



REAL PROPERTY **RESEARCH** GROUP

ATLANTA ■ WASHINGTON/BALTIMORE

Market Feasibility Analysis

Senseny Senior Apartments

Winchester, Virginia

Prepared for:

Wesley Housing Development Corporation

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EXECUTIVE SUMMARY

Real Property Research Group, Inc. (RPRG) has been retained by Wesley Housing Development Corporation to conduct a market feasibility study for a proposed new construction LIHTC age-restricted multifamily community to be located at 1527 Senseny Road in Winchester, Virginia. This analysis has been conducted and formatted in accordance with the 2018 Market Study Guidelines of the Virginia Housing Development Authority (VHDA) and the guidelines of the National Council of Housing Market Analysts (NCHMA). The intended use of this report is to accompany applications to VHDA for nine percent (competitive) Low-Income Housing Tax Credits.

Under the new income averaging provision for LIHTC communities, the proposed income targeting includes 6 units at 30 percent AMI; 26 units at 50 percent AMI; 7 units at 60 percent AMI; 9 units at 70 percent AMI; and 15 units at 80 percent AMI, with a weighted average income level of 59 percent AMI. The following summarizes the subject's project's proposed unit distribution, average unit sizes, net rents, utility allowances, and income targeting:

Bed	Bath	Units	Income Level	Published Sq. Ft.*	Contract Rent	Utility Allowance	Gross Rent
1	1	5	30%	629	\$320	\$80	\$400
1	1	24	50%	629	\$586	\$80	\$666
1	1	5	60%	629	\$720	\$80	\$800
1	1	6	70%	629	\$853	\$80	\$933
1	1	3	80%	760	\$969	\$80	\$1,049
1BR Subtotal		43		638	\$635	\$80	\$715
2	1.5	1	30%	928	\$385	\$95	\$480
2	1.5	2	50%	928	\$705	\$95	\$800
2	1.5	2	60%	928	\$865	\$95	\$960
2	1.5	3	70%	928	\$1,025	\$95	\$1,120
2	1.5	12	80%	945	\$1,125	\$95	\$1,220
2BR Subtotal		20		938	\$1,005	\$95	\$1,100
Total		63	58%				

Rents include: sewer and trash

* Weighted Avg.

Source: Wesley Housing

Based on our research, including a site visit on October 3, 2018, we arrived at the following findings:

- Site:** The site is an appropriate location for an affordable senior rental community. Local residents enjoy easy access to a wide array of shopping, dining, medical, and other services in the immediate area. The subject's neighborhood is an established residential area of eastern Winchester, with uses primarily lower density and modest in nature. Developments surrounding the subject site include a variety of uses such as residential, retail, commercial, and institutional. The Burning Tree Apartments, a general occupancy multifamily community, is directly east of the subject, and west of the subject is Senseny Road School, a campus for Northwestern Regional Educational Programs. A variety of retail amenities including a bank, restaurant, gas station, and day care are south of the subject along Senseny Road. The subject is within a short drive to popular retail and neighborhood amenities including the Winchester Senior Center roughly one mile west of the subject site.



- **Economic Analysis:** The Greater Frederick County region is experiencing low unemployment and a gradually expanding employment base with average wages generally lower than the national average. The Greater Frederick County labor force expanded each of the last three years, from 58,811 workers in 2015 to 62,158 workers through June 2018. As of 2017, the Greater Frederick County unemployment rate is 3.3 percent, lower than the 3.8 percent Virginia rate and 4.4 percent national rate. Through the first half of 2018, the Greater Frederick County unemployment rate has remained well below the statewide and national rate. The At-Place Employment base in Greater Frederick County has steadily increased from 47,690 in 2009 to 56,111 jobs through 2017 (Figure 6). Over this eight-year period, the region gained 8,421 jobs, or 18 percent. The region's annual growth rate has tracked similar to the national growth rate over the last seven years. An examination of Greater Frederick County and its employment by industry sectors reveals that the region has a diverse economic base. Six industry sectors throughout the Greater Frederick County region account for over nine percent of the employment base. The region has especially strong representation among Trade-Transportation-Utilities (20.9 percent) and Education Health (18.2 percent).
- **Demographic Analysis:** The Senseny Market Area experienced robust household growth over the past decade. A forecast of continued household growth for the next five years should continue to generate demand for housing units of all types. The household base of the Senseny Market Area grew by 23 percent between 2000 and 2010, for an annual rate of 2.1 percent or 737 households. According to Esri data, the market area household base increased annually by 432 households (1.1 percent) during the last eight years. Esri projects that the market area will add 588 households (1.3 percent) annually over the next five years. The number of senior households with householder aged 65 or older in the Senseny Market Area is projected to increase at an annual rate of 3.5 percent or 426 householders over the next five years, reaching a total of 13,343 households aged 65+ by 2023. Senior household growth includes both net migration and aging in place.

The estimated 2018 median income for senior renter householders age 65 and older in the Senseny Market Area is approximately \$45,954. Approximately one third (32.1 percent) of senior renter householders in the market area earn less than \$25,000. Another 17.5 percent of senior renter householders earn between \$25,000 and \$35,000 and 17.9 percent earn between \$35,000 and \$50,000. As of 2018, approximately 18 percent of senior households aged 65 and older living in the Senseny Market Area are renter households. Based on ACS data, RPRG estimates that 40 percent of senior renter households aged 65 and older are renter cost burdened and paying over 40 percent of their income for gross rent. This excludes low income senior householders living in subsidized units.

- **Competitive Housing Analysis:** With limited senior rental stock in the Senseny Market Area, RPRG surveyed 27 general occupancy communities, one market area senior community, and four senior communities near the market area. Low vacancies and waiting lists among income-restricted senior communities point to the market's ability to support the proposed subject senior project. The general occupancy rental market is performing well, with a low stabilized vacancy rate of 0.7 percent, based on our survey. One-bedroom units average \$910 for an average size of 711 square feet, or \$1.28 per square foot. The average two-bedroom effective rent is \$1,044 for 988 square feet, or \$1.06 per square foot. The surveyed senior rental communities in and near the market area have a vacancy rate of just 0.5 percent. None of the surveyed senior communities are offering rental incentives. Over half (63.7 percent) of senior units address households at 60 percent of AMI. The remaining 36.3 percent address households at 50 percent AMI. The only senior efficiency rent is \$405 for 455 square feet, or an average rent per square foot of \$0.89. The average one-bedroom rent is \$739 for 594 square feet, or \$1.24 per square foot. One-bedroom 50 percent rents range from \$455 to \$695, and



- the only one-bedroom 60 percent rent is \$1,141. The average net two-bedroom rent is \$891 for 885 square feet, or \$1.01 per square foot. Two-bedroom 50 percent rents range from \$605 to \$815. Two-bedroom 60 percent rents range from \$900 to \$1,365. No senior rental project was identified in the market area near term pipeline besides the proposed subject community.
- **Net Demand:** The results of this derivation of senior rental demand indicate that the market has excess demand for 244 senior rental units beyond the proposed subject community. The growing senior household base and strong senior renter demand reported at the only market area senior community support conclusions of excess senior renter demand in the market area.
 - **Effective Demand – Affordability/Capture and Penetration:** The senior renter capture rate of 5.6 percent for the subject’s proposed units is readily achievable, particularly since the proposed apartments will be one of only two senior communities in the market area. RPRG considers the calculated overall penetration rate for senior tax credit units of 10 percent of income-qualified senior renter households to be reasonable within the context of the Senseny Market Area. Our analysis suggests that the most directly competitive rental units will need to capture one out of every ten income-qualified senior renter households. Both the capture and penetration rates are well within a reasonable and achievable range.
 - **VHDA Demand Methodology:** Given a calculated net demand of 1,477 age- and income-qualified households, the 63-unit Senseny Senior Apartments would need to capture 4.3 percent of income-qualified renter households per the demand methodology mandated by VHDA. For each income band for the subject (ranging from 30 percent up to 80 percent AMI), the capture rate is below 5.0 percent. We believe these capture rates to be reasonable and achievable.
 - **Target Market:** The subject will offer affordable rental units to seniors aged 55 and older. The groups most likely to reside at the subject’s income-restricted units include both retirees and seniors still in the workforce. We expect that most households will move from within the market area, but another key target market will be those persons who used to live in the area and wish to return and/or those who move to the area to live near adult children. Senior renters within the market area also include those relocating from more urban areas near the Washington, DC metro region. The subject community will be attractive both to senior homeowners looking to downsize, and senior renters who would benefit from a senior-oriented rental community with elevators and social activities geared to seniors.

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

- **Structure Type:** The subject will consist of one mid-rise building with elevator-serviced units. This structure will appeal to the target senior market and provide a competitive advantage as no market area community includes elevator service.
- **Project Size:** The proposed size of the subject community is 63 units, lower than the average of 77 units among all surveyed senior communities, but considered appropriate for the target market.
- **Unit Distribution:** The proposed unit mix consists of 68 percent one-bedroom units and 32 percent two-bedroom units. This unit mix has a larger weighting of one-bedroom units similar to the surveyed senior communities which had a 77 percent weighting of efficiency and one-bedroom units and 23 percent weighting of two-bedroom units. Overall, the subject’s unit distribution is appropriate for a modern affordable senior community.



- **Income Targeting:** The subject's income targeting is as follows: 6 units (9.5 percent) will address senior households with incomes at or below 30 percent of AMI; 26 units (41.3 percent) will be restricted to households earning up to 50 percent AMI; 7 units (11.1 percent) will be restricted to households earning up to 60 percent AMI; 9 units (14.3 percent) will be targeted to households earning up to 70 percent AMI; and 15 units (23.8 percent) will be reserved for households earning up to 80 percent AMI. RPRG's penetration analysis indicates that all of the subject's units as well as those existing and future competitive units address only 10 percent of all income-qualified senior households.
- **Unit Size:** The subject's one-bedroom units will average 638 square feet, seven percent larger than the average of 594 square feet among all surveyed senior communities. Likewise, at 938 square feet, the subject's two-bedroom units are six percent larger than the market area average of 885 square feet.
- **Number of Bathrooms:** All of the subject's one-bedroom units will have one full bathroom, while the two-bedroom units will have 1.5 bathrooms. Only two of the five surveyed senior communities include two bathrooms in two-bedroom units. As a result, the availability of 1.5 baths in the subject's two-bedroom units will be a competitive advantage in some cases.
- **Unit Features:** Four out of five surveyed senior communities include a dishwasher, and two of the five surveyed senior communities offer in-unit laundry. Upgraded unit features are limited among the surveyed senior communities, with most providing standard cabinets, laminate counters, white appliances, and vinyl/carpet flooring. Grab bars and emergency pull cords are included at each senior community except Meadows at Northridge. Planned unit features at the subject include energy efficient appliances including dishwasher, refrigerator, oven, and range. Flooring will be vinyl in the living and common areas and carpet in the bedrooms, and kitchens will feature open floorplan with upgraded cabinets and counters. This offering of unit features will meet or exceed most surveyed senior communities as well as most general occupancy market area communities.
- **Utilities Included in Rent:** The Developer proposes to include sewer and trash removal costs in monthly rents in Senseny Senior Apartments, leaving tenants responsible for paying all other utility bills. Water, sewer, and trash are included in all surveyed senior communities except Forest Glen at Sully Station which also includes the cost of heat in the rent.
- **Common Area Amenities:** The subject will offer a community room with kitchen, activity room, fitness center, multiple laundry facilities, and free Wi-Fi in the common areas. The subject mid-rise community will offer elevator service to each floor, and the subject's residents will have access to activities associated with the adjoining church attached to the subject community building. This amenity package will appropriately address the target market and is comparable to the only senior tax credit community in the market area.
- **Parking:** The subject will have free surface parking which is consistent with the other rental communities. We do not believe that other parking options are necessary in the Senseny Market Area. As such, surface parking is not considered to be either an advantage or disadvantage within this market area but comparable to what is currently available.

Price Position/Rents: The tax credit rents proposed by the Developer for Senseny Senior Apartments are at the allowable maximums for all unit types, given the assumed utility allowances of \$80 for one-bedroom units and \$95 for two-bedroom units. The proposed rents are considered to be reasonable when viewed within the context of the directly competitive rental supply. The subject's 30 percent, 50 percent, and 60 percent rents are below most market area general occupancy rents and at or below rents among most surveyed senior communities. The proposed 70 percent and 80 percent rents are well below most newer market area general occupancy



communities. As referenced previously, the Derivation of Market Rent analysis indicates the subject's proposed rents have a 7.8 to 69.6 percent market rent advantage.

Absorption Estimate: In estimating an absorption pace for the subject community, we consider recent absorption activity in the market in addition to demand and supply factors. There have been no senior communities added to the market area in over 30 years and the vacancy rate among market area senior and general occupancy communities is quite low. The market area's most recently delivered general occupancy community is Hiatt Run, which was placed in service on a rolling delivery from May 2017 to July 2018 with most buildings pre-leased prior to completion resulting in an average absorption rate of at least 18 units per month. Lofts at Jubal Square was placed in service in December 2017 and completed lease up in May 2018 for an average absorption rate of 28 units per month. The 23-unit Bottling Works was placed in service in July 2018 and leased all 28 units in the first month of opening.

The penetration rate for affordable senior units is only 10 percent, indicating that the supply of LIHTC units provides housing for only one tenth of the senior renters aged 65 or over which are income-qualified for such a unit. The affordability capture rate and VHDA capture rate are both low; moreover they were calculated using only seniors aged 65 and over when the subject will actually be restricted to seniors 55 and older, leading to a greater number of market area residents qualified to live at the subject.

Based on the projected senior household growth and the product the community will offer we would conservatively expect a leasing pace of eight to ten units per month. At this pace, the subject's 63 proposed units would be leased within six to eight months.

Impact on Existing Market: We do not expect the introduction of Senseny Senior Apartments to have an adverse impact on the local rental stock. The senior household base is growing, with no other senior rental communities likely to come on line over the next three years. In addition, the market area has a small inventory of affordable senior or general occupancy communities with all exhibiting very low vacancy rates.

Given the overall strength of the senior rental market and low vacancy rates, we do not anticipate that the subject will negatively impact any of the existing, competitive, LIHTC properties in the primary market area.

1. INTRODUCTION

A. Overview of Subject

Senseny Senior Apartments is a proposed new construction age-restricted LIHTC rental community to be located at 1527 Senseny Road in Winchester, Virginia. The multifamily community will include a total of 63 senior rental units, all of which will be income-restricted in accordance with the Department of Housing and Urban Development's 2018 median household income for the Winchester, VA-WV MSA (Table 1). As proposed, all 63 units will be restricted to households aged 55 and older to be financed, in part, with equity raised from the sale of nine percent Low Income Housing Tax Credits. This report is intended to be submitted as part of an application for nine percent Low Income Housing Tax Credits for the 63 senior rental units.

Table 1 HUD Rent & Income Limits

HUD 2018 Median Household Income										
Winchester, VA-WV MSA		\$71,100								
Very Low Income for 4 Person Household		\$35,550								
2018 Computed Area Median Gross Income		\$71,100								
Utility Allowance:										
1 Bedroom		\$80								
2 Bedroom		\$95								
Household Income Limits by Household Size:										
Household Size	30%	40%	50%	60%	70%	80%	100%	120%	150%	
1 Person	\$14,940	\$19,920	\$24,900	\$29,880	\$34,860	\$39,840	\$49,800	\$59,760	\$74,700	
2 Persons	\$17,070	\$22,760	\$28,450	\$34,140	\$39,830	\$45,520	\$56,900	\$68,280	\$85,350	
3 Persons	\$19,200	\$25,600	\$32,000	\$38,400	\$44,800	\$51,200	\$64,000	\$76,800	\$96,000	
4 Persons	\$21,330	\$28,440	\$35,550	\$42,660	\$49,770	\$56,880	\$71,100	\$85,320	\$106,650	
5 Persons	\$23,040	\$30,720	\$38,400	\$46,080	\$53,760	\$61,440	\$76,800	\$92,160	\$115,200	
Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):										
Persons	# Bed-rooms	30%	40%	50%	60%	70%	80%	100%	120%	150%
1	0	\$14,940	\$19,920	\$24,900	\$29,880	\$34,860	\$39,840	\$49,800	\$59,760	\$74,700
1.5	1	\$16,005	\$21,340	\$26,675	\$32,010	\$37,345	\$42,680	\$53,350	\$64,020	\$80,025
3	2	\$19,200	\$25,600	\$32,000	\$38,400	\$44,800	\$51,200	\$64,000	\$76,800	\$96,000
4.5	3	\$22,185	\$29,580	\$36,975	\$44,370	\$51,765	\$59,160	\$73,950	\$88,740	\$110,925
LIHTC Tenant Rent Limits by Number of Bedrooms (assumes 1.5 persons per bedroom):										
# Persons	30%		50%		60%		70%		80%	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
1 Bedroom	\$400	\$320	\$666	\$586	\$800	\$720	\$933	\$853	\$1,067	\$987
2 Bedroom	\$480	\$385	\$800	\$705	\$960	\$865	\$1,120	\$1,025	\$1,280	\$1,185

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

B. Purpose

The purpose of this study is to perform a market feasibility report and analysis. This report examines the subject site, the economic context of the jurisdiction in which the site is located, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of net demand and effective demand (affordability/penetration analyses). Although the subject's units will be restricted to senior households aged 55 and older, we will perform our analyses using seniors aged 65 and older in accordance with Virginia Housing Development Authority's 2018 Market Study Guidelines.



C. Format of Report

The report format is Comprehensive. Accordingly, the market study addresses all required items set forth in the 2018 Market Study Guidelines of the Virginia Housing Development Authority (VHDA). Furthermore, the market analyst has considered the recommended model content and market study index of the National Council of Housing Market Analysts (NCHMA).

D. Client, Intended User, and Intended Use

Wesley Housing Development Corporation is Real Property Research Group's (RPRG's) Client for this market study. Along with the Client, the Intended Users are representatives of VHDA and potential investors. The subject report will be submitted to VHDA as part of an application for nine percent (competitive) tax credits.

E. Applicable Requirements

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

- VHDA's 2018 Market Study Guidelines.
- NCHMA's Model Content Standards and Market Study Checklist.

F. Scope of Work

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

- Please refer to Appendix 2 for a detailed list of NCHMA requirements and the corresponding pages of requirements within the report.
- Ethan Reed, Senior Analyst for Real Property Research Group, Inc., conducted a visit to the subject site, its immediate neighborhood, and wider primary market area on October 3, 2018.
- RPRG gathered primary information through field and phone interviews with rental community leasing agents and property managers. In the course of research, we obtained information on proposed developments through interviews with Tim Youmans with City of Winchester Department of Planning and Mike Ruddy with the Frederick County Planning Department.
- All information obtained is incorporated in the appropriate section(s) of this report.

G. Report Limitations

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

H. Other Pertinent Remarks

None.

2. PROJECT DESCRIPTION

A. Project Overview

Senseny Senior Apartments is a proposed Low Income Housing Tax Credit (LIHTC) senior multifamily rental community to be located at 1527 Senseny Road in the Winchester, Virginia. The rental community will include 63 apartments and associated community amenities within one mid-rise building with elevator service. All proposed units will be restricted to householders aged 55 and older. Figure 1 illustrates the conceptual rendering for the proposed apartment buildings.

Figure 1 Building Rendering, Senseny Senior Apartments



Source: Wesley Housing Development Corporation

B. Project Type and Target Market

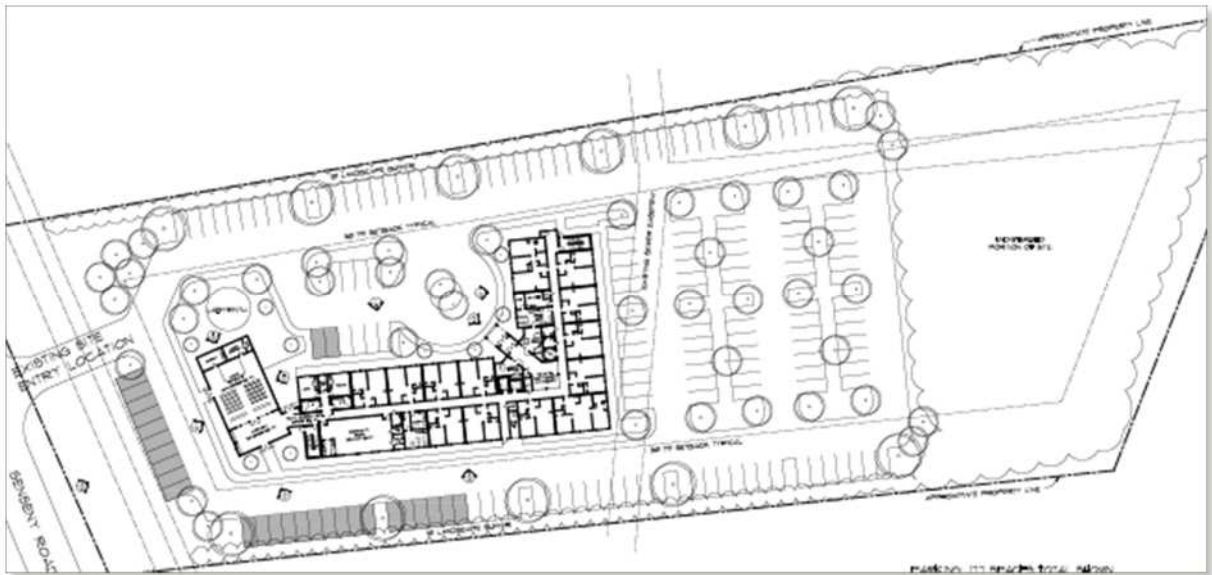
Senseny Senior Apartments is a proposed LIHTC community with all units restricted to households with at least one householder aged 55 years or older; however, as per VHDA requirements, the analysis provided in this report will use data for seniors 65 years or older. Of the 63 total units, 6 units will be restricted to households earning up to 30 percent AMI; 26 units will be restricted to households earning up to 50 percent AMI; 7 units will be restricted to households earning up to 60 percent AMI; 9 units will be targeted to households earning up to 70 percent AMI; and 15 units will be reserved for households earning up to 80 percent AMI. Under the new income averaging provision for LIHTC communities, the proposed income targeting has a weighted average income level of 59.2 percent AMI.

C. Building Types and Placement

The proposed Senseny Senior Apartments will consist of one three-story mid-rise building and associated surface parking. The residential building will include elevator service and will be attached to a newly constructed church. The church will be situated towards the southern portion of the subject site, and the community's main entrance will be along the north side of Senseny Road.

Surface parking will surround the residential building, and the northern portion of the site will include unimproved greenspace (Figure 2).

Figure 2 Site Plan, Senseny Senior Apartments



Source: Wesley Housing Development Corporation

D. Detailed Project Description

1. Project Description

The 63-uits Senseny Senior Apartments will include 43 one-bedroom units (68 percent) and 20 two-bedroom units (32 percent). Table 2 summarizes the proposed project’s unit distribution, income targeting, unit sizes, net rents, and utility allowances.

Table 2 Unit Distribution, Unit Sizes and Net Rents, Senseny Senior Apartments

Bed	Bath	Units	Income Level	Published Sq. Ft.*	Contract Rent	Utility Allowance	Gross Rent
1	1	5	30%	629	\$320	\$80	\$400
1	1	24	50%	629	\$586	\$80	\$666
1	1	5	60%	629	\$720	\$80	\$800
1	1	6	70%	629	\$853	\$80	\$933
1	1	3	80%	760	\$969	\$80	\$1,049
1BR Subtotal		43		638	\$635	\$80	\$715
2	1.5	1	30%	928	\$385	\$95	\$480
2	1.5	2	50%	928	\$705	\$95	\$800
2	1.5	2	60%	928	\$865	\$95	\$960
2	1.5	3	70%	928	\$1,025	\$95	\$1,120
2	1.5	12	80%	945	\$1,125	\$95	\$1,220
2BR Subtotal		20		938	\$1,005	\$95	\$1,100
Total		63	58%				

Rents include: sewer and trash

* Weighted Avg.

Source: Wesley Housing



As proposed, Senseny Senior Apartments will include one bathroom for one-bedroom units and 1.5 bathrooms for two-bedroom units. The one-bedroom units will have a weighted average size of 638 square feet, and the two-bedroom units will have a weighted average size of 938 square feet. The monthly net rents at Senseny Senior Apartments will include the cost of sewer and trash removal. The other utility costs, including general electricity, cooking, heating and cooling, will be the direct responsibility of tenants. The proposed utility allowances are \$80 for one-bedroom units and \$95 for two-bedroom units. The site will include unrestricted free surface parking.

All units at Senseny Senior Apartments will be equipped with electric range, refrigerator, dishwasher, microwave, range hood, and garbage disposal (Table 3). Kitchen appliances will have standard finishes. The kitchens will have upgraded laminate countertops and will feature breakfast bars with an open floor design.

All units will have central air conditioning and the units will have 8-foot ceiling heights. The units will have vinyl flooring in the hallways, kitchen, bath, and living areas with carpet in the bedrooms.

Common area amenities available to all residents will include a furnished community/activity room, multiple laundry facilities, and fitness center, along with on-site management. The mid-rise building will provide elevator service to each floor.

2. Other Proposed Uses

In addition to the proposed residential building and its associated amenities as well as surface parking, a church will be constructed on the subject site and attached to the southern end of the proposed residential building.

Table 3 Salient Project Information, Senseny Senior Apartments

Unit Features	Community Amenities
<ul style="list-style-type: none"> • Upgraded Countertops • Energy-efficient appliances and fixtures • Refrigerator, dishwasher, microwave, range/oven, and garbage disposal • Window blinds • Wood cabinets • Carpet in bedrooms • Vinyl flooring in living/common areas 	<ul style="list-style-type: none"> • Controlled access to building and adjacent parking • Elevators • Community center • Fitness center • Cyber café with Wi-Fi • Walking paths • Coordinated activities

Source: Wesley Housing Development Corporation

3. Proposed Timing of Development

The Developer intends to begin construction in 2019. The project’s first apartment units are scheduled to be delivered by late 2020. The Developer will engage in pre-leasing, likely beginning 60 days prior to the delivery of the first units.



3. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location

The subject site is located at 1527 Senseny Road along the north side of Senseny Road, one mile east of Interstate 81 just outside the city limits of Winchester in Frederick County, Virginia (Map 1). The site has good visibility from Senseny Road.

2. Size, Shape and Topography

The subject site totals six acres and is roughly rectangular in shape with an overall flat topography.

3. Existing Uses

As observed during RPRG’s recent site visit on October 3, 2018, the subject site is partially paved and currently improved with a church which is planned for demolition prior to the construction of the subject community (Figure 3).

