



A MARKET FEASIBILITY STUDY OF:
BRAMBLETON 99

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BRAMBLETON 99

West of Calderwood Lane
Ashburn, Loudoun County, Virginia 20148

Effective Date: June 1, 2022
Report Date: August 15, 2022

Prepared for:
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July 27, 2022

Matt Barila
Development Associate
TM Associates, Inc.
1375 Piccard Drive, Suite 150
Rockville, MD 20850

Re: Application Market Study for Brambleton 99 in Ashburn, Loudoun County, Virginia

Dear Mr. Barila:

At your request, Novogradac & Company LLP doing business under the brand name Novogradac Consulting (Novogradac) has performed a study of the multifamily rental market in the Ashburn, Loudoun County, Virginia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project. The purpose of this market study is to assess the viability of Brambleton 99, the Subject, a proposed 99-unit LIHTC project to be partially financed with four percent tax-exempt bonds. The Subject will be a newly constructed rental property offering 99 three-bedroom units restricted to households earning 60 percent of the area median income (AMI), or less. The Subject will consist of 99 three-story townhomes. We are concurrently preparing an appraisal of the Subject property. The following provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

The scope of this report meets the requirements of Virginia Housing, including the following:

- Inspecting the site of the proposed Subject, and its general location.
- Analyzing the appropriateness of the proposed unit mix, rent levels, unit and complex amenities, and site.
- Estimating the market rents, absorption rates and stabilized occupancy levels for the market area.
- Investigating the general economic health and conditions of the multifamily rental market.
- Calculating income bands, given the proposed Subject rents.
- Estimating the number of income-eligible households.
- Reviewing relevant public records and contacting appropriate public agencies.
- Analyzing the economic and social conditions in the market area, in relation to the proposed project.
- Establishing the Subject's Primary and Secondary Market Area(s), if applicable.
- Surveying competing projects, both LIHTC and market-rate.

Novogradac adheres to the market study guidelines promulgated by the National Council of Housing Market Analysts (NCHMA). The NCHMA certification and checklist can be found in the Addenda of this report. Please refer to the checklist to find the sections in which content is located.

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

TM Associates, Inc. is the client in this engagement and intended user of this report. As our client, TM Associates, Inc. owns this report and permission must be granted from them before another third party can use this document. We assume that by reading this report another third party has accepted the terms of the

original engagement letter including scope of work and limitations of liability. We are prepared to modify this document to meet any specific needs of the potential uses under a separate agreement.

The Stated Purpose of this assignment is to accompany a tax credit application. You agree not to use the Report other than for the Stated Purpose, and you agree to indemnify us for any claims, damages or losses that we may incur as the result of your use of the Report for other than the Stated Purpose. Without limiting the general applicability of this paragraph, under no circumstances may the Report be used in advertisements, solicitations and/or any form of securities offering.

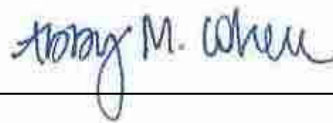
The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners.

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

Respectfully submitted,
Novogradac



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A. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Subject Site Description:

The Subject site is located in the Brambleton area of Ashburn, Loudoun County, a developing mixed-use community in Loudoun County, Virginia. It has an Ashburn mailing address. The Subject site is located west of Calderwood Lane.



Subject site looking west from Calderwood Lane



Subject site looking northwest from Calderwood Lane

Surrounding Land Uses:

The Subject site is located in the larger scale Brambleton development, which is a mixed-use community in Loudoun County. North of the Subject is the Brambleton Regional Park and Golf Course. To the east, land uses consist of single-family homes in excellent condition. Further east is the Brambleton Town Center, a large shopping center with restaurants, a Harris Teeter grocery store, and a movie theater among others. To the south is undeveloped wooded land along with single-family homes in excellent condition. Immediately to the west is a power line easement followed by single-family homes in excellent condition.

Subject Property Description:

The Subject, Brambleton 99, will be a newly-constructed LIHTC development restricted to households earning 60 percent of the AMI, or less. Construction on the Subject is anticipated to begin in December 2022 with completion in March 2024. The Subject will consist of 99 three-bedroom units contained in three-story townhomes that will be in excellent condition upon completion. There will be 272 parking spaces or approximately 2.75 spaces per unit. This will include two garage spaces per unit for a total of 198 garage spaces, plus 74 surface parking spaces.

Proposed Rents:

The following table details the proposed rents for the Subject's units.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2022 LIHTC Maximum Allowable Gross Rent	2022 HUD Fair Market Rents
@60%							
3BR / 3.5BA	1,800	99	\$2,026	\$194	\$2,220	\$2,200	\$2,780
		99					

Notes (1) Source of Utility Allowance provided by the Developer.

The table presented above illustrates the targeted rent levels for the Subject’s units. The Subject’s proposed rents at the 60 percent of AMI rents are at the maximum allowable levels.

Target Household Income Levels:

The Subject is a proposed 99-unit affordable development that will be restricted households earning up to 60 percent of the area median income (AMI). Based on the proposed restrictions, the range of annual household income levels is depicted below.

FAMILY INCOME LIMITS

Unit Type	Minimum Allowable Income	Maximum Allowable Income
@60%		
3BR	\$76,114	\$92,220

Economic Conditions

Employment in the PMA is concentrated in the prof/scientific/tech services, public administration, and educational services industries, which collectively comprise 49.3 percent of local employment. The large share of PMA employment in the public administration industry is notable as this industry is historically stable, and exhibits greater resilience during economic downturns. Employment in the MSA declined sharply by 5.7 percent in 2020 amid the pandemic, similar to the overall nation. Total employment in the MSA currently remains similar to the pre-COVID019 pandemic level reached in 2019. As of March 2022, employment in the MSA is increasing at an annualized rate of 3.6 percent, compared to 5.1 percent growth across the nation.

Primary Market Area

The Subject is located off of Calderwood Lane, in the Brambleton development of Ashburn, Loudoun County, Virginia. We determined the Primary Market Area (PMA) based on our conversations with local market participants including property managers, as well as our physical inspection of the market. The PMA is generally defined as the east central portion of Loudoun County. The PMA boundaries are: the Dulles Greenway and the Loudoun County Parkway to the north; Route 606 to the east; U.S. Route 50 to the south; and Belmont Ridge Road to the west. The PMA encompasses 31 square miles. We believe that additional support will originate from areas outside of the established PMA. We estimate a leakage of 20 percent.

Demographic Data

The population in the PMA increased by 258.4 percent between 2000 and 2021, compared to the 29.5 percent increase in the regional MSA and 19.1 percent increase across the overall nation. The percentage of renter households in the PMA remained relatively stable between 2010 and 2021, and is estimated to be 17 percent as of 2021. This is less than the estimated 33 percent of renter households across the overall nation. As of 2021, the median income in the PMA is substantially above the surrounding MSA. Median household income growth in the PMA exceeded the MSA between 2000 and 2021. Income growth in both geographic areas exceeded the overall nation during this time period. In particular, median income in the PMA rose from 170 percent of the national median income in 2000 to 276 percent in 2021. Overall, the combination of rising population and household income levels bodes well for future demand for multifamily housing.

Vacancy

The following table summarizes overall weighted vacancy levels at the surveyed properties.

OVERALL VACANCY				
Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Ashburn Chase*	LIHTC	96	0	0.0%
Ashburn Meadows*	LIHTC	336	0	0.0%
The Grove At Flynn's Crossing	LIHTC	168	0	0.0%
The Woods At Brambleton	LIHTC	202	0	0.0%
The Woods At Brambleton Town Center South	LIHTC	55	0	0.0%
Atley On The Greenway	Market	496	8	1.6%
Broadlands Apartments	Market	292	12	4.1%
Camden Silo Creek	Market	284	8	2.8%
The Elms At Arcola	Market	248	0	0.0%
The Point At Ashburn	Market	413	2	0.5%
Total LIHTC		857	0	0.0%
Total Market Rate		1,733	30	1.7%
Overall Total		2,590	30	1.2%

*Located outside of the PMA

The comparables reported vacancy rates ranging from zero to 4.1 percent, with an overall weighted average of 1.2 percent. Managers at all five of the LIHTC properties reported being fully occupied. The five market rate properties reported a slightly higher average vacancy rate of 1.7 percent. The overall vacancy rate is considered exceptionally low, and indicative of supply constrained conditions. Three of the five LIHTC comparables reported that they maintain waiting lists which range in length from 13 to over 300 households. Based on the performance of the LIHTC comparables, we expect the Subject will operate with a vacancy rate of five percent or less.

The following table details vacancy by bedroom type for the comparable properties surveyed:

VACANCY BY BEDROOM TYPE

Property Name	Rent Structure	Tenancy	1BR	2BR	3BR	Overall
Ashburn Chase*	LIHTC	Family	0.0%	0.0%	0.0%	0.0%
Ashburn Meadows*	LIHTC	Family	-	-	-	1.2%
The Grove At Flynn's Crossing	LIHTC	Family	0.0%	0.8%	0.0%	0.6%
The Woods At Brambleton	LIHTC	Family	-	-	0.0%	0.0%
The Woods At Brambleton Town Center	LIHTC	Family	-	-	-	0.0%
Atley On The Greenway	Market	Family	-	-	-	4.0%
Broadlands Apartments	Market	Family	3.0%	3.6%	1.9%	3.1%
Camden Silo Creek	Market	Family	-	-	0.0%	1.1%
The Elms At Arcola	Market	Family	-	-	-	0.0%
The Point At Ashburn	Market	Family	-	-	-	1.2%

*Located outside of the PMA

The Subject will consist of three-bedroom units. Vacancy rates in the market for three-bedroom units are all at zero percent. This supports that there is demand for additional rental housing in the market. We believe the Subject will not negatively impact the existing properties in the market.

Absorption

We were able to obtain absorption from two comparable properties, The Woods at Brambleton Town Center South and Ashburn Chase. Both of these properties were able to stabilize within two months. We present absorption data for other LIHTC and market rate properties in Northern Virginia.

ABSORPTION

Property Name	Program	Tenancy	Location	Year	Total Units	Absorption (units/month)
The Woods at Brambleton Town Center South*	LIHTC	Family	Ashburn	2020	55	55
Ashburn Chase*	LIHTC	Family	Ashburn	2020	96	55
Forest Glen I	LIHTC	Senior	Centreville	2020	119	5
The Woods at Birchwood	LIHTC	Senior	Ashburn	2019	83	15
Heronview Apartments	LIHTC	Family	Sterling	2019	96	30
The Point at Ridgeline	Market	Family	Herndon	2019	572	25
The Emerson Apartments	Market	Family	Centreville	2019	355	15
Kingston at McLean Crossing	Market	Family	Tysons	2018	319	14
Exo Reston	Market	Family	Reston	2018	457	19

*Comparable property

The properties in the table above experienced absorption paces ranging from five to 55 units per month. The family-oriented LIHTC properties reported the highest absorption paces. The most comparable property is The Woods at Brambleton Town Center South, which is physically similar to the proposed Subject. According to the contact at this property, it was fully leased within one month of completion. This property satisfied some pent-up demand in the Subject's Brambleton area. As such, we believe that the Subject would experience a slower absorption pace of 25 units per month, which equates to a total absorption period of approximately four months.

Demand – Subject

The Novogradac demand analysis illustrates demand for the Subject based on capture rates of income-eligible renter households. When viewing total income-eligible renter households the calculation for the LIHTC units indicates a capture rate of 54.13 percent.

To provide another level of analysis, we removed the households from the income-eligible renter demand pool that are currently suitably housed elsewhere in the PMA. We conducted an *annual demand analysis*, which is based on new income-eligible renter households moving into the area (in the Subject's first year of operation only) and those income-eligible renter households that are rent-overburdened (paying over 35 percent of

income to living costs). This is a subset of the income-eligible renter households used previously and yields a more conservative annual capture rate. This annual Novogradac capture rate is 62.3 percent, indicating that there are 151 units of demand in the PMA in the first year of the Subject’s operation. This capture rate is elevated but indicates demand for additional affordable rental housing in the market.

The yielded capture rate is approximately 62 percent of available demand per annum for the Subject’s units as proposed. While the yielded capture rate is somewhat elevated, it nonetheless indicates demand for additional affordable rental housing in the Subject’s market. Additionally, future demand is supported by the following findings from our market analysis:

- None of the LIHTC comparable properties report any vacancy.
- Most LIHTC comparable properties reported short to moderate waiting lists.
- Four of the comparable LIHTC properties reported achieving maximum allowable rents. Based on low vacancy rates and waiting lists, we believe the remainder are not testing the maximum allowable rents.
- Population and household growth in the PMA is anticipated to increase at annualized rate of 4.2 and 4.1 percent through 2026, respectively, at faster rates than both the MSA and overall nation.
- The Woods at Brambleton Town Center South, which was completed in late 2021, leased all 55 of its units within one month. This is most similar LIHTC property to the Subject as it also exclusively features three-bedroom townhouse units.

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

Project Wide Capture Rate - LIHTC Units	52.6%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	52.6%
Project Wide Absorption Period (Months)	4 months

This is a moderate capture rate and indicative of sufficient demand for the Subject.

Strengths

- The Subject will be in excellent condition upon completion, with slightly superior to superior in-unit amenities to the majority of the comparable properties.
- None of the LIHTC comparable properties report any vacancies at this time, indicating a supply-constrained market for affordable housing. The majority report waiting lists as well.
- The Subject will offer the largest three-bedroom unit sizes in the market. In addition, it will have a desirable townhouse design and an attached two-car garage included in the rent.
- Two of the comparable LIHTC properties reported achieving maximum allowable rents. Based on full occupancy rates and waiting lists, we believe the remainder are not testing the maximum allowable rents.
- The Subject will be located in a PMA experiencing substantial population and household growth.
- The Subject will be located in a desirable location based on median household incomes and median rents, as well as crime indices. Further, the Subject site is in the path of development and near major employers with recent job growth.
- The Subject has moderate capture rates, indicating additional demand for affordable rental housing such as the Subject.

Weaknesses

- The Subject will lack property amenities, including on-site management. However, another nearby LIHTC property, The Woods at Brambleton South, also lacks property amenities but is performing well nonetheless.
- The Subject's indicated capture rate is elevated although none of the comparable LIHTC properties report any vacancy.

Recommendations

In general, we believe there is demand in the marketplace for the Subject as proposed. We recommend no changes for the Subject property.

B. INTRODUCTION AND SCOPE OF WORK

INTRODUCTION AND SCOPE OF WORK

Report Description:	Novogradac has performed a comprehensive market study of the multifamily rental market in the Ashburn, Virginia area relative to Brambleton 99, a proposed family LIHTC development. The Subject will be a newly constructed development restricted to households earning 60 percent of the AMI, or less. Construction on the Subject is anticipated to begin in December 2022 with completion in March 2024. The Subject will consist of 99 three-bedroom units contained in three-story townhouse buildings that will be in excellent condition upon completion. The number of parking spaces in the Subject's development will include two garage spaces per unit for a total of 198 garage spaces, plus 74 surface parking spaces.
Developer/Client Information:	TM Associates, Inc.
Intended Use and Users of the Report:	The report will be submitted to the Virginia Housing for application purposes. The intended user of the report is Virginia Housing.
Scope of the Report:	<ul style="list-style-type: none">▪ Inspecting the site of the to-be-developed Subject and its general location.▪ Analyzing the appropriateness of the proposed unit mix, rent levels, unit and complex amenities, and site.▪ Estimating the market rents, absorption rates and stabilized vacancy levels for the market area.▪ Investigating the general economic health and conditions of the senior rental market.▪ Complete a by-bedroom capture rate analysis that analyzes the level of potential income eligible tenants in the primary market area.▪ Reviewing relevant public records and contacting appropriate public agencies.▪ Providing a brief analysis of the economic and social conditions in the market area, in relation to the proposed project.▪ Establishing the Subject's Primary Market Area, if applicable.▪ Surveying competing projects, both LIHTC and market-rate.
Effective Date:	The Subject site was inspected by Robert Edwards on June 1, 2022, which shall be the effective date of this report.
Primary Contact for the Report:	H. Blair Kincer, MAI, CRE (Blair.Kincer@novoco.com); Abby Cohen (Abby.Cohen@novoco.com); Robert Edwards (Bob.Edwards@novoco.com)

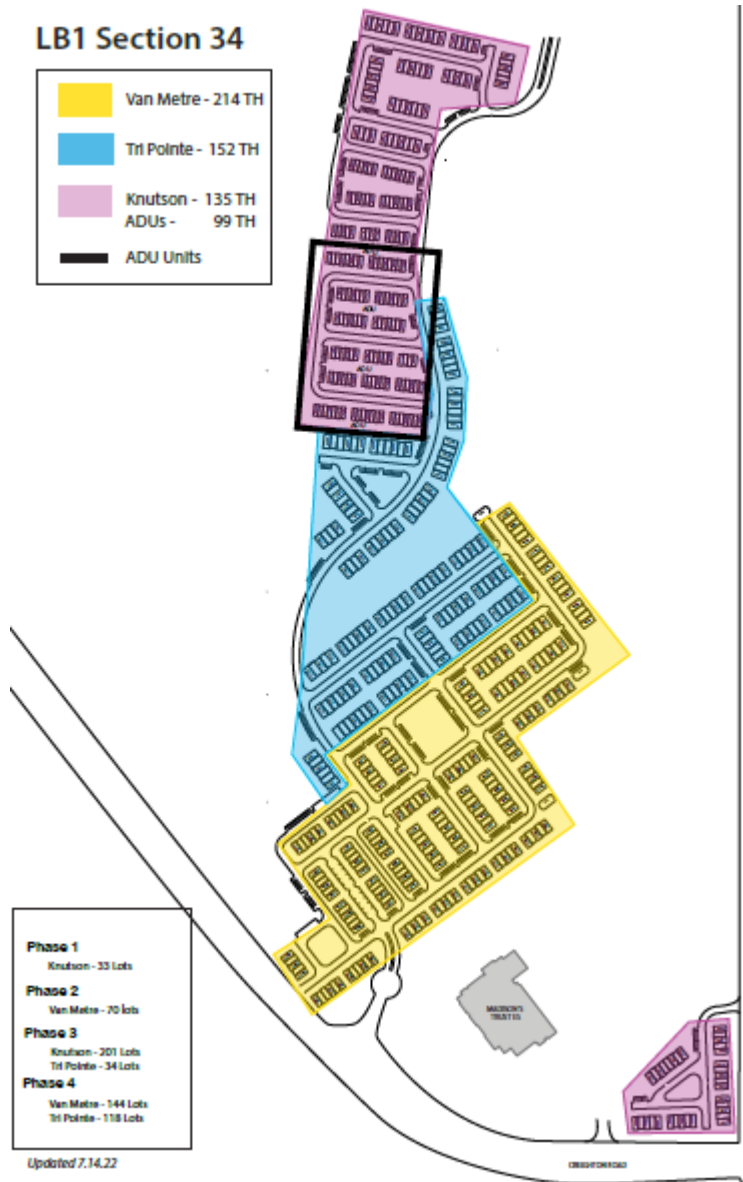
C. PROJECT DESCRIPTION

PROJECT DESCRIPTION

The project description will discuss the physical features of the Subject property, as well as its current and proposed unit mix and rents.

Subject Property Description:

The Subject, Brambleton 99, will be a newly constructed LIHTC development restricted to households earning 60 percent of the AMI, or less. Construction on the Subject is anticipated to begin in December 2022 with completion in March 2024. The Subject will consist of 99 three-bedroom units partially financed with four percent tax-exempt bonds. A draft site plan is shown below where the Subject's Accessory Dwelling Units (ADU) are highlighted within the black square.



Source: Developer, June 2022

The Subject site is currently vacant land with level topography. Upon completion, the Subject will be accessible from Ryan Road to the north. Further, the proposed plans include interior streets that surround the Subject. Ryan Road is a moderately-trafficked, two-lane road that intersects with Loudoun County Parkway, approximately one mile to the east. The parkway provides access to the Dulles Greenway, approximately one-half mile further east. Eastbound Dulles Greenway provides access to Washington, DC via Interstate 66.

Construction Type:

The Subject will be new construction.

Occupancy Type:

The Subject’s units will be reserved for family-oriented households who earn 60 percent or less of the AMI.

Proposed Rents:

The following table details the proposed rents for the Subject’s units.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2022 LIHTC Maximum Allowable Gross Rent	2022 HUD Fair Market Rents
				@60%			
3BR / 3.5BA	1,800	99	\$2,026	\$194	\$2,220	\$2,200	\$2,780

Notes (1) Source of Utility Allowance provided by the Developer.

The table presented above illustrates the targeted rent levels for the Subject’s units. The Subject’s proposed rents at the 60 percent of AMI rents are at the maximum allowable levels.

Assisted Housing Program:

To our knowledge, based on information provided by the client, none of the Subject’s units will operate with rental assistance, as proposed.

Construction Date:

Construction on the Subject is expected to commence in December 2022 and is projected to be completed in March 2024.

Target Household Income Levels:

The Subject is a proposed 99-unit affordable development restricted to households earning up to 60 percent of AMI. Based on the proposed restrictions, the range of annual household income levels is depicted below.

FAMILY INCOME LIMITS

Unit Type	Minimum Allowable Income	Maximum Allowable Income
		@60%
3BR	\$76,114	\$92,220

Utility Structure:

Tenants at the Subject will be responsible for electric heat, electric water heating, electric cooking, central air conditioning, general electricity expenses, and cold water and sewer utility expenses. Trash removal/recycling expenses will be paid by the landlord. The comparable properties’ utility structures are illustrated in the respective property summaries and are adjusted appropriately to account for differences relative to the Subject’s utility structure, based on the two-exposed wall utility allowances provided by Virginia Housing, effective July 1, 2021.

HOUSING AUTHORITY UTILITY ALLOWANCE

UTILITY AND SOURCE	Paid By	3BR
Heating - Electric	Tenant	\$39
Cooking - Electric	Tenant	\$6
Other Electric	Tenant	\$22
Air Conditioning	Tenant	\$11
Water Heating - Electric	Tenant	\$19
Water	Tenant	\$37
Sewer	Tenant	\$46
Trash	Landlord	\$14
TOTAL - Paid By Landlord		\$14
TOTAL - Paid By Tenant		\$180
TOTAL - Paid By Tenant Provided by Developer		\$194
DIFFERENCE		108%

Source: Virginia Housing (two exposed walls), effective 7/2021

Unit Mix:

The following table details the proposed unit mix and sizes.

UNIT MIX AND SQUARE FOOTAGE

Unit Type	Number of Units	Unit Size (SF)	Net Leasable Area
3BR / 3.5BA	99	1,800	178,200
TOTAL	99		178,200

Net Leasable Area:

Approximately 178,200 square feet, as illustrated above.

Gross Area:

Estimated at 204,930 square feet, calculated as 178,200 net rentable square feet multiplied by a 15 percent core factor.

Unit Amenities:

The Subject will offer affordable units and a competitive in-unit amenity package with high-quality finishes and fixtures. The proposed unit amenities will include a balcony, blinds, carpeting, central air-conditioner, coat closets, dishwashers, exterior storage, garbage disposals, microwaves, ovens, refrigerator, and in-unit washers and dryers. Each unit will also feature a two-car garage on the ground level.

Common Area Amenities:

There will be no common areas. Management of the Subject will be off-site. However, tenants will have access to

amenities in the larger Brambleton development. These amenities include outdoor swimming pools, parks, and playgrounds among others.

Parking:

Parking will include two garage spaces per unit, or a total of 198 garage spaces, plus approximately 74 surface parking spaces. There will be a total of 272 parking spaces or approximately 2.75 spaces per unit.

Number of Stories and Buildings:

Upon completion, the Subject site will be improved with 99 three-story townhouse buildings.

Americans with Disabilities Act of 1990:

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

Quality of Construction Condition and Deferred Maintenance:

As it will be new construction, the Subject will not suffer from deferred maintenance. We assume the Subject will be completed in a timely manner with quality materials.

Functional Utility:

We have reviewed the Subject's floor plans and determined them to be reasonable and market-oriented.

Conclusion:

The Subject property will be a newly constructed 99-unit family-oriented LIHTC development. The Subject will exhibit excellent condition upon completion.

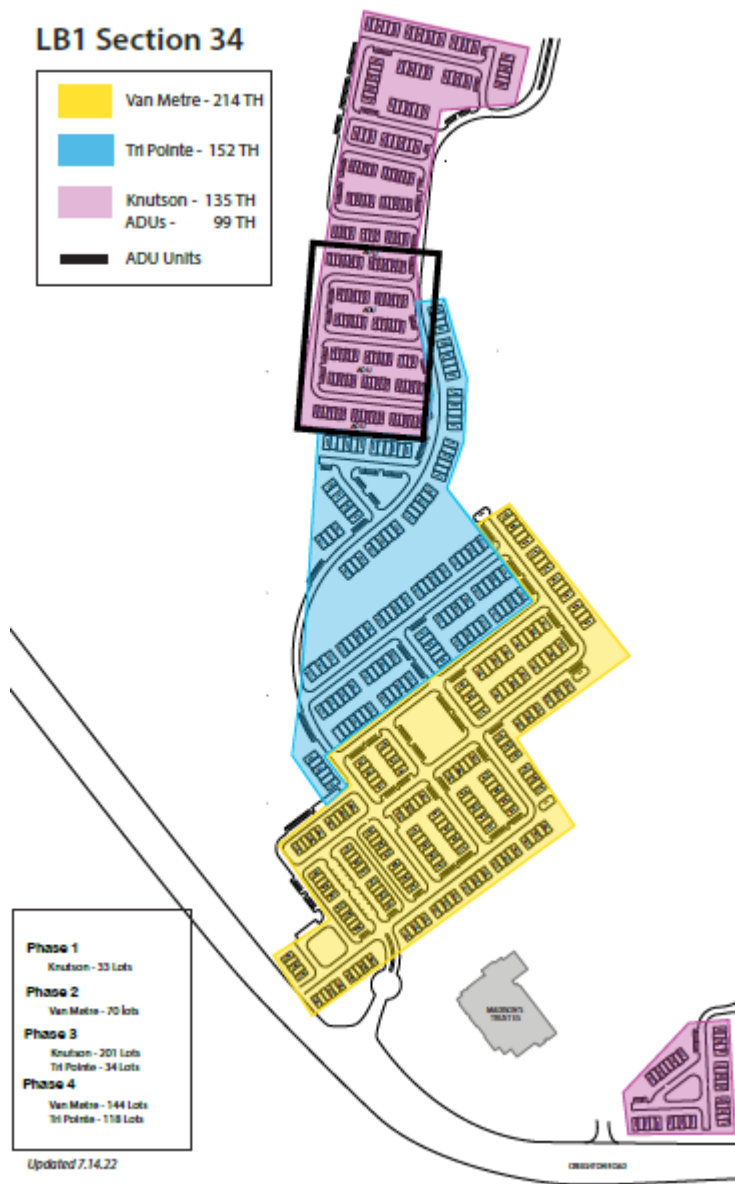
Architect:

Lessard Design, Inc.

