

MARKET STUDY

Property:
JCOC 3H Housing
1053 Virginia Beach Boulevard
Virginia Beach, Virginia 23451



Type of Property:
Affordable Multifamily Development
Family
New Construction

Date of Report:
March 9, 2022

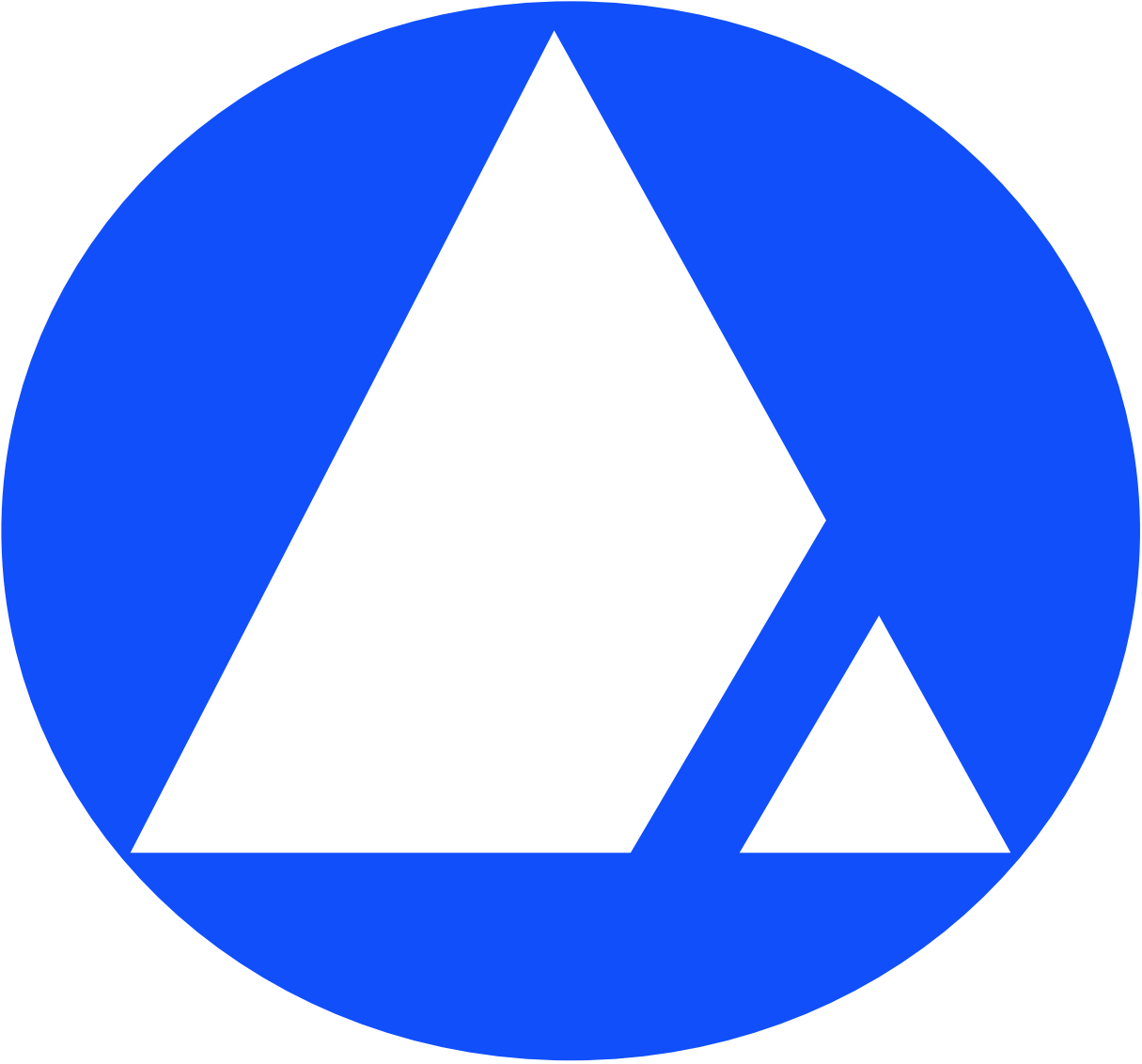
Effective Date:
March 2, 2022

Date of Site Visit:
February 5, 2022

Prepared For:
Mr. Todd Walker
Judeo-Christian Outreach Center
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Virginia Beach, Virginia 23451
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March 9, 2022

Mr. Todd Walker
Judeo-Christian Outreach Center
1053 Virginia Beach Boulevard
Virginia Beach, Virginia 23451

Re: JCOC 3H Housing

Dear Mr. Todd Walker:

The subject property, known as JCOC 3H Housing, is a proposed affordable multifamily development to be located at 1053 Virginia Beach Boulevard, Virginia Beach, Virginia (PID # 24176535270000 & 24176526200000). The subject property is proposed to consist of 38 revenue-producing units to be constructed with an allocation of tax credits. The subject property is an open age community providing supportive services to the special needs population in Virginia Beach.

The subject property is proposed to include a facility designed to serve individuals whose income is 60 percent or less of area median income. The services provided at the facility—day care, career counseling, literacy training, education (including tutorial services), recreation, and outpatient clinical health care—are services that will help improve the quality of life for community residents; the services provided at the facility are appropriate to individuals whose income is 60 percent or less of area median income; and the services provided at the facility are affordable to individuals whose income is 60 percent or less of area median income. More information is found in the Appendix regarding the target population, the facility, and supportive services.

Vacant units, if unleased for 60 days, may be leased to the general population with VHDA's prior approval. Therefore, this market study looks at general population demographics in estimating demand and capture rates.

The subject property is proposed to consist of 38 revenue-producing units including 0-bedroom SRO apartments. A total of 6 units are proposed to be income restricted to 40% of AMI; a total of 13 units are proposed to be income restricted to 50% of AMI; a total of 19 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 38 units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing. The rent and income restrictions associated with the proposed allocation of tax credits will run for the next 30 years.

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

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

The report has been generated for the benefit of our client Judeo-Christian Outreach Center. VHDA is named

as an additional user of the report. No other person or entity may use the report for any reason whatsoever without our express written permission.

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

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

Feel free to contact us with any questions or comments.

Respectfully submitted:
ALLEN & ASSOCIATES CONSULTING

A handwritten signature in blue ink, appearing to read "Jeff Carroll", is positioned above the printed name.

Jeff Carroll

EXECUTIVE SUMMARY

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

Project Description

The subject property, known as JCOC 3H Housing, is a proposed affordable multifamily development to be located at 1053 Virginia Beach Boulevard, Virginia Beach, Virginia (PID # 24176535270000 & 24176526200000). The subject property is proposed to consist of 38 revenue-producing units to be constructed with an allocation of tax credits. The subject property is an open age community providing supportive services to the special needs population in Virginia Beach.

The subject property is proposed to include a facility designed to serve individuals whose income is 60 percent or less of area median income. The services provided at the facility—day care, career counseling, literacy training, education (including tutorial services), recreation, and outpatient clinical health care—are services that will help improve the quality of life for community residents; the services provided at the facility are appropriate to individuals whose income is 60 percent or less of area median income; and the services provided at the facility are affordable to individuals whose income is 60 percent or less of area median income. More information is found in the Appendix regarding the target population, the facility, and supportive services.

Vacant units, if unleased for 60 days, may be leased to the general population with VHDA's prior approval. Therefore, this market study looks at general population demographics in estimating demand and capture rates.

Proposed Unit Mix

The subject property is proposed to consist of 38 revenue-producing units including 0-bedroom SRO apartments. A total of 6 units are proposed to be income restricted to 40% of AMI; a total of 13 units are proposed to be income restricted to 50% of AMI; a total of 19 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 38 units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing. The rent and income restrictions associated with the proposed allocation of tax credits will run for the next 30 years.

Unit Type / Income Limit / Rent Limit	Proposed Unit Configuration			Gross Rent	UA	Net Rent
	HOME	Subsidized	Units			
0BR-1BA-239sf / 40% of AMI / 40% of AMI	yes	Yes	6	\$993	\$0	\$993
0BR-1BA-239sf / 50% of AMI / 50% of AMI	yes	Yes	5	\$993	\$0	\$993
0BR-1BA-239sf / 50% of AMI / 50% of AMI	No	Yes	8	\$993	\$0	\$993
0BR-1BA-239sf / 60% of AMI / 60% of AMI	No	Yes	19	\$993	\$0	\$993
Total/Average			38	\$993	\$0	\$993

Site Description

The subject property includes an irregular-shaped parcel consisting of approximately 0.935 acres and approximately 180 feet of road frontage.

A total of 24 parking spaces are planned for this development (22 regular / 2 accessible / 0.63 spaces per unit). Privately-owned parking areas are planned for the subject property. We normally see 0.50 to 1.00 spaces per unit for projects like the subject. Public transportation is found in the immediate area. In our opinion, the current parking appears adequate for the subject property.

Additional Considerations:

Zoning	A-12. Legal, conforming use.
Environmental	New construction. No suspected environmental conditions.
Topography	No issues detected.
Flood	Zone X. Outside the 100-year flood zone.
DDA Status	Virginia Beach, Virginia. Not designated as a Difficult to Develop Area.
QCT Status	Tract 442.00. Designated as a Qualified Census Tract.

Access	Very Good. Located near a heavily-traveled road.
Visibility	Very Good. Significant traffic and frontage.

In our opinion, the site is suitable for development.

Neighborhood Description

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

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

Additional Considerations:

Crime	Lower crime rates than market average.
Schools	Lower graduation rates than market average.
Average Commute	Longer commutes than market average.

In our opinion, the neighborhood is suitable for development.

Primary Market Area

We defined the primary market area by generating a 12-minute drive time zone around the subject property. We also considered existing concentrations of multifamily properties and the nearest census tract boundaries in our analysis.

The primary market area includes a population of 90,359 persons and covers a total of 39.8 square miles, making it 7.1 miles across on average.

We estimate that up to 20 percent of demand will come from areas outside of the primary market area.

Demographic Characteristics

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

Population	Market area population currently stands at 90,359 and is projected to grow 0.0 percent this year.
Households	Market area households currently stand at 40,278 and is projected to grow 0.6 percent this year.
Renter Households	Market area renter households currently stand at 19,834 and is projected to grow 0.6 percent this year.
Renter Tenure	Market area renter tenure currently stands at 49.2 percent.
Rent Growth	Market area rents have grown 2.07% annually since 2010.

Regional Economic Outlook

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

Est Employment	Regional establishment employment currently stands at 283,375 and is projected to grow 1.5 percent this year.
Civ Employment	Regional civilian employment currently stands at 226,208 and is projected to grow 0.6 percent this year.
Empl by Industry	Regional establishment employment currently stands at 283,375. The data suggests that Health Care and Social Assistance is the largest employment category accounting for 10.5% of total regional employment. Retail Trade is the second largest category accounting for 10.0% of total employment. Accommodation and Food Services is the

third largest category accounting for 10.0% of total employment. State and Local Government is the fourth largest category accounting for 8.0% of total employment. Professional and Technical Services is the fifth largest category accounting for 7.5% of total employment.

Top Employers The top employers include: (1) Geico Insurance (2200 employees); (2) Stihl Inc (2100 employees) and; (3) Sentara VA Beach General Hosp (1800 employees).

Layoffs/Expansions Major employers are currently hiring; none reported any pending layoffs.

Supply Analysis

Our analysis includes a total of 62 confirmed market area properties consisting of 11,487 units. The occupancy rate for these units currently stands at 94 percent. This rate reflects the occupancy for all confirmed market area units, regardless of project status (stabilized, under construction, proposed, etc.).

The following tables summarize our findings for this market area:

Grand Total				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	50	10,314	697	93%
Restricted	9	707	1	100%
Subsidized	3	466	0	100%
Total	62	11,487	698	94%

Stabilized				
Family				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	47	9,774	366	96%
Restricted	9	707	1	100%
Subsidized	2	347	0	100%
Total	58	10,828	367	97%

Elderly				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	1	60	1	98%
Restricted	0	0	0	0%
Subsidized	1	119	0	100%
Total	2	179	1	99%

Pipeline				
Family				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	2	480	330	31%
Restricted	0	0	0	0%
Subsidized	0	0	0	0%
Total	2	480	330	31%

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

Most Comparable Properties

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

Key	Property	Units	Occupancy	Built	Renovated	Rents	Type	Miles to Sub
002	Aqua on 25th Street	147	95%	2016	na	Market Rate	Family	0.94
066	Indigo 19 Apartments	196	96%	2013	na	Market Rate	Family	0.23
074	Saltmeadow Bay Apartments	229	97%	2003	2014	Market Rate	Family	0.86
076	South Beach Apartments	212	96%	2002	2019	Market Rate	Family	0.25
078	Summer House Apartments	178	90%	2013	na	Market Rate	Family	1.23

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

Key	Property	Units	Occupancy	Built	Renovated	Rents	Type	Miles to Sub
032	Green Lakes Apartments	150	100%	1977	2002	Restricted	Family	5.39
048	Lynnhaven Landing Apartmer	250	100%	1973	2012	Restricted	Family	3.68
075	Sea Pines Apartments	96	99%	1966	2002	Restricted	Family	0.42
094	Seaside Harbor Apartments	76	100%	2018	na	Restricted	Family	0.74

Achievable Rents

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

Unit Type / Income Limit / Rent Limit	Achievable Rents			Units	Achievable	Proposed	Advantage
	HOME	Subsidized					
0BR-1BA-239sf / 40% of AMI / 40% of AMI	yes	Yes		6	\$1,025	\$993	3.1%
0BR-1BA-239sf / 50% of AMI / 50% of AMI	yes	Yes		5	\$1,025	\$993	3.1%
0BR-1BA-239sf / 50% of AMI / 50% of AMI	No	Yes		8	\$1,025	\$993	3.1%
0BR-1BA-239sf / 60% of AMI / 60% of AMI	No	Yes		19	\$1,025	\$993	3.1%
Total / Average				38	\$1,025	\$993	3.1%

Our analysis suggests an average achievable rent of \$1,025 for the subject property. This is compared with an average proposed rent of \$993, yielding an achievable rent advantage of 3.1 percent. Overall, the subject property appears to be priced at or below achievable rents for the area.

NCHMA Demand Analysis

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

Unit Type / Rent Type / Income Limit	Vac Units at Market Entry	Gross Demand	Vacant & Pipeline Units	Capture Rate Gross	Capture Rate Net	Penetration Rate	Absorption Pd (Mos)
0-Bedroom / Subsidized / 60% of AMI	38	3,181	0	1.2%	1.2%	1.2%	3
Project-Wide Gross Capture Rate				1.2%			
Project-Wide Net Capture Rate				1.2%			
Project-Wide Penetration Rate				1.2%			
Stabilized Occupancy				97%			
Project-Wide Absorption Period				3 mos			

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

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

Our analysis suggests that the subject property will stabilize at 97 percent occupancy. We estimate 3 months of

absorption and an average absorption rate of 13.1 units per month for this project. In our opinion, the absorption period suggests an appropriate number and mix of units for the subject property.

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

VHDA Demand Analysis

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

Project-Wide Capture Rate - LIHTC Units	3.3%
Project-Wide Capture Rate - Market Units	0.0%
Project-Wide Capture Rate - All Units	3.3%
Project-Wide Absorption Period (Months)	3 mos

Conclusion

In conclusion, the subject property appears to be feasible from a market standpoint. The units appear to be priced appropriately and we anticipate a rapid lease-up after construction.

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

JCOC 3H Housing
 1053 Virginia Beach Boulevard
 Virginia Beach, Virginia 23451

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Minimum Income									
Maximum Income	\$35,520								\$35,520
New Rental Households	39								39
(+)									
Existing Households - Overburdened	922								922
(+)									
Existing Households - Substandard Housing	183								183
(+)									
Elderly Households - Likely to Convert to Rental Housing									
(+)									
Existing Qualifying Tenants - To Remain After Renovation									
(+)									
Total Demand	1,144								1,144
(-)									
Supply (Directly Comparable Vacant Units Completed or in Pipeline in PMA)									
(=)									
Net Demand	1,144								1,144
Proposed Units	38								38
Capture Rate	3.3%								3.3%
Absorption Period (Months)	3 mos								3 mos

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PROJECT OVERVIEW

Project Description

The subject property, known as JCOC 3H Housing, is a proposed affordable multifamily development to be located at 1053 Virginia Beach Boulevard, Virginia Beach, Virginia (PID # 24176535270000 & 24176526200000). The subject property is proposed to consist of 38 revenue-producing units to be constructed with an allocation of tax credits. The subject property is an open age community providing supportive services to the special needs population in Virginia Beach.

The subject property is proposed to include a facility designed to serve individuals whose income is 60 percent or less of area median income. The services provided at the facility—day care, career counseling, literacy training, education (including tutorial services), recreation, and outpatient clinical health care—are services that will help improve the quality of life for community residents; the services provided at the facility are appropriate to individuals whose income is 60 percent or less of area median income; and the services provided at the facility are affordable to individuals whose income is 60 percent or less of area median income. More information is found in the Appendix regarding the target population, the facility, and supportive services.

Vacant units, if unleased for 60 days, may be leased to the general population with VHDA's prior approval. Therefore, this market study looks at general population demographics in estimating demand and capture rates.

Select project details are summarized below:

Project Description	
Property Name	JCOC 3H Housing
Street Number	1053
Street Name	Virginia Beach
Street Type	Boulevard
City	Virginia Beach
County	Virginia Beach City
State	Virginia
Zip	23451
Units	38
Project Rent	Subsidized
Project Type	Family
Project Status	Prop Const
Financing Type	Conventional
Latitude	36.8415
Longitude	-75.9937

Construction and Lease-Up Schedule

We anticipate a 12-month construction period for this project. Assuming a December 1, 2022 closing, this yields a date of completion of December 1, 2023. Our demand analysis (found later in this report) suggests a 3-month absorption period. This yields a date of stabilization of March 1, 2024.

Unit Configuration

The subject property is proposed to consist of 38 revenue-producing units including 0-bedroom SRO apartments. A total of 6 units are proposed to be income restricted to 40% of AMI; a total of 13 units are proposed to be income restricted to 50% of AMI; a total of 19 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 38 units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing. The rent and income restrictions associated with the proposed allocation of tax credits will run for the next 30 years.

Proposed Unit Configuration

BR	BA	SF	Unit Type	Income Limit	Rent Limit	HOME Units	Subs Units	Total Units	Gross Rent	Net Rent
0	1.0	239	Garden/Flat	40%	40%	yes	Yes	6	\$993	\$993
0	1.0	239	Garden/Flat	50%	50%	yes	Yes	5	\$993	\$993
0	1.0	239	Garden/Flat	50%	50%	No	Yes	8	\$993	\$993
0	1.0	239	Garden/Flat	60%	60%	No	Yes	19	\$993	\$993
Total/Average		239						38	\$993	\$993

Income & Rent Limits

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

Income Limits						
HH Size	30% of AMI	40% of AMI	50% of AMI	60% of AMI	70% of AMI	80% of AMI
1.0 Person	\$17,760	\$23,680	\$29,600	\$35,520	\$41,440	\$47,360
2.0 Person	\$20,280	\$27,040	\$33,800	\$40,560	\$47,320	\$54,080
3.0 Person	\$22,830	\$30,440	\$38,050	\$45,660	\$53,270	\$60,880
4.0 Person	\$25,350	\$33,800	\$42,250	\$50,700	\$59,150	\$67,600
5.0 Person	\$27,390	\$36,520	\$45,650	\$54,780	\$63,910	\$73,040
6.0 Person	\$29,430	\$39,240	\$49,050	\$58,860	\$68,670	\$78,480
7.0 Person	\$31,440	\$41,920	\$52,400	\$62,880	\$73,360	\$83,840
8.0 Person	\$33,480	\$44,640	\$55,800	\$66,960	\$78,120	\$89,280

Source: HUD; State Housing Finance Agency

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

Historical Median Income		
Year	\$	Change
2010	\$68,200	0.4%
2011	\$69,900	2.5%
2012	\$70,900	1.4%
2013	\$73,300	3.4%
2014	\$70,600	-3.7%
2015	\$70,900	0.4%
2016	\$70,500	-0.6%
2017	\$73,000	3.5%
2018	\$75,000	2.7%
2019	\$79,300	5.7%
2020	\$82,500	4.0%
2021	\$84,500	2.4%

Source: HUD

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

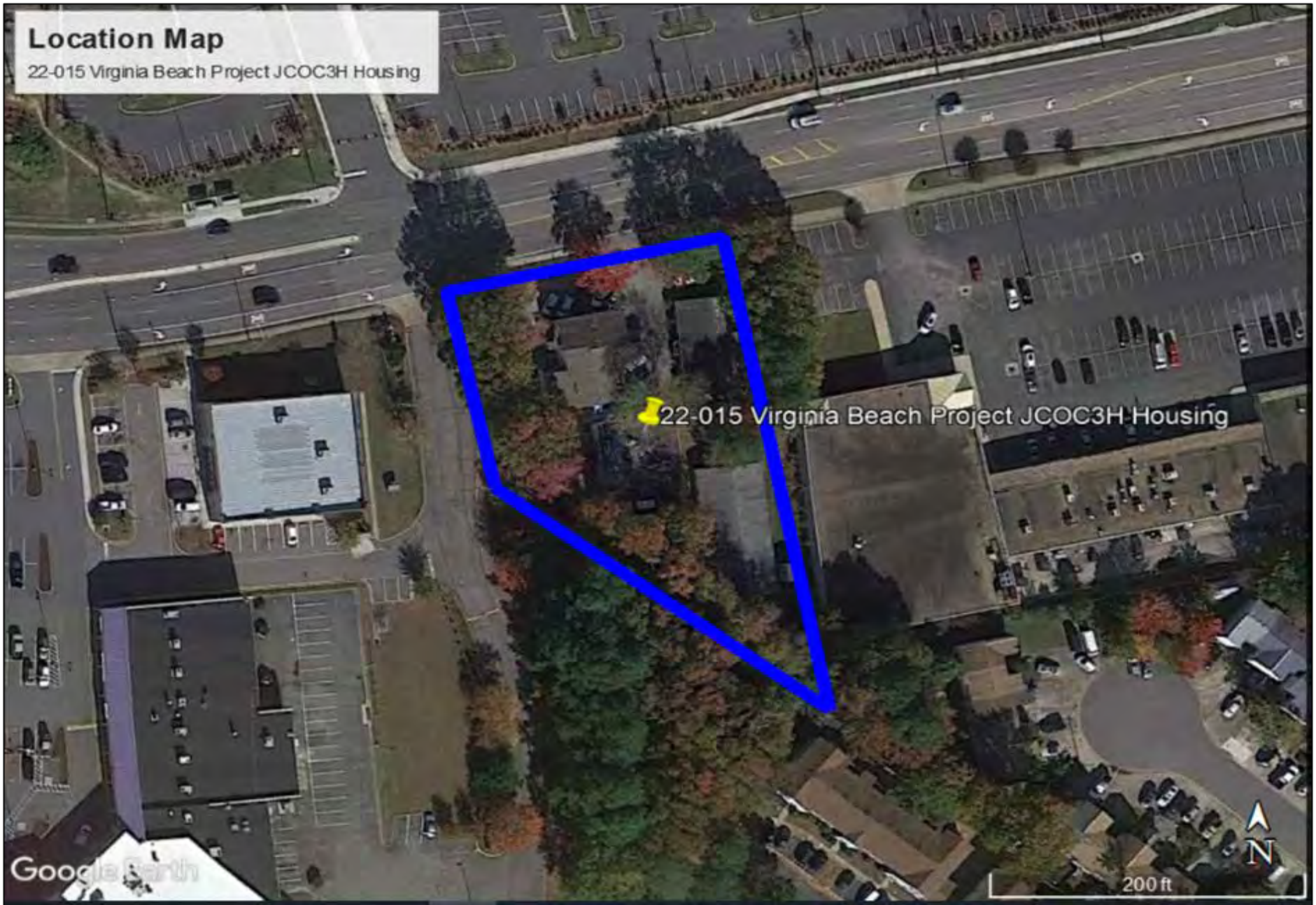
Maximum Housing Expense						
Unit Type	30% of AMI	40% of AMI	50% of AMI	60% of AMI	70% of AMI	80% of AMI
0 Bedroom	\$444	\$592	\$740	\$888	\$1,036	\$1,184
1 Bedroom	\$475	\$634	\$792	\$951	\$1,109	\$1,268
2 Bedroom	\$570	\$761	\$951	\$1,141	\$1,331	\$1,522
3 Bedroom	\$659	\$879	\$1,098	\$1,318	\$1,538	\$1,758
4 Bedroom	\$735	\$981	\$1,226	\$1,471	\$1,716	\$1,962

Source: HUD

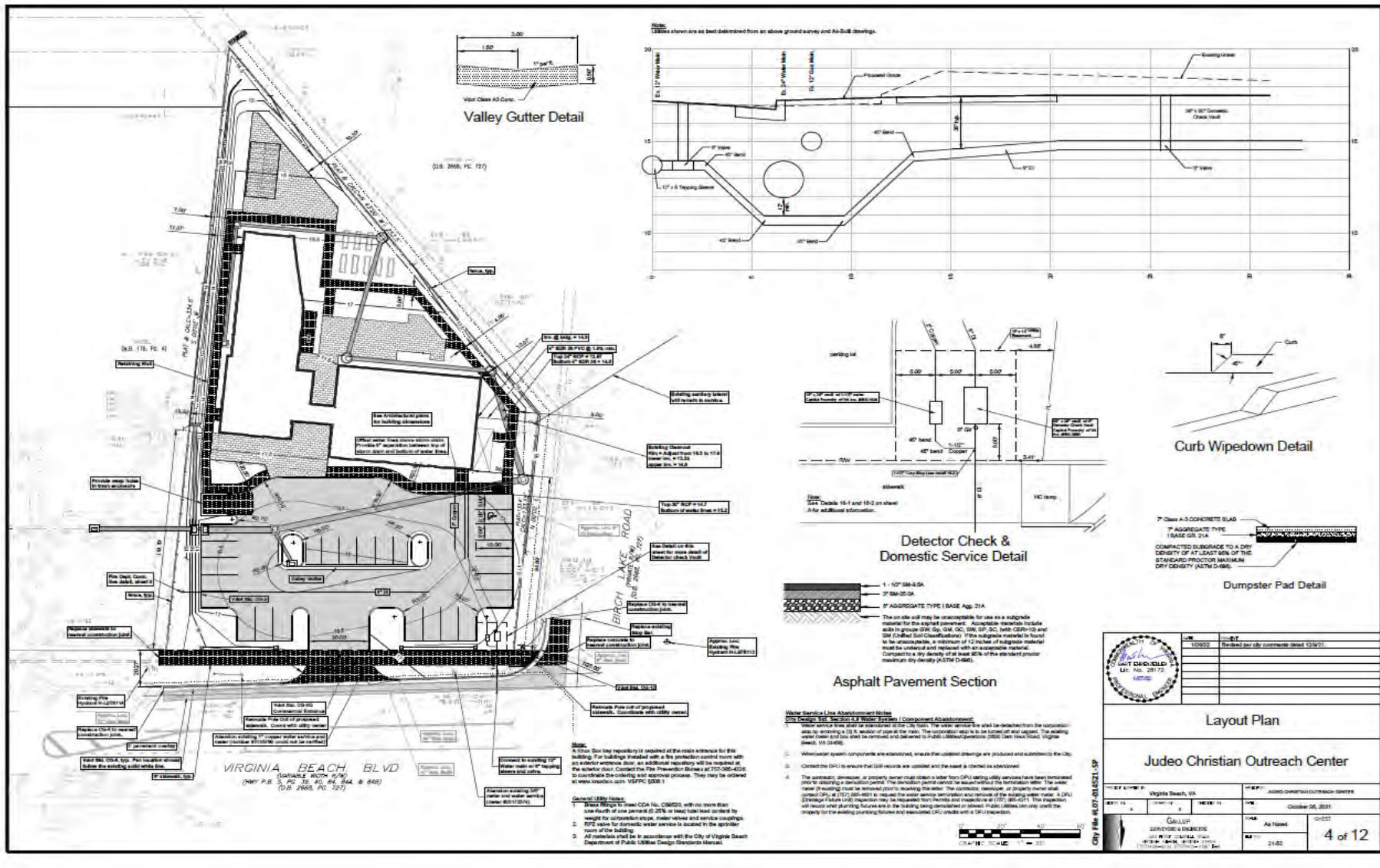
The following table sets forth the gross fair market rents (net fair market rents + tenant-paid utilities) that would apply to any Section 8 voucher recipients or any units benefiting from HOME financing at the subject property:

Fair Market Rents	
Unit Type	Gross Rent
0 Bedroom	\$993
1 Bedroom	\$1,015
2 Bedroom	\$1,193
3 Bedroom	\$1,676
4 Bedroom	\$2,042

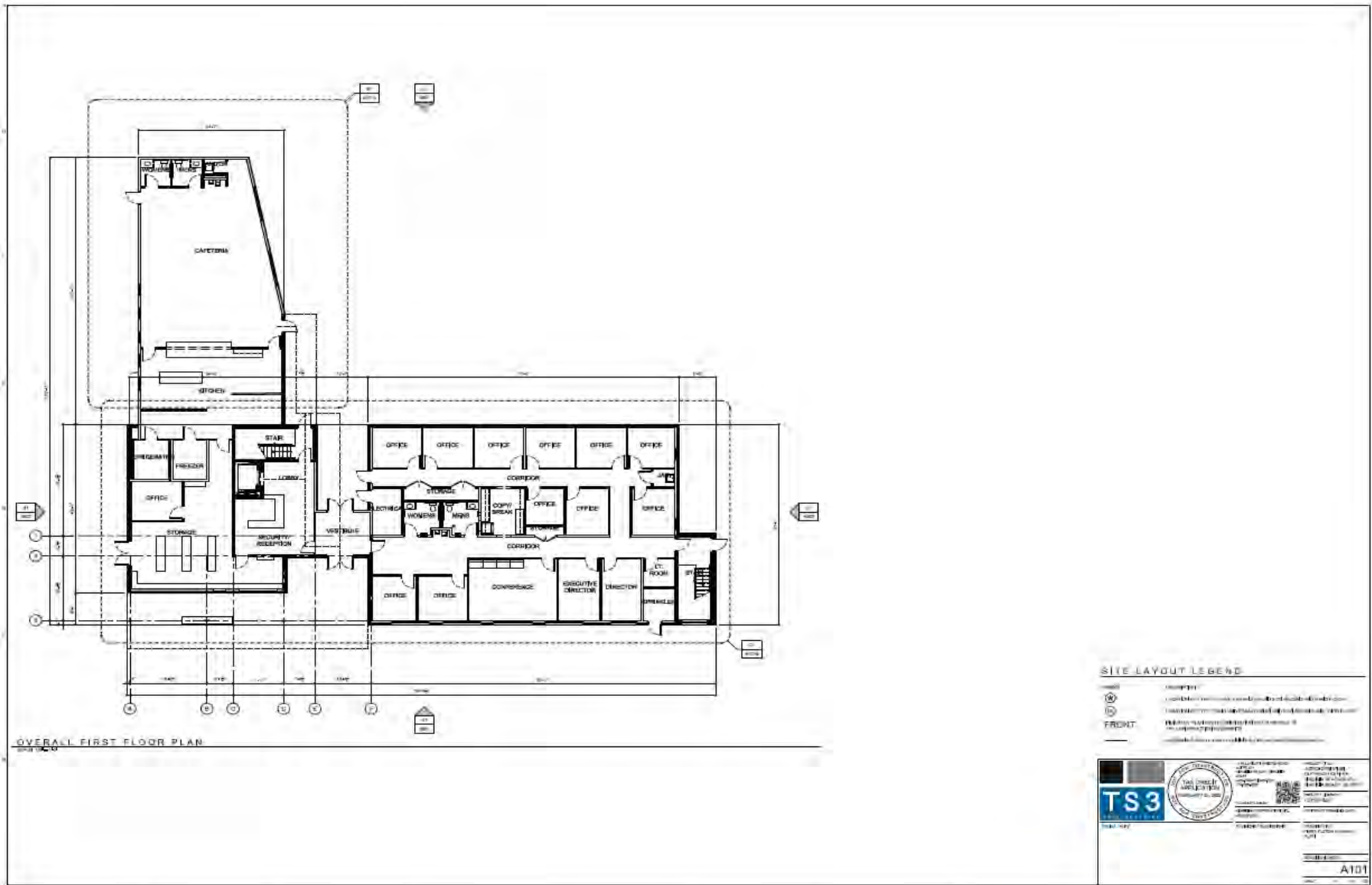
Source: HUD



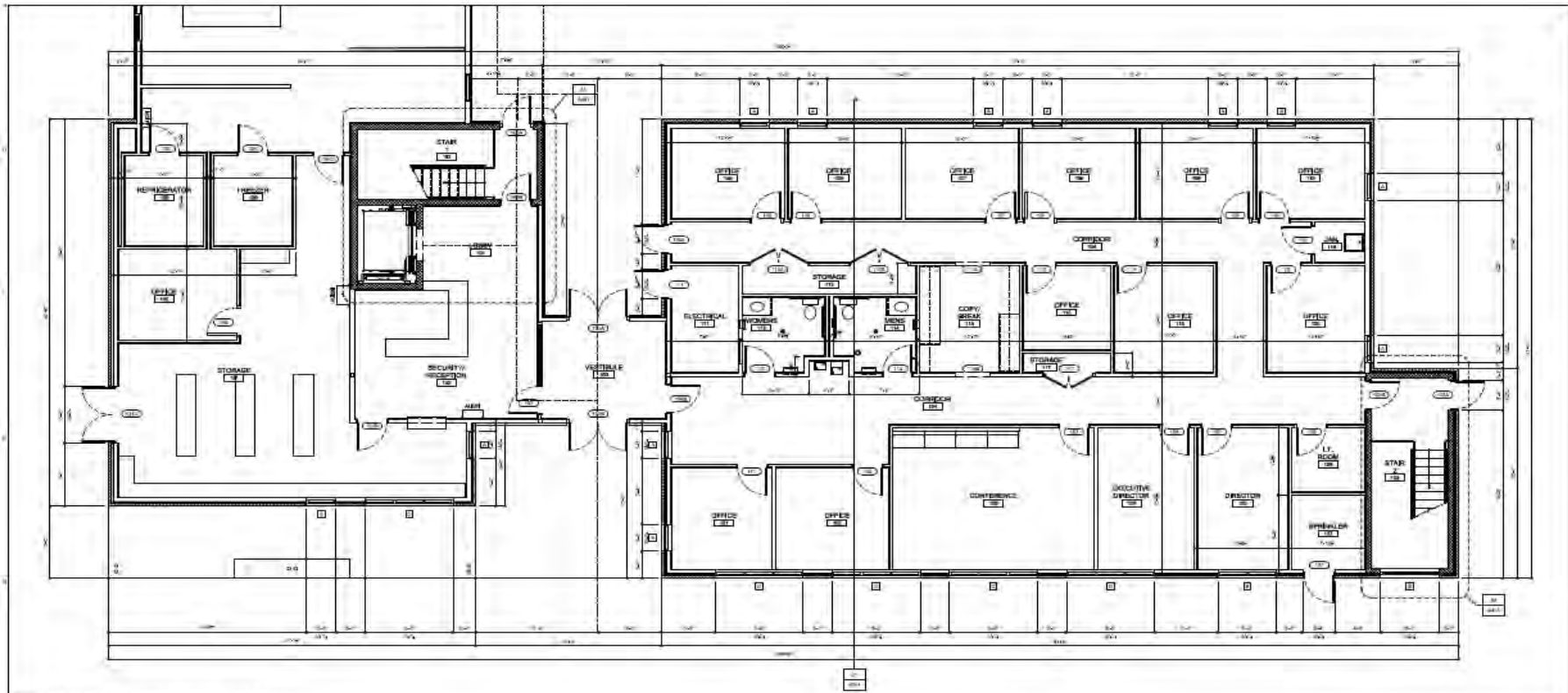
Site Plan



Building Plans



Building Plans (Continued)



ENLARGED FIRST FLOOR PLAN

SITE LAYOUT LEGEND

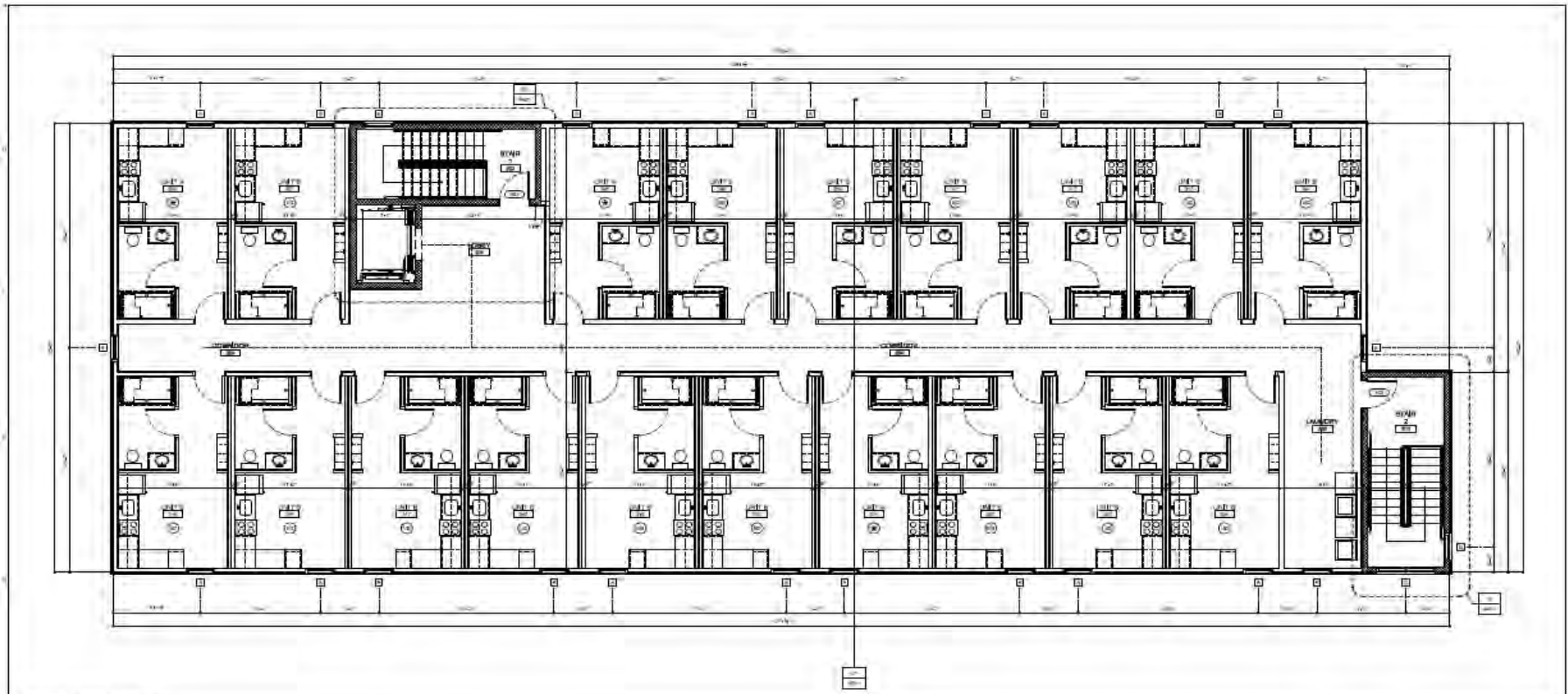
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- PROPOSED
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Building Plans (Continued)



THIRD FLOOR PLAN

SITE LAYOUT LEGEND

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Allen and Associates Consulting

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Building Plans (Continued)



The Kitchen and Cafeteria run perpendicular to the administration and housing components to maximize open and private space for residents and clients in the rear of the property.



Egress stair will be back lit to serve as a beacon and wayfinder for the building.

Facade Materials

The building facades are made from a composition of EIFS, brick, aluminum storefront, and aluminum panels. The swooping entry allows for proper queuing process during pantry pick up days. Both permanent residents and clients have access to the cafeteria.

Virginia Beach Facade : Welcoming Canopy and Offices



IMPROVEMENT DESCRIPTION & ANALYSIS

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

Building Features

The subject property is proposed to consist of 38 revenue-producing units in 1 residential building and 0 non-residential buildings. The development is proposed to include approximately 9,082 square feet of net rentable area and 22,398 square feet of gross building area.

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

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

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

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

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

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

The subject is proposed to include EIFS siding along with brick & aluminum storefronts, double hung vinyl double pane windows, and steel clad insulated six-panel unit entry doors.

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

The subject is proposed to include hip roofs with asphalt materials.

Vertical Transportation - Elevator, Interior Stair Systems

The subject property is proposed to consist of one three-story building serviced by an elevator.

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

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

HVAC - Heating, Air Conditioning, Ventilation

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

Electrical and Communications - Distribution, Aluminum Wiring, etc.

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

Fire Suppression

The subject property is proposed to be equipped with an NFPA-13 fully automatic fire suppression (sprinkler) system. In addition, hard-wired smoke detectors with battery backup are proposed in each bedroom area.

Unit Features

The subject property is proposed to contain 38 revenue-producing units including 32 regular units and 6 accessible units, including 38 bedrooms, 38 full bathrooms and 0 half bathrooms.

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

Walls / Ceilings / Interior Doors

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

Floor Covering

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

Kitchens

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

Bathrooms

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

Project Amenities

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

Site & Common Area Amenities

A community center, elevator, gazebo/patio, herb garden, and picnic area are proposed for the subject property.

Parking

Open parking is proposed for the subject property.

Laundry

A central laundry is proposed for the subject property.

Security

Controlled access and monitoring are proposed for the subject property.

Services

No special services are proposed for the subject property.

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

Utility Configuration

The subject property is proposed to include electric heat, electric cooking and electric hot water. All utilities - including electricity - are proposed to be paid by the owner.

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

Utility Allowances

BR	BA	SF	Unit Type	Inc Lmt	Rnt Lmt	HOME	Subs	Units	UA	HUD UA
0	1.0	239	Garden/Flat	40% of AMI	40% of AMI	yes	Yes	6	\$0	\$0
0	1.0	239	Garden/Flat	50% of AMI	50% of AMI	yes	Yes	5	\$0	\$0
0	1.0	239	Garden/Flat	50% of AMI	50% of AMI	No	Yes	8	\$0	\$0
0	1.0	239	Garden/Flat	60% of AMI	60% of AMI	No	Yes	19	\$0	\$0
Total/Average								38	\$0	\$0

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

Useful Life Analysis

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

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

		Actual Age Effective Age Condition			Rank		
		Rating					
Key	Project Name	Actual Age	Effective Age	Property Condition	Actual Age	Effective Age	Property Condition
Sub	JCOC 3H Housing	2022	2022	4.50	1	1	3
002	Aqua on 25th Street	2016	2016	4.00	3	3	5
032	Green Lakes Apartments	1977	1990	2.50	8	10	10
048	Lynnhaven Landing Apartments	1973	2002	3.00	9	8	8
066	Indigo 19 Apartments	2013	2013	4.75	4	4	1
074	Saltmeadow Bay Apartments	2003	2010	4.50	6	5	3
075	Sea Pines Apartments	1966	1995	3.00	10	9	8
076	South Beach Apartments	2002	2005	4.00	7	7	5
078	Summer House Apartments	2013	2010	4.75	4	5	1
094	Seaside Harbor Apartments	2018	2018	4.00	2	2	5

Source: Allen & Associates; Sponsor

Amenities

Key	Project Name	Site & Common Area Amenities																				
		Ball Field	BBQ Area	Billiards Game Rm	Business Comp Ctr	Car Care Center	Community Center	Elevator	Fitness Center	Gazebo Patio	Hot Tub Jacuzzi	Herb Garden	Horseshoes	Lake	Library	Movie Media Ctr	Picnic Area	Playground	Pool	Sauna	Sports Court	Walking Trail
Sub	JCOC 3H Housing	no	no	no	no	no	yes	yes	no	yes	no	yes	no	no	no	no	yes	no	no	no	no	
002	Aqua on 25th Street	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	no	yes	no	no	yes	no	yes	no	no	
032	Green Lakes Apartments	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	yes	yes	no	no	no	no	
048	Lynnhaven Landing Apartments	no	no	no	no	no	yes	no	no	no	no	no	no	yes	no	no	no	yes	yes	no	no	
066	Indigo 19 Apartments	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	yes	yes	yes	no	no	no	no	
074	Saltmeadow Bay Apartments	no	yes	no	no	no	yes	yes	yes	yes	yes	no	no	no	no	no	yes	no	yes	no	no	
075	Sea Pines Apartments	no	no	no	yes	no	no	no	no	no	no	no	no	no	no	no	yes	yes	no	no	no	
076	South Beach Apartments	no	yes	no	no	no	yes	yes	yes	no	no	no	no	no	no	no	yes	no	yes	no	no	
078	Summer House Apartments	no	yes	no	no	no	yes	yes	yes	no	no	no	no	no	no	no	yes	no	yes	no	no	
094	Seaside Harbor Apartments	no	no	no	no	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	no	

Key	Project Name	Unit Amenities					Kitchen Amenities					Air Conditioning				Heat						
		Blinds	Ceiling Fans	Carpeting	Fireplace	Patio Balcony	Storage	Stove	Refrigerator	Disposal	Dishwasher	Microwave	Central	Wall Units	Window Units	None	Central	Wall Units	Baseboards	Boiler Radiator	None	
Sub	JCOC 3H Housing	yes	no	yes	no	no	no	yes	yes	no	no	yes	yes	no	no	no	no	yes	no	no	no	no
002	Aqua on 25th Street	yes	yes	yes	no	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	no	no	yes	no	no	no	no
032	Green Lakes Apartments	yes	no	yes	no	no	no	yes	yes	yes	yes	no	yes	no	no	no	yes	no	no	no	no	
048	Lynnhaven Landing Apartments	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	no	yes	no	no	no	yes	no	no	no	no	
066	Indigo 19 Apartments	yes	no	yes	no	yes	no	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no	
074	Saltmeadow Bay Apartments	yes	no	yes	some	yes	no	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no	
075	Sea Pines Apartments	yes	no	yes	no	yes	yes	yes	yes	yes	yes	no	yes	no	no	no	yes	no	no	no	no	
076	South Beach Apartments	yes	yes	yes	some	yes	no	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no	
078	Summer House Apartments	yes	yes	yes	no	yes	no	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no	
094	Seaside Harbor Apartments	yes	no	yes	no	yes	no	yes	yes	no	yes	no	yes	no	no	no	yes	no	no	no	no	

Key	Project Name	Parking					Laundry			Security					Services							
		Garage	Covered Parking	Assigned Parking	Open Parking	None	Central	W/D Units	W/D Hookups	Call Buttons	Controlled Access	Courtesy Officer	Monitoring	Security Alarms	Security Patrols	After School	Concierge	Hair Salon	Health Care	House-keeping	Meals	Trans- portation
Sub	JCOC 3H Housing	no	no	no	yes	no	yes	no	no	no	yes	no	no	no	no	na	na	na	na	na	na	na
002	Aqua on 25th Street	yes	no	no	some	no	no	yes	no	no	no	yes	no	no	no	na	na	na	na	na	na	na
032	Green Lakes Apartments	no	no	yes	some	no	yes	some	some	no	no	no	no	yes	no	no	no	no	no	no	no	no
048	Lynnhaven Landing Apartments	no	no	no	yes	no	yes	no	yes	no	yes	no	yes	no	no	no	no	no	no	no	no	no
066	Indigo 19 Apartments	no	no	no	yes	no	no	yes	no	no	yes	yes	yes	no	no	na	na	na	na	na	na	na
074	Saltmeadow Bay Apartments	no	no	no	yes	no	no	yes	no	no	yes	no	no	no	no	no	no	no	no	no	no	no
075	Sea Pines Apartments	no	no	no	yes	no	yes	no	no	no	no	no	no	yes	no	no	no	no	no	no	no	no
076	South Beach Apartments	no	no	no	yes	no	no	yes	no	no	yes	yes	no	yes	no	no	no	no	no	no	no	no
078	Summer House Apartments	yes	no	no	some	no	no	yes	no	no	yes	no	yes	no	no	na	na	na	na	na	na	na
094	Seaside Harbor Apartments	yes	no	no	some	no	yes	no	yes	no	yes	no	no	no	na	na	na	na	na	na	na	na

Source: Allen & Associates; Sponsor

		Utilities																					
Key	Project Name	Tenant-Paid											Owner-Paid										
		Heat / Gas	Heat / Electric	Cooking / Gas	Cooking / Electric	Other / Electric	AC / Electric	HW / Gas	HW / Electric	Water	Sewer	Trash	Heat / Gas	Heat / Electric	Cooking / Gas	Cooking / Electric	Other / Electric	AC / Electric	HW / Gas	HW / Electric	Water	Sewer	Trash
Sub	JCOC 3H Housing	no	no	no	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	no	yes	yes	yes	yes	yes
002	Aqua on 25th Street	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	yes
032	Green Lakes Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
048	Lynnhaven Landing Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes
066	Indigo 19 Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	yes
074	Saltmeadow Bay Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	yes
075	Sea Pines Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes
076	South Beach Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
078	Summer House Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
094	Seaside Harbor Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes

Source: Allen & Associates; Sponsor

HUD Utility Schedule Model Output					
	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Heat - Gas	30	33	36	39	42
Heat - Elec	9	11	13	15	16
Cooking - Gas	3	4	5	7	9
Cooking - Elec	4	5	7	9	11
Other Electric	15	17	24	31	37
Air Conditioning	6	7	10	12	15
Hot Water-Gas	7	8	12	16	19
Hot Water-Elec	9	11	14	17	20
Water	20	21	32	49	66
Sewer	31	31	31	31	31
Trash	25	25	25	25	25

Source: Local Utility Providers; HUD

SITE DESCRIPTION & ANALYSIS

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

Survey

A survey for the subject property was not provided to the analyst for review. Current surveys should be evaluated to ascertain whether there are any easements encumbering the subject property.

