

# Choice Neighborhood III-R

The Townhouse Units in Choice Neighborhood III-R have a higher utility allowance than the elevator building.

This is to confirm that even with the higher townhouse utility allowances (which cannot be reflected in the Virginia Housing application because only one utility allowance schedule can be entered), the gross LIHTC rents do not exceed the maximum allowable as follows:

Bedroom	Net Rent	Townhouse Utility Allowance	Gross Rent	Max LIHTC Rent
1BR	\$800	\$85	\$885	\$928
2BR	\$955	\$123	\$1078	\$1114
3BR	\$1075	\$174	\$1249	\$1287



**BOWEN  
NATIONAL  
RESEARCH**

# Market Feasibility Analysis

Choice Neighborhood III-R  
600 Ridley Circle  
Newport News, Virginia 23607

*Prepared For*

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*Authorized User*

Virginia Housing  
601 South Belvidere Street  
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*Effective Date*

February 16, 2021

*Job Reference Number*

21-117 JW

# Market Study Certification

## NCHMA Certification

This certifies that Gregory Piduch, an employee of Bowen National Research, personally made an inspection of the area including competing properties and the proposed site in Newport News, Virginia. Further, the information contained in this report is true and accurate as of February 16, 2021.

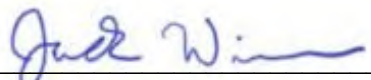
Bowen National Research is a disinterested third party without any current or future financial interest in the project under consideration. We have received a fee for the preparation of the market study. However, no contingency fees exist between our firm and the client.

## Virginia Housing Certification

I affirm the following:

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

Certified:

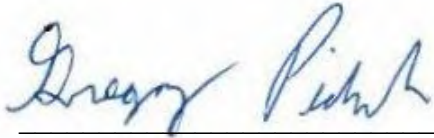


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# I. Introduction

## A. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Newport News, Virginia. This study was initiated by Ms. Christine Robertson of Pennrose Properties, LLC and complies with the guidelines of Virginia Housing. This study conforms to the standards adopted by the National Council of Housing Market Analysts (NCHMA). These standards include the accepted definitions of key terms used in market studies for affordable housing projects and model content standards for the content of market studies for affordable housing projects. These standards are designed to enhance the quality of market studies and to make them easier to prepare, understand and use by market analysts and end users.

## B. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

### **C. SOURCES**

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

- The 2000 and 2010 Census on Housing
- American Community Survey
- ESRI
- Urban Decision Group (UDG)
- Applied Geographic Solutions
- U.S. Department of Labor
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- U.S. Department of Housing and Urban Development (HUD)

### **D. REPORT LIMITATIONS**

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

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

Any reproduction or duplication of this report without the express approval of Pennrose Properties, LLC or Bowen National Research is strictly prohibited.



## II. Executive Summary

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

### Project Description

Choice Neighborhood III-R involves the new construction of 71 apartments at 600 Ridley Circle in Newport News. The project will target family (general-occupancy) households earning up to 40%, 50% and 60% of Area Median Household Income (AMHI) under the LIHTC program, with 13 units operating as unrestricted market-rate. Additionally, 34 units will receive project-based rental assistance through the HUD Section 8 program. The proposed project is expected to be complete by February 2024. Additional details of the subject project can be found in Section III - *Project Description* of this report.

### Site Evaluation

The subject site currently comprises existing structures and vacant land bound by 18th Street, Ivy Avenue, 12th Street and Jefferson Avenue in the southern portion of Newport News. Note that the existing structures will be razed during the development process. The site is within a mixed-use area that includes single-family homes, additional rental communities, local services and businesses. Surrounding homes were observed to be in satisfactory condition, and the development of the subject community should contribute to the redevelopment of the subject area. Both site visibility and access are considered good, as all adjacent roads have unimpeded visibility of the site parcel with multiple points of ingress and egress and light passerby traffic. Hampton Road Transit bus stops are present along the eastern and western site boundaries. Restaurants, convenience stores, discount shopping stores, a police department and a grocery store are among the services within approximately 1.0 mile of the site. Medical facilities can be accessed within 5.0 miles and the nearest hospital is within 7.5 miles. Overall, the subject site's surrounding land uses and proximity to community services should positively contribute to its marketability. Additional information regarding the subject site, surrounding land uses and the proximity of community services is included in Section IV - *Area Analysis*.

### Primary Market Area (PMA)

The Newport News Site PMA includes southern portions of Newport News and Hampton. Specifically, the boundaries of the Site PMA include Museum Drive, Boundary Road, Warwick Boulevard, Harpersville Road, Hampton Roads Center Parkway and Interstate 64 to the north; Lasalle Avenue to the east; Hampton Roads Bay to the south; and the James River to the west. A justification of this market area and a map illustrating the boundaries of the Site PMA can be found in Section IV, beginning on page IV-10.

### Demographic Trends

Both the population and household bases within the Newport News Site PMA are projected to decline between 2021 and 2026, a trend which has been consistent since 2000. Nonetheless, the 25 to 64 age cohort, which is expected to be the primary age cohort of potential renters at the general-occupancy subject project, comprise more than 67% of all households in 2021 and will comprise 64% of all households through 2026. Over half of all households were renters in 2021 and the 18,993 renter households projected for 2026 illustrate a deep base of renter support. Nearly 64% of all renter households are projected to earn below \$50,000 in 2026. Based on the preceding analysis, a large base of lower-income renter household will continue to exist in the market during this time period. Detailed demographic trends are included in Section IV, beginning on page IV-12.

### Economic Trends

Based on data provided by the State of Virginia Department of Labor and the U.S. Department of Labor, the area was negatively impacted by the COVID-19 pandemic, which caused many local businesses to shut down in an attempt to mitigate the spread of the coronavirus. Between 2019 and 2020, the Newport News employment base declined by over 4,160 jobs, or 4.8%, and its unemployment rate increased by nearly five percentage points. Specifically, between February and April 2020, the unemployment rate within the city spiked by over ten percentage points; however, the city's unemployment rate has generally been trending downward since. Nonetheless, several of the businesses impacted include those within the Retail Trade and Accommodation & Food Services sectors, which provide lower wage paying positions. The subject site will provide a good quality affordable housing option in an economy where lower-wage employees are most vulnerable. Detailed economic trends are included in Section IV, beginning on page IV-17.

### Overall Rental Housing Market Conditions

We identified and personally surveyed 31 conventional housing projects containing a total of 5,607 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 98.6%, a strong rate for rental housing. Each rental housing segment surveyed is summarized as follows:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	9	3,072	15	99.5%
Tax Credit	13	1,556	59	96.2%
Tax Credit/Government-Subsidized	5	290	0	100.0%
Market-rate/Tax Credit/Government-Subsidized	1	60	7	88.3%
Government-Subsidized	3	629	0	100.0%
Total	31	5,607	81	98.6%

As the preceding table illustrates, the one market-rate, Tax Credit and government-subsidized property surveyed within the market, Noland Green (Map ID 19), is operating at a low occupancy rate of 88.3%. According to management, vacancies are attributed to the lack of qualified applicants. It should also be noted that this property offers some of the smallest Tax Credit unit sizes (square feet). Given that nearly all other rental properties surveyed are performing at good occupancy levels, it can be concluded that the Newport News rental housing market is actually performing well, and the vacancies located at Noland Green are likely attributed to product and/or management deficiencies.

**Tax Credit Property Disclosure:** In addition to the 19 properties surveyed that at least partially operate under the Tax Credit program, we identified ten Tax Credit properties within the Site PMA that we were unable to survey at the time of this report. The known details of these projects based on previous surveys conducted by Bowen National Research in the Newport News area and from our review of the state Tax Credit allocation list are summarized in the following table:

Name	Location	Year Built/ Renovated	Total Units	Target Population	Occupancy at Last Survey
801 Main Senior	801 Main St.	2017	44	Seniors; 40%, 50% & 60% AMHI & PBRA	100.0%; 35 H.H. Waitlist (January 2020)
Chestnut Square	800 Dana Rae Ct.	2000	40	Family; 60% AMHI	100.0%; 3 H.H. Waitlist (January 2020)
City Line	155 Mytilene Dr.	1975 / 2006	200	Family; 30% AMHI & Section 8	100.0%; 85 H.H. Waitlist (January 2020)
Lassiter Courts	811 C. Taylor Ave.	1962 / 1997	100	Family; 60% AMHI & Public Housing	100.0%; No Waitlist (August 2019)
Lofts at Jefferson	558 28th St.	2014	14	Family; 60% AMHI & Section 8	100.0%; 8 H.H. Waitlist (February 2019)
Medical Arts Senior Apts.	2901 West Ave.	2003	20	Seniors; 50% AMHI	90.0%; No Waitlist (June 2017)
Newport Harbour Apts.	2325 Madison Ave.	1962 / 2003	200	Family; 50% AMHI & Section 8	100.0%; 129 H.H. Waitlist (January 2020)
Orcutt Village Townhomes II	1031 34th St.	2006	40	Family; 40% & 50% AMHI & Public Housing	100.0%; 978 H.H. Waitlist (August 2019)
Orcutt Village Townhomes III	900 36th St.	2011	30	Family; 40% & 50% AMHI & PBRA	100.0%; 29 H.H. Waitlist (August 2019)
Snowden Senior Apts.	1115 Briarfield Rd.	2016	68	Senior; 40%, 50% & 60% AMHI & PBRA	100.0%; 120 H.H. Waitlist (January 2019)

AMHI – Area Median Household Income  
 PBRA – Project-Based Rental Assistance  
 H.H. – Households

It is estimated that the ten Tax Credit projects we were unable to survey within the market offer a total of 138 non-subsidized Tax Credit units, which have been included in our penetration rate analysis illustrated later in this section.

Competitive/Comparable Tax Credit Analysis

The proposed subject project will target family (general-occupancy) households earning up to 40%, 50% and 60% of AMHI under the LIHTC program. In addition, the subject project will also operate under the HUD Section 8 program with a direct subsidy available to 34 units. For the purpose of this analysis, however, we only select comparable *non-subsidized* LIHTC properties, as these properties provide the most accurate representation of achievable non-subsidized Tax Credit rents within the Newport News market. The subject development will also offer 13 market-rate units, which will be evaluated later in the report.

Within the Site PMA, we identified and surveyed a total of 17 general-occupancy LIHTC properties which offer non-subsidized units in the Newport News market. Of these 17 LIHTC properties, we have selected the seven most comparable properties based on unit types similar to those proposed for the subject project, in terms of project size (total units) and/or age.

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

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
<b>Site</b>	<b>Choice Neighborhood III-R</b>	<b>2024</b>	<b>58*</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>Families; 40%, 50% &amp; 60% AMHI &amp; Section 8</b>
2	Ada Park	2018	42	100.0%	6.5 Miles	10 HH	Families; 50% & 60% AMHI
4	Brennan Pointe I	2016	44	100.0%	1.7 Miles	90 HH	Families; 40%, 50%, & 60% AMHI
5	Brennan Pointe II	2018	43	100.0%	1.7 Miles		Families; 40%, 50%, & 60% AMHI
10	Heritage Forest I & II	2012	248	100.0%	2.2 Miles	None	Families; 40% & 60% AMHI
19	Noland Green	2011**	49*	85.7%	1.4 Miles	None	Families; 40% & 50% AMHI
29	Waterford Pointe	1993 / 2014	120	100.0%	7.9 Miles	200 HH	Families; 60% AMHI
31	Whittaker Place	2019**	67	100.0%	1.5 Miles	2 HH	Families; 40% & 60% AMHI

OCC. – Occupancy  
 HH - Households  
 \*Non-subsidized Tax Credit units only  
 \*\*Adaptive reuse

The seven LIHTC projects have a combined occupancy rate of 98.9%, a strong rate for affordable housing. In fact, six of these projects are fully occupied, four of which maintain a waiting list, illustrating that pent-up demand exists for additional affordable rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand.

The gross rents for the most comparable LIHTC projects and the proposed/programmatic rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the table on the following page.

		Gross Rent/Percent of AMHI (Number of Units/Vacancies)				
Map I.D.	Project Name	Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Choice Neighborhood III-R	-	\$619*/40% (1) \$773*/50% (4) \$885/60% (4)	\$743*/40% (3) \$928*/50% (16) \$1,068-\$1,078/60% (12)	\$858*/40% (2) \$1,072*/50% (2) \$1,239-\$1,249/60% (12)	\$1,196*/50% (2)
2	Ada Park	-	-	\$972/50% (21/0) \$1,167/60% (9/0)	\$1,401/60% (12/0)	-
4	Brennan Pointe I	-	-	\$803/40% (3/0) \$964/50% (18/0) \$1,019/60% (7/0)	\$930/40% (2/0) \$1,119/50% (11/0) \$1,213/60% (3/0)	-
5	Brennan Pointe II	-	-	\$1,052/40% (3/0) \$952/50% (10/0) \$1,040/60% (14/0)	\$1,206/40% (2/0) \$1,104/50% (7/0) \$1,208/60% (7/0)	-
10	Heritage Forest I & II	-	\$672/40% (10/0) \$933/60% (24/0)	\$823/40% (16/0) \$1,151/60% (146/0)	\$1,279/60% (52/0)	-
19	Noland Green	-	\$723/50% (10/2)	\$858/50% (30/3)	\$981/50% (9/2)	-
29	Waterford Pointe	-	\$929/60% (9/0)	\$1,115/60% (66/0)	\$1,323/60% (45/0)	-
31	Whittaker Place	\$568/40% (2/0) \$831/60% (12/0)	\$603/40% (4/0) \$901/60% (37/0)	\$730/40% (2/0) \$1,087/60% (10/0)	-	-

\*Maximum allowable LIHTC gross rent

The proposed/programmatic subject gross rents, ranging from \$619 to \$1,249, will generally be some of the lowest LIHTC rents targeting similar income levels within the market. This will position the subject project at a market advantage and will bode well for the demand of the subject units.

#### Comparable Tax Credit Summary

The seven comparable general-occupancy LIHTC properties have a combined occupancy rate of 98.9%, six of which are 100.0% occupied. The proposed subject project is expected to help alleviate a portion of this pent-up demand for additional general-occupancy LIHTC product. The subject's proposed/programmatic gross Tax Credit rents are generally some of the lowest targeting similar income levels, which will bode well for the demand of the subject units. In terms of design, the subject property will offer larger unit sizes (square feet) and a competitive amenities package. Based on the preceding factors, the subject project is considered very marketable as proposed.

#### Competitive/Comparable Market-Rate Analysis

Considering the proposed project will offer 13 market-rate units, we have also provided a comparable market-rate analysis to assess the competitiveness of these units. We identified five comparable market-rate properties within the Site PMA, which are summarized in the table on the following page, along with the subject site:

Map I.D.	Project Name	Year Built/ Renovated	Units	Occupancy Rate	Distance to Site	Rent Special
<b>Site</b>	<b>Choice Neighborhood III-R</b>	<b>2024</b>	<b>13*</b>	<b>-</b>	<b>-</b>	<b>-</b>
1	Abbington at Northampton	1982 / 2013	567	99.8%	5.0 Miles	None
6	Cambridge	1972 / 2004	465	100.0%	5.0 Miles	None
9	Hampstead Heath Luxury Homes	1977 / 2006	101	100.0%	6.2 Miles	None
16	Liberty	2013	197	99.0%	1.6 Miles	None
22	Riverlands	1992 / 2000	404	100.0%	3.4 Miles	None

\*Market-rate units only

The five selected market-rate projects have a combined total of 1,734 units with an overall occupancy rate of 99.8% (a result of only three vacant units), a very strong rate for rental housing. A total of three of these projects are 100.0% occupied, illustrating that pent-up demand likely exists for additional market-rate rental housing within the Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

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

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Choice Neighborhood III-R</b>	<b>\$1,006 (2)</b>	<b>\$1,237-\$1,247 (8)</b>	<b>\$1,634-\$1,644 (3)</b>
1	Abbington at Northampton	\$1,172-\$1,252 (241/0)	\$1,468-\$1,550 (231/0)	\$1,985 (95/1)
6	Cambridge	\$1,174-\$1,184 (73/0)	\$1,367-\$1,596 (317/0)	\$1,734 (75/0)
9	Hampstead Heath Luxury Homes	-	\$1,505-\$1,605 (65/0)	\$1,554-\$1,943 (36/0)
16	Liberty	\$1,293-\$1,408 (85/1)	\$1,648-\$1,763 (104/1)	\$2,001-\$2,116 (8/0)
22	Riverlands	\$887-\$927 (192/0)	\$1,068-\$1,158 (200/0)	\$1,328-\$1,363 (12/0)

The subject's proposed market-rate rents, ranging from \$1,006 to \$1,644, will be some of the lowest market-rate gross rents within the market. This will bode very well in the demand of the subject's market-rate units.

### Perception of Value

Based on HUD Rent Comparability Grids in Section VI, it was determined that the present-day achievable market rents for units similar to the proposed subject development are \$1,070 for a one-bedroom unit, \$1,315 for a two-bedroom unit \$1,530 for a three-bedroom unit and \$1,760 for a four-bedroom unit, which are illustrated in the table on the following page.

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
One-Br.	\$543* (40%) \$688*-\$697* (50%) \$800 (60%) \$930 (MR)	\$1,070	49.3% 34.9%-35.7% 25.2% 13.1%
Two-Br.	\$630* (40%) \$805*-\$815* (50%) \$955 (60%) \$1,124 (MR)	\$1,315	52.1% 38.0%-38.8% 27.4% 14.5%
Three-Br.	\$694* (40%) \$898*-\$908* (50%) \$1,075 (60%) \$1,470 (MR)	\$1,530	54.6% 40.7%-41.3% 29.7% 3.9%
Four-Br.	\$972* (50%)	\$1,760	44.8%

\*Maximum allowable gross rent less tenant-paid utilities  
MR – Market-Rate

Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will represent a value and have a sufficient flow of tenants. Therefore, the subject's proposed Tax Credit rents, which represent market rent advantages of between 25.2% and 54.6%, are considered appropriate and should represent good values within the Newport News market. It is also important to reiterate that the subject project will operate with a project-based Section 8 subsidy available to 34 units. Thus, many of the units at the property will represent an even greater value than that reflected by the market rent advantages in the preceding table, as these tenants will pay only 30% of their income towards rent, rather than the proposed rents evaluated throughout this report. Additionally, the subject's market-rate rents are anticipated to represent good values to renters, as they also represent positive rent advantages. This will contribute to the subject's marketability.

### Capture Rate Estimates

The following is a summary of our demand calculations:

Demand Component	40% AMHI (\$21,223-\$35,640)	50% AMHI (\$26,503-\$47,850)	60% AMHI (\$30,343-\$53,460)	Overall LIHTC (\$21,223-\$53,460)	Market-Rate Only (\$53,461+)
Net Demand	2,372	1,898	1,423	3,019	866
Proposed Units	6	24	28	58	13
Proposed Units / Net Demand	6 / 2,372	24 / 1,898	28 / 1,423	58 / 3,019	13 / 866
Capture Rate	= 0.3%	= 1.3%	= 2.0%	= 1.9%	= 1.5%

Overall, the capture rates by targeted income level are considered very low and easily achievable, ranging from 0.3% to 2.0%. The overall LIHTC capture rate of 1.9% is also considered very low and easily achievable, illustrating that a substantial base of demographic support will exist for the subject development.



Penetration Rate

The 1,953 existing and planned non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned Tax Credit units is \$19,474 to \$62,370. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, there will be an estimated 8,894 renter households with eligible incomes in 2024. The 2,011 existing, planned and proposed subject Tax Credit units represent a penetration rate of 22.6% of the 8,894 income-eligible renter households, which is summarized in the following table:

	Market Penetration
Number of LIHTC Units (Existing, Planned & Proposed)	2,011
Income-Eligible Renter Households – 2024	/ 8,894
Overall Market Penetration Rate	= 22.6%

It is our opinion that the 22.6% penetration rate for the LIHTC units, existing, planned and proposed subject, is low and achievable.

*Please note that penetration rates are not provided for market-rate units.*

Absorption Projections

Considering the facts contained in the market study, as well as the preceding factors, and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the proposed subject development. It is our opinion that the proposed 58 LIHTC units at the subject site will reach a stabilized occupancy of 93% in less than four months of opening. This absorption rate is based on an average monthly absorption rate of 15 units per month. It is anticipated that the subject's 13 market-rate units will stabilize in less than one month. Note that these absorption projections assume the proposed project will operate with a subsidy available to 34 of the units. In the unlikely scenario the subject project did not operate with a subsidy available to 34 units, the proposed project will likely experience a slightly extended absorption period of less than five months, which is reflective of an absorption rate of 12 units per month.

These absorption projections assume a February 2024 opening date. Note that, with a February opening date, the subject project may experience a slower initial absorption rate due to the winter months. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, unit design, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development receives.



### III. Project Description

Project Name:	<b>Choice Neighborhood III-R</b>
Location:	600 Ridley Circle, Newport News, Virginia 23607
Census Tract:	301.00
Target Market:	Family
Construction Type:	New Construction
Funding Source:	LIHTC

The subject project involves the new construction of the 71-unit Choice Neighborhood III-R rental community at 600 Ridley Circle in Newport News, Virginia. The project will target family (general-occupancy) households earning up to 40%, 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program, with 13 units operating as unrestricted market-rate. Additionally, 34 units will receive project-based rental assistance through the HUD Section 8 program. The proposed project is expected to be complete by February 2024. Additional details of the subject development are summarized as follows:

#### Proposed Unit Configuration

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
1	One-Br.	1.0	Garden	654	40%/S8	\$934	\$76	\$1,010	\$619
3	One-Br.	1.0	Garden	654-669	50%/S8	\$934	\$76	\$1,010	\$773
1	One-Br.	1.0	Townhome	780	50%/S8	\$925	\$85	\$1,010	\$773
3	One-Br.	1.0	Garden	654-669	60%/S8	\$934	\$76	\$1,010	\$928
1	One-Br.	1.0	Townhome	829	60%	\$800	\$85	\$885	\$928
2	One-Br.	1.0	Garden	642-669	MR	\$930	\$76	\$1,006	-
3	Two-Br.	1.5	Garden	935-937	40%/S8	\$1,119	\$113	\$1,232	\$743
10	Two-Br.	1.5	Garden	888-1,026	50%/S8	\$1,119	\$113	\$1,232	\$928
6	Two-Br.	1.5	Townhome	956	50%/S8	\$1,109	\$123	\$1,232	\$928
1	Two-Br.	1.5	Garden	908	60%/S8	\$1,109	\$123	\$1,232	\$1,114
7	Two-Br.	1.5	Garden	888-956	60%	\$955	\$113	\$1,068	\$1,114
4	Two-Br.	1.5	Townhome	1,027-1,088	60%	\$955	\$123	\$1,078	\$1,114
4	Two-Br.	1.5	Garden	908-956	MR	\$1,124	\$113	\$1,237	-
4	Two-Br.	1.5	Townhome	1,027-1,047	MR	\$1,124	\$123	\$1,247	-
2	Three-Br.	2.0	Garden	1,364	40%/S8	\$1,448	\$164	\$1,612	\$858
1	Three-Br.	2.0	Garden	1,324-1,388	50%/S8	\$1,448	\$164	\$1,612	\$1,072
1	Three-Br.	2.0	Townhome	1,256	50%/S8	\$1,438	\$174	\$1,612	\$1,072
3	Three-Br.	2.0	Garden	1,345	60%	\$1,075	\$164	\$1,239	\$1,287
9	Three-Br.	2.0	Townhome	1,395	60%	\$1,075	\$174	\$1,249	\$1,287
1	Three-Br.	2.0	Garden	1,395	MR	\$1,470	\$164	\$1,634	-
2	Three-Br.	2.0	Townhome	1,392	MR	\$1,470	\$174	\$1,644	-
2	Four-Br.	2.0	Townhome	1,423	50%/S8	\$1,559	\$224	\$1,783	\$1,196
71	Total								

Source: Pennrose Properties, LLC

AMHI – Area Median Household Income (Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area; 2020)

S8 – Section 8

MR – Market-Rate

*Note that tenants residing within the 34 HUD Section 8 units will effectively pay up to 30% of their adjusted gross household income towards gross rent due to the presence of the subsidy. The maximum allowable LIHTC gross rents of \$619 to \$1,196 are the programmatic limits for units targeting households earning up to 40%, 50% and 60% of AMHI. However, these limits would only apply in the unlikely scenario that the property ceased to operate with a project-based subsidy.*

Building/Site Information	
Residential Buildings:	Four (4) two- and three-story buildings
Building Style:	Elevator-served, flats and townhomes
Community Space:	Stand-alone building
Acres:	5.8

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	April 2023
Begin Preleasing:	September 2024
Construction End:	February 2024

Unit Amenities		
<ul style="list-style-type: none"> <li>• Electric Range</li> <li>• Refrigerator</li> <li>• Dishwasher</li> <li>• Ceiling Fans</li> </ul>	<ul style="list-style-type: none"> <li>• Washer/Dryer Hookups</li> <li>• Central Air Conditioning</li> <li>• Patio/Balcony</li> </ul>	<ul style="list-style-type: none"> <li>• Carpet/Tile/Composite/Vinyl Floors</li> <li>• Window Blinds</li> <li>• Controlled Access/Key Fob</li> </ul>

Community Amenities		
<ul style="list-style-type: none"> <li>• Elevator</li> <li>• Courtyard</li> <li>• Walking Trail</li> <li>• Playground</li> </ul>	<ul style="list-style-type: none"> <li>• Laundry Room</li> <li>• Community Room</li> <li>• CCTV/Cameras</li> </ul>	<ul style="list-style-type: none"> <li>• On-Site Management</li> <li>• Fitness Center</li> <li>• Surface Parking Lot (71 Spaces)</li> </ul>

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

**FLOOR AND SITE PLAN REVIEW:**



Floor and site plans for the proposed project were not available for review at the time this report was prepared. Based on our evaluation of information provided to our firm, however, the proposed unit sizes are generous and will be some of the largest relative to those offered at the comparable LIHTC and market-rate units within the market. The in-unit washer/dryer hookups and dishwasher will appeal to the targeted population. Further, the proposed amenities package will be competitive with those offered at the comparable LIHTC and market-rate projects within the Primary Market Area (PMA). The proposed development will not lack any amenities that would have an adverse impact on its marketability. Overall, we believe the subject project will be appropriately positioned within the market, assuming the layout of the site and floor plans are marketable.