Site and Architectural Plans:

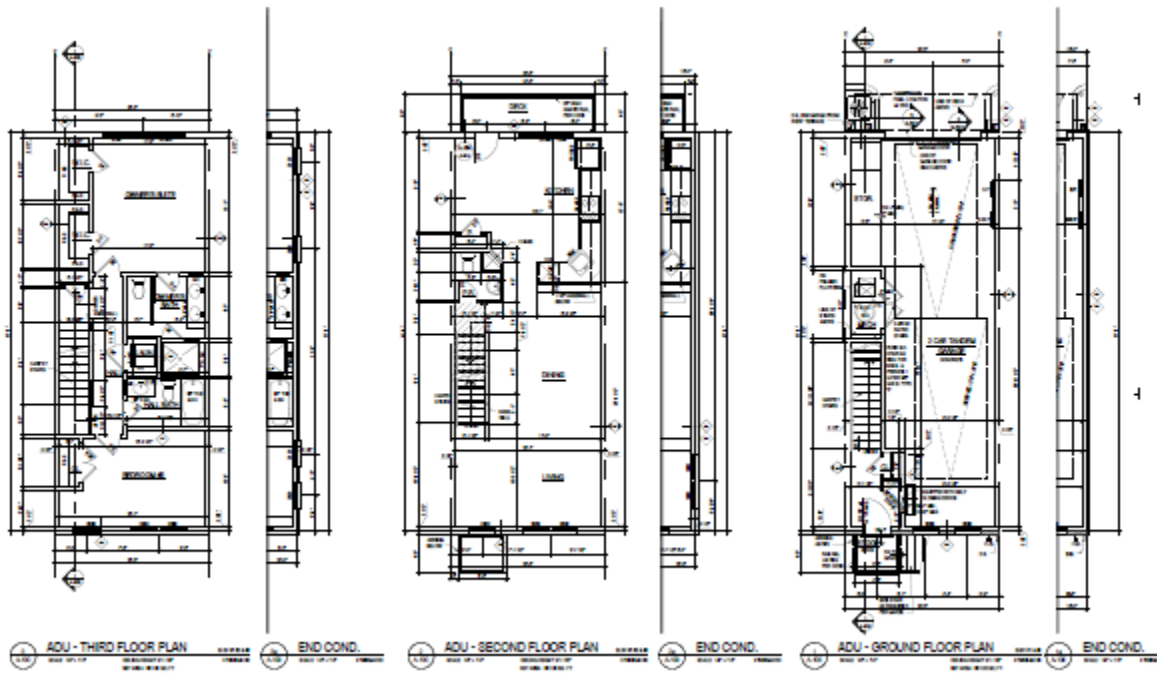
Based upon our review of the building and site plans, as well as the site inspection and local interviews, we believe the Subject will be functional upon completion. Copies of the Subject's architectural site plans are provided on the following pages and included in the addenda of this report.

Subject Site Plan (ADU Units within Black Square)



Source: Sponsor, June 2022

Subject Floor Plans



Source: Sponsor, June 2022

Brambleton 99

Location	Calderwood Lane Ashburn, VA 20148
Units	99
Vacant Units	N/A
Vacancy Rate	N/A
Type	Townhouse (3 stories)
Year Built / Renovated	2024 / n/a



Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
3	3.5	Townhouse	99	1,800	\$2,026	\$0	@60%	n/a	N/A	N/A	yes

Amenities

In-Unit	Balcony/Patio Blinds Carpeting Central A/C Coat Closet Dishwasher Exterior Storage Garbage Disposal Microwave Oven Refrigerator Washer/Dryer Washer/Dryer hookup	Security	none
Property	Garage Off-Street Parking	Premium	none
Services	none	Other	none

D. LOCATION

LOCATION

The location of a multifamily property can have a substantial negative or positive impact upon the performance, safety and appeal of the project. The site description will discuss the physical features of the site, as well as layout, access issues, and traffic flow. The map below outlines the Subject site.



Subject Site Description:

The Subject will be located off of Calderwood Lane in Ashburn, Loudoun County, Virginia 20148. The Subject site is currently vacant land with level topography. Upon completion, the Subject will be accessible from Ryan Road to the north. Further, the proposed plans include interior streets that surround the Subject. Ryan Road is a moderately-trafficked, two-lane road that intersects with Loudoun County Parkway, approximately one mile to the east. The parkway provides access to the Dulles Greenway, approximately one-half mile further east. Eastbound Dulles Greenway provides access to Washington, DC via Interstate 66.

Size:

The Subject site is approximately 3.80199 acres, or 165,615 square feet, according to a legal description provided by Urban Ltd.

Shape:

The site is generally rectangular in shape.

Frontage:

The Subject site will frontage along an access road that will be constructed from Ryan Road to the north.

Topography:

The Subject site is level.

Utilities:

All utilities are provided to the site.

Visibility/Views:

The Subject will be partially visible from Ryan Road to the north and Calderwood Lane to the east. The view to the north of the Subject, beyond Ryan Road, is the Brambleton Regional Park and Golf Course. To the east, views consist of single-family homes in excellent condition. Views to the south are of undeveloped wooded land along with single-family homes in excellent condition. Finally, the view to the west is a power line easement followed by single-family homes in excellent condition.

Surrounding Uses:

The Subject site is rated as “Car-Dependent” by WalkScore with a score of 16, and is not considered walkable. Land uses surrounding the Subject site are depicted in the and following photos taken during our recent physical site inspection.



View along Ryan Road to the north of Subject looking south



View along Ryan Road to the north of Subject

North: Immediately north of the Subject is vacant land followed by Ryan Road. Beyond is the Brambleton Regional Park and Golf Course. To the northwest are scattered single-family homes and vacant land.



Single-family homes immediately east of Subject



Single-family homes immediately east of Subject

East: East of the Subject site, beyond Calderwood Lane, are single-family homes in excellent condition. These homes were typically constructed in the mid-2010s and are valued from the high \$800,000s to high \$900,000s. Beyond are townhomes along Northstar Boulevard followed by the Brambleton town center, a mixed-use development that is anchored by a Harris Teeter grocery store. Other uses include a library and a movie theater among others.



View to the south of Subject site



View to the south of Subject site

South: South of the Subject site is vacant land followed by the Madison's Trust Elementary School. This is followed by the Hanson Regional Park.



Single-family homes to the west of Subject site



Single-family homes to the west of Subject site

West: Beyond the power line easement are single-family homes, most of which were constructed in the past five years. These homes are typically valued in the high \$600,000s to the mid \$900,000s. New single-family home construction is occurring further west.

Access and Traffic Flow:

Upon completion, the Subject will be accessible from Ryan Road to the north. Further, the proposed plans include interior streets that surround the Subject. Ryan Road is a moderately-trafficked, two-lane road that intersects with Loudoun County Parkway, approximately one mile to the east. The parkway provides access to the Dulles Greenway, approximately one-half mile further east. Eastbound Dulles Greenway provides access to Washington, DC via Interstate 66. Access and traffic flow are average.

Layout and Curb Appeal:

The overall Subject development will consist of three-story townhouse buildings. The Subject will be newly constructed and will exhibit excellent curb appeal upon completion.

Drainage:

Appears adequate, however, no specific tests were performed. Further, we are not experts in this field and cannot opine on this issue.

Soil and Subsoil Conditions:

Novogradac was not provided with an environmental report. We are not experts in this field and assume the site is adequate for development.

Environmental Assessment:

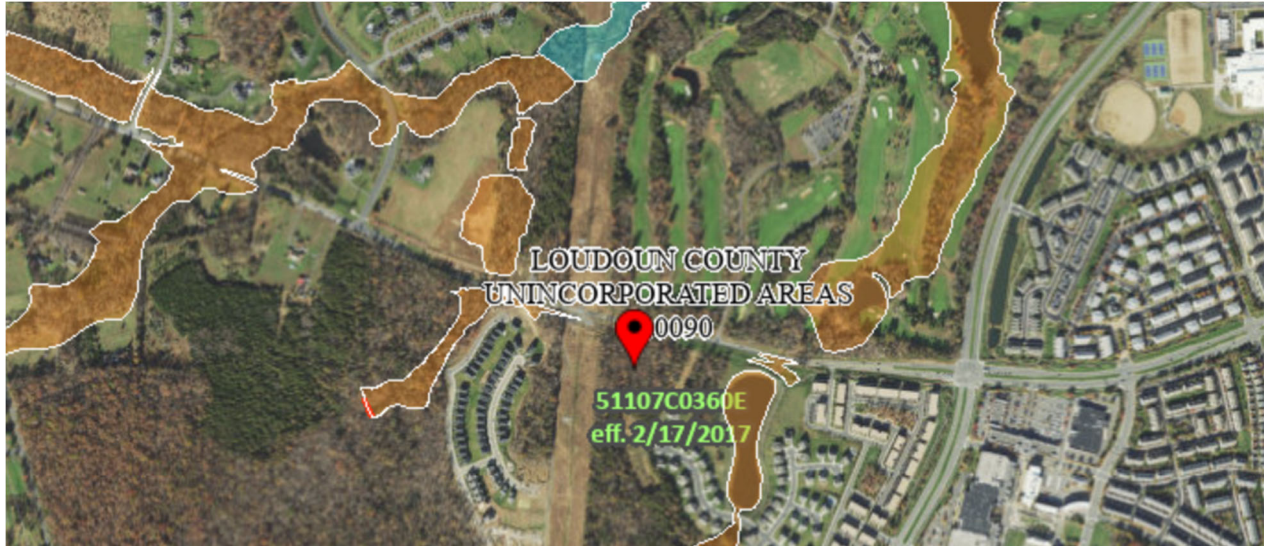
We have not been provided with an environmental report. Further analysis is beyond the scope of this report. Novogradac does not have expertise in this field and cannot opine on this matter.

Detrimental Influences:

No significant detrimental influences were noted. There is a power line easement immediately west of the Subject site. However, there are single-family homes beyond this easement with no buffers. This indicates that the presence of this easement is not a significant detrimental influence.

Flood Plain:

According to Flood Insights and Flood Insurance Rate Map Community Panel Number 51107C0360E, dated February 17, 2017, the Subject site is located in Zone X, which is defined as an area of minimal flood hazard. Novogradac does not offer expertise in this field and cannot opine on this issue. Further analysis by is beyond the scope of the report.



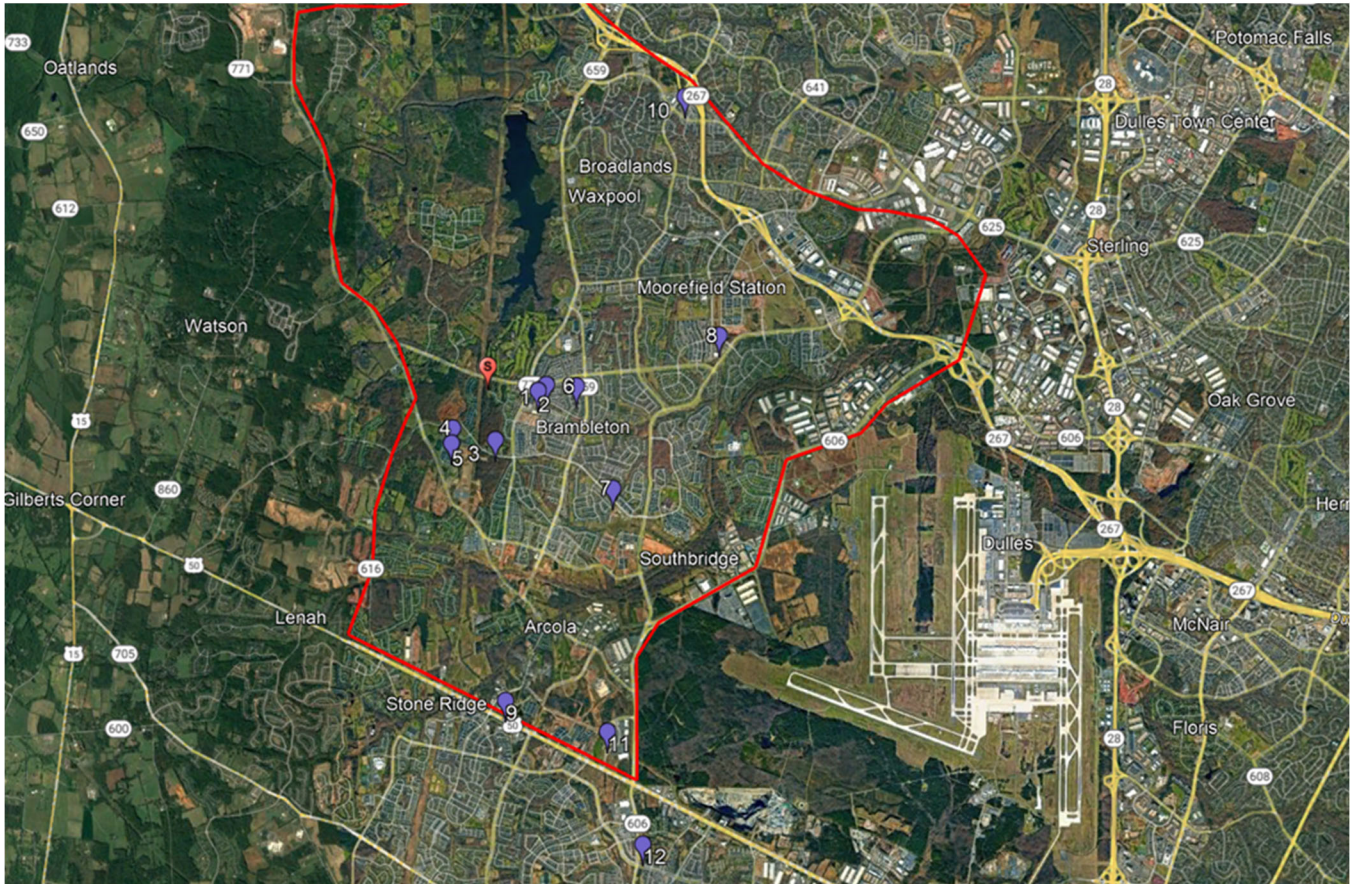
Source: FEMA Flood Map Service Center, May 2022

Locational Amenities:

The following table and map illustrate the Subject’s proximity to necessary services. Map numbers correspond with the *Locational Amenities Map*, presented below.

LOCATIONAL AMENITIES

Map #	Service or Amenity	Distance from Subject (Crow)
1	Harris Teeter Grocery and Pharmacy	0.5 miles
2	Brambleton Library	0.5 miles
3	Madison's Trust Elementary School	0.6 miles
4	Brambleton Middle School	0.6 miles
5	Independence High School	0.7 miles
6	Acorn Park	0.8 miles
7	Bus Stop	1.6 miles
8	Truist Bank	2.3 miles
9	StoneSprings Hospital	3.1 miles
10	Post Office	3.4 miles
11	Walmart	3.6 miles
12	South Riding Fire and Police	4.8 miles



Source: Google Earth, May 2022

Public Transportation:

The Loudoun County Transit and Commuter Services provides bus service throughout Loudoun County. Although there are no local bus routes through the Subject’s immediate area, there is a commuter bus service that stops in the Brambleton area. The routes for this bus are 486 in the morning and 886 in the evening, with service to and from Washington, DC. Bus service is generally from 7:00 am to 7:00 pm. Fares are \$10 each way using a SmarTrip card, or \$11 in if payment is in cash.

Crime Statistics:

The table below illustrates crime statistics for the PMA and MSA, shown as an index where 100 represents the national average. Indices above 100 are above the national average, and indices below 100 are below the national average.

2021 CRIME INDICES

	PMA	Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area
Total Crime*	137	98
Personal Crime*	77	107
Murder	111	136
Rape	94	73
Robbery	76	141
Assault	76	93
Property Crime*	146	97
Burglary	89	69
Larceny	170	102
Motor Vehicle Theft	95	135

Source: Esri Demographics 2021, Novogradac Consulting LLP, June 2022

*Unweighted aggregations

Total crime indices in the PMA is above the national average and the crime indices in the MSA. Property crime indices in the PMA are above that in the MSA and the nation. However, personal crime indices are generally below those of the MSA and nation. The Subject will not offer any security features. Another property developed by the Subject’s sponsor, The Woods at Brambleton Town Center, also does not offer security features. Yet this property is performing well nonetheless. Therefore, we believe that the Subject’s lack of security features is market-oriented.

Conclusion:

The Subject’s neighborhood appears to be a good location for an affordable family-oriented townhome development. The Subject site offers access to all locational amenities within five miles. Additionally, there are many restaurants and a movie theater in the nearby Brambleton Town Center. Overall, the Subject is located in residential-oriented neighborhood. The neighborhood is well-suited for this type of housing. The Subject will enhance the existing neighborhood, as proposed.

PHOTOGRAPHS OF SUBJECT AND NEIGHBORHOOD



Subject site looking south from Calderwood Lane



Subject site looking south from Calderwood Lane



Subject site looking west from Calderwood Lane



Subject site looking west from Calderwood Lane



View of Subject site (in background) looking east



View of Subject site (in background) looking east



View to the north of Subject site



View of storm water pond to the north of Subject site



Alternative view of Subject site



View of Subject site from Calderwood Lane looking south



Typical single-family home east of Subject site



Typical single-family homes west of Subject site



Typical single-family homes west of Subject site



Typical single-family homes west of Subject site



Typical single-family homes west of Subject site



Typical single-family homes west of Subject site



Madison's Trust Elementary School south of Subject site



Brambleton Middle School south of Subject site



Independence High School south of Subject site



Brambleton Town Center east of Subject site



Brambleton Town Center east of Subject site



Brambleton Town Center east of Subject site



Brambleton Town Center east of Subject site



Brambleton Town Center east of Subject site



Brambleton Town Center east of Subject site



Brambleton Town Center east of Subject site

E. MARKET AREA DEFINITION

MARKET AREA

For the purpose of this study, it is necessary to define the competitive primary market area (PMA), or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood oriented” and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

The Subject is located off of Calderwood Lane, in the Brambleton development of Ashburn, Loudoun County, Virginia. We determined the Primary Market Area (PMA) based on our conversations with local market participants including property managers, as well as our physical inspection of the market. The PMA is generally defined as the east central portion of Loudoun County. The PMA boundaries are: the Dulles Greenway and the Loudoun County Parkway to the north; Route 606 to the east; U.S. Route 50 to the south; and Belmont Ridge Road to the west. The PMA encompasses 31 square miles. We believe that additional support will originate from areas outside of the established PMA. We estimate a leakage of 20 percent.

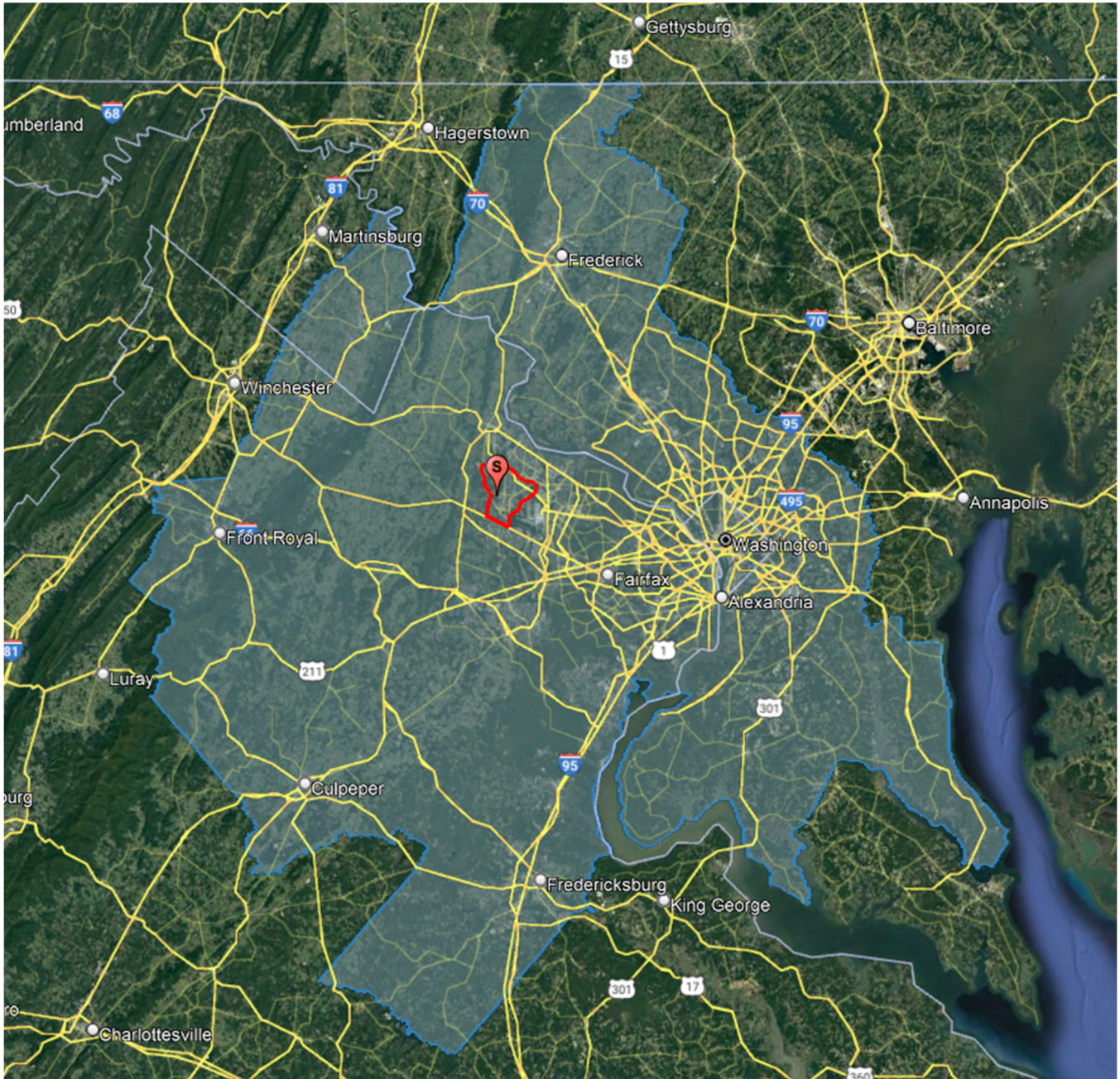
The SMA is defined as the Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area (MSA), which consists of the following: the District of Columbia; the Counties of Jefferson in West Virginia; Calvert, Charles, Frederick, Montgomery, and Prince George's in Maryland; Alexandria city, Arlington, Clarke, Culpeper, Fairfax city, Fairfax, Falls Church city, Fauquier, Fredericksburg city, Loudoun, Manassas city, Manassas Park city, Prince William, Rappahannock, Spotsylvania, Stafford, and Warren in Virginia. The MSA encompasses 8,502 square miles and is the sixth largest in the country in regards to population. Maps outlining the general PMA boundaries as well as the MSA can be found on the following pages.

Primary Market Area Map



Source: Google Earth, June 2022

Metropolitan Statistical Area (MSA) Map



Source: Google Earth, June 2022

F. EMPLOYMENT AND ECONOMY

ECONOMIC ANALYSIS

The following sections will provide an analysis of the economic and demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the PMA and the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA are areas of growth or contraction.

Employment by Industry

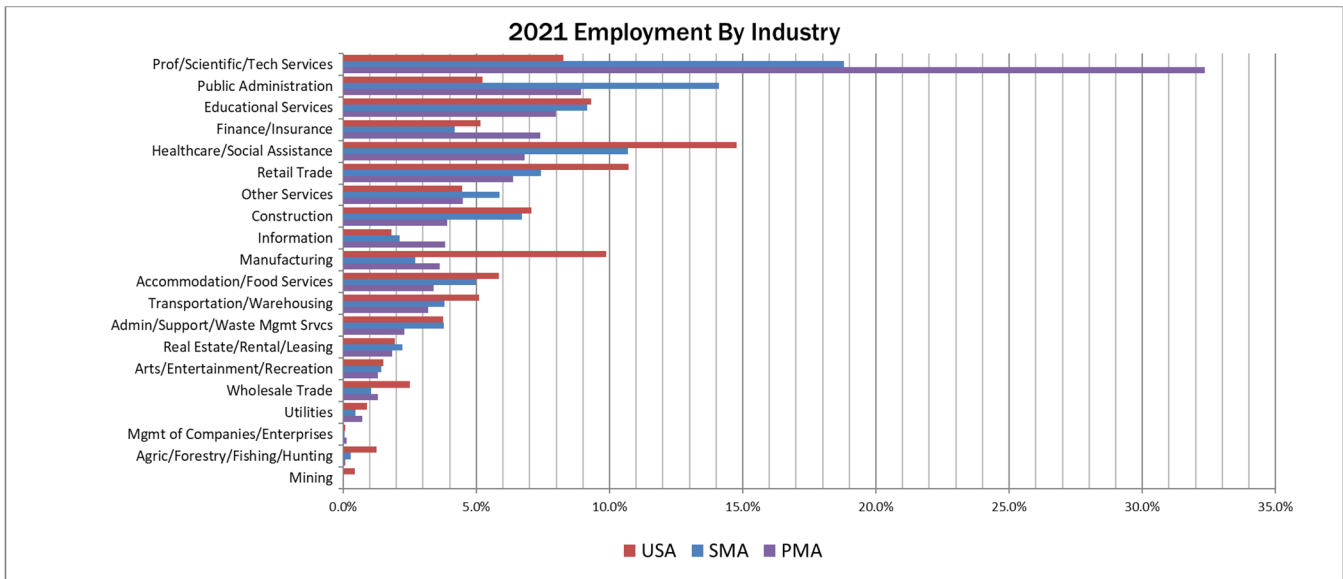
The following chart illustrates employment by industry as of 2021.

2021 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Prof/Scientific/Tech Services	11,797	32.3%	13,005,287	8.3%
Public Administration	3,257	8.9%	8,215,705	5.2%
Educational Services	2,910	8.0%	14,629,096	9.3%
Finance/Insurance	2,701	7.4%	8,123,688	5.2%
Healthcare/Social Assistance	2,484	6.8%	23,217,292	14.8%
Retail Trade	2,324	6.4%	16,864,485	10.7%
Other Services	1,636	4.5%	7,014,785	4.5%
Construction	1,427	3.9%	11,127,591	7.1%
Information	1,398	3.8%	2,846,142	1.8%
Manufacturing	1,320	3.6%	15,526,471	9.9%
Accommodation/Food Services	1,241	3.4%	9,207,610	5.9%
Transportation/Warehousing	1,161	3.2%	8,044,029	5.1%
Admin/Support/Waste Mgmt Svcs	840	2.3%	5,887,329	3.7%
Real Estate/Rental/Leasing	668	1.8%	3,044,245	1.9%
Arts/Entertainment/Recreation	478	1.3%	2,388,480	1.5%
Wholesale Trade	475	1.3%	3,934,179	2.5%
Utilities	264	0.7%	1,412,381	0.9%
Mgmt of Companies/Enterprises	44	0.1%	116,402	0.1%
Agric/Forestry/Fishing/Hunting	29	0.1%	1,973,200	1.3%
Mining	15	0.0%	705,964	0.4%
Total Employment	36,469	100.0%	157,284,361	100.0%

Source: Esri Demographics 2021, Novogradac Consulting LLP, May 2022

Employment in the PMA is concentrated in the prof/scientific/tech services, public administration, and educational services industries, which collectively comprise 49.3 percent of local employment. The large share of PMA employment in the public administration industry is notable as this industry is historically stable, and exhibits greater resilience during economic downturns. Relative to the overall nation, the PMA features comparatively greater employment in the prof/scientific/tech services, public administration, and finance/insurance industries. Conversely, the PMA is underrepresented in the healthcare/social assistance, manufacturing, and retail trade industries.



Growth by Industry

The following table illustrates the change in total employment by sector from 2010 to 2021 in the PMA.

2010-2021 CHANGE IN EMPLOYMENT - PMA

Industry	2010		2021		2010-2021	
	Number Employed	Percent Employed	Number Employed	Percent Employed	Growth	Annualized Percent
Prof/Scientific/Tech Services	2,745	15.7%	11,797	32.3%	9,052	30.0%
Public Administration	1,624	9.3%	3,257	8.9%	1,633	9.1%
Educational Services	1,515	8.7%	2,910	8.0%	1,395	8.4%
Finance/Insurance	979	5.6%	2,701	7.4%	1,722	16.0%
Healthcare/Social Assistance	1,442	8.3%	2,484	6.8%	1,042	6.6%
Retail Trade	1,820	10.4%	2,324	6.4%	504	2.5%
Other Services	856	4.9%	1,636	4.5%	780	8.3%
Construction	1,373	7.9%	1,427	3.9%	54	0.4%
Information	998	5.7%	1,398	3.8%	400	3.6%
Manufacturing	890	5.1%	1,320	3.6%	430	4.4%
Accommodation/Food Services	850	4.9%	1,241	3.4%	391	4.2%
Transportation/Warehousing	624	3.6%	1,161	3.2%	537	7.8%
Admin/Support/Waste Mgmt Svcs	582	3.3%	840	2.3%	258	4.0%
Real Estate/Rental/Leasing	321	1.8%	668	1.8%	347	9.8%
Arts/Entertainment/Recreation	184	1.1%	478	1.3%	294	14.5%
Wholesale Trade	375	2.2%	475	1.3%	100	2.4%
Utilities	147	0.8%	264	0.7%	117	7.2%
Mgmt of Companies/Enterprises	6	0.0%	44	0.1%	38	57.6%
Agric/Forestry/Fishing/Hunting	95	0.5%	29	0.1%	-66	-6.3%
Mining	10	0.1%	15	0.0%	5	4.5%
Total Employment	17,436	100.0%	36,469	100.0%	19,033	9.9%

Source: Esri Demographics 2021, Novogradac Consulting LLP, May 2022

*Industry data current as of 2010. Other projections current as of 2021.

