NOVOGRADAC™

A MARKET FEASIBILITY STUDY OF:

SAMUEL MADDEN HOMES – 9%

A MARKET FEASIBILITY STUDY OF:

SAMUEL MADDEN HOMES – 9%

999 N Henry St
Alexandria, Alexandria City, Virginia 22314

Inspection Date: February 16, 2023
Effective Date: February 16, 2023
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Prepared for:
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March 14, 2023

Noah Hale
Samuel Madden North 9 LLC
250 West 55th Street,
35th Floor, New York, NY 10019

Re: Market Study for Samuel Madden Homes – 9%
999 N Henry Street
Alexandria, Alexandria City, Virginia 22314

Dear Noah Hale:

At your request, Novogradac & Company doing business under the brand name Novogradac Consulting (Novogradac), has performed a study of the multifamily rental market in the Alexandria, Virginia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project.

The purpose of this market study is to assess the viability of Samuel Madden Homes – 9% ("Subject"). The Subject is the 9% portion of a 9%/4% twinning LIHTC overall Samuel Madden Homes Development. The Subject component will consist of 75 units restricted to households earning 30, 50 and 60 percent of the AMI, or less. The overall Samuel Madden Homes development will be a 207-unit affordable development, with the 9% portion (Subject) offering 75 units and 4% portion offering 132-units. We have completed no additional prior work on the Subject within the last three years. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

The scope of this report meets the requirements of Virginia Housing, including the following:

- Inspecting the site of the proposed Subject, and its general location.
- Analyzing the appropriateness of the proposed unit mix, rent levels, unit and complex amenities, and site.
- Estimating the market rents, absorption rates and stabilized occupancy levels for the market area.
- Investigating the general economic health and conditions of the multifamily rental market.
- Calculating income bands, given the proposed Subject rents.
- Estimating the number of income-eligible households.
- Reviewing relevant public records and contacting appropriate public agencies.
- Analyzing the economic and social conditions in the market area, in relation to the proposed project.
- Establishing the Subject's Primary and Secondary Market Area(s), if applicable.
- Surveying competing projects, both LIHTC and market-rate.

The depth of discussion contained in the report is compliant with both the requirements of Virginia Housing Market Study Guidelines and the market study standards (V3.0) promulgated by the National Council of Housing Market Analysts (NCHMA). NCHMA is a professional organization chartered to promote the development of high-quality market analysis for the affordable housing industry. Novogradac is a charter member of this organization. NCHMA has compiled model content standards for market studies. This report, which Novogradac certifies as a NCHMA-compliant comprehensive market analysis full narrative report, conforms to those standards; any slight modifications or departures from those standards are considered incidental. The report and the conclusions are subject to the Assumptions and Limiting Conditions attached. This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The depth of discussion contained in the report is specific to the needs of the client.

Samuel Madden North 9 LLC is the client in this engagement and intended and authorized user of this report. Furthermore, Virginia Housing is an authorized user of this market study and Virginia Housing may rely on representations made herein. As our client, the Samuel Madden North 9 LLC owns this report and permission must be granted from them before another third party can use this document. We assume that by reading this report another third party has accepted the terms of the original engagement letter including scope of work and limitations of liability. We are prepared to modify this document to meet any specific needs of the potential uses under a separate agreement.

The Stated Purpose of this assignment is for application. You agree not to use the Report other than for the Stated Purpose, and you agree to indemnify us for any claims, damages or losses that we may incur as the result of your use of the Report for other than the Stated Purpose. Without limiting the general applicability of this paragraph, under no circumstances may the Report be used in advertisements, solicitations and/or any form of securities offering.

The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners.

Pursuant to Virginia Housing Requirements, we certify:

1. We 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 our knowledge the market can support the demand shown in this study. We understand that any misrepresentation in this statement may result in the denial of participation in the Low Income Housing Tax Credit Program in Virginia as administered by Virginia Housing.
4. No one at this firm has any interest in the proposed development or a relationship with the ownership entity.
5. No one at this firm, nor anyone acting on behalf of the firm in connection with the preparation of this report, has communicated to others that the firm is representing Virginia Housing or in any way acting for, at the request of, or on behalf of Virginia Housing.
6. Compensation for our services is not contingent on this development receiving a LIHTC reservation or allocation.
7. Evidence of our NCHMA membership is included.

Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,
Novogradac

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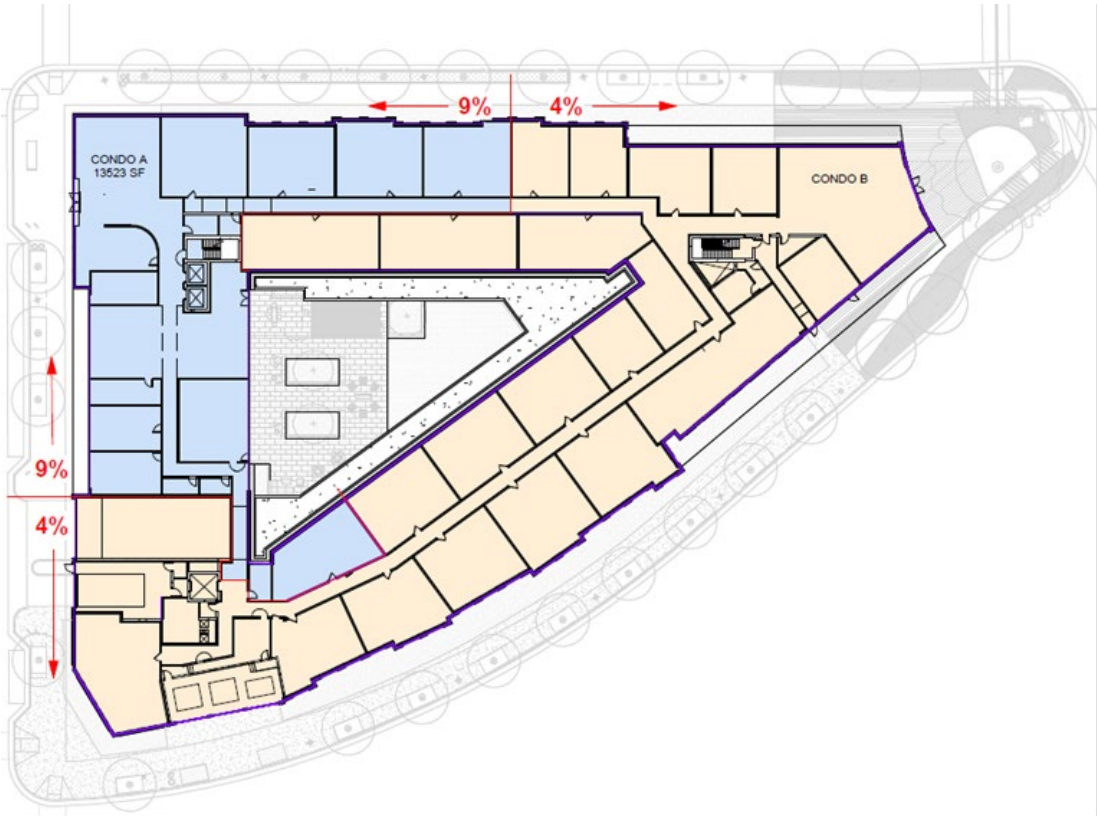
A. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Subject Site and Location:

The Subject site is located at 999 N Henry St, Alexandria, Virginia 22314. Below is the site for the overall Samuel Madden Homes development. Currently, the site contains existing multifamily housing which will be razed for new construction. The client is proposing new construction of one midrise residential building with two condos. The blue represents the site for the 9% portion and the yellow represents the 4% portion. Both portions will share a parking garage after completion of construction. The Subject is the 9% portion. A site plan provided by the client of the Subject property is shown below.



Source: Developer, March 2023

Surrounding Land Uses:

Directly north of the Subject, land use consists of single-family homes in average condition, and the multifamily residential development The Platform which was used as a comparable. Further north, land use includes recreational use and commercial and retail use. East of the Subject, land use consists of single-family homes in average condition. South of the Subject, land use consists of retail/commercial, educational use, and multifamily residential developments included as comparables such as 1111 Bell Pre Apartments. West of the Subject, land use consists of retail/commercial use, single-family homes in average condition, and public transportation and several multifamily residential developments in good condition some which were utilized as comparables including, The Dalton Apartments, and Meridian at

Braddock Station. Retail and commercial uses in the Subject's area appeared to be approximately 90 percent occupied at the time of the inspection. The Subject site is considered "Car-Dependent" by Walkscore with a score of 89 out of 100, indicating that most errands can be accomplished on foot. The average single-family home value for this area according to Zillow is $804,636. The uses surrounding the Subject are in good condition, and the site has good proximity to locational amenities, most of which are within 1.0 miles of the Subject site. Overall, the Subject site is a good location for multifamily use. At the time of the site inspection, there were no detrimental influences that would adversely impact the marketability of the Subject.

Site Description: The overall Subject site is irregular in shape and after construction will have access to the parking garage from Montgomery Street. The overall site for the 207-unit development is 1.45 acres or 63,162 square feet according to the According to the City of Alexandria Assessor's Office. The site exhibits level topography and is not located in a floodplain. Upon completion, the Subject will be constructed with one six-story elevator-serviced residential building and a shared parking garage with 40 parking spaces according to the client.

Scope of Construction: The proposed Subject will be new construction. The proposed Subject is anticipated to begin construction in January 2024 and be completed in February 2026. The overall Subject will be improved with one six-story elevator-serviced residential building and a shared parking garage with 40 parking spaces according to the client.

Proposed Rents: The following table details the proposed rents for the Subject's units.

PROPOSED RENTS

Unit Type	Unit Size (SF)	# Units	Contract Rent	Asking Rent	Utility Allowance*	Gross Rent	2022 LIHTC Maximum Allowable Gross Rent	2022 HUD Fair Market Rent
@30% (PBV)								
1BR/1BA	678	3	$2,283	$714	$87	$801	$801	$1,567
2BR/2BA	885	5	$2,599	$859	$101	$960	$960	$1,785
3BR/2BA	1,138	3	$3,268	$998	$112	$1,110	$1,110	$2,260
@50%								
1BR/1BA	678	5	-	$1,248	$87	$1,335	$1,335	$1,567
2BR/2BA	885	17	-	$1,500	$101	$1,601	$1,601	$1,785
3BR/2BA	1,138	5	-	$1,738	$112	$1,850	$1,850	$2,260
@60%								
1BR/1BA	678	7	-	$1,515	$87	$1,602	$1,602	$1,567
2BR/2BA	885	23	-	$1,820	$101	$1,921	$1,921	$1,785
3BR/2BA	1,138	7	-	$2,108	$112	$2,220	$2,220	$2,260
Total		**75**						

*Source of Utility Allowance provided by the Developer

The Subject is a proposed family LIHTC property that will offer a total of 75 units, all which units will be revenue-generating.

Additionally, eleven of the Subject's units will benefit from the Alexandria Redevelopment Housing Authority (ARHA) Project-Based Voucher program (PBV), where tenants pay 30 percent of their income towards rent. Should however, the Subject lose its subsidy, the rents would need to be lowered to be in compliance with LIHTC guidelines. The Subject's LIHTC asking rents at the 30, 50 and 60 percent of AMI levels are set at the maximum allowable rents.

Target Household Income Levels: Based on the proposed restrictions, the range of annual household income levels is depicted below.

INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@30% (PBV)		*@50%*		*@60%*	
1BR	$0	$34,170	$45,771	$56,950	$54,926	$68,340
2BR	$0	$38,430	$54,891	$64,050	$65,863	$76,860
3BR	$0	$46,110	$63,429	$76,850	$76,114	$92,220

INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@30%		*@50%*		*@60%*	
1BR	$27,463	$34,170	$45,771	$56,950	$54,926	$68,340
2BR	$32,914	$38,430	$54,891	$64,050	$65,863	$76,860
3BR	$38,057	$46,110	$63,429	$76,850	$76,114	$92,220

Economic Conditions

Employment in the PMA is concentrated in prof/scientific/tech services, public administration, and healthcare/social assistance, which collectively comprise 49.4 percent of local employment. The large share of PMA employment in the healthcare/social assistance and public administration sectors is notable as these industries are historically stable and tend to exhibit greater resilience during economic downturns. Relative to the nation, the PMA features comparatively greater employment in the prof/scientific/tech services, public administration, and other services industries. Conversely, the PMA is underrepresented in the manufacturing, retail trade, and healthcare/social assistance sectors. Employment in the MSA declined sharply by 5.7 percent in 2020 amid the pandemic, similar to the overall nation. Total employment in the MSA currently remains below the pre-COVID level reached in 2019. As of December 2022, employment in the MSA is increasing at an annualized rate of 1.0 percent, compared to 2.0 percent growth across the nation.

Primary Market Area

We determined the Primary Market Area (PMA) based on our conversations with local market participants including property managers, as well as our physical inspection of the market. The PMA is generally defined as the communities of Old Town West, Potomac, North Ridge, Landmark, Seminary Hill, and Taylor Run, Eisenhower East, and Alexandria Historic District. The PMA boundaries are: to the North: South Glebe Road and Interstate 395, and to the East: Potomac River, to the South: Interstate 495, and to the West: Interstate 395 and South Van Dorn Street. The PMA encompasses approximately 13 square miles. We believe that additional support will originate from areas outside of the established PMA. We estimate a leakage of 10 percent.

Demographic Data

Population in the PMA increased at an annualized rate of 1.6 percent between 2010 and 2022, compared to growth of 1.3 percent in the MSA and 0.7 percent across the nation. The percentage of renter households in the PMA rose between 2010 and 2022 and is estimated to be 50 percent as of 2022. This is more than the estimated 33 percent renter households across the overall nation. The median income in the PMA as of 2022 is slightly above the MSA and overall nation. According to ESRI demographic projections, median income levels are expected to rise through 2027; however, population and household levels are anticipated to decline. household growth is expected to remain relatively stable through 2027. Nonetheless, the overall number of renter households is still projected to rise through 2027, due to an expected increase in the percentage share of households who choose to rent, versus own, their homes. We have considered local demographic trends in our determination of achievable rents.

Vacancy

The following table summarizes overall weighted vacancy levels at the surveyed properties.

OVERALL VACANCY

Property Name	Program	Tenancy	Total Units	Vacant Units	Vacancy %
Jackson Crossing	LIHTC	Family	78	0	0.0%
Lacy Court Apartments	LIHTC	Family	44	4	9.1%
The Bloom At Braddock Apartments	LIHTC	Family	96	2	2.1%
The Station At Potomac Yard	LIHTC	Family	64	1	1.6%
1111 Belle Pre Apartments	Market	Family	300	11	3.7%
Meridian At Braddock Station	Market	Family	480	19	4.0%
Platform Alexandria	Market	Family	628	113	18.0%
The Asher	Market	Family	206	9	4.4%
The Dalton	Market	Family	271	15	5.5%
LIHTC Total	-	-	**282**	**7**	**2.5%**
Market Total			**1,885**	**167**	**8.9%**
Market Total (excluding Platform Alexandria)			**1,257**	**54**	**4.3%**
Overall Total			**2,167**	**174**	**8.0%**
Overall Total (excluding Platform Alexandria)			**1,539**	**61**	**4.0%**

The comparable properties reported vacancy rates ranging from 1.6 to 18 percent, with an overall weighted average of 8.0 percent. The average vacancy rate reported by the affordable comparables was 2.5 percent, well below the 8.9 percent weighted average reported by the market rate properties. All but one market rate properties reported vacancy rates of 5.5 percent or less. It should be noted that Lacy Court Apartments is the smallest comparable with only four vacancies, which yields a high vacancy percentage. Management at this comparable noted there is a waiting list of a year for all units and is currently in the process of leasing the vacant units. Platform Alexandria was recently completed in 2021. Phase II of the project opened in 2021; Phase III opened in early Spring 2022. The contact noted that there are still an estimated 100 units vacant and haven't been opened for leasing. Excluding Platform Alexandria from our analysis the total market vacancy rate drops to 4.3 percent. Based on the performance of the comparables, we expect the Subject will operate with vacancy and collection losses of approximately five percent or less over a typical investment period.

VACANCY BY BEDROOM TYPE

Property Name	Rent Structure	Tenancy	0BR	1BR	2BR	3BR	4BR	Overall
Jackson Crossing	LIHTC	Family	-	0.0%	0.0%	0.0%	-	0.0%
Lacy Court Apartments	LIHTC	Family	50.0%	33.3%	5.9%	4.5%	-	9.1%
The Bloom At Braddock Apartments	LIHTC	Family	-	-	-	-	-	2.1%
The Station At Potomac Yard	LIHTC	Family	-	8.3%	0.0%	0.0%	-	1.6%
1111 Belle Pre Apartments	Market	Family	-	2.8%	4.2%	-	-	3.7%
Meridian At Braddock Station	Market	Family	-	-	-	-	-	4.0%
Platform Alexandria	Market	Family	-	-	-	-	-	18.0%
The Asher	Market	Family	-	-	-	-	-	4.4%
The Dalton	Market	Family	0.0%	6.0%	4.5%	-	-	5.5%

*Located outside of the PMA

As proposed, the Subject will consist of one- two – and three- bedroom units. Vacancy rates in the market average 50 percent for studio units, 50.4 percent for one-bedroom units, 14.6 percent for two-bedroom units, and 4.5 percent for three-bedroom units. Overall, given the vacancy rates in the market and the household growth rates projected for the PMA, we do not believe the Subject will negatively impact the existing properties in the market.

Absorption Estimate

The following table details the nearest absorption comparables we were able to identify.

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Vesta Parkside	Market	Family	Washington	2022	191	22	8.0 miles
MDL Flats	LIHTC	Family	Washington	2021	76	76	4.3 miles
The Woods At Brambleton Town Center South	LIHTC	Family	Ashburn	2021	55	55	28.6 miles
The Silva	Market	Family	Washington	2021	172	6	7.6 miles
Pilot House At Riverdale	Market	Family	Riverdale Park	2021	227	46	12.3 miles
Addison Row	Market	Family	Capitol Heights	2021	650	35	9.5 miles
Average Affordable					**66**	**66**	
Average Market					**310**	**27**	
Overall Average					**229**	**40**	

We obtained absorption data from six properties, located between 4.3 and 28.6 miles from the Subject site. These properties reported absorption rates ranging from six to 76 units per month, with an overall average of 40 units per month. The LIHTC properties experienced rapid absorption in the survey and leased all of their units within a month. Overall, we expect the proposed Subject will experience an absorption rate similar to the LIHTC properties of 60 units per month. This equates to an absorption period of approximately two months.

Summary of Competitive Market Conditions

In general, we believe there is demand in the marketplace for the Subject as proposed. The Subject will be well-positioned in the market as a new construction, and generally in superior condition to the majority of the comparable properties. The market exhibits strong demand for affordable housing, with limited vacancy and strong absorption rates at LIHTC properties that have opened in the past several years. Further, the comparable LIHTC properties reported an overall average vacancy rate of 2.5 percent. Based on the performance of the comparable properties, we expect the Subject to operate with an annual vacancy loss of three percent, or less. Our estimated achievable market rents for the Subject are illustrated below.

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rent	Subject Rent Advantage
1BR / 1BA	@30% (PBV)	$714	$1,815	$2,924	$2,197	$2,300	69%
1BR / 1BA	@50%	$1,248	$1,815	$2,924	$2,197	$2,300	46%
1BR / 1BA	@60%	$1,515	$1,815	$2,924	$2,197	$2,300	34%
2BR / 2BA	@30% (PBV)	$859	$2,545	$3,908	$2,827	$3,000	71%
2BR / 2BA	@50%	$1,500	$2,545	$3,908	$2,827	$3,000	50%
2BR / 2BA	@60%	$1,820	$2,545	$3,908	$2,827	$3,000	39%
3BR / 2BA	@30% (PBV)	$998	$3,747	$4,292	$4,019	$3,800	74%
3BR / 2BA	@50%	$1,738	$3,747	$4,292	$4,019	$3,800	54%
3BR / 2BA	@60%	$2,108	$3,747	$4,292	$4,019	$3,800	45%

The Subject's rents offer significant market rent advantages, between 34 and 74 percent. Overall, we believe there is demand for the Subject.

Demand

The demand analysis illustrates demand for the Subject based on capture rates of income-eligible renter households. When viewing total income-eligible renter households the calculation illustrates an overall capture rate of 0.5 percent, as proposed.

DEMAND CONCLUSIONS

Calculation	As Proposed	Absent Subsidy
@30% (PBV)	0.1%	0.3%
@50%	0.4%	0.4%
@60%	0.5%	0.5%
All Units	0.5%	0.6%
Annual Demand	1.7%	2.5%
Penetration Rate Methodology One	0.7%	1.0%
Penetration Rate Methodology Two	27.8%	34.1%

These capture rates are reasonable taking into account the other indications of demand such as low vacancy rates and waiting lists reported by the comparable properties. The Demand Analysis illustrates demand for the Subject based on captures rates of income-eligible renter households. This calculation demonstrates that there are approximately 4,290 units of demand in the first year of the Subject's operation based on the annual demand analysis. The Subject will need to accommodate 71 units of demand in order to stabilize at 95 percent occupancy. The demand analysis illustrates adequate demand for the Subject's units. Any unaccommodated households will most likely leave the PMA or remain severely rent-overburdened. The lack of available units will force many to look elsewhere.

The Virginia Housing net demand and capture rate table illustrates demand for the Subject based on capture rates of income-eligible renter households. The following table illustrates the conclusions from this table in the as proposed scenario.

Project Wide Capture Rate - LIHTC Units	2.0%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	2.0%
Project Wide Absorption Period (Months)	2 months

The following table illustrates the conclusions from this table in the absent subsidy scenario.

Project Wide Capture Rate - LIHTC Units	3.2%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	3.2%
Project Wide Absorption Period (Months)	2 months

These capture rates are indicative of pent-up demand for the Subject, and upon completion, we anticipate the proposed project will facilitate a relatively rapid absorption.

Strengths

- The Subject will offer excellent condition as a new construction development, similar to superior to the comparable properties;
- The Subject will offer elevator-serviced midrise design, similar to slightly superior to the comparables;
- The Subject's location is in close proximity to most major locational amenities, and offers good accessibility and excellent visibility;
- The Subject's achievable LIHTC rents at 30, 50 and 60 percent of AMI appear reasonable, and offer a significant market rent advantage;
- There is ample demand for affordable housing as evidenced by low capture rates, low vacancy rates, and extensive waiting lists at the comparable properties.
- The Subject's unit amenities are inferior to slightly inferior to the majority of comparable properties.

Weaknesses

- The Subject's unit amenities are inferior to slightly inferior to the majority of comparable properties features such as balconies/patios, ceiling fans, disposals, and hardwood flooring.
- The Subject's unit sizes are below the comparable average

Recommendations and Overall Conclusion

We have no further recommendations for the development. The Subject will be well-positioned in the market. As a newly constructed property, the Subject will be in similar to superior condition relative to the majority of the comparable properties. The market exhibits strong demand for affordable housing, with a weighted average vacancy rate of 2.5 percent at the comparable LIHTC properties. Four of the LIHTC properties reported operating with a waiting list. Vacancy loss at the Subject is expected to be no more than five percent over a typical investment period. Given the low vacancy rates and waiting lists reported by the affordable comparables, as well as the rent advantages over the market rate rents, we believe that 2022 maximum allowable rents are achievable for the Subject at the 30, 50 and 60 percent of AMI levels. The Subject will be well-accepted in the market as a newly-constructed LIHTC property, and the concluded achievable LIHTC rents offer a market rent advantage.

B. INTRODUCTION AND SCOPE OF WORK

INTRODUCTION AND SCOPE OF WORK

Report Description:	Novogradac has performed a comprehensive market study of the multifamily rental market in the Alexandria, Virginia area relative to the Samuel Madden Homes – 9%, a 75-unit residential building of the overall Samuel Madden Homes new construction family LIHTC development.
Developer/Client Information:	Samuel Madden North 9 LLC
Intended Use and Users of the Report:	Samuel Madden North 9 LLC is the Client for this market study. Along with the Client, the Intended Users are representatives of Virginia Housing and potential investors. The Subject report will be submitted to Virginia Housing as part of an application for nine percent (competitive) tax credits. A separate report will be submitted to Virginia Housing as part of an application for four percent (non-competitive) tax credit.
Type of Report:	Comprehensive Market Analysis Full Narrative Report
Scope of the Report:	▪ Analyzing the appropriateness of the proposed unit mix, rent levels, unit and complex amenities, and site. ▪ In-person inspection of the Subject site and its general location. ▪ Estimating the market rents, absorption rates and stabilized occupancy levels for the market area. ▪ Investigating the general economic health and conditions of the multifamily rental market. ▪ Estimating number of income-eligible households and performing an analysis of relevant demographic demand for the Subject. ▪ Complete a by-bedroom capture rate analysis that analyzes the level of potential income-eligible tenants in the Primary Market Area. ▪ Reviewing relevant public records and contacting public agencies. ▪ Analysis of the economic and social conditions in the market area, in relation to the project. ▪ Establishing the Subject's Primary Market Area, if applicable. ▪ Surveying competing projects, both LIHTC and market-rate.
Effective Date:	The Subject site was inspected on February 16, 2023, which shall serve as the effective date of this report.
Primary Contacts for the Report:	Lindsey Sutton – Lindsey.Sutton@novoco.com Olivia Rodriguez – Olivia.Rodriguez@novoco.com Walker Taylor -- Walker.Taylor@novoco.com

C. PROJECT DESCRIPTION

PROJECT DESCRIPTION

The project description will discuss the physical features of the Subject, the proposed unit mix, and rents.

Subject Property Description:

Samuel Madden Homes – 9% (Subject) is the proposed new construction of a 75-unit affordable development to be funded with Low-Income Housing Tax Credits (LIHTC). The Subject will be the 9% portion of a 9%/4% twinning tax credit overall Samuel Madden Homes development. The Subject site for the overall development is a 1.45-acre parcel located at 999 N Henry St, Alexandria, Virginia 22314. Upon completion, the Subject will consist of one elevator-serviced, midrise structure offering a total of 75 one and two- and three-bedroom apartments. The Subject's units will be restricted to households earning 30, 50 and 60 percent of AMI, or less. Additionally, eleven of the Subject's units will benefit from the Alexandria Redevelopment Housing Authority (ARHA) Project-Based Voucher (PBV) program, where tenants pay 30 percent of their income towards rent. Notable amenities will include, complimentary internet, central air conditioning, a courtyard, dishwashers, garages, limited access, microwaves, on-site management, picnic areas, recreational areas, walk-in closets, washer/dryers, and common area Wi-Fi. Construction is anticipated to begin January 2024 and be complete in February 2026.

The overall Samuel Madden Homes development will be a 207-unit affordable development, with the 9% and 4% portions offering 75 and 132 units in one residential buildings. The following table outlines the overall development.

SAMUEL MADDEN HOMES DEVELOPMENT

Phase	Tenancy	# of Units
Samuel Madden Homes (one midrise residential building with two condos)		
9% (Subject)	Family	75
4%	Family	132
Total		**207**

Construction Type:

The Subject's units will be contained within one six-story, elevator-serviced, midrise-style residential building with two condos.

Target Population and Occupancy Type: The proposed Subject will target one to five person households earning 30, 50 and 60 percent of the AMI or below. Based on the unit mix and proposed rent levels, the qualifying annual incomes for the Subject's proposed units will range from $0 to $92,220 as proposed and $27,463 to $92,220 absent subsidy.

Proposed Rents:

The following table details the proposed rents for the Subject's units.

PROPOSED RENTS

Unit Type	Unit Size (SF)	# Units	Contract Rent	Asking Rent	Utility Allowance*	Gross Rent	2022 LIHTC Maximum Allowable Gross Rent	2022 HUD Fair Market Rent
@30% (PBV)								
1BR/1BA	678	3	$2,283	$714	$87	$801	$801	$1,567
2BR/2BA	885	5	$2,599	$859	$101	$960	$960	$1,785
3BR/2BA	1,138	3	$3,268	$998	$112	$1,110	$1,110	$2,260
@50%								
1BR/1BA	678	5	-	$1,248	$87	$1,335	$1,335	$1,567
2BR/2BA	885	17	-	$1,500	$101	$1,601	$1,601	$1,785
3BR/2BA	1,138	5	-	$1,738	$112	$1,850	$1,850	$2,260
@60%								
1BR/1BA	678	7	-	$1,515	$87	$1,602	$1,602	$1,567
2BR/2BA	885	23	-	$1,820	$101	$1,921	$1,921	$1,785
3BR/2BA	1,138	7	-	$2,108	$112	$2,220	$2,220	$2,260
Total		**75**						

*Source of Utility Allowance provided by the Developer

The Subject is a proposed family LIHTC property that will offer a total of 75 units, all which units will be revenue-generating. Additionally, eleven of the Subject's units will benefit from the Alexandria Redevelopment Housing Authority (ARHA) Project-Based voucher program, where tenants pay 30 percent of their income towards rent. Should however, the Subject lose its subsidy, the rents would need to be lowered to be in compliance with LIHTC guidelines. The Subject's LIHTC asking rents at the 30, 50 and 60 percent of AMI levels are set at the maximum allowable rents.

Assisted Housing Program:

According to the developer, eleven out of the Subject's 75 units will operate with project-based rental assistance.

Construction Date:

The proposed Subject is anticipated to begin construction in January 2024 and be completed in February 2026.

Target Household Income Levels: Based on the proposed restrictions, the range of annual household income levels is depicted below.

INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@30% (PBV)		*@50%*		*@60%*	
1BR	$0	$34,170	$45,771	$56,950	$54,926	$68,340
2BR	$0	$38,430	$54,891	$64,050	$65,863	$76,860
3BR	$0	$46,110	$63,429	$76,850	$76,114	$92,220

INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@30%		*@50%*		*@60%*	
1BR	$27,463	$34,170	$45,771	$56,950	$54,926	$68,340
2BR	$32,914	$38,430	$54,891	$64,050	$65,863	$76,860
3BR	$38,057	$46,110	$63,429	$76,850	$76,114	$92,220

Utility Structure: The following table details utility allowance calculations as derived from the most recent utility allowance schedule published by the Virginia Housing Development Authority, effective as of July 1, 2022.

HOUSING AUTHORITY UTILITY ALLOWANCE

Utility and Source	Paid By	1BR	2BR	3BR
Heating - electric	Tenant	$34	$43	$54
Cooking - electric	Tenant	$5	$6	$8
Electric	Tenant	$19	$24	$30
Air Conditioning - central	Tenant	$9	$13	$15
Hot Water - electric	Tenant	$16	$21	$25
Cold Water	Tenant	$28	$36	$44
Sewer	Tenant	$32	$41	$50
Trash	Landlord	$14	$14	$14
TOTAL - Paid by Landlord		**$14**	**$14**	**$14**
TOTAL - Paid by Tenant		**$143**	**$184**	**$226**
TOTAL - Paid By Tenant Provided by Developer		**$87**	**$101**	**$112**
% Delta (Developer / Housing Authority)		**61%**	**55%**	**50%**

Source: Virginia Housing Development Authority, July 2022

The proposed Subject will offer central air conditioning and electric cooking, heating, and water heating. Tenants will be responsible for the cooking, hot water, heating, electric expenses, cold water, and sewer. The landlord will be responsible for trash costs.

Unit Mix: The following table illustrates the Subject's proposed unit mix and unit sizes, as provided by the developer:

UNIT MIX AND SQUARE FOOTAGE

Unit Type	Number of Units	Unit Size (SF)	Net Leasable Area
1BR/1BA	15	678.12	10,171.80
2BR/2BA	45	885.81	39,861.45
3BR/2BA	15	1,138.70	17,080.50
Total	**75**		**67,113.65**

Net Leasable Area: The net leasable area totals approximately 67,113 square feet, as outlined above.

Unit Amenities: The Subject's units will offer complimentary internet, central air conditioning, dishwashers, microwaves, walk-in closets, washer/dryers, oven, and refrigerator.

Common Area Amenities: The Subject's common amenities will include, on-site management, picnic areas, recreational areas, and common area Wi-Fi.

Parking: According to the site plan provided by the client, the property will offer garage parking; specifically, 40 parking spaces, or 0.53 spaces per unit. Given the Subject's proximity to public transit and high walkability, we expect the number of parking spaces to be adequate.

Number of Stories and Buildings: Upon completion, the overall Subject site will be improved with one six-story elevator-serviced midrise-style residential building with two condos.

Americans with Disabilities Act of 1990: As new construction, we assume the Subject property will not have any violations of the Americans with Disabilities Act of 1990.

Quality of Construction Condition and Deferred Maintenance: We anticipate that the Subject will be constructed using good-quality materials. As new construction, the Subject will not suffer from deferred maintenance and will be in excellent condition.

Functional Utility: We were provided with preliminary floor plans for the Subject's overall development. Based upon our review of the Subject's plans as well as the site inspection and local interviews, we believe the Subject will not suffer from functional obsolescence and determined it to be market-oriented and functional.

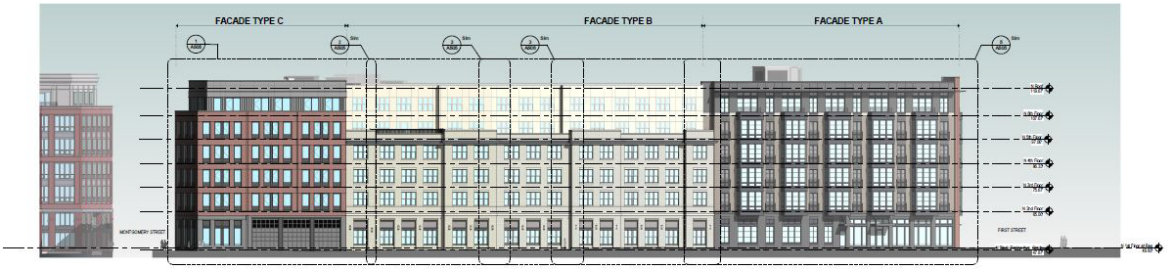
Architectural Plans: We were provided with preliminary architectural plans for the Subject's overall development. We reviewed the Subject's architectural plans and determined them to be market oriented.

Conclusion:

The Subject property is a 75-unit component of the overall Samuel Madden Homes new construction 207-unit LIHTC development that will be in excellent condition following construction. As a new construction development with market-oriented floor plans, the Subject will not suffer from functional obsolescence and will provide good utility for its intended use. Additionally, the Subject will be amongst the newest supply of affordable housing in the market and will be superior to the existing supply of affordable housing.

Subject Elevations

1 WEST ELEVATION - N. HENRY STREET



2 EAST ELEVATION - N. PATRICK STREET

1 NORTH ELEVATION - FIRST STREET

1 SOUTH ELEVATION - MONTGOMERY STREET

Source: Torti Gallas + Partners, Inc, June 2022

Samuel Madden Homes – 9%

Location	999 N Henry St Alexandria, VA 22314 Alexandria
Units	75
Type	Midrise (6-stories)
Year Built / Renovated	2026
Tenant Characteristics	Family

Utilities

A/C	not included - central	**Other**	not included
Cooking	not included - electric	**Water**	not included
Water Heat	not included - electric	**Sewer**	not included
Heat	not included - electric	**Trash**	included

Unit Mix (Face Rent)

Beds	Bath	Type	Units	Size (SF)	Rent	Restriction	Max Rent?
1	1	Midrise (6-stories)	3	678	$714	@30% (PBV)	Yes
1	1	Midrise (6-stories)	5	678	$1,248	@50%	Yes
1	1	Midrise (6-stories)	7	678	$1,515	@60%	Yes
2	2	Midrise (6-stories)	5	885	$859	@30% (PBV)	Yes
2	2	Midrise (6-stories)	17	885	$1,500	@50%	Yes
2	2	Midrise (6-stories)	23	885	$1,820	@60%	Yes
3	3	Midrise (6-stories)	3	1,138	$998	@30% (PBV)	Yes
3	3	Midrise (6-stories)	5	1,138	$1,738	@50%	Yes
3	3	Midrise (6-stories)	7	1,138	$2,108	@60%	Yes

Amenities

-	Blinds	-	Courtyard
	Cable/Satellite		Elevators
	Central/AC		Garage Parking
	Dishwasher		Picnic Area
	Microwave		Recreational Area
	Oven		Concierge
	Refrigerator		On-Site Mgmt
	Walk-In-Closet		WiFi
	Washer / Dryer		
-	Limited Access	-	

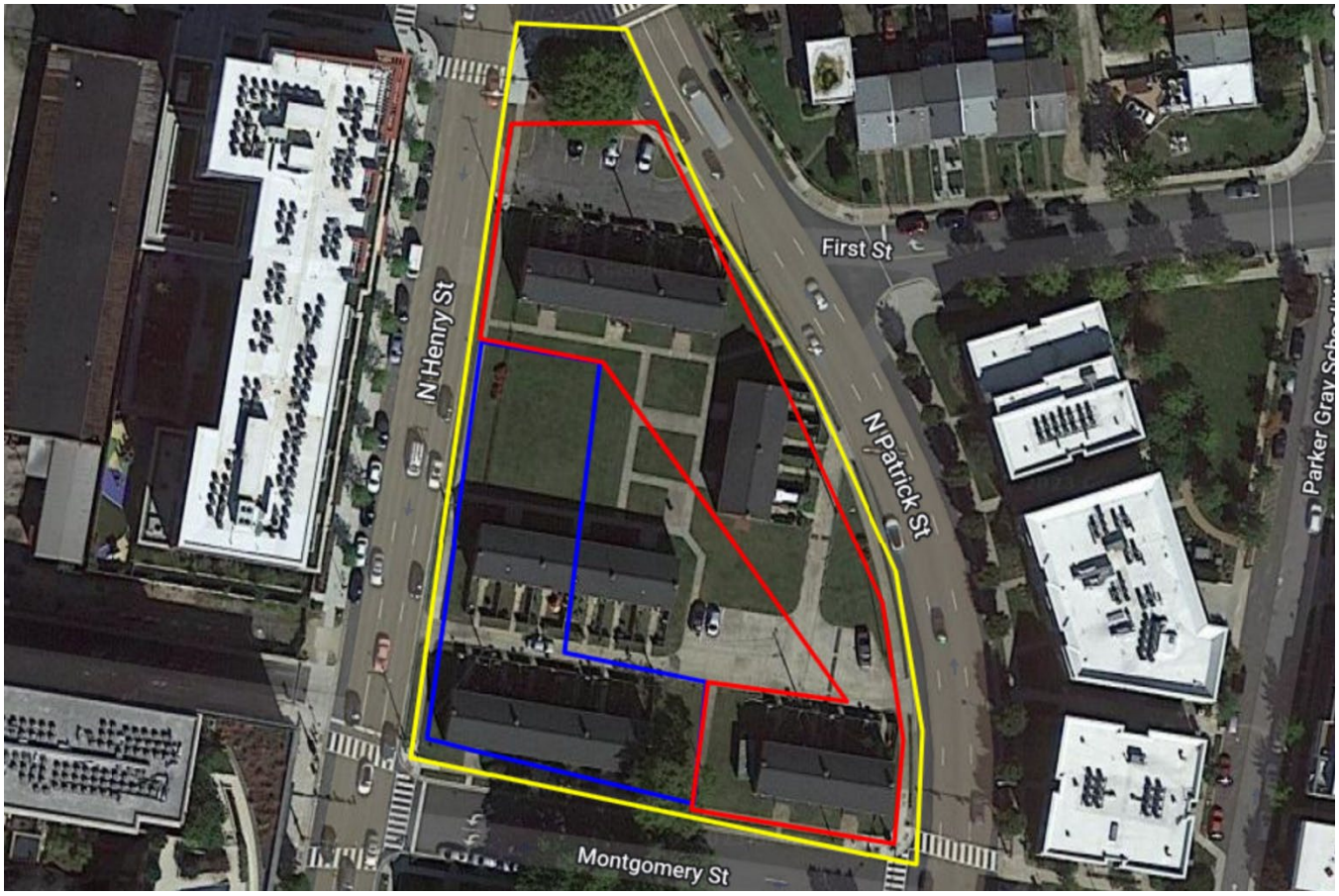
Comments

None.