Map 1 Site Location

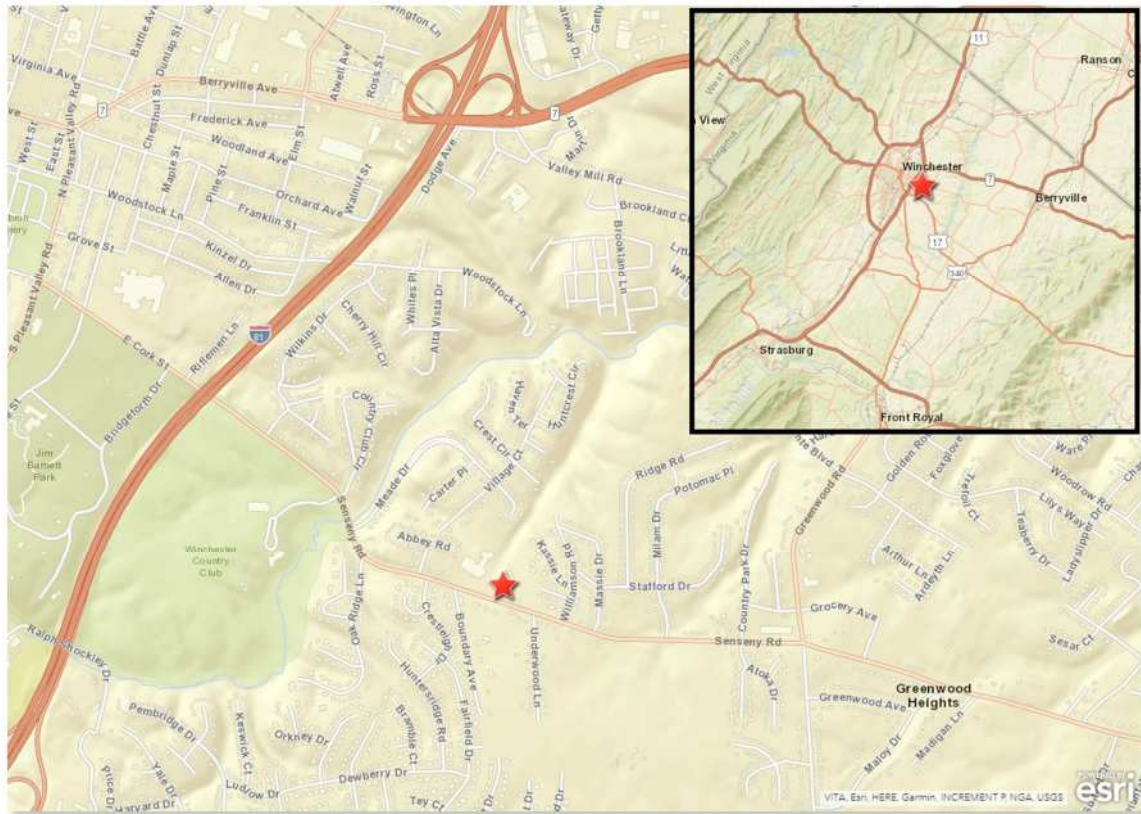


Figure 3 Views of Subject Site



View of site facing north from Senseny Road



Improvements on site expected to be demolished



Northern portion of site facing northwest



Subject southern boundary facing west along Senseny Rd



Subject eastern boundary facing north from Senseny Road



Subject western boundary facing north from Senseny Rd

4. General Description of Land Uses Surrounding the Subject Site

The subject's neighborhood is an established residential area of eastern Winchester, with uses primarily lower density and modest in nature. Developments surrounding the subject site include a variety of uses including residential, retail, commercial, and institutional. The Burning Tree Apartments, a general occupancy multifamily community, is directly east of the subject, and west of the subject is Senseny Road School, a campus for Northwestern Regional Educational Programs (Figure 4). A variety of retail amenities including a bank, restaurant, gas station, and day care are south of the subject along Senseny Road. Winchester Country Club is approximately one-half mile west of the subject site.

Figure 4 Aerial View of Subject



5. Specific Identification of Land Uses Near the Subject Site

The land uses surrounding the subject site are as follows (Figure 5):

- **North:** A general occupancy multifamily community, single-family homes
- **East:** A general occupancy multifamily community, a vacant parcel along Senseny Road, strip retail center further east
- **South:** Single-family homes, a bank, a restaurant to the southwest
- **West:** Senseny Road School, Westchester Country Club further west

Figure 5 Views of Surrounding Land Uses



Senseny Road School west of subject site along Senseny Road



Bank south of subject site along Senseny Road



Single-family home south of subject site



Vacant parcel east of subject along Senseny Road



General occupancy multifamily community east of subject site



Strip retail center east of subject along Senseny Road



B. Neighborhood Analysis

The subject site is located in an established residential portion of eastern Winchester, just east of Interstate 81. The immediate area surrounding the subject site includes homes built in the 1960's and 1970's, selling in the \$200,000's according to real estate data provider, Trulia. To the south, near Winchester Country Club, homes are selling in the \$300,000's and \$400,000's. New residential development activity is taking place to the northeast, including new subdivisions along Greenwood Road.

Historic downtown Winchester, known as Old Town, is approximately 1.5 miles to the west of the subject. Old Town includes most of the city's government services, a dense pedestrian mall with shops and restaurants that has recently been renovated, and numerous historic buildings.

Retail and neighborhood services are widely available within a short drive from the subject site including a minor retail node less than one mile east of the subject at Senseny Road and Greenwood Road as well as a major retail node two miles southwest of the subject site including Apple Blossom Mall. To the southeast, density decreases and land uses are primarily rural and agricultural in nature.

C. Site Visibility and Accessibility

1. Visibility

The subject site is on the north side of Senseny Road, one mile east of Interstate 81. As Senseny Road serves as an east-west transportation arterial with moderate to heavy traffic, the proposed community will have excellent drive-by visibility.

2. Vehicular Access

Vehicular access to the subject site will be from the north side of Senseny Road, approximately one mile east of Interstate 81. Access to Interstate 81 is actually two miles southwest of the subject site at the intersection with US-50 or two miles northwest of the subject at the intersection with Berryville Pike.

The subject's general neighborhood is well connected to both local and regional thoroughfares. Senseny Road provided direct access to Old Town Winchester, west of the subject site, and Interstate 81 provides regional access throughout Virginia and surrounding states.

3. Availability of Public Transit

Public transit services are provided by the Winchester Transit System (WinTran). WinTran operates fixed-route, para-transit, and trolley service throughout the city of Westchester. Seven of the fixed routes traverse the city of Winchester, several of which run near the subject. The nearest bus stop to the subject site is at Allen Drive and Woodstock Lane, roughly 1.4 miles northwest of the subject site. Riders can connect to other routes in downtown Winchester. Senior citizens and individuals with disabilities are charged half fare. A para-transit service is also offered for individuals with a temporary or permanent disability that does not allow them to take advantage of the fixed-route transit service.



4. Availability of Inter Regional Transit

Inter-regional transit in the Winchester area is dependent upon the highway system as the region has limited regional transit options. Interstate 81, which runs north-south, connects Winchester to two major east-west expressways: Interstate 70 to the north and Interstate 66 to the south. Dulles International Airport is located 51 miles east of the subject, providing access to hundreds of domestic and international destinations daily. More than 30 international carriers serve Dulles Airport with many nonstop flights to destinations throughout the nation and world.

5. Pedestrian Access

Sidewalks are not installed along Senseny Road at the subject site.

6. Accessibility Improvements Under Construction and Planned

Through site visit observations, a review of the Virginia Department of Transportation's (VDOT) current Six-Year Improvement Program and a review of the City of Winchester's capital improvement projects, RPRG assessed whether any capital improvement projects impacting road, transit, or pedestrian access to the subject site are currently underway or likely to commence in the next few years. Numerous VDOT road projects are either underway or under study to mitigate traffic congestion throughout Winchester and Frederick County. Some of these projects include the replacement of bridges throughout the region, the widening of roads and improvements in intersections, the reconstruction of Route 655 (Sulphur Spring Road) located east of the subject site, between Route 50 (Millwood Pike) and Clarke County, among others.

D. Public Safety

The Winchester Police Station which is responsible for the subject site's neighborhood is located two miles to the west at 231 E. Piccadilly Street. The subject site is located less than one mile west of the Greenwood Volunteer Fire Station, located at 809 Greenwood Road. Emergency responders should thus generally be able to reach the subject site quickly when needed.

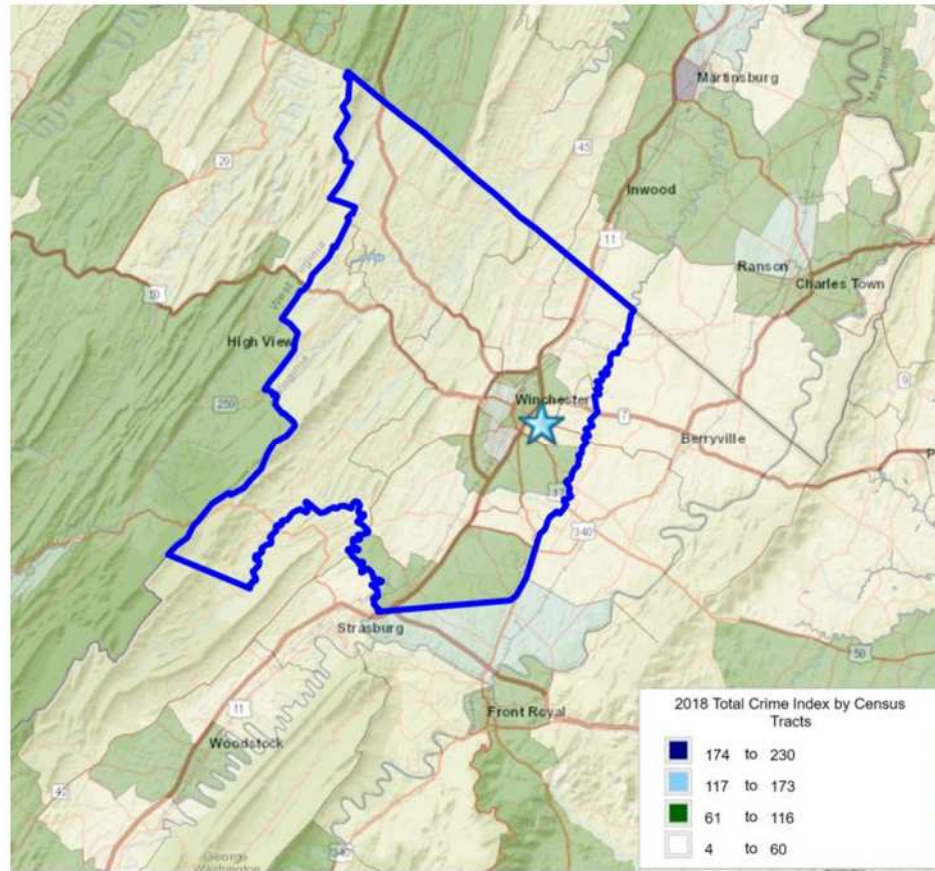
To gauge the topic of crime in the vicinity of the subject site, RPRG considered CrimeRisk data provided by Applied Geographic Solutions (AGS). CrimeRisk is an index that measures the relative risk of crime compared to a national average at the narrow geographic level of U.S. Census block groups. AGS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

Based on modeling of these relationships, CrimeRisk provides a detailed view of the risk of total crime as well as specific crime types at the block-group level. Aggregate indexes have been prepared as a total crime index (as well as separately for violent and property crimes in accordance with the reporting procedures used in the UCR reports). An index value of 100 reflects a total crime risk on par with the national average, with values below 100 reflecting below average risk and values above 100 reflecting above average risk. In considering the indexes, note that they are not weighted, such that a murder is weighted no more heavily than a purse snatching. The indexes provide a useful measure of the relative overall crime risk in an area but are most useful when considered in conjunction with other measures.

Map 2 displays the 2018 CrimeRisk index for the block groups near the subject site. The relative risk is displayed in gradations from yellow (least risk) to deep red (most risk). The block groups that contain the subject site and immediately adjacent parcels are shaded green and light yellow,

indicative of an overall lower level of crime. Inspections of the subject site and surrounding neighborhood as well as interviews with local property managers indicate crime or the perception of crime are not expected to negatively impact the subject site.

Map 2 Total Crime Index by Block Group



E. Residential Support Network

1. Key Facilities and Services near the Subject Site

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

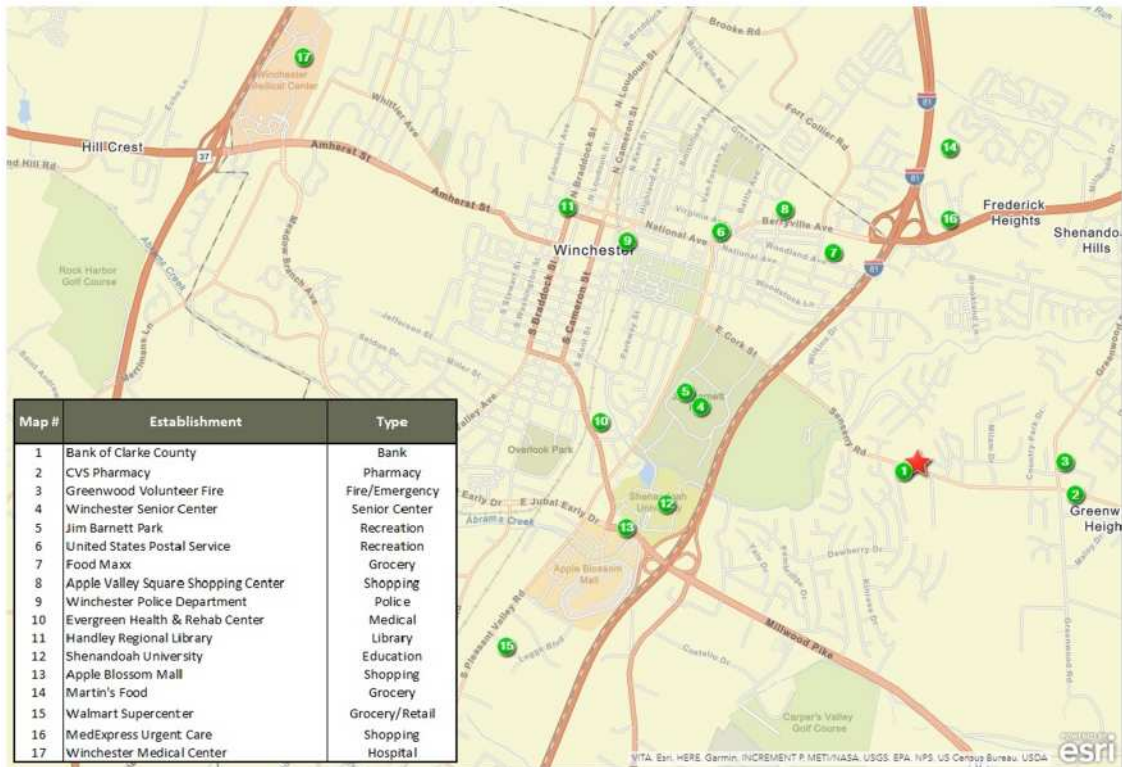


Table 4 Key Facilities and Services Near Subject Site

Establishment	Type	Address	Driving Distance (miles)
Bank of Clarke County	Bank	1508 Senseny Rd	0.2
CVS Pharmacy	Pharmacy	1932 Senseny Rd	0.8
Greenwood Volunteer Fire	Fire/Emergency	809 Greenwood Rd	0.8
Winchester Senior Center	Senior Center	1001 E Cork St	1.2
Jim Barnett Park	Recreation	150 War Memorial Dr	1.5
United States Postal Service	Recreation	340 N Pleasant Valley Rd	1.8
Food Maxx	Grocery	1107 Berryville Ave	1.8
Apple Valley Square Shopping Center	Shopping	802 Berryville Ave	2.0
Winchester Police Department	Police	231 E Piccadilly St	2.0
Evergreen Health & Rehab Center	Medical	380 Millwood Ave	2.3
Handley Regional Library	Library	100 W Piccadilly St	2.4
Shenandoah University	Education	1460 University Dr	2.4
Apple Blossom Mall	Shopping	1850 Apple Blossom Dr	2.6
Martin's Food	Grocery	400 Gateway Dr	3.1
Walmart Supercenter	Grocery/Retail	2350 S Pleasant Valley Rd	3.2
MedExpress Urgent Care	Shopping	207 Gateway Dr	3.3
Winchester Medical Center	Hospital	1840 Amherst St	3.9

Source: Field and Internet Research, Real Property Research Group, Inc.

Map 3 Neighborhood Amenities





2. Essential Services

a. Health Care

Valley Health System is the predominant healthcare provider throughout the region. The system operates six hospitals, three urgent care centers, and numerous physician offices and outpatient centers in the surrounding area. Valley Health operates the Winchester Medical Center (“WMC”), which is a 445-bed hospital located four miles west of the subject. WMC is a level II trauma center, regional referral center, and provider of an extensive network of diagnostic, surgical, and rehabilitative care. In 2012, WMC completed a \$161 million expansion that introduced new emergency services and added new intensive care beds for adults and newborns effectively enhancing the critical care services available in the region. Additional features of the expansion include a new cardio and vascular facility as well as clinical laboratory facilities. WMC is also the location of the Shenandoah University School of Pharmacy at which approximately 300 graduate students are enrolled. Valley Health also offers an urgent care clinic located near the Apple Blossom Mall along Jubal Early Drive, approximately two miles from the subject.

Beyond the full-service hospitals, there are extensive medical and dental offices scattered throughout Winchester and within a short drive from the subject including Evergreen Health & Rehab Center and MedExpress Urgent Care.

b. Education

For senior residents seeking education opportunities, multiple institutions of higher learning are located near to the subject site, including Shenandoah University and the Middletown Campus of Lord Fairfax Community College.

3. Commercial Goods and Services

a. Convenience Goods

The subject is convenient to a wide range of retail services, including three grocery stores within four miles of the subject site. Three retail nodes are within a short drive from the subject site including at Greenwood Road and Senseny Road, at I-81 and Berryville Pike, and at I-81 and Millwood Pike.

The largest concentration of shopping and entertainment opportunities near the subject is located near Interstate 81 in the vicinity around Apple Blossom Mall including adjacent shopping centers and a Walmart Supercenter. Apple Blossom Mall is a regional shopping center with over 90 stores and anchored by JC Penney’s, Belk, and a 16-screen movie cinema. Additional big box shopping centers along Pleasant Valley Road contain stores such as Target, Kohl’s, Home Depot, PetSmart, Pier 1, and Bed Bath & Beyond. In addition, there are a wide variety of restaurants, auto services, and other outlets in multiple shopping centers in the immediate vicinity.

Downtown Winchester, known as Old Town, provides a variety of smaller, boutique style shops, restaurants, and services in a more pedestrian friendly environment. This historical area of town is located approximately 1.5 miles west of the subject.

4. Senior Amenities

Winchester Senior Center is conveniently located roughly one mile west of the subject site at 1001 East Cork Street. Operated by the Shenandoah Area Agency on Aging, the Winchester Senior



Center provides a variety of social activities as well as support services for senior residents aged 55 and older.

5. Recreational and Other Community Amenities

Fire, police, post office, and library services are all available within two miles of the subject. The Winchester Police Department and historic Handley Regional Library are both in Old Town, 1.5 miles west of the subject. Nearby recreational opportunities include the Abram's Creek Wetlands Preserve and Jim Barnett Park, the city's main park that features athletic fields, a swimming pool, a fitness course, miniature golf course, tennis courts, basketball courts, a dog park, an arboretum, open space for group functions and individual fitness. Jim Barnett Park is located 1.5 miles west of the subject. Open space for general recreation is located on the grounds of the James Wood Middle School. The nearby Shenandoah Valley and associated mountain range that span Virginia, West Virginia, and Maryland have ample opportunities for outdoor activities including hiking and camping.



4. ECONOMIC CONTEXT

A. Introduction

This section focuses on economic trends and conditions in the Greater Frederick County region (city of Winchester and surrounding Frederick County), the jurisdiction in which the proposed Senseny Senior Apartments is located. For purposes of comparison, we also discuss economic trends in the Commonwealth of Virginia and the nation.

B. Resident Unemployment

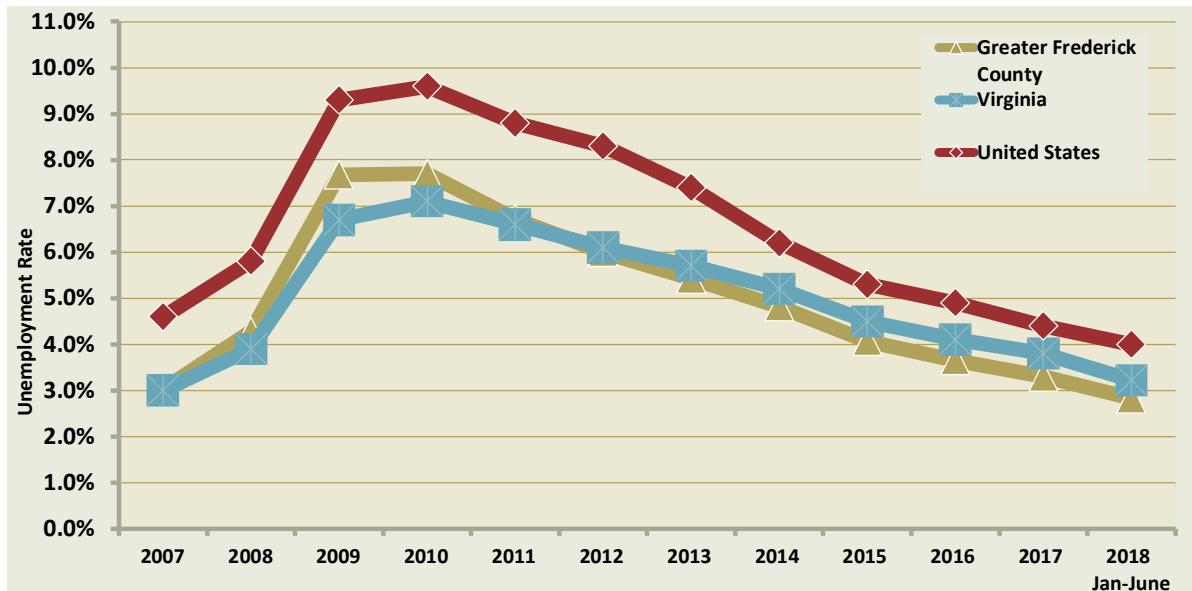
The Greater Frederick County labor force has expanded each of the last three years, from 58,811 workers in 2015 to 62,158 workers through June 2018. Unemployment among Greater Frederick County residents tracked slightly lower than Virginia’s statewide unemployment rate over the last six years (Table 5). Since 2012, the regional unemployment rate consistently declined to the 2017 annual average rate of 3.3 percent, lower than the 3.8 percent Virginia rate and 4.4 percent national rate. Through the first half of 2018, the Greater Frederick County unemployment rate has remained well below the statewide and national rate.

Table 5 Labor Force and Unemployment Rates, Greater Frederick County

Annual Unemployment Rates - Not Seasonally Adjusted

Annual Unemployment	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 Jan-June
Labor Force	55,450	55,809	55,120	55,669	57,277	57,725	58,497	58,907	58,811	59,578	60,866	62,158
Employment	53,773	53,422	50,885	51,383	53,429	54,261	55,324	56,070	56,417	57,401	58,861	60,399
Unemployment	1,677	2,387	4,235	4,286	3,848	3,464	3,173	2,837	2,394	2,177	2,005	1,758
Unemployment Rate												
Greater Frederick County	3.0%	4.3%	7.7%	7.7%	6.7%	6.0%	5.4%	4.8%	4.1%	3.7%	3.3%	2.8%
Virginia	3.0%	3.9%	6.7%	7.1%	6.6%	6.1%	5.7%	5.2%	4.5%	4.1%	3.8%	3.2%
United States	4.6%	5.8%	9.3%	9.6%	8.8%	8.3%	7.4%	6.2%	5.3%	4.9%	4.4%	4.0%

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





C. Commuting Patterns

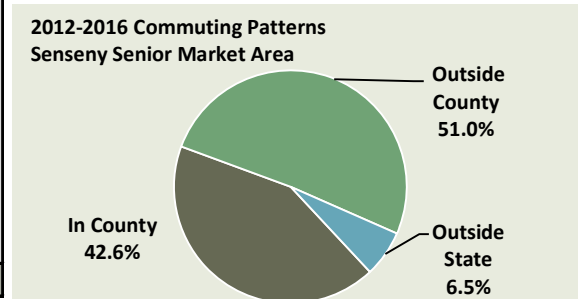
The city of Winchester is the economic center of the surrounding Frederick County and Clarke County region. The economic integration and regional nature of the neighborhoods surrounding the market area is demonstrated by commuting patterns for residents of the primary market area for the subject project – labeled the Senseny Market Area and defined in the next section. Reflecting the regional integration of the surrounding area, data from the 2012 to 2016 American Community Survey (ACS) show that only 42.6 percent of market area workers worked within their local jurisdiction (Frederick or Clarke County), while 51 percent commuted to jobs located outside their county of residence (Table 6). A small proportion (6.5percent) of employed primary market area residents traveled to out of state locations for work.

Roughly one-quarter (44 percent) of Senseny Market Area workers reported average commute times of 20 minutes or less each way as of 2012-2016. Almost 37 percent of market area workers have commute times of 20 to 60 minutes, and 19.1 percent of primary market area residents commuted more than 60 minutes each way or worked from home.

Table 6 2012-2016 Commutation Data, Senseny Market Area

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home:	51,219	95.1%	Worked in state of residence:	50,355	93.5%
Less than 5 minutes	1,391	2.6%	Worked in county of residence	22,926	42.6%
5 to 9 minutes	4,959	9.2%	Worked outside county of residence	27,429	51.0%
10 to 14 minutes	7,963	14.8%	Worked outside state of residence	3,479	6.5%
15 to 19 minutes	9,465	17.6%	Total	53,834	100%
20 to 24 minutes	7,509	13.9%			
25 to 29 minutes	2,832	5.3%			
30 to 34 minutes	4,363	8.1%			
35 to 39 minutes	757	1.4%			
40 to 44 minutes	1,381	2.6%			
45 to 59 minutes	2,908	5.4%			
60 to 89 minutes	5,010	9.3%			
90 or more minutes	2,681	5.0%			
Worked at home	2,615	4.9%			
Total	53,834				

Source: American Community Survey 2012-2016



Source: American Community Survey 2012-2016

D. At-Place Employment

1. Trends in Total At-Place Employment

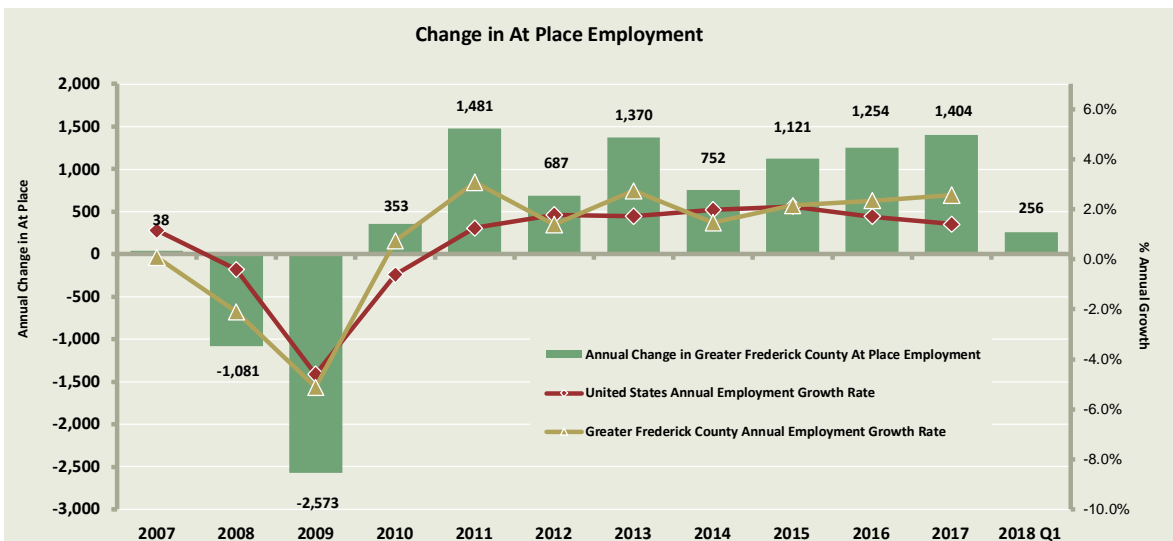
At-Place Employment in Greater Frederick County steadily increased from 47,690 jobs in 2009 to 56,111 jobs through 2017 (Figure 6). Over this eight-year period, the region gained 8,421 jobs, or 18 percent. As illustrated in the bottom of Figure 6, the region’s annual growth rate has tracked similar to the national growth rate over the last seven years while exceeding the national annual growth rate during the last two years.



Figure 6 At-Place Employment, Greater Frederick County



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



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

2. At-Place Employment by Industry Sector

An examination of Greater Frederick County and its employment by industry sectors reveals that the region has a diverse economic base. Six industry sectors throughout the Greater Frederick County region each account for over nine percent of the employment base (Figure 7). The region has especially strong representation among Trade-Transportation-Utilities (20.9 percent) and Education Health (18.2 percent). The largest sector, Trade-Transportation-Utilities includes positions in wholesale and retail trade and reflects the presence of many distribution-related companies situated near I-81. The region has proportionally more jobs than the nation within its Education Health, Trade-Transportation-Utilities, and Manufacturing sectors.



