

MARKET STUDY

Property:
Tranquility at the Lakes II
5837 Burton Station Road
Virginia Beach, Virginia 23455



Type of Property:
Affordable Multifamily Development
Elderly
New Construction

Date of Report:
March 8, 2021

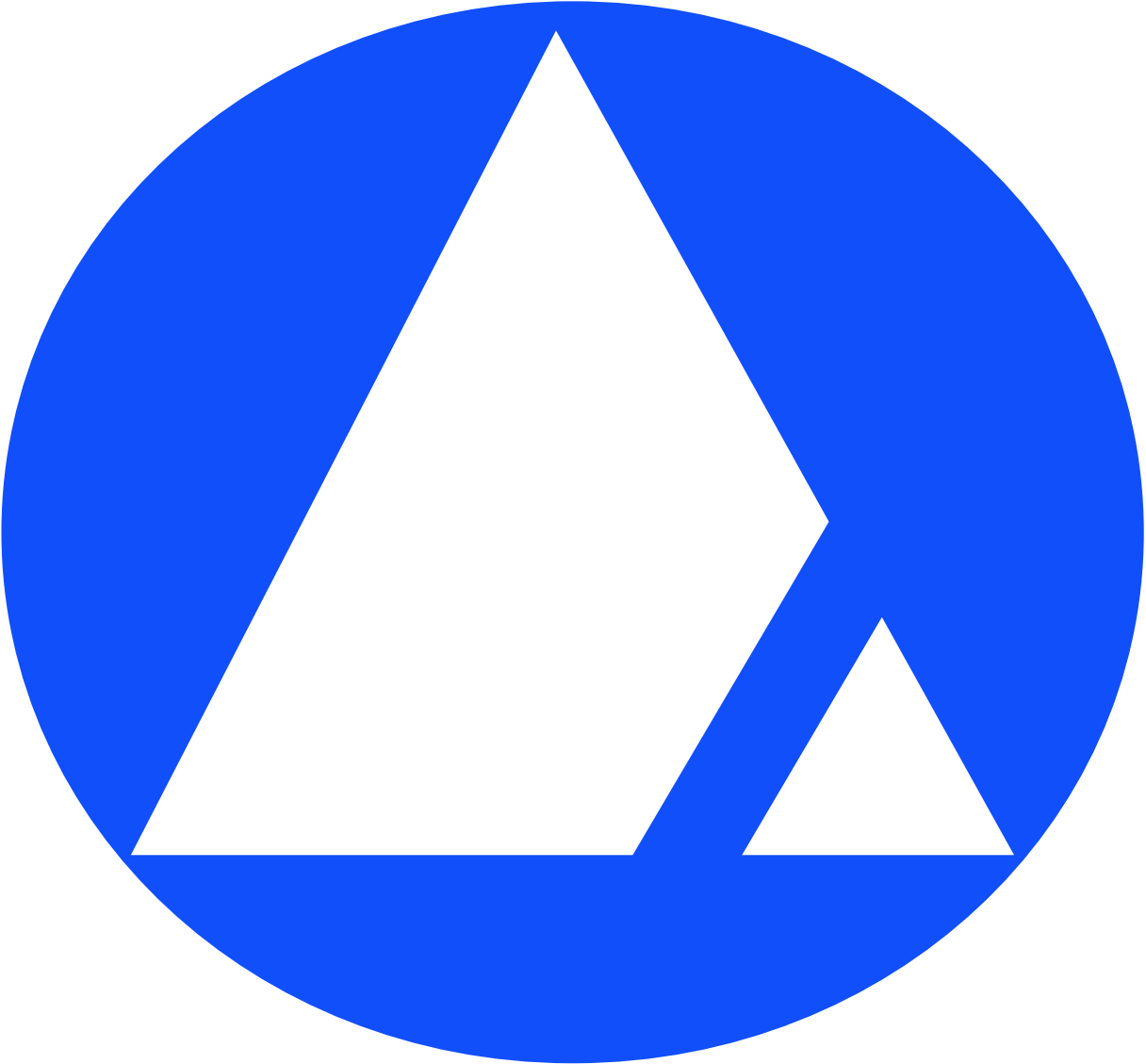
Effective Date:
March 5, 2021

Date of Site Visit:
February 19, 2021

Prepared For:
Ms. Angela Whitehead
Seniors Unlimited Lifestyles Inc.
453 Longdale Crescent
Chesapeake, Virginia 23325

Prepared By:
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AAC File Number:
21-007





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March 8, 2021

Ms. Angela Whitehead
Seniors Unlimited Lifestyles Inc.
453 Longdale Crescent
Chesapeake, Virginia 23325

Re: Tranquility at the Lakes II

Dear Ms. Angela Whitehead:

The subject property, known as Tranquility at the Lakes II, is a proposed affordable multifamily development to be located at 5837 Burton Station Road in Virginia Beach, Virginia (GPIN # 1458-88-2715, 1458-89-2065, 1458-88-2897, 1458-89-2090, and 1458-89-3052). The subject property is proposed to consist of 38 revenue-producing units. The sponsor has proposed to construct the property with an allocation of tax credits. The subject property is a 62+ age restricted community.

The subject property is proposed to consist of 38 revenue-producing units including 1 and 2-bedroom garden apartments. A total of 4 units are proposed to be income restricted to 40% of AMI; a total of 15 units are proposed to be income restricted to 50% of AMI; a total of 19 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 20 units are proposed to benefit from project-based rental assistance; a total of 11 units are proposed to benefit from HOME financing. The rent and income restrictions associated with the proposed allocation of tax credits will run for the next 30 years.

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

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

The report has been generated for the benefit of our client Seniors Unlimited Lifestyles Inc. VHDA and VCDC are named as additional users of the report. No other person or entity may use the report for any reason whatsoever without our express written permission.

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

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

Feel free to contact us with any questions or comments.

Respectfully submitted:
ALLEN & ASSOCIATES CONSULTING



Jeff Carroll

EXECUTIVE SUMMARY

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

Project Description

The subject property, known as Tranquility at the Lakes II, is a proposed affordable multifamily development to be located at 5837 Burton Station Road in Virginia Beach, Virginia (GPIN # 1458-88-2715, 1458-89-2065, 1458-88-2897, 1458-89-2090, and 1458-89-3052). The subject property is proposed to consist of 38 revenue-producing units. The sponsor has proposed to construct the property with an allocation of tax credits. The subject property is a 62+ age restricted community.

Proposed Unit Mix

The subject property is proposed to consist of 38 revenue-producing units including 1 and 2-bedroom garden apartments. A total of 4 units are proposed to be income restricted to 40% of AMI; a total of 15 units are proposed to be income restricted to 50% of AMI; a total of 19 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 20 units are proposed to benefit from project-based rental assistance; a total of 11 units are proposed to benefit from HOME financing. The rent and income restrictions associated with the proposed allocation of tax credits will run for the next 30 years.

Unit Type / Income Limit / Rent Limit	Proposed Unit Configuration		Units	Gross Rent	UA	Net Rent
	HOME	Subsidized				
1BR-1BA-510sf / 40% of AMI / 40% of AMI	Yes	Yes	3	\$1,053	\$92	\$961
1BR-1BA-639sf / 40% of AMI / 40% of AMI	Yes	Yes	1	\$1,053	\$92	\$961
1BR-1BA-510sf / 50% of AMI / 50% of AMI	Yes	Yes	5	\$1,053	\$92	\$961
1BR-1BA-510sf / 50% of AMI / 50% of AMI	No	Yes	8	\$1,053	\$92	\$961
1BR-1BA-510sf / 60% of AMI / 60% of AMI	No	No	12	\$842	\$92	\$750
1BR-1BA-639sf / 60% of AMI / 60% of AMI	No	No	3	\$867	\$92	\$775
2BR-1.5BA-831sf / 50% of AMI / 50% of AMI	Yes	Yes	2	\$1,249	\$134	\$1,115
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	Yes	1	\$1,249	\$134	\$1,115
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	No	3	\$1,044	\$134	\$910
Total/Average			38	\$986	\$99	\$888

Site Description

The subject property includes an irregular-shaped parcel consisting of approximately 1.74 acres and approximately 100 feet of road frontage.

A total of 43 parking spaces are planned for this development (37 regular / 6 accessible / 1.13 spaces per unit). Privately-owned parking areas are planned for the subject property. We normally see 1.0 to 1.5 spaces per unit for projects like the subject. Public transportation is found in the area. In our opinion, the current parking appears adequate for the subject property.

Additional Considerations:

Zoning	CUP. Legal, conditional use.
Environmental	2021 construction. No suspected environmental conditions.
Topography	No issues detected.
Flood	Zone X. Outside the 100-year flood zone.
DDA Status	Virginia Beach, Virginia. Not designated as a Difficult to Develop Area.
QCT Status	Tract 402.00. Not designated as a Qualified Census Tract.
Access	Good/Very Good. Located near a heavily-traveled road.
Visibility	Good. Significant frontage.

In our opinion, the site is suitable for development.

Neighborhood Description

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

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

Additional Considerations:

Crime	Lower crime rates to market average.
Schools	Similar graduation rates to market average.
Average Commute	Similar commutes to market average.

In our opinion, the neighborhood is suitable for development.

Primary Market Area

We defined the primary market area by generating a 10-minute drive time zone around the subject property. We also considered existing concentrations of multifamily properties and the nearest census tract boundaries in our analysis.

The primary market area includes a population of 97,197 persons and covers a total of 30.6 square miles, making it 6.2 miles across on average.

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

Demographic Characteristics

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

Population	Market area population currently stands at 97,197 and is projected to grow 0.2 percent this year.
Households	Market area households currently stand at 41,356 and is projected to grow 0.7 percent this year.
Renter Households	Market area renter households currently stand at 19,526 and is projected to grow 0.7 percent this year.
Renter Tenure	Market area renter tenure currently stands at 47.2 percent.
Rent Growth	Market area rents have grown 2.16% annually since 2010.

Regional Economic Outlook

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

Est Employment	Regional establishment employment currently stands at 507,855 and is projected to grow 1.3 percent this year.
Civ Employment	Regional civilian employment currently stands at 345,052 and is projected to grow 0.4 percent this year.
Empl by Industry	Regional establishment employment currently stands at 507,855. The data suggests that Federal Military is the largest employment category accounting for 11.8% of total regional employment. Health Care and Social Assistance is the second largest category accounting for 11.8% of total employment. Retail Trade is the third largest category accounting for 9.3% of total employment. State and Local Government is the fourth largest category accounting for 8.7% of total employment. Accommodation and Food Services is the fifth largest category accounting for 8.0% of total employment.

Top Employers The top employers include: (1) Sentara Norfolk General Hosp (3467 employees); (2) Old Dominion University (3000 employees) and; (3) Children's Hospital-The King's (2335 employees).

Layoffs/Expansions Significant numbers of layoffs over the past year due to COVID. Employers are beginning to hire again.

Supply Analysis

Our analysis includes a total of 69 confirmed market area properties consisting of 11,402 units. The occupancy rate for these units currently stands at 95 percent. This rate reflects the occupancy for all confirmed market area units, regardless of project status (stabilized, under construction, proposed, etc.).

The following tables summarize our findings for this market area:

Grand Total				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	58	10,301	514	95%
Restricted	9	775	23	97%
Subsidized	2	326	20	94%
Total	69	11,402	557	95%

Stabilized				
Family				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	57	10,050	507	95%
Restricted	5	524	1	100%
Subsidized	1	48	0	100%
Total	63	10,622	508	95%

Elderly				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	1	251	7	97%
Restricted	3	233	4	98%
Subsidized	1	258	0	100%
Total	5	742	11	99%

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

Elderly				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	0	0	0	0%
Restricted	1	18	18	0%
Subsidized	0	20	20	0%
Total	1	38	38	0%

Most Comparable Properties

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

Key	Property	Units	Occupancy	Built	Renovated	Rents	Type	Miles to Sub
071	Nexus Flats	136	89%	2018	na	Market Rate	Family	1.61
079	Park Crescent Apartments Pr	112	99%	2013	na	Market Rate	Family	2.36
136	Coastal 61 At Oxford Village (244	100%	2020	na	Market Rate	Family	2.58
141	Marina Villa Apartments	105	94%	2020	na	Market Rate	Family	2.50
142	Meadowood Apartments	180	100%	2011	na	Market Rate	Family	2.28
145	Spring Water Apartments	252	100%	2013	na	Market Rate	Family	0.76

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

Key	Property	Units	Occupancy	Built	Renovated	Rents	Type	Miles to Sub
054	Hamptons (The) Apartments	212	99%	1967	2000	Restricted	Family	1.17
090	Pointe at Pickett Farms (The)	120	100%	2014	na	Restricted	Family	2.15
092	Quill Apartments	180	100%	2015	na	Restricted	Family	2.17
123	Victoria Place Apartments	122	98%	2003	na	Restricted	Elderly	3.58
128	Wesleyan Place Apartments	91	99%	2008	na	Restricted	Elderly	1.42

Achievable Rents

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

Unit Type / Income Limit / Rent Limit	Achievable Rents			Units	Achievable	Proposed	Advantage
	HOME	Subsidized					
1BR-1BA-510sf / 40% of AMI / 40% of AMI	Yes	Yes		3	\$1,240	\$961	22.5%
1BR-1BA-639sf / 40% of AMI / 40% of AMI	Yes	Yes		1	\$1,240	\$961	22.5%
1BR-1BA-510sf / 50% of AMI / 50% of AMI	Yes	Yes		5	\$1,240	\$961	22.5%
1BR-1BA-510sf / 50% of AMI / 50% of AMI	No	Yes		8	\$1,240	\$961	22.5%
1BR-1BA-510sf / 60% of AMI / 60% of AMI	No	No		12	\$750	\$750	0.0%
1BR-1BA-639sf / 60% of AMI / 60% of AMI	No	No		3	\$770	\$775	-0.6%
2BR-1.5BA-831sf / 50% of AMI / 50% of AMI	Yes	Yes		2	\$1,385	\$1,115	19.5%
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	Yes		1	\$1,385	\$1,115	19.5%
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	No		3	\$900	\$910	-1.1%
Total / Average				38	\$1,033	\$888	14.0%

Our analysis suggests an average achievable rent of \$1,033 for the subject property. This is compared with an average proposed rent of \$888, yielding an achievable rent advantage of 14 percent. Overall, the subject property appears to be priced at or below achievable rents for the area (although one or more units appear to exceed achievable rents).

NCHMA Demand Analysis

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

Unit Type / Rent Type / Income Limit	Vac Units at Market Entry	Gross Demand	Vacant & Pipeline Units	Capture Rate Gross	Capture Rate Net	Penetration Rate	Absorption Pd (Mos)
1-Bedroom / Subsidized / 50% of AMI	17	1,053	17	1.6%	1.6%	26.0%	2
1-Bedroom / Restricted / 60% of AMI	15	527	15	2.8%	2.9%	11.6%	3
2-Bedroom / Subsidized / 60% of AMI	3	1,195	3	0.3%	0.3%	2.0%	<1
2-Bedroom / Restricted / 60% of AMI	3	348	5	0.9%	0.9%	23.3%	1

Project-Wide Gross Capture Rate	3.1%
Project-Wide Net Capture Rate	3.2%
Project-Wide Penetration Rate	36.1%
Stabilized Occupancy	97%
Project-Wide Absorption Period	3 mos

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

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

Our analysis suggests that the subject property will stabilize at 97 percent occupancy. We estimate 3 months of absorption and an average absorption rate of 10.7 units per month for this project. In our opinion, the absorption period suggests an appropriate number and mix of units for the subject property.

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

VHDA Demand Analysis

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

Project-Wide Capture Rate - LIHTC Units	2.2%
Project-Wide Capture Rate - Market Units	0.0%
Project-Wide Capture Rate - All Units	2.2%
Project-Wide Absorption Period (Months)	3 mos

Conclusion

In conclusion, the subject property appears to be feasible from a market standpoint, subject to the recommendations in this report. Some of the units appears to be priced slightly above achievable rents; the sponsor should revisit the rents for these units. Assuming that this happens, we anticipate a rapid lease-up after construction.

Because of the demonstrated depth of demand in this area, we do not believe the construction of this property will have an adverse impact on existing projects in the market area.

Tranquility at the Lakes II
5837 Burton Station Road
Virginia Beach, Virginia 23455

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Minimum Income	\$2,760				\$25,260				\$2,760
Maximum Income	\$39,600				\$39,600				\$39,600
New Rental Households	75				21				96
(+)									
Existing Households - Overburdened	872				242				1,114
(+)									
Existing Households - Substandard Housing	155				43				198
(+)									
Elderly Households - Likely to Convert to Rental Housing	276				76				
(+)									
Existing Qualifying Tenants - To Remain After Renovation									
(+)									
Total Demand	1,378				381				1,407
(-)									
Supply (Directly Comparable Vacant Units Completed or in Pipeline in PMA)	20				20				40
(=)									
Net Demand	1,358				361				1,367
Proposed Units	20				18				38
Capture Rate	1.5%				5.0%				2.8%
Absorption Period (Months)	3 mos				3 mos				3 mos

TABLE OF CONTENTS

PROJECT OVERVIEW.....	PAGE 12
IMPROVEMENT DESCRIPTION & ANALYSIS.....	PAGE 21
SITE DESCRIPTION & ANALYSIS.....	PAGE 26
NEIGHBORHOOD DESCRIPTION & ANALYSIS.....	PAGE 32
SUBJECT PROPERTY PHOTOS.....	PAGE 38
MARKET AREA.....	PAGE 39
ECONOMIC OUTLOOK.....	PAGE 41
DEMOGRAPHIC CHARACTERISTICS.....	PAGE 47
SUPPLY ANALYSIS.....	PAGE 55
RENT COMPARABILITY ANALYSIS.....	PAGE 85
NCHMA DEMAND ANALYSIS.....	PAGE 126
VHDA DEMAND ANALYSIS.....	PAGE 146
VHDA DEMAND ANALYSIS (UNSUBSIDIZED).....	PAGE 155
APPENDIX.....	PAGE 166

PROJECT OVERVIEW

Project Description

The subject property, known as Tranquility at the Lakes II, is a proposed affordable multifamily development to be located at 5837 Burton Station Road in Virginia Beach, Virginia (GPIN # 1458-88-2715, 1458-89-2065, 1458-88-2897, 1458-89-2090, and 1458-89-3052). The subject property is proposed to consist of 38 revenue-producing units. The sponsor has proposed to construct the property with an allocation of tax credits. The subject property is a 62+ age restricted community.

Select project details are summarized below:

Project Description	
Property Name	Tranquility at the Lakes II
Street Number	5837
Street Name	Burton Station
Street Type	Road
City	Virginia Beach
County	Virginia Beach City
State	Virginia
Zip	23455
Units	38
Year Built	2021
Project Rent	Restricted
Project Type	Elderly
Project Status	Prop Const
Financing Type	Tax Credit
Latitude	36.8824
Longitude	-76.1905

Construction and Lease-Up Schedule

We anticipate a 12-month construction period for this project. Assuming a June 1, 2022 closing, this yields a date of completion of June 1, 2023. Our demand analysis (found later in this report) suggests a 3-month absorption period. This yields a date of stabilization of September 1, 2023.

Unit Configuration

The subject property is proposed to consist of 38 revenue-producing units including 1 and 2-bedroom garden apartments. A total of 4 units are proposed to be income restricted to 40% of AMI; a total of 15 units are proposed to be income restricted to 50% of AMI; a total of 19 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 20 units are proposed to benefit from project-based rental assistance; a total of 11 units are proposed to benefit from HOME financing. The rent and income restrictions associated with the proposed allocation of tax credits will run for the next 30 years.

Proposed Unit Configuration										
BR	BA	SF	Unit Type	Income Limit	Rent Limit	HOME Units	Subs Units	Total Units	Gross Rent	Net Rent
1	1.0	510	Garden/Flat	40%	40%	Yes	Yes	3	\$1,053	\$961
1	1.0	639	Garden/Flat	40%	40%	Yes	Yes	1	\$1,053	\$961
1	1.0	510	Garden/Flat	50%	50%	Yes	Yes	5	\$1,053	\$961
1	1.0	510	Garden/Flat	50%	50%	No	Yes	8	\$1,053	\$961
1	1.0	510	Garden/Flat	60%	60%	No	No	12	\$842	\$750
1	1.0	639	Garden/Flat	60%	60%	No	No	3	\$867	\$775
2	1.5	831	Garden/Flat	50%	50%	Yes	Yes	2	\$1,249	\$1,115
2	1.5	831	Garden/Flat	60%	60%	No	Yes	1	\$1,249	\$1,115
2	1.5	831	Garden/Flat	60%	60%	No	No	3	\$1,044	\$910
Total/Average		574						38	\$986	\$888

Income & Rent Limits

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

Income Limits						
HH Size	30% of AMI	40% of AMI	50% of AMI	60% of AMI	70% of AMI	80% of AMI
1.0 Person	\$17,340	\$23,120	\$28,900	\$34,680	\$40,460	\$46,240
2.0 Person	\$19,800	\$26,400	\$33,000	\$39,600	\$46,200	\$52,800
3.0 Person	\$22,290	\$29,720	\$37,150	\$44,580	\$52,010	\$59,440
4.0 Person	\$24,750	\$33,000	\$41,250	\$49,500	\$57,750	\$66,000
5.0 Person	\$26,730	\$35,640	\$44,550	\$53,460	\$62,370	\$71,280
6.0 Person	\$28,710	\$38,280	\$47,850	\$57,420	\$66,990	\$76,560
7.0 Person	\$30,690	\$40,920	\$51,150	\$61,380	\$71,610	\$81,840
8.0 Person	\$32,670	\$43,560	\$54,450	\$65,340	\$76,230	\$87,120

Source: HUD; State Housing Finance Agency

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

Historical Median Income		
Year	\$	Change
2008	\$65,100	1.6%
2009	\$67,900	4.3%
2010	\$68,200	0.4%
2011	\$69,900	2.5%
2012	\$70,900	1.4%
2013	\$73,300	3.4%
2014	\$70,600	-3.7%
2015	\$70,900	0.4%
2016	\$70,500	-0.6%
2017	\$73,000	3.5%
2018	\$75,000	2.7%
2019	\$79,300	5.7%
2020	\$82,500	4.0%

Source: HUD

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

Maximum Housing Expense						
Unit Type	30% of AMI	40% of AMI	50% of AMI	60% of AMI	70% of AMI	80% of AMI
0 Bedroom	\$433	\$578	\$722	\$867	\$1,011	\$1,156
1 Bedroom	\$464	\$619	\$773	\$928	\$1,083	\$1,238
2 Bedroom	\$557	\$743	\$928	\$1,114	\$1,300	\$1,486
3 Bedroom	\$643	\$858	\$1,072	\$1,287	\$1,501	\$1,716
4 Bedroom	\$717	\$957	\$1,196	\$1,435	\$1,674	\$1,914

Source: HUD

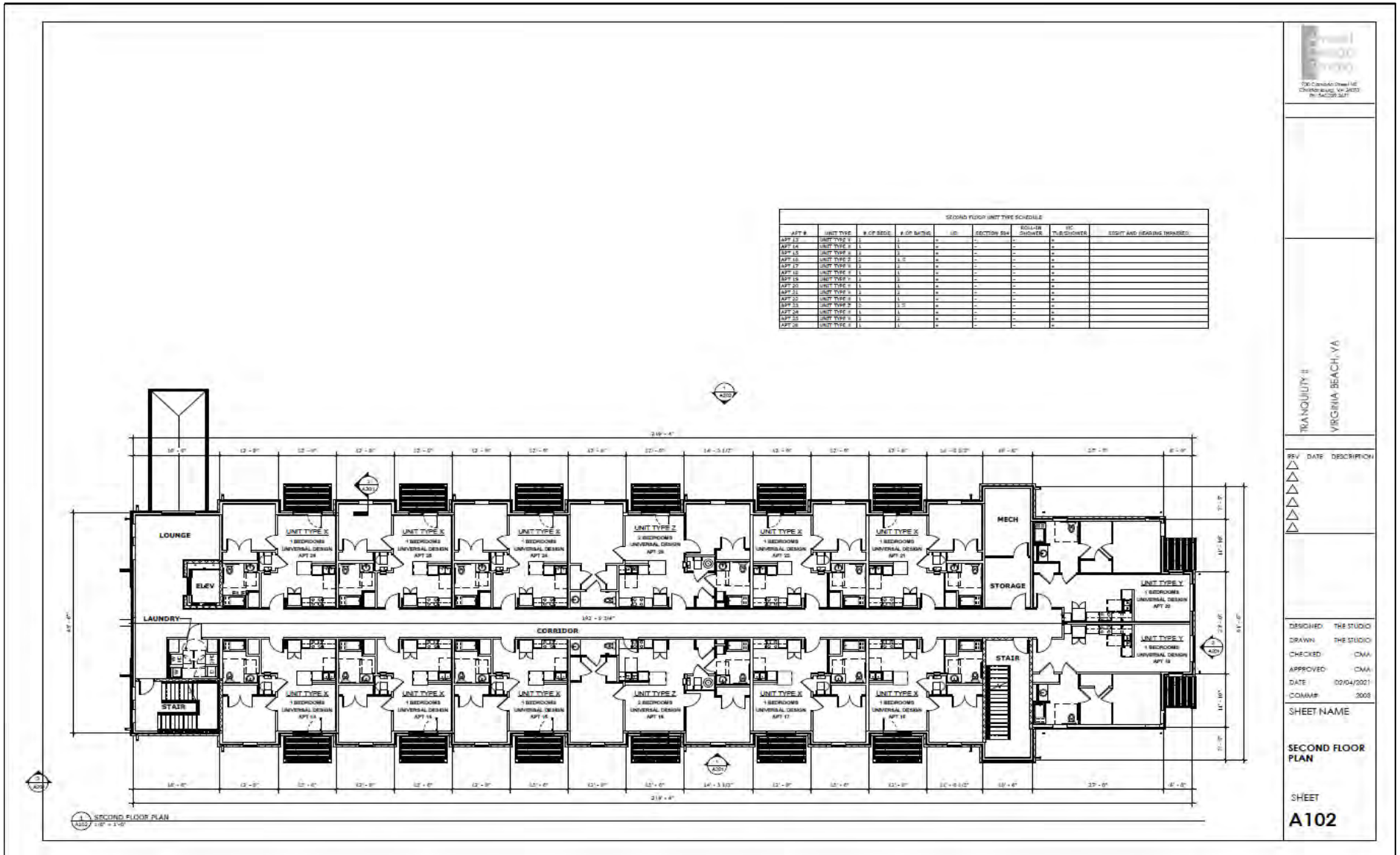
The following table sets forth the gross fair market rents (net fair market rents + tenant-paid utilities) that would apply to any Section 8 voucher recipients or any units benefiting from HOME financing at the subject property:

Fair Market Rents	
Unit Type	Gross Rent
0 Bedroom	\$960
1 Bedroom	\$972
2 Bedroom	\$1,147
3 Bedroom	\$1,618
4 Bedroom	\$1,986

Source: HUD



Building Plans (Continued)



SECOND FLOOR UNIT TYPE SCHEDULE

APT #	UNIT TYPE	# OF BEDS	# OF BATHS	CL	SECTION SW	REG-UR	ST	PLB/STAIRS	STAIR AND LEASING TRAILER:
APT 13	UNIT TYPE 2	2	1	A	C	C	C	C	
APT 14	UNIT TYPE 1	1	1	A	C	C	C	C	
APT 15	UNIT TYPE 2	2	1	A	C	C	C	C	
APT 16	UNIT TYPE 2	2	1	A	C	C	C	C	
APT 17	UNIT TYPE 2	2	1	A	C	C	C	C	
APT 18	UNIT TYPE 1	1	1	A	C	C	C	C	
APT 19	UNIT TYPE 1	1	1	A	C	C	C	C	
APT 20	UNIT TYPE 1	1	1	A	C	C	C	C	
APT 21	UNIT TYPE 1	1	1	A	C	C	C	C	
APT 22	UNIT TYPE 1	1	1	A	C	C	C	C	
APT 23	UNIT TYPE 1	1	1	A	C	C	C	C	
APT 24	UNIT TYPE 1	1	1	A	C	C	C	C	
APT 25	UNIT TYPE 1	1	1	A	C	C	C	C	
APT 26	UNIT TYPE 1	1	1	A	C	C	C	C	
APT 27	UNIT TYPE 1	1	1	A	C	C	C	C	
APT 28	UNIT TYPE 1	1	1	A	C	C	C	C	



TRANQUILITY II
VIRGINIA BEACH, VA

REV. DATE DESCRIPTION

▲		
▲		
▲		
▲		

DESIGNED: THE STUDIO
DRAWN: THE STUDIO
CHECKED: CMA
APPROVED: CMA
DATE: 02/04/2001
COMMP: 2008

SHEET NAME

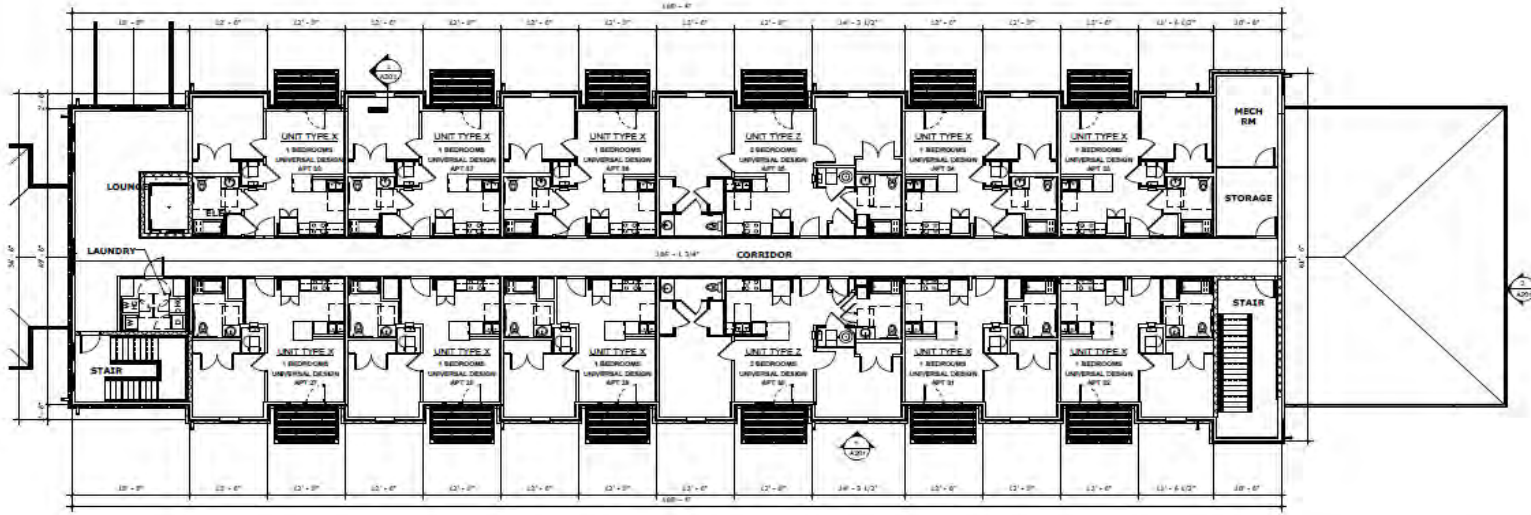
SECOND FLOOR PLAN
SHEET
A102

Building Plans (Continued)



TRANQUILITY #
VIRGINIA BEACH, VA

THIRD FLOOR UNIT FIRE SCHEDULE									
APT #	UNIT TYPE	# OF BEDS	# OF BATHS	LD	SECTION ID#	ESQ. OR DIVIDER	NO. TUBS/SHOWERS	STOVE AND HEATING DEVICES	
APT 25	UNIT TYPE 1	1	1	*	-	-	-	-	
APT 26	UNIT TYPE 1	1	1	*	-	-	-	-	
APT 27	UNIT TYPE 1	1	1	*	-	-	-	-	
APT 28	UNIT TYPE 2	2	2	*	-	-	-	-	
APT 29	UNIT TYPE 2	2	2	*	-	-	-	-	
APT 30	UNIT TYPE 2	2	2	*	-	-	-	-	
APT 31	UNIT TYPE 2	2	2	*	-	-	-	-	
APT 32	UNIT TYPE 2	2	2	*	-	-	-	-	
APT 33	UNIT TYPE 2	2	2	*	-	-	-	-	
APT 34	UNIT TYPE 2	2	2	*	-	-	-	-	
APT 35	UNIT TYPE 2	2	2	*	-	-	-	-	
APT 36	UNIT TYPE 2	2	2	*	-	-	-	-	
APT 37	UNIT TYPE 2	2	2	*	-	-	-	-	
APT 38	UNIT TYPE 1	1	1	*	-	-	-	-	
APT 39	UNIT TYPE 1	1	1	*	-	-	-	-	

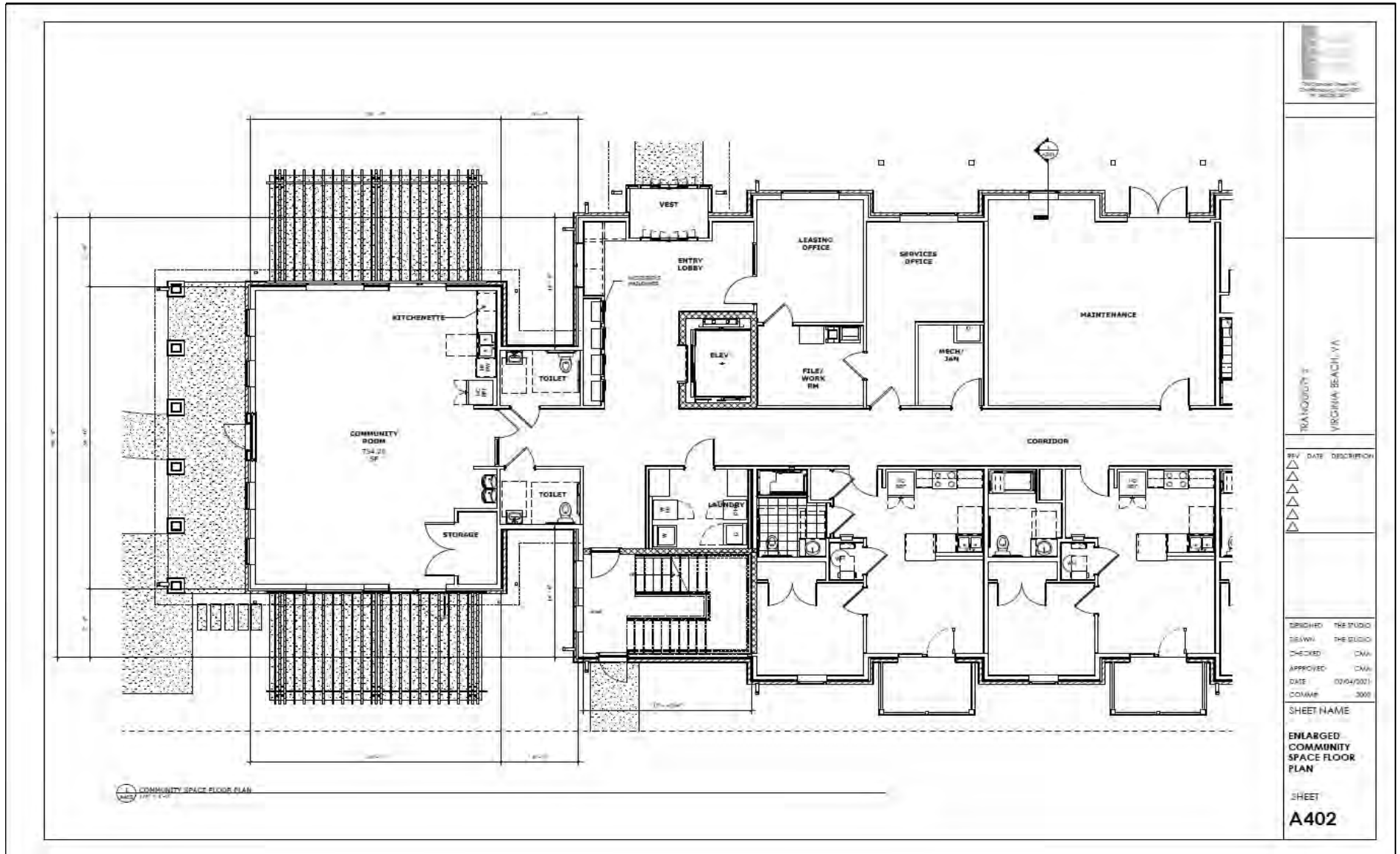


REV.	DATE	DESCRIPTION

DESIGNED: Designer
 DRAWN: Aulice
 CHECKED: Checker
 APPROVED: Approver
 DATE: 02/04/2007
 COMM: 2008

SHEET NAME
THIRD FLOOR PLAN
 SHEET
A103

Building Plans (Continued)



TRAMODITY
 VIRGINIA BEACH, VA

REV	DATE	DESCRIPTION
▲		
▲		
▲		
▲		

DESIGNED: THE STUDIO
 DRAWN: THE STUDIO
 CHECKED: CMA
 APPROVED: CMA
 DATE: 02/04/2021
 COMMP: 3000

SHEET NAME
**ENLARGED
 COMMUNITY
 SPACE FLOOR
 PLAN**

SHEET
A402

IMPROVEMENT DESCRIPTION & ANALYSIS

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

Building Features

The subject property is proposed to consist of 38 revenue-producing units in 1 residential building and 0 non-residential buildings. The development is proposed to include approximately 21,822 square feet of net rentable area and 33,214 square feet of gross building area.

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

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

The subject property is proposed to include slab on grade foundations.

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

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

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

The subject is proposed to include fiber cement siding & brick veneer, single hung vinyl double pane windows, steel clad insulated six-panel unit entry doors, and steel clad insulated full light patio doors.

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

The subject is proposed to include hipped asphalt shingle roofs.

Vertical Transportation - Elevator, Interior Stair Systems

The subject property is proposed to include elevators and interior common area stairwells.

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

Domestic water piping is proposed to be constructed of CPVC pipe and fittings. Wastewater lines consist of PVC pipe and fittings. Potable hot water is proposed to be supplied via individual electric hot water heaters.

HVAC - Heating, Air Conditioning, Ventilation

The subject property is proposed to include individual interior-mounted electric heat, individual exterior-mounted a/c compressors with interior-mounted air handlers.

Electrical and Communications - Distribution, Aluminum Wiring, etc.

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

Fire Suppression

The subject property is not proposed to be equipped with an NFPA-13 fully automatic fire suppression (sprinkler) system. In addition, hard-wired smoke detectors with battery backup are proposed in each bedroom area.

Unit Features

The subject property is proposed to contain 38 revenue-producing units including 33 regular units and 5 accessible units, including 44 bedrooms, 38 full bathrooms and 6 half bathrooms.

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

Walls / Ceilings / Interior Doors

Subject property units are proposed to include 8 foot ceilings, painted gypsum wallboard & ceilings, wood solid-core two-panel interior doors and wood solid-core two-panel closet doors.

Floor Covering

Floor covering is proposed to consist of luxury vinyl plank in the entryways, bathrooms, and kitchens along with luxury vinyl plank in the living areas and bedrooms.

Kitchens

Kitchens are proposed to include electric four-top ranges, range hoods, frost-free refrigerators, dishwashers, solid wood cabinets, laminated countertops and stainless steel sinks.

Bathrooms

Bathrooms are proposed to include composite wood vanities, cultured marble countertops, porcelain sinks & toilets, along with fiberglass tubs & surrounds.

Project Amenities

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

Site & Common Area Amenities

A community center, elevator, and picnic area are proposed for the subject property.

Parking

Open parking is proposed for the subject property.

Laundry

A central laundry facility is proposed for the subject property.

Security

Call buttons, controlled access, and security alarms are proposed for the subject property.

Services

No special services are proposed for the subject property.

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

Utility Configuration

The subject property is proposed to include electric heat, electric cooking and electric hot water. All utilities - with the exception of trash - are proposed to be paid by the resident.

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

Utility Allowances

BR	BA	SF	Unit Type	Inc Lmt	Rnt Lmt	HOME	Subs	Units	UA	HUD UA
1	1.0	510	Garden/Flat	40% of AMI	40% of AMI	Yes	Yes	3	\$92	\$86
1	1.0	639	Garden/Flat	40% of AMI	40% of AMI	Yes	Yes	1	\$92	\$86
1	1.0	510	Garden/Flat	50% of AMI	50% of AMI	Yes	Yes	5	\$92	\$86
1	1.0	510	Garden/Flat	50% of AMI	50% of AMI	No	Yes	8	\$92	\$86
1	1.0	510	Garden/Flat	60% of AMI	60% of AMI	No	No	12	\$92	\$86
1	1.0	639	Garden/Flat	60% of AMI	60% of AMI	No	No	3	\$92	\$86
2	1.5	831	Garden/Flat	50% of AMI	50% of AMI	Yes	Yes	2	\$134	\$108
2	1.5	831	Garden/Flat	60% of AMI	60% of AMI	No	Yes	1	\$134	\$108
2	1.5	831	Garden/Flat	60% of AMI	60% of AMI	No	No	3	\$134	\$108
Total/Average								38	\$99	\$89

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

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

Useful Life Analysis

We anticipate a useful/economic life of 50 years for this development, assuming that appropriate replacement reserves are established for this property.

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

		Actual Age Effective Age Condition			Rank		
		Rating					
Key	Project Name	Actual Age	Effective Age	Property Condition	Actual Age	Effective Age	Property Condition
Sub	Tranquility at the Lakes II	2021	2021	4.50	1	1	1
054	Hamptons (The) Apartments	1967	1990	2.50	12	12	12
071	Nexus Flats	2018	2018	4.50	4	4	1
079	Park Crescent Apartments Phase 2	2013	2013	4.00	7	7	5
090	Pointe at Pickett Farms (The)	2014	2014	4.00	6	6	5
092	Quill Apartments	2015	2015	4.00	5	5	5
123	Victoria Place Apartments	2003	2003	3.50	11	11	11
128	Wesleyan Place Apartments	2008	2008	4.00	10	10	5
136	Coastal 61 At Oxford Village Coastal	2020	2020	4.50	2	2	1
141	Marina Villa Apartments	2020	2020	4.50	2	2	1
142	Meadowood Apartments	2011	2011	4.00	9	9	5
145	Spring Water Apartments	2013	2013	4.00	7	7	5

Source: Allen & Associates; Sponsor

Amenities

		Site & Common Area Amenities																				
Key	Project Name	Ball Field	BBQ Area	Billiards Game Rm	Business Comp Ctr	Car Care Center	Community Center	Elevator	Fitness Center	Gazebo Patio	Hot Tub Jacuzzi	Herb Garden	Horseshoes	Lake	Library	Movie Media Ctr	Picnic Area	Playground	Pool	Sauna	Sports Court	Walking Trail
Sub	Tranquility at the Lakes II	no	no	no	no	no	yes	yes	no	no	no	no	no	no	no	no	yes	no	no	no	no	no
054	Hamptons (The) Apartments	no	yes	no	no	no	no	no	yes	no	no	no	no	no	no	no	yes	yes	yes	yes	no	no
071	Nexus Flats	no	yes	no	yes	yes	yes	yes	yes	yes	no	no	no	no	no	yes	yes	yes	yes	no	no	no
079	Park Crescent Apartments Phase 2	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	yes	no	yes	no	yes	no
090	Pointe at Pickett Farms (The)	no	no	no	no	no	yes	no	yes	no	no	no	no	no	no	no	no	yes	yes	no	no	no
092	Quill Apartments	no	no	no	no	no	yes	no	yes	no	no	no	no	no	no	no	no	yes	yes	no	no	no
123	Victoria Place Apartments	no	no	no	no	no	yes	yes	no	yes	no	no	no	no	yes	no	no	no	no	no	no	no
128	Wesleyan Place Apartments	no	no	no	no	no	yes	yes	no	no	no	no	no	no	yes	no	no	no	no	no	no	no
136	Coastal 61 At Oxford Village Coastal	no	yes	yes	no	no	yes	no	yes	yes	no	no	no	no	no	no	yes	no	yes	no	no	no
141	Marina Villa Apartments	no	yes	yes	yes	no	yes	yes	yes	yes	yes	no	no	no	no	no	yes	no	yes	no	no	no
142	Meadowood Apartments	no	yes	yes	yes	no	yes	no	yes	yes	no	no	no	no	no	yes	yes	yes	yes	no	no	no
145	Spring Water Apartments	no	yes	no	yes	no	yes	no	yes	yes	no	no	no	no	no	no	yes	yes	yes	no	no	no

		Unit Amenities					Kitchen Amenities					Air Conditioning				Heat					
Key	Project Name	Blinds	Ceiling Fans	Carpeting	Fireplace	Patio Balcony	Storage	Stove	Refrigerator	Disposal	Dishwasher	Microwave	Central	Wall Units	Window Units	None	Central	Wall Units	Baseboards	Boiler Radiator	None
Sub	Tranquility at the Lakes II	yes	no	yes	no	yes	no	yes	yes	no	yes	no	yes	no	no	no	yes	no	no	no	no
054	Hamptons (The) Apartments	yes	no	yes	no	yes	yes	yes	yes	yes	yes	no	yes	no	no	no	yes	no	no	no	no
071	Nexus Flats	yes	yes	yes	no	some	yes	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
079	Park Crescent Apartments Phase 2	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
090	Pointe at Pickett Farms (The)	yes	no	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
092	Quill Apartments	yes	no	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
123	Victoria Place Apartments	yes	no	yes	no	yes	no	yes	yes	no	yes	no	yes	no	no	no	yes	no	no	no	no
128	Wesleyan Place Apartments	yes	no	yes	no	yes	no	yes	yes	yes	yes	no	yes	no	no	no	yes	no	no	no	no
136	Coastal 61 At Oxford Village Coastal	yes	yes	yes	no	yes	no	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
141	Marina Villa Apartments	yes	no	yes	no	yes	no	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
142	Meadowood Apartments	yes	yes	yes	some	yes	no	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
145	Spring Water Apartments	yes	no	yes	no	yes	no	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no

		Parking					Laundry			Security					Services							
Key	Project Name	Garage	Covered Parking	Assigned Parking	Open Parking	None	Central	W/D Units	W/D Hookups	Call Buttons	Controlled Access	Courtesy Officer	Monitoring	Security Alarms	Security Patrols	After School	Concierge	Hair Salon	Health Care	House-keeping	Meals	Trans- portation
Sub	Tranquility at the Lakes II	no	no	no	yes	no	yes	no	no	yes	yes	no	no	yes	no	no	no	no	no	no	no	no
054	Hamptons (The) Apartments	no	no	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no
071	Nexus Flats	no	no	no	yes	no	no	yes	no	no	yes	no	no	no	no	na	yes	na	na	na	na	na
079	Park Crescent Apartments Phase 2	no	no	no	yes	no	no	yes	no	no	yes	yes	no	no	no	no	no	no	no	no	no	no
090	Pointe at Pickett Farms (The)	no	no	no	yes	no	no	yes	no	no	yes	no	no	no	yes	na	na	na	na	na	na	na
092	Quill Apartments	no	no	no	yes	no	no	yes	no	no	yes	no	no	no	yes	na	na	na	na	na	na	na
123	Victoria Place Apartments	no	no	no	yes	no	yes	no	yes	yes	yes	no	no	no	no	no	no	yes	no	no	no	yes
128	Wesleyan Place Apartments	no	no	no	yes	no	yes	no	yes	yes	yes	no	no	no	no	no	no	yes	no	no	no	yes
136	Coastal 61 At Oxford Village Coastal	no	no	no	yes	no	no	yes	no	no	yes	no	no	yes	no	na	na	na	na	na	na	na
141	Marina Villa Apartments	no	no	no	yes	no	no	yes	no	no	yes	no	no	no	no	na	na	na	na	na	na	na
142	Meadowood Apartments	no	no	no	yes	no	no	yes	no	no	yes	no	no	no	no	na	na	na	na	na	na	na
145	Spring Water Apartments	no	no	no	yes	no	no	yes	no	no	yes	no	no	yes	no	na	na	na	na	na	na	na

Source: Allen & Associates; Sponsor

		Utilities																						
Key	Project Name	Tenant-Paid											Owner-Paid											
		Heat / Gas	Heat / Electric	Cooking / Gas	Cooking / Electric	Other / Electric	AC / Electric	HW / Gas	HW / Electric	Water	Sewer	Trash	Heat / Gas	Heat / Electric	Cooking / Gas	Cooking / Electric	Other / Electric	AC / Electric	HW / Gas	HW / Electric	Water	Sewer	Trash	
Sub	Tranquility at the Lakes II	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes	yes
054	Hamptons (The) Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes
071	Nexus Flats	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no
079	Park Crescent Apartments Phase 2	yes	no	no	yes	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no
090	Pointe at Pickett Farms (The)	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	yes	yes
092	Quill Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
123	Victoria Place Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes	
128	Wesleyan Place Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes	
136	Coastal 61 At Oxford Village Coastal	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	yes	
141	Marina Villa Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	yes	
142	Meadowood Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	
145	Spring Water Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes	

Source: Allen & Associates; Sponsor

HUD Utility Schedule Model Output

	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Heat - Gas	32	35	38	40	43
Heat - Elec	9	11	13	14	15
Cooking - Gas	3	3	4	6	7
Cooking - Elec	3	3	4	6	7
Other Electric	10	12	16	21	26
Air Conditioning	1	1	2	3	3
Hot Water-Gas	6	7	10	13	16
Hot Water-Elec	6	7	10	12	14
Water	20	21	32	49	66
Sewer	31	31	31	31	31
Trash	23	23	23	23	23

Source: Local Utility Providers; HUD

SITE DESCRIPTION & ANALYSIS

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

Survey

A survey for the subject property was provided to the analyst for review. Current surveys should be evaluated to ascertain whether there are any easements encumbering the subject property. Our review/inspection suggested that the site is currently encumbered by standard utility easements that do not adversely affect its marketability and that the site is serviced by municipal utilities.

Site Plan

A site plan for the subject property was not provided to the analyst for review. Site plans are necessary to analyze the site improvements, parking configuration, internal traffic flow, location of building improvements and landscaping improvements for the subject property. The developer did provide us with a description of the development's site features. A summary of these features is found below.

Acres / Lot Shape / Frontage

The subject property includes an irregular-shaped parcel consisting of approximately 1.74 acres and approximately 100 feet of road frontage.

Zoning

According to the sponsor, the subject property is currently zoned CUP for Seniors & Disabled Housing. It is our understanding that the current zoning for the subject is a legal, conditional use.

Parking / Streets / Curbs / Sidewalks

A total of 43 parking spaces are planned for this development (37 regular / 6 accessible / 1.13 spaces per unit). Privately-owned parking areas are planned for the subject property. We normally see 1.0 to 1.5 spaces per unit for projects like the subject. Public transportation is found in the area. In our opinion, the current parking appears adequate for the subject property.

Dumpsters / Dumpster Enclosures

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

Landscaping / Perimeter Fence / Retaining Walls / Entry Sign

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

Stormwater Management / Site Lighting / Water Service / Wastewater Service

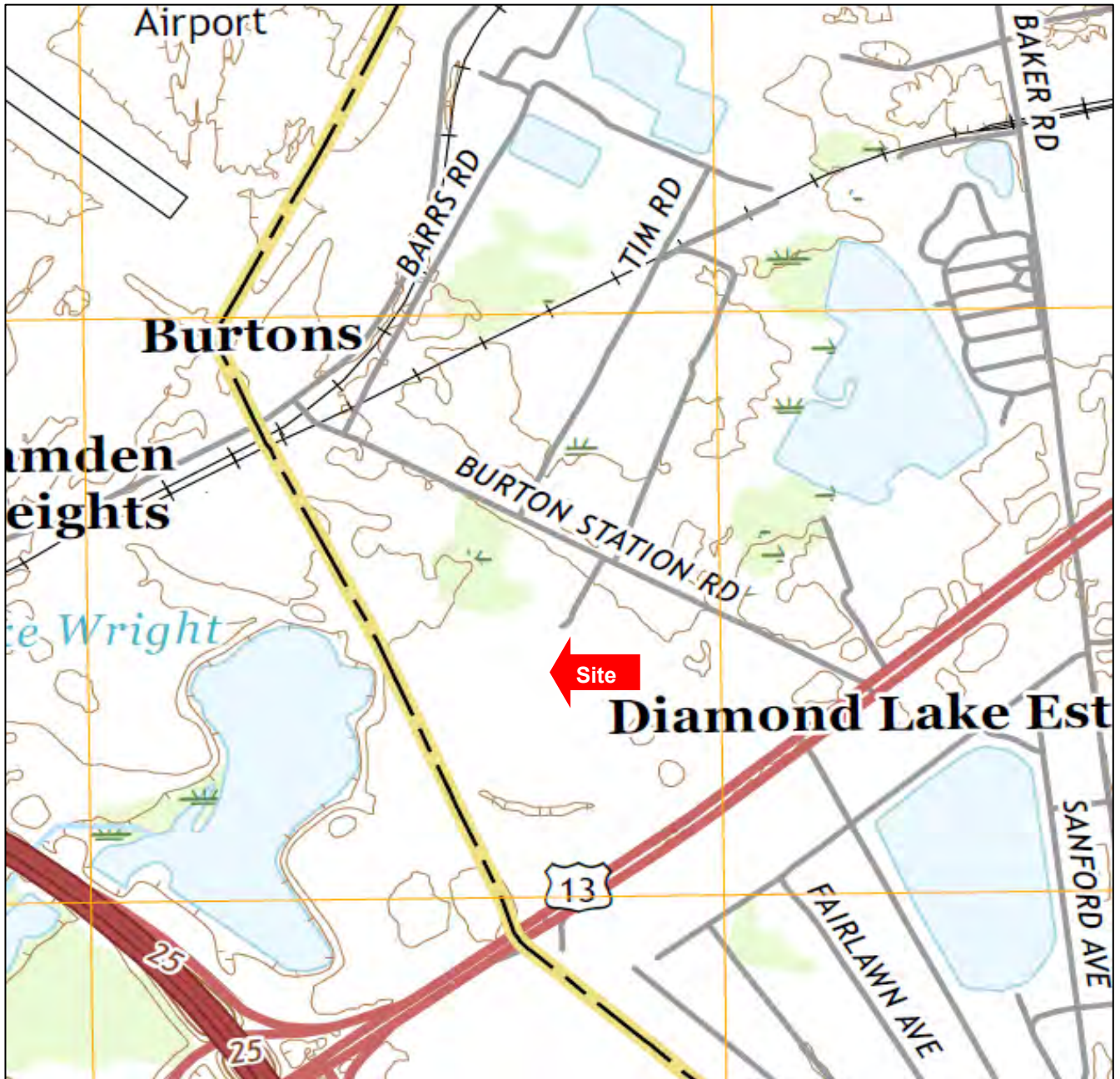
Stormwater management consists of catch basins and concrete pipe connecting to a public system. Site lighting consists of publicly-owned HID poles. Domestic water service to buildings consists of ductile iron pipe connecting to a public system. Wastewater service to buildings consists of PVC pipe connecting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

Nuisances, Hazards, Detrimental Influences & Environmental

We did not observe any nuisances, hazards, detrimental influences or recognized environmental conditions on our inspection of the subject property. Nevertheless, we recommend that the sponsor obtain a comprehensive environmental assessment from a qualified professional.

