



REAL PROPERTY **RESEARCH** GROUP

ATLANTA ■ WASHINGTON/BALTIMORE

Market Feasibility Analysis

Friendship Court 1 – 9% Supplemental Charlottesville, Virginia

Prepared for:

National Housing Trust

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EXECUTIVE SUMMARY

Real Property Research Group, Inc. (RPRG) has been retained by Piedmont Housing Alliance to conduct a market feasibility study for Phase I of Friendship Court Apartments. Friendship Court I is the initial phase of the redevelopment of Friendship Court, an existing 150-unit subsidized garden and townhouse community on an 11.75-acre site in downtown Charlottesville, Virginia. When completed, the Friendship Court site will be converted into a mixed income rental community that could potentially include up to 500 units of subsidized, affordable and market rate rental apartments. The developers of the project were approved for 4 percent tax credits by Virginia Housing (VH) in 2022. To compensate for anticipated funding shortfalls, the developers are applying for 9 percent tax credits as supplemental funds in VH's 2023 funding round. The 60 affordable tax credit apartments include one bedroom, two bedroom, three bedroom, and four bedroom units targeted to households with incomes at or below 30, 50, 60, and 80 percent of Area Median Income (AMI). The remaining 46 units will be subsidized through the Section 8 program targeted to very low income households. The community's unit features and amenities will be superior compared to other larger tax credit communities in the area.

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

- **Site:** The subject site is located in a desirable urban location that is well-suited to the proposed use as a mixed income rental community. The plan to reposition this large parcel of land from a low-density subsidized rental property to a higher density mixed income development has many benefits for both the existing household base as well as the local community. The site's location is likely to have a widespread appeal, as demonstrated by the success of other multifamily rental properties within the immediate neighborhood. The site is also located within the City of Charlottesville's Strategic Investment Area and in a setting that is targeted for other redevelopment efforts. The site is located only two blocks from Charlottesville's Downtown Mall, a major commercial and entertainment center that encourages a vibrant urban residential setting. The Downtown Mall is lined with dozens of restaurants, cafes, shops, art galleries, and entertainment venues. In addition, the greater Charlottesville area provides numerous opportunities for convenience and comparison retail shopping within roughly a 5 – 15-minute drive of the site. The site is served by public bus transportation and the City of Charlottesville's Transit Center is within roughly a five minute walk of the site. The site is sufficiently large to support redevelopment efforts without the need to relocate the existing tenants to off-site locations. In this regard, the site's phasing can take place in an orderly fashion with only minimal disruption to existing residents.
- **Economic Analysis:** The city and county's economic base, buttressed by the region's sizable health, education, and defense sectors, has consistently remained strong since 2010. At-Place Employment gained 16,300 jobs over the past nine years, an increase of 19.6 percent. In 2020, At-Place Employment fell by nearly 8,000 jobs but gained back one quarter of the jobs lost through first quarter 2022. Until the full impact of the COVID-19 downturn became evident in 2020, the unemployment rate in Charlottesville and Albemarle County has remained low, below state and national rates. After a spike in 2020, unemployment quickly trended downward to a 2.6 percent rate as of September 2022, similar to pre COVID levels. As of first quarter 2022, Government is the largest employment sector in the local area accounting for one third of the employment base followed by Professional-Business, Education-Health, Trade-Transportation-Utilities, and Leisure-Hospitality. The largest employer is the University of Virginia/ UVA Medical system. Overall, three of the top ten employers are in the Education-Health sector including Sentara Healthcare (Martha Jefferson Hospital) and Piedmont Virginia



Community College. Other large employers include Albemarle County, US Department of Defense, State Farm, and Northrup Grumman.

- **Demographic Analysis:** Strong household growth trends over the past 12 years are projected to moderately accelerate (on an absolute basis) over the next five years as more housing options become available in the city and surrounding suburban areas. The market area will add households at an average net rate of 1.4 percent (557 households) per year between 2022 and 2027, greater than the 1.2 percent rate (474 households) during the 2010 to 2022 period. The Friendship Court I Market Area renter percentage of 57.6 percent in 2022 is significantly greater than the MSA's 34.6 percent share. Given the substantial pipeline of rental units and local trends, RPRG projects renter households will continue to contribute roughly 57.1 percent of net household growth over the next five years that matches renter share of household growth over the past 12 years. The market area is dominated by younger renter households living alone reflecting the presence of the massive University of Virginia campus three miles north of the site. One- and two-person households account for two-thirds (68.3 percent) of all renters. More than one-half (51.5 percent) of the primary market area's renters are young adults under the age of 35 although another one-quarter are renters between the ages of 35 to 54. The estimated 2022 median household income in the Friendship Court I Market Area is \$76,796. The primary market area's median renter household earns \$59,423 per year. Thirty percent of the primary market area's renters have annual incomes below \$35,000; 31 percent of all renter households have an annual income between \$35,000 and \$75,000. Data from the 2016 to 2020 ACS indicates that nearly two out of five (37 percent) renter households pay more than 40 percent of incomes towards housing.
- **Competitive Housing Analysis:** Based on the low vacancies reported in RPRG's survey of both the market rate and income-restricted general occupancy rental communities, the rental market in the Friendship Court I Market Area is tight, pointing to its ability to support the proposed subject apartments. The current combined stabilized vacancy rate across the surveyed rental communities is 1.6 percent; the tax credit vacancy rate is lower at 0.7 percent. The multifamily rental housing stock has expanded dramatically in recent years; a vast majority of the new apartments targeting the highest income renter households. Since 2010, five market rate rental communities have opened containing more than 1,300 units. In contrast, only four tax credit rental communities have opened containing 270 units. The market rate rental communities have a varied building structure and range in size from 40 units up to 468 units. These communities typically offer residents some amenities and/or an attractive downtown location with upscale unit features.

Effective rents for Upper Tier one-bedroom apartments average \$1,665 (\$2.06 per square foot); the two-bedroom market rate units average \$1,843 (\$1.68 per square foot); and the three-bedroom market rate units average \$2,202 (\$1.63 per square foot). Tax Credit rental units in the Friendship Court I Market Area account for only one out of four units (23 percent) of the surveyed multifamily stock. While these properties are older, many have undergone some renovation in recent years. On average, income-restricted properties are smaller and have fewer community amenities. Effective rents for one-bedroom apartments average \$951 (\$1.41 per square foot); two-bedroom tax credit units average \$1,129 (\$1.21 per square foot); and three-bedroom tax credit units average \$1,310 (\$1.12 per square foot).

Four rental communities are currently under construction with a total of 669 units including two tax credit properties. Within the next three years, it is anticipated that six other properties will deliver another 791 units; all but one will be tax credit communities.
- **Net Demand:** The Net Demand calculation indicates a marketplace with a moderate overhang of supply despite a substantial pipeline of 10 projects. The 150 units of over supply represents just 1.5 months of Net Rental Housing Demand. In the past, similar supply surpluses have been easily absorbed as evidenced by the consistent low vacancy rates below two percent over the past five years. The underlying strength of the rental market is underscored by an overall low



vacancy rate and even lower vacancy rate in the tax credit marketplace buttressed by strong economic and household growth. The subject is also strategically located in a portion of the market area that has been underserved by affordable apartment product.

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

Overall, RPRG judges that the subject site can readily be repositioned as a mixed income rental property. As stated previously, the subject site is exceptionally well located in downtown Charlottesville, is served by public transportation and has good access to amenities, services and employment:

Unit	Units	%	Type	Income Level	Rent Subsidy	Contract Rent (1)	Utility Allowance	Gross Rent	Area (SF)	Contract Rent/ SF
9% LIHTC										
1BR/1BA	6	6%	Garden	50%		\$744	\$109	\$853	642	\$1.16
1BR/1BA	4	4%	Garden	60%		\$855	\$109	\$964	642	\$1.33
1BR/1BA	11	10%	Garden	80%		\$1,285	\$109	\$1,394	642	\$2.00
Total 1 BR	21	20%				\$1,049	\$109	\$1,158	642	\$1.63
2BR/1BA	5	5%	Garden	30%		\$557	\$138	\$695	939	\$0.59
2BR/2BA	1	1%	TH	30%		\$557	\$138	\$695	1,154	\$0.48
2BR/2BA	9	8%	Garden	50%	Sect 8	\$1,493	\$138	\$1,631	939	\$1.59
2BR/2BA	3	3%	Garden	50%	Sect 8	\$980	\$138	\$1,118	939	\$1.04
2BR/2BA	3	3%	TH	50%	Sect 8	\$1,600	\$138	\$1,738	1,154	\$1.39
2BR/2BA	1	1%	TH	50%		\$980	\$138	\$1,118	1,154	\$0.85
2BR/2BA	5	5%	Garden	60%		\$1,022	\$138	\$1,160	939	\$1.09
2BR/2BA	14	13%	Garden	80%		\$1,350	\$138	\$1,488	939	\$1.44
2BR/2BA	3	3%	TH	80%		\$1,350	\$138	\$1,488	1,154	\$1.17
Total 2 BR	44	42%				\$1,217	\$138	\$1,355	978	\$1.24
3BR/2BA	2	2%	Garden	30%		\$574	\$169	\$743	1,276	\$0.45
3BR/2BA	2	2%	TH	30%		\$574	\$169	\$743	1,570	\$0.37
3BR/2BA	4	4%	Garden	50%	Sect 8	\$1,675	\$169	\$1,844	1,276	\$1.31
3BR/2.5BA	10	9%	TH	50%	Sect 8	\$1,750	\$169	\$1,919	1,570	\$1.11
3BR/2BA	8	8%	Garden	60%	Sect 8	\$1,675	\$169	\$1,844	1,276	\$1.31
3BR/2.5BA	2	2%	TH	60%	Sect 8	\$1,750	\$169	\$1,331	1,570	\$1.11
3BR/2.5BA	2	2%	TH	80%		\$1,529	\$169	\$1,623	1,570	\$0.97
Total 3 BR	30	28%				\$1,548	\$169	\$1,717	1,433	\$1.08
4BR/2BA	1	1%	Garden	30%		\$705	\$205	\$910	1,491	\$0.47
4BR/2.5BA	8	8%	TH	50%	Sect 8	\$1,950	\$205	\$2,155	1,959	\$1.00
4BR/2BA	2	2%	Garden	60%	Sect 8	\$1,800	\$205	\$2,005	1,491	\$1.21
Total 4 BR	11	10%				\$1,810	\$205	\$2,015	1,831	\$0.99
Total/Avg	106					\$1,339	\$148	\$1,487	1,129	\$1.19

Note: Contract rents include trash

Source: Piedmont Housing Alliance

Average Net Rentable Square Footages were used.

Number of Section 8 Units	46
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Model Type	No.	%
Garden Units	74	70%
Townhome Units	32	30%
Total	106	

Target AMI	No.	%
30%	11	10%
50%	10	9%
50% Section 8	34	32%
60%	9	8%
60% Section 8	12	11%
80%	30	28%
Total	106	



- **Structure Type:** The Developer has proposed two three-story garden structures and one four-story townhome structures that are compatible with the existing community and similar in style to the other existing market rate and tax credit inventory. The proposed structure type is appropriate for this development.
- **Unit Distribution:** In the context of the target markets, the proposed unit mix is appropriate. Given the large number of families at the existing Friendship Courts Apartments, the emphasis on larger units (three- and four-bedroom units) with a 38 percent share appear reasonable to address existing renter base. Overall, almost one third or renter households in the market have 3 or more persons, which need to be addressed by larger housing units. The proposed 20 percent share of one bedroom units at the subject is comparable to the 20 percent share of smaller units (studios and one bedroom units) in the existing tax credit inventory. The proposed 42 percent share of two bedroom units is moderately below the 52 percent share of two bedroom unit in the tax credit inventory but is counterbalanced by the larger number of three and four bedroom units.
- **Income Targeting:** Given the substantial waiting lists at both subsidized and non-subsidized affordable communities and the limited number of new affordable communities, the range of targeted incomes at the subject appear reasonable. The introduction of qualified moderate-income households at 80 percent of AMI will address the needs for quality workforce housing.
- **Unit Size:** The proposed one and two bedroom floor plans at Friendship Court Phase I are comparable to the existing tax credit inventory; the three and four bedroom floor plans are generously sized.
 - One bedroom units at the subject are sized on average at 642 square feet, moderately below the tax credit average of 676 square feet.
 - Two bedroom units at the subject are sized on average at 978 square feet, moderately larger than the tax credit average of 936 square feet. The 1,154 square foot floor plan for the townhome models is larger than the 1,094 square foot average of the market rate two bedroom models.
 - Three bedroom units at the subject are sized on average at 1,433 square feet, larger than the tax credit average of 1,168 square feet and the 1,354 square foot average of the market rate three bedroom units. In a similar fashion, the 1,570 square foot floor plan for the townhome models is comparable to the largest three bedroom models in the market rate group.
 - The average size of the four bedroom units at the subject at 1,491 square feet is also substantial by any measure.
- **Unit Features:** Units will feature energy-efficient appliances including range/oven, refrigerator, microwave, dishwasher, range hood, laminate counters, and wood cabinets. Luxury vinyl tile (LVT) flooring will cover the entire apartment. A stacked washer/dryer will be provided in each unit. Townhome units will have private entrances. The inclusion of microwaves and in unit washer-dryers in all units provides the subject a competitive advantage compared to most tax credit communities.
- **Utilities Included in Rent:** Six of the ten tax credit communities, plus the existing Friendship Court community, includes water, sewer and trash removal costs as does the subject.
- **Common Area Amenities:** The existing community amenities that will be available to tenants at the subject include an on-site supportive services programs, after-school care in a community building, a large playground and resident garden. Additional amenities to be provided at the subject include a library, work room/ conference center, and fitness facility.



The combination of the existing and proposed amenities will be superior to the amenity packages currently offered at existing tax credit communities.

- **Parking:** The proposed parking at the subject, consisting of 46 surface lot spaces and 67 garage spaces, is consistent with parking at the other tax credit and market rate communities.
- **Price Position:** The proposed 30, 50, 60, and 80 percent of AMI rents at Friendship Court Phase I Apartment fall below the maximum LIHTC Tenant Rent Limits for each of the target AMI rents as specified in the Department of Housing and Urban Development’s 2022 median household income for the Charlottesville, VA HUD Metro FMR Area. The subsidized rents are not evaluated since they are not subject to market factors.
 - **One Bedroom Units:** The proposed 50 percent one bedroom rent of \$744 is within the lower range of the \$705 to \$953 50 percent one bedroom rents at the surveyed LIHTC communities. The proposed 60 percent one bedroom rent of \$855 falls below the \$1,050 to \$1,219 60 percent one bedroom rents at the surveyed LIHTC communities.
 - **Two Bedroom Units:** Since there are no 30 percent models in the market area, the proposed 30 percent two bedroom rent of \$498 will be the lowest rent of any the models surveyed at the 29 market area communities. The proposed 50 percent two bedroom rent of \$882 will be within the lower range of the \$800 to \$1,121 50 percent two bedroom rent range at the surveyed LIHTC Communities. The proposed 60 percent two bedroom rent of \$1,022 falls below the \$1,045 to \$1,466 60 percent two bedroom rents at the surveyed LIHTC communities.
 - **Three Bedroom Units:** The proposed 30 percent three bedroom rent of \$574 will also be among the lowest rent of any the models surveyed at the 21 market area communities.
 - **Four Bedroom Units:** The proposed 30 percent four bedroom rent of \$705 will also be among the lowest rent of any of the models surveyed at the 21 market area communities.

80 Percent of AMI Units (Work Force): The proposed 80 percent AMI rents are positioned in the upper range of the tax credit communities but mostly below the rents of the market rate communities. The workforce housing will provide quality affordable housing for households earning too much for traditional tax credit units and too little to afford the newer upscale housing emerging in the market area.

- **One Bedroom Units:** The proposed one bedroom rent of \$1,285 falls above the upper range of the tax credit one bedroom rents and just above the \$1,253 lowest market rate one bedroom rent.
- **Two Bedroom Units:** The proposed two bedroom rent of \$1,350 also falls within the upper range of the tax credit two bedroom rent and below all but one of the market rate communities (the Rivanna two bedroom rents of \$1,040 are an outlier in the market rate group).
- **Three Bedroom Units:** The proposed rent of \$1,529 falls within the upper range of the tax credit three bedroom rents and below the \$1,594 lowest market rate three bedroom rent.
- **Effective Demand – Affordability/Capture and Penetration:** RPRG judges that the capture rates are low and readily achievable, particularly since the subject will be in area currently underserved by affordable units and will offer new and attractive units. The subject’s overall renter capture rates is low at 0.7 percent– significantly lower than the five percent threshold indicative of a strong market. Even without subsidies, the overall capture rate is still a very low 1.0 percent.

RPRG considers the calculated penetration rate for the tax credit units of 18 percent of income-restricted renter households to be reasonable within the context of the Friendship Court I



Market Area. In essence, our analysis suggests that the most directly competitive rental units will need to capture roughly one out of six income-restricted renter households.

- **VHDA Demand Methodology:** RPRG considers the key captures rates for the new units proposed for Friendship Court 1 as both reasonable and readily achievable. Taking into consideration the very low capture rates, we have estimated an overall project lease up pace of roughly five months, reflecting an average absorption pace of 12 units per month for the 60 new tax credit and market rate units (assuming that 46 subsidized units would be filled by existing tenants moving from the original Friendship Court community), or an average project absorption (including the existing subsidized units) of 20 units per month to achieve 95 percent occupancy.

Concluding Comments

The subject site is located strategically close to the Downtown Mall, the urban core of downtown Charlottesville that is well-suited to the proposed use as a mixed income rental community. The plan to reposition this large parcel of land from a low-density subsidized rental property to a higher density mixed income development has many benefits for both the existing household base as well as the local community. The site's location is likely to have a widespread appeal, as demonstrated by the success of other multifamily rental properties within the immediate neighborhood. The Albemarle County/ City of Charlottesville economic base, buttressed by the region's recession proof health, education, and defense sectors, has consistently remained strong even weathering the recent recession with minimal adverse impact. The market area reported strong population and household growth during the 2010 to 2022 period that is project to moderately accelerate (on an absolute basis) over the next five years as more housing options have emerged in Charlottesville and the close-in Albemarle County neighborhoods. Based on the low vacancies reported in RPRG's survey of both the market rate and income-restricted general occupancy rental communities, the rental market in Friendship Court Market Area is tight at 1.6 percent vacancy, pointing to its ability to support the proposed subject apartments.

Despite a short term pipeline of ten projects, the demand analysis indicates a moderate demand surplus of 150 units. Capture and penetration rates are also low, indicating a large pool of income qualified households to support both the subject and competitive properties. The demand for affordable housing is further demonstrated by virtually full occupancies and waiting lists at subsidized and tax credit properties.

Taking into consideration the very low capture rates, we have estimated an overall project lease up pace of roughly five months, reflecting an average absorption pace of 12 units per month for the 60 new tax credit and market rate units (assuming that 46 subsidized units would be filled by existing tenants moving from the original Friendship Court community), or an average project absorption (including the existing subsidized units) of 29 units per month to achieve 95 percent occupancy.

Impact on Existing Market

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



I. INTRODUCTION

A. Overview of Subject

The subject of this report, Phase I of Friendship Court Apartments, is the initial phase of the redevelopment of Friendship Court, an existing 150-unit subsidized garden and townhouse community on an 11.75-acre site in downtown Charlottesville, Virginia. When completed, the Friendship Court site will be converted into a mixed income rental community that could potentially include up to 500 units of subsidized, affordable and market rate rental apartments. Phase I (located on 3.87 acres) consists of 106 garden and townhomes units that include 46 subsidized unit and 60 affordable units which will be income-restricted in accordance with the Department of Housing and Urban Development’s median household income for the Charlottesville, VA HUD Metro FMR Area; 2022 tax credit incomes are presented in Table 1.

Table 1 HUD Rent & Income Limits

HUD 2022 Median Household Income										
Charlottesville, VA MSA		\$111,200								
Very Low Income for 4 Person Household		\$52,400								
2022 Computed Area Median Gross Income		\$104,800								
Utility Allowance:										
		1 Bedroom	\$109							
		2 Bedroom	\$138							
		3 Bedroom	\$169							
		4 Bedroom	\$205							
Household Income Limits by Household Size:										
Household Size	30%	40%	50%	60%	80%	100%	120%	150%	200%	
1 Person	\$22,020	\$29,360	\$36,700	\$44,040	\$58,720	\$73,400	\$88,080	\$110,100	\$146,800	
2 Persons	\$25,170	\$33,560	\$41,950	\$50,340	\$67,120	\$83,900	\$100,680	\$125,850	\$167,800	
3 Persons	\$28,320	\$37,760	\$47,200	\$56,640	\$75,520	\$94,400	\$113,280	\$141,600	\$188,800	
4 Persons	\$31,440	\$41,920	\$52,400	\$62,880	\$83,840	\$104,800	\$125,760	\$157,200	\$209,600	
5 Persons	\$33,960	\$45,280	\$56,600	\$67,920	\$90,560	\$113,200	\$135,840	\$169,800	\$226,400	
6 Persons	\$36,480	\$48,640	\$60,800	\$72,960	\$97,280	\$121,600	\$145,920	\$182,400	\$243,200	
Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):										
Persons	# Bed-rooms	30%	40%	50%	60%	80%	100%	120%	150%	200%
1	0	\$22,020	\$29,360	\$36,700	\$44,040	\$58,720	\$73,400	\$88,080	\$110,100	\$146,800
1.5	1	\$23,595	\$31,460	\$39,325	\$47,190	\$62,920	\$78,650	\$94,380	\$117,975	\$157,300
3	2	\$28,320	\$37,760	\$47,200	\$56,640	\$75,520	\$94,400	\$113,280	\$141,600	\$188,800
4.5	3	\$32,700	\$43,600	\$54,500	\$65,400	\$87,200	\$109,000	\$130,800	\$163,500	\$218,000
6	4	\$36,480	\$48,640	\$60,800	\$72,960	\$97,280	\$121,600	\$145,920	\$182,400	\$243,200
LIHTC Tenant Rent Limits by Number of Bedrooms (assumes 1.5 persons per bedroom):										
# Persons	30%		40%		50%		60%		80%	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
1 Bedroom	\$589	\$480	\$786	\$677	\$983	\$874	\$1,179	\$1,070	\$1,573	\$1,464
2 Bedroom	\$708	\$570	\$944	\$806	\$1,180	\$1,042	\$1,416	\$1,278	\$1,888	\$1,750
3 Bedroom	\$817	\$648	\$1,090	\$921	\$1,362	\$1,193	\$1,635	\$1,466	\$2,180	\$2,011
4 Bedroom	\$912	\$707	\$1,216	\$1,011	\$1,520	\$1,315	\$1,824	\$1,619	\$2,432	\$2,227

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

The developers of the project were approved for 4 percent tax credits by Virginia Housing (VH) in 2022. To compensate for anticipated funding shortfalls, the developers are applying for 9 percent tax credits as supplemental funds in VH’s 2023 funding round. The 60 affordable tax credit apartments include one bedroom, two bedroom, three bedroom, and four bedroom units targeted to households with incomes at or below 30, 50, 60, and 80 percent of Area Median Income (AMI).



The remaining 46 units will be subsidized through the Section 8 program targeted to very low income households. The community's unit features and amenities will be superior compared to other larger tax credit communities in the area.

B. Purpose

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

C. Format of Report

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

D. Client, Intended User, and Intended Use

The Client is The National Housing Trust. Along with the Client, the Intended Users are the Client's development partner, and representatives of VH and potential investors. The subject report will be submitted to VH as part of an application for nine percent tax credits.

E. Applicable Requirements

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

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

F. Scope of Work

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

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



G. Report Limitations

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

H. Other Pertinent Remarks

None.



