
| Amenity | Name | Miles |
| Bank | Benchmark Community Bank | 0.4 mi SE |
| Grocery | Yoder's Market | 0.2 mi S |
| Emergency Clinic | Patient First Primary and Urgent Care | 38.2 mi NE |
| Pharmacy | Spencers Drugstore | 11.7 mi SE |
| Discount Store | Dollar General | 1.1 mi SE |
| Elementary School | Burkeville Elementary School | 2.8 mi W |
| Middle School | Nottoway Middle School | 6.5 mi SE |
| High School | Foster High School | 6.5 mi SE |
| Bus Stop | - | - |

Source: Google Maps

Benchmark Community Bank, Yoder's Market, and Dollar General are all located less than 1.1 miles away from the subject property. Spencers Drugstore is located 11.7 miles away. Patient First Primary & Urgent Care is located 38.2 miles away.

Number of Area Amenities

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

- Microsoft Streets & Trips identified 3 banks within 2.0 miles of the subject property. The subject is ranked 10 out of the 12 properties included in this analysis.
- A total of 3 grocery stores are in the vicinity of the subject property. The subject is ranked 9 for the area.
- A total of 0 hospital are in the vicinity of the subject property. The subject is ranked 4 for the area.
- A total of 1 pharmacy is in the vicinity of the subject property. The subject is ranked 10 for the area.
- A total of 3 shopping centers are in the vicinity of the subject property. The subject is ranked 10 for the area.

Nearest Area Amenities

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

- According to Microsoft Streets & Trips, the nearest bank is 0.39 miles away from the subject property. The subject is ranked 5 out of the 12 properties included in this analysis.
- The nearest grocery store is 0.39 miles away from the subject property. The subject is ranked 3 for the area.
- The nearest hospital is 16.15 miles away from the subject property. The subject is ranked 7 for the area.
- The nearest pharmacy is 1.58 miles away from the subject property. The subject is ranked 10 for the area.
- The nearest shopping center is 0.32 miles away from the subject property. The subject is ranked 5 for the area.

Conclusion

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

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

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

Neighborhood Ratings

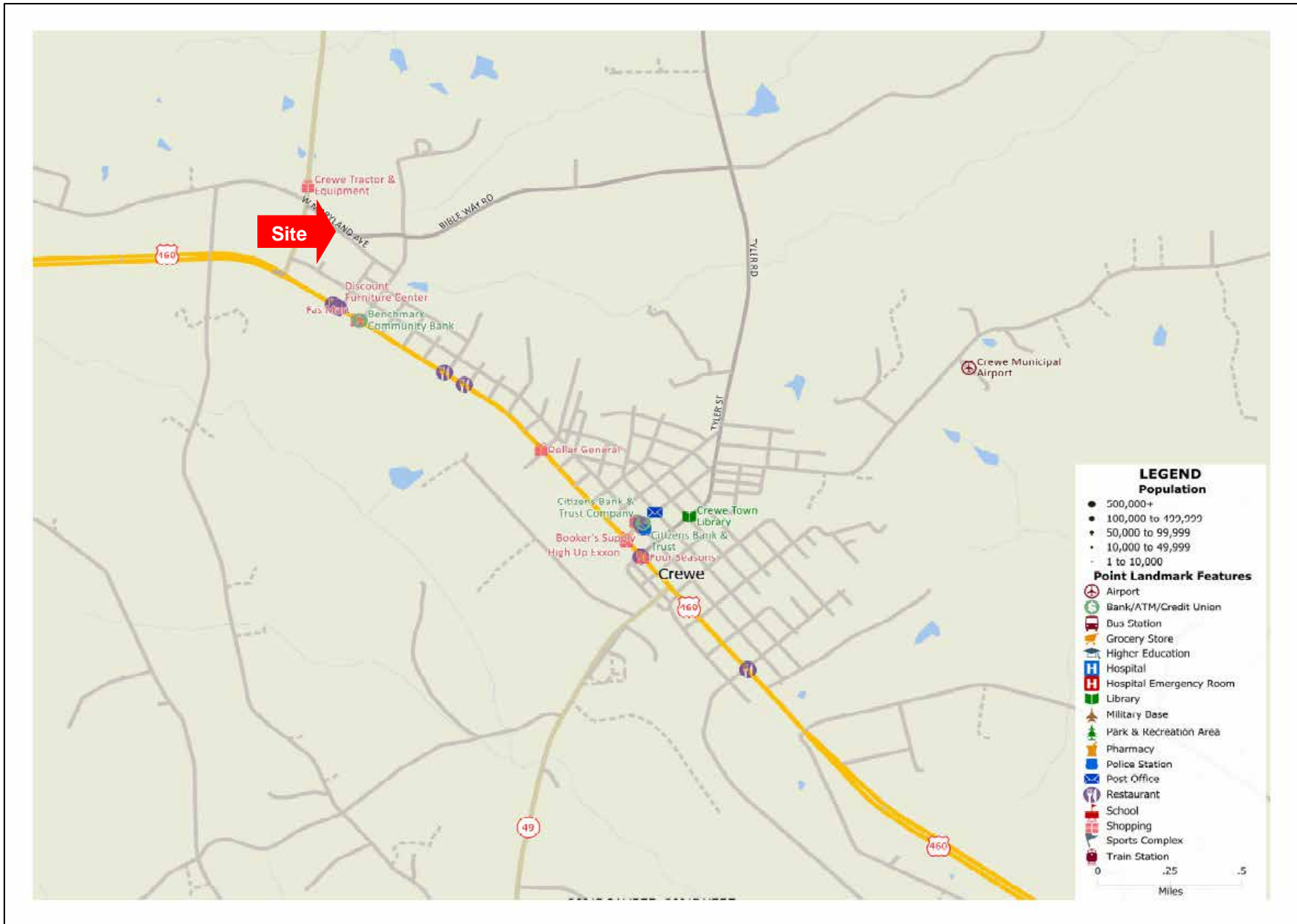
| | | Rating | | | | | | | | | Rank (1 = Property with Highest Rating) | | | | | | | | Final Rating (1-5 Scale) |
|-----|--------------------------------------|----------------------|----------------------|---------------------|----------------|----------------|---------------------|--------------------|-----------------|----------------------|---|---------------------|----------------|----------------|---------------------|--------------------|-----------------|------|-----------------------------|
| Key | Project Name | Surrounding Area | | | Crime Rates | | Education | | Commute | Surrounding Area | | | Crime Rates | | Education | | Commute | | |
| | | Avg HH Income (2015) | Med Cash Rent (2015) | Med SF Value (2015) | Personal Crime | Property Crime | High School or More | Bachelor's or More | Average Commute | Avg HH Income (2015) | Med Cash Rent (2015) | Med SF Value (2015) | Personal Crime | Property Crime | High School or More | Bachelor's or More | Average Commute | | |
| Sub | Deerfield Apartments | \$33,050 | \$788 | \$89,200 | 5.3% | 5.6% | 78.9% | 14.1% | 25.81 | 5 | 4 | 11 | 12 | 10 | 3 | 11 | 10 | 2.70 | |
| 006 | Blackstone Lofts | \$15,656 | \$323 | \$119,800 | 2.3% | 4.5% | 78.1% | 25.7% | 24.46 | 11 | 11 | 6 | 4 | 7 | 5 | 2 | 7 | 3.00 | |
| 014 | Churchill Apartments | \$20,893 | \$732 | \$150,000 | 4.6% | 9.8% | 84.2% | 21.9% | 18.86 | 9 | 6 | 4 | 10 | 12 | 1 | 6 | 1 | 3.10 | |
| 015 | Cole-Harbour Apartments | \$39,143 | \$962 | \$102,600 | 4.1% | 4.8% | 77.4% | 5.7% | 25.09 | 2 | 1 | 10 | 9 | 9 | 7 | 12 | 9 | 3.00 | |
| 016 | Country Estates Apartments | \$27,353 | \$500 | \$250,000 | 2.3% | 0.7% | 74.7% | 25.4% | 20.96 | 7 | 9 | 2 | 2 | 1 | 8 | 4 | 4 | 4.00 | |
| 026 | Giles Apartments | \$49,239 | \$533 | \$251,400 | 1.8% | 1.3% | 78.3% | 35.2% | 35.25 | 1 | 8 | 1 | 1 | 5 | 4 | 1 | 12 | 4.50 | |
| 031 | Lofts at Worsham School | \$27,692 | \$627 | \$133,600 | 2.8% | 2.3% | 81.6% | 19.5% | 33.38 | 6 | 7 | 5 | 8 | 6 | 2 | 8 | 11 | 3.20 | |
| 035 | Magnolia Place Apartments | \$15,656 | \$323 | \$119,800 | 2.3% | 4.5% | 78.1% | 25.7% | 24.46 | 11 | 11 | 6 | 4 | 7 | 5 | 2 | 7 | 3.00 | |
| 036 | Mann Street Apartments | \$18,750 | \$741 | \$63,500 | 5.2% | 8.2% | 52.2% | 20.3% | 22.55 | 10 | 5 | 12 | 11 | 11 | 12 | 7 | 6 | 2.00 | |
| 039 | Meadows Apartments | \$27,353 | \$500 | \$250,000 | 2.3% | 0.7% | 74.7% | 25.4% | 20.96 | 7 | 9 | 2 | 2 | 1 | 8 | 4 | 4 | 4.00 | |
| 044 | Parc Crest at Poplar Forest | \$37,266 | \$894 | \$117,500 | 2.7% | 0.9% | 74.4% | 19.5% | 20.57 | 3 | 2 | 8 | 6 | 3 | 10 | 9 | 2 | 3.90 | |
| 048 | Poplar Forest Apartments Phase 1 & 2 | \$37,266 | \$894 | \$117,500 | 2.7% | 0.9% | 74.4% | 19.5% | 20.57 | 3 | 2 | 8 | 6 | 3 | 10 | 9 | 2 | 3.90 | |

Proximity to Area Amenities

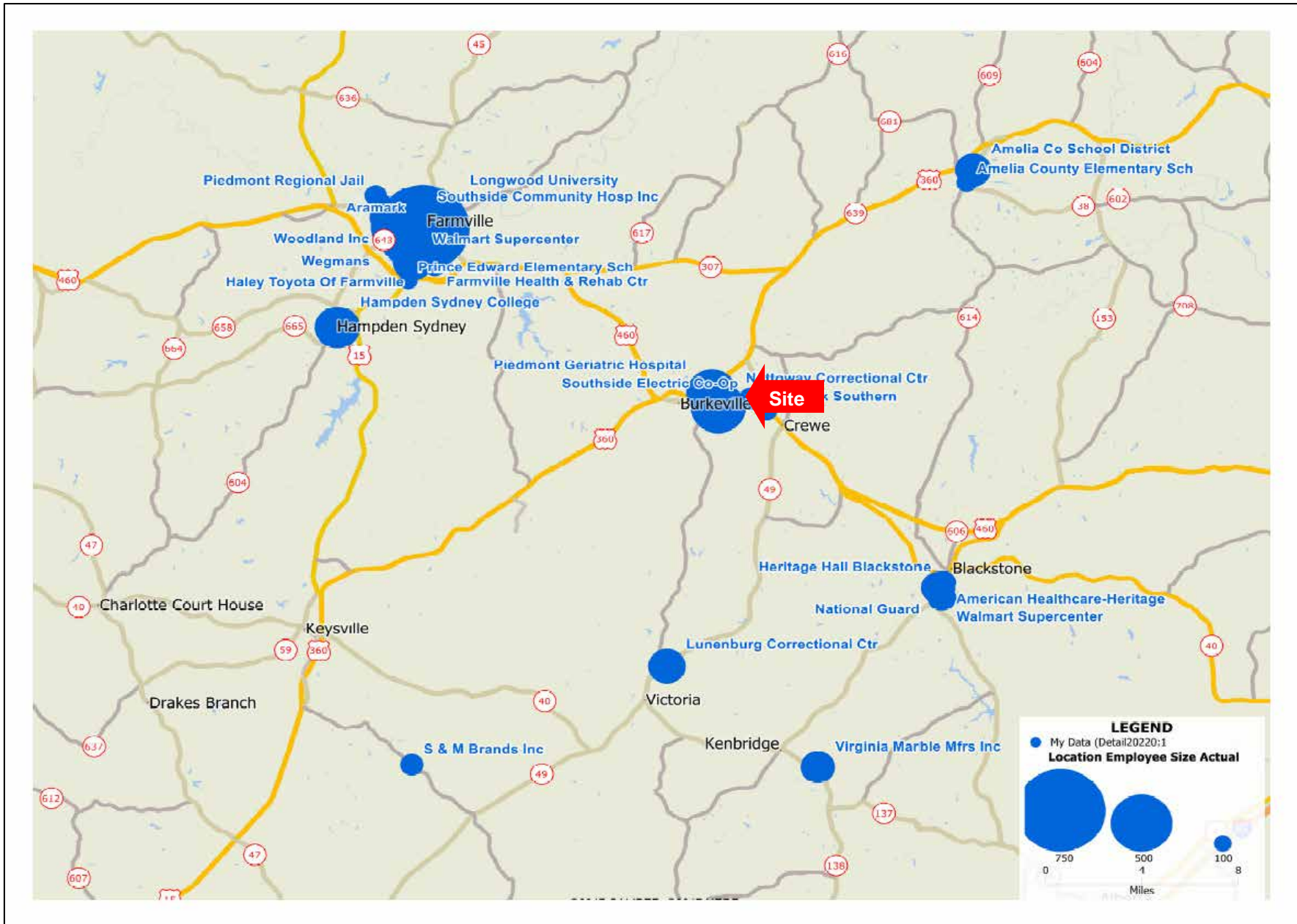
| | | Rating | | | | | | | | | Rank (1 = Property with Highest Rating) | | | | | | | | Final Rating (1-5 Scale) |
|-----|--------------------------------------|-------------------------------------|---------|----------|----------|-----------------|----------------------------|---------|----------|-------|---|----------|----------|-----------------|-----------------|----------------------------|----------|------|-----------------------------|
| Key | Project Name | Number within 2.0 miles of Property | | | | | Nearest to Property, Miles | | | | Number within 2.0 miles of Property | | | | | Nearest to Property, Miles | | | |
| | | Banks | Grocery | Hospital | Pharmacy | Shopping Center | Shopping Center | Grocery | Hospital | Banks | Grocery | Hospital | Pharmacy | Shopping Center | Shopping Center | Grocery | Hospital | | |
| Sub | Deerfield Apartments | 3 | 3 | 0 | 1 | 3 | 0.3 | 0.4 | 16.2 | 10 | 9 | 4 | 10 | 10 | 5 | 3 | 7 | 3.20 | |
| 006 | Blackstone Lofts | 4 | 5 | 0 | 2 | 7 | 0.5 | 0.1 | 24.8 | 4 | 3 | 4 | 5 | 6 | 6 | 1 | 9 | 3.70 | |
| 014 | Churchill Apartments | 9 | 6 | 2 | 4 | 23 | 0.3 | 0.4 | 0.9 | 1 | 1 | 1 | 1 | 1 | 4 | 4 | 1 | 4.50 | |
| 015 | Cole-Harbour Apartments | 4 | 5 | 0 | 2 | 7 | 1.3 | 1.1 | 24.9 | 4 | 3 | 4 | 5 | 6 | 11 | 11 | 11 | 2.50 | |
| 016 | Country Estates Apartments | 9 | 5 | 2 | 4 | 23 | 0.2 | 0.6 | 1.3 | 1 | 3 | 1 | 1 | 1 | 2 | 6 | 2 | 4.20 | |
| 026 | Giles Apartments | 2 | 1 | 0 | 0 | 1 | 0.9 | 0.8 | 19.8 | 11 | 11 | 4 | 11 | 11 | 9 | 7 | 8 | 2.00 | |
| 031 | Lofts at Worsham School | 0 | 0 | 0 | 0 | 0 | 3.1 | 3.9 | 5.5 | 12 | 12 | 4 | 11 | 12 | 12 | 12 | 6 | 2.00 | |
| 035 | Magnolia Place Apartments | 4 | 5 | 0 | 2 | 7 | 0.8 | 0.4 | 24.8 | 4 | 3 | 4 | 5 | 6 | 7 | 5 | 10 | 3.40 | |
| 036 | Mann Street Apartments | 4 | 6 | 0 | 2 | 7 | 0.2 | 0.2 | 25.4 | 4 | 1 | 4 | 5 | 6 | 2 | 2 | 12 | 3.70 | |
| 039 | Meadows Apartments | 8 | 5 | 2 | 4 | 23 | 0.2 | 0.8 | 1.4 | 3 | 3 | 1 | 1 | 1 | 1 | 8 | 3 | 3.80 | |
| 044 | Parc Crest at Poplar Forest | 4 | 4 | 0 | 3 | 12 | 0.9 | 0.8 | 2.7 | 4 | 8 | 4 | 4 | 4 | 10 | 9 | 4 | 2.80 | |
| 048 | Poplar Forest Apartments Phase 1 & 2 | 4 | 3 | 0 | 2 | 12 | 0.8 | 0.9 | 2.9 | 4 | 9 | 4 | 5 | 4 | 7 | 10 | 5 | 2.90 | |

Source: US Census; Claritas; Google Maps

Proximity to Area Amenities



Proximity to Area Employers



SUBJECT PROPERTY PHOTOS

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



Subject Property



Looking North From Entrance



Looking South From Entrance



Looking East From Entrance



Looking West From Entrance



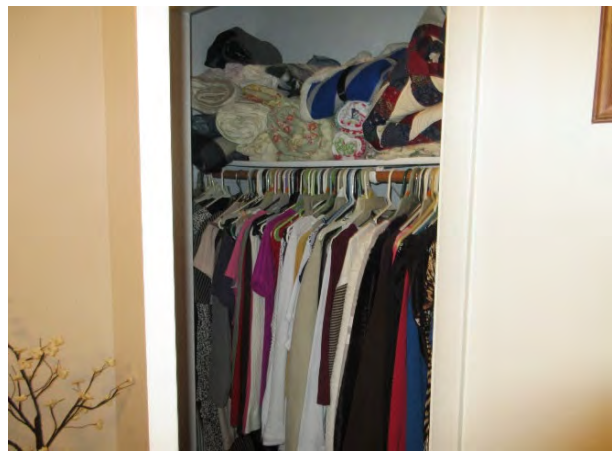
Typical Family Room



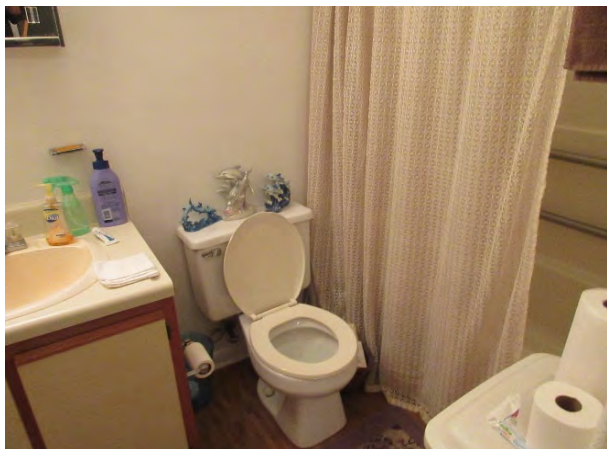
Typical Kitchen



Typical Bedroom



Typical Closet



Typical Bathroom



Utility Room



Laundry Area



Community Room



Gazebo



Picnic Area

MARKET AREA

Overview

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

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

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

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

Our primary and secondary market area definitions are found below.

Primary Market Area

We defined the primary market area by generating a 25-minute drive time zone around the subject property. We also considered existing concentrations of multifamily properties and the nearest census tract boundaries in our analysis.

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

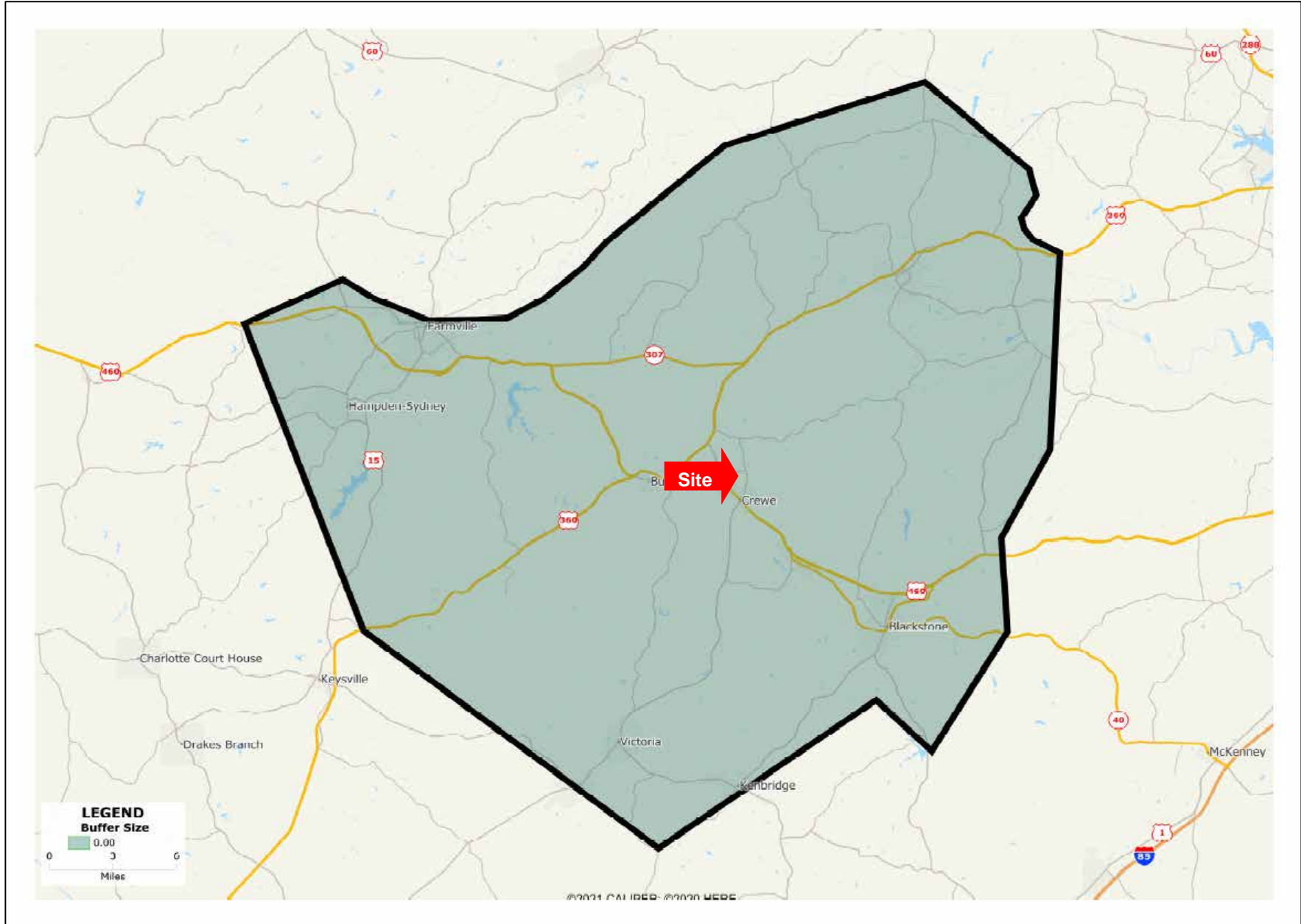
| Census Tract | County | State |
|--------------|----------------------|----------|
| 51007930100 | Amelia County | Virginia |
| 51007930200 | Amelia County | Virginia |
| 51111930100 | Lunenburg County | Virginia |
| 51111930200 | Lunenburg County | Virginia |
| 51111930300 | Lunenburg County | Virginia |
| 51135000100 | Nottoway County | Virginia |
| 51135000200 | Nottoway County | Virginia |
| 51135000300 | Nottoway County | Virginia |
| 51135980100 | Nottoway County | Virginia |
| 51147930100 | Prince Edward County | Virginia |
| 51147930201 | Prince Edward County | Virginia |
| 51147930202 | Prince Edward County | Virginia |
| 51147930203 | Prince Edward County | Virginia |
| 51147930300 | Prince Edward County | Virginia |

The primary market area includes a population of 51,699 persons and covers a total of 949.5 square miles, making it 34.8 miles across on average.

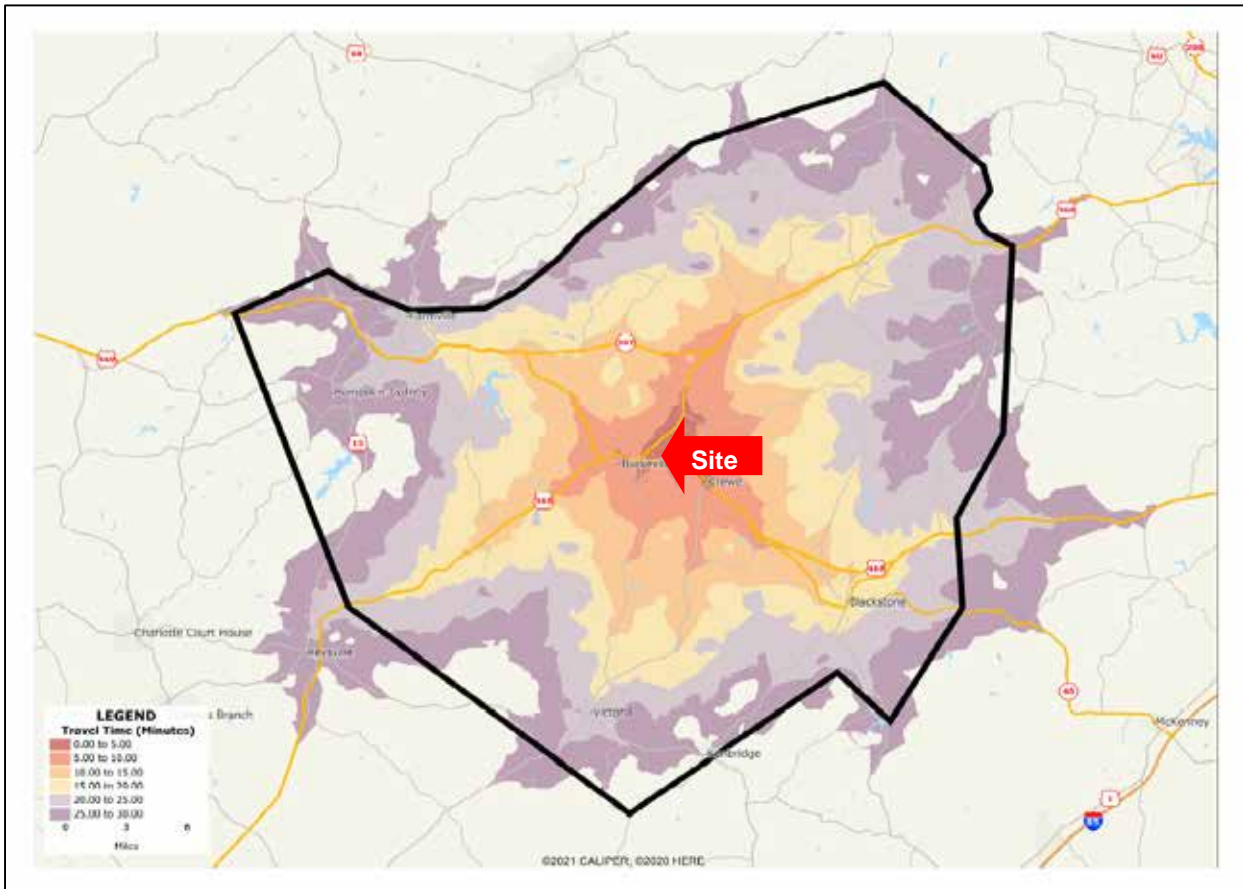
Secondary Market Area

We estimate that up to 40 percent of demand will come from areas outside of the primary market area.

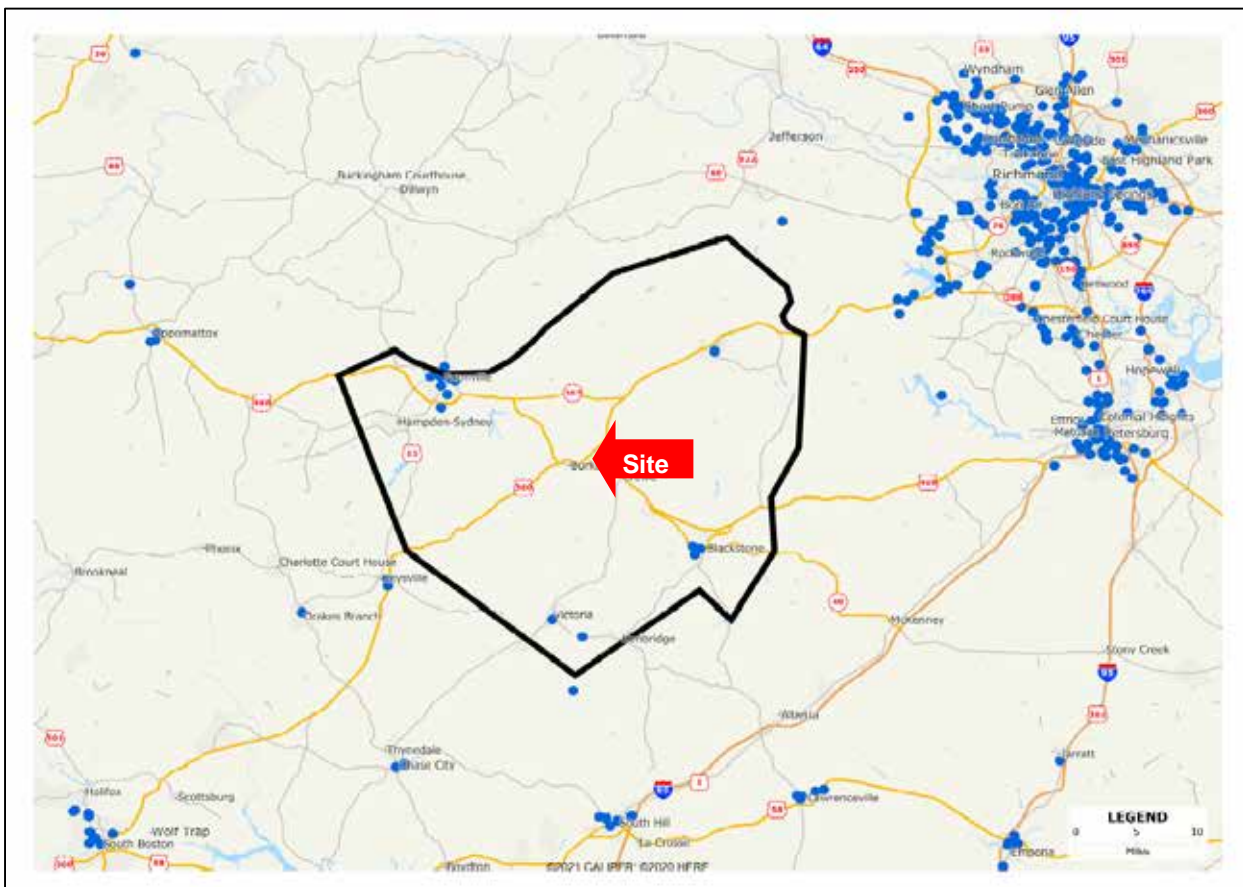
Market Area



Drive Time

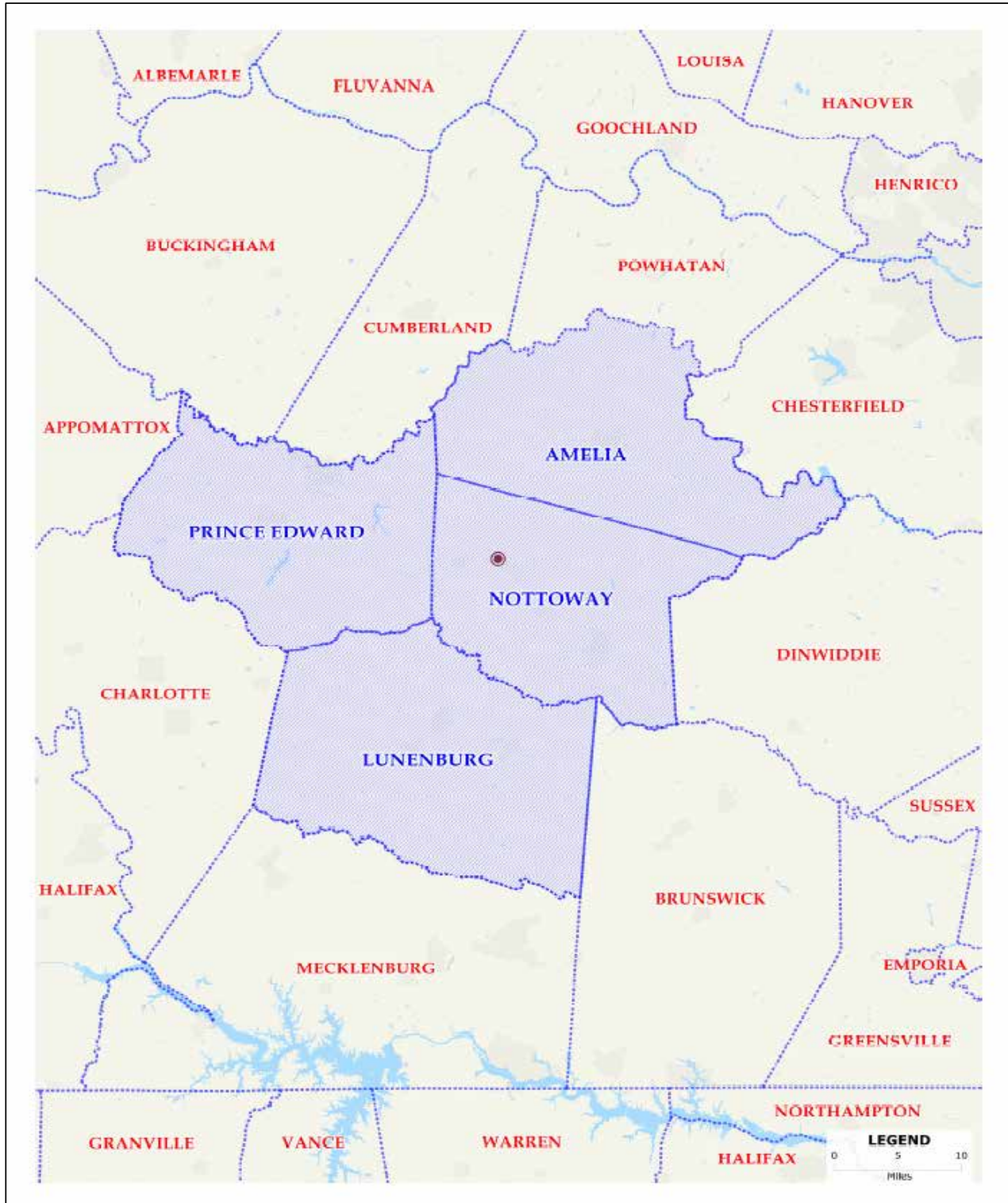


Existing Multifamily



ECONOMIC OUTLOOK

In this section we conduct an analysis of the regional economy. For purposes of our analysis, we define the region as Amelia, Lunenburg, Nottoway, and Prince Edward Counties, Virginia. A map depicting the Region is found below.



Employment by Industry

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

| Establishment Employment | | | |
|--|--------|--------|--------|
| Industry | Region | Reg % | US % |
| Farm Employment | 1,646 | 5.5% | 1.3% |
| Forestry, Fishing, Related Activities And Other Employment | 409 | 1.4% | 0.5% |
| Mining Employment | 41 | 0.1% | 0.7% |
| Utilities Employment | 52 | 0.2% | 0.3% |
| Construction Employment | 1,831 | 6.2% | 5.4% |
| Manufacturing Employment | 1,311 | 4.4% | 6.4% |
| Wholesale Trade Employment | 659 | 2.2% | 3.5% |
| Retail Trade Employment | 2,765 | 9.3% | 10.3% |
| Transportation And Warehousing Employment | 1,318 | 4.4% | 3.4% |
| Information Employment | 211 | 0.7% | 1.6% |
| Finance And Insurance Employment | 846 | 2.8% | 5.4% |
| Real Estate And Rental And Lease Employment | 892 | 3.0% | 4.8% |
| Professional And Technical Services Employment | 945 | 3.2% | 6.9% |
| Management Of Companies And Enterprises Employment | 193 | 0.6% | 1.3% |
| Administrative And Waste Services Employment | 1,295 | 4.4% | 6.0% |
| Educational Services Employment | 781 | 2.6% | 2.5% |
| Health Care And Social Assistance Employment | 3,671 | 12.4% | 12.1% |
| Arts, Entertainment, And Recreation Employment | 295 | 1.0% | 2.2% |
| Accommodation And Food Services Employment | 1,847 | 6.2% | 7.5% |
| Other Services, Except Public Administration Employment | 1,850 | 6.2% | 5.9% |
| Federal Civilian Government Employment | 446 | 1.5% | 1.4% |
| Federal Military Employment | 189 | 0.6% | 0.9% |
| State And Local Government Employment | 6,218 | 20.9% | 9.8% |
| Establishment Employment | 29,711 | 100.0% | 100.0% |

Source: W&P Economics

Regional establishment employment currently stands at 29,711. The data suggests that State and Local Government is the largest employment category accounting for 20.9% of total regional employment. Health Care and Social Assistance is the second largest category accounting for 12.4% of total employment. Retail Trade is the third largest category accounting for 9.3% of total employment. Other Services is the fourth largest category accounting for 6.2% of total employment. Accommodation and Food Services is the fifth largest category accounting for 6.2% of total employment.

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

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

In the table above we highlight the basic industries for the region. The distribution of employment in these industries exceeds that for the United States. These basic industries represent about 18,170 employees or about 61.2% of total regional employment. These are the industries that drive the regional economy.

Earnings by Industry

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

| Average Earnings (2012 \$) | | |
|--|-----------|------|
| Industry | Earnings | Rank |
| Farm Employment | \$4,543 | 23 |
| Forestry, Fishing, Related Activities And Other Employment | \$36,567 | 11 |
| Mining Employment | \$11,122 | 21 |
| Utilities Employment | \$115,942 | 1 |
| Construction Employment | \$37,328 | 10 |
| Manufacturing Employment | \$41,101 | 8 |
| Wholesale Trade Employment | \$59,073 | 4 |
| Retail Trade Employment | \$25,974 | 16 |
| Transportation And Warehousing Employment | \$49,767 | 6 |
| Information Employment | \$34,227 | 12 |
| Finance And Insurance Employment | \$31,573 | 13 |
| Real Estate And Rental And Lease Employment | \$12,592 | 20 |
| Professional And Technical Services Employment | \$26,923 | 15 |
| Management Of Companies And Enterprises Employment | \$78,860 | 3 |
| Administrative And Waste Services Employment | \$24,810 | 18 |
| Educational Services Employment | \$29,492 | 14 |
| Health Care And Social Assistance Employment | \$46,031 | 7 |
| Arts, Entertainment, And Recreation Employment | \$10,454 | 22 |
| Accommodation And Food Services Employment | \$21,564 | 19 |
| Other Services, Except Public Administration Employment | \$25,505 | 17 |
| Federal Civilian Government Employment | \$87,648 | 2 |
| Federal Military Employment | \$37,381 | 9 |
| State And Local Government Employment | \$55,353 | 5 |
| Establishment Employment | \$37,625 | |

Source: W&P Economics

The data suggests that Utilities is the highest paid industry averaging \$115,942 per employee. Federal Civilian Government is the second highest paid industry averaging \$87,648 per employee. Management of Companies is the third highest paid profession averaging \$78,860 per employee. Wholesale trade is the fourth highest paid industry averaging \$59,073 per employee. State and Local Government is the fifth highest paid category averaging \$55,353 per employee. These figures are compared with regional Average Earnings of \$37,625 per employee.

The highlighted industries represent basic industries for the region. Average earnings for these basic industries comes to \$41,359 or 9.9% higher than average for the region.

Top Employers

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

| Top Employers | | | | |
|------------------------------|-----------|----------|--|---------------|
| Name | Employees | SIC Code | Industry Description | Location Type |
| Longwood University | 786 | 8221-01 | Schools-Universities & Colleges Academic | Subsidiary |
| Southside Community Hosp Inc | 438 | 8062-02 | Hospitals | Subsidiary |
| Nottoway Correctional Ctr | 435 | 9121-02 | Government Offices-State | Branch |
| Piedmont Geriatric Hospital | 400 | 8062-02 | Hospitals | - |
| Hampden Sydney College | 350 | 8221-01 | Schools-Universities & Colleges Academic | Subsidiary |
| Hampden-Sydney College | 300 | 8222-98 | Junior-Community College-Tech Institutes | - |
| Keese Supply | 300 | 5399-01 | General Merchandise-Retail | - |
| Walmart Supercenter | 300 | 5311-02 | Department Stores | - |
| Lunenburg Correctional Ctr | 280 | 9223-02 | State Govt-Correctional Institutions | - |
| Amelia Co School District | 265 | 8211-20 | School Districts | - |

Source: InfoUSA

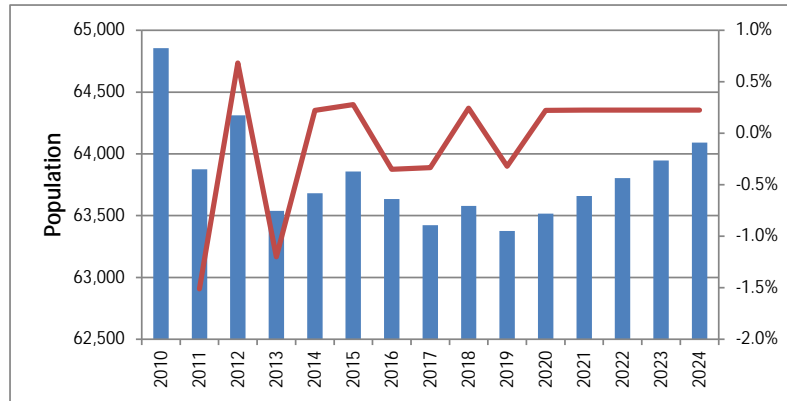
The top employers include: (1) Longwood University (786 employees); (2) Southside Community Hosp Inc (438 employees) and; (3) Nottoway Correctional Ctr (435 employees).

Population

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

| Population Forecast | | |
|---------------------|--------|----------|
| Year | Pop | Growth % |
| 2010 | 64,855 | |
| 2011 | 63,875 | -1.5% |
| 2012 | 64,311 | 0.7% |
| 2013 | 63,539 | -1.2% |
| 2014 | 63,681 | 0.2% |
| 2015 | 63,858 | 0.3% |
| 2016 | 63,635 | -0.3% |
| 2017 | 63,423 | -0.3% |
| 2018 | 63,578 | 0.2% |
| 2019 | 63,375 | -0.3% |
| 2020 | 63,516 | 0.2% |
| 2021 | 63,659 | 0.2% |
| 2022 | 63,803 | 0.2% |
| 2023 | 63,947 | 0.2% |
| 2024 | 64,091 | 0.2% |

Source: US Census; W&P Economics



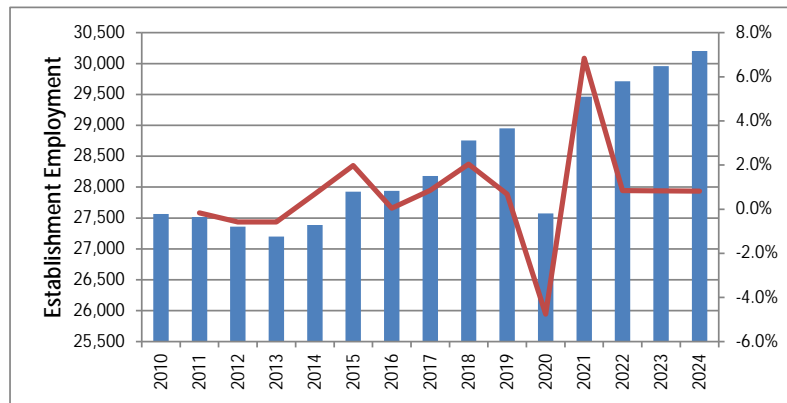
Population decreased from 64,855 in 2010 to 63,516 in 2020 and is anticipated to increase to 64,091 in 2024.

Establishment Employment

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

| Establishment Employment Forecast | | |
|-----------------------------------|---------|----------|
| Year | Est Emp | Growth % |
| 2010 | 27,563 | |
| 2011 | 27,517 | -0.2% |
| 2012 | 27,358 | -0.6% |
| 2013 | 27,199 | -0.6% |
| 2014 | 27,386 | 0.7% |
| 2015 | 27,928 | 2.0% |
| 2016 | 27,941 | 0.0% |
| 2017 | 28,180 | 0.9% |
| 2018 | 28,756 | 2.0% |
| 2019 | 28,953 | 0.7% |
| 2020 | 27,576 | -4.8% |
| 2021 | 29,462 | 6.8% |
| 2022 | 29,711 | 0.8% |
| 2023 | 29,958 | 0.8% |
| 2024 | 30,203 | 0.8% |

Source: BLS; W&P Economics



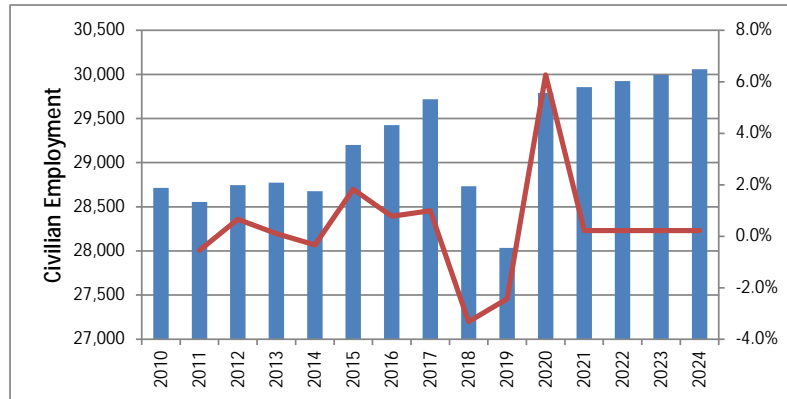
Establishment employment increased from 27,563 in 2010 to 27,576 in 2020 and is anticipated to increase to 30,203 in 2024.

