



**BOWEN
NATIONAL
RESEARCH**

Market Feasibility Analysis

Premier Circle PSH
405 Premier Circle
Charlottesville, Albemarle County, Virginia 22901

Prepared For

Ms. Julie Anderson
Virginia Supportive Housing
PO Box 8585
Richmond, Virginia 23226

Authorized User

Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

Effective Date

February 1, 2023

Job Reference Number

23-114 JW

Market Study Certification

NCHMA Certification

This certifies that Jonathan Kabat, an employee of Bowen National Research, personally made an inspection of the area including competing properties and the proposed site in Charlottesville, Virginia. Further, the information contained in this report is true and accurate as of February 1, 2023.

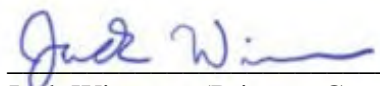
Bowen National Research is a disinterested third party without any current or future financial interest in the project under consideration. We have received a fee for the preparation of the market study. However, no contingency fees exist between our firm and the client.

Virginia Housing Certification

I affirm the following:

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

Certified:



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Date: February 1, 2023



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Certificate of Membership

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



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

Kaitlyn Snyder
Managing Director, NH&RA

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I. Introduction

A. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Charlottesville, Virginia. This study was initiated by Ms. Julie Anderson of Virginia Supportive Housing 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 Premier Circle PSH rental community in Charlottesville, Virginia utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program. The following points support this conclusion:

Project Description

Premier Circle PSH involves the new construction of 80 apartments at 405 Premier Circle in Charlottesville. The project will be developed utilizing funding from the LIHTC program and will target lower-income adults/homeless individuals earning up to 50% and 60% of Area Median Household Income (AMHI). Additionally, 25 units are anticipated to operate under the HUD Section 8 program and will specifically target homeless persons, requiring tenants to pay up to 30% of their adjusted gross household income towards housing costs. The proposed project is expected to be complete in August of 2025. Additional details of the subject project can be found in Section III - *Project Description* of this report.

Site Evaluation

The subject site is located within Charlottesville (unincorporated Albemarle County), approximately 4.0 miles northwest of the downtown area. Surrounding land uses include residential dwellings on wooded lots, lodging facilities and a variety of local businesses and community services. All structures within the surrounding area were generally observed to be in good condition and are expected to contribute to the site's marketability. Site access and visibility are both considered excellent, as the site is clearly visible to passerby traffic, is within close proximity of multiple community services and is proposed to stand at four stories tall. Shopping, dining, employment, entertainment and medical services are within 2.5 miles of the site, many of which are located along the U.S. Highway 29 commercial corridor. Additional arterial roads can be accessed within 1.5 miles. Overall, the site's surrounding land uses and proximity to services is expected to 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 traditional Charlottesville Site PMA includes all of Charlottesville, as well as portions of unincorporated communities in Albemarle County. The boundaries of the Site PMA include Dickerson Road, Lewis and Clark Drive and North Fork Rivanna River to the north; North Fork Rivanna River, Washington District Railway Line, South Fork Rivanna River, Rivanna River, Stony Point Road and U.S. Highway 250 to the east; Interstate 64 to the south; and Dickerson Road, Towncenter Boulevard, Berkmar Drive and Extension, Woodburn Road, Rio Road West, Hydraulic Road, Georgetown Road, Old Forge Road, Barracks Road, Old Garth Road and U.S. Highway 29 to the west. A justification of this market area and a map illustrating the boundaries of the Site PMA can be found in Section IV, beginning on page IV-10.

Demographic Trends

The Charlottesville Site PMA is projected to experience both population and household growth between 2023 and 2028. Specifically, the market’s population base is projected to increase by 1,181 (1.3%), while the number of households within the market will increase by 727 (2.0%). Additionally, renter households are projected to increase by 293 (1.5%) during the same time frame. These trends emphasize the ongoing need for additional rental housing within the Site PMA. Detailed demographic trends are included in Section IV, beginning on page IV-12.

Economic Trends

The Charlottesville economy experienced consistent growth between 2012 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, which caused many area businesses to shut down in an attempt to mitigate the spread of the coronavirus. During this time, the Charlottesville employment base declined by over 2,220 jobs, or 8.6%, and its *annual* unemployment rate increased by over four percentage points. Specifically, between February and April 2020, the *monthly* unemployment rate within the city spiked by 9.5 percentage points. On a positive note, the local economy has been improving since 2020, experiencing job growth and a declining unemployment rate. Nonetheless, several of the businesses impacted include those within the Retail Trade and Accommodation & Food Services sectors, which account for nearly 19.0% of the market’s labor force and 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. Detailed economic trends are included in Section IV, beginning on page IV-16.

Overall Rental Housing Market Conditions

We identified and personally surveyed 22 conventional housing projects containing a total of 4,009 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 92.9%, a relatively stable rate for rental housing. The surveyed rental developments broken out by project type are summarized in the following table:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	12	2,921	261	91.1%
Tax Credit	6	664	24	96.4%
Tax Credit/Government-Subsidized	4	424	0	100.0%
Total	22	4,009	285	92.9%

Each rental housing segment surveyed within the Site PMA is operating at occupancy levels at or above 91.1%. Therefore, there appears to be no significant deficiencies within the Charlottesville rental housing market.

It should also be pointed out that the majority of vacancies (141, or 54.0%) identified among the market-rate projects surveyed are located at 10th & Dairy (Map ID 1). While this property recently opened in January 2022, it is currently operating at an occupancy rate of 21.7%, which yields a very low absorption rate of approximately three units per month. However, according to management, a year after opening, the property experienced higher-than-normal turnover. This is likely due to the fact that this property offers some of the highest one- and two-bedroom rents identified within the Site PMA. Given that all other market-rate developments surveyed are performing well, it can be concluded that the vacancies at this project are likely due to product and/or management deficiencies and not reflective of the overall performance of the Charlottesville market-rate rental housing market.

Also note that all vacancies identified among the Tax Credit projects surveyed are located at Mallside Forest (Map ID 16). According to management, vacancies are attributed to evictions and move outs. It should also be noted that this property experienced significant rent increases of approximately 9.2% annually and currently charges some of the highest Tax Credit rents within the market, which are likely the main contributing factors in this project’s low occupancy rate. Given that all other Tax Credit developments surveyed are fully occupied, it can also be concluded that the overall performance of the Charlottesville affordable rental housing market is performing very well.

Competitive/Comparable Tax Credit Analysis

Premier Circle PSH will provide 80 studio and one-bedroom units to low-income renters earning up to 50% and 60% of AMHI under the LIHTC program. Of the 80 units, 25 will operate with a Section 8 subsidy and specifically target homeless individuals, or those who are at-risk of homelessness. The remaining 55 units will be general occupancy (including homeless individuals). As such, we have selected four LIHTC properties within the Site PMA to serve as a baseline of comparison to the proposed subject project. The four LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the Field Survey of Conventional Rentals.

Map I.D.	Project Name	Quality Rating	Nbhd. Rating	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Premier Circle PSH	B+*	B	2025	80	-	-	-	Homeless & Low-Income Single Adults; 50% & 60% AMHI & Section 8
8	Carlton Neighborhood Housing	B	B-	1970 / 2019	37	100.0%	4.8 Miles	26 HH	Families; 40%, 50%, & 60% AMHI
10	Crossings at 4th & Preston	B	B	2012	60	100.0%	3.3 Miles	60 HH	Homeless/Low-Income Single Adults; 50% AMHI & PBV/PBRA
14	Hearthwood	B-	B	1975 / 1997	200	100.0%	1.4 Miles	60 HH	Families; 60% AMHI
17	Mews	B	A	1975 / 2007	40	100.0%	4.5 Miles	26 HH	Families; 50% & 60% AMHI

Nbhd. – Neighborhood
 Occ. – Occupancy
 HH – Households
 *Anticipated quality

The four LIHTC projects have a combined occupancy rate of 100.0%, all of which maintain a waiting list, illustrating that pent-up demand exists for additional affordable rental housing within the Charlottesville Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

Also note that the subject development will be at least 13 years newer than the selected LIHTC developments. This will position the project at a market advantage.

The gross rents for the competing/comparable LIHTC projects and the proposed LIHTC rent 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)			
		Studio	One-Br.	Two-Br.	Three-Br.
Site	Premier Circle PSH	SUB/50% (25) \$917/50% (15) \$1,100/60% (37)	\$1,170/60% (3)	-	-
8	Carlton Neighborhood Housing	\$711/40% (2/0) \$886/50% (1/0) \$961/60% (3/0)	\$633-\$733/40% (8/0) \$908-\$958/50% (6/0) \$1,033-\$1,058/60% (7/0)	\$907-\$982/50% (2/0) \$1,032-\$1,232/60% (8/0)	-
10	Crossings at 4th & Preston	SUB/50% (30/0) \$626/50% (30/0)	-	-	-
14	Hearthwood	\$975/60% (40/0)	\$1,133/60% (42/0)	\$1,393/60% (98/0)	\$1,603/60% (20/0)
17	Mews	-	\$873/50% (16/0) \$1,083/60% (24/0)	-	-

SUB - Subsidized (residents pay 30% of their income, as this is a government-subsidized property, which also operates under the Tax Credit program)

The proposed non-subsidized gross rents at the subject site, ranging between \$917 and \$1,170, will be above those offered at the comparable LIHTC projects surveyed for similar unit types. Given that all comparable LIHTC projects surveyed are fully occupied and maintain a waiting list, illustrates that these projects are likely underachieving their rent potential. Combined with the subject’s newness, these factors will enable the subject project to charge higher rents. Overall, the subject’s non-subsidized LIHTC rents are considered appropriately positioned for the Charlottesville Site PMA.

Notably, 25 of the subject units will operate with a subsidy, requiring tenants to pay up to 30% of their gross adjusted household income towards housing costs. As such, these units will represent a substantial value to low-income individuals within the market.

Comparable Tax Credit Summary

Based on our analysis of the rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing LIHTC properties within the market, it is our opinion that the proposed subject development will be competitive. The presence of the Section 8 subsidy will ensure the property is affordable to the homeless population targeted at the site and the amenity package is designed to be supportive as well.

Perception of Value

Based on the Rent Comparability Grids (as provided in Section VI of this report), the subject's achievable market rents and corresponding market rent advantages are summarized in the following table:

Bedroom Type	Proposed Collected LIHTC Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
Studio	\$917 (50%)	\$1,225	25.1%
	\$1,100 (60%)		10.2%
One-Br.	\$1,170 (60%)	\$1,315	11.0%

Typically, Tax Credit units targeting up to 60% of AMHI should represent approximately a 10.0% market rent advantage, while units targeting up to 50% of AMHI should represent a rent advantage of around 20.0%. As such, the proposed subject Tax Credit rents will likely be perceived as good values within the market, as they represent market rent advantages of at least 10.2%.

Capture Rate Estimates

The subject project will be developed using financing from the LIHTC program. It will also offer a subsidy on 25 of the 80 units, requiring tenants to pay no more than 30% of their income towards gross rent. Because the project will target the homeless population, the traditional method of calculating the capture rate of income-qualified renter households using U.S. Census data is not necessarily an accurate measure of the depth of support for the proposed development. As a result, we have calculated two sets of demand. First, we calculated the traditional capture rate of the project following Virginia Housing market study requirements. This approach evaluates the number of income-qualified renter households in the market, regardless if they meet the criteria of being designated as "homeless." We then calculated the capture rate of the project that considers only homeless individuals based on Point-in-Time survey data.

Virginia Housing Demand

Demand Component	Percent of Median Household Income				
	Section 8 (\$0-\$36,700)	50% AMHI (\$31,440-\$36,700)	60% AMHI (\$37,714-\$44,040)	Overall (\$0-\$44,040*)	LIHTC Only (\$31,440-\$44,040*)
Net Demand**	2,350	264	324	2,674	588
Proposed Units	25	15	40	80	80
Proposed Units / Net Demand	25 / 2,350	15 / 264	40 / 324	80 / 2,674	80 / 588
Capture Rate	= 1.1%	= 5.7%	= 12.3%	= 3.0%	= 13.6%

*Excludes renters earning between \$36,700 and \$37,714 due to the income gap that exists between targeted income levels

**Solely considers one-person households

Typically, utilizing the demand methodology illustrated above, capture rates of up to 30.0% are considered acceptable for projects located in urban markets, such as the Charlottesville Site PMA. If targeting a general-occupancy population, the 80 studio units would require an overall capture rate of 3.4%, assuming the subsidy is offered on select units as proposed and is considered very low and achievable. If the subsidy was not offered and the project operated solely under LIHTC program guidelines, it would require a 13.6% capture rate, which is also considered low and achievable.

Homeless Demand

We have provided two homeless renter household capture rates, the first considers Point-in-Time survey data only, while the second considers Point-in-Time and at-risk of homelessness data combined. Calculations for each capture rate are summarized in the following table:

	Homeless Capture Rates	
	Scenario One	Scenario Two
	Point-in-Time Homeless Survey	Point-in-Time and At-Risk of Homelessness
Designated Units	25	25
Eligible Persons (Age 18+)	/ 236*	/ 406
Capture Rate	= 10.6%	= 6.2%

*Homeless Persons without children, collected from 2022 Point-in-Time survey.

Considering the nature of homelessness, capture rates up to and even beyond 100% are considered achievable. Therefore, the capture rates of 6.2% and 10.6% provided above are considered to be low and illustrate the demand for such housing.

Penetration Rate

The 1,680 existing and planned non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned Tax Credit units is \$21,463 to \$67,920. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, there will be a projected 7,222 renter households with eligible incomes in 2025. The 1,680 existing and planned non-subsidized Tax Credit units, along with the 80 proposed subject units, represent a penetration rate of 24.4% of the 7,222 income-eligible renter households, which is summarized in the following table:

	Market Penetration
Number of LIHTC Units (Planned and Existing)	1,760
Income-Eligible Renter Households – 2025	/ 7,222
Overall Market Penetration Rate	= 24.4%

It is our opinion that the 24.4% penetration rate for the LIHTC units, existing, planned and proposed subject, is achievable. This is especially true, considering that all but one of the non-subsidized LIHTC rental communities surveyed are fully occupied, the majority of which maintain a waiting list.

Absorption Projections

Considering the facts contained in the market study, as well as the preceding factors and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the proposed subject development. Note this absorption projection assumes the subject development is developed as proposed with a Section 8 subsidy on 25 of the subject units. As such, it is our opinion that the 80 LIHTC and government-subsidized units at the subject site will reach a stabilized occupancy of 95.0% within less than eight months of opening. This absorption period is based on an average absorption rate of approximately ten units per month.

III. Project Description

Project Name:	Premier Circle PSH
Location:	405 Premier Circle, Charlottesville, Virginia 22901 (Albemarle County)
Census Tract:	107.00
Target Market:	Homeless and Low-Income Single Adults
Construction Type:	New Construction
Funding Source:	LIHTC

The subject project involves the new construction of the 80-unit Premier Circle PSH apartment property at 405 Premier Circle in Charlottesville, Virginia. The project will be developed utilizing funding from the Low-Income Housing Tax Credit (LIHTC) program and will target lower-income adults/homeless individuals earning up to 50% and 60% of Area Median Household Income (AMHI). Additionally, 25 units are anticipated to operate under the HUD Section 8 program and will specifically target homeless persons, requiring tenants to pay up to 30% of their adjusted gross household income towards housing costs. The proposed project is expected to be complete in August of 2025. Additional details of the subject project are as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
25	Studio	1.0	Garden	364	50%/S8	\$1,165	\$0	\$1,165	\$917
15	Studio	1.0	Garden	364	50%	\$917	\$0	\$917	\$917
37	Studio	1.0	Garden	364	60%	\$1,100	\$0	\$1,100	\$1,101
3	One-Br.	1.0	Garden	461	60%	\$1,170	\$0	\$1,170	\$1,179
80	Total								

Source: Virginia Supportive Housing

AMHI – Area Median Household Income (Charlottesville, VA MSA; 2022)

S8 – Section 8

Note that tenants residing within the 25 HUD Section 8 units 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 rent of \$917 is the programmatic limit for studio units targeting households earning up to 50% of AMHI. However, this limit would only apply in the unlikely scenario that the property did not operate with a project-based subsidy.

Building/Site Information	
Residential Buildings:	One (1) four-story building
Building Style:	Elevator-served
Community Space:	Integrated throughout
Acres:	3.8

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	May 2023
Begin Preleasing:	May 2024
Construction End:	August 2025

Unit Amenities		
• Electric Range	• Controlled Access/Intercom	• Composite Flooring
• Refrigerator	• Furnishings*	• Window Blinds
• Dishwasher	• Window/Wall Air Conditioning	

*All units will be furnished with bed, dresser, table and two chairs, nightstand, love seat, and coffee table

Community Amenities

- | | | |
|----------------------|----------------------|-----------------------------------|
| • Bike Racks/Storage | • Computer Center | • Elevator |
| • Laundry Room | • On-Site Management | • Common Patio |
| • Community Garden | • Conference Room | • Community Room with Kitchen |
| • TV Lounge | • Fitness Center | • Community Wide Wi-Fi |
| • CCTV/Cameras | • Parties/Picnics | • Social Service Coordinator |
| • Package Receiving | • Night Monitor | • Surface Parking Lot (28 Spaces) |

