



**BOWEN
NATIONAL
RESEARCH**

Market Feasibility Analysis

Emporia Rail Depot Townhomes
307 Reese Street
Emporia, Virginia 23847

Prepared For

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Authorized User

Virginia Housing
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Richmond, Virginia 23220

Effective Date

February 7, 2023

Job Reference Number

23-116 JW

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 Emporia, Virginia. Further, the information contained in this report is true and accurate as of February 7, 2023.

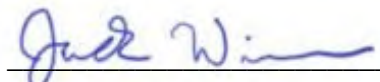
Bowen National Research is a disinterested third party without any current or future financial interest in the project under consideration. We have received a fee for the preparation of the market study. However, no contingency fees exist between our firm and the client.

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:



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Certificate of Membership

Bowen National Research
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Membership Term
7/1/2022 to 6/30/2023



A handwritten signature in blue 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 Emporia, Virginia. This study was initiated by Ms. Dianna Bowser of Southside Community Development & Housing Corporation 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.

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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 Emporia Rail Depot Townhomes rental community in Emporia, Virginia utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program. The following points support this conclusion:

Project Description

Emporia Rail Depot Townhomes involves the new construction of 52 apartments at 307 Reese Street in Emporia. The project will target family (general-occupancy) households earning up to 40%, 50% and 60% of Area Median Household Income (AMHI) under the LIHTC program. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by December 2025. Additional details of the subject project can be found in Section III - *Project Description* of this report.

Site Evaluation

The subject site currently consists of undeveloped land in the north-central portion of Emporia. The site is within a primarily developed, mixed-use neighborhood, surrounded by retail/commercial businesses, residential dwellings, railroad tracks and undeveloped land, with existing structures in fair to good condition. The railroad tracks that border the site to the west may have a negative impact on the site's marketability; however, interviews conducted with property managers of Northwood Village Apartments and Reese Village Apartments (Map IDs 3 and 8, respectively), both affordable properties within the market that have a similar proximity to the aforementioned railroad tracks as the site, indicated that demand in the area for housing overrides any concerns tenants have with the proximity of the railroad tracks. This is further evidenced by the 100.0% occupancy rates and waitlists maintained at both of the aforementioned properties. Nonetheless, it is recommended that the developer implements buffering between the site and the railroad tracks to help mitigate the potential impact the proximity of the aforementioned land use may have on marketability. Visibility of the site is considered good, as it will be unobstructed from view by passerby traffic and is located along roadways that occasionally experience moderate traffic patterns. Access to and from the site is also considered good, as it is within 1.3 miles of U.S. Highways 58, 58 Business and 301, and Interstate 95. Additionally, Greensville Emporia Transit (GET) offers fixed-route and on-demand busing services to residents of Emporia, with the closest bus stop being within 0.3 mile of the site. Most community services are within 1.0 mile of the site, including public safety services. Overall, the site neighborhood and proximity of community services is anticipated to generally have a positive impact on 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 Emporia Site PMA includes all of Emporia and Jarratt, as well as surrounding unincorporated areas of Greensville and Sussex counties. Specifically, the boundaries of the Site PMA generally include the Nottoway River, Wyatt Road, State Route 645 and U.S. Highway 301 to the north; State Route 645, State Route 631, State Route 609, the Greensville County boundary, Green Plains Road, State Route 711, U.S. Highway 58 and Hicks Ford Road to the east; the Meherrin River, Jones Road, State Route 730, State Route 676, State Route 629, State Route 622, U.S. Highway 301, Rock Bridge Road, Fountains Creek and State Route 611 to the south; and U.S. Highway 58, Maclins Creek Road, Cannon's Lane and State Route 619 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-10.

Demographic Trends

Overall, the population and household bases within the Emporia Site PMA have been generally stable since 2010. These trends are projected to remain relatively stable through 2028. However, senior households ages 75 and older within the market are expected to experience significant growth between 2023 and 2028. Nonetheless, over 61.0% of all households within the Emporia Site PMA are anticipated to be under the age of 65 in 2028, demonstrating that there will continue to be a larger number of age-appropriate households present within the market to support the subject project. Further, the subject project will be able to accommodate virtually all renter households within the Site PMA, based on household size. Overall, the demographic trends contained within this report demonstrate a generally stable and sufficient base of potential support for the subject project. Detailed demographic trends are included in Section IV, beginning on page IV-11.

Economic Trends

Based on data provided by the State of Virginia Department of Labor and the U.S. Department of Labor, the local economy generally experienced growth between 2015 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 Emporia employment base declined by nearly 130 jobs, or 5.8%, and its annual unemployment rate increased by six percentage points. Specifically, between February and June 2020, the monthly unemployment rate within the city spiked by nearly 13 percentage points. On a positive note, the local economy has been experiencing consistent growth since 2020, with its employment base rising by 13.4%, more than offsetting the jobs lost during the pandemic, and annual unemployment decreasing to a rate of 5.4% through the end of 2022. These are good indications that the Emporia economy has fully recovered from the initial impact of 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 11 conventional housing projects containing a total of 496 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 99.6% (a result of only two vacant units), a very strong rate for rental housing. The following table summarizes the rental projects surveyed within the Site PMA, broken out by project type:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	4	80	0	100.0%
Tax Credit	1	124	0	100.0%
Tax Credit/Government-Subsidized	4	150	2	98.7%
Government-Subsidized	2	142	0	100.0%
Total	11	496	2	99.6%

All rental housing segments surveyed in the market are performing very well, with occupancy levels at or above 98.7%. In fact, all but one of the properties surveyed are fully occupied, illustrating that pent-up demand likely exists for additional rental housing within the Emporia Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

Competitive/Comparable Tax Credit Analysis

We identified and surveyed one family (general-occupancy) non-subsidized LIHTC property within the Emporia Site PMA. This project, Brook Ridge Apartments I & II (Map ID 1), targets households earning up to 50% and 60% of AMHI and, therefore, is considered a competitive property. Additionally, we identified two general-occupancy LIHTC developments that also operate under the RD 515 program with no Rental Assistance (RA) on some of the units, one of which offers similar unit types as the subject project and was selected for this comparability analysis, Weaver Manor Apartments (Map ID 11).

Additionally, given the limited number of comparable unassisted LIHTC rental units within the Emporia Site PMA, we identified and surveyed three additional non-subsidized LIHTC properties outside of the market but within the region in South Hill and Petersburg. Note that these three LIHTC properties will not compete with the site, as they derive demographic support from a different geographical region, and were selected for comparability purposes only.

The five competitive/comparable LIHTC properties and the proposed subject development are summarized in the table on the following page. 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/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Emporia Rail Depot Townhomes	B+*	B-	2025	52	-	-	-	Families; 40%, 50% & 60% AMHI
1	Brook Ridge Apts. I & II	B+	B	2000	124	100.0%	2.1 Miles	11 HH	Families; 50% & 60% AMHI
11	Weaver Manor Apts.	B-	B	1984 / 2018	42	95.2%	0.8 Miles	RA Units: 8 HH	Families; 50% & 60% AMHI & RD 515 (35 units of RA)
904	Groom School Apts.	B+	B	2019**	55	100.0%	38.7 Miles	115 HH	Families; 40%, 50%, & 60% AMHI
905	Jesse Lee Apts.	B-	C	2008	108	99.1%	39.8 Miles	None	Families; 50% AMHI
906	Lieutenant's Run	C	B	2005	168	95.8%	43.1 Miles	None	Families; 60% AMHI

Nbhd. – Neighborhood

Occ. – Occupancy

HH – Households

900 series Map IDs are located outside Site PMA

*Anticipated quality

**Adaptive reuse

The five LIHTC projects have a combined occupancy rate of 98.0%, a strong rate for rental housing. In fact, the newest and most comparable LIHTC rental community within the *market*, Brook Ridge Apartments I & II (Map ID 1), is fully occupied with a waiting list. This illustrates that pent-up demand exists for newer LIHTC rental product within the Emporia Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

Notably, the subject project will be at least 25 years newer than the comparable LIHTC projects within the Site PMA. This will position the subject project at a significant competitive advantage.

The gross rents for the competing/comparable 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.	
Site	Emporia Rail Depot Townhomes	\$529/40% (2) \$663/50% (3) \$796/60% (5)	-	\$736/40% (6) \$921/50% (14) \$1,107/60% (22)	-
1	Brook Ridge Apts. I & II	-	\$802/50% (36/0) \$963/60% (48/0)	\$1,112/60% (40/0)	None
11	Weaver Manor Apts.	\$720-\$725*/50% (13/0) \$720-\$725*/60% (11/0)	\$793-\$878*/50% (4/0) \$793-\$878*/60% (14/2)	-	None
904	Groom School Apts.	\$484/40% (3/0) \$584/50% (2/0) \$584/60% (6/0)	\$556/40% (2/0) \$712-\$813/60% (26/0)	\$634/40% (1/0) \$773/60% (15/0)	None
905	Jesse Lee Apts.	-	\$944/50% (78/0)	\$1,086/50% (30/1)	None
906	Lieutenant's Run	-	\$1,364/60% (84/4)	\$1,556/60% (84/3)	None

900 series Map IDs are located outside Site PMA

*Denotes basic and note rents

The proposed subject gross rents, ranging from \$529 to \$1,107, will generally be within the range of LIHTC rents offered at the competitive/comparable properties in the market and region for similar unit types. In fact, the subject’s rents will be some of the lowest LIHTC rents for similar unit types within the *market*. This will position the project at a competitive advantage.

Additionally, the subject project will be the only LIHTC project within the Site PMA to offer one- and three-bedroom units targeting households earning up to 40% of AMHI, as well as three-bedroom units set aside at 50% of AMHI. This will also position the subject project at a competitive advantage, as it will provide an affordable rental housing alternative to low-income households that are currently underserved within the market.

Competitive/Comparable Tax Credit Summary

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing LIHTC properties within the market and region, it is our opinion that the proposed subject development will be very marketable. In fact, the subject project will be at least 25 years newer than the comparable LIHTC projects within the *market*, offering some of the lowest LIHTC rents, larger unit sizes and a superior amenities package. Additionally, we did not identify any LIHTC project within the Site PMA that offers units set aside at 40% of AMHI, as well as three-bedroom units set aside at 50% of AMHI. These factors will bode very well in the demand of the subject units and have been considered in our absorption projections.

Perception of Value

Based on HUD Rent Comparability Grids in Section VI, the subject’s achievable market rents and corresponding market rent advantages are summarized in the following table:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	40%	\$387	\$875	55.8%
	50%	\$521		40.5%
	60%	\$654		25.3%
Three-Br.	40%	\$514	\$1,190	56.8%
	50%	\$699		41.3%
	60%	\$885		25.6%

Typically, Tax Credit units should represent approximately a 10.0% market rent advantage. As such, the proposed subject Tax Credit rents will likely be perceived as substantial values within the market, as they represent market rent advantages ranging from 25.3% to 56.8%, depending upon bedroom type and targeted income level.

Capture Rate Estimates

The following is a summary of our demand calculations:

Demand Component	Percent of Median Household Income			
	40% AMHI (\$18,137-\$30,800)	50% AMHI (\$22,731-\$38,500)	60% AMHI (\$27,291-\$46,200)	Overall (\$18,137-\$46,200)
Net Demand	200	189	164	320
Proposed Units	6	20	26	52
Proposed Units / Net Demand	6 / 200	20 / 189	26 / 164	52 / 320
Capture Rate	= 3.0%	= 10.6%	= 15.9%	= 16.3%

Typically, utilizing the demand methodology illustrated above, capture rates of up to 30.0% are considered acceptable for projects located in urban markets, while higher capture rates of up to 35.0% are considered acceptable for projects in rural markets. As such, the subject’s overall capture rate of 16.3% illustrates that a good base of support will exist in the market to support the subject development.

Penetration Rate

The 164 existing 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 proposed subject Tax Credit units is \$18,137 to \$46,200. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, there will be an estimated 719 renter households with eligible incomes in 2025. The 216 existing and proposed subject Tax Credit units represent a penetration rate of 30.0% of the 719 income-eligible renter households, which is summarized on the following table:

	Market Penetration
Number of LIHTC Units (Proposed Subject and Existing)	216
Income-Eligible Renter Households – 2025	/ 719
Overall Market Penetration Rate	= 30.0%

It is our opinion that the 30.0% penetration rate for the LIHTC units, both existing and proposed subject, is achievable. This is especially true, given that all non-subsidized LIHTC units surveyed within the Site PMA are occupied and maintain a waiting list.

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 52 LIHTC units at the subject site will reach a stabilized occupancy of 95.0% in approximately five to six months of opening. This absorption period is based on an average monthly absorption rate of approximately eight to nine units per month.

These absorption projections assume a December 2025 opening date. With a December opening date, this could have a slowing impact on the initial absorption of the subject project due to the winter weather and holiday season. Further, these absorption projections assume that 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 throughout the Site PMA a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development receives.

III. Project Description

Project Name:	Emporia Rail Depot Townhomes
Location:	307 Reese Street, Emporia, Virginia 23847
Census Tract:	8901.00
Target Market:	Family
Construction Type:	New Construction
Funding Source:	LIHTC

The subject project involves the new construction of Emporia Rail Depot Townhomes, a 52-unit rental community at 307 Reese Street in Emporia, Virginia. The project will target family (general-occupancy) households earning up to 40%, 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by December 2025. Additional details of the subject development are summarized as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet*	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
2	One-Br.	1.0	Garden	802	40%	\$387	\$142	\$529	\$534
3	One-Br.	1.0	Garden	802	50%	\$521	\$142	\$663	\$668
5	One-Br.	1.0	Garden	802	60%	\$654	\$142	\$796	\$801
4	Three-Br.	2.0	Townhome	1,423	40%	\$514	\$222	\$736	\$741
17	Three-Br.	2.0	Townhome	1,423	50%	\$699	\$222	\$921	\$926
21	Three-Br.	2.0	Townhome	1,423	60%	\$885	\$222	\$1,107	\$1,112
52	Total								

Source: Southside Community Development and Housing Corporation

AMHI – Area Median Household Income (2022 National Nonmetropolitan Median Income)

*Average

Building/Site Information	
Residential Buildings:	13 one- and two-story buildings
Building Style:	Walk-up
Community Space:	Integrated throughout
Acres:	4.4

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	June 2024
Begin Preleasing:	May 2025
Construction End:	December 2025

Unit Amenities		
• Electric Range	• Microwave	• Carpet & Composite Flooring
• Refrigerator	• Washer/Dryer Appliances	• Window Blinds
• Garbage Disposal	• Central Air Conditioning	• Patio/Balcony
• Dishwasher	• Walk-In Closet	

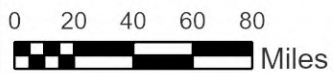
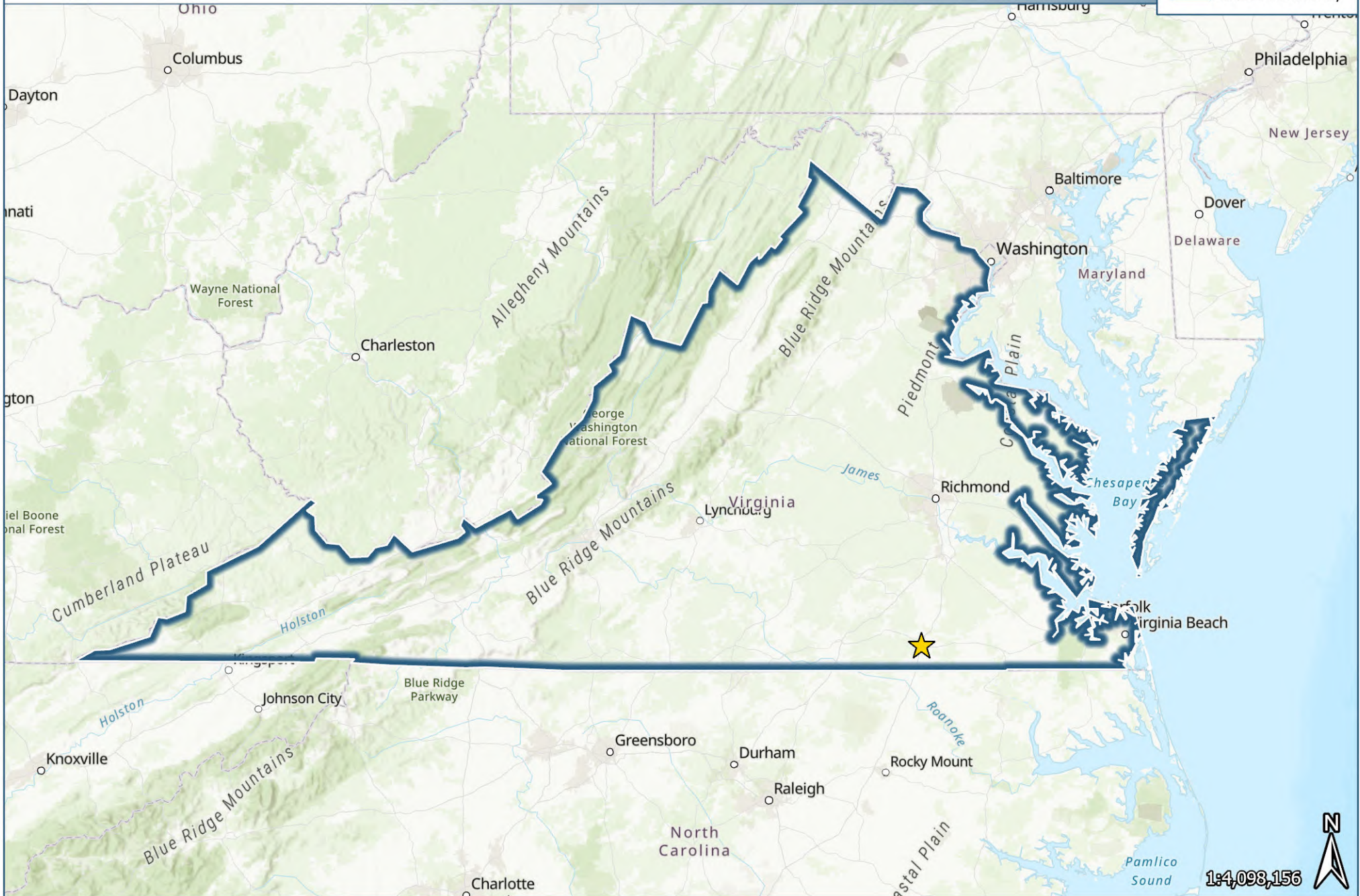
Community Amenities		
• On-Site Management	• Business/Computer Center	• Clubhouse/Community Room
• Surface Parking Lot (100 Spaces)		