* Change in percentage is calculated as a rate of change by industry.

Total employment in the PMA increased at a strong annualized rate of 9.9 percent between 2010 and 2021. The industries which expanded most substantially during this period include professional/scientific/tech services, finance/insurance, and public administration. Conversely, the agriculture/forestry/fishing/hunting sectors experienced a decline.

Major Employers

The following table details the largest employers in Loudoun County, according to the Virginia Employment Commission, retrieved by Novogradac in April 2020, which is the most recent available. Further, it is noted that the exact number of employees at each of these entities was not available.

**MAJOR EMPLOYERS
LOUDOUN COUNTY, VA**

Employer Name	Industry	# Of Employees
Loudoun County Public Schools	Educational Services	Over 10,000
Loudoun County Government	Public Administration	2,500 to 5,000
Verizon	Information	2,500 to 5,000
Northrop Grumman	Defense	1,000 to 2,500
United Airlines	Airline	1,000 to 2,500
Raytheon	Defense	1,000 to 2,500
Inova Loudoun Hospital	Healthcare/Social Assistance	1,000 to 2,500
Wal-Mart	Retail Trade	1,000 to 2,500
US Postal Service	Delivery Services	1,000 to 2,500
Dynalectric	Construction	1,000 to 2,500
Harris Teeter	Grocer	1,000 to 2,500
Bowers	Construction	500 to 1,000
Wegmans	Grocer	500 to 1,000

Source: Loudoun Virginia Economic Development, retrieved May 2022

The largest employers in Loudoun County represent a diverse mixture of industries. The largest employers operate in the education, government, information, and defense sectors. The majority of these employers are within 10 miles of the Subject.

Employment Expansion/Contractions

According to the Loudoun Economic Development website, Loudoun County has been one of the fastest growing job markets in the U.S. over the past decade, with 9,900 businesses currently employing more than 145,000 people. Additionally, there are over 175 organizations employing 100 or more people. Details of some major economic developments over the past few years are listed below.

- In July 2021, the Loudoun County Board of Supervisors voted in favor of a measure to address the lack of reliable high speed internet in pockets of Loudoun County. The board allocated \$12.425 million in federal funding to broadband expansion.
- Google and Alphabet announced plans to invest more than \$600 million into a data center expansion in Loudoun County in March 2021. The timeline is unknown at this time.
- The Metrorail Silver Line extension will include 11 new stations through the Dulles Corridor to Washington Dulles International Airport, Reston, Tysons Corner, and downtown Washington, D.C. While the number of jobs the project will create is unknown, The extension is expected to be completed by late 2022.
- Discovery Inc. intends to invest \$16 million to expand its global technology and operations hub in Loudoun County. The expansion is expected to create 240 new jobs.
- QTS Realty Trust, a data center, intends to purchase a 280-acre site to construct a \$1.2 billion dollar campus. The number of jobs the project will create is unknown.
- Unanet, an enterprise resource planning company, intends to expands operations in Loudoun County, and will create approximately 60 new jobs.
- Cuisine Solutions, a prepared food company, expanded its facilities in Sterling, and added over 500 new jobs since 2017.

WARN Notices

We researched layoffs and closures in Loudoun County from January 2021 through present, according to the Virginia Employment Commission. These listings are shown in the table below.

**WARN LISTINGS
LOUDOUN COUNTY, VA**

Company	Industry	Employees Affected	Layoff Date
Peloton	Recreation	81	2/8/2022
ABM Industry Group Inc.	Support	137	2/28/2022
Transdev	Transportation	137	12/29/2021
Five Star U Street Parking	Other	215	9/30/2021
Capital One	Finance	147	9/7/2021
General Dynamics	Manufacturing	73	8/16/2021
OMNIPLEX World Services	Other	258	6/30/2021
Marriott	Accomodation	89	7/27/2021
Rosetta Stone	Other	97	7/27/2021
Perspecta Inc.	Other	107	6/4/2021
General Dynamics	Manufacturing	180	5/28/2021
Air Wisconsin	Transportation	140	4/1/2021
Transdev Inc.	Transportation	112	3/31/2021
Total		1,773	

Source: Virginia Employment Commission, retrieved May 2022

As illustrated in the previous table, there were a total of 1,773 layoffs between January 2021 and May 2022. Due to the size of the Loudoun County labor market, these recent WARN filings are not anticipated to substantively affect total employment in the PMA or MSA as overall job growth has far exceeded these losses.

Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA from 2006 to March 2022.

EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area				USA		
	Total Employment	% Change	Differential from peak	Total Employment	% Change	Differential from peak
2006	2,870,618	-	-15.4%	144,427,000	-	-8.3%
2007	2,909,586	1.4%	-14.3%	146,047,000	1.1%	-7.3%
2008	2,948,734	1.3%	-13.1%	145,363,000	-0.5%	-7.7%
2009	2,896,741	-1.8%	-14.7%	139,878,000	-3.8%	-11.2%
2010	2,947,955	1.8%	-13.2%	139,064,000	-0.6%	-11.7%
2011	3,001,024	1.8%	-11.6%	139,869,000	0.6%	-11.2%
2012	3,049,860	1.6%	-10.2%	142,469,000	1.9%	-9.6%
2013	3,081,172	1.0%	-9.2%	143,929,000	1.0%	-8.6%
2014	3,106,413	0.8%	-8.5%	146,305,000	1.7%	-7.1%
2015	3,136,814	1.0%	-7.6%	148,833,000	1.7%	-5.5%
2016	3,194,358	1.8%	-5.9%	151,436,000	1.7%	-3.9%
2017	3,276,258	2.6%	-3.5%	153,337,000	1.3%	-2.7%
2018	3,322,137	1.4%	-2.1%	155,761,000	1.6%	-1.1%
2019	3,394,684	2.2%	0.0%	157,538,000	1.1%	0.0%
2020	3,200,821	-5.7%	-5.7%	147,795,000	-6.2%	-6.2%
2021	3,191,706	-0.3%	-6.0%	152,581,000	3.2%	-3.1%
2022 YTD Average*	3,250,410	1.8%	-	156,888,667	2.8%	-
Mar-2021	3,161,501	-	-	150,493,000	-	-
Mar-2022	3,275,340	3.6%	-	158,106,000	5.1%	-

Source: U.S. Bureau of Labor Statistics, May 2022

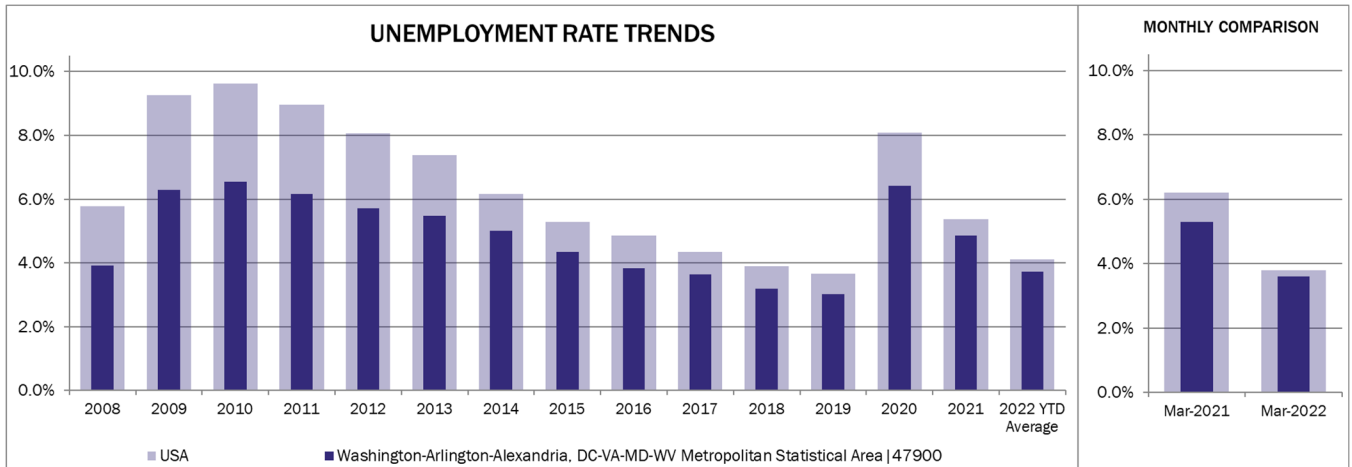
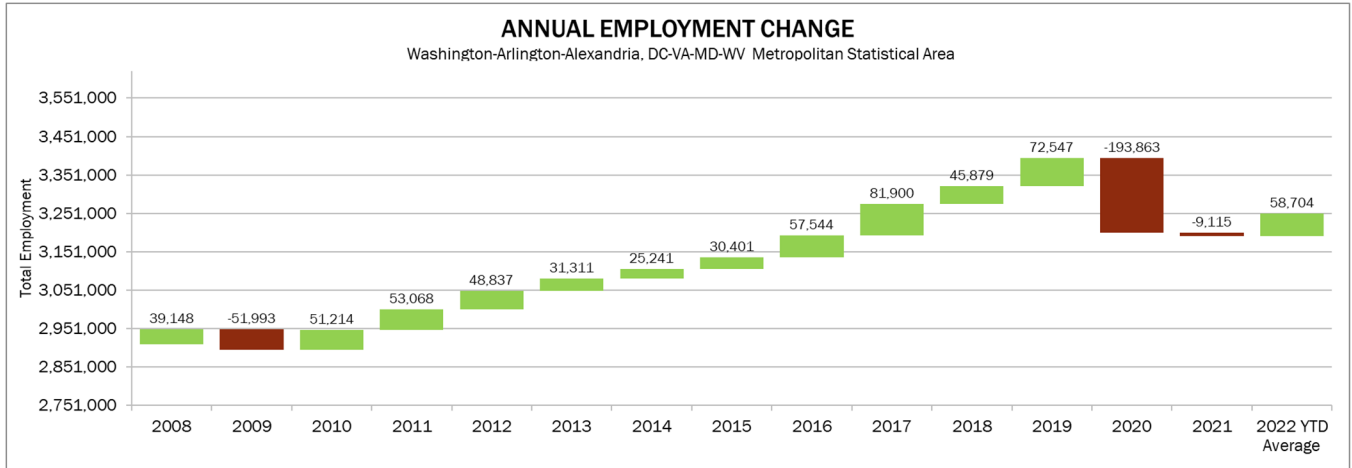
During the period preceding the onset of the COVID-19 pandemic (2012 - 2019), job growth in the MSA was generally similar to the nation. Employment in the MSA declined sharply by 5.7 percent in 2020 amid the pandemic, similar to the overall nation. Total employment in the MSA currently remains similar to the pre-COVID level reached in 2019. As of March 2022, employment in the MSA is increasing at an annualized rate of 3.6 percent, compared to 5.1 percent growth across the nation.

UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area				USA		
	Unemployment Rate	Change	Differential from peak	Unemployment Rate	Change	Differential from peak
2006	3.4%	-	0.4%	4.6%	-	1.0%
2007	3.2%	-0.2%	0.2%	4.6%	0.0%	1.0%
2008	3.9%	0.7%	0.9%	5.8%	1.2%	2.1%
2009	6.3%	2.4%	3.3%	9.3%	3.5%	5.6%
2010	6.5%	0.3%	3.5%	9.6%	0.3%	6.0%
2011	6.2%	-0.4%	3.2%	9.0%	-0.7%	5.3%
2012	5.7%	-0.5%	2.7%	8.1%	-0.9%	4.4%
2013	5.5%	-0.2%	2.5%	7.4%	-0.7%	3.7%
2014	5.0%	-0.5%	2.0%	6.2%	-1.2%	2.5%
2015	4.4%	-0.7%	1.3%	5.3%	-0.9%	1.6%
2016	3.8%	-0.5%	0.8%	4.9%	-0.4%	1.2%
2017	3.6%	-0.2%	0.6%	4.4%	-0.5%	0.7%
2018	3.2%	-0.4%	0.2%	3.9%	-0.4%	0.2%
2019	3.0%	-0.2%	0.0%	3.7%	-0.2%	0.0%
2020	6.4%	3.4%	3.4%	8.1%	4.4%	4.4%
2021	4.9%	-1.6%	1.9%	5.4%	-2.7%	1.7%
2022 YTD Average*	3.7%	-1.1%	-	4.1%	-1.3%	-
Mar-2021	5.3%	-	-	6.2%	-	-
Mar-2022	3.6%	-1.7%	-	3.8%	-2.4%	-

Source: U.S. Bureau of Labor Statistics, May 2022

During the period preceding the onset of the COVID-19 pandemic (2012 - 2019), the MSA generally experienced a lower unemployment rate relative to the nation. The MSA unemployment rate increased modestly by 3.4 percentage points in 2020 amid the pandemic, reaching a high of 6.4 percent. For comparison, the national unemployment rate rose by 4.4 percentage points and reached a high of 8.1 percent over the same time period. According to the latest labor statistics, dated March 2022, the current MSA unemployment rate is 3.6 percent. This is well below the highs of 2020, and similar to the current national unemployment rate of 3.8 percent.



Wages by Occupation

The following table illustrates the wages by occupation for the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA. Information at the PMA level was not available.

WASHINGTON-ARLINGTON-ALEXANDRIA, DC-MD-VA-WV METROPOLITAN STATISTICAL MARKET AREA 2ND QTR 2022 AREA WAGE ESTIMATES

Occupation	Number of Employees	Mean Hourly Wage	Mean Annual Wage
All Occupations	3,022,200	\$37.12	\$77,210
Management Occupations	254,670	\$74.70	\$155,370
Legal Occupations	68,430	\$72.48	\$150,760
Computer and Mathematical Occupations	242,350	\$53.98	\$112,280
Life, Physical, and Social Science Occupations	62,720	\$52.76	\$109,740
Architecture and Engineering Occupations	62,990	\$52.22	\$108,610
Healthcare Practitioners and Technical Occupations	145,220	\$48.77	\$101,450
Business and Financial Operations Occupations	335,360	\$47.34	\$98,460
Arts, Design, Entertainment, Sports, and Media Occupations	72,860	\$42.36	\$88,120
Educational Instruction and Library Occupations	189,490	\$34.33	\$71,400
Community and Social Service Occupations	43,860	\$30.71	\$63,880
Protective Service Occupations	84,790	\$30.45	\$63,330
Installation, Maintenance, and Repair Occupations	89,580	\$28.63	\$59,560
Construction and Extraction Occupations	113,850	\$26.30	\$54,710
Sales and Related Occupations	241,460	\$25.02	\$52,040
Office and Administrative Support Occupations	346,620	\$23.96	\$49,830
Production Occupations	50,920	\$21.83	\$45,410
Transportation and Material Moving Occupations	164,450	\$21.08	\$43,840
Farming, Fishing, and Forestry Occupations	1,730	\$20.28	\$42,190
Building and Grounds Cleaning and Maintenance Occupations	96,900	\$17.29	\$35,970
Personal Care and Service Occupations	63,100	\$17.05	\$35,470
Healthcare Support Occupations	90,840	\$16.87	\$35,090
Food Preparation and Serving Related Occupations	200,010	\$15.18	\$31,570

Source: Department Of Labor, Occupational Employment Statistics, 5/2020, retrieved 5/2022

The table above shows the average hourly and annual wages by occupation classification. The classification with the lowest average hourly wage is food preparation and serving related occupations at \$15.18 per hour. The highest average hourly wage, of \$74.70, is for those in management occupations. Qualifying income for the Subject's affordable units will range between \$76,114 and \$92,220. This encompasses a significant amount of the employment based on wages in the area. An element not reflected in the data is that many positions represent part-time employment, and starting rates are typically lower than mean wage rates. We expect that part-time employment and entry-level positions will be common amongst the Subject's tenant base.

Commuting Patterns

The chart below shows the travel time to work for the PMA according to US Census data.

COMMUTING PATTERNS		
ACS Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	315	1.0%
Travel Time 5-9 min	1,344	4.5%
Travel Time 10-14 min	1,974	6.5%
Travel Time 15-19 min	3,124	10.3%
Travel Time 20-24 min	3,857	12.8%
Travel Time 25-29 min	1,882	6.2%
Travel Time 30-34 min	3,950	13.1%
Travel Time 35-39 min	1,186	3.9%
Travel Time 40-44 min	1,728	5.7%
Travel Time 45-59 min	4,491	14.9%
Travel Time 60-89 min	4,424	14.7%
Travel Time 90+ min	1,913	6.3%
Weighted Average	40 minutes	

Source: US Census 2021, Novogradac Consulting LLP, May 2022

As shown in the preceding table, the weighted average commute time in the PMA is approximately 40 minutes. Only 35 percent of PMA commuters travel under 24 minutes, indicating many households work outside of the PMA, likely in Washington DC and elsewhere in Northern Virginia. The average commute time across the overall nation is approximately 28 minutes.

Conclusion

Employment in the PMA is concentrated in the prof/scientific/tech services, public administration, and educational services industries, which collectively comprise 49.3 percent of local employment. The large share of PMA employment in the public administration industry is notable as this industry is historically stable, and exhibits greater resilience during economic downturns. Employment in the MSA declined sharply by 5.7 percent in 2020 amid the pandemic, similar to the overall nation. Total employment in the MSA currently remains similar to the pre-COVID-19 pandemic level reached in 2019. As of March 2022, employment in the MSA is increasing at an annualized rate of 3.6 percent, compared to 5.1 percent growth across the nation.

G. DEMOGRAPHIC CHARACTERISTICS

DEMOGRAPHIC CHARACTERISTICS

The tables below illustrate population and household trends for the general population in the PMA, the Washington-Arlington-Alexandria, DC-VA-MD-WV (MSA), and the nation from 2000 through 2026.

General Population and Households

POPULATION

Year	PMA		Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	20,939	-	4,849,772	-	280,304,282	-
2010	34,850	6.6%	5,636,232	1.6%	308,745,538	1.0%
2021	75,046	10.3%	6,280,496	1.0%	333,934,112	0.7%
2026	90,977	4.2%	6,606,755	1.0%	345,887,495	0.7%

Source: Esri Demographics 2021, Novogradac Consulting LLP, June 2022

HOUSEHOLDS

Year	PMA		Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	7,287	-	1,823,561	-	105,081,032	-
2010	11,117	5.3%	2,094,036	1.5%	116,716,293	1.1%
2021	23,449	9.9%	2,329,344	1.0%	126,470,651	0.7%
2026	28,263	4.1%	2,449,795	1.0%	131,047,367	0.7%

Source: Esri Demographics 2021, Novogradac Consulting LLP, June 2022

As the tables illustrate, the PMA and MSA experienced rapid population and household growth between 2010 and 2021. Notably, the PMA is experiencing population and household growth well above that of the MSA and nation over the same time period. Through 2026, population and household growth in the PMA and MSA are projected to slow but remain strong, with growth rates remaining above the nation. Over this period, the PMA will continue to experience greater growth than the MSA.

Average Household Size

The following table provides a summary of the household size distribution in the PMA, the MSA and the nation.

AVERAGE HOUSEHOLD SIZE

Year	PMA		Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.86	-	2.60	-	2.59	-
2010	3.12	0.9%	2.64	0.1%	2.57	-0.1%
2021	3.20	0.2%	2.65	0.0%	2.58	0.0%
2026	3.22	0.1%	2.65	0.0%	2.58	0.0%

Source: Esri Demographics 2021, Novogradac Consulting LLP, June 2022

As shown in the prior table, the average household size in the PMA is larger than that of both the MSA and the nation as of 2021. According to ESRI demographic projections, household sizes in the PMA will increase slightly through 2026 and will remain above that of the surrounding MSA and overall nation.

Population by Age

POPULATION BY AGE IN 2021

Age Cohort	PMA		Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
0-4	6,979	9.3%	365,057	5.8%	19,583,554	5.9%
5-9	8,005	10.7%	388,173	6.2%	20,285,004	6.1%
10-14	7,630	10.2%	412,543	6.6%	20,830,354	6.2%
15-19	4,955	6.6%	385,097	6.1%	20,895,063	6.3%
20-24	2,872	3.8%	378,374	6.0%	21,774,858	6.5%
25-29	3,716	5.0%	451,554	7.2%	23,635,805	7.1%
30-34	5,102	6.8%	478,281	7.6%	23,075,663	6.9%
35-39	7,463	9.9%	477,615	7.6%	22,214,979	6.7%
40-44	7,759	10.3%	429,120	6.8%	20,473,604	6.1%
45-49	6,277	8.4%	403,455	6.4%	19,884,128	6.0%
50-54	4,533	6.0%	405,080	6.4%	20,369,768	6.1%
55-59	3,308	4.4%	414,731	6.6%	21,854,615	6.5%
60-64	2,425	3.2%	378,465	6.0%	21,404,227	6.4%
65-69	1,696	2.3%	310,914	5.0%	18,643,582	5.6%
70-74	1,139	1.5%	248,650	4.0%	15,357,989	4.6%
75-79	635	0.8%	158,525	2.5%	10,256,260	3.1%
80-84	307	0.4%	96,354	1.5%	6,567,201	2.0%
85+	244	0.3%	98,508	1.6%	6,827,458	2.0%
Total	75,045	100.0%	6,280,496	100.0%	333,934,112	100.0%

Source: Esri Demographics 2021, Novogradac Consulting LLP, June 2022

POPULATION BY AGE IN 2026 ESTIMATE

Age Cohort	PMA		Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
0-4	8,496	9.3%	389,219	5.9%	20,376,508	5.9%
5-9	9,511	10.5%	393,641	6.0%	20,557,178	5.9%
10-14	8,751	9.6%	399,810	6.1%	21,175,516	6.1%
15-19	6,603	7.3%	399,894	6.1%	21,464,554	6.2%
20-24	3,579	3.9%	386,179	5.8%	21,430,752	6.2%
25-29	4,867	5.3%	454,800	6.9%	22,134,213	6.4%
30-34	7,016	7.7%	510,365	7.7%	24,254,848	7.0%
35-39	7,990	8.8%	512,428	7.8%	23,948,559	6.9%
40-44	8,605	9.5%	481,296	7.3%	22,461,154	6.5%
45-49	7,420	8.2%	425,086	6.4%	20,643,364	6.0%
50-54	5,615	6.2%	392,966	5.9%	19,678,616	5.7%
55-59	4,032	4.4%	392,384	5.9%	20,246,000	5.9%
60-64	3,051	3.4%	386,374	5.8%	21,095,848	6.1%
65-69	2,169	2.4%	347,459	5.3%	20,376,914	5.9%
70-74	1,475	1.6%	279,642	4.2%	17,021,089	4.9%
75-79	1,009	1.1%	215,056	3.3%	13,402,050	3.9%
80-84	458	0.5%	127,084	1.9%	8,180,378	2.4%
85+	329	0.4%	113,072	1.7%	7,439,954	2.2%
Total	90,976	100.0%	6,606,755	100.0%	345,887,495	100.0%

Source: Esri Demographics 2021, Novogradac Consulting LLP, June 2022

General Household Income Distribution

The following table illustrates household income distribution in the PMA and the MSA in 2021 and 2026.

HOUSEHOLD INCOME IN 2021

Income Cohort	PMA		Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	125	0.5%	87,737	3.8%	7,612,939	6.0%
\$10,000-19,999	338	1.4%	89,197	3.8%	10,391,942	8.2%
\$20,000-29,999	178	0.8%	100,694	4.3%	10,979,507	8.7%
\$30,000-39,999	471	2.0%	111,037	4.8%	10,681,904	8.4%
\$40,000-49,999	466	2.0%	113,889	4.9%	10,130,831	8.0%
\$50,000-59,999	751	3.2%	120,539	5.2%	8,996,899	7.1%
\$60,000-74,999	961	4.1%	183,310	7.9%	12,162,468	9.6%
\$75,000-99,999	1,825	7.8%	280,943	12.1%	15,717,911	12.4%
\$100,000-124,999	1,951	8.3%	256,436	11.0%	11,779,502	9.3%
\$125,000-149,999	2,262	9.6%	210,661	9.0%	8,197,889	6.5%
\$150,000-199,999	4,224	18.0%	292,853	12.6%	8,631,385	6.8%
\$200,000+	9,897	42.2%	482,048	20.7%	11,187,474	8.8%
Total	23,449	100.0%	2,329,344	100.0%	126,470,651	100.0%

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, June 2022

HOUSEHOLD INCOME IN 2026

Income Cohort	PMA		Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	149	0.5%	83,866	3.4%	7,110,992	5.4%
\$10,000-19,999	370	1.3%	85,333	3.5%	9,412,666	7.2%
\$20,000-29,999	225	0.8%	94,023	3.8%	10,255,668	7.8%
\$30,000-39,999	445	1.6%	104,997	4.3%	10,057,571	7.7%
\$40,000-49,999	580	2.1%	107,674	4.4%	9,748,811	7.4%
\$50,000-59,999	757	2.7%	114,249	4.7%	8,980,416	6.9%
\$60,000-74,999	1,128	4.0%	175,631	7.2%	11,929,878	9.1%
\$75,000-99,999	2,075	7.3%	277,560	11.3%	16,074,353	12.3%
\$100,000-124,999	2,151	7.6%	257,388	10.5%	12,575,571	9.6%
\$125,000-149,999	2,446	8.7%	223,921	9.1%	9,395,357	7.2%
\$150,000-199,999	4,736	16.8%	317,925	13.0%	10,395,066	7.9%
\$200,000+	13,201	46.7%	607,228	24.8%	15,111,018	11.5%
Total	28,263	100.0%	2,449,795	100.0%	131,047,367	100.0%

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, June 2022

Annual household income levels will range from \$76,114 to \$92,220 for the Subject’s LIHTC units at 60 percent of AMI, as proposed.

General Household Tenure

The following table is a summary of the tenure patterns of the housing stock in the PMA.

TENURE PATTERNS PMA				
Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	5,729	78.6%	1,558	21.4%
2010	8,715	78.4%	2,402	21.6%
2021	19,456	83.0%	3,993	17.0%
2026	23,404	82.8%	4,859	17.2%

Source: Esri Demographics 2021, Novogradac Consulting LLP, June 2022

The preceding table details household tenure patterns for the general population (non-senior) in the PMA since 2000. The percentage of renter households in the PMA declined between 2000 and 2021, and is estimated to be 17 percent as of 2021. This is well below the estimated 33 percent of renter households across the overall nation. According to ESRI demographic projections, the percentage of renter households in the PMA is expected to increase slightly through 2026. However, the number of renter households will increase by almost over 800 renter households, indicating continued demand for rental housing in the Subject’s market.

General Renter Household Income Distribution

The following table illustrates total renter household income distribution.

Income Cohort	RENTER HOUSEHOLD INCOME					
	2021		PMA 2026		Annual Change 2021 to 2026	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	67	1.7%	79	1.6%	2	3.6%
\$10,000-19,999	192	4.8%	202	4.2%	2	1.0%
\$20,000-29,999	68	1.7%	76	1.6%	2	2.4%
\$30,000-39,999	190	4.8%	182	3.7%	-2	-0.8%
\$40,000-49,999	214	5.4%	240	4.9%	5	2.4%
\$50,000-59,999	293	7.3%	321	6.6%	6	1.9%
\$60,000-74,999	464	11.6%	543	11.2%	16	3.4%
\$75,000-99,999	576	14.4%	660	13.6%	17	2.9%
\$100,000-124,999	546	13.7%	662	13.6%	23	4.2%
\$125,000-149,999	269	6.7%	350	7.2%	16	6.0%
\$150,000-199,999	667	16.7%	857	17.6%	38	5.7%
\$200,000+	447	11.2%	687	14.1%	48	10.7%
Total	3,993	100.0%	4,859	100.0%		

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, June 2022

In the previous tables, the percentage of renter occupied households was applied to the total number of households in the PMA at each income level. As illustrated, the largest concentrations of renter households fall into the \$75,000 to \$99,999 and \$100,000 to \$124,999 income cohorts. The Subject’s residents will need to earn between \$76,114 and \$92,220 to reside in the Subject’s units, which will be set-aside at the 60 percent AMI levels.

Median Household Income Levels

The table below illustrates median household income levels in the PMA, the MSA, and the nation from 2000 through 2026. Note that this is based on data for all household sizes and is independent of the calculation of AMI.

