



**BOWEN  
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RESEARCH**

# Market Feasibility Analysis

Cross Creek Rehab  
2502-2542 Bird Lane  
Portsmouth, Virginia 23702

*Prepared For*

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*Effective Date*

February 18, 2021

*Job Reference Number*

21-129 CR

# 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 Portsmouth, Virginia. Further, the information contained in this report is true and accurate as of February 18, 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 an existing general-occupancy rental community following renovations utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program in Portsmouth, Virginia. This study was initiated by Ms. Samantha Brown of Community Housing Partners 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 subject site is identified. The Site PMA is generally described as the smallest geographic area expected to generate most of the support for the subject 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 subject development. An in-depth evaluation of those two property types provides an indication of the potential of the subject 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 subject property renovations are complete 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 subject 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 subject development is determined. Using a Rent Comparability Grid, the features of the subject 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 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 Community Housing Partners or Bowen National Research is strictly prohibited.

## II. Executive Summary

This report evaluates the market feasibility of the existing Cross Creek rental community following renovations utilizing Low-Income Housing Tax Credit (LIHTC) financing in Portsmouth, Virginia. Based on the findings contained in this report, it is our opinion that a market exists for the subject project, assuming it is renovated and operated as outlined in this report.

The following is a summary of key findings from our report:

### Project Concept

The proposed project involves the renovation of the 102-unit Cross Creek apartment property located at 2502-2542 Bird Lane in Portsmouth, Virginia. Note, however, that while the subject project offers a total of 102 units, only 78 are proposed to be renovated as part of the subject project. Built in 1969, the project currently operates under the HUD Section 236 program, with all 102 units receiving a direct subsidy. According to management, the project is currently 100.0% occupied and maintains a 50-household waiting list.

The project will be renovated utilizing funding from the Low-Income Housing Tax Credit (LIHTC) program, which will involve the extensive rehabilitation of 78 of the 102 subject units and the community spaces. Once renovations are complete, the project will target households earning up to 50%, 60% and 80% of Area Median Household Income (AMHI) under the LIHTC program. Eight (8) of the units will operate with Project-Based Rental Assistance (PBRA) which will allow tenants of these units to pay up to 30% of their income towards rent. Additionally, five (5) units will operate as unrestricted market-rate. Renovations are expected to be complete by December of 2023. Additional details regarding the project are included in *Section III* of this report.

### Site Evaluation

The subject site is the existing Cross Creek Apartments community located at 2502-2542 Bird Lane in the southern portion of Portsmouth, Virginia. Surrounding land uses include additional existing rental communities, single-family homes, commercial businesses, community services and a parcel of undeveloped land. Surrounding structures were generally observed to be of satisfactory condition. While train tracks and a salvage/storage yard are located south and west of the site, respectively, these land uses are buffered from the property by other structures/land uses or area roadways. The 100.0% occupancy rate of the existing subject property is further indication that the proximity of these land uses has not had any adverse impact on the overall marketability of the property. Visibility of the site is clear from Deep Creek Boulevard to the west, and signage is present at its entryway. Site ingress and egress from this road is unimpeded, and a second entryway is also available 0.2 mile northeast of the site via Victory Boulevard. Many community services including a



grocery store, discount shopping options, restaurants and recreational facilities are within 2.0 miles of the subject site area. The nearest emergency medical center and all applicable attendance schools are within 5.0 miles. Overall, the site's surrounding land uses and proximity to community services are expected to have a positive impact on the continued marketability of the subject property following renovations. A detailed site evaluation is included in *Section IV*.

### Primary Market Area

The Primary Market Area (PMA) is the geographical area from which most of the support for the proposed development is expected to originate. The Portsmouth Site PMA includes the southern portion of Portsmouth as well as a portion of Chesapeake, Virginia. The boundaries of the Portsmouth Site PMA include the Elizabeth River to the north, east and west and Interstate 64 to the south. A map of the Site PMA is included in *Section IV* on *page 11*.

### Demographic Overview

The household base within the Portsmouth Site PMA is projected to decline between 2021 and 2026, though at a nominal annual rate of just 11 households. Further, while the overall household base is projected to decline slightly over the next five years, some growth is projected among households between the ages of 35 and 44, and among seniors age 65 and older. Household decline is also projected to be concentrated among renter households over the next five years, though it is important to note that nearly 16,000 renter households are projected to remain in the market through 2026. Further, nearly 70.0% of all renter households are projected to earn less than \$50,000 in 2026. Based on the preceding factors, a large base of potential support for affordable rental product such as that offered at the subject project will continue to exist within the Portsmouth Site PMA, despite the slight overall household decline projected for this market. Additional demographic information regarding the Site PMA is included in *Section IV* of this report, beginning on *page 12*.

### Economic Summary

Prior to the impact of COVID-19, the Portsmouth economy experienced notable employment growth and a steadily declining annual unemployment rate. Specifically, the employment base added more than 1,500 jobs between 2017 and 2019 while the unemployment rate declined by nearly six full percentage points between 2010 and 2019. However, like much of the country, the local Portsmouth economy experienced a significant downturn in 2020 due to the impact of COVID-19. Since the end of 2019, the City of Portsmouth's employment base declined by more than 2,000 jobs while the annual unemployment rate spiked to a rate of 9.0% in 2020. The monthly unemployment rate within the city reached a high of 12.9% during the initial impact of the pandemic. It is of note, however, that the monthly unemployment rate has declined by five full percentage points since reaching a high of 12.9% in July of 2020.

This is a good indication that many workers which may have been laid off/terminated due to COVID-19 have gone back to work or found new employment opportunities. Further, there are several economic development projects currently in the pipeline for the Portsmouth area which are expected to contribute to economic recovery efforts in the area for the foreseeable future. Additional economic information is included in *Section IV* of this report, beginning on *page 17*.

### Housing Supply Analysis

We identified and personally surveyed 22 conventional rental housing projects containing a total of 2,970 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 good rate for rental housing. Each rental housing segment surveyed is summarized in the following table.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	10	1,249	27	97.8%
Tax Credit	8	1,441	14	99.0%
Tax Credit/Government-Subsidized	2	94	0	100.0%
Market-Rate/Tax Credit/Government-Subsidized	1	84	0	100.0%
Government-Subsidized	1	102	0	100.0%
Total	22	2,970	41	98.6%

A variety of rental product is offered within the Portsmouth Site PMA, as evident by our survey. All rental housing segments surveyed report occupancy rates of 97.8% or higher, indicating that rental product is in strong demand across multiple affordability levels within this market.

### Comparable/Competitive Tax Credit Analysis

Following renovations, the subject project will offer two- and three-bedroom units targeting general-occupancy (family) households earning up to 50%, 60%, and 80% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program.

Within the Portsmouth Site PMA, we identified and surveyed eight non-subsidized general-occupancy Tax Credit properties which offer unit types similar to those proposed for the subject project. These properties are considered to be most comparable to and competitive with the subject project and thus have been included in our comparable analysis.

The eight comparable 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>Cross Creek Rehab</b>	<b>1969 / 2023</b>	<b>73*</b>	<b>100.0%</b>	<b>-</b>	<b>50 HH</b>	<b>Families; 50%, 60% &amp; 80% AMHI &amp; PBRA</b>
4	Belle Hall	2008	120	98.3%	2.8 Miles	None	Families; 60% AMHI
7	Crescent Place	2008	156	100.0%	3.1 Miles	None	Families; 60% AMHI
12	Independence Square	1985 / 2005	152	100.0%	0.8 Miles	None	Families; 60% AMHI
14	Mallard Cove Townhomes	1975 / 2000	160	100.0%	3.7 Miles	None	Families; 60% AMHI
15	Maplewood I & II	1991 / 2010	320	100.0%	4.0 Miles	None	Families; 60% AMHI
16	Marsh Landing	1942 / 1999	250	96.0%	1.5 Miles	None	Families; 60% AMHI
21	Thrive	1972 / 2016	103	98.1%	1.4 Miles	3-Br: 6 HH	Families; 60% AMHI
22	Whispering Oaks	1970 / 2004	180	100.0%	3.8 Miles	200 HH	Families; 60% AMHI

OCC. – Occupancy

\*Tax Credit units only

The eight LIHTC projects have a combined occupancy rate of 99.0% and five of eight properties are currently 100.0% occupied. None of the properties report individual occupancy rates below 96.0%. These are clear indications of strong and pent-up demand for additional general-occupancy LIHTC product within the Portsmouth Site PMA.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
<b>Site</b>	<b>Cross Creek Rehab</b>	<b>-</b>	<b>\$743/50% (4)*^ \$866/50% (12) \$946/60% (18) \$1,066/80% (2)</b>	<b>\$858/50% (4)*^ \$993/50% (15) \$1,068/60% (14) \$1,218/80% (4)</b>	<b>-</b>
4	Belle Hall	-	\$1,095/60% (76/1)	\$1,306/60% (44/1)	None
7	Crescent Place	\$933/60% (16/0)	\$1,121/60% (104/0)	\$1,286/60% (36/0)	None
12	Independence Square	\$886/60% (33/0)	\$1,012/60% (106/0)	\$1,213/60% (13/0)	None
14	Mallard Cove Townhomes	-	\$1,098/60% (80/0)	\$1,232/60% (80/0)	None
15	Maplewood I & II	-	\$1,085/60% (280/0)	\$1,293/60% (40/0)	None
16	Marsh Landing	-	\$855/60% (156/6) \$895/60% (94/4)	-	None
21	Thrive	-	\$1,099/60% (63/2)	\$1,293/60% (40/0)	None
22	Whispering Oaks	\$757/60% (28/0)	\$920/60% (20/0) \$949/60% (102/0)	\$1,110/60% (30/0)	None

\*Subsidized (residents pay 30% of their income, as this is a government-subsidized property, which also operates under the Tax Credit program)

^Income restricted to 50% AMHI, rent restricted to 40% AMHI

The subject's proposed gross Tax Credit rents are very competitive with, if not lower than, those reported for similar unit types among the comparable properties. It is also important to point out that the subject project will offer some units which will target households earning up to 80% of AMHI, an income level not targeted by any of the existing comparable properties. This is expected to create a competitive advantage for the subject property. This is especially true when considering that the subject rents at the higher 80% AMHI level will be priced similar to the rents reported among lower 60% AMHI targeting units at the comparable properties.

Comparable Tax Credit Summary

The eight comparable LIHTC properties surveyed report an overall occupancy rate of 99.0% and none of the properties report individual occupancy rates below 96.0%. Some properties also maintain waiting lists for their next available units, further demonstrating the strong and pent-up demand for general-occupancy LIHTC product in this market.

The subject’s proposed rents are very competitive with those reported among the comparable properties, including the proposed rents for the higher 80% AMHI units at the site, as they will be priced similar to some lower 60% AMHI targeting units among the comparable properties. The subject property will offer the only units at this higher 80% AMHI level among the comparable properties, which is expected to create a competitive advantage for the property. Although the unit sizes (square feet), number of bathrooms, and amenities offered at the subject project are limited, they will be competitive with other LIHTC projects in the area. Overall, the subject project is considered marketable as proposed.

An in-depth analysis of the Portsmouth rental housing market within the Site PMA is included in *Section V* of this report.

Achievable Market Rent

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

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
Two-Br.	50%*	\$585**	\$1,010	42.1%
Two-Br.	50%	\$770	\$1,010	23.8%
Two-Br.	60%	\$850	\$1,010	15.8%
Two-Br.	80%	\$970	\$1,010	4.0%
Two-Br.	Market	\$970	\$1,010	4.0%
Three-Br.	40%	\$672**	\$1,225	45.1%
Three-Br.	50%	\$875	\$1,225	28.6%
Three-Br.	60%	\$950	\$1,225	22.4%
Three-Br.	80%	\$1,100	\$1,225	10.2%
Three-Br.	Market	\$1,100	\$1,225	10.2%

\*Income-restricted at 50% AMHI, rent-restricted at 40% AMHI

\*\*Reflective of maximum allowable LIHTC rent as the proposed contract rent under the subsidized program exceeds this limit.

Typically, Tax Credit rents targeting households earning up to 60% of AMHI 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. Higher income targeting units such as the subject units at the 80% AMHI level often do not need to represent a 10% market rent advantage to be perceived a value in many markets. This is particularly true of markets which lack and/or have a limited supply of modern market-rate product.

As the preceding table illustrates, the subject rents represent market rent advantages ranging from 4.0% to 45.1%, depending upon unit type. While the subject’s two-bedroom units at 80% of AMHI represent a nominal market rent advantage, this is considered acceptable in this market. This is evident by the fact that the subject units at the 80% AMHI level are competitively positioned with, if not lower than, the rents reported for similar 60% AMHI units among the comparable LIHTC properties surveyed and evaluated in *Section V*.

Capture Rate Estimates

The following is a summary of our demand calculations assuming the subject property operates as anticipated, *with a project-based subsidy available to some units*:

Demand Component	Percent of Median Household Income					
	50% AMHI	60% AMHI	80% AMHI	LIHTC Overall	Market-Rate	Overall Property
Proposed Units / Net Demand	35 / 6,882	32 / 1,339	6 / 1,165	73 / 7,496	5 / 892	78 / 6,795
Capture Rate	= 0.5%	= 2.4%	= 0.5%	= 1.0%	= 0.6%	= 1.1%

Utilizing this methodology, capture rates below 30% are considered achievable, though capture rates below 20% are considered ideal. As such, the subject’s overall subsidized LIHTC capture rate of 1.0% is very low and easily achievable within the Portsmouth Site PMA, as is the 0.6% capture rate for the subject’s market-rate units. The property’s overall capture rate of 1.1% is also considered low. This is particularly true when considering the high occupancy rates and waiting lists maintained among existing comparable LIHTC and market-rate properties surveyed in the market.

It is important to reiterate, however, that the subject project involves the renovation of an existing project which is currently 100.0% occupied with a waiting list. All current tenants are expected to continue to income-qualify and remain at the property following renovations. Thus, the subject’s effective capture rate is 0.0%.

Penetration Rate Calculations

The 1,647 existing and 50 planned (not including the subject project) 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 \$25,954 to \$71,280. The following table summarizes the market penetration rate for the subject project based on the preceding factors and demographic data included in *Section IV*.

	Market Penetration
Number of LIHTC Units (Proposed and Existing)	1,770
Income-Eligible Renter Households – 2023	/ 6,968
Overall Market Penetration Rate	= 25.4%

It is our opinion that the 25.4% penetration rate for the LIHTC units, both existing and proposed, is achievable. This is particularly true when considering that the existing comparable properties surveyed are 99.0% occupied. It is also of note that the market penetration rate for the existing LIHTC units in this market is 23.6%. Thus, the addition of the subject project and the one additional non-subsidized LIHTC property planned for the market will effectively increase the penetration rate by less than 2.0%.

Absorption Estimates

For the purposes of this analysis, we assume that all 78 subject units will be vacated and that all units will have to be re-rented simultaneously. We have also provided absorption projections for two separate scenarios as summarized in the following table. Each scenario assumes a stabilized occupancy rate of at least 95.0%.

Absorption Projections		
Scenario	UPM	Absorption Period
LIHTC w/Subsidy	15	5 Months
LIHTC-Only	12 to 13	6 Months

UPM – Units Per Month

Note that the non-subsidized absorption rate/period is similar to that projected for the project in the subsidized scenario. This is due to the fact that only eight (8) units will be offered with a subsidy and these units will operate at a low 40% AMHI level. Thus, even in the unlikely non-subsidized scenario, these units would operate similar to subsidized product given the very low income (AMHI) targeting.

In reality, the subject project will involve the renovation of an existing property which is currently 100.0% occupied with a 50-household waiting list. Based on information provided at the time of this analysis, the subject developer expects that most, if not all, current tenants will continue to income-qualify and remain at the property post renovations. Thus, there will effectively be no absorption period for the subject project. Any units which may become vacant due to typical tenant turnover during the renovation process are expected to be quickly filled given the strong demand for LIHTC product in this market.

A detailed analysis of our demand estimates and absorption projections is included in *Section VII*.

### III. Project Description

Project Name:	<b>Cross Creek Rehab</b>
Location:	2502-2542 Bird Lane, Portsmouth, Virginia 23702
Census Tract:	2124
Target Market:	Family
Construction Type:	Renovation of Existing Development
Funding Source:	9% LIHTC

The proposed project involves the renovation of the 102-unit Cross Creek apartment property located at 2502-2542 Bird Lane in Portsmouth, Virginia. Note, however, that while the subject project offers a total of 102 units, only 78 are proposed to be renovated as part of the subject project. Built in 1969, the project currently operates under the HUD Section 236 program, with all 102 units receiving a direct subsidy. According to management, the project is currently 100.0% occupied and maintains a 50-household waiting list.

The project will be renovated utilizing funding from the Low-Income Housing Tax Credit (LIHTC) program, which will involve the extensive rehabilitation of 78 of the 102 subject units and the community spaces. Once renovations are complete, the project will target households earning up to 50%, 60% and 80% of Area Median Household Income (AMHI) under the LIHTC program. Eight (8) of the units will operate with Project-Based Rental Assistance (PBRA) which will allow tenants of these units to pay up to 30% of their income towards rent. Additionally, five (5) units will operate as unrestricted market-rate. Renovations are expected to be complete by December of 2023. Additional details of the subject development are summarized as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Program Rents			
						Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
4	Two-Br.	1.0	Garden	682	50%/PBRA*	\$770	\$96	\$866	\$743
12	Two-Br.	1.0	Garden	682	50%	\$770	\$96	\$866	\$928
18	Two-Br.	1.0	Garden	682	60%	\$850	\$96	\$946	\$1,114
2	Two-Br.	1.0	Garden	682	80%	\$970	\$96	\$1,066	\$1,486
3	Two-Br.	1.0	Garden	682	Market	\$970	\$0	\$970	-
4	Three-Br.	1.0	Garden	874	50%/PBRA*	\$875	\$118	\$993	\$858
15	Three-Br.	1.0	Garden	874	50%	\$875	\$118	\$993	\$1,072
14	Three-Br.	1.0	Garden	874	60%	\$950	\$118	\$1,068	\$1,287
4	Three-Br.	1.0	Garden	874	80%	\$1,100	\$118	\$1,218	\$1,716
2	Three-Br.	1.0	Garden	874	Market	\$1,100	\$0	\$1,100	-
78	Total								

Source: Community Housing Partners

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

PBRA – Project-Based Rental Assistance

\*Income-restricted to 50% AMHI, rent restricted to 40% AHMI



The maximum allowable LIHTC gross rents ranging from \$743 to \$858 for the units targeting households earning up to 50% of AMHI but rent restricted to 40% AMHI are the programmatic limits for these unit types. However, these limits would only apply in the unlikely scenario that the property ceased to operate with a project-based subsidy. Nonetheless, as the proposed contract rents under the PBRA program exceed these maximum allowable limits, we have evaluated these unit types assuming maximum allowable LIHTC rent limits throughout this report.

Building/Site Information	
Residential Buildings:	Four (4) two-story buildings
Building Style:	Walk-up
Community Space:	Yes; integrated within residential buildings
Acres:	3.953

Construction Timeline	
Original Year Built:	1969
Construction Start:	May 2022
Begin Preleasing:	N/A*
Construction End:	December 2023

\*Existing tenants to be relocated to another unit within the subject project as their unit is renovated

Unit Amenities		
• Electric Range	• Ceiling Fan	• Vinyl Plank Flooring
• Refrigerator	• Central Air Conditioning	• Window Blinds
• Dishwasher		

Community Amenities		
• Bike Racks/Storage	• Computer Center	• Laundry Room
• On-Site Management	• Community Room	• Playground
• Classes	• Health Screenings	• Social Service Coordinator
• Surface Parking Lot (121 Spaces)*		

\*Eight (8) spaces will be accessible

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				

Current Occupancy Status			
Total Units	Vacant Units	Occupancy Rate	Waiting List
102*	0	100.0%	50-Households

\*Only 78 will be renovated as part of subject project.

Based on information provided by the subject developer at the time of this analysis, it is our understanding that management of the subject project is currently reviewing incomes of current tenants at the property to determine which, if any, current tenants may no longer income-qualify for the property following renovations. However, it should be pointed out that as of the time of our analysis, management has not found any current tenants of the property to be over income-qualified for the subject property post renovation. Thus, we expect that most, if not all, current tenants will continue to qualify and remain at the property following renovations.



## **PLANNED RENOVATION:**

A detailed scope of work to be completed as part of the subject project was not provided at the time of this analysis. The following, however, is a sample list of renovations typically conducted as part of a LIHTC renovation and expected to be completed at the subject property. Note this should not be considered an exhaustive list of renovations for the subject project.

- Replace flooring
- Install new kitchen appliances, cabinets and countertops
- Paint the interior of the units
- New bathroom fixtures, replace/refurbish tubs and tub surrounds
- Install new HVAC
- Install new water heaters
- Install new mini-blinds at all windows
- Repair and repoint brick as needed
- Repair all sidewalks to remove any trip hazards
- Repair, seal coat and re-stripe the parking lots
- Replace roofs where necessary

## **FLOOR AND SITE PLAN REVIEW:**



Floor and site plans were provided for the subject project for review at the time this report was prepared. In addition, we conducted an in-person/on-site evaluation of the subject buildings. Based on our observations and the information provided at the time of this analysis, the subject property offers two- and three-bedroom garden-style units which range in size from 682 to 874 square feet and all units include one (1.0) bathroom. The subject units are located within two-story walk-up style buildings located on a 4.0-acre parcel. In addition to the residential units, the subject property also features various common area/community amenities including an on-site management office, laundry facility, and community room/space.

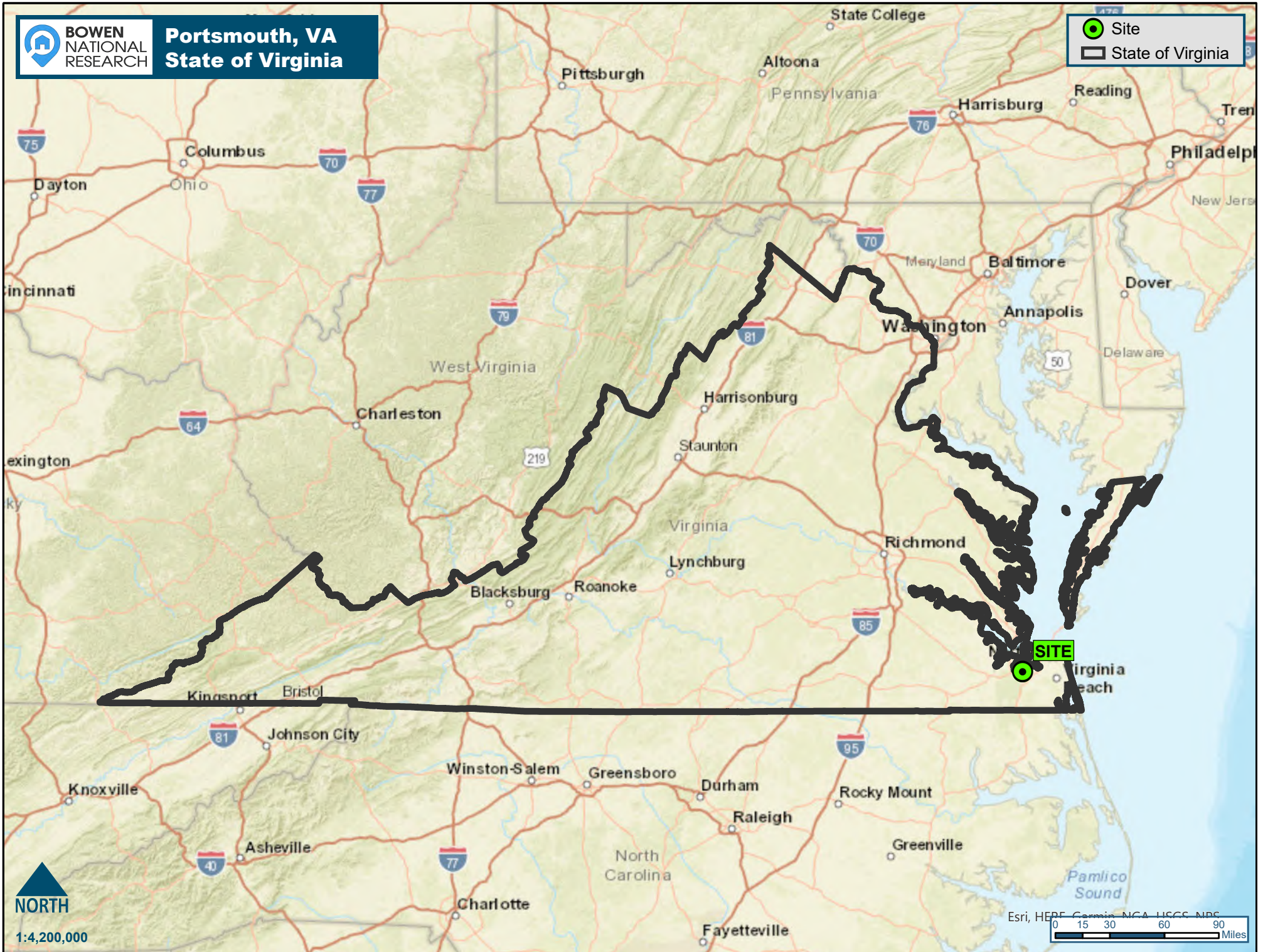
Overall, the subject's floor plans, and site layout are considered marketable within the Portsmouth market. This is evident by the 100.0% occupancy rate reported for the subject property. Nonetheless, an in-depth comparable/competitive analysis is included in *Section V* to better determine the competitive position and overall marketability of the subject project within the Portsmouth market.