D. LOCATION

LOCATION

The location of a multifamily property can have a substantial negative or positive impact upon the performance, safety and appeal of the project. The site description will discuss the physical features of the site, as well as layout, access issues, and traffic flow. The site outlined in yellow below is the site for the 207-unit overall Samuel Madden Homes development of which the Subject outlined in blue represents the 9% portion.



Source: Google Maps, March 2023

Subject Site Location: The Subject site is located at 999 N Henry St in Alexandria, Alexandria City, Virginia 22314.

Shape: The Subject site is irregular in shape.

Frontage: The entire parcel, which includes the Subject site, has frontage along the east side of North Henry Street, westside of North Patrick Street and south side of Montgomery Street.

Topography: The Subject site exhibits level topography.

Utilities: All utilities are available to the site.

Visibility/Views: The Subject site has excellent visibility along North Henry Street, North Patrick Street and Montgomery Street. Overall

visibility is considered excellent. The surrounding uses section in this report provides more detail on specific views of the proposed development.

Surrounding Land Uses:

Directly north of the Subject, land use consists of single-family homes in average condition, and the multifamily residential development The Platform which was used as a comparable. Further north, land use includes recreational use and commercial and retail use. East of the Subject, land use consists of single-family homes in average condition. South of the Subject, land use consists of retail/commercial, educational use, and multifamily residential developments included as comparables such as 1111 Bell Pre Apartments. West of the Subject, land use consists of retail/commercial use, single-family homes in average condition, and public transportation and several multifamily residential developments in good condition some which were utilized as comparables including, The Dalton Apartments, and Meridian at Braddock Station. Retail and commercial uses in the Subject's area appeared to be approximately 90 percent occupied at the time of the inspection. The Subject site is considered "Car-Dependent" by Walkscore with a score of 89 out of 100, indicating that most errands can be accomplished on foot. The average single-family home value for this area according to Zillow is $804,636. The uses surrounding the Subject are in good condition, and the site has good proximity to locational amenities, most of which are within 1.0 miles of the Subject site. Overall, the Subject site is a good location for multifamily use. At the time of the site inspection, there were no detrimental influences that would adversely impact the marketability of the Subject.

Retail Commercial Use North of the Subject

Retail Commercial Use North of the Subject

Multifamily Development East of the Subject

Typical single-family home East of the Subject

Retail Commercial Use South of the Subject

Retail Commercial Use South of the Subject

Multifamily Development West of the Subject

Typical single-family home in Subject neighborhood

Access and Traffic Flow:

Upon completion of construction, the Subject will be accessed via Montgomery Street to North Henry Street, a moderately trafficked three-lane road, which traverses north/south. North Henry Street provides access 0.3 miles north to Route 1. Route 1 traverses north/south throughout the Alexandria metro and provides direct access one mile south to downtown Alexandria. Route 1 provides direct access three miles north to Interstate 395. Interstate 395 traverses northeast/southwest throughout the metro and provides access three miles northeast to Washington, DC. Route 1 also provides direct access two miles south to Interstate 495. Interstate 495 traverses east/west throughout the metro and provides direct access seven miles west to Interstate 95. Interstate 95 traverses north/south and provides access 90 miles south to Richmond, VA. Overall, access is considered good, and traffic flow in the immediate area is considered moderate to heavy.

Layout and Curb Appeal:

Summary of Subject Site Characteristics	
Visibility	Excellent
Views	Good
Access/Traffic Flow	Good
Layout/Curb Appeal	Excellent

Drainage:

Based on our inspection, no obvious detrimental drainage issues were identified. However, Novogradac did not perform any drainage tests, and are not experts in this field; thus, further analysis is beyond the scope of this report.

Soil and Subsoil Conditions:

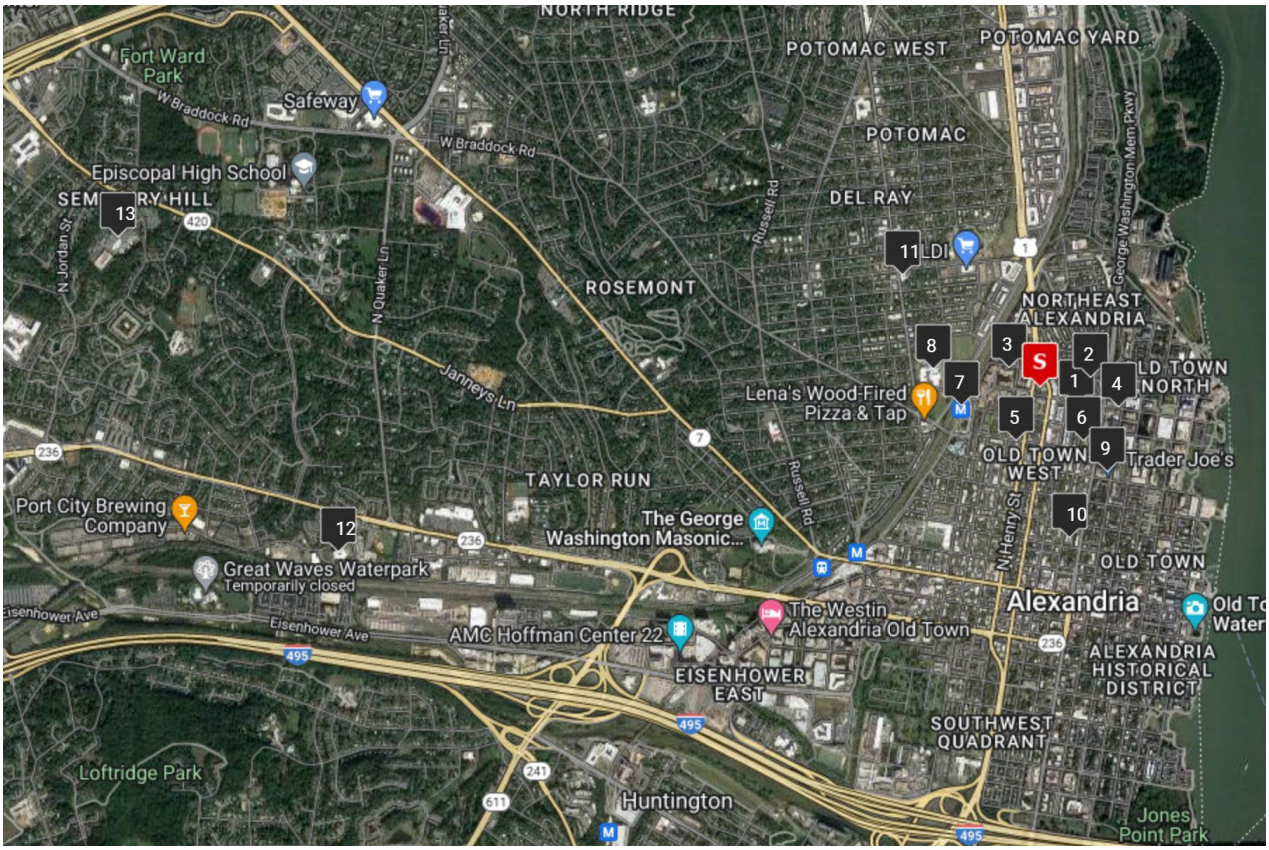
Novogradac did not perform any soil or subsoil tests upon inspection of the site, as this is beyond the scope of this report. We are not experts in this field, and assume the soil is adequate for development.

Environmental Assessment:

We requested a copy of a Phase I Environmental Site Assessment for the Subject property, but as of the date of this report we have not been provided with one. During our site inspection, we walked the Subject's grounds and did not observe any obvious indicators of environmental contamination. Nonetheless, Novogradac are not experts in this field and further analysis is beyond the scope of this report.

Flood Plain: According to Flood Insights and Flood Insurance Rate Map Community Panel Number 51013C0083C, dated August 18, 2013, the Subject site is located in Zone X. Zone X is defined as an area outside 500-year floodplain, which is determined to be outside the 0.2 percent annual chance floodplains.

Locational Amenities: The following table and map illustrate the Subject's proximity to necessary services. Map numbers correspond with the *Locational Amenities Map*, presented below.



Source: Google Earth, March 2023

LOCATIONAL AMENITIES

#	Service or Amenity	Distance to Subject	Drive Time	#	Service or Amenity	Distance to Subject	Drive Time
1	Bus Stop	0.1 miles	1 min	8	George Washington Middle School	0.4 miles	5 min
2	Alexandria Fire Station	0.1 miles	1 min	9	Trader Joes	0.4 miles	4 min
3	Powhatan Park	0.1 miles	1 min	10	Kate Waller Barrett Branch Library	0.5 miles	4 min
4	PNC Bank	0.2 miles	3 min	11	Walgreens	0.6 miles	4 min
5	United States Post Office	0.2 miles	2 min	12	Alexandria City Police Department	2.4 miles	12 min
6	Shell Gas Station	0.3 miles	2 min	13	Inova Alexandria Hospital	3.1 miles	15 min
7	Braddock Metro Center	0.3 miles	3 min	-	-	-	-

Public Transportation:

The DASH bus system provides transportation throughout Alexandria. The nearest bus stop is the Montgomery Street and North Patrick Street stop, adjacent to the Subject site. This bus stop is serviced by Route 30 and 1, which extends from Old Town Circulator and Braddock Road Metro Station. As of September 2021, DASH no longer charges fares for service.

Light Rail: The Washington Metropolitan Area Transit Authority (WMATA) provides metro rail service throughout the Washington, DC metro area. The nearest Metro station to the Subject is the Braddock Road Metro station, located 0.3 miles west of the Subject site and extends north Washington, DC. Peak fares for the Metro range from $2.00 to $6.00.

Crime Statistics:

The table below illustrates crime indices in the PMA and MSA in comparison to that of the nation. A crime index below 100 is below the national average and anything over 100 is above the nation's crime index average. A crime index of 75 in a PMA would be 25 percent below the national average while a crime index of 200 would be twice that of the national average. Crime indices were provided by 2022 ESRI Demographics data.

2022 CRIME INDICES

	PMA	MSA
Total Crime*	**108**	**99**
Personal Crime*	**84**	**110**
Murder	33	139
Rape	100	72
Robbery	116	148
Assault	68	96
Property Crime*	**111**	**97**
Burglary	68	70
Larceny	122	101
Motor Vehicle Theft	137	141

Source: Esri Demographics 2022, Novogradac, March 2023
*Unweighted aggregations

Total crime indices in the PMA are similar to the national average as well as the surrounding MSA. The Subject offers limited access as a security features, which is adequate for the market. All of the comparables offer at least one form of security. Overall, the comparables security features were generally considered to be similar compared to the proposed Subject. As such, we believe the Subject's security amenities are market oriented.

Conclusion:

The Subject site is located in the Old Town West neighborhood of Alexandria, Virginia. The immediate neighborhood consists of single-family homes, multi-family residential developments, retail/commercial uses, public transportation educational use and a place of worship. Residential uses in the Subject's neighborhood are generally in good condition. A number of retail properties are located each direction of the Subject site including restaurants, public transportation, and retail shopping. The Subject site is designated as "Car-Dependent" by Walk Score with a score of 89 out of 100, indicating that most errands can be accomplished on foot. The surrounding housing stock in the Subject's neighborhood consisting of single-family homes, were constructed prior to 2004 and are generally in average condition. According to Zillow, the current median listing price for a home in the Subject's zip code is approximately $804,636.

Subject Property & Neighborhood Photos

View of Subject site

View of Subject site

View of Subject site

View of Subject site

View of Subject site

View of Subject site

View of Subject's Typical Parking

View of the Subject and Courtyard

Street View South of North Henry Street

Street View North of North Henry Street

Street View South of North Patrick Street

Street View North of North Patrick Street

Retail Commercial Use North of the Subject

Retail Commercial Use North of the Subject

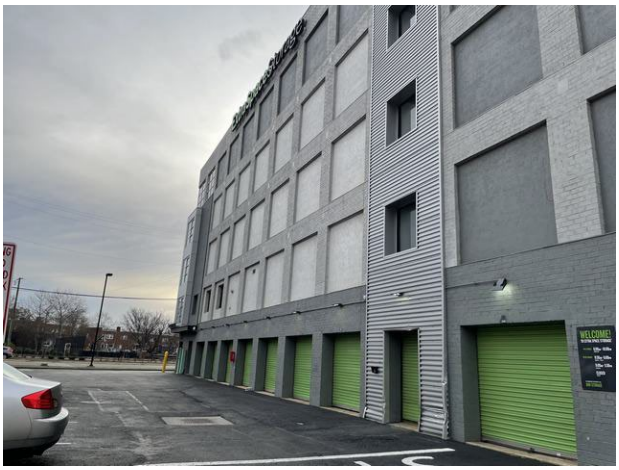
Multifamily Construction Site Near the Subject

Multifamily Development East of the Subject

Typical single-family home East of the Subject

Multifamily Development East of the Subject

Retail Commercial Use South of the Subject



Outside Storage Near the Subject

Retail Commercial Use South of the Subject

Multifamily Development West of the Subject

Multifamily Development West of the Subject

Typical single-family home in Subject neighborhood

Typical single-family home in Subject neighborhood

Typical single-family home in Subject neighborhood

Typical single-family home in Subject neighborhood

Typical single-family home in Subject neighborhood

E. MARKET AREA DEFINITION

MARKET AREA

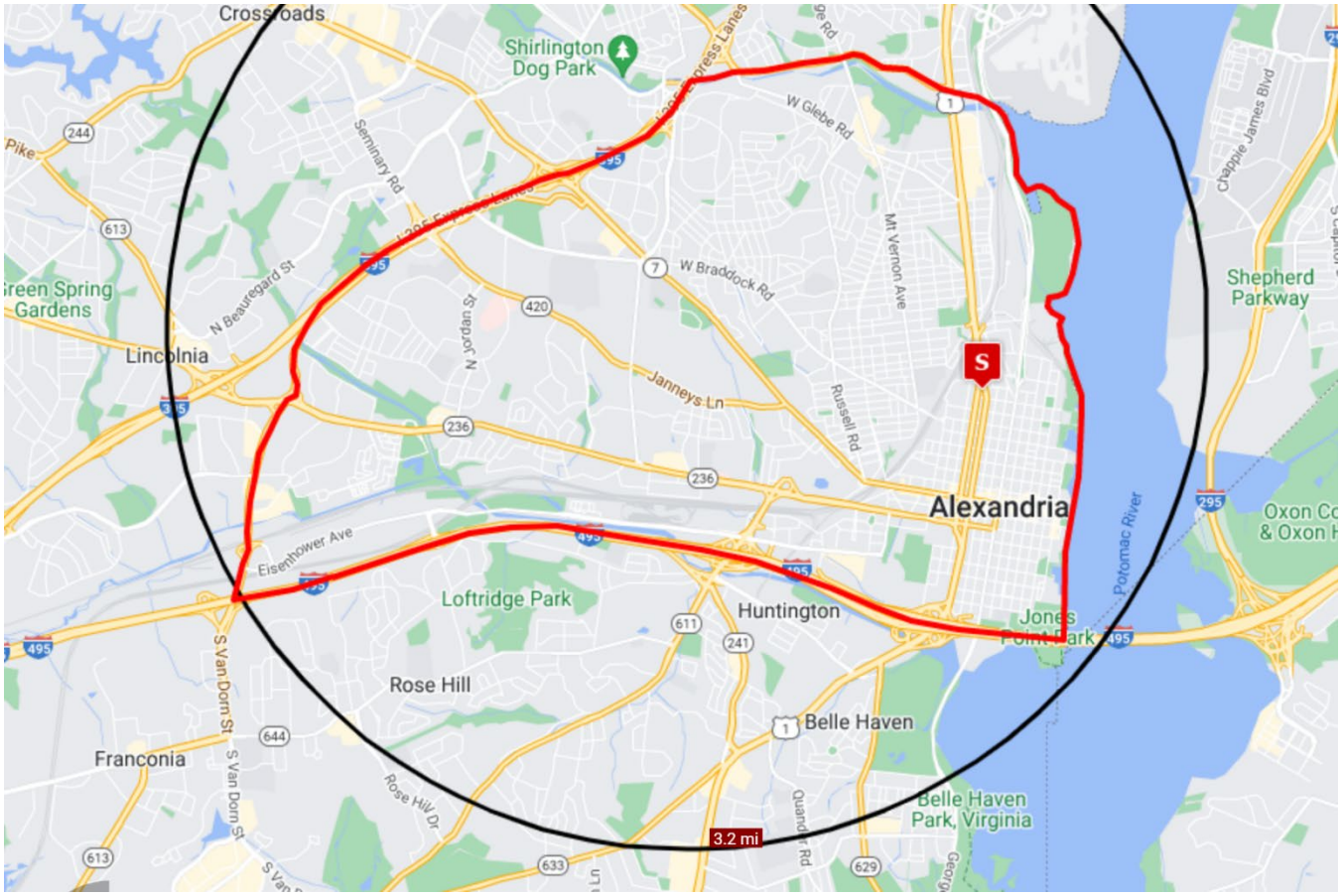
For the purpose of this study, it is necessary to define the competitive Primary Market Area (PMA), or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much "neighborhood oriented" and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

We determined the Primary Market Area (PMA) based on our conversations with local market participants including property managers, as well as our physical inspection of the market. The PMA is generally defined as the communities of Old Town West, Potomac, North Ridge, Landmark, Seminary Hill, and Taylor Run, Eisenhower East, and Alexandria Historic District. The PMA boundaries are: to the North: South Glebe Road and Interstate 395, and to the East: Potomac River, to the South: Interstate 495, and to the West: Interstate 395 and South Van Dorn Street. The PMA encompasses approximately 13 square miles.

We believe that additional support will originate from areas outside of the established PMA. We estimate a leakage of 10 percent. To provide a broader economic context for the Subject, we also include a Secondary Market Area (SMA). The secondary market area (SMA) for the Subject is Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area (MSA), which consists of the following counties: District of Columbia in District of Columbia; Jefferson in West Virginia; Calvert, Charles, Frederick, Montgomery, and Prince George's in Maryland; Alexandria city, Arlington, Clarke, Culpeper, Fairfax city, Fairfax, Falls Church city, Fauquier, Fredericksburg city, Loudoun, Manassas city, Manassas Park city, Prince William, Rappahannock, Spotsylvania, Stafford, and Warren in Virginia. The MSA is 8,653 square miles. We include economic indicators for the SMA regarding employment and unemployment trends. In addition, our demographic analysis utilizes the SMA as an additional area of comparison for population and household trends.

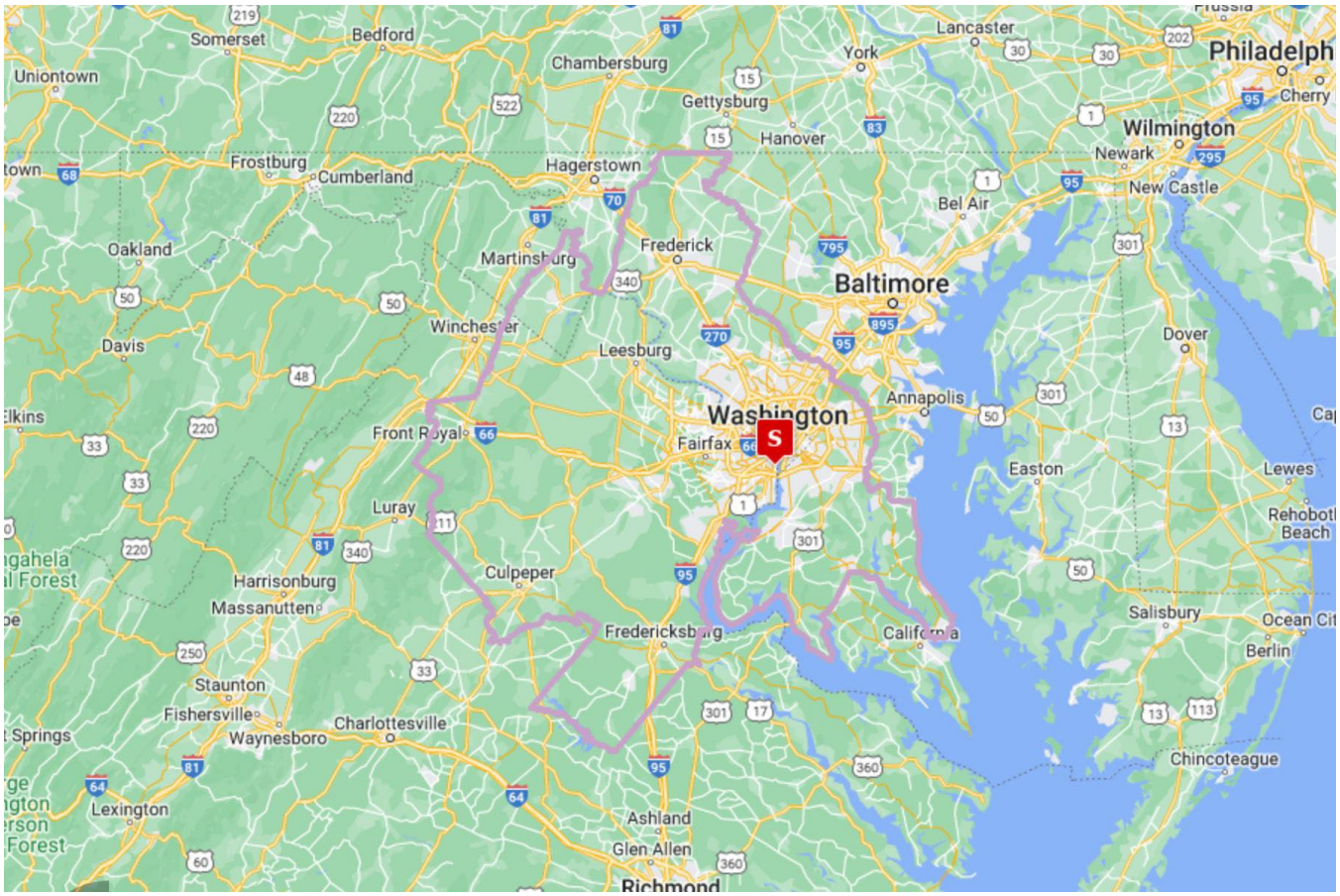
The PMA boundaries and overall market health assessment are based upon analyses of demographic and socioeconomic characteristics, target tenant population, political jurisdictional boundaries, natural boundaries, experience of nearby comparable developments, accessibility to mass transit or key transportation corridors and commute patterns, and market perceptions. No physical boundaries were identified that would inhibit anyone from relocating to the Subject. The market area boundaries identified are a reasonable approximation regarding the potential renter market for the Subject. Overall, we anticipate that the majority of the Subject's tenants will come from within the boundaries of the PMA. The following map outlines the PMA.

Primary Market Area Map



Source: Google Maps, March 2023

Metropolitan Statistical Area (MSA) Map



Source: Google Maps, March 2023

F. EMPLOYMENT AND ECONOMY

ECONOMIC ANALYSIS

Employment by Industry

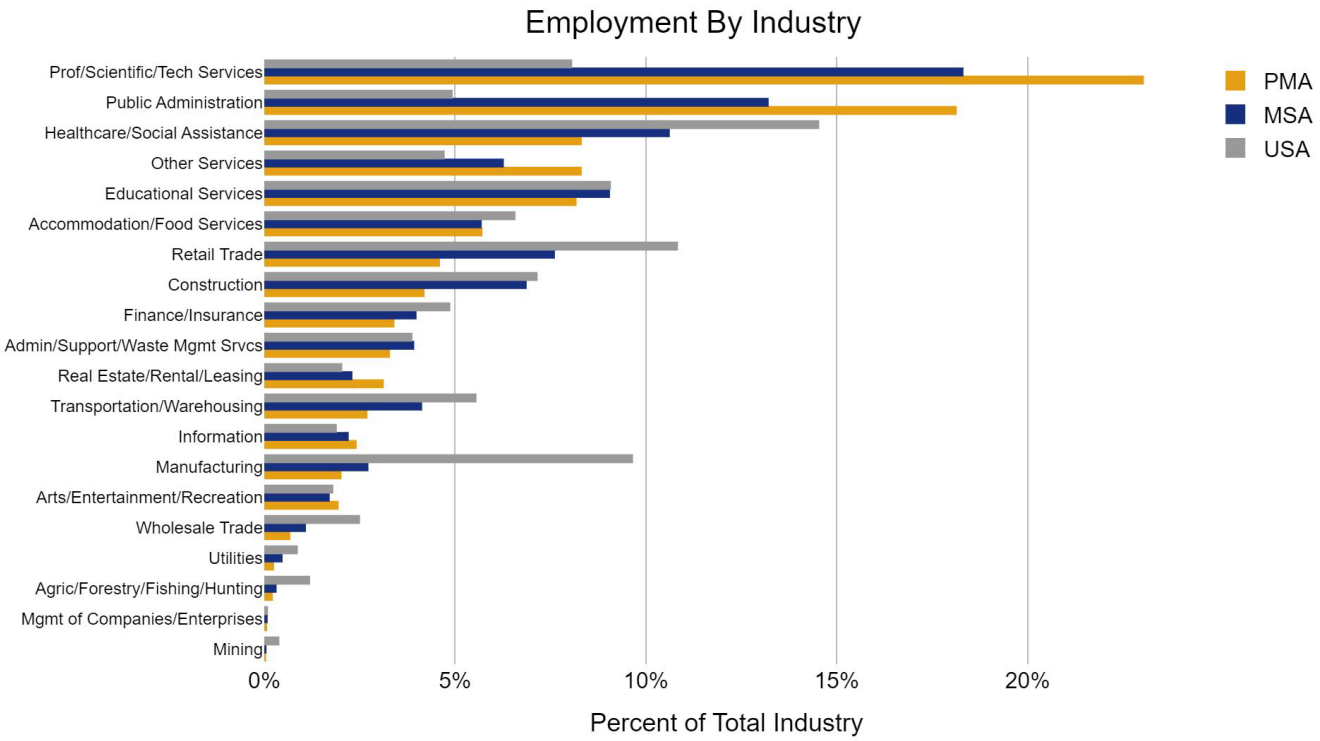
The following table illustrates employment by industry for the PMA and nation as of 2022.

2022 - EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Prof/Scientific/Tech Services	17,182	23.0%	13,016,941	8.0%
Public Administration	13,520	18.1%	7,945,669	4.9%
Healthcare/Social Assistance	6,184	8.3%	23,506,187	14.5%
Other Services	6,183	8.3%	7,599,442	4.7%
Educational Services	6,082	8.1%	14,659,582	9.0%
Accommodation/Food Services	4,241	5.7%	10,606,051	6.5%
Retail Trade	3,409	4.6%	17,507,949	10.8%
Construction	3,108	4.2%	11,547,924	7.1%
Finance/Insurance	2,519	3.4%	7,841,074	4.8%
Admin/Support/Waste Mgmt Srvcs	2,431	3.3%	6,232,373	3.8%
Real Estate/Rental/Leasing	2,311	3.1%	3,251,994	2.0%
Transportation/Warehousing	1,991	2.7%	8,951,774	5.5%
Information	1,780	2.4%	3,018,466	1.9%
Manufacturing	1,484	2.0%	15,599,642	9.6%
Arts/Entertainment/Recreation	1,427	1.9%	2,872,222	1.8%
Wholesale Trade	482	0.6%	4,005,422	2.5%
Utilities	163	0.2%	1,362,753	0.8%
Agric/Forestry/Fishing/Hunting	139	0.2%	1,885,413	1.2%
Mgmt of Companies/Enterprises	28	0.0%	97,694	0.1%
Mining	8	0.0%	581,692	0.4%
Total Employment	**74,672**	**100.0%**	**162,090,264**	**100.0%**

Source: Esri Demographics 2022, Novogradac, March 2023

Employment in the PMA is concentrated in prof/scientific/tech services, public administration, and healthcare/social assistance, which collectively comprise 49.4 percent of local employment. The large share of PMA employment in the public administration and healthcare/social assistance industries is notable as these industries are historically stable, and tend to exhibit greater resilience during economic downturns. Relative to the nation, the PMA features comparatively greater employment in the prof/scientific/tech services, public administration, and other services industries. Conversely, the PMA is underrepresented in the manufacturing, retail trade, and healthcare/social assistance sectors.



Growth by Industry

The following table illustrates the change in total employment by sector in the PMA from 2010 to 2022.

2010-2022 CHANGE IN EMPLOYMENT - PMA

Industry	2010		2022		2010-2022	
	Number Employed	Percent Employed	Number Employed	Percent Employed	Growth	Annualized Percent
Prof/Scientific/Tech Services	13,454	20.2%	17,182	23.0%	3,728	2.3%
Public Administration	9,357	14.1%	13,520	18.1%	4,163	3.7%
Healthcare/Social Assistance	5,660	8.5%	6,184	8.3%	524	0.8%
Other Services	5,541	8.3%	6,183	8.3%	642	1.0%
Educational Services	4,620	7.0%	6,082	8.1%	1,462	2.6%
Accommodation/Food Services	3,776	5.7%	4,241	5.7%	465	1.0%
Retail Trade	4,709	7.1%	3,409	4.6%	-1,300	-2.3%
Construction	3,236	4.9%	3,108	4.2%	-128	-0.3%
Finance/Insurance	2,924	4.4%	2,519	3.4%	-405	-1.2%
Admin/Support/Waste Mgmt Srvcs	2,648	4.0%	2,431	3.3%	-217	-0.7%
Real Estate/Rental/Leasing	1,596	2.4%	2,311	3.1%	715	3.7%
Transportation/Warehousing	1,867	2.8%	1,991	2.7%	124	0.6%
Information	2,770	4.2%	1,780	2.4%	-990	-3.0%
Manufacturing	2,122	3.2%	1,484	2.0%	-638	-2.5%
Arts/Entertainment/Recreation	931	1.4%	1,427	1.9%	496	4.4%
Wholesale Trade	881	1.3%	482	0.6%	-399	-3.8%
Utilities	178	0.3%	163	0.2%	-15	-0.7%
Agric/Forestry/Fishing/Hunting	105	0.2%	139	0.2%	34	2.7%
Mgmt of Companies/Enterprises	19	0.0%	28	0.0%	9	3.9%
Mining	54	0.1%	8	0.0%	-46	-7.1%
Total Employment	**66,448**	**100.0%**	**74,672**	**100.0%**	**8,224**	**1.0%**

Source: Esri Demographics 2022, Novogradac, March 2023

Total employment in the PMA increased an annualized rate of 1.0 percent between 2010 and 2022. The industries which nominally expanded most substantially during this period include public administration,

prof/scientific/tech services, and educational services. Conversely during this same period, the retail trade, information, and manufacturing sectors experienced the least nominal growth.

Major Employers

The following table details major employers in Alexandria, VA.

MAJOR EMPLOYERS
CITY OF ALEXANDRIA, VA

Employer Name	Industry	# Of Employees
US Department of Defense	Government	11,050
US Patent and Trademark Office	Government	7,100
City of Alexandria	Government	2,500
Alexandria Public School System	Education	2,352
Inova Alexandria Hospital	Healthcare	1,700
National Science Foundation	Government	1,450
Washington Metropolitan Area Transit	Transportation	1,192
USDA Food and Nutrition Service	Government	800
Institute for Defense Analyses	Government	650

Source: City of Alexandria Annual Comprehensive Financial Report 2021, Retrieved March 2023.

The major employers in the City of Alexandria are primarily concentrated within the government, education, and healthcare sectors. We believe that the concentration in these industries will provide stabilization in the economy, especially in times of economic recession.

Employment Expansions

We researched local business expansions and contractions by utilizing the Alexandria Economic Development Partnership website, as well as local news sources from the Alexandria City and Fairfax County areas. Our findings are highlighted below.

1. The Alexandria City Council approved plans for the relocation and expansion of Inova's Alexandria Hospital. The redevelopment, which will take place on the site of the former Landmark Mall, which is located only 0.3 miles west of the Subject. This project will cost over $2 billion. The whole redevelopment will be anchored by Inova's Alexandria Hospital, and will contain multifamily residential buildings, commercial usage, retail, and entertainment venues. Construction is expected to begin in 2023 and be finished in 2025.
2. Hilton Hotels announced in August 2022 its plans for a major expansion of its headquarters in Tysons that is expected to add approximately 350 jobs. The headquarters currently employs approximately 800 workers, and the expansion will bring this total to over 1,000 employees.
3. Nodal Exchange, a derivatives exchange, announced in June 2022 that it will expand its operations in Fairfax County. The project will cost around $300,000 and is expected to create 37 new jobs.
4. Technology company Alarm.com will be investing $2.6 million to expand its technology research and development division at its headquarters in Fairfax County, according to an announcement by Governor Glenn Youngkin in February 2022. The expansion is expected to create 180 new jobs.
5. Kreative Technologies, LLC, a leader in information systems for the federal healthcare industry, will invest $1.5 million to expand its operation at 4114 Legato Road in Fairfax County. The company will more than quadruple its current workforce of 67 with the creation of 296 new jobs.
6. Inova Health System announced in February 2022 that it will expand near its flagship hospital in Fairfax by taking over 48,000 square feet of space to open four medical practices. The new practices will consist of pediatric rehabilitation and cardiology services, and pre- and post-operative evaluations and consultations. The clinics are expected to open throughout 2022 as construction is completed.

WARN Notices

We reviewed the Worker Adjustment and Retraining Notification Act (WARN) notices published by the Virginia Employment Commission for January 2022 to year-to-date 2023. The following table illustrates the companies that experienced layoffs as well as the number of affected employees.

WARN LISTINGS
CITY OF ALEXANDRIA, VA

Company	Industry	Employees Affected	Layoff Date
VIPdesk Connect	Administrative	6	5/27/2022
Peloton	Fitness	81	2/8/2022
ABM Industry Group Inc.	Other Services	85	1/19/2022
Total		**172**	

Source: Virginia Employment Commission, December 2022, Retrieved March 2023

As illustrated in the previous table, there were a total of 172 layoffs between January 2022 and 2023 year to date. Due to the size of the Alexandria and Northern Virginia area labor market, these recent WARN filings are not anticipated to substantively affect total employment in the PMA or MSA.

Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA from 2007 to December 2022.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	MSA				USA			
Year	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2007	2,909,586	-	3.2%	-	146,046,667	-	4.6%	-
2008	2,948,734	1.3%	3.9%	0.7%	145,362,500	-0.5%	5.8%	1.2%
2009	2,896,741	-1.8%	6.3%	2.4%	139,877,500	-3.8%	9.3%	3.5%
2010	2,947,955	1.8%	6.5%	0.2%	139,063,917	-0.6%	9.6%	0.3%
2011	3,001,024	1.8%	6.2%	-0.4%	139,869,250	0.6%	9.0%	-0.7%
2012	3,049,860	1.6%	5.7%	-0.5%	142,469,083	1.9%	8.1%	-0.9%
2013	3,081,172	1.0%	5.5%	-0.2%	143,929,333	1.0%	7.4%	-0.7%
2014	3,106,413	0.8%	5.0%	-0.5%	146,305,333	1.7%	6.2%	-1.2%
2015	3,136,814	1.0%	4.3%	-0.7%	148,833,417	1.7%	5.3%	-0.9%
2016	3,194,358	1.8%	3.8%	-0.5%	151,435,833	1.7%	4.9%	-0.4%
2017	3,276,258	2.6%	3.6%	-0.2%	153,337,417	1.3%	4.3%	-0.5%
2018	3,322,137	1.4%	3.2%	-0.4%	155,761,000	1.6%	3.9%	-0.4%
2019	3,394,684	2.2%	3.0%	-0.2%	157,538,083	1.1%	3.7%	-0.2%
2020	3,200,821	-5.7%	6.4%	3.4%	147,794,750	-6.2%	8.1%	4.4%
2021	3,191,706	-0.3%	4.9%	-1.6%	152,580,667	3.2%	5.4%	-2.7%
2022 YTD Average*	3,264,803	2.3%	3.4%	-1.5%	158,291,083	3.7%	3.6%	-1.7%
Dec-2021	3,238,054	-	3.6%	-	155,732,000	-	3.7%	-
Dec-2022	3,269,211	1.0%	2.8%	-0.8%	158,872,000	2.0%	3.3%	-0.4%

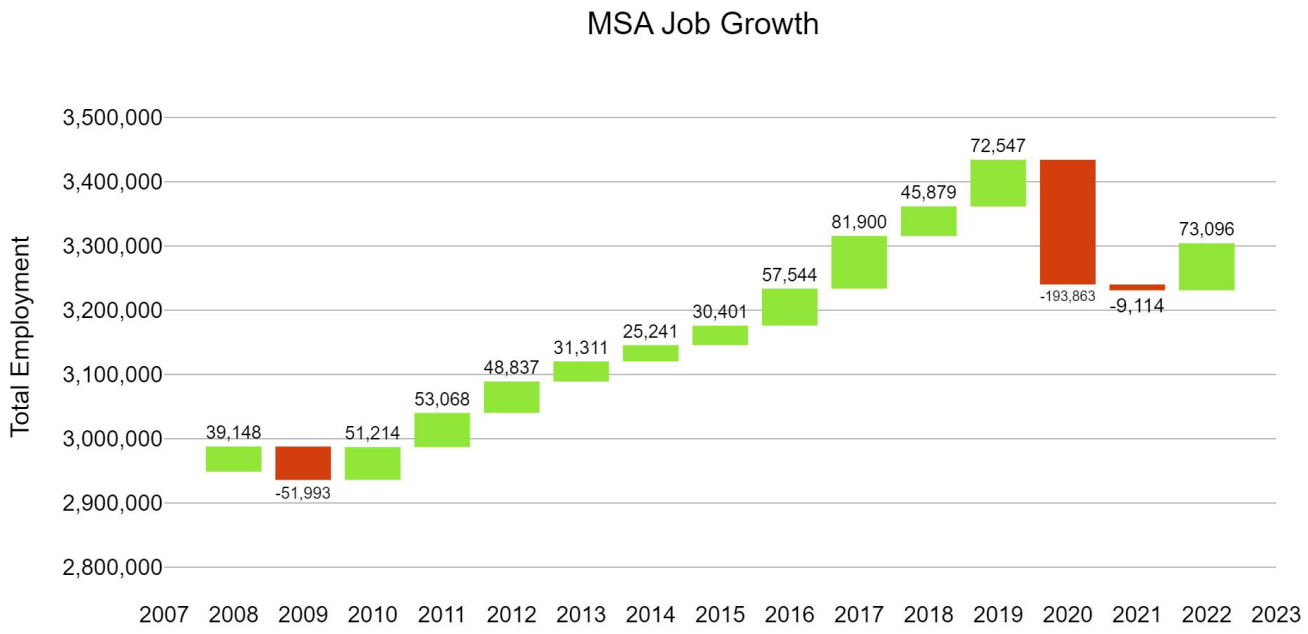
Source: U.S. Bureau of Labor Statistics, February 2023
*2022 YTD Average is through December

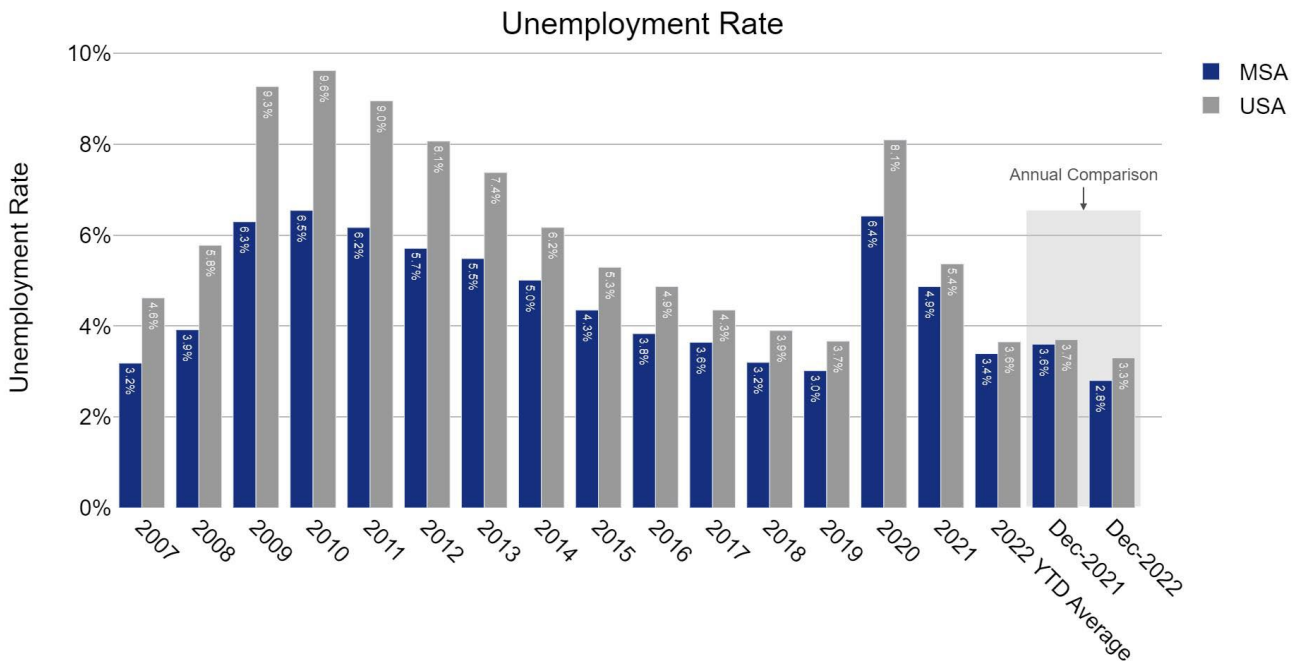
Between 2012 and 2019, job growth in the MSA was generally similar to the nation. Employment in the MSA declined sharply by 5.7 percent in 2020 amid the pandemic, similar to the overall nation. Total employment in the MSA currently remains below the pre-COVID level reached in 2019. As of December 2022, employment in the MSA is increasing at an annualized rate of 1.0 percent, compared to 2.0 percent growth across the nation.