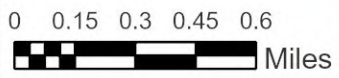
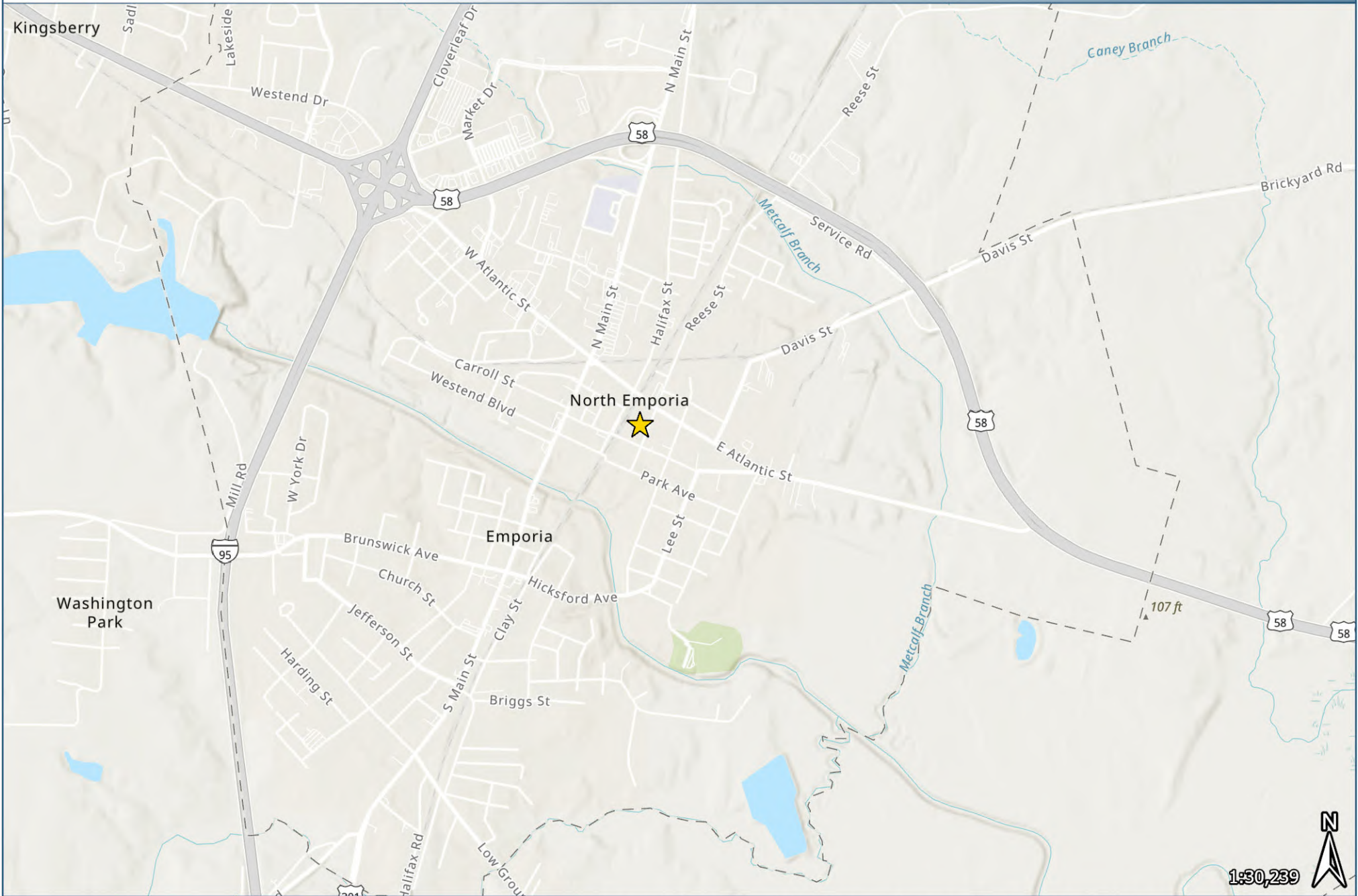
Utility Responsibility							
Paid By Source	Heat	Hot Water	Cooking	General Electric	Cold Water	Sewer	Trash
	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant
	Electric	Electric	Electric				

FLOOR AND SITE PLAN REVIEW:

Final floor and site plans were not available for review at the time this market study was issued. However, an in-depth analysis of comparable Tax Credit and market-rate housing projects has been completed and the proposed unit designs are considered appropriate for the market. The proposed development will offer marketable unit sizes, based on square footage, as well as in-unit washer/dryer appliances, dishwashers, microwaves, walk-in closets and various community spaces that are considered desirable to the targeted population. Overall, we believe the subject site will be appropriately positioned within the Emporia market, assuming the floor and site plans are marketable.

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







IV. Area Analysis

A. SITE DESCRIPTION AND EVALUATION

1. LOCATION

The proposed subject site consists of undeveloped land located at 307 Reese Street in the north-central portion of Emporia, Virginia. An independent city, Emporia is approximately 59.0 miles south of Richmond, Virginia and approximately 70.0 miles west of Norfolk, Virginia. The subject site visit and corresponding fieldwork were completed during the week of February 6, 2023.

2. SURROUNDING LAND USES

The subject site is within a mostly developed, mixed-use area of Emporia. Surrounding land uses include retail/commercial businesses, single-family homes, multi-family housing, railroad tracks and undeveloped land. Adjacent land uses are detailed as follows:

North -	Emporia Greenville Habitat in fair condition and East Atlantic Street/U.S. Highway 58 Business, a two-lane roadway with light to moderate traffic patterns, border the site to the north, immediately followed by Family Dollar in fair condition. Extending out to the north are Bread of Life SDA Church in fair condition, railroad tracks and various local businesses in poor to fair condition.
East -	The eastern boundary is defined by Reese Street, a two-lane roadway with light traffic patterns. Continuing east are a Samaritan Thrift Store and single-family homes in fair to good condition. Farther east are additional residential dwellings in fair to good condition and various businesses in fair condition.
South -	The southern boundary is defined by Southampton Street, a two-lane roadway with light traffic patterns, followed by Monumental United Methodist Church and single-family homes in fair to good condition. Extending out to the south are additional single-family homes in fair to good condition, undeveloped land and Bible Baptist Church in fair condition.
West -	The western boundary is defined by railroad tracks utilized for both Amtrak and commercial purposes, the Emporia Train Depot and Halifax Street, a two-lane roadway with light to moderate traffic patterns. Continuing west are many local retail businesses and offices located in first-floor retail mixed-use buildings, most of which are in fair condition.

The subject site is situated within a mostly developed, mixed-use area of Emporia, comprised of residential dwellings, commercial and retail businesses, churches, railroad tracks and undeveloped land. The proximity of railroad tracks may have a negative impact on the site's marketability; however, interviews conducted with property managers of Northwood Village Apartments and Reese Village Apartments (Map IDs 3 and 8, respectively), both affordable properties within the market that have a similar proximity to the aforementioned railroad tracks as the site, indicated that demand in the area for housing overrides any concerns tenants have with the proximity of the railroad tracks. This is further evidenced by the 100.0% occupancy rates and waitlists maintained at both of the aforementioned properties. Nonetheless, it is recommended that the developer implements buffering between the site and the railroad tracks to help mitigate the potential impact the proximity of the aforementioned land use may have on marketability. Conversely, the proximity of community services within walking distance of the site should have a positive impact on the subject's viability.

Photographs of the site can be found in Section X of this report.

3. VISIBILITY AND ACCESS

The site is clearly visible from all four adjacent roadways: East Atlantic/U.S. Highway 58 Business, Reese, Southampton and Halifax streets. Both East Atlantic/U.S. Highway Business and Halifax streets occasionally experience moderate traffic due to the density of businesses nearby. Overall, visibility of the site is considered good.

Per a preliminary site plan provided by the developer, the subject property will have two access points along Reese Street, a two-lane residential roadway with light traffic patterns that borders the site to the east. This will allow for convenient ingress and egress, with clear lines of sight provided in both directions of travel. Additionally, the site is within 1.3 miles of U.S. Highways 58, 58 Business and 301, and Interstate 95. Further, Greenville Emporia Transit (GET) offers fixed-route and on-demand busing services to residents of Emporia. The closest bus stop is 0.3 mile to the west of the site. Overall, access to and from the 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 301 U.S. Highway 58 Interstate 95	0.3 West 0.9 North 1.3 Northwest
Public Bus Stop	GET Police Department Bus Stop	0.3 West
Major Employers/ Employment Centers	Bon Secours - Southern Virginia Medical Center Georgia-Pacific Corporation Walmart	0.9 North 0.9 Northeast 1.3 Northwest
Convenience Store	Deli Market & Tobacco Family Fare	0.3 East 0.4 Southwest
Grocery	Food Lion	1.1 Northwest
Discount Department Store	Emporia Greenville Habitat Samaritan Thrift Store Family Dollar Dollar Tree Walmart	Adjacent North < 0.1 Northeast 0.1 North 0.4 Northwest 1.3 Northwest
Shopping Center/Mall	Emporia Shopping Center Emporia Marketplace	0.4 Northwest 1.1 Northwest
Schools: Elementary Middle/Junior High High College/University	Greenville Elementary School Edward W Wyatt Middle School Greenville High School Southside Virginia Community College	1.8 North 1.7 North 1.8 Southwest 3.7 North
Hospital	Bon Secours - Southern Virginia Medical Center	0.9 North
Police	Emporia Police Department	0.3 West
Fire	Greenville Volunteer Fire Department	0.2 Southwest
Post Office	U.S. Post Office	0.6 Southwest
Bank	First Citizens Bank	0.6 Northwest
Recreational Facilities	S.T.R.ON.G Temple Fitness Family YMCA of Emporia-Greenville	0.2 West 0.7 Northwest
Gas Station	Fast Pik Market Amoco	0.3 East 0.4 Southwest
Pharmacy	CVS Pharmacy	0.6 Northwest
Restaurant	Samaritan Kitchen Subway China Garden	0.4 Northwest 0.8 Northwest 0.8 Northwest
Day Care	Care Kids Community Center	0.2 West
Community Center	Family YMCA of Emporia-Greenville District 19 Community Services	0.7 Northwest 3.5 North
Church	Monumental United Methodist Church Bread of Life SDA Church New Hope Worship Center	Adjacent Southeast 0.2 Northwest 0.2 West
Park	Veterans Memorial Park Meherrin River Park	0.7 Southwest 0.9 Southeast

As the preceding illustrates, most area services are located within approximately 1.0 mile of the subject site and are easily accessible given the site's proximity to U.S. Highway 301. Notable services within approximately 1.0 mile include, but are not limited to Family Dollar, Fast Pik Market and the Emporia Shopping Center.

Public safety services are provided by the Emporia Police Department and Greenville Volunteer Fire Station, both of which are located within 0.3 mile of the site. The nearest full-service hospital is the Bon Secours - Southern Virginia Medical Center, located within 0.9 mile to the north. All applicable attendance schools are located within approximately 1.8 miles.

Overall, the availability of and proximity to community services will have a positive impact on site marketability.

5. OVERALL SITE EVALUATION

The subject site currently consists of undeveloped land in the north-central portion of Emporia. The site is within a primarily developed, mixed-use neighborhood, surrounded by retail/commercial businesses, residential dwellings, railroad tracks and undeveloped land, with existing structures in fair to good condition. The railroad tracks that border the site to the west may have a negative impact on the site's marketability; however, interviews conducted with property managers of Northwood Village Apartments and Reese Village Apartments (Map IDs 3 and 8, respectively), both affordable properties within the market that have a similar proximity to the aforementioned railroad tracks as the site, indicated that demand in the area for housing overrides any concerns tenants have with the proximity of the railroad tracks. This is further evidenced by the 100.0% occupancy rates and waitlists maintained at both of the aforementioned properties. Nonetheless, it is recommended that the developer implements buffering between the site and the railroad tracks to help mitigate the potential impact the proximity of the aforementioned land use may have on marketability. Visibility of the site is considered good, as it will be unobstructed from view by passerby traffic and is located along roadways that occasionally experience moderate traffic patterns. Access to and from the site is also considered good, as it is within 1.3 miles of U.S. Highways 58, 58 Business and 301, and Interstate 95. Additionally, Greenville Emporia Transit (GET) offers fixed-route and on-demand busing services to residents of Emporia, with the closest bus stop being within 0.3 mile of the site. Most community services are within 1.0 mile of the site, including public safety services. Overall, the site neighborhood and proximity of community services is anticipated to generally have a positive impact on 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.

The following table illustrates the crime risk indexes for the Primary Market Area (PMA) and the city of Emporia:














	Crime Risk Index	
	PMA	Emporia
Total Crime Index	95	153
Personal Crime Index	77	106
Murder	264	395
Rape	85	111
Robbery	66	116
Assault	75	95
Property Crime Index	98	161
Burglary	75	110
Larceny	113	188
Motor Vehicle Theft	30	46

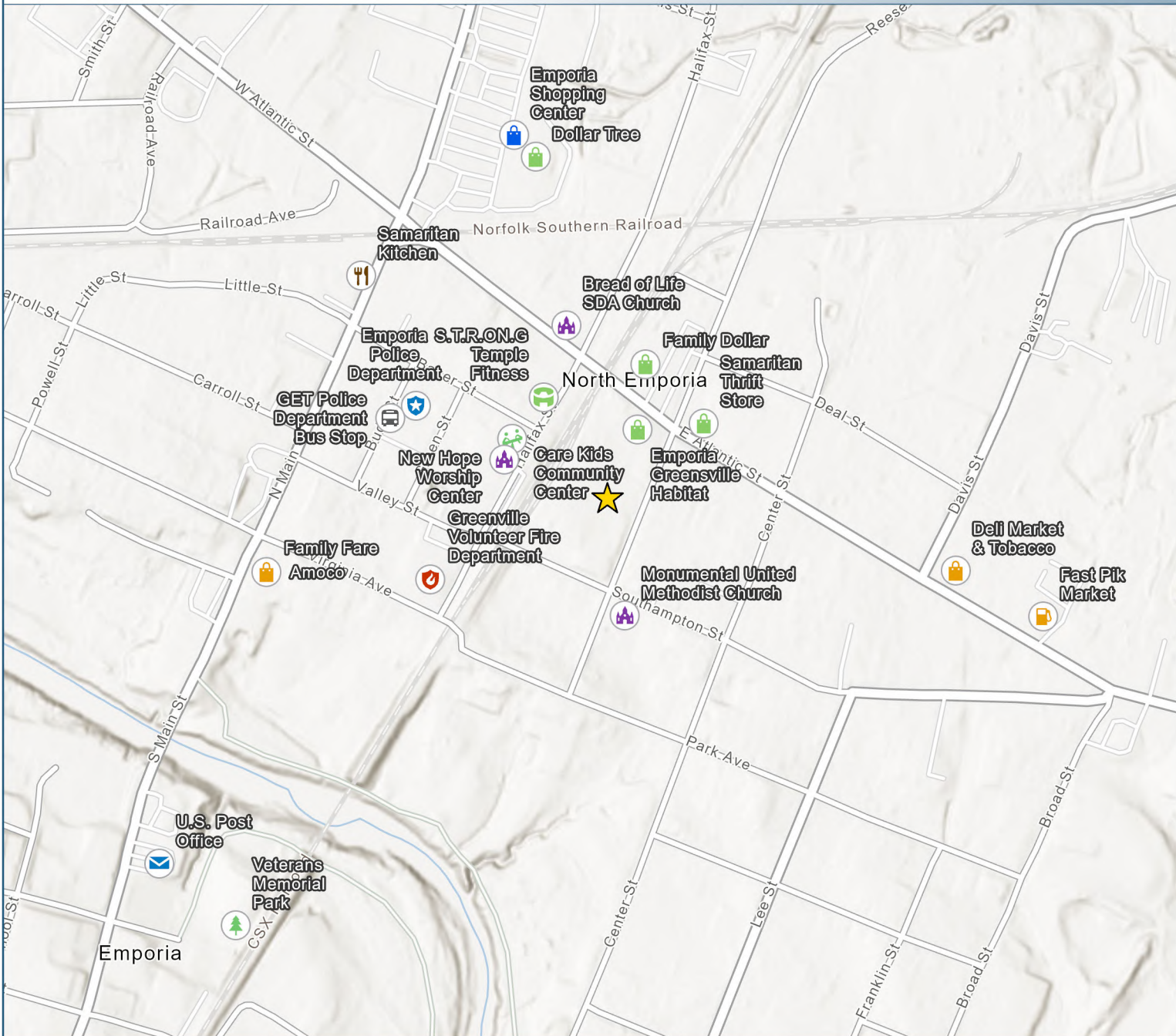
Source: Applied Geographic Solutions, FBI, ESRI

The crime risk index within the Site PMA (95) is below both those of the city (153) and national average (100). As such, it is not anticipated that the perception of crime within the market will have any significant impact on the subject's marketability.

