



REAL PROPERTY **RESEARCH** GROUP

ATLANTA ■ WASHINGTON/BALTIMORE

Market Feasibility Analysis

Southwood Apartments 4% Charlottesville, Albemarle County, Virginia

Prepared for:

Piedmont Housing Alliance

Project #22-8417

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TABLE OF CONTENTS

TABLE OF CONTENTS.....II

TABLES, FIGURES AND MAPS..... V

EXECUTIVE SUMMARY VII

I. INTRODUCTION.....1

A. Overview of Subject.....1

B. Purpose.....2

C. Format of Report2

D. Client, Intended User, and Intended Use2

E. Applicable Requirements2

F. Scope of Work2

G. Report Limitations3

H. Other Pertinent Remarks.....3

II. PROJECT DESCRIPTION4

A. Project Overview4

B. Project Type and Target Market.....4

C. Building Types and Placement.....4

D. Detailed Project Information.....5

1. Project Description.....5

2. Interior Finishes and Features7

3. Parking Arrangements7

4. Common Area Amenities7

5. Proposed Timing of Development7

III. SITE AND NEIGHBORHOOD ANALYSIS8

A. Site Analysis.....8

1. Site Location.....8

2. Existing Uses8

3. Size, Shape and Topography8

4. Description of Land Uses Surrounding the Subject Site.....10

B. Neighborhood Analysis.....12

1. General Description of Neighborhood12

2. Visibility.....12

3. Vehicular Access.....12

4. Availability of Public Transit.....12

5. Pedestrian Access13

6. Accessibility Improvements under Construction and Planned13

7. Public Safety.....13

C. Residential Support Network14

1. Key Facilities and Services near the Subject Site14

2. **Essential Services**.....14

3. Commercial Goods and Services.....17

D. Overall Site Conclusion18

IV. ECONOMIC CONTEXT 19

A. Introduction.....19

B. Unemployment and Labor Force Trends.....19



- 1. Trends in Annual Average Labor Force, Employment, and Unemployment Rates19
- C. Commutation Patterns, American Community Survey20
- D. Greater Albemarle County At-Place Employment.....20
 - 1. Trends in Total At-Place Employment.....20
 - 2. At-Place Employment by Industry Sector21
- E. Wage Data22
- F. Major Employers23
- G. Economic Conclusions24
- V. HOUSING MARKET AREA.....26**
- A. Introduction.....26
- B. Delineation of Market Area26
- VI. DEMOGRAPHIC ANALYSIS28**
- A. Introduction and Methodology28
- B. Trends in Population and Households.....28
 - 1. Recent Past Trends28
 - 2. Projected Trends.....28
 - 3. Building Permit Trends.....29
- C. Demographic Characteristics.....29
 - 1. Age Distribution and Household Type29
 - 2. Renter Household Characteristics.....31
 - 3. Projected Trends.....32
 - 4. Renter Household Characteristics.....32
- D. Income Characteristics33
- E. Cost-Burdened Renter Households34
- VII. COMPETITIVE HOUSING ANALYSIS36**
- A. Introduction and Sources of Information36
- B. Overview of Market Area Housing Stock.....36
 - 1. Housing Stock Characteristics36
- C. Survey of General Occupancy Rental Communities38
 - 1. Introduction38
 - 2. Location.....38
 - 3. Age of Communities.....39
 - 4. Structure Type.....39
 - 5. Size of Communities.....40
 - 6. Vacancy Rates40
 - 7. Rent Concessions40
 - 8. Absorption History40
- D. Analysis of Rental Products and Pricing.....40
 - 1. Payment of Utility Costs.....40
 - 2. Parking41
 - 3. Unit Finishes and Features.....42
 - 4. Community Amenities42
 - 5. Unit Distribution43
 - 6. Unit Size44
 - 7. Unit Pricing.....45
- E. Subsidized Rental Communities45
- F. Derivation of Market Rent.....47
- G. Achievable Restricted Rents52
- H. Proposed and Pipeline Rental Communities53



VIII. FINDINGS AND CONCLUSIONS.....57

A. Key Findings.....57

 1. Site and Neighborhood Analysis57

 2. Economic Context57

 3. Demographic Analysis.....57

 4. Competitive Housing Analysis.....58

B. Derivation of Demand59

 1. Net Demand Methodology59

 2. Net Demand Calculation61

 3. Conclusions on Net Demand.....63

C. Effective Demand – Affordability/Capture & Penetration Analyses64

 1. Methodology.....64

 2. Affordability Analysis65

 3. Penetration Analysis68

 4. Conclusions on Affordability and Penetration69

D. VH Demand Methodology69

 1. VH Demand Analysis69

 2. Conclusions on VH Demand.....70

E. Target Markets70

F. Product Evaluation70

G. Price Position72

H. Absorption Estimate.....75

I. Impact on Existing Market.....75

J. Concluding Remarks75

IX. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS.....76

X. APPENDIX 2 NCHMA CHECKLIST78

XI. APPENDIX 3 NCHMA CERTIFICATION.....81

XII. APPENDIX 4 RENTAL COMMUNITY PROFILES.....82

XIII. APPENDIX 5 ANALYST RESUMES.....83

XIV. APPENDIX 6 VH CERTIFICATION.....85



TABLES, FIGURES AND MAPS

Table 1 HUD Rent & Income Limits1

Table 2 Unit Mix for 9% and 4% Combined6

Table 3 Southwood Apartments – Unit Mix, Sizes, and Proposed Rents6

Table 4 Salient Project Information – Southwood Apartments.....7

Table 5 Key Facilities and Services near Subject Site14

Table 6 Standards of Learning Test Results, Cities and Counties of Virginia – 2018/2019 School Year16

Table 7 Standards of Learning Test Results, Albemarle County Public Schools – 2020/2021 School Year17

Table 8 Labor Force and Unemployment Rates19

Table 9 Commutation Data, Southwood Market Area20

Table 10 Wage Data, City of Charlottesville23

Table 11 Major Employers – Greater Albemarle County.....24

Table 12 Population and Household Trends, 2000 to 202729

Table 13 Building Permits for New Residential Units, Albemarle County29

Table 14 2022 Age Distribution30

Table 15 2010 Households by Household Type.....31

Table 16 Households by Tenure, 2010-202231

Table 17 Households by Tenure, 2022-202732

Table 18 Renter Households by Household Size33

Table 19 Renter Households by Age of Householder33

Table 20 2022 Household Income34

Table 21 2021 Household Income by Tenure34

Table 22 Rent Burden by Household Income, 2020-2020, Southwood Market Area35

Table 23 Rental Dwelling Units by Structure Type36

Table 24 Rental Dwelling Units by Year Built.....37

Table 25 Value of Owner Occupied Housing Stock.....37

Table 26 Rental Communities Summary, Southwood Market Area39

Table 27 Utility Arrangement and Unit Features, Southwood Market Area Communities.....41

Table 28 Parking Options.....42

Table 29 Community Amenities, Southwood Market Area Rental Communities43

Table 30 Unit Distribution, Size and Pricing, Southwood Market Area Communities.....44

Table 31 Subsidized & Public Housing, Southwood Market Area46

Table 32 Market Rent Advantage – Adjustment Table.....48

Table 33 Market Rent Analysis – One Bedroom Units – 60% of AMI49

Table 34 Market Rent Analysis – Two Bedroom Units – 60% of AMI50

Table 35 Market Rent Analysis – Three Bedroom Units – 50% of AMI51

Table 36 Market Rent Advantage – Summary52

Table 37 Achievable Restricted Rents53

Table 38 Multifamily Pipeline Projects55

Table 39 Components of Inventory Change (CINCH)61

Table 40 Derivation of Net Demand, Southwood Market Area62

Table 41 2024 Total and Renter Income Distribution, Southwood Market Area64

Table 42 2024 Affordability Analysis for Southwood Apartments with subsidies.....66

Table 43 2024 Affordability Analysis for Southwood Apartments and no subsidies.....67

Table 44 Penetration Analysis for Southwood Apartments, Assuming 35% Rent Burden68

Table 45 VHDA Demand by Overall Income Targeting70

Table 46 Proposed Unit Mix and Rent Schedule71

Figure 1 Site Plan - Southwood Apartments 4%.....4

Figure 2 3- D Renderings of Buildings’ Facades5



Figure 3 Aerial View of Site – Southwood 4% (4% blue, 9% red).....9

Figure 4 View of Existing Site9

Figure 5 Southwood Village Phase 1 Site Plan.....10

Figure 6 Views of Surrounding Land Uses11

Figure 8 At-Place Employment, Greater Albemarle County21

Figure 9 Total Employment by Sector.....22

Figure 10 Employment Change by Sector23

Figure 11 Wage by Sector, City of Charlottesville24

Figure 12 Price Position of Southwood Apartments73

Map 1 Site Location, Southwood.....8

Map 2 Southwood Market Area CrimeRisk Index13

Map 3 Neighborhood Amenities15

Map 4 Southwood Market Area27

Map 5 Competitive Rental Communities, Southwood Market Area38

Map 6 Subsidized & Public Housing Communities47

Map 7 Pipeline Communities in Southwood Market Area56



EXECUTIVE SUMMARY

Real Property Research Group, Inc. (RPRG) has been retained by Piedmont Housing Alliance to conduct a market feasibility study for the development of Southwood Apartments, a proposed affordable multi-family rental community located south of Interstate 64 along Old Lynchburg Road in Albemarle County, Virginia. The rental community will include a total of 121 rental units, all of which will be income-restricted in accordance with the Department of Housing and Urban Development's 2022 median household income for the Charlottesville, VA HUD Metro FMR Area. The project is divided into two sections for purposes of financing and will be supported, in part, by tax credits: Southwood 9% in application for nine percent Low Income Housing Tax Credits (LIHTC) and Southwood 4 in application for four percent tax credits. Work on both 9 and 4 percent components of the project would occur simultaneously, and at completion, the combined product will include 121 units in one-, two-, and three-bedroom floorplans. The subject of this report, Southwood 4%, includes 51 units targeting households at 60 percent of areawide median income in a single three/ four story mid-rise structure (new construction). Southwood 9%, the other portion of the project, includes 70 units targeting 30, 50, 60, or 80 percent (eight 50 percent AMI units will have Project Based Vouchers) in two three-story mid-rise structures (new construction). The community's unit features and amenities will be commensurate with other tax credit communities in the area.

Based on our research, including a site visit on December 1st, 2022, we arrived at the following findings:

- **Site:** The subject site is located in a pleasant suburban setting with easy access to major roads, employment nodes, and shopping, institutional, and recreational centers that represent an appropriate location for affordable housing. The subject is located off Old Lynchburg Road that provides direct access to Interstate 64, 5th Street Station, Downtown Charlottesville, and UVA. In addition to the nearby South Street Station shopping center, the Charlottesville area provides numerous opportunities for convenience and comparison retail shopping within roughly a 5 to 15 minute drive of the site. The site is served by public bus transportation. The site is part of a larger planned community offering a mix of single family, duplex, townhome and apartment homes that will offer future Southwood residents additional outdoor recreational amenities.
- **Economic Analysis:** The city and county's economic base, buttressed by the region's sizable health, education, and defense sectors, has consistently remained strong since 2010. At-Place Employment gained 16,300 jobs over the past nine years, an increase of 19.6 percent. In 2020, At-Place Employment fell by nearly 8,000 jobs due to the COVID-19 restrictions but gained back one quarter of the jobs lost through first quarter 2022. Until the full impact of the COVID-19 downturn became evident in 2020, the unemployment rate in Charlottesville and Albemarle County has remained low, below state and national rates. After a spike in 2020, unemployment quickly trended downward to a 2.6 percent rate as of September 2022, similar to pre COVID levels. As of first quarter 2022, Government is the largest employment sector in the local area accounting for one third of the employment base. However, the next four largest sectors (Professional-Business, Trade-Transportation-Utilities, Leisure-Hospitality, and Education-Health) with shares ranging from 11 to 14 percent provide diversity and balance to the economic base. The largest employer is the University of Virginia/ UVA Medical system.
- **Demographic Analysis:** Strong household growth trends over the past 12 years are projected to moderately accelerate over the next five years as more housing options become available in the city and surrounding suburban areas. The market area will add households at an average net rate of 1.4 percent (557 households) per year between 2022 and 2026, greater than the 1.2 percent rate (474 households) during the 2010 to 2022 period. Given the substantial



pipeline of rental units and local trends, RPRG projects renter households will continue to contribute roughly 57.1 percent of net household growth over the next five years that matches renter share of household growth over the past 12 years. The market area is dominated by younger renter households living alone reflecting the presence of the massive University of Virginia campus three miles north of the site. One- and two-person households account for two-thirds (68.3 percent) of all renters. The estimated 2020 median household income in the Southwood Market Area is \$76,796. The primary market area's median renter household earns \$59,423 per year. Data from the 2016 to 2020 ACS indicates that nearly two out of five (37 percent) renter households pay more than 40 percent of incomes towards housing. This excludes those households who reside in subsidized rent situations because their housing expenses are capped at 30 percent of their income.

- **Competitive Housing Analysis** Based on the low vacancies reported in RPRG's survey of both the market rate and income-restricted general occupancy rental communities, the rental market in the Southwood Market Area is tight, pointing to its ability to support the proposed subject apartments. The current combined stabilized vacancy rate across the surveyed rental communities is 1.6 percent; the tax credit vacancy rate is lower at 0.7 percent. The multifamily rental housing stock has expanded dramatically in recent years; a vast majority of the new apartments targeting the highest income renter households. Since 2010, five market rate rental communities have opened containing more than 1,300 units. In contrast, only four tax credit rental communities have opened containing 270 units. Effective rents for Upper Tier one-bedroom apartments average \$1,665 (\$2.06 per square foot); the two-bedroom market rate units average \$1,843 (\$1.68 per square foot); and the three-bedroom market rate units average \$2,202 (\$1.63 per square foot).

Tax Credit rental units in the Southwood Market Area account for only one out of four units (23 percent) of the surveyed multifamily stock. While these properties are older, many have undergone some renovation in recent years. On average, income-restricted properties are smaller and have fewer community amenities. Effective rents for one-bedroom apartments average \$951 (\$1.41 per square foot); two-bedroom tax credit units average \$1,129 (\$1.21 per square foot); and three-bedroom tax credit units average \$1,310 (\$1.12 per square foot). Five rental communities are currently under construction with a total of 775 units including two tax credit properties. Within the next three years, it is anticipated that six other properties will deliver another 817 units; all but one will be tax credit.

- **Net Demand:** The Net Demand calculation indicates a marketplace with a moderate overhang of supply despite a substantial pipeline of 11 projects. The 200 units of over supply represents just two months of Net Rental Housing Demand. In the past, similar supply surpluses have been easily absorbed as evidenced by the consistent low vacancy rates below two percent over the past five years. The underlying strength of the rental market is underscored by an overall low vacancy rate and even lower vacancy rate in the tax credit marketplace buttressed by strong economic and household growth. The subject is also strategically located in a portion of the market area that has been underserved by affordable apartment product.
- **Target Markets:** Targeted moderate income households may include individuals working in service sectors such as retail, leisure and hospitality; in the local hospitals as technicians, orderlies and other medical support staff; administrative and maintenance personnel associated with the University of Virginia; government or contract workers; local public servants such as firefighters, police officers, and teachers; and younger persons early in professional careers. The proposed community could appeal to a wide-range of households, including single persons, married and unmarried couples, roommate situations, as well as single- and dual-parent families.



Overall, RPRG judges that the subject site is an appropriate location for an affordable community:

Southwood 9%								
AMI Level	Units	# Bed	# Bath	Published Sq Ft*	Net Rent^	Rent/Sq Ft	Utility Allowance	Gross Rent
30%	1	1	1	635	\$489	\$0.77	\$100	\$589
50%	3	1	1	635	\$883	\$1.39	\$100	\$983
50% PBV	2	1	1	635	\$1,129	\$1.78	\$141	\$1,270
60%	1	1	1	643	\$1,079	\$1.68	\$100	\$1,179
80%	4	1	1	635	\$1,473	\$2.32	\$100	\$1,573
One BR Total/ Avg	11			636	\$1,124	\$1.77	\$107	\$1,232
30%	5	2	1.5	858	\$582	\$0.68	\$126	\$708
50% PBV	6	2	1.5	862	\$1,336	\$1.55	\$184	\$1,520
50%	16	2	1.5	858	\$1,054	\$1.23	\$126	\$1,180
60%	15	2	1.5	856	\$1,290	\$1.51	\$126	\$1,416
80%	14	2	1.5	862	\$1,762	\$2.04	\$126	\$1,888
Two BR Total/ Avg	56			859	\$1,282	\$1.49	\$132	\$1,415
30%	1	3	2	1,216	\$667	\$0.55	\$150	\$817
50%	1	3	2	1,216	\$1,212	\$1.00	\$150	\$1,362
80%	1	3	2	1,216	\$2,030	\$1.67	\$150	\$2,180
Three BR Total/ Avg	3			1,216	\$1,303	\$1.07	\$150	\$1,453
9% Total	70							

Southwood 4%								
AMI Level	Units	# Bed	# Bath	Published Sq Ft	Net Rent	Rent/Sq Ft	Utility Allowance	Gross Rent
One BR Total/ Avg	13	1	1	668	\$1,079	\$1.62	\$100	\$1,179
Two BR Total/ Avg	38	1	1.5	879	\$1,290	\$1.47	\$126	\$1,416
4% Total	51			825	\$1,236	\$1.50	\$119	\$1,356

Project Total	121							
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(^) Net rent includes trash and internet

Source: Piedmont Housing Alliance

- Structure Type:** The Developer has proposed three three-and four-story mid-rise structures offering elevators and interior hallways. Elevator served apartments are uncommon in the market area among affordable properties - only two other tax credit projects provides elevators (Carlton Views I and III). The mid-rise design should provide a competitive advantage relative to most other tax credit properties.
- Unit Distribution:** In the context of the target markets, the proposed unit mix is appropriate. Sixty-eight percent of market area renter households are one and two persons and 42 percent of households do not contain children. The subject’s unit distribution of 20 percent one bedroom units is comparable to the 19 percent of studios and one bedroom unit distribution in the surveyed 11 tax credit properties. The proposed share of 78 percent two bedroom units is higher than the surveyed average of 52 percent but it appropriate given the design of the subject. Even though 29 percent of the surveyed tax credit units are three bedroom units, the mid-rise design with elevators and interior hallways should attract a sizable older household tenancy (24 percent of market area renters are over 55 years) that will more than compensate for the limited number of three bedroom units targeted to larger families.
- Income Targeting:** Given the substantial waiting lists at both subsidized and non-subsidized affordable communities and the limited number of new affordable communities, the range of targeted incomes at the subject appear reasonable.
- Unit Size:** The proposed one, two, and three bedroom floor plans at Southwood Apartments are competitive with the existing tax credit inventory.



- One bedroom units at the subject are sized on average at 636 (9%) and 668 (4%) square feet, comparable to the tax credit average of 676 square feet but less than the 808 square foot average of the market rate one bedroom units. The subject one bedroom floor plans fall within the 615 to 822 square foot range of the surveyed tax credit models.
- Two bedroom 9% units at the subject are sized on average at 859 square feet and two bedroom 4% units are sized on average at 879 square feet; both averages are moderately below the two bedroom tax credit average of 936 square feet and less than the 1,094 square foot average of the market rate two bedroom units. The subject two bedroom floor plans fall within the 780 to 1,100 square foot range of the surveyed tax credit models.
- Three bedroom units at the subject are sized on average at 1,216 square feet (9%), larger than the tax credit average of 1,169 square feet but less than the 1,354 square foot average of the market rate three bedroom units.
- **Unit Features:** Units will feature stainless steel energy-efficient appliances including range/oven, refrigerator, microwave, dishwasher, range hood, laminate counters, and wood cabinets. Luxury vinyl tile (LVT) flooring will cover living areas and sleeping areas; sheet vinyl will cover bathrooms. A washer/dryer appliance will be provided in each unit. The inclusion of microwaves and in unit washer-dryers in all units provides the subject a competitive advantage compared to most tax credit communities.
- **Utilities Included in Rent:** Four of the 11 existing tax credit communities and eight of the market rate communities includes trash removal costs as does the subject. The inclusion of WiFi is unique among surveyed communities in the market area and will be also provide a competitive advantage.
- **Common Area Amenities:** Planned community amenities include a community room, pocket park, fitness room, library/ lounge, computer room, elevator access/ interior hallways, and access to recreation paths, parks, and playground in the larger Southwood community. The large and appealing number of amenities are superior to those offered at most tax credit properties.
- **Parking:** The proposed parking at the subject, consisting of 116 surface spaces, is consistent with parking at the other tax credit communities.
- **Price Position:** The proposed 30, 50, 60, and 80 percent of AMI rents at Southwood Apartments are equal to the maximum LIHTC Tenant Rent Limits for each of the target AMI rents as specified in the Department of Housing and Urban Development's 2020 median household income for the Charlottesville, VA HUD Metro FMR Area. The subsidized rents are not evaluated since they are not subject to market factors. There are no 80 percent models offered in the surveyed LIHTC inventory.
 - **One Bedroom Units:** The proposed 30 percent one bedroom rent of \$582 will be the lowest one bedroom rents among tax credit properties since no other communities offer 30 percent rents. The proposed 50 percent one bedroom rents of \$883 falls within the range of the \$705 to \$947 50 percent one bedroom rents. The proposed 60 percent one bedroom rent of \$1,079 is within the range of the \$1,050 to \$1,229 60 percent one bedroom rents. The proposed 80 percent one bedroom rent of \$1,473 falls within the lower middle range of one bedroom rents at surveyed market rate communities.
 - **Two Bedroom Units:** The proposed 30 percent two bedroom rent of \$582 will be the lowest two bedroom rents among tax credit properties since no other communities



offer 30 percent rents. The proposed 50 percent two bedroom rents of \$1,054 falls within the range of the \$800 to \$1,129 50 percent two bedroom rents at the surveyed LIHTC communities. The proposed 60 percent two bedroom rent of \$1,290 is within the range of the \$1,045 to \$1,446 60 percent two bedroom rents. The proposed 80 percent two bedroom rent of \$1,762 falls within the middle range of two bedroom rents at surveyed market rate communities.

- **Three Bedroom Units:** The proposed 30 percent three bedroom rent of \$667 will be the lowest three bedroom rents among tax credit properties. The proposed 50 percent three bedroom rents of \$1,212 falls within the range of the \$875 to \$1,280 50 percent three bedroom rents at the surveyed LIHTC communities. The proposed 80 percent three bedroom rent of \$2,030 falls within the middle range of three bedroom rents at surveyed market rate communities.
- **Effective Demand – Affordability/Capture and Penetration:** RPRG judges that the capture rates are low and readily achievable, particularly since the subject will be in area currently underserved by affordable units and will offer new and attractive units. The subject’s overall renter capture rates is low at 0.8 percent– significantly lower than the five percent threshold indicative of a strong market. Even without subsidies, the overall capture rate is still a very low 1.1 percent. RPRG considers the calculated penetration rate for the tax credit units of 17.0 percent of income-restricted renter households to be reasonable within the context of the Southwood Market Area. In essence, our analysis suggests that the most directly competitive rental units will need to capture roughly one out of six income-restricted renter households
- **VHDA Demand Methodology:** RPRG considers the key captures rates for the new units proposed for Southwood as both reasonable and readily achievable. Taking into consideration the very low capture rates, we have estimated an overall project lease up pace of roughly 8 to 9 months, reflecting an average absorption pace of 12 to 13 units per month for the 113 new tax credit units (assuming the 8 subsidized units would be quickly leased from existing waiting lists). This absorption pace is comparable to the blended records of the recently opened affordable Carlton Views and Brookdale Apartments.

Absorption Estimate

Since 2017, four tax credit projects have opened in the market area (Carlton I, II, III and Brookdale) with monthly absorption rates ranging from 9 to 14 units and have remained at or close to full occupancy – the average absorption rate is in the 12 to 13 unit range. The Net Demand calculation indicates a marketplace with a moderate overhang of supply despite a substantial pipeline of 11 projects; the VH demand analysis reveals low capture rates. Capture and penetration rates are also low, indicating a large pool of income qualified households to support both the subject and competitive properties. The demand for affordable housing is further demonstrated by virtually full occupancies and waiting lists at subsidized and tax credit properties.

Taking into consideration these factors, we have conservatively estimated an overall project lease up pace (net of subsidized units) of roughly 12 to 13 units per month, comparable to past performance of tax credit projects, to achieve 95 percent occupancy that translates to a lease-up period of 8 to 9 months. This period could be shortened if significant pre-leasing occurs prior to opening that is typical for tax credit projects.

Impact on Existing Market

RPRG does not anticipate that the subject will have an adverse impact on the existing rental market. The overall vacancy rate for the income-restricted rental communities within the market area is very low at 0.7 percent. All VH capture rates for the subject are reasonable and achievable.



Concluding Remarks

The subject site is located in a pleasant suburban setting with easy access to major roads, employment nodes, and shopping, institutional, and recreational centers that are appropriate for an affordable community. The subject's location off Old Lynchburg Road provides direct access to Interstate 64, 5th Street Station, Downtown Charlottesville, and UVA. The mid-rise design of the Southwood Apartments with elevators and interior hallways will provide a competitive advantage in the marketplace since only two of the 11 surveyed tax credit properties also provide elevators.

The Greater Albemarle County's economic base, buttressed by the region's health, education, and defense sectors, has consistently remained strong and has mostly recovered from the COVID-induced downturn recorded during 2020. The market area reported strong population and household growth during the 2000 to 2010 period that has moderately accelerated during the 2010 to 2026 period as more housing options have emerged in Charlottesville and the close-in Albemarle County neighborhoods. Based on the low vacancies reported in RPRG's survey of both the market rate and income-restricted general occupancy rental communities, the overall rental market in the Southwood Market Area is tight at 1.6 percent vacancy (the tax credit vacancy rate is lower at 0.7 percent), pointing to its ability to support the proposed subject apartments.

In summary, RPRG recommends the development of the Southwood Apartments as an attractive and needed component of the Charlottesville area's affordable housing inventory.



I. INTRODUCTION

A. Overview of Subject

The subject of this report is Southwood Apartments, a proposed affordable multi-family rental community located south of Interstate 64 along Old Lynchburg Road in Albemarle County, Virginia that will be submitted to the Virginia Housing (VH) as part of application for the 4 percent tax credits. The project is divided into two sections for purposes of financing and will be supported, in part, by tax credits: Southwood 9% in application for nine percent Low Income Housing Tax Credits (LIHTC) and Southwood 4% in application for four percent tax credits. The 9% tax credits were approved by Virginia Housing (VH) in the 2021 funding round. Work on both 9 and 4 percent components of the project would occur simultaneously, and at completion, the combined product will include 121 units in one-, two-, and three-bedroom floorplans.

The subject of this report, Southwood 4%, includes 51 units targeting households at 60 percent of areawide median income in a single three/ four story mid-rise structure (new construction). Southwood 9%, the other portion of the project, includes 70 units targeting 30, 50, 60, or 80 percent (eight 50 percent AMI units will have Project Based Vouchers) in two three-story mid-rise structures (new construction). These buildings will also contain common area amenities as well as a management and leasing office. The community’s unit features and amenities will be commensurate with other tax credit communities in the area. Applicable income and rent limits for this area are presented in Table 1.

Table 1 HUD Rent & Income Limits

HUD 2022 Median Household Income											
Charlottesville, VA MSA										\$111,200	
Very Low Income for 4 Person Household										\$52,400	
2022 Computed Area Median Gross Income										\$104,800	
Utility Allowance:											
1 Bedroom										\$100	
2 Bedroom										\$126	
3 Bedroom										\$150	
Household Income Limits by Household Size:											
Household Size	30%	40%	50%	60%	80%	100%	120%	150%	200%		
1 Person	\$22,020	\$29,360	\$36,700	\$44,040	\$58,720	\$73,400	\$88,080	\$110,100	\$146,800		
2 Persons	\$25,170	\$33,560	\$41,950	\$50,340	\$67,120	\$83,900	\$100,680	\$125,850	\$167,800		
3 Persons	\$28,320	\$37,760	\$47,200	\$56,640	\$75,520	\$94,400	\$113,280	\$141,600	\$188,800		
4 Persons	\$31,440	\$41,920	\$52,400	\$62,880	\$83,840	\$104,800	\$125,760	\$157,200	\$209,600		
5 Persons	\$33,960	\$45,280	\$56,600	\$67,920	\$90,560	\$113,200	\$135,840	\$169,800	\$226,400		
6 Persons	\$36,480	\$48,640	\$60,800	\$72,960	\$97,280	\$121,600	\$145,920	\$182,400	\$243,200		
Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):											
Persons	# Bed-rooms	30%	40%	50%	60%	80%	100%	120%	150%	200%	
1	0	\$22,020	\$29,360	\$36,700	\$44,040	\$58,720	\$73,400	\$88,080	\$110,100	\$146,800	
1.5	1	\$23,595	\$31,460	\$39,325	\$47,190	\$62,920	\$78,650	\$94,380	\$117,975	\$157,300	
3	2	\$28,320	\$37,760	\$47,200	\$56,640	\$75,520	\$94,400	\$113,280	\$141,600	\$188,800	
4.5	3	\$32,700	\$43,600	\$54,500	\$65,400	\$87,200	\$109,000	\$130,800	\$163,500	\$218,000	
6	4	\$36,480	\$48,640	\$60,800	\$72,960	\$97,280	\$121,600	\$145,920	\$182,400	\$243,200	
LIHTC Tenant Rent Limits by Number of Bedrooms (assumes 1.5 persons per bedroom):											
# Persons		30%		40%		50%		60%		80%	
		Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
1 Bedroom		\$589	\$489	\$786	\$686	\$983	\$883	\$1,179	\$1,079	\$1,573	\$1,473
2 Bedroom		\$708	\$582	\$944	\$818	\$1,180	\$1,054	\$1,416	\$1,290	\$1,888	\$1,762
3 Bedroom		\$817	\$667	\$1,090	\$940	\$1,362	\$1,212	\$1,635	\$1,485	\$2,180	\$2,030

Source: U.S. Department of Housing and Urban Development



B. Purpose

The purpose of this market study is to perform a market feasibility analysis through an examination of site characteristics, the economic context, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of demand, and affordability/ penetration rate analyses. In accordance with Virginia Housing's 2022 Market Study Guidelines, both net and effective demand will include all of the subject's units proposed for the development.

C. Format of Report

The report format is Comprehensive. Accordingly, the market study addresses all required items set forth in the 2022 Market Study Guidelines of the Virginia Housing (VH). Furthermore, the market analyst has considered the recommended model content and market study index of the National Council of Housing Market Analysts (NCHMA.).

D. Client, Intended User, and Intended Use

The Client (and Developer) is Piedmont Housing Alliance. Along with the Client, the Intended Users are representatives of VH and potential investors. The subject report will be submitted to VH as part of an application for nine percent tax credits.

E. Applicable Requirements

This market study is intended to conform to the requirements of the following:

- VH's 2022 Market Study Guidelines.
- National Council of Housing Market Analyst's (NCHMA) Model Content Standards and Market Study Checklist.

F. Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below:

- Please refer to Appendix 2 for a detailed list of NCHMA requirements and the corresponding pages of requirements within the report.
- Jerry Levin, Senior Analyst at Real Property Research Group, Inc. conducted a visit to the subject site and market area on December 1st, 2022.
- We present primary information gathered through field and phone interviews throughout the various sections of this report. The interviewees included rental community property managers and leasing agents. As part of our housing market research, RPRG communicated with staff at the City of Charlottesville's Department of Neighborhood Services and Albemarle County's Planning Division of the Department of Community Development. We reviewed local business and development websites and talked to local developers and management agents. We also reviewed the Virginia Housing website and contacted the local HUD office. Finally, we conducted a survey of rental communities in December 2022.
- All information obtained is incorporated in the appropriate section(s) of this report.



G. Report Limitations

The conclusions reached in a market feasibility analysis are inherently subjective and should not be relied upon as a determinative predictor of results that will actually occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix 1 of this report.

H. Other Pertinent Remarks

This market study is being used to support the four percent portion of a twin nine percent/four percent LIHTC community. However, the analysis will be conducted on the combined community. A separate study has been issued for the nine percent component of the project.

II. PROJECT DESCRIPTION

A. Project Overview

Southwood Apartments is a proposed Low Income Housing Tax Credit (LIHTC) multifamily rental community to be located along Old Lynchburg Road in Albemarle County, south of the city limits of Charlottesville. The project will be financed in two parts: Southwood 9% will be financed in part with nine percent Low Income Housing Tax Credit (LIHTC) and Southwood 4% will use four percent tax credits. Work on both the 9 and 4 percent components of the project will occur simultaneously and, at completion, the combined product will include 121 units in one-, two-, and three-bedroom floorplans. Common area amenities will include community room, library lounge, fitness center, computer room, and pocket park. All structures will be elevator served.

B. Project Type and Target Market

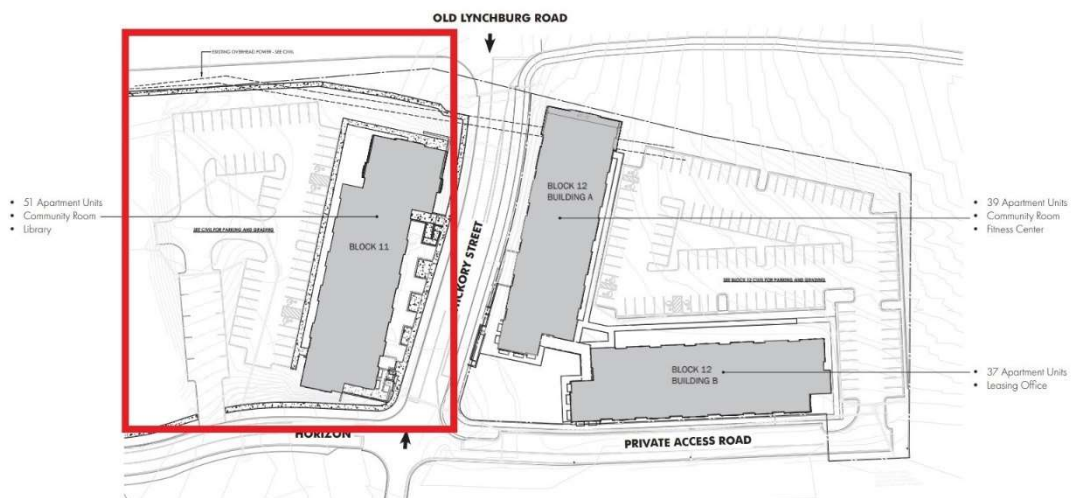
Southwood 4% Apartments will be a general occupancy multifamily rental complex that will target low and moderate-income renter households. These units will restrict occupancy to households with incomes at or below 60 percent of the area median income (AMI) for the Charlottesville, VA HUD Metro FMR Area as adjusted for household size.

The 70 units at Southwood 9% Apartments will be financed, in part, with equity raised from the sale of nine percent (competitive) tax credits. Eight of the units will Project Based Vouchers (PBV's). The 51 units at Southwood 4% Apartments will be financed with equity raised from the sale of four percent (non-competitive) tax credits and tax-exempt bond financing. With a unit mix of one, two, and three bedroom units, the community will target a range of renter households, including single-person households, couples, roommates, and families with up to five persons.

C. Building Types and Placement

The Southwood 4 Apartment's site will be developed on a 1.41 acre parcel fronting on Hickory Street, immediately south of its intersection with Old Lynchburg Road (Figure 1). A single three/ four story structure will occupy the northern half of the site along Hickory Street (Figure 2).

Figure 1 Site Plan - Southwood Apartments 4%



Source: Piedmont Housing Alliance

Figure 2 3- D Renderings of Buildings' Facades

The entrance to the site will be via Horizon Road east of the site. A 60-space parking lot covers the remainder of the site behind the structure. An additional 20 parking spaces are available along the streets. Two three story structures, located on the north side of Hickory Street, will house the 71 apartments that are part of the 9 percent AMI application.

Southwood 4% will house a community room and library/ lounge on the first level that will be shared by all residents. The leasing and management office, another community room, and a fitness center are located on the first levels of the Southwood 9 structures (also shared by all residents).

D. Detailed Project Information

1. Project Description

Overall, the 121 units include 24 one-bedroom units (20 percent), 94 two-bedroom units (78 percent), and 3 three bedroom units (2 percent). Ten percent (13 units) are designed as accessible units (Table 2).

Southwood 4% contains 13 one bedroom units and 38 two bedroom units. In Southwood 4%, the one bedroom units with one bathroom average 668 square feet ranging from 653 to 674 square feet and the two bedroom units with 1.5 bathrooms average 879 square feet ranging from 854 to 894 square feet (Table 3).

Southwood 9% contains 11 one bedroom units, 56 two bedroom units, and 3 three bedroom units. In Southwood 9%, the one bedroom units with one bathroom average 636 square feet ranging from 635 to 643 square feet, the two bedroom units with 1.5 bathrooms average 859 square feet ranging from 843 to 862 square feet, and the three bedroom units with two bathrooms contain 1,216 square feet.

In both sections of the project, residents will be responsible for all utilities except trash and WiFi.