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



# Portsmouth, VA State of Virginia

 Site  
 State of Virginia



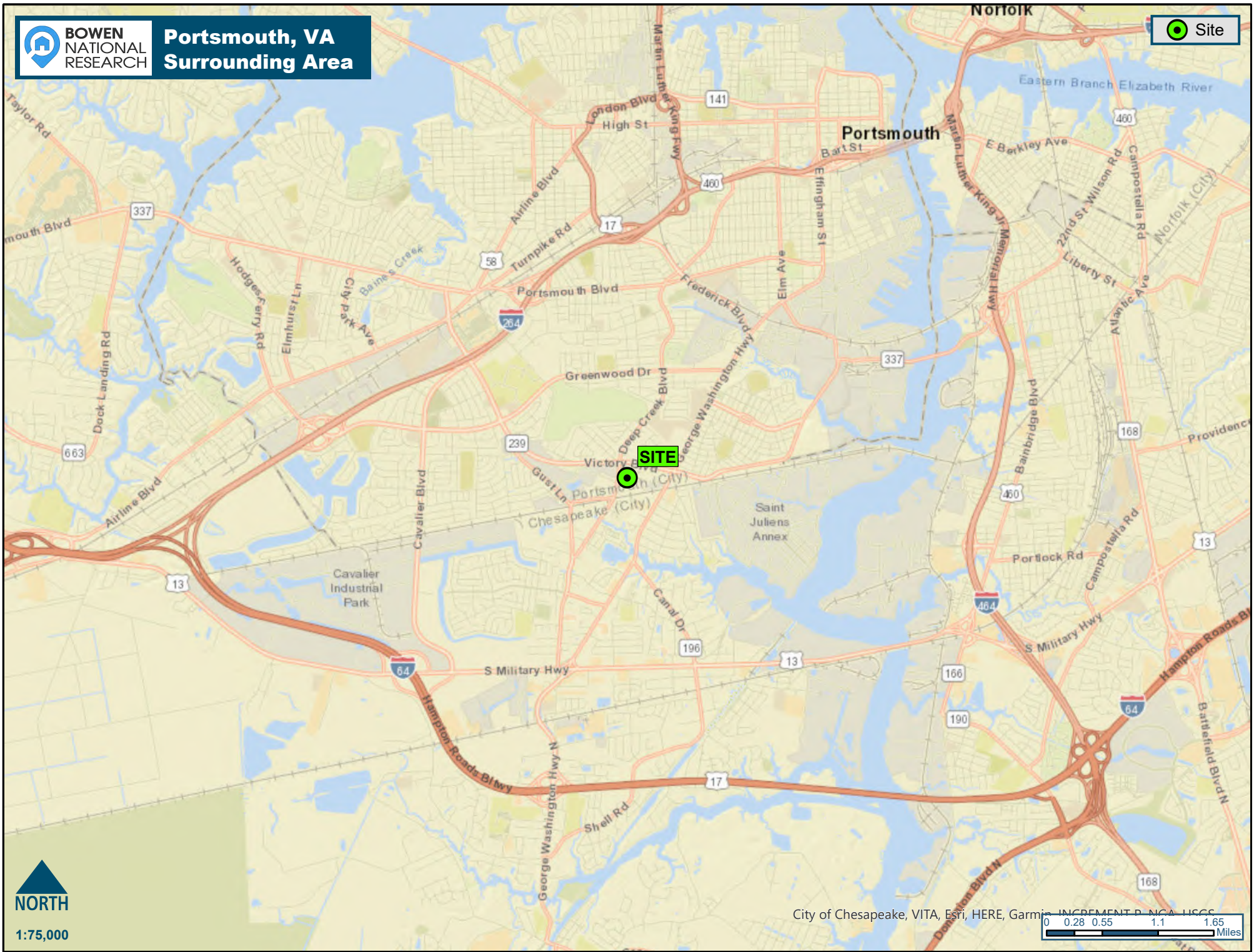
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Esri, HERE, DeLorme, NGA, USGS, NPS  
0 15 30 60 90 Miles





# Portsmouth, VA Surrounding Area



1:75,000

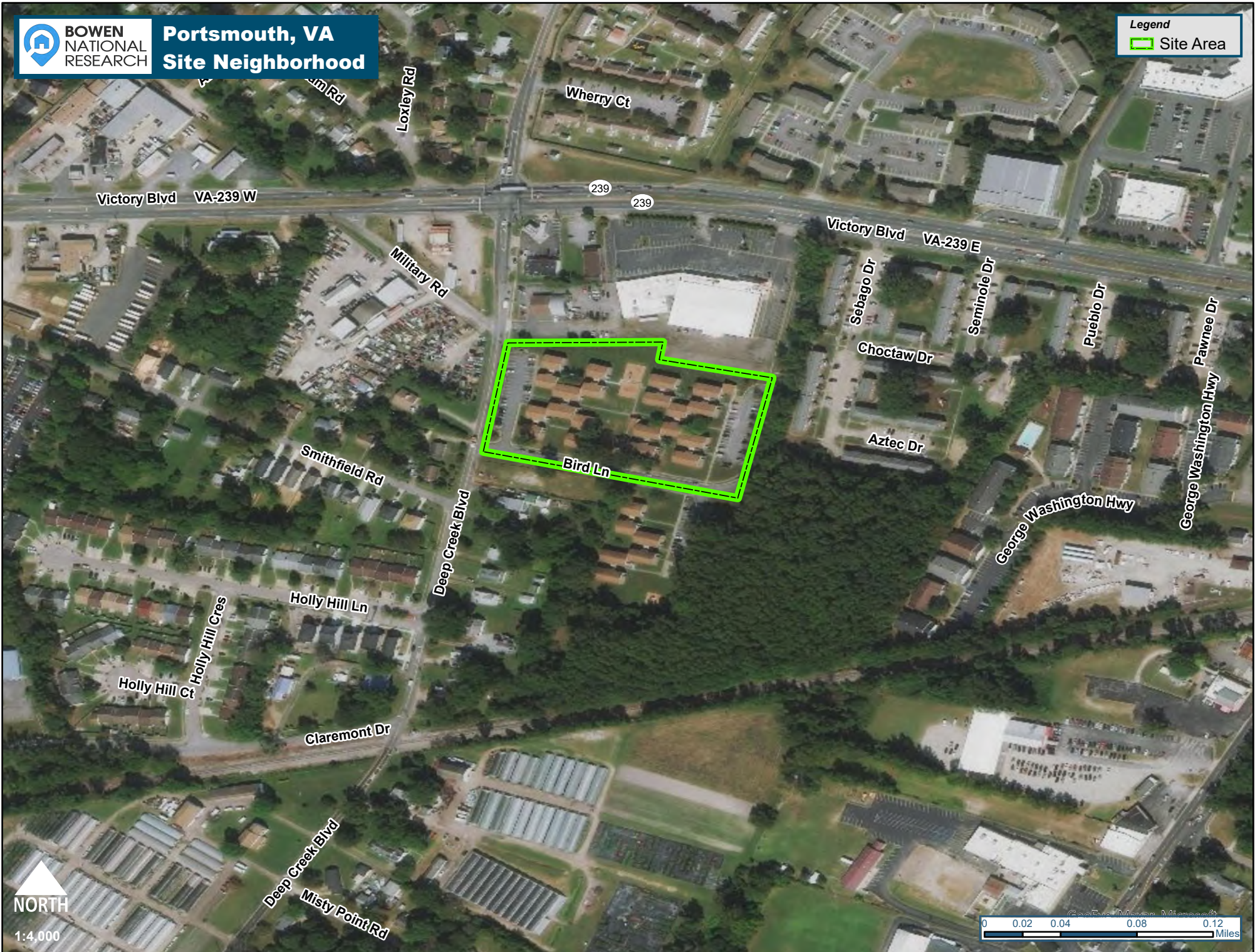
City of Chesapeake, VITA, Esri, HERE, Garmin, INCREMENT P, NGA, USGS  
0 0.28 0.55 1.1 1.65 Miles





# Portsmouth, VA Site Neighborhood

Legend  
Site Area



NORTH  
1:4,000





## IV. Area Analysis

### A. SITE DESCRIPTION AND EVALUATION

#### 1. LOCATION

The subject site is the existing Cross Creek Apartments community comprising multiple two-story buildings located at 2502-2542 Bird Lane in the southern portion of Portsmouth, Virginia. Portsmouth is approximately 8.0 miles north of Chesapeake, 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 Portsmouth. Surrounding land uses include single-family homes, additional rental communities, small commercial buildings and community services and a parcel of undeveloped land. Adjacent land uses are detailed as follows:

<b>North -</b>	The northern boundary is defined by a small plaza that includes Victory Lanes bowling center, Youth University Learning Center and a church, along with other small commercial buildings. Continuing north is Victory Boulevard (State Route 239), a divided four-lane arterial roadway with moderate to heavy traffic patterns. Extending north of this road is an area of existing rental communities including Victory Village Apartments, single-family homes, and the Bid-A-Wee Golf Course.
<b>East -</b>	The eastern boundary is defined by a parcel of undeveloped land and multiple apartment communities including Independence Square and Bay View Gardens. George Washington Highway (U.S. Highway 17) and various businesses and services located along this corridor are farther east, followed by a residential area with homes that range from satisfactory to good condition.
<b>South -</b>	The southern boundary is defined by single-family homes and wooded land, both of which buffer the site from railroad tracks south of Claremont Drive. Continuing south of these tracks is a mixed-use area that extends south toward U.S. Highway 460. This area consists of greenhouses, mobile homes, single-family homes and commercial businesses, which were all observed to be in satisfactory condition.

<b>West -</b>	The western boundary is defined by Deep Creek Boulevard, a two-lane road with light traffic patterns. J&D Marine Supply Store and its surrounding storage lot containing a notable number of boats and automobiles in disrepair, is located on the west side of Deep Creek Boulevard directly west of the site. Continuing west are various commercial businesses located along Victory Boulevard followed by residential neighborhoods comprised of single-family homes.
---------------	---

Most of the surrounding homes, apartments and buildings were observed to be in satisfactory condition. The site is within proximity of a shopping center and access to additional community services in the area. The railroad tracks south of the site are buffered from the subject buildings by wooded land. A storage/salvage yard is also located within proximity of the site to the west, though this facility is buffered from the property by Deep Creek Boulevard which borders the site to the west. We do not expect the aforementioned nearby land uses (railroad tracks and salvage/storage yard) to have any adverse impact on the continued marketability of the subject project, as evident by the subject's 100.0% occupancy. Overall, the subject property fits well with the surrounding land uses and they should continue to contribute to the marketability of the site. Photographs of the site can be found in *Section X*.

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

Cross Creek Apartments is located at 2502-2542 Bird Lane, a residential road that runs through the subject property. The site also maintains frontage along Deep Creek Boulevard adjacent west of the site. Existing site signage is present along this road. Visibility of the site from both roadways is considered good. Wooded land and existing apartments to the east, and a small service plaza to the north limit visibility from these directions. However, the subject's 100% occupancy rate is a clear indication that the limited visibility from these directions has not had any adverse impact on its overall marketability within the Portsmouth market.

The subject site entryway is located at its southwestern boundary via Deep Creek Boulevard. Ingress and egress are unimpeded as traffic along this road is relatively light. A traffic light located 0.2 mile north at the intersection of Deep Creek Boulevard and Victory Boulevard helps control the flow of traffic in the immediate site area. The site can also be accessed from the northeast; with an entryway that branches off from Victory Boulevard. Additionally, the city of Portsmouth is served by Hampton Roads Transit, which offers fixed-route public bus transportation throughout the city. The nearest stop to the site is located on Victory Boulevard 0.2 mile north. This arterial road, as well as U.S. Highway 17, are within 0.6 mile of the site. Overall, accessibility of the site is considered good.

#### 4. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (miles)
Major Highways	State Route 239	0.2 North
	U.S. Highway 17	0.6 East
Public Bus Stop	Hampton Roads Transit	0.2 North
Major Employers/ Employment Centers	Tidewater Community College	1.8 Northwest
	Naval Medical Center Portsmouth	4.5 Northeast
Convenience Store	Victory Mini Mart	0.2 North
	Shell	0.8 Southeast
	Quest	1.5 South
Grocery	Food Lion	0.5 Northeast
	Food Lion	2.2 Southwest
	Farm Fresh	2.3 Northwest
Discount Department Store	Dollar Tree	0.5 Northeast
	Family Dollar	0.5 Northeast
	Dollar General	0.8 Northeast
Shopping Center/Mall	Triangle Plaza	0.7 East
	Victory Crossing Shopping Center	2.0 Northwest
Schools: Elementary Middle/Junior High High	James Hurst Elementary School (K-6)	1.3 Northeast
	Cradock Middle School (7-8)	1.6 Northeast
	I.C. Norcom High School (9-12)	3.7 Northeast
Hospital	Naval Medical Center Portsmouth	4.5 Northeast
Police	Chesapeake City Police Department	1.7 South
Fire	Portsmouth Fire Station 10	1.0 Northwest
Post Office	U.S. Post Office	2.1 South
Bank	Wells Fargo	1.4 South
	Bank of America	2.0 Northwest
	SunTrust Bank	2.2 Northwest
Recreational Facilities	Victory Lanes Bowling Center	0.3 North
	Planet Fitness	0.7 East
	Brentwood Bingo Hall	0.9 Southeast
Gas Station	Citgo	0.2 North
	Shell	0.8 Southeast
	Quest	1.5 South
Pharmacy	Walgreens	1.4 South
	Lawrence Pharmacy	1.4 South
Restaurant	Subway	0.5 Northeast
	McDonalds	0.6 Northeast
	Wendy's	0.6 Northeast
Day Care	Youth University Learning Center	0.3 North
Community Center	Camelot Community Center	1.5 Southwest
Church	New Covenant Worship Center	0.3 North
	Miracle of Faith Baptist	0.4 Southwest
	Calvary Evangelical Baptist	0.7 Southwest
Park	Brentwood Play Area	1.1 Southeast
	Afton Park	1.2 Northeast
	Paradise Creek Nature Park	1.7 East
Library	Cradock Branch Library	1.5 Northeast
Golf	Bid-A-Wee Golf Course	2.1 Northwest

Many essential community services are within 2.0 miles of the site including shopping, dining, recreation and employment opportunities, public safety services and schools. Many services are located along, or can be accessed by using, State Route 239 (Victory Boulevard) or U.S. Highway 17, which are within 0.6 mile of the site. Fixed-route public bus stops operated by Hampton Roads Transit are present throughout the city, with the nearest stop being within 0.2 miles of the site.

Among the services in the immediate area is a shopping plaza that includes Food Lion grocery and several retail shopping options. Several discount shopping opportunities, restaurants and gas stations are within 1.0 mile of the site. Additionally, Victory Crossing shopping center is approximately 2.0 miles northwest of the site. Adjacent north is Victory Lanes bowling and a daycare center; other recreational opportunities in the area include Planet Fitness, Brentwood Bingo Hall, Bid-A-Wee golf course and multiple parks.

The Chesapeake Police Department and Portsmouth Fire Station No. 10 are 1.7 and 1.0 miles from the site, respectively. Naval Medical Center Portsmouth is the nearest full-service hospital 4.5 miles north of the site. All applicable attendance schools are 3.7 miles or less from the subject site. Overall, the site's proximity to community services should continue to positively contribute to its marketability.

## **5. OVERALL SITE EVALUATION**

The subject site is the existing Cross Creek Apartments community located at 2502-2542 Bird Lane in the southern portion of Portsmouth, Virginia. Surrounding land uses include additional existing rental communities, single-family homes, commercial businesses, community services and a parcel of undeveloped land. Surrounding structures were generally observed to be of satisfactory condition. While train tracks and a salvage/storage yard are located south and west of the site, respectively, these land uses are buffered from the property by other structures/land uses or area roadways. The 100.0% occupancy rate of the existing subject property is further indication that the proximity of these land uses has not had any adverse impact on the overall marketability of the property. Visibility of the site is clear from Deep Creek Boulevard to the west, and signage is present at its entryway. Site ingress and egress from this road is unimpeded, and a second entryway is also available 0.2 mile northeast of the site via Victory Boulevard. Many community services including a grocery store, discount shopping options, restaurants and recreational facilities are within 2.0 miles of the subject site area. The nearest emergency medical center and all applicable attendance schools are within 5.0 miles. Overall, the site's surrounding land uses and proximity to community services are expected to have a positive impact on the continued marketability of the subject property following renovations.



**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 ZIP Code is 221, with an overall personal crime index of 186 and a property crime index of 226. Total crime risk for the City of Portsmouth is 213, with indexes for personal and property crime of 178 and 219, respectively.

	Crime Risk Index	
	Site ZIP Code	Portsmouth city
<b>Total Crime</b>	<b>221</b>	<b>213</b>
<b>Personal Crime</b>	<b>186</b>	<b>178</b>
Murder	355	322
Rape	121	126
Robbery	215	217
Assault	182	168
<b>Property Crime</b>	<b>226</b>	<b>219</b>
Burglary	271	247
Larceny	222	219
Motor Vehicle Theft	161	159

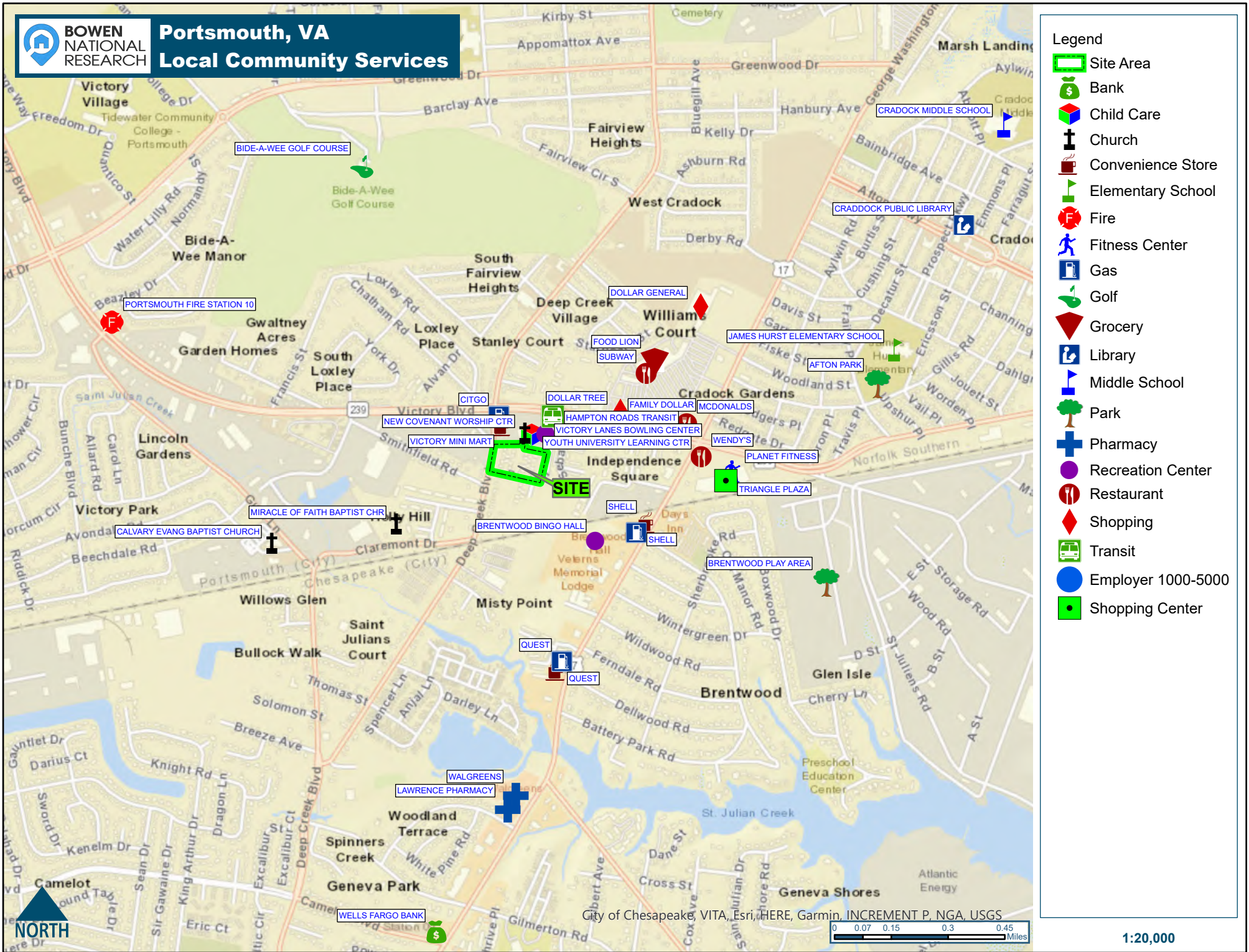
Source: Applied Geographic Solutions

The crime risk index reported for the Site ZIP Code (221) is very similar to that reported for the City of Portsmouth (213), though both are above the national average of 100. Crime indexes such as those reported for the site area and City of Portsmouth, however, are not uncommon for established and densely populated areas such as the Portsmouth market. Further, the high occupancy rates reported among existing rental properties surveyed in the market, including the existing subject property which is 100.0% occupied, are clear indications that crime is not a factor impacting the area rental market. We do not expect crime to have any adverse impact on the continued marketability of the subject project following renovations.