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

Community Services

-  Police
-  Fire
-  Post Office
-  Gas Station
-  Public Bus Stop
-  Day Care
-  Park
-  Recreational Facility
-  Church
-  Restaurant
-  Convenience Store
-  Discount Department Store
-  Shopping Center/Mall


























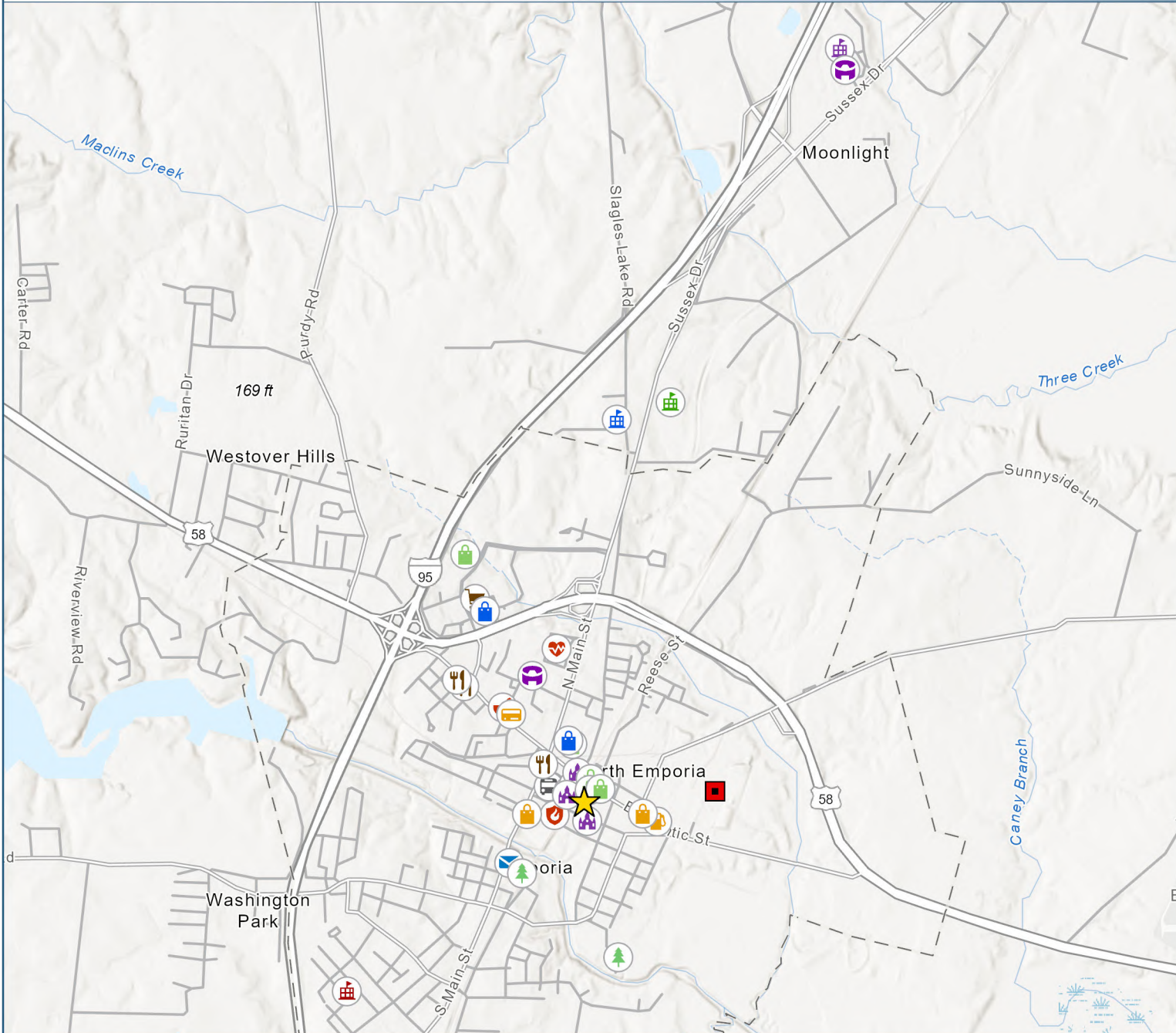
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 Additional Source(s): Bowen National Research

Community Services

-  Major Employers/Employment Centers
-  Hospital/Medical Center
-  Police
-  Fire
-  Post Office
-  Pharmacy
-  Gas Station
-  Public Bus Stop
-  Bank
-  Day Care
-  Schools, Elementary
-  Schools, Middle/Junior High
-  Schools, High
-  Schools, College/University
-  Park
-  Recreational Facility
-  Community Center
-  Church
-  Restaurant
-  Grocery
-  Convenience Store
-  Discount Department Store
-  Shopping Center/Mall



0 0.25 0.5 0.75 1



Miles

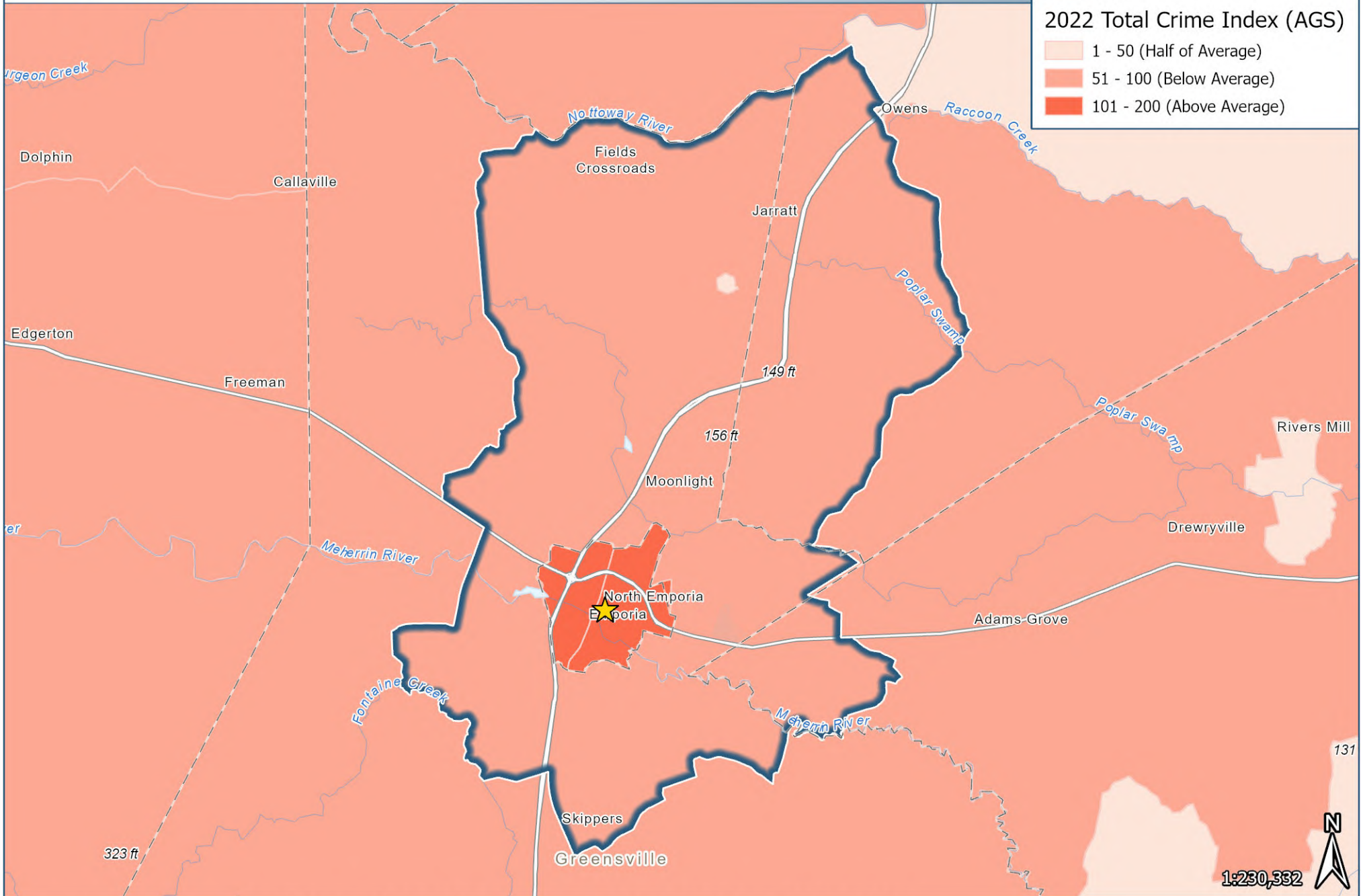
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 Additional Source(s): Bowen National Research

1:49,133



2022 Total Crime Index (AGS)

- 1 - 50 (Half of Average)
- 51 - 100 (Below Average)
- 101 - 200 (Above 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 Emporia Site PMA was determined through interviews with area leasing agents 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.

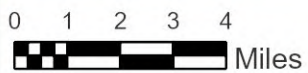
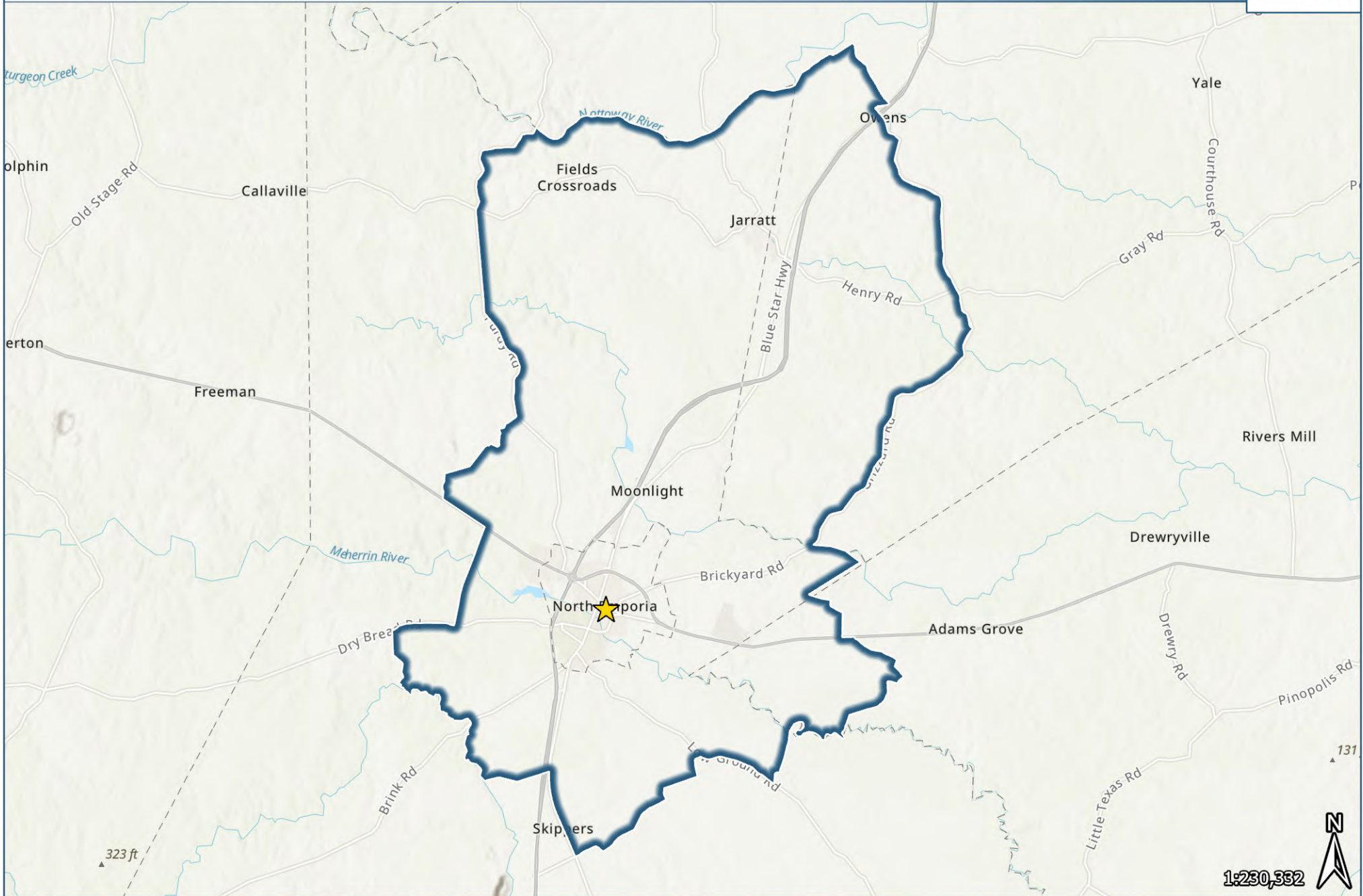
The Emporia Site PMA includes all of Emporia and Jarratt, as well as surrounding unincorporated areas of Greensville and Sussex counties. Specifically, the boundaries of the Site PMA generally include the Nottoway River, Wyatt Road, State Route 645 and U.S. Highway 301 to the north; State Route 645, State Route 631, State Route 609, the Greensville County boundary, Green Plains Road, State Route 711, U.S. Highway 58 and Hicks Ford Road to the east; the Meherrin River, Jones Road, State Route 730, State Route 676, State Route 629, State Route 622, U.S. Highway 301, Rock Bridge Road, Fountains Creek and State Route 611 to the south; and U.S. Highway 58, Maclins Creek Road, Cannon's Lane and State Route 619 to the west.

Tamera Curry, Property Manager of Northwood Village Apartments (Map ID 3), a government-subsidized community near the site location in Emporia, confirmed the boundaries of the Site PMA. Ms. Curry indicated that Emporia, Jarratt and the surrounding areas of Greensville and Sussex counties are where most support for her project resides and believes that a new affordable rental community in Emporia will experience similar trends.

Dachelle Reavis, Assistant Property Manager of Reese Village Apartments (Map ID 8), a government-subsidized Tax Credit community near the site location in Emporia, also confirmed the boundaries of the Site PMA. Ms. Reavis noted that Emporia and Jarratt provide the bulk of the support for her project.

A small portion of support may originate from some of the outlying areas of the Site PMA; we have not, however, considered any secondary market area in this report.

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



C. DEMOGRAPHIC CHARACTERISTICS AND 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%.

1. POPULATION TRENDS

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	15,904	15,132	14,934	14,788
Population Change	-	-772	-198	-146
Percent Change	-	-4.9%	-1.3%	-1.0%

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

As the preceding table illustrates, the population base within the Emporia Site PMA has been generally stable since 2010. This trend is projected to remain relatively stable through 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	3,407	21.4%	2,868	19.2%	2,785	18.8%	-83	-2.9%
20 to 24	1,089	6.8%	1,111	7.4%	1,138	7.7%	27	2.4%
25 to 34	2,400	15.1%	2,544	17.0%	2,321	15.7%	-223	-8.8%
35 to 44	2,413	15.2%	2,115	14.2%	2,198	14.9%	83	3.9%
45 to 54	2,505	15.8%	1,919	12.9%	1,864	12.6%	-55	-2.9%
55 to 64	1,931	12.1%	1,757	11.8%	1,648	11.1%	-109	-6.2%
65 to 74	1,152	7.2%	1,510	10.1%	1,544	10.4%	34	2.3%
75 & Older	1,007	6.3%	1,109	7.4%	1,290	8.7%	181	16.3%
Total	15,904	100.0%	14,934	100.0%	14,788	100.0%	-146	-1.0%

Source: Bowen National Research, ESRI, Census

As the preceding table illustrates, nearly 56% 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 Emporia Site PMA are summarized as follows:

	Year			
	2010 (Census)	2020 (Census)	2023 (Estimated)	2028 (Projected)
Households	4,967	4,922	4,862	4,827
Household Change	-	-45	-60	-35
Percent Change	-	-0.9%	-1.2%	-0.7%
Average Household Size	2.47	2.44	2.36	2.35

Source: Bowen National Research, ESRI, Census

Similar to the market's population base, household growth within the Emporia Site PMA has been generally stable since 2010. This trend is projected to remain relatively stable through 2028.

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	193	3.9%	150	3.1%	142	3.0%	-8	-5.3%
25 to 34	637	12.8%	635	13.1%	542	11.2%	-93	-14.6%
35 to 44	812	16.3%	692	14.2%	732	15.2%	40	5.8%
45 to 54	968	19.5%	733	15.1%	697	14.4%	-36	-4.9%
55 to 64	997	20.1%	927	19.1%	854	17.7%	-73	-7.9%
65 to 74	715	14.4%	956	19.7%	966	20.0%	10	1.0%
75 & Older	646	13.0%	768	15.8%	893	18.5%	125	16.3%
Total	4,967	100.0%	4,862	100.0%	4,827	100.0%	-35	-0.7%

Source: Bowen National Research, ESRI, Census

Between 2023 and 2028, the greatest growth among household age groups is projected to be among those ages 75 and older. While households under the age of 65 are projected to decline overall during the same timeframe, they are still anticipated to represent over 61.0% of all households within the market in 2028. This demonstrates that there will continue to be a larger number of age-appropriate households present within the market to support the subject project.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2023 (Estimated)		2028 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	2,783	56.0%	2,828	58.2%	2,851	59.1%
Renter-Occupied	2,184	44.0%	2,034	41.8%	1,976	40.9%
Total	4,967	100%	4,862	100.0%	4,827	100.0%

Source: Bowen National Research, ESRI, Census

In 2023, homeowners occupied 58.2% of all occupied housing units, while the remaining 41.8% were occupied by renters. The share of renters is relatively high for a rural market, such as the Emporia Site PMA, and the 2,034 renter households estimated in 2023 represent a sufficient base of support for the subject site.

The household sizes by tenure within the Emporia 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	937	33.1%	1,013	35.5%	76	8.1%
2 Persons	1,134	40.1%	1,169	41.0%	35	3.1%
3 Persons	333	11.8%	273	9.6%	-59	-17.9%
4 Persons	242	8.6%	227	8.0%	-15	-6.2%
5+ Persons	182	6.4%	168	5.9%	-14	-7.6%
Total	2,828	100.0%	2,851	100.0%	23	0.8%
Persons per Renter Household	2023 (Estimated)		2028 (Projected)		Change 2023-2028	
	Households	Percent	Households	Percent	Households	Percent
1 Person	658	32.4%	634	32.1%	-24	-3.6%
2 Persons	508	25.0%	510	25.8%	2	0.4%
3 Persons	341	16.8%	305	15.4%	-36	-10.6%
4 Persons	310	15.2%	323	16.3%	13	4.2%
5+ Persons	217	10.7%	204	10.3%	-13	-6.0%
Total	2,034	100.0%	1,976	100.0%	-58	-2.9%

Source: Bowen National Research, ESRI, Census

The subject project will offer one- and three-bedroom apartments, which will be able to accommodate virtually all renter households within the market, based on household size. This will have a positive impact on the subject's marketability.

3. INCOME TRENDS

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

Household Income	2010 (Census)		2023 (Estimated)		2028 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$15,000	1,077	21.7%	727	14.9%	615	12.7%
\$15,000 - \$24,999	655	13.2%	783	16.1%	710	14.7%
\$25,000 - \$34,999	721	14.5%	592	12.2%	570	11.8%
\$35,000 - \$49,999	737	14.8%	529	10.9%	515	10.7%
\$50,000 - \$74,999	910	18.3%	841	17.3%	844	17.5%
\$75,000 - \$99,999	462	9.3%	542	11.2%	574	11.9%
\$100,000 - \$149,999	258	5.2%	540	11.1%	611	12.7%
\$150,000 & Higher	146	2.9%	308	6.3%	391	8.1%
Total	4,967	100.0%	4,862	100.0%	4,827	100.1%
Median Income	\$35,611		\$44,330		\$50,148	

Source: Bowen National Research, ESRI, Census

In 2023, the median household income is estimated to be \$44,330. By 2028, it is projected that the median household income will be \$50,148, an increase of 13.1% from 2023.

