



**BOWEN  
NATIONAL  
RESEARCH**

# Market Feasibility Analysis

Liberty Gardens  
8075 Jefferson Davis Highway  
Richmond, Chesterfield County, Virginia 23237

*Prepared For*

Mr. Charlie Heritage  
South Creek Development, LLC  
PO Box 543  
Summerfield, North Carolina 27358

*Authorized User*

Virginia Housing  
601 South Belvidere Street  
Richmond, Virginia 23220

*Effective Date*

February 16, 2023

*Job Reference Number*

23-130 JP

# Market Study Certification

## NCHMA Certification

This certifies that Jonathan Kabat, an employee of Bowen National Research, personally made an inspection of the area including competing properties and the proposed site in Richmond, Virginia. Further, the information contained in this report is true and accurate as of February 16, 2023.

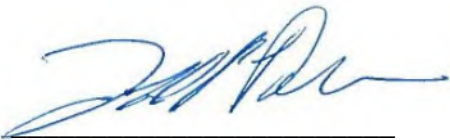
Bowen National Research is a disinterested third party without any current or future financial interest in the project under consideration. We have received a fee for the preparation of the market study. However, no contingency fees exist between our firm and the client.

## Virginia Housing Certification

I affirm the following:

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

Certified:



Jeff Peters (Primary Contact)

Market Analyst

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

Date: February 16, 2023



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Jonathan Kabat

Market Analyst

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

Date: February 16, 2023



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Patrick M. Bowen

President/Market Analyst

Bowen National Research

155 E. Columbus St., Suite 220

Pickerington, OH 43147

(614) 833-9300

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

Date: February 16, 2023

# Certificate of Membership

**Bowen National Research**  
Is a Member Firm in Good Standing of



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NCAHMA

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

**Designation Maintained By**  
Patrick Bowen

**Membership Term**  
7/1/2022 to 6/30/2023



A handwritten signature in black ink that reads "Kaitlyn Snyder".

Kaitlyn Snyder  
Managing Director, NH&RA

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# I. Introduction

## A. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Richmond, Virginia. This study was initiated by Mr. Charlie Heritage of South Creek Development, LLC and complies with the guidelines of Virginia Housing. This study conforms to the standards adopted by the National Council of Housing Market Analysts (NCHMA). These standards include the accepted definitions of key terms used in market studies for affordable housing projects and model content standards for the content of market studies for affordable housing projects. These standards are designed to enhance the quality of market studies and to make them easier to prepare, understand and use by market analysts and end users.

## B. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

- The Primary Market Area (PMA) generated for the proposed site is identified. The Site PMA is generally described as the smallest geographic area expected to generate most of the support for the proposed project. Site PMAs are not defined by radius. The use of a radius is an ineffective approach because it does not consider mobility patterns, changes in socioeconomic or demographic character of neighborhoods or physical landmarks that might impede development.

PMAs are established using a variety of factors that include, but are not limited to:

- A detailed demographic and socioeconomic evaluation.
  - Interviews with area planners, realtors and other individuals who are familiar with area growth patterns.
  - A drive-time analysis to the site.
  - Personal observations of the field analyst.
  - An evaluation of existing housing supply characteristics and trends.
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the subject property. The information in this survey was collected through a variety of methods, including phone surveys, in-person visits, email and fax. The contact person for each property is listed in *Section XII: Field Survey of Conventional Rentals*.

- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to the proposed development. An in-depth evaluation of those two property types provides an indication of the potential of the proposed development.
- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information, as well as projections that determine what the characteristics of the market will be when the proposed project opens and after it achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of those properties that might be planned or proposed for the area that will have an impact on the marketability of the proposed development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the subject development.
- We conduct an analysis following Virginia Housing and NCHMA market study guidelines of the subject project's required capture of the number of income-appropriate households within the Site PMA. This analysis is conducted on a renter household level and a market capture rate is determined for the subject development. This capture rate is compared with acceptable capture rates for similar types of projects to determine whether the subject development's capture rate is achievable. In addition, Bowen National Research also compares all existing and planned LIHTC housing within the market to the number of income-appropriate households. The resulting penetration rate is evaluated in conjunction with the project's capture rate.
- Achievable market rent for the proposed subject development is determined. Using a Rent Comparability Grid, the features of the proposed development are compared item-by-item with the most comparable properties in the market. Adjustments are made for each feature that differs from that of the proposed subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the proposed unit.

### **C. SOURCES**

Bowen National Research uses various sources to gather and confirm data used in each analysis. These sources include the following:

- The 2010 and 2020 Census on Housing
- American Community Survey
- ESRI
- Applied Geographic Solutions
- U.S. Department of Labor
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- U.S. Department of Housing and Urban Development (HUD)

### **D. REPORT LIMITATIONS**

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period. Bowen National Research relies on a variety of data sources to generate this report. These data sources are not always verifiable; Bowen National Research, however, makes a significant effort to assure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property that is the subject of this report and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event (such as the approval of a loan) resulting from the analyses, opinions, conclusions in or the use of this study.

Any reproduction or duplication of this report without the express approval of South Creek Development, LLC or Bowen National Research is strictly prohibited.



## II. Executive Summary

***Based on the findings contained in this report, it is our opinion that a market exists for the development of the proposed Liberty Gardens rental community in Richmond, Virginia utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program.*** The following points support this conclusion:

### Project Description

The subject project involves the new construction of the 90-unit Liberty Gardens rental community at 8075 Jefferson Davis Highway in Richmond, Virginia. The project will target general-occupancy (family) households earning up to 30%, 60% and 70% of Area Median Household Income (AMHI) under the 4% Tax-Exempt Bond program. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be completed by April 2025. Additional details of the subject project can be found in *Section III - Project Description* of this report.

### Site Evaluation

The subject site consists of a former retail land use, automobile repair and sales property and boat service company located at 8075 Jefferson Davis Highway. The subject site is situated within an established mixed-use area. Surrounding land uses generally include a U.S. Defense Supply center, a gas station, hotels and residential dwellings. The subject site will be clearly visible from Jefferson Davis Highway/U.S. Highway 1/301, a moderately traveled arterial roadway and commercial corridor bordering the site to the west. Based on information provided by the developer, access to and from the site will be derived from Myron Avenue (north of site) and Dwight Avenue (south of site). Ingress and egress from all points should be easy as traffic is relatively light along these aforementioned roadways, and lines of sight are clear for vehicles. Greater Richmond Transit Company (GTRC) offers affordable transportation throughout the area and the nearest bus stop is located 0.1 miles south of the site. Many area services are located within 2.0 miles of the subject site. Given the subject's proximity to Jefferson Davis Highway/U.S. Highway 1/301, an arterial roadway and commercial corridor in the area, many area services are easily accessible. Overall, the subject site's surrounding land uses and proximity to community services should positively contribute to its marketability. Additional information regarding the subject site, surrounding land uses and the proximity of community services is included in *Section IV - Area Analysis*.

### Primary Market Area (PMA)

The Primary Market Area (PMA) is the geographical area from which most of the support for the proposed development is expected to originate. The Richmond Site PMA includes areas immediately south of the Richmond limits including Bensley, Meadowbrook and Chester, as well as the surrounding areas of Chesterfield County. The boundaries of the Richmond Site PMA include State Route 150 (Chippenham Parkway), and North Market Road to the north; Interstate 295 to the east; State Route 10 (West/East Hundred Road) to the south; and State Route 10 (Iron Bridge Road) to the west. A justification of this market area and a map illustrating the boundaries of the Site PMA can be found in *Section IV*, beginning on page IV-9.

### Demographic Trends

Both the population and household bases within the Richmond Site PMA are projected to increase between 2023 and 2028, a trend which has been consistent since 2010. In addition, the 25 to 64 age cohort, which is expected to be the primary age cohort of potential renters at the general-occupancy subject project, comprise nearly 70.0% of all households in 2023. Renters are projected to increase by 365, or 4.8%, between 2023 and 2028. In addition, nearly three-quarters (73.2%) of the nearly 8,000 renters projected for 2028 are projected to earn \$75,000 or less, generally the incomes conducive to reside at the subject site. Based on the preceding analysis, a large base of renter households will continue to exist in the market during this time period. Detailed demographic trends are included in *Section IV*, beginning on page IV-11.

### Economic Trends

According to a representative with the Chesterfield County Economic Development Department and based on data provided by the State of Virginia Department of Labor, the local economy experienced consistent growth between 2012 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, which caused many area businesses to shut down in an attempt to mitigate the spread of the coronavirus. During this time, the Chesterfield County employment base declined by over 9,321 jobs, or 5.3%, and its *annual* unemployment rate increased by more than three percentage points. Specifically, between February and April 2020, the *monthly* unemployment rate within the county spiked by over eight percentage points. On a positive note, the local economy has been experiencing growth since 2020, with its employment base rising by 1.8% in 2022, and annual unemployment decreasing to a rate of 2.8% through the end of 2022. These are good indications that the Chesterfield County economy is beyond the beginning stages of recovery from the pandemic. This, in turn, will continue to create a stable environment for the local housing market. Detailed economic trends are included in *Section IV*, beginning on page IV-15.

Overall Rental Housing Market Conditions

We identified and personally surveyed 19 conventional housing projects containing a total of 3,347 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 96.8%. However, this includes a market-rate property still in its initial lease-up period, Station at Chester Village. Excluding this property, the market-rate segment has a combined occupancy rate of 97.6%, and ***the overall market has a combined occupancy rate of 98.4%***, a strong rate for rental housing. Each rental housing segment surveyed is summarized as follows:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	11	2,459	107	95.6%
Market-Rate/Tax Credit	1	163	0	100.0%
Tax Credit	7	725	0	100.0%
Total	19	3,347	107	96.8%

As illustrated in the preceding table, all rental properties surveyed are performing at good occupancy levels and it can be concluded that the Richmond rental housing market is performing well. It is also important to note that all properties surveyed offering affordable units are 100.0% occupied.

Comparable/Competitive Tax Credit Analysis

The proposed subject project will target family (general-occupancy) households earning up to 30%, 60% and 70% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Site PMA, we identified and surveyed a total of four general-occupancy LIHTC properties which offer non-subsidized units in the Richmond market. Thus, these four properties have been included in this comparable/competitive analysis. Note that two of these four properties also target seniors, in addition to families.

These four LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the *Field Survey of Conventional Rentals*.

Map I.D.	Project Name	Quality Rating	Nbhd. Rating	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	<b>Liberty Gardens</b>	-	-	<b>2025</b>	<b>90</b>	-	-	-	<b>Families; 30%, 60% &amp; 70% AMHI</b>
1	Arbor Lake	B	B	1996	126	100.0%	6.7 Miles	5 HH	Families; 60% AMHI
9	Grand Oaks (Family & Senior)	B	B	2005	216	100.0%	5.7 Miles	None	Families & Seniors 55+; 60% AMHI
10	Iron Bridge Road	B	B	2016	80	100.0%	6.8 Miles	240 HH	Families; 40%, 50%, & 60% AMHI
12	Market Square V (Family & Senior)	B	B+	2019	105	100.0%	0.8 Miles	6-12 Months	Families & Seniors 55+; 40%, 50%, & 60% AMHI

Occ. – Occupancy; Nbhd. – Neighborhood; HH - Households

The four comparable LIHTC projects have a combined occupancy rate of 100.0% and three of the properties maintain a waiting list for their next available units, the longest of which contains 240 households, illustrating that pent-up demand exists for additional affordable rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
<b>Site</b>	<b>Liberty Gardens</b>	<b>\$566/30% (5)</b> <b>\$1,133/60% (2)</b>	<b>\$1,360/60% (60)</b> <b>\$1,587/70% (10)</b>	<b>\$1,571/60% (10)</b> <b>\$1,636/70% (3)</b>	-
1	Arbor Lake	\$1,133/60% (31/0)	\$1,357/60% (75/0)	\$1,571/60% (20/0)	None
9	Grand Oaks (Family & Senior)	\$1,133/60% (48/0)	\$1,360/60% (32/0) \$1,360/60% (20/0) \$1,360/60% (43/0)	\$1,564/60% (73/0)	None
10	Iron Bridge Road	\$786/40% (8/0) \$975/50% (8/0)	\$1,179/50% (28/0) \$1,406/60% (36/0)	-	None
12	Market Square V (Family & Senior)	\$724/40% (9/0) \$892/50% (72/0) \$1,081/60% (16/0)	\$883/40% (3/0) \$1,109/50% (5/0)	-	None

The proposed subject gross rents targeting households earning up to 30% and 60% of AMHI are generally positioned similar to the rents being achieved at the comparable LIHTC properties targeting similar income levels. Considering these competitive rents, as well as the newness of the subject project, these rents are considered achievable in the market.

The subject's 70% of AMHI rents will be the highest LIHTC rents in the market. However, this is to be expected given the higher income targeting of these units and the fact that they represent good market rent advantages (as illustrated in *Section VI*), it is believed that these higher rents are achievable. In addition, the subject project will be the only property among the comparable LIHTC properties offering units at the lower 30% of AMHI income level, as well as the higher 70% of AMHI income level, which will enable the subject project to accommodate income segments of renters that are likely underserved.

Comparable/Competitive Tax Credit Summary

The four comparable LIHTC projects have a combined occupancy rate of 100.0% and three of the properties maintain a waiting list for their next available units, the longest of which contains 240 households, illustrating that pent-up demand exists for additional affordable rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand.

The proposed subject gross rents targeting households earning up to 30% and 60% of AMHI are generally positioned similar to the rents being achieved at the comparable LIHTC properties targeting similar income levels. Considering these competitive rents, as well as the newness of the subject project, these rents are considered achievable in the market. The subject's 70% of AMHI rents will be the highest LIHTC rents in the market. However, this is to be expected given the higher income targeting of these units and the fact that they represent good market rent advantages (as illustrated in *Section VI*), it is believed that these higher rents are achievable. In addition, the subject project will be the only property among the comparable LIHTC properties offering units at the lower 30% of AMHI income level, as well as the higher 70% of AMHI income level, which will enable the subject project to accommodate income segments of renters that are likely underserved. Based on the subject project's competitive rents, as well as the competitive unit sizes and competitive amenities package, the subject project is considered very marketable as proposed.

Perception of Value

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

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
One-Br.	\$500 (30%)	\$1,460	65.8%
	\$1,067 (60%)		26.9%
Two-Br.	\$1,278 (60%)	\$1,710	25.3%
	\$1,475 (70%)		13.7%
Three-Br.	\$1,485 (60%)	\$2,095	29.1%
	\$1,550 (70%)		26.0%

Typically, Tax Credit rents targeting households earning up to 60% of AMHI are set at least 10.0% below market rent to ensure the property represents a value and has a sufficient flow of prospective tenants within most markets. While units targeting households at higher income levels such as 70% of AMHI often do not need to represent a market rent advantage of 10.0% to be perceived a value, it is often recommended that such units/rents represent a positive rent advantage to ensure they are perceived as a value to low-income renters.

As detailed in the preceding table, the subject rents represent market rent advantages ranging from 13.7% to 65.8%, depending upon unit type and income level. Thus, the subject rents, even those at the higher 70% AMHI levels, will represent significant values within the Site PMA.

Capture Rate Estimates

The following is a summary of our demand estimates:

Demand Component	30% AMHI (\$19,406 - \$24,180)	60% AMHI (\$38,846 - \$65,280)	70% AMHI (\$53,383 - \$76,160)	Overall (\$19,406 - \$76,160)*
Net Demand	110	844	687	1,277
Proposed Units	5	72	13	90
Proposed Units / Net Demand	5 / 110	72 / 844	13 / 687	90 / 1,277
Capture Rate	= 4.5%	= 8.5%	= 1.9%	= 7.0%

\*Excludes those earning between \$24,181 and \$38,845 due to gap in affordability levels

The subject’s state-formatted overall capture rate of 7.0% for the subject’s proposed LIHTC units is considered achievable, illustrating that a significant amount of demographic support will exist for the subject site.

Penetration Rate

The 1,078 existing and planned non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned Tax Credit units is \$19,406 to \$76,160. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, the penetration rate for the existing and planned Tax Credit units is summarized as follows:

	Market Penetration
Number of LIHTC Units (Existing, Planned & Proposed)	1,168
Income-Eligible Renter Households – 2025	/ 4,763
Overall Market Penetration Rate	= 24.5%

It is our opinion that the 24.5% penetration rate for the LIHTC units, existing, planned and proposed at the site, is low and achievable.

Absorption Projections

Considering the facts contained in the market study, as well as the preceding factors, and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the proposed subject development. It is our opinion that the proposed 90 LIHTC units at the subject site will reach a stabilized occupancy of 93.0% within six months of opening. This absorption period is based on an average monthly absorption rate of 14 units per month.

These absorption projections assume an April 2025 opening date. A different opening date opening may have a slowing impact on initial absorption. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. This absorption period also assumes that the subject project will be successful in attracting Voucher holders.

### III. Project Description

Project Name:	<b>Liberty Gardens</b>
Location:	8075 Jefferson Davis Highway, Richmond, Virginia 23237
Census Tract:	1004.04
Target Market:	Family
Construction Type:	New Construction
Funding Source:	4% Tax-Exempt Bond

The subject project involves the new construction of the 90-unit Liberty Gardens rental community at 8075 Jefferson Davis Highway in Richmond, Virginia. The project will target general-occupancy (family) households earning up to 30%, 60% and 70% of Area Median Household Income (AMHI) under the 4% Tax-Exempt Bond program. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be completed by April 2025. Additional details of the subject development are summarized as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Program Rents			
						Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
5	One-Br.	1.0	Garden	720	30%	\$500	\$66	\$566	\$566
2	One-Br.	1.0	Garden	720	60%	\$1,067	\$66	\$1,133	\$1,133
60	Two-Br.	2.0	Garden	980	60%	\$1,278	\$82	\$1,360	\$1,360
10	Two-Br.	2.0	Garden	980	70%	\$1,475	\$82	\$1,557	\$1,587
10	Three-Br.	2.0	Garden	1,129	60%	\$1,485	\$86	\$1,571	\$1,571
3	Three-Br.	2.0	Garden	1,129	70%	\$1,550	\$86	\$1,636	\$1,833
90	Total								

Source: South Creek Development, LLC  
 AMHI – Area Median Household Income (Richmond, VA MSA; 2022)

Building/Site Information	
Residential Buildings:	One (1) three-/four-story building
Building Style:	Elevator-served
Community Space:	Integrated throughout
Acres:	4.186

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	February 2024
Begin Preleasing:	November 2024
Construction End:	April 2025

Unit Amenities		
• Electric Range	• Ceiling Fans	• Carpet/Tile/Composite Flooring
• Refrigerator	• Central Air Conditioning	• Window Blinds
• Dishwasher	• Walk-In Closet	• Exterior Storage Closet
• Washer/Dryer Hookups	• Patio/Balcony	

Community Amenities		
• On-Site Management	• Business/Computer Center	• Clubhouse/Community Room
• Community Kitchen	• Common Area Wi-Fi	• Common Patio/Porch
• Multipurpose Room	• Laundry Room	• Playground
• Fitness Center	• Grilling Area	• Wellness Center
• CCTV/Cameras	• Surface Parking Lot	



Utility Responsibility							
	Heat	Hot Water	Cooking	General Electric	Cold Water	Sewer	Trash
Paid By	Tenant	Tenant	Tenant	Tenant	Landlord	Landlord	Landlord
Source	Electric	Electric	Electric				

**FLOOR AND SITE PLAN REVIEW:**

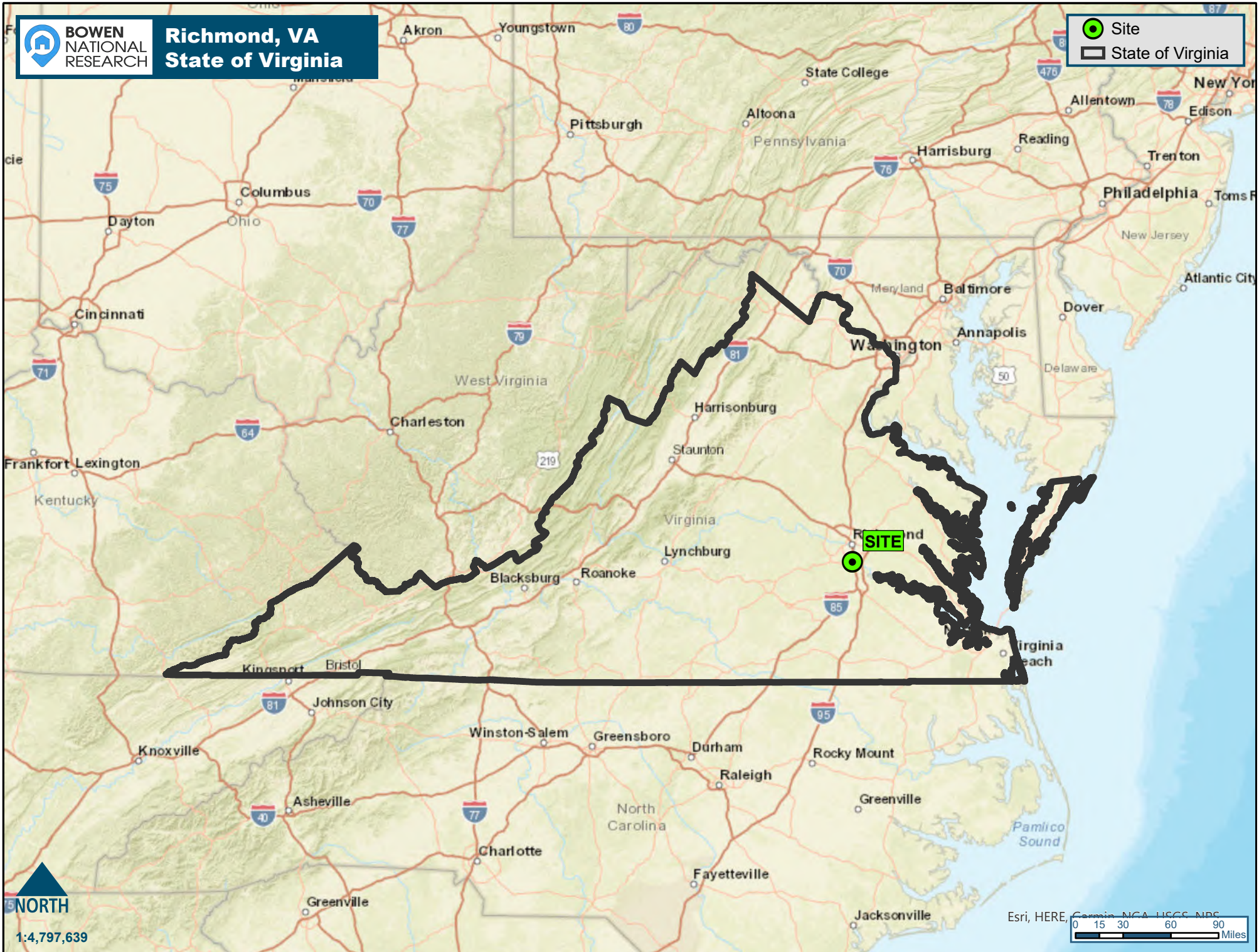
Although detailed floor plans for the proposed project were not available for review at the time this report was prepared, a site plan was provided and reviewed. Based on this site plan, as well as our evaluation of additional information provided to our firm, however, the proposed unit sizes are appropriate relative to those offered at the comparable LIHTC units within the market. The in-unit washer/dryer connections and dishwasher will appeal to the targeted population. Further, the proposed amenities package will be competitive with those offered at the comparable LIHTC projects within the Primary Market Area (PMA). The proposed development will not lack any amenities that would have an adverse impact on its marketability. Overall, we believe the subject project will be appropriately positioned within the market, assuming the layout of the site and floor plans are marketable.