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

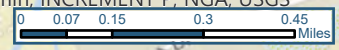


# Portsmouth, VA Local Community Services



- Legend**
- Site Area
  - Bank
  - Child Care
  - Church
  - Convenience Store
  - Elementary School
  - Fire
  - Fitness Center
  - Gas
  - Golf
  - Grocery
  - Library
  - Middle School
  - Park
  - Pharmacy
  - Recreation Center
  - Restaurant
  - Shopping
  - Transit
  - Employer 1000-5000
  - Shopping Center

City of Chesapeake, VITA, Esri, HERE, Garmin, INCREMENT P, NGA, USGS

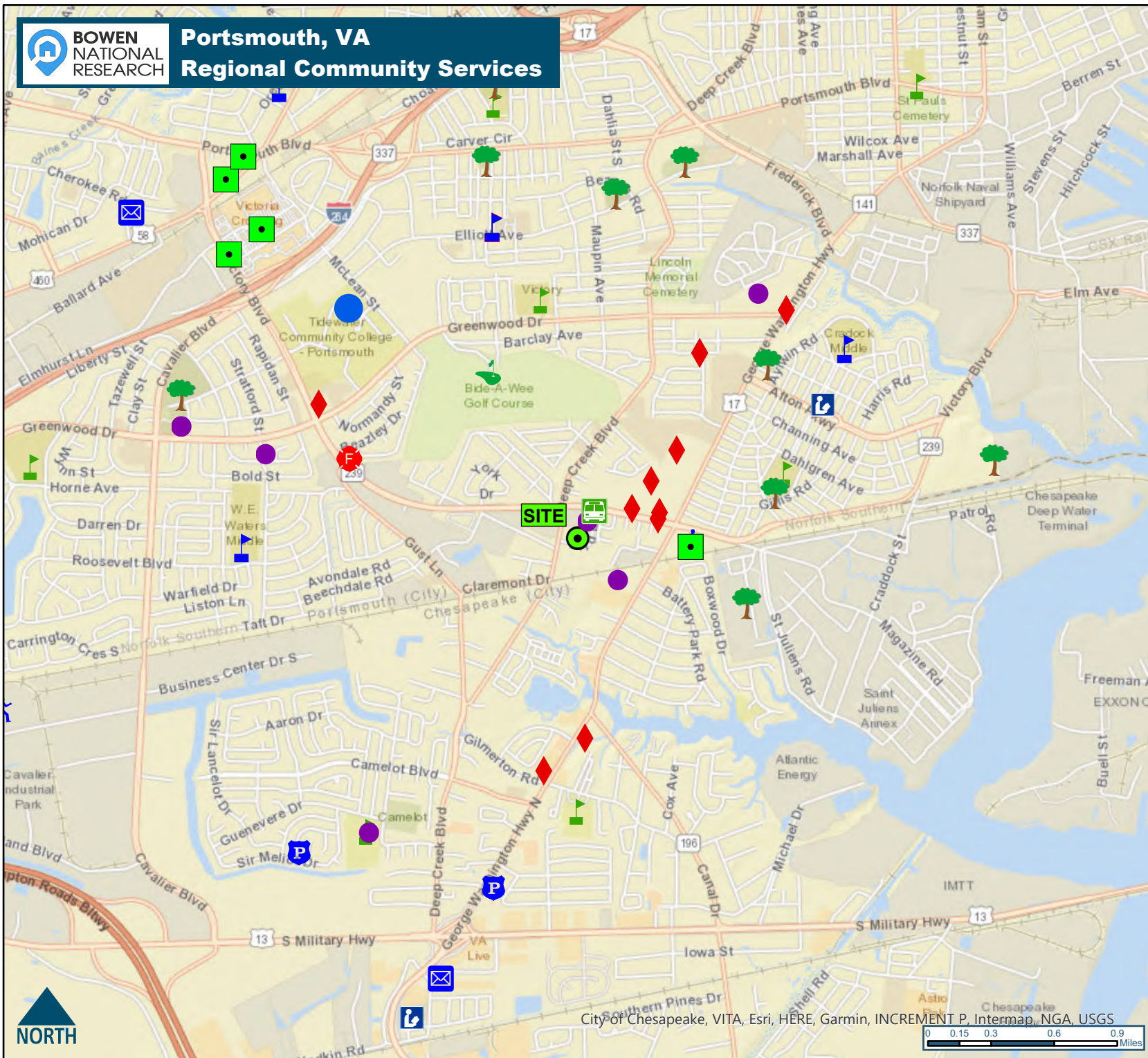


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# Portsmouth, VA Regional Community Services



- Legend**
- Site
  - Elementary School
  - Fire
  - Fitness Center
  - Golf
  - High School
  - Library
  - Middle School
  - Park
  - Police
  - Post Office
  - Recreation Center
  - Shopping
  - Transit
  - Employer 1000-5000
  - Shopping Center



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



1:40,000





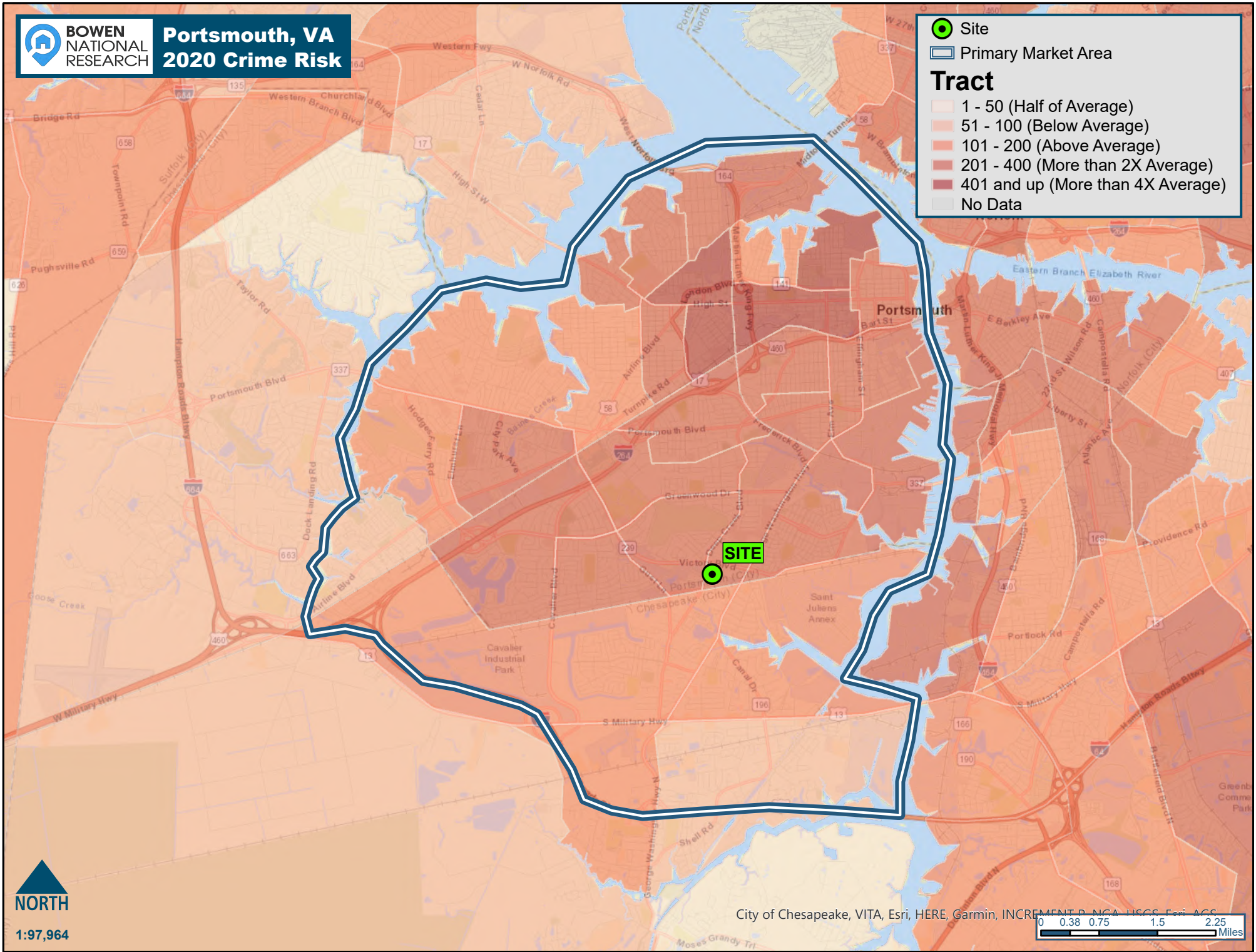
# Portsmouth, VA 2020 Crime Risk

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



1:97,964

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

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

The Portsmouth Site PMA includes the southern portion of Portsmouth as well as a portion of Chesapeake, Virginia. The boundaries of the Portsmouth Site PMA include the Elizabeth River to the north, east and west and Interstate 64 to the south.

- Katriana Cross is a Leasing Agent at Crescent Place, a Tax Credit community within the Site PMA boundaries. Ms. Cross stated that most of the people that move into her property are from the surrounding Portsmouth area, with a few exceptions for those that relocated from out-of-state. Ms. Cross believed that a new Tax Credit property in the city would also expect to receive interest from local residents. Ms. Cross confirmed the boundaries of the Portsmouth Site PMA.

We recognize that a small portion of support may originate from some of the outlying areas of Portsmouth and suburban communities in the area. Such areas include Norfolk to the northwest and Chesapeake to the south. We have not, however, considered any secondary market area in this report as the cities of Norfolk and Chesapeake are significant in size and are considered self-sufficient in terms of housing and employment opportunities.

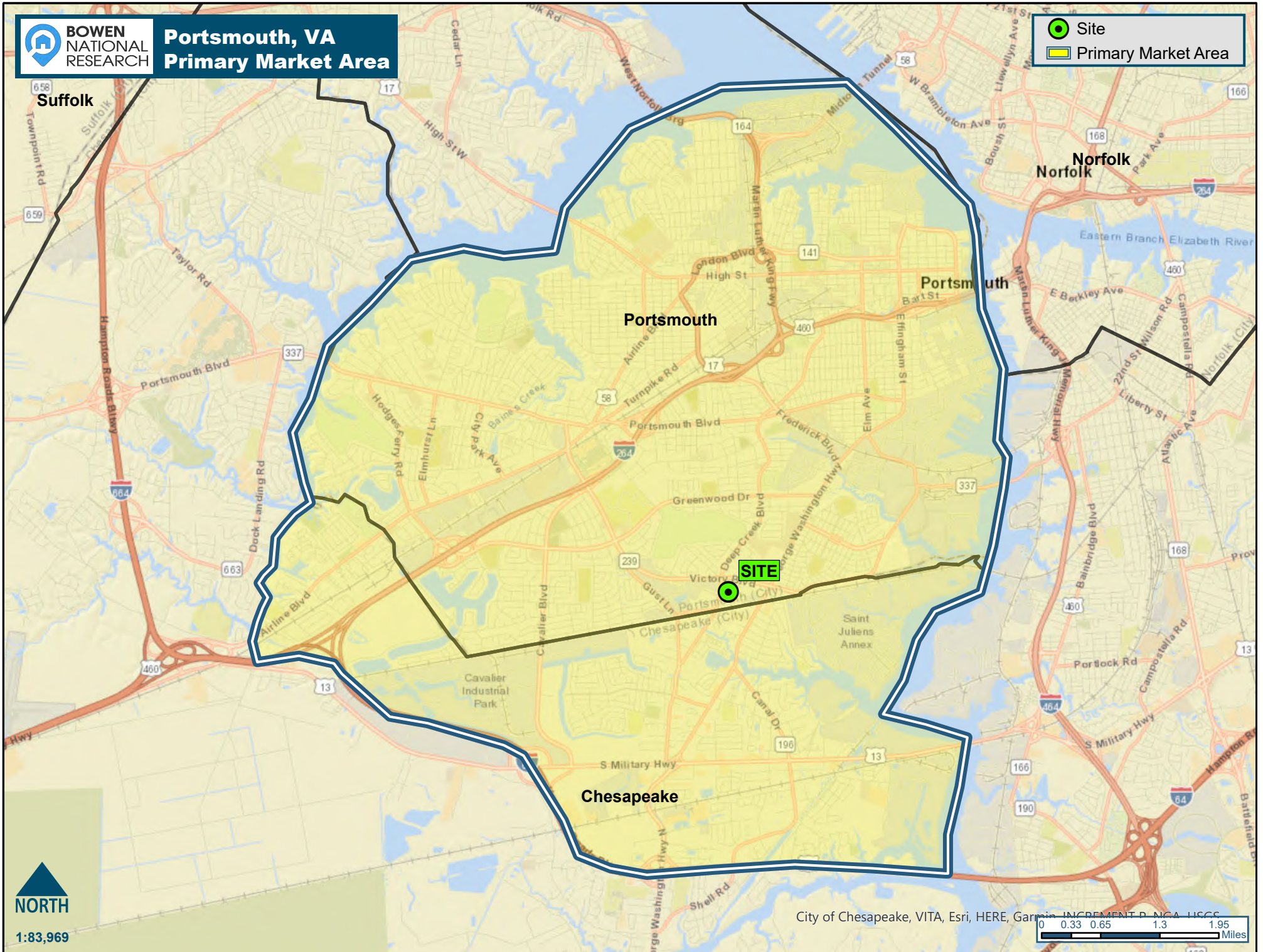
A map delineating the boundaries of the Site PMA is included on the following page.





# Portsmouth, VA Primary Market Area

- Site
- Primary Market Area



1:83,969

## 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	93,334	91,646	92,670	92,711
Population Change	-	-1,688	1,024	41
Percent Change	-	-1.8%	1.1%	< 0.1%

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

The Portsmouth Site PMA population base declined by 1,688 between 2000 and 2010. This represents a 1.8% decline over the 2000 population, or an annual rate of 0.2%. Between 2010 and 2021, the population increased by 1,024, or 1.1%. It is projected that the population will increase by 41, or less than 0.1%, 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	24,845	27.1%	23,869	25.8%	24,021	25.9%	152	0.6%
20 to 24	6,804	7.4%	5,975	6.4%	5,768	6.2%	-207	-3.5%
25 to 34	13,633	14.9%	13,370	14.4%	12,416	13.4%	-954	-7.1%
35 to 44	10,999	12.0%	12,186	13.1%	12,774	13.8%	588	4.8%
45 to 54	13,100	14.3%	10,605	11.4%	10,648	11.5%	43	0.4%
55 to 64	10,415	11.4%	11,380	12.3%	10,264	11.1%	-1,116	-9.8%
65 to 74	6,141	6.7%	8,814	9.5%	9,654	10.4%	840	9.5%
75 & Over	5,709	6.2%	6,472	7.0%	7,167	7.7%	695	10.7%
Total	91,646	100.0%	92,670	100.0%	92,711	100.0%	41	0.0%

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

As the preceding table illustrates, over 51% of the population is estimated to be between 25 and 64 years old in 2021. This age group is the primary group of potential renters for the subject site and will likely represent a significant number of the tenants.



## 2. HOUSEHOLD TRENDS

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

	Year			
	2000 (Census)	2010 (Census)	2021 (Estimated)	2026 (Projected)
Households	35,420	35,009	35,329	35,273
Household Change	-	-411	320	-56
Percent Change	-	-1.2%	0.9%	-0.2%
Household Size	2.64	2.62	2.54	2.55

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

Within the Portsmouth Site PMA, households declined by 411 (1.2%) between 2000 and 2010. Between 2010 and 2021, households increased by 320 or 0.9%. By 2026, there will be 35,273 households, a decline of 56 households, or 0.2% over 2021 levels. This is a decline of approximately 11 households annually over the next five years, which is nominal and not expected to have any tangible impact on the overall housing market within the Portsmouth Site PMA.

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	1,819	5.2%	1,555	4.4%	1,559	4.4%	4	0.3%
25 to 34	6,017	17.2%	5,790	16.4%	5,333	15.1%	-457	-7.9%
35 to 44	5,576	15.9%	6,022	17.0%	6,246	17.7%	224	3.7%
45 to 54	7,140	20.4%	5,494	15.6%	5,465	15.5%	-29	-0.5%
55 to 64	6,284	17.9%	6,485	18.4%	5,785	16.4%	-700	-10.8%
65 to 74	4,056	11.6%	5,534	15.7%	5,997	17.0%	463	8.4%
75 to 84	2,849	8.1%	3,095	8.8%	3,400	9.6%	305	9.9%
85 & Over	1,268	3.6%	1,355	3.8%	1,489	4.2%	134	9.9%
Total	35,009	100.0%	35,329	100.0%	35,273	100.0%	-56	-0.2%

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

While the overall household base is projected to decline, growth is projected among various age segments between 2021 and 2026, including seniors age 65 and older and younger households between the ages of 35 and 44. Further, the subject's primary age group (25 to 64) is projected to comprise nearly two-thirds (64.7%) of the overall household base through 2026. The preceding factors demonstrate ongoing demand for both general-occupancy and senior-oriented housing alternatives within this market.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2021 (Estimated)		2026 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	20,657	59.0%	19,209	54.4%	19,294	54.7%
Renter-Occupied	14,352	41.0%	16,120	45.6%	15,979	45.3%
Total	35,009	100.0%	35,329	100.0%	35,273	100.0%

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

In 2021, homeowners occupied 54.4% of all occupied housing units, while the remaining 45.6% were occupied by renters. This is a good share of renters and demonstrates a good base of potential renter support in the market for the subject project. Although the number of renter households is projected to decline between 2021 and 2026, they will do so at a low annual rate of approximately 28 households during this time period and nearly 16,000 renter households are projected to remain in the market through 2026.

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	6,901	42.8%	6,998	43.8%	96	1.4%
2 Persons	4,165	25.8%	3,990	25.0%	-175	-4.2%
3 Persons	2,678	16.6%	2,656	16.6%	-22	-0.8%
4 Persons	1,369	8.5%	1,376	8.6%	7	0.5%
5 Persons+	1,006	6.2%	959	6.0%	-47	-4.7%
Total	16,120	100.0%	15,979	100.0%	-141	-0.9%

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	5,909	30.8%	6,050	31.3%	140	2.4%
2 Persons	6,881	35.8%	6,869	35.6%	-12	-0.2%
3 Persons	3,250	16.9%	3,271	17.0%	21	0.6%
4 Persons	2,097	10.9%	2,083	10.8%	-14	-0.7%
5 Persons+	1,075	5.6%	1,025	5.3%	-50	-4.6%
Total	19,212	100.0%	19,298	100.0%	86	0.4%

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

The two- and three-bedroom units offered at the subject project are expected to continue to house up to five-person households. Thus, the subject project will be able to accommodate most renter households in this market, based on household size.

### 3. INCOME TRENDS

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

Household Income	2010 (Census)		2021 (Estimated)		2026 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	3,734	10.7%	3,883	11.0%	3,638	10.3%
\$10,000 to \$19,999	4,814	13.8%	3,933	11.1%	3,562	10.1%
\$20,000 to \$29,999	4,067	11.6%	4,064	11.5%	3,821	10.8%
\$30,000 to \$39,999	4,482	12.8%	3,688	10.4%	3,494	9.9%
\$40,000 to \$49,999	4,050	11.6%	3,522	10.0%	3,494	9.9%
\$50,000 to \$59,999	2,898	8.3%	2,559	7.2%	2,717	7.7%
\$60,000 to \$74,999	4,117	11.8%	3,435	9.7%	3,558	10.1%
\$75,000 to \$99,999	3,247	9.3%	4,669	13.2%	4,959	14.1%
\$100,000 to \$124,999	1,668	4.8%	2,485	7.0%	2,705	7.7%
\$125,000 to \$149,999	952	2.7%	1,294	3.7%	1,354	3.8%
\$150,000 to \$199,999	696	2.0%	1,100	3.1%	1,198	3.4%
\$200,000 & Over	284	0.8%	700	2.0%	777	2.2%
Total	35,009	100.0%	35,332	100.0%	35,277	100.0%
Median Income	\$41,006		\$45,955		\$48,937	

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

In 2010, the median household income was \$41,006. This increased by 12.1% to \$45,955 in 2021. By 2026, it is projected that the median household income will be \$48,937, an increase of 6.5% over 2021.

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

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	992	724	392	198	194	2,499
\$10,000 to \$19,999	1,223	850	460	232	228	2,993
\$20,000 to \$29,999	879	621	336	170	167	2,172
\$30,000 to \$39,999	696	606	328	165	163	1,958
\$40,000 to \$49,999	578	472	255	129	127	1,561
\$50,000 to \$59,999	299	267	145	73	72	855
\$60,000 to \$74,999	417	384	208	105	103	1,217
\$75,000 to \$99,999	229	215	116	59	58	676
\$100,000 to \$124,999	75	73	40	20	20	227
\$125,000 to \$149,999	43	41	22	11	11	129
\$150,000 to \$199,999	15	14	8	4	4	44
\$200,000 & Over	6	6	3	2	2	18
Total	5,451	4,273	2,314	1,167	1,148	14,352

Source: ESRI; Urban Decision Group

Renter Households	2021 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	1,229	697	448	229	168	2,772
\$10,000 to \$19,999	1,247	590	379	194	142	2,552
\$20,000 to \$29,999	1,077	581	373	191	140	2,362
\$30,000 to \$39,999	837	533	343	175	129	2,017
\$40,000 to \$49,999	806	478	307	157	115	1,863
\$50,000 to \$59,999	373	270	174	89	65	970
\$60,000 to \$74,999	514	357	229	117	86	1,303
\$75,000 to \$99,999	436	344	221	113	83	1,198
\$100,000 to \$124,999	184	154	99	51	37	524
\$125,000 to \$149,999	98	79	51	26	19	272
\$150,000 to \$199,999	61	51	33	17	12	175
\$200,000 & Over	40	32	21	11	8	111
Total	6,901	4,165	2,678	1,369	1,006	16,120

Source: ESRI; Urban Decision Group

Renter Households	2026 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	1,164	637	424	220	153	2,600
\$10,000 to \$19,999	1,132	503	335	174	121	2,265
\$20,000 to \$29,999	1,009	523	348	180	126	2,186
\$30,000 to \$39,999	840	508	338	175	122	1,983
\$40,000 to \$49,999	910	480	319	165	115	1,989
\$50,000 to \$59,999	424	284	189	98	68	1,063
\$60,000 to \$74,999	575	363	242	125	87	1,393
\$75,000 to \$99,999	463	335	223	116	81	1,218
\$100,000 to \$124,999	222	169	112	58	41	602
\$125,000 to \$149,999	114	83	55	29	20	302
\$150,000 to \$199,999	86	64	42	22	15	229
\$200,000 & Over	58	41	27	14	10	149
Total	6,998	3,990	2,656	1,376	959	15,979

Source: ESRI; Urban Decision Group

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

### Demographic Summary

The household base within the Portsmouth Site PMA is projected to decline between 2021 and 2026, though at a nominal annual rate of just 11 households. Further, while the overall household base is projected to decline slightly over the next five years, some growth is projected among households between the ages of 35 and 44, and among seniors age 65 and older. Household decline is also projected to be concentrated among renter households over the next five years, though it is important to note that nearly 16,000 renter households are projected to remain in the market through 2026. Further, nearly 70.0% of all renter households are projected to earn less than \$50,000 in 2026. Based on the preceding factors, a large base of potential support for affordable rental product such as that offered at the subject project will continue to exist within the Portsmouth Site PMA, despite the slight overall household decline projected for this market.

