



November 19, 2021

Gavin Taylor  
Assistant Development Manager  
Vitus Development IV, LLC  
415 1ST Avenue North #19240  
Seattle, WA 98109

Re: Market Conditions Update Letter – Petersburg East I & II, located in Petersburg, Virginia

Dear Gavin Taylor:

We previously completed an appraisal and market study for you (Vitus Development IV, LLC, the client) for submission to Virginia Housing for LIHTC funding. According to Virginia Housing, the effective date of the reports must be within six months of submission. Therefore, the client has requested that Novogradac provide a letter evaluating current market conditions and the potential impact on the conclusions of our original appraisal and market study of the Subject property, which had effective dates of November 24, 2020.

This letter is considered an addendum to the referenced market study and appraisal, and all limiting conditions and assumptions contained therein apply to this analysis. The scope of this assignment includes the following: we updated the rent comparables, researched potential new improved sales, updated economic information, determined current capitalization rates, researched new development in the pipeline, and analyzed comparable rental rates.

According to a rent roll dated November 16, 2021, the most recent available, the Subject is 94.0 percent leased and 93.5 percent occupied. The Subject's historical vacancy and collection loss ranged between 4.2 and 6.0 percent from 2017 to 2019. According to the rent roll dated November 23, 2020, the Subject was 89.3 percent occupied, with several vacant units being leased. Further, the property maintains a waiting list of 37 households currently, whereas no waiting list was maintained at the time of our original market study and appraisal. We are unaware of any changes in the Subject's development scheme between November 2020 and present.

Our findings indicate that vacancy has fluctuated slightly among comparable properties. The vacancy rates among the multifamily comparables range from zero to 5.7 percent, and increased slightly from a range of zero to 3.4 percent from the prior appraisal, although the average vacancy rate was sub-2.0 percent at the time of both surveys. There have been no new LIHTC allocations award within Petersburg within the last year. Additionally, we researched WARN listings, business expansions, and reviewed employment and unemployment rates for the MSA. The COVID-19 crisis had a definite impact on local employment and unemployment. In 2020, total employment in the MSA decreased 5.6 percent, which has continued to decrease through 2021, although to a far lesser extent (0.6 percent year over year). The unemployment rate rose from just 2.8 percent in 2019 to 6.7 percent in 2020. However, as of September 2021, the unemployment rate is 3.6 percent, indicating that the local economy is recovering from the pandemic.

Additionally, our findings show that the majority of rents at the market rate comparables fluctuated over the past year, which can partially be attributed to rents that change daily, while affordable properties reported stable or increasing rents. Given that some market rate comparables reported stable rents, while others

**MARKET CONDITIONS LETTER**  
**PAGE 2**

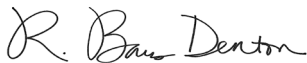
reported decreases or increases, we do not have reason to believe the current market conditions would impact our rent conclusions. Specific details regarding these findings are maintained in our work file.

We searched for newer improved sales within the Subject's area; we identified only a limited number of similar transfers during 2021, and were only able to obtain a capitalization rate from one to these sales, which was 6.1 percent. The PwC Survey of National Capitalization Rates indicates capitalization rates have remained generally stable over the last year. CoStar reported an average capitalization rate for the Petersburg submarket of 6.1 percent, which is down only three basis points from late 2020. We determined that the capitalization rates are consistent with our previously concluded capitalization rate of 6.0 percent.

The "as is" value as of November 2020 was \$8,800,000, both as restricted and unrestricted. The "as renovated" values as of November 2020 were \$15,400,000 and \$15,500,000, as restricted and unrestricted, respectively. A complete updated "as is" and "as renovated" valuation was outside the scope of work for this letter. However, overall market conditions which impact value are considered generally stable, if not slightly improved, from November 2020 to present. Likewise, there have been no dramatic changes or shifts in the market which would impact overall market feasibility. It is a specific assumption of this assignment that the reader has also reviewed the referenced prior valuation work. The format of this letter has been determined by Novogradac Consulting LLP and the client to be acceptable for their underwriting purposes, and for purposes of submission to Virginia Housing. Another user may find this format less useful. Novogradac Consulting LLP can modify the reporting with the permission of the Client for other users, subject to new engagement terms and a determined scope of work.

Please contact us if you have any comments or questions.

Respectfully submitted,  
Novogradac Consulting LLP



Rachel Denton, MAI  
Partner  
Certified General Real Estate Appraiser  
Rachel.Denton@novoco.com  
913-312-4612



H. Blair Kincer, MAI, CRE  
Partner  
Virginia State Certified General  
Appraiser No. 4001004822  
Blair.Kincer@novoco.com

**A MARKET FEASIBILITY**

**STUDY OF:**

**PETERSBURG  
EAST I & II**

# A MARKET FEASIBILITY STUDY OF:

# **PETERSBURG EAST**

# **I & II**

Located at:  
110 Croatan Drive  
Petersburg, Virginia 23803

Effective Date: November 24, 2020  
Report Date: March 22, 2021

Prepared for:  
Gavin Taylor  
Assistant Development Manager  
Vitus Development IV, LLC  
1700 Seventh Avenue, Suite 2000  
Seattle, WA 98101

Prepared by:  
Novogradac Consulting LLP  
6700 Antioch Road, Suite 450  
Merriam, KS 66204  
913-677-4600





March 22, 2021

Gavin Taylor  
Assistant Development Manager  
Vitus Development IV, LLC  
1700 Seventh Avenue, Suite 2000  
Seattle, WA 98101

Re: Market Study for Petersburg East I & II, located in Petersburg, Virginia

Dear Mr. Taylor:

At your request, Novogradac Consulting LLP has performed a market study of the multifamily rental market in the Petersburg, Virginia area relative to the above-referenced Section 8 and Low-Income Housing Tax Credit (LIHTC) project. It should be noted that we concurrently completed a HUD RCS report and application appraisal on the Subject with the same effective date.

The purpose of this market study is to assess the viability of Petersburg East I & II (Subject), a proposed acquisition/rehabilitation development. Combined, the Subject offers 168 one, two, and three-bedroom units income-restricted to families earning 50 percent of the AMI or below. The Subject's units are rent restricted at the 40 and 50 percent AMI levels. Further, all 168 units benefit from two separate Section 8 HAP contracts; therefore, tenants pay just 30 percent of their income towards rent. The Subject is proposed for renovation with LIHTC equity. Post-renovation, the Subject's unit mix, income, and rent restrictions will remain unchanged. Further, the HAP contracts will be combined, and all units will continue to benefit from Section 8 subsidy.

We have been asked to test achievable rents. We assume all information provided by the client correctly reflects the Subject. Any material changes from the development scheme provided may affect the conclusions shown in this report. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. Vitus Development IV, LLC is the client in this engagement. We understand that they will submit this document to the Virginia Housing (formerly known as VHDA) for tax credit application. The scope of this report meets the requirements of Virginia Housing, including the following:

- Inspecting the site of the proposed Subject and its general location.
- Project Description
- Supply Analysis
- Market Area Analysis
- Demand Analysis
- Absorption Analysis
- Conclusions and Recommendations
- Required Appendices

The depth of discussion contained in the report is specific to the needs of the client, specifically the requirements of Virginia Housing pursuant to the 2021 market study requirements. Novogradac Consulting LLP adheres to market study guidelines promulgated by the National Council of Housing Market Analysts (NCHMA). NCHMA is a professional organization chartered to promote the development of high-quality market analysis for the affordable housing industry. Novogradac is a charter member of this organization. NCHMA has compiled model content standards for market studies. This report, which Novogradac certifies as a NCHMA-compliant comprehensive market analysis full narrative report, conforms to those standards; any slight modifications or departures from those standards are considered incidental. Novogradac is a disinterested third party. The report and the conclusions are subject to the *Assumptions and Limiting conditions* attached

Vitus Development IV, LLC is the client in this engagement and intended user of this report. We understand that they will use this document to assist in obtaining tax credits. Intended users are those transaction participants who are interested parties and have knowledge of the Section 42 LIHTC program. These could include local housing authorities, state allocating agencies, state lending authorities, LIHTC construction and permanent lenders, and LIHTC syndicators. As our client, Vitus Development IV, LLC owns this report and permission must be granted from them before another third party can use this document. We assume that by reading this report another third party has accepted the terms of the original engagement letter including scope of work and limitations of liability. We are prepared to modify this document to meet any specific needs of the potential users under a separate agreement.

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The depth of discussion contained in the report is specific to the needs of the client.

Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac Consulting LLP can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,



Rachel B. Denton, MAI  
Partner  
Rachel.Denton@novoco.com  
(913) 312-4612



Sara Nachbar  
Manager  
Sara.Nachbar@novoco.com  
(913) 312-4616



Matt Egerstrom  
Senior Analyst  
Matthew.Egerstrom@novoco.com  
(913) 312-4632



Zarina Ismailova  
Junior Analyst

## **TABLE OF CONTENTS**

<b>I. EXECUTIVE SUMMARY AND CONCLUSIONS.....</b>	<b>1</b>
<b>II. PROJECT DESCRIPTION .....</b>	<b>5</b>
<b>III. LOCATION, MARKET AREA DEFINITION &amp; PROPERTY CHARACTERISTICS.....</b>	<b>12</b>
<b>IV. EMPLOYMENT AND ECONOMY .....</b>	<b>29</b>
<b>V. DEMOGRAPHIC CHARACTERISTICS.....</b>	<b>37</b>
<b>VI. COMPETITIVE ENVIRONMENT .....</b>	<b>45</b>
<b>VII. DEMAND ANALYSIS / CONCLUSIONS.....</b>	<b>108</b>
<b>VIII. LOCAL PERSPECTIVE OF RENTAL HOUSING AND HOUSING ALTERNATIVES .....</b>	<b>122</b>

**ADDENDUM A - ASSUMPTIONS AND LIMITING CONDITIONS**

**ADDENDUM B - STATEMENT OF QUALIFICATIONS**

**ADDENDUM C - DATA SOURCES**

**ADDENDUM D - NCHMA CERTIFICATION AND CHECKLIST**

**ADDENDUM E - UTILITY ALLOWANCE SCHEDULE**

**ADDENDUM F - SUBJECT AND NEIGHBORHOOD PHOTOGRAPHS**

**ADDENDUM G - HUD RCS GRIDS**

# **I. EXECUTIVE SUMMARY AND CONCLUSIONS**



## EXECUTIVE SUMMARY AND CONCLUSIONS

The Subject consists of two adjacent existing LIHTC/Section 8 developments located at 110 Croatan Drive, Petersburg, Virginia 23803. Petersburg East I offers 100 units contained in 11 two-story residential buildings that were originally built in 1975 and renovated in 2004 with LIHTC equity. All 100 units are LIHTC-restricted to families earning 50 percent of the AMI or below, and rent restricted at the 40 and 50 percent AMI levels. Further, all units benefit from a Section 8 HAP contract. Petersburg East II offers 68 units contained in eight two-story residential buildings that were originally built in 1976 and renovated in 2005 with LIHTC equity. All 68 units are LIHTC-restricted to families earning 50 percent of the AMI or below, and all units benefit from a Section 8 HAP contract. As such, tenants pay just 30 percent of their income towards rent.

The Subject is proposed for renovation with LIHTC equity. Post-renovation, the Subject’s unit mix, income, and rent restrictions will remain unchanged. Further, the HAP contracts will be combined, and all units will continue to benefit from Section 8 subsidy. As such, tenants will continue to pay 30 percent of their income toward rent not to exceed the LIHTC maximum allowable rents. It should be noted 10 Phase I units are “floater” units rent-restricted at the 40 percent AMI level, while all remaining units are both rent and income-restricted at the 50 percent AMI level.

The Subject’s proposed rents are detailed in the following table.

### PROPOSED RENTS

Unit Type	Unit Size (SF)	# of Units	Proposed Net Contract Rent (1)	Proposed Net LIHTC Rent (@50% AMI)	Utility Allowance (2)	Gross Rent	2020 LIHTC Maximum Allowable Gross Rent (@40% AMI)*	2020 LIHTC Maximum Allowable Gross Rent (@50% AMI)
<i>Phase I</i>								
1BR / 1BA	469	16	\$845	\$742	\$96	\$838	\$671	\$838
2BR / 1BA (TH)	718	16	\$945	\$864	\$142	\$1,006	\$805	\$1,006
2BR / 1.5BA	729	32	\$965	\$869	\$137	\$1,006	\$805	\$1,006
3BR / 1.5BA	934	36	\$1,085	\$1,046	\$116	\$1,162	\$930	\$1,162
<i>Phase II</i>								
1BR / 1BA	469	12	\$845	\$734	\$104	\$838	-	\$838
2BR / 1BA (TH)	718	12	\$945	\$874	\$132	\$1,006	-	\$1,006
2BR / 1BA	718	28	\$945	\$896	\$110	\$1,006	-	\$1,006
3BR / 1.5BA	934	16	\$1,085	\$1,038	\$124	\$1,162	-	\$1,162
		<b>168</b>						

Notes (1) Proposed rents are based on the achievable rents from NOVOCO’s RCS, effective 11/24/2020

Notes (2) Utility Allowance is dictated by HUD, based on the current Rent Schedule, effective 5/1/2020

\*10 Phase I units are “floater” units that are rent-restricted at the 40 percent AMI level.

In general, we believe there is demand in the marketplace for the Subject as conceived. We recommend no changes to the development scheme.

### Strengths

- Post-renovation, the Subject will exhibit improved condition, and will offer an improved amenity package with the addition of microwaves and video surveillance.
- The Subject has historically been well accepted in the market. All units will continue to benefit from Section 8 subsidy post-renovation. As such, tenants will continue to pay just 30 percent of their income towards rent. Further, all tenants are expected to remain income qualified post-renovation, and renovations will occur with tenants in place.

- Vacancy rates among the LIHTC properties range from zero to 2.4 percent, with an average of 1.1 percent. In total, there are only five vacant units among the comparable properties, and three reported being fully occupied. In addition, two of the LIHTC comparables maintain waiting lists.
- The Subject is also located within 1.5 miles to the south of two large retail centers, amenities including Southpark Mall, Lowe’s, Walmart Supercenter, Target, and Sam’s Club, as well as BetterMed Urgent Care, among others.
- The Subject’s capture rates as proposed and absent subsidy are excellent. Further, the penetration rates in both scenarios are moderate. Overall, the demand calculations indicated ample demand for affordable housing.

**Weaknesses**

- The Subject’s unit sizes and amenities will generally be inferior to the comparable properties. However, as an existing subsidized property that has historically been well received, we do not believe this will have any significant impact on the Subject’s marketability. Further, the amenity package will be slightly improved post-renovation.

We believe there is ample demand for the Subject as proposed. Our concluded overall capture rate and absorption period are shown in the table below.

Capture Rate - General Tenancy - As Proposed	4.4%
Project Wide Absorption Period (Months)	6-7 months

It should be noted that this absorption period assumes the Subject is hypothetically 100 percent vacant. In actuality, renovations will be done with tenants in place and all tenants will remain income-qualified.

## **II. PROJECT DESCRIPTION**

## PROJECT DESCRIPTION

**Location:** The Subject is located at 110 Croatan Drive in Petersburg, Virginia 23803.

**Site Description:** The Subject site in aggregate is 10.6 acres, or 461,649 square feet, is irregular in shape and is generally level. The site has frontage along Croatan/Lakemont Drive and Navajo Court, and is improved with 168 one, two, and three-bedroom units contained in 19 two-story, garden-style residential buildings, in addition to a one-story community building.

### Aerial of Subject:



Source: Google Earth, retrieved March 2021

**Proposed Rents and Unit Mix:** The following table details the proposed rents and unit mix for the Subject. The utility allowance/structure will remain the same for the Subject as renovated.

**PROPOSED RENTS**

Unit Type	Unit Size (SF)	# of Units	Proposed Net Contract Rent (1)	Proposed Net LIHTC Rent (@50% AMI)	Utility Allowance (2)	Gross Rent	2020 LIHTC Maximum Allowable Gross Rent (@40% AMI)*	2020 LIHTC Maximum Allowable Gross Rent (@50% AMI)	
<i>Phase I</i>									
1BR / 1BA	469	16	\$845	\$742	\$96	\$838	\$671	\$838	
2BR / 1BA (TH)	718	16	\$945	\$864	\$142	\$1,006	\$805	\$1,006	
2BR / 1.5BA	729	32	\$965	\$869	\$137	\$1,006	\$805	\$1,006	
3BR / 1.5BA	934	36	\$1,085	\$1,046	\$116	\$1,162	\$930	\$1,162	
<i>Phase II</i>									
1BR / 1BA	469	12	\$845	\$734	\$104	\$838	-	\$838	
2BR / 1BA (TH)	718	12	\$945	\$874	\$132	\$1,006	-	\$1,006	
2BR / 1BA	718	28	\$945	\$896	\$110	\$1,006	-	\$1,006	
3BR / 1.5BA	934	16	\$1,085	\$1,038	\$124	\$1,162	-	\$1,162	
		<b>168</b>							

Notes (1) Proposed rents are based on the achievable rents from NOVOCO's RCS, effective 11/24/2020

Notes (2) Utility Allowance is dictated by HUD, based on the current Rent Schedule, effective 5/1/2020

\*10 Phase I units are "floater" units that are rent-restricted at the 40 percent AMI level.

Post-renovation, all of the Subject's units will continue to be income-restricted to families earning 50 percent of the AMI or below, while rents will be restricted at the 40 and 50 percent AMI levels. Further, the separate HAP contracts will be combined. As such, tenants at the Subject will continue to pay just 30 percent of their income towards rent not to exceed the LIHTC maximum allowable rents. It should be noted 10 Phase I units are "floater" units rent-restricted at the 40 percent AMI level, while all remaining units are both rent and income-restricted at the 50 percent AMI level.

**Current Asking and Achieved Rents:**

The Subject's current asking and achieved rents, as well as the projected rents, are detailed in the following table.

**CURRENT RENTS**

Unit Type	Unit Size (SF)	# of Units	Current Net Contract Rent (1)	Utility Allowance (1)	Gross Rent	2020 LIHTC Maximum Allowable Gross Rent (@40% AMI)*	2020 LIHTC Maximum Allowable Gross Rent (@50% AMI)	
<i>Phase I</i>								
1BR / 1BA	469	16	\$636	\$96	\$740	\$671	\$838	
2BR / 1BA (TH)	718	16	\$778	\$142	\$888	\$805	\$1,006	
2BR / 1.5BA	729	32	\$763	\$137	\$873	\$805	\$1,006	
3BR / 1.5BA	934	36	\$854	\$116	\$978	\$930	\$1,162	
<i>Phase II</i>								
1BR / 1BA	469	12	\$636	\$104	\$740	-	\$838	
2BR / 1BA (TH)	718	12	\$779	\$132	\$889	-	\$1,006	
2BR / 1BA	718	28	\$764	\$110	\$874	-	\$1,006	
3BR / 1.5BA	934	16	\$855	\$124	\$979	-	\$1,162	
		<b>168</b>						

Notes (1) Utility Allowance is dictated by HUD, based on the current Rent Schedule, effective 5/1/2020

\*10 Phase I units are "floater" units that are rent restricted at the 40 percent AMI level.

**RENT ROLL ANALYSIS**

Unit Type	Unit Size (SF)	# of Units	# of Occupied Units	Occupancy Rate	Current Net Contract Rent (1)	Average Tenant Paid Rent (2)	Proposed Net Contract Rent	Percentage Increase in Proposed vs. Current Rents
<i>Phase I</i>								
1BR / 1BA	469	16	16	100.0%	\$636	\$106	\$845	32.9%
2BR / 1BA (TH)	718	16	13	81.3%	\$778	\$97	\$945	21.5%
2BR / 1.5BA	729	32	30	93.8%	\$763	\$67	\$965	26.5%
3BR / 1.5BA	934	36	32	88.9%	\$854	\$107	\$1,065	24.7%
<i>Phase II</i>								
1BR / 1BA	469	12	11	91.7%	\$636	\$168	\$845	32.9%
2BR / 1BA (TH)	718	12	10	83.3%	\$779	\$81	\$945	21.3%
2BR / 1BA	729	28	24	85.7%	\$764	\$196	\$945	23.7%
3BR / 1.5BA	934	16	14	87.5%	\$855	\$183	\$1,065	24.6%
		<b>168</b>	<b>150</b>	<b>89.3%</b>				

Notes (1) Based on the current Rent Schedule, effective 5/1/2020

Notes (2) Based on the rent roll dated 11/23/2020

According to the rent roll dated November 23, 2020 (most recent available), the Subject is 89.3 percent occupied; however, management noted that several vacant units are pre-leased. The Subject’s historical financials (2017 to 2019) indicate vacancy and collection loss ranging from 4.2 to 6.0 percent.

Although contract rents are increasing, tenants will continue to pay just 30 percent of their income towards rent not to exceed the contract/maximum allowable LIHTC rents. Therefore, out of pocket cost for tenants will remain unchanged.

**Target Population:**

The Subject will continue to target families earning 50 percent AMI or less.

**Utility Structure:**

Tenants at the Subject are responsible for gas heating, electric cooking, gas water heating, and general electric expenses. The landlord is responsible for cold water, sewer, and trash expenses, in addition to all common area utilities. There are no proposed changes to the utility structure post-renovation. The Subject’s utility allowances are dictated by HUD. The utility structure varies among the comparable properties; we have adjusted the comparable rents in accordance with the utility schedule obtained from the Petersburg Housing Authority, effective January 1, 2021, which is the most recent available.

**Unit Mix:** The following table illustrates the Subject’s unit mix and sizes as provided by the developer.

**UNIT MIX AND SQUARE FOOTAGE**

Unit Type	Number of Units	Unit Size (SF)	Net Leasable Area (SF)
<b>Phase I</b>			
1BR / 1BA	16	469	7,504
2BR / 1BA (TH)	16	718	11,488
2BR / 1.5BA	32	729	23,328
3BR / 1.5BA	36	934	33,624
<b>Phase I Total</b>	<b>100</b>		<b>75,944</b>
<b>Phase II</b>			
1BR / 1BA	12	469	5,628
2BR / 1BA	28	718	20,104
2BR / 1BA (TH)	12	718	8,616
3BR / 1.5BA	16	934	14,944
<b>Phase II Total</b>	<b>68</b>		<b>49,292</b>
<b>Overall Total</b>	<b>168</b>		<b>125,236</b>

**NLA:** Approximately 125,236 square feet as outlined in the table above.

**Unit Amenities:** The Subject’s unit amenities include blinds, carpeting, central heating and air conditioning, and coat closets. Appliances include an oven/range, refrigerators, and dishwashers. Post-renovation, all units will also include microwaves.

**Common Amenities:** The Subject’s community amenities include a clubhouse/community room, central laundry, on-site management, a picnic area, and a playground. In addition, the Subject offers service coordination, which includes an afterschool program for children. Post-renovation, the Subject will also offer common area WiFi. It should be noted that the Subject has an indoor swimming pool that has not been in use since the property was renovated in 2004. At the time of this report, no plans have been provided for whether the pool would be removed or rehabbed per the scope of renovation.

**Security Features:** The Subject offers perimeter fencing as a security feature. Post-renovation, the Subject will also include video surveillance.

**Parking:** The Subject offers off-street surface parking. We were not provided with the number of parking spaces; however, parking appeared more than adequate based on our inspection of the site.

**Number of Stories:** The Subject units are contained 19 two-story residential buildings, in addition to a one-story community building.

**Date of Construction:** Phase I of the Subject was built in 1975 and renovated in 2004. Phase II of the Subject was built in 1976 and renovated in 2005. Both renovations were financed with LIHTC equity. Both phases are proposed for additional LIHTC renovations, which are expected to begin in July 2021, with an estimated completion date in July 2022.

**Scope of Renovations:**

According to information provided by the developer, the total renovation hard costs are estimated to be approximately \$40,000 per unit. Based on the information from the developer, renovations will occur with limited tenant displacement. The scope of renovations includes, but is not limited to: full mill, overlay, and striping of parking and drives; jetting all existing sanitary sewer lines from buildings to street; concrete repair and replacement of all steps, sidewalks, and curbs; making all accessible routes, ramps, and handrails compliant; adding dumpster enclosures; new site lighting; new security cameras; new signage; landscaping upgrades; adding Wi-Fi access to common areas; new playground equipment; replacing mailboxes and overhead cover; upgrading leasing office; ADA-compliant community spaces; repairing damaged railings; repairing fencing; new exterior paint; repairing masonry; replacing vinyl siding; replacing all exterior doors; upgrading kitchen flooring, paint, cabinets, and countertops; new appliances; adding microwaves; upgrading bathroom flooring, paint, cabinets, and sinks; upgrading all fixtures and toilets to be low flow; upgrading to energy efficient lighting in units; replacing bathtub and shower surround; replacing ceiling fans and light fixtures; installing new blinds; replacing outlets and covers as necessary; and installing new split systems.

**Target Population and Occupancy Type:**

The Subject will continue to target households generally ranging from one to five persons. Annual incomes for the Subject's units will range from \$0 to \$48,300 as proposed. Absent subsidy, annual qualifying incomes would hypothetically range from \$23,006 to \$48,300.

**Americans with Disabilities Act of 1990:**

We assume the property does not have any violations of the Americans with Disabilities Act of 1990.

**Quality of Construction Condition and Deferred Maintenance:**

The Subject appears to have been constructed using average-quality materials and the structure/units are in average to good condition and exhibit minimal deferred maintenance. Post-renovation, the Subject will be in good condition with no deferred maintenance.

**Functional Utility:**


Based upon a site inspection of the Subject property, the units are functional and market-oriented.

**Conclusion:**

The Subject property is a 168-unit LIHTC/Section 8 development that is currently in average condition. The Subject is proposed for renovation and resyndication with LIHTC equity and will be in good condition upon completion. The Subject does not suffer from functional obsolescence and provides average to good utility for its intended use. The proposed renovations will enable the Subject to maintain and/or improve its competitive position in the market.



**PETERSBURG EAST I & II – PETERSBURG, VIRGINIA – MARKET STUDY**

Property Profile Report												
Petersburg East I & II												
Comp #	Subject											
Effective Rent Date	12/8/2020											
Location	110 Croatan Drive Petersburg, VA 23803 Petersburg County											
Distance	3.1 miles											
Units	168											
Vacant Units	18											
Vacancy Rate	10.7%											
Type	Various (2 stories)											
Year Built / Renovated	1975 / 2004 / Proposed											
												
Market												
Program	@50% (Section 8)			Leasing Pace	n/a							
Annual Turnover Rate	31%			Change in Rent (Past Year)	Dictated by HUD							
Units/Month Absorbed	n/a			Concession	None							
Section 8 Tenants	N/A											
Utilities												
A/C	not included – central			Other Electric	not included							
Cooking	not included – electric			Water	included							
Water Heat	not included – gas			Sewer	included							
Heat	not included – gas			Trash Collection	included							
Unit Mix (face rent)												
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?	Range
1	1	Garden (2 stories)	12	469	\$554	\$0	@50% (Section 8)	No	1	8.3%	yes	
1	1	Garden (2 stories)	16	469	\$562	\$0	@50% (Section 8)	No	0	0.0%	yes	
2	1	Garden (2 stories)	28	718	\$679	\$0	@50% (Section 8)	No	4	14.3%	yes	
2	1	Townhouse (2 stories)	16	718	\$647	\$0	@50% (Section 8)	No	3	18.8%	yes	
2	1	Townhouse (2 stories)	12	718	\$657	\$0	@50% (Section 8)	No	2	16.7%	yes	
2	1.5	Garden (2 stories)	32	729	\$652	\$0	@50% (Section 8)	No	2	6.2%	yes	
3	1.5	Garden (2 stories)	16	934	\$788	\$0	@50% (Section 8)	No	2	12.5%	yes	
3	1.5	Garden (2 stories)	36	934	\$796	\$0	@50% (Section 8)	No	4	11.1%	yes	
Amenities												
In-Unit	Blinds Carpeting Central A/C Coat Closet Dishwasher Microwave Oven Refrigerator			Security				Perimeter Fencing Video Surveillance				
Property	Clubhouse/Meeting Room/Community Room Central Laundry Off-Street Parking On-Site Management Picnic Area Playground Wi-Fi			Premium				none				
Services	none			Other				none				
Comments												
<p>The Subject consists of two adjacent existing LIHTC/Section 8 developments located at 110 Croatan Drive, Petersburg, Virginia 23803. Petersburg East I offers 100 units contained in 11 two-story residential buildings that were originally built in 1975 and renovated in 2004 with LIHTC equity. All 100 units are LIHTC-restricted to families earning 50 percent of the AMI or below, and rent restricted at the 40 and 50 percent AMI levels. Further, all units benefit from a Section 8 HAP contract. Petersburg East II offers 68 units contained in eight two-story residential buildings that were originally built in 1976 and renovated in 2005 with LIHTC equity. All 68 units are LIHTC-restricted to families earning 50 percent of the AMI or below, and all units benefit from a Section 8 HAP contract. As such, tenants pay just 30 percent of their income towards rent.</p> <p>The Subject is proposed for renovation with LIHTC equity. Post-renovation, the Subject's unit mix, income, and rent restrictions will remain unchanged. Further, the HAP contracts will be combined, and all units will continue to benefit from Section 8 subsidy. As such, tenants will continue to pay 30 percent of their income toward rent not to exceed the LIHTC maximum allowable rents. It should be noted 10 Phase I units are "floater" units rent restricted at the 40 percent AMI level.</p>												

### **III. LOCATION, MARKET AREA DEFINITION, & PROPERTY CHARACTERISTICS**

## **LOCATION, MARKET AREA, DEFINITION, & PROPERTY CHARACTERISTICS**

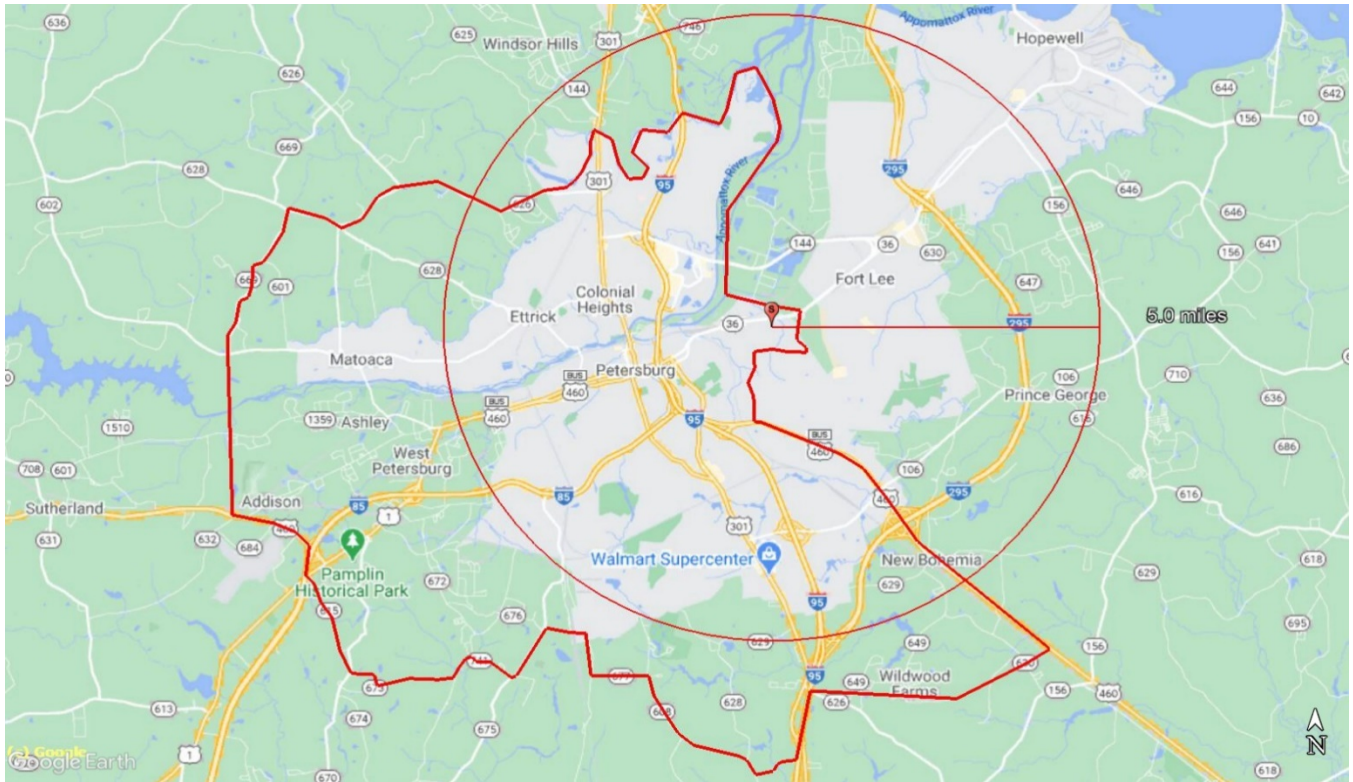
### **Primary Market Area**

For the purposes of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood-oriented” and are generally very reluctant to move from the area in which they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below-market rents. Ninety percent of the Subject’s potential tenants are expected to hail from the PMA; however, demand estimates will not be adjusted to reflect the potential for “leakage,” as the demand template published in the 2021 Virginia Housing Market Study Guidelines does not explicitly permit an allowance for demand originating outside the PMA.

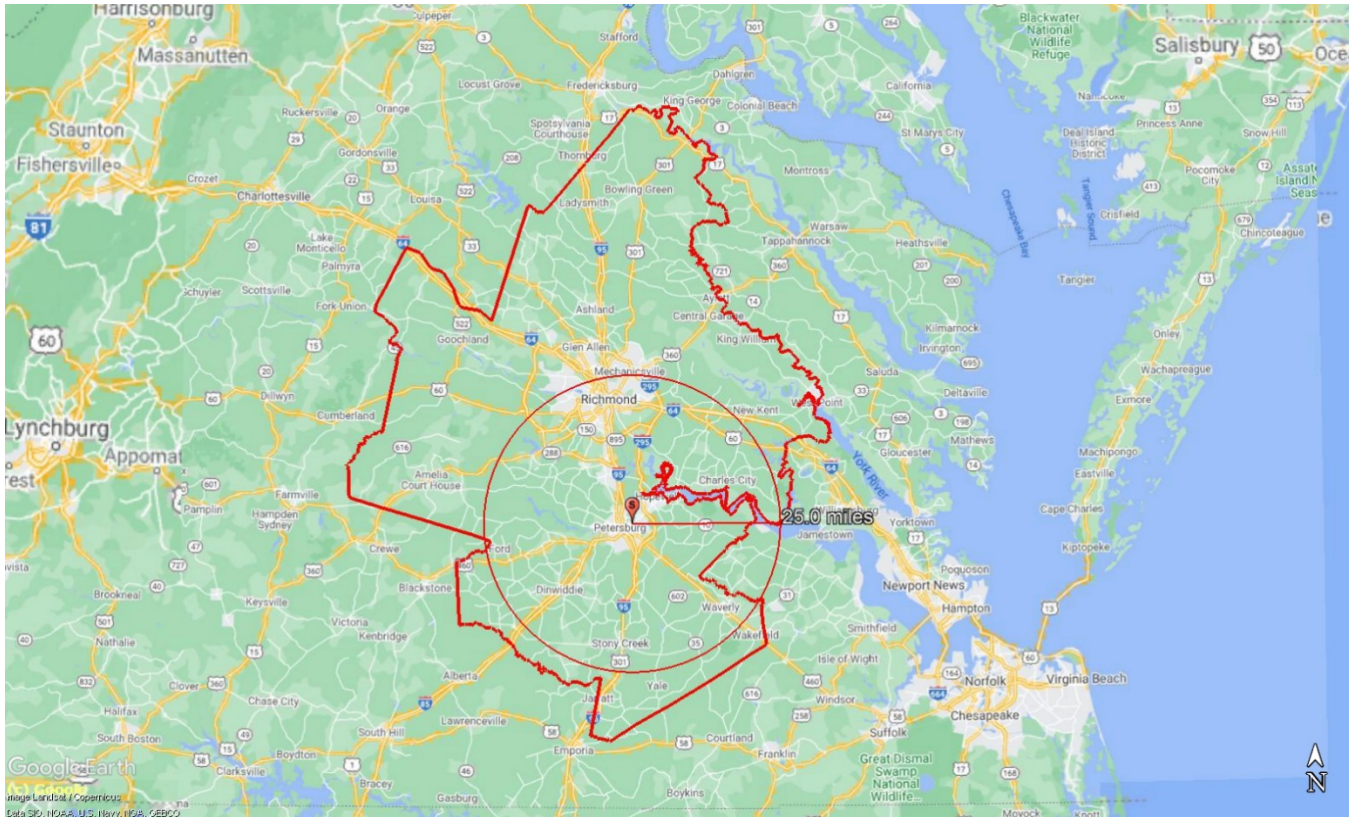
The Subject is located in the northeastern portion of Petersburg, Virginia. According to the US Census Bureau, Petersburg had a population of 31,346 persons in 2019. The Primary Market Area (PMA) for the Subject covers approximately 57.0 square miles and consists of the cities of Petersburg and Colonial Heights, as well as the towns of Ettrick, Matoaca, Ashley, Addison, West Petersburg, and Wildwood Farms. We have excluded Fort Lee from the PMA, as it is unlikely that residents of the base would seek Section 8 housing. General boundaries of the PMA include Swift Creek, Woodpecker Road, and Matoaca Road to the north, State Routes 613, 741, and 608 to the south, Interstate 295 and Highway 460 to the east, and Church Road and Chesdin Road to the west.