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



# Richmond, VA State of Virginia

● Site  
▭ State of Virginia

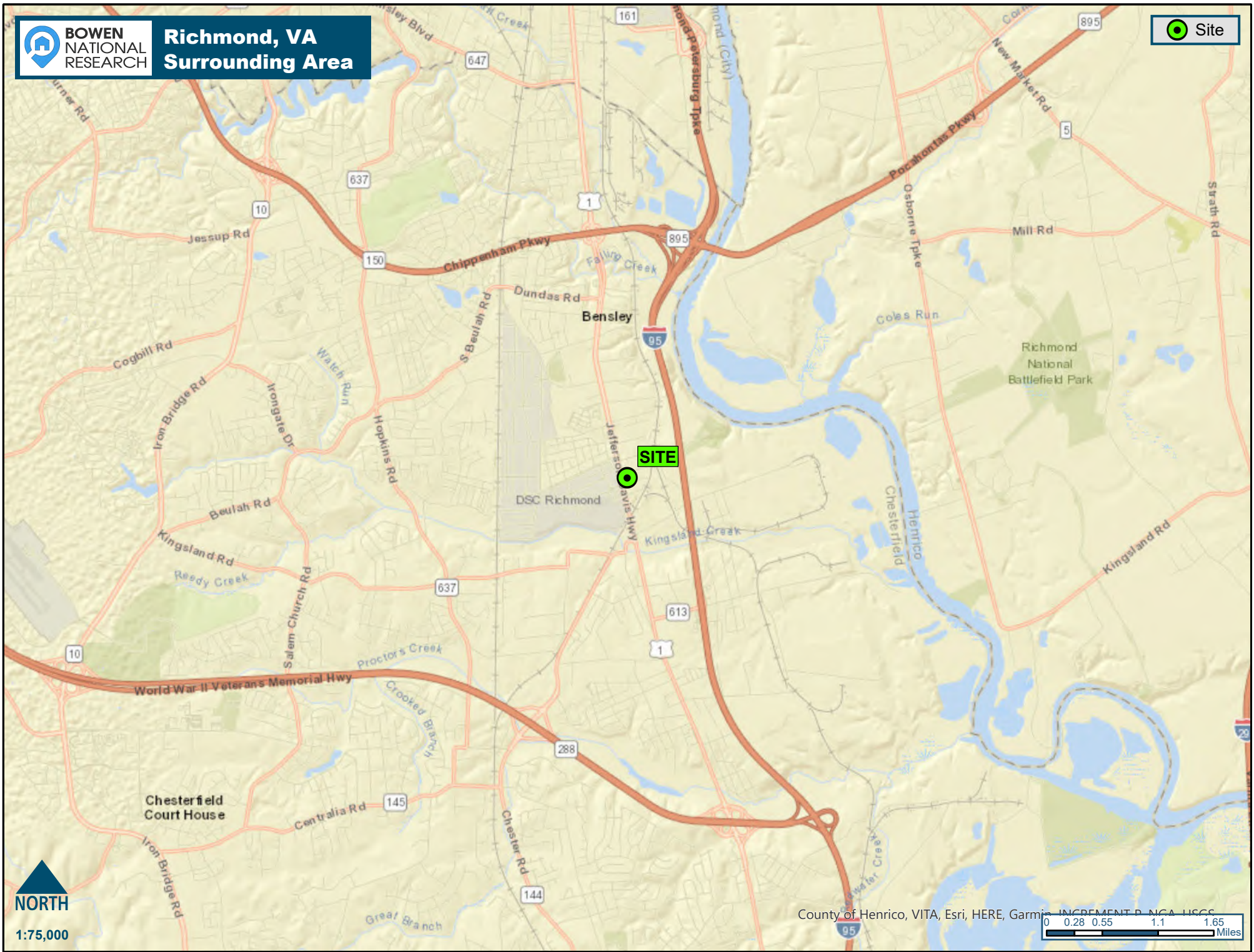


1:4,797,639

Esri, HERE, Garmin, NGA, USGS, NPS  
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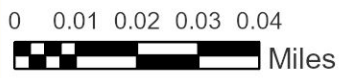


# Richmond, VA Surrounding Area



1:75,000

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



## IV. Area Analysis

### A. SITE DESCRIPTION AND EVALUATION

#### 1. LOCATION

The subject site consists of a former retail land use, automobile repair and sales property, and boat service company located at 8075 Jefferson Davis Highway. Located immediately south of the Richmond, Virginia limits, the subject site is located approximately 11.0 miles south of Downtown Richmond. The subject site visit and corresponding fieldwork were completed during the week of February 13, 2023.

#### 2. SURROUNDING LAND USES

The subject site is situated within an established mixed-use area. Surrounding land uses generally include a U.S. Defense Supply center, a gas station, hotels and single-family homes. Adjacent land uses are detailed as follows:

<b>North -</b>	The northern boundary is defined by Myron Avenue, a residential roadway with light traffic patterns that terminates northeast of the site. A Citgo gas station, Bellwood Terrace Apartments and a mobile home park are situated farther north of the site. These aforementioned residential land uses are considered to be in fair condition. Various retail establishments extend farther north of the site.
<b>East -</b>	The eastern boundary is defined by a light tree line, which buffers the site from single-family homes in fair condition. Railroad tracks, undeveloped land and Shell Road, a lightly traveled roadway, extend east of the site to Interstate 95.
<b>South -</b>	The southern boundary is defined by Dwight Avenue, a residential roadway with light traffic patterns that terminates southeast of the site. Hotels, restaurants and various retail establishments extend south of the site.
<b>West -</b>	The western boundary is defined by Jefferson Davis Highway/U.S. Highway 1/301, an arterial roadway and commercial corridor with moderate traffic patterns. U.S. Defense Supply Center Richmond, Defense Logistics Agency and single-family homes in good condition extend farther west of the site.

The subject site is situated within an established and mixed-use neighborhood. Surrounding land uses generally include a U.S. Defense Supply center, a gas station, hotels and residential dwellings. Although there are railroad tracks situated east of the site, this land use is not expected to adversely impact the marketability of the site as there is a buffer of single-family homes and undeveloped land separating the site from this land use. Overall, the subject property is expected to fit well with the surrounding land uses and they should contribute to the marketability of the site. Photographs of the site can be found in *Section X* of this report.

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

The subject site will be clearly visible from Jefferson Davis Highway/U.S. Highway 1/301, a moderately traveled arterial roadway and commercial corridor bordering the site to the west. The subject project will be comprised of four stories and will be the tallest structure in the immediate area, further enhancing visibility of the site. Further, multiple bus stops are present along Jefferson Davis Highway/U.S. Highway 1/301 and riders utilizing this service will also have clear views of the site. Overall, visibility of the site is considered good.

Based on information provided by the developer, access to and from the site will be derived from Myron Avenue (north of site) and Dwight Avenue (south of site). Ingress and egress from all points should be easy as traffic is relatively light along these aforementioned roadways, and lines of sight are clear for vehicles. Greater Richmond Transit Company (GTRC) offers affordable transportation throughout the area and the nearest bus stop is located 0.1 miles south of the site. In addition to being conveniently accessed, the subject site is also within proximity of arterial roadways, as Jefferson Davis Highway/U.S. Highway 1/301 and Interstate 95 are both accessed within 2.5 miles of the site. Overall, access to and from the subject site is considered good.

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

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

Community Services	Name	Driving Distance From Site (miles)
Major Highways	U.S. Highway 1/301	0.1 West
	Interstate 95	2.3 North
Public Bus Stop	Greater Richmond Transit Company (GRTC)	0.1 South
	Greater Richmond Transit Company (GRTC)	0.5 North
Major Employers/ Employment Centers	U.S. Defense Supply Center Richmond	0.1 West
	Defense Logistics Agency	0.1 West
	84 Lumber	1.8 South
	Dupont	2.6 North
Convenience Store	Citgo	0.1 North
	El Dorado Mini Market	0.4 Northwest
	7-Eleven	1.0 South
Grocery	Richmond Food Mart	1.5 North
	La Miguelena	1.3 North
	Fast & Friendly	1.6 North
Discount Department Store	Food Lion	2.3 North
	Family Dollar	0.8 Northwest
	Dollar General	1.4 North
Shopping Center/Mall	Dollar Tree	3.4 Northwest
	Bermuda Square Shopping Center	4.7 South
	Schools: Elementary	Bensley Elementary School
Middle/Junior High	Fallen Creek Middle School	5.0 Northwest
High	Meadowbrook High School	4.5 Northwest
Hospital	Concentra Urgent Care	1.6 Southeast
	Hunter Holmes Medical Hospital	7.0 North
Police	Southern Area Station Chester	5.8 South
Fire	DSCR Fire Department	1.3 South
Post Office	U.S. Post Office	3.2 Northwest
	U.S. Post Office	4.8 South
Bank	Wells Fargo Bank	0.7 Northwest
	Bayland's Family Credit Union	0.7 North
	Argent Credit Union	2.6 North
	Bank of America	3.4 Northwest
Recreational Facilities	Bensley Recreation Center	1.6 Northwest
	YMCA	3.5 Northwest
Library	Chester Library	4.9 South
Park	Richmond National Battlefield	1.6 East
	Bensley Park	1.6 Northwest
	Falling Creek Wayside Park	2.1 North
Gas Station	Citgo	0.1 North
	Exxon	1.5 Southeast
	Shell Gas	2.5 North
Pharmacy	Rite Aide	4.8 South
	CVS	4.8 South
	Food Lion Pharmacy	2.3 North

(Continued)

Community Services	Name	Driving Distance From Site (miles)
Restaurant	Arby's	0.1 South
	301 North	0.6 North
	Don Pedro's	0.6 South
	Quinto Sol	0.7 South
Day Care	Genesis Learning Center	0.7 Northwest
	Bright Horizon's Childcare	1.4 West
	Creative Minds Childcare	1.8 Northwest
Church	New Hope Ministries	0.6 Northwest
	Sherbourne United Methodist	1.4 North
Community Center	DSCR Community Center	1.4 South
	KBC Community Center	1.9 South
	YMCA	4.8 South

Many area services are located within 2.0 miles of the subject site. Given the subject's proximity to Jefferson Davis Highway/U.S. Highway 1/301, an arterial roadway and commercial corridor in the area, many area services are easily accessible. In addition, the presence of numerous bus stops within the area, the nearest of which is only 0.1 miles south of the site, enhances accessibility to community services. availability of affordable public transportation provided by GRTC is considered beneficial to the targeted low-income population and should enhance the subject's marketability.

All applicable attendance schools are within 2.0 miles of the site, with the local elementary school located just 0.4 miles west of the site.

## **5. OVERALL SITE EVALUATION**

The subject site consists of a former retail land use, automobile repair and sales property and boat service company located at 8075 Jefferson Davis Highway. The subject site is situated within an established mixed-use area. Surrounding land uses generally include a U.S. Defense Supply center, a gas station, hotels and residential dwellings. The subject site will be clearly visible from Jefferson Davis Highway/U.S. Highway 1/301, a moderately traveled arterial roadway and commercial corridor bordering the site to the west. Based on information provided by the developer, access to and from the site will be derived from Myron Avenue (north of site) and Dwight Avenue (south of site). Ingress and egress from all points should be easy as traffic is relatively light along these aforementioned roadways, and lines of sight are clear for vehicles. Greater Richmond Transit Company (GTRC) offers affordable transportation throughout the area and the nearest bus stop is located 0.1 miles south of the site. Many area services are located within 2.0 miles of the subject site. Given the subject's proximity to Jefferson Davis Highway/U.S. Highway 1/301, an arterial roadway and commercial corridor in the area, many area services are easily accessible. Overall, the subject site's surrounding land uses and proximity to community services should positively contribute to its marketability.



## 6. CRIME ISSUES

The primary source for Crime Risk data is the FBI Uniform Crime Report (UCR). The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas.

Applied Geographic Solutions uses the UCR at the jurisdictional level to model each of the seven crime types at other levels of geography. Risk indexes are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the United States.

It should be noted that aggregate indexes for total crime, personal crime and property crime are not weighted, and a murder is no more significant statistically in these indexes than petty theft. Thus, caution should be exercised when using them.

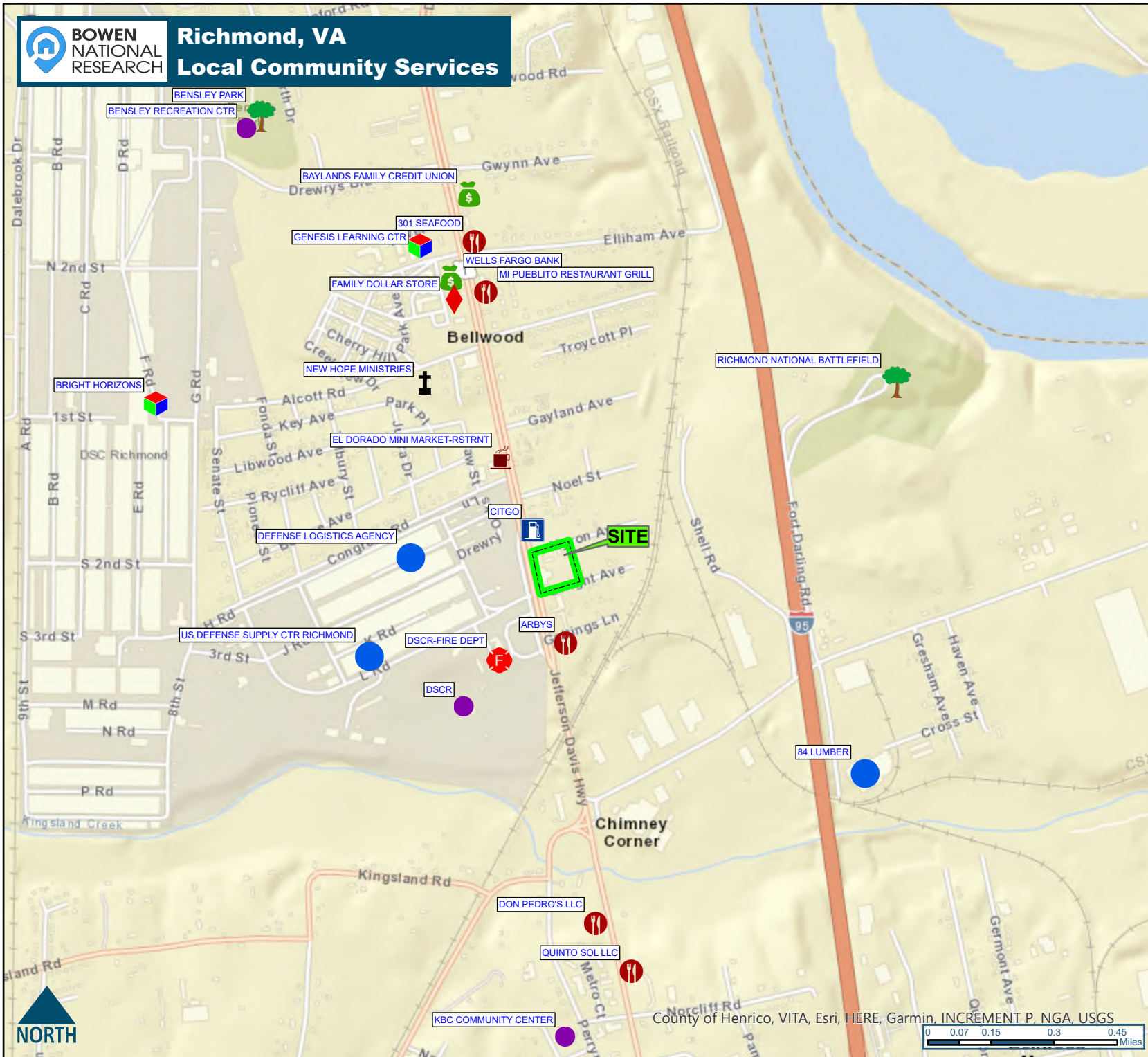
Total crime risk for the Site PMA is 65, with an overall personal crime index of 46 and a property crime index of 68. Total crime risk for Chesterfield County is 49, with personal and property crime indices of 34 and 51, respectively.

	Crime Risk Index	
	PMA	Chesterfield County
<b>Total Crime Index</b>	<b>65</b>	<b>49</b>
<b>Personal Crime Index</b>	<b>46</b>	<b>34</b>
Murder	88	66
Rape	79	52
Robbery	33	30
Assault	44	32
<b>Property Crime Index</b>	<b>68</b>	<b>51</b>
Burglary	56	42
Larceny	75	56
Motor Vehicle Theft	37	30

Source: Applied Geographic Solutions, FBI, ESRI

As the preceding illustrates, the crime risk index for the Site PMA (65) is similar to that reported for Chesterfield County (49) as a whole. These aforementioned crime indexes are below the national average of 100 and are good indications that crime is not likely to adversely impact the marketability of the site.

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

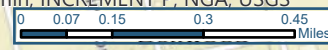


**Legend**

- Site Area
- Bank
- Child Care
- Church
- Convenience Store
- Fire
- Gas
- Park
- Recreation Center
- Restaurant
- Shopping
- Employer 1000-5000



County of Henrico, VITA, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



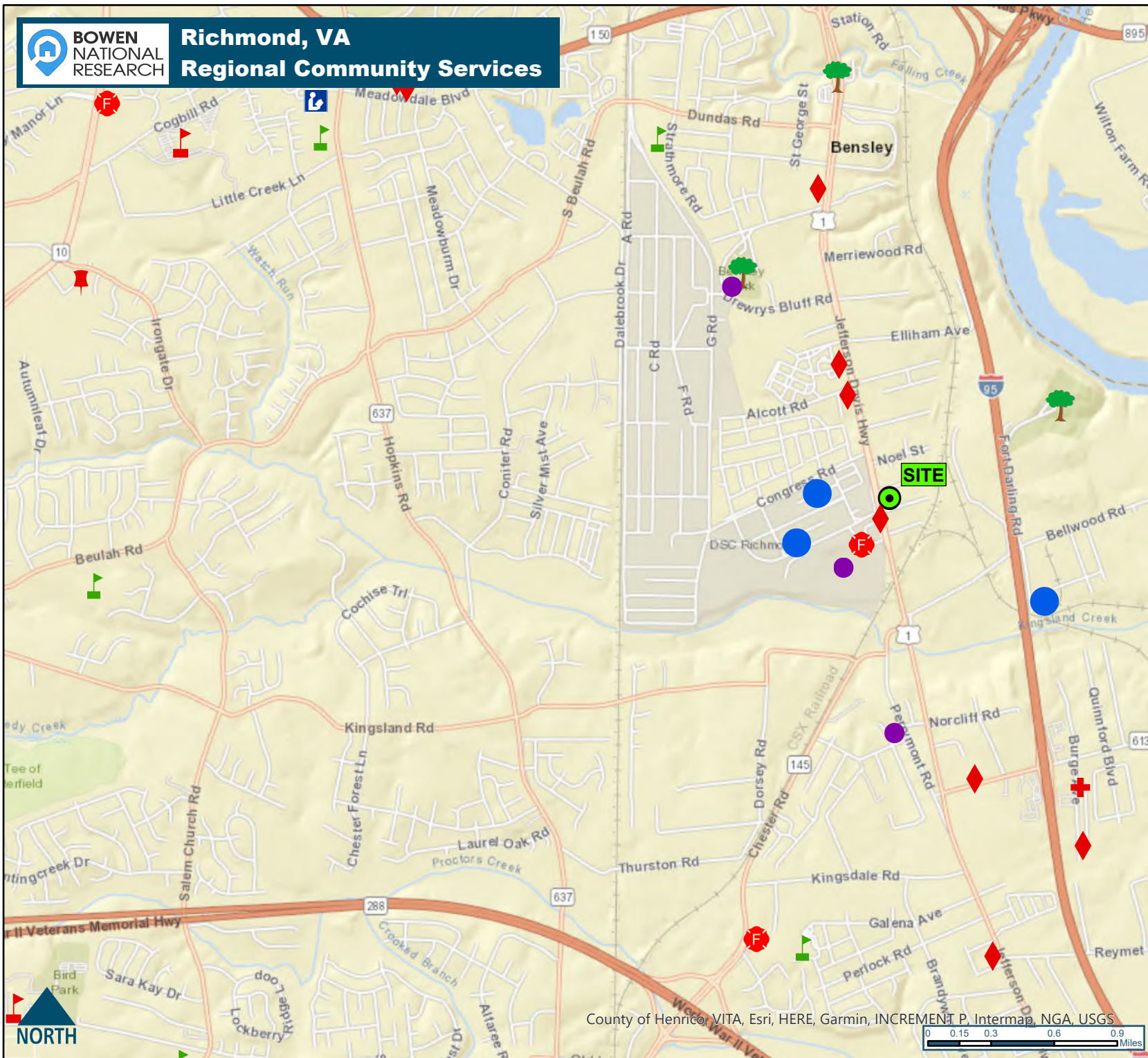
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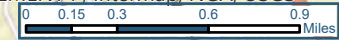
# Richmond, VA Regional Community Services

## Legend

- Site
- Entertainment
- Elementary School
- Fire
- High School
- Library
- Medical Center
- Park
- Recreation Center
- Shopping
- Employer 1000-5000



County of Henrico, VITA, Esri, HERE, Garmin, INCREMENT P, Intermap, NGA, USGS



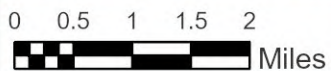
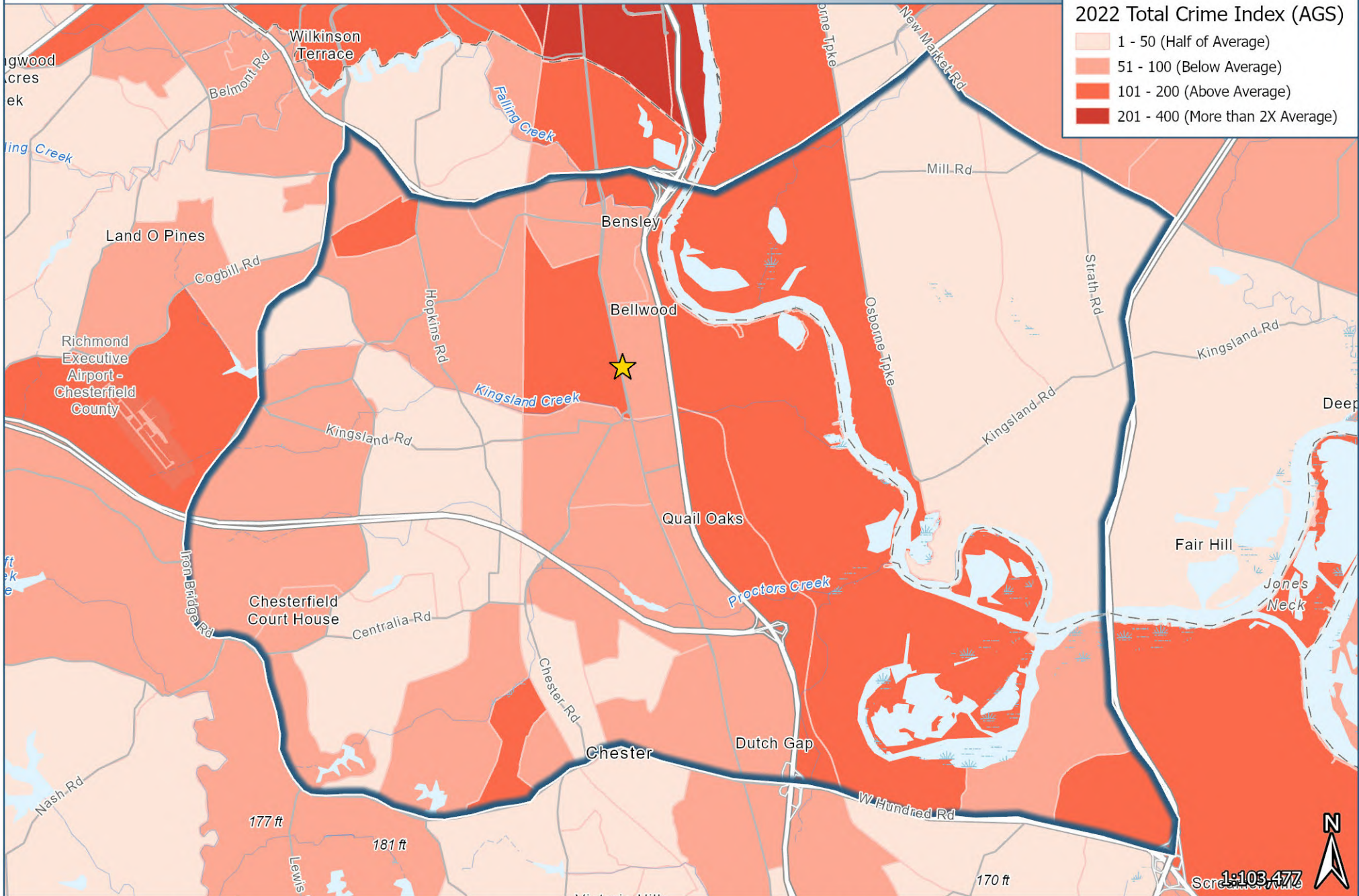
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**2022 Total Crime Index (AGS)**