Site Plan

A site plan for the subject property was provided to the analyst for review. Site plans are necessary to analyze the site improvements, parking configuration, internal traffic flow, location of building improvements and landscaping improvements for the subject property. Our review did not identify any problem areas with respect to the subject property. A summary of the development's site features is found below.

Acres / Lot Shape / Frontage

The subject property includes an irregular-shaped parcel consisting of approximately 0.935 acres and approximately 180 feet of road frontage.

Zoning

According to the sponsor, the subject property is currently zoned A-12 / Conditional Use Permit. It is our understanding that the current zoning for the subject is a legal, conforming use.

Parking / Streets / Curbs / Sidewalks

A total of 24 parking spaces are planned for this development (22 regular / 2 accessible / 0.63 spaces per unit). Privately-owned parking areas are planned for the subject property. We normally see 0.50 to 1.00 spaces per unit for projects like the subject. Public transportation is found in the immediate area. In our opinion, the current parking appears adequate for the subject property.

Dumpsters / Dumpster Enclosures

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

Landscaping / Perimeter Fence / Retaining Walls / Entry Sign

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

Stormwater Management / Site Lighting / Water Service / Wastewater Service

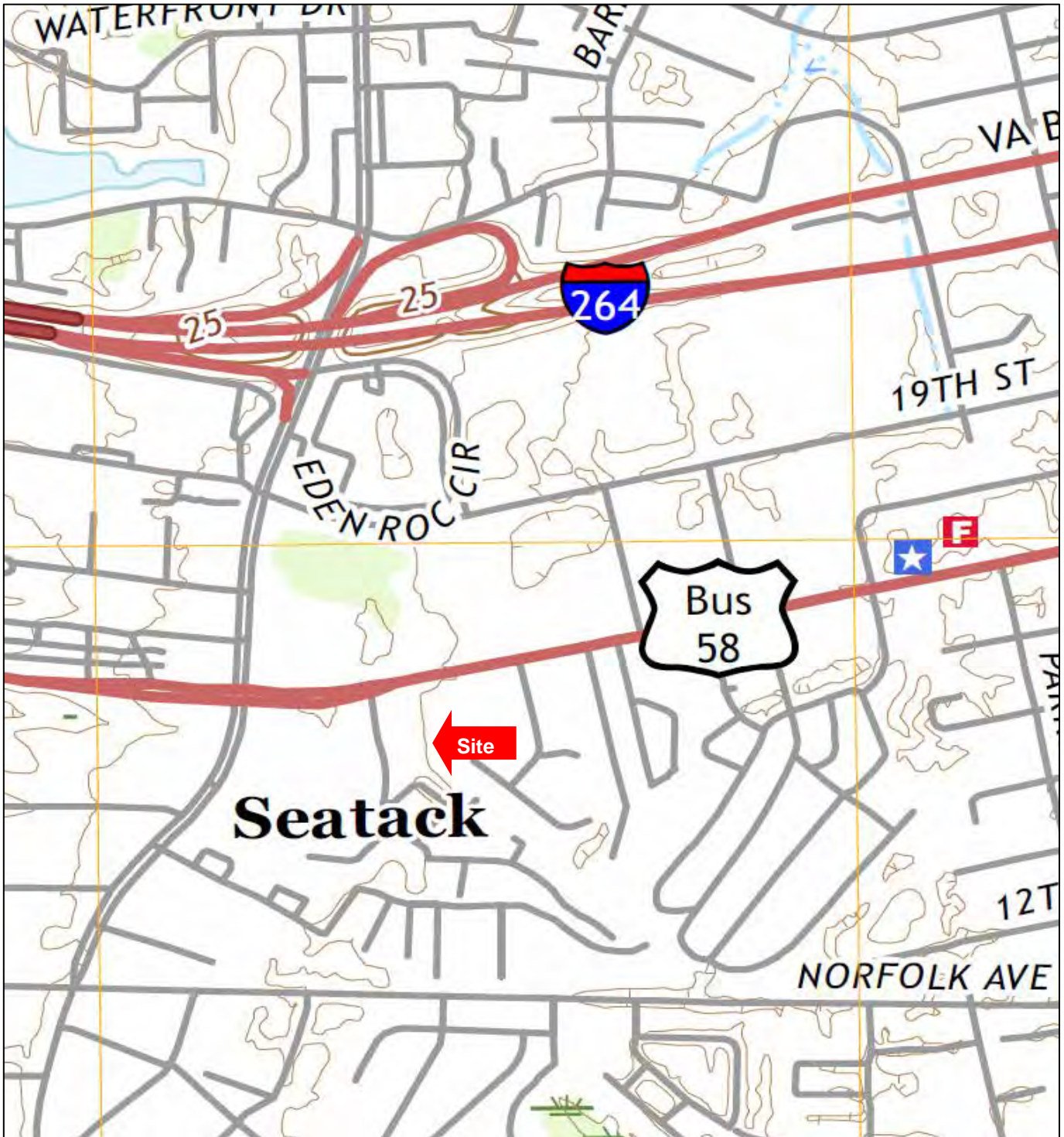
Stormwater management consists of catch basins and concrete pipe connecting to a public system. Site lighting consists of publicly-owned HID poles. Domestic water service to buildings consists of ductile iron pipe connecting to a public system. Wastewater service to buildings consists of PVC pipe connecting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

Nuisances, Hazards, Detrimental Influences & Environmental

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

Topography


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



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

Flood Zone

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

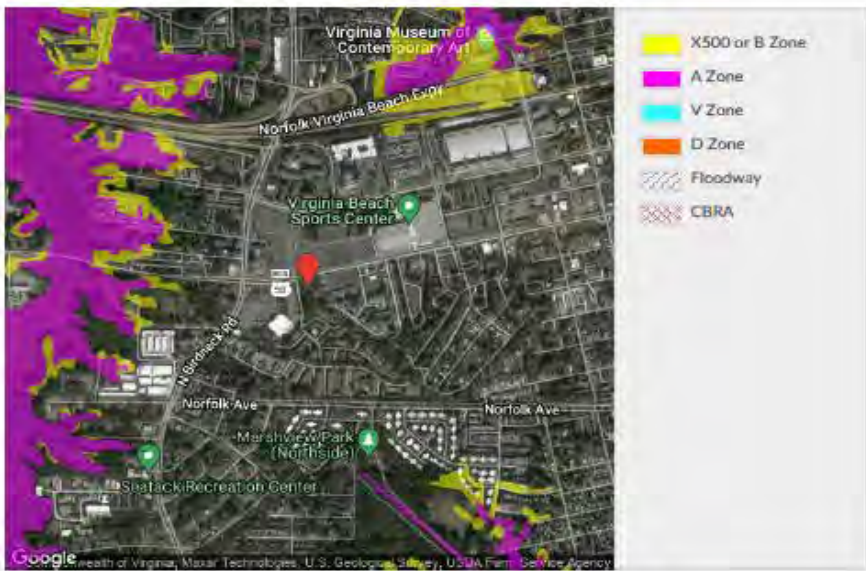

RiskMeter

LATITUDE: 36.841499, LONGITUDE: -75.993682
 LOCATION ACCURACY: Liberalized/WorkLocation LATITUDE: 36.841499 LONGITUDE: -75.993682 MATCH CODE: SOURCE: CENSUS BLOCK ID: 518100442002009

Flood Zone Determination Report

Flood Zone Determination: OUT

SFHA (FLOOD ZONE)	OUT	WITHIN 250 FEET OF FLOOD ZONE	NO
FLOOD ZONE	X	COMMUNITY	515531
COMMUNITY NAME	VIRGINIA BEACH, CITY OF	PANEL	0128G
PANEL DATE	January 16, 2015	COBRA	OUT
PARTICIPATION STATUS	R	ORIGIN FIRM DATE	October 03, 1970
MAP NUMBER	5155310128G	FIPS CODE	51810



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

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 Report generated Mar 9, 2022 by Jcarroll@allenadvisors.com Page 2 of 2

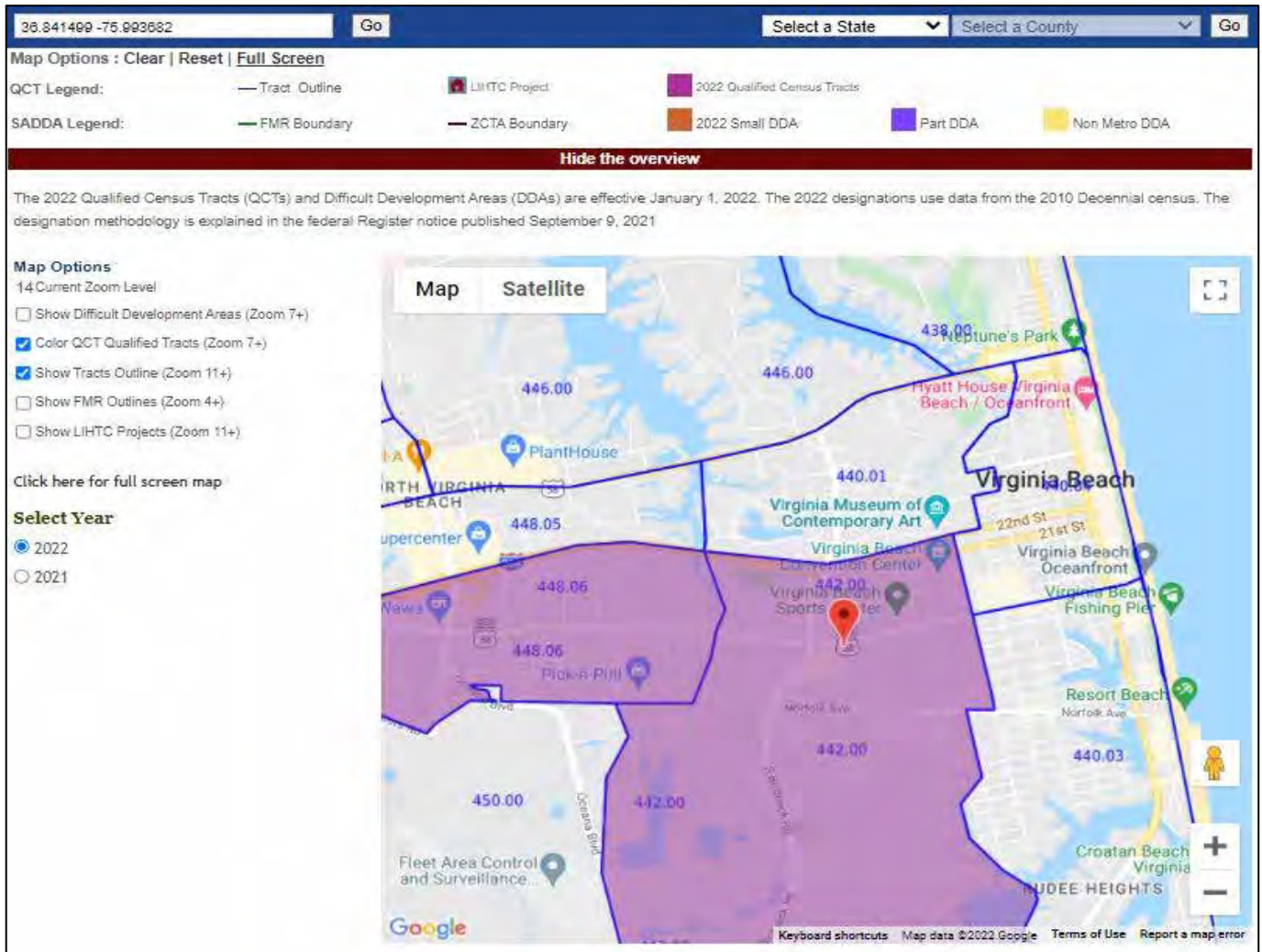
According to FEMA map number 5155310128G dated January 16, 2015, the subject property is located in Zone X. This is an area that is identified as being located outside the 100-year flood zone.

Difficult to Develop Area Status

The subject property is located in Virginia Beach, Virginia - an area that is not designated as a Difficult to Develop Area. Consequently, the subject property does not appear to qualify for special DDA funding under state and federal programs.

Qualified Census Tract Status

The federal government has identified census tracts throughout the United States that include high concentrations of low-income households and substandard housing units. These areas, known as Qualified Census Tracts, qualify for special funding under various state and federal programs. A QCT map showing the location of the subject property is found below:



The subject property is located in Census Tract 442.00 - an area that is designated as a Qualified Census Tract. Consequently, the subject property does appear to qualify for special QCT funding under state and federal programs.

Traffic Patterns, Access & Visibility

A traffic map identifying the subject property is found below:



Access

The subject property is located on Virginia Beach Boulevard, approximately 2 blocks east of Birdneck Road in Virginia Beach, Virginia. Virginia Beach Boulevard is a heavily-traveled east-west road carrying approximately 12,000 vehicles per day. We did not observe any road or infrastructure improvements taking place in the immediate vicinity of the subject property. In our opinion, therefore, accessibility is good by virtue of the location of the subject property relative to existing streets and thoroughfares.

Visibility

The subject property is visible from Virginia Beach Boulevard with approximately 180 feet of frontage and a heavy volume of drive-by traffic. Consequently, in our opinion visibility is good by virtue of the exposure of the subject property to existing drive-by traffic volumes.

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

Access & Visibility						
Rating				Rank		
Key	Project Name	Access	Visibility	Access	Visibility	
Sub	JCOC 3H Housing	3.50	3.00	2	4	
002	Aqua on 25th Street	4.00	4.00	1	1	
032	Green Lakes Apartments	2.00	2.00	10	10	
048	Lynnhaven Landing Apartments	2.50	2.50	5	5	
066	Indigo 19 Apartments	2.50	2.25	5	8	
074	Saltmeadow Bay Apartments	2.50	2.25	5	8	
075	Sea Pines Apartments	3.50	3.50	2	2	
076	South Beach Apartments	2.50	2.50	5	5	
078	Summer House Apartments	3.50	3.50	2	2	
094	Seaside Harbor Apartments	2.50	2.50	5	5	

Source: Allen & Associates

NEIGHBORHOOD DESCRIPTION & ANALYSIS

Neighborhood

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

Life Cycle

Neighborhoods are sometimes thought to evolve through four distinct stages:

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

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

Surrounding Properties

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

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

Surrounding property uses are summarized in the table found below:

Surrounding Properties		
Direction	Use	Condition
North	Commercial	Good
South	Multifamily	Good
East	Commercial	Good
West	Commercial	Good

Source: Allen & Associates

Economic Characteristics

The subject property is located in an area with average household incomes of \$33,222 (in 2015 dollars); this is compared with \$47,299 for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with median cash rents of \$888 (in 2015 dollars); this is compared with \$1,162 for the most comparable properties included in this analysis.

Finally, the subject property is located in an area with median single family home values of \$113,700 (in 2015 dollars); this is compared with \$238,960 for the most comparable properties included in this analysis.

Crime Rates

The subject property is located in an area with personal crime rates of 0.4%. Personal crime includes offenses such as rape, murder, robbery and assault. Our research suggests that the average personal crime rate for the most comparable properties stands at 3.4%.

In addition, the subject property is located in an area with property crime rates of 0.9%. Property crimes include offenses such as burglary, larceny and theft. Our research suggests that the average property crime rate for the most comparable properties stands at 11.3%.

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

Educational Attainment

The subject property is located in an area with high school graduation rates of 86.0%; this is compared with 89.3% for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with college graduation rates of 14.0%; this is compared with 27.7% for the most comparable properties included in this analysis.

Commuting Patterns

The subject property is located in an area with an average drive to work of 31.2 minutes; this is compared with 25.4 minutes for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with an average of 1.29 vehicles per household; this is compared with 1.43 vehicles per household for the most comparable properties included in this analysis.

Conclusion

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

Proximity to Area Amenities

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

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

Proximity to Area Amenities		
Amenity	Name	Miles
Bank	TowneBank	0.8 mi NE
Grocery	Food Lion	0.1 mi SW
Emergency Clinic	MinuteClinic	1.7 mi NW
Pharmacy	Rite Aid Pharmacy	1.0 mi NE
Discount Store	Dollar General	0.1 mi E
Elementary School	W.T. Cooke Elementary School	0.8 mi E
Middle School	Virginia Beach Middle School	0.8 mi NE
High School	First Colonial High School	3.0 mi NW
Bus Stop	Virginia Beach & Birch Lake	0.1 mi NE

Source: Google Maps

Towne Bank, Food Lion, Rite Aid, and Dollar General are all located less than 1.0 miles away from the subject property. Minute/Clinic is located 1.7 miles away.

Number of Area Amenities

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

- Microsoft Streets & Trips identified 13 banks within 2.0 miles of the subject property. The subject is ranked 5 out of the 10 properties included in this analysis.
- A total of 25 grocery stores are in the vicinity of the subject property. The subject is ranked 1 for the area.
- A total of 0 hospital are in the vicinity of the subject property. The subject is ranked 3 for the area.
- A total of 10 pharmacies are in the vicinity of the subject property. The subject is ranked 1 for the area.
- A total of 83 shopping centers are in the vicinity of the subject property. The subject is ranked 5 for the area.

Nearest Area Amenities

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

- According to Microsoft Streets & Trips, the nearest bank is 0.72 miles away from the subject property. The subject is ranked 8 out of the 10 properties included in this analysis.
- The nearest grocery store is 0.07 miles away from the subject property. The subject is ranked 2 for the area.
- The nearest hospital is 2.31 miles away from the subject property. The subject is ranked 6 for the area.
- The nearest pharmacy is 0.94 miles away from the subject property. The subject is ranked 10 for the area.
- The nearest shopping center is 0.16 miles away from the subject property. The subject is ranked 4 for the area.

Conclusion

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

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

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

Neighborhood Ratings

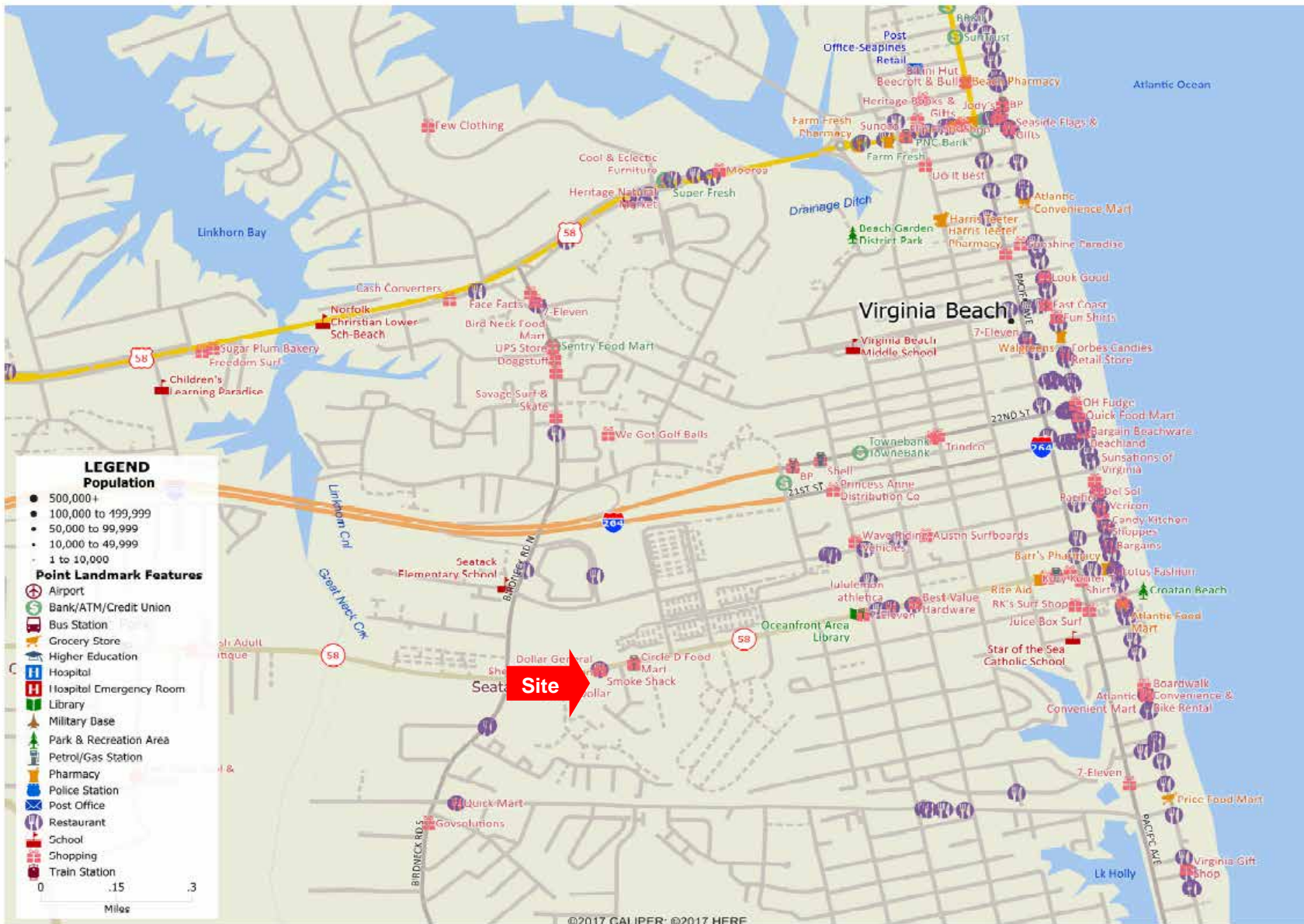
		Rating									Rank (1 = Property with Highest Rating)							Final Rating (1-5 Scale)
		Surrounding Area			Crime Rates		Education		Commute	Surrounding Area			Crime Rates		Education		Commute	
Key	Project Name	Avg HH Income (2015)	Med Cash Rent (2015)	Med SF Value (2015)	Personal Crime	Property Crime	High School or More	Bachelor's or More	Average Commute	Avg HH Income (2015)	Med Cash Rent (2015)	Med SF Value (2015)	Personal Crime	Property Crime	High School or More	Bachelor's or More	Average Commute	
Sub	JCOC 3H Housing	\$33,222	\$888	\$113,700	0.4%	0.9%	86.0%	14.0%	31.24	10	10	8	1	1	8	9	10	2.00
002	Aqua on 25th Street	\$55,402	\$1,011	\$364,400	10.1%	47.6%	94.3%	31.0%	20.79	3	9	2	10	10	4	4	1	3.30
032	Green Lakes Apartments	\$41,719	\$1,189	\$222,200	2.0%	5.8%	89.6%	8.1%	29.54	7	6	4	6	7	7	10	9	2.60
048	Lynnhaven Landing Apartments	\$58,143	\$1,222	\$190,600	1.5%	1.2%	93.8%	30.4%	26.78	2	5	7	4	2	5	5	6	4.20
066	Indigo 19 Apartments	\$36,475	\$1,296	\$113,300	0.9%	1.9%	74.7%	25.0%	27.19	8	2	9	2	4	9	6	7	2.70
074	Saltmeadow Bay Apartments	\$51,974	\$1,141	\$240,100	1.6%	1.4%	96.5%	42.0%	21.84	4	7	3	5	3	2	2	3	4.50
075	Sea Pines Apartments	\$50,254	\$1,253	\$215,300	2.6%	2.6%	95.3%	16.7%	22.59	5	4	5	7	6	3	8	4	3.30
076	South Beach Apartments	\$36,475	\$1,296	\$113,300	0.9%	1.9%	74.7%	25.0%	27.19	8	2	9	2	4	9	6	7	2.70
078	Summer House Apartments	\$49,844	\$1,020	\$617,300	8.7%	39.9%	98.5%	51.3%	21.37	6	8	1	9	9	1	1	2	3.90
094	Seaside Harbor Apartments	\$59,485	\$1,300	\$199,400	5.6%	10.3%	89.9%	33.4%	25.34	1	1	6	8	8	6	3	5	3.90

Proximity to Area Amenities

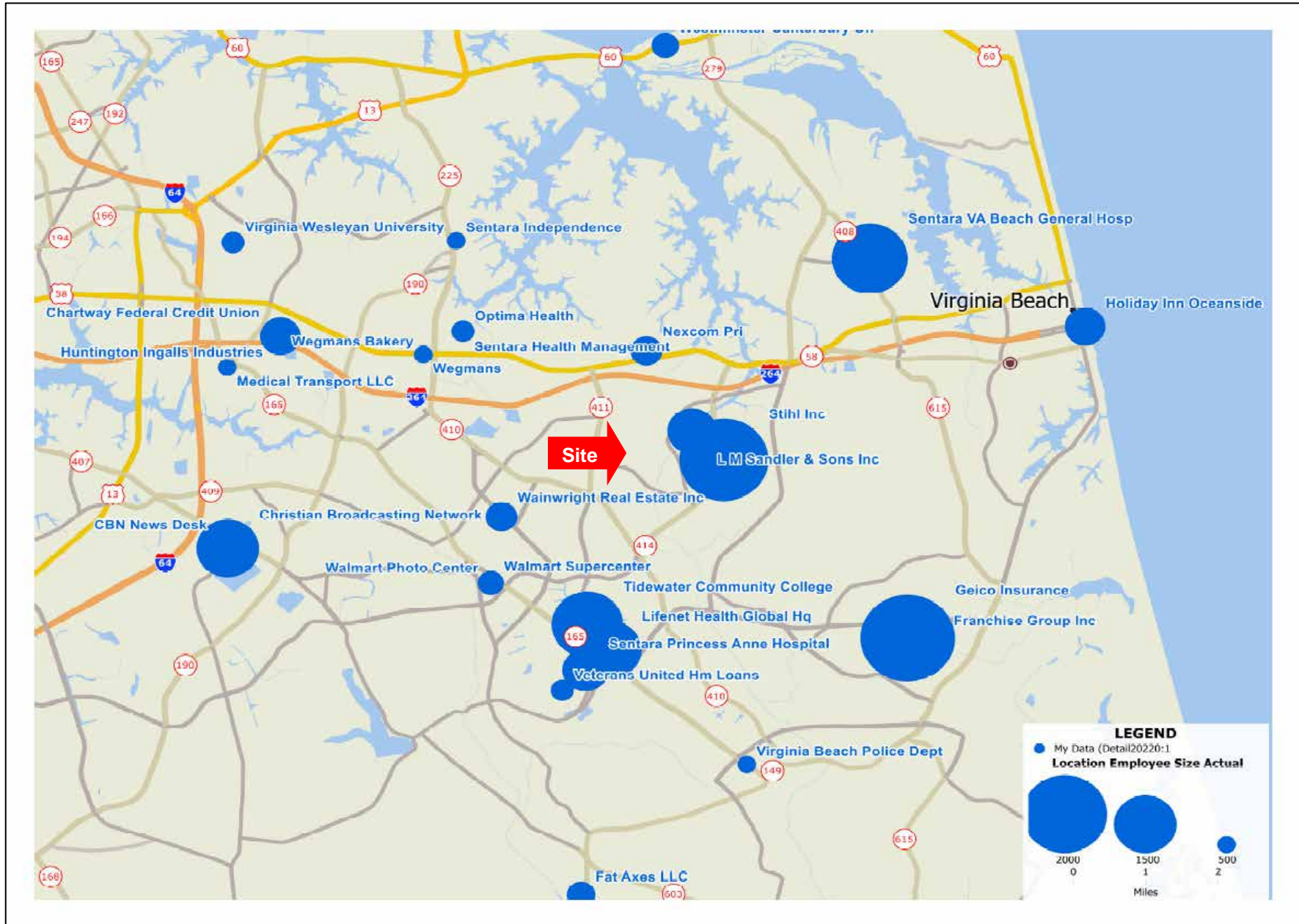
		Rating									Rank (1 = Property with Highest Rating)							Final Rating (1-5 Scale)
		Number within 2.0 miles of Property					Nearest to Property, Miles				Number within 2.0 miles of Property					Nearest to Property, Miles		
Key	Project Name	Banks	Grocery	Hospital	Pharmacy	Shopping Center	Shopping Center	Grocery	Hospital	Banks	Grocery	Hospital	Pharmacy	Shopping Center	Shopping Center	Grocery	Hospital	
Sub	JCOC 3H Housing	13	25	0	10	83	0.2	0.1	2.3	5	1	3	1	5	4	2	6	3.30
002	Aqua on 25th Street	9	18	0	5	60	0.2	0.2	2.5	8	6	3	7	9	6	3	9	2.50
032	Green Lakes Apartments	10	15	0	5	102	0.5	0.6	2.4	7	10	3	7	1	9	9	7	2.00
048	Lynnhaven Landing Apartments	19	18	2	9	67	0.7	0.7	1.8	1	6	1	5	7	10	10	1	2.60
066	Indigo 19 Apartments	14	25	0	10	84	0.3	0.2	2.2	4	1	3	1	4	8	4	5	3.60
074	Saltmeadow Bay Apartments	12	19	0	9	72	0.2	0.3	2.1	6	5	3	5	6	4	7	4	3.40
075	Sea Pines Apartments	15	25	1	10	85	0.1	0.2	2.0	2	1	2	1	3	2	4	2	4.50
076	South Beach Apartments	15	25	0	10	86	0.3	0.3	2.1	2	1	3	1	2	7	8	3	3.80
078	Summer House Apartments	7	18	0	5	58	0.0	0.1	2.4	10	6	3	7	10	1	1	8	3.00
094	Seaside Harbor Apartments	8	18	0	5	61	0.1	0.3	2.7	9	6	3	7	8	3	6	10	2.60

Source: US Census; Claritas; Google Maps

Proximity to Area Amenities



Proximity to Area Employers



SUBJECT PROPERTY PHOTOS

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



Subject Property



Looking North From Entrance



Looking South From Entrance



Looking East From Entrance



Looking West From Entrance

MARKET AREA

Overview

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

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

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

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

Our primary and secondary market area definitions are found below.

Primary Market Area

We defined the primary market area by generating a 12-minute drive time zone around the subject property. We also considered existing concentrations of multifamily properties and the nearest census tract boundaries in our analysis.

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

Census Tract	County	State
51810042202	Virginia Beach city	Virginia
51810042400	Virginia Beach city	Virginia
51810042600	Virginia Beach city	Virginia
51810042801	Virginia Beach city	Virginia
51810042802	Virginia Beach city	Virginia
51810043600	Virginia Beach city	Virginia
51810043800	Virginia Beach city	Virginia
51810044001	Virginia Beach city	Virginia
51810044003	Virginia Beach city	Virginia
51810044004	Virginia Beach city	Virginia
51810044200	Virginia Beach city	Virginia
51810044401	Virginia Beach city	Virginia
51810044402	Virginia Beach city	Virginia
51810044600	Virginia Beach city	Virginia

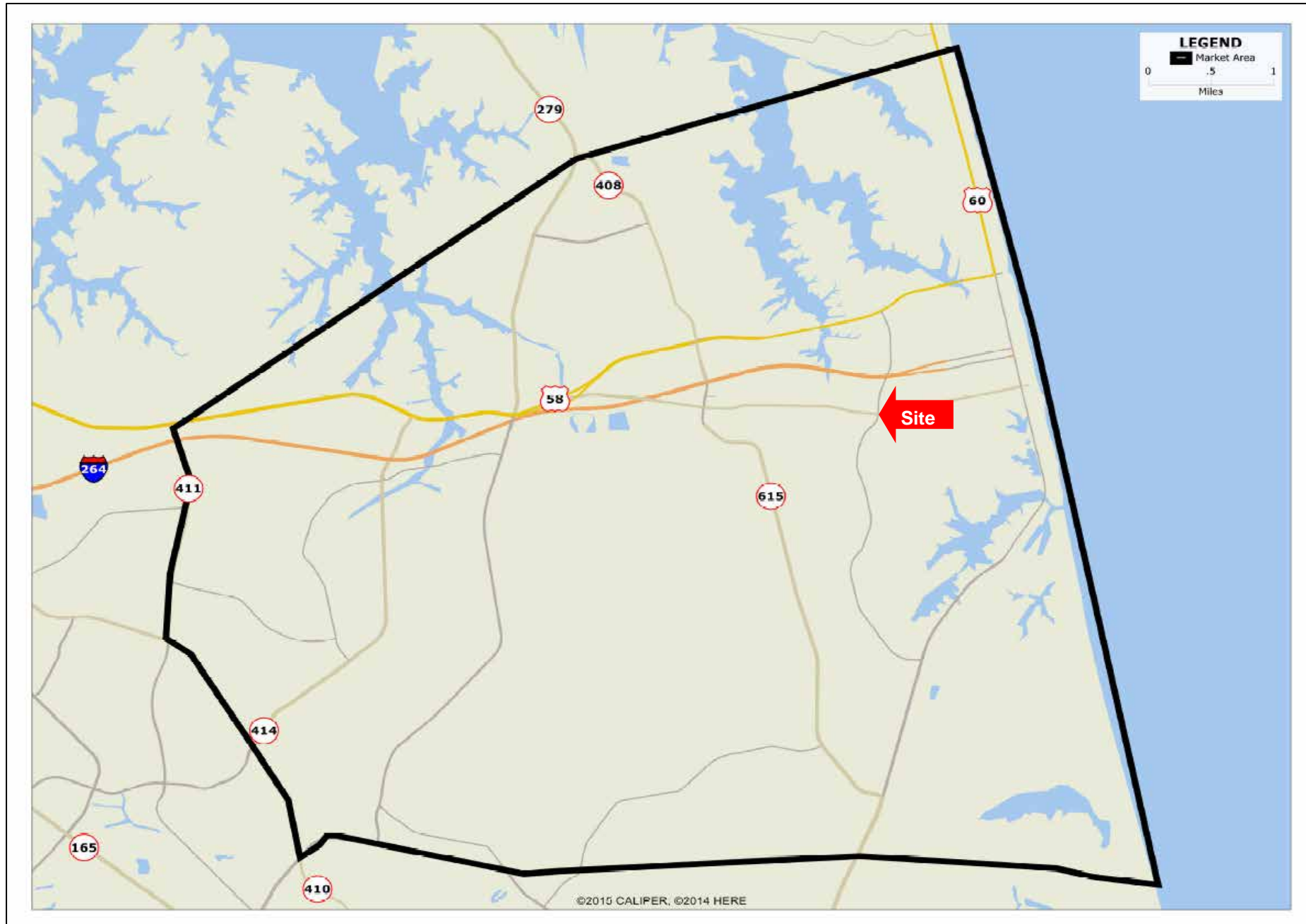
51810044805	Virginia Beach city	Virginia
51810044806	Virginia Beach city	Virginia
51810044807	Virginia Beach city	Virginia
51810044808	Virginia Beach city	Virginia
51810045000	Virginia Beach city	Virginia
51810045200	Virginia Beach city	Virginia
51810045406	Virginia Beach city	Virginia
51810045407	Virginia Beach city	Virginia
51810045408	Virginia Beach city	Virginia
51810045414	Virginia Beach city	Virginia
51810045415	Virginia Beach city	Virginia
51810045417	Virginia Beach city	Virginia
51810045421	Virginia Beach city	Virginia
51810045428	Virginia Beach city	Virginia

The primary market area includes a population of 90,359 persons and covers a total of 39.8 square miles, making it 7.1 miles across on average.

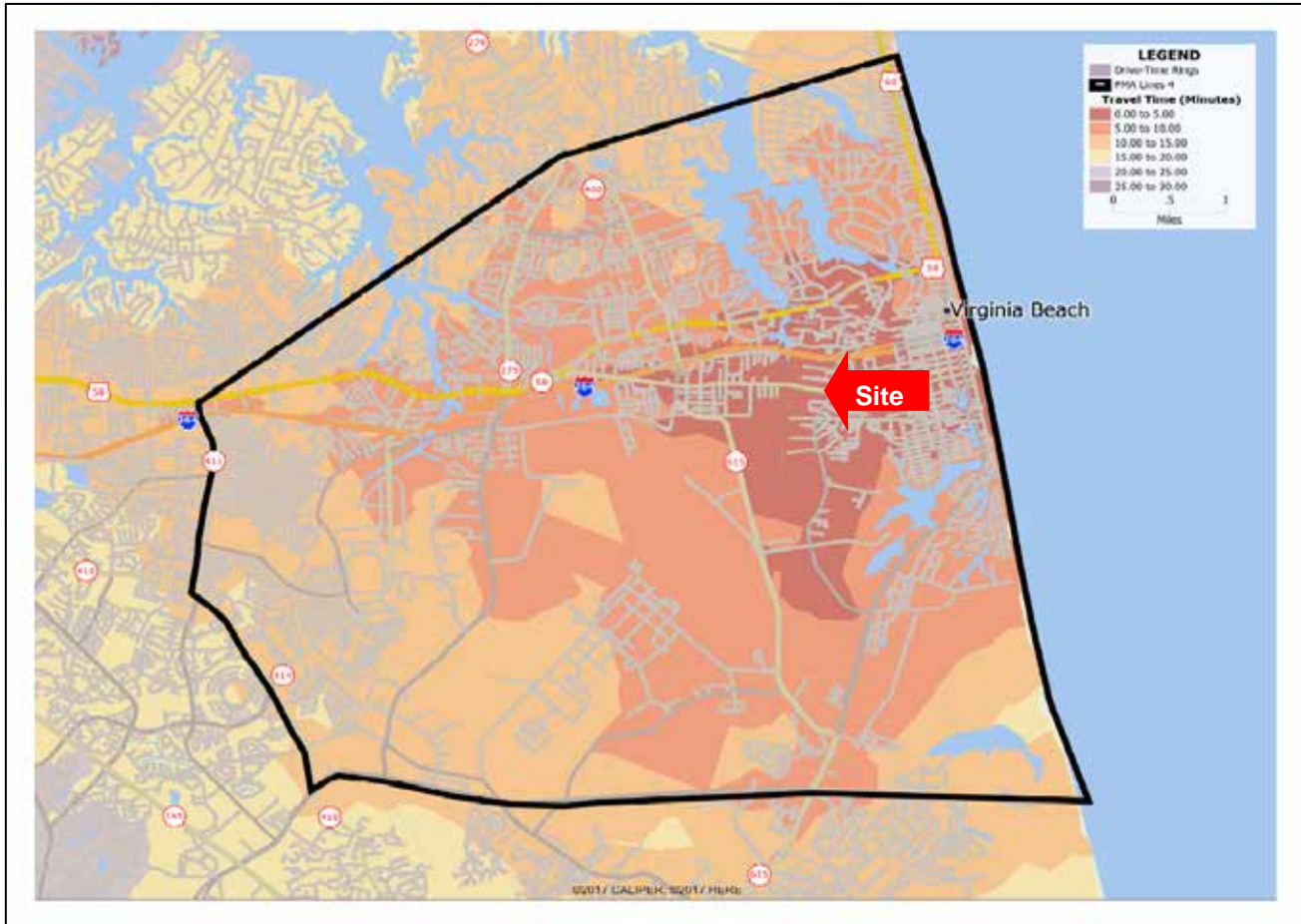
Secondary Market Area

We estimate that up to 20 percent of demand will come from areas outside of the primary market area.

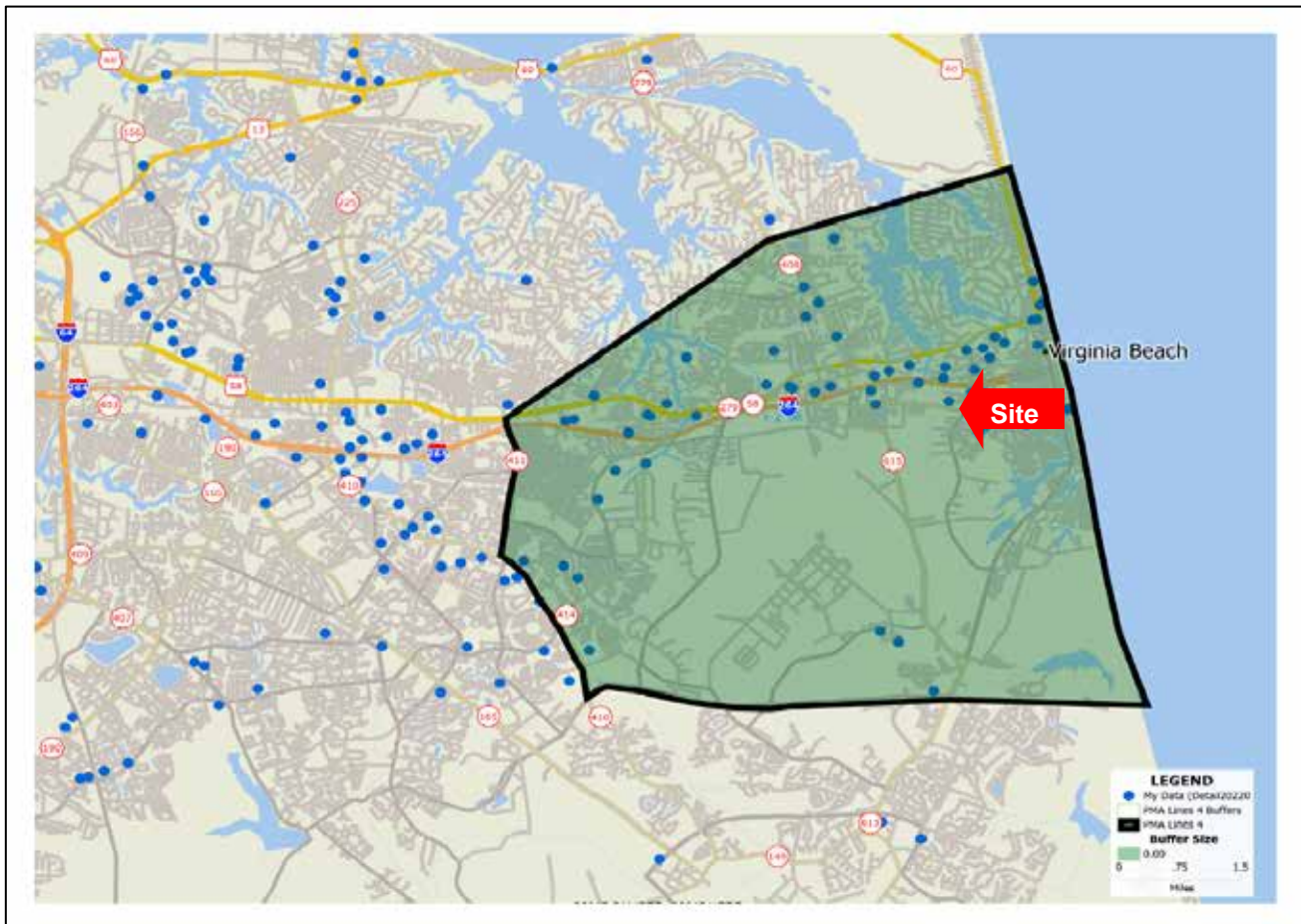
Market Area



Drive Time



Existing Multifamily



ECONOMIC OUTLOOK

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



Employment by Industry

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

Establishment Employment			
Industry	Region	Reg %	US %
Farm Employment	247	0.1%	1.3%
Forestry, Fishing, Related Activities And Other Employment	272	0.1%	0.5%
Mining Employment	116	0.0%	0.7%
Utilities Employment	294	0.1%	0.3%
Construction Employment	15,072	5.3%	5.4%
Manufacturing Employment	7,187	2.5%	6.4%
Wholesale Trade Employment	4,790	1.7%	3.5%
Retail Trade Employment	28,468	10.0%	10.3%
Transportation And Warehousing Employment	8,004	2.8%	3.4%
Information Employment	3,969	1.4%	1.6%
Finance And Insurance Employment	17,252	6.1%	5.4%
Real Estate And Rental And Lease Employment	20,676	7.3%	4.8%
Professional And Technical Services Employment	21,312	7.5%	6.9%
Management Of Companies And Enterprises Employment	3,096	1.1%	1.3%
Administrative And Waste Services Employment	17,919	6.3%	6.0%
Educational Services Employment	6,374	2.2%	2.5%
Health Care And Social Assistance Employment	29,677	10.5%	12.1%
Arts, Entertainment, And Recreation Employment	6,845	2.4%	2.2%
Accommodation And Food Services Employment	28,284	10.0%	7.5%
Other Services, Except Public Administration Employment	16,596	5.9%	5.9%
Federal Civilian Government Employment	6,714	2.4%	1.4%
Federal Military Employment	17,530	6.2%	0.9%
State And Local Government Employment	22,681	8.0%	9.8%
Establishment Employment	283,375	100.0%	100.0%

Source: W&P Economics

Regional establishment employment currently stands at 283,375. The data suggests that Health Care and Social Assistance is the largest employment category accounting for 10.5% of total regional employment. Retail Trade is the second largest category accounting for 10.0% of total employment. Accommodation and Food Services is the third largest category accounting for 10.0% of total employment. State and Local Government is the fourth largest category accounting for 8.0% of total employment. Professional and Technical Services is the fifth largest category accounting for 7.5% of total employment.