Table 2 Unit Mix for 9% and 4% Combined

Unit Mix by 9% and 4%						
Bed	Bath	Income Target	9%	4%	Total	% of Project
1	1	30%	1		1	1%
1	1	50%	5		5	4%
1	1	60%	1	13	14	12%
1	1	80%	4		4	3%
Subtotal			11	13	24	20%
2	2	30%	5		5	4%
2	2	50%	22		22	18%
2	2	60%	15	38	53	44%
2	2	80%	14		14	12%
Subtotal			56	38	94	78%
3	2	30%	1		1	1%
3	2	50%	1		1	1%
3	2	80%	1		1	1%
Subtotal			3	0	3	2%
Subtotals			70	51	121	

Source: Piedmont Housing Alliance

Table 3 Southwood Apartments – Unit Mix, Sizes, and Proposed Rents

Southwood 9%								
AMI Level	Units	# Bed	# Bath	Published Sq Ft*	Net Rent [^]	Rent/Sq Ft	Utility Allowance	Gross Rent
30%	1	1	1	635	\$489	\$0.77	\$100	\$589
50%	3	1	1	635	\$883	\$1.39	\$100	\$983
50% PBV	2	1	1	635	\$1,129	\$1.78	\$141	\$1,270
60%	1	1	1	643	\$1,079	\$1.68	\$100	\$1,179
80%	4	1	1	635	\$1,473	\$2.32	\$100	\$1,573
One BR Total/ Avg	11			636	\$1,124	\$1.77	\$107	\$1,232
30%	5	2	1.5	858	\$582	\$0.68	\$126	\$708
50% PBV	6	2	1.5	862	\$1,336	\$1.55	\$184	\$1,520
50%	16	2	1.5	858	\$1,054	\$1.23	\$126	\$1,180
60%	15	2	1.5	856	\$1,290	\$1.51	\$126	\$1,416
80%	14	2	1.5	862	\$1,762	\$2.04	\$126	\$1,888
Two BR Total/ Avg	56			859	\$1,282	\$1.49	\$132	\$1,415
30%	1	3	2	1,216	\$667	\$0.55	\$150	\$817
50%	1	3	2	1,216	\$1,212	\$1.00	\$150	\$1,362
80%	1	3	2	1,216	\$2,030	\$1.67	\$150	\$2,180
Three BR Total/ Avg	3			1,216	\$1,303	\$1.07	\$150	\$1,453
9% Total	70							
Southwood 4%								
AMI Level	Units	# Bed	# Bath	Published Sq Ft	Net Rent	Rent/Sq Ft	Utility Allowance	Gross Rent
One BR Total/ Avg	13	1	1	668	\$1,079	\$1.62	\$100	\$1,179
Two BR Total/ Avg	38	1	1.5	879	\$1,290	\$1.47	\$126	\$1,416
4% Total	51			825	\$1,236	\$1.50	\$119	\$1,356
Project Total	121							

(^) Net rent includes trash and internet

Source: Piedmont Housing Alliance



2. Interior Finishes and Features

Each unit of the overall community will have a range, microwave, dishwasher, garbage disposal, and refrigerator (Table 4). Appliances will be stainless steel and energy efficient. Counters will be laminate. Flooring will be wood plank vinyl flooring in entry areas, kitchens and living areas, and sheet vinyl in bathroom. All units will offer in unit full size washer-dryers.

3. Parking Arrangements

Free surface parking will be provided for all residents.

4. Common Area Amenities

Amenities in both Southwood 4% and Southwood 9% will be shared by all residents. Southwood 9% will offer a community room, pocket park, fitness room, and leasing office on the ground levels. Southwood 4 will contain a community room, library/ lounge, and computer room on the ground level. All structures are elevator served. Southwood residents will also have access to the amenities planned for the larger Southwood Village redevelopment campus that include recreation paths, park and recreation areas, and a playground.

5. Proposed Timing of Development

Construction is estimated to start in the May 2023 for an 18-month construction period with completion by end of 2024

Table 4 Salient Project Information – Southwood Apartments

Unit Features	Community Amenities
<ul style="list-style-type: none"> • Stainless steel appliances – refrigerator, stove, microwave, garbage disposal, dishwasher • Laminate counters • Central HVAC • Wood plank vinyl flooring/ Sheet vinyl in bathrooms • In unit washer/ dryers 	<p><i>9% Project Amenities (Shared w/ 4%)</i></p> <ul style="list-style-type: none"> • Pocket Park • Community Room • Fitness Room • Leasing Office. • Elevator access/ Interior hallways <p><i>4% Project Amenities (Shared w 9%)</i></p> <ul style="list-style-type: none"> • Community Room • Library Lounge • Computer Room • Elevator access/ Interior hallways <p><i>Larger Southwood Community Amenities</i></p> <ul style="list-style-type: none"> • Recreation Path • Park & Recreation Area • Playground

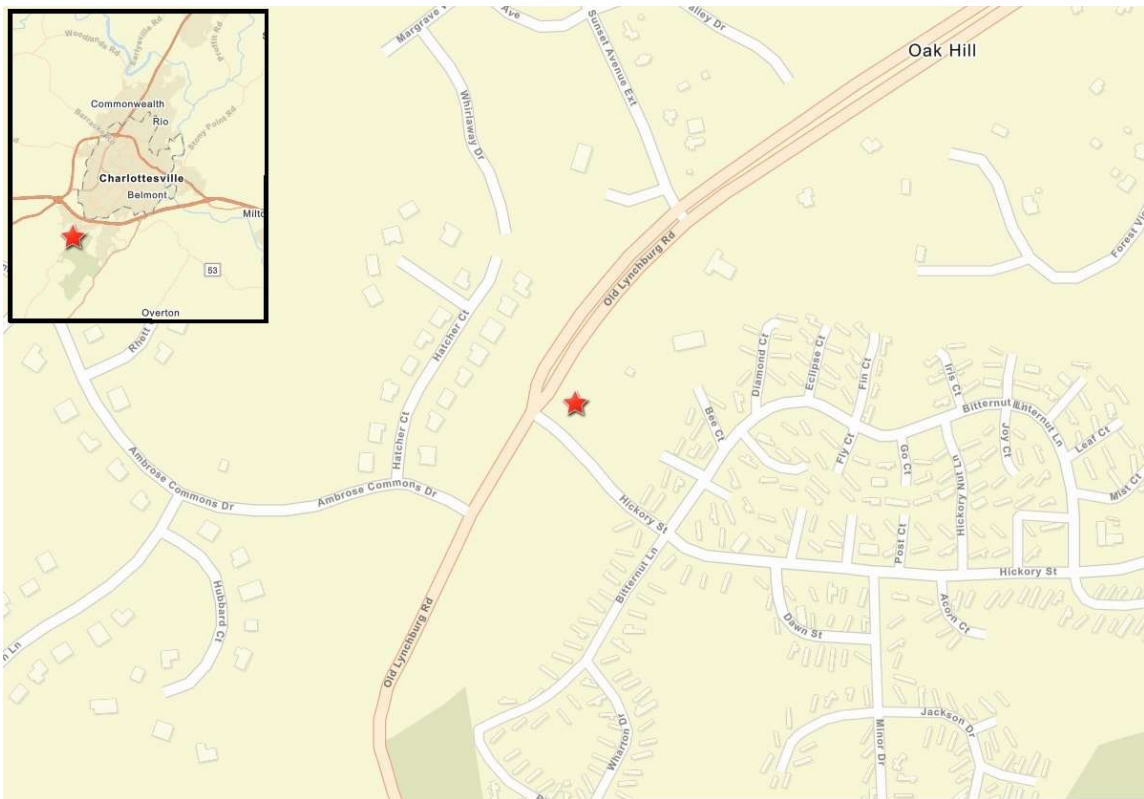
III. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location

The subject site is located in the heart of Albemarle County, one mile south of the city limits of Charlottesville and 1.2 miles southwest of the on-ramps to Interstate 64 (Map 1). Two major commercial centers, Willoughby Square Shopping Center (Food Lion, CVS, Family Dollar) and Fifth Street Station (Wegman’s, Dick’s Sporting Goods, Planet Fitness), are located along 5th Street SW about 1.7 miles to the northeast. The site is situated at 2200 Swallowtail Lane immediately east of Old Lynchburg Road at the northeast corner of its intersection with Hickory Street.

Map 1 Site Location, Southwood



2. Existing Uses

The undeveloped site has been cleared. A new internal road, Horizon Road forms the eastern border of the subject site (Figure 3) (Figure 4).

3. Size, Shape and Topography

The overall project site consists of 3.71 acres – the Southwood 9% portion contains 2.30 acres and the Southwood 4% portion contains 1.41 acres. The square-shaped parcels have moderate sloping topography.

Figure 3 Aerial View of Site – Southwood 4% (Southwood 4%-blue, Southwood 9%-red)

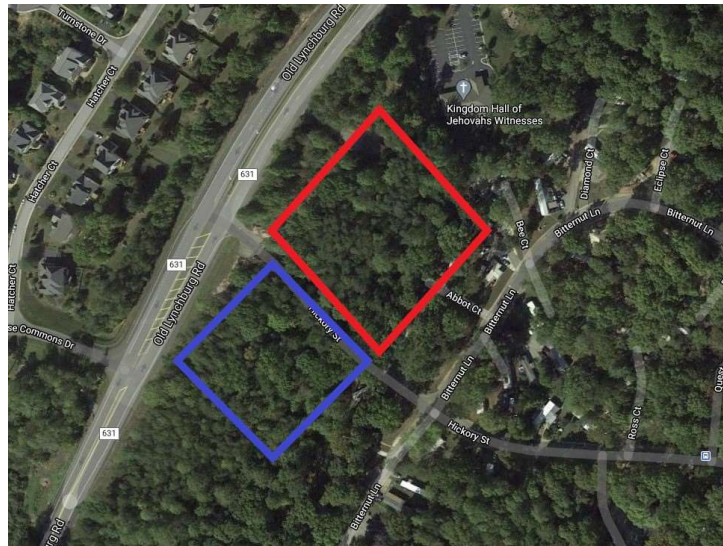


Figure 4 View of Existing Site



4. Description of Land Uses Surrounding the Subject Site

The subject site is surrounded by a variety of institutional and residential uses. The Kingdom Hall of Jehovah's Witness building and parking lot are located to the northeast. Low density modest single family trailers and homes are scattered along treed streets and cul-de-sacs east and southeast of the intersection of Hickory Street and Butternut Lane (southeast of the parcel). (Figure 5) A small upscale single family subdivision is located on the western side of Old Lynchburg Road facing the subject parcel.

The site is part of the larger Southwood Village redevelopment plan, sponsored by Habitat for Humanity, which will ultimately replace the existing Southwood Mobile Home Park with affordable new housing including rental and for-sale single family homes, duplexes, townhomes, and apartments. The first phase, stretching in an arc south and southeast of the subject, will contain 335 homes. Site work is currently underway. The plan for Phase 1, encircling the mobile home park, is presented in Figure 5. Once all the current residents of the mobile home park have been moved to new homes, the park will be razed and replaced with Phase 2 of the development. Southwood 4% Apartments is circled in black on the map.

Figure 5 Southwood Village Phase 1 Site Plan



The land uses directly bordering the subject site are as follows and are presented in Figure 6:

- **North:** Hickory Street, Southwood 9% Apartments, Kingdom Hall of Jehovah's Witness building and parking lot.
- **East:** Horizon Street, scattered small mobile homes and single family structures; Butternut Lane; scattered small mobile homes and single family structures.
- **South:** Southwood Village redevelopment campus
- **West:** Old Lynchburg Road; upscale single family subdivision.

Figure 6 Views of Surrounding Land Uses



Looking east along Hickory St (mobile homes in background)



Looking northwest at 9% site



Construction site for SF homes south of 4% parcel



Looking north along Old Lynchburg Rd (site on right)



Single family homes west of Old Lynchburg Rd



Looking south along Old Lynchburg Rd



B. Neighborhood Analysis

1. General Description of Neighborhood

This portion of Albemarle County is less developed than areas to the north. Generally speaking, areas to the south and west of the parcel are mostly undeveloped, covered by forest expanses interspersed by scattered small single family subdivisions (many on multi-acre lots). The existing 100 acre Southwood Mobile Home Park that stretches east of the site will be demolished over time as existing residents move into the new Southwood Village community being developed by Habitat for Humanity; the first phase, current under development, lies south of the subject. Stanley Martin has recently developed a more standard suburban single family neighborhood about mile to the southwest; the Virginia Polo Center lies about one mile to the south. The area between the site and Interstate 64 to the north is more densely developed with a combination of single family subdivisions and rental communities (Woodlands, Brookdale, and Fifth Street Place Apartments). Several churches are located to the north; the Covenant School and planned Biscuit Run State Park are located to the east. Shopping, employment, and institutional centers are located north of the interstate in the city of Charlottesville and heading north into the northern portions of Albemarle County.

2. Visibility

The site has excellent visibility along Old Lynchburg Road which is the primary connector linking the southern portion of Albemarle County to the city of Charlottesville. However, there is limited development heading south along Old Lynchburg Road. Thus, the volume of traffic passing by the site would also be moderate. As a result, it is likely that Southwood Apartments would be a destination location for potential tenants. Visible and clear signage as well as simple directions on the website would be required to attract appropriate future tenant flow.

3. Vehicular Access

Overall, the site is convenient to major roads. The subject will be accessed via an entrance off Horizon Street that intersects with Hickory Street 200 feet to the north. Hickory Street connects to Old Lynchburg Road. Old Lynchburg Road provides direct access to the on-ramps to Interstate 64 1.2 miles to the northeast. As it travels underneath the Interstate, Old Lynchburg Road becomes 5th Street SW that travels past the two major retail centers just north of the Interstate (5th Street Station and Willoughby Square Shopping Center) and connects to downtown Charlottesville and the UVA campus located 3.5 miles north of the site.

Interstate 64 is a primary east-west connector in central Virginia that directly links Charlottesville with Staunton and I-81 to the west and Richmond and the Norfolk/ Hampton Roads area to the east. Interstate 64's intersection with State Route 29 lies about 1.6 miles west of 5th Street. State Route 29, a major north-south thoroughfare, links Charlottesville with the Northern Virginia/ Washington DC metropolitan area (to the north) and with Lynchburg, Danville, and Greensboro, North Carolina (to the south).

4. Availability of Public Transit

Charlottesville Transit Services (CTS) is the primary provider of mass transit services to the citizens of Charlottesville although other bus routes are operated by the University Transit Service (UTS). The subject site is located 3.7 miles southwest of the Downtown Transit Station, located at the eastern terminus of the Downtown Mall. This transit hub provides access to all bus routes operated within Charlottesville; transfers between bus lines are available at no additional charge. Twelve bus routes travel through this station. CAT Route 3 (Southwood and Belmont) starts in the Southwood community along Hickory Street (adjacent to the site) and travels northeast to downtown and east Charlottesville. The City of Charlottesville also offers free trolley service that regularly travels the loop connecting the University of Virginia campus with the downtown area.



The closest Amtrak station is located 3.3 miles northeast of the site. The station is served by the Cardinal, Crescent and Northeast Regional lines with service to all major East Coast cities. Amtrak Virginia Thruway buses also provide connecting service to Richmond and other destinations. The Greyhound Bus terminal is also located close to the Amtrak station. The local Charlottesville-Albemarle County Airport is located roughly 14 miles to the north.

5. Pedestrian Access

There are currently no sidewalks along Old Lynchburg Road and Hickory Street; thus, any access to the subject would be either via automobile or public transit.

6. Accessibility Improvements under Construction and Planned

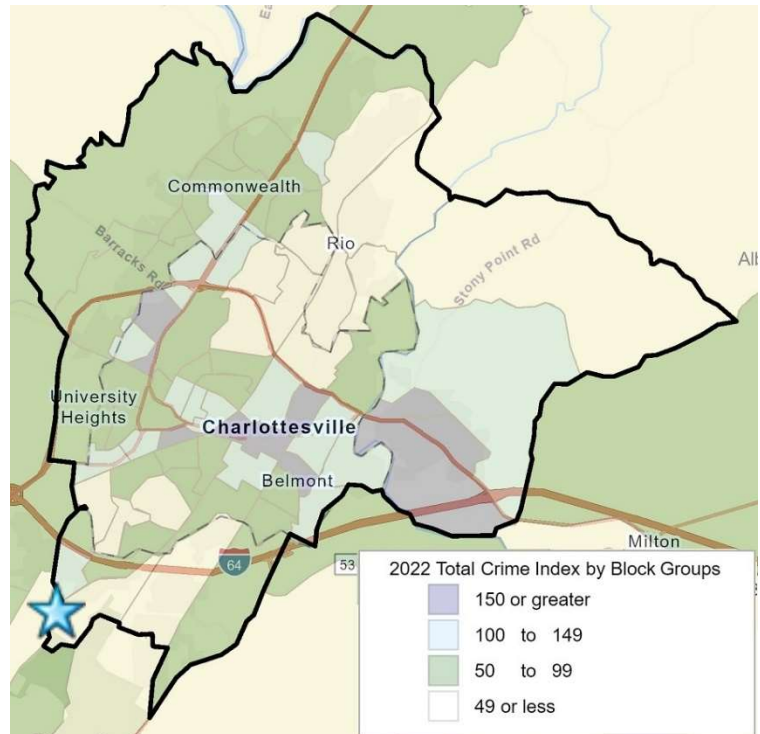
According to the State of Virginia DOT’s Six Year Improvement Program (SYIP) for Albemarle County (2020 to 2025), there are no major construction projects that would impact access to the site.

7. Public Safety

CrimeRisk data is an analysis tool for crime provided by Applied Geographic Solutions (AGS). CrimeRisk is a block-group level index that measures the relative risk of crime compared to a national average. AGS analyzes known socio-economic indicators for local jurisdictions that report crime statistics to the FBI under the Uniform Crime Reports (UCR) program. Based on detailed modeling of these relationships, CrimeRisk provides a detailed view of the risk of total crime as well as specific crime types at the block group level. In accordance with the reporting procedures used in the UCR reports, aggregate indexes have been prepared for personal and property crimes separately as well as a total index. However, it must be recognized that these are unweighted indexes, in that a murder is weighted no more heavily than purse snatching in this computation. The analysis provides a useful measure of the relative overall crime risk in an area but should be used in conjunction with other measures. The color graduations correspond to relative crime risk – tan is the lowest risk; green is low to moderate risk; light blue is medium; and dark blue is the highest crime risk.

The subject is located in a neighborhood that borders on tan and green census tracts that represent a low degree of crime risk (Map 2). Moreover, the area is regarded as a safe place to live according to local rental managers. The Charlottesville Fire and Police Departments are located within three to four miles of the site.

Map 2 Southwood Market Area CrimeRisk Index



Source: Esri



C. Residential Support Network

1. Key Facilities and Services near the Subject Site

The appeal of a residential community is based in part on its proximity to facilities and services that are required on a day-to-day basis. Key facilities and services and their distances from the subject site are listed in Table 5 and the locations of those facilities are plotted on Map 3.

2. Essential Services

a. Health Care

Two major hospital complexes – the UVA Medical Center and Martha Jefferson Hospital – are 3 to 6.5 miles northeast of the site. A Sentara Green Family Medicine office is located within two miles in 5th Street Station.

- The nationally recognized 631 bed UVA Medical Center is part of the University of Virginia Health System associated with the University of Virginia in Charlottesville. The health system features a medical center (Level I Trauma Center, Children’s Hospital, Cancer Center, Heart and Vascular Center, Neurosciences Center), school of medicine, school of nursing, and health sciences library.
- Martha Jefferson Hospital is a nonprofit 176 bed community hospital with 365 affiliated physicians. The hospital operates 10 primary care and three specialty practices.

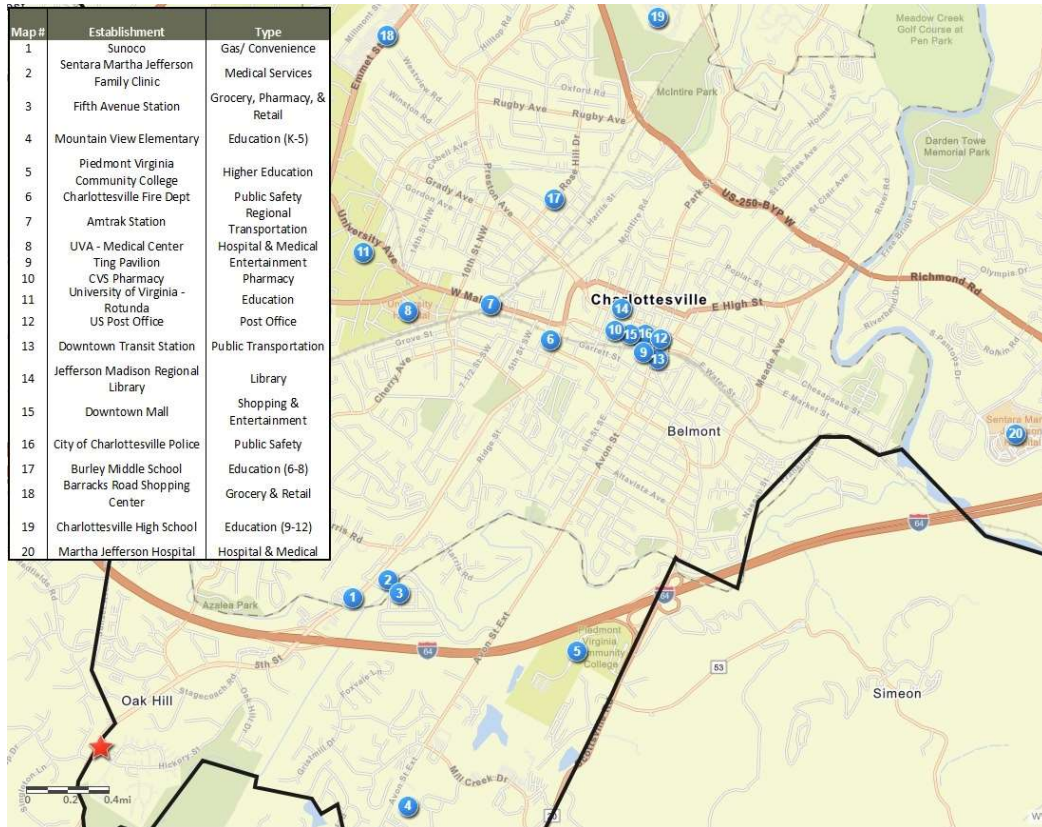
Table 5 Key Facilities and Services near Subject Site

Establishment	Address	Type	Distance (miles)
Sunoco	1177 5th St	Gas/ Convenience	1.5 NE
Willoughby Square Shopping Centers (Food Lion, CVS, Family Dollar)	1131 5th Street SW	Supermarket, Pharmacy	1.6 NE
Fifth Avenue Station (Wegman’s, Dicks, Planet Fitness)	149 5th Street Station Pkwy	Supermarket, Pharmacy, Retail, Dining, Recreation	1.7 NE
Sentara Martha Jefferson Family/ Walk-in Clinic	149 5th Street Station Pkwy	Medical Services	2.0 NE
Monticello High School	1400 Independence Way	Public Education (9-12)	2.5 mi N
Charlottesville Fire Dept	203 Ridge Street	Public Safety	3.3 NE
Amtrak Station	810 W. Main Street	Transportation	3.3 NE
UVA - Medical Center	1215 Lee Street	Hospital & Medical	3.3 NE
Charlottesville Sprint Pavilion	600 E. Water Street	Entertainment	3.5 NE
CVS Pharmacy	208 E. Main Street	Pharmacy	3.5 NE
Mountain View Elementary School	1757 Avon St	Public Education (K-5)	3.6 E
University of Virginia - Rotunda	1826 University Avenue	Education	3.7 N
US Post Office	513 E. Main St	Post Office	3.7 NE
Downtown Transit Station	615 E. Water Street	Public Transportation	3.7 NE
Jefferson Madison Regional Library	201 E. Market Street	Library	3.7 NE
Piedmont Virginia Community College	501 College Drive	Higher Education	3.8 E
Downtown Mall	200 - 600 E. Main Street	Shopping & Entertainment	3.8 NE
City of Charlottesville Police	606 E. Market Street	Public Safety	3.9 NE
Burley Middle School	901 Rose Hill Dr	Public Education (6-8)	4.1 NE
Barracks Road Shopping Center (Harris Teeter, Kroger)	1117 Emmet Street N	Grocery & Retail	4.3 N
Whole Foods	1797 Hydraulic Rad	Supermarket	6.0 NE
Martha Jefferson Hospital	500 Martha Jefferson Drive	Hospital & Medical	6.5 NE
Rio Hill Shopping Center (Lowes, Wal-Mart)	1940 Rio Hill Drive	General Retail	10.2 N
Charlottesville-Albemarle Airport	Bowen Loop	Air Transportation	13.8 N

Source: Real Property Research Group, Inc.



Map 3 Neighborhood Amenities



b. Education

The Commonwealth of Virginia administers Standards of Learning (SOL) Assessment Tests to monitor student performance and the quality of classroom instruction in public school systems across the state. The most comprehensive testing occurs in the 3rd, 5th, 8th, and 11th grades. Elementary and middle school students are tested in core areas including English, history, mathematics, science, and writing. High school tests are conducted upon students’ completion of relevant coursework and focus on more specific subject areas such as algebra I, algebra II, biology, chemistry, and geometry, in addition to English and writing.

The results of SOL tests can be used to compare the performance of students in various schools and school districts. To construct this comparison, we compiled data on the percentage of students testing at the state-defined ‘proficient’ level or ‘advanced’ level in core subject areas. We compiled data for the 2018 to 2019 school year to compare overall school performance on a school district basis in Virginia and for the 2020 to 2021 school year to compare school performance across the school district.

Albemarle County Public Schools System provides instruction to all school-age children in Albemarle County. As of the 2018-2019 school year, this public school system ranked 80th out of the 132 school districts in the Commonwealth of Virginia with 79.3 percent of their students testing at a “Proficient” or “Advanced” level, just slightly below the overall Virginia average of 79.6 percent (Table 6).



The schools that would serve residents with children residing at the subject site include Mountain View Elementary School (1757 Avon Avenue – 3.6 miles east); Jackson B. Burley Middle School (901 Rose Hill Drive – 4.1 miles northeast); and Monticello High School (1400 Independence Way – 3.8 miles east).

Table 6 Standards of Learning Test Results, Cities and Counties of Virginia – 2018/2019 School Year

Rank	County	Grade 5		Grade 8		High School		Composite
		English	Math	English	Math	English	Algebra II	
1	Highland County	92	85	100		100		94.3
2	Poquoson City	93	96	92	94	94.0	83.0	92.0
3	York County	91	95	82	92	92	98	91.7
32	King George County	79	82	82	77	87	99	84.3
33	Salem City	77	88	77	75	91	98	84.3
40	Amherst County	78	83	80	82	82	94	83.2
41	Culpeper County	72	84	75	88	83	97	83.2
42	Isle of Wight County	78	81	78	79	90	93	83.2
62	Carroll County	84	86	78	74	77	90	81.5
77	Floyd County	76	79	72	81	89	82	79.8
78	Warren County	75	79	76	71	83.0	95.0	79.8
79	Lee County	78	87	68	69	80	96	79.7
80	Albemarle County	78	82	79	67	87	83	79.3
81	Halifax County	77	83	67	77	79	91	79.0
82	Pulaski County	76	86	70	73	75	93	78.8
83	Northumberland County	79	91	71	71	73	87	78.7
101	Colonial Beach	83	85	66	44	84	86	74.7
120	Covington City	68	72	61	50	89	73	68.8
121	Newport News City	65	70	62	43	81	92	68.8
122	Charlottesville City	58	41	66	60	94.0	92.0	68.5
123	Buckingham County	54	67	63	79	77.0		68.0
124	Alexandria City	69	72	67	37	76	84	67.5
131	Petersburg City	58	57	43	52	58	87	59.2
132	Danville City	49	48	51	30	73	85	56.0
Virginia Average		76.3	81.0	72.9	72.6	84.1	90.4	79.6

Averages in this table are based on public, private, and charter schools.
 Source: Virginia Department of Education

Based on the measure employed in this analysis (2020-2021 SOL results), the elementary school (Mountain View) serving Southwood ranked 12th out of 16 elementary schools for students in the lower grades with 50.5 percent of students tested as either proficient or advanced (Table 7). In comparison, 60.5 percent of all students in the Commonwealth of Virginia achieved at either a proficient or advanced level. At Burley Middle School, 64.5 percent of students tested as either proficient or advanced, compared to the Virginia average of 60.5 percent. Burley ranked 5th out of six county middle schools. Of those students attending Monticello High School, 65.0 percent tested as either proficient or advanced, compared to the Virginia average of 72.0 percent. Monticello ranked last of four county high schools. For all three schools, scores were also below countywide averages.

For higher education opportunities, the University of Virginia in Charlottesville is less than four miles north of the subject site. The public institution’s enrollment is more than 21,000 students, and the school employs more than 12,000 full time faculty and staff. The local community college, Piedmont Virginia Community College, is located 3.8 to the east.



Table 7 Standards of Learning Test Results, Albemarle County Public Schools – 2020/2021 School Year

Elementary Schools					Middle Schools				
VSLA - 2021					Grade 8				
Rank	School	English	Math	Composite	Rank	School	English	Math	Composite
1	Virginia L. Murray Elementary	91.0%	91.0%	91.0%	1	Joseph T. Henley Middle	89.0%	82.0%	85.5%
2	Hollymead Elementary	90.0%	87.0%	88.5%	2	Lakeside Middle	84.0%	76.0%	80.0%
3	Meriwether Lewis Elementary	84.0%	89.0%	86.5%	3	Leslie H. Walton Middle	77.0%	78.0%	77.5%
4	Brownsville Elementary	86.0%	74.0%	80.0%	4	Jack Jouett Middle	69.0%	74.0%	71.5%
5	Baker-Butler Elem	78.0%	67.0%	72.5%	5	Jackson P. Burley Middle	70.0%	59.0%	64.5%
6	Stone Robinson Elementary	75.0%	68.0%	71.5%	6	Albemarle Co.Community Public Cha	-	-	-
7	Broadus Wood Elementary	72.0%	69.0%	70.5%	Albemarle County Average				
8	Stony Point Elementary	71.0%	58.0%	64.5%	Virginia Average				
9	Crozet Elementary	62.0%	63.0%	62.5%	77.8%				
10	Scottsville Elementary	67.0%	45.0%	56.0%	73.8%				
11	Red Hill Elementary	58.0%	45.0%	51.5%	69.0%				
12	Mountain View Elementary	57.0%	44.0%	50.5%	51.0%				
13	Agnor-Hurt Elementary	53.0%	42.0%	47.5%	60.0%				
14	Woodbrook Elementary	51.0%	32.0%	41.5%					
15	Mary Carr Greer Elementary	43.0%	24.0%	33.5%					
16	Benjamin F. Yancey Elementary	-	-	-					
Albemarle County Average		69.2%	59.9%	64.5%					
Virginia Average		67.0%	54.0%	60.5%					

High Schools					
EOC -2021					
Rank	School	English	Math	Composite	Grad Rate
1	Western Albemarle High	92.0%	72.0%	82.0%	99.0%
2	Albemarle High	85.0%	70.0%	77.5%	92.0%
3	Murray High	86.0%	64.0%	75.0%	95.2%
4	Monticello High	81.0%	49.0%	65.0%	90.7%
Albemarle County Average		86.0%	63.8%	74.9%	94.5%
Virginia Average		81.0%	63.0%	72.0%	93.0%

Source: Virginia Department of Education

3. Commercial Goods and Services

a. Convenience Goods

Fifth Street Station is the newest large-scale retail center in the area and is also closest to the site (1.7 miles to the northeast). Opened in late 2016, the project includes major retailers for daily needs and general retail, such as Wegman’s, Dick’s Sports, Field & Stream, PetSmart, Planet Fitness, and numerous eateries and restaurants. Willoughby Square, anchored by Food Lion, CVS, and Family Dollar, is located across the street from Fifth Street Station. A Sunoco Gas Station/Convenience Store is located directly south of Willoughby Square.

b. Comparison Goods

Major big box retailers and regional shopping centers are available in the greater Charlottesville area. The Barracks Road Shopping Center is located along U.S. Route 29 (4.3 miles to the north) and includes retailers such as Old Navy, Michaels, Barnes & Noble, Bed, Bath & Beyond, Harris Teeter and Kroger as well as 80+/- smaller stores. Shops at Stonefield, located 5.6 miles to the north, contains a Costco and upscale stores such as Brooks Brothers, LL Beans, Pottery Barn, Traders Joe, and Williams Sonoma. The Pantops area also serves as a major shopping hub for the City of Charlottesville, including the Pantops Shopping Center (570 Riverbend Drive) containing Food Lion and Rose’s variety store as well as the Rivanna Ridge Shopping Center (1900 Abbey Road), anchored by Giant. The Rio Hill Mall anchored by Dick’s Joanne’s Fabrics, TJ Maxx, Lowes, and Wal-Mart is located along Route 29 ten miles to the north.

c. Recreational & Other Community Amenities

The subject site is convenient to many outdoor recreational amenities in both the City of Charlottesville and Albemarle County. The Downtown Mall in Charlottesville, located 3.8 miles to the north, is a pedestrian-oriented seven block streetscape filled with an assortment of shops and boutiques, restaurants and cafes, as well as service-oriented establishments. Hard hit by the pandemic, the Downtown Mall is slowly recovering. Other eateries and shops are also located along side streets and Water and Market Streets. The Charlottesville Pavilion, located on the eastern end of the Downtown Mall, is an entertainment locale, hosting performing artists and other events. The newly restored Jefferson Theater is also located in the Downtown Mall as is the local library. In addition, Monticello, other historic plantations, and wineries are located nearby.



The city, county, and state are planning significant investments in parklands and pedestrian/ bike trails over the next two to four years that will provide an interrupted trail way system connecting Forest Hills Park, three miles north of the site to South Street Station and the new 1,500 acre State Park at Biscuit Run south of Interstate 64. Land has also been acquired for the new 20 acre Hochner’s Mill Park located between Avon Street and 5th Street. The linchpin of the network will be a planned linear park 2.5 miles north of the subject at Rock Creek that will provide trail connections heading north and south.

D. Overall Site Conclusion

The subject site is located in a pleasant suburban setting with easy access to major roads, employment nodes, and shopping, institutional, and recreational centers that represents an appropriate location for affordable housing. The subject is located off Old Lynchburg Road that provides direct access to Interstate 64, 5th Street Station, Downtown Charlottesville, and UVA. In addition to the nearby South Street Station shopping center, the Charlottesville area provides numerous opportunities for convenience and comparison retail shopping within roughly a 5 to 15 minute drive of the site. The site is served by public bus transportation. The site is part of a larger planned community offering a mix of single family, duplex, townhome and apartment homes that will offer future Southwood residents additional outdoor recreational amenities.



IV. ECONOMIC CONTEXT

A. Introduction

This section focuses primarily on economic trends and conditions in the city of Charlottesville and Albemarle County and will also be referred to as Greater Albemarle County. For purposes of comparison, certain economic trends in Virginia and in the nation are also discussed.

B. Unemployment and Labor Force Trends

The economic base, buttressed by the region’s health, education, and defense sectors, has consistently remained strong and has mostly recovered from the COVID-induced downturn recorded during 2019 and 2020. The Charlottesville-Albemarle area was less severely impacted by COVID than other parts of the country

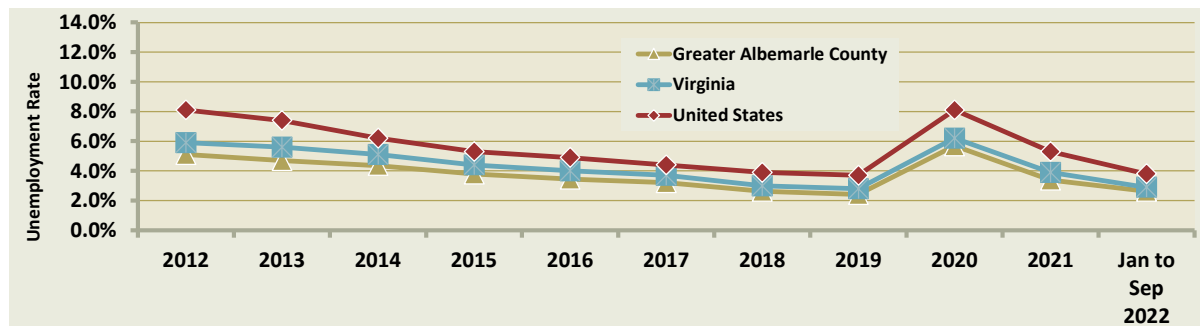
1. Trends in Annual Average Labor Force, Employment, and Unemployment Rates

Greater Albemarle County’s average annual labor force has increased every year since 2014 and reached 85,173 workers in 2019 (Table 8). The net increase in the average annual labor force from 2012 to 2019 was 9,202 workers or 12.1 percent. The size of the labor force fell by 5,100 workers (6.0 percent) in 2020 and 2021 due to the economic impact of the COVID-19 pandemic. By September 2022, the labor force had recovered one-quarter of its losses of the previous two years. The number of unemployed workers was reduced by nearly half from 3,869 in 2010 to 2,054 in 2019. However, the number of unemployed workers more than doubled in 2020 due to the pandemic but then fell back to pre-COVID levels by September 2022.

Table 8 Labor Force and Unemployment Rates

Annual Average Unemployment	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Jan to Sep 2022
Labor Force	75,971	75,964	78,096	78,882	79,450	81,895	82,996	85,173	81,763	80,057	81,367
Employment	72,102	72,408	74,694	75,899	76,719	79,279	80,828	83,119	77,114	77,356	79,228
Unemployment	3,869	3,556	3,402	2,983	2,731	2,616	2,168	2,054	4,649	2,701	2,139
Unemployment Rate											
Greater Albemarle County	5.1%	4.7%	4.4%	3.8%	3.4%	3.2%	2.6%	2.4%	5.7%	3.4%	2.6%
Virginia	5.9%	5.6%	5.1%	4.4%	4.0%	3.7%	3.0%	2.8%	6.2%	3.9%	2.9%
United States	8.1%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%	5.3%	3.8%

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



Greater Albemarle County’s average annual unemployment rate decreased from a high of 5.1 percent in 2012 to 2.4 percent in 2019; the lowest level in the past 10 years. The region’s unemployment rate has been below the state and national rate every year since 2012. Average annual unemployment rates in 2019 were 2.8 percent in the state and 3.7 percent in the nation.



In 2020, the unemployment rate more than doubled to 5.7 percent but still below the state’s 6.2 percent rate and the nation’s 8.1 percent rate. By September 2022, the unemployment rate had fallen to pre-COVID levels of 2.6 percent compared to the state rate of 2.9 percent and the national rate of 3.7 percent.