Year	PMA		Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area		USA	
	<i>Amount</i>	<i>Annual Change</i>	<i>Amount</i>	<i>Annual Change</i>	<i>Amount</i>	<i>Annual Change</i>
	2000	\$75,335	-	\$69,055	-	\$44,333
2021	\$178,499	6.4%	\$106,279	2.5%	\$64,730	2.2%
2026	\$187,049	1.0%	\$114,334	1.5%	\$72,932	2.5%

Source: Esri Demographics 2021, Novogradac Consulting LLP, June 2022

As of 2021, the median income in the PMA is substantially above the surrounding MSA. Median household income growth in the PMA exceeded the MSA between 2000 and 2021. Income growth in both geographic areas exceeded the overall nation during this time period. In particular, median income in the PMA rose from 170 percent of the national median income in 2000 to 276 percent in 2021. The overall rise in median income levels reflects a market where lower income households may be priced out by more affluent households. It also indicates that affordable housing properties should prosper in the future as incomes and, therefore, achievable rents rise. According to ESRI demographic projections, annualized PMA growth is expected to decline significantly to 1.0 percent through 2026, which is below projected growth in the MSA and nation.

Rent Overburdened Households

The following table illustrates the percentage of households paying greater than 35 percent of their income towards housing in the PMA, the MSA, and the nation.

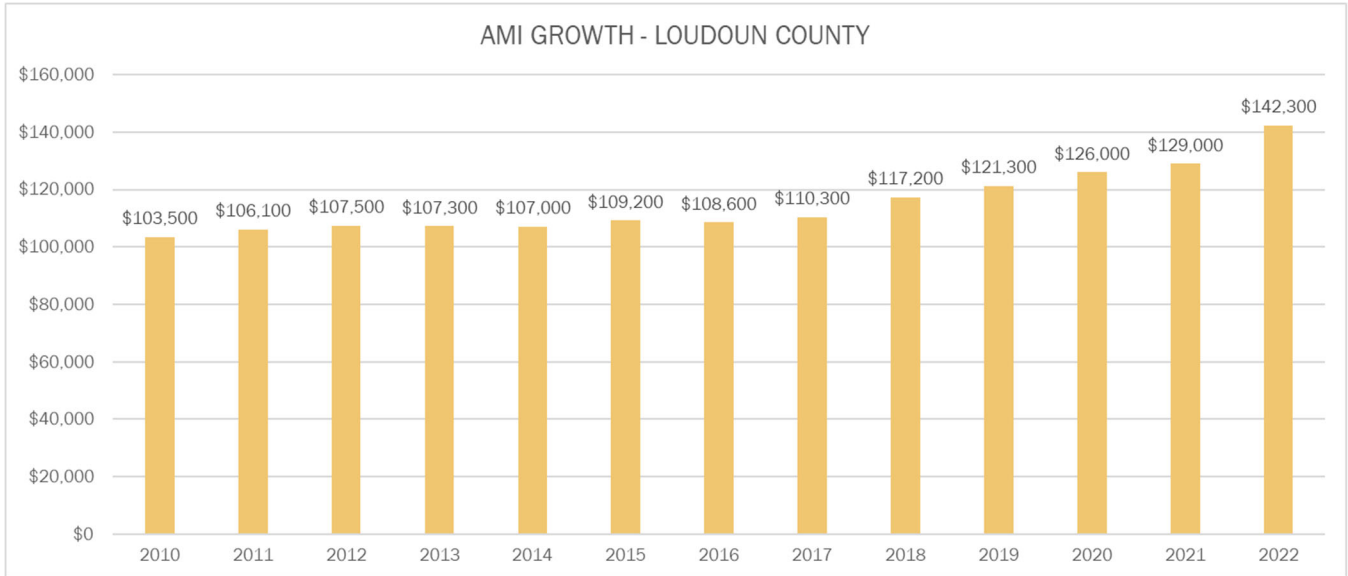
Year	PMA		Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area		USA	
	<i>Amount</i>	<i>Percentage</i>	<i>Amount</i>	<i>Percentage</i>	<i>Amount</i>	<i>Percentage</i>
	2021	670	30.6%	288,638	38.8%	16,610,566

Source: Esri Demographics 2021, Novogradac Consulting LLP, June 2022

The incidence of rent-overburdened households is lower in the PMA relative to the MSA and nation.

Area Median Income

For Section 42 LIHTC rent determination purposes, the HUD AMI is used. It should be noted that the HUD AMI differs from the median household income illustrated previously. HUD uses the Area Median Income in metropolitan and non-metropolitan areas to calculate income limits for eligibility in a variety of housing programs. HUD estimates the AMI for an area in the current year and adjusts that amount for different household sizes so that household incomes may be expressed as a percentage of the area median income. The following chart illustrates historical AMI levels for a four-person household in Loudoun County.



Source: Novogradac & Company, LLP, May 2022

Overall, the AMI increased at an annual rate of 3.1 percent between 2010 and 2021. The AMI level reached a new peak in 2022, indicating properties will have the same income and rent limits as the Subject.

The table below illustrates the change in AMI for Loudoun County, VA from 2013 to 2022.

LOUDOUN COUNTY AMI GROWTH (2013-2022)										
Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
AMI	\$107,300	\$107,000	\$109,200	\$108,600	\$110,300	\$117,200	\$121,300	\$126,000	\$129,000	\$142,300
Percentage	-0.2%	-0.3%	2.1%	-0.5%	1.6%	6.3%	3.5%	3.9%	2.4%	10.3%

The Subject’s proposed rents for its LIHTC units at 60 percent of AMI are at the maximum allowable level. Overall, rent increases for the Subject’s units will be dependent upon market conditions as well as future increases in the AMI.

Conclusion

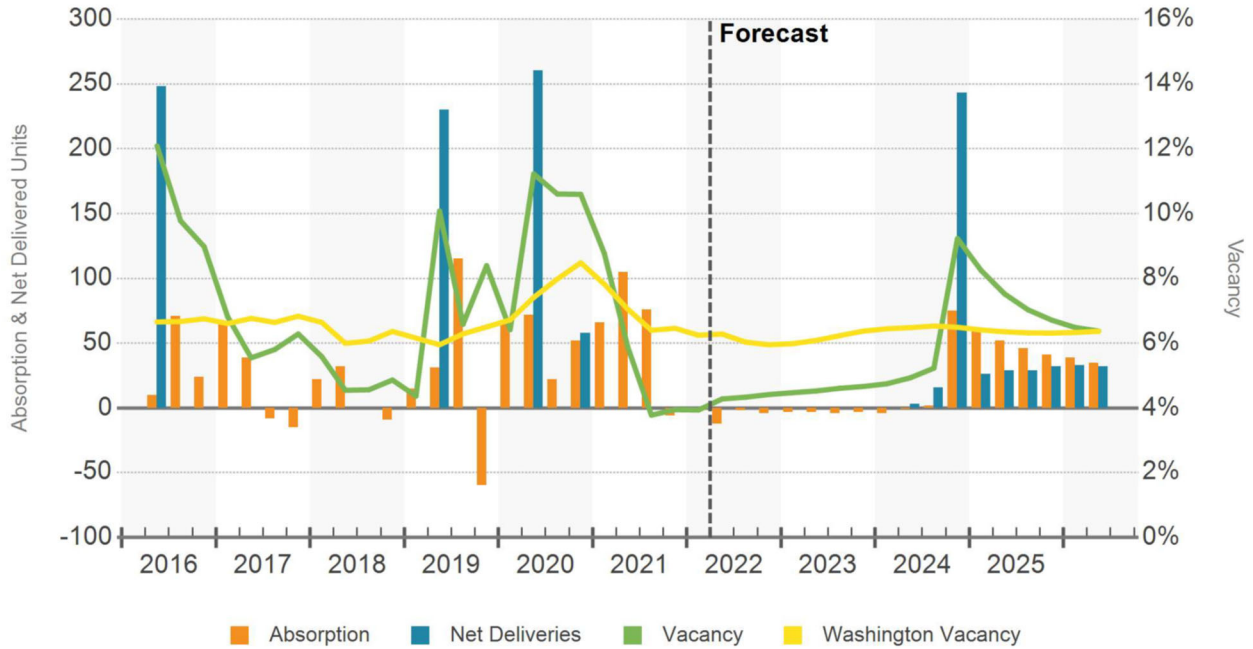
The PMA has historically experienced strong population and household growth, exceeding growth in the MSA and nation. The proportion of renter households in the PMA is well below the national average of 33 percent, and the number of renter households is projected to increase only slightly through 2026. However, this increase is expected to consist of over 800 households. As of 2022, the median income in the PMA is well above the surrounding MSA. Overall, the combination of rising population levels and household income levels bodes well for future demand for multifamily housing.

H. COMPETITIVE ENVIRONMENT

HOUSING SUMMARY

We consulted the May 2022 CoStar report for the Subject’s Dulles-Greenway submarket of the Washington, DC metropolitan area to gather information on the local apartment rental market. According to this report, there are 3,624 existing units within the Subject’s submarket. As illustrated in the following graph, the current vacancy rate in the submarket is 4.2 percent, below the five year historical average of 6.8 percent.

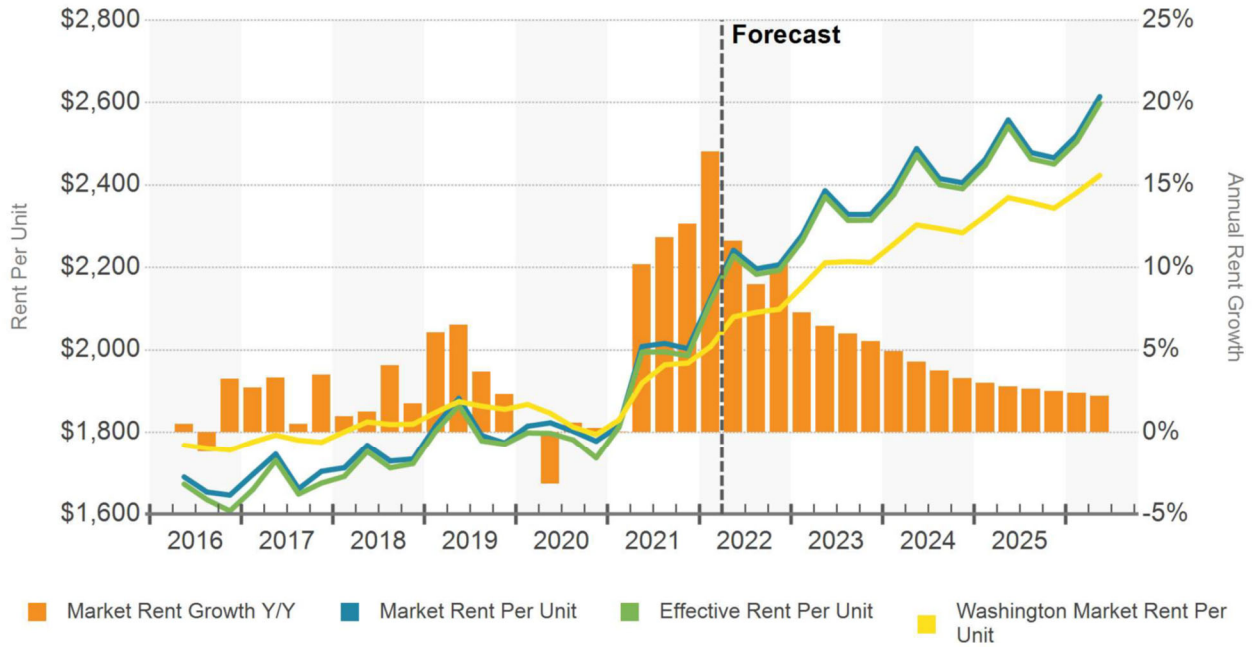
Dulles Greenway Submarket



Source: Costar, May 2022

The vacancy rate in the submarket is expected to increase slightly through 2026 as additional supply is expected to be delivered. Nonetheless, vacancy rates are expected to remain at lower levels through 2024. This bodes well for continued growth in the Dulles-Greenway rental submarket.

Dulles Greenway Submarket



Source: Costar, May 2022

Rent growth was positive in three of the last five years, averaging approximately two percent year-over-year increases in rent growth. In 2020, the submarket experienced a significant decrease in rent growth due to the COVID-19 pandemic but strongly rebounded by mid-2021. The effective rents in the submarket are anticipated to continue increasing through 2026, although at a slower pace.

Additionally, economic development has increased in the surrounding Brambleton area, as new commercial, residential and community uses have opened in the last few years, with additional development underway. The average effective rent in the submarket is anticipated to reach approximately \$2,400 in 2024, when the Subject is anticipated to enter the market, which bodes well for housing of all types.

Age of Housing Stock

The following table illustrate the age of the existing housing stock in the PMA.

	HOUSING STOCK BY YEAR BUILT					
	PMA		Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area		USA	
Built 2010 or later	3,879	24.0%	81,766	3.6%	3,690,038	2.8%
Built 2000 to 2009	8,728	53.9%	340,190	14.9%	19,186,932	14.3%
Built 1990 to 1999	2,409	14.9%	339,178	14.9%	19,072,607	14.2%
Built 1980 to 1989	375	2.3%	372,764	16.4%	18,455,307	13.8%
Built 1970 to 1979	191	1.2%	329,931	14.5%	20,877,555	15.6%
Built 1960 to 1969	184	1.1%	282,914	12.4%	14,526,829	10.8%
Built 1950 to 1959	103	0.6%	220,427	9.7%	14,142,147	10.6%
Built 1940 to 1949	121	0.7%	116,589	5.1%	6,748,599	5.0%
Built 1939 or earlier	200	1.2%	195,797	8.6%	17,329,130	12.9%
Total Housing Units	16,190	100.0%	2,279,556	100.0%	134,029,144	100.0%

Source: US Census American Community Estimates, June 2022

As illustrated in the previous table, the majority of the housing stock in the Subject’s PMA was built between 2000 and 2009.

Substandard Housing

The following table illustrates the percentage of housing units that are considered substandard.

SUBSTANDARD HOUSING			
Year	PMA	Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area	USA
	Percentage	Percentage	Percentage
2021	1.37%	1.12%	1.70%

Source: Esri Demographics 2021, Novogradac Consulting LLP, June 2022

The percentage of residents living in substandard housing in the PMA is above the MSA and slightly below the nation.

Building Permits

The following table depicts building activity from 2000 through 2021 for Loudoun County.

BUILDING PERMITS: LOUDOUN COUNTY 2000 - 2021				
Year	Single-family and Duplex	Three and Four- Family	Five or More Family	Total Units
2000	5,131	0	1,169	6,300
2001	3,436	0	1,317	4,753
2002	4,659	0	1,449	6,108
2003	5,678	0	1,092	6,770
2004	5,667	0	997	6,664
2005	4,716	0	483	5,199
2006	2,937	0	347	3,284
2007	2,479	0	399	2,878
2008	1,490	0	967	2,457
2009	1,638	0	516	2,154
2010	1,840	4	197	2,041
2011	2,376	0	694	3,070
2012	2,998	0	817	3,815
2013	3,545	0	1,339	4,884
2014	2,823	0	657	3,480
2015	2,635	0	979	3,614
2016	2,522	0	774	3,296
2017	2,596	0	1,168	3,764
2018	2,517	0	1,198	3,715
2019	2,137	0	841	2,978
2020	1,819	0	674	2,493
2021	1,543	0	556	2,099
Total	67,182	4	18,630	85,816
Average*	3,054	0	847	3,901

Source: US Census Bureau Building Permits, June 2022

The preceding table indicates that local permit issuance peaked in 2003, with recent annual figures at less than half the peak level. Multifamily units accounted for approximately 22 percent of all units authorized since 2000.

Rent/Buy Analysis

We performed a rent/buy analysis. Our inputs assume a three-bedroom, townhome listing on Zillow in the Subject's neighborhood with a purchase price of \$750,000 and an interest rate of 5.0 percent for a 30-year fixed mortgage with a ten percent down payment. This was compared to the cost to rent the Subject's three-bedroom unit at 60 percent AMI. The analysis indicates that with a monthly differential of \$2,862, it is more affordable to rent than to purchase a home. This indicates that the Subject will face limited competition with home ownership at current interest rate levels. The rent buy analysis is illustrated in the following table.

RENT BUY ANALYSIS				
Property Type:	Three-Bedroom Single Family Home			
Sale Price			\$750,000	
Down Payment at 10%			\$75,000	
Mortgage Amount			\$675,000	
Current Interest Rate			5.00%	
	<i>Homeownership Costs</i>	<i>Monthly</i>	<i>% of Home Value</i>	<i>Annual</i>
Mortgage Payment		\$3,624		\$43,483
Property Taxes		\$556	0.89%	\$6,675
Private Mortgage Insurance ¹		\$281	0.50%	\$3,375
Maintenance		\$1,250	2.00%	\$15,000
Utility Costs ²		\$14		\$168
Tax Savings		-\$837		-\$10,050
Cost Comparison				
		<i>Monthly</i>		<i>Annual</i>
Costs of Homeownership		\$4,888		\$58,651
Cost of Renting At Subject	-	\$2,026		\$24,312
Differential		\$2,862		\$34,339
Cost of Occupancy				
	<i>Homeownership</i>			
Closing Costs			3.0%	\$22,500
Down Payment at 10%			10.0%	\$75,000
Total				\$97,500
	<i>Subject Rental</i>			
First Month's Rent		\$2,026		
Security Deposit		<u>\$2,026</u>		
Total		\$4,052		

(1) Based upon 0.50 percent of mortgage amount.

(2) Utility Costs Included in Rent at Subject

SURVEY OF COMPARABLE PROPERTIES

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

Description of Property Types Surveyed/Determination of Number of Tax Credit Units

The Subject will be located off of Calderwood Lane in Ashburn, Loudoun County, Virginia. To evaluate the competitive position of a new rental development in the Ashburn area, we telephone surveyed 2,590 units in 10 rental properties.

The availability of LIHTC data is considered good. The five comparables included are between 0.7 and 6.7 miles from the Subject. Three of the five LIHTC properties are located in the PMA. All of the LIHTC comparables offer units at 60 percent of AMI, similar to the Subject. Also, all of the LIHTC comparables offer three-bedroom units, similar to the Subject.

The availability of market-rate data is also considered good. We included five conventional market-rate properties located between two and 3.5 miles of the Subject site, all of which are within the boundaries of the Subject's PMA. We believe the 10 LIHTC and market-rate comparable properties utilized in our analysis offer

a good comparison for the proposed Subject, all are located within a reasonable distance of the Subject site, and therefore provide adequate data points to support our conclusions.

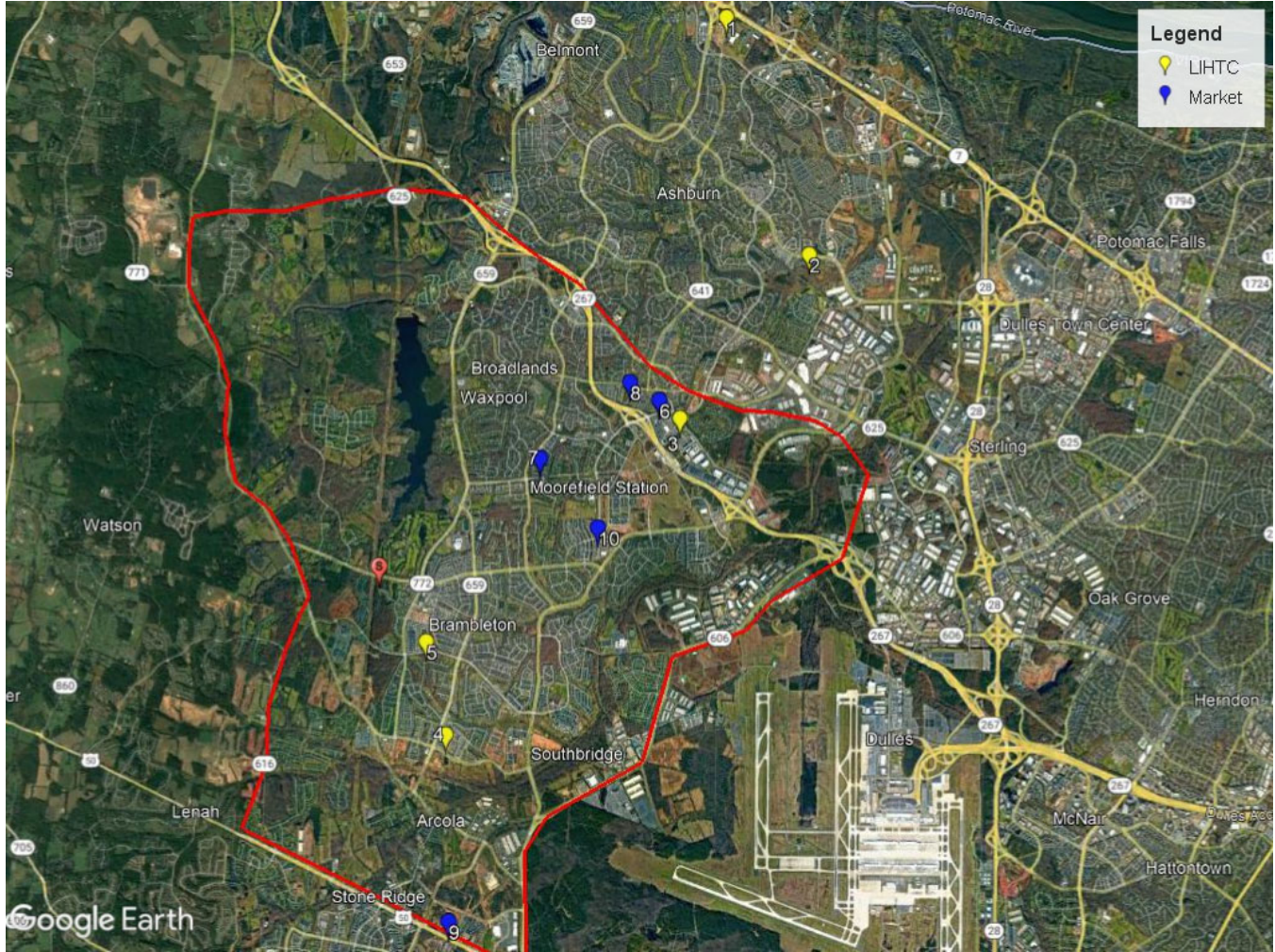
Excluded properties include, but are not limited to the properties located in the following table.

EXCLUDED PROPERTIES

Property Name	Rent Structure	Tenancy	Reason for Exclusion	Distance to Subject
Birchwood At Brambleton II	LIHTC	Senior	Dissimilar tenancy	2.0 miles
Shreveport Ridge	LIHTC	Family	Dissimilar restrictions	2.0 miles
The Woods At Birchwood	LIHTC	Senior	Dissimilar tenancy	2.0 miles
BLVD Loudoun Station	Market	Family	Better comparables available	3.5 miles
Broadlands Apartments	Market	Family	Better comparables available	2.0 miles
Westwind Farms	Market	Family	Better comparables available	3.3 miles
Bell Ashburn Farms	Market	Family	Better comparables available	3.2 miles

Detailed matrices describing the individual competitive properties, as well as the proposed Subject, are provided in the addenda of this report. A map illustrating the location of the Subject in relation to the comparable properties follows.

Comparable Rental Property Map



Source: Google Earth, June 2022

COMPARABLE PROPERTIES

#	Comparable Property	City	Rent Structure	Tenancy	Distance to Subject
S	Brambleton 99	Ashburn	@60%	Family	-
1	Ashburn Chase*	Ashburn	@30%, @50%, @60%	Family	6.7 miles
2	Ashburn Meadows*	Ashburn	@60%	Family	5.4 miles
3	The Grove At Flynn's Crossing	Ashburn	@60%	Family	3.4 miles
4	The Woods At Brambleton	Ashburn	@60%	Family	1.7 miles
5	The Woods At Brambleton Town Center South	Ashburn	@60%	Family	0.7 miles
6	Atley On The Greenway	Ashburn	Market	Family	3.4 miles
7	Broadlands Apartments	Ashburn	Market	Family	2.0 miles
8	Camden Silo Creek	Ashburn	Market	Family	3.2 miles
9	The Elms At Arcola	Sterling	Market	Family	3.5 miles
10	The Point At Ashburn	Ashburn	Market	Family	2.2 miles

*Located outside PMA

BRAMBLETON 99 – ASHBURN, VIRGINIA – MARKET STUDY

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	Brambleton 99 Calderwood Lane Ashburn, VA 20148 Loudoun County	-	Townhouse 3-stories 2024 / n/a Family	@60%	3BR / 3.5BA	99	100.0%	1,800	@60%	\$2,026	Yes	N/A	N/A	N/A
1	Ashburn Chase 19761 Ashburn Road Ashburn, VA 20147 Loudoun County	6.7 miles	Midrise 4-stories 2020 / n/a Family	@30%, @50%, @60%	1BR / 1BA 1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 3BR / 2BA 3BR / 2BA 3BR / 2BA	1 1 17 3 14 41 1 4 14	1.0% 1.0% 17.7% 3.1% 14.6% 42.7% 1.0% 4.2% 14.6%	628 628 628 868 868 1,106 1,106 1,123	@30% @50% @60% @30% @50% @60% @30% @50% @60%	\$585 \$1,055 \$1,290 \$700 \$1,270 \$1,555 \$810 \$1,465 \$1,745	No No No No No No No No No	Yes Yes Yes Yes Yes Yes Yes Yes Yes	0 0 0 0 0 0 0 0 0	0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0%
2	Ashburn Meadows 21030 Lowry Park Terrace Ashburn, VA 20147 Loudoun County	5.4 miles	Garden 4-stories 2000 / n/a Family	@60%	2BR / 1BA 2BR / 2BA 3BR / 2BA	62 212 62	18.5% 63.1% 18.5%	877 1,010 1,178	@60% @60% @60%	\$1,810 \$1,810 \$2,092	Yes Yes Yes	Yes Yes Yes	0 0 0	0.0% 0.0% 0.0%
3	The Grove At Flynn's Crossing 21892 Blossom Hill Terrace Ashburn, VA 20147 Loudoun County	3.4 miles	Garden 3-stories 1999 / n/a Family	@60%	1BR / 1BA 2BR / 1BA 2BR / 2BA 3BR / 2BA	24 48 78 18	14.3% 28.6% 46.4% 10.7%	807 971 1,119 1,267	@60% @60% @60% @60%	\$1,473 \$1,712 \$1,762 \$2,032	No No No No	No No No No	0 1 1 0	0.0% 2.1% 1.3% 0.0%
4	The Woods At Brambleton 23601 Willisshaw Square Ashburn, VA 20148 Loudoun County	1.7 miles	Garden 4-stories 2014 / n/a Family	@60%	0BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 3BR / 2BA	24 N/A N/A N/A 2	N/A N/A N/A N/A 1.0%	510 845 1,108 1,318 1,308	@60% @60% @60% @60% @60%	\$1,030 \$1,075 \$1,120 \$1,120 \$1,120	No No No No No	Yes Yes Yes Yes Yes	0 0 0 0 0	N/A N/A N/A N/A 0.0%
5	The Woods At Brambleton Town Center South 22964 Camilla Springs Square Ashburn, VA 20148 Loudoun County	0.7 miles	Townhouse 3-stories 2021 / n/a Family	@60%	3BR / 3.5BA	55	100.0%	1,800	@60%	\$1,755	No	No	0	0.0%
6	Atley On The Greenway 21827 High Rock Terrace Ashburn, VA 20147 Loudoun County	3.4 miles	Garden 4-stories 2014 / n/a Family	Market	1BR / 1BA 1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 2BR / 2BA 3BR / 2BA	N/A N/A N/A N/A N/A N/A N/A	N/A N/A N/A N/A N/A N/A N/A	843 971 715 1,199 1,256 1,141 1,375	Market Market Market Market Market Market Market	\$2,209 \$2,404 \$1,989 \$2,619 \$2,804 \$2,569 \$2,639	N/A N/A N/A N/A N/A N/A N/A	No No No No No No No	5 0 0 11 0 0 0	N/A N/A N/A N/A N/A N/A N/A
7	Broadlands Apartments 21799 Crescent Park Square Ashburn, VA 20148 Loudoun County	2.0 miles	Various 3-stories 2003 / 2020 Family	Market	1BR / 1BA 1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 2BR / 2.5BA 3BR / 2BA 3BR / 2.5BA	47 38 15 24 48 67 26 27	16.1% 13.0% 5.1% 8.2% 16.4% 23.0% 8.9% 9.3%	806 812 874 1,127 1,184 1,538 1,436 1,538	Market Market Market Market Market Market Market Market	\$1,953 \$1,788 \$2,123 \$2,343 \$2,711 \$2,954 \$2,613 \$2,804	N/A N/A N/A N/A N/A N/A N/A N/A	No No No No No No No No	2 0 0 1 0 1 0 0	4.3% 0.0% 0.0% 4.2% 0.0% 1.5% 0.0% 0.0%
8	Camden Silo Creek 43449 Silo Creek Terrace Ashburn, VA 20147 Loudoun County	3.2 miles	Garden 3-stories 2004 / 2019 Family	Market	1BR / 1BA 1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 2BR / 2BA 3BR / 2BA	120 N/A N/A 18 130 N/A N/A 16	42.3% N/A N/A 6.3% 45.8% N/A N/A 5.6%	712 867 556 971 1,154 1,287 1,020 1,392	Market Market Market Market Market Market Market Market	\$2,023 \$2,183 \$1,863 \$1,973 \$2,403 \$2,623 \$2,183 \$2,703	N/A N/A N/A N/A N/A N/A N/A N/A	No No No No No No No No	N/A N/A N/A N/A N/A N/A N/A 0	N/A N/A N/A N/A N/A N/A N/A 0.0%
9	The Elms At Arcola 24710 Tribe Sq Sterling, VA 20166 Loudoun County	3.5 miles	Various 4-stories 2016 / n/a Family	Market	1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 2BR / 2BA 2BR / 2BA 3BR / 2BA	N/A N/A N/A N/A N/A N/A N/A	N/A N/A N/A N/A N/A N/A N/A	842 1,044 1,238 1,248 1,268 1,515 1,626	Market Market Market Market Market Market Market	\$2,057 \$2,200 \$3,063 \$3,082 \$3,083 \$3,303 \$2,715	N/A N/A N/A N/A N/A N/A N/A	No No No No No No No	0 0 0 0 0 0 0	N/A N/A N/A N/A N/A N/A N/A
10	The Point At Ashburn 22555 Leanne Terrace Ashburn, VA 20148 Loudoun County	2.2 miles	Garden 4-stories 2010 / n/a Family	Market	0BR / 1BA 0BR / 1BA 0BR / 1BA 1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 2BR / 2BA 3BR / 2BA	4 N/A N/A 172 N/A 227 N/A N/A 10	1.0% N/A N/A 41.7% N/A 55.0% N/A N/A 2.4%	639 639 639 857 984 730 1,084 1,246 922 1,410	Market Market Market Market Market Market Market Market Market Market	\$1,444 \$1,474 \$1,414 \$1,896 \$1,998 \$1,793 \$2,290 \$2,428 \$2,153 \$2,554	N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A	No No No No No No No No No No	0 N/A N/A 2 N/A 0 N/A N/A 0 0	0.0% N/A N/A 1.2% N/A 0.0% N/A N/A N/A 0.0% 0.5%

