

A MARKET FEASIBILITY STUDY OF:

LADREY

APARTMENTS - 9

A MARKET FEASIBILITY STUDY OF: LADREY APARTMENTS - 9

300 Wythe Street and 600 North Fairfax Street
Alexandria, Alexandria City, Virginia 22314

Effective Date: February 22, 2024
Report Date: February 28, 2024

Prepared for:
Aimee McHale
WinnDevelopment
1101 30th Street NW
Washington, DC 20007

Prepared by:
Novogradac
4416 East-West Highway, Suite 200
Bethesda, MD 20814
240-235-1701





February 28, 2024

Aimee McHale
WinnDevelopment
1101 30th Street NW
Washington, DC 20007

Re: Application Market Study for Ladrey Apartments - 9
300 Wythe Street and 600 North Fairfax Street
Alexandria, Alexandria City, Virginia 22314

Dear Aimee McHale:

At your request, Novogradac & Company LLP, 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 the proposed 116-unit senior (55+) LIHTC/HAP project, restricted to households earning 30, 60, and 80 percent of the Area Median Income (AMI), or less. Of the total units, 78 units will operate with a project-based HAP rental assistance, where tenants will pay 30 percent of their income towards rent. It should be noted that the Subject's larger overall development will include another phase that will consist of 154 one and two-bedroom units targeting senior (55+) households earning 30, 60, and 80 percent of the AMI, or less and will be housed in the same building as the Subject. A total of 92 units at this phase will operate with subsidy, where tenants will pay 30 percent of their income towards rent. An analysis of this phase is outside the scope of this report. The Subject site is currently improved with a subsidized affordable housing development that will be demolished. The current tenants of the improvements will be relocated before the start of construction and will be given the opportunity to move into a new unit once construction is complete. 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 guidelines 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.

The Beverly J. Searles Foundation is the client in this engagement and intended 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 Beverly J. Searles Foundation 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.

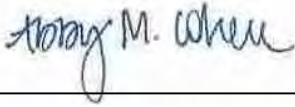
The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners.

Pursuant to Virginia Housing Requirements, we certify:

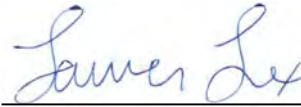
1. We have made a physical inspection of the site and market area.
2. The appropriate information has been used in the comprehensive evaluation of the need and demand for the proposed rental units.
3. To the best of our knowledge the market can support the demand shown in this study. We understand that 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



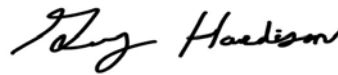
Abby M. Cohen
Partner
Abby.Cohen@novoco.com
240-235-1705



Lauren Lex
Manager
Lauren.Lex@novoco.com



Caroline McGimsey
Analyst
Caroline.McGimsey@novoco.com



Greg Hardison
Junior Analyst
Greg.Hardison@novoco.com

TABLE OF CONTENTS

A. Executive Summary	1
EXECUTIVE SUMMARY	2
B. Introduction and Scope of Work	9
INTRODUCTION AND SCOPE OF WORK	10
C. Project Description.....	12
PROJECT DESCRIPTION.....	13
D. Location	20
LOCATION	21
E. Market Area Definition	33
MARKET AREA.....	34
F. Employment and Economy.....	37
ECONOMIC ANALYSIS	38
G. Demographic Characteristics.....	47
DEMOGRAPHIC CHARACTERISTICS	48
H. Competitive Environment	58
HOUSING SUMMARY	59
SURVEY OF COMPARABLE PROPERTIES	65
MARKET CHARACTERISTICS	75
I. Affordability Analysis, Demand Analysis, Capture Rates and Penetration Rates	84
AFFORDABILITY ANALYSIS, DEMAND ANALYSIS, CAPTURE RATES, AND PENETRATION RATES	85
MARKET AREA.....	85
ANNUAL CAPTURE RATE ANALYSIS.....	96
VIRGINIA HOUSING DEMAND ANALYSIS	100
PENETRATION RATE ANALYSIS.....	102
J. Local Perspectives of Rental Housing Market and Housing Alternatives	107
INTERVIEWS	108
K. Analysis/Conclusions	111
L. Other Requirements	114

ADDENDUM A - ASSUMPTIONS AND LIMITING CONDITIONS

ADDENDUM B - SUBJECT PROPERTY AND NEIGHBORHOOD PHOTOGRAPHS

ADDENDUM C - SUBJECT MATRICES AND PROPERTY PROFILES

ADDENDUM D - SITE AND FLOOR PLANS

ADDENDUM E - UTILITY ALLOWANCE

ADDENDUM F - QUALIFICATIONS OF CONSULTANTS

ADDENDUM G - NCHMA CERTIFICATION AND CHECKLIST

A. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Subject Site and Location:

Ladrey Apartments - 9 (Subject) is a proposed LIHTC/HAP senior (55+) apartment property that will be located at 300 Wythe Street and 600 North Fairfax Street in Alexandria, Alexandria City, Virginia. The maximum tenant income will be restricted to the 80 percent AMI level. Of the total units, 78 units will operate with a project-based HAP rental assistance, where tenants will pay 30 percent of their income towards rent. The Subject will offer 111 one-bedroom and five two-bedroom units in one, five and six-story, midrise, elevator-serviced residential building. Construction is scheduled to begin in July 2025 with completion anticipated in May 2028. It should be noted that the Subject's larger overall development will include another phase that will consist of 154 one and two-bedroom units targeting senior (55+) households earning 30, 60, and 80 percent of the AMI, or less and will be housed in the same building as the Subject. A total of 92 units at this phase will operate with subsidy, where tenants will pay 30 percent of their income towards rent. An analysis of this phase is outside the scope of this report. The Subject site is currently improved with a subsidized affordable housing development that will be demolished. The current tenants of the improvements will be relocated before the start of construction and will be given the opportunity to move into a new unit once construction is complete.

Surrounding Land Uses:

The Subject site is located in the Old Town neighborhood of Alexandria. Land uses to the north of the Subject consist of office buildings, including the main office of the Alexandria Redevelopment and Housing Authority and the United Way Social Innovation Center, followed by Alexandria House Park. Farther north are additional office and commercial uses, including restaurants, coffee shops, a gym, and other local businesses, as well as townhomes in average to good condition. Land uses to the east consist of owner-occupied condominiums in good condition, followed by Oronoco Bay Park and the Potomac River. Land uses to the south consist of Annie B. Rose House, a senior Section 8 development that has been excluded from this report due to its subsidized rent structure and an office building, followed by Hopkins-Tancil Courts, an Alexandria Redevelopment and Housing Authority property in average condition that has been excluded from report due to its subsidized rent structure. Farther south are townhomes in average to good condition. Land uses to the west consist of Alexan Florence, a market rate multifamily development in excellent condition that has been included in this report as a comparable, followed by a neighborhood of townhomes in average to good condition. Farther west are commercial uses along North Washington Street, including restaurants, banks, and other local businesses. Commercial areas in Alexandria are approximately 90 percent occupied.

Site Description:

The overall Subject site is irregular in shape and has frontage along the south side of Wythe Street, the west side of North Fairfax Street, the north side of Pendleton Street, and the east side of North Royal Street. The overall site for the proposed 116-unit development, as well as the phase that will consist of 154 units targeting seniors, is 0.89 acres, or 38,752 square feet. The site exhibits topography that is generally level and is not located in a floodplain. Upon completion, the Subject will consist of one, five and six-story, highrise, elevator-serviced residential building. The Subject’s larger overall development will offer 118 off-street surface parking spaces at the property for no additional fees.

Scope of Construction:

The proposed Subject will be new construction. The proposed Subject is anticipated to begin construction in July 2025 with completion anticipated in May 2028. The Subject site will be improved with one, five and six-story, highrise, elevator-serviced residential building.

Proposed Rents:

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

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Adjusted Rent/Asking Rent	Utility Allowance (1)	Face Rent/Gross Rent	2023 LIHTC Maximum Allowable Gross Rent	2024 HUD Fair Market Rents	
@30% (HAP)								
1BR / 1BA	664	73	\$2,487	\$73	\$2,560	\$847	\$2,560	
2BR / 2BA	1,070	5	\$2,801	\$99	\$2,900	\$1,017	\$2,900	
@60%								
1BR / 1BA	664	6	\$1,453	\$73	\$1,526	\$1,695	\$2,560	
@80%								
1BR / 1BA	664	32	\$1,962	\$73	\$2,035	\$2,261	\$2,560	
		116						

Notes (1) Source of Utility Allowance provided by the Developer.

The Subject is a proposed LIHTC/HAP property that will offer a total of 116 units, all of which are revenue-generating. Of the total units, 78 units will operate with a project-based HAP rental assistance, where tenants will pay 30 percent of their income towards rent. The Subject’s HAP units at the 30 percent of AMI level are contract rents are set above the 2023 maximum allowable levels. Thus, if the Subject were to lose the rental subsidies, the proposed rents for these units would have to be lowered to comply with the LIHTC program requirements. The Subject’s proposed rents at the 60 and 80 percent of AMI levels are set below the 2023 maximum allowable levels.

Target Household Income Levels:

Based on the proposed unit mix and rent levels, 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% (HAP)		@60%		@80%	
1BR	\$0	\$36,180	\$45,780	\$72,360	\$61,050	\$96,480
2BR	\$0	\$36,180	-	-	-	-

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%		@60%		@80%	
1BR	\$25,410	\$36,180	\$45,780	\$72,360	\$61,050	\$96,480
2BR	\$30,510	\$36,180	-	-	-	-

Economic Conditions

Employment in the PMA is concentrated in professional/scientific/technological services, public administration, and healthcare/social assistance, which collectively comprise 46.9 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. Since 2012, job growth in the MSA was generally similar to the nation. Employment in the MSA declined by 5.6 percent in 2020 amid the COVID-19 pandemic, similar to the overall nation. The MSA subsequently recovered all COVID-19 pandemic-related job losses, and employment levels are currently at a post-recessionary record. As of November 2023, employment in the MSA is increasing at an annualized rate of 2.8 percent, slightly above the 2.1 percent growth reported across the nation. According to the latest labor statistics, dated November 2023, the current MSA unemployment rate is 2.5 percent. This is below the current national unemployment rate of 3.5 percent.

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 majority of the city of Alexandria and portions of southeast Fairfax County. The PMA boundaries generally consist of U.S. Route 1 and Interstate 395 to the north, the Potomac River to the east, Interstate 95/495 (Capitol Beltway) and U.S. Route 1 to the south, and Van Dorn Street to the west. The PMA encompasses approximately 21 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 cities and 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.

Demographic Data

Senior population in the PMA increased at an annualized rate of 3.6 percent between 2010 and 2023, compared to growth of 3.8 percent in the MSA and 2.6 percent across the nation. The percentage of senior renter households in the PMA declined between 2010 and 2023 and is estimated to be 29.6 percent as of

2023. This is slightly more than the estimated 24 percent of senior renter households across the overall nation. The median income in the PMA as of 2023 is similar to the MSA and overall nation. According to ESRI demographic projections, population, household, and median income levels are all expected to rise through 2028. Overall, the combination of rising population and median household income bodes well for future demand for senior multifamily housing.

Vacancy

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

OVERALL VACANCY

Property Name	Program	Tenancy	Total Units	Vacant Units	Vacancy %
Arbelo Apartments	LIHTC	Family	34	1	2.9%
Gum Springs Glen*	LIHTC	Senior	60	1	1.7%
Manchester Lakes*	LIHTC	Senior	252	37	14.7%
Station 650 Apartments	LIHTC/Market	Family	183	1	0.5%
The Bloom At Braddock Apartments	LIHTC	Family	96	0	0.0%
1111 Belle Pre Apartments	Market	Family	300	4	1.3%
Alexan Florence	Market	Family	286	2	0.7%
Gables Old Town North	Market	Family	232	3	1.3%
Platform Alexandria	Market	Family	628	12	1.9%
The Asher	Market	Family	206	6	2.9%
LIHTC Total			625	40	6.4%
Market Total			1,652	27	1.6%
Overall Total			2,277	67	2.9%

*Located outside PMA

The comparables reported vacancy rates ranging from zero to 14.7 percent, with an overall weighted average of 2.9 percent. Managers at one of the five LIHTC properties reported being fully occupied. The average vacancy rate reported by the affordable comparables was 6.4 percent, well above the 1.6 percent average reported by the market rate properties. The contacts at Arbelo Apartments and Gum Springs Glen reported that the vacant units at these properties have been pre-leased. The contact at Manchester Lakes reported that the current vacancy rate at the property is elevated due to a shortage of staff and it is taking longer than typical to get the vacant units ready. It should be noted that 10 of the 37 have been pre-leased. The vacancy rate at this property is property specific and not reflective of the performance of the overall market. All of the market rate properties reported vacancy rates of 2.9 percent or less. Based on the performance of the LIHTC comparables, we expect the Subject will operate with a vacancy rate of approximately five percent or less upon completion.

The following table details vacancy by bedroom type for the comparable properties surveyed:

VACANCY BY BEDROOM TYPE

Property Name	Rent Structure	Tenancy	OBR	1BR	2BR	Overall
Arbelo Apartments	LIHTC	Family	0.0%	0.0%	5.0%	2.9%
Gum Springs Glen*	LIHTC	Senior	-	-	-	1.7%
Manchester Lakes*	LIHTC	Senior	-	12.6%	16.1%	14.7%
Station 650 Apartments	LIHTC/ Market	Family	-	-	0.0%	0.5%
The Bloom At Braddock Apartments	LIHTC	Family	-	-	-	0.0%
1111 Belle Pre Apartments	Market	Family	-	1.7%	0.8%	1.3%
Alexan Florence	Market	Family	0.0%	0.5%	1.3%	0.7%
Gables Old Town North	Market	Family	-	-	-	1.3%
Platform Alexandria	Market	Family	0.0%	1.0%	3.5%	1.9%
The Asher	Market	Family	-	-	-	2.9%

*Located outside of the PMA

The Subject will consist of one and two-bedroom units. The vacancy rates for all units type are considered low to elevated. It should be noted that the contacts at three of the LIHTC comparables with vacant units reported that at least some of the vacant units at these properties are pre-leased or have applications pending. Only one of the LIHTC comparables reported maintaining a waiting list. Overall, we believe there is demand for additional rental housing in the market. The Subject is not expected to negatively impact the existing properties in the market.

Absorption Estimate

The following table details the absorption paces of recently completed properties in the Alexandria region.

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Arlington View Terrace East	LIHTC	Family	Arlington	2023	77	11	3.8 miles
The Bridge	LIHTC	Family	Washington	2022	112	15	4.4 miles
MDL Flats	LIHTC	Family	Washington	2021	76	50	4.4 miles
The Apex	LIHTC	Family	Arlington	2020	256	21	2.7 miles
555 E Street SW	LIHTC	Senior	Washington	2020	58	20	5.1 miles
Riverpoint	Market	Family	Washington	2020	480	25	4.0 miles
Watermark At Buzzard Point	Market	Family	Washington	2020	453	25	4.2 miles
Eleven 64	LIHTC	Senior	Washington	2019	65	16	7.3 miles
The Belnor Senior Residences	LIHTC	Senior	Suitland	2019	122	31	5.8 miles
Maple View Flats	LIHTC	Family	Washington	2019	114	29	4.5 miles
Ainger Place Apartments	LIHTC	Family	Washington	2019	72	7	5.0 miles
City View Apartments	LIHTC	Family	Washington	2019	56	29	4.1 miles
Average Affordable					101	23	
Average Market					467	25	
Overall Average					162	23	

We obtained absorption data from 12 properties within 8.0 miles of the Subject in Arlington, Washington, and Suitland. These properties were completed over the 2019 to 2023 period. These properties reported absorption rates ranging from seven to 50 units per month, with an overall average of 23 units per month. Overall, we rely most on the data 555 E Street SW, as this property is the most recently built senior LIHTC development. Overall, we expect the Subject will experience an absorption rate of 20 units per month. This equates to an absorption period of approximately five to six 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 newly constructed property, and generally in similar to superior condition to the majority of the comparable properties. The market exhibits strong demand for both affordable and market rate housing, with limited vacancy. Further, the comparable LIHTC properties reported an overall average vacancy rate of 6.4 percent. Based on the performance of the comparable properties, we expect the Subject to operate with an annual vacancy loss of five percent, or less. Our estimated achievable market rents for the Subject are illustrated below.

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Rent Level	Square Feet	Pro Forma Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rent	Subject Rent Advantage
1BR/1BA	@30% (HAP)	664	\$774*	\$2,170	\$3,596	\$2,631	\$2,750	72%
1BR/1BA	@60%	664	\$1,441	\$2,170	\$3,596	\$2,631	\$2,750	48%
1BR/1BA	@80%	664	\$1,950	\$2,170	\$3,596	\$2,631	\$2,750	29%
2BR/2BA	@30% (HAP)	1,070	\$918*	\$2,521	\$5,160	\$3,488	\$3,600	74%

*Subject’s achievable rents are shown for the 30% AMI units.

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 2.8 percent, as proposed, and 4.3 percent, absent subsidy.

DEMAND CONCLUSIONS

Calculation	As Proposed	Absent Subsidy
@30% (HAP)	4.0%	17.3%
@60%	0.6%	-
@80%	3.5%	-
All Units	2.8%	4.3%
Annual Demand	6.2%	9.4%
Penetration Rate Methodology One	3.1%	4.6%
Penetration Rate Methodology Two	12.7%	11.8%

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. The annual demand calculation indicates there are approximately 1,770 units and 1,165 units of demand in the first year of the Subject's operation for the Subject's as proposed and absent subsidy scenarios, respectively. The Subject will need to accommodate 110 units of demand in order to stabilize at five percent vacancy. The demand analysis illustrates adequate demand for the Subject's units. Additionally, all penetration rates as proposed and absent subsidy are low to moderate and indicative of demand for additional affordable housing supply such as the Subject.

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	5.4%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	5.4%
Project Wide Absorption Period (Months)	6 months

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

Project Wide Capture Rate - LIHTC Units	5.7%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	5.7%
Project Wide Absorption Period (Months)	6 months

These capture rates are low. We believe there is sufficient demand for the Subject based on the high occupancy rates among the majority of the LIHTC comparables.

Strengths

- The Subject will offer excellent condition as a new construction development, similar to superior to the comparable properties.
- The Subject will offer a highrise, elevator-serviced design, similar to slightly superior to the comparables.

- The Subject will offer garage parking for no additional fees, similar to slightly superior to the comparables.
- The Subject's proximity to local transportation. The closest bus stop to the Subject is located adjacent east, at the intersection of North Fairfax Street and Pendleton Street. Additionally, the nearest Metro rail station is the Braddock Road Metro Station, located 0.7 miles to the west.
- The Subject's proposed two-bedroom unit size is larger than the surveyed average.
- Three of the comparable LIHTC properties reported achieving maximum allowable rents.
- There is ample demand for affordable housing as evidenced by low capture rates and low vacancy rates, at the majority of the comparable properties.

Weaknesses

- The Subject's one-bedroom unit sizes are small relative to the average unit sizes in the market. However, the Subject is a proposed senior development, which oftentimes feature smaller units than family developments. The Subject's units are significantly larger than the two surveyed senior comparables. Therefore, we anticipate that the Subject's unit sizes will be well accepted in the market.

Recommendations and Overall Conclusion

In general, we believe there is demand in the marketplace for the Subject as proposed. We recommend no changes for the Subject property.

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 Ladrey Apartments-9, a proposed senior (55+) LIHTC/HAP development. The Subject's units will be restricted to households earning 30, 60, and 80 percent of the Area Median Income (AMI), or less. Of the total units, 78 units will operate with a project-based HAP rental assistance, where tenants will pay 30 percent of their income towards rent. The Subject will consist of 111 one-bedroom units and five three-bedroom units contained in one, five and six-story, highrise, elevator-serviced residential building. Construction is scheduled to begin in July 2025 with completion anticipated in May 2028. Upon completion, the Subject will be in excellent condition. It should be noted that the Subject's larger overall development will include another phase that will consist of 154 one and two-bedroom units targeting senior (55+) households earning 30, 60, and 80 percent of the AMI, or less and will be housed in the same building as the Subject. A total of 92 units at this phase will operate with subsidy, where tenants will pay 30 percent of their income towards rent. An analysis of this phase is outside the scope of this report.
Developer/Client Information:	WinnDevelopment.
Intended Use and Users of the Report:	WinnDevelopment 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 tax credits.
Type of Report:	Comprehensive Market Analysis Full Narrative Report
Scope of the Report:	<ul style="list-style-type: none">▪ 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 the 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 22, 2024, which shall serve as the effective date of this report.

Primary Contacts for the Report: Abby Cohen – Abby.Cohen@novoco.com and 240-235-1705
Lauren Lex – Lauren.Lex@novoco.com
Caroline McGimsey – Caroline.McGimsey@novoco.com
Greg Hardison – Greg.Hardison@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:

Ladrey Apartments-9 (Subject) is the proposed new construction of a 116-unit LIHTC/HAP senior (55+) development to be funded with Low-Income Housing Tax Credits (LIHTC). The site for the Subject's larger overall development is comprised of two parcels that are a combined 1.3 acres located at 300 Wythe Street and 600 North Fairfax Street, Alexandria, Virginia 22314. Upon completion, the Subject will consist of one, five and six-story, highrise, elevator-serviced residential building offering a total of 116 one and two-bedroom units. It should be noted that the Subject's larger overall development will include another phase that will consist of 154 one and two-bedroom units targeting senior (55+) households earning 30, 60, and 80 percent of the AMI, or less and will be housed in the same building as the Subject. A total of 92 units at this phase will operate with subsidy, where tenants will pay 30 percent of their income towards rent. An analysis of this phase is outside the scope of this report. The Subject site is currently improved with a subsidized affordable housing development that will be demolished. The current development, Ladrey Senior, consists of 170 studio and one-bedroom units housed in an 11-story, highrise, elevator-serviced, residential building. All units are restricted to the 30 percent AMI level and operate with subsidy, where tenants pay 30 percent of their income towards rent. Ladrey Senior is currently 98.2 percent occupied and maintains a waiting list of 23 households. The current tenant paid rent ranges between \$50 and \$1,426, with an average of \$357. The current tenants of the improvements will be relocated before the start of construction and will be given the opportunity to move into a new unit once construction is complete.

The Subject's units will be restricted to households earning 30, 60, and 80 percent of AMI, or less. Of the total units, 78 units will operate with a project-based HAP rental assistance, where tenants will pay 30 percent of their income towards rent. Notable amenities will include a business center, courtyard, elevators, an exercise facility, garage parking, a central laundry facility, on-site management, picnic area, recreation areas, a rooftop deck, Wi-Fi in the common areas, garbage disposals, microwaves, an intercom (buzzer) system, limited access, perimeter fencing, and video surveillance. Construction is set to begin in July 2025 with anticipated competition in May 2028.

The Subject's overall development will be a 270-unit affordable senior (55+) development, with the Subject

offering 116 units targeting seniors ages 55 and older and another phase offering 154 units targeting seniors ages 55 and older. The Subject’s units will be restricted to households earning 30, 60, and 80 percent of AMI, or less.

Construction Type:

The Subject’s units will be contained within one, five and six-story, highrise, elevator-serviced residential building.

Target Population and Occupancy Type:

The proposed Subject will target one to two person senior (55+) households earning 30, 60, and 80 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 \$96,480 as proposed and \$25,410 to \$96,480 absent subsidy.

Proposed Rents:

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

PROPOSED RENTS								
Unit Type	Unit Size (SF)	Number of Units	Adjusted Rent/Asking Rent	Utility Allowance (1)	Face Rent/Gross Rent	2023 LIHTC Maximum Allowable Gross Rent	2024 HUD Fair Market Rents	
@30% (HAP)								
1BR / 1BA	664	73	\$2,487	\$73	\$2,560	\$847	\$2,560	
2BR / 2BA	1,070	5	\$2,801	\$99	\$2,900	\$1,017	\$2,900	
@60%								
1BR / 1BA	664	6	\$1,453	\$73	\$1,526	\$1,695	\$2,560	
@80%								
1BR / 1BA	664	32	\$1,962	\$73	\$2,035	\$2,261	\$2,560	
		116						

Notes (1) Source of Utility Allowance provided by the Developer.

