



**BOWEN  
NATIONAL  
RESEARCH**

# Market Feasibility Analysis

Goose Creek Crossing  
843 Jefferson Highway  
Staunton, Augusta County, Virginia 24401

*Prepared For*

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

*Authorized User*

Virginia Housing  
601 South Belvidere Street  
Richmond, Virginia 23220

*Effective Date*

February 14, 2023

*Job Reference Number*

23-131 JP

# Market Study Certification

## NCHMA Certification

This certifies that Jonathan Kabat, an employee of Bowen National Research, personally made an inspection of the area including competing properties and the proposed site in Staunton, Virginia. Further, the information contained in this report is true and accurate as of February 14, 2023.

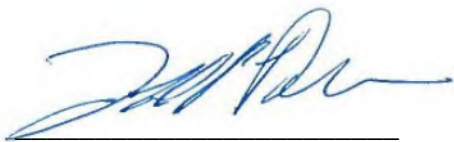
Bowen National Research is a disinterested third party without any current or future financial interest in the project under consideration. We have received a fee for the preparation of the market study. However, no contingency fees exist between our firm and the client.

## Virginia Housing Certification

I affirm the following:

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

Certified:



Jeff Peters (Primary Contact)

Market Analyst

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

Date: February 14, 2023



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Jonathan Kabat

Market Analyst

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

Date: February 14, 2023



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Patrick M. Bowen

President/Market Analyst

Bowen National Research

155 E. Columbus St., Suite 220

Pickerington, OH 43147

(614) 833-9300

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

Date: February 14, 2023

# Certificate of Membership

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



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1400 16<sup>th</sup> St. NW, Suite 420  
Washington, DC 20036  
202-939-1750

**Designation Maintained By**  
Patrick Bowen

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



A handwritten signature in blue ink that reads 'Kaitlyn Snyder'.

**Kaitlyn Snyder**  
Managing Director, NH&RA

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# I. Introduction

## A. PURPOSE

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

## B. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

### **C. SOURCES**

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

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

### **D. REPORT LIMITATIONS**

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

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

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## II. Executive Summary

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

### Project Description

The subject project involves the new construction of the 42-unit Goose Creek Crossing rental community at 843 Jefferson Highway in Staunton, Virginia. The project will target general-occupancy (family) households earning up to 30%, 50%, 70% and 80% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. In addition, 15 of the units within the subject development will receive project-based rental assistance (PBRA). The proposed project is expected to be completed by 2024. Additional details of the subject project can be found in *Section III - Project Description* of this report.

### Site Evaluation

The proposed subject site consists of undeveloped land located at 843 Jefferson Highway/U.S. Highway 250 in the southeastern portion of Staunton, Virginia. The subject site is situated within a partially developed mixed-use area of Staunton with surrounding land uses primarily consisting of residential dwellings, undeveloped land and small businesses. The site is visible from both adjacent roadways: U.S. Highway 250/Jefferson Highway and State Route 636. U.S. Highway 250 has moderate traffic patterns and it is anticipated that most passerby traffic will be derived from this roadway. Although a detailed site plan was not available at the time of this report, it is anticipated that the subject project will derive access from U.S. Highway 250, a four-lane arterial roadway with moderate traffic patterns that borders the site to the north. Although this aforementioned roadway experiences moderate traffic patterns, the inclusion of a dedicated center turning lane is expected to allow for convenient ingress and egress. In addition, BRITE Bus Transit service provides public transportation services to residents of Staunton and a bus stop is available 0.5 miles east of the site. The subject site is also within proximity of several community services, many of which are located within area shopping centers that can be accessed within less than 2.0 miles of the site. Overall, the site's surrounding land uses and proximity to services should positively contribute to its marketability. Additional information regarding the subject site, surrounding land uses and the proximity of community services is included in *Section IV - Area Analysis*.

### Primary Market Area (PMA)

The Primary Market Area (PMA) is the geographical area from which most of the support for the proposed development is expected to originate. The Staunton Site PMA includes the independent city of Staunton, the independent city of Waynesboro, Fishersville, Stuarts Draft and unincorporated portions of Augusta County. The boundaries of the Site PMA include Woodrow Wilson Parkway and New Hope Road to the north; Hermitage Road and the Waynesboro city limits to the east; Interstate 64, Waynesboro city limits, U.S. Highway 340, and the Roanoke District railroad tracks to the south; and White Hill Road, U.S. Highway 11, Old Greenville Road, and Woodrow Wilson Parkway to the west. A justification of this market area and a map illustrating the boundaries of the Site PMA can be found in *Section IV*, beginning on page IV-9.

### Demographic Trends

Both the population and household bases within the Staunton Site PMA have experienced growth overall since 2010, a trend that is expected to continue through 2028. Households between the ages of 25 and 64, which are expected to be the primary age cohort of potential renters at the general-occupancy subject project, comprise more than 61.0% of all households in 2023 and will comprise approximately 59.0% of all households through 2028. More than one-third (36.8%) of all households were renters in 2023 and the nearly 11,000 renter households projected for 2028 illustrate a deep base of renter support for the subject project. Further, nearly three-quarters (73.2%) of all renter households in the market are projected to earn less than \$75,000 in 2028. Based on the preceding analysis, a large base of low- and moderate-income renter households will continue to exist in the market for the foreseeable future. Detailed demographic trends are included in *Section IV*, beginning on page IV-11.

### Economic Trends

The Augusta County economy generally experienced growth between 2012 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, which caused many area businesses to shut down in an attempt to mitigate the spread of the coronavirus. Between 2019 and 2021, the Augusta County employment base declined by 1,881 jobs (5.1%), and its *annual* unemployment rate nearly doubled, increasing by more than two percentage points between 2019 and 2020. Specifically, the *monthly* unemployment rate spiked by more than six full percentage points between February 2020 and April 2020. On a positive note, the local economy improved in 2022, as the city employment base has increased by 935 jobs (2.7%) and the annual unemployment rate has declined to a low rate of 2.5%. Nonetheless, several of the businesses impacted include those within the Retail Trade and Accommodation & Food Services sectors, which provide lower wage paying positions. The subject site will provide a good quality affordable housing option in an economy where lower-wage employees are most vulnerable as the local economy

continues to improve. Detailed economic trends are included in *Section IV*, beginning on page IV-15.

Overall Rental Housing Market Conditions

We identified and personally surveyed 23 conventional housing projects containing a total of 2,566 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 99.1%, a strong rate for rental housing. The surveyed rental communities are broken out by project type in the following table.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	10	1,361	11	99.2%
Tax Credit	8	777	11	98.6%
Tax Credit/Government-Subsidized	3	336	0	100.0%
Government-Subsidized	2	92	0	100.0%
Total	23	2,566	22	99.1%

As illustrated in the preceding table, the rental housing market is performing well overall, with all segments reporting occupancy rates of 98.6% or higher. Notably, the 11 vacant Tax Credit units are all reported from an age-restricted Tax Credit property that is still in its initial lease-up period. As such, there are no vacant units reported among the established affordable rental housing segments surveyed. This is a good indication that affordable rental product such as that proposed at the site is in high demand in this market.

Comparable/Competitive Tax Credit Analysis

We identified and surveyed five family (general-occupancy) properties that offer non-subsidized Low-Income Housing Tax Credit (LIHTC) units within the Site PMA, all of which were selected for this comparability analysis, as they offer units targeting similar income levels and offer similar unit types as those proposed at the subject site.

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

Map I.D.	Project Name	Quality Rating	Nbhd. Rating	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
<b>Site</b>	<b>Goose Creek Crossing</b>	-	-	<b>2024</b>	<b>42</b>	-	-	-	<b>Families; 30%, 50%, 70% &amp; 80% AMHI &amp; PBRA</b>
6	Frontier Ridge Apts.	B+	B	2005	100	100.0%	3.2 Miles	19 HH	Families; 50% AMHI
11	Montague Terrace Apts.	B+	B+	2012	96	100.0%	10.6 Miles	4 HH	Families; 50% & 60% AMHI
12	Mountain Laurel Manor I & II	B+	B	2019	96	100.0%	1.1 Miles	200 HH	Families; 50% & 60% AMHI
15	Springhill Village Apts.	B-	B-	1971 / 2019	108	100.0%	6.5 Miles	600 HH	Families; 60% AMHI
20	Waterford Village Apts.	B+	B	2011	96	100.0%	0.8 Miles	2 HH	Families; 40% & 50% AMHI

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

The five comparable LIHTC projects have a combined occupancy rate of 100.0% and all five properties maintain a waiting list for their next available units, the longest of which contains 600 households. This is a clear indication of high and likely pent-up demand for additional general-occupancy (family) LIHTC product in this market. The development of the subject project will alleviate a portion of this pent-up demand.

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

		Gross Rent/Percent of AMHI (Number of Units/Vacancies)			
Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.	Rent Special
<b>Site</b>	<b>Goose Creek Crossing</b>	-	\$537/30% (2) \$896 <sup>^</sup> /50%/PBV (3) \$896/50% (3) \$1,254/70% (2) \$1,348/80% (4)	\$621/30% (3) \$1,035 <sup>^</sup> /50%/PBV (11) \$1,449/70% (9) \$1,507/80% (5)	-
6	Frontier Ridge Apts.	-	\$1,049/50% (50/0)	\$1,225/50% (50/0)	None
11	Montague Terrace Apts.	-	\$976/50% (30/0) \$1,155/60% (26/0)	\$1,133/50% (26/0) \$1,340/60% (14/0)	None
12	Mountain Laurel Manor I & II	-	\$1,140/50% (37/0) \$1,319/60% (27/0)	\$1,340/60% (32/0)	None
15	Springhill Village Apts.	\$745/60% (24/0)	\$832/60% (66/0)	\$916/60% (18/0)	None
20	Waterford Village Apts.	-	\$797/40% (5/0) \$976/50% (43/0)	\$926/40% (5/0) \$1,133/50% (43/0)	None

PBV – Project-Based Vouchers; <sup>^</sup>Maximum allowable LIHTC rent (contract rent exceeds maximum allowable)

Note that the gross rents have been calculated for each property based on a Utility Allowance Worksheet provided by the Staunton Redevelopment and Housing Authority. This has been done in order to more accurately compare the total cost of renting between properties. However, this estimated allowance results in an *approximate* gross rent, as each property may calculate their utility allowance differently or employ energy saving features. The comparable gross rents that exceed the maximum allowable are most likely operating at, or slightly below, the maximum rents reported. In some cases, it is likely due in part to the age of the comparable LIHTC projects, which most were built/renovated prior to 2022 and are likely eligible to operate under the Hold Harmless rule, which does not require these properties to operate under current maximum allowable LIHTC limits when the area experiences an income reduction.

The subject's proposed gross rents targeting households earning up to 30% and 50% of AMHI are competitive with the rents being achieved at the comparable LIHTC properties in the market targeting similar income levels. In addition, given the high occupancy rates reported among the comparable LIHTC properties, these established properties could likely achieve higher rents without adversely impacting their occupancy levels. It is also worth noting that the subject project will be at least 13 years newer than the original year built of nearly all of the comparable properties utilized in this analysis. As such, it is expected that the subject's proposed gross LIHTC rents for these income levels (30% and 50% of AMHI) are considered achievable as proposed.

Considering the subject's proposed gross LIHTC rents at the 70% and 80% of AMHI income levels are positioned similar to or only slightly higher than the highest 60% of AMHI rents being achieved at the comparable LIHTC properties, they are considered appropriately positioned. In fact, the inclusion of the higher 70% and 80% of AMHI income levels will position the subject site at a competitive advantage, as it will enable the subject project to attract an income segment of renters that are likely underserved in this market. It is also important to note that these higher rents represent good market rent advantages, as illustrated in *Section VI*.

#### Comparable/Competitive Tax Credit Summary

The five comparable LIHTC projects have a combined occupancy rate of 100.0% and all five properties maintain a waiting list for their next available units, the longest of which contains 600 households. This is a clear indication of high and likely pent-up demand for additional general-occupancy (family) LIHTC product in this market. The development of the subject project will alleviate a portion of this pent-up demand.

The subject’s proposed gross rents targeting households earning up to 30% and 50% of AMHI are competitive with the rents being achieved at the comparable LIHTC properties in the market targeting similar income levels. In addition, given the high occupancy rates reported among the comparable LIHTC properties, these established properties could likely achieve higher rents without adversely impacting their occupancy levels. As such, it is expected that the subject’s proposed gross LIHTC rents for these income levels (30% and 50% of AMHI) are considered achievable as proposed. Considering the subject’s proposed gross LIHTC rents at the 70% and 80% of AMHI income levels are positioned similar to or only slightly higher than the highest 60% of AMHI rents being achieved at the comparable LIHTC properties, they are considered appropriately positioned. This is expected to ensure that these higher income level units will be perceived as a value in the market. Based on the rent positioning of the subject site, as well as the generally competitive unit sizes and amenities package, the subject site is expected to be marketable as proposed.

Perception of Value

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

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
Two-Br.	\$389 (30%)	\$1,280	69.6%
	\$748* (50%/PBV)		41.6%
	\$748 (50%)		41.6%
	\$1,106 (70%)		13.6%
	\$1,200 (80%)		6.3%
Three-Br.	\$429 (30%)	\$1,460	70.6%
	\$843 (50%/PBV)		42.3%
	\$1,257 (70%)		13.9%
	\$1,315 (80%)		9.9%

\*Maximum allowable collected LIHTC rent (contract rent exceeds maximum allowable)  
 PBV – Project-Based Vouchers

Typically, Tax Credit rents targeting households earning up to 60% of AMHI are set at least 10.0% below market rent to ensure the property represents a value and has a sufficient flow of prospective tenants within most markets. While units targeting households at higher income levels such as 70% and 80% of AMHI often do not need to represent a market rent advantage of 10.0% to be perceived a value, it is often recommended that such units/rents represent a positive rent advantage to ensure it is perceived as a value to low-income renters.

As detailed in the preceding table, the subject rents represent market rent advantages ranging from 6.3% to 70.6%, depending upon unit type and income level. Thus, the subject rents, even those at the higher 70% and 80% AMHI levels, will represent modest to excellent values within the Site PMA.

## Capture Rate Estimates

The following is a summary of our demand calculations:

As Proposed (With PBV)						
Demand Component	30% AMHI (\$18,411- \$25,800)	50% AMHI / PBV (\$0-\$43,000)	50% AMHI (\$30,720 - \$43,000)	70% AMHI (\$42,994 - \$60,200)	80% AMHI (\$46,217- \$68,800)	Overall LIHTC w/ Subsidy (\$0-\$68,800)
Net Demand	245	1,651	477	586	676	2,373
Proposed Units	5	14	3	11	9	42
Proposed Units / Net Demand	5 / 245	14 / 1,651	3 / 477	11 / 586	9 / 676	42 / 2,372
Capture Rate	= 2.0%	= 0.8%	= 0.6%	= 1.9%	= 1.3%	= 1.8%

LIHTC Only (Without Subsidy)					
Demand Component	30% AMHI (\$18,411- \$25,800)	50% AMHI (\$30,720 - \$43,000)	70% AMHI (\$42,994 - \$60,200)	80% AMHI (\$46,217- \$68,800)	Overall LIHTC Only \$18,411- \$68,800)*
Net Demand	245	477	586	676	1,522
Proposed Units	5	17	11	9	42
Proposed Units / Net Demand	5 / 245	17 / 477	11 / 586	9 / 676	42 / 1,522
Capture Rate	= 2.0%	= 3.6%	= 1.9%	= 1.3%	= 2.8%

\*Accounts for gaps in affordability levels

The capture rates by targeted income level assuming the project operates with a subsidy available to some units are considered low and easily achievable, ranging from 0.6% to 2.0%, with an overall capture rate of 1.8%. In the unlikely scenario the subject operates without a subsidy, the capture rates by income level range from 1.3% to 3.6% and the overall capture rate is 2.8%. These capture rates are all considered very low and easily achievable, illustrating that a substantial base of demographic support will exist for the subject development, regardless of scenario.

## Penetration Rate

The 1,043 existing and planned non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing, planned and subject Tax Credit units is \$18,411 to \$68,800. The following table summarizes the market penetration rate for the subject project, based on data contained in the Demographic Characteristics and Trends section of this report.

	Market Penetration
Number of LIHTC Units (Planned, Existing & Subject)	1,085
Income-Eligible Renter Households – 2025	/ 5,645
Overall Market Penetration Rate	= 19.2%

It is our opinion that the 19.2% penetration rate for the LIHTC units, existing, planned and proposed subject, is low and achievable.

### Absorption Projections

Considering the facts contained in the market study, as well as the preceding factors, and comparing them with the lease-up trends of other projects with similar characteristics in the Site PMA and other markets, we are able to establish absorption projections for the proposed subject development. It is our opinion that the 42 proposed LIHTC units at the subject site will reach a stabilized occupancy of 95.0% in less than three months of opening. This absorption rate is based on an average monthly absorption rate of approximately 14 units per month. Note that these absorption projections assume the proposed project will operate with a subsidy available to 15 of the subject units. In the unlikely scenario the subject project did not operate with a subsidy available to these units, the proposed project will likely experience a slightly longer absorption period of up to three full months, which is reflective of an absorption rate of approximately 12 units per month. It is anticipated that the higher 70% and 80% of AMHI income level will experience the slowest absorption considering some of these higher Tax Credit rents have not been tested in this market.

These absorption projections assume a 2024 opening date. A different opening date may have a slowing impact on the subject’s initial absorption potential. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project’s rents, amenities, unit design, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project’s initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development receives.



### III. Project Description

Project Name:	<b>Goose Creek Crossing</b>
Location:	843 Jefferson Highway, Staunton, Virginia 24401 (Augusta County)
Census Tract:	706.02
Target Market:	Family
Construction Type:	New Construction
Funding Source:	LIHTC

The subject project involves the new construction of the 42-unit Goose Creek Crossing rental community at 843 Jefferson Highway in Staunton, Virginia. The project will target general-occupancy (family) households earning up to 30%, 50%, 70% and 80% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. In addition, 15 of the units within the subject development will receive project-based rental assistance (PBRA). The proposed project is expected to be completed in 2024. Additional details of the subject development are summarized as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Program Rents			
						Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
2	Two-Br.	2.0	Garden	977	30%	\$389	\$148	\$537	\$537
3	Two-Br.	2.0	Garden	977	50%/PBV	\$858	\$148	\$1,006	\$896
3	Two-Br.	2.0	Garden	977	50%	\$748	\$148	\$896	\$896
2	Two-Br.	2.0	Garden	977	70%	\$1,106	\$148	\$1,254	\$1,254
4	Two-Br.	2.0	Garden	977	80%	\$1,200	\$148	\$1,348	\$1,434
3	Three-Br.	2.0	Garden	1,096	30%	\$429	\$192	\$621	\$621
11	Three-Br.	2.0	Garden	1,096	50%/PBV	\$1,226	\$192	\$1,418	\$1,035
9	Three-Br.	2.0	Garden	1,096	70%	\$1,257	\$192	\$1,449	\$1,449
5	Three-Br.	2.0	Garden	1,096	80%	\$1,315	\$192	\$1,507	\$1,656
42	Total								

Source: South Creek Development, LLC

AMHI – Area Median Household Income (Staunton-Waynesboro, VA MSA; 2022)

PBV – Project-Based Vouchers

*Note that tenants residing within the 14 units with PBV will effectively pay up to 30% of their adjusted gross household income towards gross rent due to the presence of the subsidy. The maximum allowable LIHTC gross rents of \$896 and \$1,035 are the respective programmatic limits for two- and three-bedroom units targeting households earning up to 50% of AMHI. However, these limits would only apply in the unlikely scenario that the property did not to operate with a project-based subsidy. Regardless, considering the rents exceed maximum allowable LIHTC rents at 50% of AMHI, the maximum allowable LIHTC rent levels have been considered for these unit types throughout the remainder of this report.*

Building/Site Information	
Residential Buildings:	Two (2), three-/four-story buildings
Building Style:	Walk-up
Community Space:	Standalone Building
Acres:	6.7

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	September 2023
Begin Preleasing:	September 2024
Construction End:	October 2024