Location

LOCATION COMPARISON SUMMARY

#	Property Name	City	Rent Structure	Distance to Subject	Household Income	Median Home Value	Median Rent	Crime Index	Walk Score	Vacant Housing	% Renter HH
S	Brambleton 99	Ashburn	LIHTC	-	\$200,001	\$571,100	\$2,090	50	16	2.8%	5.6%
1	Ashburn Chase*	Ashburn	LIHTC	6.7 miles	\$97,711	\$488,000	\$1,804	37	40	6.1%	54.9%
2	Ashburn Meadows*	Ashburn	LIHTC	5.4 miles	\$109,308	\$488,000	\$1,804	33	17	2.5%	33.2%
3	The Grove At Flynn's Crossing	Ashburn	LIHTC	3.4 miles	\$105,853	\$488,000	\$1,804	102	62	2.5%	52.1%
4	The Woods At Brambleton	Ashburn	LIHTC	1.7 miles	\$200,001	\$571,100	\$2,090	74	1	2.4%	3.9%
5	The Woods At Brambleton Town Center South	Ashburn	LIHTC	0.7 miles	\$200,001	\$571,100	\$2,090	108	30	2.0%	3.5%
6	Atley On The Greenway	Ashburn	Market	3.4 miles	\$98,164	\$488,000	\$1,804	102	56	10.4%	54.1%
7	Broadlands Apartments	Ashburn	Market	2.0 miles	\$200,001	\$571,100	\$2,090	138	17	0.4%	6.0%
8	Camden Silo Creek	Ashburn	Market	3.2 miles	\$105,959	\$488,000	\$1,804	85	33	1.9%	46.7%
9	The Elms At Arcola	Sterling	Market	3.5 miles	\$113,553	\$378,400	\$1,759	80	18	2.8%	12.2%
10	The Point At Ashburn	Ashburn	Market	2.2 miles	\$137,764	\$571,100	\$2,090	188	42	2.1%	13.7%

*Located outside of the PMA

The Subject site is located in a single-family neighborhood in the Brambleton development of Loudoun County. Surrounding uses consist of single-family homes exhibiting excellent condition as well as vacant land. Strengths of the Subject's location include a high median household income level and high median rent level. Weaknesses of the Subject's location include limited walkability. The Subject's location is designated 'Car-Dependent' by Walk Score with a score of 16, and is not considered walkable.

The affordable properties are located between 0.7 and 6.7 miles from the Subject site. The LIHTC comparables are located in neighborhoods considered similar to the Subject's location.

The market rate developments are located between 2.0 and 3.5 miles from the Subject site. The market rate comparables are generally in neighborhoods considered similar to the Subject's location. One exception is The Elms At Arcola, which displays higher crime indices, lower median income levels, lower median home values, and lower median rent levels. Therefore, Elms At Arcola is considered slightly inferior to the Subject's neighborhood.

Age, Condition, and Design

The following table illustrates the Subject's design and condition in comparison to the comparable properties.

	Subject	Ashburn Chase	Ashburn Meadows	The Grove At Flynn's Crossing	The Woods At Brambleton	The Woods At Brambleton Town Center South	Atley On The Greenway	Broadlands Apartments	Camden Silo Creek	The Elms At Arcola	The Point At Ashburn
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Building											
Property Type	Townhouse	Midrise	Garden	Garden	Garden	Townhouse	Garden	Various	Garden	Various	Garden
# of Stories	3-stories	4-stories	4-stories	3-stories	4-stories	3-stories	4-stories	3-stories	3-stories	4-stories	4-stories
Year Built	2024	2020	2000	1999	2014	2021	2014	2003	2004	2016	2010
Year Renovated	n/a	n/a	n/a	n/a	n/a	n/a	n/a	2020	2019	n/a	n/a
Elevators	no	yes	no	no	no	no	no	no	no	yes	no
Courtyard	no	no	no	no	yes	no	no	no	no	yes	no

The Subject will be a new construction, and will exhibit excellent condition. The comparable properties were constructed between 1999 and 2021. The majority of comparables exhibit conditions ranging from slightly inferior to inferior relative to the proposed Subject. Regarding the LIHTC comparables, Ashburn Chase and The

Woods At Brambleton Town Center South were constructed between 2020 and 2021, and exhibit similar condition relative to the proposed Subject.

The proposed Subject will offer a three-story townhouse design, similar The Woods At Brambleton Town Center South. Ashburn Chase offers a midrise design with elevator service and is similar to the Subject. Ashburn Meadows, The Grove At Flynn's Crossing, The Woods At Brambleton, Atley On The Greenway, Camden Silo Creek, and The Point At Ashburn offer garden-style designs, and are all considered slightly inferior to inferior to the Subject. However, two of the comparables feature a mixture of designs. Broadlands Apartments offers a mixture of garden and townhouse style units. The Elms At Arcola offers a mixture of midrise and garden style units. Additionally, Ashburn Chase and The Elms At Arcola offer elevators, which the proposed Subject lacks. We have considered the Subject's design and condition in our determination of achievable rents.

Unit Size

The following table summarizes unit sizes among the comparable properties as well as for the senior-only properties, providing a comparison of the Subject’s unit size and the surveyed average unit sizes in the market.

UNIT SIZE COMPARISON

Bedroom Type	3BR
Subject	1,800
Average	1,359
Min	1,106
Max	1,800
Advantage/Disadvantage	32%

The Subject’s unit sizes will be at the top of the comparable range. The Subject’s proposed unit size will offer a significant advantage relative to those of the surveyed comparable properties. Overall, we believe that the Subject’s unit sizes will be accepted in the market and is a strength of the proposed Subject development. We have taken the Subject’s proposed unit sizes into consideration in our estimation of achievable rents.

SQUARE FOOTAGE RANKING COMPARISON

Three Bedroom Three and a Half Bath	
Property Name	Size
Brambleton 99 (@60%)	1,800
The Woods At Brambleton Town Center South (@60%)	1,800
The Elms At Arcola (Market)(2BA)	1,626
Broadlands Apartments (Market)(2.5BA)	1,538
Broadlands Apartments (Market)(2BA)	1,436
The Point At Ashburn (Market)(2BA)	1,410
Camden Silo Creek (Market)(2BA)	1,392
Atley On The Greenway (Market)(2BA)	1,375
The Woods At Brambleton (@60%)(2BA)	1,308
The Grove At Flynn's Crossing (@60%)(2BA)	1,267
Ashburn Meadows (@60%)(2BA)	1,178
Ashburn Chase (@60%)(2BA)	1,123
Ashburn Chase (@30%)(2BA)	1,106
Ashburn Chase (@50%)(2BA)	1,106

Utility Structure

The following table details the Subject’s utility structure in comparison to the comparable properties. The utility conventions differ at the comparable properties; therefore, we have adjusted “base” or “asking” rents of the comparable properties to “net” rents, reflecting the Subject’s utility convention.

Subject	Ashburn Chase	Ashburn Meadows	The Grove At Flynn's Crossing	The Woods At Brambleton	The Woods At Brambleton Town Center South	Atley On The Greenway	Broadlands Apartments	Camden Silo Creek	The Elms At Arcola	The Point At Ashburn
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market
Utility Structure										
Cooking	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no
Water	no	no	no	yes	no	no	no	no	no	no
Sewer	no	no	no	yes	no	no	no	no	no	no
Trash	yes	yes	yes	yes	yes	yes	no	no	no	no

In-Unit Amenities

The following table compares the Subject's in-unit amenities with comparable properties.

Subject	Ashburn Chase	Ashburn Meadows	The Grove At Flynn's Crossing	The Woods At Brambleton	The Woods At Brambleton Town Center South	Atley On The Greenway	Broadlands Apartments	Camden Silo Creek	The Elms At Arcola	The Point At Ashburn
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market
Unit Amenities										
Balcony/Patio	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite	no	no	no	no	no	no	no	yes	no	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Hardwood	yes	no	no	no	no	no	no	no	yes	no
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	no	yes	no	no	yes	no	yes	yes	no	yes
Coat Closet	yes	yes	yes	yes	yes	yes	no	yes	yes	no
Exterior Storage	yes	yes	no	no	no	no	no	no	no	no
Fireplace	no	no	no	yes	no	no	no	yes	yes	no
Vaulted Ceilings	no	no	no	yes	no	no	no	yes	yes	no
Walk-In Closet	no	yes	no	yes	yes	yes	yes	yes	yes	no
Washer/Dryer	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
W/D Hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Kitchen										
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Microwave	yes	yes	no	no	yes	yes	yes	yes	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

Notable unit amenities the Subject will offer include a balcony, central air conditioning, exterior storage, in-unit washer/dryers, dishwashers, disposals, and microwaves. The amenity packages offered by the comparables vary in quality, ranging from slightly inferior to slightly superior relative to the Subject. Properties offering features such as walk-in closets, vaulted ceilings, and fireplaces are generally considered slightly superior to the Subject. Properties lacking garages, exterior storage, and an in-unit washer/dryer are generally considered inferior to the Subject. Overall, we believe the Subject's proposed unit amenities will be competitive in the market.

Property Amenities

The following table compares the Subject's property amenities with comparable properties.

BRAMBLETON 99 – ASHBURN, VIRGINIA – MARKET STUDY

Subject	Ashburn Chase	Ashburn Meadows	The Grove At Flynn's Crossing	The Woods At Brambleton	The Woods At Brambleton Town Center South	Atley On The Greenway	Broadlands Apartments	Camden Silo Creek	The Elms At Arcola	The Point At Ashburn
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market
Community										
Business Center	no	no	no	no	no	no	yes	yes	yes	yes
Community Room	no	yes	yes	yes	no	no	yes	no	yes	yes
Central Laundry	no	no	no	no	no	no	yes	no	no	no
On-Site Management	no	yes	yes	yes	yes	no	yes	yes	yes	yes
Recreation										
Exercise Facility	no	yes	yes	yes	yes	no	yes	yes	yes	yes
Playground	no	yes	yes	yes	yes	no	no	no	yes	no
Swimming Pool	no	no	yes	yes	yes	no	yes	no	yes	yes
Picnic Area	no	yes	no	no	yes	no	no	yes	yes	yes
Tennis Court	no	no	no	no	no	no	no	yes	no	no
Recreational Area	no	no	no	no	no	no	no	no	yes	no
WiFi	no	no	no	no	no	no	yes	no	no	no
Service	no	yes	no	no	no	no	no	no	no	no

The majority of the surveyed comparables offer superior property amenities relative to the Subject. These properties offer features such as a fitness center, a swimming pool, a community room, a playground, and a business center among others, none of which are included in the Subject's proposed amenity scheme. The Subject's manager will be located off-site. Only the amenity package at The Woods At Brambleton Town Center South offers features similar to the Subject. Nonetheless, this property is performing well. Therefore, the Subject is expected to perform well regardless of property amenity levels. It is further noted that the Subject's tenants will be able to use amenities in the larger Brambleton development, which include outdoor swimming pools, parks, and playgrounds among others.

Security Features

The following table compares the Subject's security amenities with comparable properties.

Subject	Ashburn Chase	Ashburn Meadows	The Grove At Flynn's Crossing	The Woods At Brambleton	The Woods At Brambleton Town Center South	Atley On The Greenway	Broadlands Apartments	Camden Silo Creek	The Elms At Arcola	The Point At Ashburn
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market
Crime Index	50	37	33	102	74	108	102	138	85	80
Security										
Intercom (Buzzer)	no	yes	no	no	no	no	no	no	yes	no
Limited Access	no	yes	no	no	no	no	yes	yes	no	yes
Perimeter Fencing	no	no	no	no	no	no	yes	yes	no	no
Video Surveillance	no	no	no	no	yes	no	no	no	no	no

According to ESRI Demographic data, crime indices in the Subject's location are below the national average. The Subject will not offer any security amenities. Half of the comparables similarly lack security amenities, similar to the Subject. As such, the Subject's lack of special security features is not a concern.

Parking

The following table compares the Subject's parking amenities with comparable properties.

Subject	Ashburn Chase	Ashburn Meadows	The Grove At Flynn's Crossing	The Woods At Brambleton	The Woods At Brambleton Town Center South	Atley On The Greenway	Broadlands Apartments	Camden Silo Creek	The Elms At Arcola	The Point At Ashburn
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market
Walk Score	16	40	17	62	1	30	56	17	33	18
Parking										
Garage	yes	yes	no	no	no	yes	yes	yes	no	no
Garage Fee	n/a	\$0	\$0	\$0	\$0	n/a	\$125	\$190	\$150	n/a
Off-Street	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Off-Street Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50	\$0	n/a

The Subject will include an attached two-car garage included in the rent, similar to two comparables, Ashburn Chase and The Woods at Brambleton Town Center South. Three market rate comparables offer optional garage

parking at an additional charge. In summary, the Subject’s parking is superior to the vast majority of comparables.

MARKET CHARACTERISTICS

Following are relevant market characteristics for the comparable properties surveyed.

Tenant Makeup

The Subject will target families, which is similar to all comparables. The table below illustrates voucher tenancy among the comparable properties.

TENANTS WITH VOUCHERS		
Property Name	Rent Structure	Housing Choice Voucher Tenants
Ashburn Chase*	LIHTC	10%
Ashburn Meadows*	LIHTC	20%
The Grove At Flynn's Crossing	LIHTC	8%
The Woods At Brambleton	LIHTC	10%
The Woods At Brambleton Town Center South	LIHTC	7%
Atley On The Greenway	Market	0%
Broadlands Apartments	Market	0%
Camden Silo Creek	Market	0%
The Elms At Arcola	Market	0%
The Point At Ashburn	Market	0%

*Located outside of the PMA

The comparable properties reported voucher usage ranging from zero to 20 percent. None of the market rate properties reported voucher usage. All of the LIHTC properties reported voucher usage, with an average utilization of 11 percent.. Based on the performance of the LIHTC comparables, we expect the Subject will operate with voucher usage of approximately 10 percent.

Turnover

The following table illustrates reported turnover for the comparable properties.

TURNOVER		
Property Name	Rent Structure	Annual Turnover
Ashburn Chase*	LIHTC	10%
Ashburn Meadows*	LIHTC	7%
The Grove At Flynn's Crossing	LIHTC	14%
The Woods At Brambleton	LIHTC	15%
The Woods At Brambleton Town Center South	LIHTC	N/A
Atley On The Greenway	Market	28%
Broadlands Apartments	Market	40%
Camden Silo Creek	Market	30%
The Elms At Arcola	Market	10%
The Point At Ashburn	Market	32%
Average Turnover		21%

*Located outside of the PMA

It should be noted that The Woods At Brambleton Town Center South was recently completed and a typical turnover rate is not yet available. The remaining comparables reported turnover rates ranging from seven to 40 percent, with an overall average of 21 percent. The LIHTC comparables operate with an average turnover rate of 12 percent, which was less than half the 28 percent average reported by the market rate properties. Based on the performance of the LIHTC comparables, we expect the Subject will operate a turnover rate of approximately 15 percent.

Vacancy Levels

The following table summarizes overall weighted vacancy levels at the surveyed properties.

OVERALL VACANCY				
Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Ashburn Chase*	LIHTC	96	0	0.0%
Ashburn Meadows*	LIHTC	336	0	0.0%
The Grove At Flynn's Crossing	LIHTC	168	0	0.0%
The Woods At Brambleton	LIHTC	202	0	0.0%
The Woods At Brambleton Town Center South	LIHTC	55	0	0.0%
Atley On The Greenway	Market	496	8	1.6%
Broadlands Apartments	Market	292	12	4.1%
Camden Silo Creek	Market	284	8	2.8%
The Elms At Arcola	Market	248	0	0.0%
The Point At Ashburn	Market	413	2	0.5%
Total LIHTC		857	0	0.0%
Total Market Rate		1,733	30	1.7%
Overall Total		2,590	30	1.2%

*Located outside of the PMA

The comparables reported vacancy rates ranging from zero to 4.1 percent, with an overall weighted average of 1.2 percent. Managers at all five of the LIHTC properties reported being fully occupied. The five market rate properties reported a slightly higher average vacancy rate of 1.7 percent. The overall vacancy rate is considered exceptionally low, and indicative of supply constrained conditions. Three of the five LIHTC comparables reported that they maintain waiting lists which range in length from 13 to over 300 households. Based on the performance of the LIHTC comparables, we expect the Subject will operate with a vacancy rate of five percent or less.

The following table details vacancy by bedroom type for the comparable properties surveyed:

VACANCY BY BEDROOM TYPE						
Property Name	Rent Structure	0BR	1BR	2BR	3BR	Overall
Ashburn Chase*	LIHTC	-	0.0%	0.0%	0.0%	0.0%
Ashburn Meadows*	LIHTC	-	-	0.0%	0.0%	0.0%
The Grove At Flynn's Crossing	LIHTC	-	0.0%	0.0%	0.0%	0.0%
The Woods At Brambleton	LIHTC	-	-	-	0.0%	0.0%
The Woods At Brambleton Town Center South	LIHTC	-	-	-	0.0%	0.0%
Atley On The Greenway	Market	-	-	-	-	1.6%
Broadlands Apartments	Market	-	8.0%	7.5%	0.0%	4.1%
Camden Silo Creek	Market	-	-	-	0.0%	2.8%
The Elms At Arcola	Market	-	-	-	-	0.0%
The Point At Ashburn	Market	0.0%	1.2%	0.0%	0.0%	0.5%

*Located outside of the PMA

The Subject will consist of three-bedroom units. Vacancy rates in the market for three-bedroom units are all at zero percent. This supports that there is demand for additional rental housing in the market. We believe the Subject will not negatively impact the existing properties in the market.

Historical Vacancy

The following table details historical vacancy levels for the properties included as comparables.

HISTORICAL VACANCY									
Property Name	Program	Total Units	2019 Q1	2020 Q1	2020 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2
Ashburn Chase	LIHTC	96	N/A	N/A	N/A	N/A	N/A	0.0%	0.0%
Ashburn Meadows	LIHTC	336	3.9%	N/A	1.8%	N/A	N/A	1.2%	0.0%
The Grove At Flynn's Crossing	LIHTC	168	3.0%	N/A	1.8%	N/A	N/A	0.6%	0.0%
The Woods At Brambleton	LIHTC	202	0.0%	N/A	N/A	0.0%	0.0%	N/A	0.0%
The Woods At Brambleton Town Center South	LIHTC	55	N/A	N/A	N/A	N/A	N/A	N/A	0.0%
Atley On The Greenway	Market	496	3.0%	6.0%	5.4%	2.0%	4.0%	N/A	1.6%
Broadlands Apartments	Market	292	N/A	4.5%	5.1%	3.1%	3.1%	N/A	4.1%
Camden Silo Creek	Market	284	N/A	N/A	3.5%	N/A	N/A	1.1%	2.8%
The Elms At Arcola	Market	248	N/A	N/A	N/A	N/A	N/A	N/A	0.0%
The Point At Ashburn	Market	413	N/A	4.1%	5.1%	N/A	N/A	1.2%	0.5%

As illustrated in the table above, the vacancy rates at the majority of the LIHTC comparable properties improved or remained low since our previous interviews. This is indicative of supply-constrained market conditions over the past several years regardless of new development entering the area.

Concessions

None of the comparables reported offering concessions for signing a lease. We do not anticipate that the Subject will need to offer concessions.

Waiting Lists

The following table illustrates the length of waiting lists reported at the comparable developments.

WAITING LIST		
Property Name	Rent Structure	Waiting List Length
Ashburn Chase*	LIHTC	Yes, 100+ for each bedroom type. 300+ total.
Ashburn Meadows*	LIHTC	Yes; 13 households
The Grove At Flynn's Crossing	LIHTC	None
The Woods At Brambleton	LIHTC	Yes, 200HH
The Woods At Brambleton Town Center South	LIHTC	None
Atley On The Greenway	Market	None
Broadlands Apartments	Market	None
Camden Silo Creek	Market	None
The Elms At Arcola	Market	None
The Point At Ashburn	Market	None

*Located outside of the PMA

As illustrated above, three of the LIHTC comparable properties reported maintaining waiting lists. The Grove at Flynn’s Landing does not maintain a waiting list as a matter of policy, while a waiting list has not yet been started at The Woods at Brambleton Town Center South. Demand for affordable three-bedroom rental units in the market appears strong. It is noted Ashburn Chase has a waiting list of over 100 households for its three-bedroom units alone. We anticipate that the Subject will operate with a low vacancy rate and will at times maintain a waiting list.

Absorption

We were able to obtain absorption from two comparable properties, The Woods at Brambleton Town Center South and Ashburn Chase. Both of these properties were able to stabilize within two months. We present absorption data for other LIHTC and market rate properties in Northern Virginia.

ABSORPTION

Property Name	Program	Tenancy	Location	Year	Total Units	Absorption (units/month)
The Woods at Brambleton Town Center South*	LIHTC	Family	Ashburn	2020	55	55
Ashburn Chase*	LIHTC	Family	Ashburn	2020	96	55
Forest Glen I	LIHTC	Senior	Centreville	2020	119	5
The Woods at Birchwood	LIHTC	Senior	Ashburn	2019	83	15
Heronview Apartments	LIHTC	Family	Sterling	2019	96	30
The Point at Ridgeline	Market	Family	Herndon	2019	572	25
The Emerson Apartments	Market	Family	Centreville	2019	355	15
Kingston at McLean Crossing	Market	Family	Tysons	2018	319	14
Exo Reston	Market	Family	Reston	2018	457	19

*Comparable property

The properties in the table above experienced absorption paces ranging from five to 55 units per month. The family-oriented LIHTC properties reported the highest absorption paces. The most comparable property is The Woods at Brambleton Town Center South, which is physically similar to the proposed Subject. According to the contact at this property, it was fully leased within one month of completion. This property satisfied some pent-up demand in the Subject’s Brambleton area. As such, we believe that the Subject would experience a slower absorption pace of 25 units per month, which equates to a total absorption period of approximately four months.

Rental Rate Increases

The following table illustrates rental rate increases as reported by the comparable properties.

RENT GROWTH

Property Name	Rent Structure	Rent Growth
Ashburn Chase*	LIHTC	None
Ashburn Meadows*	LIHTC	Increased by 12 percent
The Grove At Flynn's Crossing	LIHTC	Increased 16 to 17 percent
The Woods At Brambleton	LIHTC	None
The Woods At Brambleton Town Center South	LIHTC	None
Atley On The Greenway	Market	Decreased 20 percent to increased 17 percent
Broadlands Apartments	Market	Increased 11 to 29 percent
Camden Silo Creek	Market	Increased six to 13 percent
The Elms At Arcola	Market	Increased 5 percent
The Point At Ashburn	Market	Increased one to 11 percent

*Located outside of the PMA

Two of the LIHTC comparable properties reported achieving rent growth, ranging from 12 to 17 percent. These properties, Ashburn Meadows and The Grove at Flynn’s Crossing, are achieving rents at the 2022 maximum allowable levels, The remaining LIHTC properties have yet to increase rents to these levels. The majority of the market-rate comparable properties reported achieving high rent growth in the past year. However, Atley on Greenway utilizes rent determination software and rents for selected units decreased. The Subject’s proposed rents are set at the 2022 maximum allowable levels. Thus, rent growth will depend on AMI growth as well as market conditions.

Reasonability of Rents

The following table is a comparison of the Subject’s and comparable properties’ rents. For the purposes of this market study, “Base Rents” are the actual rents quoted to the tenant, and are most frequently those rents that potential renters consider when making a housing decision. “Net rents” are rents adjusted for the cost of utilities (adjusted to the Subject’s convention) and are used to compensate for the differing utility structures of the Subject and the comparable properties. Net rents represent the actual costs of residing at a property,

and help to provide an “apples-to-apples” comparison of rents. The table below illustrates the Subject’s rents and unit mix.

PROPOSED RENTS							
Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2022 LIHTC Maximum Allowable Gross Rent	2022 HUD Fair Market Rents
				@60%			
3BR / 3.5BA	1,800	99	\$2,026	\$194	\$2,220	\$2,200	\$2,780
		99					

Notes (1) Source of Utility Allowance provided by the Developer.

Comparable LIHTC Rents

The Subject’s proposed LIHTC rents are set at the 2022 maximum allowable levels for units at 60 percent of AMI. The tables that follow illustrate the Subject’s proposed rents in comparison to rents at the comparable properties.

All of the comparable properties offers units restricted to 60 percent of the AMI. However, the contact at Woods At Brambleton stated that their rents are intentionally kept below the maximum in order to maintain affordability for a wider range of households. The contacts at both Ashburn Chase and The Woods at Brambleton Town Center South indicated that plans for a rent increase to the current maximum allowable levels have not yet been determined. Given strong demand and the lack of vacancy, we believe these properties could achieve higher rents.

It is noted that Ashburn Meadows, The Grove At Flynn’s Crossing, and the Woods At Brambleton are considered slightly inferior to inferior to the proposed Subject in regards to condition. Given that Ashburn Meadows and The Grove At Flynn’s Crossing are achieving maximum allowable rents, we believe that the Subject’s proposed rents at the 2022 maximum allowable 60 percent of AMI levels are achievable.