Figure 7 Total Employment by Sector, 1st Quarter 2018

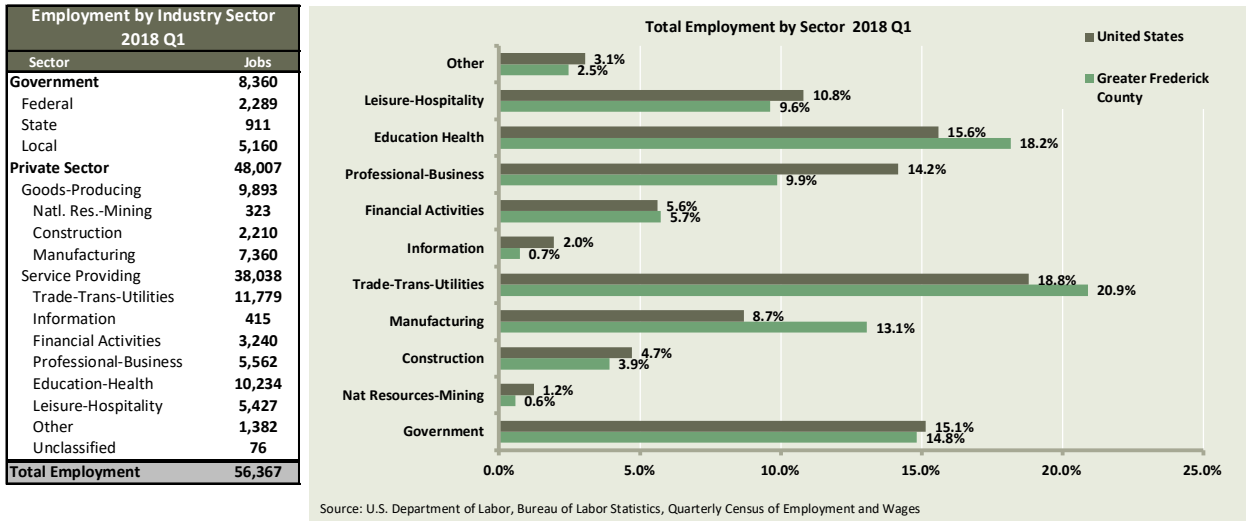
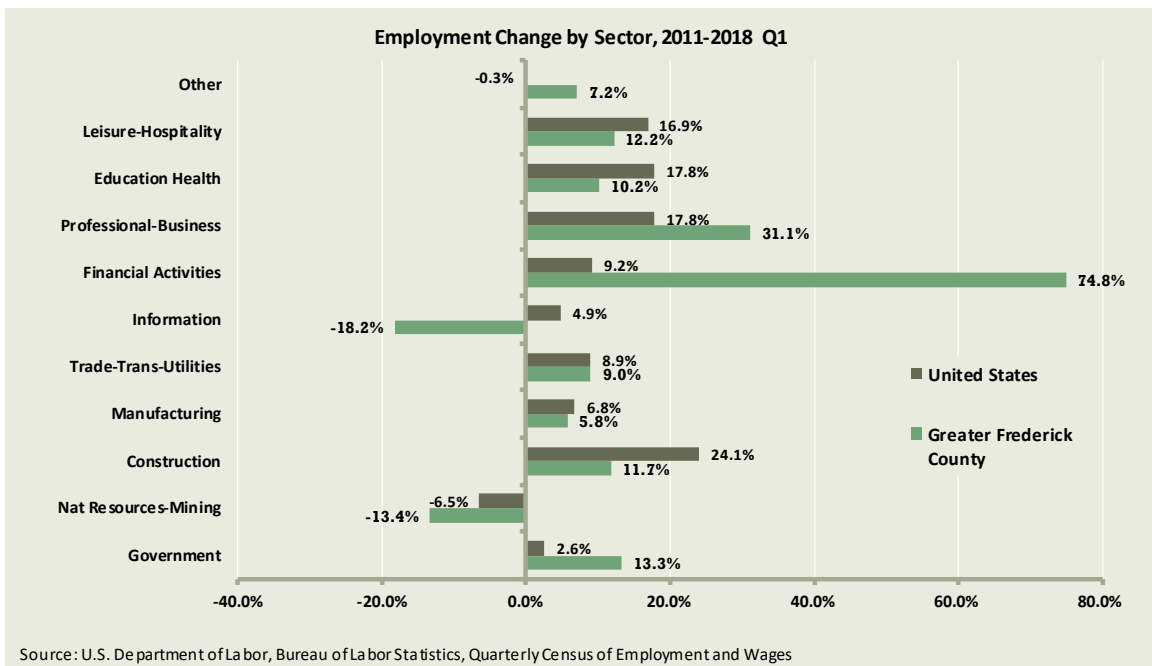


Figure 8 shows the change in jobs by industry sector since 2011. All but two of the eleven Greater Frederick County industry sectors expanded through the last seven years. Six sectors experienced moderate to strong growth of over ten percent including Financial Activities (74.8 percent), Education-Health (10.2 percent), Leisure-Hospitality (12.2 percent), Professional-Business (31.1 percent), Construction (11.7 percent), and Government (13.3 percent) which includes several smaller sectors. Only two sectors experienced declines with Information losing 18.2 percent and Natural Resources-Mining losing 13.4 percent. However, these sectors are among the smallest sectors throughout the region.

Figure 8 Employment Change by Sector, 2011 – 1st Quarter 2018





3. Major Private Employers

Table 7 outlines Winchester's largest employers in terms of number of employees, as currently reported by the Virginia Employment Commission. The list reflects the diversity of employment across economic sectors. Three of the top five employers represent the Education Health sector. Two of the top ten employers are manufacturers, and one is a retailer which includes distribution jobs as well. Three of the top employers include local and federal government entities.

Table 7 Largest Employers in the Greater Frederick County, 2017

Rank	Name	Sector	Employment
1	Valley Health System	Healthcare	1000 +
2	Shenandoah University	Higher Education	500-999
3	Ignite Holdings LLC	Manufacturing	500-999
4	Winchester City Public Schools	Education	500-999
5	Wal Mart	Retail Sales	500-999
6	U.S. Federal Bureau of Investigation	Government	500-999
7	City of Winchester	Government	500-999
8	U.S. Department of Defense	Government	250-499
9	Grafton School, Inc.	Education	250-499
10	Osullivan Films Inc	Manufacturing	100-249

Source: Virginia Employment Commission

E. Wage Trends

The average annual wage in 2017 for the city of Winchester was \$47,715 (Table 8). In 2017, Winchester's average annual wage was below the average annual wage throughout Virginia (\$56,503) and the average wage nationally (\$55,375).

Table 8 Average Annual Wage

	2010	2011	2012	2013	2014	2015	2016	2017
Winchester City	\$41,688	\$42,606	\$43,229	\$44,240	\$45,207	\$45,824	\$46,793	\$47,715
Virginia	\$49,651	\$50,657	\$51,646	\$51,918	\$52,929	\$54,276	\$54,836	\$56,503
United States	\$46,751	\$48,043	\$49,289	\$49,804	\$51,361	\$52,942	\$53,621	\$55,375

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

Figure 9 compares the average annual wage by economic sector for Winchester to the average annual wage by economic sector for the United States as of 2017. Average citywide wages were lower than average wages across the nation in all industry sectors except two. Local wage data was unavailable in the Construction and Natural Resources-Mining sectors. Only Education Health had a noticeably higher average wage (\$58,591) compared to the national average wage in this sector (\$49,199). The city's highest annual wages are in the Government and Financial Activities sectors. As is the case across the country, the lowest wages in the Leisure-Hospitality sector, which incorporates jobs in establishments such as restaurants and hotels.



Figure 9 Annualized Wage Data by Sector



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

F. Economic Conclusions and Projections

The Bi-County Region economy has experienced steady At-Place Employment growth and a falling unemployment rate over the last five years. Although the local economy benefits from a diverse industry base, proximity to major transportation thoroughfares, and proximity to the Washington, DC metro area, average wages lag national averages among almost all industry sectors.



5. HOUSING MARKET AREA

A. Introduction

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

B. Delineation of Market Area

The primary market area defined by RPRG to evaluate the proposed Senseny Senior Apartments rental community is depicted in Map 4. The nineteen 2010 Census tracts comprising the primary market area are listed on the edge of the map. The primary market area will be referred to as the Senseny Market Area for the remainder of this report.

The Senseny Market Area includes the independent city of Winchester as well as the surrounding Frederick County. Thus, the Frederick County boundary serves as all boundaries of the Senseny Market Area.

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

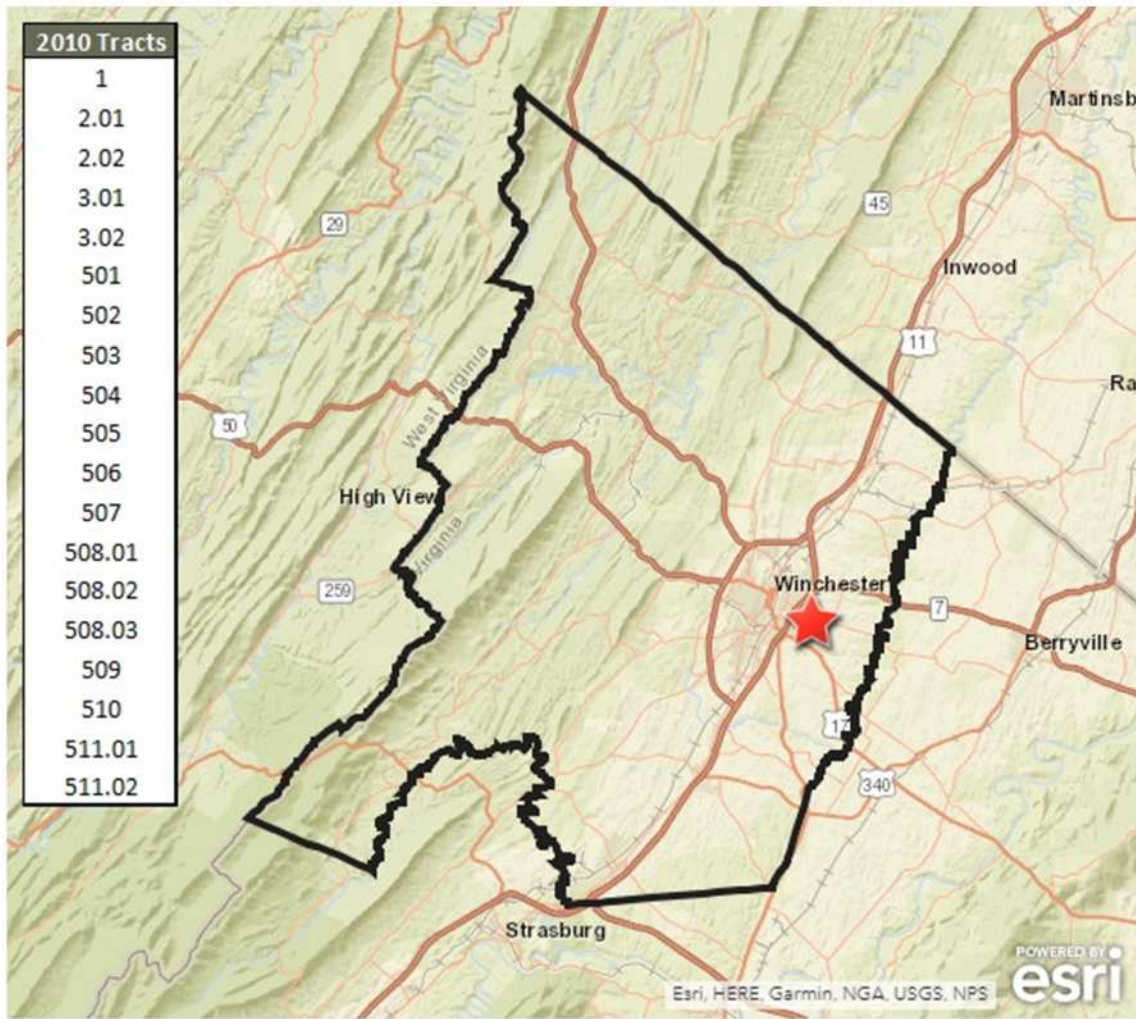
- **North:** Frederick County/West Virginia state line (11.8 miles)
- **East:** Frederick County/Clarke County line (3.9 miles)
- **South:** Frederick County/Warren County line (10.2 miles)
- **West:** Frederick County/Shenandoah County line (13.1 miles)

In addition to the jurisdictional nature of the defined market area, the boundaries of the market area reflect the transition to adjacent markets that offer intervening rental opportunities and are not directly comparable with the subject site. We believe residents of the defined primary market area would consider the subject site as an acceptable location of senior rental housing.

As appropriate for this analysis, RPRG compares and contrasts the Senseny Market Area with the Bi-County Region of Frederick and Clarke Counties. We consider the Bi-County Region to be the secondary market area for Senseny Senior Apartments. Demand estimates are based only on the Senseny Market Area.



Map 4 Senseny Market Area





6. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Senseny Market Area and the wider Bi-County Region secondary market using the following data sources:

- The U.S. Census Bureau's 2000 and 2010 Census of Population and Housing
- The U.S. Census Bureau's American Community Survey for the years 2012 through 2016
- 2018 estimates and 2023 projections by Census tract from Esri, which incorporate 2010 Census data. Esri is a national vendor of demographic data.
- Data on permits for new residential units in the Bi-County Region, compiled by the U.S. Census Bureau

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

B. Trends in Population and Households

1. Recent Past Trends

At the time of the 2000 Census, 82,794 persons and 32,098 households resided in the Senseny Market Area (Table 9). Based on the 2010 Census, the population of the Senseny Market Area stood at 104,508 in 2010, reflecting a 2.4 percent annual increase since 2000. The primary market area's household base grew at an annual rate of 2.1 percent to 39,471 households by 2010. Between 2000 and 2010, the Bi-County Region grew by 23,096 persons and 7,940 households. These overall increases translate to annual growth rates of 2.2 percent for population and 2.0 percent household growth. As of 2010, 118,542 persons and 44,980 households resided in the Bi-County Region.

Esri estimates that the Senseny Market Area population grew at an annual rate of 1.2 percent, adding 1,259 persons per year during the last eight years. The market area's household base grew by 1.1 percent or 432 households per year from 2010 through 2018. The estimated population and household totals for the Senseny Market Area as of 2018 are 114,579 persons and 42,925 households. For the Bi-County Region, Esri estimates that the population and household bases increased by 1.1 percent (1,349 persons) and 1.0 percent (465 households) each year between 2010 and 2018.

2. Projected Trends

Esri projects increased population and household annual growth for the Senseny Market Area through the next five years. Market area population is projected to grow at an annual rate of 1.4 percent, or 1,643 persons per year, through 2023. The market area's household base will expand by a net of 588 households (1.3 percent) per year through 2023. Esri projects similar growth trends throughout the Bi-County Region with projected population and household growth of 1.3 percent on an annual basis through 2023.

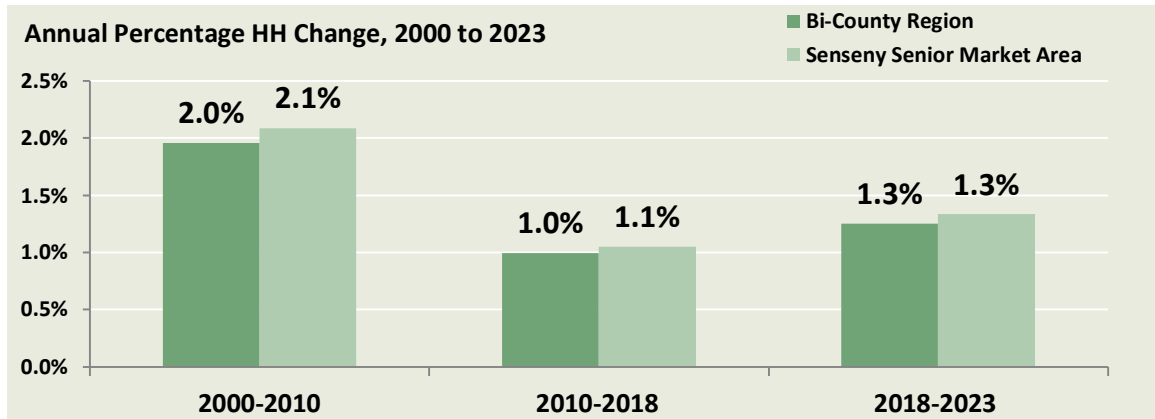


Table 9 Population and Household Trends, 2000 to 2023

		Bi-County Region				Senseny Senior Market Area				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	95,446					82,794				
2010	118,542	23,096	24.2%	2,310	2.2%	104,508	21,714	26.2%	2,171	2.4%
2018	129,336	10,794	9.1%	1,349	1.1%	114,579	10,071	9.6%	1,259	1.2%
2023	138,078	8,742	6.8%	1,748	1.3%	122,792	8,213	7.2%	1,643	1.4%

		Bi-County Region				Senseny Senior Market Area				
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	37,040					32,098				
2010	44,980	7,940	21.4%	794	2.0%	39,471	7,373	23.0%	737	2.1%
2018	48,699	3,719	8.3%	465	1.0%	42,925	3,454	8.8%	432	1.1%
2023	51,829	3,130	6.4%	626	1.3%	45,867	2,942	6.9%	588	1.3%

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



3. Trends in Older Adult Households

Older adult household growth rates have outpaced overall household growth rates over the past eight years with annual increases of 477 householders or 2.7 percent for adults aged 55 and older and annual increases of 308 householders or 3.1 percent for adults aged 65 and older; senior household growth includes both net migration and aging in place. As of 2018, the market area has 11,214 households with a householder aged 65 or older, an increase of 2,464 households since 2010. An estimated 19,618 households with householder aged 55 and older reside in the market area as of 2018.

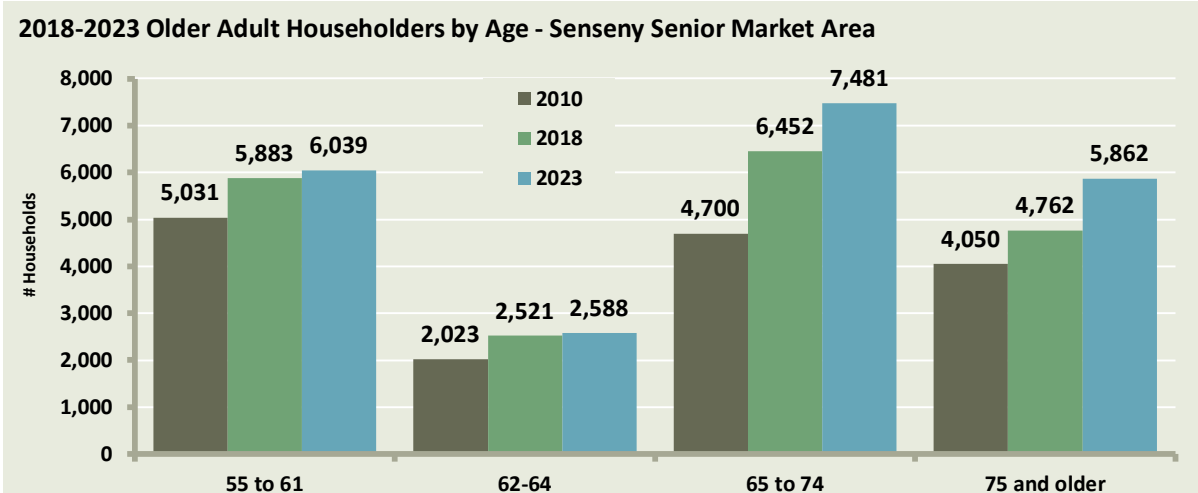
The market area is projected to reach 21,970 households with householder aged 55 or older by 2023, with annual increases of 470 households or 2.3 percent between 2018 and 2023 (Table 10). Most of the growth among older adult householders through 2023 is projected among households with householder aged 65 and older, as this cohort is projected to expand annually by 3.5 percent (426 households) bringing the total number of senior households aged 65+ to 13,343 by 2023. Senior household growth includes both net migration and aging in place.



Table 10 Older Adult Household Projections, Senseny Market Area

Senseny Senior Market Area							Change 2010 to 2018				Change 2018 to 2023			
							Total		Annual		Total		Annual	
Age of HH	2010		2018		2023		#	%	#	%	#	%	#	%
55 to 61	5,031	31.8%	5,883	30.0%	6,039	27.5%	851	16.9%	106	2.0%	156	2.7%	31	0.5%
62-64	2,023	12.8%	2,521	12.9%	2,588	11.8%	499	24.7%	62	2.8%	67	2.7%	13	0.5%
65 to 74	4,700	29.7%	6,452	32.9%	7,481	34.1%	1,752	37.3%	219	4.0%	1,029	15.9%	206	3.0%
75 and older	4,050	25.6%	4,762	24.3%	5,862	26.7%	712	17.6%	89	2.0%	1,100	23.1%	220	4.2%
Householders 55+	15,804	100.0%	19,618	100.0%	21,970	100.0%	3,814	24.1%	477	2.7%	2,352	12.0%	470	2.3%
Householders 65+	8,750		11,214		13,343		2,464	28.2%	308	3.1%	2,129	19.0%	426	3.5%
All Households	39,471		42,925		45,867		3,454	8.8%	432	1.1%	2,942	6.9%	588	1.3%

Source: 2010 Census; Esri; RPRG 26% 29%



4. Building Permit Trends

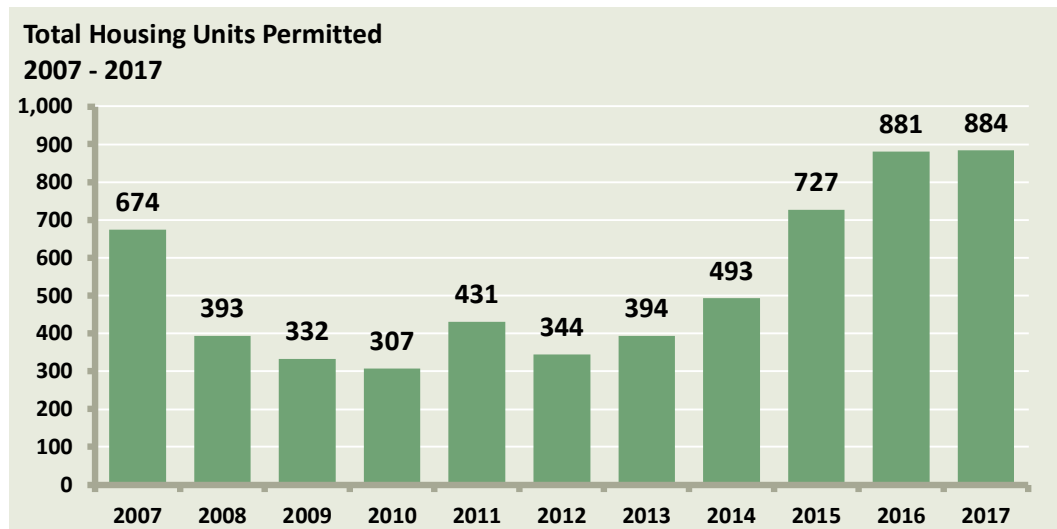
Trends in residential building permits across the Bi-County Region generally reflect its ongoing household growth pattern. Between 2007 and 2017, the Bi-County Region reportedly authorized an average of 533 new residential units per year (Table 11). The permitting activity underlying this average reflects the strong recent surge in activity since 2014. During the last three years, an average of 831 units were permitted per year, almost double the annual rate from 2007 to 2014. Multifamily building permits accounted for only ten percent of all permits issued in the Bi-County Region over this eleven-year period.



Table 11 Building Permits for New Residential Units, Bi-County Region

Bi-County Region	Winchester City, Frederick & Clarke Counties											2007-2017	Annual Average
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		
Single Family	622	390	312	307	272	293	394	491	590	876	633	5,180	471
Two Family	2	0	2	0	0	0	0	2	0	0	4	10	1
3 - 4 Family	0	3	0	0	0	3	0	0	0	0	55	61	6
5+ Family	50	0	18	0	159	48	0	0	137	5	192	609	55
Total	674	393	332	307	431	344	394	493	727	881	884	5,860	533

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



C. Demographic Characteristics

1. Age Distribution and Household Type

The median age in the Senseny Market Area is 38, similar to the median age of 39 among residents of the Bi-County Region (Table 12). Seniors comprise one fifth of both the market area population as well as the regional population. Adults aged 35 to 61 account for 35.6 percent of the market area population and 35.8 percent of the Bi-County Region population. Young adults aged 20 to 34 years make up 19.4 percent of the market area’s population, higher than the 18.8 percent share of the Bi-County Region. Children and youth under age 20 comprise roughly one-quarter of the population in both areas.

According to the 2010 Census, individuals living alone – a category that typically includes many young adults and seniors – accounted for almost one-quarter (24.2 percent) of the households in the Senseny Market Area, similar to the 24.3 percent share of the Bi-County Region (Table 13). In the primary market area, multi-person households without children made up 41.1 percent of all households, including 29.4 percent among married households without children, many of which are likely empty nesters. The percentage of households with children in the Senseny Market Area (34.7 percent) is similar to the percentage of households with children throughout the Bi-County Region (34.2 percent).



Table 12 2018 Age Distribution

2018 Age Distribution	Bi-County Region		Senseny Senior Market Area	
	#	%	#	%
Children/Youth	32,068	24.8%	28,753	25.1%
Under 5 years	7,454	5.8%	6,764	5.9%
5-9 years	8,053	6.2%	7,241	6.3%
10-14 years	8,429	6.5%	7,508	6.6%
15-19 years	8,132	6.3%	7,240	6.3%
Young Adults	24,271	18.8%	22,189	19.4%
20-24 years	7,559	5.8%	6,861	6.0%
25-34 years	16,712	12.9%	15,328	13.4%
Adults	46,254	35.8%	40,759	35.6%
35-44 years	16,173	12.5%	14,640	12.8%
45-54 years	17,659	13.7%	15,492	13.5%
55-61 years	12,422	9.6%	10,627	9.3%
Seniors	26,743	20.7%	22,878	20.0%
62-64 years	5,324	4.1%	4,555	4.0%
65-74 years	12,764	9.9%	10,934	9.5%
75-84 years	6,217	4.8%	5,317	4.6%
85 and older	2,438	1.9%	2,072	1.8%
TOTAL	129,336	100%	114,579	100%
Median Age	39		38	

Source: Esri; RPRG, Inc.

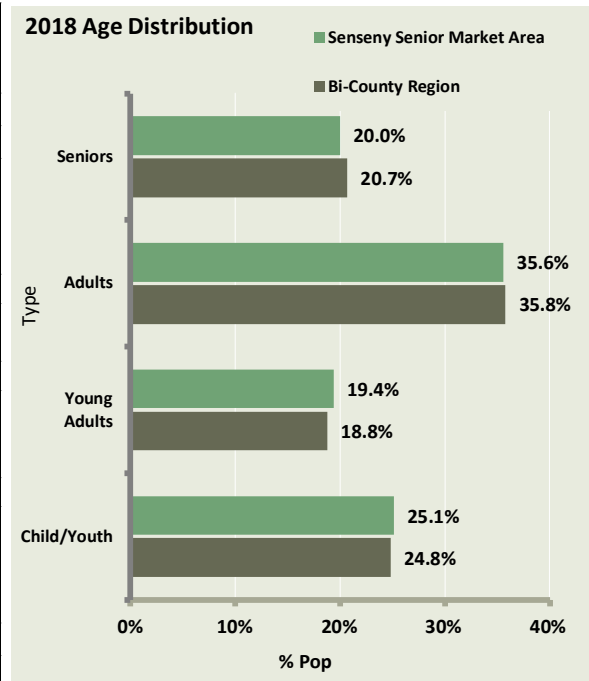
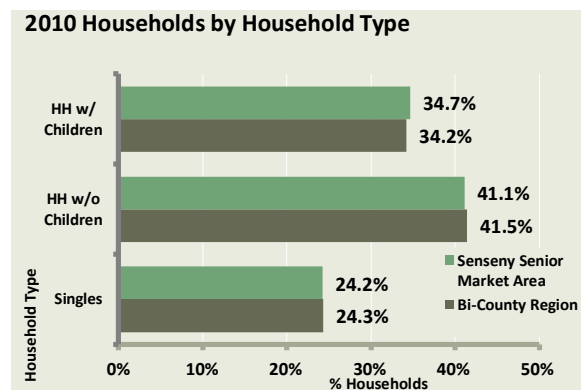


Table 13 2010 Households by Household Type

2010 Households by Household Type	Bi-County Region		Senseny Senior Market Area	
	#	%	#	%
Married w/Children	10,737	23.9%	9,458	24.0%
Other w/ Children	4,658	10.4%	4,230	10.7%
Households w/ Children	15,395	34.2%	13,688	34.7%
Married w/o Children	13,406	29.8%	11,594	29.4%
Other Family w/o Children	2,415	5.4%	2,109	5.3%
Non-Family w/o Children	2,829	6.3%	2,515	6.4%
Households w/o Children	18,650	41.5%	16,218	41.1%
Singles	10,935	24.3%	9,565	24.2%
Total	44,980	100%	39,471	100%

Source: 2010 Census; RPRG, Inc.