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

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

In the table above we highlight the basic industries for the region. The distribution of employment in these industries exceeds that for the United States. These basic industries represent about 136,532 employees or about 48.2% of total regional employment. These are the industries that drive the regional economy.

Earnings by Industry

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

Average Earnings (2012 \$)		
Industry	Earnings	Rank
Farm Employment	\$19,247	20
Forestry, Fishing, Related Activities And Other Employment	\$5,669	23
Mining Employment	\$17,466	21
Utilities Employment	\$83,323	3
Construction Employment	\$60,279	8
Manufacturing Employment	\$57,022	10
Wholesale Trade Employment	\$82,156	4
Retail Trade Employment	\$27,144	17
Transportation And Warehousing Employment	\$22,787	19
Information Employment	\$40,958	13
Finance And Insurance Employment	\$54,849	11
Real Estate And Rental And Lease Employment	\$28,435	16
Professional And Technical Services Employment	\$67,243	6
Management Of Companies And Enterprises Employment	\$72,754	5
Administrative And Waste Services Employment	\$31,338	14
Educational Services Employment	\$44,707	12
Health Care And Social Assistance Employment	\$57,298	9
Arts, Entertainment, And Recreation Employment	\$14,832	22
Accommodation And Food Services Employment	\$22,818	18
Other Services, Except Public Administration Employment	\$31,001	15
Federal Civilian Government Employment	\$100,121	1
Federal Military Employment	\$93,832	2
State And Local Government Employment	\$60,525	7
Establishment Employment	\$47,827	

Source: W&P Economics

The data suggests that Federal Civilian Government is the highest paid industry averaging \$100,121 per employee. Federal Military is the second highest paid industry averaging \$93,832 per employee. Utilities is the third highest paid profession averaging \$83,323 per employee. Wholesale trade is the fourth highest paid industry averaging \$82,156 per employee. Management of Companies is the fifth highest paid category averaging \$72,754 per employee. These figures are compared with regional Average Earnings of \$47,827 per employee.

The highlighted industries represent basic industries for the region. Average earnings for these basic industries comes to \$51,683 or 8.1% higher than average for the region.

Top Employers

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

Top Employers				
Name	Employees	SIC Code	Industry Description	Location Type
Geico Insurance	2,200	6411-12	Insurance	-
Stihl Inc	2,100	5084-54	Tools-Electric (Whls)	0
Sentara VA Beach General Hosp	1,800	8062-02	Hospitals	-
Tidewater Community College	1,700	8222-98	Junior-Community College-Tech Institutes	-
Christian Broadcasting Network	1,500	8661-10	Religious Organizations	-
Lifenet Health Global Hq	1,500	8099-24	Organ & Tissue Banks	-
L M Sandler & Sons Inc	1,200	5146-01	Seafood-Wholesale	0
Sentara Princess Anne Hospital	1,132	8062-02	Hospitals	-
CBN News Desk	1,000	4832-03	Broadcasting Companies	-
Chartway Federal Credit Union	1,000	6061-01	Credit Unions	-

Source: InfoUSA

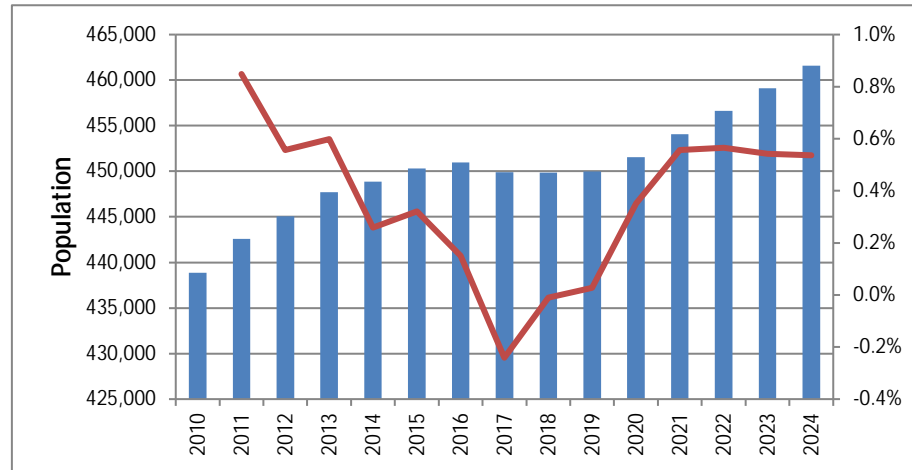
The top employers include: (1) Geico Insurance (2200 employees); (2) Stihl Inc (2100 employees) and; (3) Sentara VA Beach General Hosp (1800 employees).

Population

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

Population Forecast		
Year	Pop	Growth %
2010	438,859	
2011	442,583	0.8%
2012	445,044	0.6%
2013	447,706	0.6%
2014	448,864	0.3%
2015	450,304	0.3%
2016	450,983	0.2%
2017	449,896	-0.2%
2018	449,849	0.0%
2019	449,974	0.0%
2020	451,555	0.4%
2021	454,069	0.6%
2022	456,639	0.6%
2023	459,118	0.5%
2024	461,581	0.5%

Source: US Census; W&P Economics



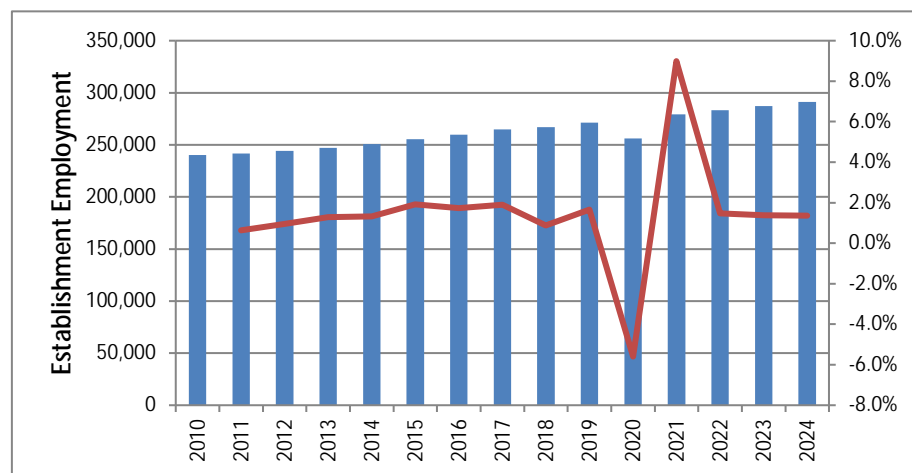
Population increased from 438,859 in 2010 to 451,555 in 2020 and is anticipated to increase to 461,581 in 2024.

Establishment Employment

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

Establishment Employment Forecast		
Year	Est Emp	Growth %
2010	240,302	
2011	241,829	0.6%
2012	244,114	0.9%
2013	247,262	1.3%
2014	250,531	1.3%
2015	255,345	1.9%
2016	259,756	1.7%
2017	264,700	1.9%
2018	267,014	0.9%
2019	271,442	1.7%
2020	256,249	-5.6%
2021	279,287	9.0%
2022	283,375	1.5%
2023	287,264	1.4%
2024	291,189	1.4%

Source: BLS; W&P Economics



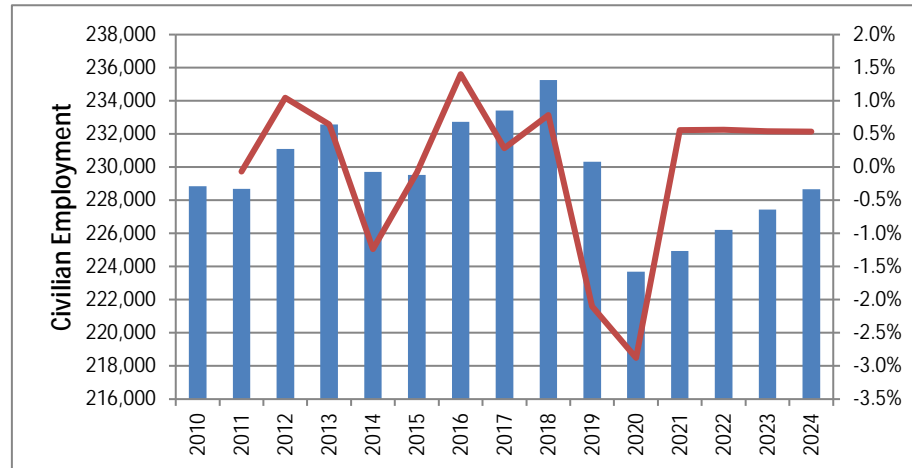
Establishment employment increased from 240,302 in 2010 to 256,249 in 2020 and is anticipated to increase to 291,189 in 2024.

Civilian Employment

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

Year	Civ Emp	Growth %
2010	228,857	
2011	228,700	-0.1%
2012	231,092	1.0%
2013	232,581	0.6%
2014	229,701	-1.2%
2015	229,525	-0.1%
2016	232,745	1.4%
2017	233,417	0.3%
2018	235,251	0.8%
2019	230,317	-2.1%
2020	223,689	-2.9%
2021	224,935	0.6%
2022	226,208	0.6%
2023	227,436	0.5%
2024	228,656	0.5%

Source: BLS; W&P Economics



Civilian employment decreased from 228,857 in 2010 to 223,689 in 2020 and is anticipated to increase to 228,656 in 2024.

Labor Force and Unemployment

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

Year	Civ Emp	Unemp	Lab Force	Unemp Rate
2010	228,857	14,029	214,828	6.1%
2011	228,700	12,853	215,847	5.6%
2012	231,092	12,202	218,890	5.3%
2013	232,581	11,257	221,324	4.8%
2014	229,701	9,716	219,985	4.2%
2015	229,525	8,951	220,574	3.9%
2016	232,745	8,169	224,576	3.5%
2017	233,417	6,606	226,811	2.8%
2018	235,251	6,093	229,158	2.6%
2019	230,317	14,326	215,991	6.2%
2020	223,689	8,455	215,234	3.8%

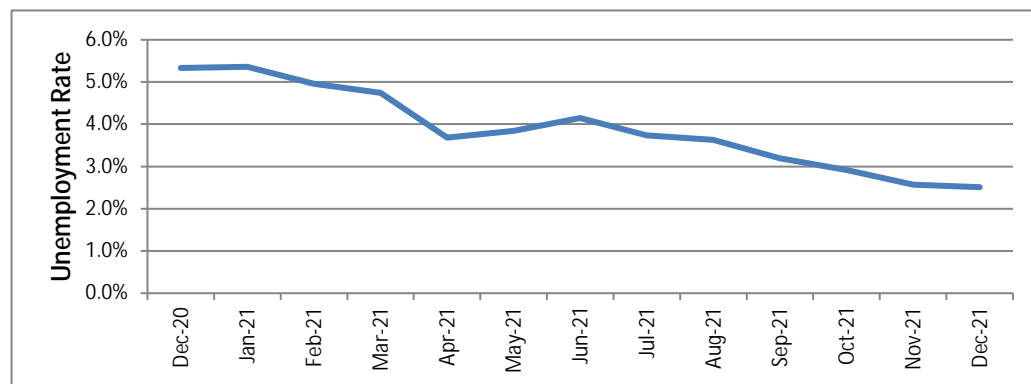
Source: BLS; Texas A&M Real Estate Center

Unemployment decreased from 14,029 in 2010 to 8,455 in 2020. The unemployment rate decreased from 6.1% in 2010 to 3.8% in 2020.

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

Month	Unemp Rate
Dec-20	5.3%
Jan-21	5.4%
Feb-21	5.0%
Mar-21	4.7%
Apr-21	3.7%
May-21	3.8%
Jun-21	4.2%
Jul-21	3.7%
Aug-21	3.6%
Sep-21	3.2%
Oct-21	2.9%
Nov-21	2.6%
Dec-21	2.5%

Source: TAMU



The Unemployment Rate for the Region came in at 5.3% in December 2020 and 2.5% in December 2021.

Building Permits

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

Building Permits				
Year	1 Family	2-4 Family	5+ Family	Total
2000	1,312	40	112	1,464
2001	1,636	10	193	1,839
2002	1,896	42	398	2,336
2003	1,758	28	155	1,941
2004	971	188	1,059	2,218
2005	894	423	786	2,103
2006	681	477	429	1,587
2007	821	140	135	1,096
2008	501	78	188	767
2009	503	0	726	1,229
2010	529	10	90	629
2011	535	6	938	1,479
2012	594	10	513	1,117
2013	733	0	929	1,662
2014	688	0	520	1,208
2015	696	12	785	1,493
2016	768	0	815	1,583
2017	646	0	877	1,523
2018	534	0	245	779
2019	667	0	683	1,350
2020	493	0	445	938

Source: US Census

Building permits for the region increased from 1,464 in 2000 to 2,336 in 2002, before decreasing to 629 in 2010 and increasing to 938 in 2020.

Conclusion

We anticipate moderate economic growth accompanied by modest population growth for the region over the next several years.

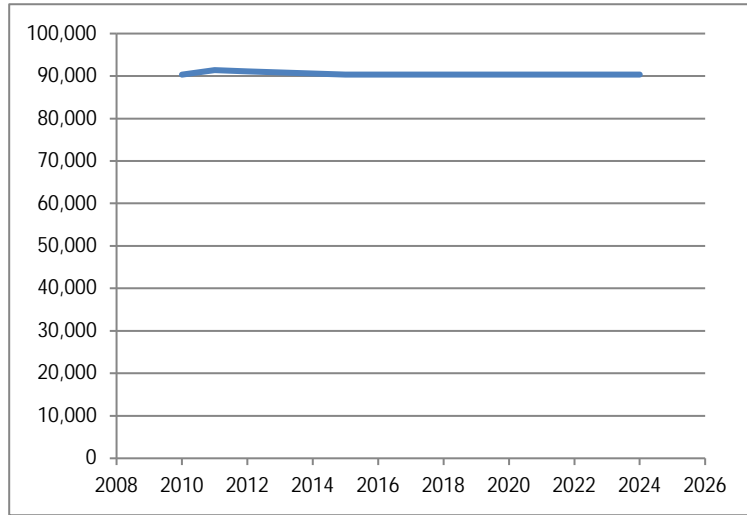
DEMOGRAPHIC CHARACTERISTICS

Population

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

Population Forecast		
Year	Population	Growth %
2010	90,328	-
2011	91,393	1.2%
2012	91,130	-0.3%
2013	90,868	-0.3%
2014	90,605	-0.3%
2015	90,342	-0.3%
2016	90,344	0.0%
2017	90,347	0.0%
2018	90,349	0.0%
2019	90,352	0.0%
2020	90,354	0.0%
2021	90,356	0.0%
2022	90,359	0.0%
2023	90,361	0.0%
2024	90,364	0.0%

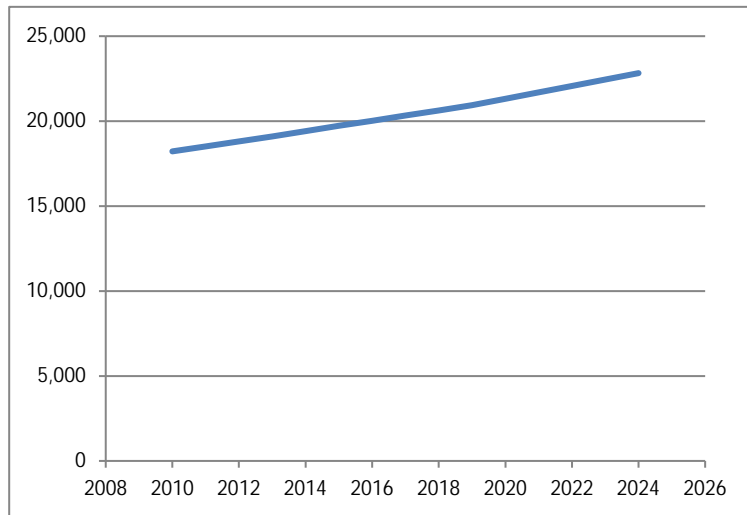
Source: Caliper; Allen & Associates



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

55+ Population Forecast		
Year	Population	Growth %
2010	18,220	-
2011	18,511	1.6%
2012	18,807	1.6%
2013	19,107	1.6%
2014	19,412	1.6%
2015	19,718	1.6%
2016	20,023	1.5%
2017	20,328	1.5%
2018	20,634	1.5%
2019	20,939	1.5%
2020	21,316	1.8%
2021	21,693	1.8%
2022	22,070	1.7%
2023	22,447	1.7%
2024	22,824	1.7%

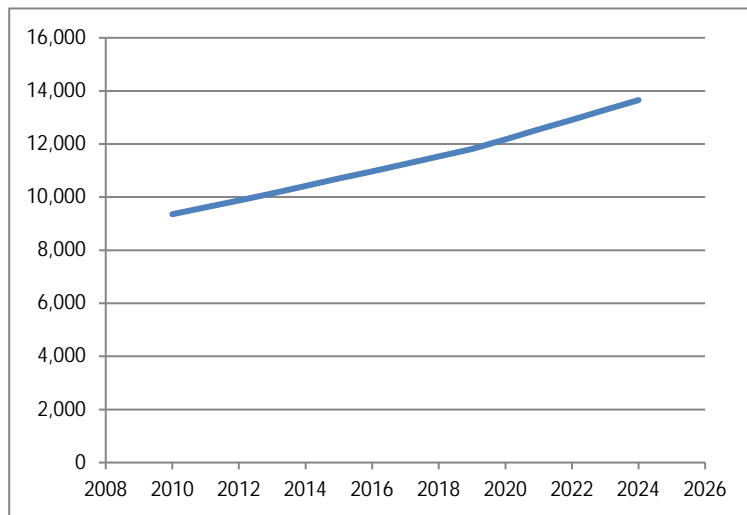
Source: Caliper; Allen & Associates



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

65+ Population Forecast		
Year	Population	Growth %
2010	9,355	-
2011	9,610	2.7%
2012	9,872	2.7%
2013	10,142	2.7%
2014	10,420	2.7%
2015	10,697	2.7%
2016	10,975	2.6%
2017	11,252	2.5%
2018	11,530	2.5%
2019	11,807	2.4%
2020	12,176	3.1%
2021	12,545	3.0%
2022	12,914	2.9%
2023	13,283	2.9%
2024	13,652	2.8%

Source: Caliper; Allen & Associates

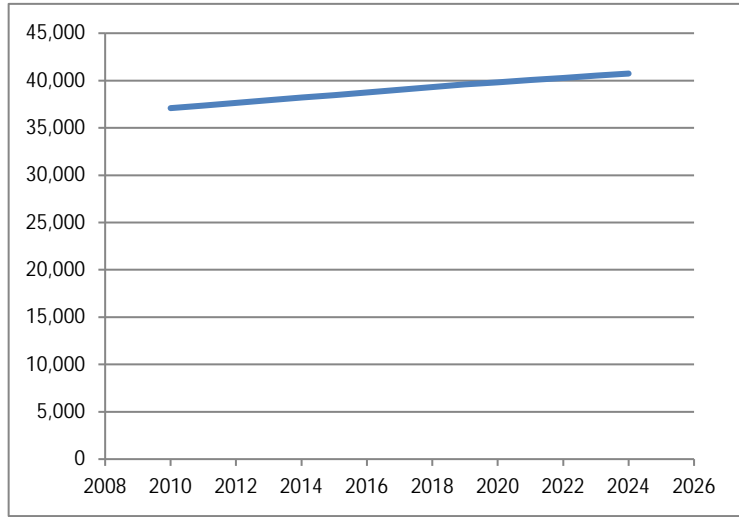


Households

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

Household Forecast		
Year	Households	Growth %
2010	37,085	-
2011	37,358	0.7%
2012	37,634	0.7%
2013	37,912	0.7%
2014	38,192	0.7%
2015	38,471	0.7%
2016	38,751	0.7%
2017	39,031	0.7%
2018	39,311	0.7%
2019	39,591	0.7%
2020	39,820	0.6%
2021	40,049	0.6%
2022	40,278	0.6%
2023	40,508	0.6%
2024	40,737	0.6%

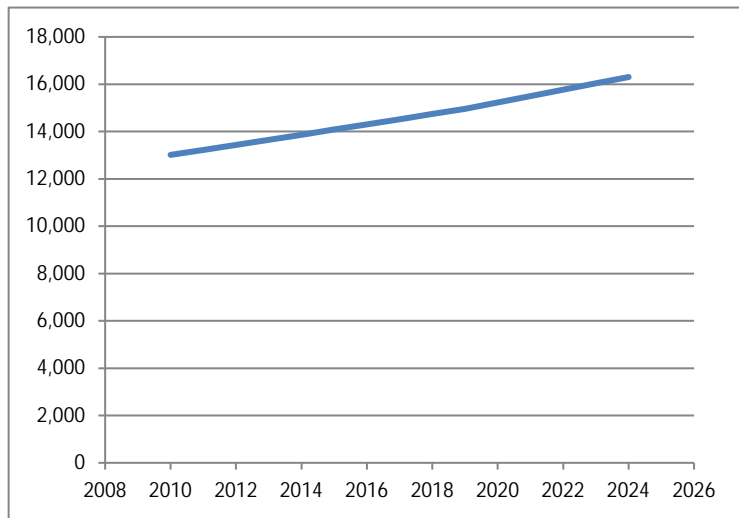
Source: Claritas; Allen & Associates



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

55+ Household Forecast		
Year	Households	Growth %
2010	13,015	-
2011	13,222	1.6%
2012	13,434	1.6%
2013	13,648	1.6%
2014	13,866	1.6%
2015	14,084	1.6%
2016	14,303	1.5%
2017	14,521	1.5%
2018	14,739	1.5%
2019	14,957	1.5%
2020	15,226	1.8%
2021	15,496	1.8%
2022	15,765	1.7%
2023	16,034	1.7%
2024	16,304	1.7%

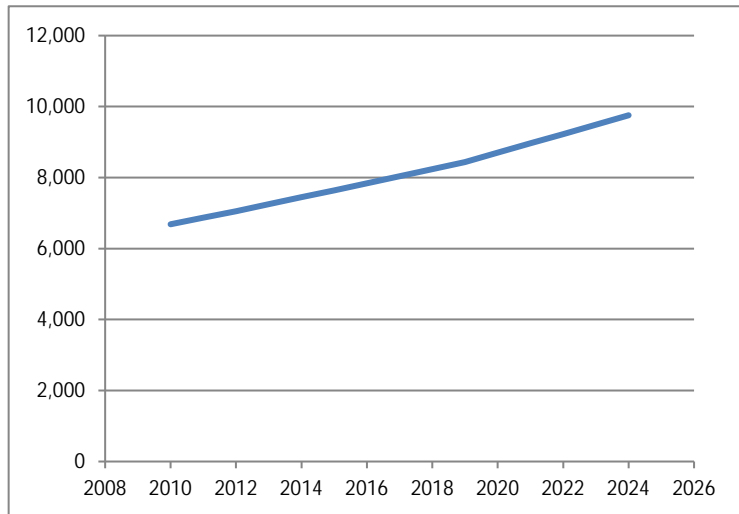
Source: Claritas; Allen & Associates



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

65+ Household Forecast		
Year	Households	Growth %
2010	6,685	-
2011	6,867	2.7%
2012	7,054	2.7%
2013	7,247	2.7%
2014	7,445	2.7%
2015	7,644	2.7%
2016	7,842	2.6%
2017	8,040	2.5%
2018	8,238	2.5%
2019	8,437	2.4%
2020	8,700	3.1%
2021	8,964	3.0%
2022	9,228	2.9%
2023	9,492	2.9%
2024	9,755	2.8%

Source: Claritas; Allen & Associates

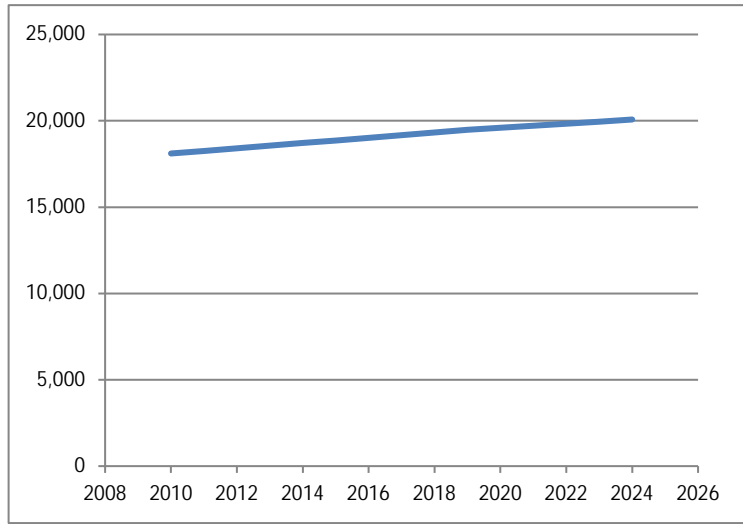


Renter Households

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

Renter Household Forecast		
Year	Households	Growth %
2010	18,108	-
2011	18,257	0.8%
2012	18,406	0.8%
2013	18,557	0.8%
2014	18,710	0.8%
2015	18,862	0.8%
2016	19,014	0.8%
2017	19,167	0.8%
2018	19,319	0.8%
2019	19,471	0.8%
2020	19,592	0.6%
2021	19,713	0.6%
2022	19,834	0.6%
2023	19,955	0.6%
2024	20,076	0.6%

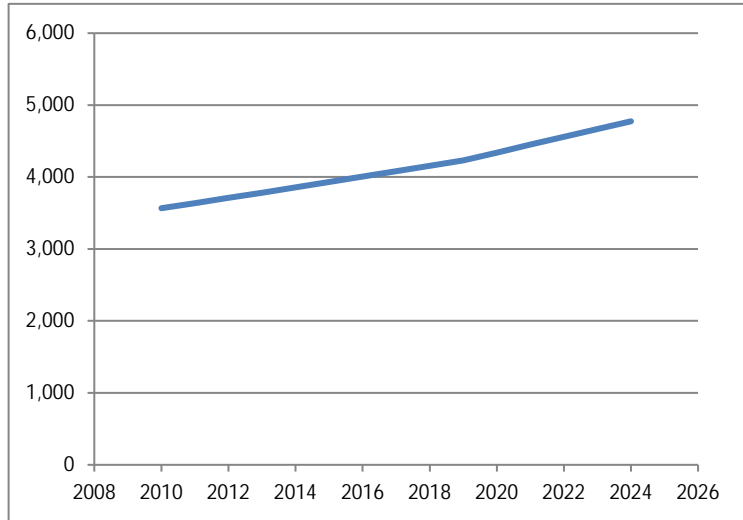
Source: Claritas; Allen & Associates



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

55+ Renter Household Forecast		
Year	Households	Growth %
2010	3,567	-
2011	3,638	2.0%
2012	3,710	2.0%
2013	3,783	2.0%
2014	3,858	2.0%
2015	3,933	1.9%
2016	4,008	1.9%
2017	4,083	1.9%
2018	4,158	1.8%
2019	4,232	1.8%
2020	4,341	2.6%
2021	4,449	2.5%
2022	4,558	2.4%
2023	4,667	2.4%
2024	4,775	2.3%

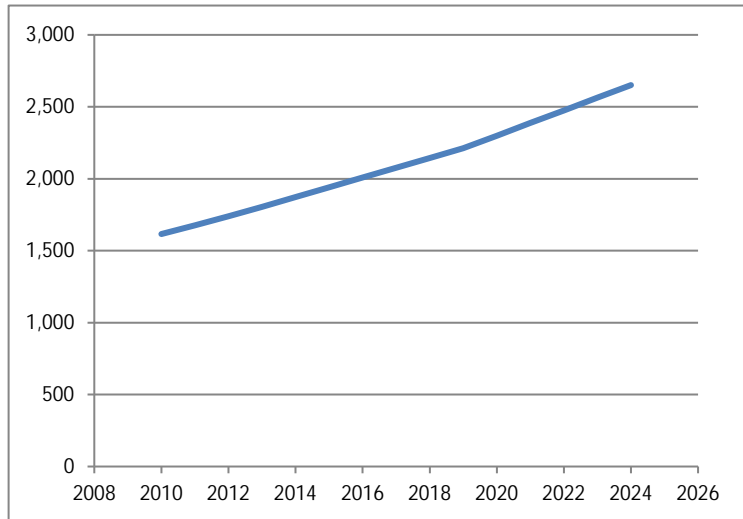
Source: Claritas; Allen & Associates



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

65+ Renter Household Forecast		
Year	Households	Growth %
2010	1,616	-
2011	1,677	3.8%
2012	1,739	3.8%
2013	1,805	3.8%
2014	1,872	3.8%
2015	1,940	3.6%
2016	2,008	3.5%
2017	2,076	3.4%
2018	2,143	3.3%
2019	2,211	3.2%
2020	2,299	4.0%
2021	2,387	3.8%
2022	2,475	3.7%
2023	2,563	3.6%
2024	2,651	3.4%

Source: Claritas; Allen & Associates



Household Income

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

2022 \$		Households, by Income, by Size						
Min	Max	2022 Households						
		1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	910	307	201	183	69	34	1,704
\$10,000	\$19,999	1,332	655	221	140	37	13	2,398
\$20,000	\$29,999	1,819	931	584	176	138	78	3,726
\$30,000	\$39,999	1,466	982	624	244	120	69	3,506
\$40,000	\$49,999	1,763	1,253	475	331	179	85	4,086
\$50,000	\$59,999	1,085	1,091	562	373	211	116	3,438
\$60,000	\$74,999	1,292	1,499	992	528	218	126	4,655
\$75,000	\$99,999	1,096	2,071	1,008	652	338	193	5,359
\$100,000	\$124,999	547	1,302	794	718	218	110	3,689
\$125,000	\$149,999	380	965	475	451	129	58	2,458
\$150,000	\$199,999	367	890	585	363	146	60	2,412
\$200,000	more	446	1,225	488	445	176	68	2,847
Total		12,504	13,171	7,010	4,605	1,980	1,009	40,278

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

2022 \$		55+ Households, by Income, by Size						
Min	Max	2022 Households						
		1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	498	207	44	17	16	2	784
\$10,000	\$19,999	955	352	48	14	19	4	1,393
\$20,000	\$29,999	926	403	97	16	26	10	1,476
\$30,000	\$39,999	608	418	115	14	15	5	1,175
\$40,000	\$49,999	704	649	106	55	38	14	1,567
\$50,000	\$59,999	415	331	103	51	37	13	951
\$60,000	\$74,999	616	553	297	62	52	26	1,606
\$75,000	\$99,999	664	919	367	30	55	27	2,061
\$100,000	\$124,999	449	574	241	58	31	12	1,365
\$125,000	\$149,999	211	527	102	116	53	22	1,031
\$150,000	\$199,999	241	465	185	32	27	9	959
\$200,000	more	253	821	197	63	52	13	1,398
Total		6,540	6,218	1,902	528	420	157	15,765

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

2022 \$		65+ Households, by Income, by Size						
Min	Max	2022 Households						
		1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	321	124	15	2	9	1	473
\$10,000	\$19,999	702	168	23	10	14	3	920
\$20,000	\$29,999	761	257	19	10	17	8	1,073
\$30,000	\$39,999	439	244	58	5	12	5	763
\$40,000	\$49,999	496	464	44	12	19	4	1,041
\$50,000	\$59,999	214	167	27	9	12	2	431
\$60,000	\$74,999	320	405	153	11	41	23	953
\$75,000	\$99,999	465	515	207	10	38	19	1,254
\$100,000	\$124,999	307	295	47	41	11	1	701
\$125,000	\$149,999	141	222	52	73	23	12	522
\$150,000	\$199,999	149	224	44	2	8	0	426
\$200,000	more	162	380	53	26	39	11	671
Total		4,478	3,467	740	209	244	90	9,228

Source: Claritas & Ribbon Demographics

Renter Household Income

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

2022 \$		2022 Households						
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	602	126	131	149	59	33	1,100
\$10,000	\$19,999	863	426	186	98	25	7	1,605
\$20,000	\$29,999	1,142	580	469	123	114	68	2,495
\$30,000	\$39,999	1,009	576	425	204	89	57	2,360
\$40,000	\$49,999	1,052	610	332	196	90	45	2,325
\$50,000	\$59,999	575	745	385	300	159	87	2,251
\$60,000	\$74,999	657	797	463	358	124	71	2,470
\$75,000	\$99,999	545	893	366	326	175	99	2,405
\$100,000	\$124,999	195	393	282	164	41	13	1,087
\$125,000	\$149,999	135	257	180	124	19	4	718
\$150,000	\$199,999	173	195	115	48	12	3	546
\$200,000	more	94	221	70	16	52	20	472
Total		7,044	5,818	3,400	2,105	961	507	19,834

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

2022 \$		2022 Households						
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	254	43	16	4	6	1	324
\$10,000	\$19,999	555	162	24	7	12	0	761
\$20,000	\$29,999	340	142	45	8	14	5	553
\$30,000	\$39,999	314	95	34	4	6	1	455
\$40,000	\$49,999	220	112	35	40	14	1	423
\$50,000	\$59,999	141	72	35	28	24	6	307
\$60,000	\$74,999	212	64	34	8	11	1	330
\$75,000	\$99,999	255	147	97	8	40	18	565
\$100,000	\$124,999	138	97	58	5	10	1	310
\$125,000	\$149,999	92	70	24	17	10	1	214
\$150,000	\$199,999	74	45	15	9	8	2	153
\$200,000	more	65	52	34	8	6	0	165
Total		2,660	1,102	452	144	161	39	4,558

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

2022 \$		2022 Households						
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	154	24	8	2	4	0	192
\$10,000	\$19,999	395	49	12	7	10	0	473
\$20,000	\$29,999	259	75	4	6	9	4	357
\$30,000	\$39,999	232	16	29	3	6	1	287
\$40,000	\$49,999	132	59	17	10	9	0	228
\$50,000	\$59,999	61	7	10	2	5	0	86
\$60,000	\$74,999	110	20	12	4	4	0	150
\$75,000	\$99,999	168	29	50	3	26	11	287
\$100,000	\$124,999	84	35	7	3	7	1	137
\$125,000	\$149,999	65	40	7	6	6	1	124
\$150,000	\$199,999	55	17	3	2	3	0	81
\$200,000	more	51	12	2	5	2	0	73
Total		1,768	384	161	53	90	19	2,475

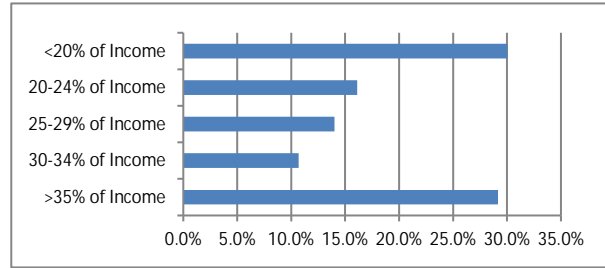
Source: Claritas & Ribbon Demographics

Overburdened Renter Households

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

Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	30.1%
20-24% of Income Spent on Housing	16.1%
25-29% of Income Spent on Housing	14.0%
30-34% of Income Spent on Housing	10.7%
>35% of Income Spent on Housing	29.2%
Total	100.0%

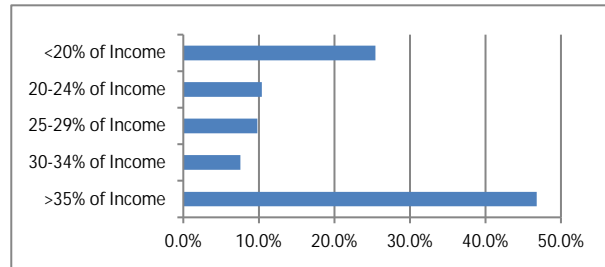
Source: U.S. Census Bureau



Our research suggests that 29.2 percent of the renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 39.8 percent of the renter households are overburdened to 30 percent of income.

55+ Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	25.4%
20-24% of Income Spent on Housing	10.4%
25-29% of Income Spent on Housing	9.8%
30-34% of Income Spent on Housing	7.6%
>35% of Income Spent on Housing	46.8%
Total	100.0%

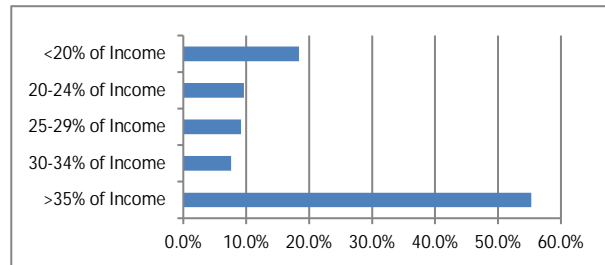
Source: U.S. Census Bureau



Our research suggests that 46.8 percent of the 55+ renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 54.4 percent of the 55+ renter households are overburdened to 30 percent of income.

65+ Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	18.4%
20-24% of Income Spent on Housing	9.6%
25-29% of Income Spent on Housing	9.2%
30-34% of Income Spent on Housing	7.6%
>35% of Income Spent on Housing	55.3%
Total	100.0%

Source: U.S. Census Bureau



Our research suggests that 55.3 percent of the 65+ renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 62.9 percent of the 65+ renter households are overburdened to 30 percent of income.

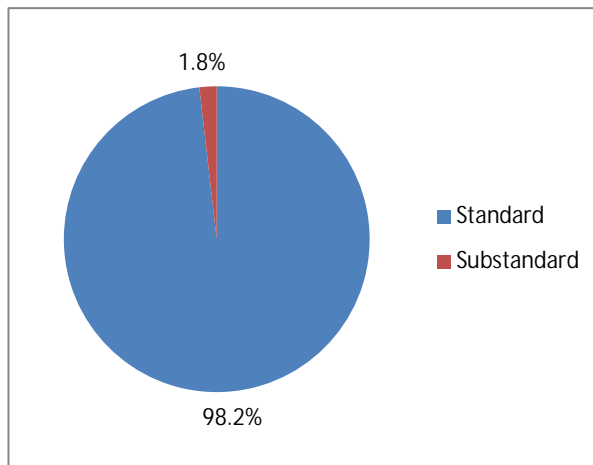
Owner Substandard Units

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

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

Owner Substandard Units	
	% of Total
1.00 persons per room or less	98.2%
1.01 to 1.50 persons per room	1.2%
1.51 persons per room or more	0.4%
Complete Plumbing	99.8%
1.00 persons per room or less	0.2%
1.01 to 1.50 persons per room	0.0%
1.51 persons per room or more	0.0%
Lacking Complete Plumbing	0.2%
Standard	98.2%
Substandard	1.8%
Total	100.0%

Source: U.S. Census Bureau



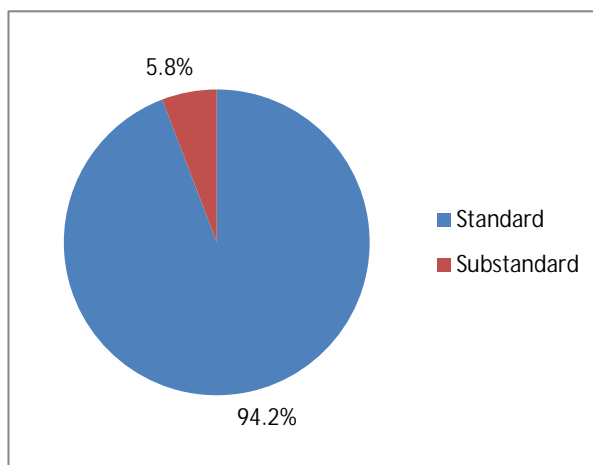
Our research suggests that 1.8 percent of occupied owner housing units in the market area are substandard.

Renter Substandard Units

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

Renter Substandard Units	
	% of Total
1.00 persons per room or less	94.2%
1.01 to 1.50 persons per room	3.5%
1.51 persons per room or more	1.9%
Complete Plumbing	99.6%
1.00 persons per room or less	0.3%
1.01 to 1.50 persons per room	0.0%
1.51 persons per room or more	0.0%
Lacking Complete Plumbing	0.4%
Standard	94.2%
Substandard	5.8%
Total	100.0%

Source: U.S. Census Bureau



Our research suggests that 5.8 percent of renter owner housing units in the market area are substandard.

Owner Movership

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

Owner Movership, by Size								
Market Area								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Owner to Owner	3.3%	5.2%	6.7%	6.6%	7.2%	7.8%	9.0%	5.5%
Owner to Renter	3.1%	2.9%	5.3%	4.9%	4.9%	7.4%	11.3%	4.0%
Owner Movership Rate	6.5%	8.1%	12.0%	11.6%	12.0%	15.2%	20.3%	9.5%

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

Our research suggests an owner movership rate of 9.5 percent.

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

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

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

Renter Movership

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

Renter Movership, by Size								
Market Area								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Renter to Renter	13.1%	29.2%	41.3%	49.6%	50.1%	54.3%	83.8%	29.6%
Renter to Owner	3.2%	12.0%	12.1%	15.5%	17.0%	13.2%	15.5%	9.4%
Renter Movership Rate	16.3%	41.2%	53.4%	65.0%	67.1%	67.4%	99.3%	39.0%

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

Our research suggests a renter movership rate of 39.0 percent.