The Subject is a proposed LIHTC/HAP property that will offer a total of 116 units, all of which are revenue-generating. Of the total units, 78 units will operate with a project-based HAP rental assistance, where tenants will pay 30 percent of their income towards rent. The Subject’s HAP units at the 30 percent of AMI level are contract rents are set above the 2023 maximum allowable levels. Thus, if the Subject were to lose the rental subsidies, the proposed rents for these units would have to be lowered to comply with the LIHTC program requirements. The Subject’s proposed rents at the 60 and 80 percent of AMI levels are set below the 2023 maximum allowable levels.

Assisted Housing Program:

Of the total units, 78 units will operate with a project-based HAP rental assistance, where tenants will pay 30 percent of their income towards rent.

Construction Date:

The Subject is anticipated to begin construction in July 2025 and be completed in May 2028.

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% (HAP)		@60%		@80%	
1BR	\$0	\$36,180	\$45,780	\$72,360	\$61,050	\$96,480
2BR	\$0	\$36,180	-	-	-	-

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%		@60%		@80%	
1BR	\$25,410	\$36,180	\$45,780	\$72,360	\$61,050	\$96,480
2BR	\$30,510	\$36,180	-	-	-	-

Utility Structure:

Tenants at the Subject will be responsible for electric heat, hot water, cooking, central air conditioning, and general electricity expenses. The cold water, sewer, and trash removal expenses will be paid by the landlord. The comparable properties' utility structures are illustrated in the respective property summaries and are adjusted appropriately to account for differences relative to the Subject's utility structure, based on the highrise apartment utility allowances provided by the Alexandria Redevelopment and Housing Authority, effective October 1, 2023.

HOUSING AUTHORITY UTILITY ALLOWANCE

UTILITY AND SOURCE	Paid By	1BR	2BR
Heating - Electric	Tenant	\$19	\$25
Cooking - Electric	Tenant	\$6	\$9
Other Electric*	Tenant	\$31	\$40
Air Conditioning	Tenant	\$9	\$13
Water Heating - Electric	Tenant	\$15	\$19
Water	Landlord	\$29	\$42
Sewer	Landlord	\$53	\$79
Trash	Landlord	\$42	\$42
TOTAL - Paid By Landlord		\$124	\$163
TOTAL - Paid By Tenant		\$80	\$106
TOTAL - Paid By Tenant Provided by Developer		\$73	\$99
DIFFERENCE		91%	93%

Source: Alexandria Redevelopment and Housing Authority, effective 10/2023

*Includes monthly electric fee

The developer utility allowance estimates are slightly below the local housing authority estimates. The local housing authority estimates are used to adjust the comparable properties with differing utility structures to the Subject's utility structure for an "apples-to-apples" comparison.

Unit Mix: The following table illustrates the Subject’s proposed detailed 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	111	664	73,704
2BR / 2BA	5	1,070	5,350
TOTAL	116		79,054

Net Leasable Area: Approximately 79,054 square feet, as illustrated above.

Unit Amenities: The Subject unit amenities will consist of blinds, carpet flooring, central air conditioning, garbage disposals, microwaves, range/ovens, and refrigerators.

Common Area Amenities: The Subject common area amenities will consist of a business center, larger resident lounge with warming kitchen, multipurpose room, clinic space, courtyard, elevators, an exercise facility, central laundry facility, on-site management, picnic area, recreation areas, a rooftop deck, and Wi-Fi in the common areas.

Parking: The Subject’s overall larger development will offer a total of 118 garage parking spaces for the 270 units, which equates to approximately 0.4 spaces per unit. There is no fee for parking. Given the Subject’s senior tenancy and proximity to public transportation, we expect the number of parking spaces will be adequate.

Number of Stories and Buildings: There will be one, five and six-story, highrise, elevator-serviced residential building. The Subject will exhibit excellent overall condition following completion.

Americans with Disabilities Act of 1990: As newly constructed development, 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 floor plans, as well as local interviews, we believe the Subject will be functional upon completion. Copies of the floor plans are included in the *Addenda* of this report.


Architectural Plans:

We were provided with preliminary architectural plans for the Subject's overall development. A copy of the site and architectural plans are included in the addenda of this report.

Conclusion:

The Subject property is a proposed 116-unit new construction LIHTC/HAP senior (55+) 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.

LADREY APARTMENTS - 9 - ALEXANDRIA, VIRGINIA – MARKET STUDY

Ladrey Apartments - 9											
Location	300 Wythe St & 600 N Fairfax St Alexandria, VA 22314 Alexandria County (verified)										
Units	116										
Type	Highrise (age-restricted) (6 stories)										
Year Built / Renovated	2028 / N/A										
Market											
Program	@30% (HAP), @60%, @80%					Leasing Pace	N/A				
Annual Turnover Rate	N/A					Change in Rent (Past Year)	N/A				
Units/Month Absorbed	N/A					Concession					
Section 8 Tenants	N/A										
Utilities											
A/C	not included – central					Other Electric	not included				
Cooking	not included – electric					Water	included				
Water Heat	not included – electric					Sewer	included				
Heat	not included – electric					Trash Collection	included				
Unit Mix (face rent)											
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	Highrise (6 stories)	73	664	\$2,487	\$0	@30% (HAP)	N/A	N/A	N/A	N/A
1	1	Highrise (6 stories)	6	664	\$1,453	\$0	@60%	N/A	N/A	N/A	no
1	1	Highrise (6 stories)	32	664	\$1,962	\$0	@80%	N/A	N/A	N/A	no
2	2	Highrise (6 stories)	5	1,070	\$2,801	\$0	@30% (HAP)	N/A	N/A	N/A	N/A
Amenities											
In-Unit	Blinds Carpeting Central A/C Garbage Disposal Microwave Oven Refrigerator Washer/Dryer Washer/Dryer hookup					Security	Intercom (Buzzer) Limited Access Perimeter Fencing Video Surveillance				
Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Courtyard Elevators Exercise Facility Garage On-Site Management Picnic Area Recreation Areas Rooftop Deck Wi-Fi					Premium	none				
Services	none					Other	Clinic space				
Comments											
This is a proposed development that will consist of one, five and six-story, highrise, elevator-serviced, residential building. The utility allowances for the one and two-bedroom units will be \$73 and \$99, respectively. Construction is set to begin in July 2025 and be complete by May 2028.											

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.



Source: Google Earth, January 2024.

Subject Site Location:	The Subject site is located at 300 Wythe Street and 600 North Fairfax Street in Alexandria, Virginia 22314.
Size:	The Subject site is 38,752 square feet or 0.89 acres.
Shape:	The Subject site is irregular in shape.
Frontage:	The Subject site has frontage along the south side of Wythe Street, the west side of North Fairfax Street, the north side of Pendleton Street, and the east side of North Royal Street.
Topography:	The Subject site generally level topography.
Utilities:	All utilities are available to the site.

Visibility/Views:

The Subject site has excellent visibility along Wythe Street, North Fairfax Street, Pendleton Street, and North Royal Street. Views to the north consist of office buildings. Views to the east consist of owner-occupied condominiums in good condition. Views to the south consist of Annie B. Rose House, a senior Section 8 development that has been excluded from this report due to its subsidized rent structure, an office building and the Hopkins-Tancil Courts, an Alexandria Redevelopment and Housing Authority property in average condition that has been excluded from this report due to its subsidized rent structure. To the west, views consist of Alexan Florence, a market rate multifamily development in excellent condition that has been included in this report as a comparable. Overall, visibility is considered excellent, and views are considered average.

Surrounding Land Uses:

The Subject site is located in the Old Town neighborhood of Alexandria. Land uses to the north of the Subject consist of office buildings, including the main office of the Alexandria Redevelopment and Housing Authority and the United Way Social Innovation Center, followed by Alexandria House Park. Farther north are additional office and commercial uses, including restaurants, coffee shops, a gym, and other local businesses, as well as townhomes in average to good condition. Land uses to the east consist of owner-occupied condominiums in good condition, followed by Oronoco Bay Park and the Potomac River. Land uses to the south consist of Annie B. Rose House, a senior Section 8 development that has been excluded from this report due to its subsidized rent structure and an office building, followed by Hopkins-Tancil Courts, an Alexandria Redevelopment and Housing Authority property in average condition that has been excluded from report due to its subsidized rent structure. Farther south are townhomes in average to good condition. Land uses to the west consist of Alexan Florence, a market rate multifamily development in excellent condition that has been included in this report as a comparable, followed by a neighborhood of townhomes in average to good condition. Farther west are commercial uses along North Washington Street, including restaurants, banks, and other local businesses. Commercial areas in Alexandria are approximately 90 percent occupied.



Office building north of the Subject site



Alexandria Redevelopment and Housing Authority north of the Subject site



Annie B. Rose House (excluded) south of the Subject site



Townhomes (owner-occupied) south of the Subject site



Owner-occupied condominiums east of the Subject site



Oronoco Bay Park east of the Subject site



Alexan Florence (included) west of the Subject site



Office building west of the Subject site

Access and Traffic Flow:

The Subject will be accessible from Wythe Street, which is a lightly-trafficked two-lane road traversing east/west throughout the Subject’s neighborhood. Wythe Street provides access to North Patrick Street, approximately 0.4 miles to the west. North Patrick Street is a moderately-trafficked four-lane road that traverses north/south throughout the Subject’s neighborhood and provides access to Interstate 495, approximately 1.3 miles to the south. Interstate 495 serves as a beltway throughout the Washington, DC metropolitan areas. Overall, access and traffic flow are considered good.

Layout and Curb Appeal:

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

Drainage:

Appears adequate, however, no specific tests were performed. Further, we are not experts in this field and cannot opine on this issue.

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 were not provided with a Phase I Environmental Site Assessment for the Subject property. During our site inspection, we walked the Subject’s grounds and did not observe any obvious indicators of environmental contamination. Nonetheless, Novogradac is not an expert in

this field and further analysis is beyond the scope of this report.

Detrimental Influences:

At the time of the site inspection, there were no detrimental influences that would adversely impact the marketability of the Subject.

Flood Zone:

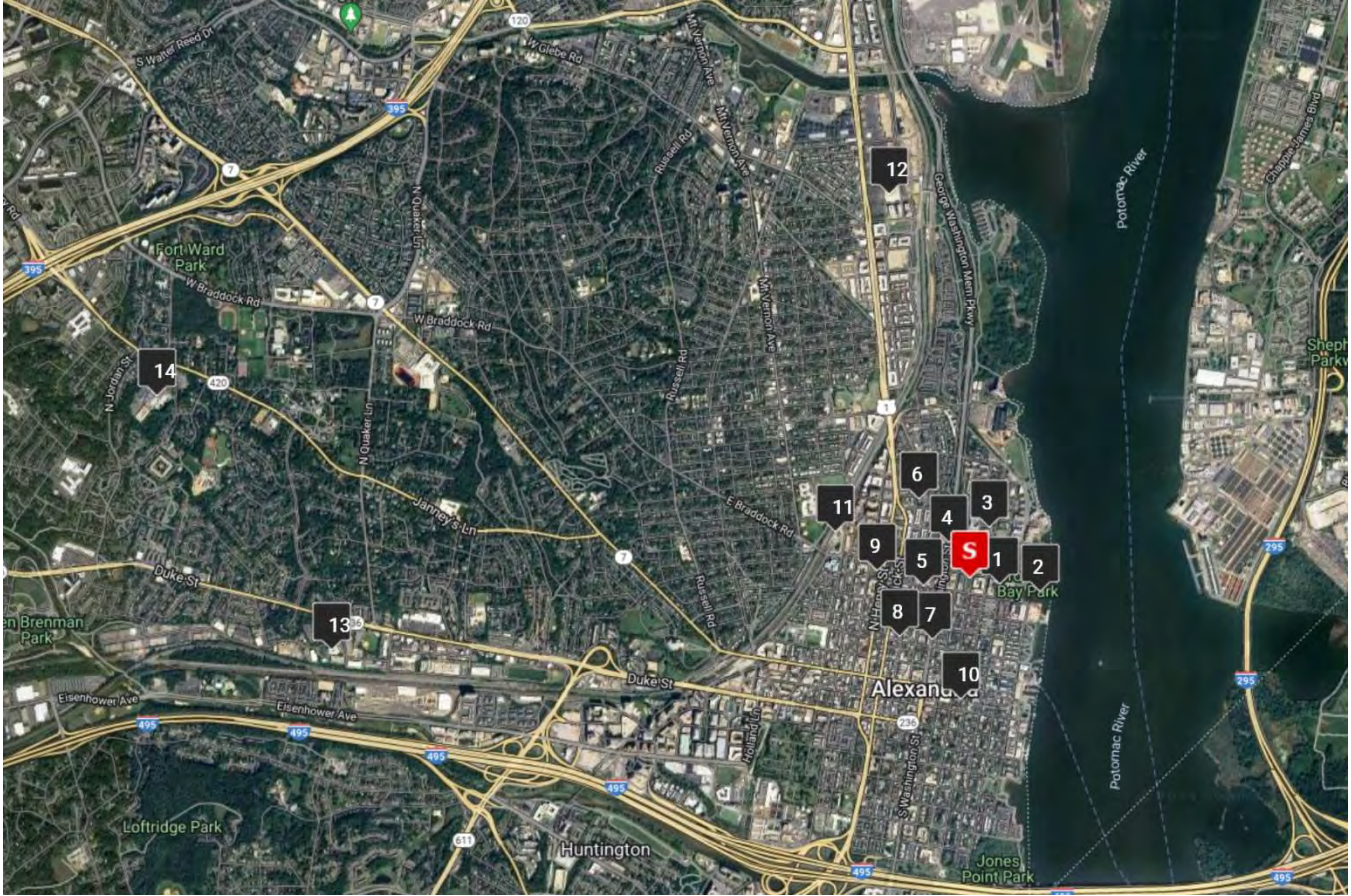
According to Flood Insights and Flood Insurance Rate Map Community Panel Number 24033C0220E, dated September 15, 2016, the Subject site is located in Zone X. Zone X is defined as an area outside 500-year floodplain, which is determined to be outside the 0.2 percent annual chance floodplains.



Source: FEMA Flood Map Service Center, February 2024

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, February 2024

LOCATIONAL AMENITIES

#	Service or Amenity	Distance to Subject	#	Service or Amenity	Distance to Subject
1	Bus Stop (N Fairfax Street & Pendleton St)	0.0 miles	8	Kate Waller Barrett Branch Library	0.4 miles
2	Oronoco Bay park	0.1 miles	9	The Senior Center at Charles Houston	0.4 miles
3	Harris Teeter	0.1 miles	10	CVS Pharmacy	0.5 miles
4	Exxon Gas Station	0.2 miles	11	Braddock Road Metro Station	0.7 miles
5	Bank of America	0.2 miles	12	Target	1.6 miles
6	Alexandria City Fire Department - Station 204	0.4 miles	13	Alexandria City Police Department	2.7 miles
7	United States Postal Service	0.4 miles	14	Inova Alexandria Hospital	3.5 miles

Public Transportation:

The City of Alexandria operates the DASH bus service within the city of Alexandria, and provides connections to regional Metrobus, Metrorail, VRE, and other services. The closest bus stop to the Subject is located adjacent east, at the intersection of North Fairfax Street and Pendleton Street. As of September 2021, DASH has eliminated fare collections for all services to encourage bus ridership. The nearest Metro rail station is the Braddock Road Metro Station, located 0.7 miles to the west. This station is served by the Blue and Yellow lines. All metro fares are distance-based.

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 2023 ESRI Demographics data.

2023 CRIME INDICES

	PMA	MSA
Total Crime*	98	99
Personal Crime*	68	110
Murder	31	139
Rape	92	72
Robbery	90	148
Assault	55	96
Property Crime*	102	97
Burglary	57	70
Larceny	115	101
Motor Vehicle Theft	111	141

Source: Esri Demographics 2023, Novogradac, February 2024
 *Unweighted aggregations

Total crime indices in the PMA are similar to the national average as well as the surrounding MSA. Both geographic areas feature crime indices slightly below the overall nation. The proposed Subject will offer intercom (buzzer), limited access, perimeter fencing, and video surveillance. All of the comparable properties offer some form of security feature. The Subject’s security features appear to be market-oriented.

Conclusion:

The Subject site is located in Alexandria, Virginia approximately 1.3 miles north of Interstate 495. The immediate neighborhood consists of townhomes, condominiums, multifamily developments, parks, office buildings, and commercial uses. Residential uses in the Subject’s neighborhood are generally in average to good condition. A number of retail properties are located west of the Subject site along North Washington Street, including restaurants, coffee shops, banks, and other local businesses. Commercial areas in the Subject’s neighborhood are approximately 90 percent occupied. The Subject site is designated as “Walker’s Paradise” by WalkScore with a score of 92, indicating that daily errands do not require a car. The surrounding housing stock in the Subject’s neighborhood consisting of single-family homes and townhomes were constructed after 1979 and are in average to good condition. According to Zillow, the current median home value in the Subject’s zip code is approximately \$812,669.

Subject Property & Neighborhood Photos



Existing multifamily development on Subject site (to be razed)



Existing multifamily development on Subject site (to be razed)



Existing multifamily development on Subject site (to be razed)



Existing multifamily development on Subject site (to be razed)



Office building on Subject site (to be razed)



Office building on Subject site (to be razed)



View east along Wythe Street



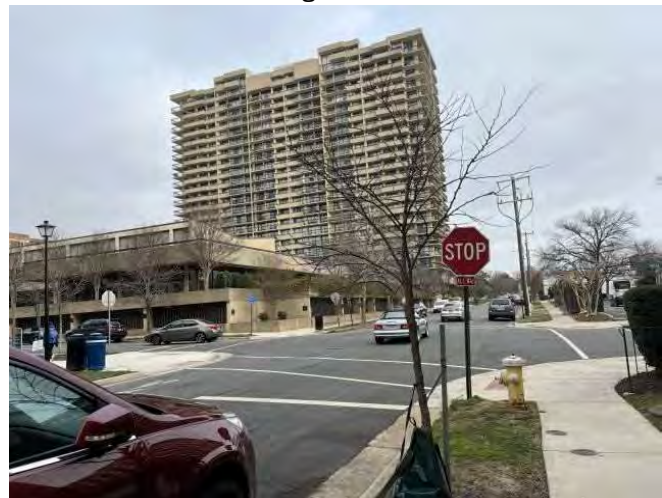
View west along Wythe Street



View north along North Fairfax Street



View south along North Fairfax Street



View north along North Royal Street



View south along North Royal Street



View east along Pendleton Street



View west along Pendleton Street



Office building north of the Subject site



Alexandria Redevelopment and Housing Authority north of the Subject site



Annie B. Rose House (excluded) south of the Subject site



Townhomes (owner-occupied) south of the Subject site



Owner-occupied condominiums east of the Subject site



Oronoco Bay Park east of the Subject site



Alexan Florence (included) west of the Subject site



Office building west of the Subject site

E. MARKET AREA DEFINITION

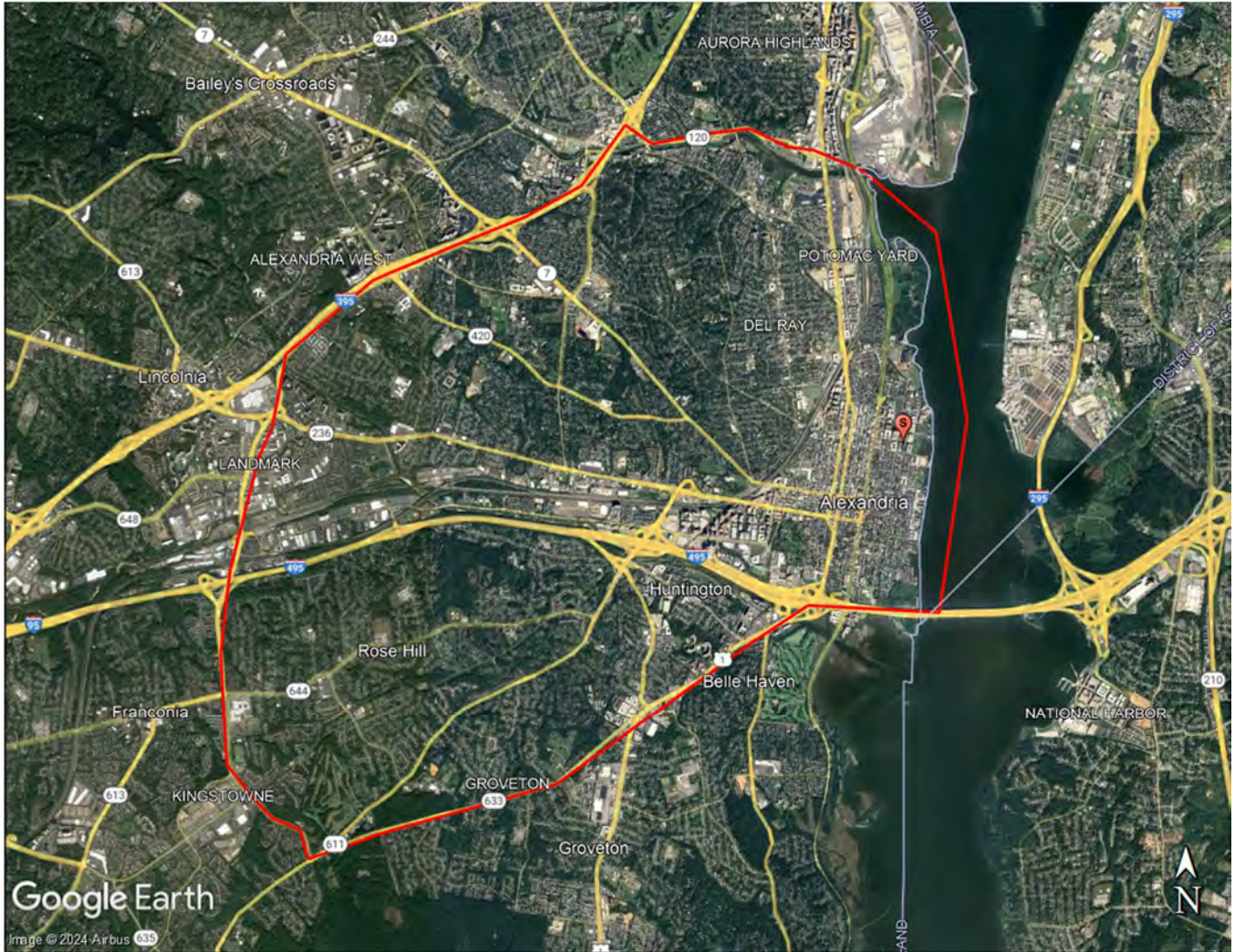
MARKET AREA

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 majority of the city of Alexandria and portions of southeast Fairfax County. The PMA boundaries generally consist of U.S. Route 1 and Interstate 395 to the north, the Potomac River to the east, Interstate 95/495 (Capitol Beltway) and U.S. Route 1 to the south, and Van Dorn Street to the west. The PMA encompasses approximately 21 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 cities and 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.