2. Renter Household Characteristics

According to the 2010 Census, 30.2 percent of all households in the market area were renters, similar to the Bi-County Region renter ratio of 29.5 percent (Table 14). Esri estimates the percentage of market area renters decreased to 27.7 percent as of 2018 while remaining similar to the 27.4 percent renter percentage in the Bi-County Region. Esri projects renters to make up 25.9 percent of all Senseny Market Area households and 25.8 percent of all Bi-County Region households through 2023.

Table 14 2000-2023 Households by Occupancy Status

Bi-County Region	2000		2010		2018		2023	
	#	%	#	%	#	%	#	%
Housing Units								
Owner Occupied	26,056	70.3%	31,690	70.5%	35,341	72.6%	38,475	74.2%
Renter Occupied	10,984	29.7%	13,290	29.5%	13,358	27.4%	13,354	25.8%
Total Occupied	37,040	100%	44,980	100%	48,699	100%	51,829	100%
Total Vacant	2,254		4,473		4,890		5,428	
TOTAL UNITS	39,294		49,453		53,589		57,257	

Senseny Senior Market Area	2000		2010		2018		2023	
	#	%	#	%	#	%	#	%
Housing Units								
Owner Occupied	22,319	69.5%	27,534	69.8%	31,027	72.3%	33,993	74.1%
Renter Occupied	9,779	30.5%	11,937	30.2%	11,898	27.7%	11,874	25.9%
Total Occupied	32,098	100.0%	39,471	100.0%	42,925	100.0%	45,867	100.0%
Total Vacant	1,808		3,747		4,027		4,480	
TOTAL UNITS	33,906		43,218		46,952		50,347	

Source: 2000 Census; 2010 Census; Esri; RPRG, Inc.

Seniors aged 65 and older have a higher rate of homeownership than that of the general population. As of 2018, roughly 18 percent of senior householders aged 65 and older in the market area are renter householders, slightly lower than the regional proportion of 18.6 percent (Table 15).

Table 15 2018 Households Aged 65+ by Occupancy Status

Senior Households 65+	Bi-County Region		Senseny Senior Market Area	
	#	%	#	%
2018 Households				
Owner Occupied	10,674	81.4%	9,216	82.2%
Renter Occupied	2,437	18.6%	1,998	17.8%
Total Occupied	13,111	100.0%	11,214	100.0%

Source: 2000 Census; 2010 Census; ESRI; RPRG

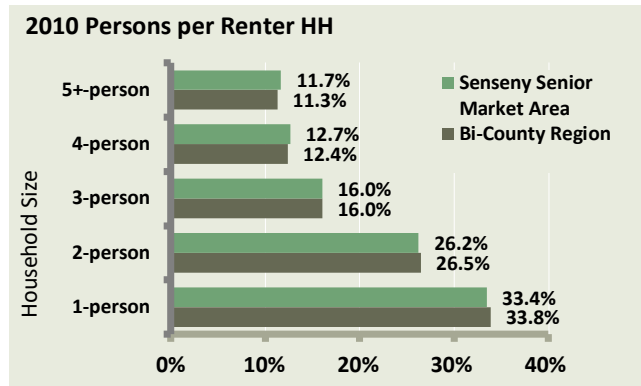
One- and two-person households combined for 59.6 percent of the renter households in the Senseny Market Area and a comparable proportion (60.3 percent) throughout the Bi-County Region, as of the 2010 Census (Table 16). Renter households with three to four members accounted for 28.7 percent of all renter households in the market area and a similar 28.4 percent throughout the region. Renter households with five or more members represented 11.7 percent in the primary market area and 11.3 percent throughout the region.



Table 16 Renter Households by Household Size

Renter Occupied	Bi-County Region		Senseny Senior Market Area	
	#	%	#	%
1-person hhld	4,498	33.8%	3,990	33.4%
2-person hhld	3,516	26.5%	3,131	26.2%
3-person hhld	2,130	16.0%	1,913	16.0%
4-person hhld	1,643	12.4%	1,512	12.7%
5+-person hhld	1,503	11.3%	1,391	11.7%
TOTAL	13,290	100%	11,937	100%

Source: 2010 Census

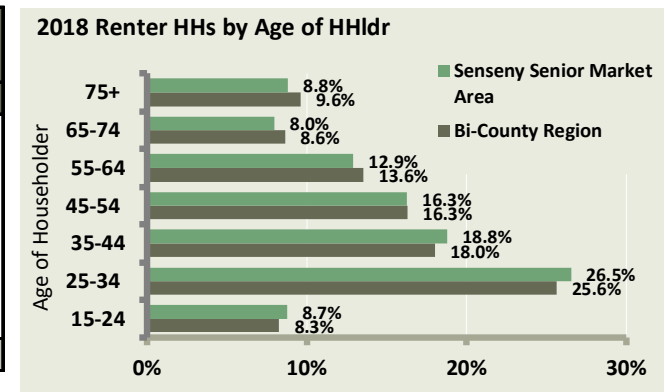


Seniors aged 55 and older represent 29.7 percent of all Senseny Market Area households and 31.8 percent of all households throughout the Bi-County Region (Table 17). Renter households between the ages of 35 and 54 account for 35 percent of all renter households within the market area and 34.3 percent of renters in the region. Another 35 percent of primary market area renter households and 34 percent of regional renters are estimated to be below the age of 35 as of 2018.

Table 17 Renter Households by Age of Householder

Renter Households	Bi-County Region		Senseny Senior Market Area	
	#	%	#	%
Age of HHldr				
15-24 years	1,105	8.3%	1,041	8.7%
25-34 years	3,421	25.6%	3,155	26.5%
35-44 years	2,407	18.0%	2,233	18.8%
45-54 years	2,177	16.3%	1,934	16.3%
55-64 years	1,810	13.6%	1,536	12.9%
65-74 years	1,154	8.6%	949	8.0%
75+ years	1,284	9.6%	1,049	8.8%
Total	13,358	100%	11,898	100%

Source: Esri, Real Property Research Group, Inc.



D. Income Characteristics

The Senseny Market Area is a moderate-income market with incomes generally less than incomes throughout the Bi-County Region (Table 18). Based on income projections from Esri, RPRG estimates the median annual household income in the Senseny Market Area at \$65,909, roughly two percent lower than the Bi-County Region’s overall median household income of \$67,110. One out of four (25.4 percent) of all primary market area households have annual incomes below \$35,000 while 31.1 percent have incomes between \$35,000 and \$75,000. The highest income households, i.e., those with incomes of \$75,000 or more, account for the remaining 43.5 percent of all households within the market area.

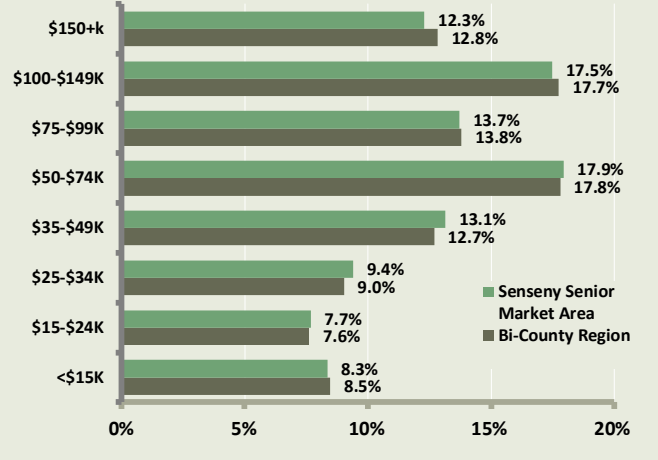


Table 18 2018 Household Income

Estimated 2018 Household Income		Bi-County Region		Senseny Senior Market Area	
		#	%	#	%
less than	\$15,000	4,127	8.5%	3,583	8.3%
	\$15,000 - \$24,999	3,711	7.6%	3,299	7.7%
	\$25,000 - \$34,999	4,398	9.0%	4,038	9.4%
	\$35,000 - \$49,999	6,180	12.7%	5,643	13.1%
	\$50,000 - \$74,999	8,669	17.8%	7,699	17.9%
	\$75,000 - \$99,999	6,721	13.8%	5,886	13.7%
	\$100,000 - \$149,999	8,643	17.7%	7,501	17.5%
	\$150,000 - Over	6,250	12.8%	5,276	12.3%
Total		48,699	100%	42,925	100%
Median Income		\$67,110		\$65,909	

Source: Esri; Real Property Research Group, Inc.

2018 Household Income



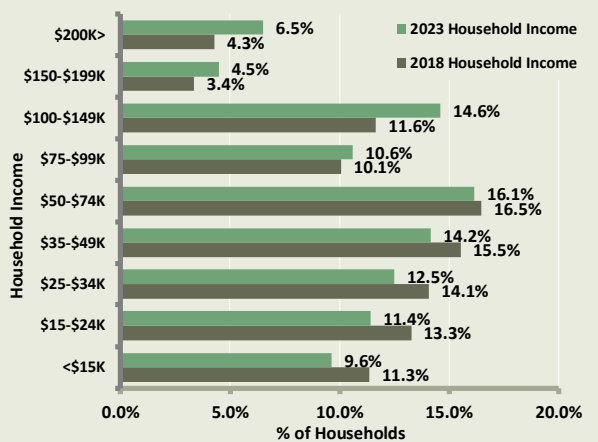
The median household income for senior householders aged 65 and older in the Senseny Market Area is \$45,954 (Table 19). One quarter (24.6 percent) of these householders have annual incomes of less than \$25,000. Another 29.6 percent of senior renter householders earn between \$25,000 and \$50,000. The senior median income is projected to increase to \$53,593 by 2023.

Table 19 2018 & 2023 Household Income for Householders 65+

Senseny Senior Market Area		2018 Household Income		2023 Household Income	
Householders 65+		#	%	#	%
less than	\$15,000	1,272	11.3%	1,285	9.6%
	\$15,000 - \$24,999	1,487	13.3%	1,522	11.4%
	\$25,000 - \$34,999	1,578	14.1%	1,665	12.5%
	\$35,000 - \$49,999	1,739	15.5%	1,890	14.2%
	\$50,000 - \$74,999	1,847	16.5%	2,153	16.1%
	\$75,000 - \$99,999	1,129	10.1%	1,414	10.6%
	\$100,000 - \$149,999	1,306	11.6%	1,948	14.6%
	\$150,000 - \$199,999	376	3.4%	598	4.5%
	\$200,000 - over	480	4.3%	868	6.5%
Total		11,214	100%	13,343	100%
Median Income		\$45,954		\$53,593	

Source: American Community Survey 2012-2016 Estimates, RPRG, Inc.

2018 & 2023 HH Income for Householders 65+



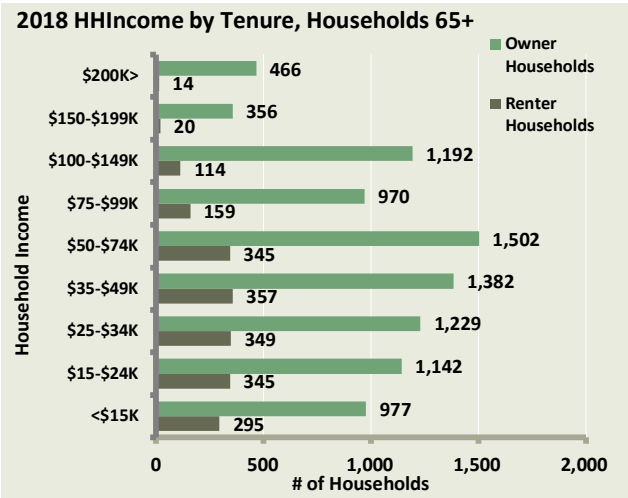
Taking tenure into account, senior homeowner householders aged 65 and older have higher incomes than senior renter householders. The estimated median income for senior renter householders aged 65 and older in the market area is \$35,432 (Table 20). Approximately one third (32.1 percent) of senior renter householders in the market area earn less than \$25,000. Another 17.5 percent of senior renter householders earn between \$25,000 and \$35,000 and 17.9 percent earn between \$35,000 and \$50,000. The estimated household income for senior owner households aged 65 and older is \$48,669, or 27.2 percent higher than the median senior renter income.



Table 20 2018 Income for Householders 65+ by Tenure

Senseny Senior Market Area		Renter Households		Owner Households	
Householders 65+		#	%	#	%
less than \$15,000		295	14.8%	977	10.6%
\$15,000 - \$24,999		345	17.3%	1,142	12.4%
\$25,000 - \$34,999		349	17.5%	1,229	13.3%
\$35,000 - \$49,999		357	17.9%	1,382	15.0%
\$50,000 - \$74,999		345	17.3%	1,502	16.3%
\$75,000 - \$99,999		159	8.0%	970	10.5%
\$100,000 - \$149,999		114	5.7%	1,192	12.9%
\$150,000 - \$199,999		20	1.0%	356	3.9%
\$200,000 over		14	0.7%	466	5.1%
Total		1,998	100%	9,216	100%
Median Income		\$35,432		\$48,669	

Source: American Community Survey 2012-2016 Estimates, RPRG, Inc.



E. Cost-Burdened Renter Households

‘Rent Burden’ is defined as the ratio of a household’s gross monthly housing costs – rent paid to landlords plus utility costs – to that household’s monthly income. VHDA requires that household rent burdens under the LIHTC program be no higher than 40 percent for age-restricted communities.

Data regarding the concept of rent burden from the 2012-2016 ACS highlight that lower-income renter households in the Senseny Market Area tend to pay a very high percentage of their monthly income toward housing costs (Table 21). Based on American Community Survey data, of the 2,162 senior renter households aged 65 and older, RPRG estimates that 40 percent that responded were paying over 40 percent of their income for gross rent, i.e., contract rent plus utilities. We note that these rent cost burdened households do not include the low income households now living in subsidized units or benefiting from housing vouchers, since their housing expenses are capped at 30% of income. Additionally, 6.3 percent of the rental housing stock within the market area can be considered substandard, i.e., lacking complete plumbing facilities, or overcrowded with more than 1.0 occupants per room.

**Table 21 Rent Burden by Household Income, 2012-2016, Senseny Market Area**

Rent Cost Burden		
Total Households	#	%
Less than 10.0 percent	338	2.7%
10.0 to 14.9 percent	1,039	8.4%
15.0 to 19.9 percent	1,502	12.2%
20.0 to 24.9 percent	1,464	11.9%
25.0 to 29.9 percent	1,329	10.8%
30.0 to 34.9 percent	1,109	9.0%
35.0 to 39.9 percent	739	6.0%
40.0 to 49.9 percent	1,457	11.8%
50.0 percent or more	2,446	19.9%
Not computed	899	7.3%
Total	12,322	100%
> 35% income on rent	4,642	40.6%

Households 65+		
	#	%
Less than 20.0 percent	341	15.8%
20.0 to 24.9 percent	243	11.2%
25.0 to 29.9 percent	195	9.0%
30.0 to 34.9 percent	152	7.0%
35.0 percent or more	844	39.0%
Not computed	387	17.9%
Total	2,162	100%
> 35% income on rent	844	47.5%
> 40% income on rent	710	40.0%

Source: American Community Survey 2012-2016

Substandardness	
Total Households	
Owner occupied:	
Complete plumbing facilities:	28,111
1.00 or less occupants per room	27,606
1.01 or more occupants per room	505
Lacking complete plumbing facilities:	77
Overcrowded or lacking plumbing	582
Renter occupied:	
Complete plumbing facilities:	12,239
1.00 or less occupants per room	11,548
1.01 or more occupants per room	691
Lacking complete plumbing facilities:	83
Overcrowded or lacking plumbing	774
Substandard Housing	1,356
% Total Stock Substandard	3.3%
% Rental Stock Substandard	6.3%



7. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the Senseny Market Area. We provide data regarding structure types, structure age, and home values from the 2012-2016 ACS. We then report the results of our survey of competitive rental communities in October 2018. Furthermore, we identify residential rental projects actively planned or that currently under construction, based on interviews with Winchester and Frederick County planning officials, on-line resources, and RPRG site visit observations.

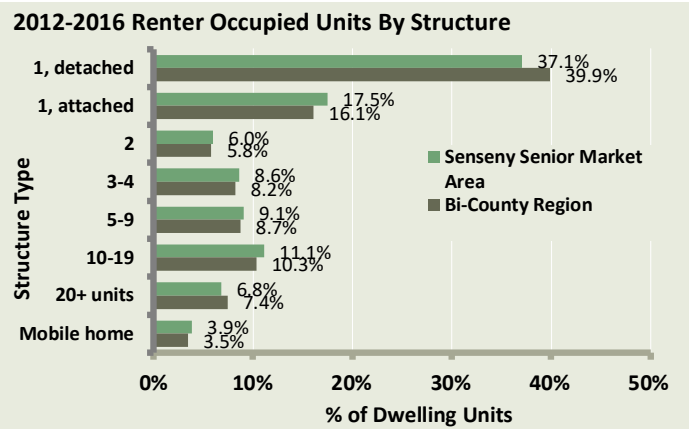
B. Overview of Market Area Housing Stock

As recorded in the 2012-2016 ACS, more than one third (35.6 percent) of the renter-occupied housing stock of the Senseny Market Area was in multi-family rentals structures of three or more units (Table 22). Multifamily structures of at least 10 units accounted for 17.9 percent of all rentals while 37.1 percent were among single-family structures. Throughout the Bi-County Region, more renter-occupied units were in single-family detached structures (39.9 percent) and a similar share were in large multifamily structures (17.8 percent).

Table 22 Rental Dwelling Units by Structure Type

Renter Occupied	Bi-County Region		Senior Market Area	
	#	%	#	%
1, detached	5,484	39.9%	4,566	37.1%
1, attached	2,212	16.1%	2,159	17.5%
2	800	5.8%	737	6.0%
3-4	1,133	8.2%	1,061	8.6%
5-9	1,202	8.7%	1,116	9.1%
10-19	1,422	10.3%	1,371	11.1%
20+ units	1,022	7.4%	836	6.8%
Mobile home	476	3.5%	476	3.9%
TOTAL	13,751	100%	12,322	100%

Source: American Community Survey 2012-2016



The housing stock of the Senseny Market Area as observed during the 2012-2016 ACS was similar in age to the Bi-County Region (Table 23). The median year built among rental units in both the Senseny Market Area and Bi-County Region was 1977. Roughly one third of all rental units in the primary market area (34 percent) and the region (33.9 percent) were built in the 1980's and 1990's. Since 2010, only 2.4 percent of all market area rental units were placed in service, compared to 2.2 percent among all Bi-County Region rental units.

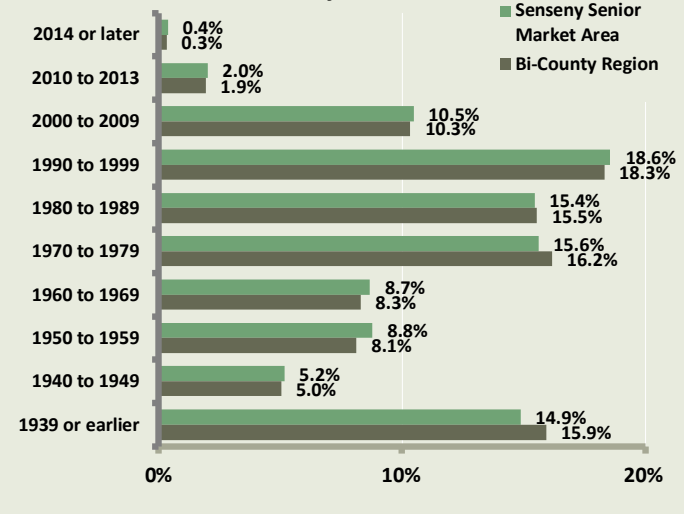


Table 23 Rental Dwelling Units by Year Built

Renter Occupied	Bi-County Region		Senseny Senior Market Area	
	#	%	#	%
2014 or later	46	0.3%	46	0.4%
2010 to 2013	267	1.9%	249	2.0%
2000 to 2009	1,421	10.3%	1,291	10.5%
1990 to 1999	2,519	18.3%	2,287	18.6%
1980 to 1989	2,138	15.5%	1,903	15.4%
1970 to 1979	2,222	16.2%	1,924	15.6%
1960 to 1969	1,141	8.3%	1,070	8.7%
1950 to 1959	1,117	8.1%	1,082	8.8%
1940 to 1949	692	5.0%	637	5.2%
1939 or earlier	2,188	15.9%	1,833	14.9%
TOTAL	13,751	100%	12,322	100%
MEDIAN YEAR BUILT	1977		1977	

Source: American Community Survey 2012-2016

2012-2016 Rental Units by Year Built



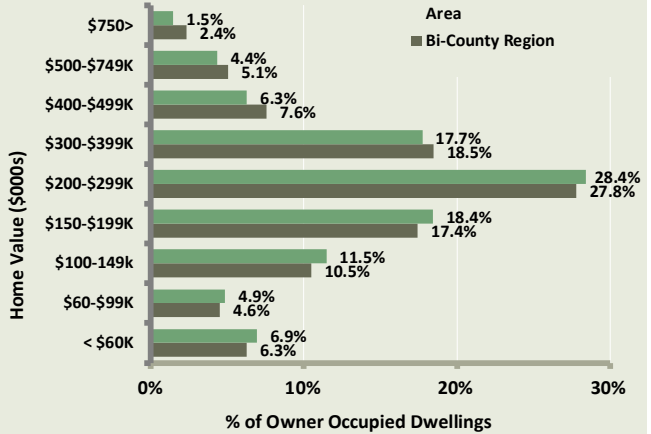
According to ACS data, the median value among owner-occupied housing units in the Senseny Market Area as of 2012-2016 was \$229,133, four percent lower than the Bi-County Region median of \$240,473 (Table 24). Less than one quarter of all market area homes were valued below \$150,000 including 11.8 percent below \$100,000. This data is a less accurate and reliable indicator of home prices in an area than actual sales data but offers insight on relative housing values among two or more areas.

Table 24 Value of Owner Occupied Housing Stock

2012-2016 Home Value	Bi-County Region		Senseny Senior Market Area	
	#	%	#	%
less than \$60,000	2,030	6.3%	1,957	6.9%
\$60,000 - \$99,999	1,472	4.6%	1,376	4.9%
\$100,000 - \$149,999	3,394	10.5%	3,234	11.5%
\$150,000 - \$199,999	5,642	17.4%	5,196	18.4%
\$200,000 - \$299,999	8,986	27.8%	8,001	28.4%
\$300,000 - \$399,999	5,971	18.5%	4,998	17.7%
\$400,000 - \$499,999	2,446	7.6%	1,776	6.3%
\$500,000 - \$749,999	1,643	5.1%	1,228	4.4%
\$750,000 over	766	2.4%	422	1.5%
Total	32,350	100%	28,188	100%
Median Value	\$240,473		\$229,133	

Source: American Community Survey 2012-2016

2012-2016 Home Value

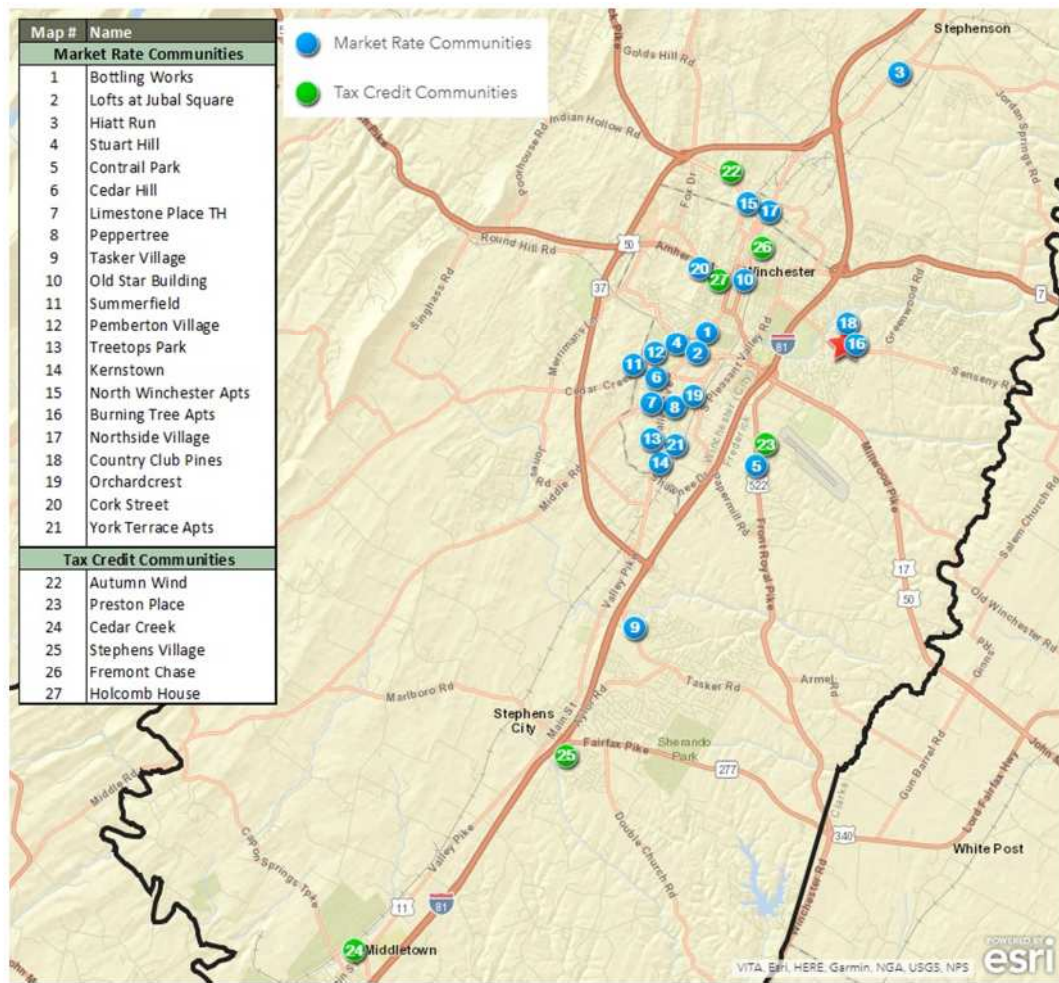


C. Survey of General Occupancy Rental Communities

1. Introduction

To provide an overview of the rental conditions in the Senseny Market Area, RPRG surveyed 27 general occupancy multi-family rental communities in the Senseny Market Area in October 2018 (Map 5). Six of these communities contain at least some LIHTC units, while the remainder are market rate. Profile sheets with detailed information on each surveyed community, including photographs, are attached as Appendix 2. Although these properties are not considered direct competition for the subject senior property, they do represent an alternative rental housing option for seniors in the market area. Accordingly, we believe these communities can have some impact on the pricing and positioning of the subject community. Their performance also lends insight into the overall health and competitiveness of the rental environment in the area.

Map 5 Surveyed General Occupancy Rental Communities, Senseny Market Area



The 27 general occupancy communities combine for 2,044 rental units (Table 25). Most of the surveyed properties are garden apartments. Two properties consist of adaptive re-use buildings, and four



include at least some townhome units. None of the surveyed general occupancy communities are elevator-served mid-rise buildings. The surveyed communities in the Senseny Market Area have an average placed in-service date of 1990. Similar to the market-wide average, the LIHTC communities have an average placed in service date of 1991. The 27 surveyed communities range in size from six units at Fremont Chase and Holcomb House to the 236-unit Preston Place. The average community size is 76 units.