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

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

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

SUPPLY ANALYSIS

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

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

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

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

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

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

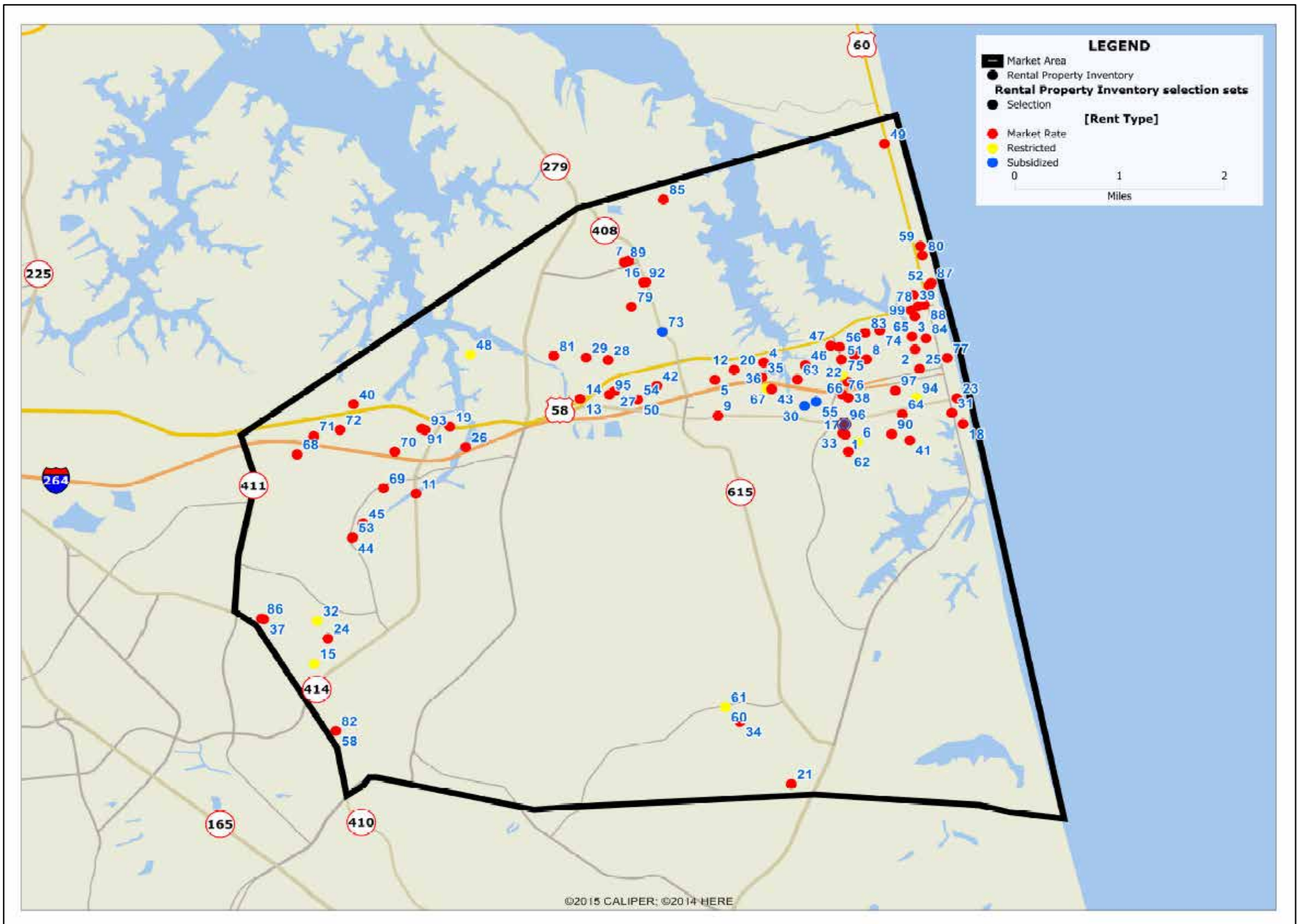
The balance of this section includes a breakdown of confirmed market area properties by rent type, project status, year built, and financing source. We also include a rent, unit mix, and amenity summary for confirmed market area properties. Finally, we provide summary of vouchers, concessions, and waiting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

Rental Property Inventory

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
001	226 Oceana	36.8399	-75.9935	1986	2010	Market Rate	Family	Stabilized	Conventional	213	6	97.2%
002	Aqua on 25th Street	36.8527	-75.9815	2016	na	Market Rate	Family	Stabilized	Conventional	147	8	94.6%
003	Ann's Apartments	36.8546	-75.9820	1910	2007	Market Rate	Family	Stabilized	Conventional	8	1	87.5%
004	Apple Blossom at Hilltop Apartments	36.8507	-76.0075	1977	na	Market Rate	Family	Unconfirmed	Conventional	42	0	100.0%
005	Arbor Trace Apartments	36.8481	-76.0159	1985	na	Market Rate	Family	Stabilized	Conventional	148	10	93.2%
006	Atlantis Apartments	36.8389	-75.9914	1972	2004	Restricted	Family	Stabilized	Tax Credit	207	0	100.0%
007	Bancroft Hall Apartments	36.8658	-76.0307	1969	2010	Market Rate	Family	Duplicate	Conventional	244	14	94.3%
008	Barberton Apartments	36.8512	-75.9898	1971	2004	Market Rate	Family	Stabilized	Conventional	70	0	100.0%
009	Berkshire Apartments	36.8428	-76.0154	1984	na	Market Rate	Family	Stabilized	Conventional	122	10	91.8%
010	Birdneck Village Apartments	36.8518	-75.9919	1967	2010	Market Rate	Family	Stabilized	Conventional	338	6	98.2%
011	Breeden Company	36.8311	-76.0673	1984	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
012	Chanticleer Apartments	36.8496	-76.0126	1991	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
013	Chapel Lake Apartments	36.8453	-76.0391	1978	na	Market Rate	Family	Duplicate	Conventional	246	7	97.2%
014	Chatham Square Apartments	36.8453	-76.0391	1978	na	Market Rate	Family	Stabilized	Conventional	246	7	97.2%
015	Citywide Homes 2001	36.8058	-76.0848	1960	2004	Restricted	Family	Stabilized	Tax Credit	32	0	100.0%
016	Colonial Arms Apartments	36.8627	-76.0278	1960	2010	Market Rate	Family	Stabilized	Conventional	216	3	98.6%
017	Colonial Village at Harbour Club	36.8399	-75.9935	1986	2010	Market Rate	Family	Duplicate	Conventional	213	6	97.2%
018	Colony Apartments	36.8415	-75.9732	na	na	Market Rate	Family	Condominiums	Conventional	0	0	0.0%
019	Colony Pines Apartments	36.8411	-76.0614	1977	na	Market Rate	Elderly	Stabilized	Conventional	60	1	98.3%
020	Courtyards of Chanticleer	36.8496	-76.0126	1970	na	Market Rate	Family	Stabilized	Conventional	306	12	96.1%
021	Dam Neck Square Apartments	36.7879	-76.0028	1986	na	Market Rate	Family	Stabilized	Conventional	79	0	100.0%
022	Debs Bay Apartments	36.8478	-75.9931	1985	2003	Market Rate	Family	Stabilized	Conventional	20	1	95.0%
023	Dolphin Inn	36.8454	-75.9743	1988	na	Market Rate	Family	Hotel	Conventional	0	0	0.0%
024	Dominion Waterside at Lynhaven	36.8096	-76.0824	1966	2000	Market Rate	Family	Stabilized	Conventional	192	9	95.3%
025	Dove Landing Baltic Apartments	36.8498	-75.9807	1977	na	Market Rate	Family	Stabilized	Conventional	15	2	86.7%
026	Dove Landing Plaza Apartments	36.8381	-76.0587	1977	na	Market Rate	Family	Stabilized	Conventional	32	1	96.9%
027	Eastwind Apartments	36.8464	-76.0331	1972	na	Market Rate	Family	Stabilized	Conventional	200	5	97.5%
028	Emerald Point East Apartments	36.8511	-76.0342	1968	na	Market Rate	Family	Stabilized	Conventional	437	22	95.0%
029	Emerald Point West Apartments	36.8514	-76.0380	1972	na	Market Rate	Family	Stabilized	Conventional	430	21	95.1%
030	Friendship Village Apartments	36.8442	-76.0005	1968	2011	Subsidized	Family	Stabilized	Tax Credit	109	0	100.0%
031	Gallagher Apartments	36.8432	-75.9751	1915	na	Market Rate	Family	Hotel	Conventional	0	0	0.0%
032	Green Lakes Apartments	36.8122	-76.0842	1977	2002	Restricted	Family	Stabilized	Tax Credit	150	0	100.0%
033	Harbor Club Apartments	36.8402	-75.9939	1986	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
034	Harpers Square Apartments	36.7972	-76.0116	1974	na	Market Rate	Family	Stabilized	Conventional	400	21	94.8%
035	Heron Point Apartments	36.8485	-76.0078	1989	2010	Market Rate	Family	Stabilized	Conventional	96	2	97.9%
036	Hilltop South Apartments	36.8468	-76.0069	1972	2003	Restricted	Family	Stabilized	Tax Credit	85	0	100.0%
037	Hollygreen Apartments	36.8125	-76.0934	1984	na	Market Rate	Family	Stabilized	Conventional	95	0	100.0%
038	Pavilion	36.8455	-75.9929	2013	na	Market Rate	Family	Duplicate	Conventional	196	163	16.8%
039	Jefferson Apartments	36.8608	-75.9817	1955	2010	Market Rate	Family	Stabilized	Conventional	28	0	100.0%
040	Kings Row Apartments	36.8445	-76.0780	1971	na	Market Rate	Family	Stabilized	Conventional	56	1	98.2%
041	Lakewood Square Apartments	36.8391	-75.9824	1975	na	Market Rate	Family	Stabilized	Conventional	88	4	95.5%
042	Latitudes Apartments	36.8472	-76.0259	1990	2004	Market Rate	Family	Stabilized	Conventional	448	0	100.0%
043	Laurel Court Apartments	36.8467	-76.0061	1987	na	Market Rate	Family	Stabilized	Conventional	80	1	98.8%
044	Legends at the Beach Phase 1	36.8245	-76.0782	1989	2001	Market Rate	Family	Stabilized	Conventional	174	14	92.0%
045	Legends at the Beach Phase 2	36.8267	-76.0764	1989	2001	Market Rate	Family	Stabilized	Conventional	80	10	87.5%
046	Linkhorn Bay Apartments	36.8503	-76.0003	1978	na	Market Rate	Family	Stabilized	Conventional	864	29	96.6%
047	Linkhorn Place Apartments	36.8532	-75.9960	1967	na	Market Rate	Family	Stabilized	Conventional	120	4	96.7%
048	Lynnhaven Landing Apartments	36.8519	-76.0579	1973	2012	Restricted	Family	Stabilized	Bond	250	1	99.6%
049	Mai Kai Resort Condominiums	36.8833	-75.9867	1984	na	Market Rate	Family	Hotel	Conventional	0	0	0.0%
050	Maple Bay Apartments	36.8452	-76.0292	1972	na	Market Rate	Family	Stabilized	Conventional	414	21	94.9%
051	Mayfair Mews Apartments	36.8511	-75.9941	1969	na	Market Rate	Family	Demolished/Burr	Conventional	37	2	94.6%
052	Mayflower Seaside Apartments	36.8622	-75.9790	1950	2007	Market Rate	Family	Stabilized	Conventional	265	0	100.0%

Rental Property Inventory

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
053	MGM Enterprises	36.8247	-76.0782	1989	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
054	Mission Rock Residential LLC	36.8452	-76.0292	1972	na	Market Rate	Family	Duplicate	Conventional	414	21	94.9%
055	Morgan Terrace Apartments	36.8449	-75.9985	1972	2005	Subsidized	Family	Stabilized	HUD	24	0	100.0%
056	Oakcrest Apartments	36.8530	-75.9944	1973	na	Market Rate	Family	Unconfirmed	Conventional	40	0	100.0%
057	OBV2	36.8576	-75.9815	2013	na	Market Rate	Family	Non-Inventory	Conventional	353	353	0.0%
058	Occidental Development Co	36.7958	-76.0810	1985	na	Market Rate	Family	Duplicate	Conventional	684	34	95.0%
059	Ocean 2 Condominiums	36.8680	-75.9806	na	na	Market Rate	Family	Condominiums	Conventional	0	0	0.0%
060	Ocean Gate East	36.7994	-76.0141	1996	na	Restricted	Family	Stabilized	Tax Credit	46	0	100.0%
061	Ocean Gate West	36.7994	-76.0141	1996	na	Restricted	Family	Stabilized	Tax Credit	128	0	100.0%
062	Ocean Pebbles Apartments	36.8374	-75.9929	1983	2003	Market Rate	Family	Stabilized	Conventional	112	3	97.3%
063	Ocean Trace Apartments	36.8482	-76.0017	1987	na	Market Rate	Family	Stabilized	Conventional	72	1	98.6%
064	Ocean Walk Apartments	36.8430	-75.9837	1965	2010	Market Rate	Family	Stabilized	Conventional	36	1	97.2%
065	Old Beach Village Apartments	36.8576	-75.9815	2010	na	Market Rate	Family	Condominiums	Conventional	0	0	0.0%
066	Indigo 19 Apartments	36.8455	-75.9929	2013	na	Market Rate	Family	Stabilized	Conventional	196	7	96.4%
067	Pipers Landing Apartments	36.8467	-76.0061	1990	2014	Market Rate	Family	Stabilized	Tax Credit	153	11	92.8%
068	Plaza Apartments	36.8370	-76.0877	1963	1998	Market Rate	Family	Stabilized	Conventional	288	15	94.8%
069	Reflections Apartments	36.8320	-76.0728	1988	na	Market Rate	Family	Stabilized	Conventional	480	10	97.9%
070	Riverwood Village Duplexes	36.8374	-76.0709	1985	na	Market Rate	Family	Stabilized	Conventional	60	6	90.0%
071	Rose Gate Apartments	36.8397	-76.0848	1970	na	Market Rate	Family	Unconfirmed	Conventional	56	3	94.6%
072	Rose Hall Apartments	36.8407	-76.0803	1981	2000	Market Rate	Family	Stabilized	Conventional	304	6	98.0%
073	Russell House Apartments	36.8553	-76.0249	1981	2010	Subsidized	Elderly	Stabilized	HUD	119	0	100.0%
074	Saltmeadow Bay Apartments	36.8555	-75.9875	2003	2014	Market Rate	Family	Stabilized	Conventional	229	8	96.5%
075	Sea Pines Apartments	36.8488	-75.9940	1966	2002	Restricted	Family	Stabilized	Tax Credit	96	1	99.0%
076	South Beach Apartments	36.8459	-75.9940	2002	2019	Market Rate	Family	Stabilized	Conventional	212	9	95.8%
077	Station One Hotel	36.8514	-75.9760	1984	na	Market Rate	Family	Hotel	Conventional	0	0	0.0%
078	Summer House Apartments	36.8591	-75.9810	2013	na	Market Rate	Family	Stabilized	Conventional	178	18	89.9%
079	Thousand Oaks Apartments	36.8591	-76.0302	1978	na	Market Rate	Family	Stabilized	Conventional	103	3	97.1%
080	Virginia House Apartments	36.8666	-75.9802	1993	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
081	Washington Square Apartments	36.8517	-76.0436	1981	na	Market Rate	Family	Unconfirmed	Conventional	73	1	98.6%
082	Waterfront Apartments	36.7958	-76.0810	1985	na	Market Rate	Family	Stabilized	Conventional	684	34	95.0%
083	Woodberry Forest Apartments	36.8551	-75.9901	1972	2010	Market Rate	Family	Stabilized	Conventional	91	2	97.8%
084	27 Atlantic Apartments	36.8543	-75.9796	2020	na	Market Rate	Family	Lease Up	Conventional	240	90	62.5%
085	517 King Street - VA	36.8750	-76.0247	1916	2015	Market Rate	Family	Duplicate	Conventional	20	0	100.0%
086	Aria Apartments	36.8125	-76.0938	1983	na	Market Rate	Family	Unconfirmed	Conventional	96	1	99.0%
087	Ocean Beach Club	36.8625	-75.9787	2016	na	Market Rate	Family	Hotel	Conventional	0	0	0.0%
088	Franklin Johnston Group	36.8593	-75.9799	2013	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
089	Haven Apartments & Townhomes	36.8656	-76.0314	1969	2010	Market Rate	Family	Unconfirmed	Conventional	244	9	96.3%
090	Lake Ridge Apartments	36.8400	-75.9855	2009	na	Market Rate	Family	Unconfirmed	Conventional	12	0	100.0%
091	Murray Wholesale Drug Corp	36.8409	-76.0663	2011	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
092	Oasis Apartment Homes	36.8626	-76.0282	1966	na	Market Rate	Family	Unconfirmed	Conventional	217	11	94.9%
093	Ocean Bay Homes	36.8407	-76.0657	2011	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
094	Seaside Harbor Apartments	36.8455	-75.9812	2018	na	Restricted	Family	Stabilized	Tax Credit	76	0	100.0%
095	Summerville Sacred	36.8459	-76.0340	2016	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
096	JCOC 3H Housing	36.8415	-75.9937	2022	na	Subsidized	Family	Prop Const	Conventional	38	38	0.0%
097	South Beach Villas	36.8465	-75.9849	1968	na	Market Rate	Family	Unconfirmed	Conventional	62	3	95.2%
098	517 King Street - Portsmouth	36.8343	-76.3030	1916	2015	Market Rate	Family	Unconfirmed	Conventional	20	0	100.0%
099	Pinnacle (The) on 31st Street	36.8585	-75.9822	2022	na	Market Rate	Family	Construction	Conventional	240	240	0.0%



Rental Property Inventory, Unconfirmed

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
004	Apple Blossom at Hilltop Apartments	36.8507	-76.0075	1977	na	Market Rate	Family	Unconfirmed	Conventional	42	0	100.0%
056	Oakcrest Apartments	36.8530	-75.9944	1973	na	Market Rate	Family	Unconfirmed	Conventional	40	0	100.0%
071	Rose Gate Apartments	36.8397	-76.0848	1970	na	Market Rate	Family	Unconfirmed	Conventional	56	3	94.6%
081	Washington Square Apartments	36.8517	-76.0436	1981	na	Market Rate	Family	Unconfirmed	Conventional	73	1	98.6%
086	Aria Apartments	36.8125	-76.0938	1983	na	Market Rate	Family	Unconfirmed	Conventional	96	1	99.0%
089	Haven Apartments & Townhomes	36.8656	-76.0314	1969	2010	Market Rate	Family	Unconfirmed	Conventional	244	9	96.3%
090	Lake Ridge Apartments	36.8400	-75.9855	2009	na	Market Rate	Family	Unconfirmed	Conventional	12	0	100.0%
092	Oasis Apartment Homes	36.8626	-76.0282	1966	na	Market Rate	Family	Unconfirmed	Conventional	217	11	94.9%
097	South Beach Villas	36.8465	-75.9849	1968	na	Market Rate	Family	Unconfirmed	Conventional	62	3	95.2%
098	517 King Street - Portsmouth	36.8343	-76.3030	1916	2015	Market Rate	Family	Unconfirmed	Conventional	20	0	100.0%

Rental Property Inventory, Confirmed, Inside Market Area

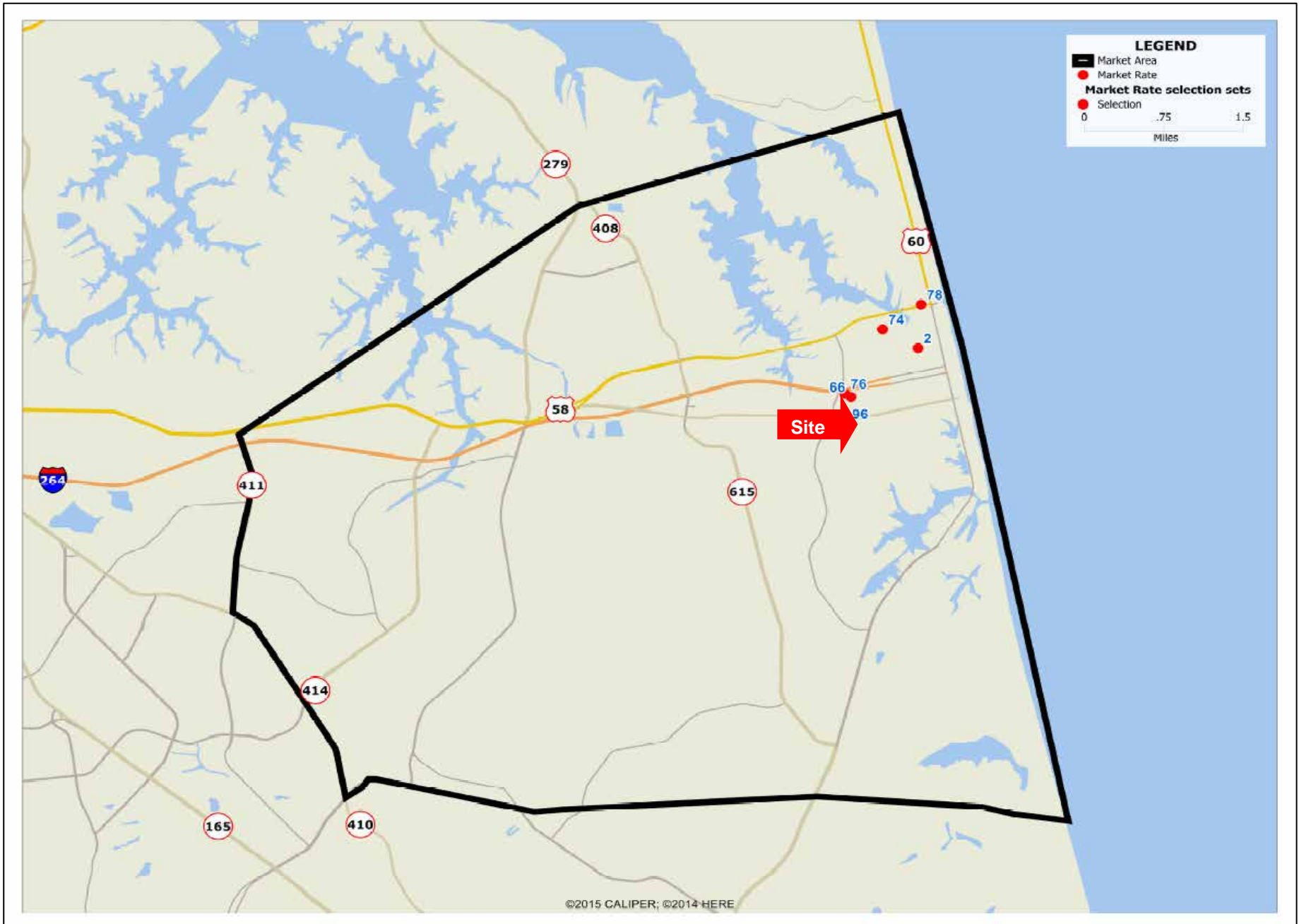
Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
001	226 Oceana	36.8399	-75.9935	1986	2010	Market Rate	Family	Stabilized	Conventional	213	6	97.2%
002	Aqua on 25th Street	36.8527	-75.9815	2016	na	Market Rate	Family	Stabilized	Conventional	147	8	94.6%
003	Ann's Apartments	36.8546	-75.9820	1910	2007	Market Rate	Family	Stabilized	Conventional	8	1	87.5%
005	Arbor Trace Apartments	36.8481	-76.0159	1985	na	Market Rate	Family	Stabilized	Conventional	148	10	93.2%
006	Atlantis Apartments	36.8389	-75.9914	1972	2004	Restricted	Family	Stabilized	Tax Credit	207	0	100.0%
008	Barberton Apartments	36.8512	-75.9898	1971	2004	Market Rate	Family	Stabilized	Conventional	70	0	100.0%
009	Berkshire Apartments	36.8428	-76.0154	1984	na	Market Rate	Family	Stabilized	Conventional	122	10	91.8%
010	Birdneck Village Apartments	36.8518	-75.9919	1967	2010	Market Rate	Family	Stabilized	Conventional	338	6	98.2%
014	Chatham Square Apartments	36.8453	-76.0391	1978	na	Market Rate	Family	Stabilized	Conventional	246	7	97.2%
015	Citywide Homes 2001	36.8058	-76.0848	1960	2004	Restricted	Family	Stabilized	Tax Credit	32	0	100.0%
016	Colonial Arms Apartments	36.8627	-76.0278	1960	2010	Market Rate	Family	Stabilized	Conventional	216	3	98.6%
019	Colony Pines Apartments	36.8411	-76.0614	1977	na	Market Rate	Elderly	Stabilized	Conventional	60	1	98.3%
020	Courtyards of Chanticleer	36.8496	-76.0126	1970	na	Market Rate	Family	Stabilized	Conventional	306	12	96.1%
021	Dam Neck Square Apartments	36.7879	-76.0028	1986	na	Market Rate	Family	Stabilized	Conventional	79	0	100.0%
022	Debs Bay Apartments	36.8478	-75.9931	1985	2003	Market Rate	Family	Stabilized	Conventional	20	1	95.0%
024	Dominion Waterside at Lynhaven	36.8096	-76.0824	1966	2000	Market Rate	Family	Stabilized	Conventional	192	9	95.3%
025	Dove Landing Baltic Apartments	36.8498	-75.9807	1977	na	Market Rate	Family	Stabilized	Conventional	15	2	86.7%
026	Dove Landing Plaza Apartments	36.8381	-76.0587	1977	na	Market Rate	Family	Stabilized	Conventional	32	1	96.9%
027	Eastwind Apartments	36.8464	-76.0331	1972	na	Market Rate	Family	Stabilized	Conventional	200	5	97.5%
028	Emerald Point East Apartments	36.8511	-76.0342	1968	na	Market Rate	Family	Stabilized	Conventional	437	22	95.0%
029	Emerald Point West Apartments	36.8514	-76.0380	1972	na	Market Rate	Family	Stabilized	Conventional	430	21	95.1%
030	Friendship Village Apartments	36.8442	-76.0005	1968	2011	Subsidized	Family	Stabilized	Tax Credit	109	0	100.0%
032	Green Lakes Apartments	36.8122	-76.0842	1977	2002	Restricted	Family	Stabilized	Tax Credit	150	0	100.0%
034	Harpers Square Apartments	36.7972	-76.0116	1974	na	Market Rate	Family	Stabilized	Conventional	400	21	94.8%
035	Hérons Point Apartments	36.8485	-76.0078	1989	2010	Market Rate	Family	Stabilized	Conventional	96	2	97.9%
036	Hilltop South Apartments	36.8468	-76.0069	1972	2003	Restricted	Family	Stabilized	Tax Credit	85	0	100.0%
037	Hollygreen Apartments	36.8125	-76.0934	1984	na	Market Rate	Family	Stabilized	Conventional	95	0	100.0%
039	Jefferson Apartments	36.8608	-75.9817	1955	2010	Market Rate	Family	Stabilized	Conventional	28	0	100.0%
040	Kings Row Apartments	36.8445	-76.0780	1971	na	Market Rate	Family	Stabilized	Conventional	56	1	98.2%
041	Lakewood Square Apartments	36.8391	-75.9824	1975	na	Market Rate	Family	Stabilized	Conventional	88	4	95.5%
042	Latitudes Apartments	36.8472	-76.0259	1990	2004	Market Rate	Family	Stabilized	Conventional	448	0	100.0%
043	Laurel Court Apartments	36.8467	-76.0061	1987	na	Market Rate	Family	Stabilized	Conventional	80	1	98.8%
044	Legends at the Beach Phase 1	36.8245	-76.0782	1989	2001	Market Rate	Family	Stabilized	Conventional	174	14	92.0%
045	Legends at the Beach Phase 2	36.8267	-76.0764	1989	2001	Market Rate	Family	Stabilized	Conventional	80	10	87.5%
046	Linkhorn Bay Apartments	36.8503	-76.0003	1978	na	Market Rate	Family	Stabilized	Conventional	864	29	96.6%
047	Linkhorn Place Apartments	36.8532	-75.9960	1967	na	Market Rate	Family	Stabilized	Conventional	120	4	96.7%
048	Lynnhaven Landing Apartments	36.8519	-76.0579	1973	2012	Restricted	Family	Stabilized	Bond	250	1	99.6%
050	Maple Bay Apartments	36.8452	-76.0292	1972	na	Market Rate	Family	Stabilized	Conventional	414	21	94.9%
052	Mayflower Seaside Apartments	36.8622	-75.9790	1950	2007	Market Rate	Family	Stabilized	Conventional	265	0	100.0%
055	Morgan Terrace Apartments	36.8449	-75.9985	1972	2005	Subsidized	Family	Stabilized	HUD	24	0	100.0%
060	Ocean Gate East	36.7994	-76.0141	1996	na	Restricted	Family	Stabilized	Tax Credit	46	0	100.0%
061	Ocean Gate West	36.7994	-76.0141	1996	na	Restricted	Family	Stabilized	Tax Credit	128	0	100.0%
062	Ocean Pebbles Apartments	36.8374	-75.9929	1983	2003	Market Rate	Family	Stabilized	Conventional	112	3	97.3%
063	Ocean Trace Apartments	36.8482	-76.0017	1987	na	Market Rate	Family	Stabilized	Conventional	72	1	98.6%
064	Ocean Walk Apartments	36.8430	-75.9837	1965	2010	Market Rate	Family	Stabilized	Conventional	36	1	97.2%
066	Indigo 19 Apartments	36.8455	-75.9929	2013	na	Market Rate	Family	Stabilized	Conventional	196	7	96.4%
067	Pipers Landing Apartments	36.8467	-76.0061	1990	2014	Market Rate	Family	Stabilized	Tax Credit	153	11	92.8%
068	Plaza Apartments	36.8370	-76.0877	1963	1998	Market Rate	Family	Stabilized	Conventional	288	15	94.8%
069	Reflections Apartments	36.8320	-76.0728	1988	na	Market Rate	Family	Stabilized	Conventional	480	10	97.9%
070	Riverwood Village Duplexes	36.8374	-76.0709	1985	na	Market Rate	Family	Stabilized	Conventional	60	6	90.0%
072	Rose Hall Apartments	36.8407	-76.0803	1981	2000	Market Rate	Family	Stabilized	Conventional	304	6	98.0%
073	Russell House Apartments	36.8553	-76.0249	1981	2010	Subsidized	Elderly	Stabilized	HUD	119	0	100.0%

Rental Property Inventory, Confirmed, Inside Market Area

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
074	Saltmeadow Bay Apartments	36.8555	-75.9875	2003	2014	Market Rate	Family	Stabilized	Conventional	229	8	96.5%
075	Sea Pines Apartments	36.8488	-75.9940	1966	2002	Restricted	Family	Stabilized	Tax Credit	96	1	99.0%
076	South Beach Apartments	36.8459	-75.9940	2002	2019	Market Rate	Family	Stabilized	Conventional	212	9	95.8%
078	Summer House Apartments	36.8591	-75.9810	2013	na	Market Rate	Family	Stabilized	Conventional	178	18	89.9%
079	Thousand Oaks Apartments	36.8591	-76.0302	1978	na	Market Rate	Family	Stabilized	Conventional	103	3	97.1%
082	Waterfront Apartments	36.7958	-76.0810	1985	na	Market Rate	Family	Stabilized	Conventional	684	34	95.0%
083	Woodberry Forest Apartments	36.8551	-75.9901	1972	2010	Market Rate	Family	Stabilized	Conventional	91	2	97.8%
084	27 Atlantic Apartments	36.8543	-75.9796	2020	na	Market Rate	Family	Lease Up	Conventional	240	90	62.5%
094	Seaside Harbor Apartments	36.8455	-75.9812	2018	na	Restricted	Family	Stabilized	Tax Credit	76	0	100.0%
099	Pinnacle (The) on 31st Street	36.8585	-75.9822	2022	na	Market Rate	Family	Construction	Conventional	240	240	0.0%

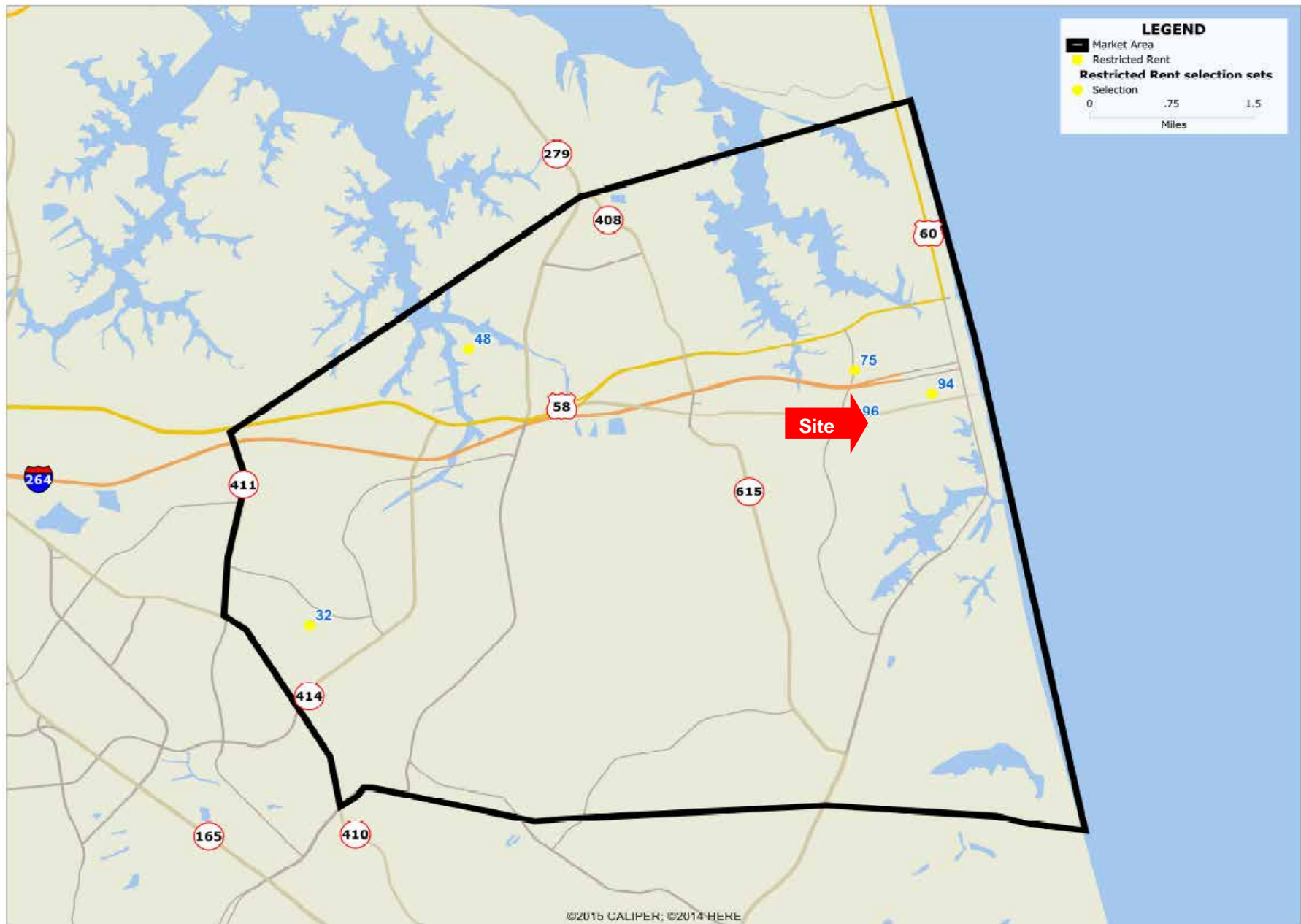
Master List of Market Rate Comparables

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
002	Aqua on 25th Street	36.8527	-75.9815	2016	na	Market Rate	Family	Stabilized	Conventional	147	8	94.6%
066	Indigo 19 Apartments	36.8455	-75.9929	2013	na	Market Rate	Family	Stabilized	Conventional	196	7	96.4%
074	Saltmeadow Bay Apartments	36.8555	-75.9875	2003	2014	Market Rate	Family	Stabilized	Conventional	229	8	96.5%
076	South Beach Apartments	36.8459	-75.9940	2002	2019	Market Rate	Family	Stabilized	Conventional	212	9	95.8%
078	Summer House Apartments	36.8591	-75.9810	2013	na	Market Rate	Family	Stabilized	Conventional	178	18	89.9%



Master List of Restricted Rent Comparables

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
032	Green Lakes Apartments	36.8122	-76.0842	1977	2002	Restricted	Family	Stabilized	Tax Credit	150	0	100.0%
048	Lynnhaven Landing Apartments	36.8519	-76.0579	1973	2012	Restricted	Family	Stabilized	Bond	250	1	99.6%
075	Sea Pines Apartments	36.8488	-75.9940	1966	2002	Restricted	Family	Stabilized	Tax Credit	96	1	99.0%
094	Seaside Harbor Apartments	36.8455	-75.9812	2018	na	Restricted	Family	Stabilized	Tax Credit	76	0	100.0%



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

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

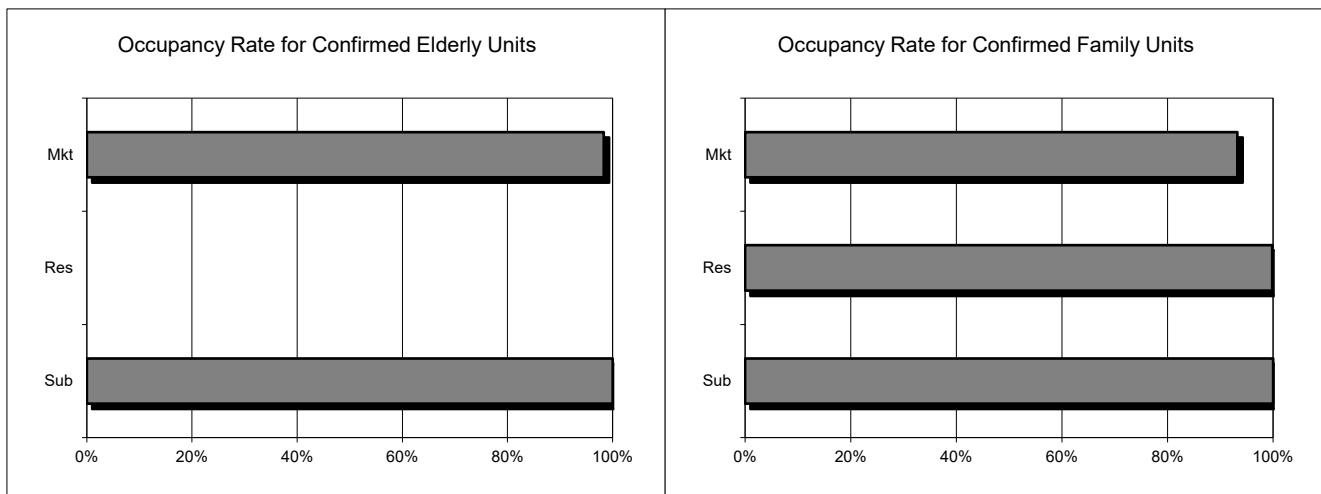
Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
Market Rate	1	49	50
Restricted		9	9
Subsidized	1	2	3
Total	2	60	62

Total Units			
	Elderly	Family	Total
Market Rate	60	10,254	10,314
Restricted		707	707
Subsidized	119	347	466
Total	179	11,308	11,487

Vacant Units			
	Elderly	Family	Total
Market Rate	1	696	697
Restricted		1	1
Subsidized			
Total	1	697	698

Occupancy Rate			
	Elderly	Family	Total
Market Rate	98%	93%	93%
Restricted		100%	100%
Subsidized	100%	100%	100%
Total	99%	94%	94%

Source: Allen & Associates



Our analysis includes a total of 62 confirmed market area properties consisting of 11,487 units. The occupancy rate for these units currently stands at 94 percent. This rate reflects the occupancy for all confirmed market area units, regardless of project status (stabilized, under construction, proposed, etc.).

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

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

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

Rental Property Inventory, Confirmed, Inside Market Area

Elderly					Family				
Total Properties					Total Properties				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	1		1	2	Stabilized	2	9	47	58
Lease Up					Lease Up			1	1
Construction					Construction			1	1
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal			2	2
Total	1		1	2	Total	2	9	49	60

Total Units					Total Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	119		60	179	Stabilized	347	707	9,774	10,828
Lease Up					Lease Up			240	240
Construction					Construction			240	240
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal			480	480
Total	119		60	179	Total	347	707	10,254	11,308

Vacant Units					Vacant Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized			1	1	Stabilized		1	366	367
Lease Up					Lease Up			90	90
Construction					Construction			240	240
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal			330	330
Total			1	1	Total		1	696	697

Source: Allen & Associates

Our survey includes a total of 60 stabilized market area properties consisting of 11,007 units standing at 97 percent occupancy.

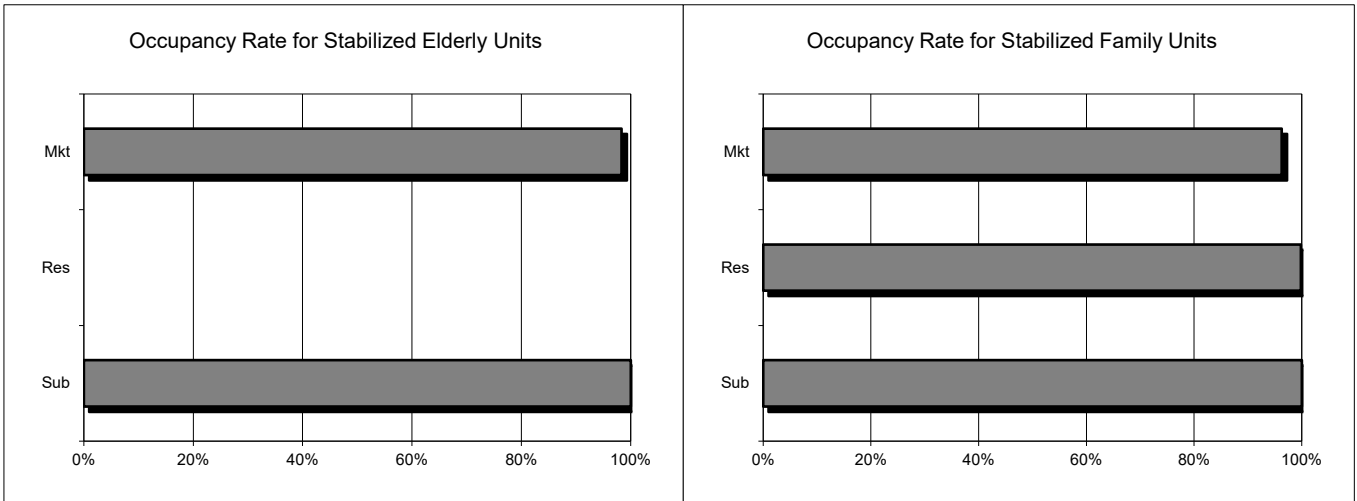
Our survey also includes a total of 2 market area properties consisting of 480 units that are not yet stabilized. Unstabilized units (also referred to as pipeline units) include vacant units in lease up, construction, rehabilitation, proposed new construction, and units with proposed renovation plans.

Rental Property Inventory, Confirmed, Inside Market Area

Elderly					Family				
Occupancy Rate					Occupancy Rate				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	100%		98%	99%	Stabilized	100%	100%	96%	97%
Lease Up					Lease Up			63%	63%
Construction					Construction			0%	0%
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal			31%	31%
Total	100%		98%	99%	Total	100%	100%	93%	94%

Source: Allen & Associates

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



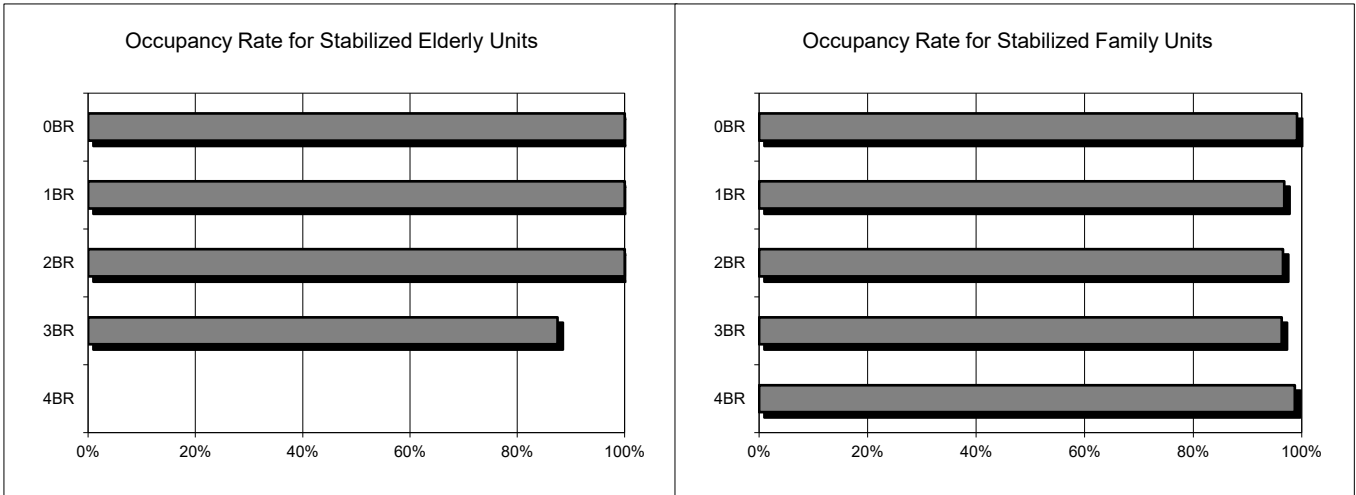
Our research suggests the following occupancy levels for the 179 stabilized elderly units in this market area:

- Subsidized, 100 percent (119 units in survey)
- Restricted, not applicable (0 units in survey)
- Market Rate, 98 percent (60 units in survey)

Our research suggests the following occupancy levels for the 10,828 stabilized family units in this market area:

- Subsidized, 100 percent (347 units in survey)
- Restricted, 100 percent (707 units in survey)
- Market Rate, 96 percent (9774 units in survey)

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



Our research suggests the following occupancy levels for the 179 stabilized elderly units in this market area:

- 0-Bedroom, 100 percent (6 units in survey)
- 1-Bedroom, 100 percent (107 units in survey)
- 2-Bedroom, 100 percent (58 units in survey)
- 3-Bedroom, 88 percent (8 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Our research suggests the following occupancy levels for the 10,828 stabilized family units in this market area:

- 0-Bedroom, 99 percent (113 units in survey)
- 1-Bedroom, 97 percent (3148 units in survey)
- 2-Bedroom, 97 percent (6227 units in survey)
- 3-Bedroom, 96 percent (1262 units in survey)
- 4-Bedroom, 99 percent (78 units in survey)

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

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

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized					1			3	4
Lease Up								1	1
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								1	1
Total					1			4	5

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

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized					8			105	113
Lease Up								20	20
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								20	20
Total					8			125	133

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

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								1	1
Lease Up								7	7
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								7	7
Total								8	8

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

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized					100%			99%	99%
Lease Up								65%	65%
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								65%	65%
Total					100%			94%	94%

Source: Allen & Associates

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

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

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	3		1	1	5			35	45
Lease Up								1	1
Construction								1	1
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								2	2
Total	3		1	1	5			37	47

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	107								107
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	107								107

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	31		5	24	116			2,972	3,148
Lease Up								103	103
Construction								72	72
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								175	175
Total	31		5	24	116			3,147	3,323

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

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized					1			100	101
Lease Up								39	39
Construction								72	72
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								111	111
Total					1			211	212

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

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	100%		100%	100%	99%			97%	97%
Lease Up								62%	62%
Construction								0%	0%
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								37%	37%
Total	100%		100%	100%	99%			93%	94%

Source: Allen & Associates

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

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

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	4		2	2	8			47	63
Lease Up								1	1
Construction								1	1
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								2	2
Total	4		2	2	8			49	65

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	6							52	58
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	6							52	58

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	164		7	21	341			5,694	6,227
Lease Up								105	105
Construction								144	144
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								249	249
Total	164		7	21	341			5,943	6,476

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

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								217	217
Lease Up								39	39
Construction								144	144
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								183	183
Total								400	400

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

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	100%		100%	100%	100%			96%	97%
Lease Up								63%	63%
Construction								0%	0%
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								27%	27%
Total	100%		100%	100%	100%			93%	94%

Source: Allen & Associates

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

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

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	3		2	2	7			25	39
Lease Up								1	1
Construction								1	1
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								2	2
Total	3		2	2	7			27	41

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								8	8
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total								8	8

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	123		6	22	138			973	1,262
Lease Up								12	12
Construction								24	24
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								36	36
Total	123		6	22	138			1,009	1,298

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

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								47	47
Lease Up								5	5
Construction								24	24
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								29	29
Total								76	76

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								88%	88%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total								88%	88%

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	100%		100%	100%	100%			95%	96%
Lease Up								58%	58%
Construction								0%	0%
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								19%	19%
Total	100%		100%	100%	100%			92%	94%

Source: Allen & Associates

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

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

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	1				2			2	5
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	1				2			2	5

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

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	29				19			30	78
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	29				19			30	78

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

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

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

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

Source: Allen & Associates

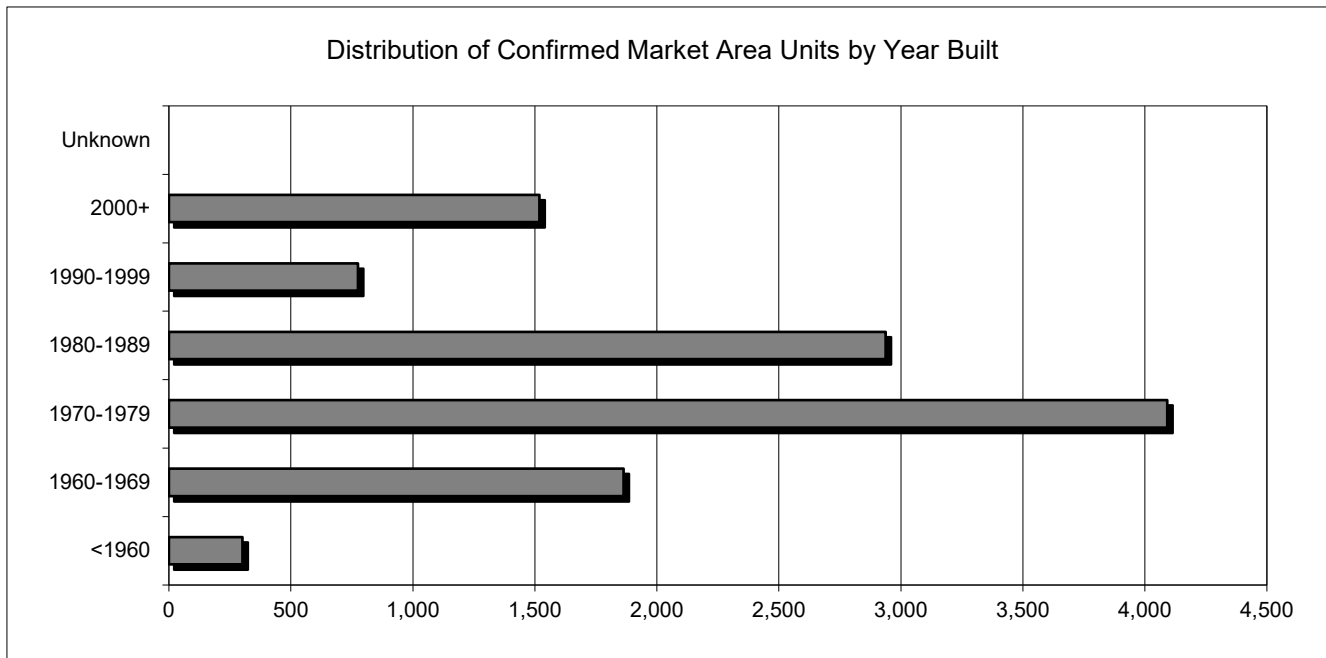
Rental Property Inventory, Confirmed, Inside Market Area, by Year Built

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

Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
<1960		3	3
1960-1969		10	10
1970-1979	1	19	20
1980-1989	1	16	17
1990-1999		4	4
2000+		8	8
Unknown			
Total	2	60	62

Total Units			
	Elderly	Family	Total
<1960		301	301
1960-1969		1,864	1,864
1970-1979	60	4,031	4,091
1980-1989	119	2,819	2,938
1990-1999		775	775
2000+		1,518	1,518
Unknown			
Total	179	11,308	11,487

Source: Allen & Associates



Our research suggests that of the 62 confirmed market area properties (11487 units) included in this report, 3 properties (301 units) were constructed before 1960, 10 properties (1864 units) were constructed between 1960 and 1969, 20 properties (4091 units) between 1970 and 1979, 17 properties (2938 units) between 1980 and 1989, 4 properties (775 units) between 1990 and 1999, and 8 properties (1518 units) after 2000. In addition, 0 properties (0 units) had an unknown date of construction.