During the period preceding the onset of COVID-19 (2012 - 2019), the MSA generally experienced a lower unemployment rate relative to the nation. The MSA unemployment rate increased modestly by 3.4 percentage points in 2020 amid the pandemic, reaching a high of 6.4 percent. For comparison, the national

unemployment rate rose by 4.4 percentage points and reached a high of 8.1 percent over the same time period. According to the latest labor statistics, dated December 2022, the current MSA unemployment rate is 2.8 percent. This is well below the COVID highs of 2020, and slightly below the current national unemployment rate of 3.3 percent.

It should be noted that increasing inflation and rising interest rates have created an uncertain economic climate. An article by Jeff Cox (CNBC.com) from December 15, 2022 stated "The Federal Reserve's benchmark interest rate is at the highest level in 15 years, indicating the fight against inflation is not over despite some promising signs lately." The article later states, "Along with the increase came an indication that officials expect to keep rates higher through next year, with no reductions until 2024." In a December 13, 2022 newsletter published by US Bank, Eric Freedman, chief investment officer for U.S. Bank Wealth Management, suggested "As the Fed tightens interest rates, we can expect a decline in economic growth." Bill Merz, senior portfolio strategist at U.S. Bank Wealth Management, stated "The potential for continued volatility in capital markets remains high and the range of possible outcomes is wide.





Wages by Occupation

The following table illustrates the wages by occupation for the Washington-Arlington-Alexandria, DC-VA-MD-WV.

MAY 2021

Occupation	Number of Employees	Mean Hourly Wage	Mean Annual Wage
All Occupations	**2,932,600**	**$38.69**	**$80,480**
Legal	64,970	$75.51	$157,060
Management	266,870	$73.39	$152,640
Computer and Mathematical	233,080	$56.60	$117,730
Architecture and Engineering	58,140	$54.25	$112,850
Life Physical and Social Science	60,300	$53.41	$111,100
Healthcare Practitioners and Technical	148,120	$52.13	$108,430
Business and Financial Operations	360,640	$48.45	$100,780
Arts Design Entertainment Sports and Media	67,270	$42.52	$88,440
Educational Instruction and Library	178,760	$35.42	$73,670
Community and Social Service	42,080	$31.61	$65,740
Protective Service	88,160	$30.82	$64,110
Installation Maintenance and Repair	88,970	$29.41	$61,170
Construction and Extraction	108,760	$27.95	$58,140
Sales and Related	223,700	$25.49	$53,020
Office and Administrative Support	310,370	$24.37	$50,690
Production	45,090	$23.80	$49,490
Transportation and Material Moving	156,050	$22.81	$47,440
Farming Fishing and Forestry	2,080	$19.28	$40,110
Personal Care and Service	55,010	$18.37	$38,210
Healthcare Support	88,400	$17.75	$36,920
Building and Grounds Cleaning and Maintenance	88,640	$17.70	$36,820
Food Preparation and Serving Related	197,140	$16.36	$34,030

Source: Department of Labor, Occupational Employment Statistics, May 2021, retrieved February 2023

The preceding table shows the average hourly and annual wages by occupation classification. The classification with the lowest average hourly wage is food preparation and serving related occupations at

$16.36 per hour. The highest average hourly wage, of $75.51, is for those in the legal occupations. Qualifying incomes for the Subject's tenants will range from $0 to $92,220. Absent subsidy, the income limits will range between $45,771 to $92,220. This encompasses a significant amount of the employment based on wages in the area. An element not reflected in the data is that many positions represent part-time employment, and starting rates are typically lower than mean wage rates. We expect part-time employment and entry-level positions will be common among the Subject's tenant base.

Commuting Patterns

The chart below shows the travel time to work for the PMA according to U.S. Census data.

COMMUTING PATTERNS

ACS Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	496	0.7%
Travel Time 5-9 min	2,680	4.0%
Travel Time 10-14 min	4,977	7.5%
Travel Time 15-19 min	8,816	13.3%
Travel Time 20-24 min	8,643	13.0%
Travel Time 25-29 min	4,988	7.5%
Travel Time 30-34 min	10,597	16.0%
Travel Time 35-39 min	3,811	5.7%
Travel Time 40-44 min	4,142	6.2%
Travel Time 45-59 min	10,055	15.2%
Travel Time 60-89 min	5,792	8.7%
Travel Time 90+ min	1,290	1.9%
Weighted Average	**34 minutes**	

Source: US Census 2022, Novogradac, March 2023

As shown in the preceding table, the weighted average commute time in the PMA is approximately 34 minutes. Only 37 percent of PMA commuters travel under 24 minutes, indicating many households work outside of the PMA, likely in the nearby city of Washington DC. The average commute time across the overall nation is approximately 28 minutes.

Conclusion

Employment in the PMA is concentrated in prof/scientific/tech services, public administration, and healthcare/social assistance, which collectively comprise 49.4 percent of local employment. The large share of PMA employment in the healthcare/social assistance and public administration sectors is notable as these industries are historically stable and tend to exhibit greater resilience during economic downturns. Relative to the nation, the PMA features comparatively greater employment in the prof/scientific/tech services, public administration, and other services industries. Conversely, the PMA is underrepresented in the manufacturing, retail trade, and healthcare/social assistance sectors. Employment in the MSA declined sharply by 5.7 percent in 2020 amid the pandemic, similar to the overall nation. Total employment in the MSA currently remains below the pre-COVID level reached in 2019. As of December 2022, employment in the MSA is increasing at an annualized rate of 1.0 percent, compared to 2.0 percent growth across the nation.

G. DEMOGRAPHIC CHARACTERISTICS

DEMOGRAPHIC CHARACTERISTICS

Population and Households

The following tables illustrates population and household trends in the PMA, MSA and nation from 2000 through 2022, as well as projections through 2027.

POPULATION

Year	PMA		MSA		USA	
	Amount	*Annual Change*	*Amount*	*Annual Change*	*Amount*	*Annual Change*
2000	105,051	-	4,857,914	-	281,250,431	-
2010	104,306	-0.1%	5,649,515	1.6%	308,738,557	1.0%
2022	124,427	1.6%	6,522,851	1.3%	335,707,629	0.7%
2027	123,114	-0.2%	6,626,626	0.3%	339,902,535	0.2%

Source: Esri Demographics 2022, Novogradac, March 2023

The PMA experienced declining population growth between 2000 and 2010 and lagged behind the surrounding MSA, which reported positive growth over the same time period. Growth in the PMA returned to positive territory between 2010 and 2022, and outpaced growth in the MSA and the nation. According to ESRI demographic projections, annualized PMA growth is expected to decline to negative 0.2 percent through 2027, which is well below the MSA and nation.

HOUSEHOLDS

Year	PMA		MSA		USA	
	Amount	*Annual Change*	*Amount*	*Annual Change*	*Amount*	*Annual Change*
2000	50,110	-	1,827,120	-	105,409,443	-
2010	50,777	0.1%	2,099,073	1.5%	116,713,945	1.1%
2022	59,074	1.4%	2,410,821	1.2%	128,657,502	0.9%
2027	59,211	0.0%	2,454,809	0.4%	130,651,704	0.3%

Source: Esri Demographics 2022, Novogradac, March 2023

Historical household growth in the PMA trailed the MSA between 2000 and 2010. Growth in the PMA accelerated between 2010 and 2022, and outpaced growth in the MSA and the nation. According to ESRI demographic projections, annualized PMA growth is expected to slow to 0.0 percent through 2027, which is below the MSA and nation.

Population by Age

POPULATION BY AGE GROUP

Age Cohort	2000	2010	2022	Projected Mkt Entry December 2025	2027
0-4	6,195	7,361	6,919	6,847	6,814
5-9	4,948	4,773	6,343	6,060	5,929
10-14	4,130	3,418	5,941	5,652	5,518
15-19	4,238	3,695	4,970	5,093	5,150
20-24	8,161	5,462	6,707	7,403	7,726
25-29	12,208	12,427	10,320	11,050	11,388
30-34	12,271	12,048	11,960	10,925	10,445
35-39	9,868	10,146	12,261	10,804	10,129
40-44	8,083	8,538	10,063	10,052	10,047
45-49	7,406	7,409	8,429	8,644	8,744
50-54	7,211	6,787	7,731	7,692	7,674
55-59	5,351	6,518	7,400	7,190	7,093
60-64	3,687	5,857	6,957	6,580	6,406
65-69	2,949	3,717	6,266	6,038	5,933
70-74	2,789	2,243	5,141	5,291	5,360
75-79	2,508	1,487	3,352	3,830	4,052
80-84	1,655	1,203	1,853	2,391	2,641
85+	1,391	1,217	1,813	1,985	2,065
Total	**105,049**	**104,306**	**124,426**	**123,529**	**123,114**

Source: Esri Demographics 2022, Novogradac Consulting LLP, March 2022

General Household Income Distribution

The following tables illustrate household income distribution in 2022 and 2027 in the PMA and MSA.

HOUSEHOLD INCOME PMA

Income Cohort	2022		2027		Annual Change 2022 to 2027	
	Number	*Percentage*	*Number*	*Percentage*	*Number*	*Percentage*
$0-9,999	1,991	3.4%	1,851	3.1%	-28	-1.4%
$10,000-19,999	1,506	2.5%	1,434	2.4%	-14	-1.0%
$20,000-29,999	2,301	3.9%	2,023	3.4%	-56	-2.4%
$30,000-39,999	2,379	4.0%	2,214	3.7%	-33	-1.4%
$40,000-49,999	2,615	4.4%	2,146	3.6%	-94	-3.6%
$50,000-59,999	3,111	5.3%	2,880	4.9%	-46	-1.5%
$60,000-74,999	4,023	6.8%	3,939	6.7%	-17	-0.4%
$75,000-99,999	6,276	10.6%	5,929	10.0%	-69	-1.1%
$100,000-124,999	6,539	11.1%	5,987	10.1%	-110	-1.7%
$125,000-149,999	5,629	9.5%	5,619	9.5%	-2	-0.0%
$150,000-199,999	8,331	14.1%	8,389	14.2%	12	0.1%
$200,000+	14,373	24.3%	16,800	28.4%	485	3.4%
Total	**59,074**	**100.0%**	**59,211**	**100.0%**		

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, March 2023

HOUSEHOLD INCOME MSA

Income Cohort	2022		2027		Annual Change 2022 to 2027	
	Number	*Percentage*	*Number*	*Percentage*	*Number*	*Percentage*
$0-9,999	91,590	3.8%	84,354	3.4%	-1,447	-1.6%
$10,000-19,999	93,045	3.9%	85,864	3.5%	-1,436	-1.5%
$20,000-29,999	104,992	4.4%	94,586	3.9%	-2,081	-2.0%
$30,000-39,999	115,831	4.8%	105,714	4.3%	-2,023	-1.7%
$40,000-49,999	118,552	4.9%	108,321	4.4%	-2,046	-1.7%
$50,000-59,999	125,483	5.2%	114,873	4.7%	-2,122	-1.7%
$60,000-74,999	190,321	7.9%	176,353	7.2%	-2,794	-1.5%
$75,000-99,999	291,104	12.1%	278,326	11.3%	-2,556	-0.9%
$100,000-124,999	265,092	11.0%	257,800	10.5%	-1,458	-0.6%
$125,000-149,999	217,447	9.0%	224,099	9.1%	1,330	0.6%
$150,000-199,999	301,705	12.5%	317,884	12.9%	3,236	1.1%
$200,000+	495,659	20.6%	606,635	24.7%	22,195	4.5%
Total	**2,410,821**	**100.0%**	**2,454,809**	**100.0%**		

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, March 2023

The qualifying incomes for the Subject's tenants will range from $0 to $92,220.

Average Household Size

The following table is a summary of the average household size in the PMA, MSA, and nation in 2000, 2022, as well as 2027.

AVERAGE HOUSEHOLD SIZE

Year	PMA		MSA		USA	
	Number	*Annual Change*	*Number*	*Annual Change*	*Number*	*Annual Change*
2000	2.07	-	2.60	-	2.59	-
2010	2.00	-0.4%	2.64	0.2%	2.57	-0.1%
2022	2.08	0.4%	2.66	0.1%	2.55	-0.1%
2027	2.06	-0.3%	2.66	-0.0%	2.54	-0.1%

Source: Esri Demographics 2022, Novogradac, March 2023

The average household size in the PMA is well below the MSA and the overall nation. According to ESRI demographic projections, the average household size in the PMA is expected to decrease through 2027.

Renter Households by Number of Persons

The following table is a summary of the renter households by number of persons in the household in 2022 and 2027.

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA

Household Size	2022		Projected Mkt Entry December 2025		2027	
	Number	*Percentage*	*Number*	*Percentage*	*Number*	*Percentage*
1 Person	13,819	46.8%	13,896	46.8%	13,932	46.8%
2 Persons	8,825	29.9%	8,835	29.8%	8,839	29.7%
3 Persons	3,300	11.2%	3,332	11.2%	3,347	11.3%
4 Persons	1,945	6.6%	1,957	6.6%	1,962	6.6%
5+ Persons	1,649	5.6%	1,659	5.6%	1,664	5.6%
Total Households	**29,538**	**100%**	**29,679**	**100%**	**29,744**	**100%**

Source: HISTA Data / Ribbon Demographics 2021, Novogradac Consulting LLP, March 2023

As shown in the table above, more than half of renter households in the PMA have one to two persons in the household. The Subject will offer one-, two- and three-bedrooms, which seems reasonable given the household size distribution.

General Household Tenure

The following table illustrates the tenure patterns in the PMA for the years 2000 and 2022, as well as the projected tenure patterns for the year 2027.

TENURE PATTERNS PMA

Year	Owner-Occupied	Percentage Owner-Occupied	Renter-Occupied	Percentage Renter-Occupied
2010	25,578	50.4%	25,199	49.6%
2022	29,536	50.0%	29,538	50.0%
2027	29,467	49.8%	29,744	50.2%

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, March 2023

The percentage of renter households in the PMA remained relatively stable between 2010 and 2022, and is estimated to be 50.0 percent as of 2022. The current percentage of renter households in the PMA is above the estimated 35 percent of renter households across the overall nation. According to the ESRI demographic projections, the percentage of renter households in the PMA is expected to remain relatively stable further through 2027.

Median Household Income Levels

The following table illustrates median household income levels in the PMA, MSA, and nation from 2000 through 2027. Note that this is based on data for all household sizes and is independent of the calculation of AMI.

MEDIAN HOUSEHOLD INCOME

Year	PMA		MSA		USA	
	Amount	*Annual Change*	*Amount*	*Annual Change*	*Amount*	*Annual Change*
2000	$63,694	-	$68,961	-	$44,290	-
2022	$135,157	5.1%	$113,904	3.0%	$72,414	2.9%
2027	$156,544	3.2%	$129,911	2.8%	$84,445	3.3%

Source: Esri Demographics 2022, Novogradac, March 2023

As of 2022, the median income in the PMA is slightly above the surrounding MSA. Median household income growth in the PMA exceeded the MSA between 2000 and 2022. Growth in both geographic areas exceeded the nation during the same time period. In particular, median income in the PMA rose from 143.8 percent of the national median income in 2000 to 186.6 percent in 2022. The overall rise in median income levels reflects a market where lower income households may be priced out by more affluent households. It also indicates that affordable housing properties should prosper in the future as incomes and, therefore, achievable rents rise. According to ESRI demographic projections, annualized PMA growth is expected to slow to 3.2 percent through 2027, which is slightly above projected growth in surrounding the MSA and similar to the overall nation.

General Renter Household Income Distribution

The following table illustrates renter household income distribution in the PMA.

RENTER HOUSEHOLD INCOME PMA

Income Cohort	2022		2027		Annual Change 2022 to 2027	
	Number	*Percentage*	*Number*	*Percentage*	*Number*	*Percentage*
$0-9,999	1,585	5.4%	1,484	5.0%	-20	-1.3%
$10,000-19,999	1,087	3.7%	1,041	3.5%	-9	-0.8%
$20,000-29,999	1,722	5.8%	1,478	5.0%	-49	-2.8%
$30,000-39,999	1,757	5.9%	1,607	5.4%	-30	-1.7%
$40,000-49,999	1,848	6.3%	1,583	5.3%	-53	-2.9%
$50,000-59,999	2,046	6.9%	1,916	6.4%	-26	-1.3%
$60,000-74,999	2,718	9.2%	2,691	9.0%	-5	-0.2%
$75,000-99,999	4,063	13.8%	3,978	13.4%	-17	-0.4%
$100,000-124,999	3,495	11.8%	3,318	11.2%	-35	-1.0%
$125,000-149,999	2,771	9.4%	2,927	9.8%	31	1.1%
$150,000-199,999	3,212	10.9%	3,453	11.6%	48	1.5%
$200,000+	3,234	10.9%	4,268	14.3%	207	6.4%
Total	**29,538**	**100.0%**	**29,744**	**100.0%**		

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, March 2023

In the previous table, the percentage of renter-occupied households was applied to the total number of households in each income level. As illustrated, the income cohorts with the largest concentrations of renter households are concentrated in the $75,000-99,999, $100,000-124,999, and $200,000+ income cohorts. As of 2022, approximately 27 percent of renter households in the PMA earn less than $50,000 annually.

HOUSEHOLD INCOME MSA

Income Cohort	2022		2027		Annual Change 2022 to 2027	
	Number	*Percentage*	*Number*	*Percentage*	*Number*	*Percentage*
$0-9,999	91,590	3.8%	84,354	3.4%	-1,447	-1.6%
$10,000-19,999	93,045	3.9%	85,864	3.5%	-1,436	-1.5%
$20,000-29,999	104,992	4.4%	94,586	3.9%	-2,081	-2.0%
$30,000-39,999	115,831	4.8%	105,714	4.3%	-2,023	-1.7%
$40,000-49,999	118,552	4.9%	108,321	4.4%	-2,046	-1.7%
$50,000-59,999	125,483	5.2%	114,873	4.7%	-2,122	-1.7%
$60,000-74,999	190,321	7.9%	176,353	7.2%	-2,794	-1.5%
$75,000-99,999	291,104	12.1%	278,326	11.3%	-2,556	-0.9%
$100,000-124,999	265,092	11.0%	257,800	10.5%	-1,458	-0.6%
$125,000-149,999	217,447	9.0%	224,099	9.1%	1,330	0.6%
$150,000-199,999	301,705	12.5%	317,884	12.9%	3,236	1.1%
$200,000+	495,659	20.6%	606,635	24.7%	22,195	4.5%
Total	**2,410,821**	**100.0%**	**2,454,809**	**100.0%**		

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, March 2023

Rent Overburdened Households

The following table illustrates the percentage of all households paying greater than 35 percent of their income towards housing in the PMA, MSA, and nation.

RENT OVERBURDENED

Year	PMA		MSA		USA	
	Amount	*Percentage*	*Amount*	*Percentage*	*Amount*	*Percentage*
2022	8,174	32.8%	288,768	38.8%	16,657,944	42.7%

Source: US Census 2022, Novogradac, March 2023

The percentage of rent-overburdened households in the PMA is well below the MSA and nation.

Area Median Income

For Section 42 LIHTC rent determination purposes, HUD begins with the Area Median Income (AMI). The following chart illustrates the HUD-published area median income in Alexandria City, VA. Alexandria City is part of the Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area MSA.

Overall, the AMI increased at an annual rate of 2.94 percent between 2012 and 2022. Over 95.7 percent of counties in the nation experienced an increase in AMI in 2022. This was also true in Alexandria City, which reached a record high AMI level in 2022. Rising AMI levels bode well for future rent growth at affordable developments, such as the Proposed Subject.

AMI GROWTH

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
AMI	$103,500	$106,100	$107,500	$107,300	$107,000	$109,200	$108,600	$110,300	$117,200	$121,300	$126,000	$129,000	$142,300
% Growth	-	2.51%	1.32%	(0.19%)	(0.28%)	2.06%	(0.55%)	1.57%	6.26%	3.50%	3.87%	2.38%	10.31%

The proposed rents for all of the Subject's units are set at the maximum allowable levels; therefore, future rent increases will be directly dependent upon future increases in the AMI.

Conclusion

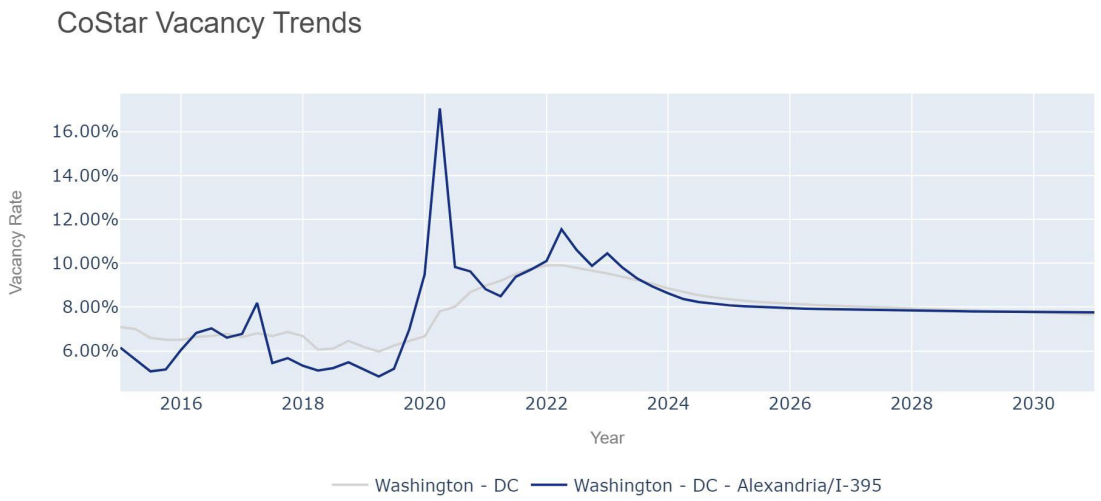
Population in the PMA increased at an annualized rate of 1.6 percent between 2010 and 2022, compared to growth of 1.3 percent in the MSA and 0.7 percent across the nation. The percentage of renter households in the PMA rose between 2010 and 2022 and is estimated to be 50 percent as of 2022. This is more than the estimated 33 percent renter households across the overall nation. The median income in the PMA as of 2022 is slightly above the MSA and overall nation. According to ESRI demographic projections, median income levels are expected to rise through 2027; however, population and household levels are anticipated to decline. household growth is expected to remain relatively stable through 2027. Nonetheless, the overall number of renter households is still projected to rise through 2027, due to an expected increase in the percentage share of households who choose to rent, versus own, their homes. We have considered local demographic trends in our determination of achievable rents.

H. COMPETITIVE ENVIRONMENT

HOUSING SUMMARY

We consulted the CoStar Market Analytics Report for the Washington - DC - Alexandria. Multifamily submarket to gather information on the local apartment rental market.

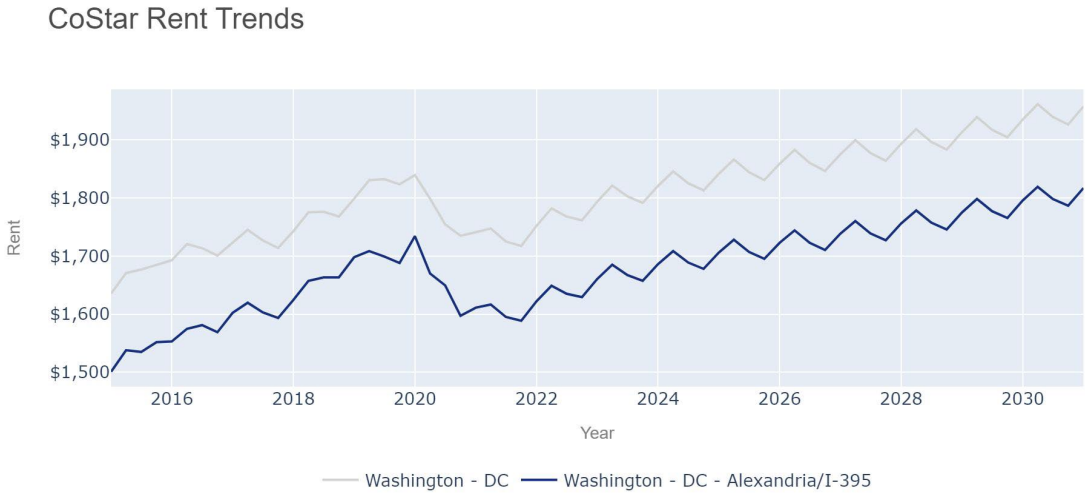
Vacancy



Source: CoStar, March 2023

According to CoStar, historically, the Alexandria City submarket experienced a higher vacancy rate than the Washington DC metro market. Currently, the Alexandria City submarket vacancy rate is 9.81 percent, while the Washington DC market vacancy rate is 9.38 percent. CoStar predicts that the submarket's vacancy rate is expected to remain the same in eight years.

Rent



Source: CoStar, March 2023

According to CoStar, historically the median two-bedroom rent in the Alexandria City submarket was similar to the Washington DC metro market. Currently, the Alexandria City submarket median rent is $1,685, while the Washington DC market median rent is $1,821. CoStar projects rent to grow in Alexandria City by 7.82 percent to $1,817 over the next eight years.

Age of Housing Stock

The following table illustrates the age of the existing housing stock in the PMA, MSA, and nation.

HOUSING STOCK BY YEAR BUILT

	PMA		MSA		USA	
Built 2005 or later	1,455	2.6%	83,123	3.6%	3,772,330	2.8%
Built 2000 to 2004	6,544	11.7%	339,837	14.9%	18,872,283	14.1%
Built 1990 to 1999	6,124	11.0%	342,278	15.0%	19,229,676	14.4%
Built 1980 to 1989	4,750	8.5%	370,790	16.3%	18,484,475	13.8%
Built 1970 to 1979	7,346	13.2%	330,216	14.5%	20,811,073	15.6%
Built 1960 to 1969	7,460	13.4%	282,193	12.4%	14,506,264	10.9%
Built 1950 to 1959	6,678	12.0%	217,069	9.5%	14,087,506	10.5%
Built 1940 to 1949	9,020	16.2%	116,758	5.1%	6,658,408	5.0%
Built 1939 or earlier	6,340	11.4%	196,419	8.6%	17,184,482	12.9%
Total Housing Units	**55,717**	**100.0%**	**2,278,683**	**100.0%**	**133,606,497**	**100.0%**

Source: Esri Demographics 2022, Novogradac, March 2023

As illustrated in the previous table, a majority of the housing stock in the PMA was built prior to 1969. As new construction, the Subject will have a significant advantage over the existing housing stock.

Substandard Housing

The following table illustrates the percentage of housing units that are considered substandard. According to HUD, substandard housing includes: dilapidated unit, unit lacks operable indoor plumbing, unit lacks a usable flush toilet for the exclusive use of a family, unit lacks a usable bathtub or shower for the exclusive use of the a family, unit lacks electricity or has inadequate or unsafe electrical services, unit lacks a safe or adequate source of heat, unit should, but lacks a kitchen, and unit has been declared inhabitable by an agency or government entity.

SUBSTANDARD HOUSING

Year	PMA	MSA	USA
	Percentage	*Percentage*	*Percentage*
2022	0.24%	1.12%	1.70%

Source: US Census 2022, Novogradac, March 2023

The percentage of residents living in substandard housing in the PMA and MSA is below the nation.

Building Permits

The following table demonstrates building permit information from 2000 through year-to-date for Alexandria, Virginia.

BUILDING PERMITS: ALEXANDRIA CITY 2000 - 2021*

Year	Single-family and Duplex	Three and Four-Family	Five or More Family	Total Units
2000	386	0	714	1,100
2001	401	0	928	1,329
2002	380	0	864	1,244
2003	20	0	52	72
2004	171	0	672	843
2005	197	0	820	1,017
2006	137	0	913	1,050
2007	93	0	261	354
2008	65	0	402	467
2009	35	0	201	236
2010	65	0	403	468
2011	105	12	642	759
2012	151	0	221	372
2013	218	0	1,630	1,848
2014	174	0	1,150	1,324
2015	193	0	0	193
2016	145	0	476	621
2017	149	0	0	149
2018	112	0	0	112
2019	65	0	0	65
2020	107	0	0	107
2021*	14	0	186	200
Average*	**154**	**1**	**479**	**633**

*YTD, preliminary
Source: US Census 2022, Novogradac, March 2023

Permit issuance peaked in 2001, well before the onset of the national recession. Permit issuance declined by 82.2 percent during the recession, reaching a low in 2009. Permit issuance increased in six out of 12 years between 2009 and 2021. The most recent years with finalized data indicate construction activity increased by 86.9 percent between 2020 and 2021, however remains near the post-recessionary highs recorded in 2013. Additionally worth noting is that the share of overall permit issuance attributable to large-scale multifamily projects declined 75.7 percent between 2010 and 2021, compared to only 75.3 percent between 2000 and 2008.

Rent/Buy Analysis

We performed a rent/buy analysis. Our inputs assume a three-bedroom, single-family home listing on Zillow in the Subject's neighborhood with a purchase price of $804,636 and an interest rate of 6.62 percent for a 30-year fixed mortgage with a ten percent down payment. This was compared with the cost to rent the Subject's three-bedroom unit at 60 percent of AMI. The analysis indicates that with a monthly differential of $3,966, it is more affordable to rent than purchase a home. The rent buy analysis is illustrated in the following table.

RENT BUY ANALYSIS			
Property Type:		**Three-Bedroom Single-Family Home**	
Sales Price		$804,636	
Down Payment at 10.0%		$80,464	
Mortgage Amount		$724,172	
Current Interest Rate		6.62%	
Homeownership Costs	*Monthly*	*% of Home Value*	*Annual*
Mortgage Payment	$4,636		$55,638
Property Taxes	$838	1.25%	$10,058
Private Mortgage Insurance*	$302	0.50%	$3,621
Maintenance	$1,341	2.00%	$16,093
Utility Costs**	$108		$1,296
Tax Savings	($1,204)		($14,447)
Cost Comparison			
	Monthly		*Annual*
Costs of Homeownership	$6,021		$72,258
Cost of Renting At Subject	$2,055		$24,660
Differential	**$3,966**		**$47,598**
Cost of Occupancy			
Homeownership			
Closing Costs		3.00%	$24,139
Down Payment at 10.0%		10.00%	$80,464
Total			**$104,603**
Subject Rental			
First Month's Rent	$2,055		
Security Deposit	$2,055		
Total	**$4,110**		

* Based upon 0.50% of mortgage amount
** Utility Costs Included in Rent at Subject

As illustrated, the cash due at occupancy category more than $104,000 for the down payment and closing costs. The cash necessary for homeownership is still a barrier to many families. In general, first-time home buyers have difficulty saving for a down payment. Further, renting at the Subject is more affordable than purchasing even a modest single-family home in the Subject's neighborhood. Overall, we believe the Subject will face limited competition from homeownership.

Additions to Supply

We consulted a CoStar new construction report regarding planned, proposed, and under construction developments within the PMA. We also researched LIHTC allocations in the Subject's PMA since 2020. According to our sources, there are multiple proposed, under construction, and recently completed developments within the PMA, illustrated in the following table.

RECENT AND PLANNED DEVELOPMENT

Property Name	Rent Structure	Tenancy	Total Units	Competitive Affordable Units	Competitive PBRA Units	Construction Status	LIHTC Allocation Year	Distance to Subject
Alexandria GMV 9A	Affordable	Family	76	76	0	Proposed	2022	N/A
The Landing of Alexandria	Market	Senior	313	0	0	Complete	N/A	1.0 miles
731 Seaton Ave	Market	Family	391	0	0	Proposed	N/A	1.2 miles
805 King St	Market	Family	15	0	0	Complete	N/A	0.7 miles
912-920 King St	Market	Family	30	0	0	Proposed	N/A	0.7 miles
The Watermark	Market	Family	18	0	0	Complete	N/A	1.0 miles
2250 Eisenhower Ave	Market	Family	421	0	0	Under Construction	N/A	1.4 miles
116 S Henry St	Market	Family	19	0	0	Proposed	N/A	0.7 miles
Eisenhower Block 20	Market	Family	421	0	0	Under Construction	N/A	1.5 miles
Carlyle Park (Phase III)	Market	Family	382	0	0	Under Construction	N/A	1.3 miles
2500 Oakville St	Market	Family	530	0	0	Under Construction	N/A	0.9 miles
The Grayson	Market	Family	119	0	0	Under Construction	N/A	0.2 miles
Carlyle Crossing	Market	Family	741	0	0	Under Construction	N/A	1.5 miles
801 North	Market	Family	54	0	0	Under Construction	N/A	0.5 miles
701 N Henry St	Affordable/Market	Family	94	7	0	Proposed	N/A	0.2 miles
805 N Columbus St	Market	Family	73	0	0	Proposed	N/A	0.2 miles
226-228 W Glebe Rd	Market	Family	110	0	0	Proposed	N/A	1.7 miles
Alexan Old Town	Market	Family	286	0	0	Under Construction	N/A	0.4 miles
Virginia Tech Innovation Campus	Market	Family	300	0	0	Under Construction	N/A	1.0 miles
The Waypoint at Fairlington	Affordable	Family	81	81	0	Under Construction	N/A	2.7 miles
1101 King St	Market	Family	210	0	0	Proposed	N/A	0.6 miles
Block 20	Market	Family	216	0	0	Proposed	N/A	1.4 miles
1300-1310 King St	Market	Family	31	0	0	Under Construction	N/A	0.7 miles
2525 Mount Vernon Ave	Market	Family	78	0	0	Proposed	N/A	1.0 miles
1112 First St	Market	Senior	133	0	0	Under Construction	N/A	0.1 miles
2111 Eisenhower Ave	Affordable/Market	Family	384	44	0	Proposed	N/A	1.3 miles
3700 Mount Vernon Ave	Affordable/Market	Family	375	375	0	Proposed	N/A	1.8 miles
Montgomery Center	Affordable	Family	331	331	0	Proposed	N/A	0.4 miles
Parc View Apartments II	Affordable	Family	373	373	0	Proposed	N/A	4.1 miles
Platform Alexandria*	Market	Family	628	0	0	Complete	N/A	0.2 miles
1033 N Fairfax St	Affordable/Market	Family	77	30	0	Proposed	N/A	0.5 miles
2712 Duke St	Affordable	Family	93	93	0	Proposed	N/A	1.6 miles
Totals			**7,403**	**1,410**	**0**			

*Utilized as rent comparable

- 701 N Henry St is a proposed 94-unit affordable/market development located 0.2 miles south of the Subject site. Upon completion, the property will offer a four-story midrise design and target family households, similar to the Subject. At least seven of the units would be affordable housing. The residences could be rentals or condominiums. We consider 7 units competitive with the Subject as proposed.
- The Waypoint at Fairlington is a under construction 81-unit affordable development located 2.7 miles northwest of the Subject site. Upon completion, the property will offer a four-story midrise design and

target family households between 40% and 60% of the area median income (AMI), similar to the Subject. We consider 81 units competitive with the Subject as proposed.

- 2111 Eisenhower Ave is a proposed 384-unit affordable/market development located 1.3 miles southwest of the Subject site. Upon completion, the property will offer a 25-story highrise design. The plans to provide 44 rental units affordable at 60% AMI to family households, similar to the Subject. We consider 44 units competitive with the Subject as proposed.
- 3700 Mount Vernon Ave is a proposed 375-unit affordable/market development located 1.8 miles northwest of the Subject site. All of the 375 housing units would be priced for residents who are at or below 80 percent Average Median Income (AMI). At least 25 percent of units will be available at 40 percent AMI, which is in high demand in the Arlandria-Chirilagua neighborhood. Upon completion, the property will offer a ten-story midrise design and target family households, similar to the Subject. We consider 375 units competitive with the Subject as proposed.
- Montgomery Center is a proposed 331-unit affordable development located 0.4 miles east of the Subject site. Upon completion, the property will offer a eight-story midrise design and target family households, similar to the Subject. We consider 331 units competitive with the Subject as proposed.
- Parc View Apartments II is a proposed affordable redevelopment located 4.1 miles west of the Subject site and currently offers 149 units at 60% AMI or unrestricted. The proposed redevelopment plans to add multi-family rental units totaling to 373 units. Upon completion, the property will offer a nine-story midrise design and target family households between 30% and 80%, similar to the Subject. We consider 373 units competitive with the Subject as proposed.
- Platform Alexandria was recently completed in 2021 and a 628-unit market-rate development located 0.2 miles northwest of the Subject site. The new development is a eight-story midrise design and target family households, similar to the Subject. Phase II of the project opened in 2021; Phase III opened in early Spring 2022. All 628 units are unrestricted and was used a comparable in our rental analysis. The contact noted that there are still an estimated 100 units that are vacant and haven't been opened for leasing. This was utilized as a rent comparable in our analysis.
- 1033 N Fairfax Street plans to convert three empty office buildings in Old Town North into residential and mixed-use buildings. The project is a proposed to construct 234-unit affordable/market development located 0.5 miles east of the Subject site. According to Alexandria Living Magazine approximately 30 units will be affordable. Upon completion, the property will target family households, similar to the Subject. We consider 30 units competitive with the Subject as proposed.
- The Beyer Land Rover dealership at 2712 Duke Street is a proposed 93-unit affordable development located 1.6 miles west of the Subject site. Upon completion, the property will offer a five-story midrise design and target family households between 40% and 60% AMI, similar to the Subject. We consider 93 units competitive with the Subject as proposed.

Recent LIHTC Allocations

The table below lists LIHTC allocations awarded in the Subject's PMA since 2020.

RECENT LIHTC ALLOCATIONS

Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	Construction Status	LIHTC Allocation Year	Distance to Subject
Alexandria GMV 9A	LIHTC	Family	76	76	Proposed	2022	N/A
Totals			76	**76**			

As detailed above, only one development totaling 76 units have received tax credit allocation in the PMA since 2020.