Civilian Employment

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

| Civilian Employment Forecast | | |
|------------------------------|---------|----------|
| Year | Civ Emp | Growth % |
| 2010 | 28,714 | |
| 2011 | 28,556 | -0.6% |
| 2012 | 28,745 | 0.7% |
| 2013 | 28,773 | 0.1% |
| 2014 | 28,676 | -0.3% |
| 2015 | 29,200 | 1.8% |
| 2016 | 29,427 | 0.8% |
| 2017 | 29,719 | 1.0% |
| 2018 | 28,733 | -3.3% |
| 2019 | 28,033 | -2.4% |
| 2020 | 29,790 | 6.3% |
| 2021 | 29,857 | 0.2% |
| 2022 | 29,925 | 0.2% |
| 2023 | 29,993 | 0.2% |
| 2024 | 30,060 | 0.2% |

Source: BLS; W&P Economics



Civilian employment increased from 28,714 in 2010 to 29,790 in 2020 and is anticipated to increase to 30,060 in 2024.

Labor Force and Unemployment

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

| Labor Force & Unemployment | | | | |
|----------------------------|---------|-------|-----------|------------|
| Year | Civ Emp | Unemp | Lab Force | Unemp Rate |
| 2010 | 28,714 | 2,078 | 26,636 | 7.2% |
| 2011 | 28,556 | 1,960 | 26,596 | 6.9% |
| 2012 | 28,745 | 1,759 | 26,986 | 6.1% |
| 2013 | 28,773 | 1,484 | 27,289 | 5.2% |
| 2014 | 28,676 | 1,309 | 27,367 | 4.6% |
| 2015 | 29,200 | 1,236 | 27,964 | 4.2% |
| 2016 | 29,427 | 994 | 28,433 | 3.4% |
| 2017 | 29,719 | 959 | 28,760 | 3.2% |
| 2018 | 28,733 | 1,642 | 27,091 | 5.7% |
| 2019 | 28,033 | 1,140 | 26,893 | 4.1% |
| 2020 | 29,790 | 942 | 28,848 | 3.2% |

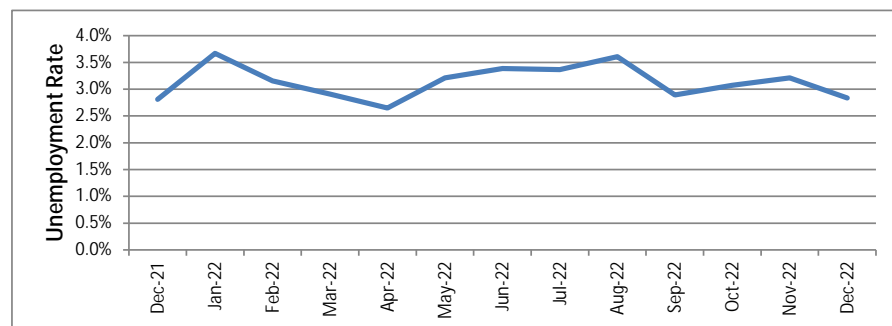
Source: BLS; Texas A&M Real Estate Center

Unemployment decreased from 2,078 in 2010 to 942 in 2020. The unemployment rate decreased from 7.2% in 2010 to 3.2% in 2020.

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

| Unemployment Rate | |
|-------------------|------------|
| Month | Unemp Rate |
| Dec-21 | 2.8% |
| Jan-22 | 3.7% |
| Feb-22 | 3.2% |
| Mar-22 | 2.9% |
| Apr-22 | 2.6% |
| May-22 | 3.2% |
| Jun-22 | 3.4% |
| Jul-22 | 3.4% |
| Aug-22 | 3.6% |
| Sep-22 | 2.9% |
| Oct-22 | 3.1% |
| Nov-22 | 3.2% |
| Dec-22 | 2.8% |

Source: TAMU



The Unemployment Rate for the Region came in at 2.8% in December 2021 and 2.8% in December 2022.

Building Permits

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

| Building Permits | | | | |
|------------------|----------|------------|-----------|-------|
| Year | 1 Family | 2-4 Family | 5+ Family | Total |
| 2000 | 189 | 16 | 0 | 205 |
| 2001 | 408 | 11 | 36 | 455 |
| 2002 | 270 | 16 | 25 | 311 |
| 2003 | 270 | 6 | 23 | 299 |
| 2004 | 300 | 4 | 0 | 304 |
| 2005 | 383 | 20 | 0 | 403 |
| 2006 | 372 | 24 | 5 | 401 |
| 2007 | 355 | 2 | 7 | 364 |
| 2008 | 256 | 0 | 0 | 256 |
| 2009 | 157 | 2 | 0 | 159 |
| 2010 | 156 | 20 | 14 | 190 |
| 2011 | 136 | 2 | 0 | 138 |
| 2012 | 101 | 4 | 36 | 141 |
| 2013 | 125 | 2 | 6 | 133 |
| 2014 | 128 | 4 | 0 | 132 |
| 2015 | 132 | 0 | 0 | 132 |
| 2016 | 139 | 6 | 0 | 145 |
| 2017 | 145 | 2 | 0 | 147 |
| 2018 | 139 | 4 | 12 | 155 |
| 2019 | 135 | 12 | 38 | 185 |
| 2020 | 164 | 25 | 0 | 189 |

Source: US Census

Building permits for the region increased from 205 in 2000 to 455 in 2001, before decreasing to 132 in 2014 and increasing to 189 in 2020.

Conclusion

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

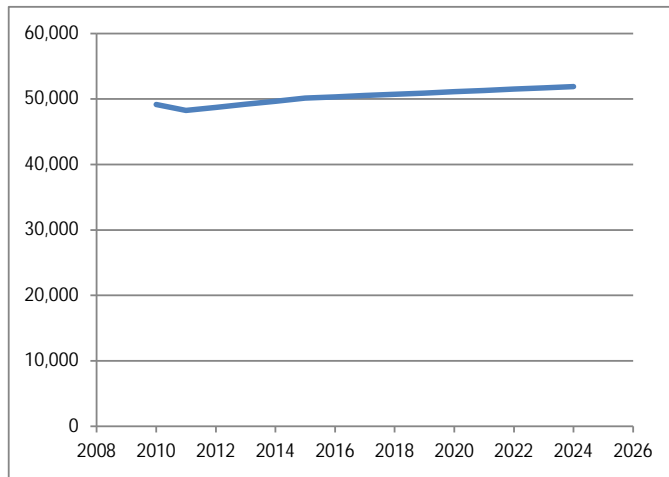
DEMOGRAPHIC CHARACTERISTICS

Population

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

| Population Forecast | | |
|---------------------|------------|----------|
| Year | Population | Growth % |
| 2010 | 49,158 | - |
| 2011 | 48,256 | -1.8% |
| 2012 | 48,726 | 1.0% |
| 2013 | 49,196 | 1.0% |
| 2014 | 49,665 | 1.0% |
| 2015 | 50,135 | 0.9% |
| 2016 | 50,330 | 0.4% |
| 2017 | 50,525 | 0.4% |
| 2018 | 50,720 | 0.4% |
| 2019 | 50,915 | 0.4% |
| 2020 | 51,110 | 0.4% |
| 2021 | 51,306 | 0.4% |
| 2022 | 51,502 | 0.4% |
| 2023 | 51,699 | 0.4% |
| 2024 | 51,897 | 0.4% |

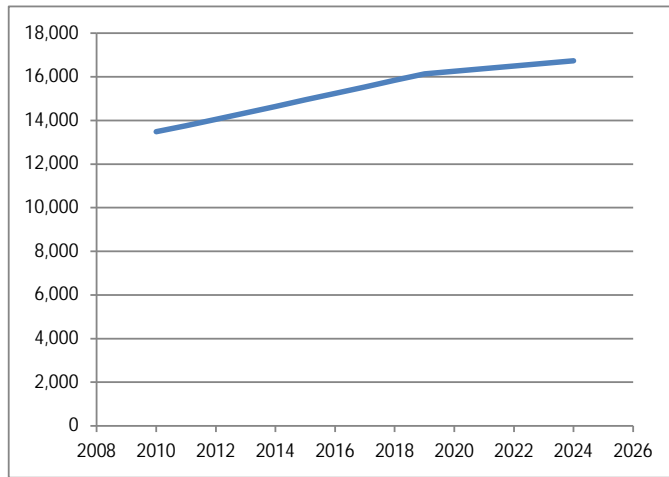
Source: Caliper; Allen & Associates



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

| 55+ Population Forecast | | |
|-------------------------|------------|----------|
| Year | Population | Growth % |
| 2010 | 13,483 | - |
| 2011 | 13,762 | 2.1% |
| 2012 | 14,048 | 2.1% |
| 2013 | 14,340 | 2.1% |
| 2014 | 14,639 | 2.1% |
| 2015 | 14,938 | 2.0% |
| 2016 | 15,237 | 2.0% |
| 2017 | 15,536 | 2.0% |
| 2018 | 15,835 | 1.9% |
| 2019 | 16,134 | 1.9% |
| 2020 | 16,253 | 0.7% |
| 2021 | 16,373 | 0.7% |
| 2022 | 16,493 | 0.7% |
| 2023 | 16,613 | 0.7% |
| 2024 | 16,733 | 0.7% |

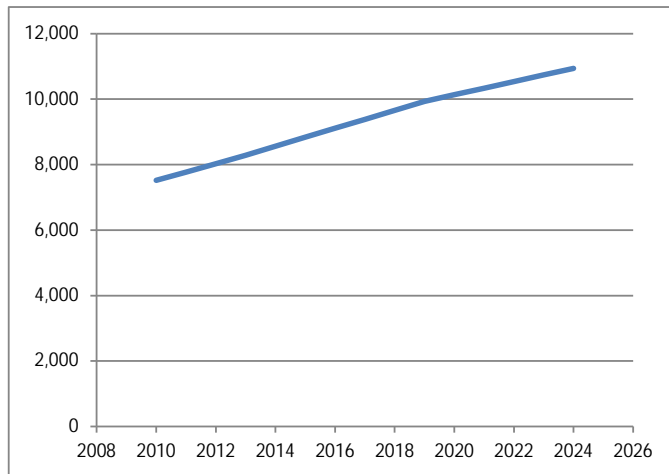
Source: Caliper; Allen & Associates



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

| 65+ Population Forecast | | |
|-------------------------|------------|----------|
| Year | Population | Growth % |
| 2010 | 7,521 | - |
| 2011 | 7,769 | 3.3% |
| 2012 | 8,025 | 3.3% |
| 2013 | 8,290 | 3.3% |
| 2014 | 8,564 | 3.3% |
| 2015 | 8,838 | 3.2% |
| 2016 | 9,112 | 3.1% |
| 2017 | 9,386 | 3.0% |
| 2018 | 9,659 | 2.9% |
| 2019 | 9,933 | 2.8% |
| 2020 | 10,135 | 2.0% |
| 2021 | 10,336 | 2.0% |
| 2022 | 10,538 | 1.9% |
| 2023 | 10,739 | 1.9% |
| 2024 | 10,940 | 1.9% |

Source: Caliper; Allen & Associates

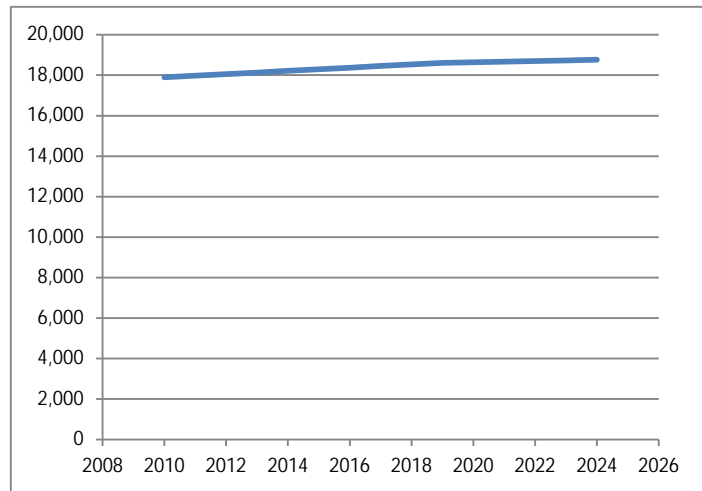


Households

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

| Household Forecast | | |
|--------------------|------------|----------|
| Year | Households | Growth % |
| 2010 | 17,898 | - |
| 2011 | 17,976 | 0.4% |
| 2012 | 18,055 | 0.4% |
| 2013 | 18,133 | 0.4% |
| 2014 | 18,213 | 0.4% |
| 2015 | 18,292 | 0.4% |
| 2016 | 18,371 | 0.4% |
| 2017 | 18,450 | 0.4% |
| 2018 | 18,530 | 0.4% |
| 2019 | 18,609 | 0.4% |
| 2020 | 18,640 | 0.2% |
| 2021 | 18,672 | 0.2% |
| 2022 | 18,703 | 0.2% |
| 2023 | 18,735 | 0.2% |
| 2024 | 18,766 | 0.2% |

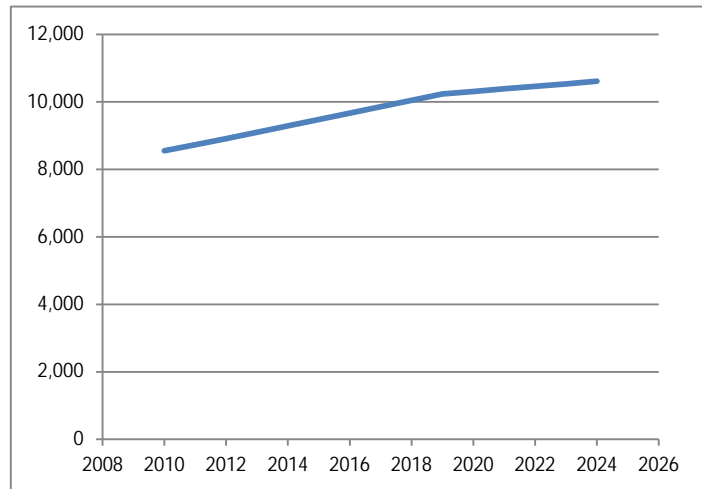
Source: Claritas; Allen & Associates



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

| 55+ Household Forecast | | |
|------------------------|------------|----------|
| Year | Households | Growth % |
| 2010 | 8,552 | - |
| 2011 | 8,729 | 2.1% |
| 2012 | 8,911 | 2.1% |
| 2013 | 9,096 | 2.1% |
| 2014 | 9,286 | 2.1% |
| 2015 | 9,475 | 2.0% |
| 2016 | 9,665 | 2.0% |
| 2017 | 9,854 | 2.0% |
| 2018 | 10,044 | 1.9% |
| 2019 | 10,234 | 1.9% |
| 2020 | 10,310 | 0.7% |
| 2021 | 10,386 | 0.7% |
| 2022 | 10,462 | 0.7% |
| 2023 | 10,538 | 0.7% |
| 2024 | 10,614 | 0.7% |

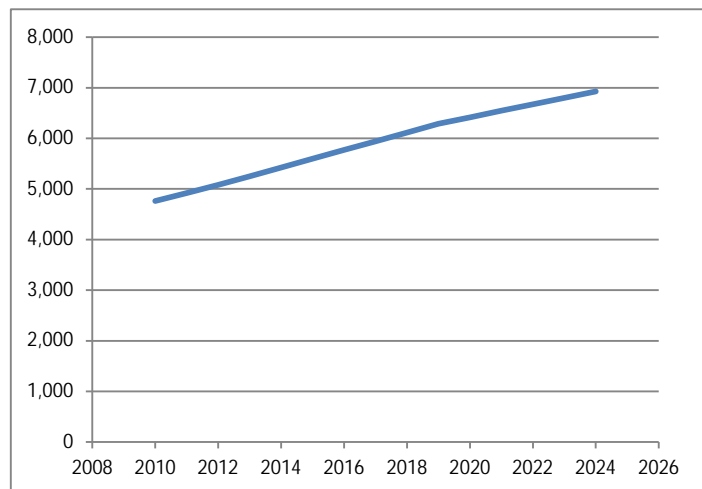
Source: Claritas; Allen & Associates



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

| 65+ Household Forecast | | |
|------------------------|------------|----------|
| Year | Households | Growth % |
| 2010 | 4,762 | - |
| 2011 | 4,919 | 3.3% |
| 2012 | 5,081 | 3.3% |
| 2013 | 5,249 | 3.3% |
| 2014 | 5,422 | 3.3% |
| 2015 | 5,596 | 3.2% |
| 2016 | 5,769 | 3.1% |
| 2017 | 5,943 | 3.0% |
| 2018 | 6,116 | 2.9% |
| 2019 | 6,289 | 2.8% |
| 2020 | 6,417 | 2.0% |
| 2021 | 6,544 | 2.0% |
| 2022 | 6,672 | 1.9% |
| 2023 | 6,800 | 1.9% |
| 2024 | 6,927 | 1.9% |

Source: Claritas; Allen & Associates

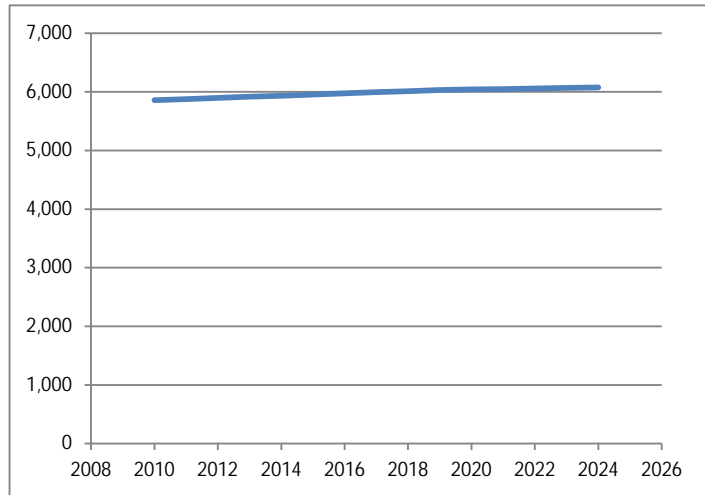


Renter Households

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

| Renter Household Forecast | | |
|---------------------------|------------|----------|
| Year | Households | Growth % |
| 2010 | 5,858 | - |
| 2011 | 5,877 | 0.3% |
| 2012 | 5,896 | 0.3% |
| 2013 | 5,915 | 0.3% |
| 2014 | 5,935 | 0.3% |
| 2015 | 5,954 | 0.3% |
| 2016 | 5,973 | 0.3% |
| 2017 | 5,993 | 0.3% |
| 2018 | 6,012 | 0.3% |
| 2019 | 6,031 | 0.3% |
| 2020 | 6,040 | 0.1% |
| 2021 | 6,049 | 0.1% |
| 2022 | 6,058 | 0.1% |
| 2023 | 6,066 | 0.1% |
| 2024 | 6,075 | 0.1% |

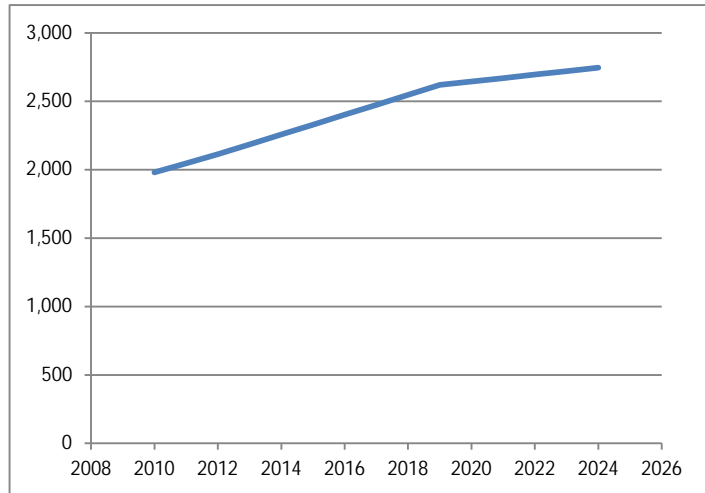
Source: Claritas; Allen & Associates



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

| 55+ Renter Household Forecast | | |
|-------------------------------|------------|----------|
| Year | Households | Growth % |
| 2010 | 1,981 | - |
| 2011 | 2,046 | 3.3% |
| 2012 | 2,114 | 3.3% |
| 2013 | 2,184 | 3.3% |
| 2014 | 2,257 | 3.3% |
| 2015 | 2,329 | 3.2% |
| 2016 | 2,402 | 3.1% |
| 2017 | 2,474 | 3.0% |
| 2018 | 2,547 | 2.9% |
| 2019 | 2,619 | 2.8% |
| 2020 | 2,645 | 1.0% |
| 2021 | 2,670 | 1.0% |
| 2022 | 2,695 | 0.9% |
| 2023 | 2,721 | 0.9% |
| 2024 | 2,746 | 0.9% |

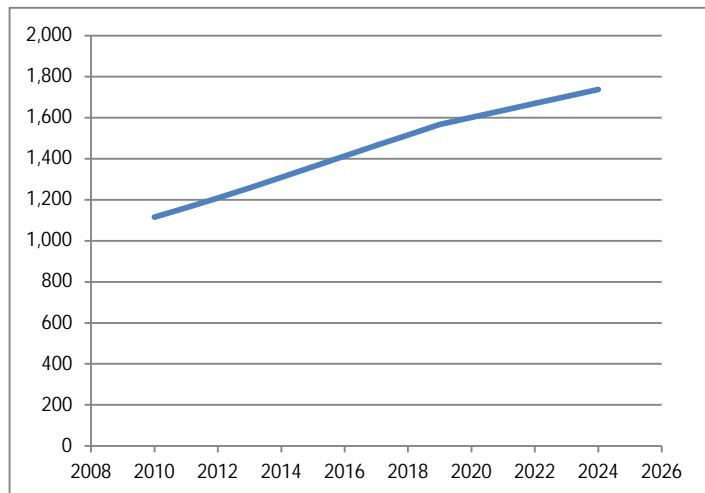
Source: Claritas; Allen & Associates



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

| 65+ Renter Household Forecast | | |
|-------------------------------|------------|----------|
| Year | Households | Growth % |
| 2010 | 1,115 | - |
| 2011 | 1,161 | 4.1% |
| 2012 | 1,209 | 4.1% |
| 2013 | 1,258 | 4.1% |
| 2014 | 1,310 | 4.1% |
| 2015 | 1,361 | 3.9% |
| 2016 | 1,413 | 3.8% |
| 2017 | 1,465 | 3.6% |
| 2018 | 1,516 | 3.5% |
| 2019 | 1,568 | 3.4% |
| 2020 | 1,602 | 2.2% |
| 2021 | 1,636 | 2.1% |
| 2022 | 1,670 | 2.1% |
| 2023 | 1,704 | 2.0% |
| 2024 | 1,738 | 2.0% |

Source: Claritas; Allen & Associates



Household Income

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

| 2022 \$ | | Households, by Income, by Size | | | | | | |
|-----------|-----------|--------------------------------|----------|----------|----------|----------|------------|--------|
| Min | Max | 2022 Households | | | | | | |
| | | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6 + Person | Total |
| \$0 | \$9,999 | 630 | 260 | 135 | 113 | 108 | 60 | 1,306 |
| \$10,000 | \$19,999 | 985 | 523 | 206 | 90 | 79 | 49 | 1,932 |
| \$20,000 | \$29,999 | 870 | 565 | 269 | 190 | 108 | 75 | 2,078 |
| \$30,000 | \$39,999 | 788 | 427 | 286 | 200 | 80 | 42 | 1,823 |
| \$40,000 | \$49,999 | 563 | 666 | 307 | 307 | 85 | 46 | 1,974 |
| \$50,000 | \$59,999 | 364 | 626 | 270 | 66 | 78 | 48 | 1,450 |
| \$60,000 | \$74,999 | 314 | 813 | 365 | 223 | 89 | 49 | 1,853 |
| \$75,000 | \$99,999 | 298 | 1,034 | 470 | 297 | 84 | 55 | 2,238 |
| \$100,000 | \$124,999 | 86 | 574 | 296 | 376 | 143 | 92 | 1,568 |
| \$125,000 | \$149,999 | 195 | 309 | 222 | 173 | 64 | 31 | 994 |
| \$150,000 | \$199,999 | 144 | 326 | 198 | 123 | 46 | 22 | 859 |
| \$200,000 | more | 137 | 223 | 147 | 64 | 40 | 17 | 628 |
| Total | | 5,375 | 6,345 | 3,172 | 2,223 | 1,003 | 585 | 18,703 |

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

| 2022 \$ | | 55+ Households, by Income, by Size | | | | | | |
|-----------|-----------|------------------------------------|----------|----------|----------|----------|------------|--------|
| Min | Max | 2022 Households | | | | | | |
| | | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6 + Person | Total |
| \$0 | \$9,999 | 470 | 158 | 30 | 25 | 11 | 3 | 696 |
| \$10,000 | \$19,999 | 894 | 240 | 110 | 29 | 16 | 8 | 1,299 |
| \$20,000 | \$29,999 | 670 | 390 | 130 | 37 | 13 | 4 | 1,244 |
| \$30,000 | \$39,999 | 484 | 320 | 68 | 54 | 21 | 10 | 958 |
| \$40,000 | \$49,999 | 366 | 461 | 155 | 74 | 30 | 14 | 1,101 |
| \$50,000 | \$59,999 | 244 | 511 | 101 | 41 | 22 | 11 | 930 |
| \$60,000 | \$74,999 | 232 | 599 | 121 | 44 | 22 | 12 | 1,031 |
| \$75,000 | \$99,999 | 221 | 802 | 157 | 68 | 26 | 13 | 1,288 |
| \$100,000 | \$124,999 | 75 | 420 | 69 | 61 | 21 | 9 | 654 |
| \$125,000 | \$149,999 | 156 | 259 | 54 | 43 | 9 | 2 | 524 |
| \$150,000 | \$199,999 | 136 | 175 | 50 | 42 | 6 | 0 | 409 |
| \$200,000 | more | 121 | 126 | 40 | 27 | 13 | 1 | 329 |
| Total | | 4,068 | 4,462 | 1,086 | 546 | 210 | 89 | 10,462 |

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

| 2022 \$ | | 65+ Households, by Income, by Size | | | | | | |
|-----------|-----------|------------------------------------|----------|----------|----------|----------|------------|-------|
| Min | Max | 2022 Households | | | | | | |
| | | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6 + Person | Total |
| \$0 | \$9,999 | 315 | 56 | 24 | 11 | 4 | 1 | 411 |
| \$10,000 | \$19,999 | 672 | 149 | 82 | 26 | 12 | 6 | 947 |
| \$20,000 | \$29,999 | 531 | 284 | 79 | 19 | 4 | 0 | 917 |
| \$30,000 | \$39,999 | 249 | 243 | 48 | 31 | 15 | 7 | 594 |
| \$40,000 | \$49,999 | 249 | 381 | 70 | 48 | 20 | 9 | 777 |
| \$50,000 | \$59,999 | 117 | 373 | 58 | 29 | 7 | 4 | 588 |
| \$60,000 | \$74,999 | 156 | 420 | 30 | 9 | 18 | 9 | 643 |
| \$75,000 | \$99,999 | 136 | 435 | 80 | 27 | 18 | 9 | 705 |
| \$100,000 | \$124,999 | 53 | 272 | 41 | 50 | 3 | 0 | 420 |
| \$125,000 | \$149,999 | 110 | 92 | 35 | 34 | 4 | 0 | 275 |
| \$150,000 | \$199,999 | 94 | 106 | 24 | 14 | 4 | 0 | 242 |
| \$200,000 | more | 80 | 54 | 13 | 1 | 6 | 0 | 154 |
| Total | | 2,762 | 2,867 | 583 | 301 | 114 | 45 | 6,672 |

Source: Claritas & Ribbon Demographics

Renter Household Income

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

| 2022 \$ | | 2022 Households | | | | | | | |
|-----------|-----------|-----------------|----------|----------|----------|----------|------------|-------|--|
| Min | Max | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6 + Person | Total | |
| \$0 | \$9,999 | 375 | 101 | 56 | 68 | 107 | 59 | 766 | |
| \$10,000 | \$19,999 | 553 | 316 | 95 | 64 | 28 | 15 | 1,071 | |
| \$20,000 | \$29,999 | 423 | 188 | 143 | 117 | 88 | 63 | 1,021 | |
| \$30,000 | \$39,999 | 306 | 42 | 158 | 85 | 39 | 22 | 653 | |
| \$40,000 | \$49,999 | 204 | 123 | 62 | 159 | 25 | 7 | 581 | |
| \$50,000 | \$59,999 | 128 | 113 | 57 | 12 | 31 | 20 | 361 | |
| \$60,000 | \$74,999 | 105 | 172 | 134 | 12 | 18 | 6 | 447 | |
| \$75,000 | \$99,999 | 93 | 144 | 98 | 61 | 12 | 4 | 413 | |
| \$100,000 | \$124,999 | 35 | 37 | 127 | 12 | 16 | 6 | 233 | |
| \$125,000 | \$149,999 | 59 | 46 | 51 | 10 | 11 | 2 | 181 | |
| \$150,000 | \$199,999 | 74 | 34 | 17 | 16 | 22 | 9 | 171 | |
| \$200,000 | more | 64 | 27 | 32 | 19 | 13 | 3 | 158 | |
| Total | | 2,421 | 1,345 | 1,031 | 633 | 411 | 218 | 6,058 | |

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

| 2022 \$ | | 2022 Households | | | | | | | |
|-----------|-----------|-----------------|----------|----------|----------|----------|------------|-------|--|
| Min | Max | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6 + Person | Total | |
| \$0 | \$9,999 | 229 | 57 | 5 | 5 | 9 | 2 | 307 | |
| \$10,000 | \$19,999 | 496 | 87 | 55 | 6 | 4 | 0 | 650 | |
| \$20,000 | \$29,999 | 308 | 69 | 14 | 11 | 6 | 1 | 410 | |
| \$30,000 | \$39,999 | 134 | 27 | 18 | 17 | 6 | 2 | 205 | |
| \$40,000 | \$49,999 | 145 | 37 | 18 | 27 | 7 | 1 | 235 | |
| \$50,000 | \$59,999 | 65 | 56 | 7 | 4 | 16 | 7 | 154 | |
| \$60,000 | \$74,999 | 43 | 65 | 48 | 6 | 3 | 1 | 167 | |
| \$75,000 | \$99,999 | 94 | 39 | 27 | 8 | 7 | 1 | 177 | |
| \$100,000 | \$124,999 | 31 | 32 | 12 | 5 | 10 | 4 | 94 | |
| \$125,000 | \$149,999 | 51 | 10 | 15 | 4 | 5 | 1 | 87 | |
| \$150,000 | \$199,999 | 67 | 26 | 6 | 7 | 4 | 0 | 110 | |
| \$200,000 | more | 56 | 23 | 9 | 4 | 8 | 1 | 101 | |
| Total | | 1,719 | 530 | 235 | 105 | 86 | 21 | 2,695 | |

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

| 2022 \$ | | 2022 Households | | | | | | | |
|-----------|-----------|-----------------|----------|----------|----------|----------|------------|-------|--|
| Min | Max | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6 + Person | Total | |
| \$0 | \$9,999 | 143 | 9 | 4 | 4 | 2 | 0 | 163 | |
| \$10,000 | \$19,999 | 380 | 56 | 53 | 4 | 3 | 0 | 497 | |
| \$20,000 | \$29,999 | 248 | 46 | 6 | 1 | 4 | 0 | 305 | |
| \$30,000 | \$39,999 | 62 | 11 | 16 | 16 | 3 | 0 | 107 | |
| \$40,000 | \$49,999 | 89 | 26 | 16 | 8 | 5 | 1 | 145 | |
| \$50,000 | \$59,999 | 26 | 28 | 4 | 4 | 3 | 0 | 65 | |
| \$60,000 | \$74,999 | 29 | 24 | 8 | 3 | 2 | 0 | 67 | |
| \$75,000 | \$99,999 | 56 | 3 | 13 | 4 | 5 | 1 | 82 | |
| \$100,000 | \$124,999 | 22 | 24 | 9 | 2 | 2 | 0 | 59 | |
| \$125,000 | \$149,999 | 30 | 5 | 10 | 3 | 3 | 0 | 52 | |
| \$150,000 | \$199,999 | 50 | 11 | 4 | 2 | 3 | 0 | 70 | |
| \$200,000 | more | 41 | 8 | 6 | 0 | 4 | 0 | 59 | |
| Total | | 1,176 | 251 | 150 | 51 | 40 | 2 | 1,670 | |

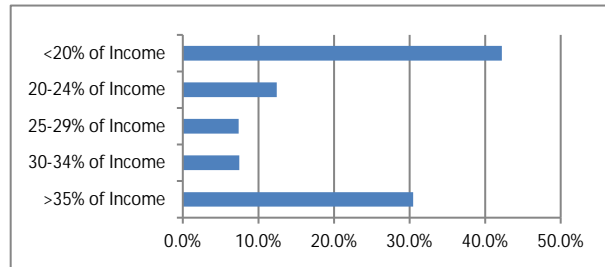
Source: Claritas & Ribbon Demographics

Overburdened Renter Households

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

| Overburdened Renter Households | |
|-----------------------------------|---------------|
| | % of Total |
| <20% of Income Spent on Housing | 42.2% |
| 20-24% of Income Spent on Housing | 12.4% |
| 25-29% of Income Spent on Housing | 7.4% |
| 30-34% of Income Spent on Housing | 7.5% |
| >35% of Income Spent on Housing | 30.5% |
| Total | 100.0% |

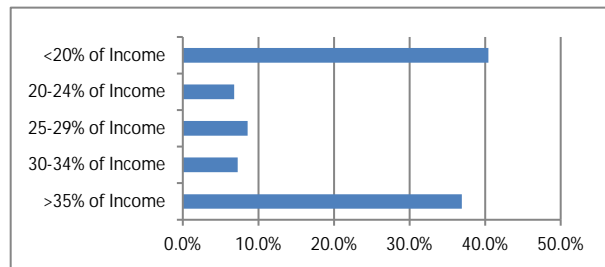
Source: U.S. Census Bureau



Our research suggests that 30.5 percent of the renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 38.0 percent of the renter households are overburdened to 30 percent of income.

| 55+ Overburdened Renter Households | |
|------------------------------------|---------------|
| | % of Total |
| <20% of Income Spent on Housing | 40.4% |
| 20-24% of Income Spent on Housing | 6.8% |
| 25-29% of Income Spent on Housing | 8.6% |
| 30-34% of Income Spent on Housing | 7.3% |
| >35% of Income Spent on Housing | 36.9% |
| Total | 100.0% |

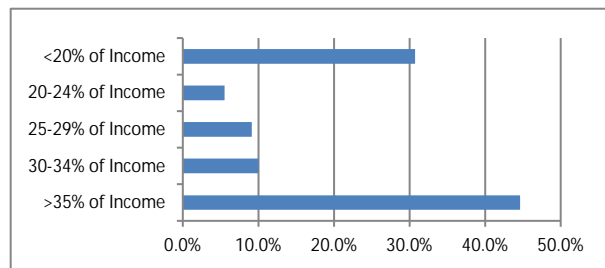
Source: U.S. Census Bureau



Our research suggests that 36.9 percent of the 55+ renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 44.2 percent of the 55+ renter households are overburdened to 30 percent of income.

| 65+ Overburdened Renter Households | |
|------------------------------------|---------------|
| | % of Total |
| <20% of Income Spent on Housing | 30.7% |
| 20-24% of Income Spent on Housing | 5.5% |
| 25-29% of Income Spent on Housing | 9.1% |
| 30-34% of Income Spent on Housing | 10.0% |
| >35% of Income Spent on Housing | 44.6% |
| Total | 100.0% |

Source: U.S. Census Bureau



Our research suggests that 44.6 percent of the 65+ renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 54.6 percent of the 65+ renter households are overburdened to 30 percent of income.

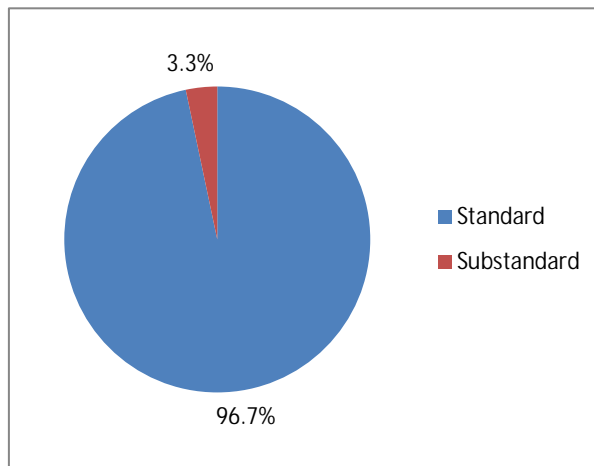
Owner Substandard Units

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

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

| Owner Substandard Units | |
|-------------------------------|------------|
| | % of Total |
| 1.00 persons per room or less | 96.7% |
| 1.01 to 1.50 persons per room | 1.6% |
| 1.51 persons per room or more | 0.5% |
| Complete Plumbing | 98.8% |
| 1.00 persons per room or less | 1.0% |
| 1.01 to 1.50 persons per room | 0.1% |
| 1.51 persons per room or more | 0.1% |
| Lacking Complete Plumbing | 1.2% |
| Standard | 96.7% |
| Substandard | 3.3% |
| Total | 100.0% |

Source: U.S. Census Bureau



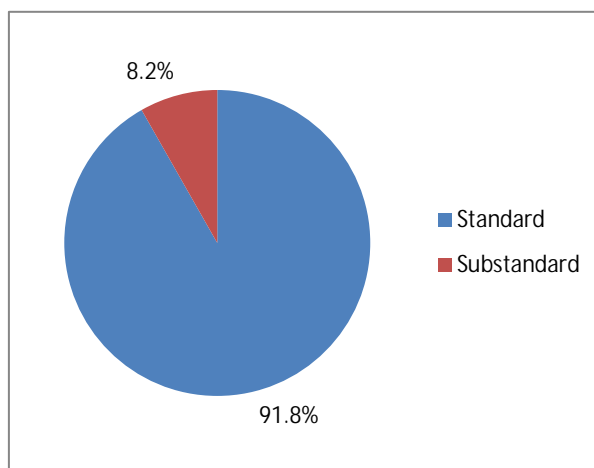
Our research suggests that 3.3 percent of occupied owner housing units in the market area are substandard.

Renter Substandard Units

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

| Renter Substandard Units | |
|-------------------------------|------------|
| | % of Total |
| 1.00 persons per room or less | 91.8% |
| 1.01 to 1.50 persons per room | 2.8% |
| 1.51 persons per room or more | 2.0% |
| Complete Plumbing | 96.6% |
| 1.00 persons per room or less | 3.2% |
| 1.01 to 1.50 persons per room | 0.0% |
| 1.51 persons per room or more | 0.2% |
| Lacking Complete Plumbing | 3.4% |
| Standard | 91.8% |
| Substandard | 8.2% |
| Total | 100.0% |

Source: U.S. Census Bureau



Our research suggests that 8.2 percent of renter owner housing units in the market area are substandard.

Owner Movership

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

| Owner Movership, by Size | | | | | | | | |
|--------------------------|----------|----------|----------|----------|----------|----------|-----------|-------|
| Market Area | | | | | | | | |
| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6 Person | 7+ Person | Total |
| Owner to Owner | 2.4% | 3.8% | 4.9% | 4.9% | 5.2% | 5.7% | 6.6% | 4.0% |
| Owner to Renter | 2.3% | 2.1% | 3.9% | 3.6% | 3.6% | 5.4% | 8.3% | 2.9% |
| Owner Movership Rate | 4.7% | 5.9% | 8.8% | 8.5% | 8.8% | 11.1% | 14.9% | 7.0% |

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

Our research suggests an owner movership rate of 7.0 percent.

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

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

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

Renter Movership

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

| Renter Movership, by Size | | | | | | | | |
|---------------------------|----------|----------|----------|----------|----------|----------|-----------|-------|
| Market Area | | | | | | | | |
| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6 Person | 7+ Person | Total |
| Renter to Renter | 8.8% | 19.7% | 27.9% | 33.5% | 33.8% | 36.6% | 56.6% | 20.0% |
| Renter to Owner | 2.1% | 8.1% | 8.2% | 10.4% | 11.5% | 8.9% | 10.4% | 6.3% |
| Renter Movership Rate | 11.0% | 27.8% | 36.0% | 43.9% | 45.3% | 45.5% | 67.1% | 26.3% |

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

Our research suggests a renter movership rate of 26.3 percent.