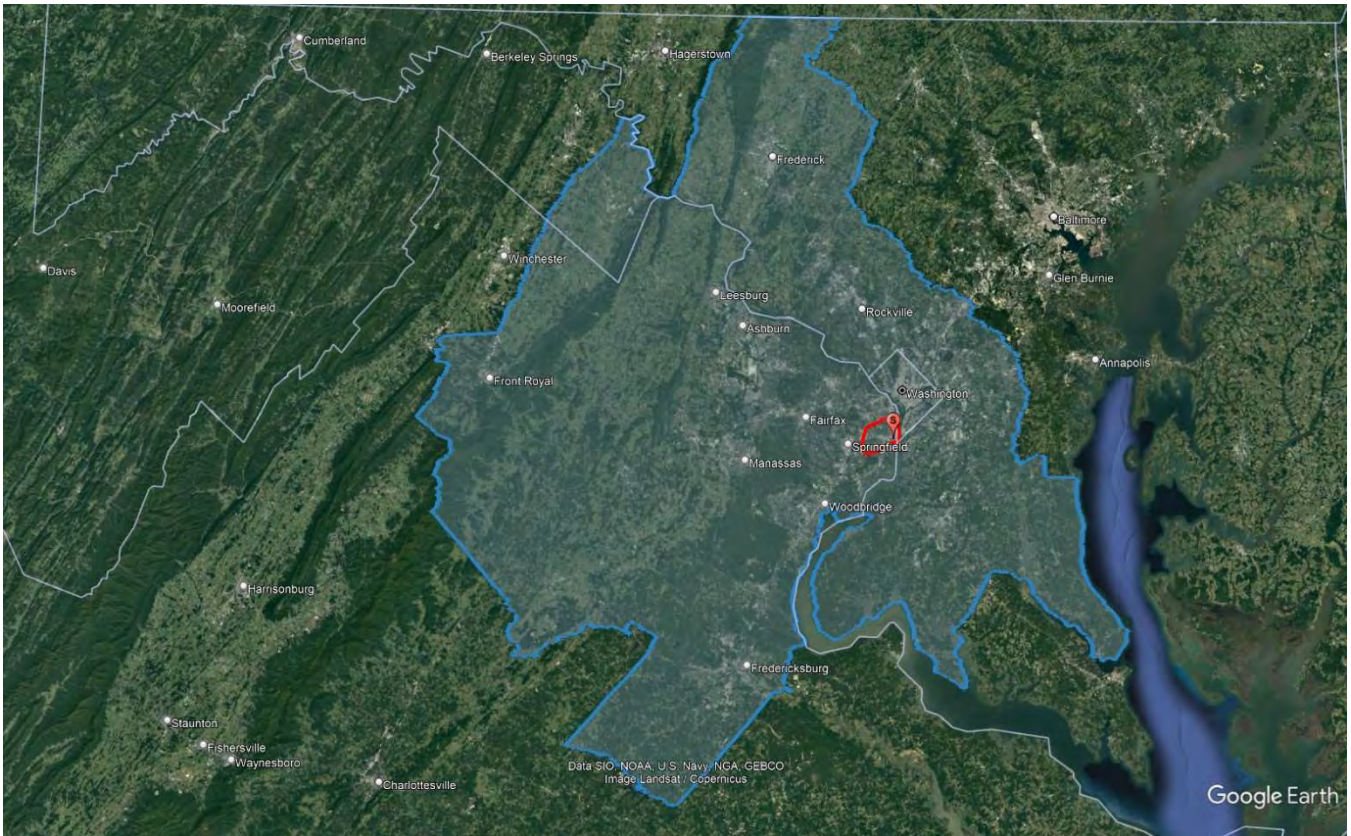
The PMA boundaries and overall market health assessment are based upon analyses of demographic and socioeconomic characteristics, target tenant population, political jurisdictional boundaries, natural boundaries, experience of nearby comparable developments, accessibility to mass transit or key transportation 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 Earth, February 2024.

Metropolitan Statistical Area (MSA) Map



Source: Google Earth, February 2024.

F. EMPLOYMENT AND ECONOMY

ECONOMIC ANALYSIS

Employment by Industry

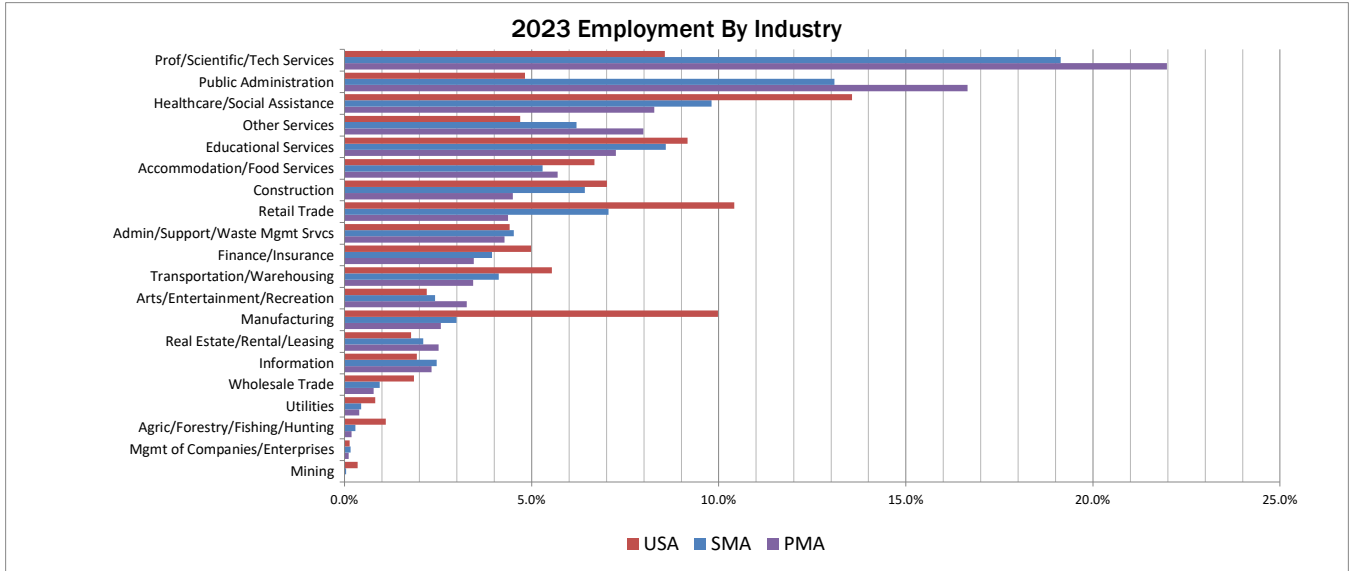
The following table illustrates employment by industry for the PMA and nation as of 2023.

2023 - EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Prof/Scientific/Tech Services	21,966	22.0%	13,955,403	8.6%
Public Administration	16,642	16.6%	7,857,180	4.8%
Healthcare/Social Assistance	8,268	8.3%	22,115,876	13.6%
Other Services	7,985	8.0%	7,645,568	4.7%
Educational Services	7,244	7.2%	14,946,247	9.2%
Accommodation/Food Services	5,691	5.7%	10,883,169	6.7%
Construction	4,498	4.5%	11,436,301	7.0%
Retail Trade	4,371	4.4%	16,983,329	10.4%
Admin/Support/Waste Mgmt Svcs	4,274	4.3%	7,195,078	4.4%
Finance/Insurance	3,451	3.5%	8,135,144	5.0%
Transportation/Warehousing	3,434	3.4%	9,030,239	5.5%
Arts/Entertainment/Recreation	3,260	3.3%	3,578,110	2.2%
Manufacturing	2,566	2.6%	16,269,811	10.0%
Real Estate/Rental/Leasing	2,507	2.5%	2,901,274	1.8%
Information	2,322	2.3%	3,143,826	1.9%
Wholesale Trade	777	0.8%	3,029,965	1.9%
Utilities	389	0.4%	1,335,595	0.8%
Agric/Forestry/Fishing/Hunting	192	0.2%	1,800,335	1.1%
Mgmt of Companies/Enterprises	110	0.1%	216,588	0.1%
Mining	7	0.0%	572,355	0.4%
Total Employment	99,954	100.0%	163,031,393	100.0%

Source: Esri Demographics 2023, Novogradac, February 2024

Employment in the PMA is concentrated in professional/scientific/technological services, public administration, and healthcare/social assistance, which collectively comprise 46.9 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 professional/scientific/technological 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 2023.

2010-2023 CHANGE IN EMPLOYMENT - PMA

Industry	2010		2023		2010-2023	
	Number Employed	Percent Employed	Number Employed	Percent Employed	Growth	Annualized Percent
Prof/Scientific/Tech Services	17,079	19.5%	21,966	22.0%	4,887	2.2%
Public Administration	13,031	14.9%	16,642	16.6%	3,611	2.1%
Healthcare/Social Assistance	7,610	8.7%	8,268	8.3%	658	0.7%
Other Services	7,114	8.1%	7,985	8.0%	871	0.9%
Educational Services	6,431	7.3%	7,244	7.2%	813	1.0%
Accommodation/Food Services	4,958	5.7%	5,691	5.7%	733	1.1%
Construction	4,343	5.0%	4,498	4.5%	155	0.3%
Retail Trade	6,402	7.3%	4,371	4.4%	-2,031	-2.4%
Admin/Support/Waste Mgmt Svcs	3,373	3.9%	4,274	4.3%	901	2.1%
Finance/Insurance	3,789	4.3%	3,451	3.5%	-338	-0.7%
Transportation/Warehousing	2,428	2.8%	3,434	3.4%	1,006	3.2%
Arts/Entertainment/Recreation	1,208	1.4%	3,260	3.3%	2,052	13.1%
Manufacturing	2,556	2.9%	2,566	2.6%	10	0.0%
Real Estate/Rental/Leasing	1,999	2.3%	2,507	2.5%	508	2.0%
Information	3,506	4.0%	2,322	2.3%	-1,184	-2.6%
Wholesale Trade	1,177	1.3%	777	0.8%	-400	-2.6%
Utilities	303	0.3%	389	0.4%	86	2.2%
Agric/Forestry/Fishing/Hunting	150	0.2%	192	0.2%	42	2.2%
Mgmt of Companies/Enterprises	34	0.0%	110	0.1%	76	17.2%
Mining	61	0.1%	7	0.0%	-54	-6.8%
Total Employment	87,552	100.0%	99,954	100.0%	12,402	1.1%

Source: Esri Demographics 2023, Novogradac, February 2024

Total employment in the PMA increased at an annualized rate of 1.1 percent between 2010 and 2023. The industries that nominally expanded most substantially during this period include professional /scientific/technological services, public administration, and arts/entertainment/recreation. Conversely during this same period, the retail trade, information, and wholesale trade sectors experienced declines.

Major Employers

The following table details major employers in Alexandria, VA. This table excludes state and local government entities as well as the Alexandria Public School District and the INOVA Alexandria Hospital.

**MAJOR EMPLOYERS
ALEXANDRIA, VA**

Employer Name	Industry	# Of Employees
U.S. Department of Defense- Mark Center	Government	6,400
National Science Foundation	Government	1,700
IDA	Information Technology	1,480
Motley Fool	Finance	691
Society for Human Resources	Human Resources	415
National Center for Missing & Exploited Children	Nonprofit	350
U.S. District Court Eastern District of Virginia	Government	100
Reingold, Inc.	Marketing	50
Columbia Capital	Finance	40
Totals		11,226

Source: Alexandria Economic Development Partnership, Accessed February 2024

Alexandria's major employers are primarily concentrated within the government and finance sectors. We believe the diverse mix of industries in typically stable sectors bodes well for the local area economy.

Employment Expansions

We attempted to contact the Alexandria Economic Development Partnership to inquire about recent business expansions or contractions in the region; however, as of the date of this report, our calls have gone unanswered. We have conducted our own research into notable business expansions, which are detailed following.

- In December 2023, Virginia state officials and Monumental Sports and Entertainment announced plans to create a \$2 billion entertainment district in Alexandria that would include a new multi-purpose sports arena for the Washington Wizards and the Washington Capitals, practice facilities, performing arts venues, a variety of commercial and residential uses, and community gathering spaces. While the project will still require backing from the Virginia General Assembly, the proposal for the project anticipates a late 2028 completion. A January 2024 economic study estimated that the proposed entertainment district would generate nearly 30,000 permanent jobs and generate nearly \$8 billion in revenue for the Commonwealth of Virginia.
- In July 2023, Five Guys Enterprises LLC announced that they would be moving their corporate headquarters from Lorton to Alexandria. The company leased 39,673 square feet of office space, which will house many of their upper management employees.
- In September 2023, the Salvation Army Potomac Division celebrated the official opening of their new headquarters in Old Town Alexandria. The Potomac Division employs 63 employees, who work to provide support to local units in Maryland, Virginia, West Virginia, and Washington, D.C.
- Potomac Yard Metrorail Station opened May 2023. The station is expected to generate billions of dollars in private sector investment and support 26,000 new jobs over the long term.
- In December 2022, Metroscope, a Paris-based diagnostic software company signed a two-year lease to open its first US office in Alexandria, Virginia. The expansion will create four new jobs. The opening date has not been announced.
- In late 2022, Virginia Tech began construction on its Innovation Campus, which will serve more than 750 graduate students and is expected to be completed in 2024.
- 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. Preliminary construction has begun with a targeted completion date of 2028 for the new hospital.

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 2024. The following table illustrates the companies that experienced layoffs as well as the number of affected employees.

**WARN LISTINGS
ALEXANDRIA, VA 2022-YTD 2024**

Company	Industry	Employees Affected	Layoff Date
Peloton	Retail Trade	81	2/8/2022
VIPdesk Connect	Professional Services	6	5/27/2022
Total		87	

Source: Virginia Employment Commission, retrieved February 2024

As illustrated in the previous table, there were a total of 87 layoffs between 2022 and February 2024. Due to the size of the Alexandria area labor market, these recent WARN filings are not anticipated to substantively affect total employment in the PMA or MSA as overall job growth has far exceeded these losses.

Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA from 2007 to November 2023.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	MSA				USA			
	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	3,313,084	1.1%	3.3%	-0.4%	155,761,000	1.6%	3.9%	-0.4%
2019	3,381,932	2.1%	3.0%	-0.2%	157,538,083	1.1%	3.7%	-0.2%
2020	3,192,328	-5.6%	6.5%	3.4%	147,794,750	-6.2%	8.1%	4.4%
2021	3,212,876	0.6%	4.7%	-1.8%	152,580,667	3.2%	5.4%	-2.7%
2022	3,321,051	3.4%	3.0%	-1.7%	158,291,083	3.7%	3.6%	-1.7%
2023 YTD Average*	3,412,364	2.7%	2.6%	-0.4%	161,062,273	1.8%	3.6%	-0.0%
Nov-2022	3,327,012	-	2.8%	-	158,749,000	-	3.4%	-
Nov-2023	3,418,779	2.8%	2.5%	-0.3%	162,149,000	2.1%	3.5%	0.1%

Source: U.S. Bureau of Labor Statistics, February 2024
 *2023 YTD Average is through November

The MSA economy performed comparatively well during the previous national recession. Total MSA employment contracted by only 1.8 percent, less than the 4.9 percent decline experienced by the nation. Employment in the MSA recovered and surpassed pre-recessionary levels in 2011, three years before the overall nation. Since 2012, job growth in the MSA was generally similar to the nation. Employment in the MSA declined by 5.6 percent in 2020 amid the COVID-19 pandemic, similar to the overall nation. The MSA subsequently recovered all COVID-19 pandemic-related job losses, and employment levels are currently at a post-recessionary record. As of November 2023, employment in the MSA is increasing at an annualized rate of 2.8 percent, slightly above the 2.1 percent growth reported across the nation.

Since 2012, the MSA has 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 COVID-19 pandemic, reaching a high of 6.5 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 November 2023, the current MSA unemployment rate is 2.5 percent. This is below the current national unemployment rate of 3.5 percent.

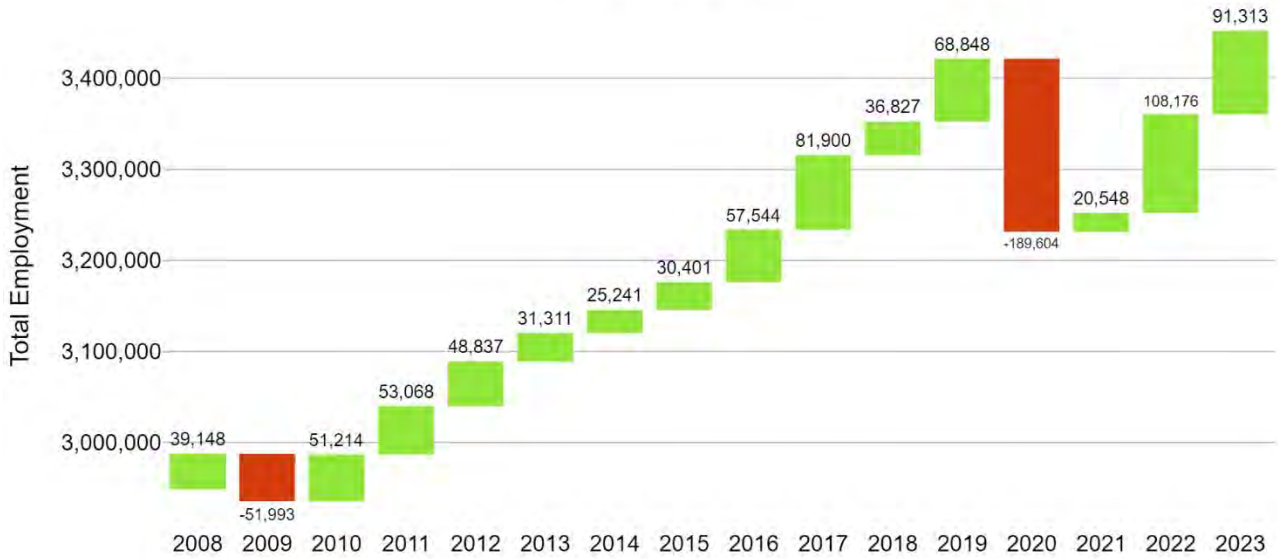
It should be noted that increasing inflation and rising interest rates have created an uncertain economic climate. In November 2023, the Federal Reserve announced a pause on interest rate hikes, maintaining the current range between 5.25 and 5.50 percent. The central bank stated job gains in the July to September quarter remain strong, but future rate hikes remain under consideration if the Federal Reserve deems necessary. The next Federal Open Market Committee (FOMC) meeting will be held on December 12 and 13, 2023. The last interest rate hike was in July 2023, which marked the 11th increase since March 2022 and the highest target policy rate in 22 years. According to the 12-month percentage of change in the consumer price index, the inflation rate increased 3.7 percent between September 2022 and September 2023, which is similar to the 3.7 percent increase between August 2022 and August 2023. Inflation remains above the Federal Reserve’s target of 2.0 percent. According to an article published by Bankrate on August 2, 2023,

economists' average forecast in Bankrate's second-quarter Economic Indicator poll estimate one more interest rate hike in 2023 at a target range of 5.50 to 5.75 percent. According to Shawn Snyder, Global Investment Strategist at J.P. Morgan, the FOMC is close to a terminal rate that they will attempt to hold steady into 2024. Experts remain divided on whether the nation will enter into a recession in the coming year. According to an article posted by Reuters on August 16, 2023, 55 percent of economists polled by Reuters predict a recession in the next year, which is down from a high of 65 percent in October 2022. Michael Gapen, chief U.S. Economist at Bank of America, wrote on August 1, 2023, that Bank of America no longer expects the economy to fall into a mild recession. Gapen now expects the interest rate hikes to result in a soft landing for the economy, where growth falls below trend in 2024 but remains in positive territory.

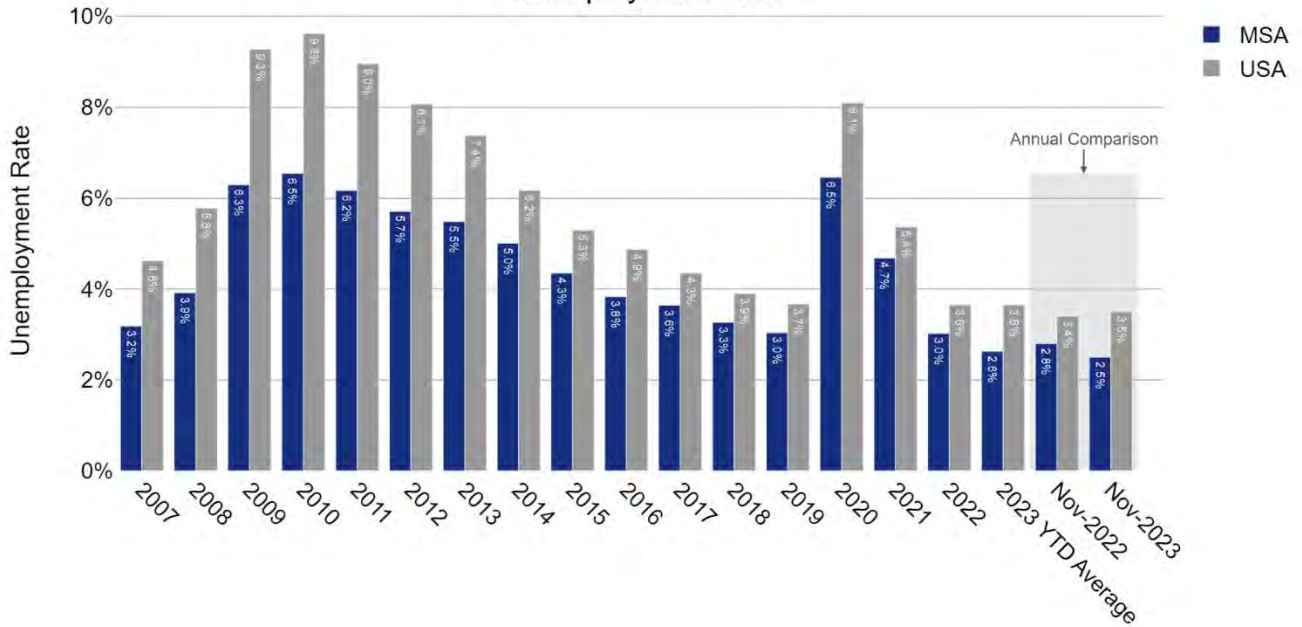
In March 2023, Silicon Valley Bank was shut down by regulators, and represents the second largest U.S. bank failure since 2008. In May 2023, regulators took possession of First Republic Bank and was auctioned to JPMorgan Chase. The First Republic Bank failure represents the largest U.S. bank failure since 2008. In an article published by CNN on May 1, 2023, JPMorgan Chase CEO Jamie Dimon stated the recent bank failures are unlikely to worsen the U.S. economic outlook. According to a survey published by the World Economic Forum on May 2, 2023, approximately 70 percent of chief economists surveyed characterized the recent banking crises as isolated events rather than signs of systemic weaknesses.

Fitch Ratings, one of only three private credit rating agencies, downgraded its U.S. credit rating from AAA to AA+ on August 1, 2023. According to Fitch Ratings, "the rating downgrade of the United States reflects the expected fiscal deterioration over the next three years, a high and growing government debt burden, and the erosion of governance...over the last two decades that has manifested in repeated debt limit standoffs and last-minute resolutions." Treasury Secretary Janet Yellen disagreed with the decision and stated the downgrade is based on outdated data. According to Shai Akabas, Director of Economic Policy at the Bipartisan Policy Center, a credit rating downgrade is one in a sequence of developments that could lead investors to believe the U.S. is less likely to pay off its debt, and investors would then demand higher interest rates for loans. In turn, the federal government could lose some ability to spend on social welfare programs to stimulate the economy, which could slow economic growth in the long term. However, Mark Zandi, a Chief Economist at Moody's Analytics, stated the downgrade will likely not affect the decisions of global investors, and U.S. treasury bonds remain the safest asset on the planet. U.S. debt was last downgraded by another major credit agency, S&P, in 2011. Moody Analytics, the third major credit agency, has maintained its AAA rating of U.S. credit since 1917.

MSA Job Growth



Unemployment Rate



Wages by Occupation

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

MSA - 2ND QTR 2022 AREA WAGE ESTIMATES

Occupation	Number of Employees	Mean Hourly Wage	Mean Annual Wage
All Occupations	3,027,490	\$40.34	\$83,900
Legal	69,000	\$83.82	\$174,340
Management	286,370	\$75.82	\$157,700
Computer and Mathematical	243,800	\$60.27	\$125,360
Architecture and Engineering	55,160	\$54.35	\$113,040
Life Physical and Social Science	59,710	\$54.25	\$112,850
Healthcare Practitioners and Technical	150,570	\$54.21	\$112,760
Business and Financial Operations	374,150	\$50.36	\$104,750
Arts Design Entertainment Sports and Media	69,150	\$45.74	\$95,140
Educational Instruction and Library	181,890	\$34.49	\$71,730
Community and Social Service	42,940	\$32.31	\$67,190
Protective Service	89,430	\$30.95	\$64,370
Installation Maintenance and Repair	89,110	\$30.06	\$62,510
Construction and Extraction	106,710	\$29.11	\$60,550
Sales and Related	223,840	\$26.58	\$55,290
Office and Administrative Support	306,960	\$25.04	\$52,090
Production	44,720	\$24.85	\$51,690
Transportation and Material Moving	164,160	\$23.62	\$49,120
Farming Fishing and Forestry	1,920	\$20.92	\$43,510
Personal Care and Service	60,950	\$19.31	\$40,160
Healthcare Support	89,460	\$18.84	\$39,180
Building and Grounds Cleaning and Maintenance	92,620	\$18.67	\$38,820
Food Preparation and Serving Related	224,870	\$18.04	\$37,530

Source: Department of Labor, Occupational Employment Statistics, May 2022, retrieved February 2024

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 \$18.04 per hour. The highest average hourly wage, of \$83.82, is for those in the legal occupations.