- In 2022, Alexandria GMV 9A was awarded LIHTC for a proposed new construction 76-unit development. No further details were provided. We consider 76 units competitive with the Subject.

Survey of Comparable Properties

Comparable properties are examined on the basis of physical characteristics; i.e., building type, building age/quality, the level of common amenities, absorption rates, and similarity in rent structure. We attempted to compare the Subject to properties from the competing market, in order to provide a picture of the general economic health and available supply in the market.

Description of Property Types Surveyed/Determination of Number of Tax Credit Units

To evaluate the competitive position of the Subject, we surveyed a total of 2,477 units in 9 rental properties. The availability of the LIHTC data is considered average. We included four affordable developments located between 0.0 and 1.5 miles from the Subject site, all of which are located inside the PMA. The availability of the market rate data is also considered average. We included five market rate properties located between 0.1 and 0.3 miles from the Subject site, all of which are located inside the PMA. Overall, we believe the availability of data is adequate to support our conclusions.

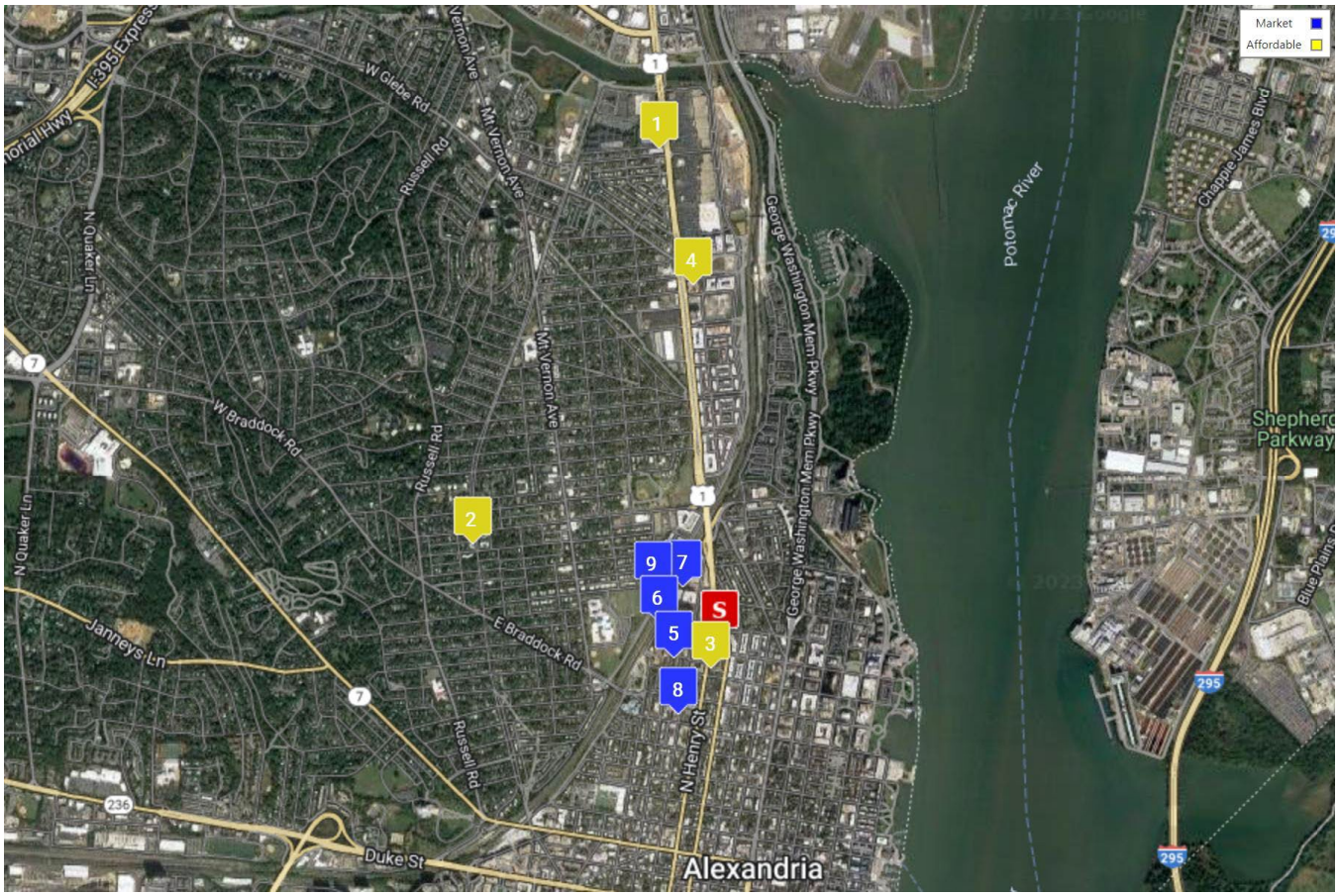
The comparable properties were chosen primarily based on location, age, condition, design, and amenities. Several properties were excluded for various reasons. The following table illustrates the properties that are excluded from the supply analysis of this report.

EXCLUDED PROPERTIES

Property Name	Rent Structure	Tenancy	Reason for Exclusion
Arbelo Apartments	LIHTC	Family	Dissimilar unit mix
Beverly Park Apartments	LIHTC	Family	Closer Comp Utilized
Brent Place Apartments	LIHTC	Family	Closer Comp Utilized
Chatham Square	LIHTC	Family	Unable to contact
Elbert Avenue Apartments	LIHTC	Family	Inferior Condition
Fields Of Alexandria	LIHTC	Family	Closer Comp Utilized
Longview Terrace Apartments	LIHTC	Family	Dissimilar unit mix
Lynhaven Apartments	LIHTC	Family	Dissimilar unit size
Parcview Apartments II - Family	LIHTC	Family	Closer Comp Utilized
Parcview Apartments II - Senior	LIHTC	Senior	Dissimilar tenancy
Quaker Hill	LIHTC	Family	Dissimilar unit mix
Ramsey Homes	LIHTC	Family	Unable to contact
The Apex	LIHTC	Family	Unable to Contact
Braddock Lee	Market	Family	Closer Comp Utilized
Brookville Townhomes	Market	Family	Closer Comp Utilized
Clayborne Apartments	Market	Family	Closer Comp Utilized
Commonwealth Crossing Apartments	Market	Family	Closer Comp Utilized
Delray Tower	Market	Family	Closer Comp Utilized
Foxchase Of Alexandria	Market	Family	Closer Comp Utilized
Glebe House Apartments	Market	Family	Dissimilar unit mix
Gunston Hall Apartments	Market	Family	Closer Comp Utilized
Lincoln Old Town	Market	Family	Closer Comp Utilized
Lloyd Apartments	Market	Family	Closer Comp Utilized
Mason Gardens	Market	Family	Closer Comp Utilized
Mason Hall Apartments	Market	Family	Inferior Condition
Monticello Lee	Market	Family	Unable to contact
New Brookside Apartments	Market	Family	Closer Comp Utilized
Park Vue Of Alexandria	Market	Family	Closer Comp Utilized
Presidential Greens Apartments	Market	Family	Closer Comp Utilized
Seminary Hill	Market	Family	Closer Comp Utilized
Seminary Towers	Market	Family	Closer Comp Utilized
The Aspen Apartments	Market	Family	Closer Comp Utilized
The Brawner	Market	Family	Dissimilar unit mix
The Encore	Market	Family	Closer Comp Utilized
The Gardens At Del Ray	Market	Family	Dissimilar unit mix
The Mark Apartments	Market	Family	Closer Comp Utilized
The Reserve At Potomac Yard	Market	Family	Closer Comp Utilized
The Summit	Market	Family	Closer Comp Utilized
Claridge House II	Section 8/Market	Senior	Subsidized rents
Heritage At Old Town	Section 8/Market	Family	Subsidized rents
Del Ray Central	LIHTC/Market	Family	Insufficient information from contact
Parcview Apartments	LIHTC/Market	Family	Closer Comp Utilized
Potomac West Apartments	LIHTC/Market	Family	Dissimilar unit mix
Station 650 Apartments	LIHTC/Market	Family	Closer Comp Utilized
Old Town Commons	LIHTC/Section 8	Family	Subsidized rents
Waypoint Apartments	LIHTC/Section 8	Family	Subsidized rents

Comparable Rental Property Map

The following map illustrates the location of the Subject in relation to the comparable properties.



Source: Google Maps, March 2023

COMPARABLE PROPERTIES

#	Property Name	City	Rent Structure	Distance to Subject
S	**Samuel Madden Homes – 9%**	**Alexandria**	**@30% (PBV), @50%, @60%**	**-**
1	Jackson Crossing	Alexandria	@60%	1.5 miles
2	Lacy Court Apartments	Alexandria	@40%, @50%, @60%	0.8 mile
3	The Bloom At Braddock Apartments	Alexandria	@30%, @40%, @50%, @60%	0.0 mile
4	The Station At Potomac Yard	Alexandria	@60%, @80%	1.1 miles
5	1111 Belle Pre Apartments	Alexandria	Market	0.1 mile
6	Meridian At Braddock Station	Alexandria	Market	0.1 mile
7	Platform Alexandria	Alexandria	Market	0.2 mile
8	The Asher	Alexandria	Market	0.3 mile
9	The Dalton	Alexandria	Market	0.1 mile

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	Samuel Madden Homes - 9%	-	Midrise	@30% (PBV),	1BR / 1BA	3	4.0%	678	@30% (PBV)	$714	N/A	N/A	N/A	N/A
	999 N Henry St		6-stories	@50%, @60%	1BR / 1BA	5	6.7%	678	@50%	$1,248	N/A	N/A	N/A	N/A
	Alexandria, VA 22314		2026 / n/a		1BR / 1BA	7	9.3%	678	@60%	$1,515	N/A	N/A	N/A	N/A
	Alexandria City		Family		2BR / 2BA	5	6.7%	885	@30% (PBV)	$859	N/A	N/A	N/A	N/A
					2BR / 2BA	17	22.7%	885	@50%	$1,500	N/A	N/A	N/A	N/A
					2BR / 2BA	23	30.7%	885	@60%	$1,820	N/A	N/A	N/A	N/A
					3BR / 2BA	3	4.0%	1,138	@30% (PBV)	$998	N/A	N/A	N/A	N/A
					3BR / 2BA	5	6.7%	1,138	@50%	$1,738	N/A	N/A	N/A	N/A
					3BR / 2BA	7	9.3%	1,138	@60%	$2,108	N/A	N/A	N/A	N/A
						75							N/A	N/A
1	Jackson Crossing	1.5 miles	Midrise	@60%	1BR / 1BA	14	18.0%	663	@60%	$1,499	Yes	20HH	0	0.0%
	120 E Reed Ave		4-stories		2BR / 1.5BA	46	59.0%	948	@60%	$1,773	Yes	No	0	0.0%
	Alexandria, VA 22305		2015 / n/a		2BR / 2BA	5	6.4%	1,043	@60%	$1,773	Yes	No	0	0.0%
	Alexandria		Family		3BR / 2BA	13	16.7%	1,237	@60%	$2,055	Yes	No	0	0.0%
						78							0	0.0%
2	Lacy Court Apartments	0.8 miles	Garden	@40%, @50%,	0BR / 1BA	2	4.6%	436	@40%	$956	Yes	Yes	1	50.0%
	1502 Commonwealth Avenue		3-stories	@60%	1BR / 1BA	1	2.3%	600	@40%	$976	Yes	Yes	1	100.0%
	Alexandria, VA 22301		1951 / 2019		1BR / 1BA	2	4.6%	600	@60%	$1,510	Yes	Yes	0	0.0%
	Fairfax County		Family		2BR / 1BA	2	4.6%	752	@40%	$1,173	Yes	Yes	0	0.0%
					2BR / 1BA	6	13.6%	752	@50%	$1,493	Yes	Yes	1	16.7%
					2BR / 1BA	9	20.5%	752	@60%	$1,813	Yes	Yes	0	0.0%
					3BR / 1BA	12	27.3%	1,087	@50%	$1,728	Yes	Yes	0	0.0%
					3BR / 1BA	10	22.7%	1,087	@60%	$2,098	Yes	Yes	1	10.0%
						44							4	9.1%
3	Bloom At Braddock Apartment	0.0 miles	Midrise	@30%, @40%,	0BR / 1BA	N/A	N/A	381	@30%	$662	Yes	No	0	N/A
	900 N Henry St		4-stories	@50%, @60%	0BR / 1BA	N/A	N/A	386	@40%	$772	Yes	No	0	N/A
	Alexandria, VA 22314		2021 / n/a		1BR / 1BA	N/A	N/A	834	@50%	$1,259	Yes	No	0	N/A
	Fairfax County		Family		1BR / 1BA	N/A	N/A	588	@50%	$1,259	Yes	No	0	N/A
					2BR / 2BA	N/A	N/A	808	@50%	$1,479	Yes	No	2	N/A
					2BR / 2BA	N/A	N/A	1,215	@60%	$1,799	Yes	No	0	N/A
					3BR / 2BA	N/A	N/A	1,042	@50%	$1,090	Yes	No	0	N/A
					3BR / 2BA	N/A	N/A	1,428	@60%	$2,060	Yes	No	0	N/A
						96							2	2.1%
4	The Station At Potomac Yard	1.1 miles	Midrise	@60%, @80%	1BR / 1BA	8	12.5%	768	@60%	$1,346	Yes	No	1	12.5%
	650 Maskell Street		5-stories		1BR / 1BA	N/A	N/A	768	@80%	$1,795	N/A	No	0	N/A
	Alexandria, VA 22301		2009 / n/a		1BR / 1BA	4	6.3%	768	@80%	$1,613	Yes	No	0	0.0%
	Alexandria		Family		2BR / 1.5BA	33	51.6%	1,020	@60%	$1,623	Yes	No	0	0.0%
					2BR / 1.5BA	15	23.4%	1,020	@80%	$1,803	Yes	No	0	0.0%
					3BR / 2BA	3	4.7%	1,260	@60%	$1,879	Yes	No	0	0.0%
					3BR / 2BA	1	1.6%	1,260	@80%	$2,483	Yes	No	0	0.0%
						64							1	1.6%
5	1111 Belle Pre Apartments	0.1 miles	Midrise	Market	1BR / 1BA	N/A	N/A	850	Market	$2,358	N/A	No	5	N/A
	1111 Belle Pre Way		7-stories		1BR / 1BA	180	60.0%	607	Market	$1,899	N/A	No	5	2.8%
	Alexandria		2013 / n/a		2BR / 2BA	N/A	N/A	1,073	Market	$2,988	N/A	No	N/A	N/A
			Family		2BR / 2BA	120	40.0%	978	Market	$2,788	N/A	No	5	4.2%
						300							11	3.7%
6	Meridian At Braddock Station	0.1 miles	Highrise	Market	0BR / 1BA	N/A	N/A	605	Market	$1,795	N/A	No	1	N/A
	1200 1st Street		1-stories		0BR / 1BA	N/A	N/A	648	Market	$1,680	N/A	No	2	N/A
	Alexandria, VA 22314		1992 / 2002		1BR / 1BA	N/A	N/A	671	Market	$1,955	N/A	No	1	N/A
	Alexandria		Family		1BR / 1BA	N/A	N/A	743	Market	$1,955	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	744	Market	$1,995	N/A	No	3	N/A
					1BR / 1BA	N/A	N/A	747	Market	$1,965	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	797	Market	$1,870	N/A	No	2	N/A
					1BR / 1BA	N/A	N/A	810	Market	$2,070	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	849	Market	$2,225	N/A	No	1	N/A
					2BR / 2BA	N/A	N/A	1,086	Market	$2,565	N/A	No	1	N/A
					2BR / 2BA	N/A	N/A	1,096	Market	$2,565	N/A	No	2	N/A
					2BR / 2BA	N/A	N/A	1,183	Market	$2,545	N/A	No	2	N/A
					2BR / 2BA	N/A	N/A	1,245	Market	$2,580	N/A	No	1	N/A
						480							19	4.0%
7	Platform Alexandria	0.2 miles	Midrise	Market	0BR / 1BA	N/A	N/A	491	Market	$2,040	N/A	No	3	N/A
	1100 N Fayette St		8-stories		0BR / 1BA	N/A	N/A	438	Market	$1,770	N/A	No	2	N/A
	Alexandria, VA 22314		2021 / n/a		1BR / 1BA	N/A	N/A	838	Market	$2,924	N/A	No	58	N/A
	Alexandria		Family		1BR / 1BA	N/A	N/A	522	Market	$1,994	N/A	No	15	N/A
					2BR / 1BA	N/A	N/A	714	Market	$2,808	N/A	No	1	N/A
					2BR / 2BA	N/A	N/A	1,216	Market	$3,908	N/A	No	2	N/A
					2BR / 2BA	N/A	N/A	839	Market	$3,078	N/A	No	24	N/A
					3BR / 2BA	N/A	N/A	1,346	Market	$4,292	N/A	No	6	N/A
					3BR / 2BA	N/A	N/A	1,323	Market	$3,747	N/A	No	2	N/A
						628							113	18.0%
8	The Asher	0.3 miles	Midrise	Market	0BR / 1BA	N/A	N/A	531	Market	$1,956	N/A	No	N/A	N/A
	620 N Fayette Street		6-stories		0BR / 1BA	N/A	N/A	468	Market	$1,861	N/A	No	4	N/A
	Alexandria, VA 22314		2012 / N/A		1BR / 1BA	N/A	N/A	752	Market	$2,671	N/A	No	3	N/A
	Alexandria		Family		1BR / 1BA	N/A	N/A	710	Market	$2,594	N/A	No	0	N/A
					1BR / 2BA	N/A	N/A	937	Market	$2,717	N/A	No	2	N/A
					2BR / 2BA	N/A	N/A	1,077	Market	$2,819	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	968	Market	$2,693	N/A	No	4	N/A
						206							9	4.4%
9	The Dalton	0.1 miles	Highrise	Market	0BR / 1BA	12	4.4%	478	Market	$1,780	N/A	No	0	0.0%
	1225 1st Street		15-stories		0BR / 1BA	N/A	N/A	475	Market	$1,635	N/A	No	2	N/A
	Alexandria, VA 22314		2017 / n/a		1BR / 1BA	N/A	N/A	722	Market	$2,150	N/A	No	0	N/A
	Alexandria		Family		1BR / 1BA	167	61.6%	555	Market	$1,815	N/A	No	10	6.0%
					2BR / 1BA	N/A	N/A	962	Market	$2,670	N/A	No	N/A	N/A
					2BR / 1BA	N/A	N/A	877	Market	$2,580	N/A	No	3	N/A
					2BR / 2BA	N/A	N/A	1,074	Market	$2,965	N/A	No	0	N/A
					2BR / 2BA	44	16.2%	1,021	Market	$2,855	N/A	No	2	4.6%
						271							15	5.5%

Location

The following table compares locational statistics in the Subject's neighborhood relative to the locations of the comparable properties

LOCATIONAL COMPARISON SUMMARY

#	Property Name	Program	Distance Subject	Household Income	Median Home Value	Median Rent	Crime Index	Walk Score	Vacant Housing	% Renter HH
S	**Samuel Madden Homes – 9%**	LIHTC/PBV		**$147,767**	**$740,224**	**$2,030**	**144**	**89**	**8.5%**	**47.7%**
1	Jackson Crossing	LIHTC	1.5 miles	$118,309	$648,296	$1,704	184	86	6.0%	63.0%
2	Lacy Court Apartments	LIHTC	0.8 mile	$192,325	$757,230	$1,975	138	79	4.5%	32.4%
3	The Bloom At Braddock Apartments	LIHTC	0.0 mile	$149,512	$740,224	$2,030	144	89	8.1%	47.3%
4	The Station At Potomac Yard	LIHTC	1.1 miles	$164,396	$757,230	$1,975	109	84	4.4%	49.0%
5	1111 Belle Pre Apartments	Market	0.1 mile	$151,903	$740,224	$2,030	144	91	8.3%	48.6%
6	Meridian At Braddock Station	Market	0.1 mile	$151,872	$740,224	$2,030	144	89	6.4%	48.9%
7	Platform Alexandria	Market	0.2 mile	$155,253	$740,224	$2,030	136	85	6.0%	49.4%
8	The Asher	Market	0.3 mile	$155,290	$740,224	$2,030	154	95	8.3%	46.3%
9	The Dalton	Market	0.1 mile	$154,061	$740,224	$2,030	144	85	6.4%	48.3%

The Subject is located in the south portion of Alexandria. Surrounding uses consist of single-family homes, multifamily and retail properties exhibiting average to good condition. Weaknesses of the Subject's location include a higher rate of vacant housing. The Subject's location is designated Very Walkable by Walk Score with a score of 89, indicating most errands can be accomplished on foot.

The affordable properties are located between 0.0 and 1.5 miles from the Subject site. The neighborhoods surrounding the LIHTC comparables vary, ranging from slightly inferior to slightly superior relative to the Subject's location. The on balance, we believe the neighborhood surrounding The Bloom At Braddock Apartments is similar to the Subject's location. Lacy Court Apartments and The Station At Potomac Yard have a slightly superior location due to higher household income, median home value and crime index. Jackson Crossing is the only LIHTC comparable where household income, median home value, median rent, and crime index are slightly inferior to the Subject's location.

The market rate developments are located between 0.1 and 0.3 miles from the Subject site. The market rate comparables are generally in neighborhoods considered similar relative to the Subject's location.

Age, Condition, and Design

The following table illustrates the Subject's design and condition in comparison to the comparable properties.

	Samuel Madden Homes – 9%	Jackson Crossing	Lacy Court Apartments	The Bloom At Braddock Apartments	The Station At Potomac Yard	1111 Belle Pre Apartments	Meridian At Braddock Station	Platform Alexandria	The Asher	The Dalton
Program	LIHTC/ PBV	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Tenancy	Family	Family	Family	Family	Family	Family	Family	Family	Family	Family
Building										
Property Type	Various	Midrise	Garden	Midrise	Midrise	Midrise	Highrise	Midrise	Midrise	Highrise
# Stories	6	4	3	4	5	7	1	8	6	15
Year Built	2026	2015	1951	2021	2009	2013	1992	2021	2012	2017
Year Renovated	N/A	N/A	2019	N/A	N/A	N/A	2002	N/A	N/A	N/A
Commercial	no	no	no	no	yes	no	no	yes	no	no
Courtyard	yes	yes	no	no	yes	yes	no	yes	no	no
Elevators	yes	yes	no	yes	yes	yes	yes	yes	yes	yes

The Subject is anticipated to finish construction in 2026 and will exhibit excellent overall condition. The LIHTC comparables were constructed or renovated between 1951 and 2021, while the market rate comparables were constructed or renovated between 1992 and 2021. The majority of the LIHTC comparables exhibit generally inferior to similar condition relative to the Subject. The exception is The Bloom At Braddock Apartments which is the newly constructed in 2021 and exhibits similar condition, Jackson Crossing, Lacy Court Apartments, and the Station At Potomac Yard exhibit inferior to slightly inferior condition due to the year built. Of the market rate comparables, Platform Alexandria and The Dalton were constructed in 2021 and 2017, respectively, and exhibit similar condition as the Subject. 1111 Belle Pre Apartments, Meridian At Braddock Station, The Asher however, exhibit inferior to slightly inferior condition relative to the Subject.

The Subject will offer 75-units with an elevator-serviced design. This is similar to all but one other elevator-serviced midrise design offered. Lacy Court Apartments offers garden-style designs with no elevators, which are slightly inferior to the Subject's design.

Unit Size

The following table summarizes unit sizes in the market area, and provides a comparison of the Subject's unit size relative to the surveyed average unit sizes in the market.

UNIT SIZE COMPARISON

Bedroom Type	1BR	2BR	3BR
Subject	**678**	**885**	**1,138**
Average	727	988	1,230
Min	522	714	1,042
Max	937	1,245	1,428
Advantage/Disadvantage	**-6.7%**	**-10.4%**	**-7.4%**

The Subject's one-bedroom units, two-bedroom units, and three-bedroom units are within the range of the surveyed comparable unit sizes. The Subject's one-bedroom units, two-bedroom units, and three-bedroom units are slightly below the comparables average square footage. We have considered the Subject's unit sizes in our determination of achievable rents.

SQUARE FOOTAGE RANKING COMPARISON

One Bedroom One Bath		Two Bedroom Two Bath		Three Bedroom Two Bath	
Property Name	Size	Property Name	Size	Property Name	Size
The Asher (Market)(2BA)	937	Meridian At Braddock Station (Market)	1,245	The Station At Potomac Yard (@60%)	1,260
Meridian At Braddock Station (Market)	849	Meridian At Braddock Station (Market)	1,183	The Station At Potomac Yard (@80%)	1,260
Meridian At Braddock Station (Market)	810	Meridian At Braddock Station (Market)	1,096	Jackson Crossing (@60%)	1,237
Meridian At Braddock Station (Market)	797	Meridian At Braddock Station (Market)	1,086	**Samuel Madden Homes - 9% (@30%)**	**1,138**
The Station At Potomac Yard (@60%)	768	Jackson Crossing (@60%)	1,043	**Samuel Madden Homes - 9% (@50%)**	**1,138**
Meridian At Braddock Station (Market)	747	The Station At Potomac Yard (@80%)(1.5BA)	1,020	**Samuel Madden Homes - 9% (@60%)**	**1,138**
Meridian At Braddock Station (Market)	744	The Station At Potomac Yard (@60%)(1.5BA)	1,020	Lacy Court Apartments (@60%)(1BA)	1,087
Meridian At Braddock Station (Market)	743	Jackson Crossing (@60%)(1.5BA)	948	Lacy Court Apartments (@50%)(1BA)	1,087
Samuel Madden Homes - 9% (@30%)	**678**	**Samuel Madden Homes - 9% (@30%)**	**885**		
Samuel Madden Homes - 9% (@50%)	**678**	**Samuel Madden Homes - 9% (@50%)**	**885**		
Samuel Madden Homes - 9% (@60%)	**678**	**Samuel Madden Homes - 9% (@60%)**	**885**		
Meridian At Braddock Station (Market)	671	Lacy Court Apartments (@40%)(1BA)	752		
Jackson Crossing (@60%)	663	Lacy Court Apartments (@50%)(1BA)	752		
Lacy Court Apartments (@40%)	600	Lacy Court Apartments (@60%)(1BA)	752		
Lacy Court Apartments (@60%)	600	Platform Alexandria (Market)(1BA)	714		

Utility Structure

The following table details the Subject's utility structure in comparison to the comparable properties. The utility conventions differ at the comparable properties; therefore, we have adjusted "base" or "asking" rents of the comparable properties to "net" rents, reflecting the Subject's utility convention.

	Samuel Madden Homes – 9%	Jackson Crossing	Lacy Court Apartments	The Bloom At Braddock Apartments	The Station At Potomac Yard	1111 Belle Pre Apartments	Meridian At Braddock Station	Platform Alexandria	The Asher	The Dalton
Program	LIHTC/ PBV	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Tenancy	Family	Family	Family	Family	Family	Family	Family	Family	Family	Family
Utility Structure										
Heat	no	no	no	no	no	no	no	no	no	no
Cooking	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no
Air Conditioning	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	yes	no	no	no	no	no	no	no
Water	no	no	yes	no	yes	no	no	no	no	no
Sewer	no	no	yes	no	yes	no	no	no	no	no
Trash	yes	yes	yes	no	yes	no	yes	no	yes	yes

In-Unit Amenities

The following table compares the Subject's in-unit amenities with comparable properties.

	Samuel Madden Homes – 9%	Jackson Crossing	Lacy Court Apartments	The Bloom At Braddock Apartments	The Station At Potomac Yard	1111 Belle Pre Apartments	Meridian At Braddock Station	Platform Alexandria	The Asher	The Dalton
Program	LIHTC/ PBV	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Tenancy	Family	Family	Family	Family	Family	Family	Family	Family	Family	Family
Unit										
Balcony	no	no	no	yes	yes	no	yes	no	no	yes
Bike Storage	no	no	no	yes	no	no	no	no	no	no
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite	yes	no	no	no	no	no	no	no	no	no
Carpeting	no	yes	yes	no	yes	no	yes	no	no	no
Ceiling Fan	no	no	no	yes	yes	no	yes	no	yes	no
Central/AC	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	no	yes	yes	yes	yes	yes	no	yes	yes	no
Exterior Storage	no	no	yes	no	no	no	no	yes	yes	yes
Hardwood Floors	no	no	no	yes	no	yes	no	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	yes	no	no	no	no
Walk-In-Closet	yes	no	no	no	yes	no	no	yes	yes	no
Washer / Dryer	yes	no	no	no	yes	yes	yes	yes	yes	yes
W/D Hookups	no	no	no	no	yes	yes	yes	yes	yes	yes
Kitchen										
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Microwave	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

Notable amenities offered by the proposed Subject will include complimentary internet, central air conditioning, dishwashers, microwaves, walk-in closets, and washer/dryers. The majority of the comparables offer unit amenities considered slightly inferior to superior relative to the proposed Subject. These properties offer features such as balconies/patios, ceiling fans, disposals, hardwood flooring, and washer/dryer hook-ups, none of which will be offered by the proposed Subject. Overall, we believe the Subject's unit amenities will be competitive in the market.

Property Amenities

The following table compares the Subject's property amenities with the comparable properties.

	Samuel Madden Homes – 9%	Jackson Crossing	Lacy Court Apartments	The Bloom At Braddock Apartments	The Station At Potomac Yard	1111 Belle Pre Apartments	Meridian At Braddock Station	Platform Alexandria	The Asher	The Dalton
Program	LIHTC/ PBV	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Tenancy	Family	Family	Family	Family	Family	Family	Family	Family	Family	Family
Community										
Business Center	no	no	no	yes	yes	yes	no	yes	yes	yes
Central Laundry	no	yes	yes	yes	yes	no	no	no	no	no
Clubhouse	no	yes	no	yes	yes	yes	yes	yes	yes	yes
Concierge	yes	no	no	no	no	yes	no	yes	no	no
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
WiFi	yes	no	no	no	no	yes	no	yes	no	yes
Recreation										
Exercise Facility	no	no	no	no	yes	yes	yes	yes	yes	yes
Picnic Area	yes	no	yes	no	no	yes	no	yes	yes	yes
Playground	no	no	no	yes	no	no	no	no	no	no
Recreational Area	yes	yes	no	no	no	no	no	no	no	no
Swimming Pool	no	no	no	no	no	yes	yes	yes	no	yes
Theatre	no	no	no	no	no	yes	no	no	yes	no
Services										
Afterschool Program	no	yes	no	no	no	no	no	no	no	no
Tutoring	no	yes	no	no	no	no	no	no	no	no

Notable amenities offered by the proposed Subject will include, concierge, on-site management, picnic areas, recreational areas, and common area Wi-Fi. The majority of the comparables offer property amenities considered slightly inferior to superior relative to the proposed Subject. These properties lack features such as picnic areas, recreational areas, and common area Wi-Fi, all of which are offered by the proposed Subject. The amenities offered by Lacy Court Apartments are considered similar to the proposed Subject. Overall, we believe the Subject's property amenities will be competitive in the market.

Security Features

The following table compares the Subject's security features with comparable properties.

	Samuel Madden Homes – 9%	Jackson Crossing	Lacy Court Apartments	The Bloom At Braddock Apartments	The Station At Potomac Yard	1111 Belle Pre Apartments	Meridian At Braddock Station	Platform Alexandria	The Asher	The Dalton
Program	LIHTC/ PBV	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Tenancy	Family	Family	Family	Family	Family	Family	Family	Family	Family	Family
Crime Index	144	184	138	144	109	144	144	136	154	144
Security										
Intercom (Buzzer)	no	yes	no	yes	yes	yes	yes	yes	yes	yes
Intercom (Phone)	no	no	no	no	yes	no	yes	no	no	no
In-Unit Alarm	no	no	no	no	no	yes	no	no	no	no
Limited Access	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Video Surveillance	no	no	no	no	no	no	no	yes	no	no

According to ESRI Demographic data, crime indices in the proposed Subject's location are slightly elevated relative to the national average. The proposed Subject will offer limited access. All of the comparables offer some form of security amenities. Overall, the comparables security features were generally considered to be similar compared to the proposed Subject. As such, we believe the proposed Subject's security amenities are market oriented.

Parking

The following table compares the Subject's parking amenities with comparable properties.

	Samuel Madden Homes – 9%	Jackson Crossing	Lacy Court Apartments	The Bloom At Braddock Apartments	The Station At Potomac Yard	1111 Belle Pre Apartments	Meridian At Braddock Station	Platform Alexandria	The Asher	The Dalton
Program	LIHTC/ PBV	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Tenancy	Family	Family	Family	Family	Family	Family	Family	Family	Family	Family
Walk Score	89	86	79	89	84	91	89	85	95	85
Parking Ratio	0.53	0.0	0.57	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Parking										
Garage	yes	yes	no	no	yes	yes	yes	yes	yes	yes
Garage Fee	n/a	$35	n/a	n/a	$0	$75	$75	$125	$75	$100
Surface	no	no	yes	yes	yes	no	no	no	no	no
Surface Fee	n/a	$0	$0	n/a	$0	$0	$0	n/a	$0	$0

According to the site plan provided by the client, the property will offer garage parking; specifically, 40 parking spaces, or 0.53 spaces per unit. There is no fee for parking. The parking at the Subject will share a garage parking structure with the 4% proposed building. Given the Subject's proximity to public transit, we believe the number of parking spaces to be adequate. Three LIHTC comparables Lacy Court Apartments, The Bloom At Braddock Apartments and The Station At Potomac Yard offer surface parking. All market rate and Jackson Crossing only offer garage parking for monthly fees between $75 to $125. The parking at these properties is inferior to the Subject's parking.

Conclusion

The Subject will be new construction and exhibit excellent overall condition upon completion. The LIHTC comparables were constructed or renovated between 1951 and 2021, while the market rate comparables were constructed or renovated between 1992 and 2021. The majority of the LIHTC comparables exhibit generally inferior to similar condition relative to the Subject. The exception is The Bloom At Braddock Apartments which was newly constructed in 2021 and exhibits similar condition, Jackson Crossing, Lacy Court Apartments, and the Station At Potomac Yard exhibit inferior to slightly inferior condition due to the year built. Of the market rate comparables, Platform Alexandria and The Dalton were constructed in 2021 and 2017, respectively, and exhibit similar condition as the Subject. 1111 Belle Pre Apartments, Meridian At Braddock Station, The Asher however, exhibit inferior to slightly inferior condition relative to the Subject. The amenity packages offered by the comparables are generally considered to be slightly inferior to superior relative to the proposed Subject. The unit amenity packages offered by the comparables are generally slightly inferior to superior relative to the proposed Subject. The Subject's one-, two- and three-bedroom units are slightly below the comparables average square footage. Overall, strong demand for affordable housing has been reported by properties in the area, and we believe the Subject will be well accepted in the market.

MARKET CHARACTERISTICS

The following table details voucher usage reported by the comparable properties.

TENANTS WITH VOUCHERS

Property Name	Program	Housing Choice Voucher %
Jackson Crossing	LIHTC	25%
Lacy Court Apartments	LIHTC	20%
The Bloom At Braddock Apartments	LIHTC	N/A
The Station At Potomac Yard	LIHTC	14%
1111 Belle Pre Apartments	Market	0%
Meridian At Braddock Station	Market	0%
Platform Alexandria	Market	N/A
The Asher	Market	0%
The Dalton	Market	N/A

The comparable properties reported voucher usage ranging between zero and 25 percent. None of the market rate properties reported voucher usage. Three of the LIHTC comparables reported voucher usage, with an average utilization of 20 percent. Based on the performance of the LIHTC comparables, we expect the Subject will operate with voucher usage of approximately 20 percent.

Turnover

The following table illustrates reported turnover for the comparable properties.

TURNOVER

Property Name	Program	Tenancy	Annual Turnover
Jackson Crossing	LIHTC	Family	35%
Lacy Court Apartments	LIHTC	Family	N/A
The Bloom At Braddock Apartments	LIHTC	Family	N/A
The Station At Potomac Yard	LIHTC	Family	20%
1111 Belle Pre Apartments	Market	Family	25%
Meridian At Braddock Station	Market	Family	25%
Platform Alexandria	Market	Family	N/A
The Asher	Market	Family	N/A
The Dalton	Market	Family	0%
Average Turnover			**21%**

The comparable properties reported turnover ranging between 0 and 35 percent, with an overall average of 21 percent. The LIHTC comparables operate with an average turnover rate of 28 percent, which is slightly above the 17 percent average reported by the market rate properties. Based on the performance of the LIHTC comparables, we expect the Subject will operate with a turnover rate of approximately 25 percent.

Vacancy

The following table summarizes overall weighted vacancy levels at the surveyed properties.

OVERALL VACANCY

Property Name	Program	Tenancy	Total Units	Vacant Units	Vacancy %
Jackson Crossing	LIHTC	Family	78	0	0.0%
Lacy Court Apartments	LIHTC	Family	44	4	9.1%
The Bloom At Braddock Apartments	LIHTC	Family	96	2	2.1%
The Station At Potomac Yard	LIHTC	Family	64	1	1.6%
1111 Belle Pre Apartments	Market	Family	300	11	3.7%
Meridian At Braddock Station	Market	Family	480	19	4.0%
Platform Alexandria	Market	Family	628	113	18.0%
The Asher	Market	Family	206	9	4.4%
The Dalton	Market	Family	271	15	5.5%
LIHTC Total	-	-	**282**	**7**	**2.5%**
Market Total			**1,885**	**167**	**8.9%**
Market Total (excluding Platform Alexandria)			**1,257**	**54**	**4.3%**
Overall Total			**2,167**	**174**	**8.0%**
Overall Total (excluding Platform Alexandria)			**1,539**	**61**	**4.0%**

The comparable properties reported vacancy rates ranging from 1.6 to 18 percent, with an overall weighted average of 8.0 percent. The average vacancy rate reported by the affordable comparables was 2.5 percent, well below the 8.9 percent weighted average reported by the market rate properties. All but one market rate properties reported vacancy rates of 5.5 percent or less. It should be noted that Lacy Court Apartments is the smallest comparable with only four vacancies, which yields a high vacancy percentage. Management at this comparable noted there is a waiting list of a year for all units and is currently in the process of leasing the vacant units. Platform Alexandria was recently completed in 2021. Phase II of the project opened in 2021; Phase III opened in early Spring 2022. The contact noted that there are still an estimated 100 units vacant and haven't been opened for leasing. Excluding Platform Alexandria from our analysis the total market vacancy rate drops to 4.3 percent. Based on the performance of the comparables, we expect the Subject will operate with vacancy and collection losses of approximately five percent or less over a typical investment period.

VACANCY BY BEDROOM TYPE

Property Name	Rent Structure	Tenancy	0BR	1BR	2BR	3BR	4BR	Overall
Jackson Crossing	LIHTC	Family	-	0.0%	0.0%	0.0%	-	0.0%
Lacy Court Apartments	LIHTC	Family	50.0%	33.3%	5.9%	4.5%	-	9.1%
The Bloom At Braddock Apartments	LIHTC	Family	-	-	-	-	-	2.1%
The Station At Potomac Yard	LIHTC	Family	-	8.3%	0.0%	0.0%	-	1.6%
1111 Belle Pre Apartments	Market	Family	-	2.8%	4.2%	-	-	3.7%
Meridian At Braddock Station	Market	Family	-	-	-	-	-	4.0%
Platform Alexandria	Market	Family	-	-	-	-	-	18.0%
The Asher	Market	Family	-	-	-	-	-	4.4%
The Dalton	Market	Family	0.0%	6.0%	4.5%	-	-	5.5%

*Located outside of the PMA

As proposed, the Subject will consist of one- two – and three- bedroom units. Vacancy rates in the market average 50 percent for studio units, 50.4 percent for one-bedroom units, 14.6 percent for two-bedroom units, and 4.5 percent for three-bedroom units. Overall, given the vacancy rates in the market and the household growth rates projected for the PMA, we do not believe the Subject will negatively impact the existing properties in the market.