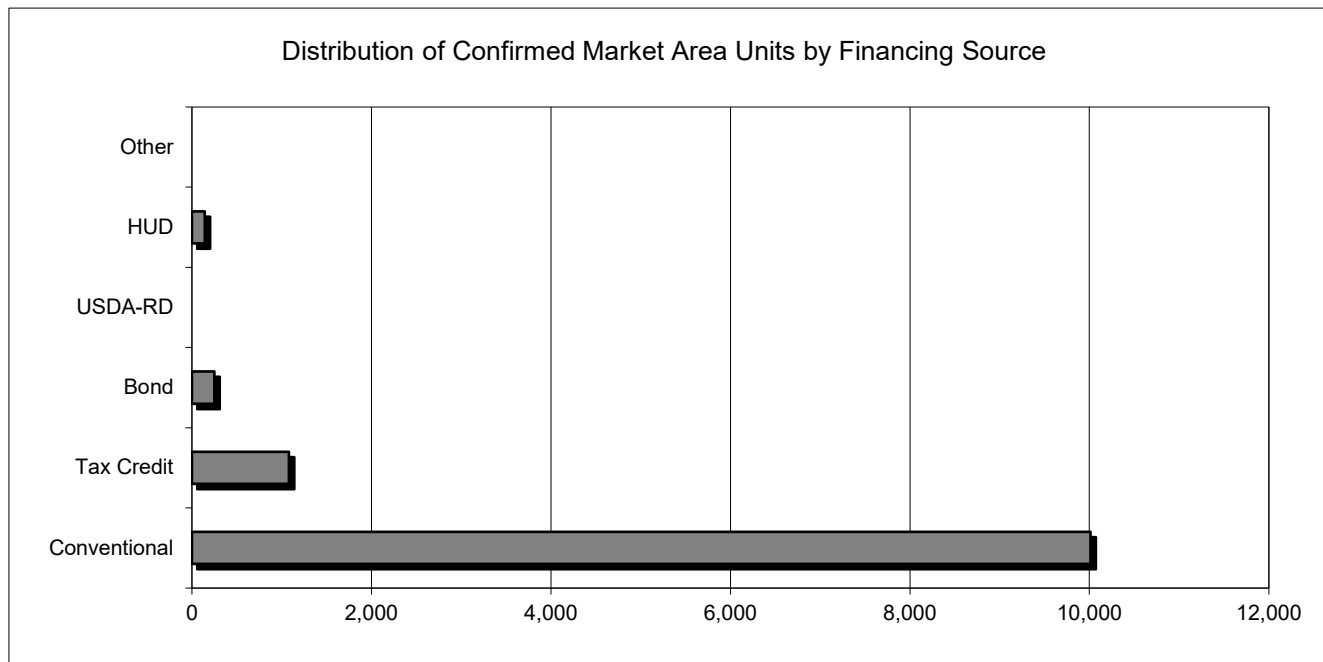
Rental Property Inventory, Confirmed, Inside Market Area, by Financing Source

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

Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
Conventional	1	48	49
Tax Credit		10	10
Bond		1	1
USDA-RD			
HUD	1	1	2
Other			
Total	2	60	62

Total Units			
	Elderly	Family	Total
Conventional	60	9,952	10,012
Tax Credit		1,082	1,082
Bond		250	250
USDA-RD			
HUD	119	24	143
Other			
Total	179	11,308	11,487

Source: Allen & Associates



Our research suggests that of the 62 confirmed properties in the market area, 49 properties (consisting of 10,012 units) are conventionally financed, 10 properties (consisting of 1,082 units) include tax credit financing, 1 property (consisting of 250 units) is bond financed, 0 properties (consisting of 0 units) are exclusively USDA-RD financed, and 2 properties (consisting of 143 units) are exclusively HUD financed.

The average project size for this market area is 185 units. The smallest projects are exclusively HUD financed, averaging 72 units in size. The largest projects are bond financed, averaging 250 units in size.

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

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

Rental Property Inventory, Confirmed, Inside Market Area

Rents									
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	\$730	\$730	\$730	\$785	\$785	\$785	\$1,216	\$1,722	\$1,473
1-Bedroom	\$669	\$862	\$794	\$545	\$939	\$758	\$593	\$2,048	\$998
2-Bedroom	\$600	\$1,038	\$849	\$434	\$1,084	\$849	\$628	\$2,881	\$1,101
3-Bedroom	\$940	\$1,195	\$1,095	\$486	\$1,389	\$969	\$902	\$4,209	\$1,612
4-Bedroom	\$1,267	\$1,267	\$1,267	\$938	\$1,215	\$1,077	\$1,070	\$1,550	\$1,310

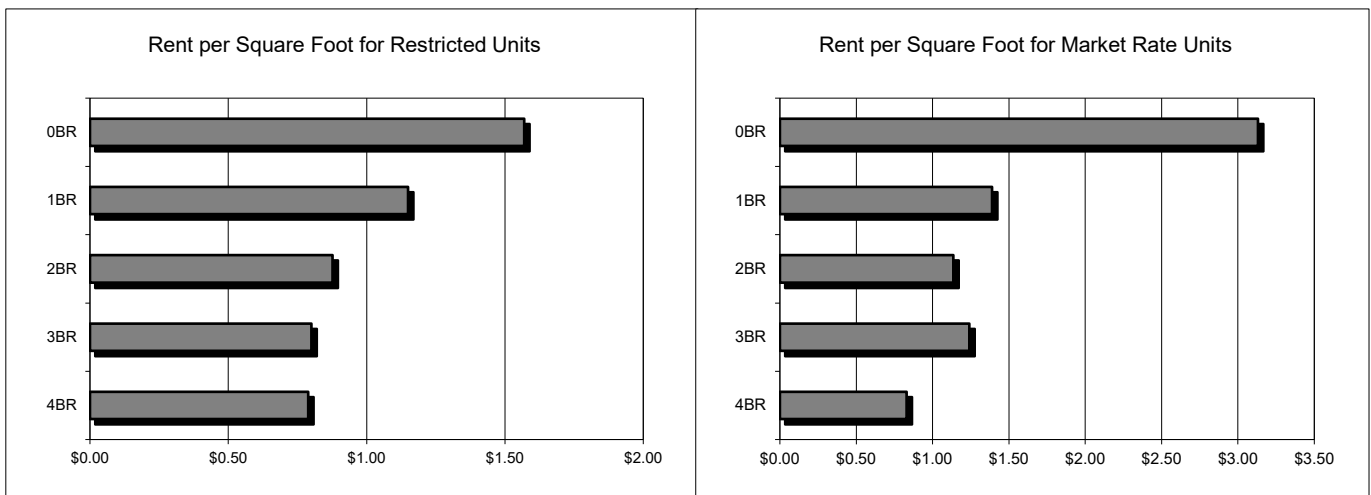
Unit Size

Unit Size									
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	441	441	441	500	500	500	391	569	471
1-Bedroom	593	700	641	600	725	659	443	944	718
2-Bedroom	708	1,000	875	789	1,327	968	583	1,252	969
3-Bedroom	901	1,250	1,096	1,000	1,450	1,210	900	1,784	1,299
4-Bedroom	1,115	1,115	1,115	1,330	1,400	1,365	1,360	1,800	1,580

Rent per Square Foot

Rent per Square Foot									
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	\$1.66	\$1.66	\$1.66	\$1.57	\$1.57	\$1.57	\$3.03	\$3.11	\$3.13
1-Bedroom	\$1.13	\$1.23	\$1.24	\$0.91	\$1.30	\$1.15	\$1.34	\$2.17	\$1.39
2-Bedroom	\$0.85	\$1.04	\$0.97	\$0.55	\$0.82	\$0.88	\$1.08	\$2.30	\$1.14
3-Bedroom	\$0.96	\$1.04	\$1.00	\$0.49	\$0.96	\$0.80	\$1.00	\$2.36	\$1.24
4-Bedroom	\$1.14	\$1.14	\$1.14	\$0.71	\$0.87	\$0.79	\$0.79	\$0.86	\$0.83

Source: Allen & Associates



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

- 0-Bedroom, \$1.57 per square foot
- 1-Bedroom, \$1.15 per square foot
- 2-Bedroom, \$0.88 per square foot
- 3-Bedroom, \$0.80 per square foot
- 4-Bedroom, \$0.79 per square foot

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

- 0-Bedroom, \$3.13 per square foot
- 1-Bedroom, \$1.39 per square foot
- 2-Bedroom, \$1.14 per square foot
- 3-Bedroom, \$1.24 per square foot
- 4-Bedroom, \$0.83 per square foot

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

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

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

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

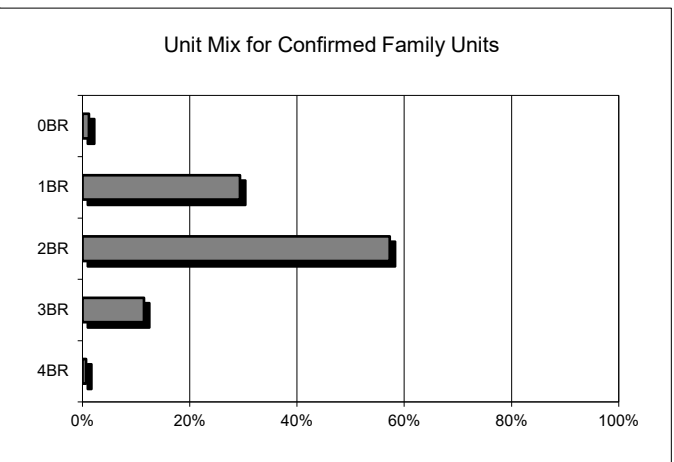
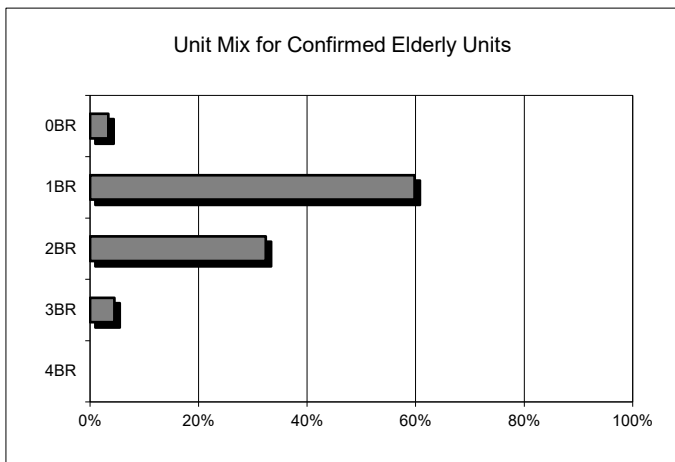
Elderly				
Total Units				
	Sub	Res	Mkt	Tot
0-Bedroom	6			6
1-Bedroom	107			107
2-Bedroom	6		52	58
3-Bedroom			8	8
4-Bedroom				
Total	119		60	179

Family				
Total Units				
	Sub	Res	Mkt	Tot
0-Bedroom		8	125	133
1-Bedroom	31	145	3,147	3,323
2-Bedroom	164	369	5,943	6,476
3-Bedroom	123	166	1,009	1,298
4-Bedroom	29	19	30	78
Total	347	707	10,254	11,308

Unit Mix				
	Sub	Res	Mkt	Tot
0-Bedroom	5%			3%
1-Bedroom	90%			60%
2-Bedroom	5%		87%	32%
3-Bedroom			13%	4%
4-Bedroom				
Total	100%		100%	100%

Unit Mix				
	Sub	Res	Mkt	Tot
0-Bedroom		1%	1%	1%
1-Bedroom	9%	21%	31%	29%
2-Bedroom	47%	52%	58%	57%
3-Bedroom	35%	23%	10%	11%
4-Bedroom	8%	3%	0%	1%
Total	100%	100%	100%	100%

Source: Allen & Associates



Our research suggests the following unit mix for the 179 confirmed elderly units located in this market area:

- 0-Bedroom, 3 percent (6 units in survey)
- 1-Bedroom, 60 percent (107 units in survey)
- 2-Bedroom, 32 percent (58 units in survey)
- 3-Bedroom, 4 percent (8 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Our research suggests the following unit mix for the 11,308 confirmed family units located in this market area:

- 0-Bedroom, 1 percent (133 units in survey)
- 1-Bedroom, 29 percent (3,323 units in survey)
- 2-Bedroom, 57 percent (6,476 units in survey)
- 3-Bedroom, 11 percent (1,298 units in survey)
- 4-Bedroom, 1 percent (78 units in survey)

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

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

Rental Property Inventory, Confirmed, Inside Market Area, Amenity Summary			
<u>Building Type</u>		<u>Air Conditioning</u>	
1 Story	5%	Central	92%
2-4 Story	85%	Wall Units	2%
5-10 Story	6%	Window Units	5%
>10 Story	3%	None	0%
<u>Project Amenities</u>		<u>Heat</u>	
Ball Field	0%	Central	92%
BBQ Area	32%	Wall Units	2%
Billiards	8%	Baseboards	6%
Bus/Comp Ctr	24%	Radiators	0%
Car Care Ctr	6%	None	0%
Comm Center	56%		
Elevator	16%	<u>Parking</u>	
Fitness Center	44%	Garage	5%
Gazebo	10%	Covered	0%
Hot Tub/Jacuzzi	10%	Assigned	8%
Horseshoe Pit	0%	Open	90%
Lake	8%	None	2%
Library	2%		
Movie Theatre	3%	<u>Laundry</u>	
Picnic Area	32%	Central	63%
Playground	50%	W/D Units	27%
Pool	66%	W/D Hookups	40%
Sauna	2%		
Sports Court	21%	<u>Security</u>	
Walking Trail	0%	Call Buttons	0%
		Cont Access	19%
<u>Unit Amenities</u>		Courtesy Officer	32%
Blinds	98%	Monitoring	8%
Ceiling Fans	50%	Security Alarms	3%
Upgraded Flooring	97%	Security Patrols	26%
Fireplace	0%		
Patio/Balcony	61%	<u>Services</u>	
Storage	26%	After School	0%
		Concierge	2%
<u>Kitchen Amenities</u>		Hair Salon	0%
Stove	100%	Health Care	0%
Refrigerator	100%	Linens	0%
Disposal	61%	Meals	0%
Dishwasher	68%	Transportation	0%
Microwave	18%		

Source: Allen & Associates

Our research suggests that 5 percent of confirmed market area properties are 1 story in height, 85 percent are 2-4 stories in height, 6 percent are 5-10 stories in height, and 3 percent are over 10 stories in height. In addition, surveyed properties benefit from the following project amenities: 24 percent have a business/computer center, 56 percent have a community center, 44 percent have a fitness center, 50 percent have a playground, and 21 percent have a sports court.

Our research also suggests that the following unit amenities are present at surveyed properties: 98 percent have blinds, 97 percent have carpeting, 61 percent have patios/balconies, and 26 percent have outside storage. Surveyed properties also include the following kitchen amenities: 100 percent have a stove, 100 percent have a refrigerator, 61 percent have a disposal, 68 percent have a dishwasher, and 18 percent have a microwave.

In addition, 92 percent of confirmed market area properties have central heat while 92 percent have central air. Our research also suggests that 90 percent of surveyed properties have open parking. A total of 63 percent of area properties have central laundry facilities, while 40 percent have washer/dryer hookups, and 27 percent have washer/dryer units in each residential unit.

A total of 0 percent of confirmed market area properties have call buttons, 19 percent have controlled access, and 3 percent have security alarms.

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

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

Rental Property Inventory, Confirmed, Inside Market Area

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy	Concessions	Vouchers	Abs Rate	Waiting List
001	226 Oceana	36.8399	-75.9935	1986	2010	Market Rate	Family	Stabilized	Conventional	213	6	97.2%	0%	0%	-	-
002	Aqua on 25th Street	36.8527	-75.9815	2016	na	Market Rate	Family	Stabilized	Conventional	147	8	94.6%	1%	0%	-	-
003	Ann's Apartments	36.8546	-75.9820	1910	2007	Market Rate	Family	Stabilized	Conventional	8	1	87.5%	0%	0%	-	no
005	Arbor Trace Apartments	36.8481	-76.0159	1985	na	Market Rate	Family	Stabilized	Conventional	148	10	93.2%	11%	0%	-	-
006	Atlantis Apartments	36.8389	-75.9914	1972	2004	Restricted	Family	Stabilized	Tax Credit	207	0	100.0%	0%	0%	-	-
008	Barberton Apartments	36.8512	-75.9898	1971	2004	Market Rate	Family	Stabilized	Conventional	70	0	100.0%	0%	0%	-	-
009	Berkshire Apartments	36.8428	-76.0154	1984	na	Market Rate	Family	Stabilized	Conventional	122	10	91.8%	2%	0%	-	-
010	Birdneck Village Apartments	36.8518	-75.9919	1967	2010	Market Rate	Family	Stabilized	Conventional	338	6	98.2%	0%	0%	-	-
014	Chatham Square Apartments	36.8453	-76.0391	1978	na	Market Rate	Family	Stabilized	Conventional	246	7	97.2%	0%	0%	-	2 people
015	Citywide Homes 2001	36.8058	-76.0848	1960	2004	Restricted	Family	Stabilized	Tax Credit	32	0	100.0%	0%	56%	-	yes
016	Colonial Arms Apartments	36.8627	-76.0278	1960	2010	Market Rate	Family	Stabilized	Conventional	216	3	98.6%	0%	0%	-	-
019	Colony Pines Apartments	36.8411	-76.0614	1977	na	Market Rate	Elderly	Stabilized	Conventional	60	1	98.3%	0%	0%	-	-
020	Courtyards of Chanticleer	36.8496	-76.0126	1970	na	Market Rate	Family	Stabilized	Conventional	306	12	96.1%	0%	0%	-	-
021	Dam Neck Square Apartments	36.7879	-76.0028	1986	na	Market Rate	Family	Stabilized	Conventional	79	0	100.0%	0%	0%	-	-
022	Debs Bay Apartments	36.8478	-75.9931	1985	2003	Market Rate	Family	Stabilized	Conventional	20	1	95.0%	0%	0%	-	no
024	Dominion Waterside at Lynhaven	36.8096	-76.0824	1966	2000	Market Rate	Family	Stabilized	Conventional	192	9	95.3%	0%	0%	-	no
025	Dove Landing Baltic Apartments	36.8498	-75.9807	1977	na	Market Rate	Family	Stabilized	Conventional	15	2	86.7%	8%	0%	-	no
026	Dove Landing Plaza Apartments	36.8381	-76.0587	1977	na	Market Rate	Family	Stabilized	Conventional	32	1	96.9%	0%	0%	-	-
027	Eastwind Apartments	36.8464	-76.0331	1972	na	Market Rate	Family	Stabilized	Conventional	200	5	97.5%	0%	0%	-	-
028	Emerald Point East Apartments	36.8511	-76.0342	1968	na	Market Rate	Family	Stabilized	Conventional	437	22	95.0%	0%	0%	-	-
029	Emerald Point West Apartments	36.8514	-76.0380	1972	na	Market Rate	Family	Stabilized	Conventional	430	21	95.1%	0%	0%	-	-
030	Friendship Village Apartments	36.8442	-76.0005	1968	2011	Subsidized	Family	Stabilized	Tax Credit	109	0	100.0%	0%	0%	-	1 year
032	Green Lakes Apartments	36.8122	-76.0842	1977	2002	Restricted	Family	Stabilized	Tax Credit	150	0	100.0%	0%	2%	-	yes
034	Harpers Square Apartments	36.7972	-76.0116	1974	na	Market Rate	Family	Stabilized	Conventional	400	21	94.8%	0%	0%	-	-
035	Heron Point Apartments	36.8485	-76.0078	1989	2010	Market Rate	Family	Stabilized	Conventional	96	2	97.9%	0%	0%	-	no
036	Hilltop South Apartments	36.8468	-76.0069	1972	2003	Restricted	Family	Stabilized	Tax Credit	85	0	100.0%	0%	6%	-	no
037	Hollygreen Apartments	36.8125	-76.0934	1984	na	Market Rate	Family	Stabilized	Conventional	95	0	100.0%	0%	0%	-	no
039	Jefferson Apartments	36.8608	-75.9817	1955	2010	Market Rate	Family	Stabilized	Conventional	28	0	100.0%	0%	0%	-	-
040	Kings Row Apartments	36.8445	-76.0780	1971	na	Market Rate	Family	Stabilized	Conventional	56	1	98.2%	0%	0%	-	-
041	Lakewood Square Apartments	36.8391	-75.9824	1975	na	Market Rate	Family	Stabilized	Conventional	88	4	95.5%	0%	0%	-	no
042	Latitudes Apartments	36.8472	-76.0259	1990	2004	Market Rate	Family	Stabilized	Conventional	448	0	100.0%	0%	0%	-	-
043	Laurel Court Apartments	36.8467	-76.0061	1987	na	Market Rate	Family	Stabilized	Conventional	80	1	98.8%	3%	0%	-	-
044	Legends at the Beach Phase 1	36.8245	-76.0782	1989	2001	Market Rate	Family	Stabilized	Conventional	174	14	92.0%	0%	0%	-	-
045	Legends at the Beach Phase 2	36.8267	-76.0764	1989	2001	Market Rate	Family	Stabilized	Conventional	80	10	87.5%	0%	0%	-	-
046	Linkhorn Bay Apartments	36.8503	-76.0003	1978	na	Market Rate	Family	Stabilized	Conventional	864	29	96.6%	0%	0%	-	-
047	Linkhorn Place Apartments	36.8532	-75.9960	1967	na	Market Rate	Family	Stabilized	Conventional	120	4	96.7%	0%	0%	-	no
048	Lynhaven Landing Apartments	36.8519	-76.0579	1973	2012	Restricted	Family	Stabilized	Bond	250	1	99.6%	0%	0%	-	-
050	Maple Bay Apartments	36.8452	-76.0292	1972	na	Market Rate	Family	Stabilized	Conventional	414	21	94.9%	0%	0%	-	-
052	Mayflower Seaside Apartments	36.8622	-75.9790	1950	2007	Market Rate	Family	Stabilized	Conventional	265	0	100.0%	6%	0%	-	-
055	Morgan Terrace Apartments	36.8449	-75.9985	1972	2005	Subsidized	Family	Stabilized	HUD	24	0	100.0%	0%	0%	-	yes
060	Ocean Gate East	36.7994	-76.0141	1996	na	Restricted	Family	Stabilized	Tax Credit	46	0	100.0%	0%	15%	-	-
061	Ocean Gate West	36.7994	-76.0141	1996	na	Restricted	Family	Stabilized	Tax Credit	128	0	100.0%	0%	10%	-	-
062	Ocean Pebbles Apartments	36.8374	-75.9929	1983	2003	Market Rate	Family	Stabilized	Conventional	112	3	97.3%	0%	0%	-	-
063	Ocean Trace Apartments	36.8482	-76.0017	1987	na	Market Rate	Family	Stabilized	Conventional	72	1	98.6%	7%	0%	-	-
064	Ocean Walk Apartments	36.8430	-75.9837	1965	2010	Market Rate	Family	Stabilized	Conventional	36	1	97.2%	0%	0%	-	no
066	Indigo 19 Apartments	36.8455	-75.9929	2013	na	Market Rate	Family	Stabilized	Conventional	196	7	96.4%	3%	0%	-	no
067	Pipers Landing Apartments	36.8467	-76.0061	1960	2014	Market Rate	Family	Stabilized	Tax Credit	153	11	92.8%	0%	0%	-	-
068	Plaza Apartments	36.8370	-76.0877	1993	1998	Market Rate	Family	Stabilized	Conventional	288	15	94.8%	7%	0%	-	8 people
069	Reflections Apartments	36.8320	-76.0728	1988	na	Market Rate	Family	Stabilized	Conventional	480	10	97.9%	0%	0%	-	-
070	Riverwood Village Duplexes	36.8374	-76.0709	1985	na	Market Rate	Family	Stabilized	Conventional	60	6	90.0%	0%	0%	-	-
072	Rose Hall Apartments	36.8407	-76.0803	1981	2000	Market Rate	Family	Stabilized	Conventional	304	6	98.0%	6%	0%	-	no
073	Russell House Apartments	36.8553	-76.0249	1981	2010	Subsidized	Elderly	Stabilized	HUD	119	0	100.0%	0%	0%	-	-
074	Saltmeadow Bay Apartments	36.8555	-75.9875	2003	2014	Market Rate	Family	Stabilized	Conventional	229	8	96.5%	0%	0%	-	no
075	Sea Pines Apartments	36.8488	-75.9940	1966	2002	Restricted	Family	Stabilized	Tax Credit	96	1	99.0%	0%	10%	-	no
076	South Beach Apartments	36.8459	-75.9940	2002	2019	Market Rate	Family	Stabilized	Conventional	212	9	95.8%	0%	0%	-	-
078	Summer House Apartments	36.8591	-75.9810	2013	na	Market Rate	Family	Stabilized	Conventional	178	18	89.9%	0%	0%	26.67	yes
079	Thousand Oaks Apartments	36.8591	-76.0302	1978	na	Market Rate	Family	Stabilized	Conventional	103	3	97.1%	0%	0%	-	-
082	Waterfront Apartments	36.7958	-76.0810	1985	na	Market Rate	Family	Stabilized	Conventional	684	34	95.0%	0%	0%	-	17 people
083	Woodberry Forest Apartments	36.8551	-75.9901	1972	2010	Market Rate	Family	Stabilized	Conventional	91	2	97.8%	0%	0%	-	yes
084	27 Atlantic Apartments	36.8543	-75.9796	2020	na	Market Rate	Family	Lease Up	Conventional	240	90	62.5%	0%	0%	-	-
094	Seaside Harbor Apartments	36.8455	-75.9812	2018	na	Restricted	Family	Stabilized	Tax Credit	76	0	100.0%	0%	16%	-	-
099	Pinnacle (The) on 31st Street	36.8585	-75.9822	2022	na	Market Rate	Family	Construction	Conventional	240	240	0.0%	-	0%	-	-

RENT COMPARABILITY ANALYSIS

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

Unrestricted Rent Analysis

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

Rental Property Inventory, by Unit Type

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

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

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

Rent Comparables, Market Rate, Map

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

Rent Comparability Grids

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

Rental Property Inventory, 0-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
001	226 Oceana	1986	2010	Market Rate	Family	Stabilized								
002	Aqua on 25th Street	2016	na	Market Rate	Family	Stabilized								\$1,500
003	Ann's Apartments	1910	2007	Market Rate	Family	Stabilized								
005	Arbor Trace Apartments	1985	na	Market Rate	Family	Stabilized								
008	Barberton Apartments	1971	2004	Market Rate	Family	Stabilized								
009	Berkshire Apartments	1984	na	Market Rate	Family	Stabilized								
010	Birdneck Village Apartments	1967	2010	Market Rate	Family	Stabilized								
014	Chatham Square Apartments	1978	na	Market Rate	Family	Stabilized								
016	Colonial Arms Apartments	1960	2010	Market Rate	Family	Stabilized								
019	Colony Pines Apartments	1977	na	Market Rate	Elderly	Stabilized								
020	Courtyards of Chanticleer	1970	na	Market Rate	Family	Stabilized								
021	Dam Neck Square Apartments	1986	na	Market Rate	Family	Stabilized								
022	Debs Bay Apartments	1985	2003	Market Rate	Family	Stabilized								
024	Dominion Waterside at Lynhaven	1966	2000	Market Rate	Family	Stabilized								
025	Dove Landing Baltic Apartments	1977	na	Market Rate	Family	Stabilized								
026	Dove Landing Plaza Apartments	1977	na	Market Rate	Family	Stabilized								
027	Eastwind Apartments	1972	na	Market Rate	Family	Stabilized								
028	Emerald Point East Apartments	1968	na	Market Rate	Family	Stabilized								
029	Emerald Point West Apartments	1972	na	Market Rate	Family	Stabilized								
034	Harpers Square Apartments	1974	na	Market Rate	Family	Stabilized								
035	Hérons Point Apartments	1989	2010	Market Rate	Family	Stabilized								
037	Hollygreen Apartments	1984	na	Market Rate	Family	Stabilized								
039	Jefferson Apartments	1955	2010	Market Rate	Family	Stabilized								
040	Kings Row Apartments	1971	na	Market Rate	Family	Stabilized								
041	Lakewood Square Apartments	1975	na	Market Rate	Family	Stabilized								
042	Latitudes Apartments	1990	2004	Market Rate	Family	Stabilized								
043	Laurel Court Apartments	1987	na	Market Rate	Family	Stabilized								
044	Legends at the Beach Phase 1	1989	2001	Market Rate	Family	Stabilized								
045	Legends at the Beach Phase 2	1989	2001	Market Rate	Family	Stabilized								
046	Linkhorn Bay Apartments	1978	na	Market Rate	Family	Stabilized								
047	Linkhorn Place Apartments	1967	na	Market Rate	Family	Stabilized								
050	Maple Bay Apartments	1972	na	Market Rate	Family	Stabilized								
052	Mayflower Seaside Apartments	1950	2007	Market Rate	Family	Stabilized								\$1,216
062	Ocean Pebbles Apartments	1983	2003	Market Rate	Family	Stabilized								
063	Ocean Trace Apartments	1987	na	Market Rate	Family	Stabilized								
064	Ocean Walk Apartments	1965	2010	Market Rate	Family	Stabilized								
066	Indigo 19 Apartments	2013	na	Market Rate	Family	Stabilized								\$1,454
067	Pipers Landing Apartments	1990	2014	Market Rate	Family	Stabilized								
068	Plaza Apartments	1963	1998	Market Rate	Family	Stabilized								
069	Reflections Apartments	1988	na	Market Rate	Family	Stabilized								
070	Riverwood Village Duplexes	1985	na	Market Rate	Family	Stabilized								
072	Rose Hall Apartments	1981	2000	Market Rate	Family	Stabilized								
074	Saltmeadow Bay Apartments	2003	2014	Market Rate	Family	Stabilized								
076	South Beach Apartments	2002	2019	Market Rate	Family	Stabilized								
078	Summer House Apartments	2013	na	Market Rate	Family	Stabilized								

Rental Property Inventory, 0-Bedroom Units

Overview						Rents								
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
079	Thousand Oaks Apartments	1978	na	Market Rate	Family	Stabilized								
082	Waterfront Apartments	1985	na	Market Rate	Family	Stabilized								
083	Woodberry Forest Apartments	1972	2010	Market Rate	Family	Stabilized								

Source: Allen & Associates

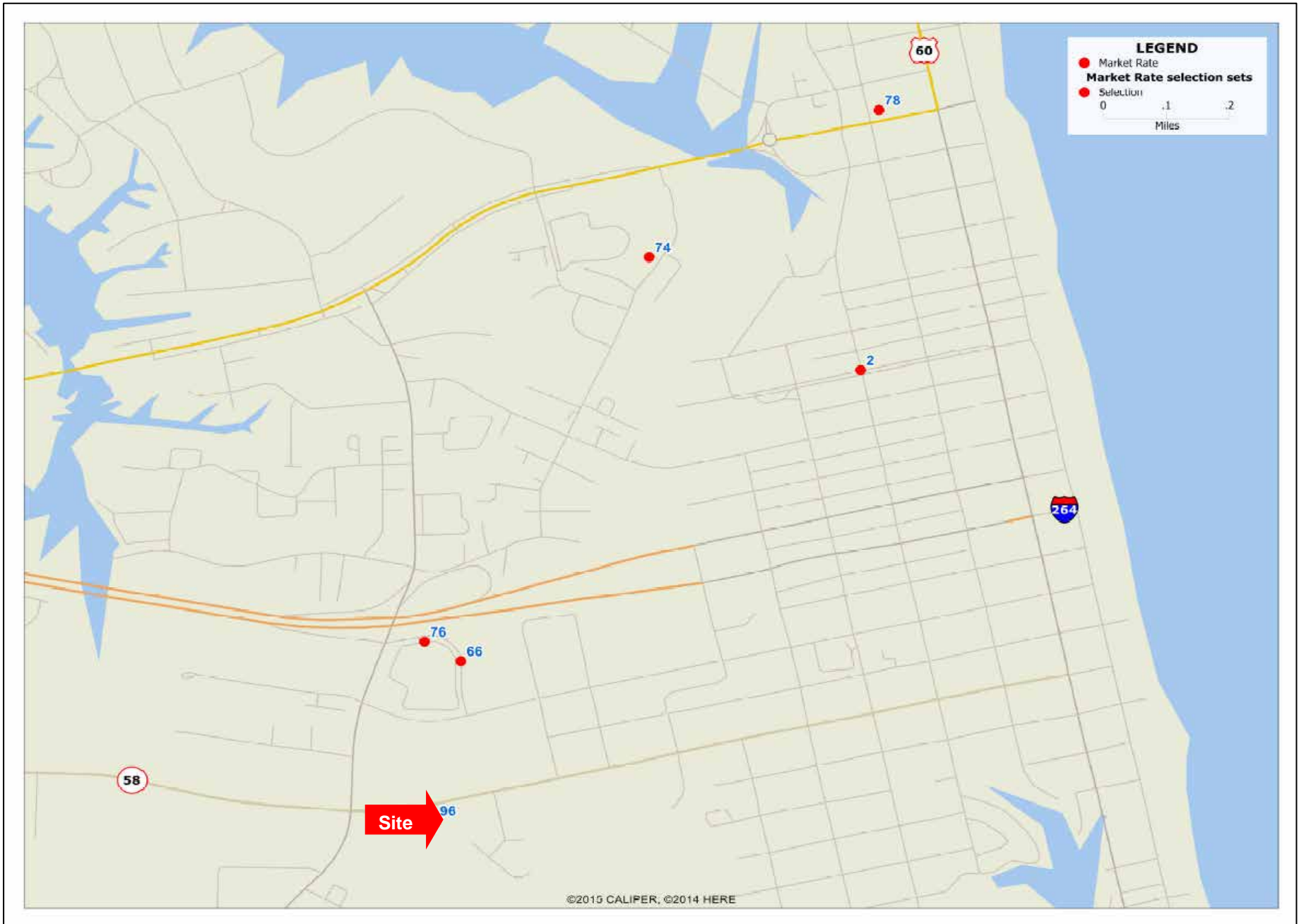
Rental Property Inventory, 1-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
001	226 Oceana	1986	2010	Market Rate	Family	Stabilized								\$747
002	Aqua on 25th Street	2016	na	Market Rate	Family	Stabilized								\$1,703
003	Ann's Apartments	1910	2007	Market Rate	Family	Stabilized								\$688
005	Arbor Trace Apartments	1985	na	Market Rate	Family	Stabilized								
008	Barberton Apartments	1971	2004	Market Rate	Family	Stabilized								\$715
009	Berkshire Apartments	1984	na	Market Rate	Family	Stabilized								
010	Birdneck Village Apartments	1967	2010	Market Rate	Family	Stabilized								\$894
014	Chatham Square Apartments	1978	na	Market Rate	Family	Stabilized								\$907
016	Colonial Arms Apartments	1960	2010	Market Rate	Family	Stabilized								\$799
019	Colony Pines Apartments	1977	na	Market Rate	Elderly	Stabilized								
020	Courtyards of Chanticleer	1970	na	Market Rate	Family	Stabilized								\$744
021	Dam Neck Square Apartments	1986	na	Market Rate	Family	Stabilized								
022	Debs Bay Apartments	1985	2003	Market Rate	Family	Stabilized								
024	Dominion Waterside at Lynhaven	1966	2000	Market Rate	Family	Stabilized								\$827
025	Dove Landing Baltic Apartments	1977	na	Market Rate	Family	Stabilized								\$641
026	Dove Landing Plaza Apartments	1977	na	Market Rate	Family	Stabilized								
027	Eastwind Apartments	1972	na	Market Rate	Family	Stabilized								\$884
028	Emerald Point East Apartments	1968	na	Market Rate	Family	Stabilized								\$801
029	Emerald Point West Apartments	1972	na	Market Rate	Family	Stabilized								\$899
034	Harpers Square Apartments	1974	na	Market Rate	Family	Stabilized								\$695
035	Hérons Point Apartments	1989	2010	Market Rate	Family	Stabilized								\$905
037	Hollygreen Apartments	1984	na	Market Rate	Family	Stabilized								
039	Jefferson Apartments	1955	2010	Market Rate	Family	Stabilized								\$775
040	Kings Row Apartments	1971	na	Market Rate	Family	Stabilized								
041	Lakewood Square Apartments	1975	na	Market Rate	Family	Stabilized								\$721
042	Latitudes Apartments	1990	2004	Market Rate	Family	Stabilized								\$1,251
043	Laurel Court Apartments	1987	na	Market Rate	Family	Stabilized								\$593
044	Legends at the Beach Phase 1	1989	2001	Market Rate	Family	Stabilized								\$875
045	Legends at the Beach Phase 2	1989	2001	Market Rate	Family	Stabilized								
046	Linkhorn Bay Apartments	1978	na	Market Rate	Family	Stabilized								\$839
047	Linkhorn Place Apartments	1967	na	Market Rate	Family	Stabilized								
050	Maple Bay Apartments	1972	na	Market Rate	Family	Stabilized								\$1,019
052	Mayflower Seaside Apartments	1950	2007	Market Rate	Family	Stabilized								\$1,367
062	Ocean Pebbles Apartments	1983	2003	Market Rate	Family	Stabilized								\$860
063	Ocean Trace Apartments	1987	na	Market Rate	Family	Stabilized								
064	Ocean Walk Apartments	1965	2010	Market Rate	Family	Stabilized								
066	Indigo 19 Apartments	2013	na	Market Rate	Family	Stabilized								\$1,740
067	Pipers Landing Apartments	1990	2014	Market Rate	Family	Stabilized								
068	Plaza Apartments	1963	1998	Market Rate	Family	Stabilized								\$719
069	Reflections Apartments	1988	na	Market Rate	Family	Stabilized								\$870
070	Riverwood Village Duplexes	1985	na	Market Rate	Family	Stabilized								
072	Rose Hall Apartments	1981	2000	Market Rate	Family	Stabilized								\$790
074	Saltmeadow Bay Apartments	2003	2014	Market Rate	Family	Stabilized								\$1,667
076	South Beach Apartments	2002	2019	Market Rate	Family	Stabilized								\$1,875
078	Summer House Apartments	2013	na	Market Rate	Family	Stabilized								\$1,543

Rental Property Inventory, 1-Bedroom Units

Overview						Rents								
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
079	Thousand Oaks Apartments	1978	na	Market Rate	Family	Stabilized								\$869
082	Waterfront Apartments	1985	na	Market Rate	Family	Stabilized								\$880
083	Woodberry Forest Apartments	1972	2010	Market Rate	Family	Stabilized								\$825

Source: Allen & Associates



Rent Adjustments

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

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

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

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

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

Concessions

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

Tenant-Paid Utilities

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

Technology

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

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

Bedrooms

Our analysis also included an adjustment for the number of bedrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$50 per bedroom.

Bedrooms			
Adjustment	Survey Range		Concluded
Bedrooms	\$50	\$200	\$50

Bathrooms

Our analysis also included an adjustment for the number of bathrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$25 per bathroom.

Bathrooms			
Adjustment	Survey Range		Concluded
Bathrooms	\$25	\$100	\$25

Square Feet

Our analysis also included an adjustment for square footage at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$1.30 per square foot.

Square Feet			
Adjustment	Survey Range		Concluded
Square Feet	\$0.10	\$2.00	\$1.30

Visibility

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

Visibility			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$50

Access

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

Access			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$50

Neighborhood

We considered differences in neighborhood at each of the comparables as compared to the subject property in our analysis. Based on our field review and our evaluation of local demographic and crime data (presented earlier in this report), we assigned a neighborhood rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$10 per point for differences in neighborhood ratings between the subject and the comparables.

Neighborhood			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$10

Area Amenities

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

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

Median Household Income

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

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

Average Commute

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

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

Public Transportation

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

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

Personal Crime

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

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

Condition

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

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

Effective Age

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

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

Project Amenities

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

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

Unit Amenities

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

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

Kitchen Amenities

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

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

Parking

We also adjusted for differing types of parking configurations. We classified parking five ways: (1) Garage, (2) Covered; (3) Assigned, (4) Open and (5) No parking offered. Statistical extraction resulted in an adjustment of \$80 per month for garages; covered parking was valued at \$20; assigned parking was valued at \$10; open parking was valued at \$0; no parking was valued at \$0.

Parking			
Adjustment	Survey Range		Concluded
Garage	\$50	\$200	\$80
Covered	\$20	\$100	\$20
Assigned	\$10	\$50	\$10
Open	\$0	\$0	\$0
None	\$0	\$0	\$0

Laundry

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

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

Security

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

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

Rent Conclusion, 0BR-1BA-239sf

The development of our rent conclusion for the 0BR-1BA-239sf units is found below.

Our analysis included the evaluation of a total of 46 unit types found at 5 properties. We selected the 46 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 46 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader’s reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-04	JCOC 3H Housing	0BR-1BA-239sf	\$993	\$0	\$993	-	\$0	\$993	-
002-01	Aqua on 25th Street	0BR-1BA-437sf	\$1,460	\$0	\$1,460	\$635	-\$363	\$1,097	1
002-02	Aqua on 25th Street	0BR-1BA-705sf	\$1,660	\$0	\$1,660	\$992	-\$704	\$956	6
002-03	Aqua on 25th Street	1BR-1BA-640sf	\$1,660	\$0	\$1,660	\$958	-\$668	\$992	5
002-04	Aqua on 25th Street	1BR-1BA-722sf	\$1,710	\$0	\$1,710	\$1,065	-\$775	\$935	10
002-05	Aqua on 25th Street	1BR-1BA-823sf	\$1,860	\$0	\$1,860	\$1,196	-\$906	\$954	14
002-06	Aqua on 25th Street	2BR-2BA-833sf	\$1,860	\$0	\$1,860	\$1,312	-\$966	\$894	15
002-07	Aqua on 25th Street	2BR-2BA-1175sf	\$2,210	\$100	\$2,110	\$1,757	-\$1,411	\$699	28
002-08	Aqua on 25th Street	2BR-2BA-1183sf	\$2,310	\$100	\$2,210	\$1,767	-\$1,421	\$789	29
002-09	Aqua on 25th Street	2BR-2BA-1193sf	\$2,310	\$100	\$2,210	\$1,780	-\$1,434	\$776	30
002-10	Aqua on 25th Street	2BR-2BA-1276sf	\$2,360	\$100	\$2,260	\$1,888	-\$1,542	\$718	35
002-11	Aqua on 25th Street	3BR-2BA-1784sf	\$3,910	\$0	\$3,910	\$2,632	-\$2,220	\$1,691	46
066-01	Indigo 19 Apartments	0BR-1BA-569sf	\$1,537	\$83	\$1,454	\$731	-\$268	\$1,186	2
066-02	Indigo 19 Apartments	1BR-1BA-755sf	\$1,756	\$0	\$1,756	\$1,033	-\$552	\$1,204	7
066-03	Indigo 19 Apartments	1BR-1BA-755sf	\$1,766	\$83	\$1,683	\$1,033	-\$552	\$1,131	7
066-04	Indigo 19 Apartments	1BR-1BA-810sf	\$1,863	\$83	\$1,780	\$1,104	-\$623	\$1,157	11
066-05	Indigo 19 Apartments	2BR-2BA-1113sf	\$1,736	\$83	\$1,653	\$1,601	-\$1,064	\$589	19
066-06	Indigo 19 Apartments	2BR-2BA-1087sf	\$1,809	\$0	\$1,809	\$1,567	-\$1,030	\$779	17
066-07	Indigo 19 Apartments	2BR-2BA-1209sf	\$1,897	\$0	\$1,897	\$1,726	-\$1,189	\$708	26
066-08	Indigo 19 Apartments	3BR-2BA-1537sf	\$2,518	\$83	\$2,435	\$2,235	-\$1,632	\$803	41
074-01	Saltmeadow Bay Apartments	1BR-1BA-850sf	\$1,662	\$0	\$1,662	\$1,159	-\$644	\$1,018	12
074-02	Saltmeadow Bay Apartments	1BR-1BA-974sf	\$1,699	\$0	\$1,699	\$1,320	-\$805	\$894	16
074-03	Saltmeadow Bay Apartments	2BR-2BA-1178sf	\$1,995	\$0	\$1,995	\$1,688	-\$1,117	\$878	23
074-04	Saltmeadow Bay Apartments	2BR-2BA-1213sf	\$2,182	\$0	\$2,182	\$1,734	-\$1,163	\$1,019	27
074-05	Saltmeadow Bay Apartments	2BR-2BA-1252sf	\$2,403	\$0	\$2,403	\$1,784	-\$1,213	\$1,190	31
074-06	Saltmeadow Bay Apartments	2BR-2BA-1272sf	\$1,819	\$0	\$1,819	\$1,810	-\$1,239	\$580	32
074-07	Saltmeadow Bay Apartments	2BR-2BA-1297sf	\$2,296	\$0	\$2,296	\$1,843	-\$1,272	\$1,024	33
074-08	Saltmeadow Bay Apartments	2BR-2BA-1303sf	\$1,869	\$0	\$1,869	\$1,851	-\$1,280	\$589	34
074-09	Saltmeadow Bay Apartments	2BR-2BA-1348sf	\$2,451	\$0	\$2,451	\$1,909	-\$1,338	\$1,113	36
074-10	Saltmeadow Bay Apartments	2BR-2BA-1357sf	\$2,136	\$0	\$2,136	\$1,921	-\$1,350	\$786	37
074-11	Saltmeadow Bay Apartments	2BR-2BA-1369sf	\$2,238	\$0	\$2,238	\$1,937	-\$1,366	\$873	38
074-12	Saltmeadow Bay Apartments	3BR-2BA-1756sf	\$3,137	\$0	\$3,137	\$2,523	-\$1,886	\$1,251	45
074-13	Saltmeadow Bay Apartments	3BR-2.5BA-1561sf	\$2,891	\$0	\$2,891	\$2,282	-\$1,645	\$1,246	42
074-14	Saltmeadow Bay Apartments	3BR-2.5BA-1580sf	\$2,285	\$0	\$2,285	\$2,306	-\$1,669	\$616	43
076-01	South Beach Apartments	1BR-1BA-860sf	\$1,875	\$0	\$1,875	\$1,177	-\$607	\$1,268	13
076-02	South Beach Apartments	2BR-2BA-1141sf	\$1,855	\$0	\$1,855	\$1,646	-\$1,020	\$835	22
076-03	South Beach Apartments	2BR-2BA-1200sf	\$1,826	\$0	\$1,826	\$1,722	-\$1,096	\$730	25
076-04	South Beach Apartments	3BR-2BA-1368sf	\$2,106	\$0	\$2,106	\$2,024	-\$1,332	\$774	40
078-01	Summer House Apartments	1BR-1BA-545sf	\$1,495	\$0	\$1,495	\$776	-\$420	\$1,075	3
078-02	Summer House Apartments	1BR-1BA-672sf	\$1,510	\$0	\$1,510	\$941	-\$585	\$925	4
078-03	Summer House Apartments	1BR-1BA-746sf	\$1,625	\$0	\$1,625	\$1,038	-\$682	\$943	9

078-04	Summer House Apartments	2BR-2BA-1085sf	\$1,995	\$0	\$1,995	\$1,581	-\$1,169	\$826	18
078-05	Summer House Apartments	2BR-2BA-1119sf	\$1,970	\$0	\$1,970	\$1,626	-\$1,214	\$757	20
078-06	Summer House Apartments	2BR-2BA-1130sf	\$2,045	\$0	\$2,045	\$1,640	-\$1,228	\$817	21
078-07	Summer House Apartments	2BR-2BA-1185sf	\$1,930	\$0	\$1,930	\$1,711	-\$1,299	\$631	24
078-08	Summer House Apartments	2BR-2BA-1410sf	\$2,695	\$0	\$2,695	\$2,004	-\$1,592	\$1,103	39
078-09	Summer House Apartments	3BR-2BA-1610sf	\$3,045	\$0	\$3,045	\$2,347	-\$1,869	\$1,176	44

Adjusted Rent, Minimum	\$580
Adjusted Rent, Maximum	\$1,691
Adjusted Rent, Average	\$935
Adjusted Rent, Modified Average	\$926
Rent, Concluded	\$1,025

Our analysis suggests a rent of \$1,025 for the 0BR-1BA-239sf units at the subject property.