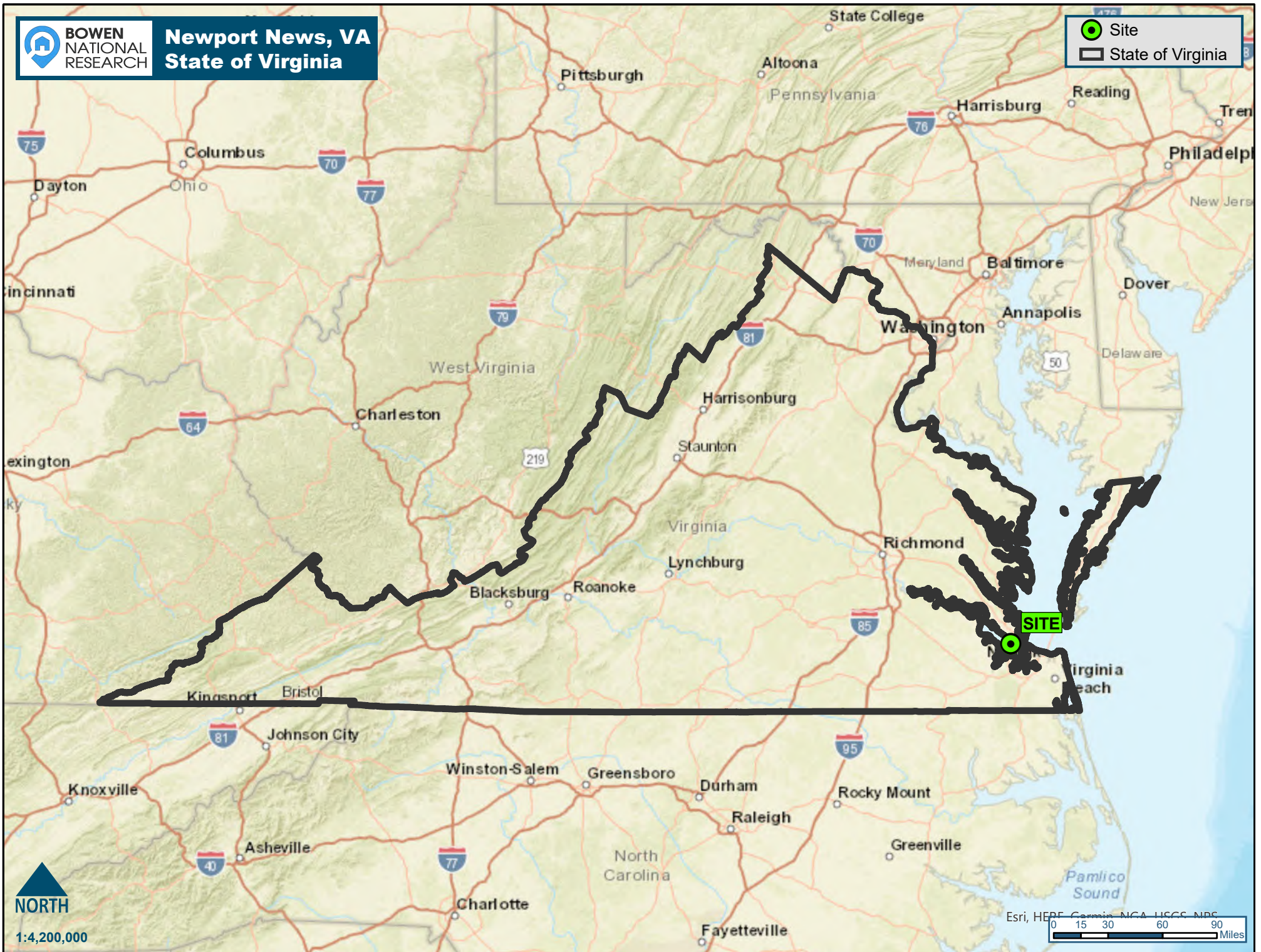
A state map, an area map and a site neighborhood map are on the following pages.





# Newport News, VA State of Virginia

 Site  
 State of Virginia

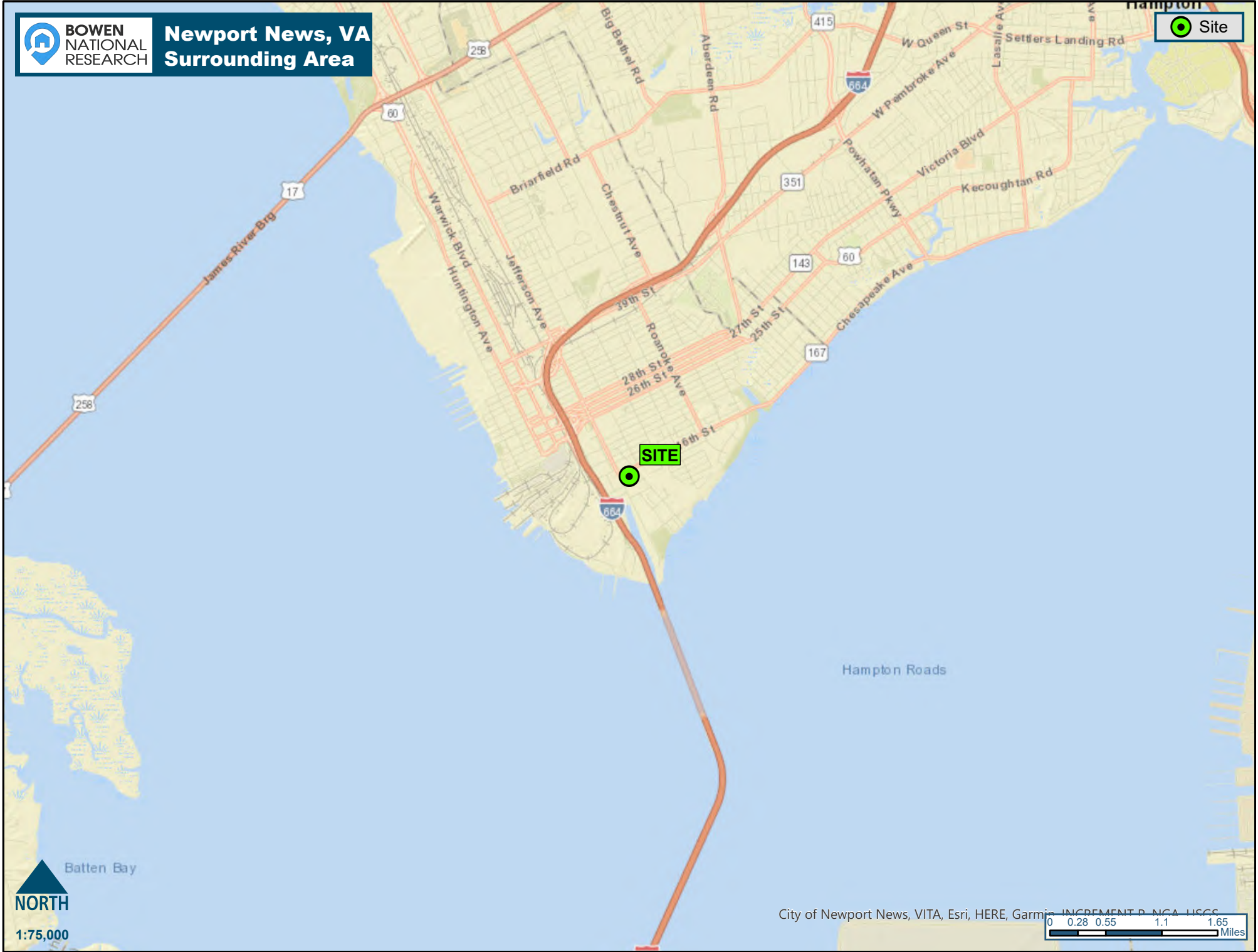




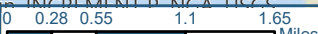


# Newport News, VA Surrounding Area

Site



  
**NORTH**  
1:75,000

City of Newport News, VITA, Esri, HERE, Garmin, INCREMENT P, NGA, USGS  
  
0 0.28 0.55 1.1 1.65 Miles





# Newport News, VA Site Neighborhood

Legend  
Site Area



NORTH  
1:6,000

0 0.03 0.06 0.12 0.18 Miles



## IV. Area Analysis

### A. SITE DESCRIPTION AND EVALUATION

#### 1. LOCATION

The subject site comprises existing two-story apartment buildings, other existing structures and vacant land bound by 18th Street, Ivy Avenue, 12th Street and Jefferson Avenue in the southern portion of Newport News, Virginia. Note that the existing structures will be razed during the development process. Newport News is approximately 27.0 miles northwest of Norfolk, Virginia. The subject site visit and corresponding fieldwork were completed during the week of February 15, 2021.

#### 2. SURROUNDING LAND USES

The subject site is within an established area of Newport News. The site area is surrounded by single-family homes, an elementary school, a tennis center, churches, vacant land and unoccupied buildings. Adjacent land uses are detailed as follows:

<b>North -</b>	The northern boundary is defined by 18th Street, a lightly traveled residential road. Continuing north is a mixed-use area of single-family homes in satisfactory condition, existing apartment communities, community services and other businesses. Some of the commercial buildings north of the site were identified as unoccupied and/or in poor condition. This mixed-use setting continues north for multiple miles toward U.S. Highway 258, as well as a heavier concentration of services and businesses.
<b>East -</b>	The eastern boundary is defined by Ivy Avenue, a two-lane road with light traffic. Achievable Dream Academy and the Achievable Dream Tennis Center are located on the opposite side, in good condition. Continuing east are neighborhoods of single-family homes, most of which appear in satisfactory condition. Farther east is a portion of the James River.
<b>South -</b>	The southern boundary is defined by 12th Street, a lightly traveled residential road. Single-family homes continue south along Ivy Avenue and appear in satisfactory condition. Industrial facilities continue south along Jefferson Avenue. Existing rental communities, including Aqua Vista Apartments, are present farther south. Beyond is a portion of the James River.

<b>West -</b>	The western boundary is defined by Jefferson Avenue, a two-lane road that typically sees light to moderate traffic. The portion of this road adjacent to the subject parcel was under construction at the time of the site visit. Parcels of undeveloped land are located on the opposite side of Jefferson Avenue. Moving farther west are Interstate 664 and an industrial and shipping zone along the James River.
---------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

The subject site is within an established, mixed-use area that primarily consists of single-family homes, existing rental communities, community services and additional businesses. Most of the surrounding single-family homes were observed to be in satisfactory condition. Overall, the subject property fits well with the surrounding land uses and they should contribute to its marketability and the redevelopment of the immediate neighborhood. Photographs of the site can be found in Section X of this report.

### **3. VISIBILITY AND ACCESS**

The proposed subject community will include rental units within two- and three-story structures. Visibility of this parcel is excellent for vehicles and pedestrians passing by on Ivy Avenue to the east and Jefferson Avenue to the west, as well as the adjacent 18th and 12th streets north and south, respectively. Views from these roads are unobstructed. The elementary school adjacent east of the site, as well as proposed greenspace and recreation components of the project will attract additional traffic to the surrounding area, further increasing the site's visibility. Further, multiple Hampton Road Transit bus stops are present along Jefferson and Ivy avenues. Overall, visibility of the site is considered good.

Access to and from the site area will primarily take place using Ivy Avenue to the east and Jefferson Avenue to the west. Using these two roads for ingress and egress, subject units can be accessed by turning onto 12th Street, 14th Street, 16th Street, 18th Street and Ridley Circle. Ingress and egress from all points should be easy as traffic is relatively light, and lines of sight are clear for vehicles. Hampton Road Transit bus stops are present along the site boundaries and offers affordable transportation to the additional portions of Newport News. Several arterial roads can be accessed within 2.0 miles of the site, including Interstate 664. Overall, access to and from the subject site is considered good.

#### 4. Proximity to Community Services and Infrastructure

The site is served by the community services detailed in the following table, which were mapped from 600 Ridley Circle:

Community Services	Name	Driving Distance From Site (miles)
Major Highways	State Route 167	0.1 West
	U.S. Highway 60	0.6 Northwest
	Interstate 664	1.8 Northwest
Public Bus Stop	Hampton Roads Transit	0.1 East
Major Employers/ Employment Centers	Newport News Shipbuilding	2.0 Northwest
	Walmart Supercenter	3.9 Northwest
Convenience Store	Speedy Mart	0.3 Northwest
	Bowie Market & Deli	0.4 Southeast
	Food Tiger	0.4 Northwest
Grocery	Piggly Wiggly	1.1 Northwest
	Food Lion	3.8 Northwest
	Walmart Supercenter	3.9 Northwest
Discount Department Store	Family Dollar	0.8 Northwest
	Dollar General	2.9 Northwest
Shopping Center/Mall	Brooks Crossing	1.1 Northwest
	Newmarket South Shopping Center	3.8 Northwest
Schools: Elementary Middle/Junior High High	Achievable Dream Academy Elementary School	0.2 East
	Huntington Middle School	2.9 Northwest
	Warwick High School	7.1 Northwest
Hospital	In and Out Express Care	3.4 Northeast
	MD Express Urgent Care - Hampton	5.0 North
	Hampton VA Medical Center	7.5 Northeast
Police	Newport News Police Department South Precinct	1.1 Northwest
Fire	Newport News Fire Station No. 7	2.7 Northwest
Post Office	U.S. Post Office	1.4 Northwest
Bank	SunTrust Bank	3.8 Northwest
Senior Center	Hilton Senior Center	3.0 Northwest
Recreational Facilities	Boys & Girls Club Greater Hampton	0.5 Northwest
	Tom & Ann Hunnicutt Family YMCA	4.1 Northwest
Gas Station	7-Eleven	0.7 Northwest
	Fast & Easy	1.1 Northwest
	Shell	1.8 Northwest
Pharmacy	Walmart Pharmacy	3.9 Northwest
	Walgreens	5.1 North
Restaurant	McDonalds	0.7 Northwest
	Church's Chicken	1.0 Northwest
	Number 1 Chinese	1.0 Northwest
Day Care	Amanda's Development Child Care Center	0.7 Northeast
	Eagles Nest Learning Center	1.1 Northwest
Community Center	Doris Miller Community Center	1.2 North
Church	United Bibleway Temple	0.2 North
	House of Refuge Worship Center	0.2 Southeast
	The United House of Prayer for All People	0.3 Northwest
Park	King-Lincoln Park	0.7 Southeast
	Victory Landing Park	1.6 West
	Apprentice School Park	1.8 Northwest
Library	Pearl Bailly Library	1.0 North



The subject site is within 2.0 miles of many essential community services, including the nearest shopping, dining, recreation and public safety services. Hampton Roads Transit is the area's public transportation service; multiple stops are within walking distance of the site and are present throughout the city. Additionally, several arterial roads can be accessed within 2.0 miles.

Approximately 1.0 mile northwest of the site area is a small service corridor along Jefferson Avenue that includes a Piggly Wiggly grocery store, Eagles Nest Learning Center, a U.S. Post Office, a Newport News police station and multiple restaurants, gas stations, convenience stores, churches and discount shopping stores. A Boys & Girls Club is also 0.5 miles northwest of the site. Farther north along the U.S. Highway 258, roughly 4.0 miles northwest, are additional services including Food Lion, Walmart Supercenter, pharmacies, the nearest bank and shopping centers.

The nearest police department is approximately 1.0 mile from the site while the closest Newport News Fire Station is 2.7 miles northwest. The nearest emergency medical center is the Hampton VA Medical Center, 7.5 miles northeast; however, multiple urgent care centers can be accessed within 5.0 miles of the site. Outside of Warwick High School, the area's applicable attendance schools are within 3.0 miles of the site; most notably, Achievable Dream Academy Elementary is adjacent east. Other notable services nearby include the Doris Miller Community Center 1.2 miles north, the Tom & Ann Hunnicutt YMCA 4.0 miles north and multiple parks within 2.0 miles.

Overall, the site's access to essential community services should positively contribute to its marketability.

## **5. OVERALL SITE EVALUATION**

The subject site currently comprises existing structures and vacant land bound by 18th Street, Ivy Avenue, 12th Street and Jefferson Avenue in the southern portion of Newport News. Note that the existing structures will be razed during the development process. The site is within a mixed-use area that includes single-family homes, additional rental communities, local services and businesses. Surrounding homes were observed to be in satisfactory condition, and the development of the subject community should contribute to the redevelopment of the subject area. Both site visibility and access are considered good, as all adjacent roads have unimpeded visibility of the site parcel with multiple points of ingress and egress and light passerby traffic. Hampton Road Transit bus stops are present along the eastern and western site boundaries. Restaurants, convenience stores, discount shopping stores, a police department and a grocery store are among the services within approximately 1.0 mile of the site. Medical facilities can be accessed within 5.0 miles and the nearest

hospital is within 7.5 miles. Overall, the subject site’s surrounding land uses and proximity to community services should positively contribute to its marketability.

**6. CRIME ISSUES**

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

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

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

Total crime risk for the site’s ZIP Code is 215, with an overall personal crime index of 309 and a property crime index of 200. Total crime risk for Newport News is 120, with indexes for personal and property crime of 115 and 121, respectively.

	Crime Risk Index	
	Site ZIP Code	Newport News
<b>Total Crime</b>	<b>215</b>	<b>120</b>
<b>Personal Crime</b>	<b>309</b>	<b>115</b>
Murder	973	256
Rape	123	102
Robbery	386	126
Assault	293	110
<b>Property Crime</b>	<b>200</b>	<b>121</b>
Burglary	198	97
Larceny	195	129
Motor Vehicle Theft	246	104

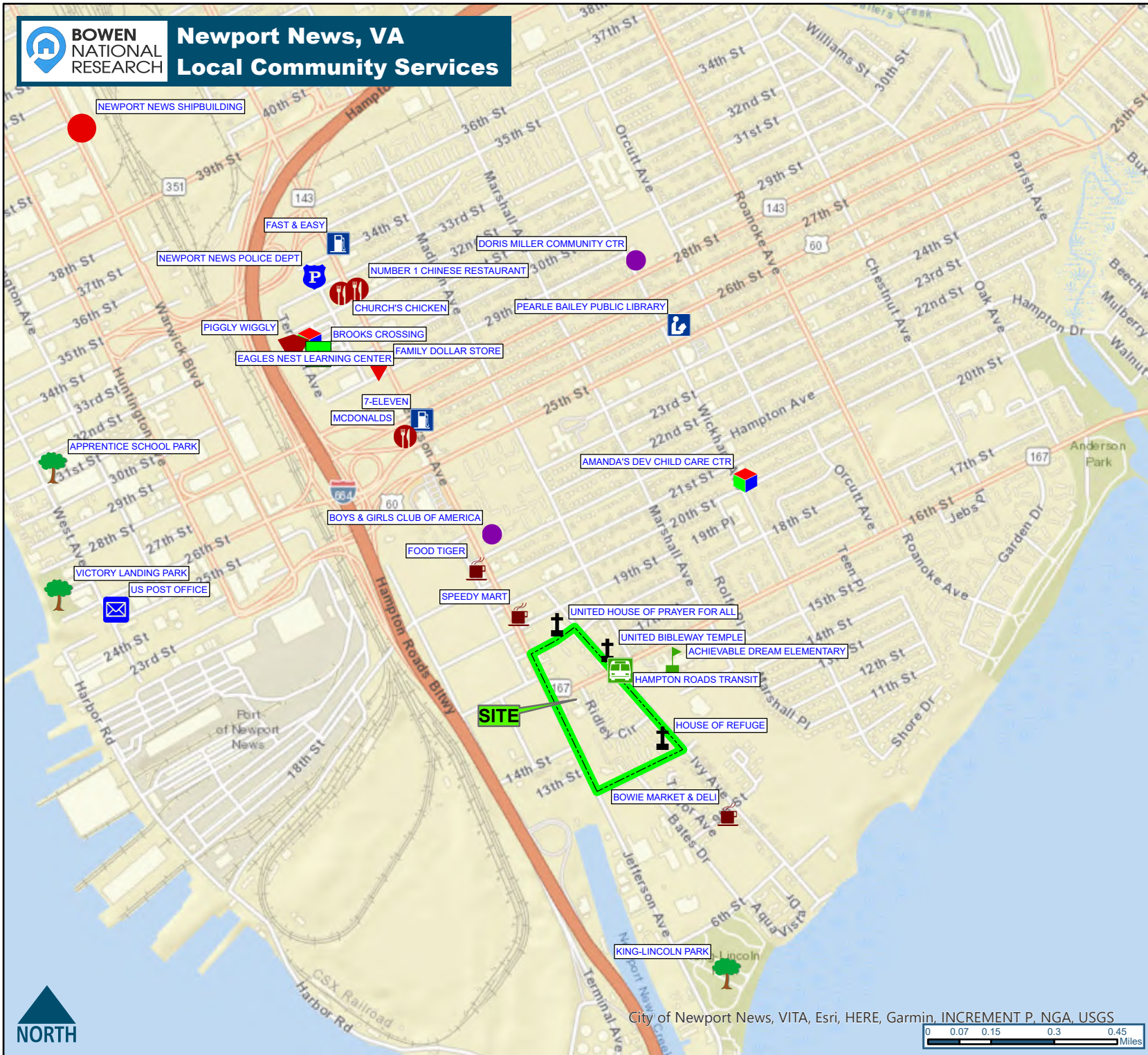
Source: Applied Geographic Solutions

As the preceding illustrates, the crime risk index for the site's ZIP Code (215) is higher than that reported for the city of Newport News (120) as a whole. These aforementioned crime indexes are above the national average of 100; however, this is typical for a densely populated urban area, such as Newport News and the site's location. In addition, the subject project will include an on-site management office, CCTV and controlled/key fob access, features which typically deter crime. Regardless, most properties surveyed in the area report high occupancy rates, a good indication that crime has not adversely impacted rental properties in this market.

















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



# Newport News, VA Local Community Services



## Legend

-  Site Area
-  Child Care
-  Church
-  Convenience Store
-  Elementary School
-  Gas
-  Grocery
-  Library
-  Park
-  Police
-  Post Office
-  Recreation Center
-  Restaurant
-  Shopping
-  Transit
-  Employer 10000 plus
-  Shopping Center








City of Newport News, VITA, Esri, HERE, Garmin, INCREMENT P, NGA, USGS

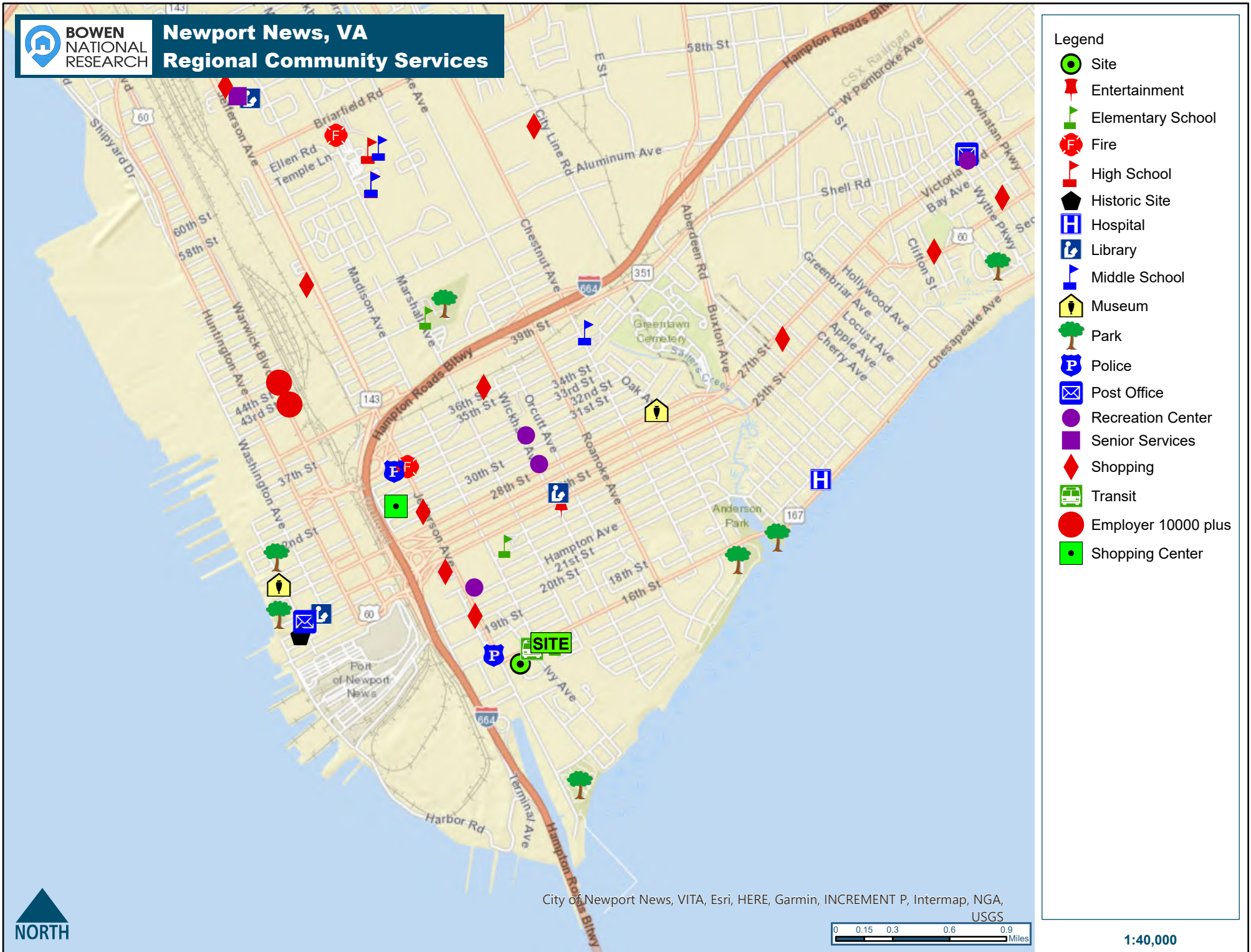


1:20,000



**Legend**

-  Site
-  Entertainment
-  Elementary School
-  Fire
-  High School
-  Historic Site
-  Hospital
-  Library
-  Middle School
-  Museum
-  Park
-  Police
-  Post Office
-  Recreation Center
-  Senior Services
-  Shopping
-  Transit
-  Employer 10000 plus
-  Shopping Center



City of Newport News, VITA, Esri, HERE, Garmin, INCREMENT P, Intermap, NGA, USGS



**1:40,000**





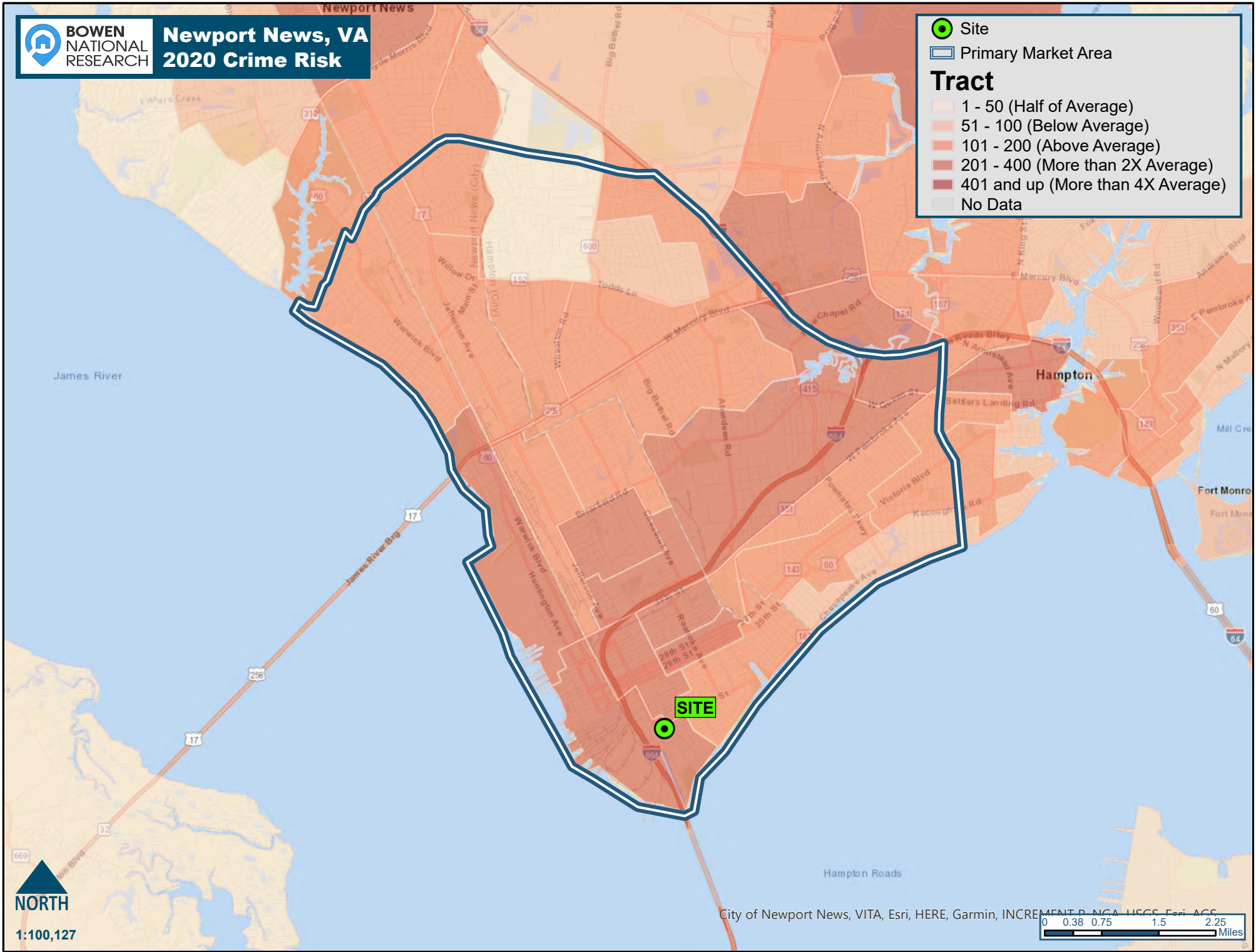
# Newport News, VA 2020 Crime Risk

Site

Primary Market Area

**Tract**

- 1 - 50 (Half of Average)
- 51 - 100 (Below Average)
- 101 - 200 (Above Average)
- 201 - 400 (More than 2X Average)
- 401 and up (More than 4X Average)
- No Data



NORTH  
1:100,127

City of Newport News, VITA, Esri, HERE, Garmin, INCREMENT P, NCA, USGS, Esri, ACS  

 0 0.38 0.75 1.5 2.25 Miles

## **B. PRIMARY MARKET AREA DELINEATION**

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

The Newport News Site PMA includes southern portions of Newport News and Hampton. Specifically, the boundaries of the Site PMA include Museum Drive, Boundary Road, Warwick Boulevard, Harpersville Road, Hampton Roads Center Parkway and Interstate 64 to the north; Lasalle Avenue to the east; Hampton Roads Bay to the south; and the James River to the west. The communities to the north could provide some support for the project; however, the majority of support is expected to come from residents living within the immediate southern coastal area.