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

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

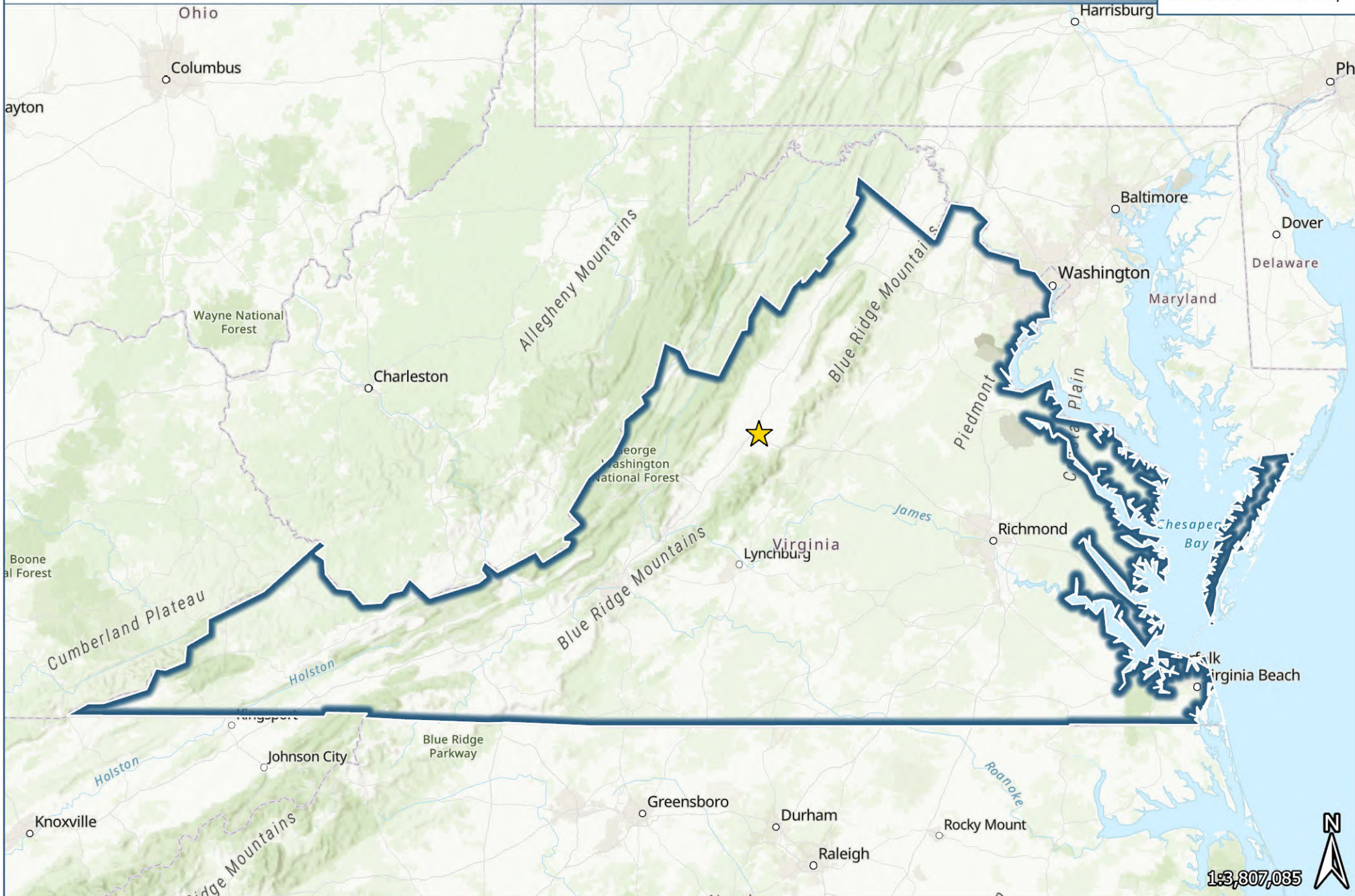
Utility Responsibility							
	Heat	Hot Water	Cooking	General Electric	Cold Water	Sewer	Trash
Paid By	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant	Landlord
Source	Electric	Electric	Electric				

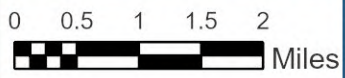
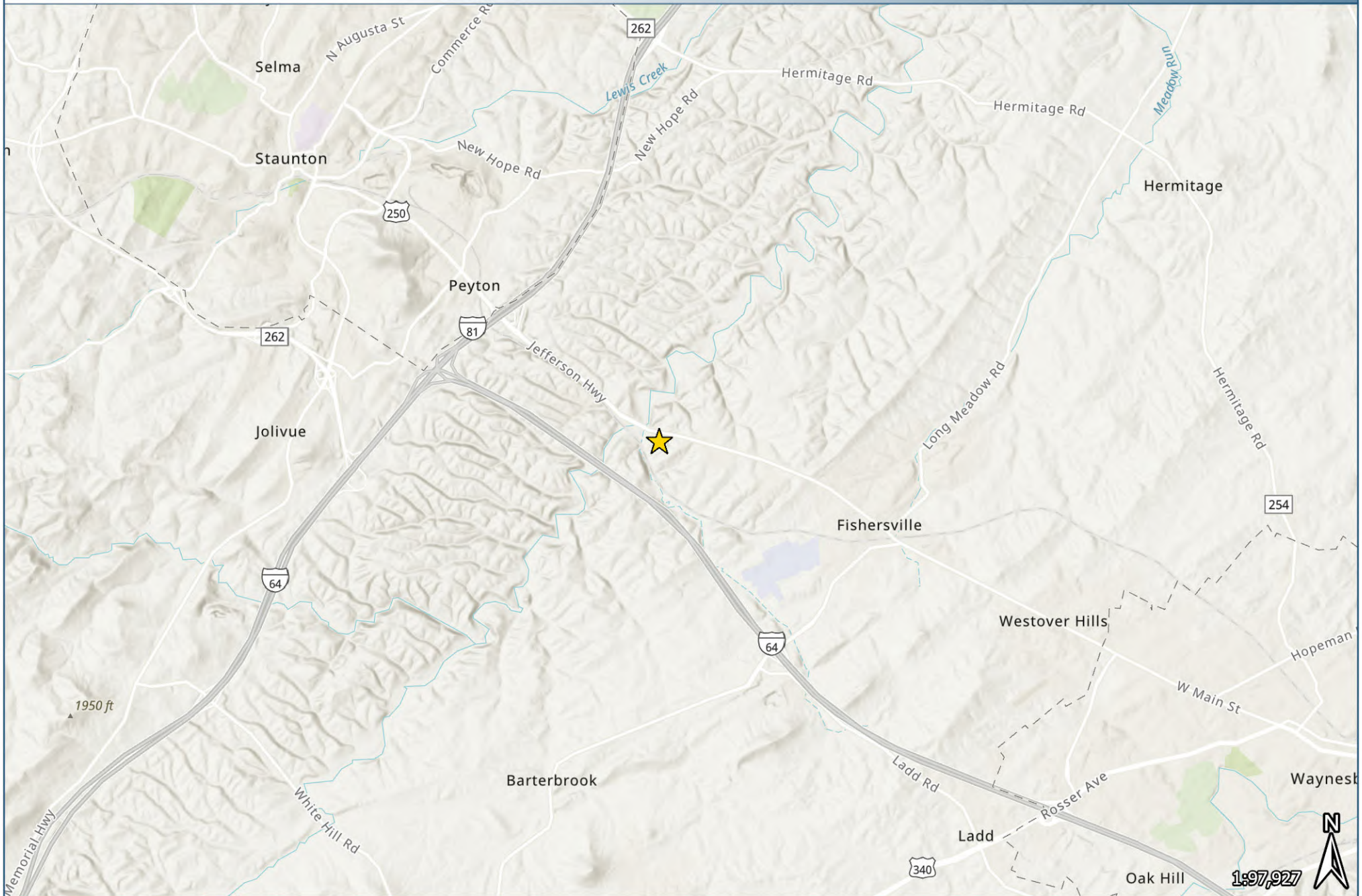
**FLOOR AND SITE PLAN REVIEW:**

Floor and site plans were not provided for the subject project for review at the time this report was prepared. Information provided at the time of this analysis, however, indicates that the subject property will include two- and three-bedroom garden-style units located within two, three- and four-story walk-up buildings. The subject’s two-bedroom units will consist of 977 square feet and the three-bedroom units will consist of 1,096 square feet, with all units including two (2.0) bathrooms. Each unit will come well-equipped in terms of unit amenities and will feature a full kitchen appliance package and dedicated laundry area with in-unit washer/dryer appliances.

In addition to the subject’s residential units, the property will feature an array of community amenities integrated throughout the property. This will further enhance marketability of the subject project. Overall, the subject property appears to be marketable in terms of overall design. Nonetheless, an in-depth comparable/competitive analysis is included in *Section V* to better determine the competitive position and overall marketability of the subject project within the market.

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

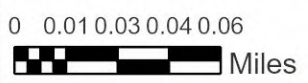




Esri, NASA, NGA, USGS, FEMA, WVU Facilities, VGIN, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA  
Additional Source(s): Bowen National Research

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## IV. Area Analysis

### A. SITE DESCRIPTION AND EVALUATION

#### 1. LOCATION

The proposed subject site consists of undeveloped land located at 843 Jefferson Highway/U.S. Highway 250 in the southeastern portion of Staunton, Virginia. An independent city, Staunton is approximately 11.0 miles northwest of Waynesboro, Virginia and approximately 33.0 miles west of Charlottesville, Virginia. The subject site visit and corresponding fieldwork were completed during the week of February 13, 2023.

#### 2. SURROUNDING LAND USES

The subject site is located within a partially developed mixed-use area of Staunton. Surrounding land uses include single-family homes, undeveloped land and local businesses. Adjacent land uses are detailed as follows:

<b>North -</b>	The northern boundary is defined by a single-family home and U.S. Highway 250/Jefferson Highway, a four-lane roadway with moderate traffic patterns and a center turning lane. Office buildings in good condition, Waterford Village Apartments (Map ID 20), a comparable Tax Credit property in good condition, and undeveloped land extend north of the site.
<b>East -</b>	The eastern boundary is defined by undeveloped land and U.S. Highway 250/Jefferson Highway. Single-family homes in fair to good condition and Greenview Drive, a lightly traveled two-lane roadway that terminates south of the site, extend east of the site. Single-family homes in fair to good condition and undeveloped land extend farther east of the site.
<b>South -</b>	The southern boundary is defined by undeveloped land and Old Goose Creek Road/State Route 636, a two-lane roadway with light traffic patterns. Wooded land, single-family homes in fair to good condition, undeveloped land, and Interstate 64, a major highway, extend south of the site.
<b>West -</b>	The western boundary is defined by undeveloped land, which buffers the site from a pawn shop in fair condition and State Route 636. A retail establishment in fair condition, a towing company, and undeveloped land with single-family homes in fair to good condition scattered throughout extend west of the site.

The subject site is situated within a partially developed mixed-use area of Staunton with surrounding land uses primarily consisting of residential dwellings, undeveloped land and small businesses. The existing residential and retail structures within the surrounding neighborhood were observed to be in fair to good condition and are not expected to adversely impact the overall marketability of the proposed subject site. Photographs of the site can be found in *Section X* of this report.

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

The site is visible from both adjacent roadways: U.S. Highway 250/ Jefferson Highway and State Route 636. U.S. Highway 250 has moderate traffic patterns and it is anticipated that most passerby traffic will be derived from this roadway. Although not required to be marketable, temporary promotional signage and/or permanent entryway signage placed along this aforementioned roadway will significantly enhance visibility and awareness of the subject site. Overall, visibility of the site is considered good.

Although a detailed site plan was not available at the time of this report, it is anticipated that the subject project will derive access from U.S. Highway 250, a four-lane arterial roadway with moderate traffic patterns that borders the site to the north. Although this aforementioned roadway experiences moderate traffic patterns, the inclusion of a dedicated center turning lane is expected to allow for convenient ingress and egress. In addition to being conveniently accessed and located along an arterial roadway, the subject site is located with proximity of additional arterial roadways, as U.S. Highway 250, Interstate 81, Interstate 64, State Route 285 and State Route 608 are all arterial roadways in the area that are accessible within 2.5 miles of the site. Specifically, U.S. Highway 250 provides direct access to Fishersville, Staunton and Waynesboro, enhancing the accessibility of the site and ability of tenants to access services of the greater Staunton-Waynesboro metropolitan area. Finally, BRITE Bus Transit service provides public transportation services to residents of Staunton and a bus stop is available 0.5 miles east of the site. The availability of affordable public transportation near the subject site is considered beneficial to the targeted low-income population. Overall, accessibility of the site is considered good.

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

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

Community Services	Name	Driving Distance From Site (miles)
Major Highways	U.S. Highway 250	Adjacent North
	Interstate 81	1.7 Northwest
	Interstate 64	2.5 West
	State Route 285	2.5 East
	State Route 608	2.5 East
Public Bus Stop	Route 250 / Haggerty Lane	0.5 East
Major Employers/ Employment Centers	Augusta Health Medical Center	2.3 Southeast
	Sonoco Recycling	2.3 Southeast
	Walmart	2.9 West
	UPS	3.6 South
	Amazon Fulfillment Center	3.8 South
Convenience Store	7-Eleven	0.8 East
	Royal Mart	1.7 West
Grocery	Food Lion	1.8 East
	Aldi	2.5 West
	Walmart	2.9 West
Discount Department Store	Dollar Tree	1.8 East
	Dollar General	2.4 East
	Walmart	2.9 West
Shopping Center/Mall	Town & Country Shopping Center	4.5 West
	Orchard Hill Square	4.7 West
Schools:		
Elementary	Wilson Elementary School	1.2 East
Middle/Junior High	Wilson Middle School	1.9 East
High	Wilson Memorial High School	1.8 East
College/University	Murphy Deming College of Health Sciences - Mary Baldwin University	1.9 Southeast
Hospital	Augusta Health Medical Center	2.3 Southeast
Police	Staunton Police Department	4.7 Northwest
Fire	Augusta County Fire Department	2.7 West
Post Office	U.S. Post Office	1.9 East
Bank	F&M Bank	0.8 East
	First Bank and Trust Company	2.7 West
Recreational Facilities	Anytime Fitness	0.6 East
	Augusta Health Fitness	2.4 Southeast
Gas Station	Shell	0.8 East
	Royal	1.7 West
Pharmacy	Fishersville Family Pharmacy	0.7 East
	UVA Augusta Pharmacy	2.4 Southeast
Restaurant	Domino's Pizza	0.7 East
	El Barco Bar and Grill	0.9 East
	Tony's Pizza and Italian	1.7 East
Day Care	Augusta Health Childcare Center	2.5 Southeast
Community Center	BTW Community Center	5.0 West



(Continued)

Community Services	Name	Driving Distance From Site (miles)
Church	Fishersville Baptist Church	1.8 East
	Crossroads Baptist Church	2.0 Southeast
	Midway Bible Baptist Church	2.7 Southeast
Park	Augusta County Recreation Center	1.9 Northeast
	Betsy Bell Wilderness Park	5.3 West

As the preceding illustrates, most area services are located within approximately 2.5 miles of the subject site and are easily accessible given the site's proximity to U.S. Highway 250. Notable services within approximately 2.0 mile of the subject site include but are not limited to, gas stations, a bank, grocery store, several restaurants and Augusta County Recreation Center.

Public safety services are provided by the Staunton Police Department and Augusta County Fire Department, both of which are located within 4.7 miles of the site. The nearest full-service hospital is the Augusta Health Medical Center located 2.3 miles southeast of the site. All applicable attendance schools are located within approximately 2.0 miles of the site. Overall, the site's proximity to most essential services is considered good, which should contribute to overall site marketability.

## 5. OVERALL SITE EVALUATION

The proposed subject site consists of undeveloped land located at 843 Jefferson Highway/U.S. Highway 250 in the southeastern portion of Staunton, Virginia. The subject site is situated within a partially developed mixed-use area of Staunton with surrounding land uses primarily consisting of residential dwellings, undeveloped land and small businesses. The site is visible from both adjacent roadways: U.S. Highway 250/Jefferson Highway and State Route 636. U.S. Highway 250 has moderate traffic patterns and it is anticipated that most passerby traffic will be derived from this roadway. Although a detailed site plan was not available at the time of this report, it is anticipated that the subject project will derive access from U.S. Highway 250, a four-lane arterial roadway with moderate traffic patterns that borders the site to the north. Although this aforementioned roadway experiences moderate traffic patterns, the inclusion of a dedicated center turning lane is expected to allow for convenient ingress and egress. In addition, BRITE Bus Transit service provides public transportation services to residents of Staunton and a bus stop is available 0.5 miles east of the site. The subject site is also within proximity of several community services, many of which are located within area shopping centers that can be accessed within less than 2.0 miles of the site. Overall, the site's surrounding land uses and proximity to services should positively contribute to its marketability.

## 6. CRIME ISSUES

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

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

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

Total crime risk for the Site PMA is 81, with an overall personal crime index of 44 and a property crime index of 87. Total crime risk for Augusta County is 41, with personal and property crime indices of 33 and 42, respectively.




















	Crime Risk Index	
	PMA	Augusta County
<b>Total Crime Index</b>	<b>81</b>	<b>41</b>
<b>Personal Crime Index</b>	<b>44</b>	<b>33</b>
Murder	68	42
Rape	101	93
Robbery	34	16
Assault	39	29
<b>Property Crime Index</b>	<b>87</b>	<b>42</b>
Burglary	46	29
Larceny	102	48
Motor Vehicle Theft	44	25

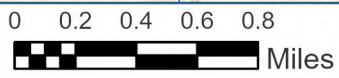
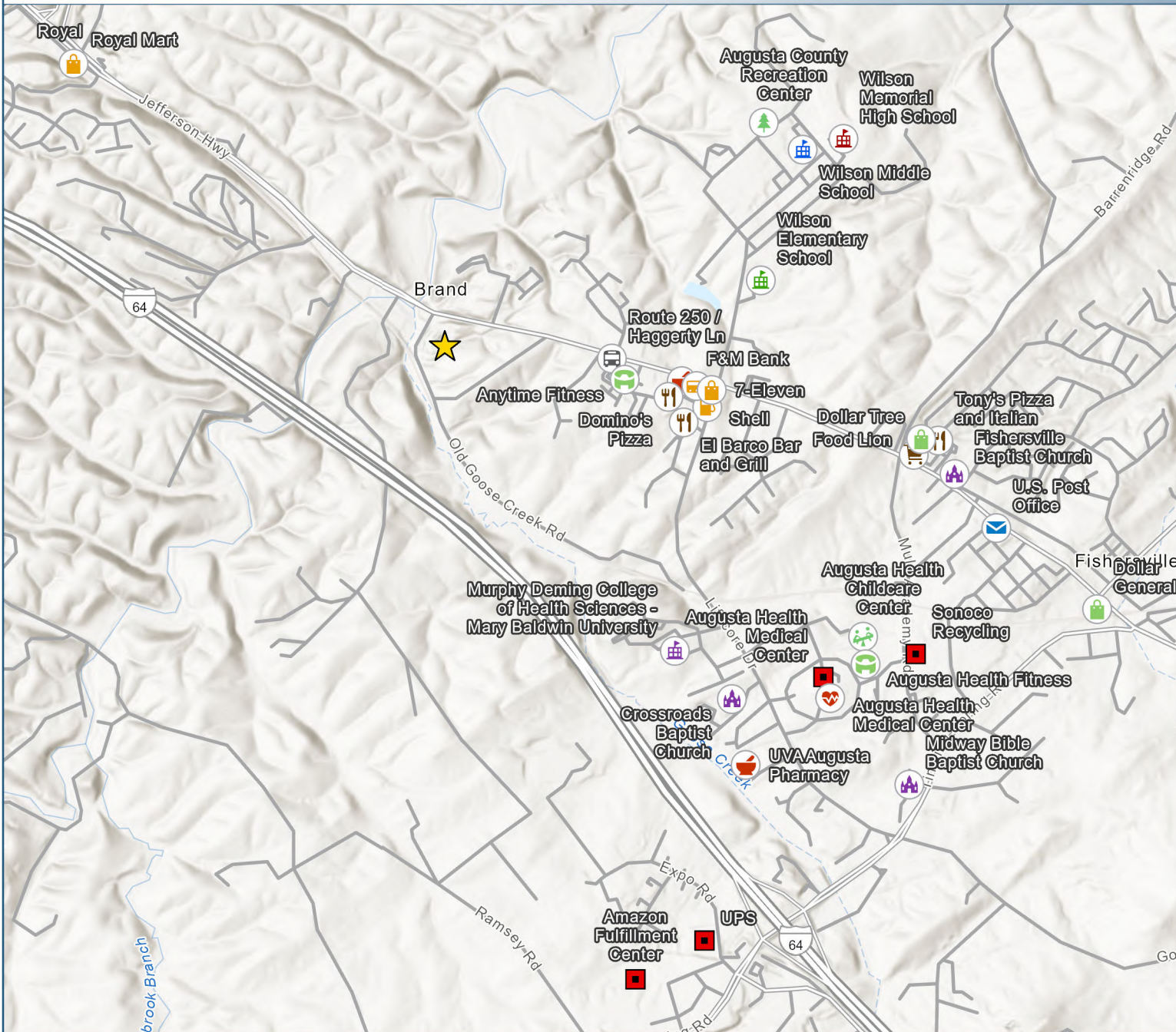
Source: Applied Geographic Solutions, FBI, ESRI

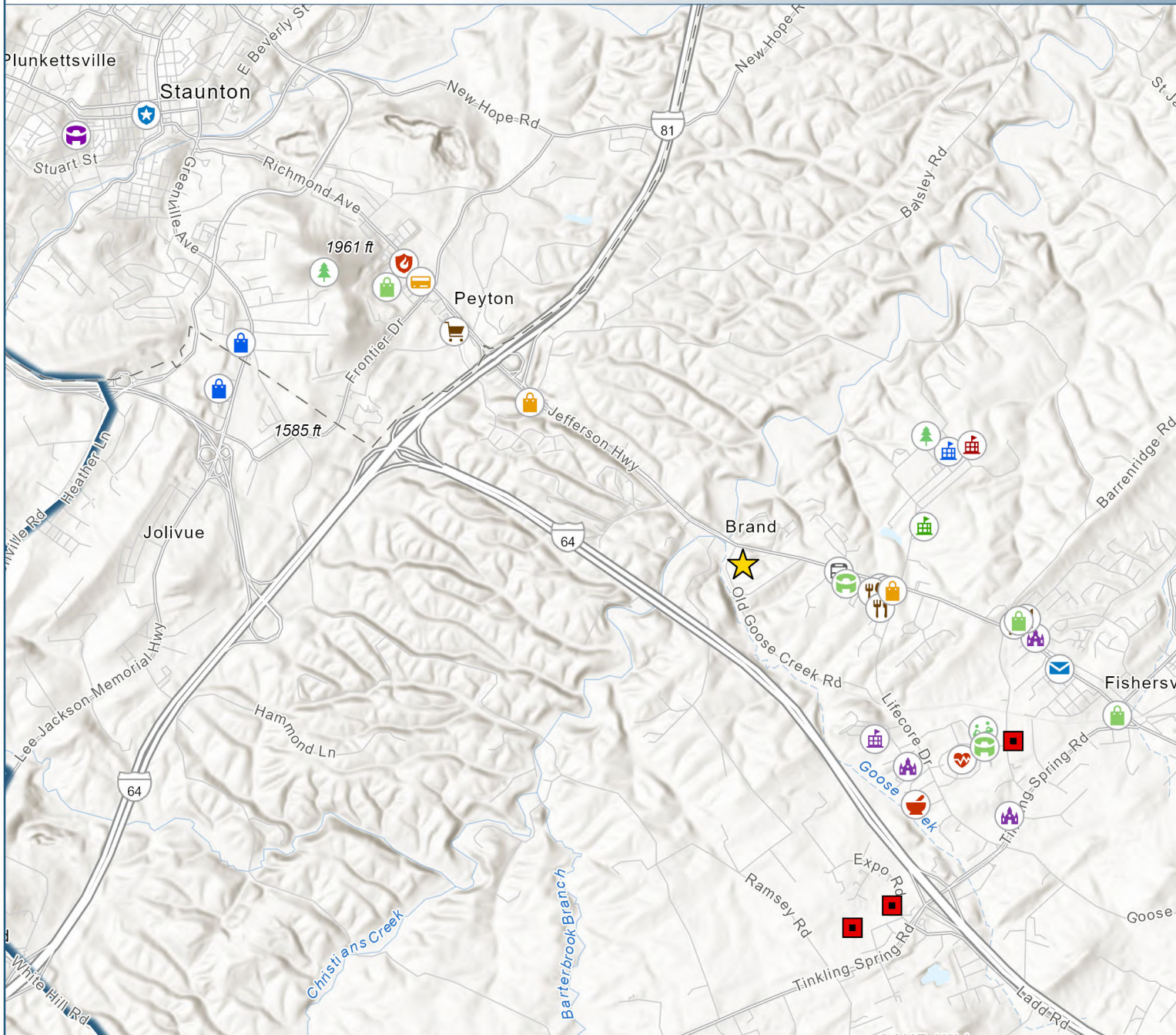
The crime risk index within the Site PMA (81) is similar to that of Augusta County (41) and both are well below the national average (100). As such, the perception of crime, or lack thereof, will have a positive impact on the subject's marketability.