## D. LOCAL ECONOMIC PROFILE AND ANALYSIS

### 1. LABOR FORCE PROFILE

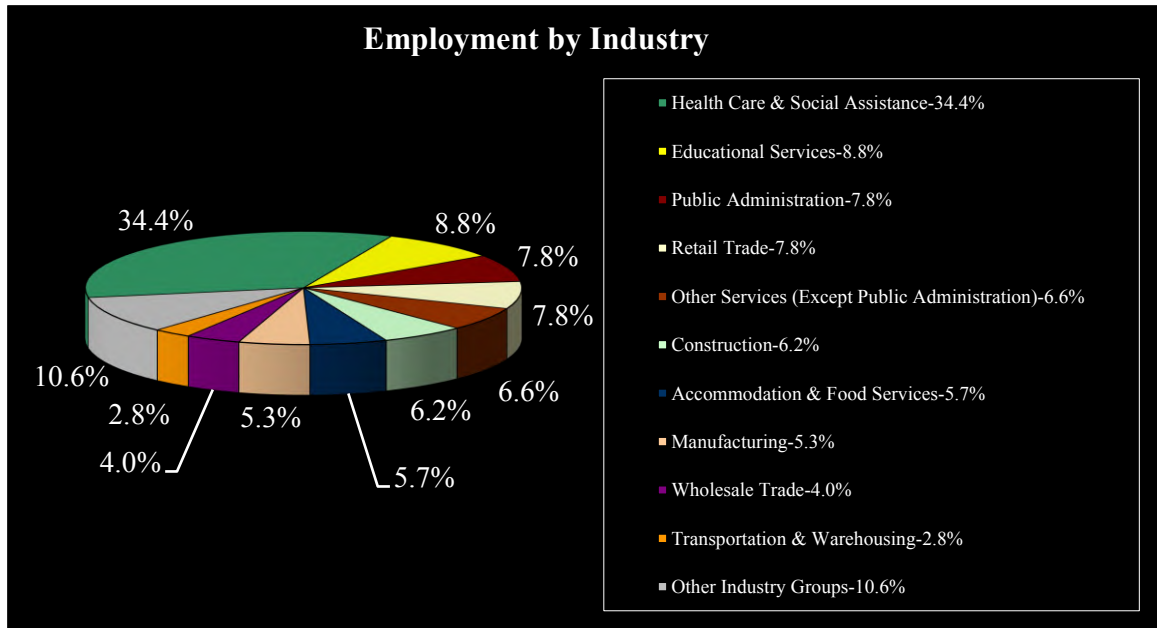
The labor force within the Portsmouth Site PMA is based primarily in one sector. Health Care & Social Assistance is the largest share in the market comprising over 34% of the Site PMA labor force. Employment in the Portsmouth Site PMA, as of 2021, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	6	0.2%	31	0.1%	5.2
Mining	1	0.0%	13	0.0%	13.0
Utilities	5	0.2%	107	0.2%	21.4
Construction	195	7.6%	2,715	6.2%	13.9
Manufacturing	99	3.9%	2,294	5.3%	23.2
Wholesale Trade	109	4.3%	1,764	4.0%	16.2
Retail Trade	384	15.0%	3,389	7.8%	8.8
Transportation & Warehousing	105	4.1%	1,234	2.8%	11.8
Information	28	1.1%	759	1.7%	27.1
Finance & Insurance	72	2.8%	430	1.0%	6.0
Real Estate & Rental & Leasing	138	5.4%	580	1.3%	4.2
Professional, Scientific & Technical Services	167	6.5%	1,173	2.7%	7.0
Management of Companies & Enterprises	1	0.0%	4	0.0%	4.0
Administrative, Support, Waste Management & Remediation Services	74	2.9%	769	1.8%	10.4
Educational Services	56	2.2%	3,845	8.8%	68.7
Health Care & Social Assistance	200	7.8%	15,014	34.4%	75.1
Arts, Entertainment & Recreation	48	1.9%	414	0.9%	8.6
Accommodation & Food Services	172	6.7%	2,485	5.7%	14.4
Other Services (Except Public Administration)	414	16.2%	2,894	6.6%	7.0
Public Administration	144	5.6%	3,411	7.8%	23.7
Nonclassifiable	144	5.6%	338	0.8%	2.3
Total	2,562	100.0%	43,663	100.0%	17.0

\*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 proposed project will target households with incomes generally below \$50,000. Thus, the area employment base appears to have a significant number of income-appropriate occupations from which the subject project will be able to continue to draw renter support.

The ten largest employers within the Portsmouth area are summarized as follows:

Employer Name	Business Type	Total Employed
Naval Medical Center	Medical	1,000+
Bon Secours Maryview Medical Center	Medical	1,000+
Harbor Point Behavioral Health	Medical	1,000+
TowneBank	Banking	1,000+
Cintas Uniform Service	Clothes Manufacturing	250-499
WVBT	Media	250-499
Portsmouth Professional	Unknown	100-299
WAVY TV	Television	100-299
Holiday House of Portsmouth	Medical	100-299
Crofton Diving Corp	Marine Construction	100-299
Total		4,900-6,194

Source: Portsmouth Economic Development (May 2020)

According to a representative with Portsmouth Economic Development, the Portsmouth economy is improving. There are three major developments currently underway within the county, and one project in the Offshore Wind sector of Portsmouth that according to our contact has yet to be announced but will be bringing 250 jobs to the area over the next few years. These projects will bring a total of at least 3,035 jobs to the area.

The largest and most notable of these projects is the Rivers Casino Portsmouth that is planned to break ground in May 2021. This development will cost roughly \$300 million and will create 1,200 jobs within the city, as well as 1,400 jobs during construction, which is estimated to begin in September of 2021. The current estimated completion date for the Casino is October 2022.

It is also of note that the Dry Dock Floodwall Protection Improvements Project is currently under construction and is the only major infrastructure project happening near Portsmouth. The project is in Norfolk and will include 12 phases of construction. The goal is to add a perimeter floodwall around the dry dock area of the Norfolk Naval Shipyard. The project will cost a total of \$43.6 million and is expected to be complete in the summer of 2023.

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed on February 12, 2021 and according to the Virginia Employment Commission there have been no WARN notices reported for Portsmouth over the past 12 months.

**2. EMPLOYMENT TRENDS**

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

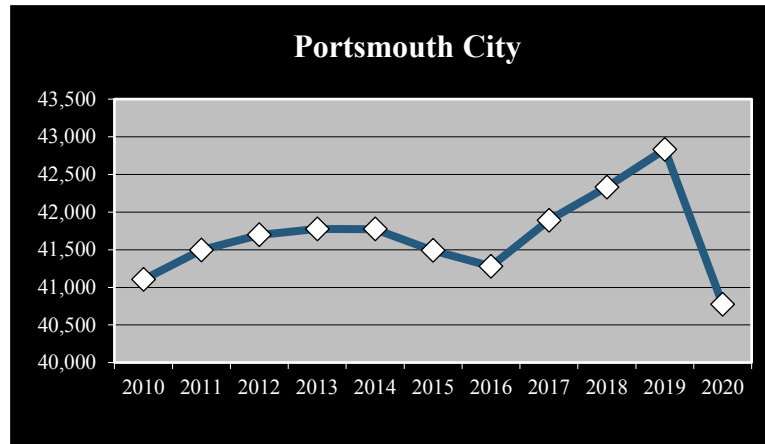
Excluding 2020, the employment base has increased by 3.2% over the past five years in Portsmouth City, less than the Virginia state increase of 6.5%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Portsmouth City		Virginia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2010	41,102	-	3,860,386	-	140,469,139	-
2011	41,496	1.0%	3,934,326	1.9%	141,791,255	0.9%
2012	41,698	0.5%	3,967,987	0.9%	143,621,634	1.3%
2013	41,776	0.2%	3,995,182	0.7%	145,017,562	1.0%
2014	41,773	0.0%	4,019,470	0.6%	147,313,048	1.6%
2015	41,490	-0.7%	4,028,801	0.2%	149,500,941	1.5%
2016	41,279	-0.5%	4,069,395	1.0%	151,887,366	1.6%
2017	41,889	1.5%	4,151,746	2.0%	154,160,937	1.5%
2018	42,331	1.1%	4,209,651	1.4%	156,081,212	1.2%
2019	42,831	1.2%	4,289,132	1.9%	158,102,439	1.3%
2020	40,772	-4.8%	4,086,176	-4.7%	147,888,051	-6.5%

Source: Department of Labor; Bureau of Labor Statistics



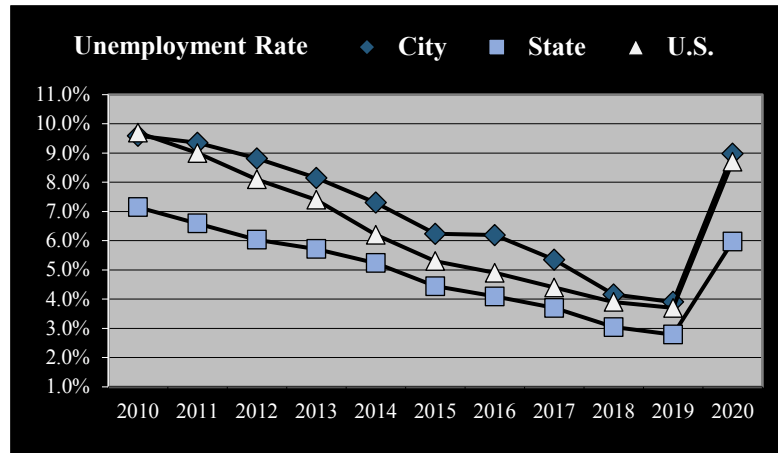


As the preceding illustrates, the employment base within the City of Portsmouth steadily increased by at least 1.1% each year between 2017 and 2019. Specifically, the employment base increased by 1,552 jobs, or 3.8%, during this time period. Since, however, the employment base declined by 2,059, or 4.8%. This decline is reflective of the impact of COVID-19 which resulted the closure of many non-essential businesses throughout the country beginning in March/April of 2020. It is of note that while the local employment base did decline some as a result of COVID-19, the rate of decline reported for both the City of Portsmouth (4.8%) and the state of Virginia (4.7%) are well below the national rate of decline (6.5%) for the year 2020.

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

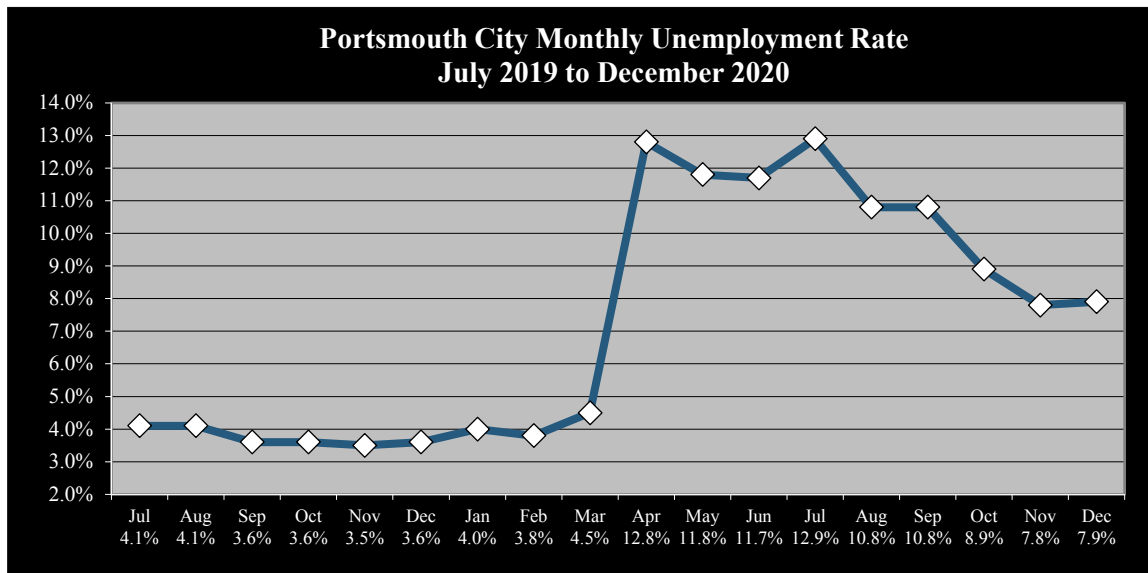
Year	Unemployment Rate		
	Portsmouth City	Virginia	United States
2010	9.6%	7.2%	9.7%
2011	9.4%	6.6%	9.0%
2012	8.8%	6.0%	8.1%
2013	8.2%	5.7%	7.4%
2014	7.3%	5.2%	6.2%
2015	6.2%	4.4%	5.3%
2016	6.2%	4.1%	4.9%
2017	5.4%	3.7%	4.4%
2018	4.2%	3.0%	3.9%
2019	3.9%	2.8%	3.7%
2020	9.0%	6.0%	8.7%

Source: Department of Labor, Bureau of Labor Statistics



The unemployment rate in the City of Portsmouth declined by nearly six full percentage points between 2010 and 2019, reaching a low of 3.9% during this time period. The annual unemployment rate reported for 2020, however, is 9.0%, more than five full percentage points higher than that reported in 2019. Similar to the decline in total employment, this elevated unemployment rate is reflective of the impact of the COVID-19 pandemic.

The following table illustrates the monthly unemployment rate in the City of Portsmouth for the most recent 18-month period for which data is currently available.



The monthly unemployment rate within the City of Portsmouth reached a high of 12.9% (July) during the initial impact of COVID-19. Since this increase, however, the monthly unemployment rate has declined to a rate of 7.9% for the month of December 2020. This is a good indication that many workers which were laid off or terminated due to COVID-19 have gone back to work or found new employment opportunities.

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 the City of Portsmouth.

In-Place Employment Portsmouth City			
Year	Employment	Change	Percent Change
2010	42,296	-	-
2011	43,282	986	2.3%
2012	43,920	638	1.5%
2013	44,647	727	1.7%
2014	44,093	-554	-1.2%
2015	44,750	657	1.5%
2016	43,715	-1,035	-2.3%
2017	43,638	-77	-0.2%
2018	44,343	705	1.6%
2019	44,682	339	0.8%
2020*	43,449	-1,233	-2.8%

Source: Department of Labor, Bureau of Labor Statistics

\*Through June

Data for 2019, the most recent year that year-end figures are available, indicates in-place employment in the City of Portsmouth to be 104.3% of the total City of Portsmouth employment. This means that the City of Portsmouth has more employed persons coming to the county from other counties for work (daytime employment) than those who both live and work there.

### **3. ECONOMIC FORECAST**

Prior to the impact of COVID-19, the Portsmouth economy experienced notable employment growth and a steadily declining annual unemployment rate. Specifically, the employment base added more than 1,500 jobs between 2017 and 2019 while the unemployment rate declined by nearly six full percentage points between 2010 and 2019. However, like much of the country, the local Portsmouth economy experienced a significant downturn in 2020 due to the impact of COVID-19. Since the end of 2019, the City of Portsmouth's employment base declined by more than 2,000 jobs while the annual unemployment rate spiked to a rate of 9.0% in 2020. The monthly unemployment rate within the city reached a high of 12.9% during the initial impact of the pandemic. It is of note, however, that the monthly unemployment rate has declined by five full percentage points since reaching a high of 12.9% in July of 2020. This is a good indication that many workers which may have been laid off/terminated due to COVID-19 have gone back to work or found new employment opportunities. Further, there are several economic development projects currently in the pipeline for the Portsmouth area which are expected to contribute to economic recovery efforts in the area for the foreseeable future.

#### 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	33,219	81.8%
Carpooled	3,493	8.6%
Public Transit	827	2.0%
Walked	1,199	3.0%
Other Means	910	2.2%
Worked at Home	950	2.3%
Total	40,598	100.0%

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

Nearly 82% of all workers drove alone, 8.6% carpooled and only 2.0% used public transportation. Given the subject site serves low-income households and is within walking distance of a public bus stop, we anticipate a good share of site residents' use of 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	9,769	24.1%
15 to 29 Minutes	15,745	38.8%
30 to 44 Minutes	9,526	23.5%
45 to 59 Minutes	2,972	7.3%
60 or More Minutes	1,637	4.0%
Worked at Home	950	2.3%
Total	40,599	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 30-minute drive to many of the area's largest employers, which should contribute to the project's marketability. A drive-time map for the subject site is on the following page.



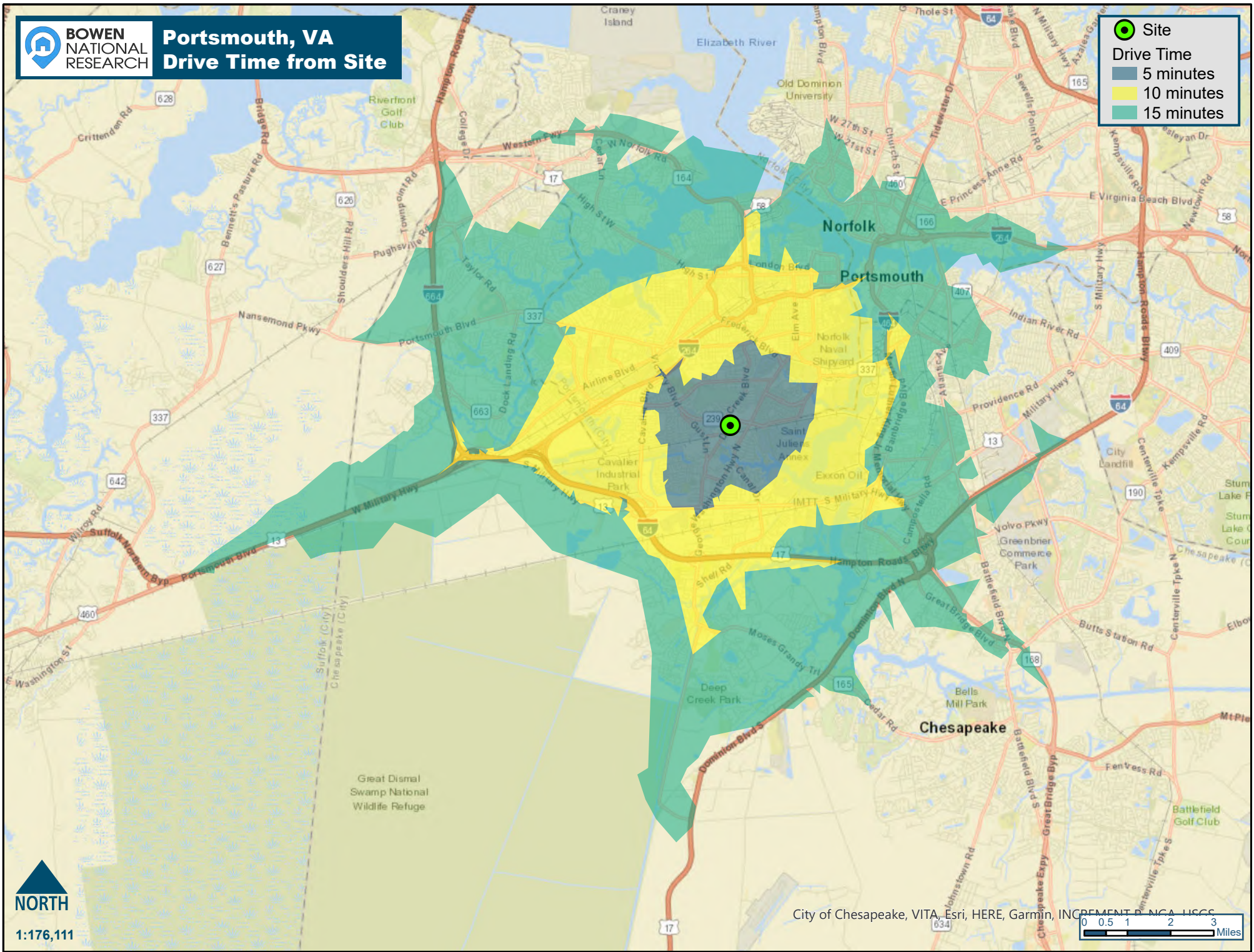


# Portsmouth, VA Drive Time from Site

Site

Drive Time

- 5 minutes
- 10 minutes
- 15 minutes



1:176,111

## V. Rental Housing Analysis (Supply)

### A. OVERVIEW OF RENTAL HOUSING

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

Housing Status	2010 (Census)		2021 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	35,009	91.4%	35,329	90.8%
Owner-Occupied	20,657	59.0%	19,209	54.4%
Renter-Occupied	14,352	41.0%	16,120	45.6%
Vacant	3,289	8.6%	3,565	9.2%
Total	38,298	100.0%	38,894	100.0%

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

Based on a 2021 update of the 2010 Census, of the 38,894 total housing units in the market, 9.2% were vacant. In 2021, it was estimated that homeowners occupied 54.4% of all occupied housing units, while the remaining 45.6% were occupied by renters.

#### Conventional Apartments

We identified and personally surveyed 22 conventional rental housing projects containing a total of 2,970 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 good rate for rental housing. Each rental housing segment surveyed is summarized in the following table.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	10	1,249	27	97.8%
Tax Credit	8	1,441	14	99.0%
Tax Credit/Government-Subsidized	2	94	0	100.0%
Market-Rate/Tax Credit/Government-Subsidized	1	84	0	100.0%
Government-Subsidized	1	102	0	100.0%
Total	22	2,970	41	98.6%

A variety of rental product is offered within the Portsmouth Site PMA, as evident by our survey. All rental housing segments surveyed report occupancy rates of 97.8% or higher, indicating that rental product is in strong demand across multiple affordability levels within this market.



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

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	6	0.5%	0	0.0%	\$1,192
One-Bedroom	1.0	492	37.7%	12	2.4%	\$1,295
One-Bedroom	1.5	78	6.0%	4	5.1%	\$1,153
Two-Bedroom	1.0	241	18.5%	5	2.1%	\$1,038
Two-Bedroom	1.5	32	2.5%	0	0.0%	\$1,232
Two-Bedroom	2.0	362	27.7%	6	1.7%	\$1,528
Two-Bedroom	2.5	10	0.8%	0	0.0%	\$2,595
Three-Bedroom	1.0	26	2.0%	0	0.0%	\$967
Three-Bedroom	2.0	58	4.4%	0	0.0%	\$1,419
<b>Total Market-Rate</b>		<b>1,305</b>	<b>100.0%</b>	<b>27</b>	<b>2.1%</b>	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	77	5.3%	0	0.0%	\$886
Two-Bedroom	1.0	719	49.9%	12	1.7%	\$1,012
Two-Bedroom	1.5	80	5.6%	0	0.0%	\$1,098
Two-Bedroom	2.0	282	19.6%	1	0.4%	\$1,095
Three-Bedroom	1.0	13	0.9%	0	0.0%	\$1,213
Three-Bedroom	1.5	80	5.6%	0	0.0%	\$1,232
Three-Bedroom	2.0	190	13.2%	1	0.5%	\$1,293
<b>Total Tax Credit</b>		<b>1,441</b>	<b>100.0%</b>	<b>14</b>	<b>1.0%</b>	-

The market-rate units are 97.9% occupied and the non-subsidized Tax Credit units are 99.0% occupied. As vacancy rates do not exceed 1.7% among any of the non-subsidized Tax Credit unit types offered, it is clear that Tax Credit product is in strong demand among households of all sizes within this market.

**Tax Credit Property Disclosure:** In addition to the 11 Tax Credit properties surveyed, we are also aware of four additional properties which operate and/or were allocated under the Tax Credit program within the Portsmouth Site PMA. These four properties include *Ansell Gardens*, *Pine Street Village II*, *Seaboard Square I & II*, and *Victory Village*. Based on our research, all four of these properties are general-occupancy (family) projects. In total, these four properties are believed to offer 306 units, though 100 of these units (all at Seaboard Square I & II) also operate with a concurrent subsidy. As the subject project will operate with a project-based subsidy available to some units, it is expected to have some competitive overlap with each of the aforementioned properties. However, as these properties were unable to be surveyed at the time of this analysis, they have been excluded from our Field Survey of Conventional Rentals. These properties have been considered, however, in our market penetration rate calculation later in this report.

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

Year Built	Projects	Units	Vacancy Rate
Before 1970	2	302	3.3%
1970 to 1979	4	591	1.5%
1980 to 1989	6	702	0.6%
1990 to 1999	1	320	0.0%
2000 to 2009	3	522	3.1%
2010 to 2014	2	196	0.0%
2015	0	0	0.0%
2016	1	113	1.8%
2017	0	0	0.0%
2018	0	0	0.0%
2019	0	0	0.0%
2020	0	0	0.0%
2021*	0	0	0.0%

\*As of February

Nearly 33% of all apartments surveyed were built prior to 1980. These older apartments have a vacancy rate of 2.1%, higher than the overall market. Product surveyed that was built within the past ten years reports vacancy rates no higher than 1.8%. These are good indications that modern rental product is in high demand within this market. However, the low vacancy rates reported among older product also indicates that age of product does not have a direct correlation to occupancy in this market. While the subject project will not offer any new construction units, the proposed renovations will effectively enhance the age of the property which in turn is expected to enhance marketability.

We rated each property surveyed on a scale of "A" through "F". All 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
B+	3	507	4.5%
B	7	746	0.5%
B-	1	52	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	1	120	1.7%
B	6	1,218	0.8%
C+	1	103	1.9%

Non-subsidized Tax Credit product surveyed in the market is generally of good overall quality, as indicated by the quality ratings assigned by our analyst and detailed in the preceding table. The subject project is expected to have an improved overall quality/condition following renovations which will contribute to its continued marketability within this market.



### Government-Subsidized

The unit distribution of the government-subsidized projects, both with and without Tax Credits, surveyed within the Site PMA is summarized as follows.