Seneca Lynn is the Community Manager at Waterford Pointe (Map ID 29), a Tax Credit property within the Site PMA. Ms. Lynn stated that a new project in the southern portion of the city would be advantageous to many in the area and would expect to attract a fair amount of support from the immediate surrounding area. She also added that since the site is within proximity of a public bus line and has access to services, it should be of interest to those that are looking for newer and better quality housing options in the vicinity of their current homes.

Jasmine Williams is the Property Manager at Whittaker Place (Map ID 31), a Tax Credit property within the Site PMA. Ms. Williams confirmed that her property receives a good amount of its residents from within the Site PMA boundaries, specifically the central portion of the Site PMA. Ms. Williams agreed that a new Tax Credit project would also grab support from the surrounding area.

A small portion of support may originate from some of the outlying areas of Newport News and suburban communities in the area; we have not, however, considered any secondary market area in this report. Additional areas of Newport News were excluded from the Site PMA boundaries due to their distance from the subject site area and their existing proximity to rental housing and community services.

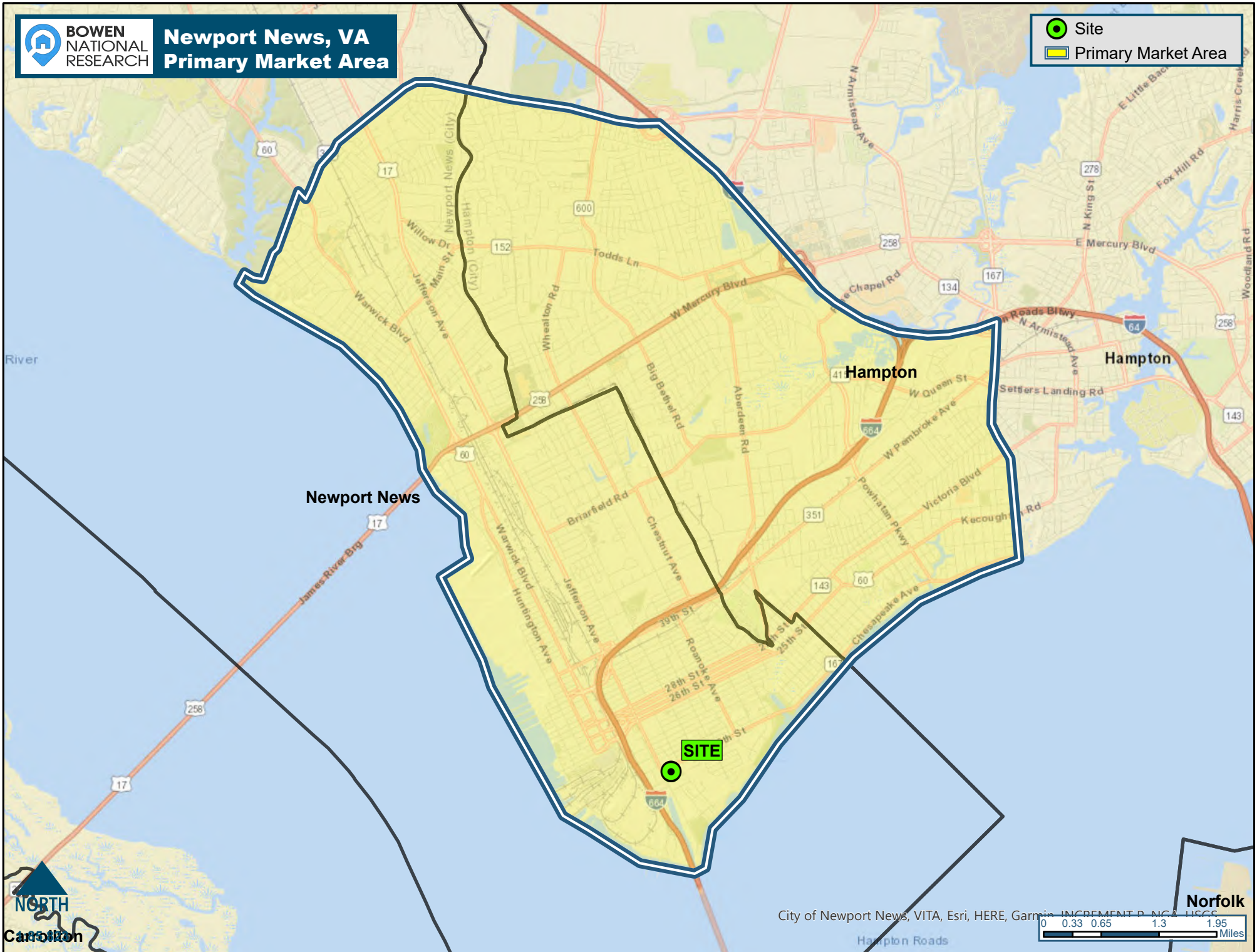
A map delineating the boundaries of the Site PMA is included on the following page.





# Newport News, VA Primary Market Area

- Site
- Primary Market Area



Norfolk



## C. DEMOGRAPHIC CHARACTERISTICS AND TRENDS

### 1. POPULATION TRENDS

The Site PMA population bases for 2000, 2010, 2021 (estimated) and 2026 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2021 (Estimated)	2026 (Projected)
Population	100,756	98,445	94,926	92,930
Population Change	-	-2,311	-3,519	-1,996
Percent Change	-	-2.3%	-3.6%	-2.1%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The Newport News Site PMA population base declined by 2,311 between 2000 and 2010. This represents a 2.3% decline from the 2000 population base, or an annual rate of 0.2%. Between 2010 and 2021, the population declined by 3,519, or 3.6%. It is projected that the population will decline by 1,996, or 2.1%, between 2021 and 2026.

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

Population by Age	2010 (Census)		2021 (Estimated)		2026 (Projected)		Change 2021-2026	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	26,657	27.1%	23,175	24.4%	22,411	24.1%	-764	-3.3%
20 to 24	7,596	7.7%	6,335	6.7%	5,932	6.4%	-403	-6.4%
25 to 34	13,121	13.3%	13,830	14.6%	12,717	13.7%	-1,113	-8.0%
35 to 44	11,664	11.8%	11,609	12.2%	12,388	13.3%	779	6.7%
45 to 54	15,487	15.7%	11,008	11.6%	10,310	11.1%	-698	-6.3%
55 to 64	11,427	11.6%	12,726	13.4%	11,149	12.0%	-1,577	-12.4%
65 to 74	6,789	6.9%	9,530	10.0%	10,451	11.2%	921	9.7%
75 & Over	5,704	5.8%	6,712	7.1%	7,571	8.1%	859	12.8%
Total	98,445	100.0%	94,926	100.0%	92,930	100.0%	-1,996	-2.1%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, nearly 52% of the population is expected to be between 25 and 64 years old in 2021. This age group is the primary group of potential support for the subject site and will likely represent a significant number of the tenants.

## 2. HOUSEHOLD TRENDS

Household trends within the Newport News Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2021 (Estimated)	2026 (Projected)
Households	40,153	39,973	38,570	37,771
Household Change	-	-180	-1,403	-799
Percent Change	-	-0.4%	-3.5%	-2.1%
Household Size	2.51	2.46	2.41	2.41

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Within the Newport News Site PMA, households declined by 180 (0.4%) between 2000 and 2010. Between 2010 and 2021, households declined by 1,403, or 3.5%. By 2026, there will be 37,771 households, a decline of 799 households, or 2.1%, from 2021. This is a decline of approximately 159.8 households annually over the next five years.

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

Households by Age	2010 (Census)		2021 (Estimated)		2026 (Projected)		Change 2021-2026	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	2,676	6.7%	2,077	5.4%	2,019	5.3%	-58	-2.8%
25 to 34	6,519	16.3%	6,523	16.9%	5,942	15.7%	-581	-8.9%
35 to 44	6,359	15.9%	6,038	15.7%	6,357	16.8%	319	5.3%
45 to 54	8,819	22.1%	5,930	15.4%	5,474	14.5%	-456	-7.7%
55 to 64	6,992	17.5%	7,413	19.2%	6,403	17.0%	-1,010	-13.6%
65 to 74	4,528	11.3%	6,058	15.7%	6,529	17.3%	471	7.8%
75 to 84	2,923	7.3%	3,171	8.2%	3,532	9.4%	361	11.4%
85 & Over	1,157	2.9%	1,360	3.5%	1,515	4.0%	155	11.4%
Total	39,973	100.0%	38,570	100.0%	37,771	100.0%	-799	-2.1%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As previously discussed, the primary age group of potential renters for the subject project is expected to be the 25 to 64 age group. Notably, this age cohort is estimated to comprise more than 67% of all households in 2021. Although this age cohort is projected to decline between 2021 and 2026, this age cohort will continue to comprise 64% of all households in the market in 2026.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2021 (Estimated)		2026 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	21,613	54.1%	19,057	49.4%	18,779	49.7%
Renter-Occupied	18,360	45.9%	19,513	50.6%	18,993	50.3%
Total	39,973	100.0%	38,570	100.0%	37,772	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2021, homeowners occupied 49.4% of all occupied housing units, while the remaining 50.6% were occupied by renters. The share of renters is considered typical for an urban market, such as the Newport News Site PMA, and represents a good base of potential renter support in the market for the subject development.

The household sizes by tenure within the Site PMA, based on the 2021 estimates and 2026 projections, were distributed as follows:

Persons Per Renter Household	2021 (Estimated)		2026 (Projected)		Change 2021-2026	
	Households	Percent	Households	Percent	Households	Percent
1 Person	8,014	41.1%	7,858	41.4%	-156	-1.9%
2 Persons	5,222	26.8%	5,072	26.7%	-149	-2.9%
3 Persons	2,911	14.9%	2,722	14.3%	-189	-6.5%
4 Persons	2,164	11.1%	2,196	11.6%	32	1.5%
5 Persons+	1,203	6.2%	1,144	6.0%	-59	-4.9%
<b>Total</b>	<b>19,514</b>	<b>100.0%</b>	<b>18,993</b>	<b>100.0%</b>	<b>-521</b>	<b>-2.7%</b>

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Persons Per Owner Household	2021 (Estimated)		2026 (Projected)		Change 2021-2026	
	Households	Percent	Households	Percent	Households	Percent
1 Person	5,408	28.4%	5,297	28.2%	-110	-2.0%
2 Persons	7,028	36.9%	6,906	36.8%	-122	-1.7%
3 Persons	3,362	17.6%	3,363	17.9%	1	0.0%
4 Persons	1,808	9.5%	1,695	9.0%	-114	-6.3%
5 Persons+	1,451	7.6%	1,518	8.1%	68	4.7%
<b>Total</b>	<b>19,057</b>	<b>100.0%</b>	<b>18,779</b>	<b>100.0%</b>	<b>-278</b>	<b>-1.5%</b>

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The one- through four-bedroom units proposed at the subject site are expected to house up to six-person households. As such, the subject project will be able to accommodate virtually all renter households in the market, based on household size.

### 3. INCOME TRENDS

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

Household Income	2010 (Census)		2021 (Estimated)		2026 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	4,551	11.4%	3,808	9.9%	3,427	9.1%
\$10,000 to \$19,999	6,063	15.2%	4,735	12.3%	4,375	11.6%
\$20,000 to \$29,999	4,552	11.4%	4,126	10.7%	3,947	10.5%
\$30,000 to \$39,999	5,152	12.9%	3,914	10.1%	3,516	9.3%
\$40,000 to \$49,999	4,333	10.8%	3,746	9.7%	3,561	9.4%
\$50,000 to \$59,999	3,495	8.7%	3,335	8.6%	3,254	8.6%
\$60,000 to \$74,999	4,187	10.5%	4,283	11.1%	4,396	11.6%
\$75,000 to \$99,999	4,105	10.3%	4,293	11.1%	4,511	11.9%
\$100,000 to \$124,999	1,699	4.3%	2,609	6.8%	2,731	7.2%
\$125,000 to \$149,999	608	1.5%	1,382	3.6%	1,524	4.0%
\$150,000 to \$199,999	782	2.0%	1,446	3.7%	1,552	4.1%
\$200,000 & Over	446	1.1%	894	2.3%	978	2.6%
Total	39,973	100.0%	38,571	100.0%	37,772	100.0%
Median Income	\$39,357		\$47,214		\$50,183	

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the median household income was \$39,357. This increased by 20.0% to \$47,214 in 2021. By 2026, it is projected that the median household income will be \$50,183, an increase of 6.3% from 2021.

The following tables illustrate renter household income by household size for 2010, 2021 and 2026 for the Newport News Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	1,231	928	616	298	212	3,286
\$10,000 to \$19,999	1,644	1,107	736	356	253	4,096
\$20,000 to \$29,999	1,000	750	498	241	171	2,660
\$30,000 to \$39,999	969	754	501	242	172	2,639
\$40,000 to \$49,999	774	596	396	192	136	2,095
\$50,000 to \$59,999	355	296	197	95	68	1,010
\$60,000 to \$74,999	423	356	236	114	81	1,210
\$75,000 to \$99,999	352	291	193	93	66	996
\$100,000 to \$124,999	75	61	40	20	14	210
\$125,000 to \$149,999	26	22	15	7	5	75
\$150,000 to \$199,999	19	15	10	5	3	52
\$200,000 & Over	11	9	6	3	2	30
Total	6,881	5,185	3,444	1,665	1,184	18,360

Source: ESRI; Urban Decision Group

Renter Households	2021 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	1,178	770	430	319	177	2,874
\$10,000 to \$19,999	1,613	814	454	337	187	3,405
\$20,000 to \$29,999	1,181	697	388	289	160	2,715
\$30,000 to \$39,999	970	629	351	260	145	2,355
\$40,000 to \$49,999	859	581	324	241	134	2,139
\$50,000 to \$59,999	563	432	240	179	99	1,514
\$60,000 to \$74,999	756	540	301	224	124	1,945
\$75,000 to \$99,999	457	381	212	158	88	1,296
\$100,000 to \$124,999	218	189	105	79	43	634
\$125,000 to \$149,999	115	101	56	42	23	337
\$150,000 to \$199,999	64	55	31	23	13	185
\$200,000 & Over	40	34	19	14	8	115
Total	8,014	5,222	2,911	2,164	1,203	19,514

Source: ESRI; Urban Decision Group

Renter Households	2026 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	1,029	672	360	291	152	2,505
\$10,000 to \$19,999	1,475	703	377	305	158	3,018
\$20,000 to \$29,999	1,126	636	341	275	143	2,521
\$30,000 to \$39,999	875	544	292	236	123	2,070
\$40,000 to \$49,999	814	536	287	232	121	1,989
\$50,000 to \$59,999	602	457	245	198	103	1,605
\$60,000 to \$74,999	864	593	318	256	134	2,166
\$75,000 to \$99,999	446	383	206	166	86	1,287
\$100,000 to \$124,999	312	273	147	118	62	912
\$125,000 to \$149,999	174	152	82	66	34	507
\$150,000 to \$199,999	86	76	41	33	17	254
\$200,000 & Over	56	47	25	20	11	160
Total	7,858	5,072	2,722	2,196	1,144	18,993

Source: ESRI; Urban Decision Group

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

### Demographic Summary

Both the population and household bases within the Newport News Site PMA are projected to decline between 2021 and 2026, a trend which has been consistent since 2000. Nonetheless, the 25 to 64 age cohort, which is expected to be the primary age cohort of potential renters at the general-occupancy subject project, comprise more than 67% of all households in 2021 and will comprise 64% of all households through 2026. Over half of all households were renters in 2021 and the 18,993 renter households projected for 2026 illustrate a deep base of renter support. Nearly 64% of all renter households are projected to earn below \$50,000 in 2026. Based on the preceding analysis, a large base of lower-income renter household will continue to exist in the market during this time period.

## **D. LOCAL ECONOMIC PROFILE AND ANALYSIS**

### **1. LABOR FORCE PROFILE**

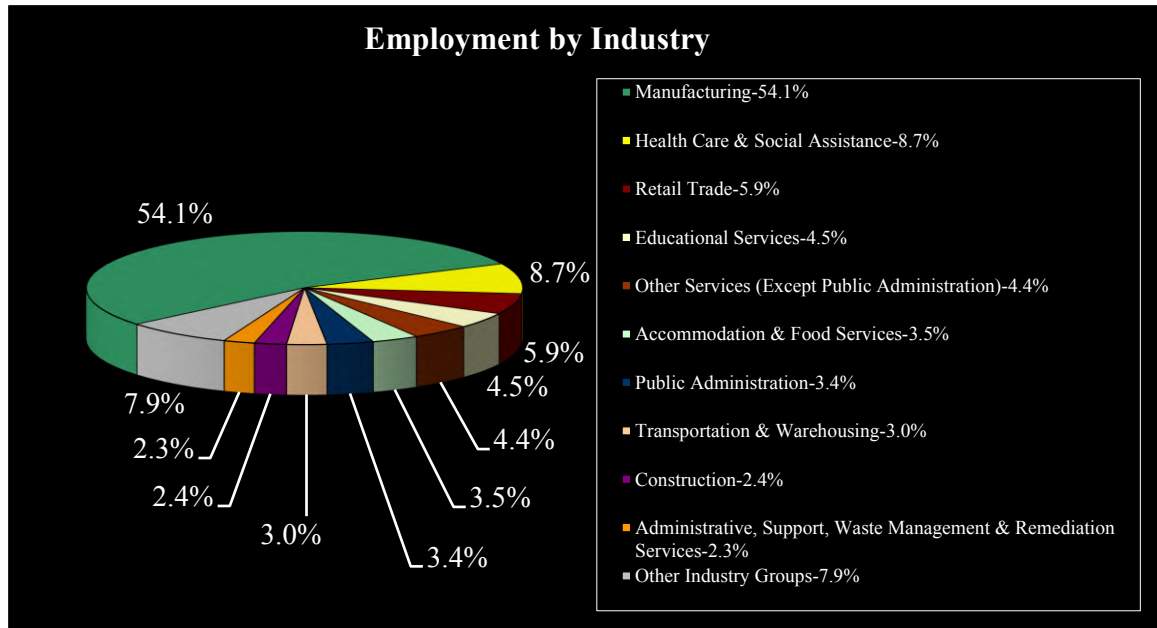
The labor force within the Newport News Site PMA is based primarily in one sector. Manufacturing dominates the market comprising over 54% of the Site PMA labor force. Employment in the Newport News Site PMA, as of 2021, was distributed as follows:

<b>NAICS Group</b>	<b>Establishments</b>	<b>Percent</b>	<b>Employees</b>	<b>Percent</b>	<b>E.P.E.</b>
Agriculture, Forestry, Fishing & Hunting	1	0.0%	2	0.0%	2.0
Mining	2	0.1%	656	0.9%	328.0
Utilities	0	0.0%	0	0.0%	0.0
Construction	159	6.5%	1,672	2.4%	10.5
Manufacturing	84	3.4%	38,258	54.1%	455.5
Wholesale Trade	78	3.2%	1,089	1.5%	14.0
Retail Trade	404	16.5%	4,159	5.9%	10.3
Transportation & Warehousing	74	3.0%	2,089	3.0%	28.2
Information	37	1.5%	371	0.5%	10.0
Finance & Insurance	90	3.7%	475	0.7%	5.3
Real Estate & Rental & Leasing	164	6.7%	992	1.4%	6.0
Professional, Scientific & Technical Services	112	4.6%	1,338	1.9%	11.9
Management of Companies & Enterprises	4	0.2%	15	0.0%	3.8
Administrative, Support, Waste Management & Remediation Services	75	3.1%	1,632	2.3%	21.8
Educational Services	69	2.8%	3,173	4.5%	46.0
Health Care & Social Assistance	190	7.8%	6,118	8.7%	32.2
Arts, Entertainment & Recreation	44	1.8%	488	0.7%	11.1
Accommodation & Food Services	163	6.7%	2,458	3.5%	15.1
Other Services (Except Public Administration)	511	20.9%	3,113	4.4%	6.1
Public Administration	66	2.7%	2,428	3.4%	36.8
Nonclassifiable	117	4.8%	162	0.2%	1.4
<b>Total</b>	<b>2,444</b>	<b>100.0%</b>	<b>70,688</b>	<b>100.0%</b>	<b>28.9</b>

\*Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

E.P.E. - Average Employees Per Establishment

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



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

Typical Wage by Occupation Type		
Occupation Type	Virginia Beach-Norfolk-Newport News MSA	Virginia
Management Occupations	\$117,300	\$139,610
Business and Financial Occupations	\$75,610	\$86,060
Computer and Mathematical Occupations	\$86,930	\$103,350
Architecture and Engineering Occupations	\$83,570	\$91,730
Community and Social Service Occupations	\$50,380	\$51,320
Art, Design, Entertainment and Sports Medicine Occupations	\$55,580	\$62,380
Healthcare Practitioners and Technical Occupations	\$78,920	\$82,840
Healthcare Support Occupations	\$30,030	\$30,170
Protective Service Occupations	\$45,290	\$48,380
Food Preparation and Serving Related Occupations	\$24,000	\$24,840
Building and Grounds Cleaning and Maintenance Occupations	\$26,410	\$29,210
Personal Care and Service Occupations	\$27,860	\$30,640
Sales and Related Occupations	\$36,500	\$42,290
Office and Administrative Support Occupations	\$38,470	\$41,160
Construction and Extraction Occupations	\$46,950	\$46,800
Installation, Maintenance and Repair Occupations	\$49,280	\$51,510
Production Occupations	\$41,890	\$39,640
Transportation and Moving Occupations	\$36,000	\$37,050

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

Most annual blue-collar salaries range from \$24,000 to \$55,580 within the Virginia Beach-Norfolk-Newport News MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$88,466. It is important to note that most occupational types within the Virginia Beach-Norfolk-Newport News MSA have lower typical wages than the State of Virginia's typical wages.

The ten largest employers within the Newport News area are summarized as follows. Note that specific employment numbers were not available at the time this report was issued.

Employer Name/Area	Business Type	Total Employed
Huntington Ingalls Industries, Inc. (Newport News Shipbuilding)	Manufacturing/Transportation Equipment	10,000-25,000
U.S. Department of Defense (Joint Base Langley-Eustis)	Federal Government	10,000-25,000
Riverside Regional Medical Center	Healthcare	5,000-9,999
City of Newport News	Local Government	5,000-9,999
Canon	Chemical Manufacturing	1,000-5,000
Newport News Public Schools	Education	1,000-5,000
Ferguson Enterprises Inc.	Merchant Wholesalers/Durable Goods	1,000-5,000
Christopher Newport University	Education	1,000-5,000
U.S. Department of Army and Air Force (AAFES Distribution Center)	Federal Government/General Merchandise Stores	1,000-5,000
Walmart	General Merchandise Stores	500-999

Source: Virginia Employment Commission and Virginia Economic Development Partnership (Second Quarter 2019)

The COVID-19 pandemic has impacted the Newport News area, just as it has in most cities across North America. There was a stay-at-home order that began in late March 2020 and most non-essential businesses were forced to close. On Wednesday, July 1, 2020, every region of Virginia was directed by the Virginia governor to move to the third phase of the “Forward Virginia” plan. To date, most all businesses have been allowed to reopen at 50% capacity, with strict social distancing guidelines in place specific to each business model. There is also currently a statewide mask order in place.

As of February 2021, most city offices, facilities and buildings have reopened to the public; citizens are encouraged to access city services online when possible.

The governor of Virginia announced new eases on restrictions due to the pandemic and will be effective March 1, 2021 and will remain effective through at least April 1. Some of the new less restrictive mandates are listed on the following page.