Qualifying incomes for the Subject's tenants will range from \$0 to \$96,480. Absent subsidy, the income limits will range between \$25,410 to \$96,480. 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 for the affordable units.

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	640	0.8%
Travel Time 5-9 min	3,178	3.9%
Travel Time 10-14 min	5,561	6.9%
Travel Time 15-19 min	10,545	13.1%
Travel Time 20-24 min	11,200	13.9%
Travel Time 25-29 min	6,198	7.7%
Travel Time 30-34 min	13,455	16.7%
Travel Time 35-39 min	4,137	5.1%
Travel Time 40-44 min	5,203	6.5%
Travel Time 45-59 min	12,410	15.4%
Travel Time 60-89 min	6,544	8.1%
Travel Time 90+ min	1,387	1.7%
Weighted Average	34 minutes	

Source: Esri Demographics 2023, Novogradac, February 2024

As shown in the preceding table, the weighted average commute time in the PMA is approximately 34 minutes. Only 35 percent of PMA commuters travel under 24 minutes, indicating many households work outside of the PMA, likely elsewhere in the Washington metropolitan area. The average commute time across the overall nation is approximately 28 minutes.

Conclusion

Employment in the PMA is concentrated in professional/scientific/technological services, public administration, and healthcare/social assistance, which collectively comprise 46.9 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. Since 2012, job growth in the MSA was generally similar to the nation. Employment in the MSA declined by 5.6 percent in 2020 amid the COVID-19 pandemic, similar to the overall nation. The MSA subsequently recovered all COVID-19 pandemic-related job losses, and employment levels are currently at a post-recessionary record. As of November 2023, employment in the MSA is increasing at an annualized rate of 2.8 percent, slightly above the 2.1 percent growth reported across the nation. According to the latest labor statistics, dated November 2023, the current MSA unemployment rate is 2.5 percent. This is below the current national unemployment rate of 3.5 percent.

G. DEMOGRAPHIC CHARACTERISTICS

DEMOGRAPHIC CHARACTERISTICS

Population and Households

The table below illustrates population and household trends in the PMA, the MSA, and the nation from 2010 through 2028.

POPULATION

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	138,454	-	5,649,515	-	308,730,056	-
2023	161,622	1.3%	6,535,041	1.2%	337,460,311	0.7%
2028	167,093	0.7%	6,708,726	0.5%	342,629,524	0.3%

Source: Esri Demographics 2023, Novogradac, February 2024

Population in the PMA increased between 2010 and 2023, at a rate similar to the MSA and faster than the nation. Population in the PMA is expected to remain moderate through 2028, but remain above the expected growth rates for the MSA and the overall nation. Continued population growth in the PMA is notable as it is already densely developed.

HOUSEHOLDS

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	64,786	-	2,099,073	-	116,709,667	-
2023	74,636	1.2%	2,426,871	1.2%	129,912,564	0.9%
2028	77,516	0.8%	2,510,044	0.7%	133,092,836	0.5%

Source: Esri Demographics 2023, Novogradac, February 2024

Household growth in the PMA increased between 2010 and 2023 at a rate similar to the MSA and overall nation. Household growth in the PMA is expected to continue growing at a slightly slower pace through 2028, at a rate that is similar to the expected growth rate for the MSA and slightly above the nation.

Senior (55+) Population and Households

The proposed Subject is age-restricted to senior households; thus, we included a demographic analysis of the senior population. The following tables illustrate senior population and household trends in the PMA, MSA, and nation from 2010 through 2023, as well as projections through 2028.

POPULATION 55+

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	29,868	-	1,203,139	-	76,745,755	-
2023	43,662	3.6%	1,795,816	3.8%	102,953,186	2.6%
2028	46,694	1.4%	1,911,173	1.3%	107,618,110	0.9%

Source: Esri Demographics 2023, Novogradac, February 2024

POPULATION 65+

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	13,394	-	567,226	-	40,265,241	-
2023	24,662	6.5%	984,783	5.7%	60,063,267	3.8%
2028	28,202	2.9%	1,139,376	3.1%	67,788,344	2.6%

Source: Esri Demographics 2023, Novogradac, February 2024

Historical senior population growth in the PMA lagged the MSA between 2010 and 2023. Both the PMA and the MSA experienced senior population growth greater than the nation during this time period. Through 2028, growth in the PMA is expected to slow to rates slightly above the surrounding MSA and above the overall nation.

HOUSEHOLDS 55+

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	20,739	-	808,547	-	50,929,661	-
2023	26,621	2.2%	1,004,191	1.9%	60,352,228	1.4%
2028	30,609	3.0%	1,129,146	2.5%	64,924,407	1.5%

Source: Esri Demographics 2023, Novogradac, February 2024

HOUSEHOLDS 65+

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	9,548	-	383,380	-	27,339,937	-
2023	14,485	4.0%	538,403	3.1%	35,378,198	2.3%
2028	17,393	4.0%	638,662	3.7%	40,267,350	2.8%

Source: Esri Demographics 2023, Novogradac, February 2024

Historical senior household growth in the PMA exceeded the MSA from 2010 to 2023. Both geographic areas experienced senior household growth greater than the nation during the same time period. Growth in the PMA is expected to increase through 2028 and remain at a rate above the overall nation and the surrounding MSA.

Population by Age

POPULATION BY AGE GROUP

	PMA			
	2010	2023	Projected Mkt Entry May 2028	2028
0-4	9,620	8,762	9,146	9,133
5-9	6,631	8,428	8,192	8,200
10-14	5,141	8,301	7,918	7,931
15-19	5,342	6,856	7,409	7,391
20-24	7,512	8,600	10,207	10,153
25-29	15,507	12,326	14,473	14,401
30-34	15,007	15,127	13,543	13,596
35-39	12,934	15,461	13,752	13,809
40-44	11,330	13,153	13,496	13,485
45-49	10,150	10,668	11,965	11,922
50-54	9,412	10,278	10,297	10,296
55-59	8,750	9,584	9,731	9,726
60-64	7,724	9,416	8,761	8,783
65-69	4,943	8,527	8,418	8,422
70-74	3,057	7,004	7,548	7,530
75-79	2,133	4,433	5,734	5,691
80-84	1,655	2,497	3,674	3,635
85+	1,606	2,201	2,828	2,807
Total	138,454	161,622	167,092	166,910

Source: Esri Demographics 2023, Novogradac, February 2024

General Household Income Distribution

The following tables illustrate household income distribution in 2023 and 2028 in the PMA and MSA.

HOUSEHOLD INCOME PMA

Income Cohort	2023		2028		Annual Change 2023 to 2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,429	3.3%	2,370	3.1%	-12	-0.5%
\$10,000-19,999	1,963	2.6%	1,949	2.5%	-3	-0.1%
\$20,000-29,999	2,819	3.8%	2,625	3.4%	-39	-1.4%
\$30,000-39,999	3,080	4.1%	2,977	3.8%	-21	-0.7%
\$40,000-49,999	3,181	4.3%	2,827	3.6%	-71	-2.2%
\$50,000-59,999	3,728	5.0%	3,610	4.7%	-24	-0.6%
\$60,000-74,999	5,296	7.1%	5,305	6.8%	2	0.0%
\$75,000-99,999	8,502	11.4%	8,347	10.8%	-31	-0.4%
\$100,000-124,999	8,360	11.2%	8,077	10.4%	-57	-0.7%
\$125,000-149,999	7,159	9.6%	7,406	9.6%	49	0.7%
\$150,000-199,999	10,527	14.1%	10,962	14.1%	87	0.8%
\$200,000+	17,592	23.6%	21,061	27.2%	694	3.9%
Total	74,636	100.0%	77,516	100.0%		

Source: HISTA Data / Ribbon Demographics 2023, Novogradac, February 2024

HOUSEHOLD INCOME MSA

Income Cohort	2023		2028		Annual Change 2023 to 2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	91,656	3.8%	86,204	3.4%	-1,090	-1.2%
\$10,000-19,999	93,242	3.8%	87,764	3.5%	-1,096	-1.2%
\$20,000-29,999	105,251	4.3%	96,674	3.9%	-1,715	-1.6%
\$30,000-39,999	116,191	4.8%	108,057	4.3%	-1,627	-1.4%
\$40,000-49,999	118,980	4.9%	110,732	4.4%	-1,650	-1.4%
\$50,000-59,999	125,962	5.2%	117,423	4.7%	-1,708	-1.4%
\$60,000-74,999	191,228	7.9%	180,288	7.2%	-2,188	-1.1%
\$75,000-99,999	292,777	12.1%	284,561	11.3%	-1,643	-0.6%
\$100,000-124,999	266,977	11.0%	263,602	10.5%	-675	-0.3%
\$125,000-149,999	219,185	9.0%	229,169	9.1%	1,997	0.9%
\$150,000-199,999	304,471	12.5%	325,091	13.0%	4,124	1.4%
\$200,000+	500,951	20.6%	620,479	24.7%	23,906	4.8%
Total	2,426,871	100.0%	2,510,044	100.0%		

Source: HISTA Data / Ribbon Demographics 2023, Novogradac, February 2024

The qualifying incomes for the Subject's tenants will range from \$0 to \$96,480. Absent subsidy, the income limits will range between \$25,410 to \$96,480.

Senior Household Income Distribution

The following table illustrates senior household income distribution in 2023 and 2028 in the PMA and SMA.

55+ HOUSEHOLD INCOME PMA

Income Cohort	2023		2028		Annual Change 2023 to 2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,142	4.30%	1,206	3.90%	13	1.10%
\$10,000-19,999	1,011	3.80%	1,065	3.50%	11	1.10%
\$20,000-29,999	913	3.40%	992	3.20%	16	1.70%
\$30,000-39,999	1,209	4.50%	1,263	4.10%	11	0.90%
\$40,000-49,999	1,397	5.20%	1,326	4.30%	-14	-1.00%
\$50,000-59,999	1,466	5.50%	1,635	5.30%	34	2.30%
\$60,000-74,999	1,701	6.40%	1,893	6.20%	38	2.30%
\$75,000-99,999	2,750	10.30%	2,996	9.80%	49	1.80%
\$100,000-124,999	2,867	10.80%	3,097	10.10%	46	1.60%
\$125,000-149,999	2,169	8.10%	2,555	8.30%	77	3.60%
\$150,000-199,999	3,496	13.10%	4,039	13.20%	109	3.10%
\$200,000+	6,500	24.40%	8,542	27.90%	408	6.30%
Total	26,621	100.00%	30,609	100.00%		

Source: HISTA Data / Ribbon Demographics 2023, Novogradac, February 2024

55+ HOUSEHOLD INCOME MSA

Income Cohort	2023		2028		Annual Change 2023 to 2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	46,062	4.60%	46,301	4.10%	48	0.10%
\$10,000-19,999	55,681	5.50%	55,446	4.90%	-47	-0.10%
\$20,000-29,999	52,769	5.30%	52,305	4.60%	-93	-0.20%
\$30,000-39,999	55,239	5.50%	55,915	5.00%	135	0.20%
\$40,000-49,999	54,626	5.40%	55,830	4.90%	241	0.40%
\$50,000-59,999	53,418	5.30%	55,068	4.90%	330	0.60%
\$60,000-74,999	78,327	7.80%	81,511	7.20%	637	0.80%
\$75,000-99,999	115,173	11.50%	123,516	10.90%	1,669	1.40%
\$100,000-124,999	99,429	9.90%	108,775	9.60%	1,869	1.90%
\$125,000-149,999	82,702	8.20%	95,324	8.40%	2,524	3.10%
\$150,000-199,999	110,585	11.00%	129,946	11.50%	3,872	3.50%
\$200,000+	200,180	19.90%	269,209	23.80%	13,806	6.90%
Total	1,004,191	100.00%	1,129,146	100.00%		

Source: HISTA Data / Ribbon Demographics 2023, Novogradac, February 2024

Average Household Size

The following table is a summary of the average household size in the PMA, MSA, and nation in 2010, 2023 as well as 2028.

AVERAGE HOUSEHOLD SIZE

Year	PMA		MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2010	2.09	-	2.64	-	2.57	-
2023	2.15	0.2%	2.65	0.0%	2.53	-0.1%
2028	2.14	-0.1%	2.63	-0.1%	2.51	-0.2%

Source: Esri Demographics 2023, Novogradac, February 2024

The average household size in the PMA is well below the MSA and below the overall nation. According to ESRI demographic projections, the average household size in the PMA is expected to remain relatively stable through 2028.

Renter Households by Number of Persons

The following table is a summary of the renter households by number of persons in the household in 2023 and 2028.

PMA RENTER HOUSEHOLD SIZE DISTRIBUTION						
	2010		2023		2028	
<i>Household Size</i>	<i>Total</i>	<i>Percent</i>	<i>Total</i>	<i>Percent</i>	<i>Total</i>	<i>Percent</i>
1 person	14,047	46.20%	16,430	46.20%	17,460	46.20%
2 persons	9,060	29.80%	10,607	29.80%	11,182	29.60%
3 persons	3,414	11.20%	4,061	11.40%	4,347	11.50%
4 persons	2,147	7.10%	2,449	6.90%	2,619	6.90%
5+ persons	1,742	5.70%	2,042	5.70%	2,192	5.80%
Total	30,410	100.00%	35,589	100.00%	37,800	100.00%

Source: Esri Demographics 2023, Novogradac, February 2024

As shown in the table above, approximately 76 percent of renter households in the PMA have one to two persons in the household. The Subject will offer one and two-bedroom units, which seems reasonable given the household size distribution.

PMA RENTER HOUSEHOLD SIZE DISTRIBUTION (55+)						
	2010		2023		2028	
<i>Household Size</i>	<i>Total</i>	<i>Percent</i>	<i>Total</i>	<i>Percent</i>	<i>Total</i>	<i>Percent</i>
1 person	3,402	54.00%	4,434	56.20%	5,468	56.60%
2 persons	1,608	25.50%	1,889	23.90%	2,315	24.00%
3 persons	481	7.60%	570	7.20%	678	7.00%
4 persons	302	4.80%	346	4.40%	391	4.00%
5+ persons	505	8.00%	652	8.30%	804	8.30%
Total	6,298	100.00%	7,891	100.00%	9,656	100.00%

Source: Esri Demographics 2023, Novogradac, February 2024

As shown in the table above, approximately 79 percent of senior renter households in the PMA have one to two persons in the household. The Subject will offer one and two-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 2010 and 2023, as well as the projected tenure patterns for the year 2028.

TENURE PATTERNS PMA				
Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2010	34,376	53.1%	30,410	46.9%
2023	39,047	52.3%	35,589	47.7%
2028	39,716	51.2%	37,800	48.8%

Source: HISTA Data / Ribbon Demographics 2023, Novogradac, February 2024

The percentage of renter households in the PMA increased between 2010 and 2023, and is estimated to be 47.7 percent as of 2023. 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 increase further through 2028.

Senior (55+) Household Tenure

The following table is a summary of the senior tenure patterns of the housing stock in the PMA.

PMA TENURE PATTERNS OF SENIORS 55+				
Year	Owner-Occupied	Percentage Owner-Occupied	Renter-Occupied	Percentage Renter-Occupied
2010	14,441	69.6%	6,298	30.4%
2023	18,730	70.4%	7,891	29.6%
2028	20,953	68.5%	9,656	31.5%

Source: HISTA Data / Ribbon Demographics 2023, Novogradac, February 2024

The percentage of senior renter households in the PMA declined between 2010 and 2023, and is estimated to be 29.6 percent as of 2023. In nominal terms, the absolute number of senior renter households in the PMA still increased during this time period. The current percentage of renter households in the PMA is above the estimated 24 percent of senior renter households across the overall nation. According to the ESRI demographic projections, the percentage of senior renter households in the PMA is expected to increase through 2028.

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. *It should be noted that median household income data for senior households was not available.*

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	\$82,958	-	\$89,353	-	\$55,535	-
2023	\$122,247	3.6%	\$113,353	2.1%	\$72,604	2.4%
2028	\$138,961	2.7%	\$125,725	2.2%	\$82,410	2.7%

Source: Esri Demographics 2023, Novogradac, February 2024

As of 2023, the median income in the PMA is slightly above the surrounding MSA. Median household income growth in the PMA exceeded the MSA between 2010 and 2023. Growth in the PMA exceeded the nation during the same time period. Relative to the nation, household income in the PMA increased slightly from 149 percent of the national median income in 2010 to 168 percent in 2023. According to ESRI demographic projections,

annualized PMA growth is expected to slow to 2.7 percent through 2028, which is above projected growth in the surrounding 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	2023		2028		Annual Change 2023 to 2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,795	5.0%	1,775	4.7%	-4	-0.2%
\$10,000-19,999	1,338	3.8%	1,354	3.6%	3	0.2%
\$20,000-29,999	2,001	5.6%	1,849	4.9%	-30	-1.5%
\$30,000-39,999	2,075	5.8%	2,013	5.3%	-12	-0.6%
\$40,000-49,999	2,064	5.8%	1,910	5.1%	-31	-1.5%
\$50,000-59,999	2,412	6.8%	2,355	6.2%	-11	-0.5%
\$60,000-74,999	3,523	9.9%	3,585	9.5%	12	0.4%
\$75,000-99,999	5,175	14.5%	5,297	14.0%	24	0.5%
\$100,000-124,999	4,186	11.8%	4,242	11.2%	11	0.3%
\$125,000-149,999	3,335	9.4%	3,726	9.9%	78	2.3%
\$150,000-199,999	3,799	10.7%	4,347	11.5%	110	2.9%
\$200,000+	3,886	10.9%	5,347	14.1%	292	7.5%
Total	35,589	100.0%	37,800	100.0%		

Source: HISTA Data / Ribbon Demographics 2023, Novogradac, February 2024

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 2023, approximately 26 percent of renter households in the PMA earn less than \$50,000 annually.

Senior (55+) Renter Household Income Distribution

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

55+ RENTER HOUSEHOLD INCOME PMA

Income Cohort	2023		2028		Annual Change 2023 to 2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	729	9.2%	790	8.2%	12	1.7%
\$10,000-19,999	555	7.0%	618	6.4%	13	2.3%
\$20,000-29,999	373	4.7%	435	4.5%	12	3.3%
\$30,000-39,999	450	5.7%	510	5.3%	12	2.7%
\$40,000-49,999	576	7.3%	609	6.3%	7	1.1%
\$50,000-59,999	640	8.1%	758	7.9%	24	3.7%
\$60,000-74,999	642	8.1%	756	7.8%	23	3.6%
\$75,000-99,999	863	10.9%	1,054	10.9%	38	4.4%
\$100,000-124,999	779	9.9%	902	9.3%	25	3.2%
\$125,000-149,999	538	6.8%	702	7.3%	33	6.1%
\$150,000-199,999	871	11.0%	1,123	11.6%	50	5.8%
\$200,000+	875	11.1%	1,399	14.5%	105	12.0%
Total	7,891	100.0%	9,656	100.0%		

Source: HISTA Data / Ribbon Demographics 2023, Novogradac, February 2024

As illustrated, the income cohorts with the largest concentrations of senior renter households are concentrated in the \$200,000+, \$150,000-199,999, and \$75,000-99,999 income cohorts. As of 2023, approximately 34 percent of senior renter households in the PMA earn less than \$50,000 annually.

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.

Year	PMA		MSA		USA	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
2023	11,594	33.5%	306,372	37.8%	16,448,785	40.3%

Source: US Census 2023, Novogradac, February 2024

The percentage of rent-overburdened households in the PMA is slightly 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 is part of the Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area MSA.



Overall, the AMI has increased by an average of 3.8 percent annually between 2013 and 2023. The AMI reached a new peak in 2023, indicating that all properties will be restricted to the same rent and income limits as the Subject. The following chart illustrates the change in AMI over the past 10 years.

AMI GROWTH											
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
AMI	\$107,300	\$107,000	\$109,200	\$108,600	\$110,300	\$117,200	\$121,300	\$126,000	\$129,000	\$142,300	\$152,100
% Growth	(0.19%)	(0.28%)	2.06%	(0.55%)	1.57%	6.26%	3.50%	3.87%	2.38%	10.31%	6.89%

Of the total units, 78 of the units at the 30 percent of AMI will operate with project-based subsidy. Therefore, rent increases for these units will not be directly dependent upon future increases in the AMI. The rents for the Subject’s LIHTC only units at the 60 and 80 percent AMI levels are set below the maximum allowable levels, indicating rent increases for these units will not be directly dependent upon future increases in the AMI.

Conclusion

Senior population in the PMA increased at an annualized rate of 3.6 percent between 2010 and 2023, compared to growth of 3.8 percent in the MSA and 2.6 percent across the nation. The percentage of senior renter households in the PMA declined between 2010 and 2023 and is estimated to be 29.6 percent as of 2023. This is slightly more than the estimated 24 percent of senior renter households across the overall nation. The median income in the PMA as of 2023 is similar to the MSA and overall nation. According to ESRI demographic projections, population, household, and median income levels are all expected to rise through 2028. Overall, the combination of rising population and median household income bodes well for future demand for senior multifamily housing.

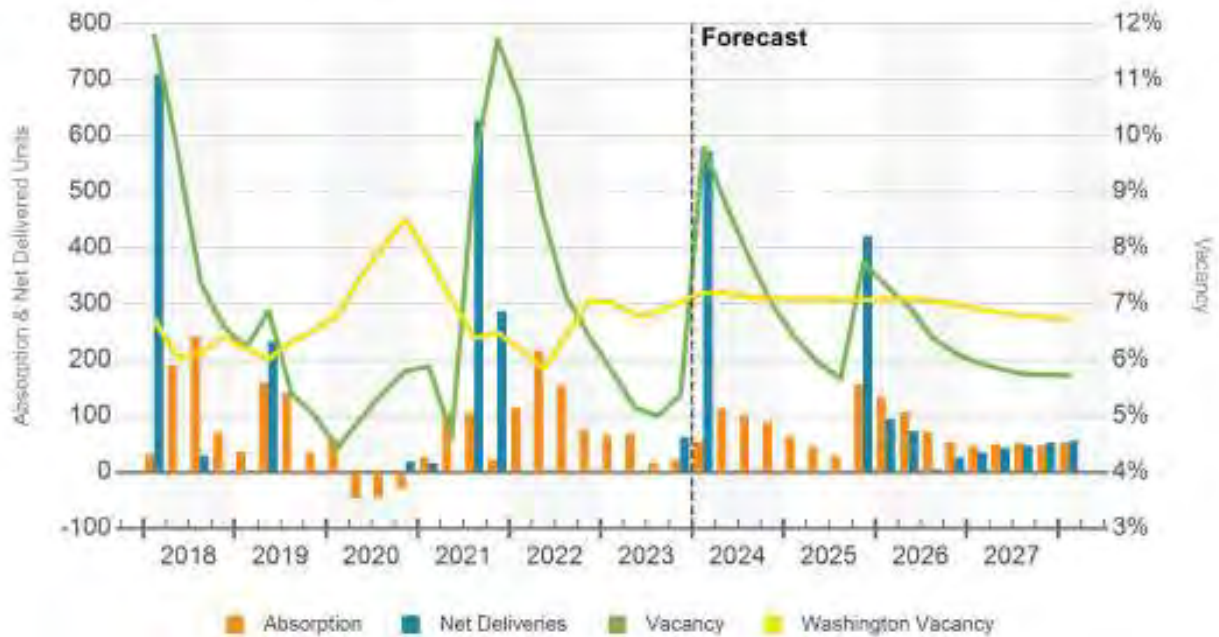
H. COMPETITIVE ENVIRONMENT

HOUSING SUMMARY

According to CoStar as of February 2024, there are currently 10,500 existing multifamily units within the Subject's Old Town/Potomac Yard submarket. The current vacancy rate in the submarket is at 5.2 percent and over the past five years has averaged 6.6 percent. The vacancy rate in the submarket is expected to increase sharply in early 2024, as a large number of additions to supply are expected to enter the market. The vacancy rate is then expected to fall steadily through early 2026, when another large addition to the supply of housing in the submarket is expected to enter the market. The vacancy rate is then expected to decrease through early 2028 as these units are absorbed into the market.