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	16	13.1%	0	0.0%
Two-Bedroom	1.5	7	5.7%	0	0.0%
Two-Bedroom	2.0	81	66.4%	0	0.0%
Three-Bedroom	2.0	15	12.3%	0	0.0%
Three-Bedroom	2.5	3	2.5%	0	0.0%
<b>Total Subsidized Tax Credit</b>		<b>122</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>
Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
Two-Bedroom	2.0	61	59.8%	0	0.0%
Three-Bedroom	2.0	41	40.2%	0	0.0%
<b>Total Subsidized</b>		<b>102</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>

The subsidized units, both with and without Tax Credits, are 100.0% occupied. This is further indication of strong demand for affordable rental product within the Portsmouth Site PMA. As the subject property will offer some subsidized units and other non-subsidized units at a lower 50% Area Median Household Income (AMHI) level, it will continue to provide a rental alternative which will be affordable to very low-income renters within this market.

Additional information regarding the Portsmouth Site PMA apartment market is found in *Section XII*.

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

### Tax Credit

Following renovations, the subject project will offer two- and three-bedroom units targeting general-occupancy (family) households earning up to 50%, 60%, and 80% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program.

Within the Portsmouth Site PMA, we identified and surveyed eight non-subsidized general-occupancy Tax Credit properties which offer unit types similar to those proposed for the subject project. These properties are considered to be most comparable to and competitive with the subject project and thus have been included in our comparable analysis.

The eight comparable 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>Cross Creek Rehab</b>	<b>1969 / 2023</b>	<b>73*</b>	<b>100.0%</b>	<b>-</b>	<b>50 HH</b>	<b>Families; 50%, 60% &amp; 80% AMHI &amp; PBRA</b>
4	Belle Hall	2008	120	98.3%	2.8 Miles	None	Families; 60% AMHI
7	Crescent Place	2008	156	100.0%	3.1 Miles	None	Families; 60% AMHI
12	Independence Square	1985 / 2005	152	100.0%	0.8 Miles	None	Families; 60% AMHI
14	Mallard Cove Townhomes	1975 / 2000	160	100.0%	3.7 Miles	None	Families; 60% AMHI
15	Maplewood I & II	1991 / 2010	320	100.0%	4.0 Miles	None	Families; 60% AMHI
16	Marsh Landing	1942 / 1999	250	96.0%	1.5 Miles	None	Families; 60% AMHI
21	Thrive	1972 / 2016	103	98.1%	1.4 Miles	3-Br: 6 HH	Families; 60% AMHI
22	Whispering Oaks	1970 / 2004	180	100.0%	3.8 Miles	200 HH	Families; 60% AMHI

OCC. – Occupancy

\*Tax Credit units only

The eight LIHTC projects have a combined occupancy rate of 99.0% and five of eight properties are currently 100.0% occupied. None of the properties report individual occupancy rates below 96.0%. These are clear indications of strong and pent-up demand for additional general-occupancy LIHTC product within the Portsmouth Site PMA.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
4	Belle Hall	120	N/A	-
7	Crescent Place	156	81	51.9%
12	Independence Square	152	56	36.8%
14	Mallard Cove Townhomes	160	N/A	-
15	Maplewood I & II	320	N/A	-
16	Marsh Landing	250	N/A	-
21	Thrive	103	N/A	-
22	Whispering Oaks	180	24	13.3%
Total		488	161	33.0%

N/A – Number not available (units not included in total)

There are a total of approximately 161 voucher holders residing at the comparable properties for which this information was available. This comprises 33.0% of the 488 total non-subsidized LIHTC units offered among these properties. This is considered a moderate share of voucher support but also indicates that the gross rents at these properties are achievable and will serve as accurate benchmarks with which to compare the subject project, as approximately two-thirds of the units offered among these properties are occupied by non-voucher holders.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
			\$743/50% (4)*^ \$866/50% (12) \$946/60% (18) \$1,066/80% (2)	\$858/50% (4)*^ \$993/50% (15) \$1,068/60% (14) \$1,218/80% (4)	
<b>Site</b>	<b>Cross Creek Rehab</b>	-			-
4	Belle Hall	-	\$1,095/60% (76/1)	\$1,306/60% (44/1)	None
7	Crescent Place	\$933/60% (16/0)	\$1,121/60% (104/0)	\$1,286/60% (36/0)	None
12	Independence Square	\$886/60% (33/0)	\$1,012/60% (106/0)	\$1,213/60% (13/0)	None
14	Mallard Cove Townhomes	-	\$1,098/60% (80/0)	\$1,232/60% (80/0)	None
15	Maplewood I & II	-	\$1,085/60% (280/0)	\$1,293/60% (40/0)	None
16	Marsh Landing	-	\$855/60% (156/6) \$895/60% (94/4)	-	None
21	Thrive	-	\$1,099/60% (63/2)	\$1,293/60% (40/0)	None
22	Whispering Oaks	\$757/60% (28/0)	\$920/60% (20/0) \$949/60% (102/0)	\$1,110/60% (30/0)	None

\*Subsidized (residents pay 30% of their income, as this is a government-subsidized property, which also operates under the Tax Credit program)

^Income restricted to 50% AMHI, rent restricted to 40% AMHI

The subject's proposed gross Tax Credit rents are very competitive with, if not lower than, those reported for similar unit types among the comparable properties. It is also important to point out that the subject project will offer some units which will target households earning up to 80% of AMHI, an income level not targeted by any of the existing comparable properties. This is expected to create a competitive advantage for the subject property. This is especially true when considering that the subject rents at the higher 80% AMHI level will be priced similar to the rents reported among lower 60% AMHI targeting units at the comparable properties.

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		
		One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Cross Creek Rehab</b>	-	<b>682</b>	<b>874</b>
4	Belle Hall	-	1,051	1,178
7	Crescent Place	812	1,181	1,379
12	Independence Square	614	816	912
14	Mallard Cove Townhomes	-	1,002	1,202
15	Maplewood I & II	-	875	1,200
16	Marsh Landing	-	550 - 680	-
21	Thrive	-	975	1,200
22	Whispering Oaks	550	1,013 - 1,176	1,240

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Cross Creek Rehab</b>	-	<b>1.0</b>	<b>1.0</b>
4	Belle Hall	-	2.0	2.0
7	Crescent Place	1.0	2.0	2.0
12	Independence Square	1.0	1.0	1.0
14	Mallard Cove Townhomes	-	1.5	1.5
15	Maplewood I & II	-	1.0	2.0
16	Marsh Landing	-	1.0	-
21	Thrive	-	1.0	2.0
22	Whispering Oaks	1.0	1.0 - 2.0	2.0

The subject project will offer some of the smallest units among the comparable properties, in terms of square feet. The number of bathrooms offered is also generally inferior to those offered among the comparable properties. However, it should be pointed out that the subject property is comparable to Independence Square (Map ID 12), both in terms of unit size and number of bathrooms. This aforementioned property is currently 100.0% occupied and reports rents which are very similar to, if not higher than, those proposed for the subject project. Thus, the subject's unit sizes and number of bathrooms is not expected to have any adverse impact the overall marketability of the subject project as a Tax Credit property within the Portsmouth Site PMA.

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*	4	7	12	14	15	16	21	22	
Appliances	Dishwasher	X	X	X	X	X	X	X	X	
	Disposal		X	X	X	X		X	X	
	Icemaker			X				X		
	Microwave		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	
	Deck / Patio		X	X	X	X	S		X	
	Basement									
	Ceiling Fan	X				S	X			
	Controlled Access									
	E-Call System									
	Fireplace									
	Furnished									
	Security System									
	Sunroom									
	W/D Hookup		X	X		X		S	X	X
	W/D		O	O	X	O	X			O
	Walk-In Closet		X	X	X		S		X	
Window Treatments	X	X	X	X	X	X	X	X	X	
Flooring	Carpet		X	X	X	X	X	X	X	
	Ceramic Tile									
	Composite (VCT)(LVT)									
	Hardwood									
	Finished Concrete									
	Vinyl	X	X	X	X	X	X	X	X	
	Wood Laminate / Plank									
Upgraded	Premium Appliances									
	Premium Countertops									
	Premium Cabinetry									
	Premium Fixtures									
	High Ceilings									
	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): Cross Creek Rehab

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*	4	7	12	14	15	16	21	22	
Bike Racks / Storage	X									
Business Center **	X					X				
Car Care **										
Common Patio										
Community Garden										
Community Space	Activity / Craft Room									
	Chapel									
	Clubhouse		X	X		X			X	
	Conference Room							X		
	Community Kitchen									
	Community Room	X						X		
	Dining Room - Private									
	Dining Room - Public									
	Rooftop Lounge									
	Study Lounge									
	TV Lounge									
	Concierge Service **				X					
	Convenience Amenities **				X		X			
Courtyard										
Covered Outdoor Area **										
Elevator										
Laundry Room	X	X	X				X	X	X	
Meals										
On-Site Management	X	X	X	X	X	X	X	X	X	
Pet Care **				X						
Recreation	Basketball									
	Bocce Ball									
	Firepit									
	Fitness Center			X					X	
	Grill						X			
	Game Room - Billiards									
	Hiking - Walking Trail									
	Hot Tub									
	Library									
	Media Room / Theater									
	Picnic Table / Area				X		X			
	Playground	X	X		X	X	X	X	X	X
	Putting Green									
	Racquetball									
	Shuffleboard									
	Sports Court									
	Swimming Pool - Indoor									
	Swimming Pool - Outdoor			X	X	X	X			X
Tennis										
Volleyball										
Security	CCTV					X		X		
	Courtesy Officer				X	X	X	X	X	
	Gated Community									
	Gated Parking									
	Police Substation									
	Social Services **	X								
	Storage - Extra					S				
	Water Feature								X	
WiFi						X				

◆ - Senior Property

\* Proposed Site(s): Cross Creek Rehab

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

\*\* Details in Comparable Property Profile Report

The amenity package offered at the subject project is relatively limited by modern LIHTC standards. However, a limited amenity package is typical of an older existing subsidized property such as the subject project. Further, although the amenity package is somewhat limited, it will generally be competitive with those offered among the comparable LIHTC properties, most of which are also older properties similar to the subject project. The 100.0% occupancy rate currently reported at the subject property is further indication that the amenity package offered is marketable among lower-income households within the Portsmouth Site PMA.

#### Comparable/Competitive Tax Credit Summary

The eight comparable LIHTC properties surveyed report an overall occupancy rate of 99.0% and none of the properties report individual occupancy rates below 96.0%. Some properties also maintain waiting lists for their next available units, further demonstrating the strong and pent-up demand for general-occupancy LIHTC product in this market.

The subject's proposed rents are very competitive with those reported among the comparable properties, including the proposed rents for the higher 80% AMHI units at the site, as they will be priced similar to some lower 60% AMHI targeting units among the comparable properties. The subject property will offer the only units at this higher 80% AMHI level among the comparable properties, which is expected to create a competitive advantage for the property. Although the unit sizes (square feet), number of bathrooms, and amenities offered at the subject project are limited, they will be competitive with other LIHTC projects in the area. Overall, the subject project is considered marketable as proposed.

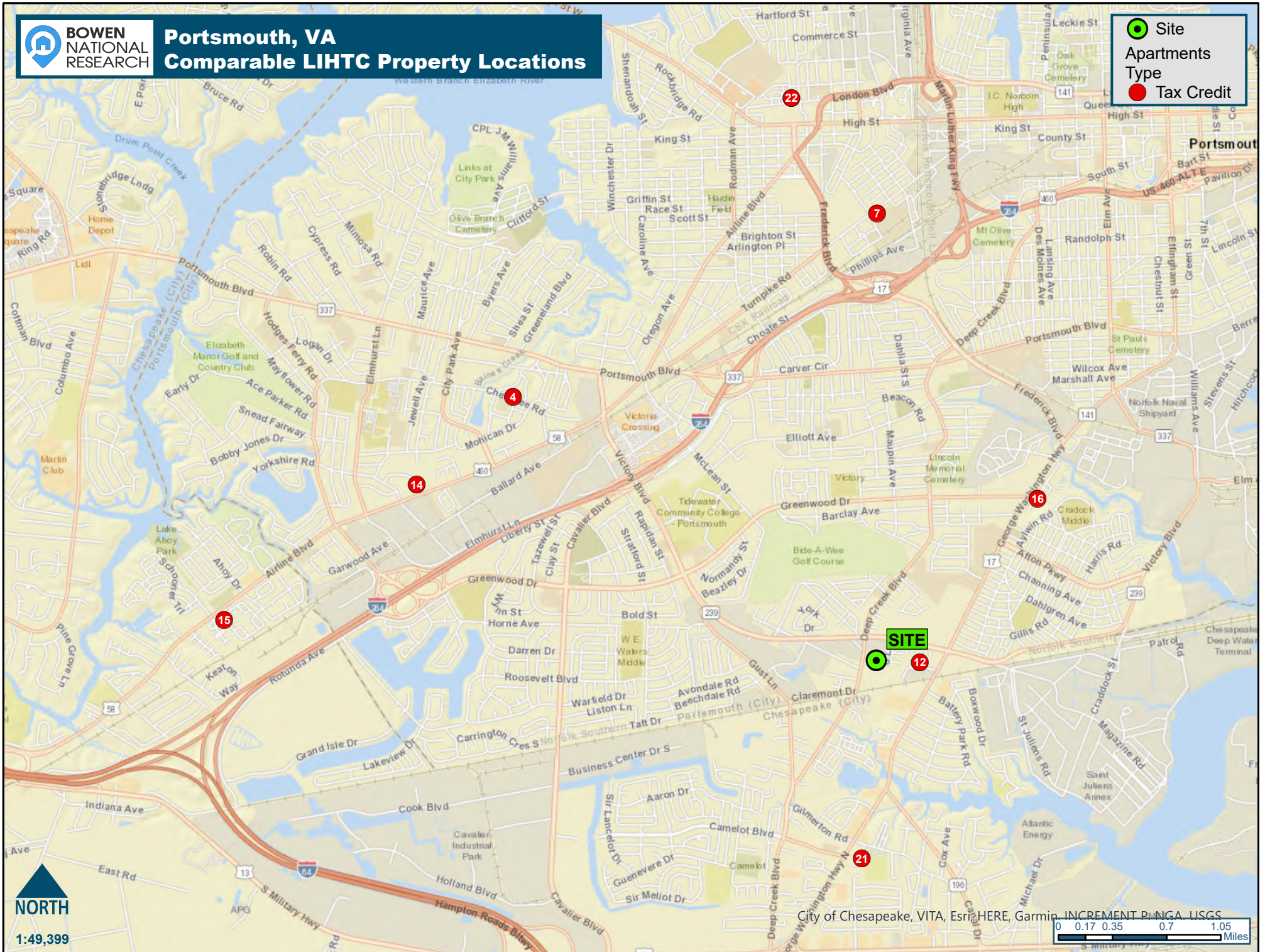
A map depicting the location of the most comparable LIHTC properties is included on the following page.





# Portsmouth, VA Comparable LIHTC Property Locations

- Site
- Apartments
- Type
- Tax Credit



1:49,399

City of Chesapeake, VITA, Esri, HERE, Garmin, INCREMENT P, INC, USGS





Market-Rate

In addition to the 73 Tax Credit units, the subject property will also offer five (5) market-rate units. As such, we identified five market-rate properties within the Portsmouth Site PMA and surrounding region that we consider most comparable to the subject project in terms of age, design, unit types, and/or amenities offered. These five comparable market-rate properties and the proposed subject development are summarized as follows:

Map I.D.	Project Name	Year Built/Renovated	Units	Occupancy Rate	Distance to Site	Rent Special
Site	<b>Cross Creek Rehab</b>	<b>1969 / 2023</b>	<b>5*</b>	<b>100.0%</b>	-	-
2	Ashton Village	1984 / 2013	120	100.0%	2.7 Miles	None
5	Bentley	1987	72	98.6%	1.7 Miles	None
6	Biltmore Commons	1989	89	100.0%	1.8 Miles	None
8	Ebenezer Plaza	1969	52	100.0%	3.3 Miles	None
903	Harbour Breeze Lifestyle	2002	328	100.0%	13.4 Miles	None

Map ID 903 is located outside the Site PMA

The five selected market-rate projects have a combined total of 661 units with an overall occupancy rate of 99.8%, which is reflective of just one (1) vacant unit reported at the Bentley property. All remaining comparable market-rate properties are 100.0% occupied. These are clear indications of strong demand for market-rate product within the Portsmouth area.

The gross rents for the comparable market-rate projects and the proposed rents at the subject site, as well as their rent per square foot, 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.
Site	<b>Cross Creek Rehab</b>	-	<b>\$1,088 (2)*</b>	<b>\$1,218 (3)*</b>
2	Ashton Village	\$1,072 (23/0)	\$1,232-\$1,262 (97/0)	-
5	Bentley	-	\$1,032 (72/1)	-
6	Biltmore Commons	-	\$1,038-\$1,178 (65/0)	\$1,354-\$1,419 (24/0)
8	Ebenezer Plaza	-	\$882 (26/0)	\$967 (26/0)
903	Harbour Breeze Lifestyle	\$1,275 (72/0)	\$1,465 (240/0)	\$1,816 (16/0)

Map ID 903 is located outside the Site PMA

\*Subject's gross rents are reflective of the proposed collected rents plus utility allowances similar to those proposed for the subject's Tax Credit units.

The subject's proposed market-rate rents are competitive with, if not lower than, those reported for similar unit types among the comparable properties. It is also of note that the subject's market-rate rents will effectively be the same as the rents proposed for the Tax Credit units at 80% of AMHI at the subject property. This is expected to create a competitive advantage for the subject project.

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>Cross Creek Rehab</b>	-	<b>862</b>	<b>874</b>
2	Ashton Village	675	750 - 800	-
5	Bentley	-	953	-
6	Biltmore Commons	-	736 - 828	900
8	Ebenezer Plaza	-	975	1,050
903	Harbour Breeze Lifestyle	787	1,034 - 1,074	1,189

Map ID 903 is located outside the Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Cross Creek Rehab</b>	-	<b>1.0</b>	<b>1.0</b>
2	Ashton Village	1.0	1.5 - 2.0	-
5	Bentley	-	1.0	-
6	Biltmore Commons	-	1.0	2.0
8	Ebenezer Plaza	-	1.0	1.0
903	Harbour Breeze Lifestyle	1.0	2.0	2.0

Map ID 903 is located outside the Site PMA

The subject project will generally be competitive with the existing comparable projects in the market and region based on unit size (square footage) and the number of baths offered.

The following tables compare the appliances and the unit and project amenities of the subject site with existing market-rate properties in the market and region.

Market-Rate Unit Amenities by Map ID							
	Site*	2	5	6	8	903	
Appliances	Dishwasher	X	X	X	S		X
	Disposal			X			X
	Icemaker						X
	Microwave		S		S		X
	Range	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X
	No Appliances						
Unit Amenities	AC-Central	X	X	X	X	X	X
	AC-Other						
	Balcony		X	X			X
	Deck / Patio		X	X		X	X
	Basement						
	Ceiling Fan	X	X	X			
	Controlled Access						
	E-Call System						
	Fireplace						
	Furnished						
	Security System						
	Sunroom						
	W/D Hookup			X	S	X	X
	W/D		X	O	S		O
	Walk-In Closet						
Window Treatments	X	X	X	X	X	X	
Flooring	Carpet		X	X	X		X
	Ceramic Tile						
	Composite (VCT)(LVT)						
	Hardwood						
	Finished Concrete						
	Vinyl	X	X	X	X	X	X
	Wood Laminate / Plank						
Upgraded	Premium Appliances		X				X
	Premium Countertops		X				X
	Premium Cabinetry						
	Premium Fixtures						
	High Ceilings						
	Vaulted Ceilings						
	Crown Molding						
Oversized Windows							
Parking	Attached Garage						
	Detached Garage						O
	Street Parking						
	Surface Lot	X	X	X	X	X	X
	Carport						
	Property Parking Garage						
	Podium Parking						
No Provided Parking							

◆ - Senior Property

\* Proposed Site(s): Cross Creek Rehab

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

\*\* Details in Comparable Property Profile Report

Continued on Next Page

Market-Rate Property Amenities by Map ID							
	Site*	2	5	6	8	903	
Bike Racks / Storage	X					X	
Business Center **	X	X				X	
Car Care **						X	
Common Patio							
Community Garden							
Community Space	Activity / Craft Room						
	Chapel						
	Clubhouse					X	
	Conference Room						
	Community Kitchen						
	Community Room	X					
	Dining Room - Private						
	Dining Room - Public						
	Rooftop Lounge						
	Study Lounge						
	TV Lounge						
	Concierge Service **		X		X		X
	Convenience Amenities **		X				X
Courtyard							
Covered Outdoor Area **							
Elevator							
Laundry Room	X			X		X	
Meals							
On-Site Management	X	X		X	X	X	
Pet Care **			X			X	
Recreation	Basketball						
	Bocce Ball						
	Firepit						
	Fitness Center		X			X	
	Grill						
	Game Room - Billiards						
	Hiking - Walking Trail						
	Hot Tub						
	Library						
	Media Room / Theater						
	Picnic Table / Area					X	
	Playground	X			X		
	Putting Green						
	Racquetball						
	Shuffleboard						
	Sports Court						
	Swimming Pool - Indoor						
	Swimming Pool - Outdoor		X				X
	Tennis						
	Volleyball						X
Security	CCTV		X			X	
	Courtesy Officer		X		X		
	Gated Community						
	Gated Parking						
	Police Substation						
	Social Services **	X					
	Storage - Extra		O			X	O
	Water Feature						X
	WiFi		X				X

◆ - Senior Property

\* Proposed Site(s): Cross Creek Rehab

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

\*\* Details in Comparable Property Profile Report



The subject property offers a more limited overall amenity package as compared to the market-rate properties selected for this analysis. However, when considering the generally lower price point of the subject property, the amenity package proposed is considered marketable. This is further evident by the strong occupancy rate currently reported for the existing subject property.

#### Comparable/Competitive Market-Rate Summary

The five comparable market-rate properties surveyed report an overall occupancy rate of 99.8%, which is reflective of just one (1) vacant unit among these five properties. Thus, market-rate product is clearly in high demand within the Portsmouth area. The subject project will be competitive in terms of price and overall unit design (square feet and number of bathrooms). Although the subject's amenity package is slightly less comprehensive than those offered among the comparable properties, the generally lower price point of the subject property is expected to diminish the need for a robust amenity package. Nonetheless, the subject property does not lack any key amenities that would adversely impact its overall marketability within the Portsmouth market.

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

From interviews with planning representatives that responded to our inquiries, and from extensive online research and the observations of our analyst while in the field, it was determined there are three rental housing projects planned within the Portsmouth Site PMA. The known details of these planned developments are summarized as follows:

- Harbor Vista II is a planned rental development to be located at 700 Crawford Street in Portsmouth. The developer, The Breeden Companies, plans to build 60 one-, two-, and three-bedroom market-rate units. Planned amenities include a clubhouse and swimming pool. Rents are anticipated to range from \$1,150 to \$1,800. Construction is expected to begin in 2021 and to be complete by 2023.
- Holley Pointe is a Tax Credit project that is currently under construction at 818 County Street in Portsmouth. The developer, WodaCooper Companies, was allocated Tax Credits in 2019. The general-occupancy project will have 40 two- and 10 three-bedroom units in a four-story building. The units will target households earning up to 30%, 40%, 50%, 70%, and 80% AMHI. The square footage of the units will range from 800 to 1,043. The rents have yet to be determined. The community amenities will include a laundry room, community room, computer room, elevator, park areas with benches, bike racks and 69 parking spaces. There will be 6,500 square feet of retail space on the first floor, which will be owned by a separate entity. The ground was broken for the project in August 2020 and the project is estimated to be complete by fall of 2021.

- Lexington Place I is a Public Housing replacement project of the former Lincoln Park Public Housing project. Lincoln Park consisted of 178 units that were demolished in 2019 at 1 Lexington Drive in Portsmouth. The Portsmouth Redevelopment and Housing Authority was allocated Tax Credit funding in 2018 and is building 144 units in two phases. Phase I including 72 units is currently under construction. The units will be Tax Credit and will have Project Based Rental Assistance (PBRA). The units will be one-, two-, and three-bedroom garden-style units and two- and three-bedroom townhomes. The estimated completion date for the first 72 units is May 2021. Currently, ten units have been completed thus far and are occupied.