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

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

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

SUPPLY ANALYSIS

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

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

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

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

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

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

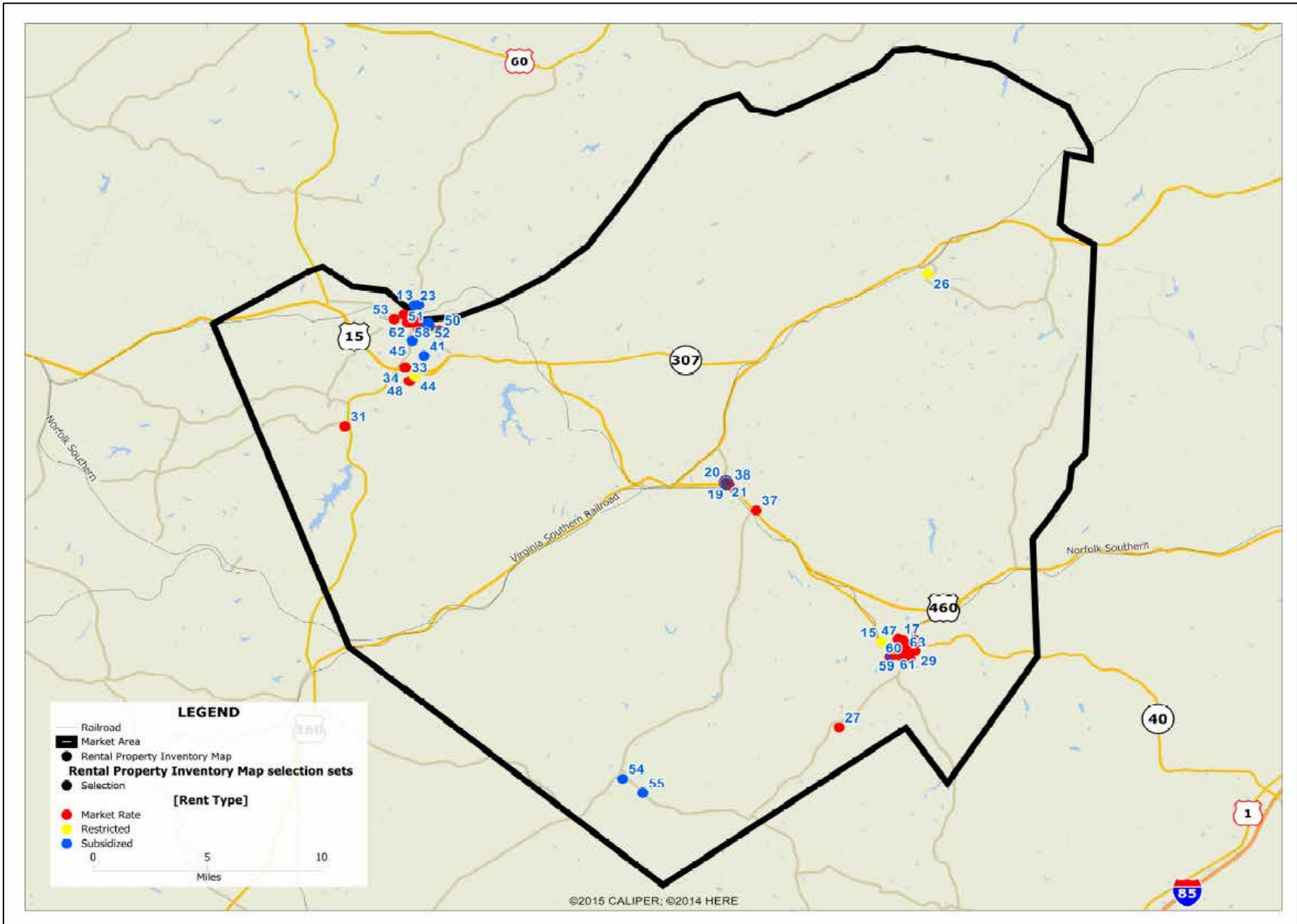
The balance of this section includes a breakdown of confirmed market area properties by rent type, project status, year built, and financing source. We also include a rent, unit mix, and amenity summary for confirmed market area properties. Finally, we provide summary of vouchers, concessions, and waiting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

Rental Property Inventory

| Key | Project | Latitude | Longitude | Built | Renovated | Rent Type | Occ Type | Status | Financing | Tot Units | Vac Units | Occupancy |
|-----|--|----------|-----------|-------|-----------|-------------|----------|-----------------|--------------|-----------|-----------|-----------|
| 001 | 201 Dinwiddie Avenue | 37.0820 | -77.9932 | 2000 | na | Market Rate | Family | Stabilized | Conventional | 8 | 0 | 100.0% |
| 002 | 302 Birch Street | 37.0735 | -77.9994 | 2009 | na | Market Rate | Family | Stabilized | Conventional | 2 | 0 | 100.0% |
| 003 | 405 Fifth Street | 37.0732 | -78.0069 | 1995 | na | Market Rate | Family | Stabilized | Conventional | 2 | 0 | 100.0% |
| 004 | Bently Park | 37.0835 | -78.0041 | 1973 | 2012 | Market Rate | Family | Stabilized | Conventional | 21 | 0 | 100.0% |
| 005 | Bently Place | 37.0805 | -78.0039 | 1975 | 2018 | Market Rate | Family | Stabilized | Conventional | 14 | 0 | 100.0% |
| 006 | Blackstone Lofts | 37.0756 | -78.0041 | 1945 | 2011 | Market Rate | Family | Stabilized | Conventional | 25 | 1 | 96.0% |
| 007 | Blackstone Manor | 37.0779 | -78.0097 | 1980 | 2002 | Market Rate | Elderly | Duplicate | Tax Credit | 0 | 0 | 0.0% |
| 008 | Blackstone United Mthdst | 37.0722 | -78.0144 | 2007 | na | Market Rate | Family | Duplicate | Conventional | 0 | 0 | 0.0% |
| 009 | Brettwood Apartments | 37.0779 | -77.9975 | 1993 | na | Market Rate | Family | Stabilized | Conventional | 24 | 0 | 100.0% |
| 010 | Broad Street Lofts | 37.0809 | -77.9983 | 1901 | 2010 | Market Rate | Family | Unconfirmed | Conventional | 5 | 0 | 100.0% |
| 011 | Campus Edge Apartments Plymouth | 37.3026 | -78.3926 | 2015 | na | Market Rate | Family | Student Housing | Conventional | 0 | 0 | 0.0% |
| 012 | Campus Walk Apartments | 37.3026 | -78.3922 | 2013 | na | Market Rate | Family | Student Housing | Conventional | 36 | 0 | 100.0% |
| 013 | Candlewood Apartments | 37.3137 | -78.3887 | 1994 | na | Subsidized | Family | Stabilized | RD | 33 | 0 | 100.0% |
| 014 | Churchill Apartments | 37.2964 | -78.3887 | 1967 | 2008 | Market Rate | Family | Stabilized | Conventional | 24 | 0 | 100.0% |
| 015 | Cole-Harbour Apartments | 37.0822 | -78.0208 | 1981 | 2008 | Restricted | Family | Stabilized | Tax Credit | 36 | 3 | 91.7% |
| 016 | Country Estates Apartments | 37.2990 | -78.3801 | 1978 | 2016 | Restricted | Family | Stabilized | Tax Credit | 24 | 0 | 100.0% |
| 017 | Courthouse Commons Apartments | 37.0846 | -78.0078 | 2013 | na | Market Rate | Family | Stabilized | Conventional | 6 | 0 | 100.0% |
| 018 | Crewe Village | 37.1898 | -78.1440 | 1983 | 2018 | Subsidized | Family | Stabilized | Tax Credit | 40 | 1 | 97.5% |
| 019 | Dade Street Apartments | 37.1907 | -78.1423 | 1990 | na | Market Rate | Family | Stabilized | Conventional | 12 | 0 | 100.0% |
| 020 | Deerfield Apartments | 37.1922 | -78.1448 | 1992 | 2023 | Subsidized | Elderly | Prop Rehab | Tax Credit | 39 | 1 | 97.4% |
| 021 | Deerfield Apartments | 37.1922 | -78.1448 | 1992 | na | Subsidized | Elderly | Stabilized | Tax Credit | 39 | 1 | 97.4% |
| 022 | Evergreen Manor Apartments | 37.3009 | -78.3813 | na | na | Subsidized | Family | Special Needs | HUD | 12 | 1 | 91.7% |
| 023 | Farm Ridge Apartments | 37.3134 | -78.3923 | 1994 | na | Subsidized | Elderly | Stabilized | RD | 36 | 0 | 100.0% |
| 024 | Farmville Elderly Apartments | 37.3001 | -78.3818 | 2005 | na | Market Rate | Family | Duplicate | Conventional | 0 | 0 | 0.0% |
| 025 | Garden Villas | 37.0707 | -77.9985 | 1955 | na | Market Rate | Family | Unconfirmed | Conventional | 4 | 0 | 100.0% |
| 026 | Giles Apartments | 37.3348 | -77.9844 | 1986 | 1999 | Restricted | Family | Stabilized | Tax Credit | 16 | 0 | 100.0% |
| 027 | Glen Cove | 37.0240 | -78.0548 | 2011 | na | Market Rate | Family | Non-Inventory | Conventional | 0 | 0 | 0.0% |
| 028 | Goodson Manor Apartments | 37.3001 | -78.3818 | 2005 | na | Subsidized | Elderly | Stabilized | HUD | 23 | 1 | 95.7% |
| 029 | Irvin Street Duplex | 37.0764 | -77.9945 | 2013 | na | Market Rate | Family | Stabilized | Conventional | 2 | 0 | 100.0% |
| 030 | KTM Properties | 37.3016 | -78.3943 | na | na | Market Rate | Family | Non-Inventory | Conventional | 0 | 0 | 0.0% |
| 031 | Lofts at Worsham School | 37.2303 | -78.4465 | 1927 | 2011 | Market Rate | Family | Stabilized | Conventional | 14 | 0 | 100.0% |
| 032 | Longwood Inn Apartments | 37.3014 | -78.3931 | na | na | Market Rate | Family | Hotel | Conventional | 0 | 0 | 0.0% |
| 033 | Longwood Village Apartments - Clark Stre | 37.2706 | -78.3991 | 2002 | na | Market Rate | Family | Student Housing | Conventional | 96 | 47 | 51.0% |
| 034 | Longwood Village Apartments - Lacer Circ | 37.2706 | -78.3991 | na | na | Market Rate | Family | Duplicate | Conventional | 0 | 0 | 0.0% |
| 035 | Magnolia Place Apartments | 37.0776 | -78.0109 | 1980 | 2021 | Restricted | Elderly | Stabilized | Tax Credit | 56 | 14 | 75.0% |
| 036 | Mann Street Apartments | 37.0836 | -77.9942 | 1998 | na | Market Rate | Elderly | Stabilized | Conventional | 39 | 0 | 100.0% |
| 037 | Maple Manor Apartments of Crewe | 37.1727 | -78.1207 | 1975 | na | Market Rate | Family | Stabilized | Conventional | 15 | 0 | 100.0% |
| 038 | Maryland Avenue Apartments | 37.1907 | -78.1423 | 1995 | na | Market Rate | Family | Stabilized | Conventional | 12 | 0 | 100.0% |
| 039 | Meadows Apartments | 37.2978 | -78.3779 | 1988 | 2008 | Restricted | Family | Stabilized | Tax Credit | 40 | 0 | 100.0% |
| 040 | Medallion Manor | 37.3026 | -78.3880 | 1963 | 2012 | Market Rate | Family | Stabilized | Conventional | 14 | 0 | 100.0% |
| 041 | Milnwood Village Apartments | 37.2785 | -78.3845 | 1982 | 2018 | Subsidized | Elderly | Stabilized | Tax Credit | 40 | 0 | 100.0% |
| 042 | Nottoway Manor Apartments | 37.0795 | -78.0064 | 1985 | 2018 | Subsidized | Family | Stabilized | Tax Credit | 28 | 0 | 100.0% |
| 043 | Oakwood Apartments | 37.0735 | -78.0014 | 1972 | na | Market Rate | Family | Unconfirmed | Conventional | 14 | 0 | 100.0% |
| 044 | Parc Crest at Poplar Forest | 37.2647 | -78.3921 | 2008 | na | Restricted | Elderly | Stabilized | Tax Credit | 44 | 1 | 97.7% |
| 045 | Parkview Gardens Apartments | 37.2890 | -78.3939 | 1975 | 2012 | Subsidized | Family | Stabilized | Tax Credit | 80 | 0 | 100.0% |
| 046 | Peele Manor | 37.0731 | -78.0133 | 1997 | na | Subsidized | Elderly | Stabilized | HUD | 24 | 0 | 100.0% |
| 047 | Pinewood Apartments | 37.0835 | -78.0041 | 1973 | na | Market Rate | Family | Duplicate | Conventional | 21 | 0 | 100.0% |
| 048 | Poplar Forest Apartments Phase 1 & 2 | 37.2615 | -78.3958 | 1999 | 2010 | Market Rate | Family | Stabilized | Bond | 138 | 2 | 98.6% |
| 049 | Stanley Park Townhomes | 37.3069 | -78.3997 | na | na | Market Rate | Family | Student Housing | Conventional | 0 | 0 | 0.0% |
| 050 | Sunchase at Longwood Apartments | 37.2963 | -78.3729 | 2004 | 2010 | Market Rate | Family | Student Housing | Conventional | 140 | 0 | 100.0% |
| 051 | Timberlake Village Phase 1 | 37.2990 | -78.3800 | 1988 | na | Subsidized | Family | Special Needs | HUD | 15 | 1 | 93.3% |
| 052 | Timberlake Village Phase 2 | 37.3013 | -78.3811 | 1993 | na | Subsidized | Family | Special Needs | HUD | 15 | 1 | 93.3% |

Rental Property Inventory

| Key | Project | Latitude | Longitude | Built | Renovated | Rent Type | Occ Type | Status | Financing | Tot Units | Vac Units | Occupancy |
|-----|----------------------------------|----------|-----------|-------|-----------|-------------|----------|-----------------|--------------|-----------|-----------|-----------|
| 053 | Town Motel | 37.3038 | -78.4073 | na | na | Market Rate | Family | Hotel | Conventional | 0 | 0 | 0.0% |
| 054 | Victoria Place Apartments | 36.9886 | -78.2267 | 1991 | 2014 | Subsidized | Elderly | Stabilized | Tax Credit | 38 | 2 | 94.7% |
| 055 | Village Estates Apartments | 36.9789 | -78.2108 | 1985 | 2016 | Subsidized | Family | Stabilized | Tax Credit | 32 | 6 | 81.3% |
| 056 | VUMAC Project - Elderly 2017 | 37.0737 | -78.0113 | 1920 | 2021 | Restricted | Elderly | Non-Inventory | Tax Credit | 253 | 253 | 0.0% |
| 057 | VUMAC Project - Family 2017 | 37.0737 | -78.0113 | 1920 | 2021 | Restricted | Family | Non-Inventory | Tax Credit | 400 | 400 | 0.0% |
| 058 | Walk 2 Campus Property | 37.3016 | -78.3968 | 2007 | na | Market Rate | Family | Student Housing | Conventional | 160 | 2 | 98.8% |
| 059 | Williams' Duplexes and Townhomes | 37.0731 | -78.0061 | na | na | Market Rate | Family | Unconfirmed | Conventional | 16 | 0 | 100.0% |
| 060 | Williamson Apartments | 37.0718 | -78.0007 | 2005 | na | Market Rate | Family | Stabilized | Conventional | 6 | 0 | 100.0% |
| 061 | YUMAC Project | 37.0737 | -78.0113 | 1920 | 2017 | Market Rate | Family | Non-Inventory | Tax Credit | 0 | 0 | 0.0% |
| 062 | Catbird Rooftop Terrace | 37.3018 | -78.3944 | 2021 | na | Market Rate | Family | Non-Inventory | Conventional | 0 | 0 | 0.0% |
| 063 | Nottoway House | 37.0756 | -78.0034 | 2020 | na | Market Rate | Family | Unconfirmed | Conventional | 34 | 2 | 94.1% |



Rental Property Inventory, Unconfirmed

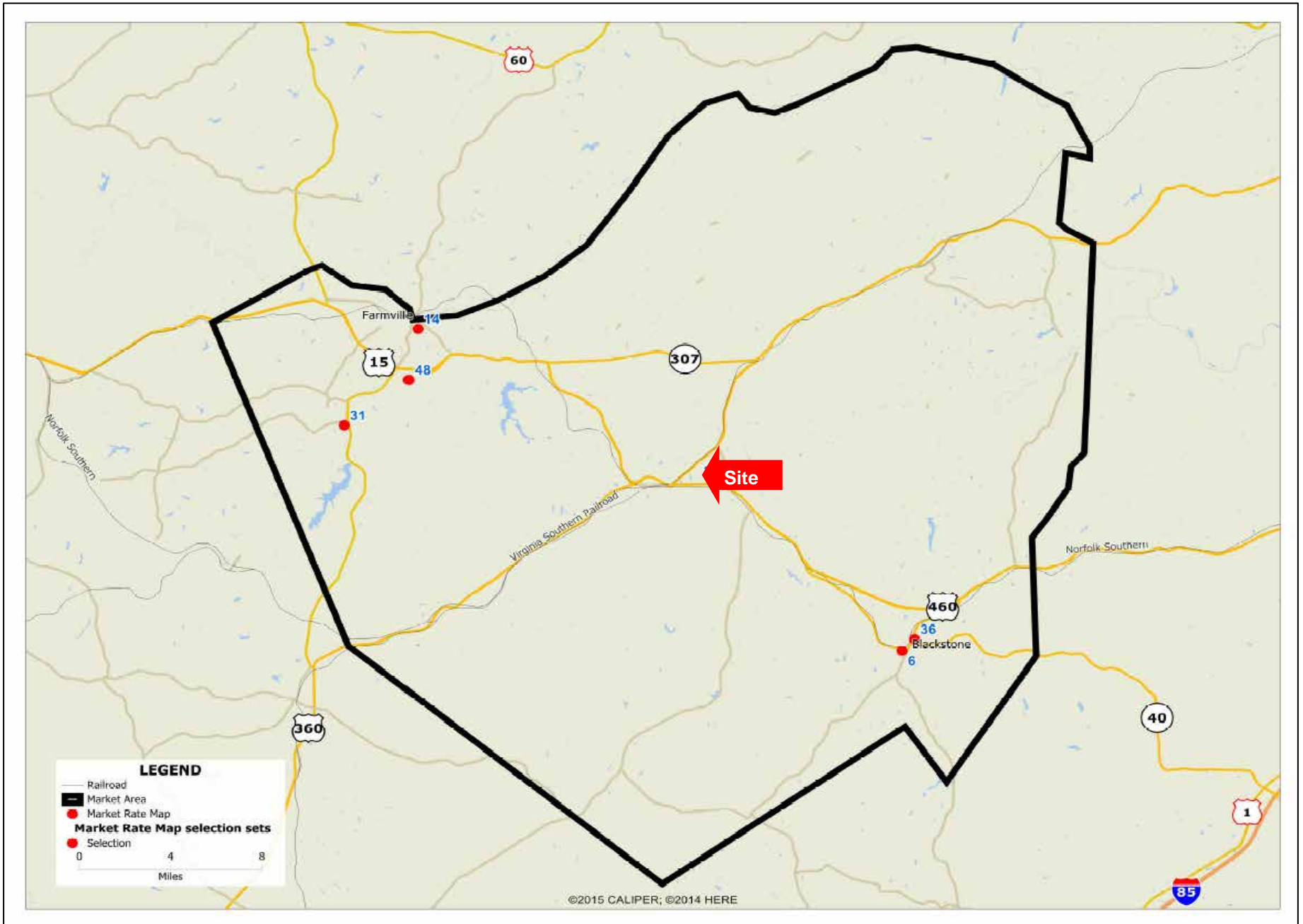
| Key | Project | Latitude | Longitude | Built | Renovated | Rent Type | Occ Type | Status | Financing | Tot Units | Vac Units | Occupancy |
|-----|----------------------------------|----------|-----------|-------|-----------|-------------|----------|-------------|--------------|-----------|-----------|-----------|
| 010 | Broad Street Lofts | 37.0809 | -77.9983 | 1901 | 2010 | Market Rate | Family | Unconfirmed | Conventional | 5 | 0 | 100.0% |
| 025 | Garden Villas | 37.0707 | -77.9985 | 1955 | na | Market Rate | Family | Unconfirmed | Conventional | 4 | 0 | 100.0% |
| 043 | Oakwood Apartments | 37.0735 | -78.0014 | 1972 | na | Market Rate | Family | Unconfirmed | Conventional | 14 | 0 | 100.0% |
| 059 | Williams' Duplexes and Townhomes | 37.0731 | -78.0061 | na | na | Market Rate | Family | Unconfirmed | Conventional | 16 | 0 | 100.0% |
| 063 | Nottoway House | 37.0756 | -78.0034 | 2020 | na | Market Rate | Family | Unconfirmed | Conventional | 34 | 2 | 94.1% |

Rental Property Inventory, Confirmed, Inside Market Area

| Key | Project | Latitude | Longitude | Built | Renovated | Rent Type | Occ Type | Status | Financing | Tot Units | Vac Units | Occupancy |
|-----|--------------------------------------|----------|-----------|-------|-----------|-------------|----------|------------|--------------|-----------|-----------|-----------|
| 001 | 201 Dinwiddie Avenue | 37.0820 | -77.9932 | 2000 | na | Market Rate | Family | Stabilized | Conventional | 8 | 0 | 100.0% |
| 002 | 302 Birch Street | 37.0735 | -77.9994 | 2009 | na | Market Rate | Family | Stabilized | Conventional | 2 | 0 | 100.0% |
| 003 | 405 Fifth Street | 37.0732 | -78.0069 | 1995 | na | Market Rate | Family | Stabilized | Conventional | 2 | 0 | 100.0% |
| 004 | Bently Park | 37.0835 | -78.0041 | 1973 | 2012 | Market Rate | Family | Stabilized | Conventional | 21 | 0 | 100.0% |
| 005 | Bently Place | 37.0805 | -78.0039 | 1975 | 2018 | Market Rate | Family | Stabilized | Conventional | 14 | 0 | 100.0% |
| 006 | Blackstone Lofts | 37.0756 | -78.0041 | 1945 | 2011 | Market Rate | Family | Stabilized | Conventional | 25 | 1 | 96.0% |
| 009 | Brettwood Apartments | 37.0779 | -77.9975 | 1993 | na | Market Rate | Family | Stabilized | Conventional | 24 | 0 | 100.0% |
| 014 | Churchill Apartments | 37.2964 | -78.3887 | 1967 | 2008 | Market Rate | Family | Stabilized | Conventional | 24 | 0 | 100.0% |
| 015 | Cole-Harbour Apartments | 37.0822 | -78.0208 | 1981 | 2008 | Restricted | Family | Stabilized | Tax Credit | 36 | 3 | 91.7% |
| 016 | Country Estates Apartments | 37.2990 | -78.3801 | 1978 | 2016 | Restricted | Family | Stabilized | Tax Credit | 24 | 0 | 100.0% |
| 017 | Courthouse Commons Apartments | 37.0846 | -78.0078 | 2013 | na | Market Rate | Family | Stabilized | Conventional | 6 | 0 | 100.0% |
| 018 | Crewe Village | 37.1898 | -78.1440 | 1983 | 2018 | Subsidized | Family | Stabilized | Tax Credit | 40 | 1 | 97.5% |
| 019 | Dade Street Apartments | 37.1907 | -78.1423 | 1990 | na | Market Rate | Family | Stabilized | Conventional | 12 | 0 | 100.0% |
| 021 | Deerfield Apartments | 37.1922 | -78.1448 | 1992 | na | Subsidized | Elderly | Stabilized | Tax Credit | 39 | 1 | 97.4% |
| 026 | Giles Apartments | 37.3348 | -77.9844 | 1986 | 1999 | Restricted | Family | Stabilized | Tax Credit | 16 | 0 | 100.0% |
| 028 | Goodson Manor Apartments | 37.3001 | -78.3818 | 2005 | na | Subsidized | Elderly | Stabilized | HUD | 23 | 1 | 95.7% |
| 029 | Irvin Street Duplex | 37.0764 | -77.9945 | 2013 | na | Market Rate | Family | Stabilized | Conventional | 2 | 0 | 100.0% |
| 031 | Lofts at Worsham School | 37.2303 | -78.4465 | 1927 | 2011 | Market Rate | Family | Stabilized | Conventional | 14 | 0 | 100.0% |
| 035 | Magnolia Place Apartments | 37.0776 | -78.0109 | 1980 | 2021 | Restricted | Elderly | Stabilized | Tax Credit | 56 | 14 | 75.0% |
| 036 | Mann Street Apartments | 37.0836 | -77.9942 | 1998 | na | Market Rate | Elderly | Stabilized | Conventional | 39 | 0 | 100.0% |
| 037 | Maple Manor Apartments of Crewe | 37.1727 | -78.1207 | 1975 | na | Market Rate | Family | Stabilized | Conventional | 15 | 0 | 100.0% |
| 038 | Maryland Avenue Apartments | 37.1907 | -78.1423 | 1995 | na | Market Rate | Family | Stabilized | Conventional | 12 | 0 | 100.0% |
| 039 | Meadows Apartments | 37.2978 | -78.3779 | 1988 | 2008 | Restricted | Family | Stabilized | Tax Credit | 40 | 0 | 100.0% |
| 040 | Medallion Manor | 37.3026 | -78.3880 | 1963 | 2012 | Market Rate | Family | Stabilized | Conventional | 14 | 0 | 100.0% |
| 041 | Milnwood Village Apartments | 37.2785 | -78.3845 | 1982 | 2018 | Subsidized | Elderly | Stabilized | Tax Credit | 40 | 0 | 100.0% |
| 042 | Nottoway Manor Apartments | 37.0795 | -78.0064 | 1985 | 2018 | Subsidized | Family | Stabilized | Tax Credit | 28 | 0 | 100.0% |
| 044 | Parc Crest at Poplar Forest | 37.2647 | -78.3921 | 2008 | na | Restricted | Elderly | Stabilized | Tax Credit | 44 | 1 | 97.7% |
| 045 | Parkview Gardens Apartments | 37.2890 | -78.3939 | 1975 | 2012 | Subsidized | Family | Stabilized | Tax Credit | 80 | 0 | 100.0% |
| 046 | Peele Manor | 37.0731 | -78.0133 | 1997 | na | Subsidized | Elderly | Stabilized | HUD | 24 | 0 | 100.0% |
| 048 | Poplar Forest Apartments Phase 1 & 2 | 37.2615 | -78.3958 | 1999 | 2010 | Market Rate | Family | Stabilized | Bond | 138 | 2 | 98.6% |
| 054 | Victoria Place Apartments | 36.9886 | -78.2267 | 1991 | 2014 | Subsidized | Elderly | Stabilized | Tax Credit | 38 | 2 | 94.7% |
| 055 | Village Estates Apartments | 36.9789 | -78.2108 | 1985 | 2016 | Subsidized | Family | Stabilized | Tax Credit | 32 | 6 | 81.3% |
| 060 | Williamson Apartments | 37.0718 | -78.0007 | 2005 | na | Market Rate | Family | Stabilized | Conventional | 6 | 0 | 100.0% |

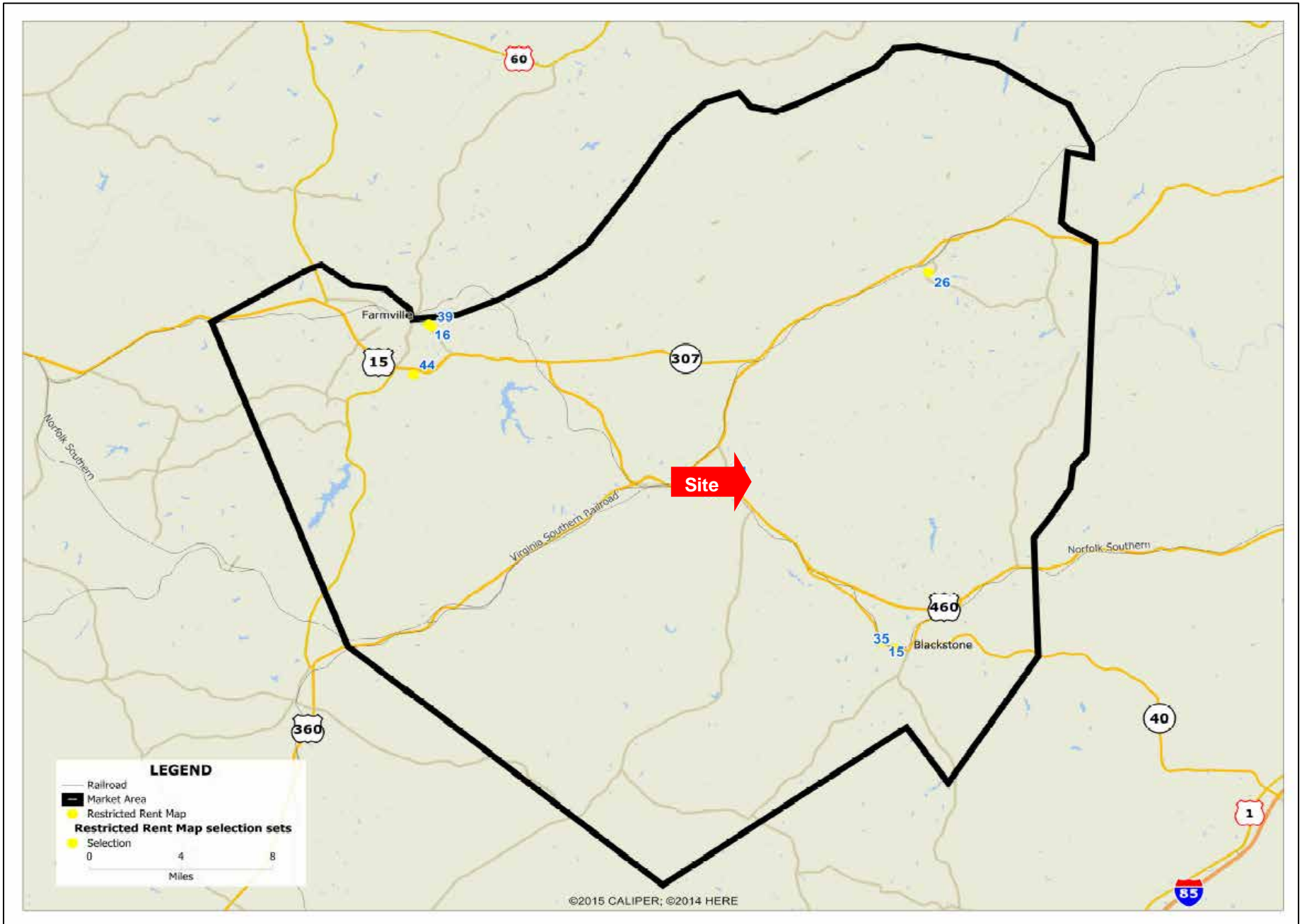
Master List of Market Rate Comparables

| Key | Project | Latitude | Longitude | Built | Renovated | Rent Type | Occ Type | Status | Financing | Tot Units | Vac Units | Occupancy |
|-----|--------------------------------------|----------|-----------|-------|-----------|-------------|----------|------------|--------------|-----------|-----------|-----------|
| 006 | Blackstone Lofts | 37.0756 | -78.0041 | 1945 | 2011 | Market Rate | Family | Stabilized | Conventional | 25 | 1 | 96.0% |
| 014 | Churchill Apartments | 37.2964 | -78.3887 | 1967 | 2008 | Market Rate | Family | Stabilized | Conventional | 24 | 0 | 100.0% |
| 031 | Lofts at Worsham School | 37.2303 | -78.4465 | 1927 | 2011 | Market Rate | Family | Stabilized | Conventional | 14 | 0 | 100.0% |
| 036 | Mann Street Apartments | 37.0836 | -77.9942 | 1998 | na | Market Rate | Elderly | Stabilized | Conventional | 39 | 0 | 100.0% |
| 048 | Poplar Forest Apartments Phase 1 & 2 | 37.2615 | -78.3958 | 1999 | 2010 | Market Rate | Family | Stabilized | Bond | 138 | 2 | 98.6% |



Master List of Restricted Rent Comparables

| Key | Project | Latitude | Longitude | Built | Renovated | Rent Type | Occ Type | Status | Financing | Tot Units | Vac Units | Occupancy |
|-----|-----------------------------|----------|-----------|-------|-----------|------------|----------|------------|------------|-----------|-----------|-----------|
| 015 | Cole-Harbour Apartments | 37.0822 | -78.0208 | 1981 | 2008 | Restricted | Family | Stabilized | Tax Credit | 36 | 3 | 91.7% |
| 016 | Country Estates Apartments | 37.2990 | -78.3801 | 1978 | 2016 | Restricted | Family | Stabilized | Tax Credit | 24 | 0 | 100.0% |
| 026 | Giles Apartments | 37.3348 | -77.9844 | 1986 | 1999 | Restricted | Family | Stabilized | Tax Credit | 16 | 0 | 100.0% |
| 035 | Magnolia Place Apartments | 37.0776 | -78.0109 | 1980 | 2021 | Restricted | Elderly | Stabilized | Tax Credit | 56 | 14 | 75.0% |
| 039 | Meadows Apartments | 37.2978 | -78.3779 | 1988 | 2008 | Restricted | Family | Stabilized | Tax Credit | 40 | 0 | 100.0% |
| 044 | Parc Crest at Poplar Forest | 37.2647 | -78.3921 | 2008 | na | Restricted | Elderly | Stabilized | Tax Credit | 44 | 1 | 97.7% |



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

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

| Rental Property Inventory, Confirmed, Inside Market Area | | | |
|--|----------|-----------|-----------|
| Total Properties | | | |
| | Elderly | Family | Total |
| Market Rate | 1 | 17 | 18 |
| Restricted | 2 | 4 | 6 |
| Subsidized | 5 | 4 | 9 |
| Total | 8 | 25 | 33 |

| Total Units | | | |
|--------------|------------|------------|------------|
| | Elderly | Family | Total |
| Market Rate | 39 | 339 | 378 |
| Restricted | 45 | 22 | 67 |
| Subsidized | 219 | 274 | 493 |
| Total | 303 | 635 | 938 |

| Vacant Units | | | |
|--------------|-----------|-----------|-----------|
| | Elderly | Family | Total |
| Market Rate | | 3 | 3 |
| Restricted | 2 | 3 | 5 |
| Subsidized | 17 | 7 | 24 |
| Total | 19 | 13 | 32 |

| Occupancy Rate | | | |
|----------------|------------|------------|------------|
| | Elderly | Family | Total |
| Market Rate | 100% | 99% | 99% |
| Restricted | 96% | 86% | 93% |
| Subsidized | 92% | 97% | 95% |
| Total | 94% | 98% | 97% |

Source: Allen & Associates



Our analysis includes a total of 33 confirmed market area properties consisting of 938 units. The occupancy rate for these units currently stands at 97 percent. This rate reflects the occupancy for all confirmed market area units, regardless of project status (stabilized, under construction, proposed, etc.).

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

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

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

Rental Property Inventory, Confirmed, Inside Market Area

| Elderly | | | | | Family | | | | |
|------------------|-----|-----|-----|-----|------------------|-----|-----|-----|-----|
| Total Properties | | | | | Total Properties | | | | |
| | Sub | Res | Mkt | Tot | | Sub | Res | Mkt | Tot |
| Stabilized | 5 | 2 | 1 | 8 | Stabilized | 4 | 4 | 17 | 25 |
| Lease Up | | | | | Lease Up | | | | |
| Construction | | | | | Construction | | | | |
| Rehabilitation | | | | | Rehabilitation | | | | |
| Prop Const | | | | | Prop Const | | | | |
| Prop Rehab | | | | | Prop Rehab | | | | |
| Unstabilized | | | | | Unstabilized | | | | |
| Subtotal | | | | | Subtotal | | | | |
| Total | 5 | 2 | 1 | 8 | Total | 4 | 4 | 17 | 25 |

| Total Units | | | | | Total Units | | | | |
|----------------|-----|-----|-----|-----|----------------|-----|-----|-----|-----|
| | Sub | Res | Mkt | Tot | | Sub | Res | Mkt | Tot |
| Stabilized | 219 | 45 | 39 | 303 | Stabilized | 274 | 22 | 339 | 635 |
| Lease Up | | | | | Lease Up | | | | |
| Construction | | | | | Construction | | | | |
| Rehabilitation | | | | | Rehabilitation | | | | |
| Prop Const | | | | | Prop Const | | | | |
| Prop Rehab | | | | | Prop Rehab | | | | |
| Unstabilized | | | | | Unstabilized | | | | |
| Subtotal | | | | | Subtotal | | | | |
| Total | 219 | 45 | 39 | 303 | Total | 274 | 22 | 339 | 635 |

| Vacant Units | | | | | Vacant Units | | | | |
|----------------|-----|-----|-----|-----|----------------|-----|-----|-----|-----|
| | Sub | Res | Mkt | Tot | | Sub | Res | Mkt | Tot |
| Stabilized | 17 | 2 | | 19 | Stabilized | 7 | 3 | 3 | 13 |
| Lease Up | | | | | Lease Up | | | | |
| Construction | | | | | Construction | | | | |
| Rehabilitation | | | | | Rehabilitation | | | | |
| Prop Const | | | | | Prop Const | | | | |
| Prop Rehab | | | | | Prop Rehab | | | | |
| Unstabilized | | | | | Unstabilized | | | | |
| Subtotal | | | | | Subtotal | | | | |
| Total | 17 | 2 | | 19 | Total | 7 | 3 | 3 | 13 |

Source: Allen & Associates

Our survey includes a total of 33 stabilized market area properties consisting of 938 units standing at 97 percent occupancy.

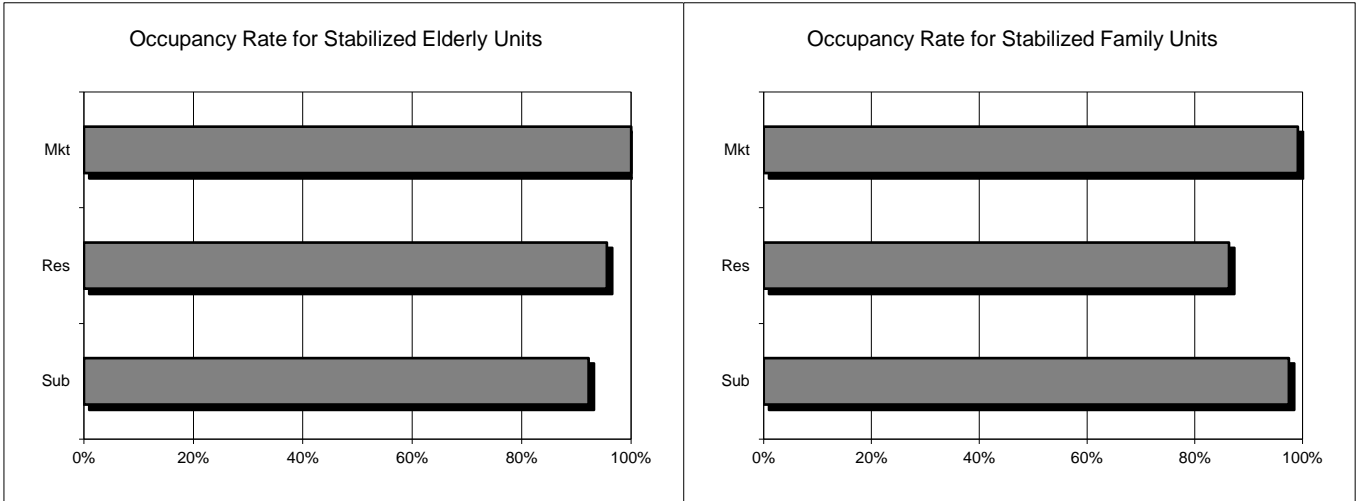
Our research suggests that there are no properties in the market area that are not yet stabilized. Unstabilized units (also referred to as pipeline units) include vacant units in lease up, construction, rehabilitation, proposed new construction, and units with proposed renovation plans.

Rental Property Inventory, Confirmed, Inside Market Area

| Elderly | | | | | Family | | | | |
|----------------|-----|-----|------|-----|----------------|-----|-----|-----|-----|
| Occupancy Rate | | | | | Occupancy Rate | | | | |
| | Sub | Res | Mkt | Tot | | Sub | Res | Mkt | Tot |
| Stabilized | 92% | 96% | 100% | 94% | Stabilized | 97% | 86% | 99% | 98% |
| Lease Up | | | | | Lease Up | | | | |
| Construction | | | | | Construction | | | | |
| Rehabilitation | | | | | Rehabilitation | | | | |
| Prop Const | | | | | Prop Const | | | | |
| Prop Rehab | | | | | Prop Rehab | | | | |
| Unstabilized | | | | | Unstabilized | | | | |
| Subtotal | | | | | Subtotal | | | | |
| Total | 92% | 96% | 100% | 94% | Total | 97% | 86% | 99% | 98% |

Source: Allen & Associates

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



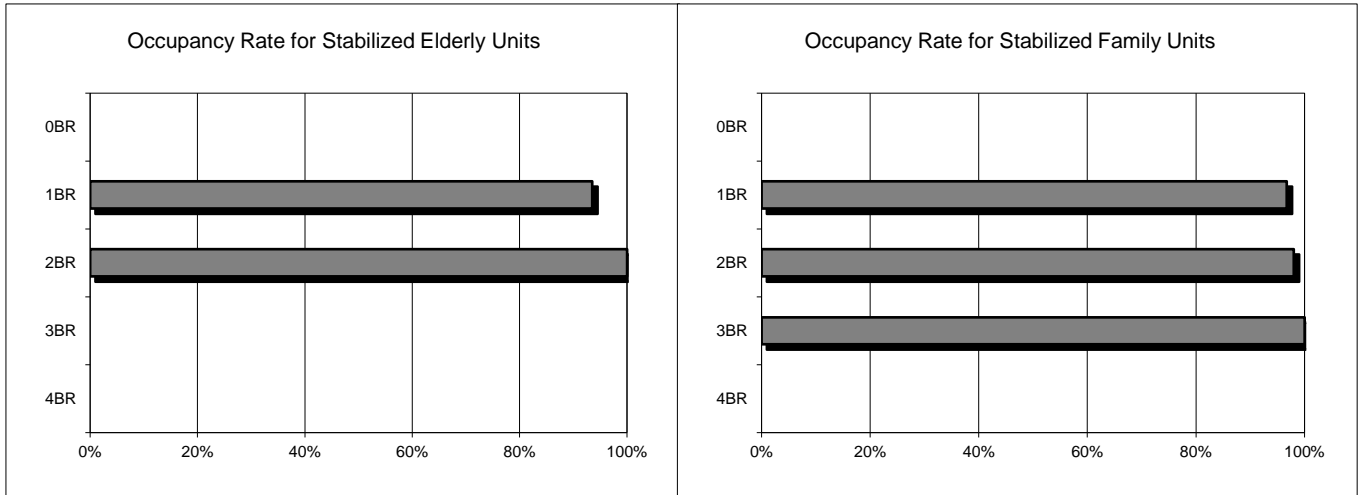
Our research suggests the following occupancy levels for the 303 stabilized elderly units in this market area:

- Subsidized, 92 percent (219 units in survey)
- Restricted, 96 percent (45 units in survey)
- Market Rate, 100 percent (39 units in survey)

Our research suggests the following occupancy levels for the 635 stabilized family units in this market area:

- Subsidized, 97 percent (274 units in survey)
- Restricted, 86 percent (22 units in survey)
- Market Rate, 99 percent (339 units in survey)

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



Our research suggests the following occupancy levels for the 303 stabilized elderly units in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 93 percent (292 units in survey)
- 2-Bedroom, 100 percent (11 units in survey)
- 3-Bedroom, not applicable (0 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Our research suggests the following occupancy levels for the 635 stabilized family units in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 97 percent (152 units in survey)
- 2-Bedroom, 98 percent (398 units in survey)
- 3-Bedroom, 100 percent (85 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

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

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

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

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

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

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

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

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

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

Source: Allen & Associates

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

| Elderly | | | | | | | | | |
|---------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Total Properties with Unit Type | | | | | | | | | |
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | 6 | | | | 2 | | | 1 | 9 |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | 6 | | | | 2 | | | 1 | 9 |

| Family | | | | | | | | | |
|---------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Total Properties with Unit Type | | | | | | | | | |
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | 7 | | | | 4 | | | 7 | 18 |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | 7 | | | | 4 | | | 7 | 18 |

| Total Units | | | | | | | | | |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | 219 | | | | 37 | | | 36 | 292 |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | 219 | | | | 37 | | | 36 | 292 |

| Total Units | | | | | | | | | |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | 91 | | | | 11 | | | 50 | 152 |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | 91 | | | | 11 | | | 50 | 152 |

| Vacant Units | | | | | | | | | |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | 17 | | | | 2 | | | | 19 |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | 17 | | | | 2 | | | | 19 |

| Vacant Units | | | | | | | | | |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | 2 | | | | 2 | | | 1 | 5 |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | 2 | | | | 2 | | | 1 | 5 |

| Occupancy Rate | | | | | | | | | |
|----------------|-----|-----|-----|-----|-----|-----|-----|------|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | 92% | | | | 95% | | | 100% | 93% |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | 92% | | | | 95% | | | 100% | 93% |

| Occupancy Rate | | | | | | | | | |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | 98% | | | | 82% | | | 98% | 97% |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | 98% | | | | 82% | | | 98% | 97% |

Source: Allen & Associates

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

| Elderly | | | | | | | | | |
|---------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Total Properties with Unit Type | | | | | | | | | |
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | | | | | 1 | | | 1 | 2 |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | | | | | 1 | | | 1 | 2 |

| Family | | | | | | | | | |
|---------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Total Properties with Unit Type | | | | | | | | | |
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | 8 | | | | 4 | | | 16 | 28 |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | 8 | | | | 4 | | | 16 | 28 |

| Total Units | | | | | | | | | |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | | | | | 8 | | | 3 | 11 |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | | | | | 8 | | | 3 | 11 |

| Total Units | | | | | | | | | |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | 151 | | | | 11 | | | 236 | 398 |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | 151 | | | | 11 | | | 236 | 398 |

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

| Vacant Units | | | | | | | | | |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | 5 | | | | 1 | | | 2 | 8 |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | 5 | | | | 1 | | | 2 | 8 |

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

| Occupancy Rate | | | | | | | | | |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | 97% | | | | 91% | | | 99% | 98% |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | 97% | | | | 91% | | | 99% | 98% |

Source: Allen & Associates

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

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

| Family | | | | | | | | | |
|---------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Total Properties with Unit Type | | | | | | | | | |
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | 2 | | | | | | | 3 | 5 |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | 2 | | | | | | | 3 | 5 |

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

| Total Units | | | | | | | | | |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized | 32 | | | | | | | 53 | 85 |
| Lease Up | | | | | | | | | |
| Construction | | | | | | | | | |
| Rehabilitation | | | | | | | | | |
| Prop Const | | | | | | | | | |
| Prop Rehab | | | | | | | | | |
| Unstabilized | | | | | | | | | |
| Subtotal | | | | | | | | | |
| Total | 32 | | | | | | | 53 | 85 |

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

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

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

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

Source: Allen & Associates

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

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

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

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

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

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

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

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

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

Source: Allen & Associates

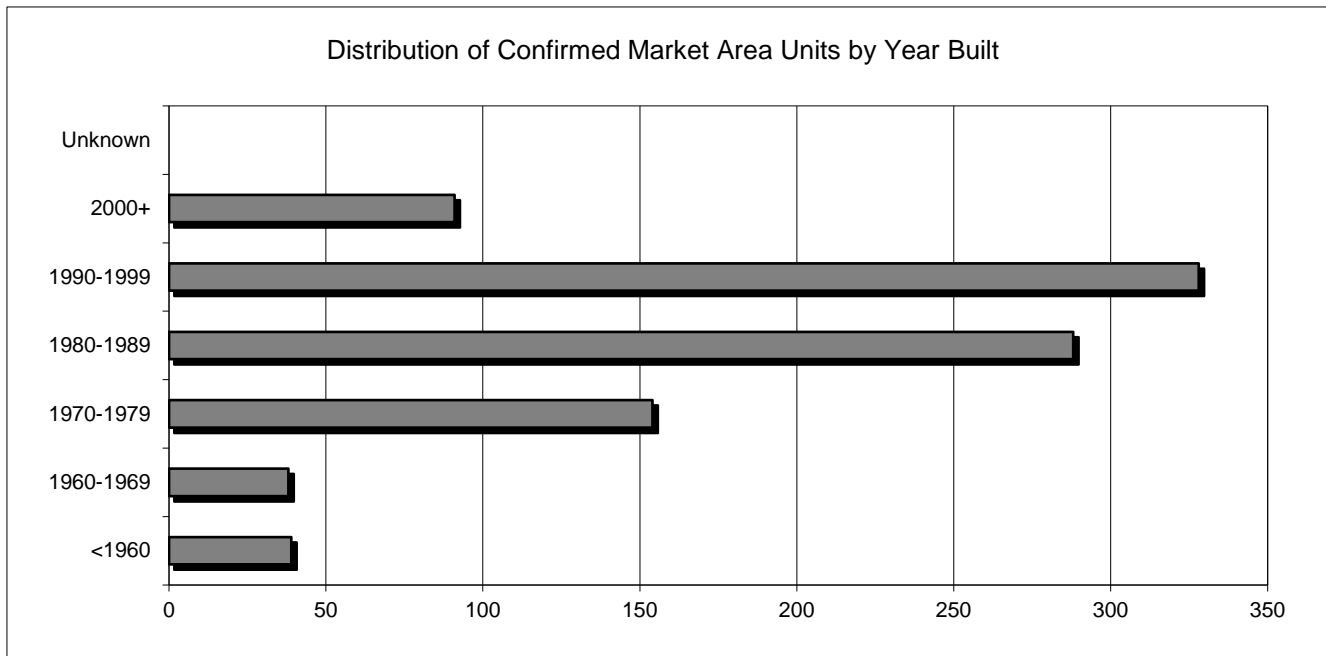
Rental Property Inventory, Confirmed, Inside Market Area, by Year Built

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

| Rental Property Inventory, Confirmed, Inside Market Area | | | |
|--|----------|-----------|-----------|
| Total Properties | | | |
| | Elderly | Family | Total |
| <1960 | | 2 | 2 |
| 1960-1969 | | 2 | 2 |
| 1970-1979 | | 5 | 5 |
| 1980-1989 | 2 | 6 | 8 |
| 1990-1999 | 4 | 5 | 9 |
| 2000+ | 2 | 5 | 7 |
| Unknown | | | |
| Total | 8 | 25 | 33 |

| Total Units | | | |
|--------------|------------|------------|------------|
| | Elderly | Family | Total |
| <1960 | | 39 | 39 |
| 1960-1969 | | 38 | 38 |
| 1970-1979 | | 154 | 154 |
| 1980-1989 | 96 | 192 | 288 |
| 1990-1999 | 140 | 188 | 328 |
| 2000+ | 67 | 24 | 91 |
| Unknown | | | |
| Total | 303 | 635 | 938 |

Source: Allen & Associates



Our research suggests that of the 33 confirmed market area properties (938 units) included in this report, 2 properties (39 units) were constructed before 1960, 2 properties (38 units) were constructed between 1960 and 1969, 5 properties (154 units) between 1970 and 1979, 8 properties (288 units) between 1980 and 1989, 9 properties (328 units) between 1990 and 1999, and 7 properties (91 units) after 2000. In addition, 0 properties (0 units) had an unknown date of construction.