Old Town-Potomac Yards Submarket

ABSORPTION, NET DELIVERIES & VACANCY

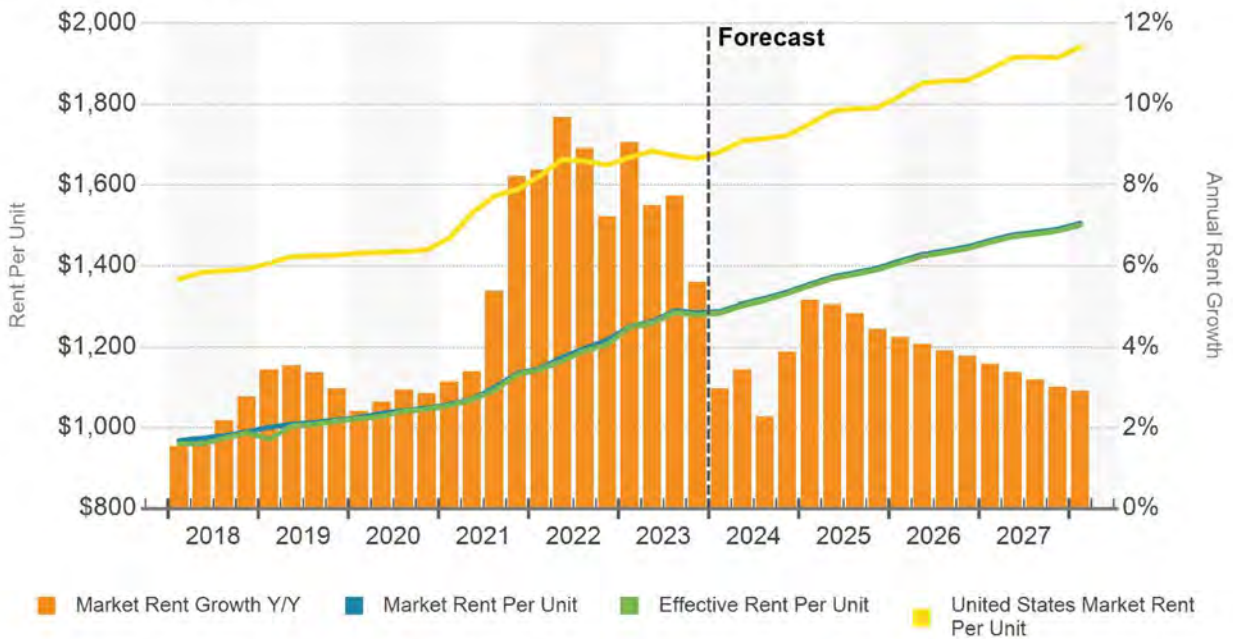


Source: CoStar, February 2024

As vacancy rates in the submarket have fluctuated significantly over the previous five years, rent growth has likewise fluctuated. Rent growth is expected to increase through early 2025, before slowly decreasing through early 2028.

Old Town/Potomac Yards Submarket

MARKET RENT PER UNIT & RENT GROWTH



Source: CoStar, January 2024.

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	6,598	8.5%	223,313	9.0%	10,163,329	7.3%
Built 2000 to 2004	8,460	10.9%	347,348	14.1%	18,956,990	13.6%
Built 1990 to 1999	7,431	9.6%	346,899	14.0%	18,929,789	13.6%
Built 1980 to 1989	7,565	9.8%	380,994	15.4%	18,493,512	13.3%
Built 1970 to 1979	9,906	12.8%	332,860	13.5%	20,705,644	14.9%
Built 1960 to 1969	10,156	13.1%	292,381	11.8%	14,432,008	10.4%
Built 1950 to 1959	10,086	13.0%	221,137	9.0%	14,008,116	10.1%
Built 1940 to 1949	10,714	13.8%	120,670	4.9%	6,584,609	4.7%
Built 1939 or earlier	6,450	8.3%	204,272	8.3%	17,104,504	12.3%
Total Housing Units	77,366	100.0%	2,469,874	100.0%	139,378,501	100.0%

Source: Esri Demographics 2023, Novogradac, February 2024

As illustrated in the previous table, a majority of the housing stock in the PMA was built prior to 1980. 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
2023	0.35%	1.12%	1.70%

Source: US Census 2023, Novogradac, February 2024

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 2001 through 2023 for Alexandria, Virginia.

BUILDING PERMITS: ALEXANDRIA CITY 2001 - 2023

Year	Single-family and Duplex	Three and Four-Family	Five or More Family	Total Units
2001	667	45	588	1,300
2002	680	36	584	1,300
2003	646	30	414	1,090
2004	386	0	714	1,100
2005	401	0	928	1,329
2006	380	0	864	1,244
2007	20	0	52	72
2008	171	0	672	843
2009	197	0	820	1,017
2010	137	0	913	1,050
2011	93	0	314	354
2012	65	0	402	467
2013	35	0	201	236
2014	65	0	414	468
2015	75	0	262	337
2016	151	0	221	372
2017	229	0	1,660	1,889
2018	174	0	1,351	1,324
2019	193	0	0	193
2020	145	0	476	621
2021	149	0	0	149
2022	25	0	1,465	1,495
2023	40	3	78	121
Total	5,124	114	13,393	18,371
Average	223	5	582	799

Source: US Census Bureau Building Permits, February 2023

Permit usage has fluctuated significantly over the past 13 years. Following several years of low permit issuance, permit issuance peaked in 2017 at 1,889 units permitted. Since 2017, there has been a high of 1,495 permits issued in 2022, followed by a decline to 121 units permitted in 2023. Multifamily units make up approximately 73 percent of all units permitted in Alexandria.

Rent/Buy Analysis

The Subject will target seniors ages 55 and older upon completion. Housing costs in the market are high and seniors are less likely to move from one owner home to another. As such, we do not believe that homeownership will be competitive with the Subject’s units, and will not conduct a rent/buy analysis.

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 2021. According to our sources, there are multiple proposed, under construction, and recently completed developments within the PMA, illustrated in the following table.

Property Name	Rent Structure	Tenancy	PLANNED DEVELOPMENT			LIHTC Allocation Year	Construction Status
			Total Units	Competitive LIHTC/Affordable Units	Competitive Subsidized Units		
Ladrey Apartments - 4	LIHTC/HAP	Senior	154	62	92	N/A	Proposed
Samuel Madden Homes 4% and 9%	LIHTC/PBRA	Family	207	0	0	2023	Proposed
Witter Place	LIHTC	Family	94	0	0	2023	Proposed
Alexandria GMV 9A	LIHTC	Family	76	0	0	2022	Proposed
Oakwood South	LIHTC	Senior	71	63	8	2021	Under Construction
Alate Old Town	Market	Family	133	0	0	N/A	Under Construction
Arlandria	Market	Family	110	0	0	N/A	Proposed
Aventon Huntington Station	Market	Family	366	0	0	N/A	Under Construction
Potomac Yard Block 15	Market	Family	172	0	0	N/A	Proposed
Potomac Yard Block 20	Market	Family	216	0	0	N/A	Proposed
Braddock West	Market	Family	177	0	0	N/A	Proposed
CityHouse Old Town	Market	Family	210	0	0	N/A	Proposed
Columbus Street	Market	Family	73	0	0	N/A	Under Construction
Meridian 2250 at Eisenhower Station	Market	Family	443	0	0	N/A	Under Construction
Montgomery Center	Market	Family	327	0	0	N/A	Proposed
North Potomac Yard	Market	Family	240	0	0	N/A	Proposed
Oakville Triangle	Market	Family	572	0	0	N/A	Under Construction
Parc View Apartments II	Market	Family	373	0	0	N/A	Proposed
Riverside Apartments II	Market	Family	550	0	0	N/A	Proposed
2712 Duke St	Market	Family	93	0	0	N/A	Proposed
1033 N Fairfax St	Affordable Market	Family	77	0	0	N/A	Proposed
1055 N Fairfax St	Market	Family	77	0	0	N/A	Proposed
701 N Henry St	Affordable Market	Family	94	0	0	N/A	Under Construction
5360 Holmes Run Pky	Market	Family	236	0	0	N/A	Proposed
Mount Vernon Ave	Market	Family	420	0	0	N/A	Under Construction
2525 Mount Vernon Ave	Market	Family	78	0	0	N/A	Proposed
1201 E Abingdon Dr	Market	Family	136	0	0	N/A	Proposed
5001 Eisenhower Ave	Market	Family	400	0	0	N/A	Proposed
301 N Fairfax St	Market	Family	48	0	0	N/A	Proposed
3700 Mount Vernon Ave	Affordable Market	Family	375	0	0	N/A	Proposed
901 N Pitt St	Market	Family	250	0	0	N/A	Proposed
501 Slaters Ln	Market	Family	2000	0	0	N/A	Proposed
Totals			8,848	125	100		

Source: Virginia Housing and CoStar, February 2023

Following is a discussion of the proposed and under construction properties with an affordable component.

- Ladrey Apartments – 4 will be a phase of the Subject’s larger overall development that will consist of 154 units targeting seniors ages 55 and older. The developer plans to submit an application for four percent tax credits for this phase of the Subject’s larger overall development. This development will be located adjacent to the Subject on the same site. Upon completion this phase will offer 154 units targeting seniors (55+) earning 30, 60, and 80 percent of the AMI, or less and will be housed in the same building as the Subject. Of the total units, this phase will offer 92 units with subsidy, where the tenants will pay 30 percent of their income towards rent. As this phase of the Subject’s larger overall development will target the same tenancy as the Subject it will be considered directly competitive with the Subject. As such, we have deducted all 154 units in our demand analysis although this development has not received a LIHTC allocation.
- The Samuel Madden Homes is an existing public housing development in the far northern portion of Old Town. A redevelopment of this property is in the planning stages. The first phase will consist of 207 units, which was recently awarded a tax credit allocation. The units in this phase will be restricted at the 30, 50, 60, and 80 percent AMI levels, with the units at 30 percent having project-based subsidy. Construction is scheduled to begin in 2024 with completion anticipated for 2026. The entire project will consist of approximately 530 units. As this development will target a family tenancy it will not be considered directly competitive with the Subject. As such, we have not deducted any units in our demand analysis.

- Witter Place will be developed on the site of the existing Beyer Land Rover dealership at 2712 Duke Street. Upon completion, the property will offer a five-story midrise design and target family households between 40 and 60 percent AMI. As this development will target a family tenancy it will not be considered directly competitive with the Subject. As such, we have not deducted any units in our demand analysis.
- No details on the Alexandria GMV 9A project were available, although this proposed property will be located at 221 West Glebe Road in the Arlandria neighborhood in the far northern portion of the city. As this development will target a family tenancy it will not be considered directly competitive with the Subject. As such, we have not deducted any units in our demand analysis.
- Oakwood South was allocated in 2021 for the development of 71 units targeting seniors. This development will be located 5.2 miles from the Subject. Upon completion this development will offer 71 one and two-bedroom units targeting seniors earning 30, 50, and 60 percent of the AMI, or less. Of the total units, this development will offer eight units with subsidy, where the tenants will pay 30 percent of their income towards rent. As this development will target the same tenancy as the Subject it will be considered directly competitive with the Subject. As such, we have deducted all 71 units in our demand analysis.
- 1033 N Fairfax Street will consist of the conversion of three vacant office buildings in Old Town North into residential and mixed-use buildings. The project is a proposed to construct 234-unit affordable/market development. According to Alexandria Living Magazine approximately 30 units will be affordable. As this development will target a family tenancy it will not be considered directly competitive with the Subject. As such, we have not deducted any units in our demand analysis.
- 701 N Henry St is a proposed 94-unit affordable/market development. Upon completion, the property will offer a four-story midrise design and target family households. At least seven of the units will be designated as affordable housing. The residences could be rentals or condominiums. As this development will target a family tenancy it will not be considered directly competitive with the Subject. As such, we have not deducted any units in our demand analysis.
- 3700 Mount Vernon Avenue is a proposed 375-unit affordable/market development located in the Arlandria neighborhood. All of its units would be priced for residents who are at or below 80 percent AMI. At least 25 percent of units will be available at 40 percent AMI. Upon completion, the property will offer a ten-story midrise design and target family households. Since none of its planned units are known to have subsidy, they are not directly competitive with the Subject as proposed.

There are 225 competitive units in LIHTC properties that received a tax credit allocation and the proposed four percent component that is a phase of the Subject’s larger overall development. Of these properties, the four percent phase of the Subject’s larger overall development will have 154 units that will be directly competitive with the Subject’s restricted units. Finally, none of the market rate units proposed or under construction will be competitive with the proposed Subject.

Recent LIHTC Allocations

The table below lists LIHTC allocations awarded in the Subject’s PMA since 2021.

RECENT LIHTC ALLOCATIONS IN PMA

Property Name	Year Allocated	Rent Structure	Tenancy	Total Units	Competitive LIHTC Units	Competitive Subsidized Units
Ladrey Apartments (4% component)	N/A	LIHTC/HAP	Senior	154	62	92
Samuel Madden Homes 4% and 9%	2023	LIHTC/PBRA	Family	207	0	0
Witter Place	2023	LIHTC	Family	94	0	0
Alexandria GMV 9A	2022	LIHTC	Family	76	0	0
Oakwood South	2021	LIHTC	Senior	71	63	8
				602	125	100

Source: Virginia Housing and CoStar, February 2024

As detailed above, only four developments totaling 448 units have received tax credit allocation in the PMA since 2021. Additionally, we have included the proposed four percent component of the Subject' larger overall development that has not been allocated but will consist of 154 units targeting seniors (55+). A detailed description of these projects was previously presented.

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 2,277 units in 10 rental properties. The availability of the LIHTC data is considered average. We included five affordable developments located between 0.5 and 6.9 miles from the Subject site, three of which are located inside the PMA. Gum Springs Glen and Manchester Lakes are located outside of the PMA and target a senior tenancy, similar to the proposed Subject. The remaining LIHTC comparables target a family tenancy. The availability of the market rate data is considered good. We included five market rate properties located between 0.2 and 0.7 miles from the Subject site, all of which are located inside the PMA. None of the market rate comparables target a senior tenancy. Overall, we believe the availability of data is adequate to support our conclusions.

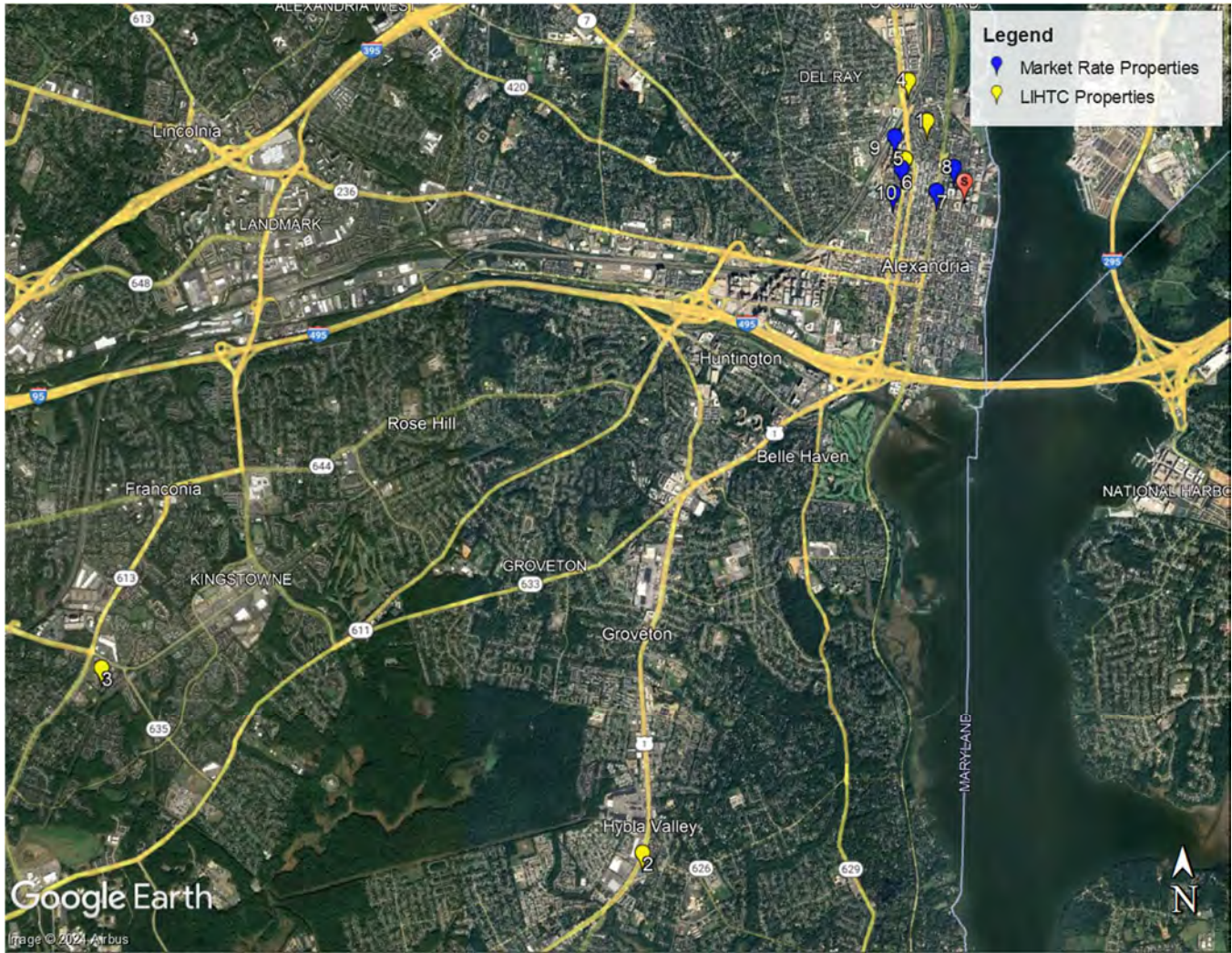
The comparable properties were chosen primarily based on location, age, condition, design, and amenities. Several properties were excluded for various reasons. The following table illustrates the properties that are excluded from the supply analysis of this report.

EXCLUDED PROPERTIES

Property Name	Rent Structure	Tenancy	Reason for Exclusion
Fields Of Alexandria	LIHTC	Family	Dissimilar tenancy
Longview Terrace	LIHTC	Family	Dissimilar tenancy
Old Town Commons	LIHTC/PBRA	Family	Dissimilar tenancy
Fields Of Old Town	LIHTC	Family	Dissimilar tenancy
Potomac West	LIHTC	Family	Dissimilar tenancy
Brent Place	LIHTC	Family	Dissimilar tenancy
Elbert Avenue	LIHTC	Family	Dissimilar tenancy
Lacy Court Apartments	LIHTC	Family	Unable to contact
Braddock Road Apartments	LIHTC	Family	Dissimilar tenancy
Chatham Square	LIHTC	Family	Dissimilar tenancy
Parc View	LIHTC/Market	Family	Dissimilar tenancy
Station At Potomac Yard	LIHTC	Family	Dissimilar tenancy
West Glebe Housing	LIHTC	Family	Dissimilar tenancy
Old Dominion Housing	LIHTC	Family	Dissimilar tenancy
James Bland	LIHTC/PBRA	Family	Dissimilar tenancy
Jackson Crossing	LIHTC	Family	Dissimilar tenancy
Lnyhaven	LIHTC	Family	Dissimilar tenancy
Oakwood North	LIHTC	Senior	Unable to contact
The Arden	LIHTC	Family	Dissimilar tenancy
Beverly Park	LIHTC	Family	Dissimilar tenancy
Waypoint Apartments	LIHTC/PBRA	Family	Dissimilar tenancy
Quaker Hill	LIHTC	Family	Dissimilar tenancy
Foxchase Of Alexandria	Section 8/Market	Family	Dissimilar tenancy
Annie B. Rose House	Section 8	Senior	Subsidized rents
Bellefonte Apartments	Section 8	Family	Subsidized rents
Claridge House	Section 8	Family	Subsidized rents
Old Town West III	Section 8	Family	Subsidized rents
Pendleton Park Apartments	Section 8	Senior	Subsidized rents
Lineage (Ramsey Homes)	LIHTC/ACC	Family	Unable to contact
Meridian At Braddock Station	Market	Family	Unable to contact
The Kingsley	Market	Family	Unable to contact
Lincoln Old Town	Market	Family	More similar properties available
Post Carlye Square	Market	Family	More similar properties available
800 Carlye	Market	Family	More similar properties available
Carlyle Mill Apartments	Market	Family	More similar properties available
Mason Gardens	Market	Family	More similar properties available
Bridgeyard Apartments	Market	Family	More similar properties available
Huntington Gateway	Market	Family	More similar properties available
The Parker At Huntington Metro	Market	Family	More similar properties available
Cameron Court of Alexandria	Market	Family	More similar properties available
The Shelby Apartments	Market	Family	More similar properties available
The Colecraft Community	Market	Family	More similar properties available
Gunston Hall Apartments	Market	Family	More similar properties available
Monticello Lee	Market	Family	More similar properties available
The Brawner	Market	Family	More similar properties available
The Dalton Mason Hall Apartments	Market	Family	More similar properties available
Clayborne Apartments	Market	Family	Unable to contact
The Thorton	Market	Family	Unable to contact

Comparable Rental Property Map

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



Source: Google Maps, February 2024

COMPARABLE PROPERTIES

#	Comparable Property	City	Rent Structure	Tenancy	Distance to Subject
S	Ladrey Apartments - 9	Alexandria	@30% (HAP), @60%, @80%	Senior	-
1	Arbelo Apartments	Alexandria	@60%	Family	0.6 miles
2	Gum Springs Glen*	Alexandria	@50%	Senior	5.1 miles
3	Manchester Lakes*	Alexandria	@50%, @60%	Senior	6.9 miles
4	Station 650 Apartments	Alexandria	@60%, Market	Family	0.9 miles
5	The Bloom At Braddock Apartments	Alexandria	@30%, @40%, @50%, @60%	Family	0.5 miles
6	1111 Belle Pre Apartments	Alexandria	Market	Family	0.5 miles
7	Alexan Florence	Alexandria	Market	Family	0.2 miles
8	Gables Old Town North	Alexandria	Market	Family	0.2 miles
9	Platform Alexandria	Alexandria	Market	Family	0.7 miles
10	The Asher	Alexandria	Market	Family	0.5 miles