II. PROJECT DESCRIPTION

A. Project Overview

1. Current Conditions

Friendship Court Apartments is an existing Low Income Housing Tax Credit (LIHTC) multifamily rental community located at 400 – 426 Garrett Street in Charlottesville, Virginia. The rental community includes 150 apartments and townhouses in 21 building clusters as well as community amenities. All of the units have project-based HUD Section 8 rental subsidies.

The property was initially constructed in 1978 and was purchased in 2002 by Piedmont Housing Alliance (Developer) and National Housing Trust. The property was subsequently renovated with tax credit equity in 2004 with the rental subsidies remaining in effect. Table 2 illustrates the current unit mix, unit sizes and HUD contract rents as well as utility allowances. With the project-based rental subsidies, tenants pay only 30 percent of their adjusted incomes for rent.

Table 2 Current Unit Distribution, Unit Sizes, and Rents, Friendship Court

Unit	Type	No. Units	% Total	Heated SF	HUD Contract Rent	Utility Allowance	Gross Rent
2BR/1BA	Garden	80	53%	857	\$1,125	\$95	\$1,220
3BR/2BA	Garden	16	11%	1,237	\$1,400	\$149	\$1,549
3BR/1.5BA	Townhouse	38	25%	1,176	\$1,400	\$153	\$1,553
4BR/2.5BA	Townhouse	16	11%	1,326	\$1,475	\$197	\$1,672
Totals/ Averages		150		1,028	\$1,261	\$126	\$1,388

Note: Contract rent includes water, sewer, and trash collection

Source: Piedmont Housing Alliance

All of the buildings have two-stories and brick exteriors. The units are basic but include kitchens with range, refrigerator and disposal. Flooring is carpet and VCT tile. All of the units include an in-unit washer/dryer. An exterior storage unit is included on the rear patio of the townhouse units. The community amenities include an on-site supportive services program as well as after-school care in a community building. Other amenities include a large playground, basketball court and resident garden. The property remains fully occupied except for turnover and the waiting list is extensive.

2. Proposed Redevelopment

A Master Plan to reposition the existing Friendship Court Apartments as a mixed-income rental community was prepared in December 2016. The redevelopment is projected to take place in phases over the next 10 – 15 years. At full build-out the campus will contain approximately 500 units. The initial phase of redevelopment – the subject of this report - includes the construction of three new buildings with 106 units on the eastern side of the campus (Figure 1) (Figure 2) (Figure 3).

The first three phases contain 282 units:

- **Phase I** (the subject) contains 106 units of which 30 are tax credit units; 30 are workforce housing units (80% AMI); and 46 are subsidized Section 8 units. Construction on Phase I started January 2022. The 32 townhomes units will be completed in summer 2023 and the remaining 74 garden units will be completed in October/ November 2023. Forty-six

households from the existing Friendship Court apartments will move into the Phase I units; these 46 existing units will then be demolished.

- Phase II** contains 106 units of which are 100 are tax credit units and six are Land Trust units. Construction will start first quarter 2024 with completion in 18 months (third quarter 2025). Fifty-two families from the existing Friendship Court apartments will move into the Phase II units; these 52 units existing units will then be demolished.

Figure 1 Preliminary Site Plan, Friendship Court Phase I



Source: Piedmont Housing Alliance

- Phase III** contains 70 units of which 66 are tax credit units and four are Land Trust Units. Construction will start fourth quarter 2025 with completion in 18 months (second quarter 2027). Fifty-two families from the existing Friendship Court apartments will move into Phase III units and the remaining units will be demolished.

Figure 2 Garden Elevation



Source: Piedmont Housing Alliance

Figure 3 Townhome Elevation



Source: Piedmont Housing Alliance

B. Detailed Project Information

1. Project Description

Friendship Court Phase I will include 106 one-, two-, three-, and four-bedroom units. One four-story garden structure will contain 60 apartments and two two-story structures will contain 46 townhomes, all with private entrances (Table 3). Forty-three percent of the units (46) will have project based Section 8 low income subsidies; 27 percent of the units (30) will be apartments targeted to households earning up to 30, 50, and 60 percent of AMI, and 28 percent of the units



(30) will be “workforce housing” units targeted to households earning up to 80 percent of AMI. The unit distribution includes 21 one bedroom units (20 percent); 44 two bedroom units (42 percent); 30 three bedroom units (28 percent); and 11 four bedroom units (10 percent).

Table 3 Proposed Unit Mix – Friendship Court Phase I

Unit	Units	%	Type	Income Level	Rent Subsidy	Contract Rent (1)	Utility Allowance	Gross Rent	Area (SF)	Contract Rent/ SF
9% LIHTC										
1BR/1BA	6	6%	Garden	50%		\$744	\$109	\$853	642	\$1.16
1BR/1BA	4	4%	Garden	60%		\$855	\$109	\$964	642	\$1.33
1BR/1BA	11	10%	Garden	80%		\$1,285	\$109	\$1,394	642	\$2.00
Total 1 BR	21	20%				\$1,049	\$109	\$1,158	642	\$1.63
2BR/1BA	5	5%	Garden	30%		\$557	\$138	\$695	939	\$0.59
2BR/2BA	1	1%	TH	30%		\$557	\$138	\$695	1,154	\$0.48
2BR/2BA	9	8%	Garden	50%	Sect 8	\$1,493	\$138	\$1,631	939	\$1.59
2BR/2BA	3	3%	Garden	50%		\$980	\$138	\$1,118	939	\$1.04
2BR/2BA	3	3%	TH	50%	Sect 8	\$1,600	\$138	\$1,738	1,154	\$1.39
2BR/2BA	1	1%	TH	50%		\$980	\$138	\$1,118	1,154	\$0.85
2BR/2BA	5	5%	Garden	60%		\$1,022	\$138	\$1,160	939	\$1.09
2BR/2BA	14	13%	Garden	80%		\$1,350	\$138	\$1,488	939	\$1.44
2BR/2BA	3	3%	TH	80%		\$1,350	\$138	\$1,488	1,154	\$1.17
Total 2 BR	44	42%				\$1,217	\$138	\$1,355	978	\$1.24
3BR/2BA	2	2%	Garden	30%		\$574	\$169	\$743	1,276	\$0.45
3BR/2BA	2	2%	TH	30%		\$574	\$169	\$743	1,570	\$0.37
3BR/2BA	4	4%	Garden	50%	Sect 8	\$1,675	\$169	\$1,844	1,276	\$1.31
3BR/2.5BA	10	9%	TH	50%	Sect 8	\$1,750	\$169	\$1,919	1,570	\$1.11
3BR/2BA	8	8%	Garden	60%	Sect 8	\$1,675	\$169	\$1,844	1,276	\$1.31
3BR/2.5BA	2	2%	TH	60%	Sect 8	\$1,750	\$169	\$1,919	1,570	\$1.11
3BR/2.5BA	2	2%	TH	80%		\$1,529	\$169	\$1,623	1,570	\$0.97
Total 3 BR	30	28%				\$1,548	\$169	\$1,717	1,433	\$1.08
4BR/2BA	1	1%	Garden	30%		\$705	\$205	\$910	1,491	\$0.47
4BR/2.5BA	8	8%	TH	50%	Sect 8	\$1,950	\$205	\$2,155	1,959	\$1.00
4BR/2BA	2	2%	Garden	60%	Sect 8	\$1,800	\$205	\$2,005	1,491	\$1.21
Total 4 BR	11	10%				\$1,810	\$205	\$2,015	1,831	\$0.99
Total/Avg	106					\$1,339	\$148	\$1,487	1,129	\$1.19

Note: Contract rents include trash

Source: Piedmont Housing Alliance

Average Net Rentable Square Footages were used.

Number of Section 8 Units	46
----------------------------------	-----------

Model Type	No.	%
Garden Units	74	70%
Townhome Units	32	30%
Total	106	

Target AMI	No.	%
30%	11	10%
50%	10	9%
50% Section 8	34	32%
60%	9	8%
60% Section 8	12	11%
80%	30	28%
Total	106	

- One bedroom floor plans are sized at 642 square feet.
- Two bedroom floor plans are sized from 939 to 1,154 square feet and average 978 square feet.
- Three bedroom floor plans are sized from 1,276 to 1,570 square feet and average 1,433 square feet.
- Four bedroom floor plans are sized from 1,491 to 1,959 square feet and average 1,831 square feet.



2. Project Features and Community Amenities

Units will feature energy-efficient appliances including range/ oven, refrigerator, microwave, dishwasher, range hood, laminate counters, and wood cabinets (Table 4). Luxury vinyl tile (LVT) flooring will cover the entire apartment. A stacked washer/dryer will be provided in each unit. Townhome units will have private entrances.

Table 4 Unit Features and Community Amenities – Friendship Court Phase I

Unit Features	Community Amenities
<ul style="list-style-type: none"> • Energy Star appliances – refrigerator, stove, microwave, dishwasher • Laminate counters • Central HVAC • Luxury vinyl tile • Stacked washer/ dryer. • Townhomes will feature private entrances. 	<p>Existing Community Amenities</p> <ul style="list-style-type: none"> • On-site resident services program • After school care in a community center • Playground • Resident Garden <p>New Community Amenities</p> <ul style="list-style-type: none"> • Library • Work room/ conference center • Fitness center

The existing community amenities that will be available to tenants at the subject include an on-site supportive services programs, after-school care in a community building, a large playground, and resident garden. Additional amenities at the subject will include a library, work room/ conference center and fitness facility. The existing basketball court will be removed during construction of the new buildings. The community will offer 49 surface parking spaces and 67 space in an underground garage located below the new multi-family structure.

3. Proposed Timing of Development

The Developer is submitting a supplemental request to VH for competitive (nine percent) Low Income Housing Tax Credits for the March 2023 funding round. Construction started in January 2022 with first move-ins expected in summer 2023 and completion in fourth quarter 2023.

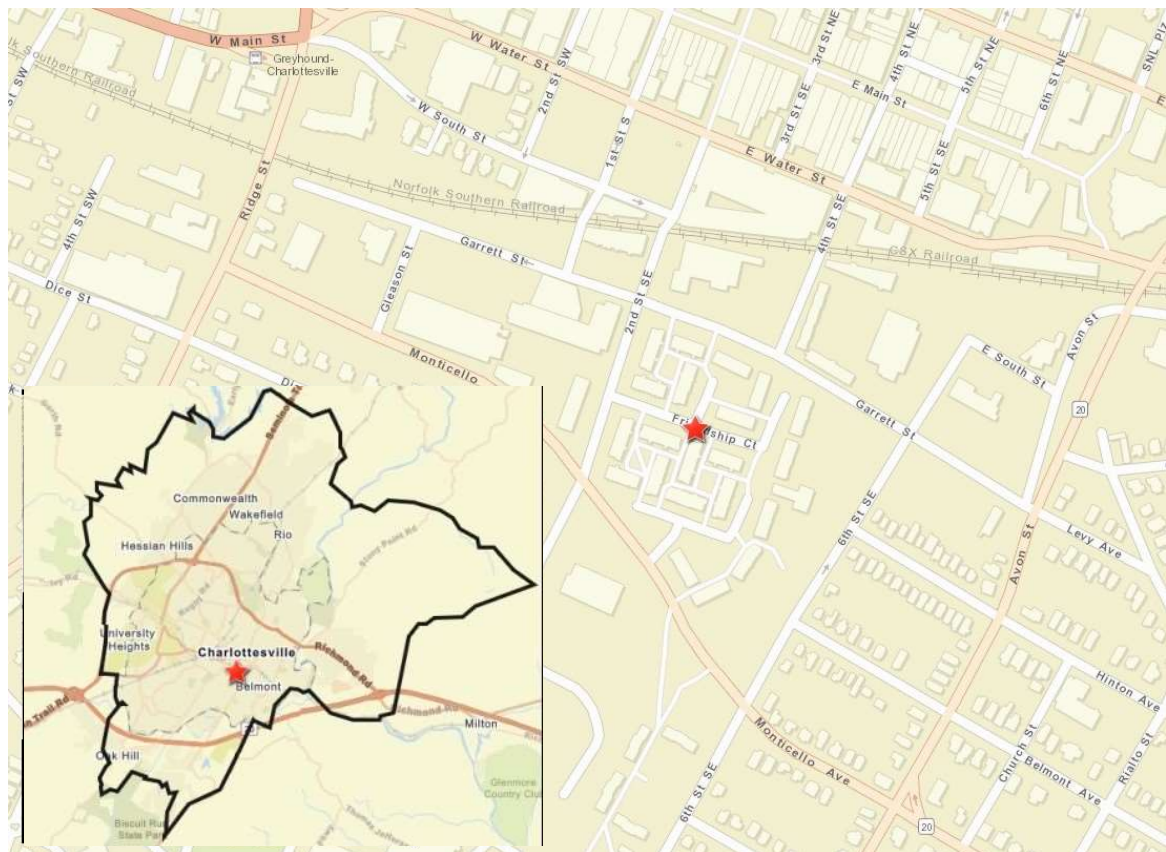
III. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location

The subject site is located in downtown Charlottesville, two blocks south of that portion of Main Street known as the “Downtown Mall” (Map 1). The seven-block Downtown Mall is a well-recognized pedestrian shopping and dining locale. The Mall was hard hit during the Pandemic in 2020 that resulted in many closures but is now recovering due to the concerted efforts of the downtown business organization. The Downtown Mall is now lined with 50 shops and boutiques, 15 restaurants and cafes, art galleries, performing arts venues as well as service-oriented businesses (banks, professional offices, government offices). In addition to commercial uses, many of the upper stories of first floor retail uses along the Mall are occupied by apartments. There are also numerous condominium and rental properties located along the Mall’s periphery.

Map 1 Site Location, Friendship Court



2. Size, Shape and Topography

The overall project site consists of 11.75 acres. The Phase I project is located on 3.87 acres of the overall site. The existing buildings are located along Garrett Street, 2nd Street SE and Monticello Avenue, while the portion of the site used for the initial phase of redevelopment is the open green

area primarily fronting along 6th Street SE. The overall site has a rectangular shape and the topography slopes downward from street level along both Garrett and 6th Street SE. Running diagonally through that portion of the site identified for the initial phase of redevelopment is Pollocks Branch, an underground stream buried in a 6' by 6' culvert. Because this stream accommodates run-off from a significant portion of the City of Charlottesville, the relocation of this stream is not considered to be financially feasible. Placement of future buildings on the site will need to maintain a buffer from this flood-prone area.

3. Existing Uses

As observed during RPRG's recent site visit on December 1st, 2022, the subject site is improved with 21 clusters of two-story buildings as well as a community building and separate leasing office (Figure 4). The site also includes a playground, basketball court, resident garden and open space as well as surface parking. The majority of the buildings are enclosed by a perimeter iron fence that is open during the day but is kept locked after dark. The Phase I parcel is an active construction site (Figure 5).

Figure 4 Aerial View of Site

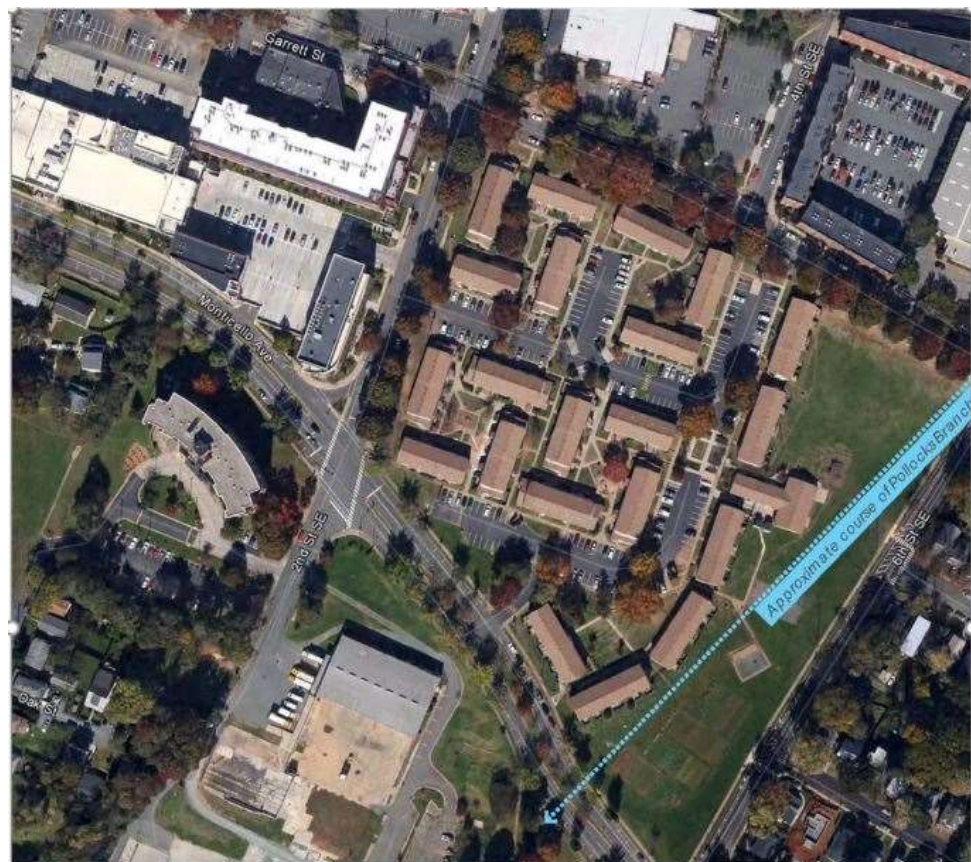


Figure 5 View of Existing Site



4. Description of Land Uses Surrounding the Subject Site

The area near the subject site is comprised of a variety of uses, including other residential multifamily rental communities, both market rate (Norcross Station) and subsidized (Crescent Halls public housing); ownership condominium properties (Gleason building); commercial office buildings (ACAC and Ferguson Enterprises), urban retail (Three Notched Brewing Company and The Glass Building) as well as miscellaneous uses, such as the Water Street Parking Garage and the CSX Railroad tracks.

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



- **North:** Uses along Garrett Street, including Norcross Station (88 market rate apartments in an adaptive reuse midrise building and two three-story garden buildings with lofts). Two blocks to the north is Charlottesville’s Downtown Mall district.
- **East:** 6th Street SE, a one-way street for northbound traffic. Single-family detached homes are located along this road.
- **South:** Monticello Avenue, a two-way street with center median. IX Art Park, a unique walk-through sculpture park anchored by the Three Notched Brewing Company.
- **West:** Uses located off 2nd Street SE, including the 38-unit Gleason building, the Atlantic Coast Athletic Club, a state-of-the-art fitness center with rooftop pool, office buildings and Crescent Halls midrise public housing

Figure 6 Views of Surrounding Land Uses



Norcross Station new construction building



IX Art Park & Three Notched Brewery



Crescent Halls public housing (recently renovated)



Directional signage one block from site)



View along 6th Street SE

B. Neighborhood Analysis

1. General Description of Neighborhood

The subject is located in an urban section of downtown Charlottesville consisting of a mixture of residential uses (two story to mid-rise condominiums), one to six story offices, street level retail (eating, shops, services), hotels (Residence Inn by Marriott and Omni), a federal courthouse, and miscellaneous uses (distribution center, bus terminal, structured garages, health club). The seven block “Downtown Mall” (also known as Main Street), located just two blocks northeast of the site, was one of the few successful examples nationally of a pedestrianized “main street”. At its height, the Downtown Mall was lined with 120 shops and boutiques, 30 restaurants and cafes, art galleries, performing arts venues, and customer services (banks, professional offices, government offices). During COVID’s lockdown, many stores and restaurants had closed but efforts are underway to revitalize this corridor.

An impetus to downtown development is the advent of several recent office developments in and around the downtown core of Charlottesville that will add nearly ½ million square feet of Class A office space.

- The 140,000 square foot CODE (Center of Developing Entrepreneurs) office building located at 240 W. Main Street (one-half mile northwest of subject) opened in January 2022 and is fully leased.
- The 120,000 square foot 3Twenty3 office building at 323 Second St. SE (two blocks northwest of the subject), opened mid-2022 and is also fully leased.
- Dairy Central’s 50,000 square foot office building at 946 Grady Avenue (one mile northwest of the subject) opened in early 2022 and is fully leased.
- The new headquarters for Charlottesville-based Apex Clean Energy, a 187,000-square-foot, seven-story headquarters at 100 Garret Street (four blocks west of the subject, completed construction in 2022.

In addition to commercial uses, many of the upper stories of first floor retail uses along the Mall are occupied by apartments. A half dozen condominium and rental properties are located along the Mall’s periphery. The parallel streets of Water Street (to the south) and Market Street (to the south) are also lined with shops and services. The Downtown Warehouse District containing boutiques and eateries is located east of the site. The massive University of Virginia educational and medical campuses lie 1.5 to 2.5 miles to the west.



2. Visibility

The proposed new rental buildings on the Friendship Court site will have excellent visibility from surrounding roadways including Garrett Street, Monticello Avenue and 6th Street SE. This location is heavily traveled due to its proximity to both the Downtown Mall (two blocks to the north) and the IX Art Park (the adjoining block to the south). The streets surrounding Friendship Court are also heavily traveled by pedestrians who are walking to the nearby shopping, employment and entertainment venues. We believe that the site will have both good visibility as well as a readily recognizable location.

3. Vehicular Access

Currently, vehicular access to Friendship Court is from Monticello Avenue to the south and 2nd Street SE from the west. The proposed initial phase will be located on the eastern corners of the site so that traffic to the buildings will need to travel past the existing rental community. In the future, there are plans to extend 4th Street SE through the site from Garrett Street to Monticello Avenue. This will open the site up to the neighborhood and increase accessibility to the planned new rental apartment buildings.

Overall, the site is convenient to major roads and public transit nodes. The downtown roadways connect to the University of Virginia campus roughly 1.5 miles to the west while north-west routes link to VA Route 250 Bypass/U.S. Route 29. Several routes provide access within roughly two miles to I-64, a major east-west connector in central Virginia. Although traffic in the downtown can be challenging, the site has good access to numerous outbound roadways.

Route 29 is the major commercial corridor of the Charlottesville area that stretches from Downtown Mall and UVA Campus to the Barracks Road Center, Seminole Square, Shops at Stonefield, Rio Hill Shopping Center and further north to Hollymead Town Center, UVA Research Center, and NGIC. On a regional basis, Route 29 links Charlottesville with the Northern Virginia/Washington DC metropolitan area (to the north) and with Lynchburg, Danville, and Greensboro, North Carolina (to the south). The 250 Bypass provides access to Interstate 64, a primary east-west connector in central Virginia, which directly links Charlottesville with Staunton and Interstate-81 to the west and Richmond and the Norfolk/ Hampton Roads area to the east.).

4. Availability of Public Transit

Charlottesville Transit Services (CTS) is the primary provider of mass transit services to the citizens of Charlottesville although other bus routes are operated by the University Transit Service (UTS). The subject site is located within roughly a five-minute walk of the Downtown Transit Station, located at the eastern terminus of the Downtown Mall. This transit hub provides access to all of the bus routes operated within Charlottesville; transfers between bus lines are available at no additional charge. CAT Route 1 (East Market Street and Piedmont Virginia Community College) stops directly in front of the subject site and several other routes, including CAT Route 2 (5th Street Station and Downtown), CAT Route 3 (Belmont and Southwood) and CAT Route 4 (Cherry Avenue and Harris Road) have stops within roughly one block. The City of Charlottesville also offers free trolley service that regularly travels the loop connecting the University of Virginia campus with the downtown area.

The closest Amtrak station is located 0.8 mile west of the site. The station is served by the Cardinal, Crescent and Northeast Regional lines with service to all of the major East Coast cities. Amtrak Virginia Thruway buses also provide connecting service to Richmond and other destinations. The Greyhound Bus terminal is located at 310 W. Main Street (0.3 miles west). The local Charlottesville-Albemarle County Airport is located roughly ten miles to the north.