Per Virginia Housing guidelines, analysts are to include secondary or tertiary markets. The secondary market in this case is the Richmond, VA Metropolitan Statistical Area (MSA), which is comprised of Prince George, Dinwiddie, Henrico, King and Queen, Charles City, New Kent, Goochland, Hanover, Sussex, King William, Chesterfield, Powhatan, and Amelia Counties, as well as the independent cities of Colonial Heights, Hopewell, Petersburg, and Richmond. Maps of both the PMA and MSA can be found on the following pages.

**Primary Market Area (PMA) Map**



**Secondary Market Area (SMA) Map**



**DESCRIPTION OF THE SITE**

The location of an apartment community can have a substantial negative or positive impact upon the performance, safety and appeal of the property. The following site description discusses the physical features of the site, as well as the layout, access issues, and traffic flow, etc.



Source: Google Earth, retrieved March 2021

- Size:** The Subject site in aggregate is 10.6 acres, or 461,649 square feet, in size.
- Shape:** The Subject site is irregular in shape.
- Frontage:** The Subject has frontage along Croatan/Lakemont Drive and Navajo Court.
- Topography:** The site is generally level.
- Utilities:** All utilities are available to the site.

**Visibility/Views:**

The Subject does not have visibility from any major arterials, but has good visibility from Croatan/Lakemont Drive and Navajo Court. Views to the north of the Subject consists of a vacant commercial building and a vacant industrial building, which are in poor to fair condition. Views to the east, south, and southwest of the Subject consists of heavily wooded land. Views to the west of the Subject consists of single-family homes in fair to average condition. Overall, visibility is considered average, and views are considered below average.

**Surrounding Uses:**

The Subject is located in a mixed-use neighborhood consisting of single-family homes, as well as commercial, retail, industrial, and religious uses. Land use adjacent to the north of the Subject consists of a vacant commercial building and a vacant industrial building, both of which are in fair to poor condition. Further north (along State Highway 36), land use consists of commercial and retail uses in fair to average condition including Kwik Mart, Domino's Pizza, and Dollar General, among others. Land use adjacent to the east and south of the Subject consists of undeveloped, heavily wooded areas. Land use adjacent to the east of the Subject consists of single-family homes in fair to average condition.

Commercial and retail uses in the Subject's immediate neighborhood appeared to be between 80 and 85 percent occupied at the time of our inspection. It should be noted that the Subject is also located within 1.5 miles to the south of two large retail centers, including Southpark Mall, Lowe's, Walmart Supercenter, Target, and Sam's Club, as well as BetterMed Urgent Care, among others. According to Zillow, single-family homes in the Subject's neighborhood are currently listed for sale between \$82,000 and \$135,000. Overall, the Subject site is an average location for multifamily use.

**Access and Traffic Flow:**

The Subject is accessible via Croatan/Lakemont Drive and Navajo Court, which are three lightly trafficked contiguous neighborhood and interior access roads. Lakemont Drive provides access to State Highway 36 (East Washington Street), approximately 0.1 miles north of the Subject site. State Highway 36 is a moderately trafficked four-lane arterial traversing east/west providing access to Interstate 295 (3.1 miles to the east) and Interstate 95 (1.9 miles to the west). Interstate 95 traverses north/south and provides access to the eastern portion of Virginia, including Richmond (20 miles to the north), and Washington D.C. (110 miles to the north). Interstate 295 loops around the east side of Fort Lee and Richmond, and also provides access to Washington D.C. to the north. Overall, access is considered good, and traffic flow is considered light.

**Layout and Curb Appeal:**

Based on our inspection, the Subject has a functional layout and average curb appeal.

**Site Characteristics:**

The following table outlines various characteristics.

SUMMARY OF SUBJECT SITE	
Visibility	Average
Views	Below Average
Access/Traffic Flow	Good/Light
Layout/Curb Appeal	Average

**Drainage:**

Appears adequate, however, no specific tests were performed. Further, Novogradac is not an expert in this field and cannot opine on this issue.

**Soil and Subsoil Conditions:**

Novogradac did not perform any soil and subsoil tests upon inspection of the site, as this is beyond the scope of work. We have not been provided with a soil and subsoil report. We are not experts in this field and assume the soil is adequate for development.

**Environmental Assessment:**

We were not provided with an environmental assessment report. We did not observe any obvious environmental hazards during our site inspection. However, we are not experts within this field. Our valuation assumes that no environmental contamination exists on the site. Should the presence of such materials be discovered, the value estimate reported herein could be materially affected by remediation costs.

**Flood Plain:**

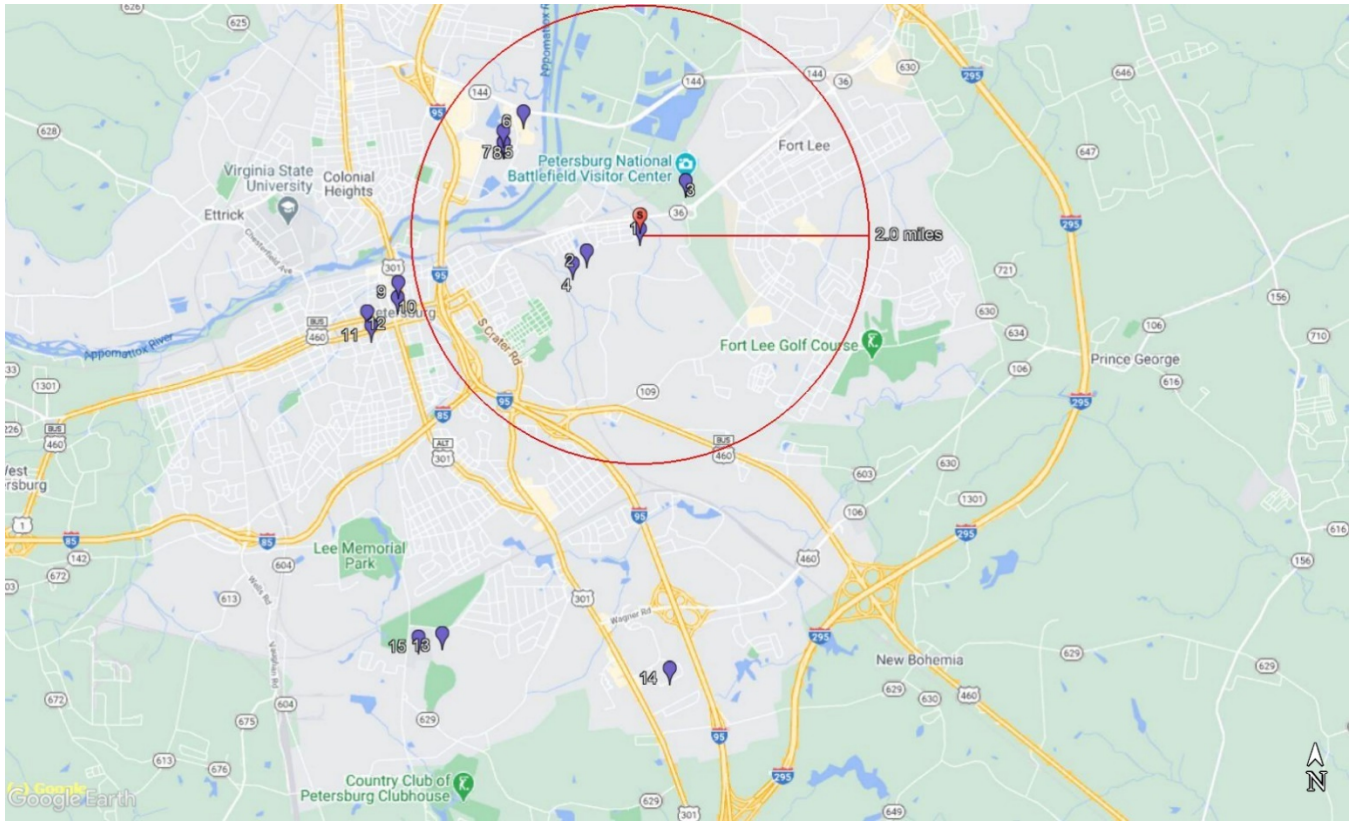
According to Flood Insights and Flood Insurance Rate Map Community Panel Number 5101120026C, dated February 2011, the Subject site is located in Zone X. Zone X is defined as an area outside 500-year floodplain, which is determined to be outside the 0.2 percent annual chance floodplain. Novogradac Consulting LLP does not offer expertise in this field and cannot opine on this issue. Further analysis by Novogradac is beyond the scope of the report.

**Detrimental Influences:**

The Subject is located approximately 0.7 miles southeast of the Meridian Waste – Try City Regional Landfill. During our inspection we did not experience any noticeable odors or negative impacts from the landfill. In addition, the landfill is equidistant from two large retail centers, which did not appear to be negatively impacted. Further, there were no noticeably vacant single-family homes in the Subject’s neighborhood. As such, we do not define the landfill as a negative influence. It should also be noted that the Subject is located adjacent to two vacant commercial/industrial buildings. However, neither the Subject nor the surrounding single-family homes appear to have been negatively impacted by these buildings.

**Proximity to Local Services**

The Subject is located in close proximity to services including area retail, medical facilities, and schools. The distances of various services from the Subject and a map of the locations are provided following.



**LOCATIONAL AMENITIES**

#	Service or Amenity	Distance from Subject	#	Service or Amenity	Distance from Subject
1	Bus Stop	Adjacent	9	Petersburg Police Department	2.2 miles
2	Lakemont Elementary School	0.5 miles	10	Post Office	2.2 miles
3	Petersburg National Battlefield	0.6 miles	11	Petersburg Fire Station	2.5 miles
4	Bird Park	0.7 miles	12	Petersburg Public Library	2.5 miles
5	Target	1.4 miles	13	Vernon Johns Middle School	3.9 miles
6	Aldi	1.4 miles	14	Bon Secours – Southside Hospital	3.9 miles
7	CVS Pharmacy	1.4 miles	15	Petersburg High School	4.1 miles
8	Virginia Credit Union	1.5 miles	-	-	-

**Public Transportation**

Petersburg Area Transit (PAT) operates bus service in the city of Petersburg. The closest bus stop is adjacent to the Subject at the intersection of Lakemont Drive and Richmond Avenue. Service is offered Monday through Friday from 6:15 AM through 6:15 PM and Saturdays from 7:15 AM until 6:15 PM. Fares start at \$1.75 for adults, and are \$0.85 for seniors over the age of 65, persons with disabilities, and Medicare card holders, while children under the age of six ride for free.



## **Conclusion**

The Subject is located in a mixed-use neighborhood in northeastern Petersburg consisting of single-family homes, as well as commercial, retail, industrial, and religious uses. Commercial and retail uses in the Subject's immediate neighborhood appeared to be between 80 and 85 percent occupied at the time of our inspection. It should be noted that the Subject is also located within 1.5 miles to the south of two large retail centers, amenities including Southpark Mall, Lowe's, Walmart Supercenter, Target, and Sam's Club, as well as BetterMed Urgent Care, among others. Overall, the site is an average location for a multifamily use.

**PHOTOGRAPHS OF SUBJECT AND NEIGHBORHOOD**



Subject's signage



Subject's exterior



Subject's exterior



Subject's exterior



Subject's exterior



Subject's exterior



Community mailboxes



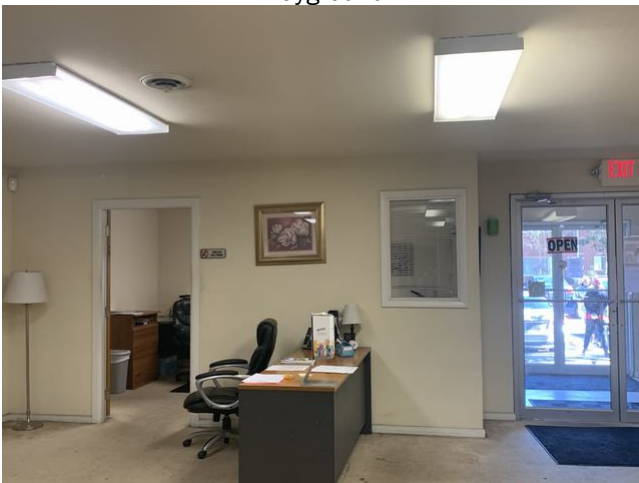
Perimeter fencing



Playground



Typical surface parking



Leasing office



Leasing office



Public bathroom (leasing office)



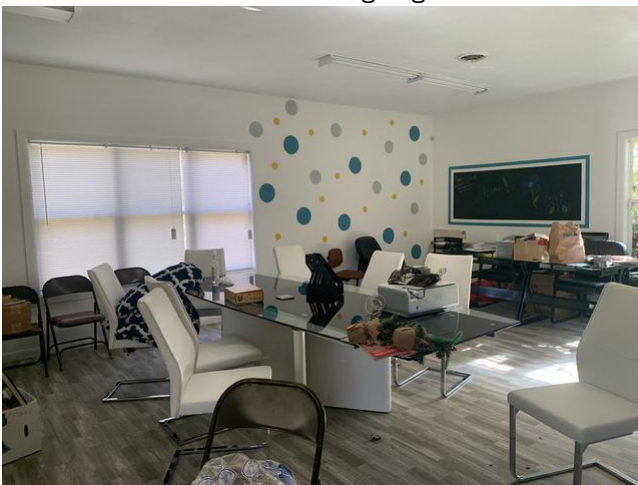
Central laundry facility



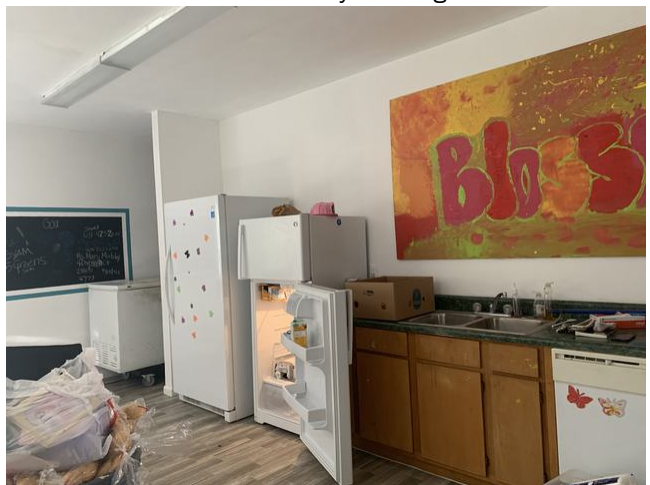
Maintenance garage



Community building



Community room



Community room



Exterior of swimming pool building



Indoor pool (unusable)



Typical living area



Typical living area



Typical living area



Typical kitchen



Typical kitchen



Typical kitchen



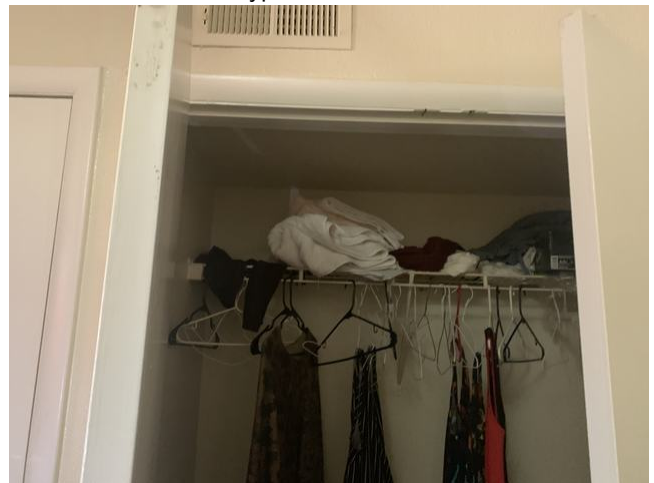
Typical bedroom



Typical bedroom



Typical bedroom



Typical bedroom closet



Typical bathroom



Typical bathroom



Typical bathroom



View west along Navajo Court



View east along Navajo Court



View north along Lakemont/Croatan Drive



View south along Lakemont/Croatan Drive



Vacant commercial building north of Subject



Vacant industrial building north of Subject



Typical single-family home in Subject neighborhood



Typical single-family home in Subject neighborhood



Typical single-family home in Subject neighborhood





Typical commercial/retail use in Subject neighborhood



Typical commercial/retail use in Subject neighborhood



Typical commercial/retail use in Subject neighborhood



Typical commercial/retail use in Subject neighborhood

**Crime Risk**

A crime index below 100 is below the national average and anything over 100 is above the nation’s crime index average. A crime index of 75 in a PMA would be 25 percent below the national average while a crime rate of 200 would be twice that of the national average. The following table illustrates crime statistics for the PMA and the MSA as compared to the nation.

**2020 CRIME INDICES**

	<b>PMA</b>	<b>MSA</b>
<b>Total Crime*</b>	<b>123</b>	<b>100</b>
<b>Personal Crime*</b>	<b>110</b>	<b>96</b>
Murder	172	189
Rape	112	87
Robbery	130	116
Assault	100	85
<b>Property Crime*</b>	<b>124</b>	<b>100</b>
Burglary	112	86
Larceny	132	107
Motor Vehicle Theft	92	83

Source: Esri Demographics 2020, Novogradac Consulting LLP, February 2021

\*Unweighted aggregations

Total crime indices in the PMA are slightly above the MSA and national averages. The Subject offers perimeter fencing as a security feature, and will add video surveillance post-renovation. Only one of the comparables (Woodmere Apartments) does not offer any form of security. The remaining properties offer at least one form of security, similar to the Subject. Conversations with local property managers, including Subject management, indicate that crime is not a major concern in the area.

## **IV. EMPLOYMENT AND ECONOMY**

## ECONOMIC ANALYSIS

The following sections will provide an analysis of the economic and demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and the Richmond, VA Metropolitan Statistical Area (MSA) are areas of growth or contraction.

### Employment and Unemployment Trends

The table below illustrates the total employed and unemployment rates for the MSA and nation.

#### EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	Richmond, VA Metropolitan Statistical Area				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2004	554,715	-	4.0%	-	139,252,000	-	5.5%	-
2005	570,317	2.8%	3.8%	-0.2%	141,730,000	1.8%	5.1%	-0.5%
2006	586,083	2.8%	3.3%	-0.5%	144,427,000	1.9%	4.6%	-0.5%
2007	595,963	1.7%	3.1%	-0.1%	146,047,000	1.1%	4.6%	0.0%
2008	603,549	1.3%	4.2%	1.1%	145,363,000	-0.5%	5.8%	1.2%
2009	575,851	-4.6%	7.5%	3.3%	139,878,000	-3.8%	9.3%	3.5%
2010	578,496	0.5%	8.0%	0.5%	139,064,000	-0.6%	9.6%	0.3%
2011	590,551	2.1%	7.3%	-0.7%	139,869,000	0.6%	9.0%	-0.7%
2012	600,051	1.6%	6.6%	-0.7%	142,469,000	1.9%	8.1%	-0.9%
2013	607,785	1.3%	6.1%	-0.5%	143,929,000	1.0%	7.4%	-0.7%
2014	618,505	1.8%	5.5%	-0.5%	146,305,000	1.7%	6.2%	-1.2%
2015	625,848	1.2%	4.7%	-0.9%	148,833,000	1.7%	5.3%	-0.9%
2016	636,273	1.7%	4.2%	-0.5%	151,436,000	1.7%	4.9%	-0.4%
2017	646,752	1.6%	3.9%	-0.3%	153,337,000	1.3%	4.4%	-0.5%
2018	656,676	1.5%	3.2%	-0.7%	155,761,000	1.6%	3.9%	-0.4%
2019	668,525	1.8%	2.9%	-0.3%	157,538,000	1.1%	3.7%	-0.2%
2020 YTD Average*	636,259	-4.8%	6.4%	3.5%	147,794,750	-6.2%	8.1%	4.4%
Dec-2019	675,329	-	2.5%	-	158,504,000	-	3.4%	-
Dec-2020	631,884	-6.4%	5.0%	2.5%	149,613,000	-5.6%	6.5%	3.1%

Source: U.S. Bureau of Labor Statistics, February 2021

\*2020 Data through December

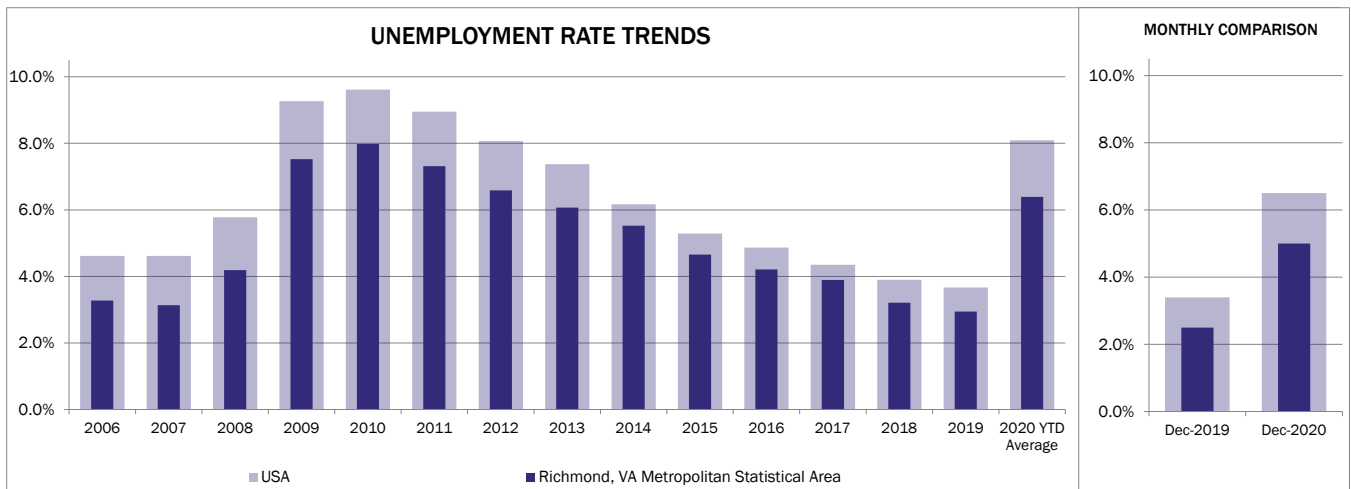
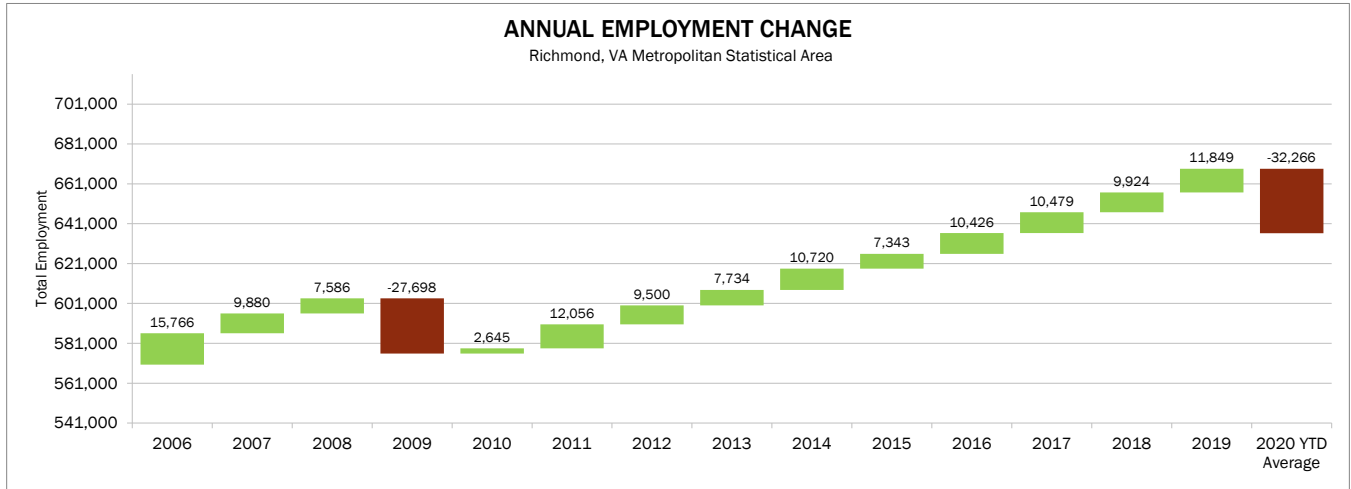
Historically, the MSA has been an area of employment growth, as total employment decreased in just one year (2009) between 2004 and 2019. In comparison, total employment decreased 4.9 percent national between 2007 and 2010 as a result of the Great Recession. Total employment in the MSA peaked in 2019, prior to the onset of COVID-19. However, between December 2019 and December 2020, total employment in the MSA declined by 6.4 percent, compared to a 5.6 percent decline across the overall nation. Overall, total employment in the MSA appears to have been affected to a slightly greater degree as the nation overall.

Since 2004, the MSA has experienced a lower unemployment rate relative to the nation in every year. However, like most MSA's nationwide, the Richmond, VA MSA has been significantly impacted by COVID-19. As of December 2020, the unemployment rate in the MSA is 5.0 percent, which represents a 2.5 percentage point increase from December 2019. This compares to the current national unemployment rate of 6.5 percent, which is a 3.1 percentage point increase from one year prior. Although the unemployment rate in the MSA remains elevated, recent trends indicate slow, but steady declines in unemployment month-over-month.

The Petersburg economy, in particular, has not fared well relative to the MSA and the nation in terms of unemployment. According to the U.S. Bureau of Labor Statistics, the December 2020 unemployment rate in Petersburg is 11.9 percent, which is more than two times the unemployment rate from December 2019 (5.1 percent). As of the date of this report, the duration of the pandemic's impact on the local economy is

unknown, though it is clear the impact has been significant. However, given the heavy reliance on the manufacturing and retail trade industries in the PMA, we believe the local Petersburg economy may take longer than the MSA and nation to recover.

The charts following provide more illustration of the changes in employment and unemployment rate trends in the MSA.



**Employment by Industry**

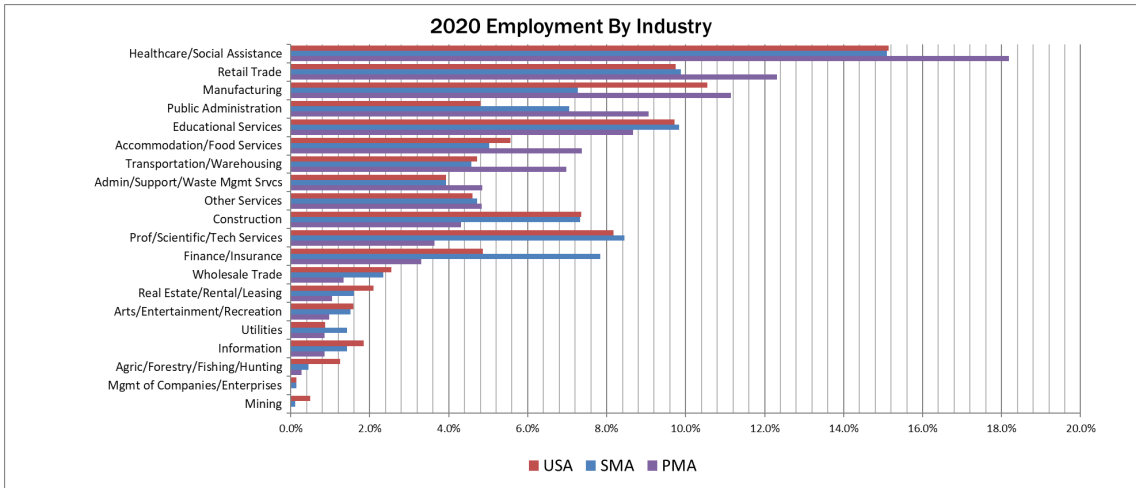
The following table illustrates employment by industry for the PMA and the nation as of 2020.

**2020 EMPLOYMENT BY INDUSTRY**

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Healthcare/Social Assistance	5,300	16.9%	22,313,586	15.1%
Retail Trade	3,834	12.3%	14,356,334	9.7%
Manufacturing	3,420	10.9%	15,550,554	10.6%
Educational Services	3,012	9.6%	14,320,448	9.7%
Public Administration	2,685	8.6%	7,071,492	4.8%
Transportation/Warehousing	2,103	6.7%	6,959,787	4.7%
Construction	1,937	6.2%	10,829,187	7.4%
Accommodation/Food Services	1,908	6.1%	8,202,612	5.6%
Other Services	1,519	4.9%	6,772,309	4.6%
Admin/Support/Waste Mgmt Svcs	1,342	4.3%	5,786,624	3.9%
Prof/Scientific/Tech Services	1,215	3.9%	12,049,828	8.2%
Finance/Insurance	1,060	3.4%	7,169,665	4.9%
Wholesale Trade	584	1.9%	3,744,789	2.5%
Real Estate/Rental/Leasing	385	1.2%	3,082,197	2.1%
Arts/Entertainment/Recreation	309	1.0%	2,329,497	1.6%
Information	297	0.9%	2,723,217	1.8%
Utilities	261	0.8%	1,274,383	0.9%
Agric/Forestry/Fishing/Hunting	59	0.2%	1,852,333	1.3%
Mining	37	0.1%	729,605	0.5%
Mgmt of Companies/Enterprises	7	0.0%	210,175	0.1%
<b>Total Employment</b>	<b>31,274</b>	<b>100.0%</b>	<b>147,328,622</b>	<b>100.0%</b>

Source: Esri Demographics 2020, Novogradac Consulting LLP, February 2021

Employment in the PMA is concentrated in the healthcare/social assistance, retail trade, and manufacturing industries, which collectively comprise 40.1 percent of local employment. The large share of PMA employment in retail trade and manufacturing is notable as both industries are historically volatile, and prone to contraction during recessionary periods. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the public administration, healthcare/social assistance, and retail trade industries. Conversely, the PMA is underrepresented in the professional/scientific/technology services, construction, and finance/insurance industries.



**Major Employers**

The table below shows the largest employers in the greater Richmond, VA metropolitan area. Data was not available for the City of Petersburg.

<b>MAJOR EMPLOYERS</b>		
<b>Richmond, VA Metro Area</b>		
<b>Employer Name</b>	<b>Industry</b>	<b># Of Employees</b>
Fort Lee Army	Military	12,700
Dominion Resources	Utilities	5,433
Amazon.com	E-commerce Fulfillment/Logistics	3,800
Smithfield Packing Company	Manufacturing/Food Processing	2,500
United Parcel Service (UPS)	Logistics	2,490
DuPont	Manufacturing (chemicals)	2,376
Shamin Hotels	Leisure/Hospitality	1,800
General Dynamics Corp.	Professional Services	1,450
Southside Regional Medical Center	Healthcare	1,280
AdvanSix	Manufacturing (chemicals)	1,177
Virginia State University	Education	1,150
General Electric	Manufacturing (power generation turbines)	928
John Randolph Medical Center	Patient Account Services	850
Hillphoenix	Manufacturing (refrigeration products)	791
Sabra Dipping Company	Food Processing	700
WestRock	Paperboard	668
Walmart Distribution Center	Distribution Center	545
Perdue Foods	Food Processing/Distribution	525
Campofrio Food Group America	Food Processing	500
Food Lion Distribution Center	Food Distribution/Logistics	500
Amsted Rail Co. (Brenco)	Manufacturing (rail products)	450
Maruchan	Food Processing	420
Gerdau Ameristeel	Manufacturing (steel)	410
Standards Motor Products	Distribution/Logistics	400
Northrop Grumman Corporation	Data Center	377
Arm & Hammer	Manufacturing	320
Rolls-Royce North America	Manufacturing (automobile/aircraft)	300
Evonik	Manufacturing (skin care)	300
<b>Total</b>		<b>45,140</b>

Source: Virginia’s Gateway Region, 2018, retrieved November 2020

The major employers in the Richmond area operate in a variety of industries ranging from those that are considered historically stable including healthcare and government, to those that are more volatile such as accommodations, manufacturing, and retail. The largest employer, Fort Lee, is located less than one mile from the Subject. As of 2019, Fort Lee supports over 23,000 direct and indirect jobs in the region, including 12,700 direct jobs. In addition, the base has a total regional economic impact of \$2.25 billion, which accounts for approximately 10.1 percent of the gross domestic product (GDP) for the Tri-Cities area (Petersburg, Colonial Heights, and Hopewell).

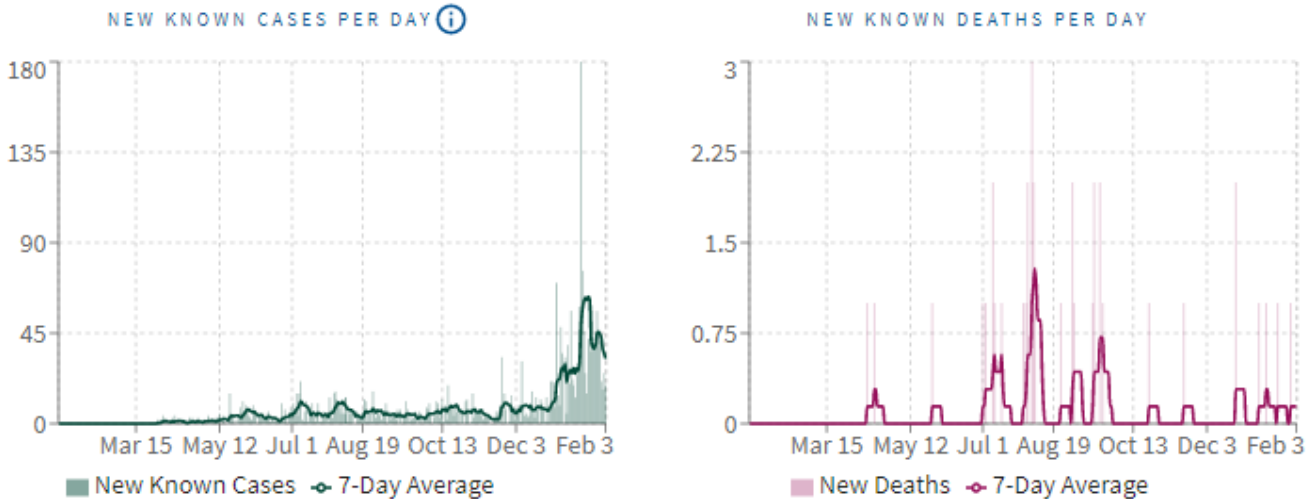
**Fort Lee Economic Impact**

Fort Lee is the Richmond MSA’s largest employer by a wide margin, and is located within one mile of the Subject. Fort Lee is home to several major military agencies and training facilities and supports over 23,000 jobs. In addition, the base has a total regional economic impact of \$2.25 billion, and accounts for approximately 10.1 percent of the gross domestic product (GDP) for the Tri-Cities area (Petersburg, Colonial Heights, and Hopewell). It was estimated that Fort Lee military personnel and their dependents spent \$348.1-million in 2019, which supported an estimated 4,833 jobs in the surrounding region. In August

2020, Fort Lee began work on a 10-year, \$50-million revitalization plan, which is planned to upgrade and renovate 750 housing units across the Fort.