Topography


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



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

Flood Zone

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

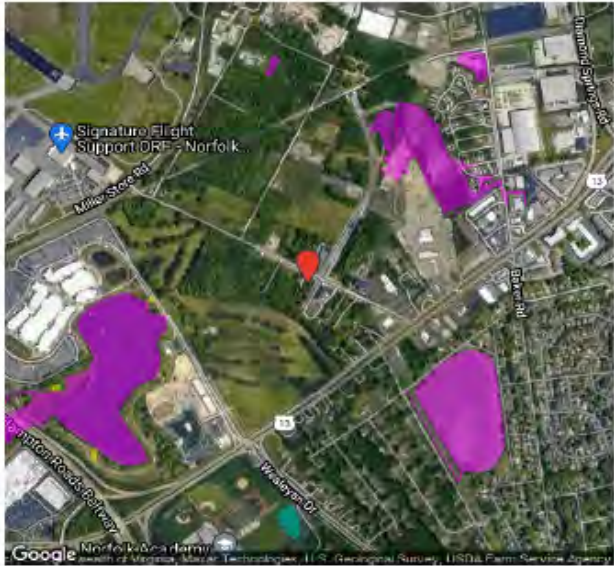


LATITUDE: 36.882442, LONGITUDE: -76.190526
 LOCATION ACCURACY: *User-defined location* LATITUDE: 36.882442 LONGITUDE: -76.190526 MATCH CODE: SOURCE: CENSUS BLOCK ID: 518100402001019

Flood Zone Determination Report

Flood Zone Determination: OUT

SFHA(FLOOD ZONE)	OUT	WITHIN 250 FEET OF FLOOD ZONE	NO
FLOOD ZONE	X	COMMUNITY	515531
COMMUNITY NAME	VIRGINIA BEACH, CITY OF	PANEL	0014F
PANEL DATE	May 04, 2009	COBRA	OUT
MAP NUMBER	5155310014F	FIPS CODE	51810



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

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 Report generated Mar 9, 2021 by jcarroll@allenadvisors.com

Page 2 of 2

According to FEMA map number 5155310014F dated May 04, 2009, the subject property is located in Zone X. This is an area that is identified as being located outside the 100-year flood zone.

Traffic Patterns, Access & Visibility

A traffic map identifying the subject property is found below:



Access

The subject property is located on 5837 Burton Station Road, approximately 2 blocks west of US Highway 13 in Virginia Beach, Virginia. Burton Station Road is a lightly-traveled east-west road carrying approximately 3,300 vehicles per day; US Highway 13 is a heavily-traveled north-south road carrying approximately 55,000 vehicles per day. We did not observe any road or infrastructure improvements taking place in the immediate vicinity of the subject property. In our opinion, therefore, accessibility is very good by virtue of the location of the subject property relative to existing streets and thoroughfares.

Visibility

The subject property is visible from Burton Station Road with significant frontage and a moderate volume of drive-by traffic. Consequently, in our opinion visibility is good by virtue of the exposure of the subject property to existing drive-by traffic volumes.

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

Access & Visibility					
Rating				Rank	
Key	Project Name	Access	Visibility	Access	Visibility
Sub	Tranquility at the Lakes II	4.00	3.00	1	4
054	Hamptons (The) Apartments	3.50	2.50	7	5
071	Nexus Flats	4.00	2.50	1	5
079	Park Crescent Apartments Phase 2	4.00	2.50	1	5
090	Pointe at Pickett Farms (The)	2.75	2.50	9	5
092	Quill Apartments	2.75	2.50	9	5
123	Victoria Place Apartments	2.50	2.50	12	5
128	Wesleyan Place Apartments	2.75	2.50	9	5
136	Coastal 61 At Oxford Village Coastal	4.00	4.00	1	1
141	Marina Villa Apartments	4.00	4.00	1	1
142	Meadowood Apartments	3.00	2.50	8	5
145	Spring Water Apartments	4.00	4.00	1	1

Source: Allen & Associates

NEIGHBORHOOD DESCRIPTION & ANALYSIS

Neighborhood

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

Life Cycle

Neighborhoods are sometimes thought to evolve through four distinct stages:

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

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

Surrounding Properties

The subject property is located in Virginia Beach, Virginia. The immediate area consists of a mix of land uses.

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

Surrounding property uses are summarized in the table found below:

Surrounding Properties		
Direction	Use	Condition
North	Commercial	Very Good
South	Vacant Land	-
East	Commercial/Multifamily	Very Good
West	Vacant Land/Single Family	Good

Source: Allen & Associates

Economic Characteristics

The subject property is located in an area with average household incomes of \$34,205 (in 2015 dollars); this is compared with \$49,818 for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with median cash rents of \$984 (in 2015 dollars); this is compared with \$1,184 for the most comparable properties included in this analysis.

Finally, the subject property is located in an area with median single family home values of \$161,300 (in 2015 dollars); this is compared with \$180,414 for the most comparable properties included in this analysis.

Crime Rates

The subject property is located in an area with personal crime rates of 2.6%. Personal crime includes offenses such as rape, murder, robbery and assault. Our research suggests that the average personal crime rate for the most comparable properties stands at 8.5%.

In addition, the subject property is located in an area with property crime rates of 14.7%. Property crimes include offenses such as burglary, larceny and theft. Our research suggests that the average property crime rate for the most

comparable properties stands at 6.7%.

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

Educational Attainment

The subject property is located in an area with high school graduation rates of 85.1%; this is compared with 88.4% for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with college graduation rates of 22.9%; this is compared with 23.2% for the most comparable properties included in this analysis.

Commuting Patterns

The subject property is located in an area with an average drive to work of 26.6 minutes; this is compared with 24.1 minutes for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with an average of 1.54 vehicles per household; this is compared with 1.64 vehicles per household for the most comparable properties included in this analysis.

Conclusion

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

Proximity to Area Amenities

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

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

Proximity to Area Amenities		
Amenity	Name	Miles
Bank	PNC Bank	0.7 mi NE
Grocery	Mi Patria Int Groceries	0.4 mi NE
Emergency Clinic	In and Out Express Care	0.8 mi NE
Pharmacy	Walgreens Pharmacy	1.3 mi SE
Discount Store	Family Dollar	1.2 mi SE
Elementary School	Bayside Elementary School	1.1 mi NE
Middle School	Lake Taylor Middle School	1.1 mi SW
High School	Lake Taylor High School	0.9 mi SW
Bus Stop	Northampton & Burton Station	0.1 mi SE

Source: Google Maps

PNC Bank, Mi Patria International Groceries, Walgreens Pharmacy, and Family Dollar are all located less than 1.5 miles away from the subject property. In and Out Express Care is located 0.8 miles away.

Number of Area Amenities

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

- Microsoft Streets & Trips identified 10 banks within 2.0 miles of the subject property. The subject is ranked 6 out of the 12 properties included in this analysis.
- A total of 18 grocery stores are in the vicinity of the subject property. The subject is ranked 6 for the area.
- A total of 0 hospital are in the vicinity of the subject property. The subject is ranked 6 for the area.
- A total of 8 pharmacies are in the vicinity of the subject property. The subject is ranked 3 for the area.
- A total of 48 shopping centers are in the vicinity of the subject property. The subject is ranked 4 for the area.

Nearest Area Amenities

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

- According to Microsoft Streets & Trips, the nearest bank is 0.42 miles away from the subject property. The subject is ranked 5 out of the 12 properties included in this analysis.
- The nearest grocery store is 0.58 miles away from the subject property. The subject is ranked 11 for the area.
- The nearest hospital is 2.05 miles away from the subject property. The subject is ranked 6 for the area.
- The nearest pharmacy is 1.18 miles away from the subject property. The subject is ranked 11 for the area.
- The nearest shopping center is 0.42 miles away from the subject property. The subject is ranked 11 for the area.

Conclusion

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

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

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

Neighborhood Ratings

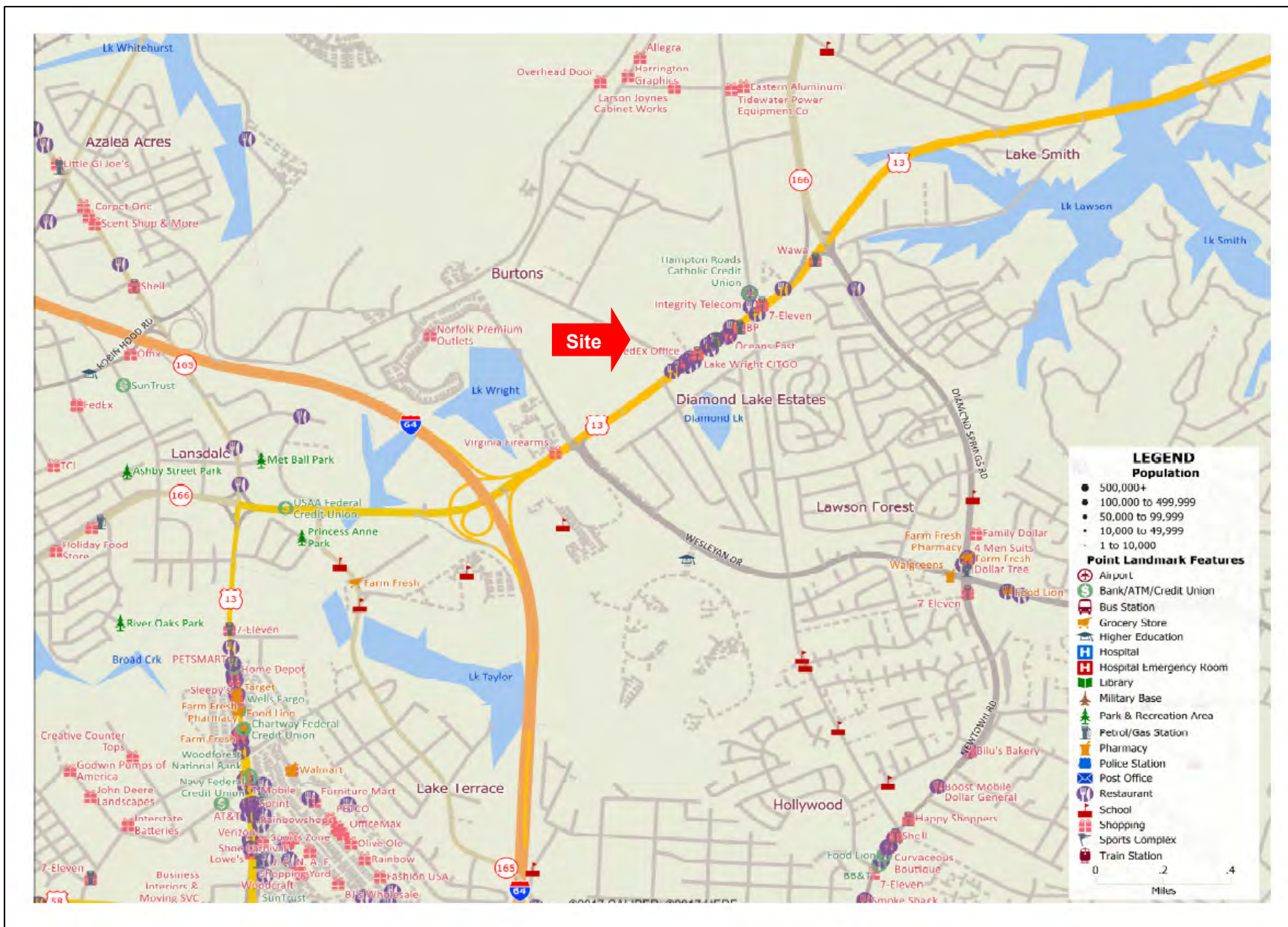
		Rating									Rank (1 = Property with Highest Rating)								Final Rating (1-5 Scale)
		Surrounding Area			Crime Rates		Education		Commute	Surrounding Area			Crime Rates		Education		Commute		
Key	Project Name	Avg HH Income (2015)	Med Cash Rent (2015)	Med SF Value (2015)	Personal Crime	Property Crime	High School or More	Bachelor's or More	Average Commute	Avg HH Income (2015)	Med Cash Rent (2015)	Med SF Value (2015)	Personal Crime	Property Crime	High School or More	Bachelor's or More	Average Commute		
Sub	Tranquility at the Lakes II	\$34,205	\$984	\$161,300	2.6%	14.7%	85.1%	22.9%	26.59	12	11	8	5	11	9	7	10	2.00	
054	Hamptons (The) Apartments	\$50,573	\$1,063	\$95,000	0.8%	4.9%	86.3%	16.1%	23.90	5	8	12	2	7	8	9	7	2.70	
071	Nexus Flats	\$53,668	\$1,156	\$158,900	1.8%	1.3%	93.2%	21.6%	19.26	4	7	9	4	4	1	8	1	3.90	
079	Park Crescent Apartments Phase 2	\$45,108	\$1,324	\$131,000	11.8%	12.3%	83.2%	14.3%	26.33	8	3	10	8	9	11	10	8	2.20	
090	Pointe at Pickett Farms (The)	\$45,871	\$1,306	\$228,781	23.2%	0.5%	92.7%	25.5%	27.07	6	5	2	11	1	2	4	11	3.90	
092	Quill Apartments	\$45,871	\$1,306	\$228,781	23.2%	0.5%	92.7%	25.5%	27.07	6	5	2	11	1	2	4	11	3.90	
123	Victoria Place Apartments	\$42,428	\$1,004	\$213,600	1.5%	0.8%	90.9%	30.9%	21.57	10	10	4	3	3	5	3	3	3.50	
128	Wesleyan Place Apartments	\$34,596	\$968	\$174,900	0.3%	1.5%	86.5%	23.9%	23.85	11	12	6	1	5	7	6	6	2.70	
136	Coastal 61 At Oxford Village Coastal	\$66,250	\$1,040	\$289,200	4.4%	5.3%	90.3%	34.5%	21.03	2	9	1	6	8	6	2	2	4.10	
141	Marina Villa Apartments	\$53,750	\$1,333	\$178,100	15.9%	24.9%	84.9%	11.4%	23.66	3	2	5	10	12	10	12	5	3.10	
142	Meadowood Apartments	\$45,108	\$1,324	\$131,000	11.8%	12.3%	83.2%	14.3%	26.33	8	3	10	8	9	11	10	8	2.20	
145	Spring Water Apartments	\$80,385	\$1,401	\$174,400	4.7%	2.1%	91.7%	37.2%	22.08	1	1	7	7	6	4	1	4	4.50	

Proximity to Area Amenities

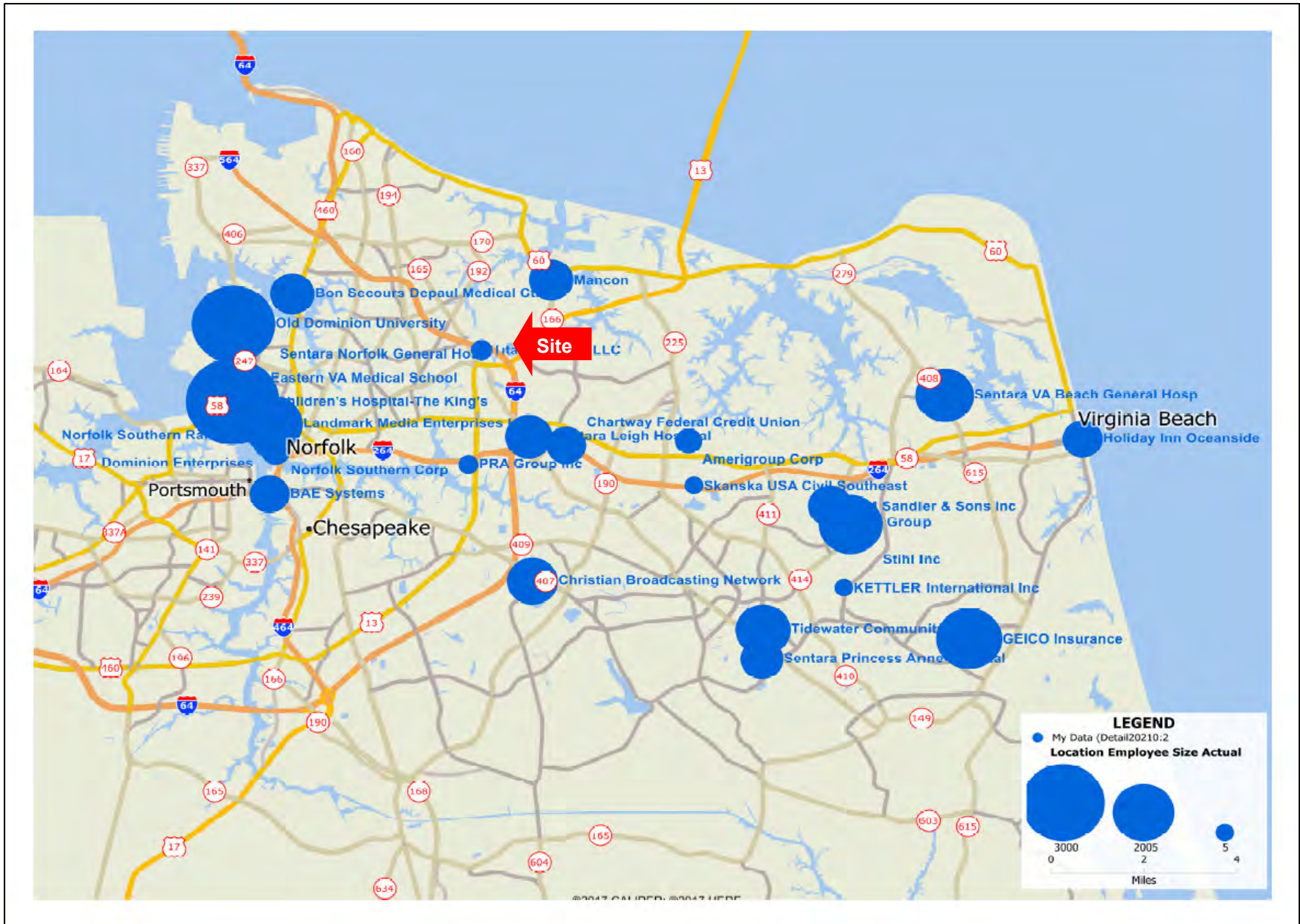
		Rating								Rank (1 = Property with Highest Rating)								Final Rating (1-5 Scale)
		Number within 2.0 miles of Property					Nearest to Property, Miles			Number within 2.0 miles of Property					Nearest to Property, Miles			
Key	Project Name	Banks	Grocery	Hospital	Pharmacy	Shopping Center	Shopping Center	Grocery	Hospital	Banks	Grocery	Hospital	Pharmacy	Shopping Center	Shopping Center	Grocery	Hospital	
Sub	Tranquility at the Lakes II	10	18	0	8	48	0.4	0.6	2.1	6	6	6	3	4	11	11	6	3.30
054	Hamptons (The) Apartments	na	na	na	na	na	na	na	na	12	12	6	12	12	12	12	12	2.00
071	Nexus Flats	17	23	2	8	115	0.0	0.5	0.9	1	3	2	3	1	1	10	1	4.50
079	Park Crescent Apartments Phase 2	13	26	0	9	34	0.2	0.3	2.8	5	2	6	1	6	4	7	9	4.00
090	Pointe at Pickett Farms (The)	17	21	2	8	96	0.3	0.4	1.8	1	4	2	3	2	9	8	4	4.40
092	Quill Apartments	17	21	2	8	96	0.3	0.4	1.8	1	4	2	3	2	7	8	5	4.30
123	Victoria Place Apartments	4	6	0	3	13	0.1	0.1	2.4	10	11	6	10	10	2	1	8	3.30
128	Wesleyan Place Apartments	7	14	3	5	32	0.2	0.1	1.7	9	8	1	8	7	4	2	2	4.00
136	Coastal 61 At Oxford Village Coastal	9	12	2	8	26	0.3	0.3	1.7	8	9	2	3	8	7	6	2	3.60
141	Marina Villa Apartments	10	18	0	5	26	0.3	0.3	3.7	6	6	6	8	8	6	4	11	3.70
142	Meadowood Apartments	14	28	0	9	35	0.1	0.3	2.8	4	1	6	1	5	3	5	9	4.40
145	Spring Water Apartments	3	7	0	2	13	0.4	0.2	2.2	11	10	6	11	10	10	3	7	2.70

Source: US Census; Claritas; Google Maps

Proximity to Area Amenities



Proximity to Area Employers



SUBJECT PROPERTY PHOTOS

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



Subject Property



Looking North From Entrance



Looking South From Entrance



Looking East From Entrance



Looking West From Entrance

MARKET AREA

Overview

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

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

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

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

Our primary and secondary market area definitions are found below.

Primary Market Area

We defined the primary market area by generating a 10-minute drive time zone around the subject property. We also considered existing concentrations of multifamily properties and the nearest census tract boundaries in our analysis.

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

Census Tract	County	State
51710005702	Norfolk city	Virginia
51710005800	Norfolk city	Virginia
51710005901	Norfolk city	Virginia
51710005902	Norfolk city	Virginia
51710005903	Norfolk city	Virginia
51710006000	Norfolk city	Virginia
51710006100	Norfolk city	Virginia
51710006200	Norfolk city	Virginia
51710006400	Norfolk city	Virginia
51710006502	Norfolk city	Virginia
51710006602	Norfolk city	Virginia
51710006603	Norfolk city	Virginia
51710006604	Norfolk city	Virginia
51710006605	Norfolk city	Virginia

51710006606	Norfolk city	Virginia
51710006607	Norfolk city	Virginia
51710006800	Norfolk city	Virginia
51710006901	Norfolk city	Virginia
51710007001	Norfolk city	Virginia
51710007002	Norfolk city	Virginia
51710980200	Norfolk city	Virginia
51710980300	Norfolk city	Virginia
51810040000	Virginia Beach city	Virginia
51810040200	Virginia Beach city	Virginia
51810040402	Virginia Beach city	Virginia
51810040403	Virginia Beach city	Virginia
51810040404	Virginia Beach city	Virginia
51810040600	Virginia Beach city	Virginia
51810040801	Virginia Beach city	Virginia
51810040802	Virginia Beach city	Virginia
51810041003	Virginia Beach city	Virginia
51810041200	Virginia Beach city	Virginia
51810041400	Virginia Beach city	Virginia
51810041600	Virginia Beach city	Virginia
51810041801	Virginia Beach city	Virginia
51810041802	Virginia Beach city	Virginia

The primary market area includes a population of 97,197 persons and covers a total of 30.6 square miles, making it 6.2 miles across on average.

Secondary Market Area

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

ECONOMIC OUTLOOK

In this section we conduct an analysis of the regional economy. For purposes of our analysis, we define the region as Norfolk and Virginia Beach, Virginia. A map depicting the Region is found below.



Employment by Industry

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

Establishment Employment			
Industry	Region	Reg %	US %
Farm Employment	244	0.0%	1.3%
Forestry, Fishing, Related Activities And Other Employment	209	0.0%	0.5%
Mining Employment	179	0.0%	0.7%
Utilities Employment	780	0.2%	0.3%
Construction Employment	22,021	4.3%	5.4%
Manufacturing Employment	12,512	2.5%	6.5%
Wholesale Trade Employment	10,424	2.1%	3.5%
Retail Trade Employment	47,418	9.3%	10.3%
Transportation And Warehousing Employment	14,161	2.8%	3.4%
Information Employment	7,070	1.4%	1.6%
Finance And Insurance Employment	25,681	5.1%	5.3%
Real Estate And Rental And Lease Employment	28,577	5.6%	4.7%
Professional And Technical Services Employment	30,233	6.0%	6.9%
Management Of Companies And Enterprises Employment	4,983	1.0%	1.3%
Administrative And Waste Services Employment	24,674	4.9%	6.0%
Educational Services Employment	11,441	2.3%	2.5%
Health Care And Social Assistance Employment	59,910	11.8%	11.9%
Arts, Entertainment, And Recreation Employment	8,764	1.7%	2.2%
Accommodation And Food Services Employment	40,660	8.0%	7.5%
Other Services, Except Public Administration Employment	25,892	5.1%	5.9%
Federal Civilian Government Employment	27,685	5.5%	1.4%
Federal Military Employment	59,918	11.8%	0.9%
State And Local Government Employment	44,419	8.7%	9.8%
Establishment Employment	507,855	100.0%	100.0%

Source: W&P Economics

Regional establishment employment currently stands at 507,855. The data suggests that Federal Military is the largest employment category accounting for 11.8% of total regional employment. Health Care and Social Assistance is the second largest category accounting for 11.8% of total employment. Retail Trade is the third largest category accounting for 9.3% of total employment. State and Local Government is the fourth largest category accounting for 8.7% of total employment. Accommodation and Food Services is the fifth largest category accounting for 8.0% of total employment.

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

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

In the table above we highlight the basic industries for the region. The distribution of employment in these industries exceeds that for the United States. These basic industries represent about 156,840 employees or about 30.9% of total regional employment. These are the industries that drive the regional economy.

Earnings by Industry

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

Average Earnings (2009 \$)		
Industry	Earnings	Rank
Farm Employment	\$12,832	23
Forestry, Fishing, Related Activities And Other Employment	\$13,737	22
Mining Employment	\$472,838	1
Utilities Employment	\$97,531	3
Construction Employment	\$66,311	9
Manufacturing Employment	\$58,313	13
Wholesale Trade Employment	\$68,958	7
Retail Trade Employment	\$28,080	18
Transportation And Warehousing Employment	\$60,119	11
Information Employment	\$74,177	6
Finance And Insurance Employment	\$60,822	10
Real Estate And Rental And Lease Employment	\$32,352	17
Professional And Technical Services Employment	\$67,937	8
Management Of Companies And Enterprises Employment	\$86,104	5
Administrative And Waste Services Employment	\$36,296	16
Educational Services Employment	\$45,696	15
Health Care And Social Assistance Employment	\$54,890	14
Arts, Entertainment, And Recreation Employment	\$18,896	21
Accommodation And Food Services Employment	\$21,650	20
Other Services, Except Public Administration Employment	\$27,809	19
Federal Civilian Government Employment	\$104,540	2
Federal Military Employment	\$86,580	4
State And Local Government Employment	\$58,632	12
Establishment Employment	\$54,959	

Source: W&P Economics

The data suggests that Mining is the highest paid industry averaging \$472,838 per employee. Federal Civilian Government is the second highest paid industry averaging \$104,540 per employee. Utilities is the third highest paid profession averaging \$97,531 per employee. Federal Military is the fourth highest paid industry averaging \$86,580 per employee. Management of Companies is the fifth highest paid category averaging \$86,104 per employee. These figures are compared with regional Average Earnings of \$54,959 per employee.

The highlighted industries represent basic industries for the region. Average earnings for these basic industries comes to \$61,281 or 11.5% higher than average for the region.

Top Employers

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

Top Employers				
Name	Employees	SIC Code	Industry Description	Location Type
Sentara Norfolk General Hosp	3,467	8062-02	Hospitals	-
Old Dominion University	3,000	8221-01	Schools-Universities & Colleges Academic	Subsidiary
Children's Hospital-The King's	2,335	8062-02	Hospitals	Subsidiary
GEICO Insurance	2,200	6411-12	Insurance	-
Stihl Inc	2,100	3999-03	Manufacturers	0
Landmark Media Enterprises LLC	2,000	2711-01	Newspapers (Publishers/Mfrs)	Headquarter
Sentara VA Beach General Hosp	1,800	8062-02	Hospitals	-
Tidewater Community College	1,700	8222-98	Junior-Community College-Tech Institutes	-
Christian Broadcasting Network	1,500	7622-02	Television & Radio-Service/Repair	-
Eastern VA Medical School	1,500	8221-08	Schools-Medical	-

Source: InfoUSA

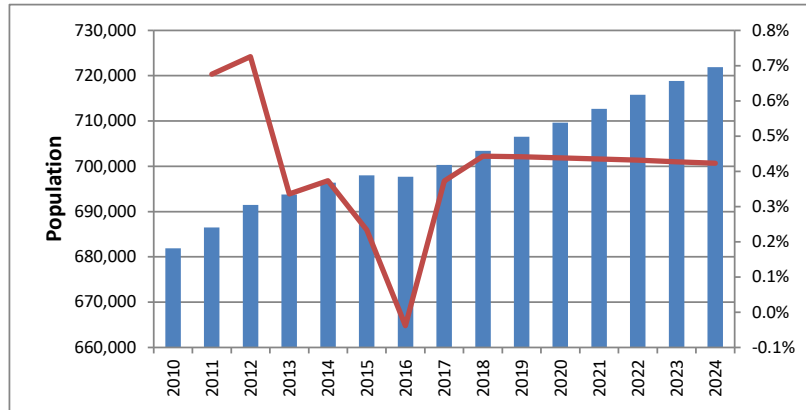
The top employers include: (1) Sentara Norfolk General Hosp (3467 employees); (2) Old Dominion University (3000 employees) and; (3) Children's Hospital-The King's (2335 employees).

Population

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

Population Forecast		
Year	Pop	Growth %
2010	681,863	
2011	686,468	0.7%
2012	691,449	0.7%
2013	693,772	0.3%
2014	696,361	0.4%
2015	697,984	0.2%
2016	697,717	0.0%
2017	700,318	0.4%
2018	703,422	0.4%
2019	706,528	0.4%
2020	709,624	0.4%
2021	712,712	0.4%
2022	715,788	0.4%
2023	718,845	0.4%
2024	721,885	0.4%

Source: US Census; W&P Economics



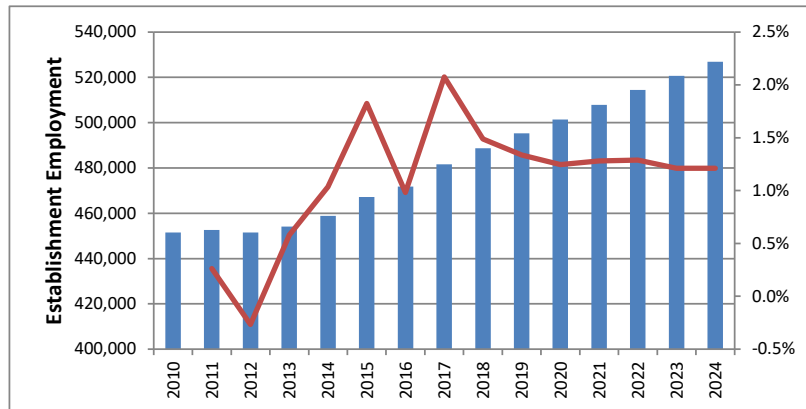
Population increased from 681,863 in 2010 to 709,624 in 2020 and is anticipated to increase to 721,885 in 2024.

Establishment Employment

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

Establishment Employment Forecast		
Year	Est Emp	Growth %
2010	451,493	
2011	452,683	0.3%
2012	451,478	-0.3%
2013	454,100	0.6%
2014	458,804	1.0%
2015	467,180	1.8%
2016	471,774	1.0%
2017	481,567	2.1%
2018	488,731	1.5%
2019	495,263	1.3%
2020	501,429	1.2%
2021	507,855	1.3%
2022	514,404	1.3%
2023	520,641	1.2%
2024	526,954	1.2%

Source: BLS; W&P Economics



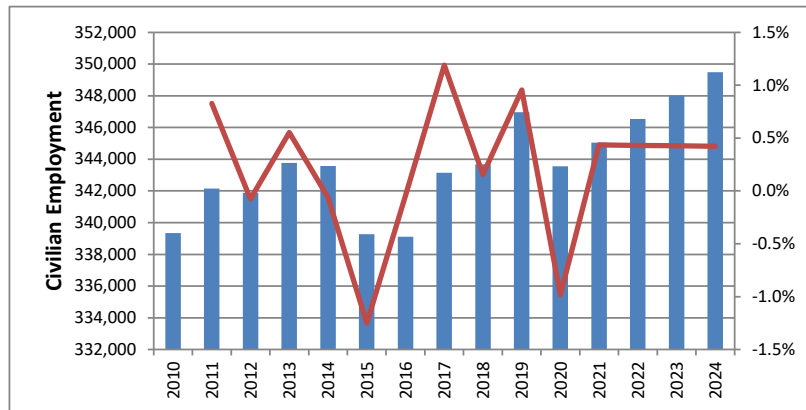
Establishment employment increased from 451,493 in 2010 to 501,429 in 2020 and is anticipated to increase to 526,954 in 2024.

Civilian Employment

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

Civilian Employment Forecast		
Year	Civ Emp	Growth %
2010	339,338	
2011	342,149	0.8%
2012	341,889	-0.1%
2013	343,776	0.6%
2014	343,566	-0.1%
2015	339,268	-1.3%
2016	339,109	0.0%
2017	343,146	1.2%
2018	343,678	0.2%
2019	346,964	1.0%
2020	343,557	-1.0%
2021	345,052	0.4%
2022	346,541	0.4%
2023	348,021	0.4%
2024	349,493	0.4%

Source: BLS; W&P Economics



Civilian employment increased from 339,338 in 2010 to 343,557 in 2020 and is anticipated to increase to 349,493 in 2024.

Labor Force and Unemployment

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

Labor Force & Unemployment				
Year	Civ Emp	Unemp	Lab Force	Unemp Rate
2010	339,338	24,587	314,751	7.2%
2011	342,149	23,504	318,645	6.9%
2012	341,889	21,746	320,143	6.4%
2013	343,776	20,357	323,419	5.9%
2014	343,566	18,596	324,970	5.4%
2015	339,268	15,991	323,277	4.7%
2016	339,109	15,041	324,068	4.4%
2017	343,146	13,319	329,827	3.9%
2018	343,678	10,893	332,785	3.2%
2019	346,964	10,211	336,753	2.9%
2020	343,557	22,926	320,631	6.7%

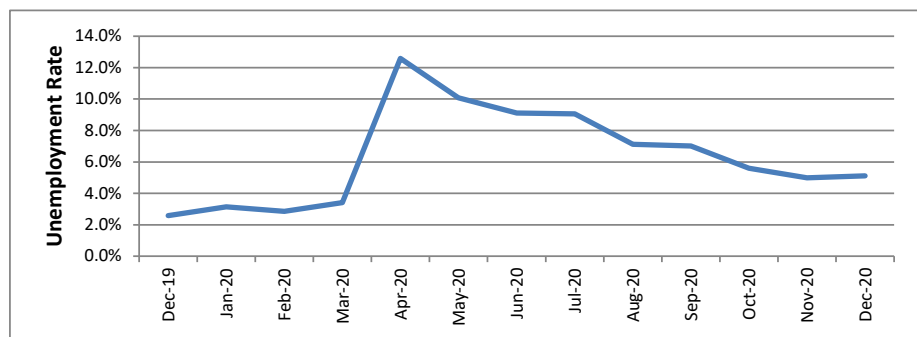
Source: BLS; Texas A&M Real Estate Center

Unemployment decreased from 24,587 in 2010 to 22,926 in 2020. The unemployment rate decreased from 7.2% in 2010 to 6.7% in 2020.

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

Unemployment Rate	
Month	Unemp Rate
Dec-19	2.6%
Jan-20	3.1%
Feb-20	2.8%
Mar-20	3.4%
Apr-20	12.6%
May-20	10.1%
Jun-20	9.1%
Jul-20	9.1%
Aug-20	7.1%
Sep-20	7.0%
Oct-20	5.6%
Nov-20	5.0%
Dec-20	5.1%

Source: TAMU



The Unemployment Rate for the Region came in at 2.6% in December 2019 and 5.1% in December 2020.

Building Permits

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

Building Permits				
Year	1 Family	2-4 Family	5+ Family	Total
2000	1,489	55	207	1,751
2001	1,863	22	362	2,247
2002	2,172	64	717	2,953
2003	2,195	40	477	2,712
2004	1,353	361	1,273	2,987
2005	1,420	467	1,399	3,286
2006	1,032	553	547	2,132
2007	1,134	160	151	1,445
2008	758	82	748	1,588
2009	668	7	1,141	1,816
2010	700	22	211	933
2011	760	8	1,230	1,998
2012	905	12	696	1,613
2013	1,122	0	1,531	2,653
2014	1,081	0	777	1,858
2015	1,101	18	1,305	2,424
2016	1,146	80	1,402	2,628
2017	1,075	12	1,069	2,156
2018	851	2	520	1,373
2019	1,000	12	1,157	2,169

Source: US Census

Building permits for the region increased from 1,751 in 2000 to 3,286 in 2005, before decreasing to 933 in 2010 and increasing to 2,169 in 2019.

Conclusion

As of today, much of the United States is under a COVID-19 lockdown. The long term economic effects associated with this are enormous, but still unclear. We could be looking at a strong V-shaped recovery. We could be looking at a long, slow recovery. That said, the reader is cautioned that the opinions presented in this report do not reflect these effects.

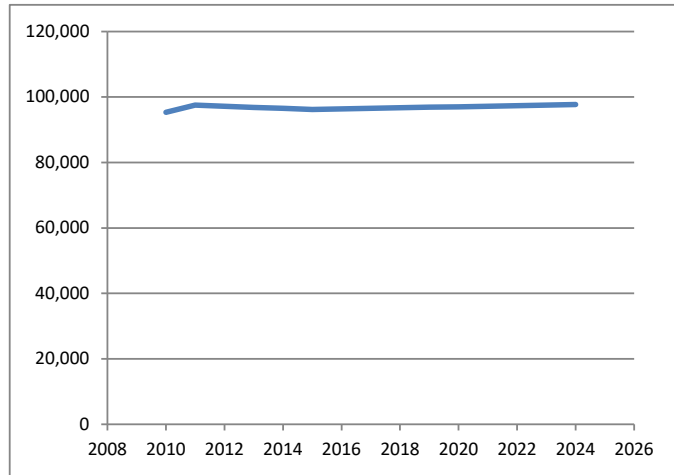
DEMOGRAPHIC CHARACTERISTICS

Population

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

Population Forecast		
Year	Population	Growth %
2010	95,327	-
2011	97,503	2.3%
2012	97,172	-0.3%
2013	96,841	-0.3%
2014	96,510	-0.3%
2015	96,179	-0.3%
2016	96,349	0.2%
2017	96,518	0.2%
2018	96,688	0.2%
2019	96,857	0.2%
2020	97,027	0.2%
2021	97,197	0.2%
2022	97,367	0.2%
2023	97,538	0.2%
2024	97,708	0.2%

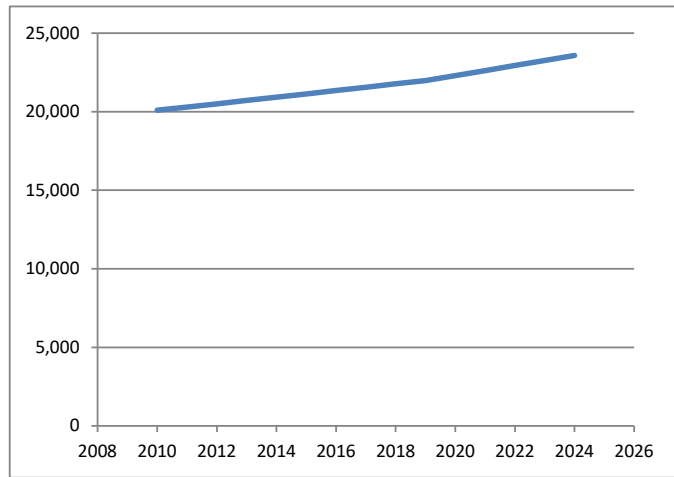
Source: Caliper; Allen & Associates



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

55+ Population Forecast		
Year	Population	Growth %
2010	20,095	-
2011	20,298	1.0%
2012	20,504	1.0%
2013	20,712	1.0%
2014	20,923	1.0%
2015	21,134	1.0%
2016	21,345	1.0%
2017	21,556	1.0%
2018	21,767	1.0%
2019	21,978	1.0%
2020	22,298	1.5%
2021	22,619	1.4%
2022	22,939	1.4%
2023	23,259	1.4%
2024	23,580	1.4%

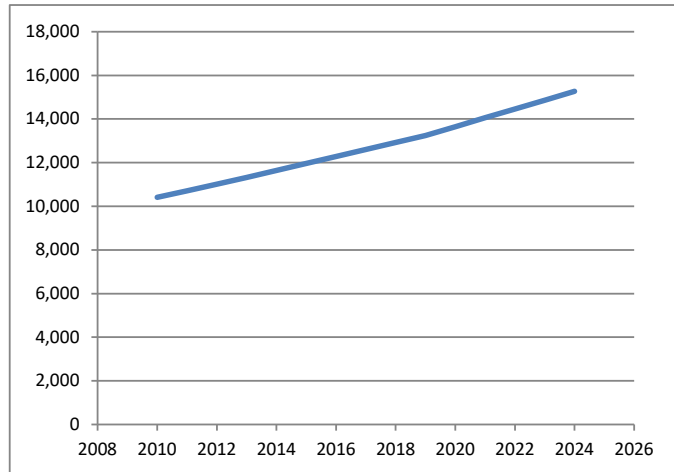
Source: Caliper; Allen & Associates



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

65+ Population Forecast		
Year	Population	Growth %
2010	10,411	-
2011	10,705	2.8%
2012	11,008	2.8%
2013	11,320	2.8%
2014	11,641	2.8%
2015	11,961	2.8%
2016	12,282	2.7%
2017	12,602	2.6%
2018	12,923	2.5%
2019	13,243	2.5%
2020	13,648	3.1%
2021	14,054	3.0%
2022	14,459	2.9%
2023	14,864	2.8%
2024	15,270	2.7%

Source: Caliper; Allen & Associates

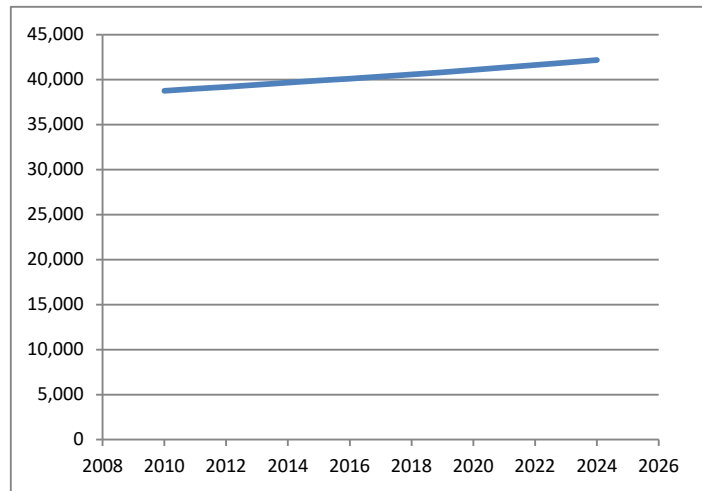


Households

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

Household Forecast		
Year	Households	Growth %
2010	38,762	-
2011	38,986	0.6%
2012	39,211	0.6%
2013	39,437	0.6%
2014	39,665	0.6%
2015	39,893	0.6%
2016	40,121	0.6%
2017	40,348	0.6%
2018	40,576	0.6%
2019	40,804	0.6%
2020	41,080	0.7%
2021	41,356	0.7%
2022	41,632	0.7%
2023	41,908	0.7%
2024	42,184	0.7%

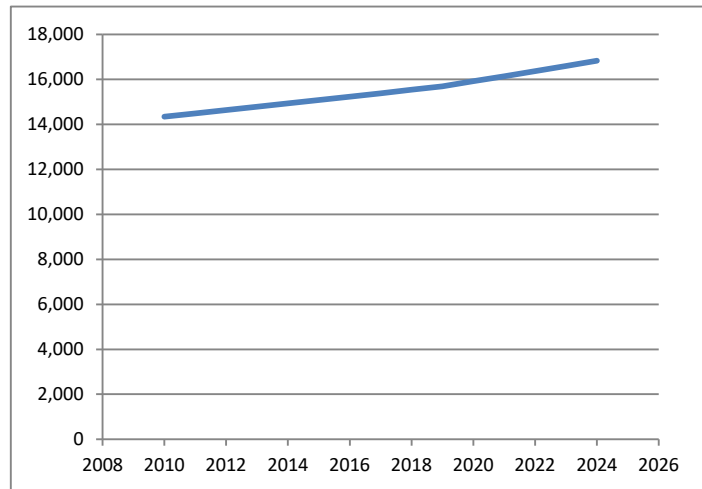
Source: Claritas; Allen & Associates



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

55+ Household Forecast		
Year	Households	Growth %
2010	14,343	-
2011	14,488	1.0%
2012	14,635	1.0%
2013	14,784	1.0%
2014	14,934	1.0%
2015	15,085	1.0%
2016	15,235	1.0%
2017	15,386	1.0%
2018	15,537	1.0%
2019	15,687	1.0%
2020	15,916	1.5%
2021	16,145	1.4%
2022	16,373	1.4%
2023	16,602	1.4%
2024	16,831	1.4%

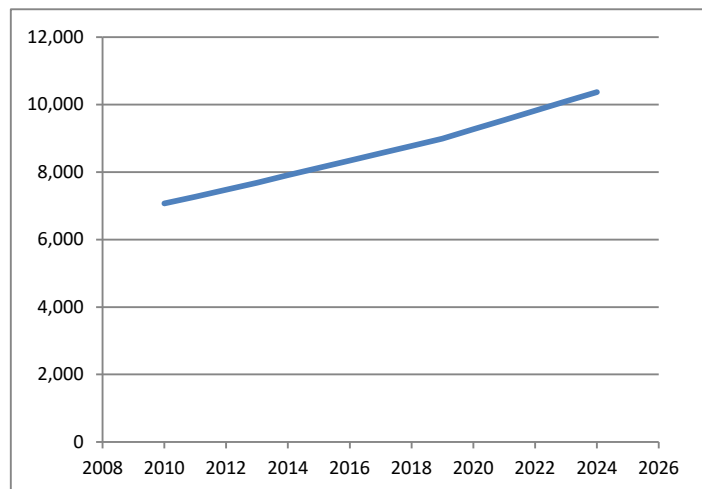
Source: Claritas; Allen & Associates



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

65+ Household Forecast		
Year	Households	Growth %
2010	7,071	-
2011	7,271	2.8%
2012	7,477	2.8%
2013	7,688	2.8%
2014	7,906	2.8%
2015	8,124	2.8%
2016	8,341	2.7%
2017	8,559	2.6%
2018	8,777	2.5%
2019	8,994	2.5%
2020	9,270	3.1%
2021	9,545	3.0%
2022	9,820	2.9%
2023	10,095	2.8%
2024	10,371	2.7%

Source: Claritas; Allen & Associates

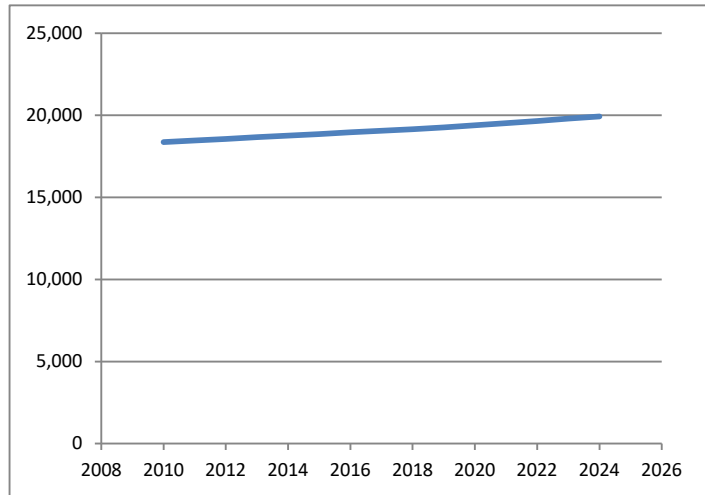


Renter Households

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

Renter Household Forecast		
Year	Households	Growth %
2010	18,367	-
2011	18,465	0.5%
2012	18,563	0.5%
2013	18,661	0.5%
2014	18,761	0.5%
2015	18,860	0.5%
2016	18,959	0.5%
2017	19,058	0.5%
2018	19,157	0.5%
2019	19,257	0.5%
2020	19,391	0.7%
2021	19,526	0.7%
2022	19,660	0.7%
2023	19,795	0.7%
2024	19,929	0.7%

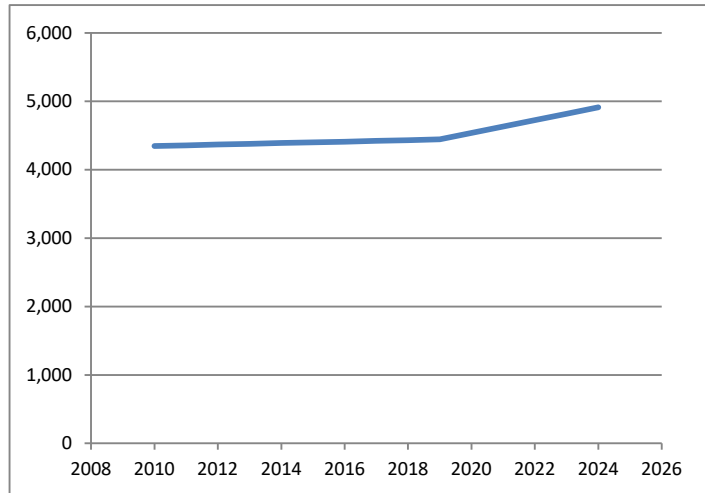
Source: Claritas; Allen & Associates



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

55+ Renter Household Forecast		
Year	Households	Growth %
2010	4,347	-
2011	4,357	0.2%
2012	4,368	0.2%
2013	4,378	0.2%
2014	4,389	0.2%
2015	4,400	0.2%
2016	4,411	0.2%
2017	4,421	0.2%
2018	4,432	0.2%
2019	4,443	0.2%
2020	4,537	2.1%
2021	4,631	2.1%
2022	4,725	2.0%
2023	4,819	2.0%
2024	4,913	2.0%

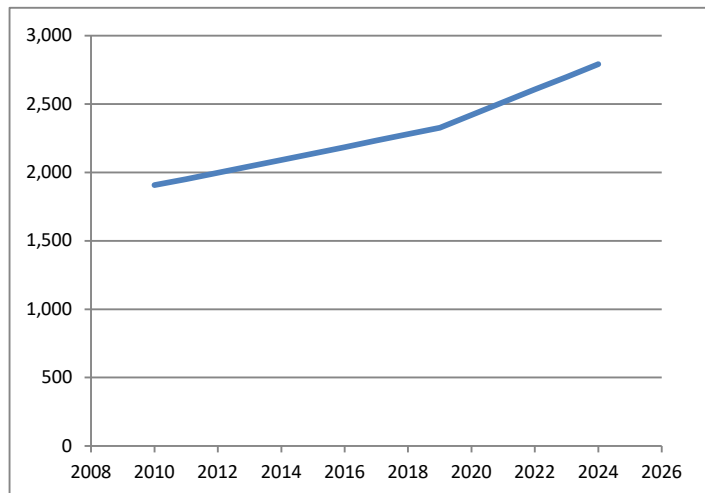
Source: Claritas; Allen & Associates



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

65+ Renter Household Forecast		
Year	Households	Growth %
2010	1,907	-
2011	1,952	2.3%
2012	1,997	2.3%
2013	2,043	2.3%
2014	2,091	2.3%
2015	2,138	2.3%
2016	2,185	2.2%
2017	2,233	2.2%
2018	2,280	2.1%
2019	2,327	2.1%
2020	2,420	4.0%
2021	2,513	3.8%
2022	2,606	3.7%
2023	2,699	3.6%
2024	2,792	3.4%

Source: Claritas; Allen & Associates



Household Income

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

2021 \$		Households, by Income, by Size						
Min	Max	2021 Households						
		1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	902	500	262	200	82	38	1,984
\$10,000	\$19,999	1,597	787	556	267	98	55	3,360
\$20,000	\$29,999	1,727	910	524	309	112	50	3,632
\$30,000	\$39,999	1,546	961	587	374	235	126	3,828
\$40,000	\$49,999	1,642	1,140	534	497	178	96	4,087
\$50,000	\$59,999	1,077	1,294	635	397	189	90	3,683
\$60,000	\$74,999	952	1,899	905	718	369	215	5,058
\$75,000	\$99,999	879	2,210	1,500	773	296	161	5,818
\$100,000	\$124,999	496	1,286	791	582	314	183	3,652
\$125,000	\$149,999	293	947	460	360	94	37	2,190
\$150,000	\$199,999	244	867	365	349	183	99	2,107
\$200,000	more	374	804	344	163	185	88	1,958
Total		11,730	13,605	7,462	4,989	2,333	1,236	41,356

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

2021 \$		55+ Households, by Income, by Size						
Min	Max	2021 Households						
		1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	533	231	58	22	22	5	873
\$10,000	\$19,999	1,106	463	166	20	47	25	1,826
\$20,000	\$29,999	968	458	111	58	41	12	1,647
\$30,000	\$39,999	657	452	102	45	37	12	1,305
\$40,000	\$49,999	680	503	146	86	33	16	1,464
\$50,000	\$59,999	460	446	149	54	63	30	1,202
\$60,000	\$74,999	482	836	288	90	55	30	1,781
\$75,000	\$99,999	494	1,024	319	117	62	28	2,045
\$100,000	\$124,999	292	554	246	126	58	26	1,301
\$125,000	\$149,999	174	482	140	35	35	15	880
\$150,000	\$199,999	139	466	75	16	70	38	804
\$200,000	more	229	605	100	46	27	8	1,015
Total		6,214	6,520	1,899	716	550	246	16,145

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

2021 \$		65+ Households, by Income, by Size						
Min	Max	2021 Households						
		1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	306	106	24	9	15	3	463
\$10,000	\$19,999	821	305	80	13	33	19	1,271
\$20,000	\$29,999	790	332	50	10	21	4	1,208
\$30,000	\$39,999	545	218	55	10	17	5	850
\$40,000	\$49,999	453	318	85	12	11	3	883
\$50,000	\$59,999	304	205	78	29	16	5	636
\$60,000	\$74,999	280	526	194	27	24	12	1,064
\$75,000	\$99,999	310	533	143	78	18	6	1,088
\$100,000	\$124,999	165	367	112	12	15	10	682
\$125,000	\$149,999	126	243	40	23	23	9	463
\$150,000	\$199,999	84	252	21	2	24	16	399
\$200,000	more	115	373	20	14	13	5	539
Total		4,297	3,778	903	240	232	96	9,545

Source: Claritas & Ribbon Demographics

Renter Household Income

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

2021 \$		2021 Households						
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	601	246	195	116	67	32	1,258
\$10,000	\$19,999	969	468	407	147	84	45	2,118
\$20,000	\$29,999	976	497	441	252	69	32	2,266
\$30,000	\$39,999	939	597	436	321	163	89	2,544
\$40,000	\$49,999	966	591	379	353	135	70	2,492
\$50,000	\$59,999	490	696	360	183	118	56	1,903
\$60,000	\$74,999	354	834	435	278	95	43	2,039
\$75,000	\$99,999	373	664	459	348	147	77	2,069
\$100,000	\$124,999	165	444	160	171	160	75	1,175
\$125,000	\$149,999	93	313	147	46	45	16	660
\$150,000	\$199,999	130	158	152	83	55	31	609
\$200,000	more	199	67	29	39	43	17	393
Total		6,253	5,574	3,598	2,337	1,181	582	19,526

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

2021 \$		2021 Households						
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	289	76	18	3	10	1	398
\$10,000	\$19,999	585	186	71	8	33	15	898
\$20,000	\$29,999	417	107	57	22	22	6	630
\$30,000	\$39,999	205	155	51	28	17	3	460
\$40,000	\$49,999	242	105	49	7	17	6	426
\$50,000	\$59,999	126	78	42	26	28	12	312
\$60,000	\$74,999	166	151	66	13	19	4	418
\$75,000	\$99,999	170	181	80	8	17	6	461
\$100,000	\$124,999	100	55	10	29	15	4	213
\$125,000	\$149,999	72	38	17	3	12	5	147
\$150,000	\$199,999	47	52	9	3	10	1	122
\$200,000	more	71	44	13	7	9	2	145
Total		2,490	1,228	482	156	210	65	4,631

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

2021 \$		2021 Households						
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	177	33	8	2	6	0	226
\$10,000	\$19,999	372	103	30	8	23	11	548
\$20,000	\$29,999	327	44	11	5	11	1	399
\$30,000	\$39,999	156	52	26	3	12	3	253
\$40,000	\$49,999	156	44	39	3	5	1	249
\$50,000	\$59,999	71	21	13	26	6	0	137
\$60,000	\$74,999	80	75	48	2	12	2	218
\$75,000	\$99,999	81	71	35	2	9	3	201
\$100,000	\$124,999	69	27	5	3	3	0	108
\$125,000	\$149,999	49	8	5	1	3	0	67
\$150,000	\$199,999	26	18	5	0	4	0	54
\$200,000	more	32	7	2	2	7	2	52
Total		1,596	504	228	59	102	24	2,513

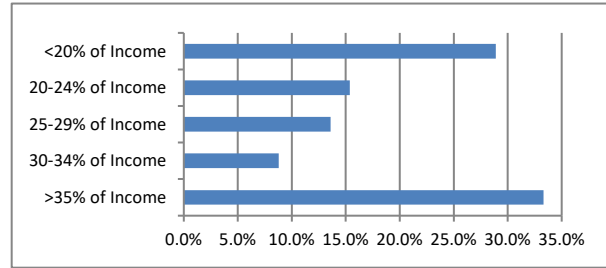
Source: Claritas & Ribbon Demographics

Overburdened Renter Households

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

Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	28.9%
20-24% of Income Spent on Housing	15.4%
25-29% of Income Spent on Housing	13.6%
30-34% of Income Spent on Housing	8.8%
>35% of Income Spent on Housing	33.3%
Total	100.0%

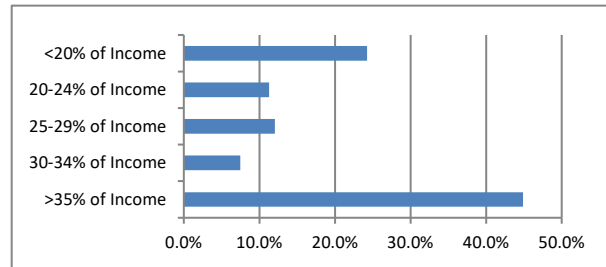
Source: U.S. Census Bureau



Our research suggests that 33.3 percent of the renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 42.1 percent of the renter households are overburdened to 30 percent of income.