- 1 - 50 (Half of Average)
- 51 - 100 (Below Average)
- 101 - 200 (Above Average)
- 201 - 400 (More than 2X Average)



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

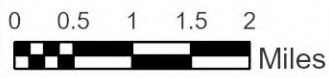
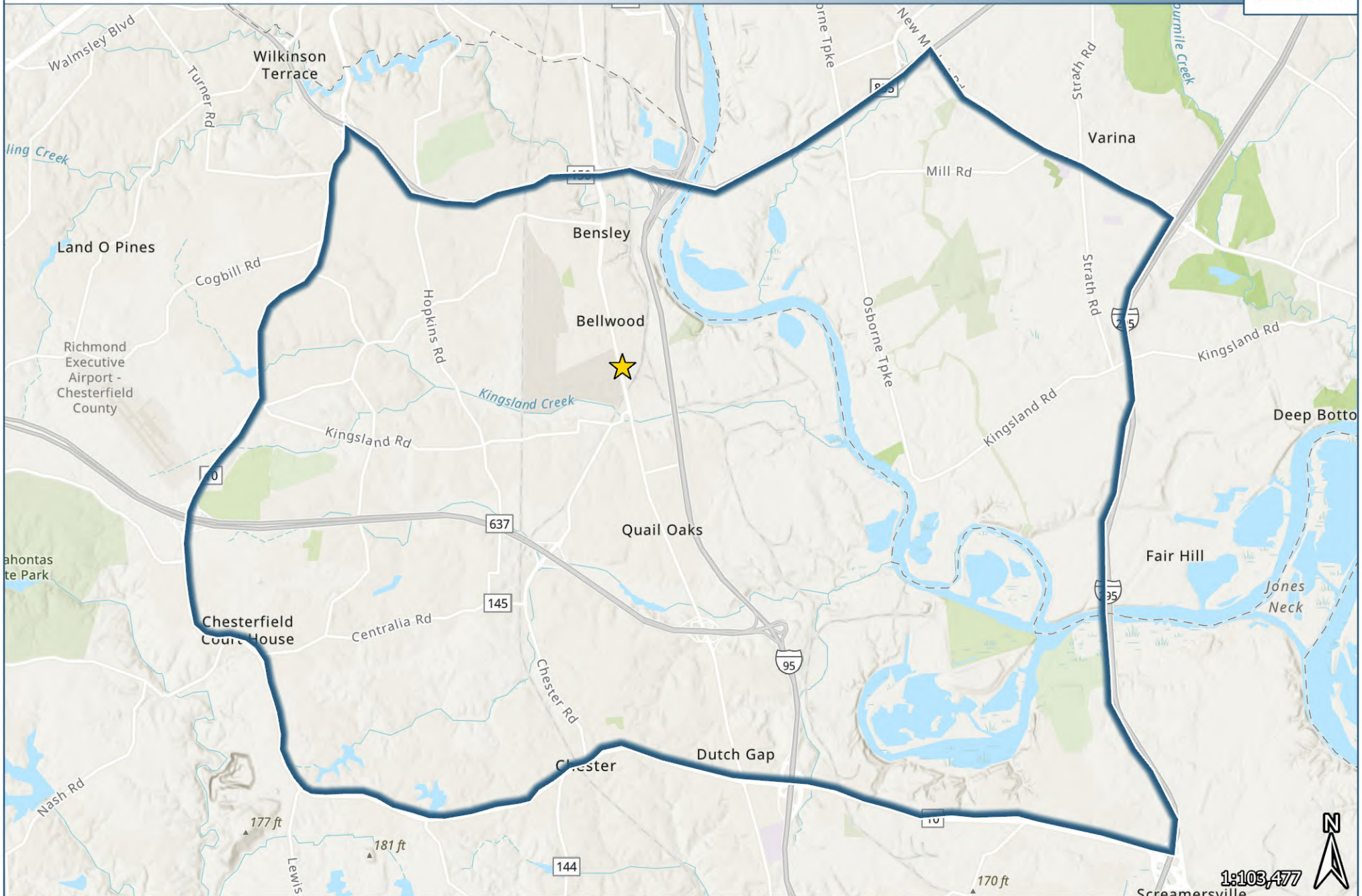
The Primary Market Area (PMA) is the geographical area from which most of the support for the proposed development is expected to originate. The Richmond Site PMA was determined through interviews with area leasing and real estate agents, planning officials, economic development representatives and the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

The Richmond Site PMA includes areas immediately south of the Richmond limits including Bensley, Meadowbrook and Chester, as well as the surrounding areas of Chesterfield County. The boundaries of the Richmond Site PMA include State Route 150 (Chippenham Parkway), and North Market Road to the north; Interstate 295 to the east; State Route 10 (West/East Hundred Road) to the south; and State Route 10 (Iron Bridge Road) to the west.

- Barbara Cousins, Community Manager at Courthouse Senior Apartments (Map ID 6), a Tax Credit property within the Site PMA, confirmed the boundaries of the Site PMA. Ms. Cousins indicated that most of her support comes from communities in the central, southern and southwestern portions of the PMA, and generally areas south of Downtown Richmond.
- Yari Vasquez, Assistant Property Manager at Grand Oaks Apartments (Map ID 9), a comparable Tax Credit property within the Site PMA, confirmed the boundaries of the Site PMA. Ms. Vasquez indicated that the majority of support for her project originated from within the Site PMA. Ms. Vasquez added that portions of the PMA west of Interstate 95 provided the most support for her project and she does not typically receive significant support from the urban areas of Richmond north of the Site PMA.

A small portion of support may originate from some of the outlying areas; we have not, however, considered any secondary market area in this report. Areas north of the Site PMA in Richmond have been excluded from this market area due to the differences in rental product offered, as well as the differences in achievable rents between the Site PMA and urban areas of Richmond.

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



## C. DEMOGRAPHIC CHARACTERISTICS AND TRENDS

### 1. POPULATION TRENDS

*The following demographic data relates to the Site PMA. It is important to note that not all estimates/projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the estimates/projections do not vary more than 1.0%.*

The Site PMA population bases for 2010, 2020, 2023 (estimated), and 2028 (projected) are summarized as follows:

	Year			
	2010 (Census)	2020 (Census)	2023 (Estimated)	2028 (Projected)
Population	55,507	61,888	63,010	65,759
Population Change	-	6,381	1,122	2,749
Percent Change	-	11.5%	1.8%	4.4%

Source: 2010 & 2020 Census; ESRI; Bowen National Research

The Richmond Site PMA population base increased by 6,381 between 2010 and 2020. This represents an 11.5% increase over the 2010 population. Between 2020 and 2023, the population increased by 1,122, or 1.8%. It is projected that the population will increase by 2,749, or 4.4%, between 2023 and 2028.

The Site PMA population bases by age are summarized as follows:

Population by Age	2010 (Census)		2023 (Estimated)		2028 (Projected)		Change 2023-2028	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	15,347	27.6%	14,610	23.2%	14,940	22.7%	330	2.3%
20 to 24	3,551	6.4%	3,705	5.9%	3,536	5.4%	-169	-4.6%
25 to 34	7,555	13.6%	9,211	14.6%	9,085	13.8%	-126	-1.4%
35 to 44	7,803	14.1%	8,291	13.2%	9,264	14.1%	973	11.7%
45 to 54	8,480	15.3%	7,751	12.3%	7,766	11.8%	15	0.2%
55 to 64	6,761	12.2%	8,319	13.2%	7,980	12.1%	-339	-4.1%
65 to 74	3,582	6.5%	6,777	10.8%	7,469	11.4%	692	10.2%
75 & Older	2,428	4.4%	4,345	6.9%	5,719	8.7%	1,374	31.6%
<b>Total</b>	<b>55,507</b>	<b>100.0%</b>	<b>63,010</b>	<b>100.0%</b>	<b>65,759</b>	<b>100.0%</b>	<b>2,749</b>	<b>4.4%</b>

Source: Bowen National Research, ESRI, Census

As the preceding table illustrates, more than 53% of the population is expected to be between 25 and 64 years old in 2023. This age group is the primary group of potential support for the subject site and will likely represent a significant number of the tenants.

## 2. HOUSEHOLD TRENDS

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

	Year			
	2010 (Census)	2020 (Census)	2023 (Estimated)	2028 (Projected)
Households	20,741	23,377	23,964	25,085
Household Change	-	2,636	587	1,121
Percent Change	-	12.7%	2.5%	4.7%
Average Household Size	2.7	2.64	2.60	2.60

Source: Bowen National Research, ESRI, Census

Within the Richmond Site PMA, households increased by 2,636 (12.7%) between 2010 and 2020. Between 2020 and 2023, households increased by 587, or 2.5%. By 2028, there will be 25,085 households, an increase of 1,121 households, or 4.7% over 2023 levels.

The Site PMA household bases by age are summarized as follows:

Households by Age	2010 (Census)		2023 (Estimated)		2028 (Projected)		Change 2023-2028	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	722	3.5%	700	2.9%	687	2.7%	-13	-1.9%
25 to 34	3,251	15.7%	3,696	15.4%	3,633	14.5%	-63	-1.7%
35 to 44	4,144	20.0%	4,173	17.4%	4,588	18.3%	415	9.9%
45 to 54	4,821	23.2%	4,146	17.3%	4,097	16.3%	-49	-1.2%
55 to 64	4,017	19.4%	4,651	19.4%	4,414	17.6%	-237	-5.1%
65 to 74	2,305	11.1%	4,066	17.0%	4,417	17.6%	351	8.6%
75 & Older	1,481	7.1%	2,532	10.6%	3,248	12.9%	716	28.3%
<b>Total</b>	<b>20,741</b>	<b>100.0%</b>	<b>23,964</b>	<b>100.0%</b>	<b>25,085</b>	<b>100.0%</b>	<b>1,121</b>	<b>4.7%</b>

Source: Bowen National Research, ESRI, Census

As previously discussed, the primary age group of potential support for the subject project is expected to be the 25 to 64 age group. Notably, this age cohort is estimated to comprise nearly 70.0% of all households in 2023.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2023 (Estimated)		2028 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	14,276	68.8%	16,321	68.1%	17,077	68.1%
Renter-Occupied	6,465	31.2%	7,643	31.9%	8,008	31.9%
<b>Total</b>	<b>20,741</b>	<b>100%</b>	<b>23,964</b>	<b>100.0%</b>	<b>25,085</b>	<b>100.0%</b>

Source: Bowen National Research, ESRI, Census

In 2023, homeowners occupied 68.1% of all occupied housing units, while the remaining 31.9% were occupied by renters. Renters are projected to increase by 365, or 4.8%, between 2023 and 2028.



The household sizes by tenure within the Richmond Site PMA, based on the 2023 estimates and 2028 projections, were distributed as follows:

Persons per Owner Household	2023 (Estimated)		2028 (Projected)		Change 2023-2028	
	Households	Percent	Households	Percent	Households	Percent
1 Person	3,522	21.6%	3,792	22.2%	270	7.7%
2 Persons	5,793	35.5%	6,022	35.3%	229	4.0%
3 Persons	2,806	17.2%	2,852	16.7%	46	1.6%
4 Persons	2,235	13.7%	2,244	13.1%	9	0.4%
5+ Persons	1,965	12.0%	2,167	12.7%	202	10.3%
<b>Total</b>	<b>16,321</b>	<b>100.0%</b>	<b>17,077</b>	<b>100.0%</b>	<b>756</b>	<b>4.6%</b>

Source: Bowen National Research, ESRI, Census

Persons per Renter Household	2023 (Estimated)		2028 (Projected)		Change 2023-2028	
	Households	Percent	Households	Percent	Households	Percent
1 Person	2,724	35.6%	2,975	37.2%	251	9.2%
2 Persons	1,961	25.7%	2,097	26.2%	136	6.9%
3 Persons	1,333	17.4%	1,399	17.5%	66	5.0%
4 Persons	829	10.8%	764	9.5%	-65	-7.8%
5+ Persons	795	10.4%	772	9.6%	-23	-2.9%
<b>Total</b>	<b>7,643</b>	<b>100.0%</b>	<b>8,008</b>	<b>100.0%</b>	<b>365</b>	<b>4.8%</b>

Source: Bowen National Research, ESRI, Census

The one-, two- and three-bedroom units proposed at the subject site are expected to house up to five-person households. As such, the subject project will be able to accommodate virtually all renter households in the market, based on household size.

### 3. INCOME TRENDS

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

Household Income	2010 (Census)		2023 (Estimated)		2028 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$15,000	2,176	10.5%	1,214	5.1%	1,013	4.0%
\$15,000 - \$24,999	1,969	9.5%	1,576	6.6%	1,320	5.3%
\$25,000 - \$34,999	1,855	8.9%	2,502	10.4%	2,207	8.8%
\$35,000 - \$49,999	3,045	14.7%	2,845	11.9%	2,506	10.0%
\$50,000 - \$74,999	4,027	19.4%	5,009	20.9%	5,194	20.7%
\$75,000 - \$99,999	3,171	15.3%	3,257	13.6%	3,696	14.7%
\$100,000 - \$149,999	2,856	13.8%	4,672	19.5%	5,286	21.1%
\$150,000 & Higher	1,643	7.9%	2,890	12.1%	3,863	15.4%
<b>Total</b>	<b>20,741</b>	<b>100.0%</b>	<b>23,964</b>	<b>100.0%</b>	<b>25,085</b>	<b>100.0%</b>
Median Income	\$58,232		\$69,191		\$77,044	

Source: Bowen National Research, ESRI, Census

In 2023, the median household income is estimated to be \$69,191. By 2028, it is projected that the median household income will be \$77,044, an increase of 11.3% over 2023.

The following tables illustrate renter household income by household size for 2020, 2023 (estimated), and 2028 (projected) for the Richmond Site PMA:

Renter Households	2020 (ACS)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	451	174	136	79	59	898
\$15,000 - \$24,999	391	186	169	121	60	926
\$25,000 - \$34,999	604	329	238	155	103	1,429
\$35,000 - \$49,999	542	378	232	121	170	1,443
\$50,000 - \$74,999	308	407	311	167	179	1,371
\$75,000 - \$99,999	140	229	116	131	102	718
\$100,000 - \$149,999	104	133	77	81	84	480
\$150,000 & Higher	35	43	14	15	53	159
<b>Total</b>	<b>2,574</b>	<b>1,880</b>	<b>1,294</b>	<b>868</b>	<b>809</b>	<b>7,424</b>

Source: ESRI, Bowen National Research

Renter Households	2023 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	436	159	125	67	50	838
\$15,000 - \$24,999	382	173	157	104	52	869
\$25,000 - \$34,999	607	313	227	137	91	1,375
\$35,000 - \$49,999	549	362	223	107	151	1,392
\$50,000 - \$74,999	360	443	341	164	176	1,484
\$75,000 - \$99,999	181	272	138	139	108	838
\$100,000 - \$149,999	143	168	98	90	94	594
\$150,000 & Higher	65	72	23	21	73	254
<b>Total</b>	<b>2,724</b>	<b>1,961</b>	<b>1,333</b>	<b>829</b>	<b>795</b>	<b>7,643</b>

Source: ESRI, Bowen National Research

Renter Households	2028 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	410	140	111	52	39	757
\$15,000 - \$24,999	371	155	142	82	42	792
\$25,000 - \$34,999	612	291	213	112	75	1,304
\$35,000 - \$49,999	559	340	211	89	125	1,324
\$50,000 - \$74,999	430	490	380	161	173	1,634
\$75,000 - \$99,999	235	330	168	149	116	999
\$100,000 - \$149,999	195	214	126	103	108	745
\$150,000 & Higher	106	110	35	29	99	380
<b>Total</b>	<b>2,925</b>	<b>2,070</b>	<b>1,386</b>	<b>777</b>	<b>777</b>	<b>7,935</b>

Source: ESRI, Bowen National Research

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

## Demographic Summary

Both the population and household bases within the Richmond Site PMA are projected to increase between 2023 and 2028, a trend which has been consistent since 2010. In addition, the 25 to 64 age cohort, which is expected to be the primary age cohort of potential renters at the general-occupancy subject project, comprise nearly 70.0% of all households in 2023. Renters are projected to increase by 365, or 4.8%, between 2023 and 2028. In addition, nearly three-quarters (73.2%) of the nearly 8,000 renters projected for 2028 are projected to earn \$75,000 or less, generally the incomes conducive to reside at the subject site. Based on the preceding analysis, a large base of renter households will continue to exist in the market during this time period.

## **D. LOCAL ECONOMIC PROFILE AND ANALYSIS**

### **1. LABOR FORCE PROFILE**

The labor force within the Richmond Site PMA is based primarily in two sectors. Public Administration (which comprises 29.9%) and Professional, Scientific & Technical Services comprise nearly 45.8% of the Site PMA labor force. Employment in the Richmond Site PMA, as of 2022, was distributed as follows:

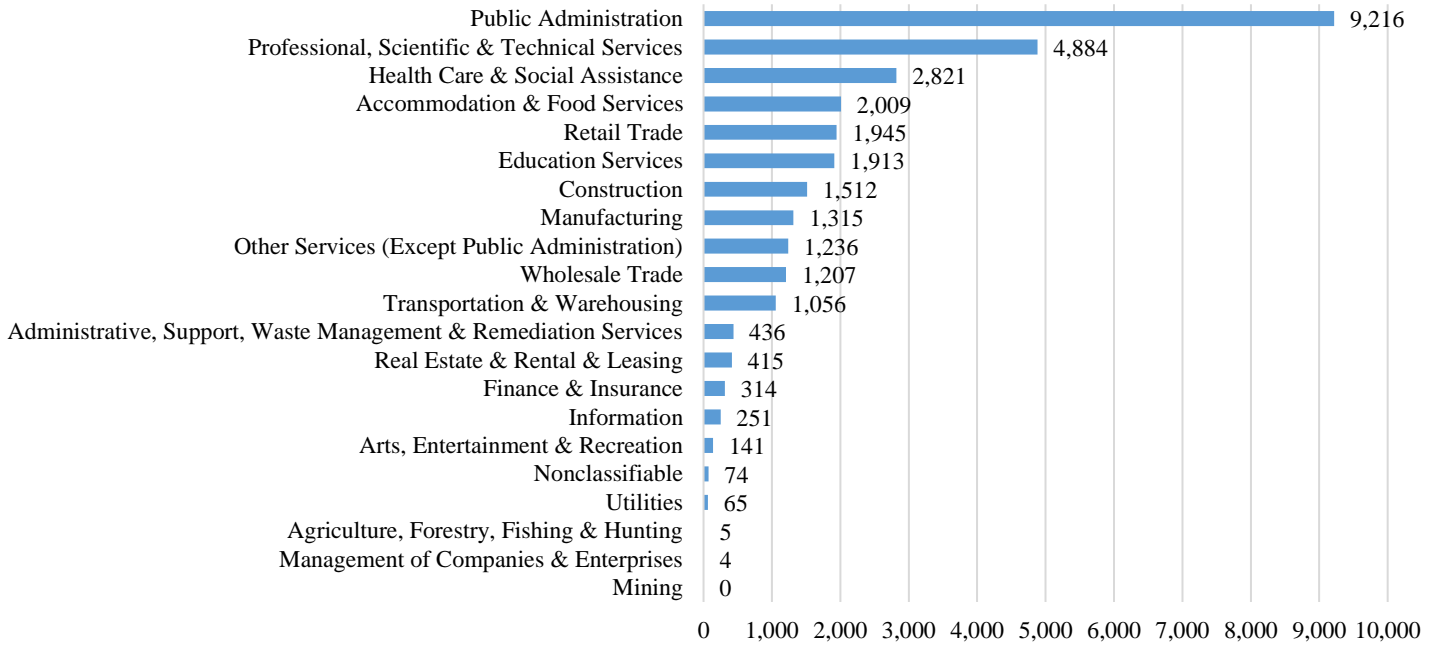
NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	2	0.1%	5	0.0%	3
Mining	0	0.0%	0	0.0%	0
Utilities	2	0.1%	65	0.2%	33
Construction	141	8.8%	1,512	4.9%	11
Manufacturing	42	2.6%	1,315	4.3%	31
Wholesale Trade	51	3.2%	1,207	3.9%	24
Retail Trade	222	13.9%	1,945	6.3%	9
Transportation & Warehousing	54	3.4%	1,056	3.4%	20
Information	17	1.1%	251	0.8%	15
Finance & Insurance	62	3.9%	314	1.0%	5
Real Estate & Rental & Leasing	84	5.3%	415	1.3%	5
Professional, Scientific & Technical Services	110	6.9%	4,884	15.8%	44
Management of Companies & Enterprises	1	0.1%	4	0.0%	4
Administrative, Support, Waste Management & Remediation Services	49	3.1%	436	1.4%	9
Education Services	31	1.9%	1,913	6.2%	62
Health Care & Social Assistance	136	8.5%	2,821	9.2%	21
Arts, Entertainment & Recreation	21	1.3%	141	0.5%	7
Accommodation & Food Services	144	9.0%	2,009	6.5%	14
Other Services (Except Public Administration)	228	14.3%	1,236	4.0%	5
Public Administration	114	7.1%	9,216	29.9%	81
Nonclassifiable	87	5.4%	74	0.2%	1
<b>Total</b>	<b>1,598</b>	<b>100.0%</b>	<b>30,819</b>	<b>100.0%</b>	<b>19</b>

Source: Bowen National Research, ESRI, Census

E.P.E.- Average Employees Per Establishment

Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the Site PMA; however, these employees are included in our labor force calculations because their places of employment are located within the Site PMA.

## Total Employment by Industry



Typical wages by job category for the MSA are compared with the state of Virginia in the following table:

Typical Wage By Occupation Type		
Occupation Type	Richmond, VA MSA	Virginia
Management Occupations	\$79,254	\$86,982
Business And Financial Occupations	\$68,940	\$79,492
Computer And Mathematical Occupations	\$89,345	\$101,948
Architecture And Engineering Occupations	\$84,655	\$91,391
Community And Social Service Occupations	\$46,377	\$47,562
Art, Design, Entertainment, Sports, and Media Occupations	\$40,973	\$50,373
Healthcare Practitioners And Technical Occupations	\$61,228	\$62,062
Healthcare Support Occupations	\$26,064	\$25,438
Protective Service Occupations	\$48,601	\$54,227
Food Preparation And Serving Related Occupations	\$15,130	\$14,943
Building And Grounds Cleaning And Maintenance Occupations	\$22,399	\$22,369
Personal Care And Service Occupations	\$19,263	\$19,079
Sales And Related Occupations	\$35,760	\$31,683
Office And Administrative Support Occupations	\$37,493	\$36,507
Construction And Extraction Occupations	\$38,834	\$39,747
Installation, Maintenance And Repair Occupations	\$50,795	\$49,448
Production Occupations	\$38,871	\$38,983
Transportation Occupations	\$40,282	\$37,617
Material Moving Occupations	\$23,858	\$24,872

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

It is important to note that most occupational types within the Richmond MSA have similar typical wages compared to Virginia's typical wages. The area employment base has a significant number of income-appropriate households from which the proposed subject project will be able to draw renter support.