**COVID-19 Impact**

As of February 3, 2021, Petersburg has reported a total 2,695 cases of COVID-19, with 37 confirmed deaths, and a seven-day average of 32 new cases. As shown in the following charts, the number of new known cases per day has been stable, though the number of new cases per day has tapered off over the last few weeks.



Source: USAfacts.org, retrieved 2/4/2021

According to the CDC, Virginia ranks among the top 10 states for percentage of population to receive at least one round of vaccination shots. As of the date of this report, the state is under Executive Order 72, which requires the following mandates:

- Reduction in public and private gatherings: All public and private in-person gatherings must be limited to 25 individuals, down from the current cap of 250 people. This includes outdoor and indoor settings.
- Expansion of mask mandate: All Virginians aged five and over are required to wear face coverings in indoor public spaces. This expands the current mask mandate, which has been in place in Virginia since May 29 and requires all individuals aged 10 and over to wear face coverings in indoor public settings.
- Strengthened enforcement within essential retail businesses: All essential retail businesses, including grocery stores and pharmacies, must adhere to statewide guidelines for physical distancing, wearing face coverings, and enhanced cleaning. While certain essential retail businesses have been required to adhere to these regulations as a best practice, violations will now be enforceable through the Virginia Department of Health as a Class One misdemeanor.
- All individuals in Virginia should remain at their place of residence between the hours of 12:00 AM and 5:00 AM, unless one of nine exceptions are being followed.
- On-site alcohol curfew: The on-site sale, consumption, and possession of alcohol is prohibited after 10:00 p.m. in any restaurant, dining establishment, food court, brewery, microbrewery, distillery, winery, or tasting room. Alcoholic beverages may be sold for delivery or takeout after 10:00 PM.
- All restaurants, dining establishments, food courts, breweries, microbreweries, distilleries, wineries, and tasting rooms must be closed between 12:00 AM and 5:00 AM. Virginia law does not distinguish between restaurants and bars, however, under current restrictions, individuals that choose to



consume alcohol prior to 10:00 p.m. must be served as in a restaurant and remain seated at tables six feet apart.

**Employment Expansion/Contraction**

We spoke with Cynthia Boone, Administrative Assistant for the Petersburg Economic Development Department in regards to economic development in the city of Petersburg. Ms. Boone stated that Phlow Corporation is partnering with AMPAC Fine Chemicals to expand their presence in the Petersburg Industrial Park. Phlow Corporation won a \$354-million federal grant to support the production of medicine manufacturing in the United States. The grant will, in part, be used to construct a pharmaceutical manufacturing hub, with construction starting in 2021. The Economic Development of Petersburg estimates the expansion of the AMPAC factory to create 100 new jobs in Petersburg.

**WARN NOTICES**

The Worker Adjustment and Retraining Notification Act (WARN) provides protection to workers, their families and communities by requiring employers to provide notification of plant closings and mass layoffs. There have been no WARN notices in Petersburg since 2017, according to the Virginia Employment Commission’s WARN filings.

**Wages by Occupation**

The following table illustrates the mean hourly and annual wages for various occupations in the Richmond, VA MSA; information at the PMA level was not available.

**RICHMOND, VA METROPOLITAN STATISTICAL AREA - 2ND QTR 2019 AREA WAGE ESTIMATES**

Occupation	Number of Employees	Mean Hourly Wage	Mean Annual Wage
<b>All Occupations</b>	<b>656,320</b>	<b>\$25.30</b>	<b>\$52,620</b>
Management Occupations	28,220	\$62.64	\$130,290
Legal Occupations	6,500	\$48.09	\$100,020
Computer and Mathematical Occupations	23,880	\$44.17	\$91,870
Healthcare Practitioners and Technical Occupations	41,890	\$41.25	\$85,800
Architecture and Engineering Occupations	9,150	\$41.03	\$85,350
Business and Financial Operations Occupations	49,890	\$37.49	\$77,980
Life, Physical, and Social Science Occupations	5,880	\$33.31	\$69,280
Arts, Design, Entertainment, Sports, and Media Occupations	8,400	\$26.23	\$54,550
Educational Instruction and Library Occupations	36,830	\$26.05	\$54,180
Installation, Maintenance, and Repair Occupations	26,770	\$24.71	\$51,410
Community and Social Service Occupations	12,990	\$22.97	\$47,780
Construction and Extraction Occupations	30,070	\$21.77	\$45,280
Protective Service Occupations	18,070	\$21.20	\$44,090
Sales and Related Occupations	67,630	\$20.34	\$42,310
Office and Administrative Support Occupations	91,930	\$19.54	\$40,640
Production Occupations	28,560	\$19.32	\$40,190
Farming, Fishing, and Forestry Occupations	580	\$18.12	\$37,690
Transportation and Material Moving Occupations	56,270	\$16.55	\$34,420
Personal Care and Service Occupations	15,160	\$14.87	\$30,940
Healthcare Support Occupations	24,680	\$13.92	\$28,950
Building and Grounds Cleaning and Maintenance Occupations	19,960	\$13.48	\$28,040
Food Preparation and Serving Related Occupations	53,010	\$11.53	\$23,970

Source: Department Of Labor, Occupational Employment Statistics, 5/2019, retrieved 2/2021

The table above shows the average hourly and annual wages by occupation classification. The classification with the lowest average hourly wage is food preparation and serving related occupations at \$11.53 per hour. The highest average hourly wage, of \$62.64, is for those in management occupations. An element not reflected in the wage rate data is that many positions represent part-time employment, and starting rates are typically lower than mean wage rates. We expect that part-time employment will be common amongst the Subject’s tenant base.

**Commuting Patterns**

The chart below shows the travel time to work for commuters in the PMA according to ESRI data.

COMMUTING PATTERNS		
ACS Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	678	2.3%
Travel Time 5-9 min	2,651	9.0%
Travel Time 10-14 min	4,533	15.4%
Travel Time 15-19 min	5,161	17.6%
Travel Time 20-24 min	4,904	16.7%
Travel Time 25-29 min	2,477	8.4%
Travel Time 30-34 min	4,035	13.7%
Travel Time 35-39 min	847	2.9%
Travel Time 40-44 min	959	3.3%
Travel Time 45-59 min	2,159	7.3%
Travel Time 60-89 min	650	2.2%
Travel Time 90+ min	328	1.1%

Source: US Census 2020, Novogradac Consulting LLP, February 2021

As shown, the highest percentage of commuters travel between 15 and 19 minutes. Approximately 61.0 percent of the workers in the PMA have a commute time of 24 minutes or less. Overall, it appears that most residents work in Petersburg and nearby areas.

**Conclusion**

Employment in the PMA is concentrated in the healthcare/social assistance, retail trade, and manufacturing industries, which collectively comprise 41.6 percent of local employment. The large share of PMA employment in retail trade is notable as this industry is historically volatile, and prone to contraction during economic downturns. However, the PMA also has significant share of employment in the healthcare and public administration industries, which are historically known to offer greater stability during recessionary periods. Historically, the MSA has been an area of employment growth, as total employment decreased in just one year (2009) between 2004 and 2019. However, the MSA has been significantly impacted by COVID-19, as total employment in the MSA declined by 6.4 percent between December 2019 and December 2020, compared to a 5.6 percent decline across the overall nation. Further, unemployment in the increased by 2.5 percentage during this time, compared to a 3.1 percentage point increase nationwide. Locally, the Petersburg economy has fared worse than the MSA and the nation, as the city has experienced a 6.8 percentage point increase between December 2019 and December 2020. Given Petersburg’s heavy reliance on the manufacturing and retail trade industries in the PMA, we believe the Petersburg economy may take longer than the MSA and nation to recover.

# **V. DEMOGRAPHIC CHARACTERISTICS**

## DEMOGRAPHIC CHARACTERISTICS

According to Virginia Housing market study requirements, current year’s estimate (2021) and a five-year projection is required to shown among the demographic data. As of the date of this report, 2021 data is unavailable. As such, we have utilized 2020 data.

### Population and Household Trends

The following tables illustrate general population and households in the PMA, the MSA and the nation from 2000 through 2025.

#### POPULATION

Year	PMA		Richmond, VA Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	72,137	-	1,070,616	-	280,304,282	-
2010	71,120	-0.1%	1,208,101	1.3%	308,745,538	1.0%
2020	71,963	0.1%	1,334,502	1.0%	333,793,107	0.8%
2025	71,958	0.0%	1,400,619	1.0%	346,021,282	0.7%

Source: Esri Demographics 2020, Novogradac Consulting LLP, February 2020

Total population in the PMA declined between 2000 and 2010, while the MSA’s population grew over the same time period. However, from 2010 to 2020, this trend reversed as the PMA experienced population growth of 0.1 percent annually, but remained below annual growth in the MSA and nation. According to ESRI demographic projections, annualized PMA growth is projected to remain stable through 2025, while there is projected growth in the MSA and nation.

#### HOUSEHOLDS

Year	PMA		Richmond, VA Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	29,065	-	421,896	-	105,081,032	-
2010	27,577	-0.5%	468,524	1.1%	116,716,293	1.1%
2020	28,101	0.2%	518,005	1.0%	126,083,847	0.8%
2025	28,110	0.0%	543,427	1.0%	130,658,491	0.7%

Source: Esri Demographics 2020, Novogradac Consulting LLP, February 2020

The total number of households in the PMA declined between 2000 and 2010, while the MSA grew at 1.1 percent annually over the same time period. However, from 2010 to 2020, this trend reversed as the PMA experienced population growth of 0.2 percent annually, but remained below annual growth in the MSA and nation. According to ESRI demographic projections, annualized PMA growth is projected to remain stable through 2025, while there is projected growth in the MSA and nation.

### Average Household Size

The following table is a summary of the average household size in the PMA, the MSA and the nation from 2000 through 2025.

Year	PMA		Richmond, VA Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.43	-	2.46	-	2.59	-
2010	2.53	0.4%	2.50	0.2%	2.57	-0.1%
2020	2.41	-0.5%	2.51	0.0%	2.58	0.0%
2025	2.40	0.0%	2.51	0.0%	2.59	0.0%

Source: Esri Demographics 2020, Novogradac Consulting LLP, February 2021

The average household size in the PMA is 2.41 persons as of 2020, below the MSA (2.51 persons) and the nation (2.58 persons). The average household size in the PMA is projected to remain relatively stable through 2025.

### Household Tenure

The following table illustrates the breakdown of households by tenure within the Subject’s PMA.

Year	TENURE PATTERNS PMA			
	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	19,234	66.2%	9,831	33.8%
2010	15,847	57.5%	11,730	42.5%
2020	14,957	53.2%	13,144	46.8%
2025	15,110	53.8%	13,000	46.2%

Source: Esri Demographics 2020, Novogradac Consulting LLP, February 2021

The percentage of renter households in the PMA increased between 2010 and 2020, and is estimated to be 46.2 percent as of 2020. This is more than the estimated 33 percent of renter households across the overall nation (not shown). According to ESRI demographic projections, the number of renter households in the PMA is projected to decrease by 144 households through 2025.

### Renter Household Size Distribution

The following table illustrates the breakdown of renter households by number of persons in the household within the Subject’s PMA.

Household Size	PMA HOUSEHOLD SIZE DISTRIBUTION					
	2000		2020		2025	
	Total Households	Percent	Total Households	Percent	Total Households	Percent
1 persons	8,075	27.8%	9,132	32.5%	9,175	32.6%
2 persons	9,864	33.9%	8,704	31.0%	8,706	31.0%
3 persons	5,051	17.4%	4,815	17.1%	4,802	17.1%
4 persons	3,721	12.8%	3,085	11.0%	3,068	10.9%
5+ persons	2,354	8.1%	2,365	8.4%	2,359	8.4%
<b>Total</b>	<b>29,065</b>	<b>100.0%</b>	<b>28,101</b>	<b>100.0%</b>	<b>28,110</b>	<b>100.0%</b>

Source: Esri Demographics 2020, Novogradac Consulting LLP, February 2021

The majority of renter households in the PMA consist of one and two-person households. From 2000 to 2020, the percentage share of one and two-person households increased by 1.8 percent. The household size composition of renter households in the PMA is a positive indicator for the Subject’s units.

**Median Household Income Levels**

The following table illustrates the median household income for all households in the PMA, the MSA, and the nation from 2000 through 2025.

**MEDIAN HOUSEHOLD INCOME**

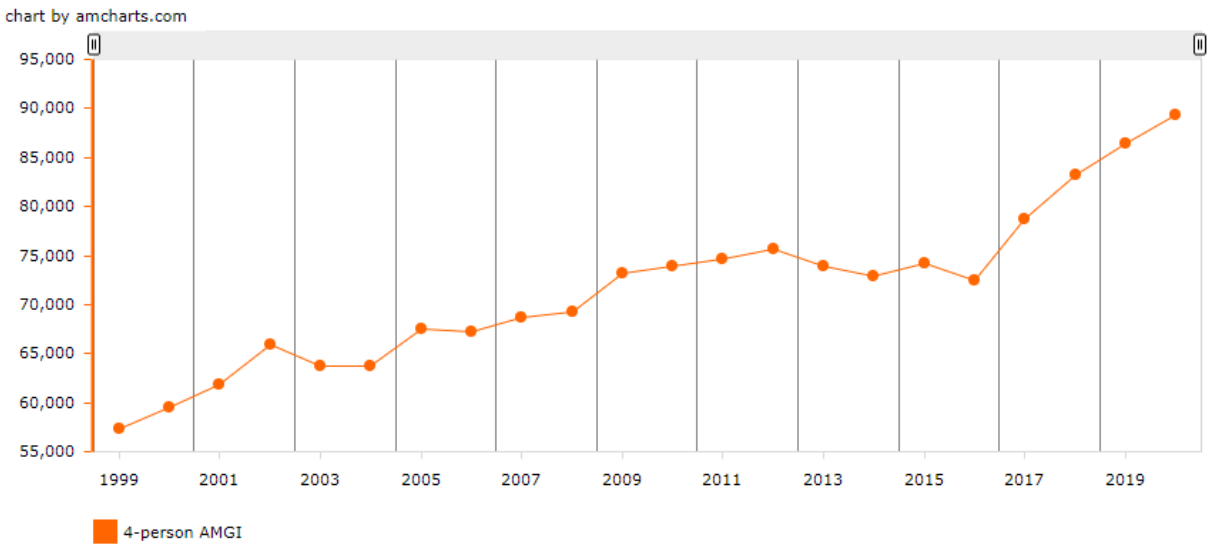
Year	PMA		Richmond, VA Metropolitan Statistical Area		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2000	\$46,926	-	\$46,959	-	\$44,333	-
2020	\$44,338	-0.3%	\$67,337	2.1%	\$62,203	2.0%
2025	\$46,503	1.0%	\$72,082	1.4%	\$67,325	1.6%

Source: Esri Demographics 2020, Novogradac Consulting LLP, February 2021

As of 2020, the median income in the PMA is below the surrounding MSA. Historical median household income growth in the PMA trailed the MSA between 2000 and 2020. Although PMA growth also trended below the nation, median household income in the broader MSA increased 0.1 percent faster than the overall nation during this same time period. Of note, PMA income levels declined from 93 percent of the national median income in 2000 to 67 percent in 2020. According to ESRI demographic projections, annualized PMA growth is expected to rise to 1.0 percent through 2025, which is below projected growth in the MSA and nation.

**Area Household Income Levels**

The following chart illustrates the area median gross income (AMGI) of a four-person household in the Richmond, VA MSA between 1999 and 2020.



Display:  4-person AMGI

**Average Increase (AMGI): 2.1%/year**

Source: Novogradac Consulting LLP, March 2021

Overall, the AMI in the Richmond, VA MSA has increased by an average of 2.1 percent annually between 1999 and 2020. It is important to note that HUD implemented new methodology procedures for establishing income limits in 2007. The system and underlying data sources that HUD uses to establish income limits is now dependent upon the American Community Survey (ACS), whereas years prior to 2007 had been dependent upon Decennial Census reports. In 2007, two-thirds of the nation experienced flat or decreased AMI levels based largely on this methodology change. As is seen in the previous table, the MSA appears to not have been affected by this methodology change. Additionally, 84 percent of counties nationally also saw a decrease in the 2013 AMI level, which appears to have impacted MSA. Following the substantial nationwide decreases in 2013, over 81 percent of counties in the country experienced growth in AMI in 2015, which was also the case in the MSA. Most recently, significant increases have accrued nationwide with the release of the 2020 limits. The 2020 AMI for the MSA is \$89,400, which represents an increase of 3.5 percent from 2019. All of the Subject’s units benefit from Section 8 subsidy; thus, contract rents are dictated by HUD.

**Household Income Distribution**

The following tables illustrate the household income distribution for the PMA and MSA for 2020 and 2025.

**HOUSEHOLD INCOME PMA**

Income Cohort	2020		2025		Annual Change 2020 to 2025	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,761	9.8%	2,537	9.0%	-45	-1.6%
\$10,000-19,999	3,286	11.7%	2,987	10.6%	-60	-1.8%
\$20,000-29,999	3,063	10.9%	2,901	10.3%	-32	-1.1%
\$30,000-39,999	3,085	11.0%	2,833	10.1%	-50	-1.6%
\$40,000-49,999	2,654	9.4%	2,586	9.2%	-14	-0.5%
\$50,000-59,999	2,232	7.9%	2,201	7.8%	-6	-0.3%
\$60,000-74,999	2,622	9.3%	2,688	9.6%	13	0.5%
\$75,000-99,999	3,023	10.8%	3,103	11.0%	16	0.5%
\$100,000-124,999	2,226	7.9%	2,298	8.2%	14	0.6%
\$125,000-149,999	1,412	5.0%	1,610	5.7%	40	2.8%
\$150,000-199,999	949	3.4%	1,294	4.6%	69	7.3%
\$200,000+	788	2.8%	1,072	3.8%	57	7.2%
<b>Total</b>	<b>28,101</b>	<b>100.0%</b>	<b>28,110</b>	<b>100.0%</b>		

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, February 2021

**HOUSEHOLD INCOME MSA**

Income Cohort	2020		2025		Annual Change 2020 to 2025	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	27,174	5.2%	25,871	4.8%	-261	-1.0%
\$10,000-19,999	36,772	7.1%	33,791	6.2%	-596	-1.6%
\$20,000-29,999	38,494	7.4%	36,621	6.7%	-375	-1.0%
\$30,000-39,999	41,293	8.0%	37,905	7.0%	-678	-1.6%
\$40,000-49,999	41,842	8.1%	40,760	7.5%	-216	-0.5%
\$50,000-59,999	35,603	6.9%	36,223	6.7%	124	0.3%
\$60,000-74,999	50,129	9.7%	49,080	9.0%	-210	-0.4%
\$75,000-99,999	69,002	13.3%	69,820	12.8%	164	0.2%
\$100,000-124,999	53,706	10.4%	56,988	10.5%	656	1.2%
\$125,000-149,999	37,935	7.3%	43,818	8.1%	1,177	3.1%
\$150,000-199,999	39,315	7.6%	48,152	8.9%	1,767	4.5%
\$200,000+	46,740	9.0%	64,398	11.9%	3,532	7.6%
<b>Total</b>	<b>518,005</b>	<b>100.0%</b>	<b>543,427</b>	<b>100.0%</b>		

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, February 2021

As of 2020, the highest concentrations of households in the PMA are concentrated in the lowest income cohorts, with approximately 43.4 percent of households earning less than \$40,000 annually. This compares to 27.7 percent in the MSA.

### Renter Household Income Distribution

The following tables illustrate the renter household income distribution for the PMA and MSA for 2020 and 2025.

#### RENTER HOUSEHOLD INCOME

Income Cohort	2020		2025		Annual Change 2020 to 2025	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,031	15.5%	1,869	14.4%	-32	-1.6%
\$10,000-19,999	2,165	16.5%	1,969	15.1%	-39	-1.8%
\$20,000-29,999	1,746	13.3%	1,689	13.0%	-11	-0.7%
\$30,000-39,999	1,825	13.9%	1,676	12.9%	-30	-1.6%
\$40,000-49,999	1,243	9.5%	1,255	9.7%	2	0.2%
\$50,000-59,999	808	6.1%	819	6.3%	2	0.3%
\$60,000-74,999	991	7.5%	1,057	8.1%	13	1.3%
\$75,000-99,999	1,051	8.0%	1,100	8.5%	10	0.9%
\$100,000-124,999	659	5.0%	734	5.6%	15	2.3%
\$125,000-149,999	286	2.2%	335	2.6%	10	3.4%
\$150,000-199,999	166	1.3%	245	1.9%	16	9.5%
\$200,000+	173	1.3%	252	1.9%	16	9.1%
<b>Total</b>	<b>13,144</b>	<b>100.0%</b>	<b>13,000</b>	<b>100.0%</b>		

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, February 2021

#### RENTER HOUSEHOLD INCOME

Income Cohort	2020		2025		Annual Change 2020 to 2025	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	18,497	10.2%	17,827	9.3%	-134	-0.7%
\$10,000-19,999	22,995	12.6%	21,392	11.2%	-321	-1.4%
\$20,000-29,999	21,068	11.6%	20,417	10.6%	-130	-0.6%
\$30,000-39,999	20,714	11.4%	19,533	10.2%	-236	-1.1%
\$40,000-49,999	18,370	10.1%	18,611	9.7%	48	0.3%
\$50,000-59,999	14,047	7.7%	14,926	7.8%	176	1.3%
\$60,000-74,999	18,622	10.2%	19,217	10.0%	119	0.6%
\$75,000-99,999	18,384	10.1%	20,420	10.6%	407	2.2%
\$100,000-124,999	11,023	6.1%	13,215	6.9%	438	4.0%
\$125,000-149,999	6,517	3.6%	8,729	4.6%	442	6.8%
\$150,000-199,999	6,341	3.5%	8,658	4.5%	463	7.3%
\$200,000+	5,607	3.1%	8,893	4.6%	657	11.7%
<b>Total</b>	<b>182,185</b>	<b>100.0%</b>	<b>191,838</b>	<b>100.0%</b>		

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, February 2021

As of 2020, the highest concentrations of renter households in the PMA are concentrated in the lowest income cohorts, with approximately 59.2 percent of households earning less than \$40,000 annually. This compares to 45.8 percent in the MSA.



### Age of Housing Stock

The age of the area housing stock is presented in the following table:

**AGE OF HOUSING STOCK IN PMA**

Years	Number of Units	Percent of Housing Stock
Built 2010 or later	1,006	4.0%
Built 2000 to 2009	3,036	12.0%
Built 1990 to 1999	2,004	7.9%
Built 1980 to 1989	2,627	10.3%
Built 1970 to 1979	4,447	17.5%
Built 1960 to 1969	3,061	12.1%
Built 1950 to 1959	4,081	16.1%
Built 1940 to 1949	1,720	6.8%
Built 1939 or earlier	3,400	13.4%
<b>Total</b>	<b>25,382</b>	<b>100.0%</b>

Source: Esri Demographics 2020, Novogradac Consulting LLP, February 2021

Approximately 65.9 percent of the housing stock in the PMA was constructed before 1980. The largest percentage of housing stock was built between 1970 and 1979, followed by housing stock built between 1950 and 1959. According to Zillow, the majority of single-family homes in the Subject’s neighborhood were built pre-1960 and range from fair to average condition based on our field observation.

### Building Permits

Historical building permit information for Petersburg County, obtained from the U.S. Census Bureau, is presented in the following chart.

**BUILDING PERMITS: PETERSBURG COUNTY 2000 – 2020\***

Year	Single-family and Duplex	Three and Four-Family	Five or More Family	Total Units
2000	11	0	0	11
2001	16	0	0	16
2002	8	0	0	8
2003	10	0	0	10
2004	20	36	0	56
2005	21	0	0	21
2006	51	0	0	51
2007	34	76	0	110
2008	41	0	0	41
2009	48	56	168	272
2010	19	0	158	177
2011	10	0	0	10
2012	8	0	0	8
2013	8	0	0	8
2014	8	0	0	8
2015	5	0	80	85
2016	11	0	66	77
2017	3	0	0	3
2018	21	0	5	26
2019	17	0	0	17
2020*	3	0	0	3
<b>Total</b>	<b>373</b>	<b>168</b>	<b>477</b>	<b>1,018</b>

\*YTD, preliminary

Source: US Census Bureau Building Permits, February 2021

As shown, multifamily permits (5+ units) have accounted for 46.9 percent of all permits issued since 2000. More recently, multifamily permits have accounted for 72.6 percent of all permits issued since 2015.

## **Conclusion**

Between 2000 and 2020, the PMA experienced a net decline in the population. Through 2025, population in the PMA is projected to remain relatively stable; whereas, the MSA and nation are projected to increase annually by 1.0 and 0.7 percent, respectively. As of 2020, approximately 46.2 percent of units in the PMA are renter occupied, compared to approximately 33 percent nationwide. The highest concentration of renter households in the PMA are concentrated in the lowest income cohorts, with approximately 59.2 percent of households earning less than \$40,000 annually. This compares to 45.8 percent in the MSA. Although the PMA is not an area of significant population growth, the large concentration of renter-households in the lowest income cohorts indicates a need for the preservation of affordable rental units.

## **VI. COMPETITIVE ENVIRONMENT**

## COMPETITIVE ENVIRONMENT

### HOUSING SUMMARY

The Subject is located in the Petersburg/Colonial Heights/Ft. Lee/Etrick multifamily submarket. According to Costar, the rapid influx of multifamily units in the greater Richmond area has not translated to this submarket. Over the past 10 years, the vast majority of new multifamily projects have been conversions, not new construction. The lack of new supply, along with increased demand, has helped the submarket realize annual rent growth and declining vacancy rates. Further, according to CoStar, COVID-19 has had little impact on market performance, as a combination of enhanced unemployment benefits and eviction moratoriums have helped maintain occupancy rates. As a result, property managers have continued to increase rents at an above average pace. The following charts summarize key market characteristics.

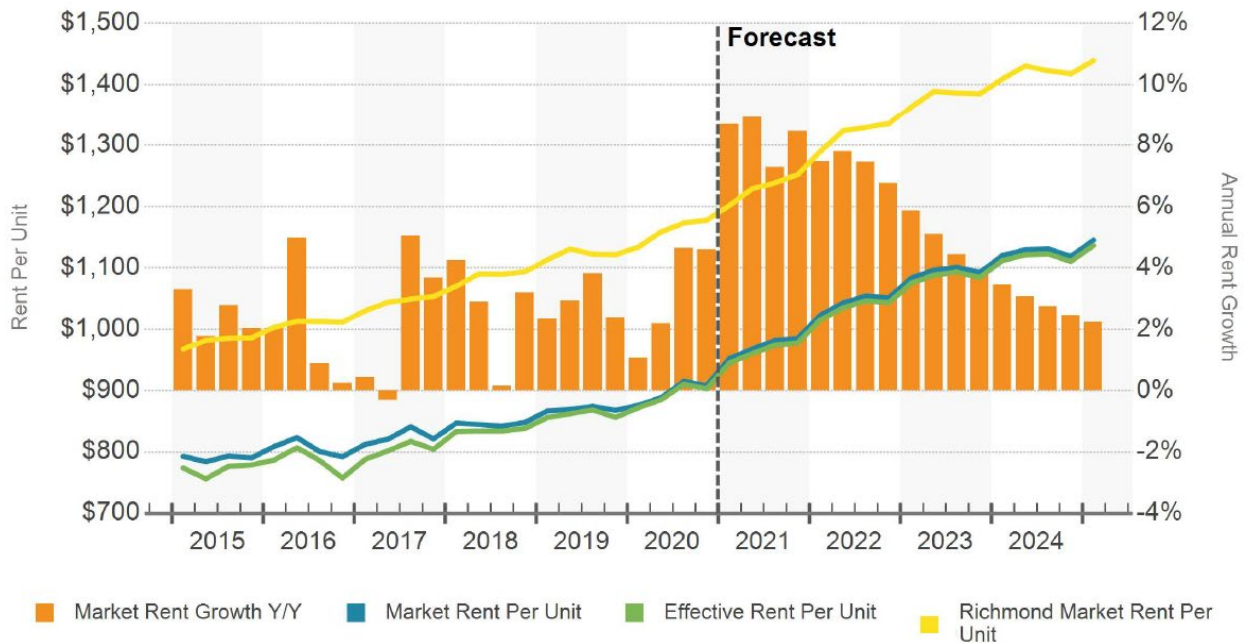
#### KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	873	6.1%	\$1,002	\$998	(1)	0	0
3 Star	1,671	5.6%	\$1,016	\$1,005	0	0	0
1 & 2 Star	1,953	4.4%	\$779	\$775	(2)	0	0
<b>Submarket</b>	<b>4,497</b>	<b>5.2%</b>	<b>\$912</b>	<b>\$905</b>	<b>(3)</b>	<b>0</b>	<b>0</b>

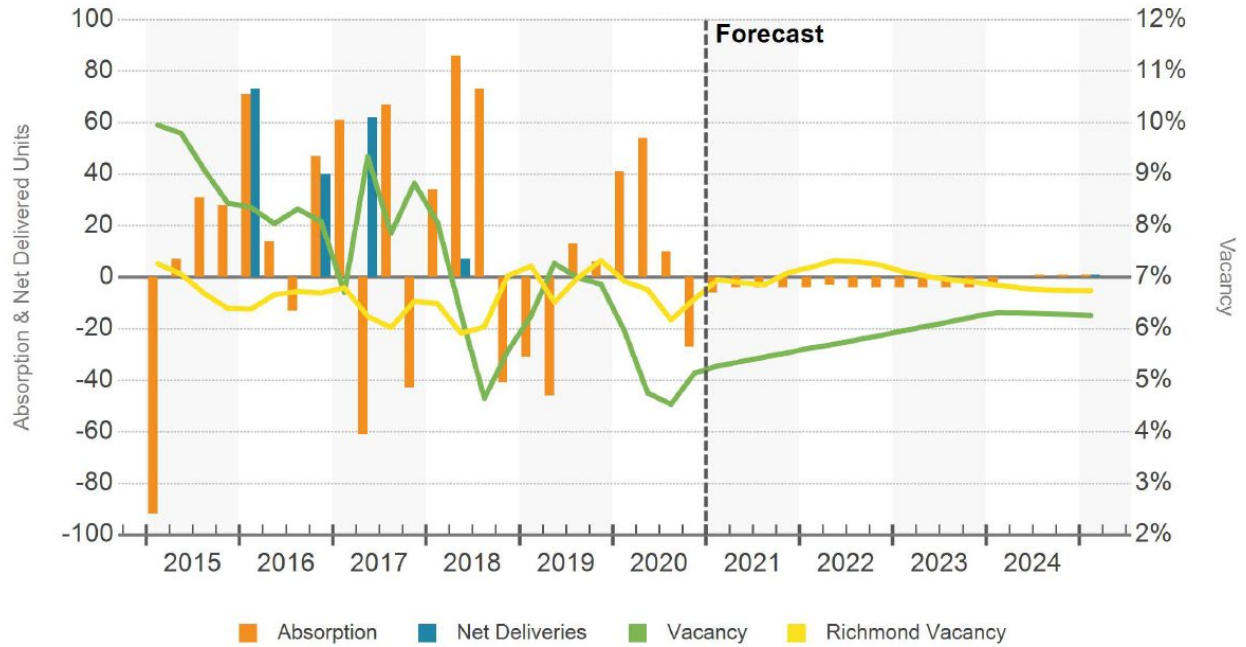
  

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-1.3%	8.1%	6.0%	10.6%	2012 Q1	4.5%	2020 Q3
Absorption Units	58	38	(12)	332	2009 Q3	(104)	2019 Q3
Delivered Units	0	38	0	336	2010 Q2	0	2020 Q4
Demolished Units	0	0	0	0	2020 Q4	0	2020 Q4
Asking Rent Growth (YOY)	4.7%	1.6%	5.1%	5.6%	2011 Q1	-6.7%	2010 Q1
Effective Rent Growth (YOY)	4.9%	1.6%	5.0%	6.7%	2016 Q2	-6.8%	2010 Q1
Sales Volume	\$26.2 M	\$7.8M	N/A	\$40.1M	2019 Q4	\$0	2014 Q4

#### MARKET RENT PER UNIT & RENT GROWTH



ABSORPTION, NET DELIVERIES & VACANCY



Source: CoStar, retrieved 2/4/2021

As shown in the previous charts, the Petersburg/Colonial Heights/Ft. Lee/Ettrick submarket has experienced a decrease in vacancy rates of 1.3 percentage points over the past 12 months. Vacancy rates are projected to increase slightly through 2024, but will remain below historical averages. Over the past 12 months, asking rents have increased 4.7 percent, and are projected to continue increasing by 5.1 percent annually through 2024.

**SURVEY OF COMPARABLE PROJECTS**

Comparable properties are examined on the basis of physical characteristics; i.e., building type, property age/quality, level of common amenities, and absorption rates, as well as similarity in rent structure. We attempted to compare the Subject to properties from the competing market, in order to provide a picture of the general economic health and available supply in the local rental market.

**Description of Property Types Surveyed**

To evaluate the competitive position of the Subject, we surveyed a total of 2,319 units in 11 rental properties. The LIHTC data is considered good. We included six affordable developments located between 2.5 and 3.1 miles from the Subject site, all of which are located in the PMA. The market rate data is also considered good. We included five market rate properties located between 2.1 and 4.1 miles from the Subject site, all of which are located within the PMA. We also visited and surveyed other properties that were excluded from the market survey because they are not considered comparable to the Subject or would not participate in the survey. Property managers were interviewed for information on unit mix, size, absorption, unit features and project amenities; tenant profiles; and market trends in general. Overall, we believe the availability of data is more than adequate to support our conclusions. The table following details excluded affordable properties in the PMA.

**EXCLUDED AFFORDABLE PROPERTIES IN THE PMA**

Property Name	Program	Tenancy	Year Built	Total Units	Reason for Exclusion
Bolling Park	LIHTC	Senior	1998	47	Tenancy
Cavalier Senior	LIHTC	Senior	2014	80	Tenancy
Claiborne Square	LIHTC	Senior	2009	47	Tenancy
Henry Williams	LIHTC	Family	2010	42	Unable to contact
Jefferson Scott Landing	LIHTC	Family	1991	14	Unable to contact
Liberty Pointe	LIHTC	Family	2013	48	Unable to contact
Pinetree Apartments	LIHTC	Family	1993	144	Unable to contact
Riverview	LIHTC	Family	2000	88	Unable to contact
Washington Columns	LIHTC	Senior	2000	26	Tenancy
Westover Commons	LIHTC	Family	1999	84	Unable to contact
Windy Ridge	LIHTC	Family	1996	72	Unable to contact
Wythe Row Townhouses	LIHTC	Family	1998	12	Unable to contact
Carriage House Apartments	LIHTC / Section 8	Senior	2006	118	Tenancy/Subsidized
Lafayette House	Section 8	Senior	1981	100	Tenancy/Subsidized
Landmark Apartments	Section 8	Family	1983	53	Subsidized
Osage House	Section 8	Family	1982	13	Subsidized

**LIHTC Competition / Recent and Proposed Construction**

According to the Virginia Housing allocation lists, there have been no developments allocated tax credits in the PMA since 2017.