55+ Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	24.3%
20-24% of Income Spent on Housing	11.3%
25-29% of Income Spent on Housing	12.1%
30-34% of Income Spent on Housing	7.5%
>35% of Income Spent on Housing	44.9%
Total	100.0%

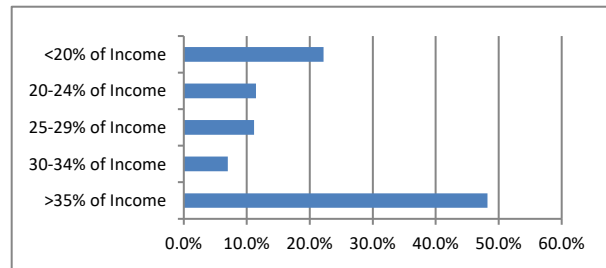
Source: U.S. Census Bureau



Our research suggests that 44.9 percent of the 55+ renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 52.4 percent of the 55+ renter households are overburdened to 30 percent of income.

65+ Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	22.2%
20-24% of Income Spent on Housing	11.5%
25-29% of Income Spent on Housing	11.2%
30-34% of Income Spent on Housing	7.0%
>35% of Income Spent on Housing	48.2%
Total	100.0%

Source: U.S. Census Bureau



Our research suggests that 48.2 percent of the 65+ renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 55.2 percent of the 65+ renter households are overburdened to 30 percent of income.

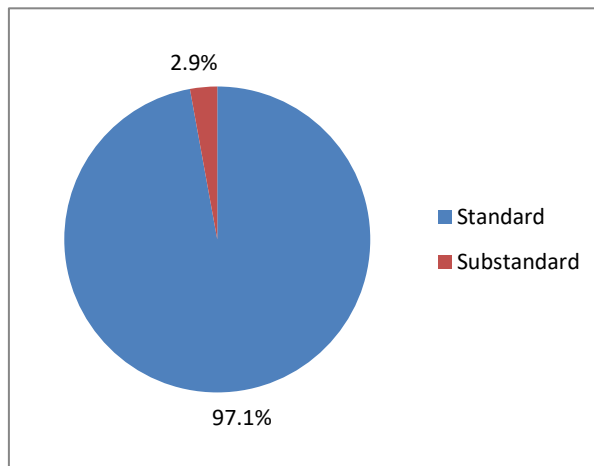
Owner Substandard Units

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

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

Owner Substandard Units	
	% of Total
1.00 persons per room or less	97.1%
1.01 to 1.50 persons per room	1.7%
1.51 persons per room or more	0.5%
Complete Plumbing	99.4%
1.00 persons per room or less	0.6%
1.01 to 1.50 persons per room	0.0%
1.51 persons per room or more	0.0%
Lacking Complete Plumbing	0.6%
Standard	97.1%
Substandard	2.9%
Total	100.0%

Source: U.S. Census Bureau



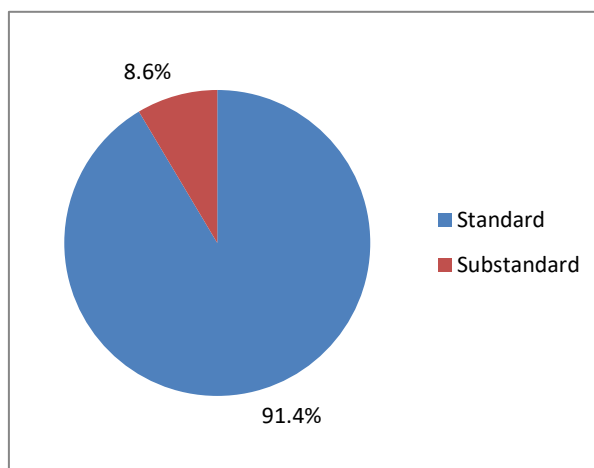
Our research suggests that 2.9 percent of occupied owner housing units in the market area are substandard.

Renter Substandard Units

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

Renter Substandard Units	
	% of Total
1.00 persons per room or less	91.4%
1.01 to 1.50 persons per room	4.9%
1.51 persons per room or more	2.8%
Complete Plumbing	99.2%
1.00 persons per room or less	0.8%
1.01 to 1.50 persons per room	0.0%
1.51 persons per room or more	0.0%
Lacking Complete Plumbing	0.8%
Standard	91.4%
Substandard	8.6%
Total	100.0%

Source: U.S. Census Bureau



Our research suggests that 8.6 percent of renter owner housing units in the market area are substandard.

Owner Movership

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

Owner Movership, by Size								
Market Area								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Owner to Owner	2.5%	3.9%	5.0%	5.0%	5.4%	5.8%	6.8%	4.1%
Owner to Renter	2.4%	2.2%	4.0%	3.7%	3.7%	5.6%	8.5%	3.0%
Owner Movership Rate	4.9%	6.1%	9.0%	8.7%	9.1%	11.4%	15.3%	7.2%

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

Our research suggests an owner movership rate of 7.2 percent.

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

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

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

Renter Movership

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

Renter Movership, by Size								
Market Area								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Renter to Renter	12.8%	28.7%	40.5%	48.7%	49.2%	53.3%	82.3%	29.1%
Renter to Owner	3.1%	11.7%	11.9%	15.2%	16.7%	12.9%	15.2%	9.2%
Renter Movership Rate	16.0%	40.4%	52.4%	63.8%	65.9%	66.2%	97.5%	38.2%

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

Our research suggests a renter movership rate of 38.2 percent.

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

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

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

SUPPLY ANALYSIS

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

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

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

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

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

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

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

Rental Property Inventory

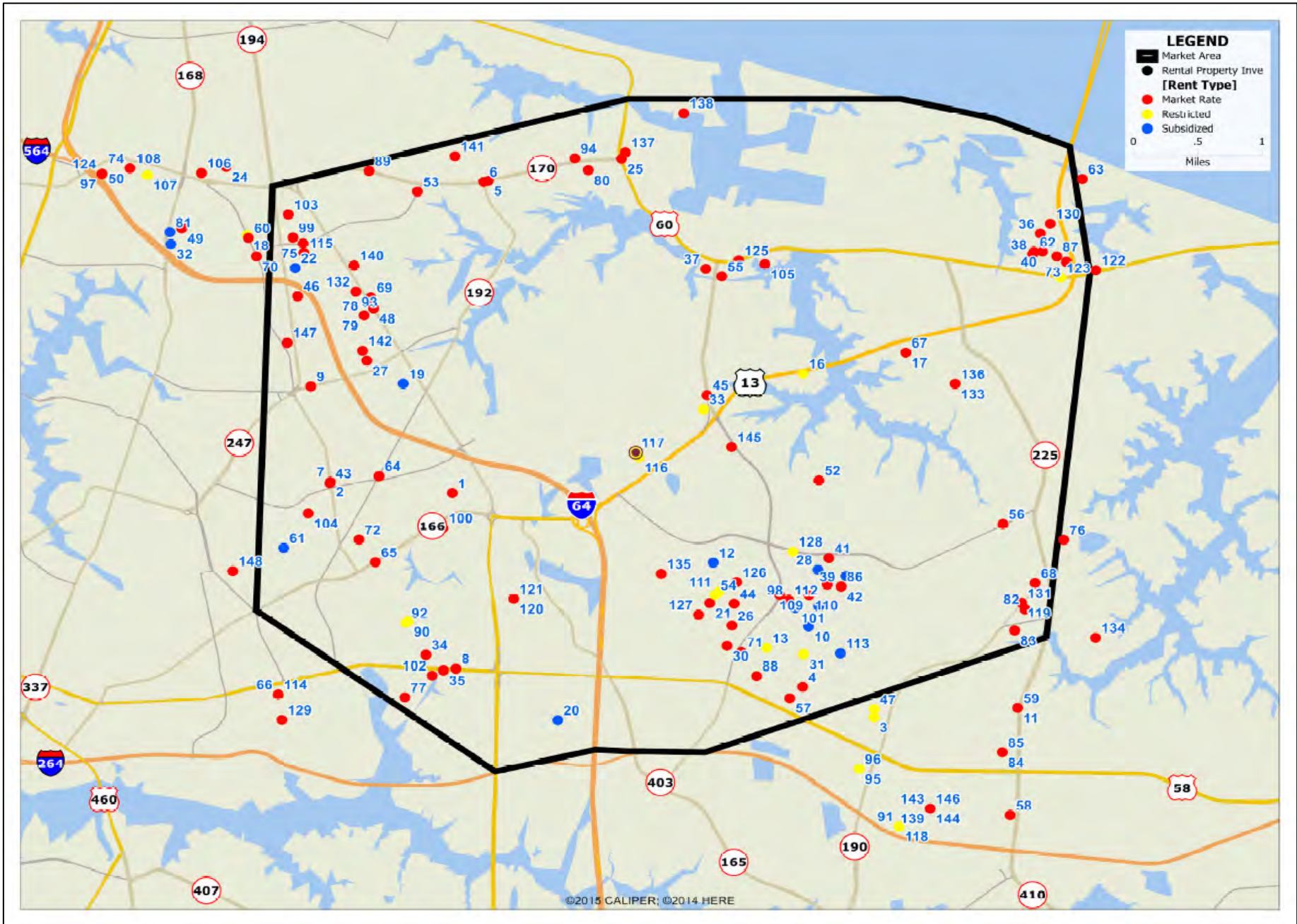
Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
001	900 Pacific Place Condominiums	36.8775	-76.2163	1984	na	Market Rate	Family	Unconfirmed	Conventional	0	0	0.0%
002	AAA Apollo Arms Apartments	36.8789	-76.2334	na	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
003	Aden Park Apartments	36.8502	-76.1571	1971	2000	Restricted	Family	Stabilized	Tax Credit	125	1	99.2%
004	Amhurst Apartments	36.8539	-76.1671	1985	na	Market Rate	Family	Stabilized	Conventional	87	0	100.0%
005	Anderson Apartments	36.9155	-76.2112	na	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
006	Andover Apartments	36.9154	-76.2119	1963	2010	Market Rate	Family	Stabilized	Conventional	104	3	97.1%
007	Apollo Arms Apartments	36.8789	-76.2334	1972	na	Market Rate	Family	Stabilized	Conventional	91	3	96.7%
008	Arcadia Apartments	36.8561	-76.2158	1986	na	Market Rate	Family	Unconfirmed	Conventional	84	0	100.0%
009	Atlantic Condos	36.8905	-76.2361	1991	na	Market Rate	Family	Condominiums	Conventional	26	1	96.2%
010	Atlantis Manor Apartments	36.8612	-76.1663	1982	2007	Subsidized	Family	Special Needs	HUD	11	0	100.0%
011	Azalea Garden Apartments	36.8514	-76.1369	1982	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
012	Baker House Group Home	36.8690	-76.1797	na	na	Subsidized	Family	Demolished	HUD	12	0	100.0%
013	Baker Woods Apartments Phase 1	36.8586	-76.1722	2015	na	Restricted	Family	Stabilized	Tax Credit	96	0	100.0%
014	Baker Woods Apartments Phase 2	36.8655	-76.1789	2015	na	Restricted	Family	Duplicate	Tax Credit	57	57	0.0%
015	Bay Watch Pointe Apartments	36.8664	-76.1637	1973	2001	Market Rate	Family	Stabilized	Conventional	160	55	65.6%
016	Bayside Road Apartments	36.8921	-76.1670	1989	na	Restricted	Family	Unconfirmed	Tax Credit	2	0	100.0%
017	Bayville Apartments	36.8946	-76.1526	1971	na	Market Rate	Family	Stabilized	Conventional	240	6	97.5%
018	Berkley Square Apartments	36.9089	-76.2451	1974	2001	Restricted	Family	Stabilized	Tax Credit	64	3	95.3%
019	Bertha Street Group Home	36.8908	-76.2232	na	na	Subsidized	Family	Special Needs	HUD	3	0	100.0%
020	Bobbitt Midrise Apartments	36.8499	-76.2015	1980	na	Subsidized	Elderly	Unconfirmed	HUD	84	0	100.0%
021	Brandywine Apartments	36.8641	-76.1801	1985	2004	Market Rate	Family	Stabilized	Conventional	172	8	95.3%
022	Braywood Manor Apartments	36.9049	-76.2383	1979	na	Subsidized	Elderly	Stabilized	HUD	238	0	100.0%
023	Breathwaite Place Apartments	36.8651	-76.1703	2011	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
024	Brentwood Forest Apartments	36.9172	-76.2480	1976	na	Market Rate	Family	Stabilized	Conventional	106	4	96.2%
025	Brentwood West Apartments	36.9182	-76.1925	na	na	Market Rate	Family	Stabilized	Conventional	14	0	100.0%
026	Briarwood Apartments	36.8614	-76.1770	1970	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
027	Brittany Place Apartments	36.8936	-76.2283	1983	na	Market Rate	Family	Stabilized	Conventional	148	0	100.0%
028	Carriage House of Virginia Beach	36.8682	-76.1650	1982	na	Subsidized	Family	Unconfirmed	HUD	200	10	95.0%
029	Cedar Grove Apartments	36.8674	-76.1610	2011	na	Subsidized	Family	Stabilized	Tax Credit	32	0	100.0%
030	Coastline Apartments	36.8589	-76.1777	1970	2007	Market Rate	Family	Stabilized	Conventional	600	60	90.0%
031	Connie Lane Apartments	36.8579	-76.1670	2011	na	Restricted	Family	Non-Inventory	Tax Credit	51	51	0.0%
032	Cottage Bridge Mid-Rise	36.9078	-76.2558	2015	na	Subsidized	Family	Special Needs	Tax Credit	47	2	95.7%
033	Crescent Square	36.8877	-76.1810	2015	na	Restricted	Family	Unconfirmed	Tax Credit	80	3	96.3%
034	Crown Point Townhouses	36.8578	-76.2200	1966	na	Market Rate	Family	Stabilized	Conventional	480	24	95.0%
035	Crystal Lake Apartments	36.8559	-76.2175	1984	na	Market Rate	Family	Stabilized	Conventional	96	6	93.8%
036	Dam Neck Square Apartments	36.9091	-76.1338	1978	na	Market Rate	Family	Unconfirmed	Conventional	30	0	100.0%
037	Diamond Springs Apartments	36.9048	-76.1807	1968	2008	Market Rate	Family	Stabilized	Conventional	153	5	96.7%
038	Dove Landing Apple Apartments	36.9065	-76.1348	1980	na	Market Rate	Family	Stabilized	Conventional	24	1	95.8%
039	Dove Landing East Apartments	36.8661	-76.1617	1977	na	Market Rate	Family	Stabilized	Conventional	88	8	90.9%
040	Dove Landing Maple Apartments	36.9069	-76.1334	1980	na	Market Rate	Family	Stabilized	Conventional	12	0	100.0%
041	Dove Landing North Apartments	36.8696	-76.1634	1977	na	Market Rate	Family	Stabilized	Conventional	150	7	95.3%
042	Dove Landing Pharah Apartments	36.8661	-76.1617	1980	na	Market Rate	Family	Stabilized	Conventional	12	0	100.0%
043	Dove Landing Point Apartments	36.8787	-76.2335	1980	na	Market Rate	Family	Stabilized	Conventional	36	3	91.7%
044	Dove Landing West Apartments	36.8640	-76.1767	1977	na	Market Rate	Family	Stabilized	Conventional	68	5	92.6%
045	Driftwood Apartments	36.8894	-76.1805	1972	na	Market Rate	Family	Stabilized	Conventional	140	1	99.3%
046	Dundale Square	36.9015	-76.2380	1975	na	Market Rate	Family	Stabilized	Conventional	100	8	92.0%
047	Ebbetts Plaza Apartments	36.8512	-76.1571	1976	2004	Restricted	Family	Stabilized	Tax Credit	90	2	97.8%
048	Elite Apartments	36.9000	-76.2273	1988	na	Market Rate	Family	Stabilized	Conventional	51	1	98.0%
049	Fenner Garden Apartments	36.9097	-76.2543	1975	2005	Market Rate	Family	Stabilized	Conventional	86	12	86.0%
050	Fort Worth Villa Apartments	36.9170	-76.2614	1978	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
051	Glenshire Group Home	36.8637	-76.1648	na	na	Subsidized	Family	Special Needs	HUD	2	0	100.0%
052	Grand Cypress Apartments	36.8791	-76.1648	1988	na	Market Rate	Family	Stabilized	Conventional	55	1	98.2%

Rental Property Inventory

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
053	Halprin Drive Apartments	36.9142	-76.2212	1974	2000	Market Rate	Family	Unconfirmed	Conventional	32	1	96.9%
054	Hamptons (The) Apartments	36.8651	-76.1794	1967	2000	Restricted	Family	Stabilized	Tax Credit	212	2	99.1%
055	Harbor Inn Apartments	36.9038	-76.1785	1972	na	Market Rate	Family	Unconfirmed	Conventional	138	10	92.8%
056	Haygood Halls Apartments	36.8737	-76.1390	1970	2009	Market Rate	Family	Stabilized	Conventional	225	1	99.6%
057	Hunter's Mill Apartments	36.8525	-76.1689	1987	2010	Market Rate	Family	Stabilized	Conventional	180	10	94.4%
058	Independence Square Townhouses	36.8383	-76.1380	1972	na	Market Rate	Family	Stabilized	Conventional	212	0	100.0%
059	January 16th Assoc	36.8514	-76.1369	1982	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
060	Johnston Square Apartments	36.9085	-76.2449	1976	2008	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
061	Kennon Avenue Group Home	36.8708	-76.2399	na	na	Subsidized	Family	Special Needs	HUD	3	0	100.0%
062	Lake Bradford Apartments	36.9068	-76.1347	1972	2009	Market Rate	Family	Stabilized	Conventional	143	0	100.0%
063	Lakefront Apartments	36.9157	-76.1279	1974	na	Market Rate	Family	Unconfirmed	Conventional	2	0	100.0%
064	Lansdale Gardens Apartments	36.8796	-76.2266	1984	2009	Market Rate	Family	Unconfirmed	Conventional	76	4	94.7%
065	Larkspur Apartments	36.8691	-76.2271	1993	na	Market Rate	Family	Unconfirmed	Conventional	20	1	95.0%
066	Mangrove Apartments	36.8530	-76.2407	1985	na	Market Rate	Family	Unconfirmed	Conventional	47	2	95.7%
067	Mansards Apartments	36.8946	-76.1526	1971	1998	Market Rate	Family	Duplicate	Conventional	240	15	93.8%
068	Mariner's Cove Apartments	36.8665	-76.1345	1974	2003	Market Rate	Family	Stabilized	Conventional	458	12	97.4%
069	Meadowbrook Terrace Apartments	36.9013	-76.2277	na	na	Market Rate	Family	Condominiums	Conventional	0	0	0.0%
070	Miramar Apartments	36.9063	-76.2438	1971	2008	Market Rate	Family	Stabilized	Conventional	155	7	95.5%
071	Nexus Flats	36.8581	-76.1757	2018	na	Market Rate	Family	Stabilized	Conventional	136	15	89.0%
072	Norcova Gardens Apartments	36.8718	-76.2294	1965	2010	Market Rate	Family	Stabilized	Conventional	40	0	100.0%
073	North Beach Apartments	36.9056	-76.1301	1986	2000	Market Rate	Family	Stabilized	Conventional	181	9	95.0%
074	Norvella Landing Apartments	36.9170	-76.2614	1978	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
075	Oakmont North Apartments	36.9079	-76.2372	1968	2004	Market Rate	Family	Stabilized	Conventional	407	36	91.2%
076	Old Donation Apartments	36.8718	-76.1305	1970	2009	Market Rate	Elderly	Stabilized	Conventional	251	7	97.2%
077	Olympic Village Apartments	36.8526	-76.2229	1985	na	Market Rate	Family	Stabilized	Conventional	142	14	90.1%
078	Park Crescent Apartments Phase 1	36.8991	-76.2287	1991	na	Market Rate	Family	Stabilized	Conventional	288	42	85.4%
079	Park Crescent Apartments Phase 2	36.8991	-76.2287	2013	na	Market Rate	Family	Stabilized	Conventional	112	1	99.1%
080	Park Towne Apartments	36.9168	-76.1972	1969	2006	Market Rate	Family	Stabilized	Conventional	398	8	98.0%
081	Partrea Midrise Apartments	36.9092	-76.2559	1979	na	Subsidized	Elderly	Unconfirmed	PHA	114	2	98.2%
082	Pembroke Crossing Apartments	36.8633	-76.1359	1988	na	Market Rate	Family	Stabilized	Conventional	148	4	97.3%
083	Pembroke Lake Apartments	36.8608	-76.1373	1972	2006	Market Rate	Family	Stabilized	Conventional	300	25	91.7%
084	Pembroke Square Apartments	36.8459	-76.1391	1964	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
085	Pembroke Town Center Apartments	36.8459	-76.1391	1964	2011	Market Rate	Family	Stabilized	Conventional	384	3	99.2%
086	Pharah Apartments	36.8661	-76.1617	1980	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
087	Pine Shores Apartments	36.9063	-76.1314	1982	na	Market Rate	Family	Stabilized	Conventional	72	2	97.2%
088	Pines of Newpointe Apartments	36.8553	-76.1736	1988	2010	Market Rate	Family	Stabilized	Conventional	104	9	91.3%
089	Pinewood Gardens Apartments	36.9167	-76.2280	1962	2009	Market Rate	Family	Stabilized	Conventional	761	1	99.9%
090	Pointe at Pickett Farms (The)	36.8619	-76.2225	2014	na	Restricted	Family	Stabilized	Tax Credit	120	0	100.0%
091	Price Street Apartments 2	36.8369	-76.1535	2019	na	Restricted	Family	Prop Const	Bond	112	104	7.1%
092	Quill Apartments	36.8617	-76.2228	2015	na	Restricted	Family	Stabilized	Tax Credit	180	0	100.0%
093	Ramblewood Apartments	36.9020	-76.2298	1974	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
094	Redmond Road Apartments	36.9183	-76.1991	1975	na	Market Rate	Family	Unconfirmed	Conventional	36	10	72.2%
095	Renaissance Apartments 1	36.8439	-76.1592	2019	na	Restricted	Family	Prop Const	Tax Credit	96	96	0.0%
096	Renaissance Apartments 2	36.8439	-76.1592	2019	na	Restricted	Family	Prop Const	Bond	96	96	0.0%
097	Renaissance Property	36.9164	-76.2653	1993	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
098	Ripley Heatwole	36.8645	-76.1690	1985	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
099	First Oakmont North Townhouses	36.9086	-76.2386	1970	2011	Market Rate	Family	Unconfirmed	Conventional	0	0	0.0%
100	River Oaks Apartments	36.8733	-76.2176	1976	na	Market Rate	Family	Stabilized	Conventional	100	3	97.0%
101	Rock Creek Group Home	36.8635	-76.1682	na	na	Subsidized	Family	Special Needs	HUD	2	0	100.0%
102	Round Bay Apartments	36.8553	-76.2191	1964	na	Market Rate	Family	Stabilized	Conventional	64	1	98.4%
103	Second Oakmont Townhouses	36.9114	-76.2393	1989	na	Market Rate	Family	Condominiums	Conventional	0	0	0.0%
104	Sherwood Forest Apartments	36.8750	-76.2365	1965	na	Market Rate	Family	Stabilized	Conventional	173	8	95.4%

Rental Property Inventory

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
105	Shores of Lake Smith Apartments	36.9053	-76.1724	1976	2013	Market Rate	Family	Stabilized	Conventional	64	2	96.9%
106	Southern Park Apartments	36.9164	-76.2515	1964	na	Market Rate	Family	Unconfirmed	Conventional	104	6	94.2%
107	SouthWind Apartments	36.9162	-76.2591	2008	na	Restricted	Family	Stabilized	Tax Credit	120	0	100.0%
108	Spring Creek Apartments	36.9170	-76.2614	1978	1995	Market Rate	Family	Stabilized	Conventional	62	0	100.0%
109	St. Croix Apartments Phase 1	36.8650	-76.1662	1988	na	Market Rate	Family	Stabilized	Conventional	148	16	89.2%
110	St. Croix Apartments Phase 2	36.8650	-76.1662	2007	na	Market Rate	Family	Stabilized	Conventional	12	3	75.0%
111	Summer Haven Apartments	36.8655	-76.1789	2017	na	Restricted	Family	Stabilized	Tax Credit	57	0	100.0%
112	Summer Place Townhomes	36.8645	-76.1690	1985	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
113	Sweetwater Court Group Home	36.8580	-76.1618	na	na	Subsidized	Family	Special Needs	HUD	4	0	100.0%
114	Tidewater Property Management	36.8530	-76.2407	2005	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
115	Timber Apartments	36.9067	-76.2371	1973	na	Market Rate	Family	Unconfirmed	Conventional	104	1	99.0%
116	Tranquility at the Lakes I	36.8818	-76.1901	2015	na	Restricted	Elderly	Stabilized	Tax Credit	40	0	100.0%
117	Tranquility at the Lakes II	36.8824	-76.1905	2021	na	Restricted	Elderly	Prop Const	Tax Credit	38	38	0.0%
118	Two Hundred West Apartment Hms	36.8369	-76.1535	2019	na	Restricted	Family	Prop Const	Tax Credit	152	152	0.0%
119	United Property Assoc	36.8641	-76.1364	1984	2011	Market Rate	Family	Duplicate	Conventional	45	5	88.9%
120	University Gardens Apartments	36.8646	-76.2077	1966	na	Market Rate	Family	Stabilized	Conventional	192	2	99.0%
121	University Terrace Apartments	36.8646	-76.2077	1965	2010	Market Rate	Family	Unconfirmed	Conventional	152	1	99.3%
122	Vantage Apartments	36.9046	-76.1260	1973	2008	Market Rate	Family	Stabilized	Conventional	54	4	92.6%
123	Victoria Place Apartments	36.9037	-76.1309	2003	na	Restricted	Elderly	Stabilized	Tax Credit	122	3	97.5%
124	Wards Corner Apartments	36.9164	-76.2653	1970	na	Market Rate	Family	Unconfirmed	Conventional	88	7	92.0%
125	Waterford Apartments	36.9058	-76.1761	1979	2009	Market Rate	Family	Stabilized	Conventional	376	2	99.5%
126	Weblin Place Apartments	36.8666	-76.1764	1976	na	Market Rate	Family	Stabilized	Conventional	102	1	99.0%
127	Wesleyan Courts Apartments	36.8627	-76.1817	1973	na	Market Rate	Family	Stabilized	Conventional	113	0	100.0%
128	Wesleyan Place Apartments	36.8704	-76.1685	2008	na	Restricted	Elderly	Stabilized	Tax Credit	91	1	98.9%
129	West Beach Apartments	36.8499	-76.2402	1953	na	Market Rate	Family	Stabilized	Conventional	300	16	94.7%
130	Windsong Apartments	36.9103	-76.1324	1973	na	Market Rate	Family	Stabilized	Conventional	270	45	83.3%
131	Witchduck Crescent Apartments	36.8641	-76.1364	1984	2011	Market Rate	Family	Unconfirmed	Conventional	45	5	88.9%
132	Woodmere Trace	36.9020	-76.2298	1974	2000	Market Rate	Family	Stabilized	Conventional	300	19	93.7%
133	Albert Court Garden Apartments	36.8908	-76.1457	1973	na	Market Rate	Family	Unconfirmed	Conventional	28	1	96.4%
134	C C Taylor Realty	36.8599	-76.1260	1968	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
135	Coastal 61 At Oxford Village Wesleyan	36.8677	-76.1870	2020	na	Market Rate	Family	Duplicate	Conventional	244	12	95.1%
136	Coastal 61 At Oxford Village Coastal	36.8908	-76.1457	2020	na	Market Rate	Family	Stabilized	Conventional	244	0	100.0%
137	Coastal Villas By The Bay	36.9190	-76.1920	2016	na	Market Rate	Family	Condominiums	Conventional	0	0	0.0%
138	East Beach Marina Apartments	36.9237	-76.1838	2015	na	Market Rate	Family	Unconfirmed	Conventional	137	7	94.9%
139	Encore 4505 at Town Center Apartments	36.8391	-76.1492	2014	na	Market Rate	Family	Unconfirmed	Conventional	286	15	94.8%
140	Jabez Enterprises	36.9052	-76.2301	2011	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
141	Marina Villa Apartments	36.9185	-76.2159	2020	na	Market Rate	Family	Stabilized	Conventional	105	6	94.3%
142	Meadowood Apartments	36.8948	-76.2289	2011	na	Market Rate	Family	Stabilized	Conventional	180	0	100.0%
143	Mezzo Apartment Homes	36.8391	-76.1492	2018	na	Market Rate	Family	Stabilized	Conventional	282	0	100.0%
144	Premier Apartments	36.8391	-76.1492	2018	na	Market Rate	Family	Stabilized	Conventional	131	0	100.0%
145	Spring Water Apartments	36.8831	-76.1771	2013	na	Market Rate	Family	Stabilized	Conventional	252	0	100.0%
146	Town Center Cold Pressed	36.8391	-76.1492	2016	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
147	Twin Gardens	36.8958	-76.2395	1986	na	Market Rate	Family	Unconfirmed	Conventional	59	3	94.9%
148	Weast Construction	36.8680	-76.2471	2009	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%



Rental Property Inventory, Unconfirmed

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
001	900 Pacific Place Condominiums	36.8775	-76.2163	1984	na	Market Rate	Family	Unconfirmed	Conventional	0	0	0.0%
008	Arcadia Apartments	36.8561	-76.2158	1986	na	Market Rate	Family	Unconfirmed	Conventional	84	0	100.0%
016	Bayside Road Apartments	36.8921	-76.1670	1989	na	Restricted	Family	Unconfirmed	Tax Credit	2	0	100.0%
020	Bobbitt Midrise Apartments	36.8499	-76.2015	1980	na	Subsidized	Elderly	Unconfirmed	HUD	84	0	100.0%
028	Carriage House of Virginia Beach	36.8682	-76.1650	1982	na	Subsidized	Family	Unconfirmed	HUD	200	10	95.0%
033	Crescent Square	36.8877	-76.1810	2015	na	Restricted	Family	Unconfirmed	Tax Credit	80	3	96.3%
036	Dam Neck Square Apartments	36.9091	-76.1338	1978	na	Market Rate	Family	Unconfirmed	Conventional	30	0	100.0%
053	Halprin Drive Apartments	36.9142	-76.2212	1974	2000	Market Rate	Family	Unconfirmed	Conventional	32	1	96.9%
055	Harbor Inn Apartments	36.9038	-76.1785	1972	na	Market Rate	Family	Unconfirmed	Conventional	138	10	92.8%
063	Lakefront Apartments	36.9157	-76.1279	1974	na	Market Rate	Family	Unconfirmed	Conventional	2	0	100.0%
064	Lansdale Gardens Apartments	36.8796	-76.2266	1984	2009	Market Rate	Family	Unconfirmed	Conventional	76	4	94.7%
065	Larkspur Apartments	36.8691	-76.2271	1993	na	Market Rate	Family	Unconfirmed	Conventional	20	1	95.0%
066	Mangrove Apartments	36.8530	-76.2407	1985	na	Market Rate	Family	Unconfirmed	Conventional	47	2	95.7%
081	Partrea Midrise Apartments	36.9092	-76.2559	1979	na	Subsidized	Elderly	Unconfirmed	PHA	114	2	98.2%
094	Redmond Road Apartments	36.9183	-76.1991	1975	na	Market Rate	Family	Unconfirmed	Conventional	36	10	72.2%
099	First Oakmont North Townhouses	36.9086	-76.2386	1970	2011	Market Rate	Family	Unconfirmed	Conventional	0	0	0.0%
106	Southern Park Apartments	36.9164	-76.2515	1964	na	Market Rate	Family	Unconfirmed	Conventional	104	6	94.2%
115	Timber Apartments	36.9067	-76.2371	1973	na	Market Rate	Family	Unconfirmed	Conventional	104	1	99.0%
121	University Terrace Apartments	36.8646	-76.2077	1965	2010	Market Rate	Family	Unconfirmed	Conventional	152	1	99.3%
124	Wards Corner Apartments	36.9164	-76.2653	1970	na	Market Rate	Family	Unconfirmed	Conventional	88	7	92.0%
131	Witchduck Crescent Apartments	36.8641	-76.1364	1984	2011	Market Rate	Family	Unconfirmed	Conventional	45	5	88.9%
133	Albert Court Garden Apartments	36.8908	-76.1457	1973	na	Market Rate	Family	Unconfirmed	Conventional	28	1	96.4%
138	East Beach Marina Apartments	36.9237	-76.1838	2015	na	Market Rate	Family	Unconfirmed	Conventional	137	7	94.9%
139	Encore 4505 at Town Center Apartments	36.8391	-76.1492	2014	na	Market Rate	Family	Unconfirmed	Conventional	286	15	94.8%
147	Twin Gardens	36.8958	-76.2395	1986	na	Market Rate	Family	Unconfirmed	Conventional	59	3	94.9%

Rental Property Inventory, Confirmed, Inside Market Area

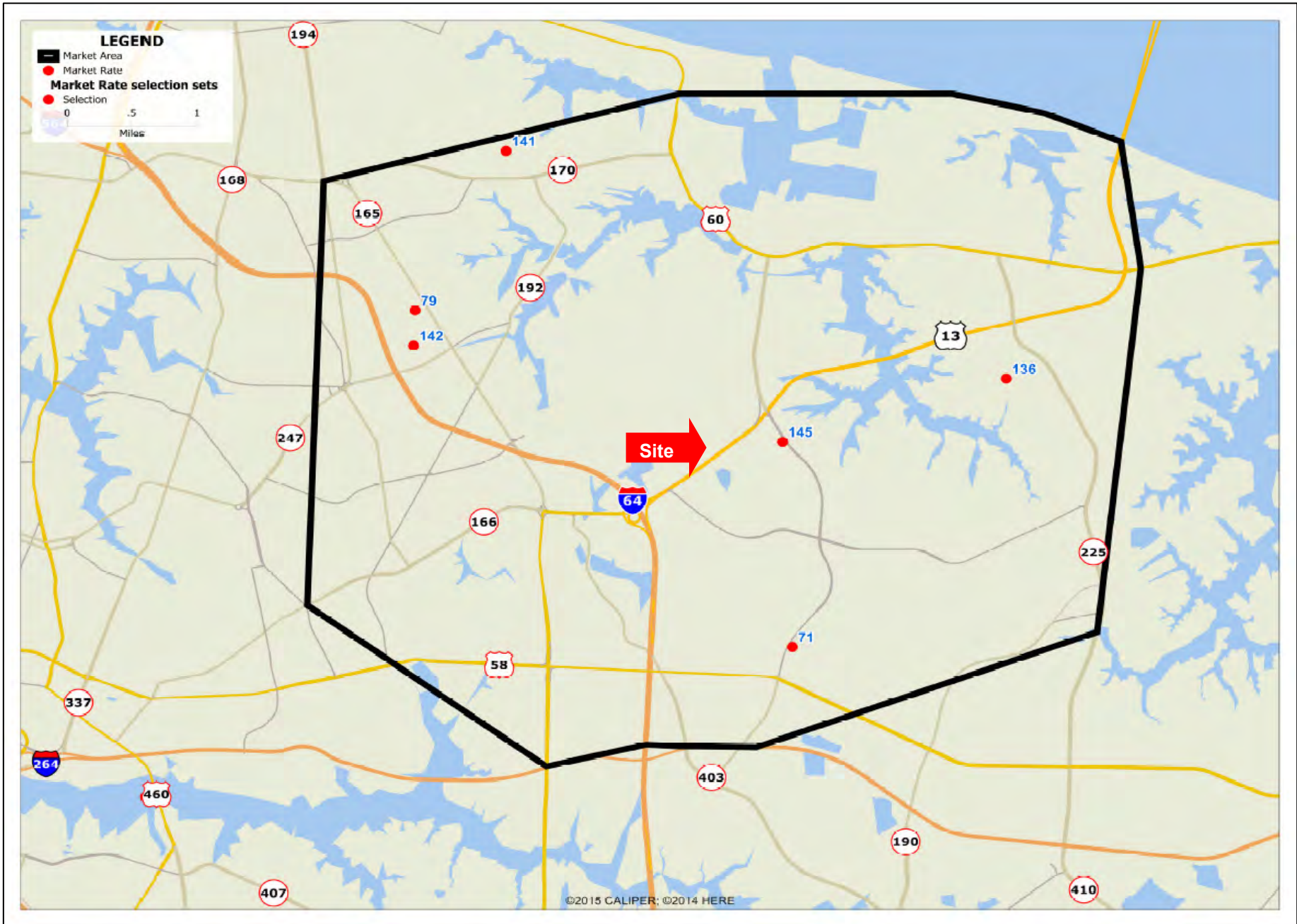
Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
004	Amhurst Apartments	36.8539	-76.1671	1985	na	Market Rate	Family	Stabilized	Conventional	87	0	100.0%
006	Andover Apartments	36.9154	-76.2119	1963	2010	Market Rate	Family	Stabilized	Conventional	104	3	97.1%
007	Apollo Arms Apartments	36.8789	-76.2334	1972	na	Market Rate	Family	Stabilized	Conventional	91	3	96.7%
013	Baker Woods Apartments Phase 1	36.8586	-76.1722	2015	na	Restricted	Family	Stabilized	Tax Credit	96	0	100.0%
015	Bay Watch Pointe Apartments	36.8664	-76.1637	1973	2001	Market Rate	Family	Stabilized	Conventional	160	55	65.6%
017	Bayville Apartments	36.8946	-76.1526	1971	na	Market Rate	Family	Stabilized	Conventional	240	6	97.5%
021	Brandywine Apartments	36.8641	-76.1801	1985	2004	Market Rate	Family	Stabilized	Conventional	172	8	95.3%
022	Braywood Manor Apartments	36.9049	-76.2383	1979	na	Subsidized	Elderly	Stabilized	HUD	238	0	100.0%
025	Brentwood West Apartments	36.9182	-76.1925	na	na	Market Rate	Family	Stabilized	Conventional	14	0	100.0%
027	Brittany Place Apartments	36.8936	-76.2283	1983	na	Market Rate	Family	Stabilized	Conventional	148	0	100.0%
029	Cedar Grove Apartments	36.8674	-76.1610	2011	na	Subsidized	Family	Stabilized	Tax Credit	32	0	100.0%
030	Coastline Apartments	36.8589	-76.1777	1970	2007	Market Rate	Family	Stabilized	Conventional	600	60	90.0%
034	Crown Point Townhouses	36.8578	-76.2200	1966	na	Market Rate	Family	Stabilized	Conventional	480	24	95.0%
035	Crystal Lake Apartments	36.8559	-76.2175	1984	na	Market Rate	Family	Stabilized	Conventional	96	6	93.8%
037	Diamond Springs Apartments	36.9048	-76.1807	1968	2008	Market Rate	Family	Stabilized	Conventional	153	5	96.7%
038	Dove Landing Apple Apartments	36.9065	-76.1348	1980	na	Market Rate	Family	Stabilized	Conventional	24	1	95.8%
039	Dove Landing East Apartments	36.8661	-76.1617	1977	na	Market Rate	Family	Stabilized	Conventional	88	8	90.9%
040	Dove Landing Maple Apartments	36.9069	-76.1334	1980	na	Market Rate	Family	Stabilized	Conventional	12	0	100.0%
041	Dove Landing North Apartments	36.8696	-76.1634	1977	na	Market Rate	Family	Stabilized	Conventional	150	7	95.3%
042	Dove Landing Pharah Apartments	36.8661	-76.1617	1980	na	Market Rate	Family	Stabilized	Conventional	12	0	100.0%
043	Dove Landing Point Apartments	36.8787	-76.2335	1980	na	Market Rate	Family	Stabilized	Conventional	36	3	91.7%
044	Dove Landing West Apartments	36.8640	-76.1767	1977	na	Market Rate	Family	Stabilized	Conventional	68	5	92.6%
045	Driftwood Apartments	36.8894	-76.1805	1972	na	Market Rate	Family	Stabilized	Conventional	140	1	99.3%
046	Dundale Square	36.9015	-76.2380	1975	na	Market Rate	Family	Stabilized	Conventional	100	8	92.0%
048	Elite Apartments	36.9000	-76.2273	1988	na	Market Rate	Family	Stabilized	Conventional	51	1	98.0%
052	Grand Cypress Apartments	36.8791	-76.1648	1988	na	Market Rate	Family	Stabilized	Conventional	55	1	98.2%
054	Hamptons (The) Apartments	36.8651	-76.1794	1967	2000	Restricted	Family	Stabilized	Tax Credit	212	2	99.1%
056	Haygood Halls Apartments	36.8737	-76.1390	1970	2009	Market Rate	Family	Stabilized	Conventional	225	1	99.6%
057	Hunter's Mill Apartments	36.8525	-76.1689	1987	2010	Market Rate	Family	Stabilized	Conventional	180	10	94.4%
062	Lake Bradford Apartments	36.9068	-76.1347	1972	2009	Market Rate	Family	Stabilized	Conventional	143	0	100.0%
068	Mariner's Cove Apartments	36.8665	-76.1345	1974	2003	Market Rate	Family	Stabilized	Conventional	458	12	97.4%
071	Nexus Flats	36.8581	-76.1757	2018	na	Market Rate	Family	Stabilized	Conventional	136	15	89.0%
072	Norcova Gardens Apartments	36.8718	-76.2294	1965	2010	Market Rate	Family	Stabilized	Conventional	40	0	100.0%
073	North Beach Apartments	36.9056	-76.1301	1986	2000	Market Rate	Family	Stabilized	Conventional	181	9	95.0%
075	Oakmont North Apartments	36.9079	-76.2372	1968	2004	Market Rate	Family	Stabilized	Conventional	407	36	91.2%
076	Old Donation Apartments	36.8718	-76.1305	1970	2009	Market Rate	Elderly	Stabilized	Conventional	251	7	97.2%
077	Olympic Village Apartments	36.8526	-76.2229	1985	na	Market Rate	Family	Stabilized	Conventional	142	14	90.1%
078	Park Crescent Apartments Phase 1	36.8991	-76.2287	1991	na	Market Rate	Family	Stabilized	Conventional	288	42	85.4%
079	Park Crescent Apartments Phase 2	36.8991	-76.2287	2013	na	Market Rate	Family	Stabilized	Conventional	112	1	99.1%
080	Park Towne Apartments	36.9168	-76.1972	1969	2006	Market Rate	Family	Stabilized	Conventional	398	8	98.0%
082	Pembroke Crossing Apartments	36.8633	-76.1359	1988	na	Market Rate	Family	Stabilized	Conventional	148	4	97.3%
083	Pembroke Lake Apartments	36.8608	-76.1373	1972	2006	Market Rate	Family	Stabilized	Conventional	300	25	91.7%
087	Pine Shores Apartments	36.9063	-76.1314	1982	na	Market Rate	Family	Stabilized	Conventional	72	2	97.2%
088	Pines of Newpointe Apartments	36.8553	-76.1736	1988	2010	Market Rate	Family	Stabilized	Conventional	104	9	91.3%
089	Pinewood Gardens Apartments	36.9167	-76.2280	1962	2009	Market Rate	Family	Stabilized	Conventional	761	1	99.9%
090	Pointe at Pickett Farms (The)	36.8619	-76.2225	2014	na	Restricted	Family	Stabilized	Tax Credit	120	0	100.0%
092	Quill Apartments	36.8617	-76.2228	2015	na	Restricted	Family	Stabilized	Tax Credit	180	0	100.0%
100	River Oaks Apartments	36.8733	-76.2176	1976	na	Market Rate	Family	Stabilized	Conventional	100	3	97.0%
102	Round Bay Apartments	36.8553	-76.2191	1964	na	Market Rate	Family	Stabilized	Conventional	64	1	98.4%
104	Sherwood Forest Apartments	36.8750	-76.2365	1965	na	Market Rate	Family	Stabilized	Conventional	173	8	95.4%
105	Shores of Lake Smith Apartments	36.9053	-76.1724	1976	2013	Market Rate	Family	Stabilized	Conventional	64	2	96.9%
109	St. Croix Apartments Phase 1	36.8650	-76.1662	1988	na	Market Rate	Family	Stabilized	Conventional	148	16	89.2%

Rental Property Inventory, Confirmed, Inside Market Area

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
110	St. Croix Apartments Phase 2	36.8650	-76.1662	2007	na	Market Rate	Family	Stabilized	Conventional	12	3	75.0%
111	Summer Haven Apartments	36.8655	-76.1789	2017	na	Restricted	Family	Stabilized	Tax Credit	57	0	100.0%
116	Tranquility at the Lakes I	36.8818	-76.1901	2015	na	Restricted	Elderly	Stabilized	Tax Credit	40	0	100.0%
117	Tranquility at the Lakes II	36.8824	-76.1905	2021	na	Restricted	Elderly	Prop Const	Tax Credit	38	38	0.0%
120	University Gardens Apartments	36.8646	-76.2077	1966	na	Market Rate	Family	Stabilized	Conventional	192	2	99.0%
122	Vantage Apartments	36.9046	-76.1260	1973	2008	Market Rate	Family	Stabilized	Conventional	54	4	92.6%
123	Victoria Place Apartments	36.9037	-76.1309	2003	na	Restricted	Elderly	Stabilized	Tax Credit	122	3	97.5%
125	Waterford Apartments	36.9058	-76.1761	1979	2009	Market Rate	Family	Stabilized	Conventional	376	2	99.5%
126	Weblin Place Apartments	36.8666	-76.1764	1976	na	Market Rate	Family	Stabilized	Conventional	102	1	99.0%
127	Wesleyan Courts Apartments	36.8627	-76.1817	1973	na	Market Rate	Family	Stabilized	Conventional	113	0	100.0%
128	Wesleyan Place Apartments	36.8704	-76.1685	2008	na	Restricted	Elderly	Stabilized	Tax Credit	91	1	98.9%
130	Windsong Apartments	36.9103	-76.1324	1973	na	Market Rate	Family	Stabilized	Conventional	270	45	83.3%
132	Woodmere Trace	36.9020	-76.2298	1974	2000	Market Rate	Family	Stabilized	Conventional	300	19	93.7%
136	Coastal 61 At Oxford Village Coastal	36.8908	-76.1457	2020	na	Market Rate	Family	Stabilized	Conventional	244	0	100.0%
141	Marina Villa Apartments	36.9185	-76.2159	2020	na	Market Rate	Family	Stabilized	Conventional	105	6	94.3%
142	Meadowood Apartments	36.8948	-76.2289	2011	na	Market Rate	Family	Stabilized	Conventional	180	0	100.0%
145	Spring Water Apartments	36.8831	-76.1771	2013	na	Market Rate	Family	Stabilized	Conventional	252	0	100.0%

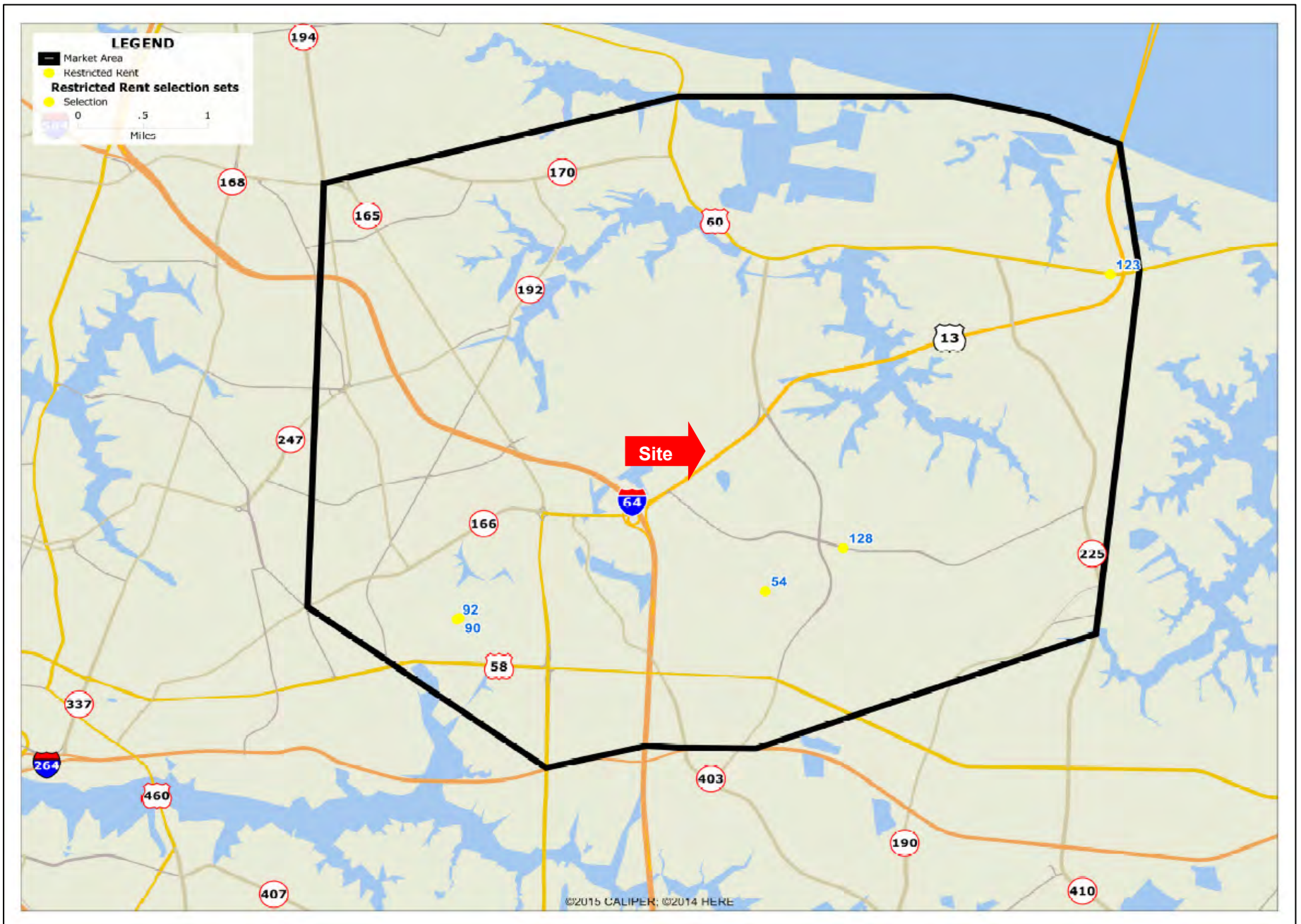
Master List of Market Rate Comparables

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
019	Bertha Street Group Home	36.8908	-76.2232	na	na	Subsidized	Family	Special Needs	HUD	3	0	100.0%
020	Bobbitt Midrise Apartments	36.8499	-76.2015	1980	na	Subsidized	Elderly	Unconfirmed	HUD	84	0	100.0%
037	Diamond Springs Apartments	36.9048	-76.1807	1968	2008	Market Rate	Family	Stabilized	Conventional	153	5	96.7%
040	Dove Landing Maple Apartments	36.9069	-76.1334	1980	na	Market Rate	Family	Stabilized	Conventional	12	0	100.0%
073	North Beach Apartments	36.9056	-76.1301	1986	2000	Market Rate	Family	Stabilized	Conventional	181	9	95.0%
074	Norvella Landing Apartments	36.9170	-76.2614	1978	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
086	Pharah Apartments	36.8661	-76.1617	1980	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
123	Victoria Place Apartments	36.9037	-76.1309	2003	na	Restricted	Elderly	Stabilized	Tax Credit	122	3	97.5%



Master List of Restricted Rent Comparables

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
054	Hamptons (The) Apartments	36.8651	-76.1794	1967	2000	Restricted	Family	Stabilized	Tax Credit	212	2	99.1%
090	Pointe at Pickett Farms (The)	36.8619	-76.2225	2014	na	Restricted	Family	Stabilized	Tax Credit	120	0	100.0%
092	Quill Apartments	36.8617	-76.2228	2015	na	Restricted	Family	Stabilized	Tax Credit	180	0	100.0%
123	Victoria Place Apartments	36.9037	-76.1309	2003	na	Restricted	Elderly	Stabilized	Tax Credit	122	3	97.5%
128	Wesleyan Place Apartments	36.8704	-76.1685	2008	na	Restricted	Elderly	Stabilized	Tax Credit	91	1	98.9%



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

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

Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
Market Rate	1	57	58
Restricted	4	5	9
Subsidized	1	1	2
Total	6	63	69

Total Units			
	Elderly	Family	Total
Market Rate	251	10,050	10,301
Restricted	251	524	775
Subsidized	278	48	326
Total	780	10,622	11,402

Vacant Units			
	Elderly	Family	Total
Market Rate	7	507	514
Restricted	22	1	23
Subsidized	20		20
Total	49	508	557

Occupancy Rate			
	Elderly	Family	Total
Market Rate	97%	95%	95%
Restricted	91%	100%	97%
Subsidized	93%	100%	94%
Total	94%	95%	95%

Source: Allen & Associates



Our analysis includes a total of 69 confirmed market area properties consisting of 11,402 units. The occupancy rate for these units currently stands at 95 percent. This rate reflects the occupancy for all confirmed market area units, regardless of project status (stabilized, under construction, proposed, etc.).