5. Pedestrian Access

There are sidewalks along all of the streets that border the subject site and throughout the Friendship Court property. The local neighborhood is pedestrian-friendly with crosswalks.

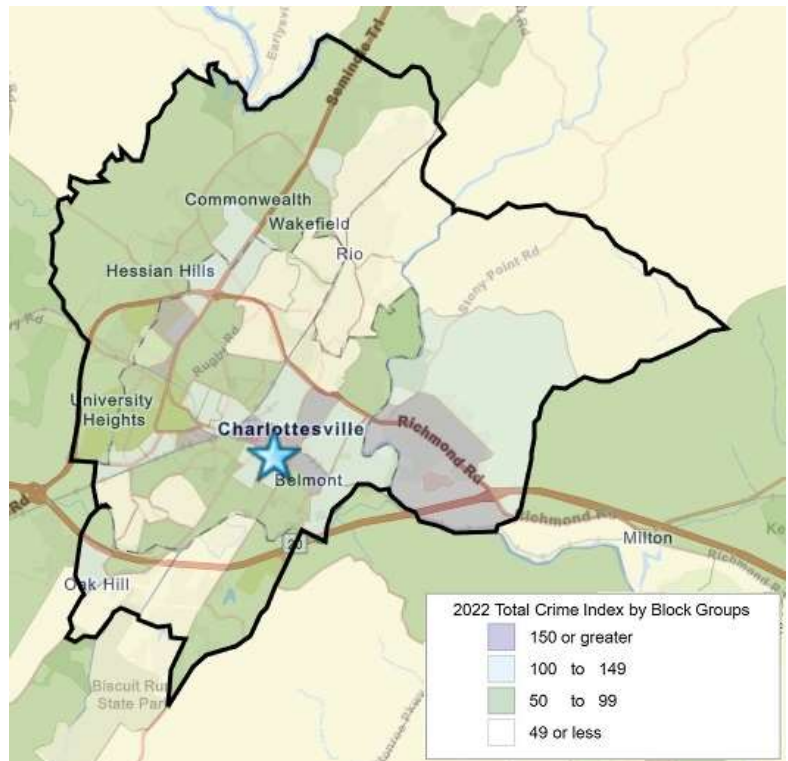
6. Accessibility Improvements under Construction and Planned

According to the State of Virginia DOT’s Six Year Improvement Program (SYIP) for Charlottesville (2023 to 2028), over \$20 million has been allocated for improvements to pedestrian and bicycle circulation/streetscapes along W. Main Street.

7. Public Safety

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

The central core of Charlottesville generally exhibits higher rates of crime than the surrounding area since much of this area is colored in the light and blue shades (Map 2). The subject is located in a neighborhood that contains light blue census tracts that represent a moderate degree of crime risk that is typical of a more urban areas. However, the area is regarded as a safe place to live according to local rental managers and the perceived threat of crime has not been an impediment to virtually full occupancies at many of the downtown rental communities. The Charlottesville Fire and Police Departments are located within a mile of the site.



Map 2 Friendship Court I Market Area CrimeRisk Index

Source: Esri



C. Residential Support Network

1. Key Facilities and Services near the Subject Site

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

Table 5 Key Facilities and Services near Subject Site

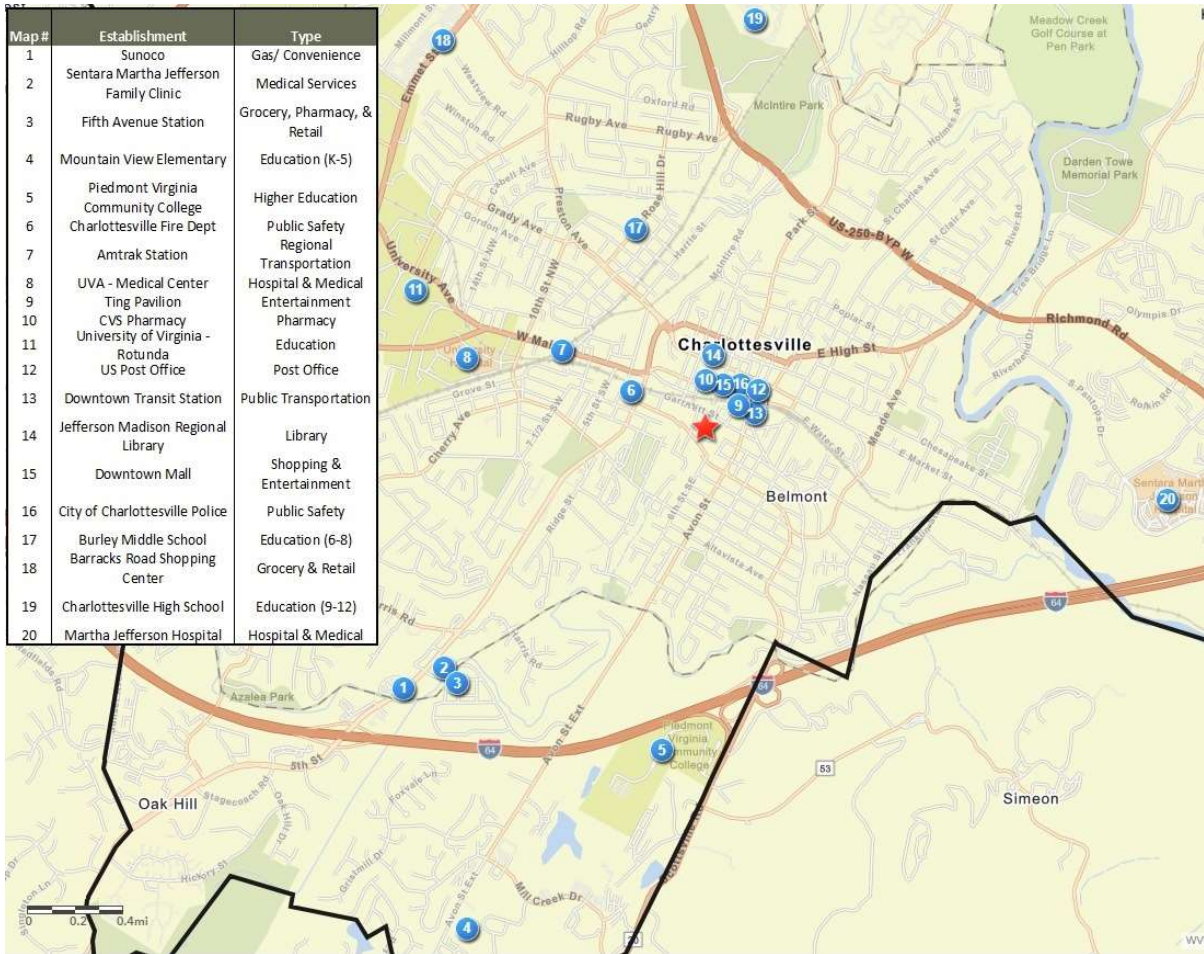
Establishment	Address	Type	Distance (miles)
IX Art Park	520 2nd Street SE	Entertainment	0.1 mi S
ACAC - Health Club	455 2nd Street SE	Recreation	0.1 mi W
Warehouse District (Glass Building)	313 E. 2nd Street	Shopping & Entertainment	0.1 mi W
Downtown Family Health Care	310 Avon Street	Medical Services	0.2 mi E
Ting Pavilion	600 E. Water Street	Entertainment	0.2 mi E
Downtown Mall	200 - 600 E. Main Street	Shopping & Entertainment	0.2 mi N
CVS Pharmacy	208 E. Main Street	Pharmacy	0.2 mi N
Downtown Transit Station	615 E. Water Street	Public Transportation	0.2 mi NE
Jefferson Madison Regional Library	201 E. Market Street	Library	0.3 mi N
Market Street Market	400 E. Market Street	Convenience Store	0.3 mi N
City of Charlottesville Police	606 E. Market Street	Public Safety	0.3 mi N
Greyhound Bus Station	310 W. Main Street	Regional Transportation	0.3 mi NW
Charlottesville Fire Dept	203 Ridge Street	Public Safety	0.4 mi W
Clark Elementary School	1000 Belmont Avenue	Public Education (K-4)	0.5 mi E
Amtrak Station	810 W. Main Street	Regional Transportation	0.8 mi NW
UVA - Medical Center	1215 Lee Street	Hospital & Medical	1.3 mi W
Buford Middle School	1000 Cherry Avenue	Public Education (7-8)	1.4 mi W
Pantops Shopping Center (Food Lion)	394 S.Pantops Drive	Grocery & Retail	1.7 mi E
University of Virginia - Rotunda	1826 University Avenue	Education	1.9 mi W
Fifth Avenue Station (Wegman's)	149 5th Street Station Pkwy	Grocery & Retail	2.2 mi S
Walker Upper Elementary School	1564 Dairy Road	Public Education (5-6)	2.4 mi N
Piedmont Virginia Community College	501 College Drive	Higher Education	2.4 mi S
Charlottesville High School	1400 Melbourne Road	Public Education (9-12)	2.5 mi N
Barracks Road Shopping Center (Harris Teeter, Kroger)	1117 Emmet Street N	Grocery & Retail	2.6 mi NW
Whole Foods	1797 Hydraulic Rad	Supermarket	3.4 mi N
Martha Jefferson Hospital	500 Martha Jefferson Drive	Hospital & Medical	3.5 mi E
Rio Hill Shopping Center (Lowes, Wal-Mart)	1940 Rio Hill Drive	General Retail	5.0 mi N
Charlottesville-Albemarle Airport	Bowen Loop	Air Transportation	10.7 mi N

Note: Distances calculated from 418 Garrett Street, Charlottesville, VA 22902

Source: Real Property Research Group, Inc.



Map 3 Neighborhood Amenities



2. Essential Services

a. Health Care

Two major hospital complexes – the UVA Medical Center and Martha Jefferson Hospital – are one to 3.5 miles from the site. There are numerous private medical practitioners in the City of Charlottesville, including the Downtown Family Health Center, located within a five minute walk of the subject site. The local CVS Pharmacy is also within walking distance.

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



b. Education

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

The results of SOL tests can be used to compare the performance of students in various schools and school districts. To construct this comparison, we compiled data on the percentage of students testing at the state-defined ‘proficient’ level or ‘advanced’ level in core subject areas. We compiled data for the 2021 to 2022 school year to compare overall school performance on a school district basis in Virginia and to compare school performance across the school district.

Charlottesville City Public Schools System provides instruction to all school-age children in Charlottesville. As of the 2021-2022 school year, this public school system ranked 112th out of the 131 school districts in the Commonwealth of Virginia with 60.2 percent of their students testing at a “Proficient” or “Advanced” level, below the overall Virginia average of 71.5 percent (Table 6).

Table 6 Standards of Learning Test Results, Cities and Counties of Virginia – 2021/2022 School Year

Rank	County	Grade 3		Grade 8		High School		Composite
		English	Math	English	Math	English	Algebra I	
1	Falls Church City	87	86	93	84	95	91	89.3
2	Botetourt County	87	88	84	80	92	91	87.0
3	York County	86	86	84	82	92	91	86.8
4	Wise County	82	82	81	84	92	94	85.8
5	Lexington City	93	94	88	47	91	97	85.0
6	Russell County	82	82	78	<	86	91	83.8
58	Middlesex County	44	60	60	77	85	99	70.8
59	King George County	70	71	74	52	90	67	70.7
60	Powhatan County	66	70	71	58	75	82	70.3
61	Warren County	68	67	66	47	90	83	70.2
62	Staunton City	68	73	67	53	84	73	69.7
63	Bristol City	70	62	70	49	82	84	69.5
64	Suffolk City	63	63	73	58	85	74	69.3
65	Lee County	64	61	64	54	83	89	69.2
66	Pulaski County	66	69	64	49	92	74	69.0
67	Frederick County	65	63	66	50	88	81	68.8
80	Dinwiddie County	70	70	60	49	75	79	67.2
81	Henrico County	67	63	67	44	85	77	67.2
82	Albemarle County	66	61	74	38	86	77	67.0
83	Alleghany County	69	70	63	45	81	74	67.0
84	Martinsville City	54	61	68	41	91	87	67.0
85	Shenandoah County	61	70	59	43	84	85	67.0
86	Spotsylvania County	70	67	67	37	87	74	67.0
108	Lynchburg City	60	53	64	43	82	73	62.5
109	Portsmouth City	55	46	58	39	88	79	60.8
110	Prince Edward County	55	62	58	32	90	66	60.5
111	Nottoway County	59	58	57	43	86	59	60.3
112	Charlottesville City	70	57	54	21	82	77	60.2
113	Manassas Park City	47	40	60	43	73	82	57.5
114	Brunswick County	51	58	50	34	74	76	57.2
115	Manassas City	51	43	62	41	81	65	57.2
128	Richmond City	44	38	46	18	82	55	47.2
129	Franklin City	31	38	57	20	81	54	46.8
130	Charles City County	45	26	62	21	81	45	46.7
131	Danville City	40	33	47	22	54	57	42.2
Virginia Average		68.0	67.0	72.0	57.0	85.0	80.0	71.5

Averages in this table are based on public, private, and charter schools.

Source: Virginia Department of Education



The following schools will serve residents with children residing at the subject site: Clark Elementary School (1000 Belmont Avenue – 0.5 mile southeast); Walker Upper Elementary School (1564 Dairy Road – 2.4 miles north); Buford Middle School (100 Cherry Avenue – 1.4 mile west); and Charlottesville High School (1400 Melbourne Road – 2.5 miles north).

Based on the measure employed in this analysis (2021-2022 SOL results), the elementary school (Clark) serving Friendship Court ranked last out of six elementary schools for students in the K-4 grades with 45.0 percent of students tested as either proficient or advanced (Table 7). In comparison, 67.5 percent of all students in the Commonwealth of Virginia achieved at either a proficient or advanced level. At Walker Upper Elementary School (Grade 5-6), 100.0 percent of students tested as either proficient or advanced, compared to the Virginia average of 64.5 percent. At Buford Middle School, 36.0 percent of students tested as either proficient or advanced, compared to the Virginia average of 64.5 percent. Of those students attending Charlottesville High School, 93.0 percent tested as either proficient or advanced, compared to the Virginia average of 92.1 percent. Other than Clark, the three other schools were the only schools in the city in each category).

Table 7 Standards of Learning Test Results, Charlottesville City Public Schools – 2021/2022 School Year

Elementary Schools					Middle Schools				
VSLA - 2021 -2022					VSLA - 2021-2022				
Grade 3					Grade 8				
Rank	School	English	Math	Composite	Rank	School	English	Math	Composite
1	Greenbrier Elementary	82.0%	73.0%	77.5%	1	Walker Upper Elementary	100.0%	100.0%	100.0%
2	Burnley-Moran Elementary	80.0%	62.0%	71.0%	2	Buford Middle	54.0%	18.0%	36.0%
3	Johnson Elementary	72.0%	56.0%	64.0%	City of Charlottesville Average				
4	Venable Elementary	69.0%	53.0%	61.0%	Virginia Average				
5	Jackson-Via Elementary	59.0%	55.0%	57.0%	72.0%				
6	Clark Elementary	52.0%	38.0%	45.0%	57.0%				
City of Charlottesville Average					63.5%				
Virginia Average					68.0%				
					67.0%				
					67.5%				

High Schools					
EOC -2021-2022					
Rank	School	English	Math	Composite	Grad Rate
1	Charlottesville High	82.0%	72.0%	77.0%	93.0%
City of Charlottesville Average					
82.0%					
77.0%					
79.5%					
93.0%					
Virginia Average					
85.0%					
80.0%					
82.5%					
92.1%					

Source: Virginia Department of Education

For higher education opportunities, the University of Virginia in Charlottesville is less than two miles west of the subject site. The public institution’s enrollment is more than 21,000 students, and the school employs more than 12,000 full time faculty and staff. The local community college, Piedmont Virginia Community College, is located only 2.4 miles to the south just outside the City of Charlottesville.

3. Commercial Goods and Services

a. Convenience Goods

The subject is ideally situated to take full advantage of an array of eating, shopping, cultural, historic, and entertainment options available within only several blocks (and within walking distance) of the subject site. The Downtown Mall in Charlottesville is a pedestrian-oriented seven block streetscape filled with an assortment of shops, restaurants and cafes, as well as employment and service-oriented establishments. Other eateries and shops are also located along side streets as well as Water and Market Streets. The emerging “Warehouse District” located just west of the subject site includes shops and eateries in renovated former warehouses.

The site is located close (1.7 miles east) to two supermarket-anchored neighborhood centers in Pantops (Giant and Food Lion) that also contain a wide variety of restaurants and fast food outlets



including a Starbucks. A CVS Pharmacy, Easy Mart convenience store, several fast food and casual dining outlets, and Bank of America are also located nearby.

Another nearby center is Fifth Street Station (2.2 miles south), the newest large-scale retail center in the area. Opened in late 2016, the project includes major retailers for daily needs and general retail, such as Wegman's, Dick's Sports, Field & Stream, PetSmart, Planet Fitness, and numerous eateries and restaurants. Willoughby Square, anchored by Food Lion, CVS, and Family Dollar, is located across the street from Fifth Street Station. A Sunoco Gas Station/ Convenience Store is located directly south of Willoughby Square.

b. Comparison Goods

Major big box retailers and regional shopping centers are available in the greater Charlottesville area. The Barracks Road Shopping Center is located along U.S. Route 29 (2.6 miles to the northwest) and includes retailers such as Old Navy, Michaels, Barnes & Noble, Bed, Bath & Beyond, Harris Teeter and Kroger as well as 80+/- smaller stores. Shops at Stonefield, located 3.6 miles to the north, contains a Costco and national stores such as Brooks Brothers, LL Beans, Pottery Barn, Traders Joe, and Williams Sonoma. The Rio Hill Mall anchored by Dick's Joanne's Fabrics, TJ Maxx, Lowes, and Wal-Mart is located along Route 29 five miles to the north.

c. Recreational & Other Community Amenities

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

The city, county, and state are planning significant investments in parklands and pedestrian/ bike trails over the next two to four years that will provide an interrupted trail way system connecting Forest Hills Park, one mile southwest of the site to South Street Station and the new 1,500 acre State Park at Biscuit Run south of Interstate 64. Land has also been acquired for the new 20 acre Hochner's Mill Park located between Avon Street and 5th Street. The linchpin of the network will be a planned linear park 1.5 miles southwest of the subject at Rock Creek that will provide trail connections heading north and south.

D. Overall Site Conclusion

The subject site is located in a desirable urban location that is well-suited to the proposed use as a mixed income rental community. The plan to reposition this large parcel of land from a low-density subsidized rental property to a higher density mixed income development has many benefits for both the existing household base as well as the local community. The site's location is likely to have a widespread appeal, as demonstrated by the success of other multifamily rental properties within the immediate neighborhood. The site is also located within the City of Charlottesville's Strategic Investment Area and in a setting that is targeted for other redevelopment efforts.

The site is located only two blocks from Charlottesville's Downtown Mall, a major commercial and entertainment center that encourages a vibrant urban residential setting. The Downtown Mall is lined with dozens of restaurants, cafes, shops, art galleries, and entertainment venues. In addition, the greater Charlottesville area provides numerous opportunities for convenience and comparison retail shopping within roughly a 5 – 15-minute drive of the site. The site is served by public bus



transportation and the City of Charlottesville’s Transit Center is within roughly a five minute walk of the site. The site is sufficiently large to support redevelopment efforts without the need to relocate the existing tenants to off-site locations. In this regard, the site’s phasing can take place in an orderly fashion with only minimal disruption to existing residents.



IV. ECONOMIC CONTEXT

A. Introduction

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

B. Unemployment and Labor Force Trends

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

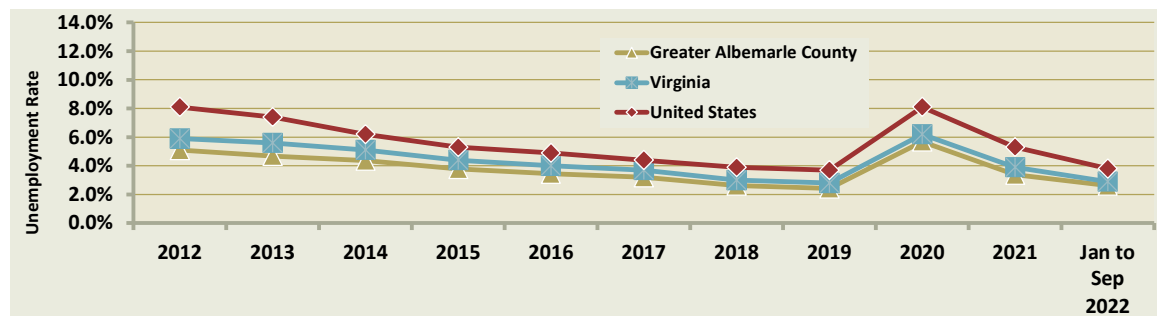
1. Trends in Annual Average Labor Force, Employment, and Unemployment Rates

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

Table 8 Labor Force and Unemployment Rates

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

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



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



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

C. Commutation Patterns, American Community Survey

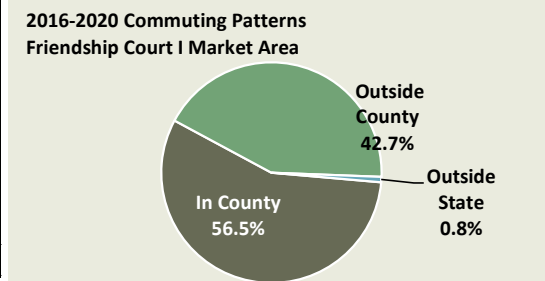
According to the 2016-2020 American Community Survey (ACS) data, roughly 39 percent of workers residing in the market area commuted 15 minutes or less to work. Another 36 percent of workers commuted 15 to 24 minutes (Table 9). Nine percent of workers commuted 25 to 34 minutes and seven percent of workers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

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

Table 9 Commutation Data, Friendship Court I Market Area

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

Source: American Community Survey 2016-2020



Source: American Community Survey 2016-2020

D. Greater Albemarle County At-Place Employment

1. Trends in Total At-Place Employment

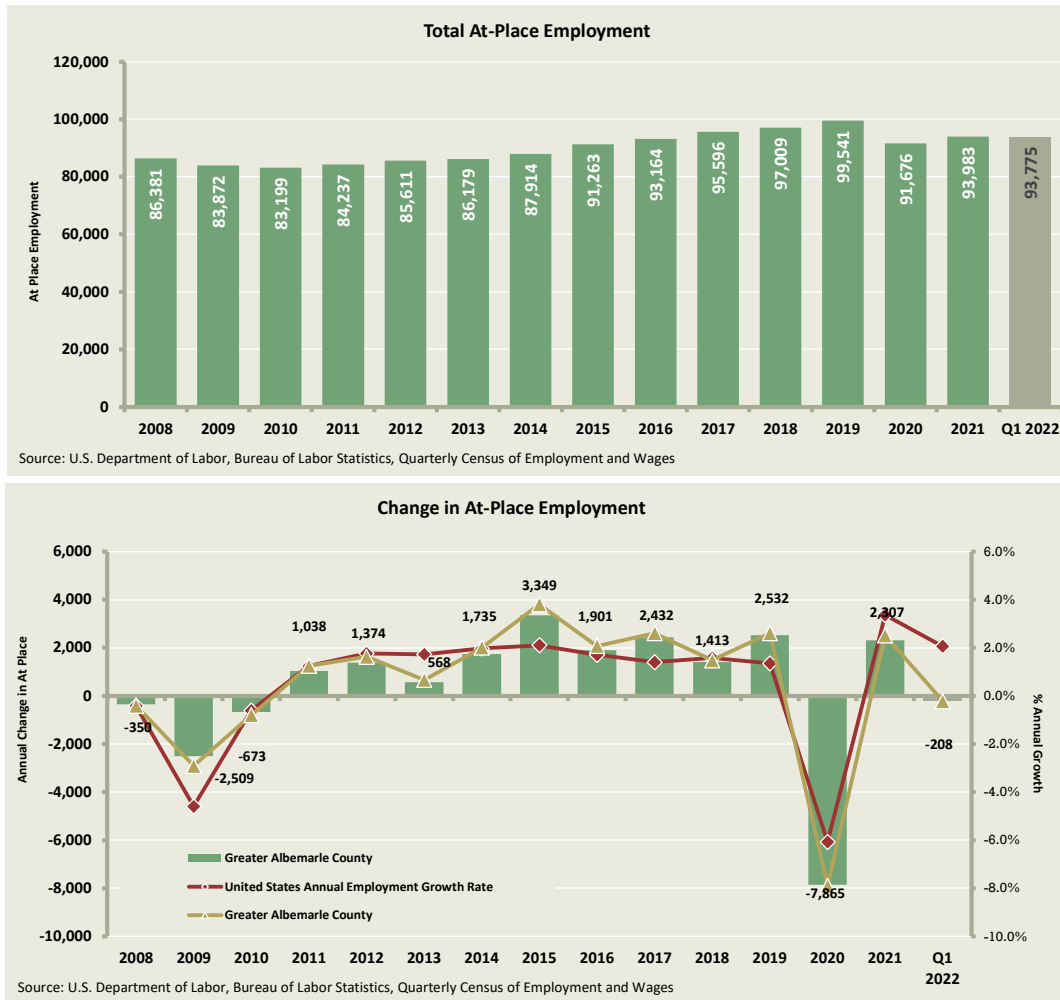
The Greater Albemarle County at-place employment fell moderately over the recession period 2008 and 2010 to 83,199 jobs, a loss of 3,200 jobs (3.7 percent) from the 2008 total of 86,381 jobs (Figure 7). Over the next nine years, at-place employment recovered and by 2019 had reached a new peak of 99,541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

The trend lines on the bottom of Figure 7 illustrate that jobs in the Greater Albemarle County proportionately declined at a lesser rate than national trends during the recession but also recovered at a similar pace compared to the country except in the years 2015, 2017, and 2019 when the area’s growth spurts exceeded the national rate. However, the proportionate loss in the



2020 locally was greater than that of the nation and recovery in 2021 was below the national pace. The small loss of 200 jobs through first quarter 2022 contrasts with gains on a national level.