**City Planning and Development Department**

We spoke with Sandra Robinson, Zoning Administrator for the Petersburg Planning and Community Development Department, regarding new, planned, or under construction multifamily developments in the PMA. According to Ms. Robinson, there are no multifamily developments in the pipeline. However, according to CoStar, there are 32 new construction units proposed at Woodmere Apartments, located at 1 Woodmere Drive, approximately 2.8 miles from the Subject. Phase I of the development consists of 148 market rate units that were originally constructed in 2007. We have utilized Phase I as a market rate comparable; however, this development does not directly compete with the Subject, nor will the additional 32 units of Phase II.

**Petersburg Housing Authority**

We attempted to contact the Petersburg Housing Authority for information on Housing Choice Voucher use in the county; however, our calls have not been returned. The current gross payment standards are illustrated in the following table, as well as the LIHTC rents absent subsidy.

**PAYMENT STANDARDS**

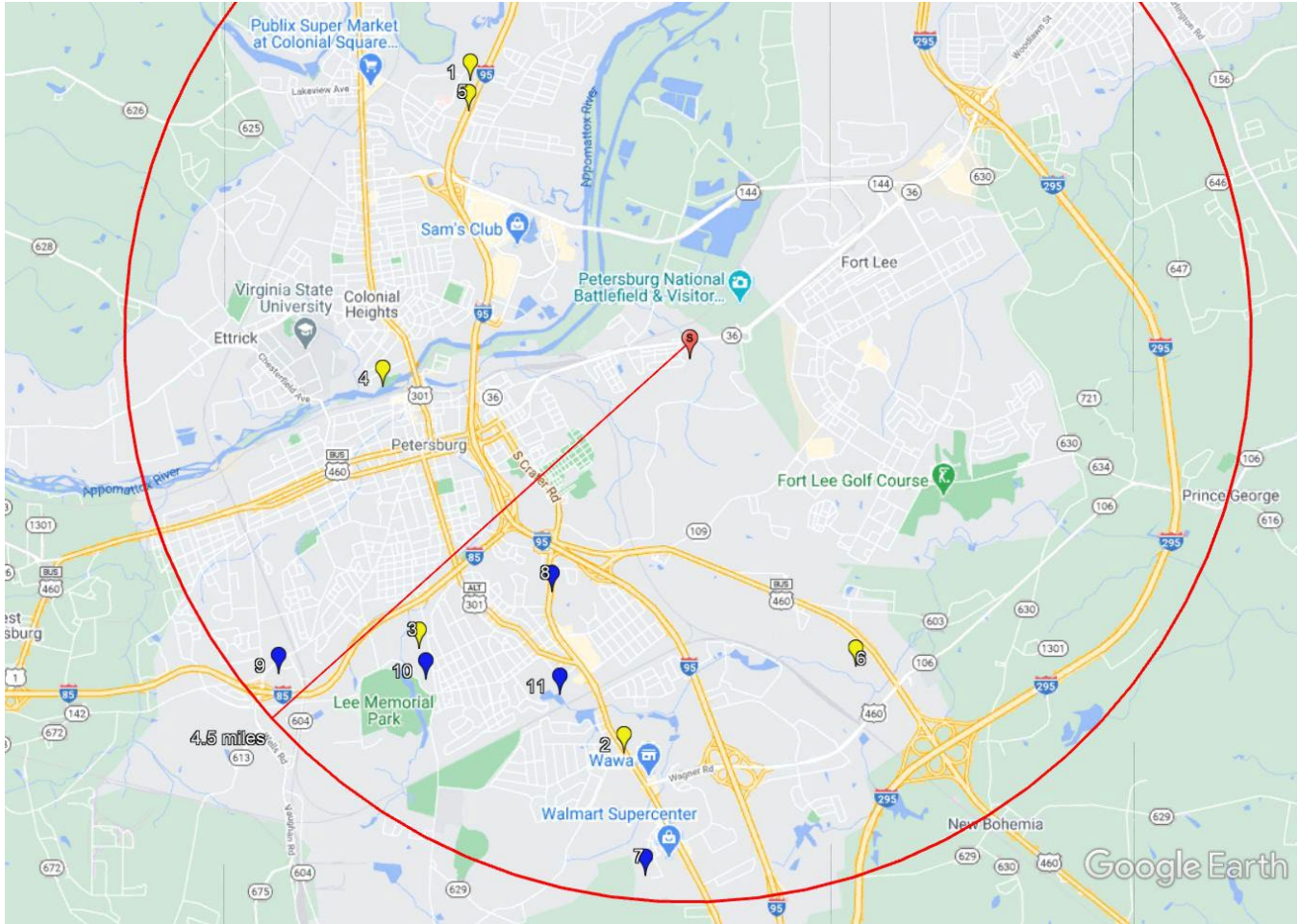
Unit Type	Current Gross Payment Standard	Subject Highest Current Gross Rent	Subject Highest Proposed Gross LIHTC Rent (Absent Subsidy)
One-Bedroom	\$885	\$740	\$854
Two-Bedroom	\$1,008	\$889	\$1,092
Three-Bedroom	\$1,340	\$979	\$1,174

Source; Petersburg Housing Authority, effective 1/1/2020

As shown, the Subject’s current rents, as well as the developer’s proposed one and three-bedroom rents are below the payment standards, indicating that voucher holders will not be required to pay additional rent out of pocket. However, the developer’s highest proposed two-bedroom rent is above the payment standard, indicating that voucher holding tenants would need to pay additional rent out-of-pocket. Nonetheless, all of the Subject’s units will continue to benefit from Section 8 subsidy; thus, this analysis is essentially moot, as all tenants residing at the Subject will continue to pay just 30 percent of their income towards rent.

**Comparable Properties Map**

A map illustrating the location of the Subject in relation to the comparable properties is located on the following page. A summary table comparing the individual comparable properties with the proposed Subject and individual property profiles are also provided on the following page. We have also included an amenity comparison matrix and a rent and square footage ranking table.



**COMPARABLE PROPERTIES**

#	Comparable Property	City	Rent Structure	Tenancy	Distance to Subject
1	Clearfield Apartments	Colonial Heights	LIHTC	Family	2.9 miles
2	Jesse Lee	Petersburg	LIHTC	Family	3.1 miles
3	Lieutenant's Run	Petersburg	LIHTC	Family	3.1 miles
4	Mattox Landing Apartments	Colonial Heights	LIHTC	Family	2.5 miles
5	Oaks Of Dunlop Farms	Colonial Heights	LIHTC	Family	2.7 miles
6	Pinetree Apartments	Petersburg	LIHTC	Family	2.7 miles
7	Addison Crater Woods	Petersburg	Market	Family	4.0 miles
8	Crater Square Apartments	Petersburg	Market	Family	2.1 miles
9	Jefferson South Of The James	Petersburg	Market	Family	4.1 miles
10	Tanglewood Apartments	Petersburg	Market	Family	3.2 miles
11	Woodmere Apartments	Petersburg	Market	Family	2.8 miles



PETERSBURG EAST I & II – PETERSBURG, VIRGINIA – MARKET STUDY

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate			
Subject	Petersburg East I & II 110 Croatan Drive Petersburg, VA 23803 Petersburg County		Various 2-stories 1975 / 2004 Family	@50% (Section 8)	1BR / 1BA	12	7.1%	469	Section 8	\$636	Yes	No	1	8.3%			
					1BR / 1BA	16	9.5%	469	Section 8	\$636	Yes	No	0	0.0%			
					2BR / 1BA	28	16.7%	718	Section 8	\$764	Yes	No	4	14.3%			
					2BR / 1BA	16	9.5%	718	Section 8	\$778	Yes	No	3	18.8%			
					2BR / 1BA	12	7.1%	718	Section 8	\$779	Yes	No	2	16.7%			
					2BR / 1.5BA	32	19.1%	729	Section 8	\$763	Yes	No	2	6.3%			
					3BR / 1.5BA	16	9.5%	934	Section 8	\$855	Yes	No	2	12.5%			
					3BR / 1.5BA	36	21.4%	934	Section 8	\$854	Yes	No	4	11.1%			
					<b>188</b>												
					<b>18</b> 10.7%												
1	Clearfield Apartments 100 Clearfield Circle Colonial Heights, VA 23824 Colonial Heights County	2.9 miles	Garden 2-stories 1992 / n/a Family	@60%	2BR / 2BA	72	50.0%	965	@60%	\$1,097	Yes	No	0	0.0%			
					3BR / 2BA	72	50.0%	1,165	@60%	\$1,269	Yes	No	0	0.0%			
<b>144</b>																	
<b>0</b> 0.0%																	
2	Jesse Lee 401 Roberts Avenue Petersburg, VA 23805 Petersburg County	3.1 miles	Garden 3-stories 2008 / n/a Family	@50%	2BR / 2BA	78	72.2%	834	@50%	\$787	No	No	0	0.0%			
					3BR / 2BA	30	27.8%	1,038	@50%	\$903	No	No	1	3.3%			
<b>108</b>																	
<b>1</b> 0.9%																	
3	Lieutenant's Run 102 Lieutenants Run Drive Petersburg, VA 23805 Petersburg County	3.1 miles	Garden 3-stories 2005 / n/a Family	@60%	2BR / 2BA	84	50.0%	985	@60%	\$825	No	Yes	0	0.0%			
					3BR / 2BA	84	50.0%	1,208	@60%	\$930	No	Yes	4	4.8%			
<b>168</b>																	
<b>4</b> 2.4%																	
4	Mattox Landing Apartments 205 Archer Avenue Colonial Heights, VA 23834 Chesterfield County	2.5 miles	Garden 3-stories 2000 / 2019 Family	@60%	2BR / 2BA	44	50.0%	891	@60%	\$966	No	No	0	0.0%			
					2BR / 2BA	N/A	N/A	891	@60%	\$1,066	No	No	0	N/A			
					3BR / 2BA	44	50.0%	1,072	@60%	\$1,151	No	No	0	0.0%			
					3BR / 2BA	N/A	N/A	1,072	@60%	\$1,251	No	No	0	N/A			
<b>88</b>																	
<b>0</b> 0.0%																	
5	Oaks Of Dunlop Farms 101 Old Oak Lane Colonial Heights, VA 23834 Colonial Heights County	2.7 miles	Garden 2-stories 1992 / 2012 Family	@60%	1BR / 1BA	44	30.6%	590	@60%	\$940	Yes	Yes	0	0.0%			
					2BR / 2BA	78	54.2%	796	@60%	\$1,100	Yes	Yes	0	0.0%			
					3BR / 2BA	22	15.3%	947	@60%	\$1,300	Yes	Yes	0	0.0%			
					<b>144</b>												
<b>0</b> 0.0%																	
6	Pinetree Apartments 3100 Pinetree Drive Petersburg, VA 23803 Petersburg County	2.7 miles	Townhouse 2-stories 1995 / n/a Family	@60%	1BR / 1BA	8	5.6%	700	@60%	\$910	No	No	0	0.0%			
					1BR / 1BA	N/A	N/A	780	@60%	\$910	No	No	0	N/A			
					2BR / 2BA	128	88.9%	1,000	@60%	\$1,000	No	No	2	1.6%			
					2BR / 2BA	N/A	N/A	1,080	@60%	\$1,010	No	No	2	N/A			
					3BR / 2BA	8	5.6%	1,264	@60%	\$1,250	No	No	0	0.0%			
					3BR / 2BA	N/A	N/A	1,364	@60%	\$1,250	No	No	0	N/A			
					<b>144</b>												
<b>4</b> 2.8%																	
7	Addison Crater Woods 200 Addison Way Petersburg, VA 23805 Petersburg County	4.0 miles	Garden 3-stories 1985 / 2020 Family	Market	1BR / 1BA	121	19.0%	638	Market	\$1,043	N/A	No	0	0.0%			
					1BR / 1BA	61	9.6%	806	Market	\$1,099	N/A	No	0	0.0%			
					1BR / 1BA	61	9.6%	868	Market	\$1,233	N/A	No	0	0.0%			
					2BR / 2BA	61	9.6%	881	Market	\$1,215	N/A	No	2	3.3%			
					2BR / 2BA	62	9.7%	924	Market	\$1,215	N/A	No	2	3.2%			
					2BR / 2BA	62	9.7%	1,154	Market	\$1,325	N/A	No	0	0.0%			
					2BR / 2BA	61	9.6%	1,183	Market	\$1,395	N/A	No	0	0.0%			
					2BR / 2BA	61	9.6%	1,196	Market	\$1,445	N/A	No	0	0.0%			
					3BR / 2BA	87	13.7%	1,349	Market	\$1,560	N/A	No	0	0.0%			
					<b>637</b>												
<b>4</b> 0.6%																	
8	Crater Square Apartments 1025 S Crater Road Petersburg, VA 23805 Petersburg County	2.1 miles	Garden 2-stories 1963 / 2010 Family	Market	1BR / 1BA	16	12.3%	648	Market	\$799	N/A	No	0	0.0%			
					2BR / 1BA	70	53.9%	774	Market	\$849	N/A	No	0	0.0%			
					3BR / 1.5BA	44	33.9%	942	Market	\$949	N/A	No	0	0.0%			
<b>130</b>																	
<b>0</b> 0.0%																	
9	Jefferson South Of The James 1800 Boynton Plank Road Petersburg, VA 23805 Petersburg County	4.1 miles	Garden 3-stories 1974 / 2000/2013 Family	Market	1BR / 1BA	48	24.0%	850	Market	\$818	N/A	No	1	2.1%			
					2BR / 1BA	122	61.0%	945	Market	\$961	N/A	No	3	2.5%			
					3BR / 1BA	30	15.0%	1,100	Market	\$1,111	N/A	No	0	0.0%			
<b>200</b>																	
<b>4</b> 2.0%																	
10	Tanglewood Apartments 1700 Johnson Road Petersburg, VA 23805 Petersburg County	3.2 miles	Garden 2-stories 1976 / 1993 Family	Market	1BR / 1BA	112	27.5%	720	Market	\$814	N/A	No	0	0.0%			
					2BR / 1.5BA	280	68.6%	926	Market	\$921	N/A	No	0	0.0%			
					3BR / 1.5BA	16	3.9%	1,224	Market	\$1,061	N/A	No	0	0.0%			
<b>408</b>																	
<b>0</b> 0.0%																	
11	Woodmere Apartments 1 Woodmere Drive Petersburg, VA 23805 Petersburg County	2.8 miles	Garden 2-stories 1965 / 2007 Family	Market	1BR / 1BA	16	10.8%	656	Market	\$735	N/A	No	0	0.0%			
					1BR / 1BA	24	16.2%	740	Market	\$760	N/A	No	2	8.3%			
					2BR / 1BA	60	40.5%	892	Market	\$790	N/A	No	3	5.0%			
					2BR / 1BA	12	8.1%	899	Market	\$810	N/A	No	0	0.0%			
					2BR / 1.5BA	24	16.2%	964	Market	\$825	N/A	No	0	0.0%			
					3BR / 2BA	12	8.1%	1,120	Market	\$915	N/A	No	0	0.0%			
<b>148</b>																	
<b>5</b> 3.4%																	

PETERSBURG EAST I & II – PETERSBURG, VIRGINIA – MARKET STUDY

AMENITY MATRIX

Subject	Clearfield Apartments	Jesse Lee	Lieutenant's Run	Mattox Landing Apartments	Oaks Of Dunlop Farms	Pinetree Apartments	Addison Crater Woods	Crater Square Apartments	Jefferson South Of The James	Tanglewood Apartments	Woodmere Apartments
Rent Structure	LIHTC/ Section 8	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market
<b>Building</b>											
Property Type	Various	Garden	Garden	Garden	Garden	Garden	Townhouse	Garden	Garden	Garden	Garden
# of Stories	2-stories	2-stories	3-stories	3-stories	3-stories	2-stories	2-stories	3-stories	2-stories	3-stories	2-stories
Year Built	1975	1992	2008	2005	2000	1992	1995	1985	1963	1974	1976
Year Renovated	2004	n/a	n/a	n/a	2019	2012	n/a	2020	2010	2000/2013	1993
<b>Utility Structure</b>											
Cooking	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	yes	no
Heat	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no
Water	yes	no	no	yes	no	yes	yes	no	yes	yes	no
Sewer	yes	no	no	yes	no	yes	yes	no	yes	yes	no
Trash	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Unit Amenities</b>											
Balcony/Patio	no	yes	no	yes	yes	yes	yes	yes	yes	no	no
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	no	no	no	no	no	no	no	yes	yes	no	no
Coat Closet	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	no	no	no	no	yes	no	no	no
Walk-In Closet	no	yes	yes	yes	yes	no	yes	no	yes	no	yes
Washer/Dryer	no	yes	no	yes	no	yes	yes	yes	no	yes	yes
W/D Hookup	no	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
<b>Kitchen</b>											
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	no	yes	yes	yes	no	no	yes	yes	yes	no	yes
Microwave	yes	no	no	no	no	no	no	no	no	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Community</b>											
Business Center	no	no	no	no	no	no	yes	yes	yes	no	no
Community Room	yes	yes	no	yes	yes	yes	yes	yes	yes	no	no
Central Laundry	yes	yes	yes	yes	yes	no	yes	no	yes	no	yes
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Recreation</b>											
Basketball Court	no	no	no	no	no	no	no	yes	no	no	no
Exercise Facility	no	yes	no	no	yes	no	yes	yes	no	no	no
Playground	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	no
Swimming Pool	no	yes	yes	yes	yes	yes	yes	yes	yes	no	yes
Picnic Area	yes	no	no	no	no	no	no	yes	no	no	yes
Tennis Court	no	no	no	no	no	no	no	yes	no	no	no
Recreational Area	no	no	no	no	no	no	no	no	no	no	yes
Volleyball Court	no	yes	no	no	no	yes	no	no	no	no	no
<b>Security</b>											
In-Unit Alarm	no	no	no	no	no	no	no	no	no	no	yes
Limited Access	no	no	no	no	no	no	no	yes	no	yes	no
Patrol	no	no	no	no	no	no	no	yes	yes	no	no
Perimeter Fencing	yes	no	no	no	no	no	no	no	no	yes	no
Video Surveillance	yes	no	no	no	no	no	no	yes	no	no	no
<b>Parking</b>											
Carport	no	yes	no	no	no	no	no	no	no	no	no
Carport Fee	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Garage	no	no	no	no	no	no	no	yes	no	no	no
Garage Fee	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$100	\$0	\$0	\$0
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Off-Street Fee	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

PETERSBURG EAST I & II – PETERSBURG, VIRGINIA – MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.						
	Units Surveyed:	2,319	Weighted Occupancy:	99.1%		
	Market Rate	1,523	Market Rate	99.1%		
	Tax Credit	796	Tax Credit	98.9%		
	One Bedroom One Bath Property	Average	Two Bedroom One Bath Property	Average	Three Bedroom One and a Half Bath Property	
<b>RENT</b>	Addison Crater Woods (Market)	\$1,233	Addison Crater Woods (Market)(2BA)	\$1,445	Addison Crater Woods (Market)(2BA)	\$1,560
	Addison Crater Woods (Market)	\$1,099	Addison Crater Woods (Market)(2BA)	\$1,395	Oaks Of Dunlop Farms (@60%)(2BA)	\$1,300
	Addison Crater Woods (Market)	\$1,043	Addison Crater Woods (Market)(2BA)	\$1,325	Clearfield Apartments (@60%)(2BA)	\$1,269
	Oaks Of Dunlop Farms (@60%)	\$940	Addison Crater Woods (Market)(2BA)	\$1,215	Mattox Landing Apartments (@60%)(2BA)	\$1,251
	Pinetree Apartments (@60%)	\$910	Addison Crater Woods (Market)(2BA)	\$1,215	Pinetree Apartments (@60%)(2BA)	\$1,250
	Pinetree Apartments (@60%)	\$910	Oaks Of Dunlop Farms (@60%)(2BA)	\$1,100	Pinetree Apartments (@60%)(2BA)	\$1,250
	Jefferson South Of The James (Market)	\$818	Clearfield Apartments (@60%)(2BA)	\$1,097	Mattox Landing Apartments (@60%)(2BA)	\$1,151
	Tanglewood Apartments (Market)	\$814	Mattox Landing Apartments (@60%)(2BA)	\$1,066	Jefferson South Of The James (Market)(1BA)	\$1,111
	Crater Square Apartments (Market)	\$799	Pinetree Apartments (@60%)(2BA)	\$1,010	Tanglewood Apartments (Market)	\$1,061
	Woodmere Apartments (Market)	\$760	Pinetree Apartments (@60%)(2BA)	\$1,000	Crater Square Apartments (Market)	\$949
	Woodmere Apartments (Market)	\$735	Mattox Landing Apartments (@60%)(2BA)	\$966	Lieutenant's Run (@60%)(2BA)	\$930
	<b>Petersburg East I &amp; II (@50%)</b>	<b>\$562</b>	Jefferson South Of The James (Market)	\$961	Woodmere Apartments (Market)(2BA)	\$915
	<b>Petersburg East I &amp; II (@50%)</b>	<b>\$554</b>	Tanglewood Apartments (Market)(1.5BA)	\$921	Jesse Lee (@50%)(2BA)	\$903
			Crater Square Apartments (Market)	\$849	<b>Petersburg East I &amp; II (@50%)</b>	<b>\$796</b>
			Lieutenant's Run (@60%)(2BA)	\$825	<b>Petersburg East I &amp; II (@50%)</b>	<b>\$788</b>
			Woodmere Apartments (Market)(1.5BA)	\$825		
			Woodmere Apartments (Market)	\$810		
			Woodmere Apartments (Market)	\$790		
			Jesse Lee (@50%)(2BA)	\$787		
			<b>Petersburg East I &amp; II (@50%)</b>	<b>\$679</b>		
		<b>Petersburg East I &amp; II (@50%)</b>	<b>\$657</b>			
		<b>Petersburg East I &amp; II (@50%)(1.5BA)</b>	<b>\$652</b>			
		<b>Petersburg East I &amp; II (@50%)</b>	<b>\$647</b>			
<b>SQUARE FOOTAGE</b>	Addison Crater Woods (Market)	868	Addison Crater Woods (Market)(2BA)	1,196	Pinetree Apartments (@60%)(2BA)	1,364
	Jefferson South Of The James (Market)	850	Addison Crater Woods (Market)(2BA)	1,183	Addison Crater Woods (Market)(2BA)	1,349
	Addison Crater Woods (Market)	806	Addison Crater Woods (Market)(2BA)	1,154	Pinetree Apartments (@60%)(2BA)	1,264
	Pinetree Apartments (@60%)	780	Pinetree Apartments (@60%)(2BA)	1,080	Tanglewood Apartments (Market)	1,224
	Woodmere Apartments (Market)	740	Pinetree Apartments (@60%)(2BA)	1,000	Lieutenant's Run (@60%)(2BA)	1,208
	Tanglewood Apartments (Market)	720	Lieutenant's Run (@60%)(2BA)	985	Clearfield Apartments (@60%)(2BA)	1,165
	Pinetree Apartments (@60%)	700	Clearfield Apartments (@60%)(2BA)	965	Woodmere Apartments (Market)(2BA)	1,120
	Woodmere Apartments (Market)	656	Woodmere Apartments (Market)(1.5BA)	964	Jefferson South Of The James (Market)(1BA)	1,100
	Crater Square Apartments (Market)	648	Jefferson South Of The James (Market)	945	Mattox Landing Apartments (@60%)(2BA)	1,072
	Addison Crater Woods (Market)	638	Tanglewood Apartments (Market)(1.5BA)	926	Mattox Landing Apartments (@60%)(2BA)	1,072
	Oaks Of Dunlop Farms (@60%)	590	Addison Crater Woods (Market)(2BA)	924	Jesse Lee (@50%)(2BA)	1,038
	<b>Petersburg East I &amp; II (@50%)</b>	<b>469</b>	Woodmere Apartments (Market)	899	Oaks Of Dunlop Farms (@60%)(2BA)	947
	<b>Petersburg East I &amp; II (@50%)</b>	<b>469</b>	Woodmere Apartments (Market)	892	Crater Square Apartments (Market)	942
			Mattox Landing Apartments (@60%)(2BA)	891	<b>Petersburg East I &amp; II (@50%)</b>	<b>934</b>
			Mattox Landing Apartments (@60%)(2BA)	891	<b>Petersburg East I &amp; II (@50%)</b>	<b>934</b>
			Addison Crater Woods (Market)(2BA)	881		
			Jesse Lee (@50%)(2BA)	834		
			Oaks Of Dunlop Farms (@60%)(2BA)	796		
			Crater Square Apartments (Market)	774		
			<b>Petersburg East I &amp; II (@50%)(1.5BA)</b>	<b>729</b>		
		<b>Petersburg East I &amp; II (@50%)</b>	<b>718</b>			
		<b>Petersburg East I &amp; II (@50%)</b>	<b>718</b>			
		<b>Petersburg East I &amp; II (@50%)</b>	<b>718</b>			
<b>RENT PER SQUARE FOOT</b>	Addison Crater Woods (Market)	\$1.63	Oaks Of Dunlop Farms (@60%)(2BA)	\$1.38	Oaks Of Dunlop Farms (@60%)(2BA)	\$1.37
	Oaks Of Dunlop Farms (@60%)	\$1.59	Addison Crater Woods (Market)(2BA)	\$1.38	Mattox Landing Apartments (@60%)(2BA)	\$1.17
	Addison Crater Woods (Market)	\$1.42	Addison Crater Woods (Market)(2BA)	\$1.31	Addison Crater Woods (Market)(2BA)	\$1.16
	Addison Crater Woods (Market)	\$1.36	Addison Crater Woods (Market)(2BA)	\$1.21	Clearfield Apartments (@60%)(2BA)	\$1.09
	Pinetree Apartments (@60%)	\$1.30	Mattox Landing Apartments (@60%)(2BA)	\$1.20	Mattox Landing Apartments (@60%)(2BA)	\$1.07
	Crater Square Apartments (Market)	\$1.23	Addison Crater Woods (Market)(2BA)	\$1.18	Jefferson South Of The James (Market)(1BA)	\$1.01
	<b>Petersburg East I &amp; II (@50%)</b>	<b>\$1.20</b>	Addison Crater Woods (Market)(2BA)	\$1.15	Crater Square Apartments (Market)	\$1.01
	<b>Petersburg East I &amp; II (@50%)</b>	<b>\$1.18</b>	Clearfield Apartments (@60%)(2BA)	\$1.14	Pinetree Apartments (@60%)(2BA)	\$0.99
	Pinetree Apartments (@60%)	\$1.17	Crater Square Apartments (Market)	\$1.10	Pinetree Apartments (@60%)(2BA)	\$0.92
	Tanglewood Apartments (Market)	\$1.13	Mattox Landing Apartments (@60%)(2BA)	\$1.08	Jesse Lee (@50%)(2BA)	\$0.87
	Woodmere Apartments (Market)	\$1.12	Jefferson South Of The James (Market)	\$1.02	Tanglewood Apartments (Market)	\$0.87
	Woodmere Apartments (Market)	\$1.03	Pinetree Apartments (@60%)(2BA)	\$1.00	<b>Petersburg East I &amp; II (@50%)</b>	<b>\$0.85</b>
	Jefferson South Of The James (Market)	\$0.96	Tanglewood Apartments (Market)(1.5BA)	\$0.99	<b>Petersburg East I &amp; II (@50%)</b>	<b>\$0.84</b>
			<b>Petersburg East I &amp; II (@50%)</b>	<b>\$0.95</b>	Woodmere Apartments (Market)(2BA)	\$0.82
			Jesse Lee (@50%)(2BA)	\$0.94	Lieutenant's Run (@60%)(2BA)	\$0.77
			Pinetree Apartments (@60%)(2BA)	\$0.94		
			<b>Petersburg East I &amp; II (@50%)</b>	<b>\$0.92</b>		
			<b>Petersburg East I &amp; II (@50%)</b>	<b>\$0.90</b>		
			Woodmere Apartments (Market)	\$0.90		
			<b>Petersburg East I &amp; II (@50%)(1.5BA)</b>	<b>\$0.89</b>		
		Woodmere Apartments (Market)	\$0.89			
		Woodmere Apartments (Market)(1.5BA)	\$0.86			
		Lieutenant's Run (@60%)(2BA)	\$0.84			

# PROPERTY PROFILE REPORT

## Clearfield Apartments

Effective Rent Date	11/20/2020
Location	100 Clearfield Circle Colonial Heights, VA 23824 Colonial Heights County
Distance	2.9 miles
Units	144
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1992 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Rhonda
Phone	804-352-6633



### Market Information

Program	@60%
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	30%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Kept at max
Concession	None
Waiting List	None

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	72	965	\$1,031	\$0	@60%	No	0	0.0%	yes	None
3	2	Garden (2 stories)	72	1,165	\$1,168	\$0	@60%	No	0	0.0%	yes	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$1,031	\$0	\$1,031	\$66	\$1,097
3BR / 2BA	\$1,168	\$0	\$1,168	\$101	\$1,269

## Clearfield Apartments, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer(\$40.00)	Washer/Dryer hookup		
Property		Premium	Other
Carport	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Playground	Swimming Pool		
Volleyball Court			

### Comments

Washer/dryers are available to rent for \$40 per month. The property accepts Housing Choice Vouchers but the contact was unable to determine how many tenants were using vouchers. The contact noted that they did make payment arrangements for those laid off due to COVID-19 and the property applied for the financial assistance program from the State of Virginia.

## Clearfield Apartments, continued

### Trend Report

#### Vacancy Rates

4Q17	4Q18	1Q20	4Q20
0.0%	6.9%	3.5%	0.0%

Trend: @60%

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	N/A	\$799 - \$854	\$0	\$799 - \$854	\$865 - \$920
2018	4	6.9%	\$930	\$0	\$930	\$996
2020	1	6.9%	\$930	\$0	\$930	\$996
2020	4	0.0%	\$1,031	\$0	\$1,031	\$1,097

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	\$967	\$0	\$967	\$1,068
2018	4	6.9%	\$1,052	\$0	\$1,052	\$1,153
2020	1	0.0%	\$1,052	\$0	\$1,052	\$1,153
2020	4	0.0%	\$1,168	\$0	\$1,168	\$1,269

### Trend: Comments

4Q17	The property maintains a waiting list consisting of five to 10 households. Washer/dryers are available to rent for \$40 per month.
4Q18	Washer/dryers are available to rent for \$40 per month. The contact did not have an explanation for the relatively high vacancy rate.
1Q20	Washer/dryers are available to rent for \$40 per month. The property accepts Housing Choice Vouchers but the contact was unable to determine how many tenants were using vouchers.
4Q20	Washer/dryers are available to rent for \$40 per month. The property accepts Housing Choice Vouchers but the contact was unable to determine how many tenants were using vouchers. The contact noted that they did make payment arrangements for those laid off due to COVID-19 and the property applied for the financial assistance program from the State of Virginia.

# PROPERTY PROFILE REPORT

Jesse Lee

Effective Rent Date	10/28/2020
Location	401 Roberts Avenue Petersburg, VA 23805 Petersburg County
Distance	3.1 miles
Units	108
Vacant Units	1
Vacancy Rate	0.9%
Type	Garden (3 stories)
Year Built/Renovated	2008 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Lieutenant's Run
Tenant Characteristics	Mixed tenancy
Contact Name	Leasing Agent
Phone	804-733-4331



## Market Information

Program	@50%
Annual Turnover Rate	17%
Units/Month Absorbed	18
HCV Tenants	37%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Remained stable since 2Q19
Concession	None
Waiting List	None

## Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

## Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (3 stories)	78	834	\$721	\$0	@50%	No	0	0.0%	no	None
3	2	Garden (3 stories)	30	1,038	\$802	\$0	@50%	No	1	3.3%	no	None

## Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$721	\$0	\$721	\$66	\$787
3BR / 2BA	\$802	\$0	\$802	\$101	\$903

## Amenities

In-Unit		Security	Services
Blinds	Carpeting	None	None
Central A/C	Coat Closet		
Dishwasher	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Central Laundry	Off-Street Parking	None	None
On-Site Management	Playground		
Swimming Pool			

## Comments

The contact stated that they do not maintain a waiting list. The contact stated that during the COVID-19 pandemic this property has been negatively impacted, specifically the tenant's inability to pay rent, which has resulted in an increase in vacancies.



## Trend Report

### Vacancy Rates

2Q17	4Q17	2Q19	4Q20
1.9%	3.7%	0.9%	0.9%

### Trend: @50%

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	2	2.6%	\$701	\$0	\$701	\$767
2017	4	2.6%	\$701	\$58	\$643	\$709
2019	2	0.0%	\$721	\$0	\$721	\$787
2020	4	0.0%	\$721	\$0	\$721	\$787

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	2	0.0%	\$782	\$0	\$782	\$883
2017	4	6.7%	\$782	\$65	\$717	\$818
2019	2	3.3%	\$802	\$0	\$802	\$903
2020	4	3.3%	\$802	\$0	\$802	\$903

### Trend: Comments

2Q17	The contact stated that they do not maintain a waiting list.
4Q17	The contact stated that they do not maintain a waiting list. The property is currently offering a concession of one month free for all units.
2Q19	The contact stated that they do not maintain a waiting list.
4Q20	The contact stated that they do not maintain a waiting list. The contact stated that during the COVID-19 pandemic this property has been negatively impacted, specifically the tenant's inability to pay rent, which has resulted in an increase in vacancies.

Photos



# PROPERTY PROFILE REPORT

## Lieutenant's Run

Effective Rent Date	3/10/2021
Location	102 Lieutenants Run Drive Petersburg, VA 23805 Petersburg County
Distance	3.1 miles
Units	168
Vacant Units	3
Vacancy Rate	1.8%
Type	Garden (3 stories)
Year Built/Renovated	2005 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mostly from Petersburg area
Contact Name	Jaleisa
Phone	804-722-9625



### Market Information

Program	@60%
Annual Turnover Rate	33%
Units/Month Absorbed	N/A
HCV Tenants	40%
Leasing Pace	Within two weeks
Annual Chg. in Rent	No change
Concession	None
Waiting List	Yes, eight households

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (3 stories)	84	985	\$825	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	84	1,208	\$930	\$0	@60%	Yes	3	3.6%	no	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$825	\$0	\$825	\$66	\$891
3BR / 2BA	\$930	\$0	\$930	\$101	\$1,031

### Amenities

In-Unit	Security	Services
Balcony/Patio	None	None
Carpeting		
Coat Closet		
Garbage Disposal		
Refrigerator		
Washer/Dryer(\$40.00)		
Blinds		
Central A/C		
Dishwasher		
Oven		
Walk-In Closet		
Washer/Dryer hookup		
Property	Premium	Other
Clubhouse/Meeting Room/Community	None	None
Off-Street Parking		
Playground		
Central Laundry		
On-Site Management		
Swimming Pool		

### Comments

The property manager reported the rents were not at the maximum allowable levels. However, the contact stated higher rents are not achievable as long as the pandemic continues. During the COVID-19 pandemic, a few residents have been unable to pay their rent on time. However, payment plans are in place for the delinquent tenants. Further, the property manager reported the amount of traffic and inquiries on units has been stable.

## Lieutenant's Run, continued

### Trend Report

#### Vacancy Rates

3Q16	2Q19	4Q20	1Q21
6.0%	14.3%	2.4%	1.8%

Trend: @60%

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	3	6.0%	\$723	\$0	\$723	\$789
2019	2	15.5%	\$775	\$0	\$775	\$841
2020	4	0.0%	\$825	\$0	\$825	\$891
2021	1	0.0%	\$825	\$0	\$825	\$891

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	3	6.0%	\$850	\$0	\$850	\$951
2019	2	13.1%	\$895	\$0	\$895	\$996
2020	4	4.8%	\$930	\$0	\$930	\$1,031
2021	1	3.6%	\$930	\$0	\$930	\$1,031

### Trend: Comments

3Q16 N/A

2Q19 The contact reported that the high vacancy rate has been typical the past few years. The contact stated that this was not due to lack of demand, but due to prospective tenants not being able to qualify and pass background and credit checks.

4Q20 The manager stated maximum allowable rents are likely not achievable in the area. During the COVID-19 pandemic they believed they were negatively impacted due to tenant's inability to pay full rent.