Concessions

None of the LIHTC comparable properties reported offering concessions. Meridian at Braddock Station and Platform Alexandria reported offering first month's rent free. Given the lack of concessions offered in the market, we do not anticipate that the Subject will need to offer concessions to maintain a stabilized occupancy rate upon completion.

Waiting Lists

In markets with high housing costs and a limited supply of affordable housing, waiting lists are common. A waiting list indicates a strong market with high occupancy and unmet demand. Properties that carry a waiting list typically enjoy easy lease-up upon turnover. The following table details the waiting list information at comparable multifamily properties.

WAITING LISTS

Property Name	Program	Tenancy	Waiting List Length
Jackson Crossing	LIHTC	Family	20 HH for one-bedroom units.
Lacy Court Apartments	LIHTC	Family	Yes; One year
The Bloom At Braddock Apartments	LIHTC	Family	None
The Station At Potomac Yard	LIHTC	Family	Yes; there is a waitlist for three-bedroom units. The contact was unable to provide the length of the waitlist.
1111 Belle Pre Apartments	Market	Family	None
Meridian At Braddock Station	Market	Family	None
Platform Alexandria	Market	Family	None
The Asher	Market	Family	None
The Dalton	Market	Family	None

The majority of the LIHTC properties maintain waiting lists. These waiting lists are extensive at some of the LIHTC developments. Upon stabilization, we expect the Subject to operate with low vacancy and will likely maintain a waiting list, particularly for its units at lower set asides.

Projected Absorption

The following table details the nearest absorption comparables we were able to identify.

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Vesta Parkside	Market	Family	Washington	2022	191	22	8.0 miles
MDL Flats	LIHTC	Family	Washington	2021	76	76	4.3 miles
The Woods At Brambleton Town Center South	LIHTC	Family	Ashburn	2021	55	55	28.6 miles
The Silva	Market	Family	Washington	2021	172	6	7.6 miles
Pilot House At Riverdale	Market	Family	Riverdale Park	2021	227	46	12.3 miles
Addison Row	Market	Family	Capitol Heights	2021	650	35	9.5 miles
Average Affordable					**66**	**66**	
Average Market					**310**	**27**	
Overall Average					**229**	**40**	

We obtained absorption data from six properties, located between 4.3 and 28.6 miles from the Subject site. These properties reported absorption rates ranging from six to 76 units per month, with an overall average of 40 units per month. The LIHTC properties experienced rapid absorption in the survey and leased all of their units within a month. Overall, we expect the proposed Subject will experience an absorption rate similar to the LIHTC properties of 60 units per month. This equates to an absorption period of approximately two months.

Rent Growth

We were able to obtain the most recent rental adjustment data from all of the comparable properties. The following table outlines the rental history for the comparable properties.

RENT GROWTH

Property Name	Program	Tenancy	Rent Growth
Jackson Crossing	LIHTC	Family	Increased to max
Lacy Court Apartments	LIHTC	Family	Increased one to two percent
The Bloom At Braddock Apartments	LIHTC	Family	N/A
The Station At Potomac Yard	LIHTC	Family	Kept at max
1111 Belle Pre Apartments	Market	Family	Changes Daily Using Yieldstar
Meridian At Braddock Station	Market	Family	None
Platform Alexandria	Market	Family	N/A
The Asher	Market	Family	Fluctuates daily
The Dalton	Market	Family	Changes Daily

Two of the LIHTC comparables, Jackson Crossing and The Station At Potomac Yard, reported achieving maximum allowable rents. However, Lacy Court Apartments also reported some rent growth over the past year. Additionally, all of the market rate comparables experienced rent growth over the past year. Four out of the five comparables utilize a price changing software. The proposed rents for the Subject's units are set at the maximum allowable levels; therefore, future rent increases will be directly dependent upon future increases in the AMI. We anticipate that the Subject will be able to achieve moderate rent growth in the future as a LIHTC property within the limits of the LIHTC guidelines.

Reasonability of Rents

The table below illustrates the Subject's proposed rents and unit mix.

		UNITS			RENTS				ACHIEVABLE LIHTC vs.	
									Market	Section 42 Max
Bedroom Type	AMI Level	SF	#	% of Total	Developer Pro Forma	Achievable LIHTC Rents	Market[1]	Section 42 Max[2]	as % of	as % of
1BR / 1BA	@30%	678	3	4.0%	$714	$714	$2,300	$714	31.0%	100.0%
1BR / 1BA	@50%	678	5	6.7%	$1,248	$1,248	$2,300	$1,248	54.3%	100.0%
1BR / 1BA	@60%	678	7	9.3%	$1,515	$1,515	$2,300	$1,515	65.9%	100.0%
2BR / 2BA	@30%	885	5	6.7%	$859	$859	$3,000	$859	28.6%	100.0%
2BR / 2BA	@50%	885	17	22.7%	$1,500	$1,500	$3,000	$1,500	50.0%	100.0%
2BR / 2BA	@60%	885	23	30.7%	$1,820	$1,820	$3,000	$1,820	60.7%	100.0%
3BR / 2BA	@30%	1,138	3	4.0%	$998	$998	$3,800	$998	26.3%	100.0%
3BR / 2BA	@50%	1,138	5	6.7%	$1,738	$1,738	$3,800	$1,738	45.7%	100.0%
3BR / 2BA	@60%	1,138	7	9.3%	$2,108	$2,108	$3,800	$2,108	55.5%	100.0%
OVERALL WEIGHTED AVG			**75**	**100.0%**	**$1,561**	**$1,561**	**$3,020**	**$1,561**	**52.1%**	**100.0%**
@30% Units			11	14.7%	$857	$857	$3,027	$857	28.6%	100.0%
@50% Units			27	36.0%	$1,497	$1,497	$3,019	$1,497	50.0%	100.0%
@60% Units			37	49.3%	$1,817	$1,817	$3,019	$1,817	60.7%	100.0%

[1] *Market rent estimates reflect achievable rent assuming the property were 100% market rate and available for occupancy as of the effective date of the report.*

[2] *Maximum Section 42 rents have been adjusted by the appropriate utility allowance.*

Comparable LIHTC Rents

The following tables compare the Subject's and the comparable properties' rents. For the purposes of this market study, "Base Rents" are the actual rents quoted to the tenant, and are most frequently those rents

that potential renters consider when making a housing decision. "Net rents" are rents adjusted for the cost of utilities (adjusted to the Subject's convention) and are used to compensate for the differing utility structures of the Subject and the comparable properties. Net rents represent the actual costs of residing at a property, and help to provide an "apples-to-apples" comparison of rents. Note that some of the comparable property's LIHTC rents appear to be above the maximum levels; however, the majority are the result of differing utility allowance structures at the comparables.

30 Percent AMI

It should be noted that none of the comparables offer units at the 30 AMI levels. However, there is no direct competition at these set asides and demand is typically highest at the lower AMI levels. Eleven units at the 30% AMI level are proposed to operate with project-based subsidies where tenants pay 30 percent of their income towards rent. If the Subject were to lose its subsidy, the rents would need to be reduced to within LIHTC limits. As such, assuming no subsidy is in place, we estimate the achievable LIHTC rents to be equal to the maximum allowable levels.

50 Percent AMI

LIHTC RENT COMPARISON @50%

Property Name	County	1BR	2BR	3BR	Max Rent?
Samuel Madden Homes – 9%	**Alexandria**	**$1,248**	**$1,500**	**$1,738**	-
LIHTC Maximum Rent (Net)	**Alexandria**	**$1,248**	**$1,500**	**$1,738**	-
Lacy Court Apartments	Fairfax	-	$1,449	$1,668	Yes
The Bloom At Braddock Apartments	Fairfax	$1,264	$1,485	$1,097	Yes
Average	-	**$1,264**	**$1,467**	**$1,383**	-
Achievable LIHTC Rent		**$1,248**	**$1,500**	**$1,738**	Yes

The Subject will offer 27 units restricted to households earning 50 percent of the AMI or less. Two comparables, Lacy Court Apartments and The Bloom At Braddock Apartments, also offer units restricted to the 50 percent of AMI level. Both comparables reported maximum allowable LIHTC rents. Lacy Court Apartments current vacancy rate is 9.1% but maintains a waiting list of one year. Additionally, both contacts noted that there is demand for more affordable housing. The maximum allowable rents at the 50 percent of AMI level will also provide a rent advantage of 46 to 54 percent over our concluded achievable market rents. Therefore, we believe that the Subject will be able to achieve the maximum allowable rents at the 50 percent of AMI level.

60 Percent AMI

LIHTC RENT COMPARISON @60%

Property Name	County	1BR	2BR	3BR	Max Rent?
Samuel Madden Homes – 9%	**Alexandria**	**$1,515**	**$1,820**	**$2,108**	-
LIHTC Maximum Rent (Net)	**Alexandria**	**$1,515**	**$1,820**	**$2,108**	-
Jackson Crossing	Alexandria	$1,499	$1,773	$2,055	Yes
Lacy Court Apartments	Fairfax	$1,480	$1,769	$2,038	Yes
The Bloom At Braddock Apartments	Fairfax	-	$1,805	$2,067	Yes
The Station At Potomac Yard	Alexandria	$1,323	$1,588	$1,832	Yes
Average	-	**$1,434**	**$1,734**	**$1,998**	-
Achievable LIHTC Rent		**$1,515**	**$1,820**	**$2,108**	Yes

The Subject will offer 37 units restricted to households earning 60 percent of the AMI or less. All of the comparable LIHTC properties also offer units restricted to the 60 percent of AMI level. All comparables reported achieving the maximum allowable rents at the 60 percent of AMI level. The Bloom At Braddock Apartments is a new construction similar to the Subject's condition yet offers slightly superior unit amenities, inferior property amenities, similar unit sizes, and is located in a similar neighborhood relative to the Subject. All comparables except for Lacy Court Apartments are operating with low vacancy rates and some reported extensive waiting lists, and multiple contacts at these properties reported that there is high demand for affordable housing in the area. Additionally, the maximum allowable rents at the 60 percent of AMI level will offer rent advantages of 34 to 45 percent over our concluded achievable market rents. Therefore, due to the comparables achieving maximum allowable rents, the strong performance among the remaining comparables, and the rent advantages over the market, we believe that the Subject will be able to achieve the maximum allowable rents at the 60 percent of AMI level.

Most Similar LIHTC

Based upon the overall comparison ratings, the Subject will be most similar to Bloom At Braddock Apartments.

The Bloom At Braddock Apartments is a 96-unit property located 0.0 mile west of the Subject site, in a neighborhood considered similar relative to the Subject's location. This property was constructed in 2021. We consider the condition of this property similar relative to the proposed Subject, which will also be new construction. The manager at The Bloom At Braddock Apartments reported a low vacancy rate of 2.1 percent, indicating the current rents are well accepted in the market.

The Bloom At Braddock Apartments offers balconies/patios, bike storage, ceiling fans, central laundry, disposals, and hardwood flooring, all of which the proposed Subject will lack. However, the Subject will offer complimentary internet, a fitness center, picnic areas, recreational areas, a swimming pool, walk-in closets, washer/dryers, and common area WiFi, none of which are provided by The Bloom At Braddock Apartments. On balance, we consider the in-unit and property amenity packages offered by The Bloom At Braddock Apartments to be slightly superior and inferior relative to the proposed Subject, respectively. In overall terms, we believe the proposed Subject will be a similar product relative to The Bloom At Braddock Apartments.

Given the Subject's comparison to Bloom At Braddock Apartments, as well as the low vacancy rates reported by the affordable comparables, we believe that maximum allowable rents are achievable for the Subject at the 50 and 60 percent of AMI levels.

Achievable Market Rents

Based on the quality of the surveyed comparable properties and the anticipated quality of the proposed Subject, we conclude that the Subject's rental rates are below the achievable market rates for the Subject's area. The following table shows both market rent comparisons and achievable market rents.

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rent	Subject Rent Advantage
1BR / 1BA	@30% (PBV)	$714	$1,815	$2,924	$2,197	$2,300	69%
1BR / 1BA	@50%	$1,248	$1,815	$2,924	$2,197	$2,300	46%
1BR / 1BA	@60%	$1,515	$1,815	$2,924	$2,197	$2,300	34%
2BR / 2BA	@30% (PBV)	$859	$2,545	$3,908	$2,827	$3,000	71%
2BR / 2BA	@50%	$1,500	$2,545	$3,908	$2,827	$3,000	50%
2BR / 2BA	@60%	$1,820	$2,545	$3,908	$2,827	$3,000	39%
3BR / 2BA	@30% (PBV)	$998	$3,747	$4,292	$4,019	$3,800	74%
3BR / 2BA	@50%	$1,738	$3,747	$4,292	$4,019	$3,800	54%
3BR / 2BA	@60%	$2,108	$3,747	$4,292	$4,019	$3,800	45%

MARKET RENT COMPARISON (UNADJUSTED)

Property Name	1BR	2BR	3BR
Subject Pro Forma @30%	**$714**	**$859**	**$998**
Subject Pro Forma @50%	**$1,248**	**$1,500**	**$1,738**
Subject Pro Forma @60%	**$1,515**	**$1,820**	**$2,108**
1111 Belle Pre Apartments	$2,447	$3,099	-
	$1,988	$2,899	-
Meridian At Braddock Station	$2,035	$2,666	-
	$2,035	$2,666	-
	$2,075	$2,646	-
	$2,045	$2,681	-
	$1,950	-	-
	$2,150	-	-
	$2,305	-	-
Platform Alexandria	$3,013	$2,919	$4,420
	$2,083	$4,019	$3,875
	-	$3,189	-
The Asher	$2,751	$2,920	-
	$2,674	$2,794	-
	$2,797	-	-
The Dalton	$2,230	$2,771	-
	$1,895	$2,681	-
	-	$3,066	-
	-	$2,956	-
Average	**$2,280**	**$2,931**	**$4,148**
Achievable Market Rent	$2,300	$3,000	$3,800

The Subject's achievable LIHTC rents are below the achievable market rents. The Subject's achievable LIHTC rents represent a rent advantage of 34 to 74 percent over the achievable market rents. We concluded that achievable market rents for the Subject's units are similar to or slightly below the rents at Platform Alexandria, and The Dalton.

The Dalton is a 271-unit property located 0.1 mile northwest of the Subject site, in a neighborhood considered similar relative to the Subject's location. This property was constructed in 2017. We consider the condition of this property similar relative to the proposed Subject, which will be new construction. The manager at The Dalton reported a modest vacancy rate of 5.5 percent, indicating the current rents are well accepted in the market. The following table compares the Subject with The Dalton.

SUBJECT COMPARISON TO THE DALTON

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Square Feet	Subject RPSF	Comparable Rent	Square Feet	Comparable RPSF	Subject Rent Advantage
1BR/1BA	@30% (PBV)	$714	678	$1.05	$1,815	555	$3.27	61%
1BR/1BA	@50%	$1,248	678	$1.84	$1,815	555	$3.27	31%
1BR/1BA	@60%	$1,515	678	$2.23	$1,815	555	$3.27	17%
2BR/2BA	@30% (PBV)	$859	885	$0.97	$2,855	1,021	$2.80	70%
2BR/2BA	@50%	$1,500	885	$1.69	$2,855	1,021	$2.80	47%
2BR/2BA	@60%	$1,820	885	$2.06	$2,855	1,021	$2.80	36%
3BR/2BA	@30% (PBV)	$998	1,138	$0.88	$2,855	1,021	$2.80	65%
3BR/2BA	@50%	$1,738	1,138	$1.53	$2,855	1,021	$2.80	39%
3BR/2BA	@60%	$2,108	1,138	$1.85	$2,855	1,021	$2.80	26%

The Dalton offers balconies/patios, a business center, a clubhouse, disposals, a fitness center, exterior storage, hardwood flooring, a swimming pool, and washer/dryer hook-ups, all of which the proposed Subject will lack. However, the Subject will offer complimentary internet, recreational areas, and walk-in closets, none of which are provided by The Dalton. On balance, we consider the in-unit and property amenity packages offered by The Dalton to be superior and slightly inferior relative to the proposed Subject, respectively. In overall terms, we believe the proposed Subject will be a slightly inferior product relative to The Dalton. Accordingly, our concluded achievable rents are 17 to 70 percent below the rents reported by The Dalton.

Platform Alexandria is a 628-unit property located 0.2 mile northwest of the Subject site, in a neighborhood considered similar relative to the Subject's location. This property was constructed in 2021. We consider the condition of this property similar relative to the proposed Subject, which will be new construction. The manager at Platform Alexandria reported an elevated vacancy rate of 18.0 percent, indicating the current rents are likely near the achievable limits. The following table compares the Subject with Platform Alexandria.

SUBJECT COMPARISON TO PLATFORM ALEXANDRIA

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Square Feet	Subject RPSF	Comparable Rent	Square Feet	Comparable RPSF	Subject Rent Advantage
1BR/1BA	@30% (PBV)	$714	678	$1.05	$1,999	522	$3.83	64%
1BR/1BA	@50%	$1,248	678	$1.84	$1,999	522	$3.83	38%
1BR/1BA	@60%	$1,515	678	$2.23	$1,999	522	$3.83	24%
2BR/2BA	@30% (PBV)	$859	885	$0.97	$3,084	839	$3.68	72%
2BR/2BA	@50%	$1,500	885	$1.69	$3,084	839	$3.68	51%
2BR/2BA	@60%	$1,820	885	$2.06	$3,084	839	$3.68	41%
3BR/2BA	@30% (PBV)	$998	1,138	$0.88	$3,754	1,323	$2.84	73%
3BR/2BA	@50%	$1,738	1,138	$1.53	$3,754	1,323	$2.84	54%
3BR/2BA	@60%	$2,108	1,138	$1.85	$3,754	1,323	$2.84	44%

Platform Alexandria offers a business center, a clubhouse, disposals, a fitness center, exterior storage, hardwood flooring, a swimming pool, and washer/dryer hook-ups, all of which the proposed Subject will lack.

However, the Subject will offer complimentary internet and recreational areas, neither of which is provided by Platform Alexandria. On balance, we consider the in-unit and property amenity packages offered by Platform Alexandria to be superior and slightly inferior relative to the proposed Subject, respectively. In overall terms, we believe the proposed Subject will be a similar product relative to Platform Alexandria. Our concluded achievable rents are 24 to 73 percent below the rents reported by Platform Alexandria.

Summary Evaluation of the Project

The Subject will be well-positioned in the market. As a newly constructed property, the Subject will be in similar to superior condition relative to the majority of the comparable properties. The market exhibits strong demand for affordable housing, with a weighted average vacancy rate of 2.5 percent at the comparable LIHTC properties. Four out of the five LIHTC properties reported operating with a waiting list. Vacancy loss at the Subject is expected to be no more than five percent over a typical investment period. Given the low vacancy rates and waiting lists reported by the affordable comparables, as well as the rent advantages over the market rate rents, we believe that 2022 maximum allowable rents are achievable for the Subject at the 30, 50 and 60 percent of AMI levels. The Subject will be well-accepted in the market as a newly-constructed LIHTC property, and the concluded achievable LIHTC rents offer a market rent advantage.

Impact on Existing Housing Stock

All the data combined with interviews of real estate professionals demonstrate a continuing need for affordable housing over the foreseeable term. The comparables surveyed include a total of 2,477 units in 9 rental properties. The LIHTC comparables in the area reported vacancy rates of 2.5 percent or lower, with one LIHTC comparables reporting 100 percent occupancy and four of the LIHTC comparables reporting waiting lists for all of their units. Additionally, the strong occupancy rates at the market rate comparables in the PMA are evidence of a stable rental market and strong demand.

Our demand calculations illustrate a need for affordable housing in the area when we consider the Subject's achievable LIHTC rents. The existing and planned apartment developments will not hinder each other's ability to maintain high occupancy. Additionally, the construction of the property through the LIHTC program will have a positive impact on the surrounding neighborhood, and will not adversely affect the existing housing located in the PMA.

I. AFFORDABILITY ANALYSIS, DEMAND ANALYSIS, CAPTURE RATES AND PENETRATION RATES

AFFORDABILITY ANALYSIS, DEMAND ANALYSIS, CAPTURE RATES, AND PENETRATION RATES

Introduction

When evaluating demand for a particular proposed development we rely primarily on two methods. These are a supply analysis and a demand analysis. The supply analysis focuses on satisfied demand and anecdotal reports from property managers and market participants regarding demand. We believe this evidence of demand is the clearest and most reliable when measuring housing need in a market area. We explored that indication in the previous sections of this report.

This section focuses on analyzing demographic data to determine housing need. According to NCHMA model content standards there are two measurements used to evaluate demand based on the demographic data. The first measurement is termed the capture rate. NCHMA define Capture Rate as: The percentage of age, size, and income qualified renter households in the primary market area that the property must capture to fill the units. The Capture Rate is calculated by dividing the total number of units at the property by the total number of age, size and income qualified renter households in the primary market area."

The second measurement is the Penetration Rate, which has similarities to the capture rate. NCHMA defines Penetration Rate as the percentage of age and income qualified renter households in the primary market area that all existing and proposed properties, to be completed within six months of the Subject, and which are competitively priced to the subject that must be captured to achieve the stabilized level of occupancy."

Capture Rate Determination

The following analysis will take the reader through a multi-step process in determining an appropriate capture rate for the Subject. Our analysis takes the entire population and distributes it by the following characteristics:

1. PMA Demography
2. Income Qualified
3. Income Distribution
4. Income Eligible - Renter Households by Number of People in Household
5. Unit Size Appropriate
6. Capture Rate by Bedroom Mix

The following text will examine each step through the process.

Step One – PMA Demography

Primary Market Area Defined

For the purposes of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much neighborhood-oriented" and are generally very reluctant to move from the area in which they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below-market rents. A certain percent of the Subject's tenants are expected to hail from the PMA; demand estimates will be adjusted to reflect the potential for leakage."

We determined the Primary Market Area (PMA) based on our conversations with local market participants including property managers, as well as our physical inspection of the market. The PMA is generally defined as the communities of Old Town West, Potomac, North Ridge, Landmark, Seminary Hill, and Taylor Run, Eisenhower East, and Alexandria Historic District. The PMA boundaries are: The the North: South Glebe Road and Interstate 395, and To the East: Potomac River, To the South: Interstate 495, To the West: Interstate 395

and South Van Dorn Street. The PMA encompasses approximately 13 square miles. We believe that additional support will originate from areas outside of the established PMA. We estimate a leakage of 10 percent. To provide a broader economic context for the Subject, we also include a Secondary Market Area (SMA). The secondary market area (SMA) for the Subject is Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area (MSA), which consists of the following counties: District of Columbia in District of Columbia; Jefferson in West Virginia; Calvert, Charles, Frederick, Montgomery, and Prince George's in Maryland; Alexandria city, Arlington, Clarke, Culpeper, Fairfax city, Fairfax, Falls Church city, Fauquier, Fredericksburg city, Loudoun, Manassas city, Manassas Park city, Prince William, Rappahannock, Spotsylvania, Stafford, and Warren in Virginia. The MSA is 8,653 square miles.

Demographic Information

The basic demographic information is based upon the definition of a primary market area (PMA") and an estimate of the characteristics of the people living within that geographic definition.

Demographic data originates from the Census and is compiled by a third party data provider. Novogradac & Company uses data provided by the ESRI Business Analyst. Business Analyst brings in data as produced by ESRI's team of demographers. Sources include the US Census, American Community Survey, and other reputable sources. Housing characteristics are derived from several data sources, including construction data from Hanley Wood Market Intelligence, building permits from counties, the USPS, HUD, BLS, and the Census bureau. Owner and renter occupied units come from the Current Population Survey (BLS) and the Housing Vacancy Survey (Census). Data has been ground-truthed by ESRI staff and proven effective.

ESRI's products are used by almost all US federal agencies (including HUD and USDA), top state level agencies, over 24,000 state and local governments worldwide, as well as many industry leading technology users—AT&T, Citrix, SAP, Oracle, Microsoft. ESRI produces timely updates based on new releases of data.

Step one is to identify demographic data such as number of households, renter households, income distribution and AMI levels. The appropriate demographic is used based on the tenancy for the proposed development. When analyzing a property designated for families the demographics for the entire population within the PMA is used. However, senior properties are restricted to tenants who reached the age of at least 55 or 62 years based upon the specifics of the applicable program. A property designated for seniors is analyzed using demographic data for the given age-restriction proposed for the Subject. The demographic information was detailed in the demographic section of this report.

Step Two – Income Qualified

Assumptions and Data necessary for this calculation are:

Appropriate Jurisdiction:	Alexandria City, VA
AMI for four-person household:	$142,300
Tenancy:	Family
Affordability percentage:	35 percent
Leakage:	10 percent

To establish the number of income-eligible potential tenants for the Subject, the calculations are as follows:

First, we estimate the Subject's minimum and maximum income levels (income bands) for the proposed LIHTC project. HUD determines maximum income guidelines for tax credit properties, based on the AMI. This provides the upper end of the income band as illustrated below. However, the minimum income is not established by HUD and must be estimated. Often, lower-income families pay a higher percentage of gross income toward housing costs. The industry standard is 35 percent for LIHTC-only calculations for family oriented properties. For senior properties this number increases to 40 percent based upon the nature of senior household

economics. The lower end of the income band is calculated by taking the proposed rent by bedroom type multiplying by 12 and dividing by the applicable percentage to determine an income level. For example, if a property has a one-bedroom unit with proposed gross rents of $500, the estimated low end of the income range would be $17,143 based on the family 35 percent or $15,000 based on the senior 40 percent. The 'As Proposed' scenario reflects the Subject as proposed.

INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@30% (PBV)		*@50%*		*@60%*	
1BR	$0	$34,170	$45,771	$56,950	$54,926	$68,340
2BR	$0	$38,430	$54,891	$64,050	$65,863	$76,860
3BR	$0	$46,110	$63,429	$76,850	$76,114	$92,220

INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@30%		*@50%*		*@60%*	
1BR	$27,463	$34,170	$45,771	$56,950	$54,926	$68,340
2BR	$32,914	$38,430	$54,891	$64,050	$65,863	$76,860
3BR	$38,057	$46,110	$63,429	$76,850	$76,114	$92,220

Second, we illustrate the household population segregated by income band in order to determine those who are income-qualified to reside in the Subject property. This income distribution was illustrated previously in the demographic analysis section of this report.

RENTER HOUSEHOLD INCOME PMA

Income Cohort	2022		2027		Annual Change 2022 to 2027	
	Number	*Percentage*	*Number*	*Percentage*	*Number*	*Percentage*
$0-9,999	1,585	5.4%	1,484	5.0%	-20	-1.3%
$10,000-19,999	1,087	3.7%	1,041	3.5%	-9	-0.8%
$20,000-29,999	1,722	5.8%	1,478	5.0%	-49	-2.8%
$30,000-39,999	1,757	5.9%	1,607	5.4%	-30	-1.7%
$40,000-49,999	1,848	6.3%	1,583	5.3%	-53	-2.9%
$50,000-59,999	2,046	6.9%	1,916	6.4%	-26	-1.3%
$60,000-74,999	2,718	9.2%	2,691	9.0%	-5	-0.2%
$75,000-99,999	4,063	13.8%	3,978	13.4%	-17	-0.4%
$100,000-124,999	3,495	11.8%	3,318	11.2%	-35	-1.0%
$125,000-149,999	2,771	9.4%	2,927	9.8%	31	1.1%
$150,000-199,999	3,212	10.9%	3,453	11.6%	48	1.5%
$200,000+	3,234	10.9%	4,268	14.3%	207	6.4%
Total	**29,538**	**100.0%**	**29,744**	**100.0%**		

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, March 2023

Step Three – Income Distribution

Third, we combine the allowable income bands with the income distribution analysis in order to determine the number of potential income-qualified households. The Cohort Overlap is defined as the income amount within income bands defined above that falls within the ESRI provided Income Cohort. The % in Cohort is simply the cohort overlap divided by the income cohort range (generally $10,000). The # in Cohort is determined by multiplying total renter households by the % in Cohort determination. In some cases, the income-eligible band overlaps with more than one income cohort. In those cases, the cohort overlap for more than one income cohort will be calculated. The sum of these calculations provides an estimate of the total number of households that are income-eligible, both by AMI level and in total.

RENTER INCOME DISTRIBUTION - AS PROPOSED

Income Cohort	Total Renter Households	@30% (PBV)			@50%			@60%			All Units		
		cohort overlap	*% in cohort*	# in cohort	*cohort overlap*	*% in cohort*	# in cohort	*cohort overlap*	*% in cohort*	# in cohort	*cohort overlap*	*% in cohort*	# in cohort
$0-$9,999	1,585	$9,999	100.0%	1,585							$9,999	100.0%	1,585
$10,000-$19,999	1,087	$9,999	100.0%	1,087							$9,999	100.0%	1,087
$20,000-$29,999	1,722	$9,999	100.0%	1,722							$9,999	100.0%	1,722
$30,000-$39,999	1,757	$9,999	100.0%	1,757							$9,999	100.0%	1,757
$40,000-$49,999	1,848	$6,110	61.1%	1,129	$4,228	42.3%	781				$9,999	100.0%	1,848
$50,000-$59,999	2,046				$9,999	100.0%	2,046	$5,073	50.7%	1,038	$9,999	100.0%	2,046
$60,000-$74,999	2,718				$14,999	100.0%	2,718	$14,999	100.0%	2,718	$14,999	100.0%	2,718
$75,000-$99,999	4,063				$1,850	7.4%	301	$17,220	68.9%	2,799	$17,220	68.9%	2,799
$100,000-$124,999	3,495												
$125,000-$149,999	2,771												
$150,000-$199,999	3,212												
$200,000-$250,000	3,234												
Total	**29,538**		**24.6%**	**7,280**		**19.8%**	**5,846**		**22.2%**	**6,555**		**52.7%**	**15,562**

RENTER INCOME DISTRIBUTION - ABSENT SUBSIDY

Income Cohort	Total Renter Households	@30%			@50%			@60%			All Units		
		cohort overlap	*% in cohort*	# in cohort	*cohort overlap*	*% in cohort*	# in cohort	*cohort overlap*	*% in cohort*	# in cohort	*cohort overlap*	*% in cohort*	# in cohort
$0-$9,999	1,585												
$10,000-$19,999	1,087												
$20,000-$29,999	1,722	$2,536	25.4%	437							$2,536	25.4%	437
$30,000-$39,999	1,757	$9,999	100.0%	1,757							$9,999	100.0%	1,757
$40,000-$49,999	1,848	$6,110	61.1%	1,129	$4,228	42.3%	781				$9,999	100.0%	1,848
$50,000-$59,999	2,046				$9,999	100.0%	2,046	$5,073	50.7%	1,038	$9,999	100.0%	2,046
$60,000-$74,999	2,718				$14,999	100.0%	2,718	$14,999	100.0%	2,718	$14,999	100.0%	2,718
$75,000-$99,999	4,063				$1,850	7.4%	301	$17,220	68.9%	2,799	$17,220	68.9%	2,799
$100,000-$124,999	3,495												
$125,000-$149,999	2,771												
$150,000-$199,999	3,212												
$200,000-$250,000	3,234												
Total	**29,538**		**11.2%**	**3,323**		**19.8%**	**5,846**		**22.2%**	**6,555**		**39.3%**	**11,604**

Step Four – Income Eligible - Renter Households by Number of People in Household

At this point we know how many income eligible renter households there are within the PMA by AMI level. Using that household figure, we calculate the percentage of income eligible households to total households by AMI level (AMI percentage eligible). However, in order to provide a demand analysis by bedroom type the number of households must now be allocated to a bedroom mix. The first step in that process is to determine the number of income qualified renter households by the number of persons per household. This can be completed by applying the total number of rental households by person by the AMI percentage eligible. The total number of renter households by person is information provided by ESRI and illustrated in the demographic discussion.

Step Five – Unit Size Appropriate

Household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. Additionally, HUD assumes that one-person households are accommodated in one-bedroom units. For LIHTC income purposes, the actual size of the household is used.

The distribution of households by unit type is dependent on the following assumptions. This table has been developed by Novogradac as a result of market research.

HOUSEHOLD DISTRIBUTION

1BR	90%	Of 1-person households in 1BR units
	20%	Of 2-person households in 1BR units
2BR	10%	Of 1-person households in 2BR units
	80%	Of 2-person households in 2BR units
	60%	Of 3-person households in 2BR units
	30%	Of 4-person households in 2BR units
3BR	40%	Of 3-person households in 3BR units
	40%	Of 4-person households in 3BR units
	50%	Of 5-person households in 3BR units

The projected renter household demand by bedroom size can then be determined by applying these weightings to the number of income qualified renter households determined in Step Four.

Step Six – Capture Rate by Bedroom Mix

The capture rate is simply determined by dividing the number of units by unit type for the subject by the total number of qualified renter households for that unit type. This calculation is then adjusted for leakage to arrive at a final determination of capture rate by bedroom type and AMI level.

In order to determine demand for the proposed market mix, we also analyze the demand capture rates expected at the Subject by bedroom type. This analysis illustrates demand for all AMI levels.

Capture Rate - 30% (PBV) - As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2022

	Renter Household Size Distribution	Total Number of Renter Households
1 person	46.8%	13,819
2 person	29.9%	8,825
3 person	11.2%	3,300
4 person	6.6%	1,945
5 person	5.6%	1,649
Total	**100.0%**	**29,538**

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	13,819	x	24.6%	3,406
2 person	8,825	x	24.6%	2,175
3 person	3,300	x	24.6%	813
4 person	1,945	x	24.6%	479
5 person	1,649	x	24.6%	406
Total	**29,538**			**7,280**

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	3,500
2BR	2,713
3BR	720
Total	**6,933**

Capture Rate Analysis - @30% (PBV)

	Developer's Unit Mix	Capture Rate
1BR	3	0.1%
2BR	5	0.2%
3BR	3	0.4%
Total/Overall	**11**	**0.2%**
Adjusted for Leakage from Outside of the PMA		*10.0%*
1BR	3	0.1%
2BR	5	0.2%
3BR	3	0.4%
Total/Overall	**11**	**0.1%**

Capture Rate - 50% - As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2022

	Renter Household Size Distribution	Total Number of Renter Households
1 person	46.8%	13,819
2 person	29.9%	8,825
3 person	11.2%	3,300
4 person	6.6%	1,945
5 person	5.6%	1,649
Total	**100.0%**	**29,538**

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	13,819	x	19.8%	2,735
2 person	8,825	x	19.8%	1,747
3 person	3,300	x	19.8%	653
4 person	1,945	x	19.8%	385
5 person	1,649	x	19.8%	326
Total	**29,538**			**5,846**

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	2,811
2BR	2,178
3BR	578
Total	**5,567**

Capture Rate Analysis - @50%

	Developer's Unit Mix	Capture Rate
1BR	5	0.2%
2BR	17	0.8%
3BR	5	0.9%
Total/Overall	**27**	**0.5%**

Adjusted for Leakage from Outside of the PMA			*10.0%*
1BR	5	0.2%	
2BR	17	0.7%	
3BR	5	0.8%	
Total/Overall	**27**	**0.4%**	

Capture Rate - 60% - As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2022

	Renter Household Size Distribution	Total Number of Renter Households
1 person	46.8%	13,819
2 person	29.9%	8,825
3 person	11.2%	3,300
4 person	6.6%	1,945
5 person	5.6%	1,649
Total	**100.0%**	**29,538**

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	13,819	x	22.2%	3,067
2 person	8,825	x	22.2%	1,958
3 person	3,300	x	22.2%	732
4 person	1,945	x	22.2%	432
5 person	1,649	x	22.2%	366
Total	**29,538**			**6,555**

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	3,152
2BR	2,442
3BR	649
Total	**6,242**

Capture Rate Analysis - @60%

	Developer's Unit Mix	Capture Rate
1BR	7	0.2%
2BR	23	0.9%
3BR	7	1.1%
Total/Overall	**37**	**0.6%**

Adjusted for Leakage from Outside of the PMA			*10.0%*
1BR	7	0.2%	
2BR	23	0.8%	
3BR	7	1.0%	
Total/Overall	**37**	**0.5%**	

Capture Rate - All Units - As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2022

	Renter Household Size Distribution	Total Number of Renter Households
1 person	46.8%	13,819
2 person	29.9%	8,825
3 person	11.2%	3,300
4 person	6.6%	1,945
5 person	5.6%	1,649
Total	**100.0%**	**29,538**

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	13,819	x	52.7%	7,280
2 person	8,825	x	52.7%	4,649
3 person	3,300	x	52.7%	1,739
4 person	1,945	x	52.7%	1,025
5 person	1,649	x	52.7%	869
Total	**29,538**			**15,562**

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	7,482
2BR	5,798
3BR	1,540
Total	**14,820**

Capture Rate Analysis - All Units

	Developer's Unit Mix	Capture Rate
1BR	15	0.2%
2BR	45	0.8%
3BR	15	1.0%
Total/Overall	**75**	**0.5%**
Adjusted for Leakage from Outside of the PMA		*10.0%*
1BR	15	0.2%
2BR	45	0.7%
3BR	15	0.9%
Total/Overall	**75**	**0.5%**

Capture Rate - 30% - Absent Subsidy

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2022

	Renter Household Size Distribution	Total Number of Renter Households
1 person	46.8%	13,819
2 person	29.9%	8,825
3 person	11.2%	3,300
4 person	6.6%	1,945
5 person	5.6%	1,649
Total	**100.0%**	**29,538**

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	13,819	x	11.2%	1,555
2 person	8,825	x	11.2%	993
3 person	3,300	x	11.2%	371
4 person	1,945	x	11.2%	219
5 person	1,649	x	11.2%	186
Total	**29,538**			**3,323**

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	1,598
2BR	1,238
3BR	329
Total	**3,165**

Capture Rate Analysis - @30%

	Developer's Unit Mix	Capture Rate
1BR	3	0.2%
2BR	5	0.4%
3BR	3	0.9%
Total/Overall	**11**	**0.3%**

Adjusted for Leakage from Outside of the PMA			*10.0%*
1BR	3	0.2%	
2BR	5	0.4%	
3BR	3	0.8%	
Total/Overall	**11**	**0.3%**	

Capture Rate - 50% - Absent Subsidy

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2022

	Renter Household Size Distribution	Total Number of Renter Households
1 person	46.8%	13,819
2 person	29.9%	8,825
3 person	11.2%	3,300
4 person	6.6%	1,945
5 person	5.6%	1,649
Total	**100.0%**	**29,538**

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	13,819	x	19.8%	2,735
2 person	8,825	x	19.8%	1,747
3 person	3,300	x	19.8%	653
4 person	1,945	x	19.8%	385
5 person	1,649	x	19.8%	326
Total	**29,538**			**5,846**

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	2,811
2BR	2,178
3BR	578
Total	**5,567**

Capture Rate Analysis - @50%

	Developer's Unit Mix	Capture Rate
1BR	5	0.2%
2BR	17	0.8%
3BR	5	0.9%
Total/Overall	**27**	**0.5%**

Adjusted for Leakage from Outside of the PMA			*10.0%*
1BR	5	0.2%	
2BR	17	0.7%	
3BR	5	0.8%	
Total/Overall	**27**	**0.4%**	

Capture Rate - 60% - Absent Subsidy

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2022

	Renter Household Size Distribution	Total Number of Renter Households
1 person	46.8%	13,819
2 person	29.9%	8,825
3 person	11.2%	3,300
4 person	6.6%	1,945
5 person	5.6%	1,649
Total	**100.0%**	**29,538**

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	13,819	x	22.2%	3,067
2 person	8,825	x	22.2%	1,958
3 person	3,300	x	22.2%	732
4 person	1,945	x	22.2%	432
5 person	1,649	x	22.2%	366
Total	**29,538**			**6,555**

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	3,152
2BR	2,442
3BR	649
Total	**6,242**

Capture Rate Analysis - @60%

	Developer's Unit Mix	Capture Rate
1BR	7	0.2%
2BR	23	0.9%
3BR	7	1.1%
Total/Overall	**37**	**0.6%**

Adjusted for Leakage from Outside of the PMA			*10.0%*
1BR	7	0.2%	
2BR	23	0.8%	
3BR	7	1.0%	
Total/Overall	**37**	**0.5%**	

Capture Rate - All Units (Absent Subsidy) - Absent Subsidy

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2022

	Renter Household Size Distribution	Total Number of Renter Households
1 person	46.8%	13,819
2 person	29.9%	8,825
3 person	11.2%	3,300
4 person	6.6%	1,945
5 person	5.6%	1,649
Total	**100.0%**	**29,538**

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	13,819	x	39.3%	5,429
2 person	8,825	x	39.3%	3,467
3 person	3,300	x	39.3%	1,296
4 person	1,945	x	39.3%	764
5 person	1,649	x	39.3%	648
Total	**29,538**			**11,604**

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	5,580
2BR	4,324
3BR	1,148
Total	**11,051**

Capture Rate Analysis - All Units (Absent Subsidy)

	Developer's Unit Mix	Capture Rate
1BR	15	0.3%
2BR	45	1.0%
3BR	15	1.3%
Total/Overall	**75**	**0.7%**
Adjusted for Leakage from Outside of the PMA		*10.0%*
1BR	15	0.2%
2BR	45	0.9%
3BR	15	1.2%
Total/Overall	**75**	**0.6%**

Annual Capture Rate Analysis

The following calculation derives an estimated market capture rate based on per annum demand. This is an indication of the percentage of net demand that the Subject must attract in order to reach stabilized occupancy. This measure essentially takes the available household demand searching for apartments in the market area and deducts competition in order to determine net demand available to the Subject.