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

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

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

Rental Property Inventory, Confirmed, Inside Market Area

Elderly					Family				
Total Properties					Total Properties				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	1	3	1	5	Stabilized	1	5	57	63
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const		1		1	Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal		1		1	Subtotal				
Total	1	4	1	6	Total	1	5	57	63

Total Units					Total Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	258	233	251	742	Stabilized	48	524	10,050	10,622
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const	20	18		38	Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal	20	18		38	Subtotal				
Total	278	251	251	780	Total	48	524	10,050	10,622

Vacant Units					Vacant Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized		4	7	11	Stabilized		1	507	508
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const	20	18		38	Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal	20	18		38	Subtotal				
Total	20	22	7	49	Total		1	507	508

Source: Allen & Associates

Our survey includes a total of 68 stabilized market area properties consisting of 11,364 units standing at 95 percent occupancy.

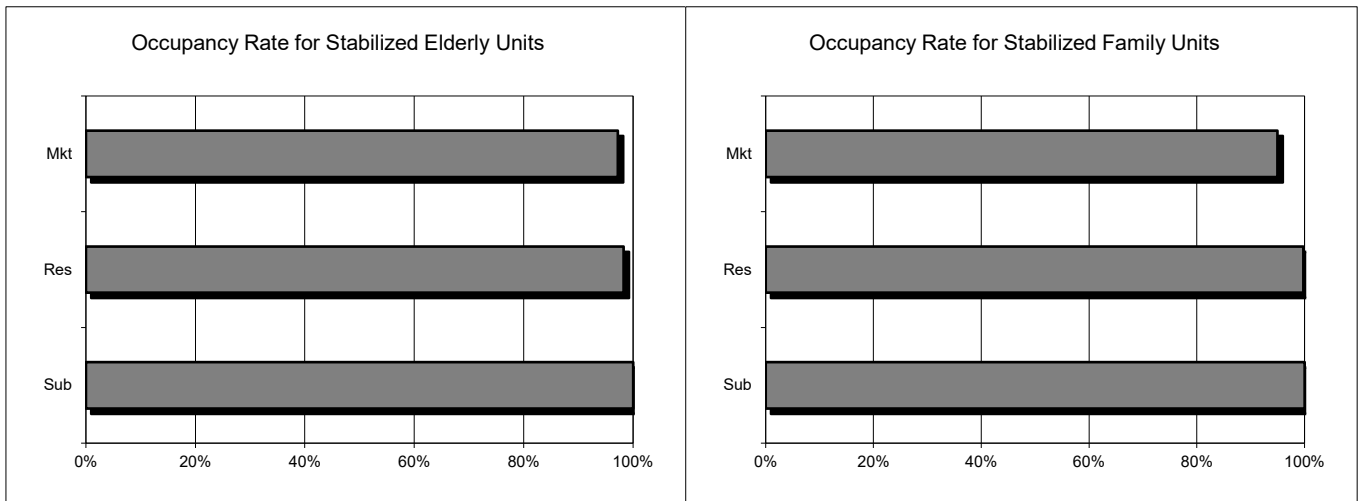
Our survey also includes a total of 1 market area property consisting of 38 units that is not yet stabilized. Unstabilized units (also referred to as pipeline units) include vacant units in lease up, construction, rehabilitation, proposed new construction, and units with proposed renovation plans.

Rental Property Inventory, Confirmed, Inside Market Area

Elderly					Family				
Occupancy Rate					Occupancy Rate				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	100%	98%	97%	99%	Stabilized	100%	100%	95%	95%
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const	0%	0%		0%	Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal	0%	0%		0%	Subtotal				
Total	93%	91%	97%	94%	Total	100%	100%	95%	95%

Source: Allen & Associates

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



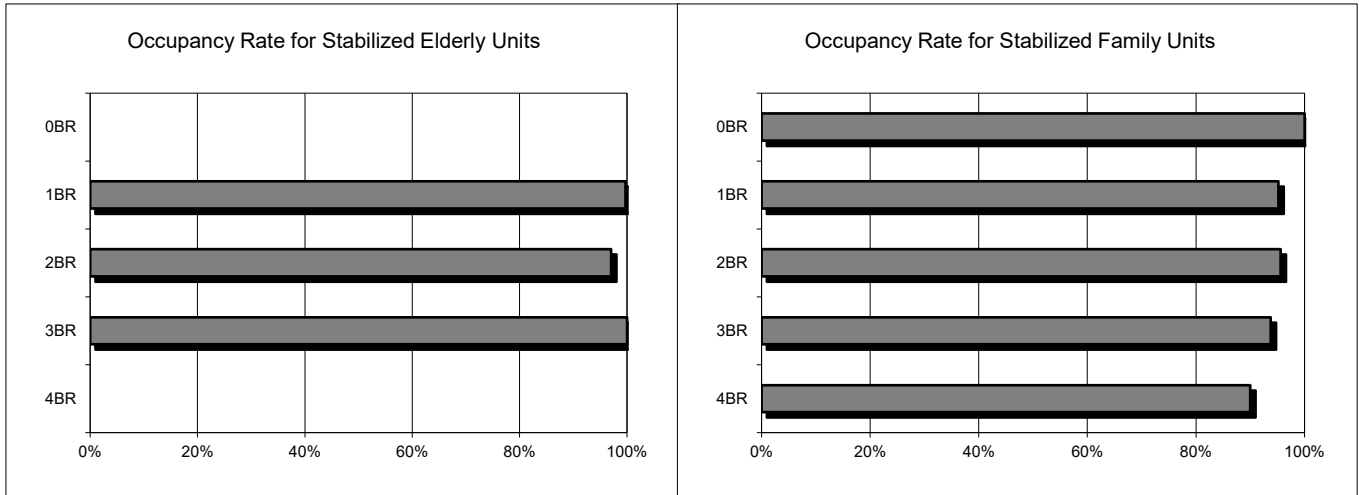
Our research suggests the following occupancy levels for the 742 stabilized elderly units in this market area:

- Subsidized, 100 percent (258 units in survey)
- Restricted, 98 percent (233 units in survey)
- Market Rate, 97 percent (251 units in survey)

Our research suggests the following occupancy levels for the 10,622 stabilized family units in this market area:

- Subsidized, 100 percent (48 units in survey)
- Restricted, 100 percent (524 units in survey)
- Market Rate, 95 percent (10050 units in survey)

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



Our research suggests the following occupancy levels for the 742 stabilized elderly units in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 100 percent (371 units in survey)
- 2-Bedroom, 97 percent (340 units in survey)
- 3-Bedroom, 100 percent (31 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Our research suggests the following occupancy levels for the 10,622 stabilized family units in this market area:

- 0-Bedroom, 100 percent (16 units in survey)
- 1-Bedroom, 95 percent (2761 units in survey)
- 2-Bedroom, 96 percent (6408 units in survey)
- 3-Bedroom, 94 percent (1377 units in survey)
- 4-Bedroom, 90 percent (60 units in survey)

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

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

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

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

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								16	16
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total								16	16

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

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

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

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

Source: Allen & Associates

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

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	2			2	2			1	7
Lease Up									
Construction									
Rehabilitation									
Prop Const	1				1				2
Prop Rehab									
Unstabilized									
Subtotal	1				1				2
Total	3			2	3			1	9

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	2			1	3			48	54
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	2			1	3			48	54

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	240			42	31			58	371
Lease Up									
Construction									
Rehabilitation									
Prop Const	17				15				32
Prop Rehab									
Unstabilized									
Subtotal	17				15				32
Total	257			42	46			58	403

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	29			4	58			2,670	2,761
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	29			4	58			2,670	2,761

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized				1					1
Lease Up									
Construction									
Rehabilitation									
Prop Const	17				15				32
Prop Rehab									
Unstabilized									
Subtotal	17				15				32
Total	17			1	15				33

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized					1			132	133
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total					1			132	133

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	100%			98%	100%			100%	100%
Lease Up									
Construction									
Rehabilitation									
Prop Const	0%				0%				0%
Prop Rehab									
Unstabilized									
Subtotal	0%				0%				0%
Total	93%			98%	67%			100%	92%

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	100%			100%	98%			95%	95%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	100%			100%	98%			95%	95%

Source: Allen & Associates

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

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	1			3	2			1	7
Lease Up									
Construction									
Rehabilitation									
Prop Const	1				1				2
Prop Rehab									
Unstabilized									
Subtotal	1				1				2
Total	2			3	3			1	9

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	3			2	3			57	65
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	3			2	3			57	65

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	18			85	75			162	340
Lease Up									
Construction									
Rehabilitation									
Prop Const	3				3				6
Prop Rehab									
Unstabilized									
Subtotal	3				3				6
Total	21			85	78			162	346

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	17			81	246			6,064	6,408
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	17			81	246			6,064	6,408

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized				1	2			7	10
Lease Up									
Construction									
Rehabilitation									
Prop Const	3				3				6
Prop Rehab									
Unstabilized									
Subtotal	3				3				6
Total	3			1	5			7	16

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								283	283
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total								283	283

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	100%			99%	97%			96%	97%
Lease Up									
Construction									
Rehabilitation									
Prop Const	0%				0%				0%
Prop Rehab									
Unstabilized									
Subtotal	0%				0%				0%
Total	86%			99%	94%			96%	95%

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	100%			100%	100%			95%	96%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	100%			100%	100%			95%	96%

Source: Allen & Associates

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

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

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	1			2	4			27	34
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	1			2	4			27	34

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								31	31
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total								31	31

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	2			41	94			1,240	1,377
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	2			41	94			1,240	1,377

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

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								86	86
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total								86	86

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

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	100%			100%	100%			93%	94%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	100%			100%	100%			93%	94%

Source: Allen & Associates

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

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

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

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

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

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

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								6	6
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								6	6
Total								6	6

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

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								90%	90%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								90%	90%
Total								90%	90%

Source: Allen & Associates

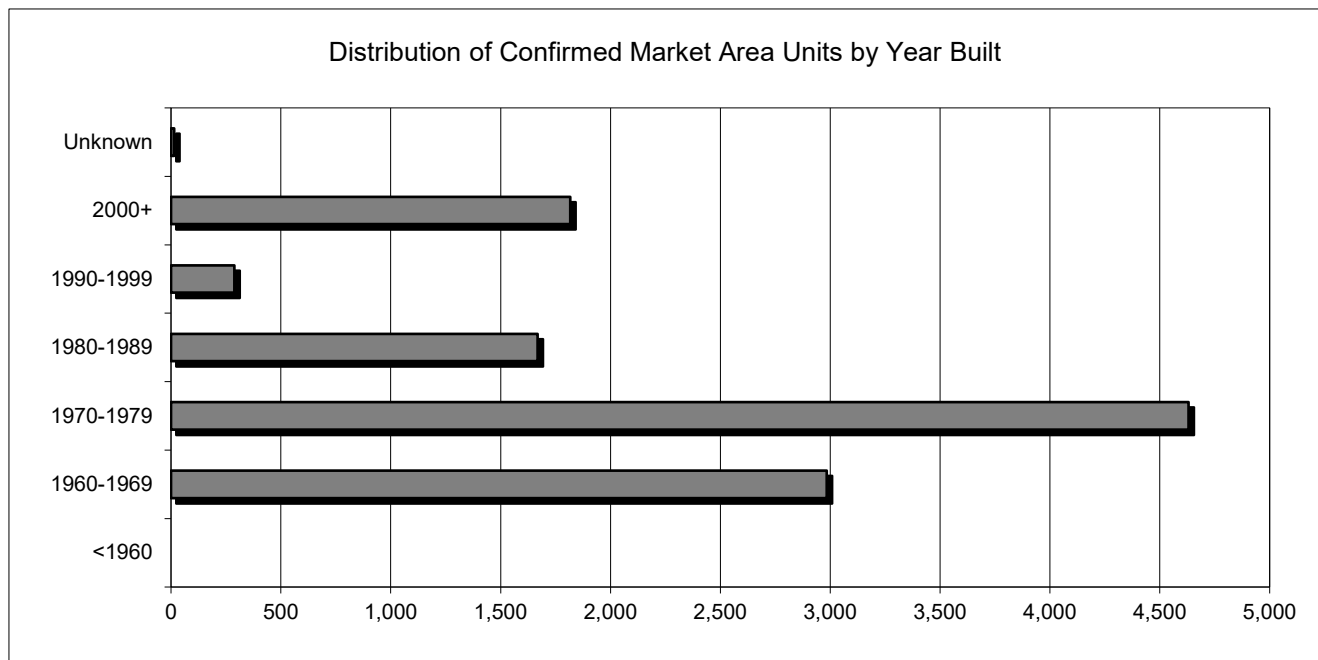
Rental Property Inventory, Confirmed, Inside Market Area, by Year Built

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

Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
<1960			
1960-1969		11	11
1970-1979	2	21	23
1980-1989		17	17
1990-1999		1	1
2000+	4	12	16
Unknown		1	1
Total	6	63	69

Total Units			
	Elderly	Family	Total
<1960			
1960-1969		2,984	2,984
1970-1979	489	4,142	4,631
1980-1989		1,668	1,668
1990-1999		288	288
2000+	291	1,526	1,817
Unknown		14	14
Total	780	10,622	11,402

Source: Allen & Associates



Our research suggests that of the 69 confirmed market area properties (11402 units) included in this report, 0 properties (0 units) were constructed before 1960, 11 properties (2984 units) were constructed between 1960 and 1969, 23 properties (4631 units) between 1970 and 1979, 17 properties (1668 units) between 1980 and 1989, 1 property (288 units) between 1990 and 1999, and 16 properties (1817 units) after 2000. In addition, 1 property (14 units) had an unknown date of construction.

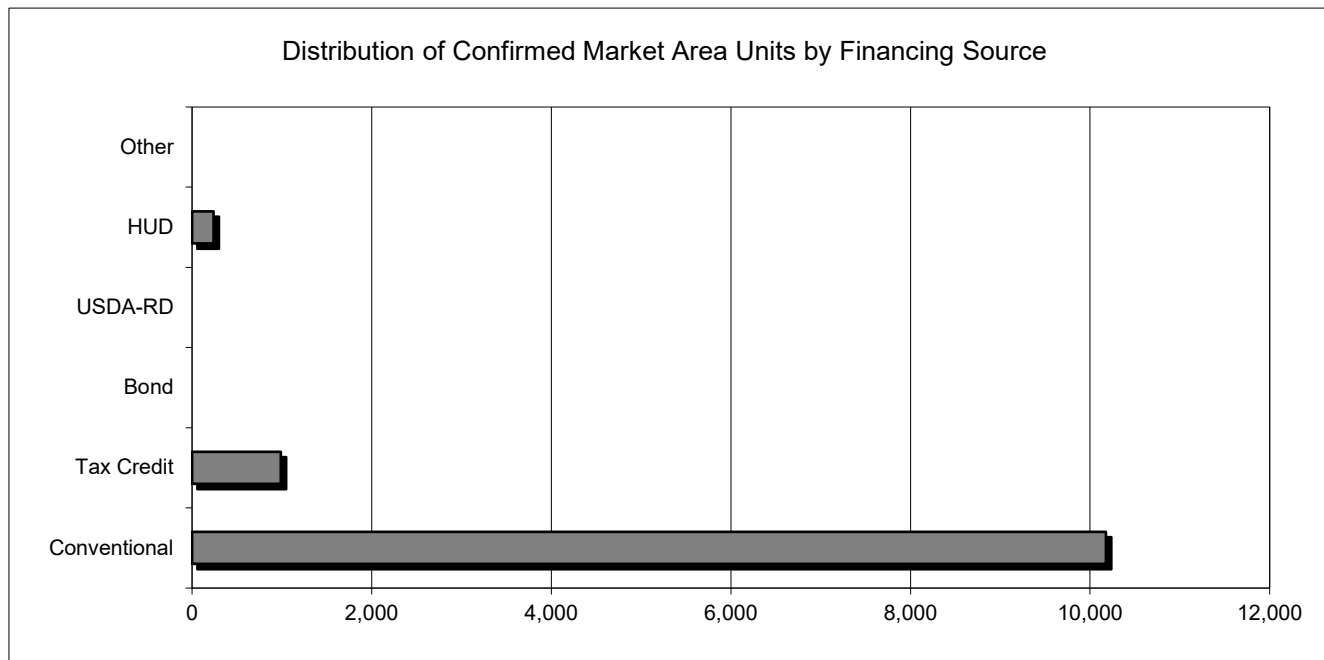
Rental Property Inventory, Confirmed, Inside Market Area, by Financing Source

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

Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
Conventional	1	57	58
Tax Credit	4	6	10
Bond			
USDA-RD			
HUD	1		1
Other			
Total	6	63	69

Total Units			
	Elderly	Family	Total
Conventional	251	9,925	10,176
Tax Credit	291	697	988
Bond			
USDA-RD			
HUD	238		238
Other			
Total	780	10,622	11,402

Source: Allen & Associates



Our research suggests that of the 69 confirmed properties in the market area, 58 properties (consisting of 10176 units) are conventionally financed, 10 properties (consisting of 988 units) include tax credit financing, 0 properties (consisting of 0 units) are bond financed, 0 properties (consisting of 0 units) are exclusively USDA-RD financed, and 1 property (consisting of 238 units) is exclusively HUD financed.

The average project size for this market area is 165 units. The smallest projects are tax credit financed, averaging 99 units in size. The largest projects are exclusively HUD financed, averaging 238 units in size.

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

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

Rental Property Inventory, Confirmed, Inside Market Area

Rents									
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	-	-	-	-	-	-	\$748	\$884	\$816
1-Bedroom	\$660	\$961	\$830	\$630	\$855	\$768	\$535	\$1,418	\$880
2-Bedroom	\$630	\$1,115	\$874	\$735	\$1,030	\$900	\$635	\$1,838	\$996
3-Bedroom	\$900	\$900	\$900	\$900	\$1,150	\$1,059	\$665	\$1,952	\$1,236
4-Bedroom	-	-	-	-	-	-	\$1,125	\$1,325	\$1,218

Unit Size

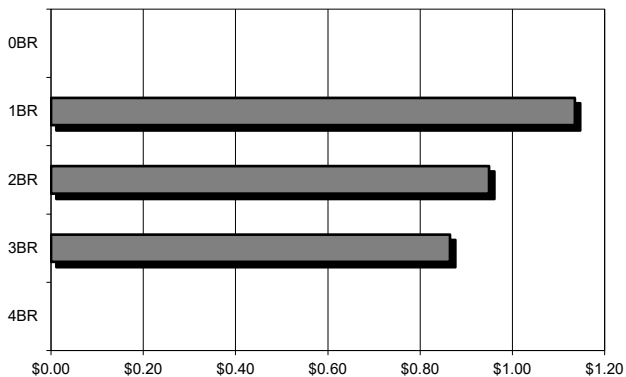
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	-	-	-	-	-	-	530	815	673
1-Bedroom	498	766	614	498	850	676	535	1,015	736
2-Bedroom	831	1,066	963	806	1,066	948	676	1,340	963
3-Bedroom	1,212	1,212	1,212	1,178	1,300	1,224	824	1,560	1,238
4-Bedroom	-	-	-	-	-	-	1,229	1,634	1,390

Rent per Square Foot

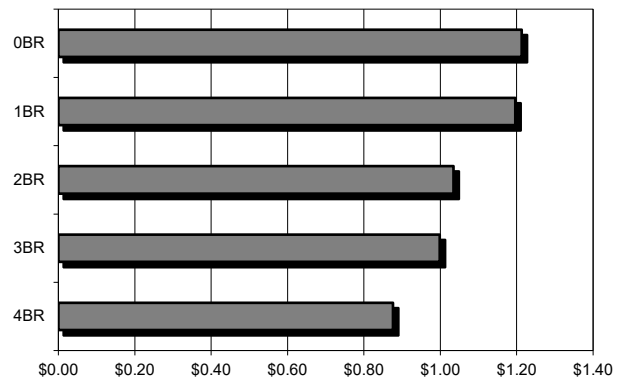
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	-	-	-	-	-	-	\$1.08	\$1.41	\$1.21
1-Bedroom	\$1.25	\$1.33	\$1.35	\$1.01	\$1.27	\$1.14	\$1.00	\$1.40	\$1.20
2-Bedroom	\$0.76	\$1.05	\$0.91	\$0.91	\$0.97	\$0.95	\$0.94	\$1.37	\$1.03
3-Bedroom	\$0.74	\$0.74	\$0.74	\$0.76	\$0.88	\$0.86	\$0.81	\$1.25	\$1.00
4-Bedroom	-	-	-	-	-	-	\$0.81	\$0.92	\$0.88

Source: Allen & Associates

Rent per Square Foot for Restricted Units



Rent per Square Foot for Market Rate Units



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

- 0-Bedroom, not applicable
- 1-Bedroom, \$1.14 per square foot
- 2-Bedroom, \$0.95 per square foot
- 3-Bedroom, \$0.86 per square foot
- 4-Bedroom, not applicable

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

- 0-Bedroom, \$1.21 per square foot
- 1-Bedroom, \$1.20 per square foot
- 2-Bedroom, \$1.03 per square foot
- 3-Bedroom, \$1.0 per square foot
- 4-Bedroom, \$0.88 per square foot

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

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

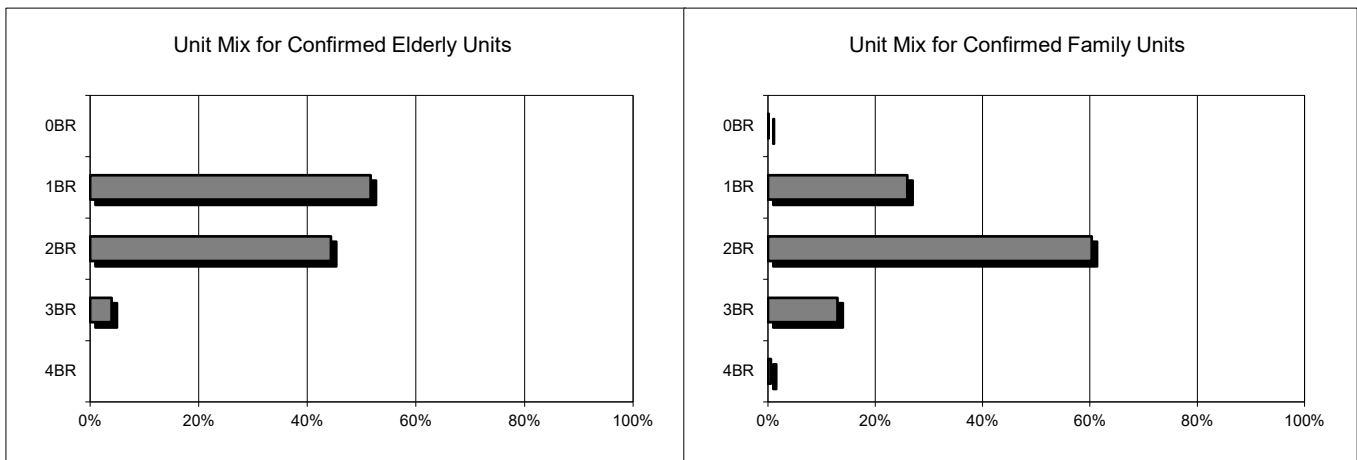
In the tables and graphs found below we present a breakdown of unit mix for confirmed market area properties broken out by occupancy type (elderly or family):

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

Elderly					Family				
Total Units					Total Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
0-Bedroom					0-Bedroom			16	16
1-Bedroom	257	88	58	403	1-Bedroom	29	62	2,670	2,761
2-Bedroom	21	163	162	346	2-Bedroom	17	327	6,064	6,408
3-Bedroom			31	31	3-Bedroom	2	135	1,240	1,377
4-Bedroom					4-Bedroom			60	60
Total	278	251	251	780	Total	48	524	10,050	10,622

Elderly					Family				
Unit Mix					Unit Mix				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
0-Bedroom					0-Bedroom			0%	0%
1-Bedroom	92%	35%	23%	52%	1-Bedroom	60%	12%	27%	26%
2-Bedroom	8%	65%	65%	44%	2-Bedroom	35%	62%	60%	60%
3-Bedroom			12%	4%	3-Bedroom	4%	26%	12%	13%
4-Bedroom					4-Bedroom			1%	1%
Total	100%	100%	100%	100%	Total	100%	100%	100%	100%

Source: Allen & Associates



Our research suggests the following unit mix for the 780 confirmed elderly units located in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 52 percent (403 units in survey)
- 2-Bedroom, 44 percent (346 units in survey)
- 3-Bedroom, 4 percent (31 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Our research suggests the following unit mix for the 10,622 confirmed family units located in this market area:

- 0-Bedroom, percent (16 units in survey)
- 1-Bedroom, 26 percent (2,761 units in survey)
- 2-Bedroom, 60 percent (6,408 units in survey)
- 3-Bedroom, 13 percent (1,377 units in survey)
- 4-Bedroom, 1 percent (60 units in survey)

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

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

Rental Property Inventory, Confirmed, Inside Market Area, Amenity Summary			
Building Type		Air Conditioning	
1 Story	0%	Central	93%
2-4 Story	96%	Wall Units	1%
5-10 Story	4%	Window Units	4%
>10 Story	0%	None	0%
Project Amenities		Heat	
Ball Field	3%	Central	93%
BBQ Area	33%	Wall Units	0%
Billiards	7%	Baseboards	6%
Bus/Comp Ctr	14%	Radiators	0%
Car Care Ctr	6%	None	0%
Comm Center	43%		
Elevator	14%	Parking	
Fitness Center	32%	Garage	0%
Gazebo	14%	Covered	0%
Hot Tub/Jacuzzi	1%	Assigned	14%
Horseshoe Pit	0%	Open	88%
Lake	7%	None	3%
Library	9%		
Movie Theatre	3%	Laundry	
Picnic Area	41%	Central	59%
Playground	38%	W/D Units	35%
Pool	54%	W/D Hookups	13%
Sauna	1%		
Sports Court	12%	Security	
Walking Trail	0%	Call Buttons	9%
		Cont Access	25%
		Courtesy Officer	12%
		Monitoring	0%
		Security Alarms	9%
		Security Patrols	17%
Unit Amenities		Services	
Blinds	100%	After School	1%
Ceiling Fans	45%	Concierge	1%
Upgraded Flooring	99%	Hair Salon	3%
Fireplace	3%	Health Care	0%
Patio/Balcony	64%	Linens	0%
Storage	25%	Meals	0%
		Transportation	3%
Kitchen Amenities			
Stove	100%		
Refrigerator	100%		
Disposal	65%		
Dishwasher	70%		
Microwave	20%		

Source: Allen & Associates

Our research suggests that 0 percent of confirmed market area properties are 1 story in height, 96 percent are 2-4 stories in height, 4 percent are 5-10 stories in height, and 0 percent are over 10 stories in height. In addition, surveyed properties benefit from the following project amenities: 14 percent have a business/computer center, 43 percent have a community center, 32 percent have a fitness center, 38 percent have a playground, and 12 percent have a sports court.

Our research also suggests that the following unit amenities are present at surveyed properties: 100 percent have blinds, 99 percent have carpeting, 64 percent have patios/balconies, and 25 percent have outside storage. Surveyed properties also include the following kitchen amenities: 100 percent have a stove, 100 percent have a refrigerator, 65 percent have a disposal, 70 percent have a dishwasher, and 20 percent have a microwave.

In addition, 93 percent of confirmed market area properties have central heat while 93 percent have central air. Our research also suggests that 88 percent of surveyed properties have open parking. A total of 59 percent of area properties have central laundry facilities, while 13 percent have washer/dryer hookups, and 35 percent have washer/dryer units in each residential unit.

A total of 9 percent of confirmed market area properties have call buttons, 25 percent have controlled access, and 9 percent have security alarms.

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

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

Rental Property Inventory, Confirmed, Inside Market Area

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy	Concessions	Vouchers	Abs Rate	Waiting List
004	Amhurst Apartments	36.8539	-76.1671	1985	na	Market Rate	Family	Stabilized	Conventional	87	0	100.0%	0%	0%	-	no
006	Andover Apartments	36.9154	-76.2119	1963	2010	Market Rate	Family	Stabilized	Conventional	104	3	97.1%	1%	0%	-	-
007	Apollo Woods Apartments	36.8789	-76.2334	1972	na	Market Rate	Family	Stabilized	Conventional	91	3	96.7%	0%	0%	-	-
013	Baker Arms Apartments Phase 1	36.8586	-76.1722	2015	na	Restricted	Family	Stabilized	Tax Credit	96	0	100.0%	0%	5%	19.20	no
015	Bay Watch Pointe Apartments	36.8664	-76.1637	1973	2001	Market Rate	Family	Stabilized	Conventional	160	55	65.6%	8%	0%	-	-
021	Bayville Apartments	36.8946	-76.1526	1971	na	Market Rate	Family	Stabilized	Conventional	240	6	97.5%	0%	0%	-	-
017	Brandywine Apartments	36.8641	-76.1801	1985	2004	Market Rate	Family	Stabilized	Conventional	172	8	95.3%	5%	0%	-	-
022	Braywood Manor Apartments	36.9049	-76.2383	1979	na	Subsidized	Elderly	Stabilized	HUD	238	0	100.0%	0%	0%	-	50 people
025	Brentwood West Apartments	36.9182	-76.1925	na	na	Market Rate	Family	Stabilized	Conventional	14	0	100.0%	0%	0%	-	-
027	Brittany Place Apartments	36.8936	-76.2283	1983	na	Market Rate	Family	Stabilized	Conventional	148	0	100.0%	5%	0%	-	no
029	Cedar Grove Apartments	36.8674	-76.1610	2011	na	Subsidized	Family	Stabilized	Tax Credit	32	0	100.0%	0%	0%	-	-
030	Coastline Apartments	36.8589	-76.1777	1970	2007	Market Rate	Family	Stabilized	Conventional	600	60	90.0%	6%	0%	-	-
034	Crown Point Townhouses	36.8578	-76.2200	1966	na	Market Rate	Family	Stabilized	Conventional	480	24	95.0%	0%	0%	-	-
035	Crystal Lake Apartments	36.8559	-76.2175	1984	na	Market Rate	Family	Stabilized	Conventional	96	6	93.8%	4%	0%	-	-
037	Diamond Springs Apartments	36.9048	-76.1807	1968	2008	Market Rate	Family	Stabilized	Conventional	153	5	96.7%	0%	0%	-	12 people
038	Dove Landing Apple Apartments	36.9065	-76.1348	1980	na	Market Rate	Family	Stabilized	Conventional	24	1	95.8%	0%	0%	-	no
039	Dove Landing East Apartments	36.8661	-76.1617	1977	na	Market Rate	Family	Stabilized	Conventional	88	8	90.9%	0%	0%	-	no
040	Dove Landing Maple Apartments	36.9069	-76.1334	1980	na	Market Rate	Family	Stabilized	Conventional	12	0	100.0%	0%	0%	-	5 people
041	Dove Landing North Apartments	36.8696	-76.1634	1977	na	Market Rate	Family	Stabilized	Conventional	150	7	95.3%	0%	0%	-	no
042	Dove Landing Pharah Apartments	36.8661	-76.1617	1980	na	Market Rate	Family	Stabilized	Conventional	12	0	100.0%	0%	0%	-	5 people
043	Dove Landing Point Apartments	36.8787	-76.2335	1980	na	Market Rate	Family	Stabilized	Conventional	36	3	91.7%	0%	0%	-	no
044	Dove Landing West Apartments	36.8640	-76.1767	1977	na	Market Rate	Family	Stabilized	Conventional	68	5	92.6%	0%	0%	-	no
045	Driftwood Apartments	36.8894	-76.1805	1972	na	Market Rate	Family	Stabilized	Conventional	140	1	99.3%	0%	0%	-	-
046	Dundale Square	36.9015	-76.2380	1975	na	Market Rate	Family	Stabilized	Conventional	100	8	92.0%	0%	0%	-	-
048	Elite Apartments	36.9000	-76.2273	1988	na	Market Rate	Family	Stabilized	Conventional	51	1	98.0%	0%	0%	-	no
052	Grand Cypress Apartments	36.8791	-76.1648	1988	na	Market Rate	Family	Stabilized	Conventional	55	1	98.2%	0%	0%	-	no
054	Hamptons (The) Apartments	36.8651	-76.1794	1967	2000	Restricted	Family	Stabilized	Tax Credit	212	2	99.1%	0%	0%	-	no
056	Haygood Halls Apartments	36.8737	-76.1390	1970	2009	Market Rate	Family	Stabilized	Conventional	225	1	99.6%	0%	0%	-	-
057	Hunter's Mill Apartments	36.8525	-76.1689	1987	2010	Market Rate	Family	Stabilized	Conventional	180	10	94.4%	2%	0%	-	-
062	Lake Bradford Apartments	36.9068	-76.1347	1972	2009	Market Rate	Family	Stabilized	Conventional	140	0	100.0%	0%	0%	-	20 people
068	Mariner's Cove Apartments	36.8665	-76.1345	1974	2003	Market Rate	Family	Stabilized	Conventional	458	12	97.4%	7%	0%	-	2 people
071	Nexus Flats	36.8581	-76.1757	2018	na	Market Rate	Family	Stabilized	Conventional	136	15	89.0%	0%	0%	-	no
072	Norcova Gardens Apartments	36.8718	-76.2294	1965	2010	Market Rate	Family	Stabilized	Conventional	40	0	100.0%	0%	0%	-	0 people
073	North Beach Apartments	36.9056	-76.1301	1986	2000	Market Rate	Family	Stabilized	Conventional	181	9	95.0%	8%	0%	-	1 person
075	Oakmont North Apartments	36.9079	-76.2372	1968	2004	Market Rate	Family	Stabilized	Conventional	407	36	91.2%	8%	13%	-	-
076	Old Donation Apartments	36.8718	-76.1305	1970	2009	Market Rate	Elderly	Stabilized	Conventional	251	7	97.2%	0%	0%	-	yes
077	Olympic Village Apartments	36.8526	-76.2229	1985	na	Market Rate	Family	Stabilized	Conventional	142	14	90.1%	8%	0%	-	-
078	Park Crescent Apartments Phase 1	36.8991	-76.2287	1991	na	Market Rate	Family	Stabilized	Conventional	288	42	85.4%	0%	0%	-	-
079	Park Crescent Apartments Phase 2	36.8991	-76.2287	2013	na	Market Rate	Family	Stabilized	Conventional	112	1	99.1%	0%	0%	-	-
080	Park Towne Apartments	36.9168	-76.1972	1969	2006	Market Rate	Family	Stabilized	Conventional	398	8	98.0%	4%	0%	-	-
082	Pembroke Crossing Apartments	36.8633	-76.1359	1988	na	Market Rate	Family	Stabilized	Conventional	148	4	97.3%	3%	0%	-	-
083	Pembroke Lake Apartments	36.8608	-76.1373	1972	2006	Market Rate	Family	Stabilized	Conventional	300	25	91.7%	0%	0%	-	-
087	Pine Shores Apartments	36.9063	-76.1314	1982	na	Market Rate	Family	Stabilized	Conventional	72	2	97.2%	0%	0%	-	-
088	Pines of Newpointe Apartments	36.8553	-76.1736	1988	2010	Market Rate	Family	Stabilized	Conventional	104	9	91.3%	0%	19%	-	no
089	Pinewood Gardens Apartments	36.9167	-76.2280	1962	2009	Market Rate	Family	Stabilized	Conventional	761	1	99.9%	7%	0%	-	-
090	Pointe at Pickett Farms (The)	36.8619	-76.2225	2014	na	Restricted	Family	Stabilized	Tax Credit	120	0	100.0%	0%	50%	60.00	33 people
092	Quill Apartments	36.8617	-76.2228	2015	na	Restricted	Family	Stabilized	Tax Credit	180	0	100.0%	0%	50%	90.00	33 people
100	River Oaks Apartments	36.8733	-76.2176	1976	na	Market Rate	Family	Stabilized	Conventional	100	3	97.0%	0%	10%	-	-
102	Round Bay Apartments	36.8553	-76.2191	1964	na	Market Rate	Family	Stabilized	Conventional	64	1	98.4%	2%	0%	-	-
104	Sherwood Forest Apartments	36.8750	-76.2365	1965	na	Market Rate	Family	Stabilized	Conventional	173	8	95.4%	0%	0%	-	-
105	Shores of Lake Smith Apartments	36.9053	-76.1724	1976	2013	Market Rate	Family	Stabilized	Conventional	64	2	96.9%	0%	0%	-	no
109	St. Croix Apartments Phase 1	36.8650	-76.1662	1988	na	Market Rate	Family	Stabilized	Conventional	148	16	89.2%	0%	6%	-	-
110	St. Croix Apartments Phase 2	36.8650	-76.1662	2007	na	Market Rate	Family	Stabilized	Conventional	12	3	75.0%	0%	0%	-	-
111	Summer Haven Apartments	36.8655	-76.1789	2017	na	Restricted	Family	Stabilized	Tax Credit	57	0	100.0%	0%	0%	-	1 year
116	Tranquility at the Lakes I	36.8818	-76.1901	2015	na	Restricted	Elderly	Stabilized	Tax Credit	40	0	100.0%	0%	0%	-	-
117	Tranquility at the Lakes II	36.8824	-76.1905	2021	na	Restricted	Elderly	Prop Const	Tax Credit	38	38	0.0%	0%	0%	-	-
120	University Gardens Apartments	36.8646	-76.2077	1966	na	Market Rate	Family	Stabilized	Conventional	192	2	99.0%	0%	0%	-	-
122	Vantage Apartments	36.9046	-76.1260	1973	2008	Market Rate	Family	Stabilized	Conventional	54	4	92.6%	2%	0%	-	-
123	Victoria Place Apartments	36.9037	-76.1309	2003	na	Restricted	Elderly	Stabilized	Tax Credit	122	3	97.5%	0%	5%	-	4 years
125	Waterford Apartments	36.9058	-76.1761	1979	2009	Market Rate	Family	Stabilized	Conventional	376	2	99.5%	3%	0%	-	-
126	Weblin Place Apartments	36.8666	-76.1764	1976	na	Market Rate	Family	Stabilized	Conventional	102	1	99.0%	0%	0%	-	-
127	Wesleyan Courts Apartments	36.8627	-76.1817	1973	na	Market Rate	Family	Stabilized	Conventional	113	0	100.0%	0%	0%	-	no
128	Wesleyan Place Apartments	36.8704	-76.1685	2008	na	Restricted	Elderly	Stabilized	Tax Credit	91	1	98.9%	0%	13%	-	459 people
130	Windsong Apartments	36.9103	-76.1324	1973	na	Market Rate	Family	Stabilized	Conventional	270	45	83.3%	2%	0%	-	-
132	Woodmere Trace	36.9020	-76.2298	1974	2000	Market Rate	Family	Stabilized	Conventional	300	19	93.7%	2%	0%	-	-
136	Coastal 61 At Oxford Village Coastal	36.8908	-76.1457	2020	na	Market Rate	Family	Stabilized	Conventional	244	0	100.0%	0%	0%	-	9 people

Rental Property Inventory, Confirmed, Inside Market Area

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy	Concessions	Vouchers	Abs Rate	Waiting List
141	Marina Villa Apartments	36.9185	-76.2159	2020	na	Market Rate	Family	Stabilized	Conventional	105	6	94.3%	0%	0%	7.92	-
142	Meadowood Apartments	36.8948	-76.2289	2011	na	Market Rate	Family	Stabilized	Conventional	180	0	100.0%	0%	0%	-	15 people
145	Spring Water Apartments	36.8831	-76.1771	2013	na	Market Rate	Family	Stabilized	Conventional	252	0	100.0%	0%	0%	-	no

RENT COMPARABILITY ANALYSIS

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

Unrestricted Rent Analysis

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

Rental Property Inventory, by Unit Type

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

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

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

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

Rent Comparables, Market Rate, Map

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

Rent Comparability Grids

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

Rental Property Inventory, 1-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
004	Amhurst Apartments	1985	na	Market Rate	Family	Stabilized								\$748
006	Andover Apartments	1963	2010	Market Rate	Family	Stabilized								\$805
007	Apollo Arms Apartments	1972	na	Market Rate	Family	Stabilized								\$722
015	Bay Watch Pointe Apartments	1973	2001	Market Rate	Family	Stabilized								\$836
017	Bayville Apartments	1971	na	Market Rate	Family	Stabilized								\$885
021	Brandywine Apartments	1985	2004	Market Rate	Family	Stabilized								\$828
024	Brentwood Forest Apartments	1976	na	Market Rate	Family	Stabilized								\$670
025	Brentwood West Apartments	na	na	Market Rate	Family	Stabilized								
027	Brittany Place Apartments	1983	na	Market Rate	Family	Stabilized								
030	Coastline Apartments	1970	2007	Market Rate	Family	Stabilized								\$895
034	Crown Point Townhouses	1966	na	Market Rate	Family	Stabilized								
035	Crystal Lake Apartments	1984	na	Market Rate	Family	Stabilized								
037	Diamond Springs Apartments	1968	2008	Market Rate	Family	Stabilized								\$755
038	Dove Landing Apple Apartments	1980	na	Market Rate	Family	Stabilized								\$726
039	Dove Landing East Apartments	1977	na	Market Rate	Family	Stabilized								\$752
040	Dove Landing Maple Apartments	1980	na	Market Rate	Family	Stabilized								\$719
041	Dove Landing North Apartments	1977	na	Market Rate	Family	Stabilized								
042	Dove Landing Pharah Apartments	1980	na	Market Rate	Family	Stabilized								\$749
043	Dove Landing Point Apartments	1980	na	Market Rate	Family	Stabilized								\$719
044	Dove Landing West Apartments	1977	na	Market Rate	Family	Stabilized								\$699
045	Driftwood Apartments	1972	na	Market Rate	Family	Stabilized								\$535
046	Dundale Square	1975	na	Market Rate	Family	Stabilized								\$705
048	Elite Apartments	1988	na	Market Rate	Family	Stabilized								\$615
049	Fenner Garden Apartments	1975	2005	Market Rate	Family	Stabilized								\$750
052	Grand Cypress Apartments	1988	na	Market Rate	Family	Stabilized								
056	Haygood Halls Apartments	1970	2009	Market Rate	Family	Stabilized								\$1,220
057	Hunter's Mill Apartments	1987	2010	Market Rate	Family	Stabilized								\$925
058	Independence Square Townhouses	1972	na	Market Rate	Family	Stabilized								
062	Lake Bradford Apartments	1972	2009	Market Rate	Family	Stabilized								\$745
068	Mariner's Cove Apartments	1974	2003	Market Rate	Family	Stabilized								\$869
070	Miramar Apartments	1971	2008	Market Rate	Family	Stabilized								\$590
071	Nexus Flats	2018	na	Market Rate	Family	Stabilized								\$1,405
072	Norcova Gardens Apartments	1965	2010	Market Rate	Family	Stabilized								\$675
073	North Beach Apartments	1986	2000	Market Rate	Family	Stabilized								\$897
075	Oakmont North Apartments	1968	2004	Market Rate	Family	Stabilized								
076	Old Donation Apartments	1970	2009	Market Rate	Elderly	Stabilized								\$1,314
077	Olympic Village Apartments	1985	na	Market Rate	Family	Stabilized								\$732
078	Park Crescent Apartments Phase 1	1991	na	Market Rate	Family	Stabilized								\$962
079	Park Crescent Apartments Phase 2	2013	na	Market Rate	Family	Stabilized								\$1,250
080	Park Towne Apartments	1969	2006	Market Rate	Family	Stabilized								\$854
082	Pembroke Crossing Apartments	1988	na	Market Rate	Family	Stabilized								\$977
083	Pembroke Lake Apartments	1972	2006	Market Rate	Family	Stabilized								\$924
085	Pembroke Town Center Apartments	1964	2011	Market Rate	Family	Stabilized								\$784
087	Pine Shores Apartments	1982	na	Market Rate	Family	Stabilized								
088	Pines of Newpointe Apartments	1988	2010	Market Rate	Family	Stabilized								

Rental Property Inventory, 1-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
089	Pinewood Gardens Apartments	1962	2009	Market Rate	Family	Stabilized								\$759
100	River Oaks Apartments	1976	na	Market Rate	Family	Stabilized								
102	Round Bay Apartments	1964	na	Market Rate	Family	Stabilized								\$702
104	Sherwood Forest Apartments	1965	na	Market Rate	Family	Stabilized								\$700
105	Shores of Lake Smith Apartments	1976	2013	Market Rate	Family	Stabilized								\$873
108	Spring Creek Apartments	1978	1995	Market Rate	Family	Stabilized								\$650
109	St. Croix Apartments Phase 1	1988	na	Market Rate	Family	Stabilized								\$940
110	St. Croix Apartments Phase 2	2007	na	Market Rate	Family	Stabilized								\$1,125
120	University Gardens Apartments	1966	na	Market Rate	Family	Stabilized								\$803
122	Vantage Apartments	1973	2008	Market Rate	Family	Stabilized								\$740
125	Waterford Apartments	1979	2009	Market Rate	Family	Stabilized								\$835
126	Weblin Place Apartments	1976	na	Market Rate	Family	Stabilized								\$825
127	Wesleyan Courts Apartments	1973	na	Market Rate	Family	Stabilized								\$719
129	West Beach Apartments	1953	na	Market Rate	Family	Stabilized								\$600
130	Windsong Apartments	1973	na	Market Rate	Family	Stabilized								\$705
132	Woodmere Trace	1974	2000	Market Rate	Family	Stabilized								\$780
136	Coastal 61 At Oxford Village Coastal	2020	na	Market Rate	Family	Stabilized								\$1,246
141	Marina Villa Apartments	2020	na	Market Rate	Family	Stabilized								\$1,418
142	Meadowood Apartments	2011	na	Market Rate	Family	Stabilized								\$1,159
143	Mezzo Apartment Homes	2018	na	Market Rate	Family	Stabilized								\$1,388
144	Premier Apartments	2018	na	Market Rate	Family	Stabilized								\$1,527
145	Spring Water Apartments	2013	na	Market Rate	Family	Stabilized								\$1,290