The ten largest employers within *Chesterfield County* are summarized as follows. Note that specific employment numbers were not available at the time this report was issued.

Employer Name	Business Type	Total Employed
Amazon Fulfillment Services Inc.	Administrative and Support Services	1,000+
HCA Virginia Health System	Hospitals	1,000+
U.P.S.	Couriers and Messengers	1,000+
Wal Mart	General Merchandise Stores	1,000+
DuPont Specialty Products USA, LLC	Chemical Manufacturing	1,000+
Kroger	Grocery	1,000+
Bon Secours Richmond Health System	Hospitals	1,000+
Food Lion	Grocery	1,000+
Capital One BankCredit	Intermediation and Related Activities	1,000+
Target Corp	General Merchandise Stores	250 to 499

Source: Virginia Employment Commission Quarterly Census of Employees and Wages (June 2021)

The ten largest employers within the *Richmond* area comprise a total of 69,203 employees and are summarized as follows:

Employer Name	Business Type	Total Employed
Virginia Commonwealth University Health System	Healthcare	13,500
Capital One Financial Corporation	Financial Services	13,000
HCA Virginia Health System	Healthcare	11,000
Bon Secours Richmond	Healthcare	8,416
Dominion Virginia Power	Energy	5,433
Truist	Banking	4,549
Amazon	Online Retail	4,100
Altria Group Incorporated	Manufacturer	3,850
Federal Reserve Bank Richmond	Reserve bank	2,700
Anthem Blue Cross Blue Shield	Health Insurance	2,655
Total		69,203

Source: Greater Richmond Partnership (Excludes government and retail operations) Updated April 20, 2022

According to a representative with the Chesterfield County Economic Development Department that was interviewed in fall 2022, the Chesterfield County economy is growing unequivocally, and across multiple metrics. Unemployment is down and wages are increasing. Between the first quarter of 2021 and the first quarter of 2022, the county's employment base and weekly average wage increased by 4.2% and 8.0%, respectively, surpassing pre-pandemic levels. In the 2022 fiscal year Chesterfield County had 1.2 billion of investments with 10 major projects,

which brought more than 2.6 million square feet of commercial space added, and more than 2,600 jobs created. The county is facing the same employment challenges as many other localities. While unemployment is very low, the labor force participation rate has not returned to pre-pandemic levels, so employers sometimes struggle to fill open positions.

Chesterfield County residents approved a \$540 million bond referendum in November 2022 that will be used to improve local public safety, the local schools, libraries, and parks and recreation.

There has been new activity in logistics in Chesterfield County. Distribution and supply chain businesses are actively setting up mini hubs around the area so if there is any delay from one center, another can take up the slack.

In Chester, over the past year, there has been increased population growth and new developments are occurring, such as a new movie theater, restaurants and retail stores around the busy intersection of State Routes 1 and 10. Bon Secours recently opened a \$25 million freestanding emergency room and imaging center in Chester.

The following are summaries of some recent and notable economic development activity within Chesterfield County and the Richmond area:

Project Name	Investment	Job Creation	Scope of Work/Details
CoStar Group Inc.,	\$460 million	2,000	A commercial real estate data and analytics provider broke ground November 2022 on an expansion in downtown Richmond. It includes a 21-story building with 750,000 square feet of office and retail space and a five-story building with an auditorium, mixed-use retail, restaurants and additional amenities. The project is expected to be complete in early 2026.
Plenty Unlimited Inc.	\$300 million	300	Announced September 2022 plans to build the largest indoor vertical farming campus in the world at the Meadowville Technology Park in Chesterfield County.
Civica Inc.	\$27.8 million	51	A non-profit company announced September 2022 they will establish a new laboratory testing facility at the Meadowville Technology Park in Chesterfield County.
LEGO Group	\$1 billion	1,760	Announced in June 2022 plans to construct a U.S. manufacturing plant in the Meadowville Technology Park in Chesterfield County. They will construct a new 1.7 million square-foot production facility
The Lake	\$323 million	N/A	In August 2022 Chesterfield County approved an eight-figure grant agreement for mixed-use development at 13400 Genito Road, and 2500, 2601 and 2991 Genito Place. The project includes 150,000 square feet of retail and restaurant space, an amphitheater, multiple hotels, surf pool, recreational lake, and 1,190 residential units.
Bon Secours – Chester Emergency Center	N/A	N/A	In the spring of 2022, an 11-bed freestanding emergency department and imaging center opened. It is a one-story, 24,000 square-foot facility. It is part of Bon Secours St. Francis Medical Center. The center will provide the same services and level of care found in a traditional hospital.
Carvana	\$25 million	400	Opened a regional distribution center in July 2022 in Chester. The center handles inspections and processes cars the company sells.

N/A – Not Available

(Continued)

Project Name	Investment	Job Creation	Scope of Work/Details
Courthouse Landing Development	\$290 million	N/A	Zoning change was approved summer 2020 for Courthouse Landing; Development planned for 122 acres SE of the Route 288-Iron Bridge Road interchange in Chesterfield County; Dunphy Properties and Shuler Properties plan for 120-room hotel, 265,000 square feet retail space, 100,000 square feet of office and medical office, 115,000 square feet self-storage space, 600 multifamily units, 300 apartments, and 300 townhomes and condos. The project is still in the planning stages as of February 2023.
Starview Village	N/A	N/A	In Chesterfield County, RNVP Associates, Belasco Inc. and Pony Farm Associates in 2020 proposed a mixed-use project; The development will be on 110 acres and includes 1,250 residential units above first floor office/retail spaces; Housing would consist of apartments, townhomes, condos, and other multifamily units; Late 2023 is the expected construction start date
VCU Health	\$400 million+	N/A	VCU Health's Children's Pavilion adding a 500,000 square-foot inpatient facility in Richmond; ECD 2023.

N/A – Not Available

ECD – Expected Completion Date

**Infrastructure:**

Scope of Work	Status	Investment
Plans for the extension of Nash Road from Beach Road to State Route 10.	Right-of-way acquisition has begun, and construction advertisement is anticipated in 2023.	\$30 million
Otterdale Road is being widened from two to four lanes from Route 360 to Woolridge Road.	Anticipated to be complete spring 2023.	N/A
Widening Route 10 between Bermuda Triangle Road and Meadowville Road to eight lanes and widening of Meadowville Road from Route 10 to Hogan's Alley to six lanes.	Anticipated to be complete spring 2023	N/A
Widening Route 10 to six lanes between Whitepine Road and Frith Lane.	Anticipated to be complete spring 2023	N/A
Widening Winterpock Road from two lanes to four lanes from Route 360 (Hull Street Road) to 0.4 mile south of Royal Birkdale Parkway. The project will include the construction of a roundabout at the intersection of Winterpock Road, Ashbrook Parkway and McEnnally Drive, as well as a shared-use path from McEnnally Drive to Royal Birkdale Parkway.	Anticipated to be complete spring 2023	N/A
Improve the intersection of Woolridge Road and Watermill Parkway and widen Woolridge Road to a four-lane roadway from Watermill Parkway to Genito Road.	Preliminary design is underway. Construction is anticipated to begin in the fall of 2023.	N/A

N/A – Not Available

**WARN (layoff notices)**

WARN Notices of large-scale layoffs/closures were reviewed in February 2023 and according to the Virginia Employment Commission, there have been two WARN notices of large-scale layoffs/closures reported for Chesterfield County, Richmond and the surrounding area over the past 12 months. These notices resulted in a loss of 95 employees at First Transit in Richmond, effective December 2022, and Genesis Logistics with a loss of 35 employees effective October 2022.

## 2. EMPLOYMENT TRENDS

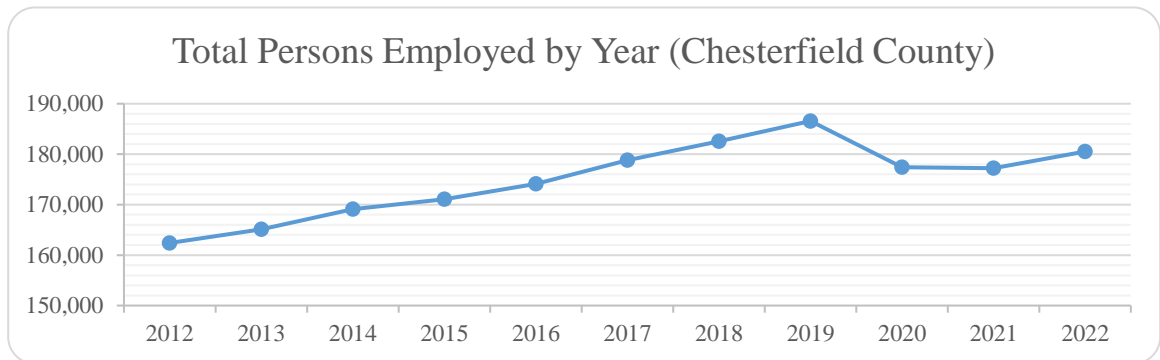
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

The employment base has decreased by 0.9% over the past five years in Chesterfield County, while the state of Virginia decreased by 2.2%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Chesterfield County		Virginia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2012	162,399	-	3,967,151	-	143,929,000	-
2013	165,077	1.6%	4,002,057	0.9%	146,305,000	1.7%
2014	169,093	2.4%	4,040,908	1.0%	148,833,000	1.7%
2015	171,090	1.2%	4,048,081	0.2%	151,436,000	1.7%
2016	174,105	1.8%	4,084,822	0.9%	153,337,000	1.3%
2017	178,778	2.7%	4,193,290	2.7%	155,761,000	1.6%
2018	182,542	2.1%	4,255,213	1.5%	157,538,000	1.1%
2019	186,569	2.2%	4,332,647	1.8%	147,795,000	-6.2%
2020	177,388	-4.9%	4,097,860	-5.4%	152,581,000	3.2%
2021	177,248	-0.1%	4,100,803	0.1%	158,291,000	3.7%
2022	180,488	1.8%	4,220,792	2.9%	158,692,000	0.3%

Source: Bureau of Labor Statistics



As the preceding illustrates, the Chesterfield County employment base experienced consistent growth between 2012 and 2019. Between 2019 and 2020, the county's employment base decreased by 9,321 jobs, or 5.3%, as the result of the COVID-19 pandemic. On a positive note, the county's economy has improved in 2022, as its employment base increased by 1.8%.

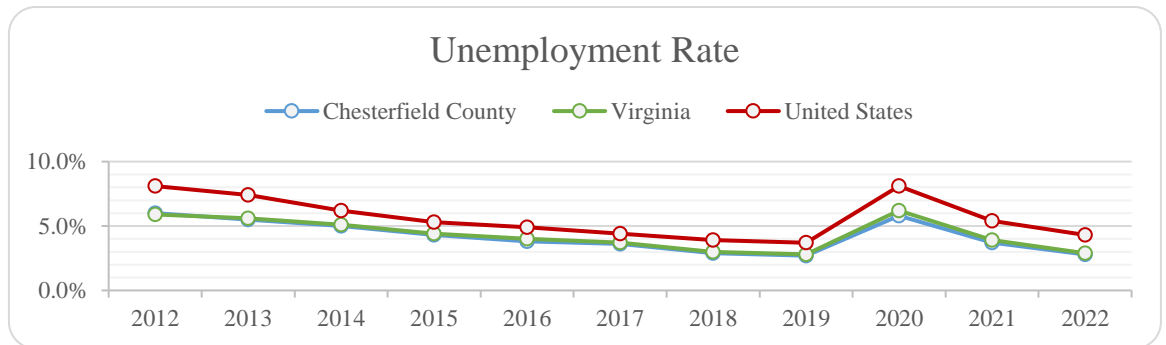


Unemployment rates for Chesterfield County, the state of Virginia, and the United States are illustrated as follows:

Year	Unemployment Rate		
	Chesterfield County	Virginia	United States
2012	6.0%	5.9%	8.1%
2013	5.5%	5.6%	7.4%
2014	5.0%	5.1%	6.2%
2015	4.3%	4.4%	5.3%
2016	3.8%	4.0%	4.9%
2017	3.6%	3.7%	4.4%
2018	2.9%	3.0%	3.9%
2019	2.7%	2.8%	3.7%
2020	5.8%	6.2%	8.1%
2021	3.7%	3.9%	5.4%
2022*	2.8%	2.9%	4.3%

Source: Department of Labor, Bureau of Labor Statistics

\*Through December



Between 2012 and 2019, the *annual* unemployment rate within Chesterfield County declined by more than three percentage points, then increased by more than three percentage points between 2019 and 2020 as the result of the COVID-19 pandemic. Similar to employment trends, the unemployment rate within the county has improved since 2020 and through the end of 2022, declining by three percentage points to a low rate of 2.8%, similar to the unemployment rate reported before the impact of the pandemic.

The following table illustrates the county's *monthly* unemployment rate since January 2020:

Monthly Unemployment Rate – Chesterfield County					
Month	Rate	Month	Rate	Month	Rate
2020		2021		2022	
January	2.7%	January	4.5%	January	3.2%
February	2.4%	February	4.3%	February	2.7%
March	2.8%	March	4.2%	March	2.6%
April	10.5%	April	3.6%	April	2.4%
May	9.0%	May	3.8%	May	2.9%
June	8.9%	June	4.2%	June	2.9%
July	8.0%	July	3.8%	July	2.8%
August	6.7%	August	3.7%	August	3.1%
September	5.6%	September	3.2%	September	2.6%
October	4.7%	October	3.0%	October	2.8%
November	4.4%	November	2.7%	November	3.0%
December	4.2%	December	2.8%	December	2.6%

Source: Department of Labor, Bureau of Labor Statistics

The *monthly* unemployment rate in the county increased by more than eight full percentage points between February and April 2020 due to the COVID-19 pandemic. However, monthly unemployment has since declined to a low rate of 2.6% through December 2022.

In-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total in-place employment base for Chesterfield County.

In-Place Employment Chesterfield County			
Year	Employment	Change	Percent Change
2012	117,645	-	-
2013	122,389	4,744	4.0%
2014	124,399	2,010	1.6%
2015	131,126	6,727	5.4%
2016	134,066	2,940	2.2%
2017	135,816	1,750	1.3%
2018	138,428	2,612	1.9%
2019	137,108	-1,320	-1.0%
2020	131,601	-5,507	-4.0%
2021	135,766	4,165	3.2%
2022*	138,433	2,667	2.0%

Source: Department of Labor, Bureau of Labor Statistics

\*Through June

Data for 2021, the most recent year that year-end figures are available, indicates in-place employment in Chesterfield County to be 76.6% of the total Chesterfield County employment. This means that Chesterfield County has a high share of employed persons staying in the county for daytime employment. This will have a positive impact on the subject's marketability, as it is likely that many of its tenants will have minimal commute times to their place of employment.

### 3. ECONOMIC FORECAST

According to a representative with the Chesterfield County Economic Development Department and based on data provided by the State of Virginia Department of Labor, the local economy experienced consistent growth between 2012 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, which caused many area businesses to shut down in an attempt to mitigate the spread of the coronavirus. During this time, the Chesterfield County employment base declined by over 9,321 jobs, or 5.3%, and its *annual* unemployment rate increased by more than three percentage points. Specifically, between February and April 2020, the *monthly* unemployment rate within the county spiked by over eight percentage points. On a positive note, the local economy has been experiencing growth since 2020, with its employment base rising by 1.8% in 2022, and annual unemployment decreasing to a rate of 2.8% through the end of 2022. These are good indications that the Chesterfield County economy is beyond the beginning stages of recovery from the pandemic. This, in turn, will continue to create a stable environment for the local housing market.

### 4. COMMUTING PATTERNS

The following is a distribution of commuting patterns for Site PMA workers age 16 and older:

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	23,286	80.4%
Carpooled	3,843	13.3%
Public Transit	84	0.3%
Walked	139	0.5%
Motorcycle	0	0.0%
Bicycle	84	0.3%
Other Means	257	0.9%
Worked at Home	1,259	4.3%
<b>Total</b>	<b>28,952</b>	<b>100.0%</b>

Source: Bowen National Research, ESRI

More than 80% of all workers drove alone, 13.3% carpooled, and 0.3% used public transportation.

Typical travel times to work for Site PMA residents are illustrated as follows:

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	4,357	15.6%
15 – 29 Minutes	13,575	48.7%
30 – 44 Minutes	7,176	25.7%
45 – 59 Minutes	1,257	4.5%
60 + Minutes	1,511	5.4%
<b>Total</b>	<b>27,876</b>	<b>100.0%</b>

Source: Bowen National Research, ESRI

The largest share of area commuters has typical travel times to work ranging from 15 to 29 minutes. The subject site is within a 15-minute drive to most of the area’s largest employers, which should contribute to the project’s marketability. A drive-time map for the subject site is on the following page.

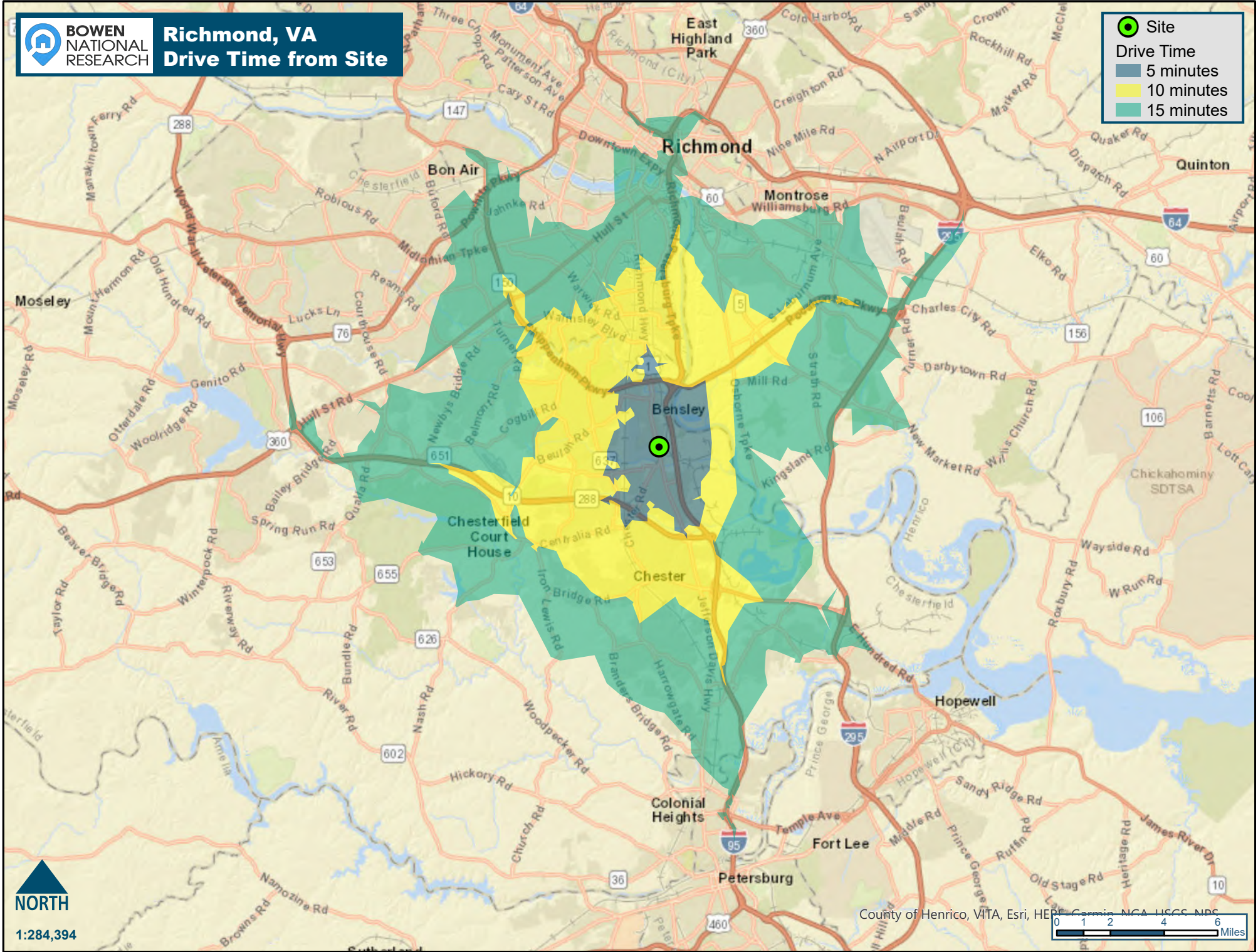



# Richmond, VA Drive Time from Site

● Site

Drive Time

- 5 minutes
- 10 minutes
- 15 minutes



  
NORTH  
1:284,394

County of Henrico, VITA, Esri, HERE, DeLorme, NGA, USGS, NPS  
0 1 2 4 6 Miles

## V. Rental Housing Analysis (Supply)

### A. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Richmond Site PMA in 2010 and 2023 (estimated), are summarized in the following table:

Housing Status	2010 (Census)		2023 (Estimate)	
	Number	Percent	Number	Percent
Total-Occupied	20,741	93.5%	23,964	95.2%
Owner-Occupied	14,276	68.8%	16,321	68.1%
Renter-Occupied	6,465	31.2%	7,643	31.9%
Vacant	1,452	6.5%	1,199	4.8%
Total	22,193	100.0%	25,163	100.0%

Source: 2010 Census, ESRI, Bowen National Research

Based on a 2023 update of the 2010 Census, of the 25,163 total housing units in the market, 4.8% were vacant. Notably, both the number and share of vacant housing units declined between 2010 and 2023, a good indication of the strength of the Richmond housing market.

#### Conventional Apartments

We identified and personally surveyed 19 conventional housing projects containing a total of 3,347 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 96.8%. However, this includes a market-rate property still in its initial lease-up period, Station at Chester Village. Excluding this property, the market-rate segment has a combined occupancy rate of 97.6%, and ***the overall market has a combined occupancy rate of 98.4%***, a strong rate for rental housing. Each rental housing segment surveyed is summarized as follows:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	11	2,459	107	95.6%
Market-Rate/Tax Credit	1	163	0	100.0%
Tax Credit	7	725	0	100.0%
Total	19	3,347	107	96.8%

As illustrated in the preceding table, all rental properties surveyed are performing at good occupancy levels and it can be concluded that the Richmond rental housing market is performing well. It is also important to note that all properties surveyed offering affordable units are 100.0% occupied.

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

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	593	23.7%	36	6.1%	\$1,495
One-Bedroom	2.0	46	1.8%	0	0.0%	\$1,438
Two-Bedroom	1.0	287	11.5%	5	1.7%	\$1,569
Two-Bedroom	1.5	54	2.2%	0	0.0%	\$1,038
Two-Bedroom	2.0	1,100	44.1%	32	2.9%	\$1,948
Three-Bedroom	2.0	381	15.3%	28	7.3%	\$2,176
Three-Bedroom	3.0	36	1.4%	6	16.7%	\$2,526
<b>Total Market-rate</b>		<b>2,497</b>	<b>100.0%</b>	<b>107</b>	<b>4.3%</b>	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	408	48.0%	0	0.0%	\$1,133
Two-Bedroom	1.0	50	5.9%	0	0.0%	\$1,360
Two-Bedroom	2.0	256	30.1%	0	0.0%	\$1,357
Two-Bedroom	2.5	43	5.1%	0	0.0%	\$1,360
Three-Bedroom	2.0	57	6.7%	0	0.0%	\$1,564
Three-Bedroom	2.5	36	4.2%	0	0.0%	\$1,564
<b>Total Tax Credit</b>		<b>850</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>	-

As the preceding table illustrates, the median gross Tax Credit rents are generally lower than the corresponding median gross market-rate rents. As such, Tax Credit product likely represents good values to low-income renters within the Richmond Site PMA. This is further evidenced by the low combined vacancy rate of 0.0% among all non-subsidized Tax Credit units surveyed within the market.