In our opinion, the 0BR-1BA-437sf units at Aqua on 25th Street (Property # 002), the 0BR-1BA-569sf units at Indigo 19 Apartments (Property # 066), the 1BR-1BA-672sf units at Summer House Apartments (Property # 078), the 0BR-1BA-705sf units at Aqua on 25th Street (Property # 002), and the 1BR-1BA-850sf units at Saltmeadow Bay Apartments (Property # 074) are the best comparables for the units at the subject property.

Comparable	Subject	1	2	3	4	5					
Property-Unit Key	Sub-04	002-01	002-02	068-01	074-01	078-02					
Unit Type	OBR-1BA-239sf	OBR-1BA-437sf	OBR-1BA-705sf	OBR-1BA-569sf	1BR-1BA-850sf	1BR-1BA-672sf					
Property Name	JCOC 3H Housing	Aqua on 25th Street	Aqua on 25th Street	Indigo 19 Apartments	Saltmeadow Bay Apartments	Summer House Apartments					
Address	1053 Virginia Beach Boulevard	300 25th Street	300 25th Street	1940 Pavilion Drive	757 Saltmeadow Bay Drive	332 Laskin Road					
City	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach					
State	Virginia	Virginia	Virginia	Virginia	Virginia	Virginia					
Zip	23451	23451	23451	23451	23451	23451					
Latitude	36.84150	36.85268	36.85268	36.84545	36.85547	36.85912					
Longitude	-75.99368	-75.98148	-75.98148	-75.99292	-75.98753	-75.98095					
Miles to Subject	0.00	0.94	0.94	0.23	0.86	1.23					
Year Built	2022	2016	2016	2013	2003	2013					
Year Rehab	na	na	na	na	2014	na					
Project Rent	Subsidized	Market Rate	Market Rate	Market Rate	Market Rate	Market Rate					
Project Type	Family	Family	Family	Family	Family	Family					
Project Status	Prop Const	Stabilized	Stabilized	Stabilized	Stabilized	Stabilized					
Phone	na	(757) 486-1000	(757) 486-1000	(757) 301-4225	(757) 965-8580	(757) 963-6777					
Effective Date	02-Mar-22	01-Feb-22	01-Feb-22	01-Feb-22	07-Feb-22	01-Feb-22					
<u>Project Level</u>											
Units	38	147	147	196	229	178					
Vacant Units	38	8	8	7	8	18					
Vacancy Rate	100%	5%	5%	4%	3%	10%					
<u>Unit Type</u>											
Units	19	8	2	28	57	18					
Vacant Units	19	0	0	1	1	0					
Vacancy Rate	100%	0%	0%	4%	2%	0%					
Street Rent	\$993	\$1,460	\$1,660	\$1,537	\$1,662	\$1,510					
Concessions	\$0	\$0	\$0	\$83	\$0	\$0					
Net Rent	\$993	\$1,460	\$1,660	\$1,454	\$1,662	\$1,510					
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>					
Tenant-Paid Utilities	TPU	\$0	\$94	\$94	\$102	\$94	\$94	\$103	\$103	\$103	\$103
Cable	\$0	no	no	\$0	\$0	no	\$0	no	\$0	no	\$0
Internet	\$0	no	no	\$0	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$50	0	0	\$0	\$0	0	\$0	1	-\$50	1	-\$50
Bathrooms	\$25	1.00	1.00	\$0	\$0	1.00	\$0	1.00	\$0	1.00	\$0
Square Feet	\$1.30	239	437	-\$257	705	569	-\$428	850	-\$794	672	-\$563
Visibility	\$50	3.00	4.00	-\$50	4.00	2.25	\$38	2.25	\$38	3.50	-\$25
Access	\$50	3.50	4.00	-\$25	4.00	2.50	\$50	2.50	\$50	3.50	\$0
Neighborhood	\$10	2.00	3.30	-\$13	3.30	2.70	-\$7	4.50	-\$25	3.90	-\$19
Area Amenities	\$0	3.30	2.50	\$0	2.50	3.60	\$0	3.40	\$0	3.00	\$0
Median HH Income	\$0.0000	\$33,222	\$55,402	\$0	\$55,402	\$36,475	\$0	\$51,974	\$0	\$49,844	\$0
Average Commute	\$0	31.24	20.79	\$0	20.79	27.19	\$0	21.84	\$0	21.37	\$0
Public Transportation	\$0	na	na	\$0	na	na	\$0	na	\$0	na	\$0
Personal Crime	\$0	0.4%	10.1%	\$0	10.1%	0.9%	\$0	1.6%	\$0	8.7%	\$0
Condition	\$10	4.50	4.00	\$5	4.00	4.75	-\$3	4.50	\$0	4.75	-\$3
Effective Age	\$5.00	2022	2016	\$30	2016	2013	\$45	2010	\$60	2010	\$60
Ball Field	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
BBQ Area	\$2	no	yes	-\$2	yes	yes	-\$2	yes	-\$2	yes	-\$2
Billiards	\$10	no	yes	-\$10	yes	yes	-\$10	no	\$0	no	\$0
Bus/Comp Center	\$10	no	yes	-\$10	yes	yes	-\$10	no	\$0	no	\$0
Car Care Center	\$10	no	yes	-\$10	yes	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
Elevator	\$10	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
Fitness Center	\$2	no	yes	-\$2	yes	yes	-\$2	yes	-\$2	yes	-\$2
Gazebo	\$10	yes	yes	\$0	yes	yes	\$0	yes	\$0	no	\$10
Hot Tub/Jacuzzi	\$10	no	yes	-\$10	yes	no	\$0	yes	-\$10	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Lake	\$10	no	yes	-\$10	yes	no	\$0	no	\$0	no	\$0
Library	\$10	no	no	\$0	no	yes	-\$10	no	\$0	no	\$0
Movie Theatre	\$10	no	no	\$0	no	yes	-\$10	no	\$0	no	\$0
Picnic Area	\$2	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
Playground	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Pool	\$2	no	yes	-\$2	yes	no	\$0	yes	-\$2	yes	-\$2
Sauna	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$2	no	yes	-\$2	yes	no	\$0	no	\$0	yes	-\$2
Carpeting	\$2	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$10	no	no	\$0	no	no	\$0	some	\$0	no	\$0
Patio/Balcony	\$2	no	yes	-\$2	yes	yes	-\$2	yes	-\$2	yes	-\$2
Storage	\$10	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Stove	\$2	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	yes	-\$2	yes	yes	-\$2	yes	-\$2	yes	-\$2
Dishwasher	\$2	no	yes	-\$2	yes	yes	-\$2	yes	-\$2	yes	-\$2
Microwave	\$2	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
Garage	\$80	no	yes	-\$80	yes	no	\$0	no	\$0	yes	-\$80
Covered	\$20	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Open	\$0	yes	some	\$0	some	yes	\$0	yes	\$0	some	\$0
None	\$0	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Central	\$5	yes	no	\$5	no	no	\$5	no	\$5	no	\$5
W/D Units	\$10	no	yes	-\$10	yes	yes	-\$10	yes	-\$10	yes	-\$10
W/D Hookups	\$5	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Call Buttons	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Controlled Access	\$2	yes	yes	\$0	yes	yes	\$0	yes	\$0	yes	\$0
Courtesy Officer	\$2	no	no	\$0	no	yes	-\$2	no	\$0	no	\$0
Monitoring	\$2	yes	no	\$2	no	yes	\$0	no	\$2	yes	\$0
Security Alarms	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Security Patrols	\$2	no	no	\$0	no	no	\$0	no	\$0	no	\$0
Indicated Rent	\$1,025	\$1,097	\$956	\$1,186	\$1,018	\$925					

Unrestricted Market Rent Conclusion

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

Unrestricted Market Rent Conclusion						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Market	Proposed	Advantage
OBR-1BA-239sf / 40% of AMI / 40% of AMI	yes	Yes	6	\$1,025	\$993	3.1%
OBR-1BA-239sf / 50% of AMI / 50% of AMI	yes	Yes	5	\$1,025	\$993	3.1%
OBR-1BA-239sf / 50% of AMI / 50% of AMI	No	Yes	8	\$1,025	\$993	3.1%
OBR-1BA-239sf / 60% of AMI / 60% of AMI	No	Yes	19	\$1,025	\$993	3.1%
Total / Average			38	\$1,025	\$993	3.1%

Our analysis suggests an average unrestricted market rent of \$1,025 for the subject property. This is compared with an average proposed rent of \$993, yielding an unrestricted market rent advantage of 3.1 percent. Overall, the subject property appears to be priced at or below unrestricted market rents for the area.

We selected a total of 5 properties as comparables for purposes of our analysis. The average occupancy at the select rent comparables currently stands at 97 percent.

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

Occupancy Rate, Select Comparables								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								97%
1-Bedroom								97%
2-Bedroom								
3-Bedroom								
4-Bedroom								
Total								97%

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

Occupancy Rate, Stabilized Properties								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom	100%				100%			99%
1-Bedroom	100%		100%	100%	99%			97%
2-Bedroom	100%		100%	100%	100%			96%
3-Bedroom	100%		100%	100%	100%			95%
4-Bedroom	100%				100%			97%
Total	100%		100%	100%	100%			96%

HUD conducts an annual rent survey to derive Fair Market Rent estimates for an area. Based on this, 2-bedroom rents for the area grew from \$934 to \$1147 since 2010. This represents an average 2.1% annual increase over this period.

Fair market rent data for the area is found below:

Year	Rent			Change		
	1BR	2BR	3BR	1BR	2BR	3BR
2008	\$787	\$904	\$1,247	-	-	-
2009	\$781	\$904	\$1,236	-0.8%		-0.9%
2010	\$807	\$934	\$1,277	3.3%	3.3%	3.3%
2011	\$834	\$965	\$1,319	3.3%	3.3%	3.3%
2012	\$919	\$1,064	\$1,454	10.2%	10.3%	10.2%
2013	\$944	\$1,136	\$1,570	2.7%	6.8%	8.0%
2014	\$939	\$1,130	\$1,562	-0.5%	-0.5%	-0.5%
2015	\$920	\$1,107	\$1,530	-2.0%	-2.0%	-2.0%
2016	\$953	\$1,150	\$1,601	3.6%	3.9%	4.6%
2017	\$939	\$1,130	\$1,577	-1.5%	-1.7%	-1.5%
2018	\$912	\$1,095	\$1,533	-2.9%	-3.1%	-2.8%
2019	\$925	\$1,104	\$1,553	1.4%	0.8%	1.3%
2020	\$958	\$1,136	\$1,603	3.6%	2.9%	3.2%
2021	\$972	\$1,147	\$1,618	1.5%	1.0%	0.9%

Source: HUD

Restricted Rent Analysis

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

Rental Property Inventory, by Unit Type

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

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

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

Rent Comparables, Restricted Rent, Map

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

Rent Comparability Grids

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

Rental Property Inventory, 0-Bedroom Units

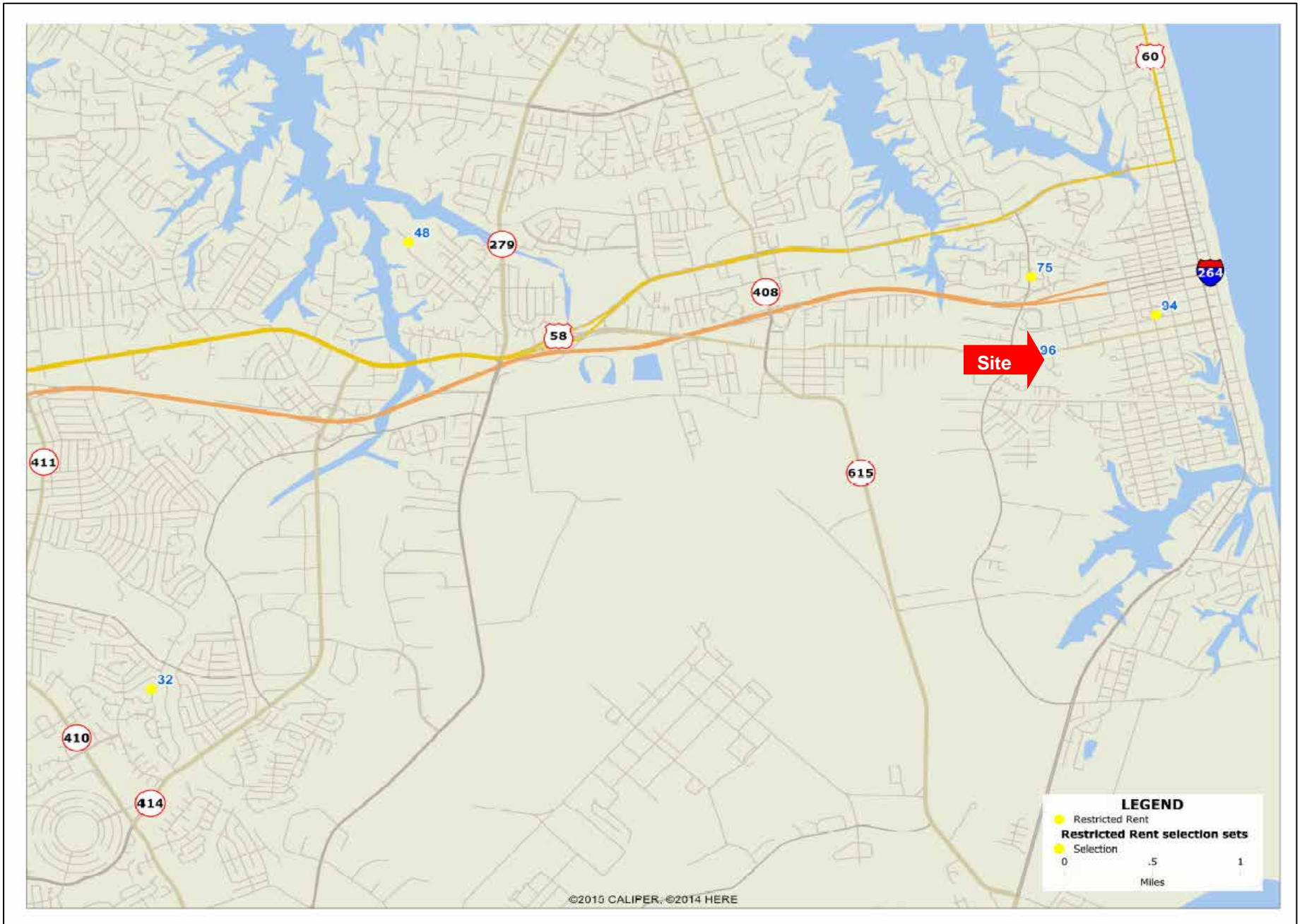
Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
006	Atlantis Apartments	1972	2004	Restricted	Family	Stabilized								
015	Citywide Homes 2001	1960	2004	Restricted	Family	Stabilized								
032	Green Lakes Apartments	1977	2002	Restricted	Family	Stabilized								
036	Hilltop South Apartments	1972	2003	Restricted	Family	Stabilized								
048	Lynnhaven Landing Apartments	1973	2012	Restricted	Family	Stabilized								
060	Ocean Gate East	1996	na	Restricted	Family	Stabilized								
061	Ocean Gate West	1996	na	Restricted	Family	Stabilized								
075	Sea Pines Apartments	1966	2002	Restricted	Family	Stabilized					\$785			
094	Seaside Harbor Apartments	2018	na	Restricted	Family	Stabilized								

Source: Allen & Associates

Rental Property Inventory, 1-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
006	Atlantis Apartments	1972	2004	Restricted	Family	Stabilized	\$669							
015	Citywide Homes 2001	1960	2004	Restricted	Family	Stabilized								
032	Green Lakes Apartments	1977	2002	Restricted	Family	Stabilized					\$818			
036	Hilltop South Apartments	1972	2003	Restricted	Family	Stabilized				\$640	\$670			
048	Lynnhaven Landing Apartments	1973	2012	Restricted	Family	Stabilized					\$939			\$939
060	Ocean Gate East	1996	na	Restricted	Family	Stabilized								
061	Ocean Gate West	1996	na	Restricted	Family	Stabilized								
075	Sea Pines Apartments	1966	2002	Restricted	Family	Stabilized					\$830			
094	Seaside Harbor Apartments	2018	na	Restricted	Family	Stabilized	\$862		\$545		\$862			

Source: Allen & Associates



Rent Adjustments

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

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

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

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

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

Concessions

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

Tenant-Paid Utilities

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

Technology

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

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

Bedrooms

Our analysis also included an adjustment for the number of bedrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$162 per bedroom.

Bedrooms			
Adjustment	Survey Range		Concluded
Bedrooms	\$50	\$200	\$162

Bathrooms

Our analysis also included an adjustment for the number of bathrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$25 per bathroom.

Bathrooms			
Adjustment	Survey Range		Concluded
Bathrooms	\$25	\$100	\$25

Square Feet

Our analysis also included an adjustment for square footage at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.10 per square foot.

Square Feet			
Adjustment	Survey Range		Concluded
Square Feet	\$0.10	\$2.00	\$0.10

Visibility

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

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

Access

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

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

Neighborhood

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

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

Area Amenities

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

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

Median Household Income

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

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

Average Commute

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

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

Public Transportation

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

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

Personal Crime

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

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

Condition

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

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

Effective Age

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

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

Project Amenities

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

Project Amenities			
Adjustment	Survey Range		Concluded
Ball Field	\$2	\$10	\$2
BBQ Area	\$2	\$10	\$10
Billiards	\$2	\$10	\$2
Bus/Comp Ctrs	\$2	\$10	\$2
Car Care Center	\$2	\$10	\$2
Community Center	\$2	\$10	\$4
Elevator	\$10	\$100	\$10
Fitness Center	\$2	\$10	\$2
Gazebo	\$2	\$10	\$2
Hot Tub/Jacuzzi	\$2	\$10	\$2
Horseshoe Pit	\$2	\$10	\$2
Lake	\$2	\$10	\$10
Library	\$2	\$10	\$2
Movie Theatre	\$2	\$10	\$2
Picnic Area	\$2	\$10	\$2
Playground	\$2	\$10	\$10
Pool	\$2	\$10	\$10
Sauna	\$2	\$10	\$2
Sports Court	\$2	\$10	\$2
Walking Trail	\$2	\$10	\$2

Unit Amenities

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

Unit Amenities			
Adjustment	Survey Range		Concluded
Blinds	\$2	\$10	\$2
Ceiling Fans	\$2	\$10	\$10
Carpeting	\$2	\$10	\$2
Fireplace	\$2	\$10	\$2
Patio/Balcony	\$2	\$10	\$2
Storage	\$10	\$50	\$35

Kitchen Amenities

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

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

Parking

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

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

Laundry

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

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

Security

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

Security			
Adjustment	Survey Range		Concluded
Call Buttons	\$2	\$10	\$2
Controlled Access	\$2	\$10	\$5
Courtesy Officer	\$2	\$10	\$2
Monitoring	\$2	\$10	\$10
Security Alarms	\$2	\$10	\$2
Security Patrols	\$2	\$10	\$9

Rent Conclusion, 0BR-1BA-239sf

The development of our rent conclusion for the 0BR-1BA-239sf units is found below.

Our analysis included the evaluation of a total of 19 unit types found at 4 properties. We selected the 19 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 19 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-04	JCOG 3H Housing	0BR-1BA-239sf	\$993	\$0	\$993	-	\$0	\$993	-
032-01	Green Lakes Apartments	1BR-1BA-682sf	\$818	\$0	\$818	\$515	-\$79	\$739	8
032-02	Green Lakes Apartments	2BR-1BA-745sf	\$968	\$0	\$968	\$724	-\$208	\$760	15
032-03	Green Lakes Apartments	2BR-1BA-836sf	\$981	\$0	\$981	\$720	-\$230	\$751	14
032-04	Green Lakes Apartments	3BR-1.5BA-1128sf	\$1,120	\$0	\$1,120	\$961	-\$395	\$725	18
032-05	Green Lakes Apartments	4BR-2BA-1330sf	\$1,215	\$0	\$1,215	\$1,214	-\$532	\$683	19
048-01	Lynnhaven Landing Apartments	1BR-1BA-670sf	\$939	\$0	\$939	\$411	-\$207	\$732	7
048-03	Lynnhaven Landing Apartments	2BR-1.5BA-1150sf	\$1,039	\$0	\$1,039	\$651	-\$413	\$626	12
048-06	Lynnhaven Landing Apartments	2BR-1.5BA-1025sf	\$1,149	\$0	\$1,149	\$652	-\$386	\$763	13
048-08	Lynnhaven Landing Apartments	3BR-1.5BA-1450sf	\$1,389	\$0	\$1,389	\$878	-\$570	\$819	16
075-01	Sea Pines Apartments	0BR-1BA-500sf	\$785	\$0	\$785	\$216	\$24	\$809	1
075-02	Sea Pines Apartments	1BR-1BA-650sf	\$825	\$0	\$825	\$393	-\$153	\$672	5
075-03	Sea Pines Apartments	1BR-1BA-800sf	\$835	\$0	\$835	\$408	-\$168	\$667	6
075-04	Sea Pines Apartments	2BR-1.5BA-1025sf	\$1,021	\$0	\$1,021	\$605	-\$365	\$656	9
094-04	Seaside Harbor Apartments	1BR-1BA-657sf	\$862	\$0	\$862	\$385	-\$165	\$697	2
094-05	Seaside Harbor Apartments	1BR-1BA-687sf	\$862	\$0	\$862	\$388	-\$168	\$694	3
094-06	Seaside Harbor Apartments	1BR-1BA-713sf	\$862	\$0	\$862	\$390	-\$170	\$692	4
094-11	Seaside Harbor Apartments	2BR-2BA-880sf	\$1,038	\$0	\$1,038	\$636	-\$332	\$706	10
094-12	Seaside Harbor Apartments	2BR-2BA-881sf	\$1,038	\$0	\$1,038	\$636	-\$332	\$706	11
094-15	Seaside Harbor Apartments	3BR-2BA-1136sf	\$1,195	\$0	\$1,195	\$880	-\$464	\$731	17
	Adjusted Rent, Minimum					\$626			
	Adjusted Rent, Maximum					\$819			
	Adjusted Rent, Average					\$717			
	Adjusted Rent, Modified Average					\$717			
	Rent, Concluded					\$800			

Our analysis suggests a rent of \$800 for the 0BR-1BA-239sf units at the subject property.

In our opinion, the 0BR-1BA-500sf units at Sea Pines Apartments (Property # 075), the 1BR-1BA-657sf units at Seaside Harbor Apartments (Property # 094), the 1BR-1BA-687sf units at Seaside Harbor Apartments (Property # 094), the 1BR-1BA-650sf units at Sea Pines Apartments (Property # 075), and the 1BR-1BA-682sf units at Green Lakes Apartments (Property # 032) are the best comparables for the units at the subject property.

Comparable	Subject	1	2	3	4	5						
Property-Unit Key	Sub-04	032-01	075-01	075-02	094-04	094-05						
Unit Type	0BR-1BA-239sf	1BR-1BA-682sf	0BR-1BA-500sf	1BR-1BA-650sf	1BR-1BA-657sf	1BR-1BA-687sf						
Property Name	JCOC 3H Housing	Green Lakes Apartments	Sea Pines Apartments	Sea Pines Apartments	Seaside Harbor Apartments	Seaside Harbor Apartments						
Address	1053 Virginia Beach Boulevard	3218 Green Lakes Drive	952 Maximus Square	952 Maximus Square	1801 Mediterranean Avenue	1801 Mediterranean Avenue						
City	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach						
State	Virginia	Virginia	Virginia	Virginia	Virginia	Virginia						
Zip	23451	23452	23451	23451	23451	23451						
Latitude	36.84150	36.81220	36.84883	36.84883	36.84546	36.84546						
Longitude	-75.99368	-76.08424	-75.99403	-75.99403	-75.98123	-75.98123						
Miles to Subject	0.00	5.39	0.42	0.42	0.74	0.74						
Year Built	2022	1977	1966	1966	2018	2018						
Year Rehab	na	2002	2002	2002	na	na						
Project Rent	Subsidized	Restricted	Restricted	Restricted	Restricted	Restricted						
Project Type	Family	Family	Family	Family	Family	Family						
Project Status	Prop Const	Stabilized	Stabilized	Stabilized	Stabilized	Stabilized						
Phone	na	(757) 340-0542	(757) 425-7519	(757) 425-7519	757.333.3443	757.333.3443						
Effective Date	02-Mar-22	31-Jan-22	07-Feb-22	07-Feb-22	08-Feb-22	08-Feb-22						
<u>Project Level</u>												
Units	38	150	96	96	76	76						
Vacant Units	38	0	1	1	0	0						
Vacancy Rate	100%	0%	1%	1%	0%	0%						
<u>Unit Type</u>												
Units	19	20	8	24	9	6						
Vacant Units	19	0	0	0	0	0						
Vacancy Rate	100%	0%	0%	0%	0%	0%						
Street Rent	\$993	\$818	\$785	\$825	\$862	\$862						
Concessions	\$0	\$0	\$0	\$0	\$0	\$0						
Net Rent	\$993	\$818	\$785	\$825	\$862	\$862						
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>						
Tenant-Paid Utilities	TPU	\$0	\$133	\$133	\$45	\$45	\$45	\$45	\$85	\$85	\$85	\$85
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Internet	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$162	0	1	-\$162	0	\$0	1	-\$162	1	-\$162	1	-\$162
Bathrooms	\$25	1.00	1.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0
Square Feet	\$0.10	239	682	-\$44	500	-\$26	650	-\$41	657	-\$42	687	-\$45
Visibility	\$0	3.00	2.00	\$0	3.50	\$0	3.50	\$0	2.50	\$0	2.50	\$0
Access	\$0	3.50	2.00	\$0	3.50	\$0	3.50	\$0	2.50	\$0	2.50	\$0
Neighborhood	\$0	2.00	2.60	\$0	3.30	\$0	3.30	\$0	3.90	\$0	3.90	\$0
Area Amenities	\$0	3.30	2.00	\$0	4.50	\$0	4.50	\$0	2.60	\$0	2.60	\$0
Median HH Income	\$0.0000	\$33,222	\$41,719	\$0	\$50,254	\$0	\$50,254	\$0	\$59,485	\$0	\$59,485	\$0
Average Commute	\$0	31.24	29.54	\$0	22.59	\$0	22.59	\$0	25.34	\$0	25.34	\$0
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0	na	\$0	na	\$0
Personal Crime	\$0	0.4%	2.0%	\$0	2.6%	\$0	2.6%	\$0	5.6%	\$0	5.6%	\$0
Condition	\$10	4.50	2.50	\$20	3.00	\$15	3.00	\$15	4.00	\$5	4.00	\$5
Effective Age	\$1.00	2022	1990	\$32	1995	\$27	1995	\$27	2018	\$4	2018	\$4
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$10	no	yes	-\$10	no	\$0	no	\$0	no	\$0	no	\$0
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bus/Comp Center	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	no	\$0
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Community Center	\$4	yes	no	\$4	no	\$4	no	\$4	yes	\$0	yes	\$0
Elevator	\$10	yes	no	\$10	no	\$10	no	\$10	yes	\$0	yes	\$0
Fitness Center	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	yes	-\$2
Gazebo	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Picnic Area	\$2	yes	yes	\$0	yes	\$0	yes	\$0	no	\$2	no	\$2
Playground	\$10	no	yes	-\$10	yes	-\$10	yes	-\$10	no	\$0	no	\$0
Pool	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Carpeting	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Patio/Balcony	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Storage	\$35	no	no	\$0	yes	-\$35	yes	-\$35	no	\$0	no	\$0
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$10	no	yes	-\$10	yes	-\$10	yes	-\$10	no	\$0	no	\$0
Dishwasher	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Microwave	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Garage	\$50	no	no	\$0	no	\$0	no	\$0	yes	-\$50	yes	-\$50
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$50	no	yes	-\$50	no	\$0	no	\$0	no	\$0	no	\$0
Open	\$0	yes	some	\$0	yes	\$0	yes	\$0	some	\$0	some	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$5	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
W/D Units	\$10	no	some	\$0	no	\$0	no	\$0	no	\$0	no	\$0
W/D Hookups	\$15	no	some	\$0	no	\$0	no	\$0	yes	-\$15	yes	-\$15
Call Buttons	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Controlled Access	\$5	yes	no	\$5	no	\$5	no	\$5	yes	\$0	yes	\$0
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Monitoring	\$10	yes	no	\$10	no	\$10	no	\$10	no	\$10	no	\$10
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Patrols	\$9	no	yes	-\$9	yes	-\$9	yes	-\$9	no	\$0	no	\$0
Indicated Rent	\$800	\$739	\$809	\$672	\$697	\$694						

Restricted Market Rent Conclusion

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

Restricted Market Rent Conclusion				
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Market
OBR-1BA-239sf / 40% of AMI / 40% of AMI	yes	Yes	6	\$800
OBR-1BA-239sf / 50% of AMI / 50% of AMI	yes	Yes	5	\$800
OBR-1BA-239sf / 50% of AMI / 50% of AMI	No	Yes	8	\$800
OBR-1BA-239sf / 60% of AMI / 60% of AMI	No	Yes	19	\$800
Total / Average			38	\$800

Our analysis suggests an average restricted market rent of \$800 for the subject property.

We selected a total of 4 properties as comparables for purposes of our analysis. The average occupancy at the select rent comparables currently stands at 98 percent.

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

Occupancy Rate, Select Comparables								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom					100%			
1-Bedroom	100%		100%		99%			94%
2-Bedroom								
3-Bedroom								
4-Bedroom								
Total	100%		100%		99%			94%

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

Occupancy Rate, Stabilized Properties								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom	100%				100%			99%
1-Bedroom	100%		100%	100%	99%			97%
2-Bedroom	100%		100%	100%	100%			96%
3-Bedroom	100%		100%	100%	100%			95%
4-Bedroom	100%				100%			97%
Total	100%		100%	100%	100%			96%

Rents at rent restricted properties tend to move with median household incomes for an area. Given HUD's published median incomes, we were able to derive 1, 2 and 3-bedroom 60% of AMI rent limits for the subject's primary market area. According to our analysis, maximum 2-bedroom rents for the area grew from \$921 to \$1141 since 2010. This represents an average 2.2% annual increase over this period.

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

Maximum Tax Credit Rents, 60% of AMI						
Year	Rent			Change		
	1BR	2BR	3BR	1BR	2BR	3BR
2008	\$732	\$879	\$1,016	-	-	-
2009	\$764	\$917	\$1,059	4.4%	4.3%	4.2%
2010	\$767	\$921	\$1,064	0.4%	0.4%	0.5%
2011	\$786	\$944	\$1,090	2.5%	2.5%	2.4%
2012	\$798	\$957	\$1,106	1.5%	1.4%	1.5%
2013	\$825	\$990	\$1,143	3.4%	3.4%	3.3%
2014	\$794	\$953	\$1,101	-3.8%	-3.7%	-3.7%
2015	\$798	\$957	\$1,106	0.5%	0.4%	0.5%
2016	\$793	\$952	\$1,100	-0.6%	-0.5%	-0.5%
2017	\$821	\$986	\$1,139	3.5%	3.6%	3.5%
2018	\$844	\$1,013	\$1,170	2.8%	2.7%	2.7%
2019	\$892	\$1,071	\$1,237	5.7%	5.7%	5.7%
2020	\$928	\$1,114	\$1,287	4.0%	4.0%	4.0%
2021	\$951	\$1,141	\$1,318	2.5%	2.4%	2.4%

Source: HUD

Achievable Rent Conclusion

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

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

LIHTC Rent Limits						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Gross Rent	Utilities	Net Rent
OBR-1BA-239sf / 40% of AMI / 40% of AMI	yes	Yes	6	\$592	\$0	\$592
OBR-1BA-239sf / 50% of AMI / 50% of AMI	yes	Yes	5	\$740	\$0	\$740
OBR-1BA-239sf / 50% of AMI / 50% of AMI	No	Yes	8	\$740	\$0	\$740
OBR-1BA-239sf / 60% of AMI / 60% of AMI	No	Yes	19	\$888	\$0	\$888
Total / Average			38	\$791	\$0	\$791

Our analysis suggests an average net LIHTC rent limit of \$791 for 38 applicable units at the subject property.

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

FMR Rent Limits						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Gross Rent	Utilities	Net Rent
OBR-1BA-239sf / 40% of AMI / 40% of AMI	yes	Yes	6	\$993	\$0	\$993
OBR-1BA-239sf / 50% of AMI / 50% of AMI	yes	Yes	5	\$993	\$0	\$993
OBR-1BA-239sf / 50% of AMI / 50% of AMI	No	Yes	-	-	-	-
OBR-1BA-239sf / 60% of AMI / 60% of AMI	No	Yes	-	-	-	-
Total / Average			11	\$993	\$0	\$993

Our analysis suggests an average net FMR rent limit of \$993 for 11 applicable units at the subject property.

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

Program Rent Limits							
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	LIHTC	FMR	Market	Program
OBR-1BA-239sf / 40% of AMI / 40% of AMI	yes	Yes	6	\$592	\$993	\$1,025	\$1,025
OBR-1BA-239sf / 50% of AMI / 50% of AMI	yes	Yes	5	\$740	\$993	\$1,025	\$1,025
OBR-1BA-239sf / 50% of AMI / 50% of AMI	No	Yes	8	\$740	-	\$1,025	\$1,025
OBR-1BA-239sf / 60% of AMI / 60% of AMI	No	Yes	19	\$888	-	\$1,025	\$1,025
Total / Average			38	\$791	\$993	\$1,025	\$1,025

Our analysis suggests an average program rent limit of \$1,025 for 38 applicable units at the subject property.

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

Achievable Rents

Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Program	Unrestricted	Restricted	Achievable	Proposed	Advantage
0BR-1BA-239sf / 40% of AMI / 40% of AMI	yes	Yes	6	\$1,025	\$1,025	\$800	\$1,025	\$993	3.1%
0BR-1BA-239sf / 50% of AMI / 50% of AMI	yes	Yes	5	\$1,025	\$1,025	\$800	\$1,025	\$993	3.1%
0BR-1BA-239sf / 50% of AMI / 50% of AMI	No	Yes	8	\$1,025	\$1,025	\$800	\$1,025	\$993	3.1%
0BR-1BA-239sf / 60% of AMI / 60% of AMI	No	Yes	19	\$1,025	\$1,025	\$800	\$1,025	\$993	3.1%
Total / Average			38	\$1,025	\$1,025	\$800	\$1,025	\$993	3.1%

Our analysis suggests an average achievable rent of \$1,025 for the subject property. This is compared with an average proposed rent of \$993, yielding an achievable rent advantage of 3.1 percent. Overall, the subject property appears to be priced at or below achievable rents for the area.

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

Achievable Rents, No Rent Subsidies

Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Program	Unrestricted	Restricted	Achievable	Proposed	Advantage
0BR-1BA-239sf / 40% of AMI / 40% of AMI	yes	No	6	\$592	\$1,025	\$800	\$592	\$993	-67.7%
0BR-1BA-239sf / 50% of AMI / 50% of AMI	yes	No	5	\$740	\$1,025	\$800	\$740	\$993	-34.2%
0BR-1BA-239sf / 50% of AMI / 50% of AMI	No	No	8	\$740	\$1,025	\$800	\$740	\$993	-34.2%
0BR-1BA-239sf / 60% of AMI / 60% of AMI	No	No	19	\$888	\$1,025	\$800	\$800	\$993	-24.1%
Total / Average			38	\$791	\$1,025	\$800	\$747	\$993	-33.0%

DEMAND ANALYSIS

Overview

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

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

2022 \$		Renter Households, by Income, by Size							
		2023							
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Total	
\$0	to \$9,999	606	127	131	150	60	33	1,107	
\$0	to \$19,999	1,474	556	318	248	85	40	2,722	
\$0	to \$29,999	2,623	1,139	790	373	199	109	5,232	
\$0	to \$39,999	3,638	1,719	1,217	578	289	166	7,606	
\$0	to \$49,999	4,697	2,332	1,551	775	379	211	9,945	
\$0	to \$59,999	5,276	3,082	1,938	1,076	540	299	12,210	
\$0	to \$74,999	5,937	3,883	2,403	1,436	664	370	14,695	
\$0	to \$99,999	6,486	4,782	2,772	1,764	841	470	17,115	
\$0	to \$124,999	6,682	5,177	3,055	1,929	882	483	18,208	
\$0	to \$149,999	6,817	5,436	3,236	2,053	902	487	18,931	
\$0	to \$199,999	6,992	5,631	3,351	2,101	914	490	19,480	
\$0	or more	7,087	5,853	3,421	2,117	966	510	19,955	

Source: ESRI & Ribbon Demographics

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

Competing & Pipeline Units, 0-Bedroom Units

Overview							Total Units								Vacant Units									
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt	Sub	30%	40%	50%	60%	70%	80%	Mkt		
001	226 Oceana	1986	2010	Market Rate	Family	Stabilized																		
002	Aqua on 25th Street	2016	na	Market Rate	Family	Stabilized								10										
003	Ann's Apartments	1910	2007	Market Rate	Family	Stabilized																		
005	Arbor Trace Apartments	1985	na	Market Rate	Family	Stabilized																		
006	Atlantis Apartments	1972	2004	Restricted	Family	Stabilized																		
008	Barberton Apartments	1971	2004	Market Rate	Family	Stabilized																		
009	Berkshire Apartments	1984	na	Market Rate	Family	Stabilized																		
010	Birdneck Village Apartments	1967	2010	Market Rate	Family	Stabilized																		
014	Chatham Square Apartments	1978	na	Market Rate	Family	Stabilized																		
015	Citywide Homes 2001	1960	2004	Restricted	Family	Stabilized																		
016	Colonial Arms Apartments	1960	2010	Market Rate	Family	Stabilized																		
020	Courtyards of Chanticleer	1970	na	Market Rate	Family	Stabilized																		
021	Dam Neck Square Apartments	1986	na	Market Rate	Family	Stabilized																		
022	Debs Bay Apartments	1985	2003	Market Rate	Family	Stabilized																		
024	Dominion Waterside at Lynhaven	1966	2000	Market Rate	Family	Stabilized																		
025	Dove Landing Baltic Apartments	1977	na	Market Rate	Family	Stabilized																		
026	Dove Landing Plaza Apartments	1977	na	Market Rate	Family	Stabilized																		
027	Eastwind Apartments	1972	na	Market Rate	Family	Stabilized																		
028	Emerald Point East Apartments	1968	na	Market Rate	Family	Stabilized																		
029	Emerald Point West Apartments	1972	na	Market Rate	Family	Stabilized																		
030	Friendship Village Apartments	1968	2011	Subsidized	Family	Stabilized																		
032	Green Lakes Apartments	1977	2002	Restricted	Family	Stabilized																		
034	Harpers Square Apartments	1974	na	Market Rate	Family	Stabilized																		
035	Hérons Point Apartments	1989	2010	Market Rate	Family	Stabilized																		
036	Hilltop South Apartments	1972	2003	Restricted	Family	Stabilized																		
037	Hollygreen Apartments	1984	na	Market Rate	Family	Stabilized																		
039	Jefferson Apartments	1955	2010	Market Rate	Family	Stabilized																		
040	Kings Row Apartments	1971	na	Market Rate	Family	Stabilized																		
041	Lakewood Square Apartments	1975	na	Market Rate	Family	Stabilized																		
042	Latitudes Apartments	1990	2004	Market Rate	Family	Stabilized																		
043	Laurel Court Apartments	1987	na	Market Rate	Family	Stabilized																		
044	Legends at the Beach Phase 1	1989	2001	Market Rate	Family	Stabilized																		
045	Legends at the Beach Phase 2	1989	2001	Market Rate	Family	Stabilized																		
046	Linkhorn Bay Apartments	1978	na	Market Rate	Family	Stabilized																		
047	Linkhorn Place Apartments	1967	na	Market Rate	Family	Stabilized																		
048	Lynnhaven Landing Apartments	1973	2012	Restricted	Family	Stabilized																		
050	Maple Bay Apartments	1972	na	Market Rate	Family	Stabilized																		
052	Mayflower Seaside Apartments	1950	2007	Market Rate	Family	Stabilized								67										
055	Morgan Terrace Apartments	1972	2005	Subsidized	Family	Stabilized																		
060	Ocean Gate East	1996	na	Restricted	Family	Stabilized																		
061	Ocean Gate West	1996	na	Restricted	Family	Stabilized																		
062	Ocean Pebbles Apartments	1983	2003	Market Rate	Family	Stabilized																		
063	Ocean Trace Apartments	1987	na	Market Rate	Family	Stabilized																		
064	Ocean Walk Apartments	1965	2010	Market Rate	Family	Stabilized																		
066	Indigo 19 Apartments	2013	na	Market Rate	Family	Stabilized								28									1	
067	Pipers Landing Apartments	1990	2014	Market Rate	Family	Stabilized																		
068	Plaza Apartments	1963	1998	Market Rate	Family	Stabilized																		
069	Reflections Apartments	1988	na	Market Rate	Family	Stabilized																		
070	Riverwood Village Duplexes	1985	na	Market Rate	Family	Stabilized																		
072	Rose Hall Apartments	1981	2000	Market Rate	Family	Stabilized																		
074	Saltmeadow Bay Apartments	2003	2014	Market Rate	Family	Stabilized																		
075	Sea Pines Apartments	1966	2002	Restricted	Family	Stabilized						8												
076	South Beach Apartments	2002	2019	Market Rate	Family	Stabilized																		
078	Summer House Apartments	2013	na	Market Rate	Family	Stabilized																		
079	Thousand Oaks Apartments	1978	na	Market Rate	Family	Stabilized																		
082	Waterfront Apartments	1985	na	Market Rate	Family	Stabilized																		
083	Woodberry Forest Apartments	1972	2010	Market Rate	Family	Stabilized																		
084	27 Atlantic Apartments	2020	na	Market Rate	Family	Lease Up								20									7	
094	Seaside Harbor Apartments	2018	na	Restricted	Family	Stabilized																		
099	Pinnacle (The) on 31st Street	2022	na	Market Rate	Family	Construction																		
Total														8										8

Source: Allen & Associates

Demand Estimate, 0-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 0-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 38 units, 38 of which are anticipated to be vacant on market entry in 2023. Our analysis assumes a 35% income qualification ratio and 1-person households.

Unit Details	
Target Population	Family Households
Unit Type	0-Bedroom
Rent Type	Subsidized
Income Limit	60% of AMI
Total Units	38
Vacant Units at Market Entry	38

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$0
Gross Rent	\$0
Income Qualification Ratio	35%
Minimum Qualified Income	\$0
Months/Year	12
Minimum Qualified Income	\$0

Renter Households, by Income, by Size								
2023								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	606	127	131	150	60	33
\$0	to	\$19,999	1,474	556	318	248	85	40
\$0	to	\$29,999	2,623	1,139	790	373	199	109
\$0	to	\$39,999	3,638	1,719	1,217	578	289	166
\$0	to	\$49,999	4,697	2,332	1,551	775	379	211
\$0	to	\$59,999	5,276	3,082	1,938	1,076	540	299
\$0	to	\$74,999	5,937	3,883	2,403	1,436	664	370
\$0	to	\$99,999	6,486	4,782	2,772	1,764	841	470
\$0	to	\$124,999	6,682	5,177	3,055	1,929	882	483
\$0	to	\$149,999	6,817	5,436	3,236	2,053	902	487
\$0	to	\$199,999	6,992	5,631	3,351	2,101	914	490
\$0	or	more	7,087	5,853	3,421	2,117	966	510

Maximum Allowable Income								
			1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income			\$35,520	\$40,560	\$45,660	\$50,700	\$54,780	\$58,860

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

Demand Estimate								
			1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income			3,181	0	0	0	0	0
HH Below Minimum Income			0	0	0	0	0	0
Subtotal			3,181	0	0	0	0	0

Demand Estimate 3,181

Our analysis suggests demand for a total of 3,181 size- and income-qualified units in the market area.

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

Demand Estimate, Subsidized

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

Renter Households, by Income, by Size								
			2023					
2022		\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	606	127	131	150	60	33
\$0	to	\$19,999	1,474	556	318	248	85	40
\$0	to	\$29,999	2,623	1,139	790	373	199	109
\$0	to	\$39,999	3,638	1,719	1,217	578	289	166
\$0	to	\$49,999	4,697	2,332	1,551	775	379	211
\$0	to	\$59,999	5,276	3,082	1,938	1,076	540	299
\$0	to	\$74,999	5,937	3,883	2,403	1,436	664	370
\$0	to	\$99,999	6,486	4,782	2,772	1,764	841	470
\$0	to	\$124,999	6,682	5,177	3,055	1,929	882	483
\$0	to	\$149,999	6,817	5,436	3,236	2,053	902	487
\$0	to	\$199,999	6,992	5,631	3,351	2,101	914	490
\$0	or	more	7,087	5,853	3,421	2,117	966	510

Demand Estimate, Subsidized							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	\$35,520	-	-	-	-	-	-
Maximum Income, 1BR	-	-	-	-	-	-	-
Maximum Income, 2BR	-	-	-	-	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$35,520	-	-	-	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	-	-	-	-	-	-	-
Minimum Income, 2BR	-	-	-	-	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	-	-	-	-	-	-	-
HH Below Upper Income	3,181	0	0	0	0	0	0
HH Below Lower Income	0	0	0	0	0	0	0
Subtotal	3,181	0	0	0	0	0	0
Demand Estimate	3,181						

Our analysis suggests demand for a total of 3,181 size- and income-qualified units in the market area.

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

Demand Estimate, Project-Level

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

		Renter Households, by Income, by Size						
		2023						
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to \$9,999	606	127	131	150	60	33	
\$0	to \$19,999	1,474	556	318	248	85	40	
\$0	to \$29,999	2,623	1,139	790	373	199	109	
\$0	to \$39,999	3,638	1,719	1,217	578	289	166	
\$0	to \$49,999	4,697	2,332	1,551	775	379	211	
\$0	to \$59,999	5,276	3,082	1,938	1,076	540	299	
\$0	to \$74,999	5,937	3,883	2,403	1,436	664	370	
\$0	to \$99,999	6,486	4,782	2,772	1,764	841	470	
\$0	to \$124,999	6,682	5,177	3,055	1,929	882	483	
\$0	to \$149,999	6,817	5,436	3,236	2,053	902	487	
\$0	to \$199,999	6,992	5,631	3,351	2,101	914	490	
\$0	or more	7,087	5,853	3,421	2,117	966	510	

Demand Estimate, Project-Level						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Income, Subsidized	\$35,520	-	-	-	-	-
Maximum Income, 30% of AMI	-	-	-	-	-	-
Maximum Income, 40% of AMI	-	-	-	-	-	-
Maximum Income, 50% of AMI	-	-	-	-	-	-
Maximum Income, 60% of AMI	-	-	-	-	-	-
Maximum Income, 70% of AMI	-	-	-	-	-	-
Maximum Income, 80% of AMI	-	-	-	-	-	-
Maximum Income, Market Rate	-	-	-	-	-	-
Maximum Allowable Income	\$35,520	-	-	-	-	-
Minimum Income, Subsidized	-	-	-	-	-	-
Minimum Income, 30% of AMI	-	-	-	-	-	-
Minimum Income, 40% of AMI	-	-	-	-	-	-
Minimum Income, 50% of AMI	-	-	-	-	-	-
Minimum Income, 60% of AMI	-	-	-	-	-	-
Minimum Income, 70% of AMI	-	-	-	-	-	-
Minimum Income, 80% of AMI	-	-	-	-	-	-
Minimum Income, Market Rate	-	-	-	-	-	-
Minimum Qualified Income	-	-	-	-	-	-
HH Below Upper Income	3,181	0	0	0	0	0
HH Below Lower Income	0	0	0	0	0	0
Subtotal	3,181	0	0	0	0	0

Demand Estimate 3,181

Our analysis suggests project-level demand for a total of 3,181 size- and income-qualified units in the market area.