Figure 7 At-Place Employment, Greater Albemarle County

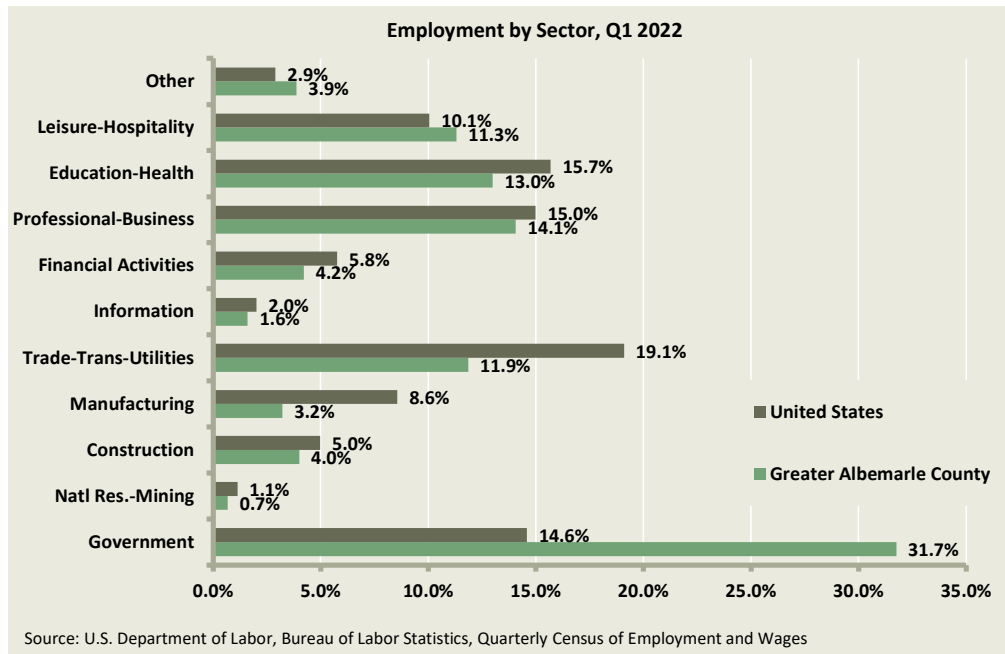


2. At-Place Employment by Industry Sector

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



Figure 8 Total Employment by Sector



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

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

E. Wage Data

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



Figure 9 Employment Change by Sector

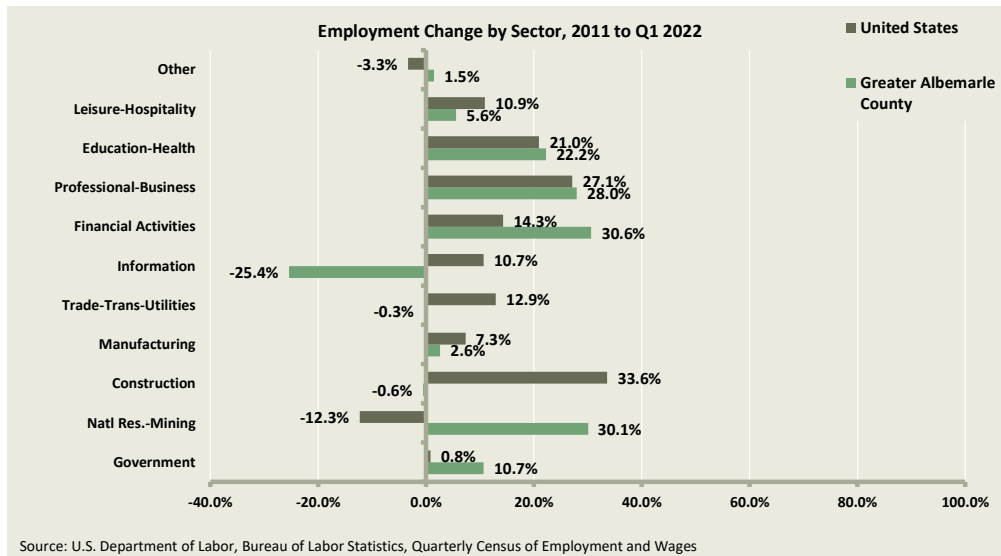


Table 10 Wage Data, City of Charlottesville

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

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

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

F. Major Employers

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



Figure 10 Wage by Sector, City of Charlottesville



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

Table 11 Major Employers – Greater Albemarle County

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

Source: Virginia Employment Commission 2020

G. Economic Conclusions

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



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

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



V. HOUSING MARKET AREA

A. Introduction

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

B. Delineation of Market Area

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

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

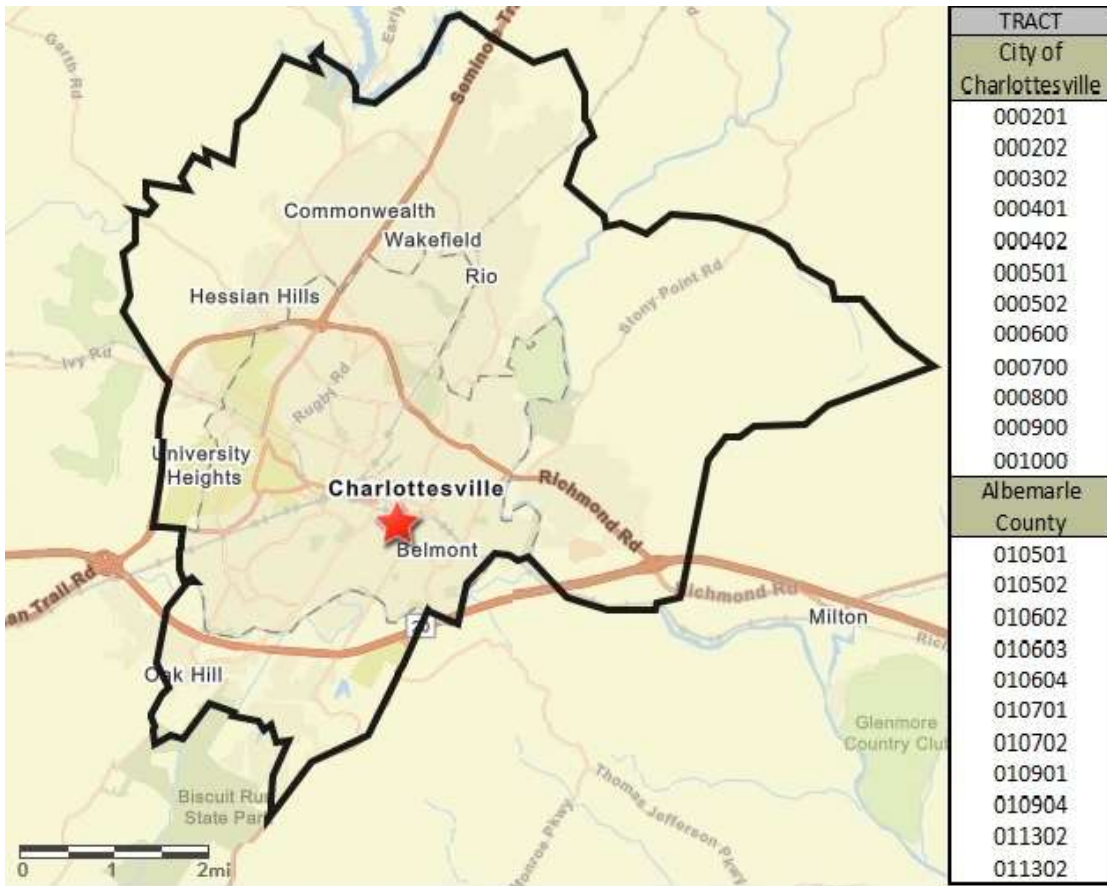
The boundaries of the Friendship Court I Market Area and their approximate distances from the subject site are as follows: The following are the (rough) market area boundaries:

- **North:** South Fork Rivanna River Reservoir, Polo Grounds Road to Eastham to Sugarloaf Mountain (5.9 miles).
- **East:** Sugarloaf Mountain to Trevilian Mountain to Rivanna River; Scottsville (3.6 miles).
- **South:** Reynovia Drive (3.2 miles).
- **West:** Sunset Avenue Extension; Route 250; Old Garth Road to South Fork Rivanna River Reservoir (2.9 miles).

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



Map 4 Friendship Court I Market Area





VI. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

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

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

B. Trends in Population and Households

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

1. Recent Past Trends

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

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

2. Projected Trends

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

3. Building Permit Trends.

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



Table 12 Population and Household Trends, 2000 to 2027

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

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

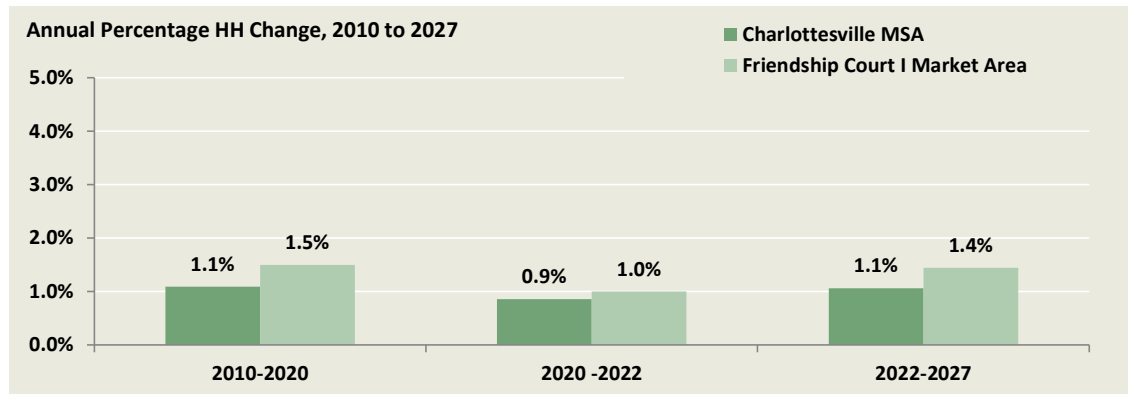


Table 13 Building Permits for New Residential Units, Albemarle County

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

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

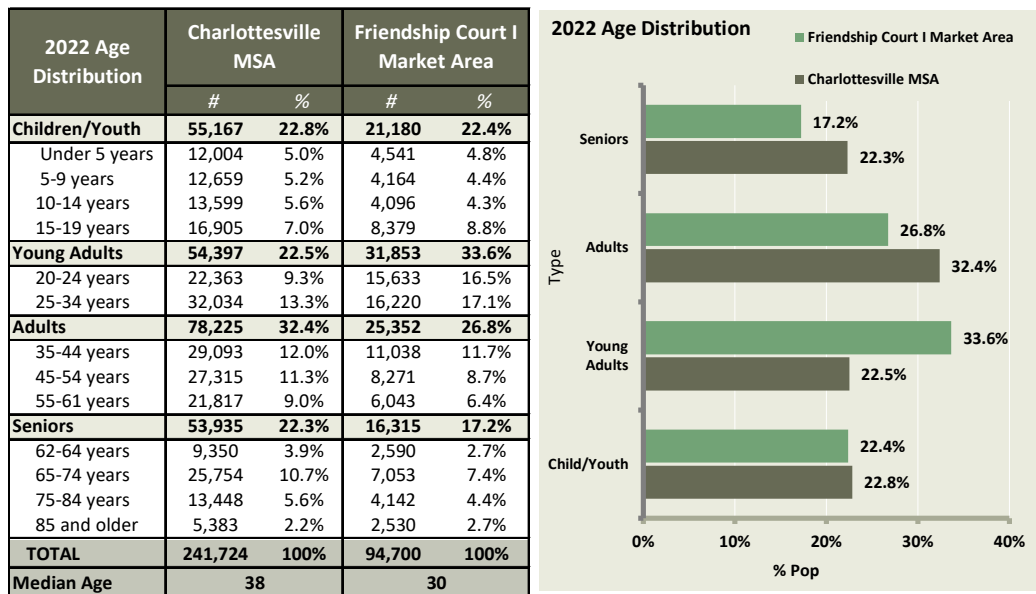


C. Demographic Characteristics

1. Age Distribution and Household Type

The median age in the Friendship Court I Market Area is 30, eight years younger than the median age of residents living throughout the Charlottesville MSA (38 years) (Table 14). Young adults, age 20 to 34 years, comprise a higher percentage of the primary market area’s population than that of the Charlottesville MSA population – one-third versus 22.5 percent – reflecting the presence of the University of Virginia campus within the market area. Adults ages 35 to 61 account for roughly one out of four persons (27.0 percent) of the market area population but represent one-third (32.4 percent) of all persons in the MSA. Senior citizens 62 years and older account for 17 percent of the primary market area’s population, a lower proportion than in the Charlottesville MSA (22 percent). Children and youth under age 20 comprise roughly the same proportion of the population in both areas at 22 to 23 percent.

Table 14 2022 Age Distribution



Source: Esri; RPRG, Inc.

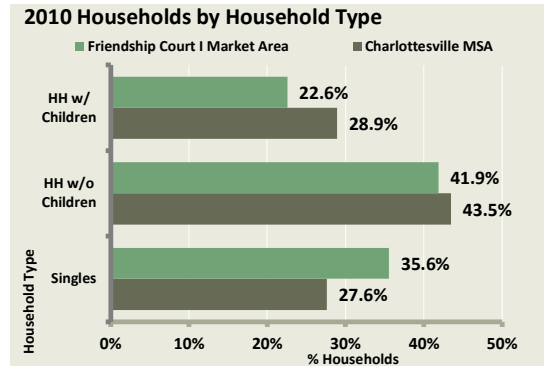
According to the 2010 Census, individuals living alone – a category that typically includes many young adults and seniors – accounted for 35.6 percent of the households in the Friendship Court I Market Area but only 27.6 percent of the households throughout the Charlottesville MSA (Table 15). In the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



Table 15 2010 Households by Household Type

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

Source: 2010 Census; RPRG, Inc.



2. Renter Household Characteristics

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

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



Table 16 Households by Tenure, 2010-2022

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

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

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

3. Projected Trends

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

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

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



Table 17 Households by Tenure, 2022-2027

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

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

Source: Esri, RPRG, Inc.

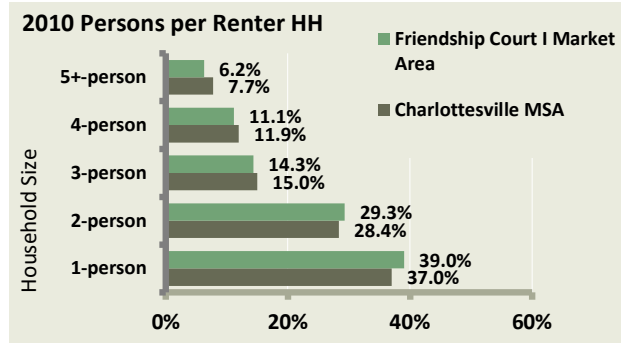
4. Renter Household Characteristics

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

Table 18 Renter Households by Household Size

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

Source: 2010 Census



The Friendship Court I Market Area has a higher proportion of younger renters than does the Charlottesville MSA as a whole (Table 19). Over one-half (51.5 percent) of primary market area renters as of 2021 are estimated to be below the age of 35 while 45.2 percent are represented throughout the Charlottesville MSA. Households between the ages of 35 and 54 account for 26.5 percent of all renter households within the market area and 28.2 percent of renters throughout

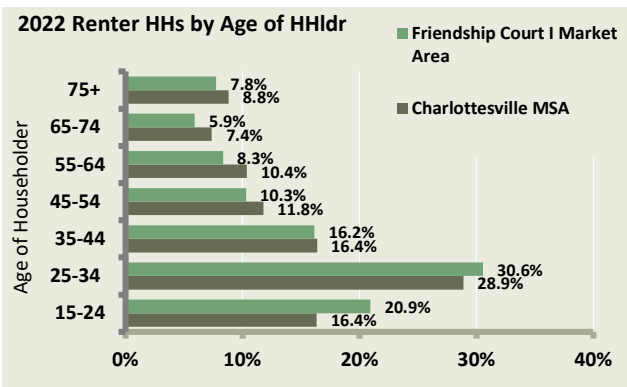


the Charlottesville MSA. These are the households who are most likely to be permanent renters, renting more out of necessity than lifestyle preference. Older households age 55+ represent 22.0 percent of all renters within the market area and 26.6 percent MSA-wide.

Table 19 Renter Households by Age of Householder

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

Source: Esri, Real Property Research Group, Inc.



D. Income Characteristics

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

Table 20 2022 Household Income

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

Source: Esri; Real Property Research Group, Inc.

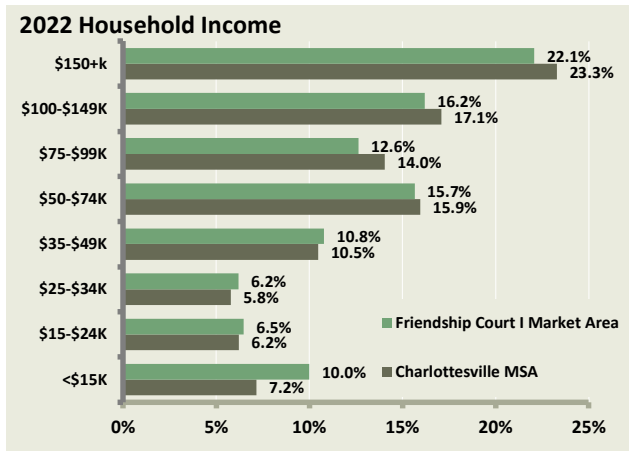


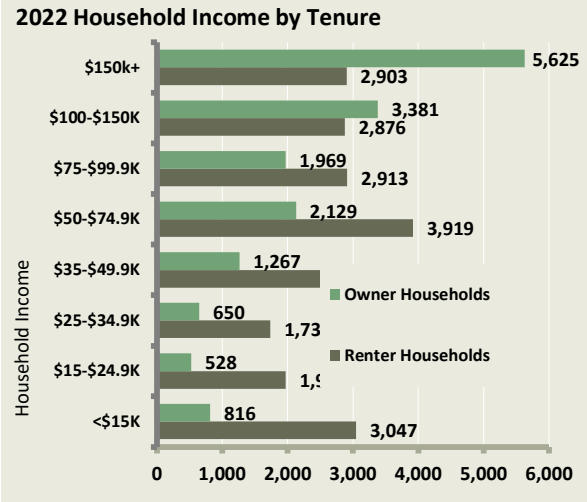
Table 21 presents distributions of 2022 household incomes for renter and homeowner households in the Friendship Court I Market Area. Based on income estimate data from the 2016-2020 ACS, Esri income projections, and RPRG’s household estimates, the median annual income among the primary market area’s renter households as of 2021 is lower but still substantial at \$59,423. The median income of homeowner households in the Friendship Court I Market Area – \$112,183 – is nearly double the median renter income. Twenty-three percent of the primary market area’s



renters have annual incomes below \$25,000. Twenty-one percent earn between \$25,000 and \$49,999 while the remaining 57 percent have incomes more than \$50,000, of which 26 percent earn \$100,000 or greater.

Table 21 2022 Household Income by Tenure

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



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

E. Cost-Burdened Renter Households

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

Rent burden data from the 2016-2020 ACS highlights that lower-income renter households in the Friendship Court I Market Area tend to pay a very high percentage of their monthly income toward housing costs (Table 22). Thirty-seven percent of all renter households residing in the Friendship Court I Market Area have rent burdens of 40 percent or higher. The cost-burdened situation of many low- to moderate-income renter households is a primary indicator of a need for new affordable income- and rent-restricted rental housing in the primary market area. Additionally, 2.3 percent of the rental housing stock within the market area can be considered substandard, i.e., lacking complete plumbing facilities, or overcrowded with more than 1.0 occupants per room.



Table 22 Rent Burden by Household Income, 2016-2020, Friendship Court I Market Area

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

Source: American Community Survey 2016-2020

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



VII. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

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

B. Overview of Market Area Housing Stock

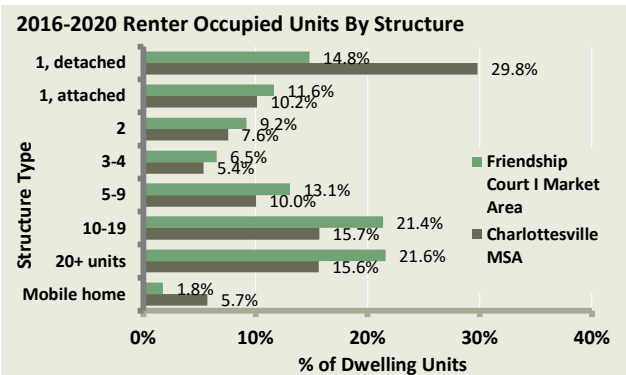
1. Housing Stock Characteristics

As recorded in the 2016-2020 ACS, 26 percent of the renter-occupied housing stock of the Friendship Court I Market Area was found in single family rentals structures – detached homes, attached townhouses or duplexes (Table 23). Larger multifamily structures of at least 10 units accounted for a greater proportion (43 percent) of all rentals; mid-sized rental structures containing 3 to 9 units accounting for 20 percent of rentals. Throughout the Charlottesville MSA, more renter-occupied units were in single-family structures (40 percent) and fewer were in large multifamily structures (31 percent) while 15 percent of rental units were in smaller multifamily buildings. The MSA also recorded a significant presence of mobile homes at 5.7 percent compared to just 1.8 percent in the market area.