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

Year Built	Projects	Units	Vacancy Rate
Before 1970	0	0	0.0%
1970 to 1979	0	0	0.0%
1980 to 1989	0	0	0.0%
1990 to 1999	3	674	0.6%
2000 to 2009	8	1,287	2.7%
2010 to 2014	1	332	0.0%
2015	1	65	0.0%
2016	1	80	0.0%
2017	0	0	0.0%
2018	0	0	0.0%
2019	2	490	3.5%
2020	1	60	0.0%
2021	1	230	0.0%
2022	1	129	39.5%
2023*	0	0	0.0%

\*As of February

Vacancy rates are low regardless of year built, when excluding the property built in 2022 and still in its initial lease-up period. As such, there does not appear to be a correlation between year built and vacancies in this market. The low vacancy rate among newer rental product is a good indication that modern rental product is in high demand. This further illustrates that newer affordable rental housing product has been very well received within the market.

We rated each non-subsidized property surveyed on a scale of "A" through "F". All non-subsidized properties were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping and grounds appearance). Following is a distribution by quality rating, units and vacancies.

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	4	1,154	6.2%
B+	2	295	0.0%
B	6	1,048	3.3%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	1	60	0.0%
B	7	790	0.0%

Similar to the preceding analysis, vacancies remain low among rental product, regardless of quality rating. The new construction subject site is expected to be of significant quality upon completion, which will enable it to compete well.

Additional information regarding the Richmond Site PMA apartment market is found in *Section XII* of this report.

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

The proposed subject project will target family (general-occupancy) households earning up to 30%, 60% and 70% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Site PMA, we identified and surveyed a total of four general-occupancy LIHTC properties which offer non-subsidized units in the Richmond market. Thus, these four properties have been included in this comparable/competitive analysis. Note that two of these four properties also target seniors, in addition to families.

These four LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the *Field Survey of Conventional Rentals*.



Map I.D.	Project Name	Quality Rating	Nbhd. Rating	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
<b>Site</b>	<b>Liberty Gardens</b>	-	-	<b>2025</b>	<b>90</b>	-	-	-	<b>Families; 30%, 60% &amp; 70% AMHI</b>
1	Arbor Lake	B	B	1996	126	100.0%	6.7 Miles	5 HH	Families; 60% AMHI
9	Grand Oaks (Family & Senior)	B	B	2005	216	100.0%	5.7 Miles	None	Families & Seniors 55+; 60% AMHI
10	Iron Bridge Road	B	B	2016	80	100.0%	6.8 Miles	240 HH	Families; 40%, 50%, & 60% AMHI
12	Market Square V (Family & Senior)	B	B+	2019	105	100.0%	0.8 Miles	6-12 Months	Families & Seniors 55+; 40%, 50%, & 60% AMHI

Occ. – Occupancy; Nbhd. – Neighborhood; HH - Households

The four comparable LIHTC projects have a combined occupancy rate of 100.0% and three of the properties maintain a waiting list for their next available units, the longest of which contains 240 households, illustrating that pent-up demand exists for additional affordable rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
1	Arbor Lake	126	30	23.8%
9	Grand Oaks (Family & Senior)	216	N/A	-
10	Iron Bridge Road	80	10	12.5%
12	Market Square V (Family & Senior)	105	15	14.3%
Total		311	75	24.1%

\*Tax Credit units only

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

There are approximately 75 Voucher holders residing at the comparable LIHTC properties within the market that provided such information. This comprises 24.1% of these 311 non-subsidized LIHTC units. This is considered a typical share of Voucher support. In addition, nearly 76.0% of the non-subsidized Tax Credit units among the comparable LIHTC properties are occupied by tenants which are paying the gross rents at these properties and indicate that the gross rents currently offered are achievable within the Richmond market and will serve as accurate benchmarks with which to compare the subject project.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
<b>Site</b>	<b>Liberty Gardens</b>	<b>\$566/30% (5)</b> <b>\$1,133/60% (2)</b>	<b>\$1,360/60% (60)</b> <b>\$1,587/70% (10)</b>	<b>\$1,571/60% (10)</b> <b>\$1,636/70% (3)</b>	-
1	Arbor Lake	\$1,133/60% (31/0)	\$1,357/60% (75/0)	\$1,571/60% (20/0)	None
9	Grand Oaks (Family & Senior)	\$1,133/60% (48/0)	\$1,360/60% (32/0) \$1,360/60% (20/0)	\$1,564/60% (73/0)	None
10	Iron Bridge Road	\$786/40% (8/0) \$975/50% (8/0)	\$1,179/50% (28/0) \$1,406/60% (36/0)	-	None
12	Market Square V (Family & Senior)	\$724/40% (9/0) \$892/50% (72/0) \$1,081/60% (16/0)	\$883/40% (3/0) \$1,109/50% (5/0)	-	None

The proposed subject gross rents targeting households earning up to 30% and 60% of AMHI are generally positioned similar to the rents being achieved at the comparable LIHTC properties targeting similar income levels. Considering these competitive rents, as well as the newness of the subject project, these rents are considered achievable in the market.

The subject's 70% of AMHI rents will be the highest LIHTC rents in the market. However, this is to be expected given the higher income targeting of these units and the fact that they represent good market rent advantages (as illustrated in *Section VI*), it is believed that these higher rents are achievable. In addition, the subject project will be the only property among the comparable LIHTC properties offering units at the lower 30% of AMHI income level, as well as the higher 70% of AMHI income level, which will enable the subject project to accommodate income segments of renters that are likely underserved.

The unit sizes (square footage) and number of bathrooms included in each of the different LIHTC unit types offered in the market are compared with the subject development in the following tables:

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Liberty Gardens</b>	<b>720</b>	<b>980</b>	<b>1,129</b>
1	Arbor Lake	643	880	1,025
9	Grand Oaks (Family & Senior)	888	1,105 - 1,200	1,336
10	Iron Bridge Road	641	941	-
12	Market Square V (Family & Senior)	492 - 690	783 - 928	-

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Liberty Gardens</b>	<b>1.0</b>	<b>2.0</b>	<b>2.0</b>
1	Arbor Lake	1.0	2.0	2.0
9	Grand Oaks (Family & Senior)	1.0	2.0 - 2.5	2.0 - 2.5
10	Iron Bridge Road	1.0	2.0	-
12	Market Square V (Family & Senior)	1.0	2.0	-

The proposed development will be competitive with the existing LIHTC projects in the market based on unit size (square footage) and the number of baths offered.

The following tables compare the appliances and the unit and project amenities of the subject site with existing Tax Credit properties in the market.

Tax Credit Unit Amenities by Map ID					
	Site*	1	9 ♦	10	12 ♦
Appliances	Dishwasher	X	X	X	X
	Disposal		X	X	
	Microwave				
	Range	X	X	X	X
	Refrigerator	X	X	X	X
	W/D Hookup	X	X	X	
	W/D		O		
	No Appliances				
Unit Amenities	AC-Central	X	X	X	X
	AC-Other				
	Balcony/ Patio/ Sunroom	X	X	S	X
	Basement				
	Ceiling Fan	X	X	X	
	Controlled Access				X
	E-Call System			S	X
	Furnished				
	Walk-In Closet	X	S	S	
	Window Treatments	X	X	X	X
Flooring	Carpet	X	X	X	X
	Ceramic Tile	X			
	Hardwood				
	Finished Concrete				
	Composite/Vinyl/Laminate	X	X	X	X
Upgraded	Premium Appliances				
	Premium Countertops				
	Premium Cabinetry				
	Premium Fixtures				
	High/Vaulted Ceilings				
	Oversized Windows				
Parking	Attached Garage				
	Detached Garage				
	Street Parking				X
	Surface Lot	X	X	X	X
	Carport				
	Property Parking Garage				
	No Provided Parking				

♦ - Senior Property

\* Proposed Site(s): Liberty Gardens

\*\*Details in Comparable Property Profile Report

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

Continued on Next Page

Tax Credit Property Amenities by Map ID

	Site*	1	9 ♦	10	12 ♦	
	X		X			
Community	X	X	X		X	
	X				X	
				X		
					X	
X	X			X	X	
X	X	X	X	X	X	
		X				
Recreation						
	X	X	X		X	
	X	X				
			X	X	X	
Security	X				X	
		X				
	X					
	X					

♦ - Senior Property

\* Proposed Site(s): Liberty Gardens

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

\*\* Details in Comparable Property Profile Report

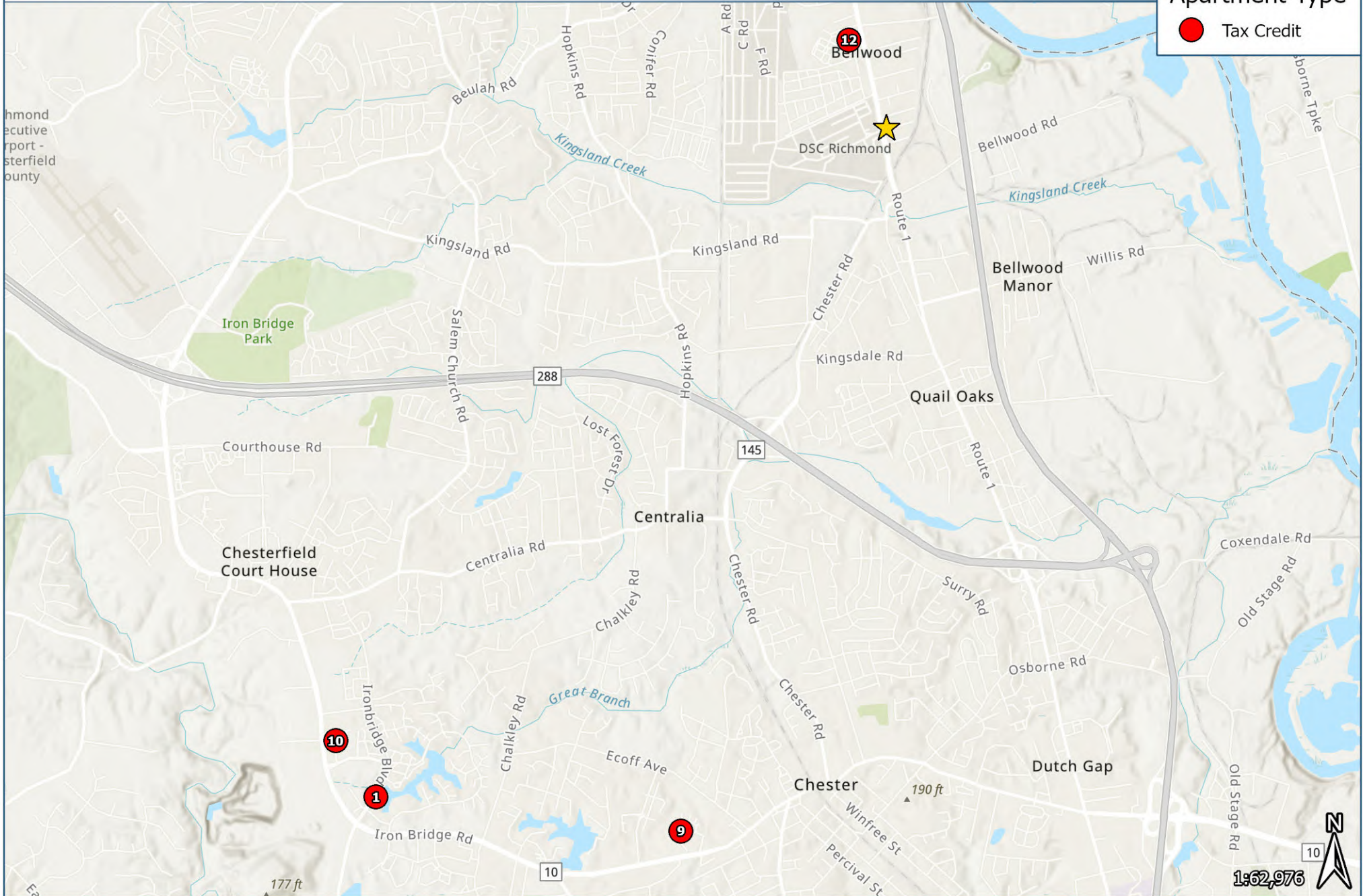
The proposed amenity package for the subject project is very competitive with those offered among the comparable LIHTC properties, both in terms of unit and project amenities. Although the subject project will not offer a swimming pool and most of the comparable LIHTC properties offer this amenity, this is not expected to significantly impact the marketability of the site. This is especially true considering the subject project will offer some amenities not commonly offered at the comparable LIHTC properties, such as a computer/business center, community kitchen, grilling area, security cameras and additional storage. The subject property does not appear to lack any key amenities that would adversely impact its marketability as a LIHTC property within the Richmond Site PMA.

#### Comparable/Competitive Tax Credit Summary

The four comparable LIHTC projects have a combined occupancy rate of 100.0% and three of the properties maintain a waiting list for their next available units, the longest of which contains 240 households, illustrating that pent-up demand exists for additional affordable rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand.

The proposed subject gross rents targeting households earning up to 30% and 60% of AMHI are generally positioned similar to the rents being achieved at the comparable LIHTC properties targeting similar income levels. Considering these competitive rents, as well as the newness of the subject project, these rents are considered achievable in the market. The subject's 70% of AMHI rents will be the highest LIHTC rents in the market. However, this is to be expected given the higher income targeting of these units and the fact that they represent good market rent advantages (as illustrated in *Section VI*), it is believed that these higher rents are achievable. In addition, the subject project will be the only property among the comparable LIHTC properties offering units at the lower 30% of AMHI income level, as well as the higher 70% of AMHI income level, which will enable the subject project to accommodate income segments of renters that are likely underserved. Based on the subject project's competitive rents, as well as the competitive unit sizes and competitive amenities package, the subject project is considered very marketable as proposed.

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



### C. PLANNED MULTIFAMILY DEVELOPMENT

Based on interviews with planning representatives who responded to our inquiries, and from extensive online and the observations of our analyst while in the field, it was determined that there are several rental projects currently in the development pipeline within the Site PMA, which are summarized as follows:

Project Name & Address	Type	Units	Developer	Status/Details
Station at Chester Village 11912 Chester Rd., Chester	Market-Rate	76	Shane Burnette	<b>Under Construction:</b> One-, two, and three-bedroom units renting from \$1,450 to \$2,300; 129 units completed in September 2022, 78 of which are leased; ECD May 2023.
Winchester Forest (4% & 9%) 2739 Drewrys Bluff Rd., Bellwood	Tax Credit	164	Better Housing Coalition	<b>Under Construction:</b> Allocated 9% Tax Credit funding in 2020; 14 one-, 44 two- & 14 three-bedroom units set at 40%, 50% and 60% AMHI and 12 PBRA units; Rents to range between \$650 and \$1,150; Allocated 4% Tax Credit funding in 2021 for 88 units; Broke ground September 2022 and ECD third quarter of 2023.
Lambert Landing I 2466 Rio Vista St., Chester	Tax Credit & Subsidized	64	Woda Cooper Company	<b>Under Construction:</b> Allocated Tax Credit funding 2020 for 64 units; Two- and three-bedroom units targeting 30%, 40%, 50%, 60% & 80% AMHI; Broke ground September 2022 and ECD December 2023.
TBD 12301 Jefferson Davis Hwy., Chester	Market-Rate	234	Caldwell Reese Enterprises	<b>Planned:</b> In May 2022, Chesterfield Planning Commission recommended project's approval; Plans include 10 two-story carriage homes and two (2) four-story multifamily buildings, a clubhouse, and 5,000 sq. ft. pool.
Ironbridge Crossings 11501 Iron Bridge Rd., Chester	Market-Rate	205	Caduceus Development LLC	<b>Planned:</b> Rezoning was approved Sept. 2021 to rezone the property to permit a mixed-use development to include commercial space on Iron Bridge Road, and an apartment building, and a mix of single-family homes, a small office complex and recreational facilities.
Bellwood Commons U.S. Hwy. 1 & Willis Rd., Bellwood	Market-Rate	298	Thalhimer Realty Partners	<b>Planned:</b> Mixed-use development on 40 acres approved Oct. 2022; Residential units would consist of apartments, and 360 townhomes; The project would be located at the Bellwood Flea Market site; Construction start expected April 2023.
Moore's Lake Development 12311 Jefferson Davis Hwy., Chester	Market-Rate	500	Emerson Roper	<b>Proposed:</b> In April 2022, developer purchased the land and plans a mixed-use, luxury, residential community; Unit mix will consist of 27 townhomes, 62 single-family homes, 238 condos and 500 apartments; ECD 2027

ECD – Expected Completion Date



(Continued)

Project Name & Address	Type	Units	Developer	Status/Details
Courthouse Landing 8701 Iron Bridge Rd., Richmond	Market-Rate	300	Dunphy Properties & Shuler Properties/Edward Rose & Sons	<b>Proposed:</b> Phase I of a mixed-use project including 120-room hotel, 265,000 sq. ft. retail space, 100,000 sq. ft. of office space, 115,000 sq. ft. self-storage space and 600 multifamily units, split between 300 apartments and 300 townhomes and condos; Approved by county supervisors mid-2020; In site plan review.
Glade View Trace W. Booker Blvd. & Iron Bridge Rd., Chester	Market-Rate	50	N/A	<b>Proposed:</b> No further information available.
Chester Garden Cir. & Chester Village Dr., Chester	Market-Rate	481	N/A	<b>Proposed:</b> No further information available.

N/A – Not Available

The directly competitive units (same bedroom type and income level) that are past the preliminary phases of development at Lambert Landing I and Winchester Forest 4% and 9% have been included in our demand estimates in *Section VII*. Note that we were unable to confirm the unit mix for Winchester Forest 4%, as this information is not available on the Virginia Housing website. As such, we have estimated the unit mix at this property in our demand estimates in *Section VII*.

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

The anticipated occupancy rates of the existing and surveyed comparable/competitive Tax Credit developments during the first year of occupancy at the subject property are as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2025
1	Arbor Lake	100.0%	95.0% +
9	Grand Oaks (Family & Senior)	100.0%	95.0% +
10	Iron Bridge Road	100.0%	95.0% +
12	Market Square V (Family & Senior)	100.0%	95.0% +

The comparable/competitive LIHTC properties have a combined occupancy rate of 100.0% and three of the four properties maintain a waiting list. This illustrates that pent-up demand exists for additional affordable rental housing within the Richmond Site PMA. Considering the depth of support (demand estimates) for the subject project and the existing properties, we do not anticipate the subject project having any adverse impact on future occupancy rates among existing comparable LIHTC product in the market. In fact, the subject property is expected to help alleviate a portion of the pent-up demand that exists for additional general-occupancy LIHTC product.

## **E. BUY VERSUS RENT ANALYSIS**

According to ESRI, the median home value in the Site PMA was \$255,198. At an estimated interest rate of 5.9% and a 30-year term (and 95% LTV), the monthly mortgage for a \$255,198 home is \$1,796, including estimated taxes and insurance.

<b>Buy Versus Rent Analysis</b>	
Median Home Price – ESRI	\$255,198
Mortgaged Value = 95% Of Median Home Price	\$242,438
Interest Rate – Bankrate.Com	5.89%
Term	30
Monthly Principal & Interest	\$1,436
Estimated Taxes And Insurance*	\$359
<b>Estimated Monthly Mortgage Payment:</b>	<b>\$1,796</b>

\* Estimated at 25% of principal and interest.

In comparison, the collected Tax Credit rents for the subject property range from \$500 to \$1,550 per month. While it is possible that some potential tenants of the subject project could afford the monthly payments required to own a home in this market, the number that could also afford the down payment, routine maintenance costs, and/or utility costs associated with such a home is considered minimal. Based on the preceding factors, we do not anticipate any competitive impact on or from the homebuyer market.

## VI. Achievable Market Rent Analysis

### A. INTRODUCTION

We identified five market-rate properties within the Richmond Site PMA that we consider comparable in terms of unit and project amenities to the proposed subject development. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development and the subject property's market advantage. It is important to note that, for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

The basis for the selection of these projects includes, but is not limited to, the following factors:

- Surrounding neighborhood characteristics
- Target market (seniors, families, disabled, etc.)
- Unit types offered (garden or townhouse, bedroom types, etc.)
- Building type (single-story, midrise, high-rise, etc.)
- Unit and project amenities offered
- Age and appearance of property

Since it is unlikely that any two properties are identical, we adjust the collected rent (the actual rent paid by tenants) of the selected properties according to whether or not they compare favorably with the subject development. Rents of projects that have additional or better features than the subject site are adjusted negatively, while projects with inferior or fewer features are adjusted positively. For example, if the proposed subject project does not have a washer or dryer and a selected property does, then we lower the collected rent of the selected property by the estimated value of a washer and dryer to derive an *achievable market rent* for a project similar to the proposed project.

The rent adjustments used in this analysis are based on various sources, including known charges for additional features within the Site PMA, estimates made by area property managers and realtors, quoted rental rates from furniture rental companies and Bowen National Research's prior experience in markets nationwide.

It is important to note that one or more of the selected properties may be more similar to the subject property than others. These properties are given more weight in terms of reaching the final achievable market rent determination. While monetary adjustments are made for various unit and project features, the final market rent determination is based upon the judgments of our market analysts.