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

## Community Services

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

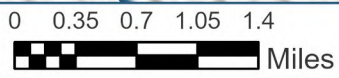




- Site
- PMA

**Community Services**

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

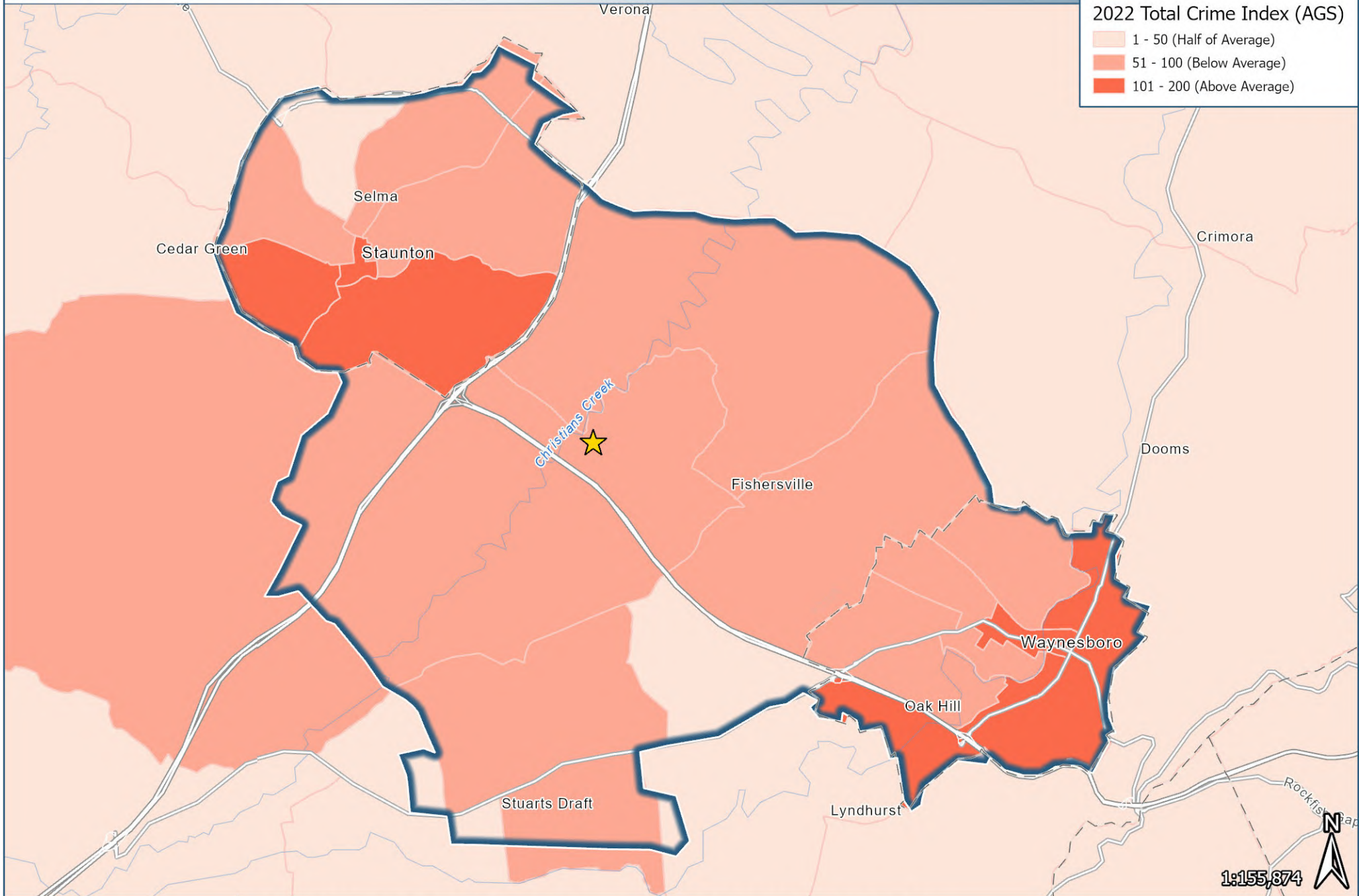


Esri, NASA, NGA, USGS, FEMA, WVU Facilities, VGIN, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA  
 Additional Source(s): Bowen National Research



**2022 Total Crime Index (AGS)**

- 1 - 50 (Half of Average)
- 51 - 100 (Below Average)
- 101 - 200 (Above Average)



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

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

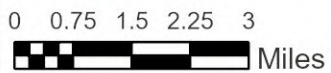
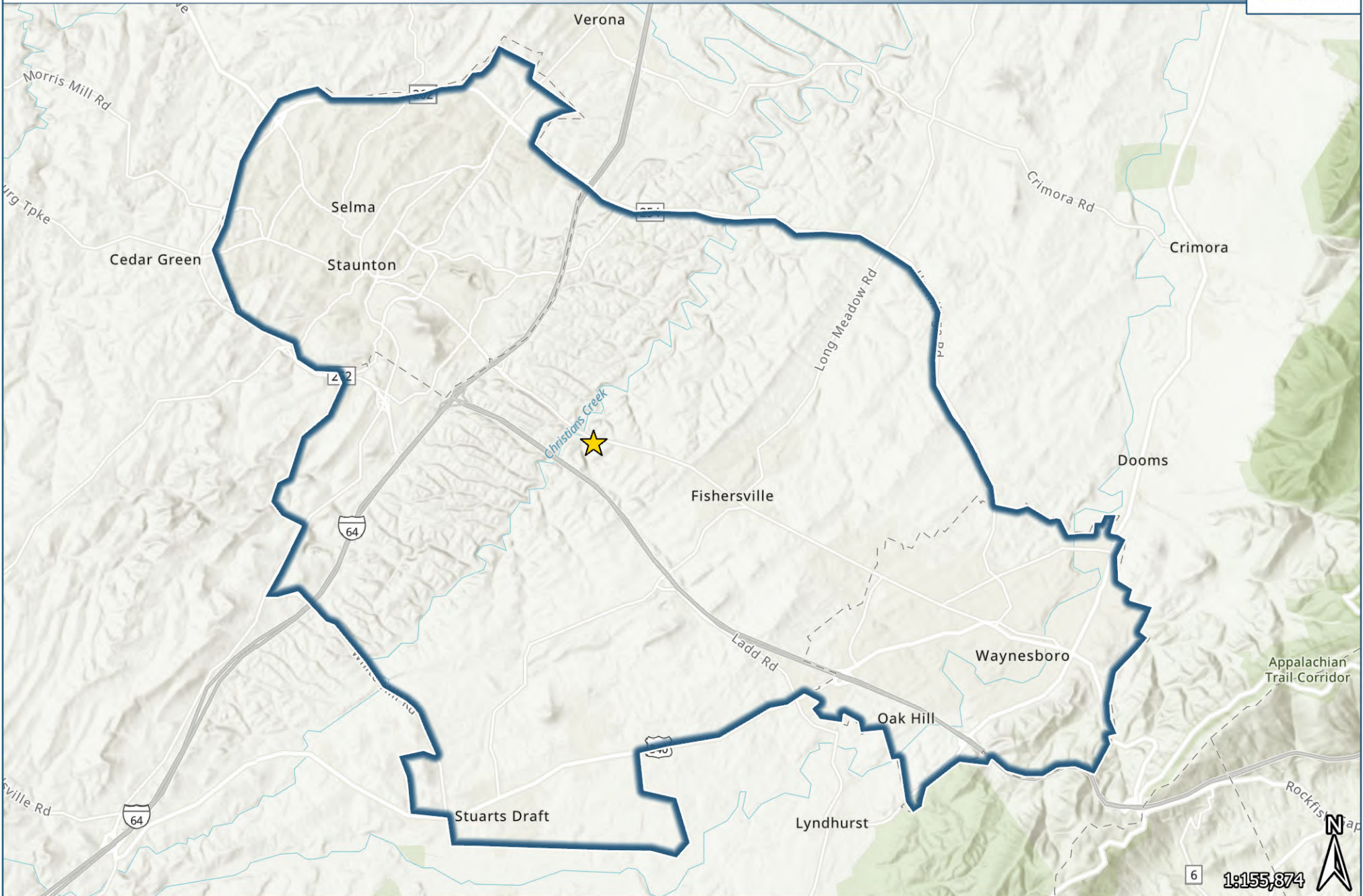
The Primary Market Area (PMA) is the geographical area from which most of the support for the proposed development is expected to originate. The Staunton Site PMA was determined through interviews with area leasing agents and the personal observations of our analysts. The personal observations of our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

The Staunton Site PMA includes the independent city of Staunton, the independent city of Waynesboro, Fishersville, Stuarts Draft and unincorporated portions of Augusta County. The boundaries of the Site PMA include Woodrow Wilson Parkway and New Hope Road to the north; Hermitage Road and the Waynesboro city limits to the east; Interstate 64, Waynesboro city limits, U.S. Highway 340, and the Roanoke District railroad tracks to the south; and White Hill Road, U.S. Highway 11, Old Greenville Road, and Woodrow Wilson Parkway to the west.

- Claudette Nicely, Community Manager at Gypsy Hill House (Map ID 8), a Tax Credit and government-subsidized property, confirmed the boundaries of the Site PMA. Ms. Nicely indicated that the majority of this property's support comes from Staunton, Fishersville and Waynesboro. Specifically, Ms. Nicely estimated that approximately 90% of her tenants lived within the PMA before moving to her property. Ms. Nicely added that based on the site's location between Staunton and Waynesboro, she anticipates that nearly all of the support for the subject site would originate from within the boundaries of the Site PMA.

We recognize the subject property will undoubtedly receive some support from areas outside the Site PMA. However, based on our observations and analysis, as well as our knowledge of the Staunton area based on prior surveys conducted by our firm, it is anticipated this potential base of support would be minimal. Thus, we have not considered any secondary market area in this report.

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



## C. DEMOGRAPHIC CHARACTERISTICS AND TRENDS

### 1. POPULATION TRENDS

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

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

	Year			
	2010 (Census)	2020 (Census)	2023 (Estimated)	2028 (Projected)
Population	63,059	68,469	69,695	70,745
Population Change	-	5,410	1,226	1,050
Percent Change	-	8.6%	1.8%	1.5%

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

The Staunton Site PMA population base increased by 5,410 between 2010 and 2020. This represents an 8.6% increase over the 2010 population. Between 2020 and 2023, the population increased by 1,226, or 1.8%. It is projected that the population will increase by 1,050, or 1.5%, between 2023 and 2028.

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

Population by Age	2010 (Census)		2023 (Estimated)		2028 (Projected)		Change 2023-2028	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	15,273	24.2%	15,781	22.6%	16,005	22.6%	224	1.4%
20 to 24	3,840	6.1%	3,733	5.4%	3,935	5.6%	202	5.4%
25 to 34	7,849	12.4%	7,978	11.4%	7,544	10.7%	-434	-5.4%
35 to 44	7,551	12.0%	8,531	12.2%	8,581	12.1%	50	0.6%
45 to 54	8,962	14.2%	8,102	11.6%	8,220	11.6%	118	1.5%
55 to 64	8,055	12.8%	9,268	13.3%	8,684	12.3%	-584	-6.3%
65 to 74	5,864	9.3%	8,439	12.1%	8,785	12.4%	346	4.1%
75 & Older	5,663	9.0%	7,863	11.3%	8,989	12.7%	1,126	14.3%
<b>Total</b>	<b>63,059</b>	<b>100.0%</b>	<b>69,695</b>	<b>100.0%</b>	<b>70,745</b>	<b>100.0%</b>	<b>1,050</b>	<b>1.5%</b>

Source: Bowen National Research, ESRI, Census

As the preceding table illustrates, nearly 49% of the population is expected to be between 25 and 64 years old in 2023. This age group is the primary group of potential support for the subject site and will likely represent a significant number of the tenants.



## 2. HOUSEHOLD TRENDS

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

	Year			
	2010 (Census)	2020 (Census)	2023 (Estimated)	2028 (Projected)
Households	26,827	29,347	29,914	30,454
Household Change	-	2,520	567	540
Percent Change	-	9.4%	1.9%	1.8%
Average Household Size	2.3	2.28	2.26	2.25

Source: Bowen National Research, ESRI, Census

Within the Staunton Site PMA, households increased by 2,520 (9.4%) between 2010 and 2020. Between 2020 and 2023, households increased by 567 or 1.9%. By 2028, there will be 30,454 households, an increase of 540 households, or 1.8% over 2023 levels. This is an increase of approximately 108 households annually over the next five years.

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

Households by Age	2010 (Census)		2023 (Estimated)		2028 (Projected)		Change 2023-2028	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	1,199	4.5%	1,071	3.6%	1,141	3.7%	70	6.5%
25 to 34	3,873	14.4%	3,816	12.8%	3,594	11.8%	-222	-5.8%
35 to 44	4,133	15.4%	4,611	15.4%	4,645	15.3%	34	0.7%
45 to 54	5,148	19.2%	4,465	14.9%	4,534	14.9%	69	1.5%
55 to 64	4,888	18.2%	5,445	18.2%	5,083	16.7%	-362	-6.6%
65 to 74	3,689	13.8%	5,275	17.6%	5,476	18.0%	201	3.8%
75 & Older	3,897	14.5%	5,232	17.5%	5,982	19.6%	750	14.3%
<b>Total</b>	<b>26,827</b>	<b>100.0%</b>	<b>29,914</b>	<b>100.0%</b>	<b>30,454</b>	<b>100.0%</b>	<b>540</b>	<b>1.8%</b>

Source: Bowen National Research, ESRI, Census

The primary age group of potential renters for the subject project is expected to be those between the ages of 25 and 64. Notably, this age cohort is estimated to comprise more than 61.0% of all households in 2023. Although this age cohort is projected to decline overall between 2023 and 2028, this age cohort is anticipated to continue to comprise approximately 59.0% of all households in the market in 2028.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2023 (Estimated)		2028 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	16,936	63.1%	18,911	63.2%	19,594	64.3%
Renter-Occupied	9,890	36.9%	11,003	36.8%	10,860	35.7%
<b>Total</b>	<b>26,826</b>	<b>100%</b>	<b>29,914</b>	<b>100.0%</b>	<b>30,454</b>	<b>100.0%</b>

Source: Bowen National Research, ESRI, Census

In 2023, homeowners occupied 63.2% of all occupied housing units, while the remaining 36.8% were occupied by renters. Although renters are projected to decline between 2023 and 2028, the nearly 11,000 renters projected for 2028 illustrate that a significant base of renter support will exist for the subject site.

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

Persons per Owner Household	2023 (Estimated)		2028 (Projected)		Change 2023-2028	
	Households	Percent	Households	Percent	Households	Percent
1 Person	4,085	21.6%	3,939	20.1%	-147	-3.6%
2 Persons	7,022	37.1%	6,948	35.5%	-74	-1.1%
3 Persons	3,138	16.6%	3,282	16.7%	144	4.6%
4 Persons	2,949	15.6%	3,420	17.5%	472	16.0%
5+ Persons	1,716	9.1%	2,005	10.2%	288	16.8%
<b>Total</b>	<b>18,910</b>	<b>100.0%</b>	<b>19,594</b>	<b>100.0%</b>	<b>683</b>	<b>3.6%</b>

Source: Bowen National Research, ESRI, Census

Persons per Renter Household	2023 (Estimated)		2028 (Projected)		Change 2023-2028	
	Households	Percent	Households	Percent	Households	Percent
1 Person	4,502	40.9%	4,364	40.2%	-138	-3.1%
2 Persons	3,064	27.8%	3,075	28.3%	11	0.4%
3 Persons	1,595	14.5%	1,561	14.4%	-34	-2.1%
4 Persons	1,094	9.9%	1,104	10.2%	10	0.9%
5+ Persons	748	6.8%	756	7.0%	8	1.1%
<b>Total</b>	<b>11,003</b>	<b>100.0%</b>	<b>10,860</b>	<b>100.0%</b>	<b>-143</b>	<b>-1.3%</b>

Source: Bowen National Research, ESRI, Census

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

### 3. INCOME TRENDS

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

Household Income	2010 (Census)		2023 (Estimated)		2028 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$15,000	1,732	6.5%	2,592	8.7%	2,174	7.1%
\$15,000 - \$24,999	1,872	7.0%	2,667	8.9%	2,333	7.7%
\$25,000 - \$34,999	1,941	7.2%	3,063	10.2%	2,810	9.2%
\$35,000 - \$49,999	3,124	11.6%	4,552	15.2%	4,406	14.5%
\$50,000 - \$74,999	4,834	18.0%	5,449	18.2%	5,413	17.8%
\$75,000 - \$99,999	3,818	14.2%	4,292	14.3%	4,592	15.1%
\$100,000 - \$149,999	5,079	18.9%	4,611	15.4%	5,161	16.9%
\$150,000 & Higher	4,427	16.5%	2,688	9.0%	3,566	11.7%
<b>Total</b>	<b>26,827</b>	<b>100.0%</b>	<b>29,914</b>	<b>100.0%</b>	<b>30,454</b>	<b>100.0%</b>
Median Income	\$74,536		\$59,554		\$66,182	

Source: Bowen National Research, ESRI, Census

In 2023, the median household income is estimated to be \$59,554. By 2028, it is projected that the median household income will be \$66,182, an increase of 11.1% over 2023.

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

Renter Households	2020 (ACS)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	1,329	299	138	45	73	1,884
\$15,000 - \$24,999	712	360	160	61	53	1,345
\$25,000 - \$34,999	748	485	97	80	115	1,527
\$35,000 - \$49,999	765	592	172	139	109	1,775
\$50,000 - \$74,999	537	739	458	270	152	2,158
\$75,000 - \$99,999	204	402	189	379	43	1,218
\$100,000 - \$149,999	205	153	378	101	161	999
\$150,000 & Higher	83	26	22	13	38	182
<b>Total</b>	<b>4,585</b>	<b>3,058</b>	<b>1,616</b>	<b>1,088</b>	<b>743</b>	<b>11,089</b>

Source: ESRI, Bowen National Research

Renter Households	2023 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	1,224	275	123	40	66	1,728
\$15,000 - \$24,999	673	339	145	55	49	1,261
\$25,000 - \$34,999	724	467	90	75	109	1,466
\$35,000 - \$49,999	765	589	164	134	106	1,758
\$50,000 - \$74,999	550	754	447	267	151	2,170
\$75,000 - \$99,999	221	433	194	395	45	1,288
\$100,000 - \$149,999	232	171	404	110	176	1,094
\$150,000 & Higher	111	35	28	16	48	239
<b>Total</b>	<b>4,502</b>	<b>3,064</b>	<b>1,595</b>	<b>1,094</b>	<b>748</b>	<b>11,003</b>

Source: ESRI, Bowen National Research

Renter Households	2028 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	1,050	242	102	34	56	1,519
\$15,000 - \$24,999	621	310	125	48	43	1,148
\$25,000 - \$34,999	692	443	80	69	100	1,384
\$35,000 - \$49,999	766	586	154	128	101	1,736
\$50,000 - \$74,999	568	773	433	263	149	2,186
\$75,000 - \$99,999	243	475	200	417	47	1,382
\$100,000 - \$149,999	268	196	438	122	196	1,220
\$150,000 & Higher	149	47	35	21	62	314
<b>Total</b>	<b>4,392</b>	<b>3,073</b>	<b>1,568</b>	<b>1,102</b>	<b>754</b>	<b>10,889</b>

Source: ESRI, Bowen National Research

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

### Demographic Summary

Both the population and household bases within the Staunton Site PMA have experienced growth overall since 2010, a trend that is expected to continue through 2028. Households between the ages of 25 and 64, which are expected to be the primary age cohort of potential renters at the general-occupancy subject project, comprise more than 61.0% of all households in 2023 and will comprise approximately 59.0% of all households through 2028. More than one-third (36.8%) of all households were renters in 2023 and the nearly 11,000 renter households projected for 2028 illustrate a deep base of renter support for the subject project. Further, nearly three-quarters (73.2%) of all renter households in the market are projected to earn less than \$75,000 in 2028. Based on the preceding analysis, a large base of low- and moderate-income renter households will continue to exist in the market for the foreseeable future.