1Q21 The property manager reported the rents were not at the maximum allowable levels. However, the contact stated higher rents are not achievable as long as the pandemic continues. During the COVID-19 pandemic, a few residents have been unable to pay their rent on time. However, payment plans are in place for the delinquent tenants. Further, the property manager reported the amount of traffic and inquiries on units has been stable.

Photos



# PROPERTY PROFILE REPORT

## Mattox Landing Apartments

Effective Rent Date	11/19/2020
Location	205 Archer Avenue Colonial Heights, VA 23834 Chesterfield County
Distance	2.5 miles
Units	88
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	2000 / 2019
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Families
Contact Name	Michelle
Phone	804-504-0230



### Market Information

Program	@60%
Annual Turnover Rate	40%
Units/Month Absorbed	N/A
HCV Tenants	20%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased 7-8% annually since 3Q17
Concession	None
Waiting List	None

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (3 stories)	44	891	\$900	\$0	@60%	No	0	0.0%	no	None
2	2	Garden (3 stories)	N/A	891	\$1,000	\$0	@60%	No	0	N/A	no	None
3	2	Garden (3 stories)	44	1,072	\$1,050	\$0	@60%	No	0	0.0%	no	None
3	2	Garden (3 stories)	N/A	1,072	\$1,150	\$0	@60%	No	0	N/A	no	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$900 - \$1,000	\$0	\$900 - \$1,000	\$66	\$966 - \$1,066
3BR / 2BA	\$1,050 - \$1,150	\$0	\$1,050 - \$1,150	\$101	\$1,151 - \$1,251

## Mattox Landing Apartments, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Exercise Facility	None	None
Central Laundry	Off-Street Parking		
On-Site Management	Swimming Pool		

### Comments

This property is formerly known as Riverview Apartments. The property was sold, and underwent renovations and a name change in 2019, which included new flooring and new appliances. The property has supported residents with payment plans and helping them apply for grants from the State of Virginia. The property has not seen a drop in occupancy though. The difference in rent is reflective of whether the property is renovated.



## Mattox Landing Apartments, continued

### Trend Report

#### Vacancy Rates

4Q16	1Q17	4Q17	4Q20
1.1%	6.8%	1.1%	0.0%

Trend: @60%

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$785	\$0	\$785	\$851
2017	1	13.6%	\$785	\$0	\$785	\$851
2017	4	2.3%	\$785	\$0	\$785	\$851
2020	4	N/A	\$900 - \$1,000	\$0	\$900 - \$1,000	\$966 - \$1,066

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	2.3%	\$925	\$0	\$925	\$1,026
2017	1	0.0%	\$925	\$0	\$925	\$1,026
2017	4	0.0%	\$925	\$0	\$925	\$1,026
2020	4	N/A	\$1,050 - \$1,150	\$0	\$1,050 - \$1,150	\$1,151 - \$1,251

### Trend: Comments

4Q16 N/A

1Q17 The property does accept Housing Choice Vouchers, and approximately eight tenants currently participate in the program. The contact indicated there is a three household waiting list for its three-bedroom units. Vacancy is elevated due to recent tenants moving out, and a longer leasing pace during the winter.

4Q17 Washer/dryers are available to rent for \$40 per month.

4Q20 This property is formerly known as Riverview Apartments. The property was sold, and underwent renovations and a name change in 2019, which included new flooring and new appliances. The property has supported residents with payment plans and helping them apply for grants from the State of Virginia. The property has not seen a drop in occupancy though. The difference in rent is reflective of whether the property is renovated.

# PROPERTY PROFILE REPORT

## Oaks Of Dunlop Farms

Effective Rent Date	3/10/2021
Location	101 Old Oak Lane Colonial Heights, VA 23834 Colonial Heights County
Distance	2.7 miles
Units	144
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1992 / 2012
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Families from the Colonial Heights area
Contact Name	Francesca
Phone	804-520-8500



### Market Information

Program	@60%
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	10%
Leasing Pace	Pre-leased to one weeks
Annual Chg. in Rent	Kept at max
Concession	None
Waiting List	Yes; five households

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	44	590	\$940	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	78	796	\$1,100	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	22	947	\$1,300	\$0	@60%	Yes	0	0.0%	yes	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$940	\$0	\$940	\$0	\$940
2BR / 2BA	\$1,100	\$0	\$1,100	\$0	\$1,100
3BR / 2BA	\$1,300	\$0	\$1,300	\$0	\$1,300

## Oaks Of Dunlop Farms, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Fireplace	Garbage Disposal		
Oven	Refrigerator		
Washer/Dryer(\$50.00)	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Off-Street Parking	None	None
On-Site Management	Playground		
Swimming Pool	Volleyball Court		

### Comments

According to the property manager, the property has experienced no significant impact from the COVID-19 pandemic. Further, the demand for rental housing in the area is high.

## Oaks Of Dunlop Farms, continued

### Trend Report

#### Vacancy Rates

4Q19	1Q20	4Q20	1Q21
0.7%	2.1%	0.0%	0.0%

Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	4	0.0%	\$900	\$0	\$900	\$900
2020	1	0.0%	\$900	\$0	\$900	\$900
2020	4	0.0%	\$940	\$0	\$940	\$940
2021	1	0.0%	\$940	\$0	\$940	\$940

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	4	0.0%	\$1,070	\$0	\$1,070	\$1,070
2020	1	2.6%	\$1,070	\$0	\$1,070	\$1,070
2020	4	0.0%	\$1,100	\$0	\$1,100	\$1,100
2021	1	0.0%	\$1,100	\$0	\$1,100	\$1,100

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	4	4.5%	\$1,250	\$0	\$1,250	\$1,250
2020	1	4.5%	\$1,250	\$0	\$1,250	\$1,250
2020	4	0.0%	\$1,300	\$0	\$1,300	\$1,300
2021	1	0.0%	\$1,300	\$0	\$1,300	\$1,300

### Trend: Comments

4Q19	The property maintains a two household waiting list for two-bedroom units; there is no waiting list for one or three-bedroom units. Washer/dryers are available to rent for \$50 per month.
1Q20	Washer/dryers are available to rent for \$50 per month. The contact had no additional comments.
4Q20	Tenants can rent in-unit washer/dryers for \$50 per month. The property has negotiated payment plans for two tenants who have lost their jobs due to COVID-19; however, rent collection and vacancy has been largely unaffected.
1Q21	According to the property manager, the property has experienced no significant impact from the COVID-19 pandemic. Further, the demand for rental housing in the area is high.

Photos



# PROPERTY PROFILE REPORT

## Pinetree Apartments

Effective Rent Date	11/03/2020
Location	3100 Pinetree Drive Petersburg, VA 23803 Petersburg County
Distance	2.7 miles
Units	144
Vacant Units	4
Vacancy Rate	2.8%
Type	Townhouse (2 stories)
Year Built/Renovated	1995 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Families and 20 percent seniors from Petersburg
Contact Name	Michelle
Phone	804-862-1231



### Market Information

Program	@60%
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	20%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased 7%
Concession	None
Waiting List	None

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Townhouse (2 stories)	8	700	\$910	\$0	@60%	No	0	0.0%	no	None
1	1	Townhouse (2 stories)	N/A	780	\$910	\$0	@60%	No	0	N/A	no	None
2	2	Townhouse (2 stories)	128	1,000	\$1,000	\$0	@60%	No	2	1.6%	no	None
2	2	Townhouse (2 stories)	N/A	1,080	\$1,010	\$0	@60%	No	2	N/A	no	None
3	2	Townhouse (2 stories)	8	1,264	\$1,250	\$0	@60%	No	0	0.0%	no	None
3	2	Townhouse (2 stories)	N/A	1,364	\$1,250	\$0	@60%	No	0	N/A	no	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$910	\$0	\$910	\$0	\$910
2BR / 2BA	\$1,000 - \$1,010	\$0	\$1,000 - \$1,010	\$0	\$1,000 - \$1,010
3BR / 2BA	\$1,250	\$0	\$1,250	\$0	\$1,250

## Pinetree Apartments, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Garbage Disposal	Oven		
Refrigerator	Vaulted Ceilings		
Walk-In Closet	Washer/Dryer(\$40.00)		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Playground	Swimming Pool		

### Comments

The contact noted that maximum allowable rents are likely achievable in the area. The contact noted little impact from COVID-19.

Trend Report

Vacancy Rates

2Q16	3Q16	2Q19	4Q20
0.0%	2.8%	6.9%	2.8%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$710	\$0	\$710	\$710
2016	3	N/A	\$710	\$0	\$710	\$710
2019	2	N/A	\$685 - \$710	\$0	\$685 - \$710	\$685 - \$710
2020	4	N/A	\$910	\$0	\$910	\$910

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$765 - \$810	\$0	\$765 - \$810	\$765 - \$810
2016	3	N/A	\$765 - \$820	\$0	\$765 - \$820	\$765 - \$820
2019	2	N/A	\$765 - \$810	\$0	\$765 - \$810	\$765 - \$810
2020	4	N/A	\$1,000 - \$1,010	\$0	\$1,000 - \$1,010	\$1,000 - \$1,010

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$895	\$0	\$895	\$895
2016	3	N/A	\$895 - \$920	\$0	\$895 - \$920	\$895 - \$920
2019	2	N/A	\$895 - \$920	\$0	\$895 - \$920	\$895 - \$920
2020	4	N/A	\$1,250	\$0	\$1,250	\$1,250

Trend: Comments

2Q16	The 700 square-foot unit rent were raised four percent to be the same rent as the 780 square-foot units. The 1,364 square-foot unit rent was lowered 10 percent to match the rent on the 1,264 square-foot units.
3Q16	The property does accept housing choice vouchers and maintains a waiting list. The contact stated that rents are set below the maximum allowable levels and that management intentionally keeps low to keep housing affordable for residents.
2Q19	The contact stated that rents are set below the maximum allowable levels and that management intentionally keeps low to keep housing affordable for residents.
4Q20	The contact noted that maximum allowable rents are likely achievable in the area. The contact noted little impact from COVID-19.



Photos



# PROPERTY PROFILE REPORT

## Addison Crater Woods

Effective Rent Date	3/10/2021
Location	200 Addison Way Petersburg, VA 23805 Petersburg County
Distance	4 miles
Units	637
Vacant Units	4
Vacancy Rate	0.6%
Type	Garden (3 stories)
Year Built/Renovated	1985 / 2020
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Shadiamond
Phone	804-732-0220



### Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within two weeks
Annual Chg. in Rent	Changes daily; trending positive
Concession	None
Waiting List	None

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	121	638	\$994	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (3 stories)	61	806	\$1,050	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (3 stories)	61	868	\$1,184	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	61	881	\$1,149	\$0	Market	No	2	3.3%	N/A	None
2	2	Garden (3 stories)	62	924	\$1,149	\$0	Market	No	2	3.2%	N/A	None
2	2	Garden (3 stories)	62	1,154	\$1,259	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	61	1,183	\$1,329	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	61	1,196	\$1,379	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	87	1,349	\$1,459	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$994 - \$1,184	\$0	\$994 - \$1,184	\$49	\$1,043 - \$1,233
2BR / 2BA	\$1,149 - \$1,379	\$0	\$1,149 - \$1,379	\$66	\$1,215 - \$1,445
3BR / 2BA	\$1,459	\$0	\$1,459	\$101	\$1,560

## Addison Crater Woods, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpeting	Central A/C	Patrol	
Coat Closet	Dishwasher	Video Surveillance	
Exterior Storage	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Vaulted Ceilings	Washer/Dryer		
Washer/Dryer hookup			
Property		Premium	Other
Basketball Court	Business Center/Computer Lab	None	Billiards
Car Wash	Clubhouse/Meeting Room/Community		
Exercise Facility	Garage(\$100.00)		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool	Tennis Court		
Wi-Fi			

### Comments

According to the property manager, the property has experienced no significant impact from the COVID-19 pandemic. Further, the demand for rental housing in the area is high.

## Addison Crater Woods, continued

### Trend Report

#### Vacancy Rates

3Q16	2Q19	4Q20	1Q21
1.9%	1.9%	0.6%	0.6%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	3	N/A	\$849 - \$925	\$0	\$849 - \$925	\$898 - \$974
2019	2	2.1%	\$892 - \$979	\$0	\$892 - \$979	\$941 - \$1,028
2020	4	0.0%	\$994 - \$1,184	\$0	\$994 - \$1,184	\$1,043 - \$1,233
2021	1	0.0%	\$994 - \$1,184	\$0	\$994 - \$1,184	\$1,043 - \$1,233

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	3	N/A	\$849 - \$999	\$0	\$849 - \$999	\$915 - \$1,065
2019	2	1.6%	\$899 - \$1,329	\$0	\$899 - \$1,329	\$965 - \$1,395
2020	4	1.3%	\$1,149 - \$1,379	\$0	\$1,149 - \$1,379	\$1,215 - \$1,445
2021	1	1.3%	\$1,149 - \$1,379	\$0	\$1,149 - \$1,379	\$1,215 - \$1,445

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	3	0.0%	\$1,249	\$0	\$1,249	\$1,350
2019	2	2.3%	\$1,349	\$0	\$1,349	\$1,450
2020	4	0.0%	\$1,459	\$0	\$1,459	\$1,560
2021	1	0.0%	\$1,459	\$0	\$1,459	\$1,560

### Trend: Comments

3Q16	The property maintains a wait list consisting of two households. The property does not accept Housing Choice Vouchers. There are currently 12 vacancies.
2Q19	The property does not accept Housing Choice Vouchers.
4Q20	The property currently accepts Housing Choice Vouchers, but could not give an estimate due to confidentiality. The property underwent extensive renovations in 2020, which included a new clubhouse, business center, dog park, picnic areas, and an indoor basketball court. In addition, all units were updated with stainless steel appliances, wood flooring, new paint, doors, window, fixtures, cabinets, and countertops. The contact noted rents were increased between \$100 and \$150 post-renovation. Garage parking is available to tenants for an additional \$100 per month. The contact noted little impact from COVID-19.
1Q21	According to the property manager, the property has experienced no significant impact from the COVID-19 pandemic. Further, the demand for rental housing in the area is high.

Photos



# PROPERTY PROFILE REPORT

## Crater Square Apartments

Effective Rent Date	10/29/2020
Location	1025 S Crater Road Petersburg, VA 23805 Petersburg County
Distance	2.1 miles
Units	130
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1963 / 2010
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Michelle
Phone	804-733-6298



### Market Information

Program	Market
Annual Turnover Rate	40%
Units/Month Absorbed	N/A
HCV Tenants	5%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased 15-21% since 2Q19
Concession	None
Waiting List	None

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	16	648	\$799	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	70	774	\$849	\$0	Market	No	0	0.0%	N/A	None
3	1.5	Garden (2 stories)	44	942	\$949	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$799	\$0	\$799	\$0	\$799
2BR / 1BA	\$849	\$0	\$849	\$0	\$849
3BR / 1.5BA	\$949	\$0	\$949	\$0	\$949

## Crater Square Apartments, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Central Laundry	Off-Street Parking		
On-Site Management	Playground		
Swimming Pool			

### Comments

The contact noted little impact from COVID-19. According to the contact, the rental market in the area is strong due to the proximity to Fort Lee, and its proximity to Richmond.

## Crater Square Apartments, continued

### Trend Report

#### Vacancy Rates

3Q13	2Q17	2Q19	4Q20
3.1%	6.2%	2.3%	0.0%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	3	6.2%	\$599	\$0	\$599	\$599
2017	2	6.2%	\$665	\$0	\$665	\$665
2019	2	0.0%	\$629	\$0	\$629	\$629
2020	4	0.0%	\$799	\$0	\$799	\$799

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	3	4.3%	\$659	\$0	\$659	\$659
2017	2	8.6%	\$719	\$0	\$719	\$719
2019	2	1.4%	\$769	\$0	\$769	\$769
2020	4	0.0%	\$849	\$0	\$849	\$849

#### 3BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	3	0.0%	\$699	\$0	\$699	\$699
2017	2	2.3%	\$765	\$0	\$765	\$765
2019	2	4.5%	\$779	\$0	\$779	\$779
2020	4	0.0%	\$949	\$0	\$949	\$949

### Trend: Comments

3Q13	Contact stated that the property does not accept Housing Choice Vouchers. None of the vacancies are preleased.
2Q17	The contact stated that the property does not accept Housing Choice Vouchers.
2Q19	N/A
4Q20	The contact noted little impact from COVID-19. According to the contact, the rental market in the area is strong due to the proximity to Fort Lee, and its proximity to Richmond.



Photos



# PROPERTY PROFILE REPORT

## Jefferson South Of The James

Effective Rent Date	10/29/2020
Location	1800 Boydton Plank Road Petersburg, VA 23805 Petersburg County
Distance	4.1 miles
Units	200
Vacant Units	4
Vacancy Rate	2.0%
Type	Garden (3 stories)
Year Built/Renovated	1974 / 2000/2013
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Kima
Phone	804-722-5444



### Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	1%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased 7-18% since 2Q19
Concession	None
Waiting List	None

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	included -- gas
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	48	850	\$829	\$0	Market	No	1	2.1%	N/A	None
2	1	Garden (3 stories)	122	945	\$974	\$0	Market	No	3	2.5%	N/A	None
3	1	Garden (3 stories)	30	1,100	\$1,129	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$829	\$0	\$829	-\$11	\$818
2BR / 1BA	\$974	\$0	\$974	-\$13	\$961
3BR / 1BA	\$1,129	\$0	\$1,129	-\$18	\$1,111

## Jefferson South Of The James, continued

### Amenities

In-Unit		Security	Services
Blinds	Carpeting	Limited Access	None
Central A/C	Coat Closet	Perimeter Fencing	
Dishwasher	Oven		
Refrigerator	Washer/Dryer		
Washer/Dryer hookup			
Property		Premium	Other
Courtyard	Off-Street Parking	None	None
On-Site Management	Playground		

### Comments

The property converted from a LIHTC property to a conventional market rate property in 2013. The property accepts Housing Choice Vouchers, but the contact was unsure of how many tenants were utilizing them. The contact noted little impact from COVID-19.

Trend Report

Vacancy Rates

3Q16	2Q19	4Q20
6.0%	5.5%	2.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	3	8.3%	\$649	\$54	\$595	\$584
2019	2	6.2%	\$775	\$0	\$775	\$764
2020	4	2.1%	\$829	\$0	\$829	\$818

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	3	3.3%	\$695	\$58	\$637	\$624
2019	2	4.1%	\$825	\$0	\$825	\$812
2020	4	2.5%	\$974	\$0	\$974	\$961

3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	3	13.3%	\$715	\$60	\$655	\$637
2019	2	10.0%	\$925	\$0	\$925	\$907
2020	4	0.0%	\$1,129	\$0	\$1,129	\$1,111

Trend: Comments

3Q16	The property converted from a LIHTC property to a conventional market rate property in 2013. The property is currently offering one month free for vacant units. The property does accept housing choice vouchers but the contact was unsure of the number of voucher holders.
2Q19	The property converted from a LIHTC property to a conventional market rate property in 2013. The property does accept housing choice vouchers but the contact was unsure of the number of voucher holders.
4Q20	The property converted from a LIHTC property to a conventional market rate property in 2013. The property accepts Housing Choice Vouchers, but the contact was unsure of how many tenants were utilizing them. The contact noted little impact from COVID-19.

# PROPERTY PROFILE REPORT

## Tanglewood Apartments

Effective Rent Date	3/10/2021
Location	1700 Johnson Road Petersburg, VA 23805 Petersburg County
Distance	3.2 miles
Units	408
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1976 / 1993
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Brittany
Phone	855-202-8648



### Market Information

Program	Market
Annual Turnover Rate	7%
Units/Month Absorbed	N/A
HCV Tenants	2%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased up to eight percent
Concession	None
Waiting List	None

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	112	720	\$815	\$0	Market	No	0	0.0%	N/A	None
2	1.5	Garden (2 stories)	280	926	\$935	\$0	Market	No	0	0.0%	N/A	None
3	1.5	Garden (2 stories)	16	1,224	\$1,010	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$815	\$0	\$815	\$49	\$864
2BR / 1.5BA	\$935	\$0	\$935	\$66	\$1,001
3BR / 1.5BA	\$1,010	\$0	\$1,010	\$101	\$1,111

## Tanglewood Apartments, continued

### Amenities

In-Unit		Security	Services
Blinds	Carpeting	In-Unit Alarm	None
Central A/C	Coat Closet		
Dishwasher	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer		
Washer/Dryer hookup			
Property		Premium	Other
Exercise Facility	Central Laundry	None	None
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Recreation Areas	Swimming Pool		

### Comments

The property is currently renovating units as they become vacant. However, the contact was unable to provide an approximate number units that have been renovated as of the date of this interview. The rents in the profile reflect renovated units. Renovations include new flooring, appliances, and light fixtures. During the COVID-19 pandemic, a few residents have been unable to pay their rent on time. However, payment plans are in place for the delinquent tenants. Further, the contact reported demand for rental housing in the area is high.

## Tanglewood Apartments, continued

### Trend Report

#### Vacancy Rates

4Q17	2Q19	4Q20	1Q21
12.5%	3.4%	0.0%	0.0%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	12.5%	\$670	\$0	\$670	\$719
2019	2	5.4%	\$670	\$0	\$670	\$719
2020	4	0.0%	\$765	\$0	\$765	\$814
2021	1	0.0%	\$815	\$0	\$815	\$864

#### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	12.5%	\$760	\$0	\$760	\$826
2019	2	2.1%	\$780	\$0	\$780	\$846
2020	4	0.0%	\$855	\$0	\$855	\$921
2021	1	0.0%	\$935	\$0	\$935	\$1,001

#### 3BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	12.5%	\$862	\$0	\$862	\$963
2019	2	12.5%	\$880	\$0	\$880	\$981
2020	4	0.0%	\$960	\$0	\$960	\$1,061
2021	1	0.0%	\$1,010	\$0	\$1,010	\$1,111

### Trend: Comments

4Q17	The property does not accept Housing Choice Vouchers.
2Q19	N/A
4Q20	The contact noted that the property has negotiated payment plans for tenants who have lost their jobs as a result of the pandemic; however, occupancy rates have remained stable.
1Q21	The property is currently renovating units as they become vacant. However, the contact was unable to provide an approximate number units that have been renovated as of the date of this interview. The rents in the profile reflect renovated units. Renovations include new flooring, appliances, and light fixtures. During the COVID-19 pandemic, a few residents have been unable to pay their rent on time. However, payment plans are in place for the delinquent tenants. Further, the contact reported demand for rental housing in the area is high.

# PROPERTY PROFILE REPORT

## Woodmere Apartments

Effective Rent Date	3/10/2021
Location	1 Woodmere Drive Petersburg, VA 23805 Petersburg County
Distance	2.8 miles
Units	148
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1965 / 2007
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Angela
Phone	804-732-5300



### Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one weeks
Annual Chg. in Rent	Annual increase of 1-2%
Concession	None
Waiting List	None

### Utilities

A/C	not included -- central
Cooking	not included -- gas
Water Heat	not included -- gas
Heat	not included -- gas
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	16	656	\$720	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (2 stories)	24	740	\$745	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	60	892	\$775	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	12	899	\$800	\$0	Market	No	0	0.0%	N/A	None
2	1.5	Garden (2 stories)	24	964	\$820	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	12	1,120	\$895	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$720 - \$745	\$0	\$720 - \$745	\$0	\$720 - \$745
2BR / 1BA	\$775 - \$800	\$0	\$775 - \$800	\$0	\$775 - \$800
2BR / 1.5BA	\$820	\$0	\$820	\$0	\$820
3BR / 2BA	\$895	\$0	\$895	\$0	\$895



## Woodmere Apartments, continued

### Amenities

#### In-Unit

Balcony/Patio  
Cable/Satellite/Internet  
Central A/C  
Dishwasher  
Oven  
Walk-In Closet

Blinds  
Carpeting  
Coat Closet  
Garbage Disposal  
Refrigerator

#### Security

None

#### Services

None

#### Property

Business Center/Computer Lab  
Off-Street Parking  
Picnic Area  
Swimming Pool

Central Laundry  
On-Site Management  
Recreation Areas

#### Premium

None

#### Other

Lake views

### Comments

During the COVID-19 pandemic, a few residents have been unable to pay their rent on time. However, payment plans are in place for the delinquent tenants. Further, the contact reported a stable amount of traffic and inquiries on units recently.

## Woodmere Apartments, continued

### Trend Report

#### Vacancy Rates

2Q16	4Q17	4Q20	1Q21
2.0%	1.4%	3.4%	0.0%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$685 - \$730	\$0	\$685 - \$730	\$685 - \$730
2017	4	5.0%	\$700 - \$747	\$0	\$700 - \$747	\$700 - \$747
2020	4	5.0%	\$735 - \$760	\$0	\$735 - \$760	\$735 - \$760
2021	1	0.0%	\$720 - \$745	\$0	\$720 - \$745	\$720 - \$745

#### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$785	\$0	\$785	\$785
2017	4	0.0%	\$802	\$0	\$802	\$802
2020	4	0.0%	\$825	\$0	\$825	\$825
2021	1	0.0%	\$820	\$0	\$820	\$820

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$740 - \$765	\$0	\$740 - \$765	\$740 - \$765
2017	4	0.0%	\$755 - \$780	\$0	\$755 - \$780	\$755 - \$780
2020	4	4.2%	\$790 - \$810	\$0	\$790 - \$810	\$790 - \$810
2021	1	0.0%	\$775 - \$800	\$0	\$775 - \$800	\$775 - \$800

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$860 - \$880	\$0	\$860 - \$880	\$860 - \$880
2017	4	0.0%	\$875	\$0	\$875	\$875
2020	4	0.0%	\$915	\$0	\$915	\$915
2021	1	0.0%	\$895	\$0	\$895	\$895

### Trend: Comments

2Q16	The contact would only provide current rent and vacancy information. All other details are from the previous report.
4Q17	N/A
4Q20	The property does not accept Housing Choice Vouchers. The contact noted an uptick in late payments at the onset of COVID-19, but indicated that the property has been largely unaffected in recent months.
1Q21	During the COVID-19 pandemic, a few residents have been unable to pay their rent on time. However, payment plans are in place for the delinquent tenants. Further, the contact reported a stable amount of traffic and inquiries on units recently.

LOCATION COMPARISON SUMMARY

#	Property Name	City	Tenancy	Rent Structure	Distance to Subject	Household Income	Median Home Value	Crime Index	Walk Score	Vacant Housing	% Renter HH
S	Petersburg East I & II	Petersburg	Family	LIHTC/ Section 8	-	\$15,674	\$136,500	87	26	17.0%	64.0%
1	Clearfield Apartments	Colonial Heights	Family	LIHTC	2.9 miles	\$50,396	\$124,300	122	40	4.2%	42.2%
2	Jesse Lee	Petersburg	Family	LIHTC	3.1 miles	\$35,259	\$154,600	226	43	8.0%	43.9%
3	Lieutenant's Run	Petersburg	Family	LIHTC	3.1 miles	\$38,886	\$154,600	115	12	17.1%	54.9%
4	Mattox Landing Apartments	Colonial Heights	Family	LIHTC	2.5 miles	\$35,622	\$166,700	142	34	10.2%	58.4%
5	Oaks Of Dunlop Farms	Colonial Heights	Family	LIHTC	2.7 miles	\$51,400	\$166,700	122	37	5.3%	39.2%
6	Pinetree Apartments	Petersburg	Family	LIHTC	2.7 miles	\$42,988	\$136,500	100	20	2.6%	55.1%
7	Addison Crater Woods	Petersburg	Family	Market	4.0 miles	\$53,152	\$154,600	155	33	2.6%	62.6%
8	Crater Square Apartments	Petersburg	Family	Market	2.1 miles	\$40,188	\$154,600	196	35	11.7%	43.6%
9	Jefferson South Of The James	Petersburg	Family	Market	4.1 miles	\$32,406	\$154,600	130	4	22.5%	45.9%
10	Tanglewood Apartments	Petersburg	Family	Market	3.2 miles	\$41,572	\$154,600	110	12	16.9%	50.6%
11	Woodmere Apartments	Petersburg	Family	Market	2.8 miles	\$41,731	\$154,600	226	61	16.2%	38.0%

**PROPERTY CHARACTERISTICS**

Following are relevant characteristics of comparable properties surveyed:

**Location**

The Subject is located in a neighborhood with lower crime risk relative to all of the comparables, and falls toward the median of the comparables in terms of walk score. However, all of the comparables are located in areas with higher median household income and the vast majority exhibit higher home values relative to the Subject. In terms of surrounding uses, the Subject site is adjacent to a vacant commercial and a vacant industrial use, both of which are in poor condition. Other uses in the Subject’s neighborhood, both commercial and residential, generally range from fair to average condition. Additionally, there are several industrial uses, as well as a regional landfill within one mile from the Subject. Based on our field inspection, uses in the neighborhoods immediately surrounding the comparables are slightly superior to superior relative to the Subject. Overall, the Subject’s location presents a disadvantage relative to the comparables.

**Size, Age and Condition**

Phase I and II of the Subject were originally constructed in 1975 and 1976, and were renovated with LIHTCs in 2004 and 2005, respectively. Based on our inspection of the Subject, units are currently in average condition. The Subject is proposed for additional renovations with LIHTC equity and will exhibit good condition post-renovation. The LIHTC comparables were built or last renovated between 1992 and 2019 and range from average to good condition. In comparison, the market rate comparables were originally built between 1963 and 1985, all of which were renovated between 1993 and 2020. Of the comparables, Jesse Lee, Lieutenant’s Run, Mattox Landing Apartments, and Addison Crater Woods exhibit good condition, similar to the Subject post-renovation. The remaining comparables exhibit average condition, slightly inferior to the Subject post-renovation.

**Unit Size**

The following table illustrates the unit sizes of the Subject and the comparable properties.

<b>UNIT SIZE COMPARISON</b>			
<b>Bedroom Type</b>	<b>1BR</b>	<b>2BR</b>	<b>3BR</b>
<b>Subject</b>	<b>469</b>	<b>718 - 729</b>	<b>934</b>
Average	727	957	1,143
Min	590	774	942
Max	868	1,196	1,364
<b>Advantage/Disadvantage</b>	<b>-35%</b>	<b>-24% to -25%</b>	<b>-18%</b>

As shown, the Subject’s unit sizes for all bedroom types are below the comparable ranges. Although the Subject’s unit sizes present a marketing disadvantage, the floor plans are functional based on our inspection of the Subject. Further, the small unit sizes do not appear to have affected the property’s performance historically, as the historical financials indicate vacancy and collection loss between 4.2 and 6.0 percent between 2017 and 2019. Further, all units benefit from subsidies. Nonetheless, we have taken the Subject’s unit sizes into account in our determination of achievable rents.

**Unit Amenities**

The Subject’s unit amenities include blinds, carpeting, central heating and air conditioning, and coat closets. Appliances include an oven/range, refrigerators, and dishwashers. Post-renovation, all units will also include microwaves. In terms of in-unit amenities, the Subject is slightly inferior to inferior relative to the majority of the comparables. Notable amenities the Subject lacks include patios/balconies, walk-in closets, in-unit washer/dryers or hookups, and garbage disposals, which are offered at the majority of the comparables. Overall, the Subject’s unit amenities present a marketing disadvantage, but do not appear to have impacted

historical performance. Further, the amenity package will be slightly improved post-renovation; therefore, we believe it will continue to be well-received.

### **Community Amenities**

The Subject's community amenities include a clubhouse/community room, central laundry, on-site management, a picnic area, and a playground. In addition, the Subject offers service coordination, which includes an after-school program for children. Post-renovation, the Subject will also offer common area WiFi. In terms of community amenities, the Subject is slightly inferior to the majority of the comparables. Notable amenities the Subject lacks include a business center, swimming pool, and exercise facility, which are offered at the majority of the comparables. It should be noted that the Subject has an indoor swimming pool that has not been in use since the property was renovated in 2004. At the time of this report, no plans have been provided for whether the pool would be removed or rehabbed per the scope of renovation. Overall, the Subject's community amenities present a marketing disadvantage, but do not appear to have impacted historical performance. Further, the amenity package will be slightly improved post-renovation; therefore, we believe it will continue to be well-received.

### **Security Features**

The Subject offers perimeter fencing as a security feature. Post-renovation, the Subject will also include video surveillance. Four of the comparables offer at least one security feature, similar to the Subject. The remaining comparables offer no security features, inferior to the Subject. As previously noted, the Subject is located in a neighborhood with lower crime risk relative to the comparables, and Subject management indicated that local crime is not a major concern. As such, we believe the Subject's security features appear appropriate.

### **Utility Structure**

Tenants at the Subject are responsible for gas heating, electric cooking, gas water heating, and general electric expenses. The landlord is responsible for cold water, sewer, and trash expenses, in addition to all common area utilities. There are no proposed changes to the utility structure post-renovation. The utility structure varies among the comparable properties; we have adjusted the comparable rents in accordance with the utility schedule obtained from the Petersburg Housing Authority, effective January 1, 2020, which is the most recent available.

### **Parking**

The Subject offers off-street parking, and the number of spaces appears adequate based on our inspection of the Subject. The Subject offers off-street surface parking for no additional fee, similar to all of the comparables. One comparable, Addison Crater Woods, also offers garage parking, but for an additional monthly fee of \$100. In addition, Clearfield Apartments offers carport parking for no additional fee. Overall, the Subject's parking appears adequate, and is similar to the majority of the comparables.

### **Summary of Property Characteristics**

All of the comparables are located within the PMA, within 4.1 miles of the Subject. The comparables are generally located in slightly superior neighborhood when compared to the Subject. The Subject is currently in average condition and will be in good overall condition post-renovation, similar to slightly superior to the comparable properties. The Subject's unit sizes are generally smaller than the comparables, and the amenities are slightly inferior to inferior relative to the surveyed properties. Nonetheless, we believe the Subject will continue to be well received post-renovation, as the property's condition and amenity package will be improved. Further, all of the Subject's units will continue to benefit from Section 8 subsidy post-renovation; thus, tenants will continue to pay just 30 percent of their income towards rent.

## MARKET CHARACTERISTICS

Following are relevant market characteristics for comparable properties surveyed.

### Vacancy Levels

The following table details vacancy levels at comparable properties.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Clearfield Apartments	LIHTC	Family	144	0	0.0%
Jesse Lee	LIHTC	Family	108	1	0.9%
Lieutenant's Run	LIHTC	Family	168	4	2.4%
Mattox Landing Apartments	LIHTC	Family	88	0	0.0%
Oaks Of Dunlop Farms	LIHTC	Family	144	0	0.0%
Pinetree Apartments	LIHTC	Family	144	4	2.8%
Addison Crater Woods	Market	Family	637	4	0.6%
Crater Square Apartments	Market	Family	130	0	0.0%
Jefferson South Of The James	Market	Family	200	4	2.0%
Tanglewood Apartments	Market	Family	408	0	0.0%
Woodmere Apartments	Market	Family	148	5	3.4%
<b>Total LIHTC</b>			<b>796</b>	<b>9</b>	<b>1.1%</b>
<b>Total Market Rate</b>			<b>1,523</b>	<b>13</b>	<b>0.9%</b>
<b>Overall Total</b>			<b>2,319</b>	<b>22</b>	<b>0.9%</b>

Physical vacancy rates among the comparables range from zero to 3.4 percent, with an overall vacancy rate of 0.9 percent in the market. Vacancy rates among the LIHTC properties range from zero to 2.8 percent, with an average of 1.1 percent. Further, three of the LIHTC comparables reported no vacancies. Vacancy rates among the market rate properties range from zero to 3.4 percent, with an average of 0.9 percent. The following table illustrates the Subject's historical vacancy and collection loss rates as obtained from the audited financial statements:

HISTORICAL VACANCY/COLLECTION	
Year	Vacancy/Collection Loss Rate
2019	4.2%
2018	5.0%
2017	6.0%

As shown, the Subject's historical vacancy and collection loss ranged between 4.2 and 6.0 percent from 2017 to 2019, with a decreasing trend. According to the rent roll dated November 23, 2020 (most recent available), the Subject is 89.3 percent occupied; however, management noted that several vacant units are pre-leased. Based upon the Subject's current/historical data and the comparable data, we believe the Subject will be able to achieve vacancy rates in line with historical performance. Therefore, we expect the Subject to operate with vacancy and collection loss of 5.0 percent post-renovation.