Population/Household Change

Population change as a result of new households moving in or out of the area: This was previously calculated, in the estimated population change from 2022 to 2027. Since the newly derived population will all be eligible, they are included directly into the annual demand estimate.

New Construction/Development

RECENT AND PLANNED DEVELOPMENT

Property Name	Rent Structure	Tenancy	Total Units	Competitive Affordable Units	Competitive PBRA Units	Construction Status	LIHTC Allocation Year	Distance to Subject
Alexandria GMV 9A	Affordable	Family	76	76	0	Proposed	2022	N/A miles
The Landing of Alexandria	Market	Senior	313	0	0	Complete	N/A	1.0 miles
731 Seaton Ave	Market	Family	391	0	0	Proposed	N/A	1.2 miles
805 King St	Market	Family	15	0	0	Complete	N/A	0.7 miles
912-920 King St	Market	Family	30	0	0	Proposed	N/A	0.7 miles
The Watermark	Market	Family	18	0	0	Complete	N/A	1.0 miles
2250 Eisenhower Ave	Market	Family	421	0	0	Under Construction	N/A	1.4 miles
116 S Henry St	Market	Family	19	0	0	Proposed	N/A	0.7 miles
Eisenhower Block 20	Market	Family	421	0	0	Under Construction	N/A	1.5 miles
Carlyle Park (Phase III)	Market	Family	382	0	0	Under Construction	N/A	1.3 miles
2500 Oakville St	Market	Family	530	0	0	Under Construction	N/A	0.9 miles
The Grayson	Market	Family	119	0	0	Under Construction	N/A	0.2 miles
Carlyle Crossing	Market	Family	741	0	0	Under Construction	N/A	1.5 miles
801 North	Market	Family	54	0	0	Under Construction	N/A	0.5 miles
701 N Henry St	Affordable/Market	Family	94	7	0	Proposed	N/A	0.2 miles
805 N Columbus St	Market	Family	73	0	0	Proposed	N/A	0.2 miles
226-228 W Glebe Rd	Market	Family	110	0	0	Proposed	N/A	1.7 miles
Alexan Old Town	Market	Family	286	0	0	Under Construction	N/A	0.4 miles
Virginia Tech Innovation Campus	Market	Family	300	0	0	Under Construction	N/A	1.0 miles
The Waypoint at Fairlington	Affordable	Family	81	81	0	Under Construction	N/A	2.7 miles
1101 King St	Market	Family	210	0	0	Proposed	N/A	0.6 miles
Block 20	Market	Family	216	0	0	Proposed	N/A	1.4 miles
1300-1310 King St	Market	Family	31	0	0	Under Construction	N/A	0.7 miles
2525 Mount Vernon Ave	Market	Family	78	0	0	Proposed	N/A	1.0 miles
1112 First St	Market	Senior	133	0	0	Under Construction	N/A	0.1 miles
2111 Eisenhower Ave	Affordable/Market	Family	384	44	0	Proposed	N/A	1.3 miles
3700 Mount Vernon Ave	Affordable/Market	Family	375	375	0	Proposed	N/A	1.8 miles
Montgomery Center	Affordable	Family	331	331	0	Proposed	N/A	0.4 miles
Parc View Apartments II	Affordable	Family	373	373	0	Proposed	N/A	4.1 miles
Platform Alexandria*	Market	Family	628	0	0	Complete	N/A	0.2 miles
1033 N Fairfax St	Affordable/Market	Family	77	30	0	Proposed	N/A	0.5 miles
2712 Duke St	Affordable	Family	93	93	0	Proposed	N/A	1.6 miles
Totals			**7,403**	**1,410**	**0**			

*Utilized as rent comparable

Overall, there are a total of 1,410 proposed units we believe will be competitive with the proposed Subject property, upon completion.

- In 2022, Alexandria GMV 9A was awarded LIHTC for a proposed new construction 76-unit development. No further details were provided on location. We consider 76 units competitive with the Subject as proposed.
- 701 N Henry St is a proposed 94-unit affordable/market development located 0.2 miles south of the Subject site. Upon completion, the property will offer a four-story midrise design and target family households, similar to the Subject. At least seven of the units would be affordable housing. The residences could be rentals or condominiums. We consider 7 units competitive with the Subject as proposed.
- The Waypoint at Fairlington is a under construction 81-unit affordable development located 2.7 miles northwest of the Subject site. Upon completion, the property will offer a four-story midrise design and target family households between 40% and 60% of the area median income (AMI), similar to the Subject. We consider 81 units competitive with the Subject as proposed.
- 2111 Eisenhower Ave is a proposed 384-unit affordable/market development located 1.3 miles southwest of the Subject site. Upon completion, the property will offer a 25-story highrise design. The plans to provide 44 rental units affordable at 60% AMI to family households, similar to the Subject. We consider 44 units competitive with the Subject as proposed.
- 3700 Mount Vernon Ave is a proposed 375-unit affordable/market development located 1.8 miles northwest of the Subject site. All of the 375 housing units would be priced for residents who are at or below 80 percent Average Median Income (AMI). At least 25 percent of units will be available at 40 percent AMI, which is in high demand in the Arlandria-Chirilagua neighborhood. Upon completion, the property will offer a ten-story midrise design and target family households, similar to the Subject. We consider 375 units competitive with the Subject as proposed.
- Montgomery Center is a proposed 331-unit affordable development located 0.4 miles east of the Subject site. Upon completion, the property will offer a eight-story midrise design and target family households, similar to the Subject. We consider 331 units competitive with the Subject as proposed.
- Parc View Apartments II is a proposed affordable redevelopment located 4.1 miles west of the Subject site and currently offers 149 units at 60% AMI or unrestricted. The proposed redevelopment plans to add multi-family rental units totaling to 373 units. Upon completion, the property will offer a nine-story midrise design and target family households between 30% and 80%, similar to the Subject. We consider 373 units competitive with the Subject as proposed.
- Platform Alexandria was recently completed in 2021 and a 628-unit market-rate development located 0.2 miles northwest of the Subject site. The new development is a eight-story midrise design and target family households, similar to the Subject. Phase II of the project opened in 2021; Phase III opened in early Spring 2022. All 628 units are unrestricted and was used a comparable in our rental analysis. The contact noted that there are still an estimated 100 units that are vacant and haven't been opened for leasing. This property was utilized as a rent comparable in our achievable market rent analysis.
- 1033 N Fairfax Street plans to convert three empty office buildings in Old Town North into residential and mixed-use buildings. The project is a proposed to construct 234-unit affordable/market development located 0.5 miles east of the Subject site. According to Alexandria Living Magazine approximately 30 units will be affordable. Upon completion, the property will target family households, similar to the Subject. We consider 30 units competitive with the Subject as proposed.
- The Beyer Land Rover dealership at 2712 Duke Street is a proposed 93-unit affordable development located 1.6 miles west of the Subject site. Upon completion, the property will offer a five-story midrise design and target family households between 40% and 60% AMI, similar to the Subject. We consider 93 units competitive with the Subject as proposed.

Annual Demand – As Proposed

ANNUAL DEMAND - AS PROPOSED

Calculation		PMA
Number of Renter Households in 2022		29,538
Increase in Number of Renter Households		206
Number of Renter Households in 2027		29,744
Existing Demand		
% of Total Households that are Renter		50.0%
% of Income-Qualified Renter Households		52.7%
Number of Income-Qualified Renter Households		15,562
Percentage Rent-Overburdened		32.8%
Existing Income-Qualified Renter Household Turnover		**5,108**
New Income-Qualified Demand, Stated Annually		
Increase in Renter Households per Annum		41
% of Income-Qualified Renter Households		52.7%
New Rental Income Qualified Households		**22**
Capture Rate Analysis		
Number of Revenue Units in Subject		75
Occupied Units at Subject With Vacancy of:	5.0%	71
Units Pre-Leased		0
Total Demand (Turnover and Growth) from within PMA		5,130
Portion Originating within PMA		90.0%
Total Demand (Turnover and Growth)		5,700
Less: Existing PBV Projects in Absorption Process (# Units)	1,410	
Total Demand after Competition (Turnover and Growth)		**4,290**
Yielded Annual Capture Rate of Available Demand in 2022		**1.7%**

Annual Demand - Absent Subsidy

ANNUAL DEMAND - ABSENT SUBSIDY

Calculation		PMA
Number of Renter Households in 2022		29,538
Increase in Number of Renter Households		206
Number of Renter Households in 2027		29,744
Existing Demand		
% of Total Households that are Renter		50.0%
% of Income-Qualified Renter Households		39.3%
Number of Income-Qualified Renter Households		11,604
Percentage Rent-Overburdened		32.8%
Existing Income-Qualified Renter Household Turnover		**3,809**
New Income-Qualified Demand, Stated Annually		
Increase in Renter Households per Annum		41
% of Income-Qualified Renter Households		39.3%
New Rental Income Qualified Households		**16**
Capture Rate Analysis		
Number of Revenue Units in Subject		75
Occupied Units at Subject With Vacancy of:	5.0%	71
Units Pre-Leased		0
Total Demand (Turnover and Growth) from within PMA		3,825
Portion Originating within PMA		90.0%
Total Demand (Turnover and Growth)		4,251
Less: Existing LIHTC Projects in Absorption Process (# Units)	1,410	
Total Demand after Competition (Turnover and Growth)		**2,841**
Yielded Annual Capture Rate of Available Demand in 2022		**2.5%**

VIRGINIA HOUSING DEMAND ANALYSIS

We have also included the required demand table from the Virginia Housing market study guidelines. The following table illustrates the total demand, the net demand, and the absorption period for the Subject site. The supply illustrates all proposed or under construction units in the PMA. We determined that there are 1,410 proposed competitive affordable units in the PMA. Existing vacancies in the PMA are based on the vacancies at the four directly comparable LIHTC properties in the PMA.

Virginia Housing Demand Table – As Proposed

We have determined the overall LIHTC weighted average vacancy rate among comparable properties is 2.5 percent. As noted above, there are four directly comparable LIHTC properties in the PMA. Three of these properties are used as comparables in this report and reported a total of seven vacant units between all comparable properties. There are approximately seven vacant competitive units in the PMA, and we have deducted these seven units from these properties in our analysis, in addition to the 1,410 proposed competitive units in the PMA, for a total of 1,417 competitive units. We deducted these 1,417 competitive units from the total demand for the entire Subject. However, we split these 1,417 competitive units to calculate the demand for the Subject's 30, 50 and 60 percent AMI units separately. As mentioned previously, the 4% portion of the overall Samuel Madden development will offer 132 units that are considered to be competitive with the Subject's units. The table below outlines the breakdown of units in the overall development by AMI level.

AMI	Overall Samuel Madden	Subject Units	Competitive Units from 4%
30%	77	11	66
50%	27	27	0
60%	52	37	15
80%	51	0	51
Total	**207**	**75**	**132**

*excluding PBV and 30%

As shown in the table above, the 4% portion will offer 132 competitive units at the 30 percent of AMI level, zero competitive units at the 50 percent of AMI level and 15 competitive units at the 60 percent of AMI level. In order to split the remaining 1,336 competitive units (1,410 competitive pipeline units excluding the 4% portion and seven competitive vacant units as noted above), we estimated that of all LIHTC units restricted to the 30, 50 and 60 percent of AMI levels in the PMA, approximately 50 percent will be restricted to 60 percent of AMI, and 35 percent will be restricted to 50 percent of AMI, and 15 percent will be restricted to 30 percent of AMI, which matches the Subject's proposed unit mix.. The following table outlines the breakdown of the 1,498 total competitive units by AMI level.

AMI	Competitive Units from 4%	Estimated % of Units in PMA	Competitive Pipeline and Vacant Units*	Total Competitive Units
30%	66	15%	213	279
50%	0	35%	496	496
60%	15	50%	708	723
Total	**81**	**100%**	**1,417**	**1,498**

*excluding Competitive Units from 4% portion

The table below illustrates the resulting capture rate for demand currently proposed in PMA.

VIRGINIA HOUSING DEMAND ANALYSIS (AS PROPOSED)

Income Restrictions	Up to 30% (min. income to max. income)	Up to 50% (min. income to max. income)	Up to 60% (min. income to max. income)	Project Total (min. income to max. income)
New Rental Households	10	8	9	22
+ Existing Households - Overburdened	2,388	1,917	2,150	5,104
+ Existing Households - Substandard Housing	17	14	16	37
+ Senior Households - Likely to Convert to Rental Housing	0	0	0	0
+ Existing Qualifying Tenants - to Remain After Renovation	0	0	0	0
Total Demand	**2,415**	**1,939**	**2,175**	**5,163**
- Supply (includes directly comparable vacant units completed or in pipeline in PMA)	279	496	723	1,498
Net Demand	**2,136**	**1,443**	**1,452**	**3,665**
Proposed Units	11	27	37	75
Capture Rate	**0.5%**	**1.9%**	**2.5%**	**2.0%**
Absorption Period	0.1 month	0.45 month	0.61 month	2 months

- New Rental Households: The number of new renter households was calculated previously in Annual Demand using the increase in renter households per annum and the percentage of income-qualified renter households.
- Existing Households – Overburdened: We calculated the number of existing households that are rent-overburdened using the percentage of households that are rent-overburdened in the PMA (32.8%) and the total number of income-qualified renter households in the PMA.
- Existing Households – Substandard Housing: We calculated the number of existing households that are living in substandard housing using the percentage of households that are living in substandard housing in the PMA (0.24%) and the total number of income-qualified renter households in the PMA.
- Absorption Period: We calculated the absorption period for each AMI level and the project total by applying our concluded absorption rate of 60 units per month to the number of proposed units.

In our previous demand calculations and discussions, we used a leakage rate of 10 percent, as these calculations do not take into account former homeowners. Virginia Housing does not require a capture rate calculation with leakage. However, according to the Virginia Housing guidelines, “the analyst is free to state other measures of demand in the body of the report.”

We believe there is adequate demand for the Subject as proposed, especially given the high occupancy rates among the majority of the LIHTC comparables, as well as the prevalence of waiting lists at all of the LIHTC comparables. Our concluded capture rate and absorption period is shown in the table below as propsed.

Project Wide Capture Rate - LIHTC Units	2.0%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	2.0%
Project Wide Absorption Period (Months)	2 months

Virginia Housing Demand Table – Absent Subsidy

All of the competitive units determined in the As Proposed scenario will also be competitive with the Subject absent subsidy. Therefore, we have also deducted a total of 1,498 competitive units from the total demand for the Subject absent subsidy, using the same breakout by AMI level as determined previously. The table below illustrates the resulting capture rate for demand currently proposed in PMA in the absent subsidy scenario.

VIRGINIA HOUSING DEMAND ANALYSIS (ABSENT SUBSIDY)

Income Restrictions	Up to 30% (min. income to max. income)	Up to 50% (min. income to max. income)	Up to 60% (min. income to max. income)	Project Total (min. income to max. income)
New Rental Households	5	8	9	16
+ Existing Households - Overburdened	1,090	1,917	2,150	3,789
+ Existing Households - Substandard Housing	8	14	16	28
+ Senior Households - Likely to Convert to Rental Housing	0	0	0	0
+ Existing Qualifying Tenants - to Remain After Renovation	0	0	0	0
Total Demand	**1,103**	**1,939**	**2,175**	**3,833**
- Supply (includes directly comparable vacant units completed or in pipeline in PMA)	279	496	723	1,498
Net Demand	**824**	**1,443**	**1,452**	**2,335**
Proposed Units	11	27	37	75
Capture Rate	**1.3%**	**1.9%**	**2.5%**	**3.2%**
Absorption Period	0.1 month	0.43 month	0.53 month	2 months

- New Rental Households: The number of new renter households was calculated previously in Annual Demand using the increase in renter households per annum and the percentage of income-qualified renter households.
- Existing Households – Overburdened: We calculated the number of existing households that are rent-overburdened using the percentage of households that are rent-overburdened in the PMA (32.8%) and the total number of income-qualified renter households in the PMA.

- Existing Households – Substandard Housing: We calculated the number of existing households that are living in substandard housing using the percentage of households that are living in substandard housing in the PMA (0.24%) and the total number of income-qualified renter households in the PMA.
- Absorption Period: We calculated the absorption period for each AMI level and the project total by applying our concluded absorption rate of 60 units per month to the number of proposed units.

We believe there is adequate demand for the Subject absent subsidy, especially given the high occupancy rates among the majority of the LIHTC comparables, as well as the prevalence of waiting lists at four of the six LIHTC comparables. Our concluded capture rate and absorption period is shown in the table below.

Project Wide Capture Rate - LIHTC Units	3.2%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	3.2%
Project Wide Absorption Period (Months)	2 months

Capture Rate and Virginia Housing Conclusion

The demand analysis illustrates demand for the Subject based on capture rates of income-eligible renter households. When viewing total income-eligible renter households the calculation illustrates an overall capture rate of 0.5 percent, as proposed.

DEMAND CONCLUSIONS

Calculation	As Proposed	Absent Subsidy
@30% (PBV)	0.1%	0.3%
@50%	0.4%	0.4%
@60%	0.5%	0.5%
All Units	0.5%	0.6%
Annual Demand	1.7%	2.5%
Penetration Rate Methodology One	0.7%	1.0%
Penetration Rate Methodology Two	27.8%	34.1%

These capture rates are reasonable taking into account the other indications of demand such as low vacancy rates and waiting lists reported by the comparable properties. The Demand Analysis illustrates demand for the Subject based on captures rates of income-eligible renter households. This calculation demonstrates that there are approximately 4,290 units of demand in the first year of the Subject's operation based on the annual demand analysis. The Subject will need to accommodate 71 units of demand in order to stabilize at 95 percent occupancy. The demand analysis illustrates adequate demand for the Subject's units. Any unaccommodated households will most likely leave the PMA or remain severely rent-overburdened. The lack of available units will force many to look elsewhere.

The Virginia Housing net demand and capture rate table illustrates demand for the Subject based on capture rates of income-eligible renter households. The following table illustrates the conclusions from this table in the as proposed scenario.

Project Wide Capture Rate - LIHTC Units	2.0%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	2.0%
Project Wide Absorption Period (Months)	2 months

The following table illustrates the conclusions from this table in the absent subsidy scenario.

Project Wide Capture Rate - LIHTC Units	3.2%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	3.2%
Project Wide Absorption Period (Months)	2 months

These capture rates are indicative of pent-up demand for the Subject, and upon completion, we anticipate the proposed project will facilitate a relatively rapid absorption.

PENETRATION RATE ANALYSIS

This calculation derives an estimated Penetration Rate. We will present two different methodologies for the Penetration Rate calculation.In Methodology One, we calculate a Penetration Rate with the Subject focus. In this methodology, the Penetration Rate is calculated by subtracting out existing LIHTC units and proposed LIHTC units in the PMA and then dividing the Subject's total number of units by the remaining demand after competition.

In Methodology Two, we calculate a Penetration Rate with a market focus. In this methodology, the Penetration Rate is calculated by totaling all existing and proposed (including the Subject) competitive affordable units within the PMA, and dividing by the total number of income eligible renter households. Penetration Rates are more difficult to calculate in urban areas with a significant volume of affordable housing, as it is difficult to obtain detailed information on all the True comparable properties that make up the supply and to obtain detail on the various AMI levels at the properties.

The table below illustrates the affordable properties in the Primary Market Area.

EXISTING AFFORDABLE PROPERTIES IN THE PMA

Property Name	Program	Tenancy	Total Units	Competitive LIHTC Units	Competitive PBRA Units
Jackson Crossing*	LIHTC	Family	78	78	-
Lacy Court Apartments*	LIHTC	Family	44	44	-
The Bloom At Braddock Apartments*	LIHTC	Family	96	96	-
The Station At Potomac Yard*	LIHTC	Family	64	64	-
Arbelo Apartments	LIHTC	Family	34	34	-
Beverly Park Apartments	LIHTC	Family	33	33	-
Brent Place Apartments	LIHTC	Family	207	196	-
Chatham Square	LIHTC	Family	52	52	-
Del Ray Central	LIHTC/Market	Family	141	141	-
Elbert Avenue Apartments	LIHTC	Family	28	28	-
Fields Of Alexandria	LIHTC	Family	306	306	-
Longview Terrace Apartments	LIHTC	Family	41	41	-
Lynhaven Apartments	LIHTC	Family	28	28	-
Old Town Commons	LIHTC/Section 8	Family	54	54	-
Parcview Apartments	LIHTC/Market	Family	149	120	-
Parcview Apartments II - Family	LIHTC	Family	237	237	-
Parcview Apartments II - Senior	LIHTC	Senior	117	0	0
Potomac West Apartments	LIHTC/Market	Family	59	45	-
Quaker Hill	LIHTC	Family	60	60	-
Ramsey Homes	LIHTC	Family	52	52	-
Station 650 Apartments	LIHTC/Market	Family	183	183	-
The Apex	LIHTC	Family	256	256	-
Waypoint Apartments	LIHTC/Section 8	Family	81	81	-
Claridge House II	Section 8/Market	Senior	304	0	300
Heritage At Old Town	Section 8/Market	Family	244	244	68
Totals				**2,473**	**368**

*Utilized as a comparable property

As shown above, there are 2,841 competitive affordable units in the PMA as proposed, and 2,473 absent subsidy. These units are deducted from our analysis.

Penetration Rate - As Proposed

As shown in the income distribution previously, there are 15,562 income eligible renter households in the PMA for the Subject's units as proposed. The following table illustrates our penetration rate using Methodology One.

PENETRATION RATE - METHODOLOGY ONE - AS PROPOSED	
Income Eligible Households - All AMI Levels	15,562
Number of Proposed Competitive Affordable Family Units in the PMA	1,410
Number of Existing Competitive Affordable Family Units in the PMA	2,841
Remaining Income Eligible Renter Households	11,311
Number of Proposed Family Units at the Subject	75
Overall Penetration Rate - Subject Focus	**0.7%**

For Methodology One, after deductions for existing and proposed competitive units in the PMA, the resulting penetration rate is 0.7 percent.

PENETRATION RATE - METHODOLOGY TWO - AS PROPOSED	
Number of Proposed Competitive Affordable Family Units in the PMA	1,410
	+
Number of Existing Competitive Affordable Family Units in the PMA	2,841
	+
Number of Proposed Family Units at the Subject	75
	=
Total	4,326
	/
Income Eligible Households - All AMI Levels	15,562
	=
Overall Penetration Rate - Market Focus (NCHMA)	**27.8%**

After deductions for existing and proposed competitive units in the PMA, the resulting penetration rate is 27.8 percent.

Penetration Rate - Absent Subsidy

As shown in the income distribution previously, there are 11,604 income eligible renter households in the PMA for the Subject's units absent a subsidy. The following table illustrates our penetration rate using Methodology One.

PENETRATION RATE - METHODOLOGY ONE - ABSENT SUBSIDY	
Income Eligible Households - All AMI Levels	11,604
Number of Proposed Competitive LIHTC Family Units in the PMA	1,410
Number of Existing Competitive LIHTC Family Units in the PMA	2,473
Remaining Income Eligible Renter Households	7,721
Number of Proposed Family Units at the Subject	75
Overall Penetration Rate - Subject Focus	**1.0%**

After deductions for existing and proposed competitive units in the PMA, the resulting penetration rate, absent subsidy, is 1.0 percent.

PENETRATION RATE - METHODOLOGY TWO - ABSENT SUBSIDY	
Number of Proposed Competitive LIHTC Family Units in the PMA	1,410
	+
Number of Existing Competitive LIHTC Family Units in the PMA	2,473
	+
Number of Proposed Family Units at the Subject	75
	=
Total	3,958
	/
Income Eligible Households - All AMI Levels	11,604
	=
Overall Penetration Rate - Market Focus (NCHMA)	**34.1%**

After deductions for existing and proposed competitive units in the PMA, the resulting penetration rate, absent subsidy, is 34.1 percent.

Demand Conclusions

The demand analysis illustrates demand for the Subject based on capture rates of income-eligible renter households. When viewing total income-eligible renter households the calculation illustrates an overall capture rate of 0.5 percent.

DEMAND CONCLUSIONS

Calculation	As Proposed	Absent Subsidy
@30% (PBV)	0.1%	0.3%
@50%	0.4%	0.4%
@60%	0.5%	0.5%
All Units	0.5%	0.6%
Annual Demand	1.7%	2.5%
Penetration Rate Methodology One	0.7%	1.0%
Penetration Rate Methodology Two	27.8%	34.1%

These capture rates are reasonable taking into account the other indications of demand such as low vacancy rates and waiting lists reported by the comparable properties. The Demand Analysis illustrates demand for the Subject based on captures rates of income-eligible renter households. This calculation demonstrates that there are approximately 4,290 units of demand in the first year of the Subject's operation based on the annual demand analysis. The Subject will need to accommodate 71 units of demand in order to stabilize at 95 percent occupancy. The demand analysis illustrates adequate demand for the Subject's units. Any unaccommodated households will most likely leave the PMA or remain severely rent-overburdened. The lack of available units will force many to look elsewhere.

The Virginia Housing net demand and capture rate table illustrates demand for the Subject based on capture rates of income-eligible renter households. The following table illustrates the conclusions from this table in the as proposed scenario.

Project Wide Capture Rate - LIHTC Units	2.0%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	2.0%
Project Wide Absorption Period (Months)	2 months

The following table illustrates the conclusions from this table in the absent subsidy scenario.

Project Wide Capture Rate - LIHTC Units	3.2%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	3.2%
Project Wide Absorption Period (Months)	2 months

These capture rates are indicative of pent-up demand for the Subject, and upon completion, we anticipate the proposed project will facilitate a relatively rapid absorption.

Absorption Estimate

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Vesta Parkside	Market	Family	Washington	2022	191	22	8.0 miles
MDL Flats	LIHTC	Family	Washington	2021	76	76	4.3 miles
The Woods At Brambleton Town Center South	LIHTC	Family	Ashburn	2021	55	55	28.6 miles
The Silva	Market	Family	Washington	2021	172	6	7.6 miles
Pilot House At Riverdale	Market	Family	Riverdale Park	2021	227	46	12.3 miles
Addison Row	Market	Family	Capitol Heights	2021	650	35	9.5 miles
Average Affordable					**66**	**66**	
Average Market					**310**	**27**	
Overall Average					**229**	**40**	

We obtained absorption data from six properties, located between 4.3 and 28.6 miles from the Subject site. These properties reported absorption rates ranging from six to 76 units per month, with an overall average of 40 units per month. The LIHTC properties experienced rapid absorption in the survey and leased all of their units within a month. Overall, we expect the proposed Subject will experience an absorption rate similar to the LIHTC properties of 60 units per month. This equates to an absorption period of approximately two months.

J. LOCAL PERSPECTIVES OF RENTAL HOUSING MARKET AND HOUSING ALTERNATIVES

INTERVIEWS

In order to ascertain the need for housing and specifically affordable housing in the Subject's area, interviews were conducted with various local officials.

Virginia Housing Development Authority

We previously spoke with Ms. Janell Diaz, Director of Asset Management with the Alexandria Redevelopment and Housing Authority (ARHA), which serves all of the City of Alexandria. We obtained information in regards to the availability of Housing Choice vouchers within the jurisdiction. According to Ms. Diaz, the waiting list is closed and has approximately 8,782 applicants. ARHA currently administers 1,645 vouchers. The contact was unaware of when the waiting list would reopen. The payment standards for Alexandria City are listed below.

PAYMENT STANDARDS

Unit Type	Proposed Gross Rent	Gross Payment Standard	Proposed Rent Vs. Payment Standard
		@30% (PBV)	
1BR	$801	$1,880	-134.7%
2BR	$960	$2,142	-123.1%
3BR	$1,110	$2,712	-144.3%
		@50%	
1BR	$1,335	$1,880	-40.8%
2BR	$1,601	$2,142	-33.8%
3BR	$1,850	$2,712	-46.6%
		@60%	
1BR	$1,602	$1,880	-17.4%
2BR	$1,921	$2,142	-11.5%
3BR	$2,220	$2,712	-22.2%

Source: Virginia Housing Development Authority, effective July 2022

All of the payment standards are above the Subject's rents, indicating that voucher tenants will not have to pay additional rent out of pocket.

Planning Discussion

We consulted a CoStar new construction report regarding planned, proposed, and under construction developments within the PMA. We also researched LIHTC allocations in the Subject's PMA since 2020. According to our sources, there are multiple proposed, under construction, and recently completed developments within the PMA, illustrated in the following table.

RECENT AND PLANNED DEVELOPMENT

Property Name	Rent Structure	Tenancy	Total Units	Competitive Affordable Units	Competitive PBRA Units	Construction Status	LIHTC Allocation Year	Distance to Subject
Alexandria GMV 9A	Affordable	Family	76	76	0	Proposed	2022	N/A miles
The Landing of Alexandria	Market	Senior	313	0	0	Complete	N/A	1.0 miles
731 Seaton Ave	Market	Family	391	0	0	Proposed	N/A	1.2 miles
805 King St	Market	Family	15	0	0	Complete	N/A	0.7 miles
912-920 King St	Market	Family	30	0	0	Proposed	N/A	0.7 miles
The Watermark	Market	Family	18	0	0	Complete	N/A	1.0 miles
2250 Eisenhower Ave	Market	Family	421	0	0	Under Construction	N/A	1.4 miles
116 S Henry St	Market	Family	19	0	0	Proposed	N/A	0.7 miles
Eisenhower Block 20	Market	Family	421	0	0	Under Construction	N/A	1.5 miles
Carlyle Park (Phase III)	Market	Family	382	0	0	Under Construction	N/A	1.3 miles
2500 Oakville St	Market	Family	530	0	0	Under Construction	N/A	0.9 miles
The Grayson	Market	Family	119	0	0	Under Construction	N/A	0.2 miles
Carlyle Crossing	Market	Family	741	0	0	Under Construction	N/A	1.5 miles
801 North	Market	Family	54	0	0	Under Construction	N/A	0.5 miles
701 N Henry St	Affordable/Market	Family	94	7	0	Proposed	N/A	0.2 miles
805 N Columbus St	Market	Family	73	0	0	Proposed	N/A	0.2 miles
226-228 W Glebe Rd	Market	Family	110	0	0	Proposed	N/A	1.7 miles
Alexan Old Town	Market	Family	286	0	0	Under Construction	N/A	0.4 miles
Virginia Tech Innovation Campus	Market	Family	300	0	0	Under Construction	N/A	1.0 miles
The Waypoint at Fairlington	Affordable	Family	81	81	0	Under Construction	N/A	2.7 miles
1101 King St	Market	Family	210	0	0	Proposed	N/A	0.6 miles
Block 20	Market	Family	216	0	0	Proposed	N/A	1.4 miles
1300-1310 King St	Market	Family	31	0	0	Under Construction	N/A	0.7 miles
2525 Mount Vernon Ave	Market	Family	78	0	0	Proposed	N/A	1.0 miles
1112 First St	Market	Senior	133	0	0	Under Construction	N/A	0.1 miles
2111 Eisenhower Ave	Affordable/Market	Family	384	44	0	Proposed	N/A	1.3 miles
3700 Mount Vernon Ave	Affordable/Market	Family	375	375	0	Proposed	N/A	1.8 miles
Montgomery Center	Affordable	Family	331	331	0	Proposed	N/A	0.4 miles
Parc View Apartments II	Affordable	Family	373	373	0	Proposed	N/A	4.1 miles
Platform Alexandria*	Market	Family	628	0	0	Complete	N/A	0.2 miles
1033 N Fairfax St	Affordable/Market	Family	77	30	0	Proposed	N/A	0.5 miles
2712 Duke St	Affordable	Family	93	93	0	Proposed	N/A	1.6 miles
Totals			**7,403**	**1,410**	**0**			

*Utilized as rent comparable

- 701 N Henry St is a proposed 94-unit affordable/market development located 0.2 miles south of the Subject site. Upon completion, the property will offer a four-story midrise design and target family households, similar to the Subject. At least seven of the units would be affordable housing. The residences could be rentals or condominiums. We consider 7 units competitive with the Subject as proposed.
- The Waypoint at Fairlington is a under construction 81-unit affordable development located 2.7 miles northwest of the Subject site. Upon completion, the property will offer a four-story midrise design and target family households between 40% and 60% of the area median income (AMI), similar to the Subject. We consider 81 units competitive with the Subject as proposed.
- 2111 Eisenhower Ave is a proposed 384-unit affordable/market development located 1.3 miles southwest of the Subject site. Upon completion, the property will offer a 25-story highrise design. The plans to provide 44 rental units affordable at 60% AMI to family households, similar to the Subject. We consider 44 units competitive with the Subject as proposed.

- 3700 Mount Vernon Ave is a proposed 375-unit affordable/market development located 1.8 miles northwest of the Subject site. All of the 375 housing units would be priced for residents who are at or below 80 percent Average Median Income (AMI). At least 25 percent of units will be available at 40 percent AMI, which is in high demand in the Arlandria-Chirilagua neighborhood. Upon completion, the property will offer a ten-story midrise design and target family households, similar to the Subject. We consider 375 units competitive with the Subject as proposed.
- Montgomery Center is a proposed 331-unit affordable development located 0.4 miles east of the Subject site. Upon completion, the property will offer a eight-story midrise design and target family households, similar to the Subject. We consider 331 units competitive with the Subject as proposed.
- Parc View Apartments II is a proposed affordable redevelopment located 4.1 miles west of the Subject site and currently offers 149 units at 60% AMI or unrestricted. The proposed redevelopment plans to add multi-family rental units totaling to 373 units. Upon completion, the property will offer a nine-story midrise design and target family households between 30% and 80%, similar to the Subject. We consider 373 units competitive with the Subject as proposed.
- Platform Alexandria was recently completed in 2021 and a 628-unit market-rate development located 0.2 miles northwest of the Subject site. The new development is a eight-story midrise design and target family households, similar to the Subject. Phase II of the project opened in 2021; Phase III opened in early Spring 2022. All 628 units are unrestricted and was used a comparable in our rental analysis. The contact noted that there are still an estimated 100 units that are vacant and haven't been opened for leasing. This was utilized as a rent comparable in our analysis.
- 1033 N Fairfax Street plans to convert three empty office buildings in Old Town North into residential and mixed-use buildings. The project is a proposed to construct 234-unit affordable/market development located 0.5 miles east of the Subject site. According to Alexandria Living Magazine approximately 30 units will be affordable. Upon completion, the property will target family households, similar to the Subject. We consider 30 units competitive with the Subject as proposed.
- The Beyer Land Rover dealership at 2712 Duke Street is a proposed 93-unit affordable development located 1.6 miles west of the Subject site. Upon completion, the property will offer a five-story midrise design and target family households between 40% and 60% AMI, similar to the Subject. We consider 93 units competitive with the Subject as proposed.

Recent LIHTC Allocations

The table below lists LIHTC allocations awarded in the Subject's PMA since 2020.

RECENT LIHTC ALLOCATIONS

Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	Construction Status	LIHTC Allocation Year	Distance to Subject
Alexandria GMV 9A	LIHTC	Family	76	76	Proposed	2022	N/A
Totals			76	**76**			

As detailed above, only one development totaling 76 units have received tax credit allocation in the PMA since 2020.

- In 2022, Alexandria GMV 9A was awarded LIHTC for a proposed new construction 76-unit development. No further details were provided. We consider 76 units competitive with the Subject.

K. ANALYSIS/CONCLUSIONS

Recommendations

We have no further recommendations for the development. The Subject will be well-positioned in the market. As a newly constructed property, the Subject will be in similar to superior condition relative to the majority of the comparable properties. The market exhibits strong demand for affordable housing, with a weighted average vacancy rate of 2.5 percent at the comparable LIHTC properties. Four of the LIHTC properties reported operating with a waiting list. Vacancy loss at the Subject is expected to be no more than five percent over a typical investment period. Given the low vacancy rates and waiting lists reported by the affordable comparables, as well as the rent advantages over the market rate rents, we believe that 2022 maximum allowable rents are achievable for the Subject at the 30, 50 and 60 percent of AMI levels. The Subject will be well-accepted in the market as a newly-constructed LIHTC property, and the concluded achievable LIHTC rents offer a market rent advantage.

Demand Summary

We believe there is adequate demand for the Subject as proposed, especially given the high occupancy rates among the majority of the LIHTC comparables, as well as the prevalence of waiting lists at all of the LIHTC comparables. Our concluded capture rates and absorption period are shown in the tables below.

The Virginia Housing net demand and capture rate table illustrates demand for the Subject based on capture rates of income-eligible renter households. The following table illustrates the conclusions from this table in the as proposed scenario.

Project Wide Capture Rate - All Units	2.0%
Project Wide Absorption Period (Months)	2 months

The following table illustrates the conclusions from this table in the absent subsidy scenario.

Project Wide Capture Rate - All Units	3.2%
Project Wide Absorption Period (Months)	2 months

These capture rates are indicative of pent-up demand for the Subject, and upon completion, we anticipate the proposed project will facilitate a relatively rapid absorption.

Strengths

- The Subject will offer excellent condition as a new construction development, similar to superior to the comparable properties;
- The Subject will offer elevator-serviced midrise design, similar to slightly superior to the comparables;
- The Subject's location is in close proximity to most major locational amenities, and offers good accessibility and excellent visibility;
- The Subject's achievable LIHTC rents at 30, 50 and 60 percent of AMI appear reasonable, and offer a significant market rent advantage;
- There is ample demand for affordable housing as evidenced by low capture rates, low vacancy rates, and extensive waiting lists at the comparable properties.
- The Subject's unit amenities are inferior to slightly inferior to the majority of comparable properties.

Weaknesses

- The Subject's unit amenities are inferior to slightly inferior to the majority of comparable properties features such as balconies/patios, ceiling fans, disposals, and hardwood flooring.
- The Subject's unit sizes are below the comparable average

Absorption Estimate

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Vesta Parkside	Market	Family	Washington	2022	191	22	8.0 miles
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Average Affordable					**66**	**66**	
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We obtained absorption data from six properties, located between 4.3 and 28.6 miles from the Subject site. These properties reported absorption rates ranging from six to 76 units per month, with an overall average of 40 units per month. The LIHTC properties experienced rapid absorption in the survey and leased all of their units within a month. Overall, we expect the proposed Subject will experience an absorption rate similar to the LIHTC properties of 60 units per month. This equates to an absorption period of approximately two months.