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

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

The labor force within the Staunton Site PMA is based primarily in two sectors. Health Care & Social Assistance (which comprises 27.1%) and Retail Trade comprise nearly 40.5% of the Site PMA labor force. Employment in the Staunton Site PMA, as of 2022, was distributed as follows.

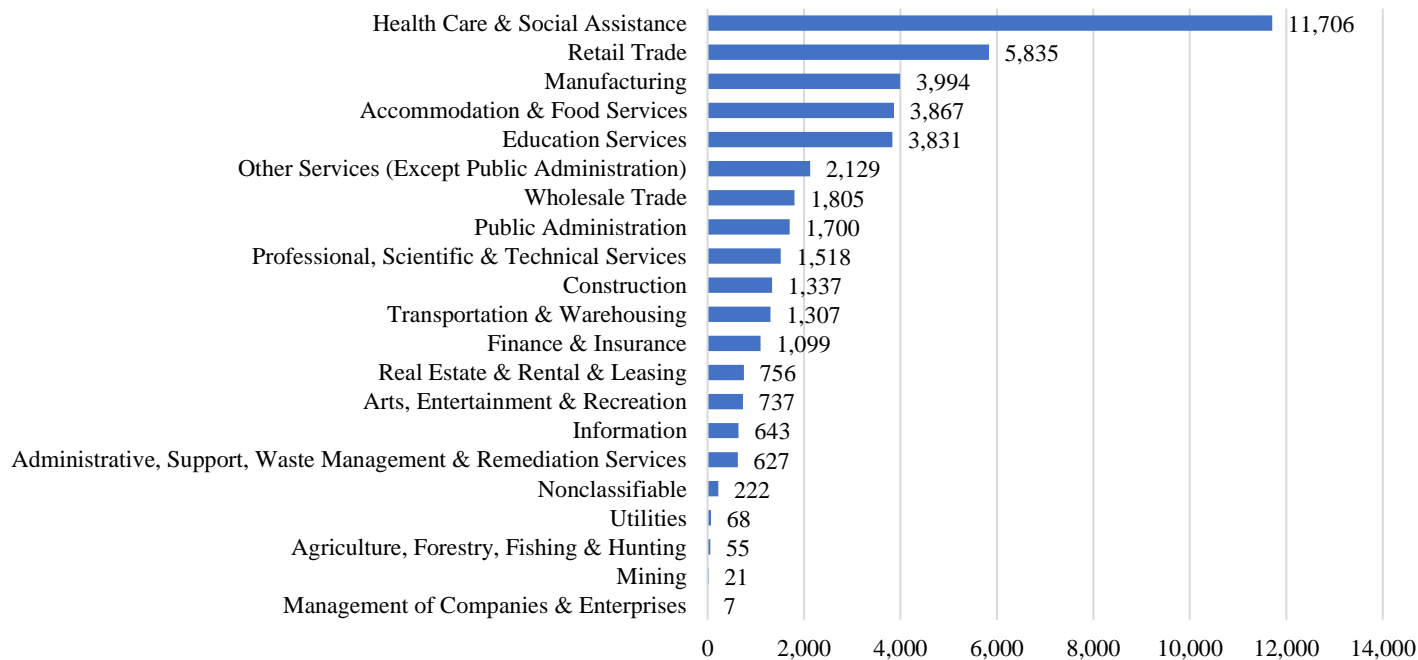
NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	11	0.4%	55	0.1%	5
Mining	3	0.1%	21	0.0%	7
Utilities	5	0.2%	68	0.2%	14
Construction	146	4.8%	1,337	3.1%	9
Manufacturing	109	3.6%	3,994	9.2%	37
Wholesale Trade	62	2.1%	1,805	4.2%	29
Retail Trade	502	16.6%	5,835	13.5%	12
Transportation & Warehousing	66	2.2%	1,307	3.0%	20
Information	63	2.1%	643	1.5%	10
Finance & Insurance	174	5.8%	1,099	2.5%	6
Real Estate & Rental & Leasing	159	5.3%	756	1.7%	5
Professional, Scientific & Technical Services	218	7.2%	1,518	3.5%	7
Management of Companies & Enterprises	2	0.1%	7	0.0%	4
Administrative, Support, Waste Management & Remediation Services	81	2.7%	627	1.4%	8
Education Services	89	2.9%	3,831	8.9%	43
Health Care & Social Assistance	306	10.1%	11,706	27.1%	38
Arts, Entertainment & Recreation	58	1.9%	737	1.7%	13
Accommodation & Food Services	242	8.0%	3,867	8.9%	16
Other Services (Except Public Administration)	455	15.1%	2,129	4.9%	5
Public Administration	143	4.7%	1,700	3.9%	12
Nonclassifiable	124	4.1%	222	0.5%	2
<b>Total</b>	<b>3,018</b>	<b>100.0%</b>	<b>43,264</b>	<b>100.0%</b>	<b>14</b>

Source: Bowen National Research, ESRI, Census

E.P.E.- Average Employees Per Establishment

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

### Total Employment by Industry



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

Typical Wage By Occupation Type		
Occupation Type	MSA	Virginia
Management Occupations	\$59,580	\$86,982
Business And Financial Occupations	\$58,410	\$79,492
Computer And Mathematical Occupations	\$57,656	\$101,948
Architecture And Engineering Occupations	\$55,903	\$91,391
Community And Social Service Occupations	\$42,831	\$47,562
Art, Design, Entertainment, Sports, and Media Occupations	\$36,229	\$50,373
Healthcare Practitioners And Technical Occupations	\$55,055	\$62,062
Healthcare Support Occupations	\$25,625	\$25,438
Protective Service Occupations	\$44,901	\$54,227
Food Preparation And Serving Related Occupations	\$15,074	\$14,943
Building And Grounds Cleaning And Maintenance Occupations	\$24,361	\$22,369
Personal Care And Service Occupations	\$23,068	\$19,079
Sales And Related Occupations	\$32,826	\$31,683
Office And Administrative Support Occupations	\$34,521	\$36,507
Construction And Extraction Occupations	\$36,288	\$39,747
Installation, Maintenance And Repair Occupations	\$46,835	\$49,448
Production Occupations	\$43,236	\$38,983
Transportation Occupations	\$40,758	\$37,617
Material Moving Occupations	\$26,549	\$24,872

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

As the preceding illustrates, most occupational types within the Staunton, VA MSA have lower typical wages than Virginia's typical wages.

The 15 largest employers within the city of Staunton are summarized in the following table. Note that detailed employment numbers were not available at the time of this report.

Employer Name	Business Type
Augusta Medical Center	Health Care
Best Buy	Technology Retail
Cadence	Full-Service Manufacturing
Daiken	HVAC Equipment Manufacturing
Federated Auto Parts	Auto Parts Distribution
FedEx	Shipping
Graphic Packaging International	Paper-Based Packaging Solutions
Hollister, Inc.	Clothing Manufacturer
Hershey Chocolate of Virginia	Food Production
Lumos Networks	Internet Provider
Mary Baldwin University	Higher Education
NIBCO	Copper Manufacturer
Ply Gem	Building Material Manufacturing
Sprint	Cell Service Provider
Walmart	Retail and Distribution

Source: Staunton Economic Development (2023)

According to a representative with Staunton Economic Development, the Staunton economy is growing. The following table summarizes some recent and/or ongoing economic development projects within the Staunton area as of the time of this analysis.

Economic Development Activity			
Project Name	Investment	Job Creation	Scope of Work/Details
Staunton Crossing	\$4.5 Million	N/A	Approved August 2019; 300 acres of mixed-use, master planned development; Western State Hospital demolished in Summer 2022 to make way for project; Awarded funding in January 2022 and January 2023; Construction timeline TBD
Ryzing Technologies, LLC Expansion	\$149,000	31	Announced April 2021; Textile manufacturing company expanding into Staunton; ECD N/A.
Arcadia Project	TBD	N/A	Proposed restoration of historic theater into a multi-use theater and cultural center; Received a \$25,000 Virginia Main Street grant in November 2019; Virginia Department of Housing and Community Development awarded project \$100,000 in March 2022; Developers were seeking additional \$1.5 million grant at the time this report was issued; Construction timeline N/A

ECD – Estimated Completion Date

N/A- Not Available

Infrastructure:

Infrastructure Projects			
Project Name	Scope of Work	Status	Investment
Staunton Crossing Extension	VDOT Extending Crossing Way from Richmond Avenue to Valley Center Drive off of North Frontier Drive	Broke ground September 2022; ECD N/A	\$8.7 million
West End Revitalization	Rehabilitation of Staunton’s West End neighborhood; Aiming to encourage growth and revitalize existing structures throughout Historic Staunton; Still in early planning stages; Many details still TBD at the time this report was issued	Planned; City received a \$300,000 EPA Brownfields Grant in 2021; Construction timeline unavailable	N/A
Interstate 81 Staunton Area Widening	Part of multi-county interstate improvements including 23 districts; Widening and extending several lanes north- and south-bound, bridge replacements and repairs, adding truck climbing lanes,	Expected to break ground in June 2023; ECD 2033	\$838 million

ECD – Estimated Completion Date

N/A – Not available

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed on February 27, 2023, and according to the Virginia Employment Commission, there have been no WARN notices reported for the City of Staunton over the past 12 months.

## 2. EMPLOYMENT TRENDS

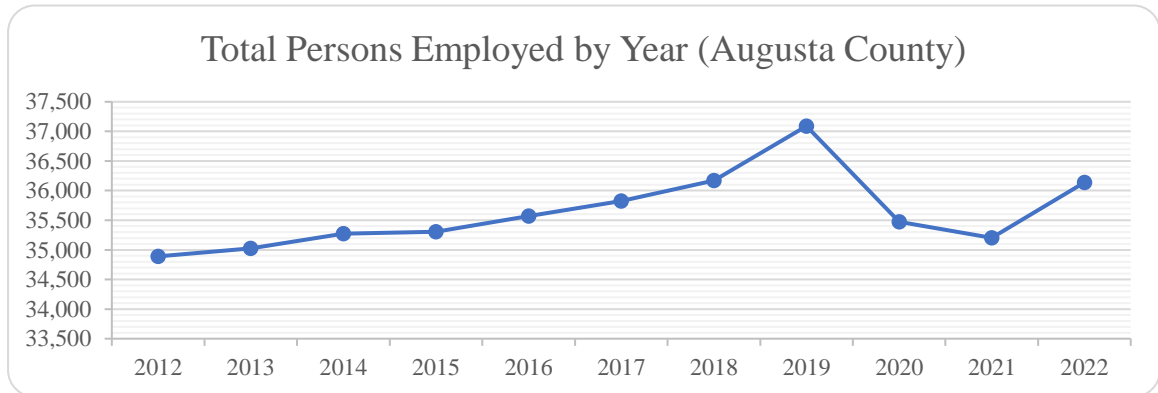
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

The employment base has decreased by 1.7% over the past five years in Augusta County, while the state of Virginia decreased by 2.2%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Augusta County		Virginia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2012	34,890	-	3,967,151	-	142,469,000	-
2013	35,024	0.4%	4,002,057	0.9%	143,929,000	1.0%
2014	35,275	0.7%	4,040,908	1.0%	146,305,000	1.7%
2015	35,304	0.1%	4,048,081	0.2%	148,833,000	1.7%
2016	35,570	0.8%	4,084,822	0.9%	151,436,000	1.7%
2017	35,823	0.7%	4,193,290	2.7%	153,337,000	1.3%
2018	36,170	1.0%	4,255,213	1.5%	155,761,000	1.6%
2019	37,089	2.5%	4,332,647	1.8%	157,538,000	1.1%
2020	35,471	-4.4%	4,097,860	-5.4%	147,795,000	-6.2%
2021	35,201	-0.8%	4,100,803	0.1%	152,581,000	3.2%
2022	36,136	2.7%	4,220,792	2.9%	158,291,000	3.7%

Source: Bureau of Labor Statistics



As the preceding illustrates, the Augusta County employment base generally experienced growth between 2012 and 2019. However, between 2019 and 2021, the city's employment base declined by 1,888 jobs, or 5.1%, as the result of the COVID-19 pandemic. On a positive note, the city's employment base has increased by 935 jobs, or 2.7%, in 2022, indicating that the local economy is beginning to improve.

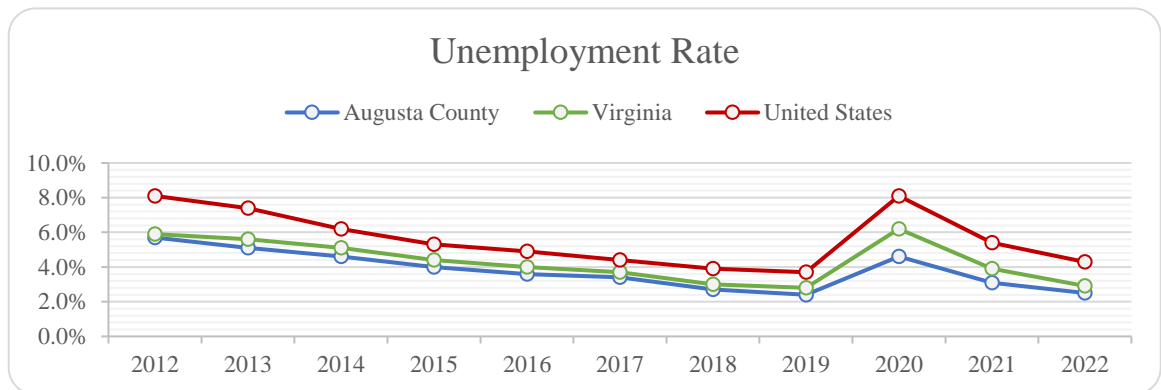


Unemployment rates for Augusta County, the state of Virginia, and the United States are illustrated as follows:

Year	Unemployment Rate		
	Augusta County	Virginia	United States
2012	5.7%	5.9%	8.1%
2013	5.1%	5.6%	7.4%
2014	4.6%	5.1%	6.2%
2015	4.0%	4.4%	5.3%
2016	3.6%	4.0%	4.9%
2017	3.4%	3.7%	4.4%
2018	2.7%	3.0%	3.9%
2019	2.4%	2.8%	3.7%
2020	4.6%	6.2%	8.1%
2021	3.1%	3.9%	5.4%
2022*	2.5%	2.9%	4.3%

Source: Department of Labor, Bureau of Labor Statistics

\*Through December



Between 2012 and 2019, the *annual* unemployment rate within Augusta County declined by more than three percentage points, then nearly doubled, increasing by more than two percentage points between 2019 and 2020 as the result of the COVID-19 pandemic. Similar to employment trends, the unemployment rate within Augusta County has improved in 2022, declining to a low rate of 2.5%, similar to pre-pandemic levels.

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

Monthly Unemployment Rate – Augusta County					
Month	Rate	Month	Rate	Month	Rate
2020		2021		2022	
January	2.5%	January	3.8%	January	2.9%
February	2.1%	February	3.6%	February	2.4%
March	2.5%	March	3.6%	March	2.3%
April	8.6%	April	2.9%	April	2.2%
May	7.2%	May	3.2%	May	2.7%
June	6.9%	June	3.7%	June	2.7%
July	6.0%	July	3.3%	July	2.6%
August	4.9%	August	3.1%	August	2.9%
September	4.0%	September	2.7%	September	2.2%
October	3.4%	October	2.3%	October	2.4%
November	3.5%	November	2.2%	November	2.5%
December	3.5%	December	2.2%	December	2.3%

Source: Department of Labor, Bureau of Labor Statistics

The *monthly* unemployment rate for Augusta County increased by more than six full percentage points between February 2020 and April 2020 during the onset of the pandemic. However, the monthly unemployment rate has since declined to a rate of 2.3% in December 2022, which is similar to pre-pandemic figures.

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

Year	In-Place Employment Augusta County		
	Employment	Change	Percent Change
2012	24,770	-	-
2013	25,351	581	2.3%
2014	25,753	402	1.6%
2015	26,267	514	2.0%
2016	27,115	848	3.2%
2017	26,793	-322	-1.2%
2018	27,582	789	2.9%
2019	28,508	926	3.4%
2020	27,428	-1,080	-3.8%
2021	27,532	104	0.4%
2022*	28,384	852	3.1%

Source: Department of Labor, Bureau of Labor Statistics

\*Through June

Data for 2021, the most recent year that year-end figures are available, indicates in-place employment in Augusta County to be 78.2% of the total Augusta County employment. This means that Augusta County has more employed persons leaving the county to work in other cities/counties for work (daytime employment) than those who both live and work there.

### 3. ECONOMIC FORECAST

The Augusta County economy generally experienced growth between 2012 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, which caused many area businesses to shut down in an attempt to mitigate the spread of the coronavirus. Between 2019 and 2021, the Augusta County employment base declined by 1,881 jobs (5.1%), and its *annual* unemployment rate nearly doubled, increasing by more than two percentage points between 2019 and 2020. Specifically, the *monthly* unemployment rate spiked by more than six full percentage points between February 2020 and April 2020. On a positive note, the local economy improved in 2022, as the city employment base has increased by 935 jobs (2.7%) and the annual unemployment rate has declined to a low rate of 2.5%. Nonetheless, several of the businesses impacted include those within the Retail Trade and Accommodation & Food Services sectors, which provide lower wage paying positions. The subject site will provide a good quality affordable housing option in an economy where lower-wage employees are most vulnerable as the local economy continues to improve.

### 4. COMMUTING PATTERNS

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

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	25,498	81.5%
Carpooled	2,531	8.1%
Public Transit	146	0.5%
Walked	845	2.7%
Motorcycle	87	0.3%
Bicycle	80	0.3%
Other Means	218	0.7%
Worked at Home	1,862	6.0%
<b>Total</b>	<b>31,267</b>	<b>100.0%</b>

Source: Bowen National Research, ESRI

Nearly 82% of all workers drove alone, 8.1% carpoled, and 0.5% used public transportation.