Table 23 Rental Dwelling Units by Structure Type

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

Source: American Community Survey 2016-2020



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

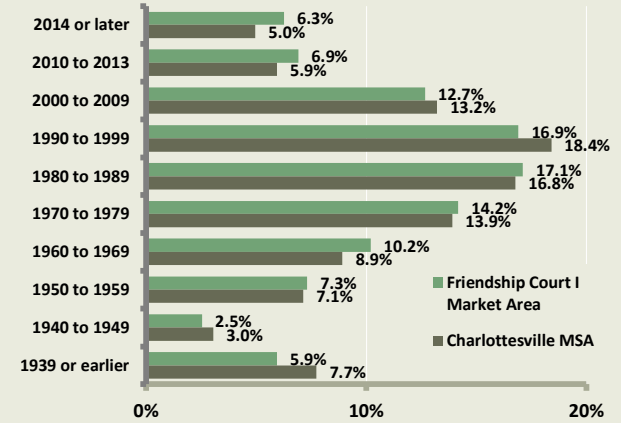


Table 24 Rental Dwelling Units by Year Built

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

Source: American Community Survey 2016-2020

2016-2020 Rental Units by Year Built



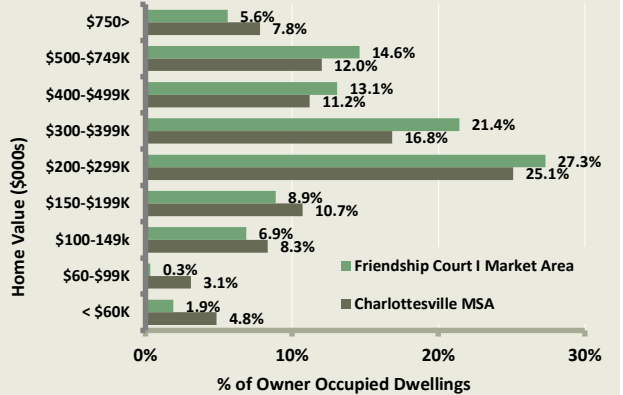
According to 2016 to 2020 ACS data, the median value among owner-occupied housing units in the Friendship Court I Market Area was \$322,033 (Table 25). The median homeownership unit in the Charlottesville MSA as a whole was lower 10.4 percent lower at \$291,581. Affordable homeownership opportunities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

Table 25 Value of Owner Occupied Housing Stock

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

Source: American Community Survey 2016-2020

2016-2020 Home Value





C. Survey of General Occupancy Rental Communities

1. Introduction

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

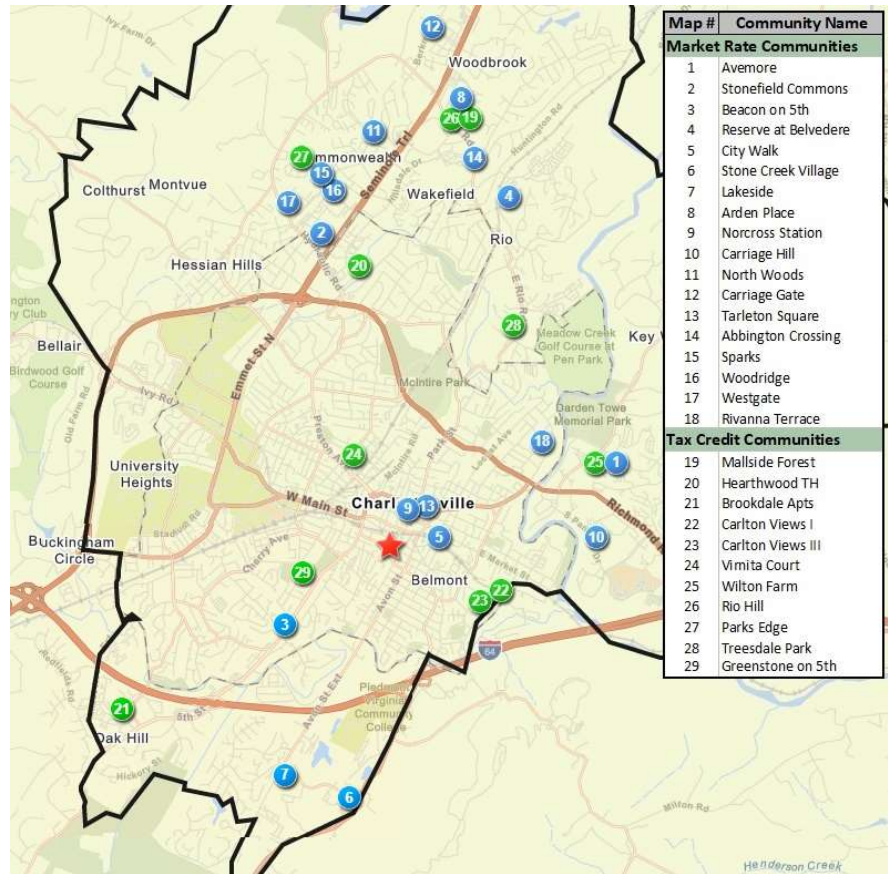
The detailed competitive survey excludes those properties that rent primarily to students (by bedroom rather than unit) as well as age-restricted senior rental properties. A separate discussion of rental communities with project-based rental subsidies will be presented later in this section. Profile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

2. Location

Map 5 shows the locations of the 29 surveyed competitive communities in relation to the subject site. Five market rate rental properties and five tax credit properties are located in the City of Charlottesville portion of the market area similar to the subject. Eleven market rate properties and five tax credit properties are located in the northern Albemarle County portion of the market area.

Two market rate properties and one tax credit property are located in the southern part of the market area (south of Interstate 64). Overall, the rental communities are clustered near downtown Charlottesville; along the U.S. Route 29 corridor to the north of the downtown; further north along Rio Road near the Fashion Square Mall; or to the east in the Pantops area.

Map 5 Competitive Rental Communities, Friendship Court I Market Area





3. Age of Communities

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

Table 26 Rental Communities Summary, Friendship Court I Market Area

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

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

(*) LIHTC

Source: Phone Survey, RPRG, Inc. December 2022

4. Structure Type

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



5. Size of Communities

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

6. Vacancy Rates

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

7. Rent Concessions

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

8. Absorption History

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

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

D. Analysis of Rental Products and Pricing

1. Payment of Utility Costs

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



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

Table 27 Utility Arrangement and Unit Features, Friendship Court I Market Area Communities

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

Source: Phone Survey, RPRG, Inc. December 2022

2. Parking

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



Table 28 Parking Options

Community	Parking Options	Community	Parking Options
Market Rate Communities		Tax Credit Communities	
Avemore	Surf; Det Gar \$150; Att Gar	Brookdale Apts*	Surface
Reserve at Belvedere	Surf; Det Gar \$175; Att Gar	Mallside Forest*	Surface
Beacon on 5th	Surf; Det Gar \$250; Att Gar	Hearthwood TH*	Surface
City Walk	Structured Garage	Virnita Court*	Surface
Carriage Hill	Surf; Det Gar \$175; Att Gar	Parks Edge*	Surface
Stonefield Commons	Surf; Det Gar \$150; Att Gar	Rio Hill*	Surface
Stone Creek Village	Surf; Undergr Gar	Wilton Farm*	Surface
Norcross Station	Surface	Treesdale Park*	Surface
Lakeside	Surface	Monticello Vista*	Surface
North Woods	Surface	Greenstone on 5th*	Surface
Arden Place	Surf; Det Gar \$175; Att Gar	Carlton Views I*	Surface
Abbingdon Crossing	Surface	(*) Tax Credit Community	
Tarleton Square	Surface	<i>Source: Phone Survey, RPRG, Inc. December 2022</i>	
Granite Park	Surface		
Westgate	Surface		
Carriage Gate	Surf; Det Gar \$150		
Woodridge	Surface		
Rivanna Terrace	Surface		

3. Unit Finishes and Features

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

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

4. Community Amenities

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



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

Table 29 Community Amenities, Friendship Court I Market Area Rental Communities

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

Source: Phone Survey, RPRG, Inc. December 2022

5. Unit Distribution

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

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



Table 30 Unit Distribution, Size and Pricing, Friendship Court I Market Area Communities

Community	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
		Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
SUBJECT SITE- Proposed (Tax Credit Units)	30% AMI					5	\$557	939	\$0.53	2	\$574	1,276	\$0.45
	30% AMI					1	\$557	1,154	\$0.43	2	\$574	1,570	\$0.37
	50% AMI	6	\$744	642	\$1.16	3	\$980	939	\$0.94				
	50% AMI					1	\$980	1,154	\$0.76				
	60% AMI	4	\$855	642	\$1.33	5	\$1,022	939	\$1.09				
	80% AMI	11	\$1,285	642	\$1.81	14	\$1,350	939	\$1.44	2	\$1,529	1,570	\$0.97
	80% AMI					3	\$1,350	1,154	\$1.17				
		21				32				6			
		Four Bedroom Units											
Total	60	30% AMI	1	\$705		1,491	\$0.43						
Avemore	280	90	\$1,988	865	\$2.30	122	\$2,527	1,413	\$1.79	28	\$2,774	1,567	\$1.77
Stonefield Commons	251	115	\$2,105	775	\$2.72	104	\$2,389	1,095	\$2.18	32	\$2,803	1,352	\$2.07
Beacon on 5th	241	123	\$2,064	812	\$2.54	87	\$2,358	1,169	\$2.02	31	\$2,583	1,618	\$1.60
Reserve at Belvedere	294	89	\$1,785	868	\$2.06	161	\$2,256	1,196	\$1.89	44	\$2,455	1,390	\$1.77
City Walk	301	175	\$1,775	779	\$2.28	126	\$2,108	1,135	\$1.86				
Stone Creek Village	264	126	\$1,716	947	\$1.81	66	\$2,026	1,256	\$1.61	72	\$2,349	1,500	\$1.57
Lakeside	348	116	\$1,615	754	\$2.14	174	\$1,988	1,040	\$1.91	58	\$2,190	1,220	\$1.80
Arden Place	212	76	\$1,670	913	\$1.83	112	\$1,938	1,169	\$1.66	10	\$2,223	1,421	\$1.56
Norcross Station	88	53	\$1,662	870	\$1.91	35	\$1,876	1,069	\$1.75				
Carriage Hill	142	36	\$1,715	893	\$1.92	70	\$1,840	1,339	\$1.37	36	\$2,055	1,627	\$1.26
North Woods	310	32	\$1,593	750	\$2.12	246	\$1,726	1,027	\$1.68	32	\$1,950	1,100	\$1.77
Carriage Gate	40					24	\$1,615	1,170	\$1.38	16	\$1,955	1,330	\$1.47
Abbingtton Crossing	468	84	\$1,344	748	\$1.80	344	\$1,556	939	\$1.66	40	\$2,040	1,155	\$1.77
Tarleton Square	54	22	\$1,382	780	\$1.77	29	\$1,549	1,004	\$1.54				
Woodridge	60					60	\$1,476	1,200	\$1.23				
Sparks	425	124	\$1,253	725	\$1.73	253	\$1,462	803	\$1.82	48	\$1,655	1,163	\$1.42
Westgate	284	123	\$1,305	641	\$2.04	153	\$1,451	940	\$1.54	8	\$1,594	1,155	\$1.38
Rivanna Terrace	48					48	\$1,040	735	\$1.41				
Market Rate Total/Average	4,110		\$1,665	808	\$2.06		\$1,843	1,094	\$1.68		\$2,202	1,354	\$1.63
Market Rate Unit Distribution	4,110	1,384				2,214				455			
Market Rate % of Total	100.0%	33.7%				53.9%				11.1%			
Carlton Views III 60%*	23	21	\$1,229	618	\$1.99	2	\$1,466	954	\$1.54				
Carlton Views I 60%*	40	26	\$1,219	687	\$1.77	10	\$1,456	960	\$1.52	4	\$1,675	1,203	\$1.39
Mallside Forest 60%*	160	32	\$1,063	690	\$1.54	68	\$1,384	932	\$1.48	60	\$1,584	1,190	\$1.33
Hearthwood Apts & THs 60%*	200	39	\$1,050	687	\$1.53	100	\$1,370	987	\$1.39	20	\$1,565	1,187	\$1.32
Brookdale Apts 60%*	96					48	\$1,332	1,070	\$1.24	48	\$1,500	1,189	\$1.26
Virnita Court 60%*	4					4	\$1,138	690	\$1.65				
Parks Edge 50%*	86	17	\$947	822	\$1.15	52	\$1,121	938	\$1.20	17	\$1,280	1,128	\$1.13
Wilton Farm 60%*	144					88	\$1,060	882	\$1.20	56	\$1,394	1,071	\$1.30
Carlton Views III 50%*	17	15	\$953	626	\$1.52	2	\$1,058	934	\$1.13				
Virnita Court 50%*	10	4	\$943	615	\$1.53	6	\$1,048	690	\$1.52				
Rio Hill 50%*	29					22	\$1,045	1,100	\$0.95	7	\$1,185	1,300	\$0.91
Rio Hill 60%*	110					81	\$1,045	1,100	\$0.95	29	\$1,185	1,300	\$0.91
Treesdale Park 50%*	72					48	\$1,015	1,082	\$0.94	24	\$1,160	1,263	\$0.92
Carlton Views III 40%*	8	7	\$836	638	\$1.31	1	\$994	923	\$1.08				
Carlton Views I 40%*	14	9	\$826	687	\$1.20	5	\$984	960	\$1.03				
Virnita Court 40%*	2	2	\$890	615	\$1.45								
Parks Edge 40%*	10	2	\$750	822	\$0.91	6	\$885	938	\$0.94	2	\$1,008	1,128	\$0.89
Greenstone on 5th 50%*	202	21	\$705	600	\$1.18	97	\$800	780	\$1.03	84	\$875	900	\$0.97
Tax Credit Total/Average	1,227		\$951	676	\$1.41		\$1,129	936	\$1.21		\$1,310	1,169	\$1.12
Tax Credit Unit Distribution	1,227	195				640				351			
Tax Credit % of Total	100.0%	15.9%				52.2%				28.6%			
Total/Average	5,337		\$1,347	749	\$1.80		\$1,497	1,018	\$1.47		\$1,793	1,269	\$1.41
Unit Distribution	5,337	1,579				2,854				806			
% of Total	100.0%	29.6%				53.5%				15.1%			

(1) Rent is adjusted to include internet, trash, and Incentives

Source: Phone Survey, RPRG, Inc. December 2022

(*) LIHTC

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

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



6. Unit Size

The average unit sizes for the surveyed market rate units are 808 square feet for the one-bedroom units; 1,094 square feet for two-bedroom units; and 1,354 square feet for three-bedroom units. The tax credit models are smaller across the board compared to the market rate units with an average of 676 square feet for the one-bedroom units; 936 square feet for the two-bedroom units; and 1,169 square feet for the three-bedroom units.

7. Unit Pricing

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

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

E. Subsidized Rental Communities

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

Within the Friendship Court I Market Area, we have identified 653 units of subsidized rental housing that consists of 272 units within privately owned communities and 381 public housing units operated by the Charlottesville Redevelopment and Housing Authority (CRHA) (Table 31). In addition, several units at Carlton Views Phase I have portable Section 8 vouchers. All properties have extensive waiting lists. Three of the properties operated by CHRA are larger conventional



multifamily communities – Crescent Halls (age-restricted/ disabilities), South First Street, and Westhaven (Map 6). Both Crescent Halls and South First Street have been award VH tax credits in recent rounds for rehabilitation (Crescent Halls) and demolition/ new construction (South First Street). Crescent Halls will be converting to a general occupancy community. Phase I of South First Street will be completed in March 2023. The Crossings on 4th Street, opened in 2012, offers 60 single person studios of which half are targeted to the homeless. The remaining public housing units are located in four smaller properties containing from 16 to 25 units. The bulk of the properties are located in the central part of Charlottesville; Treesdale is located north of the Route 250 Bypass.

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

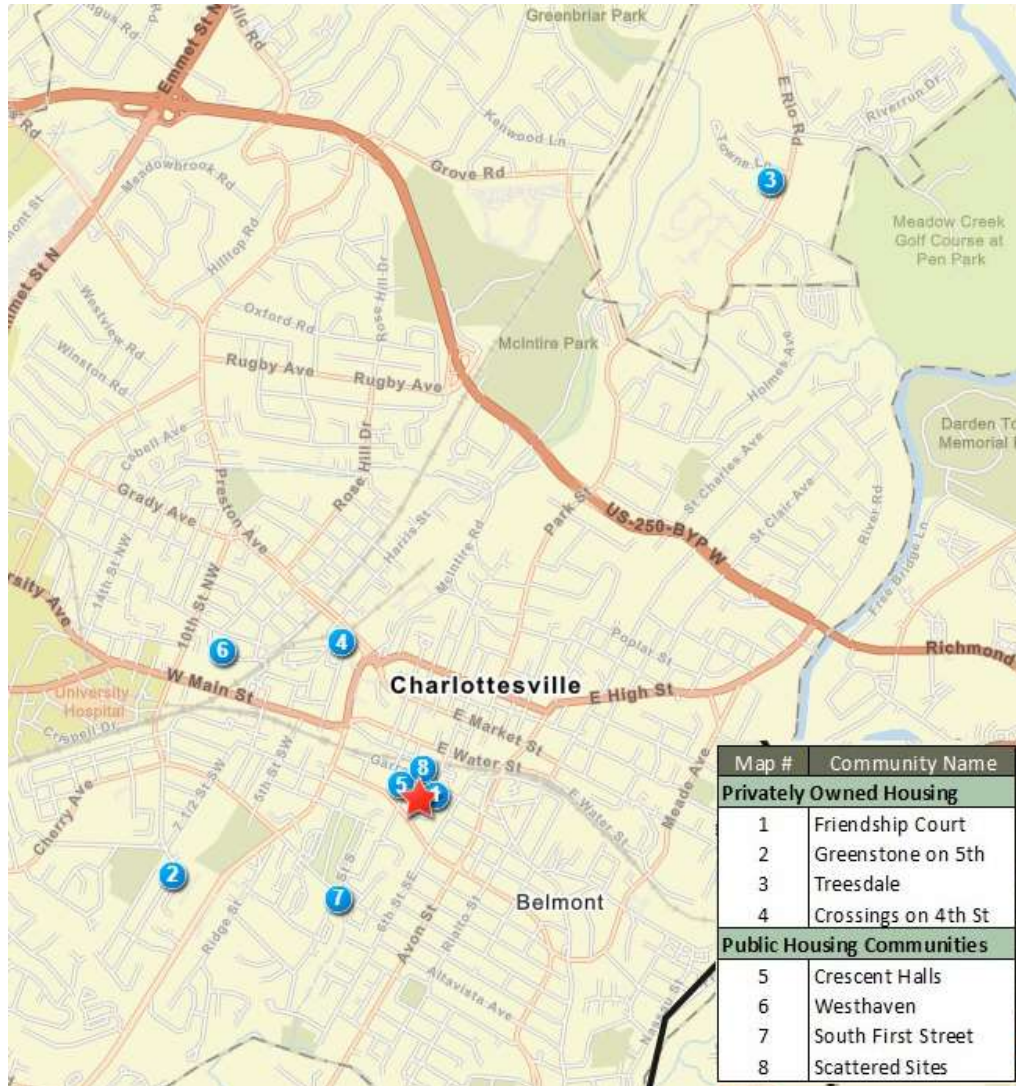
Table 31 Subsidized & Public Housing, Friendship Court I Market Area

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

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

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

Map 6 Subsidized & Public Housing Communities



F. Derivation of Market Rent

RPRG has prepared a Derivation of Market Rent to better understand how the proposed contract rents for the 60 tax credit units without subsidies at Friendship Court I compare with the surveyed rental market. The purpose of this exercise is to determine whether the proposed LIHTC rents for the subject offer a value relative to market-rate rent levels within a given market area. The rent derived for bedroom type is not to be confused with an appraisal or rent comparability study (RCS) based approach, which is more specific as it compares specific models in comparable rental communities to specific floor plans at the subject and is used for income/expense analysis and valuation. Since none of the three bedroom units offer 60 percent AMI tax credit rents, we estimated a target 60 percent tax credit so that the 30 and 80 percent AMI tax credit rents could be evaluated in a similar fashion to the other model types.

The contract rents of comparable communities can be adjusted for differences in a variety of factors including curb appeal, structure age, square footage, the handling of utilities, and shared



amenities. See Table 32 for relevant adjustments. Market-rate communities are the most desirable comparables to be used in this type of analysis, as the use of market-rate communities allows RPRG to derive an estimate of market rent.

Table 32 Market Rent Advantage – Adjustment Table

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

We elected to compare the units at the subject to the comparable floor plans at Abington Crossing, Carriage Hill and North Woods. Once a particular floor plan’s market rent has been determined, it can be used to evaluate: a.) whether or not the subject project has a rent advantage or disadvantage versus competing communities, and b.) the extent of that rent advantage or disadvantage.

The derivation of achievable rent calculations for the 60 percent of AMI units are displayed in Table 33, Table 34 and Table 35. The results of the calculations are summarized in Table 36. The recommended tax credit rents are close to the allowable maximums for all unit types, given the assumed utility allowances of \$55 for one-bedroom units; \$78 for two-bedroom units; and \$91 for three-bedroom units.