LIHTC RENT COMPARISON @60%		
Property Name	3BR	Rents at Max?
Brambleton 99	\$2,026	Yes
2022 LIHTC Maximum Rent (Net)	\$2,026	
2021 LIHTC Maximum Rent (Net)	\$1,819	
Ashburn Chase	\$1,745	No
Ashburn Meadows	\$2,092	Yes
The Grove At Flynn's Crossing	\$2,137	Yes
The Woods At Brambleton	\$1,120	No
The Woods At Brambleton Town Center South	\$1,755	No
Average	\$1,770	
Achievable LIHTC Rent	\$2,026	Yes

Most Similar LIHTC Properties

Based upon the overall comparison ratings, the Subject will be most similar to The Woods At Brambleton Town Center South and The Grove at Flynn’s Crossing.

The Woods at Brambleton Town Center South is a 55-unit, LIHTC development located 0.7 miles southeast of the Subject site, in a neighborhood considered similar relative to the Subject's location. The property was built in 2021, and currently exhibits excellent condition, similar to the proposed Subject. The manager at The Woods at Brambleton Town Center South reported the property as fully occupied. The property reached stabilization within one month of completion. It is currently fully occupied. It has not yet been determined when rents at this property will be increased. We believe this property could increase rents without affecting its

marketability. The proposed Subject will offer no notable amenities not already offered by The Woods at Brambleton Town Center South. In overall terms, we believe the Subject will be a similar product relative to The Woods at Brambleton Town Center South. Although our concluded achievable LIHTC rents for the Subject's units are above the rents reported by The Woods at Brambleton Town Center South, a premium is justified as we believe this property is not testing the market.

The Grove at Flynn's Crossing is a 168-unit, garden-style development located 3.4 miles from the Subject site, in a neighborhood considered similar relative to the Subject's location. The property was built in 1999, and currently exhibits slightly inferior condition relative to the proposed Subject. This property is fully occupied, indicating the current rents are well accepted in the market. The property offers on-site management, a clubhouse, a fitness center, a playground, and a swimming pool among others, all of which the proposed Subject will lack. However, the proposed Subject will offer exterior storage and garages, neither of which are offered by The Grove at Flynn's Crossing. Further, the Subject will have a desirable townhouse design. On balance, we believe the Subject is superior relative to The Grove at Flynn's Crossing, mostly because of its new construction. The Grove at Flynn's Crossing is achieving rents at the 2022 maximum allowable levels, and we believe the Subject could achieve maximum allowable rents as well.

Achievable Market Rents

Based on the quality of the surveyed comparable properties and the anticipated quality of the proposed Subject, we conclude that the Subject's rental rates are above the achievable market rents. The following table shows both market rent comparisons and achievable market rents.

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Rent Level	Subject Pro Forma Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rent	Subject Rent Advantage
3BR / 3.5BA	@60%	\$2,026	\$2,439	\$2,830	\$2,664	\$2,800	28%

The Subject's proposed LIHTC rent at the 60 percent of AMI level is below the achievable market rent and offers a rent advantage of 28 percent. We conclude to an achievable market rent for the Subject generally similar to those at Broadlands Apartments and The Elms at Arcola, which are considered to be the two most similar properties.

Broadlands Apartments is a 292-unit, market rate property located 2.0 miles northeast of the Subject site, in a neighborhood considered similar relative to the Subject's location. This property was constructed in 2003 and renovated in 2020. We consider the condition of this property slightly inferior relative to the Subject, which will be newly constructed. The manager at Broadlands Apartments reported a vacancy rate of 4.1 percent, indicating the current rents are well accepted in the market. The following table compares the Subject with Broadlands Apartments.

SUBJECT COMPARISON TO BROADLANDS APARTMENTS

Unit Type	Rent Level	Subject Pro Forma Rent	Square Feet	Subject RPSF	Broadlands Apartments Rent	Square Feet	Broadlands Apartments RPSF	Subject Rent Advantage
3BR / 3.5BA	@60%	\$2,026	1,800	\$1.11	\$2,830	1,538	\$1.84	28.4%

Broadlands Apartments offers fireplaces, vaulted ceilings, business center, on-site management, a fitness center, a swimming pool, and tennis courts, all of which the proposed Subject will lack. However, the Subject will offer exterior storage, an attached two-car garage, and a desirable townhouse design. Further, the Subject's three-bedroom unit will be larger than the three-bedroom unit at Broadlands Apartments. On balance, we believe Subject is generally similar to Broadlands Apartments as its design, larger size, and excellent condition are offset by its lack of property amenities. Our concluded achievable market rents for the Subject's units are generally similar to the rents reported by Broadlands Apartments.

The Elms At Arcola is a 248-unit, development located 3.5 miles south of the Subject site, in a neighborhood considered slightly inferior relative to the Subject's location. The property was built in 2016, and currently exhibits generally similar condition relative to the Subject, which will be newly constructed. The manager at The Elms At Arcola reported the property as fully occupied, indicating the current rents are well accepted in the market. The following table compares the Subject with The Elms At Arcola.

SUBJECT COMPARISON TO THE ELMS AT ARCOLA

Unit Type	Rent Level	Subject Pro Forma Rent	Square Feet	Subject RPSF	The Elms At Arcola Rent	Square Feet	The Elms At Arcola RPSF	Subject Rent Advantage
3BR / 3.5BA	@60%	\$2,026	1,800	\$1.11	\$2,741	1,626	\$1.69	26.1%

The Elms At Arcola offers hardwood flooring, a business center, a clubhouse, on-site management, a fitness center, a playground, a swimming pool, and recreational areas, all of which the proposed Subject will lack. However, the proposed Subject will offer garages and a townhouse design, neither of which are offered by The Elms At Arcola. Further, the Subject’s unit sizes are slightly larger. On balance, we believe the superior amenity package offered by The Elms At Arcola is equally offset by the Subject’s townhouse design with a two-car garage. In overall terms, we believe the Subject will be similar product relative to The Elms At Arcola. Our concluded achievable market rents for the Subject's units are generally similar to the rents reported by The Elms At Arcola.

Summary Evaluation

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as conceived. Strengths of the Subject will include its excellent condition, desirable townhouse design, and its inclusion of an attached two-garage. A minor weakness is its lack of property amenities. Currently, none of the LIHTC comparable properties report any vacancies, indicating a supply-constrained market for affordable family rental housing. Based on the demand for affordable housing in the market and the Subject’s anticipated superiority over the majority of the existing competition, we conclude that the Subject’s proposed three-bedroom rents at 60 percent of AMI, which are set at the 2022 maximum allowable levels are reasonable and achievable. Our concluded achievable market rents are towards the higher end of the surveyed range as the Subject will be in superior condition to the majority of the market rate comparables and have a desirable townhouse design. The Subject’s proposed LIHTC rents offer a significant discount to the Novogradac estimate of achievable market rents.

I. AFFORDABILITY ANALYSIS, DEMAND ANALYSIS, CAPTURE RATES AND PENETRATION RATES

AFFORDABILITY ANALYSIS, DEMAND ANALYSIS, CAPTURE RATES, AND PENETRATION RATES

Introduction

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

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

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

Capture Rate Determination

The following analysis will take the reader through a multi-step process in determining an appropriate capture rate for the Subject. Our analysis takes the entire population and distributes it by the following characteristics:

- 1) PMA Demography
- 2) Income Qualified
- 3) Renter Households
- 4) Unit Size Appropriate

The following text will examine each step through the process.

Step One – PMA Demography

Primary Market Area Defined

For the purposes of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood-oriented” and are generally very reluctant to move from the area in which they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below-market rents. A certain percent of the Subject’s tenants are expected to hail from the PMA; demand estimates will be adjusted to reflect the potential for “leakage.”

The Subject site is located off of Calderwood Lane, in the Brambleton development of Ashburn, Loudoun County, Virginia. We determined the Primary Market Area (PMA) based on our conversations with local market participants including property managers, as well as our physical inspection of the market. The PMA is generally defined as the east central portion of Loudoun County. The PMA boundaries are: the Dulles Greenway and the Loudoun County Parkway to the north; Route 606 to the east; U.S. Route 50 to the south; and Belmont Ridge Road to the west. Management at the majority of the rent comparables noted that the majority of their tenants originate from all over northern Virginia. We therefore consider it reasonable to estimate that approximately 20 percent of the Subject’s tenants will originate from outside of the PMA boundaries.

Demographic Information

The basic demographic information is based upon the definition of a primary market area (“PMA”) and an estimate of the characteristics of the people living within that geographic definition. We acknowledge Virginia Housing’s market study guideline specifying economic and demographic data use current year estimates with a five-year projection. It should be noted we have utilized the most recently available data published by our provider, with 2021 estimates and five-year projections through 2026.

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

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

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

Step Two – Income Qualified

Assumptions and Data necessary for this calculation are:

Appropriate Municipality:	Loudoun County, VA
2022 AMI for four person household:	\$142,300
Tenancy (Family vs Senior):	Family
Affordability percentage:	35 percent
Leakage:	20 percent

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

First, we estimate the Subject’s minimum and maximum income levels (income bands) for the proposed LIHTC project. HUD determines maximum income guidelines for tax credit properties, based on the AMI. This provides the upper end of the income band as illustrated below. However, the minimum income is not established by HUD and must be estimated. Often, lower-income families pay a higher percentage of gross income toward housing costs. The industry standard is 35 percent for LIHTC-only calculations for family-oriented properties. For senior properties this number increases to 40 percent based upon the nature of senior household economics. The lower end of the income band is calculated by taking the proposed rent by bedroom type multiplying by 12 and dividing by the applicable percentage to determine an income level. For example, if a property has a one-bedroom unit with proposed gross rents of \$500, the estimated low end of the income range would be \$17,143 based on the family 35 percent or \$15,000 based on the senior 40 percent.

FAMILY INCOME LIMITS

Unit Type	Minimum	Maximum
	Allowable	Allowable
	Income	
	@60%	
3BR	\$76,114	\$92,220

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

RENTER HOUSEHOLD INCOME

Income Cohort	2021		PMA		2026		Annual Change 2021 to 2026	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	67	1.7%	79	1.6%	2	3.6%		
\$10,000-19,999	192	4.8%	202	4.2%	2	1.0%		
\$20,000-29,999	68	1.7%	76	1.6%	2	2.4%		
\$30,000-39,999	190	4.8%	182	3.7%	-2	-0.8%		
\$40,000-49,999	214	5.4%	240	4.9%	5	2.4%		
\$50,000-59,999	293	7.3%	321	6.6%	6	1.9%		
\$60,000-74,999	464	11.6%	543	11.2%	16	3.4%		
\$75,000-99,999	576	14.4%	660	13.6%	17	2.9%		
\$100,000-124,999	546	13.7%	662	13.6%	23	4.2%		
\$125,000-149,999	269	6.7%	350	7.2%	16	6.0%		
\$150,000-199,999	667	16.7%	857	17.6%	38	5.7%		
\$200,000+	447	11.2%	687	14.1%	48	10.7%		
Total	3,993	100.0%	4,859	100.0%				

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, June 2022

Step Three – Income Distribution

Third, we combine the allowable income bands with the income distribution analysis in order to determine the number of potential income-qualified households. The Cohort Overlap is defined as the income amount within income bands defined above that falls within the ESRI provided Income Cohort. The % in Cohort is simply the cohort overlap divided by the income cohort range (generally \$10,000). The # in Cohort is determined by multiplying total renter households by the % in Cohort determination. In some cases the income-eligible band overlaps with more than one income cohort. In those cases, the cohort overlap for more than one income cohort will be calculated. The sum of these calculations provides an estimate of the total number of households that are income-eligible, both by AMI level and in total.

FAMILY INCOME DISTRIBUTION 2021

Income Cohort	Total Renter Households	@60%		
		cohort overlap	% in cohort	# in cohort
\$0-9,999	67			
\$10,000-19,999	192			
\$20,000-29,999	68			
\$30,000-39,999	190			
\$40,000-49,999	214			
\$50,000-59,999	293			
\$60,000-74,999	464			
\$75,000-99,999	576	16,105	64.4%	371
\$100,000-124,999	546			
\$125,000-149,999	269			
\$150,000-199,999	667			
\$200,000+	447			
Total	3,993		9.3%	371

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

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

Step Five – Unit Size Appropriate

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

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

HOUSEHOLD DISTRIBUTION

3 BR	70%	Of three-person households in 3BR units
	80%	Of four-person households in 3BR units
	100%	Of five-person households in 3BR units

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

Step Six – Capture Rate by Bedroom Mix

The capture rate is simply determined by dividing the number of units by unit type for the Subject by the total number of qualified renter households for that unit type. This calculation is then adjusted for leakage to arrive at a final determination of capture rate by bedroom type and AMI level.

CAPTURE RATE ANALYSIS BY UNIT TYPE

In order to determine demand for the proposed market mix, we also analyzed the demand capture rates expected at the Subject by bedroom type. The following analysis illustrates demand for all AMI levels.

60 Percent of AMI Demand

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2021

	Renter Household Size Distribution	Total Number of Renter Households
1 person	26.7%	1,067
2 persons	24.5%	979
3 persons	19.9%	793
4 persons	16.9%	673
5+ persons	12.0%	481
Total	100.0%	3,993

Income-Qualified Renter Demand

	Total Number of Renter Households	% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	1,067	x 9.3%	99
2 persons	979	x 9.3%	91
3 persons	793	x 9.3%	74
4 persons	673	x 9.3%	63
5+ persons	481	x 9.3%	45
Total	3,993		371

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
3BR	146
Total	146

Capture Rate Analysis - @60%

	Developer's Unit Mix	Capture Rate
3BR	99	67.66%
Total/Overall	99	67.66%

Adjusted for Leakage from Outside of the PMA

3BR	99	54.13%	20%
Total/Overall	99	54.13%	

ANNUAL CAPTURE RATE ANALYSIS

The following calculation derives an estimated market penetration rate based on per annum demand. This is an indication of the percentage of net demand penetration that the Subject must attract in order to reach stabilized occupancy. This measure essentially takes the available household demand searching for apartments in the market area and deducts competition in order to determine net demand available to the Subject. The table below outlines the analysis of this methodology.

The annual demand for rental housing depends upon the following factors:

Population/Household Change

Population change as a result of new households moving in or out of the area: This was previously calculated, in the estimated population increase from 2021 to 2026. Since the newly derived population will all be eligible, they are included directly into the annual demand estimate.

Additions to Supply

To determine the amount of competitive new supply entering the market, we consulted a May 2021 CoStar report, as well as the Virginia Housing’s listings of LIHTC allocations from 2019 through 2022. The following table illustrates recently completed, under construction, and proposed multifamily properties in the Subject’s PMA.

PLANNED DEVELOPMENT							
Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	LIHTC Allocation Year	Construction Status	Distance to Subject
Waxpool Apartments	LIHTC	Family	52	0	NA	Proposed	3.7 miles
The Woods at Brambleton Town Center South	LIHTC	Family	55	0	2019	Complete	0.7 miles
Ashburn Station	Market/Affordable	Family	224	11	N/A	Under Construction	3.7 miles
Dulles Gateway	Market	Family	311	0	n/a	Proposed	3.3 miles
Neon Lofts	Market	Family	276	0	n/a	Proposed	3.2 miles
Totals			811	11			

Source: CoStar; Virginia Housing, June 2022

Following is a brief discussion of the LIHTC/mixed income properties.

- Waxpool Apartments is a planned 52-unit apartment property that will have one and two-bedroom units restricted at the 60 percent AMI level. Construction of this project is expected to begin later in 2022, with completion scheduled for mid-2023. Since it will lack three-bedroom units, we do not believe it will directly compete with the Subject, and its units are not removed from our demand analysis.
- The Woods at Brambleton Town Center South is a recently completed 55-unit property that was developed by the Subject’s sponsor. It is now 100 percent occupied and is included in our rent comparable survey. Since this property is stabilized, its units are not removed from our demand analysis.
- Ashburn Station is an under construction, mixed-income property that will offer 224 units. Eleven of these units will be designated as affordable. There is no information regarding the unit types or income levels of these affordable units. However, we assume these units will be competitive with the Subject and 11 units are deducted from our demand analysis.

In summary, we remove a total of 11 units from our demand analysis.

Annual Demand Table – As Proposed

ANNUAL DEMAND		
Calculation		PMA
Number of Renter Households in 2021		3,993
Increase in Number of Renter Households		866
Number of Renter Households in 2026		4,859
<i>Existing Demand</i>		
Percentage of Total Households that are Renter		17.0%
Percentage of Income-Qualified Renter Households		9.3%
Number of Income-Qualified Renter Households		371
Percentage of Rent-Overburdened		30.6%
Existing Income-Qualified Renter Household Turnover		114
<i>New Income-Qualified Demand, Stated Annually</i>		
Increase in Renter Households per Annum		173
Percentage of Income-Qualified Renter Households		9.3%
New Rental Income Qualified Households		16
<i>Capture Rate Analysis</i>		
Number of Units in Subject		99
Occupied Units at Subject With Vacancy of:	5%	94
Units Pre-Leased		0
Total Demand (Turnover and Growth) from within PMA		130
Portion Originating within PMA		80%
Total Demand (Turnover and Growth) from within PMA		162
Less: Existing LIHTC Projects in Absorption Process (Number of Units)	11	
Total Demand after Competition (Turnover and Growth)		151
Yielded Annual Capture Rate of Available Demand in 2022		62.3%

The yielded capture rate is approximately 62 percent of available demand per annum for the Subject's units as proposed. While the yielded capture rate is elevated, it nonetheless indicates demand for additional affordable rental housing in the Subject's market. Additionally, future demand is supported by the following findings from our market analysis:

- None of the LIHTC comparable properties report any vacancy.
- Most LIHTC comparable properties reported short to moderate waiting lists.
- Four of the comparable LIHTC properties reported achieving maximum allowable rents. Based on low vacancy rates and waiting lists, we believe the remainder are not testing the maximum allowable rents.
- Population and household growth in the PMA is anticipated to increase at annualized rate of 4.2 and 4.1 percent through 2026, respectively, at faster rates than both the MSA and overall nation.
- The Woods at Brambleton Town Center South, which was completed in late 2021, leased all 55 of its units within one month. This is most similar LIHTC property to the Subject as it also exclusively features three-bedroom townhouse units.

VIRGINIA HOUSING DEMAND ANALYSIS

We also included the required demand table from the Virginia Housing market study guidelines. The following table illustrates the total demand, the net demand, and the absorption period for the Subject property. There is one proposed or under construction affordable property in the PMA, Ashburn Station, with 11 competitive units. We also include the directly comparable vacant units at the comparable properties, although there are no vacant units in this instance.

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

Income Restrictions	Up to 60% (\$76,114-\$92,220)
New Rental Households	80
+	
Existing Households – Overburdened	114
+	
Existing Households - Substandard Housing	5
=	
TOTAL DEMAND	199
-	
Supply (includes directly comparable vacant units or in pipeline in PMA)	11
NET DEMAND	188
PROPOSED UNITS	99
CAPTURE RATE	52.6%
ABSORPTION PERIOD	4 months

Overall, we believe there is sufficient demand for the Subject. Our concluded project capture rates and absorption period estimate are summarized below.

Project Wide Capture Rate - LIHTC Units	52.6%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	52.6%
Project Wide Absorption Period (Months)	4 months

Capture Rate and Virginia Housing Conclusion

The Novogradac demand analysis illustrates demand for the Subject based on capture rates of income-eligible renter households. When viewing total income-eligible renter households the calculation for the LIHTC units indicates a capture rate of 54.13 percent.

To provide another level of analysis, we removed the households from the income-eligible renter demand pool that are currently suitably housed elsewhere in the PMA. We conducted an *annual demand analysis*, which is based on new income-eligible renter households moving into the area (in the Subject’s first year of operation only) and those income-eligible renter households that are rent-overburdened (paying over 35 percent of income to living costs). This is a subset of the income-eligible renter households used previously and yields a more conservative annual capture rate. This annual Novogradac capture rate is 62.3 percent, indicating that there are 151 units of demand in the PMA in the first year of the Subject’s operation. This capture rate is elevated but indicates demand for additional affordable rental housing in the market.

The yielded capture rate is approximately 62 percent of available demand per annum for the Subject’s units as proposed. While the yielded capture rate is slightly elevated, it nonetheless indicates demand for additional affordable rental housing in the Subject’s market. Additionally, future demand is supported by the following findings from our market analysis:

- None of the LIHTC comparable properties report any vacancy.
- Most LIHTC comparable properties reported short to moderate waiting lists.
- Four of the comparable LIHTC properties reported achieving maximum allowable rents. Based on low vacancy rates and waiting lists, we believe the remainder are not testing the maximum allowable rents.
- Population and household growth in the PMA is anticipated to increase at annualized rate of 4.2 and 4.1 percent through 2026, respectively, at faster rates than both the MSA and overall nation.
- The Woods at Brambleton Town Center South, which was completed in late 2021, leased all 55 of its units within one month. This is most similar LIHTC property to the Subject as it also exclusively features three-bedroom townhouse units.

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

Project Wide Capture Rate - LIHTC Units	52.6%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	52.6%
Project Wide Absorption Period (Months)	4 months

This is a moderate capture rate and indicative of sufficient demand for the Subject.

PENETRATION RATE ANALYSIS

Per Virginia Housing guidelines, we also performed a penetration rate analysis for the Subject’s units, as illustrated in the following table.

PENETRATION RATE - Methodology Two (Market Focus - NCHMA)	
Number of Proposed Competitive LIHTC Units in the PMA	11
	+
Number of Existing Competitive Family LIHTC Units in the PMA	75
	+
Number of Proposed LIHTC Units at the Subject	99
	=
Total	185
	/
Income Eligible Households - All AMI Levels	371
	=
Overall Penetration Rate - Market Focus (NCHMA)	49.9%

The overall penetration rate is derived by taking the number of LIHTC units proposed or under construction within the PMA, combined with the number of existing LIHTC units, and the number of the Subject’s units divided by the number of income eligible households. There are 11 competitive affordable units at Ashburn Station, which is under construction. In addition, there are 75 existing competitive three-bedroom units in the PMA. The Subject’s penetration rate is considered moderate at 49.9 percent. However, affordable properties in the area reported no vacancies and steady demand for affordable housing. Overall, we believe that there is demand in the market to support additional affordable rental housing such as the proposed Subject. We do not believe that existing housing projects in the PMA will be adversely affected by the Subject property.

The following table illustrates the LIHTC properties within the PMA that offer similar unit types and AMI levels, including age restricted properties.

EXISTING AFFORDABLE PROPERTIES IN PMA

Property Name	Rent Structure	Tenancy	Total Units	Competitive LIHTC 3BR Units - 60%
The Grove at Flynn's Crossing	LIHTC	Family	168	18
The Woods at Brambleton	LIHTC	Family	202	2
The Woods at Brambleton Town Center South	LIHTC	Family	55	55
Shreveport Ridge	LIHTC	Family	98	0
The Woods at Birchwood	LIHTC	Senior	83	0
Totals			606	75

We were able to obtain absorption from two comparable properties, The Woods at Brambleton Town Center South and Ashburn Chase. Both of these properties were able to stabilize within two months. We present absorption data for other LIHTC and market rate properties in Northern Virginia.

ABSORPTION

Property Name	Program	Tenancy	Location	Year	Total Units	Absorption (units/month)
The Woods at Brambleton Town Center South*	LIHTC	Family	Ashburn	2020	55	55
Ashburn Chase*	LIHTC	Family	Ashburn	2020	96	55
Forest Glen I	LIHTC	Senior	Centreville	2020	119	5
The Woods at Birchwood	LIHTC	Senior	Ashburn	2019	83	15
Heronview Apartments	LIHTC	Family	Sterling	2019	96	30
The Point at Ridgeline	Market	Family	Herndon	2019	572	25
The Emerson Apartments	Market	Family	Centreville	2019	355	15
Kingston at McLean Crossing	Market	Family	Tysons	2018	319	14
Exo Reston	Market	Family	Reston	2018	457	19

*Comparable property

The properties in the table above experienced absorption paces ranging from five to 55 units per month. The family-oriented LIHTC properties reported the highest absorption paces. The most comparable property is The Woods at Brambleton Town Center South, which is physically similar to the proposed Subject. According to the contact at this property, it was fully leased within one month of completion. This property satisfied some pent-up demand in the Subject's Brambleton area. As such, we believe that the Subject would experience a slower absorption pace of 25 units per month, which equates to a total absorption period of approximately four months.

Rent conclusions were provided in Section H.

We do not anticipate any future changes in the housing stock or risks in the market area that would adversely affect the Subject. Another recently completed LIHTC property, The Woods at Brambleton Town Center South, was fully leased within one month upon completion. The Novogradac achievable market rents are reasonable and as a LIHTC property, the Subject will operate with a high occupancy rate.

**J. LOCAL PERSPECTIVES OF
RENTAL HOUSING MARKET
AND HOUSING
ALTERNATIVES**

INTERVIEWS

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

Local Housing Authority Discussion

We previously spoke with Tandi Butler, Senior Housing Counselor with the Loudoun County Department of Family Services. According to Tandi Butler, Loudoun County Office of Housing is authorized to issue 778 vouchers; currently, 543 vouchers are in use. There are 216 households on the waiting list, which is currently closed. Preference is given to applicants with disabilities and the elderly. The payment standard for three-bedroom units is illustrated in the following table.

PAYMENT STANDARDS

Unit Type	Gross	Net
Three-Bedroom	\$2,712	\$2,518

Source: Virginia Housing, effective July 2022

The payment standards are well above the achievable LIHTC rents for the Subject’s units. Therefore, absent subsidy, tenants using vouchers will not have to pay additional rent out of pocket to reside at the Subject.

Planning Discussion

To determine the amount of competitive new supply entering the market, we consulted a May 2021 CoStar report, as well as the Virginia Housing’s listings of LIHTC allocations from 2019 through 2022. The following table illustrates recently completed, under construction, and proposed multifamily properties in the Subject’s PMA.

PLANNED DEVELOPMENT

Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	LIHTC Allocation Year	Construction Status
Waxpool Apartments	LIHTC	Family	52	0	NA	Proposed
The Woods at Brambleton Town Center South	LIHTC	Family	55	0	2019	Complete
Ashburn Station	Market/Affordable	Family	224	11	N/A	Under Construction
Dulles Gateway	Market	Family	311	0	n/a	Proposed
Neon Lofts	Market	Family	276	0	n/a	Proposed
Totals			811	11		

Source: CoStar; Virginia Housing, June 2022

Following is a brief discussion of the LIHTC/mixed income properties.

- Waxpool Apartments is a planned 52-unit apartment property that will have one and two-bedroom units restricted at the 60 percent AMI level. Construction of this project is expected to begin later in 2022, with completion scheduled for mid-2023. Since it will lack three-bedroom units, we do not believe it will directly compete with the Subject, and its units are not removed from our demand analysis.
- The Woods at Brambleton Town Center South is a recently completed 55-unit property that was developed by the Subject’s sponsor. It is now 100 percent occupied and is included in our rent comparable survey. Since this property is stabilized, its units are not removed from our demand analysis.
- Ashburn Station is an under construction, mixed-income property that will offer 224 units. Eleven of these units will be designated as affordable. There is no information regarding the unit types or income levels of these affordable units. However, we assume these units will be competitive with the Subject and 11 units are deducted from our demand analysis.

In summary, we remove a total of 11 units from our demand analysis.

K. ANALYSIS/CONCLUSIONS

Recommendations

In general, we believe there is demand in the marketplace for the Subject as proposed. We recommend no changes for the Subject property.

Demand Summary

We believe there is ample demand for the Subject. Our concluded capture rates and absorption are shown in the table below.

Project Wide Capture Rate - LIHTC Units	52.6%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	52.6%
Project Wide Absorption Period (Months)	4 months

Additionally, the penetration rate for the Subject is 49.9 percent. This is moderate and indicates support for additional affordable housing such as the proposed Subject.

Strengths and Weaknesses of the Subject

Strengths

- The Subject will be in excellent condition upon completion, with slightly superior to superior in-unit amenities to the majority of the comparable properties.
- None of the LIHTC comparable properties report any vacancies at this time, indicating a supply-constrained market for affordable housing. The majority report waiting lists as well.
- The Subject will offer the largest three-bedroom unit sizes in the market. In addition, it will have a desirable townhouse design and an attached two-car garage included in the rent.
- Two of the comparable LIHTC properties reported achieving maximum allowable rents. Based on full occupancy rates and waiting lists, we believe the remainder are not testing the maximum allowable rents.
- The Subject will be located in a PMA experiencing substantial population and household growth.
- The Subject will be located in a desirable location based on median household incomes and median rents, as well as crime indices. Further, the Subject site is in the path of development and near major employers with recent job growth.
- The Subject has moderate capture rates, indicating additional demand for affordable rental housing such as the Subject.