As indicated above, two of the three properties planned for the market are expected to be general-occupancy properties which will operate, at least partially, under the LIHTC program. Thus, these properties are likely to have some competitive overlap with the subject project and have therefore been considered in our demand estimates later in this report.

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

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

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2023
4	Belle Hall	98.3%	95.0% +
7	Crescent Place	100.0%	95.0% +
12	Independence Square	100.0%	95.0% +
14	Mallard Cove Townhomes	100.0%	95.0% +
15	Maplewood I & II	100.0%	95.0% +
16	Marsh Landing	96.0%	95.0% +
21	Thrive	98.1%	95.0% +
22	Whispering Oaks	100.0%	95.0% +

As detailed throughout this section and again illustrated in the preceding table, the existing comparable LIHTC product is highly occupied as none of the comparable properties report occupancy rates below 96.0%. Some properties also maintain waiting lists for their next available units. These are clear indications of strong and pent-up demand for additional general-occupancy LIHTC product in this market. Thus, we do not expect the subject project to have any adverse impact on future occupancy rates among the existing comparable properties. This is particularly true when considering that the subject project will involve the renovation of an existing property that is currently 100.0% occupied and most, if not all, existing tenants are expected to continue to income-qualify and remain at the property post renovation.

**E. BUY VERSUS RENT ANALYSIS**

According to ESRI, the median home value within the Site PMA was \$175,836. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$175,836 home is \$1,058, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$175,836
Mortgaged Value = 95% of Median Home Price	\$167,044
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$846
Estimated Taxes and Insurance*	\$212
Estimated Monthly Mortgage Payment	\$1,058

\*Estimated at 25% of principal and interest

In comparison, the collected *non-subsidized* Tax Credit rents for the subject property range from \$770 to \$1,100 per month. While some tenants of the subject units at the higher 80% AMHI level may be able to afford the cost of a typical mortgage in this market, the number that could also afford the down payment, routine maintenance costs, and/or utility expenses associated with such a home is likely minimal. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

## VI. Achievable Market Rent Analysis

### A. INTRODUCTION

We identified five market-rate properties within and near the Portsmouth Site PMA that we consider most comparable to the subject project in terms of age, design, unit types, and/or amenities offered. These selected properties are used to derive market rent for a project with characteristics similar to the 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 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 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 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.
Site	<b>Cross Creek Rehab</b>	<b>1969 / 2023</b>	<b>78</b>	<b>100.0%</b>	-	<b>39 (100.0%)</b>	<b>39 (100.0%)</b>
2	Ashton Village	1984 / 2013	120	100.0%	23 (100.0%)	97 (100.0%)	-
5	Bentley	1987	72	98.6%	-	72 (98.6%)	-
6	Biltmore Commons	1989	89	100.0%	-	65 (100.0%)	24 (100.0%)
8	Ebenezer Plaza	1969	52	100.0%	-	26 (100.0%)	26 (100.0%)
903	Harbour Breeze Lifestyle	2002	328	100.0%	72 (100.0%)	240 (100.0%)	16 (100.0%)

Map ID 903 is located outside the Site PMA  
 Occ. – Occupancy

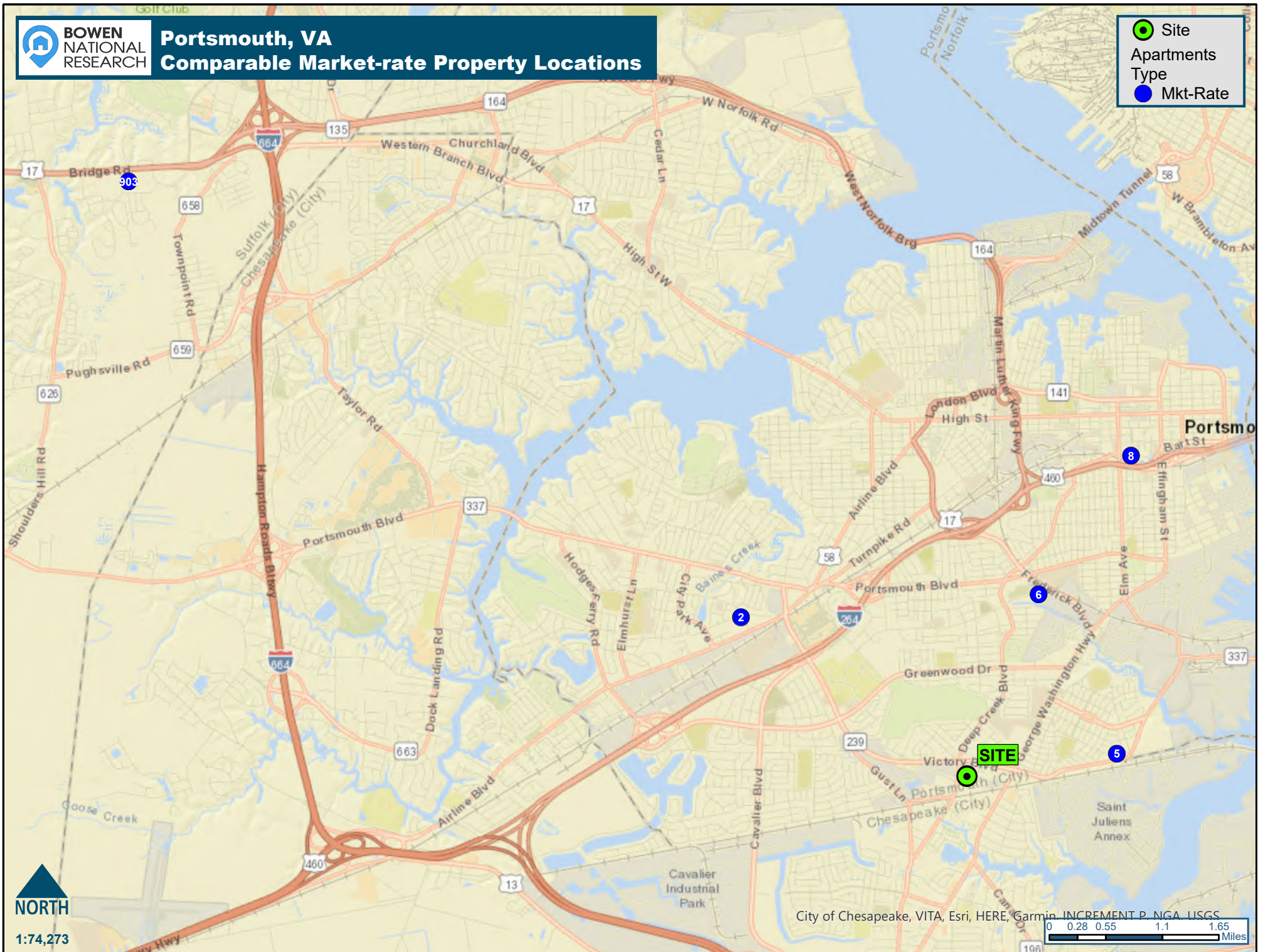
The five selected market-rate projects have a combined total of 661 units with an overall occupancy rate of 99.8%. None of the comparable properties has an occupancy rate below 98.6%. Thus, these properties are clearly well-received within the Portsmouth market and will serve as accurate benchmarks with which to compare the subject property.

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 subject development. Preceding the Rent Comparability Grids is a map of the location of the comparable market-rate developments in relation to the location of the subject site.



# Portsmouth, VA Comparable Market-rate Property Locations

- Site
- Apartments
- Type
- Mkt-Rate



1:74,273

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

**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>	
Cross Creek Rehab		Ashton Village		Bentley		Biltmore Commons		Ebenezer Plaza		Harbour Breeze Lifestyle	
2502-2542 Bird Lane		224 Chowan Dr		104 Dahlgreen Ave.		2341 Elliott Ave.		1140 Chisholm Cir.		3900 Breezeport Way	
Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Suffolk, 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?	\$999		\$925		\$805		\$778		\$1,232	
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%		99%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$999	1.33	\$925	0.97	\$805	1.09	\$778	0.80	\$1,232	1.19
<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	WU/2		WU/2		WU/2,3		TH/2		WU/2,3	
7	Yr. Built/Yr. Renovated	1969/2023		1984/2013	(\$3)	1987	\$9	1989	\$7	1969	\$27
8	Condition/Street Appeal	G		G		G		G		G	
9	Neighborhood	G		G		G		G		G	
10	Same Market?			Yes		Yes		Yes		No	
<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	2		2		2		2		2	
12	# Baths	1	(\$15)	1.5		1		1		2	(\$30)
13	Unit Interior Sq. Ft.	682	(\$18)	750		953	(\$72)	736	(\$14)	975	(\$78)
14	Patio/Balcony	N	(\$5)	Y		Y	(\$5)	N		Y	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y		N/Y		N/Y		N/N	\$10	Y/Y	(\$5)
18	Washer/Dryer	L	(\$35)	W/D		HU	(\$5)	L		HU	(\$10)
19	Floor Coverings	V		C/V		C/V		V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	N		N		Y	(\$5)	N		N	
23	Ceiling Fan/Storage	Y/N		Y/N		Y/N		N/N	\$5	N/Y	
<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		LOT/\$0	
25	On-Site Management	Y		Y		N	\$5	Y		Y	
26	Security Features	N	(\$5)	Y		N		Y	(\$5)	N	
27	Community Space	Y		N	\$5	N	\$5	N	\$5	N	\$5
28	Pool/Recreation Areas	N	(\$15)	P/F		N		N		N	
29	Computer/Business Center	Y		Y		N	\$3	N	\$3	N	\$3
30	Picnic Area/Grill	N		N		N		N		N	
31	Playground	Y		N	\$3	N	\$3	Y		N	\$3
32	Social Services	Y		N	\$10	N	\$10	N	\$10	N	\$10
<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/G	
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/E		N/E		N/G	
36	Hot Water (in rent?/ type)	N/E		N/E		N/G		N/E		N/G	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/Y	\$66	N/N		Y/Y	(\$39)	N/N	\$66	Y/Y	(\$39)
39	Trash/Recycling	Y/N	\$33	N/N		Y/N		N/N	\$33	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	3	7	6	4	5	2	6	3	3	10
41	Sum Adjustments B to D	\$18	(\$96)	\$35	(\$87)	\$30	(\$19)	\$58	(\$88)	\$18	(\$184)
42	Sum Utility Adjustments	\$99			(\$39)	\$99			(\$39)	\$99	
		<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	\$21	\$213	(\$91)	\$161	\$110	\$148	(\$69)	\$185	(\$67)	\$301
<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)	\$1,020		\$834		\$915		\$709		\$1,165	
45	Adj Rent/Last rent		102%		90%		114%		91%		95%
46	Estimated Market Rent	\$1,010		\$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>	
Cross Creek Rehab		Ashton Village		Bentley		Biltmore Commons		Harbour Breeze Lifestyle	
2502-2542 Bird Lane		224 Chowan Dr		104 Dahlgreen Ave.		2341 Elliott Ave.		3900 Breezeport Way	
Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Suffolk, VA	
<b>A.</b>	<b>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>
1	\$ Last Rent / Restricted?	\$1,029		\$925		\$1,040		\$1,502	
2	Date Surveyed	Feb-21		Feb-21		Feb-21		Feb-21	
3	Rent Concessions	None		None		None		None	
4	Occupancy for Unit Type	100%		99%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,029	1.29	\$925	0.97	\$1,040	1.16	\$1,502	1.26
<b>B.</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>
6	Structure / Stories	WU/2		WU/2		WU/2,3		WU/2,3	
7	Yr. Built/Yr. Renovated	1969/2023	(\$3)	1987	\$9	1989	\$7	2002	(\$6)
8	Condition/Street Appeal	G		G		G		G	
9	Neighborhood	G		G		G		G	
10	Same Market?	Yes		Yes		Yes		No	
<b>C.</b>	<b>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>
11	# Bedrooms	3	\$50	2	\$50	3		3	
12	# Baths	1	(\$30)	1		2	(\$30)	2	(\$30)
13	Unit Interior Sq. Ft.	874	\$22	953	(\$23)	900	(\$8)	1189	(\$92)
14	Patio/Balcony	N	(\$5)	Y	(\$5)	N		Y	(\$5)
15	AC: Central/Wall	C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y		N/Y		N/Y		Y/Y	(\$5)
18	Washer/Dryer	L	(\$35)	HU	(\$5)	L		HU/L	(\$10)
19	Floor Coverings	V		C/V		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y	
21	Secured Entry	N		N		N		N	
22	Garbage Disposal	N		Y	(\$5)	N		Y	(\$5)
23	Ceiling Fan/Storage	Y/N		Y/N		N/N	\$5	N/N	\$5
<b>D.</b>	<b>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>
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		N	\$5	Y		Y	
26	Security Features	N	(\$5)	N		Y	(\$5)	Y	(\$5)
27	Community Space	Y	\$5	N	\$5	N	\$5	Y	
28	Pool/Recreation Areas	N	(\$15)	N		N		P/F/S/L	(\$21)
29	Computer/Business Center	Y		N	\$3	N	\$3	Y	
30	Picnic Area/Grill	N		N		N		Y	(\$3)
31	Playground	Y	\$3	N	\$3	Y		N	\$3
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10
<b>E.</b>	<b>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>
33	Heat (in rent?/ type)	N/E		N/G		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/G		N/E		N/E	
37	Other Electric	N		N		N		N	
38	Cold Water/Sewer	N/Y	\$105	Y/Y	(\$58)	N/N	\$105	N/N	\$105
39	Trash/Recycling	Y/N	\$33	Y/N		N/N	\$33	N/N	\$33
<b>F.</b>	<b>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>
40	# Adjustments B to D	5	6	7	4	5	3	3	10
41	Sum Adjustments B to D	\$90	(\$93)	\$85	(\$38)	\$30	(\$43)	\$18	(\$182)
42	Sum Utility Adjustments	\$138			(\$58)	\$138		\$138	
		<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	\$135	\$321	(\$11)	\$181	\$125	\$211	(\$26)	\$338
<b>G.</b>	<b>Adjusted &amp; Market Rents</b>	<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$1,164		\$914		\$1,165		\$1,476	
45	Adj Rent/Last rent		113%		99%		112%		98%
46	Estimated Market Rent	\$1,225	\$1.40 ←	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 those offered at the subject project are as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
Two-Br.	50%*	\$585**	\$1,010	42.1%
Two-Br.	50%	\$770	\$1,010	23.8%
Two-Br.	60%	\$850	\$1,010	15.8%
Two-Br.	80%	\$970	\$1,010	4.0%
Two-Br.	Market	\$970	\$1,010	4.0%
Three-Br.	40%	\$672**	\$1,225	45.1%
Three-Br.	50%	\$875	\$1,225	28.6%
Three-Br.	60%	\$950	\$1,225	22.4%
Three-Br.	80%	\$1,100	\$1,225	10.2%
Three-Br.	Market	\$1,100	\$1,225	10.2%

\*Income-restricted at 50% AMHI, rent-restricted at 40% AMHI  
 \*\*Reflective of maximum allowable LIHTC rent as the proposed contract rent under the subsidized program exceeds this limit.

Typically, Tax Credit rents targeting households earning up to 60% of AMHI 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. Higher income targeting units such as the subject units at the 80% AMHI level often do not need to represent a 10% market rent advantage to be perceived a value in many markets. This is particularly true of markets which lack and/or have a limited supply of modern market-rate product.

As the preceding table illustrates, the subject rents represent market rent advantages ranging from 4.0% to 45.1%, depending upon unit type. While the subject’s two-bedroom units at 80% of AMHI represent a nominal market rent advantage, this is considered acceptable in this market. This is evident by the fact that the subject units at the 80% AMHI level are competitively positioned with, if not lower than, the rents reported for similar 60% AMHI units among the comparable LIHTC properties surveyed and evaluated in *Section V*.

**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. When multiple rent levels were offered, we included an average rent.
7. Upon completion of renovations, the subject project will have an effective age of a project built in 1996, which is a simple average of the original year built and the anticipated renovation completion date for the subject project. We have adjusted the rents at the selected properties by \$1 per year of effective age difference to reflect the age of these properties.
10. One of the selected properties is located outside of the Portsmouth Site PMA due to the lack of comparable three-bedroom market-rate product in the subject market. This property, however, is located in the nearby Suffolk, Virginia area and thus out-of-market adjustments were not warranted.
11. All of the comparable properties offer two-bedroom units. However, some do not offer three-bedroom units similar to those offered at the subject project. In these instances, we have utilized the next most comparable floor plan (two-bedroom) and applied a positive adjustment of \$50 to account for the inclusion of an additional defined bedroom at the subject project.
12. There is a variety of the number of bathrooms offered among 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 selected 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 subject project will offer a unit amenity package which is generally slightly inferior to those offered among the selected properties. We have made, however, adjustments for features lacking at the subject project, and in some cases, we have made adjustments for features the selected properties do not offer.
- 24.-32. The subject project offers a community amenities package which is also considered inferior to those offered among most of the selected market-rate properties. We have made monetary adjustments to reflect the difference between the subject project's and the selected properties' community amenities.

33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property, as needed. 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 subject project's potential. Note that we have evaluated the subject project assuming two different scenarios. The first capture rate scenario has been calculated assuming that the project operates with Project-Based Rental Assistance (PBRA) available to a portion of the units. In this scenario, residents of these subsidized units will pay up to 30% of their adjusted gross income towards rent. We also provided a capture rate scenario for the unlikely event that the subject project lost its project-based subsidy, thus requiring all units to operate exclusively under the Tax Credit guidelines, targeting households earning up to 80% of AMHI.

The subject site is within the Virginia Beach-Norfolk-Newport News, VA-NC 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 50%, 60%, and 80% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI level.

Household Size	Targeted AMHI Maximum Allowable Income		
	50%	60%	80%
One-Person	\$28,900	\$34,680	\$46,240
Two-Person	\$33,000	\$39,600	\$52,800
Three-Person	\$37,150	\$44,580	\$59,440
Four-Person	\$41,250	\$49,500	\$66,000
Five-Person	\$44,550	\$53,460	\$71,280

#### 1. Maximum Income Limits

The largest units (three-bedroom) at the subject site are expected to continue to house up to five-person households. As such, the maximum allowable income at the subject site is **\$71,280**.

The subject project will also offer five (5) units which will operate as unrestricted market-rate units. These units will have no maximum income limit. As our demand estimates consider only renter households, we have not considered a maximum allowable income for the subject's market-rate units.

## 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.

As detailed throughout this report, the subject project will offer some units which will operate with a project-based subsidy. These units will effectively allow the property to target households with income as little as \$0.

The proposed non-subsidized LIHTC units will have a lowest gross rent of \$866. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$10,392. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement of **\$29,691** for the non-subsidized units at the subject project.

In the unlikely event the property lost its subsidy and had to operate exclusively under the LIHTC guidelines, the property would have a lowest gross rent of at least \$743. This assumes the proposed subsidized units operate at maximum allowable LIHTC rent levels in this unlikely scenario. This would result in a minimum annual household income requirement of \$25,474 in this unlikely scenario.

The subject's market-rate units will have a lowest gross rent of \$1,066, assuming a utility allowance similar to that proposed for the subject's LIHTC units. Utilizing the same methodology as the LIHTC units but considering a lower 30% rent-to-income ratio typical of most market-rate product, the subject's market-rate units will have a minimum annual household income requirement of \$42,640.

## 3. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate range required to live at the subject project with units built to serve households at 50%, 60% and 80% of AMHI, both with and without the project-based subsidy, is as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit w/Subsidy (Limited to 50% of AMHI)	\$0	\$44,550
Tax Credit w/Subsidy Overall	\$0	\$71,280
Tax Credit Only (Limited to 50% of AMHI)	\$29,691	\$44,550
Tax Credit Only (Limited to 60% of AMHI)	\$34,560	\$53,460
Tax Credit Only (Limited to 80% of AMHI)	\$38,674	\$71,280
Tax Credit Only Overall	\$29,691	\$71,280
Market-Rate	\$42,640	None

## **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 2023, 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 subject 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), 8.5% to 64.1% of households, depending upon income level, within the site PMA, 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 subject development to determine if demand from this source is realistic. Analysts are encouraged to be conservative in this regard.*



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

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

Not applicable; subject site is general-occupancy.

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

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

**C. DEMAND/CAPTURE RATE CALCULATIONS**

As discussed in *Section V*, we identified and surveyed eight comparable general-occupancy LIHTC projects and four (4) comparable market-rate projects in the Site PMA. Among these projects, there are a total of 15 vacant units. The unit breakdowns of these vacant non-subsidized Tax Credit units are illustrated in the following table. Also, note that there are two LIHTC projects and one market-rate project planned in the Site PMA which will offer units comparable to those proposed for the subject project. The units planned at these projects are also reflected in the following table. Note that one of these properties (Lexington Place I) has some units which are complete and occupied. All vacant units reflected for this property in the following table are still under construction.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Units at Targeted AMHI (Vacant Units)						Market Rate
				30% AMHI	40% AMHI	50% AMHI	60% AMHI	70% AMHI	80% AMHI	
4	Belle Hall	2008	120	-	-	-	120 (2)	-	-	-
5	Bentley	1987	72	-	-	-	-	-	-	72 (1)
13	Lexington Place I*	2018 (Allocated)	72	-	8 (5)	64 (57)	-	-	-	-
16	Marsh Landing	1942 / 1999	250	-	-	-	250 (10)	-	-	-
21	Thrive	1972 / 2016	103	-	-	-	103 (2)	-	-	-
P/P	Holley Pointe	2019 (Allocated)	50	5 (5)	5 (5)	15 (15)	-	10 (10)	15 (15)	-
P/P	Harbor Vista II	2023	60	-	-	-	-	-	-	60 (60)

P/P – Planned/Proposed

\*Property will operate with a project-based subsidy available to all units.

The directly comparable vacant/under construction units reported among the aforementioned properties have been considered in our demand estimates on the following pages. Note that for the Lexington Place I property, we have only considered the 57 vacant units at the 50% AMHI level as the remaining units at this property will not be directly competitive with the subject project, as all units at this property will operate with a project-based subsidy.

The following is a summary of our demand calculations assuming the subject property operates as anticipated, *with a project-based subsidy available to some units*:

Demand Component	Percent of Median Household Income					
	50% AMHI	60% AMHI	80% AMHI	LIHTC Overall	Market-Rate	Overall Property
Demand from New Rental Households (Age- and Income-Appropriate)	10,306 - 10,551 = -245	3,352 - 3,296 = 56	4,193 - 4,080 = 113	13,363 - 13,516 = -153	6,123 - 5,924 = 199	16,063 - 16,120 = -57
+						
Demand from Existing Households (Rent Overburdened)	10,551 X 64.1% = 6,763	3,296 X 34.6% = 1,140	4,080 X 22.2% = 906	13,516 X 53.0% = 7,163	5,924 X 8.5% = 504	16,120 X 39.1% = 6,303
+						
Demand from Existing Households (Renters in Substandard Housing)	10,551 X 3.8% = 401	3,296 X 3.8% = 125	4,080 X 3.8% = 155	13,516 X 3.8% = 514	5,924 X 3.8% = 225	16,120 X 3.8% = 613
+						
Demand from Existing Households (Elderly Homeowner Conversion)	N/A					
+						
Demand from Existing Households (Existing Qualifying Tenants Likely to Remain After Renovations)	35	32	6	73	5	78
=						
Total Demand	6,954	1,353	1,180	7,597	933	6,937
-						
Supply (Directly Comparable Vacant Units Completed or in the Pipeline)	72	14	15	101	41	142
=						
Net Demand	6,882	1,339	1,165	7,496	892	6,795
+						
Proposed Units	35	32	6	73	5	78
+						
Proposed Units / Net Demand	35 / 6,882	32 / 1,339	6 / 1,165	73 / 7,496	5 / 892	78 / 6,795
Capture Rate	= 0.5%	= 2.4%	= 0.5%	= 1.0%	= 0.6%	= 1.1%
Total Absorption Period	3 Months	5 Months	1 Month	5 Months	1 Month	5 Months

N/A-Not Available

Utilizing this methodology, capture rates below 30% are considered achievable, though capture rates below 20% are considered ideal. As such, the subject's overall subsidized LIHTC capture rate of 1.0% is very low and easily achievable within the Portsmouth Site PMA, as is the 0.6% capture rate for the subject's market-rate units. The property's overall capture rate of 1.1% is also considered low. This is particularly true when considering the high occupancy rates and waiting lists maintained among existing comparable LIHTC and market-rate properties surveyed in the market.