C. Commutation Patterns, American Community Survey

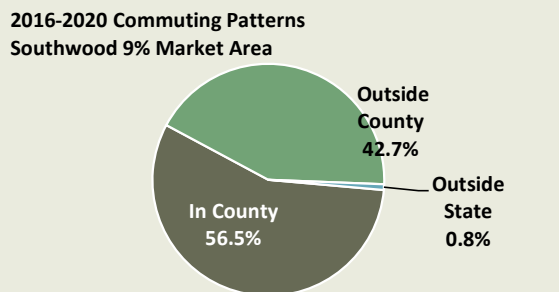
According to the 2016-2020 American Community Survey (ACS) data, roughly 39 percent of workers residing in the market area commuted 15 minutes or less to work. Another 36 percent of workers commuted 15 to 24 minutes (Table 9). Nine percent of workers commuted 25 to 34 minutes and seven percent of workers commuted 35 minutes or more.

Fifty-seven percent of workers residing in the Albemarle County work in their county of residence; 43 percent worked outside their county of residence (primarily in the city of Charlottesville). Less than one percent of the county’s workers were employed outside the state.

Table 9 Commutation Data, Southwood Market Area

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home:	42,350	90.7%	Worked in state of residence:	46,335	99.2%
Less than 5 minutes	1,005	2.2%	Worked in county of residence	26,369	56.5%
5 to 9 minutes	5,623	12.0%	Worked outside county of residence	19,966	42.7%
10 to 14 minutes	11,396	24.4%	Worked outside state of residence	371	0.8%
15 to 19 minutes	11,507	24.6%	Total	46,706	100%
20 to 24 minutes	5,280	11.3%			
25 to 29 minutes	1,410	3.0%			
30 to 34 minutes	2,684	5.7%			
35 to 39 minutes	505	1.1%			
40 to 44 minutes	714	1.5%			
45 to 59 minutes	1,073	2.3%			
60 to 89 minutes	654	1.4%			
90 or more minutes	499	1.1%			
Worked at home	4,356	9.3%			
Total	46,706				

Source: American Community Survey 2016-2020



Source: American Community Survey 2016-2020

D. Greater Albemarle County At-Place Employment

1. Trends in Total At-Place Employment

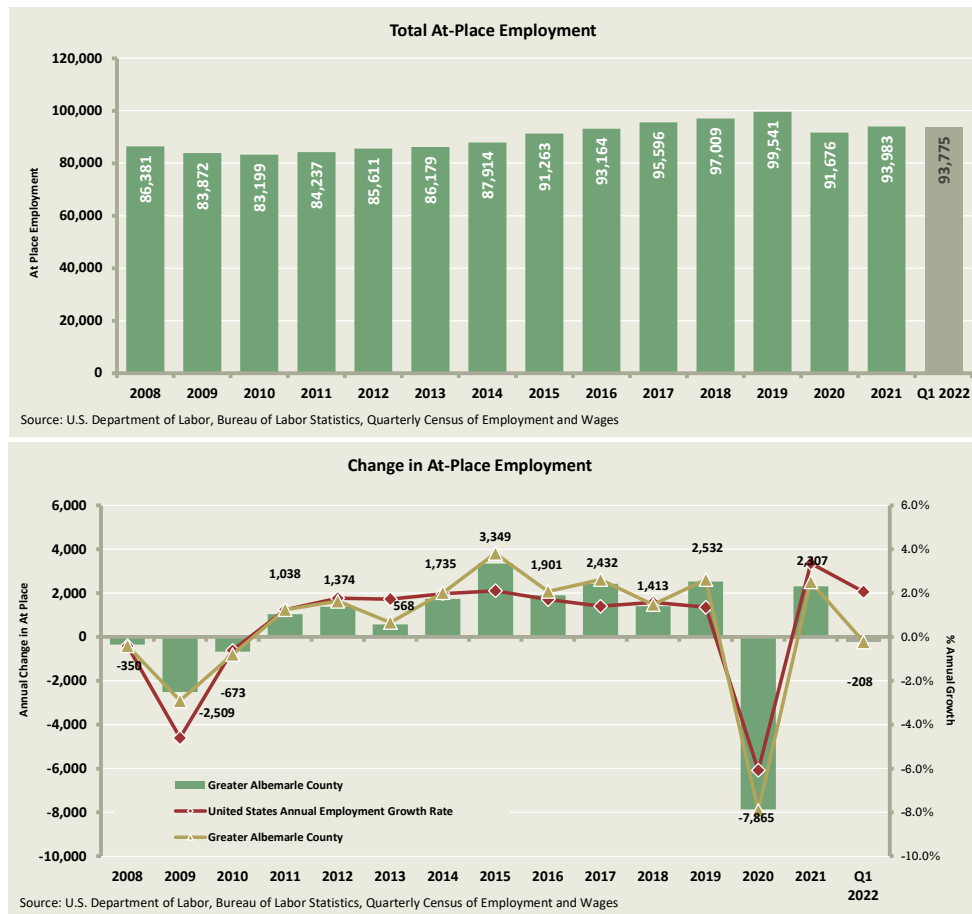
The Greater Albemarle County at-place employment fell moderately over the recession period 2008 and 2010 to 83,199 jobs, a loss of 3,200 jobs (3.7 percent) from the 2008 total of 86,381 jobs (Figure 7). Over the next nine years, at-place employment recovered and by 2019 had reached a new peak of 99,541 jobs, 16,300 jobs greater than the 2010 low point (19.6 percent gain). Impressively, 3,349 jobs were added in 2015, an additional 2,400 jobs in 2017 and over 2,500 more jobs during 2019. During 2020, the employment dropped sharply to 91,676 jobs, a loss of nearly 8,000 jobs. In 2021, at-place employment gained back 2,300 jobs and remained stable through first quarter 2022.

The trend lines on the bottom of Figure 7 illustrate that jobs in the Greater Albemarle County proportionately declined at a lesser rate than national trends during the recession but also recovered at a similar pace compared to the country except in the years 2015, 2017, and 2019



when the area’s growth spurts exceeded the national rate. However, the proportionate loss in the 2020 locally was greater than that of the nation and recovery in 2021 was below the national pace. The small loss of 200 jobs through first quarter 2022 contrasts with gains on a national level.

Figure 7 At-Place Employment, Greater Albemarle County

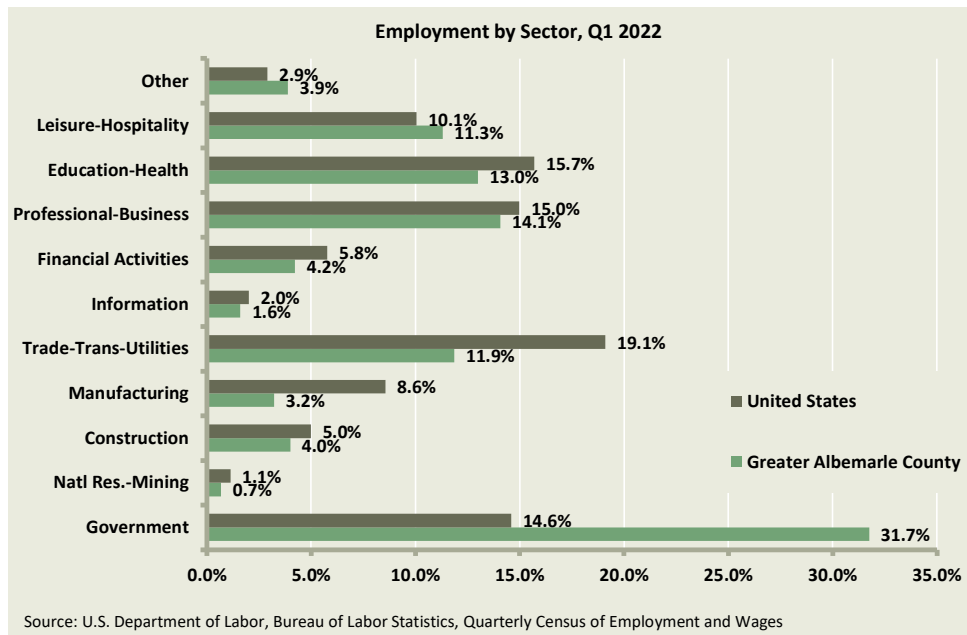


2. At-Place Employment by Industry Sector

As of first quarter 2022, Government is the largest employment sector in the local area accounting for 31.7 percent of the Greater Albemarle County employment base, more than twice as large as the national proportion of 14.6 percent (Figure 8). The government sector is driven by large representation from the US Department of Defense as well as city and county offices. The next four largest sectors in the local economy are Professional-Business, Education-Health, Trade-Transportation-Utilities, and Leisure-Hospitality with shares ranging from 11 to 14 percent of the local job base. Three sectors represent a smaller proportion of the local economy compared to the national share; the Leisure-Hospitality sector has a larger share. Five sectors are much smaller in size, each accounting for two to four percent of the county-city job base – Other, Financial Activities, Manufacturing, Construction, and Information.



Figure 8 Total Employment by Sector



Sector	Other	Leisure-Hospitality	Education-Health	Professional-Business	Financial Activities	Information	Trade-Trans-Utilities	Manufacturing	Construction	Natl. Res.-Mining	Government	Total Employment
Jobs	4,011	10,607	12,193	13,193	3,959	1,508	11,118	3,025	3,750	637	29,773	93,775

Figure 9 details employment change by economic sector within Greater Albemarle County and the United States between 2011 and first quarter 2022. Eight of eleven job sectors in the area experienced net growth. Three sectors recorded gains of greater than 20 percent (not including the Natural Resource Sector which employed less than one percent of local workers) led by Financial Activities with a gain of 30.6 percent followed by Professional Business (28.0 percent), and Education-Health (22.2 percent). All three sectors exceeded national growth in their respective sectors. Government, the largest sector, grew at a rate of 10.7 percent at a pace substantially larger than the national sector (0.8 percent). Information was the only sector that lost ground (25.4 percent) while two sectors essentially remained unchanged – Trade-Transportation-Utilities and Construction.

E. Wage Data

The average annual wage in 2021 for the City of Charlottesville was \$67,083. The city average is one percent below the state-wide average of \$67,990 and the national average of \$67,610 (Table 10). The City of Charlottesville’s average annual wage in 2021 represents an increase of \$24,500 or 58 percent since 2010.



Figure 9 Employment Change by Sector

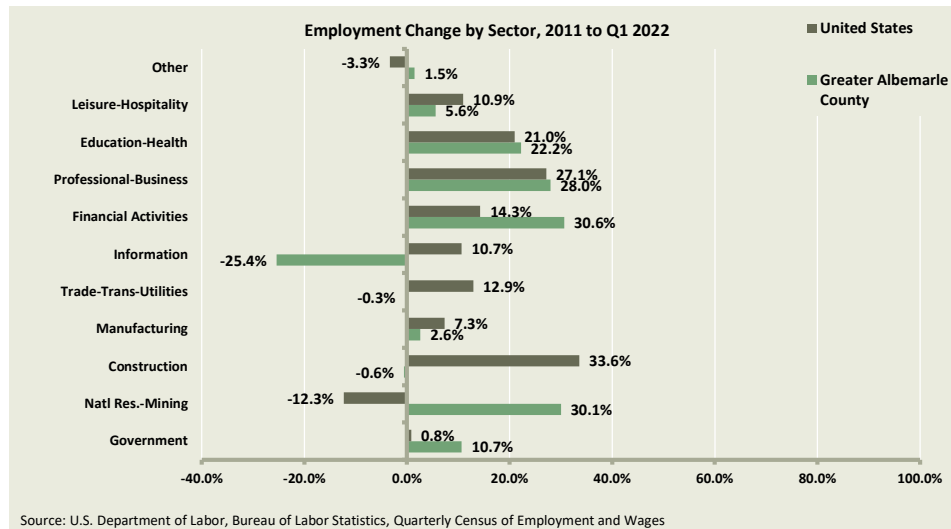


Table 10 Wage Data, City of Charlottesville

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
City of Charlottesville	\$42,590	\$44,441	\$44,512	\$46,624	\$48,797	\$51,353	\$51,416	\$54,397	\$56,411	\$54,971	\$61,990	\$67,083
Virginia	\$49,651	\$50,657	\$51,646	\$51,918	\$52,929	\$54,276	\$54,836	\$56,503	\$58,239	\$60,200	\$65,159	\$67,990
United States	\$46,751	\$48,043	\$49,289	\$49,808	\$51,364	\$52,942	\$53,621	\$55,390	\$57,266	\$59,209	\$64,021	\$67,610

Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

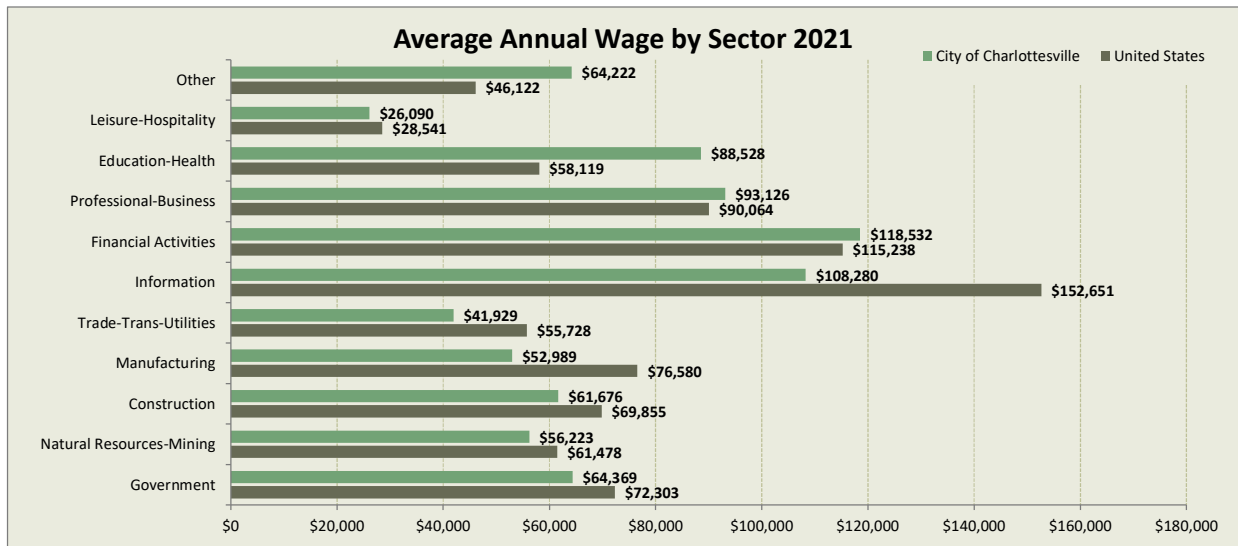
The average wage in the City of Charlottesville is below the national average in seven sectors and four city sectors are above the national average – Education-Health, Professional Business, Financial Activities, and Other (Figure 10). The highest paying sectors in the city are Financial Activities (\$118,532) and Information (\$108,280). The average wage in the largest sector, Government, is \$64,369, below the national average of \$72,303. Leisure-Hospitality is the lowest paying sector with a 2021 average annual pay of \$26,090, below the national average of \$28,542.

F. Major Employers

The list of major employers in Greater Albemarle County includes a broad variety of employers led by the Education-Healthcare, Government, Leisure-Hospitality and Professional-Business sectors. The largest employer is the University of Virginia (Table 11). Other top employers include Albemarle County, Sentara Health Services, State Farm Insurance, the U.S. Department of Defense, and defense contractor Northrop Grumman.



Figure 10 Wage by Sector, City of Charlottesville



Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Table 11 Major Employers – Greater Albemarle County

Rank	Name	Sector
1	University of Virginia	Education/ Medical
2	County of Albemarle	Local Government
3	Sentara Health Services	Medical
4	U.S. Department of Defense	Federal Government
5	State Farm Mutual Automobile Insurance	Professional Services
6	Atlantic Coast Athletic Club	Leisure-Hospitality
7	Piedmont Virginia Community College	Education
8	Northrop Grumman Corporation	Manufacturing
9	Crutchfield Corporation	Trade
10	WillowTree	Information Technology
11	Custom Ink	Manufacturing
12	Pharmaceutical Research Association	Business Services
13	Boar’s Head Inn	Leisure-Hospitality
14	Farmington Country Club	Leisure-Hospitality
15	Thomas Jefferson Memorial	Leisure-Hospitality
16	FIC Systems	Business Services
17	Westminster Canterbury of the Blue Ridge	Medical
18	Region Ten Community Services	Business Services
19	Hanover Research Council	Information Technology
20	Aramark Campus	Trade

Source: Virginia Employment Commission 2020

G. Economic Conclusions

The city and county’s economic base, buttressed by the region’s sizable health, education, and defense sectors, has consistently remained strong since 2010. At-Place Employment gained 16,300 jobs over the past nine years, an increase of 19.6 percent. In 2020, At-Place Employment fell by nearly 8,000 jobs but gained back one quarter of the jobs lost through first quarter 2022. Until the full impact of the COVID-19 downturn became evident in 2020, the unemployment rate in



Charlottesville and Albemarle County has remained low, below state and national rates. After a spike in 2020, unemployment quickly trended downward to a 2.6 percent rate as of September 2022, similar to pre COVID levels.

As of first quarter 2022, Government is the largest employment sector in the local area accounting for one third of the employment base followed by Professional-Business, Education-Health, Trade-Transportation-Utilities, and Leisure-Hospitality. The largest employer is the University of Virginia/UVA Medical system. Overall, three of the top ten employers are in the Education-Health sector including Sentara Healthcare (Martha Jefferson Hospital) and Piedmont Virginia Community College. Other large employers include Albemarle County, US Department of Defense, State Farm, and Northrup Grumman.



V. HOUSING MARKET AREA

A. Introduction

The primary market area for any new residential community is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive housing alternatives are located. In defining the primary market area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities of the local rental housing marketplace.

B. Delineation of Market Area

The primary market area defined by RPRG to evaluate the proposed Southwood Apartments rental community is depicted in Map 4. The 2010 Census tracts comprising the primary market area are listed on the edge of the map. The primary market area will be referred to as the Southwood Market Area for the remainder of this report.

RPRG focused on areas within the city of Charlottesville and immediate surrounding areas of Albemarle County within which the proposed rental units at Southwood would compete for residents. These are the neighborhoods that contain the existing and future rental communities that would serve as closest competition the proposed project. The Southwood Market Area includes all of the City of Charlottesville and surrounding portions of Albemarle County northwest, north, northeast, and south of the city (the location of all tax credit properties and some of the newer suburban apartment communities). The character of land use changes dramatically to the south and is thus excluded from the market area. Most of this area is undeveloped or agricultural with scattered residential outposts; census tracts are oversized reflecting the much lower population density.

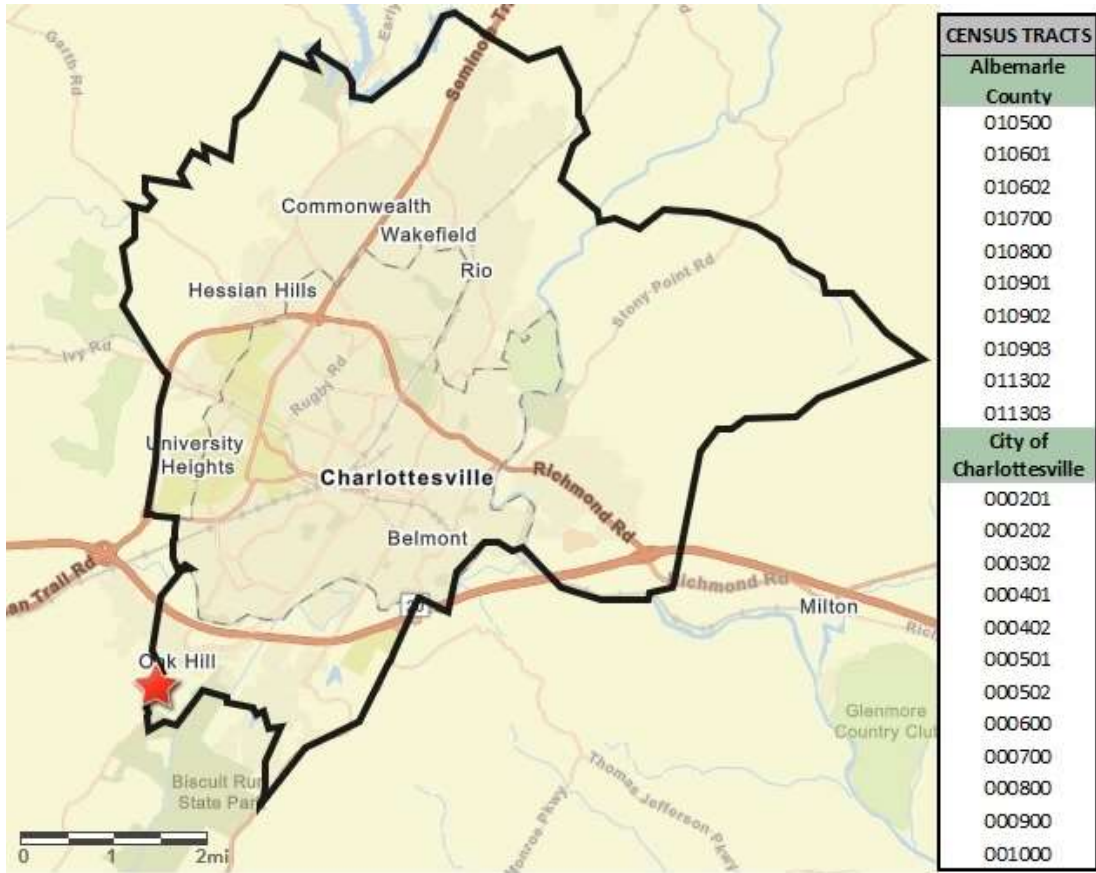
The boundaries of the Southwood Market Area and their approximate distances from the subject site are as follows: The following are the (rough) market area boundaries:

- **North:** South Fork Rivanna River Reservoir, Polo Grounds Road to Eastham to Sugarloaf Mountain (6.8 miles).
- **East:** Sugarloaf Mountain to Trevilian Mountain to Rivanna River; Scottsville (7.8 miles).
- **South:** Reynovia Drive (2.6 miles).
- **West:** Sunset Avenue Extension; Route 250; Old Garth Road to South Fork Rivanna River Reservoir (2.2 miles).

As appropriate for this analysis, the market area is compared and contrasted to the Charlottesville MSA area as a whole. The Charlottesville MSA (Metropolitan Statistical Area) is defined by the US Census as the core city of Charlottesville and the five surrounding counties of Albemarle, Buckingham, Fluvanna, Greene, and Nelson. This can be considered a secondary market area for the subject and will also be referred to as the region in this report.



Map 4 Southwood Market Area





VI. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Southwood Market Area and Greater Charlottesville Region using various U.S. Census Bureau data sources including the 2010 and 2020 Censuses of Population and Housing and the American Community Survey (ACS) for 2016 to 2020. For small area estimates, we examined projections of population and households prepared by Esri, a national data vendor. Building permit trends collected from the HUD State of the Cities Data Systems (SOCDS) database were also considered.

All demographic data is based on historic Census data. Local area projections for Albemarle, Greene, and Orange Counties are provided by the Weldon Cooper Center for Public Service at the University of Virginia and rely on the 2020 US Census, similar to Esri. As such, we have elected to use Esri's estimate of population and households as of 2022 and then trended the 2010-2020 Census growth rate to project growth over the next five years as this is a more accurate reflection of ongoing growth and development trends in the market area.

B. Trends in Population and Households

Strong household growth trends over the past 12 years are projected to moderately accelerate over the next five years as more housing options become available in the city and surrounding suburban areas.

1. Recent Past Trends

At the time of the 2010 Census, 83,209 persons and 32,949 households resided in the Southwood Market Area (Table 12). Based on the 2020 Census, Esri estimates that the population of the Southwood Market Area increased to 94,700 persons by 2022, reflecting a 13.8 percent increase since 2010 (1.2 percent annual increase). The primary market area's 2010 household base increased by 17.2 percent to 38,631 households (1.4 percent annual increase over) over the past 12 years, an annual increase of 474 households a year.

Between 2010 and 2022, the Charlottesville MSA grew by 23,019 persons and 10,822 households (annual growth of 0.9 and 1.1 percent, respectively). As of 2022, 241,724 persons and 95,347 households resided in the Charlottesville MSA.

2. Projected Trends

Based on trended census data, the Southwood Market Area will continue to experience healthy net population increases - at an average rate of 1.2 percent, or 1,109 persons per year - over the next five years growing to 100,243 people by 2027. The primary market area's household base will expand by 557 households (1.4 percent) per year through 2027 growing to 41,418 households. The MSA's annual population and household respective growth rates are projected at 0.9 and 1.1 percent over this period.



Table 12 Population and Household Trends, 2000 to 2027

		Charlottesville MSA				Southwood Market Area				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2010	218,705					83,209				
2022	241,724	23,019	10.5%	1,918	0.9%	94,700	11,491	13.8%	958	1.2%
2027	252,346	10,622	4.4%	2,124	0.9%	100,243	5,543	5.9%	1,109	1.2%
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2010	84,525					32,949				
2022	95,347	10,822	12.8%	902	1.1%	38,631	5,682	17.2%	474	1.4%
2027	100,407	5,060	5.3%	1,012	1.1%	41,418	2,787	7.2%	557	1.4%

Source: 2010 Census; 2020 Census; Esri; and Real Property Research Group, Inc.

3. Building Permit Trends.

Starting in 2010, the trend line for permit activity in the MSA remained fairly steady over the eight year period from 2010 to 2017 averaging 1,105 permits (a range from 873 permits in 2009 to 1,276 permits in 2017 (Table 13). Over the next four years the level of permit activity ratcheted upward averaging 1,568 permits, a 42 percent increase compared to the preceding eight year average. Permit activity ranged from 1,424 permits in 2019 to 1,722 permits in 2020. The most recent year of data, 2022, recorded 1,511 permits. Multifamily building permits accounted for roughly 31 percent of all permits issued in the Charlottesville MSA over the 12-year period.

Table 13 Building Permits for New Residential Units, Albemarle County

Charlottesville MSA						Total Housing Units Permitted 2010 - 2021
Year	Single - Unit	Two Units	3-4 Units	5+ Units	Ann. Total	
2010	638	16	0	482	1,136	
2011	649	10	0	379	1,038	
2012	616	10	4	615	1,245	
2013	703	24	0	325	1,052	
2014	706	18	0	149	873	
2015	757	14	0	218	989	
2016	886	8	0	340	1,234	
2017	963	0	0	313	1,276	
2018	1,028	18	0	569	1,615	
2019	1,045	6	3	370	1,424	
2020	1,117	18	0	587	1,722	
2021	1,083	18	0	410	1,511	
2010-2021	10,191	160	7	4,757	15,115	
Ann. Avg.	849	13	1	396	1,260	

Source: U.S. Census Bureau, C-40 Building Permit Reports.

C. Demographic Characteristics

1. Age Distribution and Household Type

The median age in the Southwood Market Area is 30, eight years younger than the median age of residents living throughout the Charlottesville MSA (38 years) (Table 14). Young adults, age 20 to 34 years, comprise a higher percentage of the primary market area’s population than that of the Charlottesville MSA population – one-third versus 22.5 percent – reflecting the presence of the

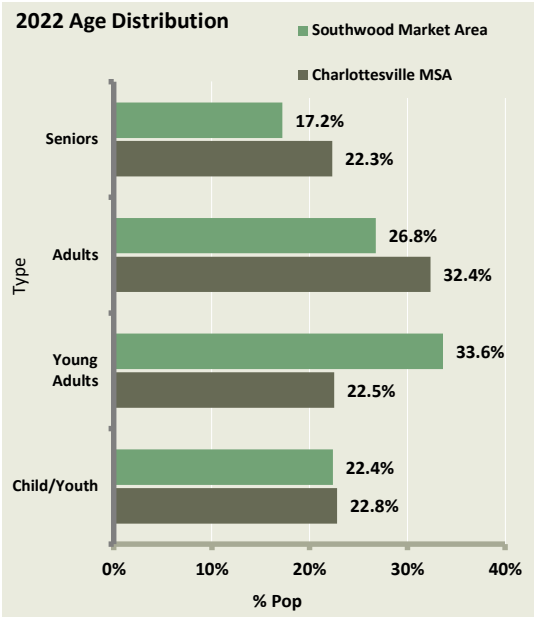


University of Virginia campus within the market area. Adults ages 35 to 61 account for roughly one out of four persons (27.0 percent) of the market area population but represent one-third (32.4 percent) of all persons in the MSA. Senior citizens 62 years and older account for 17 percent of the primary market area’s population, a lower proportion than in the Charlottesville MSA (22 percent). Children and youth under age 20 comprise roughly the same proportion of the population in both areas at 22 to 23 percent.

Table 14 2022 Age Distribution

2022 Age Distribution	Charlottesville MSA		Southwood Market Area	
	#	%	#	%
Children/Youth	55,167	22.8%	21,180	22.4%
Under 5 years	12,004	5.0%	4,541	4.8%
5-9 years	12,659	5.2%	4,164	4.4%
10-14 years	13,599	5.6%	4,096	4.3%
15-19 years	16,905	7.0%	8,379	8.8%
Young Adults	54,397	22.5%	31,853	33.6%
20-24 years	22,363	9.3%	15,633	16.5%
25-34 years	32,034	13.3%	16,220	17.1%
Adults	78,225	32.4%	25,352	26.8%
35-44 years	29,093	12.0%	11,038	11.7%
45-54 years	27,315	11.3%	8,271	8.7%
55-61 years	21,817	9.0%	6,043	6.4%
Seniors	53,935	22.3%	16,315	17.2%
62-64 years	9,350	3.9%	2,590	2.7%
65-74 years	25,754	10.7%	7,053	7.4%
75-84 years	13,448	5.6%	4,142	4.4%
85 and older	5,383	2.2%	2,530	2.7%
TOTAL	241,724	100%	94,700	100%
Median Age	38		30	

Source: Esri; RPRG, Inc.



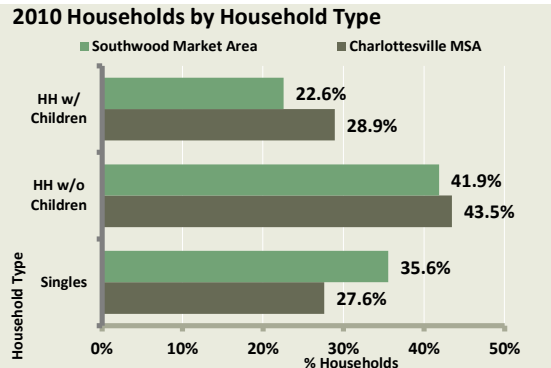
According to the 2010 Census, individuals living alone – a category that typically includes many young adults and seniors – accounted for 35.6 percent of the households in the Southwood Market Area but only 27.6 percent of the households throughout the Charlottesville MSA (Table 15). In the primary market area, 17.8 percent of households fell into the ‘non-family without children’ category, a designation that typically includes roommate living arrangements and unmarried couples. The percentage of households with children in the Southwood Market Area (22.6 percent) is lower than the percentage of households with children throughout the Charlottesville MSA (28.9 percent). Married households without children account for 18.8 of all households in the primary market area compared to a significantly higher proportion (28.2 percent) in the Charlottesville MSA. The impact of the massive University of Virginia undergraduate and graduate campus located three miles to the north is reflected in these numbers.



Table 15 2010 Households by Household Type

2010 Households by Household Type	Charlottesville MSA		Southwood Market Area	
	#	%	#	%
Married w/Children	16,702	19.8%	4,351	13.2%
Other w/ Children	7,751	9.2%	3,086	9.4%
Households w/ Children	24,453	28.9%	7,437	22.6%
Married w/o Children	23,817	28.2%	6,202	18.8%
Other Family w/o Children	4,629	5.5%	1,716	5.2%
Non-Family w/o Children	8,286	9.8%	5,878	17.8%
Households w/o Children	36,732	43.5%	13,796	41.9%
Singles	23,340	27.6%	11,716	35.6%
Total	84,525	100%	32,949	100%

Source: 2010 Census; RPRG, Inc.



2. Renter Household Characteristics

The number of renter households in the Southwood Market Area increased from 19,025 in 2010 to 22,268 in 2022 for a net increase of 3,243 renter households or 17.0 percent¹ (Table 16). By comparison, the number of owner households in the market area increased by 17.5 percent during the same period, from 13,924 to 16,268. The Southwood Market Area renter percentage of 57.6 percent in 2022 is significantly greater than the MSA’s 34.6 percent rentership rate. The market area’s annual average growth by tenure over the past 12 years was 270 renter households (1.3 percent) and 203 owner households (1.4 percent). The last column of Table 16 (blue shaded) quantifies the market area’s net growth by tenure over the past 12 years; renter households contributed 57.1 percent of net household growth over this period. Renter households contributed a lesser share of net household growth in the MSA at 35.8 percent of net household growth over the past 12 years. The MSA’s renter and owner households increased at average annual rates of 1.0 percent.

Table 16 Households by Tenure, 2010-2022

Charlottesville MSA	2010		2022		Change 2010-2022				% of Change 2010 - 2022
					Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	
Owner Occupied	55,414	65.6%	62,362	65.4%	6,948	12.5%	579	1.0%	64.2%
Renter Occupied	29,111	34.4%	32,985	34.6%	3,874	13.3%	323	1.0%	35.8%
Total Occupied	84,525	100%	95,347	100%	10,822	12.8%	902	1.0%	100%
Total Vacant	11,853		12,253						
TOTAL UNITS	96,378		107,600						

Southwood Market Area	2010		2022		Change 2010-2022				% of Change 2010 - 2022
					Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	
Owner Occupied	13,924	42.3%	16,363	42.4%	2,439	17.5%	203	1.4%	42.9%
Renter Occupied	19,025	57.7%	22,268	57.6%	3,243	17.0%	270	1.3%	57.1%
Total Occupied	32,949	100%	38,631	100%	5,682	17.2%	474	1.3%	100%
Total Vacant	3,007		3,113						
TOTAL UNITS	35,956		41,744						

Source: U.S. Census of Population and Housing, 2010, 2020; Esri, RPRG, Inc.

¹ Based on change from 2010 to 2020 Census counts and Esri’s 2022 Estimate



3. Projected Trends

Esri projects market area renter growth in to slow over the next five years despite an increase in overall household growth, a significant departure from past census trends and Esri’s previous estimates/projections. Esri’s methodology has been producing significant deviations from recent past trends that are inconsistent with verified construction and lease-up up activity in many markets across the United States, including the Southwood Market Area.

As detailed in Table 17, Esri projects renter households to increase by 182 households over the next five years or annual growth of roughly 36 renter households. This decrease in renter household growth is not supported by historical trends and current development activity ; the market area added an average of 270 renter household year over the past 12 years.

Based on our research including an analysis of demographic and multi-family trends, RPRG projects renter households will continue to contribute roughly 57.1 percent of net household growth over the next five years that matches renter share of household growth over the past 12 years.

Table 17 Households by Tenure, 2022-2027

Southwood Market Area	2022		2027 Esri HH by Tenure		Esri Change by Tenure		Annual Change by Tenure	
	#	%	#	%	#	%	#	%
Housing Units								
Owner Occupied	16,363	42.4%	16,932	43.0%	569	75.8%	114	0.7%
Renter Occupied	22,268	57.6%	22,450	57.0%	182	24.2%	36	0.2%
Total Occupied	38,631	100%	39,382	100%	751	100%	150	0.4%
Total Vacant	3,113		3,981					
TOTAL UNITS	41,744		43,363					

Southwood Market Area	2022		2027 RPRG HH by Tenure		RPRG Change by Tenure		Annual Change by Tenure	
	#	%	#	%	#	%	#	%
Housing Units								
Owner Occupied	16,363	42.4%	17,559	42.4%	1,196	42.9%	239	1.5%
Renter Occupied	22,268	57.6%	23,859	57.6%	1,591	57.1%	318	1.4%
Total Occupied	38,631	100%	41,418	100%	2,787	100%	557	1.4%
Total Vacant	3,113		3,981					
TOTAL UNITS	41,744		45,399					

Source: Esri, RPRG, Inc.

4. Renter Household Characteristics

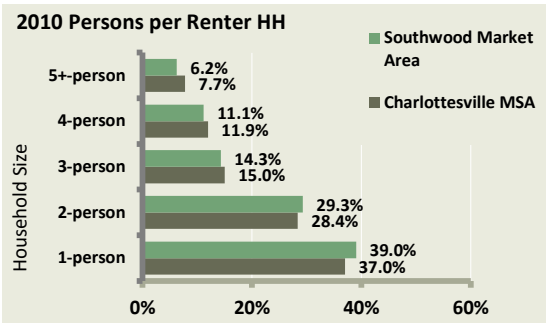
One- person households accounted for two-fifths (39.0 percent) of the renter households in the Southwood Market Area while one- and two-person households combined accounted for nearly seven out of ten renters (68.3 percent) as of the 2010 Census (Table 18). Renter households with three to four members accounted for one-quarter (25.4 percent) of all renter households in the market area while those with five or more members represented 6.2 percent. The composition of renter households was similar in the Charlottesville MSA although skewing slightly larger, as would be expected given the more urban setting of the market area.



Table 18 Renter Households by Household Size

Renter Occupied	Charlottesville MSA		Southwood Market Area	
	#	%	#	%
1-person hhld	10,772	37.0%	7,423	39.0%
2-person hhld	8,255	28.4%	5,573	29.3%
3-person hhld	4,364	15.0%	2,723	14.3%
4-person hhld	3,475	11.9%	2,120	11.1%
5+-person hhld	2,245	7.7%	1,186	6.2%
TOTAL	29,111	100%	19,025	100%

Source: 2010 Census

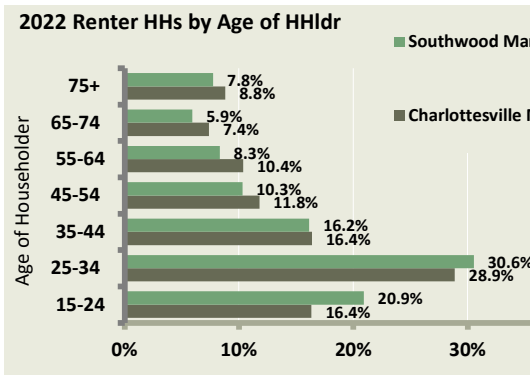


The Southwood Market Area has a higher proportion of younger renters than does the Charlottesville MSA as a whole (Table 19). Over one-half (51.5 percent) of primary market area renters as of 2021 are estimated to be below the age of 35 while 45.2 percent are represented throughout the Charlottesville MSA. Households between the ages of 35 and 54 account for 26.5 percent of all renter households within the market area and 28.2 percent of renters throughout the Charlottesville MSA. These are the households who are most likely to be permanent renters, renting more out of necessity than lifestyle preference. Older households age 55+ represent 22.0 percent of all renters within the market area and 26.6 percent MSA-wide.