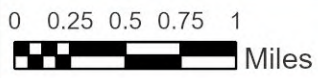
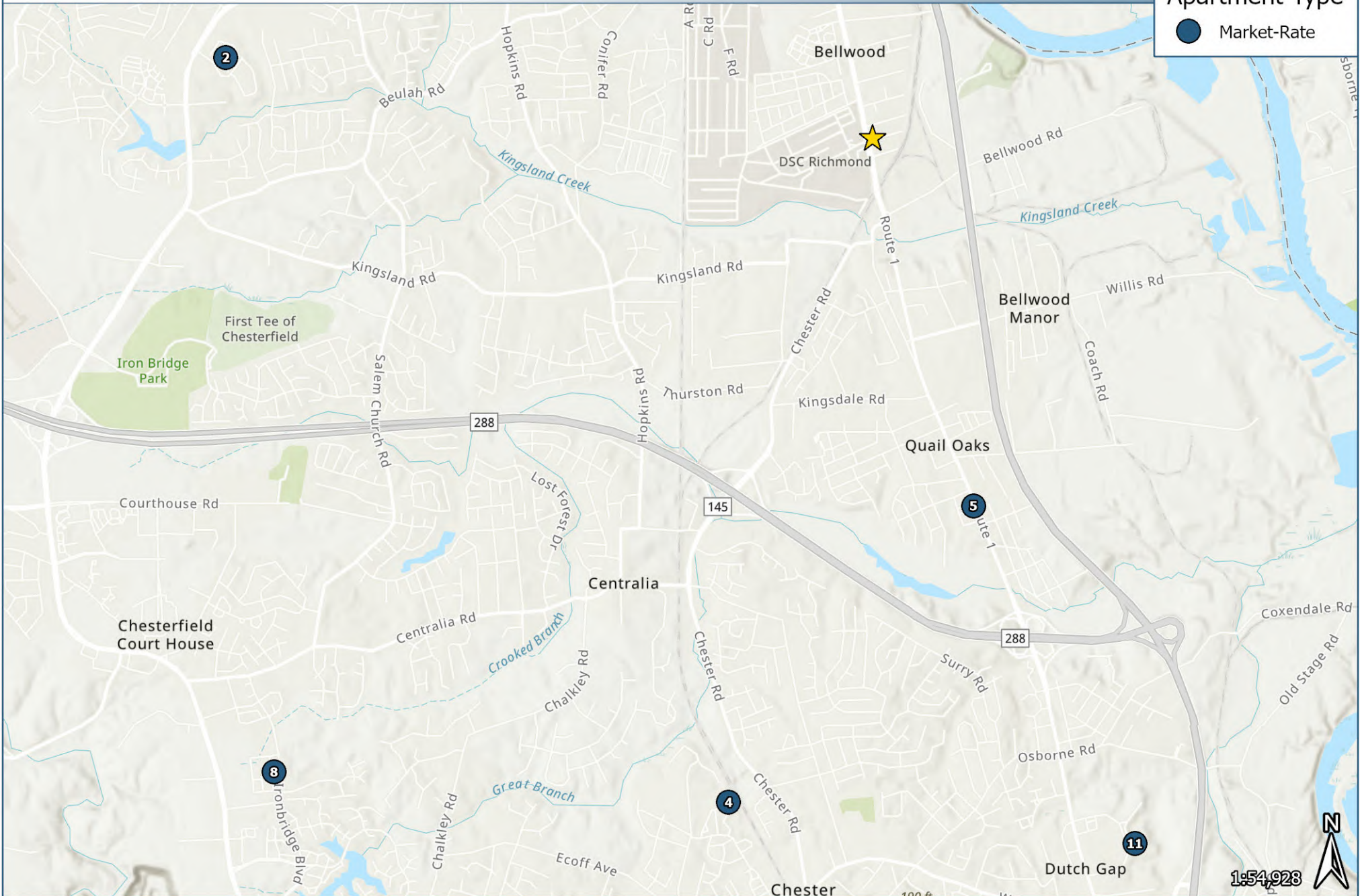
The proposed subject development and the five selected properties include the following:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Liberty Gardens</b>	<b>2025</b>	<b>90</b>	<b>-</b>	<b>7</b> <b>(-)</b>	<b>70</b> <b>(-)</b>	<b>13</b> <b>(-)</b>
2	Austin Woods	2021	230	100.0%	80 (100.0%)	134 (100.0%)	16 (100.0%)
4	Chester Village Green	2008	137	100.0%	-	133 (100.0%)	4 (100.0%)
5	Colony Village I & II	2013	332	100.0%	129 (100.0%)	137 (100.0%)	66 (100.0%)
8	Garden Springs	2009	212	91.5%	48 (79.2%)	108 (94.4%)	56 (96.4%)
11	Jane at Moore's Lake I & II	2019	385	95.6%	116 (97.4%)	231 (96.5%)	38 (84.2%)

Occ. – Occupancy

The five selected market-rate projects have a combined total of 1,296 units with an overall occupancy rate of 97.3%, a strong rate for rental housing. This indicates that these projects have been very well received within the market and will serve as accurate benchmarks with which to compare the subject project.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate the adjustments made (as needed) for various features and location or neighborhood characteristics, as well as quality differences that exist among the selected properties and the proposed subject development. Preceding these grids is a map identifying the location of the comparable market-rate properties.



County of Henrico, VGIN, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA, Esri, NASA, NGA, USGS, FEMA  
Additional Source(s): Bowen National Research



**Rent Comparability Grid**

Unit Type →

**ONE-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Liberty Gardens		Austin Woods		Chester Village Green		Colony Village I & II		Garden Springs		Jane at Moore's Lake I & II	
8075 Jefferson Davis Highway		6401 Scots Pine Run		11001 Chester Garden Cir		10250 Colony Village Terr		10801 Dylans Walk Rd.		12300 Moores Lake Rd	
Richmond, VA		Richmond, VA		Chester, VA		Richmond, VA		Chester, VA		Chester, VA	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$1,225		\$1,707		\$1,265		\$1,527		\$1,604	
2	Date Surveyed	Feb-23		Feb-23		Feb-23		Feb-23		Feb-23	
3	Rent Concessions	None		None		None		None		Yes	(\$42)
4	Occupancy for Unit Type	100%		100%		100%		79%		97%	
5	Effective Rent & Rent/ sq. ft	\$1,225	1.85	\$1,707	1.60	\$1,265	1.77	\$1,527	1.76	\$1,562	2.05
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	EE/3,4		EE/3		EE/3		WU/3		EE/4,5	
7	Yr. Built/Yr. Renovated	2025	\$4	2008	\$17	2013	\$12	2009	\$16	2019	\$6
8	Condition/Street Appeal	E	\$15	G	\$15	E		G	\$15	E	
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	1		2	(\$50)	1		1		1	
12	# Baths	1		2	(\$30)	1		1		1	
13	Unit Interior Sq. Ft.	720	\$26	1070	(\$157)	716	\$2	868	(\$67)	761	(\$18)
14	Patio/Balcony/Sunroom	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)
18	Washer/Dryer	HU/L	\$5	W/D	(\$25)	W/D	(\$25)	W/D	(\$25)	W/D	(\$25)
19	Floor Coverings	C/T/V		C/T		C/V		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		Y	(\$3)	N		Y	(\$3)
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fan/Storage	Y/Y	\$5	Y/Y		Y/N	\$5	Y/N	\$5	Y/N	\$5
<b>D. Site Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y		Y		Y		Y		Y	
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	F	(\$13)	P/F/T/MT	(\$16)	P/F	(\$10)	P/F/S/T	(\$16)	P/F/GR	(\$13)
29	Business/Computer Center	Y	\$3	Y		N	\$3	N	\$3	Y	
30	Grilling Area	Y		Y		Y		Y		Y	
31	Playground	Y	\$3	Y		N	\$3	Y		N	\$3
32	Social Services	N		N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	Y/Y	\$60	N/N	\$60	N/N	\$60	N/N	\$60	N/N	\$60
39	Trash/Recycling	Y/N	\$14	Y/N		Y/N		Y/N		Y/N	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	7	3	2	7	5	5	4	5	3	6
41	Sum Adjustments B to D	\$61	(\$23)	\$32	(\$288)	\$25	(\$48)	\$39	(\$118)	\$14	(\$69)
42	Sum Utility Adjustments	\$74		\$60		\$60		\$60		\$60	
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43	Net/ Gross Adjmts B to E	\$112	\$158	(\$196)	\$380	\$37	\$133	(\$19)	\$217	\$5	\$143
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$1,337		\$1,511		\$1,302		\$1,508		\$1,567	
45	Adj Rent/Last rent		109%		89%		103%		99%		100%
46	Estimated Market Rent	\$1,460	\$2.03	← Estimated Market Rent/ Sq. Ft							

**Rent Comparability Grid**

Unit Type → **TWO-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Liberty Gardens		Austin Woods		Chester Village Green		Colony Village I & II		Garden Springs		Jane at Moore's Lake I & II	
8075 Jefferson Davis Highway		6401 Scots Pine Run		11001 Chester Garden Cir		10250 Colony Village Terr		10801 Dylans Walk Rd.		12300 Moores Lake Rd	
Richmond, VA		Richmond, VA		Chester, VA		Richmond, VA		Chester, VA		Chester, VA	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$1,595		\$1,707		\$1,710		\$1,637		\$1,777	
2	Date Surveyed	Feb-23		Feb-23		Feb-23		Feb-23		Feb-23	
3	Rent Concessions	None		None		None		None		Yes	(\$42)
4	Occupancy for Unit Type	100%		100%		100%		94%		97%	
5	Effective Rent & Rent/ sq. ft	\$1,595	1.63	\$1,707	1.60	\$1,710	1.97	\$1,637	1.63	\$1,735	1.93
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	EE/3,4		EE/3		EE/3		WU/3		EE/4,5	
7	Yr. Built/Yr. Renovated	2025	\$4	2008	\$17	2013	\$12	2009	\$16	2019	\$6
8	Condition/Street Appeal	E	\$15	G	\$15	E		G	\$15	E	
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	2		2		2		2		2	
12	# Baths	2		2		2		1	\$30	2	
13	Unit Interior Sq. Ft.	980	\$0	1070	(\$39)	870	\$48	1007	(\$12)	900	\$35
14	Patio/Balcony/Sunroom	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)
18	Washer/Dryer	HU/L	\$5	W/D	(\$25)	W/D	(\$25)	W/D	(\$25)	W/D	(\$25)
19	Floor Coverings	C/T/V		V		C/V		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		Y	(\$3)	N		Y	(\$3)
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fan/Storage	Y/Y	\$5	Y/Y		Y/N	\$5	Y/N	\$5	Y/N	\$5
<b>D. Site Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y		Y		Y		Y		Y	
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	F	(\$13)	P/F/MT	(\$16)	P/F	(\$10)	P/F/S/T	(\$16)	P/F/GR	(\$13)
29	Business/Computer Center	Y	\$3	N		N	\$3	N	\$3	Y	
30	Grilling Area	Y		Y		Y		Y		Y	
31	Playground	Y	\$3	N		N	\$3	Y		N	\$3
32	Social Services	N		N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	Y/Y	\$77	N/N	\$77	N/N	\$77	N/N	\$77	N/N	\$77
39	Trash/Recycling	Y/N	\$14	Y/N		Y/N		Y/N		Y/N	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	7	3	2	5	5	5	5	5	4	5
41	Sum Adjustments B to D	\$35	(\$23)	\$32	(\$90)	\$71	(\$48)	\$69	(\$63)	\$49	(\$51)
42	Sum Utility Adjustments	\$91		\$77		\$77		\$77		\$77	
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43	Net/ Gross Adjmts B to E	\$103	\$149	\$19	\$199	\$100	\$196	\$83	\$209	\$75	\$177
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$1,698		\$1,726		\$1,810		\$1,720		\$1,810	
45	Adj Rent/Last rent		106%		101%		106%		105%		104%
46	Estimated Market Rent	\$1,710	\$1.74 ←	Estimated Market Rent/ Sq. Ft							

**Rent Comparability Grid**

Unit Type → **THREE-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Liberty Gardens		Austin Woods		Chester Village Green		Colony Village I & II		Garden Springs		Jane at Moore's Lake I & II	
8075 Jefferson Davis Highway		6401 Scots Pine Run		11001 Chester Garden Cir		10250 Colony Village Terr		10801 Dylans Walk Rd.		12300 Moores Lake Rd	
Richmond, VA		Richmond, VA		Chester, VA		Richmond, VA		Chester, VA		Chester, VA	
<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
<b>on</b>		<b>on</b>		<b>on</b>		<b>on</b>		<b>on</b>		<b>on</b>	
<b>Subject</b>		<b>Subject</b>		<b>Subject</b>		<b>Subject</b>		<b>Subject</b>		<b>Subject</b>	
<b>A. Rents Charged</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
<b>\$ Last Rent / Restricted?</b>		\$1,985		\$2,151		\$2,028		\$2,035		\$2,300	
<b>Date Surveyed</b>		Feb-23		Feb-23		Feb-23		Feb-23		Feb-23	
<b>Rent Concessions</b>		None		None		None		None		Yes	(\$42)
<b>Occupancy for Unit Type</b>		100%		100%		100%		96%		83%	
<b>Effective Rent &amp; Rent/ sq. ft</b>		\$1,985	1.41	\$2,151	1.92	\$2,028	1.85	\$2,035	1.56	\$2,258	1.99
<b>B. Design, Location, Condition</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
<b>Structure / Stories</b>		EE/3,4	EE/4	EE/3		EE/3		WU/3		EE/4,5	
<b>Yr. Built/Yr. Renovated</b>		2025	2021 \$4	2008 \$17		2013 \$12		2009 \$16		2019 \$6	
<b>Condition/Street Appeal</b>		E	G \$15	G \$15		E		G \$15		E	
<b>Neighborhood</b>		G	G	G		G		G		G	
<b>Same Market?</b>		Yes	Yes	Yes		Yes		Yes		Yes	
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
<b># Bedrooms</b>		3	3	3		3		3		3	
<b># Baths</b>		2	2	2		2		2		3	(\$30)
<b>Unit Interior Sq. Ft.</b>		1129	1404 (\$119)	1120 \$4		1096 \$14		1306 (\$77)		1136 (\$3)	
<b>Patio/Balcony/Sunroom</b>		Y	Y	Y		Y		Y		Y	
<b>AC: Central/Wall</b>		C	C	C		C		C		C	
<b>Range/Refrigerator</b>		R/F	R/F	R/F		R/F		R/F		R/F	
<b>Microwave/Dishwasher</b>		N/Y	Y/Y (\$5)	Y/Y (\$5)		Y/Y (\$5)		Y/Y (\$5)		Y/Y (\$5)	
<b>Washer/Dryer</b>		HU/L	HU \$5	W/D (\$25)		W/D (\$25)		W/D (\$25)		W/D (\$25)	
<b>Floor Coverings</b>		C/T/V	V	C/T		C/V		C/V		C/V	
<b>Window Treatments</b>		Y	Y	Y		Y		Y		Y	
<b>Secured Entry</b>		N	N	N		Y (\$3)		N		Y (\$3)	
<b>Garbage Disposal</b>		N	Y (\$5)	Y (\$5)		Y (\$5)		Y (\$5)		Y (\$5)	
<b>Ceiling Fan/Storage</b>		Y/Y	Y/N \$5	Y/Y		Y/N \$5		Y/N \$5		Y/N \$5	
<b>D Site Equipment/ Amenities</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
<b>Parking ( \$ Fee)</b>		LOT/\$0	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
<b>On-Site Management</b>		Y	Y	Y		Y		Y		Y	
<b>Security Features</b>		Y	Y	Y		Y		Y		Y	
<b>Community Space</b>		Y	Y	Y		Y		Y		Y	
<b>Pool/Recreation Areas</b>		F	P/F/MT (\$13)	P/F/T/MT (\$16)		P/F (\$10)		P/F/S/T (\$16)		P/F/GR (\$13)	
<b>Business/Computer Center</b>		Y	N \$3	Y		N \$3		N \$3		Y	
<b>Grilling Area</b>		Y	Y	Y		Y		Y		Y	
<b>Playground</b>		Y	N \$3	Y		N \$3		Y		N \$3	
<b>Social Services</b>		N	N	N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
<b>Heat (in rent?/ type)</b>		N/E	N/E	N/E		N/E		N/E		N/E	
<b>Cooling (in rent?/ type)</b>		N/E	N/E	N/E		N/E		N/E		N/E	
<b>Cooking (in rent?/ type)</b>		N/E	N/E	N/E		N/E		N/E		N/E	
<b>Hot Water (in rent?/ type)</b>		N/E	N/E	N/E		N/E		N/E		N/E	
<b>Other Electric</b>		N	N	N		N		N		N	
<b>Cold Water/Sewer</b>		Y/Y	N/N \$94	N/N \$94		N/N \$94		N/N \$94		N/N \$94	
<b>Trash/Recycling</b>		Y/N	N/N \$14	Y/N		Y/N		Y/N		Y/N	
<b>F. Adjustments Recap</b>		<b>Pos</b>		<b>Neg</b>		<b>Pos</b>		<b>Neg</b>		<b>Pos</b>	
<b># Adjustments B to D</b>		6	4	3	4	5	5	4	5	3	7
<b>Sum Adjustments B to D</b>		\$35	(\$142)	\$36	(\$51)	\$37	(\$48)	\$39	(\$128)	\$14	(\$84)
<b>Sum Utility Adjustments</b>		\$108		\$94		\$94		\$94		\$94	
		<b>Net</b>		<b>Net</b>		<b>Net</b>		<b>Net</b>		<b>Net</b>	
<b>Net/ Gross Adjmts B to E</b>		\$1	\$285	\$79	\$181	\$83	\$179	\$5	\$261	\$24	\$192
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
<b>Adjusted Rent (5+ 43)</b>		\$1,986		\$2,230		\$2,111		\$2,040		\$2,282	
<b>Adj Rent/Last rent</b>			100%		104%		104%		100%		101%
<b>Estimated Market Rent</b>		\$2,095	\$1.86 ←	Estimated Market Rent/ Sq. Ft							



Once all adjustments to collected rents were made, the adjusted rents for each comparable were used to derive an achievable market rent for each bedroom type. Each property was considered and weighed based upon its proximity to the subject site and its amenities and unit layout compared to the subject site.

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents for units similar to the proposed subject development are summarized as follows:

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
One-Br.	\$500 (30%)	\$1,460	65.8%
	\$1,067 (60%)		26.9%
Two-Br.	\$1,278 (60%)	\$1,710	25.3%
	\$1,475 (70%)		13.7%
Three-Br.	\$1,485 (60%)	\$2,095	29.1%
	\$1,550 (70%)		26.0%

Typically, Tax Credit rents targeting households earning up to 60% of AMHI are set at least 10.0% below market rent to ensure the property represents a value and has a sufficient flow of prospective tenants within most markets. While units targeting households at higher income levels such as 70% of AMHI often do not need to represent a market rent advantage of 10.0% to be perceived a value, it is often recommended that such units/rents represent a positive rent advantage to ensure they are perceived as a value to low-income renters.

As detailed in the preceding table, the subject rents represent market rent advantages ranging from 13.7% to 65.8%, depending upon unit type and income level. Thus, the subject rents, even those at the higher 70% AMHI levels, will represent significant values within the Site PMA.

**B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)**

None of the selected properties offer the same amenities as the subject property. As a result, we have made adjustments to the collected rents to reflect the differences between the subject property and the selected properties. The following are explanations (preceded by the line reference number on the comparability grid table) for each rent adjustment made to each selected property.

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions.

7. The subject project will be complete in 2025. Comparatively, the selected properties were built between 2008 and 2021. We have adjusted the rents at the selected properties by \$1 per year of (effective) age difference to reflect the age of these properties.
8. It is anticipated that the proposed subject project will have an excellent quality finish/street appeal once construction is complete. We have made adjustments for those properties that we consider to be of inferior quality compared to the subject development.
11. We have made adjustments for the differences in the number of bedrooms offered at the selected market-rate projects due to the fact that not all of the selected properties offer the same bedroom types as the subject project. A conservative adjustment of \$50 per bedroom was used to reflect this difference.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package that is slightly inferior to those offered at the selected properties. We have made adjustments for features lacking at the subject project.
- 24.-32. The proposed subject project will offer a project amenity package that is also slightly inferior to those offered at the selected properties. We have made adjustments for features lacking at the subject project.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

## VII. Capture Rate Analysis

### A. DETERMINATION OF INCOME ELIGIBILITY

The number of income-eligible households necessary to support the project from the Site PMA is an important consideration in evaluating the proposed subject project's potential.

Under the Low-Income Housing Tax Credit (LIHTC) program, household eligibility is based on household income not exceeding the targeted percentage of Area Median Household Income (AMHI), depending upon household size.

The subject site is within the Richmond, VA MSA, which has a median four-person household income of \$101,000 for 2022. The subject property will be restricted to households with incomes of up to 30%, 60% and 70% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI levels.

Household Size	Maximum Allowable Income		
	30%	60%	70%
One-Person	\$21,150	\$42,300	\$49,350
Two-Person	\$24,180	\$48,360	\$56,420
Three-Person	\$27,210	\$54,420	\$63,490
Four-Person	\$30,210	\$60,420	\$70,490
Five-Person	\$32,640	\$65,280	\$76,160

#### 1. Maximum Income Limits

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income at the subject site is **\$76,160**, which is the five-person maximum income at 70% of AMHI.

#### 2. Minimum Income Requirements

Leasing industry standards typically require households to have rent-to-income ratios of 27% to 40%. Pursuant to Virginia Housing market study guidelines, the maximum rent-to-income ratio permitted for family projects is 35%, while elderly projects have a 40% rent-to-income ratio.

The lowest proposed LIHTC gross rent at the subject site is \$566. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$6,792. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement of **\$19,406**.

### 3. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate ranges by targeted income level are illustrated as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited to 30% of AMHI)	\$19,406	\$24,180
Tax Credit (Limited to 60% of AMHI)	\$38,846	\$65,280
Tax Credit (Limited to 70% of AMHI)	\$53,383	\$76,160
<b>Overall Tax Credit*</b>	<b>\$19,406</b>	<b>\$76,160</b>

\*Excludes those earning between \$24,181 and \$38,845 due to gap in affordability levels

## B. CAPTURE RATE CALCULATIONS

Per Virginia Housing market study requirements, analysts are required to use net demand in calculating capture rates and the absorption period. Net demand is determined by subtracting the supply of vacant comparable units in the PMA, completed or pipeline, from Total Demand. Total Demand includes New Renter Household Growth and Demand from Existing Households (defined below).

The following are the demand components as outlined by Virginia Housing:

1. **Demand from New Renter Households.** *Determine demand for new units in the Primary Market Area based on projected rental household growth. This is to be determined using 2023 as the base year and projecting forward to the anticipated year of completion of 2025, per Virginia Housing guidelines. The projected population must be limited to the target group, age- and income-appropriate. Demand for each target group must be shown separately, as reflected in the market study requirements. Demand estimates for proposals for elderly developments must be derived from household population age 65 and older. In instances where a significant number of proposed units (more than 20%) are comprised on three- and four-bedroom units, the analyst must refine the analysis by factoring in the number of large households, typically four or more persons. Failure to account for this may result in overstated demand.*
2. **Demand from Existing Households:** *The sum of demand from rental household growth and demand from all components of existing households will constitute **Total Demand**. The demand components from existing households are detailed below:*

- a) **Rent overburdened households, if any, within the age group, income groups and renters targeted for the subject development.** “Overburdened” is defined by Virginia Housing as households paying more than 35% of gross income (40% if elderly) for gross rent. Analysts are encouraged to be conservative in this regard.

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25074), 40.0% of households, depending upon income level, within the Site PMA are considered to be rent overburdened.

- b) **Households in substandard housing (i.e. overcrowded and/or lack of plumbing: Must be age and income group appropriate.** Analysts must use their knowledge of the market area and the subject development to determine if demand from this source is realistic. Analysts are encouraged to be conservative in this regard.

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25016), approximately 6.9% of all households within the Site PMA are living in substandard housing.

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

Not applicable; subject site is general-occupancy.

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

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

### C. DEMAND/CAPTURE RATE CALCULATIONS

As discussed in *Section V* of this report, there are LIHTC projects within the development pipeline in the market that have received funding and will offer units considered directly comparable to the subject site. These projects are summarized as follows:

- Winchester Forest (9%) was allocated LIHTC funding in 2020 and will offer 72 one-, two- and three-bedroom units targeting households earning up to 40% (11 units), 50% (25 units) and 60% (36 units) of AMHI. The project is expected to be completed in the third quarter of 2023. The 36 units targeting households earning up to 60% of AMHI have been included in our demand estimates. In addition, although a unit mix was

not available for the 4% LIHTC portion of Winchester Forest, it is believed that this project will include 88 LIHTC units. Based on the shares of each income level at the 9% project, we have applied the 50% share of 60% units to the 4% Winchester Forest project, yielding **44** additional LIHTC units to be considered in our 60% of AMHI demand estimates.

- Lambert Landing I was allocated LIHTC funding in 2020 and will offer 64 units targeting households earning up to 30% (seven units), 40% (seven units), 50% (18 units), 60% (six units) and 80% (26 units) of AMHI. The project is expected to be completed by December 2023. The **13** units targeting households earning up to 30% and 60% of AMIH have been included in our demand estimates.

The 93 directly comparable units within the development pipeline have been considered in the following demand analysis. Note that we have only included one- and two-person households for the 30% of AMHI demand estimates, as only one-bedroom units are offered at this income level.