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

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	9,986	33.9%
15 – 29 Minutes	10,836	36.8%
30 – 44 Minutes	5,542	18.8%
45 – 59 Minutes	1,695	5.8%
60 + Minutes	1,356	4.6%
<b>Total</b>	<b>29,415</b>	<b>100.0%</b>

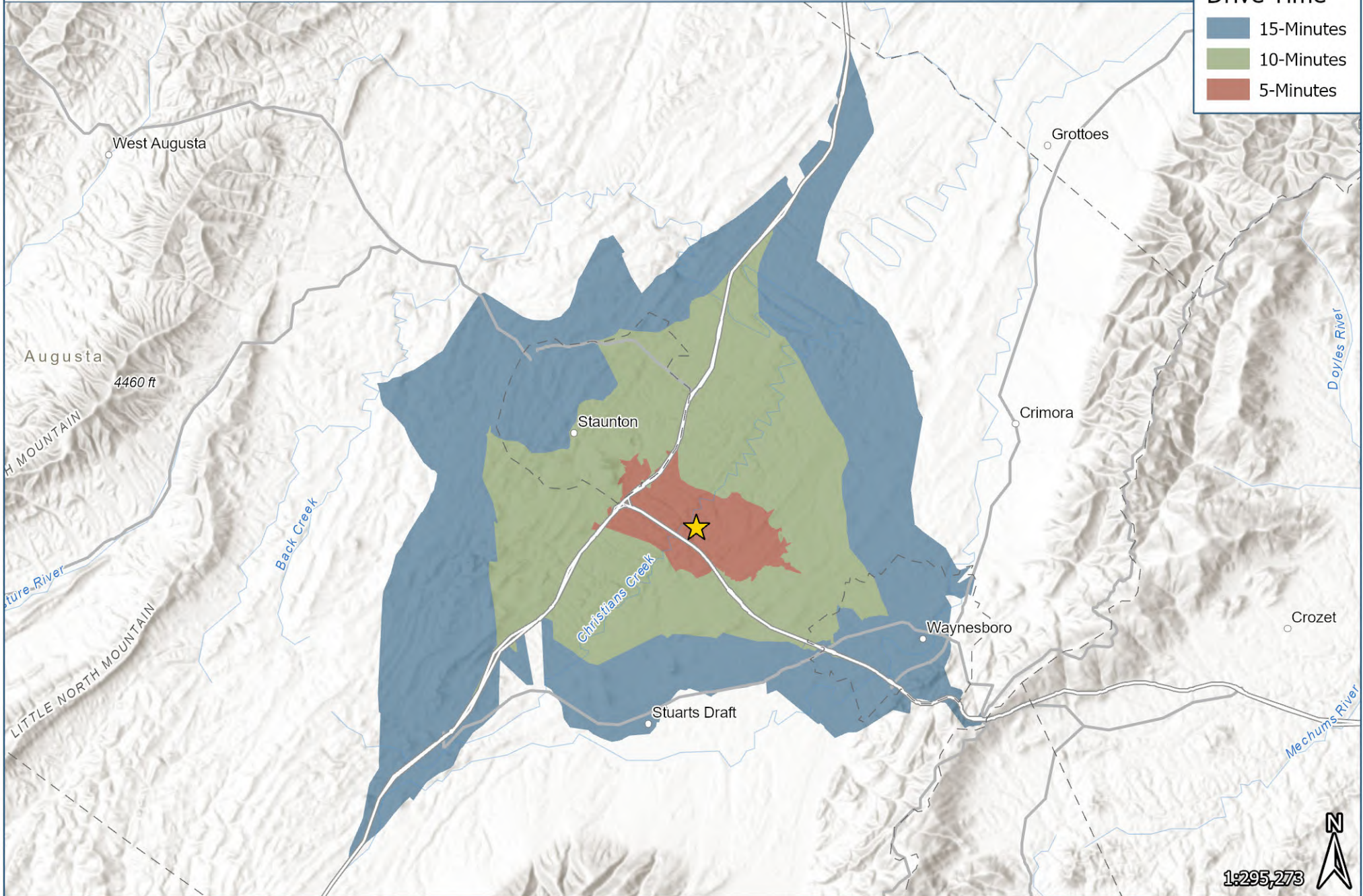
Source: Bowen National Research, ESRI

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

★ Site

**Drive-Time**

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



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

1:295,273

## V. Rental Housing Analysis (Supply)

### A. OVERVIEW OF RENTAL HOUSING

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

Housing Status	2010 (Census)		2023 (Estimate)	
	Number	Percent	Number	Percent
Total-Occupied	26,826	91.2%	29,914	93.4%
Owner-Occupied	16,936	63.1%	18,911	63.2%
Renter-Occupied	9,890	36.9%	11,003	36.8%
Vacant	2,595	8.8%	2,127	6.6%
Total	29,422	100.0%	32,041	100.0%

Source: 2010 Census, ESRI, Bowen National Research

Based on a 2023 update of the 2010 Census, of the 32,041 total housing units in the market, 6.6% were vacant. Note that both the number and share of vacant housing units declined between 2010 and 2023, a good indication of well performing and improving rental housing market. Regardless, we conducted a survey of area rentals to better determine the strength of the local rental housing market.

#### Conventional Apartments

We identified and personally surveyed 23 conventional housing projects containing a total of 2,566 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 99.1%, a strong rate for rental housing. The surveyed rental communities are broken out by project type in the following table.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	10	1,361	11	99.2%
Tax Credit	8	777	11	98.6%
Tax Credit/Government-Subsidized	3	336	0	100.0%
Government-Subsidized	2	92	0	100.0%
Total	23	2,566	22	99.1%

As illustrated in the preceding table, the rental housing market is performing well overall, with all segments reporting occupancy rates of 98.6% or higher. Notably, the 11 vacant Tax Credit units are all reported from an age-restricted Tax Credit property that is still in its initial lease-up period. As such, there are no vacant units reported among the established affordable rental housing segments surveyed. This is a good indication that affordable rental product such as that proposed at the site is in high demand in this market.

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

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	241	17.7%	4	1.7%	\$1,430
One-Bedroom	1.5	54	4.0%	0	0.0%	\$1,652
Two-Bedroom	1.0	28	2.1%	0	0.0%	\$1,418
Two-Bedroom	1.5	160	11.8%	1	0.6%	\$1,523
Two-Bedroom	2.0	560	41.1%	4	0.7%	\$1,644
Two-Bedroom	2.5	52	3.8%	0	0.0%	\$1,747
Three-Bedroom	1.5	14	1.0%	0	0.0%	\$1,745
Three-Bedroom	2.0	204	15.0%	1	0.5%	\$1,854
Three-Bedroom	2.5	48	3.5%	1	2.1%	\$1,912
<b>Total Market-rate</b>		<b>1,361</b>	<b>100.0%</b>	<b>11</b>	<b>0.8%</b>	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	1	0.1%	0	0.0%	\$570
One-Bedroom	1.0	101	13.0%	4	4.0%	\$874
Two-Bedroom	1.0	195	25.1%	0	0.0%	\$884
Two-Bedroom	2.0	292	37.6%	7	2.4%	\$1,057
Three-Bedroom	1.5	18	2.3%	0	0.0%	\$916
Three-Bedroom	2.0	170	21.9%	0	0.0%	\$1,225
<b>Total Tax Credit</b>		<b>777</b>	<b>100.0%</b>	<b>11</b>	<b>1.4%</b>	-

The market-rate units are 99.2% occupied and the Tax Credit units are 98.6% occupied. In addition, the median gross Tax Credit rents are generally well below their corresponding median gross market-rate rents. Therefore, Tax Credit product likely represents an excellent value to low-income renters within the market. This is further evidenced by the low combined vacancy rate of 0.0% among all non-subsidized Tax Credit units surveyed within the market when excluding the previously mentioned property still in lease-up.

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

Year Built	Projects	Units	Vacancy Rate
Before 1970	0	0	0.0%
1970 to 1979	2	238	0.0%
1980 to 1989	1	108	2.8%
1990 to 1999	0	0	0.0%
2000 to 2009	5	461	0.2%
2010 to 2014	4	291	0.0%
2015	2	711	1.0%
2016	0	0	0.0%
2017	1	114	0.0%
2018	0	0	0.0%
2019	2	135	0.0%
2020	0	0	0.0%
2021	0	0	0.0%
2022	1	80	13.8%
2023*	0	0	0.0%

\*As of February

As previously stated, the one property built in 2022 is an age-restricted Tax Credit property still in lease-up and reporting 11 vacant units. Vacancy rates are low among all remaining non-subsidized properties surveyed, regardless of age.

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

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	6	1,115	0.7%
B+	3	138	0.0%
B-	1	108	2.8%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	6	539	2.0%
B	1	130	0.0%
B-	1	108	0.0%

As illustrated in the preceding table, vacancies are low regardless of quality rating. Therefore, it can be concluded that there is no correlation between appearance and vacancies within the rental housing market.



Government-Subsidized

The government-subsidized units (both with and without Tax Credits) in the Site PMA are summarized as follows.

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	128	38.1%	0	0.0%
Two-Bedroom	1.0	116	34.5%	0	0.0%
Three-Bedroom	1.0	28	8.3%	0	0.0%
Three-Bedroom	1.5	48	14.3%	0	0.0%
Four-Bedroom	2.0	16	4.8%	0	0.0%
<b>Total Subsidized Tax Credit</b>		<b>336</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>
Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	18	19.6%	0	0.0%
Two-Bedroom	1.0	30	32.6%	0	0.0%
Two-Bedroom	1.5	44	47.8%	0	0.0%
<b>Total Subsidized</b>		<b>92</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>

All government-subsidized units surveyed are fully occupied and maintain a waiting list, illustrating that pent-up demand exists for very low-income rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand, especially considering the subject project will operate with some units at the 30% of AMHI income level, as well as some units that will operate with a subsidy.

A complete field survey of all conventional apartments we surveyed, as well as an apartment location map, is included in *Section XII, Field Survey of Conventional Rentals*.

**Tax Credit Property Disclosure:** In addition to the properties surveyed that at least partially operate under the Tax Credit program, we identified one Tax Credit property within the Site PMA that, despite multiple attempts, management at this property was unable/unwilling to provide detailed property information. The known details of this project based on previous surveys conducted by Bowen National Research in the area and from extensive online research, are summarized as follows:

Name	Location	Year Built/ Renovated	Total Units	Target Population	Occupancy at Last Survey
Fairfax Hall	1101 Reservoir St. (Waynesboo)	1890 / 2001	54	Seniors; 50% & 60% AMHI	96.3% (February 2021)

As the preceding illustrates, the one Tax Credit project that we were unable to survey is restricted to seniors and likely has minimal competitive overlap with the general-occupancy subject site. Regardless, the 54 units offered at this property have been included in our penetration rate analysis illustrated in *Section VII* of this report.

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

We identified and surveyed five family (general-occupancy) properties that offer non-subsidized Low-Income Housing Tax Credit (LIHTC) units within the Site PMA, all of which were selected for this comparability analysis, as they offer units targeting similar income levels and offer similar unit types as those proposed at the subject site.

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

Map I.D.	Project Name	Quality Rating	Nbhd. Rating	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
<b>Site</b>	<b>Goose Creek Crossing</b>	-	-	<b>2024</b>	<b>42</b>	-	-	-	<b>Families; 30%, 50%, 70% &amp; 80% AMHI &amp; PBRA</b>
6	Frontier Ridge Apts.	B+	B	2005	100	100.0%	3.2 Miles	19 HH	Families; 50% AMHI
11	Montague Terrace Apts.	B+	B+	2012	96	100.0%	10.6 Miles	4 HH	Families; 50% & 60% AMHI
12	Mountain Laurel Manor I & II	B+	B	2019	96	100.0%	1.1 Miles	200 HH	Families; 50% & 60% AMHI
15	Springhill Village Apts.	B-	B-	1971 / 2019	108	100.0%	6.5 Miles	600 HH	Families; 60% AMHI
20	Waterford Village Apts.	B+	B	2011	96	100.0%	0.8 Miles	2 HH	Families; 40% & 50% AMHI

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

The five comparable LIHTC projects have a combined occupancy rate of 100.0% and all five properties maintain a waiting list for their next available units, the longest of which contains 600 households. This is a clear indication of high and likely pent-up demand for additional general-occupancy (family) LIHTC product in this market. The development of the subject project will alleviate a portion of this pent-up demand.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
6	Frontier Ridge Apts.	100	23	23.0%
11	Montague Terrace Apts.	96	25	26.0%
12	Mountain Laurel Manor I & II	96	NA	-
15	Springhill Village Apts.	108	20	18.5%
20	Waterford Village Apts.	96	40	41.7%
Total		400	108	27.0%

NA – Number not available (units not included in total)

There are approximately 108 Voucher holders residing at the comparable LIHTC properties within the market that provided such information. This comprises 27.0% of the 400 occupied non-subsidized LIHTC units, which is considered a typical share of Voucher support. However, given that approximately 73.0% of the occupied units at these properties are occupied by tenants paying the quoted rents, the gross rents currently offered within the market are achievable and will serve as accurate benchmarks with which to compare the subject project.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
			\$537/30% (2) \$896 <sup>^</sup> /50%/PBV (3) \$896/50% (3) \$1,254/70% (2) \$1,348/80% (4)	\$621/30% (3) \$1,035 <sup>^</sup> /50%/PBV (11) \$1,449/70% (9) \$1,507/80% (5)	
<b>Site</b>	<b>Goose Creek Crossing</b>	-			-
6	Frontier Ridge Apts.	-	\$1,049/50% (50/0)	\$1,225/50% (50/0)	None
11	Montague Terrace Apts.	-	\$976/50% (30/0) \$1,155/60% (26/0)	\$1,133/50% (26/0) \$1,340/60% (14/0)	None
12	Mountain Laurel Manor I & II	-	\$1,140/50% (37/0) \$1,319/60% (27/0)	\$1,340/60% (32/0)	None
15	Springhill Village Apts.	\$745/60% (24/0)	\$832/60% (66/0)	\$916/60% (18/0)	None
20	Waterford Village Apts.	-	\$797/40% (5/0) \$976/50% (43/0)	\$926/40% (5/0) \$1,133/50% (43/0)	None

PBV – Project-Based Vouchers; <sup>^</sup>Maximum allowable LIHTC rent (contract rent exceeds maximum allowable)

Note that the gross rents have been calculated for each property based on a Utility Allowance Worksheet provided by the Staunton Redevelopment and Housing Authority. This has been done in order to more accurately compare the total cost of renting between properties. However, this estimated allowance results in an *approximate* gross rent, as each property may calculate their utility allowance differently or employ energy saving features. The comparable gross rents that exceed the maximum allowable are most likely operating at, or slightly below, the maximum rents reported. In some cases, it is likely due in part to the age of the comparable LIHTC projects, which most were built/renovated prior to 2022 and are likely eligible to operate under the Hold Harmless rule, which does not require these properties to operate under current maximum allowable LIHTC limits when the area experiences an income reduction.

The subject’s proposed gross rents targeting households earning up to 30% and 50% of AMHI are competitive with the rents being achieved at the comparable LIHTC properties in the market targeting similar income levels. In addition, given the high occupancy rates reported among the comparable LIHTC properties, these established properties could likely achieve higher rents without adversely

impacting their occupancy levels. It is also worth noting that the subject project will be at least 12 years newer than the original year built of nearly all of the comparable properties utilized in this analysis. As such, it is expected that the subject's proposed gross LIHTC rents for these income levels (30% and 50% of AMHI) are considered achievable as proposed.

Considering the subject's proposed gross LIHTC rents at the 70% and 80% of AMHI income levels are positioned similar to or only slightly higher than the highest 60% of AMHI rents being achieved at the comparable LIHTC properties, they are considered appropriately positioned. In fact, the inclusion of the higher 70% and 80% of AMHI income levels will position the subject site at a competitive advantage, as it will enable the subject project to attract an income segment of renters that are likely underserved in this market. It is also important to note that these higher rents represent good market rent advantages, as illustrated in *Section VI*.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Goose Creek Crossing</b>	-	<b>977</b>	<b>1,096</b>
6	Frontier Ridge Apts.	-	959	1,234
11	Montague Terrace Apts.	-	1,068	1,184
12	Mountain Laurel Manor I & II	-	919	1,153 - 1,159
15	Springhill Village Apts.	638	823	950
20	Waterford Village Apts.	-	1,084	1,206

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Goose Creek Crossing</b>	-	<b>2.0</b>	<b>2.0</b>
6	Frontier Ridge Apts.	-	2.0	2.0
11	Montague Terrace Apts.	-	2.0	2.0
12	Mountain Laurel Manor I & II	-	2.0	2.0
15	Springhill Village Apts.	1.0	1.0	1.5
20	Waterford Village Apts.	-	2.0	2.0

The proposed development will offer competitive unit sizes and the inclusion of an additional bathroom in the two-bedroom units is expected to contribute to the marketability of the project.

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

		Tax Credit Unit Amenities by Map ID					
		Site*	6	11	12	15	20
Appliances	Dishwasher	X	X	X	X	X	X
	Disposal		X	X	X		X
	Microwave						
	Range	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X
	W/D Hookup	X	X	X	X		X
	W/D						X
	No Appliances						
Unit Amenities	AC-Central	X	X	X	X	X	X
	AC-Other						
	Balcony/ Patio/ Sunroom	X					
	Basement						
	Ceiling Fan	X	X		X	X	
	Controlled Access						
	E-Call System						
	Furnished						
	Walk-In Closet	X		X	X		S
	Window Treatments	X	X	X	X	X	X
Flooring	Carpet	X	X	X	X	X	X
	Ceramic Tile	X					
	Hardwood						
	Finished Concrete						
	Composite/Vinyl/Laminate	X	X	X	X	X	X
Upgraded	Premium Appliances						
	Premium Countertops						
	Premium Cabinetry						
	Premium Fixtures						
	High/Vaulted Ceilings						
	Oversized Windows						
Parking	Attached Garage						
	Detached Garage						
	Street Parking						
	Surface Lot	X	X	X	X	X	X
	Carport						
	Property Parking Garage						
	No Provided Parking						

◆ - Senior Property

\* Proposed Site(s): Bellwood Crossing

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

\*\* Details in Comparable Property Profile Report

Continued on Next Page

Tax Credit Property Amenities by Map ID							
	Site*	6	11	12	15	20	
	Bike Racks / Storage		X				
	Computer/Business Center	X	X				
	Car Care **						
	Community Garden						
Community	Multipurpose Room	X	X	X	X	X	
	Chapel						
	Community Kitchen	X	X	X	X	X	
	Dining Room - Private						
	Dining Room - Public						
	Rooftop Terrace						
	Concierge Service **						
	Convenience Amenities **				X		
	Covered Outdoor Area **						
	Elevator				X		
Laundry Room	X	X	X	X	X		
On-Site Management	X	X	X	X	X	X	
Pet Care **		X	X			X	
Recreation	Basketball			X		X	
	Bocce Ball						
	Firepit						
	Fitness Center	X	X			X	X
	Grilling Area	X	X	X		X	X
	Game Room - Billiards						
	Walking Path						
	Hot Tub						
	Library						
	Media Room / Theater						
	Playground	X	X	X		X	X
	Putting Green						
	Racquetball						
	Shuffleboard						
	Swimming Pool - Indoor						
	Swimming Pool - Outdoor		X				
	Tennis						
Volleyball							
Security	CCTV	X	X			X	
	Courtesy Officer						
	Security Gate						
	Social Services **	X			X		
	Storage - Extra	X	X			X	
Common Space WiFi	X			X	X	X	

◆ - Senior Property

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

\* Proposed Site(s): Bellwood Crossing

\*\* Details in Comparable Property Profile Report

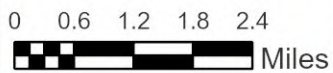
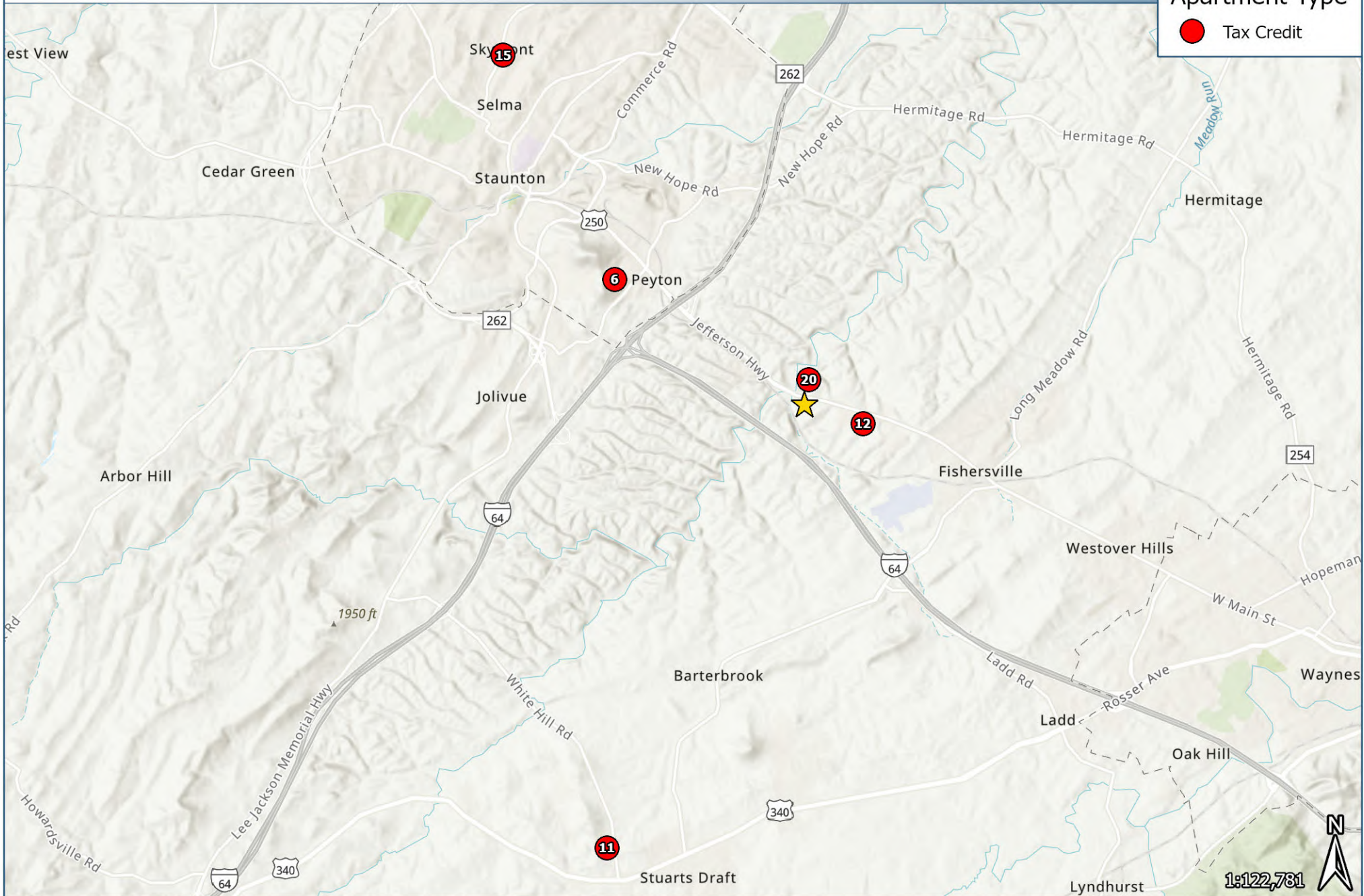
As the preceding tables illustrate, the subject project's amenities package is generally considered competitive with the amenities offered at the comparable LIHTC properties. The subject project does not appear to be lacking any amenity that would hinder its ability to operate as a LIHTC project.