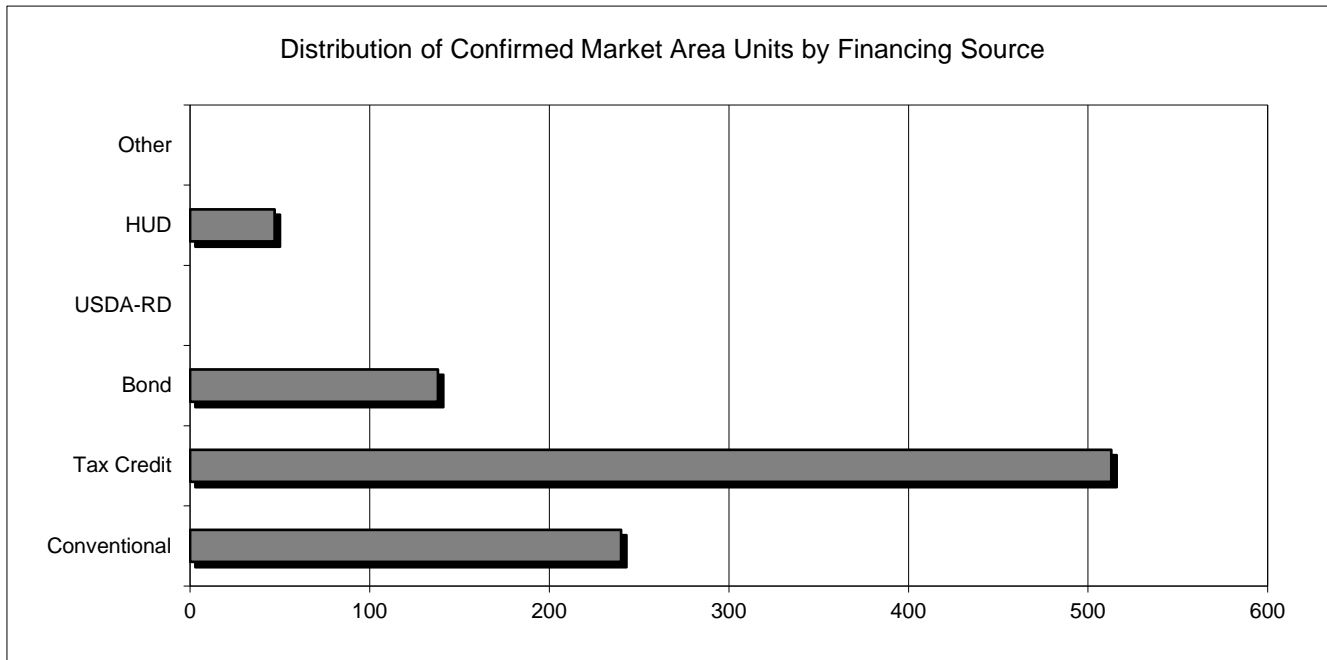
Rental Property Inventory, Confirmed, Inside Market Area, by Financing Source

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

| Rental Property Inventory, Confirmed, Inside Market Area | | | |
|--|----------|-----------|-----------|
| Total Properties | | | |
| | Elderly | Family | Total |
| Conventional | 1 | 16 | 17 |
| Tax Credit | 5 | 8 | 13 |
| Bond | | 1 | 1 |
| USDA-RD | | | |
| HUD | 2 | | 2 |
| Other | | | |
| Total | 8 | 25 | 33 |

| Total Units | | | |
|--------------|------------|------------|------------|
| | Elderly | Family | Total |
| Conventional | 39 | 201 | 240 |
| Tax Credit | 217 | 296 | 513 |
| Bond | | 138 | 138 |
| USDA-RD | | | |
| HUD | 47 | | 47 |
| Other | | | |
| Total | 303 | 635 | 938 |

Source: Allen & Associates



Our research suggests that of the 33 confirmed properties in the market area, 17 properties (consisting of 240 units) are conventionally financed, 13 properties (consisting of 513 units) include tax credit financing, 1 property (consisting of 138 units) is bond financed, 0 properties (consisting of 0 units) are exclusively USDA-RD financed, and 2 properties (consisting of 47 units) are exclusively HUD financed.

The average project size for this market area is 28 units. The smallest projects are conventionally financed, averaging 14 units in size. The largest projects are bond financed, averaging 138 units in size.

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

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

| Rental Property Inventory, Confirmed, Inside Market Area | | | | | | | | | |
|--|------------|-------|-------|------------|-------|-------|--------|---------|-------|
| Rents | | | | | | | | | |
| | Subsidized | | | Restricted | | | Market | | |
| | Min | Max | Avg | Min | Max | Avg | Min | Max | Avg |
| 0-Bedroom | - | - | - | - | - | - | - | - | - |
| 1-Bedroom | \$433 | \$744 | \$542 | \$527 | \$591 | \$567 | \$500 | \$1,207 | \$753 |
| 2-Bedroom | \$518 | \$644 | \$603 | \$627 | \$874 | \$779 | \$575 | \$1,386 | \$802 |
| 3-Bedroom | \$655 | \$819 | \$737 | - | - | - | \$750 | \$1,250 | \$950 |
| 4-Bedroom | - | - | - | - | - | - | - | - | - |

| Unit Size | | | | | | | | | |
|-----------|------------|-------|-----|------------|-------|-----|--------|-------|-------|
| | Subsidized | | | Restricted | | | Market | | |
| | Min | Max | Avg | Min | Max | Avg | Min | Max | Avg |
| 0-Bedroom | - | - | - | - | - | - | - | - | - |
| 1-Bedroom | 527 | 709 | 602 | 527 | 750 | 614 | 477 | 795 | 667 |
| 2-Bedroom | 711 | 1,000 | 816 | 757 | 1,075 | 916 | 720 | 1,100 | 968 |
| 3-Bedroom | 869 | 878 | 873 | - | - | - | 1,000 | 1,300 | 1,133 |
| 4-Bedroom | - | - | - | - | - | - | - | - | - |

| Rent per Square Foot | | | | | | | | | |
|----------------------|------------|--------|--------|------------|--------|--------|--------|--------|--------|
| | Subsidized | | | Restricted | | | Market | | |
| | Min | Max | Avg | Min | Max | Avg | Min | Max | Avg |
| 0-Bedroom | - | - | - | - | - | - | - | - | - |
| 1-Bedroom | \$0.82 | \$1.05 | \$0.90 | \$0.79 | \$1.00 | \$0.92 | \$1.05 | \$1.52 | \$1.13 |
| 2-Bedroom | \$0.64 | \$0.73 | \$0.74 | \$0.81 | \$0.83 | \$0.85 | \$0.80 | \$1.26 | \$0.83 |
| 3-Bedroom | \$0.75 | \$0.93 | \$0.84 | - | - | - | \$0.75 | \$0.96 | \$0.84 |
| 4-Bedroom | - | - | - | - | - | - | - | - | - |

Source: Allen & Associates



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

- 0-Bedroom, not applicable
- 1-Bedroom, \$0.92 per square foot
- 2-Bedroom, \$0.85 per square foot
- 3-Bedroom, not applicable
- 4-Bedroom, not applicable

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

- 0-Bedroom, not applicable
- 1-Bedroom, \$1.13 per square foot
- 2-Bedroom, \$0.83 per square foot
- 3-Bedroom, \$0.84 per square foot
- 4-Bedroom, not applicable

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

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

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

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

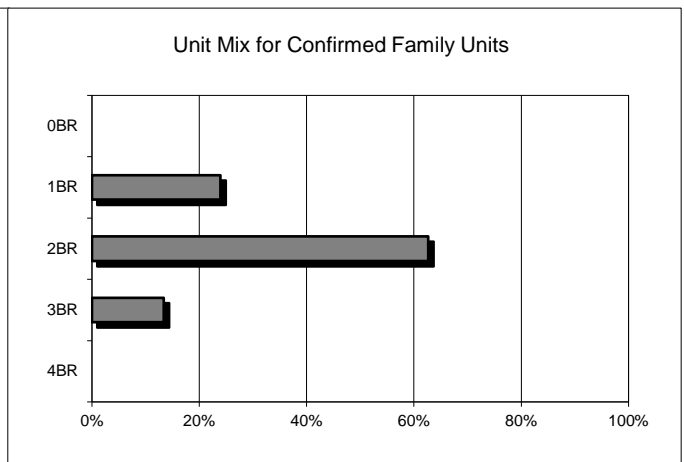
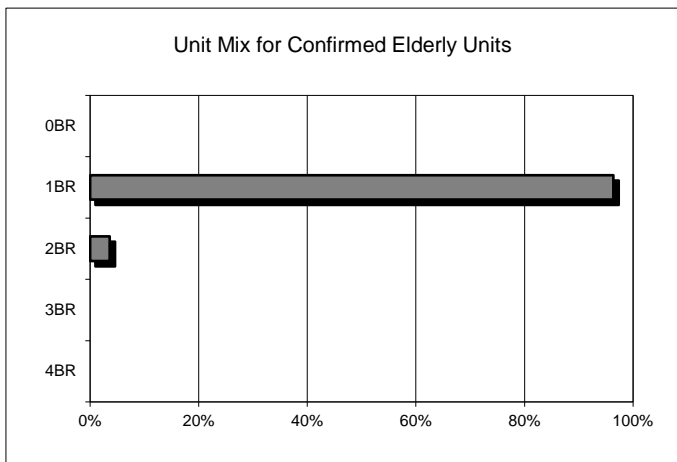
| Elderly | | | | |
|-------------|-----|-----|-----|-----|
| Total Units | | | | |
| | Sub | Res | Mkt | Tot |
| 0-Bedroom | | | | |
| 1-Bedroom | 219 | 37 | 36 | 292 |
| 2-Bedroom | | 8 | 3 | 11 |
| 3-Bedroom | | | | |
| 4-Bedroom | | | | |
| Total | 219 | 45 | 39 | 303 |

| Family | | | | |
|-------------|-----|-----|-----|-----|
| Total Units | | | | |
| | Sub | Res | Mkt | Tot |
| 0-Bedroom | | | | |
| 1-Bedroom | 91 | 11 | 50 | 152 |
| 2-Bedroom | 151 | 11 | 236 | 398 |
| 3-Bedroom | 32 | | 53 | 85 |
| 4-Bedroom | | | | |
| Total | 274 | 22 | 339 | 635 |

| Unit Mix | | | | |
|-----------|------|------|------|------|
| | Sub | Res | Mkt | Tot |
| 0-Bedroom | | | | |
| 1-Bedroom | 100% | 82% | 92% | 96% |
| 2-Bedroom | | 18% | 8% | 4% |
| 3-Bedroom | | | | |
| 4-Bedroom | | | | |
| Total | 100% | 100% | 100% | 100% |

| Unit Mix | | | | |
|-----------|------|------|------|------|
| | Sub | Res | Mkt | Tot |
| 0-Bedroom | | | | |
| 1-Bedroom | 33% | 50% | 15% | 24% |
| 2-Bedroom | 55% | 50% | 70% | 63% |
| 3-Bedroom | 12% | | 16% | 13% |
| 4-Bedroom | | | | |
| Total | 100% | 100% | 100% | 100% |

Source: Allen & Associates



Our research suggests the following unit mix for the 303 confirmed elderly units located in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 96 percent (292 units in survey)
- 2-Bedroom, 4 percent (11 units in survey)
- 3-Bedroom, not applicable (0 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Our research suggests the following unit mix for the 635 confirmed family units located in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 24 percent (152 units in survey)
- 2-Bedroom, 63 percent (398 units in survey)
- 3-Bedroom, 13 percent (85 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

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

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

| Rental Property Inventory, Confirmed, Inside Market Area, Amenity Summary | | | |
|---|------|------------------|------|
| Building Type | | Air Conditioning | |
| 1 Story | 21% | Central | 91% |
| 2-4 Story | 79% | Wall Units | 9% |
| 5-10 Story | 0% | Window Units | 0% |
| >10 Story | 0% | None | 0% |
| Project Amenities | | Heat | |
| Ball Field | 0% | Central | 91% |
| BBQ Area | 9% | Wall Units | 9% |
| Billiards | 0% | Baseboards | 0% |
| Bus/Comp Ctr | 9% | Radiators | 0% |
| Car Care Ctr | 0% | None | 0% |
| Comm Center | 48% | | |
| Elevator | 6% | Parking | |
| Fitness Center | 9% | Garage | 0% |
| Gazebo | 9% | Covered | 0% |
| Hot Tub/Jacuzzi | 0% | Assigned | 0% |
| Horseshoe Pit | 3% | Open | 100% |
| Lake | 0% | None | 0% |
| Library | 3% | | |
| Movie Theatre | 0% | Laundry | |
| Picnic Area | 18% | Central | 55% |
| Playground | 27% | W/D Units | 27% |
| Pool | 6% | W/D Hookups | 15% |
| Sauna | 0% | | |
| Sports Court | 9% | Security | |
| Walking Trail | 3% | Call Buttons | 18% |
| | | Cont Access | 9% |
| | | Courtesy Officer | 9% |
| | | Monitoring | 3% |
| | | Security Alarms | 0% |
| | | Security Patrols | 9% |
| Unit Amenities | | Services | |
| Blinds | 97% | After School | 0% |
| Ceiling Fans | 27% | Concierge | 0% |
| Upgraded Flooring | 91% | Hair Salon | 0% |
| Fireplace | 0% | Health Care | 0% |
| Patio/Balcony | 33% | Linens | 0% |
| Storage | 18% | Meals | 0% |
| | | Transportation | 0% |
| Kitchen Amenities | | | |
| Stove | 100% | | |
| Refrigerator | 100% | | |
| Disposal | 24% | | |
| Dishwasher | 61% | | |
| Microwave | 15% | | |

Source: Allen & Associates

Our research suggests that 21 percent of confirmed market area properties are 1 story in height, 79 percent are 2-4 stories in height, 0 percent are 5-10 stories in height, and 0 percent are over 10 stories in height. In addition, surveyed properties benefit from the following project amenities: 9 percent have a business/computer center, 48 percent have a community center, 9 percent have a fitness center, 27 percent have a playground, and 9 percent have a sports court.

Our research also suggests that the following unit amenities are present at surveyed properties: 97 percent have blinds, 91 percent have carpeting, 33 percent have patios/balconies, and 18 percent have outside storage. Surveyed properties also include the following kitchen amenities: 100 percent have a stove, 100 percent have a refrigerator, 24 percent have a disposal, 61 percent have a dishwasher, and 15 percent have a microwave.

In addition, 91 percent of confirmed market area properties have central heat while 91 percent have central air. Our research also suggests that 100 percent of surveyed properties have open parking. A total of 55 percent of area properties have central laundry facilities, while 15 percent have washer/dryer hookups, and 27 percent have washer/dryer units in each residential unit.

A total of 18 percent of confirmed market area properties have call buttons, 9 percent have controlled access, and 0 percent have security alarms.

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

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

Rental Property Inventory, Confirmed, Inside Market Area

| Key | Project | Latitude | Longitude | Built | Renovated | Rent Type | Occ Type | Status | Financing | Tot Units | Vac Units | Occupancy | Concessions | Vouchers | Abs Rate | Waiting List |
|-----|--------------------------------------|----------|-----------|-------|-----------|-------------|----------|------------|--------------|-----------|-----------|-----------|-------------|----------|----------|--------------|
| 001 | 201 Dinwiddle Avenue | 37.0820 | -77.9932 | 2000 | na | Market Rate | Family | Stabilized | Conventional | 8 | 0 | 100.0% | 0% | 0% | - | no |
| 002 | 302 Birch Street | 37.0735 | -77.9994 | 2009 | na | Market Rate | Family | Stabilized | Conventional | 2 | 0 | 100.0% | 0% | 0% | - | no |
| 003 | 405 Fifth Street | 37.0732 | -78.0069 | 1995 | na | Market Rate | Family | Stabilized | Conventional | 2 | 0 | 100.0% | 0% | 0% | - | no |
| 004 | Bently Park | 37.0835 | -78.0041 | 1973 | 2012 | Market Rate | Family | Stabilized | Conventional | 21 | 0 | 100.0% | 0% | 0% | - | no |
| 005 | Bently Place | 37.0805 | -78.0039 | 1975 | 2018 | Market Rate | Family | Stabilized | Conventional | 14 | 0 | 100.0% | 0% | 0% | - | no |
| 006 | Blackstone Lofts | 37.0756 | -78.0041 | 1945 | 2011 | Market Rate | Family | Stabilized | Conventional | 25 | 1 | 96.0% | 0% | 0% | - | - |
| 009 | Brettwood Apartments | 37.0779 | -77.9975 | 1993 | na | Market Rate | Family | Stabilized | Conventional | 24 | 0 | 100.0% | 0% | 0% | - | 6+ people |
| 014 | Churchill Apartments | 37.2964 | -78.3887 | 1967 | 2008 | Market Rate | Family | Stabilized | Conventional | 24 | 0 | 100.0% | 0% | 0% | - | - |
| 015 | Cole-Harbour Apartments | 37.0822 | -78.0208 | 1981 | 2008 | Restricted | Family | Stabilized | Tax Credit | 36 | 3 | 91.7% | 0% | 11% | - | 4 people |
| 016 | Country Estates Apartments | 37.2990 | -78.3801 | 1978 | 2016 | Restricted | Family | Stabilized | Tax Credit | 24 | 0 | 100.0% | 0% | 0% | - | no |
| 017 | Courthouse Commons Apartments | 37.0846 | -78.0078 | 2013 | na | Market Rate | Family | Stabilized | Conventional | 6 | 0 | 100.0% | 0% | 0% | - | 6 people |
| 018 | Crewe Village | 37.1898 | -78.1440 | 1983 | 2018 | Subsidized | Family | Stabilized | Tax Credit | 40 | 1 | 97.5% | 0% | 0% | - | 2 people |
| 019 | Dade Street Apartments | 37.1907 | -78.1423 | 1990 | na | Market Rate | Family | Stabilized | Conventional | 12 | 0 | 100.0% | 0% | 0% | - | no |
| 021 | Deerfield Apartments | 37.1922 | -78.1448 | 1992 | na | Subsidized | Elderly | Stabilized | Tax Credit | 39 | 1 | 97.4% | 0% | 0% | - | 14 people |
| 026 | Giles Apartments | 37.3348 | -77.9844 | 1986 | 1999 | Restricted | Family | Stabilized | Tax Credit | 16 | 0 | 100.0% | 0% | 0% | - | 4 people |
| 028 | Goodson Manor Apartments | 37.3001 | -78.3818 | 2005 | na | Subsidized | Elderly | Stabilized | HUD | 23 | 1 | 95.7% | 0% | 0% | - | no |
| 029 | Irvin Street Duplex | 37.0764 | -77.9945 | 2013 | na | Market Rate | Family | Stabilized | Conventional | 2 | 0 | 100.0% | 0% | 0% | - | no |
| 031 | Lofts at Worsham School | 37.2303 | -78.4465 | 1927 | 2011 | Market Rate | Family | Stabilized | Conventional | 14 | 0 | 100.0% | 0% | 0% | - | - |
| 035 | Magnolia Place Apartments | 37.0776 | -78.0109 | 1980 | 2021 | Restricted | Elderly | Stabilized | Tax Credit | 56 | 14 | 75.0% | 0% | 0% | - | 25 people |
| 036 | Mann Street Apartments | 37.0836 | -77.9942 | 1998 | na | Market Rate | Elderly | Stabilized | Conventional | 39 | 0 | 100.0% | 0% | 0% | - | no |
| 037 | Maple Manor Apartments of Crewe | 37.1727 | -78.1207 | 1975 | na | Market Rate | Family | Stabilized | Conventional | 15 | 0 | 100.0% | 0% | 0% | - | no |
| 038 | Maryland Avenue Apartments | 37.1907 | -78.1423 | 1995 | na | Market Rate | Family | Stabilized | Conventional | 12 | 0 | 100.0% | 0% | 0% | - | - |
| 039 | Meadows Apartments | 37.2978 | -78.3779 | 1988 | 2008 | Restricted | Family | Stabilized | Tax Credit | 40 | 0 | 100.0% | 0% | 13% | - | 4 people |
| 040 | Medallion Manor | 37.3026 | -78.3880 | 1963 | 2012 | Market Rate | Family | Stabilized | Conventional | 14 | 0 | 100.0% | 0% | 0% | - | - |
| 041 | Milnwood Village Apartments | 37.2785 | -78.3845 | 1982 | 2018 | Subsidized | Elderly | Stabilized | Tax Credit | 40 | 0 | 100.0% | 0% | 0% | - | 20 people |
| 042 | Nottoway Manor Apartments | 37.0795 | -78.0064 | 1985 | 2018 | Subsidized | Family | Stabilized | Tax Credit | 28 | 0 | 100.0% | 0% | 0% | - | 19 people |
| 044 | Parc Crest at Poplar Forest | 37.2647 | -78.3921 | 2008 | na | Restricted | Elderly | Stabilized | Tax Credit | 44 | 1 | 97.7% | 0% | 0% | - | 1 year |
| 045 | Parkview Gardens Apartments | 37.2890 | -78.3939 | 1975 | 2012 | Subsidized | Family | Stabilized | Tax Credit | 80 | 0 | 100.0% | 0% | 0% | - | 63 people |
| 046 | Peele Manor | 37.0731 | -78.0133 | 1997 | na | Subsidized | Elderly | Stabilized | HUD | 24 | 0 | 100.0% | 0% | 0% | - | 5 people |
| 048 | Poplar Forest Apartments Phase 1 & 2 | 37.2615 | -78.3958 | 1999 | 2010 | Market Rate | Family | Stabilized | Bond | 138 | 2 | 98.6% | 0% | 0% | - | 6 months |
| 054 | Victoria Place Apartments | 36.9886 | -78.2267 | 1991 | 2014 | Subsidized | Elderly | Stabilized | Tax Credit | 38 | 2 | 94.7% | 0% | 0% | - | 1 person |
| 055 | Village Estates Apartments | 36.9789 | -78.2108 | 1985 | 2016 | Subsidized | Family | Stabilized | Tax Credit | 32 | 6 | 81.3% | 0% | 0% | - | 7 people |
| 060 | Williamson Apartments | 37.0718 | -78.0007 | 2005 | na | Market Rate | Family | Stabilized | Conventional | 6 | 0 | 100.0% | 0% | 0% | - | no |

RENT COMPARABILITY ANALYSIS

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

Unrestricted Rent Analysis

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

Rental Property Inventory, by Unit Type

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

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

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

The subject property is located in an area with very few market rate elderly developments. Consequently, we have elected to use general occupancy properties in our analysis of market rents. This is appropriate because most of the existing elderly renters currently reside in general occupancy units creating a linkage between the two property types. Our research suggests that the majority of elderly renter households in the market area currently reside in general occupancy housing. This is consistent with a 1995 AARP member survey which found that 80 percent of respondents resided in general occupancy properties. Because such a high percentage of seniors reside in general occupancy housing, the subject property will need to be priced competitively to attract these renters. Consequently, it is not only appropriate - but prudent - to address general occupancy rents when determining market rents for age-restricted units in this market.

Rent Comparables, Market Rate, Map

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

Rent Comparability Grids

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

Rental Property Inventory, 1-Bedroom Units

| Overview | | | | | | | Rents | | | | | | | |
|----------|--------------------------------------|-------|-----------|-------------|----------|------------|-------|-----|-----|-----|-----|-----|-----|---------|
| Key | Property Name | Built | Renovated | Rent Type | Occ Type | Status | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 001 | 201 Dinwiddie Avenue | 2000 | na | Market Rate | Family | Stabilized | | | | | | | | |
| 002 | 302 Birch Street | 2009 | na | Market Rate | Family | Stabilized | | | | | | | | |
| 003 | 405 Fifth Street | 1995 | na | Market Rate | Family | Stabilized | | | | | | | | |
| 004 | Bently Park | 1973 | 2012 | Market Rate | Family | Stabilized | | | | | | | | \$525 |
| 005 | Bently Place | 1975 | 2018 | Market Rate | Family | Stabilized | | | | | | | | |
| 006 | Blackstone Lofts | 1945 | 2011 | Market Rate | Family | Stabilized | | | | | | | | \$882 |
| 009 | Brettwood Apartments | 1993 | na | Market Rate | Family | Stabilized | | | | | | | | |
| 014 | Churchill Apartments | 1967 | 2008 | Market Rate | Family | Stabilized | | | | | | | | \$657 |
| 017 | Courthouse Commons Apartments | 2013 | na | Market Rate | Family | Stabilized | | | | | | | | |
| 019 | Dade Street Apartments | 1990 | na | Market Rate | Family | Stabilized | | | | | | | | |
| 029 | Irvin Street Duplex | 2013 | na | Market Rate | Family | Stabilized | | | | | | | | |
| 031 | Lofts at Worsham School | 1927 | 2011 | Market Rate | Family | Stabilized | | | | | | | | \$1,207 |
| 036 | Mann Street Apartments | 1998 | na | Market Rate | Elderly | Stabilized | | | | | | | | \$750 |
| 037 | Maple Manor Apartments of Crewe | 1975 | na | Market Rate | Family | Stabilized | | | | | | | | \$500 |
| 038 | Maryland Avenue Apartments | 1995 | na | Market Rate | Family | Stabilized | | | | | | | | |
| 040 | Medallion Manor | 1963 | 2012 | Market Rate | Family | Stabilized | | | | | | | | \$525 |
| 048 | Poplar Forest Apartments Phase 1 & 2 | 1999 | 2010 | Market Rate | Family | Stabilized | | | | | | | | \$975 |
| 060 | Williamson Apartments | 2005 | na | Market Rate | Family | Stabilized | | | | | | | | |

Source: Allen & Associates

Rental Property Inventory, 2-Bedroom Units

| Overview | | | | | | | Rents | | | | | | | |
|----------|--------------------------------------|-------|-----------|-------------|----------|------------|-------|-----|-----|-----|-----|-----|-----|---------|
| Key | Property Name | Built | Renovated | Rent Type | Occ Type | Status | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 001 | 201 Dinwiddie Avenue | 2000 | na | Market Rate | Family | Stabilized | | | | | | | | \$750 |
| 002 | 302 Birch Street | 2009 | na | Market Rate | Family | Stabilized | | | | | | | | \$700 |
| 003 | 405 Fifth Street | 1995 | na | Market Rate | Family | Stabilized | | | | | | | | \$700 |
| 004 | Bently Park | 1973 | 2012 | Market Rate | Family | Stabilized | | | | | | | | \$576 |
| 005 | Bently Place | 1975 | 2018 | Market Rate | Family | Stabilized | | | | | | | | \$800 |
| 006 | Blackstone Lofts | 1945 | 2011 | Market Rate | Family | Stabilized | | | | | | | | |
| 009 | Brettwood Apartments | 1993 | na | Market Rate | Family | Stabilized | | | | | | | | \$900 |
| 014 | Churchill Apartments | 1967 | 2008 | Market Rate | Family | Stabilized | | | | | | | | \$757 |
| 017 | Courthouse Commons Apartments | 2013 | na | Market Rate | Family | Stabilized | | | | | | | | \$900 |
| 019 | Dade Street Apartments | 1990 | na | Market Rate | Family | Stabilized | | | | | | | | \$675 |
| 029 | Irvin Street Duplex | 2013 | na | Market Rate | Family | Stabilized | | | | | | | | \$900 |
| 031 | Lofts at Worsham School | 1927 | 2011 | Market Rate | Family | Stabilized | | | | | | | | \$1,386 |
| 036 | Mann Street Apartments | 1998 | na | Market Rate | Elderly | Stabilized | | | | | | | | \$800 |
| 037 | Maple Manor Apartments of Crewe | 1975 | na | Market Rate | Family | Stabilized | | | | | | | | \$575 |
| 038 | Maryland Avenue Apartments | 1995 | na | Market Rate | Family | Stabilized | | | | | | | | \$725 |
| 040 | Medallion Manor | 1963 | 2012 | Market Rate | Family | Stabilized | | | | | | | | \$650 |
| 048 | Poplar Forest Apartments Phase 1 & 2 | 1999 | 2010 | Market Rate | Family | Stabilized | | | | | | | | \$1,033 |
| 060 | Williamson Apartments | 2005 | na | Market Rate | Family | Stabilized | | | | | | | | \$800 |

Source: Allen & Associates



Rent Adjustments

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

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

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

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

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

Concessions

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

Tenant-Paid Utilities

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

Technology

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

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

Bedrooms

Our analysis also included an adjustment for the number of bedrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$60 per bedroom.

| Bedrooms | | | |
|------------|--------------|-------|-----------|
| Adjustment | Survey Range | | Concluded |
| Bedrooms | \$50 | \$200 | \$60 |

Bathrooms

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

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

Square Feet

Our analysis also included an adjustment for square footage at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.25 per square foot.

| Square Feet | | | |
|-------------|--------------|--------|-----------|
| Adjustment | Survey Range | | Concluded |
| Square Feet | \$0.10 | \$2.00 | \$0.25 |

Visibility

We also accounted for differences in visibility at each of the comparables as compared to the subject property in our analysis. Based on our field review, we assigned a visibility rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$60 per point for differences in visibility ratings between the subject and the comparables.

| Visibility | | | |
|------------|--------------|-------|-----------|
| Adjustment | Survey Range | | Concluded |
| Rating | \$0 | \$100 | \$60 |

Access

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

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

Neighborhood

We considered differences in neighborhood at each of the comparables as compared to the subject property in our analysis. Based on our field review and our evaluation of local demographic and crime data (presented earlier in this report), we assigned a neighborhood rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$40 per point for differences in neighborhood ratings between the subject and the comparables.

| Neighborhood | | | |
|--------------|--------------|-------|-----------|
| Adjustment | Survey Range | | Concluded |
| Rating | \$0 | \$100 | \$40 |

Area Amenities

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

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

Median Household Income

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

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

Average Commute

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

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

Public Transportation

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

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

Personal Crime

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

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

Condition

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

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

Effective Age

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

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

Project Amenities

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

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

Unit Amenities

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

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

Kitchen Amenities

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

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

Parking

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

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

Laundry

We also evaluated differing types of laundry configurations. We classified laundry amenities three ways: (1) Central Laundry, (2) Washer/Dryer Units; and (3) Washer/Dryer Hookups. Our analysis resulted in an adjustment of \$5 per month for central laundries; washer/dryer units were valued at \$50; washer/dryer hookups were valued at \$5.

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

Security

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

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

Rent Conclusion, 1BR-1BA-571sf

The development of our rent conclusion for the 1BR-1BA-571sf units is found below.

Our analysis included the evaluation of a total of 14 unit types found at 5 properties. We selected the 14 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 14 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

| | | Rent Conclusion | | | | | | | |
|-------------------|----------------------------------|-----------------|-----------------|-------------|----------|-------------------|-----------------|---------------|------|
| Comparable | | | Unadjusted Rent | | | Adjusted Rent | | | |
| Property-Unit Key | Property Name | Unit Type | Street Rent | Concessions | Net Rent | Gross Adjustments | Net Adjustments | Adjusted Rent | Rank |
| | | | | | | | | | |
| Sub-03 | Deerfield Apartments | 1BR-1BA-571sf | \$762 | \$0 | \$762 | - | \$0 | \$762 | - |
| 006-01 | Blackstone Lofts | 1BR-1BA-450sf | \$880 | \$0 | \$880 | \$320 | -\$12 | \$868 | 4 |
| 006-02 | Blackstone Lofts | 1BR-1BA-475sf | \$880 | \$0 | \$880 | \$314 | -\$18 | \$862 | 2 |
| 006-03 | Blackstone Lofts | 1BR-1BA-575sf | \$900 | \$0 | \$900 | \$291 | -\$43 | \$857 | 1 |
| 014-01 | Churchill Apartments | 1BR-1BA-700sf | \$657 | \$0 | \$657 | \$469 | \$129 | \$786 | 9 |
| 014-02 | Churchill Apartments | 2BR-1BA-1000sf | \$757 | \$0 | \$757 | \$587 | \$11 | \$768 | 11 |
| 031-01 | Lofts at Worsham School | 1BR-1BA-600sf | \$1,100 | \$0 | \$1,100 | \$451 | -\$264 | \$836 | 7 |
| 031-02 | Lofts at Worsham School | 1BR-1BA-600sf | \$1,350 | \$0 | \$1,350 | \$451 | -\$264 | \$1,086 | 7 |
| 031-03 | Lofts at Worsham School | 2BR-2BA-1000sf | \$1,300 | \$0 | \$1,300 | \$661 | -\$474 | \$826 | 12 |
| 031-04 | Lofts at Worsham School | 2BR-2BA-1000sf | \$1,500 | \$0 | \$1,500 | \$661 | -\$474 | \$1,026 | 12 |
| 036-01 | Mann Street Apartments | 1BR-1BA-720sf | \$750 | \$0 | \$750 | \$316 | \$17 | \$767 | 3 |
| 036-02 | Mann Street Apartments | 2BR-1BA-720sf | \$800 | \$0 | \$800 | \$355 | -\$22 | \$778 | 6 |
| 048-01 | Poplar Forest Apartments Phase 1 | 1BR-1BA-795sf | \$975 | \$0 | \$975 | \$352 | -\$176 | \$800 | 5 |
| 048-02 | Poplar Forest Apartments Phase 1 | 2BR-2BA-978sf | \$1,033 | \$0 | \$1,033 | \$511 | -\$273 | \$759 | 10 |
| 048-03 | Poplar Forest Apartments Phase 1 | 3BR-2BA-1100sf | \$1,250 | \$0 | \$1,250 | \$676 | -\$290 | \$960 | 14 |
| | Adjusted Rent, Minimum | | | | | \$759 | | | |
| | Adjusted Rent, Maximum | | | | | \$1,086 | | | |
| | Adjusted Rent, Average | | | | | \$856 | | | |
| | Adjusted Rent, Modified Average | | | | | \$845 | | | |
| | Rent, Concluded | | | | | \$800 | | | |

Our analysis suggests a rent of \$800 for the 1BR-1BA-571sf units at the subject property.

In our opinion, the 1BR-1BA-575sf units at Blackstone Lofts (Property # 006), the 1BR-1BA-720sf units at Mann Street Apartments (Property # 036), the 1BR-1BA-795sf units at Poplar Forest Apartments Phase 1 & 2 (Property # 048), the 1BR-1BA-600sf units at Lofts at Worsham School (Property # 031), and the 1BR-1BA-700sf units at Churchill Apartments (Property # 014) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

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

| Rent Conclusion, As Is | | | | |
|---------------------------------|-------------|-----------|----------|-----------|
| Adjustment | Conc Adj | As Ren | As Is | \$ Adj |
| Tenant Paid Utilities | 0 | \$150 | \$85 | \$65 |
| Condition | \$25 | 4.00 | 3.00 | -\$25 |
| Effective Age | \$5.00 | 2013 | 2000 | -\$65 |
| Dishwasher | \$10 | yes | no | -\$10 |
| Adjustments | | | | -\$35 |
| Adjusted Rent, Minimum | | | | \$724 |
| Adjusted Rent, Maximum | | | | \$1,051 |
| Adjusted Rent, Average | | | | \$821 |
| Adjusted Rent, Modified Average | | | | \$810 |
| Rent, Concluded, As Is | | | | \$765 |

Our analysis suggests an "as is" rent of \$765 for the 1BR-1BA-571sf units at the subject property.

| Comparable | Subject | 1 | | 2 | | 3 | | 4 | | 5 | |
|-----------------------|----------------------|------------------|------------|----------------------|------------|-------------------------|------------|------------------------|------------|--------------------------------------|------------|
| Property-Unit Key | Sub-03 | 006-03 | | 014-01 | | 031-01 | | 036-01 | | 048-01 | |
| Unit Type | 1BR-1BA-571sf | 1BR-1BA-575sf | | 1BR-1BA-700sf | | 1BR-1BA-600sf | | 1BR-1BA-720sf | | 1BR-1BA-795sf | |
| Property Name | Deerfield Apartments | Blackstone Lofts | | Churchill Apartments | | Lofts at Worsham School | | Mann Street Apartments | | Poplar Forest Apartments Phase 1 & 2 | |
| Address | 1651 Maryland Avenue | 325 2nd Street | | 416 Winston Avenue | | 8832 Abilene Road | | 200 Mann Street | | 900 Poplar Forest Road | |
| City | Crewe | Blackstone | | Farmville | | Worsham | | Blackstone | | Farmville | |
| State | Virginia | Virginia | | Virginia | | Virginia | | Virginia | | Virginia | |
| Zip | 23930 | 23824 | | 23901 | | 23901 | | 23824 | | 23901 | |
| Latitude | 37.19224 | 37.07559 | | 37.29639 | | 37.23035 | | 37.08356 | | 37.26149 | |
| Longitude | -78.14476 | -78.00411 | | -78.38867 | | -78.44648 | | -77.99425 | | -78.39578 | |
| Miles to Subject | 0.00 | 10.35 | | 15.02 | | 17.22 | | 10.51 | | 14.75 | |
| Year Built | 1992 | 1945 | | 1967 | | 1927 | | 1998 | | 1999 | |
| Year Rehab | 2023 | 2011 | | 2008 | | 2011 | | na | | 2010 | |
| Project Rent | Subsidized | Market Rate | | Market Rate | | Market Rate | | Market Rate | | Market Rate | |
| Project Type | Elderly | Family | | Family | | Family | | Elderly | | Family | |
| Project Status | Prop Rehab | Stabilized | | Stabilized | | Stabilized | | Stabilized | | Stabilized | |
| Phone | (434) 645-1555 | - | | (866) 486-0699 | | 434.392.1999 | | (434) 298-6872 | | (434) 392-5300 | |
| Effective Date | 10-Mar-23 | 02-Mar-23 | | 22-Feb-22 | | 01-Mar-23 | | 01-Mar-23 | | 02-Mar-23 | |
| <u>Project Level</u> | | | | | | | | | | | |
| Units | 39 | 25 | | 24 | | 14 | | 39 | | 138 | |
| Vacant Units | 1 | 1 | | 0 | | 0 | | 0 | | 2 | |
| Vacancy Rate | 3% | 4% | | 0% | | 0% | | 0% | | 1% | |
| <u>Unit Type</u> | | | | | | | | | | | |
| Units | 19 | 2 | | 4 | | 4 | | 36 | | 8 | |
| Vacant Units | 1 | 0 | | 0 | | 0 | | 0 | | 0 | |
| Vacancy Rate | 5% | 0% | | 0% | | 0% | | 0% | | 0% | |
| Street Rent | \$762 | \$900 | | \$657 | | \$1,100 | | \$750 | | \$975 | |
| Concessions | \$0 | \$0 | | \$0 | | \$0 | | \$0 | | \$0 | |
| Net Rent | \$762 | \$900 | | \$657 | | \$1,100 | | \$750 | | \$975 | |
| <u>Adj</u> | <u>Data</u> | <u>Data</u> | <u>Adj</u> | <u>Data</u> | <u>Adj</u> | <u>Data</u> | <u>Adj</u> | <u>Data</u> | <u>Adj</u> | <u>Data</u> | <u>Adj</u> |
| Tenant-Paid Utilities | TPU \$150 | \$88 | -\$62 | \$47 | -\$103 | \$0 | -\$150 | \$88 | -\$62 | \$123 | -\$27 |
| Cable | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Internet | \$0 | yes | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Bedrooms | \$60 | 1 | \$0 | 1 | \$0 | 1 | \$0 | 1 | \$0 | 1 | \$0 |
| Bathrooms | \$50 | 1.00 | \$0 | 1.00 | \$0 | 1.00 | \$0 | 1.00 | \$0 | 1.00 | \$0 |
| Square Feet | \$0.25 | 571 | -\$1 | 700 | -\$32 | 600 | -\$7 | 720 | -\$37 | 795 | -\$56 |
| Visibility | \$60 | 2.50 | -\$30 | 2.75 | -\$15 | 4.00 | -\$90 | 3.25 | -\$45 | 3.00 | -\$30 |
| Access | \$0 | 3.00 | \$0 | 3.00 | \$0 | 3.00 | \$0 | 3.25 | \$0 | 3.00 | \$0 |
| Neighborhood | \$40 | 2.70 | -\$12 | 3.00 | -\$16 | 3.10 | -\$20 | 2.00 | \$28 | 3.90 | -\$48 |
| Area Amenities | \$0 | 3.20 | \$0 | 3.70 | \$0 | 4.50 | \$0 | 2.00 | \$0 | 3.70 | \$0 |
| Median HH Income | \$0.0000 | \$33,050 | \$0 | \$15,656 | \$0 | \$20,893 | \$0 | \$27,692 | \$0 | \$18,750 | \$0 |
| Average Commute | \$0 | 25.81 | \$0 | 24.46 | \$0 | 18.86 | \$0 | 33.38 | \$0 | 22.55 | \$0 |
| Public Transportation | \$0 | na | \$0 | na | \$0 | na | \$0 | na | \$0 | na | \$0 |
| Personal Crime | \$0 | 5.3% | \$0 | 2.3% | \$0 | 4.6% | \$0 | 2.8% | \$0 | 5.2% | \$0 |
| Condition | \$25 | 4.00 | \$25 | 3.00 | \$25 | 3.00 | \$13 | 3.50 | \$13 | 4.50 | -\$13 |
| Effective Age | \$5.00 | 2013 | \$60 | 2001 | \$230 | 1967 | \$60 | 2001 | \$75 | 1998 | \$65 |
| Ball Field | \$2 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| BBQ Area | \$2 | yes | \$2 | no | \$2 | no | \$2 | no | \$2 | yes | \$0 |
| Billiards | \$2 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Bus/Comp Center | \$2 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Car Care Center | \$2 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Community Center | \$10 | yes | \$10 | no | \$10 | yes | \$0 | no | \$10 | yes | \$0 |
| Elevator | \$10 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Fitness Center | \$10 | no | \$0 | no | \$0 | yes | -\$10 | no | \$0 | yes | -\$10 |
| Gazebo | \$2 | yes | \$2 | no | \$2 | no | \$2 | no | \$2 | no | \$2 |
| Hot Tub/Jacuzzi | \$2 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Horseshoe Pit | \$2 | yes | \$2 | no | \$2 | no | \$2 | no | \$2 | no | \$2 |
| Lake | \$2 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Library | \$2 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Movie Theatre | \$2 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Picnic Area | \$2 | yes | \$2 | no | \$2 | no | \$2 | no | \$2 | yes | \$0 |
| Playground | \$2 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | yes | -\$2 |
| Pool | \$2 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | yes | -\$2 |
| Sauna | \$2 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Sports Court | \$2 | yes | \$2 | no | \$2 | no | \$2 | no | \$2 | yes | \$0 |
| Walking Trail | \$2 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | yes | -\$2 |
| Blinds | \$2 | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 |
| Ceiling Fans | \$10 | yes | \$10 | no | \$10 | yes | \$10 | no | \$10 | no | \$10 |
| Carpeting | \$2 | yes | \$0 | yes | \$0 | some | \$2 | no | \$2 | yes | \$0 |
| Fireplace | \$2 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | some | \$0 |
| Patio/Balcony | \$2 | yes | \$2 | no | \$2 | no | \$2 | no | \$2 | some | \$2 |
| Storage | \$10 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | yes | -\$10 |
| Stove | \$2 | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 |
| Refrigerator | \$2 | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 |
| Disposal | \$2 | no | -\$2 | yes | -\$2 | no | \$0 | no | \$0 | yes | -\$2 |
| Dishwasher | \$10 | yes | \$0 | yes | \$10 | yes | \$0 | no | \$10 | yes | \$0 |
| Microwave | \$10 | no | -\$10 | no | \$0 | yes | -\$10 | no | \$0 | yes | -\$10 |
| Garage | \$50 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Covered | \$20 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Assigned | \$10 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Open | \$0 | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 |
| None | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Central | \$5 | yes | \$5 | no | \$5 | no | \$5 | no | \$5 | no | \$5 |
| W/D Units | \$50 | no | -\$50 | yes | \$0 | yes | -\$50 | no | \$0 | yes | -\$50 |
| W/D Hookups | \$5 | no | \$0 | no | \$0 | no | \$0 | yes | -\$5 | no | \$0 |
| Call Buttons | \$2 | yes | \$2 | no | \$2 | no | \$2 | no | \$2 | no | \$2 |
| Controlled Access | \$10 | no | \$0 | no | \$0 | yes | -\$10 | no | \$0 | no | \$0 |
| Courtesy Officer | \$2 | no | \$0 | yes | -\$2 | no | \$0 | no | \$0 | yes | -\$2 |
| Monitoring | \$10 | no | \$0 | no | \$0 | yes | -\$10 | no | \$0 | no | \$0 |
| Security Alarms | \$2 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Security Patrols | \$2 | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Indicated Rent | \$800 | \$857 | | \$786 | | \$836 | | \$767 | | \$800 | |

Unrestricted Market Rent Conclusion

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

| Unrestricted Market Rent Conclusion | | | | | | |
|---|------|------------|-------|--------|----------|-----------|
| Unit Type / Income Limit / Rent Limit | HOME | Subsidized | Units | Market | Proposed | Advantage |
| 1BR-1BA-571sf / 40% of AMI / 40% of AMI | No | Yes | 4 | \$800 | \$762 | 4.8% |
| 1BR-1BA-571sf / 50% of AMI / 50% of AMI | No | Yes | 16 | \$800 | \$762 | 4.8% |
| 1BR-1BA-571sf / 60% of AMI / 60% of AMI | No | Yes | 19 | \$800 | \$762 | 4.8% |
| Total / Average | | | 39 | \$800 | \$762 | 4.8% |

Our analysis suggests an average unrestricted market rent of \$800 for the subject property. This is compared with an average proposed rent of \$762, yielding an unrestricted market rent advantage of 4.8 percent. Overall, the subject property appears to be priced at or below unrestricted market rents for the area.