The following tables illustrate renter household income by household size for 2020, 2023, and 2028 for the Emporia Site PMA:

Renter Households	2020 (ACS)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	266	67	33	14	45	425
\$15,000 - \$24,999	197	46	61	110	47	461
\$25,000 - \$34,999	48	70	80	75	11	284
\$35,000 - \$49,999	32	43	62	43	20	201
\$50,000 - \$74,999	101	138	106	45	81	472
\$75,000 - \$99,999	16	76	10	8	9	117
\$100,000 - \$149,999	14	64	9	6	8	99
\$150,000 & Higher	2	2	1	1	4	9
Total	673	507	362	302	225	2,069

Source: ESRI, Bowen National Research

Renter Households	2023 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	248	61	29	14	40	392
\$15,000 - \$24,999	190	43	55	108	44	440
\$25,000 - \$34,999	48	69	75	78	11	281
\$35,000 - \$49,999	33	43	59	45	20	200
\$50,000 - \$74,999	106	139	103	48	81	476
\$75,000 - \$99,999	17	79	10	8	9	123
\$100,000 - \$149,999	16	70	9	7	8	110
\$150,000 & Higher	2	3	1	1	6	13
Total	658	508	341	310	217	2,035

Source: ESRI, Bowen National Research

Renter Households	2028 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	218	53	23	13	34	347
\$15,000 - \$24,999	180	39	47	106	39	411
\$25,000 - \$34,999	49	67	69	82	10	276
\$35,000 - \$49,999	35	42	55	47	19	198
\$50,000 - \$74,999	112	141	98	53	80	482
\$75,000 - \$99,999	19	84	10	9	9	132
\$100,000 - \$149,999	18	79	9	9	9	124
\$150,000 & Higher	3	5	2	1	8	19
Total	639	510	312	320	207	1,989

Source: ESRI, Bowen National Research

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

Demographic Summary

Overall, the population and household bases within the Emporia Site PMA have been generally stable since 2010. These trends are projected to remain relatively stable through 2028. However, senior households ages 75 and older within the market are expected to experience significant growth between 2023 and 2028. Nonetheless, over 61.0% of all households within the Emporia Site PMA are anticipated to be under the age of 65 in 2028, demonstrating that there will continue to be a larger number of age-appropriate households present within the market to support the subject project. Further, the subject project will be able to accommodate virtually all renter households within the Site PMA, based on household size. Overall, the demographic trends contained within this report demonstrate a generally stable and sufficient base of potential support for the subject project.

D. LOCAL ECONOMIC PROFILE AND ANALYSIS

1. LABOR FORCE PROFILE

The labor force within the Emporia Site PMA is based primarily in four sectors. Public Administration (which comprises 18.6%), Health Care & Social Assistance, Retail Trade, and Education Services comprise over 60.2% of the Site PMA labor force. Employment in the Emporia Site PMA, as of 2022, was distributed as follows:

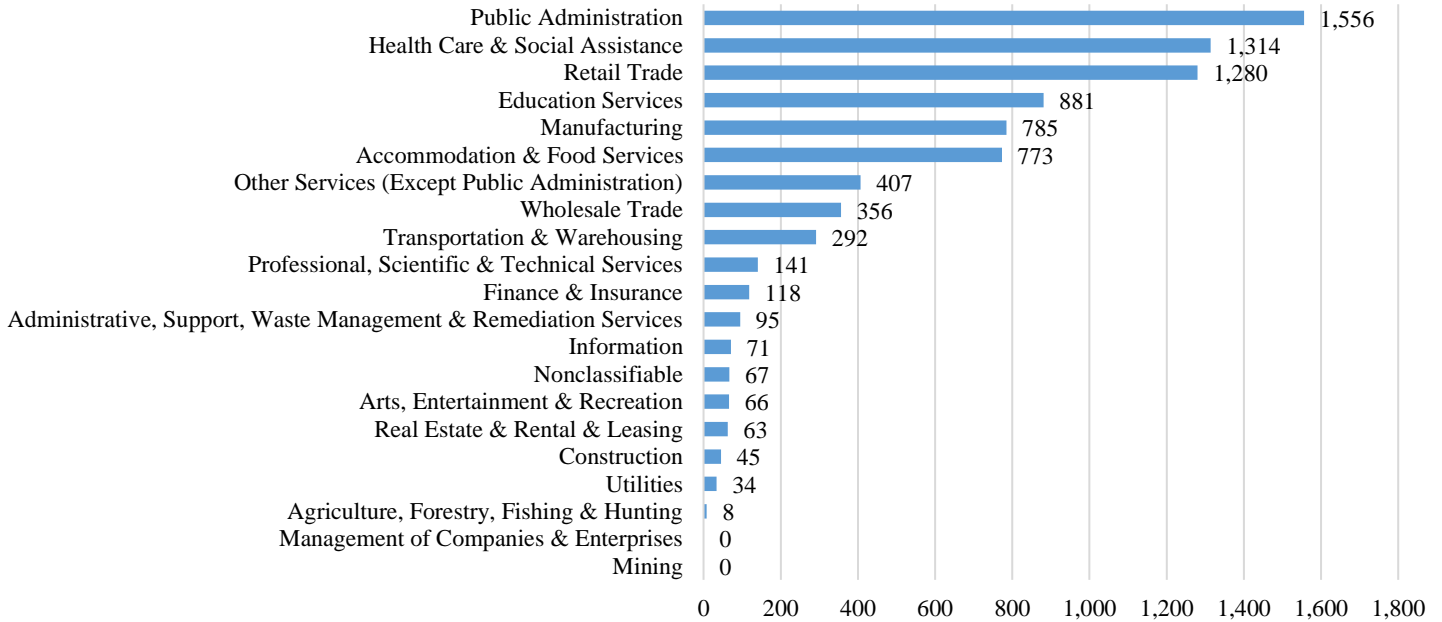
NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	4	0.7%	8	0.1%	2
Mining	0	0.0%	0	0.0%	0
Utilities	1	0.2%	34	0.4%	34
Construction	11	1.9%	45	0.5%	4
Manufacturing	11	1.9%	785	9.4%	71
Wholesale Trade	9	1.6%	356	4.3%	40
Retail Trade	106	18.6%	1,280	15.3%	12
Transportation & Warehousing	14	2.5%	292	3.5%	21
Information	12	2.1%	71	0.9%	6
Finance & Insurance	27	4.7%	118	1.4%	4
Real Estate & Rental & Leasing	25	4.4%	63	0.8%	3
Professional, Scientific & Technical Services	33	5.8%	141	1.7%	4
Management of Companies & Enterprises	0	0.0%	0	0.0%	0
Administrative, Support, Waste Management & Remediation Services	10	1.8%	95	1.1%	10
Education Services	15	2.6%	881	10.5%	59
Health Care & Social Assistance	60	10.5%	1,314	15.7%	22
Arts, Entertainment & Recreation	7	1.2%	66	0.8%	9
Accommodation & Food Services	49	8.6%	773	9.3%	16
Other Services (Except Public Administration)	95	16.6%	407	4.9%	4
Public Administration	64	11.2%	1,556	18.6%	24
Nonclassifiable	18	3.2%	67	0.8%	4
Total	571	100.0%	8,352	100.0%	15

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 city of Emporia are compared with the state of Virginia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Emporia	Virginia
Management Occupations	\$39,938	\$86,982
Business And Financial Occupations	\$76,150	\$79,492
Computer And Mathematical Occupations	N/A	\$101,948
Architecture And Engineering Occupations	N/A	\$91,391
Community And Social Service Occupations	N/A	\$47,562
Art, Design, Entertainment, Sports, and Media Occupations	N/A	\$50,373
Healthcare Practitioners and Technical Occupations	\$34,777	\$62,062
Healthcare Support Occupations	\$21,250	\$25,438
Protective Service Occupations	\$44,100	\$54,227
Food Preparation and Serving Related Occupations	N/A	\$14,943
Building And Grounds Cleaning and Maintenance Occupations	\$10,607	\$22,369
Personal Care and Service Occupations	N/A	\$19,079
Sales And Related Occupations	\$22,872	\$31,683
Office And Administrative Support Occupations	\$26,633	\$36,507
Construction And Extraction Occupations	\$11,850	\$39,747
Installation, Maintenance and Repair Occupations	N/A	\$49,448
Production Occupations	\$37,500	\$38,983
Transportation Occupations	\$54,904	\$37,617
Material Moving Occupations	\$34,712	\$24,872

Source: U.S. Department of Labor, Bureau of Statistics
 N/A – Not Available

As the preceding table illustrates, most occupational types within the city have lower typical wages than the state of Virginia’s typical wages.

The sixteen largest employers within the Greenville County area are summarized in the following table. Note that specific employment numbers were not available at the time this report was issued.

Employer Name	Business Type	Total Employed
Boars Head Provisions	Food Manufacturing	500-999
Commonwealth of Virginia	Government	500-999
Greenville County Schools	Education	250-499
County of Greenville	Government	100-249
Jackson Field Homes	Nursing & Residential Care Facility	100-249
Steelfab of Virginia	Manufacturing	100-249
ADP Total Source III	Administrative	100-249
P&S Transportation	Transportation	100-249
VA Electric & Power	Utilities	50-99
Delicatessen Services	Administrative	50-99
Environmental Air Systems	Contractors	50-99
Heyco-Werk USA	Manufacturing	50-99
A&C Alternative Care	Social Assistance	50-99
Fosho Foods	Food Services	50-99
Parker Oil Company	Gasoline Stations & Fuel Dealers	50-99
FedEx Ground	Couriers	50-99

Source: Virginia Employment Commission (Date: 2nd Quarter 2022)

According to a representative of the City of Emporia’s Economic Development, the Emporia economy is growing. The area has seen some recent growth and is preparing for more. Additionally, according to a representative with Greenville County’s Office of Economic Development, the Greenville County economy is stable. While still recovering from the effects of the pandemic, the area’s economy is starting to see a slight improvement. The following table summarizes some recent and/or ongoing economic development projects within the Emporia and Greenville County areas:

Project Name	Investment	Job Creation	Scope of Work/Details
Mid-Atlantic Advanced Manufacturing Center	\$1.3 billion	1,500-2,000	Emporia, Mecklenburg County, and Greenville County are collaborating on a 1,500-acre speculative site in Emporia; Site infrastructure is ready; Project anticipates three to four businesses; No businesses currently secured for the site, but projected estimates were 1,500 to 2,000 jobs and \$1.3 billion in investments.
Rosie’s Gaming Emporium	\$29 million	100	Colonial Downs broke ground in Emporia April 2022; 21,000 square-foot facility will feature gaming space, restaurant, and bar; Expected to generate \$1 million annually in tax revenue; ECD summer 2023.
Norwood Industrial Site	\$3.3 million	N/A	Emporia speculative site currently undergoing infrastructure and planning work to prepare site; Site preparation investment \$3.3 million; Project is expected to be ready to secure business in mid-summer 2023.
Virginia Reliability Project	\$696 million	240	Columbia Gas Transmission’s TCO Pipeline System and Emporia station upgrade; Project covers 48 miles; Job creation expected throughout the life of project; Project expected to provide one-time economic boost in Greenville, including an estimated \$11 million in labor income, \$34 million in economic output, \$300,000 in one-time local tax revenue from construction, and \$179,000 in ongoing annual net new local tax revenue; Estimated to begin construction second quarter 2024; ECD November 2025.
Mixed-Use Travel Plaza	N/A	N/A	Keedwell Family Limited mixed-use plaza in Emporia; Plans include fast food, truck stop, gas station, convenience store, and 75-room motel; Rezoning approved July 2022.
DFI Systems	N/A	N/A	Moving headquarters to Emporia in abandoned 240,000 square-foot building; Renovations underway.

ECD – Estimated Completion Date

N/A – Not Available

Infrastructure

The following table summarizes notable infrastructure projects within the area:

Project Name	Scope of Work	Status	Investment
Virginia Reliability Project	Emporia: Replace two existing segments of Columbia Gas Transmission's TCO Pipeline System; Project covers 48 miles of pipe and upgrades at Emporia's station.	Project expected to begin second quarter 2024; ECD November 2025	\$696 million
Jarrat Water Treatment Plant Expansion	Greenville County: Expand current plant capacity from two million to six million gallons per day for commercial, industrial and residential growth.	ECD 2025	\$20 million
Dominion & Mid-Atlantic Broadband Fiber Expansion	Greenville County & Emporia: Awarded grant to expand fiber broadband capacity to uncovered resident and businesses in the area; Project includes the construction of 367 miles of fiber.	Announced in 2021; Three-year construction timeline	\$24.8 million

ECD – Estimated Completion Date

WARN (layoff notices)

WARN Notices were reviewed in February 2023 and according to the Virginia Employment Commission, there have been no WARN notices reported for Emporia over the past 12 months.

2. EMPLOYMENT TRENDS

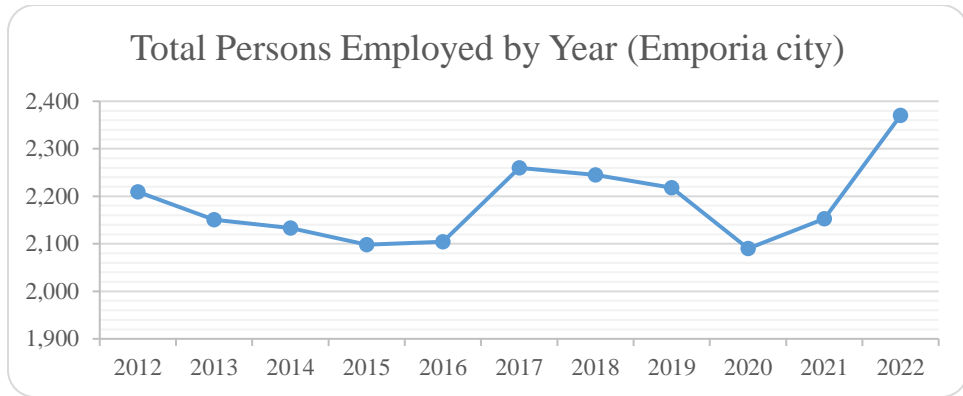
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the city/county in which the site is located.

The employment base increased by 5.5% over the past five years in Emporia, while the state of Virginia decreased by 0.8%. Total employment reflects the number of employed persons who live within the city/county.

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

Year	Total Employment					
	Emporia		Virginia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2012	2,209	-	3,967,151	-	142,469,000	-
2013	2,151	-2.6%	4,002,057	0.9%	143,929,000	1.0%
2014	2,133	-0.8%	4,040,908	1.0%	146,305,000	1.7%
2015	2,098	-1.6%	4,048,081	0.2%	148,833,000	1.7%
2016	2,104	0.3%	4,084,822	0.9%	151,436,000	1.7%
2017	2,260	7.4%	4,193,290	2.7%	153,337,000	1.3%
2018	2,245	-0.7%	4,255,213	1.5%	155,761,000	1.6%
2019	2,218	-1.2%	4,332,647	1.8%	157,538,000	1.1%
2020	2,090	-5.8%	4,097,860	-5.4%	147,795,000	-6.2%
2021	2,153	3.0%	4,100,803	0.1%	152,581,000	3.2%
2022	2,370	10.1%	4,220,792	2.9%	158,291,000	3.7%

Source: Bureau of Labor Statistics

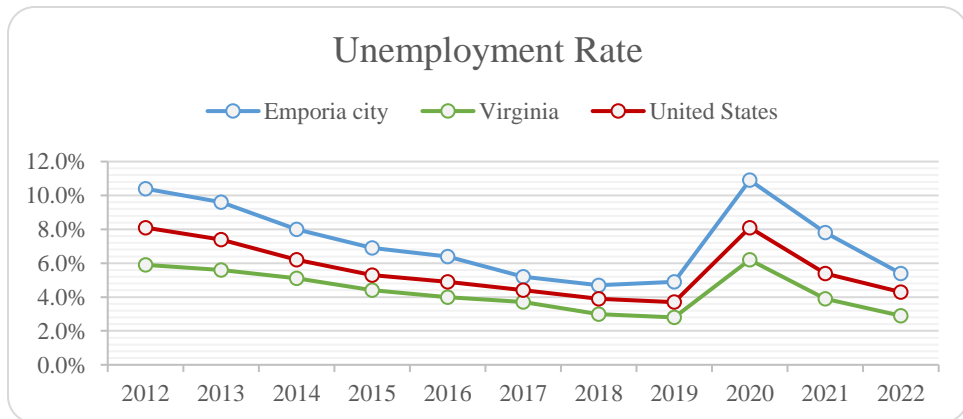


As the preceding illustrates, the Emporia employment base consistently declined between 2012 and 2015, then generally increased through 2019. However, between 2019 and 2020, the city’s employment base decreased by 5.8% as the result of the COVID-19 pandemic. On a positive note, the city’s employment base has increased by 13.4% through the end of 2022, offsetting all of the jobs lost during the pandemic.

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

Year	Unemployment Rate		
	Emporia	Virginia	United States
2012	10.4%	5.9%	8.1%
2013	9.6%	5.6%	7.4%
2014	8.0%	5.1%	6.2%
2015	6.9%	4.4%	5.3%
2016	6.4%	4.0%	4.9%
2017	5.2%	3.7%	4.4%
2018	4.7%	3.0%	3.9%
2019	4.9%	2.8%	3.7%
2020	10.9%	6.2%	8.1%
2021	7.8%	3.9%	5.4%
2022	5.4%	2.9%	4.3%

Source: Department of Labor, Bureau of Labor Statistics



Between 2012 and 2019, the *annual* unemployment rate within Emporia declined by over five percentage points, then increased by six percentage points between 2019 and 2020 as the result of the COVID-19 pandemic. Similar to employment trends, the unemployment rate within the city has improved since, declining by over five percentage points through the end of 2022 and is generally similar to pre-pandemic levels.

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

Monthly Unemployment Rate – Emporia					
Month	Rate	Month	Rate	Month	Rate
2020		2021		2022	
January	4.6%	January	9.5%	January	7.3%
February	4.1%	February	9.2%	February	6.4%
March	4.5%	March	8.6%	March	5.5%
April	12.8%	April	8.2%	April	5.2%
May	14.9%	May	7.6%	May	5.2%
June	16.9%	June	8.0%	June	5.2%
July	16.3%	July	7.4%	July	5.1%
August	15.1%	August	7.5%	August	6.1%
September	13.0%	September	6.8%	September	4.7%
October	10.5%	October	6.6%	October	4.6%
November	9.4%	November	5.9%	November	4.9%
December	8.6%	December	8.6%	December	4.5%

Source: Department of Labor, Bureau of Labor Statistics

The *monthly* unemployment rate in the city increased by nearly 13 percentage points between February and June 2020 due to the COVID-19 pandemic. However, monthly unemployment has since declined to a rate of 4.5% as of December 2022.

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

Year	In-Place Employment Emporia city		
	Employment	Change	Percent Change
2012	3,706	-	-
2013	3,425	-281	-7.6%
2014	3,432	7	0.2%
2015	3,282	-150	-4.4%
2016	3,274	-8	-0.2%
2017	3,422	148	4.5%
2018	3,417	-5	-0.1%
2019	3,305	-112	-3.3%
2020	3,037	-268	-8.1%
2021	3,299	262	8.6%
2022*	3,361	62	1.9%

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 Emporia to be 153.2% of the total Emporia employment. This means that Emporia has more employed persons coming to the city from other cities/counties for work (daytime employment) than those who both live and work there.