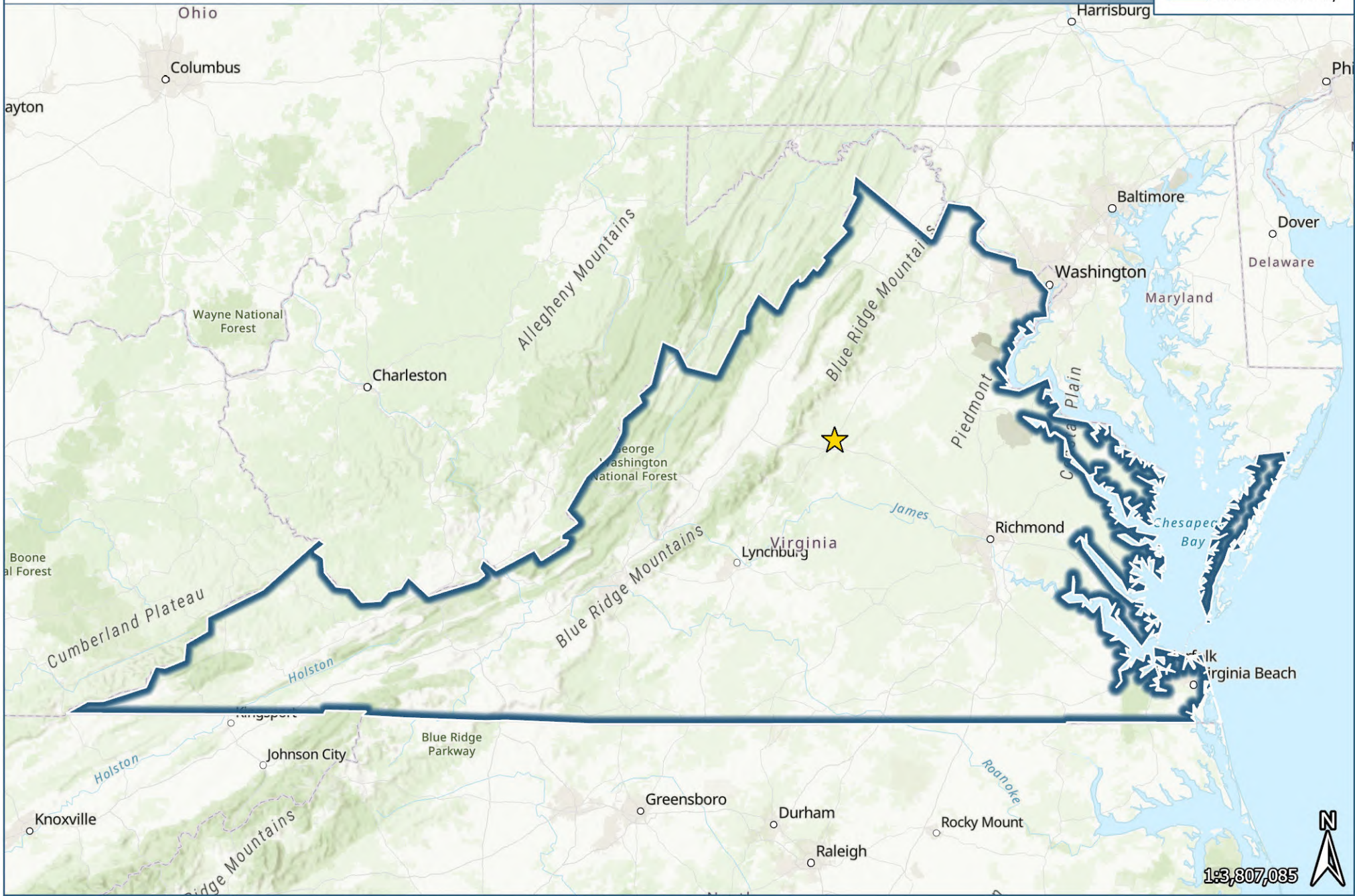
Utility Responsibility

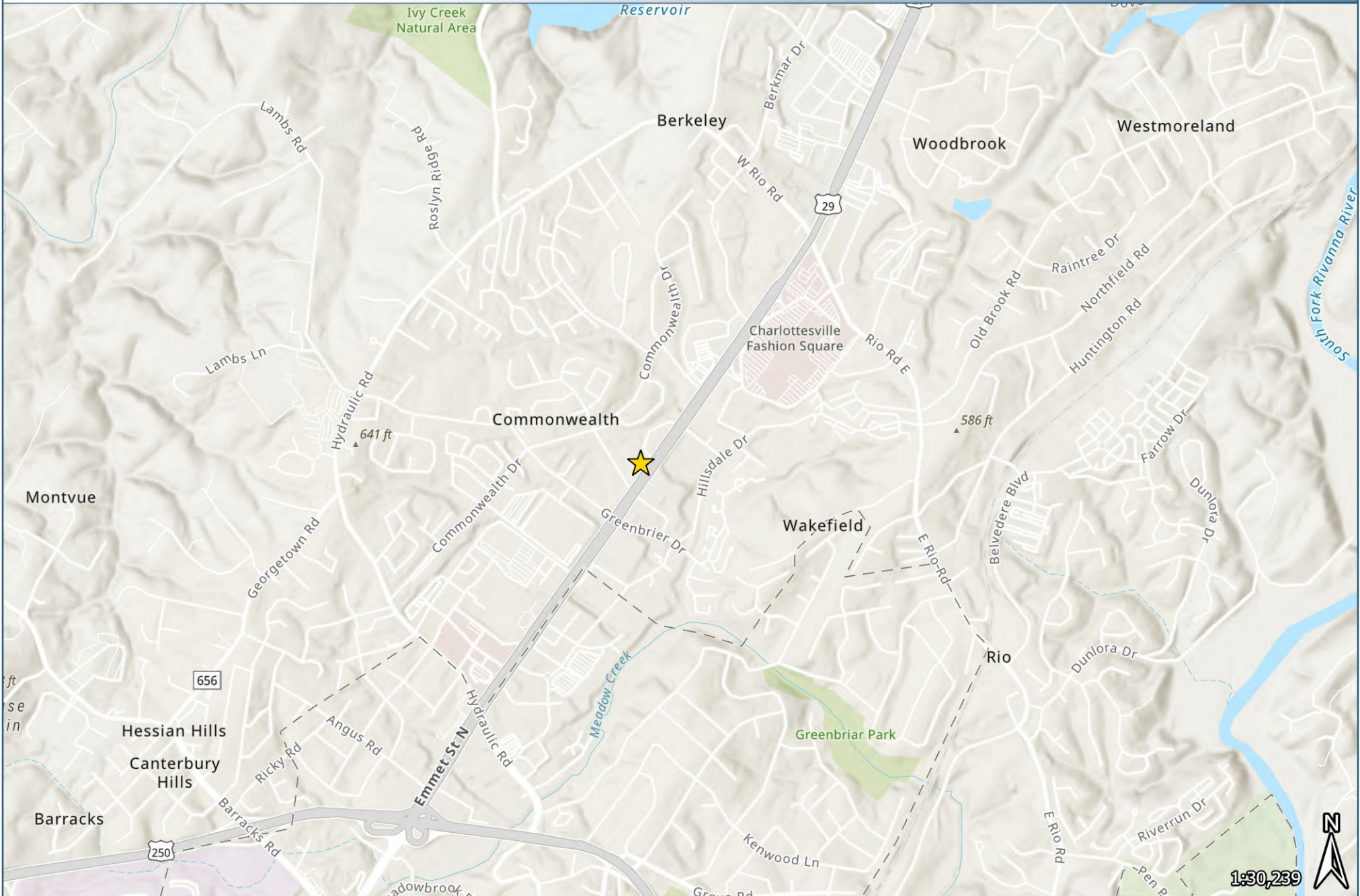
	Heat	Hot Water	Cooking	General Electric	Cold Water	Sewer	Trash
Paid By	Landlord	Landlord	Landlord	Landlord	Landlord	Landlord	Landlord
Source	Electric	Electric	Electric				

FLOOR AND SITE PLAN REVIEW:

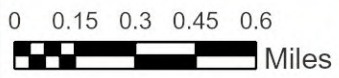
Floor and site plans for the subject project were not available for review at the time this report was issued. However, we conducted an on-site visit and evaluation of the property grounds. Based on our evaluation, we believe the subject project will be appropriately positioned within the market, assuming the layout of the site and floor plans are marketable.

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

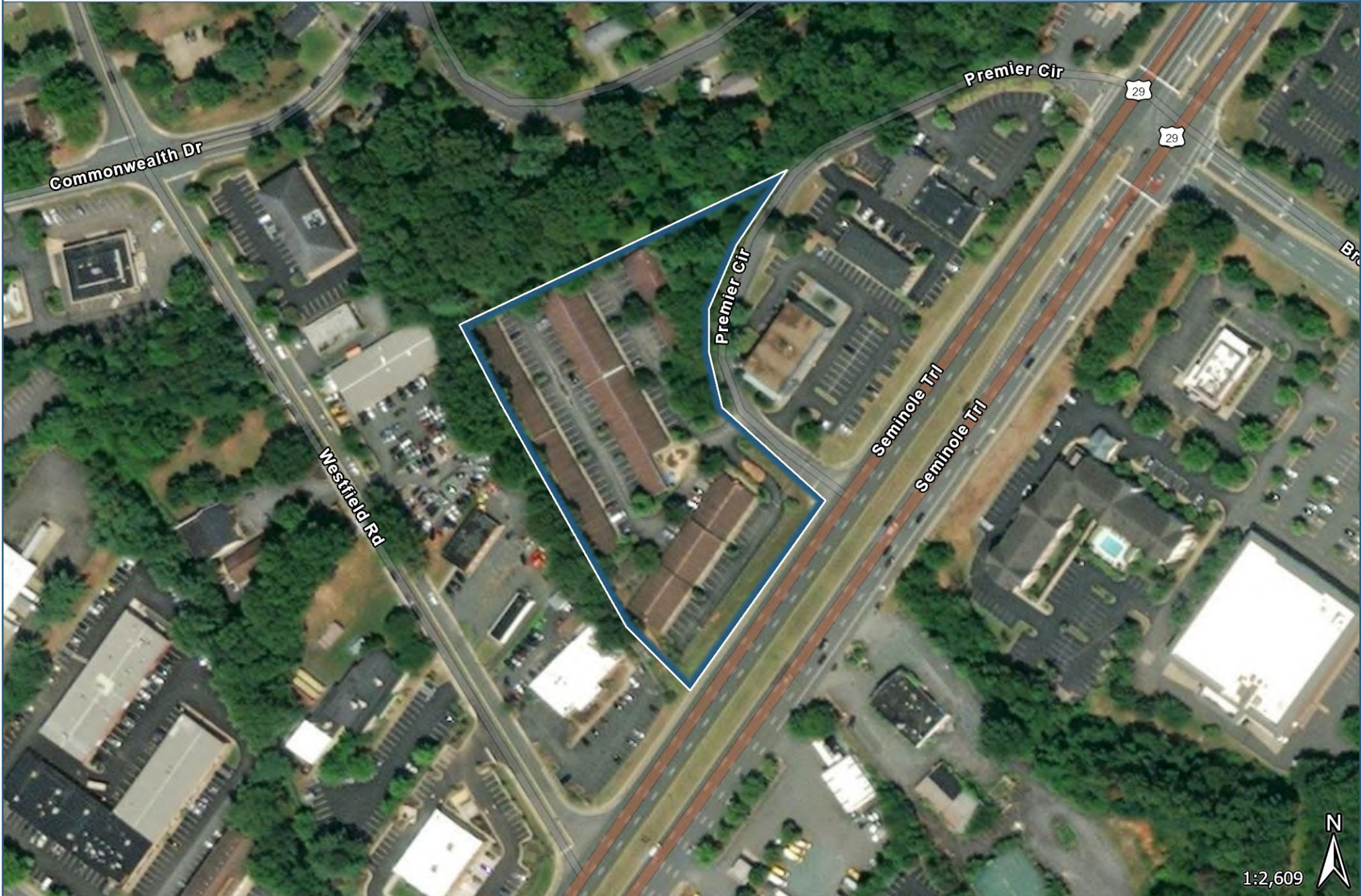




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WVU Facilities, VGIN, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US Census Bureau, USDA, Esri, NASA, NGA, USGS, FEMA
Additional Source(s): Bowen National Research



IV. Area Analysis

A. SITE DESCRIPTION AND EVALUATION

1. LOCATION

The subject site consists of an existing motel (Red Carpet Inn) located at 405 Premier Circle in Charlottesville (unincorporated Albemarle County), Virginia, approximately 4.0 miles northwest of the Central Business District (CBD) of Charlottesville. Note that the existing building will be razed during the development process. Charlottesville is approximately 72.0 miles northwest of Richmond, Virginia. The subject site visit and corresponding fieldwork were completed during the week of January 30, 2023.

2. SURROUNDING LAND USES

The subject site is located within an established, mixed-use area. Surrounding land uses include single-family homes on wooded lots, lodging facilities and various community services and businesses. Adjacent land uses are detailed as follows:

North -	Single-family homes on wooded lots define the northern site boundary, followed by a predominantly residential neighborhood comprised of single-family homes in good condition. Extending beyond to Rio Road West are additional residential land uses and various community services.
East -	Premier Circle, a lightly traveled roadway, defines the eastern site boundary, followed by the Royal Inn, a three-story motel in satisfactory condition, attorney offices, a furniture store and U.S. Highway 29, an arterial roadway with moderate to heavy traffic patterns. Extending beyond are various community services and hotels including Fairfield Inn & Suites, Food Lion and Big Lots.
South -	U.S. Highway 29 defines the southern site boundary, followed by various businesses including Penske Truck Rental, Montague Miller & Co., Realtor, United Bank and RoseWood Village assisted-living facility. All structures are considered to be in satisfactory to good condition. A predominantly residential neighborhood comprised of single- and multifamily homes and heavily wooded land extends beyond.
West -	A wooded tree line defines the western site boundary, followed by an automotive repair shop, an auto sales lot and various other small businesses including VCA Albemarle Veterinary Health Care, Virginia Veterinary Specialists and the Greenbrier Emergency Animal Hospital. Extending beyond are the Seminole Place Industrial Park and Costco.

The subject site is located within a mixed-use area and is primarily surrounded by residential dwellings on wooded lots, along with a wide range of businesses and community services. The commercial and residential buildings in the surrounding area were generally observed to be in good condition. It is worth noting the site's proximity and convenient ability to access U.S. Highway 29, a primary community service corridor in the Charlottesville area. Overall, the proposed project should fit in well with the surrounding land uses, which will contribute to its marketability. Photographs of the site can be found in Section X of this report.

3. VISIBILITY AND ACCESS

The subject site maintains frontage along Premier Circle, which is east of the site, as well as U.S. Highway 29 to the south and east of the site. Traffic along Premier Circle is considered light, while traffic along U.S. Highway 29 is moderate to heavy. All passerby vehicular and pedestrian traffic are expected to have clear visibility of the site. Additionally, the site is within close proximity of Charlottesville Fashion Square, anchored by Belk and JC Penney, and Rio Hill Shopping Center, anchored by Kroger Supermarket and T.J. Maxx, which will draw additional traffic to the area and positively contribute to the site's visibility. Proposed site plans state that the subject building will stand four stories tall, which will be one of the tallest structures in the immediate area. Overall, site visibility is considered excellent.

Access to the subject site will derive from Premier Circle adjacent east. As previously stated, Premier Circle has light traffic patterns and ingress and egress are expected to be convenient. U.S. Highway 29, the central commercial thoroughfare in Charlottesville, can be accessed adjacent southeast of the site, while U.S. Highway 250 and State Route 782 can be accessed within 1.5 miles. Additionally, Charlottesville Area Transit (CAT) offers a public bus stop located 0.4 mile east of the site at the intersection of Hillsdale Drive and Branchlands Boulevard or at the intersection of Commonwealth Drive at Westfield Road, 0.4 mile northwest of the site. Based on the preceding analysis, access to and from the subject site is considered excellent and expected to contribute to the overall marketability of the subject project.

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	State Route 631 U.S. Highway 29 U.S. Highway 250 Interstate 64	0.7 North Adjacent Southeast 1.5 South 5.4 Southwest
Public Bus Stop	CAT	0.4 East
Major Employers/ Employment Centers	Walmart Supercenter UVA Medical Center University Hospital	2.4 Northeast 3.4 South 3.5 South
Convenience Store	7-Eleven Stop In Food Mart	0.2 South 0.2 Southwest
Grocery	Food Lion Charlottesville Oriental Grocery Kroger Supermarket Whole Foods Walmart Supercenter	0.6 East 0.6 Southwest 1.0 Southwest 1.1 Southwest 2.4 Northeast
Discount Department Store	Big Lots Marshalls JC Penney T.J. Maxx Walmart Supercenter	0.6 East 0.7 South 0.8 Northeast 1.6 Northeast 2.4 Northeast
Shopping Center/Mall	Seminole Square Shopping Center Charlottesville Fashion Square Mall Rio Hill Shopping Center	0.9 Southwest 1.1 Northeast 1.6 Northeast
Schools: Elementary Middle/Junior High High	Woodbrook Elementary School Jack Jouett Middle School Albemarle High School	2.0 Northeast 1.6 West 1.3 West
Hospital/Medical Center	Med Express Urgent Care UVA Medical Center University Hospital UVA Children's Hospital	0.5 Southwest 3.4 South 3.5 South 3.5 South
Police	Charlottesville Police Department	3.6 South
Fire	Seminole Trail Volunteer Fire Department Charlottesville Fire Department	1.2 North 3.8 South
Post Office	U.S. Post Office	0.6 Southwest
Bank	United Bank BB&T	0.3 South 0.6 Northeast
Library	Northside Public Library	1.3 Northeast
Entertainment/Cinema	Regal Stonefield 14 IMAX	0.9 Southwest
Recreational/Fitness Facilities	World Federation-Youth Clubs ACAC Fitness & Wellness Center Crow Recreation Center Anytime Fitness Piedmont Family YMCA	1.0 Northeast 1.1 North 1.8 South 2.0 Northeast 2.7 South
Gas Station	Exxon Shell	0.2 Southwest 0.2 South

(Continued)

Community Services	Name	Driving Distance from Site (miles)
Pharmacy	Kroger Pharmacy	1.0 Southwest
	CVS	1.2 Northeast
	Kroger Pharmacy	1.9 Northeast
	Walmart Pharmacy	2.4 Northeast
Restaurant	Waffle House	0.5 Northeast
	Applebee's	0.5 Northeast
	Hibachi Grill & Supreme Buffet	0.5 Southwest
Day Care	Rainbow Child Care Center	0.6 East
	Shining Star Pre-School & Daycare	0.8 East
	Four Season Learning Center	0.9 Northwest
Church	King's Corner Fellowship	0.6 West
	Redeemed Christian Church of God	0.6 East
	Church of the Incarnation	0.8 East
Park	Crow Recreation Center Pool	1.8 South
	Ivy Creek Natural Area	2.1 Northwest
	Greenleaf Park	2.1 South
	Greenbriar Park	2.3 Southeast
	Pen Park	3.3 Southeast

The subject site is within 2.5 miles of most essential services, including the nearest shopping, dining, recreation, entertainment, employment and medical services. Many of these services are located along the U.S. Highway 29 corridor, which can be accessed adjacent southeast from the site. State Route 631 and U.S. Highway 250 can also be accessed within 1.5 miles. As noted, CAT provides fixed-route bus service to area residents and the nearest stops are 0.4 mile east of the site entryway at intersection of Hillsdale Drive and Branchlands Boulevard or at the intersection of Commonwealth Drive at Westfield Road, 0.4 mile northwest of the site.

The site is within close proximity of a shopping plaza that includes Kroger Supermarket and pharmacy, T.J. Maxx, and a mall with JCPenney, Belk and multiple restaurants and additional businesses. It is also within 1.0 mile of banks, gas stations, and a medical building that offers emergency services. Additional shopping and service options are located along U.S. Highway 29, including multiple shopping centers.

Seminole Trail Volunteer Fire Department is located 1.2 miles north of the site, while the Charlottesville Police and Fire departments are approximately 3.6 miles and 3.8 miles south, respectively, in the downtown portion of the city, along with the University of Virginia Medical Center and University Hospital, major employers in the area. Albemarle County Public School System serves the subject site, with all attendance schools located within 2.0 miles.

Overall, the site's proximity to community services is expected to positively contribute to its marketability.

5. OVERALL SITE EVALUATION

The subject site is located within Charlottesville (unincorporated Albemarle County), approximately 4.0 miles northwest of the downtown area. Surrounding land uses include residential dwellings on wooded lots, lodging facilities and a variety of local businesses and community services. All structures within the surrounding area were generally observed to be in good condition and are expected to contribute to the site's marketability. Site access and visibility are both considered excellent, as the site is clearly visible to passerby traffic, is within close proximity of multiple community services and is proposed to stand at four stories tall. Shopping, dining, employment, entertainment and medical services are within 2.5 miles of the site, many of which are located along the U.S. Highway 29 commercial corridor. Additional arterial roads can be accessed within 1.5 miles. Overall, the site's surrounding land uses and proximity to services is expected to 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.

The table on the following page illustrates the crime risk indexes for the Primary Market Area (PMA) and the city of Charlottesville.

	Crime Risk Index	
	PMA	Charlottesville
Total Crime Index	83	100
Personal Crime Index	73	95
Murder	66	89
Rape	124	148
Robbery	57	71
Assault	72	96
Property Crime Index	85	101
Burglary	53	65
Larceny	97	114
Motor Vehicle Theft	49	64

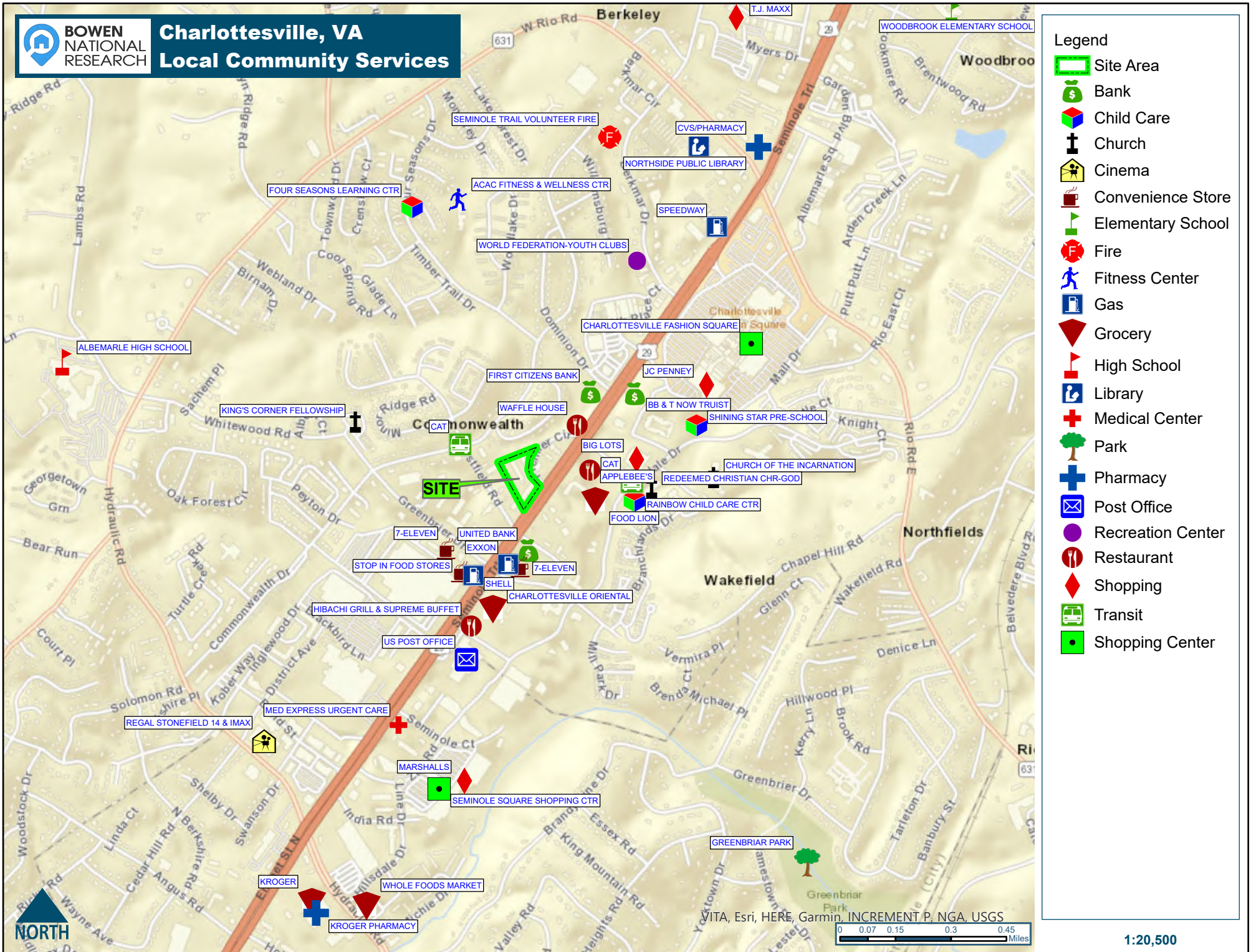
Source: Applied Geographic Solutions, FBI, ESRI

The crime risk index within the PMA of 83 is below both those of the city of Charlottesville and the national average of 100. As such, crime is not anticipated to play a significant role in the marketability of the subject site.