Weaknesses

- The Subject will lack property amenities, including on-site management. However, another nearby LIHTC property, The Woods at Brambleton South, also lacks property amenities but is performing well nonetheless.
- The Subject’s indicated capture rate is elevated although none of the comparable LIHTC properties report any vacancy.

Absorption Estimate

We were able to obtain absorption from two comparable properties, The Woods at Brambleton Town Center South and Ashburn Chase. Both of these properties were able to stabilize within two months. We present absorption data for other LIHTC and market rate properties in Northern Virginia.

ABSORPTION

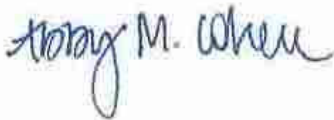
Property Name	Program	Tenancy	Location	Year	Total Units	Absorption (units/month)
The Woods at Brambleton Town Center South*	LIHTC	Family	Ashburn	2020	55	55
Ashburn Chase*	LIHTC	Family	Ashburn	2020	96	55
Forest Glen I	LIHTC	Senior	Centreville	2020	119	5
The Woods at Birchwood	LIHTC	Senior	Ashburn	2019	83	15
Heronview Apartments	LIHTC	Family	Sterling	2019	96	30
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Kingston at McLean Crossing	Market	Family	Tysons	2018	319	14
Exo Reston	Market	Family	Reston	2018	457	19

*Comparable property

The properties in the table above experienced absorption paces ranging from five to 55 units per month. The family-oriented LIHTC properties reported the highest absorption paces. The most comparable property is The Woods at Brambleton Town Center South, which is physically similar to the proposed Subject. According to the contact at this property, it was fully leased within one month of completion. This property satisfied some pent-up demand in the Subject’s Brambleton area. As such, we believe that the Subject would experience a slower absorption pace of 25 units per month, which equates to a total absorption period of approximately four months.

L. OTHER REQUIREMENTS

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



Abby M. Cohen
Partner

August 15, 2022
Date

ADDENDUM A
Assumptions and Limiting Conditions

ASSUMPTIONS AND LIMITING CONDITIONS

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

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

ADDENDUM B
Subject Property and Neighborhood Photographs

PHOTOGRAPHS OF SUBJECT AND NEIGHBORHOOD



Subject site looking west from Calderwood Lane



Subject site looking northwest from Calderwood Lane



Alternative view of Subject site



View of Subject site from Calderwood Lane looking south



View along Ryan Road to the north of Subject looking south



View along Ryan Road to the north of Subject



Single-family homes immediately east of Subject



Single-family homes immediately east of Subject



View to the south of Subject site



View to the south of Subject site



Single-family homes to the west of Subject site



Single-family homes to the west of Subject site



Typical single-family home east of Subject site



Typical single-family homes west of Subject site



Typical single-family homes west of Subject site



Typical single-family homes west of Subject site



Typical single-family homes west of Subject site



Typical single-family homes west of Subject site



Madison's Trust Elementary School south of Subject site



Brambleton Middle School south of Subject site



Independence High School south of Subject site



Brambleton Town Center east of Subject site



Brambleton Town Center east of Subject site



Brambleton Town Center east of Subject site



Brambleton Town Center east of Subject site



Brambleton Town Center east of Subject site



Brambleton Town Center east of Subject site



Brambleton Town Center east of Subject site

ADDENDUM C
Subject Matrices and Property Profiles

BRAMBLETON 99 – ASHBURN, VIRGINIA – MARKET STUDY

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	Brambleton 99 Calderwood Lane Ashburn, VA 20148 Loudoun County	-	Townhouse 3-stories 2024 / n/a Family	@60%	3BR / 3.5BA	99	100.0%	1,800	@60%	\$2,026	Yes	N/A	N/A	N/A
						<u>99</u>							N/A	N/A
1	Ashburn Chase 19761 Ashburn Road Ashburn, VA 20147 Loudoun County	6.7 miles	Midrise 4-stories 2020 / n/a Family	@30%, @50%,@60%	1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 3BR / 2BA 3BR / 2BA 3BR / 2BA	1 1 17 3 14 41 1 4 14	1.0% 1.0% 17.7% 3.1% 14.6% 42.7% 1.0% 4.2% 14.6%	628 628 628 868 868 1,106 1,106 1,123	@30% @50% @60% @30% @50% @60% @30% @50% @60%	\$585 \$1,055 \$1,290 \$700 \$1,270 \$1,555 \$810 \$1,465 \$1,745	No No No No No No No No No	Yes Yes Yes Yes Yes Yes Yes Yes Yes	0 0 0 0 0 0 0 0 0	0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0%
						<u>96</u>							0	0%
2	Ashburn Meadows 21030 Lowry Park Terrace Ashburn, VA 20147 Loudoun County	5.4 miles	Garden 4-stories 2000 / n/a Family	@60%	2BR / 1BA 2BR / 2BA 3BR / 2BA	62 212 62	18.5% 63.1% 18.5%	877 1,010 1,178	@60% @60% @60%	\$1,810 \$1,810 \$2,092	Yes Yes Yes	Yes Yes Yes	0 0 0	0.0% 0.0% 0.0%
						<u>336</u>							0	0%
3	The Grove At Flynn's Crossing 21892 Blossom Hill Terrace Ashburn, VA 20147 Loudoun County	3.4 miles	Garden 3-stories 1999 / n/a Family	@60%	1BR / 1BA 2BR / 1BA 2BR / 2BA 3BR / 2BA	24 48 78 18	14.3% 28.6% 46.4% 10.7%	807 971 1,119 1,267	@60% @60% @60% @60%	\$1,473 \$1,712 \$1,762 \$2,032	No No No No	No No No No	0 1 1 0	0.0% 2.1% 1.3% 0.0%
						<u>168</u>							2	1.2%
4	The Woods At Brambleton 23601 Willshaw Square Ashburn, VA 20148 Loudoun County	1.7 miles	Garden 4-stories 2014 / n/a Family	@60%	OBR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 3BR / 2BA	N/A N/A N/A N/A 2	N/A N/A N/A N/A 1.0%	510 845 1,108 1,318 1,308	@60% @60% @60% @60% @60%	\$1,030 \$1,075 \$1,120 \$1,120 \$1,120	No No No No No	Yes Yes Yes Yes Yes	0 0 0 0 0	N/A N/A N/A N/A 0.0%
						<u>202</u>							0	0%
5	The Woods At Brambleton Town Center South 22964 Camilla Springs Square Ashburn, VA 20148 Loudoun County	0.7 miles	Townhouse 3-stories 2021 / n/a Family	@60%	3BR / 3.5BA	55	100.0%	1,800	@60%	\$1,755	No	No	0	0.0%
						<u>55</u>							0	0%
6	Atley On The Greenway 21827 High Rock Terrace Ashburn, VA 20147 Loudoun County	3.4 miles	Garden 4-stories 2014 / n/a Family	Market	1BR / 1BA 1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 2BR / 2BA 3BR / 2BA	N/A N/A N/A N/A N/A N/A N/A	N/A N/A N/A N/A N/A N/A N/A	843 971 715 1,199 1,256 1,141 1,375	Market Market Market Market Market Market Market	\$2,209 \$2,404 \$1,989 \$2,619 \$2,804 \$2,569 \$2,639	N/A N/A N/A N/A N/A N/A N/A	No No No No No No No	5 0 0 11 0 0 0	N/A N/A N/A N/A N/A N/A N/A
						<u>496</u>							16	3.2%
7	Broadlands Apartments 21799 Crescent Park Square Ashburn, VA 20148 Loudoun County	2.0 miles	Various 3-stories 2003 / 2020 Family	Market	1BR / 1BA 1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 2BR / 2.5BA 3BR / 2BA 3BR / 2.5BA	47 38 15 24 48 67 26 27	16.1% 13.0% 5.1% 8.2% 16.4% 23.0% 8.9% 9.3%	806 812 874 1,127 1,184 1,538 1,436 1,538	Market Market Market Market Market Market Market Market	\$1,953 \$1,788 \$2,123 \$2,343 \$2,711 \$2,954 \$2,613 \$2,804	N/A N/A N/A N/A N/A N/A N/A N/A	No No No No No No No No	2 0 0 1 0 1 0 0	4.3% 0.0% 0.0% 4.2% 0.0% 1.5% 0.0% 0.0%
						<u>292</u>							4	1.4%
8	Camden Silo Creek 43449 Silo Creek Terrace Ashburn, VA 20147 Loudoun County	3.2 miles	Garden 3-stories 2004 / 2019 Family	Market	1BR / 1BA 1BR / 1BA 1BR / 1BA 2BR / 1BA 2BR / 2BA 2BR / 2BA 2BR / 2BA 3BR / 2BA	120 N/A N/A 18 130 N/A N/A 16	42.3% N/A N/A 6.3% 45.8% N/A N/A 5.6%	712 867 556 971 1,154 1,287 1,020 1,392	Market Market Market Market Market Market Market Market	\$2,023 \$2,183 \$1,863 \$1,973 \$2,403 \$2,623 \$2,183 \$2,703	N/A N/A N/A N/A N/A N/A N/A N/A	No No No No No No No No	N/A N/A N/A N/A N/A N/A N/A 0	N/A N/A N/A N/A N/A N/A N/A 0.0%
						<u>284</u>							8	2.8%
9	The Elms At Arcola 24710 Tribe Sq Sterling, VA 20166 Loudoun County	3.5 miles	Various 4-stories 2016 / n/a Family	Market	1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 2BR / 2BA 2BR / 2BA 3BR / 2BA	N/A N/A N/A N/A N/A N/A N/A	N/A N/A N/A N/A N/A N/A N/A	842 1,044 1,238 1,248 1,268 1,515 1,626	Market Market Market Market Market Market Market	\$2,057 \$2,200 \$3,063 \$3,082 \$3,083 \$3,303 \$2,715	N/A N/A N/A N/A N/A N/A N/A	No No No No No No No	0 0 0 0 0 0 0	N/A N/A N/A N/A N/A N/A N/A
						<u>248</u>							0	0%
10	The Point At Ashburn 22555 Leanne Terrace Ashburn, VA 20148 Loudoun County	2.2 miles	Garden 4-stories 2010 / n/a Family	Market	OBR / 1BA OBR / 1BA OBR / 1BA 1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 2BR / 2BA 3BR / 2BA	4 N/A N/A 172 N/A 227 N/A N/A 10	1.0% N/A N/A 41.7% N/A 55.0% N/A N/A 2.4%	639 639 639 857 984 730 1,084 1,246 922 1,410	Market Market Market Market Market Market Market Market Market Market	\$1,444 \$1,474 \$1,414 \$1,896 \$1,998 \$1,793 \$2,290 \$2,428 \$2,153 \$2,554	N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A	No No No No No No No No No No	0 0 N/A 2 N/A 0 N/A N/A 0 N/A 0	0.0% N/A N/A 1.2% N/A 0.0% N/A N/A N/A 0.0% 0.0%
						<u>413</u>							2	0.5%

RENT AND SQUARE FOOTAGE RANKING -- All rents adjusted for utilities and concessions extracted from the market.			
	Units Surveyed:	2,590	Weighted Occupancy: 98.8%
	Market Rate	1,733	Market Rate 98.3%
	Tax Credit	857	Tax Credit 100.0%
Three Bedroom Three and a Half Bath			
	Property	Average	
RENT	Brambleton 99 (1800 SF)(AMR)	\$2,800	
	Broadlands Apartments (Market)(2.5BA)	\$2,790	
	The Elms At Arcola (Market)(2BA)	\$2,701	
	Camden Silo Creek (Market)(2BA)	\$2,689	
	Atley On The Greenway (Market)(2BA)	\$2,625	
	The Point At Ashburn (Market)(2BA)	\$2,540	
	Broadlands Apartments (Market)(2BA)	\$2,399	
	The Grove At Flynn's Crossing (@60%)(2BA)	\$2,220	
	Ashburn Meadows (@60%)(2BA)	\$2,092	
	Brambleton 99 (@60%)	\$2,026	
	Brambleton 99 (@60%)(ALR)	\$2,026	
	The Woods At Brambleton Town Center South (@60%)	\$1,755	
	Ashburn Chase (@60%)(2BA)	\$1,745	
	Ashburn Chase (@50%)(2BA)	\$1,465	
	The Woods At Brambleton (@60%)(2BA)	\$1,120	
Ashburn Chase (@30%)(2BA)	\$810		
SQUARE FOOTAGE	Brambleton 99 (@60%)	1,800	
	The Woods At Brambleton Town Center South (@60%)	1,800	
	The Elms At Arcola (Market)(2BA)	1,626	
	Broadlands Apartments (Market)(2.5BA)	1,538	
	Broadlands Apartments (Market)(2BA)	1,436	
	The Point At Ashburn (Market)(2BA)	1,410	
	Camden Silo Creek (Market)(2BA)	1,392	
	Atley On The Greenway (Market)(2BA)	1,375	
	The Woods At Brambleton (@60%)(2BA)	1,308	
	The Grove At Flynn's Crossing (@60%)(2BA)	1,267	
	Ashburn Meadows (@60%)(2BA)	1,178	
	Ashburn Chase (@60%)(2BA)	1,123	
	Ashburn Chase (@50%)(2BA)	1,106	
	Ashburn Chase (@30%)(2BA)	1,106	
	RENT PER SQUARE FOOT	Camden Silo Creek (Market)(2BA)	\$1.93
Atley On The Greenway (Market)(2BA)		\$1.91	
Broadlands Apartments (Market)(2.5BA)		\$1.81	
The Point At Ashburn (Market)(2BA)		\$1.80	
Ashburn Meadows (@60%)(2BA)		\$1.78	
The Grove At Flynn's Crossing (@60%)(2BA)		\$1.75	
Broadlands Apartments (Market)(2BA)		\$1.67	
The Elms At Arcola (Market)(2BA)		\$1.66	
Brambleton 99 (1800 SF)(AMR)		\$1.56	
Ashburn Chase (@60%)(2BA)		\$1.55	
Ashburn Chase (@50%)(2BA)		\$1.32	
Brambleton 99 (@60%)		\$1.13	
Brambleton 99 (@60%)(ALR)		\$1.13	
The Woods At Brambleton Town Center South (@60%)		\$0.98	
The Woods At Brambleton (@60%)(2BA)		\$0.86	
Ashburn Chase (@30%)(2BA)	\$0.73		

BRAMBLETON 99 – ASHBURN, VIRGINIA – MARKET STUDY

AMENITY MATRIX

Subject	Ashburn Chase	Ashburn Meadows	The Grove At Flynn's Crossing	The Woods At Brambleton	The Woods At Brambleton Town Center South	Atley On The Greenway	Broadlands Apartments	Camden Silo Creek	The Elms At Arcola	The Point At Ashburn	
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	
Building											
Property Type	Townhouse	Midrise	Garden	Garden	Garden	Townhouse	Garden	Various	Garden	Various	Garden
# of Stories	3-stories	4-stories	4-stories	3-stories	4-stories	3-stories	4-stories	3-stories	3-stories	4-stories	4-stories
Year Built	2024	2020	2000	1999	2014	2021	2014	2003	2004	2016	2010
Year Renovated	n/a	n/a	n/a	n/a	n/a	n/a	n/a	2020	2019	n/a	n/a
Elevators	no	yes	no	no	no	no	no	no	no	yes	no
Courtyard	no	no	no	no	yes	no	no	no	no	yes	no
Unit Amenities											
Balcony/Patio	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite	no	no	no	no	no	no	no	no	yes	no	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Hardwood	no	yes	no	no	no	no	no	no	no	yes	no
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	no	yes	no	no	yes	no	yes	yes	yes	no	yes
Coat Closet	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	no
Exterior Storage	yes	yes	no	no	no	yes	no	no	yes	no	no
Fireplace	no	no	no	yes	no	no	no	yes	yes	no	no
Vaulted Ceilings	no	no	no	yes	no	no	no	yes	yes	no	no
Walk-In Closet	no	yes	no	yes	yes	yes	yes	yes	yes	yes	no
Washer/Dryer	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes
W/D Hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Kitchen											
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Microwave	yes	yes	no	no	yes	yes	yes	yes	yes	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community											
Business Center	no	no	no	no	no	no	no	yes	yes	yes	yes
Community Room	no	yes	yes	yes	no	no	yes	no	yes	yes	yes
Central Laundry	no	no	no	no	no	no	yes	no	no	no	no
On-Site Management	no	yes	yes	yes	yes	no	yes	yes	yes	yes	yes
Recreation											
Exercise Facility	no	yes	yes	yes	yes	no	yes	yes	yes	yes	yes
Playground	no	yes	yes	yes	yes	no	no	no	yes	yes	no
Swimming Pool	no	no	yes	yes	yes	no	yes	yes	yes	yes	yes
Picnic Area	no	yes	no	no	yes	no	no	yes	yes	yes	yes
Tennis Court	no	no	no	no	no	no	no	yes	no	no	no
Recreational Area	no	no	no	no	no	no	no	no	no	yes	no
WiFi	no	no	no	no	no	no	yes	no	no	no	no
Service Coordination	no	yes	no	no	no	no	no	no	no	no	no
Security											
Intercom (Buzzer)	no	yes	no	no	no	no	no	no	no	yes	no
Limited Access	no	yes	no	no	no	no	yes	yes	no	yes	no
Perimeter Fencing	no	no	no	no	no	no	yes	yes	no	no	no
Video Surveillance	no	no	no	no	yes	no	no	no	no	no	no
Parking											
Garage	yes	yes	no	no	no	yes	yes	yes	yes	no	no
Garage Fee	n/a	\$0	\$0	\$0	\$0	n/a	\$125	\$190	\$150	n/a	\$0
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Off-Street Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50	\$0	n/a	\$0

PROPERTY PROFILE REPORT

Ashburn Chase

Effective Rent Date	5/20/2022
Location	19761 Ashburn Road Ashburn, VA 20147 Loudoun County
Distance	6.7 miles
Units	96
Vacant Units	0
Vacancy Rate	0.0%
Type	Midrise (4 stories)
Year Built/Renovated	2020 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Families and veterans
Contact Name	Joy
Phone	703-713-5678



Market Information

Program	@30%, @50%, @60%
Annual Turnover Rate	10%
Units/Month Absorbed	55
HCV Tenants	10%
Leasing Pace	Pre-leased to one week
Annual Chg. in Rent	No change
Concession	None
Waiting List	Yes, 100+ for each bedroom type. 300+ total.

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	1	628	\$585	\$0	@30%	Yes	0	0.0%	no	None
1	1	Midrise (4 stories)	1	628	\$1,055	\$0	@50%	Yes	0	0.0%	no	None
1	1	Midrise (4 stories)	17	628	\$1,290	\$0	@60%	Yes	0	0.0%	no	None
2	2	Midrise (4 stories)	3	868	\$700	\$0	@30%	Yes	0	0.0%	no	None
2	2	Midrise (4 stories)	14	868	\$1,270	\$0	@50%	Yes	0	0.0%	no	None
2	2	Midrise (4 stories)	41	868	\$1,555	\$0	@60%	Yes	0	0.0%	no	None
3	2	Midrise (4 stories)	1	1,106	\$810	\$0	@30%	Yes	0	0.0%	no	None
3	2	Midrise (4 stories)	4	1,106	\$1,465	\$0	@50%	Yes	0	0.0%	no	None
3	2	Midrise (4 stories)	14	1,123	\$1,745	\$0	@60%	Yes	0	0.0%	no	None

Ashburn Chase, continued

Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$585	\$0	\$585	\$0	\$585	1BR / 1BA	\$1,055	\$0	\$1,055	\$0	\$1,055
2BR / 2BA	\$700	\$0	\$700	\$0	\$700	2BR / 2BA	\$1,270	\$0	\$1,270	\$0	\$1,270
3BR / 2BA	\$810	\$0	\$810	\$0	\$810	3BR / 2BA	\$1,465	\$0	\$1,465	\$0	\$1,465
@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
1BR / 1BA	\$1,290	\$0	\$1,290	\$0	\$1,290						
2BR / 2BA	\$1,555	\$0	\$1,555	\$0	\$1,555						
3BR / 2BA	\$1,745	\$0	\$1,745	\$0	\$1,745						

Amenities

In-Unit

Balcony/Patio
 Carpet/Hardwood
 Central A/C
 Dishwasher
 Ceiling Fan
 Microwave
 Refrigerator
 Washer/Dryer

Blinds
 Carpeting
 Coat Closet
 Exterior Storage
 Garbage Disposal
 Oven
 Walk-In Closet
 Washer/Dryer hookup

Security

Intercom (Buzzer)
 Limited Access

Services

None

Property

Clubhouse/Meeting Room/Community
 Exercise Facility
 Off-Street Parking
 Picnic Area
 Service Coordination

Elevators
 Garage
 On-Site Management
 Playground

Premium

None

Other

Walking trail

Comments

The contact stated that their waiting list is currently closed as move outs are rare. The contact stated that their rents have not increased to the 2022 maximum allowable levels, and the timing of any future increases have not yet been determined. The contact could not comment on Housing Choice Voucher usage. The property does not charge for garage parking but there is limited availability. The contact stated that there are 30 to 35 garage spaces. There are 10 units set-aside for households with a member who has a disability. These households have project-based subsidy.

Photos



PROPERTY PROFILE REPORT

Ashburn Meadows

Effective Rent Date	5/19/2022
Location	21030 Lowry Park Terrace Ashburn, VA 20147 Loudoun County
Distance	5.4 miles
Units	336
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (4 stories)
Year Built/Renovated	2000 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	The Fields of Ashburn
Tenant Characteristics	Families from the area
Contact Name	Isabelle
Phone	703-723-3390



Market Information

Program	@60%
Annual Turnover Rate	7%
Units/Month Absorbed	N/A
HCV Tenants	20%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased by 12%
Concession	None
Waiting List	Yes; 13 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden (4 stories)	62	877	\$1,810	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Garden (4 stories)	212	1,010	\$1,810	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (4 stories)	62	1,178	\$2,092	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	\$1,810	\$0	\$1,810	\$0	\$1,810
2BR / 2BA	\$1,810	\$0	\$1,810	\$0	\$1,810
3BR / 2BA	\$2,092	\$0	\$2,092	\$0	\$2,092

Ashburn Meadows, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Garbage Disposal
Refrigerator
Washer/Dryer hookup

Blinds
Central A/C
Dishwasher
Oven
Washer/Dryer

Security

None

Services

None

Property

Clubhouse/Meeting Room/Community
Off-Street Parking
Playground

Exercise Facility
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

The contact stated that they do accept Housing Choice Voucher tenants but could not comment on how many tenants utilize vouchers. There is no difference in rents between the two-bedroom units with one versus two baths.

Photos



PROPERTY PROFILE REPORT

The Grove At Flynn's Crossing

Effective Rent Date	5/27/2022
Location	21892 Blossom Hill Terrace Ashburn, VA 20147 Loudoun County
Distance	3.4 miles
Units	168
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	1999 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Tenants are primarily from Loudoun County
Contact Name	Nancy
Phone	703-724-7889



Market Information

Program	@60%
Annual Turnover Rate	14%
Units/Month Absorbed	N/A
HCV Tenants	8%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased 16 to 17 percent
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	24	807	\$1,602	\$0	@60%	No	0	0.0%	yes	None
2	1	Garden (3 stories)	48	971	\$1,871	\$0	@60%	No	0	0.0%	no	None
2	2	Garden (3 stories)	78	1,119	\$1,921	\$0	@60%	No	0	0.0%	yes	None
3	2	Garden (3 stories)	18	1,267	\$2,220	\$0	@60%	No	0	0.0%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,602	\$0	\$1,602	-\$53	\$1,549
2BR / 1BA	\$1,871	\$0	\$1,871	-\$69	\$1,802
2BR / 2BA	\$1,921	\$0	\$1,921	-\$69	\$1,852
3BR / 2BA	\$2,220	\$0	\$2,220	-\$83	\$2,137

The Grove At Flynn's Crossing, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Fireplace
Oven
Vaulted Ceilings
Washer/Dryer

Blinds
Central A/C
Dishwasher
Garbage Disposal
Refrigerator
Walk-In Closet
Washer/Dryer hookup

Security

None

Services

None

Property

Clubhouse/Meeting Room/Community
Off-Street Parking
Playground

Exercise Facility
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

The property does not maintain a waiting list as a matter of policy. Rents for the two-bedroom/one bath unit are held slightly below maximum allowable levels.

Photos



PROPERTY PROFILE REPORT

The Woods At Brambleton

Effective Rent Date	5/13/2022
Location	23601 Willshaw Square Ashburn, VA 20148 Loudoun County
Distance	1.7 miles
Units	202
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (4 stories)
Year Built/Renovated	2014 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Did not disclose
Contact Name	Kellyanne
Phone	703-722-2424



Market Information

Program	@60%
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	10%
Leasing Pace	Preleased to five days
Annual Chg. in Rent	None
Concession	None
Waiting List	Yes, 200HH

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden (4 stories)	N/A	510	\$1,030	\$0	@60%	Yes	0	N/A	no	None
1	1	Garden (4 stories)	N/A	845	\$1,075	\$0	@60%	Yes	0	N/A	no	None
2	2	Garden (4 stories)	N/A	1,108	\$1,120	\$0	@60%	Yes	0	N/A	no	None
2	2	Garden (4 stories)	N/A	1,318	\$1,120	\$0	@60%	Yes	0	N/A	no	None
3	2	Garden (4 stories)	2	1,308	\$1,120	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$1,030	\$0	\$1,030	\$0	\$1,030
1BR / 1BA	\$1,075	\$0	\$1,075	\$0	\$1,075
2BR / 2BA	\$1,120	\$0	\$1,120	\$0	\$1,120
3BR / 2BA	\$1,120	\$0	\$1,120	\$0	\$1,120

The Woods At Brambleton, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Ceiling Fan
Microwave
Refrigerator
Washer/Dryer

Blinds
Central A/C
Dishwasher
Garbage Disposal
Oven
Walk-In Closet
Washer/Dryer hookup

Security

Video Surveillance

Services

None

Property

Courtyard
Off-Street Parking
Picnic Area
Swimming Pool

Exercise Facility
On-Site Management
Playground

Premium

None

Other

None

Comments

The contact stated rents for the three-bedroom units is the same as the two-bedroom units because rents have not been raised since there are only two three-bedroom units, which have very little turnover. The contact stated rents are kept below the maximum allowable despite very strong demand in order to maintain affordability for a wider range of households. Only the one-bedroom units have a waiting list open, which is currently two years long. The waiting list is closed for the remaining bedroom types.

Photos



Comments

The townhouse units were delivered in phases in late 2021, with the final units delivered in December 2021. According to the contact, the units were fully leased within one month of completion. There is no waiting list at this time, although the contact indicated that a list will be started. Rents are below maximum allowable levels, which we believe was intentional to ensure a rapid absorption pace. This property has no on-site management; however, the manager at the nearby Woods at Brambleton LIHTC property also oversees this property.