3. ECONOMIC FORECAST

Based on data provided by the State of Virginia Department of Labor and the U.S. Department of Labor, the local economy generally experienced growth between 2015 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 Emporia employment base declined by nearly 130 jobs, or 5.8%, and its *annual* unemployment rate increased by six percentage points. Specifically, between February and June 2020, the *monthly* unemployment rate within the city spiked by nearly 13 percentage points. On a positive note, the local economy has been experiencing consistent growth since 2020, with its employment base rising by 13.4%, more than offsetting the jobs lost during the pandemic, and annual unemployment decreasing to a rate of 5.4% through the end of 2022. These are good indications that the Emporia economy has fully recovered from the initial impact of 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 over:

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	3,747	78.4%
Carpooled	507	10.6%
Public Transit	17	0.4%
Walked	70	1.5%
Motorcycle	0	0.0%
Bicycle	0	0.0%
Other Means	295	6.2%
Worked at Home	141	3.0%
Total	4,777	100.0%

Source: Bowen National Research, ESRI

Over 78.0% of all workers drove alone, 10.6% carpoled, and 0.4% 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	2,112	44.9%
15 – 29 Minutes	1,088	23.1%
30 – 44 Minutes	728	15.5%
45 – 59 Minutes	508	10.8%
60 + Minutes	265	5.6%
Total	4,701	100.0%

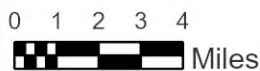
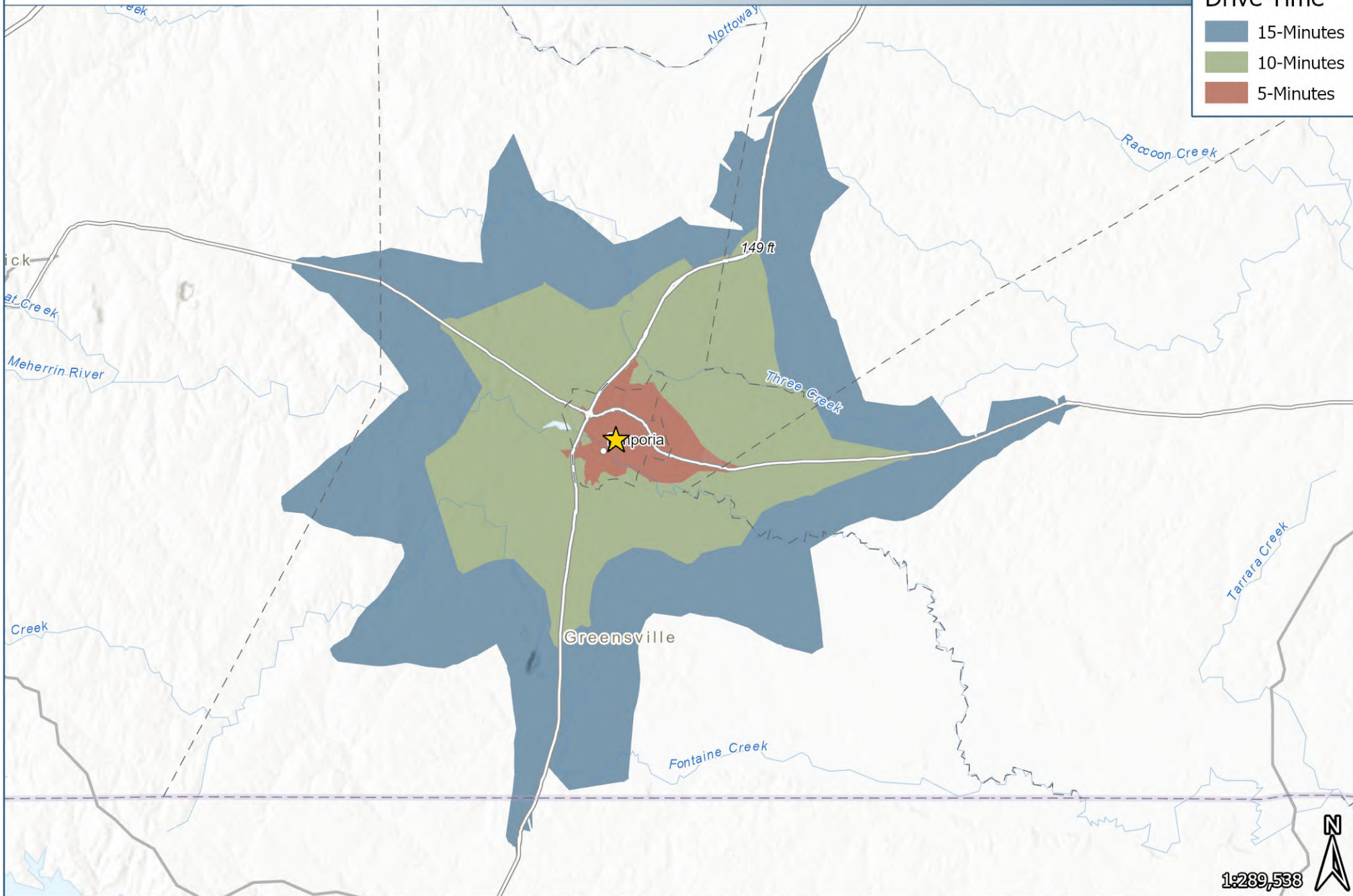
Source: Bowen National Research, ESRI

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

★ Site

Drive-Time

- 15-Minutes
- 10-Minutes
- 5-Minutes



Esri, CGIAR, USGS, VGIN, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

1:289,538



V. Rental Housing Analysis (Supply)

A. OVERVIEW OF RENTAL HOUSING

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

Housing Status	2010 (Census)		2023 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	4,967	88.6%	4,862	85.9%
Owner-Occupied	2,783	56.0%	2,828	58.2%
Renter-Occupied	2,184	44.0%	2,034	41.8%
Vacant	641	11.4%	799	14.1%
Total	5,608	100.0%	5,662	100.0%

Source: 2010 Census, ESRI, Bowen National Research

Based on a 2023 update of the 2010 Census, of the 5,662 total housing units in the market, 14.1% were vacant. This is an increase from the 11.4% vacancy rate reported in 2010 and could indicate a softening housing market. However, the vacancy status of the 799 housing units is estimated in the following table and illustrates that most vacant units are not long-term rentals:

Vacancy Status	Percent of Vacant Units
For-Rent	8.1%
For-Sale Only	0.7%
Rented/Sold, Not Occupied	0.0%
Seasonal or Recreational	21.2%
Other Vacant	70.0%

Source: ACS 5-year Estimates (2017-2021); ESRI; Bowen National Research

As reported in the 2017-2021 American Community Survey (ACS), only 8.1% of the vacant housing units within the market are long-term rentals. As the previous table indicates, the largest share of vacant units is classified as “Other Vacant”, which encompasses foreclosed, dilapidated and abandoned housing. The second largest share is classified as “Seasonal or Recreational”. Regardless, in order to determine if the overall vacancy rate is a reflection of the long-term rental housing market, we conducted a field survey of area apartments.

In addition, while we acknowledge that there are 2,034 renter-occupied units in the market, we believe that most of these rentals are located in non-conventional rental housing units including single-family/mobile home rentals, duplex, etc. The estimated distribution of occupied housing by units in a structure and tenure with the Emporia Site PMA is detailed in the table on the following page.

Units in Structure	Owner		Renter	
	Number	Percent	Number	Percent
1, Detached	2,585	91.4%	1,239	60.9%
1, Attached	1	< 0.1%	6	0.3%
2 to 4	6	0.2%	355	17.5%
5 or more	41	1.4%	344	16.9%
Mobile Homes	195	6.9%	90	4.4%
Total	2,828	100.0%	2,034	100.0%

Source: American Community Survey 5-year Estimates (2016-2010); ESRI; Bowen National Research

As the preceding table illustrates, over 83.0% of renter-occupied housing consists of single-family/mobile homes and two to four-unit rentals, whereas only 16.9% consist of structures with five or more units. As such, this demonstrates that there is a relatively limited amount of conventional rental housing units in the market. Therefore, the subject project will provide a rental housing alternative that is limited in the Site PMA.

Conventional Apartments

We identified and personally surveyed 11 conventional housing projects containing a total of 496 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 99.6% (a result of only two vacant units), a very strong rate for rental housing. The following table summarizes the rental projects surveyed within the Site PMA, broken out by project type:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	4	80	0	100.0%
Tax Credit	1	124	0	100.0%
Tax Credit/Government-Subsidized	4	150	2	98.7%
Government-Subsidized	2	142	0	100.0%
Total	11	496	2	99.6%

All rental housing segments surveyed in the market are performing very well, with occupancy levels at or above 98.7%. In fact, all but one of the properties surveyed are fully occupied, illustrating that pent-up demand likely exists for additional rental housing within the Emporia Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

In addition to the five properties surveyed that operate under the Tax Credit program, we identified two additional Tax Credit projects within the market that we were unable to survey at the time this report was issued. Known details of the two Tax Credit projects we were unable to survey are summarized on the following page.

- Marvin Gardens is a 40-unit age-restricted rental community located at 600 Maryland Avenue in Emporia. This project offers one- and two-bedroom units targeting senior households ages 55 and older earning up to 60% of Area Median Household Income (AMHI).
- New Carriage Run is a 40-unit age-restricted rental community located at 240 Carriage Run Court in Emporia. This development also operates under the Rural Development Section 515 (RD 515) program and offers one-bedroom units targeting senior households ages 62 and older earning up to 60% of AMHI. Notably, all units at New Carriage Run operate with Rental Assistance (RA).

Although these properties target a different demographic as the site and will have no tangible impact on marketability, the 40 non-subsidized Tax Credit units offered at Marvin Gardens have been considered in our penetration rate estimates illustrated later in Section VII – *Capture Rate Analysis* of this report.

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

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	3	3.8%	0	0.0%	\$657
Two-Bedroom	1.0	25	31.3%	0	0.0%	\$848
Two-Bedroom	1.5	52	65.0%	0	0.0%	\$848
Total Market-rate		80	100.0%	0	0.0%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Two-Bedroom	2.0	84	67.7%	0	0.0%	\$963
Three-Bedroom	2.0	40	32.3%	0	0.0%	\$1,112
Total Tax Credit		124	100.0%	0	0.0%	-

As the preceding table illustrates, the median gross non-subsidized Tax Credit rents are well above the corresponding median gross market-rate rents. Typically, Tax Credit rents are set significantly below market-rate rents to ensure that Tax Credit projects will have a sufficient flow of tenants. However, it should be noted, as illustrated in Section XII – *Field Survey of Conventional Rentals*, that out of the 80 market-rate units surveyed, 64 (80.0%) were built prior to 1990. The one non-subsidized Tax Credit project surveyed, Brook Ridge Apartments I & II (Map ID 1), was built in 2000. As such, this relatively newer Tax Credit project is able to achieve higher rents than the older market-rate projects, as it offers a more modern design and includes a comprehensive amenities package. This is further illustrated by the 0.0% vacancy rate maintained at this property.

Government-Subsidized

We identified and surveyed six government-subsidized projects within the Site PMA. Generally, these properties have few amenities, are older and offer small unit sizes (square feet). The government-subsidized units (both with and without Tax Credits) in the Site PMA are summarized as follows.

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	48	32.0%	0	0.0%
Two-Bedroom	1.0	76	50.7%	2	2.6%
Two-Bedroom	1.5	26	17.3%	0	0.0%
Total Subsidized Tax Credit		150	100.0%	2	1.3%
Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	90	63.4%	0	0.0%
Two-Bedroom	1.0	36	25.4%	0	0.0%
Three-Bedroom	1.0	16	11.3%	0	0.0%
Total Subsidized		142	100.0%	0	0.0%

The subsidized Tax Credit units are 98.7% occupied (a result of only two vacant units) and the government-subsidized units are 100.0% occupied. This illustrates that pent-up demand likely exists for very low-income rental housing within the market.

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

B. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

We identified and surveyed one family (general-occupancy) non-subsidized Low-Income Housing Tax Credit (LIHTC) property within the Emporia Site PMA. This project, Brook Ridge Apartments I & II (Map ID 1), targets households earning up to 50% and 60% of AMHI and, therefore, is considered a competitive property. Additionally, we identified two general-occupancy LIHTC developments that also operate under the RD 515 program with no RA on some of the units, one of which offers similar unit types as the subject project and was selected for this comparability analysis, Weaver Manor Apartments (Map ID 11).

Additionally, given the limited number of comparable unassisted LIHTC rental units within the Emporia Site PMA, we identified and surveyed three additional non-subsidized LIHTC properties outside of the market but within the region in South Hill and Petersburg. Note that these three LIHTC properties will not compete with the site, as they derive demographic support from a different geographical region, and were selected for comparability purposes only.

The five competitive/comparable LIHTC properties and the proposed subject development are summarized in the table on the following page. 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/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Emporia Rail Depot Townhomes	B+*	B-	2025	52	-	-	-	Families; 40%, 50% & 60% AMHI
1	Brook Ridge Apts. I & II	B+	B	2000	124	100.0%	2.1 Miles	11 HH	Families; 50% & 60% AMHI
11	Weaver Manor Apts.	B-	B	1984 / 2018	42	95.2%	0.8 Miles	RA Units: 8 HH	Families; 50% & 60% AMHI & RD 515 (35 units of RA)
904	Groom School Apts.	B+	B	2019**	55	100.0%	38.7 Miles	115 HH	Families; 40%, 50%, & 60% AMHI
905	Jesse Lee Apts.	B-	C	2008	108	99.1%	39.8 Miles	None	Families; 50% AMHI
906	Lieutenant's Run	C	B	2005	168	95.8%	43.1 Miles	None	Families; 60% AMHI

Nbhd. – Neighborhood

Occ. – Occupancy

HH – Households

900 series Map IDs are located outside Site PMA

*Anticipated quality

**Adaptive reuse

The five LIHTC projects have a combined occupancy rate of 98.0%, a strong rate for rental housing. In fact, the newest and most comparable LIHTC rental community within the *market*, Brook Ridge Apartments I & II (Map ID 1), is fully occupied with a waiting list. This illustrates that pent-up demand exists for newer LIHTC rental product within the Emporia Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

Notably, the subject project will be at least 25 years newer than the comparable LIHTC projects within the Site PMA. This will position the subject project at a significant competitive advantage.

The gross rents for the competing/comparable 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.	
Site	Emporia Rail Depot Townhomes	\$529/40% (2) \$663/50% (3) \$796/60% (5)	-	\$736/40% (6) \$921/50% (14) \$1,107/60% (22)	-
1	Brook Ridge Apts. I & II	-	\$802/50% (36/0) \$963/60% (48/0)	\$1,112/60% (40/0)	None
11	Weaver Manor Apts.	\$720-\$725*/50% (13/0) \$720-\$725*/60% (11/0)	\$793-\$878*/50% (4/0) \$793-\$878*/60% (14/2)	-	None
904	Groom School Apts.	\$484/40% (3/0) \$584/50% (2/0) \$584/60% (6/0)	\$556/40% (2/0) \$712-\$813/60% (26/0)	\$634/40% (1/0) \$773/60% (15/0)	None
905	Jesse Lee Apts.	-	\$944/50% (78/0)	\$1,086/50% (30/1)	None
906	Lieutenant's Run	-	\$1,364/60% (84/4)	\$1,556/60% (84/3)	None

900 series Map IDs are located outside Site PMA

*Denotes basic and note rents

The proposed subject gross rents, ranging from \$529 to \$1,107, will generally be within the range of LIHTC rents offered at the competitive/comparable properties in the market and region for similar unit types. In fact, the subject's rents will be some of the lowest LIHTC rents for similar unit types within the *market*. This will position the project at a competitive advantage.

Additionally, the subject project will be the only LIHTC project within the Site PMA to offer one- and three-bedroom units targeting households earning up to 40% of AMHI, as well as three-bedroom units set aside at 50% of AMHI. This will also position the subject project at a competitive advantage, as it will provide an affordable rental housing alternative to low-income households that are currently underserved within the market.

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	Brook Ridge Apts. I & II	124	8	6.5%
11	Weaver Manor Apts.	7*	1	14.3%
904	Groom School Apts.	55	0	0.0%
905	Jesse Lee Apts.	108	38	35.2%
906	Lieutenant's Run	168	N/A	-
10Total		294	47	16.0%

900 series Map IDs are located outside Site PMA

N/A – Not Available (units not included in total)

*Reflects non-RA units

As the preceding table illustrates, there are a total of approximately 47 units that are occupied by Voucher holders among the four comparable LIHTC projects surveyed within the market and region that provided such information. The 47 units occupied by Voucher holders comprise only 16.0% of these comparable units. This illustrates that approximately 84.0% of these comparable Tax Credit units are occupied by tenants which are not currently receiving rental assistance. Therefore, the gross rents charged at the aforementioned projects in the market and region are achievable.

The unit sizes (square footage) and number of bathrooms included in each of the comparable LIHTC unit types surveyed in the market and region are compared with the subject development in the tables on the following pages.

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Emporia Rail Depot Townhomes	802*	-	1,423*
1	Brook Ridge Apts. I & II	-	975	1,375
11	Weaver Manor Apts.	750	899	-
904	Groom School Apts.	704 - 1,004	901 - 1,004	1,111 - 1,152
905	Jesse Lee Apts.	-	834	1,023
906	Lieutenant's Run	-	985	1,208

*Average

900 series Map IDs are located outside Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Emporia Rail Depot Townhomes	1.0	-	2.0
1	Brook Ridge Apts. I & II	-	2.0	2.0
11	Weaver Manor Apts.	1.0	1.0	-
904	Groom School Apts.	1.0	1.0	1.0
905	Jesse Lee Apts.	-	2.0	2.0
906	Lieutenant's Run	-	2.0	2.0

900 series Map IDs are located outside Site PMA

The subject project will offer some of the largest LIHTC unit sizes (square feet) when compared to those offered at the selected properties. This will position the subject development at a competitive advantage. The two full bathrooms to be provided in the subject's three-bedroom units will be appealing to the targeted demographic.