#### Comparable/Competitive Tax Credit Summary

The five comparable LIHTC projects have a combined occupancy rate of 100.0% and all five properties maintain a waiting list for their next available units, the longest of which contains 600 households. This is a clear indication of high and likely pent-up demand for additional general-occupancy (family) LIHTC product in this market. The development of the subject project will alleviate a portion of this pent-up demand.

The subject's proposed gross rents targeting households earning up to 30% and 50% of AMHI are competitive with the rents being achieved at the comparable LIHTC properties in the market targeting similar income levels. In addition, given the high occupancy rates reported among the comparable LIHTC properties, these established properties could likely achieve higher rents without adversely impacting their occupancy levels. As such, it is expected that the subject's proposed gross LIHTC rents for these income levels (30% and 50% of AMHI) are considered achievable as proposed. Considering the subject's proposed gross LIHTC rents at the 70% and 80% of AMHI income levels are positioned similar to or only slightly higher than the highest 60% of AMHI rents being achieved at the comparable LIHTC properties, they are considered appropriately positioned. This is expected to ensure that these higher income level units will be perceived as a value in the market. Based on the rent positioning of the subject site, as well as the generally competitive unit sizes and amenities package, the subject site is expected to be marketable as proposed.

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





### C. PLANNED MULTIFAMILY DEVELOPMENT

Despite multiple attempts to contact local planning and building officials, a response was not received. However, based on online research and the observations of our analyst while in the field, it was determined there are several rental projects currently in the development pipeline within the Site PMA, which are summarized as follows:

Project Name & Address	Type	Units	Developer	Status/Details
Middlebrook Trace 914 Middlebrook Avenue <b>Staunton</b>	Tax Credit & Government-subsidized	82	Staunton Redevelopment and Housing Authority & Taft-Mills Group, LLC	<b>Under construction:</b> Allocated in 2021 and 2022; 42 two-bedroom units and 40 three-bedroom units restricted to 30%, 50%, 60%, and 80% of the Area Median Household Income (AMHI), and 15 Section 8 units; As of February 2023, dirt had been moved at the site per the observations of our analyst while in the field; ECD 2023
Middlebrook Trace II 914 Middlebrook Avenue <b>Staunton</b>	Tax Credit & Government-subsidized	82	Middlebrook Trace II VA LLC	<b>Planned:</b> To be built alongside Middlebrook Trace; Will have an identical unit mix with 42 two-bedroom units and 40 three-bedroom units restricted to 30%, 50%, 60%, and 80% of the Area Median Household Income (AMHI), and 15 Section 8 units; Received partial allocation for 48 units in 2022; The construction timeline of this project is unavailable.
Mountain Laurel Manor III 85 Bobby's Way <b>Staunton</b>	Tax Credit	48	Surber Development Corp.	<b>Under construction:</b> Allocated in 2020 and 2021; 28 one-bedroom units and 20 two-bedroom units; All units restricted to 60% of AMHI. Expected to be completed mid-2023.
Staunton Steam Laundry 110 East Hampton Street <b>Staunton</b>	Market-Rate	48	Miller and Associates	<b>Under construction:</b> Broke ground in 2022; Adaptive reuse; Mixed-use; ECD Unknown.
Staunton Apartments 1008 Seth Drive <b>Staunton</b>	Market-Rate	72	N/A	<b>Proposed:</b> Addition of units to an existing 39-unit rental townhome property built in 2019; Announced in 2022; If approved, construction would likely take another year to begin.
Cardinal Meadows 843 Jefferson Highway <b>Staunton</b>	Tax Credit	80	Woda Cooper Companies	<b>Proposed:</b> Two- and three-bedroom units. Received zoning certifications in February 2020. At the time this report was issued, the construction timeline of this development and targeted income restrictions were unavailable, and the project still had not broken ground. This project did not receive funding and it is unknown if the project will move forward.

TBD-To be determined

N/A-Not Available

ECD- Estimated completion date

As illustrated in the preceding table, two of the projects in the development pipeline (Middlebrook Trace I and II) have been allocated Tax Credits and the directly competitive units at these properties have been included in our demand estimates in *Section VII*. Notably, Mountain Laurel Manor III only offers units at 60% of AMHI, an income segment not offered at the site. As such, we have not deducted these units from demand, however, we have included these units in our penetration rate calculations in *Section VII*.

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

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

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through Opening
6	Frontier Ridge Apts.	100.0%	95.0%+
11	Montague Terrace Apts.	100.0%	95.0%+
12	Mountain Laurel Manor I & II	100.0%	95.0%+
15	Springhill Village Apts.	100.0%	95.0%+
20	Waterford Village Apts.	100.0%	95.0%+

The comparable LIHTC properties have a combined occupancy rate of 100.0% and all five properties maintain a waiting list for their next available units. Considering the depth of support (demand estimates) for the subject project and the existing properties, we do not anticipate the subject project having any adverse impact on future occupancy rates among existing comparable LIHTC product in the market. In fact, the subject property is expected to help alleviate a portion of the pent-up demand that exists for additional general-occupancy LIHTC product.

**E. BUY VERSUS RENT ANALYSIS**

According to ESRI, the median home value in the Site PMA was \$247,569. At an estimated interest rate of 5.9% and a 30-year term (and 95% LTV), the monthly mortgage for a \$247,569 home is \$1,742, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price – ESRI	\$247,569
Mortgaged Value = 95% Of Median Home Price	\$235,191
Interest Rate – Bankrate.Com	5.89%
Term	30
Monthly Principal & Interest	\$1,393
Estimated Taxes And Insurance*	\$348
<b>Estimated Monthly Mortgage Payment:</b>	<b>\$1,742</b>

\* Estimated at 25% of principal and interest.

In comparison, some of the collected Tax Credit rents at the subject property are similar to the cost of a monthly mortgage for a typical home in the area. However, it is unlikely that tenants that would qualify to reside at the subject project would be able to afford the monthly payments required to own a home or would be able to afford the down payment on such a home. In addition, the subject project will include a comprehensive amenities package included in the cost of rent, which is not typically offered among for-sale product. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

## VI. Achievable Market Rent Analysis

### A. INTRODUCTION

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

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

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

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

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

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

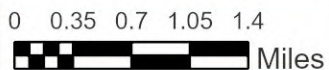
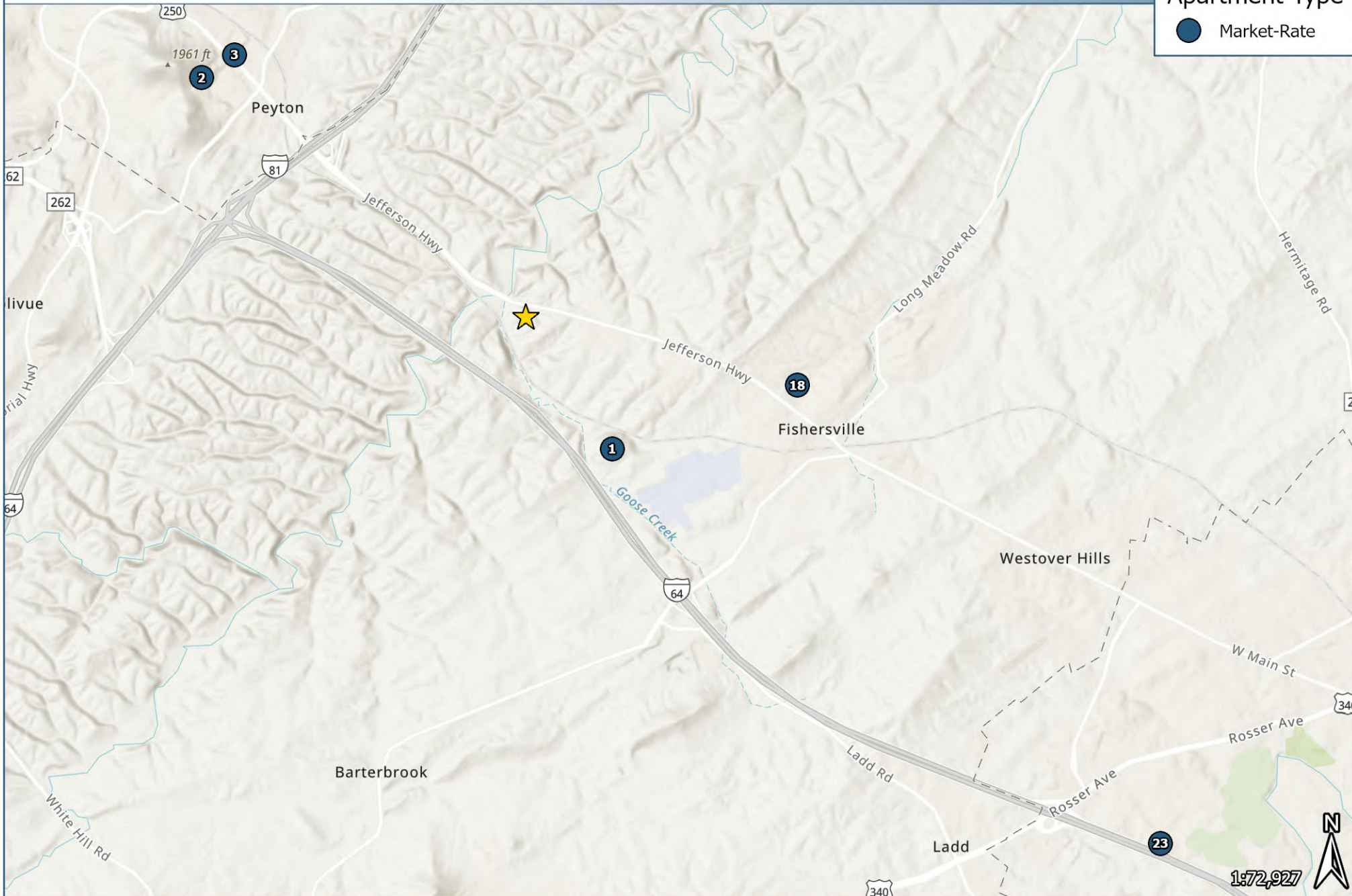
The proposed subject development and the five selected properties include the following:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Goose Creek Crossing</b>	<b>2024</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>14 (-)</b>	<b>28 (-)</b>
1	Apartments at Goose Creek	2015	352	100.0%	109 (100.0%)	189 (100.0%)	54 (100.0%)
2	Big Sky Apts. I	2006	135	100.0%	18 (100.0%)	96 (100.0%)	21 (100.0%)
3	Big Sky Apts. II	2017	114	100.0%	22 (100.0%)	60 (100.0%)	32 (100.0%)
18	Teaberry Greene Apts.	2004	109	100.0%	-	104 (100.0%)	5 (100.0%)
23	Windigrove Apts.	2015	359	98.1%	114 (98.2%)	195 (97.9%)	50 (98.0%)

Occ. – Occupancy

The five selected market-rate projects have a combined total of 1,069 units with an overall occupancy rate of 99.3%, a strong rate for market-rate rental housing. As such, the selected projects have been well received within the market and will serve as accurate benchmarks with which to compare the subject project.

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



**Rent Comparability Grid**

Unit Type → **TWO-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Goose Creek Crossing		Apartments at Goose Creek		Big Sky Apts. I		Big Sky Apts. II		Teaberry Greene Apts.		Windigrove Apts.	
843 Jefferson Highway		80 Goose Pointe Ln		107 Community Way		106 Community Way		8 Warwick Ln		357 Windigrove Dr	
Staunton, VA		Fishersville, VA		Staunton, VA		Staunton, VA		Fishersville, VA		Waynesboro, VA	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$1,400		\$1,271		\$1,320		\$1,285		\$1,400	
2	Date Surveyed	Feb-23		Feb-23		Feb-23		Feb-23		Feb-23	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		100%		98%	
5	Effective Rent & Rent/ sq. ft	\$1,400	1.28	\$1,271	1.19	\$1,320	1.08	\$1,285	1.18	\$1,400	1.10
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	WU/3,4		WU/2,3		WU/2,3		TH/2		WU/2,3	
7	Yr. Built/Yr. Renovated	2024	\$9	2006	\$18	2017	\$7	2004	\$20	2015	\$9
8	Condition/Street Appeal	E		E		E		E		E	
9	Neighborhood	G		G		G		E	(\$10)	E	(\$10)
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	2		2		2		2		2	
12	# Baths	2		2		2		1.5	\$15	2	
13	Unit Interior Sq. Ft.	977	(\$33)	1070	(\$27)	1220	(\$71)	1086	(\$32)	1267	(\$84)
14	Patio/Balcony/Sunroom	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y	(\$5)	N/Y		Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)
18	Washer/Dryer	HU/L	(\$25)	W/D	(\$25)	W/D	(\$25)	W/D	(\$25)	W/D	(\$25)
19	Floor Coverings	C/T/V		C/V		C/V		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N	(\$3)	N		N		N		N	
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fan/Storage	Y/Y	\$5	N/N	\$10	N/N	\$10	Y/N	\$5	Y/Y	
<b>D. Site Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		N	\$5	Y	
26	Security Features	Y		Y	\$5	N	\$5	Y		Y	
27	Community Space	Y		Y		Y		N	\$5	Y	
28	Pool/Recreation Areas	F	(\$16)	P/F/GR/MT	(\$13)	P/F	(\$10)	S/WT	(\$1)	P/F/GR	(\$13)
29	Business/Computer Center	Y		Y	\$3	N	\$3	N	\$3	N	\$3
30	Grilling Area	Y		Y		Y		N	\$3	Y	
31	Playground	Y	\$3	Y		Y		Y		Y	
32	Social Services	N		N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/G		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/G		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash/Recycling	Y/N		Y/N		Y/N		N/N	\$24	Y/N	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	3	6	4	4	4	5	7	6	2	6
41	Sum Adjustments B to D	\$17	(\$87)	\$36	(\$70)	\$25	(\$116)	\$56	(\$78)	\$12	(\$142)
42	Sum Utility Adjustments							\$24			
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43	Net/ Gross Adjmts B to E	(\$70)	\$104	(\$34)	\$106	(\$91)	\$141	\$2	\$158	(\$130)	\$154
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$1,330		\$1,237		\$1,229		\$1,287		\$1,270	
45	Adj Rent/Last rent		95%		97%		93%		100%		91%
46	Estimated Market Rent	\$1,280		\$1.31 ←		Estimated Market Rent/ Sq. Ft					

**Rent Comparability Grid**

Unit Type → **THREE-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Goose Creek Crossing		Apartments at Goose Creek		Big Sky Apts. I		Big Sky Apts. II		Teaberry Greene Apts.		Windigrove Apts.	
843 Jefferson Highway		80 Goose Pointe Ln		107 Community Way		106 Community Way		8 Warwick Ln		357 Windigrove Dr	
Staunton, VA		Fishersville, VA		Staunton, VA		Staunton, VA		Fishersville, VA		Waynesboro, VA	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$1,684		\$1,416		\$1,549		\$1,465		\$1,525	
2	Date Surveyed	Feb-23		Feb-23		Feb-23		Feb-23		Feb-23	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		100%		98%	
5	Effective Rent & Rent/ sq. ft	\$1,684	1.24	\$1,416	1.09	\$1,549	1.04	\$1,465	1.06	\$1,525	1.05
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	WU/3,4		WU/2,3		WU/2,3		TH/2		WU/2,3	
7	Yr. Built/Yr. Renovated	2024	\$9	2006	\$18	2017	\$7	2004	\$20	2015	\$9
8	Condition/Street Appeal	E		E		E		E		E	
9	Neighborhood	G		G		G		E	(\$10)	E	(\$10)
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	3		3		3		3		3	
12	# Baths	2		2		2		1.5	\$15	2	
13	Unit Interior Sq. Ft.	1096	(\$71)	1304	(\$57)	1492	(\$108)	1386	(\$79)	1450	(\$97)
14	Patio/Balcony/Sunroom	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y	(\$5)	N/Y		Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)
18	Washer/Dryer	HU/L	(\$25)	W/D	(\$25)	W/D	(\$25)	W/D	(\$25)	W/D	(\$25)
19	Floor Coverings	C/T/V		C/V		C/V		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N	(\$3)	N		N		N		N	
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fan/Storage	Y/Y	\$5	N/N	\$10	N/N	\$10	Y/N	\$5	Y/Y	
<b>D. Site Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		N	\$5	Y	
26	Security Features	Y		Y	\$5	N	\$5	Y		Y	
27	Community Space	Y		Y		Y		N	\$5	Y	
28	Pool/Recreation Areas	F	(\$16)	P/F/GR	(\$13)	P/F	(\$10)	S/WT	(\$1)	P/F/GR	(\$13)
29	Business/Computer Center	Y		N	\$3	N	\$3	N	\$3	N	\$3
30	Grilling Area	Y		Y		Y		N	\$3	Y	
31	Playground	Y	\$3	Y		Y		Y		Y	
32	Social Services	N		N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/G		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/G		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash/Recycling	Y/N		Y/N		Y/N		N/N	\$24	Y/N	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	3	6	4	4	4	5	7	6	2	6
41	Sum Adjustments B to D	\$17	(\$125)	\$36	(\$100)	\$25	(\$153)	\$56	(\$125)	\$12	(\$155)
42	Sum Utility Adjustments							\$24			
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43	Net/ Gross Adjmts B to E	(\$108)	\$142	(\$64)	\$136	(\$128)	\$178	(\$45)	\$205	(\$143)	\$167
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$1,576		\$1,352		\$1,421		\$1,420		\$1,382	
45	Adj Rent/Last rent		94%		95%		92%		97%		91%
46	Estimated Market Rent	\$1,460	\$1.33 ←	Estimated Market Rent/ Sq. Ft							

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

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

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
Two-Br.	\$389 (30%)	\$1,280	69.6%
	\$748* (50%/PBV)		41.6%
	\$748 (50%)		41.6%
	\$1,106 (70%)		13.6%
	\$1,200 (80%)		6.3%
Three-Br.	\$429 (30%)	\$1,460	70.6%
	\$843 (50%/PBV)		42.3%
	\$1,257 (70%)		13.9%
	\$1,315 (80%)		9.9%

\*Maximum allowable collected LIHTC rent (contract rent exceeds maximum allowable)  
 PBV – Project-Based Vouchers

Typically, Tax Credit rents targeting households earning up to 60% of AMHI are set at least 10.0% below market rent to ensure the property represents a value and has a sufficient flow of prospective tenants within most markets. While units targeting households at higher income levels such as 70% and 80% of AMHI often do not need to represent a market rent advantage of 10.0% to be perceived a value, it is often recommended that such units/rents represent a positive rent advantage to ensure it is perceived as a value to low-income renters.

As detailed in the preceding table, the subject rents represent market rent advantages ranging from 6.3% to 70.6%, depending upon unit type and income level. Thus, the subject rents, even those at the higher 70% and 80% AMHI levels, will represent modest to excellent values within the Site PMA.

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

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



1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions.
7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 2004 and 2017. As such, we have adjusted the rents at the selected properties by \$1 per year of (effective) age difference to reflect the age of these properties.
9. Two of the selected properties are located in neighborhoods that are considered to be more desirable than the neighborhood of the site and remaining selected properties. As such, we have made an adjustment to account for differences in neighborhood desirability among these projects and the subject project.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.- 23. The proposed subject project will offer a unit amenity package that is slightly inferior to those offered at the selected properties. We have made adjustments for features lacking at the subject project.
- 24.-32. The proposed subject project will offer a project amenity package that is also slightly inferior to those offered at the selected properties. We have made adjustments for features lacking at the subject project.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

## VII. Capture Rate Analysis

### A. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is within the Staunton-Waynesboro, VA MSA, which has a median four-person household income of \$83,600 for 2022. The subject property will be restricted to households with incomes of up to 30%, 50%, 70% and 80% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI levels.

Household Size	Maximum Allowable Income			
	30%	50%	70%	80%
One-Person	\$16,740	\$27,900	\$39,060	\$44,640
Two-Person	\$19,110	\$31,850	\$44,590	\$50,960
Three-Person	\$21,510	\$35,850	\$50,190	\$57,360
Four-Person	\$23,880	\$39,800	\$55,720	\$63,680
Five-Person	\$25,800	\$43,000	\$60,200	\$68,800

#### 1. Maximum Income Limits

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income at the subject site is **\$68,800**, which is the five-person maximum income at 80% of AMHI.

#### 2. Minimum Income Requirements

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

The lowest proposed LIHTC gross rent at the subject site is \$537. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$6,444. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement of **\$18,411**.

Notably, the subject project will also offer some PBV units that will be capable of accommodating renters with little or no income and the minimum income of \$0 has been used for these units.

**3. Income-Appropriate Range**

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

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit w/ PBRA (Limited to 50% of AMHI)	\$0	\$43,000
Tax Credit (Limited to 30% of AMHI)	\$18,411	\$25,800
Tax Credit (Limited to 50% of AMHI)	\$30,720	\$43,000
Tax Credit (Limited to 70% of AMHI)	\$42,994	\$60,200
Tax Credit (Limited to 80% of AMHI)	\$46,217	\$68,800
<b>Overall Tax Credit w/ PBRA</b>	<b>\$0</b>	<b>\$68,800</b>
<b>Overall Tax Credit*</b>	<b>\$18,411</b>	<b>\$68,800</b>

\*Excludes those earning between \$25,801 and \$30,719 due to gap in affordability levels

**B. CAPTURE RATE CALCULATIONS**

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

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

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

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

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25074), 29.4% of households, depending upon income level, within the Site PMA are considered to be rent overburdened.