We selected a total of 5 properties as comparables for purposes of our analysis. The average occupancy at the select rent comparables currently stands at 98 percent.

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

| Occupancy Rate, Select Comparables | | | | | | | | |
|------------------------------------|------------|------------|------------|------------|------------|------------|------------|--------|
| | Subsidized | 20% of AMI | 30% of AMI | 40% of AMI | 50% of AMI | 60% of AMI | 80% of AMI | Market |
| 0-Bedroom | | | | | | | | |
| 1-Bedroom | | | | | | | | 99% |
| 2-Bedroom | | | | | | | | 98% |
| 3-Bedroom | | | | | | | | |
| 4-Bedroom | | | | | | | | |
| Total | | | | | | | | 98% |

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

| Occupancy Rate, Stabilized Properties | | | | | | | | |
|---------------------------------------|------------|------------|------------|------------|------------|------------|------------|--------|
| | Subsidized | 20% of AMI | 30% of AMI | 40% of AMI | 50% of AMI | 60% of AMI | 80% of AMI | Market |
| 0-Bedroom | | | | | | | | |
| 1-Bedroom | 94% | | | | 92% | | | 99% |
| 2-Bedroom | 97% | | | | 95% | | | 99% |
| 3-Bedroom | 100% | | | | | | | 100% |
| 4-Bedroom | | | | | | | | |
| Total | 95% | | | | 93% | | | 99% |

HUD conducts an annual rent survey to derive Fair Market Rent estimates for an area. Based on this, 2-bedroom rents for the area grew from \$571 to \$755 since 2010. This represents an average 2.7% annual increase over this period.

Fair market rent data for the area is found below:

| Year | Rent | | | Change | | |
|------|-------|-------|---------|--------|-------|-------|
| | 1BR | 2BR | 3BR | 1BR | 2BR | 3BR |
| 2009 | \$500 | \$557 | \$791 | 3.4% | 3.4% | 3.5% |
| 2010 | \$513 | \$571 | \$811 | 2.6% | 2.5% | 2.5% |
| 2011 | \$528 | \$588 | \$835 | 2.9% | 3.0% | 3.0% |
| 2012 | \$582 | \$648 | \$920 | 10.2% | 10.2% | 10.2% |
| 2013 | \$610 | \$723 | \$994 | 4.8% | 11.6% | 8.0% |
| 2014 | \$604 | \$716 | \$985 | -1.0% | -1.0% | -0.9% |
| 2015 | \$638 | \$757 | \$1,041 | 5.6% | 5.7% | 5.7% |
| 2016 | \$567 | \$724 | \$1,012 | -11.1% | -4.4% | -2.8% |
| 2017 | \$565 | \$685 | \$962 | -0.4% | -5.4% | -4.9% |
| 2018 | \$663 | \$761 | \$1,079 | 17.3% | 11.1% | 12.2% |
| 2019 | \$660 | \$756 | \$1,082 | -0.5% | -0.7% | 0.3% |
| 2020 | \$685 | \$780 | \$1,102 | 3.8% | 3.2% | 1.8% |
| 2021 | \$664 | \$757 | \$1,051 | -3.1% | -2.9% | -4.6% |
| 2022 | \$663 | \$755 | \$1,056 | -0.2% | -0.3% | 0.5% |

Source: HUD

Unrestricted Market Rent Conclusion, As Is

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

| Unit Type / Income Limit / Rent Limit | HOME | Subsidized | Units | Market | Proposed | Advantage |
|---|------|------------|-------|--------|----------|-----------|
| 1BR-1BA-571sf / 50% of AMI / 50% of AMI | No | Yes | 39 | \$765 | \$744 | 2.7% |
| Total / Average | | | 39 | \$765 | \$744 | 2.7% |

Restricted Rent Analysis

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

Rental Property Inventory, by Unit Type

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

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

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

The subject property is located in an area with very few market rate elderly developments. Consequently, we have elected to use general occupancy properties in our analysis of market rents. This is appropriate because most of the existing elderly renters currently reside in general occupancy units creating a linkage between the two property types. Our research suggests that the majority of elderly renter households in the market area currently reside in general occupancy housing. This is consistent with a 1995 AARP member survey which found that 80 percent of respondents resided in general occupancy properties. Because such a high percentage of seniors reside in general occupancy housing, the subject property will need to be priced competitively to attract these renters. Consequently, it is not only appropriate - but prudent - to address general occupancy rents when determining market rents for age-restricted units in this market.

Rent Comparables, Restricted Rent, Map

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

Rent Comparability Grids

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

Rental Property Inventory, 1-Bedroom Units

| Overview | | | | | | | Rents | | | | | | | |
|----------|-----------------------------|-------|-----------|------------|----------|------------|-------|-----|-----|-----|-------|-----|-----|-----|
| Key | Property Name | Built | Renovated | Rent Type | Occ Type | Status | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 015 | Cole-Harbour Apartments | 1981 | 2008 | Restricted | Family | Stabilized | \$563 | | | | \$563 | | | |
| 016 | Country Estates Apartments | 1978 | 2016 | Restricted | Family | Stabilized | \$553 | | | | \$553 | | | |
| 026 | Giles Apartments | 1986 | 1999 | Restricted | Family | Stabilized | \$591 | | | | \$591 | | | |
| 035 | Magnolia Place Apartments | 1980 | 2021 | Restricted | Elderly | Stabilized | \$527 | | | | \$527 | | | |
| 039 | Meadows Apartments | 1988 | 2008 | Restricted | Family | Stabilized | \$582 | | | | \$582 | | | |
| 044 | Parc Crest at Poplar Forest | 2008 | na | Restricted | Elderly | Stabilized | | | | | \$584 | | | |

Source: Allen & Associates

Rental Property Inventory, 2-Bedroom Units

| Overview | | | | | | | Rents | | | | | | | |
|----------|-----------------------------|-------|-----------|------------|----------|------------|-------|-----|-----|-----|-------|-----|-----|-----|
| Key | Property Name | Built | Renovated | Rent Type | Occ Type | Status | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 015 | Cole-Harbour Apartments | 1981 | 2008 | Restricted | Family | Stabilized | \$637 | | | | \$836 | | | |
| 016 | Country Estates Apartments | 1978 | 2016 | Restricted | Family | Stabilized | \$623 | | | | \$841 | | | |
| 026 | Giles Apartments | 1986 | 1999 | Restricted | Family | Stabilized | \$626 | | | | \$627 | | | |
| 035 | Magnolia Place Apartments | 1980 | 2021 | Restricted | Elderly | Stabilized | | | | | | | | |
| 039 | Meadows Apartments | 1988 | 2008 | Restricted | Family | Stabilized | \$644 | | | | \$874 | | | |
| 044 | Parc Crest at Poplar Forest | 2008 | na | Restricted | Elderly | Stabilized | | | | | \$716 | | | |

Source: Allen & Associates



Rent Adjustments

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

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

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

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

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

Concessions

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

Tenant-Paid Utilities

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

Technology

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

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

Bedrooms

Our analysis also included an adjustment for the number of bedrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$180 per bedroom.

| Bedrooms | | | |
|------------|--------------|-------|-----------|
| Adjustment | Survey Range | | Concluded |
| Bedrooms | \$50 | \$200 | \$180 |

Bathrooms

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

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

Square Feet

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

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

Visibility

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

| Visibility | | | |
|------------|--------------|-------|-----------|
| Adjustment | Survey Range | | Concluded |
| Rating | \$0 | \$100 | \$25 |

Access

Our analysis also included an adjustment for access at each of the comparables as compared to the subject property. Based on our field review, we assigned an access rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$70 per point for differences in access ratings between the subject and the comparables.

| Access | | | |
|------------|--------------|-------|-----------|
| Adjustment | Survey Range | | Concluded |
| Rating | \$0 | \$100 | \$70 |

Neighborhood

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

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

Area Amenities

We also accounted for area amenities for each of the comparables as compared to the subject property in our analysis. Based on our field review and our evaluation of local amenity data (presented earlier in this report), we assigned a local amenity rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$10 per point for differences in amenity ratings between the subject and the comparables.

| Area Amenities | | | |
|----------------|--------------|-------|-----------|
| Adjustment | Survey Range | | Concluded |
| Rating | \$0 | \$100 | \$10 |

Median Household Income

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

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

Average Commute

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

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

Public Transportation

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

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

Personal Crime

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

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

Condition

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

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

Effective Age

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

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

Project Amenities

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

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

Unit Amenities

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

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

Kitchen Amenities

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

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

Parking

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

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

Laundry

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

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

Security

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

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

Rent Conclusion, 1BR-1BA-571sf

The development of our rent conclusion for the 1BR-1BA-571sf units is found below.

Our analysis included the evaluation of a total of 11 unit types found at 6 properties. We selected the 11 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

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

| Rent Conclusion | | | | | | | | | |
|-------------------|---------------------------------|----------------|-----------------|-------------|----------|-------------------|-----------------|---------------|------|
| Comparable | | | Unadjusted Rent | | | Adjusted Rent | | | |
| Property-Unit Key | Property Name | Unit Type | Street Rent | Concessions | Net Rent | Gross Adjustments | Net Adjustments | Adjusted Rent | Rank |
| Sub-03 | Deerfield Apartments | 1BR-1BA-571sf | \$762 | \$0 | \$762 | - | \$0 | \$762 | - |
| 015-03 | Cole-Harbour Apartments | 1BR-1BA-548sf | \$563 | \$0 | \$563 | \$135 | -\$55 | \$508 | 2 |
| 015-06 | Cole-Harbour Apartments | 2BR-1BA-968sf | \$836 | \$0 | \$836 | \$306 | -\$230 | \$606 | 7 |
| 016-03 | Country Estates Apartments | 1BR-1BA-556sf | \$553 | \$0 | \$553 | \$159 | -\$118 | \$435 | 4 |
| 016-06 | Country Estates Apartments | 2BR-1BA-757sf | \$841 | \$0 | \$841 | \$344 | -\$306 | \$535 | 9 |
| 026-02 | Giles Apartments | 1BR-1BA-700sf | \$591 | \$0 | \$591 | \$201 | -\$37 | \$554 | 5 |
| 026-04 | Giles Apartments | 2BR-1BA-1000sf | \$627 | \$0 | \$627 | \$391 | -\$227 | \$400 | 10 |
| 035-04 | Magnolia Place Apartments | 1BR-1BA-527sf | \$527 | \$0 | \$527 | \$98 | -\$69 | \$458 | 1 |
| 039-02 | Meadows Apartments | 1BR-1BA-600sf | \$582 | \$0 | \$582 | \$149 | -\$40 | \$542 | 3 |
| 039-04 | Meadows Apartments | 2BR-1BA-778sf | \$874 | \$0 | \$874 | \$329 | -\$220 | \$654 | 8 |
| 044-01 | Parc Crest at Poplar Forest | 1BR-1BA-750sf | \$584 | \$0 | \$584 | \$212 | -\$30 | \$554 | 6 |
| 044-02 | Parc Crest at Poplar Forest | 2BR-2BA-1075sf | \$716 | \$0 | \$716 | \$430 | -\$248 | \$468 | 11 |
| | Adjusted Rent, Minimum | | | | | | | \$400 | |
| | Adjusted Rent, Maximum | | | | | | | \$654 | |
| | Adjusted Rent, Average | | | | | | | \$519 | |
| | Adjusted Rent, Modified Average | | | | | | | \$518 | |
| | Rent, Concluded | | | | | | | \$525 | |

Our analysis suggests a rent of \$525 for the 1BR-1BA-571sf units at the subject property.

In our opinion, the 1BR-1BA-527sf units at Magnolia Place Apartments (Property # 035), the 1BR-1BA-548sf units at Cole-Harbour Apartments (Property # 015), the 1BR-1BA-600sf units at Meadows Apartments (Property # 039), the 1BR-1BA-556sf units at Country Estates Apartments (Property # 016), and the 1BR-1BA-700sf units at Giles Apartments (Property # 026) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

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

| Rent Conclusion, As Is | | | | |
|---------------------------------|-------------|-----------|----------|-----------|
| Adjustment | Conc Adj | As Ren | As Is | \$ Adj |
| Tenant Paid Utilities | 0 | \$150 | \$85 | \$65 |
| Condition | \$10 | 4.00 | 3.00 | -\$10 |
| Effective Age | \$1.00 | 2013 | 2000 | -\$13 |
| Dishwasher | \$2 | yes | no | -\$2 |
| Adjustments | | | | \$40 |
| Adjusted Rent, Minimum | | | | \$440 |
| Adjusted Rent, Maximum | | | | \$694 |
| Adjusted Rent, Average | | | | \$559 |
| Adjusted Rent, Modified Average | | | | \$558 |
| Rent, Concluded, As Is | | | | \$565 |

Our analysis suggests an "as is" rent of \$565 for the 1BR-1BA-571sf units at the subject property.

| Comparable | Subject | | 1 | | 2 | | 3 | | 4 | | 5 | |
|-----------------------|----------------------|--------------|-------------------------|------------|----------------------------|------------|----------------------|------------|---------------------------|------------|--------------------|------------|
| Property-Unit Key | Sub-03 | | 015-03 | | 016-03 | | 026-02 | | 035-04 | | 039-02 | |
| Unit Type | 1BR-1BA-571sf | | 1BR-1BA-548sf | | 1BR-1BA-556sf | | 1BR-1BA-700sf | | 1BR-1BA-527sf | | 1BR-1BA-600sf | |
| Property Name | Deerfield Apartments | | Cole-Harbour Apartments | | Country Estates Apartments | | Giles Apartments | | Magnolia Place Apartments | | Meadows Apartments | |
| Address | 1651 Maryland Avenue | | 1136 Cole Harbor Road | | 402 Cedar Avenue | | 8710 Virginia Street | | 701 Church Street | | 500 Hylawn Avenue | |
| City | Crewe | | Blackstone | | Farmville | | Amelia | | Blackstone | | Farmville | |
| State | Virginia | | Virginia | | Virginia | | Virginia | | Virginia | | Virginia | |
| Zip | 23930 | | 23824 | | 23901 | | 23002 | | 23824 | | 23901 | |
| Latitude | 37.19224 | | 37.08219 | | 37.29898 | | 37.33482 | | 37.07764 | | 37.29780 | |
| Longitude | -78.14476 | | -78.02080 | | -78.38009 | | -77.98435 | | -78.01086 | | -78.37789 | |
| Miles to Subject | 0.00 | | 9.39 | | 14.63 | | 12.15 | | 9.98 | | 14.49 | |
| Year Built | 1992 | | 1981 | | 1978 | | 1986 | | 1980 | | 1988 | |
| Year Rehab | 2023 | | 2008 | | 2016 | | 1999 | | 2021 | | 2008 | |
| Project Rent | Subsidized | | Restricted | | Restricted | | Restricted | | Restricted | | Restricted | |
| Project Type | Elderly | | Family | | Family | | Family | | Elderly | | Family | |
| Project Status | Prop Rehab | | Stabilized | | Stabilized | | Stabilized | | Stabilized | | Stabilized | |
| Phone | (434) 645-1555 | | (434) 298-3940 | | (434) 392-3408 | | (804) 561-3679 | | (434) 292-5989 | | (434) 392-5180 | |
| Effective Date | 10-Mar-23 | | 01-Mar-23 | | 01-Mar-23 | | 01-Mar-23 | | 01-Mar-23 | | 01-Mar-23 | |
| Project Level | | | | | | | | | | | | |
| Units | 39 | | 36 | | 24 | | 16 | | 56 | | 40 | |
| Vacant Units | 1 | | 3 | | 0 | | 0 | | 14 | | 0 | |
| Vacancy Rate | 3% | | 8% | | 0% | | 0% | | 25% | | 0% | |
| Unit Type | | | | | | | | | | | | |
| Units | 19 | | 2 | | 2 | | 2 | | 1 | | 5 | |
| Vacant Units | 1 | | 2 | | 0 | | 0 | | 1 | | 0 | |
| Vacancy Rate | 5% | | 100% | | 0% | | 0% | | 100% | | 0% | |
| Street Rent | \$762 | | \$563 | | \$553 | | \$591 | | \$527 | | \$582 | |
| Concessions | \$0 | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 | |
| Net Rent | \$762 | | \$563 | | \$553 | | \$591 | | \$527 | | \$582 | |
| | Adj | Data | Data | Adj | Data | Adj | Data | Adj | Data | Adj | Data | Adj |
| Tenant-Paid Utilities | TPU | \$150 | \$100 | -\$50 | \$50 | -\$100 | \$70 | -\$80 | \$81 | -\$69 | \$74 | -\$76 |
| Cable | \$0 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Internet | \$0 | yes | no | \$0 | no | \$0 | no | \$0 | yes | \$0 | no | \$0 |
| Bedrooms | \$180 | 1 | 1 | \$0 | 1 | \$0 | 1 | \$0 | 1 | \$0 | 1 | \$0 |
| Bathrooms | \$25 | 1.00 | 1.00 | \$0 | 1.00 | \$0 | 1.00 | \$0 | 1.00 | \$0 | 1.00 | \$0 |
| Square Feet | \$0.10 | 571 | 548 | \$2 | 556 | \$2 | 700 | -\$13 | 527 | \$4 | 600 | -\$3 |
| Visibility | \$25 | 2.50 | 3.50 | -\$25 | 2.75 | -\$6 | 2.75 | -\$6 | 3.00 | -\$13 | 2.00 | \$13 |
| Access | \$70 | 3.00 | 3.00 | \$0 | 3.00 | \$0 | 3.00 | \$0 | 3.00 | \$0 | 3.00 | \$0 |
| Neighborhood | \$0 | 2.70 | 3.00 | \$0 | 4.00 | \$0 | 4.50 | \$0 | 3.00 | \$0 | 4.00 | \$0 |
| Area Amenities | \$10 | 3.20 | 2.50 | \$7 | 4.20 | -\$10 | 2.00 | \$12 | 3.40 | -\$2 | 3.80 | -\$6 |
| Median HH Income | \$0.0000 | \$33,050 | \$39,143 | \$0 | \$27,353 | \$0 | \$49,239 | \$0 | \$15,656 | \$0 | \$27,353 | \$0 |
| Average Commute | \$0 | 25.81 | 25.09 | \$0 | 20.96 | \$0 | 35.25 | \$0 | 24.46 | \$0 | 20.96 | \$0 |
| Public Transportation | \$0 | na | na | \$0 | na | \$0 | na | \$0 | na | \$0 | na | \$0 |
| Personal Crime | \$0 | 5.3% | 4.1% | \$0 | 2.3% | \$0 | 1.8% | \$0 | 2.3% | \$0 | 2.3% | \$0 |
| Condition | \$10 | 4.00 | 4.00 | \$0 | 4.00 | \$0 | 3.00 | \$10 | 4.00 | \$0 | 3.50 | \$5 |
| Effective Age | \$1.00 | 2013 | 1998 | \$15 | 2006 | \$7 | 1989 | \$24 | 2011 | \$2 | 1998 | \$15 |
| Ball Field | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| BBQ Area | \$2 | yes | no | \$2 | no | \$2 | no | \$2 | no | \$2 | no | \$2 |
| Billiards | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Bus/Comp Center | \$2 | no | no | \$0 | yes | -\$2 | no | \$0 | no | \$0 | no | \$0 |
| Car Care Center | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Community Center | \$10 | yes | yes | \$0 | yes | \$0 | no | \$10 | yes | \$0 | yes | \$0 |
| Elevator | \$10 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Fitness Center | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Gazebo | \$2 | yes | no | \$2 | no | \$2 | no | \$2 | yes | \$0 | no | \$2 |
| Hot Tub/Jacuzzi | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Horseshoe Pit | \$2 | yes | no | \$2 | no | \$2 | no | \$2 | no | \$2 | no | \$2 |
| Lake | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Library | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Movie Theatre | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Picnic Area | \$2 | yes | no | \$2 | no | \$2 | no | \$2 | no | \$2 | no | \$2 |
| Playground | \$10 | no | yes | -\$10 | yes | -\$10 | yes | -\$10 | no | \$0 | yes | -\$10 |
| Pool | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Sauna | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Sports Court | \$2 | yes | no | \$2 | no | \$2 | no | \$2 | no | \$2 | no | \$2 |
| Walking Trail | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Blinds | \$2 | yes | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 |
| Ceiling Fans | \$2 | yes | no | \$2 | yes | \$0 | no | \$2 | yes | \$0 | yes | \$0 |
| Carpeting | \$2 | yes | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 |
| Fireplace | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Patio/Balcony | \$10 | yes | yes | \$0 | yes | \$0 | some | \$10 | yes | \$0 | no | \$10 |
| Storage | \$10 | no | some | \$0 | yes | -\$10 | yes | -\$10 | no | \$0 | no | \$0 |
| Stove | \$2 | yes | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 |
| Refrigerator | \$2 | yes | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 |
| Disposal | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Dishwasher | \$2 | yes | no | \$2 | yes | \$0 | no | \$2 | yes | \$0 | yes | \$0 |
| Microwave | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Garage | \$50 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Covered | \$20 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Assigned | \$10 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Open | \$0 | yes | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 |
| None | \$0 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Central | \$25 | yes | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 | yes | \$0 |
| W/D Units | \$10 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| W/D Hookups | \$5 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Call Buttons | \$2 | yes | no | \$2 | no | \$2 | no | \$2 | yes | \$0 | no | \$2 |
| Controlled Access | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Courtesy Officer | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Monitoring | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Security Alarms | \$2 | no | no | \$0 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Security Patrols | \$10 | no | yes | -\$10 | no | \$0 | no | \$0 | no | \$0 | no | \$0 |
| Indicated Rent | | \$525 | \$508 | | \$435 | | \$554 | | \$458 | | \$542 | |

Restricted Market Rent Conclusion

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

| Restricted Market Rent Conclusion | | | | |
|---|------|------------|-------|--------|
| Unit Type / Income Limit / Rent Limit | HOME | Subsidized | Units | Market |
| 1BR-1BA-571sf / 40% of AMI / 40% of AMI | No | Yes | 4 | \$525 |
| 1BR-1BA-571sf / 50% of AMI / 50% of AMI | No | Yes | 16 | \$525 |
| 1BR-1BA-571sf / 60% of AMI / 60% of AMI | No | Yes | 19 | \$525 |
| Total / Average | | | 39 | \$525 |

Our analysis suggests an average restricted market rent of \$525 for the subject property.

We selected a total of 6 properties as comparables for purposes of our analysis. The average occupancy at the select rent comparables currently stands at 93 percent.

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

| Occupancy Rate, Select Comparables | | | | | | | | |
|------------------------------------|------------|------------|------------|------------|------------|------------|------------|--------|
| | Subsidized | 20% of AMI | 30% of AMI | 40% of AMI | 50% of AMI | 60% of AMI | 80% of AMI | Market |
| 0-Bedroom | | | | | | | | |
| 1-Bedroom | 86% | | | | 92% | | | |
| 2-Bedroom | 100% | | | | 95% | | | |
| 3-Bedroom | | | | | | | | |
| 4-Bedroom | | | | | | | | |
| Total | 91% | | | | 93% | | | |

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

| Occupancy Rate, Stabilized Properties | | | | | | | | |
|---------------------------------------|------------|------------|------------|------------|------------|------------|------------|--------|
| | Subsidized | 20% of AMI | 30% of AMI | 40% of AMI | 50% of AMI | 60% of AMI | 80% of AMI | Market |
| 0-Bedroom | | | | | | | | |
| 1-Bedroom | 94% | | | | 92% | | | 99% |
| 2-Bedroom | 97% | | | | 95% | | | 99% |
| 3-Bedroom | 100% | | | | | | | 100% |
| 4-Bedroom | | | | | | | | |
| Total | 95% | | | | 93% | | | 99% |

Rents at rent restricted properties tend to move with median household incomes for an area. Given HUD's published median incomes, we were able to derive 1, 2 and 3-bedroom 60% of AMI rent limits for the subject's primary market area. According to our analysis, maximum 2-bedroom rents for the area grew from \$732 to \$852 since 2010. This represents an average 1.4% annual increase over this period.

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

| Maximum Tax Credit Rents, 60% of AMI | | | | | | |
|--------------------------------------|-------|-------|-------|--------|--------|--------|
| Year | Rent | | | Change | | |
| | 1BR | 2BR | 3BR | 1BR | 2BR | 3BR |
| 2009 | \$606 | \$728 | \$841 | 5.4% | 5.5% | 5.4% |
| 2010 | \$610 | \$732 | \$846 | 0.7% | 0.5% | 0.6% |
| 2011 | \$576 | \$691 | \$799 | -5.6% | -5.6% | -5.6% |
| 2012 | \$584 | \$701 | \$810 | 1.4% | 1.4% | 1.4% |
| 2013 | \$533 | \$640 | \$739 | -8.7% | -8.7% | -8.8% |
| 2014 | \$544 | \$653 | \$755 | 2.1% | 2.0% | 2.2% |
| 2015 | \$634 | \$761 | \$880 | 16.5% | 16.5% | 16.6% |
| 2016 | \$610 | \$732 | \$846 | -3.8% | -3.8% | -3.9% |
| 2017 | \$627 | \$752 | \$869 | 2.8% | 2.7% | 2.7% |
| 2018 | \$625 | \$751 | \$867 | -0.3% | -0.1% | -0.2% |
| 2019 | \$658 | \$790 | \$913 | 5.3% | 5.2% | 5.3% |
| 2020 | \$570 | \$684 | \$791 | -13.4% | -13.4% | -13.4% |
| 2021 | \$648 | \$778 | \$899 | 13.7% | 13.7% | 13.7% |
| 2022 | \$710 | \$852 | \$984 | 9.6% | 9.5% | 9.5% |

Source: HUD

Restricted Market Rent Conclusion, As Is

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

| Restricted Market Rent Conclusion, As Is | | | | |
|--|------|------------|-------|--------|
| Unit Type / Income Limit / Rent Limit | HOME | Subsidized | Units | Market |
| 1BR-1BA-571sf / 50% of AMI / 50% of AMI | No | Yes | 39 | \$565 |
| Total / Average | | | 39 | \$565 |

Achievable Rent Conclusion

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

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

| LIHTC Rent Limits | | | | | | |
|---|------|------------|-------|------------|-----------|----------|
| Unit Type / Income Limit / Rent Limit | HOME | Subsidized | Units | Gross Rent | Utilities | Net Rent |
| 1BR-1BA-571sf / 40% of AMI / 40% of AMI | No | Yes | 4 | \$534 | \$150 | \$384 |
| 1BR-1BA-571sf / 50% of AMI / 50% of AMI | No | Yes | 16 | \$668 | \$150 | \$518 |
| 1BR-1BA-571sf / 60% of AMI / 60% of AMI | No | Yes | 19 | \$801 | \$150 | \$651 |
| Total / Average | | | 39 | \$719 | \$150 | \$569 |

Our analysis suggests an average net LIHTC rent limit of \$569 for 39 applicable units at the subject property.

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

| FMR Rent Limits | | | | | | |
|---|------|------------|-------|------------|-----------|----------|
| Unit Type / Income Limit / Rent Limit | HOME | Subsidized | Units | Gross Rent | Utilities | Net Rent |
| 1BR-1BA-571sf / 40% of AMI / 40% of AMI | No | Yes | - | - | - | - |
| 1BR-1BA-571sf / 50% of AMI / 50% of AMI | No | Yes | - | - | - | - |
| 1BR-1BA-571sf / 60% of AMI / 60% of AMI | No | Yes | - | - | - | - |
| Total / Average | | | - | - | - | - |

HOME funding is not proposed for the subject property.

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

| Program Rent Limits | | | | | | | |
|---|------|------------|-------|-------|-----|--------|---------|
| Unit Type / Income Limit / Rent Limit | HOME | Subsidized | Units | LIHTC | FMR | Market | Program |
| 1BR-1BA-571sf / 40% of AMI / 40% of AMI | No | Yes | 4 | \$384 | - | \$800 | \$800 |
| 1BR-1BA-571sf / 50% of AMI / 50% of AMI | No | Yes | 16 | \$518 | - | \$800 | \$800 |
| 1BR-1BA-571sf / 60% of AMI / 60% of AMI | No | Yes | 19 | \$651 | - | \$800 | \$800 |
| Total / Average | | | 39 | \$569 | - | \$800 | \$800 |

Our analysis suggests an average program rent limit of \$800 for 39 applicable units at the subject property.

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

Achievable Rents

| Unit Type / Income Limit / Rent Limit | HOME | Subsidized | Units | Program | Unrestricted | Restricted | Achievable | Proposed | Advantage |
|---|------|------------|-------|---------|--------------|------------|------------|----------|-----------|
| 1BR-1BA-571sf / 40% of AMI / 40% of AMI | No | Yes | 4 | \$800 | \$800 | \$525 | \$800 | \$762 | 4.8% |
| 1BR-1BA-571sf / 50% of AMI / 50% of AMI | No | Yes | 16 | \$800 | \$800 | \$525 | \$800 | \$762 | 4.8% |
| 1BR-1BA-571sf / 60% of AMI / 60% of AMI | No | Yes | 19 | \$800 | \$800 | \$525 | \$800 | \$762 | 4.8% |
| Total / Average | | | 39 | \$800 | \$800 | \$525 | \$800 | \$762 | 4.8% |

Our analysis suggests an average achievable rent of \$800 for the subject property. This is compared with an average proposed rent of \$762, yielding an achievable rent advantage of 4.8 percent. Overall, the subject property appears to be priced at or below achievable rents for the area.

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

Achievable Rents, No Rent Subsidies

| Unit Type / Income Limit / Rent Limit | HOME | Subsidized | Units | Program | Unrestricted | Restricted | Achievable | Proposed | Advantage |
|---|------|------------|-------|---------|--------------|------------|------------|----------|-----------|
| 1BR-1BA-571sf / 40% of AMI / 40% of AMI | No | No | 4 | \$384 | \$800 | \$525 | \$384 | \$762 | -98.4% |
| 1BR-1BA-571sf / 50% of AMI / 50% of AMI | No | No | 16 | \$518 | \$800 | \$525 | \$518 | \$762 | -47.1% |
| 1BR-1BA-571sf / 60% of AMI / 60% of AMI | No | No | 19 | \$651 | \$800 | \$525 | \$525 | \$762 | -45.1% |
| Total / Average | | | 39 | \$569 | \$800 | \$525 | \$508 | \$762 | -50.1% |

DEMAND ANALYSIS

Overview

In this section we evaluate demand for the subject property using the recommended demand methodology promulgated by the National Council of Housing Market Analysts (NCHMA). For purposes of this analysis, we define demand as the number of 65+ income-qualified renter households (by household size and unit type) that would qualify to live at the subject property at the lesser of the developer's proposed rents or achievable rents.

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

| 2023 \$ | | 65+ Renter Households, by Income, by Size | | | | | | |
|---------|--------------|---|----------|----------|----------|----------|-----------|-------|
| | | 2025 | | | | | | |
| Min | Max | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | Total |
| \$0 | to \$9,999 | 156 | 10 | 4 | 5 | 2 | 0 | 177 |
| \$0 | to \$19,999 | 569 | 71 | 62 | 9 | 6 | 0 | 717 |
| \$0 | to \$29,999 | 838 | 121 | 68 | 11 | 10 | 0 | 1,048 |
| \$0 | to \$39,999 | 905 | 133 | 85 | 28 | 13 | 0 | 1,165 |
| \$0 | to \$49,999 | 1,002 | 161 | 103 | 36 | 19 | 1 | 1,322 |
| \$0 | to \$59,999 | 1,030 | 191 | 108 | 41 | 22 | 1 | 1,393 |
| \$0 | to \$74,999 | 1,061 | 218 | 117 | 44 | 24 | 1 | 1,465 |
| \$0 | to \$99,999 | 1,122 | 221 | 131 | 48 | 30 | 2 | 1,554 |
| \$0 | to \$124,999 | 1,146 | 247 | 140 | 50 | 33 | 2 | 1,618 |
| \$0 | to \$149,999 | 1,179 | 253 | 152 | 54 | 36 | 2 | 1,675 |
| \$0 | to \$199,999 | 1,233 | 265 | 156 | 56 | 39 | 2 | 1,751 |
| \$0 | or more | 1,278 | 273 | 163 | 56 | 43 | 2 | 1,815 |

Source: ESRI & Ribbon Demographics

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

Competing & Pipeline Units, 1-Bedroom Units

| Overview | | | | | | | Total Units | | | | | | | | Vacant Units | | | | | | | |
|---------------------------------|-------|-----------|-------------|----------|------------|-----|-------------|-----|-----|-----|-----|-----|-----|-----|--------------|-----|-----|-----|-----|-----|-----|---|
| Key Property Name | Built | Renovated | Rent Type | Occ Type | Status | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | |
| 021 Deerfield Apartments | 1992 | na | Subsidized | Elderly | Stabilized | 39 | | | | | | | | 1 | | | | | | | | |
| 028 Goodson Manor Apartments | 2005 | na | Subsidized | Elderly | Stabilized | 23 | | | | | | | | 1 | | | | | | | | |
| 035 Magnolia Place Apartments | 1980 | 2021 | Restricted | Elderly | Stabilized | 55 | | | | 1 | | | | 13 | | | | | | | 1 | |
| 036 Mann Street Apartments | 1998 | na | Market Rate | Elderly | Stabilized | | | | | | | | 36 | | | | | | | | | |
| 041 Milnwood Village Apartments | 1982 | 2018 | Subsidized | Elderly | Stabilized | 40 | | | | | | | | | | | | | | | | |
| 044 Parc Crest at Poplar Forest | 2008 | na | Restricted | Elderly | Stabilized | | | | | | | | | | | | | | | | | 1 |
| 046 Peele Manor | 1997 | na | Subsidized | Elderly | Stabilized | 24 | | | | | | | | | | | | | | | | |
| 054 Victoria Place Apartments | 1991 | 2014 | Subsidized | Elderly | Stabilized | 38 | | | | | | | | 2 | | | | | | | | |
| Total | | | | | | 219 | | | | 37 | | | 36 | 17 | | | | | | | | 2 |

Source: Allen & Associates

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

In this section we estimate demand for the 1-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 39 units, 19 of which are anticipated to be vacant on market entry in 2025. Our analysis assumes a 50% income qualification ratio and 2-person households.

| Unit Details | |
|------------------------------|----------------|
| Target Population | 65+ Households |
| Unit Type | 1-Bedroom |
| Rent Type | Subsidized |
| Income Limit | 60% of AMI |
| Total Units | 39 |
| Vacant Units at Market Entry | 19 |

| Minimum Qualified Income | |
|----------------------------|---------|
| Net Rent | \$0 |
| Utilities | \$150 |
| Gross Rent | \$150 |
| Income Qualification Ratio | 50% |
| Minimum Qualified Income | \$300 |
| Months/Year | 12 |
| Minimum Qualified Income | \$3,600 |

| 65+ Renter Households, by Income, by Size | | | | | | | | |
|---|----|-----------|----------|----------|----------|----------|-----------|---|
| 2025 | | | | | | | | |
| 2023 | \$ | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| \$0 | to | \$9,999 | 156 | 10 | 4 | 5 | 2 | 0 |
| \$0 | to | \$19,999 | 569 | 71 | 62 | 9 | 6 | 0 |
| \$0 | to | \$29,999 | 838 | 121 | 68 | 11 | 10 | 0 |
| \$0 | to | \$39,999 | 905 | 133 | 85 | 28 | 13 | 0 |
| \$0 | to | \$49,999 | 1,002 | 161 | 103 | 36 | 19 | 1 |
| \$0 | to | \$59,999 | 1,030 | 191 | 108 | 41 | 22 | 1 |
| \$0 | to | \$74,999 | 1,061 | 218 | 117 | 44 | 24 | 1 |
| \$0 | to | \$99,999 | 1,122 | 221 | 131 | 48 | 30 | 2 |
| \$0 | to | \$124,999 | 1,146 | 247 | 140 | 50 | 33 | 2 |
| \$0 | to | \$149,999 | 1,179 | 253 | 152 | 54 | 36 | 2 |
| \$0 | to | \$199,999 | 1,233 | 265 | 156 | 56 | 39 | 2 |
| \$0 | or | more | 1,278 | 273 | 163 | 56 | 43 | 2 |

| Maximum Allowable Income | | | | | | | |
|--------------------------|----------|----------|----------|----------|----------|-----------|--|
| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| Maximum Allowable Income | \$29,940 | \$34,200 | \$38,520 | \$42,780 | \$46,200 | \$49,620 | |

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

| Demand Estimate | | | | | | |
|-------------------------|----------|----------|----------|----------|----------|-----------|
| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| HH Below Maximum Income | 825 | 126 | 0 | 0 | 0 | 0 |
| HH Below Minimum Income | 55 | 4 | 0 | 0 | 0 | 0 |
| Subtotal | 770 | 122 | 0 | 0 | 0 | 0 |

Demand Estimate 892

Our analysis suggests demand for a total of 892 size- and income-qualified units in the market area.

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

Demand Estimate, Subsidized

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

| 65+ Renter Households, by Income, by Size | | | | | | | | |
|---|----|-----------|----------|----------|----------|----------|-----------|---|
| | | 2025 | | | | | | |
| 2023 | \$ | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| \$0 | to | \$9,999 | 156 | 10 | 4 | 5 | 2 | 0 |
| \$0 | to | \$19,999 | 569 | 71 | 62 | 9 | 6 | 0 |
| \$0 | to | \$29,999 | 838 | 121 | 68 | 11 | 10 | 0 |
| \$0 | to | \$39,999 | 905 | 133 | 85 | 28 | 13 | 0 |
| \$0 | to | \$49,999 | 1,002 | 161 | 103 | 36 | 19 | 1 |
| \$0 | to | \$59,999 | 1,030 | 191 | 108 | 41 | 22 | 1 |
| \$0 | to | \$74,999 | 1,061 | 218 | 117 | 44 | 24 | 1 |
| \$0 | to | \$99,999 | 1,122 | 221 | 131 | 48 | 30 | 2 |
| \$0 | to | \$124,999 | 1,146 | 247 | 140 | 50 | 33 | 2 |
| \$0 | to | \$149,999 | 1,179 | 253 | 152 | 54 | 36 | 2 |
| \$0 | to | \$199,999 | 1,233 | 265 | 156 | 56 | 39 | 2 |
| \$0 | or | more | 1,278 | 273 | 163 | 56 | 43 | 2 |

| Demand Estimate, Subsidized | | | | | | | |
|-----------------------------|----------|----------|----------|----------|----------|-----------|--|
| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| Maximum Income, 0BR | - | - | - | - | - | - | |
| Maximum Income, 1BR | \$29,940 | \$34,200 | - | - | - | - | |
| Maximum Income, 2BR | - | - | - | - | - | - | |
| Maximum Income, 3BR | - | - | - | - | - | - | |
| Maximum Income, 4BR | - | - | - | - | - | - | |
| Maximum Allowable Income | \$29,940 | \$34,200 | - | - | - | - | |
| Minimum Income, 0BR | - | - | - | - | - | - | |
| Minimum Income, 1BR | \$3,600 | \$3,600 | - | - | - | - | |
| Minimum Income, 2BR | - | - | - | - | - | - | |
| Minimum Income, 3BR | - | - | - | - | - | - | |
| Minimum Income, 4BR | - | - | - | - | - | - | |
| Minimum Qualified Income | \$3,600 | \$3,600 | - | - | - | - | |
| HH Below Upper Income | 825 | 126 | 0 | 0 | 0 | 0 | |
| HH Below Lower Income | 55 | 4 | 0 | 0 | 0 | 0 | |
| Subtotal | 770 | 122 | 0 | 0 | 0 | 0 | |

Demand Estimate

892

Our analysis suggests demand for a total of 892 size- and income-qualified units in the market area.

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

Demand Estimate, Project-Level

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

| 65+ Renter Households, by Income, by Size | | | | | | | | |
|---|----|-----------|----------|----------|----------|----------|----------|-----------|
| | | | 2025 | | | | | |
| 2023 | \$ | | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| \$0 | to | \$9,999 | 156 | 10 | 4 | 5 | 2 | 0 |
| \$0 | to | \$19,999 | 569 | 71 | 62 | 9 | 6 | 0 |
| \$0 | to | \$29,999 | 838 | 121 | 68 | 11 | 10 | 0 |
| \$0 | to | \$39,999 | 905 | 133 | 85 | 28 | 13 | 0 |
| \$0 | to | \$49,999 | 1,002 | 161 | 103 | 36 | 19 | 1 |
| \$0 | to | \$59,999 | 1,030 | 191 | 108 | 41 | 22 | 1 |
| \$0 | to | \$74,999 | 1,061 | 218 | 117 | 44 | 24 | 1 |
| \$0 | to | \$99,999 | 1,122 | 221 | 131 | 48 | 30 | 2 |
| \$0 | to | \$124,999 | 1,146 | 247 | 140 | 50 | 33 | 2 |
| \$0 | to | \$149,999 | 1,179 | 253 | 152 | 54 | 36 | 2 |
| \$0 | to | \$199,999 | 1,233 | 265 | 156 | 56 | 39 | 2 |
| \$0 | or | more | 1,278 | 273 | 163 | 56 | 43 | 2 |

| Demand Estimate, Project-Level | | | | | | | |
|--------------------------------|----------|----------|----------|----------|----------|-----------|---|
| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| Maximum Income, Subsidized | \$29,940 | \$34,200 | - | - | - | - | - |
| Maximum Income, 30% of AMI | - | - | - | - | - | - | - |
| Maximum Income, 40% of AMI | - | - | - | - | - | - | - |
| Maximum Income, 50% of AMI | - | - | - | - | - | - | - |
| Maximum Income, 60% of AMI | - | - | - | - | - | - | - |
| Maximum Income, 70% of AMI | - | - | - | - | - | - | - |
| Maximum Income, 80% of AMI | - | - | - | - | - | - | - |
| Maximum Income, Market Rate | - | - | - | - | - | - | - |
| Maximum Allowable Income | \$29,940 | \$34,200 | - | - | - | - | - |
| Minimum Income, Subsidized | \$3,600 | \$3,600 | - | - | - | - | - |
| Minimum Income, 30% of AMI | - | - | - | - | - | - | - |
| Minimum Income, 40% of AMI | - | - | - | - | - | - | - |
| Minimum Income, 50% of AMI | - | - | - | - | - | - | - |
| Minimum Income, 60% of AMI | - | - | - | - | - | - | - |
| Minimum Income, 70% of AMI | - | - | - | - | - | - | - |
| Minimum Income, 80% of AMI | - | - | - | - | - | - | - |
| Minimum Income, Market Rate | - | - | - | - | - | - | - |
| Minimum Qualified Income | \$3,600 | \$3,600 | - | - | - | - | - |
| HH Below Upper Income | 825 | 126 | 0 | 0 | 0 | 0 | 0 |
| HH Below Lower Income | 55 | 4 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 770 | 122 | 0 | 0 | 0 | 0 | 0 |

Demand Estimate

892

Our analysis suggests project-level demand for a total of 892 size- and income-qualified units in the market area.