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



Charlottesville, VA Local Community Services



- Legend**
- Site Area
 - Bank
 - Child Care
 - Church
 - Cinema
 - Convenience Store
 - Elementary School
 - Fire
 - Fitness Center
 - Gas
 - Grocery
 - High School
 - Library
 - Medical Center
 - Park
 - Pharmacy
 - Post Office
 - Recreation Center
 - Restaurant
 - Shopping
 - Transit
 - Shopping Center



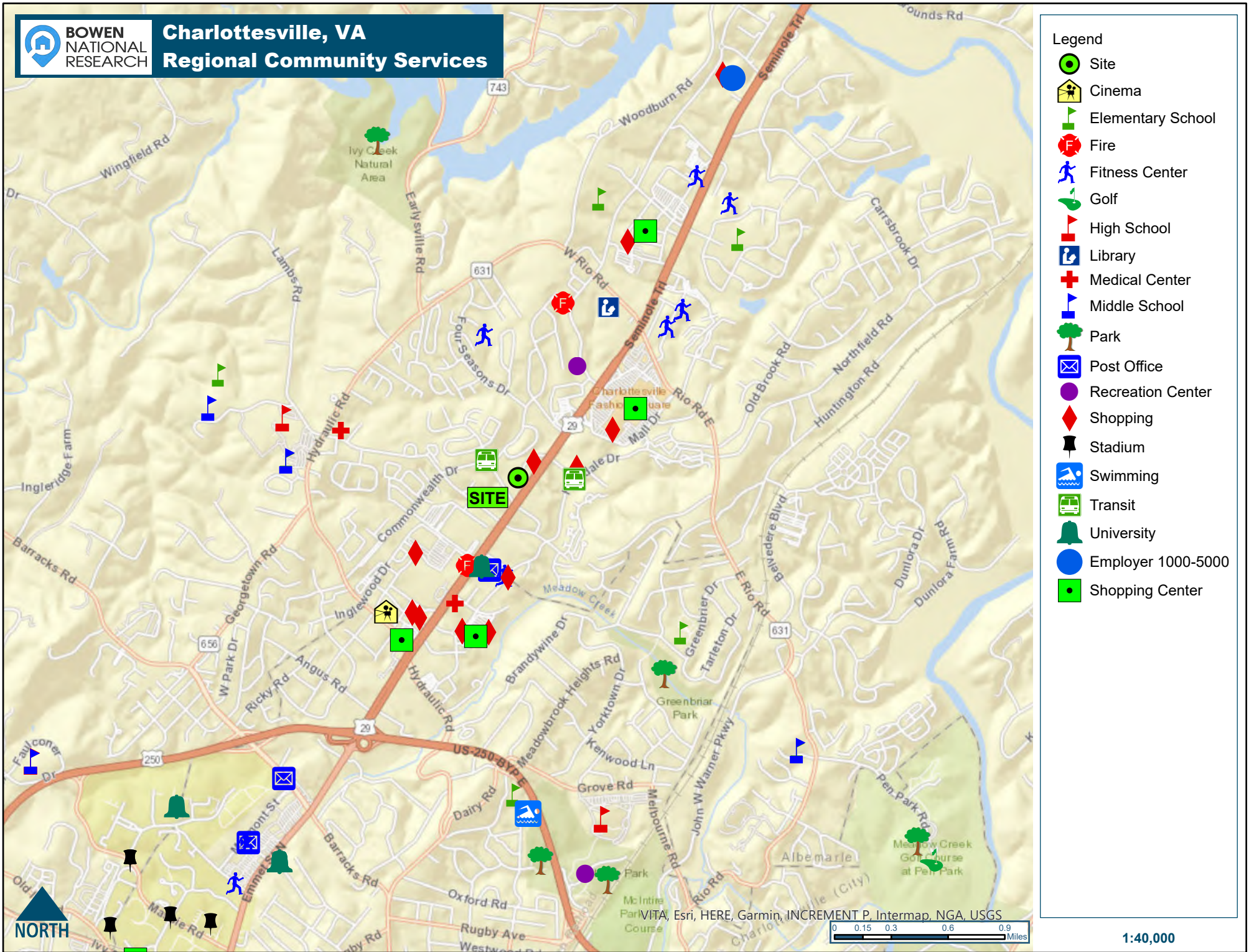
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1:20,500



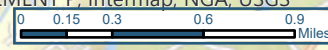
Charlottesville, VA Regional Community Services



- Legend**
- Site
 - Cinema
 - Elementary School
 - Fire
 - Fitness Center
 - Golf
 - High School
 - Library
 - Medical Center
 - Middle School
 - Park
 - Post Office
 - Recreation Center
 - Shopping
 - Stadium
 - Swimming
 - Transit
 - University
 - Employer 1000-5000
 - Shopping Center



VITA, Esri, HERE, Garmin, INCREMENT P, Intermap, NGA, USGS

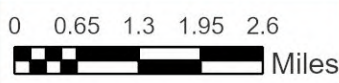
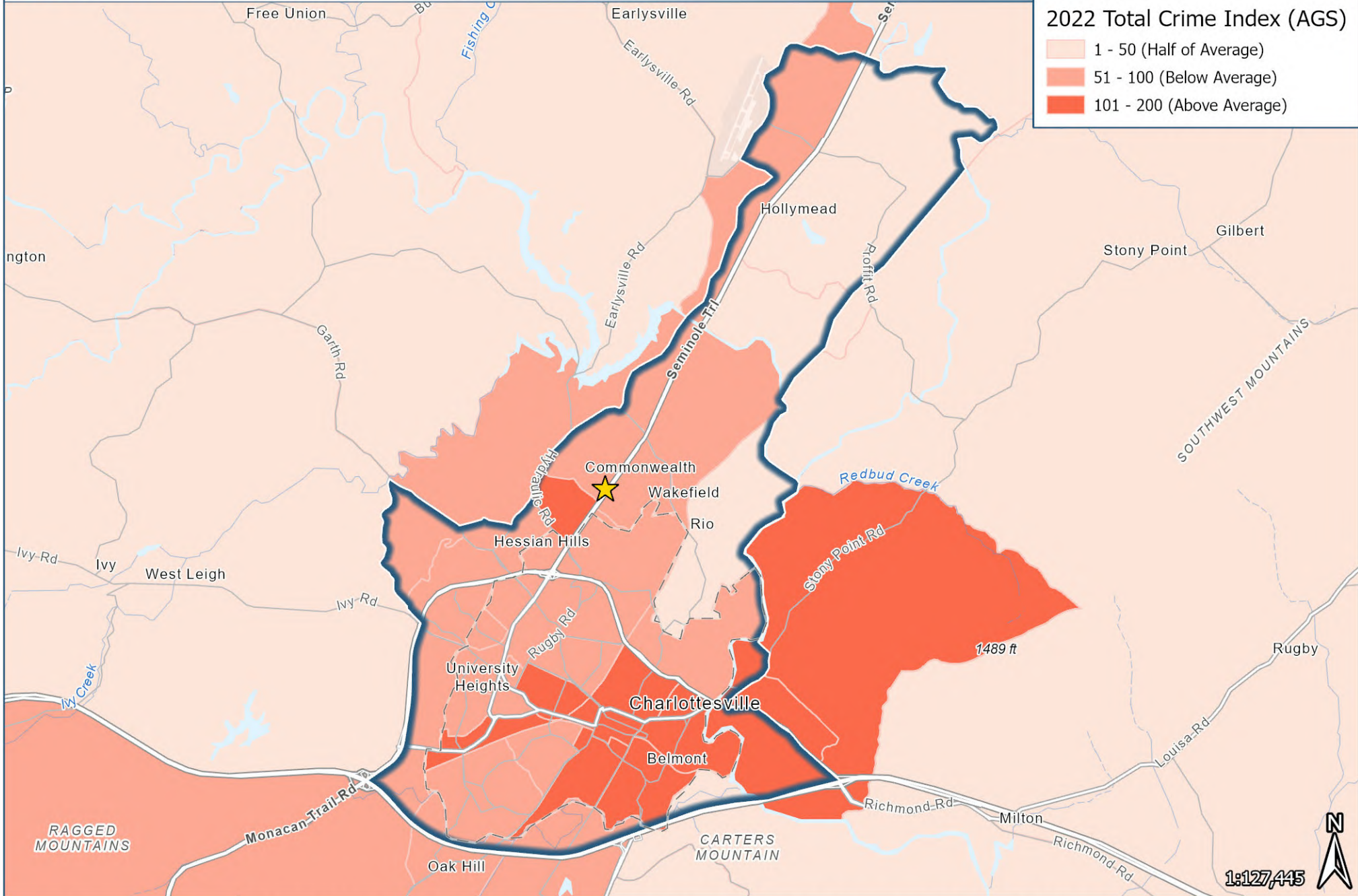


1:40,000

★ Site
— PMA

2022 Total Crime Index (AGS)

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



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



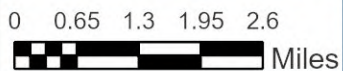
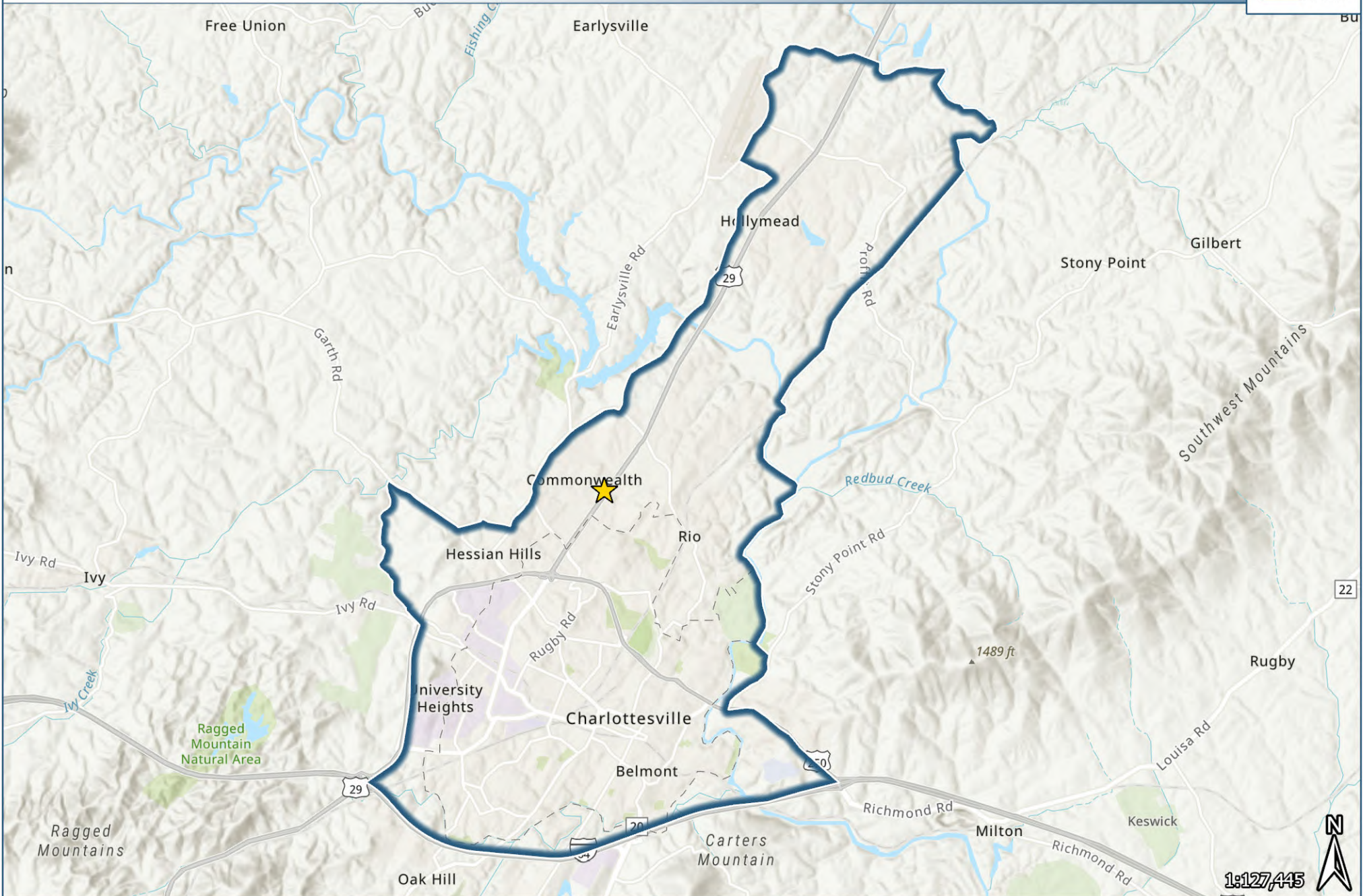
B. PRIMARY MARKET AREA DELINEATION

Typically, the PMA is the smallest geographical area from which most of the support for a proposed development is expected to originate. Typical PMAs are determined through interviews with property managers, area leasing and real estate agents, government officials, economic development representatives and the personal observations of our analysts. In addition, demographic characteristics pertaining to household tenure (owner vs. renter), population density, and household income are analyzed to ensure a market area is relatively homogenous. However, the Premier Circle PSH development will set aside 25 of its 80 units for the homeless, or those individuals at-risk of becoming homeless. As such, the need for safe and affordable housing trumps normal barriers that restrict the migration of households (e.g., cost, distance, neighborhood familiarity, schools, etc.). Based on our professional experience and interviews with stakeholders familiar with homelessness, it is generally believed that the homeless population will relocate wherever there is availability of housing. Further, the Continuum of Care (CoC) will naturally channel residents to facilities that are able to accommodate them.

Due to the targeted special needs population, we believe that support for the units that are set-aside for the homeless population will be derived from the entire Charlottesville CoC. As such, data provided by 2022 Point-in-Time (PIT) survey of homeless households and Housing Inventory County (HIC) report will be utilized to help establish demand for the special needs units at the subject project. However, the 55 remaining units will target a general-occupancy population (including homeless individuals) and have no special needs set-aside. As such, we have defined a traditional PMA for the purposes of this report.

The traditional Charlottesville Site PMA includes all of Charlottesville, as well as portions of unincorporated communities in Albemarle County. The boundaries of the Site PMA include Dickerson Road, Lewis and Clark Drive and North Fork Rivanna River to the north; North Fork Rivanna River, Washington District Railway Line, South Fork Rivanna River, Rivanna River, Stony Point Road and U.S. Highway 250 to the east; Interstate 64 to the south; and Dickerson Road, Towncenter Boulevard, Berkmar Drive and Extension, Woodburn Road, Rio Road West, Hydraulic Road, Georgetown Road, Old Forge Road, Barracks Road, Old Garth Road and U.S. Highway 29 to the west. This area is believed to be the primary area that will generate support for the 20 general-occupancy units at the subject project. It is also the competitive area in which renters would likely search for alternative rental housing opportunities.

A map delineating the boundaries of the traditional Site PMA is included on the following page. Note that the Charlottesville CoC includes Charlottesville, as well as Albemarle, Greene, Fluvanna, Louisa and Nelson counties.



C. DEMOGRAPHIC CHARACTERISTICS AND TRENDS

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

1. POPULATION TRENDS

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

	Year			
	2010 (Census)	2020 (Census)	2023 (Estimated)	2028 (Projected)
Population	80,424	88,301	89,705	90,886
Population Change	-	7,877	1,404	1,181
Percent Change	-	9.8%	1.6%	1.3%

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

The Charlottesville Site PMA population base increased by 7,877 between 2010 and 2020. This represents a 9.8% increase from the 2010 population base, or an annual rate of 1.0%. Between 2020 and 2023, the population increased by 1,404, or 1.6%. It is projected that the population will increase by 1,181, or 1.3%, 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	19,040	23.7%	20,662	23.0%	20,635	22.7%	-27	-0.1%
20 to 24	14,612	18.2%	14,618	16.3%	14,793	16.3%	175	1.2%
25 to 34	14,074	17.5%	14,605	16.3%	14,265	15.7%	-340	-2.3%
35 to 44	8,523	10.6%	10,344	11.5%	10,585	11.6%	241	2.3%
45 to 54	8,460	10.5%	8,242	9.2%	8,405	9.2%	163	2.0%
55 to 64	6,916	8.6%	8,258	9.2%	7,927	8.7%	-331	-4.0%
65 to 74	4,061	5.0%	6,765	7.5%	7,225	7.9%	460	6.8%
75 & Older	4,736	5.9%	6,211	6.9%	7,056	7.8%	845	13.6%
Total	80,424	100.0%	89,705	100.0%	90,886	100.0%	1,181	1.3%

Source: Bowen National Research, ESRI, Census

As the preceding table illustrates, over 46% 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 Charlottesville Site PMA are summarized as follows:

	Year			
	2010 (Census)	2020 (Census)	2023 (Estimated)	2028 (Projected)
Households	31,530	35,281	36,135	36,862
Household Change	-	3,751	854	727
Percent Change	-	11.9%	2.4%	2.0%
Average Household Size	2.25	2.28	2.23	2.22

Source: Bowen National Research, ESRI, Census

Within the Charlottesville Site PMA, households increased by 3,751, or 11.9%, between 2010 and 2020. Between 2020 and 2023, households increased by 854, or 2.4%. By 2028, there will be 36,862 households, an increase of 727 households, or 2.0%, from 2023. This is an increase of approximately 145 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	4,326	13.7%	4,241	11.7%	4,336	11.8%	95	2.2%
25 to 34	7,279	23.1%	7,648	21.2%	7,521	20.4%	-127	-1.7%
35 to 44	4,838	15.3%	5,971	16.5%	6,043	16.4%	72	1.2%
45 to 54	5,076	16.1%	4,926	13.6%	5,019	13.6%	93	1.9%
55 to 64	4,309	13.7%	5,104	14.1%	4,882	13.2%	-222	-4.3%
65 to 74	2,640	8.4%	4,396	12.2%	4,661	12.6%	265	6.0%
75 & Older	3,061	9.7%	3,849	10.7%	4,402	11.9%	553	14.4%
Total	31,530	100.0%	36,135	100.0%	36,862	100.0%	727	2.0%

Source: Bowen National Research, ESRI, Census

Between 2023 and 2028, the greatest growth among household age groups is projected to be among those ages 65 and older. Households under the age of 25, as well as those between the ages of 35 and 54, are also projected to experience growth during the projection period. These trends illustrate that there will be an increasing need for housing for both seniors and families within the Charlottesville Site PMA.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2023 (Estimated)		2028 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	13,955	44.3%	16,339	45.2%	16,773	45.5%
Renter-Occupied	17,576	55.7%	19,797	54.8%	20,090	54.5%
Total	31,531	100%	36,135	100.0%	36,862	100.0%

Source: Bowen National Research, ESRI, Census

As the preceding table illustrates, renter households are projected to increase by 293, or 1.5%, between 2023 and 2028. This projected growth among renter households illustrates that there will likely be an increasing need for rental housing within the market.

The household sizes by tenure within the Charlottesville 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	4,939	30.2%	5,073	30.2%	134	2.7%
2 Persons	5,721	35.0%	5,751	34.3%	31	0.5%
3 Persons	2,593	15.9%	2,782	16.6%	189	7.3%
4 Persons	2,102	12.9%	2,209	13.2%	107	5.1%
5+ Persons	984	6.0%	958	5.7%	-27	-2.7%
Total	16,339	100.0%	16,773	100.0%	434	2.7%
Persons per Renter Household	2023 (Estimated)		2028 (Projected)		Change 2023-2028	
	Households	Percent	Households	Percent	Households	Percent
1 Person	8,417	42.5%	8,910	44.3%	493	5.9%
2 Persons	6,270	31.7%	6,578	32.7%	308	4.9%
3 Persons	2,310	11.7%	2,113	10.5%	-197	-8.5%
4 Persons	1,754	8.9%	1,532	7.6%	-222	-12.7%
5+ Persons	1,047	5.3%	958	4.8%	-89	-8.5%
Total	19,797	100.0%	20,090	100.0%	293	1.5%

Source: Bowen National Research, ESRI, Census

The subject site will target one-person households, which comprise 42.5% of all renter households within the PMA.

3. INCOME TRENDS

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

Household Income	2010 (Census)		2023 (Estimated)		2028 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$15,000	5,211	16.5%	3,577	9.9%	2,779	7.5%
\$15,000 - \$24,999	3,520	11.2%	2,239	6.2%	1,848	5.0%
\$25,000 - \$34,999	3,343	10.6%	2,085	5.8%	1,834	5.0%
\$35,000 - \$49,999	4,377	13.9%	3,927	10.9%	3,515	9.5%
\$50,000 - \$74,999	5,832	18.5%	5,353	14.8%	4,929	13.4%
\$75,000 - \$99,999	3,551	11.3%	4,560	12.6%	4,764	12.9%
\$100,000 - \$149,999	3,381	10.7%	5,941	16.4%	6,392	17.3%
\$150,000 & Higher	2,315	7.3%	8,453	23.4%	10,802	29.3%
Total	31,530	100.0%	36,135	100.0%	36,862	100.0%
Median Income	\$47,648		\$79,860		\$93,506	

Source: Bowen National Research, ESRI, Census

In 2023, the median household income is estimated to be \$79,860. By 2028, it is projected that the median household income will be \$93,506, an increase of 17.1% from 2023.