Photos



PROPERTY PROFILE REPORT

Atley On The Greenway

Effective Rent Date	5/03/2022
Location	21827 High Rock Terrace Ashburn, VA 20147 Loudoun County
Distance	3.4 miles
Units	496
Vacant Units	8
Vacancy Rate	1.6%
Type	Garden (4 stories)
Year Built/Renovated	2014 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Younger demographic, mix of households working locally or in DC area
Contact Name	Linda
Phone	571-223-2292



Market Information

Program	Market
Annual Turnover Rate	28%
Units/Month Absorbed	26
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Decreased 20 percent to increased 17 percent
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (4 stories)	N/A	843	\$2,195	\$0	Market	No	4	N/A	N/A	AVG*
1	1	Garden (4 stories)	N/A	971	\$2,340	\$0	Market	No	0	N/A	N/A	HIGH*
1	1	Garden (4 stories)	N/A	715	\$2,050	\$0	Market	No	0	N/A	N/A	LOW*
2	2	Garden (4 stories)	N/A	1,199	\$2,605	\$0	Market	No	4	N/A	N/A	AVG*
2	2	Garden (4 stories)	N/A	1,256	\$2,755	\$0	Market	No	0	N/A	N/A	HIGH*
2	2	Garden (4 stories)	N/A	1,141	\$2,455	\$0	Market	No	0	N/A	N/A	LOW*
3	2	Garden (4 stories)	N/A	1,375	\$2,625	\$0	Market	No	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$2,050 - \$2,340	\$0	\$2,050 - \$2,340	\$14	\$2,064 - \$2,354
2BR / 2BA	\$2,455 - \$2,755	\$0	\$2,455 - \$2,755	\$14	\$2,469 - \$2,769
3BR / 2BA	\$2,625	\$0	\$2,625	\$14	\$2,639

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Ceiling Fan
Microwave
Refrigerator
Washer/Dryer hookup

Blinds
Central A/C
Dishwasher
Garbage Disposal
Oven
Walk-In Closet

Security

Limited Access
Perimeter Fencing

Services

None

Property

Clubhouse/Meeting Room/Community
Garage(\$125.00)
Off-Street Parking
Swimming Pool

Exercise Facility
Central Laundry
On-Site Management
Wi-Fi

Premium

None

Other

None

Comments

The property offers 40 detached garages at \$125 per month and virtually all are leased. Select units have attached garages which are included in the rent. The contact could not confirm the leasing pace or turnover. The property does accept Housing Choice Voucher tenants, but the number of tenants with vouchers was not available.

Photos



PROPERTY PROFILE REPORT

Broadlands Apartments

Effective Rent Date	5/13/2022
Location	21799 Crescent Park Square Ashburn, VA 20148 Loudoun County
Distance	2 miles
Units	292
Vacant Units	12
Vacancy Rate	4.1%
Type	Various (3 stories)
Year Built/Renovated	2003 / 2020
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mix of professionals. 50% work in DC, 50% in Ashburn and surrounding areas
Contact Name	Oni
Phone	703-729-3600



Market Information

Program	Market
Annual Turnover Rate	40%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased 11 to 29 percent
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	47	806	\$1,853	\$0	Market	No	2	4.3%	N/A	None
1	1	Garden (3 stories)	38	812	\$1,774	\$0	Market	No	5	13.2%	N/A	None
1	1	Garden (3 stories)	15	874	\$2,109	\$0	Market	No	1	6.7%	N/A	None
2	2	Garden (3 stories)	24	1,127	\$2,329	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	48	1,184	\$2,456	\$0	Market	No	N/A	N/A	N/A	None
2	2.5	Townhouse (3 stories)	67	1,538	\$2,607	\$0	Market	No	5	7.5%	N/A	None
3	2	Garden (3 stories)	26	1,436	\$2,399	\$0	Market	No	N/A	N/A	N/A	None
3	2.5	Townhouse (3 stories)	27	1,538	\$2,790	\$0	Market	No	0	0.0%	N/A	None

Photos



PROPERTY PROFILE REPORT

Camden Silo Creek

Effective Rent Date	5/27/2022
Location	43449 Silo Creek Terrace Ashburn, VA 20147 Loudoun County
Distance	3.2 miles
Units	284
Vacant Units	8
Vacancy Rate	2.8%
Type	Garden (3 stories)
Year Built/Renovated	2004 / 2019
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	All types of tenants, mostly younger professionals in govt jobs, as well as healthcare, education, and local area businesses
Contact Name	Amir
Phone	703.729.7744



Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within five days
Annual Chg. in Rent	Increased six to 13 percent
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	120	712	\$2,009	\$0	Market	No	N/A	N/A	N/A	AVG*
1	1	Garden (3 stories)	0	867	\$2,169	\$0	Market	No	N/A	N/A	N/A	HIGH*
1	1	Garden (3 stories)	0	556	\$1,849	\$0	Market	No	N/A	N/A	N/A	LOW*
2	1	Garden (3 stories)	18	971	\$1,959	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	130	1,154	\$2,389	\$0	Market	No	N/A	N/A	N/A	AVG*
2	2	Garden (3 stories)	0	1,287	\$2,609	\$0	Market	No	N/A	N/A	N/A	HIGH*
2	2	Garden (3 stories)	0	1,020	\$2,169	\$0	Market	No	N/A	N/A	N/A	LOW*
3	2	Garden (3 stories)	16	1,392	\$2,689	\$0	Market	No	0	0.0%	N/A	None

Photos



PROPERTY PROFILE REPORT

The Elms At Arcola

Effective Rent Date	4/28/2022
Location	24710 Tribe Sq Sterling, VA 20166 Loudoun County
Distance	3.5 miles
Units	248
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (4 stories)
Year Built/Renovated	2016 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Families and couples
Contact Name	Property Manager
Phone	855-266-0859



Market Information

Program	Market
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased 5 percent
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	842	\$2,043	\$0	Market	No	0	N/A	N/A	None
1	1	Garden (3 stories)	N/A	1,044	\$2,186	\$0	Market	No	0	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,238	\$3,049	\$0	Market	No	0	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,248	\$3,068	\$0	Market	No	0	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,268	\$3,069	\$0	Market	No	0	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,515	\$3,289	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,626	\$2,701	\$0	Market	No	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$2,043 - \$2,186	\$0	\$2,043 - \$2,186	\$14	\$2,057 - \$2,200
2BR / 2BA	\$3,049 - \$3,289	\$0	\$3,049 - \$3,289	\$14	\$3,063 - \$3,303
3BR / 2BA	\$2,701	\$0	\$2,701	\$14	\$2,715

The Elms At Arcola, continued

Amenities

In-Unit

Balcony/Patio
Carpet/Hardwood
Central A/C
Dishwasher
Microwave
Refrigerator
Washer/Dryer

Blinds
Carpeting
Coat Closet
Garbage Disposal
Oven
Walk-In Closet
Washer/Dryer hookup

Security

Intercom (Buzzer)
Limited Access

Services

None

Property

Business Center/Computer Lab
Courtyard
Exercise Facility
On-Site Management
Playground
Swimming Pool

Clubhouse/Meeting Room/Community
Elevators
Off-Street Parking
Picnic Area
Recreation Areas

Premium

None

Other

None

Comments

The contact stated demand was very high at the moment, as the property has no vacancies. The property accepts Housing Choice Vouchers.

Photos



PROPERTY PROFILE REPORT

The Point At Ashburn

Effective Rent Date	5/05/2022
Location	22555 Leanne Terrace Ashburn, VA 20148 Loudoun County
Distance	2.2 miles
Units	413
Vacant Units	2
Vacancy Rate	0.5%
Type	Garden (4 stories)
Year Built/Renovated	2010 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mostly younger tenancy employed in various industries like healthcare, education, and govt jobs
Contact Name	Trisha
Phone	571-223-2002



Market Information

Program	Market
Annual Turnover Rate	32%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased one to 11 percent
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

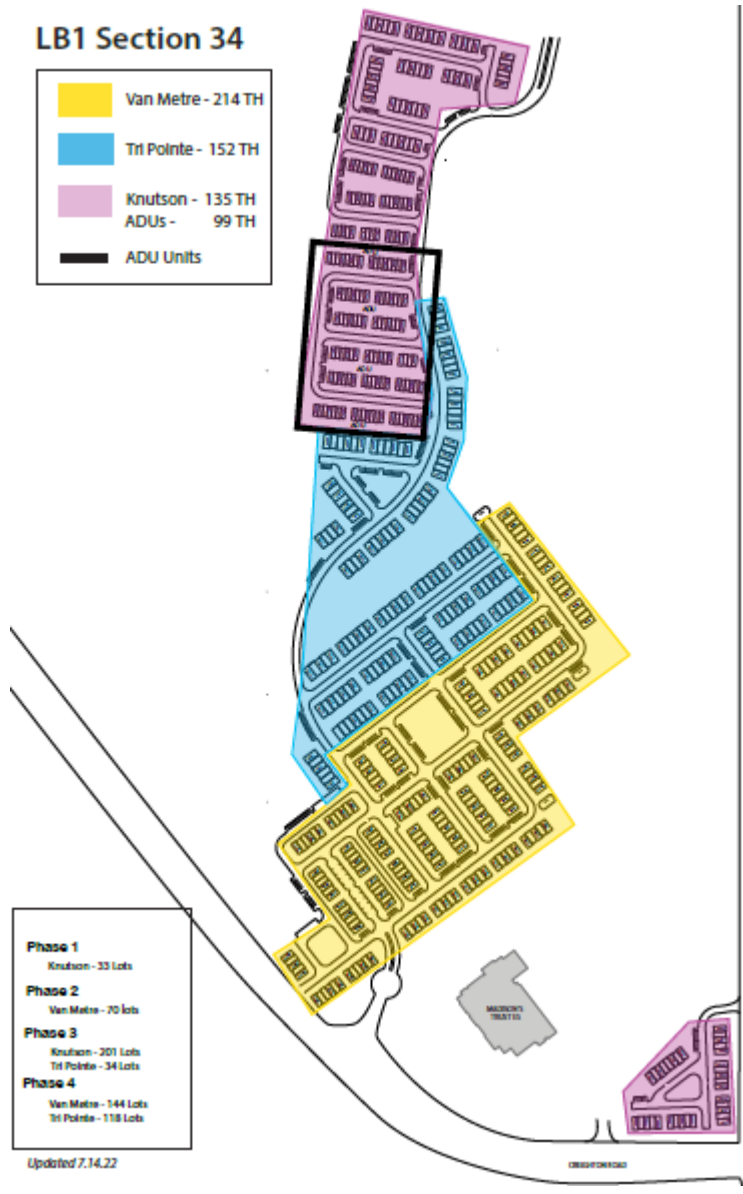
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden (4 stories)	4	639	\$1,430	\$0	Market	No	0	0.0%	N/A	AVG*
0	1	Garden (4 stories)	N/A	639	\$1,460	\$0	Market	No	N/A	N/A	N/A	HIGH*
0	1	Garden (4 stories)	N/A	639	\$1,400	\$0	Market	No	N/A	N/A	N/A	LOW*
1	1	Garden (4 stories)	172	857	\$1,882	\$0	Market	No	2	1.2%	N/A	AVG*
1	1	Garden (4 stories)	N/A	984	\$1,984	\$0	Market	No	N/A	N/A	N/A	HIGH*
1	1	Garden (4 stories)	N/A	730	\$1,779	\$0	Market	No	N/A	N/A	N/A	LOW*
2	2	Garden (4 stories)	227	1,084	\$2,276	\$0	Market	No	0	0.0%	N/A	AVG*
2	2	Garden (4 stories)	0	1,246	\$2,414	\$0	Market	No	N/A	N/A	N/A	HIGH*
2	2	Garden (4 stories)	0	922	\$2,139	\$0	Market	No	N/A	N/A	N/A	LOW*
3	2	Garden (4 stories)	10	1,410	\$2,540	\$0	Market	No	0	0.0%	N/A	None

Photos



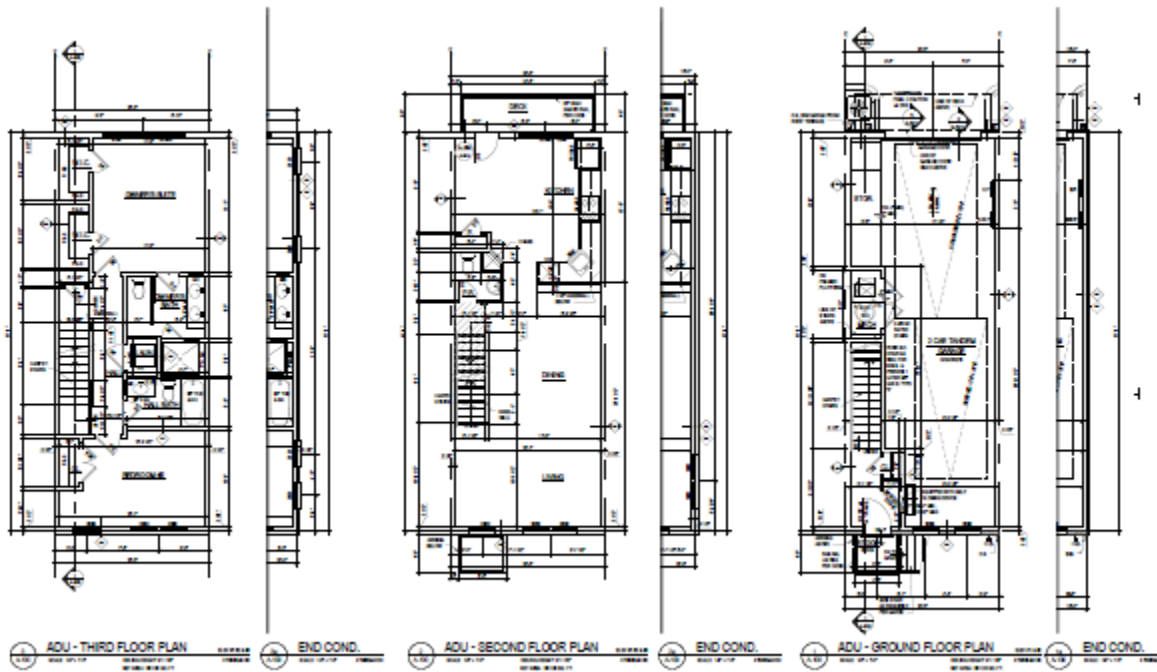
ADDENDUM D
Site and Floor Plans

Subject Site Plan



Source: Sponsor, June 2022

Subject Floor Plans



Source: Sponsor, June 2022

ADDENDUM E
Utility Allowance

Virginia Housing | Housing Choice Voucher Program

**Allowances for
Tenant-Furnished Utilities
and Other Services**

Family Name: _____ Unit Address: _____ Voucher Size*: _____ Unit Bedroom Size*: _____ <i>*Use smaller size to calculate tenant-supplied utilities and appliances.</i>
--

		Unit Type: 2 Exposed Walls					Effective Date: 07/01/2021			
Utility	Usage	Monthly Dollar Amount								
		0 BR	1 BR	2BR	3BR	4BR	5 BR	6 BR	7BR	
Appliance	Range/Microwave	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	
	Refrigerator	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	
Bottled Gas	Cooking	\$8.00	\$11.00	\$14.00	\$18.00	\$22.00	\$26.00	\$29.00	\$32.00	
	Home Heating	\$46.00	\$65.00	\$83.00	\$102.00	\$129.00	\$148.00	\$166.00	\$185.00	
	Water Heating	\$19.00	\$27.00	\$34.00	\$41.00	\$53.00	\$61.00	\$68.00	\$76.00	
Electricity	Cooking	\$3.00	\$4.00	\$5.00	\$6.00	\$7.00	\$8.00	\$9.00	\$10.00	
	Cooling (A/C)	\$5.00	\$6.00	\$8.00	\$11.00	\$14.00	\$15.00	\$17.00	\$19.00	
	Home Heating	\$19.00	\$25.00	\$33.00	\$39.00	\$50.00	\$57.00	\$64.00	\$71.00	
	Other Electric	\$10.00	\$14.00	\$18.00	\$22.00	\$28.00	\$32.00	\$36.00	\$40.00	
	Water Heating	\$9.00	\$12.00	\$15.00	\$19.00	\$24.00	\$27.00	\$31.00	\$34.00	
Natural Gas	Cooking	\$2.00	\$2.00	\$3.00	\$3.00	\$4.00	\$5.00	\$5.00	\$6.00	
	Home Heating	\$8.00	\$12.00	\$15.00	\$19.00	\$23.00	\$27.00	\$30.00	\$34.00	
	Water Heating	\$4.00	\$5.00	\$6.00	\$8.00	\$10.00	\$11.00	\$13.00	\$14.00	
Oil	Home Heating	\$27.00	\$38.00	\$48.00	\$59.00	\$75.00	\$86.00	\$97.00	\$107.00	
	Water Heating	\$11.00	\$15.00	\$20.00	\$24.00	\$31.00	\$35.00	\$40.00	\$44.00	
Sewer	Other	\$21.00	\$29.00	\$38.00	\$46.00	\$59.00	\$67.00	\$76.00	\$84.00	
Trash Collection	Other	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	
Water	Other	\$18.00	\$24.00	\$31.00	\$37.00	\$48.00	\$54.00	\$61.00	\$68.00	
UTILITY ALLOWANCE TOTAL:		\$	\$	\$	\$	\$	\$	\$	\$	

ADDENDUM F
Qualifications of Consultants

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI, CRE

I. Education

Duquesne University, Pittsburgh, Pennsylvania
Masters in Business Administration
Graduated Summa Cum Laude

West Virginia University, Morgantown, West Virginia
Bachelor of Science in Business Administration
Graduated Magna Cum Laude

II. Licensing and Professional Affiliation

Member of the Appraisal Institute (MAI)
Member, The Counselors of Real Estate (CRE)
LEED Green Associate
Member, National Council of Housing Market Analysts (NCHMA)
Past Member Frostburg Housing Authority

Certified General Real Estate Appraiser, No. GA12288 – District of Columbia
Certified General Real Estate Appraiser, No. RZ4162 – State of Florida
Certified General Real Estate Appraiser, No. CG1694 – State of Maine
Certified General Real Estate Appraiser, No. 1326 – State of Maryland
Certified General Real Estate Appraiser, No. 103789 – State of Massachusetts
Certified General Real Estate Appraiser, No. 46000039124 – State of New York
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia
Certified General Real Estate Appraiser, No. CG360 – State of West Virginia

III. Professional Experience

Partner, Novogradac & Company LLP
Vice President/Owner, Capital Realty Advisors, Inc.
Vice President - Acquisitions, The Community Partners Development Group, LLC
Commercial Loan Officer/Work-Out Specialist, First Federal Savings Bank of Western MD
Manager - Real Estate Valuation Services, Ernst & Young LLP
Senior Associate, Joseph J. Blake and Associates, Inc.
Senior Appraiser, Chevy Chase, F.S.B.
Senior Consultant, Pannell Kerr Forster

IV. Professional Training

Have presented at and attended various industry conferences regarding the HTC, RETC, NMTC and LIHTC and various market analysis and valuation issues.

Obtained the MAI designation in 1998, maintaining continuing education requirements since. Registered as completing additional professional development programs administered by the Appraisal Institute in the following topic areas:

- 1) Valuation of the Components of a Business Enterprise
- 2) Valuation of Sustainable Buildings: Commercial
- 3) Valuation of Sustainable Buildings: Residential

V. Real Estate Assignments – Examples

In general, have managed and conducted numerous market analyses and appraisals for all types of commercial real estate since 1988.

- Performed numerous appraisals for the US Army Corps of Engineers US Geological Survey and the GSA. Property types included Office, Hotel, Residential, Land, Gymnasium, warehouse space, border patrol office. Properties located in varied locations such as the Washington, DC area, Yuma, AZ, Moscow, ID, Blaine, WA, Lakewood, CO, Seattle, WA
- Performed appraisals of commercial properties such as hotels, retail strip centers, grocery stores, shopping centers etc for properties in various locations throughout Pennsylvania, New Jersey, Maryland, New York for Holiday, Fenoglio, Fowler, LP and Three Rivers Bank.
- Have managed and conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis. An area of special concentration has been the category of Senior Independent living properties. Work has been national in scope.
- Provided appraisal and market studies for a large portfolio of properties located throughout the United States. The reports provided included a variety of property types including vacant land, office buildings, multifamily rental properties, gas stations, hotels, retail buildings, industrial and warehouse space, country clubs and golf courses, etc. The portfolio included more than 150 assets and the work was performed for the SBA through Metec Asset Management LLP.
- Have managed and conducted numerous appraisals of affordable housing (primarily LIHTC developments). Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered

(LIHTC) and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and Pilot agreements.

- Performed numerous appraisals in 17 states of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. These appraisals meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.
- Completed Fair Market Value analyses for solar panel installations, wind turbine installations, and other renewable energy assets in connection with financing and structuring analyses performed by various clients. The clients include lenders, investors, and developers. The reports are used by clients and their advisors to evaluate certain tax consequences applicable to ownership. Additionally, the reports have been used in the ITC funding process and in connection with the application for the federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

ABBY M. COHEN

I. Education

The Pennsylvania State University, University Park, PA
Bachelor of Arts

II. Licensing and Professional Affiliation

Certified General Appraiser, FL License #RZ4143
Certified General Appraiser, MD License #40032823
Certified General Appraiser, NC License #A8127
Certified General Appraiser, NJ License #42RG00255000
Certified General Appraiser, SC License #7487
Certified General Appraiser, TX License #1381138-G

Designated Member of the National Council of Housing Market Analysts (NCHMA)
Member of Commercial Real Estate Women (CREW) Network

III. Professional Experience

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

IV. Professional Training

7-Hour National USPAP Update for 2022-2023, April 2022
Appraisal of Industrial and Flex Buildings, April 2022
Green Building Concepts for Appraisers, April 2022
Basic and Advanced Hotel Appraising, October 2019
Appraisal of Land Subject to Ground Leases, December 2017
Business Practices and Ethics, January 2017
General Appraiser Report Writing and Case Studies, February 2015
General Appraiser Sales Comparison Approach, February 2015
General Appraiser Site Valuation and Cost Approach, February 2015
Expert Witness for Commercial Appraisers, January 2015
Commercial Appraisal Review, January 2015
Real Estate Finance Statistics and Valuation Modeling, December 2014
General Appraiser Income Approach Part II, December 2014
General Appraiser Income Approach Part I, November 2014
General Appraiser Market Analysis and Highest & Best Use, November 2014
Basic Appraisal Procedures, March 2013
Basic Appraisal Principles, January 2013

V. Publications

Co-authored "Determining Whether a Developer Fee is Reasonable and Market-Oriented for Purposes of the Revenue Procedure 2014-12 Historic Tax Credit Safe Harbor," Novogradac Journal of Tax Credits, March 2021
Co-authored "Reasonableness of Historic Tax Credit Related-Party Fees a Complicated, Changing Question in Context of Rev. Proc. 2014-12," Novogradac Journal of Tax Credits, March 2021
Co-authored "Post Rev. Proc. 2014-12 Trend Emerges: Developer Fee Reasonableness Opinions," Novogradac Journal of Tax Credits, March 2016

VI. Real Estate Assignments

A representative sample of Asset Management, Due Diligence, and Valuation Engagements includes:

- Performed a variety of asset management services for a lender including monitoring and reporting property performance on a monthly basis. Data points monitored include economic vacancy, levels of concessions, income and expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations.
- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of deferred maintenance and property condition, security issues, signage, marketing strategy, condition of units upon turnover and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assessed how the property compares to competition. Analyzed operating expense results.
- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, large family, and acquisition with rehabilitation. Completed market studies in all states.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Assisted in appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.
- Conducted market studies and appraisals for projects under the HUD Multifamily Accelerated Processing program.
- Prepared Rent Comparability Studies for expiring Section 8 contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.
- Completed numerous reasonableness opinions related to Revenue Procedure 2014-12. Transactions analyzed include projects involving the use of Historic Tax Credits, New Markets Tax Credits and Investment Tax Credits. Fees and arrangements tested for reasonableness include developer fees, construction management fees, property management fees, asset management fees, various leasing-related payments and overall prime lease terms.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Robert C. Edwards

I. Education

George Washington University
Master of Business Administration, Finance and Investments

St. Bonaventure University
Bachelor of Science, Economics

II. Licensure

District of Columbia Certified General Appraiser, License Number GA12355
Illinois Certified General Real Estate Appraiser, License Number 553.002855
Indiana Certified General Appraiser, License Number CG42100058
Kentucky Certified General Real Property Appraiser, License Number 5235
Maryland Certified General Real Property Appraiser, License Number 40033019
Michigan Certified General Appraiser, License Number 1205075824
New York Certified Real Estate General Appraiser, License Number 46000052142
Ohio Certified General Appraiser, License Number ACG0.2018000555
Pennsylvania Certified General Appraiser, License Number GA004299
Virginia Certified General Appraiser, License Number 4001017477

III. Professional Experience

Senior Real Estate Analyst, Novogradac & Company LLP, Bethesda, MD
Senior Associate, Associated Real Estate Advisors, Bethesda, MD
Review Appraiser, PNC Bank, Pittsburgh, PA
Project Director, Delta Associates, Alexandria, VA

IV. Real Estate Assignments

- Provided appraisal assistance on a wide variety of properties including multifamily developments, office, industrial, retail, vacant land, special-use, and proposed new construction. Performed site inspections, and conducted in-depth property, economic and market data research, expense analyses, and revenue projections. Have also reviewed appraisals by others for compliance.
- Performed market studies on over 450 multifamily properties in 48 states, specializing with the Low-Income Housing Tax Credit program. Have also performed analyses on multifamily properties that are HUD subsidized or operated under the USDA Rural Development program. Specialized housing types such as single-room-occupancy, disabled, veterans, and Native American housing, have also been analyzed. Also have provided assistance on over 300 appraisals and over 50 rent comparability studies of multifamily properties.

V. Professional Training

15-Hour National USPAP Equivalent, 2015-2020
Basic Appraisal Procedures, 2015
Basic Appraisal Principals, 2015
General Appraiser Market Analysis Highest and Best Use, 2016
Real Estate Statistics and Valuation Modeling, 2016
General Appraiser Report Writing and Case Studies, 2016
General Appraiser Sales Comparison Approach, 2016
General Appraiser Site Valuation and Cost Approach, 2016
General Appraiser Income Approach, 2016

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Daniel Helt

I. EDUCATION

University of Maryland, May 2021
Bachelor of Science – Economics

II. PROFESSIONAL EXPERIENCE

Junior Analyst, Novogradac & Company LLP

III. REAL ESTATE ASSIGNMENTS

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

- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties. Analysis included property screenings, valuation analysis, capitalization rate analysis, expense comparability analysis, determination of market rents, and general market analysis.
- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.

ADDENDUM G
NCHMA Certification and Checklist

Certificate of Professional Designation

This certificate verifies that

Abby Cohen
Novogradac & Company LLP

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



Formerly known as
NCAHMA

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

Membership Term
1/1/2022 to 12/31/2022



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

Thomas Amdur
President, NCHMA

NCHMA Market Study Index

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

		Page Number(s)
Executive Summary		
1	Executive Summary	1
Scope of Work		
2	Scope of Work	transmittal letter
Project Description		
3	Unit mix including bedrooms, bathrooms, square footage, rents, and income targeting	3
4	Utilities (and utility sources) included in rent	13
5	Target market/population description	12
6	Project description including unit features and community amenities	17
7	Date of construction/preliminary completion	11
8	If rehabilitation, scope of work, existing rents, and existing vacancies	N/A
Location		
9	Concise description of the site and adjacent parcels	19
10	Site photos/maps	26
11	Map of community services	23
12	Site evaluation/neighborhood including visibility, accessibility, and crime	19-25
Market Area		
13	PMA description	32
14	PMA Map	33
Employment and Economy		
15	At-Place employment trends	36-41
16	Employment by sector	36
17	Unemployment rates	40
18	Area major employers/employment centers and proximity to site	38
19	Recent or planned employment expansions/reductions	38
Demographic Characteristics		
20	Population and household estimates and projections	45
21	Area building permits	54
22	Population and household characteristics including income, tenure, and size	45-49
23	For senior or special needs projects, provide data specific to target market	N/A
Competitive Environment		
24	Comparable property profiles and photos	Addendum C
25	Map of comparable properties	58
26	Existing rental housing evaluation including vacancy and rents	60-67
27	Comparison of subject property to comparable properties	60-70
28	Discussion of availability and cost of other affordable housing options including homeownership, if applicable	55
29	Rental communities under construction, approved, or proposed	77
30	For senior or special needs populations, provide data specific to target market	N/A

NCHMA Market Study Index

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

		Page Number(s)
Affordability, Demand, and Penetration Rate Analysis		
31	Estimate of demand	72-82
32	Affordability analysis with capture rate	73-78
33	Penetration rate analysis with capture rate	80-82
Analysis/Conclusions		
34	Absorption rate and estimated stabilized occupancy for subject	88
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	66-69
36	Precise statement of key conclusions	87
37	Market strengths and weaknesses impacting project	87
38	Product recommendations and/or suggested modifications to subject	87
39	Discussion of subject property's impact on existing housing	87
40	Discussion of risks or other mitigating circumstances impacting subject	87
41	Interviews with area housing stakeholders	84
Other Requirements		
42	Certifications	90
43	Statement of qualifications	Addendum F
44	Sources of data not otherwise identified	Addendum D,E