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

Tax Credit Unit Amenities by Map ID							
	Site*	1	11	904	905	906	
Appliances	Dishwasher	X	X	X	X	X	X
	Disposal	X	X			X	X
	Microwave	X			X		
	Range	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X
	W/D Hookup	X	X		X	X	X
	W/D	X					
	No Appliances						
Unit Amenities	AC-Central	X	X	X	X	X	X
	AC-Other						
	Balcony/ Patio/ Sunroom	X	X				X
	Basement						
	Ceiling Fan		X		X		
	Controlled Access						
	E-Call System						
	Furnished						
	Walk-In Closet	X		X		X	S
	Window Treatments	X	X	X	X	X	X
Flooring	Carpet	X	X	X	X	X	X
	Ceramic Tile				X		
	Hardwood						
	Finished Concrete						
	Composite/Vinyl/Laminate	X	X	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						
	Surface Lot	X	X	X	X	X	X
	Carport						
	Property Parking Garage						
	No Provided Parking						

◆ - Senior Property

* Proposed Site(s): Emporia Rail Depot Townhomes

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

** Details in Comparable Property Profile Report

Continued on Next Page

As the preceding tables illustrate, the subject's amenities package will be comprehensive and superior to those offered at the comparable LIHTC projects surveyed within the market and region. In terms of unit amenities, the subject project will be the only LIHTC project to offer washer/dryer appliances and one of two to include a microwave. Regarding community amenities, while the subject project will be the only LIHTC project to not offer a playground, it will be the only affordable community to offer a computer center. The inclusion of the aforementioned amenities will position the subject project at a competitive advantage.

Competitive Tax Credit Summary

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing LIHTC properties within the market and region, it is our opinion that the proposed subject development will be very marketable. In fact, the subject project will be at least 25 years newer than the comparable LIHTC projects within the *market*, offering some of the lowest LIHTC rents, larger unit sizes and a superior amenities package. Additionally, we did not identify any LIHTC project within the Site PMA that offers units set aside at 40% of AMHI, as well as three-bedroom units set aside at 50% of AMHI. These factors will bode very well in the demand of the subject units and have been considered in our absorption projections.

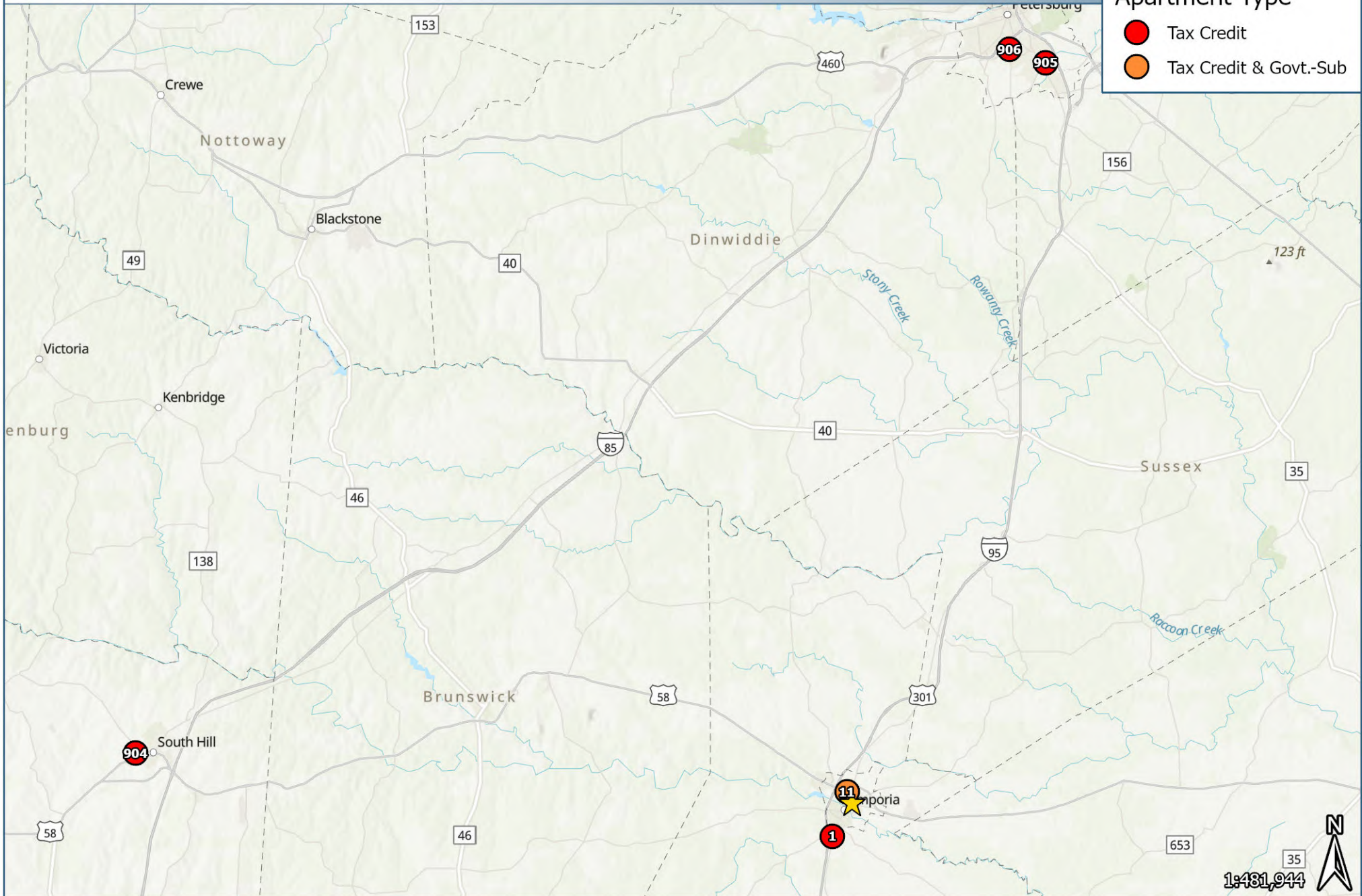
A map depicting the location of the most comparable LIHTC properties surveyed is included on the following page.

★ Site

Apartment Type

● Tax Credit

● Tax Credit & Govt.-Sub



C. PLANNED MULTIFAMILY DEVELOPMENT

From interviews with planning representatives who responded to our inquiries, extensive online research and the observations of our analyst while in the field, it was determined there are no rental projects currently in the development pipeline within the Site PMA.

D. ANTICIPATED IMPACT ON EXISTING TAX CREDIT PROPERTIES

The anticipated occupancy rates of the existing comparable Tax Credit developments surveyed within the market during the first year of occupancy at the subject project are as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2025
1	Brook Ridge Apts. I & II	100.0%	95.0%+
11	Weaver Manor Apts.	95.2%	95.0%+

The two comparable LIHTC properties surveyed within the market are performing at occupancy levels at or above 95.2%, one of which is fully occupied and maintains a waiting list. Given these strong occupancy levels and the fact that sufficient demographic support exists in the market for the subject development, as illustrated in Section VII - *Capture Rate Analysis*, it is not anticipated that the subject project will have any significant impact on the existing comparable LIHTC projects' marketability. It is expected that both of the comparable LIHTC projects will maintain occupancy levels at or above 95.0% during the subject development's first year of occupancy.

E. BUY VERSUS RENT ANALYSIS

According to ESRI, the median home value in the Site PMA was \$133,698. At an estimated interest rate of 5.89% and a 30-year term (and 95% LTV), the monthly mortgage for a \$133,698 home is \$941, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price – ESRI	\$133,698
Mortgaged Value = 95% Of Median Home Price	\$127,013
Interest Rate – Bankrate.Com	5.89%
Term	30
Monthly Principal & Interest	\$753
Estimated Taxes and Insurance*	\$188
Estimated Monthly Mortgage Payment:	\$941

*Estimated at 25% of principal and interest.

In comparison, the collected Tax Credit rents at the subject property are well below the cost of a monthly mortgage for a typical home in the area. Therefore, 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 or near the Emporia Site PMA that we consider comparable 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.
Site	Emporia Rail Depot Townhomes	2025	52	-	10 (-)	-	42 (-)
5	Main Street Apts.	1980	12	100.0%	-	12 (100.0%)	-
7	Park Avenue Apts.	2008	16	100.0%	-	16 (100.0%)	-
901	Addison Crater Woods Apts.	1984	636	93.1%	136 (92.6%)	423 (92.4%)	77 (97.4%)
902	Briarcliff Apts.	2000	36 + 18*	100.0%	-	21 (100.0%)	15 (100.0%)
907	Meadowridge	1991	97	100.0%	16 (100.0%)	53 (100.0%)	28 (100.0%)

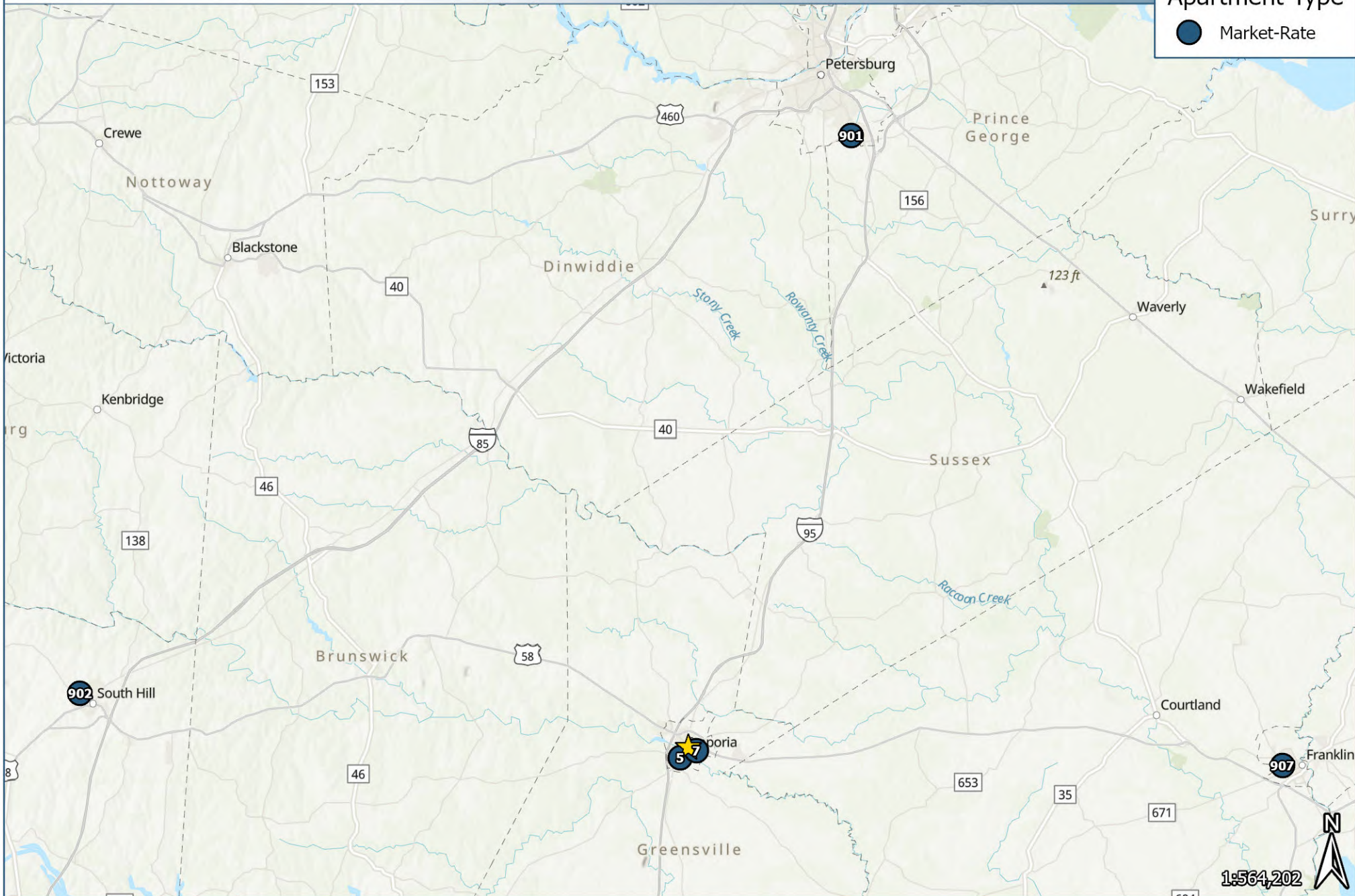
Occ. – Occupancy

900 series Map IDs are located outside Site PMA

*Units under construction

The five selected market-rate projects have a combined total of 797 units with an overall occupancy rate of 94.5%, a good rate for rental housing. This indicates that these projects have been well received within their respective markets 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 the Rent Comparability Grids is a map of the location of the comparable market-rate developments in relation to the location of the subject site.



Rent Comparability Grid

Unit Type → ONE-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Emporia Rail Depot Townhomes		Main Street Apts.		Park Avenue Apts.		Addison Crater Woods Apts.		Briarcliff Apts.		Meadowridge	
307 Reese Street		Main St.		603 Park Ave.		200 Addison Way		101 Brookside Ln.		340 N. College Dr.	
Emporia, VA		Emporia, VA		Emporia, VA		Petersburg, VA		South Hill, VA		Franklin, VA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$650		\$650		\$1,209		\$1,200		\$1,125	
2	Date Surveyed	Feb-23		Feb-23		Jan-23		Feb-23		Feb-23	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		93%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$650	0.68	\$650	0.68	\$1,209	1.89	\$1,200	1.20	\$1,125	1.47
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		TH/2		WU/3		R/1		WU/2	
7	Yr. Built/Yr. Renovated	2025	\$45	2008	\$17	1984	\$41	2000	\$25	1991	\$34
8	Condition/Street Appeal	E	\$30	E		E		G	\$15	G	\$15
9	Neighborhood	G		F	\$10	G		G		G	
10	Same Market?	Yes		Yes		No	(\$242)	No	(\$120)	No	(\$113)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1	(\$50)	2	(\$50)	1		2	(\$50)	1	
12	# Baths	1		1.5	(\$15)	1		2	(\$30)	1	
13	Unit Interior Sq. Ft.	802	(\$44)	960	(\$44)	638	\$46	1000	(\$55)	765	\$10
14	Patio/Balcony/Sunroom	Y	\$5	N	\$5	Y		N	\$5	Y	
15	AC: Central/Wall	C	\$5	C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	\$15	N/N	\$15	Y/Y		Y/Y		N/Y	\$5
18	Washer/Dryer	W/D	\$40	HU	\$25	W/D		W/D		L	\$35
19	Floor Coverings	C/V		C		C/V		C/V		C/V	
20	Window Treatments	Y		N	\$5	Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y	\$5	N	\$5	Y		N	\$5	N	\$5
23	Ceiling Fan/Storage	N/N		N/N		Y/N	(\$5)	Y/Y	(\$10)	Y/N	(\$5)
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
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	N		N		Y	(\$5)	N		Y	(\$5)
27	Community Space	Y	\$5	N	\$5	Y		N	\$5	N	\$5
28	Pool/Recreation Areas	N		N		P/F/S/GR	(\$21)	N		N	
29	Business/Computer Center	Y	\$3	N	\$3	Y		N	\$3	N	\$3
30	Grilling Area	N		N		Y	(\$3)	N		Y	(\$3)
31	Playground	N		N		Y	(\$3)	N		Y	(\$3)
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
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	N/N		N/N		N/N		N/N		N/N	
39	Trash/Recycling	N/N		N/N		N/N		N/N		Y/N	(\$14)
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	9	2	9	3	2	6	6	5	8	5
41	Sum Adjustments B to D	\$153	(\$94)	\$90	(\$109)	\$87	(\$279)	\$58	(\$265)	\$112	(\$129)
42	Sum Utility Adjustments										(\$14)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$59	\$247	(\$19)	\$199	(\$192)	\$366	(\$207)	\$323	(\$31)	\$255
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$709		\$631		\$1,017		\$993		\$1,094	
45	Adj Rent/Last rent		109%		97%		84%		83%		97%
46	Estimated Market Rent	\$875	\$1.09 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **THREE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Emporia Rail Depot Townhomes		Main Street Apts.		Park Avenue Apts.		Addison Crater Woods Apts.		Briarcliff Apts.		Meadowridge	
307 Reese Street		Main St.		603 Park Ave.		200 Addison Way		101 Brookside Ln.		340 N. College Dr.	
Emporia, VA		Emporia, VA		Emporia, VA		Petersburg, VA		South Hill, VA		Franklin, VA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$650		\$650		\$1,809		\$1,300		\$1,330	
2	Date Surveyed	Feb-23		Feb-23		Jan-23		Feb-23		Feb-23	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		97%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$650	0.68	\$650	0.68	\$1,809	1.34	\$1,300	1.24	\$1,330	1.22
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	TH/2		TH/2		WU/3		R/1		WU/2	
7	Yr. Built/Yr. Renovated	2025	\$45	2008	\$17	1984	\$41	2000	\$25	1991	\$34
8	Condition/Street Appeal	E	\$30	E		E		G	\$15	G	\$15
9	Neighborhood	G		F	\$10	G		G		G	
10	Same Market?	Yes		Yes		No	(\$362)	No	(\$130)	No	(\$133)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3	\$50	2	\$50	3		3		3	
12	# Baths	2	\$30	1.5	\$15	2		2		2	
13	Unit Interior Sq. Ft.	1423	\$123	960	\$123	1349	\$20	1050	\$99	1090	\$88
14	Patio/Balcony/Sunroom	Y	\$5	N	\$5	Y		N	\$5	Y	
15	AC: Central/Wall	C	\$5	W		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	\$15	N/N	\$15	Y/Y		Y/Y		N/Y	\$5
18	Washer/Dryer	W/D	\$40	N	\$40	HU	\$25	W/D		HU/L	\$25
19	Floor Coverings	C/V		C		C/V		C/V		C/V	
20	Window Treatments	Y		Y	\$5	N		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y	\$5	N	\$5	Y		N	\$5	N	\$5
23	Ceiling Fan/Storage	N/N		N/N		Y/N	(\$5)	Y/Y	(\$10)	Y/N	(\$5)
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
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	N		N		Y	(\$5)	N		Y	(\$5)
27	Community Space	Y	\$5	N	\$5	Y		N	\$5	N	\$5
28	Pool/Recreation Areas	N		N		P/F/S/GR	(\$21)	N		N	
29	Business/Computer Center	Y	\$3	N	\$3	Y		N	\$3	N	\$3
30	Grilling Area	N		N		Y	(\$3)	N		Y	(\$3)
31	Playground	N		N		Y	(\$3)	N		Y	(\$3)
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
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	N/N		N/N		N/N		N/N		N/N	
39	Trash/Recycling	N/N		N/N		N/N		N/N		Y/N	(\$14)
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	12		12		2	6	7	2	8	5
41	Sum Adjustments B to D	\$356		\$278		\$61	(\$399)	\$157	(\$140)	\$180	(\$149)
42	Sum Utility Adjustments										(\$14)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$356	\$356	\$278	\$278	(\$338)	\$460	\$17	\$297	\$17	\$343
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,006		\$928		\$1,471		\$1,317		\$1,347	
45	Adj Rent/Last rent		155%		143%		81%		101%		101%
46	Estimated Market Rent	\$1,190	\$0.84	← 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, the subject’s achievable market rents and corresponding market rent advantages are summarized in the following table:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	40%	\$387	\$875	55.8%
	50%	\$521		40.5%
	60%	\$654		25.3%
Three-Br.	40%	\$514	\$1,190	56.8%
	50%	\$699		41.3%
	60%	\$885		25.6%

Typically, Tax Credit units should represent approximately a 10.0% market rent advantage. As such, the proposed subject Tax Credit rents will likely be perceived as substantial values within the market, as they represent market rent advantages ranging from 25.3% to 56.8%, depending upon bedroom type and targeted income level.