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

Renter Households	2020 (ACS)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	2,159	688	371	208	70	3,496
\$15,000 - \$24,999	1,179	424	145	191	101	2,040
\$25,000 - \$34,999	817	380	177	118	62	1,555
\$35,000 - \$49,999	1,236	847	473	136	102	2,793
\$50,000 - \$74,999	1,019	1,751	417	233	248	3,669
\$75,000 - \$99,999	345	1,061	214	248	259	2,126
\$100,000 - \$149,999	344	558	540	402	167	2,011
\$150,000 & Higher	1,019	376	90	351	93	1,930
Total	8,121	6,085	2,428	1,887	1,101	19,619

Source: ESRI, Bowen National Research

Renter Households	2023 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	1,978	616	314	168	58	3,133
\$15,000 - \$24,999	1,117	392	126	158	86	1,880
\$25,000 - \$34,999	805	365	159	100	54	1,483
\$35,000 - \$49,999	1,233	823	428	117	90	2,691
\$50,000 - \$74,999	1,040	1,739	384	203	224	3,591
\$75,000 - \$99,999	395	1,173	216	233	255	2,271
\$100,000 - \$149,999	421	657	576	396	173	2,223
\$150,000 & Higher	1,427	504	107	379	107	2,524
Total	8,417	6,270	2,310	1,754	1,047	19,796

Source: ESRI, Bowen National Research

Renter Households	2028 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	1,676	521	237	114	42	2,650
\$15,000 - \$24,999	1,035	350	100	114	66	1,666
\$25,000 - \$34,999	788	344	134	76	44	1,387
\$35,000 - \$49,999	1,229	791	369	91	75	2,554
\$50,000 - \$74,999	1,068	1,724	341	163	192	3,488
\$75,000 - \$99,999	461	1,323	218	214	249	2,465
\$100,000 - \$149,999	523	789	623	388	181	2,505
\$150,000 & Higher	1,971	674	129	417	125	3,316
Total	8,811	6,516	2,152	1,576	976	20,031

Source: ESRI, Bowen National Research

Demographic Summary

The Charlottesville Site PMA is projected to experience both population and household growth between 2023 and 2028. Specifically, the market's population base is projected to increase by 1,181 (1.3%), while the number of households within the market will increase by 727 (2.0%). Additionally, renter households are projected to increase by 293 (1.5%) during the same time frame. These trends emphasize the ongoing need for additional rental housing within the Site PMA.

Data from the preceding tables is used in our demand estimates. Data regarding the homeless population is included in this report starting on page VII-5.

D. LOCAL ECONOMIC PROFILE AND ANALYSIS

1. LABOR FORCE PROFILE

The labor force within the Charlottesville Site PMA is based primarily in three sectors. Health Care & Social Assistance (which comprises 27.9%), Education Services, and Retail Trade comprise over 50.4% of the Site PMA labor force. Employment in the Charlottesville Site PMA, as of 2022, was distributed as follows:

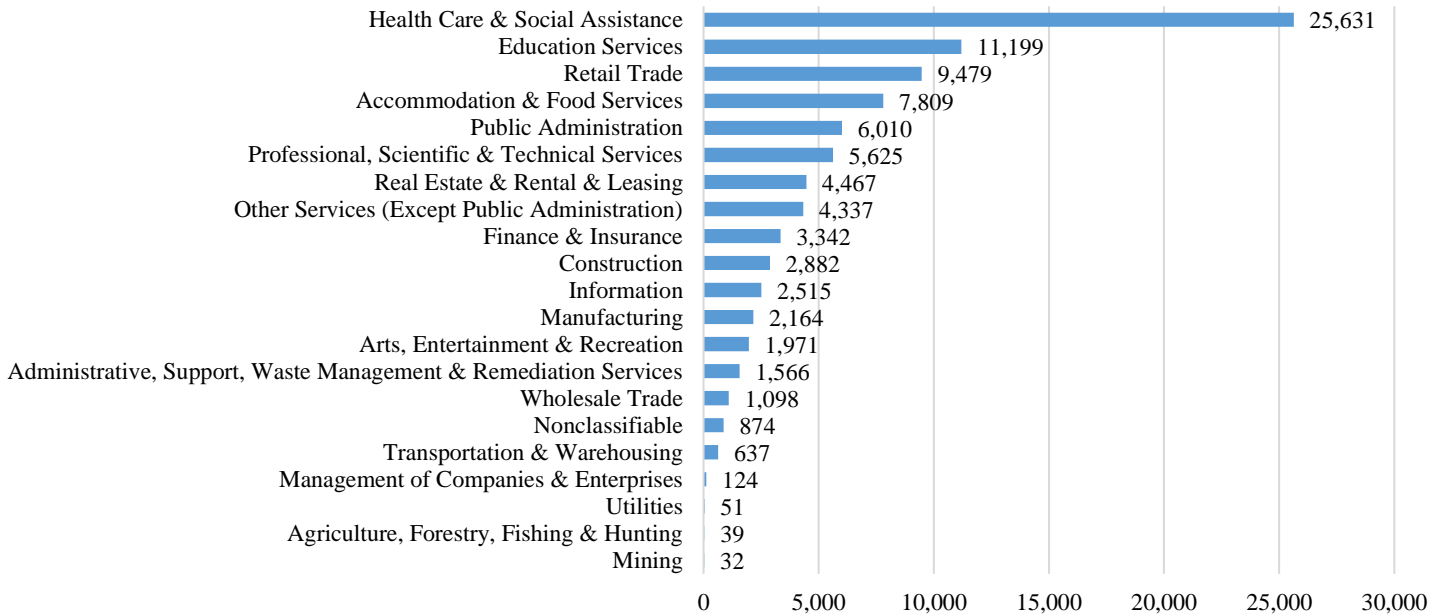
NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	10	0.2%	39	< 0.1%	4
Mining	6	0.1%	32	< 0.1%	5
Utilities	3	0.1%	51	0.1%	17
Construction	310	5.4%	2,882	3.1%	9
Manufacturing	120	2.1%	2,164	2.4%	18
Wholesale Trade	120	2.1%	1,098	1.2%	9
Retail Trade	706	12.4%	9,479	10.3%	13
Transportation & Warehousing	63	1.1%	637	0.7%	10
Information	155	2.7%	2,515	2.7%	16
Finance & Insurance	319	5.6%	3,342	3.6%	10
Real Estate & Rental & Leasing	312	5.5%	4,467	4.9%	14
Professional, Scientific & Technical Services	681	11.9%	5,625	6.1%	8
Management of Companies & Enterprises	9	0.2%	124	0.1%	14
Administrative, Support, Waste Management & Remediation Services	180	3.2%	1,566	1.7%	9
Education Services	202	3.5%	11,199	12.2%	55
Health Care & Social Assistance	704	12.3%	25,631	27.9%	36
Arts, Entertainment & Recreation	131	2.3%	1,971	2.1%	15
Accommodation & Food Services	468	8.2%	7,809	8.5%	17
Other Services (Except Public Administration)	633	11.1%	4,337	4.7%	7
Public Administration	168	2.9%	6,010	6.5%	36
Nonclassifiable	408	7.1%	874	1.0%	2
Total	5,708	100.0%	91,852	100.0%	16

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 Charlottesville, Virginia Metropolitan Statistical Area (MSA) are compared with the state of Virginia in the following table:

Typical Wage by Occupation Type		
Occupation Type	MSA	Virginia
Management Occupations	\$76,307	\$86,982
Business And Financial Occupations	\$68,635	\$79,492
Computer And Mathematical Occupations	\$87,574	\$101,948
Architecture And Engineering Occupations	\$94,955	\$91,391
Community And Social Service Occupations	\$44,613	\$47,562
Art, Design, Entertainment, Sports, and Media Occupations	\$44,250	\$50,373
Healthcare Practitioners and Technical Occupations	\$68,750	\$62,062
Healthcare Support Occupations	\$28,442	\$25,438
Protective Service Occupations	\$45,866	\$54,227
Food Preparation and Serving Related Occupations	\$15,017	\$14,943
Building And Grounds Cleaning and Maintenance Occupations	\$23,453	\$22,369
Personal Care and Service Occupations	\$18,268	\$19,079
Sales And Related Occupations	\$37,328	\$31,683
Office And Administrative Support Occupations	\$35,333	\$36,507
Construction And Extraction Occupations	\$36,436	\$39,747
Installation, Maintenance and Repair Occupations	\$42,795	\$49,448
Production Occupations	\$37,235	\$38,983
Transportation Occupations	\$33,537	\$37,617
Material Moving Occupations	\$24,956	\$24,872

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

As the preceding table illustrates, most occupational types within the MSA have generally similar typical wages as the state of Virginia's typical wages.

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

Employer Name	Business Type
University of Virginia / Blue Ridge Hospital	Healthcare
Sentara Healthcare	Healthcare
U.S. Department of Defense	Military
County of Albemarle	Government
State Farm Mutual Automobile Insurance	Insurance
Crutchfield Corporation	Retail
Piedmont Virginia Community College	Education
Wal Mart	Retail
Atlantic Coast Athletic Club	Health Club
Northrop Grumman Corporation	Aerospace/Defense

Source: Virginia Employment Commission, Economic Information & Analytics (Q3 2022)

According to a representative with Charlottesville Economic Development, the Charlottesville economy is fairly stable. While the area experienced the negative effects of the COVID-19 pandemic, the economy has mostly recovered, with an unemployment rate of approximately 2.4%. Additionally, Charlottesville saw \$52 million in economic investment in 2022. The following table summarizes some recent and/or ongoing economic development projects within the Charlottesville area:

Project Name	Investment	Job Creation	Scope of Work/Details
University of Virginia Hotel and Conference Center	\$130.5 million	N/A	Construction underway for 223,000 square-foot conference center and 214-room hotel in the Emmet-Ivy Corridor; ECD summer 2024
University of Virginia School of Data Sciences	\$120 million	N/A	61,000 square-foot building with offices, classrooms, and research/meeting areas; Project broke ground fall 2021; ECD winter 2023
North Forth Discovery Park Site	\$3 million	N/A	Infrastructure development of 31.5-acre site to prepare for prospective business; Funding awarded January 2023
PS-Fertility, Inc.	\$1.4 million	31	In January 2023, technology start-up announced plans to open in Albemarle County
Towneplace Suites	N/A	N/A	Five-story hotel with 119 rooms proposed to be built in Pantops; Site plans announced early 2022; Construction timeline N/A

N/A – Not Available

ECD – Estimated Completion Date

Infrastructure

The following table summarizes some recent and/or ongoing infrastructure projects within the area:

Project Name	Scope of Work	Status	Investment
Albemarle County Design-Build Projects	Albemarle County: Six projects under one contract, including Route 250/Route 151 Roundabout, Route 20/Route 649 Roundabout, I-64 Exit 118 Interchange Modifications, I-64 Exit 124 Diverging Diamond Interchange, Fontaine Avenue Ramp Improvements, and Rio Mills Road/Berkmar Drive Connection	Construction began summer 2019; ECD spring 2023	\$35.9 million
Belmont Bridge	Charlottesville: Replacement of Belmont Bridge, including extending turn lanes and expanding bike lanes/pedestrian walkways	Construction began July 2021; ECD January 2024	\$35 million
Old Ivy Road Bridge Replacement	Albemarle County: Replacement of Old Ivy Road (Route 601) bridge over Route 29/250 Bypass	Construction to begin early 2024; ECD late 2024	\$3.3 million

ECD – Estimated Completion Date

WARN (layoff notices):

WARN Notices were reviewed in February 2023 and according to the Virginia Employment Commission, there has been one WARN notice reported for Charlottesville over the past 12 months, which is summarized in the following table:

Company	Jobs	Notice Date	Effective Date
Custom Ink	175	1/3/23	3/4/23

2. EMPLOYMENT TRENDS

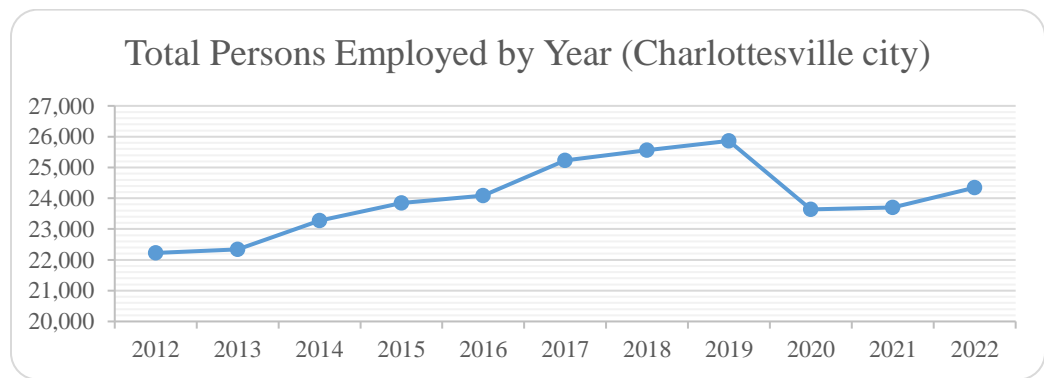
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the city/county in which the site is located.

The employment base has decreased by 4.8% over the past five years in Charlottesville, while the state of Virginia decreased by 0.8%. Total employment reflects the number of employed persons who live within the city/county.

The table on the following page illustrates the total employment base for Charlottesville, the state of Virginia, and the United States.

Year	Total Employment					
	Charlottesville		Virginia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2012	22,225	-	3,967,151	-	142,469,000	-
2013	22,340	0.5%	4,002,057	0.9%	143,929,000	1.0%
2014	23,277	4.2%	4,040,908	1.0%	146,305,000	1.7%
2015	23,846	2.4%	4,048,081	0.2%	148,833,000	1.7%
2016	24,088	1.0%	4,084,822	0.9%	151,436,000	1.7%
2017	25,224	4.7%	4,193,290	2.7%	153,337,000	1.3%
2018	25,564	1.3%	4,255,213	1.5%	155,761,000	1.6%
2019	25,863	1.2%	4,332,647	1.8%	157,538,000	1.1%
2020	23,641	-8.6%	4,097,860	-5.4%	147,795,000	-6.2%
2021	23,706	0.3%	4,100,803	0.1%	152,581,000	3.2%
2022	24,342	2.7%	4,220,792	2.9%	158,291,000	3.7%

Source: Bureau of Labor Statistics

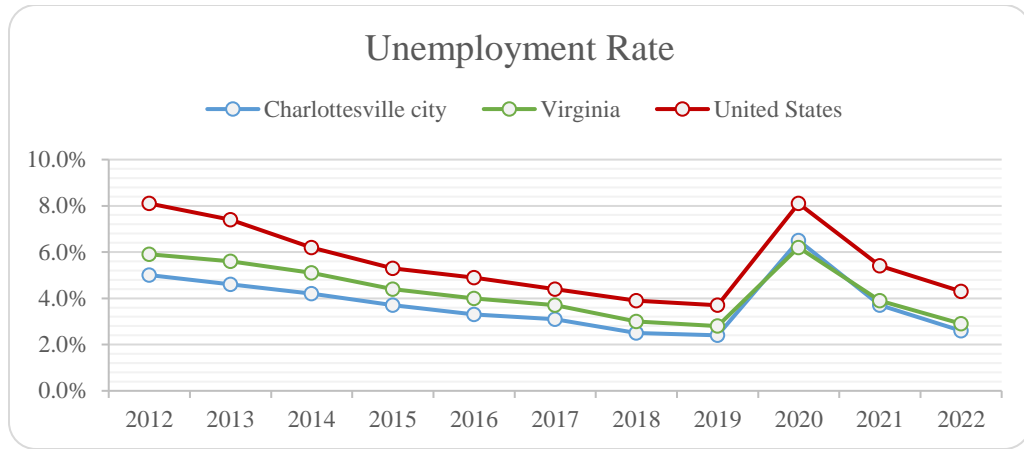


As the preceding illustrates, the Charlottesville employment base experienced consistent growth between 2012 and 2019. Between 2019 and 2020, the city’s employment base decreased by 8.6% as the result of the COVID-19 pandemic. On another note, the local economy has been improving since, as the city’s employment base has increased by 3.0% through the end of 2022.

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

Year	Unemployment Rate		
	Charlottesville	Virginia	United States
2012	5.0%	5.9%	8.1%
2013	4.6%	5.6%	7.4%
2014	4.2%	5.1%	6.2%
2015	3.7%	4.4%	5.3%
2016	3.3%	4.0%	4.9%
2017	3.1%	3.7%	4.4%
2018	2.5%	3.0%	3.9%
2019	2.4%	2.8%	3.7%
2020	6.5%	6.2%	8.1%
2021	3.7%	3.9%	5.4%
2022	2.6%	2.9%	4.3%

Source: Department of Labor, Bureau of Labor Statistics



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

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

Monthly Unemployment Rate – Charlottesville					
Month	Rate	Month	Rate	Month	Rate
2020		2021		2022	
January	2.4%	January	4.9%	January	3.2%
February	2.0%	February	4.4%	February	2.6%
March	2.4%	March	4.1%	March	2.4%
April	11.5%	April	3.6%	April	2.3%
May	10.4%	May	3.8%	May	2.8%
June	10.9%	June	4.4%	June	2.9%
July	10.1%	July	4.0%	July	2.8%
August	8.0%	August	3.8%	August	3.0%
September	6.3%	September	3.2%	September	2.2%
October	5.0%	October	2.9%	October	2.5%
November	4.6%	November	2.6%	November	2.6%
December	4.3%	December	2.3%	December	2.3%

Source: Department of Labor, Bureau of Labor Statistics

The *monthly* unemployment rate in the city increased by 9.5 percentage points between February and April 2020 due to the COVID-19 pandemic. However, monthly unemployment has since declined to a rate of 2.3% as of December 2022.

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

In-Place Employment Charlottesville			
Year	Employment	Change	Percent Change
2012	35,477	-	-
2013	35,966	489	1.4%
2014	37,352	1,386	3.9%
2015	39,237	1,885	5.0%
2016	39,564	327	0.8%
2017	39,470	-94	-0.2%
2018	40,556	1,086	2.8%
2019	41,324	768	1.9%
2020	36,537	-4,787	-11.6%
2021	37,624	1,087	3.0%
2022*	41,235	3,611	9.6%

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 Charlottesville to be 158.7% of the total Charlottesville employment. This means that Charlottesville has more employed persons coming to the city from other cities/counties for work (daytime employment) than those who both live and work there.

3. **ECONOMIC FORECAST**

The Charlottesville economy experienced consistent growth between 2012 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, which caused many area businesses to shut down in an attempt to mitigate the spread of the coronavirus. During this time, the Charlottesville employment base declined by over 2,220 jobs, or 8.6%, and its *annual* unemployment rate increased by over four percentage points. Specifically, between February and April 2020, the *monthly* unemployment rate within the city spiked by 9.5 percentage points. On a positive note, the local economy has been improving since 2020, experiencing job growth and a declining unemployment rate. Nonetheless, several of the businesses impacted include those within the Retail Trade and Accommodation & Food Services sectors, which account for nearly 19.0% of the market’s labor force and 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.