### Concessions

None of the comparables are currently offering concessions. Given the limited presence of concessions in the market, we do not believe that the Subject will need to offer concessions to remain stabilized.

**Turnover**

The following table details turnover rates at comparable properties.

<b>TURNOVER</b>			
<b>Property Name</b>	<b>Rent Structure</b>	<b>Tenancy</b>	<b>Annual Turnover</b>
Clearfield Apartments	LIHTC	Family	20%
Jesse Lee	LIHTC	Family	17%
Lieutenant's Run	LIHTC	Family	33%
Mattox Landing Apartments	LIHTC	Family	40%
Oaks Of Dunlop Farms	LIHTC	Family	15%
Pinetree Apartments	LIHTC	Family	25%
Addison Crater Woods	Market	Family	30%
Crater Square Apartments	Market	Family	40%
Jefferson South Of The James	Market	Family	30%
Tanglewood Apartments	Market	Family	7%
Woodmere Apartments	Market	Family	30%
<b>Average Turnover</b>			<b>26%</b>

The comparables reported vacancy rates ranging from seven to 40 percent with an overall average of 26 percent. The LIHTC comparables reported an average turnover rate of 25 percent, slightly below the 27 percent market rate average. Subject management indicated a lower historical turnover rate between 10 and 20 percent. Based on the performance of the comparables, as well as historical operations, we expect the Subject will operate with a turnover rate of 20 percent or less.

**Waiting Lists**

The following table illustrates the waiting lists offered at the comparable properties included in our survey.

<b>WAITING LIST</b>			
<b>Property Name</b>	<b>Rent Structure</b>	<b>Tenancy</b>	<b>Waiting List Length</b>
Clearfield Apartments	LIHTC	Family	None
Jesse Lee	LIHTC	Family	None
Lieutenant's Run	LIHTC	Family	Yes, two months in length
Mattox Landing Apartments	LIHTC	Family	None
Oaks Of Dunlop Farms	LIHTC	Family	Yes; 3 months in length
Pinetree Apartments	LIHTC	Family	None
Addison Crater Woods	Market	Family	None
Crater Square Apartments	Market	Family	None
Jefferson South Of The James	Market	Family	None
Tanglewood Apartments	Market	Family	None
Woodmere Apartments	Market	Family	None

As shown, two of the affordable comparables maintain waiting lists. Subject management indicated that the property does not currently maintain a waiting list. Post-renovation, we believe the Subject may be able to maintain a short waiting list based on the performance of the affordable comparables.

### Rental Rate Increases

The following table illustrates the rent increases at the comparable properties.

RENT GROWTH			
Property Name	Rent Structure	Tenancy	Rent Growth
Clearfield Apartments	LIHTC	Family	Kept at max
Jesse Lee	LIHTC	Family	Remained stable since 2Q19
Lieutenant's Run	LIHTC	Family	Increased 4-6% since 2Q19
Mattox Landing Apartments	LIHTC	Family	Increased 7-8% annually since 3Q17
Oaks Of Dunlop Farms	LIHTC	Family	Kept at max
Pinetree Apartments	LIHTC	Family	Annual increase of 3-5%
Addison Crater Woods	Market	Family	Increased 4-22% since 2Q19
Crater Square Apartments	Market	Family	Increased 15-21% since 2Q19
Jefferson South Of The James	Market	Family	Increased 7-18% since 2Q19
Tanglewood Apartments	Market	Family	Increased 8-12% since 2Q19
Woodmere Apartments	Market	Family	Annual increase of 1-2%

As shown, the majority of the comparables reported increases in rents. The outlier is Jesse Lee, which reported stable rents. The Subject's rents will continue to be dictated by HUD post-renovation. However, we believe the Subject would achieve rent increases of up to five percent annually if it were to hypothetically lose subsidy, in accordance with LIHTC limitations.

### Absorption

We were unable to obtain absorption data from any of the comparable properties. For support, we have listed recent absorption data for four recently built properties in Richmond, which is the nearest market data available.

ABSORPTION						
Property Name	Location	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Canopy At Ginter Park	Richmond	Market	Family	2019	301	16
The Village At Westlake	Richmond	Market	Family	2018	252	42
Shockoe Valley Apartments	Richmond	Market	Family	2016	238	30
Terraces At Manchester	Richmond	Market	Family	2015	148	16
<b>Average</b>						<b>26</b>

As shown, the properties reported absorption rates between 16 and 42 units per month, with an average of 26. Based on the reported absorption data, we estimate the Subject would achieve an absorption rate of approximately 24 to 28 units per month. This equates to an absorption period of six to seven months if it were hypothetically 100 percent vacant.

However, the Subject's proposed renovations will occur with tenants in place. Further, all tenants are expected to remain income qualified post-renovation, and all units will continue to benefit from subsidy; therefore, increases in contract rents will have minimal impact on tenants, as residents will continue to pay just 30 percent of their income towards rents, not to exceed the LIHTC maximum allowable levels or the contract rent. As such, we believe the Subject will reach stabilized occupancy (95 percent or greater) within one month of completion of renovations.



**AFFORDABLE PROPERTIES IN THE PMA**

Existing affordable housing projects in the PMA will not be adversely affected by the proposed construction of the Subject property. A survey of comparable affordable LIHTC and Section 8 rental housing developments in the area demonstrates significant demand for good quality rental units.

**AFFORDABLE PROPERTIES IN THE PMA**

Property Name	Program	LIHTC Tenancy	Total Units	LIHTC Units	Subsidized Units
Bolling Park	LIHTC	Senior	47	47	0
Cavalier Senior	LIHTC	Senior	80	80	0
Claiborne Square	LIHTC	Senior	47	47	0
Clearfield Apartments*	LIHTC	Family	144	144	0
Henry Williams	LIHTC	Family	42	42	0
Jefferson Scott Landing	LIHTC	Family	14	14	0
Jesse Lee*	LIHTC	Family	108	108	0
Liberty Pointe	LIHTC	Family	48	48	0
Lieutenant's Run*	LIHTC	Family	168	168	0
Mattox Landing*	LIHTC	Family	88	88	0
Oaks Of Dunlop Farms*	LIHTC	Family	144	144	0
Pinetree Apartments	LIHTC	Family	144	144	0
Riverview	LIHTC	Family	88	88	0
Washington Columns	LIHTC	Senior	26	26	0
Westover Commons	LIHTC	Family	84	84	0
Windy Ridge	LIHTC	Family	72	72	0
Wythe Row Townhouses	LIHTC	Family	12	12	0
Carriage House Apartments	LIHTC/Section 8	Senior	118	118	118
Lafayette House	Section 8	Senior/Disabled	100	0	100
Landmark Apartments	Section 8	Family	53	0	53
Osage House	Section 8	Family	13	0	13
<b>Total</b>			<b>1,640</b>	<b>1,474</b>	<b>284</b>

\*Utilized as a comparable

## Reasonability of Rents

The tables below illustrate the Subject’s current and proposed asking rents.

### CURRENT RENTS

Unit Type	Unit Size (SF)	# of Units	Current Net Contract Rent (1)	Utility Allowance (1)	Gross Rent	2020 LIHTC Maximum Allowable Gross Rent (@40% AMI)*	2020 LIHTC Maximum Allowable Gross Rent (@50% AMI)	
<i>Phase I</i>								
1BR / 1BA	469	16	\$636	\$96	\$740	\$671	\$838	
2BR / 1BA (TH)	718	16	\$778	\$142	\$888	\$805	\$1,006	
2BR / 1.5BA	729	32	\$763	\$137	\$873	\$805	\$1,006	
3BR / 1.5BA	934	36	\$854	\$116	\$978	\$930	\$1,162	
<i>Phase II</i>								
1BR / 1BA	469	12	\$636	\$104	\$740	-	\$838	
2BR / 1BA (TH)	718	12	\$779	\$132	\$889	-	\$1,006	
2BR / 1BA	718	28	\$764	\$110	\$874	-	\$1,006	
3BR / 1.5BA	934	16	\$855	\$124	\$979	-	\$1,162	
		<b>168</b>						

Notes (1) Utility Allowance is dictated by HUD, based on the current Rent Schedule, effective 5/1/2020

\*10 Phase I units are “floater” units that are rent restricted at the 40 percent AMI level.

### PROPOSED RENTS

Unit Type	Unit Size (SF)	# of Units	Proposed Net Contract Rent (1)	Proposed Net LIHTC Rent (@50% AMI)	Utility Allowance (2)	Gross Rent	2020 LIHTC Maximum Allowable Gross Rent (@40% AMI)*	2020 LIHTC Maximum Allowable Gross Rent (@50% AMI)
<i>Phase I</i>								
1BR / 1BA	469	16	\$845	\$742	\$96	\$838	\$671	\$838
2BR / 1BA (TH)	718	16	\$945	\$864	\$142	\$1,006	\$805	\$1,006
2BR / 1.5BA	729	32	\$965	\$869	\$137	\$1,006	\$805	\$1,006
3BR / 1.5BA	934	36	\$1,085	\$1,046	\$116	\$1,162	\$930	\$1,162
<i>Phase II</i>								
1BR / 1BA	469	12	\$845	\$734	\$104	\$838	-	\$838
2BR / 1BA (TH)	718	12	\$945	\$874	\$132	\$1,006	-	\$1,006
2BR / 1BA	718	28	\$945	\$896	\$110	\$1,006	-	\$1,006
3BR / 1.5BA	934	16	\$1,085	\$1,038	\$124	\$1,162	-	\$1,162
		<b>168</b>						

Notes (1) Proposed rents are based on the achievable rents from NOVOCO’s RCS, effective 11/24/2020

Notes (2) Utility Allowance is dictated by HUD, based on the current Rent Schedule, effective 5/1/2020

\*10 Phase I units are “floater” units that are rent-restricted at the 40 percent AMI level.

Post-renovation, all of the Subject’s units will continue to be income-restricted to families earning 50 percent of the AMI or below, while rents will be restricted at the 40 and 50 percent AMI levels. Further, the separate HAP contracts will be combined. As such, tenants at the Subject will continue to pay just 30 percent of their income towards rent not to exceed the LIHTC maximum allowable rents. It should be noted 10 Phase I units are “floater” units rent-restricted at the 40 percent AMI level, while all remaining units are both rent and income-restricted at the 50 percent AMI level.

## Comparable LIHTC Rents

Post-renovation, the Subject’s will continue to offer 10 “floater” units rent-restricted at the 40 percent AMI level and 158 units rent-restricted at the 50 percent AMI level.

The following tables illustrate the Subject’s rents compared to the LIHTC rents of the comparable properties surveyed. As shown, none of the comparables offer units at the 40 percent AMI level. The rents have been adjusted for variances in utilities.

### LIHTC RENT COMPARISON @50%

Property Name	County	Tenancy	1BR	2BR	3BR	Rents at Max?
Proposed Net LIHTC Rent (@40%)	Petersburg	Family	\$575	\$695	\$814	Yes
Proposed Net LIHTC Rent (@50%)	Petersburg	Family	\$742	\$896	\$1,038	Yes
2020 Net LIHTC Maximum Rent (@40%)			\$575	\$695	\$814	
2020 Net LIHTC Maximum Rent (@50%)			\$742	\$896	\$1,046	
2020 Net LIHTC Maximum Rent (@60%)			\$910	\$1,097	\$1,271	
Jesse Lee (@50%)	Petersburg	Family	-	\$787	\$903	No
Clearfield Apartments (@60%)	Colonial Heights	Family	-	\$1,097	\$1,269	Yes
Lieutenant's Run (@60%)	Petersburg	Family	-	\$825	\$930	No
Mattox Landing Apartments (@60%)	Chesterfield	Family	-	\$1,066	\$1,251	No
Oaks Of Dunlop Farms (@60%)	Colonial Heights	Family	\$940	\$1,100	\$1,300	Yes
Pinetree Apartments (@60%)	Petersburg	Family	\$910	\$1,010	\$1,250	No
<b>Average</b>			<b>\$925</b>	<b>\$932</b>	<b>\$1,092</b>	
<b>Achievable LIHTC Rent, Absent Subsidy (@40%)</b>			<b>\$575</b>	<b>\$695</b>	<b>\$814</b>	<b>Yes</b>
<b>Achievable LIHTC Rent, Absent Subsidy (@50%)</b>			<b>\$725</b>	<b>\$800</b>	<b>\$900</b>	<b>No</b>

The Subject’s proposed LIHTC rents are set at the 40 and 50 percent maximum allowable rents. The data for 40 and 50 percent AMI rents is limited, with the one data point reporting rents below the maximum allowable levels. In comparison, two of the five 60 percent AMI comparables reported rents at the maximum allowable levels. Post-renovation, the Subject will exhibit similar to slightly superior condition relative to the LIHTC comparables. However, the Subject’s amenities and location are generally inferior to the comparables, and the unit sizes are below the comparable ranges. Further, the three properties located within Petersburg reported rents below the maximum allowable rents at both the 50 and 60 percent AMI levels. Based on the data, we do not believe 50 percent AMI maximum allowable rents would be achievable if the Subject were to hypothetically lose subsidy; whereas, we believe maximum allowable rents at the 40 percent AMI level would likely be achievable given the discount to other affordable units in the market.

Based on our analysis, the Subject will be most similar to **Jesse Lee** and **Lieutenant’s Run** upon completion of renovations.

- **Jesse Lee** is a 108-unit LIHTC development offering units restricted at the 50 percent AMI level. The property is located 3.1 miles south of the Subject, in a slightly superior neighborhood. This comparable was built in 2008 and exhibits good condition, similar to the Subject upon completion of renovations. Jesse Lee offers slightly superior unit sizes and in-unit amenities, but similar common area amenities relative to the Subject. The property is currently 99.1 percent occupied, indicating rents are well received. Overall, we have placed the Subject’s achievable 50 percent AMI rents (absent subsidy) in line with this development.
- **Lieutenant's Run** is a 168-unit LIHTC development offering units restricted at the 60 percent AMI level. The property is located 3.1 miles southwest of the Subject in a slightly superior neighborhood. This comparable was built in 2005 and exhibits good condition, similar to the Subject upon

completion of renovations. Lieutenant’s Run offers superior unit sizes and in-unit amenities, but generally similar common area amenities relative to the Subject. The property is currently 97.6 percent occupied and maintains a waiting list, indicating rents are well received. Lieutenant’s Run is achieving rents at the low end of the 60 percent comparable range. As such, we have placed our 50 percent AMI rents (absent subsidy) slightly below this comparable.

Overall, the Subject’s proposed LIHTC rental rates are set at the 2020 maximum allowable levels. However, post-renovation, all of the Subject’s units will continue to benefit from Section 8 subsidies; thus, tenants will continue paying 30 percent of their income towards rent, and the proposed LIHTC rents are purely hypothetical. Based on our analysis, we have placed the Subject’s achievable 40 percent AMI rents at the maximum allowable levels, while the achievable 50 percent AMI rents, absent subsidy, are in line with Jesse Lee, which is the most similar LIHTC comparable, and below maximum allowable levels.

**Achievable Market Rents - As Is**

The achievable market rents were determined by comparing the aesthetic quality, amenities, unit sizes, etc. to that of the market rate projects in the area. Achievable rents represent net market rate rent levels that we believe a project of the Subject’s condition and quality could reasonably achieve. In order to estimate the achievable market rents for the Subject’s units, we have considered the rents being achieved at the comparables included within our data set; a summary of those findings is included in the table following. Please note the rental ranges and averages presented below are inclusive of all adjustments applied to the comparables in the HUD RCS grids prepared by Novogradac Consulting LLP, effective November 24, 2020. The grids can be found in *Addendum G*.

**COMPARABLE PROPERTY RENT SUMMARY - AS IS (ADJUSTED FROM GRIDS)**

Unit Type	Subject’s Current Contract Rents	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rents - As Is
1BR / 1BA - 469 SF	\$636	\$658	\$726	\$701	\$710
2BR / 1BA - 718 SF	\$763 - \$764	\$726	\$882	\$818	\$810
2BR / 1.5BA - 729 SF	\$778 - \$779	\$750	\$904	\$841	\$830
3BR / 1.5BA - 934 SF	\$854 - \$855	\$832	\$1,172	\$989	\$950

Overall, we have placed the Subject’s achievable market rents “as is” above the current contract rents. Our rent conclusions are generally in line with the comparables that received the least amount of gross, net, and percentage adjustment among the comparables. As shown our conclusions are all within five percent of the comparable averages.

**Achievable Market Rent – As Is**

In summary, we have placed our achievable as is one-bedroom market rent at **\$710**, our achievable two-bedroom/one bathroom rent at **\$810**, our achievable two-bedroom/1.5 bathroom rent at **\$830**, and our achievable three-bedroom rent at **\$950**.

**Achievable Market Rents – As Renovated**

According to information provided by the developer, the total renovation hard costs are estimated to be approximately \$40,000 per unit. Based on the information from the developer, renovations will occur with limited tenant displacement. The scope of renovations includes, but is not limited to: full mill, overlay, and striping of parking and drives; jetting all existing sanitary sewer lines from buildings to street; concrete repair and replacement of all steps, sidewalks, and curbs; making all accessible routes, ramps, and handrails compliant; adding dumpster enclosures; new site lighting; new security cameras; new signage; landscaping upgrades; adding Wi-Fi access to common areas; new playground equipment; replacing mailboxes and overhead cover; upgrading leasing office; ADA-compliant community spaces; repairing damaged railings; repairing fencing; new exterior paint; repairing masonry; replacing vinyl siding; replacing all exterior doors;

upgrading kitchen flooring, paint, cabinets, and countertops; new appliances; adding microwaves; upgrading bathroom flooring, paint, cabinets, and sinks; upgrading all fixtures and toilets to be low flow; upgrading to energy efficient lighting in units; replacing bathtub and shower surround; replacing ceiling fans and light fixtures; installing new blinds; replacing outlets and covers as necessary; and installing new split systems. **Therefore, our estimate of “as renovated” rents is based upon the hypothetical condition that renovations are complete and all improvements indicated above are final.**

The following table summarizes the adjusted comparable rents, as well as our rent conclusions for the Subject “As Renovated”.

**COMPARABLE PROPERTY RENT SUMMARY - AS RENO AFTER ADJUSTMENT**

Unit Type	Subject's Current Contract Rents	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rents - As Reno
1BR / 1BA - 469 SF	\$636	\$793	\$861	\$836	\$845
2BR / 1BA - 718 SF	\$763 - \$764	\$861	\$1,017	\$953	\$945
2BR / 1.5BA - 729 SF	\$778 - \$779	\$885	\$1,039	\$976	\$965
3BR / 1.5BA - 934 SF	\$854 - \$855	\$967	\$1,307	\$1,124	\$1,085

As shown, our market rent conclusions are within the comparable ranges and are within four percent of the surveyed averages. Overall, our concluded market rents provide a significant rent advantage over our achievable LIHTC conclusions, as shown in the following table. The HUD RCS grids can be found in Addendum G.

**SUBJECT COMPARISON TO MARKET RENTS**

Unit Type	Hypothetical Achievable LIHTC Rents (@50% AMI)	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rents - As Reno	Subject Rent Advantage
1BR / 1BA - 469 SF	\$725	\$793	\$861	\$836	\$845	-14.2%
2BR / 1BA - 718 SF	\$800	\$861	\$1,017	\$953	\$945	-15.3%
2BR / 1.5BA - 729 SF	\$800	\$885	\$1,039	\$976	\$965	-17.1%
3BR / 1.5BA - 934 SF	\$900	\$967	\$1,307	\$1,124	\$1,085	-17.1%

**Conclusions and Recommendations**

Overall, we believe the Subject will be well-positioned in the market. As a newly-renovated property, the Subject will be in generally similar to slightly superior condition to the comparable properties. The comparable properties are performing well, with vacancy rates ranging from zero to 3.4 percent, with an overall average of 0.9 percent. Further, three of the LIHTC comparables reported 100 percent occupancy and two maintain waiting lists. Based on the comparable data, as well as the Subject’s current/historical performance, we expect the Subject to operate with vacancy and collection loss of 5.0 percent post-renovation. The Subject’s proposed LIHTC rents are set at the maximum allowable levels. Based on our analysis of the market, we have placed the achievable LIHTC rents below the proposed rents. However, the achievable rents are hypothetical and reflect an absent-subsidy scenario, as all of the Subject’s units will continue to benefit from Section 8 subsidy post-renovation; therefore, tenants will continue to pay just 30 percent of their income towards rent. Further, the Subject’s achievable LIHTC rents offer a significant advantage compared to our achievable market rents as renovated.

## **VII. DEMAND ANALYSIS / CONCLUSIONS**

## DEMAND ANALYSIS/CONCLUSIONS

When evaluating demand for a particular proposed development we rely primarily on two methods. These are a supply analysis and a demand analysis. The supply analysis focuses on satisfied demand and anecdotal reports from property managers and market participants regarding demand. We believe this evidence of demand is the most clear and reliable when measuring housing need in a market area. We explored that indication in the previous sections of this report.

This section focuses on analyzing demographic data to determine housing need. According to NCHMA model content standards there are two measurements used to evaluate demand based on the demographic data. The first measurement is termed the capture rate. NCHMA define Capture Rate as: “The percentage of age, size, and income qualified renter households in the primary market area that the property must capture to fill the units. The Capture Rate is calculated by dividing the total number of units at the property by the total number of age, size and income qualified renter households in the primary market area.”

The second measurement is the Penetration Rate, which has similarities to the capture rate. NCHMA defines Penetration Rate as “The percentage of age and income qualified renter households in the *primary market area* that all existing and proposed properties, to be completed within six months of the Subject, and which are competitively priced to the subject that must be captured to achieve the *stabilized level of occupancy*.”

### Introduction

Post-renovation, the Subject will continue to offer 168 units income-restricted to families earning 50 percent of the AMI or less, and units will be rent-restricted at the 40 and 50 percent AMI levels. Further, all units will continue to benefit from Section 8 subsidy. As such, tenants will continue to pay just 30 percent of their income towards rent. We calculated the number of income-eligible residents in this section of the analysis. LIHTC rents are based upon a percentage of the AMI, adjusted for household size and utilities. HUD estimates the relevant income levels, with annual updates. Rents are calculated by HUD assuming that the maximum net rent a household will pay is 30 percent of its income at the appropriate AMI levels.

Household size for family developments is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes.

To assess the likely number of tenants in the market area eligible to live in the Subject, we used Census information as provided by ESRI Business Information Solutions.

### Primary Market Area Defined

For the purposes of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood-oriented” and are generally very reluctant to move from the area in which they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below-market rents. Ninety percent of the Subject’s potential tenants are expected to hail from the PMA; however, demand estimates will not be adjusted to reflect the potential for “leakage,” as the demand template published in the 2021 Virginia Housing Market Study Guidelines does not explicitly permit an allowance for demand originating outside the PMA.

The Subject is located in the northeastern portion of Petersburg, Virginia. According to the US Census Bureau, Petersburg had a population of 31,346 persons in 2019. The Primary Market Area (PMA) for the Subject covers approximately 57.0 square miles and consists of the cities of Petersburg and Colonial Heights, as well as the towns of Ettrick, Matoaca, Ashley, Addison, West Petersburg, and Wildwood Farms. We have excluded Fort Lee from the PMA, as it is unlikely that residents of the base would seek Section 8

housing. General boundaries of the PMA include Swift Creek, Woodpecker Road, and Matoaca Road to the north, State Routes 613, 741, and 608 to the south, Interstate 295 and Highway 460 to the east, and Church Road and Chesdin Road to the west.

## Demographic Information

The basic demographic information is based upon the definition of a primary market area (“PMA”) and an estimate of the characteristics of the people living within that geographic definition.

Demographic data originates from the Census and is compiled by a third-party data provider. Novogradac & Company uses data provided by the ESRI Business Analyst. Business Analyst brings in data as produced by ESRI’s team of demographers. Sources include the US Census, American Community Survey, and other reputable sources. Housing characteristics are derived from several data sources, including construction data from Hanley Wood Market Intelligence, building permits from counties, the USPS, HUD, BLS, and the Census bureau. Owner and renter occupied units come from the Current Population Survey (BLS) and the Housing Vacancy Survey (Census). Data has been ground-truthed by ESRI staff and proven effective.

ESRI’s products have been used by almost all US federal agencies (including HUD and USDA) , top state level agencies, over 24,000 state and local governments worldwide, as well as many industry leading technology users—AT&T, Citrix, SAP, Oracle, Microsoft. ESRI produces timely updates based on new releases of data.

Step one is to identify demographic data such as number of households, renter households, income distribution and AMI levels. The appropriate demographic is used based on the tenancy for the proposed development. When analyzing a property designated for families the demographics for the entire population within the PMA is used. However, senior properties are restricted to tenants who have reached the age of at least 55 or 62 years based upon the specifics of the applicable program. A property designated for seniors is analyzed using demographic data that includes only those households that are 65 years old and above. Even if a project has the lower restriction of 55 years of age, we still use the 65 plus as our research indicates that those younger than 65 are unlikely to seek age restrictive housing. The demographic information was detailed in the demographic section of this report.

### Step Two – Income Qualified

Assumptions and Data necessary for this calculation are:

Appropriate Municipality:	Petersburg City, VA
AMI for four-person household:	\$89,400
Tenancy (Family vs Senior):	Family
Affordability percentage:	35 percent
Leakage:	0 percent

To establish the number of income-eligible potential tenants for the Subject, the calculations are as follows:

First, we estimate the Subject’s minimum and maximum income levels (income bands) for the proposed LIHTC project. HUD determines maximum income guidelines for tax credit properties, based on the AMI. This provides the upper end of the income band as illustrated below. However, the minimum income is not established by HUD and must be estimated. Often, lower-income families pay a higher percentage of gross income toward housing costs. The industry standard is 35 percent for LIHTC-only calculations for family-oriented properties. For senior properties this number increases to 40 percent based upon the nature of senior household economics. The lower end of the income band is calculated by taking the proposed rent by bedroom type multiplying by 12 and dividing by the application percentage to determine an income level. For



example, if a property has a one-bedroom unit with proposed gross rents of \$500, the estimated low end of the income range would be \$17,143 based on the family 35 percent or \$15,000 based on the senior 40 percent. It should be noted that the property offers 10 “floater” units which are rent restricted at the 40 percent AMI level. As such, the minimum allowable income limits in the absent subsidy scenario are based upon the proposed 40 percent AMI rents.

**FAMILY INCOME LIMITS - AS PROPOSED**

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@50% (Section 8)	
1BR	\$0	\$35,800
2BR	\$0	\$40,250
3BR	\$0	\$48,300

**FAMILY INCOME LIMITS - ABSENT SUBSIDY**

Unit Type	Minimum Allowable Income*	Maximum Allowable Income
	@50%	
1BR	\$23,006	\$35,800
2BR	\$27,600	\$40,250
3BR	\$32,160	\$48,300

\*Based upon the proposed (maximum allowable) 40 percent AMI rents.

Second, we illustrate the household population segregated by income band in order to determine those who are income-qualified to reside in the Subject property. This income distribution was illustrated previously in the demographic analysis section of this report.

**HOUSEHOLD INCOME PMA**

Income Cohort	PMA				Annual Change 2020 to 2025	
	2020		2025		Number	Percentage
	Number	Percentage	Number	Percentage		
\$0-9,999	2,761	9.8%	2,537	9.0%	-45	-1.6%
\$10,000-19,999	3,286	11.7%	2,987	10.6%	-60	-1.8%
\$20,000-29,999	3,063	10.9%	2,901	10.3%	-32	-1.1%
\$30,000-39,999	3,085	11.0%	2,833	10.1%	-50	-1.6%
\$40,000-49,999	2,654	9.4%	2,586	9.2%	-14	-0.5%
\$50,000-59,999	2,232	7.9%	2,201	7.8%	-6	-0.3%
\$60,000-74,999	2,622	9.3%	2,688	9.6%	13	0.5%
\$75,000-99,999	3,023	10.8%	3,103	11.0%	16	0.5%
\$100,000-124,999	2,226	7.9%	2,298	8.2%	14	0.6%
\$125,000-149,999	1,412	5.0%	1,610	5.7%	40	2.8%
\$150,000-199,999	949	3.4%	1,294	4.6%	69	7.3%
\$200,000+	788	2.8%	1,072	3.8%	57	7.2%
<b>Total</b>	<b>28,101</b>	<b>100.0%</b>	<b>28,110</b>	<b>100.0%</b>		

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, March 2021

Step Three – Income Distribution

Third, we combine the allowable income bands with the income distribution analysis in order to determine the number of potential income-qualified households. The Cohort Overlap is defined as the income amount within income bands defined above that falls within the ESRI provided Income Cohort. The % in Cohort is

simply the cohort overlap divided by the income cohort range (generally \$10,000). The # in Cohort is determined by multiplying total renter households by the % in Cohort determination. In some cases, the income-eligible band overlaps with more than one income cohort. In those cases, the cohort overlap for more than one income cohort will be calculated. The sum of these calculations provides an estimate of the total number of households that are income-eligible, both by AMI level and in total.

**FAMILY INCOME DISTRIBUTION 2020 - AS PROPOSED**

Income Cohort	Total Renter Households	@50% (Section 8)		
		cohort overlap	% in cohort	# in cohort
\$0-9,999	2,031	9,999	100.0%	2,031
\$10,000-19,999	2,165	9,999	100.0%	2,165
\$20,000-29,999	1,746	9,999	100.0%	1,746
\$30,000-39,999	1,825	9,999	100.0%	1,825
\$40,000-49,999	1,243	8,301	83.0%	1,032
\$50,000-59,999	808			
\$60,000-74,999	991			
\$75,000-99,999	1,051			
\$100,000-124,999	659			
\$125,000-149,999	286			
\$150,000-199,999	166			
\$200,000+	173			
<b>Total</b>	<b>13,144</b>		<b>66.9%</b>	<b>8,799</b>

**FAMILY INCOME DISTRIBUTION 2020 - ABSENT SUBSIDY**

Income Cohort	Total Renter Households	@50%		
		cohort overlap	% in cohort	# in cohort
\$0-9,999	2,031			
\$10,000-19,999	2,165			
\$20,000-29,999	1,746	6,993	69.9%	1,221
\$30,000-39,999	1,825	9,999	100.0%	1,825
\$40,000-49,999	1,243	8,301	83.0%	1,032
\$50,000-59,999	808			
\$60,000-74,999	991			
\$75,000-99,999	1,051			
\$100,000-124,999	659			
\$125,000-149,999	286			
\$150,000-199,999	166			
\$200,000+	173			
<b>Total</b>	<b>13,144</b>		<b>31.0%</b>	<b>4,078</b>

Step Four – Income Eligible - Renter Households by Number of People in Household

At this point we know how many income eligible renter households there are within the PMA by AMI level. Using that household figure, we have also calculated percentage of income eligible households to total households by AMI level (AMI percentage eligible). However, in order to provide a demand analysis by bedroom type the number of households must now be allocated to a bedroom mix. The first step in that process is to determine the number of income qualified renter households by the number of persons per household. This can be completed by applying the total number of rental households by person by the AMI

percentage eligible. The total number of renter households by person is information provided by ESRI and illustrated in the demographic discussion.

Step Five – Unit Size Appropriate

Household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. Additionally, HUD assumes that one-person households are accommodated in one-bedroom units. For LIHTC income purposes, the actual size of the household is used.

The distribution of households by unit type is dependent on the following assumptions. This table has been developed by Novogradac as a result of market research.

HOUSEHOLD DISTRIBUTION		
<b>1 BR</b>	90%	Of one-person households in 1BR units
	20%	Of two-person households in 1BR units
<b>2 BR</b>	10%	Of one-person households in 2BR units
	80%	Of two-person households in 2BR units
	60%	Of three-person households in 2BR units
	20%	Of four-person households in 2BR units
<b>3 BR</b>	40%	Of three-person households in 3BR units
	80%	Of four-person households in 3BR units
	100%	Of five-person households in 3BR units

The projected renter household demand by bedroom size can then be determined by applying these weightings to the number of income qualified renter households determined in Step Four.

Step Six – Capture Rate by Bedroom Mix

The capture rate is simply determined by dividing the number of units by unit type for the Subject by the total number of qualified renter households for that unit type.

**Demand – As Proposed**

**PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE**

*Renter Household Distribution 2020*

	Renter Household Size	Total Number of Renter
	Distribution	Households
1 person	40.4%	5,307
2 persons	24.7%	3,240
3 persons	17.0%	2,228
4 persons	9.7%	1,275
5+ persons	8.3%	1,094
<b>Total</b>	<b>100.0%</b>	<b>13,144</b>

*Income-Qualified Renter Demand*

	Total Number of Renter		% Income-Qualified	Number Qualified
	Households		Renter Households	Renter Households
1 person	5,307	x	66.9%	3,553
2 persons	3,240	x	66.9%	2,169
3 persons	2,228	x	66.9%	1,491
4 persons	1,275	x	66.9%	854
5+ persons	1,094	x	66.9%	732
<b>Total</b>	<b>13,144</b>			<b>8,799</b>

*Projected Renter Household Demand by Bedroom Size*

	Number of Qualified Renter Households
1BR	3,631
2BR	3,156
3BR	2,012
<b>Total</b>	<b>8,799</b>

*Capture Rate Analysis - @50% (Section 8) - As Proposed*

	Developer's Unit Mix	Capture Rate
1BR	28	0.8%
2BR	88	2.8%
3BR	52	2.6%
<b>Total/Overall</b>	<b>168</b>	<b>1.9%</b>

**Demand – Absent Subsidy**

**PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE**

*Renter Household Distribution 2020*

	Renter Household Size	Total Number of Renter
	Distribution	Households
1 person	40.4%	5,307
2 persons	24.7%	3,240
3 persons	17.0%	2,228
4 persons	9.7%	1,275
5+ persons	8.3%	1,094
<b>Total</b>	<b>100.0%</b>	<b>13,144</b>

*Income-Qualified Renter Demand*

	Total Number of Renter		% Income-Qualified	Number Qualified
	Households		Renter Households	Renter Households
1 person	5,307	x	31.0%	1,647
2 persons	3,240	x	31.0%	1,005
3 persons	2,228	x	31.0%	691
4 persons	1,275	x	31.0%	396
5+ persons	1,094	x	31.0%	339
<b>Total</b>	<b>13,144</b>			<b>4,078</b>

*Projected Renter Household Demand by Bedroom Size*

	Number of Qualified
	Renter Households
1BR	1,683
2BR	1,463
3BR	932
<b>Total</b>	<b>4,078</b>

*Capture Rate Analysis - @50% Absent Subsidy*

	Developer's Unit Mix	Capture Rate
1BR	28	1.7%
2BR	88	6.0%
3BR	52	5.6%
<b>Total/Overall</b>	<b>168</b>	<b>4.1%</b>

**Annual Demand Table - As Proposed**

<b>ANNUAL DEMAND - AS PROPOSED</b>		
<b>Calculation</b>		<b>PMA</b>
Number of Renter Households in 2020		13,144
Increase in Number of Renter Households		(144)
Number of Renter Households in 2025		13,000
<i>Existing Demand</i>		
Percentage of Total Households that are Renter		46.8%
Percentage of Income-Qualified Renter Households		66.9%
Number of Income-Qualified Renter Households		8,799
Percentage of Rent-Overburdened		42.7%
<b>Existing Income-Qualified Renter Household Turnover</b>		<b>3,753</b>
<i>New Income-Qualified Demand, Stated Annually</i>		
Increase in Renter Households per Annum		(29)
Percentage of Income-Qualified Renter Households		66.9%
<b>New Rental Income Qualified Households</b>		<b>(19)</b>
<i>Capture Rate Analysis</i>		
Number of Units in Subject		168
Occupied Units at Subject With Vacancy of:	5%	160
Units Pre-Leased		0
Total Demand (Turnover and Growth) from within PMA		3,734
Portion Originating within PMA		90%
Total Demand (Turnover and Growth) from within PMA		4,149
Less: Existing LIHTC Projects in Absorption Process (Number of Units)	0	
<b>Total Demand after Competition (Turnover and Growth)</b>		<b>4,149</b>
<b>Yielded Annual Capture Rate of Available Demand in 2021</b>		<b>3.8%</b>

**Annual Demand Table - Absent Subsidy**

<b>ANNUAL DEMAND - ABSENT SUBSIDY</b>		
<b>Calculation</b>		<b>PMA</b>
Number of Renter Households in 2020		13,144
Increase in Number of Renter Households		(144)
Number of Renter Households in 2025		13,000
<i>Existing Demand</i>		
Percentage of Total Households that are Renter		46.8%
Percentage of Income-Qualified Renter Households		31.0%
Number of Income-Qualified Renter Households		4,078
Percentage of Rent-Overburdened		42.7%
<b>Existing Income-Qualified Renter Household Turnover</b>		<b>1,740</b>
<i>New Income-Qualified Demand, Stated Annually</i>		
Increase in Renter Households per Annum		(29)
Percentage of Income-Qualified Renter Households		31.0%
<b>New Rental Income Qualified Households</b>		<b>(9)</b>
<i>Capture Rate Analysis</i>		
Number of Units in Subject		168
Occupied Units at Subject With Vacancy of:	5%	160
Units Pre-Leased		0
Total Demand (Turnover and Growth) from within PMA		1,731
Portion Originating within PMA		90%
Total Demand (Turnover and Growth) from within PMA		1,923
Less: Existing LIHTC Projects in Absorption Process (Number of Units)	0	
<b>Total Demand after Competition (Turnover and Growth)</b>		<b>1,923</b>
<b>Yielded Annual Capture Rate of Available Demand in 2021</b>		<b>8.3%</b>

**VIRGINIA HOUSING DEMAND**

We have also included the required demand table from the Virginia Housing market study guidelines. The following table illustrates the total demand and the net demand for the Subject’s affordable units, as well as the absorption period for all of the Subject’s unit. The supply illustrates all proposed or under construction units in the PMA.