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. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1980 and 2008. As such, we have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.

8. It is anticipated that the proposed subject project will have an excellent appearance, once construction is complete. We have made adjustments for those properties that we consider to be of inferior quality compared to the subject development.

9. One of the selected properties, Park Avenue Apartments (Comp #2), is located in a less desirable neighborhood than that of the subject site. As such, we have made an adjustment to account for differences in neighborhood desirability among these projects and the subject project.
10. Three of the selected properties are located outside of the Emporia Site PMA in Petersburg, South Hill and Franklin. The Petersburg, South Hill and Franklin markets are generally considered more socioeconomically affluent than Emporia in terms of median household income, median gross rent and median home value. Given the differences in markets, the rents that are achievable in Petersburg, South Hill and Franklin will not directly translate to the Emporia market. Therefore, we have adjusted the collected rents at the two comparable properties located in South Hill and Franklin by approximately 10.0% and the collected rents at the one comparable property located in Petersburg by approximately 20.0% to account for these market differences.
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 one- and/or three-bedroom units. 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 generally superior to those offered at the selected properties. We have made various adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The proposed project will offer a community amenities package generally superior to those offered at the selected properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 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 program (LIHTC), 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 Greensville County-Emporia City, Virginia HUD Nonmetro FMR Area, which has a median four-person household income of \$59,600 for 2022. The project location, however, is eligible for the National Non-Metropolitan Income and Rent Floor adjustment. Therefore, the income restrictions for the subject project are based on the national non-metropolitan four-person median household income of \$71,300 in 2022. The subject property will be restricted to households with incomes up to 40%, 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size at various levels of AMHI:

Household Size	Maximum Allowable Income		
	40%	50%	60%
One-Person	\$19,960	\$24,950	\$29,940
Two-Person	\$22,800	\$28,500	\$34,200
Three-Person	\$25,680	\$32,100	\$38,520
Four-Person	\$28,520	\$35,650	\$42,780
Five-Person	\$30,800	\$38,500	\$46,200

1. Maximum Income Limits

The subject site's three-bedroom units are expected to house up to five-person households. As such, the maximum allowable income at the subject site is **\$46,200**.

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 proposed LIHTC units will have a lowest gross rent of \$529. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$6,348. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement of **\$18,137**.

3. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate ranges required to live at the proposed project with units built to serve households at 40%, 50% and 60% of AMHI are as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited to 40% of AMHI)	\$18,137	\$30,800
Tax Credit (Limited to 50% of AMHI)	\$22,731	\$38,500
Tax Credit (Limited to 60% of AMHI)	\$27,291	\$46,200
Overall Tax Credit	\$18,137	\$46,200

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 new units in the PMA based on projected rental household growth. The projected household base **must be** limited to the target group, age and income appropriate. Demand for each target group must be shown separately.*
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) **Over-burdened** 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.

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25074), 43.5% of renters within the market are considered to be rent-burdened.

- 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 proposed 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 2.1% of renter households within the market are living in substandard housing. Considering the targeted low-income tenant base, this estimate is considered appropriate for the area.

- 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.*

The subject project will not be restricted to seniors; therefore, we have not included this number in our demand calculations.

- d) **Existing qualifying tenants likely to remain at the subject property 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

Note that there were no vacancies identified among the directly comparable LIHTC unit types within the market. Additionally, there are no LIHTC projects within the development pipeline in the Emporia Site PMA. Therefore, there were no supply units considered within the demand calculations illustrated in the table on the following page.

Demand Component	Percent of Median Household Income			
	40% AMHI (\$18,137-\$30,800)	50% AMHI (\$22,731-\$38,500)	60% AMHI (\$27,291-\$46,200)	Overall (\$18,137-\$46,200)
Demand From New Rental Households (Size- & Income-Appropriate)	453 - 465 = -12	421 - 427 = -6	363 - 366 = -3	719 - 732 = -13
+				
Demand From Existing Households (Rent Overburdened)	465 X 43.5% = 202	427 X 43.5% = 186	366 X 43.5% = 159	732 X 43.5% = 318
+				
Demand From Existing Households (Renters in Substandard Housing)	465 X 2.1% = 10	427 X 2.1% = 9	366 X 2.1% = 8	732 X 2.1% = 15
+				
Demand From Existing Households (Elderly Homeowner Conversion)	N/A			
+				
Demand From Existing Households (Existing Qualifying Tenants Likely to Remain After Renovations)	N/A			
=				
Total Demand	200	189	164	320
-				
Supply (Directly Comparable Vacant Units Completed or in The Pipeline)	0	0	0	0
=				
Net Demand	200	189	164	320
Proposed Units	6	20	26	52
Proposed Units / Net Demand	6 / 200	20 / 189	26 / 164	52 / 320
Capture Rate	= 3.0%	= 10.6%	= 15.9%	= 16.3%
Absorption Period	< 1 Month	< 3 Months	< 3 Months	5-6 Months

N/A – Not Applicable

Typically, utilizing the demand methodology illustrated above, capture rates of up to 30.0% are considered acceptable for projects located in urban markets, while higher capture rates of up to 35.0% are considered acceptable for projects in rural markets. As such, the subject's overall capture rate of 16.3% illustrates that a good base of support will exist in the market to support the subject development.

D. PENETRATION RATE CALCULATIONS

The 164 existing 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 proposed subject Tax Credit units is \$18,137 to \$46,200. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, there will be an estimated 719 renter households with eligible incomes in 2025. The 216 existing and proposed subject Tax Credit units represent a penetration rate of 30.0% of the 719 income-eligible renter households, which is summarized on the following table:

	Market Penetration
Number of LIHTC Units (Proposed Subject and Existing)	216
Income-Eligible Renter Households – 2025	/ 719
Overall Market Penetration Rate	= 30.0%

It is our opinion that the 30.0% penetration rate for the LIHTC units, both existing and proposed subject, is achievable. This is especially true, given that all non-subsidized LIHTC units surveyed within the Site PMA are occupied and maintain a waiting list.

E. SUPPORT FROM HOUSING CHOICE VOUCHER HOLDERS

Despite numerous attempts, we were unable to receive a response from representatives with the Emporia Redevelopment and Housing Authority regarding information on their Housing Choice Voucher (HCV) program at the time this report was issued.

If the rents do not exceed the payment standards established by the local housing authority, households with Housing Choice Vouchers may be willing to reside at a LIHTC project. Established by the Emporia Redevelopment and Housing Authority, 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	\$697	\$529 (30%)
		\$663 (50%)
		\$796 (60%)
Three-Bedroom	\$1,238	\$736 (40%)
		\$921 (50%)
		\$1,107 (60%)

As the preceding table illustrates, nearly all 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 52 LIHTC units at the subject site will reach a stabilized occupancy of 95.0% in approximately five to six months of opening. This absorption period is based on an average monthly absorption rate of approximately eight to nine units per month.

These absorption projections assume a December 2025 opening date. With a December opening date, this could have a slowing impact on the initial absorption of the subject project due to the winter weather and holiday season. Further, these absorption projections assume that 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 throughout the Site PMA a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development receives.

VIII. Local Perspective (Interviews)

We conducted numerous interviews with local sources familiar with the Emporia 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:

- Matthew Culbreath, Special Project Coordinator for the city of Emporia, stated there is “100%” a need for more affordable housing for families in the area. Mr. Culbreath emphasized the housing stock in the area is insufficient in quantity and quality, indicating that the area’s stock consists of older and poor quality units. Many of the city’s workers live outside the city due to the lack of quality available affordable units. Mr. Culbreath would like to see more affordable units in the area to allow those workers to relocate to Emporia.
- According to Beverley Hawthorne, the recently retired Community and Economic Development Manager for Emporia, there is definitely a need for more affordable housing in Emporia. Some notable factors affecting the demand include high rental rates, recent and potential economic growth, and insufficient and aging rental housing stock. Ms. Hawthorne indicated that two industrial sites currently underway are projected to hire upwards of 2,000 workers once tenants are secured, increasing the demand for housing in the area. She also noted that many area workers commute from North Carolina and Chesterfield County due to the lack of housing. Ms. Hawthorne noted that some area businesses are shifting from traditional employment models to a 12-hour workday, increasing the likelihood that those workers who previously commuted will want to find local housing.
- Dachele Reavis, Assistant Property Manager of Reese Village Apartments (Map ID 8), a government-subsidized Tax Credit community within Emporia, confirmed the need for affordable housing in the area. Ms. Reavis stated that despite being in close proximity to a railroad, similar to the site itself, her property is fully occupied and maintains a waitlist of roughly 38 households. The need for housing in the area is proven to be great enough that something that would typically be considered a potential nuisance does not appear to be deterring tenants.

IX. Analysis & Conclusions

Based on the findings reported in our market study, it is our opinion that a market exists for the 52 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 very competitive within the market area in terms of proposed rents, amenities and unit sizes. In fact, the subject project will be at least 25 years newer than the comparable LIHTC projects within the *market*, offering some of the lowest LIHTC rents for similar unit types, larger unit sizes (square feet) and a superior amenities package. Further, the proposed subject rents will represent market rent advantages of between 25.3% and 56.8% and, as such, should be perceived as substantial values in the marketplace.

The five comparable LIHTC projects surveyed within the market and region have a combined occupancy rate of 98.0%, a strong rate for rental housing. In fact, the newest and most comparable LIHTC rental community within the *market*, Brook Ridge Apartments I & II (Map ID 1), is fully occupied with a waiting list. This illustrates that pent-up demand exists for new LIHTC rental product within the Emporia Site PMA. The subject project will be able to accommodate a portion of this unmet demand. Additionally, the subject project will be the only LIHTC project within the Site PMA to offer units targeting households earning up to 40% of AMHI, as well as three-bedroom units set aside at 50% of AMHI. This will also position the subject project at a competitive advantage, as it will provide an affordable rental housing alternative to low-income households that are currently underserved within the market.

As shown in the Project Specific Demand Analysis section of this report, the subject project has an overall capture rate of 16.3%, illustrating a good base of demographic support will exist for the subject site. 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

Emporia Rail Depot Townhomes



View of site from the north



View of site from the northeast



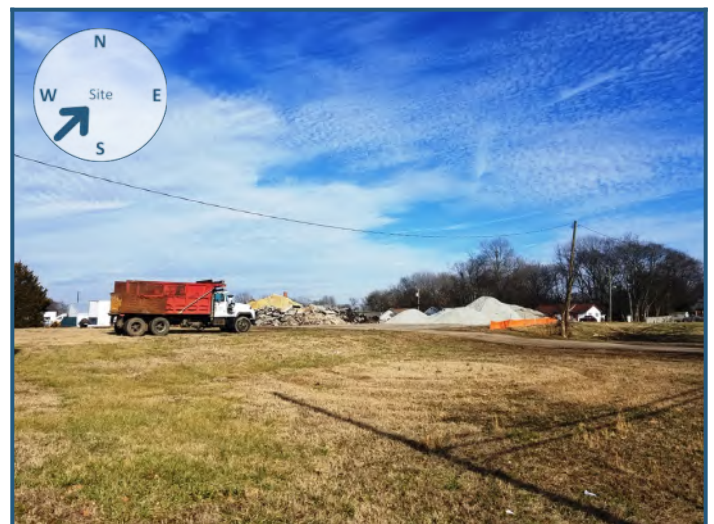
View of site from the east



View of site from the southeast



View of site from the south



View of site from the southwest

Emporia Rail Depot Townhomes



View of site from the west



View of site from the northwest



North view from site



Northeast view from site



East view from site



Southeast view from site

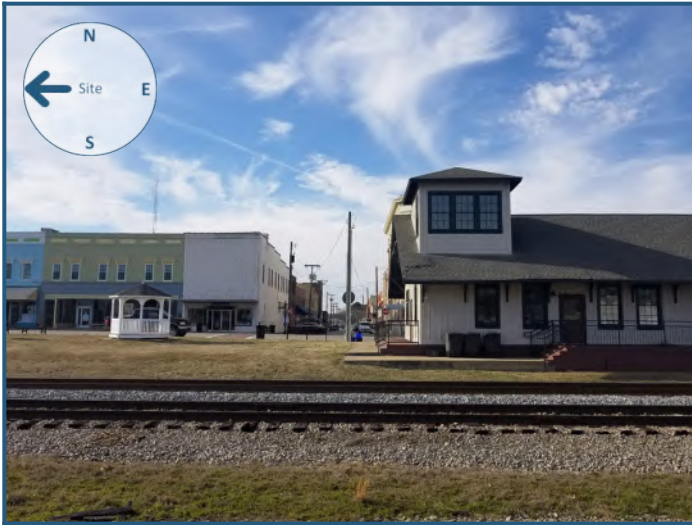
Emporia Rail Depot Townhomes



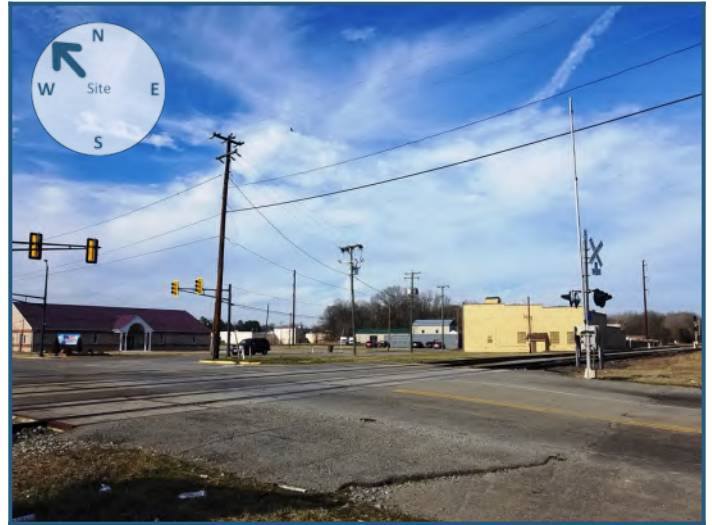
South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: North view of Reese Street



Streetscape: South view of Reese Street

Emporia Rail Depot Townhomes



Streetscape: East view of Southampton Street



Streetscape: West view of Southampton Street



Streetscape: North view of Halifax Street



Streetscape: South view of Halifax Street



Streetscape: East view of East Atlantic Street



Streetscape: West view of East Atlantic Street

XI.

COMPARABLE
PROPERTY PROFILES

1 Brook Ridge Apts. I & II 2.1 miles to site



Address: 1325 Skippers Rd, Emporia, VA 23847
 Phone: (434) 348-7700 Contact: Viola (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 124 Year Built: 2000
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist: 11 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 Trash

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

Property Amenities: Multipurpose Room, Clubhouse/Community Room; Cafe / Coffee Bar; Laundry Room; On-Site Management; Recreation Areas (Firepit, Playground, Outdoor Swimming Pool)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	36	0	975	\$0.63	\$618	50%
2	2	G	48	0	975	\$0.80	\$779	60%
3	2	G	40	0	1,375	\$0.64	\$886	60%

*Adaptive Reuse

*DTS is based on drive time

5 Main Street Apts. 1.0 miles to site



Address: Main St., Emporia, VA 23847
 Phone: (434) 634-3045 Contact: Chris (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 12 Year Built: 1980
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: None
 Rent Special: None

Ratings
 Quality: C
 Neighborhood: B
 Access/Visibility:

Notes:



Features And Utilities

Utility Schedule Provided by: Virginia Housing
 Utility Type & Responsibility: No landlord paid utilities;
 Unit Amenities: Range; Refrigerator; AC Other; Window Treatments; Flooring (Carpet)
 Property Amenities: On-Site Management
 Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1	T	12	0	960	\$0.68	\$650	Market

*Adaptive Reuse

*DTS is based on drive time

7 Park Avenue Apts. 0.5 miles to site



Address: 603 Park Ave., Emporia, VA 23847
 Phone: (434) 634-3045 Contact: Chris (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 16 Year Built: 2008
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: None
 Rent Special: None

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

Notes:



Features And Utilities

Utility Schedule Provided by: Virginia Housing
 Utility Type & Responsibility: No landlord paid utilities;
 Unit Amenities: Range; Refrigerator; Central AC; W/D Hookup; Flooring (Carpet)
 Property Amenities: On-Site Management
 Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1.5	T	16	0	960	\$0.68	\$650	Market

*Adaptive Reuse

*DTS is based on drive time

11 Weaver Manor Apts. 0.8 miles to site



Address: 216 Meherrin Ln, Emporia, VA 23847
 Phone: (434) 634-9665 Contact: Asia (By Phone)
 Property Type: Tax Credit, Government Subsidized
 Target Population: Family
 Total Units: 42 Year Built: 1984
 Vacant Units: 2 *AR Year:
 Occupancy: 95.2% Yr Renovated: 2018
 Turnover: Stories: 2
 Waitlist: Rental Assisted Units; 8 HH
 Rent Special: None

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

Notes: Tax Credit; RD 515, has RA (35 units)



Features And Utilities

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

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

Property Amenities: Multipurpose Room, Clubhouse/Community Room; Laundry Room; On-Site Management; Recreation Areas (Playground)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	13	0	750	Subsidized	Subsidized	Subsidized
1	1	G	11	0	750	Subsidized	Subsidized	Subsidized
2	1	G	4	0	899	Subsidized	Subsidized	Subsidized
2	1	G	14	2	899	Subsidized	Subsidized	Subsidized

*Adaptive Reuse

*DTS is based on drive time

901 Addison Crater Woods Apts. **39.4 miles to site**



Address: 200 Addison Way, Petersburg, VA 23805
 Phone: (844) 463-2136 Contact: Shakwana (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 636 Year Built: 1984 Ratings
 Vacant Units: 44 *AR Year: Quality: A-
 Occupancy: 93.1% Yr Renovated: Neighborhood: B
 Turnover: Stories: 3 Access/Visibility: B/C
 Waitlist: 6 HH
 Rent Special: None