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	28,168	63.9%
Carpooled	4,250	9.6%
Public Transit	2,312	5.2%
Walked	3,893	8.8%
Motorcycle	210	0.5%
Bicycle	882	2.0%
Other Means	227	0.5%
Worked at Home	4,143	9.4%
Total	44,085	100.0%

Source: Bowen National Research, ESRI

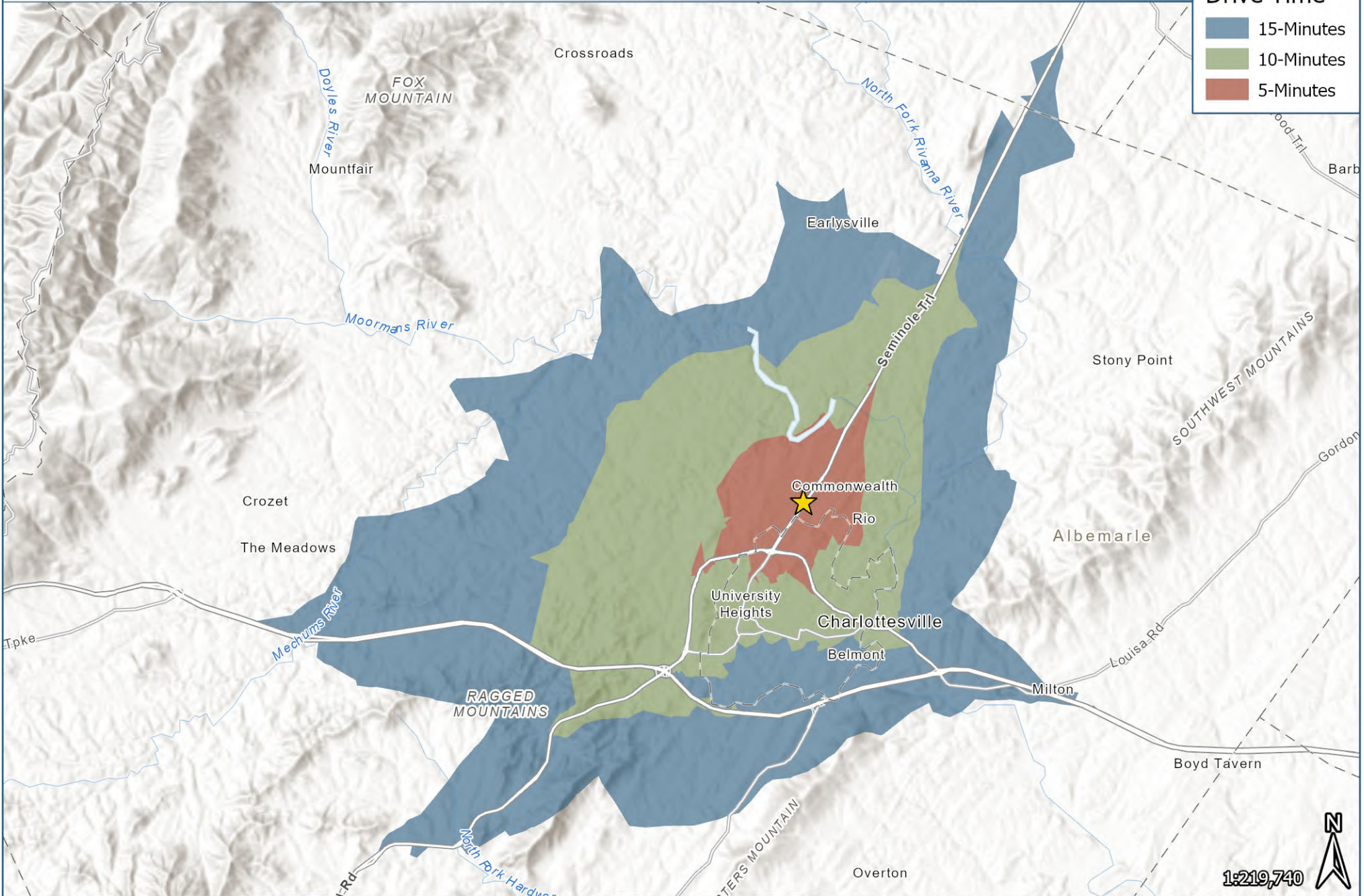
Nearly 64% of all workers drove alone, 9.6% carpooled, and 5.2% used public transportation. Notably, 9.4% of employees worked from home.

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

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	16,881	42.2%
15 – 29 Minutes	16,965	42.4%
30 – 44 Minutes	3,875	9.7%
45 – 59 Minutes	1,221	3.0%
60 + Minutes	1,097	2.7%
Total	40,039	100.0%

Source: Bowen National Research, ESRI

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



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



V. Rental Housing Analysis (Supply)

A. OVERVIEW OF RENTAL HOUSING

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

Housing Status	2010 (Census)		2023 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	31,531	92.2%	36,135	91.8%
Owner-Occupied	13,955	44.3%	16,339	45.2%
Renter-Occupied	17,576	55.7%	19,797	54.8%
Vacant	2,662	7.8%	3,220	8.2%
Total	34,192	100.0%	39,355	100.0%

Source: 2010 Census, ESRI, Bowen National Research

Based on a 2023 update of the 2010 Census, of the 39,355 total housing units in the market, 8.2% were vacant. In 2023, it was estimated that homeowners occupied 45.2% of all occupied housing units, while the remaining 54.8% were occupied by renters. The share of renters is considered typical for an urban market, such as the Charlottesville Site PMA, and the 19,797 renter households estimated in 2023 represent a deep base of potential support for the subject development.

Conventional Apartments

We identified and personally surveyed 22 conventional housing projects containing a total of 4,009 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 92.9%, a relatively stable rate for rental housing. The surveyed rental developments broken out by project type are summarized in the following table:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	12	2,921	261	91.1%
Tax Credit	6	664	24	96.4%
Tax Credit/Government-Subsidized	4	424	0	100.0%
Total	22	4,009	285	92.9%

Each rental housing segment surveyed within the Site PMA is operating at occupancy levels at or above 91.1%. Therefore, there appears to be no significant deficiencies within the Charlottesville rental housing market.

It should also be pointed out that the majority of vacancies (141, or 54.0%) identified among the market-rate projects surveyed are located at 10th & Dairy (Map ID 1). While this property recently opened in January 2022, it is currently operating at an occupancy rate of 21.7%, which yields a very low absorption rate of approximately three units per month. However, according to management, a year after opening, the property experienced higher-than-normal turnover. This is likely due to the fact that this property offers some of the highest one- and two-bedroom rents identified within the Site PMA. Given that all other market-rate developments surveyed are performing well, it can be concluded that the vacancies at this project are likely due to product and/or management deficiencies and not reflective of the overall performance of the Charlottesville market-rate rental housing market.

Also note that all vacancies identified among the Tax Credit projects surveyed are located at Mallside Forest (Map ID 16). According to management, vacancies are attributed to evictions and move outs. It should also be noted that this property experienced significant rent increases of approximately 9.2% annually and currently charges some of the highest Tax Credit rents within the market, which are likely the main contributing factors in this project’s low occupancy rate. Given that all other Tax Credit developments surveyed are fully occupied, it can also be concluded that the overall performance of the Charlottesville affordable rental housing market is performing very well.

Tax Credit Property Disclosure: In addition to the ten properties surveyed that offer Tax Credit units, we identified eight additional properties within the Site PMA that operate, at least partially, under the Low-Income Housing Tax Credit (LIHTC) program that we were unable to survey at the time of this report. The known details of these projects based on previous surveys conducted by Bowen National Research in the Charlottesville area and from our review of the state Tax Credit allocation list are summarized in the following table:

Name	Location	Total Units	Target Population
Carlton Views I-III	1337 Carlton Ave.	150	Family, Disabled; Tax Credit
Crescent Halls	500 1st St. S.	95	Senior; Subsidized Tax Credit
Monticello Vista	1400 Monticello Rd.	50	Family, Senior, Disabled; Tax Credit
Park's Edge	181 Whitewood Rd.	96	Family; Tax Credit
Park View at South Pantops	210 S. Pantops Dr.	90	Senior; Subsidized & Tax Credit
Timberlake Place	1512 E. Market St.	26	Senior; Tax Credit
Virmita Court	800 Rose Hill Dr.	22	Family; Tax Credit
Woods Edge	829 Mallside Forest Ct.	97	Senior; Tax Credit

It is believed that these projects we were unable to survey offer a total of 509 non-subsidized Tax Credit units, which have been considered in our penetration rate estimates illustrated later in Section VII – *Capture Rate* of this report.

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
Studio	1.0	94	3.2%	3	3.2%	\$1,739
One-Bedroom	1.0	938	32.1%	121	12.9%	\$1,742
Two-Bedroom	1.0	395	13.5%	35	8.9%	\$1,422
Two-Bedroom	1.5	290	9.9%	11	3.8%	\$1,793
Two-Bedroom	2.0	775	26.5%	77	9.9%	\$2,139
Two-Bedroom	2.5	11	0.4%	1	9.1%	\$1,856
Three-Bedroom	1.0	29	1.0%	1	3.4%	\$1,602
Three-Bedroom	1.5	68	2.3%	0	0.0%	\$2,180
Three-Bedroom	2.0	256	8.8%	10	3.9%	\$2,607
Three-Bedroom	2.5	27	0.9%	2	7.4%	\$2,205
Three-Bedroom	3.0	10	0.3%	0	0.0%	\$2,390
Three-Bedroom	3.5	28	1.0%	0	0.0%	\$2,944
Total Market-rate		2,921	100.0%	261	8.9%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	76	8.9%	0	0.0%	\$975
One-Bedroom	1.0	152	17.8%	4	2.6%	\$1,083
Two-Bedroom	1.0	137	16.0%	0	0.0%	\$937
Two-Bedroom	1.5	117	13.7%	10	8.5%	\$1,416
Two-Bedroom	2.0	167	19.5%	0	0.0%	\$1,913
Three-Bedroom	1.0	67	7.8%	0	0.0%	\$1,042
Three-Bedroom	1.5	20	2.3%	0	0.0%	\$1,603
Three-Bedroom	2.0	120	14.0%	10	8.3%	\$1,567
Total Tax Credit		856	100.0%	24	2.8%	-

As the preceding table illustrates, the median gross Tax Credit rents are well below the corresponding median gross market-rate rents. As such, Tax Credit product likely represents an excellent value to low-income renters within the Site PMA. This is further evidenced by the combined low vacancy rate of 2.8% among all non-subsidized Tax Credit units surveyed within the market.

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

Year Built	Projects	Units	Vacancy Rate
Before 1970	2	768	3.0%
1970 to 1979	5	864	3.7%
1980 to 1989	0	0	0.0%
1990 to 1999	3	453	7.5%
2000 to 2009	1	72	1.4%
2010 to 2014	5	883	2.8%
2015 to 2018	0	0	0.0%
2019	1	53	7.5%
2020	1	316	1.9%
2021	0	0	0.0%
2022	2	368	43.5%
2023*	0	0	0.0%

*As of January

Excluding the two non-subsidized rental properties built in 2022, vacancy levels are relatively low regardless of year built at or below 7.5%. As such, it can be concluded that there is no significant correlation between vacancies and age within the Charlottesville rental housing market.

One of the newest rental properties surveyed in the market, 29 Central at Stonefield/Towns at Stonefield (Map ID 2), is a 188-unit market-rate rental community that opened in January 2022. According to management, 169 units are occupied, yielding an absorption rate of approximately 14 units per month, a modest rate for market-rate rental housing located in urban markets.

We rated each property surveyed on a scale of "A" through "F". All non-subsidized rental 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	1,322	4.1%
B+	5	1,174	14.9%
B	1	425	7.5%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A	1	139	0.0%
B	5	355	6.8%
B-	2	362	0.0%

Excluding the two market-rate rental communities surveyed with a quality rating of a “B+”, which includes the two properties surveyed built in 2022, vacancy levels are relatively low at or below 7.5%. As such, it can also be concluded that there is no significant correlation between appearance and vacancies within the Charlottesville rental housing market.

Government-Subsidized

We identified and surveyed four rental communities that offer government-subsidized units within the Site PMA. Generally, these properties have few amenities, are older and offer small unit sizes (square feet). The government-subsidized units (all of which operate with Tax Credits) in the Site PMA are summarized as follows:

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
Studio	1.0	30	12.9%	0	0.0%
One-Bedroom	1.0	4	1.7%	0	0.0%
Two-Bedroom	1.0	99	42.7%	0	0.0%
Three-Bedroom	1.0	29	12.5%	0	0.0%
Three-Bedroom	1.5	38	16.4%	0	0.0%
Three-Bedroom	2.0	16	6.9%	0	0.0%
Four-Bedroom	2.5	16	6.9%	0	0.0%
Total Subsidized Tax Credit		232	100.0%	0	0.0%

All subsidized units surveyed are occupied and maintain a waiting list, illustrating that pent-up demand exists for very low-income rental housing within the market. The subject development will be able to accommodate a portion of this unmet demand.

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

B. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Premier Circle PSH will provide 80 studio and one-bedroom units to low-income renters earning up to 50% and 60% of Area Median Household Income (AMHI) under the LIHTC program. Of the 80 units, 25 will operate with a Section 8 subsidy and specifically target homeless individuals, or those who are at-risk of homelessness. The remaining 55 units will be general occupancy (including homeless individuals). As such, we have selected four LIHTC properties within the Site PMA to serve as a baseline of comparison to the proposed subject project. The four LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the Field Survey of Conventional Rentals.

Map I.D.	Project Name	Quality Rating	Nbhd. Rating	Year Built/Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Premier Circle PSH	B+*	B	2025	80	-	-	-	Homeless & Low-Income Single Adults; 50% & 60% AMHI & Section 8
8	Carlton Neighborhood Housing	B	B-	1970 / 2019	37	100.0%	4.8 Miles	26 HH	Families; 40%, 50%, & 60% AMHI
10	Crossings at 4th & Preston	B	B	2012	60	100.0%	3.3 Miles	60 HH	Homeless/Low-Income Single Adults; 50% AMHI & PBV/PBRA
14	Hearthwood	B-	B	1975 / 1997	200	100.0%	1.4 Miles	60 HH	Families; 60% AMHI
17	Mews	B	A	1975 / 2007	40	100.0%	4.5 Miles	26 HH	Families; 50% & 60% AMHI

Nbhd. – Neighborhood
 Occ. – Occupancy
 HH – Households
 *Anticipated quality

The four LIHTC projects have a combined occupancy rate of 100.0%, all of which maintain a waiting list, illustrating that pent-up demand exists for additional affordable rental housing within the Charlottesville Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

Also note that the subject development will be at least 13 years newer than the selected LIHTC developments. This will position the project at a market advantage.

The gross rents for the competing/comparable LIHTC projects and the proposed LIHTC rent 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)			
		Studio	One-Br.	Two-Br.	Three-Br.
Site	Premier Circle PSH	SUB/50% (25) \$917/50% (15) \$1,100/60% (37)	\$1,170/60% (3)	-	-
8	Carlton Neighborhood Housing	\$711/40% (2/0) \$886/50% (1/0) \$961/60% (3/0)	\$633-\$733/40% (8/0) \$908-\$958/50% (6/0) \$1,033-\$1,058/60% (7/0)	\$907-\$982/50% (2/0) \$1,032-\$1,232/60% (8/0)	-
10	Crossings at 4th & Preston	SUB/50% (30/0) \$626/50% (30/0)	-	-	-
14	Hearthwood	\$975/60% (40/0)	\$1,133/60% (42/0)	\$1,393/60% (98/0)	\$1,603/60% (20/0)
17	Mews	-	\$873/50% (16/0) \$1,083/60% (24/0)	-	-

SUB - Subsidized (residents pay 30% of their income, as this is a government-subsidized property, which also operates under the Tax Credit program)

The proposed non-subsidized gross rents at the subject site, ranging between \$917 and \$1,170, will be above those offered at the comparable LIHTC projects surveyed for similar unit types. Given that all comparable LIHTC projects surveyed are fully occupied and maintain a waiting list, illustrates that these projects are likely underachieving their rent potential. Combined with the subject's newness, these factors will enable the subject project to charge higher rents. Overall, the subject's non-subsidized LIHTC rents are considered appropriately positioned for the Charlottesville Site PMA.

Notably, 25 of the subject units will operate with a subsidy, requiring tenants to pay up to 30% of their gross adjusted household income towards housing costs. As such, these units will represent a substantial value to low-income individuals within the market.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
8	Carlton Neighborhood Housing	37	24	64.9%
10	Crossings at 4th & Preston	30*	8	26.7%
14	Hearthwood	200	28	14.0%
17	Mews	40	34	85.0%
Total		307	94	30.6%

*Reflects non-subsidized Tax Credit units

As the preceding table illustrates, there are a total of approximately 94 units that are occupied by Voucher holders among the four comparable LIHTC projects surveyed within the market. The 94 units occupied by Voucher holders comprise 30.6% of these comparable units. This illustrates that over 69.0% of these comparable Tax Credit units are occupied by tenants which are not currently receiving rental assistance. Therefore, the gross rents charged at the aforementioned projects in the market are achievable.

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

Map I.D.	Project Name	Square Footage			
		Studio	One-Br.	Two-Br.	Three-Br.
Site	Premier Circle PSH	364	461	-	-
8	Carlton Neighborhood Housing	475	703 - 900	1,150 - 1,250	-
10	Crossings at 4th & Preston	350	-	-	-
14	Hearthwood	300	689	987	1,185
17	Mews	-	723	-	-

Map I.D.	Project Name	Number of Baths			
		Studio	One-Br.	Two-Br.	Three-Br.
Site	Premier Circle PSH	1.0	1.0	-	-
8	Carlton Neighborhood Housing	1.0	1.0	1.0	-
10	Crossings at 4th & Preston	1.0	-	-	-
14	Hearthwood	1.0	1.0	1.0 - 1.5	1.5
17	Mews	-	1.0	-	-

While the subject’s studio units will be competitively positioned compared to those offered at the selected LIHTC projects in terms of unit size (square feet), the subject project will offer notably smaller one-bedroom units. While this will position these specific units at a competitive disadvantage, it is important to keep in mind that the subject project will only offer three (3) one-bedroom units. Therefore, this inferior characteristic is not anticipated to have a significant impact on the subject’s marketability.

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

Tax Credit Unit Amenities by Map ID					
	Site*	8	10	14	17
Appliances	Dishwasher	X		S	X
	Disposal			S	
	Microwave				
	Range	X	X	X	X
	Refrigerator	X	X	X	X
	W/D Hookup			S	
	W/D				
	No Appliances				
Unit Amenities	AC-Central		X	S	X
	AC-Other	X		S	
	Balcony/ Patio/ Sunroom				
	Basement				
	Ceiling Fan		X		
	Controlled Access	X		X	
	E-Call System				
	Furnished	X		S	
	Walk-In Closet			S	
	Window Treatments	X	X	X	X
			X		X
Flooring	Carpet		X	X	X
	Ceramic Tile				
	Hardwood				
	Finished Concrete				
	Composite/Vinyl/Laminate	X	X	X	X
Upgraded	Premium Appliances				
	Premium Countertops		X		
	Premium Cabinetry		X		
	Premium Fixtures				
	High/Vaulted Ceilings				
	Oversized Windows				
Parking	Attached Garage				
	Detached Garage				
	Street Parking				
	Surface Lot	X	X	X	X
	Carport				
	Property Parking Garage				
	No Provided Parking				

◆ - Senior Property

* Proposed Site(s): Premier Circle - PSH

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*	8	10	14	17
	Bike Racks / Storage	X	X		
	Computer/Business Center	X	X		
	Car Care **				
	Community Garden	X	X		
Community	Multipurpose Room	X	X		
	Chapel				
	Community Kitchen	X	X		
	Dining Room - Private				
	Dining Room - Public				
	Rooftop Terrace				
	Concierge Service **				
	Convenience Amenities **				
	Covered Outdoor Area **				
	Elevator	X	X		
	Laundry Room	X	X	X	X
	On-Site Management	X	X	X	X
	Pet Care **				
	Recreation	Basketball			
Bocce Ball					
Firepit					
Fitness Center		X	X		
Grilling Area			X	X	
Game Room - Billiards					
Walking Path					
Hot Tub					
Library					
Media Room / Theater					
Playground				X	
Putting Green					
Racquetball					
Shuffleboard					
Swimming Pool - Indoor					
Swimming Pool - Outdoor				X	
Tennis					
Volleyball					
Security	CCTV	X	X		
	Courtesy Officer				
	Security Gate		X		
	Social Services **	X	X		
	Storage - Extra		X		
	Common Space WiFi	X			

◆ - Senior Property

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

* Proposed Site(s): Premier Circle - PSH

** Details in Comparable Property Profile Report

The subject development will offer furnished units with basic kitchens appliances, wall-unit air conditioning, and secure intercom entry. Further, the project amenities to be included at the subject development will include on-site management, laundry facilities, a community room, community garden, computer center, fitness center and a supportive services package, which will cater to the needs of the targeted homeless population. These amenities are considered to be very competitive with those offered at the comparable LIHTC projects in the market. The subject project does not appear to be lacking any key amenities which would impede it from operating as a Tax Credit development.

Comparable Tax Credit Summary

Based on our analysis of the rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing LIHTC properties within the market, it is our opinion that the proposed subject development will be competitive. The presence of the Section 8 subsidy will ensure the property is affordable to the homeless population targeted at the site and the amenity package is designed to be supportive as well.