- The outdoor social gatherings limits have been increased from 10 to 25 people (but the limit for indoor gatherings remains at 10 people).
- Outdoor entertainment and public amusement venues can operate with up to 1,000 people or at 30% capacity, whichever is lower (but indoor entertainment and public amusement venues must continue to operate at 30% capacity with a cap of 250 people).
- The on-site sale, consumption, and possession of alcohol is permitted until 12:00 a.m., extended from 10:00 p.m.
- All restaurants, dining establishments, food courts, breweries, microbreweries, distilleries, wineries, and tasting rooms must be closed between midnight and 5:00 a.m.

Individuals are strongly encouraged to continue teleworking if possible. The modified stay-at-home order expired on February 28, 2021. Virginia still maintains the Safer at Home strategy with continued strict health and safety protocols, including physical distancing, mask-wearing requirements, gathering limits, and business capacity restrictions.

Despite multiple attempts, we were unable to receive a response from area economic development representatives regarding the status of the local economy. The following, however, are summaries of some recent and notable economic development activity within the Newport News area based on our research at the time of this analysis:

- In April 2020, S23 Holdings, LLC and its affiliates announced plans to invest \$64.4 million and build an industrial campus for ship repair, manufacturing, and to rehabilitate two piers. They will also build corporate offices on the waterfront property. The location for the campus is 1201 Terminal Avenue and 1511 Harbor Lane in Newport News. This project will create 332 new jobs.
- Huntington Ingalls Industries Mechanical (HII Mechanical) completed a \$20 million expansion of their headquarters in Oakland Industrial Park in Newport News in May 2018. The expansion added 52,000 square feet to their existing 66,000 square-foot building and created approximately 120 jobs. In June 2018, HII Mechanical's Newport News Shipbuilding division announced plans to invest approximately \$8.7 million to expand its workforce to around 25,000, creating approximately 2,000 jobs through 2022. Huntington Ingalls-Newport News Shipbuilding also announced plans to work jointly with Connecticut-based Electric Boat to start constructing a new fleet of ballistic missile submarines in 2021 for the United States Navy to replace the old ones. The Shipyard will invest over \$750 million in its facility for the project and is expected to create 1,000 jobs by 2025.

- Ferguson Enterprise, a plumbing wholesale company, is investing \$82.8 million to construct an expansion to its headquarters at 751 Lakefront Commons in Newport News. In June 2018, the company broke ground on the eight-story, 260,000 square-foot campus. The expansion was completed in summer 2020 and will retain approximately 1,000 jobs, while creating around 434 jobs through 2021.
- In July 2018, Liebherr-International AG, a large manufacturer of construction machinery, broke ground on its new facility in Newport News. The \$45 million expansion will add three new buildings, 251,000 square feet of space to its existing 560,000 square-foot campus. The new buildings will house the new headquarters for Liebherr USA, including an administrative building, a warehouse and distribution center, and a production and workshop facility. The project was completed in 2020.
- The Tech Center at Oyster Point (expansion of Jefferson Lab) will be located at 638 Oyster Point Road in Newport News and is the second phase of a \$450 million mixed-use project. The project will include more than 250,000 square feet of retail, restaurants, Onelife Fitness, Whole Foods and the Venture Apartments. The Tech Center at Oyster Point will also include 1.1 million square feet of office space. In December 2016, Jefferson Lab was awarded \$2.1 million as part of a \$1 billion electron-ion collider project. The project is estimated to create more than 5,500 new jobs within the area, which would include construction jobs and skilled labor, over a ten-year period. Building One at Tech Center Research Park opened August 2019. The 80,000 square-foot building is one of many buildings that will be located at the 50-acre research park located at Jefferson Avenue and Hogan Drive in Newport News. Building one has co-working spaces with access to conference rooms with videoconferencing technology, printing and copying. The remaining master plan, which includes constructing ten buildings each ranging from 80,000 square feet to 100,000 square feet, was approved in June 2019. There is already an anchor tenant for the second building, which is planned for completion by the end of 2021.
- Fairlead Integrated's shipyard, known as Fairlead Boatworks, is a smaller shipbuilding company in Newport News that expanded in 2019 to help with the Navy's plans to increase their fleet of warships. The company invested \$5 million to construct a 10,000 square-foot blasting and painting facility, a 11,200 square-foot repairs and fabrication facility, a 17,000 square-foot engineered concrete platform with embedded steel to allow for fabrication of larger structures, and to purchase a new heavy lift. This expansion will allow Fairlead to handle more work from Newport News Shipbuilding (plans for their expansion are above) and create at least 25 jobs.

Infrastructure:

Work started in August 2017 on the Atkinson connector bridge between Warwick Boulevard and Jefferson Avenue. This extensive project end investment will be \$33 million. The 1,742 foot-long, four-lane bridge will cross over Interstate 64 and CSX railroad tracks and end on the existing Atkinson Way. The project was completed in December 2020.

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed in February 2021, and according to the Virginia Employment Commission, there have been eight WARN notices reported for Newport News over the past 18 months. Below is a table summarizing these notices:

WARN Notices			
Company	Jobs	Notice Date	Effective Date
TitleMax of Virginia, Inc. and TMX Finance of Virginia, Inc	55 (nine cities)	11/30/2020	01/16/2021
Avis Budget Group	86 (three cities)	08/31/2020	09/04/2020
Bloomin' Brands (Bonefish Grill)	201 (four cities)	4/27/2020	3/21/2020 COVID-19
Bloomin' Brands (Carrabba's Italian Grill)	319 (five cities)	4/27/2020	3/21/2020 COVID-19
Bloomin' Brands (Outback Steakhouse)	524 (five cities)	4/27/2020	3/21/2020 COVID-19
First Home Care	43 (two cities)	3/30/2020	4/11/2020
Cinemark USA, Inc.	54 (three cities)	3/26/2020	3/26/2020
Take 5 Oil Change-Driven Brands Shared Services, LLC	42 (five cities)	3/23/2020	3/23/2020

**2. EMPLOYMENT TRENDS**

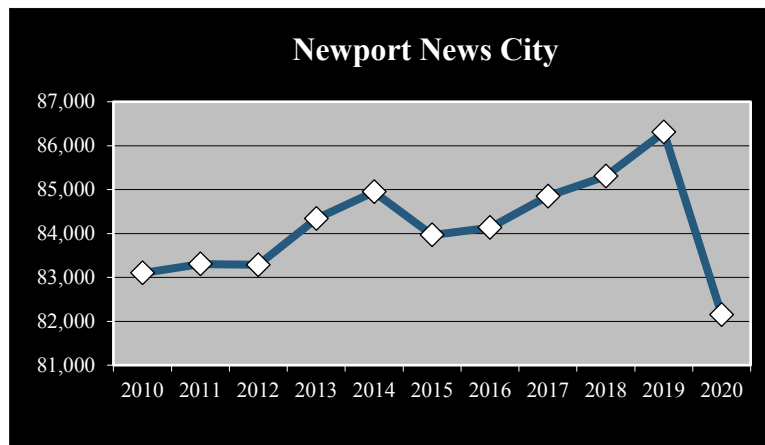
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the city/county in which the site is located.

Excluding 2020, the employment base has increased by 2.8% over the past five years in Newport News City, less than the Virginia state increase of 6.5%. Total employment reflects the number of employed persons who live within the city/county.

The following illustrates the total employment base for Newport News City, Virginia and the United States.

Year	Total Employment					
	Newport News City		Virginia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2010	83,104	-	3,860,386	-	140,469,139	-
2011	83,305	0.2%	3,934,326	1.9%	141,791,255	0.9%
2012	83,286	0.0%	3,967,987	0.9%	143,621,634	1.3%
2013	84,337	1.3%	3,995,182	0.7%	145,017,562	1.0%
2014	84,950	0.7%	4,019,470	0.6%	147,313,048	1.6%
2015	83,967	-1.2%	4,028,801	0.2%	149,500,941	1.5%
2016	84,133	0.2%	4,069,395	1.0%	151,887,366	1.6%
2017	84,851	0.9%	4,151,746	2.0%	154,160,937	1.5%
2018	85,305	0.5%	4,209,651	1.4%	156,081,212	1.2%
2019	86,310	1.2%	4,289,132	1.9%	158,102,439	1.3%
2020	82,149	-4.8%	4,086,176	-4.7%	147,888,051	-6.5%

Source: Department of Labor; Bureau of Labor Statistics

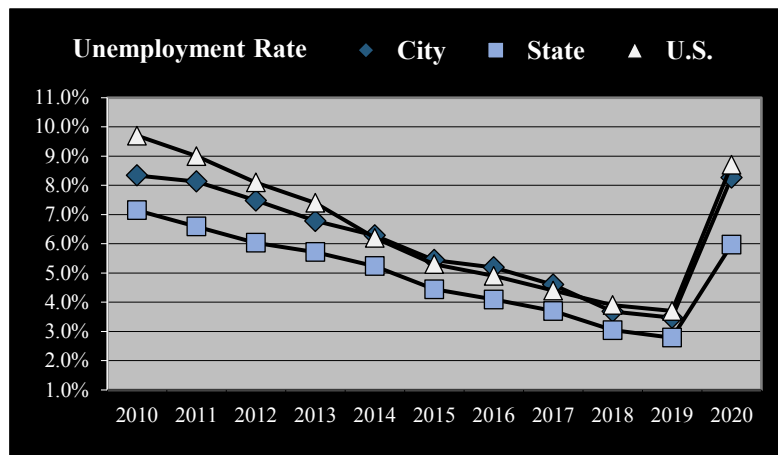


As the preceding illustrates, the Newport News City employment base generally experienced growth between 2010 and 2019. However, between 2019 and 2020, the city's employment base declined by 4.8% as the result of the COVID-19 pandemic.

Unemployment rates for Newport News City, Virginia and the United States are illustrated as follows:

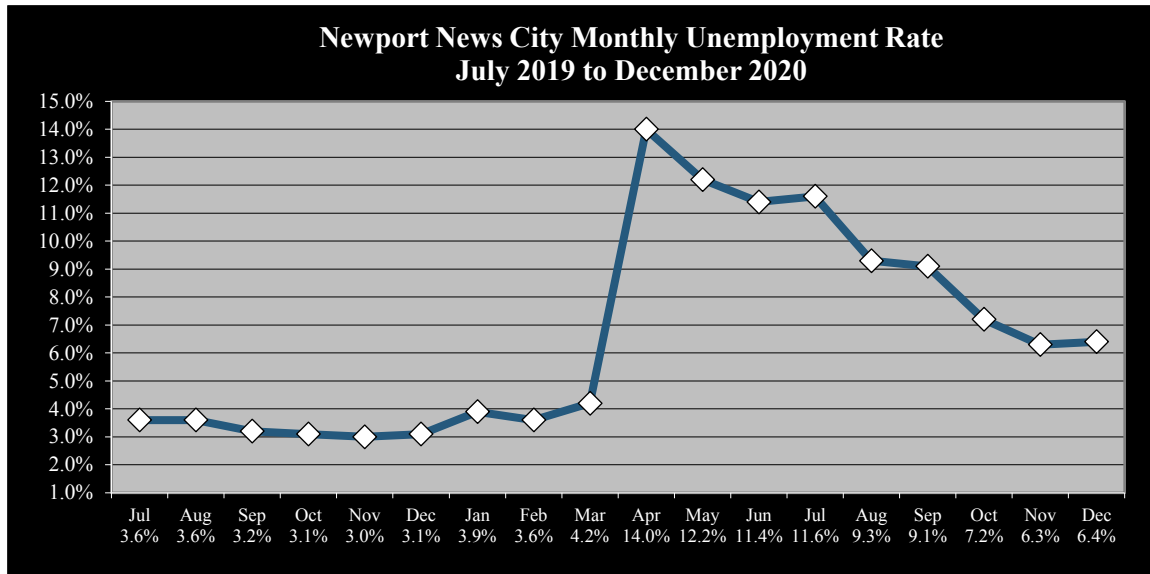
Year	Unemployment Rate		
	Newport News City	Virginia	United States
2010	8.3%	7.2%	9.7%
2011	8.1%	6.6%	9.0%
2012	7.5%	6.0%	8.1%
2013	6.8%	5.7%	7.4%
2014	6.3%	5.2%	6.2%
2015	5.4%	4.4%	5.3%
2016	5.2%	4.1%	4.9%
2017	4.6%	3.7%	4.4%
2018	3.7%	3.0%	3.9%
2019	3.5%	2.8%	3.7%
2020	8.3%	6.0%	8.7%

Source: Department of Labor, Bureau of Labor Statistics



Between 2010 and 2019, the unemployment rate within Newport News consistently declined; however, between 2019 and 2020, the city's unemployment rate increased by nearly five percentage points as the result of the COVID-19 pandemic.

The table on the following page illustrates the monthly unemployment rate in Newport News City for the most recent 18-month period for which data is currently available.



The city’s monthly unemployment rate was generally stable between July 2019 and February 2020, then spiked by over ten percentage points between February and April 2020. On a positive note, the monthly unemployment rate in the city has been generally declining since; however, it is still considered relatively high as of December at 6.4%.

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

In-Place Employment Newport News City			
Year	Employment	Change	Percent Change
2010	95,481	-	-
2011	96,309	828	0.9%
2012	96,261	-48	0.0%
2013	97,302	1,041	1.1%
2014	98,179	877	0.9%
2015	97,536	-643	-0.7%
2016	96,225	-1,311	-1.3%
2017	97,754	1,529	1.6%
2018	101,887	4,133	4.2%
2019	103,520	1,633	1.6%
2020*	98,894	-4,626	-4.5%

Source: Department of Labor, Bureau of Labor Statistics  
\*Through September

Data for 2019, the most recent year that year-end figures are available, indicates in-place employment in Newport News City to be 119.9% of the total Newport News City employment. This means that Newport News City has more employed persons coming to the city from other cities/counties for work (daytime employment) than those who both live and work there. This will have a positive impact on the subject’s marketability, as it is likely that many of its tenants will have minimal commute times to their place of employment.

### 3. ECONOMIC FORECAST

Based on data provided by the State of Virginia Department of Labor and the U.S. Department of Labor, the area was negatively impacted by the COVID-19 pandemic, which caused many local businesses to shut down in an attempt to mitigate the spread of the coronavirus. Between 2019 and 2020, the Newport News employment base declined by over 4,160 jobs, or 4.8%, and its unemployment rate increased by nearly five percentage points. Specifically, between February and April 2020, the unemployment rate within the city spiked by over ten percentage points; however, the city’s unemployment rate has generally been trending downward since. Nonetheless, several of the businesses impacted include those within the Retail Trade and Accommodation & Food Services sectors, which provide lower wage paying positions. The subject site will provide a good quality affordable housing option in an economy where lower-wage employees are most vulnerable.

### 4. COMMUTING PATTERNS

Based on the American Community Survey (2014-2018), the following is a distribution of commuting patterns for Site PMA workers age 16 and over:

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	35,281	79.2%
Carpooled	3,950	8.9%
Public Transit	2,124	4.8%
Walked	1,094	2.5%
Other Means	1,135	2.5%
Worked at Home	951	2.1%
Total	44,535	100.0%

Source: American Community Survey (2014-2018); ESRI; Urban Decision Group; Bowen National Research

Over 79% of all workers drove alone, 8.9% carpooled and only 4.8% used public transportation.

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

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	13,992	31.4%
15 to 29 Minutes	16,763	37.6%
30 to 44 Minutes	7,330	16.5%
45 to 59 Minutes	2,594	5.8%
60 or More Minutes	2,905	6.5%
Worked at Home	951	2.1%
Total	44,535	100.0%

Source: American Community Survey (2014-2018); ESRI; Urban Decision Group; Bowen National Research

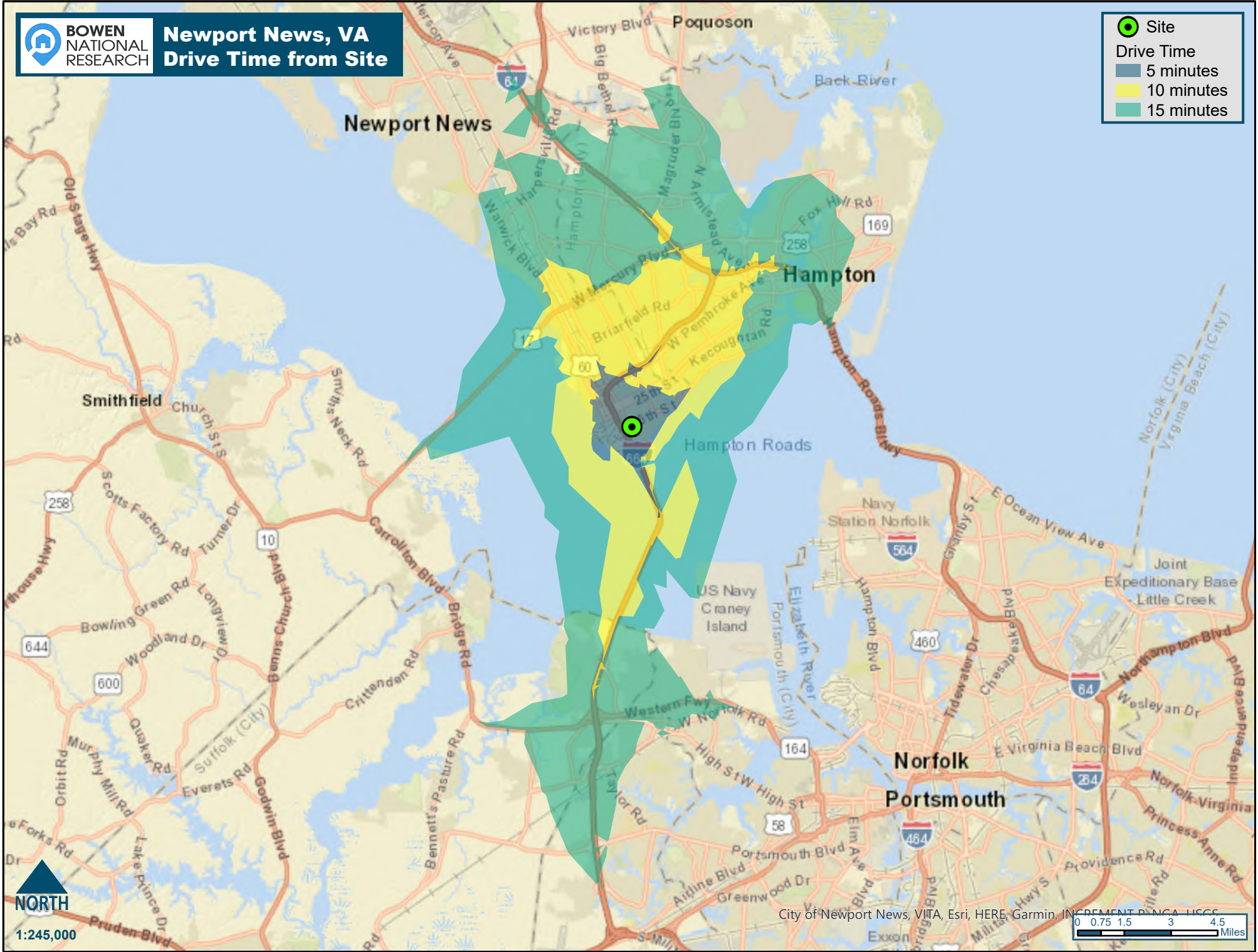
The largest share of area commuters has typical travel times to work ranging from 15 to 29 minutes. The subject site is within a 15-minute drive to most of the area's largest employers, which should contribute to its marketability. A drive-time map for the subject site is on the following page.





# Newport News, VA Drive Time from Site

● Site  
Drive Time  
■ 5 minutes  
■ 10 minutes  
■ 15 minutes



1:245,000

## V. Rental Housing Analysis (Supply)

### A. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Newport News Site PMA in 2010 and 2021 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2021 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	39,973	91.8%	38,570	88.2%
Owner-Occupied	21,613	54.1%	19,057	49.4%
Renter-Occupied	18,360	45.9%	19,513	50.6%
Vacant	3,581	8.2%	5,159	11.8%
Total	43,554	100.0%	43,729	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Based on a 2021 update of the 2010 Census, of the 43,729 total housing units in the market, 11.8% were vacant. In 2021, it was estimated that homeowners occupied 49.4% of all occupied housing units, while the remaining 50.6% were occupied by renters. The share of renters is considered typical for an urban market, such as the Newport News Site PMA, and the 19,513 renter households estimated in 2021 represent a deep base of potential support for the subject project.

#### Conventional Apartments

We identified and personally surveyed 31 conventional housing projects containing a total of 5,607 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 98.6%, a strong rate for rental housing. Each rental housing segment surveyed is summarized as follows:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	9	3,072	15	99.5%
Tax Credit	13	1,556	59	96.2%
Tax Credit/Government-Subsidized	5	290	0	100.0%
Market-rate/Tax Credit/Government-Subsidized	1	60	7	88.3%
Government-Subsidized	3	629	0	100.0%
Total	31	5,607	81	98.6%

As the preceding table illustrates, the one market-rate, Tax Credit and government-subsidized property surveyed within the market, Noland Green (Map ID 19), is operating at a low occupancy rate of 88.3%. According to management, vacancies are attributed to the lack of qualified applicants. It should also be noted that this property offers some of the smallest Tax Credit unit sizes (square feet).

Given that nearly all other rental properties surveyed are performing at good occupancy levels, it can be concluded that the Newport News rental housing market is actually performing well, and the vacancies located at Noland Green are likely attributed to product and/or management deficiencies.

**Tax Credit Property Disclosure:** In addition to the 19 properties surveyed that at least partially operate under the Tax Credit program, we identified ten Tax Credit properties within the Site PMA that we were unable to survey at the time of this report. The known details of these projects based on previous surveys conducted by Bowen National Research in the Newport News area and from our review of the state Tax Credit allocation list are summarized in the following table:

Name	Location	Year Built/ Renovated	Total Units	Target Population	Occupancy at Last Survey
801 Main Senior	801 Main St.	2017	44	Seniors; 40%, 50% & 60% AMHI & PBRA	100.0%; 35 H.H. Waitlist (January 2020)
Chestnut Square	800 Dana Rae Ct.	2000	40	Family; 60% AMHI	100.0%; 3 H.H. Waitlist (January 2020)
City Line	155 Mytilene Dr.	1975 / 2006	200	Family; 30% AMHI & Section 8	100.0%; 85 H.H. Waitlist (January 2020)
Lassiter Courts	811 C. Taylor Ave.	1962 / 1997	100	Family; 60% AMHI & Public Housing	100.0%; No Waitlist (August 2019)
Lofts at Jefferson	558 28th St.	2014	14	Family; 60% AMHI & Section 8	100.0%; 8 H.H. Waitlist (February 2019)
Medical Arts Senior Apts.	2901 West Ave.	2003	20	Seniors; 50% AMHI	90.0%; No Waitlist (June 2017)
Newport Harbour Apts.	2325 Madison Ave.	1962 / 2003	200	Family; 50% AMHI & Section 8	100.0%; 129 H.H. Waitlist (January 2020)
Orcutt Village Townhomes II	1031 34th St.	2006	40	Family; 40% & 50% AMHI & Public Housing	100.0%; 978 H.H. Waitlist (August 2019)
Orcutt Village Townhomes III	900 36th St.	2011	30	Family; 40% & 50% AMHI & PBRA	100.0%; 29 H.H. Waitlist (August 2019)
Snowden Senior Apts.	1115 Briarfield Rd.	2016	68	Senior; 40%, 50% & 60% AMHI & PBRA	100.0%; 120 H.H. Waitlist (January 2019)

AMHI – Area Median Household Income  
 PBRA – Project-Based Rental Assistance  
 H.H. – Households

It is estimated that the ten Tax Credit projects we were unable to survey within the market offer a total of 138 non-subsidized Tax Credit units, which have been included in our penetration rate analysis illustrated later in Section VII – *Capture Rate Analysis* of this report.



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

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	985	32.0%	6	0.6%	\$927
Two-Bedroom	1.0	934	30.3%	2	0.2%	\$1,026
Two-Bedroom	1.5	177	5.8%	0	0.0%	\$1,532
Two-Bedroom	2.0	470	15.3%	5	1.1%	\$1,550
Two-Bedroom	2.5	65	2.1%	0	0.0%	\$1,605
Three-Bedroom	1.0	193	6.3%	1	0.5%	\$1,101
Three-Bedroom	1.5	3	0.1%	0	0.0%	\$1,475
Three-Bedroom	2.0	41	1.3%	0	0.0%	\$1,554
Three-Bedroom	2.5	182	5.9%	1	0.5%	\$1,985
Three-Bedroom	3.0	8	0.3%	0	0.0%	\$2,059
Four-Bedroom	1.5	20	0.6%	0	0.0%	\$1,370
<b>Total Market-rate</b>		<b>3,078</b>	<b>100.0%</b>	<b>15</b>	<b>0.5%</b>	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	14	0.8%	0	0.0%	\$831
One-Bedroom	1.0	198	11.5%	2	1.0%	\$859
Two-Bedroom	1.0	873	50.6%	59	6.8%	\$885
Two-Bedroom	1.5	151	8.7%	3	2.0%	\$1,040
Two-Bedroom	2.0	204	11.8%	0	0.0%	\$1,151
Three-Bedroom	1.5	92	5.3%	1	1.1%	\$1,059
Three-Bedroom	2.0	145	8.4%	1	0.7%	\$1,279
Four-Bedroom	1.5	50	2.9%	0	0.0%	\$1,203
<b>Total Tax Credit</b>		<b>1,727</b>	<b>100.0%</b>	<b>66</b>	<b>3.8%</b>	-

As the preceding table illustrates, the median gross Tax Credit rents are lower than the corresponding median gross market-rate rents. As such, Tax Credit product likely represents good values to low-income renters within the Newport News Site PMA. This is further evidenced by the low combined vacancy rate of 3.8% among all non-subsidized Tax Credit units surveyed within the market.

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

Year Built	Projects	Units	Vacancy Rate
Before 1970	12	2,105	3.4%
1970 to 1979	2	566	0.0%
1980 to 1989	2	751	0.9%
1990 to 1999	3	632	0.0%
2000 to 2009	1	140	0.0%
2010 to 2014	4	482	0.4%
2015	0	0	0.0%
2016	1	44	0.0%
2017	0	0	0.0%
2018	2	85	0.0%
2019	1	67	0.0%
2020 to 2021*	0	0	0.0%

\*As of February

The highest vacancy rate by year built is among the properties built before 1970. However, the vacancy rate among these properties is still considered low at 3.4%. Nonetheless, as there are virtually no vacancies among the newer properties surveyed, it can be concluded that a slight correlation exists between age and vacancies within the market. Notably, no vacancies exist among the properties surveyed built since 2016, illustrating that newer rental properties have been very well received within the Newport News Site PMA. This will bode very well in the demand of the subject units.

The newest property surveyed, Whittaker Place (Map ID 31), involved the adaptive reuse of a former hospital into 67 Tax Credit units. This property opened in October 2019. While property management was unable to comment on lease-up trends, this property is 100.0% occupied with a waiting list. This further illustrates that newer affordable rental housing product has been very well received within the market.