Conclusions

The Subject will be well-positioned in the market. As a newly constructed property, the Subject will be in similar to superior condition relative to the majority of the comparable properties. The market exhibits strong demand for affordable housing, with a weighted average vacancy rate of 2.5 percent at the comparable LIHTC properties. Four of the LIHTC properties reported operating with a waiting list. Vacancy loss at the Subject is expected to be no more than five percent over a typical investment period. Given the low vacancy rates and waiting lists reported by the affordable comparables, as well as the rent advantages over the market rate rents, we believe that 2022 maximum allowable rents are achievable for the Subject at the 30, 50 and 60 percent of AMI levels. The Subject will be well-accepted in the market as a newly-constructed LIHTC property, and the concluded achievable LIHTC rents offer a market rent advantage.

L. OTHER REQUIREMENTS

Pursuant to Virginia Housing Requirements, we certify:

1. We 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 our knowledge the market can support the demand shown in this study. We understand that any misrepresentation in this statement may result in the denial of participation in the Low Income Housing Tax Credit Program in Virginia as administered by Virginia Housing.
4. No one at this firm has any interest in the proposed development or a relationship with the ownership entity.
5. No one at this firm, nor anyone acting on behalf of the firm in connection with the preparation of this report, has communicated to others that the firm is representing Virginia Housing or in any way acting for, at the request of, or on behalf of Virginia Housing.
6. Compensation for our services is not contingent on this development receiving a LIHTC reservation or allocation.
7. Evidence of our NCHMA membership is included.

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March 14, 2023
Date

ADDENDUM A

Assumptions and Limiting Conditions

ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the market analyst has relied extensively upon such data in the formulation of all analyses.

2. The legal description as supplied by the client is assumed to be correct and the author assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.

3. All encumbrances, including mortgages, liens, leases, and servitudes, were disregarded in this valuation unless specified in the report. It was recognized, however, that the typical purchaser would likely take advantage of the best available financing, and the effects of such financing on property value were considered.

4. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.

5. The report was made assuming responsible ownership and capable management of the property.

6. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.

7. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.

8. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.

9. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the market analyst did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.

10. Any distribution of total property value between land and improvements applies only under the existing or specified program of property utilization. Separate valuations for land and buildings must not be used in conjunction with any other study or market study and are invalid if so used.

11. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the market analyst. Nor shall the market analyst, firm, or professional organizations of which the market analyst is a member be identified without written consent of the market analyst.

12. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional organization with which the market analyst is affiliated.

13. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.

14. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.

15. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the Subject property will sell or lease for the indicated amounts.

16. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the market study report.

17. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

18. On all studies, Subject to satisfactory completion, repairs, or alterations, the report and conclusions are contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time.

19. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums, except as reported to the market analyst and contained in this report.

20. The party for whom this report is prepared has reported to the market analyst there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.

21. Unless stated otherwise, no percolation tests have been performed on this property. In making the market study, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use.

22. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The market analyst does not warrant the condition or adequacy of such systems.

23. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the property. The market analyst reserves the right to review and/or modify this market study if said insulation exists on the Subject property.

24. Estimates presented in this report are assignable to parties to the development's financial structure.

ADDENDUM B

Subject Property and Neighborhood Photographs

Alexandria, VA
Source: Walker Taylor Junior Analyst
Date: 2/16/2023

View of Subject site

View of Subject site

View of Subject site

View of Subject site

View of Subject site

View of Subject site

Alexandria, VA
Source: Walker Taylor Junior Analyst
Date: 2/16/2023

View of Subject's Typical Parking

View of the Subject and Courtyard

Street View South of North Henry Street

Street View North of North Henry Street

Street View South of North Patrick Street

Street View North of North Patrick Street

Alexandria, VA
Source: Walker Taylor Junior Analyst
Date: 2/16/2023

Retail Commercial Use North of the Subject

Retail Commercial Use North of the Subject

Multifamily Construction Site Near the Subject

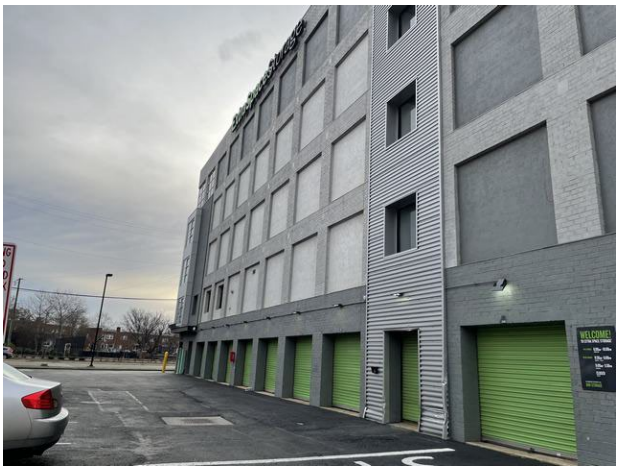
Multifamily Development East of the Subject

Typical single-family home East of the Subject

Multifamily Development East of the Subject

Alexandria, VA
Source: Walker Taylor Junior Analyst
Date: 2/16/2023

Retail Commercial Use South of the Subject


Outside Storage Near the Subject

Retail Commercial Use South of the Subject

Multifamily Development West of the Subject

Multifamily Development West of the Subject

Typical single-family home in Subject neighborhood

Alexandria, VA
Source: Walker Taylor Junior Analyst
Date: 2/16/2023

Typical single-family home in Subject neighborhood

Typical single-family home in Subject neighborhood

Typical single-family home in Subject neighborhood

Typical single-family home in Subject neighborhood

ADDENDUM C

Subject Matrices and Property Profiles

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	Samuel Madden Homes - 9%	-	Midrise	@30% (PBV),	1BR / 1BA	3	4.0%	678	@30% (PBV)	$714	N/A	N/A	N/A	N/A
	999 N Henry St		6-stories	@50%, @60%	1BR / 1BA	5	6.7%	678	@50%	$1,248	N/A	N/A	N/A	N/A
	Alexandria, VA 22314		2026 / n/a		1BR / 1BA	7	9.3%	678	@60%	$1,515	N/A	N/A	N/A	N/A
	Alexandria City		Family		2BR / 2BA	5	6.7%	885	@30% (PBV)	$859	N/A	N/A	N/A	N/A
					2BR / 2BA	17	22.7%	885	@50%	$1,500	N/A	N/A	N/A	N/A
					2BR / 2BA	23	30.7%	885	@60%	$1,820	N/A	N/A	N/A	N/A
					3BR / 2BA	3	4.0%	1,138	@30% (PBV)	$998	N/A	N/A	N/A	N/A
					3BR / 2BA	5	6.7%	1,138	@50%	$1,738	N/A	N/A	N/A	N/A
					3BR / 2BA	7	9.3%	1,138	@60%	$2,108	N/A	N/A	N/A	N/A
						75							N/A	N/A
1	Jackson Crossing	1.5 miles	Midrise	@60%	1BR / 1BA	14	18.0%	663	@60%	$1,499	Yes	20HH	0	0.0%
	120 E Reed Ave		4-stories		2BR / 1.5BA	46	59.0%	948	@60%	$1,773	Yes	No	0	0.0%
	Alexandria, VA 22305		2015 / n/a		2BR / 2BA	5	6.4%	1,043	@60%	$1,773	Yes	No	0	0.0%
	Alexandria		Family		3BR / 2BA	13	16.7%	1,237	@60%	$2,055	Yes	No	0	0.0%
						78							0	0.0%
2	Lacy Court Apartments	0.8 miles	Garden	@40%, @50%,	0BR / 1BA	2	4.6%	436	@40%	$956	Yes	Yes	1	50.0%
	1502 Commonwealth Avenue		3-stories	@60%	1BR / 1BA	1	2.3%	600	@40%	$976	Yes	Yes	1	100.0%
	Alexandria, VA 22301		1951 / 2019		1BR / 1BA	2	4.6%	600	@60%	$1,510	Yes	Yes	0	0.0%
	Fairfax County		Family		2BR / 1BA	2	4.6%	752	@40%	$1,173	Yes	Yes	0	0.0%
					2BR / 1BA	6	13.6%	752	@50%	$1,493	Yes	Yes	1	16.7%
					2BR / 1BA	9	20.5%	752	@60%	$1,813	Yes	Yes	0	0.0%
					3BR / 1BA	12	27.3%	1,087	@50%	$1,728	Yes	Yes	0	0.0%
					3BR / 1BA	10	22.7%	1,087	@60%	$2,098	Yes	Yes	1	10.0%
						44							4	9.1%
3	Bloom At Braddock Apartment	0.0 miles	Midrise	@30%, @40%,	0BR / 1BA	N/A	N/A	381	@30%	$662	Yes	No	0	N/A
	900 N Henry St		4-stories	@50%, @60%	0BR / 1BA	N/A	N/A	386	@40%	$772	Yes	No	0	N/A
	Alexandria, VA 22314		2021 / n/a		1BR / 1BA	N/A	N/A	834	@50%	$1,259	Yes	No	0	N/A
	Fairfax County		Family		1BR / 1BA	N/A	N/A	588	@50%	$1,259	Yes	No	0	N/A
					2BR / 2BA	N/A	N/A	808	@50%	$1,479	Yes	No	2	N/A
					2BR / 2BA	N/A	N/A	1,215	@60%	$1,799	Yes	No	0	N/A
					3BR / 2BA	N/A	N/A	1,042	@50%	$1,090	Yes	No	0	N/A
					3BR / 2BA	N/A	N/A	1,428	@60%	$2,060	Yes	No	0	N/A
						96							2	2.1%
4	The Station At Potomac Yard	1.1 miles	Midrise	@60%, @80%	1BR / 1BA	8	12.5%	768	@60%	$1,346	Yes	No	1	12.5%
	650 Maskell Street		5-stories		1BR / 1BA	N/A	N/A	768	@80%	$1,795	N/A	No	0	N/A
	Alexandria, VA 22301		2009 / n/a		1BR / 1BA	4	6.3%	768	@80%	$1,613	Yes	No	0	0.0%
	Alexandria		Family		2BR / 1.5BA	33	51.6%	1,020	@60%	$1,623	Yes	No	0	0.0%
					2BR / 1.5BA	15	23.4%	1,020	@80%	$1,803	Yes	No	0	0.0%
					3BR / 2BA	3	4.7%	1,260	@60%	$1,879	Yes	No	0	0.0%
					3BR / 2BA	1	1.6%	1,260	@80%	$2,483	Yes	No	0	0.0%
						64							1	1.6%
5	1111 Belle Pre Apartments	0.1 miles	Midrise	Market	1BR / 1BA	N/A	N/A	850	Market	$2,358	N/A	No	5	N/A
	1111 Belle Pre Way		7-stories		1BR / 1BA	180	60.0%	607	Market	$1,899	N/A	No	5	2.8%
	Alexandria		2013 / n/a		2BR / 2BA	N/A	N/A	1,073	Market	$2,988	N/A	No	N/A	N/A
			Family		2BR / 2BA	120	40.0%	978	Market	$2,788	N/A	No	5	4.2%
						300							11	3.7%
6	Meridian At Braddock Station	0.1 miles	Highrise	Market	0BR / 1BA	N/A	N/A	605	Market	$1,795	N/A	No	1	N/A
	1200 1st Street		1-stories		0BR / 1BA	N/A	N/A	648	Market	$1,680	N/A	No	2	N/A
	Alexandria, VA 22314		1992 / 2002		1BR / 1BA	N/A	N/A	671	Market	$1,955	N/A	No	1	N/A
	Alexandria		Family		1BR / 1BA	N/A	N/A	743	Market	$1,955	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	744	Market	$1,995	N/A	No	3	N/A
					1BR / 1BA	N/A	N/A	747	Market	$1,965	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	797	Market	$1,870	N/A	No	2	N/A
					1BR / 1BA	N/A	N/A	810	Market	$2,070	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	849	Market	$2,225	N/A	No	1	N/A
					2BR / 2BA	N/A	N/A	1,086	Market	$2,565	N/A	No	1	N/A
					2BR / 2BA	N/A	N/A	1,096	Market	$2,565	N/A	No	2	N/A
					2BR / 2BA	N/A	N/A	1,183	Market	$2,545	N/A	No	2	N/A
					2BR / 2BA	N/A	N/A	1,245	Market	$2,580	N/A	No	1	N/A
						480							19	4.0%
7	Platform Alexandria	0.2 miles	Midrise	Market	0BR / 1BA	N/A	N/A	491	Market	$2,040	N/A	No	3	N/A
	1100 N Fayette St		8-stories		0BR / 1BA	N/A	N/A	438	Market	$1,770	N/A	No	2	N/A
	Alexandria, VA 22314		2021 / n/a		1BR / 1BA	N/A	N/A	838	Market	$2,924	N/A	No	58	N/A
	Alexandria		Family		1BR / 1BA	N/A	N/A	522	Market	$1,994	N/A	No	15	N/A
					2BR / 1BA	N/A	N/A	714	Market	$2,808	N/A	No	1	N/A
					2BR / 2BA	N/A	N/A	1,216	Market	$3,908	N/A	No	2	N/A
					2BR / 2BA	N/A	N/A	839	Market	$3,078	N/A	No	24	N/A
					3BR / 2BA	N/A	N/A	1,346	Market	$4,292	N/A	No	6	N/A
					3BR / 2BA	N/A	N/A	1,323	Market	$3,747	N/A	No	2	N/A
						628							113	18.0%
8	The Asher	0.3 miles	Midrise	Market	0BR / 1BA	N/A	N/A	531	Market	$1,956	N/A	No	N/A	N/A
	620 N Fayette Street		6-stories		0BR / 1BA	N/A	N/A	468	Market	$1,861	N/A	No	4	N/A
	Alexandria, VA 22314		2012 / N/A		1BR / 1BA	N/A	N/A	752	Market	$2,671	N/A	No	3	N/A
	Alexandria		Family		1BR / 1BA	N/A	N/A	710	Market	$2,594	N/A	No	0	N/A
					1BR / 2BA	N/A	N/A	937	Market	$2,717	N/A	No	2	N/A
					2BR / 2BA	N/A	N/A	1,077	Market	$2,819	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	968	Market	$2,693	N/A	No	4	N/A
						206							9	4.4%
9	The Dalton	0.1 miles	Highrise	Market	0BR / 1BA	12	4.4%	478	Market	$1,780	N/A	No	0	0.0%
	1225 1st Street		15-stories		0BR / 1BA	N/A	N/A	475	Market	$1,635	N/A	No	2	N/A
	Alexandria, VA 22314		2017 / n/a		1BR / 1BA	N/A	N/A	722	Market	$2,150	N/A	No	0	N/A
	Alexandria		Family		1BR / 1BA	167	61.6%	555	Market	$1,815	N/A	No	10	6.0%
					2BR / 1BA	N/A	N/A	962	Market	$2,670	N/A	No	N/A	N/A
					2BR / 1BA	N/A	N/A	877	Market	$2,580	N/A	No	3	N/A
					2BR / 2BA	N/A	N/A	1,074	Market	$2,965	N/A	No	0	N/A
					2BR / 2BA	44	16.2%	1,021	Market	$2,855	N/A	No	2	4.6%
						271							15	5.5%

AMENITY MATRIX

	Subject	Jackson Crossing	Lacy Court Apartments	The Bloom At Braddock	The Station At Potomac	1111 Belle Pre	Meridian At Braddock	Platform Alexandria	The Asher	The Dalton
Rent Structure	LIHTC/PBV	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Building										
Property Type	Midrise	Midrise	Garden	Midrise	Midrise	Midrise	Highrise	Midrise	Midrise	Highrise
# of Stories	6-stories	4-stories	3-stories	4-stories	5-stories	7-stories	1-stories	8-stories	6-stories	15-stories
Year Built	2026	2015	1951	2021	2009	2013	1992	2021	2012	2017
Year Renovated	n/a	n/a	2019	n/a	n/a	n/a	2002	n/a	N/A	n/a
Commercial	no	no	no	no	yes	no	no	yes	no	no
Elevators	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Courtyard	yes	yes	no	no	yes	yes	no	yes	no	no
Utility Structure										
Cooking	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	yes	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no
Water	no	no	yes	no	yes	no	no	no	no	no
Sewer	no	no	yes	no	yes	no	no	no	no	no
Trash	yes	yes	yes	no	yes	no	yes	no	yes	yes
Unit Amenities										
Balcony/Patio	no	no	no	yes	yes	no	yes	no	no	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite	yes	no	no	no	no	no	no	no	no	no
Carpeting	no	yes	yes	no	yes	no	yes	no	no	no
Hardwood	no	no	no	yes	no	yes	no	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	no	no	no	yes	yes	no	yes	no	yes	no
Coat Closet	no	yes	yes	yes	yes	yes	no	yes	yes	no
Exterior Storage	no	no	yes	no	no	no	no	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	yes	no	no	no	no
Walk-In Closet	yes	no	no	no	yes	no	no	yes	yes	no
Washer/Dryer	yes	no	no	no	yes	yes	yes	yes	yes	yes
W/D Hookup	no	no	no	no	yes	yes	yes	yes	yes	yes
Kitchen										
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Microwave	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community										
Business Center	no	no	no	yes	yes	yes	no	yes	yes	yes
Community Room	no	yes	no	yes	yes	yes	yes	yes	yes	yes
Central Laundry	no	yes	yes	yes	yes	no	no	no	no	no
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Concierge	yes	no	no	no	no	yes	no	yes	no	no
Recreation										
Exercise Facility	no	no	no	no	yes	yes	yes	yes	yes	yes
Playground	no	no	no	yes	no	no	no	no	no	no
Swimming Pool	no	no	no	no	no	yes	yes	yes	no	yes
Picnic Area	yes	no	yes	no	no	yes	no	yes	yes	yes
Theatre	no	no	no	no	no	yes	no	no	yes	no
Recreational Area	yes	yes	no	no	no	no	no	no	no	no
WiFi	yes	no	no	no	no	yes	no	yes	no	yes
Security										
In-Unit Alarm	no	no	no	no	no	yes	no	no	no	no
Intercom (Buzzer)	no	yes	no	yes	yes	yes	yes	yes	yes	yes
Intercom (Phone)	no	no	no	no	yes	no	yes	no	no	no
Limited Access	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Video Surveillance	no	no	no	no	no	no	no	yes	no	no
Parking										
Garage	yes	yes	no	no	yes	yes	yes	yes	yes	yes
Garage Fee	n/a	$35	n/a	n/a	$0	$75	$75	$125	$75	$100
Off-Street Parking	no	no	yes	yes	yes	no	no	no	no	no
Off-Street Fee	n/a	$0	$0	n/a	$0	$0	$0	n/a	$0	$0
Off-Street Fee	n/a	0	0	n/a	0	0	0	n/a	0	0

RENT AND SQUARE FOOTAGE RANKING -- All rents adjusted for utilities and concessions extracted from the market.

Units Surveyed:	2,167	Weighted Occupancy:	92.0%	
Market Rate	1,885	Market Rate	91.1%	
Tax Credit	282	Tax Credit	97.5%	

	One Bedroom One Bath Property	Average	Two Bedroom Two Bath Property	Average	Three Bedroom Two Bath Property	Average
RENT	The Asher (Market)(2BA)	$2,717	Platform Alexandria (Market)(1BA)	$2,808	The Station At Potomac Yard (@80%)	$2,483
	Meridian At Braddock Station (Market)	$2,225	Meridian At Braddock Station (Market)	$2,580	**Samuel Madden Homes - 9% (@60%)**	**$2,108**
	Meridian At Braddock Station (Market)	$2,070	Meridian At Braddock Station (Market)	$2,565	Lacy Court Apartments (@60%)(1BA)	$2,098
	Meridian At Braddock Station (Market)	$1,995	Meridian At Braddock Station (Market)	$2,565	Jackson Crossing (@60%)	$2,055
	Meridian At Braddock Station (Market)	$1,965	Meridian At Braddock Station (Market)	$2,545	The Station At Potomac Yard (@60%)	$1,879
	Meridian At Braddock Station (Market)	$1,955	**Samuel Madden Homes - 9% (@60%)**	**$1,820**	**Samuel Madden Homes - 9% (@50%)**	**$1,738**
	Meridian At Braddock Station (Market)	$1,955	Lacy Court Apartments (@60%)(1BA)	$1,813	Lacy Court Apartments (@50%)(1BA)	$1,728
	Meridian At Braddock Station (Market)	$1,870	The Station At Potomac Yard (@80%)(1.5BA)	$1,803	**Samuel Madden Homes - 9% (@30%)**	**$998**
	Samuel Madden Homes - 9% (@60%)	**$1,515**	Jackson Crossing (@60%)(1.5BA)	$1,773		
	Lacy Court Apartments (@60%)	$1,510	Jackson Crossing (@60%)	$1,773		
	Jackson Crossing (@60%)	$1,499	The Station At Potomac Yard (@60%)(1.5BA)	$1,623		
	The Station At Potomac Yard (@60%)	$1,347	**Samuel Madden Homes - 9% (@50%)**	**$1,500**		
	Samuel Madden Homes - 9% (@50%)	**$1,248**	Lacy Court Apartments (@50%)(1BA)	$1,493		
	Lacy Court Apartments (@40%)	$976	Lacy Court Apartments (@40%)(1BA)	$1,173		
	Samuel Madden Homes - 9% (@30%)	**$714**	**Samuel Madden Homes - 9% (@30%)**	**$859**		
SQUARE FOOTAGE	The Asher (Market)(2BA)	937	Meridian At Braddock Station (Market)	1,245	The Station At Potomac Yard (@60%)	1,260
	Meridian At Braddock Station (Market)	849	Meridian At Braddock Station (Market)	1,183	The Station At Potomac Yard (@80%)	1,260
	Meridian At Braddock Station (Market)	810	Meridian At Braddock Station (Market)	1,096	Jackson Crossing (@60%)	1,237
	Meridian At Braddock Station (Market)	797	Meridian At Braddock Station (Market)	1,086	**Samuel Madden Homes - 9% (@30%)**	**1,138**
	The Station At Potomac Yard (@60%)	768	Jackson Crossing (@60%)	1,043	**Samuel Madden Homes - 9% (@50%)**	**1,138**
	Meridian At Braddock Station (Market)	747	The Station At Potomac Yard (@80%)(1.5BA)	1,020	**Samuel Madden Homes - 9% (@60%)**	**1,138**
	Meridian At Braddock Station (Market)	744	The Station At Potomac Yard (@60%)(1.5BA)	1,020	Lacy Court Apartments (@60%)(1BA)	1,087
	Meridian At Braddock Station (Market)	743	Jackson Crossing (@60%)(1.5BA)	948	Lacy Court Apartments (@50%)(1BA)	1,087
	Samuel Madden Homes - 9% (@30%)	**678**	**Samuel Madden Homes - 9% (@30%)**	**885**		
	Samuel Madden Homes - 9% (@50%)	**678**	**Samuel Madden Homes - 9% (@50%)**	**885**		
	Samuel Madden Homes - 9% (@60%)	**678**	**Samuel Madden Homes - 9% (@60%)**	**885**		
	Meridian At Braddock Station (Market)	671	Lacy Court Apartments (@40%)(1BA)	752		
	Jackson Crossing (@60%)	663	Lacy Court Apartments (@50%)(1BA)	752		
	Lacy Court Apartments (@40%)	600	Lacy Court Apartments (@60%)(1BA) Platform	752		
	Lacy Court Apartments (@60%)	600	Alexandria (Market)(1BA)	714		
RENT PER SQUARE FOOT	Meridian At Braddock Station (Market)	$2.91	Platform Alexandria (Market)(1BA)	$3.93	The Station At Potomac Yard (@80%)	$1.97
	The Asher (Market)(2BA)	$2.90	Lacy Court Apartments (@60%)(1BA)	$2.41	Lacy Court Apartments (@60%)(1BA)	$1.93
	Meridian At Braddock Station (Market)	$2.68	Meridian At Braddock Station (Market)	$2.36	**Samuel Madden Homes - 9% (@60%)**	**$1.85**
	Meridian At Braddock Station (Market)	$2.63	Meridian At Braddock Station (Market)	$2.34	Jackson Crossing (@60%)	$1.66
	Meridian At Braddock Station (Market)	$2.63	Meridian At Braddock Station (Market)	$2.15	Lacy Court Apartments (@50%)(1BA)	$1.59
	Meridian At Braddock Station (Market)	$2.62	Meridian At Braddock Station (Market)	$2.07	**Samuel Madden Homes - 9% (@50%)**	**$1.53**
	Meridian At Braddock Station (Market)	$2.56	**Samuel Madden Homes - 9% (@60%)**	**$2.06**	The Station At Potomac Yard (@60%)	$1.49
	Lacy Court Apartments (@60%)	$2.52	Lacy Court Apartments (@50%)(1BA)	$1.99	**Samuel Madden Homes - 9% (@30%)**	**$0.88**
	Meridian At Braddock Station (Market)	$2.35	Jackson Crossing (@60%)(1.5BA)	$1.87		
	Jackson Crossing (@60%)	$2.26	The Station At Potomac Yard (@80%)(1.5BA)	$1.77		
	Samuel Madden Homes - 9% (@60%)	**$2.23**	Jackson Crossing (@60%)	$1.70		
	Samuel Madden Homes - 9% (@50%)	**$1.84**	**Samuel Madden Homes - 9% (@50%)**	**$1.69**		
	The Station At Potomac Yard(@60%)	$1.75	The Station At Potomac Yard (@60%)(1.5BA)	$1.59		
	Lacy Court Apartments (@40%)	$1.63	Lacy Court Apartments (@40%)(1BA)	$1.56		
	Samuel Madden Homes - 9% (@30%)	**$1.05**	**Samuel Madden Homes - 9% (@30%)**	**$0.97**		

PROPERTY PROFILE REPORT

Jackson Crossing

Effective Rent Date	2/21/2023
Location	120 E Reed Ave Alexandria, VA 22305 Alexandria County
Distance	N/A
Units	78
Vacant Units	0
Vacancy Rate	0.0%
Type	Midrise (4 stories)
Year Built/Renovated	2015 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified.
Tenant Characteristics	Mixed tenancy.
Contact Name	Diana
Phone	(703) 310-7229

Market Information

Program	@60%
Annual Turnover Rate	35%
Units/Month Absorbed	26
HCV Tenants	25%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased to max
Concession	None
Waiting List	20 HH for one-bedroom units.

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	14	663	$1,499	$0	@60%	20HH	0	0.0%	yes	None
2	1.5	Midrise (4 stories)	46	948	$1,773	$0	@60%	No	0	0.0%	yes	None
2	2	Midrise (4 stories)	5	1,043	$1,773	$0	@60%	No	0	0.0%	yes	None
3	2	Midrise (4 stories)	13	1,237	$2,055	$0	@60%	No	0	0.0%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	$1,499	$0	$1,499	$60	$1,559
2BR / 1.5BA	$1,773	$0	$1,773	$77	$1,850
2BR / 2BA	$1,773	$0	$1,773	$77	$1,850
3BR / 2BA	$2,055	$0	$2,055	$94	$2,149

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Amenities

In-Unit

Blinds
Central A/C
Dishwasher
Microwave
Refrigerator
Carpeting
Coat Closet
Garbage Disposal
Oven

Security

Intercom (Buzzer)
Limited Access

Services

Afterschool Program
Tutoring

Property

Clubhouse/Meeting Room/Community
Elevators
Central Laundry
Recreation Areas
Courtyard
Garage($35.00)
On-Site Management

Premium

None

Other

Exterior Storage $20/mo.

Comments

There are 78 garages that rent for $35 and are 92% occupied.

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Trend Report

Vacancy Rates

4Q17	1Q18	3Q20	1Q23
0.0%	0.0%	5.1%	0.0%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	$1,141	$0	$1,141	$1,201
2018	1	0.0%	$1,141	$0	$1,141	$1,201
2020	3	0.0%	$1,311	$0	$1,311	$1,371
2023	1	0.0%	$1,499	$0	$1,499	$1,559

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	$1,366	$0	$1,366	$1,443
2018	1	0.0%	$1,366	$0	$1,366	$1,443
2020	3	4.3%	$1,565	$0	$1,565	$1,642
2023	1	0.0%	$1,773	$0	$1,773	$1,850

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	$1,366	$0	$1,366	$1,443
2018	1	0.0%	$1,366	$0	$1,366	$1,443
2020	3	0.0%	$1,565	$0	$1,565	$1,642
2023	1	0.0%	$1,773	$0	$1,773	$1,850

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	$1,560	$0	$1,560	$1,654
2018	1	0.0%	$1,560	$0	$1,560	$1,654
2020	3	15.4%	$1,799	$0	$1,799	$1,893
2023	1	0.0%	$2,055	$0	$2,055	$2,149

Trend: Comments

4Q17 There are 78 garages that rent for $35 and are 85% occupied.

1Q18 N/A

3Q20 There are 78 garages that rent for $35 and are 89% occupied.

1Q23 There are 78 garages that rent for $35 and are 92% occupied.

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Photos

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PROPERTY PROFILE REPORT

Lacy Court Apartments

Effective Rent Date	2/21/2023
Location	1502 Commonwealth Avenue Alexandria, VA 22301 Fairfax County
Distance	N/A
Units	44
Vacant Units	4
Vacancy Rate	9.1%
Type	Garden (3 stories)
Year Built/Renovated	1951 / 2019
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mostly families from the local area
Contact Name	Property Manager
Phone	(703) 519-5204

Market Information

Program	@40%, @50%, @60%
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	20%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased one to two percent
Concession	None
Waiting List	Yes; One year

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	included -- gas
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden (3 stories)	2	436	$956	$0	@40%	Yes	1	50.0%	yes	None
1	1	Garden (3 stories)	1	600	$1,022	$0	@40%	Yes	1	100.0%	yes	None
1	1	Garden (3 stories)	2	600	$1,556	$0	@60%	Yes	0	0.0%	yes	None
2	1	Garden (3 stories)	2	752	$1,227	$0	@40%	Yes	0	0.0%	yes	None
2	1	Garden (3 stories)	6	752	$1,547	$0	@50%	Yes	1	16.7%	yes	None
2	1	Garden (3 stories)	9	752	$1,867	$0	@60%	Yes	0	0.0%	yes	None
3	1	Garden (3 stories)	12	1,087	$1,787	$0	@50%	Yes	0	0.0%	yes	None
3	1	Garden (3 stories)	10	1,087	$2,157	$0	@60%	Yes	1	10.0%	yes	None

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Unit Mix

@40%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	$956	$0	$956	-$12	$944
1BR / 1BA	$1,022	$0	$1,022	-$16	$1,006
2BR / 1BA	$1,227	$0	$1,227	-$21	$1,206

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	$1,547	$0	$1,547	-$21	$1,526
3BR / 1BA	$1,787	$0	$1,787	-$25	$1,762

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	$1,556	$0	$1,556	-$16	$1,540
2BR / 1BA	$1,867	$0	$1,867	-$21	$1,846
3BR / 1BA	$2,157	$0	$2,157	-$25	$2,132

Amenities

In-Unit

Blinds
Central A/C
Dishwasher
Garbage Disposal
Refrigerator
Carpeting
Coat Closet
Exterior Storage
Oven

Security

Limited Access

Services

None

Property

Central Laundry
On-Site Management
Off-Street Parking
Picnic Area

Premium

None

Other

Bike storage

Comments

The contact stated that the rents were increased in after the release of the 2022 rent and income limits but the property did not increase to the new maximum allowable levels. Rents were increased one to two percent since 4Q2021. Previously the property charged the 2021 maximum allowable rents, but the contact could not say whether rents would be increased to the 2022 maximum allowable levels in the future. The property has a waiting list of a year for all floor plans and 4 vacancies.

The unit sizes shown are averages. The property offers 25 exterior storage spaces for $50 per unit. The contact reported no significant impact to the property from the COVID-19 pandemic.

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Trend Report

Vacancy Rates

2Q18	4Q21	2Q22	1Q23
0.0%	0.0%	0.0%	9.1%

Trend: @40%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	N/A	$840	$0	$840	$824
2021	4	0.0%	$897	$0	$897	$881
2022	2	0.0%	$922	$0	$922	$906
2023	1	100.0	$1,022	$0	$1,022	$1,006

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	N/A	$1,005	$0	$1,005	$984
2021	4	0.0%	$1,071	$0	$1,071	$1,050
2022	2	0.0%	$1,109	$0	$1,109	$1,088
2023	1	0.0%	$1,227	$0	$1,227	$1,206

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	N/A	$786	$0	$786	$774
2021	4	0.0%	$840	$0	$840	$828
2022	2	0.0%	$853	$0	$853	$841
2023	1	50.0%	$956	$0	$956	$944

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	N/A	$1,280	$0	$1,280	$1,264
2021	4	0.0%	$1,369	$0	$1,369	$1,353
2022	2	0.0%	$1,406	$0	$1,406	$1,390
2023	1	0.0%	$1,556	$0	$1,556	$1,540

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	N/A	$1,532	$0	$1,532	$1,511
2021	4	0.0%	$1,638	$0	$1,638	$1,617
2022	2	0.0%	$1,689	$0	$1,689	$1,668
2023	1	0.0%	$1,867	$0	$1,867	$1,846

3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	N/A	$1,769	$0	$1,769	$1,744
2021	4	0.0%	$1,889	$0	$1,889	$1,864
2022	2	0.0%	$1,951	$0	$1,951	$1,926
2023	1	10.0%	$2,157	$0	$2,157	$2,132

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	N/A	$1,125	$0	$1,125	$1,113

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	N/A	$1,268	$0	$1,268	$1,247
2021	4	0.0%	$1,354	$0	$1,354	$1,333
2022	2	0.0%	$1,399	$0	$1,399	$1,378
2023	1	16.7%	$1,547	$0	$1,547	$1,526

3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	N/A	$1,464	$0	$1,464	$1,439
2021	4	0.0%	$1,562	$0	$1,562	$1,537
2022	2	0.0%	$1,615	$0	$1,615	$1,590
2023	1	0.0%	$1,787	$0	$1,787	$1,762

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Trend: Comments

2Q18 This property is comprised of three buildings with the following addresses: 4-8 West Nelson Avenue, 1502-1506 Commonwealth Avenue, and 1512-1516 Commonwealth Avenue. Two-bedroom unit sizes range from 710 to 773 square feet and three-bedroom unit sizes range from 1,071 to 1,101 square feet. The unit sizes shown are averages. The property will offer 25 exterior storage spaces for $50 per unit.

4Q21 The unit sizes shown are averages. The property offers 25 exterior storage spaces for $50 per unit. The contact reported no significant impact to the property from the COVID-19 pandemic.

2Q22 The contact stated that the rents were increased in after the release of the 2022 rent and income limits but the property did not increase to the new maximum allowable levels. Rents were increased one to two percent since 4Q2021. Previously the property charged the 2021 maximum allowable rents, but the contact could not say whether rents would be increased to the 2022 maximum allowable levels in the future. The property has a waiting list of a year for all floor plans and no vacancies.

The unit sizes shown are averages. The property offers 25 exterior storage spaces for $50 per unit. The contact reported no significant impact to the property from the COVID-19 pandemic.

1Q23 The contact stated that the rents were increased in after the release of the 2022 rent and income limits but the property did not increase to the new maximum allowable levels. Rents were increased one to two percent since 4Q2021. Previously the property charged the 2021 maximum allowable rents, but the contact could not say whether rents would be increased to the 2022 maximum allowable levels in the future. The property has a waiting list of a year for all floor plans and 4 vacancies.

The unit sizes shown are averages. The property offers 25 exterior storage spaces for $50 per unit. The contact reported no significant impact to the property from the COVID-19 pandemic.

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Photos

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PROPERTY PROFILE REPORT

The Bloom At Braddock Apartments

Effective Rent Date	2/17/2023
Location	900 N Henry St Alexandria, VA 22314 Fairfax County
Distance	N/A
Units	96
Vacant Units	2
Vacancy Rate	2.1%
Type	Midrise (4 stories)
Year Built/Renovated	2021 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	N/A
Contact Name	N/A
Phone	703-343-9203

Market Information

Program	@30%, @40%, @50%, @60%
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	N/A
Annual Chg. in Rent	N/A
Concession	N/A
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Midrise (4 stories)	N/A	381	$662	$0	@30%	No	0	N/A	yes	LOW
0	1	Midrise (4 stories)	N/A	386	$772	$0	@40%	No	0	N/A	yes	HIGH
1	1	Midrise (4 stories)	N/A	834	$1,250	$0	@50%	No	0	N/A	yes	HIGH
1	1	Midrise (4 stories)	N/A	588	$1,250	$0	@50%	No	0	N/A	yes	LOW
2	2	Midrise (4 stories)	N/A	808	$1,471	$0	@50%	No	2	N/A	yes	LOW
2	2	Midrise (4 stories)	N/A	1,215	$1,791	$0	@60%	No	0	N/A	yes	HIGH
3	2	Midrise (4 stories)	N/A	1,042	$1,083	$0	@50%	No	0	N/A	yes	LOW
3	2	Midrise (4 stories)	N/A	1,428	$2,053	$0	@60%	No	0	N/A	yes	HIGH

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Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	$662	$0	$662	$57	$719

@40%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	$772	$0	$772	$57	$829

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	$1,250	$0	$1,250	$74	$1,324
2BR / 2BA	$1,471	$0	$1,471	$91	$1,562
3BR / 2BA	$1,083	$0	$1,083	$108	$1,191

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	$1,791	$0	$1,791	$91	$1,882
3BR / 2BA	$2,053	$0	$2,053	$108	$2,161

Amenities

In-Unit

Balcony/Patio
Blinds
Carpet/Hardwood
Central A/C
Coat Closet
Dishwasher
Ceiling Fan
Garbage Disposal
Microwave
Oven
Refrigerator

Security

Intercom (Buzzer)
Limited Access

Services

None

Property

Bike Storage
Business Center/Computer Lab
Clubhouse/Meeting Room/Community
Elevators
Central Laundry
Off-Street Parking
On-Site Management
Playground

Premium

None

Other

None

Comments

Subject offers 34 different unit types. 2 vacancies, no waiting list. Rents are at maximum allowable levels.

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PROPERTY PROFILE REPORT

The Station At Potomac Yard

Effective Rent Date	2/20/2023
Location	650 Maskell Street Alexandria, VA 22301 Alexandria County
Distance	N/A
Units	64
Vacant Units	1
Vacancy Rate	1.6%
Type	Midrise (5 stories)
Year Built/Renovated	2009 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy of singles, couples, and families.
Contact Name	Renae
Phone	703-718-4857

Market Information

Program	@60%, @80%
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	14%
Leasing Pace	Within one week
Annual Chg. in Rent	Kept at max
Concession	None
Waiting List	Yes; there is a waitlist for three-bedroom units. The contact was unable to provide the length of the waitlist.

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (5 stories)	8	768	$1,383	$0	@60%	no	1	12.5%	yes	None
1	1	Midrise (5 stories)	N/A	768	$1,832	$0	@80%	No	0	N/A	N/A	HIGH
1	1	Midrise (5 stories)	4	768	$1,650	$0	@80%	no	0	0.0%	yes	LOW
2	1.5	Midrise (5 stories)	33	1,020	$1,665	$0	@60%	no	0	0.0%	yes	None
2	1.5	Midrise (5 stories)	15	1,020	$1,845	$0	@80%	no	0	0.0%	yes	None
3	2	Midrise (5 stories)	3	1,260	$1,926	$0	@60%	no	0	0.0%	yes	None
3	2	Midrise (5 stories)	1	1,260	$2,530	$0	@80%	no	0	0.0%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	$1,383	$0	$1,383	$0	$1,383
2BR / 1.5BA	$1,665	$0	$1,665	$0	$1,665
3BR / 2BA	$1,926	$0	$1,926	$0	$1,926

@80%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	$1,650 - $1,832	$0	$1,650 - $1,832	$0	$1,650 - $1,832
2BR / 1.5BA	$1,845	$0	$1,845	$0	$1,845
3BR / 2BA	$2,530	$0	$2,530	$0	$2,530

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Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Ceiling Fan
Microwave
Refrigerator
Washer/Dryer
Blinds
Central A/C
Dishwasher
Garbage Disposal
Oven
Walk-In Closet
Washer/Dryer hookup

Security

Intercom (Buzzer)
Intercom (Phone)
Limited Access

Services

None

Property

Business Center/Computer Lab
Commercial/Retail
Elevators
Garage
Off-Street Parking
Clubhouse/Meeting Room/Community
Courtyard
Exercise Facility
Central Laundry
On-Site Management

Premium

None

Other

None

Comments

The contact stated both 60% and 80% are being charged at 2022's max rents. Everything is included in the rent except electric.