*Located outside PMA

LADREY APARTMENTS - 9 - ALEXANDRIA, VIRGINIA - MARKET STUDY

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	Ladrey Apartments - 9 300 Wythe St & 600 N Fairfax St Alexandria, VA 22314 Alexandria County		Highrise 6-stories 2028 / n/a Senior	@30% (HAP), @60%, @80%	1BR / 1BA	73	62.9%	664	@30% (HAP)	\$2,487	N/A	N/A	N/A	N/A
					1BR / 1BA	6	5.2%	664	@60%	\$1,453	No	N/A	N/A	N/A
					1BR / 1BA	32	27.6%	664	@80%	\$1,962	No	N/A	N/A	N/A
					2BR / 2BA	5	4.3%	1,070	@30% (HAP)	\$2,801	N/A	N/A	N/A	N/A
						116								
1	Arbello Apartments 831 - 833 Bashford Lane Alexandria, VA 22314 Fairfax County	0.6 miles	Garden 4-stories 1954 / 2014 Family	@60%	0BR / 1BA	8	23.5%	355	@60%	\$1,444	Yes	No	0	0.0%
					1BR / 1BA	6	17.7%	893	@60%	\$1,542	Yes	No	0	0.0%
					2BR / 1BA	20	58.8%	897	@60%	\$1,759	Yes	No	1	5.0%
						34								
2	Gum Springs Glen 7837 Richmond Highway Alexandria, VA 22306 Fairfax County	5.1 miles	Lowrise 2-stories 2003 / n/a Senior	@50%	1BR / 1BA	56	93.3%	538	@50%	\$1,050	Yes	Yes	N/A	N/A
					2BR / 1BA	4	6.7%	723	@50%	\$1,227	Yes	Yes	N/A	N/A
3	Manchester Lakes 7131 Silver Lake Boulevard Alexandria, VA 22315 Fairfax County	6.9 miles	Midrise 4-stories 2000 / 2002 Senior	@50%, @60%	1BR / 1BA	20	7.9%	564	@50%	\$1,329	No	No	0	0.0%
					1BR / 1BA	83	32.9%	564	@60%	\$1,431	No	No	13	15.7%
					2BR / 1BA	96	38.1%	803	@50%	\$1,551	No	No	12	12.5%
					2BR / 1BA	53	21.0%	803	@60%	\$1,651	No	No	12	22.6%
						252								
4	Station 650 Apartments 650 Potomac Ave Alexandria, VA 22301 Alexandria County	0.9 miles	Midrise 5-stories 2015 / n/a Family	@60%, Market	1BR / 1BA	N/A	N/A	777	Market	\$2,192	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	854	Market	\$2,344	N/A	No	0	N/A
					1BR / 1BA	N/A	N/A	700	Market	\$2,203	N/A	No	0	N/A
					2BR / 2BA	5	2.7%	1,095	@60%	\$1,709	No	No	0	0.0%
					2BR / 2BA	N/A	N/A	1,095	Market	\$3,059	N/A	No	0	N/A
					2BR / 2BA	N/A	N/A	1,247	Market	\$3,084	N/A	No	0	N/A
					2BR / 2BA	N/A	N/A	942	Market	\$2,521	N/A	No	0	N/A
					3BR / 2BA	3	1.6%	1,198	@60%	\$2,068	No	No	0	0.0%
					3BR / 3BA	N/A	N/A	1,198	Market	\$3,499	N/A	No	0	N/A
						183								
5	The Bloom At Braddock Apartments 900 N Henry Street Alexandria, VA 22314 County	0.5 miles	Highrise 7-stories 2021 / n/a Family	@30%, @40%, @50%, @60%	0BR / 1BA	N/A	N/A	381	@30%	\$780	Yes	No	0	0.0%
					0BR / 1BA	N/A	N/A	386	@40%	\$890	Yes	No	0	N/A
					1BR / 1BA	N/A	N/A	588	@50%	\$1,374	Yes	No	0	N/A
					1BR / 1BA	N/A	N/A	834	@50%	\$1,374	Yes	No	0	N/A
					2BR / 2BA	N/A	N/A	808	@50%	\$1,634	Yes	No	0	N/A
					2BR / 2BA	N/A	N/A	1,215	@60%	\$1,954	Yes	No	0	N/A
					3BR / 2BA	N/A	N/A	1,042	@50%	\$1,907	Yes	No	0	N/A
					3BR / 2BA	N/A	N/A	1,428	@60%	\$2,277	Yes	No	0	N/A
	96									0	0.0%			
6	1111 Belle Pre Apartments 1111 Belle Pre Way Alexandria, VA 22314 County	0.5 miles	Midrise 7-stories 2013 / n/a Family	Market	1BR / 1BA	180	60.0%	741	Market	\$2,302	N/A	No	3	1.7%
					1BR / 1BA	N/A	N/A	886	Market	\$2,440	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	596	Market	\$2,170	N/A	No	N/A	N/A
					2BR / 2BA	120	40.0%	1,143	Market	\$3,165	N/A	No	1	0.8%
					2BR / 2BA	N/A	N/A	1,279	Market	\$3,311	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,006	Market	\$3,019	N/A	No	N/A	N/A
	300									4	1.3%			
7	Alexan Florence 400 Wythe Street Alexandria, VA 22314 County	0.2 miles	Midrise 6-stories 2021 / n/a Family	Market	0BR / 1BA	22	7.7%	501	Market	\$2,429	N/A	No	0	0.0%
					1BR / 1BA	189	66.1%	757	Market	\$3,299	N/A	No	1	0.5%
					1BR / 1BA	N/A	N/A	869	Market	\$3,596	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	706	Market	\$3,002	N/A	No	N/A	N/A
					2BR / 1BA	4	1.4%	895	Market	N/A	N/A	No	0	0.0%
					2BR / 2BA	71	24.8%	1,066	Market	\$4,563	N/A	No	1	1.4%
					2BR / 2BA	N/A	N/A	1,175	Market	\$5,160	N/A	No	N/A	N/A
	286									2	0.7%			
8	Gables Old Town North 525 Montgomery St Alexandria, VA 22314 Alexandria County	0.2 miles	Midrise 6-stories 2019 / n/a Family	Market	0BR / 1BA	N/A	N/A	579	Market	\$2,290	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	719	Market	\$3,151	N/A	No	2	N/A
					2BR / 2BA	N/A	N/A	1,268	Market	\$4,263	N/A	No	0	N/A
	232									3	1.3%			
9	Platform Alexandria 1100 N Fayette Street Alexandria, VA 22314 Alexandria County	0.7 miles	Midrise 8-stories 2021 / n/a Family	Market	0BR / 1BA	N/A	N/A	491	Market	\$2,218	N/A	N/A	0	N/A
					0BR / 1BA	N/A	N/A	491	Market	\$2,133	N/A	No	0	N/A
					0BR / 1BA	51	8.1%	438	Market	\$2,018	N/A	No	0	0.0%
					1BR / 1BA	N/A	N/A	838	Market	\$2,369	N/A	No	0	N/A
					1BR / 1BA	384	61.2%	522	Market	\$2,329	N/A	No	4	1.0%
					2BR / 1BA	13	2.1%	714	Market	\$3,323	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,216	Market	\$3,988	N/A	No	0	N/A
					2BR / 2BA	141	22.5%	839	Market	\$2,873	N/A	No	5	3.6%
	628									2	N/A			
10	The Asher 620 N Fayette Street Alexandria, VA 22314 Alexandria County	0.5 miles	Midrise 6-stories 2012 / N/A Family	Market	0BR / 1BA	N/A	N/A	500	Market	\$2,093	N/A	No	N/A	N/A
					0BR / 1BA	N/A	N/A	531	Market	\$2,124	N/A	No	N/A	N/A
					0BR / 1BA	N/A	N/A	468	Market	\$2,061	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	731	Market	\$2,485	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	752	Market	\$2,611	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	710	Market	\$2,358	N/A	No	N/A	N/A
					1BR / 2BA	N/A	N/A	937	Market	\$3,251	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,023	Market	\$3,369	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,023	Market	\$3,208	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,077	Market	\$3,408	N/A	No	N/A	N/A
	206									6	2.9%			

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	Tenancy	Program	Distance Subject	Household Income	Median Home Value	Median Rent	Crime Index	Walk Score	Vacant Housing	% Renter HH
S	Ladrey Apartments - 9	Senior	LIHTC		\$148,700	\$812,669	\$2,990	165	92	8.5%	40.8%
1	Arbelo Apartments	Family	LIHTC	0.6 mile	\$153,914	\$812,669	\$2,990	165	84	10.5%	48.2%
2	Gum Springs Glen*	Senior	LIHTC	5.1 miles	\$62,231	\$632,186	\$2,313	47	65	5.1%	49.8%
3	Manchester Lakes*	Senior	LIHTC	6.9 miles	\$110,209	\$653,688	\$3,072	56	67	3.5%	42.2%
4	Station 650 Apartments	Family	LIHTC/Market	0.9 mile	\$166,154	\$879,205	\$3,010	165	84	6.4%	41.3%
5	The Bloom At Braddock Apartments	Family	LIHTC	0.5 mile	\$146,170	\$812,669	\$2,990	145	89	10.3%	49.4%
6	1111 Belle Pre Apartments	Family	Market	0.5 mile	\$145,272	\$812,669	\$2,990	145	91	10.4%	49.8%
7	Alexan Florence	Family	Market	0.2 mile	\$141,336	\$812,669	\$2,990	165	93	10.7%	46.4%
8	Gables Old Town North	Family	Market	0.2 mile	\$141,628	\$812,669	\$2,990	156	91	11.1%	46.5%
9	Platform Alexandria	Family	Market	0.7 mile	\$151,290	\$812,669	\$2,990	141	85	9.0%	50.5%
10	The Asher	Family	Market	0.5 mile	\$144,877	\$812,669	\$2,990	141	96	10.6%	46.9%

*Located outside PMA

The Subject site is located in the Old Town neighborhood of Alexandria. The Subject's location is designated 'walker’s paradise' by Walk Score with a score of 92, indicating daily errands do not require a car.

Gum Springs Glen is located 5.1 miles from the Subject in an area that is considered inferior to that of the Subject. This location features lower household median incomes, median home values, and median rents.

Manchester Lakes is located 6.9 miles from the Subject in an area that is considered slightly inferior to that of the Subject. This location features lower household median incomes, lower median home values, and higher median rents.

Station 650 Apartments is located 0.9 miles from the Subject in an area that is considered slightly superior to that of the Subject. This location features higher household median incomes, median home values, and higher median rents.

Arbelo Apartments, The Bloom At Braddock Apartments, 1111 Belle Pre Apartments, Alexan Florence, Gables Old Town North, Platform Alexandria, and The Asher are located between 0.2 and 0.7 miles from the Subject in a locations that are considered similar to that of the Subject.

Age, Condition, and Design

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

	Ladrey Apartments - 9	Arbelo Apartments	Gum Springs Glen	Manchester Lakes	Station 650 Apartments	The Bloom At Braddock Apartments	1111 Belle Pre Apartments	Alexan Florence	Gables Old Town North	Platform Alexandria	The Asher
Program	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC/ Market	LIHTC	Market	Market	Market	Market	Market
Tenancy	Senior	Family	Senior	Senior	Family	Family	Family	Family	Family	Family	Family
Building											
Property Type	Highrise	Garden	Lowrise	Midrise	Midrise	Highrise	Midrise	Midrise	Midrise	Midrise	Midrise
# Stories	6	4	2	4	5	7	7	6	6	8	6
Year Built	2028	1954	2003	2000	2015	2021	2013	2021	2019	2021	2012
Year Renovated	N/A	2014	N/A	2002	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Elevators	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes

The Subject will exhibit excellent condition upon completion. The comparable properties were constructed or renovated between 2003 and 2021. The majority of comparables exhibit condition ranging from inferior to similar relative to the Subject as proposed. Arbelo Apartments, Gum Springs Glen, and Manchester Lakes were constructed or renovated between 2003 and 2014, respectively, and are considered inferior to the Subject’s anticipated condition upon completion. Station 650 Apartments, 1111 Belle Pre Apartments, and The Asher were constructed or renovated between 2012 and 2015 and exhibit slightly inferior condition relative to the Subject’s anticipated condition upon completion. The Bloom At Braddock Apartments, Alexan Florence, Gables Old Town North, and Platform Alexandria were constructed between 2019 and 2021 and exhibit similar condition relative to the proposed Subject.

The Subject will offer a five and six-story, highrise, elevator-serviced design, similar to the majority of the comparable properties that offer an elevator-serviced design. However, Arbelo Apartments offers a garden-style design and does not offer elevators. This comparable is considered slightly inferior to the Subject in terms of design style offered. We considered the Subject's design and condition in our determination of achievable rents.

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
Subject	664	1,070
Average	731	1,011
Min	522	714
Max	937	1,279
Advantage/Disadvantage	-9.1%	5.8%

UNIT SIZE COMPARISON (SENIOR)

Bedroom Type	1BR	2BR
Subject	664	1,070
Average	555	776
Min	538	723
Max	564	803
Advantage/Disadvantage	19.6%	37.8%

As illustrated, the Subject’s proposed one-bedroom unit size is smaller than the surveyed average and the proposed two-bedroom unit size is larger than the surveyed average. However, the Subject is a proposed senior development, which oftentimes feature smaller units than family developments. Thus, we have also compared the Subject’s proposed unit size to that at the senior comparables. As illustrated, the Subject’s units are significantly larger than the two surveyed senior comparables. Therefore, we anticipate that the Subject’s unit sizes will be well accepted in the market. The Subject’s unit sizes are considered in our determination of achievable rents. The following table ranks the Subject’s unit sizes to the unit sizes at the comparable properties.

SQUARE FOOTAGE RANKING COMPARISON

One Bedroom One Bath		Two Bedroom Two Bath	
Property Name	Size	Property Name	Size
The Asher (Market)(2BA)	937	1111 Belle Pre Apartments (Market)	1,279
Arbelo Apartments (@60%)	893	Gables Old Town North (Market)	1,268
1111 Belle Pre Apartments (Market)	886	Platform Alexandria (Market)	1,216
Alexan Florence (Market)	869	The Bloom At Braddock Apartments (@60%)	1,215
Platform Alexandria (Market)	838	Alexan Florence (Market)	1,175
The Bloom At Braddock Apartments (@50%)	834	1111 Belle Pre Apartments (Market)	1,143
Station 650 Apartments (Market)	777	Station 650 Apartments (Market)	1,095
Alexan Florence (Market)	757	Station 650 Apartments (@60%)	1,095
The Asher (Market)	752	The Asher (Market)	1,077
1111 Belle Pre Apartments (Market)	741	Ladrey Apartments - 9 (@30%)	1,070
The Asher (Market)	731	Alexan Florence (Market)	1,066
Gables Old Town North (Market)	719	The Asher (Market)	1,023
The Asher (Market)	710	1111 Belle Pre Apartments (Market)	1,006
Alexan Florence (Market)	706	The Asher (Market)	968
Ladrey Apartments - 9 (@30%)	664	Alexan Florence (Market)	954
Ladrey Apartments - 9 (@80%)	664	Arbelo Apartments (@60%)(1BA)	897
Ladrey Apartments - 9 (@60%)	664	Alexan Florence (Market)(1BA)	895
1111 Belle Pre Apartments (Market)	596	Platform Alexandria (Market)	839
The Bloom At Braddock Apartments (@50%)	588	The Bloom At Braddock Apartments (@50%)	808
Manchester Lakes (@50%)	564	Manchester Lakes (@60%)(1BA)	803
Manchester Lakes (@60%)	564	Manchester Lakes (@50%)(1BA)	803
Gum Springs Glen (@50%)	538	Gum Springs Glen (@50%)(1BA)	723
Platform Alexandria (Market)	522	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.

	Ladrey Apartments - 9	Arbelo Apartments	Gum Springs Glen	Manchester Lakes	Station 650 Apartments	The Bloom At Braddock Apartments	1111 Belle Pre Apartments	Alexan Florence	Gables Old Town North	Platform Alexandria	The Asher
Program	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC/Market	LIHTC	Market	Market	Market	Market	Market
Tenancy	Senior	Family	Senior	Senior	Family	Family	Family	Family	Family	Family	Family
Utility Structure											
Heat	no	no	yes	yes	no	no	no	no	no	no	no
Cooking	no	no	yes	no	no	no	no	no	no	no	no
Other Electric	no	no	yes	no	no	no	no	no	no	no	no
Air Conditioning	no	no	yes	no	no	no	no	no	no	no	no
Water Heat	no	no	yes	yes	no	no	no	no	no	no	no
Water	yes	yes	yes	yes	no	no	no	no	no	no	no
Sewer	yes	yes	yes	yes	no	no	no	no	no	no	no
Trash	yes	yes	yes	yes	yes	no	no	no	no	no	yes

In-Unit Amenities

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

LADREY APARTMENTS - 9 - ALEXANDRIA, VIRGINIA - MARKET STUDY

	Ladrey Apartments - 9	Arbelo Apartments	Gum Springs Glen	Manchester Lakes	Station 650 Apartments	The Bloom At Braddock Apartments	1111 Belle Pre Apartments	Alexan Florence	Gables Old Town North	Platform Alexandria	The Asher
Program	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC/ Market	LIHTC	Market	Market	Market	Market	Market
Tenancy	Senior	Family	Senior	Senior	Family	Family	Family	Family	Family	Family	Family
Accessibility											
Hand Rails	no	no	yes	yes	no	no	no	no	no	no	no
Pull Cords	no	no	no	yes	no	no	no	no	no	no	no
Unit											
Balcony	no	no	yes	yes	yes	yes	no	yes	no	no	no
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite	no	no	no	no	yes	no	no	no	no	no	no
Carpeting	yes	no	yes	yes	yes	no	yes	yes	no	no	no
Ceiling Fan	no	no	no	no	no	yes	no	no	yes	no	yes
Central/AC	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	no	yes	no	yes	no	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	yes	yes	no	no	no	yes	yes	yes
Fireplace	no	no	no	no	yes	no	no	no	no	no	no
Hardwood Floors	no	yes	no	no	no	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	yes	no	no	no	no
Vinyl Plank Flooring	no	no	no	no	no	yes	no	no	no	no	no
Walk-In-Closet	no	no	no	yes	yes	no	no	no	yes	yes	yes
Washer / Dryer	yes	no	no	no	yes	no	yes	yes	yes	yes	yes
W/D Hookups	yes	no	no	no	yes	no	yes	yes	yes	yes	yes
Kitchen											
Dishwasher	no	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	no	yes	no	yes	yes	no	yes	yes	yes
Microwave	yes	no	yes	no	yes	yes	yes	yes	yes	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

Notable unit amenities the Subject will offer include blinds, carpet flooring, central air conditioning, washer/dryer hookups, in-unit washer/dryer, garbage disposals, microwaves, range/ovens, and refrigerators. The majority of the surveyed comparables offer inferior to slightly superior unit amenities relative to the Subject. These properties offer features such as balconies/ patios, exterior storage, and walk-in closets, none of which will be included at the Subject. The amenity packages offered by Arbelo Apartments, Gum Springs Glen, Manchester Lakes, and The Bloom At Braddock Apartments are considered slightly inferior to inferior to the Subject as these properties do not offer features such as washer/dryer hookups and in-unit washer/dryers, all of which will be included at the Subject. The Subject's in-unit amenities are taken into consideration in our determination of achievable rents.

Property Amenities

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

	Ladrey Apartments - 9	Arbelo Apartments	Gum Springs Glen	Manchester Lakes	Station 650 Apartments	The Bloom At Braddock Apartments	1111 Belle Pre Apartments	Alexan Florence	Gables Old Town North	Platform Alexandria	The Asher
Program	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC/ Market	LIHTC	Market	Market	Market	Market	Market
Tenancy	Senior	Family	Senior	Senior	Family	Family	Family	Family	Family	Family	Family
Community											
Bike Storage	no	no	no	no	no	yes	no	yes	no	no	no
Business Center	yes	no	no	no	no	yes	yes	yes	yes	yes	yes
Central Laundry	no	yes	yes	yes	no	yes	no	no	no	no	no
Clubhouse	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Concierge	no	no	no	no	no	no	yes	yes	yes	yes	no
EV Charging Station	no	no	no	no	no	no	no	yes	no	no	no
On-Site Mgmt	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Rooftop Deck	yes	no	no	no	no	no	no	no	no	no	no
WiFi	yes	no	no	no	yes	no	yes	no	yes	yes	no
Recreation											
Exercise Facility	yes	no	no	yes	yes	no	yes	yes	yes	yes	yes
Picnic Area	yes	no	no	yes	yes	no	yes	yes	yes	yes	yes
Playground	no	no	no	no	no	yes	no	no	no	no	no
Recreational Area	yes	no	no	yes	no	no	no	yes	no	no	no
Swimming Pool	no	no	no	no	no	no	yes	yes	yes	yes	no
Theatre	no	no	no	no	no	no	yes	no	yes	no	yes
Senior Services											
Hairdresser/Barber	no	no	no	yes	no	no	no	no	no	no	no

Notable property amenities the Subject will offer include of a business center, larger resident lounge with warming kitchen, multipurpose room, clinic space, courtyard, elevators, an exercise facility, central laundry

facility, on-site management, picnic area, recreation areas, a rooftop deck, and Wi-Fi in the common areas. The majority of the surveyed comparables offer property amenities considered inferior to slightly inferior relative to the proposed Subject. These properties do not offer features such as a business center, community room, and exercise facilities, all of which are included in the Subject's proposed amenity scheme. The amenity packages of 1111 Belle Pre Apartments, Alexan Florence, Gables Old Town North, and Platform Alexandria are considered slightly superior to the proposed Subject as these properties do offer swimming pools, which the Subject will not offer. Additionally, the amenity package of The Asher is considered similar to the Subject. The Subject's property amenities are taken into consideration in our determination of achievable rents.

Security Features

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

	Ladrey Apartments - 9	Arbelo Apartments	Gum Springs Glen	Manchester Lakes	Station 650 Apartments	The Bloom At Braddock Apartments	1111 Belle Pre Apartments	Alexan Florence	Gables Old Town North	Platform Alexandria	The Asher
Program	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC/ Market	LIHTC	Market	Market	Market	Market	Market
Tenancy	Senior	Family	Senior	Senior	Family	Family	Family	Family	Family	Family	Family
Crime Index	165	165	47	56	165	145	145	165	156	141	141
Security											
Intercom (Buzzer)	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Intercom (Phone)	no	no	no	yes	no	no	no	no	no	no	no
In-Unit Alarm	no	no	no	no	no	no	yes	no	no	no	no
Limited Access	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Perimeter Fencing	yes	no	yes	no	no	no	no	no	no	no	no
Video Surveillance	yes	no	no	yes	no	no	no	yes	no	yes	no

The Subject's security features will include an intercom (buzzer) system, limited access, perimeter fencing, and video surveillance. All of the comparable properties offer some form of security feature. The Subject's security features appear to be market oriented.

Parking

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

	Ladrey Apartments - 9	Arbelo Apartments	Gum Springs Glen	Manchester Lakes	Station 650 Apartments	The Bloom At Braddock Apartments	1111 Belle Pre Apartments	Alexan Florence	Gables Old Town North	Platform Alexandria	The Asher
Program	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC/ Market	LIHTC	Market	Market	Market	Market	Market
Tenancy	Senior	Family	Senior	Senior	Family	Family	Family	Family	Family	Family	Family
Walk Score	92	84	65	67	84	89	91	93	91	85	96
Parking											
Carpport	no	no	no	yes	no	no	no	no	no	no	no
Carpport Fee	n/a	n/a	n/a	\$35	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Garage	yes	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Garage Fee	\$0	n/a	n/a	\$60	\$0	\$0	\$75	\$150	\$100	\$125	\$75
Surface	no	yes	yes	yes	yes	yes	no	yes	no	no	no
Surface Fee	n/a	\$0	\$0	\$0	\$0	\$0	n/a	\$0	n/a	n/a	n/a

The Subject's overall larger development will offer a total of 118 garage parking spaces for the 270 units, which equates to approximately 0.4 spaces per unit. There is no fee for parking. Given the Subject's senior tenancy and proximity to public transportation, we expect the number of parking spaces to be adequate. Arbelo Apartments and Gum Springs Glen only offer surface parking at no additional charge, slightly inferior to the Subject's proposed parking. Station 650 Apartments and The Bloom At Braddock Apartments offer off-street parking and garage parking for no additional fees, similar to the Subject. Alexan Florence Apartments offers off-street parking for no additional fees and garage parking for an additional fee of \$150 per month. Manchester Lakes offers off-street parking for no additional fees, garage parking for an additional fee of \$60 per month, and carport parking for an additional fee of \$35 per month. 1111 Belle Pre Apartments, Gables Old Town North, Platform Alexandria, and The Asher only offer garage parking for an additional fee of \$75 to \$150 per month, slightly inferior to the Subject's proposed parking.

Conclusion

The Subject's construction is set to begin in July 2025 and be completed by May 2028. The Subject will exhibit excellent overall condition upon completion. The LIHTC comparables were constructed or renovated between 2003 and 2021, while the market rate comparables were constructed or renovated between 2012 and 2021. The LIHTC comparables exhibit inferior to similar condition relative to the proposed Subject. The market rate comparables exhibit slightly inferior to similar condition relative to the proposed Subject. The majority of the surveyed comparables offer property amenities ranging from inferior to slightly superior relative to the proposed Subject. The majority of the surveyed comparables offer slightly inferior to slightly superior unit amenities relative to the proposed Subject. The Subject's proposed one-bedroom unit size is smaller than the surveyed average and the proposed two-bedroom unit size is larger than the surveyed average. However, the Subject's units are significantly larger than the two surveyed senior comparables. Overall, we believe the Subject will be well accepted in the market as proposed.

MARKET CHARACTERISTICS

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

TENANTS WITH VOUCHERS

Property Name	Program	Tenancy	Housing Choice Voucher %
Arbelo Apartments	LIHTC	Family	24%
Gum Springs Glen*	LIHTC	Senior	N/A
Manchester Lakes*	LIHTC	Senior	40%
Station 650 Apartments	LIHTC/Market	Family	0%
The Bloom At Braddock Apartments	LIHTC	Family	N/A
1111 Belle Pre Apartments	Market	Family	0%
Alexan Florence	Market	Family	0%
Gables Old Town North	Market	Family	0%
Platform Alexandria	Market	Family	5%
The Asher	Market	Family	0%

*Located outside PMA

The comparable properties reported voucher usage ranging from five to 40 percent. Two of the LIHTC properties reported voucher usage of 24 to 40 percent with an average of 32 percent. Only one of the market rate properties, Platform Alexandria, reported voucher usage of five percent. Based on the performance of the LIHTC comparables, we expect the Subject will operate with voucher usage of approximately 30 percent, absent subsidy.