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

One Bedroom Units - 60%							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Friendship Court Apartments 418 Garrett Street Charlottesville, VA 22902	Abington Crossing		Carriage Hill		North Woods		
	1000 Old Brook Road		825 Beverly Drive		63 Four Seasons Drive		
	Charlottesville	VA	Charlottesville	VA	Charlottesville	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60% AMI	\$855	\$1,294	\$0	\$1,475	\$0	\$1,543	\$0
Utilities Included	W,S,T	None	\$25	T	\$15	None	\$25
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$855	\$1,319		\$1,490		\$1,568	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Garden/3	Garden/3	\$0	Garden/2	\$0	Garden/2	\$0
Year Built / Renovated	2023	2017	\$5	2000	\$17	2001	\$17
Quality/Street Appeal	Excellent	Average	\$20	Average	\$20	Average	\$20
Location	Excellent	Average	\$20	Average	\$20	Average	\$20
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	1	1	\$0	1	\$0	1	\$0
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0
Unit Interior Square Feet	642	748	(\$27)	831	(\$47)	750	(\$27)
Balcony / Patio / Porch	No	No	\$0	Yes	(\$5)	Yes	(\$5)
AC Type:	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	No / Yes	\$5	No / Yes	\$5	Yes / Yes	\$0
Washer / Dryer: In Unit	Yes	Yes	\$0	Yes	\$0	No	\$25
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Club House/Learning Center	yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		4	2	4	3	4	3
Sum of Adjustments B to D		\$50	(\$37)	\$62	(\$62)	\$82	(\$42)
F. Total Summary							
Gross Total Adjustment		\$87		\$124		\$124	
Net Total Adjustment		\$13		\$0		\$40	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,332		\$1,490		\$1,608	
% of Effective Rent		101.0%		100.0%		102.6%	
Estimated Market Rent	\$1,477						
Rent Advantage \$	\$622						
Rent Advantage %	42.1%						



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

Two Bedroom Units - 60% of AMI								
Subject Property		Comparable Property #1		Comparable Property #2		Comparable Property #3		
Friendship Court Apartments 418 Garrett Street Charlottesville, VA 22902		Abington Crossing		Carriage Hill		North Woods		
		1000 Old Brook Road		825 Beverly Drive		63 Four Seasons Drive		
		Charlottesville	VA	Charlottesville	VA	Charlottesville	VA	
A. Rents Charged		Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60%		\$1,022	\$1,569	\$0	\$1,745	\$0	\$1,800	\$0
Utilities Included		W,S,T	None	\$30	T	\$10	None	\$30
Rent Concessions			None	\$0	None	\$0	None	\$0
Effective Rent		\$1,022	\$1,599		\$1,755		\$1,830	
<i>In parts B thru D, adjustments were made only for differences</i>								
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	
Structure / Stories		Garden/3	Garden/3	\$0	Garden/2	\$0	Garden/2	\$0
Year Built / Condition		2023	2017	\$5	2000	\$17	2001	\$17
Quality/Street Appeal		Excellent	Average	\$20	Average	\$20	Average	\$20
Location		Excellent	Average	\$20	Average	\$20	Average	\$20
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	
Number of Bedrooms		2	2	\$0	2	\$0	2	\$0
Number of Bathrooms		2	2	\$0	2	\$0	1	\$30
Unit Interior Square Feet		939	943	(\$1)	1,142	(\$51)	1,050	(\$28)
Balcony / Patio / Porch		No	No	\$0	Yes	(\$5)	Yes	(\$5)
AC: (C)entral / (W)all / (N)on		Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator		Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher		Yes / Yes	No / Yes	\$5	No / Yes	\$5	Yes / Yes	\$0
Washer / Dryer: In Unit		Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	
Parking (\$ Fee)		\$0	\$0	\$40	\$0	\$0	\$0	\$0
Club House/Learning Center		yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool		No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas		Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center		yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative	
Total Number of Adjustments		5	2	4	3	4	3	
Sum of Adjustments B to D		\$90	(\$11)	\$62	(\$66)	\$87	(\$43)	
F. Total Summary								
Gross Total Adjustment		\$101		\$128		\$130		
Net Total Adjustment		\$79		(\$4)		\$44		
G. Adjusted And Achievable Rents		Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	
Adjusted Rent		\$1,678	\$1,751	\$1,751	\$1,874	\$1,874	\$1,874	
% of Effective Rent		104.9%	99.8%	99.8%	102.4%	102.4%	102.4%	
Estimated Market Rent		\$1,768						
Rent Advantage \$		\$746						
Rent Advantage %		42.2%						



Table 35 Market Rent Analysis – Three Bedroom Units – 60% of AMI

Three Bedroom Units - 60% of AMI							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Friendship Court Apartments 418 Garrett Street Charlottesville, VA 22902	Abington Crossing		Carriage Hill		North Woods		
	1000 Old Brook Road		825 Beverly Drive		63 Four Seasons Drive		
	Charlottesville	VA	Charlottesville	VA	Charlottesville	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60%	\$1,171	\$1,942	\$0	\$2,015	\$0	\$1,900	\$0
Utilities Included	W,S,T	None	\$35	T	\$25	None	\$35
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$1,171	\$1,977		\$2,040		\$1,935	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	TH; 2/3	TH; 2	\$0	Garden/2	\$0	TH	(\$50)
Year Built / Condition	2023	2017	\$5	2000	\$17	2001	\$17
Quality/Street Appeal	Excellent	Average	\$20	Average	\$20	Average	\$20
Location	Excellent	Average	\$20	Average	\$20	Average	\$20
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	3	3	\$0	3	\$0	3	\$0
Number of Bathrooms	2.5	2.5	\$0	2	\$15	2	\$15
Unit Interior Square Feet	1,276	1,155	\$30	1,627	(\$88)	1,100	\$44
Balcony / Patio / Porch	Yes	No	\$5	Yes	\$0	Yes	\$0
AC: (C)entral / (W)all / (N)on	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	No / Yes	\$5	No / Yes	\$5	Yes / Yes	\$0
Washer / Dryer: In Unit	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	\$0	\$40	\$0	\$0	\$0	\$0
Club House/Learning Center	yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		7	1	5	2	5	2
Sum of Adjustments B to D		\$125	(\$10)	\$77	(\$98)	\$116	(\$60)
F. Total Summary							
Gross Total Adjustment		\$135		\$175		\$176	
Net Total Adjustment		\$115		(\$21)		\$56	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$2,092		\$2,019		\$1,991	
% of Effective Rent		105.8%		99.0%		102.9%	
Estimated Market Rent	\$2,034						
Rent Advantage \$	\$863						
Rent Advantage %	42.4%						

After adjustments, the estimated market rent for a one bedroom unit is \$1,477, providing the subject’s 60 percent of AMI one bedroom units with a market advantage of 42.1 percent. The estimated market rent for two bedroom/two bath unit is \$1,768, resulting in the subject’s 60 percent of AMI units having a 42.2 percent rent advantage. The estimated market rent for three bedroom/two bath unit is \$2,034, resulting in the subject’s 60 percent of AMI units having a 42.4 percent rent advantage.

- The corresponding rent advantage for the 30 percent of AMI units are 68.5 percent and 71.8 percent, respectively, for the two and three bedroom units.
- The corresponding rent advantage for the 50 percent of AMI units are 42.1 percent and 44.6 percent, respectively, for the one and two bedroom units.
- The corresponding rent advantage for the 80 percent of AMI units are 13.0 percent, 23.6 percent and 24.8 percent, respectively, for the one, two, and three bedroom units.



Table 36 Market Rent Advantage – Summary

	One Bedroom	Two Bedroom	Three Bedroom
30% AMI Units	Units	Units	Units
Subject Rent		\$557	\$574
Estimated Market Rent		\$1,768	\$2,034
Rent Advantage (\$)		\$1,211	\$1,460
Rent Advantage (%)		68.5%	71.8%
<hr/>			
	One Bedroom	Two Bedroom	Three Bedroom
50% AMI Units	Units	Units	Units
Subject Rent	\$855	\$980	
Estimated Market Rent	\$1,477	\$1,768	
Rent Advantage (\$)	\$622	\$788	
Rent Advantage (%)	42.1%	44.6%	
<hr/>			
	One Bedroom	Two Bedroom	Three Bedroom
60% AMI Units	Units	Units	Units
Subject Rent	\$855	\$1,022	\$1,171
Estimated Market Rent	\$1,477	\$1,768	\$2,034
Rent Advantage (\$)	\$622	\$746	\$863
Rent Advantage (%)	42.1%	42.2%	42.4%
<hr/>			
	One Bedroom	Two Bedroom	Three Bedroom
80% AMI Units (Market Rate)	Units	Units	Units
Subject Rent	\$1,285	\$1,350	\$1,529
Estimated Market Rent	\$1,477	\$1,768	\$2,034
Rent Advantage (\$)	\$192	\$418	\$505
Rent Advantage (%)	13.0%	23.6%	24.8%

G. Achievable Restricted Rents

The market rent derived above is an estimate of what a willing landlord might reasonably expect to receive, and a willing tenant might reasonably expect to pay for a unit at the subject. However, as a tax credit community, the maximum rent that a project owner can charge for a low-income unit is a gross rent based on bedroom size and applicable HUD’s median household income for the subject area. If these LIHTC maximum gross/net rents are below the market rent (adjusted downward by ten percent), then the maximum rents also function as the achievable rents for each unit type and income band. Conversely, if the adjusted market rents are below the LIHTC maximum rents, then the adjusted market rents (less ten percent) act as the achievable rents. Therefore, achievable rents are the lower of the market rent or maximum LIHTC rent. In the case of the units targeted to at or below 80 percent of AMI, we look at achievable rents without the 10 percent adjustment.

As shown in Table 37, the maximum LIHTC rents for the 30, 50, and 60 percent of AMI units are well below estimated adjusted market rents. Therefore, the maximum LIHTC rents are the achievable rents for the LIHTC units. All proposed 30, 50, and 60 percent LIHTC rents for the subject are below the achievable rents. For 80 percent one and two bedroom rent, the estimated market rents are the achievable rents. For the 80 percent three bedroom rents, the maximum LIHTC rent is the achievable rent. The 80 percent LIHTC rents for the subject are below the achievable rents for each model type.



Table 37 Achievable Restricted Rents

30% AMI Units	One Bedroom Units	Two Bedroom Units	Bedroom Units
Estimated Market Rent		\$1,768	\$2,034
Less 10%		\$1,591	\$1,831
Maximum LIHTC Rent*		\$570	\$648
Achievable Rent		\$570	\$648
SUBJECT RENT		\$557	\$574
50% AMI Units	One Bedroom Units	Two Bedroom Units	Bedroom Units
Estimated Market Rent	\$1,477	\$1,768	
Less 10%	\$1,329	\$1,591	
Maximum LIHTC Rent*	\$874	\$1,042	
Achievable Rent	\$874	\$1,042	
SUBJECT RENT	\$855	\$980	
60% AMI Units	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
Estimated Market Rent	\$1,477	\$1,768	\$2,034
Less 10%	\$1,329	\$1,591	\$1,831
Maximum LIHTC Rent*	\$1,070	\$1,278	\$1,466
Achievable Rent	\$1,070	\$1,278	\$1,466
SUBJECT RENT	\$855	\$1,022	\$1,171
80% AMI Units (Market Rate)	One Bedroom Units	Two Bedroom Units	Bedroom Units
Estimated Market Rent	\$1,477	\$1,768	\$2,034
Maximum LIHTC Rent*	\$1,464	\$1,750	\$2,011
Achievable Rent	\$1,464	\$1,750	\$2,011
SUBJECT RENT	\$1,285	\$1,350	\$1,529

*Assumes utility allowances of \$109 (1BR); \$138 (2BR); \$169 (3BR)

H. Proposed and Pipeline Rental Communities

Based on our research, RPRG has identified 10 short-term market area pipeline projects totaling 1,460 units that are likely to deliver over the next three years (Table 38). Map 7 presents the location of both the short term and long term pipeline communities.

Four projects containing 669 units are currently under construction:

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



- Construction of the 128 unit market rate community in **the Albemarle Business Campus** (15 percent of units targeted to 80 percent of AMI), located south of Interstate 64, has started with completion in late 2023/ early 2024. The developer is KBS.
- The development of the next phase of upscale apartments at **Stonefield** is progressing with another 227 units community under construction. The site is located southwest of the Hyatt Place Hotel in the Stonefield mixed use campus.

Another six projects, totaling 791 units, are in preliminary stages of financing and city or county review but are expected to be completed by end.

- The second phase of **South First Street** was approved by VH in 2020. The existing 58 PH units will be replaced by 113 new construction units (40 PH units, 39 PBV units, 34 TC units). Construction is slated to start in March 2023.
- The second phase of **Friendship Court** will be applying for tax credits in the 2023 VH round. These units will replace the existing 150 units Sect 8 MF complex. Construction will start March 2024 and contain 106 new construction units (54 PBV, 46 TC, 6 land trust).
- The first phase of **Sixth Street** was approved by VH in 2022 round. The project will replace six existing PH units with 47 new construction units (12 PBV, 35 TC). Construction will start by end of 2023.
- The Piedmont Housing Alliance will be applying tax credits in the 2023 VH round for **MACAA Apartments** that will contain 76 one, two, and three bedroom units.
- The Piedmont Housing Alliance will be applying for tax credits in the 2023 VH round for **Southwood Apartments** that will contain 121 one, two, and three bedroom units.
- The 328 unit upscale **Rio Point Apartments**, located north of the 250 Bypass, is expecting approval of HUD financing by spring 2023. Final site plans are being reviewed; ground is expected to be broken by 2nd of 3rd quarter 2023.

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

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



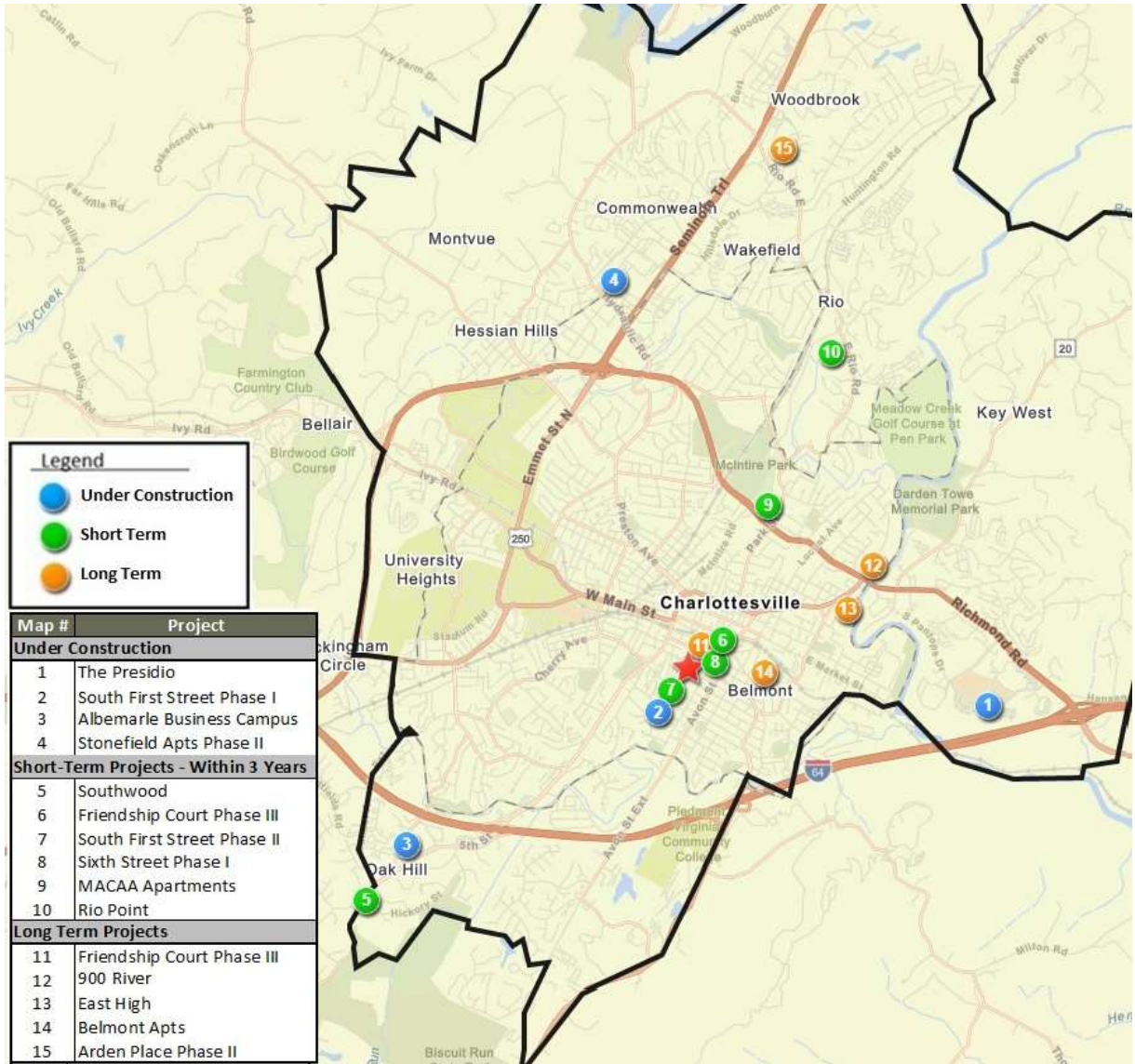
Table 38 Multifamily Pipeline Projects

Project	Address	City/ County	Developer	No. Units	Status	Delivery
Under Construction						
The Presidio	South of Peter Jefferson Drive; south of Martha Jefferson parking lot	Albemarle County	Castle Development/ Riverbend Development	252	Awaiting final approvals from county; Approved for HUD financing, closed on financing in Sept 2020. All plans approved by county; sitework started in early 2021	2023
South First Street Phase I	1000 S. 1st Street	City of Charlottesville	Charlottesville Redevelopment and Housing Authority	62	Approved by VHDA in 2019. Construction of 62 new apts and community center. Construction started early 2022. 37 units will be PBA units; 25 units will be TC units 1st units completed in 12/22; last building completed 3/23	Mar-23
Albemarle Business Campus	NW corner of Old Lynchburg Rd & Country Green Rd	Albemarle County	KBS	128	Part of mixed use development; 15% of apts targeted 80% AMI. Also include offices, stores, and a hotel or self-storage facility. Construction start fall 2022	2023/2024
Stonefield Apts	SW corner of Bond Street and District Ave	Albemarle County	O'Connor Capital Partners	227	Under construction. Market rate one, two, and three bedrooms	Late 2023/ early 2024
Subtotal - Under Construction				669		
Short-Term Projects - Within 3 Years						
Southwood	2200 Swallowtail Lane	Albemarle County	Piedmont Housing Alliance	121	Apply for tax credits in 2023 round including 70 units at 9% abd 51 units at 4%.	Late 2024
Friendship Court Phase II	400 Garrett Street	City of Charlottesville	Piedmont Housing Alliance	106	Applying for tax credits in 2024 VH round. Replace existing 150 unit Sect 8 MF complex. 106 total units - 54 PBV, 46 TC, 6 land trust	Nov-25
South First Street Phase II	900 First St South	City of Charlottesville	Charlottesville Redevelopment and Housing Authority	113	Approved by VHDA in 2020. Replacement of 58 existing PH units with 113 new TH's/ apts Construction starting in spring 2023. 40 PH units; 39 PBHV unit; 34 TC units	2024
Sixth Street Phase I	707 6th St	City of Charlottesville	Charlottesville Community Development Corp.	47	Approved by VH in 2022 round. Replacement of 6 existing PH units with 47 new units; 12 PBHV and 35 TC. Start construction by end 2023	2025
MACAA Apartments	1025 Park Street	City of Charlottesville	Piedmont Housing Alliance	76	On site of Monticello Area Community Action Center. Submitting for 4 and 9% units in Spring 2023. 1, 2,3 BR units. Start construction 2024	2025
Rio Point	Intersection of Rio Road East and John Warner Parkway	Albemarle County	Stoney Point Development Group	328	Upscale market rate community being submitted to HUD for financing; 20 % of units targeted to workforce housing. Approval by HUD expected in spring 2023. Final Site plan is being reviewed; break ground Q2 or Q3 2023	2025
Subtotal - Short Term				791		
TOTAL - Under Construction & Short-Term				1,460		
Long Term Projects						
Friendship Court Phase III	400 Garrett Street	City of Charlottesville	Piedmont Housing Alliance	70	Applying for tax credits in 2024/ 2025 VH round. 70 total units - 66 TC, 4 land trust	Sep-27
900 River	900 River Rd	Charlottesville	Seven Development	77	Site plan under review. City denied flood plain waiver.	TBD
East High	East of Rivanna River; SE of E. High St; east of Caroline Ave	City of Charlottesville	Seven Development	270	Preliminary plans being reviewed by planning dept	TBD
Belmont Apts	North of 126 Garden Street	City of Charlottesville	Riverbend Development	138	Part of Belmont neighborhood redevelopment; plans under review	TBD
Arden Place Phase II	1810 Arden Creek lane	Albemarle County	Castle Development	157	Developer has indicated that project has been put on hold due to traffic issues with the county.	TBD
Subtotal - Long Term/Speculative				712		

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



Map 7 Pipeline Communities in Friendship Court I Market Area





VIII. FINDINGS AND CONCLUSIONS

A. Key Findings

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

1. Site and Neighborhood Analysis

The subject site is located in a desirable urban location that is well-suited to the proposed use as a mixed income rental community.

- The plan to reposition this large parcel of land from a low-density subsidized rental property to a higher density mixed income development has many benefits for both the existing household base as well as the local community. The site's location is likely to have a widespread appeal, as demonstrated by the success of other multifamily rental properties within the immediate neighborhood. The site is also located within the City of Charlottesville's Strategic Investment Area and in a setting that is targeted for other redevelopment efforts.
- The site is located only two blocks from Charlottesville's Downtown Mall, a major commercial and entertainment center that encourages a vibrant urban residential setting. The Downtown Mall is lined with dozens of restaurants, cafes, boutiques, art galleries, and entertainment venues. In addition, the greater Charlottesville area provides numerous opportunities for convenience and comparison retail shopping within roughly a 5 – 15 minute drive of the site.
- The site is served by public bus transportation and the City of Charlottesville's Transit Center is within roughly a five minute walk of the site.
- The site is sufficiently large to support redevelopment efforts without the need to relocate the existing tenants to off-site locations. In this regard, the site's phasing can take place in an orderly fashion with only minimal disruption to residents.

2. Economic Context

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

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



3. Demographic Analysis

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

- The market area will add households at an average net rate of 1.4 percent (557 households) per year between 2022 and 2027, greater than the 1.2 percent rate (474 households) during the 2010 to 2022 period.
- The Friendship Court I Market Area renter percentage of 57.6 percent in 2022 is significantly greater than the MSA's 34.6 percent share.
- Given the substantial pipeline of rental units and local trends, RPRG projects renter households will continue to contribute roughly 57.1 percent of net household growth over the next five years that matches renter share of household growth over the past 12 years.
- The market area is dominated by younger renter households living alone reflecting the presence of the massive University of Virginia campus three miles north of the site. One- and two-person households account for two-thirds (68.3 percent) of all renters. More than one-half (51.5 percent) of the primary market area's renters are young adults under the age of 35 although another one-quarter are renters between the ages of 35 – 54.
- The estimated 2022 median household income in the Friendship Court I Market Area is \$76,796. The primary market area's median renter household earns \$59,423 per year. Thirty percent of the primary market area's renters have annual incomes below \$35,000; 31 percent of all renter households have an annual income between \$35,000 and \$75,000.
- Data from the 2016 to 2020 ACS indicates that nearly two out of five (37 percent) renter households pay more than 40 percent of incomes towards housing. This excludes those households who reside in subsidized rent situations because their housing expenses are capped at 30 percent of their income.

4. Competitive Housing Analysis

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

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



average \$951 (\$1.41 per square foot); two-bedroom tax credit units average \$1,129 (\$1.21 per square foot); and three-bedroom tax credit units average \$1,310 (\$1.12 per square foot).

- Four rental communities are currently under construction with a total of 669 units including two tax credit properties. Within the next three years, it is anticipated that six other properties will deliver another 791 units; all but one will be tax credit communities.

B. Derivation of Demand

1. Net Demand Methodology

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

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

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

- **Projected Change in the Household Base.** Earlier in this report, RPRG presented projections of household change within the primary market area over the 2010 to 2027 period. For this analysis, we factor in three years' worth of the household change suggested by the annual rate of household growth or decline (2022 to 2023, 2023 to 2024, and 2024 to 2025). Note that net household change incorporates growth or decline stemming from both household migration into and out of the market area and organic changes within existing households (i.e., new household formation as a result of children moving out of their parents' homes, divorces, roommates beginning to rent separately).
- **Need for Housing Stock Upgrades.** Demand for new housing units within a primary market area is generated when the stock of available housing units ceases to meet the housing needs of households that wish to remain residents of that primary market. In such instances, the housing stock needs to be upgraded either through the renovation of existing units or the construction of new units. That a housing unit has ceased to meet the housing needs of a market area's households becomes evident in any number of ways, including:
 - **Physical Removal or Demolition.** Clearly, if a unit is demolished or otherwise physically removed from a market, it is no longer available to serve local households. Several factors contribute to the removal of housing units. Housing units are occasionally removed from any given market through disasters such as

fires and various types of weather phenomenon. While such disasters occur somewhat randomly, the decision whether to repair or demolish a unit is based on the economic value of the property. Thus, a unit being permanently lost in a disaster should be correlated with factors such as its age, structure type, and physical condition. Demolitions can also be instigated through the loss of economic value or in response to a situation where vacant land has become more valuable than the land plus its existing structure. Based on American Housing Survey data, researchers have analyzed Components of Inventory Change (CINCH) (Table 39). CINCH data indicated that renter-occupied or vacant units were far more likely to be demolished than owner-occupied units; among renter-occupied and vacant units, single-family detached units were more likely to be demolished than multifamily units.

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



among units. When the market vacancy rate is below 5.0 percent, additional units are needed to ensure an adequate number of available units from which to choose. When the market vacancy rate is above 5.0 percent, the market has the capacity to absorb some additional demand (whereby that amount of demand would not need to be met through the development of new units).