Table 19 Renter Households by Age of Householder

Renter Households	Charlottesville MSA		Southwood Market Area	
Age of HHldr	#	%	#	%
15-24 years	5,395	16.4%	4,663	20.9%
25-34 years	9,529	28.9%	6,805	30.6%
35-44 years	5,405	16.4%	3,598	16.2%
45-54 years	3,889	11.8%	2,298	10.3%
55-64 years	3,424	10.4%	1,857	8.3%
65-74 years	2,437	7.4%	1,320	5.9%
75+ years	2,906	8.8%	1,727	7.8%
Total	32,985	100%	22,268	100%

Source: Esri, Real Property Research Group, Inc.



D. Income Characteristics

Esri estimates the median annual household income in the Southwood Market Area at \$76,796, 7.3 percent lower than the Charlottesville MSA’s overall median household income of \$82,869 (Table 20). Seventeen percent of primary market area households have annual incomes below \$25,000 while a comparable proportion (17 percent) have incomes between \$25,000 and \$49,999. The highest income households, i.e., those with incomes over \$100,000 account for 38 percent of households and the remaining 28 percent have incomes between \$50,000 and \$99,999.



Table 20 2022 Household Income

Estimated 2022 Household Income		Charlottesville MSA		Southwood Market Area	
		#	%	#	%
less than	\$15,000	6,825	7.2%	3,863	10.0%
	\$15,000 - \$24,999	5,930	6.2%	2,499	6.5%
	\$25,000 - \$34,999	5,508	5.8%	2,389	6.2%
	\$35,000 - \$49,999	9,990	10.5%	4,166	10.8%
	\$50,000 - \$74,999	15,204	15.9%	6,047	15.7%
	\$75,000 - \$99,999	13,393	14.0%	4,882	12.6%
	\$100,000 - \$149,999	16,294	17.1%	6,256	16.2%
	\$150,000 Over	22,202	23.3%	8,528	22.1%
Total		95,347	100%	38,631	100%
Median Income		\$82,869		\$76,796	

Source: Esri; Real Property Research Group, Inc.

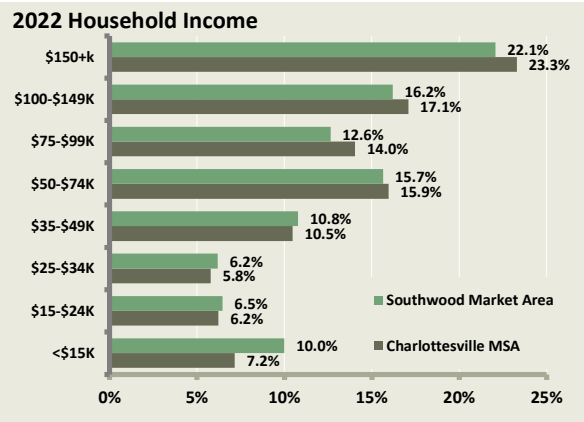
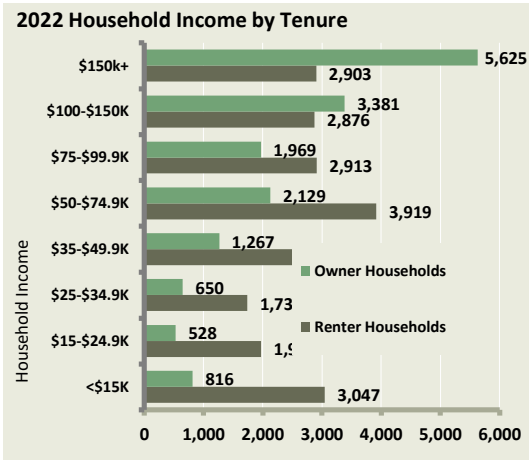


Table 21 presents distributions of 2022 household incomes for renter and homeowner households in the Southwood Market Area. Based on income estimate data from the 2016-2020 ACS, Esri income projections, and RPRG’s household estimates, the median annual income among the primary market area’s renter households as of 2021 is lower but still substantial at \$59,423. The median income of homeowner households in the Southwood Market Area – \$112,183 – is nearly double the median renter income. Twenty-three percent of the primary market area’s renters have annual incomes below \$25,000. Twenty-one percent earn between \$25,000 and \$49,999 while the remaining 57 percent have incomes more than \$50,000, of which 26 percent earn \$100,000 or greater.

Table 21 2021 Household Income by Tenure

Estimated 2022 HH Income		Renter Households		Owner Households	
		#	%	#	%
Southwood Market Area					
less than	\$15,000	3,047	13.7%	816	5.0%
	\$15,000 - \$24,999	1,971	8.9%	528	3.2%
	\$25,000 - \$34,999	1,739	7.8%	650	4.0%
	\$35,000 - \$49,999	2,899	13.0%	1,267	7.7%
	\$50,000 - \$74,999	3,919	17.6%	2,129	13.0%
	\$75,000 - \$99,999	2,913	13.1%	1,969	12.0%
	\$100,000 - \$149,999	2,876	12.9%	3,381	20.7%
	\$150,000 over	2,903	13.0%	5,625	34.4%
Total		22,268	100%	16,363	100%
Median Income		\$59,423		\$112,183	

Source: American Community Survey 2016-2020 Estimates, Esri, RPRG



E. Cost-Burdened Renter Households

‘Rent Burden’ is defined as the ratio of a household’s gross monthly housing costs – rent paid to landlords plus utility costs – to that household’s monthly income. VH requires that household rent burdens under the LIHTC program be no higher than 35 percent.

Rent burden data from the 2016-2020 ACS highlights that lower-income renter households in the Southwood Market Area tend to pay a very high percentage of their monthly income toward



housing costs (Table 22). Thirty-seven percent of all renter households residing in the Southwood Market Area have rent burdens of 40 percent or higher. The cost-burdened situation of many low-to moderate-income renter households is a primary indicator of a need for new affordable income- and rent-restricted rental housing in the primary market area. Additionally, 2.3 percent of the rental housing stock within the market area can be considered substandard, i.e., lacking complete plumbing facilities, or overcrowded with more than 1.0 occupants per room.

Table 22 Rent Burden by Household Income, 2020-2020, Southwood Market Area

Rent Cost Burden		
Total Households	#	%
Less than 10.0 percent	857	4.0%
10.0 to 14.9 percent	1,917	8.9%
15.0 to 19.9 percent	3,022	14.0%
20.0 to 24.9 percent	2,047	9.5%
25.0 to 29.9 percent	1,722	8.0%
30.0 to 34.9 percent	1,754	8.1%
35.0 to 39.9 percent	1,542	7.1%
40.0 to 49.9 percent	1,973	9.1%
50.0 percent or more	5,473	25.3%
Not computed	1,321	6.1%
Total	21,628	100%
>40% income on rent	7,446	36.7%

Source: American Community Survey 2016-2020

Substandardness	
Total Households	
Owner occupied:	
Complete plumbing facilities:	14,983
1.00 or less occupants per room	14,866
1.01 or more occupants per room	117
Lacking complete plumbing facilities:	0
Overcrowded or lacking plumbing	117
Renter occupied:	
Complete plumbing facilities:	21,588
1.00 or less occupants per room	21,127
1.01 or more occupants per room	461
Lacking complete plumbing facilities:	40
Overcrowded or lacking plumbing	501
Substandard Housing	618
% Total Stock Substandard	1.7%
% Rental Stock Substandard	2.3%



VII. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the Southwood Market Area. We provide data regarding structure types, structure age, and home values from the 2016-2020 American Community Survey (ACS). We pursued several avenues of research to identify multifamily projects that are in the planning stages or under construction in the market area. RPRG communicated with the planning departments of the City of Charlottesville and Albemarle County. We reviewed local development and real estate websites and spoke to local developers and management agents. We also reviewed the Virginia Housing (VH) website. We surveyed rental communities in December 2022.

B. Overview of Market Area Housing Stock

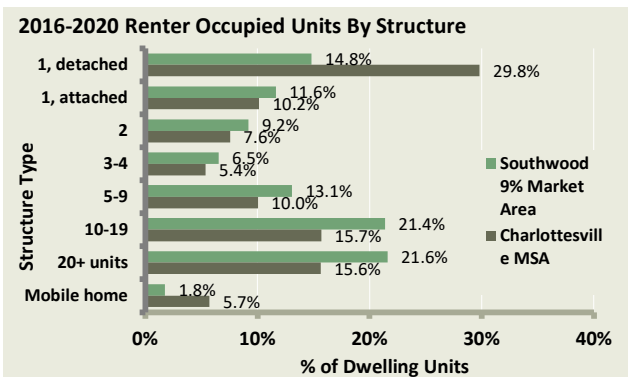
1. Housing Stock Characteristics

As recorded in the 2016-2020 ACS, 36 percent of the renter-occupied housing stock of the Southwood Market Area was found in single family rentals structures – detached homes, attached townhouses or duplexes (Table 23). Larger multifamily structures of at least 10 units accounted for a greater proportion (43 percent) of all rentals; mid-sized rental structures containing 3 to 9 units accounting for 20 percent of rentals. Throughout the Charlottesville MSA, more renter-occupied units were in single-family structures (48 percent) and fewer were in large multifamily structures (31 percent) while 15 percent of rental units were in smaller multifamily buildings. The MSA also recorded a significant presence of mobile homes at 5.7 percent compared to just 1.8 percent in the market area.

Table 23 Rental Dwelling Units by Structure Type

Structure Type	Renter Occupied			
	Charlottesville MSA		Southwood 9% Market Area	
	#	%	#	%
1, detached	9,640	29.8%	3,209	14.8%
1, attached	3,282	10.2%	2,517	11.6%
2	2,444	7.6%	1,990	9.2%
3-4	1,737	5.4%	1,412	6.5%
5-9	3,247	10.0%	2,829	13.1%
10-19	5,072	15.7%	4,620	21.4%
20+ units	5,057	15.6%	4,672	21.6%
Mobile home	1,849	5.7%	379	1.8%
TOTAL	32,328	100%	21,628	100%

Source: American Community Survey 2016-2020



The housing stock of the Southwood Market Area as determined during the 2016-2020 ACS was comparable in age to the region (Table 24). The median rental unit in the Southwood Market Area and the Charlottesville MSA were both constructed in 1985. Twenty-six percent of the primary market area’s rental units were constructed since 2000 while an additional 34 percent were constructed between 1980 and 2000. The MSA’s distribution for housing built since 2000 was slightly smaller than the market area at 24 percent but the share of housing constructed between 1980 and 2000 was somewhat larger at 35 percent.

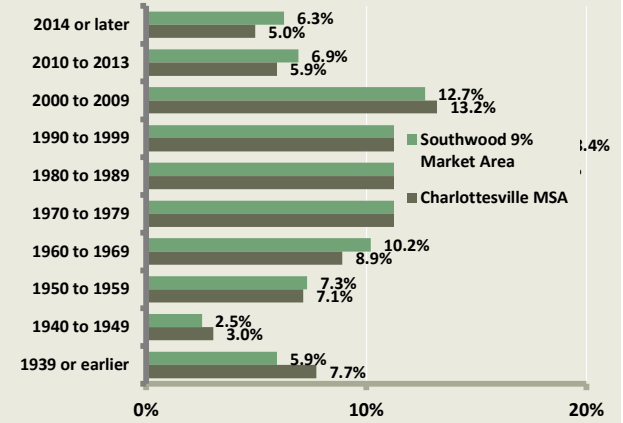


Table 24 Rental Dwelling Units by Year Built

Year Built	Renter Occupied			
	Charlottesville MSA		Southwood 9% Market Area	
	#	%	#	%
2014 or later	1,604	5.0%	1,353	6.3%
2010 to 2013	1,921	5.9%	1,493	6.9%
2000 to 2009	4,275	13.2%	2,740	12.7%
1990 to 1999	5,955	18.4%	3,656	16.9%
1980 to 1989	5,425	16.8%	3,701	17.1%
1970 to 1979	4,497	13.9%	3,066	14.2%
1960 to 1969	2,884	8.9%	2,206	10.2%
1950 to 1959	2,305	7.1%	1,581	7.3%
1940 to 1949	985	3.0%	549	2.5%
1939 or earlier	2,501	7.7%	1,283	5.9%
TOTAL	32,352	100%	21,628	100%
MEDIAN YEAR BUILT	1985		1985	

Source: American Community Survey 2016-2020

2015-2019 Rental Units by Year Built



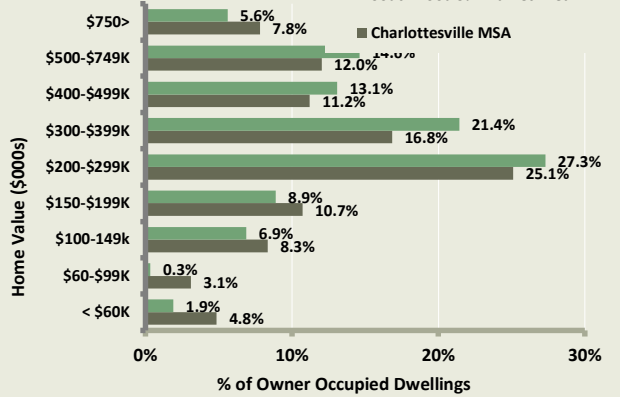
According to 2016 to 2020 ACS data, the median value among owner-occupied housing units in the Southwood Market Area was \$322,033 (Table 25). The median homeownership unit in the Charlottesville MSA as a whole was lower 10.4 percent lower at \$291,581. Affordable homeownership opportunities in the Southwood Market Area are limited, as an estimated 322 units (2.2 percent) are valued at less than \$100,000.

Table 25 Value of Owner Occupied Housing Stock

2016-2020 Home Value	Charlottesville MSA		Southwood 9% Market Area	
	#	%	#	%
less than \$60,000	2,843	4.8%	283	1.9%
\$60,000 - \$99,999	1,815	3.1%	49	0.3%
\$100,000 - \$149,999	4,896	8.3%	1,030	6.9%
\$150,000 - \$199,999	6,285	10.7%	1,331	8.9%
\$200,000 - \$299,999	14,724	25.1%	4,091	27.3%
\$300,000 - \$399,999	9,876	16.8%	3,211	21.4%
\$400,000 - \$499,999	6,575	11.2%	1,961	13.1%
\$500,000 - \$749,999	7,052	12.0%	2,187	14.6%
\$750,000 over	4,581	7.8%	840	5.6%
Total	58,647	100%	14,983	100%
Median Value	\$291,581		\$322,033	

Source: American Community Survey 2016-2020

2016-2020 Home Value





C. Survey of General Occupancy Rental Communities

1. Introduction

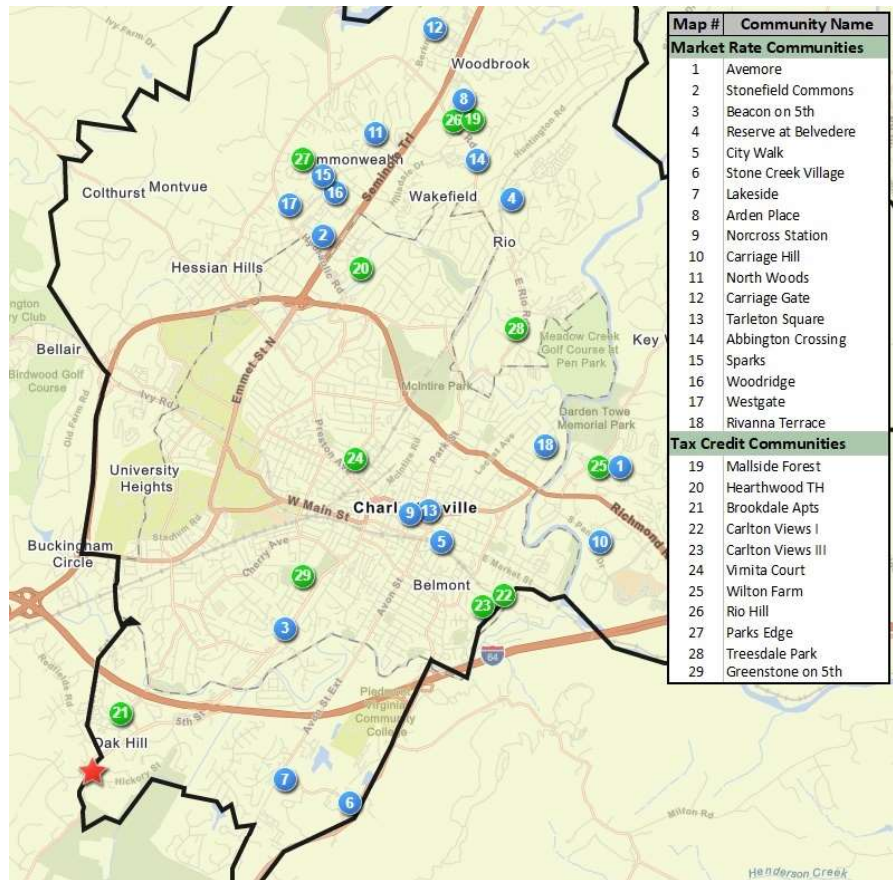
To gauge the status of the rental market within which the proposed subject would compete, RPRG surveyed 29 general occupancy rental communities in the Southwood Market Area in February 2021. Eighteen properties offer strictly conventional market rate units and 11 communities are LIHTC properties. We have divided the rental communities into two categories for ease of comparison: Market Rate and Tax Credit.

The detailed competitive survey excludes those properties that rent primarily to students (by bedroom rather than unit) as well as age-restricted senior rental properties. A separate discussion of rental communities with project-based rental subsidies will be presented later in this section. Profile sheets with detailed information on each surveyed general occupancy community, including photographs, are attached as Appendix 2.

2. Location

Map 5 shows the locations of the 29 surveyed competitive communities in relation to the subject site. Five market rate rental properties and five tax credit properties are located in the City of Charlottesville portion of the market area. Eleven market rate properties and five tax credit properties are located in the northern Albemarle County portion of the market area. Two market rate properties and one tax credit property are located in the southern part of the market area (south of Interstate 64) similar to the subject. Overall, the rental communities are clustered near downtown Charlottesville; along the U.S. Route 29 corridor to the north of the downtown; further north along Rio Road near the Fashion Square Mall; or to the east in the Pantops area.

Map 5 Competitive Rental Communities, Southwood Market Area





3. Age of Communities

The surveyed stock of market rate general occupancy rental communities has an average year built of 1996, translating to an average structure age of 26 years (Table 26). The average age of the tax credit rental communities is slightly older at 27 years (average year built of 1995). Eleven properties have undergone significant renovation, including five tax credit communities, and likely others have done so as well although this information was not reported. Nine properties have opened since 2010 including five market rate properties and four tax credit properties.

Table 26 Rental Communities Summary, Southwood Market Area

Map #	Community	Year Built	Year Rehab	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Avg 3BR Rent (1)	Incentives
Market Rate Communities											
1	Avemore	2005		Gar/TH	280	5	1.8%	\$1,948	\$2,487	\$2,689	LRO; None
2	Stonefield Commons	2013		MRise	251	7	2.8%	\$2,055	\$2,339	\$2,753	Daily pricing; None
3	Beacon on 5th	2017		Gar/TH	241	8	3.3%	\$2,014	\$2,308	\$2,533	None
4	Reserve at Belvedere	2012		Gar/TH	294	0	0.0%	\$1,745	\$2,216	\$2,490	None
5	City Walk	2014		MRise	301	0	0.0%	\$1,735	\$2,068		None
6	Stone Creek Village	2003	2020	Gar	264	5	1.9%	\$1,676	\$1,986	\$2,224	None
7	Lakeside	1997		Gar	348	3	0.9%	\$1,575	\$1,948	\$2,150	None
8	Arden Place	2011		Gar	212	9	4.2%	\$1,620	\$1,888	\$2,173	None
9	Norcross Station	2004		MRise	88	0	0.0%	\$1,612	\$1,826		None
10	Carriage Hill	2000		Gar	142	1	0.7%	\$1,675	\$1,800	\$2,015	None
11	North Woods	1975	2001	Gar/TH	310	6	1.9%	\$1,543	\$1,676	\$1,900	None; Daily pricing
12	Carriage Gate	2004		Gar	40	0	0.0%		\$1,595	\$1,940	None
13	Tarleton Square	1967	2020	MRise	54	0	0.0%	\$1,357	\$1,529		None
14	Abbingdon Crossing	1979	2017	Gar/TH	468	23	4.9%	\$1,294	\$1,506	\$1,990	None
15	Sparks	1978	2017	Gar	425	5	1.2%	\$1,228	\$1,442	\$1,640	Daily Pricing; 1 mo free
16	Woodridge	1993		Gar	60	0	0.0%		\$1,436		None
17	Westgate	1971	2008	Gar/TH	284	4	1.4%	\$1,255	\$1,401	\$1,544	None
18	Rivanna Terrace	1989		Gar	48	0	0.0%		\$1,000		None
Market Rate Total					4,110	76	1.8%				
Market Rate Average		1996	2014		228			\$1,622	\$1,803	\$2,157	
Tax Credit Communities											
19	Mallside Forest*	1998		Gar	160	0	0.0%	\$1,038	\$1,364	\$1,569	None
20	Hearthwood Apts & THs*	1975	2021	Gar/TH	200	4	2.0%	\$1,025	\$1,350	\$1,550	None
21	Brookdale *	2019		Gar	96	0	0.0%		\$1,292	\$1,460	None
22	Carlton Views I*	2017		MRise	54	3	5.6%	\$1,078	\$1,259	\$1,635	None
23	Carlton Views III*	2021		MRise	48	2	4.2%	\$1,019	\$1,158		None
24	Virnit Court*	1960	2006	Gar	16	0	0.0%	\$885	\$1,044		None
25	Wilton Farm*	1992	2013	Gar	144	0	0.0%		\$1,040	\$1,376	None
26	Rio Hill*	1996		Gar	139	0	0.0%		\$1,025	\$1,170	None
27	Parks Edge*	1977	2003	Gar	96	0	0.0%	\$824	\$983	\$1,129	None
28	Treesdale Park*	2012		Gar	72	0	0.0%		\$975	\$1,120	None
29	Greenstone on 5th*	1978	2013	Gar	202	0	0.0%	\$680	\$780	\$860	None
Tax Credit Total					1,227	9	0.7%				
Tax Credit Average		1995	2011		112			\$936	\$1,115	\$1,319	
Total Average		1996	2013		5,337	85	1.6%	\$1,404	\$1,542	\$1,814	

(1) Rent is contract rent, and not adjusted for utilities or incentives

(*) LIHTC

Source: Phone Survey, RPRG, Inc. December 2022

4. Structure Type

Walk-up garden-style buildings are the most common structure type, accounting for 16 properties (one of these properties, Monticello Vista, is only one story). Generally, these communities have either two- or three-story buildings. Seven other properties have a mix of both garden and townhouse units. Six properties are elevator-served mid-rise buildings and one property, Norcross Station, has one elevator building and two garden-style buildings. Nine of the tax credit properties offer garden style buildings; eight exclusively.



5. Size of Communities

The 29 surveyed rental communities offer 5,337 market rate and tax credit units, with an overall average size of 184 units per community. The average size among the market rate rental communities is 228 units, twice the size of the tax credit communities averaging 112 units. Five of the market rate communities are smaller than 100 units; one community (Carriage Hill) falls within the 100 to 199 unit range; seven communities are in the 200 unit range, and the remaining five communities are in the 300 to 400 unit range. Six of the tax credit communities are smaller than 100 units; three are in the 100 to 199 unit range; and the remaining two communities are sized at 200 and 202 units.

6. Vacancy Rates

The overall stabilized vacancy rate for the 29 surveyed communities is low at 1.6 percent. The vacancy rate of the market rate communities is slightly higher at 1.8 percent while the tax credit average vacancy rate is lower at 0.7 percent. Only three of the tax credit communities have vacancies ranging from two to four units.

7. Rent Concessions

Indicative of a tight market, there are virtually no rental concessions in the market area. One market rate community, Sparks, is offering one month free on all units. Four communities use daily pricing to set rents.

8. Absorption History

We have recent lease-up history on four Affordable/Tax Credit properties:

- The 54 unit **Carlton Views** opened in January 2017 and was fully leased as of the beginning of May, reflecting an absorption pace of roughly 13 - 14 units per month. However, the demand for these apartments was very strong and the lease up pace reflects when the applications could be processed rather than market interest. Prior to opening, this community had an interest list of several hundred households.
- The 44 unit **Carlton Views II**, an age restricted community, started preleasing in November 2020 and was fully leased by March 5, 2020, an absorption pace of 11 units per month (included for background information since senior communities are not included in this market study).
- The 48 unit **Carlton Views III** opened in 2021 and was fully leased within two months of opening. The vacancy rate is currently zero with a waiting list. The absorption rate is difficult to ascertain since many tenants were derived from the waiting list for Carlton Views I that opened in 2017.
- The first building of the 96 unit **Brookdale Apartments** opened in September 2019; all units were leased by the time the second building was completed in June 2020. Assuming a steady lease-up pace, this translates to a monthly absorption of 9 to 10 units; however, it is likely that preleasing had been slowed by the staggered introduction of move-in ready units.

D. Analysis of Rental Products and Pricing

1. Payment of Utility Costs

Within the market rate communities, the utility structure is varied. Seven properties include no utilities; eight include trash removal and three include water, sewer and trash (Table 27). Among



the tax credit communities, six communities include water, sewer and trash; four include only trash; and Carlton Views III includes no utilities.

Table 27 Utility Arrangement and Unit Features, Southwood Market Area Communities

Community	Heat Source	Utilities Included in Rent						Dish-washer	Micro-wave	Appliances	Count-ers	In Unit Laundry
		Heat	Hot Water	Cooking	Electric	Water	Trash					
Market Rate Communities												
Avemore	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	N/A	SS	Gran	STD - Full
Stonefield Commons	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	SS	Gran	STD - Full
Beacon on 5th	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	SS	Gran	STD - Full
Reserve at Belvedere	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	SS	Gran	STD - Full
City Walk	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	SS	Gran	STD - Full
Stone Creek Village	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	SS	Lam	STD - Full
Lakeside	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	N/A	Blk	Lam	STD - Full
Arden Place	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	Blk	Gran	STD - Full
Norcross Station	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	Blk	Lam	STD - Stack
Carriage Hill	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	N/A	SS	Lam	STD - Full
North Woods		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	SS	Lam	Select
Carriage Gate	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Wht	Lam	STD - Full
Tarleton Square	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	Select	Blk	Lam	Select
Abbington Crossing	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	Select	SS	Lam	STD - Full
Sparks		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	N/A	Blk	Quartz	Select
Woodridge	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Wht	Lam	STD - Stack
Westgate	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	Blk	Lam	Select
Rivanna Terrace	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	N/A	Wht	Lam	N/A
Tax Credit Communities												
Mallside Forest		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	N/A	Wht	Lam	Sel Units
Hearthwood Apts & THs	Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Select	N/A	Wht	Lam	Hook Ups
Brookdale Apts	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Blk	Lam	STD - Full
Carlton Views I	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Blk	Gran	Hook Ups
Carlton Views III		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	Blk	Gran	STD - Full
Virnita Court	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Wht	Lam	Hook Ups
Wilton Farm	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	N/A	Wht	Lam	Hook Ups
Rio Hill		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	N/A	Wht	Lam	STD - Full
Parks Edge	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	N/A	Wht	Lam	STD - Full
Treesdale Park	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	N/A	Blk	Lam	STD - Full
Greenstone on 5th	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	N/A	Wht	Lam	N/A

Source: Phone Survey, RPRG, Inc. December 2022

2. Parking

All surveyed rental communities except for City Walk incorporate on-site surface parking at no charge to residents; City Walk offers structured garage parking at no cost (Table 28). Six market rate communities offer detached garages for monthly fees ranging from \$150 to \$250 per month. Among the market rate group, five properties (Stonefield Commons, Reserve at Belvedere, Avemore, Beacon on 5th, and Arden Place) provide surface parking, attached garages in select models, and detached garages. Carriage Hill and Carriage Gate provide surface parking and detached garages; Stone Creek Village offers surface and underground parking at no cost. Twenty communities offer only surface parking including all LIHTC communities.



Table 28 Parking Options

Community	Parking Options	Community	Parking Options
Market Rate Communities		Tax Credit Communities	
Avemore	Surf; Det Gar \$150; Att Gar	Brookdale Apts*	Surface
Reserve at Belvedere	Surf; Det Gar \$175; Att Gar	Mallside Forest*	Surface
Beacon on 5th	Surf; Det Gar \$250; Att Gar	Hearthwood TH*	Surface
City Walk	Structured Garage	Virnit Court*	Surface
Carriage Hill	Surf; Det Gar \$175; Att Gar	Parks Edge*	Surface
Stonefield Commons	Surf; Det Gar \$150; Att Gar	Rio Hill*	Surface
Stone Creek Village	Surf; Undergr Gar	Wilton Farm*	Surface
Norcross Station	Surface	Treesdale Park*	Surface
Lakeside	Surface	Monticello Vista*	Surface
North Woods	Surface	Greenstone on 5th*	Surface
Arden Place	Surf; Det Gar \$175; Att Gar	Carlton Views I*	Surface
Abbingon Crossing	Surface		
Tarleton Square	Surface		
Granite Park	Surface		
Westgate	Surface		
Carriage Gate	Surf; Det Gar \$150		
Woodridge	Surface		
Rivanna Terrace	Surface		

(*) Tax Credit Community
 Source: Phone Survey, RPRG, Inc. December 2022

3. Unit Finishes and Features

All unit kitchens at the market rate rental communities are equipped with stoves/ranges, refrigerators, and dishwashers. Eleven communities offer microwaves in all units; 13 communities provide in unit washer-dryers; and three communities provide in unit washer-dryers in select units. The newer market rate communities (Reserve at Belvedere, City Walk, Beacon on 5th, Stonefield Commons) have the highest level of finishes, typically including units with granite countertops, stainless steel appliances, laminate wood (or similar) flooring.

The level of finish among the older market rate and tax credit rental supply is more basic, generally including laminated countertop and white appliances. Brookdale Apartments, the newest community, offers black appliances (microwaves and dishwashers), laminate counters, in unit washer-dryers, and solariums in all units. Carlton Views III, another recent tax credit rental community, provides granite countertops, black appliances (side-by-side refrigerators, microwaves, dishwashers), faux-wood floors, upgraded lighting, and small built-in bookshelves. Except for Hearthwood Townhomes which provides dishwashers in select units, all other tax credit communities provide dishwashers in all models. Four affordable properties offer microwaves. Five tax credit communities provide in unit washer-dryers in all units; one provides washer-dryers in select units; four provides washer-dryer connections; and Greenstone on 5th offers no in unit laundry facilities.

4. Community Amenities

As shown in Table 29, the larger market rate rental communities (150 units or greater) in the Southwood Market Area provide a full slate of amenities that includes a clubhouse, resident lounge, fitness facility, and pool. Most also provide a playground and business center. Other selected amenities include grilling/picnic area, dog park, tennis courts, and sports courts. Three of the smaller, older market rate communities provide no amenities (other than a playground).



Mallside Forest, the largest LIHTC community at 160 units, provide a full slate of amenities including pool, fitness room, community room and playground. Some of the other larger LIHTC communities, such as Brookdale, Rio Hill, and Treesdale Park, provide selected amenities such as a community room, pool and fitness room. Six communities offer a playground. Generally, the smaller communities offer limited, if any, amenities.

Table 29 Community Amenities, Southwood Market Area Rental Communities

Community	Clubhouse	Fitness Room	Outdoor Pool	Hot Tub	Playground	Tennis	Business Center
Market Rate Communities							
Avemore	✗	✗	✗	☐	✗	☐	✗
Stonefield Commons	✗	✗	✗	☐	☐	☐	✗
Beacon on 5th	✗	✗	✗	☐	☐	☐	✗
Reserve at Belvedere	✗	✗	✗	✗	✗	✗	✗
City Walk	✗	✗	✗	☐	☐	☐	✗
Stone Creek Village	✗	✗	✗	☐	✗	☐	✗
Lakeside	✗	✗	✗	✗	✗	✗	✗
Arden Place	✗	✗	✗	☐	✗	☐	☐
Norcross Station	☐	☐	☐	☐	☐	☐	☐
Carriage Hill	✗	✗	✗	✗	✗	✗	✗
North Woods	✗	✗	✗	☐	✗	☐	✗
Carriage Gate	☐	☐	☐	☐	✗	☐	☐
Tarleton Square	☐	☐	☐	☐	☐	☐	☐
Abbingdon Crossing	✗	✗	✗	☐	✗	☐	✗
Sparks	✗	✗	✗	☐	✗	☐	✗
Woodridge	☐	☐	☐	☐	✗	☐	☐
Westgate	✗	✗	✗	☐	☐	☐	☐
Rivanna Terrace	☐	☐	☐	☐	☐	☐	☐
Tax Credit Communities							
Mallside Forest	✗	✗	✗	☐	✗	☐	☐
Hearthwood Apts & THs	☐	☐	✗	☐	✗	☐	☐
Brookdale Apts	✗	✗	☐	☐	✗	☐	☐
Carlton Views I	☐	☐	☐	☐	☐	☐	☐
Carlton Views III	☐	☐	☐	☐	☐	☐	☐
Virnita Court	☐	☐	☐	☐	☐	☐	☐
Wilton Farm	☐	☐	☐	☐	☐	✗	☐
Rio Hill	☐	☐	✗	☐	✗	☐	☐
Parks Edge	☐	☐	☐	☐	✗	☐	☐
Treesdale Park	☐	✗	☐	☐	☐	☐	☐
Greenstone on 5th	☐	☐	☐	☐	☐	☐	☐

Source: Phone Survey, RPRG, Inc. December 2022

5. Unit Distribution

Table 30 presents details on the unit distribution of those properties within our competitive survey. The unit distribution is known for all surveyed communities. Among market rate communities, two bedroom units are dominant with a 54 percent share followed by one bedroom units with a 35 percent share (including 1.5 percent den units). Three bedroom units only comprise 12 percent of units (including 1.3 percent den units); 57 studios are found in three communities comprising one percent of units (not shown).

Among tax credit units, there is a greater concentration of three bedroom units and a lesser presence of one bedroom units. Two bedroom units comprise 52 percent of all models followed by three bedroom units with a 29 percent share. One bedrooms comprise 16 percent of tax credit models.



Table 30 Unit Distribution, Size and Pricing, Southwood Market Area Communities

Community	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
		Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Subject -30% (9% AMI)	7	1	\$489	635	\$0.77	5	\$582	862	\$0.68	1	\$667	1,216	\$0.55
Subject -50% (9% AMI)	20	3	\$883	635	\$1.39	16	\$1,054	862	\$1.22	1	\$1,212	1,216	\$1.00
Subject -50% PBV (9% AMI)	8	2	\$1,129	635	\$1.78	6	\$1,336	862	\$1.55				
Subject -60% (9% AMI)	16	1	\$1,079	634	\$1.70	15	\$1,290	863	\$1.49				
Subject -60% (4% AMI)	51	13	\$1,079	668	\$1.62	38	\$1,290	879	\$1.47				
Subject -80% (9% AMI)	19	4	\$1,473	635	\$2.32	14	\$1,762	862	\$2.04	1	\$2,030	1,216	\$1.67
Total	121	24				94				3			
Avemore	280	90	\$1,988	865	\$2.30	122	\$2,527	1,413	\$1.79	28	\$2,774	1,567	\$1.77
Stonefield Commons	251	115	\$2,105	775	\$2.72	104	\$2,389	1,095	\$2.18	32	\$2,803	1,352	\$2.07
Beacon on 5th	241	123	\$2,064	812	\$2.54	87	\$2,358	1,169	\$2.02	31	\$2,583	1,618	\$1.60
Reserve at Belvedere	294	89	\$1,785	868	\$2.06	161	\$2,256	1,196	\$1.89	44	\$2,455	1,390	\$1.77
City Walk	301	175	\$1,775	779	\$2.28	126	\$2,108	1,135	\$1.86				
Stone Creek Village	264	126	\$1,716	947	\$1.81	66	\$2,026	1,256	\$1.61	72	\$2,349	1,500	\$1.57
Lakeside	348	116	\$1,615	754	\$2.14	174	\$1,988	1,040	\$1.91	58	\$2,190	1,220	\$1.80
Arden Place	212	76	\$1,670	913	\$1.83	112	\$1,938	1,169	\$1.66	10	\$2,223	1,421	\$1.56
Norcross Station	88	53	\$1,662	870	\$1.91	35	\$1,876	1,069	\$1.75				
Carriage Hill	142	36	\$1,715	893	\$1.92	70	\$1,840	1,339	\$1.37	36	\$2,055	1,627	\$1.26
North Woods	310	32	\$1,593	750	\$2.12	246	\$1,726	1,027	\$1.68	32	\$1,950	1,100	\$1.77
Carriage Gate	40					24	\$1,615	1,170	\$1.38	16	\$1,955	1,330	\$1.47
Abbingtton Crossing	468	84	\$1,344	748	\$1.80	344	\$1,556	939	\$1.66	40	\$2,040	1,155	\$1.77
Tarleton Square	54	22	\$1,382	780	\$1.77	29	\$1,549	1,004	\$1.54				
Woodridge	60					60	\$1,476	1,200	\$1.23				
Sparks	425	124	\$1,253	725	\$1.73	253	\$1,462	803	\$1.82	48	\$1,655	1,163	\$1.42
Westgate	284	123	\$1,305	641	\$2.04	153	\$1,451	940	\$1.54	8	\$1,594	1,155	\$1.38
Rivanna Terrace	48					48	\$1,040	735	\$1.41				
Market Rate Total/Average	4,110		\$1,665	808	\$2.06		\$1,843	1,094	\$1.68		\$2,202	1,354	\$1.63
Market Rate Unit Distribution	4,110	1,384				2,214				455			
Market Rate % of Total	100.0%	33.7%				53.9%				11.1%			
Carlton Views III 60%*	23	21	\$1,229	618	\$1.99	2	\$1,466	954	\$1.54				
Carlton Views I 60%*	40	26	\$1,219	687	\$1.77	10	\$1,456	960	\$1.52	4	\$1,675	1,203	\$1.39
Mallside Forest 60%*	160	32	\$1,063	690	\$1.54	68	\$1,384	932	\$1.48	60	\$1,584	1,190	\$1.33
Hearthwood Apts & THs 60%*	200	39	\$1,050	687	\$1.53	100	\$1,370	987	\$1.39	20	\$1,565	1,187	\$1.32
Brookdale Apts 60%*	96					48	\$1,332	1,070	\$1.24	48	\$1,500	1,189	\$1.26
Virnitia Court 60%*	4					4	\$1,138	690	\$1.65				
Parks Edge 50%*	86	17	\$947	822	\$1.15	52	\$1,121	938	\$1.20	17	\$1,280	1,128	\$1.13
Wilton Farm 60%*	144					88	\$1,060	882	\$1.20	56	\$1,394	1,071	\$1.30
Carlton Views III 50%*	17	15	\$953	626	\$1.52	2	\$1,058	934	\$1.13				
Virnitia Court 50%*	10	4	\$943	615	\$1.53	6	\$1,048	690	\$1.52				
Rio Hill 50%*	29					22	\$1,045	1,100	\$0.95	7	\$1,185	1,300	\$0.91
Rio Hill 60%*	110					81	\$1,045	1,100	\$0.95	29	\$1,185	1,300	\$0.91
Treesdale Park 50%*	72					48	\$1,015	1,082	\$0.94	24	\$1,160	1,263	\$0.92
Carlton Views III 40%*	8	7	\$836	638	\$1.31	1	\$994	923	\$1.08				
Carlton Views I 40%*	14	9	\$826	687	\$1.20	5	\$984	960	\$1.03				
Virnitia Court 40%*	2	2	\$890	615	\$1.45								
Parks Edge 40%*	10	2	\$750	822	\$0.91	6	\$885	938	\$0.94	2	\$1,008	1,128	\$0.89
Greenstone on 5th 50%*	202	21	\$705	600	\$1.18	97	\$800	780	\$1.03	84	\$875	900	\$0.97
Tax Credit Total/Average	1,227		\$951	676	\$1.41		\$1,129	936	\$1.21		\$1,310	1,169	\$1.12
Tax Credit Unit Distribution	1,227	195				640				351			
Tax Credit % of Total	100.0%	15.9%				52.2%				28.6%			
Total/Average Unit Distribution	5,337		\$1,347	749	\$1.80		\$1,497	1,018	\$1.47		\$1,793	1,269	\$1.41
% of Total	100.0%	29.6%				53.5%				15.1%			

(1) Rent is adjusted to include internet, trash, and incentives
 Source: Phone Survey, RPRG, Inc. December 2022

Notes: Three communities in Market Rate group contain studios (1.0 % of units) and one community in Tax Credit group (3.3 % of units) contain studios.