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

Market-rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	1	197	1.0%
B+	1	567	0.2%
B	5	1,260	0.6%
B-	1	400	0.3%
C+	2	654	0.5%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	5	497	0.0%
B	9	862	2.0%
B-	3	290	16.9%
C+	1	78	0.0%

Vacancies are the highest among the Tax Credit properties surveyed with a quality rating of a "B-". However, nearly all of these vacancies (48, or 98.0%) are located at Seven Oaks (Map ID 23). According to property management, vacancies are attributed to the lack of qualified applicants. It should also be noted that this property is older (built in 1958), was observed to be located in a lower quality neighborhood, offers smaller unit sizes and lacks common community amenities. Given that all other rental properties surveyed broken out by quality are maintaining very low vacancy rates, it can be concluded the quality has not had a significant impact on the Newport News rental housing market. The vacancies located at Seven Oaks are likely attributed to product and/or management deficiencies.

### Government-Subsidized

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

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	27	15.6%	0	0.0%
Two-Bedroom	1.0	116	67.1%	0	0.0%
Two-Bedroom	1.5	2	1.2%	0	0.0%
Three-Bedroom	1.0	24	13.9%	0	0.0%
Three-Bedroom	1.5	3	1.7%	0	0.0%
Three-Bedroom	2.0	1	0.6%	0	0.0%
<b>Total Subsidized Tax Credit</b>		<b>173</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>
Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	296	47.1%	0	0.0%
Two-Bedroom	1.0	285	45.3%	0	0.0%
Three-Bedroom	1.0	48	7.6%	0	0.0%
<b>Total Subsidized</b>		<b>629</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>

All government-subsidized units surveyed are occupied, the majority of which maintain a waiting list, illustrating that pent-up demand exists for very low-income rental housing within the market.

Additional information regarding the Newport News Site PMA apartment market is found in Section X of this report.

## **B. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES**

### Tax Credit

The proposed subject project will target family (general-occupancy) households earning up to 40%, 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. In addition, the subject project will also operate under the HUD Section 8 program with a direct subsidy available to 34 units. For the purpose of this analysis, however, we only select comparable *non-subsidized* LIHTC properties, as these properties provide the most accurate representation of achievable non-subsidized Tax Credit rents within the Newport News market. The subject development will also offer 13 market-rate units, which will be evaluated later in the report.

Within the Site PMA, we identified and surveyed a total of 17 general-occupancy LIHTC properties which offer non-subsidized units in the Newport News market. Of these 17 LIHTC properties, we have selected the seven most comparable properties based on unit types similar to those proposed for the subject project, in terms of project size (total units) and/or age.

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

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
<b>Site</b>	<b>Choice Neighborhood III-R</b>	<b>2024</b>	<b>58*</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>Families; 40%, 50% &amp; 60% AMHI &amp; Section 8</b>
2	Ada Park	2018	42	100.0%	6.5 Miles	10 HH	Families; 50% & 60% AMHI
4	Brennan Pointe I	2016	44	100.0%	1.7 Miles	90 HH	Families; 40%, 50%, & 60% AMHI
5	Brennan Pointe II	2018	43	100.0%	1.7 Miles		Families; 40%, 50%, & 60% AMHI
10	Heritage Forest I & II	2012	248	100.0%	2.2 Miles	None	Families; 40% & 60% AMHI
19	Noland Green	2011**	49*	85.7%	1.4 Miles	None	Families; 50% AMHI
29	Waterford Pointe	1993 / 2014	120	100.0%	7.9 Miles	200 HH	Families; 60% AMHI
31	Whittaker Place	2019**	67	100.0%	1.5 Miles	2 HH	Families; 40% & 60% AMHI

OCC. – Occupancy

HH - Households

\*Non-subsidized Tax Credit units only

\*\*Adaptive reuse

The seven LIHTC projects have a combined occupancy rate of 98.9%, a strong rate for affordable housing. In fact, six of these projects are fully occupied, four of which maintain a waiting list, illustrating that pent-up demand exists for additional affordable rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand.

The gross rents for the most comparable LIHTC projects and the proposed/programmatic rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the table on the following page.

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)				
		Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.
Choice Neighborhood III-R	-		\$619*/40% (1) \$773*/50% (4) \$885/60% (4)	\$743*/40% (3) \$928*/50% (16) \$1,068-\$1,078/60% (12)	\$858*/40% (2) \$1,072*/50% (2) \$1,239-\$1,249/60% (12)	\$1,196*/50% (2)
2	Ada Park	-	-	\$972/50% (21/0) \$1,167/60% (9/0)	\$1,401/60% (12/0)	-
4	Brennan Pointe I	-	-	\$803/40% (3/0) \$964/50% (18/0) \$1,019/60% (7/0)	\$930/40% (2/0) \$1,119/50% (11/0) \$1,213/60% (3/0)	-
5	Brennan Pointe II	-	-	\$1,052/40% (3/0) \$952/50% (10/0) \$1,040/60% (14/0)	\$1,206/40% (2/0) \$1,104/50% (7/0) \$1,208/60% (7/0)	-
10	Heritage Forest I & II	-	\$672/40% (10/0) \$933/60% (24/0)	\$823/40% (16/0) \$1,151/60% (146/0)	\$1,279/60% (52/0)	-
19	Noland Green	-	\$723/50% (10/2)	\$858/50% (30/3)	\$981/50% (9/2)	-
29	Waterford Pointe	-	\$929/60% (9/0)	\$1,115/60% (66/0)	\$1,323/60% (45/0)	-
31	Whittaker Place	\$568/40% (2/0) \$831/60% (12/0)	\$603/40% (4/0) \$901/60% (37/0)	\$730/40% (2/0) \$1,087/60% (10/0)	-	-

\*Maximum allowable LIHTC gross rent

The proposed/programmatic subject gross rents, ranging from \$619 to \$1,249, will generally be some of the lowest LIHTC rents targeting similar income levels within the market. This will position the subject project at a market advantage and will bode well for the demand of the subject units.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
2	Ada Park	42	N/A	-
4	Brennan Pointe I	44	25	56.8%
5	Brennan Pointe II	43	25	58.1%
10	Heritage Forest I & II	248	50	20.2%
19	Noland Green	49*	30	61.2%
29	Waterford Pointe	120	48	40.0%
31	Whittaker Place	67	8	11.9%
Total		571	186	32.6%

\*Tax Credit units only

N/A – Not Available (units not included in total)

There are approximately 186 Voucher holders residing at the comparable LIHTC properties within the market that provided such information. This comprises 32.6% of these 571 non-subsidized LIHTC units. This is considered a moderate share of Voucher support and indicates that the subject development can likely rely on Voucher support in its non-subsidized units. In addition, over 67% of the non-subsidized Tax Credit units among the comparable LIHTC properties are occupied by tenants which are paying the gross rents at these properties and indicate that the gross rents currently offered are achievable within the Newport



News market and will serve as accurate benchmarks with which to compare the subject project.

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

Map I.D.	Project Name	Square Footage				
		Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.
<b>Site</b>	<b>Choice Neighborhood III-R</b>	-	<b>654 - 829</b>	<b>888 - 1,088</b>	<b>1,256 - 1,395</b>	<b>1,423</b>
2	Ada Park	-	-	884	1,100	-
4	Brennan Pointe I	-	-	1,130	1,560	-
5	Brennan Pointe II	-	-	883	1,130	-
10	Heritage Forest I & II	-	720	1,035	1,222	-
19	Noland Green	-	525 - 565	685 - 740	885	-
29	Waterford Pointe	-	624	818	1,006 - 1,023	-
31	Whittaker Place	411 - 468	480 - 755	860 - 992	-	-

Map I.D.	Project Name	Number of Baths				
		Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.
<b>Site</b>	<b>Choice Neighborhood III-R</b>	-	<b>1.0</b>	<b>1.5</b>	<b>2.0</b>	<b>2.0</b>
2	Ada Park	-	-	2.0	2.0	-
4	Brennan Pointe I	-	-	1.5	2.0	-
5	Brennan Pointe II	-	-	1.5	2.0	-
10	Heritage Forest I & II	-	1.0	2.0	2.0	-
19	Noland Green	-	1.0	1.5	1.5 - 2.0	-
29	Waterford Pointe	-	1.0	1.5	2.0	-
31	Whittaker Place	1.0	1.0	2.0	-	-

The subject project will offer some of the largest unit sizes (square feet) relative to those offered at the most comparable LIHTC projects within the market. This will position the project at a competitive advantage. The additional bathroom(s) to be provided within the subject's larger bedroom types will appeal to the targeted demographic.

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

		Tax Credit Unit Amenities by Map ID							
		Site*	2	4	5	10	19	29	31
Appliances	Dishwasher	X	X	X	X	X	X	X	X
	Disposal		X	X	X	X		X	X
	Icemaker					X		X	X
	Microwave			X	X	X			X
	Range	X	X	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X	X	X
	No Appliances								
Unit Amenities	AC-Central	X	X	X	X	X	X	X	X
	AC-Other								
	Balcony	X		X	X	X		X	
	Deck / Patio	X		X	X	X		X	
	Basement								
	Ceiling Fan	X					X		S
	Controlled Access	X					X		X
	E-Call System								
	Fireplace								
	Furnished								
	Security System								
	Sunroom								
	W/D Hookup	X	X	X	X				
	W/D					X		X	X
	Walk-In Closet					X		S	
Window Treatments	X	X	X	X	X	X	X	X	
Flooring	Carpet	X	X	X	X	X	X	X	X
	Ceramic Tile	X							
	Composite (VCT)(LVT)	X							
	Hardwood						X		
	Finished Concrete								X
	Vinyl	X	X	X	X	X		X	
	Wood Laminate / Plank		X						
Upgraded	Premium Appliances							X	
	Premium Countertops							X	X
	Premium Cabinetry							X	
	Premium Fixtures							X	
	High Ceilings								X
	Vaulted Ceilings								
	Crown Molding								
	Oversized Windows								
Parking	Attached Garage								
	Detached Garage								
	Street Parking								
	Surface Lot	X	X	X	X	X	X	X	X
	Carport								
	Property Parking Garage								
	Podium Parking								
	No Provided Parking								

◆ - Senior Property

\* Proposed Site(s): Choice Neighborhood III-R

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

\*\* Details in Comparable Property Profile Report

Continued on Next Page

Tax Credit Property Amenities by Map ID

	Site*	2	4	5	10	19	29	31
Bike Racks / Storage								
Business Center **					X	X	X	X
Car Care **								
Common Patio								
Community Garden								
Community Space	Activity / Craft Room							
	Chapel							
	Clubhouse				X		X	
	Conference Room							
	Community Kitchen		X					
	Community Room	X	X	X	X		X	X
	Dining Room - Private							
	Dining Room - Public							
	Rooftop Lounge							
	Study Lounge							
	TV Lounge						X	X
	Concierge Service **					X		X
	Convenience Amenities **					X		
	Courtyard	X						X
Covered Outdoor Area **			X	X	X			
Elevator	X		X	X		X		
Laundry Room	X	X	X	X		X		
Meals								
On-Site Management	X	X	X	X	X	X	X	
Pet Care **					X		X	
Recreation	Basketball							
	Bocce Ball							
	Firepit							
	Fitness Center	X				X	X	X
	Grill					X	X	X
	Game Room - Billiards							
	Hiking - Walking Trail	X						
	Hot Tub							
	Library							
	Media Room / Theater							
	Picnic Table / Area					X	X	X
	Playground	X		X	X	X	X	X
	Putting Green							
	Racquetball							
	Shuffleboard							
	Sports Court							
	Swimming Pool - Indoor							
	Swimming Pool - Outdoor					X		X
	Tennis							
Volleyball								
Security	CCTV	X			X	X		
	Courtesy Officer				X			
	Gated Community				X			
	Gated Parking							
	Police Substation							
	Social Services **							
	Storage - Extra						X	
	Water Feature					X		
	WiFi							

◆ - Senior Property

\* Proposed Site(s): Choice Neighborhood III-R

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

\*\* Details in Comparable Property Profile Report

The proposed amenity package for the subject project is very competitive with those offered among the comparable general-occupancy LIHTC properties, both in terms of unit and project amenities. The subject property does not appear to lack any key amenities that would adversely impact its marketability as a LIHTC property within the Newport News Site PMA. This is particularly true when considering the high occupancy rates maintained among most of the comparable properties and the available Section 8 subsidy to be provided at the subject project.

#### Comparable/Competitive Tax Credit Summary

The seven comparable general-occupancy LIHTC properties have a combined occupancy rate of 98.9%, six of which are 100.0% occupied. The proposed subject project is expected to help alleviate a portion of this pent-up demand for additional general-occupancy LIHTC product. The subject's proposed/programmatic gross Tax Credit rents are generally some of the lowest targeting similar income levels, which will bode well for the demand of the subject units. In terms of design, the subject property will offer larger unit sizes (square feet) and a competitive amenities package. Based on the preceding factors, the subject project is considered very marketable as proposed.

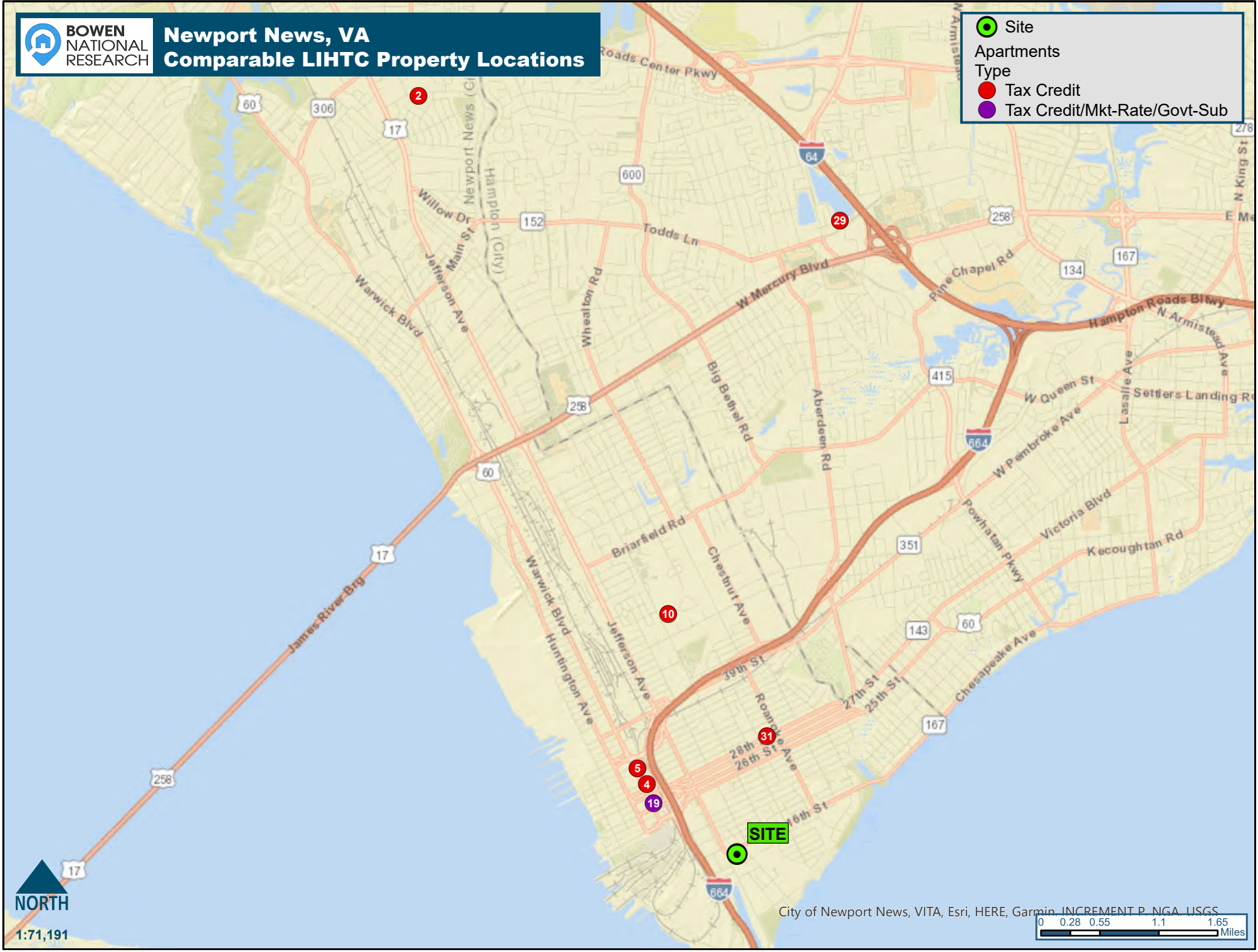
A map depicting the location of the most comparable LIHTC properties is included on the following page.



# Newport News, VA Comparable LIHTC Property Locations

**Site**  
**Apartment Type**

- Tax Credit
- Tax Credit/Mkt-Rate/Govt-Sub



**NORTH**  
1:71,191

City of Newport News, VITA, Esri, HERE, Garmin, INCREMENT P, NGA, USGS  
0 0.28 0.55 1.1 1.65 Miles



Market-Rate

Considering the proposed project will offer 13 market-rate units, we have also provided a comparable market-rate analysis to assess the competitiveness of these units. We identified five comparable market-rate properties within the Site PMA, which are summarized in the following table, along with the subject site:

Map I.D.	Project Name	Year Built/Renovated	Units	Occupancy Rate	Distance to Site	Rent Special
<b>Site</b>	<b>Choice Neighborhood III-R</b>	<b>2024</b>	<b>13*</b>	-	-	-
1	Abbington at Northampton	1982 / 2013	567	99.8%	5.0 Miles	None
6	Cambridge	1972 / 2004	465	100.0%	5.0 Miles	None
9	Hampstead Heath Luxury Homes	1977 / 2006	101	100.0%	6.2 Miles	None
16	Liberty	2013	197	99.0%	1.6 Miles	None
22	Riverlands	1992 / 2000	404	100.0%	3.4 Miles	None

\*Market-rate units only

The five selected market-rate projects have a combined total of 1,734 units with an overall occupancy rate of 99.8% (a result of only three vacant units), a very strong rate for rental housing. A total of three of these projects are 100.0% occupied, illustrating that pent-up demand likely exists for additional market-rate rental housing within the Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

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

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Choice Neighborhood III-R</b>	<b>\$1,006 (2)</b>	<b>\$1,237-\$1,247 (8)</b>	<b>\$1,634-\$1,644 (3)</b>
1	Abbington at Northampton	\$1,172-\$1,252 (241/0)	\$1,468-\$1,550 (231/0)	\$1,985 (95/1)
6	Cambridge	\$1,174-\$1,184 (73/0)	\$1,367-\$1,596 (317/0)	\$1,734 (75/0)
9	Hampstead Heath Luxury Homes	-	\$1,505-\$1,605 (65/0)	\$1,554-\$1,943 (36/0)
16	Liberty	\$1,293-\$1,408 (85/1)	\$1,648-\$1,763 (104/1)	\$2,001-\$2,116 (8/0)
22	Riverlands	\$887-\$927 (192/0)	\$1,068-\$1,158 (200/0)	\$1,328-\$1,363 (12/0)

The subject’s proposed market-rate rents, ranging from \$1,006 to \$1,644, will be some of the lowest market-rate gross rents within the market. This will bode very well in the demand of the subject’s market-rate units.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Choice Neighborhood III-R</b>	<b>642 - 669</b>	<b>908 – 1,047</b>	<b>1,392 - 1,395</b>
1	Abbingtion at Northampton	638 - 736	845 - 924	1,085
6	Cambridge	700 - 850	850 - 1,200	1,500
9	Hampstead Heath Luxury Homes	-	1,332	1,250 - 1,724
16	Liberty	543 - 566	825 - 848	1,106 - 1,130
22	Riverlands	557 - 597	757 - 900	1,196 - 1,275

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Choice Neighborhood III-R</b>	<b>1.0</b>	<b>1.5</b>	<b>2.0</b>
1	Abbingtion at Northampton	1.0	2.0	2.5
6	Cambridge	1.0	1.0 - 1.5	2.5
9	Hampstead Heath Luxury Homes	-	2.5	2.0 - 2.5
16	Liberty	1.0	2.0	3.0
22	Riverlands	1.0	1.0	2.0

The proposed development will offer some of the largest market-rate unit sizes (square feet) relative to those offered at the most comparable market-rate projects within the Newport News Site PMA. This will position the project at a competitive advantage. The additional bathroom to be provided within the subject’s larger unit types will be appealing to the targeted demographic.

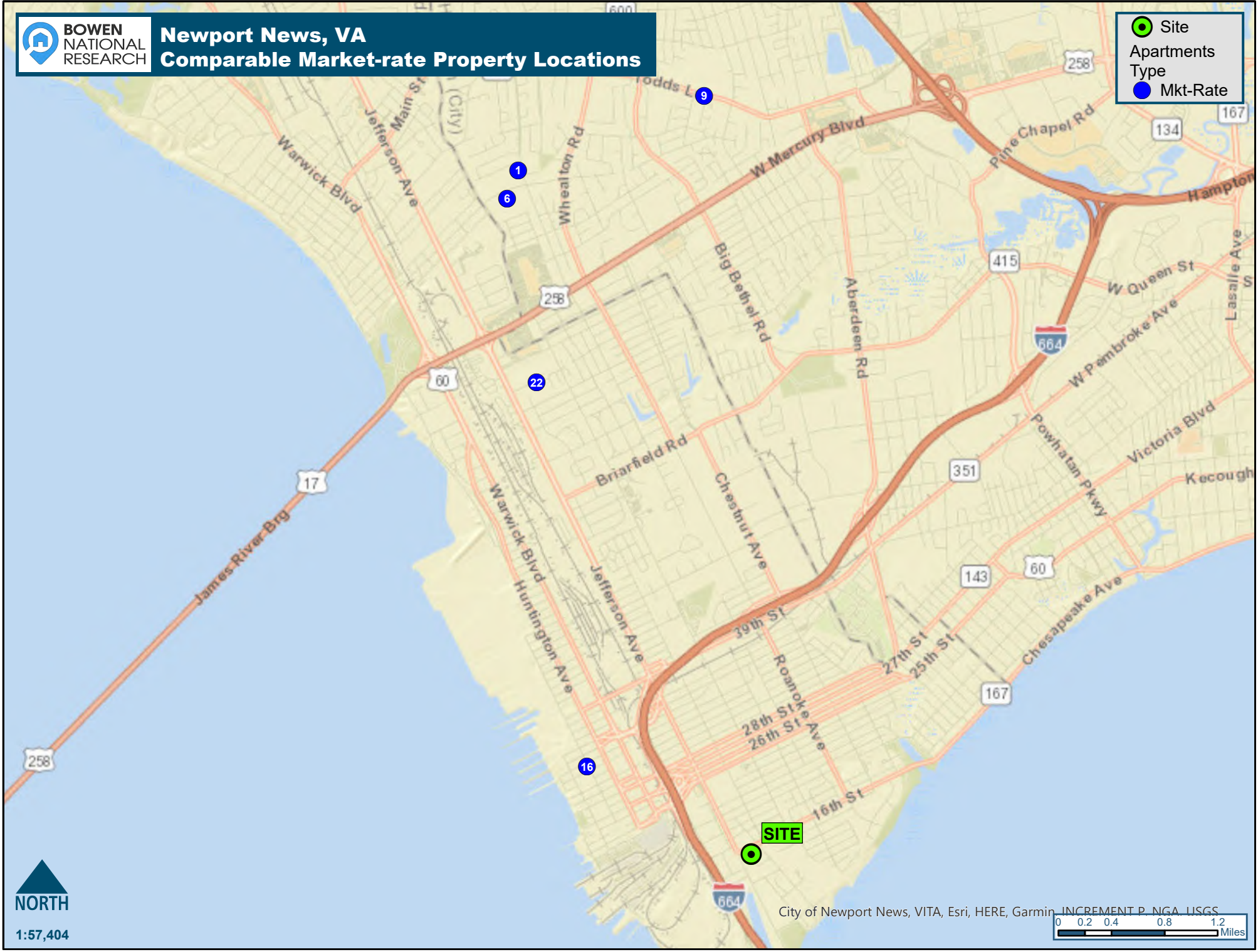
Note that a further evaluation of the subject’s amenities package compared to those offered at the selected market-rate projects is provided later in Section VI – *Achievable Market Rent Analysis* of this report.

A map depicting the location of the most comparable market-rate properties is included on the following page.



# Newport News, VA Comparable Market-rate Property Locations

- Site
- Apartments
- Type
- Mkt-Rate



NORTH  
1:57,404

City of Newport News, VITA, Esri, HERE, Garmin, INCREMENT P, NGI, USGS  
  
0 0.2 0.4 0.8 1.2 Miles

### **C. PLANNED MULTIFAMILY DEVELOPMENT**

After several attempts, we were unable to reach local planning/building representatives with regards to rental communities within the development pipeline. However, through extensive online research, it was determined that there are various rental housing projects in the development pipeline within the Site PMA, which are summarized as follows:

- John H. Ridley Place (Ridley Place Apartments), located at 811 C Taylor Avenue in Newport News, is currently a 259-unit Public Housing community. In May 2019, the city and the Newport News Redevelopment and Housing Authority (NNRHA) announced plans to demolish all 259 units in early 2021 and construct 487 new units, including affordable units, moderate-income and market-rate homes, and some for-sale homes to create the Marshall - Ridley Choice Neighborhood. Current tenants of Ridley Place Apartments will receive Vouchers to obtain new housing. The location of the Marshall - Ridley Choice Neighborhood is 39th Street to the north, Hampton Roads Harbor to the south, Interstate 664 to the west, and Marshall Avenue and the former Chase Bag property to the east. Phases I and II of the redevelopment is on Jefferson Street with 81 units of mixed-income rental housing units in two buildings and is estimated to begin construction in early 2021 to be completed in 2022. These two projects are named Carrier Point I and II and are summarized below. The authority will start the process to obtain Tax Credits to finance more of the remaining 406 additional new housing units proposed at Ridley Place in 2021. The housing authority is in the process of moving residents from Ridley Place before destruction of the 259 apartment units.
- Carrier Point I, part of the Marshall - Ridley Choice Neighborhood redevelopment, will involve the new construction of 43 one-, two- and three-bedroom units at 2812 Jefferson Avenue and 612 29th Street in Newport News. The project will target family (general occupancy) households and will be developed utilizing funding from the LIHTC program and 37 units will target those earning up to 30%, 40%, 50% and 60% of AMHI. The remaining six units will operate as unrestricted market-rate. Additionally, 17 units will operate with project-based Section 8 Voucher assistance. The project was allocated LIHTC funding in 2020. The project is expected to be complete in June 2022.
- Carrier Point II, also part of the Marshall - Ridley Choice Neighborhood redevelopment, will involve the new construction of 38 one-, two- and three-bedroom units at 2700 Jefferson Avenue. The project will target will be developed utilizing funding from the LIHTC program and 34 units will target those earning up to 30%, 50%, 60%, 70% and 80% of AMHI. The remaining four units will operate as unrestricted market-rate. Additionally, 21 units will operate with project-based Section 8 Voucher assistance. The project was allocated 4% Bond funding in 2019. The project is expected to be complete in June 2022.