Source: Allen & Associates

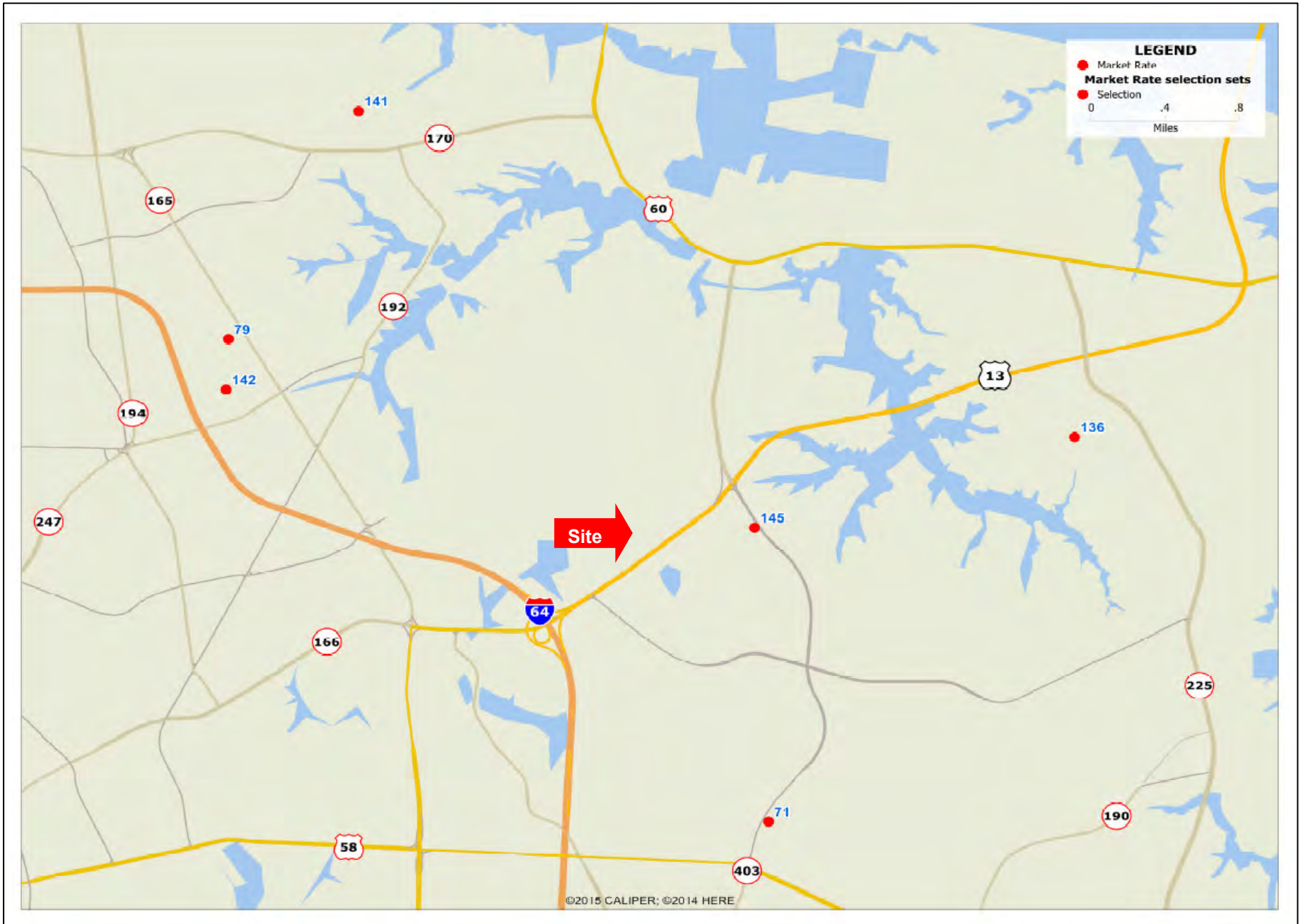
Rental Property Inventory, 2-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
004	Amhurst Apartments	1985	na	Market Rate	Family	Stabilized								\$820
006	Andover Apartments	1963	2010	Market Rate	Family	Stabilized								\$1,012
007	Apollo Arms Apartments	1972	na	Market Rate	Family	Stabilized								\$818
015	Bay Watch Pointe Apartments	1973	2001	Market Rate	Family	Stabilized								\$914
017	Bayville Apartments	1971	na	Market Rate	Family	Stabilized								\$930
021	Brandywine Apartments	1985	2004	Market Rate	Family	Stabilized								\$995
024	Brentwood Forest Apartments	1976	na	Market Rate	Family	Stabilized								\$779
025	Brentwood West Apartments	na	na	Market Rate	Family	Stabilized								\$700
027	Brittany Place Apartments	1983	na	Market Rate	Family	Stabilized								\$792
030	Coastline Apartments	1970	2007	Market Rate	Family	Stabilized								\$935
034	Crown Point Townhouses	1966	na	Market Rate	Family	Stabilized								\$1,025
035	Crystal Lake Apartments	1984	na	Market Rate	Family	Stabilized								\$1,002
037	Diamond Springs Apartments	1968	2008	Market Rate	Family	Stabilized								\$885
038	Dove Landing Apple Apartments	1980	na	Market Rate	Family	Stabilized								\$799
039	Dove Landing East Apartments	1977	na	Market Rate	Family	Stabilized								\$769
040	Dove Landing Maple Apartments	1980	na	Market Rate	Family	Stabilized								\$790
041	Dove Landing North Apartments	1977	na	Market Rate	Family	Stabilized								\$769
042	Dove Landing Pharah Apartments	1980	na	Market Rate	Family	Stabilized								
043	Dove Landing Point Apartments	1980	na	Market Rate	Family	Stabilized								\$740
044	Dove Landing West Apartments	1977	na	Market Rate	Family	Stabilized								\$769
045	Driftwood Apartments	1972	na	Market Rate	Family	Stabilized								\$635
046	Dundale Square	1975	na	Market Rate	Family	Stabilized								\$815
048	Elite Apartments	1988	na	Market Rate	Family	Stabilized								\$715
049	Fenner Garden Apartments	1975	2005	Market Rate	Family	Stabilized								\$850
052	Grand Cypress Apartments	1988	na	Market Rate	Family	Stabilized								\$1,100
056	Haygood Halls Apartments	1970	2009	Market Rate	Family	Stabilized								\$1,419
057	Hunter's Mill Apartments	1987	2010	Market Rate	Family	Stabilized								\$1,026
058	Independence Square Townhouses	1972	na	Market Rate	Family	Stabilized								\$799
062	Lake Bradford Apartments	1972	2009	Market Rate	Family	Stabilized								\$930
068	Mariner's Cove Apartments	1974	2003	Market Rate	Family	Stabilized								\$968
070	Miramar Apartments	1971	2008	Market Rate	Family	Stabilized								\$645
071	Nexus Flats	2018	na	Market Rate	Family	Stabilized								\$1,643
072	Norcova Gardens Apartments	1965	2010	Market Rate	Family	Stabilized								\$730
073	North Beach Apartments	1986	2000	Market Rate	Family	Stabilized								\$1,003
075	Oakmont North Apartments	1968	2004	Market Rate	Family	Stabilized								\$701
076	Old Donation Apartments	1970	2009	Market Rate	Elderly	Stabilized								\$1,646
077	Olympic Village Apartments	1985	na	Market Rate	Family	Stabilized								\$824
078	Park Crescent Apartments Phase 1	1991	na	Market Rate	Family	Stabilized								\$1,196
079	Park Crescent Apartments Phase 2	2013	na	Market Rate	Family	Stabilized								\$1,270
080	Park Towne Apartments	1969	2006	Market Rate	Family	Stabilized								\$999
082	Pembroke Crossing Apartments	1988	na	Market Rate	Family	Stabilized								\$1,071
083	Pembroke Lake Apartments	1972	2006	Market Rate	Family	Stabilized								\$997
085	Pembroke Town Center Apartments	1964	2011	Market Rate	Family	Stabilized								\$914
087	Pine Shores Apartments	1982	na	Market Rate	Family	Stabilized								\$895
088	Pines of Newpointe Apartments	1988	2010	Market Rate	Family	Stabilized								\$910

Rental Property Inventory, 2-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
089	Pinewood Gardens Apartments	1962	2009	Market Rate	Family	Stabilized								\$841
100	River Oaks Apartments	1976	na	Market Rate	Family	Stabilized								\$785
102	Round Bay Apartments	1964	na	Market Rate	Family	Stabilized								\$822
104	Sherwood Forest Apartments	1965	na	Market Rate	Family	Stabilized								\$795
105	Shores of Lake Smith Apartments	1976	2013	Market Rate	Family	Stabilized								\$993
108	Spring Creek Apartments	1978	1995	Market Rate	Family	Stabilized								\$699
109	St. Croix Apartments Phase 1	1988	na	Market Rate	Family	Stabilized								\$1,071
110	St. Croix Apartments Phase 2	2007	na	Market Rate	Family	Stabilized								\$1,335
120	University Gardens Apartments	1966	na	Market Rate	Family	Stabilized								\$935
122	Vantage Apartments	1973	2008	Market Rate	Family	Stabilized								\$880
125	Waterford Apartments	1979	2009	Market Rate	Family	Stabilized								\$959
126	Weblin Place Apartments	1976	na	Market Rate	Family	Stabilized								\$1,070
127	Wesleyan Courts Apartments	1973	na	Market Rate	Family	Stabilized								\$957
129	West Beach Apartments	1953	na	Market Rate	Family	Stabilized								\$630
130	Windsong Apartments	1973	na	Market Rate	Family	Stabilized								\$880
132	Woodmere Trace	1974	2000	Market Rate	Family	Stabilized								\$899
136	Coastal 61 At Oxford Village Coastal	2020	na	Market Rate	Family	Stabilized								\$1,536
141	Marina Villa Apartments	2020	na	Market Rate	Family	Stabilized								\$1,838
142	Meadowood Apartments	2011	na	Market Rate	Family	Stabilized								\$1,437
143	Mezzo Apartment Homes	2018	na	Market Rate	Family	Stabilized								\$1,661
144	Premier Apartments	2018	na	Market Rate	Family	Stabilized								
145	Spring Water Apartments	2013	na	Market Rate	Family	Stabilized								\$1,498

Source: Allen & Associates



Rent Adjustments

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

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

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

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

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

Concessions

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

Tenant-Paid Utilities

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

Technology

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

Adjustment	Technology		Concluded
	Survey Range		
Cable	\$0	\$50	\$0
Internet	\$0	\$50	\$0

Bedrooms

Our analysis also included an adjustment for the number of bedrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$105 per bedroom.

Bedrooms			
Adjustment	Survey Range		Concluded
Bedrooms	\$0	\$200	\$105

Bathrooms

Our analysis also included an adjustment for the number of bathrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$85 per bathroom.

Bathrooms			
Adjustment	Survey Range		Concluded
Bathrooms	\$0	\$100	\$85

Square Feet

Our analysis also included an adjustment for square footage at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.30 per square foot.

Square Feet			
Adjustment	Survey Range		Concluded
Square Feet	\$0.00	\$2.00	\$0.30

Visibility

We also accounted for differences in visibility at each of the comparables as compared to the subject property in our analysis. Based on our field review, we assigned a visibility rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$100 per point for differences in visibility ratings between the subject and the comparables.

Visibility			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$100

Access

Our analysis also included an adjustment for access at each of the comparables as compared to the subject property. Based on our field review, we assigned an access rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$80 per point for differences in access ratings between the subject and the comparables.

Access			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$80

Neighborhood

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

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

Area Amenities

We also accounted for area amenities for each of the comparables as compared to the subject property in our analysis. Based on our field review and our evaluation of local amenity data (presented earlier in this report), we assigned a local amenity rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$100 per point for differences in amenity ratings between the subject and the comparables.

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

Median Household Income

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

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

Average Commute

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

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

Public Transportation

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

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

Personal Crime

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

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

Condition

Our analysis also included an adjustment for the condition of each comparable as compared to the subject property. Based on our field review, we assigned a condition rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$50 per point for differences in condition ratings between the subject and the comparables.

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

Effective Age

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

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

Project Amenities

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

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

Unit Amenities

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

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

Kitchen Amenities

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

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

Parking

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

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

Laundry

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

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

Security

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

Security			
Adjustment	Survey Range		Concluded
Call Buttons	\$2	\$10	\$2
Controlled Access	\$2	\$10	\$2
Courtesy Officer	\$2	\$10	\$2
Monitoring	\$2	\$10	\$2
Security Alarms	\$2	\$10	\$2
Security Patrols	\$2	\$10	\$7

Rent Conclusion, 1BR-1BA-510sf

The development of our rent conclusion for the 1BR-1BA-510sf units is found below.

Our analysis included the evaluation of a total of 32 unit types found at 6 properties. We selected the 32 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 32 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-05	Tranquility at the Lakes II	1BR-1BA-510sf	\$750	\$0	\$750	-	\$0	\$750	-
071-02	Nexus Flats	1BR-1BA-739sf	\$1,379	\$0	\$1,379	\$364	-\$178	\$1,201	10
071-03	Nexus Flats	1BR-1BA-744sf	\$1,453	\$0	\$1,453	\$365	-\$179	\$1,274	11
071-05	Nexus Flats	1BR-1BA-899sf	\$1,519	\$0	\$1,519	\$412	-\$226	\$1,293	12
071-07	Nexus Flats	2BR-2BA-1106sf	\$1,621	\$0	\$1,621	\$686	-\$456	\$1,165	23
071-08	Nexus Flats	2BR-2BA-1212sf	\$1,771	\$0	\$1,771	\$718	-\$488	\$1,283	24
071-09	Nexus Flats	2BR-2BA-1239sf	\$1,691	\$0	\$1,691	\$726	-\$496	\$1,195	25
079-01	Park Crescent Apartments Phase 2	1BR-1BA-762sf	\$1,250	\$0	\$1,250	\$359	-\$29	\$1,221	8
079-02	Park Crescent Apartments Phase 2	2BR-2BA-975sf	\$1,270	\$0	\$1,270	\$636	-\$260	\$1,011	19
136-01	Coastal 61 At Oxford Village Coast:	1BR-1BA-688sf	\$1,255	\$0	\$1,255	\$335	-\$111	\$1,144	7
136-02	Coastal 61 At Oxford Village Coast:	1BR-1BA-770sf	\$1,225	\$0	\$1,225	\$360	-\$136	\$1,089	9
136-03	Coastal 61 At Oxford Village Coast:	2BR-2BA-1039sf	\$1,535	\$0	\$1,535	\$641	-\$385	\$1,150	20
136-04	Coastal 61 At Oxford Village Coast:	2BR-2BA-1039sf	\$1,535	\$0	\$1,535	\$641	-\$385	\$1,150	20
136-05	Coastal 61 At Oxford Village Coast:	2BR-2BA-1106sf	\$1,550	\$0	\$1,550	\$661	-\$405	\$1,145	22
136-06	Coastal 61 At Oxford Village Coast:	3BR-2BA-1270sf	\$1,700	\$0	\$1,700	\$843	-\$531	\$1,169	28
141-01	Marina Villa Apartments	1BR-1BA-601sf	\$1,605	\$0	\$1,605	\$239	-\$211	\$1,394	1
141-02	Marina Villa Apartments	1BR-1BA-639sf	\$1,305	\$0	\$1,305	\$251	-\$223	\$1,082	2
141-03	Marina Villa Apartments	1BR-1BA-646sf	\$1,345	\$0	\$1,345	\$253	-\$225	\$1,120	3
141-04	Marina Villa Apartments	1BR-1BA-654sf	\$1,305	\$0	\$1,305	\$255	-\$227	\$1,078	4
141-05	Marina Villa Apartments	1BR-1BA-660sf	\$1,605	\$0	\$1,605	\$257	-\$229	\$1,376	5
141-06	Marina Villa Apartments	1BR-1BA-888sf	\$1,674	\$0	\$1,674	\$325	-\$297	\$1,377	6
141-07	Marina Villa Apartments	2BR-2BA-949sf	\$1,899	\$0	\$1,899	\$544	-\$484	\$1,415	14
141-08	Marina Villa Apartments	2BR-2BA-960sf	\$1,824	\$0	\$1,824	\$547	-\$487	\$1,337	15
141-09	Marina Villa Apartments	2BR-2BA-1006sf	\$1,874	\$0	\$1,874	\$561	-\$501	\$1,373	16
141-10	Marina Villa Apartments	2BR-2BA-1020sf	\$1,870	\$0	\$1,870	\$565	-\$505	\$1,365	17
142-01	Meadowood Apartments	1BR-1BA-850sf	\$1,159	\$0	\$1,159	\$607	\$55	\$1,214	18
142-02	Meadowood Apartments	2BR-2BA-1200sf	\$1,429	\$0	\$1,429	\$924	-\$218	\$1,211	29
142-03	Meadowood Apartments	2BR-2BA-1230sf	\$1,459	\$0	\$1,459	\$933	-\$227	\$1,232	30
142-04	Meadowood Apartments	3BR-2BA-1380sf	\$1,609	\$0	\$1,609	\$1,111	-\$349	\$1,260	32
145-01	Spring Water Apartments	1BR-1BA-850sf	\$1,290	\$0	\$1,290	\$499	-\$31	\$1,259	13
145-02	Spring Water Apartments	2BR-2BA-1190sf	\$1,485	\$0	\$1,485	\$801	-\$301	\$1,184	26
145-03	Spring Water Apartments	2BR-2BA-1250sf	\$1,525	\$0	\$1,525	\$819	-\$319	\$1,206	27
145-04	Spring Water Apartments	3BR-2BA-1380sf	\$1,705	\$0	\$1,705	\$991	-\$435	\$1,270	31

Adjusted Rent, Minimum	\$1,011
Adjusted Rent, Maximum	\$1,415
Adjusted Rent, Average	\$1,226
Adjusted Rent, Modified Average	\$1,227

Rent, Concluded

\$1,240

Our analysis suggests a rent of \$1,240 for the 1BR-1BA-510sf units at the subject property.

In our opinion, the 1BR-1BA-601sf units at Marina Villa Apartments (Property # 141), the 1BR-1BA-688sf units at Coastal 61 At Oxford Village Coastal (Property # 136), the 1BR-1BA-739sf units at Nexus Flats (Property # 071), the 1BR-1BA-850sf units at Spring Water Apartments (Property # 145), and the 1BR-1BA-850sf units at Meadowood Apartments (Property # 142) are the best comparables for the units at the subject property.

Comparable	Subject	1	2	3	4	5				
Property-Unit Key	Sub-05	071-02	136-01	141-01	142-01	145-01				
Unit Type	1BR-1BA-510sf	1BR-1BA-739sf	1BR-1BA-688sf	1BR-1BA-601sf	1BR-1BA-850sf	1BR-1BA-850sf				
Property Name	Tranquility at the Lakes II	Nexus Flats	Coastal 61 At Oxford Village Coastal	Marina Villa Apartments	Meadowood Apartments	Spring Water Apartments				
Address	5837 Burton Station Road	548 Newtown Road	5832 Coastal Pointe Drive	8150 Shore Drive	6130 Edward Street	1205 Colgin Drive				
City	Virginia Beach	Virginia Beach	Virginia Beach	Norfolk	Norfolk	Virginia Beach				
State	Virginia	Virginia	Virginia	Virginia	Virginia	Virginia				
Zip	23455	23462	23455	23518	23513	23455				
Latitude	36.88244	36.85812	36.89080	36.91850	36.89484	36.88311				
Longitude	-76.19053	-76.17571	-76.14570	-76.21590	-76.22888	-76.17708				
Miles to Subject	0.00	1.61	2.58	2.50	2.28	0.76				
Year Built	2021	2018	2020	2020	2011	2013				
Year Rehab	na	na	na	na	na	na				
Project Rent	Restricted	Market Rate	Market Rate	Market Rate	Market Rate	Market Rate				
Project Type	Elderly	Family	Family	Family	Family	Family				
Project Status	Prop Const	Stabilized	Stabilized	Stabilized	Stabilized	Stabilized				
Phone	(804) 343-1200	(757) 517-8393	(757) 937-6106	(759) 609-0562	(757) 965-5252	(757) 961-1579				
Effective Date	05-Mar-21	25-Jan-21	26-Jan-21	05-Feb-21	28-Jan-21	28-Jan-21				
<u>Project Level</u>										
Units	38	136	244	105	180	252				
Vacant Units	38	15	0	6	0	0				
Vacancy Rate	100%	11%	0%	6%	0%	0%				
<u>Unit Type</u>										
Units	12	42	60	6	60	72				
Vacant Units	12	5	0	0	0	0				
Vacancy Rate	100%	12%	0%	0%	0%	0%				
Street Rent	\$750	\$1,379	\$1,255	\$1,605	\$1,159	\$1,290				
Concessions	\$0	\$0	\$0	\$0	\$0	\$0				
Net Rent	\$750	\$1,379	\$1,255	\$1,605	\$1,159	\$1,290				
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>			
Tenant-Paid Utilities	TPU	\$92	\$109	\$17	\$86	-\$6	\$109	\$17	\$86	-\$6
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0
Internet	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$105	1	1	\$0	1	\$0	1	\$0	1	\$0
Bathrooms	\$85	1.00	1.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0
Square Feet	\$0.30	510	739	-\$69	688	-\$53	601	-\$27	850	-\$102
Visibility	\$100	3.00	2.50	\$50	4.00	-\$100	4.00	-\$100	2.50	\$50
Access	\$80	4.00	4.00	\$0	4.00	\$0	4.00	\$0	3.00	\$80
Neighborhood	\$0	2.00	3.90	\$0	4.10	\$0	3.10	\$0	2.20	\$0
Area Amenities	\$100	3.30	4.50	-\$120	3.60	-\$30	3.70	-\$40	4.40	-\$110
Median HH Income	\$0.0000	\$34,205	\$53,668	\$0	\$66,250	\$0	\$53,750	\$0	\$45,108	\$0
Average Commute	\$0	26.59	19.26	\$0	21.03	\$0	23.66	\$0	26.33	\$0
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0	na	\$0
Personal Crime	\$0	2.6%	1.8%	\$0	4.4%	\$0	15.9%	\$0	11.8%	\$0
Condition	\$50	4.50	4.50	\$0	4.50	\$0	4.50	\$0	4.00	\$25
Effective Age	\$5.00	2021	2018	\$15	2020	\$5	2020	\$5	2011	\$50
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Billiards	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2
Bus/Comp Center	\$10	no	yes	-\$10	no	\$0	yes	-\$10	yes	-\$10
Car Care Center	\$10	no	yes	-\$10	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Elevator	\$100	yes	yes	\$0	no	\$100	yes	\$0	no	\$100
Fitness Center	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Gazebo	\$10	no	yes	-\$10	yes	-\$10	yes	-\$10	yes	-\$10
Hot Tub/Jacuzzi	\$10	no	no	\$0	no	\$0	yes	-\$10	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
Movie Theatre	\$10	no	yes	-\$10	no	\$0	no	\$0	yes	-\$10
Picnic Area	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Playground	\$10	no	yes	-\$10	no	\$0	no	\$0	yes	-\$10
Pool	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$2	no	yes	-\$2	yes	-\$2	no	\$0	yes	-\$2
Carpeting	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$10	no	no	\$0	no	\$0	no	\$0	some	\$0
Patio/Balcony	\$2	yes	some	\$2	yes	\$0	yes	\$0	yes	\$0
Storage	\$10	no	yes	-\$10	no	\$0	no	\$0	no	\$0
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Dishwasher	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Microwave	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0
Open	\$0	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$5	yes	no	\$5	no	\$5	no	\$5	no	\$5
W/D Units	\$10	no	yes	-\$10	yes	-\$10	yes	-\$10	yes	-\$10
W/D Hookups	\$5	no	no	\$0	no	\$0	no	\$0	no	\$0
Call Buttons	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2
Controlled Access	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
Monitoring	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
Security Alarms	\$2	yes	no	\$2	yes	\$0	no	\$2	no	\$2
Security Patrols	\$7	no	no	\$0	no	\$0	no	\$0	yes	-\$7
Indicated Rent	\$1,240	\$1,201	\$1,144	\$1,394	\$1,214	\$1,259				

Rent Conclusion, 1BR-1BA-639sf

The development of our rent conclusion for the 1BR-1BA-639sf units is found below.

Our analysis included the evaluation of a total of 32 unit types found at 6 properties. We selected the 32 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 32 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-06	Tranquility at the Lakes II	1BR-1BA-639sf	\$775	\$0	\$775	-	\$0	\$775	-
071-02	Nexus Flats	1BR-1BA-739sf	\$1,379	\$0	\$1,379	\$325	-\$139	\$1,240	10
071-03	Nexus Flats	1BR-1BA-744sf	\$1,453	\$0	\$1,453	\$327	-\$141	\$1,313	11
071-05	Nexus Flats	1BR-1BA-899sf	\$1,519	\$0	\$1,519	\$373	-\$187	\$1,332	12
071-07	Nexus Flats	2BR-2BA-1106sf	\$1,621	\$0	\$1,621	\$647	-\$417	\$1,204	23
071-08	Nexus Flats	2BR-2BA-1212sf	\$1,771	\$0	\$1,771	\$679	-\$449	\$1,322	24
071-09	Nexus Flats	2BR-2BA-1239sf	\$1,691	\$0	\$1,691	\$687	-\$457	\$1,234	25
079-01	Park Crescent Apartments Phase 2	1BR-1BA-762sf	\$1,250	\$0	\$1,250	\$320	\$10	\$1,260	8
079-02	Park Crescent Apartments Phase 2	2BR-2BA-975sf	\$1,270	\$0	\$1,270	\$597	-\$221	\$1,049	19
136-01	Coastal 61 At Oxford Village Coast:	1BR-1BA-688sf	\$1,255	\$0	\$1,255	\$297	-\$73	\$1,182	7
136-02	Coastal 61 At Oxford Village Coast:	1BR-1BA-770sf	\$1,225	\$0	\$1,225	\$321	-\$97	\$1,128	9
136-03	Coastal 61 At Oxford Village Coast:	2BR-2BA-1039sf	\$1,535	\$0	\$1,535	\$602	-\$346	\$1,189	20
136-04	Coastal 61 At Oxford Village Coast:	2BR-2BA-1039sf	\$1,535	\$0	\$1,535	\$602	-\$346	\$1,189	20
136-05	Coastal 61 At Oxford Village Coast:	2BR-2BA-1106sf	\$1,550	\$0	\$1,550	\$622	-\$366	\$1,184	22
136-06	Coastal 61 At Oxford Village Coast:	3BR-2BA-1270sf	\$1,700	\$0	\$1,700	\$804	-\$492	\$1,208	28
141-01	Marina Villa Apartments	1BR-1BA-601sf	\$1,605	\$0	\$1,605	\$223	-\$173	\$1,432	5
141-02	Marina Villa Apartments	1BR-1BA-639sf	\$1,305	\$0	\$1,305	\$212	-\$184	\$1,121	1
141-03	Marina Villa Apartments	1BR-1BA-646sf	\$1,345	\$0	\$1,345	\$214	-\$186	\$1,159	2
141-04	Marina Villa Apartments	1BR-1BA-654sf	\$1,305	\$0	\$1,305	\$217	-\$189	\$1,117	3
141-05	Marina Villa Apartments	1BR-1BA-660sf	\$1,605	\$0	\$1,605	\$218	-\$190	\$1,415	4
141-06	Marina Villa Apartments	1BR-1BA-888sf	\$1,674	\$0	\$1,674	\$287	-\$259	\$1,415	6
141-07	Marina Villa Apartments	2BR-2BA-949sf	\$1,899	\$0	\$1,899	\$505	-\$445	\$1,454	14
141-08	Marina Villa Apartments	2BR-2BA-960sf	\$1,824	\$0	\$1,824	\$508	-\$448	\$1,376	15
141-09	Marina Villa Apartments	2BR-2BA-1006sf	\$1,874	\$0	\$1,874	\$522	-\$462	\$1,412	16
141-10	Marina Villa Apartments	2BR-2BA-1020sf	\$1,870	\$0	\$1,870	\$526	-\$466	\$1,404	17
142-01	Meadowood Apartments	1BR-1BA-850sf	\$1,159	\$0	\$1,159	\$568	\$94	\$1,253	18
142-02	Meadowood Apartments	2BR-2BA-1200sf	\$1,429	\$0	\$1,429	\$885	-\$179	\$1,250	29
142-03	Meadowood Apartments	2BR-2BA-1230sf	\$1,459	\$0	\$1,459	\$894	-\$188	\$1,271	30
142-04	Meadowood Apartments	3BR-2BA-1380sf	\$1,609	\$0	\$1,609	\$1,072	-\$310	\$1,299	32
145-01	Spring Water Apartments	1BR-1BA-850sf	\$1,290	\$0	\$1,290	\$460	\$8	\$1,298	13
145-02	Spring Water Apartments	2BR-2BA-1190sf	\$1,485	\$0	\$1,485	\$762	-\$262	\$1,223	26
145-03	Spring Water Apartments	2BR-2BA-1250sf	\$1,525	\$0	\$1,525	\$780	-\$280	\$1,245	27
145-04	Spring Water Apartments	3BR-2BA-1380sf	\$1,705	\$0	\$1,705	\$952	-\$396	\$1,309	31

Adjusted Rent, Minimum	\$1,049
Adjusted Rent, Maximum	\$1,454
Adjusted Rent, Average	\$1,265
Adjusted Rent, Modified Average	\$1,266

Rent, Concluded

\$1,240

Our analysis suggests a rent of \$1,240 for the 1BR-1BA-639sf units at the subject property.

In our opinion, the 1BR-1BA-639sf units at Marina Villa Apartments (Property # 141), the 1BR-1BA-688sf units at Coastal 61 At Oxford Village Coastal (Property # 136), the 1BR-1BA-762sf units at Park Crescent Apartments Phase 2 (Property # 079), the 1BR-1BA-739sf units at Nexus Flats (Property # 071), and the 1BR-1BA-850sf units at Spring Water Apartments (Property # 145) are the best comparables for the units at the subject property.

Comparable	Subject	1	2	3	4	5				
Property-Unit Key	Sub-06	071-02	079-01	136-01	141-02	145-01				
Unit Type	1BR-1BA-639sf	1BR-1BA-739sf	1BR-1BA-762sf	1BR-1BA-688sf	1BR-1BA-639sf	1BR-1BA-850sf				
Property Name	Tranquility at the Lakes II	Nexus Flats	Park Crescent Apartments Phase 2	Coastal 61 At Oxford Village Coastal	Marina Villa Apartments	Spring Water Apartments				
Address	5837 Burton Station Road	548 Newtown Road	6450 Crescent Way	5832 Coastal Pointe Drive	8150 Shore Drive	1205 Colgin Drive				
City	Virginia Beach	Virginia Beach	Norfolk	Virginia Beach	Norfolk	Virginia Beach				
State	Virginia	Virginia	Virginia	Virginia	Virginia	Virginia				
Zip	23455	23462	23513	23455	23518	23455				
Latitude	36.88244	36.85812	36.89913	36.89080	36.91850	36.88311				
Longitude	-76.19053	-76.17571	-76.22866	-76.14570	-76.21590	-76.17708				
Miles to Subject	0.00	1.61	2.36	2.58	2.50	0.76				
Year Built	2021	2018	2013	2020	2020	2013				
Year Rehab	na	na	na	na	na	na				
Project Rent	Restricted	Market Rate	Market Rate	Market Rate	Market Rate	Market Rate				
Project Type	Elderly	Family	Family	Family	Family	Family				
Project Status	Prop Const	Stabilized	Stabilized	Stabilized	Stabilized	Stabilized				
Phone	(804) 343-1200	(757) 517-8393	(757) 855-7275	(757) 937-6106	(759) 609-0562	(757) 961-1579				
Effective Date	05-Mar-21	25-Jan-21	25-Jan-21	26-Jan-21	05-Feb-21	28-Jan-21				
<u>Project Level</u>										
Units	38	136	112	244	105	252				
Vacant Units	38	15	1	0	6	0				
Vacancy Rate	100%	11%	1%	0%	6%	0%				
<u>Unit Type</u>										
Units	3	42	32	60	12	72				
Vacant Units	3	5	1	0	0	0				
Vacancy Rate	100%	12%	3%	0%	0%	0%				
Street Rent	\$775	\$1,379	\$1,250	\$1,255	\$1,305	\$1,290				
Concessions	\$0	\$0	\$0	\$0	\$0	\$0				
Net Rent	\$775	\$1,379	\$1,250	\$1,255	\$1,305	\$1,290				
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>			
Tenant-Paid Utilities	TPU	\$92	\$109	\$17	\$133	\$41	\$86	-\$6	\$86	-\$6
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0
Internet	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$105	1	1	\$0	1	\$0	1	\$0	1	\$0
Bathrooms	\$85	1.00	1.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0
Square Feet	\$0.30	639	739	-\$30	762	-\$37	688	-\$15	639	-\$63
Visibility	\$100	3.00	2.50	\$50	2.50	\$50	4.00	-\$100	4.00	-\$100
Access	\$80	4.00	4.00	\$0	4.00	\$0	4.00	\$0	4.00	\$0
Neighborhood	\$0	2.00	3.90	\$0	2.20	\$0	4.10	\$0	3.10	\$0
Area Amenities	\$100	3.30	4.50	-\$120	4.00	-\$70	3.60	-\$30	3.70	-\$40
Median HH Income	\$0.0000	\$34,205	\$53,668	\$0	\$45,108	\$0	\$66,250	\$0	\$53,750	\$0
Average Commute	\$0	26.59	19.26	\$0	26.33	\$0	21.03	\$0	23.66	\$0
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0	na	\$0
Personal Crime	\$0	2.6%	1.8%	\$0	11.8%	\$0	4.4%	\$0	15.9%	\$0
Condition	\$50	4.50	4.50	\$0	4.00	\$25	4.50	\$0	4.50	\$0
Effective Age	\$5.00	2021	2018	\$15	2013	\$40	2020	\$5	2020	\$5
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Billiards	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2
Bus/Comp Center	\$10	no	yes	-\$10	yes	-\$10	no	\$0	yes	-\$10
Car Care Center	\$10	no	yes	-\$10	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Elevator	\$100	yes	yes	\$0	yes	\$0	no	\$100	yes	\$0
Fitness Center	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Gazebo	\$10	no	yes	-\$10	yes	\$0	yes	-\$10	yes	-\$10
Hot Tub/Jacuzzi	\$10	no	no	\$0	no	\$0	no	\$0	yes	-\$10
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
Movie Theatre	\$10	no	yes	-\$10	no	\$0	no	\$0	no	\$0
Picnic Area	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Playground	\$10	no	yes	-\$10	no	\$0	no	\$0	no	-\$10
Pool	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	no	\$0
Carpeting	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0
Patio/Balcony	\$2	yes	some	\$2	yes	\$0	yes	\$0	yes	\$0
Storage	\$10	no	yes	-\$10	yes	-\$10	no	\$0	no	\$0
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Dishwasher	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Microwave	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0
Open	\$0	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$5	yes	no	\$5	no	\$5	no	\$5	no	\$5
W/D Units	\$10	no	yes	-\$10	yes	-\$10	yes	-\$10	yes	-\$10
W/D Hookups	\$5	no	no	\$0	no	\$0	no	\$0	no	\$0
Call Buttons	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2
Controlled Access	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Courtesy Officer	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0
Monitoring	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0
Security Alarms	\$2	yes	no	\$2	no	\$2	yes	\$0	no	\$2
Security Patrols	\$7	no	no	\$0	no	\$0	no	\$0	yes	-\$7
Indicated Rent	\$1,240	\$1,240	\$1,260	\$1,182	\$1,121	\$1,298				

Rent Conclusion, 2BR-1.5BA-831sf

The development of our rent conclusion for the 2BR-1.5BA-831sf units is found below.

Our analysis included the evaluation of a total of 32 unit types found at 6 properties. We selected the 32 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 32 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-09	Tranquility at the Lakes II	2BR-1.5BA-831sf	\$910	\$0	\$910	-	\$0	\$910	-
071-02	Nexus Flats	1BR-1BA-739sf	\$1,379	\$0	\$1,379	\$478	\$24	\$1,403	21
071-03	Nexus Flats	1BR-1BA-744sf	\$1,453	\$0	\$1,453	\$477	\$23	\$1,476	20
071-05	Nexus Flats	1BR-1BA-899sf	\$1,519	\$0	\$1,519	\$471	-\$24	\$1,495	19
071-07	Nexus Flats	2BR-2BA-1106sf	\$1,621	\$0	\$1,621	\$406	-\$254	\$1,367	6
071-08	Nexus Flats	2BR-2BA-1212sf	\$1,771	\$0	\$1,771	\$438	-\$286	\$1,485	12
071-09	Nexus Flats	2BR-2BA-1239sf	\$1,691	\$0	\$1,691	\$446	-\$294	\$1,397	13
079-01	Park Crescent Apartments Phase 2	1BR-1BA-762sf	\$1,250	\$0	\$1,250	\$411	\$173	\$1,423	9
079-02	Park Crescent Apartments Phase 2	2BR-2BA-975sf	\$1,270	\$0	\$1,270	\$350	-\$58	\$1,212	5
136-01	Coastal 61 At Oxford Village Coast:	1BR-1BA-688sf	\$1,255	\$0	\$1,255	\$514	\$90	\$1,345	23
136-02	Coastal 61 At Oxford Village Coast:	1BR-1BA-770sf	\$1,225	\$0	\$1,225	\$490	\$66	\$1,291	22
136-03	Coastal 61 At Oxford Village Coast:	2BR-2BA-1039sf	\$1,535	\$0	\$1,535	\$407	-\$183	\$1,352	7
136-04	Coastal 61 At Oxford Village Coast:	2BR-2BA-1039sf	\$1,535	\$0	\$1,535	\$407	-\$183	\$1,352	7
136-05	Coastal 61 At Oxford Village Coast:	2BR-2BA-1106sf	\$1,550	\$0	\$1,550	\$427	-\$203	\$1,347	11
136-06	Coastal 61 At Oxford Village Coast:	3BR-2BA-1270sf	\$1,700	\$0	\$1,700	\$557	-\$329	\$1,371	24
141-01	Marina Villa Apartments	1BR-1BA-601sf	\$1,605	\$0	\$1,605	\$471	-\$10	\$1,596	18
141-02	Marina Villa Apartments	1BR-1BA-639sf	\$1,305	\$0	\$1,305	\$459	-\$21	\$1,284	17
141-03	Marina Villa Apartments	1BR-1BA-646sf	\$1,345	\$0	\$1,345	\$457	-\$23	\$1,322	16
141-04	Marina Villa Apartments	1BR-1BA-654sf	\$1,305	\$0	\$1,305	\$455	-\$25	\$1,280	15
141-05	Marina Villa Apartments	1BR-1BA-660sf	\$1,605	\$0	\$1,605	\$453	-\$27	\$1,578	14
141-06	Marina Villa Apartments	1BR-1BA-888sf	\$1,674	\$0	\$1,674	\$419	-\$96	\$1,578	10
141-07	Marina Villa Apartments	2BR-2BA-949sf	\$1,899	\$0	\$1,899	\$310	-\$282	\$1,617	1
141-08	Marina Villa Apartments	2BR-2BA-960sf	\$1,824	\$0	\$1,824	\$313	-\$285	\$1,539	2
141-09	Marina Villa Apartments	2BR-2BA-1006sf	\$1,874	\$0	\$1,874	\$327	-\$299	\$1,575	3
141-10	Marina Villa Apartments	2BR-2BA-1020sf	\$1,870	\$0	\$1,870	\$331	-\$303	\$1,567	4
142-01	Meadowood Apartments	1BR-1BA-850sf	\$1,159	\$0	\$1,159	\$666	\$257	\$1,416	30
142-02	Meadowood Apartments	2BR-2BA-1200sf	\$1,429	\$0	\$1,429	\$644	-\$16	\$1,413	28
142-03	Meadowood Apartments	2BR-2BA-1230sf	\$1,459	\$0	\$1,459	\$653	-\$25	\$1,434	29
142-04	Meadowood Apartments	3BR-2BA-1380sf	\$1,609	\$0	\$1,609	\$825	-\$147	\$1,462	32
145-01	Spring Water Apartments	1BR-1BA-850sf	\$1,290	\$0	\$1,290	\$592	\$171	\$1,461	27
145-02	Spring Water Apartments	2BR-2BA-1190sf	\$1,485	\$0	\$1,485	\$567	-\$99	\$1,386	25
145-03	Spring Water Apartments	2BR-2BA-1250sf	\$1,525	\$0	\$1,525	\$585	-\$117	\$1,408	26
145-04	Spring Water Apartments	3BR-2BA-1380sf	\$1,705	\$0	\$1,705	\$705	-\$233	\$1,472	31

Adjusted Rent, Minimum	\$1,212
Adjusted Rent, Maximum	\$1,617
Adjusted Rent, Average	\$1,428
Adjusted Rent, Modified Average	\$1,429

Rent, Concluded

\$1,385

Our analysis suggests a rent of \$1,385 for the 2BR-1.5BA-831sf units at the subject property.

In our opinion, the 2BR-2BA-949sf units at Marina Villa Apartments (Property # 141), the 2BR-2BA-975sf units at Park Crescent Apartments Phase 2 (Property # 079), the 2BR-2BA-1106sf units at Nexus Flats (Property # 071), the 2BR-2BA-1039sf units at Coastal 61 At Oxford Village Coastal (Property # 136), and the 2BR-2BA-1190sf units at Spring Water Apartments (Property # 145) are the best comparables for the units at the subject property.

Comparable	Subject	1	2	3	4	5	
Property-Unit Key	Sub-09	071-07	079-02	136-03	141-07	145-02	
Unit Type	2BR-1.5BA-831sf	2BR-2BA-1106sf	2BR-2BA-975sf	2BR-2BA-1039sf	2BR-2BA-949sf	2BR-2BA-1190sf	
Property Name	Tranquility at the Lakes II	Nexus Flats	Park Crescent Apartments Phase 2	Coastal 61 At Oxford Village Coastal	Marina Villa Apartments	Spring Water Apartments	
Address	5837 Burton Station Road	548 Newtown Road	6450 Crescent Way	5832 Coastal Pointe Drive	8150 Shore Drive	1205 Colgin Drive	
City	Virginia Beach	Virginia Beach	Norfolk	Virginia Beach	Norfolk	Virginia Beach	
State	Virginia	Virginia	Virginia	Virginia	Virginia	Virginia	
Zip	23455	23462	23513	23455	23518	23455	
Latitude	36.88244	36.85812	36.89913	36.89080	36.91850	36.88311	
Longitude	-76.19053	-76.17571	-76.22866	-76.14570	-76.21590	-76.17708	
Miles to Subject	0.00	1.61	2.36	2.58	2.50	0.76	
Year Built	2021	2018	2013	2020	2020	2013	
Year Rehab	na	na	na	na	na	na	
Project Rent	Restricted	Market Rate	Market Rate	Market Rate	Market Rate	Market Rate	
Project Type	Elderly	Family	Family	Family	Family	Family	
Project Status	Prop Const	Stabilized	Stabilized	Stabilized	Stabilized	Stabilized	
Phone	(804) 343-1200	(757) 517-8393	(757) 855-7275	(757) 937-6106	(759) 609-0562	(757) 961-1579	
Effective Date	05-Mar-21	25-Jan-21	25-Jan-21	26-Jan-21	05-Feb-21	28-Jan-21	
<u>Project Level</u>							
Units	38	136	112	244	105	252	
Vacant Units	38	15	1	0	6	0	
Vacancy Rate	100%	11%	1%	0%	6%	0%	
<u>Unit Type</u>							
Units	3	61	80	62	11	98	
Vacant Units	3	1	0	0	2	0	
Vacancy Rate	100%	2%	0%	0%	18%	0%	
Street Rent	\$910	\$1,621	\$1,270	\$1,535	\$1,899	\$1,485	
Concessions	\$0	\$0	\$0	\$0	\$0	\$0	
Net Rent	\$910	\$1,621	\$1,270	\$1,535	\$1,899	\$1,485	
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>
Tenant-Paid Utilities	TPU \$134	\$131	-\$3	\$156	\$22	\$108	-\$26
Cable	\$0	no	\$0	no	\$0	no	\$0
Internet	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$105	2	\$0	2	\$0	2	\$0
Bathrooms	\$85	1.50	2.00	2.00	-\$43	2.00	-\$43
Square Feet	\$0.30	831	1106	975	-\$43	1039	-\$62
Visibility	\$100	3.00	2.50	2.50	-\$100	4.00	-\$100
Access	\$80	4.00	4.00	4.00	\$0	4.00	\$0
Neighborhood	\$0	2.00	3.90	2.20	\$0	4.10	\$0
Area Amenities	\$100	3.30	4.50	4.00	-\$30	3.60	-\$30
Median HH Income	\$0.0000	\$34,205	\$53,668	\$45,108	\$0	\$66,250	\$0
Average Commute	\$0	26.59	19.26	26.33	\$0	21.03	\$0
Public Transportation	\$0	na	na	na	\$0	na	\$0
Personal Crime	\$0	2.6%	1.8%	11.8%	\$0	4.4%	\$0
Condition	\$50	4.50	4.50	4.00	\$25	4.50	\$0
Effective Age	\$5.00	2021	2018	2013	\$40	2020	\$5
Ball Field	\$2	no	no	no	\$0	no	\$0
BBQ Area	\$2	no	yes	yes	-\$2	yes	-\$2
Billiards	\$2	no	no	yes	-\$2	yes	-\$2
Bus/Comp Center	\$10	no	yes	yes	-\$10	no	\$0
Car Care Center	\$10	no	yes	no	\$0	no	\$0
Community Center	\$2	yes	yes	yes	\$0	yes	\$0
Elevator	\$100	yes	yes	yes	\$0	no	\$100
Fitness Center	\$2	no	yes	yes	-\$2	yes	-\$2
Gazebo	\$10	no	yes	yes	-\$10	yes	-\$10
Hot Tub/Jacuzzi	\$10	no	no	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	no	\$0	no	\$0
Lake	\$2	no	no	no	\$0	no	\$0
Library	\$2	no	no	no	\$0	no	\$0
Movie Theatre	\$10	no	yes	no	\$0	no	\$0
Picnic Area	\$2	yes	yes	yes	\$0	yes	\$0
Playground	\$10	no	yes	no	\$0	no	\$0
Pool	\$2	no	yes	yes	-\$2	yes	-\$2
Sauna	\$2	no	no	no	\$0	no	\$0
Sports Court	\$2	no	no	yes	-\$2	no	\$0
Walking Trail	\$2	no	no	no	\$0	no	\$0
Blinds	\$2	yes	yes	yes	\$0	yes	\$0
Ceiling Fans	\$2	no	yes	yes	-\$2	yes	-\$2
Carpeting	\$2	yes	yes	yes	\$0	yes	\$0
Fireplace	\$10	no	no	no	\$0	no	\$0
Patio/Balcony	\$2	yes	some	yes	\$0	yes	\$0
Storage	\$10	no	yes	yes	-\$10	no	\$0
Stove	\$2	yes	yes	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	yes	\$0	yes	\$0
Disposal	\$2	no	yes	yes	-\$2	yes	-\$2
Dishwasher	\$2	yes	yes	yes	\$0	yes	\$0
Microwave	\$2	no	yes	yes	-\$2	yes	-\$2
Garage	\$50	no	no	no	\$0	no	\$0
Covered	\$20	no	no	no	\$0	no	\$0
Assigned	\$10	no	no	no	\$0	no	\$0
Open	\$0	yes	yes	yes	\$0	yes	\$0
None	\$0	no	no	no	\$0	no	\$0
Central	\$5	yes	no	no	\$5	no	\$5
W/D Units	\$10	no	yes	yes	-\$10	yes	-\$10
W/D Hookups	\$5	no	no	no	\$0	no	\$0
Call Buttons	\$2	yes	no	no	\$2	no	\$2
Controlled Access	\$2	yes	yes	yes	\$0	yes	\$0
Courtesy Officer	\$2	no	no	yes	-\$2	no	\$0
Monitoring	\$2	no	no	no	\$0	no	\$0
Security Alarms	\$2	yes	no	no	\$2	yes	\$0
Security Patrols	\$7	no	no	no	\$0	no	\$0
Indicated Rent	\$1,385	\$1,367	\$1,212	\$1,352	\$1,617	\$1,386	

Unrestricted Market Rent Conclusion

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

Unrestricted Market Rent Conclusion						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Market	Proposed	Advantage
1BR-1BA-510sf / 40% of AMI / 40% of AMI	Yes	Yes	3	\$1,240	\$961	22.5%
1BR-1BA-639sf / 40% of AMI / 40% of AMI	Yes	Yes	1	\$1,240	\$961	22.5%
1BR-1BA-510sf / 50% of AMI / 50% of AMI	Yes	Yes	5	\$1,240	\$961	22.5%
1BR-1BA-510sf / 50% of AMI / 50% of AMI	No	Yes	8	\$1,240	\$961	22.5%
1BR-1BA-510sf / 60% of AMI / 60% of AMI	No	No	12	\$1,240	\$750	39.5%
1BR-1BA-639sf / 60% of AMI / 60% of AMI	No	No	3	\$1,240	\$775	37.5%
2BR-1.5BA-831sf / 50% of AMI / 50% of AMI	Yes	Yes	2	\$1,385	\$1,115	19.5%
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	Yes	1	\$1,385	\$1,115	19.5%
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	No	3	\$1,385	\$910	34.3%
Total / Average			38	\$1,263	\$888	29.7%

Our analysis suggests an average unrestricted market rent of \$1,263 for the subject property. This is compared with an average proposed rent of \$888, yielding an unrestricted market rent advantage of 29.7 percent. Overall, the subject property appears to be priced at or below unrestricted market rents for the area.

We selected a total of 6 properties as comparables for purposes of our analysis. The average occupancy at the select rent comparables currently stands at 98 percent.

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

Occupancy Rate, Select Comparables								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								
1-Bedroom								96%
2-Bedroom								98%
3-Bedroom								
4-Bedroom								
Total								98%

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

Occupancy Rate, Stabilized Properties								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								100%
1-Bedroom	100%			98%	99%			95%
2-Bedroom	100%			99%	99%			95%
3-Bedroom	100%			100%	100%			93%
4-Bedroom								90%
Total	100%			99%	99%			95%

HUD conducts an annual rent survey to derive Fair Market Rent estimates for an area. Based on this, 2-bedroom rents for the area grew from \$934 to \$1136 since 2010. This represents an average 2.2% annual increase over this period.

Fair market rent data for the area is found below:

Year	Rent			Change		
	1BR	2BR	3BR	1BR	2BR	3BR
2007	\$735	\$844	\$1,164	-	-	-
2008	\$787	\$904	\$1,247	7.1%	7.1%	7.1%
2009	\$781	\$904	\$1,236	-0.8%		-0.9%
2010	\$807	\$934	\$1,277	3.3%	3.3%	3.3%
2011	\$834	\$965	\$1,319	3.3%	3.3%	3.3%
2012	\$919	\$1,064	\$1,454	10.2%	10.3%	10.2%
2013	\$944	\$1,136	\$1,570	2.7%	6.8%	8.0%
2014	\$939	\$1,130	\$1,562	-0.5%	-0.5%	-0.5%
2015	\$920	\$1,107	\$1,530	-2.0%	-2.0%	-2.0%
2016	\$953	\$1,150	\$1,601	3.6%	3.9%	4.6%
2017	\$939	\$1,130	\$1,577	-1.5%	-1.7%	-1.5%
2018	\$912	\$1,095	\$1,533	-2.9%	-3.1%	-2.8%
2019	\$925	\$1,104	\$1,553	1.4%	0.8%	1.3%
2020	\$958	\$1,136	\$1,603	3.6%	2.9%	3.2%

Source: HUD

Restricted Rent Analysis

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

Rental Property Inventory, by Unit Type

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

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

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

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

Rent Comparables, Restricted Rent, Map

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

Rent Comparability Grids

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

Rental Property Inventory, 1-Bedroom Units

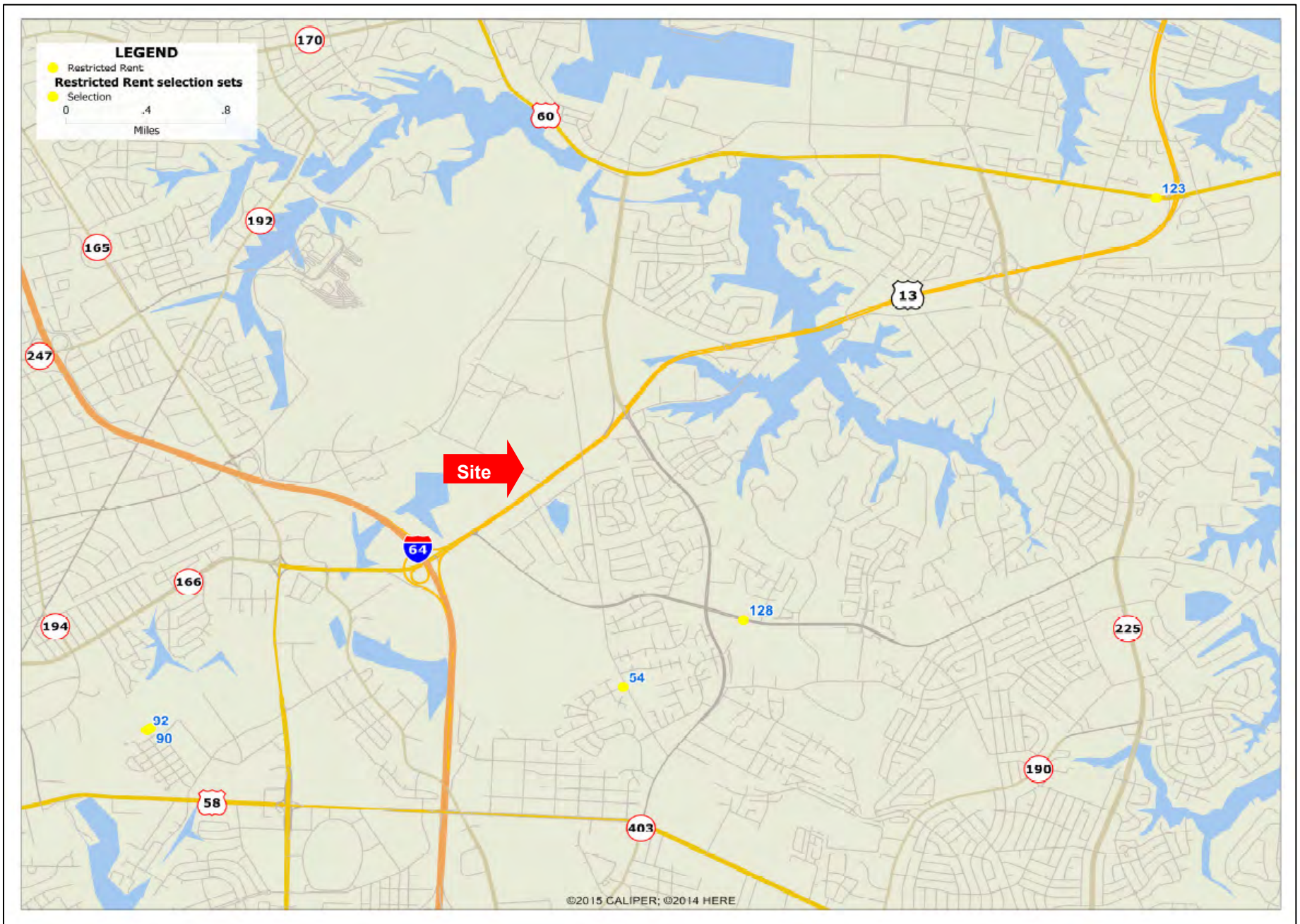
Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
003	Aden Park Apartments	1971	2000	Restricted	Family	Stabilized					\$774			
013	Baker Woods Apartments Phase 1	2015	na	Restricted	Family	Stabilized								
018	Berkley Square Apartments	1974	2001	Restricted	Family	Stabilized								
047	Ebbetts Plaza Apartments	1976	2004	Restricted	Family	Stabilized				\$580				
054	Hamptons (The) Apartments	1967	2000	Restricted	Family	Stabilized					\$826			\$1,075
090	Pointe at Pickett Farms (The)	2014	na	Restricted	Family	Stabilized					\$823			
092	Quill Apartments	2015	na	Restricted	Family	Stabilized					\$823			
107	SouthWind Apartments	2008	na	Restricted	Family	Stabilized					\$846			
111	Summer Haven Apartments	2017	na	Restricted	Family	Stabilized	\$660			\$660				
116	Tranquility at the Lakes I	2015	na	Restricted	Elderly	Stabilized	\$945			\$630				
123	Victoria Place Apartments	2003	na	Restricted	Elderly	Stabilized				\$705	\$855			
128	Wesleyan Place Apartments	2008	na	Restricted	Elderly	Stabilized				\$835				

Source: Allen & Associates

Rental Property Inventory, 2-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
003	Aden Park Apartments	1971	2000	Restricted	Family	Stabilized					\$924			
013	Baker Woods Apartments Phase 1	2015	na	Restricted	Family	Stabilized	\$630			\$816				
018	Berkley Square Apartments	1974	2001	Restricted	Family	Stabilized				\$619				
047	Ebbetts Plaza Apartments	1976	2004	Restricted	Family	Stabilized				\$719				
054	Hamptons (The) Apartments	1967	2000	Restricted	Family	Stabilized				\$984				\$1,268
090	Pointe at Pickett Farms (The)	2014	na	Restricted	Family	Stabilized				\$986				
092	Quill Apartments	2015	na	Restricted	Family	Stabilized				\$986				
107	SouthWind Apartments	2008	na	Restricted	Family	Stabilized				\$1,027				
111	Summer Haven Apartments	2017	na	Restricted	Family	Stabilized	\$780			\$780				
116	Tranquility at the Lakes I	2015	na	Restricted	Elderly	Stabilized				\$735				
123	Victoria Place Apartments	2003	na	Restricted	Elderly	Stabilized				\$860	\$1,030			
128	Wesleyan Place Apartments	2008	na	Restricted	Elderly	Stabilized				\$812	\$999			

Source: Allen & Associates



Rent Adjustments

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

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

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

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

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

Concessions

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

Tenant-Paid Utilities

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

Technology

We accounted for technology (cable and internet access) offered in the rent for each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$10 per month for cable; internet access was valued at \$0.