Demand Component	30% AMHI (\$19,406 -\$24,180)	60% AMHI (\$38,846-\$65,280)	70% AMHI (\$53,383-\$76,160)	Overall (\$19,406 -\$76,160)*
Demand from New Rental Households (Income-Appropriate)	258 - 265 = -7	1,963 - 1,942 = 21	1,390 - 1,322 = 68	2,869 - 2,823 = 46
+				
Demand from Existing Households (Rent Overburdened)	265 x 40.0% = 106	1,942 x 40.0% = 776	1,322 x 40.0% = 528	2,823 x 40.0% = 1,129
+				
Demand from Existing Households (Renters in Substandard Housing)	265 x 6.9% = 18	1,942 x 6.9% = 133	1,322 x 6.9% = 91	2,823 x 6.9% = 195
+				
Demand from Existing Households (Elderly Homeowner Conversion)	N/A			
=				
Total Demand	117	930	687	1,370
-				
Supply (Directly Comparable Vacant Units Completed or in the Pipeline)	7	86	0	93
=				
Net Demand	110	844	687	1,277
Proposed Units	5	72	13	90
Proposed Units / Net Demand	5 / 110	72 / 844	13 / 687	90 / 1,277
Capture Rate	= 4.5%	= 8.5%	= 1.9%	= 7.0%
Total Absorption Period	1 Month	6 Months	3 Months	6 Months

\*Excludes those earning between \$24,181 and \$38,845 due to gap in affordability levels

N/A – Not Applicable

The subject’s state-formatted overall capture rate of 7.0% for the subject’s proposed LIHTC units is considered achievable, illustrating that a significant amount of demographic support will exist for the subject site.

**D. PENETRATION RATE CALCULATIONS**

The 1,078 existing and planned non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned Tax Credit units is \$19,406 to \$76,160. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, the penetration rate for the existing and planned Tax Credit units is summarized as follows:

	Market Penetration
Number of LIHTC Units (Existing, Planned & Proposed)	1,168
Income-Eligible Renter Households – 2025	/ 4,763
Overall Market Penetration Rate	= 24.5%

It is our opinion that the 24.5% penetration rate for the LIHTC units, existing, planned and proposed at the site, is low and achievable.

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

According to a representative with the Housing Choice Voucher Program Supervisor for the Chesterfield-Colonial Heights Department of Social Services, there are approximately 401 Housing Choice Vouchers issued within the housing authority’s jurisdiction. However, it was also revealed by housing authority representatives that approximately 39 issued vouchers are currently going unused, likely due to holders of these vouchers being unable to locate/obtain a quality affordable rental housing unit that will accept the voucher. There are no households currently on the waiting list for additional Vouchers. The waiting list is closed and is expected to reopen in spring 2023. This reflects the continuing need for affordable housing alternatives and/or Housing Choice Voucher assistance.

If the rents do not exceed the payment standards, households with Housing Choice Vouchers may be willing to reside at a LIHTC project. The local payment standards, as well as the proposed subject gross rents, are summarized in the following table:

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (% AMHI)
One-Bedroom	\$1,301	\$566 (30%)
		\$1,133 (60%)
Two-Bedroom	\$1,469	\$1,360 (60%)
		\$1,557 (70%)
Three-Bedroom	\$1,899	\$1,571 (60%)
		\$1,636 (70%)

As the preceding table illustrates, most of the proposed LIHTC gross rents are below the local payment standards. As such, the subject project will be able to rely on support from Housing Choice Voucher holders. This will increase the demographic base of potential support for the proposed development and has been considered in our absorption projections.

**F. ABSORPTION PROJECTIONS**

Considering the facts contained in the market study, as well as the preceding factors, and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the proposed subject development. It is our opinion that the proposed 90 LIHTC units at the subject site will reach a stabilized occupancy of 93.0% within six months of opening. This absorption period is based on an average monthly absorption rate of 14 units per month.

These absorption projections assume an April 2025 opening date. A different opening date opening may have a slowing impact on initial absorption. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. This absorption period also assumes that the subject project will be successful in attracting Voucher holders.



## VIII. Local Perspective (Interviews)

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

Summaries of key interviews regarding the need for affordable rental housing within the area follow:

- Jan Sloan, the Senior Program Compliance Officer of the Housing Choice Voucher Program for Virginia Housing stated that there is a need for affordable housing throughout all of Virginia, including Chesterfield County. Virginia Housing gets so many calls from persons needing a place they can afford. There are not enough vouchers for the need, nor is there enough affordable housing stock.
- Barbara Cousins, Community Manager at Courthouse Senior Apartments (Map ID 6), a Tax Credit property restricted to seniors, confirmed the need for affordable housing in the Richmond area. Ms. Cousins indicated that demand is consistently high for her property, as evidenced by the 100.0% occupancy rate and waiting list of 62 households.
- Yari Vasquez, Assistant Property Manager at Grand Oaks Apartments (Map ID 9), a comparable Tax Credit property, confirmed the need for affordable housing in the area. Ms. Vasquez stated that her property has never had issues filling vacant units and her property is currently fully occupied.
- Melissa T. Johnson, Senior Program Compliance Officer for Virginia Housing, stated that her department frequently receives calls from families seeking affordable housing or some type of subsidized housing including from callers from the Chesterfield area, as well as the surrounding areas of Chesterfield County and Richmond.

## IX. Analysis & Conclusions

Based on the findings reported in our market study, it is our opinion that a market exists for the 90 units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The project will be competitive within the market area in terms of unit amenities and unit sizes, and the proposed rents will be perceived as significant values in the marketplace. Notably, the proposed subject rents represent market rent advantages of between 13.7% and 65.8%, illustrating that they will likely represent excellent values to low- and moderate-income renters within the market.

Given that the comparable LIHTC developments surveyed within the market have a combined occupancy rate of 100.0%, nearly all of which maintain extensive waiting lists, the subject project will offer a housing alternative to low-income households that is in limited availability in the area. The subject project will provide an affordable rental housing alternative to very low- to moderate-income renter households that are currently underserved within the Site PMA. This is expected to bode very well in the demand of the subject units.

As shown in the *Capture Rate Analysis – Section VII* section of this report, with an overall capture rate of 7.0% of income-eligible renter households in the market, there is significant support for the subject development. Therefore, it is our opinion that the subject project will have no impact on the existing Tax Credit developments in the Site PMA.

X.

## SITE PHOTOGRAPHS

Liberty Gardens



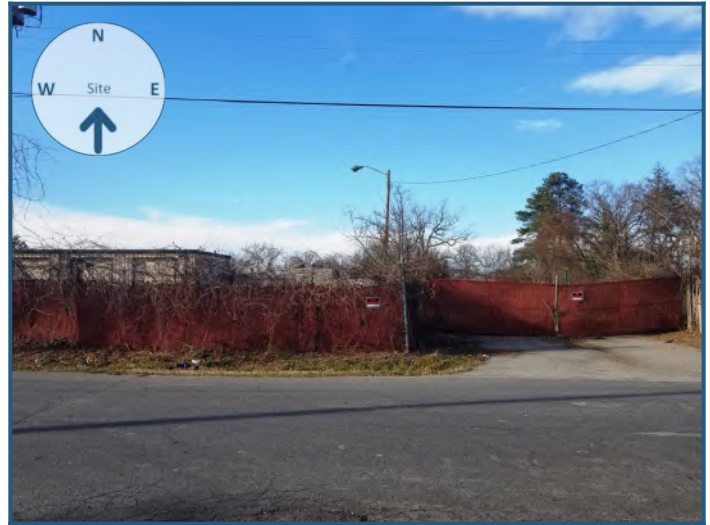
View of site from the north



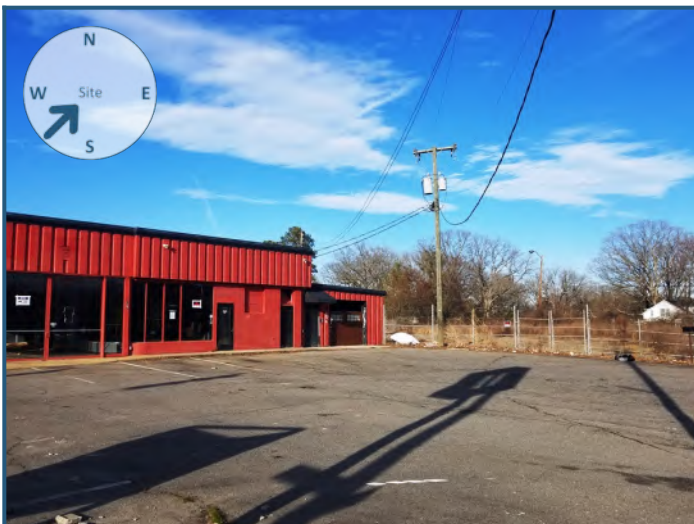
View of site from the northeast



View of site from the southeast



View of site from the south



View of site from the southwest

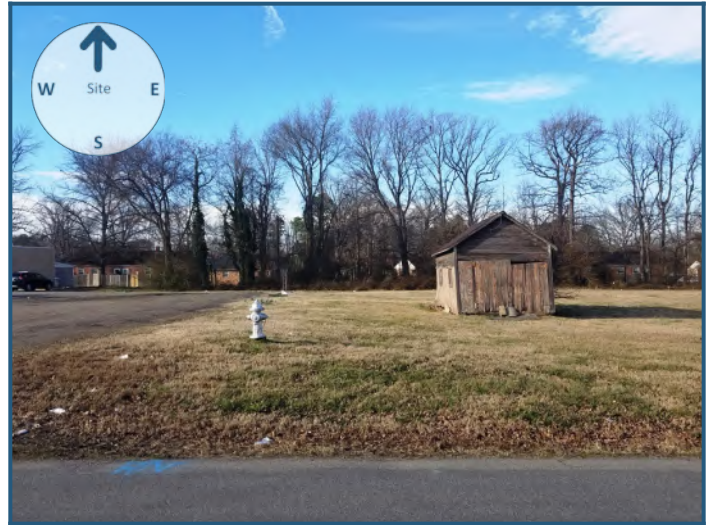


View of site from the west

Liberty Gardens



View of site from the northwest



North view from site



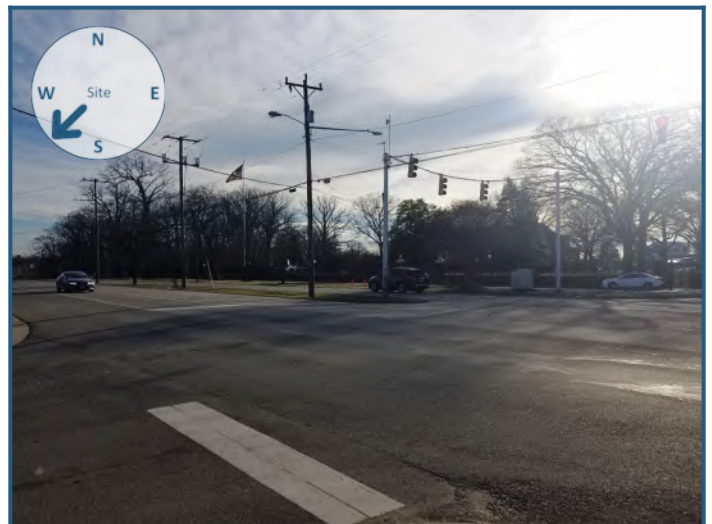
Northeast view from site



Southeast view from site



South view from site

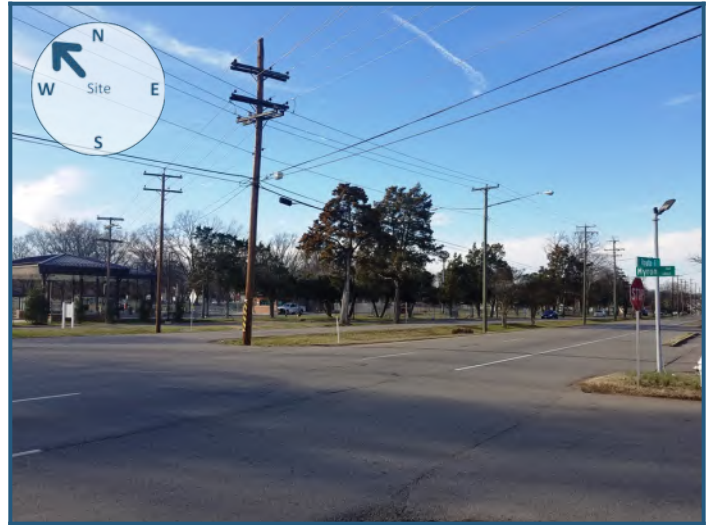


Southwest view from site

Liberty Gardens



West view from site



Northwest view from site



Streetscape: East view of Myron Avenue



Streetscape: West view of Myron Avenue



Streetscape: East view of Dwight Avenue



Streetscape: West view of Dwight Avenue

Liberty Gardens



Streetscape: North view of U.S. Highway 1



Streetscape: South view of U.S. Highway 1

XI.

COMPARABLE  
PROPERTY PROFILES



**1** **Arbor Lake** 6.7 miles to site



Address: 6850 Arbor Lake Dr, Chester, VA 23831  
 Phone: (804) 778-4886      Contact: Francina  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 126      Year Built: 1996  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated:  
 Turnover:      Stories: 3  
 Waitlist: 5 HH  
 Rent Special: None

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

Notes: Tax Credit



**Features And Utilities**

Utility Schedule Provided by: Virginia Housing  
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Clubhouse/Community Room; Laundry Room; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Playground, Outdoor Swimming Pool); Courtesy Officer; Water Feature

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	31	0	643	\$1.63	\$1,050	60%
2	2	G	75	0	880	\$1.42	\$1,250	60%
3	2	G	20	0	1,025	\$1.40	\$1,439	60%

\*Adaptive Reuse

\*DTS is based on drive time

**2 Austin Woods** 5.6 miles to site



Address: 6401 Scots Pine Run, Richmond, VA 23234  
 Phone: (804) 408-4933 Contact: Janet  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 230 Year Built: 2021  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated:  
 Turnover: Stories: 4 (w/Elev)  
 Waitlist: 3 HH  
 Rent Special: None

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

Notes: Preleasing 04/2021, opened 9/2021, ~93% occupancy 12/2021



**Features And Utilities**

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Ice maker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Composite/Vinyl/Laminate); Premium Appliances; Premium Countertops; Premium Cabinetry; High/Vaulted Ceilings

Property Amenities: Car Care (Car Wash Area); Multipurpose Room, Clubhouse/Community Room; Elevator; On-Site Management; Recreation Areas (Fitness Center, Grilling Area, Media Room / Theater, Outdoor Swimming Pool); CCTV; Extra Storage; WiFi

Parking Type: Detached Garage; Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	80	0	662 - 883	\$1.85 - \$1.68	\$1,225 - \$1,485	Market
2	2	G	134	0	979 - 1,261	\$1.63 - \$1.42	\$1,595 - \$1,795	Market
3	2	G	16	0	1,404	\$1.41	\$1,985	Market

\*Adaptive Reuse

\*DTS is based on drive time

**4** **Chester Village Green** 5.3 miles to site



Address: 11001 Chester Garden Cir, Chester, VA 23831  
 Phone: (804) 593-4436 Contact: Alana  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 137 Year Built: 2008  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated:  
 Turnover: Stories: 3 (w/Elev)  
 Waitlist: None  
 Rent Special: None

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

Notes: Rent range due to supply & demand



**Features And Utilities**

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: Landlord pays Trash, Cable, Internet

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; Fireplace; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Ceramic Tile); Premium Appliances; Premium Countertops

Property Amenities: Business Center (Computer/Business Center); Multipurpose Room, Community Kitchen, Clubhouse/Community Room; Cafe / Coffee Bar; Elevator; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Media Room / Theater, Playground, Outdoor Swimming Pool, Tennis); Courtesy Officer; Extra Storage

Parking Type: Detached Garage; Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	133	0	1,070	\$1.55 - \$1.64	\$1,663 - \$1,751	Market
3	2	G	4	0	1,120 - 1,239	\$1.92 - \$1.78	\$2,151 - \$2,200	Market

\*Adaptive Reuse

\*DTS is based on drive time

**5 Colony Village I & II** 2.1 miles to site



Address: 10250 Colony Village Terr, Richmond, VA 23237  
 Phone: (855) 912-8263 Contact: Gail  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 332 Year Built: 2013  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated:  
 Turnover: Stories: 3 (w/Elev)  
 Waitlist: None  
 Rent Special: None

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

Notes: Rents change daily



**Features And Utilities**

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: Landlord pays Trash, Cable, Internet

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; Security System; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate); Premium Appliances; Premium Countertops; Premium Cabinetry

Property Amenities: Multipurpose Room, Clubhouse/Community Room; Cafe / Coffee Bar; Pavilion/Gazebo; Elevator; On-Site Management; Recreation Areas (Firepit, Fitness Center, Grilling Area, Outdoor Swimming Pool); CCTV, Courtesy Officer

Parking Type: Attached Garage; Detached Garage; Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	129	0	567 - 716	\$2.23 - \$1.77	\$1,265	Market
2	2	G	137	0	870 - 1,036	\$1.97 - \$1.65	\$1,710	Market
3	2	G	66	0	1,096 - 1,431	\$1.85 - \$1.42	\$2,028	Market

\*Adaptive Reuse

\*DTS is based on drive time

**8 Garden Springs** 5.8 miles to site



Address: 10801 Dylans Walk Rd., Chester, VA 23831  
 Phone: (833) 446-1908      Contact: Sandy  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 212      Year Built: 2009  
 Vacant Units: 18      \*AR Year:  
 Occupancy: 91.5%      Yr Renovated:  
 Turnover:      Stories: 3  
 Waitlist: None  
 Rent Special: Sign a 14-18 month lease get 1 month free rent

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

Notes: Rent range due to floor level



**Features And Utilities**

Utility Schedule Provided by: Virginia Housing  
 Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; Fireplace; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate); Premium Countertops; Premium Cabinetry

Property Amenities: Car Care (Car Wash Area); Multipurpose Room; Cafe / Coffee Bar; On-Site Management; Dog Park/Pet Care; Recreation Areas (Basketball, Fitness Center, Grilling Area, Playground, Outdoor Swimming Pool, Tennis); Security Gate; Extra Storage

Parking Type: Detached Garage; Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	48	10	868	\$1.76	\$1,527	Market
2	1 - 2	G	108	6	1,007 - 1,193	\$1.63 - \$1.45	\$1,637 - \$1,727	Market
3	2	G	56	2	1,306	\$1.56	\$2,035	Market

\*Adaptive Reuse

\*DTS is based on drive time

**9** Grand Oaks (Family & Senior) 5.7 miles to site



Address: 5301 Grand Oaks Forest Cir, Chester, VA 23831  
 Phone: (804) 706-9435      Contact: Yari  
 Property Type: Tax Credit  
 Target Population: Family, Senior 55+  
 Total Units: 216      Year Built: 2005  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated:  
 Turnover:      Stories: 2  
 Waitlist: None  
 Rent Special: None

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

Notes: Tax Credit



**Features And Utilities**

Utility Schedule Provided by: Virginia Housing

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

Unit Amenities: Dishwasher; Disposal; Range; Refrigerator; Central AC; Ceiling Fan; E-Call System; W/D Hookup; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Business Center (Computer/Business Center); Clubhouse/Community Room; Cafe / Coffee Bar; On-Site Management; Recreation Areas (Fitness Center, Playground, Outdoor Swimming Pool)

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	48	0	888	\$1.18	\$1,050	60%
2	2	G	32	0	1,164	\$1.08	\$1,253	60%
2	2	G	20	0	1,200	\$1.04	\$1,253	60%
2	2.5	T	43	0	1,105	\$1.13	\$1,253	60%
3	2 - 2.5	T	73	0	1,336	\$1.07	\$1,432	60%

\*Adaptive Reuse

\*DTS is based on drive time

**10 Iron Bridge Road** 6.8 miles to site



Address: 6700 Iron Creek Cir., Chester, VA 23831  
 Phone: (804) 318-1819      Contact: Breanna  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 80      Year Built: 2016  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated:  
 Turnover:      Stories: 2  
 Waitlist: 240 HH  
 Rent Special: None

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

Notes: Tax Credit



**Features And Utilities**

Utility Schedule Provided by: Virginia Housing  
 Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: Laundry Room; On-Site Management; Recreation Areas (Outdoor Swimming Pool)

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	8	0	641	\$1.00	\$643	40%
1	1	G	8	0	641	\$1.30	\$832	50%
2	2	G	28	0	941	\$1.06	\$995	50%
2	2	G	36	0	941	\$1.30	\$1,222	60%

\*Adaptive Reuse

\*DTS is based on drive time

**11 Jane at Moore's Lake I & II** 4.3 miles to site



Address: 12300 Moores Lake Rd, Chester, VA 23831  
 Phone: (804) 461-3883      Contact: Jasmine  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 385      Year Built: 2019  
 Vacant Units: 17      \*AR Year:  
 Occupancy: 95.6%      Yr Renovated:  
 Turnover:      Stories: 4,5 (w/Elev)  
 Waitlist: None  
 Rent Special: \$500 Off the 1st full month's rent

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



Notes: Rent range based on view, unit location & floor level; Phase I (200 units): Preleasing 11/2018, opened 1/2019, ~93% occupancy 7/2019; Phase II (185 units): Preleasing 7/2021, opened 12.2021, ~93% occupancy 2/2022

**Features And Utilities**

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: Landlord pays Trash, Cable, Internet

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; Controlled Access; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate); Premium Appliances; Premium Countertops; Premium Cabinetry; Premium Fixtures; High/Vaulted Ceilings

Property Amenities: Car Care (Charging Stations); Multipurpose Room, Community Kitchen, Clubhouse/Community Room; Cafe / Coffee Bar; Courtyard; Elevator; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Game Room-Billiards, Outdoor Swimming Pool); CCTV, Courtesy Officer; Extra Storage; WiFi

Parking Type: Attached Garage; Detached Garage; Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	116	3	636 - 761	\$2.47 - \$2.11	\$1,568 - \$1,604	Market
2	2	G	229	8	900 - 947	\$1.97 - \$2.11	\$1,777 - \$1,998	Market
2	2	P	2	0	1,100	\$1.91	\$2,100	Market
3	3	G	36	6	1,136 - 1,345	\$2.02 - \$1.71	\$2,300	Market
3	2	P	2	0	1,412	\$2.16	\$3,052	Market

\*Adaptive Reuse

\*DTS is based on drive time



**12** Market Square V 0.8 miles to site



Address: 7300 Taw St, Richmond, VA 23237  
 Phone: (804) 279-0133      Contact: Kristen (By Phone)  
 Property Type: Tax Credit  
 Target Population: Senior 55+  
 Total Units: 105      Year Built: 2019  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated:  
 Turnover:      Stories: 2 (w/Elev)  
 Waitlist: 6-12 mos  
 Rent Special: None

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

Notes: Tax Credit



**Features And Utilities**

Utility Schedule Provided by: Virginia Housing

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

Unit Amenities: Dishwasher; Range; Refrigerator; Central AC; Controlled Access; E-Call System; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Multipurpose Room, Community Kitchen, Clubhouse/Community Room; Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Library); CCTV; Social Services (Classes, Health Screenings, Parties / Picnics, Social Services Coordinator)

Parking Type: Street Parking; Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	9	0	512	\$1.28	\$653	40%
1	1	G	72	0	499 - 514	\$1.65 - \$1.60	\$821	50%
1	1	G	16	0	492 - 690	\$2.05 - \$1.46	\$1,010	60%
2	2	G	3	0	783	\$1.01	\$792	40%
2	2	G	5	0	791 - 928	\$1.29 - \$1.10	\$1,018	50%