(*) LIHTC

In Market Rate group, four properties offer one bedroom den models (1.5 % of units) and three properties offer two bedroom den models (1.3% of units).

6. Unit Size

The average unit sizes for the surveyed market rate units are 808 square feet for the one-bedroom units; 1,094 square feet for two-bedroom units; and 1,354 square feet for three-bedroom units.



The tax credit models are smaller across the board compared to the market rate units with an average of 676 square feet for the one-bedroom units; 936 square feet for the two-bedroom units; and 1,169 square feet for the three-bedroom units.

7. Unit Pricing

The rents listed in Table 30 are net or effective rents, as opposed to published or street rents. We calculated effective rents to facilitate an ‘apples to apples’ comparison of tenants’ housing costs across the surveyed communities. To derive effective rents, we first applied downward adjustments to relevant published rents for units impacted by current rental incentives. Second, the effective rents reflect upward or downward adjustments to published rents to equalize the impact of utility expenses across properties. Specifically, the effective rents reflect the hypothetical situation where tenants of each community are responsible for utility bills other than those for trash and WiFi (the practice at the subject). For all LIHTC communities, rents target a range of households earning at or below 40, 50, and 60 percent AMI. Virnita Court also offers a limited number of market rate one and two bedroom units that appear to approximate 60 percent AMI rent levels.

- The average market rate one bedroom unit has a net effective rent of \$1,665 for 808 square feet (\$2.06 per square foot). One-bedroom rents range from \$1,253 to \$2,105. The market leaders are Stonefield Commons and Beacon on 5th. The average tax credit one bedroom unit has a net effective rent of \$951 for 676 square feet (\$1.41 per square foot). One-bedroom tax credit rents range from \$705 to \$1,229.
- The average market rate two-bedroom effective rent is \$1,843 for 1,094 square feet, or an average rent per square foot of \$1.68. Two-bedroom rents range from \$1,040 to \$2,527. The market leader is Avemore. The average tax credit two bedroom unit has a net effective rent of \$1,129 for 936 square feet (\$1.21 per square foot). Two-bedroom tax credit rents range from \$800 to \$1,446.
- The average market rate three-bedroom unit has a net effective rent of \$2,202 for 1,354 square feet (\$1.63 per square foot). Three bedroom rents range from \$1,594 to \$2,774. The market leaders are Avemore and Stonefield Commons. The average tax credit three bedroom unit has a net effective rent of \$1,310 for 1,169 square feet (\$1.12 per square foot). Three bedroom tax credit rents range from \$875 to \$1,675.

E. Subsidized Rental Communities

In addition to Southwood, three other Affordable/Tax Credit properties have some units with project-based rental assistance. These properties are commonly referred to as “deep” subsidy rental housing. Deep subsidy units include those where rental assistance is provided in the form of project-based Section 8 rent subsidies or other governmental programs, such as in public housing. In many subsidized arrangements, tenants pay an amount roughly equivalent to 30 percent of their income toward housing costs (rents plus utility costs), while the rent subsidy covers the remainder of the relevant housing costs.

Within the Southwood Market Area, we have identified 653 units of subsidized rental housing that consists of 272 units within privately owned communities and 381 public housing units operated by the Charlottesville Redevelopment and Housing Authority (CRHA) (Table 31). In addition, several units at Carlton Views Phase I have portable Section 8 vouchers. All properties have extensive waiting lists. Three of the properties operated by CHRA are larger conventional multifamily communities – Crescent Halls (age-restricted/ disabilities), South First Street, and Westhaven (Map 6). Both Crescent Halls and South First Street have been awarded VH tax credits in recent rounds for rehabilitation (Crescent Halls) and demolition/ new construction (South First Street). Crescent Halls will be converting to a general occupancy community. Phase I of South First



Street will be completed in March 2023. The Crossings on 4th Street, opened in 2012, offers 60 single person studios of which half are targeted to the homeless. The remaining public housing units are located in four smaller properties containing from 16 to 25 units. The bulk of the properties are located in the central part of Charlottesville; Treesdale is located north of the Route 250 Bypass.

The Albemarle County Housing Office monitors Section 8 Housing Choice Vouchers for the city of Charlottesville and five county region consisting of Albemarle, Greene, Louisa, Nelson, and Fluvanna Counties (individual jurisdictions are not broken out). There are a total of over 400 names on the tenant based housing voucher waiting list and over 1,000 names on the project based housing voucher waiting list. The Section 8 waiting list is closed, the Public Housing waiting list is open.

Table 31 Subsidized & Public Housing, Southwood Market Area

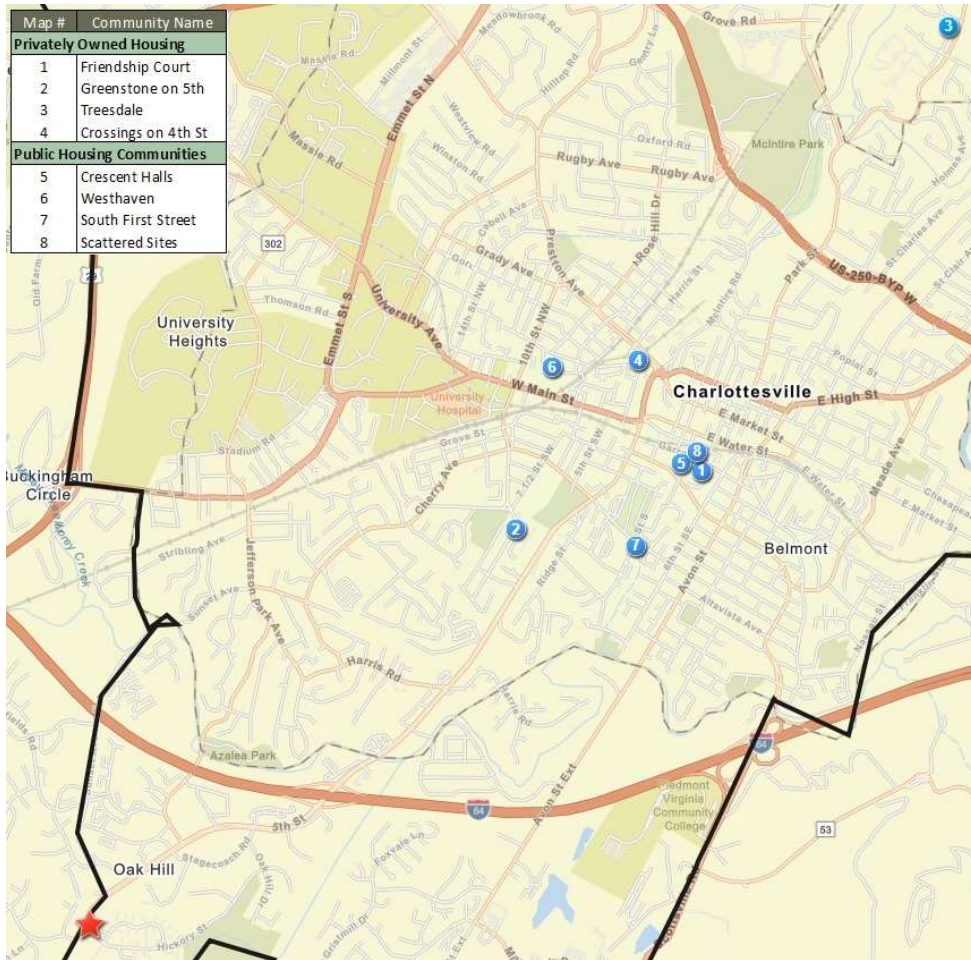
Map #	Community Name	Address	Total Units	Units w/ Subsidies	Type	Tax Credit	Waiting List
Privately Owned Housing							
1	Friendship Court	418 Garrett Street	150	150	HUD Sect 8	Yes	2BR-32 hhlds 3BR-58 hhlds 4BR-39 hhlds
2	Greenstone on 5th	746 Prospect Avenue	202	40	HUD Sect 8	Yes	Yes - but hhld count not available
3	Treesdale	1720 Treesdale Way	88	22	HUD Sect 8	Yes	70+/- hhlds
4	Crossings on 4th Street	401 4th Street, NW	60	60	Sect 8	Yes	405 hhlds
Subtotal			500	272			
Public Housing Communities							
5	Crescent Halls (Senior)*	500 1st Street South	105	105	Public Housing	No	753 hhlds
6	Westhaven	801-836 Hardy Drive	126	126	Public Housing	No	Centralized wait list - one year plus; Wait list is open
7	South First Street**	900 1st Street South	58	58	Public Housing	No	
8	Scattered Sites	Various locations	92	92	Public Housing	No	
Subtotal			381	381			
TOTAL				653			

* Awarded TC's in 2021 to rehab units; converted to general occupancy

**Awarded TC's in 2020, 2021, and 2022 to demolish existing units and replace with 175 new construction units
Source: Field Survey by Real Property Research Group, Inc., December 2022



Map 6 Subsidized & Public Housing Communities



F. Derivation of Market Rent

RPRG has prepared a Derivation of Market Rent to better understand how the proposed contract tax credit rents compare to market. The purpose of this exercise is to determine whether the proposed LIHTC rents for the subject offer a value relative to market-rate rent levels within a given market area. The rent derived for bedroom type is not to be confused with an appraisal or rent comparability study (RCS) based approach, which is more specific as it compares specific models in comparable rental communities to specific floor plans at the subject and is used for income/expense analysis and valuation.

The contract rents of comparable communities can be adjusted for differences in a variety of factors including curb appeal, structure age, square footage, the handling of utilities, and shared amenities. See Table 32 for relevant adjustments. Market-rate communities are the most desirable comparables to be used in this type of analysis, as the use of market-rate communities allows RPRG to derive an estimate of market rent.

We elected to compare the units at the subject to the comparable floor plans at Lakeside, Carriage Hill and Stonefield Commons. Once a particular floor plan’s market rent has been determined, it



can be used to evaluate a) whether the subject project has a rent advantage or disadvantage versus competing communities, and b) the extent of that rent advantage or disadvantage.

Table 32 Market Rent Advantage – Adjustment Table

Rent Adjustments Summary	
A. Rent Charged	
Wi Fi	\$40.00
B. Design, Location, Condition	
Structure - Midrise vs Garden	\$50.00
Year Built / Renovated	\$0.75
Quality/Street Appeal	\$20.00
Location	\$10.00
C. Unit Equipment / Amenities	
Number of Bedrooms	\$25.00
Number of Bathrooms	\$30.00
Unit Interior Square Feet	\$0.25
Balcony / Patio / Porch	\$5.00
AC Type:	\$5.00
Range / Refrigerator	\$25.00
Microwave / Dishwasher	\$5.00
Washer / Dryer: In Unit	\$25.00
Washer / Dryer: Hook-ups	\$5.00
D. Site Equipment / Amenities	
Parking (\$ Fee)	
Learning Center	\$10.00
Clubhouse/ Community Room	\$10.00
Pool	\$10.00
Recreation Areas	\$5.00
Fitness Center	\$10.00

The derivation of achievable rent calculations are displayed in Table 33, Table 34, and Table 35. The results of the calculations are summarized in Table 36. The recommended tax credit rents are equal to the allowable maximums for all unit types, given the assumed utility allowances of \$100 for one-bedroom units, \$126 for two-bedroom units, and \$150 for three-bedroom units.

After adjustments, the estimated market rent is \$1,868 for a one-bedroom, \$2,240 for a two bedroom unit and \$2,378 for a three bedroom unit. Based on these market rents, the subject’s 30 percent units will enjoy a 72 to 74 percent rent advantage; the 50 percent units will enjoy a 49 to 53 percent rent advantage; the 60 percent units will have a 42 percent advantage. The 80 percent units will enjoy a 15 to 21 percent advantage.



Table 33 Market Rent Analysis – One Bedroom Units – 60% of AMI

One Bedroom Units - 60%							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Southwood Apartments Old Lynchburg Road and Hickory Street Charlottesville, VA 22902	Lakeside 200 Lake Club Drive Charlottesville VA		Carriage Hill 825 Beverly Drive Charlottesville VA		Stonefield Commons 3105 District Avenue Charlottesville VA		
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60% AMI	\$1,079	\$1,615	\$0	\$1,715	\$0	\$2,105	\$0
Utilities Included	T/ Wifi	T	\$40	T	\$40	None	\$50
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$1,079	\$1,655		\$1,755		\$2,155	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid-rise/ 3 & 4	Garden/ 3	\$50	Garden/2	\$50	Mid-rise/ 4	\$0
Year Built / Renovated	2023	1997	\$20	2000	\$17	2013	\$8
Quality/Street Appeal	Excellent	Above Average	\$20	Average	\$40	Excellent	\$0
Location	Above Average	Above Average	\$0	Above Average	\$0	Above Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	1	1	\$0	1	\$0	1	\$0
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0
Unit Interior Square Feet	635	754	(\$30)	893	(\$65)	775	(\$35)
Balcony / Patio / Porch	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
AC Type:	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	No / Yes	\$5	No / Yes	\$5	Yes / Yes	\$0
Washer / Dryer: In Unit	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse/ Community Roo	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		4	3	4	3	1	3
Sum of Adjustments B to D		\$95	(\$45)	\$112	(\$80)	\$8	(\$50)
F. Total Summary							
<i>Gross Total Adjustment</i>		\$140		\$192		\$58	
<i>Net Total Adjustment</i>		\$50		\$32		(\$42)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,705		\$1,787		\$2,113	
% of Effective Rent		103.0%		101.8%		98.1%	
Estimated Market Rent	\$1,868						
Rent Advantage \$	\$789						
Rent Advantage %	42.2%						



Table 34 Market Rent Analysis – Two Bedroom Units – 60% of AMI

Two Bedroom Units - 60% of AMI							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Southwood Apartments Old Lynchburg Road and Hickory Street Charlottesville, VA 22902	Lakeside		Carriage Hill		Stonefield Commons		
	200 Lake Club Drive		825 Beverly Drive		3105 District Avenue		
	Charlottesville	VA	Charlottesville	VA	Charlottesville	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60%	\$1,290	\$1,988	\$0	\$1,840	\$0	\$2,803	\$0
Utilities Included	T/ Wifi	T	\$40	T	\$40	None	\$50
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$1,290	\$2,028		\$1,880		\$2,853	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid-rise/ 3 & 4	Garden/ 3	\$50	Garden/2	\$50	Mid-rise 4	\$0
Year Built / Condition	2023	1997	\$20	2000	\$17	2013	\$8
Quality/Street Appeal	Excellent	Above Average	\$20	Average	\$40	Excellent	\$0
Location	Above Average	Above Average	\$0	Above Average	\$0	Above Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	2	2	\$0	2	\$0	2	\$0
Number of Bathrooms	2	1.5	\$15	2	\$0	1.5	\$15
Unit Interior Square Feet	868	1,040	(\$43)	1,339	(\$118)	1,352	(\$121)
Balcony / Patio / Porch	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
AC: (C)entral / (W)all / (N)on	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	No / Yes	\$5	No / Yes	\$5	Yes / Yes	\$0
Washer / Dryer: In Unit	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	\$0	\$40	\$0	\$0	\$0	\$0
Clubhouse/ Community Rooi	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		6	3	4	3	2	3
Sum of Adjustments B to D		\$150	(\$58)	\$112	(\$133)	\$23	(\$136)
F. Total Summary							
<i>Gross Total Adjustment</i>		\$208		\$245		\$159	
<i>Net Total Adjustment</i>		\$92		(\$21)		(\$113)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$2,120		\$1,859		\$2,740	
% of Effective Rent		104.5%		98.9%		96.0%	
Estimated Market Rent	\$2,240						
Rent Advantage \$	\$950						
Rent Advantage %	42.4%						



Table 35 Market Rent Analysis – Three Bedroom Units – 50% of AMI

Three Bedroom Units - 50% of AMI							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Southwood Apartments Old Lynchburg Road and Hickory Street Charlottesville, VA 22902	Lakeside		Carriage Hill		Stonefield Commons		
	200 Lake Club Drive		825 Beverly Drive		3105 District Avenue		
	Charlottesville	VA	Charlottesville	VA	Charlottesville	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 50%	\$1,212	\$2,190	\$0	\$2,055	\$0	\$2,803	\$0
Utilities Included	T/ Wifi	T	\$40	T	\$40	None	\$50
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$1,212	\$2,230		\$2,095		\$2,853	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid-rise/ 3 & 4	Garden/ 3	\$0	Garden/2	\$0	Mid-rise/ 4	\$0
Year Built / Condition	2023	1997	\$20	2000	\$17	2013	\$8
Quality/Street Appeal	Excellent	Above Average	\$20	Average	\$40	Excellent	\$0
Location	Above Average	Above Average	\$0	Above Average	\$0	Above Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	3	3	\$0	3	\$0	3	\$0
Number of Bathrooms	2	2.5	(\$15)	2	\$0	2	\$0
Unit Interior Square Feet	1,216	1,220	(\$1)	1,627	(\$103)	1,352	(\$34)
Balcony / Patio / Porch	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
AC: (C)entral / (W)all / (N)on	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	No / Yes	\$5	No / Yes	\$5	Yes / Yes	\$0
Washer / Dryer: In Unit	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	\$0	\$40	\$0	\$0	\$0	\$0
Clubhouse/ Community Roo	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		4	4	3	3	1	3
Sum of Adjustments B to D		\$85	(\$31)	\$62	(\$118)	\$8	(\$49)
F. Total Summary							
<i>Gross Total Adjustment</i>		\$116		\$180		\$57	
<i>Net Total Adjustment</i>		\$54		(\$56)		(\$41)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$2,284		\$2,039		\$2,812	
% of Effective Rent		102.4%		97.3%		98.6%	
Estimated Market Rent	\$2,378						
Rent Advantage \$	\$1,166						
Rent Advantage %	49.0%						



Table 36 Market Rent Advantage – Summary

	One Bedroom	Two Bedroom	Three Bedroom
30% AMI Units	Units	Units	Units
Subject Rent	\$489	\$582	\$667
Estimated Market Rent	\$1,868	\$2,240	\$2,378
Rent Advantage (\$)	\$1,379	\$1,658	\$1,711
Rent Advantage (%)	73.8%	74.0%	72.0%

	One Bedroom	Two Bedroom	Three Bedroom
50% AMI Units	Units	Units	Units
Subject Rent	\$883	\$1,054	\$1,212
Estimated Market Rent	\$1,868	\$2,240	\$2,378
Rent Advantage (\$)	\$985	\$1,186	\$1,166
Rent Advantage (%)	52.7%	52.9%	49.0%

	One Bedroom	Two Bedroom
60% AMI Units	Units	Units
Subject Rent	\$1,079	\$1,290
Estimated Market Rent	\$1,868	\$2,240
Rent Advantage (\$)	\$789	\$950
Rent Advantage (%)	42.2%	42.4%

	One Bedroom	Two Bedroom	Three Bedroom
80% AMI Units	Units	Units	Units
Subject Rent	\$1,473	\$1,762	\$2,030
Estimated Market Rent	\$1,868	\$2,240	\$2,378
Rent Advantage (\$)	\$395	\$478	\$348
Rent Advantage (%)	21.2%	21.3%	14.6%

G. Achievable Restricted Rents

The market rent derived above is an estimate of what a willing landlord might reasonably expect to receive, and a willing tenant might reasonably expect to pay for a unit at the subject. However, as a tax credit community, the maximum rent that a project owner can charge for a low-income unit is a gross rent based on bedroom size and applicable HUD’s median household income for the subject area. If these LIHTC maximum gross/net rents are below the market rent (adjusted downward by ten percent), then the maximum rents also function as the achievable rents for each unit type and income band. Conversely, if the adjusted market rents are below the LIHTC maximum rents, then the adjusted market rents (less ten percent) act as the achievable rents. Therefore, achievable rents are the lower of the market rent or maximum LIHTC rent.

As shown in Table 37, the maximum LIHTC rents for the 30, 50, 60, and 80 percent of AMI units are below estimated adjusted market rents. Therefore, the maximum LIHTC rents are the achievable rents for the LIHTC units. All proposed 30, 50, 60, and 80 percent LIHTC rents for the subject equal the achievable rents.



Table 37 Achievable Restricted Rents

30% AMI Units	One Bedroom	Two Bedroom	Bedroom
	Units	Units	Units
Estimated Market Rent	\$1,868	\$2,240	\$2,378
Less 10%	\$1,682	\$2,016	\$2,141
Maximum LIHTC Rent*	\$489	\$582	\$667
Achievable Rent	\$489	\$582	\$667
SUBJECT RENT	\$489	\$582	\$667

50% AMI Units	One Bedroom	Two Bedroom	Bedroom
	Units	Units	Units
Estimated Market Rent	\$1,868	\$2,240	\$2,378
Less 10%	\$1,682	\$2,016	\$2,141
Maximum LIHTC Rent*	\$883	\$1,054	\$1,212
Achievable Rent	\$883	\$1,054	\$1,212
SUBJECT RENT	\$883	\$1,054	\$1,212

60% AMI Units	One Bedroom	Two Bedroom
	Units	Units
Estimated Market Rent	\$1,868	\$2,240
Less 10%	\$1,682	\$2,016
Maximum LIHTC Rent*	\$1,079	\$1,290
Achievable Rent	\$1,079	\$1,290
SUBJECT RENT	\$1,079	\$1,290

80% AMI Units	One Bedroom	Two Bedroom	Bedroom
	Units	Units	Units
Estimated Market Rent	\$1,868	\$2,240	\$2,378
Less 10%	\$1,682	\$2,016	\$2,141
Maximum LIHTC Rent*	\$1,473	\$1,762	\$2,030
Achievable Rent	\$1,473	\$1,762	\$2,030
SUBJECT RENT	\$1,473	\$1,762	\$2,030

*Assumes utility allowances of \$100 (1BR); \$126 (2BR); \$150 (3BR)

H. Proposed and Pipeline Rental Communities

Based on our research, RPRG has identified 11 short-term market area pipeline projects totaling 1,592 units that are likely to deliver over the next three years (Table 38). Map 7 presents the location of both the short term and long term pipeline communities.

Five projects containing 775 units are currently under construction:

- The 252 unit market rate **Presidio**, being developed by Castle Development, started sitework in early 2021 with delivery in early 2023. The Presidio was approved for HUD financing in October 2020.
- The first phase of **South First Street** started sitework in early 2021. Approved by VH in 2019, the CRHA community will include 37 PBA units and 25 TC units. First tenants are moving into the two completed buildings in December 2022; the third building will be completed in March 2023.



- Construction of the 128 unit market rate community in **the Albemarle Business Campus** (15 percent of units targeted to 80 percent of AMI), located south of Interstate 64, has started with completion in late 2023/ early 2024. The developer is KBS.
- Piedmont Housing Alliance is planning the 106 units expansion of the existing 150 unit Section 8 community at **Friendship Court**. The first phase was approved in the 2021 VH tax credit round. Currently under construction the community will contain 46 PBV and 60 TC units.
- The development of the next phase of upscale apartments at **Stonefield** is progressing with another 227 units community under construction. The site is located southwest of the Hyatt Place Hotel in the Stonefield mixed use campus.

Another six projects, totaling 817 units, are in preliminary stages of financing and city or county review but are expected to be completed by end.

- The second phase of **South First Street** was approved by VH in 2020. The existing 58 PH units will be replaced by 113 new construction units (40 PH units, 39 PBV units, 34 TC units). Construction is slated to start in March 2023.
- The second phase of **Friendship Court** will be applying for tax credits in the 2023 VH round. These units will replace the existing 150 units Sect 8 MF complex. Construction will start March 2024 and contain 106 new construction units (54 PBV, 46 TC, 6 land trust).
- The first phase of **Sixth Street** was approved by VH in 2022 round. The project will replace six existing PH units with 47 new construction units (12 PBV, 35 TC). Construction will start by end of 2023
- The Piedmont Housing Alliance will be applying tax credits in the 2023 VH round for **MACAA Apartments** that will contain 76 one, two, and three bedroom units.
- The Piedmont Housing Alliance will be applying for tax credits in the 2023 VH round for **Park Street Senior Apartments** that will contain 50 age restricted one, two, and three bedroom units.
- The 328 unit upscale **Rio Point Apartments**, located north of the 250 Bypass, is expecting approval of HUD financing by spring 2023. Final site plans are being reviewed; ground is expected to be broken by 2nd of 3rd quarter 2023

Finally, five additional projects totaling 712 units are in the preliminary phase of development and thus likely will take longer to materialize, beyond the typical 3 year time frame of a net demand analysis:

- Piedmont Housing Alliance is planning to submit the third phase of **Friendship Court** for 70 units in early 2026.
- Seven Development is planning a 270 market rate community, **East High**, along the banks of the Rivanna River, southeast of E. High Street. Preliminary plans are being reviewed by the city's planning department but have been delayed due to flood plain issues.
- The development of Phase II at **Arden Place** has been placed on hold until traffic issues with Albemarle County have been resolved.
- Riverbend Development has been planning a 138 unit apartment complex, **the Belmont Apartments**, in the Belmont neighborhood for years. Plans are under review by the city.
- The 77 unit **900 River** has been delayed as the city has denied the flood plain waiver



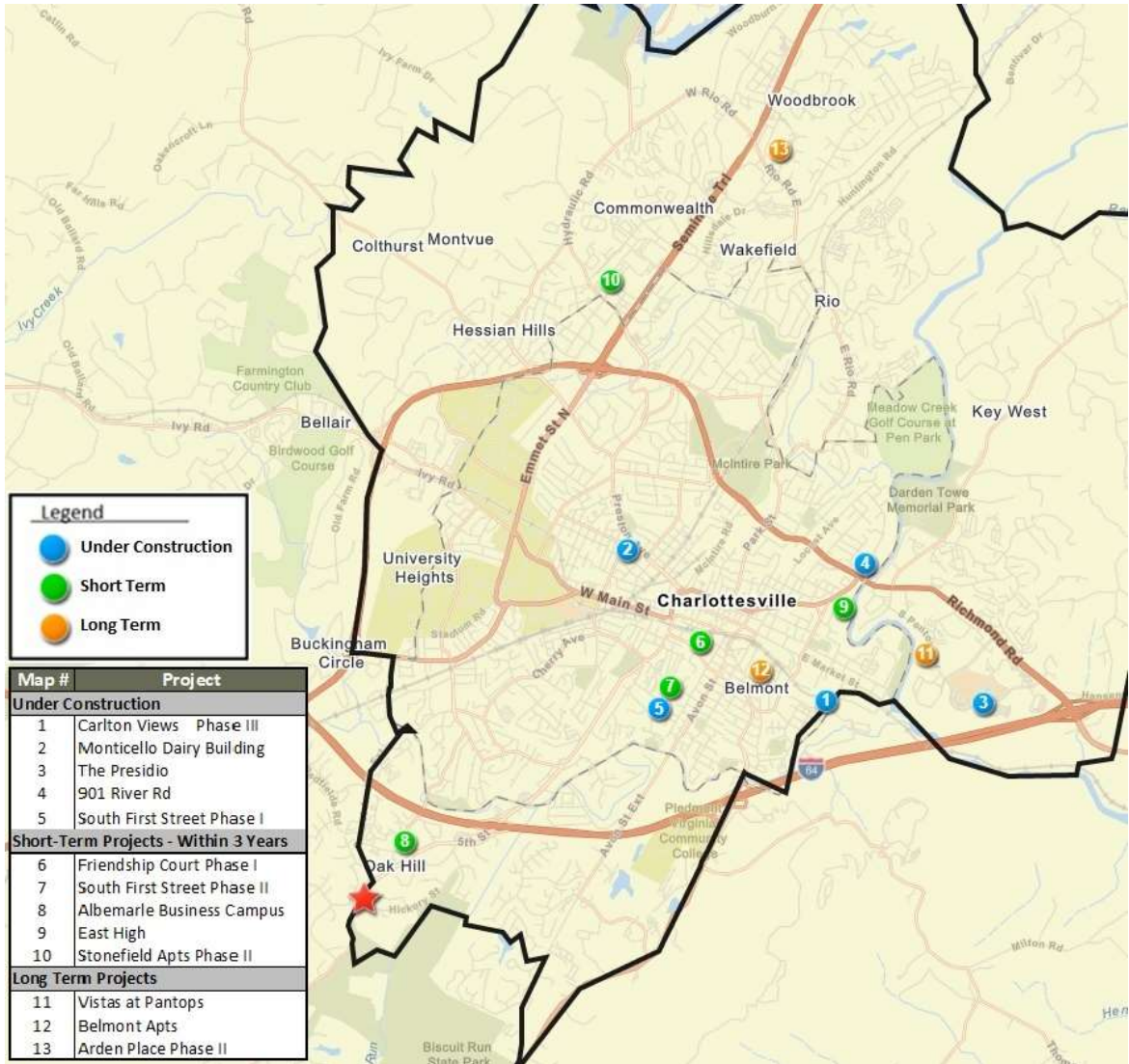
Table 38 Multifamily Pipeline Projects

Project	Address	City/ County	Developer	No. Units	Status	Delivery
Under Construction						
The Presidio	South of Peter Jefferson Drive; south of Martha Jefferson parking lot	Albemarle County	Castle Development/ Riverbend Development	252	Approved for HUD financing, closed on financing in Sept 2020. All plans approved by county; sitework started in early 2021. Completion in Spring 2023. Name being changed to Altview Apartments	Mar-23
South First Street Phase I	1000 S. 1st Street	City of Charlottesville	Charlottesville Redevelopment and Housing Authority	62	Approved by VHDA in 2019. Construction of 62 new apts and community center. Construction started early 2022. 37 units will be PBA units; 25 units will be TC units 1st units completed in 12/22; last building completed 3/23	Mar-23
Friendship Court Phase I	400 Garrett Street	City of Charlottesville	Piedmont Housing Alliance	106	Expansion of existing 150 unit Sect 8 MF complex. Approved by VH in 2021 round. Start construction early 2022. 106 total units - 46 PBV; 60 TC	late 2023
Albemarle Business Campus	NW corner of Old Lynchburg Rd & Country Green Rd	Albemarle County	KBS	128	Part of mixed use development; 15% of apts targeted 80% AMI. Also include offices, stores, and a hotel or self-storage facility. Construction start fall 2022	2023/2024
Stonefield Apts	SW corner of Bond Street and District Ave	Albemarle County	O'Connor Capital Partners	227	Under construction. Market rate one, two, and three bedrooms	Late 2023/ early 2024
Subtotal - Under Construction				775		
Short-Term Projects - Within 3 Years						
Friendship Court Phase II	400 Garrett Street	City of Charlottesville	Piedmont Housing Alliance	100	Applying for tax credits in 2023 VH round. Replace existing 150 unit Sect 8 MF complex. Start const March 2024. 106 total units - 54 PBV, 46 TC, 6 land trust	Nov-25
South First Street Phase II	900 First St South	City of Charlottesville	Charlottesville Redevelopment and Housing Authority	113	Approved by VHDA in 2020. Replacement of 58 existing PH units with 113 new TH's/ apts Construction starting in spring 2023. 40 PH units; 39 PBHV unit; 34 TC units	2024
Sixth Street Phase I	707 6th St	City of Charlottesville	Charlottesville Community Development Corp.	47	Approved by VH in 2022 round. Replacement of 6 existing PH units with 47 new units; 12 PBHV and 35 TC. Start construction by end 2023	2025
MACAA Apartments	1025 Park Street	City of Charlottesville	Piedmont Housing Alliance	76	On site of Monticello Area Community Action Center. Submitting for 4 and 9% units in Spring 2023. 1, 2, 3 BR units. Start construction 2024	2025
Park Street Senior Apts	1200 Park St	City of Charlottesville	Piedmont Housing Alliance	50	On site of Park Street Christian Church Submitting for 4 and 9% units in Spring 2023. Age restricted 55+, 1,2, 3 BR units. Start construction 2024	2025
Rio Point	Intersection of Rio Road East and John Warner Parkway	Albemarle County	Stoney Point Development Group	328	Upscale market rate community being submitted to HUD for financing; 20 % of units targeted to workforce housing. Approval by HUD expected in spring 2023. Final Site plan is being reviewed; break ground Q2 or Q3 2023	2025
Subtotal - Short Term				714		
TOTAL - Under Construction & Short-Term				1,489		
Long Term Projects						
Friendship Court Phase III	400 Garrett Street	City of Charlottesville	Piedmont Housing Alliance	70	Applying for tax credits in 2024/ 2025 VH round. Start const Jan 2026. 70 total units - 50PBV, 166 TC, 4 land trust	Sep-27
900 River	900 River Rd	Charlottesville	Seven Development	77	Site plan under review. City denied flood plain waiver.	TBD
East High	East of Rivanna River; SE of E. High St; east of Caroline Ave	City of Charlottesville	Seven Development	270	Preliminary plans being reviewed by planning dept	TBD
Belmont Apts	North of 126 Garden Street	City of Charlottesville	Riverbend Development	138	Part of Belmont neighborhood redevelopment; plans under review	TBD
Arden Place Phase II	1810 Arden Creek lane	Albemarle County	Castle Development	157	Developer has indicated that project has been put on hold due to traffic issues with the county.	TBD
Subtotal - Long Term/Speculative				712		

Source: Albemarle County & City of Charlottesville Planning Departments, VHDA website; local development websites; compiled by RPRG, December 2022



Map 7 Pipeline Communities in Southwood Market Area





VIII. FINDINGS AND CONCLUSIONS

A. Key Findings

Based on the preceding review of the subject project, its neighborhood surroundings, and demographic and competitive housing trends in the Southwood Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

The subject site is located in a pleasant suburban setting with easy access to major roads, employment nodes, and shopping, institutional, and recreational centers that represent an appropriate location for affordable housing.

- The subject is located off Old Lynchburg Road that provides direct access to Interstate 64, 5th Street Station, Downtown Charlottesville, and UVA.
- In addition to the nearby South Street Station shopping center, the Charlottesville area provides numerous opportunities for convenience and comparison retail shopping within roughly a 5 to 15 minute drive of the site.
- The site is served by public bus transportation.
- The site is part of a larger planned community offering a mix of single family, duplex, townhome and apartment homes that will offer future Southwood residents additional outdoor recreational amenities.

2. Economic Context

The city and county's economic base, buttressed by the region's sizable health, education, and defense sectors, has consistently remained strong since 2010.

- At-Place Employment gained 16,300 jobs over the past nine years, an increase of 19.6 percent. In 2020, At-Place Employment fell by nearly 8,000 jobs due to the COVID-19 restrictions but gained back one quarter of the jobs lost through first quarter 2022.
- Until the full impact of the COVID-19 downturn became evident in 2020, the unemployment rate in Charlottesville and Albemarle County has remained low, below state and national rates. After a spike in 2020, unemployment quickly trended downward to a 2.6 percent rate as of September 2022, similar to pre COVID levels.
- As of first quarter 2022, Government is the largest employment sector in the local area accounting for one third of the employment base. However, the next four largest sectors (Professional-Business, Trade-Transportation-Utilities, Leisure-Hospitality, and Education-Health) with shares ranging from 11 to 14 percent provide diversity and balance to the economic base.
- The largest employer is the University of Virginia/ UVA Medical system. Overall, three of the top ten employers are in the Education-Health sector including Sentara Healthcare (Martha Jefferson Hospital) and Piedmont Virginia Community College. Other large employers include Albemarle County, US Department of Defense, State Farm, and Northrup Grumman.