Notes: Rent range based on floorplan & unit location; Rents change daily



Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; 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: Business Center (Computer/Business Center); Car Care (Car Wash Area); Multipurpose Room, Clubhouse/Community Room; Cafe / Coffee Bar; On-Site Management; Dog Park/Pet Care; Recreation Areas (Basketball, Fitness Center, Grilling Area, Game Room-Billiards, Playground, Outdoor Swimming Pool); Courtesy Officer; Extra Storage; Water Feature; WiFi

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	136	10	638 - 868	\$1.89 - \$1.66	\$1,209 - \$1,445	Market
2	2	G	423	32	881 - 1,196	\$1.47 - \$1.52	\$1,299 - \$1,814	Market
3	2	G	77	2	1,349	\$1.34 - \$1.36	\$1,809 - \$1,829	Market

*Adaptive Reuse

*DTS is based on drive time

902 Briarcliff Apts. 39.2 miles to site



Address: 101 Brookside Ln., South Hill, VA 23970
 Phone: (434) 865-0058 Contact: Evelyn (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 36 Year Built: 2000
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1
 Waitlist: None
 Rent Special: None

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

Notes: Phase IV preleasing began 05/2022; 1st units opened 06/2022; 100% occupied 07/2022; Phase V, 18 units ECD Spring 2023



Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: No landlord paid utilities;

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

Property Amenities: On-Site Management; Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	21	0	1,000	\$1.20	\$1,200	Market
3	2	G	15	0	1,050	\$1.24	\$1,300	Market

*Adaptive Reuse

*DTS is based on drive time

904 Groom School Apts. 38.7 miles to site



Address: 1050 Plank Rd, South Hill, VA 23970
 Phone: (434) 447-2434 Contact: Jessica (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 55 Year Built: 1949 Ratings
 Vacant Units: 0 *AR Year: 2019 Quality: B+
 Occupancy: 100.0% Yr Renovated: Neighborhood: B
 Turnover: Stories: 2,3 Access/Visibility: B/B
 Waitlist: 115 HH
 Rent Special: None



Notes: Tax Credit; HOME Funds (13 units); Preleasing 9/2019, opened 10/2019, stabilized occupancy 3/2020

Features And Utilities

Utility Schedule Provided by: Virginia Housing

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

Unit Amenities: Dishwasher; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; Window Treatments; Flooring (Carpet, Ceramic Tile, Composite/Vinyl/Laminate)

Property Amenities: Community Kitchen; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grilling Area, Playground)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	3	0	704 - 1,004	\$0.57 - \$0.40	\$401	40%
1	1	G	2	0	704 - 1,004	\$0.71 - \$0.50	\$501	50%
1	1	G	6	0	704 - 1,004	\$0.71 - \$0.50	\$501	60%
2	1	G	2	0	901 - 1,004	\$0.50 - \$0.45	\$449	40%
2	1	G	26	0	901 - 1,004	\$0.67 - \$0.70	\$605 - \$706	60%
3	1	G	1	0	1,111 - 1,152	\$0.45 - \$0.44	\$502	40%
3	1	G	15	0	1,111 - 1,152	\$0.58 - \$0.56	\$641	60%

*Adaptive Reuse

*DTS is based on drive time

905 Jesse Lee Apts. 39.8 miles to site



Address: 401 Roberts Ave., Petersburg, VA 23805
 Phone: (804) 733-4331 Contact: Hellen (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 108 Year Built: 2008
 Vacant Units: 1 *AR Year:
 Occupancy: 99.1% Yr Renovated:
 Turnover: Stories: 3
 Waitlist: None
 Rent Special: None

Ratings
 Quality: B-
 Neighborhood: C
 Access/Visibility: B/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; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Laundry Room; On-Site Management; Recreation Areas (Playground, Outdoor Swimming Pool); Extra Storage; WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	78	0	834	\$0.91	\$760	50%
3	2	G	30	1	1,023	\$0.84	\$860	50%

*Adaptive Reuse

*DTS is based on drive time

906 Lieutenant's Run 43.1 miles to site



Address: 102 Lieutenants Run Dr., Petersburg, VA 23805
 Phone: (804) 722-9625 Contact: Tanisha (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 168 Year Built: 2005
 Vacant Units: 7 *AR Year: Ratings
 Occupancy: 95.8% Yr Renovated: Quality: C
 Turnover: Stories: 3 Neighborhood: B
 Waitlist: None Access/Visibility: C/C
 Rent Special: None
 Notes: Tax Credit

Features And Utilities

Utility Schedule Provided by: Virginia Housing
 Utility Type & Responsibility: Landlord pays Trash
 Unit Amenities: Dishwasher; Disposal; Icemaker; Range; Refrigerator; Central AC; W/D Hookup; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)
 Property Amenities: Multipurpose Room, Clubhouse/Community Room; Cafe / Coffee Bar; On-Site Management; Recreation Areas (Grilling Area, Playground, Outdoor Swimming Pool); CCTV
 Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	84	4	985	\$1.20	\$1,180	60%
3	2	G	84	3	1,208	\$1.10	\$1,330	60%

*Adaptive Reuse

*DTS is based on drive time

907 Meadowridge 34.5 miles to site



Address: 340 N. College Dr., Franklin, VA 23851
 Phone: (757) 562-0849 Contact: Paula (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 97 Year Built: 1991
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: 25 HH
 Rent Special: None

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

Notes:



Features And Utilities

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

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

Property Amenities: Laundry Room; On-Site Management; Recreation Areas (Grilling Area, Playground); CCTV

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	16	0	700 - 765	\$1.61 - \$1.47	\$1,125	Market
2	1 - 2	G	53	0	890 - 1,090	\$1.24 - \$1.01	\$1,105	Market
3	2	G	28	0	1,040 - 1,090	\$1.21 - \$1.22	\$1,255 - \$1,330	Market

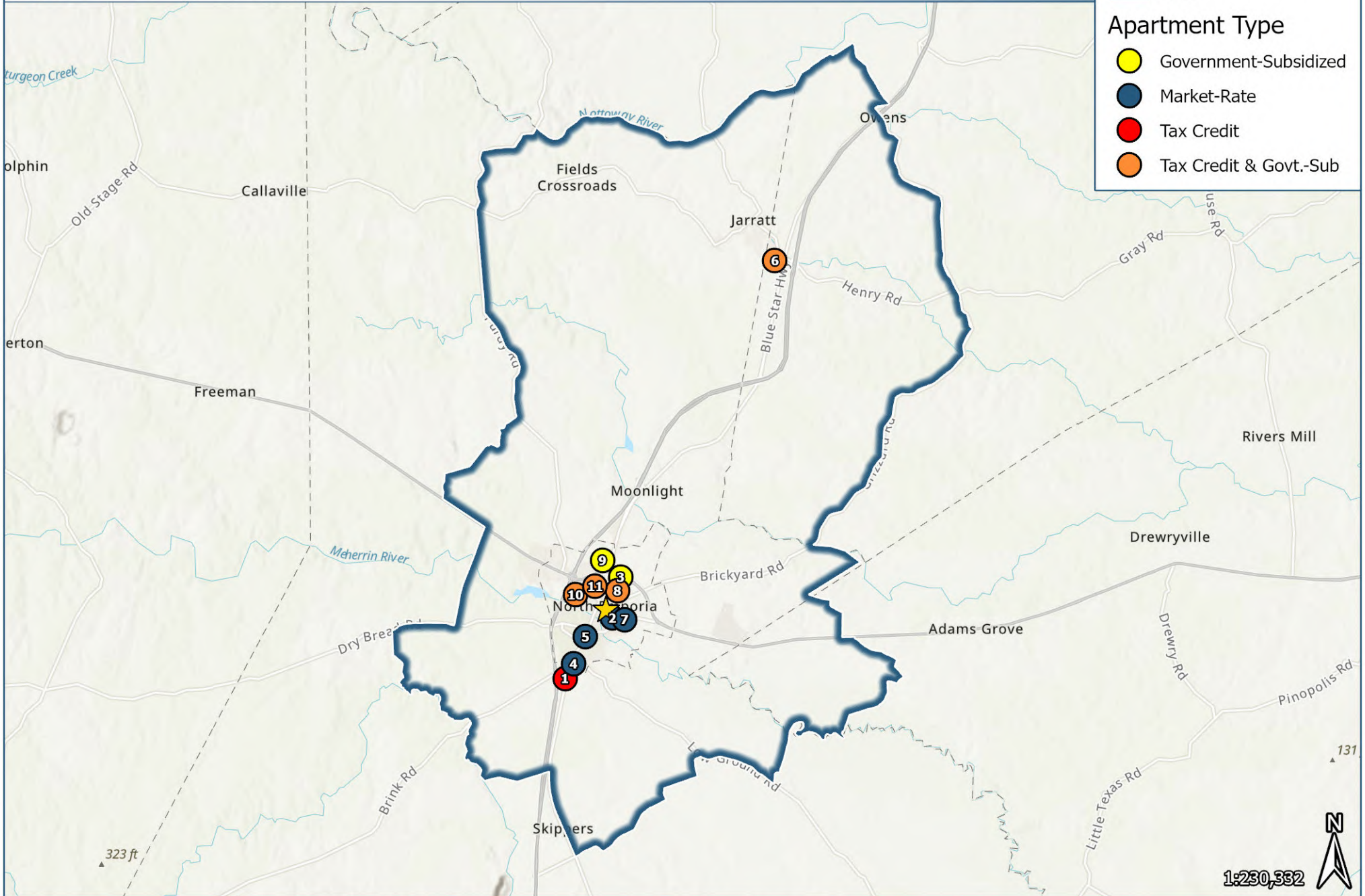
*Adaptive Reuse

*DTS is based on drive time

XII.

FIELD SURVEY OF CONVENTIONAL RENTALS

- ★ Site
- ▬ PMA
- Apartment Type
 - Government-Subsidized
 - Market-Rate
 - Tax Credit
 - Tax Credit & Govt.-Sub



Esri, NASA, NGA, USGS, VGIN, Esri, HERE, Garmin, SafeGraph, METI/NASA, USGS, EPA, NPS, USDA
Additional Source(s): Bowen National Research

1:230,332





Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Brook Ridge Apts. I & II	TAX	B+	2000	124	0	100.0%	2.1
2	East End Manor	MRR	C+	1985	16	0	100.0%	0.4
3	Emporia Limited dba Northwood Village Apts.	GSS	B-	1980	72	0	100.0%	0.9
4	Falling Run Apts.	MRR	C-	1986	36	0	100.0%	1.7
✓ 5	Main Street Apts.	MRR	C	1980	12	0	100.0%	1.0
6	New Nottoway River Commons Apts.	TGS	B	1994	44	0	100.0%	9.6
✓ 7	Park Avenue Apts.	MRR	A-	2008	16	0	100.0%	0.5
8	Reese Village Apts.	TGS	C+	1985	40	0	100.0%	0.5
◆ 9	Trinity Woods Apts.	GSS	B	1994	70	0	100.0%	1.5
10	Washington Square Apts.	TGS	B	2001	24	0	100.0%	0.9
✓ 11	Weaver Manor Apts.	TGS	B-	1984	42	2	95.2%	0.8
✓ 901	Addison Crater Woods Apts.	MRR	A-	1984	636	44	93.1%	39.4
✓ 902	Briarcliff Apts.	MRR	B	2000	36	0	100.0%	39.2
✓ 904	Groom School Apts.	TAX	B+	1949	55	0	100.0%	38.7
✓ 905	Jesse Lee Apts.	TAX	B-	2008	108	1	99.1%	39.8
✓ 906	Lieutenant's Run	TAX	C	2005	168	7	95.8%	43.1
✓ 907	Meadowridge	MRR	B+	1991	97	0	100.0%	34.5


*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	




1	Brook Ridge Apts. I & II 1325 Skippers Rd, Emporia, VA 23847	Contact: Viola Phone: (434) 348-7700	
		Total Units: 124 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit	Occupancy: 100.0% Vacant Units: 0 Waitlist: 11 HH Year Built: 2000 AR Year: Yr Renovated:

2	East End Manor 512 Southampton St., Emporia, VA 23847	Contact: Chris Phone: (434) 634-3045	
		Total Units: 16 UC: 0 BR: 1, 2 Target Population: Family Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0 Waitlist: None Year Built: 1985 AR Year: Yr Renovated:


3	Emporia Limited dba Northwood Village Apts. 712 Carver Cir, Emporia, VA 23847	Contact: Karen Phone: (434) 634-9996	
		Total Units: 72 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: RD 515, no RA	Occupancy: 100.0% Vacant Units: 0 Waitlist: Yes Year Built: 1980 AR Year: Yr Renovated:


4	Falling Run Apts. 905 S Main St, Emporia, VA 23847	Contact: Chris Phone: (434) 634-3045	
		Total Units: 36 UC: 0 BR: 2 Target Population: Family Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0 Waitlist: None Year Built: 1986 AR Year: Yr Renovated:





5	Main Street Apts. Main St., Emporia, VA 23847	Contact: Chris Phone: (434) 634-3045	
		Total Units: 12 UC: 0 BR: 2 Target Population: Family Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0 Waitlist: None Year Built: 1980 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)
(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	New Nottoway River Commons Apts. 23166 Bellwood Ct., Jarratt, VA 23867	Contact: Sharon Phone: (434) 535-0113
	Total Units: 44 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1994 BR: 1,2 Vacant Units: 0 Waitlist: 10 HH AR Year:	
	Target Population: Family Yr Renovated: 2013 Rent Special: None Notes: Tax Credit; RD 515, has RA (32 units)	

7	Park Avenue Apts. 603 Park Ave., Emporia, VA 23847	Contact: Chris Phone: (434) 634-3045
	Total Units: 16 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2008 BR: 2 Vacant Units: 0 Waitlist: None AR Year:	
	Target Population: Family Yr Renovated: Rent Special: None Notes:	


8	Reese Village Apts. 311 Bond Ct., Emporia, VA 23847	Contact: Dachele Phone: (434) 634-9194
	Total Units: 40 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1985 BR: 1,2 Vacant Units: 0 Waitlist: 20 HH AR Year:	
	Target Population: Family Yr Renovated: 2004 Rent Special: None Notes: Tax Credit; RD 515, has RA (40 units)	

9	Trinity Woods Apts. 200 2nd St, Emporia, VA 23847	Contact: Cindy Phone: (434) 348-9354
	Total Units: 70 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 1994 BR: 1 Vacant Units: 0 Waitlist: Yes AR Year:	
	Target Population: Senior 62+ Yr Renovated: Rent Special: None Notes: HUD Section 8 & 202	


10	Washington Square Apts. 501 Washington St, Emporia, VA 23847	Contact: Darla Phone: (434) 829-6322
	Total Units: 24 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2001 BR: 2 Vacant Units: 0 Waitlist: 18 HH AR Year:	
	Target Population: Family Yr Renovated: 2020 Rent Special: None Notes: Tax Credit; RD 515, has RA (24 units)	

<ul style="list-style-type: none"> ✔ Comparable Property ◆ Senior Restricted (MRR) Market-Rate (MRT) Market-Rate & Tax Credit (MRG) Market-Rate & Government-Subsidized (MIN) Market-Rate & Income-Restricted (not LIHTC) 	<ul style="list-style-type: none"> (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized (TAX) Tax Credit (TGS) Tax Credit & Government-Subsidized (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC) (TIN) Tax Credit & Income-Restricted (not LIHTC) (TMG) Tax Credit, Market-Rate & Government-Subsidized 	<ul style="list-style-type: none"> (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized (INR) Income-Restricted (not LIHTC) (ING) Income-Restricted (not LIHTC) & Government-Subsidized (GSS) Government-Subsidized (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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11	Weaver Manor Apts. 216 Meherrin Ln, Emporia, VA 23847	Contact: Asia Phone: (434) 634-9665
	Total Units: 42 UC: 0 Occupancy: 95.2% Stories: 2 Year Built: 1984 BR: 1, 2 Vacant Units: 2 Waitlist: Rental Assisted Units: 8 HH AR Year: Target Population: Family Yr Renovated: 2018 Rent Special: None Notes: Tax Credit; RD 515, has RA (35 units)	




901	Addison Crater Woods Apts. 200 Addison Way, Petersburg, VA 23805	Contact: Shakwana Phone: (844) 463-2136
	Total Units: 636 UC: 0 Occupancy: 93.1% Stories: 3 Year Built: 1984 BR: 1, 2, 3 Vacant Units: 44 Waitlist: 6 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on floorplan & unit location; Rents change daily	




902	Briarcliff Apts. 101 Brookside Ln., South Hill, VA 23970	Contact: Evelyn Phone: (434) 865-0058
	Total Units: 36 UC: 18 Occupancy: 100.0% Stories: 1 Year Built: 2000 BR: 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Phase IV preleasing began 05/2022; 1st units opened 06/2022; 100% occupied 07/2022; Phase V, 18 units ECD Spring 2023	




904	Groom School Apts. 1050 Plank Rd, South Hill, VA 23970	Contact: Jessica Phone: (434) 447-2434
	Total Units: 55 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 1949 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 115 HH AR Year: 2019 Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; HOME Funds (13 units); Preleasing 9/2019, opened 10/2019, stabilized occupancy 3/2020	




905	Jesse Lee Apts. 401 Roberts Ave., Petersburg, VA 23805	Contact: Hellen Phone: (804) 733-4331
	Total Units: 108 UC: 0 Occupancy: 99.1% Stories: 3 Year Built: 2008 BR: 2, 3 Vacant Units: 1 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit	

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	



906	Lieutenant's Run 102 Lieutenants Run Dr., Petersburg, VA 23805	Contact: Tanisha Phone: (804) 722-9625
	Total Units: 168 UC: 0 Occupancy: 95.8% Stories: 3 Year Built: 2005 BR: 2, 3 Vacant Units: 7 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit	



907	Meadowridge 340 N. College Dr., Franklin, VA 23851	Contact: Paula Phone: (757) 562-0849
	Total Units: 97 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1991 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 25 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:	

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	

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.

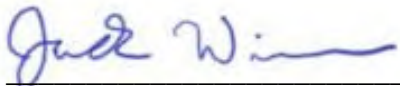


Patrick M. Bowen

President

patrickb@bowennational.com

Date: February 7, 2023



Jack Wiseman (Primary Contact)

Market Analyst

jackw@bowennational.com

Date: February 7, 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)
Executive Summary		
1.	Executive Summary	II
Project Description		
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
Location and Market Area		
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)

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Employment and Economy		
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
Demographic Characteristics		
24.	Population and household estimates and projections	IV
25.	Area building permits	V
26.	Distribution of income	IV
27.	Households by tenure	IV
Competitive Environment		
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
Analysis/Conclusions		
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)

Other Requirements		Section (s)
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