Capture Rates

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

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR	38								38
1BR									
2BR									
3BR									
4BR									
Tot	38								38

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR	38								38
1BR									
2BR									
3BR									
4BR									
Tot	38								38

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

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

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR	3,181								3,181
1BR									
2BR									
3BR									
4BR									
Tot	3,181								3,181

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

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR	1.2%								1.2%
1BR									
2BR									
3BR									
4BR									
Tot	1.2%								1.2%

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

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

Vacant Competing & Pipeline Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR									
2BR									
3BR									
4BR									
Tot									

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

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

Net Demand (Gross Demand - Vacant Competing & Pipeline Units)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR	3,181								3,181
1BR									
2BR									
3BR									
4BR									
Tot	3,181								3,181

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

Capture Rates (Subject Property Units / Net Demand)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR	1.2%								1.2%
1BR									
2BR									
3BR									
4BR									
Tot	1.2%								1.2%

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

Penetration Rates

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

Subject Property Units (Total)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR	38								38
1BR									
2BR									
3BR									
4BR									
Tot	38								38

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

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

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

Gross Demand									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR	3,181								3,181
1BR									
2BR									
3BR									
4BR									
Tot	3,181								3,181

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

Competing & Pipeline Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR									
2BR									
3BR									
4BR									
Tot									

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

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

Inclusive Supply (Subject Property Units + Competing & Pipeline Units)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR	38								38
1BR									
2BR									
3BR									
4BR									
Tot	38								38

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

Penetration Rates (Inclusive Supply / Gross Demand)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR	1.2%								1.2%
1BR									
2BR									
3BR									
4BR									
Tot	1.2%								1.2%

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

Absorption Period

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

Subject Property Units (Total)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR	38							
1BR								
2BR								
3BR								
4BR								

Subject Property Units (Vacant at Market Entry)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR	38							
1BR								
2BR								
3BR								
4BR								

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

Gross Demand								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR	3,181							
1BR								
2BR								
3BR								
4BR								

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

Annual Growth & Movership Rate	
Growth	0.6%
Movership	39.0%
Total	39.6%

Growth & Movership Estimate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR	1,259							
1BR								
2BR								
3BR								
4BR								

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

Secondary Market Area	
	20%

Growth & Movership Estimate

	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR	1,573							
1BR								
2BR								
3BR								
4BR								

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

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

Competing Properties

	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR					1			4
1BR	3		1	1	5			37
2BR	4		2	2	8			49
3BR	3		2	2	7			27
4BR	1				2			2

Fair Share

	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR	10.0%							
1BR								
2BR								
3BR								
4BR								

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

Monthly Absorption Rate Estimate

	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR	13.1							
1BR								
2BR								
3BR								
4BR								

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

Rental Property Inventory, Confirmed, Inside Market Area, Family, Stabilized Occupancy

	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR					100%			99%
1BR	100%		100%	100%	99%			97%
2BR	100%		100%	100%	100%			96%
3BR	100%		100%	100%	100%			95%
4BR	100%				100%			97%

Occupancy Rate, Select Comparables								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR					100%			97%
1BR	100%		100%		99%			97%
2BR								
3BR								
4BR								

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

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

Occupied Units at Stabilization								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR	37							
1BR								
2BR								
3BR								
4BR								

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

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

Our analysis suggests that the subject property will stabilize at 97 percent occupancy. We estimate 3 months of absorption and an average absorption rate of 13.1 units per month for this project. In our opinion, the absorption period suggests an appropriate number and mix of units for the subject property.

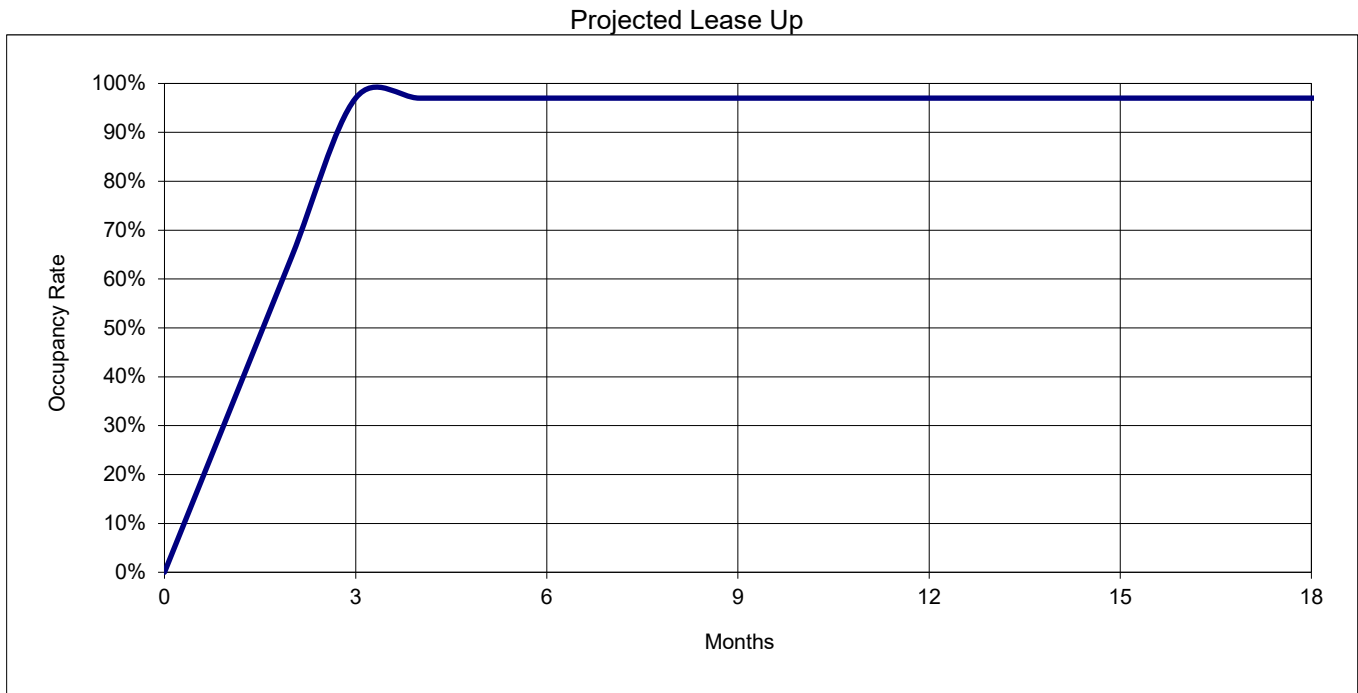
Absorption rates for multifamily properties depend on a variety of factors: (1) The competitive environment in which the property resides; (2) The pricing of the subject property units relative to competing units, (3) The presence of rent or income restrictions at the subject property; and (4) The availability of any rent concessions or rental assistance at the subject property. Subsidized properties normally lease up at a rate of 15-20 units per month. Unsubsidized properties with rent and income restrictions typically fill at a rate of 5-10 units per month. Market rate properties normally lease up at a rate of 10-15 units per month.

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

Key	Project	Built	Renovated	Rent Type	Occ Type	Tot Units	Ab Rte
078	Summer House Apartments	2013	na	Market Rate	Family	178	26.7

Absorption Analysis

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



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

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

VHDA DEMAND ANALYSIS

Overview

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

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

2022 \$		Renter Households, by Income, by Size							Total
		2022							
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person		
\$0	to \$9,999	602	126	131	149	59	33	1,100	
\$0	to \$19,999	1,465	553	316	247	84	40	2,706	
\$0	to \$29,999	2,607	1,132	785	370	198	108	5,200	
\$0	to \$39,999	3,616	1,708	1,210	574	287	165	7,560	
\$0	to \$49,999	4,668	2,318	1,541	770	377	210	9,885	
\$0	to \$59,999	5,244	3,063	1,926	1,070	536	297	12,136	
\$0	to \$74,999	5,901	3,860	2,389	1,427	660	368	14,605	
\$0	to \$99,999	6,447	4,753	2,755	1,754	836	467	17,011	
\$0	to \$124,999	6,641	5,146	3,036	1,917	877	480	18,098	
\$0	to \$149,999	6,776	5,403	3,216	2,041	897	484	18,816	
\$0	to \$199,999	6,949	5,597	3,331	2,089	909	487	19,362	
\$0	or more	7,044	5,818	3,400	2,105	961	507	19,834	

Source: ESRI & Ribbon Demographics

Demand Estimate, 0-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 0-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 38 units, 38 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 1-person households.

Unit Details	
Target Population	Family Households
Unit Type	0-Bedroom
Rent Type	Subsidized
Income Limit	60% of AMI
Total Units	38
Vacant Units at Market Entry	38

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$0
Gross Rent	\$0
Income Qualification Ratio	35%
Minimum Qualified Income	\$0
Months/Year	12
Minimum Qualified Income	\$0

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	602	126	131	149	59	33
\$0	to	\$19,999	1,465	553	316	247	84	40
\$0	to	\$29,999	2,607	1,132	785	370	198	108
\$0	to	\$39,999	3,616	1,708	1,210	574	287	165
\$0	to	\$49,999	4,668	2,318	1,541	770	377	210
\$0	to	\$59,999	5,244	3,063	1,926	1,070	536	297
\$0	to	\$74,999	5,901	3,860	2,389	1,427	660	368
\$0	to	\$99,999	6,447	4,753	2,755	1,754	836	467
\$0	to	\$124,999	6,641	5,146	3,036	1,917	877	480
\$0	to	\$149,999	6,776	5,403	3,216	2,041	897	484
\$0	to	\$199,999	6,949	5,597	3,331	2,089	909	487
\$0	or	more	7,044	5,818	3,400	2,105	961	507

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$35,520	\$40,560	\$45,660	\$50,700	\$54,780	\$58,860	

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

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	3,162	0	0	0	0	0
HH Below Minimum Income	0	0	0	0	0	0
Subtotal	3,162	0	0	0	0	0

Demand Estimate 3,162

Our analysis suggests demand for a total of 3,162 size- and income-qualified units in the market area.

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

Demand Estimate, Subsidized

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

Renter Households, by Income, by Size								
2022								
	2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	602	126	131	149	59	33
\$0	to	\$19,999	1,465	553	316	247	84	40
\$0	to	\$29,999	2,607	1,132	785	370	198	108
\$0	to	\$39,999	3,616	1,708	1,210	574	287	165
\$0	to	\$49,999	4,668	2,318	1,541	770	377	210
\$0	to	\$59,999	5,244	3,063	1,926	1,070	536	297
\$0	to	\$74,999	5,901	3,860	2,389	1,427	660	368
\$0	to	\$99,999	6,447	4,753	2,755	1,754	836	467
\$0	to	\$124,999	6,641	5,146	3,036	1,917	877	480
\$0	to	\$149,999	6,776	5,403	3,216	2,041	897	484
\$0	to	\$199,999	6,949	5,597	3,331	2,089	909	487
\$0	or	more	7,044	5,818	3,400	2,105	961	507

Demand Estimate, Subsidized							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	\$35,520	-	-	-	-	-	-
Maximum Income, 1BR	-	-	-	-	-	-	-
Maximum Income, 2BR	-	-	-	-	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$35,520	-	-	-	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	-	-	-	-	-	-	-
Minimum Income, 2BR	-	-	-	-	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	-	-	-	-	-	-	-
HH Below Upper Income	3,162	0	0	0	0	0	0
HH Below Lower Income	0	0	0	0	0	0	0
Subtotal	3,162	0	0	0	0	0	0
Demand Estimate	3,162						

Our analysis suggests demand for a total of 3,162 size- and income-qualified units in the market area.

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

Demand Estimate

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

Income Qualified Renter Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	3,162							

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

Annual Renter Household Growth Rate								
0.6%								
New Rental Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	39							

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

Overburdened Renter Households								
29.2%								
Existing Households - Rent Overburdened								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	922							

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

Substandard Renter Households								
5.8%								
Existing Households - Substandard								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	183							

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

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

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

Subject Property Units (Total)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	38							
Existing Qualifying Tenants Likely to Remain after Renovation								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot								

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

Total Demand								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	1,144							

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

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

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

Net Demand (Total Demand - Vacant Competing & Pipeline Units)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	1,144							

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

Capture Rates (Subject Property Units / Net Demand)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	3.3%							

Our findings are summarized below.

Project-Wide Capture Rate - LIHTC Units	3.3%
Project-Wide Capture Rate - Market Units	
Project-Wide Capture Rate - All Units	3.3%
Project-Wide Absorption Period (Months)	3 months

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

VHDA DEMAND ANALYSIS (UNSUBSIDIZED)

Overview

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

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

2022 \$		Renter Households, by Income, by Size							Total
		2022							
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person		
\$0	to \$9,999	602	126	131	149	59	33	1,100	
\$0	to \$19,999	1,465	553	316	247	84	40	2,706	
\$0	to \$29,999	2,607	1,132	785	370	198	108	5,200	
\$0	to \$39,999	3,616	1,708	1,210	574	287	165	7,560	
\$0	to \$49,999	4,668	2,318	1,541	770	377	210	9,885	
\$0	to \$59,999	5,244	3,063	1,926	1,070	536	297	12,136	
\$0	to \$74,999	5,901	3,860	2,389	1,427	660	368	14,605	
\$0	to \$99,999	6,447	4,753	2,755	1,754	836	467	17,011	
\$0	to \$124,999	6,641	5,146	3,036	1,917	877	480	18,098	
\$0	to \$149,999	6,776	5,403	3,216	2,041	897	484	18,816	
\$0	to \$199,999	6,949	5,597	3,331	2,089	909	487	19,362	
\$0	or more	7,044	5,818	3,400	2,105	961	507	19,834	

Source: ESRI & Ribbon Demographics

Demand Estimate, 0-Bedroom, Restricted, 40% of AMI

In this section we estimate demand for the 0-Bedroom / Restricted / 40% of AMI units at the subject property. Our analysis assumes a total of 6 units, 6 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 1-person households.

Unit Details	
Target Population	Family Households
Unit Type	0-Bedroom
Rent Type	Restricted
Income Limit	40% of AMI
Total Units	6
Vacant Units at Market Entry	6

Minimum Qualified Income	
Net Rent	\$592
Utilities	\$0
Gross Rent	\$592
Income Qualification Ratio	35%
Minimum Qualified Income	\$1,691
Months/Year	12
Minimum Qualified Income	\$20,297

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	602	126	131	149	59	33
\$0	to	\$19,999	1,465	553	316	247	84	40
\$0	to	\$29,999	2,607	1,132	785	370	198	108
\$0	to	\$39,999	3,616	1,708	1,210	574	287	165
\$0	to	\$49,999	4,668	2,318	1,541	770	377	210
\$0	to	\$59,999	5,244	3,063	1,926	1,070	536	297
\$0	to	\$74,999	5,901	3,860	2,389	1,427	660	368
\$0	to	\$99,999	6,447	4,753	2,755	1,754	836	467
\$0	to	\$124,999	6,641	5,146	3,036	1,917	877	480
\$0	to	\$149,999	6,776	5,403	3,216	2,041	897	484
\$0	to	\$199,999	6,949	5,597	3,331	2,089	909	487
\$0	or	more	7,044	5,818	3,400	2,105	961	507

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$23,680	\$27,040	\$30,440	\$33,800	\$36,520	\$39,240	

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

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	1,865	0	0	0	0	0
HH Below Minimum Income	1,465	0	0	0	0	0
Subtotal	400	0	0	0	0	0

Demand Estimate 400

Our analysis suggests demand for a total of 400 size- and income-qualified units in the market area.

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

Demand Estimate, 0-Bedroom, Restricted, 50% of AMI

In this section we estimate demand for the 0-Bedroom / Restricted / 50% of AMI units at the subject property. Our analysis assumes a total of 13 units, 13 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 1-person households.

Unit Details	
Target Population	Family Households
Unit Type	0-Bedroom
Rent Type	Restricted
Income Limit	50% of AMI
Total Units	13
Vacant Units at Market Entry	13

Minimum Qualified Income	
Net Rent	\$740
Utilities	\$0
Gross Rent	\$740
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,114
Months/Year	12
Minimum Qualified Income	\$25,371

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	602	126	131	149	59	33
\$0	to	\$19,999	1,465	553	316	247	84	40
\$0	to	\$29,999	2,607	1,132	785	370	198	108
\$0	to	\$39,999	3,616	1,708	1,210	574	287	165
\$0	to	\$49,999	4,668	2,318	1,541	770	377	210
\$0	to	\$59,999	5,244	3,063	1,926	1,070	536	297
\$0	to	\$74,999	5,901	3,860	2,389	1,427	660	368
\$0	to	\$99,999	6,447	4,753	2,755	1,754	836	467
\$0	to	\$124,999	6,641	5,146	3,036	1,917	877	480
\$0	to	\$149,999	6,776	5,403	3,216	2,041	897	484
\$0	to	\$199,999	6,949	5,597	3,331	2,089	909	487
\$0	or	more	7,044	5,818	3,400	2,105	961	507

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$29,600	\$33,800	\$38,050	\$42,250	\$45,650	\$49,050	

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

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	2,550	0	0	0	0	0
HH Below Minimum Income	2,036	0	0	0	0	0
Subtotal	514	0	0	0	0	0

Demand Estimate 514

Our analysis suggests demand for a total of 514 size- and income-qualified units in the market area.

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

Demand Estimate, 0-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 0-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 19 units, 19 of which are anticipated to be vacant on market entry in 2022. Our analysis assumes a 35% income qualification ratio and 1-person households.

Unit Details	
Target Population	Family Households
Unit Type	0-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	19
Vacant Units at Market Entry	19

Minimum Qualified Income	
Net Rent	\$800
Utilities	\$0
Gross Rent	\$800
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,286
Months/Year	12
Minimum Qualified Income	\$27,429

Renter Households, by Income, by Size								
2022								
2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	602	126	131	149	59	33
\$0	to	\$19,999	1,465	553	316	247	84	40
\$0	to	\$29,999	2,607	1,132	785	370	198	108
\$0	to	\$39,999	3,616	1,708	1,210	574	287	165
\$0	to	\$49,999	4,668	2,318	1,541	770	377	210
\$0	to	\$59,999	5,244	3,063	1,926	1,070	536	297
\$0	to	\$74,999	5,901	3,860	2,389	1,427	660	368
\$0	to	\$99,999	6,447	4,753	2,755	1,754	836	467
\$0	to	\$124,999	6,641	5,146	3,036	1,917	877	480
\$0	to	\$149,999	6,776	5,403	3,216	2,041	897	484
\$0	to	\$199,999	6,949	5,597	3,331	2,089	909	487
\$0	or	more	7,044	5,818	3,400	2,105	961	507

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$35,520	\$40,560	\$45,660	\$50,700	\$54,780	\$58,860	

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

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	3,162	0	0	0	0	0
HH Below Minimum Income	2,264	0	0	0	0	0
Subtotal	898	0	0	0	0	0

Demand Estimate 898

Our analysis suggests demand for a total of 898 size- and income-qualified units in the market area.

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

Demand Estimate, Restricted, 40% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 40% of AMI at the subject property.

Renter Households, by Income, by Size								
2022								
	2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	602	126	131	149	59	33
\$0	to	\$19,999	1,465	553	316	247	84	40
\$0	to	\$29,999	2,607	1,132	785	370	198	108
\$0	to	\$39,999	3,616	1,708	1,210	574	287	165
\$0	to	\$49,999	4,668	2,318	1,541	770	377	210
\$0	to	\$59,999	5,244	3,063	1,926	1,070	536	297
\$0	to	\$74,999	5,901	3,860	2,389	1,427	660	368
\$0	to	\$99,999	6,447	4,753	2,755	1,754	836	467
\$0	to	\$124,999	6,641	5,146	3,036	1,917	877	480
\$0	to	\$149,999	6,776	5,403	3,216	2,041	897	484
\$0	to	\$199,999	6,949	5,597	3,331	2,089	909	487
\$0	or	more	7,044	5,818	3,400	2,105	961	507

Demand Estimate, Restricted, 40% of AMI								
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person		
Maximum Income, 0BR	\$23,680	-	-	-	-	-	-	
Maximum Income, 1BR	-	-	-	-	-	-	-	
Maximum Income, 2BR	-	-	-	-	-	-	-	
Maximum Income, 3BR	-	-	-	-	-	-	-	
Maximum Income, 4BR	-	-	-	-	-	-	-	
Maximum Allowable Income	\$23,680	-	-	-	-	-	-	
Minimum Income, 0BR	\$20,297	-	-	-	-	-	-	
Minimum Income, 1BR	-	-	-	-	-	-	-	
Minimum Income, 2BR	-	-	-	-	-	-	-	
Minimum Income, 3BR	-	-	-	-	-	-	-	
Minimum Income, 4BR	-	-	-	-	-	-	-	
Minimum Qualified Income	\$20,297	-	-	-	-	-	-	
HH Below Upper Income	1,865	0	0	0	0	0	0	
HH Below Lower Income	1,465	0	0	0	0	0	0	
Subtotal	400	0	0	0	0	0	0	
Demand Estimate								400

Our analysis suggests demand for a total of 400 size- and income-qualified units in the market area.

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

Demand Estimate, Restricted, 50% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 50% of AMI at the subject property.

Renter Households, by Income, by Size								
2022								
	2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	602	126	131	149	59	33
\$0	to	\$19,999	1,465	553	316	247	84	40
\$0	to	\$29,999	2,607	1,132	785	370	198	108
\$0	to	\$39,999	3,616	1,708	1,210	574	287	165
\$0	to	\$49,999	4,668	2,318	1,541	770	377	210
\$0	to	\$59,999	5,244	3,063	1,926	1,070	536	297
\$0	to	\$74,999	5,901	3,860	2,389	1,427	660	368
\$0	to	\$99,999	6,447	4,753	2,755	1,754	836	467
\$0	to	\$124,999	6,641	5,146	3,036	1,917	877	480
\$0	to	\$149,999	6,776	5,403	3,216	2,041	897	484
\$0	to	\$199,999	6,949	5,597	3,331	2,089	909	487
\$0	or	more	7,044	5,818	3,400	2,105	961	507

Demand Estimate, Restricted, 50% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	\$29,600	-	-	-	-	-	-
Maximum Income, 1BR	-	-	-	-	-	-	-
Maximum Income, 2BR	-	-	-	-	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$29,600	-	-	-	-	-	-
Minimum Income, 0BR	\$25,371	-	-	-	-	-	-
Minimum Income, 1BR	-	-	-	-	-	-	-
Minimum Income, 2BR	-	-	-	-	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$25,371	-	-	-	-	-	-
HH Below Upper Income	2,550	0	0	0	0	0	0
HH Below Lower Income	2,036	0	0	0	0	0	0
Subtotal	514	0	0	0	0	0	0
Demand Estimate	514						

Our analysis suggests demand for a total of 514 size- and income-qualified units in the market area.

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

Demand Estimate, Restricted, 60% of AMI

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

Renter Households, by Income, by Size								
2022								
	2022	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	602	126	131	149	59	33
\$0	to	\$19,999	1,465	553	316	247	84	40
\$0	to	\$29,999	2,607	1,132	785	370	198	108
\$0	to	\$39,999	3,616	1,708	1,210	574	287	165
\$0	to	\$49,999	4,668	2,318	1,541	770	377	210
\$0	to	\$59,999	5,244	3,063	1,926	1,070	536	297
\$0	to	\$74,999	5,901	3,860	2,389	1,427	660	368
\$0	to	\$99,999	6,447	4,753	2,755	1,754	836	467
\$0	to	\$124,999	6,641	5,146	3,036	1,917	877	480
\$0	to	\$149,999	6,776	5,403	3,216	2,041	897	484
\$0	to	\$199,999	6,949	5,597	3,331	2,089	909	487
\$0	or	more	7,044	5,818	3,400	2,105	961	507

Demand Estimate, Restricted, 60% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	\$35,520	-	-	-	-	-	-
Maximum Income, 1BR	-	-	-	-	-	-	-
Maximum Income, 2BR	-	-	-	-	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$35,520	-	-	-	-	-	-
Minimum Income, 0BR	\$27,429	-	-	-	-	-	-
Minimum Income, 1BR	-	-	-	-	-	-	-
Minimum Income, 2BR	-	-	-	-	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$27,429	-	-	-	-	-	-
HH Below Upper Income	3,162	0	0	0	0	0	0
HH Below Lower Income	2,264	0	0	0	0	0	0
Subtotal	898	0	0	0	0	0	0
Demand Estimate	898						

Our analysis suggests demand for a total of 898 size- and income-qualified units in the market area.

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

Demand Estimate

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

Income Qualified Renter Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			400	514	898			

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

Annual Renter Household Growth Rate								
0.6%								
New Rental Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			5	6	11			

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

Overburdened Renter Households								
29.2%								
Existing Households - Rent Overburdened								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			117	150	262			

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

Substandard Renter Households								
5.8%								
Existing Households - Substandard								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			23	30	52			

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

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

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

Subject Property Units (Total)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			6	13	19			
Existing Qualifying Tenants Likely to Remain after Renovation								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot								

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

Total Demand								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			145	186	325			

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

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

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

Net Demand (Total Demand - Vacant Competing & Pipeline Units)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			145	186	325			

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

Capture Rates (Subject Property Units / Net Demand)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			4.1%	7.0%	5.8%			

Our findings are summarized below.

Project-Wide Capture Rate - LIHTC Units	5.8%
Project-Wide Capture Rate - Market Units	
Project-Wide Capture Rate - All Units	5.8%
Project-Wide Absorption Period (Months)	3 months

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

RENT COMPARABLES, MARKET RATE

Project Information

Property Name	Aqua on 25th Street
Street Number	300
Street Name	25th
Street Type	Street
City	Virginia Beach
State	Virginia
Zip	23451
Phone Number	(757) 486-1000
Year Built	2016
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	na
Other Fees	\$700
Waiting List	na
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.8527
Longitude	-75.9815
Nearest Crossroads	
AAC Code	22-015 002

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Sandra, Manager
Phone Number	(757) 330-4015
Interview Date	01-Feb-22
Interviewed By	AK

Rent reflects special pricing on select 2BR units of \$100 off (we applied the discount to all vacant units at this time, since contact could not supply which ones had the discount). New apartments nearby 27 Atlantic, which we have included in our study. Pinnacle on 31st is scheduled to open late 2022 or early 2023 is also owned by Breeden

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
0	1.0	437	Garden/Flat	Mar	Mar	No	No	8		\$1,460		\$1,460	\$94	\$1,554
0	1.0	705	Townhome	Mar	Mar	No	No	2		\$1,660		\$1,660	\$102	\$1,762
1	1.0	640	Garden/Flat	Mar	Mar	No	No	24		\$1,660		\$1,660	\$103	\$1,763
1	1.0	722	Garden/Flat	Mar	Mar	No	No	12		\$1,710		\$1,710	\$103	\$1,813
1	1.0	823	Garden/Flat	Mar	Mar	No	No	6		\$1,860		\$1,860	\$103	\$1,963
2	2.0	833	Garden/Flat	Mar	Mar	No	No	24		\$1,860		\$1,860	\$131	\$1,991
2	2.0	1175	Garden/Flat	Mar	Mar	No	No	12	5	\$2,210	\$100	\$2,110	\$131	\$2,241
2	2.0	1183	Garden/Flat	Mar	Mar	No	No	12	1	\$2,310	\$100	\$2,210	\$131	\$2,341
2	2.0	1193	Garden/Flat	Mar	Mar	No	No	12	1	\$2,310	\$100	\$2,210	\$131	\$2,341
2	2.0	1276	Garden/Flat	Mar	Mar	No	No	11	1	\$2,360	\$100	\$2,260	\$131	\$2,391
3	2.0	1784	Garden/Flat	Mar	Mar	No	No	24		\$3,910		\$3,910	\$164	\$4,074
Total / Average		1,043				146		147	8	\$2,265	\$32	\$2,233	\$126	\$2,359

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	yes	no
Sewer	yes	no
Trash	no	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	4.00	3.00
Comp vs. Subject	Superior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	4.00	3.50
Comp vs. Subject	Superior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.30	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.50	3.30
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2016	2022
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	yes	no
Billiard/Game	yes	no
Bus/Comp Ctr	yes	no
Car Care Ctr	yes	no
Comm Center	yes	yes
Elevator	yes	yes
Fitness Ctr	yes	no
Gazebo/Patio	yes	yes
Hot Tub/Jacuzzi	yes	no
Herb Garden	no	yes
Horseshoes	no	no
Lake	yes	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	yes
Playground	no	no
Pool	yes	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Superior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	no
Storage	no	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	no
Microwave	yes	yes
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	yes	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	some	yes
None	no	no
Comp vs. Subject	Superior	

Laundry		
Amenity	Comp	Subj
Central	no	yes
W/D Units	yes	no
W/D Hookups	no	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	yes	yes
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	na	na
Concierge	na	na
Hair Salon	na	na
Health Care	na	na
Housekeeping	na	na
Meals	na	na
Transportation	na	na
Comp vs. Subject	Similar	

Aqua on 25th Street is an existing multifamily development located at 300 25th Street in Virginia Beach, Virginia. The property, which consists of 147 apartment units, was originally constructed in 2016 with conventional financing. All units are set aside as market rate units. The property currently stands at 95 percent occupancy.

Project Information

Property Name	Indigo 19 Apartments
Street Number	1940
Street Name	Pavilion
Street Type	Drive
City	Virginia Beach
State	Virginia
Zip	23451
Phone Number	(757) 301-4225
Year Built	2013
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	\$300
Other Fees	\$250
Waiting List	no
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.8455
Longitude	-75.9929
Nearest Crossroads	19th St. & Birdneck Rd.
AAC Code	22-015 066

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Tashawni, Manager
Phone Number	(757) 301-4225
Interview Date	01-Feb-22
Interviewed By	AK

Rents reflect special pricing of \$1000 off first month rent on select units (we applied the discount to all vacant units at this time, since contact could not supply which ones had the discount). Lounge area has a fire pit. Parking is located on the 1st floor of the building. There are no new apartments or businesses nearby.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent	
0	1.0	569	Garden/Flat	Mar	Mar	No	No	28	1	\$1,537	\$83	\$1,454	\$94	\$1,548	
1	1.0	755	Garden/Flat	Mar	Mar	No	No	23		\$1,756		\$1,756	\$103	\$1,859	
1	1.0	755	Garden/Flat	Mar	Mar	No	No	23	1	\$1,766	\$83	\$1,683	\$103	\$1,786	
1	1.0	810	Garden/Flat	Mar	Mar	No	No	24	3	\$1,863	\$83	\$1,780	\$103	\$1,883	
2	2.0	1113	Garden/Flat	Mar	Mar	No	No	30	1	\$1,736	\$83	\$1,653	\$131	\$1,784	
2	2.0	1087	Garden/Flat	Mar	Mar	No	No	30		\$1,809		\$1,809	\$131	\$1,940	
2	2.0	1209	Garden/Flat	Mar	Mar	No	No	30		\$1,897		\$1,897	\$131	\$2,028	
3	2.0	1537	Garden/Flat	Mar	Mar	No	No	8	1	\$2,518	\$83	\$2,435	\$164	\$2,599	
Total / Average		942						148	196	7	\$1,797	\$48	\$1,749	\$117	\$1,866

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	yes	no
Sewer	yes	no
Trash	no	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.25	3.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.50	3.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.70	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.60	3.30
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.75	4.50
Comp vs. Subject	Superior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2013	2022
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	yes	no
Billiard/Game	yes	no
Bus/Comp Ctr	yes	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	yes	yes
Fitness Ctr	yes	no
Gazebo/Patio	yes	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	yes
Horseshoes	no	no
Lake	no	no
Library	yes	no
Movary/Media Ctr	yes	no
Picnic Area	yes	yes
Playground	no	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Superior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	no
Storage	no	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	no
Microwave	yes	yes
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	no	yes
W/D Units	yes	no
W/D Hookups	no	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	yes	yes
Courtesy Officer	yes	no
Monitoring	yes	yes
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Superior	

Services		
Amenity	Comp	Subj
After School	na	na
Concierge	na	na
Hair Salon	na	na
Health Care	na	na
Housekeeping	na	na
Meals	na	na
Transportation	na	na
Comp vs. Subject	Similar	

Indigo 19 Apartments is an existing multifamily development located at 1940 Pavilion Drive in Virginia Beach, Virginia. The property, which consists of 196 apartment units, was originally constructed in 2013 with conventional financing. All units are set aside as market rate units. The property currently stands at 96 percent occupancy.

Project Information

Property Name	Saltmeadow Bay Apartments
Street Number	757
Street Name	Saltmeadow Bay
Street Type	Drive
City	Virginia Beach
State	Virginia
Zip	23451
Phone Number	(757) 965-8580
Year Built	2003
Year Renovated	2014
Minimum Lease	12
Min. Security Dep.	\$400
Other Fees	\$300
Waiting List	no
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.8555
Longitude	-75.9875
Nearest Crossroads	na
AAC Code	22-015 074

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Samantha, Management
Phone Number	(757) 965-8580
Interview Date	07-Feb-22
Interviewed By	AK

In 2022, contact advised renovations started in 2014 are now 95% complete, with units now having washer and dryers. Contact advised of new properties, which are included in our study.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	850	Garden/Flat	Mar	Mar	No	No	57	1	\$1,662		\$1,662	\$103	\$1,765
1	1.0	974	Garden/Den	Mar	Mar	No	No	9	2	\$1,699		\$1,699	\$103	\$1,802
2	2.0	1178	Garden/Flat	Mar	Mar	No	No	7		\$1,995		\$1,995	\$131	\$2,126
2	2.0	1213	Garden/Flat	Mar	Mar	No	No	64	1	\$2,182		\$2,182	\$131	\$2,313
2	2.0	1252	Garden/Flat	Mar	Mar	No	No	1		\$2,403		\$2,403	\$131	\$2,534
2	2.0	1272	Garden/Flat	Mar	Mar	No	No	21	1	\$1,819		\$1,819	\$131	\$1,950
2	2.0	1297	Garden/Flat	Mar	Mar	No	No	3		\$2,296		\$2,296	\$131	\$2,427
2	2.0	1303	Garden/Flat	Mar	Mar	No	No	16	2	\$1,869		\$1,869	\$131	\$2,000
2	2.0	1348	Garden/Flat	Mar	Mar	No	No	3		\$2,451		\$2,451	\$131	\$2,582
2	2.0	1357	Garden/Flat	Mar	Mar	No	No	3		\$2,136		\$2,136	\$131	\$2,267
2	2.0	1369	Garden/Den	Mar	Mar	No	No	9		\$2,238		\$2,238	\$131	\$2,369
3	2.0	1756	Garden/Flat	Mar	Mar	No	No	4		\$3,137		\$3,137	\$164	\$3,301
3	2.5	1561	Garden/Flat	Mar	Mar	No	No	4	1	\$2,891		\$2,891	\$164	\$3,055
3	2.5	1580	Garden/Flat	Mar	Mar	No	No	28		\$2,285		\$2,285	\$164	\$2,449
Total / Average		1,195				150		229	8	\$2,022		\$2,022	\$128	\$2,150

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	yes	no
Sewer	yes	no
Trash	no	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.25	3.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.50	3.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.50	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.40	3.30
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.50	4.50
Comp vs. Subject	Similar	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2010	2022
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	yes	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	yes	yes
Fitness Ctr	yes	no
Gazebo/Patio	yes	yes
Hot Tub/Jacuzzi	yes	no
Herb Garden	no	yes
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	yes
Playground	no	no
Pool	yes	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Superior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	some	no
Patio/Balcony	yes	no
Storage	no	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	no
Microwave	yes	yes
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	no	yes
W/D Units	yes	no
W/D Hookups	no	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	yes	yes
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	na
Concierge	no	na
Hair Salon	no	na
Health Care	no	na
Housekeeping	no	na
Meals	no	na
Transportation	no	na
Comp vs. Subject	Similar	

Saltmeadow Bay Apartments is an existing multifamily development located at 757 Saltmeadow Bay Drive in Virginia Beach, Virginia. The property, which consists of 229 apartment units, was originally constructed in 2003 with conventional financing. All units are set aside as market rate units. The property currently stands at 97 percent occupancy.

Project Information

Property Name	South Beach Apartments
Street Number	400
Street Name	Eden Rock
Street Type	Circle
City	Virginia Beach
State	Virginia
Zip	23451
Phone Number	(757) 437-0001
Year Built	2002
Year Renovated	2019
Minimum Lease	12
Min. Security Dep.	\$350
Other Fees	
Waiting List	na
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.8459
Longitude	-75.9940
Nearest Crossroads	na
AAC Code	22-015 076

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Analyssa, Leasing Agent
Phone Number	(757) 437-0001
Interview Date	01-Feb-22
Interviewed By	AK

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	860	Garden/Flat	Mar	Mar	No	No	40	1	\$1,875		\$1,875	\$103	\$1,978
2	2.0	1141	Garden/Flat	Mar	Mar	No	No	67	1	\$1,855		\$1,855	\$131	\$1,986
2	2.0	1200	Garden/Flat	Mar	Mar	No	No	72	3	\$1,826		\$1,826	\$131	\$1,957
3	2.0	1368	Garden/Flat	Mar	Mar	No	No	33	4	\$2,106		\$2,106	\$164	\$2,270
Total / Average		1,143						162	9	\$1,888		\$1,888	\$131	\$2,019

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	yes	no
Sewer	yes	no
Trash	no	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.50	3.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.50	3.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.70	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.80	3.30
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2005	2022
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	yes	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	yes	yes
Fitness Ctr	yes	no
Gazebo/Patio	no	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	yes
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	yes
Playground	no	no
Pool	yes	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Superior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	no
Carpeting	yes	yes
Fireplace	some	no
Patio/Balcony	yes	no
Storage	no	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	no
Microwave	yes	yes
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	no	yes
W/D Units	yes	no
W/D Hookups	no	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	yes	yes
Courtesy Officer	yes	no
Monitoring	no	yes
Security Alarms	yes	no
Security Patrols	no	no
Comp vs. Subject	Superior	

Services		
Amenity	Comp	Subj
After School	no	na
Concierge	no	na
Hair Salon	no	na
Health Care	no	na
Housekeeping	no	na
Meals	no	na
Transportation	no	na
Comp vs. Subject	Similar	

South Beach Apartments is an existing multifamily development located at 400 Eden Rock Circle in Virginia Beach, Virginia. The property, which consists of 212 apartment units, was originally constructed in 2002 with conventional financing. All units are set aside as market rate units. The property currently stands at 96 percent occupancy.

Project Information

Property Name	Summer House Apartments
Street Number	332
Street Name	Laskin
Street Type	Road
City	Virginia Beach
State	Virginia
Zip	23451
Phone Number	(757) 963-6777
Year Built	2013
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	\$500
Other Fees	\$300
Waiting List	yes
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.8591
Longitude	-75.9810
Nearest Crossroads	na
AAC Code	22-015 078

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Fantasia, Leasing Agent
Phone Number	(757) 963-6777
Interview Date	01-Feb-22
Interviewed By	AK

In 2013, contact advised that the property has a pre-wired monitoring system that is both data and voice for each apartment. Tenant receives one parking space in the garage area but if they choose to rent another there is an additional fee of \$50. Contact advised of new apartments, which we have included in our study.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	545	Garden/Flat	Mar	Mar	No	No	18		\$1,495		\$1,495	\$103	\$1,598
1	1.0	672	Garden/Flat	Mar	Mar	No	No	18		\$1,510		\$1,510	\$103	\$1,613
1	1.0	746	Garden/Flat	Mar	Mar	No	No	18		\$1,625		\$1,625	\$103	\$1,728
2	2.0	1085	Garden/Flat	Mar	Mar	No	No	21	3	\$1,995		\$1,995	\$131	\$2,126
2	2.0	1119	Garden/Flat	Mar	Mar	No	No	21	3	\$1,970		\$1,970	\$131	\$2,101
2	2.0	1130	Garden/Flat	Mar	Mar	No	No	21	3	\$2,045		\$2,045	\$131	\$2,176
2	2.0	1185	Garden/Flat	Mar	Mar	No	No	21	4	\$1,930		\$1,930	\$131	\$2,061
2	2.0	1410	Garden/Flat	Mar	Mar	No	No	21	5	\$2,695		\$2,695	\$131	\$2,826
3	2.0	1610	Garden/Flat	Mar	Mar	No	No	19		\$3,045		\$3,045	\$164	\$3,209
Total / Average		1,070				154		178	18	\$2,048		\$2,048	\$126	\$2,174

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	yes	no
Sewer	yes	no
Trash	no	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	3.50	3.00
Comp vs. Subject	Superior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	3.50	3.50
Comp vs. Subject	Similar	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.90	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.00	3.30
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.75	4.50
Comp vs. Subject	Superior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2010	2022
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	yes	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	yes	yes
Fitness Ctr	yes	no
Gazebo/Patio	no	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	yes
Horseshoes	no	no
Lake	no	no
Library	no	no
Movie/Media Ctr	no	no
Picnic Area	yes	yes
Playground	no	no
Pool	yes	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Superior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	no
Storage	no	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	no
Microwave	yes	yes
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	yes	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	some	yes
None	no	no
Comp vs. Subject	Superior	

Laundry		
Amenity	Comp	Subj
Central	no	yes
W/D Units	yes	no
W/D Hookups	no	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	yes	yes
Courtesy Officer	no	no
Monitoring	yes	yes
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Similar	

Services		
Amenity	Comp	Subj
After School	na	na
Concierge	na	na
Hair Salon	na	na
Health Care	na	na
Housekeeping	na	na
Meals	na	na
Transportation	na	na
Comp vs. Subject	Similar	

Summer House Apartments is an existing multifamily development located at 332 Laskin Road in Virginia Beach, Virginia. The property, which consists of 178 apartment units, was originally constructed in 2013 with conventional financing. All units are set aside as market rate units. The property currently stands at 90 percent occupancy.

RENT COMPARABLES, RESTRICTED RENT

Project Information

Property Name	Green Lakes Apartments	
Street Number	3218	
Street Name	Green Lakes	
Street Type	Drive	
City	Virginia Beach	
State	Virginia	
Zip	23452	
Phone Number	(757) 340-0542	
Year Built	1977	
Year Renovated	2002	
Minimum Lease	12	
Min. Security Dep.	\$500	
Other Fees	\$35	
Waiting List	yes	
Project Rent	Restricted	
Project Type	Family	
Project Status	Stabilized	
Financing	2002	Tax Credit
Vouchers		3
Latitude		36.8122
Longitude		-76.0842
Nearest Crossroads		off Riverbend Road
AAC Code	22-015	032

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Desiree, Asst. Manager
Phone Number	(757) 340-0542
Interview Date	31-Jan-22
Interviewed By	PL

2002 TC's awarded for rehabilitation of this property without project based rental assistance. There are no new apartments or businesses nearby.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	682	Garden/Flat	60%	60%	No	No	20		\$818		\$818	\$133	\$951
2	1.0	745	Garden/Flat	60%	60%	No	No	32		\$968		\$968	\$173	\$1,141
2	1.0	836	Townhome	60%	60%	No	No	30		\$981		\$981	\$160	\$1,141
3	1.5	1128	Townhome	60%	60%	No	No	52		\$1,120		\$1,120	\$198	\$1,318
4	2.0	1330	Townhome	60%	60%	No	No	16		\$1,215		\$1,215	\$256	\$1,471
Total / Average		950						157		\$1,030		\$1,030	\$183	\$1,212

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	yes	no
Sewer	yes	no
Trash	no	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.00	3.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.00	3.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.60	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.00	3.30
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	2.50	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1990	2022
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	yes	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	yes
Fitness Ctr	no	no
Gazebo/Patio	no	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	yes
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	yes
Playground	yes	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	no	no
Storage	no	no
Comp vs. Subject	Similar	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	no
Microwave	no	yes
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	yes	no
Open	some	yes
None	no	no
Comp vs. Subject	Superior	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	some	no
W/D Hookups	some	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	no	yes
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	yes	no
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	na
Concierge	no	na
Hair Salon	no	na
Health Care	no	na
Housekeeping	no	na
Meals	no	na
Transportation	no	na
Comp vs. Subject	Similar	

Green Lakes Apartments is an existing multifamily development located at 3218 Green Lakes Drive in Virginia Beach, Virginia. The property, which consists of 150 apartment units, was originally constructed in 1977 . This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Lynnhaven Landing Apartments
Street Number	352
Street Name	Fernwood
Street Type	Court
City	Virginia Beach
State	Virginia
Zip	23454
Phone Number	(757) 486-4044
Year Built	1973
Year Renovated	2012
Minimum Lease	12
Min. Security Dep.	\$350
Other Fees	\$32
Waiting List	na
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	Bond
Vouchers	
Latitude	36.8519
Longitude	-76.0579
Nearest Crossroads	na
AAC Code	22-015 048

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Shivan, Leasing Agent
Phone Number	(757) 486-4044
Interview Date	31-Jan-22
Interviewed By	PL

Property financed with Bonds (tax exempt)|Bonds (taxable)|Conventional|. 101 units are at 60% of AMI with the remaining 151 units below 150% of AMI. Property has two non-revenue unit. Boat storage/parking area with drop-off dock to adjacent bay. 2010 renovations included countertops and cabinets in kitchen and bath.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	670	Garden/Flat	60%	60%	No	No	15		\$939		\$939	\$51	\$990
1	1.0	670	Garden/Flat	Mar	Mar	No	No	17	1	\$939		\$939	\$51	\$990
2	1.5	1150	Garden/Flat	60%	60%	No	No	69		\$1,039		\$1,039	\$68	\$1,107
2	1.5	1150	Garden/Flat	Mar	Mar	No	No	101		\$1,039		\$1,039	\$68	\$1,107
2	1.5	1025	Townhome	60%	60%	No	No	8		\$1,149		\$1,149	\$82	\$1,231
2	1.5	1025	Townhome	Mar	Mar	No	No	16		\$1,149		\$1,149	\$82	\$1,231
3	1.5	1450	Townhome	60%	60%	No	No	9		\$1,389		\$1,389	\$103	\$1,492
3	1.5	1450	Townhome	Mar	Mar	No	No	15		\$1,389		\$1,389	\$103	\$1,492
Total / Average		1,105						159		\$1,070		\$1,070	\$71	\$1,141

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	no	no
Sewer	no	no
Trash	no	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.50	3.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.50	3.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.20	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.60	3.30
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2002	2022
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	no	yes
Fitness Ctr	no	no
Gazebo/Patio	no	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	yes
Horseshoes	no	no
Lake	yes	no
Library	no	no
Movie/Media Ctr	no	no
Picnic Area	no	yes
Playground	yes	no
Pool	yes	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	no
Storage	yes	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	no
Microwave	no	yes
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	yes	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	yes	yes
Courtesy Officer	no	no
Monitoring	yes	yes
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Similar	

Services		
Amenity	Comp	Subj
After School	no	na
Concierge	no	na
Hair Salon	no	na
Health Care	no	na
Housekeeping	no	na
Meals	no	na
Transportation	no	na
Comp vs. Subject	Similar	

Lynnhaven Landing Apartments is an existing multifamily development located at 352 Fernwood Court in Virginia Beach, Virginia. The property, which consists of 250 apartment units, was originally constructed in 1973 . This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Sea Pines Apartments
Street Number	952
Street Name	Maximus
Street Type	Square
City	Virginia Beach
State	Virginia
Zip	23451
Phone Number	(757) 425-7519
Year Built	1966
Year Renovated	2002
Minimum Lease	12
Min. Security Dep.	\$300
Other Fees	\$32
Waiting List	no
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	2001 Tax Credit
Vouchers	10
Latitude	36.8488
Longitude	-75.9940
Nearest Crossroads	na
AAC Code	22-015 075

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Caitlin, Manager
Phone Number	(757) 425-7519
Interview Date	07-Feb-22
Interviewed By	PL

2001 TC's awarded for rehabilitation of this property without project based rental assistance. Rent on larger 2BR unit is less than smaller unit. Contact advised UA same for all unit sizes. There are no new apartments or businesses nearby.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
0	1.0	500	Garden/Flat	60%	60%	No	No	8		\$785		\$785	\$45	\$830
1	1.0	650	Garden/Flat	60%	60%	No	No	24		\$825		\$825	\$45	\$870
1	1.0	800	Garden/Flat	60%	60%	No	No	24	1	\$835		\$835	\$45	\$880
2	1.5	1025	Garden/Flat	60%	60%	No	No	40		\$1,021		\$1,021	\$45	\$1,066
Total / Average		831						161		\$906		\$906	\$45	\$951

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	no	no
Sewer	no	no
Trash	no	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	3.50	3.00
Comp vs. Subject	Superior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	3.50	3.50
Comp vs. Subject	Similar	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.30	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.50	3.30
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1995	2022
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	yes	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	yes
Fitness Ctr	no	no
Gazebo/Patio	no	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	yes
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	yes
Playground	yes	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	no
Storage	yes	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	no
Microwave	no	yes
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	no	yes
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	yes	no
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	na
Concierge	no	na
Hair Salon	no	na
Health Care	no	na
Housekeeping	no	na
Meals	no	na
Transportation	no	na
Comp vs. Subject	Similar	

Sea Pines Apartments is an existing multifamily development located at 952 Maximus Square in Virginia Beach, Virginia. The property, which consists of 96 apartment units, was originally constructed in 1966 . This property is currently operated as a rent restricted property. The property currently stands at 99 percent occupancy.