3. Demographic Analysis

Strong household growth trends over the past 12 years are projected to moderately accelerate over the next five years as more housing options become available in the city and surrounding suburban areas.



- The market area will add households at an average net rate of 1.4 percent (557 households) per year between 2022 and 2026, greater than the 1.2 percent rate (474 households) during the 2010 to 2022 period.
- The Southwood Market Area renter percentage of 57.6 percent in 2022 is significantly greater than the MSA's 34.6 percent share.
- Given the substantial pipeline of rental units and local trends, RPRG projects renter households will continue to contribute roughly 57.1 percent of net household growth over the next five years that matches renter share of household growth over the past 12 years.
- The market area is dominated by younger renter households living alone reflecting the presence of the massive University of Virginia campus three miles north of the site. One- and two-person households account for two-thirds (68.3 percent) of all renters. More than one-half (51.5 percent) of the primary market area's renters are young adults under the age of 35 although another one-quarter are renters between the ages of 35 – 54.
- The estimated 2020 median household income in the Southwood Market Area is \$76,796. The primary market area's median renter household earns \$59,423 per year. Thirty percent of the primary market area's renters have annual incomes below \$35,000; 31 percent of all renter households have an annual income between \$35,000 and \$75,000.
- Data from the 2016 to 2020 ACS indicates that nearly two out of five (37 percent) renter households pay more than 40 percent of incomes towards housing. This excludes those households who reside in subsidized rent situations because their housing expenses are capped at 30 percent of their income.

4. Competitive Housing Analysis

Based on the low vacancies reported in RPRG's survey of both the market rate and income-restricted general occupancy rental communities, the rental market in the Southwood Market Area is tight, pointing to its ability to support the proposed subject apartments.

- The current combined stabilized vacancy rate across the surveyed rental communities is 1.6 percent; the tax credit vacancy rate is lower at 0.7 percent.
- The multifamily rental housing stock has expanded dramatically in recent years; a vast majority of the new apartments targeting the highest income renter households. Since 2010, five market rate rental communities have opened containing more than 1,300 units. In contrast, only four tax credit rental communities have opened containing 270 units.
- The market rate rental communities have a varied building structure and range in size from 40 units up to 468 units. These communities typically offer residents some amenities and/or an attractive downtown location with upscale unit features. Effective rents for Upper Tier one-bedroom apartments average \$1,665 (\$2.06 per square foot); the two-bedroom market rate units average \$1,843 (\$1.68 per square foot); and the three-bedroom market rate units average \$2,202 (\$1.63 per square foot).
- Tax Credit rental units in the Southwood Market Area account for only one out of four units (23 percent) of the surveyed multifamily stock. While these properties are older, many have undergone some renovation in recent years. On average, income-restricted properties are smaller and have fewer community amenities. Effective rents for one-bedroom apartments average \$951 (\$1.41 per square foot); two-bedroom tax credit units average \$1,129 (\$1.21 per square foot); and three-bedroom tax credit units average \$1,310 (\$1.12 per square foot).
- Five rental communities are currently under construction with a total of 775 units including two tax credit properties. Within the next three years, it is anticipated that six other properties will deliver another 817 units; all but one will be tax credit.

B. Derivation of Demand

1. Net Demand Methodology

RPRG's Derivation of Demand calculation is intended to gauge whether sufficient demand from renter households would be available in the primary market area to absorb the number of units proposed for the subject plus those units proposed at other pipeline rental communities that are expected to be brought online over a coming typical three-year period. The result of this analysis can be either a positive number (which shows the extent to which available demand for rental units would exceed available supply) or a negative number (which shows the extent to which available supply would exceed the number of units needed/demanded over the period in question). The closer the concluded number is to zero, the closer the rental market would be to an effective balance of supply and demand.

The three-year period in question for this analysis is the period from December 2022 through December 2025. RPRG's Derivation of Demand calculation is a gross analysis, meaning that the calculation balances the demand for new rental housing units of all types (i.e., luxury market-rate, more affordable market-rate, tax credit, rent-subsidized, and age-restricted) versus the upcoming supply of rental housing units of all types. The Derivation of Demand calculation is an incremental or net analysis, in that it focuses on the change in demand over the period in question as opposed to focusing on the market's total demand. Considerations such as household incomes and the floor plan types and proposed rents for the subject and other pipeline projects are not factored into the Derivation of Demand; rather, we address the interplay of these factors within the Affordability Analysis and Penetration Analysis in the next section of this report.

RPRG sums demand generated from three broad sources in order to arrive at 'Net Demand for New Rental Units' over the December 2022 to December 2025 period:

- **Projected Change in the Household Base.** Earlier in this report, RPRG presented projections of household change within the primary market area over the 2010 to 2027 period. For this analysis, we factor in three years' worth of the household change suggested by the annual rate of household growth or decline (2022 to 2023, 2023 to 2024, and 2024 to 2025). Note that net household change incorporates growth or decline stemming from both household migration into and out of the market area and organic changes within existing households (i.e., new household formation as a result of children moving out of their parents' homes, divorces, roommates beginning to rent separately).
- **Need for Housing Stock Upgrades.** Demand for new housing units within a primary market area is generated when the stock of available housing units ceases to meet the housing needs of households that wish to remain residents of that primary market. In such instances, the housing stock needs to be upgraded either through the renovation of existing units or the construction of new units. That a housing unit has ceased to meet the housing needs of a market area's households becomes evident in any number of ways, including:
 - **Physical Removal or Demolition.** Clearly, if a unit is demolished or otherwise physically removed from a market, it is no longer available to serve local households. Several factors contribute to the removal of housing units. Housing units are occasionally removed from any given market through disasters such as fires and various types of weather phenomenon. While such disasters occur somewhat randomly, the decision whether to repair or demolish a unit is based on the economic value of the property. Thus, a unit being permanently lost in a disaster should be correlated with factors such as its age, structure type, and physical condition. Demolitions can also be instigated through the loss of economic value or in response to a situation where vacant land has become more valuable than the land plus its existing structure. Based on American Housing

Survey data, researchers have analyzed Components of Inventory Change (CINCH) (Table 39). CINCH data indicated that renter-occupied or vacant units were far more likely to be demolished than owner-occupied units; among renter-occupied and vacant units, single-family detached units were more likely to be demolished than multifamily units.

- **Permanent Abandonment.** Housing units can be technically removed from the stock available to serve households without being physically removed. This happens when a housing unit’s owner elects to permanently abandon the unit – due to obsolescence, overwhelming repair costs, or other factors – without going through the steps (and costs) of demolishing it. If a dilapidated unit was occupied up until the time of permanent abandonment, the former occupant represents a source of demand for other units in the area.
- **Overcrowding.** As defined by the U.S. Census Bureau, a housing unit is classified as overcrowded if the household occupying the unit has more people than the housing unit has rooms. Particularly in markets with high housing costs, lower-income individuals and families are often driven into an overcrowded housing situation. Overcrowded households constitute pent-up demand for new housing units not typically captured in household growth projections; were two affordable units to become available, an overcrowded household would very likely split into two households and generate an additional net unit of housing demand.
- **Mismatch between Household Incomes and Housing Stock Quality.** While permanent abandonment and overcrowding are two factors likely to lead to net new demand for affordable housing units, limited recent housing construction in a stable, long-established neighborhood can be an indicator of pent-up demand for new housing units serving middle- to upper-income households. Areas that exhibit this phenomenon are often downtown, inner city, or inner ring suburban locations that currently have – and have had for years – limited to no undeveloped land available for new housing construction/growth. When a neighborhood is stable in terms of overall household numbers but near the point of build-out for many years, many resident households develop a desire for a modern housing unit and the wherewithal to rent or purchase one but have no stock of modern units from which to choose. Such households are ‘under-housed’ in that the quality of the housing stock in the area where they live (and wish to remain) does not match the type of housing they demand and could afford. Such pent-up demand is rarely captured in public projections of household growth and is difficult to translate to specific calculations. However, this pent-up demand is a very real factor driving demand for new housing units in stable, established residential neighborhoods.
- **Competitive Multifamily Vacancy Rates.** The final source of demand that factors into RPRG’s calculation of demand for rental units is the observed vacancy rate in the primary market area’s competitive rental market. RPRG assumes that a 5.0 percent vacancy rate is required to keep a rental market relatively elastic. Elasticity in this context means that an adequate number of quality housing units are vacant and available at any given time so that households seeking rental units can be accommodated and can have some choice among units. When the market vacancy rate is below 5.0 percent, additional units are needed to ensure an adequate number of available units from which to choose. When the market vacancy rate is above 5.0 percent, the market has the capacity to absorb some additional demand (whereby that amount of demand would not need to be met through the development of new units).



Table 39 Components of Inventory Change (CINCH)

A. Characteristics	C. Present in 2011	D. 2011 units present in 2013	2011 Unit change ('000 Units)							TOTAL Lost to Stock	Total exclude MH	2011-13 Annual
			E. Change in characteristics	F. lost due to conversion /merger	G. house or mobile home moved out	H. changed to non residential use	I. lost through demolition or disaster	J. badly damaged or condemned	K. lost in other ways			
Total Housing Stock	132,420	130,852		98	161	202	470	212	424	1,567	1,406	703
				0.07%	0.12%	0.15%	0.35%	0.16%	0.32%	1.18%	1.06%	0.53%
Occupancy												
Occupied units	114,907	105,864	8,313	58	99	68	238	59	207	729	630	315
				0.05%	0.09%	0.06%	0.21%	0.05%	0.18%	0.63%	0.55%	0.27%
Vacant	13,381	5,123	7,642	38	50	85	175	110	158	616	566	283
				0.28%	0.37%	0.64%	1.31%	0.82%	1.18%	4.60%	4.23%	2.11%
Seasonal	4,132	2,132	1,778	2	11	49	57	43	59	221	210	105
				0.05%	0.27%	1.19%	1.38%	1.04%	1.43%	5.35%	5.08%	2.54%
Region (All Units)												
Northeast	23,978	23,718		38	0	28	55	40	99	260	260	130
				0.16%	0.00%	0.12%	0.23%	0.17%	0.41%	1.08%	1.08%	0.54%
Midwest	29,209	28,849		14	28	49	117	56	95	359	331	166
				0.05%	0.10%	0.17%	0.40%	0.19%	0.33%	1.23%	1.13%	0.57%
South	50,237	49,526		29	120	75	235	94	159	712	592	296
				0.06%	0.24%	0.15%	0.47%	0.19%	0.32%	1.42%	1.18%	0.59%
West	28,996	28,759		17	13	50	63	23	71	237	224	112
				0.06%	0.04%	0.17%	0.22%	0.08%	0.24%	0.82%	0.77%	0.39%
Owner occupied	76,092	69,324	6,418	14	83	14	116	26	97	350	267	134
				0.02%	0.11%	0.02%	0.15%	0.03%	0.13%	0.46%	0.35%	0.18%
Renter occupied	38,815	31,181	7,253	45	16	54	122	33	110	380	364	182
				0.12%	0.04%	0.14%	0.31%	0.09%	0.28%	0.98%	0.94%	0.47%
Metro Status												
In Central Cities	37,400	36,974		49	3	70	124	67	112	425	422	211
				0.13%	0.01%	0.19%	0.33%	0.18%	0.30%	1.14%	1.13%	0.56%
In Suburbs	65,872	65,311		26	57	54	169	69	186	561	504	252
				0.04%	0.09%	0.08%	0.26%	0.10%	0.28%	0.85%	0.77%	0.38%
Outside Metro Area	29,148	28,567		23	101	78	177	76	125	580	479	240
				0.08%	0.35%	0.27%	0.61%	0.26%	0.43%	1.99%	1.64%	0.82%

Source: American Housing Survey, Components of Inventory Change 2011-2013; Prepared by Ecometrica, Inc. for U.S. Department of Housing & Urban Development Office of Policy Development & Research; April 2016

In considering competitive vacancy rates, we focus on multifamily units for several reasons. One of the primary reasons is that the scattered market in single-family homes, condominiums, and other properties is extremely fluid and cannot be relied upon to consistently serve renter households, since the inventory can convert to homeownership very quickly. We leave rent-subsidized multifamily properties out of this calculation to avoid overestimating demand, as the subsidized rental market is generally fully subscribed with waiting lists.

2. Net Demand Calculation

Given today’s rapidly changing environment, we conduct a net demand analysis based on current available data and a sensitivity analysis reflecting impact of COVID-19. Table 40 applies the discussion of sources of demand for new rental units to the Southwood Market Area. The steps in our Derivation of Demand analysis for the three-year period from December 2022 to December 2025 are as follows:

- Per the household trend information discussed previously, RPRG estimates that there are 38,631 households in the Southwood Market Area as of January 2022, and we project that this number will increase to 41,418 by 2027. RPRG then derived the number of households in the market area in December 2022 to December 2025 via interpolation.



Based on this estimate and projection, RPRG computed 39,142 households reside in the market as of December 2022 and 40,814 households in December 2025. The Southwood Market Area would thus gain 1,672 net new households during the three-year study period.

Table 40 Derivation of Net Demand, Southwood Market Area

Demand			
<i>Projected Change in Household Base</i>			Units
December 2022 Households			39,142
December 2025 Households			40,814
Net Change in Households			1,672
Add: Units Removed from Housing Stock	Housing Stock	Removal Rate	Units Removed
2022 Housing Stock	41,744	0.27%	113
2023 Housing Stock	42,467	0.27%	115
2024 Housing Stock	43,193	0.27%	117
Total Units Removed from Housing Stock			344
New Housing Demand			2,016
Average Percent Renter Households over Analysis Period			57.1%
New Rental Housing Demand			1,151
Add: Multifamily Competitive Vacancy	Inventory		Vacant
Stabilized Communities	5,337		85
Communities Under Lease Up	0		0
Total Competitive Inventory			85
Market Vacancy at 5%			267
Less: Current Vacant Units			-85
Vacant Units Required to Reach 5% Market Vacancy			182
Total Demand for New Rental Units			1,333
Planned Additions to the Supply			
	Total Units	Total Units	95% Occupancy
The Presidio (U/C)		252	239
South First Street Phase I LIHTC (U/C)		62	59
Friendship Court Phase I LIHTC (U/C)		106	101
Albemarle Business Campus (U/C)		128	122
Stonefield Apts (U/C)		227	216
Friendship Court Phase II LIHTC		100	95
South First Street Phase II LIHTC		113	107
Sixth Street Phase I LIHTC		47	45
MACAA Apartments LIHTC		76	72
Park Street Senior Apts LIHTC		50	48
Rio Point		328	312
Subject Property		121	115
Total New Rental Supply		1,610	1,530
Excess Demand for Rental Housing			-197

Source: RPRG, Inc.

- Using national statistical observations from 2011-2013 CINCH data, Econometrica determined that the average annual loss of occupied housing units in the United States (for all reasons



other than the moving of homes, particularly mobile homes) was 0.27 percent of the total occupied stock.

We determined the size of the housing stock in the primary market area for 2022, 2023 and 2024 by applying the ratio of occupied to total housing units from the 2020 Census to RPRG's projected household totals. Applying the assumed 0.27 percent removal rate over the three years in question, we estimate that 344 units are likely to be lost.

- Summing the net household increases with the number of units removed from the market, we calculate the net new demand for housing units of all types over the three-year period to be 2,016 units.
- Given the substantial pipeline of rental units and local trends, RPRG projects renter households will continue to contribute roughly 57.1 percent of net household growth over the next five years that matches renter share of household growth over the past 12 years. Applying this rate to new housing demand results in demand for 1,151 new rental units over the next three years.
- RPRG survey of the stabilized general occupancy rental communities in the primary market area consists of 5,337 units. Of these, 85 units are currently vacant, yielding a 1.6 percent vacancy rate. (Conservatively, we have excluded the deep subsidy rental market since these properties typically remain fully occupied and including them may over-estimate demand for market rate properties.)

RPRG assumes a 95 percent occupancy level in calculating the third broad component of demand. Given the surveyed competitive marketplace of 5,339 units, approximately 267 vacancies would be required to arrive at a 5.0 percent vacancy rate. Subtracting the 85 total vacant units from this number reveals an unmet demand for 182 additional rental units in the Southwood Market Area.

- Summing demand from household change, projected unit removals, and the vacancy rate in the existing market, there would be total demand for 1,333 new rental units in the primary market area over the next three years.
- Net demand for new rental units must be balanced against new rental stock likely to be added to the market area's inventory over this period. In addition to the subject's proposed 121 units, there are 11 rental communities in various stages of construction/development that will add an additional 1,489 units to the rental supply over the next three years. After adjusting for 95 percent occupancy, all of these projects (including the subject) will add 1,530 units to the existing supply.

Subtracting the expected additions to the supply (1,530 units) from net demand for new rental units (1,333 units), we arrive at an oversupply of 197 units in the Southwood Market Area between December 2022 and December 2025.

3. Conclusions on Net Demand

The Net Demand calculation indicates a marketplace with a moderate overhang of supply despite a substantial pipeline of 11 projects. The 200 units of over supply represents just two months of Net Rental Housing Demand. In the past, similar supply surpluses have been easily absorbed as evidenced by the consistent low vacancy rates below two percent over the past five years. The underlying strength of the rental market is underscored by an overall low vacancy rate and even lower vacancy rate in the tax credit marketplace buttressed by strong economic and household growth. The subject is also strategically located in a portion of the market area that has been underserved by affordable apartment product.



C. Effective Demand – Affordability/Capture & Penetration Analyses

1. Methodology

In this section, we test whether sufficient income-qualified households would be available to support the specific units at the subject property and properties in the same broad segment of the rental market in terms of pricing. This analysis is conducted independently of the Net Demand Analysis as units at the subject property are likely to be filled by a combination of new households (either moving to or created in the market area) and existing households moving within the market area. The total demand – comprised of the net or incremental demand and the demand from existing households – is the relevant frame of reference for the analysis.

The Affordability/Capture Analysis tests the percentage of income-qualified households in the primary market area that the subject community must capture to achieve full occupancy. The Penetration Analysis tests the percentage of income-qualified households in the market area that the subject community and comparable competitive communities combined must capture to achieve full occupancy. The combination of the Net Demand, Affordability/Capture and Penetration Analyses determines if the primary market area can support additional rental units and if sufficient households exist in the targeted income range to support the proposed units.

The first component of the Effective Demand involves looking at total income and renter income among Southwood Market Area households for the target year. The Developer projects that units at Southwood Apartments will initially be placed in service in 2024 and, as such, 2024 is used as the target year for these analyses. RPRG calculated 2024 income distributions for total households and renter households based on Esri and Census trended household projections, income estimates from the 2016-2020 ACS, and income projections from Esri (Table 41).

Table 41 2024 Total and Renter Income Distribution, Southwood Market Area

Southwood Market Area		2024 Total Households		2024 Renter Households	
2024 Income		#	%	#	%
less than	\$15,000	3,597	9.0%	2,889	12.6%
	\$15,000 - \$24,999	2,376	6.0%	1,908	8.3%
	\$25,000 - \$34,999	2,324	5.8%	1,722	7.5%
	\$35,000 - \$49,999	4,091	10.3%	2,898	12.7%
	\$50,000 - \$74,999	5,973	15.0%	3,941	17.2%
	\$75,000 - \$99,999	5,069	12.8%	3,079	13.4%
	\$100,000 - \$149,999	6,655	16.7%	3,114	13.6%
	\$150,000 - Over	9,662	24.3%	3,354	14.6%
Total		39,746	100%	22,905	100%
Median Income		\$82,458		\$62,912	

Source: American Community Survey 2016-2020 Estimates, Esri, RPRG

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to property owners and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household’s ‘gross rent burden’. For the Affordability/Capture and Penetration Analyses, RPRG employs a 35 percent gross rent burden. The 35 percent rent burden is the rent burden mandated by VH for use in evaluating proposed general occupancy LIHTC communities. Rent burdens of 35 percent are also typically used in



underwriting multifamily rental communities in the Mid-Atlantic region, particularly communities with rents targeting low- and moderate-income households in areas with high housing costs.

All of the tax credit units at the subject will be restricted to households with incomes at 30 percent, 50 percent, 60 percent, and 80 percent of AMI although 8 units will have Section 8 vouchers so that these households could essentially have incomes ranging from \$0 to a maximum of 50 percent AMI. The household sizes assume 1.5 persons per bedroom for the one and two bedroom units.

2. Affordability Analysis

The steps in our Affordability Analysis for the Southwood Apartments at proposed rents are as follows (Table 42). We assume no minimum income for subsidized units.

- As an example, the overall shelter cost (gross rent) for a two-bedroom unit at 50 percent of AMI, would be \$1,180 per month (\$1,054 rent plus a \$126 utility allowance for utility costs beyond those for trash removal and WiFi).
- Applying a 35 percent rent burden to this gross rent, we determined that the two-bedroom unit at 50 percent of AMI would be affordable to households earning at least \$40,457 per year. The projected number of primary market area renter households earning at least \$40,457 in 2024 is 15,332.
- A household occupying a two-bedroom unit (assuming 1.5 persons/bedroom) and earning 50 percent of AMI for the Charlottesville VA MSA would have a maximum income of \$47,200. According to the interpolated income distribution for 2024, there would be 14,029 renter households in the primary market area with incomes exceeding the upper income bound.
- Subtracting the 14,029 renter households with incomes above the 50 percent maximum income limit from the 15,332 renter households that could afford to rent this unit, we calculate that 1,303 households in the primary market area as of 2024 would be in the band of affordability for the subject's 50 percent two-bedroom units. Southwood Apartments would need to capture 1.2 percent of these income-qualified renter households to absorb all 16 of the 50 percent two-bedroom units as of 2024.
- Following the same methodology, we tested the affordability of the remaining unit types at each of the income bands as well as those units which are subsidized with no minimum incomes required for residency. The capture rates among income-qualified renter households for these distinct unit types by income band range from less than 0.1 percent (for the subsidized 50 percent of AMI one bedroom units) to 4.0 percent (for the 60 percent AMI two bedroom units).
- The 8 tax credit units with project-based subsidies (those which target households at or below 50 percent of AMI) would need to capture less than 0.1 to 0.1 percent of the income-qualified renters. The 113 tax credit units without project-based subsidies would need to capture 0.3 to 2.3 percent of the income-qualified renter households. Overall, the capture rate for all units is 0.8 percent.

In the event that Section 8 subsidies are not available, we have performed a sensitivity analysis assuming that all one and two bedroom units with subsidies convert to 50 percent of AMI unit units. The capture rate for 50 percent units increases to 0.7 percent compared to 0.5 percent with subsidies and the overall capture rate increases to 1.1 percent compared to 0.8 percent with subsidies (Table 43).



Table 42 2024 Affordability Analysis for Southwood Apartments with subsidies

30% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		1		5		1	
Net Rent		\$489		\$582		\$667	
Gross Rent		\$589		\$708		\$817	
Income Range (Min, Max)		\$20,194	\$23,595	\$24,274	\$28,320	\$28,011	\$32,700
Renter Households							
Range of Qualified HHlds		19,025	18,376	18,246	17,536	17,589	16,782
# Qualified HHlds		649		710		807	
Renter HH Capture Rate		0.2%		0.7%		0.1%	

50% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units	
Number of Units		2		6	
Net Rent		\$1,129		\$1,336	
Gross Rent		\$1,229		\$1,462	
Income Range (Min, Max)		no min\$	\$39,325	no min\$	\$47,200
Renter Households					
Range of Qualified HHlds		22,905	15,550	22,905	14,029
# Qualified HHlds		7,354		8,876	
Renter HH Capture Rate		0.0%		0.1%	

50% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
Number of Units		3		16		1	
Net Rent		\$883		\$1,054		\$1,212	
Gross Rent		\$983		\$1,180		\$1,362	
Income Range (Min, Max)		\$33,703	\$39,325	\$40,457	\$47,200	\$46,697	\$54,500
Renter Households							
Range of Qualified HHlds		16,609	15,550	15,332	14,029	14,126	12,778
# Qualified Households		1,059		1,303		1,347	
Renter HH Capture Rate		0.3%		1.2%		0.1%	

60% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units	
Number of Units		14		53	
Net Rent		\$1,079		\$1,290	
Gross Rent		\$1,179		\$1,416	
Income Range (Min, Max)		\$40,423	\$47,190	\$48,549	\$56,640
Renter Households					
Range of Qualified HHlds		15,338	14,031	13,768	12,441
# Qualified Households		1,307		1,327	
Renter HH Capture Rate		1.1%		4.0%	

80% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
Number of Units		4		14		1	
Net Rent		\$1,473		\$1,762		\$2,030	
Gross Rent		\$1,573		\$1,888		\$2,180	
Income Range (Min, Max)		\$53,931	\$62,920	\$64,731	\$75,520	\$74,743	\$87,200
Renter Households							
Range of Qualified HHlds		12,868	11,451	11,166	9,483	9,588	8,044
# Qualified Households		1,417		1,683		1,543	
Renter HH Capture Rate		0.3%		0.8%		0.1%	

Income Target	# Units	Renter Households = 22,905				
		Band of Qualified HHlds		# Qualified HHs	Capture Rate	
30% AMI	7	Income Households	\$20,194 19,025	\$32,700 16,782	2,243	0.3%
50% AMI	8	Income Households	no min\$ 22,905	\$47,200 14,029	8,876	0.1%
50% AMI	20	Income Households	\$33,703 16,609	\$54,500 12,778	3,831	0.5%
60% AMI	67	Income Households	\$40,423 15,338	\$56,640 12,441	2,897	2.3%
80% AMI	19	Income Households	\$53,931 12,868	\$87,200 8,044	4,824	0.4%
Total Units	121	Income Households	\$20,194 22,905	\$87,200 8,044	14,860	0.8%

Source: Income Projections, RPRG, Inc.



Table 43 2024 Affordability Analysis for Southwood Apartments and no subsidies

30% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		1		5		1	
Net Rent		\$489		\$582		\$667	
Gross Rent		\$589		\$708		\$817	
Income Range (Min, Max)		\$20,194	\$23,595	\$24,274	\$28,320	\$28,011	\$32,700
Renter Households							
Range of Qualified Hhlds		19,025	18,376	18,246	17,536	17,589	16,782
# Qualified Hhlds		649		710		807	
Renter HH Capture Rate		0.2%		0.7%		0.1%	

50% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		5		22		1	
Net Rent		\$883		\$1,054		\$1,212	
Gross Rent		\$983		\$1,180		\$1,362	
Income Range (Min, Max)		\$33,703	\$39,325	\$40,457	\$47,200	\$46,697	\$54,500
Renter Households							
Range of Qualified Hhlds		16,609	15,550	15,332	14,029	14,126	12,778
# Qualified Hhlds		1,059		1,303		1,347	
Renter HH Capture Rate		0.5%		1.7%		0.1%	

60% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units	
		Min.	Max.	Min.	Max.
Number of Units		14		53	
Net Rent		\$1,079		\$1,290	
Gross Rent		\$1,179		\$1,416	
Income Range (Min, Max)		\$40,423	\$47,190	\$48,549	\$56,640
Renter Households					
Range of Qualified Hhlds		15,338	14,031	13,768	12,441
# Qualified Households		1,307		1,327	
Renter HH Capture Rate		1.1%		4.0%	

80% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		4		14		1	
Net Rent		\$1,473		\$1,762		\$2,030	
Gross Rent		\$1,573		\$1,888		\$2,180	
Income Range (Min, Max)		\$53,931	\$62,920	\$64,731	\$75,520	\$74,743	\$87,200
Renter Households							
Range of Qualified Hhlds		12,868	11,451	11,166	9,483	9,588	8,044
# Qualified Households		1,417		1,683		1,543	
Renter HH Capture Rate		0.3%		0.8%		0.1%	

Income Target	# Units	Renter Households = 22,905				Capture Rate
		Band of Qualified Hhlds		# Qualified Hhls		
30% AMI	7	<i>Income Households</i>	\$20,194 19,025	\$32,700 16,782	2,243	0.3%
50% AMI	28	<i>Income Households</i>	\$33,703 16,609	\$54,500 12,778	3,831	0.7%
60% AMI	67	<i>Income Households</i>	\$40,423 15,338	\$56,640 12,441	2,897	2.3%
80% AMI	19	<i>Income Households</i>	\$53,931 12,868	\$87,200 8,044	4,824	0.4%
Total Units	121	<i>Income Households</i>	\$20,194 19,025	\$87,200 8,044	10,980	1.1%

Source: Income Projections, RPRG, Inc.



3. Penetration Analysis

To provide further insight into the market dynamics, we have also conducted a Penetration Analysis (Table 44). The Penetration Analysis evaluates the capacity of the market area to serve the entire inventory of directly competitive rental units. Our analysis utilizes the same target date of 2024; the same 35 percent rent burden; and income levels as presented in the Affordability Analysis for the tax credit units. For this analysis, we have assumed Section 8 housing assistance would not be available.

As of 2024, the competitive supply of 30, 50, 60, and 80 percent AMI rental stock consists of a total of 1,865 units, of which 592 are in the development pipeline (including 121 units at the subject). The incomes of households who could afford the directly competitive supply range from \$20,194 to \$87,200. An estimated 10,980 renter households will be in the band of affordability for all 30, 50, 60, and 80 percent of AMI one, two bedrooms, and three bedroom units as of 2024. The existing and planned affordable supply would need to capture 17.0 percent of these renter households to reach full occupancy.

Table 44 Penetration Analysis for Southwood Apartments, Assuming 35% Rent Burden

30% Units		50% Units		60% Units		80% Units	
Competitive Units	Units	Competitive Units	Units	Competitive Units	Units	Competitive Units	Units
Carlton Views I	14	Virnita Court	7	Mallside Forest	160	Virnita Court	2
Monticello Vista	5	Treesdale Park	66	Heathwood TH	200	Monticello Vista	1
Carlton Views III	12	Greenstone on 5th	202	Carlton Views I	40		
		Parks Edge	96	Treesdale Park	6		
		Rio Hill	29	Rio Hill	110		
				Wilton Farm	144		
				Virnita Court	2		
				Brookdale	96		
				Monticello Vista	45		
				Carlton Views III	36		
subtotal	31	subtotal	400	subtotal	839	subtotal	3
Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units
South 1st St - I	5	South 1st St - I	10	South 1st St - I	10	Friendship Court I	23
South 1st St - 11	10	South 1st St - 11	23	South 1st St - 11	23	Friendship Court II	23
Friendship Court I	10	Friendship Court I	4	Friendship Court I	9		
Friendship Court II	10	Friendship Court II	58	Friendship Court II	9		
MACAA	90	Sixth Street I	19	Sixth Street I	23		
Park St Senior	5	MACAA	11	MACAA	51		
		Park St Senior	20	Park St Senior	25		
subtotal	130	subtotal	145	subtotal	150	subtotal	46
Subject Property	Units	Subject Property	Units	Subject Property	Units	Subject Property	Units
Southwood	7	Southwood	28	Southwood	67	Southwood	19
Total	168	Total	573	Total	1,056	Total	68

Income Target	Total Competitive Units	Renter Households = 22,905		# Qualified HHs	Penetration Rate
		Band of Qualified Hhlds			
		One Bedroom	Three Bedroom		
30% Units	168	\$20,194	\$32,700	2,243	7.5%
		19,025	16,782		
		One Bedroom	Three Bedroom		
50% Units	573	\$33,703	\$54,500	3,831	15.0%
		16,609	12,778		
		One Bedroom	Three Bedroom		
60% Units	1,056	\$40,423	\$56,640	2,897	36.5%
		15,338	12,441		
		One Bedroom	Three Bedroom		
80% Units	68	\$53,931	\$87,200	4,824	1.4%
		12,868	8,044		
		One Bedroom	Three Bedroom		
Total Units	1,865	\$20,194	\$87,200	10,980	17.0%
		19,025	8,044		

Total Existing Stock	1,273
Total Pipeline	592
Total	1,865



4. Conclusions on Affordability and Penetration

RPRG judges that the capture rates are low and readily achievable, particularly since the subject will be in area currently underserved by affordable units and will offer new and attractive units. The subject's overall renter capture rates is low at 0.8 percent—significantly lower than the five percent threshold indicative of a strong market. Even without subsidies, the overall capture rate is still a very low 1.1 percent.

RPRG considers the calculated penetration rate for the tax credit units of 17.0 percent of income-restricted renter households to be reasonable within the context of the Southwood Market Area. In essence, our analysis suggests that the most directly competitive rental units will need to capture roughly one out of six income-restricted renter households.

D. VH Demand Methodology

1. VH Demand Analysis

The Virginia Housing (VH) mandates a particular demand methodology in evaluating applications for Low-Income Housing Tax Credits. VH opts for a need-driven demand methodology which factors the topics of cost-burdened renters and substandard rental housing into the demand equation. In this section, RPRG calculates demand according to the VH methodology for both components of the Southwood Apartments. VH's demand methodology for general occupancy LIHTC projects such as the subject accounts for as many as four primary components of potential need/demand. Similar to the Penetration Analysis, we have assumed Section 8 housing assistance would not be available.

- **Household Growth or Decline.** The household trend required by VH is the net increase or decrease in the number of income-qualified renter households in the primary market area between a base year of 2022 and a target year of 2024.
- **Cost Burdened Renters.** VH's second component of demand is cost burdened renters, a designation which is typically defined as those renter households paying more than 35 percent of household income for housing costs. To be conservative, RPRG uses the 2016-2020 ACS data on cost-burdened renter households presented earlier in Table 22 to estimate the percentage and number of income-qualified renters for the subject project that will be cost-burdened as of 2022 as conservatively defined by spending 40 percent of income on rent, or 36.7 percent of renters.
- **Renter Households in Substandard Housing.** VH's third component of demand accounts for income-qualified renter households living in substandard units, defined as overcrowded units (having 1.01 or more persons per room) and/or units lacking complete plumbing facilities. According to the 2016-2020 ACS, the percentage of renter households in the primary market area that lived in substandard conditions was 2.3 percent.

Table 45 outlines the detailed VH demand calculations for Southwood Apartments that stem from the four demand components. Total demand available for the 121-unit proposed affordable project is expected to include 462 net new renter households, 3,914 cost-burdened households, and 247 households currently residing in substandard housing. The calculation thus yields a total demand for 4,624 units of rental housing serving the targeted income bands.

Comparable units that are presently available or that would likely be available constitute supply that must be subtracted from total VH demand to arrive at VH net demand. Based on the known vacancy rates for the rental communities in our survey, there are nine vacant units in the



competitive supply. The pipeline consists of 471 affordable units at seven projects. Subtracting the vacant existing and pipeline units, VH net demand totals 4,114 units.

Given net demand of 4,114 units, the 121-unit new rental project on the Southwood site would need to capture 2.9 percent of income-qualified renter households per VH’s demand methodology.

Table 45 VH Demand by Overall Income Targeting

<i>Income Target</i>	30% AMI	50% AMI	60% AMI	80% AMI	Project Total
<i>Minimum Income Limit</i>	\$20,194	\$40,423	\$53,931	\$53,931	\$20,194
<i>Maximum Income Limit</i>	\$32,700	\$56,640	\$56,640	\$87,200	\$87,200
(A) Renter Income Qualification Percentage	9.8%	16.7%	12.6%	21.1%	47.9%
Demand from New Renter Households - <i>Calculation (C-B)*F*A</i>	94	161	122	203	462
+ Demand from Rent Overburdened HHs - <i>Calculation: B*E*F*A</i>	800	1,366	1,033	1,720	3,914
+ Demand from Substandard Housing - <i>Calculation B*D*F*A</i>	51	86	65	109	247
Total Income Qualified Renter Demand	944	1,613	1,220	2,031	4,624
Less: Comparable Vacant Units	0	2	7	0	9
Less: Comparable Pipeline Units	130	145	150	46	471
Net Demand	814	1,466	1,063	1,985	4,144
Subject Proposed Units	7	28	67	19	121
Capture Rate	0.9%	1.9%	6.3%	1.0%	2.9%
Estimated Absorption Period	9 months	9 months	9 months	9 months	9 months

Demand Calculation Inputs	
A). % of Renter HHlds with Qualifying Income	see above
B). 2022 Households	38,631
C). 2025 Households	40,303
D). Substandard Housing (% of Rental Stock)	2.3%
E). Rent Overburdened (% of Renter HHlds at >40%)	36.7%
F). Renter Percentage (% of all 2022 HHlds)	57.6%

2. Conclusions on VH Demand

RPRG considers the key captures rates for the new units proposed for Southwood as both reasonable and readily achievable. Taking into consideration the very low capture rates, we have estimated an overall project lease up pace of roughly 8 to 9 months, reflecting an average absorption pace of 12 to 13 units per month for the 113 new tax credit units (assuming the 8 subsidized units would be quickly leased from existing waiting lists). This absorption pace is comparable to the blended records of the recently opened affordable Carlton Views and Brookdale Apartments.

E. Target Markets

Targeted moderate income households may include individuals working in service sectors such as retail, leisure and hospitality; in the local hospitals as technicians, orderlies and other medical support staff; administrative and maintenance personnel associated with the University of Virginia; government or contract workers; local public servants such as firefighters, police officers, and teachers; and younger persons early in professional careers. The proposed community could appeal to a wide-range of households, including single persons, married and unmarried couples, roommate situations, small single- and dual-parent families, as well as older households attracted to the elevator service.

F. Product Evaluation

Overall, RPRG judges that the subject site is an appropriate location and product to address the needs for affordable housing.



- Structure Type:** The Developer has proposed three three-and four-story mid-rise structures offering elevators and interior hallways. Elevator served apartments are uncommon in the market area among affordable properties - only two other tax credit projects provides elevators (Carlton Views I and III). The mid-rise design should provide a competitive advantage relative to most other tax credit properties.
- Unit Distribution:** In the context of the target markets, the proposed unit mix is appropriate. Sixty-eight percent of market area renter households are one and two persons and 42 percent of households do not contain children. The subject’s unit distribution of 20 percent one bedroom units is comparable to the 19 percent of studios and one bedroom unit distribution in the surveyed 11 tax credit properties (Table 46). The proposed share of 78 percent two bedroom units is higher than the surveyed average of 52 percent but it appropriate given the design of the subject. Even though 29 percent of the surveyed tax credit units are three bedroom units, the mid-rise design with elevators and interior hallways should attract a sizable older household tenancy (24 percent of market area renters are over 55 years) that will more than compensate for the limited number of three bedroom units targeted to larger families.