Turnover

The following table illustrates reported turnover for the comparable properties.

TURNOVER

Property Name	Program	Tenancy	Annual Turnover
Arbelo Apartments	LIHTC	Family	12%
Gum Springs Glen*	LIHTC	Senior	5%
Manchester Lakes*	LIHTC	Senior	10%
Station 650 Apartments	LIHTC/Market	Family	20%
The Bloom At Braddock Apartments	LIHTC	Family	16%
1111 Belle Pre Apartments	Market	Family	25%
Alexan Florence	Market	Family	20%
Gables Old Town North	Market	Family	25%
Platform Alexandria	Market	Family	23%
The Asher	Market	Family	N/A
Average Turnover			17%

*Located outside PMA

It should be noted that we were unable to obtain turnover data for one of the surveyed properties (The Asher). The remaining comparables reported turnover rates ranging from five to 25 percent, with an overall average of 17 percent. The LIHTC comparables operate with an average turnover rate of 13 percent, which was below the 23 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 15 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 %
Arbelo Apartments	LIHTC	Family	34	1	2.9%
Gum Springs Glen*	LIHTC	Senior	60	1	1.7%
Manchester Lakes*	LIHTC	Senior	252	37	14.7%
Station 650 Apartments	LIHTC/Market	Family	183	1	0.5%
The Bloom At Braddock Apartments	LIHTC	Family	96	0	0.0%
1111 Belle Pre Apartments	Market	Family	300	4	1.3%
Alexan Florence	Market	Family	286	2	0.7%
Gables Old Town North	Market	Family	232	3	1.3%
Platform Alexandria	Market	Family	628	12	1.9%
The Asher	Market	Family	206	6	2.9%
LIHTC Total			625	40	6.4%
Market Total			1,652	27	1.6%
Overall Total			2,277	67	2.9%

*Located outside PMA

The comparables reported vacancy rates ranging from zero to 14.7 percent, with an overall weighted average of 2.9 percent. Managers at one of the five LIHTC properties reported being fully occupied. The average vacancy rate reported by the affordable comparables was 6.4 percent, well above the 1.6 percent average reported by the market rate properties. The contacts at Arbelo Apartments and Gum Springs Glen reported that the vacant units at these properties have been pre-leased. The contact at Manchester Lakes reported that the current vacancy rate at the property is elevated due to a shortage of staff and it is taking longer than typical to get the vacant units ready. It should be noted that 10 of the 37 have been pre-leased. The vacancy rate at this property is property specific and not reflective of the performance of the overall market. All of the market rate properties reported vacancy rates of 2.9 percent or less. Based on the performance of the LIHTC comparables, we expect the Subject will operate with a vacancy rate of approximately five percent or less upon completion.

The following table details vacancy by bedroom type for the comparable properties surveyed:

VACANCY BY BEDROOM TYPE

Property Name	Rent Structure	Tenancy	OBR	1BR	2BR	Overall
Arbelo Apartments	LIHTC	Family	0.0%	0.0%	5.0%	2.9%
Gum Springs Glen*	LIHTC	Senior	-	-	-	1.7%
Manchester Lakes*	LIHTC	Senior	-	12.6%	16.1%	14.7%
Station 650 Apartments	LIHTC/ Market	Family	-	-	0.0%	0.5%
The Bloom At Braddock Apartments	LIHTC	Family	-	-	-	0.0%
1111 Belle Pre Apartments	Market	Family	-	1.7%	0.8%	1.3%
Alexan Florence	Market	Family	0.0%	0.5%	1.3%	0.7%
Gables Old Town North	Market	Family	-	-	-	1.3%
Platform Alexandria	Market	Family	0.0%	1.0%	3.5%	1.9%
The Asher	Market	Family	-	-	-	2.9%

*Located outside of the PMA

The Subject will consist of one and two-bedroom units. The vacancy rates for all units type are considered low to elevated. It should be noted that the contacts at three of the LIHTC comparables with vacant units reported that at least some of the vacant units at these properties are pre-leased or have applications pending. Only one of the LIHTC comparables reported maintaining a waiting list. Overall, we believe there is demand for additional rental housing in the market. The Subject is not expected to negatively impact the existing properties in the market.

Historical Vacancy

The following table details historical vacancy levels for the properties included as comparables.

HISTORICAL VACANCY								
Property Name	Program	Total Units	2020 Q3	2021 Q3	2021 Q4	2023 Q1	2023 Q3	2024 Q1
Arbelo Apartments	LIHTC	34	N/A	N/A	N/A	14.7%	N/A	2.9%
Gum Springs Glen	LIHTC	60	0.0%	N/A	0.0%	N/A	N/A	1.7%
Manchester Lakes	LIHTC	252	3.2%	N/A	N/A	N/A	N/A	14.7%
Station 650 Apartments	LIHTC/ Market	183	1.1%	N/A	2.2%	2.2%	N/A	0.5%
The Bloom At Braddock Apartments	LIHTC	96	N/A	N/A	N/A	2.1%	N/A	0.0%
1111 Belle Pre Apartments	Market	300	N/A	3.7%	N/A	3.7%	0.7%	1.3%
Alexan Florence	Market	286	N/A	N/A	N/A	N/A	1.7%	0.7%
Gables Old Town North	Market	232	N/A	6.0%	N/A	N/A	6.5%	1.3%
Platform Alexandria	Market	628	N/A	85.0%	N/A	18.0%	4.3%	1.9%
The Asher	Market	206	N/A	4.4%	N/A	4.4%	5.3%	2.9%

As illustrated in the table above, the vacancy rates at the majority of comparable properties improved or remained stable since our previous interviews. This is indicative of continued demand for affordable housing in the market. It should be noted that the contact at Manchester Lakes reported that the current vacancy rate at the property is elevated due to a shortage of staff and it is taking longer than normal to get the vacant units ready. Additionally, the contact reported that 10 of the 37 vacancies have been pre-leased.

Concessions

Only one of the market rate comparable properties, Platform Alexandria, reported offering concessions at this time. The contact at Platform Alexandria reported that the property is currently offering half a month of free rent for three-bedroom units. Given the lack of concessions offered in the market by the LIHTC comparables, we do not anticipate that the Subject will need to offer concessions to maintain a stabilized occupancy rate upon completion.

Waiting Lists

The following table illustrates the length of waiting lists reported at the comparable developments.

WAITING LISTS				
Property Name	Program	Tenancy	Waiting List Length	
Arbelo Apartments	LIHTC	Family	None	
Gum Springs Glen*	LIHTC	Senior	Yes, 12 months in length	
Manchester Lakes*	LIHTC	Senior	None	
Station 650 Apartments	LIHTC/Market	Family	None	
The Bloom At Braddock Apartments	LIHTC	Family	None	
1111 Belle Pre Apartments	Market	Family	None	
Alexan Florence	Market	Family	None	
Gables Old Town North	Market	Family	None	
Platform Alexandria	Market	Family	None	
The Asher	Market	Family	None	

*Located outside PMA

Only one of the LIHTC comparables, Gum Springs Glen, reported maintaining a waiting list 12 months in length. None of the market rate properties maintain waiting lists. We expect the Subject will have a waiting list upon completion.

Projected Absorption

The following table details the absorption paces of recently completed properties in the Alexandria region.

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Arlington View Terrace East	LIHTC	Family	Arlington	2023	77	11	3.8 miles
The Bridge	LIHTC	Family	Washington	2022	112	15	4.4 miles
MDL Flats	LIHTC	Family	Washington	2021	76	50	4.4 miles
The Apex	LIHTC	Family	Arlington	2020	256	21	2.7 miles
555 E Street SW	LIHTC	Senior	Washington	2020	58	20	5.1 miles
Riverpoint	Market	Family	Washington	2020	480	25	4.0 miles
Watermark At Buzzard Point	Market	Family	Washington	2020	453	25	4.2 miles
Eleven 64	LIHTC	Senior	Washington	2019	65	16	7.3 miles
The Belnor Senior Residences	LIHTC	Senior	Suitland	2019	122	31	5.8 miles
Maple View Flats	LIHTC	Family	Washington	2019	114	29	4.5 miles
Ainger Place Apartments	LIHTC	Family	Washington	2019	72	7	5.0 miles
City View Apartments	LIHTC	Family	Washington	2019	56	29	4.1 miles
Average Affordable					101	23	
Average Market					467	25	
Overall Average					162	23	

We obtained absorption data from 12 properties within 8.0 miles of the Subject in Arlington, Washington, and Suitland. These properties were completed over the 2019 to 2023 period. These properties reported absorption rates ranging from seven to 50 units per month, with an overall average of 23 units per month. Overall, we rely most on the data 555 E Street SW, as this property is the most recently built senior LIHTC development. Overall, we expect the Subject will experience an absorption rate of 20 units per month. This equates to an absorption period of approximately five to six months.

Rent Growth

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

RENT GROWTH

Property Name	Program	Tenancy	Rent Growth
Arbelo Apartments	LIHTC	Family	Increased to 2023 max
Gum Springs Glen*	LIHTC	Senior	Increased to 2023 max
Manchester Lakes*	LIHTC	Senior	Increased six percent
Station 650 Apartments	LIHTC/Market	Family	Increased two percent
The Bloom At Braddock Apartments	LIHTC	Family	Increased to 2023 max
1111 Belle Pre Apartments	Market	Family	Increased up to four percent
Alexan Florence	Market	Family	None
Gables Old Town North	Market	Family	Increased less than one percent
Platform Alexandria	Market	Family	On average decreased one percent
The Asher	Market	Family	Increased six percent

*Located outside PMA

All of the LIHTC comparable properties reported achieving rent growth. Of these properties, Arbelo Apartments, Gum Springs Glen, and Station 650 Apartments are achieving rents at the 2023 maximum allowable levels. Three of the market rate comparables reported achieving rent growth, ranging from one to six percent.

Reasonability of Rents

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

Bedroom Type	AMI Level	UNITS			Developer Pro Forma	RENTS			PRO FORMA vs. Market Section 42 Max	
		SF	#	% of Total		Achievable LIHTC Rents	Market ¹	Section 42 Max ²	as % of	as % of
1BR / 1BA	@30%	664	73	62.9%	\$2,487	\$774	\$2,750	\$774	90.4%	321.3%
1BR / 1BA	@60%	664	6	5.2%	\$1,453	\$1,622	\$2,750	\$1,622	52.8%	89.6%
1BR / 1BA	@80%	664	32	27.6%	\$1,962	\$2,188	\$2,750	\$2,188	71.3%	89.7%
2BR / 2BA	@30%	1,070	5	4.3%	\$2,801	\$918	\$3,600	\$918	77.8%	305.1%
OVERALL WEIGHTED AVG			116	100.0%	\$2,302	\$1,214	\$2,787	\$1,214	82.7%	244.7%
@30% Units			78	67.2%	\$2,507	\$783	\$2,804	\$783	89.6%	320.3%
@60% Units			6	5.2%	\$1,453	\$1,622	\$2,750	\$1,622	52.8%	89.6%
@80% Units			32	27.6%	\$1,962	\$2,188	\$2,750	\$2,188	71.3%	89.7%

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 below or above the maximum levels; however, the majority are the result of differing utility allowance structures at the comparables.

The table below illustrates the Subject’s contract rents and unit mix.

PROPOSED RENTS							
Unit Type	Unit Size (SF)	Number of Units	Adjusted Rent/Asking Rent	Utility Allowance (1)	Face Rent/Gross Rent	2023 LIHTC Maximum Allowable Gross Rent	2024 HUD Fair Market Rents
@30% (HAP)							
1BR / 1BA	664	73	\$2,487	\$73	\$2,560	\$847	\$2,560
2BR / 2BA	1,070	5	\$2,801	\$99	\$2,900	\$1,017	\$2,900
@60%							
1BR / 1BA	664	6	\$1,453	\$73	\$1,526	\$1,695	\$2,560
@80%							
1BR / 1BA	664	32	\$1,962	\$73	\$2,035	\$2,261	\$2,560
116							

Notes (1) Source of Utility Allowance provided by the Developer.

The Subject is a proposed LIHTC/HAP property that will offer a total of 116 units, all of which are revenue-generating. Of the total units, 78 units will operate with a project-based HAP rental assistance, where tenants will pay 30 percent of their income towards rent. The Subject’s HAP units at the 30 percent of AMI level are contract rents are set above the 2023 maximum allowable levels. Thus, if the Subject were to lose the rental subsidies, the proposed rents for these units would have to be lowered to comply with the LIHTC program requirements. The Subject’s proposed rents at the 60 and 80 percent of AMI levels are set below the 2023 maximum allowable levels.

30% AMI Level

LIHTC RENT COMPARISON @30%

Property Name	County	Tenancy	1BR	2BR	Max Rent?
Ladrey Apartments - 9	Alexandria City	Senior	\$2,475*	\$2,791*	N/A
LIHTC Maximum Rent (Net)	Alexandria City	-	\$774	\$918	-
Achievable LIHTC Rent			\$774	\$918	Yes

*Contract rents

The Subject’s proposed rents for its one and two-bedroom units at the 30 percent of the AMI are contract rents. Tenants in these units will pay 30 percent of their income towards rent. The Subject’s proposed contract rents are set above the 2023 maximum allowable levels. Thus, if the Subject were to lose the rental subsidies, the proposed rents for these units would have to be lowered to comply with the LIHTC program requirements. None of the comparables reported offering units at the 30 percent AMI level. Additionally, three of the LIHTC comparables offering units at higher AMI levels reported achieving 2023 maximum allowable levels. Based on the fact that the majority of the comparable LIHTC properties report low vacancy rates, we believe the Subject will be able to achieve the maximum allowable rents at the 30 percent of AMI level, absent subsidy. Additionally, these rents will be among the lowest in the market.

60% AMI Level

LIHTC RENT COMPARISON @60%

Property Name	County	Tenancy	1BR	2BR	Max Rent?
Ladrey Apartments - 9	Alexandria City	Senior	\$1,441	-	No
LIHTC Maximum Rent (Net)	Alexandria City	-	\$1,622	\$1,936	-
LIHTC Maximum Rent (Net)	Fairfax	-	\$1,622	\$1,936	-
Arbelo Apartments	Fairfax	Family	\$1,542	\$1,759	Yes
Manchester Lakes	Fairfax	Senior	\$1,431	\$1,651	No
Station 650 Apartments	Alexandria City	Family	-	\$1,709	No
The Bloom At Braddock Apartments	Alexandria City	Family	-	\$1,954	Yes
Average	-	-	\$1,487	\$1,768	-
Achievable LIHTC Rent			\$1,622	-	Yes

The Subject’s proposed rents for its one-bedroom units at the 60 percent of AMI level are set below the 2023 maximum allowable levels. As indicated, two of the comparables that feature units at the 60 percent of AMI levels report achieving rents at the 2023 maximum allowable levels. The indicated rents appear to be below to above the maximum allowable levels due to differences in utility allowance calculations.

Arbelo Apartments is located 0.6 miles from the Subject and offers a similar location compared to the Subject. This property was built in 1954 and renovated in 2014, and currently exhibits average condition, which will be inferior to the Subject’s anticipated excellent condition upon completion. Arbelo Apartments offers inferior property amenities compared to the Subject as it does not offer a business center, community room, or exercise facility, which the Subject will offer. This property offers inferior in-unit amenities as it does not offer washer/dryer hookups and in-unit washer/dryers, which the Subject will offer. Arbelo Apartments offers significantly large one-bedroom unit sizes and slightly smaller two-bedroom unit sizes compared to the proposed Subject. This property is 97.1 percent occupied, indicating demand for affordable housing. Overall, Arbelo Apartments is considered inferior to the Subject. As such, we believe the Subject would be capable of achieving rents at the maximum allowable levels at 60 percent of the AMI, similar to Arbelo Apartments.

Manchester Lakes is located 6.9 miles from the Subject and offers a slightly inferior location compared to the Subject in terms of a lower household median income, lower median home value, and slightly higher median rent. This property was built in 2000 and renovated 2002, and currently exhibits average condition, which will

be inferior to the Subject’s anticipated excellent condition upon completion. Manchester Lakes offers slightly inferior property amenities compared to the Subject as it does not offer a business center, which the Subject will offer. This property offers slightly inferior in-unit amenities as it does not offer washer/dryer hookups and in-unit washer/dryers, which the Subject will not offer, though it offers hand rails and pull cords, which the Subject will not offer and are amenities that seniors often desire. Manchester Lakes offers smaller one and two-bedroom unit sizes compared to the proposed Subject. This property is currently 85.3 percent occupied. The contact at Manchester Lakes reported that the current vacancy rate at the property is elevated due to a shortage of staff and it is taking longer than normal to get the vacant units ready. It should be noted that 10 of the 37 have been pre-leased. Therefore, we believe that the elevated vacancy rate at this property is property specific and not indicative of market conditions. Overall, Manchester Lakes is considered inferior to the Subject. As such, we believe the Subject would be capable of achieving rents at the maximum allowable levels at 60 percent of the AMI, above those at Manchester Lakes.

The Subject’s most significant weakness is its smaller one-bedroom unit sizes in comparison to the LIHTC comparables. However, the Subject will offer larger one-bedroom unit sizes in comparison to the two senior LIHTC comparables. Further, the Subject’s in-unit amenity package will be slightly inferior to superior compared to the comparable properties, while the Subject’s property amenity package will be slightly inferior to superior to the comparables. It is noted that the Subject will be new construction and therefore offer similar to superior condition. As such, we believe the Subject’s LIHTC rents should be priced at the maximum allowable levels. Our achievable LIHTC rents are priced similar to the comparables, and above the proposed rents.

80% AMI Level

LIHTC RENT COMPARISON @80% AND MARKET

Property Name	County	Tenancy	1BR	2BR	Max Rent?
Ladrey Apartments - 9	Alexandria City	Senior	\$1,950	-	No
LIHTC Maximum Rent (Net)	Alexandria City	-	\$2,188	\$2,615	-
Station 650 Apartments (Market)	Alexandria City	Family	\$2,344	\$3,084	-
1111 Belle Pre Apartments (Market)	Alexandria City	Family	\$2,440	\$3,311	-
Alexan Florence (Market)	Alexandria City	Family	\$3,596	\$5,160	-
Gables Old Town North (Market)	Alexandria City	Family	\$3,151	\$4,263	-
Platform Alexandria (Market)	Alexandria City	Family	\$2,369	\$3,988	-
The Asher (Market)	Alexandria City	Family	\$3,251	\$3,408	-
Average (Market)	-	-	\$2,859	\$3,869	-
Achievable LIHTC Rent	-	-	\$2,188	-	Yes

The Subject will offer one-bedroom units at the 80 percent AMI level. The Subject’s proposed one-bedroom rents at the 80 percent AMI are set below the maximum allowable levels. None of the comparable properties offer rents at this moderate-income level. Therefore, we believe the most comparable rents for the Subject’s 80 percent AMI units are market rate rents. The Subject’s proposed rents at the 80 percent AMI level are below the surveyed average of the market rate rents in the market. The majority of tenants who would qualify for the Subject’s unit types are likely living in market rate housing and the Subject’s units at the 80 percent of the AMI level would be in direct competition with these units. As discussed below in our analysis of the Subject’s achievable market rents, we believe the Subject can achieve market rents below to similar to those currently achieved at The Asher and below those at Alexan Florence. Additionally, the majority of the LIHTC comparables reported low vacancy rates. All of the LIHTC properties maintain waiting lists. These waiting lists are extensive at some of the LIHTC developments. We conclude that rents at the maximum allowable rents at the 80 percent of AMI level would be achievable. These rents are below the majority of the rents at the comparable market rate properties.

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 rents. The following table shows both market rent comparisons and achievable market rents.

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Rent Level	Square Feet	Pro Forma Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rent	Subject Rent Advantage
1BR/1BA	@30% (HAP)	664	\$774*	\$2,170	\$3,596	\$2,631	\$2,750	72%
1BR/1BA	@60%	664	\$1,441	\$2,170	\$3,596	\$2,631	\$2,750	48%
1BR/1BA	@80%	664	\$1,950	\$2,170	\$3,596	\$2,631	\$2,750	29%
2BR/2BA	@30% (HAP)	1,070	\$918*	\$2,521	\$5,160	\$3,488	\$3,600	74%

*Subject’s achievable rents are shown for the 30% AMI units.

The Subject’s proposed LIHTC rents are below the achievable market rents. The Subject’s proposed LIHTC rents at the 30 and 60 percent of AMI level represent a rent advantage of 48 to 74 percent over the achievable market rents. The Subject’s proposed LIHTC rents at the 80 percent of AMI level represent a rent advantage of 29 percent. We concluded that achievable market rents for the Subject’s units are below the rents at Gables Old Town North and below the rents at Alexan Florence.

Gables Old Town North is a 232-unit, elevator-serviced, midrise-style development located 0.2 miles from the Subject site, in a neighborhood considered similar relative to the Subject's location. This property was built in 2019 and, and currently exhibits similar condition relative to the anticipated excellent condition of the Subject upon completion. The manager at Gables Old Town North reported the property is 98.7 percent occupied, indicating the current rents are well accepted in the market. The following table compares the Subject with Gables Old Town North.

SUBJECT COMPARISON TO GABLES OLD TOWN NORTH

Unit Type	Subject Achievable Market Rent	Square Feet	Subject RPSF	Comparable Rent	Square Feet	Comparable RPSF
1BR/1BA	\$2,750	664	\$4.14	\$3,151	719	\$4.38
2BR/2BA	\$3,600	1,070	\$3.36	\$4,263	1,268	\$3.36

Gables Old Town North offers ceiling fans, coat closets, exterior storage, walk-in closets, dishwashers, concierge, a swimming pool, and theatre, all of which the Subject will lack. However, the Subject will offer a rooftop deck and recreational areas, none of which are provided by Gables Old Town North. On balance, we believe the in-unit and property amenity packages offered by Gables Old Town North to be slightly superior relative to the Subject. In terms of unit sizes, Gables Old Town North offers larger one and two-bedroom unit sizes compared to the Subject’s proposed unit sizes. In overall terms, we believe the Subject will be an inferior product relative to Gables Old Town North. As such, we believe market rents for the Subject's units below the one and two-bedroom rents reported by Gables Old Town North are achievable.

Alexan Florence is a 266-unit, elevator-serviced, midrise-style apartment property located 0.2 miles from 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 Subject’s anticipated excellent condition. The manager at Alexan Florence reported the property as 99.3 percent occupied, indicating the current rents are well accepted in the market. The following table compares the Subject with Alexan Florence.

SUBJECT COMPARISON TO ALEXAN FLORENCE

Unit Type	Subject Achievable Market Rent	Square Feet	Subject RPSF	Comparable Rent	Square Feet	Comparable RPSF
1BR/1BA	\$2,750	664	\$4.14	\$3,002	706	\$4.25
2BR/2BA	\$3,600	1,070	\$3.36	\$4,563	1,066	\$4.28

Alexan Florence offers balconies/patios, coat closets, dishwashers, bike storage, concierge, electric car charging station, and a swimming pool, all of which the Subject will lack. However, the Subject will offer garbage disposals, a rooftop deck, and Wi-Fi in the community areas, none of which are provided by Alexan Florence. The in-unit and property amenity packages offered by Alexan Florence are considered slightly superior relative to the Subject's proposed amenities. In terms of unit sizes, Alexan Florence offers larger one-bedroom unit sizes and similar two-bedroom unit sizes compared to the Subject's proposed unit sizes. In overall terms, we believe the Subject will be an inferior product relative to Alexan Florence. Our concluded achievable market rents for the Subject's units are below the rents reported by Alexan Florence.