Capture Rates

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

| Subject Property Units (Total) | | | | | | | | | |
|--------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| 0BR | | | | | | | | | |
| 1BR | 39 | | | | | | | | 39 |
| 2BR | | | | | | | | | |
| 3BR | | | | | | | | | |
| 4BR | | | | | | | | | |
| Tot | 39 | | | | | | | | 39 |

| Subject Property Units (Vacant at Market Entry) | | | | | | | | | |
|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| 0BR | | | | | | | | | |
| 1BR | 19 | | | | | | | | 19 |
| 2BR | | | | | | | | | |
| 3BR | | | | | | | | | |
| 4BR | | | | | | | | | |
| Tot | 19 | | | | | | | | 19 |

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

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

| Gross Demand | | | | | | | | | |
|--------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| 0BR | | | | | | | | | |
| 1BR | 892 | | | | | | | | 892 |
| 2BR | | | | | | | | | |
| 3BR | | | | | | | | | |
| 4BR | | | | | | | | | |
| Tot | 892 | | | | | | | | 892 |

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

| Capture Rates (Subject Property Units / Gross Demand) | | | | | | | | | |
|---|------|-----|-----|-----|-----|-----|-----|-----|------|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| 0BR | | | | | | | | | |
| 1BR | 2.1% | | | | | | | | 2.1% |
| 2BR | | | | | | | | | |
| 3BR | | | | | | | | | |
| 4BR | | | | | | | | | |
| Tot | 2.1% | | | | | | | | 2.1% |

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

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

| Vacant Competing & Pipeline Units | | | | | | | | | |
|-----------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| 0BR | | | | | | | | | |
| 1BR | 17 | | | | | | | | 17 |
| 2BR | | | | | | | | | |
| 3BR | | | | | | | | | |
| 4BR | | | | | | | | | |
| Tot | 17 | | | | | | | | 17 |

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

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

| Net Demand (Gross Demand - Vacant Competing & Pipeline Units) | | | | | | | | | |
|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| 0BR | | | | | | | | | |
| 1BR | 875 | | | | | | | | 875 |
| 2BR | | | | | | | | | |
| 3BR | | | | | | | | | |
| 4BR | | | | | | | | | |
| Tot | 875 | | | | | | | | 875 |

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

| Capture Rates (Subject Property Units / Net Demand) | | | | | | | | | |
|---|------|-----|-----|-----|-----|-----|-----|-----|------|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| 0BR | | | | | | | | | |
| 1BR | 2.2% | | | | | | | | 2.2% |
| 2BR | | | | | | | | | |
| 3BR | | | | | | | | | |
| 4BR | | | | | | | | | |
| Tot | 2.2% | | | | | | | | 2.2% |

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

Penetration Rates

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

| Subject Property Units (Total) | | | | | | | | | |
|--------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| 0BR | | | | | | | | | |
| 1BR | 39 | | | | | | | | 39 |
| 2BR | | | | | | | | | |
| 3BR | | | | | | | | | |
| 4BR | | | | | | | | | |
| Tot | 39 | | | | | | | | 39 |

| Subject Property Units (Vacant at Market Entry) | | | | | | | | | |
|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| 0BR | | | | | | | | | |
| 1BR | 19 | | | | | | | | 19 |
| 2BR | | | | | | | | | |
| 3BR | | | | | | | | | |
| 4BR | | | | | | | | | |
| Tot | 19 | | | | | | | | 19 |

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

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

| Gross Demand | | | | | | | | | |
|--------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| 0BR | | | | | | | | | |
| 1BR | 892 | | | | | | | | 892 |
| 2BR | | | | | | | | | |
| 3BR | | | | | | | | | |
| 4BR | | | | | | | | | |
| Tot | 892 | | | | | | | | 892 |

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

| Competing & Pipeline Units | | | | | | | | | |
|----------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| 0BR | | | | | | | | | |
| 1BR | 219 | | | | | | | | 219 |
| 2BR | | | | | | | | | |
| 3BR | | | | | | | | | |
| 4BR | | | | | | | | | |
| Tot | 219 | | | | | | | | 219 |

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

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

| Inclusive Supply (Subject Property Units + Competing & Pipeline Units) | | | | | | | | | |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| 0BR | | | | | | | | | |
| 1BR | 238 | | | | | | | | 238 |
| 2BR | | | | | | | | | |
| 3BR | | | | | | | | | |
| 4BR | | | | | | | | | |
| Tot | 238 | | | | | | | | 238 |

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

| Penetration Rates (Inclusive Supply / Gross Demand) | | | | | | | | | |
|---|-------|-----|-----|-----|-----|-----|-----|-----|-------|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| 0BR | | | | | | | | | |
| 1BR | 26.7% | | | | | | | | 26.7% |
| 2BR | | | | | | | | | |
| 3BR | | | | | | | | | |
| 4BR | | | | | | | | | |
| Tot | 26.7% | | | | | | | | 26.7% |

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

Absorption Period

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

| Subject Property Units (Total) | | | | | | | | |
|--------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 0BR | | | | | | | | |
| 1BR | 39 | | | | | | | |
| 2BR | | | | | | | | |
| 3BR | | | | | | | | |
| 4BR | | | | | | | | |

| Subject Property Units (Vacant at Market Entry) | | | | | | | | |
|---|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 0BR | | | | | | | | |
| 1BR | 19 | | | | | | | |
| 2BR | | | | | | | | |
| 3BR | | | | | | | | |
| 4BR | | | | | | | | |

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

| Gross Demand | | | | | | | | |
|--------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 0BR | | | | | | | | |
| 1BR | 892 | | | | | | | |
| 2BR | | | | | | | | |
| 3BR | | | | | | | | |
| 4BR | | | | | | | | |

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

| Annual Growth & Movership Rate | |
|--------------------------------|-------|
| Growth | 2.1% |
| Movership | 8.0% |
| Total | 10.1% |

| Growth & Movership Estimate | | | | | | | | |
|-----------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 0BR | | | | | | | | |
| 1BR | 90 | | | | | | | |
| 2BR | | | | | | | | |
| 3BR | | | | | | | | |
| 4BR | | | | | | | | |

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

| Secondary Market Area | |
|-----------------------|-----|
| | 40% |

| Growth & Movership Estimate | | | | | | | | |
|-----------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 0BR | | | | | | | | |
| 1BR | 149 | | | | | | | |
| 2BR | | | | | | | | |
| 3BR | | | | | | | | |
| 4BR | | | | | | | | |

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

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

| Competing Properties | | | | | | | | |
|----------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 0BR | | | | | | | | |
| 1BR | 6 | | | | 2 | | | 1 |
| 2BR | | | | | 1 | | | 1 |
| 3BR | | | | | | | | |
| 4BR | | | | | | | | |

| Fair Share | | | | | | | | |
|------------|-------|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 0BR | | | | | | | | |
| 1BR | 40.0% | | | | | | | |
| 2BR | | | | | | | | |
| 3BR | | | | | | | | |
| 4BR | | | | | | | | |

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

| Monthly Absorption Rate Estimate | | | | | | | | |
|----------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 0BR | | | | | | | | |
| 1BR | 5.0 | | | | | | | |
| 2BR | | | | | | | | |
| 3BR | | | | | | | | |
| 4BR | | | | | | | | |

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

| Rental Property Inventory, Confirmed, Inside Market Area, Elderly, Stabilized Occupancy | | | | | | | | |
|---|-----|-----|-----|-----|------|-----|-----|------|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 0BR | | | | | | | | |
| 1BR | 92% | | | | 95% | | | 100% |
| 2BR | | | | | 100% | | | 100% |
| 3BR | | | | | | | | |
| 4BR | | | | | | | | |

| Occupancy Rate, Select Comparables | | | | | | | | |
|------------------------------------|------|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 0BR | | | | | | | | |
| 1BR | 86% | | | | 92% | | | 99% |
| 2BR | 100% | | | | 95% | | | 98% |
| 3BR | | | | | | | | |
| 4BR | | | | | | | | |

| Concluded Stabilized Occupancy Rate | | | | | | | | |
|-------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 0BR | | | | | | | | |
| 1BR | 97% | | | | | | | |
| 2BR | | | | | | | | |
| 3BR | | | | | | | | |
| 4BR | | | | | | | | |

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

| Occupied Units at Stabilization | | | | | | | | |
|---------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 0BR | | | | | | | | |
| 1BR | 18 | | | | | | | |
| 2BR | | | | | | | | |
| 3BR | | | | | | | | |
| 4BR | | | | | | | | |

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

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

Our analysis suggests that the subject property will stabilize at 97 percent occupancy. We estimate 4 months of absorption and an average absorption rate of 5.0 units per month for this project. In our opinion, the absorption period suggests an appropriate number and mix of units for the subject property.

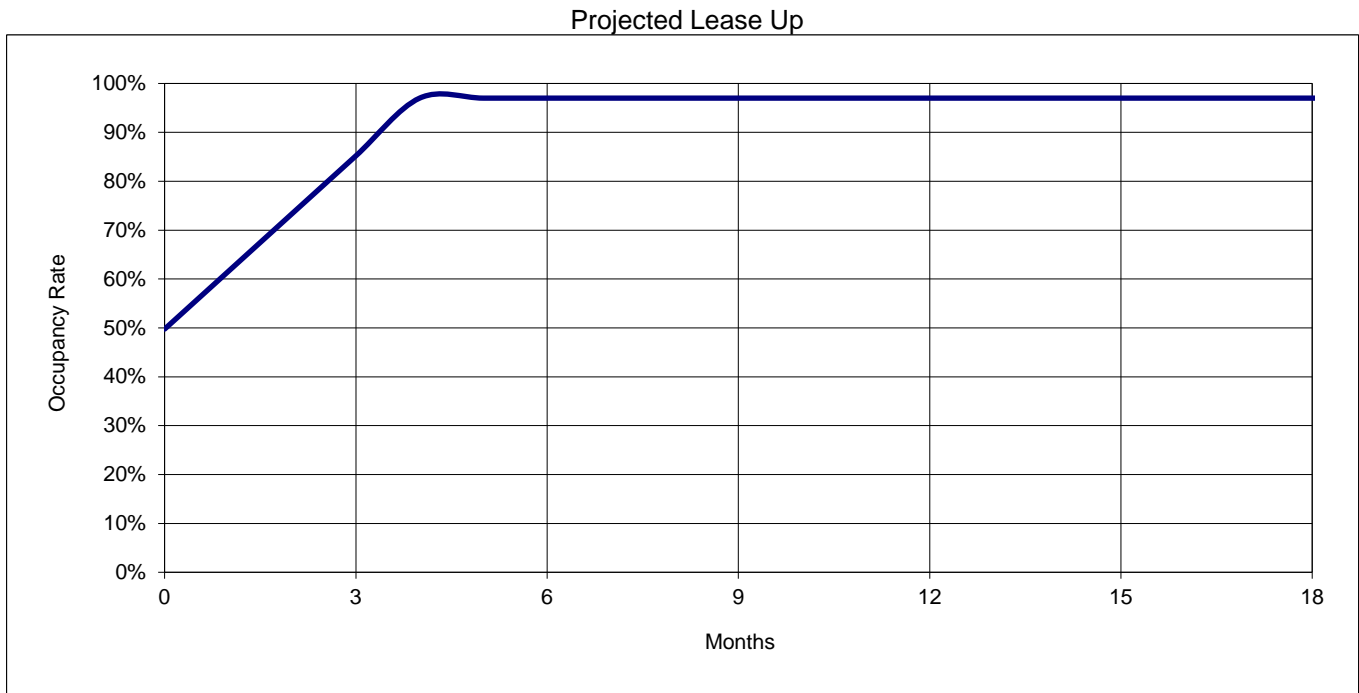
Absorption rates for age-restricted multifamily properties depend on a variety of factors: (1) The competitive environment in which the property resides; (2) The pricing of the subject property units relative to competing units, (3) The presence of rent or income restrictions at the subject property; and (4) The availability of any rent concessions or rental assistance at the subject property. Subsidized elderly properties normally lease up at a rate of 12-16 units per month. Unsubsidized elderly properties with rent and income restrictions typically fill at a rate of 4-8 units per month. Market rate elderly properties normally lease up at a rate of 8-12 units per month.

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

| Key | Project | Built | Renovated | Rent Type | Occ Type | Tot Units | Abs |
|-----|-----------------------------|-------|-----------|------------|----------|-----------|-----|
| 028 | Goodson Manor Apartments | 2005 | na | Subsidized | Elderly | 23 | - |
| 044 | Parc Crest at Poplar Forest | 2008 | na | Restricted | Elderly | 44 | - |

Absorption Analysis

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



Our analysis suggests that the subject property will achieve 70 percent occupancy in 1 months, 80 percent occupancy in 2 months, and 90 percent occupancy in 3 months. We anticipate that the subject property will stabilize at 97 percent occupancy in 4 months.

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

VHDA DEMAND ANALYSIS

Overview

In this section we evaluate demand for the subject property using the VHDA demand methodology. For purposes of this analysis, we define VHDA demand as the number of new income-qualified and existing income-qualified overburdened and substandard 55+ renter households that would qualify to live at the subject property at the lesser of achievable rents or the sponsor's proposed rents. Our analysis accounts for any rent subsidies for the subject property.

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

55+ Renter Households, by Income, by Size

| 2023 \$ | | | 2023 | | | | | | |
|---------|----|-----------|----------|----------|----------|----------|----------|-----------|-------|
| Min | to | Max | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | Total |
| \$0 | to | \$9,999 | 231 | 58 | 5 | 5 | 9 | 2 | 310 |
| \$0 | to | \$19,999 | 732 | 146 | 61 | 11 | 13 | 2 | 966 |
| \$0 | to | \$29,999 | 1,043 | 216 | 75 | 22 | 20 | 3 | 1,379 |
| \$0 | to | \$39,999 | 1,179 | 244 | 94 | 39 | 25 | 5 | 1,586 |
| \$0 | to | \$49,999 | 1,325 | 281 | 112 | 67 | 32 | 6 | 1,823 |
| \$0 | to | \$59,999 | 1,391 | 337 | 119 | 71 | 48 | 13 | 1,979 |
| \$0 | to | \$74,999 | 1,434 | 403 | 168 | 77 | 51 | 14 | 2,147 |
| \$0 | to | \$99,999 | 1,529 | 443 | 195 | 85 | 59 | 15 | 2,326 |
| \$0 | to | \$124,999 | 1,560 | 476 | 207 | 91 | 69 | 19 | 2,421 |
| \$0 | to | \$149,999 | 1,611 | 486 | 222 | 95 | 75 | 20 | 2,509 |
| \$0 | to | \$199,999 | 1,679 | 512 | 228 | 102 | 79 | 20 | 2,619 |
| \$0 | or | more | 1,735 | 535 | 237 | 106 | 87 | 21 | 2,721 |

Source: ESRI & Ribbon Demographics

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

In this section we estimate demand for the 1-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 39 units, 19 of which are anticipated to be vacant on market entry in 2023. Our analysis assumes a 40% income qualification ratio and 2-person households.

| Unit Details | |
|------------------------------|----------------|
| Target Population | 55+ Households |
| Unit Type | 1-Bedroom |
| Rent Type | Subsidized |
| Income Limit | 60% of AMI |
| Total Units | 39 |
| Vacant Units at Market Entry | 19 |

| Minimum Qualified Income | |
|----------------------------|---------|
| Net Rent | \$0 |
| Utilities | \$150 |
| Gross Rent | \$150 |
| Income Qualification Ratio | 40% |
| Minimum Qualified Income | \$375 |
| Months/Year | 12 |
| Minimum Qualified Income | \$4,500 |

55+ Renter Households, by Income, by Size

| | | 2023 | | | | | | |
|------|----|-----------|----------|----------|----------|----------|-----------|----|
| 2023 | \$ | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| \$0 | to | \$9,999 | 231 | 58 | 5 | 5 | 9 | 2 |
| \$0 | to | \$19,999 | 732 | 146 | 61 | 11 | 13 | 2 |
| \$0 | to | \$29,999 | 1,043 | 216 | 75 | 22 | 20 | 3 |
| \$0 | to | \$39,999 | 1,179 | 244 | 94 | 39 | 25 | 5 |
| \$0 | to | \$49,999 | 1,325 | 281 | 112 | 67 | 32 | 6 |
| \$0 | to | \$59,999 | 1,391 | 337 | 119 | 71 | 48 | 13 |
| \$0 | to | \$74,999 | 1,434 | 403 | 168 | 77 | 51 | 14 |
| \$0 | to | \$99,999 | 1,529 | 443 | 195 | 85 | 59 | 15 |
| \$0 | to | \$124,999 | 1,560 | 476 | 207 | 91 | 69 | 19 |
| \$0 | to | \$149,999 | 1,611 | 486 | 222 | 95 | 75 | 20 |
| \$0 | to | \$199,999 | 1,679 | 512 | 228 | 102 | 79 | 20 |
| \$0 | or | more | 1,735 | 535 | 237 | 106 | 87 | 21 |

Maximum Allowable Income

| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
|--------------------------|----------|----------|----------|----------|----------|-----------|
| Maximum Allowable Income | \$29,940 | \$34,200 | \$38,520 | \$42,780 | \$46,200 | \$49,620 |

Size Qualified

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

Demand Estimate

| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
|-------------------------|----------|----------|----------|----------|----------|-----------|
| HH Below Maximum Income | 1,027 | 227 | 0 | 0 | 0 | 0 |
| HH Below Minimum Income | 104 | 26 | 0 | 0 | 0 | 0 |
| Subtotal | 923 | 201 | 0 | 0 | 0 | 0 |

Demand Estimate 1,125

Our analysis suggests demand for a total of 1,125 size- and income-qualified units in the market area.

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

Demand Estimate, Subsidized

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

| 55+ Renter Households, by Income, by Size | | | | | | | | |
|---|----|-----------|----------|----------|----------|----------|-----------|----|
| 2023 | | | | | | | | |
| 2023 | \$ | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| \$0 | to | \$9,999 | 231 | 58 | 5 | 5 | 9 | 2 |
| \$0 | to | \$19,999 | 732 | 146 | 61 | 11 | 13 | 2 |
| \$0 | to | \$29,999 | 1,043 | 216 | 75 | 22 | 20 | 3 |
| \$0 | to | \$39,999 | 1,179 | 244 | 94 | 39 | 25 | 5 |
| \$0 | to | \$49,999 | 1,325 | 281 | 112 | 67 | 32 | 6 |
| \$0 | to | \$59,999 | 1,391 | 337 | 119 | 71 | 48 | 13 |
| \$0 | to | \$74,999 | 1,434 | 403 | 168 | 77 | 51 | 14 |
| \$0 | to | \$99,999 | 1,529 | 443 | 195 | 85 | 59 | 15 |
| \$0 | to | \$124,999 | 1,560 | 476 | 207 | 91 | 69 | 19 |
| \$0 | to | \$149,999 | 1,611 | 486 | 222 | 95 | 75 | 20 |
| \$0 | to | \$199,999 | 1,679 | 512 | 228 | 102 | 79 | 20 |
| \$0 | or | more | 1,735 | 535 | 237 | 106 | 87 | 21 |

| Demand Estimate, Subsidized | | | | | | | |
|-----------------------------|----------|----------|----------|----------|----------|-----------|---|
| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| Maximum Income, 0BR | - | - | - | - | - | - | - |
| Maximum Income, 1BR | \$29,940 | \$34,200 | - | - | - | - | - |
| Maximum Income, 2BR | - | - | - | - | - | - | - |
| Maximum Income, 3BR | - | - | - | - | - | - | - |
| Maximum Income, 4BR | - | - | - | - | - | - | - |
| Maximum Allowable Income | \$29,940 | \$34,200 | - | - | - | - | - |
| Minimum Income, 0BR | - | - | - | - | - | - | - |
| Minimum Income, 1BR | \$4,500 | \$4,500 | - | - | - | - | - |
| Minimum Income, 2BR | - | - | - | - | - | - | - |
| Minimum Income, 3BR | - | - | - | - | - | - | - |
| Minimum Income, 4BR | - | - | - | - | - | - | - |
| Minimum Qualified Income | \$4,500 | \$4,500 | - | - | - | - | - |
| HH Below Upper Income | 1,027 | 227 | 0 | 0 | 0 | 0 | 0 |
| HH Below Lower Income | 104 | 26 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 923 | 201 | 0 | 0 | 0 | 0 | 0 |

Demand Estimate 1,125

Our analysis suggests demand for a total of 1,125 size- and income-qualified units in the market area.

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

Demand Estimate

In this section, we derive our overburdened demand and capture rate estimates for the subject property. Our analysis, which begins with the income-qualified renter household estimates developed above, is found below.

| Income Qualified Renter Households | | | | | | | | |
|------------------------------------|-------|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | 1,125 | | | | | | | |

The next step in our analysis is to account for 2 years of growth to estimate the demand stemming from new income qualified rental households. Our estimates are found below.

| Annual Renter Household Growth Rate |
|-------------------------------------|
| 0.9% |

| New Rental Households | | | | | | | | |
|-----------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | 21 | | | | | | | |

The next step in our analysis is to estimate existing demand stemming from income-qualified overburdened renter households in this market area. Our estimates are found below.

| Overburdened Renter Households |
|--------------------------------|
| 44.6% |

| Existing Households - Rent Overburdened | | | | | | | | |
|---|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | 502 | | | | | | | |

The next step in our analysis is to estimate existing demand stemming from income-qualified substandard renter households in this market area. Our estimates are found below.

| Substandard Renter Households |
|-------------------------------|
| 8.2% |

| Existing Households - Substandard | | | | | | | | |
|-----------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | 93 | | | | | | | |

The next step in our analysis is to account for elderly homeowners likely to convert to rental housing. This component may not comprise more than 20 percent of total demand. Our estimates are found below.

| Elderly Homeowners Likely to Convert to Rental Housing | | | | | | | | |
|--|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | 159 | | | | | | | |

The next step in our analysis is to account for existing qualifying tenants likely to remain after renovation. Our estimates are found below.

| Subject Property Units (Total) | | | | | | | | |
|--------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | 39 | | | | | | | |

| Existing Qualifying Tenants Likely to Remain after Renovation | | | | | | | | |
|---|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | 20 | | | | | | | |

The next step in our analysis is to tally up total demand for the subject property. Our estimates are found below.

| Total Demand | | | | | | | | |
|--------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | 795 | | | | | | | |

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

| Vacant Competing & Pipeline Units | | | | | | | | |
|-----------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | 17 | | | | | | | |

The next step in our analysis is to subtract the number of vacant competing & pipeline units from total demand to arrive at a net demand estimate for the subject property. Our estimates are found below.

| Net Demand (Total Demand - Vacant Competing & Pipeline Units) | | | | | | | | |
|---|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | 778 | | | | | | | |

The next step in our analysis is to compute the capture rate for the project. For purposes of this computation, we define capture rate as the total number of subject property units divided by net demand. Underwriters often utilize capture rate limits of 10 to 20 percent using this methodology. Our estimates are presented below:

| Capture Rates (Subject Property Units / Net Demand) | | | | | | | | |
|---|------|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | 5.0% | | | | | | | |

Our findings are summarized below.

| | |
|--|----------|
| Project-Wide Capture Rate - LIHTC Units | 5.0% |
| Project-Wide Capture Rate - Market Units | |
| Project-Wide Capture Rate - All Units | 5.0% |
| Project-Wide Absorption Period (Months) | 4 months |

Please note: Project-wide capture rate estimates do not account for income band overlap at the project level.

VHDA DEMAND ANALYSIS (UNSUBSIDIZED)

Overview

In this section we evaluate demand for the subject property using the VHDA demand methodology. For purposes of this analysis, we define VHDA demand as the number of new income-qualified and existing income-qualified overburdened and substandard 55+ renter households that would qualify to live at the subject property at the lesser of achievable rents or the sponsor's proposed rents. Our analysis ignores any rent subsidies for the subject property.

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

55+ Renter Households, by Income, by Size

| 2023 \$ | | | 2023 | | | | | | |
|---------|----|-----------|----------|----------|----------|----------|----------|-----------|-------|
| Min | to | Max | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | Total |
| \$0 | to | \$9,999 | 231 | 58 | 5 | 5 | 9 | 2 | 310 |
| \$0 | to | \$19,999 | 732 | 146 | 61 | 11 | 13 | 2 | 966 |
| \$0 | to | \$29,999 | 1,043 | 216 | 75 | 22 | 20 | 3 | 1,379 |
| \$0 | to | \$39,999 | 1,179 | 244 | 94 | 39 | 25 | 5 | 1,586 |
| \$0 | to | \$49,999 | 1,325 | 281 | 112 | 67 | 32 | 6 | 1,823 |
| \$0 | to | \$59,999 | 1,391 | 337 | 119 | 71 | 48 | 13 | 1,979 |
| \$0 | to | \$74,999 | 1,434 | 403 | 168 | 77 | 51 | 14 | 2,147 |
| \$0 | to | \$99,999 | 1,529 | 443 | 195 | 85 | 59 | 15 | 2,326 |
| \$0 | to | \$124,999 | 1,560 | 476 | 207 | 91 | 69 | 19 | 2,421 |
| \$0 | to | \$149,999 | 1,611 | 486 | 222 | 95 | 75 | 20 | 2,509 |
| \$0 | to | \$199,999 | 1,679 | 512 | 228 | 102 | 79 | 20 | 2,619 |
| \$0 | or | more | 1,735 | 535 | 237 | 106 | 87 | 21 | 2,721 |

Source: ESRI & Ribbon Demographics

Demand Estimate, 1-Bedroom, Restricted, 40% of AMI

In this section we estimate demand for the 1-Bedroom / Restricted / 40% of AMI units at the subject property. Our analysis assumes a total of 4 units, 2 of which are anticipated to be vacant on market entry in 2023. Our analysis assumes a 40% income qualification ratio and 2-person households.

| Unit Details | |
|------------------------------|----------------|
| Target Population | 55+ Households |
| Unit Type | 1-Bedroom |
| Rent Type | Restricted |
| Income Limit | 40% of AMI |
| Total Units | 4 |
| Vacant Units at Market Entry | 2 |

| Minimum Qualified Income | |
|----------------------------|----------|
| Net Rent | \$384 |
| Utilities | \$150 |
| Gross Rent | \$534 |
| Income Qualification Ratio | 40% |
| Minimum Qualified Income | \$1,335 |
| Months/Year | 12 |
| Minimum Qualified Income | \$16,020 |

55+ Renter Households, by Income, by Size

| | | 2023 | | | | | | |
|------|----|-----------|----------|----------|----------|----------|-----------|----|
| 2023 | \$ | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| \$0 | to | \$9,999 | 231 | 58 | 5 | 5 | 9 | 2 |
| \$0 | to | \$19,999 | 732 | 146 | 61 | 11 | 13 | 2 |
| \$0 | to | \$29,999 | 1,043 | 216 | 75 | 22 | 20 | 3 |
| \$0 | to | \$39,999 | 1,179 | 244 | 94 | 39 | 25 | 5 |
| \$0 | to | \$49,999 | 1,325 | 281 | 112 | 67 | 32 | 6 |
| \$0 | to | \$59,999 | 1,391 | 337 | 119 | 71 | 48 | 13 |
| \$0 | to | \$74,999 | 1,434 | 403 | 168 | 77 | 51 | 14 |
| \$0 | to | \$99,999 | 1,529 | 443 | 195 | 85 | 59 | 15 |
| \$0 | to | \$124,999 | 1,560 | 476 | 207 | 91 | 69 | 19 |
| \$0 | to | \$149,999 | 1,611 | 486 | 222 | 95 | 75 | 20 |
| \$0 | to | \$199,999 | 1,679 | 512 | 228 | 102 | 79 | 20 |
| \$0 | or | more | 1,735 | 535 | 237 | 106 | 87 | 21 |

| Maximum Allowable Income | | | | | | | |
|--------------------------|--|----------|----------|----------|----------|----------|-----------|
| | | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| Maximum Allowable Income | | \$19,960 | \$22,800 | \$25,680 | \$28,520 | \$30,800 | \$33,080 |

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

| Demand Estimate | | | | | | | |
|-------------------------|--|----------|----------|----------|----------|----------|-----------|
| | | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| HH Below Maximum Income | | 707 | 164 | 0 | 0 | 0 | 0 |
| HH Below Minimum Income | | 532 | 111 | 0 | 0 | 0 | 0 |
| Subtotal | | 175 | 53 | 0 | 0 | 0 | 0 |

Demand Estimate 228

Our analysis suggests demand for a total of 228 size- and income-qualified units in the market area.

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

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

In this section we estimate demand for the 1-Bedroom / Restricted / 50% of AMI units at the subject property. Our analysis assumes a total of 16 units, 8 of which are anticipated to be vacant on market entry in 2023. Our analysis assumes a 40% income qualification ratio and 2-person households.

| Unit Details | |
|------------------------------|----------------|
| Target Population | 55+ Households |
| Unit Type | 1-Bedroom |
| Rent Type | Restricted |
| Income Limit | 50% of AMI |
| Total Units | 16 |
| Vacant Units at Market Entry | 8 |

| Minimum Qualified Income | |
|----------------------------|----------|
| Net Rent | \$518 |
| Utilities | \$150 |
| Gross Rent | \$668 |
| Income Qualification Ratio | 40% |
| Minimum Qualified Income | \$1,670 |
| Months/Year | 12 |
| Minimum Qualified Income | \$20,040 |

| 55+ Renter Households, by Income, by Size | | | | | | | | |
|---|----|-----------|----------|----------|----------|----------|-----------|----|
| 2023 | | | | | | | | |
| 2023 | \$ | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| \$0 | to | \$9,999 | 231 | 58 | 5 | 5 | 9 | 2 |
| \$0 | to | \$19,999 | 732 | 146 | 61 | 11 | 13 | 2 |
| \$0 | to | \$29,999 | 1,043 | 216 | 75 | 22 | 20 | 3 |
| \$0 | to | \$39,999 | 1,179 | 244 | 94 | 39 | 25 | 5 |
| \$0 | to | \$49,999 | 1,325 | 281 | 112 | 67 | 32 | 6 |
| \$0 | to | \$59,999 | 1,391 | 337 | 119 | 71 | 48 | 13 |
| \$0 | to | \$74,999 | 1,434 | 403 | 168 | 77 | 51 | 14 |
| \$0 | to | \$99,999 | 1,529 | 443 | 195 | 85 | 59 | 15 |
| \$0 | to | \$124,999 | 1,560 | 476 | 207 | 91 | 69 | 19 |
| \$0 | to | \$149,999 | 1,611 | 486 | 222 | 95 | 75 | 20 |
| \$0 | to | \$199,999 | 1,679 | 512 | 228 | 102 | 79 | 20 |
| \$0 | or | more | 1,735 | 535 | 237 | 106 | 87 | 21 |

| Maximum Allowable Income | | | | | | | |
|--------------------------|----------|----------|----------|----------|----------|-----------|--|
| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| Maximum Allowable Income | \$24,950 | \$28,500 | \$32,100 | \$35,650 | \$38,500 | \$41,350 | |

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

| Demand Estimate | | | | | | |
|-------------------------|----------|----------|----------|----------|----------|-----------|
| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| HH Below Maximum Income | 872 | 206 | 0 | 0 | 0 | 0 |
| HH Below Minimum Income | 732 | 146 | 0 | 0 | 0 | 0 |
| Subtotal | 140 | 60 | 0 | 0 | 0 | 0 |

Demand Estimate 199

Our analysis suggests demand for a total of 199 size- and income-qualified units in the market area.

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

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

In this section we estimate demand for the 1-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 19 units, 9 of which are anticipated to be vacant on market entry in 2023. Our analysis assumes a 40% income qualification ratio and 2-person households.

| Unit Details | |
|------------------------------|----------------|
| Target Population | 55+ Households |
| Unit Type | 1-Bedroom |
| Rent Type | Restricted |
| Income Limit | 60% of AMI |
| Total Units | 19 |
| Vacant Units at Market Entry | 9 |

| Minimum Qualified Income | |
|----------------------------|----------|
| Net Rent | \$525 |
| Utilities | \$150 |
| Gross Rent | \$675 |
| Income Qualification Ratio | 40% |
| Minimum Qualified Income | \$1,688 |
| Months/Year | 12 |
| Minimum Qualified Income | \$20,250 |

| 55+ Renter Households, by Income, by Size | | | | | | | | |
|---|----|-----------|----------|----------|----------|----------|-----------|----|
| 2023 | | | | | | | | |
| 2023 | \$ | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| \$0 | to | \$9,999 | 231 | 58 | 5 | 5 | 9 | 2 |
| \$0 | to | \$19,999 | 732 | 146 | 61 | 11 | 13 | 2 |
| \$0 | to | \$29,999 | 1,043 | 216 | 75 | 22 | 20 | 3 |
| \$0 | to | \$39,999 | 1,179 | 244 | 94 | 39 | 25 | 5 |
| \$0 | to | \$49,999 | 1,325 | 281 | 112 | 67 | 32 | 6 |
| \$0 | to | \$59,999 | 1,391 | 337 | 119 | 71 | 48 | 13 |
| \$0 | to | \$74,999 | 1,434 | 403 | 168 | 77 | 51 | 14 |
| \$0 | to | \$99,999 | 1,529 | 443 | 195 | 85 | 59 | 15 |
| \$0 | to | \$124,999 | 1,560 | 476 | 207 | 91 | 69 | 19 |
| \$0 | to | \$149,999 | 1,611 | 486 | 222 | 95 | 75 | 20 |
| \$0 | to | \$199,999 | 1,679 | 512 | 228 | 102 | 79 | 20 |
| \$0 | or | more | 1,735 | 535 | 237 | 106 | 87 | 21 |

| Maximum Allowable Income | | | | | | | |
|--------------------------|----------|----------|----------|----------|----------|-----------|--|
| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| Maximum Allowable Income | \$29,940 | \$34,200 | \$38,520 | \$42,780 | \$46,200 | \$49,620 | |

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

| Demand Estimate | | | | | | |
|-------------------------|----------|----------|----------|----------|----------|-----------|
| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| HH Below Maximum Income | 1,027 | 227 | 0 | 0 | 0 | 0 |
| HH Below Minimum Income | 732 | 146 | 0 | 0 | 0 | 0 |
| Subtotal | 295 | 81 | 0 | 0 | 0 | 0 |

Demand Estimate 377

Our analysis suggests demand for a total of 377 size- and income-qualified units in the market area.

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

Demand Estimate, Restricted, 40% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 40% of AMI at the subject property.

| 55+ Renter Households, by Income, by Size | | | | | | | | |
|---|------|-----------|----------|----------|----------|----------|----------|-----------|
| 2023 | | | | | | | | |
| | 2023 | \$ | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| \$0 | to | \$9,999 | 231 | 58 | 5 | 5 | 9 | 2 |
| \$0 | to | \$19,999 | 732 | 146 | 61 | 11 | 13 | 2 |
| \$0 | to | \$29,999 | 1,043 | 216 | 75 | 22 | 20 | 3 |
| \$0 | to | \$39,999 | 1,179 | 244 | 94 | 39 | 25 | 5 |
| \$0 | to | \$49,999 | 1,325 | 281 | 112 | 67 | 32 | 6 |
| \$0 | to | \$59,999 | 1,391 | 337 | 119 | 71 | 48 | 13 |
| \$0 | to | \$74,999 | 1,434 | 403 | 168 | 77 | 51 | 14 |
| \$0 | to | \$99,999 | 1,529 | 443 | 195 | 85 | 59 | 15 |
| \$0 | to | \$124,999 | 1,560 | 476 | 207 | 91 | 69 | 19 |
| \$0 | to | \$149,999 | 1,611 | 486 | 222 | 95 | 75 | 20 |
| \$0 | to | \$199,999 | 1,679 | 512 | 228 | 102 | 79 | 20 |
| \$0 | or | more | 1,735 | 535 | 237 | 106 | 87 | 21 |

| Demand Estimate, Restricted, 40% of AMI | | | | | | | |
|---|----------|----------|----------|----------|----------|-----------|---|
| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| Maximum Income, 0BR | - | - | - | - | - | - | - |
| Maximum Income, 1BR | \$19,960 | \$22,800 | - | - | - | - | - |
| Maximum Income, 2BR | - | - | - | - | - | - | - |
| Maximum Income, 3BR | - | - | - | - | - | - | - |
| Maximum Income, 4BR | - | - | - | - | - | - | - |
| Maximum Allowable Income | \$19,960 | \$22,800 | - | - | - | - | - |
| Minimum Income, 0BR | - | - | - | - | - | - | - |
| Minimum Income, 1BR | \$16,020 | \$16,020 | - | - | - | - | - |
| Minimum Income, 2BR | - | - | - | - | - | - | - |
| Minimum Income, 3BR | - | - | - | - | - | - | - |
| Minimum Income, 4BR | - | - | - | - | - | - | - |
| Minimum Qualified Income | \$16,020 | \$16,020 | - | - | - | - | - |
| HH Below Upper Income | 707 | 164 | 0 | 0 | 0 | 0 | 0 |
| HH Below Lower Income | 532 | 111 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 175 | 53 | 0 | 0 | 0 | 0 | 0 |

Demand Estimate

228

Our analysis suggests demand for a total of 228 size- and income-qualified units in the market area.

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

Demand Estimate, Restricted, 50% of AMI

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

| 55+ Renter Households, by Income, by Size | | | | | | | | |
|---|------|-----------|----------|----------|----------|----------|----------|-----------|
| 2023 | | | | | | | | |
| | 2023 | \$ | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| \$0 | to | \$9,999 | 231 | 58 | 5 | 5 | 9 | 2 |
| \$0 | to | \$19,999 | 732 | 146 | 61 | 11 | 13 | 2 |
| \$0 | to | \$29,999 | 1,043 | 216 | 75 | 22 | 20 | 3 |
| \$0 | to | \$39,999 | 1,179 | 244 | 94 | 39 | 25 | 5 |
| \$0 | to | \$49,999 | 1,325 | 281 | 112 | 67 | 32 | 6 |
| \$0 | to | \$59,999 | 1,391 | 337 | 119 | 71 | 48 | 13 |
| \$0 | to | \$74,999 | 1,434 | 403 | 168 | 77 | 51 | 14 |
| \$0 | to | \$99,999 | 1,529 | 443 | 195 | 85 | 59 | 15 |
| \$0 | to | \$124,999 | 1,560 | 476 | 207 | 91 | 69 | 19 |
| \$0 | to | \$149,999 | 1,611 | 486 | 222 | 95 | 75 | 20 |
| \$0 | to | \$199,999 | 1,679 | 512 | 228 | 102 | 79 | 20 |
| \$0 | or | more | 1,735 | 535 | 237 | 106 | 87 | 21 |

| Demand Estimate, Restricted, 50% of AMI | | | | | | | |
|---|----------|----------|----------|----------|----------|-----------|---|
| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| Maximum Income, 0BR | - | - | - | - | - | - | - |
| Maximum Income, 1BR | \$24,950 | \$28,500 | - | - | - | - | - |
| Maximum Income, 2BR | - | - | - | - | - | - | - |
| Maximum Income, 3BR | - | - | - | - | - | - | - |
| Maximum Income, 4BR | - | - | - | - | - | - | - |
| Maximum Allowable Income | \$24,950 | \$28,500 | - | - | - | - | - |
| Minimum Income, 0BR | - | - | - | - | - | - | - |
| Minimum Income, 1BR | \$20,040 | \$20,040 | - | - | - | - | - |
| Minimum Income, 2BR | - | - | - | - | - | - | - |
| Minimum Income, 3BR | - | - | - | - | - | - | - |
| Minimum Income, 4BR | - | - | - | - | - | - | - |
| Minimum Qualified Income | \$20,040 | \$20,040 | - | - | - | - | - |
| HH Below Upper Income | 872 | 206 | 0 | 0 | 0 | 0 | 0 |
| HH Below Lower Income | 732 | 146 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 140 | 60 | 0 | 0 | 0 | 0 | 0 |

Demand Estimate

199

Our analysis suggests demand for a total of 199 size- and income-qualified units in the market area.

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

Demand Estimate, Restricted, 60% of AMI

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

| 55+ Renter Households, by Income, by Size | | | | | | | | |
|---|----|-----------|----------|----------|----------|----------|-----------|----|
| 2023 | | | | | | | | |
| 2023 | \$ | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| \$0 | to | \$9,999 | 231 | 58 | 5 | 5 | 9 | 2 |
| \$0 | to | \$19,999 | 732 | 146 | 61 | 11 | 13 | 2 |
| \$0 | to | \$29,999 | 1,043 | 216 | 75 | 22 | 20 | 3 |
| \$0 | to | \$39,999 | 1,179 | 244 | 94 | 39 | 25 | 5 |
| \$0 | to | \$49,999 | 1,325 | 281 | 112 | 67 | 32 | 6 |
| \$0 | to | \$59,999 | 1,391 | 337 | 119 | 71 | 48 | 13 |
| \$0 | to | \$74,999 | 1,434 | 403 | 168 | 77 | 51 | 14 |
| \$0 | to | \$99,999 | 1,529 | 443 | 195 | 85 | 59 | 15 |
| \$0 | to | \$124,999 | 1,560 | 476 | 207 | 91 | 69 | 19 |
| \$0 | to | \$149,999 | 1,611 | 486 | 222 | 95 | 75 | 20 |
| \$0 | to | \$199,999 | 1,679 | 512 | 228 | 102 | 79 | 20 |
| \$0 | or | more | 1,735 | 535 | 237 | 106 | 87 | 21 |

| Demand Estimate, Restricted, 60% of AMI | | | | | | | |
|---|----------|----------|----------|----------|----------|-----------|---|
| | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | |
| Maximum Income, 0BR | - | - | - | - | - | - | - |
| Maximum Income, 1BR | \$29,940 | \$34,200 | - | - | - | - | - |
| Maximum Income, 2BR | - | - | - | - | - | - | - |
| Maximum Income, 3BR | - | - | - | - | - | - | - |
| Maximum Income, 4BR | - | - | - | - | - | - | - |
| Maximum Allowable Income | \$29,940 | \$34,200 | - | - | - | - | - |
| Minimum Income, 0BR | - | - | - | - | - | - | - |
| Minimum Income, 1BR | \$20,250 | \$20,250 | - | - | - | - | - |
| Minimum Income, 2BR | - | - | - | - | - | - | - |
| Minimum Income, 3BR | - | - | - | - | - | - | - |
| Minimum Income, 4BR | - | - | - | - | - | - | - |
| Minimum Qualified Income | \$20,250 | \$20,250 | - | - | - | - | - |
| HH Below Upper Income | 1,027 | 227 | 0 | 0 | 0 | 0 | 0 |
| HH Below Lower Income | 732 | 146 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 295 | 81 | 0 | 0 | 0 | 0 | 0 |

Demand Estimate

377

Our analysis suggests demand for a total of 377 size- and income-qualified units in the market area.

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

Demand Estimate

In this section, we derive our overburdened demand and capture rate estimates for the subject property. Our analysis, which begins with the income-qualified renter household estimates developed above, is found below.

| Income Qualified Renter Households | | | | | | | | |
|------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | | | 228 | 199 | 377 | | | |

The next step in our analysis is to account for 2 years of growth to estimate the demand stemming from new income qualified rental households. Our estimates are found below.

| Annual Renter Household Growth Rate | | | | | | | | |
|-------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| 0.9% | | | | | | | | |
| New Rental Households | | | | | | | | |
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | | | 4 | 4 | 7 | | | |

The next step in our analysis is to estimate existing demand stemming from income-qualified overburdened renter households in this market area. Our estimates are found below.

| Overburdened Renter Households | | | | | | | | |
|---|-----|-----|-----|-----|-----|-----|-----|-----|
| 44.6% | | | | | | | | |
| Existing Households - Rent Overburdened | | | | | | | | |
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | | | 102 | 89 | 168 | | | |

The next step in our analysis is to estimate existing demand stemming from income-qualified substandard renter households in this market area. Our estimates are found below.

| Substandard Renter Households | | | | | | | | |
|-----------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| 8.2% | | | | | | | | |
| Existing Households - Substandard | | | | | | | | |
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | | | 19 | 16 | 31 | | | |

The next step in our analysis is to account for elderly homeowners likely to convert to rental housing. This component may not comprise more than 20 percent of total demand. Our estimates are found below.

| Elderly Homeowners Likely to Convert to Rental Housing | | | | | | | | |
|--|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | | | 32 | 29 | 54 | | | |

The next step in our analysis is to account for existing qualifying tenants likely to remain after renovation. Our estimates are found below.

| Subject Property Units (Total) | | | | | | | | |
|---|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | | | 4 | 16 | 19 | | | |
| Existing Qualifying Tenants Likely to Remain after Renovation | | | | | | | | |
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | | | 2 | 8 | 10 | | | |

The next step in our analysis is to tally up total demand for the subject property. Our estimates are found below.

| Total Demand | | | | | | | | |
|--------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | | | 159 | 146 | 271 | | | |

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

| Vacant Competing & Pipeline Units | | | | | | | | |
|-----------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | | | | | 2 | | | |

The next step in our analysis is to subtract the number of vacant competing & pipeline units from total demand to arrive at a net demand estimate for the subject property. Our estimates are found below.

| Net Demand (Total Demand - Vacant Competing & Pipeline Units) | | | | | | | | |
|---|-----|-----|-----|-----|-----|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | | | 159 | 146 | 269 | | | |

The next step in our analysis is to compute the capture rate for the project. For purposes of this computation, we define capture rate as the total number of subject property units divided by net demand. Underwriters often utilize capture rate limits of 10 to 20 percent using this methodology. Our estimates are presented below:

| Capture Rates (Subject Property Units / Net Demand) | | | | | | | | |
|---|-----|-----|------|-------|------|-----|-----|-----|
| | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot | | | 2.5% | 10.9% | 7.1% | | | |

Our findings are summarized below.

| | |
|--|----------|
| Project-Wide Capture Rate - LIHTC Units | 6.8% |
| Project-Wide Capture Rate - Market Units | |
| Project-Wide Capture Rate - All Units | 6.8% |
| Project-Wide Absorption Period (Months) | 4 months |

Please note: Project-wide capture rate estimates do not account for income band overlap at the project level.

RENT COMPARABLES, MARKET RATE

Project Information

| | |
|--------------------|------------------|
| Property Name | Blackstone Lofts |
| Street Number | 325 |
| Street Name | 2nd |
| Street Type | Street |
| City | Blackstone |
| State | Virginia |
| Zip | 23824 |
| Phone Number | |
| Year Built | 1945 |
| Year Renovated | 2011 |
| Minimum Lease | 12 |
| Min. Security Dep. | 1 month |
| Other Fees | \$40 |
| Waiting List | na |
| Project Rent | Market Rate |
| Project Type | Family |
| Project Status | Stabilized |
| Financing | Conventional |
| Vouchers | |
| Latitude | 37.0756 |
| Longitude | -78.0041 |
| Nearest Crossroads | na |
| AAC Code | 23-026 006 |

Photo



Location Map



Interview Notes

| | |
|--------------------|------------------|
| Person Interviewed | Ms. Liz, Manager |
| Phone Number | (434) 292-5020 |
| Interview Date | 02-Mar-23 |
| Interviewed By | PL |

Stylish 1 bedroom loft style apartment owned by Liz Lee, broker. Contact advised of new apartments in the area such as a former military academy being converted, 90 new townhomes, and women's college becoming a boutique hotel.