It is important to reiterate, however, that the subject project involves the renovation of an existing project which is currently 100.0% occupied with a waiting list. All current tenants are expected to continue to income-qualify and remain at the property following renovations. Thus, the subject's effective capture rate is 0.0%.

The following is a summary of our demand calculations assuming the unlikely scenario that the subject project operates exclusively as a LIHTC property, *without* any type of project-based subsidy.

Demand Component	Percent of Median Household Income					
	50% AMHI	60% AMHI	80% AMHI	LIHTC Overall	Market-Rate	Overall Property
Demand from New Rental Households (Age- and Income-Appropriate)	2,945 - 2,938 = 7	3,352 - 3,296 = 56	4,193 - 4,080 = 113	6,002 - 5,903 = 99	6,123 - 5,924 = 199	8,702 - 8,506 = 196
+						
Demand from Existing Households (Rent Overburdened)	2,938 X 50.3% = 1,478	3,296 X 34.6% = 1,140	4,080 X 22.2% = 906	5,903 X 33.3% = 1,966	5,924 X 8.5% = 504	8,506 X 19.0% = 1,616
+						
Demand from Existing Households (Renters in Substandard Housing)	2,938 X 3.8% = 112	3,296 X 3.8% = 125	4,080 X 3.8% = 155	5,903 X 3.8% = 224	5,924 X 3.8% = 225	8,506 X 3.8% = 323
+						
Demand from Existing Households (Elderly Homeowner Conversion)	N/A					
+						
Demand from Existing Households (Existing Qualifying Tenants Likely to Remain After Renovations)	35	32	6	73	5	78
=						
Total Demand	1,632	1,353	1,180	2,289	933	2,213
-						
Supply (Directly Comparable Vacant Units Completed or in the Pipeline)	72	14	15	101	41	142
=						
Net Demand	1,560	1,339	1,165	2,188	892	2,071
Proposed Units	35	32	6	73	5	78
Proposed Units / Net Demand	35 / 1,560	32 / 1,339	6 / 1,165	73 / 2,188	5 / 892	78 / 2,071
Capture Rate	= 2.2%	= 2.4%	= 0.5%	= 3.3%	= 0.6%	3.8%
Total Absorption Period	4 Months	5 Months	1 Month	6 Months	1 Month	6 Months

N/A-Not Available

In the unlikely event the project-based subsidy was not secured, and the LIHTC units at the property had to operate *exclusively* under the LIHTC program, a sufficient base of income-appropriate renter households would still exist for the subject project. This is evident by the overall capture rate of 3.8% for the subject property under this scenario.

**D. PENETRATION RATE CALCULATIONS**

The 1,647 existing and 50 planned (not including the subject project) 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 \$25,954 to \$71,280. The following table summarizes the market penetration rate for the subject project based on the preceding factors and demographic data included in *Section IV*.

	Market Penetration
Number of LIHTC Units (Proposed and Existing)	1,770
Income-Eligible Renter Households – 2023	/ 6,968
Overall Market Penetration Rate	= 25.4%

It is our opinion that the 25.4% penetration rate for the LIHTC units, both existing and proposed, is achievable. This is particularly true when considering that the existing comparable properties surveyed are 99.0% occupied. It is also of note that the market penetration rate for the existing LIHTC units in this market is 23.6%. Thus, the addition of the subject project and the one additional non-subsidized LIHTC property planned for the market will effectively increase the penetration rate by less than 2.0%.

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

According to a representative with the Portsmouth Redevelopment and Housing Authority, there are approximately 73 Housing Choice Voucher holders within the housing authority’s jurisdiction, and 220 people currently on the waiting list for additional Vouchers. The waiting list is closed and is expected to reopen within three to five years. Annual turnover is estimated at 36 to 60 households. This reflects the continuing need for affordable housing alternatives and/or Housing Choice Voucher assistance within the Portsmouth market.

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

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (AMHI)
Two-Bedroom	\$1,181	\$866 (50%) \$946 (60%) \$1,066 (80%) \$1,066 (MR)*
Three-Bedroom	\$1,651	\$993 (50%) \$1,068 (60%) \$1,218 (80%) \$1,218 (MR)*

\*Assumes utility allowance similar to those proposed for LIHTC units  
MR – Market-rate

As the preceding table illustrates, all of the proposed 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

According to management, the subject property is currently 100.0% occupied and maintains a waiting list of 50-households for their next available units. It is anticipated that most, if not all, current tenants will continue to qualify for and remain at the property following renovations. Further, it is important to note that the renovations at the subject site will not necessitate the long-term displacement of current residents and the project will be renovated in such a way to minimize off-site relocation. Nonetheless, for the purposes of this analysis, we assume that all 78 subject units will be vacated and that all units will have to be re-rented simultaneously following renovations. We also assume the absorption period at the site begins as soon as the first renovated units are available for occupancy and that the initial renovated units at the site will be available for rent in December of 2023.

It is our opinion that the 78 units at the subject site will reach a stabilized occupancy of at least 95.0% within approximately five months following renovations, assuming total displacement of existing tenants. This absorption period is based on an average absorption rate of approximately 15 units per month. Our absorption projections assume that the renovations will be completed as outlined in this report. These absorption projections also assume that a subsidy will be provided to a portion of the property, as evaluated throughout this report.

Should the property operate *exclusively* under the LIHTC guidelines, the 78 units at the subject site are expected to experience a slightly extended absorption period as the property would no longer be able to target households earning below \$29,691. In this unlikely scenario, it is our opinion the subject project would reach a stabilized occupancy rate of at least 95.0% within six months of renovation completion. This is reflective of an average monthly



absorption rate of approximately 12 to 13 units per month. Note this is a similar rate to that projected for the project in the subsidized scenario. This is due to the fact that only eight (8) units will be offered with a subsidy and these units will operate at a low 40% AMHI level. Thus, even in the unlikely non-subsidized scenario, these units would operate similar to subsidized product given the very low income (AMHI) targeting.

In reality, the subject project will involve the renovation of an existing property which is currently 100.0% occupied with a 50-household waiting list. Based on information provided at the time of this analysis, the subject developer expects that most, if not all, current tenants will continue to income-qualify and remain at the property post renovations. Thus, there will effectively be no absorption period for the subject project. Any units which may become vacant due to typical tenant turnover during the renovation process are expected to be quickly filled given the strong demand for LIHTC product in this market.

## VIII. Local Perspective (Interviews)

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

- According to Robert D. Moore, Director of Portsmouth Economic Development, there is a need for affordable housing in Portsmouth. Mr. Moore stated that since the average wage in Portsmouth does not meet the cost of living, the rentals available within the city are often unattainable to the average citizen. He also mentioned that Portsmouth sees a high volume of military in need of affordable housing. Additionally, Mr. Moore mentioned that half of all of Portsmouth's land is not taxable, making it difficult to build in the area.
- Katriana Cross, Leasing Agent at Crescent Place, stated that more affordable housing is needed in Portsmouth. Ms. Cross could only think of four other projects in the city that offer Tax Credit housing options and with prices consistently rising she believes that not everyone can afford traditional market rents.
- Carol Thomas, Director of HCV for the Portsmouth Redevelopment and Housing Authority, stated there is a need for affordable housing in Portsmouth. Ms. Thomas stated that the housing stock does not meet the needs of most people throughout the area. Specifically, there is a great need for affordable one-bedroom units in Portsmouth. Even two-bedroom units are too much for many elderly and disabled in need of affordable housing, but since there is a lack of affordable one-bedrooms, most elderly and disabled are forced to rent two-bedroom or larger units, according to Ms. Thomas. There is also a need for larger four-bedroom+ units for the large quantity of families with multiple children in the area.

## IX. Analysis & Conclusions

Based on the findings reported in our market study, it is our opinion that a market exists for the 78 units at the subject site following renovations, assuming it is renovated and operated as detailed in this report. Changes in the project's rents, amenities and/or completion date may alter these findings.

The subject project involves the renovation of an existing property which is currently 100.0% occupied with a 50-household waiting list. According to information provided by the developer, most, if not all, current tenants are expected to continue to income-qualify and remain at the property post renovation.

The eight comparable LIHTC properties surveyed in the Portsmouth Site PMA report an overall occupancy rate of 99.0%, with many reporting at 100.0% occupancy and some maintaining waiting lists. The subject's proposed rent levels are very competitive with, if not lower than, those reported for similar units among the comparable properties. The subject will also be the only property among the comparables to offer units targeting households earning up to 80% of AMHI. This is expected to create a competitive advantage for the property, particularly when considering these units will be priced similar to many 60% AMHI units among the comparable properties. Although the subject's unit sizes and number of bathrooms are generally inferior to those offered among the comparable properties and the property will offer a limited overall amenity package, the property will be competitive with some existing LIHTC product in this market from an overall design standpoint. Thus, the subject units and amenities are considered marketable, which is further evident by the 100.0% occupancy rate currently reported at the property.

In addition to being competitively positioned, the subject project will also be well supported demographically within the Portsmouth Site PMA. This is illustrated by the fact that nearly 16,000 renter households, nearly 70.0% of which are projected to earn less than \$50,000, are projected for the market through 2026. Further, the subject's overall capture rate is just 1.1%, as detailed in *Section VII*. Regardless, as most, if not all, current tenants are expected to continue to income-qualify and remain at the site post renovation, the subject project effectively has a capture rate of 0.0% and will not have an absorption period.

Based on the preceding factors and additional information contained within this report, we have no recommendations to the subject project at this time.

X.

## SITE PHOTOGRAPHS



Cross Creek



Entryway Signage



Typical exterior of building



View of site from the north



View of site from the northeast



View of site from the east



View of site from the southeast



Cross Creek



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



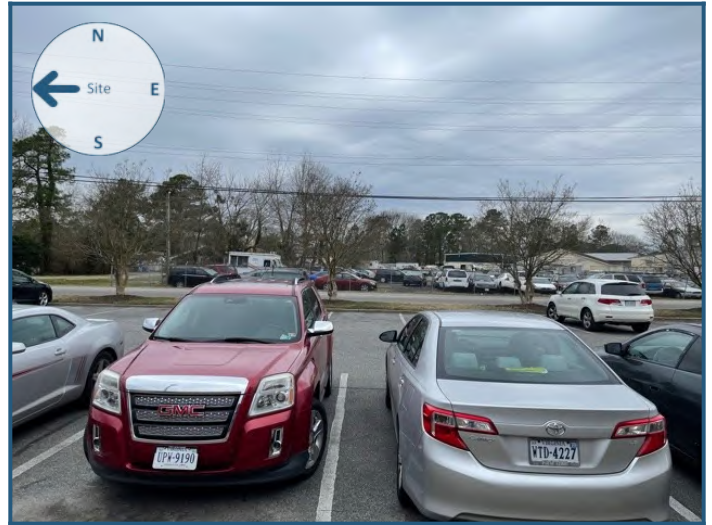
East view from site



Cross Creek



Southwest view from site



West view from site



Northwest view from site



Streetscape: North view of Bird Lane



Streetscape: West view of Bird Lane



Streetscape: East view of Bird Lane



Cross Creek



Streetscape: South view of Bird Lane



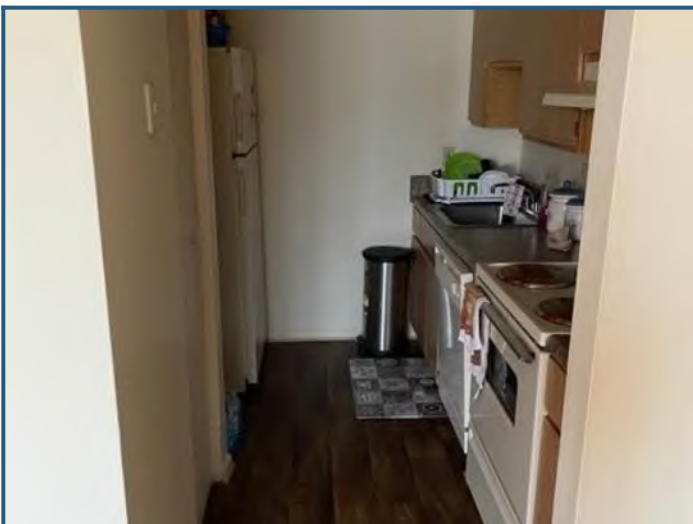
Streetscape: North view of Deep Creek Boulevard



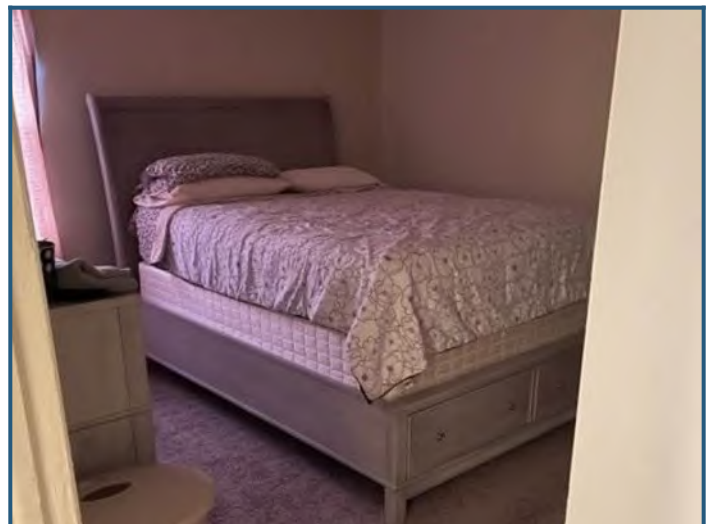
Streetscape: South view of Deep Creek Boulevard



Two-Bedroom (Living Room)



Two-Bedroom (Kitchen)



Typical Master Bedroom - View A



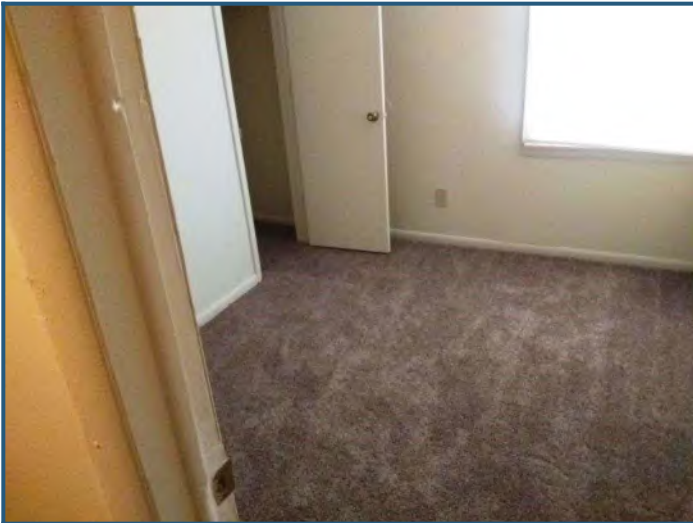
Cross Creek



Typical Master Bedroom - View B



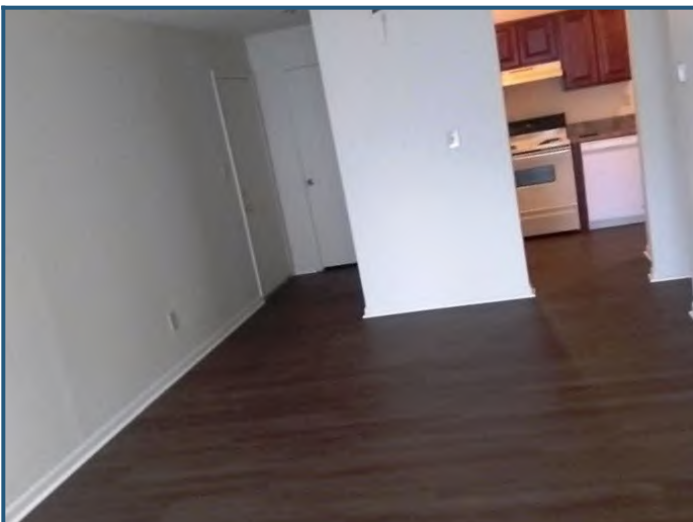
Typical Second Bedroom



Typical Third Bedroom



Typical Full Bathroom



Three-Bedroom (Living Room)



Three-Bedroom (Kitchen)

XI.

COMPARABLE  
PROPERTY PROFILES



**2 Ashton Village** 2.7 miles to site



Address: 224 Chowan Dr, Portsmouth, VA 23701  
 Phone: (757) 465-2875      Contact: Tara (By Phone)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 120      Year Built: 1984      Ratings  
 Vacant Units: 0      \*AR Year:      Quality: B  
 Occupancy: 100.0%      Yr Renovated: 2013      Neighborhood: C  
 Turnover:      Stories: 2,2.5      Access/Visibility: A/B  
 Waitlist: None  
 Rent Special: None

Notes:



**Features And Utilities**

Utility Schedule Provided by: City of Portsmouth  
 Utility Type & Responsibility: No landlord paid utilities;  
 Unit Amenities: Dishwasher; Microwave; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Ceiling Fan; W/D; Window Treatments; Flooring (Carpet, Vinyl); Premium Appliances; Premium Countertops  
 Property Amenities: Business Center (Copy, Fax); Concierge Services (Package Receiving); Cafe / Coffee Bar; On-Site Management; Recreation Areas (Fitness Center, Outdoor Swimming Pool); CCTV, Courtesy Officer; Extra Storage; WiFi  
 Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	23	0	675	\$1.33	\$899	Market
2	1.5	G	32	0	750	\$1.33	\$999	Market
2	2	G	65	0	800	\$1.29	\$1,029	Market

\*Adaptive Reuse

\*DTS is based on drive time

**4 Belle Hall** 2.8 miles to site



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

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

Notes: Tax Credit



**Features And Utilities**

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

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

Property Amenities: Clubhouse; 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	2	G	76	1	1,051	\$0.85	\$895	60%
3	2	G	44	1	1,178	\$0.87	\$1,025	60%

\*Adaptive Reuse

\*DTS is based on drive time

**5 Bentley** 1.7 miles to site



Address: 104 Dahlgreen Ave., Portsmouth, VA 23702  
 Phone: (757) 487-5541 Contact: Brittany (By Phone)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 72 Year Built: 1987  
 Vacant Units: 1 \*AR Year:  
 Occupancy: 98.6% Yr Renovated:  
 Turnover: Stories: 2  
 Waitlist: None  
 Rent Special: None

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

Notes:



**Features And Utilities**

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

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

Property Amenities: Pet Stations

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1	G	72	1	953	\$0.97	\$925	Market

\*Adaptive Reuse

\*DTS is based on drive time

**6 Biltmore Commons** 1.8 miles to site



Address: 2341 Elliott Ave., Portsmouth, VA 23702  
 Phone: (757) 393-7535      Contact: Lori (By Phone)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 89      Year Built: 1989      Ratings  
 Vacant Units: 0      \*AR Year:      Quality: B  
 Occupancy: 100.0%      Yr Renovated:      Neighborhood: B  
 Turnover:      Stories: 2,3      Access/Visibility: B/B  
 Waitlist: 3-br; 2 HH  
 Rent Special: None

Notes:



**Features And Utilities**

Utility Schedule Provided by: City of Portsmouth  
 Utility Type & Responsibility: No landlord paid utilities;  
 Unit Amenities: Dishwasher; Microwave; Range; Refrigerator; Central AC; W/D Hookup; W/D; Window Treatments; Flooring (Carpet, Vinyl)  
 Property Amenities: Concierge Services (Package Receiving); Laundry Room; On-Site Management; Recreation Areas (Playground); Courtesy Officer  
 Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1	G	65	0	736 - 828	\$1.09 - \$1.14	\$805 - \$945	Market
3	2	G	24	0	900	\$1.16 - \$1.23	\$1,040 - \$1,105	Market

\*Adaptive Reuse

\*DTS is based on drive time



**7 Crescent Place** 3.1 miles to site



Address: 2804 Turnpike Rd., Portsmouth, VA 23707  
 Phone: (757) 673-3962 Contact: Katriana (In Person)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 156 Year Built: 2008  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated:  
 Turnover: Stories: 3,4  
 Waitlist: None  
 Rent Special: None

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

Notes: Tax Credit;



**Features And Utilities**

Utility Schedule Provided by: City of Portsmouth  
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash  
 Unit Amenities: Dishwasher; Disposal; Icemaker; Range; Refrigerator; Central AC; Balcony; Deck / Patio; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Vinyl)  
 Property Amenities: Clubhouse; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Outdoor Swimming Pool)  
 Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	16	0	812	\$1.06	\$859	60%
2	2	G	104	0	1,181	\$0.87	\$1,026	60%
3	2	G	36	0	1,379	\$0.85	\$1,168	60%

\*Adaptive Reuse

\*DTS is based on drive time

**8 Ebenezer Plaza 3.3 miles to site**



Address: 1140 Chisholm Cir., Portsmouth, VA 23704  
 Phone: (757) 399-1722 Contact: Jackie (By Phone)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 52 Year Built: 1969  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated:  
 Turnover: Stories: 2  
 Waitlist: 6-12 mos  
 Rent Special: None

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

Notes: HCV (5 units);



**Features And Utilities**

Utility Schedule Provided by: City of Portsmouth

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

Unit Amenities: Range; Refrigerator; Central AC; Deck / Patio; W/D Hookup; Window Treatments; Flooring (Vinyl)

Property Amenities: On-Site Management; Extra Storage

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1	T	26	0	975	\$0.80	\$778	Market
3	1	T	26	0	1,050	\$0.80	\$844	Market

\*Adaptive Reuse

\*DTS is based on drive time

**12 Independence Square** 0.8 miles to site



Address: 5120 George Washington Hwy., Portsmouth, VA 23702  
 Phone: (757) 487-6660 Contact: Valerie (By Phone)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 152 Year Built: 1985  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated: 2005  
 Turnover: Stories: 2,3  
 Waitlist: None  
 Rent Special: None

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

Notes: Tax Credit;



**Features And Utilities**

Utility Schedule Provided by: City of Portsmouth

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

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

Property Amenities: Concierge Services (Package Receiving); Cafe / Coffee Bar; On-Site Management; Pet Stations; Recreation Areas (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	33	0	614	\$1.30	\$800	60%
2	1	G	106	0	816	\$1.11	\$905	60%
3	1	G	13	0	912	\$1.19	\$1,085	60%

\*Adaptive Reuse

\*DTS is based on drive time

**14** Mallard Cove Townhomes 3.7 miles to site



Address: 840 Lancer Dr., Portsmouth, VA 23701  
 Phone: (757) 488-4848      Contact: Maxine (By Phone)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 160      Year Built: 1975      Ratings  
 Vacant Units: 0      \*AR Year:      Quality: B  
 Occupancy: 100.0%      Yr Renovated: 2000      Neighborhood: B  
 Turnover:      Stories: 2      Access/Visibility: B/B-  
 Waitlist: None  
 Rent Special: None

Notes: Tax Credit



**Features And Utilities**

Utility Schedule Provided by: City of Portsmouth  
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash  
 Unit Amenities: Dishwasher; Disposal; Range; Refrigerator; Central AC; Deck / Patio; Ceiling Fan; W/D Hookup; W/D; Window Treatments; Flooring (Carpet, Vinyl)  
 Property Amenities: On-Site Management; Recreation Areas (Playground, Outdoor Swimming Pool); Courtesy Officer; Extra Storage  
 Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1.5	T	80	0	1,002	\$0.99	\$994	60%
3	1.5	T	80	0	1,202	\$0.92	\$1,109	60%