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

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25016), approximately 5.0% of all households within the Site PMA are living in substandard housing.

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

Not applicable; subject site is general-occupancy.

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

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

**C. DEMAND/CAPTURE RATE CALUCLATIONS**

As discussed in *Section V*, we identified and surveyed five comparable LIHTC projects in the Site PMA, all of which are 100.0% occupied with waiting lists. Also note that there are three comparable non-subsidized general-occupancy Tax Credit projects in the development pipeline, however, considering one of these projects (Mountain Laurel Manor III) will only offer units at the 60% of AMHI income level, an income segment not offered at the site, the units at this project have not been subtracted from the following demand estimates. We have, however, included these units in our penetration rate calculation later in this section of the report. The two projects in the development pipeline that will offer directly competitive units (same income level and bedroom type) have been summarized in the following table.

Map I.D.	Project Name	Year Built / Renovated	LIHTC Units	Directly Comparable LIHTC Units* at Targeted AMHI (Vacant Units)			
				30% AMHI	50% AMHI	70% AMHI	80% AMHI
P/P	Middlebrook Trace I	2023	82	21	20	-	21
P/P	Middlebrook Trace II	2024	82	21	20	-	21

\*Directly comparable units are those that are of similar bedroom type and targeted income level as the subject site  
P/P – Planned/Proposed

The directly competitive non-subsidized LIHTC units within the development pipeline, have been subtracted from the total demand in the following analysis. The following is a summary of our demand calculations for the subject project, both with and without a subsidy.

**As Proposed (With PBV)**

<b>Demand Component</b>	<b>30% AMHI (\$18,411-\$25,800)</b>	<b>50% AMHI / PBV (\$0-\$43,000)</b>	<b>50% AMHI (\$30,720 - \$43,000)</b>	<b>70% AMHI (\$42,994 - \$60,200)</b>	<b>80% AMHI (\$46,217- \$68,800)</b>	<b>Overall LIHTC w/ Subsidy (\$0-\$68,800)</b>
Demand from New Rental Households (Income-Appropriate)	908 - 948 = -40	5,185 - 5,392 = -207	1,542 - 1,565 = -23	1,705 - 1,707 = -2	2,078 - 2,075 = 3	7,638 - 7,845 = -207
+						
Demand from Existing Households (Rent Overburdened)	948 x 29.4% = 279	5,392 x 29.4% = 1,587	1,565 x 29.4% = 461	1,707 x 29.4% = 502	2,075 x 29.4% = 611	7,845 x 29.4% = 2,309
+						
Demand from Existing Households (Renters in Substandard Housing)	948 x 5.0% = 48	5,392 x 5.0% = 271	1,565 x 5.0% = 79	1,707 x 5.0% = 86	2,075 x 5.0% = 104	7,845 x 5.0% = 395
+						
Demand from Existing Households (Elderly Homeowner Conversion)	N/A					
=						
<b>Total Demand</b>	<b>287</b>	<b>1,651</b>	<b>517</b>	<b>586</b>	<b>718</b>	<b>2,497</b>
-						
Supply (Directly Comparable Vacant Units Completed or in the Pipeline)	42	0	40	0	42	124
=						
<b>Net Demand</b>	<b>245</b>	<b>1,651</b>	<b>477</b>	<b>586</b>	<b>676</b>	<b>2,373</b>
<b>Proposed Units</b>	<b>5</b>	<b>14</b>	<b>3</b>	<b>11</b>	<b>9</b>	<b>42</b>
<b>Proposed Units / Net Demand</b>	<b>5 / 245</b>	<b>14 / 1,651</b>	<b>3 / 477</b>	<b>11 / 586</b>	<b>9 / 676</b>	<b>42 / 2,372</b>
<b>Capture Rate</b>	<b>= 2.0%</b>	<b>= 0.8%</b>	<b>= 0.6%</b>	<b>= 1.9%</b>	<b>= 1.3%</b>	<b>= 1.8%</b>
<b>Total Absorption Period</b>	<b>1 Month</b>	<b>2 Months</b>	<b>&lt; 3 Months</b>	<b>&lt; 3 Months</b>	<b>&lt; 3 Months</b>	<b>&lt; 3 Months</b>

\*Accounts for gaps in affordability levels

N/A-Not Applicable

LIHTC Only (Without Subsidy)					
Demand Component	30% AMHI (\$18,411-\$25,800)	50% AMHI (\$30,720 -\$43,000)	70% AMHI (\$42,994 - \$60,200)	80% AMHI (\$46,217- \$68,800)	Overall LIHTC Only \$18,411- \$68,800)*
Demand from New Rental Households (Income-Appropriate)	908 - 948 = -40	1,542 - 1,565 = -23	1,705 - 1,707 = -2	2,078 - 2,075 = 3	4,903 - 4,965 = -62
+					
Demand from Existing Households (Rent Overburdened)	948 x 29.4% = 279	1,565 x 29.4% = 461	1,707 x 29.4% = 502	2,075 x 29.4% = 611	4,965 x 29.4% = 1,460
+					
Demand from Existing Households (Renters in Substandard Housing)	948 x 5.0% = 48	1,565 x 5.0% = 79	1,707 x 5.0% = 86	2,075 x 5.0% = 104	4,965 x 5.0% = 248
+					
Demand from Existing Households (Elderly Homeowner Conversion)	N/A				
=					
Total Demand	287	517	586	718	1,646
-					
Supply (Directly Comparable Vacant Units Completed or in the Pipeline)	42	40	0	42	124
=					
Net Demand	245	477	586	676	1,522
Proposed Units	5	17	11	9	42
Proposed Units / Net Demand	5 / 245	17 / 477	11 / 586	9 / 676	42 / 1,522
Capture Rate	= 2.0%	= 3.6%	= 1.9%	= 1.3%	= 2.8%
Total Absorption Period	1 Month	3 Months	3 Months	3 Months	3 Months

\*Accounts for gaps in affordability levels

N/A-Not Applicable

The capture rates by targeted income level assuming the project operates with a subsidy available to some units are considered low and easily achievable, ranging from 0.6% to 2.0%, with an overall capture rate of 1.8%. In the unlikely scenario the subject operates without a subsidy, the capture rates by income level range from 1.3% to 3.6% and the overall capture rate is 2.8%. These capture rates are all considered very low and easily achievable, illustrating that a substantial base of demographic support will exist for the subject development, regardless of scenario.

#### **D. PENETRATION RATE CALCULATIONS**

The 1,043 existing and planned non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing, planned and subject Tax Credit units is \$18,411 to \$68,800. The following table summarizes the market penetration rate for the subject project, based on data contained in the Demographic Characteristics and Trends section of this report.

	Market Penetration
Number of LIHTC Units (Planned, Existing & Subject)	1,085
Income-Eligible Renter Households – 2025	/ 5,645
Overall Market Penetration Rate	= 19.2%

It is our opinion that the 19.2% penetration rate for the LIHTC units, existing, planned and proposed subject, is low and achievable.

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

Despite several attempts, representatives with the Staunton Redevelopment and Housing Authority were unable/unwilling to provide detailed information regarding the Housing Choice Voucher program and the number of households on the waiting list for a voucher.

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

Bedroom Type	Payment Standards	Proposed/Programmatic Tax Credit Gross Rents (AMHI)
Two-Bedroom	\$1,088	\$537 (30%)
		\$896 (50%)
		\$896* (50%)
		\$1,254 (70%)
		\$1,348 (80%)
Three-Bedroom	\$1,518	\$621 (30%)
		\$1,035* (50%)
		\$1,449 (70%)
		\$1,507 (80%)

\*Maximum allowable LIHTC gross rent (contract rent exceeds maximum allowable)

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



## **F. ABSORPTION PROJECTIONS**

Considering the facts contained in the market study, as well as the preceding factors, and comparing them with the lease-up trends of other projects with similar characteristics in the Site PMA and other markets, we are able to establish absorption projections for the proposed subject development. It is our opinion that the 42 proposed LIHTC units at the subject site will reach a stabilized occupancy of 95.0% in less than three months of opening. This absorption rate is based on an average monthly absorption rate of approximately 14 units per month. Note that these absorption projections assume the proposed project will operate with a subsidy available to 15 of the subject units. In the unlikely scenario the subject project did not operate with a subsidy available to these units, the proposed project will likely experience a slightly longer absorption period of up to three full months, which is reflective of an absorption rate of approximately 12 units per month. It is anticipated that the higher 70% and 80% of AMHI income level will experience the slowest absorption considering some of these higher Tax Credit rents have not been tested in this market.

These absorption projections assume a 2024 opening date. A different opening date may have a slowing impact on the subject's initial absorption potential. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, unit design, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development receives.

## VIII. Local Perspective (Interviews)

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

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

- John Wilkinson, Director of the Augusta County Community Development Department, stated that he feels there is a need for more affordable housing for families in the area largely based on the fact that his office is frequently contacted by developers interested in building affordable multifamily housing in Augusta County. Mr. Wilkinson felt that while he didn't have any statistics to offer off-hand to support this statement, that this was evidence of an obvious need.
- Carrie Senton, Property Manager at Springhill Village Apartments (Map ID 15), a comparable Tax Credit property, stated that Staunton is in desperate need of more affordable housing. Ms. Senton continued by stating that there are very little affordable housing inventory in Staunton and that the demand is obvious—the waiting list alone has approximately 600 applicants and is currently closed. Ms. Senton explained that many other local Tax Credit properties have similar waiting lists and many property owners in Staunton overprice their units, and that very few communities are worth what tenants are being charged to live in them. This leaves low-income residents with little to no options for housing when properties that should be reasonably priced are instead taking advantage of their customers. Ms. Senton believes that the addition of more affordable housing would help alleviate this issue and would benefit the community greatly.
- Claudette Nicely, the Community Manager at Gypsy Hill House (Map ID 8), confirmed the need for affordable housing in the area. Ms. Nicely's property is fully occupied and maintains a waiting list of more than 125 households. Ms. Nicely added that the area would greatly benefit from additional affordable housing.

## IX. Analysis & Conclusions

Based on the findings reported in our market study, it is our opinion that a market exists for the 42 units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The project will be competitive within the market area in terms of unit amenities and unit sizes, and the proposed rents will be perceived as good values in the marketplace. Notably, the proposed subject rents represent market rent advantages of between 6.3% and 70.6% (including the higher 70% and 80% of AMHI income level), illustrating that they will likely represent modest to excellent values to low- and moderate-income renters within the market. Although the subject's proposed 70% and 80% of AMHI gross LIHTC rents will generally be the highest in the market, this is to be expected given the higher income targeting and they are considered appropriately positioned. Regardless, the subject's proposed rents are considered marketable as proposed.

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

As shown in the *Capture Rate Analysis – Section VII* section of this report, with an overall capture rate of 1.8% of income-eligible renter households in the market, there is significant support for the subject development. Therefore, it is our opinion that the subject project will have no impact on the existing Tax Credit developments in the Site PMA.

X.

## SITE PHOTOGRAPHS



View of site from the north



View of site from the northeast



View of site from the east



View of site from the northwest



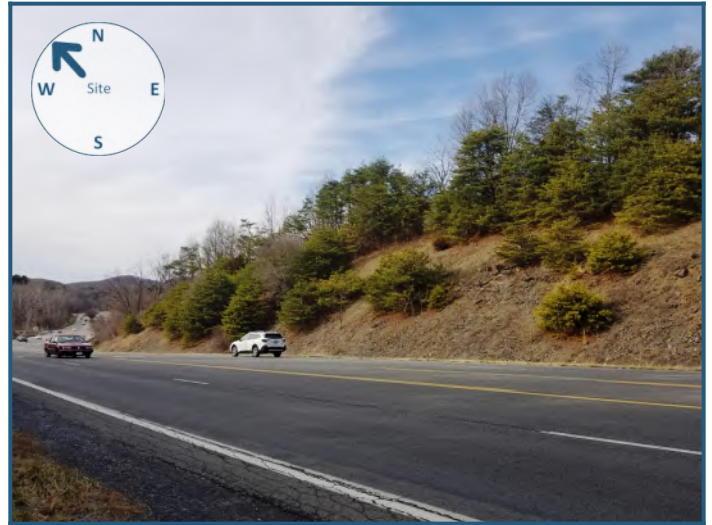
North view from site



Northeast view from site



East view from site



Northwest view from site



Streetscape: East view of Jefferson Highway



Streetscape: West view of Jefferson Highway

XI.

COMPARABLE  
PROPERTY PROFILES

**1 Apartments at Goose Creek 2.4 miles to site**



Address: 80 Goose Pointe Ln, Fishersville, VA 22939  
 Phone: (540) 712-2459      Contact: Timber (By Phone)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 352      Year Built: 2015      Ratings  
 Vacant Units: 0      \*AR Year:      Quality: A  
 Occupancy: 100.0%      Yr Renovated:      Neighborhood: B+  
 Turnover:      Stories: 3,4 (w/Elev)      Access/Visibility: B/C  
 Waitlist: 150 HH  
 Rent Special: None

Notes: Rent range based on the view

**Features And Utilities**

Utility Schedule Provided by: Staunton Redevelopment & Housing Authority  
 Utility Type & Responsibility: Landlord pays Trash, Cable, Internet

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

Property Amenities: Community Kitchen; Cafe / Coffee Bar; Elevator; On-Site Management; Dog Park/Pet Care; Recreation Areas (Firepit, Fitness Center, Grilling Area, Game Room-Billiards, Media Room / Theater, Shuffleboard, Outdoor Swimming Pool); CCTV; Social Services (Parties / Picnics); WiFi

Parking Type: Detached Garage; Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1 - 1.5	G	109	0	764 - 1,095	\$1.60 - \$1.33	\$1,226 - \$1,461	Market
2	2	G	189	0	1,092 - 1,184	\$1.28 - \$1.38	\$1,400 - \$1,631	Market
3	2	G	54	0	1,357 - 1,420	\$1.24 - \$1.28	\$1,684 - \$1,820	Market

\*Adaptive Reuse

\*DTS is based on drive time



**2** Big Sky Apts. I 3.2 miles to site



Address: 107 Community Way, Staunton, VA 24401  
 Phone: (540) 213-0234 Contact: Amy (By Phone)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 135 Year Built: 2006 Ratings  
 Vacant Units: 0 \*AR Year: Quality: A  
 Occupancy: 100.0% Yr Renovated: Neighborhood: B  
 Turnover: Stories: 2,3 Access/Visibility: B/A  
 Waitlist: Shared; 40 HH  
 Rent Special: None

Notes: Rent range based on floor level, floorplan, end units & view

**Features And Utilities**

Utility Schedule Provided by: Staunton Redevelopment & Housing Authority  
 Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: Multipurpose Room; Cafe / Coffee Bar; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Game Room-Billiards, Playground, Outdoor Swimming Pool); WiFi

Parking Type: Surface Lot; Carport

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	18	0	805 - 863	\$1.42 - \$1.39	\$1,142 - \$1,202	Market
2	2	G	96	0	1,070 - 1,136	\$1.19 - \$1.18	\$1,271 - \$1,341	Market
3	2	G	21	0	1,304 - 1,408	\$1.09 - \$1.03	\$1,416 - \$1,444	Market

\*Adaptive Reuse

\*DTS is based on drive time

**3** Big Sky Apts. II 3.3 miles to site



Address: 106 Community Way, Staunton, VA 24401  
 Phone: (540) 213-0234 Contact: Amy (By Phone)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 114 Year Built: 2017  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated:  
 Turnover: Stories: 2,3  
 Waitlist: Shared; 40 HH  
 Rent Special: None

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

Notes: Rent range based on floorplan, end units & view

**Features And Utilities**

Utility Schedule Provided by: Staunton Redevelopment & Housing Authority  
 Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: Multipurpose Room, Clubhouse/Community Room; Cafe / Coffee Bar; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Playground, Outdoor Swimming Pool); WiFi

Parking Type: Detached Garage; Surface Lot; Carport

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	12	0	949 - 1,013	\$1.22	\$1,159 - \$1,239	Market
1	1	L	10	0	1,237	\$0.99 - \$1.05	\$1,226 - \$1,296	Market
2	2	G	40	0	1,220 - 1,285	\$1.08 - \$1.09	\$1,320 - \$1,405	Market
2	2	L	20	0	1,509	\$0.90 - \$0.98	\$1,352 - \$1,472	Market
3	2	G	32	0	1,492 - 1,557	\$1.04 - \$1.01	\$1,549 - \$1,569	Market

\*Adaptive Reuse

\*DTS is based on drive time

**6** Frontier Ridge Apts. 3.2 miles to site



Address: 20 Ridge Ct, Staunton, VA 24401  
 Phone: (540) 887-3337      Contact: Trisha (By Phone)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 100      Year Built: 2005  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated:  
 Turnover:      Stories: 3  
 Waitlist: 19 HH  
 Rent Special: None

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

Notes: Tax Credit

**Features And Utilities**

Utility Schedule Provided by: Staunton Redevelopment & Housing Authority  
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

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

Property Amenities: Multipurpose Room, Community Kitchen; Laundry Room; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Playground, Outdoor Swimming Pool); CCTV; Extra Storage

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	50	0	959	\$0.89	\$857	50%
3	2	G	50	0	1,234	\$0.80	\$988	50%

\*Adaptive Reuse

\*DTS is based on drive time

**11** Montague Terrace Apts. 10.6 miles to site



Address: 28 Montague Ct, Stuarts Draft, VA 24401  
 Phone: (540) 416-4384      Contact: Candace (By Phone)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 96      Year Built: 2012  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated:  
 Turnover:      Stories: 3,4  
 Waitlist: 4 HH  
 Rent Special: None

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

Notes: Tax Credit



**Features And Utilities**

Utility Schedule Provided by: Staunton Redevelopment & Housing Authority  
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

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

Property Amenities: Bike Racks / Storage; Multipurpose Room, Community Kitchen, Clubhouse/Community Room; Laundry Room; On-Site Management; Dog Park/Pet Care; Recreation Areas (Basketball, Grilling Area, Playground)

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	30	0	1,068	\$0.73	\$784	50%
2	2	G	26	0	1,068	\$0.90	\$963	60%
3	2	G	26	0	1,184	\$0.76	\$896	50%
3	2	G	14	0	1,184	\$0.93	\$1,103	60%

\*Adaptive Reuse

\*DTS is based on drive time

**12** Mountain Laurel Manor I & II 1.1 miles to site



Address: 85 Bobby's Way, Staunton, VA 24401  
 Phone: (540) 466-5424 Contact: Lisa (By Phone)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 96 Year Built: 2019  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated:  
 Turnover: Stories: 3 (w/Elev)  
 Waitlist: 200 HH  
 Rent Special: None

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

Notes: Tax Credit; Preleasing 10/2019, opened 12/2019, stabilized occupancy 2/2020



**Features And Utilities**

Utility Schedule Provided by: Staunton Redevelopment & Housing Authority  
 Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: Multipurpose Room, Community Kitchen, Clubhouse/Community Room; Cafe / Coffee Bar; Elevator; Laundry Room; On-Site Management; Social Services (Parties / Picnics); WiFi

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	37	0	919	\$0.97	\$896	50%
2	2	G	27	0	919	\$1.17	\$1,075	60%
3	2	G	32	0	1,153 - 1,159	\$0.90 - \$0.89	\$1,035	60%

\*Adaptive Reuse

\*DTS is based on drive time

**15** Springhill Village Apts. 6.5 miles to site



Address: 1701 Springhill Rd, Staunton, VA 24401  
 Phone: (540) 885-2606 Contact: Carrie (By Phone)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 108 Year Built: 1971  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated: 2019  
 Turnover: Stories: 3  
 Waitlist: 600 HH  
 Rent Special: None

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

Notes: Tax Credit



**Features And Utilities**

Utility Schedule Provided by: Staunton Redevelopment & Housing Authority  
 Utility Type & Responsibility: Landlord pays Heat (Natural Gas), Hot Water (Natural Gas), Cooking (Natural Gas), Water, Sewer, Trash  
 Unit Amenities: Dishwasher; Range; Refrigerator; Central AC; Ceiling Fan; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)  
 Property Amenities: Multipurpose Room, Community Kitchen; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grilling Area, Playground); CCTV; Extra Storage; WiFi  
 Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	24	0	638	\$1.07	\$680	60%
2	1	G	66	0	823	\$0.91	\$750	60%
3	1.5	G	18	0	950	\$0.86	\$815	60%

\*Adaptive Reuse

\*DTS is based on drive time

**18 Teaberry Greene Apts.** 2.4 miles to site



Address: 8 Warwick Ln, Fishersville, VA 22939  
 Phone: (540) 337-9272      Contact: Kim (By Phone)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 109      Year Built: 2004  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated:  
 Turnover:      Stories: 2  
 Waitlist: 2 mos  
 Rent Special: None

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



Notes: Rent range based on unit location & units with a basement and the number of bathrooms

**Features And Utilities**

Utility Schedule Provided by: Staunton Redevelopment & Housing Authority  
 Utility Type & Responsibility: No landlord paid utilities;

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

Property Amenities: Recreation Areas (Basketball, Walking Path, Playground); CCTV

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1.5 - 2.5	T	104	0	1,086 - 1,386	\$1.18 - \$1.08	\$1,285 - \$1,490	Market
3	1.5 - 2.5	T	5	0	1,386	\$1.06 - \$1.21	\$1,465 - \$1,680	Market