- Provost Construction has plans to renovate three historic buildings into a mixed-use project at 212 23rd Street in Newport News. Plans call for first floor commercial space and 32 one- and two-bedroom market-rate apartments on the second and third floors. The units will include stainless steel appliances, granite countertops and washer/dryer appliances. Provost Construction obtained city and state grants such as Historic Tax Credits, Commercial Facade Improvement Grant and the Enterprise Zone Grant to help finance the project. Construction is planned to be complete near the end of 2021 or early 2022.
- The Coile, is a planned family LIHTC development that will consist of two (2) four-story, elevator-served, midrise-style buildings at 80 29<sup>th</sup> Street and 311 33rd Street in Newport News. Each building will contain 31 two- and three-bedroom units. The units will be restricted to households earning up to 40%, 50%, and 70% of AMHI. Of the 62 total units, three (3) two-bedroom units restricted to 40% of AMHI and four (4) three-bedroom units restricted at 50% will operate with project-based rental assistance and will target households with disabilities. The developer, TM Associates Development, was allocated Innovation LIHTC funding in 2020.

Of the five rental projects within the pipeline, Carrier Point I, Carrier Point II, the Provost Construction development and The Coile will likely directly compete with the subject site. These properties have been considered in our demand estimates included in Section VII.

**D. ANTICIPATED IMPACT ON EXISTING TAX CREDIT PROPERTIES**

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

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2024
2	Ada Park	100.0%	95.0% +
4	Brennan Pointe I	100.0%	95.0% +
5	Brennan Pointe II	100.0%	95.0% +
10	Heritage Forest I & II	100.0%	95.0% +
19	Noland Green	85.7%	85.0% +
29	Waterford Pointe	100.0%	95.0% +
31	Whittaker Place	100.0%	95.0% +

The comparable/competitive LIHTC properties have a combined occupancy rate of 98.9%, nearly all of which are 100.0% occupied. This illustrates that pent-up demand exists for additional affordable rental housing within the Newport News Site PMA. Considering the depth of support (demand estimates) for the subject project and the existing properties, we do not anticipate the subject project having any adverse impact on future occupancy rates among existing comparable LIHTC product in the market. In fact, the subject property is expected to help alleviate a portion of the pent-up demand that exists for additional general-occupancy LIHTC product.



**E. BUY VERSUS RENT ANALYSIS**

According to ESRI, the median home value within the Site PMA was \$180,749. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$180,749 home is \$1,088, including estimated taxes and insurance.

<b>Buy Versus Rent Analysis</b>	
Median Home Price - ESRI	\$180,749
Mortgaged Value = 95% of Median Home Price	\$171,712
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$870
Estimated Taxes and Insurance*	\$218
Estimated Monthly Mortgage Payment	\$1,088

\*Estimated at 25% of principal and interest

In comparison, the collected/programmatic Tax Credit rents for the subject property range from \$543to \$1,075 per month. While it is possible that some potential tenants of the subject project could afford the monthly payments required to own a home in this market, the number that could also afford the down payment, routine maintenance costs, and/or utility costs associated with such a home is considered minimal. Further, the Section 8 subsidy to be provided with 34 of the subject units must also be considered, as tenants of these units will effectively pay only 30% of their income towards rent, rather than the proposed rents evaluated throughout this report. Based on the preceding factors, we do not anticipate any competitive impact on or from the homebuyer market.

## VI. Achievable Market Rent Analysis

### A. INTRODUCTION

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

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

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

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

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

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

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

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					One-Br.	Two-Br.	Three-Br.	Four-Br.
<b>Choice Neighborhood III-R Site</b>		<b>2024</b>	<b>71</b>	<b>-</b>	<b>11 (-)</b>	<b>39 (-)</b>	<b>19 (-)</b>	<b>2 (-)</b>
1	Abbington at Northampton	1982 / 2013	567	99.8%	241 (100.0%)	231 (100.0%)	95 (98.9%)	-
6	Cambridge	1972 / 2004	465	100.0%	73 (100.0%)	317 (100.0%)	75 (100.0%)	-
9	Hampstead Heath Luxury Homes	1977 / 2006	101	100.0%	-	65 (100.0%)	36 (100.0%)	-
16	Liberty	2013	197	99.0%	85 (98.8%)	104 (99.0%)	8 (100.0%)	-
22	Riverlands	1992 / 2000	404	100.0%	192 (100.0%)	200 (100.0%)	12 (100.0%)	-

Occ. – Occupancy

The five selected market-rate projects have a combined total of 1,734 units with an overall occupancy rate of 99.8%, a strong rate for rental housing. This indicates that these projects have been very well received within the market and will serve as accurate benchmarks with which to compare the subject project.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate the adjustments made (as needed) for various features and location or neighborhood characteristics, as well as quality differences that exist among the selected properties and the proposed subject development.

**Rent Comparability Grid**

Unit Type → **ONE-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Choice Neighborhood III-R		Abbington at Northampton		Cambridge		Hampstead Heath Luxury Homes		Liberty		Riverlands	
600 Ridley Circle		103 Kathann Dr.		5109 Goldsboro Dr		1 Hampstead Heath Way		3201 Washington Ave		45 Riverlands Dr	
Newport News, VA		Hampton, VA		Newport News, VA		Hampton, VA		Newport News, VA		Newport News, VA	
<b>A. Rents Charged</b>	<b>Data</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?	\$989		\$999		\$1,399		\$1,225		\$773	
2	Date Surveyed	Feb-21		Feb-21		Feb-21		Feb-21		Feb-21	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		99%		100%	
5	Effective Rent & Rent/ sq. ft	\$989	1.55	\$999	1.43	\$1,399	1.05	\$1,225	2.16	\$773	1.29
<b>B. Design, Location, Condition</b>	<b>Data</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	EE/2,3		WU/2		TH/2,3		EE/4		WU/2,3	
7	Yr. Built/Yr. Renovated	2024		1982/2013	\$26	1972/2004	\$36	1977/2006	\$32	2013	\$11
8	Condition/Street Appeal	E		G	\$15	G	\$15	F	\$30	E	
9	Neighborhood	F		G	(\$10)	G	(\$10)	G	(\$10)	G	(\$10)
10	Same Market?			Yes		Yes		Yes		Yes	
<b>C. Unit Equipment/ Amenities</b>	<b>Data</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		2	(\$50)	1		1	
12	# Baths	1		1		2.5	(\$45)	1		1	
13	Unit Interior Sq. Ft.	642		638	\$1	700	(\$20)	1332	(\$242)	566	\$27
14	Patio/Balcony	Y		Y		Y		N	\$5	N	\$5
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y		Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	N/N	\$10
18	Washer/Dryer	HU/L		W/D	(\$25)	W/D	(\$25)	HU	\$5	W/D	(\$25)
19	Floor Coverings	C/T/V		C/V		C/V/L		C/V/L		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	Y		N	\$3	N	\$3	N	\$3	Y	
22	Garbage Disposal	N		Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fan/Storage	Y/N		N/N	\$5	Y/N		Y/N		N/N	\$5
<b>D. Site Equipment/ Amenities</b>	<b>Data</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)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		P-GAR	(\$30)
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y		N	\$5	N	\$5	N	\$5	Y	
27	Community Space	Y		Y		Y		Y		N	\$5
28	Pool/Recreation Areas	F/WT		P/F	(\$7)	P/F	(\$7)	P/F/J	(\$10)	P/F/GR	(\$10)
29	Computer/Business Center	N		Y	(\$3)	Y	(\$3)	N		Y	(\$3)
30	Picnic Area/Grill	N		Y	(\$3)	Y	(\$3)	N		Y	(\$3)
31	Playground	Y		Y		Y		N	\$3	N	\$3
32	Social Services	N		N		N		N		N	
<b>E. Utilities</b>	<b>Data</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/E		N/E		N/G		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/G		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/G		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/Y		N/N	\$34	N/N	\$34	N/N	\$34	N/N	\$34
39	Trash/Recycling	Y/N		N/N	\$29	N/N	\$29	Y/N		N/N	\$29
<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	6	7	4	8	6	7	5	8	9	3
41	Sum Adjustments B to D	\$55	(\$58)	\$59	(\$78)	\$78	(\$367)	\$51	(\$91)	\$97	(\$20)
42	Sum Utility Adjustments	\$63		\$63		\$34		\$63		\$34	
		<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 Adjmts B to E	\$60	\$176	\$44	\$200	(\$255)	\$479	\$23	\$205	\$111	\$151
<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>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$1,049		\$1,043		\$1,144		\$1,248		\$884	
45	Adj Rent/Last rent		106%		104%		82%		102%		114%
46	Estimated Market Rent	\$1,070		\$1.67		← Estimated Market Rent/ Sq. Ft					

**Rent Comparability Grid**

Unit Type →

**TWO-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Choice Neighborhood III-R		Abbington at Northampton		Cambridge		Hampstead Heath Luxury Homes		Liberty		Riverlands	
600 Ridley Circle		103 Kathann Dr.		5109 Goldsboro Dr		1 Hampstead Heath Way		3201 Washington Ave		45 Riverlands Dr	
Newport News, VA		Hampton, VA		Newport News, VA		Hampton, VA		Newport News, VA		Newport News, 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?	\$1,299		\$1,179		\$1,399		\$1,524		\$948	
2	Date Surveyed	Feb-21		Feb-21		Feb-21		Feb-21		Feb-21	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		99%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,299	1.41	\$1,179	1.39	\$1,399	1.05	\$1,524	1.80	\$948	1.05
<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	EE/2,3		WU/2		TH/2,3		EE/4		WU/2,3	
7	Yr. Built/Yr. Renovated	2024		1982/2013	\$26	1972/2004	\$36	1977/2006	\$32	2013	\$11
8	Condition/Street Appeal	E		G	\$15	G	\$15	F	\$30	E	
9	Neighborhood	F		G	(\$10)	G	(\$10)	G	(\$10)	G	(\$10)
10	Same Market?			Yes		Yes		Yes		Yes	
<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	# Baths	1.5	(\$15)	2	(\$15)	1	\$15	2.5	(\$30)	2	(\$15)
13	Unit Interior Sq. Ft.	888	(\$12)	924	(\$12)	850	\$12	1332	(\$145)	848	\$13
14	Patio/Balcony	Y		Y		Y		Y		N	\$5
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	N/N	\$10
18	Washer/Dryer	HU/L	(\$25)	W/D	(\$25)	W/D	(\$25)	HU	\$5	W/D	(\$25)
19	Floor Coverings	C/T/V		C/V		C/V/L		C/V/L		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	Y	\$3	N	\$3	N	\$3	N	\$3	Y	
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fan/Storage	Y/N	\$5	N/N	\$5	Y/N		Y/N	\$5	N/N	\$5
<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)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		P-GAR	(\$30)
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y	\$5	N	\$5	N	\$5	Y		N	\$5
27	Community Space	Y		Y		Y		Y		N	\$5
28	Pool/Recreation Areas	F/WT	(\$7)	P/F	(\$7)	P/F	(\$7)	P/F/J	(\$10)	P/F/GR	(\$10)
29	Computer/Business Center	N	(\$3)	Y	(\$3)	Y	(\$3)	N		Y	(\$3)
30	Picnic Area/Grill	N	(\$3)	Y	(\$3)	Y	(\$3)	N		Y	(\$3)
31	Playground	Y		Y		Y		N	\$3	N	\$3
32	Social Services	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/E		N/E		N/G		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/G		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/G		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/Y	\$56	N/N	\$56	N/N	\$56	N/N	\$56	N/N	\$56
39	Trash/Recycling	Y/N	\$29	N/N	\$29	N/N	\$29	Y/N		N/N	\$29
<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	5	9	6	7	6	6	5	9	9	4
41	Sum Adjustments B to D	\$54	(\$85)	\$86	(\$58)	\$78	(\$205)	\$37	(\$106)	\$96	(\$24)
42	Sum Utility Adjustments	\$85		\$85		\$56		\$85		\$56	
		<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 Adjmts B to E	\$54	\$224	\$113	\$229	(\$71)	\$339	\$16	\$228	\$128	\$176
<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)	\$1,353		\$1,292		\$1,328		\$1,540		\$1,076	
45	Adj Rent/Last rent		104%		110%		95%		101%		114%
46	Estimated Market Rent	\$1,315		\$1.48 ←		Estimated Market Rent/ Sq. Ft					



**Rent Comparability Grid**

Unit Type → **THREE-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Choice Neighborhood III-R		Abbington at Northampton		Cambridge		Hampstead Heath Luxury Homes		Liberty		Riverlands	
600 Ridley Circle		103 Kathann Dr.		5109 Goldsboro Dr		1 Hampstead Heath Way		3201 Washington Ave		45 Riverlands Dr	
Newport News, VA		Hampton, VA		Newport News, VA		Hampton, VA		Newport News, VA		Newport News, 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?	\$1,684		\$1,464		\$1,455		\$1,829		\$1,105	
2	Date Surveyed	Feb-21		Feb-21		Feb-21		Feb-21		Feb-21	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	99%		100%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,684	1.55	\$1,464	0.98	\$1,455	0.99	\$1,829	1.62	\$1,105	0.87
<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	EE/2,3		TH/2		WU/2,3		EE/4		WU/2,3	
7	Yr. Built/Yr. Renovated	2024	\$26	1982/2013	\$36	1972/2004	\$32	2013	\$11	1992/2000	\$28
8	Condition/Street Appeal	E	\$15	G	\$15	F	\$30	E		G	\$15
9	Neighborhood	F	(\$10)	G	(\$10)	G	(\$10)	G	(\$10)	G	(\$10)
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
<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	# Baths	2	(\$15)	2.5	(\$15)	2	(\$30)	3	(\$30)	2	
13	Unit Interior Sq. Ft.	1256	\$50	1085	(\$71)	1500	(\$61)	1130	\$37	1275	(\$6)
14	Patio/Balcony	Y		Y		Y		N	\$5	N	\$5
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	N/N	\$10
18	Washer/Dryer	HU/L	(\$25)	W/D	(\$25)	HU	\$5	W/D	(\$25)	L	\$10
19	Floor Coverings	C/T/V		C/V		C/V/L		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	Y	\$3	N	\$3	N	\$3	Y		Y	
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	N	
23	Ceiling Fan/Storage	Y/N	\$5	N/N	(\$5)	Y/Y	(\$5)	Y/N	\$5	Y/N	
<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)	LOT/\$0		LOT/\$0		LOT/\$0		P-GAR	(\$30)	LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y	\$5	N	\$5	N	\$5	Y		N	\$5
27	Community Space	Y		Y		Y		Y		N	\$5
28	Pool/Recreation Areas	F/WT	(\$7)	P/F	(\$7)	P/F/J	(\$10)	P/F/GR	(\$10)	P/F	(\$7)
29	Computer/Business Center	N	(\$3)	Y	(\$3)	N		Y	(\$3)	N	
30	Picnic Area/Grill	N	(\$3)	Y	(\$3)	N		Y	(\$3)	Y	(\$3)
31	Playground	Y		Y		N	\$3	N	\$3	N	\$3
32	Social Services	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/E		N/E		N/G		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/G		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/G		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/Y	\$72	N/N	\$72	N/N	\$72	N/N	\$72	N/N	\$72
39	Trash/Recycling	Y/N	\$29	N/N	\$29	Y/N		N/N	\$29	Y/N	
<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	6	8	4	10	6	5	5	9	8	4
41	Sum Adjustments B to D	\$104	(\$73)	\$59	(\$149)	\$78	(\$91)	\$61	(\$121)	\$81	(\$26)
42	Sum Utility Adjustments	\$101		\$101		\$72		\$101		\$72	
		<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 Adjmts B to E	\$132	\$278	\$11	\$309	\$59	\$241	\$41	\$283	\$127	\$179
<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)	\$1,816		\$1,475		\$1,514		\$1,870		\$1,232	
45	Adj Rent/Last rent		108%		101%		104%		102%		112%
46	Estimated Market Rent	\$1,530	\$1.22	← Estimated Market Rent/ Sq. Ft							

**Rent Comparability Grid**

Unit Type → **FOUR-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Choice Neighborhood III-R		Abbington at Northampton		Cambridge		Hampstead Heath Luxury Homes		Liberty		Riverlands	
600 Ridley Circle		103 Kathann Dr.		5109 Goldsboro Dr		1 Hampstead Heath Way		3201 Washington Ave		45 Riverlands Dr	
Newport News, VA		Hampton, VA		Newport News, VA		Hampton, VA		Newport News, VA		Newport News, VA	
<b>A. Rents Charged</b>	<b>Data</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?	\$1,684		\$1,464		\$1,699		\$1,829		\$1,105	
2	Date Surveyed	Feb-21		Feb-21		Feb-21		Feb-21		Feb-21	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	99%		100%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,684	1.55	\$1,464	0.98	\$1,699	0.99	\$1,829	1.62	\$1,105	0.87
<b>B. Design, Location, Condition</b>	<b>Data</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	TH/2		TH/2		TH/2,3		EE/4		WU/2,3	
7	Yr. Built/Yr. Renovated	2024		1982/2013	\$26	1972/2004	\$36	1977/2006	\$32	2013	\$11
8	Condition/Street Appeal	E		G	\$15	G	\$15	F	\$30	E	
9	Neighborhood	F		G	(\$10)	G	(\$10)	G	(\$10)	G	(\$10)
10	Same Market?			Yes		Yes		Yes		Yes	
<b>C. Unit Equipment/ Amenities</b>	<b>Data</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	4		3	\$50	3	\$50	3	\$50	3	\$50
12	# Baths	2		2.5	(\$15)	2.5	(\$15)	2.5	(\$15)	3	(\$30)
13	Unit Interior Sq. Ft.	1423		1085	\$98	1500	(\$22)	1724	(\$87)	1130	\$85
14	Patio/Balcony	Y		Y		Y		Y		N	\$5
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y		Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)
18	Washer/Dryer	HU/L		W/D	(\$25)	W/D	(\$25)	HU	\$5	W/D	(\$25)
19	Floor Coverings	C/T/V		C/V		C/V/L		C/V/L		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	Y		N	\$3	N	\$3	N	\$3	Y	
22	Garbage Disposal	N		Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fan/Storage	Y/N		N/N	\$5	Y/Y	(\$5)	Y/N		N/N	\$5
<b>D. Site Equipment/ Amenities</b>	<b>Data</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)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		P-GAR	(\$30)
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y		N	\$5	N	\$5	N	\$5	Y	
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	F/WT		P/F	(\$7)	P/F	(\$7)	P/F/J	(\$10)	P/F/GR	(\$10)
29	Computer/Business Center	N		Y	(\$3)	Y	(\$3)	N		Y	(\$3)
30	Picnic Area/Grill	N		Y	(\$3)	Y	(\$3)	N		Y	(\$3)
31	Playground	Y		Y		Y		N	\$3	N	\$3
32	Social Services	N		N		N		N		N	
<b>E. Utilities</b>	<b>Data</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/E		N/E		N/G		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/G		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/G		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/Y		N/N	\$89	N/N	\$89	N/N	\$89	N/N	\$89
39	Trash/Recycling	Y/N		N/N	\$29	N/N	\$29	Y/N		N/N	\$29
<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	7	8	5	10	7	6	6	9	10	3
41	Sum Adjustments B to D	\$202	(\$73)	\$109	(\$100)	\$128	(\$132)	\$159	(\$121)	\$174	(\$20)
42	Sum Utility Adjustments	\$118		\$118		\$89		\$118		\$89	
		<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 Adjmts B to E	\$247	\$393	\$127	\$327	\$85	\$349	\$156	\$398	\$243	\$283
<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>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$1,931		\$1,591		\$1,784		\$1,985		\$1,348	
45	Adj Rent/Last rent		115%		109%		105%		109%		122%
46	Estimated Market Rent	\$1,760		\$1.24		← Estimated Market Rent/ Sq. Ft					

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

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents for units similar to the proposed subject development are \$1,070 for a one-bedroom unit, \$1,315 for a two-bedroom unit \$1,530 for a three-bedroom unit and \$1,760 for a four-bedroom unit, which are illustrated as follows:

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
One-Br.	\$543* (40%)	\$1,070	49.3%
	\$688*-\$697* (50%)		34.9%-35.7%
	\$800 (60%)		25.2%
	\$930 (MR)		13.1%
Two-Br.	\$630* (40%)	\$1,315	52.1%
	\$805*-\$815* (50%)		38.0%-38.8%
	\$955 (60%)		27.4%
	\$1,124 (MR)		14.5%
Three-Br.	\$694* (40%)	\$1,530	54.6%
	\$898*-\$908* (50%)		40.7%-41.3%
	\$1,075 (60%)		29.7%
	\$1,470 (MR)		3.9%
Four-Br.	\$972* (50%)	\$1,760	44.8%

\*Maximum allowable gross rent less tenant-paid utilities  
 MR – Market-Rate

Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will represent a value and have a sufficient flow of tenants. Therefore, the subject’s proposed Tax Credit rents, which represent market rent advantages of between 25.2% and 54.6%, are considered appropriate and should represent good values within the Newport News market. It is also important to reiterate that the subject project will operate with a project-based Section 8 subsidy available to 34 units. Thus, many of the units at the property will represent an even greater value than that reflected by the market rent advantages in the preceding table, as these tenants will pay only 30% of their income towards rent, rather than the proposed rents evaluated throughout this report. Additionally, the subject’s market-rate rents are anticipated to represent good values to renters, as they also represent positive rent advantages. This will contribute to the subject’s marketability.

**B. Rent Adjustment Explanations (Rent Comparability Grid)**

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions.
  
7. The subject project will be complete in 2024. Comparatively, the selected properties were built between 1972 and 2013; however, some of these properties have been renovated. We have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.
  
8. It is anticipated that the proposed subject project will have an excellent quality finish/street appeal once construction is complete. We have made adjustments for those properties that we consider to be of inferior quality compared to the subject development.
  
9. All of the selected properties are located in more desirable neighborhoods than the subject project. As such, we have made an adjustment to account for differences in neighborhood desirability among these projects and the subject project.
  
11. Each of the selected market-rate properties offer two- and three-bedroom units. However, not all of the selected properties offer one- or four-bedroom units, similar to the subject project. As such, we have used the two- and three-bedroom units at the selected properties and applied a negative/positive adjustment of \$50 to reflect the lack or inclusion of an additional defined bedroom at the subject project as compared to this comparable property.
  
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.

13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package generally inferior to those offered at the selected properties. We have made numerous adjustments for features lacking at the subject project, and in some cases, we have made adjustments for features the subject property does offer.
- 24.-32. The proposed project offers a limited project amenities package. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.



## VII. Capture Rate Analysis

### A. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is within the Virginia Beach-Norfolk-Newport News, Virginia-North Carolina HUD Metro FMR Area, which has a median four-person household income of \$82,500 for 2020. The subject property will be restricted to households with incomes of up to 40%, 50% and 60% of AMHI. Note that the subject project will also offer market-rate units that will have no income restrictions. The following table summarizes the maximum allowable income by household size and income level:

Household Size	Targeted AMHI Maximum Allowable Income		
	40%	50%	60%
One-Person	\$23,120	\$28,900	\$34,680
Two-Person	\$26,400	\$33,000	\$39,600
Three-Person	\$29,720	\$37,150	\$44,580
Four-Person	\$33,000	\$41,250	\$49,500
Five-Person	\$35,640	\$44,550	\$53,460
Six-Person	\$38,280	\$47,850	\$57,420

#### 1. Maximum Income Limits

The largest proposed units (four-bedroom) at the subject site are expected to house up to six-person households. However, the project will only offer four-bedroom units set aside at 50% of AMHI. Therefore, the maximum allowable income for the subject's LIHTC units is **\$53,460**, which is the five-person maximum income at 60% of AMHI.

#### 2. Minimum Income Requirements

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

The lowest proposed LIHTC rent at the subject site is \$619 (maximum allowable rent for a one-bedroom unit at 40% of AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$7,428. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement of **\$21,223**.

Utilizing the same methodology, but assuming a lower rent-to-income ratio of 30% (typical of unrestricted market-rate product), the subject’s market-rate units require a minimum annual household income requirement of **\$40,240**. However, as this overlaps with the income requirements of the subject’s LIHTC units, we have conservatively assumed a minimum income requirement of \$53,461 (\$1 over the maximum allowable income for the subject’s LIHTC units) for the subject’s market-rate units.

**3. Income-Appropriate Range**

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

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited to 40% of AMHI)	\$21,223	\$35,640
Tax Credit (Limited to 50% of AMHI)	\$26,503	\$47,850
Tax Credit (Limited to 60% of AMHI)	\$30,343	\$53,460
<b>Overall Tax Credit</b>	<b>\$21,223</b>	<b>\$53,460</b>
<b>Market-Rate</b>	<b>\$53,461</b>	<b>-</b>

**B. CAPTURE RATE CALCULATIONS**

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

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

- 1. Demand from New Renter Households.** *Determine demand for new units in the Primary Market Area based on projected rental household growth. This is to be determined using 2021 as the base year and projecting forward to 2024, per Virginia Housing guidelines. The projected population must be limited to the target group, age- and income-appropriate. Demand for each target group must be shown separately, as reflected in the market study requirements. Demand*

*estimates for proposals for elderly developments must be derived from household population age 65 and older. In instances where a significant number of proposed units (more than 20%) are comprised on three- and four-bedroom units, the analyst must refine the analysis by factoring in the number of large households, typically four or more persons. Failure to account for this may result in overstated demand.*

2. **Demand from Existing Households:** *The sum of demand from rental household growth and demand from all components of existing households will constitute **Total Demand**. The demand components from existing households are detailed below:*

- a) **Rent overburdened households, if any, within the age group, income groups and renters targeted for the proposed development.** *“Overburdened” is defined by Virginia Housing as households paying more than 35% of gross income (40% if elderly) for gross rent. Analysts are encouraged to be conservative in this regard.*

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25074), 2.4% to 64.5% of households, depending upon income level, within the market are considered to be rent overburdened.

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

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25016), approximately 5.1% of all households within the market are living in substandard housing. Considering the targeted low-income tenant base, this estimate is considered appropriate for the area.

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

Not applicable; subject site is general-occupancy.