Table 25 General Occupancy Rental Communities Summary

Map #	Community	Type	Total	Vacant	Vacancy	One Bedroom Units Rent			Two Bedroom Units Rent			Three Bedroom Units Rent				
			Units	Units	Rate	Units (1)	SF	Rent/ SF	Units (1)	SF	Rent/ SF	Units (1)	SF	Rent / SF		
Market Rate Communities																
1	Bottling Works	Adapt. Reuse	23	0	0.0%	7	\$1,275	725	\$1.76	10	\$1,580	950	\$1.66			
2	Lofts at Jubal Square	Gar	140	0	0.0%	24	\$1,253	1,126	\$1.11	88	\$1,401	1,397	\$1.00	28	\$1,565 1,455 \$1.08	
3	Hiatt Run	Gar	120	1	0.8%	49	\$1,125	804	\$1.40	40	\$1,394	1,258	\$1.11	31	\$1,515 1,400 \$1.08	
4	Stuart Hill	Gar	180	0	0.0%	36	\$1,150	902	\$1.28	120	\$1,290	1,186	\$1.09	24	\$1,385 1,296 \$1.07	
5	Contrail Park	Gar	36	1	2.8%						\$1,208	1,225	\$0.99		\$1,300 1,360 \$0.96	
6	Cedar Hill	Gar	48	2	4.2%					48	\$1,175	1,115	\$1.05			
7	Limestone Place TH	TH	18	0	0.0%					17	\$1,139	1,147	\$0.99	1	\$1,360 1,900 \$0.72	
8	Peppertree	Gar	194	1	0.5%	48	\$1,018	745	\$1.37	118	\$1,104	941	\$1.17	28	\$1,215 1,145 \$1.06	
9	Tasker Village	Gar	64	1	1.6%					64	\$1,081	1,113	\$0.97			
10	Old Star Building	Adapt. Reuse	9	0	0.0%		\$958	688	\$1.39		\$1,022	1,055	\$0.97			
11	Summerfield	Gar	64	0	0.0%		\$893	682	\$1.31		\$983	968	\$1.02		\$1,185 1,210 \$0.98	
12	Pemberton Village	Gar	120	3	2.5%					102	\$974	942	\$1.03	18	\$1,175 1,200 \$0.98	
13	Treetops Park	Gar	52	0	0.0%	40	\$810	791	\$1.02	12	\$970	1,295	\$0.75			
14	Kernstown	Gar	33	0	0.0%	4	\$545	425	\$1.28	24	\$945	874	\$1.08			
15	North Winchester Apts	Gar	60	3	5.0%		\$775	760	\$1.02		\$900	885	\$1.02			
16	Burning Tree Apts	Gar/TH	56	0	0.0%		\$665	480	\$1.39	16	\$870	879	\$0.99			
17	NorTHide Village	TH	56	0	0.0%					56	\$860	850	\$1.01			
18	Country Club Pines	Gar	56	0	0.0%					56	\$830	660	\$1.26			
19	Orchardcrest	Gar	199	0	0.0%	54	\$670	510	\$1.31	98	\$770	675	\$1.14	47	\$865 840 \$1.03	
20	Cork Street	Gar	40	0	0.0%	20	\$700	600	\$1.17	20	\$750	700	\$1.07			
21	York Terrace Apts	Gar	32	0	0.0%					32	\$670	631	\$1.06			
Sub-Total/Average			1,600	12	0.8%	\$910	711	\$1.28		\$1,044	988	\$1.06		\$1,285	1,312	\$0.98
Tax Credit Communities																
22	Autumn Wind	Gar	104	0	0.0%					68	\$961	988	\$0.97	36	\$1,103 1,128 \$0.98	
23	Preston Place	Gar/TH	236	3	1.3%					164	\$901	1,016	\$0.89	72	\$1,020 1,287 \$0.79	
24	Cedar Creek	Gar	46	0	0.0%		\$690	617	\$1.12		\$780	770	\$1.01		\$900 938 \$0.96	
25	Stephens Village	Gar	46	0	0.0%	12	\$482	566	\$0.85	34	\$571	745	\$0.77			
26	Fremont Chase	3-4 Family	6	0	0.0%					6	\$550	600	\$0.92			
27	Holcomb House	Gar	6	0	0.0%	6	\$680	700	\$0.97							
Sub-Total/Average			444	3	0.7%	\$617	628	\$0.98		\$753	824	\$0.91		\$1,008	1,118	\$0.90
Total/Average			2,044	15	0.7%	\$855	695	\$1.23		\$988	956	\$1.03		\$1,216	1,263	\$0.96

(1) Rent is adjusted to include only Water/Sewer and Trash and incentives

Source: Field Survey, Real Property Research Group, Inc. October 2018.

The average vacancy rate for general occupancy communities within the Senseny Market Area is a very low 0.7 percent, indicative of a healthy market. No community reported a vacancy rate more than five percent, and only three vacant units were reported among the six tax credit communities.

None of the surveyed properties are undergoing initial lease-up. The most recently delivered community is Hiatt Run, which was placed in service on a rolling delivery from May 2017 to July 2018 with most buildings pre-leased prior to completion resulting in an average absorption rate of at least 18 units per month. Lofts at Jubal Square was placed in service in December 2017 and



completed lease up in May 2018 for an average absorption rate of 28 units per month. The 23-unit Bottling Works was placed in service in July 2018 and leased all 28 units in the first month of opening.

Unit rents presented in Table 25 are net or effective rents, as opposed to street or advertised rents and have been adjusted for rental incentives. The net rents reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where sewer and trash removal expenses are included in monthly rents at all communities, with tenants responsible for all other utility costs.

Among market rate general occupancy communities:

- **One-bedroom** units average \$910 for an average size of 711 square feet, or \$1.28 per square foot.
- **Two-bedroom** rents average \$1,044 for an average size of 988 square feet, or \$1.06 per square foot.
- **Three-bedroom** rents average \$1,285 for an average size of 1,312 square feet, or \$0.98 per square foot.

D. Survey of Age-Restricted Rental Communities

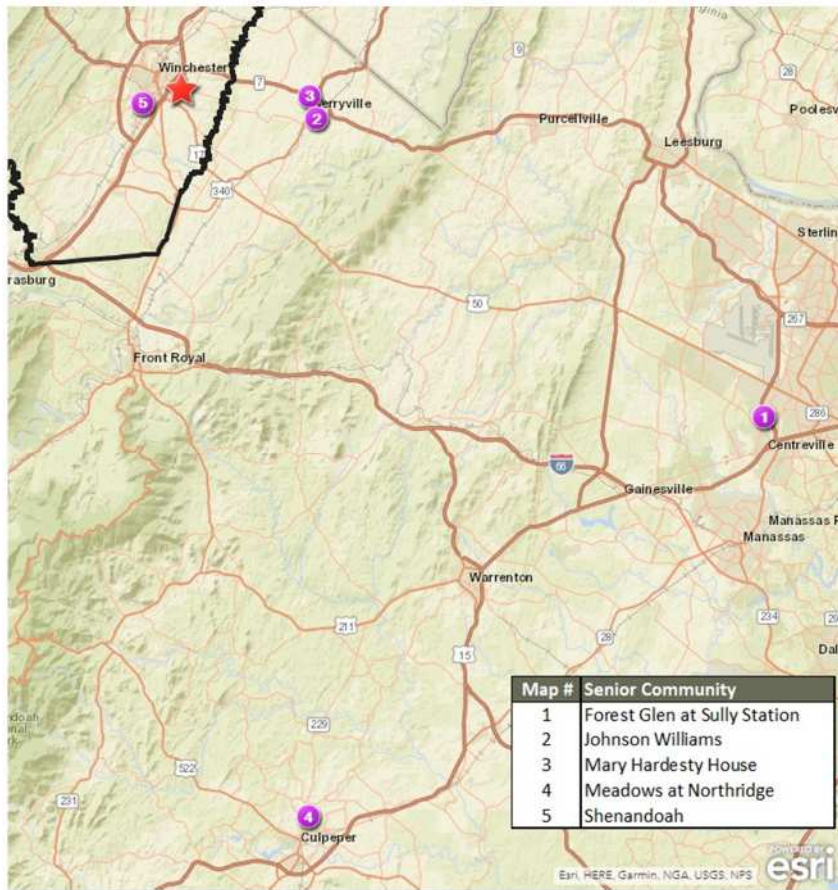
1. Introduction to the Age Restricted Rental Housing Survey

RPRG reviewed a list of existing tax credit properties from the Virginia Housing Development Agency, which identified all age-restricted LIHTC communities within the boundaries of the primary market area. As only one age-restricted community lies within the primary market area, RPRG also surveyed four age-restricted communities near the market area, in the secondary market area (Table 26). All of the senior communities target households aged 55 and older, except for the only market area community, Shenandoah, which targets households aged 62 and older. All were financed in part using Low Income Housing Tax Credits (LIHTC). Profile sheets with detailed information on each surveyed community, including photographs, are attached as Appendix 3.

2. Location

Map 6 shows the locations of the five surveyed competitive communities in relation to the subject site. Shenandoah is the only age-restricted community in the market area, located roughly two miles south of the subject along Wilson Boulevard in Winchester. One community is located in Clarke County in Centreville; one is located in Culpepper, and the two remaining senior communities are in Berryville.

Map 6 Senior Rental Communities



3. Age of Communities

The five properties were placed in service between 1985 and 2007 and have an average year built of 1998 (Table 26).

4. Structure Type

All age-restricted communities are garden communities. Forest Glen at Sully Station and Mary Hardesty House both include walk-up garden structures with elevator service.

5. Size of Communities

The seven communities range in size from 40 units at Johnson Williams to 186 units at Forest Glen at Sully Station. The surveyed senior communities have an average community size of 77 units.



Table 26 Salient Characteristics, Senior Rental Communities

Community	Type	Total Vacant Vacancy			Efficiency Units				One Bedroom Units				Two Bedroom Units			
		Units	Units	Rate	Units	Rent (1)	SF / SF	Rent / SF	Units	Rent (1)	SF / SF	Rent / SF	Units	Rent (1)	SF / SF	Rent / SF
Market Area Senior Communities																
1. Shenandoah	Garden	50	1	2.0%					48	\$665	637	\$1.04	2	\$770	750	\$1.03
Year Built: 1985	50% units	50							48	\$665	637	\$1.04	2	\$770	750	\$1.03
Near Market Area Senior Communities																
2. Forest Glen at Sully Station	Garden	186	1	0.5%					171	\$1,141	566	\$2.02	15	\$1,365	806	\$1.69
Year Built: 1995	60% units	186							171	\$1,141	566	\$2.02	15	\$1,365	806	\$1.69
3. Johnson Williams	Garden	40	0	0.0%	34	\$405	455	\$0.89	4	\$455	413	\$1.10	2	\$605	840	\$0.72
Year Built: 2007	50% units	40			34	\$405	455	\$0.89	4	\$455	413	\$1.10	2	\$605	840	\$0.72
4. Mary Hardesty House	Garden	60	0	0.0%									60	\$900	966	\$0.93
Year Built: 1997	60% units	60											60	\$900	966	\$0.93
5. Meadows at Northridge	Garden	50	0	0.0%					40	\$695	761	\$0.91	10	\$815	1,064	\$0.77
Year Built: 2006	50% units	50							40	\$695	761	\$0.91	10	\$815	1,064	\$0.77
Overall Total		386	2	0.5%												
Unsubsidized Total/Average % of Total Unsubsidized		386			34	\$405	455	\$0.89	263	\$739	594	\$1.24	89	\$891	885	\$1.01
		100.0%			8.8%				68.1%				23.1%			

50% Units	140	36.3%	34	100.0%	92	35.0%	14	1.6%
60% Units	246	63.7%	0	0.0%	171	65.0%	75	84.3%
	386	100%	34	100%	263	68.1%	89	23.1%

(1) Rent is adjusted to include only Water/Sewer and Trash and incentives

Source: Phone Survey, Real Property Research Group, Inc. October 2018

6. Target Markets

Over half (63.7 percent) of all surveyed senior units address households at 60 percent of AMI. The remaining 36.3 percent address households at 50 percent AMI.

7. Vacancy Rates

The aggregate vacancy rate among the surveyed communities is a very low 0.5 percent. Only two communities have any vacant units with one vacant unit reported at Shenandoah and one vacant unit reported at Forest Glen at Sully Station. All senior tax credit communities reported a wait list.

8. Rent Concessions

None of the surveyed senior communities reported a rent concession.

9. Distribution of Units by Bedroom Type

Among the surveyed senior communities, 8.8 percent of the units surveyed are efficiency units; 68.1 percent are one-bedroom units; and the remaining 23.1 percent of surveyed units have two bedrooms.



10. Effective Rents

Unit rents presented in Table 26 are net or effective rents, as opposed to street or advertised rents. The net rents reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where sewer and trash removal costs are included in monthly rents at all communities, with tenants responsible for other utility costs (water, electricity, heat, hot water, cooking).

The inventory includes units targeting incomes at 50 percent and 60 percent of AMI thus, some variation in rents is present across the market. The one community with an efficiency floorplan (Johnson Williams) has an efficiency rent of \$405 for 455 square feet, or \$0.89 per square foot. The average one-bedroom rent among the surveyed senior communities is \$739 for 594 square feet, or \$1.24 per square foot. One-bedroom 50 percent AMI rents range from \$455 to \$695. The only one-bedroom 60 percent AMI rent is \$1,141.

The average two-bedroom rent is \$891 for 885 square feet, or \$1.01 per square foot. Two-bedroom 50 percent AMI rents range from \$605 to \$815. Two-bedroom 60 percent AMI rents range from \$900 to \$1,365.

E. Analysis of Rental Pricing and Product

1. Payment of Utility Costs

Most of the surveyed communities include the utility costs of water/sewer and trash removal; the exception is Forest Glen at Sully Station which includes costs water/sewer, trash, and heat/hot water (Table 27).

2. Unit Features

Upgraded unit features are limited among the surveyed senior communities, with most providing standard cabinets, laminate counters, white appliances, and vinyl/carpet flooring. All of the surveyed communities but Johnson Williams provide dishwashers as a standard in-unit feature (Table 27). Grab bars and emergency pull cords are included at each senior community except Meadows at Northridge.

Table 27 Utility Arrangement and Unit Features – Senior Rental Communities

Community	Heat Type	Utilities included in Rent					Dish-washer	Grab Bar	Emergency Pull
		Heat	Cooking	Electric	Water/Sewer	Trash			
Subject*	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	N/A	N/A
Shenandoah	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	STD
Johnson Williams	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	N/A	STD	STD
Mary Hardesty House	Natural Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	STD
Meadows at Northridge	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	N/A	N/A
Forest Glen at Sully Station	Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	STD

Source: Phone Survey, Real Property Research Group, Inc. October 2018

* Subject includes sewer and trash



3. Parking

All surveyed communities offer free surface parking with no additional parking options.

4. Community Amenities

Community amenities are limited among the surveyed senior communities. The most common amenity is a multipurpose room/community room included at three senior communities (Table 28). Forest Glen at Sully Station is the only senior community with additional amenities, including a library, health room, walking trails, and gardening.

Table 28 Senior Rental Communities- Community Amenities

Community	Multipurpose Room	Fitness Center	Walking Paths	Library	Arts & Crafts	Theatre	Health Room	Conv. Store	Barber Shop	Bank
Subject	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Shenandoah	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Johnson Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mary Hardesty House	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Meadows at Northridge	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Forest Glen at Sully Station	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Source: Phone Survey, Real Property Research Group, Inc. October 2018

F. Subsidized Rental Communities & Housing Choice Voucher Statistics

RPRG identified two multifamily rental community with project-based rental subsidies, commonly referred to as “deep” subsidy rental housing. Deep subsidy units include those where rental assistance is provided in the form of project-based Section 8 rent subsidies or other governmental programs, such as in public housing. In many subsidized arrangements, tenants pay an amount roughly equivalent to 30 percent of their income toward housing costs (rents plus utility costs), while the rent subsidy covers the remainder of the relevant housing costs.

- Norris Village** is an 8-unit multifamily rental community located at 410 Chase Street, 2.5 miles northwest of the subject site. This community includes eight occupied units which are subsidized as part of the Habitat For Humanity home owner conversion program where residents pay 30 percent of their income towards rent while a portion goes towards a down payment for future purchase.
- Winchester House** is an 80-unit senior rental community located at 27 S Cameron Street, two miles west of the subject site. This community, restricted to ages 60 and older, includes project-based Section 8 subsidies (tenants pay 30 percent of their income) and reported a lengthy wait list.



In addition, the City of Winchester administers the Housing Choice Voucher (HCV) program through the Virginia Housing Development Authority. According to statistics provided by Sherry Richards, Director, the City of Winchester administers 270 vouchers with 20 people on their waiting list. The waiting list has been closed since May 2012 and at that time they took over 900 people in 4 hours.

G. Derivation of Market Rent

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

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

We elected to compare the units at the subject to the comparable floor plans at Hiatt Run, Lofts at Jubal Square, and Burning Tree Apartments. All three are general occupancy communities as neither the primary market area nor secondary market area have age-restricted market rate communities.

Once a particular floor plan’s market rent has been determined, it can be used to evaluate: a.) whether or not the subject project has a rent advantage or disadvantage versus competing communities, and b.) the extent of that rent advantage or disadvantage.

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

Table 29 Market Rent Advantage – Adjustment Table

Rent Adjustments Summary	
B. Design, Location, Condition	
Structure / Stories	\$50.00
Year Built / Renovated	\$0.75
Quality/Street Appeal	\$10.00
Location	\$10.00
C. Unit Equipment / Amenities	
Number of Bedrooms	\$25.00
Number of Bathrooms	\$30.00
Unit Interior Square Feet	\$0.25
Balcony / Patio / Porch	\$5.00
AC Type:	\$5.00
Range / Refrigerator	\$25.00
Microwave / Dishwasher	\$5.00
Washer / Dryer: In Unit	\$25.00
Washer / Dryer: Hook-ups	\$5.00
D. Site Equipment / Amenities	
Parking (\$ Fee)	
Club House	\$10.00
Pool	\$10.00
Age-Restricted	\$50.00
Fitness Center	\$10.00



Table 30 Market Rent Analysis – One-Bedroom Units

One Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Senseny Place 1527 Senseny Rd Winchester, VA 22602	Hiatt Run		Lofts at Jubal Square		Burning Tree Apts		
	175 Fenway Cir		1864 Old Jube Square		101 Williamson Place		
	Winchester	VA	Winchester	VA	Winchester	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60% AMI	\$720	\$1,100	\$0	\$1,200	\$0	\$665	\$0
Utilities Included	S/T	None	\$25	None	\$25	Trash	\$15
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$720	\$1,125		\$1,225		\$680	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid/Elevator	Garden/3	\$25	Garden/3	\$25	Garden-TH/2	\$25
Year Built / Renovated	2020	2018	\$2	2018	\$2	1994	\$20
Quality/Street Appeal	Excellent	Excellent	\$0	Excellent	\$0	Below Average	\$30
Location	Average	Average	\$0	Above Average	(\$10)	Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	1	1	\$0	1	\$0	1	\$0
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0
Unit Interior Square Feet	629	804	(\$44)	965	(\$84)	480	\$37
Balcony / Patio / Porch	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
AC Type:	Central	Central	\$0	Central	\$0	Wall	\$5
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	No / No	\$10
Washer / Dryer: In Unit	No	Yes	(\$25)	Yes	(\$25)	No	\$0
Washer / Dryer: Hook-ups	No	No	\$0	No	\$0	No	\$5
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Club House	Yes	Yes	\$0	Yes	\$0	No	\$10
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Age-Restricted	Yes	No	\$50	No	\$50	No	\$50
Fitness Center	Yes	Yes	\$0	Yes	\$0	No	\$10
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		3	4	3	5	10	2
Sum of Adjustments B to D		\$77	(\$84)	\$77	(\$134)	\$202	(\$15)
F. Total Summary							
Gross Total Adjustment		\$161		\$211		\$217	
Net Total Adjustment		(\$7)		(\$57)		\$187	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,118		\$1,168		\$867	
% of Effective Rent		99.4%		95.3%		127.5%	
Estimated Market Rent	\$1,051						
Rent Advantage \$	\$331						
Rent Advantage %	31.5%						



Table 31 Market Rent Analysis – Two-Bedroom Units

Two Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Senseny Place 1527 Senseny Rd Winchester, VA 22602	Hiatt Run		Lofts at Jubal Square		Burning Tree Apts		
	175 Fenway Cir		1864 Old Jube Square		101 Williamson Place		
	Winchester	VA	Winchester	VA	Winchester	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60%	\$865	\$1,364	\$0	\$1,350	\$0	\$800	\$0
Utilities Included	S/T	None	\$30	None	\$30	None	\$20
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$865	\$1,394		\$1,380		\$820	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid/Elevator	Garden/3	\$25	Garden/3	\$25	Garden-TH/2	\$25
Year Built / Condition	2020	2018	\$2	2018	\$2	1994	\$20
Quality/Street Appeal	Excellent	Excellent	\$0	Excellent	\$0	Below Average	\$30
Location	Average	Average	\$0	Above Average	(\$10)	Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	2	2	\$0	2	\$0	2	\$0
Number of Bathrooms	1.5	2	(\$15)	2	(\$15)	2	(\$15)
Unit Interior Square Feet	928	1,258	(\$83)	1,267	(\$85)	625	\$76
Balcony / Patio / Porch	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
AC: (C)entral / (W)all / (N)on	Central	Central	\$0	Central	\$0	Wall	\$5
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	No / No	\$10
Washer / Dryer: In Unit	No	Yes	(\$25)	Yes	(\$25)	No	\$0
Washer / Dryer: Hook-ups	No	No	\$0	No	\$0	No	\$5
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Club House	Yes	Yes	\$0	Yes	\$0	No	\$10
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Age-Restricted	Yes	No	\$50	No	\$50	No	\$50
Fitness Center	Yes	Yes	\$0	Yes	\$0	No	\$10
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		3	5	3	6	10	3
Sum of Adjustments B to D		\$77	(\$138)	\$77	(\$150)	\$241	(\$30)
F. Total Summary							
Gross Total Adjustment		\$215		\$227		\$271	
Net Total Adjustment		(\$61)		(\$73)		\$211	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,333		\$1,307		\$1,031	
% of Effective Rent		95.6%		94.7%		125.7%	
Estimated Market Rent	\$1,224						
Rent Advantage \$	\$359						
Rent Advantage %	29.3%						



Table 32 Market Rent Advantage - Summary

30% AMI Units	Bedroom Units	Bedroom Units	50% AMI Units	Bedroom Units	Bedroom Units
Subject Rent	\$320	\$385	Subject Rent	\$586	\$705
Estimated Market Rent	\$1,051	\$1,224	Estimated Market Rent	\$1,051	\$1,224
Rent Advantage (\$)	\$731	\$839	Rent Advantage (\$)	\$465	\$519
Rent Advantage (%)	69.6%	68.5%	Rent Advantage (%)	44.2%	42.4%
60% AMI Units	Bedroom Units	Bedroom Units	70% AMI Units	Bedroom Units	Bedroom Units
Subject Rent	\$720	\$865	Subject Rent	\$853	\$1,025
Estimated Market Rent	\$1,051	\$1,224	Estimated Market Rent	\$1,051	\$1,224
Rent Advantage (\$)	\$331	\$359	Rent Advantage (\$)	\$198	\$199
Rent Advantage (%)	31.5%	29.3%	Rent Advantage (%)	18.8%	16.2%
80% AMI Units	Bedroom Units	Bedroom Units			
Subject Rent	\$969	\$1,125			
Estimated Market Rent	\$1,051	\$1,224			
Rent Advantage (\$)	\$82	\$99			
Rent Advantage (%)	7.8%	8.1%			

After adjustments, the estimated market rent for a one-bedroom unit is \$1,051, providing the subject’s 60 percent of AMI one-bedroom units with a market advantage of 31.5 percent. The estimated market rent for a two-bedroom unit is \$1,224, resulting in the subject’s 60 percent of AMI units having a 29.3 percent rent advantage. The subject’s remaining units among each income band have a market rent advantage ranging from 7.8 percent for 80 percent one-bedroom units to 69.6 percent for the 30 percent one-bedroom units.

H. Achievable Restricted Rents

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

As shown in Table 33, all the maximum LIHTC rents are well below estimated adjusted market rents. Therefore, the maximum LIHTC rents are the achievable rents for all LIHTC units. All proposed LIHTC rents for the subject are at the achievable rents.



Table 33 Achievable Tax Credit Rent

30% AMI Units	One Bedroom Units	Bedroom Units	50% AMI Units	Bedroom Units	Bedroom Units
Estimated Market Rent	\$1,051	\$1,224	Estimated Market Rent	\$1,051	\$1,224
Less 10%	\$946	\$1,101	Less 10%	\$946	\$1,101
Maximum LIHTC Rent*	\$320	\$385	Maximum LIHTC Rent*	\$586	\$705
Achievable Rent	\$320	\$385	Achievable Rent	\$586	\$705
SUBJECT RENT	\$320	\$385	SUBJECT RENT	\$586	\$705
60% AMI Units	One Bedroom Units	Bedroom Units	70% AMI Units	Bedroom Units	Bedroom Units
Estimated Market Rent	\$1,051	\$1,224	Estimated Market Rent	\$1,051	\$1,224
Less 10%	\$946	\$1,101	Less 10%	\$946	\$1,101
Maximum LIHTC Rent*	\$720	\$865	Maximum LIHTC Rent*	\$853	\$1,025
Achievable Rent	\$720	\$865	Achievable Rent	\$853	\$1,025
SUBJECT RENT	\$720	\$865	SUBJECT RENT	\$853	\$1,025
80% AMI Units	One Bedroom Units	TWO Bedroom Units			
Estimated Market Rent	\$1,051	\$1,224			
Maximum LIHTC Rent*	\$987	\$1,185			
Achievable Rent	\$987	\$1,185			
SUBJECT RENT	\$969	\$1,125			

*Assumes utility allowances of \$80 (1BR) and \$95 (2BR)

I. Proposed and Pipeline Rental Communities

RPRG pursued several avenues of research to identify residential rental projects that are actively being planned or that are currently under construction within the Senseny Market Area. In the course of research, we obtained information on proposed developments through interviews with Tim Youmans with City of Winchester Department of Planning and Mike Ruddy with the Frederick County Planning Department. We also accessed listings of projects that recently received or applied for allocations of Low-Income Housing Tax Credits from the Virginia Housing Development Authority (VHDA). Lastly, we relied upon previous work conducted in Frederick County over the past several years.

RPRG did not identify any age-restricted multifamily rental units under construction or actively planned in the Senseny Market Area.



8. FINDINGS AND CONCLUSIONS

A. Key Findings

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

1. Site and Neighborhood Analysis

The site is an appropriate location for an affordable rental community. Local residents enjoy easy access to a wide array of shopping, dining, medical, and other services.

- The subject site is located at 1527 Senseny Road along the north side of Senseny Road, one mile east of Interstate 81 just outside the city limits of Winchester in Frederick County, Virginia.
- The subject's neighborhood is an established residential area of eastern Winchester, with uses primarily lower density and modest in nature. Developments surrounding the subject site include a variety of uses such as residential, retail, commercial, and institutional. The Burning Tree Apartments, a general occupancy multifamily community, is directly east of the subject, and west of the subject is Senseny Road School, a campus for Northwestern Regional Educational Programs.
- A variety of retail amenities including a bank, restaurant, gas station, and day care are south of the subject along Senseny Road. The subject is within a short drive to popular retail and neighborhood amenities including the Winchester Senior Center roughly one mile west of the subject site.

2. Economic Context

The Greater Frederick County region is experiencing low unemployment and a gradually expanding employment base with average wages generally lower than the national average.

- The Greater Frederick County labor force has expanded each of the last three years, from 58,811 workers in 2015 to 62,158 workers through June 2018. As of 2017, the Greater Frederick County unemployment rate was 3.3 percent, lower than the 3.8 percent Virginia rate and 4.4 percent national rate. Through the first half of 2018, the Greater Frederick County unemployment rate has remained well below the statewide and national rate.
- The At-Place Employment base in Greater Frederick County has steadily increased from 47,690 in 2009 to 56,111 jobs through 2017 (Figure 6). Over this eight-year period, the region gained 8,421 jobs, or 18 percent. The region's annual growth rate has tracked similar to the national growth rate over the last seven years while exceeding the national annual growth rate during the last two years.
- An examination of Greater Frederick County and its employment by industry sectors reveals that the region has a diverse economic base. Six industry sectors throughout the Greater Frederick County region account for over nine percent of the employment base. The region has especially strong representation among Trade-Transportation-Utilities (20.9 percent) and Education Health (18.2 percent).



3. Demographic Analysis

The Senseny Market Area experienced robust household growth over the past decade. The projected continuation of household growth for the next five years should continue to generate demand for housing units of all types.