Technology		
Adjustment	Survey Range	Concluded
Cable	\$0 \$50	\$10
Internet	\$0 \$50	\$0

Bedrooms

Our analysis also included an adjustment for the number of bedrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$145 per bedroom.

Bedrooms			
Adjustment	Survey Range		Concluded
Bedrooms	\$0	\$200	\$145

Bathrooms

Our analysis also included an adjustment for the number of bathrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$5 per bathroom.

Bathrooms			
Adjustment	Survey Range		Concluded
Bathrooms	\$0	\$100	\$5

Square Feet

Our analysis also included an adjustment for square footage at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.15 per square foot.

Square Feet			
Adjustment	Survey Range		Concluded
Square Feet	\$0.00	\$2.00	\$0.15

Visibility

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

Visibility			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$0

Access

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

Access			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$5

Neighborhood

We considered differences in neighborhood at each of the comparables as compared to the subject property in our analysis. Based on our field review and our evaluation of local demographic and crime data (presented earlier in this report), we assigned a neighborhood rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$30 per point for differences in neighborhood ratings between the subject and the comparables.

Neighborhood			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$30

Area Amenities

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

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

Median Household Income

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

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

Average Commute

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

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

Public Transportation

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

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

Personal Crime

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

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

Condition

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

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

Effective Age

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

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

Project Amenities

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

Project Amenities			
Adjustment	Survey Range		Concluded
Ball Field	\$2	\$10	\$2
BBQ Area	\$2	\$10	\$5
Billiards	\$2	\$10	\$2
Bus/Comp Ctrs	\$2	\$10	\$2
Car Care Center	\$2	\$10	\$2
Community Center	\$2	\$10	\$6
Elevator	\$10	\$100	\$20
Fitness Center	\$2	\$10	\$7
Gazebo	\$2	\$10	\$10
Hot Tub/Jacuzzi	\$2	\$10	\$2
Horseshoe Pit	\$2	\$10	\$2
Lake	\$2	\$10	\$2
Library	\$2	\$10	\$5
Movie Theatre	\$2	\$10	\$2
Picnic Area	\$2	\$10	\$6
Playground	\$2	\$10	\$7
Pool	\$2	\$10	\$7
Sauna	\$2	\$10	\$2
Sports Court	\$2	\$10	\$2
Walking Trail	\$2	\$10	\$2

Unit Amenities

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

Unit Amenities			
Adjustment	Survey Range		Concluded
Blinds	\$2	\$10	\$2
Ceiling Fans	\$2	\$10	\$2
Carpeting	\$2	\$10	\$2
Fireplace	\$2	\$10	\$2
Patio/Balcony	\$2	\$10	\$2
Storage	\$10	\$50	\$15

Kitchen Amenities

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

Kitchen Amenities			
Adjustment	Survey Range		Concluded
Stove	\$2	\$10	\$2
Refrigerator	\$2	\$10	\$2
Disposal	\$2	\$10	\$2
Dishwasher	\$2	\$10	\$2
Microwave	\$2	\$10	\$5

Parking

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

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

Laundry

We also evaluated differing types of laundry configurations. We classified laundry amenities three ways: (1) Central Laundry, (2) Washer/Dryer Units; and (3) Washer/Dryer Hookups. Our analysis resulted in an adjustment of \$10 per month for central laundries; washer/dryer units were valued at \$15; washer/dryer hookups were valued at \$5.

Laundry			
Adjustment	Survey Range		Concluded
Central	\$5	\$25	\$10
W/D Units	\$10	\$50	\$15
W/D Hookups	\$5	\$25	\$5

Security

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

Security			
Adjustment	Survey Range		Concluded
Call Buttons	\$2	\$10	\$5
Controlled Access	\$2	\$10	\$6
Courtesy Officer	\$2	\$10	\$2
Monitoring	\$2	\$10	\$2
Security Alarms	\$2	\$10	\$2
Security Patrols	\$2	\$10	\$5

Rent Conclusion, 1BR-1BA-510sf

The development of our rent conclusion for the 1BR-1BA-510sf units is found below.

Our analysis included the evaluation of a total of 15 unit types found at 5 properties. We selected the 15 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 15 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-05	Tranquility at the Lakes II	1BR-1BA-510sf	\$750	\$0	\$750	-	\$0	\$750	-
054-01	Hamptons (The) Apartments	1BR-1BA-850sf	\$826	\$0	\$826	\$266	-\$81	\$746	5
054-03	Hamptons (The) Apartments	2BR-1BA-1050sf	\$984	\$0	\$984	\$430	-\$245	\$740	8
054-05	Hamptons (The) Apartments	2BR-1.5BA-1075sf	\$984	\$0	\$984	\$436	-\$251	\$733	9
054-07	Hamptons (The) Apartments	3BR-2BA-1300sf	\$1,150	\$0	\$1,150	\$606	-\$421	\$729	13
054-09	Hamptons (The) Apartments	3BR-2.5BA-1300sf	\$1,150	\$0	\$1,150	\$599	-\$414	\$737	12
090-02	Pointe at Pickett Farms (The)	1BR-1BA-720sf	\$823	\$0	\$823	\$218	-\$85	\$738	3
090-04	Pointe at Pickett Farms (The)	2BR-2BA-1035sf	\$986	\$0	\$986	\$445	-\$253	\$734	10
090-06	Pointe at Pickett Farms (The)	3BR-2BA-1222sf	\$1,131	\$0	\$1,131	\$647	-\$397	\$734	14
092-02	Quill Apartments	1BR-1BA-720sf	\$823	\$0	\$823	\$226	-\$77	\$746	4
092-04	Quill Apartments	2BR-2BA-1035sf	\$986	\$0	\$986	\$445	-\$253	\$734	10
092-06	Quill Apartments	3BR-2BA-1222sf	\$1,131	\$0	\$1,131	\$647	-\$397	\$734	14
123-02	Victoria Place Apartments	1BR-1BA-693sf	\$855	\$0	\$855	\$204	-\$117	\$738	2
123-04	Victoria Place Apartments	2BR-1.5BA-880sf	\$1,030	\$0	\$1,030	\$369	-\$282	\$749	7
128-01	Wesleyan Place Apartments	1BR-1BA-610sf	\$835	\$0	\$835	\$148	-\$84	\$751	1
128-04	Wesleyan Place Apartments	2BR-1.5BA-900sf	\$999	\$0	\$999	\$328	-\$264	\$735	6
	Adjusted Rent, Minimum					\$729			
	Adjusted Rent, Maximum					\$751			
	Adjusted Rent, Average					\$738			
	Adjusted Rent, Modified Average					\$738			
	Rent, Concluded					\$750			

Our analysis suggests a rent of \$750 for the 1BR-1BA-510sf units at the subject property.

In our opinion, the 1BR-1BA-610sf units at Wesleyan Place Apartments (Property # 128), the 1BR-1BA-693sf units at Victoria Place Apartments (Property # 123), the 1BR-1BA-720sf units at Pointe at Pickett Farms (The) (Property # 090), the 1BR-1BA-720sf units at Quill Apartments (Property # 092), and the 1BR-1BA-850sf units at Hamptons (The) Apartments (Property # 054) are the best comparables for the units at the subject property.

Comparable	Subject	1	2	3	4	5					
Property-Unit Key	Sub-05	054-01	090-02	092-02	123-02	128-01					
Unit Type	1BR-1BA-510sf	1BR-1BA-850sf	1BR-1BA-720sf	1BR-1BA-720sf	1BR-1BA-693sf	1BR-1BA-610sf					
Property Name	Tranquility at the Lakes II	Hamptons (The) Apartments	Pointe at Pickett Farms (The)	Quill Apartments	Victoria Place Apartments	Wesleyan Place Apartments					
Address	5837 Burton Station Road	5781 Lake Edward Drive	5424 Greenplain Road	5424 Greenplain Road	4629 Shore Drive	5445 Wesleyan Drive					
City	Virginia Beach	Virginia Beach	Norfolk	Norfolk	Virginia Beach	Virginia Beach					
State	Virginia	Virginia	Virginia	Virginia	Virginia	Virginia					
Zip	23455	23462	23502	23502	23455	23455					
Latitude	36.88244	36.86509	36.86185	36.86169	36.90369	36.87037					
Longitude	-76.19053	-76.17943	-76.22246	-76.22278	-76.13090	-76.16848					
Miles to Subject	0.00	1.17	2.15	2.17	3.58	1.42					
Year Built	2021	1967	2014	2015	2003	2008					
Year Rehab	na	2000	na	na	na	na					
Project Rent	Restricted	Restricted	Restricted	Restricted	Restricted	Restricted					
Project Type	Elderly	Family	Family	Family	Elderly	Elderly					
Project Status	Prop Const	Stabilized	Stabilized	Stabilized	Stabilized	Stabilized					
Phone	(804) 343-1200	(757) 490-0056	(757) 962-3159	(757) 962-3159	(757) 313-2323	(757) 473-1490					
Effective Date	05-Mar-21	26-Jan-21	25-Jan-21	25-Jan-21	25-Jan-21	27-Jan-21					
<u>Project Level</u>											
Units	38	212	120	180	122	91					
Vacant Units	38	2	0	0	3	1					
Vacancy Rate	100%	1%	0%	0%	2%	1%					
<u>Unit Type</u>											
Units	12	10	18	30	24	7					
Vacant Units	12	1	0	0	0	0					
Vacancy Rate	100%	10%	0%	0%	0%	0%					
Street Rent	\$750	\$826	\$823	\$823	\$855	\$835					
Concessions	\$0	\$0	\$0	\$0	\$0	\$0					
Net Rent	\$750	\$826	\$823	\$823	\$855	\$835					
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>		
Tenant-Paid Utilities	\$92	\$34	-\$58	\$97	\$5	\$106	\$14	\$34	-\$58	\$34	-\$58
Cable	\$10	no	no	\$0	\$0	no	\$0	yes	-\$10	yes	-\$10
Internet	\$0	no	no	\$0	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$145	1	1	\$0	\$0	1	\$0	1	\$0	1	\$0
Bathrooms	\$5	1.00	1.00	\$0	\$0	1.00	\$0	1.00	\$0	1.00	\$0
Square Feet	\$0.15	510	850	-\$51	720	720	-\$32	693	-\$27	610	-\$15
Visibility	\$0	3.00	2.50	\$0	2.50	2.50	\$0	2.50	\$0	2.50	\$0
Access	\$5	4.00	3.50	\$3	2.75	2.75	\$6	2.50	\$8	2.75	\$6
Neighborhood	\$30	2.00	2.70	-\$21	3.90	3.90	-\$57	3.50	-\$45	2.70	-\$21
Area Amenities	\$0	3.30	2.00	\$0	4.40	4.30	\$0	3.30	\$0	4.00	\$0
Median HH Income	\$0.0000	\$34,205	\$50,573	\$0	\$45,871	\$45,871	\$0	\$42,428	\$0	\$34,596	\$0
Average Commute	\$0	26.59	23.90	\$0	27.07	27.07	\$0	21.57	\$0	23.85	\$0
Public Transportation	\$0	na	na	\$0	na	na	\$0	na	\$0	na	\$0
Personal Crime	\$0	2.6%	0.8%	\$0	23.2%	23.2%	\$0	1.5%	\$0	0.3%	\$0
Condition	\$10	4.50	2.50	\$20	4.00	4.00	\$5	3.50	\$10	4.00	\$5
Effective Age	\$1.00	2021	1990	\$31	2014	2015	\$6	2003	\$18	2008	\$13
Ball Field	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
BBQ Area	\$5	no	yes	-\$5	no	no	\$0	no	\$0	no	\$0
Billiards	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Bus/Comp Center	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Car Care Center	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Community Center	\$6	yes	no	\$6	yes	yes	\$0	yes	\$0	yes	\$0
Elevator	\$20	yes	no	\$20	no	no	\$20	yes	\$0	yes	\$0
Fitness Center	\$7	no	yes	-\$7	yes	yes	-\$7	no	\$0	no	\$0
Gazebo	\$10	no	no	\$0	no	no	\$0	yes	-\$10	no	\$0
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Library	\$5	no	no	\$0	no	no	\$0	yes	-\$5	yes	-\$5
Movie Theatre	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Picnic Area	\$6	yes	yes	\$0	no	no	\$6	no	\$6	no	\$6
Playground	\$7	no	yes	-\$7	yes	yes	-\$7	no	\$0	no	\$0
Pool	\$7	no	yes	-\$7	yes	yes	-\$7	no	\$0	no	\$0
Sauna	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Carpeting	\$2	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Patio/Balcony	\$2	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
Storage	\$15	no	yes	-\$15	yes	yes	-\$15	no	\$0	no	\$0
Stove	\$2	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	yes	-\$2	yes	yes	-\$2	no	\$0	yes	-\$2
Dishwasher	\$2	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
Microwave	\$5	no	no	\$0	yes	yes	-\$5	no	\$0	no	\$0
Garage	\$50	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Open	\$0	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Central	\$10	yes	yes	\$0	no	no	\$10	yes	\$0	yes	\$0
W/D Units	\$15	no	no	\$0	yes	yes	-\$15	no	\$0	no	\$0
W/D Hookups	\$5	no	no	\$0	no	no	\$0	yes	-\$5	yes	-\$5
Call Buttons	\$5	yes	no	\$5	no	no	\$5	yes	\$0	yes	\$0
Controlled Access	\$6	yes	no	\$6	yes	yes	\$0	yes	\$0	yes	\$0
Courtesy Officer	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Monitoring	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Security Alarms	\$2	yes	no	\$2	no	no	\$2	no	\$2	no	\$2
Security Patrols	\$5	no	no	\$0	yes	yes	-\$5	no	\$0	no	\$0
Indicated Rent	\$750	\$746	\$738	\$738	\$746	\$746	\$738	\$738	\$751	\$751	\$751

Rent Conclusion, 1BR-1BA-639sf

The development of our rent conclusion for the 1BR-1BA-639sf units is found below.

Our analysis included the evaluation of a total of 15 unit types found at 5 properties. We selected the 15 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 15 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-06	Tranquility at the Lakes II	1BR-1BA-639sf	\$775	\$0	\$775	-	\$0	\$775	-
054-01	Hamptons (The) Apartments	1BR-1BA-850sf	\$826	\$0	\$826	\$246	-\$61	\$765	5
054-03	Hamptons (The) Apartments	2BR-1BA-1050sf	\$984	\$0	\$984	\$410	-\$225	\$759	8
054-05	Hamptons (The) Apartments	2BR-1.5BA-1075sf	\$984	\$0	\$984	\$416	-\$231	\$753	9
054-07	Hamptons (The) Apartments	3BR-2BA-1300sf	\$1,150	\$0	\$1,150	\$587	-\$402	\$748	13
054-09	Hamptons (The) Apartments	3BR-2.5BA-1300sf	\$1,150	\$0	\$1,150	\$579	-\$394	\$756	12
090-02	Pointe at Pickett Farms (The)	1BR-1BA-720sf	\$823	\$0	\$823	\$198	-\$66	\$757	3
090-04	Pointe at Pickett Farms (The)	2BR-2BA-1035sf	\$986	\$0	\$986	\$426	-\$233	\$753	10
090-06	Pointe at Pickett Farms (The)	3BR-2BA-1222sf	\$1,131	\$0	\$1,131	\$628	-\$377	\$754	14
092-02	Quill Apartments	1BR-1BA-720sf	\$823	\$0	\$823	\$206	-\$58	\$765	4
092-04	Quill Apartments	2BR-2BA-1035sf	\$986	\$0	\$986	\$426	-\$233	\$753	10
092-06	Quill Apartments	3BR-2BA-1222sf	\$1,131	\$0	\$1,131	\$628	-\$377	\$754	14
123-02	Victoria Place Apartments	1BR-1BA-693sf	\$855	\$0	\$855	\$185	-\$98	\$757	2
123-04	Victoria Place Apartments	2BR-1.5BA-880sf	\$1,030	\$0	\$1,030	\$349	-\$262	\$768	7
128-01	Wesleyan Place Apartments	1BR-1BA-610sf	\$835	\$0	\$835	\$138	-\$64	\$771	1
128-04	Wesleyan Place Apartments	2BR-1.5BA-900sf	\$999	\$0	\$999	\$309	-\$244	\$755	6
	Adjusted Rent, Minimum					\$748			
	Adjusted Rent, Maximum					\$771			
	Adjusted Rent, Average					\$758			
	Adjusted Rent, Modified Average					\$758			
	Rent, Concluded					\$770			

Our analysis suggests a rent of \$770 for the 1BR-1BA-639sf units at the subject property.

In our opinion, the 1BR-1BA-610sf units at Wesleyan Place Apartments (Property # 128), the 1BR-1BA-693sf units at Victoria Place Apartments (Property # 123), the 1BR-1BA-720sf units at Pointe at Pickett Farms (The) (Property # 090), the 1BR-1BA-720sf units at Quill Apartments (Property # 092), and the 1BR-1BA-850sf units at Hamptons (The) Apartments (Property # 054) are the best comparables for the units at the subject property.

Comparable	Subject	1	2	3	4	5
Property-Unit Key	Sub-06	054-01	090-02	092-02	123-02	128-01
Unit Type	1BR-1BA-639sf	1BR-1BA-850sf	1BR-1BA-720sf	1BR-1BA-720sf	1BR-1BA-693sf	1BR-1BA-610sf
Property Name	Tranquility at the Lakes II	Hamptons (The) Apartments	Pointe at Pickett Farms (The)	Quill Apartments	Victoria Place Apartments	Wesleyan Place Apartments
Address	5837 Burton Station Road	5781 Lake Edward Drive	5424 Greenplain Road	5424 Greenplain Road	4629 Shore Drive	5445 Wesleyan Drive
City	Virginia Beach	Virginia Beach	Norfolk	Norfolk	Virginia Beach	Virginia Beach
State	Virginia	Virginia	Virginia	Virginia	Virginia	Virginia
Zip	23455	23462	23502	23502	23455	23455
Latitude	36.88244	36.86509	36.86185	36.86169	36.90369	36.87037
Longitude	-76.19053	-76.17943	-76.22246	-76.22278	-76.13090	-76.16848
Miles to Subject	0.00	1.17	2.15	2.17	3.58	1.42
Year Built	2021	1967	2014	2015	2003	2008
Year Rehab	na	2000	na	na	na	na
Project Rent	Restricted	Restricted	Restricted	Restricted	Restricted	Restricted
Project Type	Elderly	Family	Family	Family	Elderly	Elderly
Project Status	Prop Const	Stabilized	Stabilized	Stabilized	Stabilized	Stabilized
Phone	(804) 343-1200	(757) 490-0056	(757) 962-3159	(757) 962-3159	(757) 313-2323	(757) 473-1490
Effective Date	05-Mar-21	26-Jan-21	25-Jan-21	25-Jan-21	25-Jan-21	27-Jan-21
<u>Project Level</u>						
Units	38	212	120	180	122	91
Vacant Units	38	2	0	0	3	1
Vacancy Rate	100%	1%	0%	0%	2%	1%
<u>Unit Type</u>						
Units	3	10	18	30	24	7
Vacant Units	3	1	0	0	0	0
Vacancy Rate	100%	10%	0%	0%	0%	0%
Street Rent	\$775	\$826	\$823	\$823	\$855	\$835
Concessions	\$0	\$0	\$0	\$0	\$0	\$0
Net Rent	\$775	\$826	\$823	\$823	\$855	\$835
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>
Tenant-Paid Utilities	\$92	\$34	-\$58	\$97	\$5	\$106
Cable	\$10	no	\$0	no	\$0	\$14
Internet	\$0	no	\$0	no	\$0	\$0
Bedrooms	\$145	1	\$0	1	\$0	\$0
Bathrooms	\$5	1.00	\$0	1.00	\$0	\$0
Square Feet	\$0.15	639	850	720	720	693
Visibility	\$0	3.00	2.50	2.50	\$0	2.50
Access	\$5	4.00	3.50	2.75	\$6	2.75
Neighborhood	\$30	2.00	2.70	3.90	-\$57	3.50
Area Amenities	\$0	3.30	2.00	4.40	\$0	3.30
Median HH Income	\$0.0000	\$34,205	\$50,573	\$45,871	\$0	\$42,428
Average Commute	\$0	26.59	23.90	27.07	\$0	21.57
Public Transportation	\$0	na	na	na	\$0	na
Personal Crime	\$0	2.6%	0.8%	23.2%	\$0	1.5%
Condition	\$10	4.50	2.50	4.00	\$5	3.50
Effective Age	\$1.00	2021	1990	2014	\$7	2015
Ball Field	\$2	no	no	no	\$0	no
BBQ Area	\$5	no	yes	no	\$0	no
Billiards	\$2	no	no	no	\$0	no
Bus/Comp Center	\$2	no	no	no	\$0	no
Car Care Center	\$2	no	no	no	\$0	no
Community Center	\$6	yes	no	yes	\$0	yes
Elevator	\$20	yes	no	no	\$20	yes
Fitness Center	\$7	no	yes	yes	-\$7	no
Gazebo	\$10	no	no	no	\$0	yes
Hot Tub/Jacuzzi	\$2	no	no	no	\$0	no
Horseshoe Pit	\$2	no	no	no	\$0	no
Lake	\$2	no	no	no	\$0	no
Library	\$5	no	no	no	\$0	yes
Movie Theatre	\$2	no	no	no	\$0	no
Picnic Area	\$6	yes	yes	no	\$6	no
Playground	\$7	no	yes	yes	-\$7	no
Pool	\$7	no	yes	yes	-\$7	no
Sauna	\$2	no	no	no	\$0	no
Sports Court	\$2	no	no	no	\$0	no
Walking Trail	\$2	no	no	no	\$0	no
Blinds	\$2	yes	yes	yes	\$0	yes
Ceiling Fans	\$2	no	no	no	\$0	no
Carpeting	\$2	yes	yes	yes	\$0	yes
Fireplace	\$2	no	no	no	\$0	no
Patio/Balcony	\$2	yes	yes	yes	\$0	yes
Storage	\$15	no	yes	yes	-\$15	no
Stove	\$2	yes	yes	yes	\$0	yes
Refrigerator	\$2	yes	yes	yes	\$0	yes
Disposal	\$2	no	yes	yes	-\$2	no
Dishwasher	\$2	yes	yes	yes	\$0	yes
Microwave	\$5	no	no	yes	-\$5	no
Garage	\$50	no	no	no	\$0	no
Covered	\$20	no	no	no	\$0	no
Assigned	\$10	no	no	no	\$0	no
Open	\$0	yes	yes	yes	\$0	yes
None	\$0	no	no	no	\$0	no
Central	\$10	yes	yes	no	\$10	yes
W/D Units	\$15	no	no	yes	-\$15	no
W/D Hookups	\$5	no	no	no	\$0	yes
Call Buttons	\$5	yes	no	no	\$5	yes
Controlled Access	\$6	yes	no	yes	\$0	yes
Courtesy Officer	\$2	no	no	no	\$0	no
Monitoring	\$2	no	no	no	\$0	no
Security Alarms	\$2	yes	no	no	\$2	no
Security Patrols	\$5	no	no	yes	-\$5	no
Indicated Rent	\$770	\$765	\$757	\$765	\$757	\$771

Rent Conclusion, 2BR-1.5BA-831sf

The development of our rent conclusion for the 2BR-1.5BA-831sf units is found below.

Our analysis included the evaluation of a total of 15 unit types found at 5 properties. We selected the 15 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 15 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-09	Tranquility at the Lakes II	2BR-1.5BA-831sf	\$910	\$0	\$910	-	\$0	\$910	-
054-01	Hamptons (The) Apartments	1BR-1BA-850sf	\$826	\$0	\$826	\$407	\$73	\$899	11
054-03	Hamptons (The) Apartments	2BR-1BA-1050sf	\$984	\$0	\$984	\$281	-\$91	\$893	5
054-05	Hamptons (The) Apartments	2BR-1.5BA-1075sf	\$984	\$0	\$984	\$282	-\$97	\$887	6
054-07	Hamptons (The) Apartments	3BR-2BA-1300sf	\$1,150	\$0	\$1,150	\$452	-\$267	\$883	15
054-09	Hamptons (The) Apartments	3BR-2.5BA-1300sf	\$1,150	\$0	\$1,150	\$445	-\$260	\$890	14
090-02	Pointe at Pickett Farms (The)	1BR-1BA-720sf	\$823	\$0	\$823	\$382	\$68	\$891	9
090-04	Pointe at Pickett Farms (The)	2BR-2BA-1035sf	\$986	\$0	\$986	\$221	-\$99	\$887	4
090-06	Pointe at Pickett Farms (The)	3BR-2BA-1222sf	\$1,131	\$0	\$1,131	\$409	-\$243	\$888	12
092-02	Quill Apartments	1BR-1BA-720sf	\$823	\$0	\$823	\$372	\$76	\$899	8
092-04	Quill Apartments	2BR-2BA-1035sf	\$986	\$0	\$986	\$219	-\$99	\$887	3
092-06	Quill Apartments	3BR-2BA-1222sf	\$1,131	\$0	\$1,131	\$409	-\$243	\$888	12
123-02	Victoria Place Apartments	1BR-1BA-693sf	\$855	\$0	\$855	\$387	\$37	\$892	10
123-04	Victoria Place Apartments	2BR-1.5BA-880sf	\$1,030	\$0	\$1,030	\$215	-\$128	\$902	2
128-01	Wesleyan Place Apartments	1BR-1BA-610sf	\$835	\$0	\$835	\$356	\$70	\$905	7
128-04	Wesleyan Place Apartments	2BR-1.5BA-900sf	\$999	\$0	\$999	\$175	-\$110	\$889	1
	Adjusted Rent, Minimum							\$883	
	Adjusted Rent, Maximum							\$905	
	Adjusted Rent, Average							\$892	
	Adjusted Rent, Modified Average							\$892	
	Rent, Concluded							\$900	

Our analysis suggests a rent of \$900 for the 2BR-1.5BA-831sf units at the subject property.

In our opinion, the 2BR-1.5BA-900sf units at Wesleyan Place Apartments (Property # 128), the 2BR-1.5BA-880sf units at Victoria Place Apartments (Property # 123), the 2BR-2BA-1035sf units at Quill Apartments (Property # 092), the 2BR-2BA-1035sf units at Pointe at Pickett Farms (The) (Property # 090), and the 2BR-1BA-1050sf units at Hamptons (The) Apartments (Property # 054) are the best comparables for the units at the subject property.

Comparable	Subject	1	2	3	4	5
Property-Unit Key	Sub-09	054-03	090-04	092-04	123-04	128-04
Unit Type	2BR-1.5BA-831sf	2BR-1BA-1050sf	2BR-2BA-1035sf	2BR-2BA-1035sf	2BR-1.5BA-880sf	2BR-1.5BA-900sf
Property Name	Tranquility at the Lakes II	Hamptons (The) Apartments	Pointe at Pickett Farms (The)	Quill Apartments	Victoria Place Apartments	Wesleyan Place Apartments
Address	5837 Burton Station Road	5781 Lake Edward Drive	5424 Greenplain Road	5424 Greenplain Road	4629 Shore Drive	5445 Wesleyan Drive
City	Virginia Beach	Virginia Beach	Norfolk	Norfolk	Virginia Beach	Virginia Beach
State	Virginia	Virginia	Virginia	Virginia	Virginia	Virginia
Zip	23455	23462	23502	23502	23455	23455
Latitude	36.88244	36.86509	36.86185	36.86169	36.90369	36.87037
Longitude	-76.19053	-76.17943	-76.22246	-76.22278	-76.13090	-76.16848
Miles to Subject	0.00	1.17	2.15	2.17	3.58	1.42
Year Built	2021	1967	2014	2015	2003	2008
Year Rehab	na	2000	na	na	na	na
Project Rent	Restricted	Restricted	Restricted	Restricted	Restricted	Restricted
Project Type	Elderly	Family	Family	Family	Elderly	Elderly
Project Status	Prop Const	Stabilized	Stabilized	Stabilized	Stabilized	Stabilized
Phone	(804) 343-1200	(757) 490-0056	(757) 962-3159	(757) 962-3159	(757) 313-2323	(757) 473-1490
Effective Date	05-Mar-21	26-Jan-21	25-Jan-21	25-Jan-21	25-Jan-21	27-Jan-21
<u>Project Level</u>						
Units	38	212	120	180	122	91
Vacant Units	38	2	0	0	3	1
Vacancy Rate	100%	1%	0%	0%	2%	1%
<u>Unit Type</u>						
Units	3	36	72	114	37	38
Vacant Units	3	0	0	0	2	0
Vacancy Rate	100%	0%	0%	0%	5%	0%
Street Rent	\$910	\$984	\$986	\$986	\$1,030	\$999
Concessions	\$0	\$0	\$0	\$0	\$0	\$0
Net Rent	\$910	\$984	\$986	\$986	\$1,030	\$999
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>
Tenant-Paid Utilities	\$134	\$45	-\$89	\$127	-\$7	\$128
Cable	\$10	no	\$0	no	\$0	no
Internet	\$0	no	\$0	no	\$0	no
Bedrooms	\$145	2	\$0	2	\$0	2
Bathrooms	\$5	1.50	\$3	2.00	-\$3	2.00
Square Feet	\$0.15	831	-\$33	1035	-\$31	1035
Visibility	\$0	3.00	2.50	2.50	\$0	2.50
Access	\$5	4.00	\$3	2.75	\$6	2.75
Neighborhood	\$30	2.00	-\$21	3.90	-\$57	3.90
Area Amenities	\$0	3.30	2.00	4.40	\$0	4.30
Median HH Income	\$0.0000	\$34,205	\$50,573	\$45,871	\$0	\$45,871
Average Commute	\$0	26.59	\$0	23.90	\$0	27.07
Public Transportation	\$0	na	\$0	na	\$0	na
Personal Crime	\$0	2.6%	0.8%	23.2%	\$0	23.2%
Condition	\$10	4.50	2.50	4.00	\$5	4.00
Effective Age	\$1.00	2021	1990	2014	\$7	2015
Ball Field	\$2	no	no	no	\$0	no
BBQ Area	\$5	no	yes	no	\$0	no
Billiards	\$2	no	no	no	\$0	no
Bus/Comp Center	\$2	no	no	no	\$0	no
Car Care Center	\$2	no	no	no	\$0	no
Community Center	\$6	yes	no	yes	\$0	yes
Elevator	\$20	yes	no	no	\$20	yes
Fitness Center	\$7	no	yes	yes	-\$7	no
Gazebo	\$10	no	no	no	\$0	yes
Hot Tub/Jacuzzi	\$2	no	no	no	\$0	no
Horseshoe Pit	\$2	no	no	no	\$0	no
Lake	\$2	no	no	no	\$0	no
Library	\$5	no	no	no	\$0	yes
Movie Theatre	\$2	no	no	no	\$0	no
Picnic Area	\$6	yes	yes	no	\$6	no
Playground	\$7	no	yes	yes	-\$7	no
Pool	\$7	no	yes	yes	-\$7	no
Sauna	\$2	no	no	no	\$0	no
Sports Court	\$2	no	no	no	\$0	no
Walking Trail	\$2	no	no	no	\$0	no
Blinds	\$2	yes	yes	yes	\$0	yes
Ceiling Fans	\$2	no	no	no	\$0	no
Carpeting	\$2	yes	yes	yes	\$0	yes
Fireplace	\$2	no	no	no	\$0	no
Patio/Balcony	\$2	yes	yes	yes	\$0	yes
Storage	\$15	no	yes	yes	-\$15	no
Stove	\$2	yes	yes	yes	\$0	yes
Refrigerator	\$2	yes	yes	yes	\$0	yes
Disposal	\$2	no	yes	yes	-\$2	no
Dishwasher	\$2	yes	yes	yes	\$0	yes
Microwave	\$5	no	no	yes	-\$5	no
Garage	\$50	no	no	no	\$0	no
Covered	\$20	no	no	no	\$0	no
Assigned	\$10	no	no	no	\$0	no
Open	\$0	yes	yes	yes	\$0	yes
None	\$0	no	no	no	\$0	no
Central	\$10	yes	yes	no	\$10	yes
W/D Units	\$15	no	no	yes	-\$15	no
W/D Hookups	\$5	no	no	no	\$0	yes
Call Buttons	\$5	yes	no	no	\$5	yes
Controlled Access	\$6	yes	no	yes	\$0	yes
Courtesy Officer	\$2	no	no	no	\$0	no
Monitoring	\$2	no	no	no	\$0	no
Security Alarms	\$2	yes	no	no	\$2	no
Security Patrols	\$5	no	no	yes	-\$5	no
Indicated Rent	\$900	\$893	\$887	\$887	\$902	\$889

Restricted Market Rent Conclusion

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

Restricted Market Rent Conclusion				
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Market
1BR-1BA-510sf / 40% of AMI / 40% of AMI	Yes	Yes	3	\$750
1BR-1BA-639sf / 40% of AMI / 40% of AMI	Yes	Yes	1	\$770
1BR-1BA-510sf / 50% of AMI / 50% of AMI	Yes	Yes	5	\$750
1BR-1BA-510sf / 50% of AMI / 50% of AMI	No	Yes	8	\$750
1BR-1BA-510sf / 60% of AMI / 60% of AMI	No	No	12	\$750
1BR-1BA-639sf / 60% of AMI / 60% of AMI	No	No	3	\$770
2BR-1.5BA-831sf / 50% of AMI / 50% of AMI	Yes	Yes	2	\$900
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	Yes	1	\$900
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	No	3	\$900
Total / Average			38	\$776

Our analysis suggests an average restricted market rent of \$776 for the subject property.

We selected a total of 5 properties as comparables for purposes of our analysis. The average occupancy at the select rent comparables currently stands at 99 percent.

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

Occupancy Rate, Select Comparables								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								
1-Bedroom				96%	99%			100%
2-Bedroom				99%	99%			100%
3-Bedroom								
4-Bedroom								
Total				98%	99%			100%

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

Occupancy Rate, Stabilized Properties								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								100%
1-Bedroom	100%			98%	99%			95%
2-Bedroom	100%			99%	99%			95%
3-Bedroom	100%			100%	100%			93%
4-Bedroom								90%
Total	100%			99%	99%			95%

Rents at rent restricted properties tend to move with median household incomes for an area. Given HUD's published median incomes, we were able to derive 1, 2 and 3-bedroom 60% of AMI rent limits for the subject's primary market area. According to our analysis, maximum 2-bedroom rents for the area grew from \$921 to \$1114 since 2010. This represents an average 2.1% annual increase over this period.

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

Maximum Tax Credit Rents, 60% of AMI						
Year	Rent			Change		
	1BR	2BR	3BR	1BR	2BR	3BR
2007	\$721	\$865	\$1,000	-	-	-
2008	\$732	\$879	\$1,016	1.5%	1.6%	1.6%
2009	\$764	\$917	\$1,059	4.4%	4.3%	4.2%
2010	\$767	\$921	\$1,064	0.4%	0.4%	0.5%
2011	\$786	\$944	\$1,090	2.5%	2.5%	2.4%
2012	\$798	\$957	\$1,106	1.5%	1.4%	1.5%
2013	\$825	\$990	\$1,143	3.4%	3.4%	3.3%
2014	\$794	\$953	\$1,101	-3.8%	-3.7%	-3.7%
2015	\$798	\$957	\$1,106	0.5%	0.4%	0.5%
2016	\$793	\$952	\$1,100	-0.6%	-0.5%	-0.5%
2017	\$821	\$986	\$1,139	3.5%	3.6%	3.5%
2018	\$844	\$1,013	\$1,170	2.8%	2.7%	2.7%
2019	\$892	\$1,071	\$1,237	5.7%	5.7%	5.7%
2020	\$928	\$1,114	\$1,287	4.0%	4.0%	4.0%

Source: HUD

Achievable Rent Conclusion

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

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

LIHTC Rent Limits						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Gross Rent	Utilities	Net Rent
1BR-1BA-510sf / 40% of AMI / 40% of AMI	Yes	Yes	3	\$619	\$92	\$527
1BR-1BA-639sf / 40% of AMI / 40% of AMI	Yes	Yes	1	\$619	\$92	\$527
1BR-1BA-510sf / 50% of AMI / 50% of AMI	Yes	Yes	5	\$773	\$92	\$681
1BR-1BA-510sf / 50% of AMI / 50% of AMI	No	Yes	8	\$773	\$92	\$681
1BR-1BA-510sf / 60% of AMI / 60% of AMI	No	No	12	\$928	\$92	\$836
1BR-1BA-639sf / 60% of AMI / 60% of AMI	No	No	3	\$928	\$92	\$836
2BR-1.5BA-831sf / 50% of AMI / 50% of AMI	Yes	Yes	2	\$928	\$134	\$794
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	Yes	1	\$1,114	\$134	\$980
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	No	3	\$1,114	\$134	\$980
Total / Average			38	\$862	\$99	\$763

Our analysis suggests an average net LIHTC rent limit of \$763 for 38 applicable units at the subject property.

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

FMR Rent Limits						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Gross Rent	Utilities	Net Rent
1BR-1BA-510sf / 40% of AMI / 40% of AMI	Yes	Yes	3	\$972	\$92	\$880
1BR-1BA-639sf / 40% of AMI / 40% of AMI	Yes	Yes	1	\$972	\$92	\$880
1BR-1BA-510sf / 50% of AMI / 50% of AMI	Yes	Yes	5	\$972	\$92	\$880
1BR-1BA-510sf / 50% of AMI / 50% of AMI	No	Yes	-	-	-	-
1BR-1BA-510sf / 60% of AMI / 60% of AMI	No	No	-	-	-	-
1BR-1BA-639sf / 60% of AMI / 60% of AMI	No	No	-	-	-	-
2BR-1.5BA-831sf / 50% of AMI / 50% of AMI	Yes	Yes	2	\$1,147	\$134	\$1,013
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	Yes	-	-	-	-
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	No	-	-	-	-
Total / Average			11	\$1,004	\$100	\$904

Our analysis suggests an average net FMR rent limit of \$904 for 11 applicable units at the subject property.

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

Program Rent Limits							
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	LIHTC	FMR	Market	Program
1BR-1BA-510sf / 40% of AMI / 40% of AMI	Yes	Yes	3	\$527	\$880	\$1,240	\$1,240
1BR-1BA-639sf / 40% of AMI / 40% of AMI	Yes	Yes	1	\$527	\$880	\$1,240	\$1,240
1BR-1BA-510sf / 50% of AMI / 50% of AMI	Yes	Yes	5	\$681	\$880	\$1,240	\$1,240
1BR-1BA-510sf / 50% of AMI / 50% of AMI	No	Yes	8	\$681	-	\$1,240	\$1,240
1BR-1BA-510sf / 60% of AMI / 60% of AMI	No	No	12	\$836	-	-	\$836

1BR-1BA-639sf / 60% of AMI / 60% of AMI	No	No	3	\$836	-	-	\$836
2BR-1.5BA-831sf / 50% of AMI / 50% of AMI	Yes	Yes	2	\$794	\$1,013	\$1,385	\$1,385
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	Yes	1	\$980	-	\$1,385	\$1,385
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	No	3	\$980	-	-	\$980
Total / Average			38	\$763	\$904	\$1,262	\$1,071

Our analysis suggests an average program rent limit of \$1,071 for 38 applicable units at the subject property.

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

Achievable Rents									
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Program	Unrestricted	Restricted	Achievable	Proposed	Advantage
1BR-1BA-510sf / 40% of AMI / 40% of AMI	Yes	Yes	3	\$1,240	\$1,240	\$750	\$1,240	\$961	22.5%
1BR-1BA-639sf / 40% of AMI / 40% of AMI	Yes	Yes	1	\$1,240	\$1,240	\$770	\$1,240	\$961	22.5%
1BR-1BA-510sf / 50% of AMI / 50% of AMI	Yes	Yes	5	\$1,240	\$1,240	\$750	\$1,240	\$961	22.5%
1BR-1BA-510sf / 50% of AMI / 50% of AMI	No	Yes	8	\$1,240	\$1,240	\$750	\$1,240	\$961	22.5%
1BR-1BA-510sf / 60% of AMI / 60% of AMI	No	No	12	\$836	\$1,240	\$750	\$750	\$750	0.0%
1BR-1BA-639sf / 60% of AMI / 60% of AMI	No	No	3	\$836	\$1,240	\$770	\$770	\$775	-0.6%
2BR-1.5BA-831sf / 50% of AMI / 50% of AMI	Yes	Yes	2	\$1,385	\$1,385	\$900	\$1,385	\$1,115	19.5%
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	Yes	1	\$1,385	\$1,385	\$900	\$1,385	\$1,115	19.5%
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	No	3	\$980	\$1,385	\$900	\$900	\$910	-1.1%
Total / Average			38	\$1,071	\$1,263	\$776	\$1,033	\$888	14.0%

Our analysis suggests an average achievable rent of \$1,033 for the subject property. This is compared with an average proposed rent of \$888, yielding an achievable rent advantage of 14 percent. Overall, the subject property appears to be priced at or below achievable rents for the area (although one or more units appear to exceed achievable rents).

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

Achievable Rents, No Rent Subsidies									
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Program	Unrestricted	Restricted	Achievable	Proposed	Advantage
1BR-1BA-510sf / 40% of AMI / 40% of AMI	Yes	No	3	\$527	\$1,240	\$750	\$527	\$961	-82.4%
1BR-1BA-639sf / 40% of AMI / 40% of AMI	Yes	No	1	\$527	\$1,240	\$770	\$527	\$961	-82.4%
1BR-1BA-510sf / 50% of AMI / 50% of AMI	Yes	No	5	\$681	\$1,240	\$750	\$681	\$961	-41.1%
1BR-1BA-510sf / 50% of AMI / 50% of AMI	No	No	8	\$681	\$1,240	\$750	\$681	\$961	-41.1%
1BR-1BA-510sf / 60% of AMI / 60% of AMI	No	No	12	\$836	\$1,240	\$750	\$750	\$750	0.0%
1BR-1BA-639sf / 60% of AMI / 60% of AMI	No	No	3	\$836	\$1,240	\$770	\$770	\$775	-0.6%
2BR-1.5BA-831sf / 50% of AMI / 50% of AMI	Yes	No	2	\$794	\$1,385	\$900	\$794	\$1,115	-40.4%
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	No	1	\$980	\$1,385	\$900	\$900	\$1,115	-23.9%
2BR-1.5BA-831sf / 60% of AMI / 60% of AMI	No	No	3	\$980	\$1,385	\$900	\$900	\$910	-1.1%
Total / Average			38	\$763	\$1,263	\$776	\$723	\$888	-22.9%

DEMAND ANALYSIS

Overview

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

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

2021 \$		65+ Renter Households, by Income, by Size							
		2023							
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Total	
\$0	to \$9,999	190	35	8	2	7	0	243	
\$0	to \$19,999	590	146	41	11	31	12	832	
\$0	to \$29,999	941	193	53	17	43	13	1,261	
\$0	to \$39,999	1,109	249	81	20	56	17	1,533	
\$0	to \$49,999	1,276	297	122	24	62	18	1,799	
\$0	to \$59,999	1,353	319	137	52	68	18	1,947	
\$0	to \$74,999	1,438	400	188	54	81	21	2,182	
\$0	to \$99,999	1,525	475	225	57	91	24	2,397	
\$0	to \$124,999	1,599	505	231	60	94	24	2,513	
\$0	to \$149,999	1,652	514	236	61	97	24	2,585	
\$0	to \$199,999	1,680	533	242	61	102	24	2,643	
\$0	or more	1,714	541	245	64	110	26	2,699	

Source: ESRI & Ribbon Demographics

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

Competing & Pipeline Units, 1-Bedroom Units

Overview		Total Units											Vacant Units									
Key Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt	Sub	30%	40%	50%	60%	70%	80%	Mkt	
022 Braywood Manor Apartments	1979	na	Subsidized	Elderly	Stabilized	220																
076 Old Donation Apartments	1970	2009	Market Rate	Elderly	Stabilized								58									
116 Tranquility at the Lakes I	2015	na	Restricted	Elderly	Stabilized	20			14													
117 Tranquility at the Lakes II	2021	na	Restricted	Elderly	Prop Const	17				15				17							15	
123 Victoria Place Apartments	2003	na	Restricted	Elderly	Stabilized				28	24							1					
128 Wesleyan Place Apartments	2008	na	Restricted	Elderly	Stabilized					7												
Total						257			42	46			58	17			1				15	

Source: Allen & Associates

Competing & Pipeline Units, 2-Bedroom Units

Overview		Total Units											Vacant Units										
Key Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt	Sub	30%	40%	50%	60%	70%	80%	Mkt		
022 Braywood Manor Apartments	1979	na	Subsidized	Elderly	Stabilized	18																	
076 Old Donation Apartments	1970	2009	Market Rate	Elderly	Stabilized								162									7	
116 Tranquility at the Lakes I	2015	na	Restricted	Elderly	Stabilized				6														
117 Tranquility at the Lakes II	2021	na	Restricted	Elderly	Prop Const	3				3				3								3	
123 Victoria Place Apartments	2003	na	Restricted	Elderly	Stabilized				33	37												2	
128 Wesleyan Place Apartments	2008	na	Restricted	Elderly	Stabilized				46	38												1	
Total						21			85	78			162	3				1				5	7

Source: Allen & Associates

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

In this section we estimate demand for the 1-Bedroom / Subsidized / 50% of AMI units at the subject property. Our analysis assumes a total of 17 units, 17 of which are anticipated to be vacant on market entry in 2023. Our analysis assumes a 50% income qualification ratio and 2-person households.

Unit Details	
Target Population	65+ Households
Unit Type	1-Bedroom
Rent Type	Subsidized
Income Limit	50% of AMI
Total Units	17
Vacant Units at Market Entry	17

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$92
Gross Rent	\$92
Income Qualification Ratio	50%
Minimum Qualified Income	\$184
Months/Year	12
Minimum Qualified Income	\$2,208

65+ Renter Households, by Income, by Size								
2023								
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	190	35	8	2	7	0
\$0	to	\$19,999	590	146	41	11	31	12
\$0	to	\$29,999	941	193	53	17	43	13
\$0	to	\$39,999	1,109	249	81	20	56	17
\$0	to	\$49,999	1,276	297	122	24	62	18
\$0	to	\$59,999	1,353	319	137	52	68	18
\$0	to	\$74,999	1,438	400	188	54	81	21
\$0	to	\$99,999	1,525	475	225	57	91	24
\$0	to	\$124,999	1,599	505	231	60	94	24
\$0	to	\$149,999	1,652	514	236	61	97	24
\$0	to	\$199,999	1,680	533	242	61	102	24
\$0	or	more	1,714	541	245	64	110	26

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$28,900	\$33,000	\$37,150	\$41,250	\$44,550	\$47,850	

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

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	888	210	0	0	0	0
HH Below Minimum Income	38	7	0	0	0	0
Subtotal	850	203	0	0	0	0

Demand Estimate 1,053

Our analysis suggests demand for a total of 1,053 size- and income-qualified units in the market area.

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

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

In this section we estimate demand for the 1-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 15 units, 15 of which are anticipated to be vacant on market entry in 2023. Our analysis assumes a 50% income qualification ratio and 2-person households.

Unit Details	
Target Population	65+ Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	15
Vacant Units at Market Entry	15

Minimum Qualified Income	
Net Rent	\$750
Utilities	\$92
Gross Rent	\$842
Income Qualification Ratio	50%
Minimum Qualified Income	\$1,684
Months/Year	12
Minimum Qualified Income	\$20,208

65+ Renter Households, by Income, by Size								
2023								
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	190	35	8	2	7	0
\$0	to	\$19,999	590	146	41	11	31	12
\$0	to	\$29,999	941	193	53	17	43	13
\$0	to	\$39,999	1,109	249	81	20	56	17
\$0	to	\$49,999	1,276	297	122	24	62	18
\$0	to	\$59,999	1,353	319	137	52	68	18
\$0	to	\$74,999	1,438	400	188	54	81	21
\$0	to	\$99,999	1,525	475	225	57	91	24
\$0	to	\$124,999	1,599	505	231	60	94	24
\$0	to	\$149,999	1,652	514	236	61	97	24
\$0	to	\$199,999	1,680	533	242	61	102	24
\$0	or	more	1,714	541	245	64	110	26

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$34,680	\$39,600	\$44,580	\$49,500	\$53,460	\$57,420	

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

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	1,017	246	0	0	0	0
HH Below Minimum Income	590	146	0	0	0	0
Subtotal	427	100	0	0	0	0

Demand Estimate 527

Our analysis suggests demand for a total of 527 size- and income-qualified units in the market area.

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

Demand Estimate, 2-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 3 units, 3 of which are anticipated to be vacant on market entry in 2023. Our analysis assumes a 50% income qualification ratio and 2-person households.

Unit Details	
Target Population	65+ Households
Unit Type	2-Bedroom
Rent Type	Subsidized
Income Limit	60% of AMI
Total Units	3
Vacant Units at Market Entry	3

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$134
Gross Rent	\$134
Income Qualification Ratio	50%
Minimum Qualified Income	\$268
Months/Year	12
Minimum Qualified Income	\$3,216

65+ Renter Households, by Income, by Size								
2023								
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	190	35	8	2	7	0
\$0	to	\$19,999	590	146	41	11	31	12
\$0	to	\$29,999	941	193	53	17	43	13
\$0	to	\$39,999	1,109	249	81	20	56	17
\$0	to	\$49,999	1,276	297	122	24	62	18
\$0	to	\$59,999	1,353	319	137	52	68	18
\$0	to	\$74,999	1,438	400	188	54	81	21
\$0	to	\$99,999	1,525	475	225	57	91	24
\$0	to	\$124,999	1,599	505	231	60	94	24
\$0	to	\$149,999	1,652	514	236	61	97	24
\$0	to	\$199,999	1,680	533	242	61	102	24
\$0	or	more	1,714	541	245	64	110	26

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$34,680	\$39,600	\$44,580	\$49,500	\$53,460	\$57,420	

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

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	1,017	246	0	0	0	0
HH Below Minimum Income	57	11	0	0	0	0
Subtotal	960	236	0	0	0	0

Demand Estimate 1,195

Our analysis suggests demand for a total of 1,195 size- and income-qualified units in the market area.

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

Demand Estimate, 2-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 3 units, 3 of which are anticipated to be vacant on market entry in 2023. Our analysis assumes a 50% income qualification ratio and 2-person households.

Unit Details	
Target Population	65+ Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	3
Vacant Units at Market Entry	3

Minimum Qualified Income	
Net Rent	\$900
Utilities	\$134
Gross Rent	\$1,034
Income Qualification Ratio	50%
Minimum Qualified Income	\$2,068
Months/Year	12
Minimum Qualified Income	\$24,816

65+ Renter Households, by Income, by Size								
2023								
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	190	35	8	2	7	0
\$0	to	\$19,999	590	146	41	11	31	12
\$0	to	\$29,999	941	193	53	17	43	13
\$0	to	\$39,999	1,109	249	81	20	56	17
\$0	to	\$49,999	1,276	297	122	24	62	18
\$0	to	\$59,999	1,353	319	137	52	68	18
\$0	to	\$74,999	1,438	400	188	54	81	21
\$0	to	\$99,999	1,525	475	225	57	91	24
\$0	to	\$124,999	1,599	505	231	60	94	24
\$0	to	\$149,999	1,652	514	236	61	97	24
\$0	to	\$199,999	1,680	533	242	61	102	24
\$0	or	more	1,714	541	245	64	110	26

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$34,680	\$39,600	\$44,580	\$49,500	\$53,460	\$57,420	

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

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	1,017	246	0	0	0	0
HH Below Minimum Income	748	167	0	0	0	0
Subtotal	269	79	0	0	0	0

Demand Estimate 348

Our analysis suggests demand for a total of 348 size- and income-qualified units in the market area.