Unit Configuration

| BR | BA | SF | Unit Type | Inc Limit | Rent Limit | HOME Units | Subs Units | Total Units | Vac Units | Street Rent | Disc | Net Rent | UA | Gross Rent |
|-----------------|-----|-----|-------------|-----------|------------|------------|------------|-------------|-----------|-------------|------|----------|------|------------|
| 1 | 1.0 | 450 | Garden/Flat | Mar | Mar | No | No | 6 | 1 | \$880 | | \$880 | \$88 | \$968 |
| 1 | 1.0 | 475 | Garden/Flat | Mar | Mar | No | No | 17 | | \$880 | | \$880 | \$88 | \$968 |
| 1 | 1.0 | 575 | Garden/Flat | Mar | Mar | No | No | 2 | | \$900 | | \$900 | \$88 | \$988 |
| Total / Average | | 477 | | | | | | 145 | 25 | \$882 | | \$882 | \$88 | \$970 |

| Tenant-Paid Utilities | | |
|-----------------------|----------|------|
| Utility | Comp | Subj |
| Heat-Electric | yes | yes |
| Cooking-Electric | yes | yes |
| Other Electric | yes | yes |
| Air Cond | yes | yes |
| Hot Water-Electric | yes | yes |
| Water | no | yes |
| Sewer | no | yes |
| Trash | yes | no |
| Comp vs. Subject | Superior | |

| Tenant-Paid Technology | | |
|------------------------|----------|------|
| Technology | Comp | Subj |
| Cable | yes | yes |
| Internet | yes | no |
| Comp vs. Subject | Inferior | |

| Visibility | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Visibility | 3.00 | 2.50 |
| Comp vs. Subject | Superior | |

| Access | | |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Access | 3.00 | 3.00 |
| Comp vs. Subject | Similar | |

| Neighborhood | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Neighborhood | 3.00 | 2.70 |
| Comp vs. Subject | Superior | |

| Proximity to Area Amenities | | |
|-----------------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Area Amenities | 3.70 | 3.20 |
| Comp vs. Subject | Superior | |

| Condition | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Condition | 3.00 | 4.00 |
| Comp vs. Subject | Inferior | |

| Effective Age | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Effective Age | 2001 | 2013 |
| Comp vs. Subject | Inferior | |

| Site & Common Area Amenities | | |
|------------------------------|----------|------|
| Amenity | Comp | Subj |
| Ball Field | no | no |
| BBQ Area | no | yes |
| Billiard/Game | no | no |
| Bus/Comp Ctr | no | no |
| Car Care Ctr | no | no |
| Comm Center | no | yes |
| Elevator | no | no |
| Fitness Ctr | no | no |
| Gazebo/Patio | no | yes |
| Hot Tub/Jacuzzi | no | no |
| Herb Garden | no | no |
| Horseshoes | no | yes |
| Lake | no | no |
| Library | no | no |
| Movie/Media Ctr | no | no |
| Picnic Area | no | yes |
| Playground | no | no |
| Pool | no | no |
| Sauna | no | no |
| Sports Court | no | yes |
| Walking Trail | no | no |
| Comp vs. Subject | Inferior | |

| Unit Amenities | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Blinds | yes | yes |
| Ceiling Fans | no | yes |
| Hardwood | yes | yes |
| Fireplace | no | no |
| Patio/Balcony | no | yes |
| Storage | no | no |
| Comp vs. Subject | Inferior | |

| Kitchen Amenities | | |
|-------------------|----------|------|
| Amenity | Comp | Subj |
| Stove | yes | yes |
| Refrigerator | yes | yes |
| Disposal | yes | no |
| Dishwasher | yes | yes |
| Microwave | yes | no |
| Comp vs. Subject | Superior | |

| Air Conditioning | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Window Units | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Heat | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Baseboards | no | no |
| Boiler/Radiators | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Parking | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Garage | no | no |
| Covered Pkg | no | no |
| Assigned Pkg | no | no |
| Open | yes | yes |
| None | no | no |
| Comp vs. Subject | Similar | |

| Laundry | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | no | yes |
| W/D Units | yes | no |
| W/D Hookups | no | no |
| Comp vs. Subject | Superior | |

| Security | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Call Buttons | no | yes |
| Cont Access | no | no |
| Courtesy Officer | no | no |
| Monitoring | no | no |
| Security Alarms | no | no |
| Security Patrols | no | no |
| Comp vs. Subject | Inferior | |

| Services | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| After School | na | no |
| Concierge | na | no |
| Hair Salon | na | no |
| Health Care | na | no |
| Housekeeping | na | no |
| Meals | na | no |
| Transportation | na | no |
| Comp vs. Subject | Similar | |

Blackstone Lofts is an existing multifamily development located at 325 2nd Street in Blackstone, Virginia. The property, which consists of 25 apartment units, was originally constructed in 1945 with conventional financing. All units are set aside as market rate units. The property currently stands at 96 percent occupancy.

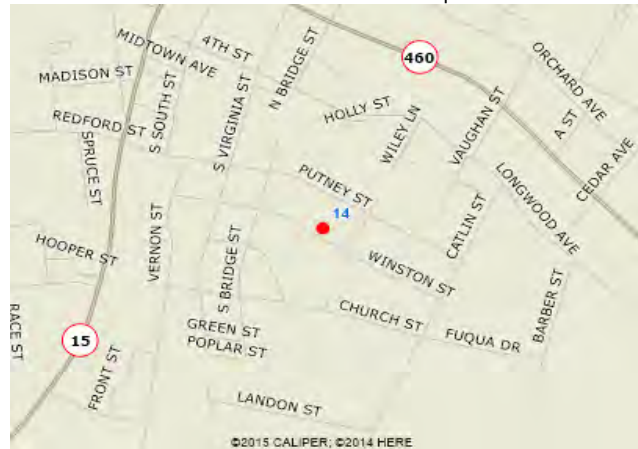
Project Information

| | |
|--------------------|-----------------------------|
| Property Name | Churchill Apartments |
| Street Number | 416 |
| Street Name | Winston |
| Street Type | Avenue |
| City | Farmville |
| State | Virginia |
| Zip | 23901 |
| Phone Number | (866) 486-0699 |
| Year Built | 1967 |
| Year Renovated | 2008 |
| Minimum Lease | 12 |
| Min. Security Dep. | \$150 |
| Other Fees | \$250 |
| Waiting List | na |
| Project Rent | Market Rate |
| Project Type | Family |
| Project Status | Stabilized |
| Financing | Conventional |
| Vouchers | |
| Latitude | 37.2964 |
| Longitude | -78.3887 |
| Nearest Crossroads | Wiley Lane & Winston Avenue |
| AAC Code | 23-026 014 |

Photo



Location Map



Interview Notes

| | |
|--------------------|----------------------------|
| Person Interviewed | Ms. Heather, Leasing Agent |
| Phone Number | (434) 392-7440 |
| Interview Date | 22-Feb-22 |
| Interviewed By | AK |

Courtesy Officer at Sun Chase Apartments, which is 2 minutes away. We were unable to reach this property during our February, 2023 study, therefore the information in this report reflects our February, 2022 survey of this property.

Unit Configuration

| BR | BA | SF | Unit Type | Inc Limit | Rent Limit | HOME Units | Subs Units | Total Units | Vac Units | Street Rent | Disc | Net Rent | UA | Gross Rent |
|-----------------|-----|------|-------------|-----------|------------|------------|------------|-------------|-----------|-------------|------|----------|------|------------|
| 1 | 1.0 | 700 | Garden/Flat | Mar | Mar | No | No | 4 | | \$657 | | \$657 | \$47 | \$704 |
| 2 | 1.0 | 1000 | Garden/Flat | Mar | Mar | No | No | 20 | | \$757 | | \$757 | \$64 | \$821 |
| Total / Average | | 950 | | | | | | 147 | 24 | \$740 | | \$740 | \$61 | \$802 |

| Tenant-Paid Utilities | | |
|-----------------------|----------|------|
| Utility | Comp | Subj |
| Heat-Electric | yes | yes |
| Cooking-Electric | yes | yes |
| Other Electric | yes | yes |
| Air Cond | yes | yes |
| Hot Water-Electric | no | yes |
| Water | no | yes |
| Sewer | no | yes |
| Trash | no | no |
| Comp vs. Subject | Superior | |

| Tenant-Paid Technology | | |
|------------------------|---------|------|
| Technology | Comp | Subj |
| Cable | yes | yes |
| Internet | no | no |
| Comp vs. Subject | Similar | |

| Visibility | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Visibility | 2.75 | 2.50 |
| Comp vs. Subject | Superior | |

| Access | | |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Access | 3.00 | 3.00 |
| Comp vs. Subject | Similar | |

| Neighborhood | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Neighborhood | 3.10 | 2.70 |
| Comp vs. Subject | Superior | |

| Proximity to Area Amenities | | |
|-----------------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Area Amenities | 4.50 | 3.20 |
| Comp vs. Subject | Superior | |

| Condition | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Condition | 3.00 | 4.00 |
| Comp vs. Subject | Inferior | |

| Effective Age | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Effective Age | 1967 | 2013 |
| Comp vs. Subject | Inferior | |

| Site & Common Area Amenities | | |
|------------------------------|----------|------|
| Amenity | Comp | Subj |
| Ball Field | no | no |
| BBQ Area | no | yes |
| Billiard/Game | no | no |
| Bus/Comp Ctr | no | no |
| Car Care Ctr | no | no |
| Comm Center | no | yes |
| Elevator | no | no |
| Fitness Ctr | no | no |
| Gazebo/Patio | no | yes |
| Hot Tub/Jacuzzi | no | no |
| Herb Garden | no | no |
| Horseshoes | no | yes |
| Lake | no | no |
| Library | no | no |
| Mov/edia Ctr | no | no |
| Picnic Area | no | yes |
| Playground | no | no |
| Pool | no | no |
| Sauna | no | no |
| Sports Court | no | yes |
| Walking Trail | no | no |
| Comp vs. Subject | Inferior | |

| Unit Amenities | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Blinds | yes | yes |
| Ceiling Fans | no | yes |
| Hardwood | yes | yes |
| Fireplace | no | no |
| Patio/Balcony | no | yes |
| Storage | no | no |
| Comp vs. Subject | Inferior | |

| Kitchen Amenities | | |
|-------------------|---------|------|
| Amenity | Comp | Subj |
| Stove | yes | yes |
| Refrigerator | yes | yes |
| Disposal | yes | no |
| Dishwasher | no | yes |
| Microwave | no | no |
| Comp vs. Subject | Similar | |

| Air Conditioning | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Window Units | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Heat | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Baseboards | no | no |
| Boiler/Radiators | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Parking | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Garage | no | no |
| Covered Pkg | no | no |
| Assigned Pkg | no | no |
| Open | yes | yes |
| None | no | no |
| Comp vs. Subject | Similar | |

| Laundry | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Central | yes | yes |
| W/D Units | no | no |
| W/D Hookups | no | no |
| Comp vs. Subject | Similar | |

| Security | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Call Buttons | no | yes |
| Cont Access | no | no |
| Courtesy Officer | yes | no |
| Monitoring | no | no |
| Security Alarms | no | no |
| Security Patrols | no | no |
| Comp vs. Subject | Similar | |

| Services | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| After School | no | no |
| Concierge | no | no |
| Hair Salon | no | no |
| Health Care | no | no |
| Housekeeping | no | no |
| Meals | no | no |
| Transportation | no | no |
| Comp vs. Subject | Similar | |

Churchill Apartments is an existing multifamily development located at 416 Winston Avenue in Farmville, Virginia. The property, which consists of 24 apartment units, was originally constructed in 1967 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

Project Information

| | |
|--------------------|-------------------------|
| Property Name | Lofts at Worsham School |
| Street Number | 8832 |
| Street Name | Abilene |
| Street Type | Road |
| City | Worsham |
| State | Virginia |
| Zip | 23901 |
| Phone Number | 434.392.1999 |
| Year Built | 1927 |
| Year Renovated | 2011 |
| Minimum Lease | 12 |
| Min. Security Dep. | 1 month |
| Other Fees | \$40 |
| Waiting List | na |
| Project Rent | Market Rate |
| Project Type | Family |
| Project Status | Stabilized |
| Financing | Conventional |
| Vouchers | |
| Latitude | 37.2303 |
| Longitude | -78.4465 |
| Nearest Crossroads | na |
| AAC Code | 23-026 031 |

Photo



Location Map



Interview Notes

| | |
|--------------------|---------------------|
| Person Interviewed | Ms. Teresa, Manager |
| Phone Number | (434) 292-5020 |
| Interview Date | 01-Mar-23 |
| Interviewed By | PL |

Worsham High School, is a historic high school complex built in 1927, is a one- to two-story, banked brick building with a recessed, arched entrance showing influences from the Colonial Revival style. Also on the property are the contributing agriculture building and cannery, both rectangular cinder block buildings built about 1927. Some units at this

Unit Configuration

| BR | BA | SF | Unit Type | Inc Limit | Rent Limit | HOME Units | Subs Units | Total Units | Vac Units | Street Rent | Disc | Net Rent | UA | Gross Rent |
|-----------------|-----|------|-------------|-----------|------------|------------|------------|-------------|-----------|-------------|------|----------|----|------------|
| 1 | 1.0 | 600 | Garden/Flat | Mar | Mar | No | No | 4 | | \$1,100 | | \$1,100 | | \$1,100 |
| 1 | 1.0 | 600 | Garden/Flat | Mar | Mar | No | No | 3 | | \$1,350 | | \$1,350 | | \$1,350 |
| 2 | 2.0 | 1000 | Garden/Flat | Mar | Mar | No | No | 4 | | \$1,300 | | \$1,300 | | \$1,300 |
| 2 | 2.0 | 1000 | Garden/Flat | Mar | Mar | No | No | 3 | | \$1,500 | | \$1,500 | | \$1,500 |
| Total / Average | | 800 | | | | | | 149 | 14 | \$1,296 | | \$1,296 | | \$1,296 |

| Tenant-Paid Utilities | | |
|-----------------------|----------|------|
| Utility | Comp | Subj |
| Heat-Electric | no | yes |
| Cooking-Electric | no | yes |
| Other Electric | no | yes |
| Air Cond | no | yes |
| Hot Water-Electric | no | yes |
| Water | no | yes |
| Sewer | no | yes |
| Trash | no | no |
| Comp vs. Subject | Superior | |

| Tenant-Paid Technology | | |
|------------------------|----------|------|
| Technology | Comp | Subj |
| Cable | yes | yes |
| Internet | yes | no |
| Comp vs. Subject | Inferior | |

| Visibility | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Visibility | 4.00 | 2.50 |
| Comp vs. Subject | Superior | |

| Access | | |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Access | 3.00 | 3.00 |
| Comp vs. Subject | Similar | |

| Neighborhood | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Neighborhood | 3.20 | 2.70 |
| Comp vs. Subject | Superior | |

| Proximity to Area Amenities | | |
|-----------------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Area Amenities | 2.00 | 3.20 |
| Comp vs. Subject | Inferior | |

| Condition | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Condition | 3.50 | 4.00 |
| Comp vs. Subject | Inferior | |

| Effective Age | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Effective Age | 2001 | 2013 |
| Comp vs. Subject | Inferior | |

| Site & Common Area Amenities | | |
|------------------------------|----------|------|
| Amenity | Comp | Subj |
| Ball Field | no | no |
| BBQ Area | no | yes |
| Billiard/Game | no | no |
| Bus/Comp Ctr | no | no |
| Car Care Ctr | no | no |
| Comm Center | yes | yes |
| Elevator | no | no |
| Fitness Ctr | yes | no |
| Gazebo/Patio | no | yes |
| Hot Tub/Jacuzzi | no | no |
| Herb Garden | no | no |
| Horseshoes | no | yes |
| Lake | no | no |
| Library | no | no |
| Movie/Media Ctr | no | no |
| Picnic Area | no | yes |
| Playground | no | no |
| Pool | no | no |
| Sauna | no | no |
| Sports Court | no | yes |
| Walking Trail | no | no |
| Comp vs. Subject | Inferior | |

| Unit Amenities | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Blinds | yes | yes |
| Ceiling Fans | yes | yes |
| Hardwood | some | yes |
| Fireplace | no | no |
| Patio/Balcony | no | yes |
| Storage | no | no |
| Comp vs. Subject | Inferior | |

| Kitchen Amenities | | |
|-------------------|----------|------|
| Amenity | Comp | Subj |
| Stove | yes | yes |
| Refrigerator | yes | yes |
| Disposal | no | no |
| Dishwasher | yes | yes |
| Microwave | yes | no |
| Comp vs. Subject | Superior | |

| Air Conditioning | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Window Units | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Heat | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Baseboards | no | no |
| Boiler/Radiators | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Parking | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Garage | no | no |
| Covered Pkg | no | no |
| Assigned Pkg | no | no |
| Open | yes | yes |
| None | no | no |
| Comp vs. Subject | Similar | |

| Laundry | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | no | yes |
| W/D Units | yes | no |
| W/D Hookups | no | no |
| Comp vs. Subject | Superior | |

| Security | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Call Buttons | no | yes |
| Cont Access | yes | no |
| Courtesy Officer | no | no |
| Monitoring | yes | no |
| Security Alarms | no | no |
| Security Patrols | no | no |
| Comp vs. Subject | Superior | |

| Services | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| After School | na | no |
| Concierge | na | no |
| Hair Salon | na | no |
| Health Care | na | no |
| Housekeeping | na | no |
| Meals | na | no |
| Transportation | na | no |
| Comp vs. Subject | Similar | |

Lofts at Worsham School is an existing multifamily development located at 8832 Abilene Road in Worsham, Virginia. The property, which consists of 14 apartment units, was originally constructed in 1927 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

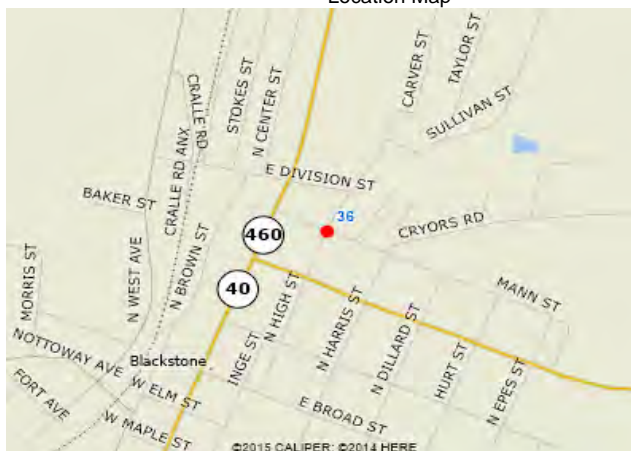
Project Information

| | |
|--------------------|------------------------|
| Property Name | Mann Street Apartments |
| Street Number | 200 |
| Street Name | Mann |
| Street Type | Street |
| City | Blackstone |
| State | Virginia |
| Zip | 23824 |
| Phone Number | (434) 298-6872 |
| Year Built | 1998 |
| Year Renovated | na |
| Minimum Lease | 1 |
| Min. Security Dep. | 1 month |
| Other Fees | |
| Waiting List | no |
| Project Rent | Market Rate |
| Project Type | Elderly |
| Project Status | Stabilized |
| Financing | Conventional |
| Vouchers | |
| Latitude | 37.0836 |
| Longitude | -77.9942 |
| Nearest Crossroads | na |
| AAC Code | 23-026 036 |

Photo



Location Map



Interview Notes

| | |
|--------------------|--------------------------------|
| Person Interviewed | Mr. O.D. Duncanson, III, Owner |
| Phone Number | (434) 298-6872 |
| Interview Date | 01-Mar-23 |
| Interviewed By | PL |

Last 2 buildings built in 2008 and 2 heat pumps were replaced in 2013. Contact advised in 2019 that 21 units have a waster and sewer included in the rental rate. 2022 concrete parking lot.

Unit Configuration

| BR | BA | SF | Unit Type | Inc Limit | Rent Limit | HOME Units | Subs Units | Total Units | Vac Units | Street Rent | Disc | Net Rent | UA | Gross Rent |
|-----------------|-----|-----|-------------|-----------|------------|------------|------------|-------------|-----------|-------------|------|----------|-------|------------|
| 1 | 1.0 | 720 | Garden/Flat | Mar | Mar | No | No | 36 | | \$750 | | \$750 | \$88 | \$838 |
| 2 | 1.0 | 720 | Garden/Flat | Mar | Mar | No | No | 3 | | \$800 | | \$800 | \$109 | \$909 |
| Total / Average | | 720 | | | | | | 151 | 39 | \$754 | | \$754 | \$90 | \$843 |

| Tenant-Paid Utilities | | |
|-----------------------|----------|------|
| Utility | Comp | Subj |
| Heat-Electric | yes | yes |
| Cooking-Electric | yes | yes |
| Other Electric | yes | yes |
| Air Cond | yes | yes |
| Hot Water-Electric | yes | yes |
| Water | no | yes |
| Sewer | no | yes |
| Trash | yes | no |
| Comp vs. Subject | Superior | |

| Tenant-Paid Technology | | |
|------------------------|----------|------|
| Technology | Comp | Subj |
| Cable | yes | yes |
| Internet | yes | no |
| Comp vs. Subject | Inferior | |

| Visibility | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Visibility | 3.25 | 2.50 |
| Comp vs. Subject | Superior | |

| Access | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Access | 3.25 | 3.00 |
| Comp vs. Subject | Superior | |

| Neighborhood | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Neighborhood | 2.00 | 2.70 |
| Comp vs. Subject | Inferior | |

| Proximity to Area Amenities | | |
|-----------------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Area Amenities | 3.70 | 3.20 |
| Comp vs. Subject | Superior | |

| Condition | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Condition | 3.50 | 4.00 |
| Comp vs. Subject | Inferior | |

| Effective Age | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Effective Age | 1998 | 2013 |
| Comp vs. Subject | Inferior | |

| Site & Common Area Amenities | | |
|------------------------------|----------|------|
| Amenity | Comp | Subj |
| Ball Field | no | no |
| BBQ Area | no | yes |
| Billiard/Game | no | no |
| Bus/Comp Ctr | no | no |
| Car Care Ctr | no | no |
| Comm Center | no | yes |
| Elevator | no | no |
| Fitness Ctr | no | no |
| Gazebo/Patio | no | yes |
| Hot Tub/Jacuzzi | no | no |
| Herb Garden | no | no |
| Horseshoes | no | yes |
| Lake | no | no |
| Library | no | no |
| Movie/Media Ctr | no | no |
| Picnic Area | no | yes |
| Playground | no | no |
| Pool | no | no |
| Sauna | no | no |
| Sports Court | no | yes |
| Walking Trail | no | no |
| Comp vs. Subject | Inferior | |

| Unit Amenities | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Blinds | yes | yes |
| Ceiling Fans | no | yes |
| Carpeting | no | yes |
| Fireplace | no | no |
| Patio/Balcony | no | yes |
| Storage | no | no |
| Comp vs. Subject | Inferior | |

| Kitchen Amenities | | |
|-------------------|----------|------|
| Amenity | Comp | Subj |
| Stove | yes | yes |
| Refrigerator | yes | yes |
| Disposal | no | no |
| Dishwasher | no | yes |
| Microwave | no | no |
| Comp vs. Subject | Inferior | |

| Air Conditioning | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Window Units | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Heat | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Baseboards | no | no |
| Boiler/Radiators | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Parking | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Garage | no | no |
| Covered Pkg | no | no |
| Assigned Pkg | no | no |
| Open | yes | yes |
| None | no | no |
| Comp vs. Subject | Similar | |

| Laundry | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Central | no | yes |
| W/D Units | no | no |
| W/D Hookups | yes | no |
| Comp vs. Subject | Similar | |

| Security | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Call Buttons | no | yes |
| Cont Access | no | no |
| Courtesy Officer | no | no |
| Monitoring | no | no |
| Security Alarms | no | no |
| Security Patrols | no | no |
| Comp vs. Subject | Inferior | |

| Services | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| After School | no | no |
| Concierge | no | no |
| Hair Salon | no | no |
| Health Care | no | no |
| Housekeeping | no | no |
| Meals | no | no |
| Transportation | no | no |
| Comp vs. Subject | Similar | |

Mann Street Apartments is an existing multifamily development located at 200 Mann Street in Blackstone, Virginia. The property, which consists of 39 apartment units, was originally constructed in 1998 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

Project Information

| | | |
|--------------------|--------------------------------------|-----|
| Property Name | Poplar Forest Apartments Phase 1 & 2 | |
| Street Number | 900 | |
| Street Name | Poplar Forest | |
| Street Type | Road | |
| City | Farmville | |
| State | Virginia | |
| Zip | 23901 | |
| Phone Number | (434) 392-5300 | |
| Year Built | 1999 | |
| Year Renovated | 2010 | |
| Minimum Lease | 12 | |
| Min. Security Dep. | \$525 | |
| Other Fees | \$40 | |
| Waiting List | 6 months | |
| Project Rent | Market Rate | |
| Project Type | Family | |
| Project Status | Stabilized | |
| Financing | Bond | |
| Vouchers | | |
| Latitude | 37.2615 | |
| Longitude | -78.3958 | |
| Nearest Crossroads | na | |
| AAC Code | 23-026 | 048 |

Photo



Location Map



Interview Notes

| | |
|--------------------|-------------------------|
| Person Interviewed | Mr. Mike, Asst. Manager |
| Phone Number | (434) 392-5300 |
| Interview Date | 02-Mar-23 |
| Interviewed By | PL |

Property has 44 VHDA units with an income restrictions of 150% (located at Parc Crest at Poplar Forest apartments) and 72 HUD units that rent at Market Rates with no income restrictions. Property was built in three phases, the latest being 2003. Due to a fire in the 1BR building, the building was rebuilt in 2010. This property shares amenities with

Unit Configuration

| BR | BA | SF | Unit Type | Inc Limit | Rent Limit | HOME Units | Subs Units | Total Units | Vac Units | Street Rent | Disc | Net Rent | UA | Gross Rent |
|-----------------|-----|-------|-------------|-----------|------------|------------|------------|-------------|-----------|-------------|------|----------|-------|------------|
| 1 | 1.0 | 795 | Garden/Flat | Mar | Mar | No | No | 8 | | \$975 | | \$975 | \$123 | \$1,098 |
| 2 | 2.0 | 978 | Garden/Flat | Mar | Mar | No | No | 87 | 2 | \$1,033 | | \$1,033 | \$181 | \$1,214 |
| 3 | 2.0 | 1100 | Garden/Flat | Mar | Mar | No | No | 43 | | \$1,250 | | \$1,250 | \$255 | \$1,505 |
| Total / Average | | 1,005 | | | | | | 138 | 2 | \$1,097 | | \$1,097 | \$201 | \$1,298 |

| Tenant-Paid Utilities | | |
|-----------------------|---------|------|
| Utility | Comp | Subj |
| Heat-Electric | yes | yes |
| Cooking-Electric | yes | yes |
| Other Electric | yes | yes |
| Air Cond | yes | yes |
| Hot Water-Electric | yes | yes |
| Water | yes | yes |
| Sewer | yes | yes |
| Trash | no | no |
| Comp vs. Subject | Similar | |

| Tenant-Paid Technology | | |
|------------------------|----------|------|
| Technology | Comp | Subj |
| Cable | yes | yes |
| Internet | yes | no |
| Comp vs. Subject | Inferior | |

| Visibility | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Visibility | 3.00 | 2.50 |
| Comp vs. Subject | Superior | |

| Access | | |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Access | 3.00 | 3.00 |
| Comp vs. Subject | Similar | |

| Neighborhood | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Neighborhood | 3.90 | 2.70 |
| Comp vs. Subject | Superior | |

| Proximity to Area Amenities | | |
|-----------------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Area Amenities | 2.90 | 3.20 |
| Comp vs. Subject | Inferior | |

| Condition | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Condition | 4.50 | 4.00 |
| Comp vs. Subject | Superior | |

| Effective Age | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Effective Age | 2000 | 2013 |
| Comp vs. Subject | Inferior | |

| Site & Common Area Amenities | | |
|------------------------------|----------|------|
| Amenity | Comp | Subj |
| Ball Field | no | no |
| BBQ Area | yes | yes |
| Billiard/Game | no | no |
| Bus/Comp Ctr | no | no |
| Car Care Ctr | no | no |
| Comm Center | yes | yes |
| Elevator | no | no |
| Fitness Ctr | yes | no |
| Gazebo/Patio | no | yes |
| Hot Tub/Jacuzzi | no | no |
| Herb Garden | no | no |
| Horseshoes | no | yes |
| Lake | no | no |
| Library | no | no |
| Movary/Media Ctr | no | no |
| Picnic Area | yes | yes |
| Playground | yes | no |
| Pool | yes | no |
| Sauna | no | no |
| Sports Court | yes | yes |
| Walking Trail | yes | no |
| Comp vs. Subject | Superior | |

| Unit Amenities | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Blinds | yes | yes |
| Ceiling Fans | no | yes |
| Carpeting | yes | yes |
| Fireplace | some | no |
| Patio/Balcony | some | yes |
| Storage | yes | no |
| Comp vs. Subject | Superior | |

| Kitchen Amenities | | |
|-------------------|----------|------|
| Amenity | Comp | Subj |
| Stove | yes | yes |
| Refrigerator | yes | yes |
| Disposal | yes | no |
| Dishwasher | yes | yes |
| Microwave | yes | no |
| Comp vs. Subject | Superior | |

| Air Conditioning | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Window Units | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Heat | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Baseboards | no | no |
| Boiler/Radiators | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Parking | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Garage | no | no |
| Covered Pkg | no | no |
| Assigned Pkg | no | no |
| Open | yes | yes |
| None | no | no |
| Comp vs. Subject | Similar | |

| Laundry | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | no | yes |
| W/D Units | yes | no |
| W/D Hookups | no | no |
| Comp vs. Subject | Superior | |

| Security | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Call Buttons | no | yes |
| Cont Access | no | no |
| Courtesy Officer | yes | no |
| Monitoring | no | no |
| Security Alarms | no | no |
| Security Patrols | no | no |
| Comp vs. Subject | Similar | |

| Services | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| After School | no | no |
| Concierge | no | no |
| Hair Salon | no | no |
| Health Care | no | no |
| Housekeeping | no | no |
| Meals | no | no |
| Transportation | no | no |
| Comp vs. Subject | Similar | |

Poplar Forest Apartments Phase 1 & 2 is an existing multifamily development located at 900 Poplar Forest Road in Farmville, Virginia. The property, which consists of 138 apartment units, was originally constructed in 1999 with bond financing. All units are set aside as market rate units. The property currently stands at 99 percent occupancy.

RENT COMPARABLES, RESTRICTED RENT

Project Information

| | | |
|--------------------|-------------------------|------------|
| Property Name | Cole-Harbour Apartments | |
| Street Number | 1136 | |
| Street Name | Cole Harbor | |
| Street Type | Road | |
| City | Blackstone | |
| State | Virginia | |
| Zip | 23824 | |
| Phone Number | (434) 298-3940 | |
| Year Built | 1981 | |
| Year Renovated | 2008 | |
| Minimum Lease | 12 | |
| Min. Security Dep. | 1 month | |
| Other Fees | \$12 | |
| Waiting List | 4 people | |
| Project Rent | Restricted | |
| Project Type | Family | |
| Project Status | Stabilized | |
| Financing | 2007 | Tax Credit |
| Vouchers | 4 | |
| Latitude | 37.0822 | |
| Longitude | -78.0208 | |
| Nearest Crossroads | na | |
| AAC Code | 23-026 | 015 |

Photo



Location Map



Interview Notes

| | |
|--------------------|--------------------|
| Person Interviewed | Ms. Tammy, Manager |
| Phone Number | (434) 298-3940 |
| Interview Date | 01-Mar-23 |
| Interviewed By | PL |

2007 TC's awarded for rehabilitation of this RD property with 30 RD units of project based rental assistance available to tenants. Property has security lighting. Some buildings are attached together by a firewall and appear to be one building, but are actually two.

Unit Configuration

| BR | BA | SF | Unit Type | Inc Limit | Rent Limit | HOME Units | Subs Units | Total Units | Vac Units | Street Rent | Disc | Net Rent | UA | Gross Rent |
|-----------------|-----|-----|-------------|-----------|------------|------------|------------|-------------|-----------|-------------|------|----------|-------|------------|
| 1 | 1.0 | 548 | Garden/Flat | 40% | 40% | No | Yes | 2 | | \$563 | | \$563 | \$100 | \$663 |
| 1 | 1.0 | 548 | Garden/Flat | 50% | 50% | No | Yes | 12 | | \$563 | | \$563 | \$100 | \$663 |
| 1 | 1.0 | 548 | Garden/Flat | 60% | 60% | No | No | 2 | 2 | \$563 | | \$563 | \$100 | \$663 |
| 2 | 1.0 | 968 | Townhome | 40% | 40% | No | Yes | 2 | | \$637 | | \$637 | \$147 | \$784 |
| 2 | 1.0 | 968 | Townhome | 50% | 50% | No | Yes | 14 | | \$637 | | \$637 | \$147 | \$784 |
| 2 | 1.0 | 968 | Townhome | 60% | 60% | No | No | 4 | 1 | \$836 | | \$836 | \$147 | \$983 |
| Total / Average | | 781 | | | | | | 156 | 36 | 3 | | \$626 | \$126 | \$752 |

| Tenant-Paid Utilities | | |
|-----------------------|----------|------|
| Utility | Comp | Subj |
| Heat-Electric | yes | yes |
| Cooking-Electric | yes | yes |
| Other Electric | yes | yes |
| Air Cond | yes | yes |
| Hot Water-Electric | yes | yes |
| Water | no | yes |
| Sewer | no | yes |
| Trash | yes | no |
| Comp vs. Subject | Superior | |

| Tenant-Paid Technology | | |
|------------------------|----------|------|
| Technology | Comp | Subj |
| Cable | yes | yes |
| Internet | yes | no |
| Comp vs. Subject | Inferior | |

| Visibility | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Visibility | 3.50 | 2.50 |
| Comp vs. Subject | Superior | |

| Access | | |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Access | 3.00 | 3.00 |
| Comp vs. Subject | Similar | |

| Neighborhood | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Neighborhood | 3.00 | 2.70 |
| Comp vs. Subject | Superior | |

| Proximity to Area Amenities | | |
|-----------------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Area Amenities | 2.50 | 3.20 |
| Comp vs. Subject | Inferior | |

| Condition | | |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Condition | 4.00 | 4.00 |
| Comp vs. Subject | Similar | |

| Effective Age | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Effective Age | 1998 | 2013 |
| Comp vs. Subject | Inferior | |

| Site & Common Area Amenities | | |
|------------------------------|----------|------|
| Amenity | Comp | Subj |
| Ball Field | no | no |
| BBQ Area | no | yes |
| Billiard/Game | no | no |
| Bus/Comp Ctr | no | no |
| Car Care Ctr | no | no |
| Comm Center | yes | yes |
| Elevator | no | no |
| Fitness Ctr | no | no |
| Gazebo/Patio | no | yes |
| Hot Tub/Jacuzzi | no | no |
| Herb Garden | no | no |
| Horseshoes | no | yes |
| Lake | no | no |
| Library | no | no |
| Movary/Media Ctr | no | no |
| Picnic Area | no | yes |
| Playground | yes | no |
| Pool | no | no |
| Sauna | no | no |
| Sports Court | no | yes |
| Walking Trail | no | no |
| Comp vs. Subject | Inferior | |

| Unit Amenities | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Blinds | yes | yes |
| Ceiling Fans | no | yes |
| Carpeting | yes | yes |
| Fireplace | no | no |
| Patio/Balcony | yes | yes |
| Storage | some | no |
| Comp vs. Subject | Inferior | |

| Kitchen Amenities | | |
|-------------------|----------|------|
| Amenity | Comp | Subj |
| Stove | yes | yes |
| Refrigerator | yes | yes |
| Disposal | no | no |
| Dishwasher | no | yes |
| Microwave | no | no |
| Comp vs. Subject | Inferior | |

| Air Conditioning | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Window Units | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Heat | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Baseboards | no | no |
| Boiler/Radiators | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Parking | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Garage | no | no |
| Covered Pkg | no | no |
| Assigned Pkg | no | no |
| Open | yes | yes |
| None | no | no |
| Comp vs. Subject | Similar | |

| Laundry | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Central | yes | yes |
| W/D Units | no | no |
| W/D Hookups | no | no |
| Comp vs. Subject | Similar | |

| Security | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Call Buttons | no | yes |
| Cont Access | no | no |
| Courtesy Officer | no | no |
| Monitoring | no | no |
| Security Alarms | no | no |
| Security Patrols | yes | no |
| Comp vs. Subject | Similar | |

| Services | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| After School | no | no |
| Concierge | no | no |
| Hair Salon | no | no |
| Health Care | no | no |
| Housekeeping | no | no |
| Meals | no | no |
| Transportation | no | no |
| Comp vs. Subject | Similar | |

Cole-Harbour Apartments is an existing multifamily development located at 1136 Cole Harbor Road in Blackstone, Virginia. The property, which consists of 36 apartment units, was originally constructed in 1981. This property is currently operated as a rent restricted property. The property currently stands at 92 percent occupancy.

Project Information

| | |
|--------------------|----------------------------|
| Property Name | Country Estates Apartments |
| Street Number | 402 |
| Street Name | Cedar |
| Street Type | Avenue |
| City | Farmville |
| State | Virginia |
| Zip | 23901 |
| Phone Number | (434) 392-3408 |
| Year Built | 1978 |
| Year Renovated | 2016 |
| Minimum Lease | 12 |
| Min. Security Dep. | \$250 |
| Other Fees | \$25 |
| Waiting List | no |
| Project Rent | Restricted |
| Project Type | Family |
| Project Status | Stabilized |
| Financing | 2014 Tax Credit |
| Vouchers | |
| Latitude | 37.2990 |
| Longitude | -78.3801 |
| Nearest Crossroads | na |
| AAC Code | 23-026 016 |

Photo



Location Map



Interview Notes

| | |
|--------------------|----------------------|
| Person Interviewed | Ms. Pierson, Manager |
| Phone Number | (434) 392-3408 |
| Interview Date | 01-Mar-23 |
| Interviewed By | PL |

2014 TC's & 1997 TC's awarded for acquisition/rehabilitation of this RD property with 21 units of project based rental assistance available to tenants. 2016 rehab completed.

Unit Configuration

| BR | BA | SF | Unit Type | Inc Limit | Rent Limit | HOME Units | Subs Units | Total Units | Vac Units | Street Rent | Disc | Net Rent | UA | Gross Rent |
|-----------------|-----|-----|-------------|-----------|------------|------------|------------|-------------|-----------|-------------|------|----------|------|------------|
| 1 | 1.0 | 556 | Garden/Flat | 50% | 40% | No | Yes | 4 | | \$553 | | \$553 | \$50 | \$603 |
| 1 | 1.0 | 578 | Garden/Flat | 50% | 50% | No | Yes | 6 | | \$553 | | \$553 | \$50 | \$603 |
| 1 | 1.0 | 556 | Garden/Flat | 60% | 60% | No | No | 2 | | \$553 | | \$553 | \$50 | \$603 |
| 2 | 1.0 | 706 | Garden/Flat | 50% | 50% | No | Yes | 9 | | \$623 | | \$623 | \$62 | \$685 |
| 2 | 1.0 | 732 | Garden/Flat | 50% | 50% | No | Yes | 2 | | \$623 | | \$623 | \$62 | \$685 |
| 2 | 1.0 | 757 | Garden/Flat | 60% | 60% | No | No | 1 | | \$841 | | \$841 | \$62 | \$903 |
| Total / Average | | 641 | | | | | | 158 | 24 | \$597 | | \$597 | \$56 | \$653 |

| Tenant-Paid Utilities | | |
|-----------------------|----------|------|
| Utility | Comp | Subj |
| Heat-Electric | yes | yes |
| Cooking-Electric | yes | yes |
| Other Electric | yes | yes |
| Air Cond | yes | yes |
| Hot Water-Electric | yes | yes |
| Water | no | yes |
| Sewer | no | yes |
| Trash | no | no |
| Comp vs. Subject | Superior | |

| Tenant-Paid Technology | | |
|------------------------|----------|------|
| Technology | Comp | Subj |
| Cable | yes | yes |
| Internet | yes | no |
| Comp vs. Subject | Inferior | |

| Visibility | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Visibility | 2.75 | 2.50 |
| Comp vs. Subject | Superior | |

| Access | | |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Access | 3.00 | 3.00 |
| Comp vs. Subject | Similar | |

| Neighborhood | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Neighborhood | 4.00 | 2.70 |
| Comp vs. Subject | Superior | |

| Proximity to Area Amenities | | |
|-----------------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Area Amenities | 4.20 | 3.20 |
| Comp vs. Subject | Superior | |

| Condition | | |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Condition | 4.00 | 4.00 |
| Comp vs. Subject | Similar | |

| Effective Age | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Effective Age | 2006 | 2013 |
| Comp vs. Subject | Inferior | |

| Site & Common Area Amenities | | |
|------------------------------|----------|------|
| Amenity | Comp | Subj |
| Ball Field | no | no |
| BBQ Area | no | yes |
| Billiard/Game | no | no |
| Bus/Comp Ctr | yes | no |
| Car Care Ctr | no | no |
| Comm Center | yes | yes |
| Elevator | no | no |
| Fitness Ctr | no | no |
| Gazebo/Patio | no | yes |
| Hot Tub/Jacuzzi | no | no |
| Herb Garden | no | no |
| Horseshoes | no | yes |
| Lake | no | no |
| Library | no | no |
| Movary/Media Ctr | no | no |
| Picnic Area | no | yes |
| Playground | yes | no |
| Pool | no | no |
| Sauna | no | no |
| Sports Court | no | yes |
| Walking Trail | no | no |
| Comp vs. Subject | Inferior | |

| Unit Amenities | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Blinds | yes | yes |
| Ceiling Fans | yes | yes |
| Carpeting | yes | yes |
| Fireplace | no | no |
| Patio/Balcony | yes | yes |
| Storage | yes | no |
| Comp vs. Subject | Superior | |

| Kitchen Amenities | | |
|-------------------|---------|------|
| Amenity | Comp | Subj |
| Stove | yes | yes |
| Refrigerator | yes | yes |
| Disposal | no | no |
| Dishwasher | yes | yes |
| Microwave | no | no |
| Comp vs. Subject | Similar | |

| Air Conditioning | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Window Units | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Heat | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Baseboards | no | no |
| Boiler/Radiators | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Parking | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Garage | no | no |
| Covered Pkg | no | no |
| Assigned Pkg | no | no |
| Open | yes | yes |
| None | no | no |
| Comp vs. Subject | Similar | |

| Laundry | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Central | yes | yes |
| W/D Units | no | no |
| W/D Hookups | no | no |
| Comp vs. Subject | Similar | |

| Security | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Call Buttons | no | yes |
| Cont Access | no | no |
| Courtesy Officer | no | no |
| Monitoring | no | no |
| Security Alarms | no | no |
| Security Patrols | no | no |
| Comp vs. Subject | Inferior | |

| Services | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| After School | no | no |
| Concierge | no | no |
| Hair Salon | no | no |
| Health Care | no | no |
| Housekeeping | no | no |
| Meals | no | no |
| Transportation | no | no |
| Comp vs. Subject | Similar | |

Country Estates Apartments is an existing multifamily development located at 402 Cedar Avenue in Farmville, Virginia. The property, which consists of 24 apartment units, was originally constructed in 1978 . This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

Project Information

| | | |
|--------------------|------------------|------------|
| Property Name | Giles Apartments | |
| Street Number | 8710 | |
| Street Name | Virginia | |
| Street Type | Street | |
| City | Amelia | |
| State | Virginia | |
| Zip | 23002 | |
| Phone Number | (804) 561-3679 | |
| Year Built | 1986 | |
| Year Renovated | 1999 | |
| Minimum Lease | 12 | |
| Min. Security Dep. | \$250 | |
| Other Fees | \$25 | |
| Waiting List | 4 people | |
| Project Rent | Restricted | |
| Project Type | Family | |
| Project Status | Stabilized | |
| Financing | 1997 | Tax Credit |
| Vouchers | | |
| Latitude | 37.3348 | |
| Longitude | -77.9844 | |
| Nearest Crossroads | na | |
| AAC Code | 23-026 | 026 |

Photo



Location Map



Interview Notes

| | |
|--------------------|--------------------------|
| Person Interviewed | Ms. Casandra, Management |
| Phone Number | (804) 561-3679 |
| Interview Date | 01-Mar-23 |
| Interviewed By | PL |

1997 TC's awarded for rehabilitation of this RD property with 15 units of project based rental assistance available to tenants.