Project Information

Property Name	Seaside Harbor Apartments	
Street Number	1801	
Street Name	Mediterranean	
Street Type	Avenue	
City	Virginia Beach	
State	Virginia	
Zip	23451	
Phone Number	757.333.3443	
Year Built	2018	
Year Renovated	na	
Minimum Lease	12	
Min. Security Dep.	\$200	
Other Fees	\$35	
Waiting List	na	
Project Rent	Restricted	
Project Type	Family	
Project Status	Stabilized	
Financing	2016	Tax Credit
Vouchers	12	
Latitude	36.8455	
Longitude	-75.9812	
Nearest Crossroads	na	
AAC Code	22-015	094

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Julia, Manager	
Phone Number	757.333.3443	
Interview Date	08-Feb-22	
Interviewed By	PL	

2016 Tax Credits were awarded for new construction of this property with 8 units of PBRA. Community facilities will include an office, a clubhouse, a fitness center, laundry facilities, and an elevator. Three-story apartments over pedestal parking design.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	654	Garden/Flat	40%	40%	No	No	3		\$545		\$545	\$85	\$630
1	1.0	658	Garden/Flat	40%	40%	No	No	2		\$545		\$545	\$85	\$630
1	1.0	658	Garden/Flat	40%	40%	No	Yes	1		\$862		\$862	\$85	\$947
1	1.0	657	Garden/Flat	60%	60%	No	No	9		\$862		\$862	\$85	\$947
1	1.0	687	Garden/Flat	60%	60%	No	No	6		\$862		\$862	\$85	\$947
1	1.0	713	Garden/Flat	60%	60%	No	No	4		\$862		\$862	\$85	\$947
2	2.0	879	Garden/Flat	40%	40%	No	No	4		\$658		\$658	\$127	\$785
2	2.0	879	Garden/Flat	40%	40%	No	Yes	1		\$1,038		\$1,038	\$127	\$1,165
2	2.0	880	Garden/Flat	40%	40%	No	Yes	2		\$1,038		\$1,038	\$127	\$1,165
2	2.0	880	Garden/Flat	40%	40%	No	Yes	3		\$1,038		\$1,038	\$127	\$1,165
2	2.0	880	Garden/Flat	60%	60%	No	No	29		\$1,038		\$1,038	\$127	\$1,165
2	2.0	881	Garden/Flat	60%	60%	No	No	3		\$1,038		\$1,038	\$127	\$1,165
3	2.0	1136	Garden/Flat	40%	40%	No	No	2		\$756		\$756	\$183	\$939
3	2.0	1136	Garden/Flat	40%	40%	No	Yes	1		\$1,195		\$1,195	\$183	\$1,378
3	2.0	1136	Garden/Flat	60%	60%	No	No	6		\$1,195		\$1,195	\$183	\$1,378
Total / Average		842						163	76	\$946		\$946	\$120	\$1,066

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	yes	no
Sewer	yes	no
Trash	no	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.50	3.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.50	3.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.90	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.60	3.30
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2018	2022
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	yes	yes
Fitness Ctr	yes	no
Gazebo/Patio	no	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	yes
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	yes
Playground	no	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	no
Storage	no	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	yes	no
Microwave	no	yes
Comp vs. Subject	Similar	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	yes	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	some	yes
None	no	no
Comp vs. Subject	Superior	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	yes	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	yes	yes
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	na	na
Concierge	na	na
Hair Salon	na	na
Health Care	na	na
Housekeeping	na	na
Meals	na	na
Transportation	na	na
Comp vs. Subject	Similar	

Seaside Harbor Apartments is an existing multifamily development located at 1801 Mediterranean Avenue in Virginia Beach, Virginia. The property, which consists of 76 apartment units, was originally constructed in 2018 . This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The title to the subject property is merchantable, and the property is free and clear of all liens and encumbrances, except as noted.
- No liability is assumed for matters legal in nature.
- Ownership and management are assumed to be in competent and responsible hands.
- No survey has been made by the appraiser. Dimensions are as supplied by others and are assumed to be correct.
- The report was prepared for the purpose so stated and should not be used for any other reason.
- All direct and indirect information supplied by the owner and their representatives concerning the subject property is assumed to be true and accurate.
- No responsibility is assumed for information supplied by others and such information is believed to be reliable and correct. This includes zoning and tax information provided by Municipal officials.
- The signatories shall not be required to give testimony or attend court or be at any governmental hearing with respect to the subject property unless prior arrangements have been made with the client.
- Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute.
- The legal description is assumed to be accurate.
- This report specifically assumes that there are no site, subsoil, or building contaminants present resulting from residual substances or construction materials, such as asbestos, radon gas, PCB, etc. Should any of these factors exist, the appraiser reserves the right to review these findings, review the value estimates, and change the estimates, if deemed necessary.
- The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with
- This analysis specifically assumes that the subject property is operated as described in this report.
- This analysis specifically assumes that the subject property is constructed/rehabilitated as described in this report.
- This analysis specifically assumes that the subject property is financed as described in this report.
- This analysis specifically assumes the timing set forth in this report.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
- I made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification. Debbie Rucker (Allen & Associates Consulting) assisted in compiling the data used in this report.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the Standards and Ethics Education Requirements for Members of the Appraisal Institute.
- I am presently licensed in good standing as a Certified General Real Estate Appraiser in the states of Delaware, Georgia, Maryland, North Carolina, South Carolina, and Virginia, allowing me to appraise all types of real estate.

Respectfully submitted:

ALLEN & ASSOCIATES CONSULTING, INC.



Jeff Carroll

VHDA CERTIFICATION

I affirm the following:

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



Jeff Carroll

March 9, 2022

Date

NCHMA MARKET STUDY INDEX

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

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

NCHMA MARKET STUDY INDEX

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

Affordability, Demand, and Penetration Rate Analysis		
31	Estimate of demand	Section 11
32	Affordability analysis with capture rate	Section 11
33	Penetration rate analysis with capture rate	Section 11
Analysis/Conclusions		
34	Absorption rate and estimated stabilized occupancy for subject	Section 11
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	Section 10
36	Precise statement of key conclusions	Executive Summary
37	Market strengths and weaknesses impacting project	Executive Summary
38	Product recommendations and/or suggested modifications to subject	Executive Summary
39	Discussion of subject property's impact on existing housing	Executive Summary
40	Discussion of risks or other mitigating circumstances impacting subject	Executive Summary
41	Interviews with area housing stakeholders	Appendix
Other Requirements		
42	Certifications	Appendix
43	Statement of qualifications	Appendix
44	Sources of data not otherwise identified	NA

SUPPORTIVE HOUSING



City of Virginia Beach

VBgov.com

DEPARTMENT OF HOUSING AND
NEIGHBORHOOD PRESERVATION
MAIN: (757)-385-5750
FAX: (757) 385-1874
TTY: 711
TDD: (757) 385-5794

MUNICIPAL CENTER
BUILDING 21, ROOM 144
2408 COURTHOUSE DRIVE
VIRGINIA BEACH, VA 23456-9083
WWW.VBGOV.COM/DEPT/HOUSING

January 12, 2022

Judeo-Christian Outreach Center (JCOC)
Attn: Todd Walker, Executive Director
1053 Virginia Beach Blvd.
Virginia Beach, VA 23451

VIA e-mail

RE: Proposal Submission in Response to FY 21-22 HOF RFP - Funding for the "JCOC 3H Housing" Affordable Rental Housing Development

Dear Mr. Walker:

I am pleased to inform you that the Department of Housing and Neighborhood Preservation (DHNP) is making a **conditional commitment** of \$500,000.00 in HUD HOME funding towards this project. This funding may only be used for the cost of acquisition and/or construction of the project, and not for the costs of staff, administration, or pre-development.

We are also pleased to **conditionally commit** the requested 38 Project-Based Vouchers.

This is a conditional commitment subject to the following actions and approvals.

<i>Condition</i>	<i>Approving Agency(s)</i>
<i>Project Proposal as submitted has no material changes</i>	<i>DHNP</i>
<i>Completion of Environmental Assessment with no significant impact</i>	<i>DHNP & HUD</i>
<i>Availability of funds</i>	<i>City Council & HUD</i>
<i>A Request for Release of Funds and Release of Funds</i>	<i>DHNP & HUD</i>
<i>HOME Subsidy Layering Submission & Approval</i>	<i>DHNP</i>
<i>PBV Subsidy Layering Submission & Approval</i>	<i>HUD</i>
<i>All Contract Pre-Requisites are met</i>	<i>DHNP</i>
<i>A HOME contract with the CoVB - fully executed</i>	<i>DHNP</i>
<i>A PBV – AHAP and HAP contracts with the CoVB-fully executed</i>	<i>DHNP</i>

This award is also conditional upon HUD's approval of DHNP's annual plan, your provision of all required pre-requisites in coordination with DHNP, and a mutually agreed upon and fully executed contracts, meeting all City of Virginia Beach terms and conditions and applicable Federal requirements. Re-verification and monitoring of your project and compliance with all applicable laws and regulations will also be required prior to award of a contract.

No physical activity, including rehabilitation, construction, or demolition; can take place on the site or buildings thereon until the entire Environmental Review Process is completed and the contract with the City is fully executed. If any physical activity does take place, no federal funds will be awarded.

This project will be subject to the Federal Davis Bacon Act and Section 3 federal requirements regarding hiring of labor and contractors. Please ensure that your project planning considers any additional costs that may be incurred to meet these two requirements.

Please note that this conditional commitment expires on December 31st, 2022 unless renewed. Renewal must be requested by you in writing, will be at our sole discretion, and will be subject to a review of the project's progress or potential progress, and JCOC's compliance with requirements to date.

Cindy Walters, DHNP's Compliance & Development Officer, will be your main point of contact for the work needed to meet the required conditions for the Environmental Assessment, as well as the HOME contract. David Grigsby, DHNP Rental Housing Administrator, will be your point of contact regarding PBV contracts.

We look forward to working with you on this project that will benefit the citizens of Virginia Beach!

Sincerely,



Ruth D. Hill
Director

Cc: Cindy M. Walters, Compliance & Development Officer
David Grigsby, Rental Housing Administrator
Karen Prochilo, Housing Development Administrator

Revenue Rulings, Rev. Rul. 2003-77, I.R.B. 2003-29,75, 2003-2 C.B. 75, Internal Revenue Service, (Jun. 23, 2003)

[Click to open document in a browser](#)

Rev. Rul. 2003-77, I.R.B. 2003-29, June 23, 2003.

[[Code Sec. 42](#)]

Low-income housing credit: Qualified basis: Qualified community service facility.–

A portion of a qualified low-income building that was used to provide services to residents and nonresidents qualified as a community service facility under [Code Sec. 42\(d\)\(4\)\(C\)\(iii\)](#). The taxpayer established that the facility provided services to improve the quality of life for residents, that the services were appropriate and helpful to those whose income was less than 60 percent of the area median income, that the facility was located on the same tract of land as the qualified low-income building and that fees charged for services, if any, were affordable. As a result, the adjusted basis of the facility was accounted for in determining the adjusted basis of the low-income building for the purposes of computing the taxpayer's low-income housing credit. Back reference: [¶4385.60](#).

ISSUE

Does the facility described below qualify as a community service facility under §42(d)(4)(C)(iii) of the Internal Revenue Code?

FACTS

A qualified low-income building (the Building) received a housing credit allocation on October 1, 2002, and was placed in service in 2003. The Building is located in a qualified census tract (as defined in §42(d)(5)(C)). A portion of the Building (the Facility) is used throughout the year to provide services to residents of the Building as well as nonresidents. The Facility consists of a meeting room, an administrative office, a storage room, and several multi-purpose rooms. The services provided at the Facility include day care, career counseling, literacy training, education (including tutorial services), recreation, and outpatient clinical health care. The services are provided free of charge or for a fee that is affordable to individuals whose income is 60 percent or less of area median income (within the meaning of in §42(g)(1)(B)). The adjusted basis of the property comprising the Facility (of a character subject to the allowance for depreciation and not otherwise taken into account in the adjusted basis of the Building) does not exceed 10 percent of the eligible basis of the Building.

As required by §42(m)(1)(A)(iii), prior to the allocation of housing credit to the Building, a comprehensive market study was conducted to assess the housing needs of the low-income individuals in the area to be served by the Building. The study found, among other things, that providing day care, career counseling, literacy training, education (including tutorial services), recreation, and outpatient clinical health care services would be appropriate and helpful to individuals in the area of the Building whose income is 60 percent or less of area median income.

LAW AND ANALYSIS

Section 42(a) provides that the amount of the low-income housing credit determined for any taxable year in the credit period is an amount equal to the applicable percentage of the qualified basis of each qualified low-income building.

Section 42(c)(1)(A) defines the qualified basis of any qualified low-income building for any taxable year as an amount equal to the applicable fraction (as defined in §42(c)(1)(B)), determined as of the close of the taxable year, of the eligible basis of the building, determined under §42(d)(5).

Section 42(d)(1) provides that the eligible basis of a new building is its adjusted basis as of the close of the first taxable year of the credit period. Section 42(d)(4)(A) provides that, except as provided in §42(d)(4)(B) and

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(C), the adjusted basis of any building is determined without regard to the adjusted basis of any property that is not residential rental property. Section 42(d)(4)(B) provides that the adjusted basis of any building includes the adjusted basis of property (of a character subject to the allowance for depreciation) used in common areas or provided as comparable amenities to all residential rental units in the building.

Section 42(d)(4)(C)(i) provides that the adjusted basis of any building located in a qualified census tract is determined by taking into account the adjusted basis of property (of a character subject to the allowance for depreciation and not otherwise taken into account) used throughout the taxable year in providing any community service facility. Section 42(d)(5)(C)(ii)(I) defines the term “qualified census tract” as any census tract which is designated by the Secretary of Housing and Urban Development (HUD) and, for the most recent year for which census data are available on household income in the tract, either in which 50 percent or more of the households have an income which is less than 60 percent of the area median gross income for the year or which has a poverty rate of at least 25 percent. See <http://www.huduser.org/datasets/qct.html> for census tracts designated by the Secretary of HUD.

Section 42(d)(4)(C)(ii) provides that the increase in the adjusted basis of any building which is taken into account by reason of §42(d)(4)(C)(i) may not exceed 10 percent of the eligible basis of the qualified low-income housing project of which it is a part. For this purpose, §42(d)(4)(C)(ii) provides that all community service facilities which are part of the same qualified low-income housing project are treated as one facility.

Section 42(d)(4)(C)(iii) provides that the term “community service facility” means any facility designed to serve primarily individuals whose income is 60 percent or less of area median income (within the meaning of §42(g)(1)(B)).

Section 42(m)(1)(A)(iii) provides that the housing credit dollar amount with respect to any building will be zero unless a comprehensive market study of the housing needs of low-income individuals in the area to be served by the project is conducted before the credit allocation is made and at the developer's expense by a disinterested party who is approved by the housing credit agency.

Under §42(d)(4)(C)(iii), a community service facility must be designed to serve primarily individuals whose income is 60 percent or less of area median income. This requirement will be satisfied if the following conditions are met. First, the facility must be used to provide services that will improve the quality of life for community residents. Second, the taxpayer must demonstrate that the services provided at the facility will be appropriate and helpful to individuals in the area of the project whose income is 60 percent or less of area median income. This may, for example, be demonstrated in the market study required to be conducted under §42(m)(1)(A)(iii), or another similar study. Third, the facility must be located on the same tract of land as one of the buildings that comprises the qualified low-income housing project. Finally, if fees are charged for services provided, they must be affordable to individuals whose income is 60 percent or less of area median income.

Under the facts presented, the Facility is designed to serve primarily individuals whose income is 60 percent or less of area median income for the following reasons: (1) the services provided at the Facility—day care, career counseling, literacy training, education (including tutorial services), recreation, and outpatient clinical health care—are services that will help improve the quality of life for community residents; (2) the market study required to be conducted under §42(m)(1)(A)(iii) found that the services provided at the Facility would be appropriate and helpful to individuals in the area of the Building whose income is 60 percent or less of area median income; (3) the Facility is located within the Building; and (4) the services provided at the Facility are affordable to individuals whose income is 60 percent or less of area median income.

HOLDING

The Facility qualifies as a community service facility under §42(d)(4)(C)(iii). Because the other requirements set forth in §42(d)(4)(C) are met, the adjusted basis of the Building will be determined by taking into account the adjusted basis of the Facility.

DRAFTING INFORMATION

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The principal author of this revenue ruling is Gregory N. Doran of the Office of Associate Chief Counsel (Passthroughs and Special Industries). For further information regarding this revenue ruling, contact Mr. Doran at (202) 622-3040 (not a toll-free call).



City of Virginia Beach

VBgov.com

DEPARTMENT OF PLANNING & COMMUNITY DEVELOPMENT
PHONE (757) 385-4621
FAX (757) 385-5667
VA Relay Number TTY: 711

2875 SABRE STREET, SUITE 500
VIRGINIA BEACH, VA 23452-7385

July 17, 2020

R. Edward Bourdon Jr.
Pembroke Office Park – Building One
281 Independence Boulevard, Fifth Floor
Virginia Beach, VA 23462

RE: Judeo-Christian Outreach Center, Inc.
Conditional Use Permit (Single Room Occupancy)
Modification of Conditions (Group Home)
GPINs 2417652620, 2417653527, Council District: Beach

Dear Mr. Bourdon,

At its formal session on June 2, 2020, the Virginia Beach City Council considered the application referenced above and voted to **APPROVE** the request.

The approval of this application shall be subject to the following condition(s):

Conditional Use Permit

1. No more than 50 Single Room Occupancy units shall be on site.
2. Site layout, improvements, and plantings shall be substantially as shown on the conceptual master plan and planting plan titled, "JUDEO-CHRISTIAN OUTREACH CENTER CAMPUS DEVELOPMENT" dated March 8, 2019, as prepared by WPL. Said drawings have been exhibited to the City Council and are on file in the Department of Planning.
3. The architectural design, colors, and materials for the proposed building shall be substantially as shown on the architectural elevations titled "JUDEO-CHRISTIAN OUTREACH CENTER dated August 26, 2019, by TS 3 Architects. Said drawings have been exhibited to the City Council and are on file in the Department of Planning.

4. All landscaping shall be maintained in good health. Any landscaping that fails to grow or is determined to be in poor health shall be replaced with a type and quantity of plantings that is similar to and meets the same intent as the plants shown on the Planting Layout referenced in Condition #1. Any replacement plantings shall be approved by the Development Services Center.
5. All mechanical equipment shall be screened year-round either architecturally or by landscaping or fencing such that it is not visible from the public right-of-way.
6. The applicant shall make all necessary standard right-of-way improvements with the development of this site. Improvements may include but are not limited to pavement widening, curb & gutter, and a new sidewalk. The new sidewalk shall be constructed with a minimum width of eight feet, or as otherwise approved by the Planning Department, to ensure compliance with the Resort Area Strategic Action Plan's recommendations with regard to pedestrian connectivity. Additional adjustments and requirements for right-of-way improvements may be applied as part of the final site plan review.
7. All signage on the site shall comply with the requirements of Sections 211, 212, 213, 214, 216 and 905 of the City Zoning Ordinance. A separate sign permit shall be obtained from the Zoning Division prior to the installation of any signage.
8. The applicant shall implement a van shuttle program to transport Staff and volunteers from a satellite parking facility located at 401 West Lane to the subject property when necessary.
9. The applicant shall coordinate with the Virginia Beach Police Department on the creation and implementation of a safety and security plan. Said plan shall address not only the Judeo-Christian Outreach Center property but shall also consider properties in the vicinity. The plan must be accepted by the Virginia Beach Police Department prior to the issuance of the certificate of occupancy for the building.

Modification of Conditions

1. All the conditions associated with the Conditional Use Permit and Modifications of Conditions associated with the Group Home, dated, October 1989, February 1992, October 1993, October 1995 and April 2000, shall be deleted and replaced with the conditions below.
2. This Conditional Use Permit for the Group Home shall be subject to administrative approval two (2) years from the date of the Certificate of Occupancy.
3. Patrons awaiting food service shall be accommodated and served inside the building.
4. All food served to the public shall cease by 8:00 p.m.

5. A lighting plan shall be submitted during the site plan review process to ensure proper safety and security on the site. All lighting shall be directed away from the nearby residentially zoned property.
6. Site layout, improvements, and plantings shall be substantially as shown on the conceptual master plan and planting plan titled, "JUDEO-CHRISTIAN OUTREACH CENTER CAMPUS DEVELOPMENT" dated March 8, 2019, as prepared by WPL. Said drawings have been exhibited to the City Council and are on file in the Department of Planning.
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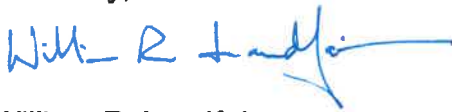
properties in the vicinity. The plan must be accepted by the Virginia Beach Police Department prior to the issuance of the certificate of occupancy for the building.

Further conditions may be required during the administration of applicable City Ordinances and Standards. Any site plan submitted with this application may require revision during detailed site plan review (if such review is required) to meet all applicable City Codes and Standards. All applicable permits required by the City Code, including those administered by the Department of Planning / Development Services Center and Department of Planning / Permits and Inspections Division, and the issuance of a Certificate of Occupancy and a Business License (if applicable), are required before any use of the property as proposed with the application or the Conditional Use Permit (if applicable) is valid.

In accordance with Section 108 of the City Zoning Ordinance, please remove the public notice sign(s) posted on the referenced property within five (5) days of the date of City Council's decision.

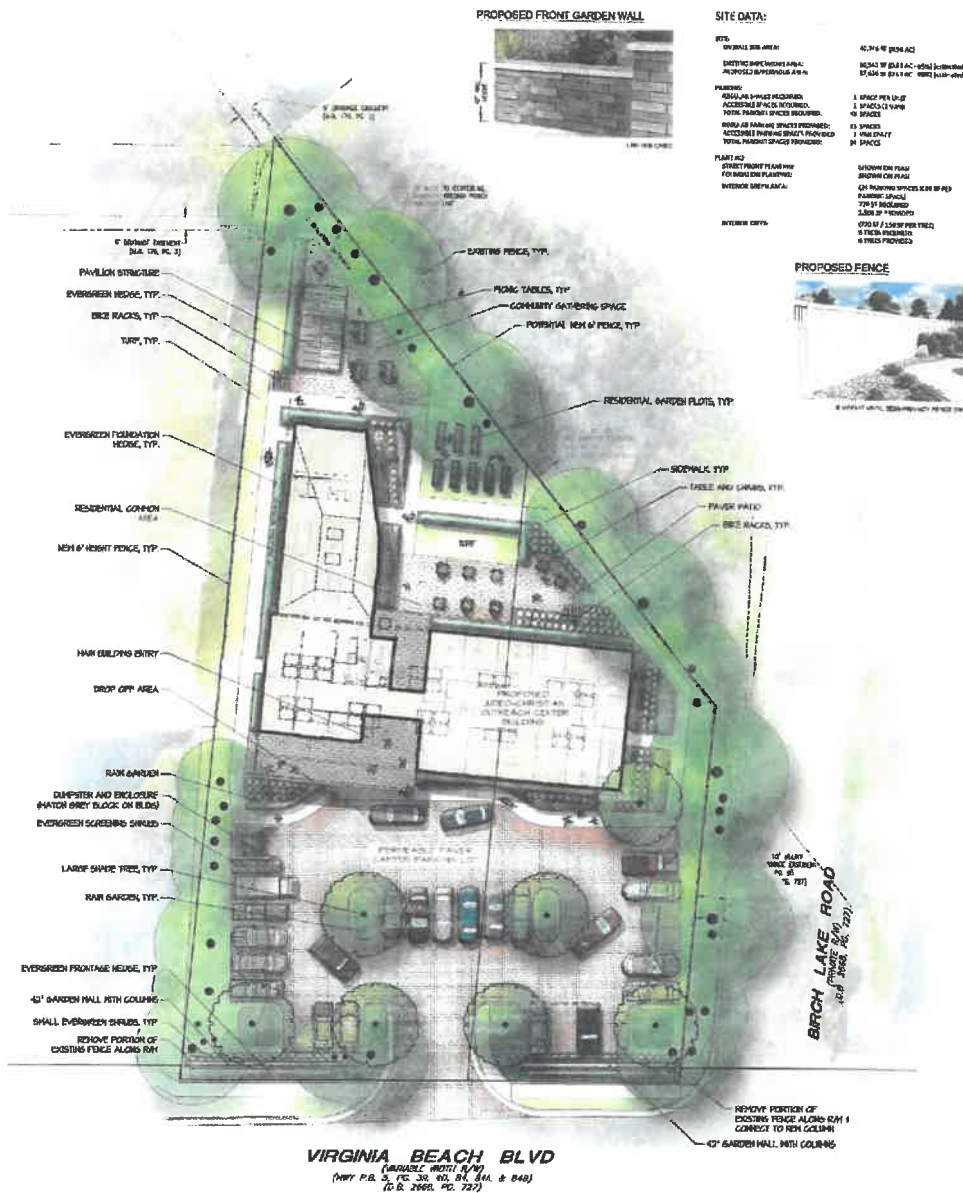
Should you have any questions concerning this notification, please contact me at 757.385.4621.

Sincerely,



William R. Landfair
Planning Evaluation Coordinator

cc: Judeo-Christian Outreach Center, Inc.



TS3 wpl CONCEPTUAL MASTER PLAN
JUDEO-CHRISTIAN OUTREACH CENTER CAMPUS
 VIRGINIA BEACH, VIRGINIA
 TS3 ARCHITECTS - WPL | LANDSCAPE ARCHITECTS | LAND SURVEYORS | CIVIL ENGINEERS

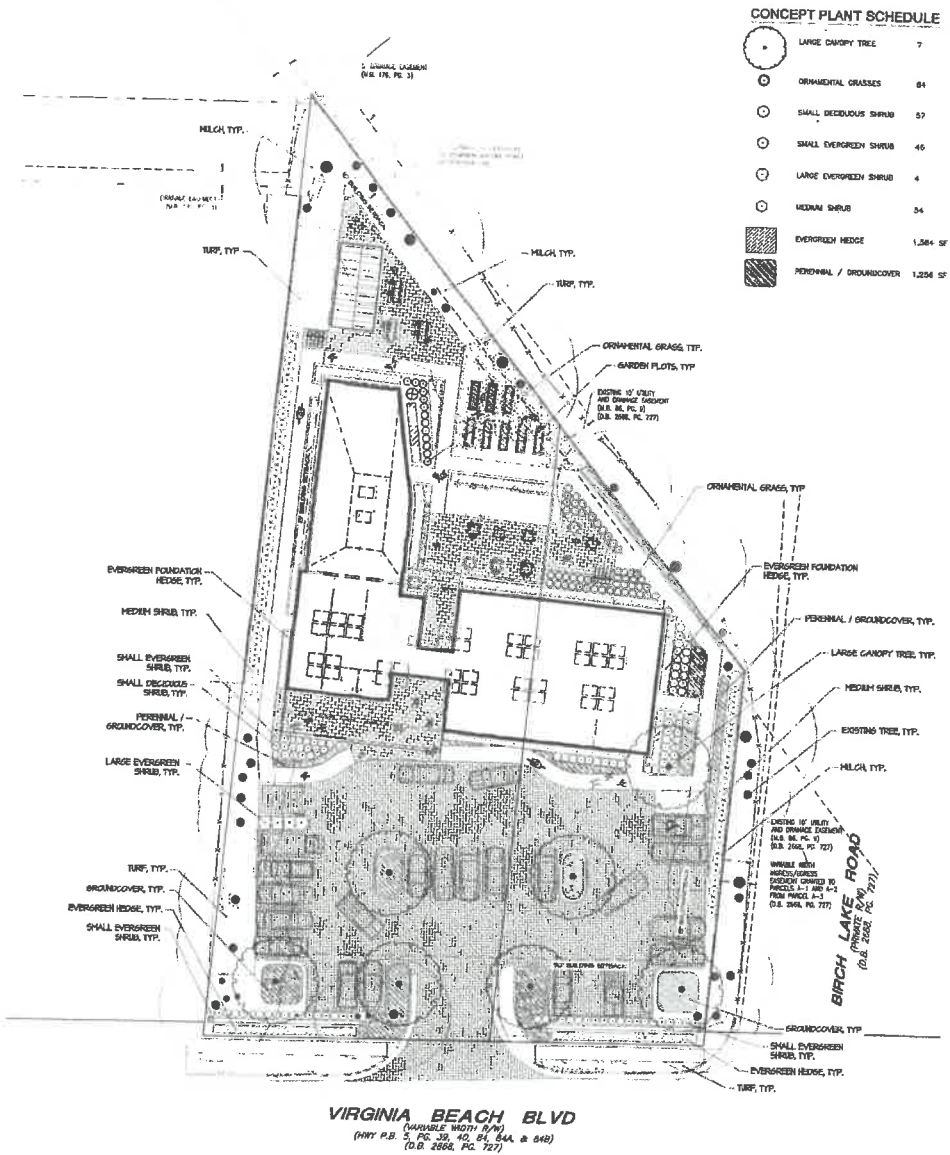
8216 0265
 MARCH 08, 2019

APPROVED BY CITY COUNCIL

SIGN William R. Hadjilov

DATE 7/17/2020

PLANNING DEPARTMENT



CONCEPTUAL PLANTING PLAN
JUDEO-CHRISTIAN OUTREACH CENTER CAMPUS
 VIRGINIA BEACH, VIRGINIA
 TS3 ARCHITECTS - WPL | LANDSCAPE ARCHITECTS | LAND SURVEYORS | CIVIL ENGINEERS

#216-0265
 MARCH 08, 2019

**APPROVED
 BY CITY COUNCIL**

SIGN William R. Ladja

DATE 7/17/2020

PLANNING DEPARTMENT



The Kitchen and Carteria run perpendicular to the administration and housing components to maximize open and private space for residents and clients in the rear of the property

Egress stair will be back lit to serve as a beacon and wayfinder for the building

Facade Materials

The building facades are made from a composition of EPS, brick, aluminum storefront, and aluminum panels. The swooping entry allows for proper queuing process during party pick-up days. Both permanent residents and clients have access to the commons.

Virginia Beach Facade Welcoming Canopy and Offices



**APPROVED
BY CITY COUNCIL**

SIGN Willie R. Judson

DATE 7/17/2020

PLANNING DEPARTMENT

NORTH ELEVATION



Judeo-Christian Outreach Center
1063 Virginia Beach Blvd
Virginia Beach, VA 23461
08.22.18
SCALE: 3/32" = 1'-0"



APPROVED
BY CITY COUNCIL
SIGN Willie R. Tadjer
DATE 7/17/2020
PLANNING DEPARTMENT



December 21, 2021

JD Bondurant, Director
Low Income Housing Tax Credit Program
Virginia Housing
601 S Belvidere Street
Richmond, VA 23220

RE: Judea Christian Outreach Center LIHTC Project – ASH Pool Designation

Dear Mr. Bondurant,

Please allow me to introduce you to the Judeo-Christian Outreach Center (JCOC). We are planning to apply for Low Income Tax Credits this spring and I am writing to ask that you consider JCOC's project for the Accessible and Supportive Housing pool in the March 2022 application round.

The JCOC proposed project will provide 38 affordable SRO units for homeless and very low-income persons in a single, three-story building in Virginia Beach. The first floor will provide office space for our organization and related services to the community, detailed below, in addition to office space for management and services to the residents. Additionally, a kitchen and community space will be provided to serve food and prepared meals to those in need. Plans have been submitted to the City and are currently under commentary review between our professional teams and the planning department with a goal to secure site plan approval by March.

Judeo-Christian Outreach Center has 35 years of experience serving the homeless, individuals and families with very low incomes through our housing and food programs, which combat hunger and homelessness. We currently operate the following programs for single homeless adults; 55-bed homeless shelter and Day Support Center within the City's Housing Resource Center, we receive funding from the Virginia Department of Housing and Community Development and the Emergency Solutions Grant for both Emergency Shelter & Rapid Re-housing, a 16- bed Grant Per Diem Transitional Housing program and a HUD 8 bed Permanent Housing Supportive Housing program.

Our housing programs utilize a Housing First approach to ensure we give each client an opportunity to succeed at securing permanent housing. All programs also are low barrier to ensure we serve the most vulnerable clients in the community. Each client plays a role in creating their individual housing plan to establish their housing goals. We look to help clients access housing in the shortest time available while eliminating barriers to housing. Our Housing Support Specialists assist with budgeting, employment assistance, life skills, referrals to community resources and most of our staff are S.O.A.R. trained to assist eligible clients apply for expedited disability benefits. We incentivize clients in temporary housing programs by providing clients with move in kits, which include toiletries, bedding and cleaning supplies. We partner with Leesa Sleep to provide beds to clients upon move in. We also receive funding from

faith-based organizations to provide shelter or day support clients who need minimal supports with a security deposit and/or first month's rent to access permanent housing. With the lack of housing inventory in the community, we utilize a shared housing model as a strategy within our Rapid Rehousing program. This model reduces the cost of rent which generally includes utilities, enhances a supportive atmosphere amongst the clients and many landlords waive credit and eviction history checks because of the initial support they will have from our Housing Stabilization staff.

Due to our program success, I was invited to share about our program at the 2020 National Alliance to End Homelessness in Oakland. We also operate feeding programs designed to eliminate food insecurity while also providing community resources that can help address other issues the person may be dealing with at the time. For example, our Community Dinner operates every day of the year utilizing community volunteers to bring in food to cook and serve to anyone in need. Homeless individuals are engaged about community resources, including how and where to access our Day Support Center or Emergency Shelter. In addition, we operate a food pantry and food box program for Virginia Beach households with children under the age of 18. The ultimate goal of both programs is to ensure households do not have to make a choice between paying rent and buying groceries. We provided over 100k meals in FY21.

Last FY despite the pandemic, JCOC assisted over 220 households exiting housing programs secure permanent housing. This also includes 60 individuals that were permanently housed through monies received through DHCD's CHERP funding, which placed highly vulnerable clients living in hotels during the pandemic in permanent housing through medium to long term rental subsidies and housing stability through intensive case management services.

JCOC is an active participant in the Virginia Beach Continuum of Care. All referrals for any of our housing come through our Coordinated Entry and Assessment process. JCOC also regularly participates in S.P.A.M. (Service Prioritization Assessment Meetings) to ensure appropriate clients on the prioritization list and in shelter are referred to the most appropriate housing option. Our participation in the CoC Boot Camp Initiative regularly reviews identified homeless veterans in programs or unsheltered to ensure eligible clients receive a HUD VASH voucher or referral to a program with SSVF funding. Last FY, 88% of our veterans leaving the program secured permanent housing.

The purpose of this letter is to explore the possibility of JCOC meeting the requirements for participation in the ASH Pool with a Permanent Supportive Housing project, even though our organization appears to be ineligible to meet the CORES Certification. As a small organization, JCOC does not have the necessary staffing to receive a CORES certification, yet it offers a robust competency in providing resident services and has done so for almost 30 years on a small, local scale. We have a strong relationship with the Department of Human Services who provide our clients with services in the areas of mental health, substance abuse and employment training. We are establishing a relationship with Sentara to potentially provide telehealth and other health related services.

We have applied for Section 8 Project Based Rental Assistance from the City of Virginia and have received favorable feedback based on our relationship with the City on this project and the related applications for vouchers and subsidized funding. The commitments to these are anticipated ahead of the March application due date.

We would appreciate an opportunity to talk with you either in a phone conference or on zoom to tell you more about JCOC, the proposed project, and to discuss our qualifications to participate in the ASH set-aside in lieu of a CORES certification.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Todd Walker', with a long horizontal line extending to the right.

Todd Walker, Executive Director
Judeo-Christian Outreach Center

Tab X:

Marketing Plan for units meeting accessibility
requirements of HUD section 504

JCOC 3H Housing, LLC

Marketing Plan

JCOC 3H Housing, LLC will provide the new construction of thirty-eight (38) efficiency units in Virginia Beach, Virginia. The units will consist of all Single Room Occupancy (SRO) with a focus on Permanent Supportive Housing serving very low-income and homeless persons in the community. The site layout includes one single, three-story building with a total of 22,000 square feet. Six units are designed to meet Section 504 accessibility requirements, and all 38 units are designed to meet Universal Design criteria for accessibility. The project will also include an accessible community room for residents. Judeo-Christian Outreach Center, Inc. ("JCOC"), a Virginia Beach-based nonprofit organization focused on housing, services, food insecurity and other related matters, is the project sponsor and developer. JCOC will either become certified or retain an experienced, VHDA-certified property manager for the project, and the firm will be chosen prior construction closing.

The City of Virginia Beach has committed 38 Project Based Vouchers under their Section 8 program to the JCOC 3H Housing project. JCOC and/or the to-be-selected property manager will coordinate marketing efforts for the project with the City of Virginia Beach's Section 8 administrative office. Marketing efforts will be documented and will include marketing both to persons with developmental disabilities and provide a first leasing preference to members of other targeted populations having state rental assistance and identified in inter-agency MOUs and referred to the development by an Authority-approved referral agency, such as a Community Service Board, unless prohibited by the federal subsidy program. Due to the project being under agreement with the City's Section 8 program, all marketing, leasing, networking and other related efforts will run through the City's Department of Housing and Neighborhood Preservation department unless advised otherwise. The JCOC organization will also maintain waitlists for persons with disabilities meeting the criteria of the project on an ongoing basis.

The project's fully accessible units will be set aside for persons with disabilities for 60 days, and marketing efforts undertaken during this time will be documented. If any of the units become vacant after initial occupancy, these units will again be set aside and marketed for households with disabilities. Should any of the accessible units exceed the 60 day timeframe, the owner or manager may submit evidence of marketing to VHDA's compliance manager to request approval to rent the unit to an income-qualified household not a part of the target population.

Marketing efforts for accessible apartments will include the following:

- Advertising their availability on www.virginiahousingsearch.com
- Notifying the City of Virginia Beach's Section 8 Housing Choice Voucher program/waitlist via the City of Virginia Beach's Department of Housing and Neighborhood Preservation

JCOC 3H Housing, LLC

Marketing Plan

- Notifying additional local organization(s) who work with person(s) who may need accessible apartment units as permitted by the City of Virginia Beach.

A more detailed marketing plan will be prepared once a property manager is selected and construction is underway.

Contacts:

Todd Walker, Executive Director
Judeo-Christian Center Outreach, Inc.
twalker@jcoc.org
757-491-2846

Ruth Hill, Director
Department of Housing and Neighborhood Preservation, Virginia Beach
rdhill@vbgov.com
757-385-5752

MISCELLANEOUS

Certificate of Professional Designation

This certificate verifies that

Jeff Carroll

Allen & Associates Consulting Inc.

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



Formerly known as
NCAHMA

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

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



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

Thomas Amdur
President, NCHMA



QUALIFICATIONS

Allen & Associates Consulting is a real estate advisory firm specializing in affordable housing. Practice areas include low-income housing tax credits, tax-exempt bond transactions, HUD assisted and financed multifamily, USDA-RD assisted and financed properties, public housing, historic tax credits, conventional multifamily, and manufactured housing. Services include development consulting, rent comparability studies, market analysis, feasibility studies, appraisals, capital needs assessments, and utility studies.

Allen & Associates Consulting and its sister organization Allen & Associates Appraisal maintain offices in Charlotte, North Carolina and Detroit, Michigan, respectively. Allen & Associates is approved to provide its services throughout the United States.

The following is a listing of key personnel for Allen & Associates Consulting:

Jeffrey B. Carroll

Jeffrey B. Carroll is President of Allen & Associates Consulting. Since 2000, Mr. Carroll has completed over 3000 development consulting assignments in 46 states. Major projects include:

- *Market Feasibility* - Completed market studies for 13 proposed tax credit apartment developments on behalf of the Georgia Department of Community Affairs. The portfolio included 5 family and 8 senior communities. Our analysis identified the 4 best deals for the housing finance agency to consider funding.
- *Valuation* - Developed a disposition plan for a 30-property portfolio of apartments on behalf of a private owner. The 921-unit portfolio (located in MD, DE, PA and VA) was valued at \$23 million. Our client relied on our valuations and advice to maximize sales proceeds for the portfolio.
- *Capital Needs Assessments* - Completed capital needs assessments for an 8-property portfolio of RD-financed apartments on behalf of a private developer. The portfolio (located in FL) included 6 family and 2 senior communities. Our client utilized our assessments to develop a scope of work for the proposed acquisition and renovation of the 214-unit portfolio.
- *Utility Allowance Studies* - Completed utility allowance studies for a portfolio of tax credit apartments on behalf of a large national owner/developer. The portfolio (located in CT, DC, IL, IN, MA, NC, OH, PA and VA) included 31 properties. Our client utilized our research to maximize rents and net operating income for the portfolio.
- *Underwriting* - Conducted a financial review on behalf of a local housing authority for the proposed redevelopment of a vacant historic textile mill into loft apartments. Our client had been asked to issue \$4 million in tax-exempt bonds for

the \$15 million project. Our assistance in underwriting the transaction resulted in the green light for the development.

Mr. Carroll is a certified general appraiser, licensed to appraise real estate in the states of Delaware, Georgia, Maryland, North Carolina, South Carolina and Virginia. Mr. Carroll is also a designated member of the Appraisal Institute (MAI).

Mr. Carroll is a peer-reviewed member of the National Council of Housing Market Analysts, where he served on the Executive Committee and chaired the Data and Ethics Committees.

In addition, Mr. Carroll has also served as a market study reviewer for the Georgia and Michigan housing finance agencies.

Mr. Carroll has written articles on affordable housing, development, property management, market feasibility, and financial analysis for Urban Land magazine, The Journal of Property Management, Community Management magazine, Merchandise magazine, HousingThink, and a publication of the Texas A&M Real Estate Research Center known as Terra Grande.

Mr. Carroll has conducted seminars on affordable housing, development, property management, market feasibility, and financial analysis for the American Planning Association, Community Management magazine, the Georgia Department of Community Affairs, the Manufactured Housing Institute, the National Association of State and Local Equity Funds, the Virginia Community Development Corporation, and the National Council of Affordable Housing Market Analysts.

Mr. Carroll is also an experienced developer and property manager. His experience includes the development of tax credit apartment communities, conventional market rate apartments, manufactured home communities, and single-family subdivisions. He has also managed a portfolio of apartment complexes and manufactured home communities.

The following is a summary of Mr. Carroll's relevant educational background:

Clemson University, Bachelor of Science Degree	
Major in Engineering	
Minor Concentration in Economics	1983
Harvard University, Master's Degree in Business Administration	
Major in General Management	
Minor Concentration in Economics and Real Estate	1988
Appraisal Institute	
Qualifying Education for Licensure	2001
Continuing Education for Licensure & MAI Designation	2020
ASTM International	
Property Condition Assessments E2018.01	September 2006

The Institute for Professional and Executive Development Tax Credit Property Disposition	October 2007
National Council of Affordable Housing Market Analysts Semi-Annual Meeting & Continuing Education	2002 - 2014
U.S. Department of Housing and Urban Development Utility Allowance Guidebook	September 2007
MAP Training & Certification	September 2007
USDA Rural Development Capital Needs Assessment Provider Training	September 2007
Accessibility Standards Training	September 2007

Mr. Carroll, who was awarded a scholarship on the Clemson University varsity wrestling team, has served as an assistant coach for a local high school wrestling team. Mr. Carroll resides in Charlotte, North Carolina with his wife Becky and his two children, Luke and Brittany.

Debbie Rucker

Debbie Rucker is an analyst with Allen & Associates Consulting, coordinating market research for the company. Mrs. Rucker has worked on over 2000 assignments and has conducted over 40,000 rent surveys.

Mrs. Rucker was also responsible for compiling the database of detailed information on of every tax credit and tax-exempt bond transaction in Virginia, North Carolina, South Carolina, Georgia, Florida, and Texas since 1999.

The following is a summary of Mrs. Rucker’s relevant educational background:

National Council of Affordable Housing Market Analysts Semi-Annual Meeting & Continuing Education	September 2005
Semi-Annual Meeting & Continuing Education	October 2006
Carolinas Council for Affordable Housing Spectrum C ³ P Certification	October 2008

Mrs. Rucker is active in her church and helps run a local judo club. Mrs. Rucker is the mother of three and resides in Weddington, North Carolina.

Michael W. Lash

Michael W. Lash is President of Lash Engineering, an engineering firm located in Charlotte, North Carolina that works closely with Allen & Associates Consulting on utility allowance studies and other specific engagements. Since 1981, Mr. Lash has completed hundreds of assignments including the design of industrial, commercial, multifamily, and single family developments. Mr. Lash is an expert in the design of utility systems, including wastewater and storm water treatment facilities.

Mr. Lash is a certified professional engineer, licensed in the states of Kansas, Louisiana, North Carolina, South Carolina, and Virginia. Mr. Lash graduated from Louisiana Tech University in Civil Engineering in 1981 and has conducted seminars on advanced wastewater treatment, storm water quality treatment and automated engineering drafting and design with Eagle Point Software.

Mr. Lash is active in his church and volunteers his time teaching karate at a local martial arts academy. Mr. Lash resides in Charlotte, North Carolina with his wife and three children.