\*Adaptive Reuse

\*DTS is based on drive time

## XII.

# FIELD SURVEY OF CONVENTIONAL RENTALS



Site



PMA

**Apartment Type**



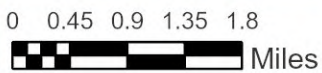
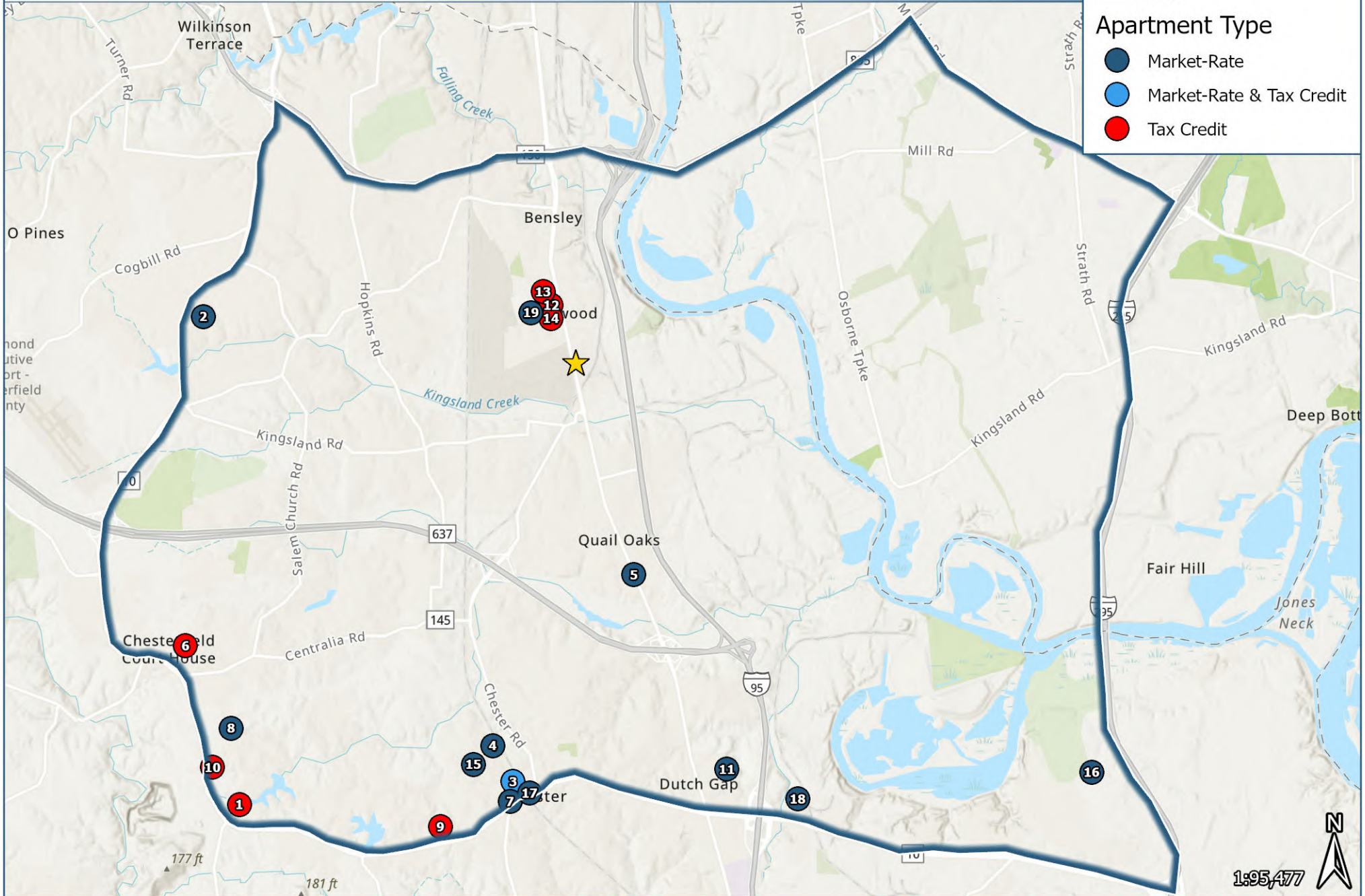
Market-Rate



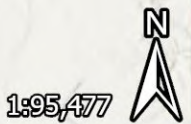
Market-Rate & Tax Credit



Tax Credit



County of Henrico, VGIN, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA, Esri, NASA, NGA, USGS, FEMA  
 Additional Source(s): Bowen National Research




Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Arbor Lake	TAX	B	1996	126	0	100.0%	6.7
✓ 2	Austin Woods	MRR	B+	2021	230	0	100.0%	5.6
◆ 3	Chester Village	MRT	B	2006	163	0	100.0%	4.9
✓ 4	Chester Village Green	MRR	B	2008	137	0	100.0%	5.3
✓ 5	Colony Village I & II	MRR	A	2013	332	0	100.0%	2.1
◆ 6	Courthouse Senior	TAX	B	2002	69	0	100.0%	6.0
7	Festival Park	MRR	B	2008	99	6	93.9%	4.9
✓ 8	Garden Springs	MRR	B	2009	212	18	91.5%	5.8
◆ 9	Grand Oaks (Family & Senior)	TAX	B	2005	216	0	100.0%	5.7
✓ 10	Iron Bridge Road	TAX	B	2016	80	0	100.0%	6.8
✓ 11	Jane at Moore's Lake I & II	MRR	A	2019	385	17	95.6%	4.3
◆ 12	Market Square V	TAX	B	2019	105	0	100.0%	0.8
◆ 13	Market Village	TAX	B	2006	69	0	100.0%	0.9
◆ 14	Market Woods	TAX	B+	2020	60	0	100.0%	1.0
15	Park at Village Green	MRR	B+	2015	65	0	100.0%	5.4
16	River's Bend Apts.	MRR	A	1999	308	4	98.7%	9.2
17	Station at Chester Village	MRR	A	2022	129	51	60.5%	4.6
18	White Oak	MRR	B	2008	322	11	96.6%	6.0
19	Winchester Green	MRR	B	1999	240	0	100.0%	0.9


\*Drive distance in miles

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




<b>1</b>	<b>Arbor Lake</b> 6850 Arbor Lake Dr, Chester, VA 23831	Contact: Francina Phone: (804) 778-4886
	 <p>Total Units: 126 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 1996 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 5 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit</p>	




<b>2</b>	<b>Austin Woods</b> 6401 Scots Pine Run, Richmond, VA 23234	Contact: Janet Phone: (804) 408-4933
	 <p>Total Units: 230 UC: 0 Occupancy: 100.0% Stories: 4 w/Elevator Year Built: 2021 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 3 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Preleasing 04/2021, opened 9/2021, ~93% occupancy 12/2021</p>	




<b>3</b>	<b>Chester Village</b> 11701 Chester Village Dr, Chester, VA 23831	Contact: Andrea Phone: (804) 425-1200
	 <p>Total Units: 163 UC: 0 Occupancy: 100.0% Stories: 4 w/Elevator Year Built: 2006 BR: 1, 2 Vacant Units: 0 Waitlist: 3-12 mos AR Year: Target Population: Senior 62+ Yr Renovated: Rent Special: None Notes: Market-rate (38 units); Tax Credit (125 units)</p>	





<b>4</b>	<b>Chester Village Green</b> 11001 Chester Garden Cir, Chester, VA 23831	Contact: Alana Phone: (804) 593-4436
	 <p>Total Units: 137 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2008 BR: 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to supply &amp; demand</p>	





<b>5</b>	<b>Colony Village I &amp; II</b> 10250 Colony Village Terr, Richmond, VA 23237	Contact: Gail Phone: (855) 912-8263
	 <p>Total Units: 332 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2013 BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rents change daily</p>	


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


















6	<b>Courthouse Senior</b> 9851 Krause Rd, Chesterfield, VA 23832	Contact: Barbara Phone: (804) 796-9191
	 <p>Total Units: 69 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 2002                  BR: 1, 2 Vacant Units: 0 Waitlist: 47 1br; 15 2br AR Year:                  Target Population: Senior 55+ Yr Renovated:                  Rent Special: None                  Notes: Tax Credit</p>	

7	<b>Festival Park</b> 3524 Festival Park Plaza, Chester, VA 23831	Contact: Mima Phone: (804) 593-4436
	 <p>Total Units: 99 UC: 0 Occupancy: 93.9% Stories: 3 w/Elevator Year Built: 2008                  BR: 1, 2, 3 Vacant Units: 6 Waitlist: None AR Year:                  Target Population: Family Yr Renovated:                  Rent Special: None                  Notes: Rent range due to supply &amp; demand; Rents change daily</p>	


8	<b>Garden Springs</b> 10801 Dylans Walk Rd., Chester, VA 23831	Contact: Sandy Phone: (833) 446-1908
	 <p>Total Units: 212 UC: 0 Occupancy: 91.5% Stories: 3 Year Built: 2009                  BR: 1, 2, 3 Vacant Units: 18 Waitlist: None AR Year:                  Target Population: Family Yr Renovated:                  Rent Special: Sign a 14-18 month lease get 1 month free rent                  Notes: Rent range due to floor level</p>	

9	<b>Grand Oaks (Family &amp; Senior)</b> 5301 Grand Oaks Forest Cir, Chester, VA 23831	Contact: Yari Phone: (804) 706-9435
	 <p>Total Units: 216 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2005                  BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year:                  Target Population: Family, Senior 55+ Yr Renovated:                  Rent Special: None                  Notes: Tax Credit</p>	


10	<b>Iron Bridge Road</b> 6700 Iron Creek Cir., Chester, VA 23831	Contact: Breanna Phone: (804) 318-1819
	 <p>Total Units: 80 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2016                  BR: 1, 2 Vacant Units: 0 Waitlist: 240 HH AR Year:                  Target Population: Family Yr Renovated:                  Rent Special: None                  Notes: Tax Credit</p>	

<ul style="list-style-type: none"> <li> Comparable Property</li> <li> Senior Restricted</li> <li> (MRR) Market-Rate</li> <li> (MRT) Market-Rate &amp; Tax Credit</li> <li> (MRG) Market-Rate &amp; Government-Subsidized</li> <li> (MIN) Market-Rate &amp; Income-Restricted (not LIHTC)</li> </ul>	<ul style="list-style-type: none"> <li> (MIG) Market-Rate, Income-Restricted (not LIHTC) &amp; Govt-Subsidized</li> <li> (TAX) Tax Credit</li> <li> (TGS) Tax Credit &amp; Government-Subsidized</li> <li> (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)</li> <li> (TIN) Tax Credit &amp; Income-Restricted (not LIHTC)</li> <li> (TMG) Tax Credit, Market-Rate &amp; Government-Subsidized</li> </ul>	<ul style="list-style-type: none"> <li> (TIG) Tax Credit, Income-Restricted (not LIHTC) &amp; Govt-Subsidized</li> <li> (INR) Income-Restricted (not LIHTC)</li> <li> (ING) Income-Restricted (not LIHTC) &amp; Government-Subsidized</li> <li> (GSS) Government-Subsidized</li> <li> (ALL) Tax Credit, Market-Rate, Govt-Subsidized &amp; Income-Restricted</li> </ul>
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11	Jane at Moore's Lake I & II 12300 Moores Lake Rd, Chester, VA 23831		Contact: Jasmine Phone: (804) 461-3883	
		Total Units: 385 UC: 0 Occupancy: 95.6% Stories: 4,5 w/Elevator Year Built: 2019 BR: 1, 2, 3 Vacant Units: 17 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: \$500 Off the 1st full month's rent Notes: Rent range based on view, unit location & floor level; Phase I (200 units): Preleasing 11/2018, opened 1/2019, ~93% occupancy 7/2019; Phase II (185 units): Preleasing 7/2021, opened 12.2021, ~93% occupancy 2/2022		





12	Market Square V 7300 Taw St, Richmond, VA 23237		Contact: Kristen Phone: (804) 279-0133	
		Total Units: 105 UC: 0 Occupancy: 100.0% Stories: 2 w/Elevator Year Built: 2019 BR: 1, 2 Vacant Units: 0 Waitlist: 6-12 mos AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit		




13	Market Village 7101 Bensley Commons Ln, Richmond, VA 23237		Contact: Kristen Phone: (804) 275-8649	
		Total Units: 69 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2006 BR: 1, 2 Vacant Units: 0 Waitlist: 6 mos AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit		





14	Market Woods 7400 Taw St., North Chesterfield, VA 23238		Contact: Kristen Phone: (804) 279-0133	
		Total Units: 60 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2020 BR: 1, 2 Vacant Units: 0 Waitlist: 12 mos AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit; Preleasing 4/2020, opened 8/2020, 100% occupancy 1/2021		


15	Park at Village Green 11426 Chester Garden Trail, Chester, VA 23831		Contact: Mina Phone: (804) 593-4436	
		Total Units: 65 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2015 BR: 1, 3 Vacant Units: 0 Waitlist: 2 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rents change daily		


















<ul style="list-style-type: none"> <li> Comparable Property</li> <li> Senior Restricted</li> <li> (MRR) Market-Rate</li> <li> (MRT) Market-Rate &amp; Tax Credit</li> <li> (MRG) Market-Rate &amp; Government-Subsidized</li> <li> (MIN) Market-Rate &amp; Income-Restricted (not LIHTC)</li> </ul>	<ul style="list-style-type: none"> <li> (MIG) Market-Rate, Income-Restricted (not LIHTC) &amp; Govt-Subsidized</li> <li> (TAX) Tax Credit</li> <li> (TGS) Tax Credit &amp; Government-Subsidized</li> <li> (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)</li> <li> (TIN) Tax Credit &amp; Income-Restricted (not LIHTC)</li> <li> (TMG) Tax Credit, Market-Rate &amp; Government-Subsidized</li> </ul>	<ul style="list-style-type: none"> <li> (TIG) Tax Credit, Income-Restricted (not LIHTC) &amp; Govt-Subsidized</li> <li> (INR) Income-Restricted (not LIHTC)</li> <li> (ING) Income-Restricted (not LIHTC) &amp; Government-Subsidized</li> <li> (GSS) Government-Subsidized</li> <li> (ALL) Tax Credit, Market-Rate, Govt-Subsidized &amp; Income-Restricted</li> </ul>
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<b>16</b>	<b>River's Bend Apts.</b> 401 Liverpool Cir, Chester, VA 23836	<b>Contact: Ryan</b> <b>Phone: (866) 890-1872</b>			
		Total Units: 308 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: N/A Notes:	Occupancy: 98.7% Vacant Units: 4	Stories: 3 Waitlist: None	Year Built: 1999 AR Year: Yr Renovated:

<b>17</b>	<b>Station at Chester Village</b> 11912 Chester Rd, Chester, VA 23831	<b>Contact: Maranda</b> <b>Phone: (804) 534-1837</b>			
		Total Units: 129 UC: 76 BR: 1, 2, 3 Target Population: Family Rent Special: \$750off 1st full months rent Notes: Under construction-ECD spring 2023; 129 units opened 9-2022 Preleasing began 7-2022	Occupancy: 60.5% Vacant Units: 51	Stories: 5 Waitlist: None	w/Elevator Year Built: 2022 AR Year: Yr Renovated:

<b>18</b>	<b>White Oak</b> 1920 Dunlap Crescent, Chester, VA 23836	<b>Contact: Jaqueline</b> <b>Phone: (804) 425-9600</b>			
		Total Units: 322 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Rents change daily	Occupancy: 96.6% Vacant Units: 11	Stories: 3 Waitlist: None	Year Built: 2008 AR Year: Yr Renovated:

<b>19</b>	<b>Winchester Green</b> 2800 Bensley Commons Blvd, Richmond, VA 23237	<b>Contact: Marcella</b> <b>Phone: (804) 743-7030</b>			
		Total Units: 240 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes: Rent range based on unit location & upgrades	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: 200 HH	Year Built: 1999 AR Year: Yr Renovated:

 Comparable Property	 (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	 (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
 Senior Restricted	 (TAX) Tax Credit	 (INR) Income-Restricted (not LIHTC)
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 (MIN) Market-Rate & Income-Restricted (not LIHTC)	 (TMG) Tax Credit, Market-Rate & Government-Subsidized	



Source: Virginia Housing  
Effective: 07/2022

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	8	12	15	18	22	25	8	12	15	18	22	25
	+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0
	Bottled Gas	64	89	114	140	177	204	64	89	114	140	177	204
	Electric	24	34	43	54	67	78	24	34	43	54	67	78
	Heat Pump	0	0	0	0	0	0	0	0	0	0	0	0
	Oil	45	63	81	98	126	145	45	63	81	98	126	145
Cooking	Natural Gas	2	2	3	3	4	5	2	2	3	3	4	5
	Bottled Gas	11	15	19	23	29	34	11	15	19	23	29	34
	Electric	4	5	6	8	10	11	4	5	6	8	10	11
Other Electric		14	19	24	30	38	43	14	19	24	30	38	43
	+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0
Air Conditioning		7	9	13	15	19	22	7	9	13	15	19	22
Water Heating	Natural Gas	3	4	5	7	8	10	3	4	5	7	8	10
	Bottled Gas	27	37	48	58	74	85	27	37	48	58	74	85
	Electric	12	16	21	25	32	37	12	16	21	25	32	37
	Oil	19	26	33	41	52	59	19	26	33	41	52	59
Water		20	28	36	44	56	64	20	28	36	44	56	64
Sewer		23	32	41	50	63	72	23	32	41	50	63	72
Trash Collection		14	14	14	14	14	14	14	14	14	14	14	14
Internet*													
Cable*													
Alarm Monitoring*													

\* Estimated- not from source

## **XIII. Qualifications**

### **The Company**

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

### **Company Leadership**

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

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

### **Market Analysts**

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

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

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

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

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

**Tanja Hairston**, Market Analyst, has extensive property management experience in both the Midwest and northeastern United States. She has assisted low-income, veterans and homeless persons in securing affordable and permanent housing, administered HUD recertifications and reviewed Housing Choice Voucher applications. In addition, she has cultivated relationships with realtors, property managers and brokers. Ms. Hairston holds a Bachelor of Arts degree in Sociology from South Carolina State University.

**Jonathan Kabat**, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Kabat graduated from The Ohio State University with a Bachelor of Art in History and a minor in Geography.

**Andrew Lundell**, Market Analyst, has an experienced background in customer service and financial analysis. He has evaluated the rental market in cities throughout the United States and is able to provide detailed site-specific analysis. Mr. Lundell has a Bachelor of Arts in Criminal Justice from Ohio University.

**Sidney McCrary**, Market Analyst, is experienced in the on-site analysis of residential and commercial properties. He has the ability to analyze a site's location in relation to community services, competitive properties and the ease of access and visibility. Mr. McCrary has a Bachelor of Science in Business Administration from Ohio Dominican University.

**Gregory Piduch**, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Piduch holds a Bachelor of Arts in Communication and Rhetoric from the University of Albany, State University of New York and a Master of Professional Studies in Sports Industry Management from Georgetown University.

**Nathan Stelts**, Market Analyst, is experienced in the assessment of housing operating under various programs throughout the country, as well as other development alternatives. He is also experienced in evaluating projects in the development pipeline and economic trends. Mr. Stelts has a Bachelor of Science in Business Administration from Bowling Green State University.

### **Research Staff**

Bowen National Research employs a staff of in-house researchers who are experienced in the surveying and evaluation of all rental and for-sale housing types, as well as in conducting interviews and surveys with city officials, economic development offices, chambers of commerce, housing authorities and residents.

**June Davis**, Office Manager of Bowen National Research, has been in the market feasibility research industry since 1988. Ms. Davis has overseen production on over 20,000 market studies for projects throughout the United States.

**Stephanie Viren** is the Research and Travel Coordinator at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary to conduct surveys of diverse pools of respondents regarding population and housing trends, housing marketability, economic development and other socioeconomic issues relative to the housing industry. Ms. Viren's professional specialty is condominium and senior housing research. Ms. Viren earned a Bachelor of Arts in Business Administration from Heidelberg University.

**Kelly Wiseman**, Research Specialist Director, has significant experience in the evaluation and surveying of housing projects operating under a variety of programs. In addition, she has conducted numerous interviews with experts throughout the country, including economic development, planning, housing authorities and other stakeholders.

## Addendum A – Member Certification & Checklist

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

Bowen National Research is duly qualified and experienced in providing market analysis for housing. The company's principals participate in the National Council of Housing Market Analysts (NCHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Bowen National Research is an independent market analyst. No principal or employee of Bowen National Research has any financial interest whatsoever in the development for which this analysis has been undertaken.



Patrick M. Bowen

President

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

Date: February 16, 2023



Jeff Peters (Primary Contact)

Market Analyst

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

Date: February 16, 2023

Note: Information on the National Council of Housing Market Analysts may be obtained by calling 202-939-1750, or by visiting <http://www.housingonline.com>.

## ADDENDUM-MARKET STUDY INDEX

### A. INTRODUCTION

Members of the National Council of Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location content of issues relevant to the evaluation and analysis of market studies.

### B. DESCRIPTION AND PROCEDURE FOR COMPLETING

The following components have been addressed in this market study. The section number of each component is noted below. Each component is fully discussed in that section. In cases where the item is not relevant, the author has indicated 'N/A' or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a 'VAR' (variation) with a comment explaining the conflict.

### C. CHECKLIST

		Section (s)
<b>Executive Summary</b>		
1.	Executive Summary	II
<b>Project Description</b>		
2.	Proposed number of bedrooms and baths proposed, income limitations, proposed rents and utility allowances	III
3.	Utilities (and utility sources) included in rent	III
4.	Project design description	III
5.	Unit and project amenities; parking	III
6.	Public programs included	III
7.	Target population description	III
8.	Date of construction/preliminary completion	III
9.	If rehabilitation, existing unit breakdown and rents	III
10.	Reference to review/status of project plans	III
<b>Location and Market Area</b>		
11.	Market area/secondary market area description	IV
12.	Concise description of the site and adjacent parcels	IV
13.	Description of site characteristics	IV
14.	Site photos/maps	X
15.	Map of community services	IV
16.	Visibility and accessibility evaluation	IV
17.	Crime Information	IV

## CHECKLIST (Continued)

		Section (s)
<b>Employment and Economy</b>		
18.	Employment by industry	IV
19.	Historical unemployment rate	IV
20.	Area major employers	IV
21.	Five-year employment growth	IV
22.	Typical wages by occupation	IV
23.	Discussion of commuting patterns of area workers	IV
<b>Demographic Characteristics</b>		
24.	Population and household estimates and projections	IV
25.	Area building permits	V
26.	Distribution of income	IV
27.	Households by tenure	IV
<b>Competitive Environment</b>		
28.	Comparable property profiles	XI
29.	Map of comparable properties	X
30.	Comparable property photographs	XI
31.	Existing rental housing evaluation	V
32.	Comparable property discussion	V
33.	Area vacancy rates, including rates for Tax Credit and government-subsidized	V
34.	Comparison of subject property to comparable properties	V
35.	Availability of Housing Choice Vouchers	V
36.	Identification of waiting lists	V & XII
37.	Description of overall rental market including share of market-rate and affordable properties	V
38.	List of existing LIHTC properties	V
39.	Discussion of future changes in housing stock	V
40.	Discussion of availability and cost of other affordable housing options including homeownership	V
41.	Tax Credit and other planned or under construction rental communities in market area	V
<b>Analysis/Conclusions</b>		
42.	Calculation and analysis of Capture Rate	VII
43.	Calculation and analysis of Penetration Rate	VII
44.	Evaluation of proposed rent levels	V & VI
45.	Derivation of Achievable Market Rent and Market Advantage	VI
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	II
48.	Market strengths and weaknesses impacting project	II
49.	Recommendations and/or modification to project discussion	II
50.	Discussion of subject property's impact on existing housing	V
51.	Absorption projection with issues impacting performance	II
52.	Discussion of risks or other mitigating circumstances impacting project projection	II
53.	Interviews with area housing stakeholders	V



**CHECKLIST (Continued)**

<b>Other Requirements</b>		<b>Section (s)</b>
54.	Preparation date of report	Title Page
55.	Date of Field Work	Certification
56.	Certifications	Certification
57.	Statement of qualifications	XIII
58.	Sources of data not otherwise identified	I
59.	Utility allowance schedule	XII