There are no recent LIHTC allocations in the PMA. Within the PMA, we are aware of nine vacant units, which are detailed in the following table.

**OVERALL VACANCY**

Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Clearfield Apartments	LIHTC	Family	144	0	0.0%
Jesse Lee	LIHTC	Family	108	1	0.9%
Lieutenant's Run	LIHTC	Family	168	4	2.4%
Mattox Landing Apartments	LIHTC	Family	88	0	0.0%
Oaks Of Dunlop Farms	LIHTC	Family	144	0	0.0%
Pinetree Apartments	LIHTC	Family	144	4	2.8%
<b>Total LIHTC</b>			<b>796</b>	<b>9</b>	<b>1.1%</b>

According to Esri Demographics, 42.7 percent of renter households are considered overburdened (defined by Virginia Housing as paying more than 35 percent of gross income for gross rent), which equates to 3,753 income-qualified renter households in the PMA. Further, 1.52 percent of households are living in substandard housing (defined by Virginia Housing as housing that is overcrowded and/or lack of plumbing).

The following table illustrates the resulting capture rates for demand currently existing in the PMA.

Income Restrictions (General Tenancy)	Up to 50% with subsidy (min. income to max income)
New Rental Households	-96
+	
Existing Households - Overburdened	3,753
+	
Existing Households - Substandard Housing	134
+	
Senior Households - Likely to Covert to Rental Housing (10% of existing senior owner occupants)	0
+	
Qualified Tenants- To Remain After Renovation (n/a)	150
<b>TOTAL DEMAND</b>	<b>3,791</b>
-	
Supply (includes directly comparable vacant units or in pipeline in PMA )	9
<b>NET DEMAND</b>	<b>3,782</b>
PROPOSED UNITS	168
<b>CAPTURE RATE</b>	<b>4.4%</b>
ABSORPTION PERIOD	6-7 months



**Conclusion**

The demand analysis illustrates demand for the Subject based on capture rates of income-eligible renter households. When viewing total income-eligible renter households the calculation illustrates an overall capture rate of 1.9 percent as proposed and 4.1 percent absent subsidy.

To provide another level of analysis, we removed the households from the income-eligible renter demand pool that are currently suitably housed elsewhere in the PMA. We conducted an *annual demand analysis*, which is based on new income-eligible renter households moving into the area (in the Subject’s first year of operation only) and those income-eligible renter households that are rent-overburdened (paying over 35 percent of income to living costs). This is a subset of the income-eligible renter households used previously. The annual Novoco capture rate is 3.8 percent as proposed and 8.3 percent absent subsidy for the first year of operation. This suggests that the Subject will need to capture only a fraction of the available demand in its first year of operation in order to stabilize. This implies that no demand will be accommodated that is currently suitably housed elsewhere.

This calculation illustrates that there are approximately 4,149 units of demand in the first year of the Subject’s operation after completion as proposed and 1,923 units of demand absent subsidy. Based on the data, there is more than sufficient demand for the Subject, even if it was hypothetically 100 percent vacant. However, the Subject is an existing Section 8 property, and all units will continue to benefit from Section 8 subsidy post-renovation. Further, all tenants are expected to remain income-qualified to reside at the Subject, and renovations will occur with tenants in place. As such limited, if any, tenant displacement is expected to occur.

The Virginia Housing net demand and capture rate table illustrates demand for the Subject based on capture rates of income-eligible renter households. The following table illustrates the conclusions from this table.

Capture Rate - General Tenancy - As Proposed	4.4%
Project Wide Absorption Period (Months)	6-7 months

The capture rate as proposed is low and indicative of adequate demand for the Subject.

### Penetration Rate Analysis

The following table illustrates the existing affordable supply in the PMA, as well as the number of competitive units as proposed and absent subsidy.

**AFFORDABLE PROPERTIES IN THE PMA**

Property Name	Program	LIHTC Tenancy	Total Units	LIHTC Units	Subsidized Units	Competitive Units - As Proposed	Competitive Units - Absent Subsidy
Bolling Park	LIHTC	Senior	47	47	0	0	0
Cavalier Senior	LIHTC	Senior	80	80	0	0	0
Claiborne Square	LIHTC	Senior	47	47	0	0	0
Clearfield Apartments*	LIHTC	Family	144	144	0	144	42
Henry Williams	LIHTC	Family	42	42	0	42	42
Jefferson Scott Landing	LIHTC	Family	14	14	0	14	14
Jesse Lee	LIHTC	Family	108	108	0	108	108
Liberty Pointe	LIHTC	Family	48	48	0	48	48
Lieutenant's Run*	LIHTC	Family	168	168	0	168	168
Mattox Landing*	LIHTC	Family	88	88	0	88	88
Oaks Of Dunlop Farms*	LIHTC	Family	144	144	0	144	144
Pinetree Apartments	LIHTC	Family	144	144	0	144	144
Riverview	LIHTC	Family	88	88	0	88	88
Washington Columns	LIHTC	Senior	26	26	0	0	0
Westover Commons	LIHTC	Family	84	84	0	84	84
Windy Ridge	LIHTC	Family	72	72	0	72	72
Wythe Row Townhouses	LIHTC	Family	12	12	0	12	12
Carriage House Apartments	LIHTC / Section 8	Senior	118	118	118	0	0
Lafayette House	Section 8	Senior	100	0	100	0	0
Landmark Apartments	Section 8	Family	53	0	53	53	0
Osage House	Section 8	Family	13	0	13	13	0
<b>Total</b>			<b>1,640</b>	<b>1,474</b>	<b>284</b>	<b>1,222</b>	<b>1,054</b>

\*Utilized as a comparable

As shown, we have estimated a total of 1,222 existing affordable units in the PMA as proposed, and 1,054 competitive units absent subsidy. These units have been deducted from our penetration rate calculation. According to the Virginia Housing allocation lists, there have been no developments allocated tax credits in the PMA since 2017. As such, no future units have been accounted for.

### Penetration Rate Analysis

Per Virginia Housing guidelines, we also performed a penetration rate analysis for the Subject's units both as proposed and absent subsidy, as illustrated in the following table.

PENETRATION RATE – AS PROPOSED	
Number of Proposed Competitive family <i>LIHTC</i> Units in the PMA	0
	+
Number of Existing Competitive family <i>LIHTC</i> Units in the PMA	1,222
	+
Number of Proposed family <i>LIHTC</i> Units at the Subject	168
	=
<b>Total</b>	<b>1,390</b>
	/
Income Eligible Households - All AMI Levels	8,799
	=
<b>Overall Penetration Rate – As Proposed</b>	<b>15.8%</b>

PENETRATION RATE – ABSENT SUBSIDY	
Number of Proposed Competitive family LIHTC Units in the PMA	0
	+
Number of Existing Competitive family LIHTC Units in the PMA	1,054
	+
Number of Proposed family LIHTC Units at the Subject	168
	=
<b>Total</b>	<b>1,222</b>
	/
Income Eligible Households - All AMI Levels	4,078
	=
<b>Overall Penetration Rate – As Proposed</b>	<b>30.0%</b>

The overall penetration rates for the Subject is 15.8 percent as proposed and 30.0 percent absent subsidy. Both calculations are moderate. The penetration rate we have presented is conservative because it does not account for leakage (i.e. tenants originating outside of the PMA).

### Absorption Estimate

We were unable to obtain absorption data from any of the comparable properties. For support, we have listed recent absorption data for four recently built properties in Richmond, which is nearest data available.

ABSORPTION							
Property Name	Location	Rent	Tenancy	Year	Total Units	Absorption (units/month)	
Canopy At Ginter Park	Richmond	Market	Family	2019	301	16	
The Village At Weslake	Richmond	Market	Family	2018	252	42	
Shockoe Valley Apartments	Richmond	Market	Family	2016	238	30	
Terraces At Manchester	Richmond	Market	Family	2015	148	16	
<b>Average</b>						<b>26</b>	

As shown, the properties reported absorption rates between 16 and 42 units per month, with an average of 26. Based on the reported absorption rates, we estimate the Subject would achieve an absorption rate of approximately 24 to 28 units per month. This equates to an absorption period of six to seven months if it were hypothetically 100 percent vacant.

However, the Subject’s proposed renovations will occur with tenants in place. Further, all tenants are expected to remain income qualified post-renovation, and all units will continue to benefit from subsidy; therefore, increases in contract rents will have minimal impact on tenants, as residents will continue to pay just 30 percent of their income towards rents, not to exceed the LIHTC maximum allowable levels or the contract rent. As such, we believe the Subject will reach stabilized occupancy (95 percent or greater) within one month of completion of renovation.

We do not anticipate any future changes in the housing stock or risks in the market area that would adversely affect the Subject. The Novoco achievable market rents are reasonable and as a Section 8/LIHTC property, the Subject will continue to operate with a strong occupancy rate.

# **VIII. LOCAL PERSPECTIVE OF RENTAL HOUSING AND HOUSING ALTERNATIVES**

## LOCAL PERSPECTIVE OF RENTAL HOUSING ALTERNATIVES

### INTERVIEWS/DISCUSSION

In order to ascertain the need for housing in the Subject’s area, interviews were conducted with various local officials.

### LIHTC Competition / Recent and Proposed Construction

According to the Virginia Housing allocation lists, there have been no developments allocated tax credits in the PMA since 2017.

### City Planning and Development Department

We spoke with Sandra Robinson, Zoning Administrator for the Petersburg Planning and Community Development Department regarding new, planned, or under construction multifamily developments in the PMA. According to Ms. Robinson, there are no multifamily developments in the pipeline. However, according to CoStar, there are 32 new construction units proposed at Woodmere Apartments, located at 1 Woodmere Drive, approximately 2.8 miles from the Subject. Phase I of the development consists of 148 market rate units that were originally constructed in 2007. We have utilized Phase I as a market rate comparable; however, this development does not directly compete with the Subject, nor will the additional 32 units of Phase II.

### Petersburg Housing Authority

We attempted to contact the Petersburg Housing Authority for information on Housing Choice Voucher use in the county; however, our calls have not been returned. The current gross payment standards are illustrated in the following table.

**PAYMENT STANDARDS**

Unit Type	Current Gross Payment Standard	Subject Highest Current Gross Rent	Subject Highest Proposed Gross Rent
One-Bedroom	\$885	\$740	\$854
Two-Bedroom	\$1,008	\$889	\$1,092
Three-Bedroom	\$1,340	\$979	\$1,174

Source: Petersburg Housing Authority, effective 1/1/2020

As shown, the Subject’s current rents, as well as the developer’s proposed one and three-bedroom rents are below the payment standards, indicating that voucher holders will not be required to pay additional rent out of pocket. However, the developer’s highest proposed two-bedroom rent is above the payment standard, indicating that voucher holding tenants would need to pay additional rent out-of-pocket. Nonetheless, all of the Subject’s units will continue to benefit from Section 8 subsidy; thus, this analysis is essentially moot, as all tenants residing at the Subject will continue to pay just 30 percent of their income towards rent.

***Addendum A***  
***Assumptions and Limiting Conditions***

## **ASSUMPTIONS AND LIMITING CONDITIONS**

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the appraiser has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the author assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All encumbrances, including mortgages, liens, leases, and servitudes, were disregarded in this valuation unless specified in the report. It was recognized, however, that the typical purchaser would likely take advantage of the best available financing, and the effects of such financing on property value were considered.
4. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
5. The report was made assuming responsible ownership and capable management of the property.
6. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
7. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil, or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
8. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.
9. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the appraiser did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
10. Any distribution of total property value between land and improvements applies only under the existing or specified program of property utilization. Separate valuations for land and buildings must not be used in conjunction with any other study or appraisal and are invalid if so used.
11. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the appraiser. Nor shall the appraiser, firm, or professional organizations of which the appraiser is a member be identified without written consent of the appraiser.

12. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
13. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
14. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
15. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the Subject property will sell or lease for the indicated amounts.
16. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
17. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
18. On all studies, Subject to satisfactory completion, repairs, or alterations, the report and conclusions are contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time.
19. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums, except as reported to the appraiser and contained in this report.
20. The party for whom this report is prepared has reported to the appraiser there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
21. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.
22. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The appraiser does not warrant the condition or adequacy of such systems.
23. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the appraised property. The appraiser reserves the right to review and/or modify this appraisal if said insulation exists on the Subject property.
24. Estimates presented in this report are assignable to parties to the development's financial structure.



March 22, 2021

I affirm the following:

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

This report was written according to the 2021 Virginia Housing market study guidelines. The recommendations and conclusions are based solely on professional opinion and best efforts.

Respectfully submitted,

Novogradac Consulting LLP



Rachel B. Denton, MAI  
Partner  
Certified General Appraiser  
Rachel.Denton@novoco.com  
(913) 312-4612



Sara Nachbar  
Manager  
Sara.Nachbar@novoco.com  
(913) 312-4616



Matt Egerstrom  
Senior Analyst  
Matthew.Egerstrom@novoco.com  
(913) 312-4632



Zarina Ismailova  
Junior Analyst

***Addendum B***  
***Statement of Qualifications***

**STATEMENT OF PROFESSIONAL QUALIFICATIONS  
RACHEL BARNES DENTON, MAI**

**I. EDUCATION**

Cornell University, Ithaca, NY  
School of Architecture, Art & Planning, Bachelor of Science in City & Regional Planning

**II. LICENSING AND PROFESSIONAL AFFILIATION**

Designated Member of the Appraisal Institute  
Member of National Council of Housing Market Analysts (NCHMA)  
Member of Commercial Real Estate Women (CREW) Network  
    2011 and 2012 Communications Committee Co-Chair for the Kansas City CREW Chapter  
    2013 Director of Communications and Board Member for Kansas City CREW  
    2014 Secretary and Board Member for Kansas City CREW  
    2015 and 2016 Treasurer and Board Member for Kansas City CREW

State of Arkansas Certified General Real Estate Appraiser No. CG3527  
State of California Certified General Real Estate Appraiser No. AG044228  
State of Colorado Certified General Real Estate Appraiser No. 100031319  
State of Georgia Certified General Real Estate Appraiser No. 391113  
State of Hawaii Certified General Real Estate Appraiser No. CGA1048  
State of Illinois Certified General Real Estate Appraiser No. 553.002012  
State of Kansas Certified General Real Estate Appraiser No. G-2501  
State of Minnesota Certified General Real Estate Appraiser No. 40420897  
State of Missouri Certified General Real Estate Appraiser No. 2007035992  
State of Nebraska Certified General Real Estate Appraiser No. CG2017030R  
State of New Mexico Certified General Real Estate Appraiser No. 03424-G  
State of North Dakota Certified General Real Estate Appraiser No. CG-219110  
State of Oklahoma Certified General Real Estate Appraiser No. 13085CGA  
State of Oregon Certified General Real Estate Appraiser No. C000951  
State of South Dakota Certified General Real Estate Appraiser No. 1488CG  
State of Texas Certified General Real Estate Appraiser No. 1380396

**III. PROFESSIONAL EXPERIENCE**

Novogradac & Company LLP, Partner  
Novogradac & Company LLP, Principal  
Novogradac & Company LLP, Manager  
Novogradac & Company LLP, Senior Real Estate Analyst

**IV. PROFESSIONAL TRAINING**

Educational requirements successfully completed for the Appraisal Institute:  
    Appraisal Principals, September 2004  
    Basic Income Capitalization, April 2005  
    Uniform Standards of Professional Appraisal Practice, various  
    Advanced Income Capitalization, August 2006  
    General Market Analysis and Highest & Best Use, July 2008  
    Advanced Sales Comparison and Cost Approaches, June 2009  
    Advanced Applications, June 2010  
    General Appraiser Report Writing and Case Studies, July 2014  
    Standards and Ethics (USPAP and Business Practices and Ethics)  
    MAI Designation General Comprehensive Examination, January 2015  
    MAI Demonstration of Knowledge Report, April 2016

Completed HUD MAP Training, Columbus, Ohio, May 2010

## **V. SPEAKING ENGAGEMENTS**

Have presented and spoken at both national Novogradac conferences and other industry events, including the National Council of Housing Market Analysts (NCHMA) Annual Meetings and FHA Symposia, National Housing and Rehabilitation Association Conferences, Institute for Professional and Executive Development (IPED) conferences, and state housing conferences, such as Housing Colorado, Idaho Conference on Housing and Economic Development, and Missouri Workforce Housing Association.

## **VI. REAL ESTATE ASSIGNMENTS**

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2003, with an emphasis on affordable multifamily housing.

Conducted and managed appraisals of proposed new construction, rehab and existing Low-Income Housing Tax Credit properties, Section 8 Mark-to-Market properties, HUD MAP Section 221(d)(4) and 223(f) properties, USDA Rural Development, and market rate multifamily developments on a national basis. Analysis includes property screenings, economic and demographic analysis, determination of the Highest and Best Use, consideration and application of the three traditional approaches to value, and reconciliation to a final value estimate. Both tangible real estate values and intangible values in terms of tax credit valuation, beneficial financing, and PILOT are considered. Additional appraisal assignments completed include commercial land valuation, industrial properties for estate purposes, office buildings for governmental agencies, and leasehold interest valuation. Typical clients include developers, lenders, investors, and state agencies.

Managed and conducted market studies for proposed Low-Income Housing Tax Credit, HUD MAP, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis and operating expense analysis. Property types include proposed multifamily, senior independent living, large family, acquisition/rehabilitation, historic rehabilitation, adaptive reuse, and single family developments. Typical clients include developers, state agencies, syndicators, investors, and lenders.

Completed and have overseen numerous Rent Comparability Studies in accordance with HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.

Performed and managed market studies and appraisals of proposed new construction and existing properties insured and processed under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs.

Performed and have overseen numerous market study/appraisal assignments for USDA RD properties in several states in conjunction with acquisition/rehabilitation redevelopments. Documents are used by states, lenders, USDA, and the developer in the underwriting process. Market studies are compliant to State, lender, and USDA requirements. Appraisals are compliant to lender requirements and USDA HB-1-3560 Chapter 7 and Attachments.

Performed appraisals for estate valuation and/or donation purposes for various types of real estate, including commercial office, industrial, and multifamily assets. These engagements were conducted in accordance with the Internal Revenue Service's Real Property Valuation Guidelines, Section 4.48.6 of the Internal Revenue Manual.

Performed analyses of various real estate asset types subject to USDA 4279-B, Business and Industry Guaranteed Loans, Section 4279.150 guidelines.

Conducted various Highest and Best Use Analyses for proposed development sites nationwide. Completed an analysis of existing and proposed senior supply of all types of real estate, and conducted various demand and feasibility analyses in order to determine level of need and ultimate highest and best use of the site.

Prepared a three-year Asset Management tracking report for a 16-property portfolio in the southern United States. Data points monitored include economic vacancy, levels of concessions, income and operating expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations.

Performed various community-wide affordable housing market analyses and needs assessments for communities and counties throughout the Midwest and Western states. Analysis included demographic and demand forecasts, interviews with local stakeholders, surveys of existing and proposed affordable supply, and reconciliation of operations at existing supply versus projected future need for affordable housing. Additional analyses included identification of housing gaps, potential funding sources, and determination of appropriate recommendations. These studies are typically used by local, state, and federal agencies in order to assist with housing development and potential financing.

Managed a large portfolio of Asset Management reports for a national real estate investor. Properties were located throughout the nation, and were diverse in terms of financing, design, tenancy, and size. Information compiled included income and expenses, vacancy, and analysis of property's overall position in the market.

Performed appraisals of LIHTC assets for Year 15 purposes; valuations of both the underlying real estate asset and partnership interests have been completed. These reports were utilized to assist in potential disposition options for the property, including sale of the asset, buyout of one or more partners, or potential conversion to market rate.

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## SARA N. NACHBAR

### I. EDUCATION

Missouri State University – Springfield, MO  
*Bachelor of Science – Finance*

### II. PROFESSIONAL EXPERIENCE

*Manager, Novogradac & Company LLP*  
*Executive Assistant, Helzberg Entrepreneurial Mentoring Program*  
*Claims Associate, Farmers Insurance Group*

### III. REAL ESTATE ASSIGNMENTS

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low Income Housing Tax Credit properties. Analysis included property screenings, valuation analysis, capitalization rate analysis, expense comparability analysis, determination of market rents, and general market analysis.
- Prepared market studies and assisted in appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7/Appendix 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.
- Conducted more than 40 site inspections for market studies and appraisals throughout the United States for various reports including proposed new construction and rehabilitation multifamily projects.

**STATEMENT OF PROFESSIONAL QUALIFICATIONS**  
**Matthew Egerstrom**

**I. Education**

University of Missouri – Columbia, MO  
Bachelor of Science in Finance

**II. Professional Experience**

*Novogradac & Company LLP* – October 2017 - Present  
Analyst

*Kforce, Inc* – November 2014 – September 2017  
Senior Client Relationship Manager

*Datasphere Technologies, Inc* – February 2014 – October 2014  
Senior Account Executive

**III. REAL ESTATE ASSIGNMENTS**

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Conducted physical inspections of subject properties and comparables to determine condition and evaluate surrounding markets.
- Employed discount cash flow analysis (utilizing Excel) to value income-producing properties and prepare to analyze cash flow forecasts.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.

**STATEMENT OF PROFESSIONAL QUALIFICATIONS  
ZARINA ISMAILOVA**

**I. Education**

West Virginia University, Morgantown, WV  
Master of Science in Resource Economics and Management

Royal Institute of Technology, Stockholm, Sweden  
Master of Science in Land Management

South Dakota State University, Brookings, SD  
Master of Science in Operations Management

**II. Professional Experience**

Junior Analyst, Novogradac & Company LLP – February 2020 - Present  
Finance/Accountant, Chatel Real Estate–June 2019– November 2019  
Financial Analyst, Claudio & Company– January 2019 – June 2019  
Research scholar, West Virginia University – August 2016 –May2019  
Financial Consultant, German International Agency/  
AFC Consultants International - March 2012 - June 2014

**III. Research Assignments**

A representative sample of work on various types of projects:

- Assist in performing and writing markets studies of proposed and existing Low-Income Housing Tax Credit (LIHTC) properties.
- Research web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and Housing Choice Voucher information.
- Assisted numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes: unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.



***Addendum C***  
***Data Sources***

## **DATA SOURCES**

Sources used in this study include data that is both written and oral, published and unpublished, and proprietary and non-proprietary. Real estate developers, housing officials, local housing, and planning authority employees, property managers and other housing industry participants were interviewed. In addition, we conducted a survey of existing, comparable properties.

This report incorporates published data supplied by various agencies and organizations including:

- U.S. Census Bureau
- ESRI, Business Information Solutions
- Ribbon Demographics
- US Department of Commerce, Bureau of Labor Statistics
- Department of Housing and Urban Development (HUD)
- City of Petersburg Planning & Development Department
- Petersburg Department of Economic Development
- Petersburg Housing Authority
- Virginia Housing Development Authority
- Virginia Employment Commission
- CoStar
- USAfacts.org

***Addendum D***  
***NCHMA Certification and Checklist***

# Certificate of Professional Designation

*This certificate verifies that*

**Rachel Denton**  
Novogradac & Company LLP

*Has completed NCHMA's Professional Designation Requirements  
and is hence an approved member in good standing of:*



Formerly known as  
NCAHMA

National Council of Housing Market Analysts  
1400 16<sup>th</sup> St. NW  
Suite 420  
Washington, DC 20036  
202-939-1750

**Membership Term**  
1/1/2021 to 12/31/2021



A handwritten signature in black ink, appearing to read 'Thomas Amdur'.

**Thomas Amdur**  
President, NCHMA

## NCHMA Market Study Index

**Introduction:** Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

		Section(s)
<b>Executive Summary</b>		
1	Executive Summary	I
<b>Scope of Work</b>		
2	Scope of Work	Transmittal
<b>Project Description</b>		
3	Unit mix including bedrooms, bathrooms, square footage, rents, and income targeting	II
4	Utilities (and utility sources) included in rent	II
5	Target market/population description	II
6	Project description including unit features and community amenities	II
7	Date of construction/preliminary completion	II
8	If rehabilitation, scope of work, existing rents, and existing vacancies	II
<b>Location</b>		
9	Concise description of the site and adjacent parcels	III
10	Site photos/maps	III
11	Map of community services	III
12	Site evaluation/neighborhood including visibility, accessibility, and crime	III
<b>Market Area</b>		
13	PMA description	III
14	PMA Map	III
<b>Employment and Economy</b>		
15	At-Place employment trends	IV
16	Employment by sector	IV
17	Unemployment rates	IV
18	Area major employers/employment centers and proximity to site	IV
19	Recent or planned employment expansions/reductions	IV
<b>Demographic Characteristics</b>		
20	Population and household estimates and projections	IV
21	Area building permits	V
22	Population and household characteristics including income, tenure, and size	IV
23	For senior or special needs projects, provide data specific to target market	N/A
<b>Competitive Environment</b>		
24	Comparable property profiles and photos	Addenda
25	Map of comparable properties	V
26	Existing rental housing evaluation including vacancy and rents	V
27	Comparison of subject property to comparable properties	V
28	Discussion of availability and cost of other affordable housing options including homeownership, if applicable	V
29	Rental communities under construction, approved, or proposed	V
30	For senior or special needs populations, provide data specific to target market	N/A

## NCHMA Market Study Index

**Introduction:** Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

		Section(s)
<b>Affordability, Demand, and Penetration Rate Analysis</b>		
31	Estimate of demand	VI
32	Affordability analysis with capture rate	VI
33	Penetration rate analysis with capture rate	VI
<b>Analysis/Conclusions</b>		
34	Absorption rate and estimated stabilized occupancy for subject	V
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	V
36	Precise statement of key conclusions	I
37	Market strengths and weaknesses impacting project	I
38	Product recommendations and/or suggested modifications to subject	I
39	Discussion of subject property's impact on existing housing	V
40	Discussion of risks or other mitigating circumstances impacting subject	V
41	Interviews with area housing stakeholders	V
<b>Other Requirements</b>		
42	Certifications	Addenda
43	Statement of qualifications	Addenda
44	Sources of data not otherwise identified	N/A

***Addendum E***  
***Utility Allowance Schedule***

# Utility Allowance Schedule

U.S. Department of Housing and Urban  
Development  
Office of Public and Indian Housing

OMB Approval No. 2577-0169 (7/31/2022)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

LOCALITY	UNIT TYPE					DATE
<b>Petersburg Housing Authority</b>	<b>Garden</b>					<b>1/1/2021</b>
UTILITY OR SERVICE	MONTHLY DOLLAR ALLOWANCE					
	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR
<b>HEATING</b>						
a. Natural Gas	\$15	\$18	\$21	\$23	\$27	\$29
b. Electric	\$22	\$28	\$33	\$40	\$47	\$52
c. Heat Pump	\$13	\$16	\$19	\$23	\$27	\$31
d. Fuel Oil	\$27	\$33	\$37	\$42	\$49	\$54
e. Propane	\$39	\$46	\$53	\$61	\$70	\$77
<b>AIR CONDITIONING</b>	\$11	\$14	\$18	\$24	\$30	\$34
<b>COOKING</b>						
a. Natural Gas	\$6	\$6	\$7	\$8	\$8	\$9
b. Electric	\$10	\$11	\$13	\$14	\$15	\$15
c. Propane	\$16	\$17	\$20	\$21	\$23	\$24
<b>OTHER ELECTRIC</b>	\$29	\$31	\$35	\$40	\$45	\$53
<b>WATER HEATING</b>						
a. Natural Gas	\$8	\$11	\$13	\$18	\$24	\$29
b. Electric	\$9	\$15	\$21	\$34	\$47	\$60
c. Fuel Oil	\$13	\$17	\$21	\$30	\$39	\$48
d. Propane	\$22	\$30	\$37	\$51	\$66	\$81
<b>WATER</b>	\$13	\$17	\$22	\$33	\$43	\$50
<b>SEWER</b>	\$25	\$32	\$44	\$68	\$90	\$106
<b>TRASH COLLECTION</b>	\$20	\$20	\$20	\$20	\$20	\$20
<b>REFRIGERATOR</b>	\$5	\$5	\$5	\$5	\$5	\$5
<b>RANGE</b>	\$4	\$4	\$4	\$4	\$4	\$4
<b>Natural Gas Base Charge</b>	\$21	\$21	\$21	\$21	\$21	\$21
<b>ACTUAL FAMILY ALLOWANCES: (To be used by family to complete allowance. Complete below for Actual Unit Rented)</b>				<b>UTILITY OR SERVICE</b>		<b>PER MONTH</b>
<b>NAME OF FAMILY</b>				HEATING		\$
<b>ADDRESS OF UNIT</b>				AIR CONDITIONING		\$
				COOKING		\$
				OTHER ELECTRIC		\$
				WATER HEATING		\$
				WATER		\$
				SEWER		\$
				TRASH COLLECTION		\$
				REFRIGERATOR		\$
				RANGE		\$
				OTHER		\$
<b>NUMBER OF BEDROOMS</b>				<b>TOTAL</b>		\$



***Addendum F***  
***Subject and Neighborhood Photographs***

## PHOTOGRAPHS OF SUBJECT AND NEIGHBORHOOD



Subject's signage



Subject's exterior



Subject's exterior



Subject's exterior



Subject's exterior



Subject's exterior



Community mailboxes



Perimeter fencing



Playground



Typical surface parking



Leasing office



Leasing office



Public bathroom (leasing office)



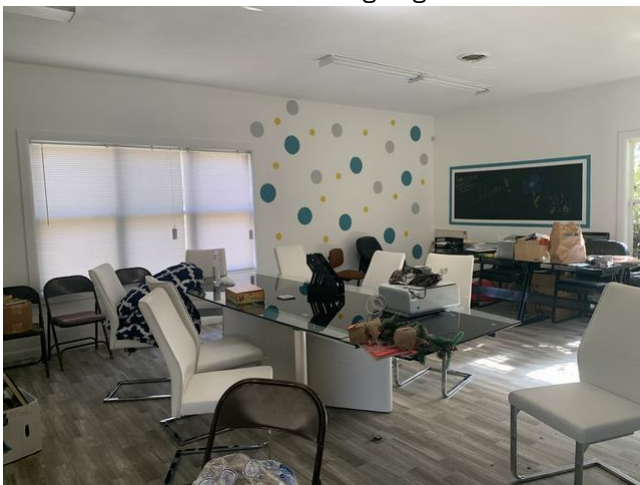
Central laundry facility



Maintenance garage



Community building



Community room



Community room



Exterior of swimming pool building



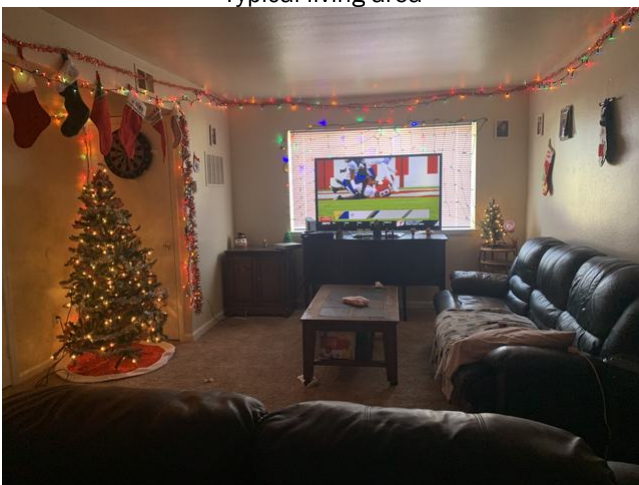
Indoor pool (unusable)



Typical living area



Typical living area



Typical living area



Typical kitchen



Typical kitchen



Typical kitchen



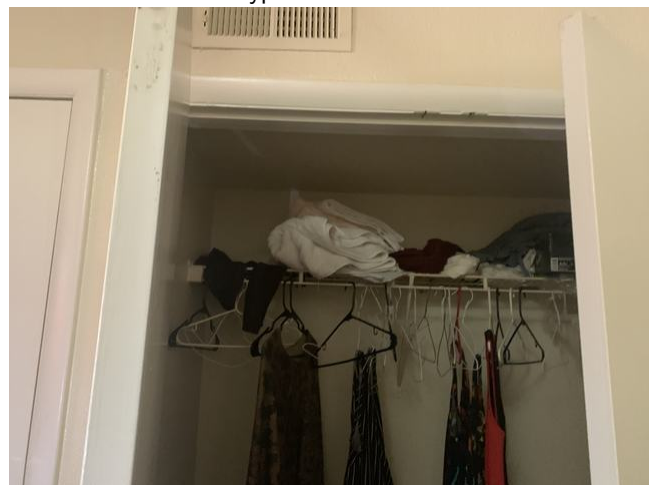
Typical bedroom



Typical bedroom



Typical bedroom



Typical bedroom closet



Typical bathroom



Typical bathroom



Typical bathroom



View west along Navajo Court



View east along Navajo Court



View north along Lakemont/Croatan Drive



View south along Lakemont/Croatan Drive



Vacant commercial building north of Subject



Vacant industrial building north of Subject



Typical single-family home in Subject neighborhood



Typical single-family home in Subject neighborhood



Typical single-family home in Subject neighborhood





Typical commercial/retail use in Subject neighborhood



Typical commercial/retail use in Subject neighborhood



Typical commercial/retail use in Subject neighborhood



Typical commercial/retail use in Subject neighborhood

***Addendum G***  
***HUD RCS Grids***

**Rent Comparability Grid**

Unit Type: 1BR / 1BA – Garden – 469–SF – As Is

OMB Approval # 2502-0507 (exp. 04/30/2021)

Subject's FHA #:

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Petersburg East I & II		Addison Crater Woods		Crater Square Apartments		Jefferson South Of The James		Tanglewood Apartments		Woodmere Apartments	
110 Croatan Drive		200 Addison Way		1025 S Crater Road		1800 Boynton Plank Road		1700 Johnson Road		1 Woodmere Drive	
Petersburg, Petersburg		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$994	N	\$799	N	\$829	N	\$765	N	\$735	N
2	Date Last Leased (mo/yr)	Oct-20		Oct-20		Oct-20		Oct-20		Nov-20	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	100.0%		100.0%		97.9%		100.0%		100.0%	
5	Effective Rent & Rent / sq. ft	\$994	\$1.56	\$799	\$1.23	\$829	\$0.98	\$765	\$1.06	\$735	\$1.12
In Parts B thru E, adjust only for differences the subject's market values.											
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	G/2		G / 3		G / 2		G / 3		G / 2	
7	Yr. Built / Yr. Renovated	1975 / 2004		1985 / 2020		1963 / 2010		1974 / 2000/2013		1976 / 1993	
8	Condition / Street Appeal	A	(\$150)	G		A		A		A	
9	Neighborhood	A	(\$20)	G		G	(\$10)	G	(\$10)	G	(\$20)
10	Same Market? Miles to Subj.			Yes/4		Yes/2.1		Yes/4.1		Yes/3.2	
C. Unit Equipment / Amenities											
Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Bathrooms	1		1		1		1		1	
13	Unit Interior Sq. Ft.	469	(\$66)	648	(\$55)	850	(\$93)	720	(\$67)	656	(\$52)
14	Balcony / Patio	N	(\$10)	Y	(\$10)	N		N		Y	(\$10)
15	AC: Central / Wall	C		C		C		C		C	
16	Range / Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave / Dishwasher	D		M / D		D		D		D	
18	Washer / Dryer	L	(\$30)	WD		L	(\$30)	WD	(\$30)	L	
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Cable / Satellite / Internet	N		N		N		N		N	
22	Special Features	N	(\$15)	Celing Fan, WiFi	(\$15)	Celing Fan/Walk-In Closet	(\$10)	Walk-In Closet	(\$5)	Walk-In Closet	(\$5)
23											
D. Site Equipment / Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L		L/G(\$100)		L		L		L	
25	Extra Storage	N	(\$10)	Y		N		N		N	
26	Security	Y		Y		Y		Y		N	\$5
27	Clubhouse / Meeting Rooms	MR		MR		N	\$10	N	\$10	N	\$10
28	Pool / Recreation Areas	R	(\$15)	P/E/RR	(\$15)	P/R	(\$10)	R	(\$15)	P/R	(\$10)
29	Business Ctr / Nbrd Network	N	(\$10)	BC	(\$10)	N		N		BC	(\$10)
30	Service Coordination	Y	\$15	N	\$15	N	\$15	N	\$15	N	\$15
31	Non-shelter Services	N		N		N		N		N	
32	Neighborhood Network	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	N/G		N/E		N/E		N/E		N/G	
34	Cooling (in rent? / type)	N/C		N/C		N/C		N/C		N/C	
35	Cooking (in rent? / type)	N/E		N/E		N/E		N/E		N/G	
36	Hot water (in rent? / type)	N/G		N/E		N/E	(\$11)	N/E		N/G	
37	Other Electric	N		N		N		N		N	
38	Cold Water / Sewer	Y/Y	\$43	N/N		Y/Y		N/N	\$43	Y/Y	
39	Trash / Recycling	Y		Y		Y		Y		Y	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	1	(9)	1	(6)	2	(4)	2	(5)	3	(6)
41	Sum Adjustments B to D	\$15	(\$326)	\$15	(\$105)	\$25	(\$138)	\$25	(\$127)	\$30	(\$107)
42	Sum Utility Adjustments	\$43					(\$11)	\$43			
43	Net / Gross Adjustments B to E	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
		(\$268)	\$384	(\$90)	\$120	(\$124)	\$174	(\$59)	\$195	(\$77)	\$137
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5 + 43)	\$726		\$709		\$705		\$706		\$658	
45	Adj Rent / Last rent		73%		89%		85%		92%		90%
46	Estimated Market Rent	\$710		\$1.51 Estimated Market Rent / Sq. Ft.							