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

Demand Estimate, Subsidized

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

65+ Renter Households, by Income, by Size								
		2023						
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	190	35	8	2	7	0
\$0	to	\$19,999	590	146	41	11	31	12
\$0	to	\$29,999	941	193	53	17	43	13
\$0	to	\$39,999	1,109	249	81	20	56	17
\$0	to	\$49,999	1,276	297	122	24	62	18
\$0	to	\$59,999	1,353	319	137	52	68	18
\$0	to	\$74,999	1,438	400	188	54	81	21
\$0	to	\$99,999	1,525	475	225	57	91	24
\$0	to	\$124,999	1,599	505	231	60	94	24
\$0	to	\$149,999	1,652	514	236	61	97	24
\$0	to	\$199,999	1,680	533	242	61	102	24
\$0	or	more	1,714	541	245	64	110	26

Demand Estimate, Subsidized						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Income, 0BR	-	-	-	-	-	-
Maximum Income, 1BR	\$28,900	\$33,000	-	-	-	-
Maximum Income, 2BR	\$34,680	\$39,600	-	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-
Maximum Allowable Income	\$34,680	\$39,600	-	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-
Minimum Income, 1BR	\$2,208	\$2,208	-	-	-	-
Minimum Income, 2BR	\$3,216	\$3,216	-	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-
Minimum Qualified Income	\$2,208	\$2,208	-	-	-	-
HH Below Upper Income	1,017	246	0	0	0	0
HH Below Lower Income	38	7	0	0	0	0
Subtotal	979	239	0	0	0	0

Demand Estimate 1,218

Our analysis suggests demand for a total of 1,218 size- and income-qualified units in the market area.

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

Demand Estimate, Restricted, 60% of AMI

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

65+ Renter Households, by Income, by Size								
		2023						
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	190	35	8	2	7	0
\$0	to	\$19,999	590	146	41	11	31	12
\$0	to	\$29,999	941	193	53	17	43	13
\$0	to	\$39,999	1,109	249	81	20	56	17
\$0	to	\$49,999	1,276	297	122	24	62	18
\$0	to	\$59,999	1,353	319	137	52	68	18
\$0	to	\$74,999	1,438	400	188	54	81	21
\$0	to	\$99,999	1,525	475	225	57	91	24
\$0	to	\$124,999	1,599	505	231	60	94	24
\$0	to	\$149,999	1,652	514	236	61	97	24
\$0	to	\$199,999	1,680	533	242	61	102	24
\$0	or	more	1,714	541	245	64	110	26

Demand Estimate, Restricted, 60% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$34,680	\$39,600	-	-	-	-	-
Maximum Income, 2BR	\$34,680	\$39,600	-	-	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$34,680	\$39,600	-	-	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$20,208	\$20,208	-	-	-	-	-
Minimum Income, 2BR	\$24,816	\$24,816	-	-	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$20,208	\$20,208	-	-	-	-	-
HH Below Upper Income	1,017	246	0	0	0	0	0
HH Below Lower Income	590	146	0	0	0	0	0
Subtotal	427	100	0	0	0	0	0

Demand Estimate

527

Our analysis suggests demand for a total of 527 size- and income-qualified units in the market area.

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

Demand Estimate, Project-Level

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

65+ Renter Households, by Income, by Size								
			2023					
2021	\$		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	190	35	8	2	7	0
\$0	to	\$19,999	590	146	41	11	31	12
\$0	to	\$29,999	941	193	53	17	43	13
\$0	to	\$39,999	1,109	249	81	20	56	17
\$0	to	\$49,999	1,276	297	122	24	62	18
\$0	to	\$59,999	1,353	319	137	52	68	18
\$0	to	\$74,999	1,438	400	188	54	81	21
\$0	to	\$99,999	1,525	475	225	57	91	24
\$0	to	\$124,999	1,599	505	231	60	94	24
\$0	to	\$149,999	1,652	514	236	61	97	24
\$0	to	\$199,999	1,680	533	242	61	102	24
\$0	or	more	1,714	541	245	64	110	26

Demand Estimate, Project-Level							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, Subsidized	\$34,680	\$39,600	-	-	-	-	-
Maximum Income, 30% of AMI	-	-	-	-	-	-	-
Maximum Income, 40% of AMI	-	-	-	-	-	-	-
Maximum Income, 50% of AMI	-	-	-	-	-	-	-
Maximum Income, 60% of AMI	\$34,680	\$39,600	-	-	-	-	-
Maximum Income, 70% of AMI	-	-	-	-	-	-	-
Maximum Income, 80% of AMI	-	-	-	-	-	-	-
Maximum Income, Market Rate	-	-	-	-	-	-	-
Maximum Allowable Income	\$34,680	\$39,600	-	-	-	-	-
Minimum Income, Subsidized	\$2,208	\$2,208	-	-	-	-	-
Minimum Income, 30% of AMI	-	-	-	-	-	-	-
Minimum Income, 40% of AMI	-	-	-	-	-	-	-
Minimum Income, 50% of AMI	-	-	-	-	-	-	-
Minimum Income, 60% of AMI	\$20,208	\$20,208	-	-	-	-	-
Minimum Income, 70% of AMI	-	-	-	-	-	-	-
Minimum Income, 80% of AMI	-	-	-	-	-	-	-
Minimum Income, Market Rate	-	-	-	-	-	-	-
Minimum Qualified Income	\$2,208	\$2,208	-	-	-	-	-
HH Below Upper Income	1,017	246	0	0	0	0	0
HH Below Lower Income	38	7	0	0	0	0	0
Subtotal	979	239	0	0	0	0	0

Demand Estimate 1,218

Our analysis suggests project-level demand for a total of 1,218 size- and income-qualified units in the market area.

Capture Rates

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

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	17				15				32
2BR	3				3				6
3BR									
4BR									
Tot	20				18				38

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	17				15				32
2BR	3				3				6
3BR									
4BR									
Tot	20				18				38

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

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

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	1,053				527				1,580
2BR	1,195				348				1,543
3BR									
4BR									
Tot	1,218				527				1,218

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

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	1.6%				2.8%				2.0%
2BR	0.3%				0.9%				0.4%
3BR									
4BR									
Tot	1.6%				3.4%				3.1%

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

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

Vacant Competing & Pipeline Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	17				15				32
2BR	3				5				8
3BR									
4BR									
Tot	20				20				40

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

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

Net Demand (Gross Demand - Vacant Competing & Pipeline Units)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	1,036				512				1,548
2BR	1,192				343				1,535
3BR									
4BR									
Tot	1,198				507				1,178

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

Capture Rates (Subject Property Units / Net Demand)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	1.6%				2.9%				2.1%
2BR	0.3%				0.9%				0.4%
3BR									
4BR									
Tot	1.7%				3.6%				3.2%

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

Penetration Rates

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

Subject Property Units (Total)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	17				15				32
2BR	3				3				6
3BR									
4BR									
Tot	20				18				38

Subject Property Units (Vacant at Market Entry)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	17				15				32
2BR	3				3				6
3BR									
4BR									
Tot	20				18				38

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

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

Gross Demand									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	1,053				527				1,580
2BR	1,195				348				1,543
3BR									
4BR									
Tot	1,218				527				1,218

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

Competing & Pipeline Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	257				46				303
2BR	21				78				99
3BR									
4BR									
Tot	278				124				402

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

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

Inclusive Supply (Subject Property Units + Competing & Pipeline Units)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	274				61				335
2BR	24				81				105
3BR									
4BR									
Tot	298				142				440

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

Penetration Rates (Inclusive Supply / Gross Demand)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	26.0%				11.6%				21.2%
2BR	2.0%				23.3%				6.8%
3BR									
4BR									
Tot	24.5%				26.9%				36.1%

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

Absorption Period

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

Subject Property Units (Total)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	17				15			
2BR	3				3			
3BR								
4BR								

Subject Property Units (Vacant at Market Entry)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	17				15			
2BR	3				3			
3BR								
4BR								

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

Gross Demand								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	1,053				527			
2BR	1,195				348			
3BR								
4BR								

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

Annual Growth & Movership Rate	
Growth	3.6%
Movership	8.0%
Total	11.5%

Growth & Movership Estimate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	121				61			
2BR	138				40			
3BR								
4BR								

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

Secondary Market Area	
	40%

Growth & Movership Estimate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	202				101			
2BR	230				67			
3BR								
4BR								

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

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

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

Fair Share								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	50.0%				50.0%			
2BR	50.0%				50.0%			
3BR								
4BR								

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

Monthly Absorption Rate Estimate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	8.4				4.2			
2BR	9.6				2.8			
3BR								
4BR								

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

Rental Property Inventory, Confirmed, Inside Market Area, Elderly, Stabilized Occupancy								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	100%			98%	100%			100%
2BR	100%			99%	97%			96%
3BR								100%
4BR								

Occupancy Rate, Select Comparables								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR				96%	99%			96%
2BR				99%	99%			98%
3BR								
4BR								

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

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

Occupied Units at Stabilization								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	16				15			
2BR	3				3			
3BR								
4BR								

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

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

Our analysis suggests that the subject property will stabilize at 97 percent occupancy. We estimate 3 months of absorption and an average absorption rate of 10.7 units per month for this project. In our opinion, the absorption period suggests an appropriate number and mix of units for the subject property.

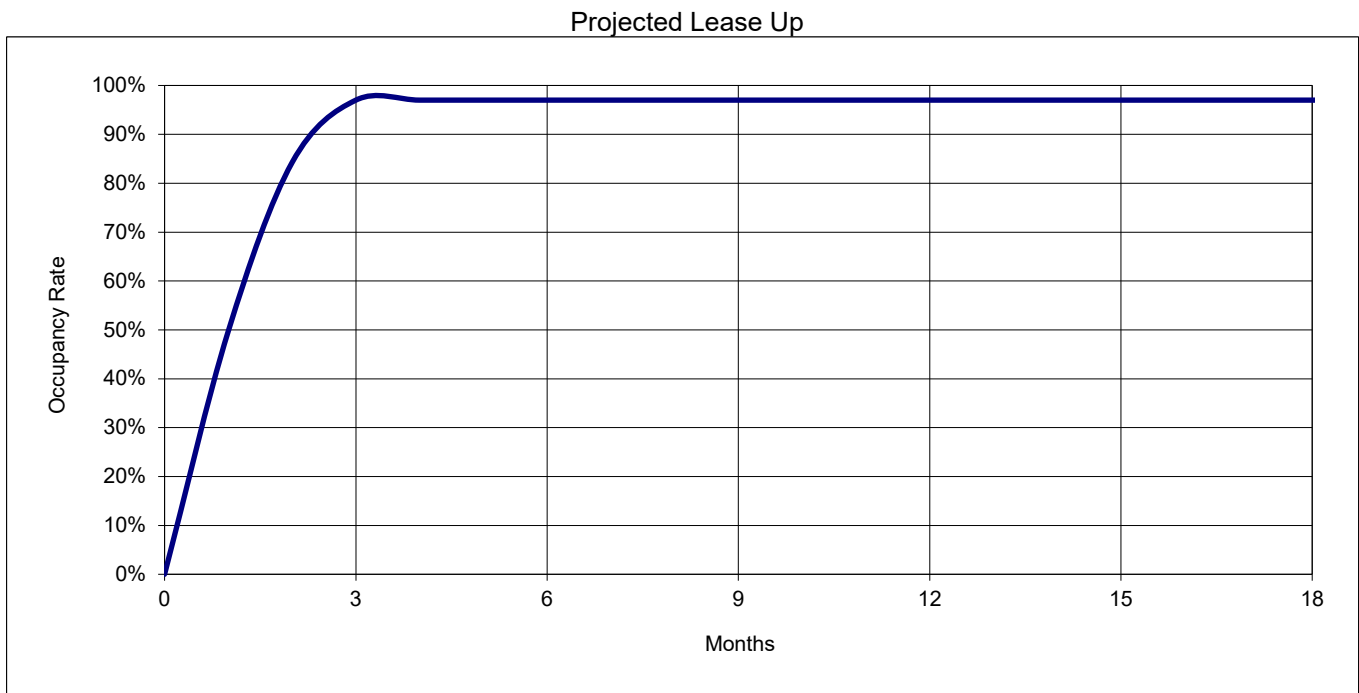
Absorption rates for age-restricted multifamily properties depend on a variety of factors: (1) The competitive environment in which the property resides; (2) The pricing of the subject property units relative to competing units, (3) The presence of rent or income restrictions at the subject property;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

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

Key	Project	Built	Renovated	Rent Type	Occ Type	Tot Units	Abs
013	Baker Woods Apartments Phase 1	2015	na	Restricted	Family	96	19.2
090	Pointe at Pickett Farms (The)	2014	na	Restricted	Family	120	60.0
092	Quill Apartments	2015	na	Restricted	Family	180	90.0
141	Marina Villa Apartments	2020	na	Market Rate	Family	105	7.9

Absorption Analysis

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



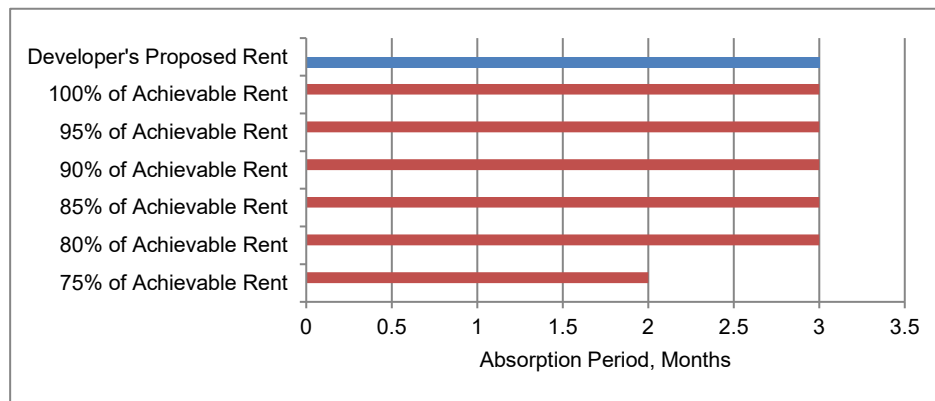
Our analysis suggests that the subject property will achieve 70 percent occupancy in 1 months, 80 percent occupancy in 1 months, and 90 percent occupancy in 2 months. We anticipate that the subject property will stabilize at 97 percent occupancy in 3 months.

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

Sensitivity Analysis

We also explored the relationship between rent level, capture rates, penetration rates, and absorption period. For purposes of this analysis, we forecasted demand and fill rates at 75%, 80%, 85%, 90%, 95% and 100% of achievable rent (derived earlier in this report). Our analysis is summarized below:

Scenario	Capture Rate	Penetration Rate	Absorption
Developer's Proposed Rent	3.2%	36.1%	3 months
100% of Achievable Rent	3.2%	36.1%	3 months
95% of Achievable Rent	3.2%	36.1%	3 months
90% of Achievable Rent	3.2%	36.1%	3 months
85% of Achievable Rent	3.2%	36.1%	3 months
80% of Achievable Rent	3.2%	36.1%	3 months
75% of Achievable Rent	3.2%	36.1%	2 months



Our analysis suggests the following relationship between rent levels and fill rates: At the developer's proposed rent we anticipate a 3-month absorption period; at 100% of achievable rent we anticipate a 3-month absorption period; at 75% of achievable rent we anticipate a 2-month absorption period.

VHDA DEMAND ANALYSIS

Overview

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

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

55+ Renter Households, by Income, by Size

2021 \$			2021						
Min	to	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Total
\$0	to	\$9,999	289	76	18	3	10	1	398
\$0	to	\$19,999	875	262	89	11	43	16	1,296
\$0	to	\$29,999	1,291	369	145	33	65	22	1,925
\$0	to	\$39,999	1,497	524	196	61	82	25	2,385
\$0	to	\$49,999	1,739	629	245	68	99	31	2,811
\$0	to	\$59,999	1,865	707	287	94	127	43	3,123
\$0	to	\$74,999	2,031	858	353	107	146	47	3,542
\$0	to	\$99,999	2,201	1,039	433	114	163	53	4,003
\$0	to	\$124,999	2,301	1,094	443	143	178	58	4,216
\$0	to	\$149,999	2,372	1,131	460	146	191	62	4,363
\$0	to	\$199,999	2,419	1,183	469	149	201	63	4,485
\$0	or	more	2,490	1,228	482	156	210	65	4,631

Source: ESRI & Ribbon Demographics

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

In this section we estimate demand for the 1-Bedroom / Subsidized / 50% of AMI units at the subject property. Our analysis assumes a total of 17 units, 17 of which are anticipated to be vacant on market entry in 2021. Our analysis assumes a 40% income qualification ratio and 2-person households.

Unit Details	
Target Population	55+ Households
Unit Type	1-Bedroom
Rent Type	Subsidized
Income Limit	50% of AMI
Total Units	17
Vacant Units at Market Entry	17

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$92
Gross Rent	\$92
Income Qualification Ratio	40%
Minimum Qualified Income	\$230
Months/Year	12
Minimum Qualified Income	\$2,760

55+ Renter Households, by Income, by Size

		2021						
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	289	76	18	3	10	1
\$0	to	\$19,999	875	262	89	11	43	16
\$0	to	\$29,999	1,291	369	145	33	65	22
\$0	to	\$39,999	1,497	524	196	61	82	25
\$0	to	\$49,999	1,739	629	245	68	99	31
\$0	to	\$59,999	1,865	707	287	94	127	43
\$0	to	\$74,999	2,031	858	353	107	146	47
\$0	to	\$99,999	2,201	1,039	433	114	163	53
\$0	to	\$124,999	2,301	1,094	443	143	178	58
\$0	to	\$149,999	2,372	1,131	460	146	191	62
\$0	to	\$199,999	2,419	1,183	469	149	201	63
\$0	or	more	2,490	1,228	482	156	210	65

Maximum Allowable Income							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income		\$28,900	\$33,000	\$37,150	\$41,250	\$44,550	\$47,850

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

Demand Estimate							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income		1,229	416	0	0	0	0
HH Below Minimum Income		72	19	0	0	0	0
Subtotal		1,156	397	0	0	0	0

Demand Estimate 1,553

Our analysis suggests demand for a total of 1,553 size- and income-qualified units in the market area.

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

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

In this section we estimate demand for the 1-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 15 units, 15 of which are anticipated to be vacant on market entry in 2021. Our analysis assumes a 40% income qualification ratio and 2-person households.

Unit Details	
Target Population	55+ Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	15
Vacant Units at Market Entry	15

Minimum Qualified Income	
Net Rent	\$750
Utilities	\$92
Gross Rent	\$842
Income Qualification Ratio	40%
Minimum Qualified Income	\$2,105
Months/Year	12
Minimum Qualified Income	\$25,260

55+ Renter Households, by Income, by Size

		2021						
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	289	76	18	3	10	1
\$0	to	\$19,999	875	262	89	11	43	16
\$0	to	\$29,999	1,291	369	145	33	65	22
\$0	to	\$39,999	1,497	524	196	61	82	25
\$0	to	\$49,999	1,739	629	245	68	99	31
\$0	to	\$59,999	1,865	707	287	94	127	43
\$0	to	\$74,999	2,031	858	353	107	146	47
\$0	to	\$99,999	2,201	1,039	433	114	163	53
\$0	to	\$124,999	2,301	1,094	443	143	178	58
\$0	to	\$149,999	2,372	1,131	460	146	191	62
\$0	to	\$199,999	2,419	1,183	469	149	201	63
\$0	or	more	2,490	1,228	482	156	210	65

Maximum Allowable Income							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income		\$34,680	\$39,600	\$44,580	\$49,500	\$53,460	\$57,420

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

Demand Estimate							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income		1,384	516	0	0	0	0
HH Below Minimum Income		1,083	316	0	0	0	0
Subtotal		301	201	0	0	0	0

Demand Estimate 501

Our analysis suggests demand for a total of 501 size- and income-qualified units in the market area.

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

Demand Estimate, 2-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 3 units, 3 of which are anticipated to be vacant on market entry in 2021. Our analysis assumes a 40% income qualification ratio and 2-person households.

Unit Details	
Target Population	55+ Households
Unit Type	2-Bedroom
Rent Type	Subsidized
Income Limit	60% of AMI
Total Units	3
Vacant Units at Market Entry	3

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$134
Gross Rent	\$134
Income Qualification Ratio	40%
Minimum Qualified Income	\$335
Months/Year	12
Minimum Qualified Income	\$4,020

55+ Renter Households, by Income, by Size								
2021								
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	289	76	18	3	10	1
\$0	to	\$19,999	875	262	89	11	43	16
\$0	to	\$29,999	1,291	369	145	33	65	22
\$0	to	\$39,999	1,497	524	196	61	82	25
\$0	to	\$49,999	1,739	629	245	68	99	31
\$0	to	\$59,999	1,865	707	287	94	127	43
\$0	to	\$74,999	2,031	858	353	107	146	47
\$0	to	\$99,999	2,201	1,039	433	114	163	53
\$0	to	\$124,999	2,301	1,094	443	143	178	58
\$0	to	\$149,999	2,372	1,131	460	146	191	62
\$0	to	\$199,999	2,419	1,183	469	149	201	63
\$0	or	more	2,490	1,228	482	156	210	65

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$34,680	\$39,600	\$44,580	\$49,500	\$53,460	\$57,420	

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

Demand Estimate							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
HH Below Maximum Income	1,384	516	0	0	0	0	
HH Below Minimum Income	116	30	0	0	0	0	
Subtotal	1,268	486	0	0	0	0	

Demand Estimate 1,754

Our analysis suggests demand for a total of 1,754 size- and income-qualified units in the market area.

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

Demand Estimate, 2-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 3 units, 3 of which are anticipated to be vacant on market entry in 2021. Our analysis assumes a 40% income qualification ratio and 2-person households.

Unit Details	
Target Population	55+ Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	3
Vacant Units at Market Entry	3

Minimum Qualified Income	
Net Rent	\$900
Utilities	\$134
Gross Rent	\$1,034
Income Qualification Ratio	40%
Minimum Qualified Income	\$2,585
Months/Year	12
Minimum Qualified Income	\$31,020

55+ Renter Households, by Income, by Size

		2021						
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	289	76	18	3	10	1
\$0	to	\$19,999	875	262	89	11	43	16
\$0	to	\$29,999	1,291	369	145	33	65	22
\$0	to	\$39,999	1,497	524	196	61	82	25
\$0	to	\$49,999	1,739	629	245	68	99	31
\$0	to	\$59,999	1,865	707	287	94	127	43
\$0	to	\$74,999	2,031	858	353	107	146	47
\$0	to	\$99,999	2,201	1,039	433	114	163	53
\$0	to	\$124,999	2,301	1,094	443	143	178	58
\$0	to	\$149,999	2,372	1,131	460	146	191	62
\$0	to	\$199,999	2,419	1,183	469	149	201	63
\$0	or	more	2,490	1,228	482	156	210	65

		Maximum Allowable Income					
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income		\$34,680	\$39,600	\$44,580	\$49,500	\$53,460	\$57,420

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

		Demand Estimate					
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income		1,384	516	0	0	0	0
HH Below Minimum Income		1,312	385	0	0	0	0
Subtotal		72	132	0	0	0	0

Demand Estimate 204

Our analysis suggests demand for a total of 204 size- and income-qualified units in the market area.

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

Demand Estimate, Subsidized

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

55+ Renter Households, by Income, by Size								
2021								
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	289	76	18	3	10	1
\$0	to	\$19,999	875	262	89	11	43	16
\$0	to	\$29,999	1,291	369	145	33	65	22
\$0	to	\$39,999	1,497	524	196	61	82	25
\$0	to	\$49,999	1,739	629	245	68	99	31
\$0	to	\$59,999	1,865	707	287	94	127	43
\$0	to	\$74,999	2,031	858	353	107	146	47
\$0	to	\$99,999	2,201	1,039	433	114	163	53
\$0	to	\$124,999	2,301	1,094	443	143	178	58
\$0	to	\$149,999	2,372	1,131	460	146	191	62
\$0	to	\$199,999	2,419	1,183	469	149	201	63
\$0	or	more	2,490	1,228	482	156	210	65

Demand Estimate, Subsidized						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Income, 0BR	-	-	-	-	-	-
Maximum Income, 1BR	\$28,900	\$33,000	-	-	-	-
Maximum Income, 2BR	\$34,680	\$39,600	-	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-
Maximum Allowable Income	\$34,680	\$39,600	-	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-
Minimum Income, 1BR	\$2,760	\$2,760	-	-	-	-
Minimum Income, 2BR	\$4,020	\$4,020	-	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-
Minimum Qualified Income	\$2,760	\$2,760	-	-	-	-
HH Below Upper Income	1,384	516	0	0	0	0
HH Below Lower Income	72	19	0	0	0	0
Subtotal	1,311	497	0	0	0	0

Demand Estimate 1,809

Our analysis suggests demand for a total of 1,809 size- and income-qualified units in the market area.

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

Demand Estimate, Restricted, 60% of AMI

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

55+ Renter Households, by Income, by Size								
2021								
	2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	289	76	18	3	10	1
\$0	to	\$19,999	875	262	89	11	43	16
\$0	to	\$29,999	1,291	369	145	33	65	22
\$0	to	\$39,999	1,497	524	196	61	82	25
\$0	to	\$49,999	1,739	629	245	68	99	31
\$0	to	\$59,999	1,865	707	287	94	127	43
\$0	to	\$74,999	2,031	858	353	107	146	47
\$0	to	\$99,999	2,201	1,039	433	114	163	53
\$0	to	\$124,999	2,301	1,094	443	143	178	58
\$0	to	\$149,999	2,372	1,131	460	146	191	62
\$0	to	\$199,999	2,419	1,183	469	149	201	63
\$0	or	more	2,490	1,228	482	156	210	65

Demand Estimate, Restricted, 60% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$34,680	\$39,600	-	-	-	-	-
Maximum Income, 2BR	\$34,680	\$39,600	-	-	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$34,680	\$39,600	-	-	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$25,260	\$25,260	-	-	-	-	-
Minimum Income, 2BR	\$31,020	\$31,020	-	-	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$25,260	\$25,260	-	-	-	-	-
HH Below Upper Income	1,384	516	0	0	0	0	0
HH Below Lower Income	1,083	316	0	0	0	0	0
Subtotal	301	201	0	0	0	0	0

Demand Estimate

501

Our analysis suggests demand for a total of 501 size- and income-qualified units in the market area.

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

Demand Estimate

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

Income Qualified Renter Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	1,809				501			

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

Annual Renter Household Growth Rate								
2.1%								
New Rental Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	75				21			

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

Overburdened Renter Households								
48.2%								
Existing Households - Rent Overburdened								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	872				242			

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

Substandard Renter Households								
8.6%								
Existing Households - Substandard								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	155				43			

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

Elderly Homeowners Likely to Convert to Rental Housing								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	276				76			

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

Subject Property Units (Total)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	20				18			
Existing Qualifying Tenants Likely to Remain after Renovation								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot								

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

Total Demand								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	1,378				382			

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

Vacant Competing & Pipeline Units								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	20				20			

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

Net Demand (Total Demand - Vacant Competing & Pipeline Units)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	1,358				362			

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

Capture Rates (Subject Property Units / Net Demand)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	1.5%				5.0%			

Our findings are summarized below.

Project-Wide Capture Rate - LIHTC Units	2.2%
Project-Wide Capture Rate - Market Units	
Project-Wide Capture Rate - All Units	2.2%
Project-Wide Absorption Period (Months)	3 months

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

VHDA DEMAND ANALYSIS (UNSUBSIDIZED)

Overview

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

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

2021 \$		55+ Renter Households, by Income, by Size							
		2021							
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Total	
\$0	to \$9,999	289	76	18	3	10	1	398	
\$0	to \$19,999	875	262	89	11	43	16	1,296	
\$0	to \$29,999	1,291	369	145	33	65	22	1,925	
\$0	to \$39,999	1,497	524	196	61	82	25	2,385	
\$0	to \$49,999	1,739	629	245	68	99	31	2,811	
\$0	to \$59,999	1,865	707	287	94	127	43	3,123	
\$0	to \$74,999	2,031	858	353	107	146	47	3,542	
\$0	to \$99,999	2,201	1,039	433	114	163	53	4,003	
\$0	to \$124,999	2,301	1,094	443	143	178	58	4,216	
\$0	to \$149,999	2,372	1,131	460	146	191	62	4,363	
\$0	to \$199,999	2,419	1,183	469	149	201	63	4,485	
\$0	or more	2,490	1,228	482	156	210	65	4,631	

Source: ESRI & Ribbon Demographics

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

In this section we estimate demand for the 1-Bedroom / Restricted / 40% of AMI units at the subject property. Our analysis assumes a total of 4 units, 4 of which are anticipated to be vacant on market entry in 2021. Our analysis assumes a 40% income qualification ratio and 2-person households.

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

Minimum Qualified Income	
Net Rent	\$527
Utilities	\$92
Gross Rent	\$619
Income Qualification Ratio	40%
Minimum Qualified Income	\$1,548
Months/Year	12
Minimum Qualified Income	\$18,570

55+ Renter Households, by Income, by Size

		2021							
	2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
	\$0	to	\$9,999	289	76	18	3	10	1
	\$0	to	\$19,999	875	262	89	11	43	16
	\$0	to	\$29,999	1,291	369	145	33	65	22
	\$0	to	\$39,999	1,497	524	196	61	82	25
	\$0	to	\$49,999	1,739	629	245	68	99	31
	\$0	to	\$59,999	1,865	707	287	94	127	43
	\$0	to	\$74,999	2,031	858	353	107	146	47
	\$0	to	\$99,999	2,201	1,039	433	114	163	53
	\$0	to	\$124,999	2,301	1,094	443	143	178	58
	\$0	to	\$149,999	2,372	1,131	460	146	191	62
	\$0	to	\$199,999	2,419	1,183	469	149	201	63
	\$0	or	more	2,490	1,228	482	156	210	65

Maximum Allowable Income								
			1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income			\$23,120	\$26,400	\$29,720	\$33,000	\$35,640	\$38,280

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

Demand Estimate								
			1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income			1,000	326	0	0	0	0
HH Below Minimum Income			787	234	0	0	0	0
Subtotal			213	92	0	0	0	0

Demand Estimate 305

Our analysis suggests demand for a total of 305 size- and income-qualified units in the market area.

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

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

In this section we estimate demand for the 1-Bedroom / Restricted / 50% of AMI units at the subject property. Our analysis assumes a total of 13 units, 13 of which are anticipated to be vacant on market entry in 2021. Our analysis assumes a 40% income qualification ratio and 2-person households.

Unit Details	
Target Population	55+ Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	50% of AMI
Total Units	13
Vacant Units at Market Entry	13

Minimum Qualified Income	
Net Rent	\$681
Utilities	\$92
Gross Rent	\$773
Income Qualification Ratio	40%
Minimum Qualified Income	\$1,933
Months/Year	12
Minimum Qualified Income	\$23,190

55+ Renter Households, by Income, by Size

		2021						
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	289	76	18	3	10	1
\$0	to	\$19,999	875	262	89	11	43	16
\$0	to	\$29,999	1,291	369	145	33	65	22
\$0	to	\$39,999	1,497	524	196	61	82	25
\$0	to	\$49,999	1,739	629	245	68	99	31
\$0	to	\$59,999	1,865	707	287	94	127	43
\$0	to	\$74,999	2,031	858	353	107	146	47
\$0	to	\$99,999	2,201	1,039	433	114	163	53
\$0	to	\$124,999	2,301	1,094	443	143	178	58
\$0	to	\$149,999	2,372	1,131	460	146	191	62
\$0	to	\$199,999	2,419	1,183	469	149	201	63
\$0	or	more	2,490	1,228	482	156	210	65

Maximum Allowable Income							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income		\$28,900	\$33,000	\$37,150	\$41,250	\$44,550	\$47,850

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

Demand Estimate							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income		1,229	416	0	0	0	0
HH Below Minimum Income		1,000	294	0	0	0	0
Subtotal		229	121	0	0	0	0

Demand Estimate 350

Our analysis suggests demand for a total of 350 size- and income-qualified units in the market area.

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

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

In this section we estimate demand for the 1-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 15 units, 15 of which are anticipated to be vacant on market entry in 2021. Our analysis assumes a 40% income qualification ratio and 2-person households.

Unit Details	
Target Population	55+ Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	15
Vacant Units at Market Entry	15

Minimum Qualified Income	
Net Rent	\$750
Utilities	\$92
Gross Rent	\$842
Income Qualification Ratio	40%
Minimum Qualified Income	\$2,105
Months/Year	12
Minimum Qualified Income	\$25,260

55+ Renter Households, by Income, by Size

		2021						
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	289	76	18	3	10	1
\$0	to	\$19,999	875	262	89	11	43	16
\$0	to	\$29,999	1,291	369	145	33	65	22
\$0	to	\$39,999	1,497	524	196	61	82	25
\$0	to	\$49,999	1,739	629	245	68	99	31
\$0	to	\$59,999	1,865	707	287	94	127	43
\$0	to	\$74,999	2,031	858	353	107	146	47
\$0	to	\$99,999	2,201	1,039	433	114	163	53
\$0	to	\$124,999	2,301	1,094	443	143	178	58
\$0	to	\$149,999	2,372	1,131	460	146	191	62
\$0	to	\$199,999	2,419	1,183	469	149	201	63
\$0	or	more	2,490	1,228	482	156	210	65

Maximum Allowable Income							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income		\$34,680	\$39,600	\$44,580	\$49,500	\$53,460	\$57,420

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

Demand Estimate							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income		1,384	516	0	0	0	0
HH Below Minimum Income		1,083	316	0	0	0	0
Subtotal		301	201	0	0	0	0

Demand Estimate 501

Our analysis suggests demand for a total of 501 size- and income-qualified units in the market area.

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

Demand Estimate, 2-Bedroom, Restricted, 50% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 50% of AMI units at the subject property. Our analysis assumes a total of 2 units, 2 of which are anticipated to be vacant on market entry in 2021. Our analysis assumes a 40% income qualification ratio and 2-person households.

Unit Details	
Target Population	55+ Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	50% of AMI
Total Units	2
Vacant Units at Market Entry	2

Minimum Qualified Income	
Net Rent	\$794
Utilities	\$134
Gross Rent	\$928
Income Qualification Ratio	40%
Minimum Qualified Income	\$2,320
Months/Year	12
Minimum Qualified Income	\$27,840

55+ Renter Households, by Income, by Size								
2021								
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	289	76	18	3	10	1
\$0	to	\$19,999	875	262	89	11	43	16
\$0	to	\$29,999	1,291	369	145	33	65	22
\$0	to	\$39,999	1,497	524	196	61	82	25
\$0	to	\$49,999	1,739	629	245	68	99	31
\$0	to	\$59,999	1,865	707	287	94	127	43
\$0	to	\$74,999	2,031	858	353	107	146	47
\$0	to	\$99,999	2,201	1,039	433	114	163	53
\$0	to	\$124,999	2,301	1,094	443	143	178	58
\$0	to	\$149,999	2,372	1,131	460	146	191	62
\$0	to	\$199,999	2,419	1,183	469	149	201	63
\$0	or	more	2,490	1,228	482	156	210	65

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$28,900	\$33,000	\$37,150	\$41,250	\$44,550	\$47,850	

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

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	1,229	416	0	0	0	0
HH Below Minimum Income	1,187	342	0	0	0	0
Subtotal	42	73	0	0	0	0

Demand Estimate 115

Our analysis suggests demand for a total of 115 size- and income-qualified units in the market area.

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

Demand Estimate, 2-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 4 units, 4 of which are anticipated to be vacant on market entry in 2021. Our analysis assumes a 40% income qualification ratio and 2-person households.

Unit Details	
Target Population	55+ Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	4
Vacant Units at Market Entry	4

Minimum Qualified Income	
Net Rent	\$900
Utilities	\$134
Gross Rent	\$1,034
Income Qualification Ratio	40%
Minimum Qualified Income	\$2,585
Months/Year	12
Minimum Qualified Income	\$31,020

55+ Renter Households, by Income, by Size

		2021						
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	289	76	18	3	10	1
\$0	to	\$19,999	875	262	89	11	43	16
\$0	to	\$29,999	1,291	369	145	33	65	22
\$0	to	\$39,999	1,497	524	196	61	82	25
\$0	to	\$49,999	1,739	629	245	68	99	31
\$0	to	\$59,999	1,865	707	287	94	127	43
\$0	to	\$74,999	2,031	858	353	107	146	47
\$0	to	\$99,999	2,201	1,039	433	114	163	53
\$0	to	\$124,999	2,301	1,094	443	143	178	58
\$0	to	\$149,999	2,372	1,131	460	146	191	62
\$0	to	\$199,999	2,419	1,183	469	149	201	63
\$0	or	more	2,490	1,228	482	156	210	65

Maximum Allowable Income							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income		\$34,680	\$39,600	\$44,580	\$49,500	\$53,460	\$57,420

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

Demand Estimate							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income		1,384	516	0	0	0	0
HH Below Minimum Income		1,312	385	0	0	0	0
Subtotal		72	132	0	0	0	0

Demand Estimate 204

Our analysis suggests demand for a total of 204 size- and income-qualified units in the market area.

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

Demand Estimate, Restricted, 40% of AMI

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

55+ Renter Households, by Income, by Size								
2021								
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	289	76	18	3	10	1
\$0	to	\$19,999	875	262	89	11	43	16
\$0	to	\$29,999	1,291	369	145	33	65	22
\$0	to	\$39,999	1,497	524	196	61	82	25
\$0	to	\$49,999	1,739	629	245	68	99	31
\$0	to	\$59,999	1,865	707	287	94	127	43
\$0	to	\$74,999	2,031	858	353	107	146	47
\$0	to	\$99,999	2,201	1,039	433	114	163	53
\$0	to	\$124,999	2,301	1,094	443	143	178	58
\$0	to	\$149,999	2,372	1,131	460	146	191	62
\$0	to	\$199,999	2,419	1,183	469	149	201	63
\$0	or	more	2,490	1,228	482	156	210	65

Demand Estimate, Restricted, 40% of AMI						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Income, 0BR	-	-	-	-	-	-
Maximum Income, 1BR	\$23,120	\$26,400	-	-	-	-
Maximum Income, 2BR	-	-	-	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-
Maximum Allowable Income	\$23,120	\$26,400	-	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-
Minimum Income, 1BR	\$18,570	\$18,570	-	-	-	-
Minimum Income, 2BR	-	-	-	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-
Minimum Qualified Income	\$18,570	\$18,570	-	-	-	-
HH Below Upper Income	1,000	326	0	0	0	0
HH Below Lower Income	787	234	0	0	0	0
Subtotal	213	92	0	0	0	0

Demand Estimate

305

Our analysis suggests demand for a total of 305 size- and income-qualified units in the market area.

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

Demand Estimate, Restricted, 50% of AMI

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

55+ Renter Households, by Income, by Size								
2021								
2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	289	76	18	3	10	1
\$0	to	\$19,999	875	262	89	11	43	16
\$0	to	\$29,999	1,291	369	145	33	65	22
\$0	to	\$39,999	1,497	524	196	61	82	25
\$0	to	\$49,999	1,739	629	245	68	99	31
\$0	to	\$59,999	1,865	707	287	94	127	43
\$0	to	\$74,999	2,031	858	353	107	146	47
\$0	to	\$99,999	2,201	1,039	433	114	163	53
\$0	to	\$124,999	2,301	1,094	443	143	178	58
\$0	to	\$149,999	2,372	1,131	460	146	191	62
\$0	to	\$199,999	2,419	1,183	469	149	201	63
\$0	or	more	2,490	1,228	482	156	210	65

Demand Estimate, Restricted, 50% of AMI						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Income, 0BR	-	-	-	-	-	-
Maximum Income, 1BR	\$28,900	\$33,000	-	-	-	-
Maximum Income, 2BR	\$28,900	\$33,000	-	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-
Maximum Allowable Income	\$28,900	\$33,000	-	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-
Minimum Income, 1BR	\$23,190	\$23,190	-	-	-	-
Minimum Income, 2BR	\$27,840	\$27,840	-	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-
Minimum Qualified Income	\$23,190	\$23,190	-	-	-	-
HH Below Upper Income	1,229	416	0	0	0	0
HH Below Lower Income	1,000	294	0	0	0	0
Subtotal	229	121	0	0	0	0

Demand Estimate 350

Our analysis suggests demand for a total of 350 size- and income-qualified units in the market area.

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

Demand Estimate, Restricted, 60% of AMI

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

55+ Renter Households, by Income, by Size								
2021								
	2021	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	289	76	18	3	10	1
\$0	to	\$19,999	875	262	89	11	43	16
\$0	to	\$29,999	1,291	369	145	33	65	22
\$0	to	\$39,999	1,497	524	196	61	82	25
\$0	to	\$49,999	1,739	629	245	68	99	31
\$0	to	\$59,999	1,865	707	287	94	127	43
\$0	to	\$74,999	2,031	858	353	107	146	47
\$0	to	\$99,999	2,201	1,039	433	114	163	53
\$0	to	\$124,999	2,301	1,094	443	143	178	58
\$0	to	\$149,999	2,372	1,131	460	146	191	62
\$0	to	\$199,999	2,419	1,183	469	149	201	63
\$0	or	more	2,490	1,228	482	156	210	65

Demand Estimate, Restricted, 60% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$34,680	\$39,600	-	-	-	-	-
Maximum Income, 2BR	\$34,680	\$39,600	-	-	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$34,680	\$39,600	-	-	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$25,260	\$25,260	-	-	-	-	-
Minimum Income, 2BR	\$31,020	\$31,020	-	-	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$25,260	\$25,260	-	-	-	-	-
HH Below Upper Income	1,384	516	0	0	0	0	0
HH Below Lower Income	1,083	316	0	0	0	0	0
Subtotal	301	201	0	0	0	0	0

Demand Estimate

501

Our analysis suggests demand for a total of 501 size- and income-qualified units in the market area.

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

Demand Estimate

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

Income Qualified Renter Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			305	350	501			

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

Annual Renter Household Growth Rate								
2.1%								
New Rental Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			13	15	21			

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

Overburdened Renter Households								
48.2%								
Existing Households - Rent Overburdened								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			147	169	242			

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

Substandard Renter Households								
8.6%								
Existing Households - Substandard								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			26	30	43			

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

Elderly Homeowners Likely to Convert to Rental Housing								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			46	53	76			

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

Subject Property Units (Total)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			4	15	19			
Existing Qualifying Tenants Likely to Remain after Renovation								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot								

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

Total Demand								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			232	267	382			

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

Vacant Competing & Pipeline Units								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot				2	20			

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

Net Demand (Total Demand - Vacant Competing & Pipeline Units)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			232	265	362			

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

Capture Rates (Subject Property Units / Net Demand)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			1.7%	5.7%	5.3%			

Our findings are summarized below.

Project-Wide Capture Rate - LIHTC Units	4.4%
Project-Wide Capture Rate - Market Units	
Project-Wide Capture Rate - All Units	4.4%
Project-Wide Absorption Period (Months)	3 months

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

RENT COMPARABLES, MARKET RATE

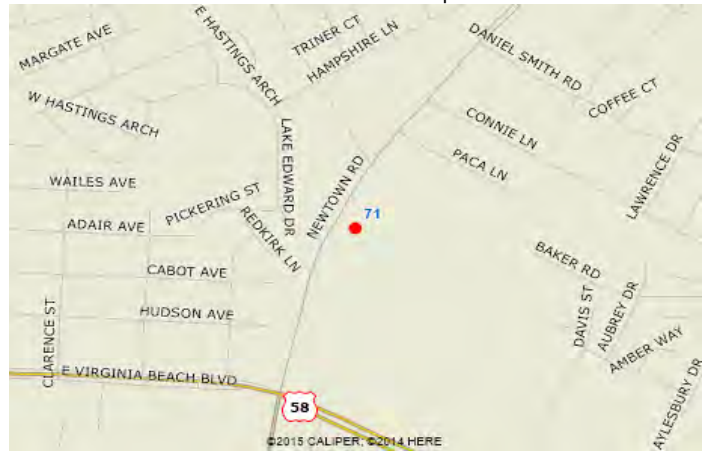
Project Information

Property Name	Nexus Flats
Street Number	548
Street Name	Newtown
Street Type	Road
City	Virginia Beach
State	Virginia
Zip	23462
Phone Number	(757) 517-8393
Year Built	2018
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	\$250
Other Fees	\$249
Waiting List	no
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.8581
Longitude	-76.1757
Nearest Crossroads	na
AAC Code	21-007 071

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Nadean, Asst. Manager
Phone Number	(757) 517-8393
Interview Date	25-Jan-21
Interviewed By	JS

The rates shown in this report represent some of the different floor plans available at this property. Unable to get rent rates for floorplans unless available or coming available. Total property unit count correct. Amenities "The Cave." Outdoor TV's, movies, Wi-Fi, bean bag toss, or a game of shuffleboard. Rent range due to unit location. Contact

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
0	1.0	563	Garden/Flat			No								
1	1.0	739	Garden/Flat	Mar	Mar	No	No	42	5	\$1,379		\$1,379	\$109	\$1,488
1	1.0	744	Garden/Flat	Mar	Mar	No	No	9	1	\$1,453		\$1,453	\$109	\$1,562
1	1.0		Garden/Flat			No								
1	1.0	899	Garden/Flat	Mar	Mar	No	No	6	3	\$1,519		\$1,519	\$109	\$1,628
1	1.0		Garden/Flat			No								
2	2.0	1106	Garden/Flat	Mar	Mar	No	No	61	1	\$1,621		\$1,621	\$131	\$1,752
2	2.0	1212	Garden/Flat	Mar	Mar	No	No	6	4	\$1,771		\$1,771	\$131	\$1,902
2	2.0	1239	Garden/Flat	Mar	Mar	No	No	12	1	\$1,691		\$1,691	\$131	\$1,822
2	2.0		Garden/Flat			No								
2	2.0		Garden/Flat			No								
2	2.0		Garden/Flat			No								
Total / Average		976						167	136	15		\$1,543	\$122	\$1,665

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

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

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

Access		
Rating (1-5 Scale)	Comp	Subj
Access	4.00	4.00
Comp vs. Subject	Similar	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.90	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.50	3.30
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.50	4.50
Comp vs. Subject	Similar	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2018	2021
Comp vs. Subject	Inferior	

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

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	some	yes
Storage	yes	no
Comp vs. Subject	Superior	

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

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

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

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

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

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

Services		
Amenity	Comp	Subj
After School	na	no
Concierge	yes	no
Hair Salon	na	no
Health Care	na	no
Housekeeping	na	no
Meals	na	no
Transportation	na	no
Comp vs. Subject	Superior	

Nexus Flats is an existing multifamily development located at 548 Newtown Road in Virginia Beach, Virginia. The property, which consists of 136 apartment units, was originally constructed in 2018 with conventional financing. All units are set aside as market rate units. The property currently stands at 89 percent occupancy.

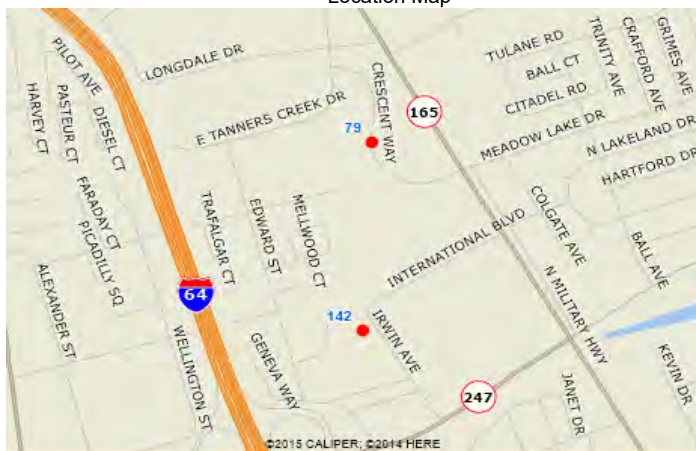
Project Information

Property Name	Park Crescent Apartments Phase 2
Street Number	6450
Street Name	Crescent
Street Type	Way
City	Norfolk
State	Virginia
Zip	23513
Phone Number	(757) 855-7275
Year Built	2013
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	\$250
Other Fees	\$210
Waiting List	na
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.8991
Longitude	-76.2287
Nearest Crossroads	na
AAC Code	21-007 079

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Dashanna, Leasing Agent
Phone Number	(757) 855-7275
Interview Date	25-Jan-21
Interviewed By	JS

There are no new apartments or businesses nearby. Contact advised that businesses in the area are not closing or laying off employees.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	762	Garden/Flat	Mar	Mar	No	No	32	1	\$1,250		\$1,250	\$133	\$1,383
2	2.0	975	Garden/Flat	Mar	Mar	No	No	80		\$1,270		\$1,270	\$156	\$1,426
Total / Average		914						169	1	\$1,264		\$1,264	\$149	\$1,414

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

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

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

Access		
Rating (1-5 Scale)	Comp	Subj
Access	4.00	4.00
Comp vs. Subject	Similar	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.20	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.00	3.30
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2013	2021
Comp vs. Subject	Inferior	

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

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	yes	no
Comp vs. Subject	Superior	

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

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

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

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

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

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

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

Park Crescent Apartments Phase 2 is an existing multifamily development located at 6450 Crescent Way in Norfolk, Virginia. The property, which consists of 112 apartment units, was originally constructed in 2013 with conventional financing. All units are set aside as market rate units. The property currently stands at 99 percent occupancy.

Project Information

Property Name	Coastal 61 At Oxford Village Coastal
Street Number	5832
Street Name	Coastal Pointe
Street Type	Drive
City	Virginia Beach
State	Virginia
Zip	23455
Phone Number	(757) 937-6106
Year Built	2020
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	\$750
Other Fees	\$250
Waiting List	9 people
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.8908
Longitude	-76.1457
Nearest Crossroads	na
AAC Code	21-007 136

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Kaila, Leasing Agent
Phone Number	(757) 937-6106
Interview Date	26-Jan-21
Interviewed By	JS

Property offers special of \$99 security deposit, waived application fee, and 50% off administration fee for preferred business.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	688	Garden/Flat	Mar	Mar	No	No	60		\$1,255		\$1,255	\$86	\$1,341
1	1.0	770	Garden/Flat	Mar	Mar	No	No	24		\$1,225		\$1,225	\$86	\$1,311
2	2.0	1039	Garden/Flat	Mar	Mar	No	No	62		\$1,535		\$1,535	\$108	\$1,643
2	2.0	1039	Garden/Flat	Mar	Mar	No	No	62		\$1,535		\$1,535	\$108	\$1,643
2	2.0	1106	Garden/Flat	Mar	Mar	No	No	12		\$1,550		\$1,550	\$108	\$1,658
3	2.0	1270	Garden/Flat	Mar	Mar	No	No	24		\$1,700		\$1,700	\$136	\$1,836
Total / Average		952						171	244	\$1,453		\$1,453	\$103	\$1,556

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

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	4.00	3.00
Comp vs. Subject	Superior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	4.00	4.00
Comp vs. Subject	Similar	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.10	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.60	3.30
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.50	4.50
Comp vs. Subject	Similar	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2020	2021
Comp vs. Subject	Inferior	

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

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Superior	

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

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

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

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

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

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

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

Coastal 61 At Oxford Village Coastal is an existing multifamily development located at 5832 Coastal Pointe Drive in Virginia Beach, Virginia. The property, which consists of 244 apartment units, was originally constructed in 2020 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Marina Villa Apartments
Street Number	8150
Street Name	Shore
Street Type	Drive
City	Norfolk
State	Virginia
Zip	23518
Phone Number	(759) 609-0562
Year Built	2020
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	na
Other Fees	\$350
Waiting List	na
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.9185
Longitude	-76.2159
Nearest Crossroads	na
AAC Code	21-007 141

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Courtney, Manager
Phone Number	(759) 609-0562
Interview Date	05-Feb-21
Interviewed By	JS

Contact advised range of rents due to unit location and water view. New property nearby is for 55+, although contact could not give a name.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	601	Garden/Flat	Mar	Mar	No	No	6		\$1,605		\$1,605	\$86	\$1,691
1	1.0	639	Garden/Flat	Mar	Mar	No	No	12		\$1,305		\$1,305	\$86	\$1,391
1	1.0	646	Garden/Flat	Mar	Mar	No	No	6		\$1,345		\$1,345	\$86	\$1,431
1	1.0	654	Garden/Flat	Mar	Mar	No	No	2		\$1,305		\$1,305	\$86	\$1,391
1	1.0	660	Garden/Flat	Mar	Mar	No	No	2	2	\$1,605		\$1,605	\$86	\$1,691
1	1.0	888	Garden/Flat	Mar	Mar	No	No	2		\$1,674		\$1,674	\$86	\$1,760
2	2.0	949	Garden/Flat	Mar	Mar	No	No	11	2	\$1,899		\$1,899	\$108	\$2,007
2	2.0	960	Garden/Flat	Mar	Mar	No	No	60		\$1,824		\$1,824	\$108	\$1,932
2	2.0	1006	Garden/Flat	Mar	Mar	No	No	2	1	\$1,874		\$1,874	\$108	\$1,982
2	2.0	1020	Garden/Flat	Mar	Mar	No	No	2	1	\$1,870		\$1,870	\$108	\$1,978
Total / Average		873						173	105	6		\$1,718	\$102	\$1,819

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

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	4.00	3.00
Comp vs. Subject	Superior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	4.00	4.00
Comp vs. Subject	Similar	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.10	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.70	3.30
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.50	4.50
Comp vs. Subject	Similar	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2020	2021
Comp vs. Subject	Inferior	

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

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Similar	

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

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

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

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

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

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

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

Marina Villa Apartments is an existing multifamily development located at 8150 Shore Drive in Norfolk, Virginia. The property, which consists of 105 apartment units, was originally constructed in 2020 with conventional financing. All units are set aside as market rate units. The property currently stands at 94 percent occupancy.