- The household base of the Senseny Market Area grew by 23 percent between 2000 and 2010, for an annual rate of 2.1 percent or 737 households. According to Esri data, the market area household base increased annually by 432 households (1.1 percent) during the last eight years.
- Esri projects that the market area will add 588 households (1.3 percent) annually over the next five years. The Bi-County Region household growth rate is also projected to be 1.3 percent annually.
- The number of senior households with householder aged 65 or older in the Senseny Market Area is projected to increase at an annual rate of 3.5 percent or 426 householders over the next five years, reaching a total of 13,343 households aged 65+ by 2023. Senior household growth includes both net migration and aging in place.
- The estimated 2018 median household income for senior renter householders aged 65 and older in the Senseny Market Area is approximately \$45,954. Approximately one third (32.1 percent) of senior renter householders in the market area earn less than \$25,000. Another 17.5 percent of senior renter householders earn between \$25,000 and \$35,000 and 17.9 percent earn between \$35,000 and \$50,000.
- As of 2018, approximately 18 percent of senior households aged 65 and older living in the Senseny Market Area are renter households, less than the regional proportion of 18.6 percent.
- Based on ACS data, RPRG estimates that 40 percent of senior renter households aged 65 and older are renter cost burdened and paying over 40 percent of their income for gross rent. This excludes low income senior householders living in subsidized units.

4. Competitive Housing Analysis

With limited senior rental stock in the Senseny Market Area, RPRG surveyed 27 general occupancy communities, one market area senior community, and four senior communities near the market area. All five surveyed age-restricted communities are LIHTC communities. Low vacancies and waiting lists among income-restricted senior communities point to the market's ability to support the proposed subject senior project.

- The general occupancy rental market is performing well, with a low stabilized vacancy rate of 0.7 percent, based on our survey. One-bedroom units average \$910 for an average size of 711 square feet, or \$1.28 per square foot. The average two-bedroom effective rent is \$1,044 for 988 square feet, or \$1.06 per square foot.
- The senior rental communities in the market area have a vacancy rate of just 0.5 percent. None of the surveyed senior communities are offering rental incentives.
- Over half (63.7 percent) of senior units address households at 60 percent of AMI. The remaining 36.3 percent address households at 50 percent AMI.
- The only senior efficiency rent is \$405 for 455 square feet, or an average rent per square foot of \$0.89. The average one-bedroom rent is \$739 for 594 square feet, or \$1.24 per square foot. One-bedroom 50 percent AMI rents range from \$455 to \$695. The only one-bedroom 60 percent AMI rent is \$1,141. The average net two-bedroom rent is \$891 for 885 square feet, or \$1.01 per square foot. Two-bedroom 50 percent AMI rents range from \$605 to \$815. Two-bedroom 60 percent AMI rents range from \$900 to \$1,365.

- No senior rental project was identified in the market area near term pipeline besides the proposed subject community.

B. Derivation of Demand

1. Senior Demand Methodology

This section examines potential demand for active adult rental housing in the Senseny Market Area over a three-year period. Similar to a Derivation of Net Demand for general occupancy rental housing, this methodology examines need for rental housing product, such as a senior market rate independent living senior community. It does not address demand for retirement housing products that serve frail elderly, including service-enriched independent living, assisted living, continuing care retirement facilities and the like. (In fact, “unhealthy” seniors are factored out of the demand.) Also, as is the case in the general occupancy Net Demand calculation, the senior rental demand methodology is not income specific; the impact of pricing and qualified target markets are examined within our Effective Demand (Affordability and Penetration Analyses).

Demand for new senior rental housing in the market is based upon three components: growth in number of older adult households; removal of housing stock occupied by older adults; and, older adult homeowners that convert to renters. Demand from these three components is then adjusted for vacancies at existing senior housing properties in the market. Again, this considers only rental products that address healthy and independent older adults. Older adult households that require assistance with activities of daily living (ADLs) and/or instrumental activities of daily living (IADLs) are then factored out of the demand pool. The overall demand over the three-year period is subsequently reconciled against new/planned product serving this market that is projected to come on line over the next three years. The result is a net demand for “independent” senior rental housing in the market.

We note that the underlying dynamics of the supply and demand equation for senior housing are not the same as for general occupancy rental housing. Whereas the concept in the general occupancy market is that the projected new growth and demand is indicative of true “need” to build additional housing and units to address this demand, this is not necessarily the case with senior housing. Many older adult households already have a place of residence in the market (as opposed to new households created that need housing) and/or have multiple housing options, which include for-sale housing, residency with an adult child, etc. As a result, not all older adult households will elect to relocate into an age-qualified community; in fact, the majority will not. Therefore, there is still an element of choice and a discretionary decision factor to move into such a community that is not accounted for in this analysis. Consequently, in our experience it is common via this methodology for a market to exhibit a significant surplus of demand for senior rental housing. For the reasons previously enumerated, this should not be interpreted to mean that new units should (or need to be) built to meet demand.

2. Net Demand Analysis – Seniors Age 65+

The Derivation of Net Demand is conducted for senior households aged 65 and older as required by VHDA, although the target market for the subject community includes seniors aged 55 and older. We detail this analysis below (Table 34):

- **Projected Change in the Household Base.** Per the household trend information presented previously, Esri estimates that 11,214 households with householder aged 65 and older reside in the Senseny Market Area as of 2018, and based on Esri data, RPRG projects that

this number will increase to 12,465 by 2021. The market area is expected to gain 1,251 senior households during this three-year period.

Table 34 Net Senior Demand, Senseny Market Area

Senior Rental Demand					
I. 65+ Household Growth					Units
2018 Households					11,214
2021 Households					12,465
Net Change in Households					1,251
II. Add: Elderly Units Removed from Market					
	65+ Hsg Stock	Annual Removal Rate	Annual Units Removed	Analysis Period (Years)	
Assumed Housing Stock (2019)					105
12,963					
0.270%					
35					
3					
Net New Demand for Elderly Units					1,356
Percent 65+ Renter Households in 2020					17.5%
Net New Demand for Elderly Renter Units					237
III. Add: Senior Renters Converting From Homeownership					
	65+ Homeowners	Movership Rate	HO to Renter Rate	Analysis Period (Years)	New Renters
Assumed Senior Homeowners (2018)					172
9,256					
5.4%					
11.5%					
3					
Net New Senior Demand Converting to Renter Units					172
Percent of Elderly Owner Movers Relocating Within 50 miles					64.6%
Net New Senior Demand Converting to Renter Units from Within the Market					111
IV. Add: Senior Apartment Vacancy					
		Inventory		Vacant	
Stabilized Senior Rental Communities (Market and LIHTC)					1
50					
Total Competitive Inventory					1
50					
Market Vacancy at 5%					3
Less: Current Vacant Units					-1
Vacant units required to reach 5% Market Vacancy					2
Total Senior Rental Demand					349
Adjustment for Frailty (62+ No Limitation with IADL or ADL)					87.1%
Total "Independent" Senior Rental Demand					304
Planned Competitive Additions to the Supply					
			Total Units	95% Occupancy	
Subject - Senseny Senior			63	60	
Total New "Independent" Senior Rental Supply			63	60	
Excess Demand for "Independent" Senior Rental Housing					244

Source: Real Property Research Group, Inc.



- **Need for Housing Stock Upgrades.** Demand for new housing units within a primary market area is generated when the stock of available housing units ceases to meet the housing needs of households that wish to remain residents of that primary market. In such instances, the housing stock needs to be upgraded, either through the renovation of existing units or the construction of new units. Based on American Housing Survey data, researchers have analyzed Components of Inventory Change (CINCH), which documents many of these changes.¹ Table 35 presents the compilation of these data based on various characteristics.

That a particular housing unit has ceased to meet the housing needs of a market area's households becomes evident in any number of ways, including:

- **Physical Removal or Demolition.** Clearly, if a unit is demolished or otherwise physically removed from a market, it is no longer available to serve local households. A number of factors contribute to the removal of housing units. Housing units are occasionally removed from any given market through disasters such as fires and various types of weather phenomenon. While such disasters occur somewhat randomly, the decision whether to repair or demolish a unit is based on the economic value of the property. Thus, a unit being permanently lost in a disaster should be correlated with factors such as its age, structure type, and physical condition. Demolitions can also be instigated through the loss of economic value or in response to a situation where vacant land has become more valuable than the land plus its existing structure. Based on American Housing Survey data, researchers have analyzed Components of Inventory Change (CINCH). CINCH data indicated that renter-occupied or vacant units were far more likely to be demolished than owner-occupied units; among renter-occupied and vacant units, single-family detached units were more likely to be demolished than multifamily units.
- **Permanent Abandonment.** Housing units can be technically removed from the stock available to serve households without being physically removed. This happens when a housing unit's owner elects to permanently abandon the unit – due to obsolescence, overwhelming repair costs, or other factors – without going through the steps (and costs) of demolishing it. If a dilapidated unit was occupied up until the time of permanent abandonment, the former occupant represents a source of demand for other units in the area.
- **Overcrowding.** As defined by the U.S. Census Bureau, a housing unit is classified as overcrowded if the household occupying the unit has more people than the housing unit has rooms. Particularly in markets with high housing costs, lower-income individuals and families are often driven into an overcrowded housing situation. Overcrowded households constitute pent-up demand for new housing units not typically captured in household growth projections; were two affordable units to become available, an overcrowded household would very likely split into two households and generate an additional net unit of housing demand.

¹ American Housing Survey, Components of Inventory Change 2011-2013; Prepared by Econometrica, Inc. for the U.S. Department of Housing & Urban Development's Office of Policy Development & Research; April 2016.



Table 35 Components of Inventory Change in Housing (CINCH)

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

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

- **Mismatch between Household Incomes and Housing Stock Quality.** While permanent abandonment and overcrowding are two factors likely to lead to net new demand for affordable housing units, limited recent housing construction in a stable, long-established neighborhood can be an indicator of pent-up demand for new housing units serving middle- to upper-income households. Areas that exhibit this phenomenon are often downtown, inner city, or inner ring suburban locations that currently have – and have had for years – limited to no undeveloped land available for new housing construction/growth. When a neighborhood is stable in terms of overall household numbers but near the point of build-out for many years, many resident households develop a desire for a modern housing unit and the wherewithal to rent or purchase one but have no stock of modern units from which to choose. Such households are ‘under-housed’ in that the quality of the housing stock in the area where they live (and wish to remain) does not match the type of housing they demand and could afford. Such pent-up demand is rarely captured in public projections of household growth and is difficult to translate to specific calculations. However, this pent-up demand is a very real factor driving demand for new housing units in stable, established residential neighborhoods.
- Based on recent statistical observations (2011-2013), the average loss was computed at 0.27 percent of the total occupied housing stock per year. Applying the removal rate of 0.27 percent over the three years in question, RPRG estimates that approximately 105 housing units occupied by senior households are likely to be lost.



- Adding units removed from the market to net senior household growth, the net senior demand for new housing units between 2018 and 2021 is expected to total approximately 1,356 units.
- As of 2018, Esri estimates 17.9 percent of older seniors aged 65+ are renters within the market area, decreasing slightly through 2021. Applying the projected three-year average renter percentage of 17.5 percent to total demand yields a new total demand for rental housing of 237 units.
- **Demand from Senior Homeowners.** Another component of demand is from homeowners converting to rental housing. According to the American Housing Survey conducted for the U.S. Census Bureau in 2015, 5.4 percent of elderly households move each year in the United States. Of those moving within the past twelve months, 11.5 percent moved from homeownership to a rental situation. This results in a senior homeowner conversion rate of approximately 1.2 percent per year. This analysis implies that, on average, each year 57+/- homeowners will opt for a rental apartment, if these are available. Over the three-year period, this results in a total of 172 senior homeowners converting to renters. Subsequently, we adjust the mobility data to account for only those “local” movers. According to American Community Survey (ACS) data, 64.6 percent of all seniors aged 65 and older who moved in the U.S. during the past year remained in their county of origin. Applying this ratio, we estimate that demand for as many as 111 new senior rental units will be from homeowners who choose to rent locally.
- **Competitive Senior Vacancy Rates.** The final source of demand that factors into RPRG’s calculation of demand for rental units is the observed vacancy rate in the primary market area’s competitive rental market. RPRG assumes that a 5.0 percent vacancy rate is required to keep a rental market relatively elastic. Elasticity in this context means that an adequate number of quality housing units are vacant and available at any given time so that households seeking rental units can be accommodated and can have some choice among units.

Given the market area senior inventory of 50 independent living units, three vacant units would be required to arrive at a 5.0 percent vacancy rate. Currently, there is one vacancy in the existing senior independent living rental supply, resulting in two new vacant units required to maintain a structural 5.0 percent vacancy. We thus add two units to the potential demand.

- Combining the effects of household trends, necessary unit replacement, and the preferred structural vacancy rate, there will be a total demand for 349 senior rental units in the market area over the three-year period.
- To ensure that only “healthy” or “independent” households are considered in demand, we screen out for households that would be dealing with frailty issues. Based upon the National Health Interview Survey data from 2003 - 2007², an estimated 6.2 percent of individuals between the ages of 65 and 74 are limited in terms of IADLs (Instrumental Activities of Daily Living) IADL’s include everyday household chores, such as grocery shopping. Additionally, 13.8 percent of individuals 75 to 84 are limited in terms of IADLs and 35.3 percent of individuals 85 and older are limited in terms of IADLs. Applying these percentages to the age distribution of senior households in the Senseny Market Area, we estimate that independent living rental units would not be suitable for 12.9 percent of the age 65+ households in the market. Subsequently, we apply a screen of 87.1 percent that

² Centers for Disease Control and Prevention, Limitations in Activities of Daily Living and Instrumental Activities of Daily Living, 2003-2007.



are without limitations to factor out for frailty and those seniors that would be seeking housing that addresses these frailty issues. Applying the 87.1 percent screen to the demand of 349 units yields a total “independent” Senior Rental Demand for 304 units.

- Total rental demand must be balanced against new rental stock likely to be added between 2018 and 2021. No independent senior communities were identified in the near term pipeline in addition to the proposed 63-unit Senseny Senior Apartments. Applying a structural vacancy rate of five percent, the subject would add 67 units to the market.
- In subtracting the planned new supply of 67 units from the net demand for 304 senior “independent living” units over the next three years, we determine that the market area will have an excess demand for 244 senior independent living rental units.

3. Conclusions on Net Demand

The results of this derivation of senior rental demand indicate that the market has excess demand for 244 senior rental units beyond the proposed subject community. We reiterate as per above, that this calculation should not be interpreted to mean that there is absolute demand or “need” for 244 additional units of senior rental housing in the market and thus, this many units can or should be built over the next three years. Older adults have many more housing options including for-sale options and non-age qualified renter options, and this methodology does not account for these choices.

C. Effective Demand – Affordability/Capture & Penetration Analyses

1. Methodology

Following our estimate of the depth of senior demand for net new rental units in the primary market area, we next test whether sufficient income-qualified senior households would be available to support the specific units at the subject property and properties in the same broad segment of the rental market in terms of pricing. This analysis is conducted independently of the Net Senior Demand Analysis as units at the subject property are likely to be filled by a combination of new households (either moving to or created in the market area) and existing households moving within the market area. The total demand – comprised of the net or incremental demand and the demand from existing households – is the relevant frame of reference for the analysis.

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

The first component of the Effective Demand analysis involves looking at total income and renter income among Senseny Market Area households with householders aged 65 and older for the target year. The Developer projects that units at Senseny Senior Apartments will initially be placed in service in 2020 and as such, 2020 is used as the target year for these analyses. RPRG calculated 2020 income distributions for total households and renter households based on RPRG household projections, income estimates from the 2012-2016 ACS, and income projections from Esri (Table 36).

Table 36 2020 Total and Renter Income Distribution 65+ Households, Senseny Market Area

Senseny Senior Market Area		Total Households		Renter Households	
2020 Income		#	%	#	%
less than	\$15,000	1,283	10.7%	298	14.2%
	\$15,000	1,508	12.5%	351	16.7%
	\$25,000	1,621	13.5%	359	17.1%
	\$35,000	1,807	15.0%	371	17.7%
	\$50,000	1,974	16.4%	370	17.6%
	\$75,000	1,241	10.3%	176	8.4%
	\$100,000	1,539	12.8%	135	6.4%
	\$150,000	1,066	8.9%	42	2.0%
	Over				
Total		12,039	100%	2,102	100%
Median Income		\$48,347		\$36,731	

Source: American Community Survey 2012-2016 Projections, RPRG, Inc.

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to property owners and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household’s ‘gross rent burden’. For the Affordability/Capture and Penetration Analyses, RPRG employs a 40 percent gross rent burden mandated by VHDA for use in evaluating proposed elderly LIHTC communities.

All of the units at the subject will be restricted to households with incomes at 30 percent, 50 percent, 60 percent, 70 percent, and 80 percent of AMI. The household sizes assume 1.5 persons per bedroom for the one-and two-bedroom units.

2. Affordability Analysis

The steps in the affordability analysis (Table 37) are demonstrated for the subject’s one-bedroom units targeting senior households with incomes up to 60 percent AMI (most common floorplan). This analysis can be similarly applied to the one-bedroom units at 40 and 80 percent AMI as well as the two-bedroom units. The steps are as follows:

- As proposed, Senseny Senior Apartments will include 24 one-bedroom units at 50 percent AMI. The average unit has a gross rent of \$666 (\$586 contract rent plus \$80 utility allowance for tenant-paid utilities).
- By applying a 40 percent rent burden to this gross rent, the rent burden suggested by VHDA for their senior demand analysis, we determined that these one-bedroom units would be affordable to households earning at least \$19,980 per year. The projected number of senior market area households earning at least this amount in 2020 is 10,005.
- On the assumption of 1.5 persons per bedroom and an income ceiling of 50 percent AMI, the maximum income for senior households renting a one-bedroom unit at the subject is \$26,675. According to the interpolated income distribution for 2020, an estimated 8,977 senior households will reside in the market area with incomes exceeding this upper income limit.



Table 37 2020 Affordability Analysis for Senseny Senior Apartments, Assuming 40% Rent Burden

30% Units	One Bedroom Units		Two Bedroom Units	
	Min.	Max.	Min.	Max.
Number of Units	5		1	
Net Rent	\$320		\$385	
Gross Rent	\$400		\$480	
% Income for Shelter	40%		40%	
Income Range (Min, Max)	\$12,000	\$16,005	\$14,400	\$19,200
Total Households				
Range of Qualified HHlds	11,013	10,605	10,808	10,123
# Qualified Households	408		685	
Total HH Capture Rate	1.2%		0.1%	
Renter Households				
Range of Qualified HHlds	1,863	1,768	1,816	1,656
# Qualified HHlds	95		159	
Renter HH Capture Rate	5.3%		0.6%	

50% Units	One Bedroom Units		Two Bedroom Units	
Number of Units	24		2	
Net Rent	\$586		\$705	
Gross Rent	\$666		\$800	
% Income for Shelter	40%		40%	
Income Range (Min, Max)	\$19,980	\$26,675	\$24,000	\$32,000
Total Households				
Range of Qualified HHlds	10,005	8,977	9,399	8,114
# Qualified Households	1,029		1,285	
Unit Total HH Capture Rate	2.3%		0.2%	
Renter Households				
Range of Qualified HHlds	1,629	1,393	1,488	1,202
# Qualified HHlds	236		286	
Renter HH Capture Rate	10.2%		0.7%	

60% Units	One Bedroom Units		Two Bedroom Units	
Number of Units	5		2	
Net Rent	\$720		\$865	
Gross Rent	\$800		\$960	
% Income for Shelter	40%		40%	
Income Range (Min, Max)	\$24,000	\$32,010	\$28,800	\$38,400
Total Households				
Range of Qualified HHlds	9,399	8,112	8,632	7,218
# Qualified Households	1,287		1,414	
Unit Total HH Capture Rate	0.4%		0.1%	
Renter Households				
Range of Qualified HHlds	1,488	1,201	1,316	1,010
# Qualified Households	287		307	
Renter HH Capture Rate	1.7%		0.7%	

70% Units	One Bedroom Units		Two Bedroom Units		80% Units			
					One Bedroom Units		Two Bedroom Units	
Number of Units	6		3		3		12	
Net Rent	\$853		\$1,025		\$969		\$1,125	
Gross Rent	\$933		\$1,120		\$1,049		\$1,220	
% Income for Shelter	40%		40%		40%		40%	
Income Range (Min, Max)	\$27,990	\$37,345	\$33,600	\$44,800	\$31,470	\$42,680	\$36,600	\$51,200
Total Households								
Range of Qualified HHlds	8,763	7,345	7,854	6,447	8,199	6,702	7,435	5,726
# Qualified Households	1,418		1,407		1,497		1,709	
Total HH Capture Rate	0.4%		0.2%		0.0%	0.2%	0.0%	0.7%
Renter Households								
Range of Qualified HHlds	1,346	1,036	1,144	851	1,221	904	1,054	705
# Qualified Households	310		293		317		350	
Renter HH Capture Rate	1.9%		1.0%		0.0%	0.9%	0.0%	3.4%



Income Target	# Units	All Households = 12,039					Renter Households = 2,102			
		Band of Qualified HHlds		# Qualified HHs	Capture Rate	Band of Qualified HHlds		# Qualified HHs	Capture Rate	
30% Units	6	<i>Income Households</i>	\$12,000 11,013	\$19,200 10,123	890	0.7%	\$12,000 1,863	\$19,200 1,656	207	2.9%
50% Units	26	<i>Income Households</i>	\$19,980 10,005	\$32,000 8,114	1,892	1.4%	\$19,980 1,629	\$32,000 1,202	427	6.1%
60% Units	7	<i>Income Households</i>	\$24,000 9,399	\$38,400 7,218	2,181	0.3%	\$24,000 1,488	\$38,400 1,010	478	1.5%
70% Units	9	<i>Income Households</i>	\$27,990 8,763	\$44,800 6,447	2,316	0.4%	\$27,990 1,346	\$44,800 851	494	1.8%
80% Units	15	<i>Income Households</i>	\$31,470 8,199	\$51,200 5,726	2,473	0.6%	\$31,470 1,221	\$51,200 705	516	2.9%
Total Units	63	<i>Income Households</i>	\$12,000 11,013	\$51,200 5,726	5,287	1.2%	\$12,000 1,863	\$51,200 705	1,131	5.6%

Source: Income Projections, RPRG, Inc.

- Subtracting the 8,977 households with incomes above the maximum income limit from the 10,005 households who have the minimum income necessary to rent this unit, RPRG calculates that 1,029 senior households in the market area would be income-qualified for the subject’s one-bedroom units at 50 percent AMI. The subject would have to capture 2.3 percent of these age-qualified households to fill these 24 units.
- Using the same methodology on the interpolated income distribution for aged 65+ renter households in 2020, RPRG estimates 236 renter households will reside in the market area in 2020 that would be income-qualified for these one-bedroom units. The subject would need to capture 10.2 percent of these renter households to fill all 24 units.
- The same methodology was applied to test the affordability of the subject’s units at each income level and for all floorplans in the subject community. Overall, the subject’s tax credit units would address households earning between \$12,000 and \$51,200. The subject would need to capture 1.2 percent of all age- and income-qualified households in the market area and 5.6 percent of all income-qualified senior renter households to lease all proposed units.

3. Penetration Analysis

To provide further insight into the market dynamics, we have also conducted a Penetration Analysis (Table 38). The Penetration Analysis evaluates the capacity of the market area to serve the entire inventory of directly competitive senior rental units. Our analysis utilizes the same target date of 2020; the same 40 percent rent burden; and income levels as presented in the Affordability Analysis.

The steps in our Penetration Analysis for Senseny Senior Apartments follow:

- Only one senior community was identified within the Senseny Market Area, Shenandoah Apartments with 50 units restricted to seniors earning up to 60 percent AMI. Summing the existing comparable senior units with the proposed subject (the only near-term pipeline community) yields a total competitive supply of 120 units, including the subject.
- The minimum and maximum household incomes for householders aged 65+ employed in our analysis range from \$12,000 for the subject’s 30 percent one-bedroom unit up to the maximum allowable household income for a two-bedroom unit at 80 percent of AMI (\$51,200). This analysis utilizes the subject’s proposed utility allowances when calculating the minimum income required for the total housing cost as well as a 40 percent housing affordability ratio.
- As of 2020, an estimated 1,131 senior renter households in the primary market area (accounting for income gaps) will be in the band of affordability for the relevant income-



restricted tax credit one- and two-bedroom rental stock at 30, 50, 60, 70 and 80 percent AMI. The existing and planned affordable supply would need to capture 10 percent of these senior renter households in order to reach full occupancy.

Table 38 Penetration Analysis for Senseny Senior Apartments, Assuming 40% Rent Burden

Competitive Communities			
Competitive Communities	Units	Planned Communities	Units
Shenandoah	50		
		Subtotal	0
		Subject Property	Units
Subtotal	50	Subject Property	63
		Subtotal	63
Grand Total of Competitive Supply			
	113		

	Minimum Income	Maximum Income
	One Bedroom Unit	Three Bedroom Unit
Net Rent	\$320	
Gross Rent	\$400	
% Income for Shelter	40%	
Income Range (Min, Max)	\$12,000	\$51,200
Qualified Renter HHs	1,863	705

All Renter Households = 2,102				
	Band of Qualified Households		Qualified HHs	Penetration Rate
Income	\$12,000	\$51,200		
Households	1,863	705	1,131	10.0%

Source: 2010 U.S. Census, Esri, Estimates, RPRG, Inc.

4. Conclusions on Affordability and Penetration

RPRG judges that the senior renter capture rate of 5.6 percent for the subject’s proposed units is readily achievable, particularly since the proposed apartments will be one of only two senior communities in the market area. RPRG considers the calculated overall penetration rate of 10 percent of income-qualified senior renter households to be reasonable within the context of the Senseny Market Area. Our analysis suggests that the market area inventory of competitive rental units will need to capture roughly one out of every ten income-qualified senior renter households. Both the capture and penetration rates are well within a reasonable and achievable range.

D. VHDA Demand Methodology

1. VHDA Demand Analysis

The VHDA’s required demand methodology for proposed senior LIHTC communities consists of four primary components: Household growth, rent overburden households, substandard units, and senior homeowners converting to renter.



The first component of demand is senior household growth. This number is the estimate of income-qualified renter households anticipated to move into the Senseny Market Area between the base year of 2017 and 2020 (the project will be placed in service in 2020).

The second component of demand is from senior renters currently living in substandard units. A unit is considered to be substandard if a unit houses more than 1.01 persons per room and/or the unit lacks complete plumbing facilities. According to the ACS, the percentage of renter-occupied, substandard units in the Senseny Market Area is 6.3 percent (Table 21).

Third, as required in the 2018 Market Study Guidelines, senior households aged 65 and older spending more than 40 percent of income on rent are considered overburdened. According to data from the 2012-2016 American Community Survey (ACS), 40 percent of senior renter households in the Senseny Market Area meet this definition (see Table 21).

The fourth component is senior homeowners converting to renters. For senior projects only, VHDA accepts that up to 20 percent of total demand may be generated through the process of homeowners at the time of the base year converting to renters as of the target year. Based on 2015 national data from the Census Bureau's American Housing Survey, RPRG estimates that 1.2 percent of senior homeowners convert to a rent-based living arrangement within any given year.

The units at Senseny Senior Apartments will be restricted to households earning 30 to 80 percent AMI. We estimate the senior renter income qualification percentage as discussed in the Affordability Analysis. For the project overall, the units would be affordable to those renter households earning between \$12,000 and \$51,200, or 53.8 percent of senior renter households expected to be residing in the market area in 2020.

That percentage is applied to each of the components of renter demand: (1) demand from new renter households; (2) demand from rent overburdened households; (3) demand from substandard housing; and (4) senior homeowners converting to renters. The sum of the income qualified segments of demand represents the Total Income Qualified Renter Demand. For the overall project, the components of demand include: 920 renter households from household growth in the market area; 66 renter households residing in substandard units; 419 renter households that are overburdened; and 73 senior homeowners converting to renters. The total income-qualified renter demand for the project overall is estimated to be 1,478 units.

Comparable units that are presently available or that are likely be added to the market by 2020 constitute supply that must be subtracted from total demand to arrive at net demand. The only senior community in the market area, Shenandoah, has one vacant unit. No senior pipeline units were identified in the market area besides the proposed subject. Therefore, total senior net demand is 1,477 rental units.