Table 39 Components of Inventory Change (CINCH)

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

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

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

2. Net Demand Calculation

Table 40 applies the discussion of sources of demand for new rental units to the Friendship Court I Market Area. The steps in our Derivation of Demand analysis for the three-year period from December 2022 to December 2025 are as follows:



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

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

Table 40 Derivation of Net Demand, Friendship Court I Market Area

Demand			
<i>Projected Change in Household Base</i>			Units
December 2022 Households			39,142
December 2025 Households			40,814
Net Change in Households			1,672
Add: Units Removed from Housing Stock	Housing Stock	Removal Rate	Units Removed
2022 Housing Stock	41,744	0.27%	113
2023 Housing Stock	42,467	0.27%	115
2024 Housing Stock	43,193	0.27%	117
Total Units Removed from Housing Stock			344
New Housing Demand			2,016
Average Percent Renter Households over Analysis Period			57.1%
New Rental Housing Demand			1,151
Add: Multifamily Competitive Vacancy	Inventory		Vacant
Stabilized Communities	5,337		85
Communities Under Lease Up	0		0
Total Competitive Inventory			85
Market Vacancy at 5%			267
Less: Current Vacant Units			-85
Vacant Units Required to Reach 5% Market Vacancy			182
Total Demand for New Rental Units			1,333
Planned Additions to the Supply			
	Total Units	Total Units	95% Occupancy
The Presidio (U/C)		252	239
South First Street Phase I LIHTC (U/C)		62	59
Albemarle Business Campus (U/C)		128	122
Stonefield Apts (U/C)		227	216
Friendship Court Phase II LIHTC		106	101
South First Street Phase II LIHTC		113	107
Sixth Street Phase I LIHTC		47	45
MACAA Apartments LIHTC		76	72
Southwood Apts LIHTC		121	115
Rio Point		328	312
Subject Property		106	101
Total New Rental Supply		1566	1,488
Excess Demand for Rental Housing			-155

Source: RPRG, Inc.

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



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

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

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

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

- Summing demand from household change, projected unit removals, and the vacancy rate in the existing market, there would be total demand for 1,333 new rental units in the primary market area over the next three years.
- Net demand for new rental units must be balanced against new rental stock likely to be added to the market area's inventory over this period. In addition to the subject's proposed 106 units, there are 10 rental communities in various stages of construction/development that will add an additional 1,460 units to the rental supply over the next three years. After adjusting for 95 percent occupancy, all of these projects (including the subject) will add 1,488 units to the existing supply.

Subtracting the expected additions to the supply (1,488 units) from net demand for new rental units (1,333 units), we arrive at an oversupply of 155 units in the Friendship Court I Market Area between December 2022 and December 2025.

3. Conclusions on Net Demand

The Net Demand calculation indicates a marketplace with a moderate overhang of supply despite a substantial pipeline of 10 projects. The 150 units of over supply represents just 1.5 months of Net Rental Housing Demand. In the past, similar supply surpluses have been easily absorbed as evidenced by the consistent low vacancy rates below two percent over the past five years. The underlying strength of the rental market is underscored by an overall low vacancy rate and even lower vacancy rate in the tax credit marketplace buttressed by strong economic and household growth. The subject is also strategically located in a portion of the market area that has been underserved by affordable apartment product.



C. Effective Demand – Affordability/Capture & Penetration Analyses

1. Methodology

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

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

The first component of the Effective Demand involves looking at total income and renter income among Friendship Court I Market Area households for the target year. The Developer projects that units at Friendship Court I will initially be placed in service in 2023 and, as such, 2023 is used as the target year for these analyses. RPRG calculated 2023 income distributions for total households and renter households based on Esri and Census trended household projections, income estimates from the 2016-2020 ACS, and income projections from Esri (Table 41).

Table 41 2023 Total and Renter Income Distribution, Friendship Court I Market Area

Friendship Court I Market Area		2023 Total Households		2023 Renter Households	
2023 Income		#	%	#	%
less than	\$15,000	3,730	9.5%	2,969	13.1%
	\$15,000 \$24,999	2,438	6.2%	1,941	8.6%
	\$25,000 \$34,999	2,357	6.0%	1,731	7.7%
	\$35,000 \$49,999	4,131	10.5%	2,900	12.8%
	\$50,000 \$74,999	6,014	15.3%	3,932	17.4%
	\$75,000 \$99,999	4,978	12.7%	2,997	13.3%
	\$100,000 \$149,999	6,456	16.5%	2,994	13.3%
	\$150,000 Over	9,083	23.2%	3,122	13.8%
Total		39,188	100%	22,586	100%
Median Income		\$79,637		\$61,141	

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

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



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

All of the tax credit units at the subject will be restricted to households with incomes at 30 percent, 50 percent, 60 percent, and 80 percent of AMI although 46 units will have Section 8 vouchers so that these households could essentially have incomes ranging from \$0 to a maximum of 60 percent AMI. The household sizes assume 1.5 persons per bedroom for the one, two, three, and four bedroom rooms.

2. Affordability Analysis

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

- As an example, the overall shelter cost (gross rent) for a two-bedroom unit at 30 percent of AMI, would be \$695 per month (\$557 rent plus a \$138 utility allowance for utility costs beyond those for water, sewer and trash removal).
- By applying a 35 percent rent burden to this gross rent, we determined that the two-bedroom unit at 30 percent of AMI would be affordable to households earning at least \$23,829 per year. The projected number of primary market area renter households earning at least \$23,829 in 2023 is 17,905.
- A household occupying a two-bedroom unit (assuming 1.5 persons/bedroom) and earning 30 percent of AMI for the Charlottesville VA MSA would have a maximum income of \$28,320. According to the interpolated income distribution for 2023, there would be 17,102 renter households in the primary market area with incomes exceeding the upper income bound.
- Subtracting the 17,102 renter households with incomes above the 30 percent maximum income limit from the 17,905 renter households that could afford to rent this unit, we calculate that 802 households in the primary market area as of 2023 would be in the band of affordability for the subject's 30 percent two-bedroom units. Friendship Court I would need to capture 0.7 percent of these income-qualified renter households to absorb all 6 of the 30 percent two-bedroom units as of 2023.
- Following the same methodology, we tested the affordability of the remaining unit types at each of the income bands as well as those units which are subsidized with no minimum incomes required for residency. The capture rates among income-qualified renter households for these distinct unit types by income band range from 0.3 percent (for the 50 percent of AMI two bedroom units and 60 percent of AMI one bedroom units) to 0.7 percent (for the 30 percent of AMI two bedroom units).
- The 46 tax credit units with project-based subsidies (those which target households at or below 50 and 60 percent of AMI) would need to capture less than 0.1 to 0.1 percent of the income-qualified renters. The 60 tax credit units without project-based subsidies would need to capture 0.2 to 0.6 percent of the income-qualified renter households. Overall, the capture rate for all units is 0.7 percent.

In the unlikely scenario that Section 8 subsidies were not available, we have performed a sensitivity analysis assuming that all two, three, and four bedroom units with subsidies convert to 50 and 60 percent of AMI unit units. The capture rate for 50 percent units increases to 0.9 percent compared to 0.3 percent with subsidies, the capture rate for 60 percent units increases to 1.8 percent compared to 0.2 percent, and the overall capture rate increases to 1.0 percent compared to 0.7 percent with subsidies (Table 43).



Table 42 2023 Affordability Analysis for Friendship Court I with subsidies

30% AMI	35% Rent Burden	Two Bedroom Units		Three Bedroom Units		Four Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		6		4		1	
Net Rent		\$557		\$574		\$705	
Gross Rent		\$695		\$743		\$808	
Income Range (Min, Max)		\$23,829	\$28,320	\$25,474	\$32,700	\$27,703	\$36,480
Renter Households							
Range of Qualified Hhlds		17,905	17,102	17,595	16,344	17,677	15,946
# Qualified Hhlds		802		1,251		1,731	
Renter HH Capture Rate		0.7%		0.3%		0.1%	

50% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units	
Number of Units		6		4	
Net Rent		\$744		\$980	
Gross Rent		\$853		\$1,118	
Income Range (Min, Max)		\$29,246	\$39,325	\$38,331	\$47,200
Renter Households					
Range of Qualified Hhlds		16,942	15,110	15,302	13,587
# Qualified Hhlds		1,832		1,715	
Renter HH Capture Rate		0.3%		0.2%	

50% AMI	35% Rent Burden	Two Bedroom Units		Three Bedroom Units		Four Bedroom Units	
Number of Units		12		14		8	
Net Rent		\$1,520		\$1,729		\$1,950	
Gross Rent		\$1,658		\$1,898		\$2,155	
Income Range (Min, Max)		no min\$	\$47,200	no min\$	\$54,500	no min\$	\$60,800
Renter Households							
Range of Qualified Hhlds		22,586	13,587	22,586	12,338	22,586	11,347
# Qualified Households		8,999		10,248		11,239	
Renter HH Capture Rate		0.1%		0.1%		0.1%	

60% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units		Four Bedroom Units	
Number of Units		4		5		10		2	
Net Rent		\$855		\$1,022		\$1,690		\$1,800	
Gross Rent		\$964		\$1,160		\$1,781		\$2,005	
Income Range (Min, Max)		\$33,051	\$47,190	\$39,771	\$56,640	no min\$	\$65,400	no min\$	\$72,960
Renter Households									
Range of Qualified Hhlds		16,283	13,589	15,023	12,001	22,586	13,046	22,586	9,434
# Qualified Households		2,694		3,022		9,541		13,152	
Renter HH Capture Rate		0.1%		0.2%		0.1%		0.0%	

80% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
Number of Units		11		17		2	
Net Rent		\$1,285		\$1,350		\$1,529	
Gross Rent		\$1,394		\$1,488		\$1,698	
Income Range (Min, Max)		\$47,794	\$62,920	\$51,017	\$75,520	\$58,217	\$87,200
Renter Households							
Range of Qualified Hhlds		13,472	11,014	12,886	9,051	11,753	7,651
# Qualified Households		2,459		3,834		4,102	
Renter HH Capture Rate		0.4%		0.4%		0.0%	

Income Target	# Units	Renter Households = 22,586				
		Band of Qualified Hhlds		# Qualified HHs	Capture Rate	
30% AMI	11	Income Households	\$23,829	\$36,480	1,958	0.6%
50% AMI	10	Income Households	\$29,246	\$47,200	3,355	0.3%
50% AMI	34	Income Households	no min\$	\$60,800	11,239	0.3%
60% AMI	21	Income Households	no min\$	\$72,960	13,152	0.2%
80% AMI	30	Income Households	\$47,794	\$87,200	5,821	0.5%
Total Units	106	Income Households	no min\$	\$87,200	14,935	0.7%

Source: Income Projections, RPRG, Inc.



Table 43 2023 Affordability Analysis for the Friendship Court I Apartments and no subsidies

30% AMI		35% Rent Burden		Two Bedroom Units		Three Bedroom Units		Four Bedroom Units	
				Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		6		6		4		1	
Net Rent		\$557		\$557		\$574		\$705	
Gross Rent		\$695		\$695		\$743		\$808	
Income Range (Min, Max)		\$23,829		\$28,320		\$25,474		\$32,700	
Renter Households									
Range of Qualified Hhlds		17,905		17,102		17,595		16,344	
# Qualified Hhlds				802		1,251		1,731	
Renter HH Capture Rate				0.7%		0.3%		0.1%	

50% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units	
Number of Units		6		4		4	
Net Rent		\$744		\$980		\$980	
Gross Rent		\$853		\$1,118		\$1,118	
Income Range (Min, Max)		\$29,246		\$39,325		\$38,331	
Renter Households							
Range of Qualified Hhlds		16,942		15,110		15,302	
# Qualified Hhlds				1,832		1,715	
Renter HH Capture Rate		0.3%		0.2%		0.2%	

50% AMI		35% Rent Burden		Two Bedroom Units		Three Bedroom Units		Four Bedroom Units	
Number of Units		12		14		14		8	
Net Rent		\$980		\$1,193		\$1,193		\$1,315	
Gross Rent		\$1,118		\$1,362		\$1,362		\$1,520	
Income Range (Min, Max)		\$38,331		\$47,200		\$46,697		\$54,500	
Renter Households									
Range of Qualified Hhlds		15,302		13,587		13,684		12,338	
# Qualified Households				1,715		1,346		1,366	
Renter HH Capture Rate		0.7%		1.0%		0.6%		0.6%	

60% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units		Four Bedroom Units	
Number of Units		4		5		10		2		2	
Net Rent		\$855		\$1,022		\$1,466		\$1,619		\$1,619	
Gross Rent		\$964		\$1,160		\$1,557		\$1,824		\$1,824	
Income Range (Min, Max)		\$33,051		\$47,190		\$39,771		\$56,640		\$52,114	
Renter Households											
Range of Qualified Hhlds		16,283		13,589		15,023		12,001		10,623	
# Qualified Households				2,694		3,022		-2,422		-2,422	
Renter HH Capture Rate		0.1%		0.2%		-0.4%		0.1%		0.1%	

80% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
Number of Units		11		17		2		2	
Net Rent		\$1,285		\$1,350		\$1,529		\$1,529	
Gross Rent		\$1,394		\$1,488		\$1,698		\$1,698	
Income Range (Min, Max)		\$47,794		\$62,920		\$51,017		\$75,520	
Renter Households									
Range of Qualified Hhlds		13,472		11,014		12,886		9,051	
# Qualified Households				2,459		3,834		4,102	
Renter HH Capture Rate		0.4%		0.4%		0.4%		0.0%	

Income Target	# Units	Renter Households = 22,586				
		Band of Qualified Hhlds		# Qualified Hhlds	Capture Rate	
30% AMI	11	Income Households	\$23,829	\$36,480	1,958	0.6%
50% AMI	10	Income Households	\$29,246	\$47,200	3,355	0.3%
50% AMI	34	Income Households	\$38,331	\$60,800	3,955	0.9%
60% AMI	21	Income Households	\$33,051	\$72,960	1,189	1.8%
80% AMI	30	Income Households	\$47,794	\$87,200	5,821	0.5%
Total Units	106	Income Households	\$23,829	\$87,200	10,254	1.0%

Source: Income Projections, RPRG, Inc.



3. Penetration Analysis

To provide further insight into the market dynamics, we have also conducted a Penetration Analysis (Table 44). The Penetration Analysis evaluates the capacity of the market area to serve the entire inventory of directly competitive rental units. Our analysis utilizes the same target date of 2023; the same 35 percent rent burden; and income levels as presented in the Affordability Analysis for the tax credit units (the subsidized units were not included because of the substantial waiting lists for all bedroom types at the existing Friendship Court property).

As of 2023, the competitive supply of 30, 50, 60, and 80 percent AMI rental stock consists of a total of 1,814 units, of which 541 units are in the development pipeline (Including the 60 tax credit units at the subject). The incomes of households who could afford the directly competitive supply range from \$23,829 to \$87,200. An estimated 10,254 renter households will be in the band of affordability for all 30, 50, 60, and 80 percent of AMI one, two, three, and four bedroom units as of 2023. The existing and planned affordable supply would need to capture 18.3 percent of these renter households in order to reach full occupancy.

Table 44 Penetration Analysis for Friendship Court I Apartments, Assuming 35% Rent Burden

30% Units		50% Units		60% Units		80% Units	
Competitive Units	Units	Competitive Units	Units	Competitive Units	Units	Competitive Units	Units
Carlton Views I	14	Virnita Court	7	Mallside Forest	160	Virnita Court	2
Monticello Vista	5	Treesdale Park	66	Heathwood TH	200	Monticello Vista	1
Carlton Views III	12	Greenstone on 5th	202	Carlton Views I	40		
		Parks Edge	96	Treesdale Park	6		
		Rio Hill	29	Rio Hill	110		
				Wilton Farm	144		
				Virnita Court	2		
				Brookdale	96		
				Monticello Vista	45		
				Carlton Views III	36		
subtotal	31	subtotal	400	subtotal	839	subtotal	3
Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units
South 1st St - I	5	South 1st St - I	10	South 1st St - I	10	Southwood	19
South 1st St - 11	10	South 1st St - 11	23	South 1st St - 11	23	Friendship Court II	23
Southwood	7	Southwood	28	Southwood	67		
Friendship Court II	10	Friendship Court II	58	Friendship Court II	9		
MACAA	90	Sixth Street I	19	Sixth Street I	23		
		MACAA	11	MACAA	51		
		Park St Senior	20	Park St Senior	25		
subtotal	122	subtotal	169	subtotal	208	subtotal	42
Subject Property	Units	Subject Property	Units	Subject Property	Units	Subject Property	Units
Friendship Court I	11	Friendship Court I	10	Friendship Court I	9	Friendship Court I	30
Total	164	Total	579	Total	1,056	Total	75

Income Target	Total Competitive Units	Renter Households = 22,586		# Qualified HHs	Penetration Rate
		Band of Qualified Hhlds			
		One Bedroom	Three Bedroom		
30% Units	164	\$23,829 17,905	\$36,480 15,660	2,245	7.3%
50% Units	579	\$29,246 16,942	\$54,500 13,046	3,896	14.9%
60% Units	1,056	\$33,051 10,623	\$72,960 9,434	1,189	88.8%
80% Units	75	\$47,794 13,472	\$87,200 7,651	5,821	1.3%
Total Units	1,874	\$23,829 17,905	\$87,200 7,651	10,254	18.3%

Total Existing Stock	1,273
Total Pipeline	541
Total	1,814



4. Conclusions on Affordability and Penetration

RPRG judges that the capture rates are low and readily achievable, particularly since the subject will be in area currently underserved by affordable units and will offer new and attractive units. The subject's overall renter capture rates is low at 0.7 percent—significantly lower than the five percent threshold indicative of a strong market. Even without subsidies, the overall capture rate is still a very low 1.0 percent.

RPRG considers the calculated penetration rate for the tax credit units of 18 percent of income-restricted renter households to be reasonable within the context of the Friendship Court I Market Area. In essence, our analysis suggests that the most directly competitive rental units will need to capture roughly one out of six income-restricted renter households.

D. VH Demand Methodology

1. VH Demand Analysis

Virginia Housing (VH) mandates a particular demand methodology in evaluating applications for Low-Income Housing Tax Credits. VH opts for a need-driven demand methodology which factors the topics of cost-burdened renters and substandard rental housing into the demand equation. In this section, RPRG calculates demand according to the VH methodology for Friendship Court I. VH's demand methodology for general occupancy LIHTC projects such as the subject accounts for as many as four primary components of potential need/demand:

- **Household Growth or Decline.** The household trend required by VH is the net increase or decrease in the number of income-qualified renter households in the primary market area between a base year of 2022 and a target year of 2023.
- **Cost Burdened Renters.** VH's second component of demand is cost burdened renters, a designation which is typically defined as those renter households paying more than 35 percent of household income for housing costs. To be conservative, RPRG uses the 2016-2020 ACS data on cost-burdened renter households presented earlier in Table 22 to estimate the percentage and number of income-qualified renters for the subject project that will be cost-burdened as of 2022 as conservatively defined by spending 40 percent of income on rent, or 36.7 percent of renters.
- **Renter Households in Substandard Housing.** VH's third component of demand accounts for income-qualified renter households living in substandard units, defined as overcrowded units (having 1.01 or more persons per room) and/or units lacking complete plumbing facilities. According to the 2016-2020 ACS, the percentage of renter households in the primary market area that lived in substandard conditions was 2.3 percent.
- **Existing Tenants Likely to Remain.** For projects that constitute the renovation of an existing property with current tenants, VHDA requests that analysts consider the percentage of current tenants that are likely to remain following the proposed renovation. Even though this is a new construction project, 46 tenants from subsidized units at the existing Friendship Court Apartments will be moved to Friendship Court 1 upon its completion.

Table 45 outlines the detailed VH demand calculations for Friendship Court Apartments that stem from the four demand components. Total demand available for the 106-unit proposed affordable project is expected to include 465 net new renter households, 3,940 cost-burdened households, 249 households currently residing in substandard housing, and 46 deep subsidy tenants from the existing Friendship Court Apartments. The calculation thus yields a total demand for 4,700 units of rental housing serving the targeted income bands.



Comparable units that are presently available or that would likely be available constitute supply that must be subtracted from total VH demand to arrive at VH net demand. Based on the known vacancy rates for the rental communities in our survey, there are nine vacant units in the competitive supply. The pipeline consists of 541 affordable units at six tax credit projects. Subtracting the vacant existing and pipeline units, VH net demand totals 4,150 units.

Given net demand of 4,150 units, the 106-unit new rental project on the Friendship Court 1 site would need to capture 2.6 percent of income-qualified renter households per VH’s demand methodology.

Table 45 VH Demand by Overall Income Targeting

<i>Income Target</i>	30% AMI	50% AMI	60% AMI	80% AMI	Project Total
<i>Minimum Income Limit</i>	\$20,503	\$40,731	\$54,240	\$54,240	\$20,503
<i>Maximum Income Limit</i>	\$32,700	\$56,640	\$56,640	\$87,200	\$87,200
(A) Renter Income Qualification Percentage	9.8%	16.7%	12.6%	20.9%	48.3%
Demand from New Renter Households - <i>Calculation (C-B)*F*A</i>	94	161	121	202	465
+ Demand from Rent Overburdened HHs - <i>Calculation: B*E*F*A</i>	797	1,366	1,025	1,709	3,940
+ Demand from Substandard Housing - <i>Calculation B*D*F*A</i>	50	86	65	108	249
+ Existing Qualified Tenants to Remain	0	0	0	0	46
Total Income Qualified Renter Demand	942	1,614	1,211	2,019	4,700
Less: Comparable Vacant Units	1	1	7	0	9
Less: Comparable Pipeline Units	122	169	208	42	541
Net Demand	819	1,444	996	1,977	4,150
Subject Proposed Units	11	44	21	30	106
Capture Rate	1.3%	3.0%	2.1%	1.5%	2.6%
Estimated Absorption Period	5 months	5 months	5 months	5 months	5 months

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

2. Conclusions on VH Demand

RPRG considers the key captures rates for the new units proposed for Friendship Court 1 as both reasonable and readily achievable. Taking into consideration the very low capture rates, we have estimated an overall project lease up pace of roughly five months, reflecting an average absorption pace of 12 units per month for the 60 new tax credit and market rate units (assuming that 46 subsidized units would filled by existing tenants moving from the original Friendship Court community), or an average project absorption (including the existing subsidized units) of 20 units per month to achieve 95 percent occupancy.

E. Target Markets

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



F. Product Evaluation

Overall, RPRG judges that the subject site can readily be repositioned as a mixed income rental property. As stated previously, the subject site is exceptionally well located in downtown Charlottesville, is served by public transportation and has good access to amenities, services and employment.

- **Structure Type:** The Developer has proposed two three-story garden structures and one four-story townhome structures that are compatible with the existing community and similar in style to the other existing market rate and tax credit inventory. The proposed structure type is appropriate for this development.
- **Unit Distribution:** In the context of the target markets, the proposed unit mix is appropriate. Given the large number of families at the existing Friendship Courts Apartments, the emphasis on larger units (three- and four-bedroom units) with a 38 percent share appear reasonable to address existing renter base. Overall, almost one third or renter households in the market have 3 or more persons, which need to be addressed by larger housing units. The proposed 20 percent share of one bedroom units at the subject is comparable to the 20 percent share of smaller units (studios and one bedroom units) in the existing tax credit inventory. The proposed 42 percent share of two bedroom units is moderately below the 52 percent share of two bedroom unit in the tax credit inventory but is counterbalanced by the larger number of three and four bedroom units.
- **Income Targeting:** Given the substantial waiting lists at both subsidized and non-subsidized affordable communities and the limited number of new affordable communities, the range of targeted incomes at the subject appear reasonable. The introduction of qualified moderate-income households at 80 percent of AMI will address the needs for quality workforce housing.
- **Unit Size:** The proposed one and two bedroom floor plans at Friendship Court Phase I are comparable to the existing tax credit inventory; the three and four bedroom floor plans are generously sized.
 - One bedroom units at the subject are sized on average at 642 square feet, moderately below the tax credit average of 676 square feet.
 - Two bedroom units at the subject are sized on average at 978 square feet, moderately larger than the tax credit average of 936 square feet. The 1,154 square foot floor plan for the townhome models is larger than the 1,094 square foot average of the market rate two bedroom models.
 - Three bedroom units at the subject are sized on average at 1,433 square feet, larger than the tax credit average of 1,168 square feet and the 1,354 square foot average of the market rate three bedroom units. In a similar fashion, the 1,570 square foot floor plan for the townhome models is comparable to the largest three bedroom models in the market rate group.
 - The average size of the four bedroom units at the subject at 1,491 square feet is also substantial by any measure.
- **Unit Features:** Units will feature energy-efficient appliances including range/oven, refrigerator, microwave, dishwasher, range hood, laminate counters, and wood cabinets. Luxury vinyl tile (LVT) flooring will cover the entire apartment. A stacked washer/dryer will be provided in each unit. Townhome units will have private entrances. The inclusion of microwaves and in unit washer-dryers in all units provides the subject a competitive advantage compared to most tax credit communities.
- **Utilities Included in Rent:** Six of the ten tax credit communities, plus the existing Friendship Court community, includes water, sewer and trash removal costs as does the subject.