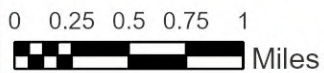
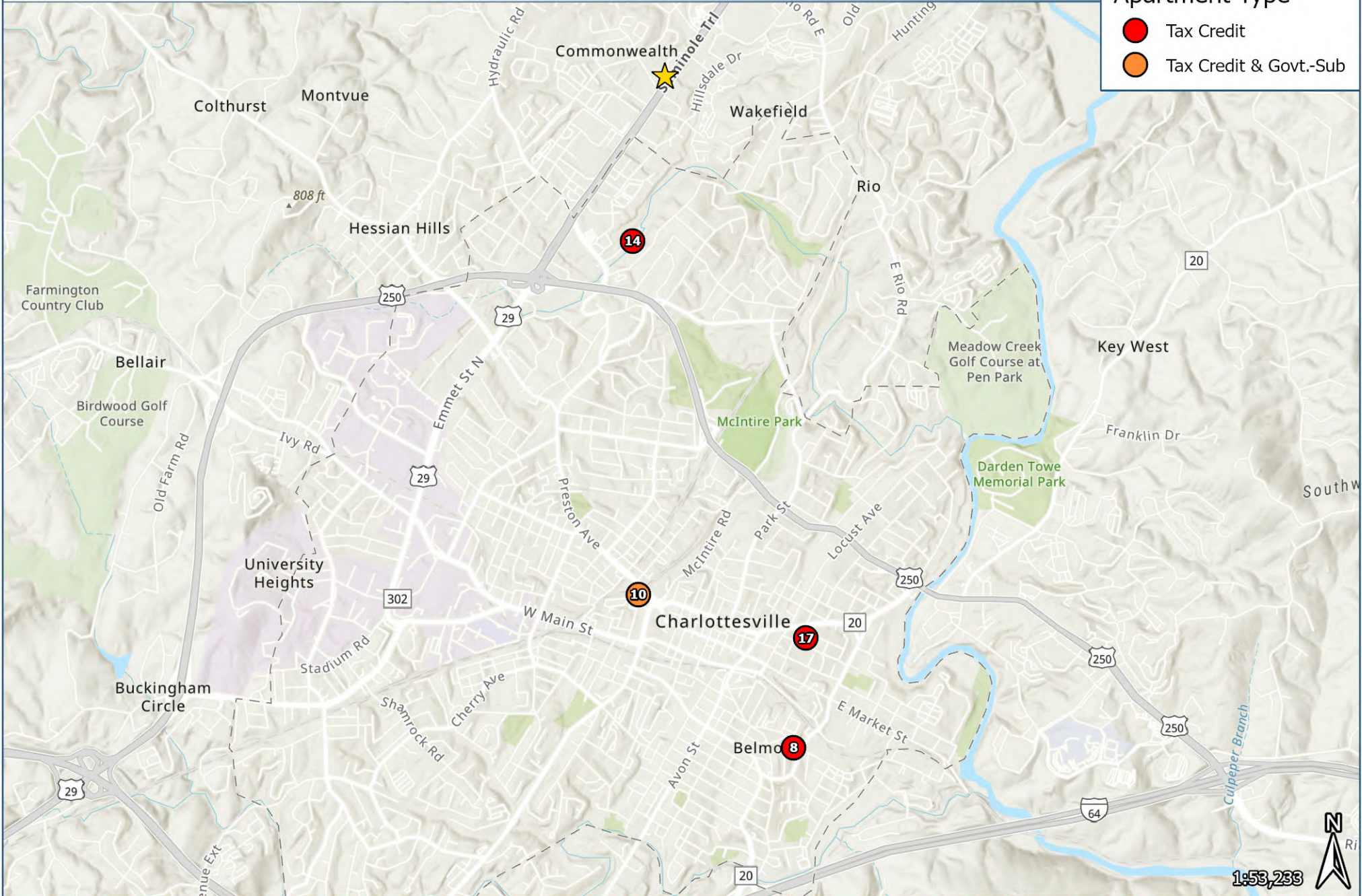
A map depicting the location of the most comparable LIHTC properties is included on the following page.

★ Site

Apartment Type

● Tax Credit

● Tax Credit & Govt.-Sub



C. PLANNED MULTIFAMILY DEVELOPMENT

Based on interviews with local planning/building representatives who responded to our inquiries, extensive online research and the observations of our analyst while in the field, it was determined that there are several rental projects currently in the development pipeline within the Site PMA, which are summarized in the following table

Project Name & Address	Type	Units	Developer	Status/Details
Altoview 310 Fisher St., Charlottesville	Market-rate	250	Castle Development Partners	Under Construction: One-, two- & three-bedroom units; Amenities will include a pool, dog park, grilling area, fitness center, and clubhouse; Pre-leasing for March 2023
Friendship Court Redevelopment Phase I 418 Garrett Ave., Charlottesville	Tax Credit	106	Piedmont Housing Alliance	Under Construction: First of four phases; New apartment buildings on existing Section 8 property; Two-, three- & four-bedroom units; Allocated Tax Credits in 2021; Project broke ground early 2022; ECD end of 2023
Sixth Street Phase I 707 6th St. SE, Charlottesville	Tax Credit	47	Riverbend Development/ Charlottesville Redevelopment and Housing Authority	Under Construction: Allocated Tax Credits in 2022; ECD 2023
South First Street Revitalization Phase I 1050 1st St. S., Charlottesville	Tax Credit/ Subsidized	62	Charlottesville Redevelopment and Housing Authority	Under Construction: One-, two-, & three-bedroom units; Rents will target 40% to 60% AMHI; 37 units will be subsidized through Section 8; Construction began fall 2021; Two of three buildings completed as of late January 2023
South First Street Revitalization Phase II 900 1st St. S., Charlottesville	Tax Credit/ Subsidized	113	Charlottesville Redevelopment and Housing Authority	Planned: Demolition of 58 Public Housing units and construction of new units in two phases (A and B); 19 one-, 38 two-, 26 three-, 15 four- & 15 five-bedroom units; 12 units at 30% AMHI, 45 units at 50% AMHI, & 56 units at 60% AMHI; 38 units will be subsidized through Section 8; ECD up to 24 months after construction start; Project awarded city funding in April 2022; Construction to begin mid 2022 but no demolition underway as of late January 2023
RST Residences U.S. 29 & Ashwood Blvd., Charlottesville	Market-rate/ Affordable	254	RST Development	Planned: Apartments and 108 for-sale townhomes; 190 rental units will be designated affordable; Plans approved fall 2021
Rio Point John W. Warner Pkwy. & Rio Rd., Charlottesville	Market-rate/ Affordable	328	Stony Point Design Build	Planned: Approximately 15% of units will be designated affordable at 80% AMHI; Plans approved late 2021
2005 Jefferson Park Ave., Charlottesville	Market-rate	119	Aspen Heights	Planned: One-, two-, three- & four-bedroom units; Plans approved fall 2022
Southwood Apartments A Interstate 64 along Old Lynchburg Rd., Charlottesville	Tax Credit/ Subsidized	70	Piedmont Housing Alliance	Planned: One-, two- & three-bedroom units; Rents will target between 30% and 60% AMHI; Eight units will be Section 8; Six units will be PSH; Allocated Tax Credits in 2021
Southwood Apartments B Interstate 64 along Old Lynchburg Rd., Charlottesville	Tax Credit	51	Piedmont Housing Alliance	Proposed: Rents will target 60% AMHI; Four units will be PSH
Friendship Court Redevelopment Phase II 418 Garrett Ave., Charlottesville	Tax Credit/ Subsidized	106	Piedmont Housing Alliance	Proposed: Second of four phases; Demolition of 46 subsidized units and construction of new units; Six units will be for-sale; Remaining units will include 54 Section 8 units and 46 Tax Credit units renting between 30% & 80% AMHI
Friendship Court Redevelopment Phase III 418 Garrett Ave., Charlottesville	Tax Credit/ Subsidized	N/A	Piedmont Housing Alliance	Proposed: Third of four phases

ECD – Expected Completion Date
PSH – Permanent Supportive Housing
N/A – Not Available

(Continued)

Project Name & Address	Type	Units	Developer	Status/Details
Friendship Court Redevelopment Phase IV 418 Garrett Ave., Charlottesville	Tax Credit/ Subsidized	N/A	Piedmont Housing Alliance	Proposed: Final of four phases
Park Street Christian Church Development 1200 Park St., Charlottesville	Affordable/ Senior	50	Piedmont Housing Alliance	Proposed: Apartments to be constructed behind church; Rezoning approved January 2022
Park St. & Macaa Dr., Charlottesville	Market-rate	65	Piedmont Housing Alliance/Habitat for Humanity	Proposed: Mixed-use, including single-family homes, townhomes, apartments, & commercial space; Rezoning approved January 2022
Between Caroline Ave. & the Rivanna River, Charlottesville	Market-rate	245	Selwyn Property Group/Southeast Apartment Investors/Seven Development	Proposed: 25 studio, 135 one- & 85 two-bedroom units; Revised site plans submitted January 2023
Seminole Square Shopping Center Redevelopment 200 Zan Rd., Charlottesville	Market-rate/ Affordable	352	Great Eastern Management Company	Proposed: Mixed-use redevelopment of portion of Seminole Square Shopping Center; One- & two-bedrooms; 5% of units will be designated affordable; Plans submitted for review spring 2022
Old Ivy Residences U.S 250 & Old Ivy Rd., Charlottesville	Market-rate/ Affordable	324	Greystar	Proposed: Residential development includes apartments, townhouses, duplexes & single-family homes; Developer submitted new proffers for rezoning in August 2022
Ivy Garden Redevelopment 100 Ivy Dr., Charlottesville	Market-rate	718	University of Virginia	Proposed: Multi-phase redevelopment of existing property with new construction apartments and academic/commercial space; Master plan approved June 2021

N/A – Not Available

As none of the aforementioned rental communities within the development pipeline in the market that have been *approved* are expected to offer a similar unit type or target a similar demographic as the site, they will have no tangible impact on the subject’s marketability.

D. ANTICIPATED IMPACT ON EXISTING TAX CREDIT PROPERTIES

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

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2025
8	Carlton Neighborhood Housing	100.0%	95.0%+
10	Crossings at 4th & Preston	100.0%	95.0%+
14	Hearthwood	100.0%	95.0%+
17	Mews	100.0%	95.0%+

The combined LIHTC occupancy rate of the four most comparable LIHTC projects in the market is 100.0%, all of which maintain a waiting list. Additionally, while all of the aforementioned developments were selected as comparable, only one will directly compete with the subject development, Crossing at 4th & Preston (Map ID 10), as it targets a similar income demographic as the site. As such, it is not anticipated that the subject development will have any tangible impact on the marketability of existing LIHTC product within the Charlottesville Site PMA.

E. BUY VERSUS RENT ANALYSIS

According to ESRI, the median home value in the Site PMA was \$379,231. At an estimated interest rate of 5.89% and a 30-year term (and 95% LTV), the monthly mortgage for a \$379,231 home is \$2,668, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price – ESRI	\$379,231
Mortgaged Value = 95% Of Median Home Price	\$360,269
Interest Rate – Bankrate.Com	5.89%
Term	30
Monthly Principal & Interest	\$2,135
Estimated Taxes & Insurance*	\$534
Estimated Monthly Mortgage Payment:	\$2,668

*Estimated at 25% of principal and interest.

In comparison, the collected Tax Credit rent at the subject property is well below the cost of a monthly mortgage for a typical home in the area. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

VI. Achievable Market Rent Analysis

A. INTRODUCTION

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

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

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

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

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

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

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

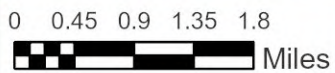
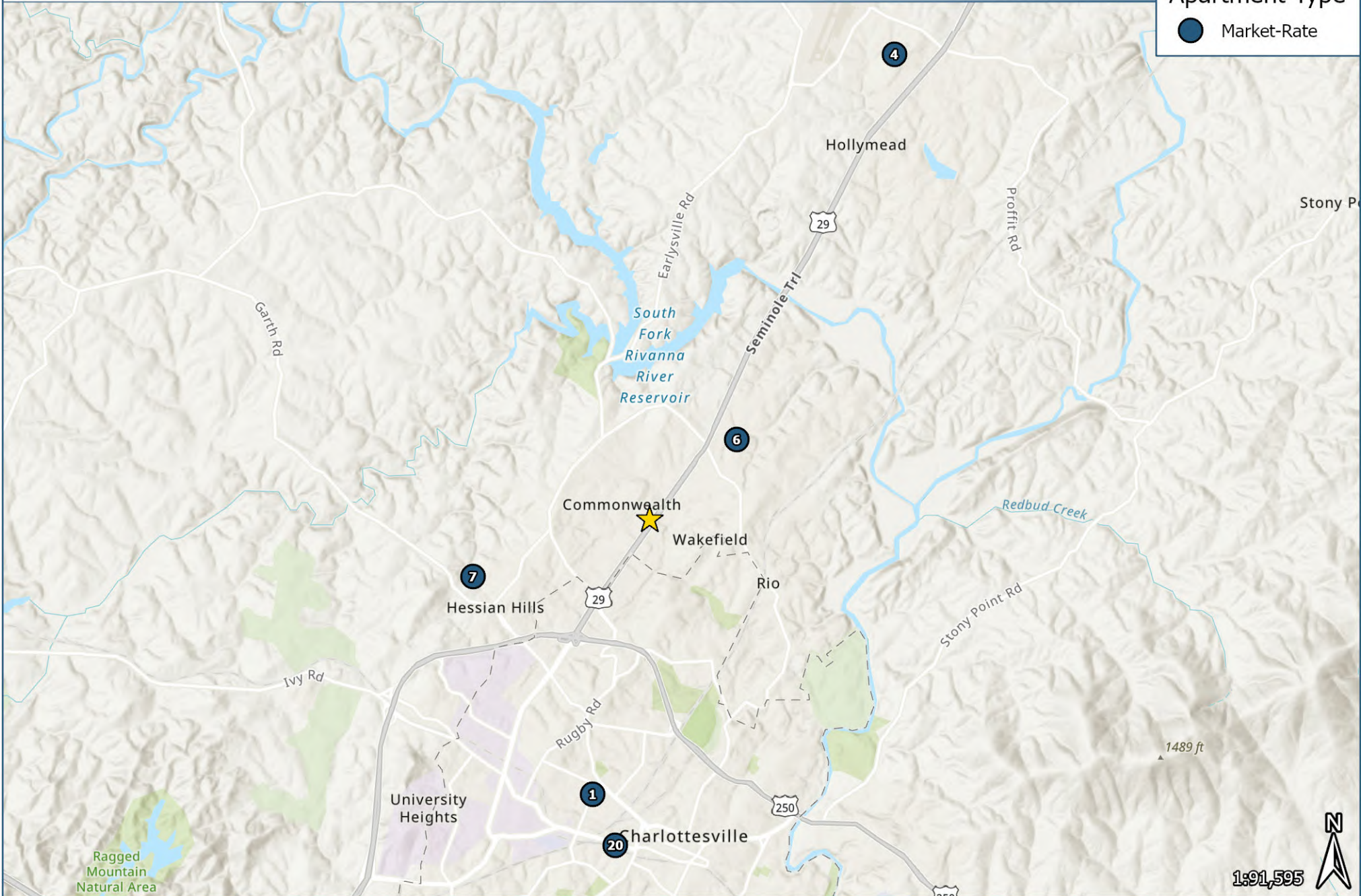
Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					Studio	One-Br.	Two-Br.	Three-Br.
Site	Premier Circle PSH	2025	80	-	77 (-)	3 (-)	-	-
1	10th & Dairy	2022	180	21.7%	4 (100.0%)	115 (21.7%)	61 (16.4%)	-
4	Abington Place	2009	72	98.6%	30 (100.0%)	42 (97.6%)	-	-
6	Arden Place	2012	212	98.1%	14 (100.0%)	76 (96.1%)	112 (99.1%)	10 (100.0%)
7	Barracks West	1969 / 2005	300	93.0%	6 (83.3%)	31 (93.5%)	221 (93.2%)	42 (92.9%)
20	Six Hundred West Main	2019	53	92.5%	10 (90.0%)	20 (95.0%)	20 (90.0%)	3 (100.0%)

Occ. – Occupancy

All but one of the selected market-rate developments are operating at relatively stable occupancy levels at or above 92.5%, illustrating that they have been well received within the market and will serve as accurate benchmarks with which to compare the subject project.

As noted earlier in this report, the high number of vacant units at 10th & Dairy (Map ID 1) is attributed to higher-than-normal turnover a year after opening, according to property management. This is likely due to the fact that this property offers some of the highest one- and two-bedroom rents identified within the Site PMA. However, the studio units at this property are all occupied, and this development was selected for comparability purposes for this reason.

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 →

STUDIO

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Premier Circle PSH		10th & Dairy		Abington Place		Arden Place		Barracks West		Six Hundred West Main	
405 Premier Circle		400 10th St NW		1439 Timberwood Blvd		1810 Arden Creek		255 Saponi Ln		600 W Main St	
Charlottesville, VA		Charlottesville, VA		Charlottesville, VA		Charlottesville, VA		Charlottesville, VA		Charlottesville, VA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,475		\$1,100		\$1,650		\$1,100		\$1,450	
2	Date Surveyed	Feb-23		Feb-23		Jan-23		Jan-23		Jan-23	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		83%		90%	
5	Effective Rent & Rent/ sq. ft	\$1,475	2.84	\$1,100	1.87	\$1,650	2.80	\$1,100	2.40	\$1,450	3.36
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/4		EE/3		WU/3,4		WU/1,2		EE/6	
7	Yr. Built/Yr. Renovated	2025	\$3	2009	\$16	2012	\$13	1969/2005	\$38	2019	\$6
8	Condition/Street Appeal	E	\$15	G	\$15	E		G	\$15	E	
9	Neighborhood	G		E	(\$10)	E	(\$10)	G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	STUDIO		STUDIO		STUDIO		STUDIO		STUDIO	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	364	(\$102)	588	(\$147)	589	(\$147)	459	(\$62)	432	(\$45)
14	Patio/Balcony/Sunroom	N		Y	(\$5)	N		Y	(\$5)	N	
15	AC: Central/Wall	W	(\$5)	C	(\$5)	C	(\$5)	C	(\$5)	C	(\$5)
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	N/Y		Y/Y	(\$5)
18	Washer/Dryer	L	(\$35)	W/D	(\$35)	W/D	(\$35)	L		W/D	(\$35)
19	Floor Coverings	V		W		C/T/V		C/W/V		V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	Y		Y		Y		N	\$3	Y	
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fan/Storage	N/N	(\$5)	Y/N	(\$5)	N/N	(\$5)	Y/N	(\$5)	Y/N	(\$5)
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0	(\$30)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$125	\$10
25	On-Site Management	Y		Y		Y		Y		N	\$5
26	Security Features	Y		Y		Y		Y		N	\$5
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	F/G	(\$10)	F	\$3	P/F/S/MT	(\$13)	P/F	(\$7)	G	\$5
29	Business/Computer Center	Y		N	\$3	N	\$3	N	\$3	N	\$3
30	Grilling Area	N	(\$3)	N		Y	(\$3)	Y	(\$3)	N	
31	Playground	N		N		Y	(\$3)	Y	(\$3)	N	
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	Y/E	\$24	N/E	\$24	N/E	\$24	N/G	\$8	N/E	\$24
34	Cooling (in rent?/ type)	Y/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	Y/E	\$4	N/E	\$4	N/E	\$4	N/G	\$2	N/E	\$4
36	Hot Water (in rent?/ type)	Y/E	\$12	N/E	\$12	N/E	\$12	N/G	\$3	N/E	\$12
37	Other Electric	Y	\$21	N	\$21	N	\$21	N	\$21	N	\$21
38	Cold Water/Sewer	Y/Y	\$43	N/N	\$43	N/N	\$43	N/N	\$43	N/N	\$43
39	Trash/Recycling	Y/N		Y/N		N/N	\$14	Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	3	9	5	7	3	10	5	8	7	6
41	Sum Adjustments B to D	\$28	(\$200)	\$47	(\$212)	\$26	(\$231)	\$69	(\$95)	\$44	(\$100)
42	Sum Utility Adjustments	\$104		\$61		\$118		\$77		\$104	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$68)	\$332	(\$104)	\$320	(\$87)	\$375	\$51	\$241	\$48	\$248
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,407		\$996		\$1,563		\$1,151		\$1,498	
45	Adj Rent/Last rent		95%		91%		95%		105%		103%
46	Estimated Market Rent	\$1,225	\$3.37 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **ONE-BEDROOM**

	Subject	Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
	Premier Circle PSH	10th & Dairy		Abington Place		Arden Place		Barracks West		Six Hundred West Main	
	405 Premier Circle	400 10th St NW		1439 Timberwood Blvd		1810 Arden Creek		255 Saponi Ln		600 W Main St	
	Charlottesville, VA	Charlottesville, VA		Charlottesville, VA		Charlottesville, VA		Charlottesville, VA		Charlottesville, VA	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,475		\$1,100		\$1,650		\$1,100		\$1,450	
2	Date Surveyed	Feb-23		Feb-23		Jan-23		Jan-23		Jan-23	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		83%		90%	
5	Effective Rent & Rent/ sq. ft	\$1,475	2.84	\$1,100	1.87	\$1,650	2.80	\$1,100	2.40	\$1,450	3.36
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/4		EE/3		WU/3,4		WU/1,2		EE/6	
7	Yr. Built/Yr. Renovated	2025	\$3	2009	\$16	2012	\$13	1969/2005	\$38	2019	\$6
8	Condition/Street Appeal	E	\$15	G	\$15	E		G	\$15	E	
9	Neighborhood	G		E	(\$10)	E	(\$10)	G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	461	(\$39)	588	(\$83)	589	(\$84)	459	\$1	432	\$19
14	Patio/Balcony/Sunroom	N		Y	(\$5)	N		Y	(\$5)	N	
15	AC: Central/Wall	W	(\$5)	C	(\$5)	C	(\$5)	C	(\$5)	C	(\$5)
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	N/Y		Y/Y	(\$5)
18	Washer/Dryer	L	(\$35)	W/D	(\$35)	W/D	(\$35)	L		W/D	(\$35)
19	Floor Coverings	V		W		C/T/V		C/W/V		V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	Y		Y		Y		N	\$3	Y	
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fan/Storage	N/N	(\$5)	N/N		Y/N	(\$5)	Y/N	(\$5)	Y/N	(\$5)
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0	(\$30)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$125	\$10
25	On-Site Management	Y		Y		Y		Y		N	\$5
26	Security Features	Y		Y		Y		Y		N	\$5
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	F/G	(\$10)	F	\$3	P/F/S/MT	(\$13)	P/F	(\$7)	G	\$5
29	Business/Computer Center	Y		N	\$3	N	\$3	N	\$3	N	\$3
30	Grilling Area	N	(\$3)	N		Y	(\$3)	Y	(\$3)	N	
31	Playground	N		N		Y	(\$3)	Y	(\$3)	N	
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	Y/E	\$34	N/E	\$34	N/E	\$34	N/G	\$12	N/E	\$34
34	Cooling (in rent?/ type)	Y/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	Y/E	\$5	N/E	\$5	N/E	\$5	N/G	\$2	N/E	\$5
36	Hot Water (in rent?/ type)	Y/E	\$16	N/E	\$16	N/E	\$16	N/G	\$4	N/E	\$16
37	Other Electric	Y	\$28	N	\$28	N	\$28	N	\$28	N	\$28
38	Cold Water/Sewer	Y/Y	\$60	Y/Y		N/N	\$60	N/N	\$60	N/N	\$60
39	Trash/Recycling	Y/N		Y/N		N/N	\$14	Y/N		Y/N	
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	4	9	6	7	4	10	7	7	9	5
41	Sum Adjustments B to D	\$78	(\$137)	\$97	(\$148)	\$76	(\$168)	\$120	(\$33)	\$113	(\$55)
42	Sum Utility Adjustments	\$143		\$83		\$157		\$106		\$143	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$84	\$358	\$32	\$328	\$65	\$401	\$193	\$259	\$201	\$311
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,559		\$1,132		\$1,715		\$1,293		\$1,651	
45	Adj Rent/Last rent		106%		103%		104%		118%		114%
46	Estimated Market Rent	\$1,315	\$2.85 ←	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 studio rent. Each property was considered and weighed based upon its proximity to the subject site and its amenities and unit layout compared to the subject site.