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

### C. DEMAND/CAPTURE RATE CALUCLATIONS

As discussed in *Section V*, we identified and surveyed seven directly comparable LIHTC projects in the Site PMA. Among these projects, there are seven directly comparable (similar bedroom type and targeted income level) vacant units. The unit breakdowns of these vacant Tax Credit units are illustrated in the following table. Also note that there are 133 general-occupancy Tax Credit units in the development pipeline. Further, out of the 1,734 comparable market-rate units, three are vacant and directly comparable and have been factored in our demand analysis of the subject's market-rate units. Note that there are 42 market-rate units in the development pipeline. The unit breakdowns of these Tax Credit and market-rate units are illustrated in the following tables:

Map I.D.	Project Name	Year Built/Allocated	LIHTC Units	Directly Comparable LIHTC Units* at Targeted AMHI (Vacant Units)		
				40% AMHI	50% AMHI	60% AMHI
2	Ada Park	2018	42	-	21 (0)	21 (0)
4	Brennan Pointe I	2016	44	5 (0)	29 (0)	10 (0)
5	Brennan Pointe II	2018	43	5 (0)	17 (0)	21 (0)
10	Heritage Forest I & II	2012	248	26 (0)	-	222 (0)
19	Noland Green	2011**	49***	-	49 (7)	-
29	Waterford Pointe	1993 / 2014	120	-	-	120 (0)
31	Whittaker Place	2019**	67	8 (0)	-	59 (0)
P/P	Carrier Point I	2022	37	2	15	18
P/P	Carrier Point II	2022	34	-	19	4
P/P	The Coile	2022	62	8	24	-

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

\*\*Adaptive reuse

\*\*\*Non-subsidized Tax Credit units only

P/P – Planned/Proposed

Directly Comparable Market Rate Units* by Bedroom (Vacant Units)						
Map I.D.	Project Name	Year Built / Renovated	Market-Rate Units	One-Br.	Two-Br.	Three-Br.
1	Abbingtion at Northampton	1982 / 2013	567	241 (0)	231 (0)	95 (1)
6	Cambridge	1972 / 2004	465	73 (0)	317 (0)	75 (0)
9	Hampstead Heath Luxury Homes	1977 / 2006	101	-	65 (0)	36 (0)
16	Liberty	2013	197	85 (1)	104 (1)	8 (0)
22	Riverlands	1992 / 2000	404	192 (0)	200 (0)	12 (0)
P/P	Carrier Point I	2022	6	1	5	1
P/P	Carrier Point II	2022	4	1	2	1
P/P	Provost Construction	2021/2022	32	16	16	-

\*Directly comparable units are those that are of similar bedroom type

P/P – Planned/Proposed

These directly comparable vacant Tax Credit and market-rate units have been subtracted from the total demand in the following analysis to determine the net demand.

Demand Component	40% AMHI (\$21,223-\$35,640)	50% AMHI (\$26,503-\$47,850)	60% AMHI (\$30,343-\$53,460)	Overall LIHTC (\$21,223-\$53,460)	Market-Rate Only (\$53,461+)
Demand from New Rental Households (Income-Appropriate)	3,512 - 3,711 = -199	4,701 - 4,983 = -282	4,700 - 4,937 = -237	7,056 - 7,400 = -345	6,001 - 5,502 = 499
+					
Demand from Existing Households (Rent Overburdened)	3,711 X 64.5% = 2,393	4,983 X 40.0% = 1,993	4,937 X 29.0% = 1,432	7,400 X 41.7% = 3,086	5,502 X 2.4% = 133
+					
Demand from Existing Households (Renters in Substandard Housing)	3,711 X 5.1% = 188	4,983 X 5.1% = 252	4,937 X 5.1% = 250	7,400 X 5.1% = 375	5,502 X 5.1% = 279
+					
Demand from Existing Households (Elderly Homeowner Conversion)	N/A	N/A	N/A	N/A	N/A
=					
Total Demand	2,382	1,963	1,445	3,116	911
-					
Supply (Directly Comparable Vacant Units Completed or in the Pipeline)	10	65	22	97	45
=					
Net Demand	2,372	1,898	1,423	3,019	866
Proposed Units	6	24	28	58	13
Proposed Units / Net Demand	6 / 2,372	24 / 1,898	28 / 1,423	58 / 3,019	13 / 866
Capture Rate	= 0.3%	= 1.3%	= 2.0%	= 1.9%	= 1.5%
Total Absorption Period	< 1 Month	< 2 Months	2 Months	4 Months	< 1 Month

N/A-Not Applicable

Overall, the capture rates by targeted income level are considered very low and easily achievable, ranging from 0.3% to 2.0%. The overall LIHTC capture rate of 1.9% is also considered very low and easily achievable, illustrating that a substantial base of demographic support will exist for the subject development.

#### **D. PENETRATION RATE CALCULATIONS**

The 1,953 existing and planned non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned Tax Credit units is \$19,474 to \$62,370. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, there will be an estimated 8,894 renter households with eligible incomes in 2024. The 2,011 existing, planned and proposed subject Tax Credit units represent a penetration rate of 22.6% of the 8,894 income-eligible renter households, which is summarized in the following table:

	Market Penetration
Number of LIHTC Units (Existing, Planned & Proposed)	2,011
Income-Eligible Renter Households – 2024	/ 8,894
Overall Market Penetration Rate	= 22.6%



It is our opinion that the 22.6% penetration rate for the LIHTC units, existing, planned and proposed subject, is low and achievable.

*Please note that penetration rates are not provided for market-rate units.*

**E. SUPPORT FROM HOUSING CHOICE VOUCHER HOLDERS**

According to a representative with the Newport News Redevelopment and Housing Authority, there are approximately 2,657 Housing Choice Voucher holders within the housing authority’s jurisdiction, and 772 households currently on the waiting list for additional Vouchers. The waiting list is closed, and it is unknown when it will reopen. Annual turnover is estimated at 60 to 120 households. This reflects the continuing need for Housing Choice Voucher assistance.

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

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (AMHI)
One-Bedroom	\$1,020	\$619* (40%) \$773* (50%) \$886 (60%)
Two-Bedroom	\$1,204	\$743* (40%) \$928* (50%) \$1,070-\$1,080 (60%)
Three-Bedroom	\$1,698	\$858* (40%) \$1,072* (50%) \$1,240-\$1,250 (60%)
Four-Bedroom	\$2,085	\$1,196* (50%)

\*Maximum allowable LIHTC gross rent

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

## **F. ABSORPTION PROJECTIONS**

Considering the facts contained in the market study, as well as the preceding factors, and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the proposed subject development. It is our opinion that the proposed 58 LIHTC units at the subject site will reach a stabilized occupancy of 93% in less than four months of opening. This absorption rate is based on an average monthly absorption rate of 15 units per month. It is anticipated that the subject's 13 market-rate units will stabilize in less than one month. Note that these absorption projections assume the proposed project will operate with a subsidy available to 34 of the units. In the unlikely scenario the subject project did not operate with a subsidy available to 34 units, the proposed project will likely experience a slightly extended absorption period of less than five months, which is reflective of an absorption rate of 12 units per month.

These absorption projections assume a February 2024 opening date. Note that, with a February opening date, the subject project may experience a slower initial absorption rate due to the winter months. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, unit design, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development receives.

## VIII. Local Perspective (Interviews)

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

Summaries of key interviews regarding the need for affordable rental housing within the area follow:

- Seneca Lynn, Community Manager at Waterford Pointe (Map ID 29), a Tax Credit property within the Site PMA in Hampton, stated that a new Tax Credit project in Newport News would be very helpful, especially if the Section 8 Housing Choice Voucher is also accepted. Ms. Lynn said that while there are plenty of options for apartments, not many accept the Voucher and a lot more people would be helped if they did. She continued to say that a new property would be most effective if it was near a public bus line and offered a community room with free Wi-Fi, as many locals do not have 24/7 access to the internet. She also noted that a new project could help serve veterans, which prefer to live near military bases.
- Karen Wilds, Executive Director of the Newport News Redevelopment and Housing Authority (NNRHA), stated that according to the most recent Consolidated Housing Plan, the City of Newport News, part of the Virginia Hampton Roads region, has a population of over 181,000 people and 69,000 households; over 32,730 households have incomes less than 80% of median for the region. Over 15,000 households have rent burdens paying more than 30% of their incomes for rent; 7,300 pay more than 50% of their income for rent. Overcrowding is experienced by 1,343 renter households. the current waitlist for the Housing Choice Voucher program is 772 and 491 for the Public Housing program. The wait lists are currently closed and are seldom opened. When they are, they are inundated with requests. The above data supports and corroborates the continued need for affordable housing in Newport News for both families and seniors.

## IX. Analysis & Conclusions

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

The proposed subject property will consist of the new construction of a 71-unit rental property. Note that 58 of these units will operate under the Tax Credit program (34 Section 8) and 13 units will operate as unrestricted market-rate units. The subject site neighborhood is generally comprised of well-maintained structures. The proposed site is also within proximity of numerous community services, as well as public transportation.

The subject property will offer general-occupancy units which will operate under the Tax Credit program, a product type that is clearly in high demand given the 100.0% occupancy rates and waiting lists maintained among many of the existing Tax Credit properties surveyed. The subject's proposed rents are some of the lowest within the market and the property will be very competitive in terms of overall design and amenities offered. Note that while the subject's proposed Tax Credit rents are considered appropriate and marketable, 34 units at the property will also operate with a project-based Section 8 subsidy. This will require tenants of these units to pay only 30% of their income towards rent, rather than the proposed rents evaluated throughout the report. The available subsidy to be provided will further ensure the subject project represents a value within the Site PMA.

Although the overall population and household bases within the market are projected to slightly decline between 2021 and 2026, nearly 64% of all renter households are projected to earn below \$50,000 in 2026. The subject's overall Tax Credit capture rate of 1.9% is considered very low and further demonstrates a deep base of potential support for the subject project. The subject's market-rate capture rate is also low at 1.5%.

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

X.

## SITE PHOTOGRAPHS





View of site from the north



View of site from the northeast



View of site from the east



View of site from the southeast



View of site from the south



View of site from the southwest





View of site from the west



View of site from the northwest



North view from site



Northeast view from site

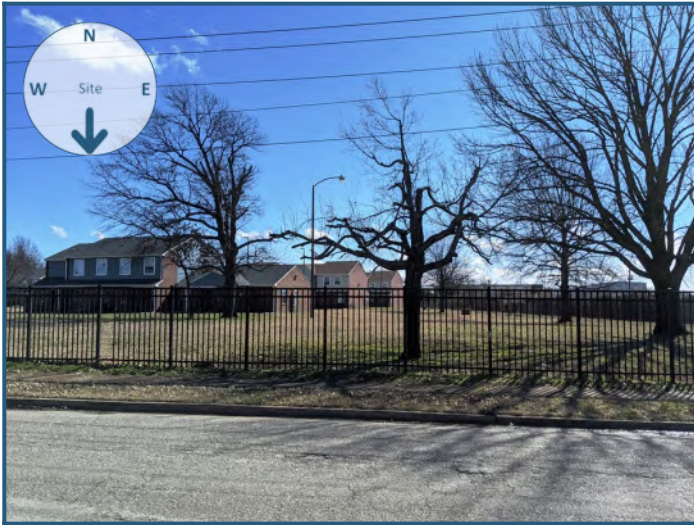


East view from site

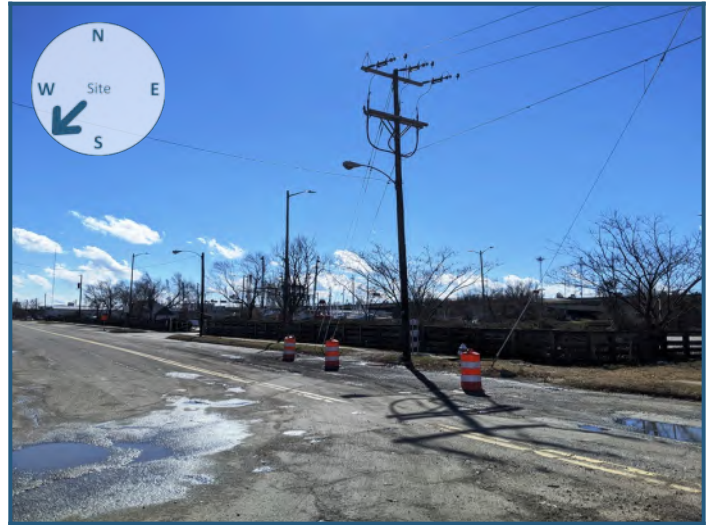


Southeast view from site





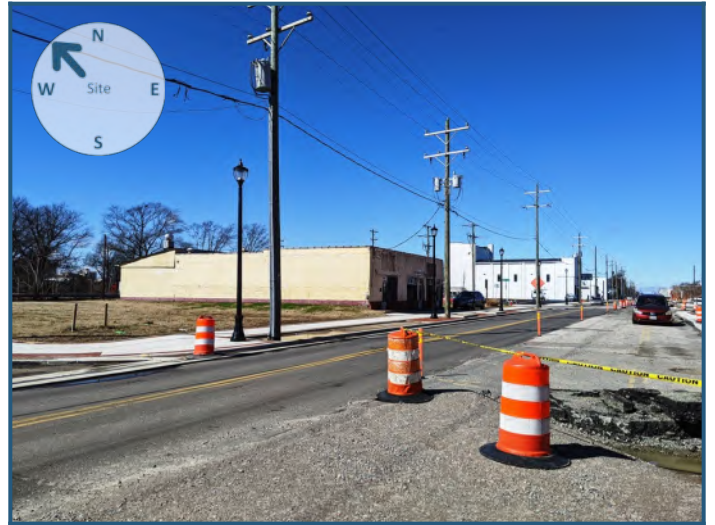
South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: North view of Ivy Avenue



Streetscape: South view of Ivy Avenue





Streetscape: North view of Jefferson Avenue



Streetscape: South view of Jefferson Avenue



Streetscape: East view of 16th Street



Streetscape: West view of 16th Street



Streetscape: East view of 18th Street



Streetscape: West view of 18th Street





Streetscape: East view of 12th Street



Streetscape: West view of 12th Street



Streetscape: West view of 17th Street



Streetscape: West view of Ridley Circle



XI.

COMPARABLE  
PROPERTY PROFILES

**1** **Abbington at Northampton** 5.0 miles to site



Address: 103 Kathann Dr., Hampton, VA 23605  
 Phone: (757) 826-4945      Contact: Sabrina  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 567      Year Built: 1982  
 Vacant Units: 1      \*AR Year:  
 Occupancy: 99.8%      Yr Renovated: 2013  
 Turnover:      Stories: 2  
 Waitlist: None  
 Rent Special: None

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

Notes:



**Features And Utilities**

Utility Schedule Provided by: Newport News Redevelopment and Housing Authority  
 Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Balcony; Deck / Patio; W/D; Window Treatments; Flooring (Carpet, Vinyl); Premium Appliances; Premium Cabinetry

Property Amenities: Business Center (Computer, Copy, Fax); Car Care (Car Vacuum, Car Wash); Clubhouse; Concierge Services (Package Receiving); Cafe / Coffee Bar; On-Site Management; Dog Park, Pet Stations; Recreation Areas (Fitness Center, Grill, Picnic Table / Area, Playground, Outdoor Swimming Pool)

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	108	0	638	\$1.55	\$989	Market
1	1	T	133	0	736	\$1.44	\$1,059	Market
2	2	G	81	0	845 - 924	\$1.45 - \$1.41	\$1,229 - \$1,299	Market
2	2	T	150	0	916	\$1.42	\$1,299	Market
3	2.5	T	95	1	1,085	\$1.55	\$1,684	Market

\*Adaptive Reuse

\*DTS is based on drive time

**2** Ada Park 6.5 miles to site



Address: 674 Summer Day Ct, Newport News, VA 23601  
 Phone: (757) 926-4811 Contact: Jaqueline  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 42 Year Built: 2018  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated:  
 Turnover: Stories: 3  
 Waitlist: 10 HH  
 Rent Special: None

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

Notes: Tax Credit; Preleasing 8/2017, opened 2/2018, 100% occupied 3/2018



**Features And Utilities**

Utility Schedule Provided by: Newport News Redevelopment and Housing Authority

Utility Type & Responsibility: No landlord paid utilities;

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

Property Amenities: Community Kitchen, Community Room; Laundry Room; On-Site Management

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	21	0	884	\$0.83	\$733	50%
2	2	G	9	0	884	\$1.05	\$928	60%
3	2	G	12	0	1,100	\$1.01	\$1,114	60%

\*Adaptive Reuse

\*DTS is based on drive time

**4 Brennan Pointe I** 1.7 miles to site



Address: 3100 Warwick Blvd, Newport News, VA 23607  
 Phone: (757) 621-6406 Contact: Nikayla  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 44 Year Built: 2016  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated:  
 Turnover: Stories: 4 (w/Elev)  
 Waitlist: Shared with phase II; 90 HH  
 Rent Special: None

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

Notes: Tax Credit; Opened 12/2016, 100% occupied 5/2017



**Features And Utilities**

Utility Schedule Provided by: Newport News Redevelopment and Housing Authority  
 Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: Community Room; Gazebo; Elevator; Laundry Room; On-Site Management; Recreation Areas (Playground)

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1.5	G	3	0	1,130	\$0.52	\$593	40%
2	1.5	G	18	0	1,130	\$0.67	\$754	50%
2	1.5	G	7	0	1,130	\$0.72	\$809	60%
3	2	G	2	0	1,560	\$0.43	\$672	40%
3	2	G	11	0	1,560	\$0.55	\$861	50%
3	2	G	3	0	1,560	\$0.61	\$955	60%

\*Adaptive Reuse

\*DTS is based on drive time

**5** Brennan Pointe II 1.7 miles to site



Address: 3150 Warwick Blvd, Newport News, VA 23607  
 Phone: (757) 621-6406 Contact: Nikayla  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 43 Year Built: 2018  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated:  
 Turnover: Stories: 4 (w/Elev)  
 Waitlist: Shared with phase I; 90 HH  
 Rent Special: None

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

Notes: Tax Credit; Preleasing 8/2018, opened 11/2018, stabilized occupancy 12/2018

**Features And Utilities**

Utility Schedule Provided by: Newport News Redevelopment and Housing Authority  
 Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: Community Room; Gazebo; Elevator; Laundry Room; On-Site Management; Recreation Areas (Playground)

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1.5	G	3	0	883	\$0.95	\$842	40%
2	1.5	G	10	0	883	\$0.84	\$742	50%
2	1.5	G	14	0	883	\$0.94	\$830	60%
3	2	G	2	0	1,130	\$0.84	\$948	40%
3	2	G	7	0	1,130	\$0.75	\$846	50%
3	2	G	7	0	1,130	\$0.84	\$950	60%

\*Adaptive Reuse

\*DTS is based on drive time



**6 Cambridge** 5.0 miles to site



Address: 5109 Goldsboro Dr, Newport News, VA 23605  
 Phone: (757) 838-6401 Contact: Lauren  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 465 Year Built: 1972  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated: 2004  
 Turnover: Stories: 2  
 Waitlist: 3 HH  
 Rent Special: None

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

Notes: Rent range based on unit amenities & upgraded kitchens



**Features And Utilities**

Utility Schedule Provided by: Newport News Redevelopment and Housing Authority

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Ceiling Fan; W/D; Window Treatments; Flooring (Carpet, Vinyl, Wood Laminate / Plank); Premium Appliances; Premium Countertops; Premium Cabinetry; Premium Fixtures

Property Amenities: Business Center (Computer, Copy, Fax); Clubhouse; Cafe / Coffee Bar; Gazebo; Laundry Room; On-Site Management; Dog Park, Pet Stations; Recreation Areas (Fitness Center, Grill, Picnic Table / Area, Playground, Outdoor Swimming Pool); Extra Storage

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	73	0	700 - 850	\$1.43 - \$1.19	\$999 - \$1,009	Market
2	1	G	142	0	850	\$1.35 - \$1.39	\$1,149 - \$1,179	Market
2	1.5	T	175	0	1,200	\$1.08 - \$1.14	\$1,300 - \$1,364	Market
3	2.5	T	75	0	1,500	\$0.98	\$1,464	Market

\*Adaptive Reuse

\*DTS is based on drive time

**9** **Hampstead Heath Luxury Homes** 6.2 miles to site



Address: 1 Hampstead Heath Way, Hampton, VA 23666  
 Phone: (757) 826-7776      Contact: Brandy (In Person)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 101      Year Built: 1977      Ratings  
 Vacant Units: 0      \*AR Year:      Quality: C+  
 Occupancy: 100.0%      Yr Renovated: 2006      Neighborhood: B  
 Turnover:      Stories: 2,3      Access/Visibility: B/B-  
 Waitlist: None  
 Rent Special: None

Notes: Rent range based on upgrades



**Features And Utilities**

Utility Schedule Provided by: Newport News Redevelopment and Housing Authority

Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Ceiling Fan; Fireplace; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Vinyl, Wood Laminate / Plank); Premium Appliances; Premium Countertops; Premium Cabinetry; Premium Fixtures

Property Amenities: Clubhouse; On-Site Management; Recreation Areas (Fitness Center, Hot Tub, Outdoor Swimming Pool, Yoga Room)

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2.5	T	65	0	1,332	\$0.98 - \$1.05	\$1,299 - \$1,399	Market
3	2	G	24	0	1,250 - 1,464	\$1.06 - \$0.99	\$1,325 - \$1,455	Market
3	2.5	T	12	0	1,724	\$0.93 - \$0.99	\$1,599 - \$1,699	Market

\*Adaptive Reuse

\*DTS is based on drive time

**10** Heritage Forest I & II 2.2 miles to site



Address: 901 Forest Lake Ct., Newport News, VA 23605  
 Phone: (757) 327-0627 Contact: Samantha  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 248 Year Built: 2012  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated:  
 Turnover: Stories: 2,3  
 Waitlist: None  
 Rent Special: None

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

Notes: Tax Credit



**Features And Utilities**

Utility Schedule Provided by: Newport News Redevelopment and Housing Authority

Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Balcony; Deck / Patio; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Vinyl)

Property Amenities: Business Center (Computer, Copy); Clubhouse; Concierge Services (Package Receiving); Cafe / Coffee Bar; Cabana; On-Site Management; Dog Park, Pet Stations; Recreation Areas (Fitness Center, Grill, Picnic Table / Area, Playground, Outdoor Swimming Pool); CCTV, Courtesy Officer, Gated Community; Water Feature

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	10	0	720	\$0.72	\$518	40%
1	1	G	24	0	720	\$1.08	\$779	60%
2	2	G	16	0	1,035	\$0.59	\$613	40%
2	2	G	146	0	1,035	\$0.91	\$941	60%
3	2	G	52	0	1,222	\$0.84	\$1,021	60%

\*Adaptive Reuse

\*DTS is based on drive time

**16 Liberty** 1.6 miles to site



Address: 3201 Washington Ave, Newport News, VA 23602  
 Phone: (757) 928-1100      Contact: James (In Person)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 197      Year Built: 2013  
 Vacant Units: 2      \*AR Year:  
 Occupancy: 99.0%      Yr Renovated:  
 Turnover:      Stories: 4 (w/Elev)  
 Waitlist: None  
 Rent Special: None

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

Notes:



**Features And Utilities**

Utility Schedule Provided by: Newport News Redevelopment and Housing Authority

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Controlled Access; W/D; Window Treatments; Flooring (Carpet, Vinyl); Premium Appliances; Premium Countertops; Premium Cabinetry

Property Amenities: Business Center (Computer, Copy, Fax); Clubhouse, Community Kitchen, Community Room; Elevator; On-Site Management; Dog Park, Pet Stations; Recreation Areas (Fitness Center, Grill, Game Room-Billiards, Outdoor Swimming Pool); CCTV

Parking Type: Street Parking; Parking Garage

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	85	1	543 - 566	\$2.04 - \$2.16	\$1,110 - \$1,225	Market
2	2	G	104	1	825 - 848	\$1.71 - \$1.80	\$1,409 - \$1,524	Market
3	3	G	8	0	1,106 - 1,130	\$1.55 - \$1.62	\$1,714 - \$1,829	Market

\*Adaptive Reuse

\*DTS is based on drive time



**19** Noland Green 1.4 miles to site



Address: 2600 Warwick Blvd, Newport News, VA 23607  
 Phone: (757) 223-8774 Contact: Tiffany (By Phone)  
 Property Type: Tax Credit, Market Rate, Government Subsidized  
 Target Population: Family  
 Total Units: 60 Year Built: 1920 Ratings  
 Vacant Units: 7 \*AR Year: 2011 Quality: B  
 Occupancy: 88.3% Yr Renovated: Neighborhood: B-  
 Turnover: Stories: 4 (w/Elev) Access/Visibility: B-/B+  
 Waitlist: None  
 Rent Special: None



Notes: Tax Credit (49 units); Market-rate (6 units); HUD Section 8 & Tax Credit (5 units)

**Features And Utilities**

Utility Schedule Provided by: Newport News Redevelopment and Housing Authority

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

Unit Amenities: Dishwasher; Range; Refrigerator; Central AC; Ceiling Fan; Controlled Access; Window Treatments; Flooring (Carpet, Hardwood)

Property Amenities: Business Center (Computer, Copy); Community Room, TV Lounge; Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grill, Picnic Table / Area, Playground); CCTV

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	1	0	525 - 565	Subsidized	Subsidized	Subsidized
1	1	G	10	2	525 - 565	\$1.19 - \$1.10	\$624	50%
1	1	G	1	0	525 - 565	\$1.44 - \$1.33	\$754	Market
2	1.5	G	2	0	685 - 740	Subsidized	Subsidized	Subsidized
2	1.5	G	30	3	685 - 740	\$1.07 - \$0.99	\$733	50%
2	1.5	G	2	0	685 - 740	\$1.29 - \$1.19	\$884	Market
3	1.5 - 2	G	2	0	885	Subsidized	Subsidized	Subsidized
3	1.5 - 2	G	9	2	885	\$0.94	\$831	50%
3	1.5 - 2	G	3	0	885 - 1,200	\$1.13 - \$0.84	\$1,004	Market

\*Adaptive Reuse

\*DTS is based on drive time



**22 Riverlands** 3.4 miles to site



Address: 45 Riverlands Dr, Newport News, VA 23605  
 Phone: (757) 380-5804      Contact: Leshia  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 404      Year Built: 1992  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated: 2000  
 Turnover:      Stories: 2,3  
 Waitlist: None  
 Rent Special: None

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

Notes: Rent range based on floorplan



**Features And Utilities**

Utility Schedule Provided by: Newport News Redevelopment and Housing Authority  
 Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Range; Refrigerator; Central AC; Ceiling Fan; Controlled Access; Window Treatments; Flooring (Carpet, Vinyl)

Property Amenities: Concierge Services (Package Receiving); Cafe / Coffee Bar; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grill, Picnic Table / Area, Outdoor Swimming Pool)

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	192	0	557 - 597	\$1.32 - \$1.29	\$733 - \$773	Market
2	1	G	200	0	757 - 900	\$1.13 - \$1.05	\$858 - \$948	Market
3	2	G	12	0	1,196 - 1,275	\$0.89 - \$0.87	\$1,070 - \$1,105	Market

\*Adaptive Reuse

\*DTS is based on drive time

**29** Waterford Pointe 7.9 miles to site



Address: 105 E. Lakeshore Dr., Hampton, VA 23666  
 Phone: (757) 827-7900      Contact: Seneca (In Person)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 120      Year Built: 1993  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated: 2014  
 Turnover:      Stories: 3  
 Waitlist: 200 HH  
 Rent Special: None