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Trend Report

Vacancy Rates

3Q21	3Q22	4Q22	1Q23
0.0%	1.6%	3.1%	1.6%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	0.0%	$1,349	$0	$1,349	$1,349
2022	3	12.5%	$1,555	$0	$1,555	$1,555
2022	4	12.5%	$1,555	$0	$1,555	$1,555
2023	1	12.5%	$1,383	$0	$1,383	$1,383

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	0.0%	$1,626	$0	$1,626	$1,626
2022	3	0.0%	$1,846	$0	$1,846	$1,846
2022	4	3.0%	$1,846	$0	$1,846	$1,846
2023	1	0.0%	$1,665	$0	$1,665	$1,665

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	0.0%	$1,879	$0	$1,879	$1,879
2022	3	0.0%	$2,133	$0	$2,133	$2,133
2022	4	0.0%	$2,133	$0	$2,133	$2,133
2023	1	0.0%	$1,926	$0	$1,926	$1,926

Trend: @80%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	0.0%	$1,822	$0	$1,822	$1,822
2022	3	0.0%	$2,069	$0	$2,069	$2,069
2022	4	0.0%	$2,069	$0	$2,069	$2,069
2023	1	N/A	$1,650 - $1,832	$0	$1,650 - $1,832	$1,650 - $1,832

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	0.0%	$1,945	$0	$1,945	$1,945
2022	3	0.0%	$2,487	$0	$2,487	$2,487
2022	4	0.0%	$2,487	$0	$2,487	$2,487
2023	1	0.0%	$1,845	$0	$1,845	$1,845

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	0.0%	$2,535	$0	$2,535	$2,535
2022	3	0.0%	$2,873	$0	$2,873	$2,873
2022	4	0.0%	$2,873	$0	$2,873	$2,873
2023	1	0.0%	$2,530	$0	$2,530	$2,530

Trend: Comments

3Q21 The contact reported the property typically stays fully occupied. The rents at 60 percent AMI are at the 2021 maximum allowable while the rents set at 80 percent of AMI are set below max rates. One parking space per household is included in the rent for parking in the underground parking garage. Additional parking spaces are available for $50. It should be noted that the multifamily units at this property are built above the local fire station.

3Q22 The contact stated both 60% and 80% are being charged at 2022's max rents. Everything is included in the rent except electric. The property does accept HCV but the contact could not clarify how many households use it.

4Q22 The contact stated both 60% and 80% are being charged at 2022's max rents. Everything is included in the rent except electric.

1Q23 N/A

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PROPERTY PROFILE REPORT

1111 Belle Pre Apartments

Effective Rent Date	2/16/2023
Location	1111 Belle Pre Way Alexandria, VA 22314 County
Distance	N/A
Units	300
Vacant Units	11
Vacancy Rate	3.7%
Type	Midrise (7 stories)
Year Built/Renovated	2013 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	Mostly professionals aged late 20s to mid 40s, some active seniors
Contact Name	Travis
Phone	(703) 229-1366

Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Changes Daily Using Yieldstar
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (7 stories)	N/A	850	$2,349	$0	Market	No	5	N/A	N/A	HIGH
1	1	Midrise (7 stories)	180	607	$1,890	$0	Market	No	5	2.8%	N/A	LOW
2	2	Midrise (7 stories)	N/A	1,073	$2,980	$0	Market	No	N/A	N/A	N/A	HIGH
2	2	Midrise (7 stories)	120	978	$2,780	$0	Market	No	5	4.2%	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	$1,890 - $2,349	$0	$1,890 - $2,349	$74	$1,964 - $2,423
2BR / 2BA	$2,780 - $2,980	$0	$2,780 - $2,980	$91	$2,871 - $3,071

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Amenities

In-Unit

Blinds
Central A/C
Dishwasher
Microwave
Refrigerator
Washer/Dryer
Carpet/Hardwood
Coat Closet
Garbage Disposal
Oven
Vaulted Ceilings
Washer/Dryer hookup

Security

In-Unit Alarm
Intercom (Buzzer)
Limited Access

Services

None

Property

Business Center/Computer Lab
Concierge
Elevators
Garage($75.00)
Picnic Area
Theatre
Clubhouse/Meeting Room/Community
Courtyard
Exercise Facility
On-Site Management
Swimming Pool
Wi-Fi

Premium

None

Other

Quartz Countertops; Gameroom;

Comments

Management indicated that there were over 60 unique floor plans. Rent ranges are based primarily on floor plan and unit size. The contact reported no impact from COVID-19.

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Trend Report

Vacancy Rates

1Q17	1Q18	3Q21	1Q23
4.2%	7.3%	3.7%	3.7%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	5.6%	$1,605 - $2,320	$0	$1,605 - $2,320	$1,679 - $2,394
2018	1	6.7%	$1,830 - $2,473	$0	$1,830 - $2,473	$1,904 - $2,547
2021	3	N/A	$1,889 - $2,150	$0	$1,889 - $2,150	$1,963 - $2,224
2023	1	N/A	$1,890 - $2,349	$0	$1,890 - $2,349	$1,964 - $2,423

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	1.7%	$2,015	$0	$2,015	$2,106

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	3.3%	$2,145 - $2,685	$0	$2,145 - $2,685	$2,236 - $2,776
2018	1	8.3%	$2,260 - $2,709	$0	$2,260 - $2,709	$2,351 - $2,800
2021	3	N/A	$2,588 - $2,701	$0	$2,588 - $2,701	$2,679 - $2,792
2023	1	N/A	$2,780 - $2,980	$0	$2,780 - $2,980	$2,871 - $3,071

Trend: Comments

1Q17 Management indicated that there were over 60 unique floor plans. Rent ranges are based primarily on floor plan and unit size. The contact was unable to provide an exact unit mix, but estimated that it was roughly an even split between one and two-bedroom units. There was only one available two-bedroom unit with one bathroom, thus no range was available. Garage spaces are available for $75.00 per month.

1Q18 N/A

3Q21 Management indicated that there were over 60 unique floor plans. Rent ranges are based primarily on floor plan and unit size. The contact reported no impact from COVID-19.

1Q23 N/A

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PROPERTY PROFILE REPORT

Meridian At Braddock Station

Effective Rent Date	2/16/2023
Location	1200 1st Street Alexandria, VA 22314 Alexandria County
Distance	N/A
Units	480
Vacant Units	19
Vacancy Rate	4.0%
Type	Highrise
Year Built/Renovated	1992 / 2002
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	Mixed tenancy.
Contact Name	Sun
Phone	703-683-4000

Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	N/A
Annual Chg. in Rent	None
Concession	One month free.
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- gas
Heat	not included -- gas
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Highrise	N/A	605	$1,795	$0	Market	No	1	N/A	N/A	None
0	1	Highrise	N/A	648	$1,680	$0	Market	No	2	N/A	N/A	None
1	1	Highrise	N/A	671	$1,955	$0	Market	No	1	N/A	N/A	None
1	1	Highrise	N/A	743	$1,955	$0	Market	No	1	N/A	N/A	None
1	1	Highrise	N/A	744	$1,995	$0	Market	No	3	N/A	N/A	None
1	1	Highrise	N/A	747	$1,965	$0	Market	No	1	N/A	N/A	None
1	1	Highrise	N/A	797	$1,870	$0	Market	No	2	N/A	N/A	None
1	1	Highrise	N/A	810	$2,070	$0	Market	No	1	N/A	N/A	None
1	1	Highrise	N/A	849	$2,225	$0	Market	No	1	N/A	N/A	None
2	2	Highrise	N/A	1,086	$2,565	$0	Market	No	1	N/A	N/A	None
2	2	Highrise	N/A	1,096	$2,565	$0	Market	No	2	N/A	N/A	None
2	2	Highrise	N/A	1,183	$2,545	$0	Market	No	2	N/A	N/A	None
2	2	Highrise	N/A	1,245	$2,580	$0	Market	No	1	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	$1,680 - $1,795	$0	$1,680 - $1,795	$43	$1,723 - $1,838
1BR / 1BA	$1,870 - $2,225	$0	$1,870 - $2,225	$60	$1,930 - $2,285
2BR / 2BA	$2,545 - $2,580	$0	$2,545 - $2,580	$77	$2,622 - $2,657

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Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Garbage Disposal
Oven
Washer/Dryer
Blinds
Central A/C
Ceiling Fan
Microwave
Refrigerator
Washer/Dryer hookup

Security

Intercom (Buzzer)
Intercom (Phone)
Limited Access

Services

None

Property

Clubhouse/Meeting Room/Community
Exercise Facility
On-Site Management
Elevators
Garage($75.00)
Swimming Pool

Premium

None

Other

None

Comments

This is a high-rise market rate property that consists of two buildings, a 16-story building completed in 1992 and an 11-story building completed in 2002. Rents vary slightly between buildings. Meridian is within a short walk to the Braddock Road Metro station. This larger scale property is presently 91 percent occupied. The leasing agent stated that the winter months are slow and, according to this individual, occupancy is typically above 95 percent during other times of the year. A manager at another property noted that a large amount of construction in Meridian's neighborhood may discourage potential tenants as well. Floor and view premiums are up to $200.

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Trend Report

Vacancy Rates

2Q05	1Q23
9.0%	4.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	$1,730 - $1,945	$144 - $162	$1,586 - $1,783	$1,646 - $1,843
2023	1	N/A	$1,870 - $2,225	$0	$1,870 - $2,225	$1,930 - $2,285

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	$2,100 - $2,355	$0 - $196	$1,925 - $2,205	$2,002 - $2,282
2023	1	N/A	$2,545 - $2,580	$0	$2,545 - $2,580	$2,622 - $2,657

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	$1,580 - $1,650	$132 - $137	$1,448 - $1,513	$1,491 - $1,556
2023	1	N/A	$1,680 - $1,795	$0	$1,680 - $1,795	$1,723 - $1,838

Trend: Comments

2Q05 This is a high-rise market rate property that consists of two buildings, a 16-story building completed in 1992 and an 11-story building completed in 2002. Rents vary slightly between buildings. Meridian is within a short walk to the Braddock Road Metro station. This larger scale property is presently 91 percent occupied. The leasing agent stated that the winter months are slow and, according to this individual, occupancy is typically above 95 percent during other times of the year. A manager at another property noted that a large amount of construction in Meridian's neighborhood may discourage potential tenants as well. Floor and view premiums are up to $200.

1Q23 N/A

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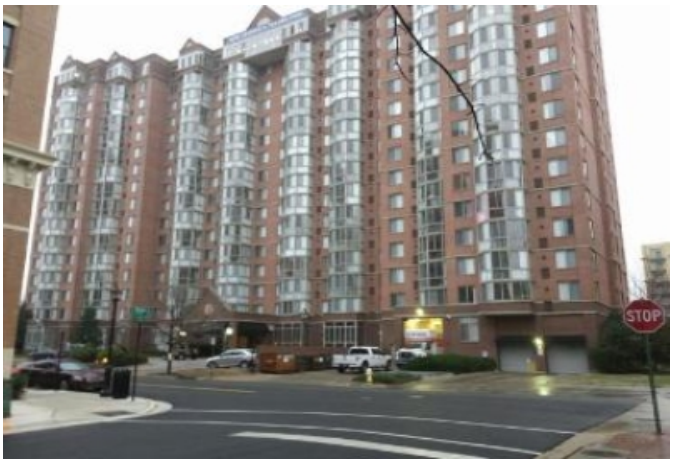
Photos



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PROPERTY PROFILE REPORT

Platform Alexandria

Effective Rent Date	2/17/2023
Location	1100 N Fayette St Alexandria, VA 22314 Alexandria County
Distance	N/A
Units	628
Vacant Units	113
Vacancy Rate	18.0%
Type	Midrise (8 stories)
Year Built/Renovated	2021 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	N/A
Contact Name	George
Phone	(833) 387-7652

Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	47
HCV Tenants	N/A
Leasing Pace	N/A
Annual Chg. in Rent	N/A
Concession	One month free
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Midrise (8 stories)	N/A	491	$2,040	$0	Market	No	3	N/A	N/A	HIGH
0	1	Midrise (8 stories)	N/A	438	$1,770	$0	Market	No	2	N/A	N/A	LOW
1	1	Midrise (8 stories)	N/A	838	$2,915	$0	Market	No	58	N/A	N/A	HIGH
1	1	Midrise (8 stories)	N/A	522	$1,985	$0	Market	No	15	N/A	N/A	LOW
2	1	Midrise (8 stories)	N/A	714	$2,800	$0	Market	No	1	N/A	N/A	None
2	2	Midrise (8 stories)	N/A	1,216	$3,900	$0	Market	No	2	N/A	N/A	HIGH
2	2	Midrise (8 stories)	N/A	839	$3,070	$0	Market	No	24	N/A	N/A	LOW
3	2	Midrise (8 stories)	N/A	1,346	$4,285	$0	Market	No	6	N/A	N/A	HIGH
3	2	Midrise (8 stories)	N/A	1,323	$3,740	$0	Market	No	2	N/A	N/A	LOW

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Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	$1,770 - $2,040	$0	$1,770 - $2,040	$57	$1,827 - $2,097
1BR / 1BA	$1,985 - $2,915	$0	$1,985 - $2,915	$74	$2,059 - $2,989
2BR / 1BA	$2,800	$0	$2,800	$91	$2,891
2BR / 2BA	$3,070 - $3,900	$0	$3,070 - $3,900	$91	$3,161 - $3,991
3BR / 2BA	$3,740 - $4,285	$0	$3,740 - $4,285	$108	$3,848 - $4,393

Amenities

In-Unit

Blinds
Central A/C
Dishwasher
Garbage Disposal
Oven
Walk-In Closet
Washer/Dryer hookup
Carpet/Hardwood
Coat Closet
Exterior Storage($75.00)
Microwave
Refrigerator
Washer/Dryer

Security

Intercom (Buzzer)
Limited Access
Video Surveillance

Services

None

Property

Business Center/Computer Lab
Commercial/Retail
Courtyard
Exercise Facility
On-Site Management
Swimming Pool
Clubhouse/Meeting Room/Community
Concierge
Elevators
Garage($125.00)
Picnic Area
Wi-Fi

Premium

None

Other

Library

Comments

The property is currently in leaseup. Leasing began in July 2021 and the property is currently 15 percent leased.

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Trend Report

Vacancy Rates

3Q21	1Q23
85.0%	18.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	N/A	$1,910 - $2,200	$159 - $183	$1,751 - $2,017	$1,825 - $2,091
2023	1	N/A	$1,985 - $2,915	$0	$1,985 - $2,915	$2,059 - $2,989

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	N/A	$2,800	$0	$2,800	$2,891

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	N/A	$2,530 - $3,870	$211 - $323	$2,319 - $3,547	$2,410 - $3,638
2023	1	N/A	$3,070 - $3,900	$0	$3,070 - $3,900	$3,161 - $3,991

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	N/A	$3,630	$303	$3,327	$3,435
2023	1	N/A	$3,740 - $4,285	$0	$3,740 - $4,285	$3,848 - $4,393

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	N/A	$1,770 - $2,040	$0	$1,770 - $2,040	$1,827 - $2,097

Trend: Comments

3Q21 The property is currently in leaseup. Leasing began in July 2021 and the property is currently 15 percent leased.

1Q23 N/A

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PROPERTY PROFILE REPORT

The Asher

Effective Rent Date	2/16/2023
Location	620 N Fayette Street Alexandria, VA 22314 Alexandria County
Distance	N/A
Units	206
Vacant Units	9
Vacancy Rate	4.4%
Type	Midrise (6 stories)
Year Built/Renovated	2012 / N/A
Marketing Began	N/A
Leasing Began	9/01/2012
Last Unit Leased	N/A
Major Competitors	Belle Pre Apartments
Tenant Characteristics	Majority young professionals
Contact Name	Amber
Phone	(703) 299-9700

Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	19
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Fluctuates daily
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Midrise (6 stories)	N/A	531	$1,956	$0	Market	No	N/A	N/A	N/A	HIGH
0	1	Midrise (6 stories)	N/A	468	$1,861	$0	Market	No	4	N/A	N/A	LOW
1	1	Midrise (6 stories)	N/A	752	$2,671	$0	Market	No	3	N/A	N/A	HIGH
1	1	Midrise (6 stories)	N/A	710	$2,594	$0	Market	No	0	N/A	N/A	LOW
1	2	Midrise (6 stories)	N/A	937	$2,717	$0	Market	No	2	N/A	N/A	None
2	2	Midrise (6 stories)	N/A	1,077	$2,819	$0	Market	No	N/A	N/A	N/A	HIGH
2	2	Midrise (6 stories)	N/A	968	$2,693	$0	Market	No	4	N/A	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	$1,861 - $1,956	$0	$1,861 - $1,956	$43	$1,904 - $1,999
1BR / 1BA	$2,594 - $2,671	$0	$2,594 - $2,671	$60	$2,654 - $2,731
1BR / 2BA	$2,717	$0	$2,717	$60	$2,777
2BR / 2BA	$2,693 - $2,819	$0	$2,693 - $2,819	$77	$2,770 - $2,896

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Amenities

In-Unit

Blinds
Central A/C
Dishwasher
Ceiling Fan
Microwave
Refrigerator
Washer/Dryer
Carpet/Hardwood
Coat Closet
Exterior Storage
Garbage Disposal
Oven
Walk-In Closet
Washer/Dryer hookup

Security

Intercom (Buzzer)
Limited Access

Services

None

Property

Business Center/Computer Lab
Elevators
Garage($75.00)
Picnic Area
Clubhouse/Meeting Room/Community
Exercise Facility
On-Site Management
Theatre

Premium

None

Other

None

Comments

Contact made no additional comments.

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Trend Report

Vacancy Rates

4Q16	1Q18	3Q21	1Q23
1.9%	5.8%	4.4%	4.4%

Trend: Market

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	$2,240	$0	$2,240	$2,300
2018	1	N/A	$2,240	$0	$2,240	$2,300
2021	3	N/A	$2,100	$0	$2,100	$2,160

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	$1,771 - $1,945	$0	$1,771 - $1,945	$1,831 - $2,005
2018	1	N/A	$2,058 - $2,100	$0	$2,058 - $2,100	$2,118 - $2,160
2021	3	N/A	$2,011	$0	$2,011	$2,071
2023	1	N/A	$2,594 - $2,671	$0	$2,594 - $2,671	$2,654 - $2,731

1BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	N/A	$2,717	$0	$2,717	$2,777

2.5BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	$2,720	$0	$2,720	$2,797
2021	3	N/A	$2,800	$0	$2,800	$2,877

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	$2,206	$0	$2,206	$2,283
2018	1	N/A	$2,595	$0	$2,595	$2,672
2021	3	N/A	$2,550	$0	$2,550	$2,627
2023	1	N/A	$2,693 - $2,819	$0	$2,693 - $2,819	$2,770 - $2,896

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	$2,720	$0	$2,720	$2,814

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	$1,562	$0	$1,562	$1,605
2018	1	N/A	$1,590	$0	$1,590	$1,633
2021	3	N/A	$1,750	$0	$1,750	$1,793
2023	1	N/A	$1,861 - $1,956	$0	$1,861 - $1,956	$1,904 - $1,999

Trend: Comments

4Q16 According to the contact, the property does not accept Housing Choice Vouchers. The contact was unable to provide information regarding annual turnover or annual rent changes. The property has an underground garage with 257 parking spaces that are rented for $75 per month.

1Q18 Contact made no additional comments.

3Q21 N/A

1Q23 N/A

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PROPERTY PROFILE REPORT

The Dalton

Effective Rent Date	2/16/2023
Location	1225 1st Street Alexandria, VA 22314 Alexandria County
Distance	N/A
Units	271
Vacant Units	15
Vacancy Rate	5.5%
Type	Highrise (15 stories)
Year Built/Renovated	2017 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	N/A
Contact Name	Hallie
Phone	(703) 940-1522

Market Information

Program	Market
Annual Turnover Rate	0%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within one week
Annual Chg. in Rent	Changes Daily
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Highrise (15 stories)	12	478	$1,780	$0	Market	No	0	0.0%	N/A	HIGH
0	1	Highrise (15 stories)	N/A	475	$1,635	$0	Market	No	2	N/A	N/A	LOW
1	1	Highrise (15 stories)	N/A	722	$2,150	$0	Market	No	0	N/A	N/A	HIGH
1	1	Highrise (15 stories)	167	555	$1,815	$0	Market	No	10	6.0%	N/A	LOW
2	1	Highrise (15 stories)	N/A	962	$2,670	$0	Market	No	N/A	N/A	N/A	HIGH
2	1	Highrise (15 stories)	N/A	877	$2,580	$0	Market	No	3	N/A	N/A	LOW
2	2	Highrise (15 stories)	N/A	1,074	$2,965	$0	Market	No	0	N/A	N/A	HIGH
2	2	Highrise (15 stories)	44	1,021	$2,855	$0	Market	No	2	4.5%	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	$1,635 - $1,780	$0	$1,635 - $1,780	$43	$1,678 - $1,823
1BR / 1BA	$1,815 - $2,150	$0	$1,815 - $2,150	$60	$1,875 - $2,210
2BR / 1BA	$2,580 - $2,670	$0	$2,580 - $2,670	$77	$2,657 - $2,747
2BR / 2BA	$2,855 - $2,965	$0	$2,855 - $2,965	$77	$2,932 - $3,042

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Amenities

In-Unit

Balcony/Patio
Carpet/Hardwood
Dishwasher
Garbage Disposal
Oven
Washer/Dryer
Blinds
Central A/C
Exterior Storage
Microwave
Refrigerator
Washer/Dryer hookup

Security

Intercom (Buzzer)
Limited Access

Services

None

Property

Business Center/Computer Lab
Elevators
Garage($100.00)
Picnic Area
Wi-Fi
Clubhouse/Meeting Room/Community
Exercise Facility
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

The contact reported no impact from COVID-19.

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Trend Report

Vacancy Rates

3Q20	3Q21	4Q21	1Q23
4.4%	3.0%	1.8%	5.5%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	3	N/A	$1,650 - $1,975	$0	$1,650 - $1,975	$1,710 - $2,035
2021	3	N/A	$2,150 - $2,220	$0	$2,150 - $2,220	$2,210 - $2,280
2021	4	N/A	$1,855 - $2,085	$0	$1,855 - $2,085	$1,915 - $2,145
2023	1	N/A	$1,815 - $2,150	$0	$1,815 - $2,150	$1,875 - $2,210

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	3	N/A	$2,140	$0	$2,140	$2,217
2021	3	N/A	$2,505	$0	$2,505	$2,582
2021	4	N/A	$2,330	$0	$2,330	$2,407
2023	1	N/A	$2,580 - $2,670	$0	$2,580 - $2,670	$2,657 - $2,747

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	3	N/A	$2,295 - $2,440	$0	$2,295 - $2,440	$2,372 - $2,517
2021	3	N/A	$2,865 - $2,925	$0	$2,865 - $2,925	$2,942 - $3,002
2021	4	N/A	$2,530 - $2,700	$0	$2,530 - $2,700	$2,607 - $2,777
2023	1	N/A	$2,855 - $2,965	$0	$2,855 - $2,965	$2,932 - $3,042

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	3	N/A	$1,565 - $1,665	$0	$1,565 - $1,665	$1,608 - $1,708
2021	3	N/A	$1,565 - $1,665	$0	$1,565 - $1,665	$1,608 - $1,708
2021	4	N/A	$1,745 - $1,775	$0	$1,745 - $1,775	$1,788 - $1,818
2023	1	N/A	$1,635 - $1,780	$0	$1,635 - $1,780	$1,678 - $1,823

Trend: Comments

3Q20 N/A

3Q21 The contact was unable to provide rents for the studio units as there are currently no units available. The indicated rents for studio units reflect those obtained during our prior interview in August 2020. The contact reported no impact from COVID-19.

4Q21 The contact reported no impact from COVID-19.

1Q23 N/A

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Photos

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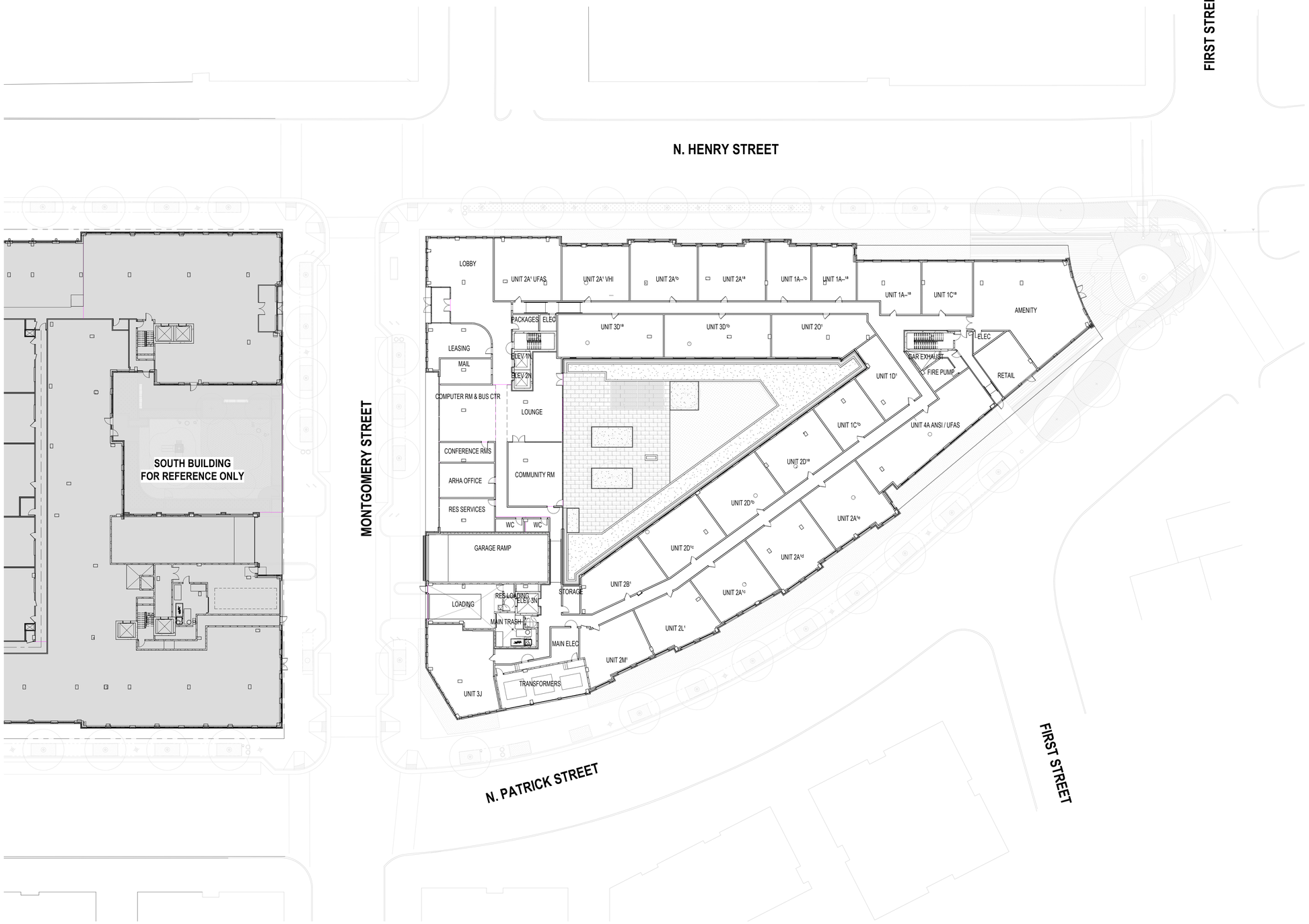
ADDENDUM D

Site and Floor Plans

UNIVERSAL DESIGN NOTES:

SEE CIVIL SITE PLAN FOR EXTERIOR WALKWAY AND ENTRANCES ACCESSIBLE PATHS



2 NORTH BUILDING - SITE PLAN
1" = 20'-0"

GRAPHIC SCALE 1" = 20'-0"
0 10' 20' 40' 80'

TAX CREDIT APPLICATION

TORTI GALLAS + PARTNERS
1923 VERMONT AVE NW, 2nd Floor
WASHINGTON, DC 20001
t: 301.588.4800
www.tortigallas.com

Samuel Madden Homes - North

999 N. HENRY STREET
ALEXANDRIA, VA 22314

RECORD OWNER
ALEXANDRIA REDEVELOPMENT AND HOUSING AUTHORITY
703.549.7115

DEVELOPER
FAIRSTEAD
240.360.5200

DEVELOPER
THE COMMUNITIES GROUP
202.667.3002

CIVIL ENGINEER
BOWMAN
703.464.1000

LANDSCAPE ARCHITECT
LEE AND ASSOCIATES
202.466.6666

LANDSCAPE ARCHITECT
LAND DESIGN
703.549.7784

STRUCTURAL ENGINEER
TADJER COHEN EDELSON
301.587.1820

MEP ENGINEER
STAENGL ENGINEERING
434.295.8105

SUSTAINABILITY CONSULTANT
PANDO ALLIANCE
443.364.8047

INTERIOR DESIGNER
XYZ
000.000.0000

Key Plan

Issue
NO. DATE

Revisions
NO. DATE

Context and Site Plan

PRINCIPAL IN CHARGE
S.E.

PROJECT ARCHITECT
S.F.

DRAWN
H.H., K.T., M.H., S.F., T.D., W.C.

DATE 06/15/2022 | APPROVED

SCALE: 1" = 20'-0" | JOB NO. 21325.00

DRAWING NO.
G102

2/26/2023 4:08:31 PM

ADDENDUM E

Utility Allowance

Virginia Housing | Housing Choice Voucher Program

Allowances for Tenant-Furnished Utilities and Other Services

Family Name: _____
Unit Address: _____
_____
Voucher Size*: _____ **Unit Bedroom Size*:** _____
Use smaller size to calculate tenant-supplied utilities and appliances.

		Unit Type: 2 Exposed Walls				**Effective Date: 07/01/2022**			
		Monthly Dollar Amount							
Utility	**Usage**	**0 BR**	**1 BR**	**2BR**	**3BR**	**4BR**	**5 BR**	**6 BR**	**7BR**
Appliance	Range/Microwave	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00
	Refrigerator	$3.00	$3.00	$3.00	$3.00	$3.00	$3.00	$3.00	$3.00
Bottled Gas	Cooking	$11.00	$15.00	$19.00	$23.00	$29.00	$34.00	$38.00	$42.00
	Home Heating	$64.00	$89.00	$114.00	$140.00	$177.00	$204.00	$229.00	$254.00
	Water Heating	$27.00	$37.00	$48.00	$58.00	$74.00	$85.00	$95.00	$106.00
Electricity	Cooking	$4.00	$5.00	$6.00	$8.00	$10.00	$11.00	$13.00	$14.00
	Cooling (A/C)	$7.00	$9.00	$13.00	$15.00	$19.00	$22.00	$24.00	$27.00
	Home Heating	$24.00	$34.00	$43.00	$54.00	$67.00	$78.00	$87.00	$97.00
	Other Electric	$14.00	$19.00	$24.00	$30.00	$38.00	$43.00	$49.00	$54.00
	Water Heating	$12.00	$16.00	$21.00	$25.00	$32.00	$37.00	$41.00	$46.00
Natural Gas	Cooking	$2.00	$2.00	$3.00	$3.00	$4.00	$5.00	$5.00	$6.00
	Home Heating	$8.00	$12.00	$15.00	$18.00	$22.00	$25.00	$28.00	$32.00
	Water Heating	$3.00	$4.00	$5.00	$7.00	$8.00	$10.00	$11.00	$12.00
Oil	Home Heating	$45.00	$63.00	$81.00	$98.00	$126.00	$145.00	$163.00	$181.00
	Water Heating	$19.00	$26.00	$33.00	$41.00	$52.00	$59.00	$67.00	$74.00
Sewer	Other	$23.00	$32.00	$41.00	$50.00	$63.00	$72.00	$81.00	$90.00
Trash Collection	Other	$14.00	$14.00	$14.00	$14.00	$14.00	$14.00	$14.00	$14.00
Water	Other	$20.00	$28.00	$36.00	$44.00	$56.00	$64.00	$72.00	$80.00
UTILITY ALLOWANCE TOTAL:		$	$	$	$	$	$	$	$

ADDENDUM F

Qualifications of Consultants

STATEMENT OF PROFESSIONAL QUALIFICATIONS
LINDSEY SUTTON

EDUCATION
Texas State University, Bachelor of Business Administration in Finance

LICENSING AND CERTIFICATIONS
Certified General Real Estate Appraiser – State of Texas (TX 1380684-G)
Certified General Real Estate Appraiser – State of Washington (1102489)

EXPERIENCE
Novogradac & Company LLP, Principal, December 2017- Present
Novogradac & Company LLP, Manager
Novogradac & Company LLP, Real Estate Analyst
Novogradac & Company LLP, Real Estate Researcher

PROFESSIONAL TRAINING
National USPAP and USPAP Updates
General Appraiser Report Writing and Case Studies
General Appraiser Sales Comparison Approach
General Appraiser Site Valuation and Cost Approach
Expert Witness for Commercial Appraisers
Commercial Appraisal Review
Real Estate Finance Statistics and Valuation Modeling
General Appraiser Income Approach Part II
General Appraiser Income Approach Part I
General Appraiser Market Analysis and Highest & Best Use
Basic Appraisal Procedures
Basic Appraisal Principles

REAL ESTATE ASSIGNMENTS
A representative sample of work on various types of projects:

- Managed and completed hundreds of market studies and appraisals for proposed new construction and existing Low Income Housing Tax Credit, USDA Rural Development, Section 8 and market rate multifamily and age-restricted developments. This included property screenings, market and demographic analysis, comparable rent surveys, supply and demand analysis, determination of market rents, expense comparability analysis, and other general market analysis. Property types include proposed multifamily, acquisition with rehabilitation, historic rehabilitation, adaptive reuse, and single-family development.
- Conduct physical inspections of subject properties and comparables to determine condition and evaluate independent physical condition assessments.
- Complete agency and HUD appraisals using the cost approach, income capitalization approach, and sales comparison approach for Low Income Housing Tax Credit, USDA Rural Development, and Section 8 properties. Additional assignments also include partnership valuations and commercial land valuation.
- Prepared HUD Market-to-Market rent comparability studies for Section 8 multifamily developments.

- Perform valuations of General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.
- Prepare Fair Market Value analyses for solar panel installations in connection with financing and structuring analyses performed for various clients. The reports are used by clients to evaluate with their advisors certain tax consequences applicable to ownership. Additionally, these reports can be used in connection with application for the Federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009 and the ITC funding process.
- Perform market studies and appraisals for proposed and existing multifamily properties under the HUD MAP program. These reports meet the requirements outlined in Chapter 7 of the HUD MAP Guide for the 221(d)4, 223(f), and the LIHTC Pilot Program.
- Consult with lenders and developers and complete valuation assignments for developments converting under the RAD program.

STATEMENT OF PROFESSIONAL QUALIFICATIONS
Olivia Rodriguez

I. EDUCATION

University of California, Santa Barbara, June 2020
Bachelor of Arts – Economics

III. PROFESSIONAL EXPERIENCE

Junior Analyst, Novogradac & Company LLP

IV. REAL ESTATE ASSIGNMENTS

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties. Analysis included property screenings, valuation analysis, capitalization rate analysis, expense comparability analysis, determination of market rents, and general market analysis.
- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.

ADDENDUM G

NCHMA Certification and Checklist

NCHMA MEMBER CERTIFICATION

This market study has been prepared by **Novogradac & Company LLP, doing business under the brand name Novogradac Consulting (Novogradac),** 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*, and *Model Content Standards for the Content of Market Studies*. 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.

Novogradac is duly qualified and experienced in providing market analysis for Affordable 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. **Novogradac** is an independent market analyst. No partner or employee of **Novogradac** has any financial interest whatsoever in the development for which this analysis has been undertaken.

Lindsey Sutton
Partner
Lindsey.Sutton@novoco.com

March 14, 2023

NCHMA Market Study Index

Introduction: Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

		Section(s)
	Executive Summary	
1	Executive Summary	A
	Scope of Work	
2	Scope of Work	B
	Project Description	
3	Unit mix including bedrooms, bathrooms, square footage, rents, and income targeting	C
4	Utilities (and utility sources) included in rent	C
5	Target market/population description	C
6	Project description including unit features and community amenities	C
7	Date of construction/preliminary completion	C
8	If rehabilitation, scope of work, existing rents, and existing vacancies	N/A
	Location	
9	Concise description of the site and adjacent parcels	D
10	Site photos/maps	D
11	Map of community services	D
12	Site evaluation/neighborhood including visibility, accessibility, and crime	D
	Market Area	
13	PMA description	E
14	PMA Map	E
	Employment and Economy	
15	At-Place employment trends	F
16	Employment by sector	F
17	Unemployment rates	F
18	Area major employers/employment centers and proximity to site	F
19	Recent or planned employment expansions/reductions	F
	Demographic Characteristics	
20	Population and household estimates and projections	G
21	Area building permits	G
22	Population and household characteristics including income, tenure, and size	G
23	For senior or special needs projects, provide data specific to target market	G
	Competitive Environment	
24	Comparable property profiles and photos	H
25	Map of comparable properties	H
26	Existing rental housing evaluation including vacancy and rents	H
27	Comparison of subject property to comparable properties	H
28	Discussion of availability and cost of other affordable housing options including homeownership, if applicable	H
29	Rental communities under construction, approved, or proposed	H
30	For senior or special needs populations, provide data specific to target market	H

NCHMA Market Study Index

Introduction: Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

		Section(s)
Affordability, Demand, and Penetration Rate Analysis		
31	Estimate of demand	I
32	Affordability analysis with capture rate	I
33	Penetration rate analysis with capture rate	I
Analysis/Conclusions		
34	Absorption rate and estimated stabilized occupancy for subject	H
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	H
36	Precise statement of key conclusions	A
37	Market strengths and weaknesses impacting project	A
38	Product recommendations and/or suggested modifications to subject	A
39	Discussion of subject property's impact on existing housing	H
40	Discussion of risks or other mitigating circumstances impacting subject	A
41	Interviews with area housing stakeholders	J
Other Requirements		
42	Certifications	Addenda G
43	Statement of qualifications	Addenda F
44	Sources of data not otherwise identified	N/A

ADDENDUM H

Data Sources

Data Sources

Sources used in this study include data that is both written and oral, published and unpublished, and proprietary and non-proprietary. Real estate developers, housing officials, local housing, and planning authority employees, property managers and other housing industry participants were interviewed. In addition, we conducted a survey of proposed, comparable properties.

This report incorporates published data supplied by various agencies and organizations including:

- U.S. Census Bureau
- Virginia Housing Development Authority
- Virginia Employment Commission
- Virginia Workforce Connection
- CoStar
- ESRI, Business Information Solutions
- Ribbon Demographics
- Bankrate
- Zillow
- U.S. Department of Commerce, Bureau of Labor Statistics
- Department of Housing and Urban Development (HUD)
- Virginia Housing Market Study Requirements, 2022