Table 46 Proposed Unit Mix and Rent Schedule

Southwood 9%								
AMI Level	Units	# Bed	# Bath	Published Sq Ft*	Net Rent [^]	Rent/Sq Ft	Utility Allowance	Gross Rent
30%	1	1	1	635	\$489	\$0.77	\$100	\$589
50%	3	1	1	635	\$883	\$1.39	\$100	\$983
50% PBV	2	1	1	635	\$1,129	\$1.78	\$141	\$1,270
60%	1	1	1	643	\$1,079	\$1.68	\$100	\$1,179
80%	4	1	1	635	\$1,473	\$2.32	\$100	\$1,573
One BR Total/ Avg	11			636	\$1,124	\$1.77	\$107	\$1,232
30%	5	2	1.5	858	\$582	\$0.68	\$126	\$708
50% PBV	6	2	1.5	862	\$1,336	\$1.55	\$184	\$1,520
50%	16	2	1.5	858	\$1,054	\$1.23	\$126	\$1,180
60%	15	2	1.5	856	\$1,290	\$1.51	\$126	\$1,416
80%	14	2	1.5	862	\$1,762	\$2.04	\$126	\$1,888
Two BR Total/ Avg	56			859	\$1,282	\$1.49	\$132	\$1,415
30%	1	3	2	1,216	\$667	\$0.55	\$150	\$817
50%	1	3	2	1,216	\$1,212	\$1.00	\$150	\$1,362
80%	1	3	2	1,216	\$2,030	\$1.67	\$150	\$2,180
Three BR Total/ Avg	3			1,216	\$1,303	\$1.07	\$150	\$1,453
9% Total	70							
Southwood 4%								
AMI Level	Units	# Bed	# Bath	Published Sq Ft	Net Rent	Rent/ Sq Ft	Utility Allowance	Gross Rent
One BR Total/ Avg	13	1	1	668	\$1,079	\$1.62	\$100	\$1,179
Two BR Total/ Avg	38	1	1.5	879	\$1,290	\$1.47	\$126	\$1,416
4% Total	51			825	\$1,236	\$1.50	\$119	\$1,356
Project Total	121							

([^]) Net rent includes trash and internet
 Source: Piedmont Housing Alliance

- Income Targeting:** Given the substantial waiting lists at both subsidized and non-subsidized affordable communities and the limited number of new affordable communities, the range of targeted incomes at the subject appear reasonable.
- Unit Size:** The proposed one, two, and three bedroom floor plans at Southwood Apartments are competitive with the existing tax credit inventory.
 - One bedroom units at the subject are sized on average at 636 (9%) and 668 (4%) square feet, comparable to the tax credit average of 676 square feet but less than the 808 square foot average of the market rate one bedroom units. The subject one bedroom floor plans fall within the 615 to 822 square foot range of the surveyed tax credit models.



- Two bedroom 9% units at the subject are sized on average at 859 square feet and two bedroom 4% units are sized on average at 879 square feet; both averages are moderately below the two bedroom tax credit average of 936 square feet and less than the 1,094 square foot average of the market rate two bedroom units. The subject two bedroom floor plans fall within the 780 to 1,100 square foot range of the surveyed tax credit models.
- Three bedroom units at the subject are sized on average at 1,216 square feet (9%), larger than the tax credit average of 1,169 square feet but less than the 1,354 square foot average of the market rate three bedroom units.
- **Unit Features:** Units will feature stainless steel energy-efficient appliances including range/oven, refrigerator, microwave, dishwasher, range hood, laminate counters, and wood cabinets. Luxury vinyl tile (LVT) flooring will cover living areas and sleeping areas; sheet vinyl will cover bathrooms. A washer/dryer appliance will be provided in each unit. The inclusion of microwaves and in unit washer-dryers in all units provides the subject a competitive advantage compared to most tax credit communities.
- **Utilities Included in Rent:** Four of the 11 existing tax credit communities and eight of the market rate communities includes trash removal costs as does the subject. The inclusion of WiFi is unique among surveyed communities in the market area and will be also provide a competitive advantage.
- **Common Area Amenities:** Planned community amenities include a community room, pocket park, fitness room, library/ lounge, computer room, elevator access/ interior hallways, and access to recreation paths, parks, and playground in the larger Southwood community. The large and appealing number of amenities are superior to those offered at most tax credit properties.
- **Parking:** The proposed parking at the subject, consisting of 116 surface spaces, is consistent with parking at the other tax credit communities.

G. Price Position

The proposed 30, 50, 60, and 80 percent of AMI rents at Southwood Apartments are equal to the maximum LIHTC Tenant Rent Limits for each of the target AMI rents as specified in the Department of Housing and Urban Development's 2022 median household income for the Charlottesville, VA HUD Metro FMR Area (Table 1) and at least 10 percent below market rents. The subsidized rents are not evaluated since they are not subject to market factors. There are no 30 or 80 percent models offered in the surveyed LIHTC inventory.

- **One Bedroom Units:** The proposed 30 percent one bedroom rent of \$582 will be the lowest one bedroom rents among tax credit properties since no other communities offer 30 percent rents. The proposed 50 percent one bedroom rents of \$883 falls within the range of the \$705 to \$947 50 percent one bedroom rents. The proposed 60 percent one bedroom rent of \$1,079 is within the range of the \$1,050 to \$1,229 60 percent one bedroom rents. The proposed 80 percent one bedroom rent of \$1,473 falls within the lower middle range of one bedroom rents at surveyed market rate communities.
- **Two Bedroom Units:** The proposed 30 percent two bedroom rent of \$582 will be the lowest two bedroom rents among tax credit properties since no other communities offer 30 percent rents. The proposed 50 percent two bedroom rents of \$1,054 falls within the range of the \$800 to \$1,129 50 percent two bedroom rents at the surveyed LIHTC communities. The proposed 60 percent two bedroom rent of \$1,290 is within the range of the \$1,045 to \$1,446 60 percent two bedroom rents. The proposed 80 percent two

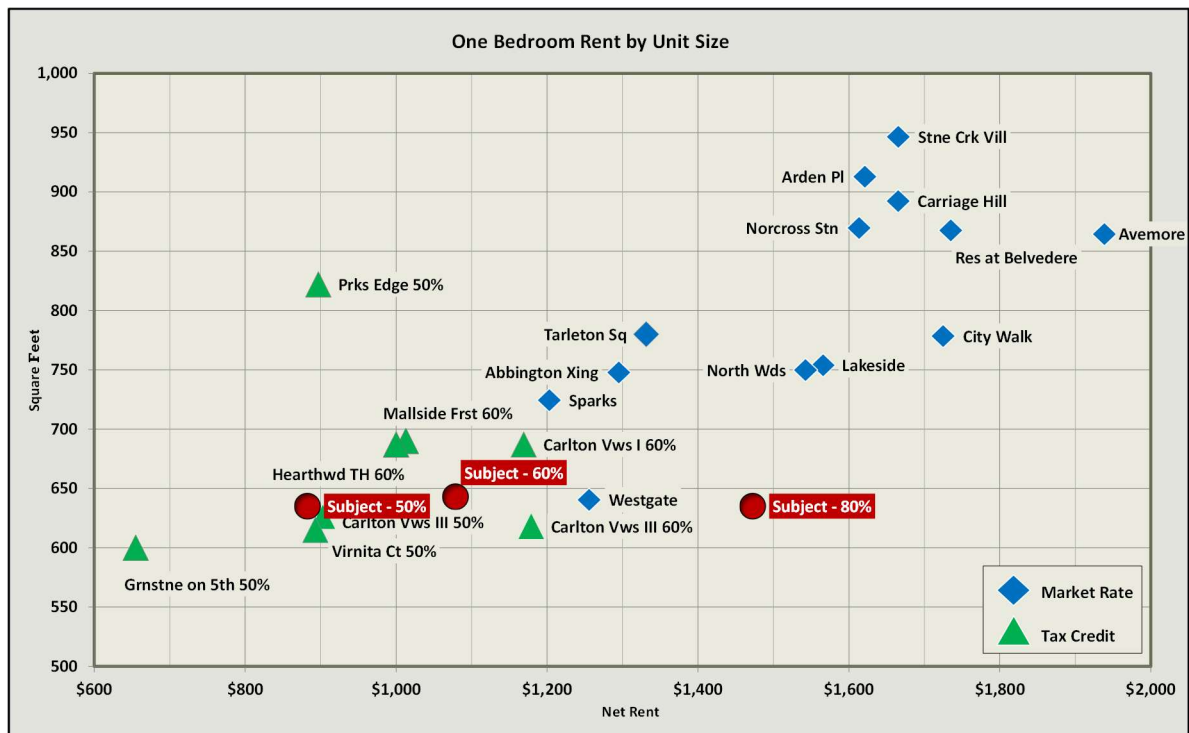


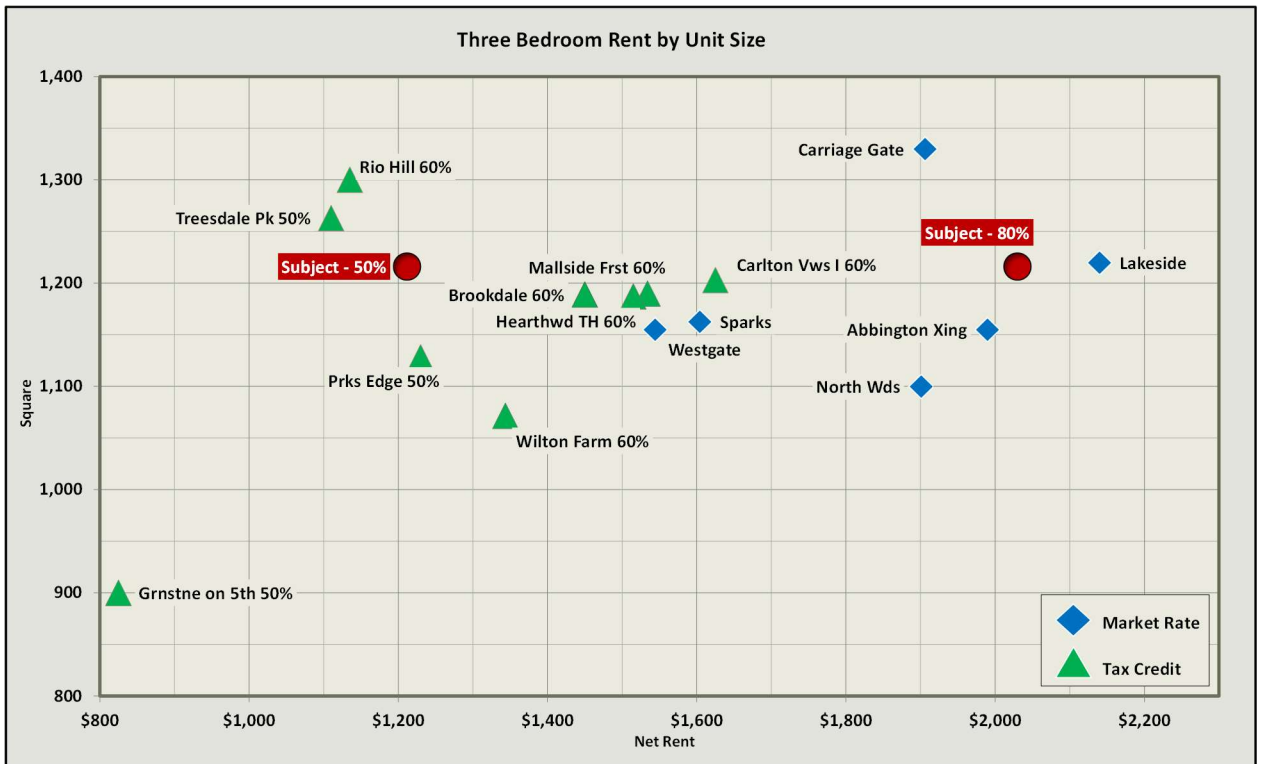
bedroom rent of \$1,762 falls within the middle range of two bedroom rents at surveyed market rate communities.

- Three Bedroom Units:** The proposed 30 percent three bedroom rent of \$667 will be the lowest three bedroom rents among tax credit properties. The proposed 50 percent three bedroom rents of \$1,212 falls within the range of the \$875 to \$1,280 50 percent three bedroom rents at the surveyed LIHTC communities. The proposed 80 percent three bedroom rent of \$2,030 falls within the middle range of three bedroom rents at surveyed market rate communities.

Figure 11 provides a graphic representation of the competitive positions of the rents and square footages proposed for the subject’s tax credit units within the context of the Affordable/Tax Credit supply. We only presented the affordable 50 and 60 percent AMI rents and the market rate 80 percent AMI rates.

Figure 11 Price Position of Southwood Apartments





H. Absorption Estimate

Since 2017, four tax credit projects have opened in the market area (Carlton I, II, III and Brookdale) with monthly absorption rates ranging from 9 to 14 units and have remained at or close to full occupancy – the average absorption rate is in the 12 to 13 unit range. The Net Demand calculation indicates a marketplace with a moderate overhang of supply despite a substantial pipeline of 11 projects; the VH demand analysis reveals low capture rates. Capture and penetration rates are also low, indicating a large pool of income qualified households to support both the subject and competitive properties. The demand for affordable housing is further demonstrated by virtually full occupancies and waiting lists at subsidized and tax credit properties.

Taking into consideration these factors, we have conservatively estimated an overall project lease up pace (net of subsidized units) of roughly 12 to 13 units per month, comparable to past performance of tax credit projects, to achieve 95 percent occupancy that translates to a lease-up period of 8 to 9 months. This period could be shortened if significant pre-leasing occurs prior to opening that is typical for tax credit projects.

I. Impact on Existing Market

RPRG does not anticipate that the subject will have an adverse impact on the existing rental market. The overall vacancy rate for the income-restricted rental communities within the market area is very low at 0.7 percent. All VH capture rates for the subject are reasonable and achievable.

J. Concluding Remarks

The subject site is located in a pleasant suburban setting with easy access to major roads, employment nodes, and shopping, institutional, and recreational centers that are appropriate for an affordable community. The subject's location off Old Lynchburg Road provides direct access to Interstate 64, 5th Street Station, Downtown Charlottesville, and UVA. The mid-rise design of the Southwood Apartments with elevators and interior hallways will provide a competitive advantage in the marketplace since only two of the 11 surveyed tax credit properties also provide elevators.

The Greater Albemarle County's economic base, buttressed by the region's health, education, and defense sectors, has consistently remained strong and has mostly recovered from the COVID-induced downturn recorded during 2020. The market area reported strong population and household growth during the 2000 to 2010 period that has moderately accelerated during the 2010 to 2026 period as more housing options have emerged in Charlottesville and the close-in Albemarle County neighborhoods. Based on the low vacancies reported in RPRG's survey of both the market rate and income-restricted general occupancy rental communities, the overall rental market in the Southwood Market Area is tight at 1.6 percent vacancy (the tax credit vacancy rate is lower at 0.7 percent), pointing to its ability to support the proposed subject apartments.

In summary, RPRG recommends the development of the Southwood Apartments as an attractive and needed component of the Charlottesville area's affordable housing inventory.

We hope you find this analysis helpful in your decision making process.



Jerry Levin
Senior Analyst



Robert M. Lefenfeld
Founding Principal



IX. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are no existing judgments nor any pending or threatened litigation, which could hinder the development, marketing or operation of the subject project.



The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.



X. APPENDIX 2 NCHMA CHECKLIST

Introduction: The National Council of Housing Market Analysts provides a checklist referencing all components of their market study. This checklist is intended to assist readers on the location and content of issues relevant to the evaluation and analysis of market studies. The page number of each component referenced is noted in the right column. In cases where the item is not relevant, the author has indicated "N/A" or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a "V" (variation) with a comment explaining the conflict. More detailed notations or explanations are also acceptable.

Component (*First occurring page is noted)		*Page(s)
Executive Summary		
1.	Executive Summary	vii
Project Summary		
2.	Project description with exact number of bedrooms and baths proposed income limitation, proposed rents, and utility allowances	5
3.	Utilities (and utility sources) included in rent	5
4.	Project design description	4
5.	Unit and project amenities; parking	7
6.	Public programs included	N/A
7.	Target population description	70
8.	Date of construction/preliminary completion	7
9.	If rehabilitation, existing unit breakdown and rents	N/A
10.	Reference to review/status of project plans	N/A
Location and Market Area		
11.	Market area/secondary market area description	26
12.	Concise description of the site and adjacent parcels	8
13.	Description of site characteristics	8
14.	Site photos/maps	10
15.	Map of community services	14
16.	Visibility and accessibility evaluation	12
17.	Crime information	13
Employment and Economy		
18.	Employment by industry	21
19.	Historical unemployment rate	19



20.	Area major employers	23
21.	Five-year employment growth	N/A
22.	Typical wages by occupation	22
23.	Discussion of commuting patterns of area workers	20
Demographic Characteristics		
24.	Population and household estimates and projections	28
25.	Area building permits	29
26.	Distribution of income	33
27.	Households by tenure	32
Competitive Environment		
28.	Comparable property profiles	82
29.	Map of comparable properties	38
30.	Comparable property photos	82
31.	Existing rental housing evaluation	36
32.	Comparable property discussion	38
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	40
34.	Comparison of subject property to comparable properties	70
35.	Availability of Housing Choice Vouchers	45
36.	Identification of waiting lists	40, 45
37.	Description of overall rental market including share of market-rate and affordable properties	38
38.	List of existing LIHTC properties	38
39.	Discussion of future changes in housing stock	N/A
40.	Discussion of availability and cost of other affordable housing options, including homeownership	36
41.	Tax credit and other planned or under construction rental communities in market area	53
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	65
43.	Calculation and analysis of Penetration Rate	68
44.	Evaluation of proposed rent levels	72
45.	Derivation of Achievable Market Rent and Market Advantage	47
46.	Derivation of Achievable Restricted Rent	52
47.	Precise statement of key conclusions	57



48.	Market strengths and weaknesses impacting project	57
49.	Recommendation and/or modification to project description	N/A
50.	Discussion of subject property's impact on existing housing	75
51.	Absorption projection with issues impacting performance	75
52.	Discussion of risks or other mitigating circumstances impacting project	N/A
53.	Interviews with area housing stakeholders	N/A
Certifications		
54.	Preparation date of report	Cover
55.	Date of field work	Cover
56.	Certifications	Back
57.	Statement of qualifications	83
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	2



XI. APPENDIX 3 NCHMA CERTIFICATION

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

Real Property Research Group, Inc. is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in NCHMA educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Real Property Research Group, Inc. is an independent market analyst. No principal or employee of Real Property Research Group, Inc. has any financial interest whatsoever in the development for which this analysis has been undertaken.

While the document specifies Real Property Research Group, Inc., the certification is always signed by the individual completing the study and attesting to the certification.

Real Property Research Group, Inc.



Bob Lefenfeld
Name

Founding Principal
Title

March 11, 2021
Date



XII. APPENDIX 4 RENTAL COMMUNITY PROFILES

Abbington Crossing



ADDRESS 1000 Old Brook Road, Charlottesville, VA, 22901 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 3 Story – Garden/TH **UNITS** 468 **VACANCY** 4.9 % (23 Units) as of 12/01/22 **OPENED IN** 1979



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	18%	\$1,294	748	\$1.73
Two	74%	\$1,506	939	\$1.60
Three	9%	\$1,990	1,155	\$1.72

Community Amenities
Clubhouse, Fitness Room, Outdoor Pool, Playground, Business Center

Features

Standard	Dishwasher, Disposal
Select Units	Microwave, Patio Balcony
Standard - Full	In Unit Laundry
Carpet	Flooring Type 1
SS	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Weinstein Properties
Parking Description #2		Phone	434 973 3620

Comments
Dog park, enclosed sports field. Roughly 1/2 have patio/balcony. Renovated from 2013-2017. Trash-\$4.99.

Floorplans (Published Rents as of 12/01/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	84	\$1,294	748	\$1.73	Market	-
Garden		2	1.5	95	\$1,407	934	\$1.51	Market	-
Townhouse		2	1.5	43	\$1,424	934	\$1.52	Market	-
Garden		2	2.0	206	\$1,569	943	\$1.66	Market	-
Garden		3	1.5	18	\$1,942	1,155	\$1.68	Market	-
Townhouse		3	1.5	22	\$2,029	1,155	\$1.76	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/01/22	09/01/22	07/12/22
% Vac	4.9%	4.1%	0.9%
One	\$1,294	\$1,534	\$1,674
Two	\$1,467	\$1,743	\$1,747
Three	\$1,985	\$2,088	\$1,971

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Abbington Crossing

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Arden Place



ADDRESS
1810 Arden Creek Lane, Charlottesville, VA, 22901

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story - Garden

UNITS
212

VACANCY
4.2 % (9 Units) as of 12/02/22

OPENED IN
2011



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	7%	\$1,480	589	\$2.51
One	36%	\$1,620	913	\$1.77
Two	53%	\$1,888	1,169	\$1.62
Three	5%	\$2,173	1,421	\$1.53

Community Amenities
Clubhouse, Fitness Room, Outdoor Pool, Playground, Computer Center

Features	
Standard	Dishwasher, Disposal, Microwave
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Select Units	Patio Balcony
In Building/Fee	Storage
Carpet	Flooring Type 1
Black	Appliances
Granite	Countertops
Community Security	Intercom

Parking	
Parking Description	Free Surface Parking
Parking Description #2	Detached Garage — \$175.00

Contacts	
Owner / Mgmt.	Grady Mgmt
Phone	833-899-1941

Comments
Lease up pace of 20 units/month. 18 Carports & 21 Garages. 3rd floor units have upgraded features - SS appliances, Granite CF & upgraded kitchen cabinets. Storage units-5X5X8 (\$45). Trash \$5 per month. 2 BRs most popular. Theatre room, Indoor Children's play area, Dog Park, Golf Simulator & Cyber Café. Clubhouse is 7,000 sqft.

Floorplans (Published Rents as of 12/02/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Elm Garden		0	1.0	14	\$1,480	589	\$2.51	Market	-
Birch Garden		1	1.0	15	\$1,620	913	\$1.77	Market	-
Oak Garden		1	1.0	61	\$1,620	913	\$1.77	Market	-
Maple Garden		2	2.0	25	\$1,865	1,168	\$1.60	Market	-
Dogwood Garden		2	2.0	85	\$1,895	1,168	\$1.62	Market	-
Chestnut Garden	Garage	2	2.0	2	\$1,850	1,203	\$1.54	Market	-
Walnut Garden		3	3.0	3	\$2,180	1,421	\$1.53	Market	-
Magnolia Garden		3	3.0	7	\$2,170	1,421	\$1.53	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/02/22	09/01/22	06/16/22
% Vac	4.2%	2.4%	0.5%
Studio	\$1,480	\$1,691	\$1,567
One	\$1,620	\$1,878	\$1,823
Two	\$1,870	\$2,021	\$2,280
Three	\$2,175	\$2,424	\$2,485

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Arden Place

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Avemore



ADDRESS 1540 Avemore Lane, Charlottesville, VA, 22911 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** Garden/TH **UNITS** 280 **VACANCY** 1.8 % (5 Units) as of 12/02/22 **OPENED IN** 2005



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	14%	\$1,719	615	\$2.80
One	24%	\$1,918	801	\$2.39
One/Den	8%	\$1,999	1,061	\$1.88
Two	44%	\$2,477	1,413	\$1.75
Three	5%	\$2,679	1,479	\$1.81
Three/Den	5%	\$2,769	1,655	\$1.67

Community Amenities
 Clubhouse, Community Room, Fitness Room, Outdoor Pool, Playground, Business Center, Car Wash, Computer Center

Features

Standard Dishwasher, Disposal, Ceiling Fan, High Ceilings
Standard - Full In Unit Laundry
Central / Heat Pump Air Conditioning
Select Units Patio Balcony, Accessibility
In Building/Fee Storage
SS Appliances
Granite Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Forty 2 LLC
Parking Description #2	Detached Garage — \$150	Phone	434-984-5454

Comments

Movie Theatre, Conference Room, Rose Garden Courtyard. Rents/vacancy from website, mgmt wouldn't participate. Select units have built-in computer desk. Attached & Detached Garages, oversize tubs, ceramic tile, white cabinets. View charge=\$20, End unit (TH)=\$15. Some accessible units.

Floorplans (Published Rents as of 12/02/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		0	1.0	20	\$1,689	581	\$2.91	Market	-
Garden		0	1.0	20	\$1,769	649	\$2.73	Market	-
Garden		1	1.0	23	\$1,849	689	\$2.68	Market	-
Garden		1	1.0	23	\$1,929	832	\$2.32	Market	-
Garden	Garage	1	1.0	22	\$2,009	886	\$2.27	Market	-
Office Garden	Den	1	1.0	22	\$2,009	1,061	\$1.89	Market	-
Garden		2	2.0	31	\$2,289	1,209	\$1.89	Market	-
Garden	Sunroom	2	2.0	31	\$2,354	1,304	\$1.81	Market	-
Garden	Garage	2	2.0	30	\$2,469	1,538	\$1.61	Market	-
Townhouse		2	3.5	30	\$2,849	1,610	\$1.77	Market	-
Garden	Sunroom	3	2.0	14	\$2,689	1,479	\$1.82	Market	-
Garden	Den	3	2.0	14	\$2,779	1,655	\$1.68	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/02/22	09/01/22	07/12/22
% Vac	1.8%	0.0%	1.8%
Studio	\$1,729	\$1,729	\$1,729
One	\$1,447	\$1,447	\$1,449
One/Den	\$2,009	\$2,009	\$2,009
Two	\$2,490	\$2,490	\$2,490
Three	\$1,345	\$1,345	\$1,337
Three/Den	\$2,779	\$2,779	\$2,849

Adjustments to Rent

Incentives	LRO; None
Utilities in Rent	Trash
Heat Source	Electric

Avemore

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Beacon on 5th



ADDRESS 100 Dalton Lane, Charlottesville, VA, 22903 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 4 Story - Garden/TH **UNITS** 241 **VACANCY** 3.3 % (8 Units) as of 12/02/22 **OPENED IN** 2017



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	51%	\$2,014	812	\$2.48
Two	36%	\$2,305	1,163	\$1.98
Two/Den	0%	\$2,549	1,634	\$1.56
Three	13%	\$2,533	1,618	\$1.56

Community Amenities
Clubhouse, Fitness Room, Outdoor Pool, Business Center

Features	
Standard	Dishwasher, Disposal, Microwave, Ceiling Fan, Patio Balcony, High Ceilings
Standard - Full	In Unit Laundry
Hardwood	Flooring Type 1
Carpet	Flooring Type 2
SS	Appliances
Granite	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Castle Dev
Parking Description #2	Detached Garage — \$250.00	Phone	434-202-0787

Comments
 Grill area, cyber café, yoga rm. Large walk in closets, crown molding, kitchen island, 42" cabinets, vinyl wood floors.
 Opened Feb 2017; finished construction Oct 2017; stabilized Nov 2017.

Floorplans (Published Rents as of 12/02/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Afton Garden		1	1.0	41	\$1,944	675	\$2.88	Market	-
Berkmar Garden		1	1.0	82	\$2,049	881	\$2.33	Market	-
Ivy Garden		2	2.0	84	\$2,299	1,150	\$2.00	Market	-
Keswick Townhouse	Den	2	3.5	1	\$2,549	1,634	\$1.56	Market	-
Carriage Home Garden		2	2.0	2	\$2,549	1,713	\$1.49	Market	-
Ednam Townhouse		3	3.5	1	\$2,449	1,222	\$2.00	Market	-
Levy Townhouse		3	2.5	4	\$2,449	1,394	\$1.76	Market	-
Keswick Townhouse	Garage	3	3.5	17	\$2,549	1,634	\$1.56	Market	-
Shadwell Townhouse	Garage	3	2.5	9	\$2,549	1,733	\$1.47	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/02/22	09/01/22	06/16/22
% Vac	3.3%	0.4%	1.2%
One	\$1,997	\$2,002	\$1,997
Two	\$1,616	\$1,616	\$1,601
Two/Den	\$2,549	\$2,549	\$2,549
Three	\$2,499	\$2,513	\$2,499

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Beacon on 5th

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Brookdale Apts



ADDRESS
910 Upper Brook Court, Charlottesville, VA, 22903

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
3 Story - Garden

UNITS
96

VACANCY
0.0 % (0 Units) as of 12/02/22

OPENED IN
2019



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	50%	\$1,282	1,070	\$1.20
Three	50%	\$1,450	1,189	\$1.22

Community Amenities
Clubhouse, Fitness Room, Playground

Features

Standard	Dishwasher, Disposal, Microwave
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
Black	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Park Properties
Parking Description #2		Phone	434-282-4986

Comments

Open kit, walk-in closets, natural light solariums, window coverings, pantry, wood plank fir, black appl, laminate CT
 First bldg completed 9.1.19 (40 units c/o).
 Community to be completed June 2020. Waitlist length unknown

Floorplans (Published Rents as of 12/02/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Avon Garden		2	2.0	48	\$1,292	1,070	\$1.21	LIHTC	60%
Azalea. Garden		3	2.0	48	\$1,460	1,189	\$1.23	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	12/02/22	06/16/22	03/24/21
% Vac	0.0%	0.0%	4.2%
Two	\$1,292	\$1,150	\$1,150
Three	\$1,460	\$1,318	\$1,318

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Initial Absorption	
Opened: 2019-09-01	Months: 6.0
Closed: 2020-03-01	15.8 units/month

Brookdale Apts

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Carlton Views I



ADDRESS
1337 Carlton Avenue, Charlottesville, VA, 22902

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
4 Story – Mid Rise

UNITS
54

VACANCY
5.6 % (3 Units) as of 12/07/22

OPENED IN
2017



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	65%	\$1,068	687	\$1.55
Two	28%	\$1,249	960	\$1.30
Three	7%	\$1,625	1,203	\$1.35

Community Amenities
Community Room, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning
Select Units	Patio Balcony
Vinyl/Linoleum	Flooring Type 1
Ceramic	Flooring Type 2
Black	Appliances
Granite	Countertops
Community Security	Patrol, Keyed Bldg Entry, Cameras

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Owner / Mgmt.	Piedmont Housing
Phone	434-295-3094

Comments
Upgraded lighting, built-in bookshelves, window coverings, dbl pane windows, framed mirrors, pantry, faux-wood flrs, side by side fridge, wide hallways, tile BAs. Lounge area on each flr. W/D-S30. PH I-Opened 1/17 & Fully leased 5/17. Some units-Sect 8. Waitlist is Closed.

Floorplans (Published Rents as of 12/07/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	9	\$786	687	\$1.14	LIHTC	40%
Garden		1	1.0	26	\$1,179	687	\$1.72	LIHTC	60%
Garden		2	2.0	5	\$944	960	\$0.98	LIHTC	40%
Garden		2	2.0	10	\$1,416	960	\$1.48	LIHTC	60%
Garden		3	2.0	4	\$1,635	1,203	\$1.36	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	12/07/22	09/01/22	01/05/22
% Vac	5.6%	0.0%	0.0%
One	\$983	\$763	\$725
Two	\$1,180	\$907	\$859
Three	\$1,635	\$1,461	\$1,192

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Carlton Views I

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Carlton Views III



ADDRESS 1339 Carlton Ave., Charlottesville, VA, 22902 **COMMUNITY TYPE** LIHTC - General **STRUCTURE TYPE** 4 Story - Mid Rise **UNITS** 48 **VACANCY** 4.2 % (2 Units) as of 12/07/22 **OPENED IN** 2021



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	90%	\$1,019	624	\$1.63
Two	10%	\$1,158	940	\$1.23

Community Amenities
Community Room, Elevator Served

Features	
Standard	Dishwasher, Microwave, Disposal
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Black	Appliances
Granite	Countertops

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Owner / Mgmt.	Piedmont Housing Alliance
Phone	317-978-9149

Comments
 Waitlist is Closed. Wood style plank flooring. Community room on each floor.

Floorplans (Published Rents as of 12/07/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Mid Rise - Elevator		1	1.0	21	\$1,179	618	\$1.91	LIHTC	60%
Mid Rise - Elevator		1	1.0	15	\$903	626	\$1.44	LIHTC	50%
Mid Rise - Elevator		1	1.0	7	\$786	638	\$1.23	LIHTC	40%
Mid Rise - Elevator		2	2.0	1	\$944	923	\$1.02	LIHTC	40%
Mid Rise - Elevator		2	2.0	2	\$1,008	934	\$1.08	LIHTC	50%
Mid Rise - Elevator		2	2.0	2	\$1,416	954	\$1.48	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	12/07/22	09/01/22	01/06/22
% Vac	4.2%	0.0%	0.0%
One	\$956	\$763	\$859
Two	\$1,123	\$907	\$1,025

Adjustments to Rent	
Incentives	None
Utilities in Rent	

Carlton Views III

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Carriage Gate



ADDRESS
655 Woodbrook Drive, Charlottesville, VA, 22901

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
4 Story - Garden

UNITS
40

VACANCY
0.0 % (0 Units) as of 12/06/22

OPENED IN
2004



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	60%	\$1,565	1,170	\$1.34
Three	40%	\$1,905	1,330	\$1.43

Community Amenities
Playground

Features

Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
White	Appliances
Laminate	Countertops

Parking

Parking Description	Detached Garage — \$150.00
Parking Description #2	Free Surface Parking

Contacts

Owner / Mgmt.	Carriage Gate LLC
Phone	434 531 4177

Comments

3 Buildings - Built 2004, 2005, 2006
Located behind Rio Hill Shopping Center

Floorplans (Published Rents as of 12/06/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		2	2.0	24	\$1,595	1,170	\$1.36	Market	-
Garden		3	2.0	16	\$1,940	1,330	\$1.46	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/06/22	09/28/22	01/25/22
% Vac	0.0%	2.5%	0.0%
Two	\$1,595	\$0	\$1,450
Three	\$1,940	\$0	\$1,795

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Carriage Gate

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent

(2) Published Rent is rent as quoted by management.

Carriage Hill



ADDRESS 825 Beverly Drive, Charlottesville, VA, 22911 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 2 Story - Garden **UNITS** 142 **VACANCY** 0.7 % (1 Units) as of 12/01/22 **OPENED IN** 2000



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	25%	\$1,665	893	\$1.87
Two	49%	\$1,790	1,339	\$1.34
Three	25%	\$2,005	1,627	\$1.23

Community Amenities
Clubhouse, Fitness Room, Hot Tub, Sauna, Outdoor Pool, Basketball, Tennis, Playground, Business Center

Features

Standard	Dishwasher, Disposal, Patio Balcony, High Ceilings
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Select Units	Fireplace, Accessibility
SS	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Cathcart
Parking Description #2	Detached Garage — \$175	Phone	434-971-8439

Comments

304 total units, 142 rentals & 162 condos. 24 buildings. Private entrance (ground floor). Select units-wood burning fireplace. Pool w/spa & hot tub, pitching/putting green, kiddie pool, basketball court, 2 tot lots, dog park, 6100 sqft. clubhouse, & tanning bed. Prices vary by level, location. Some units include single-car or double car garages standard, included in rent ranges.

Floorplans (Published Rents as of 12/01/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Jefferson Garden		1	1.0	18	\$1,475	831	\$1.77	Market	-
Monroe Garden		1	1.0	18	\$1,875	954	\$1.97	Market	-
Madison Garden		2	2.0	35	\$1,745	1,142	\$1.53	Market	-
Hamilton Garden		2	2.0	35	\$1,855	1,535	\$1.21	Market	-
Roosevelt Garden		3	2.0	36	\$2,015	1,627	\$1.24	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/01/22	09/01/22	07/12/22
% Vac	0.7%	0.0%	0.0%
One	\$1,675	\$1,513	\$1,434
Two	\$1,800	\$1,800	\$1,819
Three	\$2,015	\$2,015	\$2,035

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Carriage Hill

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 (2) Published Rent is rent as quoted by management.

City Walk



ADDRESS 1111 E Water Street, Charlottesville, VA, 22902 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 4 Story - Mid Rise **UNITS** 301 **VACANCY** 0.0 % (0 Units) as of 12/06/22 **OPENED IN** 2014



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	58%	\$1,725	779	\$2.22
Two	42%	\$2,058	1,135	\$1.81

Community Amenities
Clubhouse, Fitness Room, Outdoor Pool, Business Center, Elevator Served

Features

Standard	Dishwasher, Disposal, Microwave, Ceiling Fan, Patio Balcony, High Ceilings
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
In Building/Fee	Storage
Carpet	Flooring Type 1
Hardwood	Flooring Type 2
SS	Appliances
Granite	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Metzger & Co
Parking Description #2	Structured Garage — \$0	Phone	434-244-9255

Comments

Opened Sept. 2014; 30 units a month lease-up pace.
 Upgraded units -SS appliances, granite countertop, some w/wood plank floors. Parking on same floor as apt. Extra storage \$50-\$140.
 PL-100%, Occ-100%

Floorplans (Published Rents as of 12/06/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
A4 Mid Rise - Elevator		1	1.0	9	\$1,525	643	\$2.37	Market	-
A3 Mid Rise - Elevator		1	1.0	62	\$1,685	752	\$2.24	Market	-
A2 Mid Rise - Elevator		1	1.0	2	\$1,695	765	\$2.22	Market	-
A1 Mid Rise - Elevator		1	1.0	102	\$1,785	807	\$2.21	Market	-
B1 Mid Rise - Elevator		2	2.0	76	\$2,015	1,095	\$1.84	Market	-
B3 Mid Rise - Elevator		2	2.0	22	\$2,190	1,183	\$1.85	Market	-
B2 Mid Rise - Elevator		2	2.0	28	\$2,115	1,207	\$1.75	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/06/22	09/01/22	06/16/22
% Vac	0.0%	0.0%	0.0%
One	\$1,673	\$1,673	\$1,646
Two	\$2,107	\$2,107	\$2,068

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

City Walk

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Greenstone on 5th



ADDRESS
746 Prospect Avenue, Charlottesville, VA, 22903

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
Garden

UNITS
202

VACANCY
0.0 % (0 Units) as of 12/02/22

OPENED IN
1978



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	10%	\$655	600	\$1.09
Two	48%	\$750	780	\$0.96
Three	42%	\$825	900	\$0.92

Community Amenities
Community Room, Central Laundry

Features

Standard	Dishwasher
Select Units	IceMaker
Not Available	In Unit Laundry
Central / Heat Pump	Air Conditioning
White	Appliances
Laminate	Countertops
Parking	Contacts

Parking Description	Free Surface Parking
Parking Description #2	

Owner / Mgmt.	Community Housing Partners
Phone	434-295-3094

Comments

Property has 181 TC units, of which 40 units have Project-Based Sect 8 units. 21 Market rate (no income restrictions). All units "float" & require income certification. Excellent resident services package. Waitlist: depends on term - unknown. PL-99.5%, Occ-99.5%

Floorplans (Published Rents as of 12/02/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	21	\$680	600	\$1.13	LIHTC	50%
Garden		2	1.0	97	\$780	780	\$1.00	LIHTC	50%
Townhouse		3	1.0	84	\$860	900	\$0.96	LIHTC	50%

Historic Vacancy & Eff. Rent (1)			
Date	12/02/22	09/01/22	12/30/21
% Vac	0.0%	0.0%	0.0%
One	\$680	\$680	\$680
Two	\$780	\$780	\$780
Three	\$860	\$860	\$860

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Greenstone on 5th

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(2) Published Rent is rent as quoted by management.