\*Adaptive Reuse

\*DTS is based on drive time

**20** Waterford Village Apts. 0.8 miles to site



Address: 61 Waterford Loop, Staunton, VA 24401  
 Phone: (540) 416-4178      Contact: Amanda  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 96      Year Built: 2011  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated:  
 Turnover:      Stories: 3  
 Waitlist: 2 HH  
 Rent Special: None

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

Notes: Tax Credit



**Features And Utilities**

Utility Schedule Provided by: Staunton Redevelopment & Housing Authority  
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

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

Property Amenities: Community Kitchen; On-Site Management; Dog Park/Pet Care; Recreation Areas (Basketball, Fitness Center, Grilling Area, Playground); WiFi

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	5	0	1,084	\$0.56	\$605	40%
2	2	G	43	0	1,084	\$0.72	\$784	50%
3	2	G	5	0	1,206	\$0.57	\$689	40%
3	2	G	43	0	1,206	\$0.74	\$896	50%

\*Adaptive Reuse

\*DTS is based on drive time



**23 Windigrove Apts.**

7.4 miles to site



Address: 357 Windigrove Dr, Waynesboro, VA 22980  
 Phone: (540) 949-7158 Contact: Faye (By Phone)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 359 Year Built: 2015  
 Vacant Units: 7 \*AR Year:  
 Occupancy: 98.1% Yr Renovated:  
 Turnover: Stories: 2,3  
 Waitlist: Yes - Looking to move later in year  
 Rent Special: None

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

Notes: Rent range attributed to updates, floor level, and whether or nit a unit includes an attached garage

**Features And Utilities**

Utility Schedule Provided by: Staunton Redevelopment & Housing Authority  
 Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: Multipurpose Room; Concierge Services (Dry Cleaning); Cafe / Coffee Bar; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Game Room-Billiards, Playground, Outdoor Swimming Pool); Security Gate; Social Services (Parties / Picnics); Extra Storage; WiFi

Parking Type: Attached Garage; Detached Garage; Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	102	2	918	\$1.47 - \$1.63	\$1,350 - \$1,500	Market
1	1	L	12	0	1,218	\$1.09	\$1,325	Market
2	2	G	183	4	1,267	\$1.10 - \$1.30	\$1,400 - \$1,650	Market
2	2	L	12	0	1,506	\$0.98	\$1,475	Market
3	2	G	50	1	1,450	\$1.05 - \$1.26	\$1,525 - \$1,825	Market

\*Adaptive Reuse

\*DTS is based on drive time

## XII.

# FIELD SURVEY OF CONVENTIONAL RENTALS



Site



PMA

**Apartment Type**



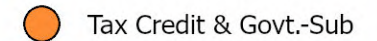
Government-Subsidized



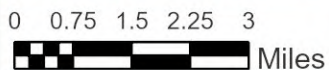
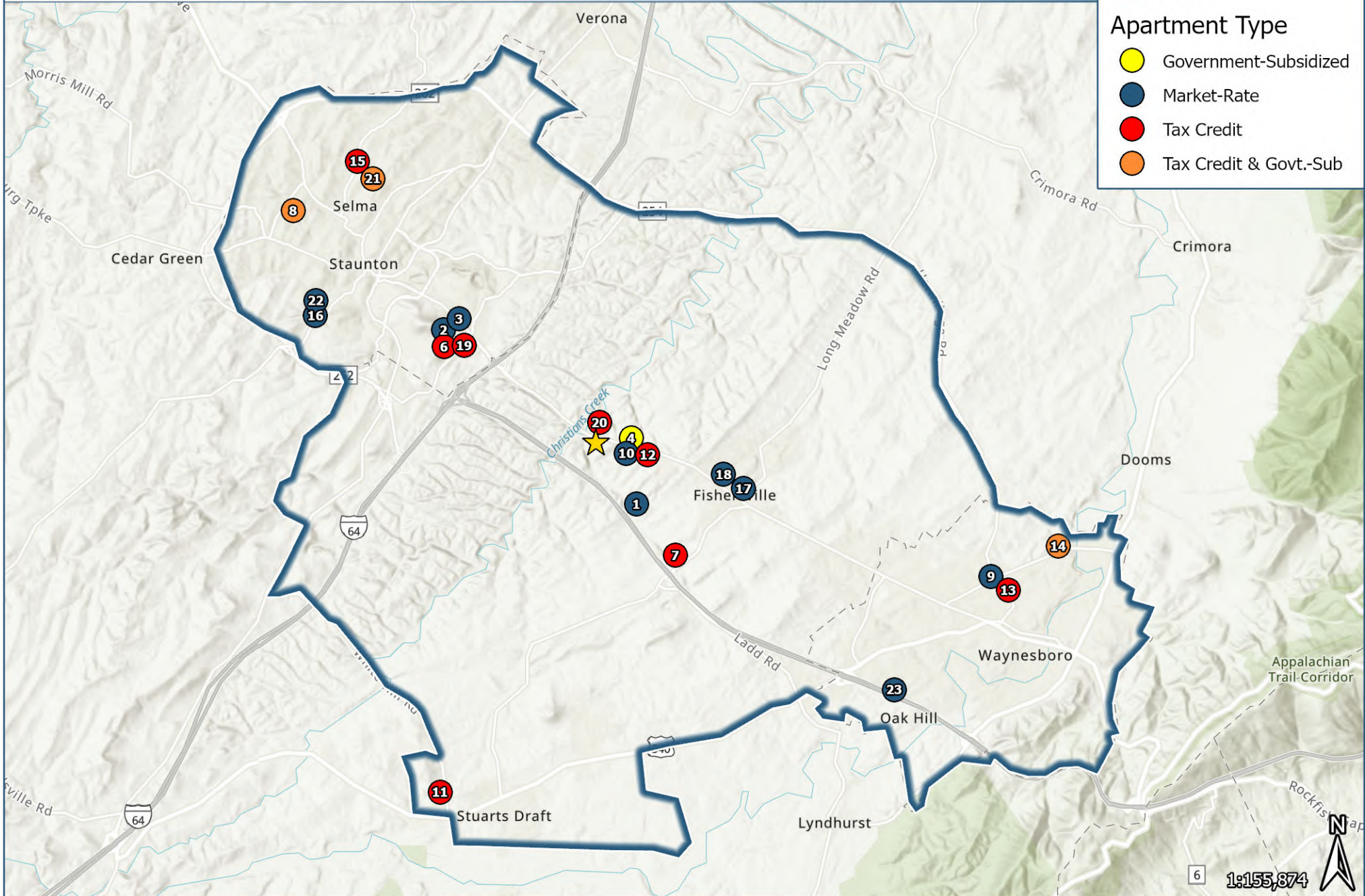
Market-Rate



Tax Credit



Tax Credit & Govt.-Sub




Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Apartments at Goose Creek	MRR	A	2015	352	0	100.0%	2.4
✓ 2	Big Sky Apts. I	MRR	A	2006	135	0	100.0%	3.2
✓ 3	Big Sky Apts. II	MRR	A	2017	114	0	100.0%	3.3
4	Briarwood I	GSS	B	1977	48	0	100.0%	1.0
5	Briarwood II	GSS	B	1978	44	0	100.0%	1.0
✓ 6	Frontier Ridge Apts.	TAX	B+	2005	100	0	100.0%	3.2
◆ 7	Gateway Senior	TAX	B+	2022	80	11	86.3%	3.0
◆ 8	Gypsy Hill House	TGS	B	1971	100	0	100.0%	6.6
9	Hopeman West	MRR	B-	1980	108	3	97.2%	7.4
10	Maple Ridge Townhomes	MRR	B+	2012	42	0	100.0%	1.1
✓ 11	Montague Terrace Apts.	TAX	B+	2012	96	0	100.0%	10.6
✓ 12	Mountain Laurel Manor I & II	TAX	B+	2019	96	0	100.0%	1.1
13	Mountain View Apts.	TAX	B	1973	130	0	100.0%	7.3
14	Parkway Village I & II	TGS	B	1978	126	0	100.0%	8.1
✓ 15	Springhill Village Apts.	TAX	B-	1971	108	0	100.0%	6.5
16	Staunton	MRR	B+	2019	39	0	100.0%	7.4
17	Stonington Apts.	MRR	A	2008	46	1	97.8%	3.1
✓ 18	Teaberry Greene Apts.	MRR	A	2004	109	0	100.0%	2.4
◆ 19	Valley View Seniors	TAX	B+	2007	71	0	100.0%	3.2
✓ 20	Waterford Village Apts.	TAX	B+	2011	96	0	100.0%	0.8
21	Willow View Townhomes	TGS	B	1980	110	0	100.0%	6.5
22	Windgate Place Apts.	MRR	B+	2011	57	0	100.0%	7.4
✓ 23	Windgrove Apts.	MRR	A	2015	359	7	98.1%	7.4


\*Drive distance in miles

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





<b>1</b>	<b>Apartments at Goose Creek</b> 80 Goose Pointe Ln, Fishersville, VA 22939	Contact: Timber Phone: (540) 712-2459
	 <p>Total Units: 352 UC: 0 Occupancy: 100.0% Stories: 3,4 w/Elevator Year Built: 2015 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 150 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on the view</p>	




<b>2</b>	<b>Big Sky Apts. I</b> 107 Community Way, Staunton, VA 24401	Contact: Amy Phone: (540) 213-0234
	 <p>Total Units: 135 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 2006 BR: 1, 2, 3 Vacant Units: 0 Waitlist: Shared; 40 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on floor level, floorplan, end units &amp; view</p>	




<b>3</b>	<b>Big Sky Apts. II</b> 106 Community Way, Staunton, VA 24401	Contact: Amy Phone: (540) 213-0234
	 <p>Total Units: 114 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 2017 BR: 1, 2, 3 Vacant Units: 0 Waitlist: Shared; 40 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on floorplan, end units &amp; view</p>	

<b>4</b>	<b>Briarwood I</b> 19 Briarwood Cir, Fishersville, VA 22939	Contact: Rachel Phone: (540) 885-0836
	 <p>Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1977 BR: 1, 2 Vacant Units: 0 Waitlist: Shared; 35 HH AR Year: Target Population: Family Yr Renovated: 2012 Rent Special: None Notes: RD 515, has RA (46 units)</p>	


<b>5</b>	<b>Briarwood II</b> 19 Briarwood Cir, Fishersville, VA 22939	Contact: Rachel Phone: (540) 885-0836
	 <p>Total Units: 44 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 1978 BR: 2 Vacant Units: 0 Waitlist: Shared; 35 HH AR Year: Target Population: Family Yr Renovated: 2012 Rent Special: None Notes: RD 515, has RA (40 units)</p>	

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





<b>6</b>	<b>Frontier Ridge Apts.</b> 20 Ridge Ct, Staunton, VA 24401	Contact: Trisha Phone: (540) 887-3337			
		Total Units: 100 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit	Occupancy: 100.0% Vacant Units: 0	Stories: 3 Waitlist: 19 HH	Year Built: 2005 AR Year: Yr Renovated:




<b>7</b>	<b>Gateway Senior</b> 73 Pinnacle Dr, Fishersville, VA 22939	Contact: Krista Phone: (540) 328-2697			
		Total Units: 80 UC: 0 BR: 1, 2 Target Population: Senior 55+ Rent Special: None Notes: Tax Credit; Preleasing & opened 7/2022, still in lease-up	Occupancy: 86.3% Vacant Units: 11	Stories: 4 Waitlist: None	w/Elevator Year Built: 2022 AR Year: Yr Renovated:




<b>8</b>	<b>Gypsy Hill House</b> 500 C St, Staunton, VA 24401	Contact: Claudia Phone: (540) 886-8661			
		Total Units: 100 UC: 0 BR: 1 Target Population: Senior 62+ Rent Special: None Notes: Tax Credit & HUD Section 8	Occupancy: 100.0% Vacant Units: 0	Stories: 4 Waitlist: 125 HH	w/Elevator Year Built: 1971 AR Year: Yr Renovated: 2011

<b>9</b>	<b>Hopeman West</b> 100 Guilford Ln, Waynesboro, VA 22980	Contact: Robert Phone: (540) 943-0799			
		Total Units: 108 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes:	Occupancy: 97.2% Vacant Units: 3	Stories: 1,2 Waitlist: None	Year Built: 1980 AR Year: Yr Renovated:


<b>10</b>	<b>Maple Ridge Townhomes</b> 20 Red Sunset Ln, Staunton, VA 24401	Contact: David Phone: (540) 255-7000			
		Total Units: 42 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: None	Year Built: 2012 AR Year: Yr Renovated:


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




<b>11</b>	<b>Montague Terrace Apts.</b> 28 Montague Ct, Stuarts Draft, VA 24401	Contact: Candace Phone: (540) 416-4384
	 <p>Total Units: 96 UC: 0 Occupancy: 100.0% Stories: 3,4 Year Built: 2012                  BR: 2, 3 Vacant Units: 0 Waitlist: 4 HH AR Year:                  Target Population: Family Yr Renovated:                  Rent Special: None                  Notes: Tax Credit</p>	




<b>12</b>	<b>Mountain Laurel Manor I &amp; II</b> 85 Bobby's Way, Staunton, VA 24401	Contact: Lisa Phone: (540) 466-5424
	 <p>Total Units: 96 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2019                  BR: 2, 3 Vacant Units: 0 Waitlist: 200 HH AR Year:                  Target Population: Family Yr Renovated:                  Rent Special: None                  Notes: Tax Credit; Preleasing 10/2019, opened 12/2019, stabilized occupancy 2/2020</p>	






<b>13</b>	<b>Mountain View Apts.</b> 1625 Wickham Ln, Waynesboro, VA 22980	Contact: Kim Phone: (540) 942-5718
	 <p>Total Units: 130 UC: 0 Occupancy: 100.0% Stories: 2,2.5 Year Built: 1973                  BR: 0, 2 Vacant Units: 0 Waitlist: 6 HH AR Year:                  Target Population: Family Yr Renovated: 2013                  Rent Special: None                  Notes: Tax Credit</p>	

<b>14</b>	<b>Parkway Village I &amp; II</b> 1001 Hopeman Pkwy, Waynesboro, VA 22980	Contact: Melissa Phone: (540) 943-4075
	 <p>Total Units: 126 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1978                  BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: 196 HH AR Year:                  Target Population: Family Yr Renovated: 2013                  Rent Special: None                  Notes: Tax Credit; HUD Section 8</p>	






<b>15</b>	<b>Springhill Village Apts.</b> 1701 Springhill Rd, Staunton, VA 24401	Contact: Carrie Phone: (540) 885-2606
	 <p>Total Units: 108 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 1971                  BR: 1, 2, 3 Vacant Units: 0 Waitlist: 600 HH AR Year:                  Target Population: Family Yr Renovated: 2019                  Rent Special: None                  Notes: Tax Credit</p>	

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

<p>16</p>	<p><b>Staunton</b> 1008 Seth Dr, Staunton, VA 24401</p> 	<p>Contact: Maria Phone: (540) 290-8945</p> <p>Total Units: 39 UC: 0 Occupancy: 100.0% Stories: 2.5 Year Built: 2019 BR: 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:</p>
<p>17</p>	<p><b>Stonington Apts.</b> 8 Bolton Pl, Fishersville, VA 22939</p> 	<p>Contact: Kim Phone: (540) 337-9272</p> <p>Total Units: 46 UC: 0 Occupancy: 97.8% Stories: 3 Year Built: 2008 BR: 3 Vacant Units: 1 Waitlist: Smaller (1695 SF) 3-br only; 3 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Condominium community</p>
<p>✓ 18</p>	<p><b>Teaberry Greene Apts.</b> 8 Warwick Ln, Fishersville, VA 22939</p> 	<p>Contact: Kim Phone: (540) 337-9272</p> <p>Total Units: 109 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2004 BR: 2, 3 Vacant Units: 0 Waitlist: 2 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on unit location &amp; units with a basement and the number of bathrooms</p>
<p>◆ 19</p>	<p><b>Valley View Seniors</b> 14 Frontier Ridge Ct, Staunton, VA 24401</p> 	<p>Contact: Trisha Phone: (540) 887-2787</p> <p>Total Units: 71 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2007 BR: 1, 2 Vacant Units: 0 Waitlist: 17 HH AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit</p>
<p>✓ 20</p>	<p><b>Waterford Village Apts.</b> 61 Waterford Loop, Staunton, VA 24401</p> 	<p>Contact: Amanda Phone: (540) 416-4178</p> <p>Total Units: 96 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2011 BR: 2, 3 Vacant Units: 0 Waitlist: 2 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit</p>

<p>✓ Comparable Property</p> <p>◆ Senior Restricted</p> <p>■ (MRR) Market-Rate</p> <p>■ (MRT) Market-Rate &amp; Tax Credit</p> <p>■ (MRG) Market-Rate &amp; Government-Subsidized</p> <p>■ (MIN) Market-Rate &amp; Income-Restricted (not LIHTC)</p>	<p>■ (MIG) Market-Rate, Income-Restricted (not LIHTC) &amp; Govt-Subsidized</p> <p>■ (TAX) Tax Credit</p> <p>■ (TGS) Tax Credit &amp; Government-Subsidized</p> <p>■ (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)</p> <p>■ (TIN) Tax Credit &amp; Income-Restricted (not LIHTC)</p> <p>■ (TMG) Tax Credit, Market-Rate &amp; Government-Subsidized</p>	<p>■ (TIG) Tax Credit, Income-Restricted (not LIHTC) &amp; Govt-Subsidized</p> <p>■ (INR) Income-Restricted (not LIHTC)</p> <p>■ (ING) Income-Restricted (not LIHTC) &amp; Government-Subsidized</p> <p>■ (GSS) Government-Subsidized</p> <p>■ (ALL) Tax Credit, Market-Rate, Govt-Subsidized &amp; Income-Restricted</p>
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<b>21</b>	<b>Willow View Townhomes</b> 102 Baylor St, Staunton, VA 24401	Contact: Christine Phone: (540) 887-5088
	Total Units: 110    UC: 0    Occupancy: 100.0%    Stories: 2    Year Built: 1980 BR: 2, 3, 4    Vacant Units: 0    Waitlist: (100+); 100 HH    AR Year: Target Population: Family    Yr Renovated: 2019 Rent Special: None Notes: Tax Credit & HUD Section 8	
<b>22</b>	<b>Windgate Place Apts.</b> 1009 Seth Dr., Staunton, VA 24401	Contact: Jill Phone: (540) 649-2175
	Total Units: 57    UC: 0    Occupancy: 100.0%    Stories: 2,3    Year Built: 2011 BR: 2    Vacant Units: 0    Waitlist: 20 HH    AR Year: Target Population: Family    Yr Renovated: Rent Special: None Notes:	
<b>23</b>	<b>Windgrove Apts.</b> 357 Windgrove Dr, Waynesboro, VA 22980	Contact: Faye Phone: (540) 949-7158
	Total Units: 359    UC: 0    Occupancy: 98.1%    Stories: 2,3    Year Built: 2015 BR: 1, 2, 3    Vacant Units: 7    Waitlist: Yes - Looking to move later in    AR Year: Target Population: Family    Yr Renovated: Rent Special: None Notes: Rent range attributed to updates, floor level, and whether or nit a unit includes an attached garage	



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

Source: Staunton Redevelopment & Housing Authority  
Effective: 01/2023

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	27	33	41	51	59	64	28	36	43	54	63	68
	+Base Charge	21	21	21	21	21	21	21	21	21	21	21	21
	Bottled Gas	42	53	64	80	93	101	44	56	68	85	99	107
	Electric	48	61	73	90	105	113	51	64	77	96	112	120
	Heat Pump	45	56	68	84	98	105	47	60	72	89	104	111
	Oil	53	67	82	102	119	129	57	71	87	109	127	137
Cooking	Natural Gas	8	9	11	12	13	13	8	9	11	12	13	13
	Bottled Gas	13	13	16	19	20	20	13	13	16	19	20	20
	Electric	10	11	13	14	16	17	10	11	13	14	16	17
Other Electric	31	40	52	67	88	114	31	40	52	67	88	114	
+Base Charge	7	7	7	7	7	7	7	7	7	7	7	7	
Air Conditioning	15	18	23	27	34	38	16	20	24	29	36	40	
Water Heating	Natural Gas	17	17	21	25	30	33	17	17	21	25	30	33
	Bottled Gas	15	16	22	29	36	42	15	16	22	29	36	42
	Electric	17	17	24	32	39	46	17	17	24	32	39	46
	Oil	20	20	28	37	46	53	20	20	28	37	46	53
Water	15	16	23	30	36	42	15	16	23	30	36	42	
Sewer	20	21	29	38	45	53	20	21	29	38	45	53	
Trash Collection	24	24	24	24	24	24	24	24	24	24	24	24	
Internet*													
Cable*													
Alarm Monitoring*													

\* Estimated- not from source

## **XIII. Qualifications**

### **The Company**

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

### **Company Leadership**

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

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

### **Market Analysts**

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

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

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

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

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

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

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

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

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

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

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

### **Research Staff**

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

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

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

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

## Addendum A – Member Certification & Checklist

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

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



Patrick M. Bowen

President

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

Date: February 14, 2023



Jeff Peters (Primary Contact)

Market Analyst

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

Date: February 14, 2023

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

## ADDENDUM-MARKET STUDY INDEX

### A. INTRODUCTION

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

### B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

### C. CHECKLIST

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



## CHECKLIST (Continued)

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

**CHECKLIST (Continued)**

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