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

Bedroom Type	Proposed Collected LIHTC Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
Studio	\$917 (50%)	\$1,225	25.1%
	\$1,100 (60%)		10.2%
One-Br.	\$1,170 (60%)	\$1,315	11.0%

Typically, Tax Credit units targeting up to 60% of AMHI should represent approximately a 10.0% market rent advantage, while units targeting up to 50% of AMHI should represent a rent advantage of around 20.0%. As such, the proposed subject Tax Credit rents will likely be perceived as good values within the market, as they represent market rent advantages of at least 10.2%.

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 1969 and 2022; however, one was extensively renovated in 2005. 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.

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

9. Two of the selected properties are located in neighborhoods considered more desirable than that of the subject site. As such, we have applied negative adjustments to the selected properties to reflect the differences in neighborhoods.
11. While all of the comparable properties offer one-bedroom units, we have *conservatively* utilized the studio units offered to determine the subject's achievable one-bedroom market rent, as the site's one-bedroom unit size (square feet) is more comparable to a studio unit.
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 inferior to those offered at the selected properties. We have made adjustments for features lacking at the subject project.
- 24.-32. The proposed project will offer a comprehensive project amenities package. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

VII. Capture Rate Analysis

The subject project will be developed using financing from the Low-Income Housing Tax Credit (LIHTC) program. It will also offer a Section 8 subsidy with 25 of the 80 units, requiring tenants to pay no more than 30% of their income towards gross rent. Because the project will target the homeless population, the traditional method of calculating the capture rate of income-qualified renter households using U.S. Census data is not necessarily an accurate measure of the depth of support for the proposed development. As a result, we have calculated two sets of demand. First, we calculated the traditional capture rate of the project following Virginia Housing market study requirements. This approach evaluates the number of income-qualified renter households in the market, regardless if they meet the criteria of being designated as “homeless.” We then calculated the capture rate of the project that considers only homeless individuals based on Point-in-Time survey data.

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 subject project’s potential.

Under the 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 Charlottesville, Virginia Metropolitan Statistical Area (MSA), which has a median four-person household income of \$111,200 for 2022. The subject property will be restricted to households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and AMHI level:

Household Size	Targeted AMHI Maximum Allowable Income	
	50%	60%
One-Person	\$36,700	\$44,040
Two-Person	\$41,950	\$50,340
Three-Person	\$47,200	\$56,640
Four-Person	\$52,400	\$62,880
Five-Person	\$56,600	\$67,920

1. Maximum Income Limits

While the largest bedroom type to be offered at the site (one-bedroom) will be able to accommodate up to two-person households, given that the one-bedroom unit size (square feet) is more reflective of a studio unit and the fact that the subject development will only offer three (3) one-bedroom units, we have *conservatively* utilized the maximum allowable income for a one-person household of **\$44,040** in determining demand for the subject development.

2. Minimum Income Requirements

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

The proposed LIHTC units will have a lowest gross rent of \$917. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$11,004. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement of **\$31,440**.

However, the subject project will also partially operate with a Section 8 subsidy. Therefore, some tenants will only be required to pay up to 30% of their adjusted gross income towards housing costs. As such, the project will effectively target households with as little as no income (\$0).

3. Income-Appropriate Range

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

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit/Section 8 (Limited to 50% of AMHI)	\$0	\$36,700
Tax Credit (Limited to 50% of AMHI)	\$31,440	\$36,700
Tax Credit (Limited to 60% of AMHI)	\$37,714	\$44,040
Overall	\$0	\$44,040

B. CAPTURE RATE CALCULATIONS

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

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

1. **Demand from New Renter Households:** *Determine new units in the PMA based on projected rental household growth. The projected household base **must be** limited to the target group, age and income appropriate. Demand for each target group must be shown separately.*

As nearly all subject units (77, or 96.3%) will be comprised of studio apartments, we have only considered one-person household sizes in calculating demand. This was done so in order to avoid overestimating 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) **Over-burdened** *is defined by Virginia Housing as households paying more than 35% of gross income (40% if elderly) for gross rent. Analysts are encouraged to be conservative.*

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25074), 59.4% of renters within the subject's targeted income band in the market are considered to be cost-burdened.

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

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25016), approximately 3.0% of all households within the market are living in substandard housing. Considering the targeted low-income tenant base, this estimate is considered appropriate for the area.

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

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

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

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

C. DEMAND/CAPTURE RATE CALCULATIONS

As illustrated earlier in Section V of this report, there were no available studio units at the comparable LIHTC developments within the market. Therefore, no existing units have been accounted for in the following demand analysis. In addition, there were no general-occupancy LIHTC projects that have received financing within the pipeline that will offer studio units.

The following table is a summary of our demand calculations:

Demand Component	Percent of Median Household Income				
	Section 8 (\$0-\$36,700)	50% AMHI (\$31,440-\$36,700)	60% AMHI (\$37,714-\$44,040)	Overall (\$0-\$44,040*)	LIHTC Only (\$31,440-\$44,040*)
Demand from New Rental Households (Size** - And Income-Appropriate)	3,869 - 4,040 = -171	424 - 426 = -2	519 - 520 = -1	4,388 - 4,560 = -172	943 - 946 = -3
+					
Demand from Existing Households (Rent Overburdened)	4,040 X 59.4% = 2,400	426 X 59.4% = 253	520 X 59.4% = 309	4,560 X 59.4% = 2,709	946 X 59.4% = 562
+					
Demand from Existing Households (Renters in Substandard Housing)	4,040 X 3.0% = 121	426 X 3.0% = 13	520 X 3.0% = 16	4,560 X 3.0% = 137	946 X 3.0% = 29
+					
Demand from Existing Households (Elderly Homeowner Conversion)	N/A				
+					
Demand from Existing Households (Existing Qualifying Tenants Likely to Remain After Renovations)	0	0	0	0	0
=					
Total Demand	2,350	264	324	2,674	588
-					
Supply (Directly Comparable Vacant Units Completed or in The Pipeline)	0	0	0	0	0
=					
Net Demand	2,350	264	324	2,674	588
Proposed Units	25	15	40	80	80
Proposed Units / Net Demand	25 / 2,350	15 / 264	40 / 324	80 / 2,674	80 / 588
Capture Rate	= 1.1%	= 5.7%	= 12.3%	= 3.0%	= 13.6%
Total Absorption Period	2 Months	< 2 Months	4 Months	8 Months	9 to 10 Months

*Excludes renters earning between \$36,700 and \$37,714 due to the income gap that exists between targeted income levels

**Solely considers one-person households

N/A-Not Applicable

Typically, utilizing the demand methodology illustrated above, capture rates of up to 30.0% are considered acceptable for projects located in urban markets, such as the Charlottesville Site PMA. If targeting a general-occupancy population, the 80 studio units would require an overall capture rate of 3.0%, assuming the subsidy is offered on select units as proposed and is considered very low and achievable. If the subsidy was not offered and the project operated solely under LIHTC program guidelines, it would require a 13.6% capture rate, which is also considered low and achievable.

Homeless Capture Rate

Of the 80 total units at the subject project, 25 will specifically target homeless, formerly homeless and at-risk of being homeless individuals.

Traditional demand calculations, including those required by Virginia Housing, essentially consider demand components such as renter household growth, renters living in substandard housing (i.e. overcrowded housing or housing lacking complete plumbing facilities) and rent overburdened households. These demand components are to be calculated based on income eligibility. Since specific data of homeless households by income level is not available through the U.S. Census, we have used state and local Point-in-Time homeless surveys and other data collection processes to attempt to quantify the number of homeless individuals who may respond to the proposed subject development. The following summarizes data that has been considered in our homeless renter household demand estimates:

- The VA-504 Charlottesville Continuum of Care (CoC) conducted a Point-in-Time survey of homeless individuals in the CoC. The most recent Point-in-Time survey, completed in late January 2022, identified 266 persons as homeless. It is important to note that this is a conservative count, as not all homeless individuals are identified within the 24-hour survey period.
- Of the 266 total homeless persons identified within the CoC, 236 (88.7%) were identified as homeless persons without children. As the subject development will provide studio units which will primarily house one-person households, these 236 homeless persons without children likely represent the primary group of potential tenants at the subject development.

As the proposed subject development will also target individuals that are at-risk of becoming homeless, we must also consider this portion of the targeted demographic. Therefore, we have calculated a second homeless household capture rate that includes the number of homeless individuals from the aforementioned Point-in-Time surveys (236 without children) combined with the number of individuals considered to be at-risk of becoming homeless. It is reasonable to conclude that households with incomes below the poverty line will be the most at-risk of becoming homeless. According to Table S1701 (American Community Survey 2017-2021 5-year estimates) there were an estimated 8,315 individuals age 18 or older within the city of Charlottesville that had incomes below the poverty line. This figure accounts for 18.9% of the entire population within the city of Charlottesville. Applying the 18.9% ratio to the projected population in 2025 within the Site PMA yields approximately 17,044 persons considered to be at-risk of homelessness. Assuming no more than 1.0% (170) of the at-risk population actually becomes homeless within a given year, we have applied these persons to the potential demand numbers.

Based on the preceding analysis, we have provided two homeless household capture rates, the first considers Point-in-Time survey data only, while the second considers Point-in-Time and at-risk of homelessness data combined. Calculations for each capture rate are summarized as follows:

	Homeless Capture Rates	
	Scenario One	Scenario Two
	Point-in-Time Homeless Survey	Point-in-Time and At-Risk of Homelessness
Designated Units	25	25
Eligible Persons (Age 18+)	/ 236*	/ 406
Capture Rate	= 10.6%	= 6.2%

*Homeless persons without children, collected from 2022 Point-in-Time survey.

Considering the nature of homelessness, capture rates up to and even beyond 100% are considered achievable. Therefore, the capture rates of 6.2% and 10.6% provided above are considered to be low and illustrate the demand for such housing.

D. PENETRATION RATE CALCULATIONS

The 1,680 existing and planned non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned Tax Credit units is \$21,463 to \$67,920. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, there will be a projected 7,222 renter households with eligible incomes in 2025. The 1,680 existing and planned non-subsidized Tax Credit units, along with the 80 proposed subject units, represent a penetration rate of 24.4% of the 7,222 income-eligible renter households, which is summarized in the following table:

	Market Penetration
Number of LIHTC Units (Planned and Existing)	1,760
Income-Eligible Renter Households – 2025	/ 7,222
Overall Market Penetration Rate	= 24.4%

It is our opinion that the 24.4% penetration rate for the LIHTC units, existing, planned and proposed subject, is achievable. This is especially true, considering that all but one of the non-subsidized LIHTC rental communities surveyed are fully occupied, the majority of which maintain a waiting list.

E. SUPPORT FROM HOUSING CHOICE VOUCHER HOLDERS

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

If the rents do not exceed the payment standards established by the local housing authority, households with Housing Choice Vouchers may be willing to reside at a LIHTC project. Established by the Charlottesville Redevelopment and Housing Authority, the local payment standards for a studio and one-bedroom unit, as well as the proposed subject gross LIHTC rents, are summarized in the following table:

Bedroom Type	2022 Payment Standard	Proposed Tax Credit Gross Rent (AMHI)
Studio	\$1,228	\$917 (50%) \$1,100 (60%)
One-Br.	\$1,275	\$1,170 (60%)

As the preceding table illustrates, the proposed LIHTC gross rents are below the local payment standards for a studio and one-bedroom unit. As such, the subject project will be able to rely on support from Housing Choice Voucher holders within its 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 other projects with similar characteristics in other markets, we are able to establish absorption projections for the proposed subject development. Note this absorption projection assumes the subject development is developed as proposed with a Section 8 subsidy on 25 of the subject units. As such, it is our opinion that the 80 LIHTC and government-subsidized units at the subject site will reach a stabilized occupancy of 95.0% within less than eight months of opening. This absorption period is based on an average absorption rate of approximately ten units per month.

These absorption projections assume the project will be built as outlined in this report. Changes to the project’s rents, amenities, floor plans 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.

VIII. Local Perspective (Interviews)

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

- Chris Engel, Director of Economic Development for the City of Charlottesville, stated that there is a persistent need for supportive housing for the homeless in Charlottesville. According to Mr. Engel, the continuing rise of housing costs contributes to the need for this type of housing, and homelessness will not be able to be addressed in the community without specific intervention. This reflects the need for permanent supportive housing for the homeless in Charlottesville.
- James Freas, Director of Neighborhood Development Services for the City of Charlottesville, stated that there is a need for permanent supportive housing for the homeless in Charlottesville.

IX. Analysis & Conclusions

Based on the findings reported in our market study, it is our opinion that a market exists for the 80 units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's location, rents, amenities or opening date may alter these findings.

The project will generally be competitive within the market area in terms of unit amenities and unit sizes (square feet), and the proposed Tax Credit rents will be perceived as good values in the marketplace, as they represent market rent advantages of at least 10.2%. This will bode well in the demand of the subject units.

Given that nearly all comparable LIHTC developments surveyed within the Site PMA are 100.0% occupied, most of which maintain a waiting list, the subject project will offer a housing alternative to low-income households that has limited availability in the area.

As shown in the Project Specific Demand Analysis section of this report, with an overall capture rate of 3.0% of size- and income-appropriate renter households in the market as proposed with the subsidy, there is substantial demographic 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

Premier Circle - PSH



View of site from the north



View of site from the northeast



View of site from the east



View of site from the southeast



View of site from the south



View of site from the west

Premier Circle - PSH



View of site from the northwest



North view from site



Northeast view from site



East view from site



Southeast view from site



South view from site

Premier Circle - PSH



West view from site



Northwest view from site



Streetscape: West view of Premier Circle



Streetscape: East view of Premier Circle



Streetscape: North view of Seminole Trail



Streetscape: South view of Seminole Trail

XI.

COMPARABLE
PROPERTY PROFILES

1 10th & Dairy 3.0 miles to site



Address: 400 10th St NW, Charlottesville, VA 22902
 Phone: (434) 216-0511 Contact: Cara (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 180 Year Built: 2022
 Vacant Units: 141 *AR Year:
 Occupancy: 21.7% Yr Renovated:
 Turnover: Stories: 4 (w/Elev)
 Waitlist: None
 Rent Special: None

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

Notes: Opened 1/2022

Features And Utilities

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

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

Property Amenities: Business Center (Computer/Business Center); Multipurpose Room, Clubhouse/Community Room; Cafe / Coffee Bar; Courtyard; Elevator; On-Site Management; Dog Park/Pet Care; Recreation Areas (Firepit, Fitness Center, Grilling Area, Game Room-Billiards, Outdoor Swimming Pool); CCTV, Courtesy Officer

Parking Type: Surface Lot; Parking Garage

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	4	0	520	\$2.84	\$1,475	Market
1	1	G	115	90	735	\$2.77	\$2,034	Market
2	2	G	61	51	965 - 1,130	\$2.49	\$2,399 - \$2,819	Market

*Adaptive Reuse

*DTS is based on drive time

4 Abington Place 4.9 miles to site



Address: 1439 Timberwood Blvd, Charlottesville, VA 22901
 Phone: (434) 984-4517 Contact: Charlie (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 72 Year Built: 2009
 Vacant Units: 1 *AR Year:
 Occupancy: 98.6% Yr Renovated:
 Turnover: Stories: 3 (w/Elev)
 Waitlist: Yes
 Rent Special: None

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

Notes:



Features And Utilities

Utility Schedule Provided by: Virginia Housing

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

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Controlled Access; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Hardwood); Premium Appliances; Premium Countertops; High/Vaulted Ceilings; Oversized Windows

Property Amenities: Elevator; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center); CCTV

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	30	0	588	\$1.87	\$1,100	Market
1	1	G	42	1	716 - 1,050	\$2.09 - \$1.43	\$1,500	Market

*Adaptive Reuse

*DTS is based on drive time

6 Arden Place 1.5 miles to site



Address: 1810 Arden Creek, Charlottesville, VA 22901
 Phone: (434) 295-3200 Contact: Walter (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 212 Year Built: 2012
 Vacant Units: 4 *AR Year:
 Occupancy: 98.1% Yr Renovated:
 Turnover: Stories: 3,4
 Waitlist: None
 Rent Special: None

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

Notes: Rents Change Daily

Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: No landlord paid utilities;

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

Property Amenities: Multipurpose Room, Clubhouse/Community Room; Cafe / Coffee Bar; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Media Room / Theater, Playground, Putting Green, Outdoor Swimming Pool); CCTV, Security Gate; Social Services (Parties / Picnics); Extra Storage; WiFi

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	14	0	589	\$2.80	\$1,650	Market
1	1	G	76	3	913	\$1.68	\$1,538	Market
2	2	G	112	1	1,168 - 1,203	\$1.59 - \$1.58	\$1,858 - \$1,901	Market
3	3	G	10	0	1,421	\$1.51	\$2,150	Market

*Adaptive Reuse

*DTS is based on drive time

7 Barracks West 2.6 miles to site



Address: 255 Saponi Ln, Charlottesville, VA 22901
 Phone: (434) 270-8715 Contact: Julie (In Person)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 300 Year Built: 1969 Ratings
 Vacant Units: 21 *AR Year: Quality: B+
 Occupancy: 93.0% Yr Renovated: 2005 Neighborhood: B
 Turnover: Stories: 1,2 Access/Visibility: A/A
 Waitlist: None
 Rent Special: None

Notes: Rents change daily



Features And Utilities

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

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

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

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	6	1	459	\$2.40	\$1,100	Market
1	1	G	31	2	512 - 870	\$2.53 - \$1.49	\$1,293	Market
2	1	G	199	13	740 - 891	\$1.62 - \$1.58	\$1,197 - \$1,411	Market
2	1.5 - 2.5	T	22	2	940 - 1,062	\$1.59 - \$1.62	\$1,494 - \$1,719	Market
3	2	G	30	2	1,048	\$1.67 - \$2.29	\$1,754 - \$2,401	Market
3	2.5	T	12	1	1,176	\$1.54 - \$1.74	\$1,816 - \$2,052	Market

*Adaptive Reuse

*DTS is based on drive time

8 Carlton Neighborhood Housing 4.8 miles to site



Address: 1210 Carlton Ave, Charlottesville, VA 22902
 Phone: Contact: Chrissy (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 37
 Vacant Units: 0
 Occupancy: 100.0%
 Turnover:
 Waitlist: 26 HH
 Rent Special: None

Year Built: 1970
 *AR Year:
 Yr Renovated: 2019
 Stories: 1,2

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

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Virginia Housing

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

Unit Amenities: Range; Refrigerator; Central AC; Ceiling Fan; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate); Premium Countertops; Premium Cabinetry

Property Amenities: Laundry Room

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	2	0	475	\$1.37	\$650	40%
0	1	G	1	0	475	\$1.74	\$825	50%
0	1	G	3	0	475	\$1.89	\$900	60%
1	1	G	8	0	703 - 900	\$0.78 - \$0.72	\$550 - \$650	40%
1	1	G	6	0	703 - 900	\$1.17 - \$0.97	\$825 - \$875	50%
1	1	G	7	0	703 - 900	\$1.35 - \$1.08	\$950 - \$975	60%
2	1	G	2	0	1,150 - 1,250	\$0.70	\$800 - \$875	50%
2	1	G	8	0	1,150 - 1,250	\$0.80 - \$0.90	\$925 - \$1,125	60%

*Adaptive Reuse

*DTS is based on drive time

10 Crossings at 4th & Preston 3.3 miles to site



Address: 401 4th St. NW, Charlottesville, VA 22903
 Phone: (434) 227-4251 Contact: Latoya (By Phone)
 Property Type: Tax Credit, Government Subsidized
 Target Population: Family, Homeless
 Total Units: 60 Year Built: 2012
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3 (w/Elev)
 Waitlist: 60 HH
 Rent Special: None

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

Notes: Tax Credit (30 units); PBV/PBRA & Tax Credit (30 units)



Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: Landlord pays Electric, Heat (Electric), Hot Water (Electric), Cooking (Electric), Water, Sewer, Trash

Unit Amenities: Range; Refrigerator; AC Other; Controlled Access; Furnished; Window Treatments; Flooring (Composite/Vinyl/Laminate)

Property Amenities: Bike Racks / Storage; Common Patio; Community Gardens; Multipurpose Room, Community Kitchen, Clubhouse/Community Room; Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grilling Area); CCTV, Security Gate; Social Services (Classes, Health Screenings, Parties / Picnics, Social Services Coordinator); Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	30	0	350	Subsidized	Subsidized	Subsidized
0	1	G	30	0	350	\$1.79	\$626	50%

*Adaptive Reuse

*DTS is based on drive time

14 **Hearthwood** 1.4 miles to site



Address: 2111 Michie Dr., Charlottesville, VA 22901
 Phone: (434) 295-2174 Contact: David (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 200 Year Built: 1975
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated: 1997
 Turnover: Stories: 2, 2.5
 Waitlist: 60 HH
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: Landlord pays Heat (Natural Gas), Hot Water (Natural Gas), Water, Sewer, Trash

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

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

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	40	0	300	\$3.17	\$950	60%
1	1	G	42	0	689	\$1.60	\$1,100	60%
2	1 - 1.5	T	98	0	987	\$1.37	\$1,350	60%
3	1.5	T	20	0	1,185	\$1.31	\$1,550	60%

*Adaptive Reuse

*DTS is based on drive time

17 Mews 4.5 miles to site



Address: 402 11th St NE, Charlottesville, VA 22902
 Phone: (434) 978-2007 Contact: Chrissy (By Phone)
 Property Type: Tax Credit
 Target Population: Homeless
 Total Units: 40 Year Built: 1975
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated: 2007
 Turnover: Stories: 2.5,3.5
 Waitlist: 26 HH
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Virginia Housing

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

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

Property Amenities: Laundry Room; On-Site Management

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	16	0	723	\$1.09	\$790	50%
1	1	G	24	0	723	\$1.38	\$1,000	60%

*Adaptive Reuse

*DTS is based on drive time

20 Six Hundred West Main 4.0 miles to site



Address: 600 W Main St, Charlottesville, VA 22903
 Phone: (888) 881-1460 Contact: Gracie
 Property Type: Market Rate
 Target Population: Family
 Total Units: 53 Year Built: 2019
 Vacant Units: 4 *AR Year:
 Occupancy: 92.5% Yr Renovated:
 Turnover: Stories: 6 (w/Elev)
 Waitlist: Yes (for future units)
 Rent Special: Some unit-specific specials for units on market for long time (waved fees, etc.)