- **Common Area Amenities:** The existing community amenities that will be available to tenants at the subject include an on-site supportive services programs, after-school care in a community building, a large playground and resident garden. Additional amenities to be provided at the subject include a library, work room/ conference center, and fitness facility. The combination of the existing and proposed amenities will be superior to the amenity packages currently offered at existing tax credit communities.
- **Parking:** The proposed parking at the subject, consisting of 46 surface lot spaces and 67 garage spaces, is consistent with parking at the other tax credit and market rate communities.

G. Price Position

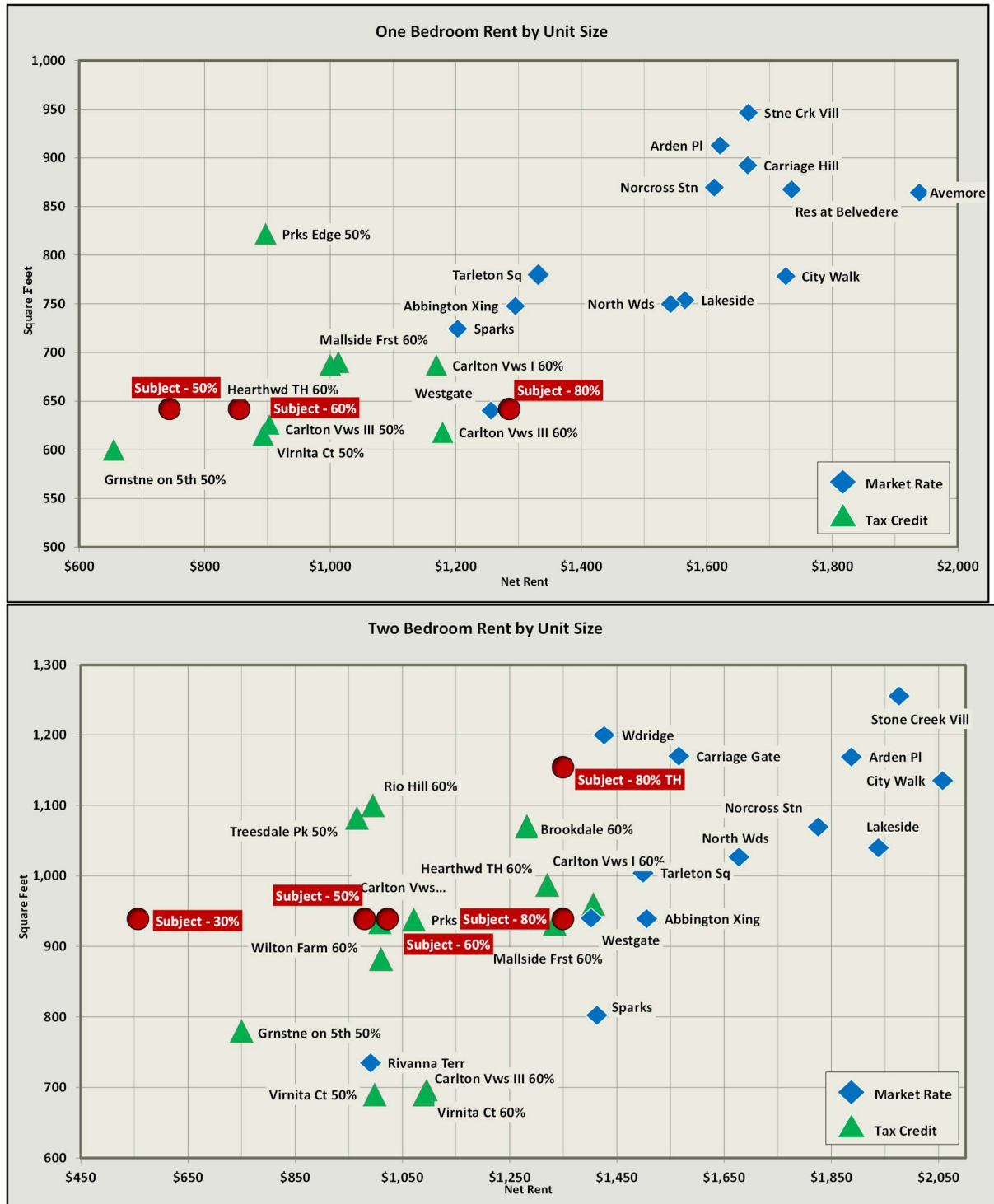
The proposed 30, 50, 60, and 80 percent of AMI rents at Friendship Court Phase I Apartment fall below the maximum LIHTC Tenant Rent Limits for each of the target AMI rents as specified in the Department of Housing and Urban Development's 2022 median household income for the Charlottesville, VA HUD Metro FMR Area (see Table 1). The subsidized rents are not evaluated since they are not subject to market factors.

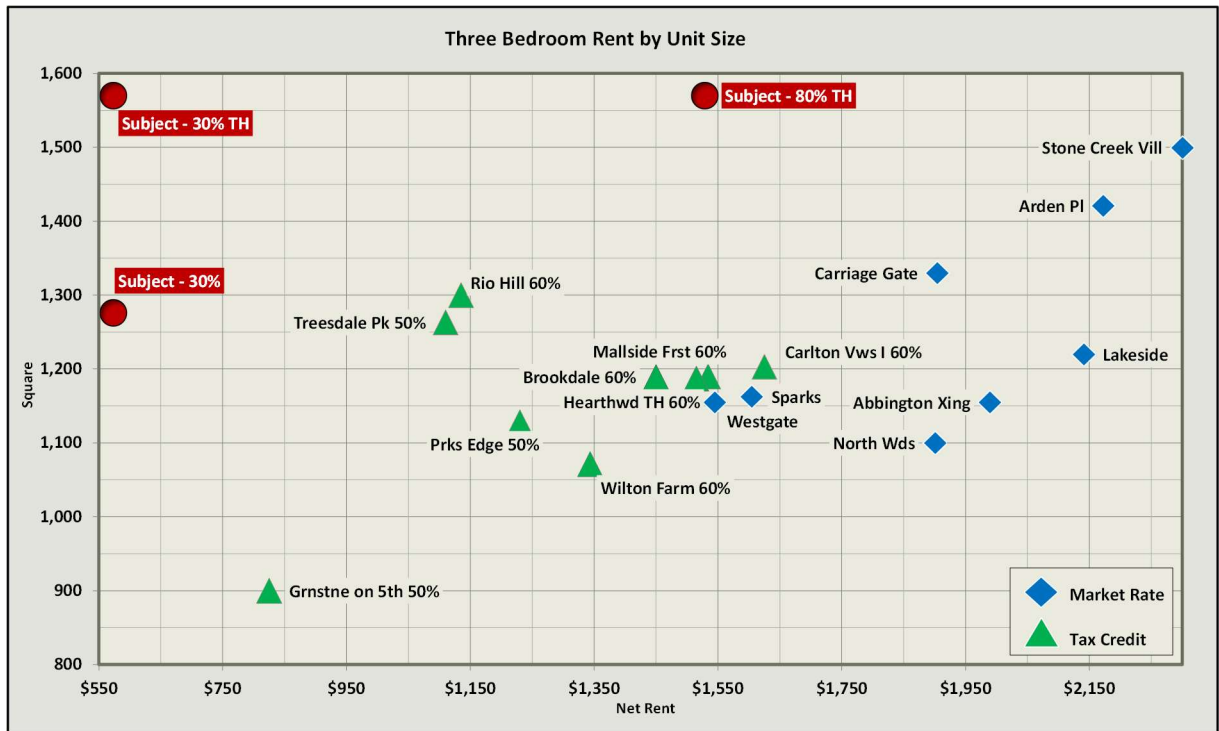
- **One Bedroom Units:** The proposed 50 percent one bedroom rent of \$744 is within the lower range of the \$705 to \$953 50 percent one bedroom rents at the surveyed LIHTC communities. The proposed 60 percent one bedroom rent of \$855 falls below the \$1,050 to \$1,219 60 percent one bedroom rents at the surveyed LIHTC communities.
- **Two Bedroom Units:** Since there are no 30 percent models in the market area, the proposed 30 percent two bedroom rent of \$498 will be the lowest rent of any the models surveyed at the 29 market area communities. The proposed 50 percent two bedroom rent of \$882 will be within the lower range of the \$800 to \$1,121 50 percent two bedroom rent range at the surveyed LIHTC Communities. The proposed 60 percent two bedroom rent of \$1,022 falls below the \$1,045 to \$1,466 60 percent two bedroom rents at the surveyed LIHTC communities.
- **Three Bedroom Units:** The proposed 30 percent three bedroom rent of \$574 will also be among the lowest rent of any the models surveyed at the 21 market area communities.
- **Four Bedroom Units:** The proposed 30 percent four bedroom rent of \$705 will also be among the lowest rent of any of the models surveyed at the 21 market area communities.
- **80 Percent of AMI Units (Work Force):** The proposed 80 percent AMI rents are positioned in the upper range of the tax credit communities but mostly below the rents of the market rate communities. The workforce housing will provide quality affordable housing for households earning too much for traditional tax credit units and too little to afford the newer upscale housing emerging in the market area.
 - **One Bedroom Units:** The proposed one bedroom rent of \$1,285 falls above the upper range of the tax credit one bedroom rents and just above the \$1,253 lowest market rate one bedroom rent.
 - **Two Bedroom Units:** The proposed two bedroom rent of \$1,350 also falls within the upper range of the tax credit two bedroom rent and below all but one of the market rate communities (the Rivanna two bedroom rents of \$1,040 are an outlier in the market rate group).
 - **Three Bedroom Units:** The proposed rent of \$1,529 falls within the upper range of the tax credit three bedroom rents and below the \$1,594 lowest market rate three bedroom rent.



Figure 11 provides a graphic representation of the competitive positions of the rents and square footages proposed for the subject’s tax credit unit within the context of the Affordable/Tax Credit supply as well as the subject’s market rate one, two, and three bedroom units.

Figure 11 Price Position of Friendship Court I Apartments





H. Concluding Remarks

The subject site is located strategically close to the Downtown Mall, the urban core of downtown Charlottesville that is well-suited to the proposed use as a mixed income rental community. The plan to reposition this large parcel of land from a low-density subsidized rental property to a higher density mixed income development has many benefits for both the existing household base as well as the local community. The site’s location is likely to have a widespread appeal, as demonstrated by the success of other multifamily rental properties within the immediate neighborhood. The Albemarle County/ City of Charlottesville economic base, buttressed by the region’s recession proof health, education, and defense sectors, has consistently remained strong even weathering the recent recession with minimal adverse impact. The market area reported strong population and household growth during the 2010 to 2022 period that is project to moderately accelerate (on an absolute basis) over the next five years as more housing options have emerged in Charlottesville and the close-in Albemarle County neighborhoods. Based on the low vacancies reported in RPRG’s survey of both the market rate and income-restricted general occupancy rental communities, the rental market in Friendship Court Market Area is tight at 1.6 percent vacancy, pointing to its ability to support the proposed subject apartments.

Despite a short term pipeline of ten projects, the demand analysis indicates a moderate demand surplus of 150 units. Capture and penetration rates are also low, indicating a large pool of income qualified households to support both the subject and competitive properties. The demand for affordable housing is further demonstrated by virtually full occupancies and waiting lists at subsidized and tax credit properties.

Taking into consideration the very low capture rates, we have estimated an overall project lease up pace of roughly five months, reflecting an average absorption pace of 12 units per month for the 60 new tax credit and market rate units (assuming that 46 subsidized units would be filled by existing tenants moving from the original Friendship Court community), or an average project



absorption (including the existing subsidized units) of 29 units per month to achieve 95 percent occupancy.

In summary, RPRG recommends the development of Phase I of Friendship Court as a viable and strategic component of downtown Charlottesville’s evolution into a vibrant mixed use and mixed income urban center.

I. Impact on Existing Market

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

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

Handwritten signature of Jerry Levin in cursive script.

Jerry Levin
Senior Analyst

Handwritten signature of Robert M. Lefenfeld in cursive script.

Robert M. Lefenfeld
Founding Principal



IX. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

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

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



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

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



X. APPENDIX 2 NCHMA CHECKLIST

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

Component (*First occurring page is noted)		*Page(s)
Executive Summary		
1.	Executive Summary	vi
Project Summary		
2.	Project description with exact number of bedrooms and baths proposed income limitation, proposed rents, and utility allowances	6
3.	Utilities (and utility sources) included in rent	6
4.	Project design description	6
5.	Unit and project amenities; parking	8
6.	Public programs included	N/A
7.	Target population description	74
8.	Date of construction/preliminary completion	8
9.	If rehabilitation, existing unit breakdown and rents	N/A
10.	Reference to review/status of project plans	N/A
Location and Market Area		
11.	Market area/secondary market area description	29
12.	Concise description of the site and adjacent parcels	9
13.	Description of site characteristics	9
14.	Site photos/maps	11
15.	Map of community services	16
16.	Visibility and accessibility evaluation	14
17.	Crime information	15
Employment and Economy		
18.	Employment by industry	24
19.	Historical unemployment rate	22



20.	Area major employers	26
21.	Five-year employment growth	N/A
22.	Typical wages by occupation	25
23.	Discussion of commuting patterns of area workers	23
Demographic Characteristics		
24.	Population and household estimates and projections	31
25.	Area building permits	31
26.	Distribution of income	37
27.	Households by tenure	36
Competitive Environment		
28.	Comparable property profiles	86
29.	Map of comparable properties	42
30.	Comparable property photos	86
31.	Existing rental housing evaluation	40
32.	Comparable property discussion	42
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	44
34.	Comparison of subject property to comparable properties	75
35.	Availability of Housing Choice Vouchers	49
36.	Identification of waiting lists	44, 49
37.	Description of overall rental market including share of market-rate and affordable properties	42
38.	List of existing LIHTC properties	42
39.	Discussion of future changes in housing stock	N/A
40.	Discussion of availability and cost of other affordable housing options, including homeownership	N/A
41.	Tax credit and other planned or under construction rental communities in market area	57
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	69
43.	Calculation and analysis of Penetration Rate	72
44.	Evaluation of proposed rent levels	76
45.	Derivation of Achievable Market Rent and Market Advantage	51
46.	Derivation of Achievable Restricted Rent	56
47.	Precise statement of key conclusions	78



48.	Market strengths and weaknesses impacting project	78
49.	Recommendation and/or modification to project description	N/A
50.	Discussion of subject property’s impact on existing housing	79
51.	Absorption projection with issues impacting performance	78
52.	Discussion of risks or other mitigating circumstances impacting project	N/A
53.	Interviews with area housing stakeholders	N/A
Certifications		
54.	Preparation date of report	Cover
55.	Date of field work	Cover
56.	Certifications	Back
57.	Statement of qualifications	87
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	2



XI. APPENDIX 3 NCHMA CERTIFICATION

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

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

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

Real Property Research Group, Inc.



Bob Lefenfeld
Name

Founding Principal
Title

December 6th, 2022
Date



XII. APPENDIX 4 RENTAL COMMUNITY PROFILES

Abbington Crossing



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



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

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

Features

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

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

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

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

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

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Abbington Crossing

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

Arden Place



ADDRESS
1810 Arden Creek Lane, Charlottesville, VA, 22901

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story - Garden

UNITS
212

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

OPENED IN
2011



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

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

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

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

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

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

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

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

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Arden Place

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

Avemore



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



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

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

Features

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

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

Comments

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

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

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

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

Avemore

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

Beacon on 5th



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



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

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

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

Parking	
Parking Description	Free Surface Parking
Parking Description #2	Detached Garage — \$250.00

Contacts	
Owner / Mgmt.	Castle Dev
Phone	434-202-0787

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

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

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

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Beacon on 5th

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

Brookdale Apts



ADDRESS
910 Upper Brook Court, Charlottesville, VA, 22903

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
3 Story - Garden

UNITS
96

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

OPENED IN
2019



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

Community Amenities
Clubhouse, Fitness Room, Playground

Features

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

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

Comments

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

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

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

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

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

Brookdale Apts

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

Carlton Views I



ADDRESS
1337 Carlton Avenue, Charlottesville, VA, 22902

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
4 Story – Mid Rise

UNITS
54

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

OPENED IN
2017



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

Community Amenities
Community Room, Elevator Served

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

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

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

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

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

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

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

Carlton Views I

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

Carlton Views III



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



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

Community Amenities
Community Room, Elevator Served

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

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

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

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

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

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

Adjustments to Rent	
Incentives	None
Utilities in Rent	

Carlton Views III

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

Carriage Gate



ADDRESS
655 Woodbrook Drive, Charlottesville, VA, 22901

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
4 Story - Garden

UNITS
40

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

OPENED IN
2004



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

Community Amenities
Playground

Features

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

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

Contacts	
Owner / Mgmt.	Carriage Gate LLC
Phone	434 531 4177

Comments

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

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

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

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

Carriage Gate

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

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

Carriage Hill



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



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

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

Features

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

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

Comments

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

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

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

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

Carriage Hill

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

City Walk



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



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

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

Features

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

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

Comments

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

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

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

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

City Walk

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

Greenstone on 5th



ADDRESS
746 Prospect Avenue, Charlottesville, VA, 22903

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
Garden

UNITS
202

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

OPENED IN
1978



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

Community Amenities
Community Room, Central Laundry

Features

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

Parking Description	Free Surface Parking
Parking Description #2	

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

Comments

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

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

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

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

Greenstone on 5th

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

Hearthwood Apts & THs



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



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

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

Features

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

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

Comments

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

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

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

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

Hearthwood Apts & THs

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

Lakeside



ADDRESS
200 Lake Club Court, Charlottesville, VA, 22902

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story - Garden

UNITS
348

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

OPENED IN
1997



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

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

Features

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

Parking

Parking Description Free Surface Parking
Parking Description #2

Contacts

Owner / Mgmt. Pam
Phone 434-984-5253

Comments

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

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

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

Adjustments to Rent

Incentives None
Utilities in Rent Trash
Heat Source Electric

Lakeside

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

Mallside Forest



ADDRESS
816 Mallside Forest Court, Charlottesville, VA, 22901

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
3 Story – Garden

UNITS
160

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

OPENED IN
1998



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

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

Features

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

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

Comments

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

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

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

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

Mallside Forest

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

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

Norcross Station



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



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

Community Amenities	
Elevator Served	

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

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Phone	434-817-7249

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

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

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

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Norcross Station

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

North Woods



ADDRESS
63 Four Seasons Drive, Charlottesville, VA, 22901

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
2 Story - Garden/TH

UNITS
310

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

OPENED IN
1975



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

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

Features

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

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

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

Comments

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

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

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

Adjustments to Rent

Incentives	None; Daily pricing
Utilities in Rent	

North Woods

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

Parks Edge



ADDRESS
181 Whitewood Road, Charlottesville, VA, 22901

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
3 Story - Garden

UNITS
96

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

OPENED IN
1977



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

Community Amenities
Community Room, Playground, Computer Center

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

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

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

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

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

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

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

Parks Edge

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

Reserve at Belvedere



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



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

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

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

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

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

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

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

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

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

Reserve at Belvedere

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

Rio Hill



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



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

Community Amenities
Outdoor Pool, Playground

Features

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

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Owner / Mgmt.	Amurcon
Phone	434 974 6377

Comments

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

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

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

Adjustments to Rent

Incentives	None
Utilities in Rent	Water/Sewer, Trash

Rio Hill

Rivanna Terrace



ADDRESS
1220 Smith Street, Charlottesville, VA, 22901

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story - Garden

UNITS
48

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

OPENED IN
1989



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

Community Amenities
Central Laundry

Features

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

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

Comments

No Waitlist
Four units are ADA accessible.

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

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

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

Rivanna Terrace

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

Sparks



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



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

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

Features

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

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Gates Hudson
Parking Description #2		Phone	434-973-6432

Comments

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

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

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

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

Sparks

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

Stone Creek Village



ADDRESS
365 Stone Creek Point, Charlottesville, VA, 22902

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
Garden

UNITS
264

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

OPENED IN
2003



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

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

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

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

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

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

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

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

Stone Creek Village

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

Stonefield Commons



ADDRESS
3105 District Avenue, Charlottesville, VA, 22901

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
4 Story - Mid Rise

UNITS
251

VACANCY
2.8 % (7 Units) as of 12/06/22

OPENED IN
2013



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

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

Features

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

Parking

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

Contacts

Owner / Mgmt.	MAA
Phone	434-231-2524

Comments

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

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

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

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

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

Stonefield Commons

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

Tarleton Square



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

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
4 Story - Mid Rise

UNITS
54

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

OPENED IN
1967



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

Community Amenities
Fitness Room, Central Laundry, Elevator Served

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

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

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

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

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

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

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

Tarleton Square

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

Treesdale Park



ADDRESS
1720 Treesdale Way, Charlottesville, VA, 22901

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
3 Story - Garden

UNITS
72

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

OPENED IN
2012



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

Community Amenities
Community Room, Fitness Room

Features

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

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

Comments

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

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

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

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

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

Treesdale Park

Virnita Court



ADDRESS
800 Rose Hill Dr, Charlottesville, VA, 22903

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
2 Story - Garden

UNITS
16

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

OPENED IN
1960



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

Community Amenities

Features

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

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

Comments

WL: 1 year

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

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

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

Virnita Court

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

Westgate



ADDRESS
2615 Hydraulic Road, Charlottesville, VA, 22901

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
Garden/TH

UNITS
284

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

OPENED IN
1971



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

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

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

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

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

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

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

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

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

Westgate

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

Wilton Farm



ADDRESS
1475 Wilton Farm Road, Charlottesville, VA, 22911

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
4 Story - Garden

UNITS
144

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

OPENED IN
1992



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

Community Amenities
Central Laundry, Playground

Features

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

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

Comments

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

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

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

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

Wilton Farm

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

Woodridge



ADDRESS
320 Commonwealth Court, Charlottesville, VA, 22901

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story - Garden

UNITS
60

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

OPENED IN
1993



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

Community Amenities
Playground

Features

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

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Owner / Mgmt.	Mgmt Services Corp.
Phone	434-270-7208

Comments

2 Parking spaces included

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

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

Adjustments to Rent

Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Woodridge



XIII. APPENDIX 5 ANALYST RESUMES

ROBERT M. LEFENFELD

Managing Principal

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

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

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

AREAS OF CONCENTRATION:

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

EDUCATION:

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



Gerald Levin

Senior Analyst

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

Areas of Concentration:

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

Education:

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



XIV. APPENDIX 6 VH CERTIFICATION

I affirm the following:

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

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

Jerry Levin

Market Analyst

December 6th, 2022

Date