\*Adaptive Reuse

\*DTS is based on drive time



**15** **Maplewood I & II** 4.0 miles to site



Address: 3824 Maplefield Dr., Chesapeake, VA 23321  
 Phone: (757) 465-2001      Contact: Shantelle (By Phone)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 320      Year Built: 1991      Ratings  
 Vacant Units: 0      \*AR Year:      Quality: B  
 Occupancy: 100.0%      Yr Renovated: 2010      Neighborhood: B  
 Turnover:      Stories: 2      Access/Visibility: B/B  
 Waitlist: None  
 Rent Special: None

Notes: Tax Credit;



**Features And Utilities**

Utility Schedule Provided by: City of Portsmouth  
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash  
 Unit Amenities: Dishwasher; Range; Refrigerator; Central AC; Ceiling Fan; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Vinyl)  
 Property Amenities: Business Center (Computer, Copy, Fax); Clubhouse; Cafe / Coffee Bar; On-Site Management; Recreation Areas (Grill, Picnic Table / Area, Playground, Outdoor Swimming Pool); CCTV, Courtesy Officer; WiFi  
 Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1	G	280	0	875	\$1.13	\$990	60%
3	2	G	40	0	1,200	\$0.98	\$1,175	60%

\*Adaptive Reuse

\*DTS is based on drive time

**16 Marsh Landing** 1.5 miles to site



Address: 957-B Suburban Pkwy., Portsmouth, VA 23702  
 Phone: (757) 393-1064 Contact: Octivia (By Phone)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 250 Year Built: 1942  
 Vacant Units: 10 \*AR Year:  
 Occupancy: 96.0% Yr Renovated: 1999  
 Turnover: Stories: 2  
 Waitlist: None  
 Rent Special: None

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

Notes: Tax Credit;



**Features And Utilities**

Utility Schedule Provided by: City of Portsmouth

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

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

Property Amenities: Laundry Room; On-Site Management; Recreation Areas (Playground); Courtesy Officer

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1	G	156	6	550	\$1.38	\$760	60%
2	1	T	94	4	680	\$1.18	\$800	60%

\*Adaptive Reuse

\*DTS is based on drive time

**21 Thrive** 1.4 miles to site



Address: 1020 Thrive Pl, Chesapeake, VA 23323  
 Phone: (757) 558-4111 Contact: Sheveka (By Phone)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 103 Year Built: 1972  
 Vacant Units: 2 \*AR Year:  
 Occupancy: 98.1% Yr Renovated: 2016  
 Turnover: Stories: 2  
 Waitlist: 3-br; 6 HH  
 Rent Special: None

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

Notes: Tax Credit



**Features And Utilities**

Utility Schedule Provided by: City of Portsmouth  
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash  
 Unit Amenities: Dishwasher; Disposal; Icemaker; Range; Refrigerator; Central AC; W/D Hookup; Walk-In Closet; Window Treatments; Flooring (Carpet, Vinyl)  
 Property Amenities: Conference Room, Community Room; Laundry Room; On-Site Management; Recreation Areas (Playground); CCTV, Courtesy Officer  
 Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1	G	63	2	975	\$1.03	\$1,004	60%
3	2	G	40	0	1,200	\$0.98	\$1,175	60%

\*Adaptive Reuse

\*DTS is based on drive time

**22** **Whispering Oaks** 3.8 miles to site



Address: 2500 Oakleaf Pl., Portsmouth, VA 23707  
 Phone: (757) 397-6461      Contact: Ebony (By Phone)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 180      Year Built: 1970      Ratings  
 Vacant Units: 0      \*AR Year:      Quality: B  
 Occupancy: 100.0%      Yr Renovated: 2004      Neighborhood: B  
 Turnover:      Stories: 2,3      Access/Visibility: B/B  
 Waitlist: 200 HH  
 Rent Special: None

Notes:



**Features And Utilities**

Utility Schedule Provided by: City of Portsmouth  
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash  
 Unit Amenities: Dishwasher; Disposal; Range; Refrigerator; Central AC; Balcony; Deck / Patio; W/D Hookup; W/D; Window Treatments; Flooring (Carpet, Vinyl)  
 Property Amenities: Clubhouse; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Playground, Outdoor Swimming Pool); Courtesy Officer; Water Feature  
 Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	28	0	550	\$1.24	\$683	60%
2	2	G	102	0	1,176	\$0.73	\$854	60%
2	1	T	20	0	1,013	\$0.81	\$825	60%
3	2	G	30	0	1,240	\$0.80	\$992	60%

\*Adaptive Reuse

\*DTS is based on drive time



**903 Harbour Breeze Lifestyle** 13.4 miles to site



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

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

Notes:



**Features And Utilities**

Utility Schedule Provided by: City of Portsmouth

Utility Type & Responsibility: No landlord paid utilities;

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

Property Amenities: Bike Racks / Storage; Business Center (Computer, Copy, Fax); Car Care (Car Wash); Clubhouse; Concierge Services (Package Receiving); Cafe / Coffee Bar; Laundry Room; On-Site Management; Dog Park, Pet Stations; Recreation Areas (Fitness Center, Picnic Table / Area, Outdoor Swimming Pool, Volleyball); CCTV; Extra Storage; Water Feature; WiFi

Parking Type: Detached Garage; Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	72	0	787	\$1.40	\$1,102	Market
2	2	G	240	0	1,034 - 1,074	\$1.19 - \$1.15	\$1,232	Market
3	2	G	16	0	1,189	\$1.26	\$1,502	Market

\*Adaptive Reuse

\*DTS is based on drive time

XII.

FIELD SURVEY OF  
CONVENTIONAL RENTALS



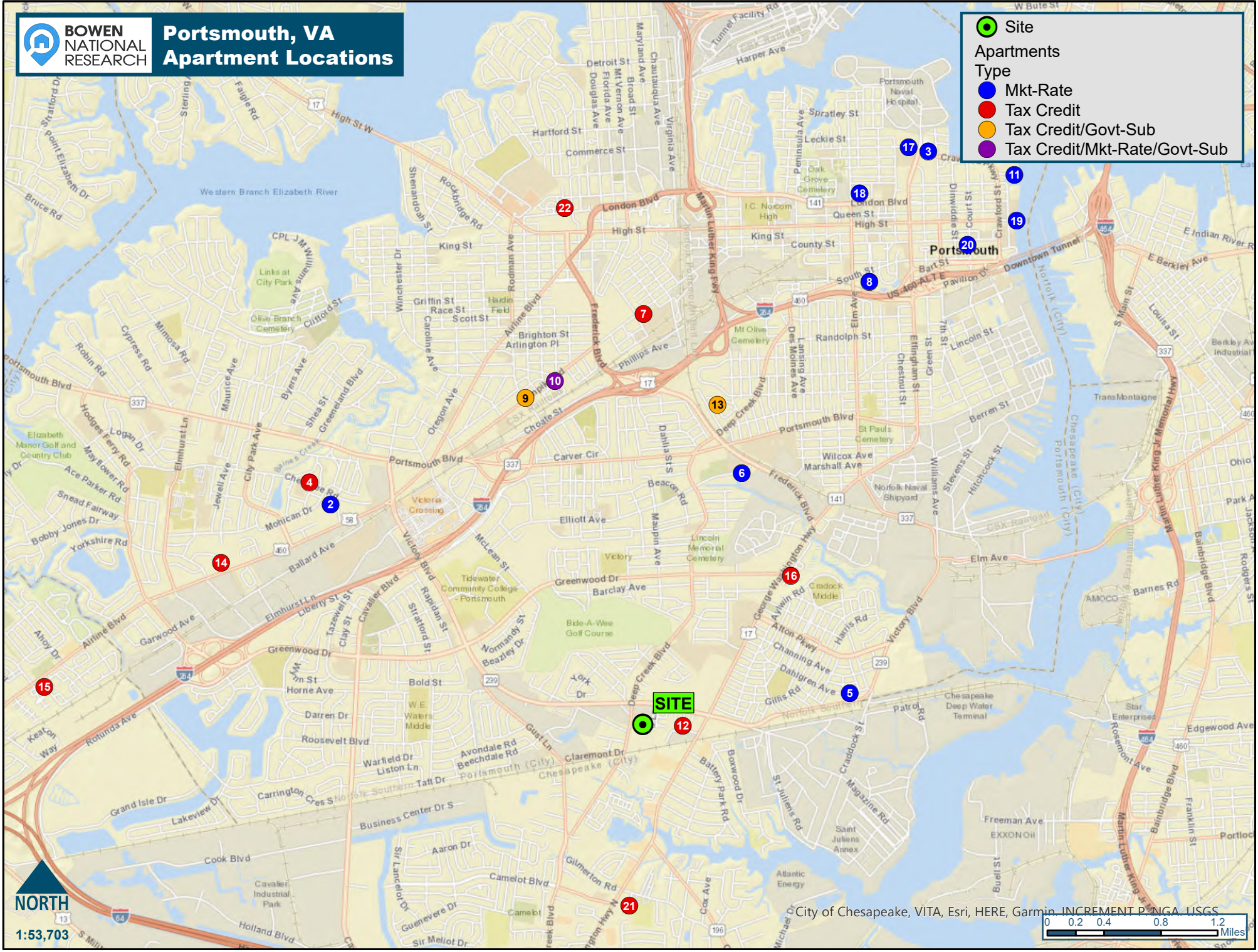


# Portsmouth, VA Apartment Locations

**Site**  
● (Green circle)

**Apartments Type**

- (Blue circle) Mkt-Rate
- (Red circle) Tax Credit
- (Yellow circle) Tax Credit/Govt-Sub
- (Purple circle) Tax Credit/Mkt-Rate/Govt-Sub



**NORTH**  
1:53,703

























Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Cross Creek	GSS	C	1969	102	0	100.0%	-
✓ 2	Ashton Village	MRR	B	1984	120	0	100.0%	2.7
3	Beacon 303 at Old Towne	MRR	B+	1972	148	7	95.3%	6.6
✓ 4	Belle Hall	TAX	B+	2008	120	2	98.3%	2.8
✓ 5	Bentley	MRR	B	1987	72	1	98.6%	1.7
✓ 6	Biltmore Commons	MRR	B	1989	89	0	100.0%	1.8
✓ 7	Crescent Place	TAX	B	2008	156	0	100.0%	3.1
✓ 8	Ebenezer Plaza	MRR	B-	1969	52	0	100.0%	3.3
9	Hamilton Place I	TGS	B	2010	84	0	100.0%	2.9
10	Hamilton Place II	TMG	B	2012	84	0	100.0%	3.1
11	Harbor Towers	MRR	B	1983	188	0	100.0%	6.2
✓ 12	Independence Square	TAX	B	1985	152	0	100.0%	0.8
13	Lexington Place I	TGS	B+	2020	10	0	100.0%	2.3
✓ 14	Mallard Cove Townhomes	TAX	B	1975	160	0	100.0%	3.7
✓ 15	Maplewood I & II	TAX	B	1991	320	0	100.0%	4.0
✓ 16	Marsh Landing	TAX	B	1942	250	10	96.0%	1.5
17	Nav850 at Old Towne	MRR	B+	2005	246	14	94.3%	4.3
18	Quarters at Park View	MRR	B	2014	140	0	100.0%	3.7
19	Seaboard Building	MRR	B	1985	81	3	96.3%	5.9
20	Sterling King	MRR	B+	2016	113	2	98.2%	5.6
✓ 21	Thrive	TAX	C+	1972	103	2	98.1%	1.4
✓ 22	Whispering Oaks	TAX	B	1970	180	0	100.0%	3.8
✓ 903	Harbour Breeze Lifestyle	MRR	B+	2002	328	0	100.0%	13.4

\*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>Cross Creek</b> 2502-2542 Bird Ln, Portsmouth, VA 23702	Contact: Shakia Phone: (757) 487-0935
	Total Units: 102 UC: 0 Occupancy: 100.0% Stories: 2 w/Elevator Year Built: 1969 BR: 2, 3 Vacant Units: 0 Waitlist: 50 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: HUD Section 236	
<b>2</b>	<b>Ashton Village</b> 224 Chowan Dr, Portsmouth, VA 23701	Contact: Tara Phone: (757) 465-2875
	Total Units: 120 UC: 0 Occupancy: 100.0% Stories: 2,2.5 Year Built: 1984 BR: 1, 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2013 Rent Special: None Notes:	
<b>3</b>	<b>Beacon 303 at Old Towne</b> 303 Effingham St., Portsmouth, VA 23704	Contact: Atlantae Phone: (757) 397-0071
	Total Units: 148 UC: 0 Occupancy: 95.3% Stories: 8 w/Elevator Year Built: 1972 BR: 1, 2, 3 Vacant Units: 7 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: March rent free if tenant moves in by March 17th Notes: Rent range based on floorplan	
<b>4</b>	<b>Belle Hall</b> 159 Cheyenne Trl., Portsmouth, VA 23701	Contact: Shakirah Phone: (757) 488-1411
	Total Units: 120 UC: 0 Occupancy: 98.3% Stories: 2,3 Year Built: 2008 BR: 2, 3 Vacant Units: 2 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit	
<b>5</b>	<b>Bentley</b> 104 Dahlgreen Ave., Portsmouth, VA 23702	Contact: Brittany Phone: (757) 487-5541
	Total Units: 72 UC: 0 Occupancy: 98.6% Stories: 2 Year Built: 1987 BR: 2 Vacant Units: 1 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:	

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





<b>6</b>	<b>Biltmore Commons</b> 2341 Elliott Ave., Portsmouth, VA 23702	Contact: Lori Phone: (757) 393-7535
		<p>Total Units: 89 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 1989                  BR: 2, 3 Vacant Units: 0 Waitlist: 3-br; 2 HH AR Year:                  Target Population: Family Yr Renovated:                  Rent Special: None                  Notes:</p>




<b>7</b>	<b>Crescent Place</b> 2804 Turnpike Rd., Portsmouth, VA 23707	Contact: Katriana Phone: (757) 673-3962
		<p>Total Units: 156 UC: 0 Occupancy: 100.0% Stories: 3,4 Year Built: 2008                  BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year:                  Target Population: Family Yr Renovated:                  Rent Special: None                  Notes: Tax Credit;</p>





<b>8</b>	<b>Ebenezer Plaza</b> 1140 Chisholm Cir., Portsmouth, VA 23704	Contact: Jackie Phone: (757) 399-1722
		<p>Total Units: 52 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1969                  BR: 2, 3 Vacant Units: 0 Waitlist: 6-12 mos AR Year:                  Target Population: Family Yr Renovated:                  Rent Special: None                  Notes: HCV (5 units);</p>


<b>9</b>	<b>Hamilton Place I</b> 3401 Turnpike Rd., Portsmouth, VA 23701	Contact: Victoria Phone: (757) 391-2918
		<p>Total Units: 84 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2010                  BR: 1, 2, 3 Vacant Units: 0 Waitlist: Shared with phase II; 24 mos AR Year:                  Target Population: Family Yr Renovated:                  Rent Special: None                  Notes: Tax Credit; HUD Section 8</p>


<b>10</b>	<b>Hamilton Place II</b> 3401 Turnpike Rd., Portsmouth, VA 23701	Contact: Victoria Phone: (757) 391-2918
		<p>Total Units: 84 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2012                  BR: 1, 2, 3 Vacant Units: 0 Waitlist: Shared with phase I; 24 mos AR Year:                  Target Population: Family Yr Renovated:                  Rent Special: None                  Notes: Market-rate (56 units); HUD Section 8 &amp; Tax Credit (28 units)</p>


<ul style="list-style-type: none"> <li> Comparable Property</li> <li> Senior Restricted</li> <li> (MRR) Market-Rate</li> <li> (MRT) Market-Rate &amp; Tax Credit</li> <li> (MRG) Market-Rate &amp; Government-Subsidized</li> <li> (MIN) Market-Rate &amp; Income-Restricted (not LIHTC)</li> </ul>	<ul style="list-style-type: none"> <li> (MIG) Market-Rate, Income-Restricted (not LIHTC) &amp; Govt-Subsidized</li> <li> (TAX) Tax Credit</li> <li> (TGS) Tax Credit &amp; Government-Subsidized</li> <li> (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)</li> <li> (TIN) Tax Credit &amp; Income-Restricted (not LIHTC)</li> <li> (TMG) Tax Credit, Market-Rate &amp; Government-Subsidized</li> </ul>	<ul style="list-style-type: none"> <li> (TIG) Tax Credit, Income-Restricted (not LIHTC) &amp; Govt-Subsidized</li> <li> (INR) Income-Restricted (not LIHTC)</li> <li> (ING) Income-Restricted (not LIHTC) &amp; Government-Subsidized</li> <li> (GSS) Government-Subsidized</li> <li> (ALL) Tax Credit, Market-Rate, Govt-Subsidized &amp; Income-Restricted</li> </ul>
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11	<b>Harbor Towers</b>		Contact: Gina			
	1 Harbor Ct, Portsmouth, VA 23704		Phone: (757) 393-1600			
	Total Units: 188 UC: 0	Occupancy: 100.0%	Stories: 25	w/Elevator	Year Built: 1983	
	BR: 1, 2	Vacant Units: 0	Waitlist: 7 HH		AR Year:	
	Target Population: Family				Yr Renovated:	
	Rent Special: None					
	Notes: Rents change daily					

12	<b>Independence Square</b>		Contact: Valerie			
	5120 George Washington Hwy., Portsmouth, VA 23702		Phone: (757) 487-6660			
	Total Units: 152 UC: 0	Occupancy: 100.0%	Stories: 2,3		Year Built: 1985	
	BR: 1, 2, 3	Vacant Units: 0	Waitlist: None		AR Year:	
	Target Population: Family				Yr Renovated: 2005	
	Rent Special: None					
	Notes: Tax Credit;					

13	<b>Lexington Place I</b>		Contact: Ms.Jenkins			
	4 Lexington Dr, Portsmouth, VA 23704		Phone:			
	Total Units: 10 UC: 62	Occupancy: 100.0%	Stories: 2		Year Built: 2020	
	BR: 1, 2, 3	Vacant Units: 0	Waitlist: 414 HH		AR Year:	
	Target Population: Family				Yr Renovated:	
	Rent Special: None					
	Notes: Tax Credit; PBV/PBRA; 62 additional units UC, expect completion 10/2021; Preleasing & opened 12/2020					


14	<b>Mallard Cove Townhomes</b>		Contact: Maxine			
	840 Lancer Dr., Portsmouth, VA 23701		Phone: (757) 488-4848			
	Total Units: 160 UC: 0	Occupancy: 100.0%	Stories: 2		Year Built: 1975	
	BR: 2, 3	Vacant Units: 0	Waitlist: None		AR Year:	
	Target Population: Family				Yr Renovated: 2000	
	Rent Special: None					
	Notes: Tax Credit					


15	<b>Maplewood I &amp; II</b>		Contact: Shantelle			
	3824 Maplefield Dr., Chesapeake, VA 23321		Phone: (757) 465-2001			
	Total Units: 320 UC: 0	Occupancy: 100.0%	Stories: 2		Year Built: 1991	
	BR: 2, 3	Vacant Units: 0	Waitlist: None		AR Year:	
	Target Population: Family				Yr Renovated: 2010	
	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	







16	<b>Marsh Landing</b> 957-B Suburban Pkwy., Portsmouth, VA 23702	Contact: Octivia Phone: (757) 393-1064			
		Total Units: 250 UC: 0 BR: 2 Target Population: Family Rent Special: None Notes: Tax Credit:	Occupancy: 96.0% Vacant Units: 10	Stories: 2 Waitlist: None	Year Built: 1942 AR Year: Yr Renovated: 1999

17	<b>Nav850 at Old Towne</b> 850 Crawford Pkwy., Portsmouth, VA 23704	Contact: Alantae Phone: (757) 397-2000			
		Total Units: 246 UC: 0 BR: 1, 2 Target Population: Family Rent Special: None Notes: Rents change daily	Occupancy: 94.3% Vacant Units: 14	Stories: 3 Waitlist: None	w/Elevator Year Built: 2005 AR Year: Yr Renovated:

18	<b>Quarters at Park View</b> 1140 London Blvd., Portsmouth, VA 23704	Contact: Nicole Phone: (757) 673-7500			
		Total Units: 140 UC: 0 BR: 0, 1, 2 Target Population: Family Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0	Stories: 3,4 Waitlist: None	w/Elevator Year Built: 2014 AR Year: Yr Renovated:

19	<b>Seaboard Building</b> 1 High St., Portsmouth, VA 23704	Contact: Brandon Phone: (757) 512-6067			
		Total Units: 81 UC: 0 BR: 1, 2 Target Population: Family Rent Special: None Notes:	Occupancy: 96.3% Vacant Units: 3	Stories: 6 Waitlist: None	Year Built: 1985 AR Year: Yr Renovated:

20	<b>Sterling King</b> 714 Court St., Portsmouth, VA 23704	Contact: Jessica Phone: (757) 399-0058			
		Total Units: 113 UC: 0 BR: 1, 2 Target Population: Family Rent Special: None Notes:	Occupancy: 98.2% Vacant Units: 2	Stories: 4 Waitlist: None	w/Elevator Year Built: 2016 AR Year: Yr Renovated:

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





21	<b>Thrive</b> 1020 Thrive Pl, Chesapeake, VA 23323	Contact: Sheveka			
		Phone: (757) 558-4111			
	Total Units: 103	UC: 0	Occupancy: 98.1%	Stories: 2	Year Built: 1972
	BR: 2, 3		Vacant Units: 2	Waitlist: 3-br; 6 HH	AR Year:
	Target Population: Family				Yr Renovated: 2016
	Rent Special: None				
	Notes: Tax Credit				



22	<b>Whispering Oaks</b> 2500 Oakleaf Pl., Portsmouth, VA 23707	Contact: Ebony			
		Phone: (757) 397-6461			
	Total Units: 180	UC: 0	Occupancy: 100.0%	Stories: 2,3	Year Built: 1970
	BR: 1, 2, 3		Vacant Units: 0	Waitlist: 200 HH	AR Year:
	Target Population: Family				Yr Renovated: 2004
	Rent Special: None				
	Notes:				



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

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

Source: City of Portsmouth  
Effective: 07/2020

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	16	19	22	24	27	29	16	19	22	24	27	29
	+Base Charge	16	16	16	16	16	16	16	16	16	16	16	16
	Bottled Gas	49	58	65	73	81	88	49	58	65	73	81	88
	Electric	13	16	20	23	26	29	13	16	20	23	26	29
	Heat Pump	11	14	16	17	18	19	11	14	16	17	18	19
	Oil	40	47	53	60	66	72	40	47	53	60	66	72
Cooking	Natural Gas	3	3	5	6	8	9	3	3	5	6	8	9
	Bottled Gas	8	10	14	18	23	27	8	10	14	18	23	27
	Electric	5	6	8	11	13	16	5	6	8	11	13	16
Other Electric	18	22	30	39	47	55	18	22	30	39	47	55	
+Base Charge	7	7	7	7	7	7	7	7	7	7	7	7	
Air Conditioning	8	9	13	17	21	25	8	9	13	17	21	25	
Water Heating	Natural Gas	6	7	11	14	17	20	6	7	11	14	17	20
	Bottled Gas	19	22	31	41	51	61	19	22	31	41	51	61
	Electric	12	14	17	21	25	28	12	14	17	21	25	28
	Oil	15	18	26	34	42	49	15	18	26	34	42	49
Water	24	26	39	58	78	97	24	26	39	58	78	97	
Sewer	36	40	66	105	145	185	36	40	66	105	145	185	
Trash Collection	33	33	33	33	33	33	33	33	33	33	33	33	
Internet*	20	20	20	20	20	20	20	20	20	20	20	20	
Cable*	20	20	20	20	20	20	20	20	20	20	20	20	
Alarm Monitoring*	0	0	0	0	0	0	0	0	0	0	0	0	

\* Estimated- not from source

## **XIII. Qualifications**

### **The Company**

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

### **Company Leadership**

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

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

### **Market Analysts**

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

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

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

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

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

**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 18, 2021



Craig Rupert

Market Analyst

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

Date: February 18, 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