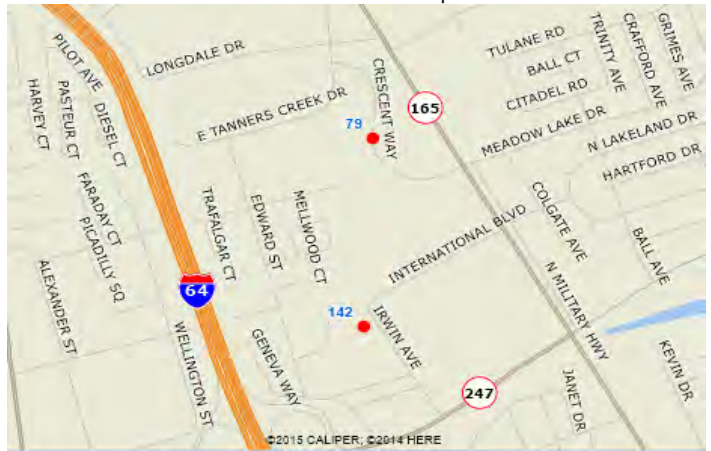
Project Information

Property Name	Meadowood Apartments
Street Number	6130
Street Name	Edward
Street Type	Street
City	Norfolk
State	Virginia
Zip	23513
Phone Number	(757) 965-5252
Year Built	2011
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	\$500
Other Fees	\$250
Waiting List	15 people
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.8948
Longitude	-76.2289
Nearest Crossroads	na
AAC Code	21-007 142

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Stephanie, Asst. Manager
Phone Number	(757) 965-5252
Interview Date	28-Jan-21
Interviewed By	JS

Contact advised turnover is high due to military tenants. There are no new apartments or businesses nearby. Contact advised that businesses in the area are not closing or laying off employees.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	850	Garden/Flat	Mar	Mar	No	No	60		\$1,159		\$1,159	\$109	\$1,268
2	2.0	1200	Garden/Flat	Mar	Mar	No	No	72		\$1,429		\$1,429	\$131	\$1,560
2	2.0	1230	Garden/Flat	Mar	Mar	No	No	24		\$1,459		\$1,459	\$131	\$1,590
3	2.0	1380	Garden/Flat	Mar	Mar	No	No	24		\$1,609		\$1,609	\$159	\$1,768
Total / Average		1,111						175		\$1,367		\$1,367	\$127	\$1,494

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

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

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

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

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.20	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.40	3.30
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2011	2021
Comp vs. Subject	Inferior	

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

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	no
Carpeting	yes	yes
Fireplace	some	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Superior	

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

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

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

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

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

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

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

Meadowood Apartments is an existing multifamily development located at 6130 Edward Street in Norfolk, Virginia. The property, which consists of 180 apartment units, was originally constructed in 2011 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

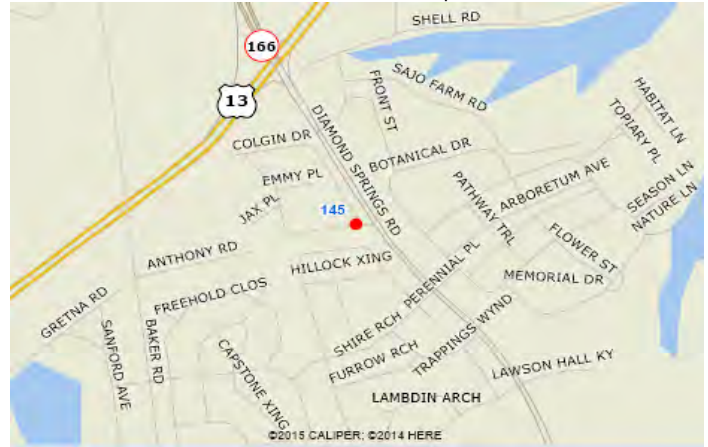
Project Information

Property Name	Spring Water Apartments
Street Number	1205
Street Name	Colgin
Street Type	Drive
City	Virginia Beach
State	Virginia
Zip	23455
Phone Number	(757) 961-1579
Year Built	2013
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	\$500
Other Fees	\$185
Waiting List	no
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.8831
Longitude	-76.1771
Nearest Crossroads	na
AAC Code	21-007 145

Photo



Location Map



Interview Notes

Person Interviewed	Mr. Steve, Leasing Agent
Phone Number	(757) 961-1579
Interview Date	28-Jan-21
Interviewed By	JS

Property has a bowling alley. Special of waived application fee for military. There are no new apartments or businesses nearby.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	850	Garden/Flat	Mar	Mar	No	No	72		\$1,290		\$1,290	\$86	\$1,376
2	2.0	1190	Garden/Flat	Mar	Mar	No	No	98		\$1,485		\$1,485	\$108	\$1,593
2	2.0	1250	Garden/Flat	Mar	Mar	No	No	48		\$1,525		\$1,525	\$108	\$1,633
3	2.0	1380	Garden/Flat	Mar	Mar	No	No	34		\$1,705		\$1,705	\$136	\$1,841
Total / Average		1,130						177		\$1,467		\$1,467	\$105	\$1,572

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

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	4.00	3.00
Comp vs. Subject	Superior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	4.00	4.00
Comp vs. Subject	Similar	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.50	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.70	3.30
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2013	2021
Comp vs. Subject	Inferior	

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

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Similar	

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

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

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

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

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

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

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

Spring Water Apartments is an existing multifamily development located at 1205 Colgin Drive in Virginia Beach, Virginia. The property, which consists of 252 apartment units, was originally constructed in 2013 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

RENT COMPARABLES, RESTRICTED RENT

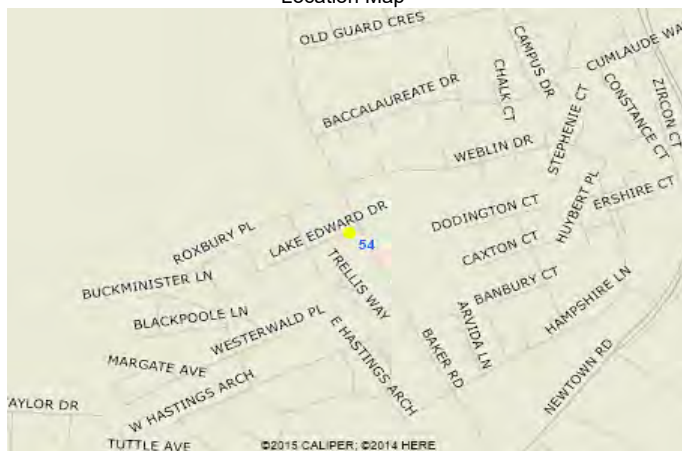
Project Information

Property Name	Hamptons (The) Apartments
Street Number	5781
Street Name	Lake Edward
Street Type	Drive
City	Virginia Beach
State	Virginia
Zip	23462
Phone Number	(757) 490-0056
Year Built	1967
Year Renovated	2000
Minimum Lease	12
Min. Security Dep.	\$500
Other Fees	\$50
Waiting List	no
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	1999 Tax Credit
Vouchers	
Latitude	36.8651
Longitude	-76.1794
Nearest Crossroads	na
AAC Code	21-007 054

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Niki, Leasing Agent
Phone Number	(757) 490-0056
Interview Date	26-Jan-21
Interviewed By	JS

1999 TC's awarded for rehabilitation of this property without project based rental assistance. Contact advised rent rates for Market Rate units are for Renovated units.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	850	Garden/Flat	60%	60%	No	No	10	1	\$826		\$826	\$34	\$860
1	1.0	850	Garden/Flat	Mar	Mar	No	No	14		\$1,075		\$1,075	\$34	\$1,109
2	1.0	1050	Garden/Flat	60%	60%	No	No	36		\$984		\$984	\$45	\$1,029
2	1.0	1050	Garden/Flat	Mar	Mar	No	No	52		\$1,265		\$1,265	\$45	\$1,310
2	1.5	1075	Garden/Flat	60%	60%	No	No	24		\$984		\$984	\$45	\$1,029
2	1.5	1075	Garden/Flat	Mar	Mar	No	No	34		\$1,273		\$1,273	\$45	\$1,318
3	2.0	1300	Garden/Flat	60%	60%	No	No	7		\$1,150		\$1,150	\$56	\$1,206
3	2.0	1300	Garden/Flat	Mar	Mar	No	No	11	1	\$1,450		\$1,450	\$56	\$1,506
3	2.5	1300	Townhome	60%	60%	No	No	10		\$1,150		\$1,150	\$66	\$1,216
3	2.5	1300	Townhome	Mar	Mar	No	No	14		\$1,450		\$1,450	\$66	\$1,516
Total / Average		1,084						180	2	\$1,166		\$1,166	\$47	\$1,213

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

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

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

Access		
Rating (1-5 Scale)	Comp	Subj
Access	3.50	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.70	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.00	3.30
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	2.50	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1990	2021
Comp vs. Subject	Inferior	

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

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	yes	no
Comp vs. Subject	Superior	

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

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

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

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

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

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

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

Hamptons (The) Apartments is an existing multifamily development located at 5781 Lake Edward Drive in Virginia Beach, Virginia. The property, which consists of 212 apartment units, was originally constructed in 1967. This property is currently operated as a rent restricted property. The property currently stands at 99 percent occupancy.

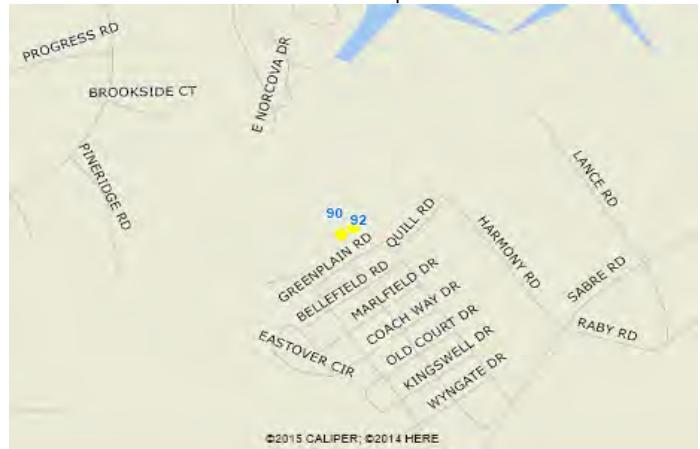
Project Information

Property Name	Pointe at Pickett Farms (The)	
Street Number	5424	
Street Name	Greenplain	
Street Type	Road	
City	Norfolk	
State	Virginia	
Zip	23502	
Phone Number	(757) 962-3159	
Year Built	2014	
Year Renovated	na	
Minimum Lease	12	
Min. Security Dep.	\$300	
Other Fees	\$32	
Waiting List	33 people	
Project Rent	Restricted	
Project Type	Family	
Project Status	Stabilized	
Financing	2012	Tax Credit
Vouchers	60	
Latitude	36.8619	
Longitude	-76.2225	
Nearest Crossroads	na	
AAC Code	21-007	090

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Jami, Asst. Manager	
Phone Number	(757) 962-3159	
Interview Date	25-Jan-21	
Interviewed By	JS	

2012 Tax Credits were awarded for construction of these units without project based rental assistance available to tenants. Contact advised units at 40% rent limit are never available and she could not give rent rates for those units.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	720	Garden/Flat			No								
1	1.0	720	Garden/Flat	60%	60%	No	No	18		\$823		\$823	\$97	\$920
2	2.0	1035	Garden/Flat			No								
2	2.0	1035	Garden/Flat	60%	60%	No	No	72		\$986		\$986	\$127	\$1,113
3	2.0	1222	Garden/Flat			No								
3	2.0	1222	Garden/Flat	60%	60%	No	No	30		\$1,131		\$1,131	\$156	\$1,287
Total / Average		1,035						120		\$998		\$998	\$130	\$1,128

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

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

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

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.75	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.90	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.40	3.30
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2014	2021
Comp vs. Subject	Inferior	

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

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	yes	no
Comp vs. Subject	Superior	

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

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

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

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

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

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

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

Pointe at Pickett Farms (The) is an existing multifamily development located at 5424 Greenplain Road in Norfolk, Virginia. The property, which consists of 120 apartment units, was originally constructed in 2014 . This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

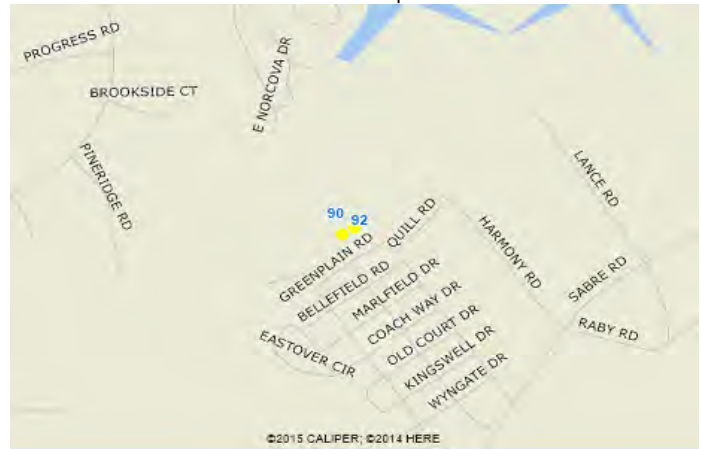
Project Information

Property Name	Quill Apartments
Street Number	5424
Street Name	Greenplain
Street Type	Road
City	Norfolk
State	Virginia
Zip	23502
Phone Number	(757) 962-3159
Year Built	2015
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	\$300
Other Fees	\$32
Waiting List	33 people
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	2013 Tax Credit
Vouchers	90
Latitude	36.8617
Longitude	-76.2228
Nearest Crossroads	na
AAC Code	21-007 092

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Jami, Asst. Manager
Phone Number	(757) 962-3159
Interview Date	25-Jan-21
Interviewed By	JS

2013 Tax Credits were awarded for construction of these units without project based rental assistance available to tenants. Contact advised units at 40% rent limit are never available and she could not give rent rates for those units. There are no new apartments nearby. Contact advised that businesses in the area are not closing or laying off

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	720	Garden/Flat			No								
1	1.0	720	Garden/Flat	60%	60%	No	No	30		\$823		\$823	\$106	\$929
2	2.0	1035	Garden/Flat			No								
2	2.0	1035	Garden/Flat	60%	60%	No	No	114		\$986		\$986	\$128	\$1,114
3	2.0	1222	Garden/Flat			No								
3	2.0	1222	Garden/Flat	60%	60%	No	No	36		\$1,131		\$1,131	\$157	\$1,288
Total / Average		1,020						184		\$988		\$988	\$130	\$1,118

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

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

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

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.75	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.90	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.30	3.30
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2015	2021
Comp vs. Subject	Inferior	

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

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	yes	no
Comp vs. Subject	Superior	

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

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

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

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

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

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

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

Quill Apartments is an existing multifamily development located at 5424 Greenplain Road in Norfolk, Virginia. The property, which consists of 180 apartment units, was originally constructed in 2015. This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

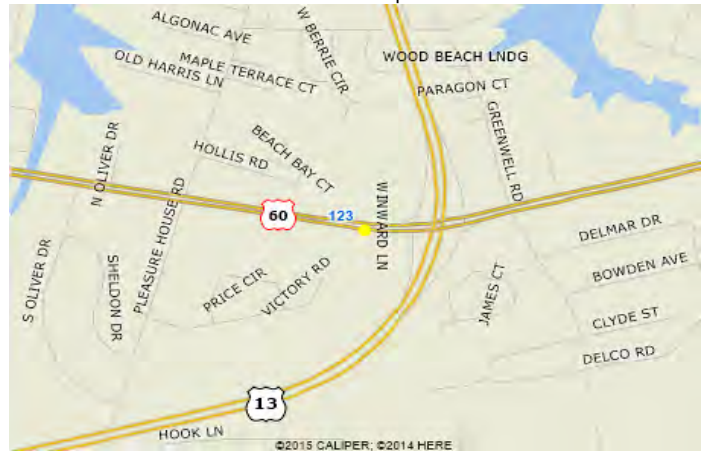
Project Information

Property Name	Victoria Place Apartments	
Street Number	4629	
Street Name	Shore	
Street Type	Drive	
City	Virginia Beach	
State	Virginia	
Zip	23455	
Phone Number	(757) 313-2323	
Year Built	2003	
Year Renovated	na	
Minimum Lease	12	
Min. Security Dep.	\$275	
Other Fees	\$28	
Waiting List	4 years	
Project Rent	Restricted	
Project Type	Elderly	
Project Status	Stabilized	
Financing	2001	Tax Credit
Vouchers	6	
Latitude	36.9037	
Longitude	-76.1309	
Nearest Crossroads	na	
AAC Code	21-007	123

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Teresa, Activites Director
Phone Number	(757) 313-2323
Interview Date	25-Jan-21
Interviewed By	JS

2001 Tax Credits awarded for construction of this HUD property without project based rental assistance. There are no new apartments nearby. Contact advised that businesses in the area are not closing or laying off employees.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	693	Garden/Flat	50%	50%	No	No	28	1	\$705		\$705	\$34	\$739
1	1.0	693	Garden/Flat	60%	60%	No	No	24		\$855		\$855	\$34	\$889
2	1.5	880	Garden/Flat	50%	50%	No	No	33		\$860		\$860	\$45	\$905
2	1.5	880	Garden/Flat	60%	60%	No	No	37	2	\$1,030		\$1,030	\$45	\$1,075
Total / Average		800						122	3	\$875		\$875	\$40	\$915

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

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

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

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.50	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.50	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.30	3.30
Comp vs. Subject	Similar	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.50	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2003	2021
Comp vs. Subject	Inferior	

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

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Similar	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	yes	yes
Microwave	no	no
Comp vs. Subject	Similar	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

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

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

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

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

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	yes	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	yes	no
Comp vs. Subject	Superior	

Victoria Place Apartments is an existing multifamily development located at 4629 Shore Drive in Virginia Beach, Virginia. The property, which consists of 122 apartment units, was originally constructed in 2003. This property is currently operated as a rent restricted property. The property currently stands at 98 percent occupancy.

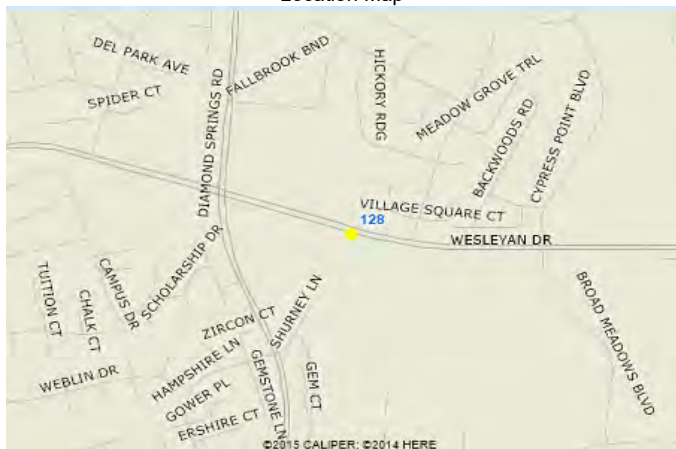
Project Information

Property Name	Wesleyan Place Apartments
Street Number	5445
Street Name	Wesleyan
Street Type	Drive
City	Virginia Beach
State	Virginia
Zip	23455
Phone Number	(757) 473-1490
Year Built	2008
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	\$275
Other Fees	\$28
Waiting List	459 people
Project Rent	Restricted
Project Type	Elderly
Project Status	Stabilized
Financing	2007 Tax Credit
Vouchers	12
Latitude	36.8704
Longitude	-76.1685
Nearest Crossroads	na
AAC Code	21-007 128

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Michelle, Management
Phone Number	(757) 473-1490
Interview Date	27-Jan-21
Interviewed By	JS

2006 and 2007 TCs awarded for construction of this property without project based rental assistance. (Additional funds were awarded in 2008.) Contact could only provide Rent and Availability during our 2021 survey. There are no new apartments nearby.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	610	Garden/Flat	60%	60%	No	No	7		\$835		\$835	\$34	\$869
2	1.5	900	Garden/Flat	50%	40%	No	No	10		\$675		\$675	\$45	\$720
2	1.5	900	Garden/Flat	50%	50%	No	No	36	1	\$850		\$850	\$45	\$895
2	1.5	900	Garden/Flat	60%	60%	No	No	38		\$999		\$999	\$45	\$1,044
Total / Average		878						188		\$892		\$892	\$44	\$936

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

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

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

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.75	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.70	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.00	3.30
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2008	2021
Comp vs. Subject	Inferior	

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

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Similar	

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

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

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

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

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

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

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	yes	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	yes	no
Comp vs. Subject	Superior	

Wesleyan Place Apartments is an existing multifamily development located at 5445 Wesleyan Drive in Virginia Beach, Virginia. The property, which consists of 91 apartment units, was originally constructed in 2008. This property is currently operated as a rent restricted property. The property currently stands at 99 percent occupancy.

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The title to the subject property is merchantable, and the property is free and clear of all liens and encumbrances, except as noted.
- No liability is assumed for matters legal in nature.
- Ownership and management are assumed to be in competent and responsible hands.
- No survey has been made by the appraiser. Dimensions are as supplied by others and are assumed to be correct.
- The report was prepared for the purpose so stated and should not be used for any other reason.
- All direct and indirect information supplied by the owner and their representatives concerning the subject property is assumed to be true and accurate.
- No responsibility is assumed for information supplied by others and such information is believed to be reliable and correct. This includes zoning and tax information provided by Municipal officials.
- The signatories shall not be required to give testimony or attend court or be at any governmental hearing with respect to the subject property unless prior arrangements have been made with the client.
- Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute.
- The legal description is assumed to be accurate.
- This report specifically assumes that there are no site, subsoil, or building contaminants present resulting from residual substances or construction materials, such as asbestos, radon gas, PCB, etc. Should any of these factors exist, the appraiser reserves the right to review these findings, review the value estimates, and change the estimates, if deemed necessary.
- The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with
- This analysis specifically assumes that the subject property is operated as described in this report.
- This analysis specifically assumes that the subject property is constructed/rehabilitated as described in this report.
- This analysis specifically assumes that the subject property is financed as described in this report.
- This analysis specifically assumes the timing set forth in this report.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
- I made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification. Debbie Rucker (Allen & Associates Consulting) assisted in compiling the data used in this report.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the Standards and Ethics Education Requirements for Members of the Appraisal Institute.
- I am presently licensed in good standing as a Certified General Real Estate Appraiser in the states of Delaware, Georgia, Maryland, North Carolina, South Carolina, Virginia, and West Virginia, allowing me to appraise all types of real estate.

Respectfully submitted:

ALLEN & ASSOCIATES CONSULTING, INC.



Jeff Carroll

VHDA CERTIFICATION

I affirm the following:

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



Jeff Carroll

March 8, 2021

Date

NCHMA MARKET STUDY INDEX

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

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

NCHMA MARKET STUDY INDEX

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

Affordability, Demand, and Penetration Rate Analysis		
31	Estimate of demand	Section 11
32	Affordability analysis with capture rate	Section 11
33	Penetration rate analysis with capture rate	Section 11
Analysis/Conclusions		
34	Absorption rate and estimated stabilized occupancy for subject	Section 11
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	Section 10
36	Precise statement of key conclusions	Executive Summary
37	Market strengths and weaknesses impacting project	Executive Summary
38	Product recommendations and/or suggested modifications to subject	Executive Summary
39	Discussion of subject property's impact on existing housing	Executive Summary
40	Discussion of risks or other mitigating circumstances impacting subject	Executive Summary
41	Interviews with area housing stakeholders	Appendix
Other Requirements		
42	Certifications	Appendix
43	Statement of qualifications	Appendix
44	Sources of data not otherwise identified	NA

MISCELLANEOUS

Certificate of Membership

Allen & Associates Consulting Inc.
Is a Member Firm in Good Standing of



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

Membership Term
8/1/2020 to 7/31/2021



Thomas Amdur
President, NH&RA



QUALIFICATIONS

Allen & Associates Consulting is a real estate advisory firm specializing in affordable housing. Practice areas include low-income housing tax credits, tax-exempt bond transactions, HUD assisted and financed multifamily, USDA-RD assisted and financed properties, public housing, historic tax credits, conventional multifamily, and manufactured housing. Services include development consulting, rent comparability studies, market analysis, feasibility studies, appraisals, capital needs assessments, and utility studies.

Allen & Associates Consulting and its sister organization Allen & Associates Appraisal maintain offices in Charlotte, North Carolina and Detroit, Michigan, respectively. Allen & Associates is approved to provide its services throughout the United States.

The following is a listing of key personnel for Allen & Associates Consulting:

Jeffrey B. Carroll

Jeffrey B. Carroll is President of Allen & Associates Consulting. Since 2000, Mr. Carroll has completed over 3000 development consulting assignments in 46 states. Major projects include:

- *Market Feasibility* - Completed market studies for 13 proposed tax credit apartment developments on behalf of the Georgia Department of Community Affairs. The portfolio included 5 family and 8 senior communities. Our analysis identified the 4 best deals for the housing finance agency to consider funding.
- *Valuation* - Developed a disposition plan for a 30-property portfolio of apartments on behalf of a private owner. The 921-unit portfolio (located in MD, DE, PA and VA) was valued at \$23 million. Our client relied on our valuations and advice to maximize sales proceeds for the portfolio.
- *Capital Needs Assessments* - Completed capital needs assessments for an 8-property portfolio of RD-financed apartments on behalf of a private developer. The portfolio (located in FL) included 6 family and 2 senior communities. Our client utilized our assessments to develop a scope of work for the proposed acquisition and renovation of the 214-unit portfolio.
- *Utility Allowance Studies* - Completed utility allowance studies for a portfolio of tax credit apartments on behalf of a large national owner/developer. The portfolio (located in CT, DC, IL, IN, MA, NC, OH, PA and VA) included 31 properties. Our client utilized our research to maximize rents and net operating income for the portfolio.
- *Underwriting* - Conducted a financial review on behalf of a local housing authority for the proposed redevelopment of a vacant historic textile mill into loft apartments. Our client had been asked to issue \$4 million in tax-exempt bonds for

the \$15 million project. Our assistance in underwriting the transaction resulted in the green light for the development.

Mr. Carroll is a certified general appraiser, licensed to appraise real estate in the states of Delaware, Georgia, Maryland, North Carolina, South Carolina and Virginia. Mr. Carroll is also a designated member of the Appraisal Institute (MAI).

Mr. Carroll is a peer-reviewed member of the National Council of Housing Market Analysts, where he served on the Executive Committee and chaired the Data and Ethics Committees.

In addition, Mr. Carroll has also served as a market study reviewer for the Georgia and Michigan housing finance agencies.

Mr. Carroll has written articles on affordable housing, development, property management, market feasibility, and financial analysis for Urban Land magazine, The Journal of Property Management, Community Management magazine, Merchandise magazine, HousingThink, and a publication of the Texas A&M Real Estate Research Center known as Terra Grande.

Mr. Carroll has conducted seminars on affordable housing, development, property management, market feasibility, and financial analysis for the American Planning Association, Community Management magazine, the Georgia Department of Community Affairs, the Manufactured Housing Institute, the National Association of State and Local Equity Funds, the Virginia Community Development Corporation, and the National Council of Affordable Housing Market Analysts.

Mr. Carroll is also an experienced developer and property manager. His experience includes the development of tax credit apartment communities, conventional market rate apartments, manufactured home communities, and single-family subdivisions. He has also managed a portfolio of apartment complexes and manufactured home communities.

The following is a summary of Mr. Carroll's relevant educational background:

Clemson University, Bachelor of Science Degree	
Major in Engineering	
Minor Concentration in Economics	1983
Harvard University, Master's Degree in Business Administration	
Major in General Management	
Minor Concentration in Economics and Real Estate	1988
Appraisal Institute	
Qualifying Education for Licensure	2001
Continuing Education for Licensure & MAI Designation	2020
ASTM International	
Property Condition Assessments E2018.01	September 2006

The Institute for Professional and Executive Development Tax Credit Property Disposition	October 2007
National Council of Affordable Housing Market Analysts Semi-Annual Meeting & Continuing Education	2002 - 2014
U.S. Department of Housing and Urban Development Utility Allowance Guidebook	September 2007
MAP Training & Certification	September 2007
USDA Rural Development Capital Needs Assessment Provider Training	September 2007
Accessibility Standards Training	September 2007

Mr. Carroll, who was awarded a scholarship on the Clemson University varsity wrestling team, has served as an assistant coach for a local high school wrestling team. Mr. Carroll resides in Charlotte, North Carolina with his wife Becky and his two children, Luke and Brittany.

Debbie Rucker

Debbie Rucker is an analyst with Allen & Associates Consulting, coordinating market research for the company. Mrs. Rucker has worked on over 2000 assignments and has conducted over 40,000 rent surveys.

Mrs. Rucker was also responsible for compiling the database of detailed information on of every tax credit and tax-exempt bond transaction in Virginia, North Carolina, South Carolina, Georgia, Florida, and Texas since 1999.

The following is a summary of Mrs. Rucker’s relevant educational background:

National Council of Affordable Housing Market Analysts Semi-Annual Meeting & Continuing Education	September 2005
Semi-Annual Meeting & Continuing Education	October 2006
Carolinas Council for Affordable Housing Spectrum C ³ P Certification	October 2008

Mrs. Rucker is active in her church and helps run a local judo club. Mrs. Rucker is the mother of three and resides in Weddington, North Carolina.

Michael W. Lash

Michael W. Lash is President of Lash Engineering, an engineering firm located in Charlotte, North Carolina that works closely with Allen & Associates Consulting on utility allowance studies and other specific engagements. Since 1981, Mr. Lash has completed hundreds of assignments including the design of industrial, commercial, multifamily, and single family developments. Mr. Lash is an expert in the design of utility systems, including wastewater and storm water treatment facilities.

Mr. Lash is a certified professional engineer, licensed in the states of Kansas, Louisiana, North Carolina, South Carolina, and Virginia. Mr. Lash graduated from Louisiana Tech University in Civil Engineering in 1981 and has conducted seminars on advanced wastewater treatment, storm water quality treatment and automated engineering drafting and design with Eagle Point Software.

Mr. Lash is active in his church and volunteers his time teaching karate at a local martial arts academy. Mr. Lash resides in Charlotte, North Carolina with his wife and three children.



FY 2021 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2021 Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area FMRs for All Bedroom Sizes

Final FY 2021 & Final FY 2020 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2021 FMR	\$960	\$972	\$1,147	\$1,618	\$1,986
FY 2020 FMR	\$952	\$958	\$1,136	\$1,603	\$1,994

Virginia Beach city, VA is part of the Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area, which consists of the following counties: Currituck County, NC; Gloucester County, VA; Isle of Wight County, VA; James City County, VA; Mathews County, VA; York County, VA; Chesapeake city, VA; Hampton city, VA; Newport News city, VA; Norfolk city, VA; Poquoson city, VA; Portsmouth city, VA; Suffolk city, VA; Virginia Beach city, VA; and Williamsburg city, VA. All information here applies to the entirety of the Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area.

Fair Market Rent Calculation Methodology

[Show/Hide Methodology Narrative](#)

Fair Market Rents for metropolitan areas and non-metropolitan FMR areas are developed as follows:

- 2014-2018 5-year American Community Survey (ACS) estimates of 2-bedroom adjusted standard quality gross rents calculated for each FMR area are used as the new basis for FY2021 provided the estimate is statistically reliable. For FY2021, the test for reliability is whether the margin of error for the estimate is less than 50% of the estimate itself and whether the ACS estimate is based on at least 100 survey cases. HUD does not receive the exact number of survey cases, but rather a categorical variable known as the count indicator indicating a range of cases. An estimate based on at least 100 cases corresponds to a count indicator of 4 or higher.

If an area does not have a reliable 2014-2018 5-year, HUD checks whether the area has had at least minimally reliable estimate in any of the past 3 years, or estimates that meet the 50% margin of error test described above. If so, the FY2021 base rent is the average of the inflated ACS estimates.

If an area has not had a minimally reliable estimate in the past 3 years, the estimate State for the area's corresponding metropolitan area (if applicable) or State non-metropolitan area is used as the basis for FY2021.
- HUD calculates a recent mover adjustment factor by comparing a 2018 1-year 40th percentile recent mover 2-bedroom rent to the 2014-2018 5-year 40th percentile adjusted standard quality gross rent. If either the recent mover and non-recent mover rent estimates are not reliable, HUD uses the recent mover adjustment for a larger geography. For metropolitan areas, the order of geographies examined is: FMR Area, Entire Metropolitan Area (for Metropolitan Sub-Areas), State Metropolitan Portion, Entire State, and Entire US; for non-metropolitan areas, the order of geographies examined is: FMR Area, State Non-Metropolitan Portion, Entire State, and Entire US. The recent mover adjustment factor is floored at one.
- HUD calculates the appropriate recent mover adjustment factor between the 5-year data and the 1-year data and applies this to the 5-year base rent estimate.
- Rents are calculated as of 2019 using the relevant (regional or local) change in gross rent Consumer Price Index (CPI) from annual 2018 to annual 2019.
- All estimates are then inflated from 2019 to FY2021 using a trend factor based on the forecast of gross rent changes through FY2021.
- FY2021 FMRs are then compared to a State minimum rent, and any area whose preliminary FMR falls below this value is raised to the level of the State minimum.
- FY2021 FMRs may not be less than 90% of FY2020 FMRs.

The results of the Fair Market Rent Step-by-Step Process

- The following are the 2018 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Gross Rent estimate and margin of error for Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area.

Area	ACS ₂₀₁₈ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent	ACS ₂₀₁₈ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent Margin of Error	Ratio	Sample Size Category	Result

Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area	\$1,024	\$10	$\frac{\$10}{\$1,024} = 0.01$	6	$0.01 < .5$ $6 \geq 4$ Use ACS ₂₀₁₈ 5-Year Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area 2-Bedroom Adjusted Standard Quality Gross Rent
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Since the ACS₂₀₁₈ Margin of Error Ratio is less than .5, the ACS₂₀₁₈ Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area value is used for the estimate of 2-Bedroom Adjusted Standard Quality Gross Rent:

Area	FY2021 Base Rent
Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area	\$1,024

2. A recent mover adjustment factor is applied based on the smallest area of geography which contains Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area and has an ACS₂₀₁₈ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5.

Area	ACS ₂₀₁₈ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent	ACS ₂₀₁₈ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area – 2 Bedroom	\$1,068	\$30	0.028	6	$0.028 < .5$ $6 \geq 4$ Use ACS ₂₀₁₈ 1-Year Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent

The smallest area of geography which contains Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area and has an ACS₂₀₁₈ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5 and with a sufficient number of sample cases is Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area.

3. The calculation of the relevant Recent-Mover Adjustment Factor for Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area is as follows:

ACS ₂₀₁₈ 5-Year Area	ACS ₂₀₁₈ 5-Year 40th Percentile Adjusted Standard Quality Gross Rent	ACS ₂₀₁₈ 1-Year 40th Percentile Adjusted Standard Quality Recent-Mover Gross Rent
Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area – 2 Bedroom	\$1,024	\$1,068

Area	Ratio	Recent-Mover Adjustment Factor
Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area	$\frac{\$1,068}{\$1,024} = 1.043$	$1.043 \geq 1.0$ Use calculated Recent-Mover Adjustment Factor of 1.043

4. The calculation of the relevant CPI Update Factors for Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area is as follows: HUD updates the 2018 intermediate rent with the ratio of the annual 2019 local or regional CPI to the annual 2018 local or regional CPI to establish rents as of 2019.

Update Factor	Type
CPI Update Factor 1.0295	Region CPI

5. The calculation of the Trend Factor is as follows: HUD forecasts the change in national gross rents from 2019 to 2021 for each CPI area and Census Region. This makes Fair Market Rents "as of" FY2021.

Trend Factor	Trend Factor Type
1.0433	Region

6. The FY 2021 2-Bedroom Fair Market Rent for Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area is calculated as follows:

Area	ACS ₂₀₁₈ 5-Year Estimate	Recent-Mover Adjustment Factor	Annual 2018 to 2019 CPI Adjustment	Trending 1.0433 to FY2021	FY 2021 2-Bedroom FMR

Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area	\$1,024	1.0430	1.0295	1.0433	\$1,024 * 1.043 * 1.0295 * 1.0433=\$1,147
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7. In keeping with HUD policy, the preliminary FY 2021 FMR is checked to ensure that it does not fall below the state minimum.

Since Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area is a multistate area, the highest state minimum of the states comprising Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area is used:

State	FY 2021 State Minimum
North Carolina	\$693
Virginia	\$701

The relevant state minimum is that of Virginia at \$701.

Area	Preliminary FY2021 2-Bedroom FMR	FY 2021 Virginia State Minimum	Final FY2021 2-Bedroom FMR
Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area	\$1,147	\$701	\$1,147 ≥ \$701 Use Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area FMR of \$1,147

8. Bedroom ratios are applied to calculate FMRs for unit sizes other than two bedrooms.

Click on the links in the table to see how the bedroom ratios are calculated.

FY 2021 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2021 FMR	\$960	\$972	\$1,147	\$1,618	\$1,986

9. The FY2021 FMR must not be below 90% of the FY2020 FMR.

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY2020 FMR	\$952	\$958	\$1,136	\$1,603	\$1,994
FY2020 floor	\$857	\$863	\$1,023	\$1,443	\$1,795
FY 2021 FMR	\$960	\$972	\$1,147	\$1,618	\$1,986
Use FY2020 floor for FY2021?	No	No	No	No	No

Final FY2021 Rents for All Bedroom Sizes for Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area

The following table shows the Final FY 2021 FMRs by bedroom sizes.

Final FY 2021 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY 2021 FMR	\$960	\$972	\$1,147	\$1,618	\$1,986

The FMRs for unit sizes larger than four bedrooms are calculated by adding 15 percent to the four bedroom FMR, for each extra bedroom. For example, the FMR for a five bedroom unit is 1.15 times the four bedroom FMR, and the FMR for a six bedroom unit is 1.30 times the four bedroom FMR. FMRs for single-room occupancy units are 0.75 times the zero bedroom (efficiency) FMR.

Permanent link to this page: http://www.huduser.gov/portal/datasets/fmr/fmrs/FY2021_code/2021summary.odn?&year=2021&fmrtype=Final&selection_type=county&fips=5181099999

Other HUD Metro FMR Areas in the Same MSA

Select another Final FY 2021 HUD Metro FMR Area that is a part of the Virginia Beach-Norfolk-Newport News, VA-NC MSA:
 Gates County, NC HUD Metro FMR Area

Select a different area

Press below to select a different county within the

Press below to select a different state:

same state (same primary state for metropolitan areas):

- Alamance County, NC
- Alexander County, NC
- Alleghany County, NC
- Anson County, NC
- Ashe County, NC

Select a new county

Select a new state

Select a Final FY 2021 Metropolitan FMR Area:

- Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area
- Select Metropolitan FMR Area

[HUD Home Page](#) | [HUD User Home](#) | [Data Sets](#) | [Fair Market Rents](#) | [Section 8 Income Limits](#) | [FMR/IL Summary System](#) | [Multifamily Tax Subsidy Project \(MTSP\) Income Limits](#) | [HUD LIHTC Database](#)

Prepared by the [Program Parameters and Research Division](#), HUD. Technical problems or questions? [Contact Us](#).



If you would like to engage Novogradac & Company LLP to calculate the rent & income limits for your property, please contact Thomas Stagg at thomas.stagg@novoco.com.

Click on the icons below to view historical charts.

Program and Location Information

HUD Published Income Limits for 2020 (with no adjustments)

Display Income Limits

Hide Income Limits

Affordable Housing Program	IRS Section 42 Low-Income Housing Tax Credit (LIHTC)
Year ⁽¹⁾⁽²⁾	2020 (effective 04/01/20)
State	VA
County	Virginia Beach city
MSA	Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area
Persons / Bedroom	1.5 Person / Bedroom
4-person AMI ⁽³⁾	\$82,500
National Non-Metropolitan Median Income ⁽³⁾⁽⁴⁾	\$62,300
Hold Harmless ⁽⁶⁾	You have indicated that your project was placed in service on or after 04/01/2020 and is therefore eligible to have its income and rent limit held harmless beginning with the 2020 limits.
Placed in Service Date ⁽⁷⁾	On or after 04/01/2020.

		Section 8			
	Charts	MTSP 50%	Extremely Low	Very Low	Low
1 Person		\$28,900	\$17,350	\$28,900	\$46,200
2 Person		\$33,000	\$19,800	\$33,000	\$52,800
3 Person		\$37,150	\$22,300	\$37,150	\$59,400
4 Person		\$41,250	\$26,200	\$41,250	\$66,000
5 Person		\$44,550	\$30,680	\$44,550	\$71,300
6 Person		\$47,850	\$35,160	\$47,850	\$76,600
7 Person		\$51,150	\$39,640	\$51,150	\$81,850
8 Person		\$54,450	\$44,120	\$54,450	\$87,150
9 Person		\$57,750	N/A ⁽¹⁰⁾	\$57,750	\$92,400
10 Person		\$61,050	N/A ⁽¹⁰⁾	\$61,050	\$97,700
11 Person		\$64,350	N/A ⁽¹⁰⁾	\$64,350	\$102,950
12 Person		\$67,650	N/A ⁽¹⁰⁾	\$67,650	\$108,250

LIHTC Income Limits for 2020
(Based on 2020 MTSP Income Limits)

	Charts	60.00%	20.00%	30.00%	40.00%	50.00%	70.00%	80.00%	140.00%
1 Person	▲▲	34,680	11,560	17,340	23,120	28,900	40,460	46,240	48,552
2 Person	▲▲	39,600	13,200	19,800	26,400	33,000	46,200	52,800	55,440
3 Person	▲▲	44,580	14,860	22,290	29,720	37,150	52,010	59,440	62,412
4 Person	▲▲	49,500	16,500	24,750	33,000	41,250	57,750	66,000	69,300
5 Person	▲▲	53,460	17,820	26,730	35,640	44,550	62,370	71,280	74,844
6 Person	▲▲	57,420	19,140	28,710	38,280	47,850	66,990	76,560	80,388
7 Person	▲▲	61,380	20,460	30,690	40,920	51,150	71,610	81,840	85,932
8 Person	▲▲	65,340	21,780	32,670	43,560	54,450	76,230	87,120	91,476
9 Person	▲▲	69,300	23,100	34,650	46,200	57,750	80,850	92,400	97,020
10 Person	▲▲	73,260	24,420	36,630	48,840	61,050	85,470	97,680	102,564
11 Person	▲▲	77,220	25,740	38,610	51,480	64,350	90,090	102,960	108,108
12 Person	▲▲	81,180	27,060	40,590	54,120	67,650	94,710	108,240	113,652

LIHTC Rent Limits for 2020
(Based on 2020 MTSP/VLI Income Limits)

Bedrooms (People)	Charts	60.00%	20.00%	30.00%	40.00%	50.00%	70.00%	80.00%	FMR	HOME Low Rent	HOME High Rent
Efficiency (1.0)	▲▲	867	289	433	578	722	1,011	1,156	952	722	920
1 Bedroom (1.5)	▲▲	928	309	464	619	773	1,083	1,238	958	773	958
2 Bedrooms (3.0)	▲▲	1,114	371	557	743	928	1,300	1,486	1,136	928	1,136
3 Bedrooms (4.5)	▲▲	1,287	429	643	858	1,072	1,501	1,716	1,603	1,072	1,361
4 Bedrooms (6.0)	▲▲	1,435	478	717	957	1,196	1,674	1,914	1,994	1,196	1,499
5 Bedrooms (7.5)	▲▲	1,584	528	792	1,056	1,320	1,848	2,112		1,320	1,636

Before using the numbers from the Rent & Income Limit Calculator®, we strongly recommend that you check with the applicable state housing agency to verify that the state agrees with the numbers. The numbers round down to the nearest \$1.

[Revenue Ruling 89-24](#) require that the LIHTC rent & income levels start their calculations with the HUD published very low-income (VLI) amounts because the HUD published VLI amounts include certain HUD adjustments, such as high housing cost for high FMR areas to increase income, and state non-metropolitan median income to provide a floor for income limits. The result is that many counties have VLI amounts that are different than 50% of the AMI published by HUD (the 4-person AMGI we have shown above). Please see this [blog post](#) for more information about the HUD adjustments. The Novogradac Rent & Income Calculator® starts by default with the HUD published VLI amounts in accordance with [Revenue Ruling 89-24](#).

(1) The rent and income limits for each year are effective beginning with the effective date shown above. There is a grace period for 45 days from the release of income limits to implement the new rent and income limits, which means that the old limits can be relied upon for 45 days after the release date of the new limits. For example income limits effective 12/04/2012, can be relied on until 1/17/2013. For more information, see [Revenue Ruling 94-57](#).

[IRS LIHC Newsletter #48](#) and [IRS LIHC Newsletter #50](#) clarify that for projects placed in service during the 45-day grace period, the owner may choose the new or the old income limits. For example, if a project was placed in service on 1/8/2013 and the 2012 income limits are higher than the 2013 income limits, an owner may use the higher income limits from 2012 to income qualify tenants and set rents accordingly because the project was placed in service with the 45-day grace period.

Please note, the Rent & Income Limit Calculator® does not apply a 45-day grace period automatically. The user needs to indicate that the placed in service date and/or gross rent floor date occurred 45 days earlier (in the prior HUD Fiscal Year) if they want to apply the 45-day rule under [Revenue Ruling 94-57](#) that allows owners to rely on the prior year. Therefore, projects that were placed in service during the 45-day grace period, and want to use the prior year, should select that they were placed in service as of the prior year. For example, if a project placed in service on 1/8/2013, and the project wanted to use the 45-day grace period, the user should select that their project was in service prior to 12/4/2012. Similarly, projects that have a gross rent floor effective as of the carryover allocation date (or reservation letter date for bond projects) during the 45-day grace period, and want to use the prior year, should select that the gross rent floor was effective as of the prior year. For example, if a project received a carryover allocation letter on 1/8/2013, and the owner did not elect placed in service date as the gross rent floor, and the project wanted to use the 45-day grace period, the user should select that their gross rent floor was effective prior to 12/4/2012.

(2) For HUD FY 2013 HUD originally issued income limits on December 4, 2012 then issued revised income limits on December 11, 2012. In [IRS LIHC Newsletter #50](#), the IRS has stated that the effective date for the revised FY 2013 income limits is December 4, 2012. Based on this guidance, the Rent & Income Limit Calculator® uses December 4, 2013 for the effective date for the revised FY 2013 limits. Please see [IRS LIHC Newsletter #50](#) for more detail.

(3) An area may lose its rural area status. There is no clear guidance that a project is held harmless at the national non-metropolitan income limits when an area loses its rural status. The Rent & Income Limit Calculator® assumes that a project that is not indicated as rural in the current year was also not rural in the prior year, and therefore, does not receive hold harmless treatment based on the prior year national non-metro amount.

Please consult your state agency and tax advisor for further clarification.

(4) USDA may change their determination of what projects qualify as rural during the course of a year. Please periodically check with USDA to determine the continued rural eligibility of your project.

The national non-metropolitan median income has been adjusted for household size based on the family size adjustments outlined in the HUD Briefing Materials and as shown in each year's [HUD FAQ](#). The IRS did not specify whether or not to round to the nearest \$50, however, the Rent & Income Limit Calculator® will round to the nearest \$50 in accordance with the methodology referenced in HUD Briefing Materials.

(5) A project uses HERA Special if income was determined prior to 1/1/2009 and the project is in a HERA Special county. A project's income limits are held harmless at the prior year income limits if income was determined in the prior year or earlier and the income limits have decreased. Please note that the IRS has informally indicated that the definition of "determined" for purposes of the HERA Special and MTSP Hold Harmless income limits means that a project was placed in service. Please see [IRS LIHC Newsletter #35](#) for more information about "determined" and projects with buildings that were placed in service before and after HUD income limit effective dates. Therefore, projects placed in service prior to 1/1/2009 are generally eligible for HERA Special. Please see footnote 7 for information about acquisition/rehabilitation projects.

(6) Internal Revenue Code Section 142(d)(2)(i) indicates that hold harmless applies on a calendar year. The Rent & Income Limit Calculator® assumes that "calendar year" in the hold harmless rule means the HUD Fiscal Year. For example, the 2009 calendar year means the HUD Fiscal Year from 3/19/2009 through 5/13/2010. In other words, the Rent & Income Limit Calculator® assumes that "calendar year" in the hold harmless rule means the highest income level achieved during any HUD Fiscal Year.

The Rent & Income Limit Calculator® assumes that a rural project will receive hold harmless treatment at the national non-metro amount based on the prior year national non-metro amount if the national non-metro median income were to fall from year to year. If a rural project qualifies for HERA Special and the HERA Special is higher than the national non-metro, then the HERA Special amount will be used. Please note that the IRS has not issued guidance that specifically allows hold harmless treatment at the national non-metro amount for rural projects, however, Internal Revenue Code 42(g)(4) by reference to Internal Revenue Code 142(d)(2)(E) implies that hold harmless treatment would apply at the national non-metro amount for rural projects. Please consult your tax advisor for further clarification.

(7) Please note that for acquisition/rehabilitation projects, the IRS guidance indicates that income and rent limits are determined at the later of the acquisition date or when management begins income-qualifying households in the project. For example, if a project was acquired in 2011, the rehabilitation was placed-in-service in 2012, and management began income-qualifying households in 2011 then the project would be considered placed in service in 2011 for income and rent purposes. If a project was acquired in 2011, the rehabilitation was placed-in-service in 2012, and management began income-qualifying households when the rehabilitation placed-in-service in 2012, then the project would be considered placed in service in 2012 for income and rent purposes. Please see [IRS LIHC Newsletter #35](#) for more detail. Please consult your tax advisor for further clarification.

(8) [Revenue Procedure 94-57](#) gives guidance on the gross rent floor election.

Tax credit projects without bond financing:

"The Internal Revenue Service will treat the gross rent floor in section 42(g)(2)(A) as taking effect on the date an Agency initially allocates a housing credit dollar amount to the building [generally referred to as the 42M letter] under section 42(h)(1). However, the Service will treat the gross rent floor as taking effect on a building's placed in service date if the building owner designates that date as the date on which the gross rent floor will take effect for the building. An owner must make this designation to use the placed in service date and inform the Agency that made the allocation to the building no later than the date on which the building is placed in service."

Tax credit projects with bond financing:

"The Service will treat the gross rent floor as taking effect on a building's placed in service date if the building owner designates that date as the date on which the gross rent floor will take effect for the building. An owner must make this designation to use the placed in service date and inform the Agency that issued the determination letter to the building no later than the date on which the building is placed in service."

(9) The Rent & Income Limit Calculator® assumes all buildings in a project have a rent floor effective date under [Revenue Procedure 94-57](#) in the same HUD Fiscal Year. However, if your buildings have rent floor effective dates under [Revenue Procedure 94-57](#) in different HUD Fiscal Years, then you should run the calculator separately for each group of buildings in a particular HUD Fiscal Year.

The Rent & Income Limit Calculator® assumes that different AMGI limits (40%, 35%, 30%, etc.) chosen by the user will also have a rent floor election under [Revenue Procedure 94-57](#) from the same HUD Fiscal Year that applies to the

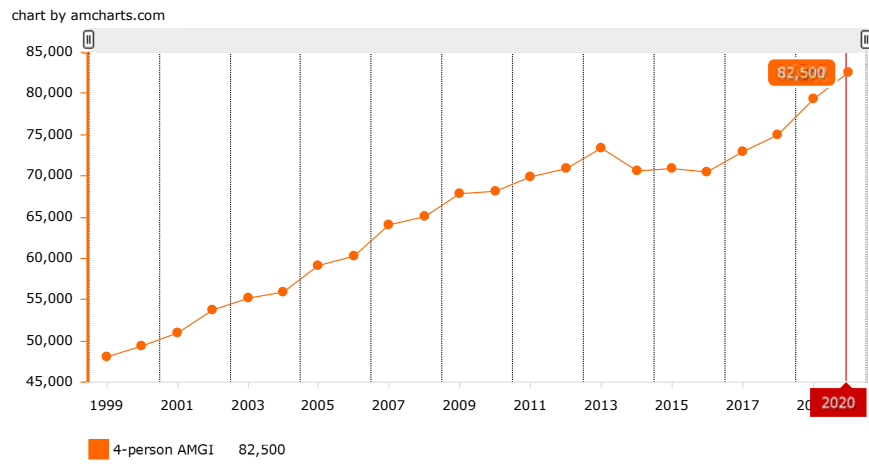
federal level of 50% or 60%.

⁽¹⁰⁾ The Consolidated Appropriations Act of 2014 changed how the 30% income limits is calculated. The 30% limit, which is now called the extremely low income limit, is determined by taking the greater of the 30% income limit as calculated by HUD or the poverty level as determined by the Department of Health and Human Services, which is then capped at the 50% Very Low Income Limit (VLI) published by HUD. HUD has only published the data up to 8 people. For household sizes above 8 people please visit the following website:
<https://www.huduser.gov/portal/datasets/mtsp.html>

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Display: 4-person AMGI

Average Increase (AMGI): 2.6%/year

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