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

Notes: Rent range based on unit location, view; Preleasing 8/2019, opened 11/2019, stabilized occupancy 12/2020



Features And Utilities

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

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

Property Amenities: Bike Racks / Storage; Community Gardens; Elevator; Recreation Areas (Firepit); Extra Storage

Parking Type: Surface Lot; Parking Garage

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	10	1	432 - 495	\$3.36 - \$3.30	\$1,450 - \$1,635	Market
1	1	G	20	1	661 - 1,027	\$2.88 - \$3.30	\$1,906 - \$3,384	Market
2	2	G	20	2	1,073 - 1,552	\$2.71 - \$2.63	\$2,904 - \$4,079	Market
3	2	G	3	0	1,543 - 1,922	\$2.86 - \$2.36	\$4,414 - \$4,532	Market

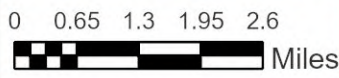
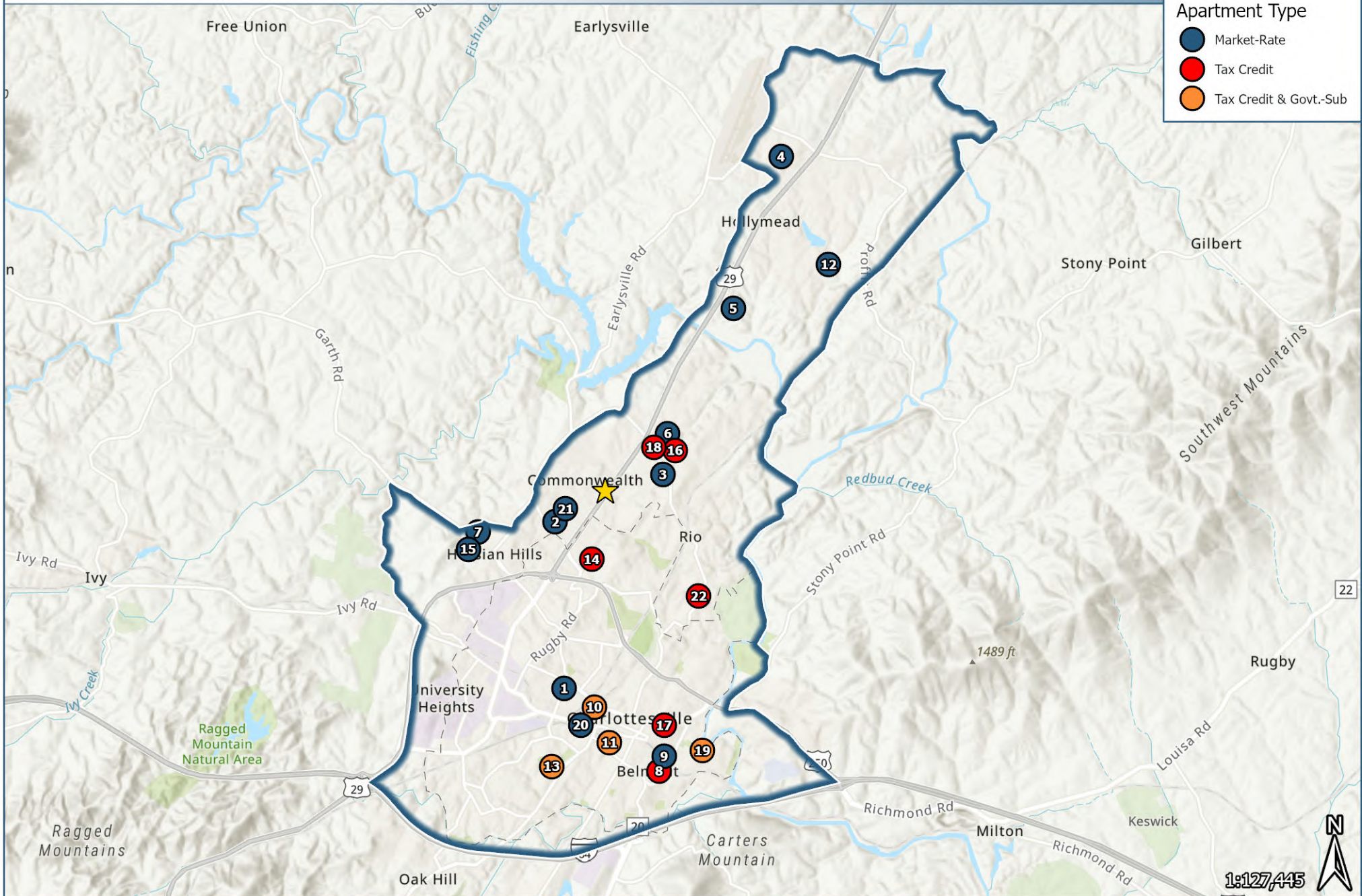
*Adaptive Reuse

*DTS is based on drive time

XII.

FIELD SURVEY OF CONVENTIONAL RENTALS

★ Site
— PMA
Apartment Type
● 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	10th & Dairy	MRR	B+	2022	180	141	21.7%	3.0
2	29 Central at Stonefield/Towns at Stonefield	MRR	A	2022	188	19	89.9%	1.1
3	Abbington Crossing	MRR	B+	1960	468	2	99.6%	1.1
✓ 4	Abington Place	MRR	B+	2009	72	1	98.6%	4.9
5	Archer at Brookhill	MRR	A	2020	316	6	98.1%	3.0
✓ 6	Arden Place	MRR	A	2012	212	4	98.1%	1.5
✓ 7	Barracks West	MRR	B+	1969	300	21	93.0%	2.6
✓ 8	Carlton Neighborhood Housing	TAX	B	1970	37	0	100.0%	4.8
9	City Walk	MRR	A	2013	301	1	99.7%	4.8
✓ 10	Crossings at 4th & Preston	TGS	B	2012	60	0	100.0%	3.3
11	Friendship Court	TGS	C	1978	150	0	100.0%	4.2
12	Greens at Hollymead	MRR	B+	1991	154	10	93.5%	4.8
13	Greenstone on 5th	TGS	B-	1970	202	0	100.0%	4.0
✓ 14	Hearthwood	TAX	B-	1975	200	0	100.0%	1.4
15	Landmark at Granite Park	MRR	B	1975	425	32	92.5%	2.5
16	Mallside Forest	TAX	B	1998	160	24	85.0%	1.5
✓ 17	Mews	TAX	B	1975	40	0	100.0%	4.5
18	Rio Hill	TAX	A	1996	139	0	100.0%	1.4
19	Short 18th Street Housing	TGS	B-	2010	12	0	100.0%	4.6
✓ 20	Six Hundred West Main	MRR	A	2019	53	4	92.5%	4.0
21	Stonefield Commons	MRR	A	2013	252	20	92.1%	1.5
22	Treesdale Park	TAX	B	2011	88	0	100.0%	2.6


*Drive distance in miles

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





1	10th & Dairy 400 10th St NW, Charlottesville, VA 22902	Contact: Cara Phone: (434) 216-0511
	 <p>Total Units: 180 UC: 0 Occupancy: 21.7% Stories: 4 w/Elevator Year Built: 2022 BR: 0, 1, 2 Vacant Units: 141 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Opened 1/2022</p>	

2	29 Central at Stonefield/Towns at Stonefield Kober Way & Inglewood Dr, Charlottesville, VA 22901	Contact: Margaret Phone: (434) 328-5959
	 <p>Total Units: 188 UC: 0 Occupancy: 89.9% Stories: 6 w/Elevator Year Built: 2022 BR: 0, 1, 2, 3 Vacant Units: 19 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rents change daily</p>	

3	Abbington Crossing 1000 Old Brook Rd., Charlottesville, VA 22901	Contact: Dania Phone: (434) 973-3620
	 <p>Total Units: 468 UC: 0 Occupancy: 99.6% Stories: 2,3 Year Built: 1960 BR: 1, 2, 3 Vacant Units: 2 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rents change daily</p>	




4	Abington Place 1439 Timberwood Blvd, Charlottesville, VA 22901	Contact: Charlie Phone: (434) 984-4517
	 <p>Total Units: 72 UC: 0 Occupancy: 98.6% Stories: 3 w/Elevator Year Built: 2009 BR: 0, 1 Vacant Units: 1 Waitlist: Yes AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:</p>	


5	Archer at Brookhill 485 Crafton Cir, Charlottesville, VA 22911	Contact: Fred Phone: (434) 602-8535
	 <p>Total Units: 316 UC: 0 Occupancy: 98.1% Stories: 3,4 w/Elevator Year Built: 2020 BR: 1, 2, 3 Vacant Units: 6 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on unit location & view; Preleasing 5/2020, opened 8/2020</p>	

<ul style="list-style-type: none"> Comparable Property Senior Restricted (MRR) Market-Rate (MRT) Market-Rate & Tax Credit (MRG) Market-Rate & Government-Subsidized (MIN) Market-Rate & Income-Restricted (not LIHTC) 	<ul style="list-style-type: none"> (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized (TAX) Tax Credit (TGS) Tax Credit & Government-Subsidized (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC) (TIN) Tax Credit & Income-Restricted (not LIHTC) (TMG) Tax Credit, Market-Rate & Government-Subsidized 	<ul style="list-style-type: none"> (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized (INR) Income-Restricted (not LIHTC) (ING) Income-Restricted (not LIHTC) & Government-Subsidized (GSS) Government-Subsidized (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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6	Arden Place 1810 Arden Creek, Charlottesville, VA 22901	Contact: Walter Phone: (434) 295-3200
	 <p>Total Units: 212 UC: 0 Occupancy: 98.1% Stories: 3,4 Year Built: 2012 BR: 0, 1, 2, 3 Vacant Units: 4 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rents Change Daily</p>	





7	Barracks West 255 Saponi Ln, Charlottesville, VA 22901	Contact: Julie Phone: (434) 270-8715
	 <p>Total Units: 300 UC: 0 Occupancy: 93.0% Stories: 1,2 Year Built: 1969 BR: 0, 1, 2, 3 Vacant Units: 21 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2005 Rent Special: None Notes: Rents change daily</p>	








8	Carlton Neighborhood Housing 1210 Carlton Ave, Charlottesville, VA 22902	Contact: Chrissy Phone:
	 <p>Total Units: 37 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1970 BR: 0, 1, 2 Vacant Units: 0 Waitlist: 26 HH AR Year: Target Population: Family Yr Renovated: 2019 Rent Special: None Notes: Tax Credit</p>	



9	City Walk 1111 E. Water St, Charlottesville, VA 22902	Contact: Alex Phone: (434) 244-9255
	 <p>Total Units: 301 UC: 0 Occupancy: 99.7% Stories: 4 w/Elevator Year Built: 2013 BR: 1, 2 Vacant Units: 1 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rents change daily</p>	


10	Crossings at 4th & Preston 401 4th St. NW, Charlottesville, VA 22903	Contact: Latoya Phone: (434) 227-4251
	 <p>Total Units: 60 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2012 BR: 0 Vacant Units: 0 Waitlist: 60 HH AR Year: Target Population: Family, Homeless Yr Renovated: Rent Special: None Notes: Tax Credit (30 units); PBV/PBRA & Tax Credit (30 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	


<p>11</p> 	<p>Friendship Court 418 Garrett St., Charlottesville, VA 22902</p> <p>Total Units: 150 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1978 BR: 2, 3, 4 Vacant Units: 0 Waitlist: 123 HH AR Year: Target Population: Family Yr Renovated: 2002 Rent Special: None Notes: Tax Credit; HUD Section 8</p>	<p>Contact: Fiona Phone: (434) 295-8005</p>
<p>12</p> 	<p>Greens at Hollymead 1950 Powell Creek Ct., Charlottesville, VA 22911</p> <p>Total Units: 154 UC: 0 Occupancy: 93.5% Stories: 2,3 Year Built: 1991 BR: 1, 2, 3 Vacant Units: 10 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2018 Rent Special: None Notes: Rent range based on unit upgrades & floorplan</p>	<p>Contact: Emily Phone: (434) 974-7511</p>
<p>13</p> 	<p>Greenstone on 5th 736 Prospect Ave., Charlottesville, VA 22903</p> <p>Total Units: 202 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 1970 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 163 HH AR Year: Target Population: Family Yr Renovated: 2014 Rent Special: None Notes: Tax Credit (162 units); HUD Section 8 & Tax Credit (40 units)</p>	<p>Contact: Jeanette Phone: (434) 295-3094</p>
<p>14</p> 	<p>Hearthwood 2111 Michie Dr., Charlottesville, VA 22901</p> <p>Total Units: 200 UC: 0 Occupancy: 100.0% Stories: 2, 2.5 Year Built: 1975 BR: 0, 1, 2, 3 Vacant Units: 0 Waitlist: 60 HH AR Year: Target Population: Family Yr Renovated: 1997 Rent Special: None Notes: Tax Credit</p>	<p>Contact: David Phone: (434) 295-2174</p>
<p>15</p> 	<p>Landmark at Granite Park 2407 Peyton Dr., Charlottesville, VA 22901</p> <p>Total Units: 425 UC: 0 Occupancy: 92.5% Stories: 2, 2.5, 3 Year Built: 1975 BR: 1, 2, 3 Vacant Units: 32 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2009 Rent Special: None Notes: Rent range based on floorplan & floor level; Rents change daily</p>	<p>Contact: Elijah Phone: (434) 973-6432</p>





<p>✓ Comparable Property</p> <p>◆ Senior Restricted</p> <p>■ (MRR) Market-Rate</p> <p>■ (MRT) Market-Rate & Tax Credit</p> <p>■ (MRG) Market-Rate & Government-Subsidized</p> <p>■ (MIN) Market-Rate & Income-Restricted (not LIHTC)</p>	<p>■ (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized</p> <p>■ (TAX) Tax Credit</p> <p>■ (TGS) Tax Credit & Government-Subsidized</p> <p>■ (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)</p> <p>■ (TIN) Tax Credit & Income-Restricted (not LIHTC)</p> <p>■ (TMG) Tax Credit, Market-Rate & Government-Subsidized</p>	<p>■ (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized</p> <p>■ (INR) Income-Restricted (not LIHTC)</p> <p>■ (ING) Income-Restricted (not LIHTC) & Government-Subsidized</p> <p>■ (GSS) Government-Subsidized</p> <p>■ (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted</p>
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16	Mallside Forest 816 Mallside Forest Ct., Charlottesville, VA 22901	Contact: Imani Phone: (434) 974-9500
	 <p>Total Units: 160 UC: 0 Occupancy: 85.0% Stories: 2,3 Year Built: 1998 BR: 1, 2, 3 Vacant Units: 24 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit</p>	


17	Mews 402 11th St NE, Charlottesville, VA 22902	Contact: Chrissy Phone: (434) 978-2007
	 <p>Total Units: 40 UC: 0 Occupancy: 100.0% Stories: 2.5,3.5 Year Built: 1975 BR: 1 Vacant Units: 0 Waitlist: 26 HH AR Year: Target Population: Homeless Yr Renovated: 2007 Rent Special: None Notes: Tax Credit</p>	


18	Rio Hill 1610 Rio Hill Dr., Charlottesville, VA 22901	Contact: Ana Phone: (434) 974-6377
	 <p>Total Units: 139 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 1996 BR: 2, 3 Vacant Units: 0 Waitlist: 40 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit</p>	


















19	Short 18th Street Housing 1412-1419 Short 18th Ave., Charlottesville, VA 22902	Contact: Chrissy Phone: (434) 978-2007
	 <p>Total Units: 12 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 2010 BR: 3 Vacant Units: 0 Waitlist: 26 HH AR Year: Target Population: Homeless Yr Renovated: Rent Special: None Notes: Tax Credit; Various agreements with state & local agencies provide project-based vouchers, such as HUD Section 8, HUD Shelter Plus Care & DAP</p>	

20	Six Hundred West Main 600 W Main St, Charlottesville, VA 22903	Contact: Gracie Phone: (888) 881-1460
	 <p>Total Units: 53 UC: 0 Occupancy: 92.5% Stories: 6 w/Elevator Year Built: 2019 BR: 0, 1, 2, 3 Vacant Units: 4 Waitlist: Yes (for future units) AR Year: Target Population: Family Yr Renovated: Rent Special: Some unit-specific specials for units on market for long time (waived fees, etc.) Notes: Rent range based on unit location, view; Preleasing 8/2019, opened 11/2019, stabilized occupancy 12/2020</p>	

<ul style="list-style-type: none">  Comparable Property  Senior Restricted  (MRR) Market-Rate  (MRT) Market-Rate & Tax Credit  (MRG) Market-Rate & Government-Subsidized  (MIN) Market-Rate & Income-Restricted (not LIHTC) 	<ul style="list-style-type: none">  (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized  (TAX) Tax Credit  (TGS) Tax Credit & Government-Subsidized  (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)  (TIN) Tax Credit & Income-Restricted (not LIHTC)  (TMG) Tax Credit, Market-Rate & Government-Subsidized 	<ul style="list-style-type: none">  (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized  (INR) Income-Restricted (not LIHTC)  (ING) Income-Restricted (not LIHTC) & Government-Subsidized  (GSS) Government-Subsidized  (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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21	Stonefield Commons 3105 District Ave, Charlottesville, VA 22901		Contact: Kamara Phone: (434) 202-0008			
		Total Units: 252 UC: 0 Occupancy: 92.1% Stories: 2,4 w/Elevator Year Built: 2013 BR: 1, 2, 3 Vacant Units: 20 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on unit location, floor level & "deluxe" units; Rents change daily				

22	Treesdale Park 1720 Treesdale Way, Charlottesville, VA 22901		Contact: Jennifer Phone: (434) 971-7368			
		Total Units: 88 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2011 BR: 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; Former HUD Section 8 (PBV) property				

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

Source: Virginia Housing
Effective: 07/2022

Monthly Dollar Allowances

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

* Estimated- not from source

XIII. Qualifications

The Company

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

Company Leadership

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

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

Market Analysts

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

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

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

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

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

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

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

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

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

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

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

Research Staff

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

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

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

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

Addendum A – Member Certification & Checklist

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

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

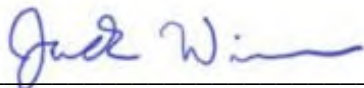


Patrick M. Bowen

President

patrickb@bowennational.com

Date: February 1, 2023



Jack Wiseman (Primary Contact)

Market Analyst

jackw@bowennational.com

Date: February 1, 2023

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

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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