Hearthwood Apts & THs



ADDRESS 2111 Michie Drive, Charlottesville, VA, 22901 **COMMUNITY TYPE** LIHTC - General **STRUCTURE TYPE** 2 Story - Garden/TH **UNITS** 200 **VACANCY** 2.0 % (4 Units) as of 12/02/22 **OPENED IN** 1975



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	21%	\$902	300	\$3.01
One	20%	\$1,000	687	\$1.46
Two	50%	\$1,320	987	\$1.34
Three	10%	\$1,515	1,187	\$1.28

Community Amenities
Central Laundry, Outdoor Pool, Playground, Elevator Served

Features

Select Units	Dishwasher, Disposal, Air Conditioning
Hook Ups	In Unit Laundry
Carpet	Flooring Type 1
White	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Cannon Properties
Parking Description #2		Phone	434-295-2174 Morgan

Comments

Heating and gas included for 2 & 3 BR units. Studios and 1BR have electric heat
 Efficiency units do not have dishwasher, disposal, w/d hookups. Central a/c only in 2BR & 3BR.
 12/2/2022 survey in process of renovations which started end of 2021. Continuing a handful at a time as units turn over. Rent range is unrenovated and renovated. WL at 12/2022 survey between 15-25 pple depending on unit.

Floorplans (Published Rents as of 12/02/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		0	1.0	41	\$925	300	\$3.08	LIHTC	60%
Garden		1	1.0	39	\$1,025	687	\$1.49	LIHTC	60%
Townhouse		2	1.0	100	\$1,350	987	\$1.37	LIHTC	60%
Townhouse		3	1.0	20	\$1,550	1,187	\$1.31	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	12/02/22	09/01/22	12/30/21
% Vac	2.0%	0.0%	0.0%
Studio	\$925	\$888	\$873
One	\$1,025	\$1,063	\$988
Two	\$1,350	\$1,288	\$1,203
Three	\$1,550	\$1,513	\$1,395

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Other

Hearthwood Apts & THs

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 (2) Published Rent is rent as quoted by management.

Lakeside



ADDRESS
200 Lake Club Court, Charlottesville, VA, 22902

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story - Garden

UNITS
348

VACANCY
0.9 % (3 Units) as of 12/06/22

OPENED IN
1997



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	33%	\$1,565	754	\$2.08
Two	50%	\$1,938	1,040	\$1.86
Three	17%	\$2,140	1,220	\$1.75

Community Amenities
Clubhouse, Community Room, Fitness Room, Hot Tub, Outdoor Pool, Basketball, Tennis, Volleyball, Playground, Business Center

Features

Standard	Dishwasher, Disposal, Ceiling Fan, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Select Units	Fireplace, Storage, High Ceilings
Carpet	Flooring Type 1
Black	Appliances
Laminate	Countertops

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Owner / Mgmt.	Pam
Phone	434-984-5253

Comments

2BR & 3BR: storage off balcony. 9' ceilings-select units. Oversize tub. Black appli and laminate counters. Rates vary based on location, floor, & view. 5,687 sqft clubhse w/12-ac lake, dog park, pier, walking trails, white sand beach, 18-seat theatre room & billiards. HUD insured. Clubhouse was renovated in 2013.

Floorplans (Published Rents as of 12/06/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Anna Garden		1	1.0	116	\$1,575	754	\$2.09	Market	-
Sherando Garden		2	2.0	174	\$1,948	1,040	\$1.87	Market	-
Leesville Garden		3	2.0	58	\$2,150	1,220	\$1.76	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/06/22	04/05/22	03/23/21
% Vac	0.9%	0.0%	0.0%
One	\$1,575	\$1,488	\$1,353
Two	\$1,948	\$1,735	\$1,608
Three	\$2,150	\$1,955	\$1,805

Adjustments to Rent

Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Lakeside

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Mallside Forest



ADDRESS
816 Mallside Forest Court, Charlottesville, VA, 22901

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
3 Story – Garden

UNITS
160

VACANCY
0.0 % (0 Units) as of 12/02/22

OPENED IN
1998



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	20%	\$1,013	690	\$1.47
Two	43%	\$1,334	932	\$1.43
Three	38%	\$1,534	1,190	\$1.29

Community Amenities
Clubhouse, Fitness Room, Central Laundry, Outdoor Pool, Playground, Computer Center

Features

Standard	Dishwasher, Disposal, Patio Balcony
Select Units	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
White	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Security Properties
Parking Description #2		Phone	434 974 9500

Comments

1BR- washer/dryer hook ups. 2BR & 3BR- in unit washer/dryer. Tile in bathrooms.

Floorplans (Published Rents as of 12/02/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	32	\$1,038	690	\$1.50	LIHTC	60%
Garden		2	1.5	68	\$1,364	932	\$1.46	LIHTC	60%
Garden		3	2.0	60	\$1,569	1,190	\$1.32	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	12/02/22	09/01/22	07/11/22
% Vac	0.0%	0.0%	0.0%
One	\$1,038	\$1,038	\$1,038
Two	\$1,364	\$1,364	\$1,364
Three	\$1,569	\$1,569	\$1,569

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash

Mallside Forest

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent

(2) Published Rent is rent as quoted by management.

Norcross Station



ADDRESS 300 4th Street, Charlottesville, VA, 22902 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 4 Story - Mid Rise **UNITS** 88 **VACANCY** 0.0 % (0 Units) as of 12/06/22 **OPENED IN** 2004



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	57%	\$1,604	862	\$1.86
One/Den	3%	\$1,750	1,000	\$1.75
Two	40%	\$1,826	1,069	\$1.71

Community Amenities	
Elevator Served	

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, High Ceilings
Standard - Stacked	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Hardwood	Flooring Type 2
Black	Appliances
Laminate	Countertops
Community Security	Keyed Bldg Entry

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Phone	434-817-7249

Comments
 Phase I-4 story elevator-Adaptive reuse-2004-SS appliances. 32 flats. Phase II-3-story-New Construction-2004-Black appliances. 32 flats & lofts. Phase III-3-story-New construction-2009-Black appliances. 24 flats & lofts.
 PL-98%, Occ-100%. Mandatory \$50 fee for water, sewer, trash, and parking.

Floorplans (Published Rents as of 12/06/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Phase I Mid Rise - Elevator		1	1.0	2	\$1,520	742	\$2.05	Market	-
Phase II Garden	Loft	1	1.0	8	\$1,490	750	\$1.99	Market	-
Phase II Garden		1	1.0	14	\$1,615	750	\$2.15	Market	-
Phase I Mid Rise - Elevator		1	1.0	6	\$1,553	797	\$1.95	Market	-
Phase I Mid Rise - Elevator		1	1.0	16	\$1,665	998	\$1.67	Market	-
Phase II Garden	Den	1	1.0	3	\$1,750	1,000	\$1.75	Market	-
Phase I Mid Rise - Elevator		1	1.0	4	\$1,670	1,093	\$1.53	Market	-
Phase III Garden	Loft	2	1.0	6	\$1,880	962	\$1.95	Market	-
Phase III Garden		2	1.0	12	\$1,700	965	\$1.76	Market	-
Phase II Garden	Loft	2	1.0	7	\$1,805	1,046	\$1.73	Market	-
Phase III Garden	Loft	2	1.0	6	\$1,910	1,055	\$1.81	Market	-
Phase I Mid Rise - Elevator		2	1.0	1	\$1,958	1,445	\$1.35	Market	-
Phase I Mid Rise - Elevator		2	2.0	3	\$2,055	1,661	\$1.24	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/06/22	09/01/22	01/05/22
% Vac	0.0%	0.0%	0.0%
One	\$1,359	\$1,248	\$1,248
One/Den	\$1,750	\$1,600	\$1,600
Two	\$1,885	\$1,743	\$1,743

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Norcross Station

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

North Woods



ADDRESS
63 Four Seasons Drive, Charlottesville, VA, 22901

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
2 Story - Garden/TH

UNITS
310

VACANCY
1.9 % (6 Units) as of 12/01/22

OPENED IN
1975



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	10%	\$1,543	750	\$2.06
Two	79%	\$1,676	1,027	\$1.63
Three	10%	\$1,900	1,100	\$1.73

Community Amenities
Clubhouse, Community Room, Fitness Room, Outdoor Pool, Playground, Business Center

Features

Standard	Dishwasher, Microwave, Ceiling Fan
Select Units	In Unit Laundry, Patio Balcony
Central / Heat Pump	Air Conditioning
SS	Appliances
Laminate	Countertops

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Owner / Mgmt.	Mgmt Services Corporation
Phone	434-973-4319

Comments

Washer & Dryer in all units except select 1BR units (opt fee). Some TH units have been renovated to include SS appliances, white cabinets, wood plank floors, & accent walls. Dog Park.
PL-97.4%, Occ-96.7%. W/S/T/Gas: 1BR-\$80, 2BR/1BA-\$105, 2BR/1.5BA-\$130, 3BR-\$130.

Floorplans (Published Rents as of 12/01/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	32	\$1,543	750	\$2.06	Market	-
Townhouse		2	1.0	100	\$1,545	950	\$1.63	Market	-
Garden		2	1.0	60	\$1,800	1,050	\$1.71	Market	-
Townhouse		2	1.5	86	\$1,743	1,100	\$1.58	Market	-
Townhouse		3	1.5	32	\$1,900	1,100	\$1.73	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/01/22	09/01/22	07/11/22
% Vac	1.9%	3.5%	3.2%
One	\$1,543	\$1,543	\$1,708
Two	\$1,696	\$1,743	\$1,793
Three	\$1,900	\$1,900	\$1,860

Adjustments to Rent

Incentives	None; Daily pricing
Utilities in Rent	

North Woods

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Parks Edge



ADDRESS
181 Whitewood Road, Charlottesville, VA, 22901

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
3 Story - Garden

UNITS
96

VACANCY
0.0 % (0 Units) as of 12/02/22

OPENED IN
1977



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	20%	\$876	822	\$1.07
Two	60%	\$1,047	938	\$1.12
Three	20%	\$1,201	1,128	\$1.07

Community Amenities
Community Room, Playground, Computer Center

Features	
Standard	Dishwasher, Disposal, Patio Balcony
Not Available	Microwave
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
White	Appliances
Laminate	Countertops
Community Security	Keyed Bldg Entry

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Owner / Mgmt.	Franklin Johnston Group
Phone	434 973 4770 Alexis

Comments

Property is scheduled for a renovation in an application to VHDA for 9% tax credits.
 In 2002 property was allocated 9% tax credits.
 12/2022 WL has 10 hhlds

Floorplans (Published Rents as of 12/02/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	17	\$922	822	\$1.12	LIHTC	50%
Garden		1	1.0	2	\$725	822	\$0.88	LIHTC	40%
Garden		2	2.0	52	\$1,101	938	\$1.17	LIHTC	50%
Garden		2	2.0	6	\$865	938	\$0.92	LIHTC	40%
Garden		3	2.0	17	\$1,265	1,128	\$1.12	LIHTC	50%
Garden		3	2.0	2	\$993	1,128	\$0.88	LIHTC	40%

Historic Vacancy & Eff. Rent (1)			
Date	12/02/22	09/01/22	01/06/22
% Vac	0.0%	0.0%	1.0%
One	\$824	\$824	\$809
Two	\$983	\$983	\$967
Three	\$1,129	\$1,129	\$1,110

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Parks Edge

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Reserve at Belvedere



ADDRESS 200 Reserve Road, Charlottesville, VA, 22901 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 4 Story - Garden/TH **UNITS** 294 **VACANCY** 0.0 % (0 Units) as of 12/06/22 **OPENED IN** 2012



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	30%	\$1,735	868	\$2.00
Two	41%	\$2,225	1,171	\$1.90
Two/Den	13%	\$2,145	1,273	\$1.69
Three	7%	\$2,480	1,320	\$1.88
Three/Den	7%	\$2,330	1,460	\$1.60

Community Amenities
Clubhouse, Fitness Room, Hot Tub, Outdoor Pool, Basketball, Tennis, Playground, Business Center

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, Patio Balcony, High Ceilings
Select Units	Ceiling Fan, Fireplace
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
SS	Appliances
Granite	Countertops

Parking	
Parking Description	Free Surface Parking
Parking Description #2	Detached Garage — \$213

Contacts	
Owner / Mgmt.	Cathcart Group
Phone	434-296-6200

Comments
 26 units a month lease-up pace. Premiums for floor and view.
 Gameroom, putting green, walk/bike trails, courtyard, sundeck, lounge, bocce ball, cabanas, movie room, cyber café.
 Garage fee: \$175- \$250. Granite counters, SS appl

Floorplans (Published Rents as of 12/06/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Afton Garden		1	1.0	30	\$1,670	805	\$2.07	Market	-
Albemarle Garden	Garage	1	1.0	29	\$1,785	830	\$2.15	Market	-
Belmont Garden		1	1.5	30	\$1,780	967	\$1.84	Market	-
Blue Ridge Garden		2	2.0	39	\$2,105	1,124	\$1.87	Market	-
Farmington Garden	Garage	2	2.0	38	\$2,310	1,125	\$2.05	Market	-
Greencroft Garden	Garage	2	2.0	39	\$2,255	1,190	\$1.89	Market	-
Earlysville/Loft Garden	Den	2	2.5	39	\$2,155	1,273	\$1.69	Market	-
Keswick Townhouse	Garage	2	2.5	6	\$2,485	1,655	\$1.50	Market	-
Hollymeade Garden		3	2.0	22	\$2,490	1,320	\$1.89	Market	-
Ivy/Loft Garden	Den	3	2.5	22	\$2,340	1,460	\$1.60	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/06/22	09/01/22	06/16/22
% Vac	0.0%	0.0%	0.0%
One	\$1,745	\$1,750	\$1,744
Two	\$1,831	\$1,803	\$1,765
Two/Den	\$2,155	\$2,155	\$2,155
Three	\$1,245	\$1,093	\$1,134
Three/Den	\$2,340	\$2,340	\$2,335

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Reserve at Belvedere

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Rio Hill



ADDRESS 1610 Rio Hill Drive, Charlottesville, VA, 22901 **COMMUNITY TYPE** LIHTC - General **STRUCTURE TYPE** 3 Story - Garden **UNITS** 139 **VACANCY** 0.0 % (0 Units) as of 12/02/22 **OPENED IN** 1996



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	74%	\$995	1,100	\$0.90
Three	26%	\$1,135	1,300	\$0.87

Community Amenities
Outdoor Pool, Playground

Features

Standard	Dishwasher, Disposal, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
White	Appliances
Laminate	Countertops

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Owner / Mgmt.	Amurcon
Phone	434 974 6377

Comments

Located off Putt Putt Lane
PL-98%, Occ-97%

Floorplans (Published Rents as of 12/02/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		2	1.0	81	\$1,025	1,100	\$0.93	LIHTC	60%
Garden		2	1.0	22	\$1,025	1,100	\$0.93	LIHTC	50%
Garden		3	2.0	29	\$1,170	1,300	\$0.90	LIHTC	60%
Garden		3	2.0	7	\$1,170	1,300	\$0.90	LIHTC	50%

Historic Vacancy & Eff. Rent (1)			
Date	12/02/22	09/01/22	07/12/22
% Vac	0.0%	0.0%	0.0%
Two	\$1,025	\$995	\$995
Three	\$1,170	\$1,140	\$1,140

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash

Rio Hill

Rivanna Terrace



ADDRESS
1220 Smith Street, Charlottesville, VA, 22901

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story - Garden

UNITS
48

VACANCY
0.0 % (0 Units) as of 12/06/22

OPENED IN
1989



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	100%	\$990	735	\$1.35

Community Amenities
Central Laundry

Features

Standard	Dishwasher, Disposal
Not Available	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
White	Appliances
Laminate	Countertops

Parking	Contacts
Parking Description Free Surface Parking	Owner / Mgmt. Neighborhood Properties
Parking Description #2	Phone 434-971-8000

Comments

No Waitlist
Four units are ADA accessible.

Floorplans (Published Rents as of 12/06/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		2	1.0	48	\$1,000	735	\$1.36	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/06/22	09/28/22	07/12/22
% Vac	0.0%	0.0%	0.0%
Two	\$1,000	\$0	\$995

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Rivanna Terrace

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent

(2) Published Rent is rent as quoted by management.

Sparks



ADDRESS 2407 Peyton Drive, Charlottesville, VA, 22901 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 2 Story - Garden **UNITS** 425 **VACANCY** 1.2 % (5 Units) as of 12/06/22 **OPENED IN** 1978



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	29%	\$1,203	725	\$1.66
Two	56%	\$1,406	792	\$1.78
Two/Den	4%	\$1,510	975	\$1.55
Three	11%	\$1,605	1,163	\$1.38

Community Amenities
 Clubhouse, Community Room, Fitness Room, Central Laundry, Outdoor Pool, Playground, Business Center, Dog Park

Features

Standard	Dishwasher, Disposal, Ceiling Fan, Cable TV
Select Units	In Unit Laundry
Central / Heat Pump	Air Conditioning
In Building/Fee	Storage
Carpet	Flooring Type 1
Black	Appliances
Quartz	Countertops

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Owner / Mgmt.	Gates Hudson
Phone	434-973-6432

Comments

Most recently known as Granite Park. Landmark bought Autumn Hill & changed name in 2012. Formerly Trophy Chase. Sold again July 2016. All units recently renovated. \$5.5 million renovation.
 Fire pit. Cable/pest & alarm system included in rent.

Floorplans (Published Rents as of 12/06/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	42	\$1,179	635	\$1.86	Market	-
Garden		1	1.0	41	\$1,237	708	\$1.75	Market	-
Garden		1	1.0	41	\$1,269	833	\$1.52	Market	-
Garden		2	1.0	230	\$1,438	789	\$1.82	Market	-
Garden		2	1.5	8	\$1,383	883	\$1.57	Market	-
Garden	Den	2	1.5	7	\$1,540	935	\$1.65	Market	-
Garden	Den	2	1.5	8	\$1,540	1,010	\$1.53	Market	-
Garden		3	1.5	24	\$1,642	1,125	\$1.46	Market	-
Garden		3	1.0	24	\$1,637	1,201	\$1.36	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/06/22	09/01/22	07/12/22
% Vac	1.2%	4.5%	3.8%
One	\$1,228	\$1,228	\$1,268
Two	\$705	\$561	\$614
Two/Den	\$1,540	\$1,351	\$1,477
Three	\$1,640	\$1,513	\$1,658

Adjustments to Rent	
Incentives	Daily Pricing; 1 mo free
Utilities in Rent	Water/Sewer, Trash, Cable

Sparks

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Stone Creek Village



ADDRESS
365 Stone Creek Point, Charlottesville, VA, 22902

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
Garden

UNITS
264

VACANCY
1.9 % (5 Units) as of 12/06/22

OPENED IN
2003



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	32%	\$1,624	814	\$2.00
One/Den	16%	\$1,749	1,212	\$1.44
Two	17%	\$1,919	1,145	\$1.68
Two/Den	8%	\$2,089	1,479	\$1.41
Three	16%	\$2,214	1,352	\$1.64
Three/Den	11%	\$2,419	1,706	\$1.42

Community Amenities
Clubhouse, Community Room, Fitness Room, Sauna, Outdoor Pool, Basketball, Playground, Business Center

Features	
Standard	Dishwasher, Disposal, Microwave, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
SS	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking — \$0.00	Owner / Mgmt.	Infinity Mgmt
Parking Description #2	Underground Garage — \$0.00	Phone	434-872-9000

Comments
9 of 12 bldgs have at grade parking below building, 1 free space/unit. All units-oversized tubs. Select units-9' ceilings, built-in entertainment units, crown molding. 7000 SF clubhse, 1020 SF Fit ctr w/kid's play area. Indoor Spa. Free wifi, 2 putting greens, pond, kiddie pool, spa, 5 tot lots, & 3 BB courts. HUD insured. Undergoing renovations, began in 2020.

Floorplans (Published Rents as of 12/06/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	84	\$1,634	814	\$2.01	Market	-
LOFT Garden	Den	1	1.5	42	\$1,759	1,212	\$1.45	Market	-
Garden		2	2.0	44	\$1,929	1,145	\$1.68	Market	-
LOFT Garden	Den	2	2.5	22	\$2,099	1,479	\$1.42	Market	-
Garden		3	2.0	42	\$2,224	1,352	\$1.64	Market	-
LOFT Garden	Den	3	2.5	30	\$2,429	1,706	\$1.42	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/06/22	04/05/22	03/23/21
% Vac	1.9%	0.0%	3.0%
One	\$817	\$762	\$676
One/Den	\$1,759	\$1,684	\$1,559
Two	\$965	\$1,889	\$817
Two/Den	\$2,099	\$0	\$1,889
Three	\$1,112	\$1,010	\$936
Three/Den	\$2,429	\$2,199	\$2,022

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Stone Creek Village

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Stonefield Commons



ADDRESS 3105 District Avenue, Charlottesville, VA, 22901 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 4 Story - Mid Rise **UNITS** 251 **VACANCY** 2.8 % (7 Units) as of 12/06/22 **OPENED IN** 2013



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	46%	\$2,055	775	\$2.65
Two	41%	\$2,339	1,095	\$2.14
Three	13%	\$2,753	1,352	\$2.04

Community Amenities
Clubhouse, Fitness Room, Outdoor Pool, Business Center, Elevator Served

Features

Standard	Dishwasher, Disposal, Microwave, High Ceilings
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Select Units	Patio Balcony
Carpet	Flooring Type 1
SS	Appliances
Granite	Countertops

Parking

Parking Description	
Parking Description #2	Detached Garage — \$150.00

Contacts

Owner / Mgmt.	MAA
Phone	434-231-2524

Comments

Kitchen islands, double crown molding, walk in closets, garden tubs
 Saline pool, theater, Internet café, conference room. Cabanas, grill area, and WiFi at pool.
 Some accessible units. Some screened in porches.
 community fee \$18 for trash and pest

Floorplans (Published Rents as of 12/06/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Madison Mid Rise - Elevator		1	1.0	26	\$1,996	665	\$3.00	Market	-
Ashland/Highland Mid Rise - Elevator		1	1.0	26	\$1,971	732	\$2.69	Market	-
Albemarle Mid Rise - Elevator		1	1.0	26	\$2,062	784	\$2.63	Market	-
Jouett Mid Rise - Elevator		1	1.0	27	\$2,056	821	\$2.50	Market	-
Carriage Home Mid Rise - Elevator	Garage	1	1.0	10	\$2,413	1,029	\$2.34	Market	-
Greencroft Mid Rise - Elevator		2	2.0	35	\$2,258	1,082	\$2.09	Market	-
Lafayette Mid Rise - Elevator		2	2.0	35	\$2,458	1,101	\$2.23	Market	-
Shadwell Mid Rise - Elevator		2	2.0	34	\$2,300	1,104	\$2.08	Market	-
Pavillion Mid Rise - Elevator		3	2.0	32	\$2,753	1,352	\$2.04	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/06/22	09/01/22	06/16/22
% Vac	2.8%	0.8%	1.6%
One	\$2,099	\$2,024	\$1,928
Two	\$2,339	\$2,408	\$2,096
Three	\$2,753	\$2,483	\$2,873

Adjustments to Rent	
Incentives	Daily pricing; None
Utilities in Rent	
Heat Source	Electric

Initial Absorption	
Opened: 2013-02-01	Months: 20.0
Closed: 2014-10-31	12.6 units/month

Stonefield Commons

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Tarleton Square



ADDRESS
701 E. High Street, Charlottesville, VA, 22902

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
4 Story - Mid Rise

UNITS
54

VACANCY
0.0 % (0 Units) as of 12/06/22

OPENED IN
1967



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	6%	\$1,169	483	\$2.42
One	41%	\$1,332	780	\$1.71
Two	54%	\$1,499	1,004	\$1.49

Community Amenities
Fitness Room, Central Laundry, Elevator Served

Features	
Standard	Dishwasher, Disposal, Ceiling Fan, Broadband Internet
Select Units	Microwave, IceMaker, In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
Black	Appliances
Laminate	Countertops
Community Security	Keyed Bldg Entry

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Owner / Mgmt.	Great Eastern Management
Phone	434-296-4100 John

Comments
Mixed use property w/offices in rear of property on ground flr. A few units renovated w/new kitchens & baths, W/D, crown molding. Very few units turnover. No other renovations planned at this time.
PL-99%, Occ-99%

Floorplans (Published Rents as of 12/06/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Mid Rise - Elevator		0	1.0	3	\$1,192	483	\$2.47	Market	-
Mid Rise - Elevator		1	1.0	22	\$1,357	780	\$1.74	Market	-
Mid Rise - Elevator		2	2.0	29	\$1,529	1,004	\$1.52	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/06/22	09/01/22	01/05/22
% Vac	0.0%	1.9%	0.0%
Studio	\$1,192	\$1,289	\$1,132
One	\$1,357	\$1,444	\$1,289
Two	\$1,529	\$1,600	\$1,454

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash, Internet
Heat Source	Electric

Tarleton Square

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Treesdale Park



ADDRESS
1720 Treesdale Way, Charlottesville, VA, 22901

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
3 Story - Garden

UNITS
72

VACANCY
0.0 % (0 Units) as of 12/02/22

OPENED IN
2012



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	67%	\$965	1,082	\$0.89
Three	33%	\$1,110	1,263	\$0.88

Community Amenities
Community Room, Fitness Room

Features

Standard	Dishwasher, Disposal
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Black	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Park Properties
Parking Description #2	Covered Spaces — \$0.00	Phone	434-971-7368

Comments

28 covered spaces. Opened Jan. 2012 & stabilized August 2012. 16 Sec8 units not included in total. Very strict criteria for income & criminal background. 22 units have project-based subsidies.

Floorplans (Published Rents as of 12/02/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		2	2.0	48	\$975	1,082	\$0.90	LIHTC	50%
Garden		3	2.0	6	\$1,120	1,263	\$0.89	LIHTC	40%
Garden		3	2.0	18	\$1,120	1,263	\$0.89	LIHTC	50%

Historic Vacancy & Eff. Rent (1)			
Date	12/02/22	09/01/22	01/06/22
% Vac	0.0%	0.0%	0.0%
Two	\$975	\$945	\$945
Three	\$1,120	\$1,082	\$1,082

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Initial Absorption	
Opened: 2012-01-01	Months: 7.0
Closed: 2012-08-01	12.6 units/month

Treesdale Park

Virnita Court



ADDRESS
800 Rose Hill Dr, Charlottesville, VA, 22903

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
2 Story - Garden

UNITS
16

VACANCY
0.0 % (0 Units) as of 12/07/22

OPENED IN
1960



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	38%	\$875	615	\$1.42
Two	63%	\$1,034	690	\$1.50

Community Amenities

Features

Standard	Dishwasher, Disposal, Microwave, IceMaker
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Laminate	Countertops
White	Appliances

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Piedmont Housing
Parking Description #2		Phone	434-825-0574

Comments

WL: 1 year

Floorplans (Published Rents as of 12/07/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
		1	1.0	2	\$850	615	\$1.38	LIHTC	40%
		1	1.0	4	\$903	615	\$1.47	LIHTC	50%
		2	1.0	6	\$1,008	690	\$1.46	LIHTC	50%
		2	1.0	4	\$1,098	690	\$1.59	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	12/07/22	02/17/22	02/22/21
% Vac	0.0%	0.0%	0.0%
One	\$877	\$0	\$873
Two	\$1,053	\$0	\$1,046

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Virnita Court

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent

(2) Published Rent is rent as quoted by management.

Westgate



ADDRESS
2615 Hydraulic Road, Charlottesville, VA, 22901

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
Garden/TH

UNITS
284

VACANCY
1.4 % (4 Units) as of 12/06/22

OPENED IN
1971



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	39%	\$1,243	631	\$1.97
One/Den	4%	\$1,374	725	\$1.90
Two	54%	\$1,401	940	\$1.49
Three	3%	\$1,544	1,155	\$1.34

Community Amenities
Clubhouse, Fitness Room, Central Laundry, Outdoor Pool, Car Wash

Features

Standard	Dishwasher, Disposal, Microwave, Cable TV, Broadband Internet
Select Units	In Unit Laundry, Fireplace, Patio Balcony
Central / Heat Pump	Air Conditioning
Black	Appliances
Laminate	Countertops

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Owner / Mgmt.	Great Eastern Management
Phone	434-296-4100

Comments

New Clubhouse, dog park. Utility fee of \$100-\$280 w/s/t , gas heat, hot water & cooking. One phase of property also includes electric for a slightly higher fee.
PL-99%, Occ-99%.

Floorplans (Published Rents as of 12/06/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Junior Garden		1	1.0	12	\$1,087	478	\$2.27	Market	-
Garden		1	1.0	99	\$1,262	650	\$1.94	Market	-
Garden	Den	1	1.0	12	\$1,374	725	\$1.90	Market	-
Garden	Patio/Balcony	2	1.0	69	\$1,449	912	\$1.59	Market	-
Garden		2	2.0	69	\$1,329	912	\$1.46	Market	-
TH Townhouse		2	1.5	15	\$1,514	1,200	\$1.26	Market	-
Garden		3	2.0	8	\$1,544	1,155	\$1.34	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/06/22	09/01/22	07/12/22
% Vac	1.4%	0.0%	0.0%
One	\$783	\$783	\$780
One/Den	\$1,374	\$1,374	\$1,374
Two	\$1,431	\$1,431	\$1,446
Three	\$1,544	\$1,544	\$1,539

Adjustments to Rent	
Incentives	None
Utilities in Rent	Internet, Cable
Heat Source	Natural Gas

Westgate

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent

(2) Published Rent is rent as quoted by management.

Wilton Farm



ADDRESS
1475 Wilton Farm Road, Charlottesville, VA, 22911

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
4 Story - Garden

UNITS
144

VACANCY
0.0 % (0 Units) as of 12/02/22

OPENED IN
1992



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	61%	\$1,010	882	\$115
Three	38%	\$1,341	1,065	\$126
Three/Den	1%	\$1,415	1,244	\$114

Community Amenities
Central Laundry, Playground

Features

Standard	Dishwasher, Disposal
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning
White	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Phone	434-295-7368 Jessica
Parking Description #2			

Comments

Community has 3-4 story bldgs. 25 units can be rented by households w/incomes up to 150% of median.
3 tot lots. \$40/month Full-Size W/D
No waitlist. Management stated they do not advertise rent for 3/2 Den floorplan.

Floorplans (Published Rents as of 12/02/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		2	1.0	88	\$1,040	882	\$1.18	LIHTC	60%
Garden		3	1.0	26	\$1,350	1,008	\$1.34	LIHTC	60%
Garden		3	2.0	28	\$1,400	1,118	\$1.25	LIHTC	60%
Garden	Den	3	2.0	2	\$1,450	1,244	\$1.17	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	12/02/22	09/01/22	04/07/22
% Vac	0.0%	0.0%	0.0%
Two	\$1,040	\$1,040	\$1,000
Three	\$917	\$917	\$722
Three/Den	\$1,450	\$1,450	\$1,300

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Natural Gas

Wilton Farm

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Woodridge



ADDRESS
320 Commonwealth Court, Charlottesville, VA, 22901

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story - Garden

UNITS
60

VACANCY
0.0 % (0 Units) as of 12/06/22

OPENED IN
1993



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	100%	\$1,426	1,200	\$119

Community Amenities
Playground

Features

Standard	Dishwasher, Disposal, Microwave, Patio Balcony
Standard - Stacked	In Unit Laundry
Central / Heat Pump	Air Conditioning
Standard - In Unit	Storage
White	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Mgmt Services Corp.
Parking Description #2		Phone	434-270-7208

Comments

2 Parking spaces included

Floorplans (Published Rents as of 12/06/2022) (2)									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		2	2.0	60	\$1,436	1,200	\$120	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	12/06/22	09/01/22	07/12/22
% Vac	0.0%	0.0%	0.0%
Two	\$1,436	\$1,436	\$1,410

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Woodridge

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent

(2) Published Rent is rent as quoted by management.



XIII. APPENDIX 5 ANALYST RESUMES

ROBERT M. LEFENFELD

Managing Principal

Mr. Lefenfeld is the Managing Principal of the firm with over 30 years of experience in the field of residential market research. Before founding Real Property Research Group in February 2001, Bob served as an officer of research subsidiaries of the accounting firm of Reznick Fedder & Silverman and Legg Mason. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting market studies throughout the United States on rental and for sale projects. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles. Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, analyzing markets throughout the Eastern United States and evaluating the company's active building operation.

Bob oversees the execution and completion of all of the firm's research assignments, ranging from a strategic assessment of new development and building opportunities throughout a region to the development and refinement of a particular product on a specific site. He combines extensive experience in the real estate industry with capabilities in database development and information management. Over the years, he has developed a series of information products and proprietary databases serving real estate professionals.

Bob has lectured and written extensively on the subject of residential real estate market analysis. He has served as a panel member, speaker, and lecturer at events held by the National Association of Homebuilders, the National Council on Seniors' Housing and various local homebuilder associations. Bob serves as a visiting professor for the Graduate Programs in Real Estate Development, School of Architecture, Planning and Preservation, University of Maryland College Park. He also serves as Immediate Past Chair of the National Council of Affordable Housing Market Analysts (NCAHMA) and is a board member of the Baltimore chapter of Lambda Alpha Land Economics Society.

AREAS OF CONCENTRATION:

- **Strategic Assessments:** Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.
- **Feasibility Analysis:** Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects for these analyses have included for-sale single-family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations and continuing care facilities for the elderly.
- **Information Products:** Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for sale housing, pipeline information, and rental communities. Information compiled is committed to a Geographic Information System (GIS), facilitating the comprehensive integration of data.

EDUCATION:

Master of Urban and Regional Planning; The George Washington University.
Bachelor of Arts - Political Science; Northeastern University.



Gerald Levin

Senior Analyst

Mr. Levin has over 30 years of experience in all aspects of real estate development, financial and market feasibility analyses, financing and due diligence, project management, marketing, and development programming. Along with research experience with Real Property Research Group and Gladstone Associates, his work experience has included development and asset management. Prior to joining Real Property Research Group as a Director, Mr. Levin was part of senior management at Landex Corporation, a regional development and property management firm specializing in redevelopment of multi-family properties, and at Struever Bros., Eccles & Rouse, Baltimore's largest developer of historic properties. He served 12 years as Vice President of Chevy Chase/ B. F. Saul Co. in Washington DC where he managed \$300 million plus residential and commercial real estate portfolios in both the development and work-out departments; served as Director of Development for RS Properties in Baltimore, a real estate investment firm specializing in the historic redevelopment of urban properties; and served as Financial Services Officer for the Baltimore Economic Development Corporation.

Areas of Concentration:

- **Feasibility Analysis:** Mr. Levin's experience has encompassed a wide range of studies including residential (single-family, townhouse, multi-family, condominium, senior, active adult, lot sales, tax credit), industrial, office, retail, research & development, special purpose (retreat facilities, performing arts Centers, self-storage facilities, convention centers, conference facilities), and mixed- use development. Recent studies have focused on family and senior tax credit communities, inner-city revitalization projects, and due diligence for investment funds in locations throughout the Mid-Atlantic and Midwest.
- **Site Analysis and Development Programming:** Mr. Levin has a comprehensive background in development including analysis of zoning and public ordinance compatibility, the neighborhood setting, availability of utilities, public transit and road connections, market feasibility, community issues, and developer experience. His development experience has included preparation of development profiles based on site features and market, development of public/ private partnerships to showcase "anchor" projects impacted by public infrastructure (i.e., transit stations), project scheduling, coordination of financing, due diligence, community participation, and coordination of critical issues – environment review, historic certification, historic tax credits, transportation linkages, and parking.
- **Financial Analyses and Financial Packaging:** Mr. Levin has a broad background in the preparation of proforma development budgets and operating statements, analysis of economic returns to owners and investors, the preparation of financial loan packages for review by potential lenders, investors, and owners including project overview, project financial information, market overview, status of required public approvals/ actions, and the oversight of the due diligence process required for transfer of property and loan closings.

Education:

Master of Urban and Regional Planning; University of North Carolina at Chapel Hill
Bachelor of Arts, Economics; Yale University



XIV. APPENDIX 6 VH CERTIFICATION

I affirm the following:

- 1.) I have made a physical inspection of the site and market area.
- 2.) The appropriate information has been used in the comprehensive evaluation of the need and demand for 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 VH.
- 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 VH or in any way acting for, at the request of, or on behalf of VH.
- 6.) Compensation for my services is not contingent upon this development receiving a LIHTC reservation or allocation.

A handwritten signature in dark ink, appearing to read 'Jerry Levin', written in a cursive style.

Jerry Levin

Market Analyst

December 6th, 2022

Date