The 63-unit Senseny Senior Apartments would need to capture 4.3 percent of this demand to reach full occupancy. This 4.3 percent capture rate is very low relative to the 30 percent upper bound for acceptable capture rates derived using this methodology (Table 39).



Table 39 VHDA Demand by Overall Income Targeting

<i>Income Target</i>	30% Units	50% Units	60% Units	70% Units	80% Units	Total Units
<i>Minimum Income Limit</i>	\$12,000	\$19,980	\$24,000	\$27,990	\$31,470	\$12,000
<i>Maximum Income Limit</i>	\$19,200	\$32,000	\$38,400	\$44,800	\$51,200	\$51,200
<i>(A) Renter Income Qualification Percentage</i>	9.8%	20.3%	22.8%	23.5%	24.5%	53.8%
Demand from New Renter Households 65+ Calculation: (C-B) * A * F	168	347	389	402	419	920
Plus						
Demand from Substandard Households 65+ Calculation: B * D * F * A	12	25	28	29	30	66
Plus						
Demand from Rent Overburdened Households 62+ Calculation: B * E * F * A	77	158	177	183	191	419
Plus						
Owners Converting to Renters Households 62+ Calculation: B * G * A	13	28	31	32	33	73
Equals						
Total PMA Demand	270	558	625	646	674	1,478
Less						
Comparable Vacant Units			1			1
Comparable Pipeline Units						
Equals						
Net Demand	270	558	624	646	674	1,477
Proposed Units	6	26	7	9	15	63
Capture Rate	2.2%	4.7%	1.1%	1.4%	2.2%	4.3%
Absorption Period						6-8

Demand Calculation Inputs	
A). % of Renter Hhlds with Qualifying Income	see above
B). 2017 65+ Households	10,937
C). 2020 65+ Households	20,527
(D) ACS Substandard Percentage	6.3%
(E) ACS Rent Over-Burdened Percentage (Senior)	40.0%
(F) 2018 Renter Percentage (65+)	17.8%
(G) Owners Coverting	1.2%

Project Wide Capture Rate - LIHTC Units	4.3%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	4.3%
Project Wide Absorption Period (Months)	6-8 Months

2. Conclusions on VHDA Demand

RPRG considers the key captures rates for Senseny Senior Apartments to be both reasonable and readily achievable, particularly since the project’s overall capture rate is well below ten percent. Given a calculated net demand of 1,477 age- and income-qualified households, the 63-unit Senseny Senior Apartments would need to capture 4.3 percent of income-qualified renter households per the demand methodology mandated by VHDA. For each income band for the subject (ranging from 30 percent up to 80 percent AMI), the capture rate is below 5.0 percent. Taking into consideration all of these factors, we have conservatively estimated an overall project lease up pace of roughly 6 to 8 months, reflecting an average absorption pace of 8 to 10 units per month. According to City of Winchester officials, affordable housing is a dire need throughout the city, including the subject neighborhood. In addition, the property manager at Shenandoah reported extremely high demand among lower-income senior households with a consistently long wait list.

E. Target Markets

As indicated in the Effective Demand Analysis (Affordability/Capture & Penetration), the subject community will offer one- and two-bedroom units targeting age 55+ households earning between approximately \$12,000 and \$51,200. We expect that most households will move from within the market area, but another key target market will be those persons who used to live in the area and



wish to return and/or those who move to the area to live near adult children. The subject community will be attractive both to senior homeowners looking to downsize, and senior renters who would benefit from a senior-oriented rental community with elevators and social activities geared to seniors.

F. Product Evaluation

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

- **Structure Type:** The subject will consist of one mid-rise building with elevator-serviced units. This structure will appeal to the target senior market and provide a competitive advantage as no market area community includes elevator service.
- **Project Size:** The proposed size of the subject community is 63 units, lower than the average of 77 units among all surveyed senior communities, but considered appropriate for the target market.
- **Unit Distribution:** The proposed unit mix consists of 68 percent one-bedroom units and 32 percent two-bedroom units. This unit mix has a larger weighting of one-bedroom units similar to the surveyed senior communities which had a 77 percent weighting of efficiency and one-bedroom units and 23 percent weighting of two-bedroom units. Overall, the subject's unit distribution is appropriate for a modern affordable senior community.
- **Income Targeting:** The subject's income targeting is as follows: 6 units (9.5 percent) will address senior households with incomes at or below 30 percent of AMI; 26 units (41.3 percent) will be restricted to households earning up to 50 percent AMI; 7 units (11.1 percent) will be restricted to households earning up to 60 percent AMI; 9 units (14.3 percent) will be targeted to households earning up to 70 percent AMI; and 15 units (23.8 percent) will be reserved for households earning up to 80 percent AMI. RPRG's penetration analysis indicates that all of the subject's units as well as those existing and future competitive units address only 10 percent of all income-qualified senior households.
- **Unit Size:** The subject's one-bedroom units will average 638 square feet, seven percent larger than the average of 594 square feet among all surveyed senior communities. Likewise, at 938 square feet, the subject's two-bedroom units are six percent larger than the market area average of 885 square feet.
- **Number of Bathrooms:** All of the subject's one-bedroom units will have one full bathroom, while the two-bedroom units will have two bathrooms. Only two of the five surveyed senior communities include two bathrooms in two-bedroom units. As a result, the availability of 1.5 baths in the subject's two-bedroom units will be a competitive advantage in some cases.
- **Unit Features:** Four out of five surveyed senior communities include a dishwasher, and two of the five surveyed senior communities offer in-unit laundry. Upgraded unit features are limited among the surveyed senior communities, with most providing standard cabinets, laminate counters, white appliances, and vinyl/carpet flooring. Grab bars and emergency pull cords are included at each senior community except Meadows at Northridge. Planned unit features at the subject include energy efficient appliances including dishwasher, refrigerator, oven, and range. Flooring will be vinyl in the living and common areas and carpet in the bedrooms, and kitchens will feature open floorplan with upgraded cabinets and counters. This offering of unit features will meet or exceed all surveyed senior communities as well as most general occupancy market area communities.
- **Utilities Included in Rent:** The Developer proposes to include sewer and trash removal costs in monthly rents in Senseny Senior Apartments, leaving tenants responsible for paying all other



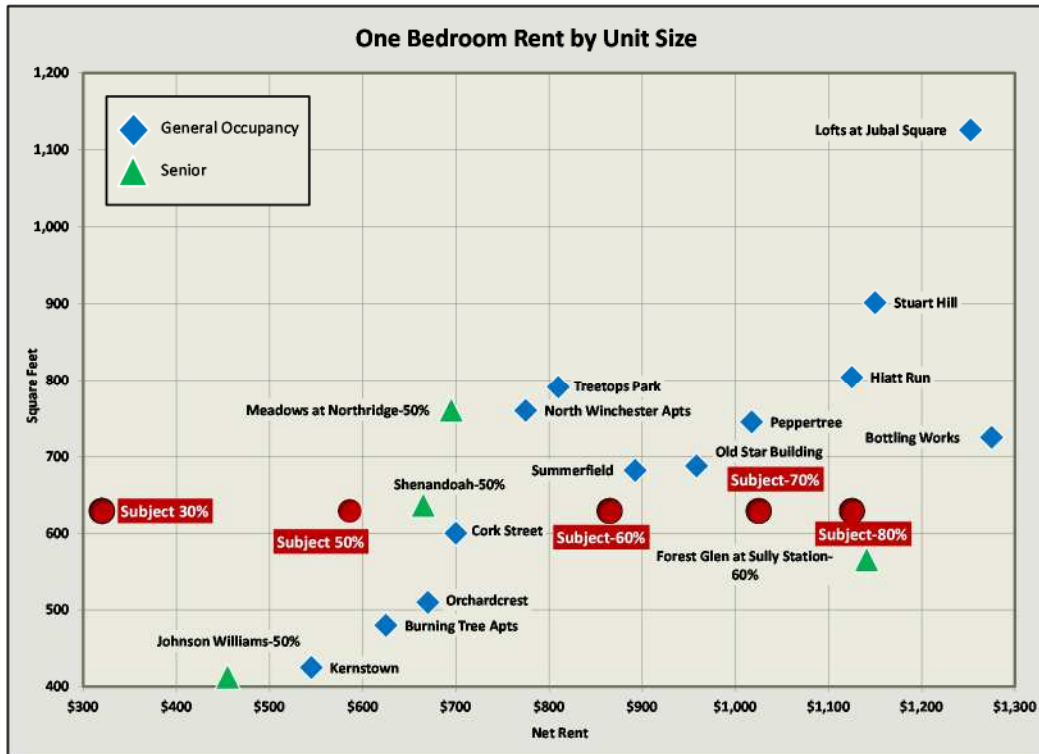
utility bills. Water, sewer, and trash are included in all surveyed senior communities except Forest Glen at Sully Station which also includes the cost of heat in the rent.

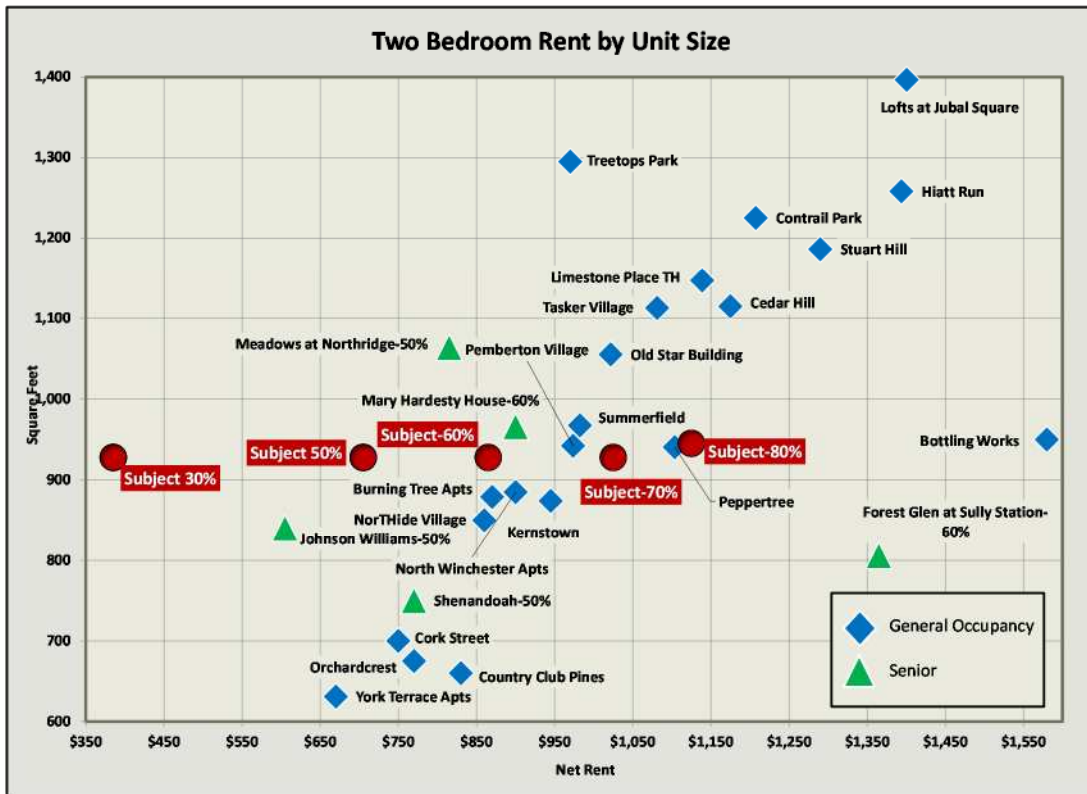
- Common Area Amenities:** The subject will offer a community room with kitchen, activity room, fitness center, multiple laundry facilities, and free Wi-Fi in the common areas. The subject mid-rise community will offer elevator service to each floor, and the subject’s residents will have access to activities associated with the adjoining church attached to the subject community building. This amenity package will appropriately address the target market and is comparable to the only senior tax credit community in the market area.
- Parking:** The subject will have free surface parking which is consistent with the other rental communities. We do not believe that other parking options are necessary in the Senseny Market Area. As such, surface parking is not considered to be either an advantage or disadvantage within this market area but comparable to what is currently available.

G. Price Position

The tax credit rents proposed by the Developer for Senseny Senior Apartments are at the allowable maximums for all unit types, given the assumed utility allowances of \$80 for one-bedroom units and \$95 for two-bedroom units. The proposed rents are considered to be reasonable when viewed within the context of the directly competitive rental supply. The subject’s 30 percent, 50 percent, and 60 percent rents are below most market area general occupancy rents and at or below rents among most surveyed senior communities. The proposed 70 percent and 80 percent rents are well below most newer market area general occupancy communities. As referenced previously, the Derivation of Market Rent analysis indicates the subject’s proposed rents have a 7.8 to 69.6 percent market rent advantage.

Figure 10 Price Position of Senseny Senior Apartments





H. Absorption Estimate

In estimating an absorption pace for the subject community, we consider recent absorption activity in the market in addition to demand and supply factors. There have been no senior communities added to the market area in over 30 years and the vacancy rate among surveyed senior and general occupancy communities is quite low. The market area’s most recently delivered general occupancy community is Hiatt Run, which was placed in service on a rolling delivery from May 2017 to July 2018 with most buildings pre-leased prior to completion resulting in an average absorption rate of at least 18 units per month. Lofts at Jubal Square was placed in service in December 2017 and completed lease up in May 2018 for an average absorption rate of 28 units per month. The 23-unit Bottling Works was placed in service in July 2018 and leased all 28 units in the first month of opening.

The penetration rate for affordable senior units is only 10 percent, indicating that the supply of LIHTC units provides housing for only one tenth of the senior renters aged 65 or over which are income-qualified for such a unit. The affordability capture rate and VHDA capture rate are both low; moreover, they were calculated using only seniors aged 65 and over when the subject will actually be restricted to seniors 55 and older, leading to a greater number of market area residents qualified to live at the subject.

Based on the projected senior household growth and the product the community will offer we would conservatively expect a leasing pace of eight to ten units per month. At this pace, the subject’s 63 proposed units would be leased within six to eight months.



I. Impact on Existing Market

We do not expect the introduction of Senseny Senior Apartments to have an adverse impact on the local rental stock. The senior household base is growing, with no other senior rental communities likely to come on line over the next three years. In addition, the market area has a small inventory of affordable senior or general occupancy communities with all exhibiting very low vacancy rates.

Given the overall strength of the senior rental market and low vacancy rates, we do not anticipate that the subject will negatively impact any of the existing, competitive, LIHTC properties in the primary market area.

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

A handwritten signature in black ink, appearing to read 'E. Reed'.

Ethan Reed
Senior Analyst

A handwritten signature in black ink, appearing to read 'Rob Lefenfeld'.

Robert M. Lefenfeld
Founding Principal



9. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

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

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



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

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



10. APPENDIX 2 RENTAL COMMUNITY PROFILES

Forest Glen at Sully Station

Senior Community Profile

14400 Woodmere Court
Centreville, VA 20120

Community Type: LIHTC - Elderly

Structure Type: 4-Story Garden

186 Units 0.5% Vacant (1 units vacant) as of 9/28/2018

Opened in 1995



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	91.9%	\$1,141	566	\$2.02	Comm Rm: <input type="checkbox"/>	Library: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	8.1%	\$1,365	806	\$1.69	Elevator: <input type="checkbox"/>	Health Rms: <input checked="" type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Walking Pth: <input checked="" type="checkbox"/>	Beauty Salon: <input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Central A/C; Grabbar; Emergency Response; Carpet	
Select Units: Patio/Balcony	
Optional(\$): --	
Security: --	
Parking: Free Surface Parking	

Comments

Tenants pay 60% of income, income limits, Independent Living community.

Housekeeping is optional. Hair salon.

83 Units down due to fire in May 2018 but rebuilt.

Property Manager: --

Owner: --

Floorplans (Published Rents as of 9/28/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Braddock / Garden	--	1	1	171	\$1,206	566	\$2.13	LIHTC/ 60%	9/28/18	0.5%	\$1,141	\$1,365	--
Fairfax / Garden	--	2	1	15	\$1,445	806	\$1.79	LIHTC/ 60%	8/23/10	9.1%	--	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Johnson Williams

Senior Community Profile

301 Josephine St
Berryville, VA

Community Type: LIHTC - Elderly

Structure Type: 2-Story Garden

40 Units 0.0% Vacant (0 units vacant) as of 10/1/2018

Opened in 1993



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	85.0%	\$405	391	\$1.04	<input type="checkbox"/>	<input type="checkbox"/>
One	10.0%	\$455	413	\$1.10	Comm Rm: <input checked="" type="checkbox"/>	Library: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	5.0%	\$605	840	\$0.72	Elevator: <input type="checkbox"/>	Health Rms: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Walking Pth: <input type="checkbox"/>	Beauty Salon: <input type="checkbox"/>

Features	
Standard: Central A/C; Grabbar; Emergency Response	
Select Units: --	
Optional(\$): --	
Security: Fence	
Parking: Free Surface Parking	

Comments

55+

Few people on waiting list.

Property Manager: --

Owner: --

Floorplans (Published Rents as of 10/1/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	Eff	1	34	\$405	391	\$1.04	LIHTC/ 50%	10/1/18	0.0%	\$455	\$605	--
	--	1	1	4	\$455	413	\$1.10	LIHTC/ 50%	1/4/08	0.0%	--	--	--
	--	2	1	2	\$605	840	\$0.72	LIHTC/ 50%	8/2/07	0.0%	--	--	--
									9/13/06	0.0%	--	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Johnson Williams

VA043-008739

Mary Hardesty House

Senior Community Profile

218 Mosby Blvd
Berryville, VA

Community Type: LIHTC - Elderly

Structure Type: 3-Story Garden

60 Units 0.0% Vacant (0 units vacant) as of 10/3/2018

Opened in 1997



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Library: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	100.0%	\$900	966	\$0.93	Elevator: <input checked="" type="checkbox"/>	Health Rms: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Walking Pth: <input type="checkbox"/>	Beauty Salon: <input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Grabbar; Emergency Response; Carpet	
Select Units:	--
Optional(\$):	--
Security:	--
Parking:	Free Surface Parking

Comments

55+. \$20 floor premium.

Wait list closed with 12 names.

Residents come from all over (Texas, Florida, California, Michigan, Missouri, etc), some to be close to family.

Property Manager: --

Owner: --

Floorplans (Published Rents as of 10/3/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	2	2	60	\$900	966	\$93	LIHTC/ 60%	10/3/18	0.0%	--	\$900	--
									1/4/08	0.0%	--	--	--
									8/2/07	0.0%	--	--	--
									9/13/06	0.0%	--	--	--
Adjustments to Rent													
Incentives:													
None													
Utilities in Rent: Heat Fuel: Natural Gas													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Mary Hardesty House

VA043-008738

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(1) Effective Rent is Published Rent, net of utilities and concessions. (2) Published Rent is rent as quoted by management.

Meadows at Northridge

Senior Community Profile

15200 Ira Hoffman Ln
Culpeper, VA 22701

Community Type: LIHTC - Elderly

Structure Type: Garden

50 Units 0.0% Vacant (0 units vacant) as of 9/28/2018

Opened in 2006



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	80.0%	\$695	761	\$0.91	Comm Rm: <input type="checkbox"/>	Library: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	20.0%	\$815	1,064	\$0.77	Elevator: <input type="checkbox"/>	Health Rms: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Walking Pth: <input type="checkbox"/>	Beauty Salon: <input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Ice Maker; In Unit Laundry (Full Size); Central A/C; Carpet	
Select Units: --	
Optional(\$): --	
Security: --	
Parking: Free Surface Parking	

Comments

Northridge Apartments is comprised of 2 communities The Greens (family) and The Meadows (55+).
Active Adult Community that targets elderly 55+. Wait list-12 ppl.
This property accepts Section 8 vouchers or other subsidized housing programs. Cottage Style apartments.
Property Manager: Park Properties Owner: --

Floorplans (Published Rents as of 9/28/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Single story	--	1	1	40	\$695	761	\$.91	LIHTC/ 50%	9/28/18	0.0%	\$695	\$815	--
Single story	--	2	2	10	\$815	1,064	\$.77	LIHTC/ 50%					

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

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(1) Effective Rent is Published Rent, net of utilities and concessions. (2) Published Rent is rent as quoted by management.

Shenandoah

Senior Community Profile

2527 Wilson Boulevard
Winchester, VA 22601

Community Type: LIHTC - Elderly

Structure Type: 1-Story Garden

50 Units 2.0% Vacant (1 units vacant) as of 10/1/2018

Opened in 1985



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	96.0%	\$665	637	\$1.04	Comm Rm: <input type="checkbox"/>	Library: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	4.0%	\$770	750	\$1.03	Elevator: <input type="checkbox"/>	Health Rms: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Walking Pth: <input type="checkbox"/>	Beauty Salon: <input type="checkbox"/>

Features	
Standard: Dishwasher; Grabbar; Emergency Response	
Select Units: --	
Optional(\$): --	
Security: --	
Parking: Free Surface Parking	

Comments

62+

Lengthy wait list

Property Manager: --

Owner: --

Floorplans (Published Rents as of 10/1/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	1	1	48	\$640	637	\$1.00	LIHTC	10/1/18	2.0%	\$665	\$770	--
	--	2	1	2	\$740	750	\$.99	LIHTC					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Shenandoah

VA840-029291

Autumn Wind

Multifamily Community Profile

140 Scarlet Maple Drive
Winchester, VA 22603

Map Ref: FR 13 - E12

Community Type: LIHTC - General

Structure Type: Garden

104 Units 0.0% Vacant (0 units vacant) as of 9/27/2018

Opened in 1999



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	65.4%	\$961	988	\$0.97	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	34.6%	\$1,103	1,128	\$0.98	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

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

Comments

WL-8 ppl(1st availability is Jan.2019)

4 accessible units

Floorplans (Published Rents as of 9/27/2018) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	68	\$961	988	\$.97	LIHTC/ 60%	9/27/18	0.0%	--	\$961	\$1,103
Garden	--	3	2	36	\$1,103	1,128	\$.98	LIHTC/ 60%	4/25/16	0.0%	--	\$961	\$1,103
									1/5/16	1.0%	--	\$905	\$1,005
									10/7/15	0.0%	--	\$905	\$1,005

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Autumn Wind

VA069-001987

Bottling Works

Multifamily Community Profile

1720 Valley Ave
Winchester, VA 22601

CommunityType: Market Rate - General

Structure Type: 2-Story Adaptive Reuse

23 Units 0.0% Vacant (0 units vacant) as of 10/1/2018

Opened in 2017



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	26.1%	\$1,073	700	\$1.53	<input type="checkbox"/>	<input type="checkbox"/>
One	30.4%	\$1,275	725	\$1.76	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	43.5%	\$1,580	950	\$1.66	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

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

Comments

Adaptive reuse of former Coca Cola bottling factory.
Stained concrete floors, skylights (select), high ceilings

Floorplans (Published Rents as of 10/1/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	Eff	1	6	\$1,050	700	\$1.50	--	10/1/18	0.0%	\$1,275	\$1,580	--
	--	1	1	7	\$1,250	725	\$1.72	--					
	--	2	2	10	\$1,550	950	\$1.63	--					

Adjustments to Rent

Incentives:

—

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Burning Tree Apts

Multifamily Community Profile

101 Williamson Place
Winchester, VA 22602

CommunityType: Market Rate - General

Structure Type: 3-Story Garden/TH

56 Units 0.0% Vacant (0 units vacant) as of 9/27/2018

Opened in 1994



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$665	480	\$1.39	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	28.6%	\$870	879	\$0.99	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard:	Carpet
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	Page-Brooke Rentals
Owner:	--

Comments

Water & sewer included in rent for TH only.

Floorplans (Published Rents as of 9/27/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$650	480	\$1.35	Market	9/27/18	0.0%	\$665	\$870	--
Garden	--	2	1	--	\$850	625	\$1.36	Market	1/5/16	0.0%	\$625	\$870	--
Townhouse	--	2	1	16	\$850	879	\$0.97	Market					

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

Burning Tree Apts

VA069-022243

Cedar Creek

Multifamily Community Profile

7601 Main St
 Middletown, VA 22645

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

46 Units 0.0% Vacant (0 units vacant) as of 10/1/2018

Opened in 1984



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	\$690	617	\$1.12	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	--	\$780	770	\$1.01	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	\$900	938	\$0.96	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input checked="" type="checkbox"/>

Features	
Standard:	Dishwasher
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	--
Owner:	--

Comments

--	--	--	--	--	--	--	--	--	--

Floorplans (Published Rents as of 10/1/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	1	1	--	\$690	617	\$1.12	LIHTC/ 60%	10/1/18	0.0%	\$690	\$780	\$900
	--	2	1	--	\$780	770	\$1.01	LIHTC/ 60%					
	--	3	1	--	\$900	938	\$.96	LIHTC/ 60%					

--	--	--	--	--	--	--	--	--	--	--	--	--	--

Adjustments to Rent

Incentives:		—	
Utilities in Rent:		Heat Fuel: Electric	
Heat:	<input type="checkbox"/>	Cooking:	<input type="checkbox"/>
Hot Water:	<input type="checkbox"/>	Wtr/Swr:	<input checked="" type="checkbox"/>
	<input type="checkbox"/>	Electricity:	<input type="checkbox"/>
	<input type="checkbox"/>	Trash:	<input checked="" type="checkbox"/>

Cedar Hill

Multifamily Community Profile

640 Kingston Court
Winchester, VA 22601

Community Type: Market Rate - General

Structure Type: 3-Story Garden

48 Units 4.2% Vacant (2 units vacant) as of 9/27/2018

Opened in 2013



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Two	66.7%	\$1,125	1,082	\$1.04	Centrl Lndry:	Tennis:
Two/Den	33.3%	\$1,275	1,181	\$1.08	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Storage (In Unit); Carpet	
Select Units: Fireplace; HighCeilings	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Aikens Group Owner: --	

Comments

Delivery: 1st bldg 8/2013, 2nd bldg 3/2014, 3rd bldg 11/2014 & 4th bldg 3/2015

Most buildings were fully pre-leased upon delivery.

3rd floor w/ fireplace \$50 premium. All den units on 2nd or 3rd floor. Some accessible units. Grills/Picnic areas.

Floorplans (Published Rents as of 9/27/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	32	\$1,125	1,082	\$1.04	Market	9/27/18	4.2%	--	\$1,175	--
Garden	Den	2	2	16	\$1,275	1,181	\$1.08	Market	1/7/16	0.0%	--	\$1,054	--
									10/7/15	2.1%	--	\$1,042	--
									6/12/15	0.0%	--	\$1,054	--
* Indicates initial lease-up.													
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Gas													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Cedar Hill

VA840-018931

Contrail Park

Multifamily Community Profile

749 Front Royal Pike
Winchester, VA 22602

Community Type: **Market Rate - General**

Structure Type: **3-Story Garden**

36 Units 2.8% Vacant (1 units vacant) as of 10/3/2018

Opened in 2017



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	--	\$1,208	1,225	\$0.99	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	\$1,300	1,360	\$0.96	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Carpet / Hardwood	
Select Units: HighCeilings	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Aikens Group Owner: --	

Comments

Blak appliances, Granite CT, wood vanity cabinets, built-in desk. Select units have vaulted ceilings.

Picnic area w/grills, horseshoe pits

Vacancies: 1-2BR

Floorplans (Published Rents as of 10/3/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	--	\$1,175	1,225	\$0.96	Market	10/3/18	2.8%	--	\$1,208	\$1,300
Garden	aulted ceiling	2	2	--	\$1,200	1,225	\$0.98	Market					
Garden	--	3	2	--	\$1,250	1,360	\$0.92	Market					
Garden	aulted ceiling	3	2	--	\$1,300	1,360	\$0.96	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Contrail Park

VA069-029321

Cork Street

Multifamily Community Profile

502-510 West Cork Street
Winchester, VA 22601

CommunityType: Market Rate - General

Structure Type: 2-Story Garden

40 Units 0.0% Vacant (0 units vacant) as of 9/28/2018

Last Major Rehab in 2008 Opened in 1930



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	50.0%	\$700	600	\$1.17	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	50.0%	\$750	700	\$1.07	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>
					<input type="checkbox"/>	

Features	
Standard: Window A/C; HighCeilings; Hardwood	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1:	--
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	Molden Real Estate
Owner:	--

Comments

Kitch & baths have been renovated (2008).
1BR units have been remodelled and include central A/C.