Unit Configuration

| BR | BA | SF | Unit Type | Inc Limit | Rent Limit | HOME Units | Subs Units | Total Units | Vac Units | Street Rent | Disc | Net Rent | UA | Gross Rent |
|-----------------|-----|------|-------------|-----------|------------|------------|------------|-------------|-----------|-------------|------|----------|------|------------|
| 1 | 1.0 | 700 | Garden/Flat | 50% | 50% | No | Yes | 6 | | \$591 | | \$591 | \$70 | \$661 |
| 1 | 1.0 | 700 | Garden/Flat | 60% | 60% | No | No | 2 | | \$591 | | \$591 | \$70 | \$661 |
| 2 | 1.0 | 1000 | Garden/Flat | 50% | 50% | No | Yes | 7 | | \$626 | | \$626 | \$90 | \$716 |
| 2 | 1.0 | 1000 | Garden/Flat | 60% | 60% | No | No | 1 | | \$627 | | \$627 | \$90 | \$717 |
| Total / Average | | 850 | | | | | | 160 | | \$609 | | \$609 | \$80 | \$689 |

| Tenant-Paid Utilities | | |
|-----------------------|----------|------|
| Utility | Comp | Subj |
| Heat-Electric | yes | yes |
| Cooking-Electric | yes | yes |
| Other Electric | yes | yes |
| Air Cond | yes | yes |
| Hot Water-Electric | yes | yes |
| Water | no | yes |
| Sewer | no | yes |
| Trash | no | no |
| Comp vs. Subject | Superior | |

| Tenant-Paid Technology | | |
|------------------------|----------|------|
| Technology | Comp | Subj |
| Cable | yes | yes |
| Internet | yes | no |
| Comp vs. Subject | Inferior | |

| Visibility | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Visibility | 2.75 | 2.50 |
| Comp vs. Subject | Superior | |

| Access | | |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Access | 3.00 | 3.00 |
| Comp vs. Subject | Similar | |

| Neighborhood | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Neighborhood | 4.50 | 2.70 |
| Comp vs. Subject | Superior | |

| Proximity to Area Amenities | | |
|-----------------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Area Amenities | 2.00 | 3.20 |
| Comp vs. Subject | Inferior | |

| Condition | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Condition | 3.00 | 4.00 |
| Comp vs. Subject | Inferior | |

| Effective Age | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Effective Age | 1989 | 2013 |
| Comp vs. Subject | Inferior | |

| Site & Common Area Amenities | | |
|------------------------------|----------|------|
| Amenity | Comp | Subj |
| Ball Field | no | no |
| BBQ Area | no | yes |
| Billiard/Game | no | no |
| Bus/Comp Ctr | no | no |
| Car Care Ctr | no | no |
| Comm Center | no | yes |
| Elevator | no | no |
| Fitness Ctr | no | no |
| Gazebo/Patio | no | yes |
| Hot Tub/Jacuzzi | no | no |
| Herb Garden | no | no |
| Horseshoes | no | yes |
| Lake | no | no |
| Library | no | no |
| Movie/Media Ctr | no | no |
| Picnic Area | no | yes |
| Playground | yes | no |
| Pool | no | no |
| Sauna | no | no |
| Sports Court | no | yes |
| Walking Trail | no | no |
| Comp vs. Subject | Inferior | |

| Unit Amenities | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Blinds | yes | yes |
| Ceiling Fans | no | yes |
| Carpeting | yes | yes |
| Fireplace | no | no |
| Patio/Balcony | some | yes |
| Storage | yes | no |
| Comp vs. Subject | Superior | |

| Kitchen Amenities | | |
|-------------------|----------|------|
| Amenity | Comp | Subj |
| Stove | yes | yes |
| Refrigerator | yes | yes |
| Disposal | no | no |
| Dishwasher | no | yes |
| Microwave | no | no |
| Comp vs. Subject | Inferior | |

| Air Conditioning | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Central | no | no |
| Wall Units | yes | yes |
| Window Units | no | no |
| None | no | no |
| Comp vs. Subject | Similar | |

| Heat | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Central | no | no |
| Wall Units | yes | yes |
| Baseboards | no | no |
| Boiler/Radiators | no | no |
| None | no | no |
| Comp vs. Subject | Similar | |

| Parking | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Garage | no | no |
| Covered Pkg | no | no |
| Assigned Pkg | no | no |
| Open | yes | yes |
| None | no | no |
| Comp vs. Subject | Similar | |

| Laundry | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Central | yes | yes |
| W/D Units | no | no |
| W/D Hookups | no | no |
| Comp vs. Subject | Similar | |

| Security | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Call Buttons | no | yes |
| Cont Access | no | no |
| Courtesy Officer | no | no |
| Monitoring | no | no |
| Security Alarms | no | no |
| Security Patrols | no | no |
| Comp vs. Subject | Inferior | |

| Services | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| After School | no | no |
| Concierge | no | no |
| Hair Salon | no | no |
| Health Care | no | no |
| Housekeeping | no | no |
| Meals | no | no |
| Transportation | no | no |
| Comp vs. Subject | Similar | |

Giles Apartments is an existing multifamily development located at 8710 Virginia Street in Amelia, Virginia. The property, which consists of 16 apartment units, was originally constructed in 1986 . This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

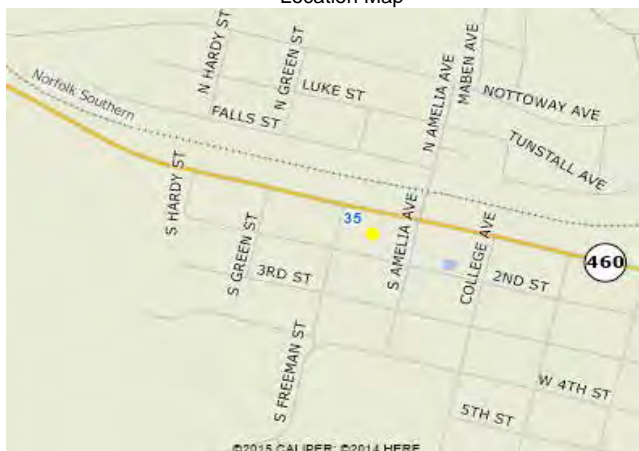
Project Information

| | |
|--------------------|---------------------------|
| Property Name | Magnolia Place Apartments |
| Street Number | 701 |
| Street Name | Church |
| Street Type | Street |
| City | Blackstone |
| State | Virginia |
| Zip | 23824 |
| Phone Number | (434) 292-5989 |
| Year Built | 1980 |
| Year Renovated | 2021 |
| Minimum Lease | 12 |
| Min. Security Dep. | 1 month |
| Other Fees | \$11 |
| Waiting List | 25 people |
| Project Rent | Restricted |
| Project Type | Elderly |
| Project Status | Stabilized |
| Financing | 2020 |
| Vouchers | Tax Credit |
| Latitude | 37.0776 |
| Longitude | -78.0109 |
| Nearest Crossroads | na |
| AAC Code | 23-026 035 |

Photo



Location Map



Interview Notes

| | |
|--------------------|--------------------|
| Person Interviewed | Mr. Ari Severe, TM |
| Phone Number | (434) 292-5989 |
| Interview Date | 01-Mar-23 |
| Interviewed By | PL |

Property is applying to rehab these units with 2019 TC's. 2001 TC's awarded for rehabilitation of this RD property with 55 units of project based rental assistance available to tenants. Also manages Cole-Harbour. Post rehab units will be heated and cooled with a high efficiency ducted, mini-split and tenants will begin paying water and

Unit Configuration

| BR | BA | SF | Unit Type | Inc Limit | Rent Limit | HOME Units | Subs Units | Total Units | Vac Units | Street Rent | Disc | Net Rent | UA | Gross Rent |
|-----------------|-----|-----|-------------|-----------|------------|------------|------------|-------------|-----------|-------------|------|----------|------|------------|
| 1 | 1.0 | 527 | Garden/Flat | 40% | 40% | No | Yes | 6 | 1 | \$527 | | \$527 | \$81 | \$608 |
| 1 | 1.0 | 527 | Garden/Flat | 50% | 50% | No | Yes | 22 | 6 | \$527 | | \$527 | \$81 | \$608 |
| 1 | 1.0 | 527 | Garden/Flat | 60% | 60% | No | Yes | 27 | 6 | \$527 | | \$527 | \$81 | \$608 |
| 1 | 1.0 | 527 | Garden/Flat | 60% | 60% | No | No | 1 | 1 | \$527 | | \$527 | \$81 | \$608 |
| Total / Average | | 527 | | | | | | 162 | 56 | 14 | | \$527 | \$81 | \$608 |

| Tenant-Paid Utilities | | |
|-----------------------|---------|------|
| Utility | Comp | Subj |
| Heat-Electric | yes | yes |
| Cooking-Electric | yes | yes |
| Other Electric | yes | yes |
| Air Cond | yes | yes |
| Hot Water-Electric | yes | yes |
| Water | yes | yes |
| Sewer | yes | yes |
| Trash | no | no |
| Comp vs. Subject | Similar | |

| Tenant-Paid Technology | | |
|------------------------|---------|------|
| Technology | Comp | Subj |
| Cable | yes | yes |
| Internet | no | no |
| Comp vs. Subject | Similar | |

| Visibility | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Visibility | 3.00 | 2.50 |
| Comp vs. Subject | Superior | |

| Access | | |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Access | 3.00 | 3.00 |
| Comp vs. Subject | Similar | |

| Neighborhood | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Neighborhood | 3.00 | 2.70 |
| Comp vs. Subject | Superior | |

| Proximity to Area Amenities | | |
|-----------------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Area Amenities | 3.40 | 3.20 |
| Comp vs. Subject | Superior | |

| Condition | | |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Condition | 4.00 | 4.00 |
| Comp vs. Subject | Similar | |

| Effective Age | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Effective Age | 2011 | 2013 |
| Comp vs. Subject | Inferior | |

| Site & Common Area Amenities | | |
|------------------------------|----------|------|
| Amenity | Comp | Subj |
| Ball Field | no | no |
| BBQ Area | no | yes |
| Billiard/Game | no | no |
| Bus/Comp Ctr | no | no |
| Car Care Ctr | no | no |
| Comm Center | yes | yes |
| Elevator | no | no |
| Fitness Ctr | no | no |
| Gazebo/Patio | yes | yes |
| Hot Tub/Jacuzzi | no | no |
| Herb Garden | no | no |
| Horseshoes | no | yes |
| Lake | no | no |
| Library | no | no |
| Movary/Media Ctr | no | no |
| Picnic Area | no | yes |
| Playground | no | no |
| Pool | no | no |
| Sauna | no | no |
| Sports Court | no | yes |
| Walking Trail | no | no |
| Comp vs. Subject | Inferior | |

| Unit Amenities | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Blinds | yes | yes |
| Ceiling Fans | yes | yes |
| Carpeting | yes | yes |
| Fireplace | no | no |
| Patio/Balcony | yes | yes |
| Storage | no | no |
| Comp vs. Subject | Similar | |

| Kitchen Amenities | | |
|-------------------|---------|------|
| Amenity | Comp | Subj |
| Stove | yes | yes |
| Refrigerator | yes | yes |
| Disposal | no | no |
| Dishwasher | yes | yes |
| Microwave | no | no |
| Comp vs. Subject | Similar | |

| Air Conditioning | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Window Units | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Heat | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Baseboards | no | no |
| Boiler/Radiators | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Parking | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Garage | no | no |
| Covered Pkg | no | no |
| Assigned Pkg | no | no |
| Open | yes | yes |
| None | no | no |
| Comp vs. Subject | Similar | |

| Laundry | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Central | yes | yes |
| W/D Units | no | no |
| W/D Hookups | no | no |
| Comp vs. Subject | Similar | |

| Security | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Call Buttons | yes | yes |
| Cont Access | no | no |
| Courtesy Officer | no | no |
| Monitoring | no | no |
| Security Alarms | no | no |
| Security Patrols | no | no |
| Comp vs. Subject | Similar | |

| Services | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| After School | no | no |
| Concierge | no | no |
| Hair Salon | no | no |
| Health Care | no | no |
| Housekeeping | no | no |
| Meals | no | no |
| Transportation | no | no |
| Comp vs. Subject | Similar | |

Magnolia Place Apartments is an existing multifamily development located at 701 Church Street in Blackstone, Virginia. The property, which consists of 56 apartment units, was originally constructed in 1980 . This property is currently operated as a rent restricted property. The property currently stands at 75 percent occupancy.

Project Information

| | | |
|--------------------|--------------------|------------|
| Property Name | Meadows Apartments | |
| Street Number | 500 | |
| Street Name | Hylawn | |
| Street Type | Avenue | |
| City | Farmville | |
| State | Virginia | |
| Zip | 23901 | |
| Phone Number | (434) 392-5180 | |
| Year Built | 1988 | |
| Year Renovated | 2008 | |
| Minimum Lease | 12 | |
| Min. Security Dep. | 1 month | |
| Other Fees | \$11 | |
| Waiting List | 4 people | |
| Project Rent | Restricted | |
| Project Type | Family | |
| Project Status | Stabilized | |
| Financing | 2008 | Tax Credit |
| Vouchers | 5 | |
| Latitude | 37.2978 | |
| Longitude | -78.3779 | |
| Nearest Crossroads | na | |
| AAC Code | 23-026 | 039 |

Photo



Location Map



Interview Notes

| | |
|--------------------|----------------------------|
| Person Interviewed | Ms. Sheila Womack, Manager |
| Phone Number | (434) 392-5180 |
| Interview Date | 01-Mar-23 |
| Interviewed By | PL |

2008 TC's awarded for rehabilitation of this property with 30 units of RD 515 project based rental assistance available to tenants.

Unit Configuration

| BR | BA | SF | Unit Type | Inc Limit | Rent Limit | HOME Units | Subs Units | Total Units | Vac Units | Street Rent | Disc | Net Rent | UA | Gross Rent |
|-----------------|-----|-----|-------------|-----------|------------|------------|------------|-------------|-----------|-------------|------|----------|------|------------|
| 1 | 1.0 | 600 | Garden/Flat | 40% | 40% | No | Yes | 11 | | \$582 | | \$582 | \$74 | \$656 |
| 1 | 1.0 | 600 | Garden/Flat | 60% | 60% | No | No | 5 | | \$582 | | \$582 | \$74 | \$656 |
| 2 | 1.0 | 778 | Garden/Flat | 40% | 40% | No | Yes | 19 | | \$644 | | \$644 | \$92 | \$736 |
| 2 | 1.0 | 778 | Garden/Flat | 60% | 60% | No | No | 5 | | \$874 | | \$874 | \$92 | \$966 |
| Total / Average | | 707 | | | | | | 164 | | \$648 | | \$648 | \$85 | \$733 |

| Tenant-Paid Utilities | | |
|-----------------------|----------|------|
| Utility | Comp | Subj |
| Heat-Electric | yes | yes |
| Cooking-Electric | yes | yes |
| Other Electric | yes | yes |
| Air Cond | yes | yes |
| Hot Water-Electric | yes | yes |
| Water | no | yes |
| Sewer | no | yes |
| Trash | no | no |
| Comp vs. Subject | Superior | |

| Tenant-Paid Technology | | |
|------------------------|----------|------|
| Technology | Comp | Subj |
| Cable | yes | yes |
| Internet | yes | no |
| Comp vs. Subject | Inferior | |

| Visibility | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Visibility | 2.00 | 2.50 |
| Comp vs. Subject | Inferior | |

| Access | | |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Access | 3.00 | 3.00 |
| Comp vs. Subject | Similar | |

| Neighborhood | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Neighborhood | 4.00 | 2.70 |
| Comp vs. Subject | Superior | |

| Proximity to Area Amenities | | |
|-----------------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Area Amenities | 3.80 | 3.20 |
| Comp vs. Subject | Superior | |

| Condition | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Condition | 3.50 | 4.00 |
| Comp vs. Subject | Inferior | |

| Effective Age | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Effective Age | 1998 | 2013 |
| Comp vs. Subject | Inferior | |

| Site & Common Area Amenities | | |
|------------------------------|----------|------|
| Amenity | Comp | Subj |
| Ball Field | no | no |
| BBQ Area | no | yes |
| Billiard/Game | no | no |
| Bus/Comp Ctr | no | no |
| Car Care Ctr | no | no |
| Comm Center | yes | yes |
| Elevator | no | no |
| Fitness Ctr | no | no |
| Gazebo/Patio | no | yes |
| Hot Tub/Jacuzzi | no | no |
| Herb Garden | no | no |
| Horseshoes | no | yes |
| Lake | no | no |
| Library | no | no |
| Movary/Media Ctr | no | no |
| Picnic Area | no | yes |
| Playground | yes | no |
| Pool | no | no |
| Sauna | no | no |
| Sports Court | no | yes |
| Walking Trail | no | no |
| Comp vs. Subject | Inferior | |

| Unit Amenities | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Blinds | yes | yes |
| Ceiling Fans | yes | yes |
| Carpeting | yes | yes |
| Fireplace | no | no |
| Patio/Balcony | no | yes |
| Storage | no | no |
| Comp vs. Subject | Inferior | |

| Kitchen Amenities | | |
|-------------------|---------|------|
| Amenity | Comp | Subj |
| Stove | yes | yes |
| Refrigerator | yes | yes |
| Disposal | no | no |
| Dishwasher | yes | yes |
| Microwave | no | no |
| Comp vs. Subject | Similar | |

| Air Conditioning | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Window Units | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Heat | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Baseboards | no | no |
| Boiler/Radiators | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Parking | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Garage | no | no |
| Covered Pkg | no | no |
| Assigned Pkg | no | no |
| Open | yes | yes |
| None | no | no |
| Comp vs. Subject | Similar | |

| Laundry | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Central | yes | yes |
| W/D Units | no | no |
| W/D Hookups | no | no |
| Comp vs. Subject | Similar | |

| Security | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Call Buttons | no | yes |
| Cont Access | no | no |
| Courtesy Officer | no | no |
| Monitoring | no | no |
| Security Alarms | no | no |
| Security Patrols | no | no |
| Comp vs. Subject | Inferior | |

| Services | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| After School | no | no |
| Concierge | no | no |
| Hair Salon | no | no |
| Health Care | no | no |
| Housekeeping | no | no |
| Meals | no | no |
| Transportation | no | no |
| Comp vs. Subject | Similar | |

Meadows Apartments is an existing multifamily development located at 500 Hylawn Avenue in Farmville, Virginia. The property, which consists of 40 apartment units, was originally constructed in 1988 . This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

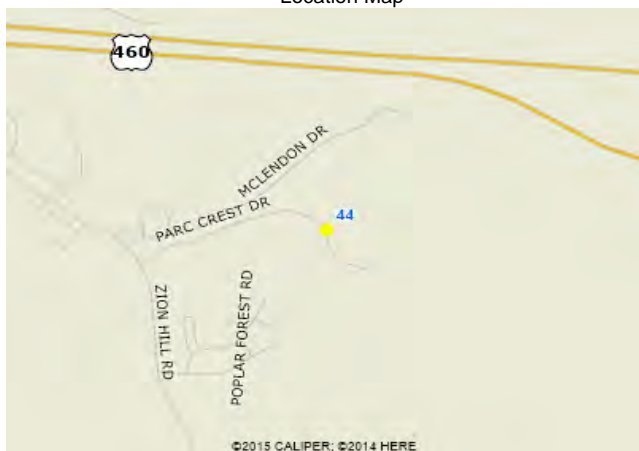
Project Information

| | | |
|--------------------|-----------------------------|------------|
| Property Name | Parc Crest at Poplar Forest | |
| Street Number | 900 | |
| Street Name | Poplar Forest | |
| Street Type | Road | |
| City | Farmville | |
| State | Virginia | |
| Zip | 23901 | |
| Phone Number | (434) 392-5300 | |
| Year Built | 2008 | |
| Year Renovated | na | |
| Minimum Lease | 12 | |
| Min. Security Dep. | 1/2 month | |
| Other Fees | \$32 | |
| Waiting List | 1 year | |
| Project Rent | Restricted | |
| Project Type | Elderly | |
| Project Status | Stabilized | |
| Financing | 2007 | Tax Credit |
| Vouchers | | |
| Latitude | 37.2647 | |
| Longitude | -78.3921 | |
| Nearest Crossroads | na | |
| AAC Code | 23-026 | 044 |

Photo



Location Map



Interview Notes

| | |
|--------------------|-------------------------|
| Person Interviewed | Mr. Mike, Asst. Manager |
| Phone Number | (434) 392-5300 |
| Interview Date | 02-Mar-23 |
| Interviewed By | PL |

2007 TC's awarded for construction of this property without project based rental assistance. Property shares amenities with Poplar Forest Apartments.

Unit Configuration

| BR | BA | SF | Unit Type | Inc Limit | Rent Limit | HOME Units | Subs Units | Total Units | Vac Units | Street Rent | Disc | Net Rent | UA | Gross Rent |
|-----------------|-----|------|-------------|-----------|------------|------------|------------|-------------|-----------|-------------|------|----------|------|------------|
| 1 | 1.0 | 750 | Garden/Flat | 60% | 50% | No | No | 36 | 1 | \$584 | | \$584 | \$63 | \$647 |
| 2 | 2.0 | 1075 | Garden/Flat | 60% | 50% | No | No | 8 | | \$716 | | \$716 | \$82 | \$798 |
| Total / Average | | 809 | | | | | | 166 | 44 | \$608 | | \$608 | \$66 | \$674 |

| Tenant-Paid Utilities | | |
|-----------------------|----------|------|
| Utility | Comp | Subj |
| Heat-Electric | yes | yes |
| Cooking-Electric | yes | yes |
| Other Electric | yes | yes |
| Air Cond | yes | yes |
| Hot Water-Electric | yes | yes |
| Water | no | yes |
| Sewer | no | yes |
| Trash | no | no |
| Comp vs. Subject | Superior | |

| Tenant-Paid Technology | | |
|------------------------|----------|------|
| Technology | Comp | Subj |
| Cable | yes | yes |
| Internet | yes | no |
| Comp vs. Subject | Inferior | |

| Visibility | | |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Visibility | 2.50 | 2.50 |
| Comp vs. Subject | Similar | |

| Access | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Access | 2.50 | 3.00 |
| Comp vs. Subject | Inferior | |

| Neighborhood | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Neighborhood | 3.90 | 2.70 |
| Comp vs. Subject | Superior | |

| Proximity to Area Amenities | | |
|-----------------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Area Amenities | 2.80 | 3.20 |
| Comp vs. Subject | Inferior | |

| Condition | | |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Condition | 4.00 | 4.00 |
| Comp vs. Subject | Similar | |

| Effective Age | | |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp | Subj |
| Effective Age | 2008 | 2013 |
| Comp vs. Subject | Inferior | |

| Site & Common Area Amenities | | |
|------------------------------|----------|------|
| Amenity | Comp | Subj |
| Ball Field | no | no |
| BBQ Area | no | yes |
| Billiard/Game | no | no |
| Bus/Comp Ctr | no | no |
| Car Care Ctr | no | no |
| Comm Center | yes | yes |
| Elevator | no | no |
| Fitness Ctr | yes | no |
| Gazebo/Patio | no | yes |
| Hot Tub/Jacuzzi | no | no |
| Herb Garden | no | no |
| Horseshoes | no | yes |
| Lake | no | no |
| Library | no | no |
| Movary/Media Ctr | no | no |
| Picnic Area | no | yes |
| Playground | no | no |
| Pool | yes | no |
| Sauna | no | no |
| Sports Court | no | yes |
| Walking Trail | no | no |
| Comp vs. Subject | Inferior | |

| Unit Amenities | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Blinds | yes | yes |
| Ceiling Fans | no | yes |
| Carpeting | yes | yes |
| Fireplace | no | no |
| Patio/Balcony | no | yes |
| Storage | no | no |
| Comp vs. Subject | Inferior | |

| Kitchen Amenities | | |
|-------------------|----------|------|
| Amenity | Comp | Subj |
| Stove | yes | yes |
| Refrigerator | yes | yes |
| Disposal | yes | no |
| Dishwasher | yes | yes |
| Microwave | no | no |
| Comp vs. Subject | Superior | |

| Air Conditioning | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Window Units | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Heat | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | yes | no |
| Wall Units | no | yes |
| Baseboards | no | no |
| Boiler/Radiators | no | no |
| None | no | no |
| Comp vs. Subject | Superior | |

| Parking | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Garage | no | no |
| Covered Pkg | no | no |
| Assigned Pkg | no | no |
| Open | yes | yes |
| None | no | no |
| Comp vs. Subject | Similar | |

| Laundry | | |
|------------------|----------|------|
| Amenity | Comp | Subj |
| Central | no | yes |
| W/D Units | yes | no |
| W/D Hookups | no | no |
| Comp vs. Subject | Superior | |

| Security | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| Call Buttons | yes | yes |
| Cont Access | no | no |
| Courtesy Officer | no | no |
| Monitoring | no | no |
| Security Alarms | no | no |
| Security Patrols | no | no |
| Comp vs. Subject | Similar | |

| Services | | |
|------------------|---------|------|
| Amenity | Comp | Subj |
| After School | no | no |
| Concierge | no | no |
| Hair Salon | no | no |
| Health Care | no | no |
| Housekeeping | no | no |
| Meals | no | no |
| Transportation | no | no |
| Comp vs. Subject | Similar | |

Parc Crest at Poplar Forest is an existing multifamily development located at 900 Poplar Forest Road in Farmville, Virginia. The property, which consists of 44 apartment units, was originally constructed in 2008. This property is currently operated as a rent restricted property. The property currently stands at 98 percent occupancy.

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The title to the subject property is merchantable, and the property is free and clear of all liens and encumbrances, except as noted.
- No liability is assumed for matters legal in nature.
- Ownership and management are assumed to be in competent and responsible hands.
- No survey has been made by the appraiser. Dimensions are as supplied by others and are assumed to be correct.
- The report was prepared for the purpose so stated and should not be used for any other reason.
- All direct and indirect information supplied by the owner and their representatives concerning the subject property is assumed to be true and accurate.
- No responsibility is assumed for information supplied by others and such information is believed to be reliable and correct. This includes zoning and tax information provided by Municipal officials.
- The signatories shall not be required to give testimony or attend court or be at any governmental hearing with respect to the subject property unless prior arrangements have been made with the client.
- Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute.
- The legal description is assumed to be accurate.
- This report specifically assumes that there are no site, subsoil, or building contaminants present resulting from residual substances or construction materials, such as asbestos, radon gas, PCB, etc. Should any of these factors exist, the appraiser reserves the right to review these findings, review the value estimates, and change the estimates, if deemed necessary.
- The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with
- This analysis specifically assumes that the subject property is operated as described in this report.
- This analysis specifically assumes that the subject property is constructed/rehabilitated as described in this report.
- This analysis specifically assumes that the subject property is financed as described in this report.
- This analysis specifically assumes the timing set forth in this report.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I performed an appraisal and market study for the subject property in 2022.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
- I made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification. Debbie Rucker (Allen & Associates Consulting) assisted in compiling the data used in this report.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the Standards and Ethics Education Requirements for Members of the Appraisal Institute.
- I am presently licensed in good standing as a Certified General Real Estate Appraiser in the states of Delaware, Georgia, Maryland, North Carolina, South Carolina, and Virginia, allowing me to appraise all types of real estate.

Respectfully submitted:

ALLEN & ASSOCIATES CONSULTING, INC.



Jeff Carroll

VHDA CERTIFICATION

I affirm the following:

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



Jeff Carroll

March 12, 2023

Date

NCHMA MARKET STUDY INDEX

Introduction: Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

| Executive Summary | | |
|------------------------------------|--|-----------------------|
| 1 | Executive Summary | Executive Summary |
| Scope of Work | | |
| 2 | Scope of Work | Letter of Transmittal |
| Project Description | | |
| 3 | Unit mix including bedrooms, bathrooms, square footage, rents, and income targeting | Section 1 |
| 4 | Utilities (and utility sources) included in rent | Section 2 |
| 5 | Target market/population description | Section 1 |
| 6 | Project description including unit features and community amenities | Section 2 |
| 7 | Date of construction/preliminary completion | Section 1 |
| 8 | If rehabilitation, scope of work, existing rents, and existing vacancies | Section 1 |
| Location | | |
| 9 | Concise description of the site and adjacent parcels | Sections 3 & 4 |
| 10 | Site photos/maps | Section 5 |
| 11 | Map of community services | Section 4 |
| 12 | Site evaluation/neighborhood including visibility, accessibility, and crime | Section 4 |
| Market Area | | |
| 13 | PMA description | Section 6 |
| 14 | PMA Map | Section 6 |
| Employment and Economy | | |
| 15 | At-Place employment trends | Section 7 |
| 16 | Employment by sector | Section 7 |
| 17 | Unemployment rates | Section 7 |
| 18 | Area major employers/employment centers and proximity to site | Section 7 |
| 19 | Recent or planned employment expansions/reductions | Section 7 |
| Demographic Characteristics | | |
| 20 | Population and household estimates and projections | Section 8 |
| 21 | Area building permits | Section 7 |
| 22 | Population and household characteristics including income, tenure, and size | Section 8 |
| 23 | For senior or special needs projects, provide data specific to target market | Section 8 |
| Competitive Environment | | |
| 24 | Comparable property profiles and photos | Appendix |
| 25 | Map of comparable properties | Section 10 |
| 26 | Existing rental housing evaluation including vacancy and rents | Section 9 |
| 27 | Comparison of subject property to comparable properties | Section 10 |
| 28 | Discussion of availability and cost of other affordable housing options including homeownership, if applicable | NA |
| 29 | Rental communities under construction, approved, or proposed | Section 9 |
| 30 | For senior or special needs populations, provide data specific to target market | Section 8 |

NCHMA MARKET STUDY INDEX

Introduction: Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

| Affordability, Demand, and Penetration Rate Analysis | | |
|---|---|-------------------|
| 31 | Estimate of demand | Section 11 |
| 32 | Affordability analysis with capture rate | Section 11 |
| 33 | Penetration rate analysis with capture rate | Section 11 |
| Analysis/Conclusions | | |
| 34 | Absorption rate and estimated stabilized occupancy for subject | Section 11 |
| 35 | Evaluation of proposed rent levels including estimate of market/achievable rents. | Section 10 |
| 36 | Precise statement of key conclusions | Executive Summary |
| 37 | Market strengths and weaknesses impacting project | Executive Summary |
| 38 | Product recommendations and/or suggested modifications to subject | Executive Summary |
| 39 | Discussion of subject property's impact on existing housing | Executive Summary |
| 40 | Discussion of risks or other mitigating circumstances impacting subject | Executive Summary |
| 41 | Interviews with area housing stakeholders | Appendix |
| Other Requirements | | |
| 42 | Certifications | Appendix |
| 43 | Statement of qualifications | Appendix |
| 44 | Sources of data not otherwise identified | NA |

MISCELLANEOUS



QUALIFICATIONS

Allen & Associates Consulting is a real estate advisory firm specializing in affordable housing. Practice areas include low-income housing tax credits, tax-exempt bond transactions, HUD assisted and financed multifamily, USDA-RD assisted and financed properties, public housing, historic tax credits, conventional multifamily, and manufactured housing. Services include development consulting, rent comparability studies, market analysis, feasibility studies, appraisals, capital needs assessments, and utility studies.

Allen & Associates Consulting and its sister organization Allen & Associates Appraisal maintain offices in Charlotte, North Carolina and Detroit, Michigan, respectively. Allen & Associates is approved to provide its services throughout the United States.

The following is a listing of key personnel for Allen & Associates Consulting:

Jeffrey B. Carroll

Jeffrey B. Carroll is President of Allen & Associates Consulting. Since 2000, Mr. Carroll has completed over 3000 development consulting assignments in 46 states. Major projects include:

- *Market Feasibility* - Completed market studies for 13 proposed tax credit apartment developments on behalf of the Georgia Department of Community Affairs. The portfolio included 5 family and 8 senior communities. Our analysis identified the 4 best deals for the housing finance agency to consider funding.
- *Valuation* - Developed a disposition plan for a 30-property portfolio of apartments on behalf of a private owner. The 921-unit portfolio (located in MD, DE, PA and VA) was valued at \$23 million. Our client relied on our valuations and advice to maximize sales proceeds for the portfolio.
- *Capital Needs Assessments* - Completed capital needs assessments for an 8-property portfolio of RD-financed apartments on behalf of a private developer. The portfolio (located in FL) included 6 family and 2 senior communities. Our client utilized our assessments to develop a scope of work for the proposed acquisition and renovation of the 214-unit portfolio.
- *Utility Allowance Studies* - Completed utility allowance studies for a portfolio of tax credit apartments on behalf of a large national owner/developer. The portfolio (located in CT, DC, IL, IN, MA, NC, OH, PA and VA) included 31 properties. Our client utilized our research to maximize rents and net operating income for the portfolio.
- *Underwriting* - Conducted a financial review on behalf of a local housing authority for the proposed redevelopment of a vacant historic textile mill into loft apartments. Our client had been asked to issue \$4 million in tax-exempt bonds for

the \$15 million project. Our assistance in underwriting the transaction resulted in the green light for the development.

Mr. Carroll is a certified general appraiser, licensed to appraise real estate in the states of Delaware, Georgia, Maryland, North Carolina, South Carolina and Virginia. Mr. Carroll is also a designated member of the Appraisal Institute (MAI).

Mr. Carroll is a peer-reviewed member of the National Council of Housing Market Analysts, where he served on the Executive Committee and chaired the Data and Ethics Committees.

In addition, Mr. Carroll has also served as a market study reviewer for the Georgia and Michigan housing finance agencies.

Mr. Carroll has written articles on affordable housing, development, property management, market feasibility, and financial analysis for Urban Land magazine, The Journal of Property Management, Community Management magazine, Merchandise magazine, HousingThink, and a publication of the Texas A&M Real Estate Research Center known as Terra Grande.

Mr. Carroll has conducted seminars on affordable housing, development, property management, market feasibility, and financial analysis for the American Planning Association, Community Management magazine, the Georgia Department of Community Affairs, the Manufactured Housing Institute, the National Association of State and Local Equity Funds, the Virginia Community Development Corporation, and the National Council of Affordable Housing Market Analysts.

Mr. Carroll is also an experienced developer and property manager. His experience includes the development of tax credit apartment communities, conventional market rate apartments, manufactured home communities, and single-family subdivisions. He has also managed a portfolio of apartment complexes and manufactured home communities.

The following is a summary of Mr. Carroll's relevant educational background:

| | |
|--|----------------|
| Clemson University, Bachelor of Science Degree | |
| Major in Engineering | |
| Minor Concentration in Economics | 1983 |
| Harvard University, Master's Degree in Business Administration | |
| Major in General Management | |
| Minor Concentration in Economics and Real Estate | 1988 |
| Appraisal Institute | |
| Qualifying Education for Licensure | 2001 |
| Continuing Education for Licensure & MAI Designation | 2020 |
| ASTM International | |
| Property Condition Assessments E2018.01 | September 2006 |

| | |
|---|----------------------------------|
| The Institute for Professional and Executive Development Tax Credit Property Disposition | October 2007 |
| National Council of Affordable Housing Market Analysts Semi-Annual Meeting & Continuing Education | 2002 - 2014 |
| U.S. Department of Housing and Urban Development Utility Allowance Guidebook MAP Training & Certification | September 2007 September 2007 |
| USDA Rural Development Capital Needs Assessment Provider Training Accessibility Standards Training | September 2007 September 2007 |

Mr. Carroll, who was awarded a scholarship on the Clemson University varsity wrestling team, has served as an assistant coach for a local high school wrestling team. Mr. Carroll resides in Charlotte, North Carolina with his wife Becky and his two children, Luke and Brittany.

Debbie Rucker

Debbie Rucker is an analyst with Allen & Associates Consulting, coordinating market research for the company. Mrs. Rucker has worked on over 2000 assignments and has conducted over 40,000 rent surveys.

Mrs. Rucker was also responsible for compiling the database of detailed information on of every tax credit and tax-exempt bond transaction in Virginia, North Carolina, South Carolina, Georgia, Florida, and Texas since 1999.

The following is a summary of Mrs. Rucker’s relevant educational background:

| | |
|--|----------------|
| National Council of Affordable Housing Market Analysts Semi-Annual Meeting & Continuing Education | September 2005 |
| Semi-Annual Meeting & Continuing Education | October 2006 |
| Carolinas Council for Affordable Housing Spectrum C ³ P Certification | October 2008 |

Mrs. Rucker is active in her church and helps run a local judo club. Mrs. Rucker is the mother of three and resides in Weddington, North Carolina.

Michael W. Lash

Michael W. Lash is President of Lash Engineering, an engineering firm located in Charlotte, North Carolina that works closely with Allen & Associates Consulting on utility allowance studies and other specific engagements. Since 1981, Mr. Lash has completed hundreds of assignments including the design of industrial, commercial, multifamily, and single family developments. Mr. Lash is an expert in the design of utility systems, including wastewater and storm water treatment facilities.

Mr. Lash is a certified professional engineer, licensed in the states of Kansas, Louisiana, North Carolina, South Carolina, and Virginia. Mr. Lash graduated from Louisiana Tech University in Civil Engineering in 1981 and has conducted seminars on advanced wastewater treatment, storm water quality treatment and automated engineering drafting and design with Eagle Point Software.

Mr. Lash is active in his church and volunteers his time teaching karate at a local martial arts academy. Mr. Lash resides in Charlotte, North Carolina with his wife and three children.

JEFFREY B. CARROLL
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Phone: 704-905-2276 | Fax: 704-220-0470
E-Mail: jeffcarroll2018@gmail.com

Summary

Specialist in the development of workforce housing utilizing structural insulated exterior wall panels. Current activities include:

- Founder of Tartan Residential, a firm specializing in the development of workforce housing utilizing structural insulated exterior wall panels. Panelization delivers cost savings/benefits that put newly-constructed units within reach for workforce housing renters.
- Co-Founder of the Workforce Housing Development Corporation, a non-profit firm that provides technical assistance, soft debt, and equity financing to developers building workforce housing with structural insulated exterior wall panels. Participating projects are positioned to deliver a triple bottom line (financial, social, environmental) to investors.
- Founder of Allen & Associates Consulting, a real estate advisory firm specializing in workforce and affordable housing.

Current Activities

President | Tartan Residential, Inc. | Charlotte, NC | 1997 - present

Founder of Tartan Residential, a firm specializing in the development of workforce housing utilizing structural insulated exterior wall panels. Panelization delivers cost savings/benefits that put newly-constructed units within reach for workforce housing renters. Major projects include:

- Buchanan's Crossing Subdivision - A 40-unit duplex development serving families in Kansas City, Kansas. The estimated cost of this three-phase project is \$11.0 million. This mixed income project, targeting families between 50% and 120% of area median income, is financed with a mixture of conventional debt, conventional equity, and tax credit equity. Construction commenced in 2016.
- Davidson's Landing - A proposed 115-unit garden apartment community serving families in Kansas City, Kansas. The estimated cost of this project is \$26 million. This workforce housing development project, which targets families between 30% and 80% of area median income, is financed with tax-exempt bonds. Construction commenced in 2021.
- Johnston Farms - A proposed 120-unit apartment community serving families in Rock Hill, South Carolina. The estimated cost of this project is \$33 million. This workforce housing development project, which targets families between 50% and 100% of area median income, is proposed to be financed with 501c3 bonds. Construction to begin in 2022.
- Dunbar Place - A proposed 100-unit apartment community serving families in Rock Hill, South Carolina. The estimated cost of this project is \$25 million. This workforce housing development project, which targets families between 50% and 80% of area median income, is proposed to be financed with LIHTCs and tax-exempt bonds. Secured the entitlements and initiated the bond inducement process prior to selling to a large non-profit in 2021.
- McLelland Village - A proposed 96-unit garden apartment community serving families in Mooresville, North Carolina. The estimated cost of this project is \$25 million. This workforce housing development project, which targets families between 50% and 80% of area median income, is proposed to be financed with LIHTCs and tax-exempt bonds. Secured the entitlements and initiated the bond inducement process prior to selling to a large non-profit in 2021.

Co-Founder | Workforce Housing Development Corporation, Inc. | Charlotte, NC | 2019 - present
Co-Founder and non-voting Advisory Board Member of the Workforce Housing Development Corporation, a non-profit firm that provides technical assistance, soft debt, and equity financing to developers of workforce housing. Major projects include:

- Attracted an affordable housing REIT to provide private equity for as many as 100 workforce housing developments over the next 10 years.
- Developed an intern program known as Workforce Housing University. Hosted 3 interns during the Summer of 2022 introducing them to the development, construction, management, and finance of rental workforce housing. The program was a huge success.
- Developing an exchange program with a twofold purpose: (1) to notify participating employers of vacant units at participating developments, and (2) to notify residents at participating developments of job openings with participating employers.
- Establishing a training incentive program for residents at participating developments seeking to work in manufacturing, the trades, and other select professions.
- Developing a comprehensive set of planning tools for workforce housing developers to utilize in land use, zoning, and entitlement matters.

President | Allen & Associates Consulting, Inc. | Charlotte, NC | 2000 - present

Founder of Allen & Associates Consulting, a real estate advisory firm specializing in workforce and affordable housing. Practice areas include low-income housing tax credits, tax-exempt bond transactions, HUD assisted and financed multifamily, USDA-RD assisted and financed properties, public housing, historic tax credits, conventional multifamily, and factory-built housing. Services include development consulting, feasibility studies, market analysis, rent comparability studies, appraisals, capital needs assessments, and utility studies. Performed over 3800 development consulting assignments in 46 states since 2000.

Prior Experience

Co-Founder | Delphin Properties LLC | Charlotte, NC | 1998 - present

Co-founder of Delphin Properties, a firm specializing in the acquisition and development of manufactured home communities. This entity is currently inactive. Major projects included:

- Crystal Lakes - A 338-unit manufactured home community serving seniors in Fort Myers, Florida. Purchased the partially-constructed development in 1998, completed construction, and sold it in 2001 for a \$1 million profit.
- Mahler's Glen - A 348-unit development originally planned as a manufactured home community serving families in Garner, North Carolina. Secured zoning and site plan approval, engineered the property (including a private wastewater treatment facility), and sold it to a national homebuilder in 2000 for a \$2 million profit.
- Beacon Wood - A 363-unit development originally planned as a manufactured home community serving families in Crockery Township, Michigan. Secured zoning and site plan approval, engineered the property, and sold it to a regional homebuilder in 2001 for a \$1 million profit.

Development Director | Clayton, Williams & Sherwood, Inc. | Austin, TX | 1995 - 1997

Development Director for Clayton, Williams & Sherwood, a privately-owned operator of manufactured home communities and apartment complexes. Major projects included:

- Multifamily Development - Managed the construction and lease-up of two apartment communities consisting of 564 units and valued at \$38 million. Each property leased up in excess of 25 units per month.
- Manufactured Home Community Development - Put together development plans for 4 landlease manufactured home communities consisting of 1800 units and valued at \$54 million.
- Modular Home Subdivision Development - Put together development plans for 2 fee simple modular home subdivisions consisting of 200 units and valued at \$20 million.

Assistant to the President | Southwest Property Trust | Dallas, TX | 1993 - 1995

Assistant to the President for Southwest Property Trust, a large apartment REIT. Provided support to management personnel operating a 12,000-unit apartment portfolio.

Investment Analyst/Manager | GE Capital | Dallas, TX | 1991 - 1993

Investment Analyst/Manager for GE Capital's Residential Construction Lending business. Assisted in the management of a \$500 million investment portfolio including 30 single family residential land development investments and 70 single family construction lines of credit.

Regional Manager | Clayton, Williams & Sherwood, Inc. | Newport Beach, CA | 1989 - 1991

Regional Manager for Clayton, Williams & Sherwood, a privately-owned operator of manufactured home communities and apartment complexes. Major projects included:

- Multifamily Management - Management of a 1200-unit apartment portfolio valued at over \$72 million. Implemented a portfolio-wide 10 percent rent increase while cutting operating expenses 3 percent resulting in a \$7 million increase in portfolio value.
- Manufactured Home Community Management - Management of a 1200-unit manufactured home community portfolio valued at over \$36 million. Implemented a 15 percent rent increase in a 500-unit community resulting in a \$4 million increase in property value.

Manufacturing Management | Milliken & Company | Pendleton, SC | 1983 - 1986

Manufacturing Manager for Milliken & Company, a specialty textile manufacturer headquartered in Spartanburg, South Carolina. Assigned to a dyeing and finishing facility. Exposed to a wide range of manufacturing issues: facility layout, purchasing, scheduling, material handling, automation, process improvement, quality control, inventory management, logistics, personnel, safety, environmental, and customer service.

Education

Harvard Business School | MBA, General Management, Real Estate, Economics | 1986 - 1988

Graduated in 1988 with an MBA from Harvard Business School. Emphasis in General Management and Real Estate with a minor concentration in Economics. Educational highlights include:

- Conducted a study of the passenger tire industry in 1986. Evaluated Firestone's competitive position relative to other tiremakers. Observed that other manufacturers enjoyed a cost advantage over Firestone because of superior scale, better capacity utilization, and more accumulated experience in tire production. Concluded that Firestone should merge with another tiremaker to bolster its competitive position. One year after completing this study, Firestone was acquired by Bridgestone - Japan's largest tiremaker.
- Performed financial analysis for a Boston-based tax credit syndicator to help pay for school. Evaluated two elderly tax credit deals that ultimately closed in 1989.

Clemson University | BS, Engineering, Economics | 1978 - 1983

Graduated in 1983 with a BS in Engineering from Clemson University. Minor concentration in Economics. Honors included Dean's List and Alpha Lambda Delta honorary. Elected officer for Phi Delta Theta social fraternity. Awarded scholarship on Clemson's varsity wrestling team.

Certifications, Designations and Affiliations

Mr. Carroll is a member of the Harvard Real Estate Alumni Organization, the HBS Real Estate Alumni Association, the HBS Social Enterprise Initiative, and the North Carolina Building Performance Association.

Mr. Carroll is a certified general appraiser, licensed to appraise real estate in the states of Delaware, Georgia, Maryland, North Carolina, South Carolina, and Virginia. Mr. Carroll is also a designated member of the Appraisal Institute (MAI).

Mr. Carroll is a peer-reviewed member of the National Council of Housing Market Analysts (NCHMA), where he served on the Executive Committee and chaired the Data and Ethics Committees.

Specialties

Specialties include workforce and affordable housing, low-income housing tax credits, tax-exempt bond transactions, development, development consulting, land use, zoning, entitlements, structured real estate investments, multifamily, manufactured housing, modular construction, panelization, HVAC system design, and manufacturing management.

Certificate of Professional Designation

This certificate verifies that

Jeff Carroll

Allen & Associates Consulting Inc.

*Has completed NCHMA's Professional Designation Requirements
and is hence an approved member in good standing of:*



National Council of Housing Market Analysts
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Washington, DC 20036
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Membership Term

1/1/2023 to 12/31/2023



Kaitlyn Snyder
Managing Director, NCHMA