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

Notes: Tax Credit



**Features And Utilities**

Utility Schedule Provided by: Newport News Redevelopment and Housing Authority

Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Range; Refrigerator; Central AC; Balcony; Deck / Patio; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Vinyl); Premium Appliances; Premium Countertops; Premium Cabinetry; Premium Fixtures

Property Amenities: Business Center (Computer, Copy); Clubhouse; On-Site Management; Recreation Areas (Fitness Center, Grill, Picnic Table / Area, Playground, Outdoor Swimming Pool); Extra Storage

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	9	0	624	\$1.24	\$775	60%
2	1.5	G	66	0	818	\$1.11	\$905	60%
3	2	G	45	0	1,006 - 1,023	\$1.06 - \$1.04	\$1,065	60%

\*Adaptive Reuse

\*DTS is based on drive time

**31** Whittaker Place 1.5 miles to site



Address: 1003 28th St., Newport News, VA 23607  
 Phone: (757) 782-2766 Contact: Jasmine (In Person)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 67 Year Built: 1915  
 Vacant Units: 0 \*AR Year: 2019  
 Occupancy: 100.0% Yr Renovated:  
 Turnover: Stories: 3,4  
 Waitlist: 2 HH  
 Rent Special: None

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

Notes: Tax Credit; Preleasing & opened 10/2019

**Features And Utilities**

Utility Schedule Provided by: Newport News Redevelopment and Housing Authority  
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; Controlled Access; W/D; Window Treatments; Flooring (Carpet, Finished Concrete); Premium Countertops; High Ceilings

Property Amenities: Business Center (Computer, Copy); Community Room, TV Lounge; Concierge Services (Package Receiving); Courtyard; On-Site Management; Dog Park; Recreation Areas (Grill, Picnic Table / Area)

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	2	0	411 - 468	\$1.18 - \$1.04	\$487	40%
0	1	G	12	0	411 - 468	\$1.82 - \$1.60	\$750	60%
1	1	G	4	0	480 - 755	\$1.05 - \$0.67	\$504	40%
1	1	G	37	0	480 - 755	\$1.67 - \$1.06	\$802	60%
2	2	G	2	0	860 - 992	\$0.70 - \$0.61	\$605	40%
2	2	G	10	0	860 - 992	\$1.12 - \$0.97	\$962	60%

\*Adaptive Reuse

\*DTS is based on drive time

## XII.

# FIELD SURVEY OF CONVENTIONAL RENTALS



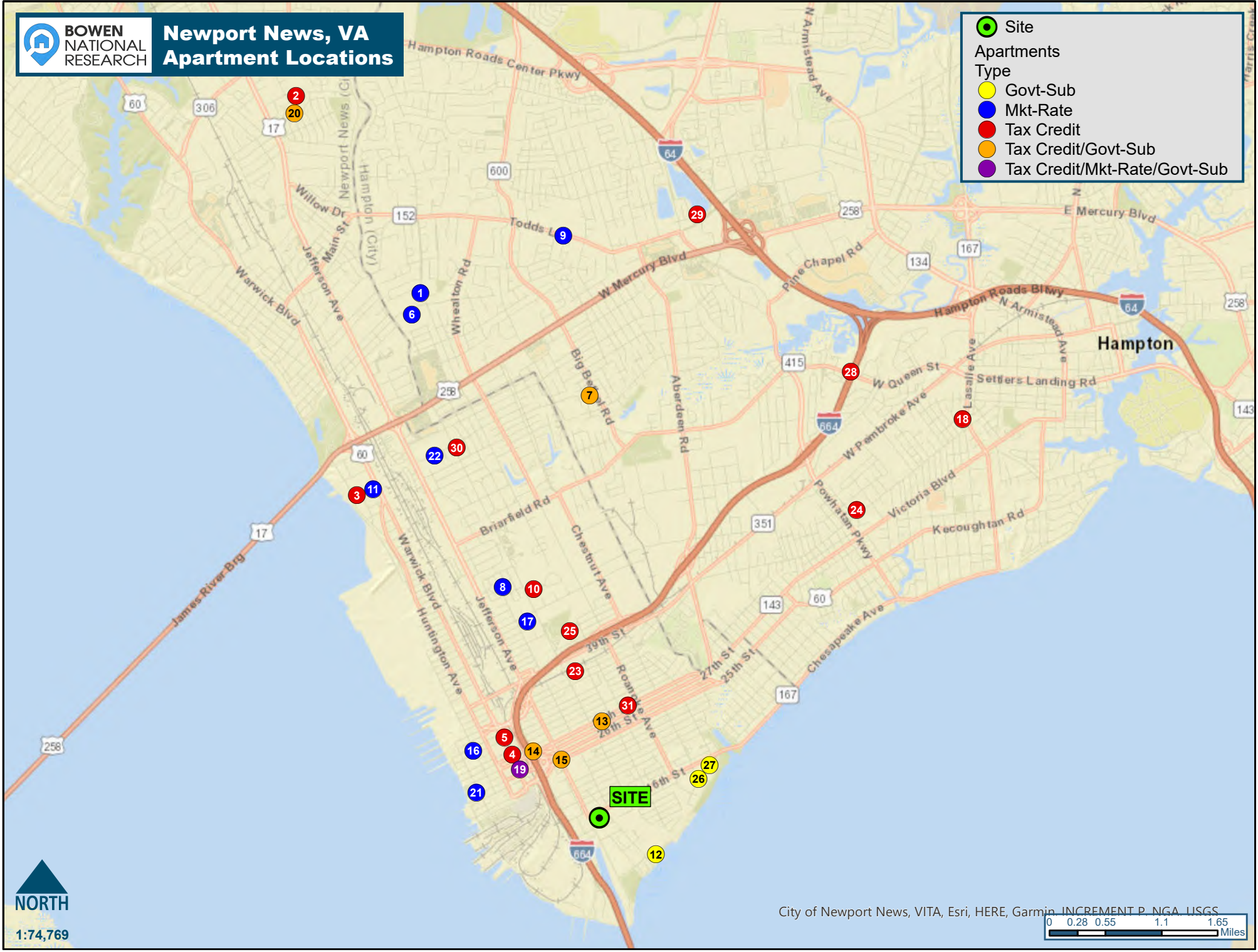


# Newport News, VA Apartment Locations

**Site**  
 ● Site

**Apartments Type**

- Govt-Sub
- Mkt-Rate
- Tax Credit
- Tax Credit/Govt-Sub
- Tax Credit/Mkt-Rate/Govt-Sub



**NORTH**  
 1:74,769

City of Newport News, VITA, Esri, HERE, Garmin, INCREMENT P, NGA, USGS  
 0 0.28 0.55 1.1 1.65 Miles




Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Abbington at Northampton	MRR	B+	1982	567	1	99.8%	5.0
✓ 2	Ada Park	TAX	B+	2018	42	0	100.0%	6.5
3	Admiral Pointe	TAX	B	1943	204	10	95.1%	3.9
✓ 4	Brennan Pointe I	TAX	B+	2016	44	0	100.0%	1.7
✓ 5	Brennan Pointe II	TAX	B+	2018	43	0	100.0%	1.7
✓ 6	Cambridge	MRR	B	1972	465	0	100.0%	5.0
7	Century Plaza	TGS	C+	1972	120	0	100.0%	4.6
8	Cottage Grove	MRR	C+	1945	553	3	99.5%	2.3
✓ 9	Hampstead Heath Luxury Homes	MRR	C+	1977	101	0	100.0%	6.2
✓ 10	Heritage Forest I & II	TAX	B+	2012	248	0	100.0%	2.2
11	Huntington on the James	MRR	B	1942	201	2	99.0%	3.7
12	Ivy Towers	GSS	B-	1976	140	0	100.0%	0.6
13	Jefferson Brookville (A)	TGS	B	1899	8	0	100.0%	1.2
14	Jefferson Brookville (B)	TGS	B	2014	12	0	100.0%	0.9
15	Jefferson Brookville (C)	TGS	B	2014	30	0	100.0%	0.6
✓ 16	Liberty	MRR	A	2013	197	2	99.0%	1.6
17	Meadow View	MRR	B-	1967	400	1	99.8%	2.0
18	Monterey	TAX	B-	1969	40	0	100.0%	5.0
✓ 19	Noland Green	TMG	B	1920	60	7	88.3%	1.4
20	Pebblestone Gardens	TGS	C+	1969	120	0	100.0%	6.6
21	River Park Tower	MRR	B	1988	184	6	96.7%	1.4
✓ 22	Riverlands	MRR	B	1992	404	0	100.0%	3.4
23	Seven Oaks	TAX	B-	1958	202	48	76.2%	1.5
24	Shell Gardens	TAX	B-	1967	48	1	97.9%	3.8
25	Soundview Townhomes	TAX	B	1969	250	0	100.0%	1.9
26	Stuart Gardens I	GSS	C	1942	250	0	100.0%	1.0
27	Stuart Gardens II	GSS	C	1942	239	0	100.0%	1.0
◆ 28	Tidewater Seniors	TAX	B	2002	140	0	100.0%	8.9
✓ 29	Waterford Pointe	TAX	B+	1993	120	0	100.0%	7.9
30	Westover Station	TAX	B	1991	108	0	100.0%	3.5
✓ 31	Whittaker Place	TAX	B	1915	67	0	100.0%	1.5


\*Drive distance in miles

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




<b>1</b>	<b>Abbingtion at Northampton</b> 103 Kathann Dr., Hampton, VA 23605	Contact: Sabrina Phone: (757) 826-4945
		Total Units: 567    UC: 0    Occupancy: 99.8%    Stories: 2    Year Built: 1982 BR: 1, 2, 3    Vacant Units: 1    Waitlist: None    AR Year: Target Population: Family    Yr Renovated: 2013 Rent Special: None Notes:





<b>2</b>	<b>Ada Park</b> 674 Summer Day Ct, Newport News, VA 23601	Contact: Jaqueline Phone: (757) 926-4811
		Total Units: 42    UC: 0    Occupancy: 100.0%    Stories: 3    Year Built: 2018 BR: 2, 3    Vacant Units: 0    Waitlist: 10 HH    AR Year: Target Population: Family    Yr Renovated: Rent Special: None Notes: Tax Credit; Preleasing 8/2017, opened 2/2018, 100% occupied 3/2018



<b>3</b>	<b>Admiral Pointe</b> 201 73rd St., Newport News, VA 23607	Contact: Connie Phone: (757) 244-4414
		Total Units: 204    UC: 0    Occupancy: 95.1%    Stories: 2    Year Built: 1943 BR: 2    Vacant Units: 10    Waitlist: None    AR Year: Target Population: Family    Yr Renovated: 2002 Rent Special: None Notes: Tax Credit




<b>4</b>	<b>Brennan Pointe I</b> 3100 Warwick Blvd, Newport News, VA 23607	Contact: Nikayla Phone: (757) 621-6406
		Total Units: 44    UC: 0    Occupancy: 100.0%    Stories: 4    w/Elevator    Year Built: 2016 BR: 2, 3    Vacant Units: 0    Waitlist: Shared with phase II; 90 HH    AR Year: Target Population: Family    Yr Renovated: Rent Special: None Notes: Tax Credit; Opened 12/2016, 100% occupied 5/2017


<b>5</b>	<b>Brennan Pointe II</b> 3150 Warwick Blvd, Newport News, VA 23607	Contact: Nikayla Phone: (757) 621-6406
		Total Units: 43    UC: 0    Occupancy: 100.0%    Stories: 4    w/Elevator    Year Built: 2018 BR: 2, 3    Vacant Units: 0    Waitlist: Shared with phase I; 90 HH    AR Year: Target Population: Family    Yr Renovated: Rent Special: None Notes: Tax Credit; Preleasing 8/2018, opened 11/2018, stabilized occupancy 12/2018

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




6	<b>Cambridge</b> 5109 Goldsboro Dr, Newport News, VA 23605	Contact: Lauren Phone: (757) 838-6401
	Total Units: 465    UC: 0    Occupancy: 100.0%    Stories: 2    Year Built: 1972 BR: 1, 2, 3    Vacant Units: 0    Waitlist: 3 HH    AR Year: Target Population: Family    Yr Renovated: 2004 Rent Special: None Notes: Rent range based on unit amenities & upgraded kitchens	




7	<b>Century Plaza</b> 135 Lassiter Dr., Hampton, VA 23666	Contact: Erica Phone: (757) 838-1816
	Total Units: 120    UC: 0    Occupancy: 100.0%    Stories: 1,2    Year Built: 1972 BR: 1, 2, 3    Vacant Units: 0    Waitlist: 200 HH    AR Year: Target Population: Family    Yr Renovated: 2004 Rent Special: None Notes: Tax Credit & HUD Section 8	




8	<b>Cottage Grove</b> 614 Peninsula Dr, Newport News, VA 23605	Contact: Rose Phone: (757) 245-2879
	Total Units: 553    UC: 0    Occupancy: 99.5%    Stories: 1,2    Year Built: 1945 BR: 1, 2    Vacant Units: 3    Waitlist: None    AR Year: Target Population: Family    Yr Renovated: 2009 Rent Special: None Notes:	








9	<b>Hampstead Heath Luxury Homes</b> 1 Hampstead Heath Way, Hampton, VA 23666	Contact: Brandy Phone: (757) 826-7776
	Total Units: 101    UC: 0    Occupancy: 100.0%    Stories: 2,3    Year Built: 1977 BR: 2, 3    Vacant Units: 0    Waitlist: None    AR Year: Target Population: Family    Yr Renovated: 2006 Rent Special: None Notes: Rent range based on upgrades	




















10	<b>Heritage Forest I &amp; II</b> 901 Forest Lake Ct., Newport News, VA 23605	Contact: Samantha Phone: (757) 327-0627
	Total Units: 248    UC: 0    Occupancy: 100.0%    Stories: 2,3    Year Built: 2012 BR: 1, 2, 3    Vacant Units: 0    Waitlist: None    AR Year: Target Population: Family    Yr Renovated: Rent Special: None Notes: Tax Credit	


✓ Comparable Property ♦ Senior Restricted (MRR) Market-Rate (MRT) Market-Rate & Tax Credit (MRG) Market-Rate & Government-Subsidized (MIN) Market-Rate & Income-Restricted (not LIHTC)	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized (TAX) Tax Credit (TGS) Tax Credit & Government-Subsidized (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC) (TIN) Tax Credit & Income-Restricted (not LIHTC) (TMG) Tax Credit, Market-Rate & Government-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized (INR) Income-Restricted (not LIHTC) (ING) Income-Restricted (not LIHTC) & Government-Subsidized (GSS) Government-Subsidized (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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<b>11</b>	<b>Huntington on the James</b> 312 73rd St, Newport News, VA 23607	Contact: Terri Phone: (757) 245-6913
	Total Units: 201    UC: 0    Occupancy: 99.0%    Stories: 2.5    Year Built: 1942 BR: 1, 2, 3    Vacant Units: 2    Waitlist: None    AR Year: Target Population: Family    Yr Renovated: 2003 Rent Special: None Notes:	
<b>12</b>	<b>Ivy Towers</b> 700 Waterfront Cir, Newport News, VA 23607	Contact: Tityana Phone: (757) 380-0851
	Total Units: 140    UC: 0    Occupancy: 100.0%    Stories: 12    w/Elevator    Year Built: 1976 BR: 1, 2    Vacant Units: 0    Waitlist: 24 mos    AR Year: Target Population: Family    Yr Renovated: 2019 Rent Special: None Notes: HUD Section 8	
<b>13</b>	<b>Jefferson Brookville (A)</b> 815 28th St., Newport News, VA 23607	Contact: Lynnette Phone: (757) 605-8352
	Total Units: 8    UC: 0    Occupancy: 100.0%    Stories: 2.5    w/Elevator    Year Built: 1899 BR: 1    Vacant Units: 0    Waitlist: 28 HH    AR Year: Target Population: Family    Yr Renovated: 2014 Rent Special: None Notes: Tax Credit (7 units); PBV/PBRA & Tax Credit (1 unit)	
<b>14</b>	<b>Jefferson Brookville (B)</b> 2701 Jefferson Ave., Newport News, VA 23607	Contact: Lynnette Phone: (757) 605-8352
	Total Units: 12    UC: 0    Occupancy: 100.0%    Stories: 3    w/Elevator    Year Built: 2014 BR: 1, 2    Vacant Units: 0    Waitlist: 28 HH    AR Year: Target Population: Family    Yr Renovated: Rent Special: None Notes: Tax Credit (11 units); PBV/PBRA & Tax Credit (1 unit)	
<b>15</b>	<b>Jefferson Brookville (C)</b> 2501 Jefferson Ave., Newport News, VA 23607	Contact: Lynnette Phone: (757) 605-8352
	Total Units: 30    UC: 0    Occupancy: 100.0%    Stories: 2,2.5,3    w/Elevator    Year Built: 2014 BR: 1, 2, 3    Vacant Units: 0    Waitlist: 28 HH    AR Year: Target Population: Family    Yr Renovated: Rent Special: None Notes: Tax Credit (26 units); PBV/PBRA & Tax Credit (4 units)	


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





16	<b>Liberty</b> 3201 Washington Ave, Newport News, VA 23602	Contact: James Phone: (757) 928-1100
	 <p>Total Units: 197 UC: 0 Occupancy: 99.0% Stories: 4 w/Elevator Year Built: 2013                  BR: 1, 2, 3 Vacant Units: 2 Waitlist: None AR Year:                  Target Population: Family Yr Renovated:                  Rent Special: None                  Notes:</p>	



17	<b>Meadow View</b> 4801 Marshall Ave, Newport News, VA 23607	Contact: Shaunda Phone: (757) 245-0001
	 <p>Total Units: 400 UC: 0 Occupancy: 99.8% Stories: 2 Year Built: 1967                  BR: 1, 2, 3, 4 Vacant Units: 1 Waitlist: None AR Year:                  Target Population: Family Yr Renovated: 2017                  Rent Special: None                  Notes:</p>	






18	<b>Monterey</b> 603 Lasalle Ave, Hampton, VA 23661	Contact: Cheryl Phone: (757) 727-1119
	 <p>Total Units: 40 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1969                  BR: 2 Vacant Units: 0 Waitlist: None AR Year:                  Target Population: Family Yr Renovated: 2002                  Rent Special: None                  Notes: Tax Credit</p>	


















19	<b>Noland Green</b> 2600 Warwick Blvd, Newport News, VA 23607	Contact: Tiffany Phone: (757) 223-8774
	 <p>Total Units: 60 UC: 0 Occupancy: 88.3% Stories: 4 w/Elevator Year Built: 1920                  BR: 1, 2, 3 Vacant Units: 7 Waitlist: None AR Year: 2011                  Target Population: Family Yr Renovated:                  Rent Special: None                  Notes: Tax Credit (49 units); Market-rate (6 units); HUD Section 8 &amp; Tax Credit (5 units)</p>	





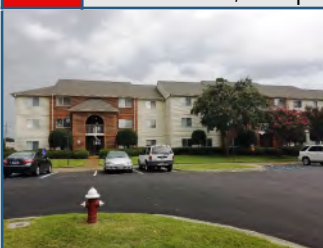
20	<b>Pebblestone Gardens</b> 621 Adams Dr, Newport News, VA 23601	Contact: Kim Phone: (757) 595-4399
	 <p>Total Units: 120 UC: 48 Occupancy: 100.0% Stories: 2 Year Built: 1969                  BR: 2 Vacant Units: 0 Waitlist: None AR Year:                  Target Population: Family Yr Renovated: 2021                  Rent Special: None                  Notes: Tax Credit (78 units) PBV &amp; Tax Credit (42 units); 36 units under renovation, 12 units offline due to a fire, unknown completion date</p>	


















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




<p>21</p>	<p><b>River Park Tower</b> 2601 West Ave, Newport News, VA 23607</p> 	<p>Contact: Meva Phone: (757) 928-0000</p> <p>Total Units: 184 UC: 0 Occupancy: 96.7% Stories: 20 w/Elevator Year Built: 1988 BR: 1, 2, 3 Vacant Units: 6 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rents change daily</p>
<p>22</p>	<p><b>Riverlands</b> 45 Riverlands Dr, Newport News, VA 23605</p> 	<p>Contact: Leshia Phone: (757) 380-5804</p> <p>Total Units: 404 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 1992 BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2000 Rent Special: None Notes: Rent range based on floorplan</p>
<p>23</p>	<p><b>Seven Oaks</b> 869 36th St, Newport News, VA 23607</p> 	<p>Contact: Brittney Phone: (757) 244-2216</p> <p>Total Units: 202 UC: 0 Occupancy: 76.2% Stories: 1,2 Year Built: 1958 BR: 1, 2 Vacant Units: 48 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2005 Rent Special: None Notes: Tax Credit</p>
<p>24</p>	<p><b>Shell Gardens</b> 2211 Shell Rd, Hampton, VA 23661</p> 	<p>Contact: Ms Nixon Phone: (757) 727-1119</p> <p>Total Units: 48 UC: 0 Occupancy: 97.9% Stories: 2 Year Built: 1967 BR: 2 Vacant Units: 1 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2002 Rent Special: None Notes: Tax Credit</p>
<p>25</p>	<p><b>Soundview Townhomes</b> 827 41st St, Newport News, VA 23607</p> 	<p>Contact: Kia Phone: (757) 794-2596</p> <p>Total Units: 250 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1969 BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2019 Rent Special: None Notes: Tax Credit; Preleasing 1/2019, 1st units opened 3/2019</p>

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

<b>26</b>	<b>Stuart Gardens I</b> 1326-C Garden Dr., Newport News, VA 23607	Contact: Kellie Phone: (757) 245-5266
	Total Units: 250 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1942 BR: 1, 2, 3 Vacant Units: 0 Waitlist: Shared with phase II; 24 mos AR Year: Target Population: Family Yr Renovated: 1980 Rent Special: None Notes: HUD Section 8	
<b>27</b>	<b>Stuart Gardens II</b> 1326-C Garden Dr., Newport News, VA 23607	Contact: Kellie Phone: (757) 245-5266
	Total Units: 239 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1942 BR: 1, 2, 3 Vacant Units: 0 Waitlist: Shared with phase I; 24 mos AR Year: Target Population: Family Yr Renovated: 1980 Rent Special: None Notes: HUD Section 8; Ten higher rent 1-br units are handicap accessible	
<b>28</b>	<b>Tidewater Seniors</b> 1446 W. Queen St., Hampton, VA 23669	Contact: Janice Phone: (757) 265-1472
	Total Units: 140 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2002 BR: 2 Vacant Units: 0 Waitlist: 30 HH AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit	
<b>29</b>	<b>Waterford Pointe</b> 105 E. Lakeshore Dr., Hampton, VA 23666	Contact: Seneca Phone: (757) 827-7900
	Total Units: 120 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 1993 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 200 HH AR Year: Target Population: Family Yr Renovated: 2014 Rent Special: None Notes: Tax Credit	
<b>30</b>	<b>Westover Station</b> 805 Roam Ct, Newport News, VA 23605	Contact: Sieasha Phone: (877) 247-7956
	Total Units: 108 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 1991 BR: 1, 2 Vacant Units: 0 Waitlist: 12 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit	

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



31	<b>Whittaker Place</b> 1003 28th St., Newport News, VA 23607	Contact: Jasmine Phone: (757) 782-2766
	Total Units: 67    UC: 0    Occupancy: 100.0%    Stories: 3,4    Year Built: 1915	
	BR: 0, 1, 2    Vacant Units: 0    Waitlist: 2 HH    AR Year: 2019	
	Target Population: Family    Yr Renovated:	
	Rent Special: None	
	Notes: Tax Credit; Preleasing & opened 10/2019	

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

Source: Newport News Redevelopment and Housing Authority  
Effective: 01/2021

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	31	36	40	42	52	61	33	38	43	45	56	65
	+Base Charge	10	10	10	10	10	10	12	12	12	12	12	12
	Bottled Gas	68	77	88	97	114	132	73	83	95	104	122	142
	Electric	31	37	51	59	81	97	34	39	54	63	87	104
	Heat Pump	24	27	38	44	61	73	25	30	41	48	65	78
	Oil	36	43	76	92	112	134	38	46	82	99	120	144
Cooking	Natural Gas	2	2	3	3	3	3	2	2	3	3	3	3
	Bottled Gas	6	6	7	8	8	9	6	6	7	8	8	9
	Electric	4	5	6	6	7	8	4	5	6	6	7	8
Other Electric	16	20	24	29	35	39	16	20	24	29	35	39	
+Base Charge	3	3	3	3	3	3	10	10	10	10	10	10	
Air Conditioning	5	7	8	9	11	12	6	8	10	12	14	15	
Water Heating	Natural Gas	11	13	16	22	27	32	11	13	16	22	27	32
	Bottled Gas	28	36	43	58	73	88	28	36	43	58	73	88
	Electric	22	27	33	44	55	67	22	27	33	44	55	67
	Oil	0	0	0	0	0	0	0	0	0	0	0	0
Water	20	21	29	36	42	49	20	21	29	36	42	49	
Sewer	31	34	56	72	89	105	31	34	56	72	89	105	
Trash Collection	29	29	29	29	29	29	29	29	29	29	29	29	
Internet*	20	20	20	20	20	20	20	20	20	20	20	20	
Cable*	20	20	20	20	20	20	20	20	20	20	20	20	
Alarm Monitoring*	0	0	0	0	0	0	0	0	0	0	0	0	

\* Estimated- not from source

## **XIII. Qualifications**

### **The Company**

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

### **Company Leadership**

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

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

### **Market Analysts**

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



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

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

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

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

**Ambrose Lester**, Market Analyst, has conducted detailed research and analysis on a variety of residential alternatives, including rental and for-sale housing. She has conducted on-site research of buildable sites, surveyed existing rental and for-sale housing and conducted numerous stakeholder interviews. She has also conducted research on unique housing issues such as accessory dwelling units, government policy and programs and numerous special needs populations. Ms. Lester has a degree in Economics from Franciscan University of Steubenville.

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

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

**Ron Pompey**, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Pompey has a Bachelor of Science in Electrical Engineering from the University of Florida.

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

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

### **Research Staff**

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

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

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

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

## Addendum A – Member Certification & Checklist

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

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

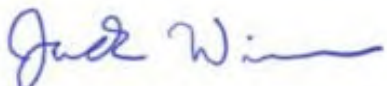


Patrick M. Bowen

President

[patrickb@bowennational.com](mailto:patrickb@bowennational.com)

Date: February 16, 2021



Jack Wiseman (Primary Contact)

Market Analyst

[jackw@bowennational.com](mailto:jackw@bowennational.com)

Date: February 16, 2021

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

## ADDENDUM-MARKET STUDY INDEX

### A. INTRODUCTION

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

### B. DESCRIPTION AND PROCEDURE FOR COMPLETING

The following components have been addressed in this market study. The section number of each component is noted below. Each component is fully discussed in that section. In cases where the item is not relevant, the author has indicated 'N/A' or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a 'VAR' (variation) with a comment explaining the conflict.

### C. CHECKLIST

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



**CHECKLIST (Continued)**

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

**CHECKLIST (Continued)**

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