Floorplans (Published Rents as of 9/28/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	20	\$700	600	\$1.17	Market	9/28/18	0.0%	\$700	\$750	--
Garden	--	2	1	20	\$750	700	\$1.07	Market	4/25/16	0.0%	\$750	\$700	--
									1/5/16	2.5%	\$700	\$650	--
									10/8/15	0.0%	\$650	\$700	--
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Cork Street

VA840-016527

Country Club Pines

Multifamily Community Profile

301 Kassie Ln
Winchester, VA 22602

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

56 Units 0.0% Vacant (0 units vacant) as of 9/27/2018

Opened in 1986



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	100.0%	\$830	660	\$1.26	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	--	--	--	--	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Central A/C; Carpet / Hardwood	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Page-Brooke Rentals Owner: --	

Comments

Floorplans (Published Rents as of 9/27/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	56	\$875	660	\$1.33	Market	9/27/18	0.0%	--	\$830	--
									1/5/16	3.6%	--	\$805	--

Adjustments to Rent

Incentives:
None

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

Fremont Chase

Multifamily Community Profile

550-552 Fremont St
Winchester, VA 22601

CommunityType: LIHTC - General

Structure Type: 2-Story 3-4 Family

6 Units 0.0% Vacant (0 units vacant) as of 10/1/2018

Opened in 1993



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	100.0%	\$550	600	\$0.92	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard:	--
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	Johnson Williams Co
Owner:	Fremont-Chase LP

Comments

--	--	--	--	--	--	--	--	--	--	--	--	--	--

Floorplans (Published Rents as of 10/1/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$

	--	2	1	6	\$550	600	\$0.92	LIHTC/ 60%	10/1/18	0.0%	--	\$550	--
--	----	---	---	---	-------	-----	--------	------------	---------	------	----	-------	----

									2/28/12	0.0%	--	--	--
--	--	--	--	--	--	--	--	--	---------	------	----	----	----

Adjustments to Rent

Incentives: ---

Utilities in Rent: Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Fremont Chase

VA840-016537

Hiatt Run

Multifamily Community Profile

175 Fenway Cir
Winchester, VA

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

120 Units 0.8% Vacant (1 units vacant) as of 10/3/2018

Opened in 2018



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	40.8%	\$1,125	804	\$1.40	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	33.3%	\$1,394	1,258	\$1.11	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	25.8%	\$1,515	1,400	\$1.08	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

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

Comments

Granite CT, SS appl., island kitchen, large pantry, under cabinet lighting, 9' ceilings, WIC, built-in desks, wood-plank flooring. Resident portal, walking/biking trails, Bocce court, raised garden beds, dog park, pavilion w/picn tbl
Rolling delivery from 5/17 to 7/18, each bld preleased on delivery, at least 18 units/mo

Floorplans (Published Rents as of 10/3/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Shenandoh	--	1	1	49	\$1,100	804	\$1.37	--	10/3/18	0.8%	\$1,125	\$1,394	\$1,515
James	--	2	2	40	\$1,364	1,258	\$1.08	--					
Potomac	--	3	2	31	\$1,480	1,400	\$1.06	--					

Adjustments to Rent	
Incentives:	
—	
Utilities in Rent:	Heat Fuel:
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/>
	Wtr/Swr: <input type="checkbox"/>
	Trash: <input type="checkbox"/>

Hiatt Run

VA840-029325

Holcomb House

Multifamily Community Profile

110 Lee St
Winchester, VA 22601

CommunityType: LIHTC - General
Structure Type: 1-Story Garden

6 Units 0.0% Vacant (0 units vacant) as of 10/1/2018

Opened in 1991



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	100.0%	\$680	700	\$0.97	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard:	Dishwasher
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	--
Owner:	--

Comments

accessible housing

Floorplans (Published Rents as of 10/1/2018) (2)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	1	1	6	\$680	700	\$.97	LIHTC/ 60%	10/1/18	0.0%	\$680	--	--

Historic Vacancy & Eff. Rent (1)

Date	%Vac	1BR \$	2BR \$	3BR \$
10/1/18	0.0%	\$680	--	--

Adjustments to Rent

Incentives: --

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Holcomb House

VA840-029289

Kernstown

Multifamily Community Profile

3024 Valley Ave
Winchester, VA 22601

Map Ref: FR 20-B11

CommunityType: Market Rate - General

Structure Type: Garden

33 Units 0.0% Vacant (0 units vacant) as of 9/28/2018

Opened in 1989



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	15.2%	\$562	300	\$1.87	<input type="checkbox"/>	<input type="checkbox"/>
One	12.1%	\$545	425	\$1.28	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	72.7%	\$945	874	\$1.08	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Disposal; Central A/C; Patio/Balcony; Cable TV; Carpet	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Molden Real Estate	Owner: --

Comments

1 and 2 story buildings.

Floorplans (Published Rents as of 9/28/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	Eff	1	5	\$650	300	\$2.17	Market	9/28/18	0.0%	\$545	\$945	--
Garden	--	1	1	4	\$650	425	\$1.53	Market	4/25/16	0.0%	--	--	--
Garden	--	2	1	24	\$1,075	874	\$1.23	Market	1/5/16	0.0%	\$545	\$820	--
									10/8/15	3.0%	\$545	\$820	--

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

Kernstown

VA069-001985

Limestone Place TH

Multifamily Community Profile

475 Tevis Street
Winchester, VA 22601

CommunityType: Market Rate - General

Structure Type: 2-Story Townhouse

18 Units 0.0% Vacant (0 units vacant) as of 9/27/2018

Opened in 2001



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	94.4%	\$1,139	1,147	\$0.99	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	5.6%	\$1,360	1,900	\$0.72	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

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

Comments

Furnished units available. Units have Fireplaces.
Aiken owns 18 TH units in a larger owner-occupied TH community with 64 total units.

Floorplans (Published Rents as of 9/27/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	1.5	12	\$1,050	1,100	\$0.95	Market	9/27/18	0.0%	--	\$1,139	\$1,360
Townhouse	Garage	2	2.5	5	\$1,250	1,260	\$0.99	Market	4/25/16	0.0%	--	\$1,042	\$1,260
Townhouse	--	3	3.5	1	\$1,325	1,900	\$0.70	Market	1/7/16	5.6%	--	\$1,042	\$1,260
									10/7/15	0.0%	--	\$1,042	\$1,260

Adjustments to Rent

Incentives:
None

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

Limestone Place TH

VA069-018623

Lofts at Jubal Square

Multifamily Community Profile

1864 Old Jube Square
Winchester, VA 22601

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

140 Units 0.0% Vacant (0 units vacant) as of 10/3/2018

Opened in 2018



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	17.1%	\$1,253	1,126	\$1.11	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	62.9%	\$1,401	1,397	\$1.00	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	20.0%	\$1,565	1,455	\$1.08	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Wood-burning Fireplace; HighCeilings; Carpet / Hardwood	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: Attached Garage Fee: \$125
Property Manager: Park Properties Owner: --	

Comments

Opened 1st 2 Bldgs 12/17(48 units); last bldgs(94 units) opened 5/18(leased up in 5 weeks). Arched entries, solariums, lrg windows, SS appl., custom cabinets, breakfast bar, 9' ceilings, garden tubs, Granite CT, En Suite, WIC, pendant lighting. Walking distance to shop & restaurants. Yoga, café, billiards, outdoor entertainment area, clubroom.

Floorplans (Published Rents as of 10/3/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Loudaun / Garden	Loft	1	1	12	\$1,275	1,287	\$.99	Market	10/3/18	0.0%	\$1,253	\$1,401	\$1,565
Morgan / Garden	--	1	1	12	\$1,200	965	\$1.24	Market					
Braddock / Garden	--	2	2	52	\$1,350	1,267	\$1.07	Market					
Pembroke / Garden	Loft	2	2	36	\$1,425	1,584	\$.90	Market					
Hollingsworth / Garden	--	3	2	28	\$1,540	1,455	\$1.06	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Lofts at Jubal Square

VA069-029320

North Winchester Apts

Multifamily Community Profile

800 Thomas Court
Winchester, VA 22601

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

60 Units 5.0% Vacant (3 units vacant) as of 9/28/2018

Opened in 1990



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	\$775	760	\$1.02	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	--	\$900	885	\$1.02	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input checked="" type="checkbox"/>

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

Comments

Floorplans (Published Rents as of 9/28/2018) (2)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$775	760	\$1.02	Market	9/28/18	5.0%	\$775	\$900	--
Garden	--	2	2	--	\$900	885	\$1.02	Market	1/8/16	0.0%	\$690	\$885	--

Historic Vacancy & Eff. Rent (1)

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

© 2018 Real Property Research Group, Inc. (1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent (2) Published Rent is rent as quoted by management.

Northside Village

Multifamily Community Profile

50 Moreland Dr
Winchester, VA 22601

CommunityType: Market Rate - General
Structure Type: Townhouse

56 Units 0.0% Vacant (0 units vacant) as of 9/27/2018

Opened in 1988



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	100.0%	\$860	850	\$1.01	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>
					<input type="checkbox"/>	

Features	
Standard: Dishwasher; Central A/C; Carpet / Hardwood	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Page-Brooke Rentals	
Owner: --	

Comments

Floorplans (Published Rents as of 9/27/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	1	56	\$850	850	\$1.00	Market	9/27/18	0.0%	--	\$860	--
									1/5/16	3.6%	--	\$835	--

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

Old Star Building

Multifamily Community Profile

33 E. Boscawen St.
Winchester, VA 22601

CommunityType: Market Rate - General

Structure Type: 2-Story Adaptive Reuse

9 Units 0.0% Vacant (0 units vacant) as of 10/3/2018

Last Major Rehab in 2013 Opened in 1840



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	\$958	688	\$1.39	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$1,022	1,055	\$0.97	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Carpet / Hardwood	
Select Units: HighCeilings	
Optional(\$): --	
Security: --	
Parking 1: Structured Garage Fee: \$0	Parking 2: -- Fee: --
Property Manager: Oak Crest Properties Owner: --	

Comments

Granite CT, SS/Bik appliances, breakfast bar, track lighting, large windows. 1st Floor office/retail.

Courtyard, Shops, Restaraunts & Galleries.

1 Reserved parking garage space. Rents & vacancy from website.

Floorplans (Published Rents as of 10/3/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Adaptive Reuse	--	1	1	--	\$900	561	\$1.60	Market	10/3/18	0.0%	\$958	\$1,022	--
Adaptive Reuse	--	1	1	--	\$900	580	\$1.55	Market					
Adaptive Reuse	--	1	1	--	\$925	641	\$1.44	Market					
Adaptive Reuse	--	1	1	--	\$950	662	\$1.44	Market					
Adaptive Reuse	skylight	1	1	--	\$950	777	\$1.22	Market					
Adaptive Reuse	--	1	1	--	\$975	905	\$1.08	Market					
Adaptive Reuse	--	2	1	--	\$1,100	1,110	\$.99	Market					
Adaptive Reuse	--	2	1	--	\$925	1,206	\$.77	Market					
Adaptive Reuse	--	2	1	--	\$950	850	\$1.12	Market					

Adjustments to Rent

Incentives:
None

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

Old Star Building

VA840-029323

Orchardcrest

Multifamily Community Profile

2524 Wilson Road
Winchester, VA 22601

Map Ref: FR 20-C9

CommunityType: Market Rate - General

Structure Type: Garden

199 Units 0.0% Vacant (0 units vacant) as of 9/27/2018

Opened in 1975



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	27.1%	\$670	510	\$1.31	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	49.2%	\$770	675	\$1.14	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	23.6%	\$865	840	\$1.03	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard: Disposal; Central A/C; Carpet	
Select Units: --	
Optional(\$): --	
Security: Unit Alarms	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Page Brooke Rentals Owner: --	

Comments

Older 3 story brick - very basic, no amenities.

Floorplans (Published Rents as of 9/27/2018) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	54	\$775	510	\$1.52	Market	9/27/18	0.0%	\$670	\$770	\$865
Garden	--	2	1	98	\$900	675	\$1.33	Market	4/25/16	0.0%	--	--	--
Garden	--	3	1	47	\$1,025	840	\$1.22	Market	1/5/16	1.5%	\$645	\$745	\$840
									5/27/15	0.0%	\$620	\$720	\$815

Adjustments to Rent

Incentives:

None

Utilities in Rent:

Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Pemberton Village

Multifamily Community Profile

680 Pemberton Dr
Winchester, VA

Map Ref: FR 20-C7

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

120 Units 2.5% Vacant (3 units vacant) as of 9/27/2018

Opened in 1997



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt		
Eff	--	--	--	--	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input type="checkbox"/>
One	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	85.0%	\$974	942	\$1.03	Elevator: <input type="checkbox"/>	Volleyball: <input checked="" type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	15.0%	\$1,175	1,200	\$0.98	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Storage (In Unit); Carpet / Vinyl/Linoleum	
Select Units: --	
Optional(\$): Fireplace (\$25.00)	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Aikens Group Owner: --	

Comments

Affiliated with Shenadoah Univ - more than 50% students. Also a lot of retirees. Some hospital workers.
3rd floor units have fireplaces; \$50 premium included in averages below.

Floorplans (Published Rents as of 9/27/2018) (2)										Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program		Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	54	\$950	900	\$1.06	Market		9/27/18	2.5%	--	\$974	\$1,175
Garden	--	2	2	48	\$1,000	990	\$1.01	Market		4/25/16	1.7%	--	\$949	\$1,075
Garden	--	3	2	18	\$1,175	1,200	\$0.98	Market		1/7/16	5.0%	--	\$974	\$1,100
										10/7/15	1.7%	--	\$949	\$1,075

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

Pemberton Village

VA069-001983

Peppertree

Multifamily Community Profile

221 Peppertree Lane
Winchester, VA 22601

Map Ref: FR 20-C9

Community Type: Market Rate - General

Structure Type: 3-Story Garden

194 Units 0.5% Vacant (1 units vacant) as of 9/27/2018

Opened in 1987



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	24.7%	\$1,018	745	\$1.37	Comm Rm: <input type="checkbox"/>	Basketball: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	60.8%	\$1,104	941	\$1.17	Elevator: <input type="checkbox"/>	Volleyball: <input checked="" type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	14.4%	\$1,215	1,145	\$1.06	Hot Tub: <input checked="" type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input checked="" type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Storage (In Unit); Carpet	
Select Units: ADA Access	
Optional(\$): Fireplace (\$10.00)	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: CF Real Estate Servi Owner: --	

Comments

Some accessible units. Select 1 & 2BR have fireplaces. No w/d hook-ups in Jackson. No 1&3BR avail-rents from 1/28/15. Formerly a tax exempt bond property - VHDA 820. Transitioned to all market rate in 2011. Upgraded units \$100 premium. Mandatory water/sewer included in rents below: 1BR-\$33, 2BR-\$43, 3BR-\$53. Some units all electric utilites. Dog Run.

Floorplans (Published Rents as of 9/27/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Cameron / Garden	--	1	1	22	\$1,015	735	\$1.38	Market	9/27/18	0.5%	\$1,018	\$1,104	\$1,215
Handley / Garden	--	1	1	2	\$1,015	735	\$1.38	Market	4/25/16	0.0%	\$985	\$967	\$1,159
Jackson / Garden	--	1	1	24	\$990	755	\$1.31	Market	1/6/16	0.0%	\$985	\$961	\$1,159
Jefferson / Garden	--	2	2	30	\$1,075	933	\$1.15	Market	10/7/15	2.6%	\$908	\$1,076	\$1,223
Shenandoah / Garden	--	2	2	30	\$1,100	933	\$1.18	Market					
Fairfax / Garden	--	2	1.5	29	\$1,050	937	\$1.12	Market					
Loudoun / Garden	--	2	2	29	\$1,110	960	\$1.16	Market					
Summit / Garden	--	3	2	2	\$1,055	1,126	\$.94	Market					
Potomac / Garden	--	3	2	26	\$1,200	1,146	\$1.05	Market					

Adjustments to Rent

Incentives:
Daily Pricing

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

Preston Place

Multifamily Community Profile

124 Castlebridge Ct
Winchester, VA 22602

Map Ref: FR 20-G11

CommunityType: LIHTC - General

Structure Type: 3-Story Garden/TH

236 Units 1.3% Vacant (3 units vacant) as of 9/28/2018

Last Major Rehab in 2013 Opened in 1993



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	69.5%	\$901	1,016	\$0.89	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	30.5%	\$1,020	1,287	\$0.79	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Central A/C; Patio/Balcony; Carpet / Hardwood	
Select Units: --	
Optional(\$): In Unit Laundry (\$40.00)	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Grady Management Owner: --	

Comments

2012 Renovations kitchen counters, appl, cabinets, wood plank floor; windows, heat pumps, and hot water heater.

Some accessible units. No wait list.

Vacancies: 3-2BRs.

Floorplans (Published Rents as of 9/28/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	6	\$740	1,000	\$.74	LIHTC/ 50%	9/28/18	1.3%	--	\$901	\$1,020
Garden	--	2	2	126	\$906	1,000	\$.91	LIHTC/ 60%	4/25/16	0.0%	--	\$868	\$981
Townhouse	--	2	2	32	\$910	1,080	\$.84	LIHTC/ 60%	1/8/16	0.4%	--	\$892	\$981
Townhouse	--	3	2	12	\$1,041	1,200	\$.87	LIHTC/ 60%	10/7/15	0.4%	--	\$892	\$981
Garden	--	3	2	8	\$849	1,200	\$.71	LIHTC/ 50%					
Garden	--	3	2	52	\$1,041	1,320	\$.79	LIHTC/ 60%					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Preston Place

VA069-001981

Stephens Village

Multifamily Community Profile

390 Stickley Drive
Stephens City, VA 22655

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

46 Units 0.0% Vacant (0 units vacant) as of 10/1/2018

Opened in 1987



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	26.1%	\$482	566	\$0.85	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	73.9%	\$571	745	\$0.77	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard:	Dishwasher
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	--
Owner:	--

Comments

Waitlist: 7

Floorplans (Published Rents as of 10/1/2018) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	6	\$459	566	\$.81	LIHTC/ 50%	10/1/18	0.0%	\$482	\$571	--
Garden	--	1	1	6	\$505	566	\$.89	LIHTC/ 60%					
Garden	--	2	1	17	\$537	745	\$.72	LIHTC/ 50%					
Garden	--	2	1	17	\$605	745	\$.81	LIHTC/ 60%					

Adjustments to Rent

Incentives:

—

Utilities in Rent: Heat Fuel: Electric

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

Stuart Hill

Multifamily Community Profile

1981 Randolph Pl
Winchester, VA 22601

CommunityType: Market Rate - General
Structure Type: 3-Story Garden

180 Units 0.0% Vacant (0 units vacant) as of 10/1/2018

Opened in 2003



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	10.0%	\$1,120	845	\$1.33	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	10.0%	\$1,180	958	\$1.23	Centrl Lndry: <input type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	33.3%	\$1,255	1,157	\$1.08	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	33.3%	\$1,325	1,215	\$1.09	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	13.3%	\$1,385	1,296	\$1.07	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Carpet	
Select Units: Fireplace; HighCeilings	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Valley View Manage Owner: --	

Comments

3rd floor units have fireplaces + vaulted ceilings. Renovated units have \$100 premium, included in rent ranges.
Tenants employed at hospital, fed gov't, and retirees.

Floorplans (Published Rents as of 10/1/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
The Frederick / Garden	--	1	1	18	\$1,105	845	\$1.31	Market	10/1/18	0.0%	\$1,150	\$1,290	\$1,385
The Laurel Hill / Garden	Den	1	1	18	\$1,165	958	\$1.22	Market	4/25/16	0.0%	\$1,060	\$1,195	\$1,295
The Stonewall / Garden	--	2	2	60	\$1,235	1,157	\$1.07	Market	1/5/16	0.0%	\$1,060	\$1,195	\$1,295
The Winchester / Garden	Den	2	2	60	\$1,305	1,215	\$1.07	Market	10/7/15	0.0%	\$1,050	\$1,195	\$1,285
The Shenandoah / Garde	--	3	2	24	\$1,360	1,296	\$1.05	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent:

Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Summerfield

Multifamily Community Profile

Summerfield Lane
Winchester, VA

Map Ref: FR 20-B7

CommunityType: Market Rate - General

Structure Type: Garden

64 Units 0.0% Vacant (0 units vacant) as of 9/27/2018

Opened in 2001



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt		
Eff	--	--	--	--	Clubhouse:	<input type="checkbox"/> Pool-Outdr: <input type="checkbox"/>
One	--	\$893	682	\$1.31	Comm Rm:	<input type="checkbox"/> Basketball: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry:	<input type="checkbox"/> Tennis: <input type="checkbox"/>
Two	--	\$983	968	\$1.02	Elevator:	<input type="checkbox"/> Volleyball: <input checked="" type="checkbox"/>
Two/Den	--	--	--	--	Fitness:	<input type="checkbox"/> CarWash: <input type="checkbox"/>
Three	--	\$1,185	1,210	\$0.98	Hot Tub:	<input type="checkbox"/> BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna:	<input type="checkbox"/> ComputerCtr: <input type="checkbox"/>
					Playground:	<input checked="" type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size); Central A/C; Wood-burning Fireplace; Patio/Balcony; HighCeilings; Carpet	
Select Units:	Storage
Optional(\$):	--
Security:	--
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	Page-Brooke Rentals
Owner:	--

Comments

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Floorplans (Published Rents as of 9/27/2018) (2)										Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$	
Garden	--	1	1	--	\$938	682	\$1.37	Market	9/27/18	0.0%	\$893	\$983	\$1,185	
Garden	--	2	2	--	\$1,050	1,028	\$1.02	Market	4/25/16	0.0%	\$893	\$980	\$1,185	
Garden	--	2	1.5	--	\$1,025	907	\$1.13	Market	1/5/16	0.0%	\$855	\$943	\$1,160	
Garden	Garage	3	2	--	\$1,250	1,210	\$1.03	Market	10/7/15	0.0%	\$893	\$983	\$1,185	

Adjustments to Rent

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

Summerfield

VA069-001986

Tasker Village

Multifamily Community Profile

120 Caledon Court
Stephens City, VA 22655

Community Type: Market Rate - General

Structure Type: 3-Story Garden

64 Units 1.6% Vacant (1 units vacant) as of 9/27/2018

Opened in 2005



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	68.8%	\$1,050	1,082	\$0.97	Centrl Lndry:	Tennis:
Two/Den	31.3%	\$1,150	1,181	\$0.97	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

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

Comments

No onsite Mgmt. Office is at Pemberton Village. \$15 monthly premium for 3rd floor units.
2BR furnished corporate rental (\$1,695-\$1,795/mo). No students. Federal Gov't employees and retirees.

Floorplans (Published Rents as of 9/27/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	44	\$1,050	1,082	\$.97	Market	9/27/18	1.6%	--	\$1,081	--
Garden	Den	2	2	20	\$1,150	1,181	\$.97	Market	4/25/16	0.0%	--	\$991	--
									1/7/16	3.1%	--	\$1,000	--
									10/7/15	3.1%	--	\$991	--
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Natural Gas													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Tasker Village

VA069-010091

Treetops Park

Multifamily Community Profile

500 Treetops Lane
Winchester, VA

Map Ref: FR 20-B11

CommunityType: Market Rate - General

Structure Type: Garden

52 Units 0.0% Vacant (0 units vacant) as of 9/27/2018

Opened in 1991



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	76.9%	\$810	791	\$1.02	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	23.1%	\$970	1,295	\$0.75	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Storage (In Unit); Carpet	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Page-Brooke Rentals	
Owner: --	

Comments

Central courtyard, but no onsite office or amenities.

Floorplans (Published Rents as of 9/27/2018) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	40	\$875	791	\$1.11	Market	9/27/18	0.0%	\$810	\$970	--
Garden	--	2	2	12	\$1,050	1,295	\$.81	Market	4/25/16	0.0%	\$810	\$1,020	--
									1/5/16	1.9%	\$785	\$895	--
									10/7/15	0.0%	\$823	\$970	--

Adjustments to Rent

Incentives:

None

Utilities in Rent:

Heat Fuel: Natural Gas

Heat:

Cooking:

Wtr/Swr:

Hot Water:

Electricity:

Trash:

York Terrace Apts

Multifamily Community Profile

528 York Ave
Winchester, VA 22601

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

32 Units 0.0% Vacant (0 units vacant) as of 9/27/2018

Opened in 1986



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	100.0%	\$670	631	\$1.06	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard: Window A/C; Carpet	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Page-Brooke Rentals Owner: --	

Comments

--	--	--	--	--	--	--	--	--	--	--	--

Floorplans (Published Rents as of 9/27/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	32	\$800	631	\$1.27	Market	9/27/18	0.0%	--	\$670	--
									1/5/16	3.1%	--	\$670	--

Adjustments to Rent

Incentives:
None

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

York Terrace Apts

VA069-022248



11. APPENDIX 3 NCHMA CERTIFICATION

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

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

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

Real Property Research Group, Inc.



Bob Lefenfeld

Name

Founding Principal

Title

October 3, 2018

Date



12. APPENDIX 4 NCHMA CHECKLIST

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

Component (*First occurring page is noted)		*Page(s)
Executive Summary		
1.	Executive Summary	VI
Project Summary		
2.	Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents, and utility allowances	15
3.	Utilities (and utility sources) included in rent	16
4.	Project design description	14
5.	Unit and project amenities; parking	16
6.	Public programs included	14
7.	Target population description	14
8.	Date of construction/preliminary completion	16
9.	If rehabilitation, existing unit breakdown and rents	N/A
10.	Reference to review/status of project plans	14
Location and Market Area		
11.	Market area/secondary market area description	33
12.	Concise description of the site and adjacent parcels	17
13.	Description of site characteristics	17
14.	Site photos/maps	19
15.	Map of community services	17
16.	Visibility and accessibility evaluation	21
17.	Crime information	22
Employment and Economy		
18.	Employment by industry	30
19.	Historical unemployment rate	27



20.	Area major employers	30
21.	Five-year employment growth	28
22.	Typical wages by occupation	31
23.	Discussion of commuting patterns of area workers	28
Demographic Characteristics		
24.	Population and household estimates and projections	35
25.	Area building permits	37
26.	Distribution of income	41
27.	Households by tenure	39
Competitive Environment		
28.	Comparable property profiles	79
29.	Map of comparable properties	46
30.	Comparable property photos	79
31.	Existing rental housing evaluation	45
32.	Comparable property discussion	47
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	48
34.	Comparison of subject property to comparable properties	73
35.	Availability of Housing Choice Vouchers	53
36.	Identification of waiting lists	53
37.	Description of overall rental market including share of market-rate and affordable properties	48
38.	List of existing LIHTC properties	47
39.	Discussion of future changes in housing stock	53
40.	Discussion of availability and cost of other affordable housing options, including homeownership	46
41.	Tax credit and other planned or under construction rental communities in market area	53
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	67
43.	Calculation and analysis of Penetration Rate	69
44.	Evaluation of proposed rent levels	74
45.	Derivation of Achievable Market Rent and Market Advantage	54
46.	Derivation of Achievable Restricted Rent	57
47.	Precise statement of key conclusions	59



48.	Market strengths and weaknesses impacting project	60
49.	Recommendation and/or modification to project description	73, if applicable
50.	Discussion of subject property's impact on existing housing	76
51.	Absorption projection with issues impacting performance	75
52.	Discussion of risks or other mitigating circumstances impacting project	75, if applicable
53.	Interviews with area housing stakeholders	13
Certifications		
54.	Preparation date of report	Cover
55.	Date of field work	Cover
56.	Certifications	80
57.	Statement of qualifications	84
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	N/A



13. APPENDIX 5 ANALYST RESUMES

TAD SCEPANIAK **Managing Principal**

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

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

Areas of Concentration:

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

Education:

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



ROBERT M. LEFENFELD
Founding Principal

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

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

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

Areas of Concentration:

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

Education:

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



ETHAN REED
Senior Analyst

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

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

Areas of Concentration:

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

Education:

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



14. APPENDIX 6 VHDA CERTIFICATION

I affirm the following:

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

A handwritten signature in black ink, appearing to read 'E. Reed'.

Ethan Reed

Market Analyst

October 3, 2018

Date