*ABK*

November 24, 2020

Date **Attached are explanations of:**

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared:  Manually  Using HUD's Excel form

form HUD-92273-S8 (04/2002)

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Petersburg East I & II		Addison Crater Woods		Crater Square Apartments		Jefferson South Of The James		Tanglewood Apartments		Woodmere Apartments	
110 Croatan Drive		200 Addison Way		1025 S Crater Road		1800 Boydton Plank Road		1700 Johnson Road		1 Woodmere Drive	
Petersburg, Petersburg		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$994	N	\$799	N	\$829	N	\$765	N	\$735	N
2	Date Last Leased (mo/yr)	Oct-20		Oct-20		Oct-20		Oct-20		Nov-20	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	100.0%		100.0%		97.9%		100.0%		100.0%	
5	Effective Rent & Rent / sq. ft	\$994	\$1.56	\$799	\$1.23	\$829	\$0.98	\$765	\$1.06	\$735	\$1.12
In Parts B thru E, adjust only for differences the subject's market values.											
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	G/2		G / 3		G / 2		G / 3		G / 2	
7	Yr. Built / Yr. Renovated	1975 / 2004 / Proposed		1985 / 2020		1963 / 2010		1974 / 2000/2013		1976 / 1993	
8	Condition / Street Appeal	G	(\$25)	G	(\$25)	A	\$125	A	\$125	A	\$125
9	Neighborhood	A	(\$20)	G	(\$20)	G	(\$10)	G	(\$10)	G	(\$20)
10	Same Market? Miles to Subj.			Yes/4		Yes/2.1		Yes/4.1		Yes/3.2	
<b>C. Unit Equipment / Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	1		1		1		1		1	
12	# Bathrooms	1		1		1		1		1	
13	Unit Interior Sq. Ft.	469	(\$66)	638	(\$66)	648	(\$55)	850	(\$93)	720	(\$67)
14	Balcony / Patio	N	(\$10)	Y	(\$10)	Y	(\$10)	N		N	(\$10)
15	AC: Central / Wall	C		C		C		C		C	
16	Range / Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave / Dishwasher	M / D		M / D		D		D		D	
18	Washer / Dryer	L	(\$30)	WD	(\$30)	L		WD	(\$30)	L	
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Cable / Satellite / Internet	N		N		N		N		N	
22	Special Features	WiFi	(\$5)	Ceiling Fan, WiFi	(\$5)	Ceiling Fan/Walk-In Closet		Walk-In Closet	\$5	Walk-In Closet	\$5
23											
<b>D. Site Equipment / Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking (\$ Fee)	L	L/G(\$100)	L		L		L		L	
25	Extra Storage	N	(\$10)	Y	(\$10)	N		N		N	
26	Security	Y		Y		Y		Y		Y	\$5
27	Clubhouse / Meeting Rooms	MR		MR		MR	\$10	N	\$10	N	\$10
28	Pool / Recreation Areas	R	P/E/RR (\$15)	P/R	(\$10)	R		P/E/R	(\$15)	P/R	(\$10)
29	Business Ctr / Nbrd Network	N	(\$10)	BC	(\$10)	N		N		BC	(\$10)
30	Service Coordination	Y	\$15	N	\$15	N	\$15	N	\$15	N	\$15
31	Non-shelter Services	N		N		N		N		N	
32	Neighborhood Network	N		N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent? / type)	N/G	N/E	N/E		N/E		N/E		N/G	
34	Cooling (in rent? / type)	N/C	N/C	N/C		N/C		N/C		N/C	
35	Cooking (in rent? / type)	N/E	N/E	N/E		N/E		N/E		N/G	
36	Hot water (in rent? / type)	N/G	N/E	N/E		Y/G	(\$11)	N/E		N/G	
37	Other Electric	N		N		N		N		N	
38	Cold Water / Sewer	Y/Y	NN	Y/Y	\$43	Y/Y		NN	\$43	Y/Y	
39	Trash / Recycling	Y		Y		Y		Y		Y	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	1	(9)	2	(5)	4	(3)	4	(4)	5	(5)
41	Sum Adjustments B to D	\$15	(\$191)	\$140	(\$95)	\$155	(\$133)	\$155	(\$122)	\$160	(\$102)
42	Sum Utility Adjustments	\$43					(\$11)	\$43			
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43	Net / Gross Adjustments B to E	(\$133)	\$249	\$45	\$235	\$11	\$299	\$76	\$320	\$58	\$262
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5 + 43)	\$861		\$844		\$840		\$841		\$793	
45	Adj Rent / Last rent		87%		106%		101%		110%		108%
46	Estimated Market Rent	\$845		\$1.80 Estimated Market Rent / Sq. Ft.							

*Allen K.*

November 24, 2020

Date

Attached are explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

**Rent Comparability Grid**

Unit Type: 2BR / 1BA - Garden - 718 - SF - As Is

OMB Approval # 2502-0507 (exp. 04/30/2021)

Subject's FHA #:

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5		
Petersburg East I & II		Addison Crater Woods		Crater Square Apartments		Jefferson South Of The James		Tanglewood Apartments		Woodmere Apartments		
110 Croatan Drive		200 Addison Way		1025 S Crater Road		1800 Boynton Plank Road		1700 Johnson Road		1 Woodmere Drive		
Petersburg, Petersburg		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
1	\$ Last Rent / Restricted?	\$1,149	N	\$849	N	\$974	N	\$855	N	\$790	N	
2	Date Last Leased (mo/yr)	Oct-20		Oct-20		Oct-20		Oct-20		Nov-20		
3	Rent Concessions	N		N		N		N		N		
4	Occupancy for Unit Type	96.7%		100.0%		97.5%		100.0%		95.0%		
5	Effective Rent & Rent / sq. ft	\$1,149	\$1.30	\$849	\$1.10	\$974	\$1.03	\$855	\$0.92	\$790	\$0.89	
In Parts B thru E, adjust only for differences the subject's market values.												
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
6	Structure / Stories	G/2		G / 3		G / 2		G / 3		G / 2		
7	Yr. Built / Yr. Renovated	1975 / 2004		1985 / 2020		1963 / 2010		1974 / 2000/2013		1976 / 1993		
8	Condition / Street Appeal	A	(\$150)	G		A		A		A		
9	Neighborhood	A	(\$20)	G		G	(\$10)	G	(\$10)	G	(\$20)	
10	Same Market? Miles to Subj.			Yes/4		Yes/2.1		Yes/4.1		Yes/3.2		
C. Unit Equipment / Amenities												
Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
11	# Bedrooms	2		2		2		2		2		
12	# Bathrooms	1	(\$40)	2		1		1.5	(\$20)	1		
13	Unit Interior Sq. Ft.	718	(\$53)	881		774	(\$15)	945	(\$58)	926	(\$39)	
14	Balcony / Patio	N	(\$10)	Y		Y	(\$10)	N		Y	(\$10)	
15	AC: Central / Wall	C		C		C		C		C		
16	Range / Refrigerator	R/F		R/F		R/F		R/F		R/F		
17	Microwave / Dishwasher	D		M / D		D		D		D		
18	Washer / Dryer	L	(\$30)	WD		L		WD	(\$30)	L		
19	Floor Coverings	C		C		C		C		C		
20	Window Coverings	B		B		B		B		B		
21	Cable / Satellite / Internet	N		N		N		N		N		
22	Special Features	N	(\$15)	Ceiling Fan, WiFi		Ceiling Fan/Walk-In Closet	(\$10)	Walk-In Closet	(\$5)	Walk-In Closet	(\$5)	
D. Site Equipment / Amenities												
Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
24	Parking (\$ Fee)	L		L/G(\$100)		L		L		L		
25	Extra Storage	N	(\$10)	Y		N		N		N		
26	Security	Y		Y		Y		Y		N	\$5	
27	Clubhouse / Meeting Rooms	MR		MR		N	\$10	N	\$10	N	\$10	
28	Pool / Recreation Areas	R	(\$15)	P/E/RR		P/R	(\$10)	R	(\$15)	P/R	(\$10)	
29	Business Ctr / Nbh Network	N	(\$10)	BC		BC	(\$10)	N		BC	(\$10)	
30	Service Coordination	Y	\$15	N		N	\$15	N	\$15	N	\$15	
31	Non-shelter Services	N		N		N		N		N		
32	Neighborhood Network	N		N		N		N		N		
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
33	Heat (in rent? / type)	N/G		N/E		N/E		N/E		N/G		
34	Cooling (in rent? / type)	N/C		N/C		N/C		N/C		N/C		
35	Cooking (in rent? / type)	N/E		N/E		N/E		N/E		N/G		
36	Hot water (in rent? / type)	N/G		N/E		N/E	(\$14)	N/E		N/G		
37	Other Electric	N		N		N		N		N		
38	Cold Water / Sewer	Y/Y		N/N	\$59	Y/Y		Y/Y		N/N	\$59	
39	Trash / Recycling	Y		Y		Y		Y		Y		
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	
40	# Adjustments B to D	1	(10)	1	(6)	2	(4)	2	(6)	3	(6)	
41	Sum Adjustments B to D	\$15	(\$353)	\$15	(\$65)	\$25	(\$103)	\$25	(\$128)	\$30	(\$94)	
42	Sum Utility Adjustments						(\$14)					
43	Net / Gross Adjustments B to E	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	
		(\$279)	\$427	(\$50)	\$80	(\$92)	\$142	(\$44)	\$212	(\$64)	\$124	
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		
44	Adjusted Rent (5 + 43)	\$870		\$799		\$882		\$811		\$726		
45	Adj Rent / Last rent		76%		94%		91%		95%		92%	
46	Estimated Market Rent	\$810		\$1.13 Estimated Market Rent / Sq. Ft.								

*Allen K.*

November 24, 2020

Date

Attached are explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared:  Manually  Using HUD's Excel form

form HUD-92273-58 (04/2002)

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Petersburg East I & II		Addison Crater Woods		Crater Square Apartments		Jefferson South Of The James		Tanglewood Apartments		Woodmere Apartments	
110 Croatan Drive		200 Addison Way		1025 S Crater Road		1800 Boydton Plank Road		1700 Johnson Road		1 Woodmere Drive	
Petersburg, Petersburg		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$1,149	N	\$849	N	\$974	N	\$855	N	\$790	N
2	Date Last Leased (mo/yr)	Oct-20		Oct-20		Oct-20		Oct-20		Nov-20	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	96.7%		100.0%		97.5%		100.0%		95.0%	
5	Effective Rent & Rent / sq. ft	\$1,149	\$1.30	\$849	\$1.10	\$974	\$1.03	\$855	\$0.92	\$790	\$0.89
<i>In Parts B thru E, adjust only for differences the subject's market values.</i>											
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	G/2		G / 3		G / 2		G / 3		G / 2	
7	Yr. Built / Yr. Renovated	1975 / 2004 / Proposed		1985 / 2020		1963 / 2010		1974 / 2000/2013		1976 / 1993	
8	Condition / Street Appeal	G	(\$25)	G	(\$25)	A	\$125	A	\$125	A	\$125
9	Neighborhood	A	(\$20)	G	(\$20)	G	(\$10)	G	(\$10)	G	(\$20)
10	Same Market? Miles to Subj.			Yes/4		Yes/2.1		Yes/4.1		Yes/3.2	
<b>C. Unit Equipment / Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	2		2		2		2		2	
12	# Bathrooms	1	(\$40)	2		1		1.5	(\$20)	1	
13	Unit Interior Sq. Ft.	718	(\$53)	881		774	(\$15)	945	(\$58)	926	(\$39)
14	Balcony / Patio	N	(\$10)	Y		Y	(\$10)	N		Y	(\$10)
15	AC: Central / Wall	C		C		C		C		C	
16	Range / Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave / Dishwasher	M / D		M / D		D		D		D	
18	Washer / Dryer	L	(\$30)	WD		L		WD	(\$30)	L	
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Cable / Satellite / Internet	N		N		N		N		N	
22	Special Features	WiFi	(\$5)	Ceiling Fan, WiFi		Ceiling Fan/Walk-In Closet		Walk-In Closet	\$5	Walk-In Closet	\$5
23											
<b>D. Site Equipment / Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking (\$ Fee)	L	L/G(\$100)	L		L		L		L	
25	Extra Storage	N	(\$10)	Y		N		N		N	
26	Security	Y		Y		Y		Y		N	\$5
27	Clubhouse / Meeting Rooms	MR		MR		MR	\$10	N	\$10	N	\$10
28	Pool / Recreation Areas	R	(\$15)	P/E/RR		P/R	(\$10)	R	(\$15)	P/R	(\$10)
29	Business Ctr / Nbrhd Network	N	(\$10)	BC		BC	(\$10)	N		BC	(\$10)
30	Service Coordination	Y	\$15	N		N	\$15	N	\$15	N	\$15
31	Non-shelter Services	N		N		N		N		N	
32	Neighborhood Network	N		N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent? / type)	N/G	N/E	N/E		N/E		N/E		N/G	
34	Cooling (in rent? / type)	N/C	N/C	N/C		N/C		N/C		N/C	
35	Cooking (in rent? / type)	N/E	N/E	N/E		N/E		N/E		N/G	
36	Hot water (in rent? / type)	N/G	N/E	N/E		Y/G	(\$14)	N/E		N/G	
37	Other Electric	N		N		N		N		N	
38	Cold Water / Sewer	Y/Y	NN	Y/Y	\$59	Y/Y		NN	\$59	Y/Y	
39	Trash / Recycling	Y		Y		Y		Y		Y	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	1	(10)	2	(5)	4	(3)	4	(5)	5	(5)
41	Sum Adjustments B to D	\$15	(\$218)	\$140	(\$55)	\$155	(\$98)	\$155	(\$123)	\$160	(\$89)
42	Sum Utility Adjustments						(\$14)	\$59			
43	Net / Gross Adjustments B to E	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
		(\$144)	\$292	\$85	\$195	\$43	\$267	\$91	\$337	\$71	\$249
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5 + 43)	\$1,005		\$934		\$1,017		\$946		\$861	
45	Adj Rent / Last rent		87%		110%		104%		111%		109%
46	Estimated Market Rent	\$945		\$1.32 Estimated Market Rent / Sq. Ft.							

*Allen K.*

November 24, 2020

Date **Attached are explanations of:**

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared: [ ] Manually [ X ] Using HUD's Excel form

form HUD-92273-S8 (04/2002)

**Rent Comparability Grid**

Unit Type: 2BR / 1.5BA- Garden - 729-SF - As Is

OMB Approval # 2502-0507 (exp. 04/30/2021)

Subject's FHA #:

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Petersburg East I & II		Addison Crater Woods		Crater Square Apartments		Jefferson South Of The James		Tanglewood Apartments		Woodmere Apartments	
110 Croatan Drive		200 Addison Way		1025 S Crater Road		1800 Boydton Plank Road		1700 Johnson Road		1 Woodmere Drive	
Petersburg, Petersburg		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,149	N	\$849	N	\$974	N	\$855	N	\$825	N
2	Date Last Leased (mo/yr)	Oct-20		Oct-20		Oct-20		Oct-20		Nov-20	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	96.7%		100.0%		97.5%		100.0%		100.0%	
5	Effective Rent & Rent / sq. ft	\$1,149	\$1.30	\$849	\$1.10	\$974	\$1.03	\$855	\$0.92	\$825	\$0.86
In Parts B thru E, adjust only for differences the subject's market values.											
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	G/2		G / 3		G / 2		G / 3		G / 2	
7	Yr. Built / Yr. Renovated	1975 / 2004		1985 / 2020		1963 / 2010		1974 / 2000/2013		1976 / 1993	
8	Condition / Street Appeal	A		G	(\$150)	A		A		A	
9	Neighborhood	A		G	(\$20)	G	(\$10)	G	(\$10)	G	(\$20)
10	Same Market? Miles to Subj.			Yes/4		Yes/2.1		Yes/4.1		Yes/3.2	
C. Unit Equipment / Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Bathrooms	1.5		2	(\$20)	1	\$20	1.5		1.5	
13	Unit Interior Sq. Ft.	729		881	(\$50)	774	(\$12)	945	(\$56)	926	(\$41)
14	Balcony / Patio	N		Y	(\$10)	Y	(\$10)	N		Y	(\$10)
15	AC: Central / Wall	C		C		C		C		C	
16	Range / Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave / Dishwasher	D		M / D		D		D		D	
18	Washer / Dryer	L		WD	(\$30)	L		WD	(\$30)	L	
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Cable / Satellite / Internet	N		N		N		N		N	
22	Special Features	N		Celing Fan, WiFi	(\$15)	Celing Fan/Walk-In Closet	(\$10)	Walk-In Closet	(\$5)	Walk-In Closet	(\$5)
23											
D. Site Equipment / Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L		L/G(\$100)		L		L		L	
25	Extra Storage	N		Y	(\$10)	N		N		N	
26	Security	Y		Y		Y		Y		N	\$5
27	Clubhouse / Meeting Rooms	MR		MR		N	\$10	N	\$10	N	\$10
28	Pool / Recreation Areas	R		P/E/RR	(\$15)	P/R	(\$10)	R	(\$15)	P/R	(\$10)
29	Business Ctr / Nbrhd Network	N		BC	(\$10)	BC	(\$10)	N		BC	(\$10)
30	Service Coordination	Y		N	\$15	N	\$15	N	\$15	N	\$15
31	Non-shelter Services	N		N		N		N		N	
32	Neighborhood Network	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	N/G		N/E		N/E		N/E		N/G	
34	Cooling (in rent? / type)	N/C		N/C		N/C		N/C		N/C	
35	Cooking (in rent? / type)	N/E		N/E		N/E		N/E		N/G	
36	Hot water (in rent? / type)	N/G		N/E		N/E		Y/G	(\$14)	N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water / Sewer	Y/Y		N/N	\$59	Y/Y		Y/Y		N/N	\$59
39	Trash / Recycling	Y		Y		Y		Y		Y	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	1	(10)	2	(6)	3	(4)	2	(5)	3	(6)
41	Sum Adjustments B to D	\$15	(\$330)	\$35	(\$62)	\$45	(\$101)	\$25	(\$101)	\$30	(\$105)
42	Sum Utility Adjustments	\$59					(\$14)	\$59			
43	Net / Gross Adjustments B to E	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
		(\$256)	\$404	(\$27)	\$97	(\$70)	\$160	(\$17)	\$185	(\$75)	\$135
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5 + 43)	\$893		\$822		\$904		\$838		\$750	
45	Adj Rent / Last rent		78%		97%		93%		98%		91%
46	Estimated Market Rent	\$830		\$1.14 Estimated Market Rent / Sq. Ft.							

*ABK*

November 24, 2020

Date

Attached are explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared: [ ] Manually [ X ] Using HUD's Excel form

form HUD-92273-S8 (04/2002)

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Petersburg East I & II		Addison Crater Woods		Crater Square Apartments		Jefferson South Of The James		Tanglewood Apartments		Woodmere Apartments	
110 Croatan Drive		200 Addison Way		1025 S Crater Road		1800 Boynton Plank Road		1700 Johnson Road		1 Woodmere Drive	
Petersburg, Petersburg		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$1,149	N	\$849	N	\$974	N	\$855	N	\$825	N
2	Date Last Leased (mo/yr)	Oct-20		Oct-20		Oct-20		Oct-20		Nov-20	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	96.7%		100.0%		97.5%		100.0%		100.0%	
5	Effective Rent & Rent / sq. ft	\$1,149	\$1.30	\$849	\$1.10	\$974	\$1.03	\$855	\$0.92	\$825	\$0.86
In Parts B thru E, adjust only for differences the subject's market values.											
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	G/2		G / 3		G / 2		G / 3		G / 2	
7	Yr. Built / Yr. Renovated	1975 / 2004 / Proposed		1985 / 2020		1963 / 2010		1974 / 2000/2013		1976 / 1993	
8	Condition / Street Appeal	G	(\$25)	G	(\$25)	A	\$125	A	\$125	A	\$125
9	Neighborhood	A	(\$20)	G	(\$20)	G	(\$10)	G	(\$10)	G	(\$20)
10	Same Market? Miles to Subj.			Yes/4		Yes/2.1		Yes/4.1		Yes/3.2	
<b>C. Unit Equipment / Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	2		2		2		2		2	
12	# Bathrooms	1.5	(\$20)	2	\$20	1	\$20	1.5		1.5	
13	Unit Interior Sq. Ft.	729	(\$50)	881	(\$50)	774	(\$12)	945	(\$56)	926	(\$50)
14	Balcony / Patio	N	(\$10)	Y	(\$10)	Y	(\$10)	N		Y	(\$10)
15	AC: Central / Wall	C		C		C		C		C	
16	Range / Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave / Dishwasher	M / D		M / D		D		D		D	
18	Washer / Dryer	L	(\$30)	WD	(\$30)	L		WD	(\$30)	L	
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Cable / Satellite / Internet	N		N		N		N		N	
22	Special Features	WiFi	(\$5)	Ceiling Fan, WiFi		Ceiling Fan/Walk-In Closet		Walk-In Closet	\$5	Walk-In Closet	\$5
23											
<b>D. Site Equipment / Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking (\$ Fee)	L	L/G(\$100)	L		L		L		L	
25	Extra Storage	N	(\$10)	Y	(\$10)	N		N		N	
26	Security	Y		Y		Y		Y		N	\$5
27	Clubhouse / Meeting Rooms	MR		MR		MR	\$10	N	\$10	N	\$10
28	Pool / Recreation Areas	R	P/E/RR (\$15)	P/R	(\$10)	R		P/E/R	(\$15)	P/R	(\$10)
29	Business Ctr / Nbd Network	N	BC (\$10)	BC	(\$10)	N		N		BC	(\$10)
30	Service Coordination	Y	N \$15	N	\$15	N	\$15	N	\$15	N	\$15
31	Non-shelter Services	N		N		N		N		N	
32	Neighborhood Network	N		N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent? / type)	N/G	N/E	N/E		N/E		N/E		N/G	
34	Cooling (in rent? / type)	N/C	N/C	N/C		N/C		N/C		N/C	
35	Cooking (in rent? / type)	N/E	N/E	N/E		N/E		N/E		N/G	
36	Hot water (in rent? / type)	N/G	N/E	N/E		Y/G	(\$14)	N/E		N/G	
37	Other Electric	N		N		N		N		N	
38	Cold Water / Sewer	Y/Y	NN \$59	Y/Y		Y/Y		NN	\$59	Y/Y	
39	Trash / Recycling	Y	Y	Y		Y		Y		Y	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	1	(10)	3	(5)	5	(3)	4	(4)	5	(5)
41	Sum Adjustments B to D	\$15	(\$195)	\$160	(\$52)	\$175	(\$96)	\$155	(\$96)	\$160	(\$100)
42	Sum Utility Adjustments	\$59					(\$14)	\$59			
43	Net / Gross Adjustments B to E	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
		(\$121)	\$269	\$108	\$212	\$65	\$285	\$118	\$310	\$60	\$260
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5 + 43)	\$1,028		\$957		\$1,039		\$973		\$885	
45	Adj Rent / Last rent		89%		113%		107%		114%		107%
46	Estimated Market Rent	\$965		\$1.32 Estimated Market Rent / Sq. Ft.							

*APB/K*

November 24, 2020

Date

Attached are explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type



**Rent Comparability Grid**

Unit Type: 3BR / 1.5BA – Garden – 934-SF – As Is

OMB Approval # 2502-0507 (exp. 04/30/2021)

Subject's FHA #:

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Petersburg East I & II		Addison Crater Woods		Crater Square Apartments		Jefferson South Of The James		Tanglewood Apartments		Woodmere Apartments	
110 Croatan Drive		200 Addison Way		1025 S Crater Road		1800 Boynton Plank Road		1700 Johnson Road		1 Woodmere Drive	
Petersburg, Petersburg		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,459	N	\$949	N	\$1,129	N	\$960	N	\$915	N
2	Date Last Leased (mo/yr)	Oct-20		Oct-20		Oct-20		Oct-20		Nov-20	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	100.0%		100.0%		100.0%		100.0%		100.0%	
5	Effective Rent & Rent / sq. ft	\$1,459	\$1.08	\$949	\$1.01	\$1,129	\$1.03	\$960	\$0.78	\$915	\$0.82
In Parts B thru E, adjust only for differences the subject's market values.											
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	G/2		G / 3		G / 2		G / 3		G / 2	
7	Yr. Built / Yr. Renovated	1975 / 2004		1985 / 2020		1963 / 2010		1974 / 2000/2013		1976 / 1993	
8	Condition / Street Appeal	A		G	(\$150)	A		A		A	
9	Neighborhood	A		G	(\$20)	G	(\$10)	G	(\$10)	G	(\$20)
10	Same Market? Miles to Subj.			Yes/4		Yes/2.1		Yes/4.1		Yes/3.2	
C. Unit Equipment / Amenities											
Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3		3		3		3		3	
12	# Bathrooms	1.5	(\$20)	2		1.5		1	\$20	1.5	(\$20)
13	Unit Interior Sq. Ft.	934	(\$112)	1,349		942		1,100	(\$43)	1,224	(\$57)
14	Balcony / Patio	N	(\$10)	Y		Y	(\$10)	N		N	(\$10)
15	AC: Central / Wall	C		C		C		C		C	
16	Range / Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave / Dishwasher	D		M / D		D		D		D	
18	Washer / Dryer	L	(\$30)	WD		L		WD	(\$30)	WD	(\$30)
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Cable / Satellite / Internet	N		N		N		N		N	
22	Special Features	N		Ceiling Fan, WiFi	(\$15)	Ceiling Fan/Walk-In Closet	(\$10)	Walk-In Closet	(\$5)	Walk-In Closet	(\$5)
23											
D. Site Equipment / Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L		L/G(\$100)		L		L		L	
25	Extra Storage	N	(\$10)	Y		N		N		N	
26	Security	Y		Y		Y		Y		Y	\$5
27	Clubhouse / Meeting Rooms	MR		MR		N	\$10	N	\$10	N	\$10
28	Pool / Recreation Areas	R	(\$15)	P/E/RR		P/R	(\$10)	R	(\$15)	P/R	(\$10)
29	Business Ctr / Nhbhd Network	N	(\$10)	BC		BC	(\$10)	N		BC	(\$10)
30	Service Coordination	Y	\$15	N		N	\$15	N	\$15	N	\$15
31	Non-shelter Services	N		N		N		N		N	
32	Neighborhood Network	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	N/G		N/E		N/E		N/E		N/G	
34	Cooling (in rent? / type)	N/C		N/C		N/C		N/C		N/C	
35	Cooking (in rent? / type)	N/E		N/E		N/E		N/E		N/G	
36	Hot water (in rent? / type)	N/G		N/E		N/E	(\$19)	N/E		N/G	
37	Other Electric	N		N		N		N		N	
38	Cold Water / Sewer	Y/Y		N/N	\$90	Y/Y		Y/Y		N/N	\$90
39	Trash / Recycling	Y		Y		Y		Y		Y	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	1	(10)	1	(5)	3	(4)	2	(5)	3	(7)
41	Sum Adjustments B to D	\$15	(\$392)	\$15	(\$50)	\$45	(\$88)	\$25	(\$117)	\$30	(\$113)
42	Sum Utility Adjustments						(\$19)	\$90			
43	Net / Gross Adjustments B to E	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
		(\$287)	\$497	(\$35)	\$65	(\$62)	\$152	(\$2)	\$232	(\$83)	\$143
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5 + 43)	\$1,172		\$914		\$1,067		\$958		\$832	
45	Adj Rent / Last rent		80%		96%		95%		100%		91%
46	Estimated Market Rent	\$950		\$1.02 Estimated Market Rent / Sq. Ft.							

*Allen K.*

November 24, 2020

Date

Attached are explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared: [ ] Manually [ X ] Using HUD's Excel form

form HUD-92273-S8 (04/2002)

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Petersburg East I & II		Addison Crater Woods		Crater Square Apartments		Jefferson South Of The James		Tanglewood Apartments		Woodmere Apartments	
110 Croatan Drive		200 Addison Way		1025 S Crater Road		1800 Boydton Plank Road		1700 Johnson Road		1 Woodmere Drive	
Petersburg, Petersburg		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA		Petersburg, Petersburg County, VA	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$1,459	N	\$949	N	\$1,129	N	\$960	N	\$915	N
2	Date Last Leased (mo/yr)	Oct-20		Oct-20		Oct-20		Oct-20		Nov-20	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	100.0%		100.0%		100.0%		100.0%		100.0%	
5	Effective Rent & Rent / sq. ft	\$1,459	\$1.08	\$949	\$1.01	\$1,129	\$1.03	\$960	\$0.78	\$915	\$0.82
In Parts B thru E, adjust only for differences the subject's market values.											
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	G/2		G / 3		G / 2		G / 3		G / 2	
7	Yr. Built / Yr. Renovated	1975 / 2004 / Proposed		1985 / 2020		1963 / 2010		1974 / 2000/2013		1976 / 1993	
8	Condition / Street Appeal	G	(\$25)	A	\$125	A	\$125	A	\$125	A	\$125
9	Neighborhood	A	(\$20)	G	(\$10)	G	(\$10)	G	(\$10)	G	(\$20)
10	Same Market? Miles to Subj.			Yes/4		Yes/2.1		Yes/4.1		Yes/3.2	
<b>C. Unit Equipment / Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	3		3		3		3		3	
12	# Bathrooms	1.5	(\$20)	2		1.5		1.5		2	(\$20)
13	Unit Interior Sq. Ft.	934	(\$112)	1,349		942		1,100	(\$43)	1,224	(\$38)
14	Balcony / Patio	N	(\$10)	Y		Y	(\$10)	N		Y	(\$10)
15	AC: Central / Wall	C		C		C		C		C	
16	Range / Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave / Dishwasher	M / D		M / D		D		D		D	
18	Washer / Dryer	L	(\$30)	WD		L		WD	(\$30)	L	
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Cable / Satellite / Internet	N		N		N		N		N	
22	Special Features	WiFi	(\$5)	Ceiling Fan, WiFi		Ceiling Fan/Walk-In Closet		Walk-In Closet	\$5	Walk-In Closet	\$5
23											
<b>D. Site Equipment / Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking (\$ Fee)	L	L/G(\$100)	L		L		L		L	
25	Extra Storage	N	(\$10)	Y		N		N		N	
26	Security	Y		Y		Y		Y		N	\$5
27	Clubhouse / Meeting Rooms	MR		MR		MR	\$10	N	\$10	N	\$10
28	Pool / Recreation Areas	R	(\$15)	P/E/RR		P/R	(\$10)	R		P/E/R	(\$15)
29	Business Ctr / Nbrhd Network	N	(\$10)	BC		BC	(\$10)	N		N	(\$10)
30	Service Coordination	Y	\$15	N		N	\$15	N	\$15	N	\$15
31	Non-shelter Services	N		N		N		N		N	
32	Neighborhood Network	N		N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent? / type)	N/G	N/E	N/E		N/E		N/E		N/G	
34	Cooling (in rent? / type)	N/C	N/C	N/C		N/C		N/C		N/C	
35	Cooking (in rent? / type)	N/E	N/E	N/E		N/E		N/E		N/G	
36	Hot water (in rent? / type)	N/G	N/E	N/E		Y/G	(\$19)	N/E		N/G	
37	Other Electric	N		N		N		N		N	
38	Cold Water / Sewer	Y/Y	NN	\$90		Y/Y		NN	\$90	Y/Y	
39	Trash / Recycling	Y		Y		Y		Y		Y	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	1	(10)	2	(4)	5	(3)	4	(4)	5	(6)
41	Sum Adjustments B to D	\$15	(\$257)	\$140	(\$40)	\$175	(\$83)	\$155	(\$112)	\$160	(\$108)
42	Sum Utility Adjustments	\$90					(\$19)	\$90			
43	Net / Gross Adjustments B to E	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
		(\$152)	\$362	\$100	\$180	\$73	\$277	\$133	\$357	\$52	\$268
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5 + 43)	\$1,307		\$1,049		\$1,202		\$1,093		\$967	
45	Adj Rent / Last rent		90%		111%		106%		114%		106%
46	Estimated Market Rent	\$1,085		\$1.16 Estimated Market Rent / Sq. Ft.							

*Allen K.*

November 24, 2020

Date **Attached are explanations of:**

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared: [ ] Manually [ X ] Using HUD's Excel form

form HUD-92273-S8 (04/2002)