Summary Evaluation of the Project

The Subject will be a newly constructed family-oriented LIHTC/HAP. The strengths of the Subject will be its excellent condition upon completion. Weaknesses of the Subject are its one-bedroom unit sizes. However, the Subject is a proposed senior development, which oftentimes feature smaller units than family developments. The Subject's units are significantly larger than the two surveyed senior comparables. Therefore, we anticipate that the Subject's unit sizes will be well accepted in the market. The average vacancy rate among the surveyed LIHTC properties is at 6.4 percent. Additionally, only one of the surveyed LIHTC properties maintains a waiting list. Several property managers believe there is strong demand for additional affordable housing in the market. Three of the comparable properties report achieving the 2023 maximum allowable rents at the 60 percent of AMI levels. None of the comparables offer rents at the 30 or 80 percent of AMI levels. Upon completion, we believe the Subject will be capable of achieving rents at the 2023 maximum allowable levels. Our concluded achievable market rents are below the average rents of the surveyed market comparables. The Subject's proposed LIHTC rents at the 30, 60, and 80 percent AMI levels offer a discount to the Novogradac estimate of achievable market rents.

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 2,277 units in 10 rental properties. The LIHTC comparables in the area reported vacancy rates of 14.7 percent or lower, with one LIHTC comparable reporting 100 percent occupancy. Additionally, the high occupancy rates at the vast majority of 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 apartment developments will not hinder each other's ability to maintain high occupancy due to the lack of multifamily development in the area. 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 defines 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

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 majority of the city of Alexandria and portions of southeast Fairfax County. The PMA boundaries generally consist of U.S. Route 1 and Interstate 395 to the north, the Potomac River to the east, Interstate 95/495 (Capitol Beltway) and U.S. Route 1 to the south, and Van Dorn Street to the west. The PMA encompasses approximately 21 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 cities and 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 reach 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:	\$152,100
Tenancy:	Senior
Affordability percentage:	40 percent
Leakage:	20 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 with project-based subsidy for the restricted units. For the 'Absent Subsidy' scenario, we assume achievable LIHTC for the restricted units.

The 'As Proposed' scenario reflects the Subject as proposed with subsidy. In the 'Absent Subsidy' scenario, the minimum income limits are based on the achievable LIHTC rents. In the 'As Proposed' scenario, minimum income can be as low as \$0 for the units with project-based subsidy.

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% (HAP)		@60%		@80%	
1BR	\$0	\$36,180	\$45,780	\$72,360	\$61,050	\$96,480
2BR	\$0	\$36,180	-	-	-	-

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%		@60%		@80%	
1BR	\$25,410	\$36,180	\$45,780	\$72,360	\$61,050	\$96,480
2BR	\$30,510	\$36,180	-	-	-	-

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.

55+ RENTER HOUSEHOLD INCOME PMA

Income Cohort	2023		2028		Annual Change 2023 to 2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	729	9.2%	790	8.2%	12	1.7%
\$10,000-19,999	555	7.0%	618	6.4%	13	2.3%
\$20,000-29,999	373	4.7%	435	4.5%	12	3.3%
\$30,000-39,999	450	5.7%	510	5.3%	12	2.7%
\$40,000-49,999	576	7.3%	609	6.3%	7	1.1%
\$50,000-59,999	640	8.1%	758	7.9%	24	3.7%
\$60,000-74,999	642	8.1%	756	7.8%	23	3.6%
\$75,000-99,999	863	10.9%	1,054	10.9%	38	4.4%
\$100,000-124,999	779	9.9%	902	9.3%	25	3.2%
\$125,000-149,999	538	6.8%	702	7.3%	33	6.1%
\$150,000-199,999	871	11.0%	1,123	11.6%	50	5.8%
\$200,000+	875	11.1%	1,399	14.5%	105	12.0%
Total	7,891	100.0%	9,656	100.0%		

Source: HISTA Data / Ribbon Demographics 2023, Novogradac, February 2024

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% (HAP)			@60%			@80%			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	729	\$9,999	100.0%	729							\$9,999	100.0%	729
\$10,000-\$19,999	555	\$9,999	100.0%	555							\$9,999	100.0%	555
\$20,000-\$29,999	373	\$9,999	100.0%	373							\$9,999	100.0%	373
\$30,000-\$39,999	450	\$6,180	61.8%	278							\$6,180	61.8%	278
\$40,000-\$49,999	576				\$4,219	42.2%	243				\$4,219	42.2%	243
\$50,000-\$59,999	640				\$9,999	100.0%	640				\$9,999	100.0%	640
\$60,000-\$74,999	642				\$12,360	82.4%	529				\$14,999	100.0%	642
\$75,000-\$99,999	863							\$13,949	93.0%	597	\$21,480	85.9%	742
\$100,000-\$124,999	779							\$21,480	85.9%	742	\$21,480	85.9%	742
\$125,000-\$149,999	538												
\$150,000-\$199,999	871												
\$200,000-\$250,000	875												
Total	7,891		24.5%	1,935		17.9%	1,412		17.0%	1,339		53.2%	4,202

RENTER INCOME DISTRIBUTION - ABSENT SUBSIDY

Income Cohort	Total Renter Households	@30%			@60%			@80%			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	729												
\$10,000-\$19,999	555												
\$20,000-\$29,999	373	\$4,589	45.9%	171							\$4,589	45.9%	171
\$30,000-\$39,999	450	\$6,180	61.8%	278							\$6,180	61.8%	278
\$40,000-\$49,999	576				\$4,219	42.2%	243				\$4,219	42.2%	243
\$50,000-\$59,999	640				\$9,999	100.0%	640				\$9,999	100.0%	640
\$60,000-\$74,999	642				\$12,360	82.4%	529				\$14,999	100.0%	642
\$75,000-\$99,999	863							\$13,949	93.0%	597	\$21,480	85.9%	742
\$100,000-\$124,999	779							\$21,480	85.9%	742	\$21,480	85.9%	742
\$125,000-\$149,999	538												
\$150,000-\$199,999	871												
\$200,000-\$250,000	875												
Total	7,891		5.7%	449		17.9%	1,412		17.0%	1,339		34.4%	2,716

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

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

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% (HAP) - As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2023

	Renter Household Size Distribution	Total Number of Renter Households
1 person	56.2%	4,434
2 person	23.9%	1,889
3 person	7.2%	570
4 person	4.4%	346
5 person	8.3%	652
Total	100.0%	7,891

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	4,434	x	24.5%	1,087
2 person	1,889	x	24.5%	463
3 person	570	x	24.5%	140
4 person	346	x	24.5%	85
5 person	652	x	24.5%	160
Total	7,891			1,935

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	1,071
2BR	479
Total	1,551

Capture Rate Analysis - @30% (HAP)

	Developer's Unit Mix	Capture Rate
1BR	73	6.8%
2BR	5	1.0%
Total/Overall	78	5.0%
<i>Adjusted for Leakage from Outside of the PMA</i>		<i>20.0%</i>
1BR	73	5.5%
2BR	5	0.8%
Total/Overall	78	4.0%

Capture Rate - 60% - As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2023

	Renter Household Size Distribution	Total Number of Renter Households
1 person	56.2%	4,434
2 person	23.9%	1,889
3 person	7.2%	570
4 person	4.4%	346
5 person	8.3%	652
Total	100.0%	7,891

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	4,434	x	17.9%	793
2 person	1,889	x	17.9%	338
3 person	570	x	17.9%	102
4 person	346	x	17.9%	62
5 person	652	x	17.9%	117
Total	7,891			1,412

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	782
Total	782

Capture Rate Analysis - @60%

	Developer's Unit Mix	Capture Rate
1BR	6	0.8%
Total/Overall	6	0.8%
<i>Adjusted for Leakage from Outside of the PMA</i>		20.0%
1BR	6	0.6%
Total/Overall	6	0.6%

Capture Rate - 80% - As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2023

	Renter Household Size Distribution	Total Number of Renter Households
1 person	56.2%	4,434
2 person	23.9%	1,889
3 person	7.2%	570
4 person	4.4%	346
5 person	8.3%	652
Total	100.0%	7,891

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	4,434	x	17.0%	752
2 person	1,889	x	17.0%	320
3 person	570	x	17.0%	97
4 person	346	x	17.0%	59
5 person	652	x	17.0%	111
Total	7,891			1,339

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	741
Total	741

Capture Rate Analysis - @80%

	Developer's Unit Mix	Capture Rate
1BR	32	4.3%
Total/Overall	32	4.3%
<i>Adjusted for Leakage from Outside of the PMA</i>		20.0%
1BR	32	3.5%
Total/Overall	32	3.5%

Capture Rate - All Units - As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2023

	Renter Household Size Distribution	Total Number of Renter Households
1 person	56.2%	4,434
2 person	23.9%	1,889
3 person	7.2%	570
4 person	4.4%	346
5 person	8.3%	652
Total	100.0%	7,891

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	4,434	x	53.2%	2,361
2 person	1,889	x	53.2%	1,006
3 person	570	x	53.2%	304
4 person	346	x	53.2%	184
5 person	652	x	53.2%	347
Total	7,891			4,202

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	2,326
2BR	1,041
Total	3,367

Capture Rate Analysis - All Units

	Developer's Unit Mix	Capture Rate
1BR	111	4.8%
2BR	5	0.5%
Total/Overall	116	3.4%
<i>Adjusted for Leakage from Outside of the PMA</i>		<i>20.0%</i>
1BR	111	3.8%
2BR	5	0.4%
Total/Overall	116	2.8%

Capture Rate - 30% - Absent Subsidy

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2023

	Renter Household Size Distribution	Total Number of Renter Households
1 person	56.2%	4,434
2 person	23.9%	1,889
3 person	7.2%	570
4 person	4.4%	346
5 person	8.3%	652
Total	100.0%	7,891

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	4,434	x	5.7%	252
2 person	1,889	x	5.7%	108
3 person	570	x	5.7%	32
4 person	346	x	5.7%	20
5 person	652	x	5.7%	37
Total	7,891			449

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	249
2BR	111
Total	360

Capture Rate Analysis - @30%

	Developer's Unit Mix	Capture Rate
1BR	73	29.3%
2BR	5	4.5%
Total/Overall	78	21.7%

Adjusted for Leakage from Outside of the PMA

20.0%

1BR	73	23.5%
2BR	5	3.6%
Total/Overall	78	17.3%

Capture Rate - All Units – Absent Subsidy

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2023

	Renter Household Size Distribution	Total Number of Renter Households
1 person	56.2%	4,434
2 person	23.9%	1,889
3 person	7.2%	570
4 person	4.4%	346
5 person	8.3%	652
Total	100.0%	7,891

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	4,434	x	34.4%	1,526
2 person	1,889	x	34.4%	650
3 person	570	x	34.4%	196
4 person	346	x	34.4%	119
5 person	652	x	34.4%	224
Total	7,891			2,716

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	1,503
2BR	673
Total	2,176

Capture Rate Analysis - All Units (Absent Subsidy)

	Developer's Unit Mix	Capture Rate
1BR	111	7.4%
2BR	5	0.7%
Total/Overall	116	5.3%

Adjusted for Leakage from Outside of the PMA

20.0%

1BR	111	5.9%
2BR	5	0.6%
Total/Overall	116	4.3%

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 2023 to 2028. Since the newly derived population will all be eligible, they are included directly into the annual demand estimate.

New Construction/Development

Property Name	Rent Structure	Tenancy	PLANNED DEVELOPMENT			LIHTC Allocation Year	Construction Status
			Total Units	Competitive LIHTC/Affordable Units	Competitive Subsidized Units		
Ladrey Apartments - 4	LIHTC/HAP	Senior	154	62	92	N/A	Proposed
Samuel Madden Homes 4% and 9%	LIHTC/PBRA	Family	207	0	0	2023	Proposed
Witter Place	LIHTC	Family	94	0	0	2023	Proposed
Alexandria GMV 9A	LIHTC	Family	76	0	0	2022	Proposed
Oakwood South	LIHTC	Senior	71	63	8	2021	Under Construction
Alate Old Town	Market	Family	133	0	0	N/A	Under Construction
Arlandria	Market	Family	110	0	0	N/A	Proposed
Aventon Huntington Station	Market	Family	366	0	0	N/A	Under Construction
Potomac Yard Block 15	Market	Family	172	0	0	N/A	Proposed
Potomac Yard Block 20	Market	Family	216	0	0	N/A	Proposed
Braddock West	Market	Family	177	0	0	N/A	Proposed
CityHouse Old Town	Market	Family	210	0	0	N/A	Proposed
Columbus Street	Market	Family	73	0	0	N/A	Under Construction
Meridian 2250 at Eisenhower Station	Market	Family	443	0	0	N/A	Under Construction
Montgomery Center	Market	Family	327	0	0	N/A	Proposed
North Potomac Yard	Market	Family	240	0	0	N/A	Proposed
Oakville Triangle	Market	Family	572	0	0	N/A	Under Construction
Parc View Apartments II	Market	Family	373	0	0	N/A	Proposed
Riverside Apartments II	Market	Family	550	0	0	N/A	Proposed
2712 Duke St	Market	Family	93	0	0	N/A	Proposed
1033 N Fairfax St	Affordable Market	Family	77	0	0	N/A	Proposed
1055 N Fairfax St	Market	Family	77	0	0	N/A	Proposed
701 N Henry St	Affordable Market	Family	94	0	0	N/A	Under Construction
5360 Holmes Run Pky	Market	Family	236	0	0	N/A	Proposed
Mount Vernon Ave	Market	Family	420	0	0	N/A	Under Construction
2525 Mount Vernon Ave	Market	Family	78	0	0	N/A	Proposed
1201 E Abingdon Dr	Market	Family	136	0	0	N/A	Proposed
5001 Eisenhower Ave	Market	Family	400	0	0	N/A	Proposed
301 N Fairfax St	Market	Family	48	0	0	N/A	Proposed
3700 Mount Vernon Ave	Affordable Market	Family	375	0	0	N/A	Proposed
901 N Pitt St	Market	Family	250	0	0	N/A	Proposed
501 Slaters Ln	Market	Family	2000	0	0	N/A	Proposed
Totals			8,848	125	100		

Source: Virginia Housing and CoStar, February 2023

Following is a discussion of the proposed and under construction properties with an affordable component.

- Ladrey Apartments - 4 will be a phase of the Subject's larger overall development that will consist of 154 units targeting seniors ages 55 and older. The developer plans to submit an application for four percent tax credits for this phase of the Subject's larger overall development. This development will be located adjacent to the Subject on the same site. Upon completion this phase will offer 154 units targeting seniors (55+) earning 30, 60, and 80 percent of the AMI, or less and will be housed in the same building as the Subject. Of the total units, this phase will offer 92 units with subsidy, where the tenants will pay 30 percent of their income towards rent. As this phase of the Subject's larger overall development will target the same tenancy as the Subject it will be considered directly competitive with the Subject. As such, we have deducted all 154 units in our demand analysis although this development has not received a LIHTC allocation.
- The Samuel Madden Homes is an existing public housing development in the far northern portion of Old Town. A redevelopment of this property is in the planning stages. The first phase will consist of 207 units, which was recently awarded a tax credit allocation. The units in this phase will be restricted

at the 30, 50, 60, and 80 percent AMI levels, with the units at 30 percent having project-based subsidy. Construction is scheduled to begin in 2024 with completion anticipated for 2026. The entire project will consist of approximately 530 units. As this development will target a family tenancy it will not be considered directly competitive with the Subject. As such, we have not deducted any units in our demand analysis.

- Witter Place will be developed on the site of the existing Beyer Land Rover dealership at 2712 Duke Street. Upon completion, the property will offer a five-story midrise design and target family households between 40 and 60 percent AMI. As this development will target a family tenancy it will not be considered directly competitive with the Subject. As such, we have not deducted any units in our demand analysis.
- No details on the Alexandria GMV 9A project were available, although this proposed property will be located at 221 West Glebe Road in the Arlandria neighborhood in the far northern portion of the city. As this development will target a family tenancy it will not be considered directly competitive with the Subject. As such, we have not deducted any units in our demand analysis.
- Oakwood South was allocated in 2021 for the development of 71 units targeting seniors. This development will be located 5.2 miles from the Subject. Upon completion this development will offer 71 one and two-bedroom units targeting seniors earning 30, 50, and 60 percent of the AMI, or less. Of the total units, this development will offer eight units with subsidy, where the tenants will pay 30 percent of their income towards rent. As this development will target the same tenancy as the Subject it will be considered directly competitive with the Subject. As such, we have deducted all 71 units in our demand analysis.
- 1033 N Fairfax Street will consist of the conversion of three vacant office buildings in Old Town North into residential and mixed-use buildings. The project is a proposed to construct 234-unit affordable/market development. According to Alexandria Living Magazine approximately 30 units will be affordable. As this development will target a family tenancy it will not be considered directly competitive with the Subject. As such, we have not deducted any units in our demand analysis.
- 701 N Henry St is a proposed 94-unit affordable/market development. Upon completion, the property will offer a four-story midrise design and target family households. At least seven of the units will be designated as affordable housing. The residences could be rentals or condominiums. As this development will target a family tenancy it will not be considered directly competitive with the Subject. As such, we have not deducted any units in our demand analysis.
- 3700 Mount Vernon Avenue is a proposed 375-unit affordable/market development located in the Arlandria neighborhood. All of its units would be priced for residents who are at or below 80 percent AMI. At least 25 percent of units will be available at 40 percent AMI. Upon completion, the property will offer a ten-story midrise design and target family households. Since none of its planned units are known to have subsidy, they are not directly competitive with the Subject as proposed.

There are 225 competitive units in LIHTC properties that received a tax credit allocation and the proposed four percent component that is a phase of the Subject's larger overall development. Of these properties, the four percent phase of the Subject's larger overall development will have 154 units that will be directly competitive with the Subject's restricted units. Finally, none of the market rate units proposed or under construction will be competitive with the proposed Subject.

In the As Proposed scenario, we remove the 225 units that are expected to directly compete with the Subject. In the Absent Subsidy scenario, we remove the 125 non-subsidized units that are expected to directly compete with the Subject.

Annual Demand – As Proposed

ANNUAL DEMAND - AS PROPOSED		
Calculation		PMA
Number of Renter Households in 2023		7,891
Increase in Number of Renter Households		1,765
Number of Renter Households in 2028		9,656
<i>Existing Demand</i>		
% of Total Households that are Renter		29.6%
% of Income-Qualified Renter Households		53.2%
Number of Income-Qualified Renter Households		4,202
Percentage Rent-Overburdened		33.5%
Existing Income-Qualified Renter Household Turnover		1,408
<i>New Income-Qualified Demand, Stated Annually</i>		
Increase in Renter Households per Annum		353
% of Income-Qualified Renter Households		53.2%
New Rental Income Qualified Households		188
<i>Capture Rate Analysis</i>		
Number of Revenue Units in Subject		116
Occupied Units at Subject With Vacancy of:	5.0%	110
Units Pre-Leased		0
Total Demand (Turnover and Growth) from within PMA		1,596
Portion Originating within PMA		80.0%
Total Demand (Turnover and Growth)		1,995
Less: Existing Projects in Absorption Process (# Units)	225	
Total Demand after Competition (Turnover and Growth)		1,770
Yielded Annual Capture Rate of Available Demand in 2023		6.2%

Annual Demand - Absent Subsidy

ANNUAL DEMAND - ABSENT SUBSIDY		
Calculation		PMA
Number of Renter Households in 2023		7,891
Increase in Number of Renter Households		1,765
Number of Renter Households in 2028		9,656
<i>Existing Demand</i>		
% of Total Households that are Renter		29.6%
% of Income-Qualified Renter Households		34.4%
Number of Income-Qualified Renter Households		2,716
Percentage Rent-Overburdened		33.5%
Existing Income-Qualified Renter Household Turnover		910
<i>New Income-Qualified Demand, Stated Annually</i>		
Increase in Renter Households per Annum		353
% of Income-Qualified Renter Households		34.4%
New Rental Income Qualified Households		121
<i>Capture Rate Analysis</i>		
Number of Revenue Units in Subject		116
Occupied Units at Subject With Vacancy of:	5.0%	110
Units Pre-Leased		0
Total Demand (Turnover and Growth) from within PMA		1,032
Portion Originating within PMA		80.0%
Total Demand (Turnover and Growth)		1,290
Less: Existing LIHTC Projects in Absorption Process (# Units)	125	
Total Demand after Competition (Turnover and Growth)		1,165
Yielded Annual Capture Rate of Available Demand in 2023		9.4%

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 no proposed competitive affordable units in the PMA. Existing vacancies in the PMA are based on the vacancies at the five 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 6.4 percent. As noted previously, we have included three properties in the PMA as comparables in this report and they have reported a total of two vacant units. We have deducted these two units from these properties in our analysis.

As indicated, there are 100 units with subsidy in the planning stages, along with 125 affordable units. When combining vacant units with planned units, there are 227 units of supply as proposed (two vacant units + 100 units with subsidy + 125 affordable units).

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% (\$0 - \$36,180)	Up to 60% (\$45,780 - \$72,360)	Up to 80% (\$61,050 - \$96,480)	Project Total (\$0 - \$96,480)
New Rental Households	432	316	300	939
+				
Existing Households - Overburdened	648	473	449	1,408
+				
Existing Households - Substandard Housing	7	5	5	15
+				
Senior Households - Likely to Convert to Rental	0	0	0	0
+				
Total Demand	1,087	794	753	2,361
-				
Supply (includes directly comparable vacant units completed or in pipeline in PMA)	107	70	54	227
Net Demand	980	724	699	2,134
Proposed Units	78	6	32	116
Capture Rate	8.0%	0.8%	4.6%	5.4%
Absorption Period	3 months	Less than 1 month	1 month	6 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 (33.5 percent) 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 (0.35 percent) 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 20 units per month to the number of proposed units.

In our previous demand calculations and discussions, we used a leakage rate of 20 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 proposed.

Project Wide Capture Rate - LIHTC Units	5.4%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	5.4%
Project Wide Absorption Period (Months)	6 months

Virginia Housing Demand Table – Absent Subsidy

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

As indicated, there are 125 affordable units with no subsidy. When combining vacant units with planned units, there are 127 units of supply as proposed (two vacant units + 125 affordable units).

VIRGINIA HOUSING DEMAND ANALYSIS (ABSENT SUBSIDY)

Income Restrictions	Up to 30% (\$25,410 - \$36,180)	Up to 60% (\$45,780 - \$72,360)	Up to 80% (\$61,050 - \$96,480)	Project Total (\$25,410 - \$96,480)
New Rental Households	101	316	300	607
+				
Existing Households - Overburdened	150	473	449	910
+				
Existing Households - Substandard Housing	2	5	5	10
+				
Senior Households - Likely to Convert to Rental	0	0	0	0
+				
Total Demand	253	794	753	1,527
-				
Supply (includes directly comparable vacant units completed or in pipeline in PMA)	15	62	54	125
Net Demand	238	732	699	1,402
Proposed Units	78	6	32	80
Capture Rate	32.8%	0.8%	4.6%	5.7%
Absorption Period	3 months	Less than 1 month	1 month	6 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 (33.5 percent) 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 (0.35 percent) 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 20 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. Our concluded capture rate and absorption period is shown in the table below.

Project Wide Capture Rate - LIHTC Units	5.7%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	5.7%
Project Wide Absorption Period (Months)	6 months

Capture Rate and Virginia Housing Conclusion

The Novogradac 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 for the LIHTC units indicates a capture rate of 5.4 percent as proposed and 5.7 percent absent subsidy.

To provide another level of analysis, we removed the households from the income-eligible renter demand pool that are currently suitably housed elsewhere in the PMA. We conducted an *annual demand analysis*, which is based on new income-eligible renter households moving into the area (in the Subject’s first year of operation only) and those income-eligible renter households that are rent-overburdened (paying over 35 percent of income to living costs). This is a subset of the income-eligible renter households used previously and yields a more conservative annual capture rate. This annual Novogradac capture rate is 6.2 percent as proposed, indicating that there are 1,770 units of demand in the PMA in the first year of the Subject’s operation. Absent subsidy, the capture rate is 9.4 percent, indicating that there are 1,165 units of demand in the PMA in the first year of the Subject’s operation. These capture rates are low, indicating sufficient demand for additional affordable rental housing in the market.

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	5.4%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	5.4%
Project Wide Absorption Period (Months)	6 months

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

Project Wide Capture Rate - LIHTC Units	5.7%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	5.7%
Project Wide Absorption Period (Months)	6 months

These capture rates are low. We believe there is sufficient demand for the Subject based on the high occupancy rates among the majority of the LIHTC comparables.

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 following table illustrates the LIHTC properties within the Primary Market Area.

EXISTING AFFORDABLE PROPERTIES IN PMA

Property Name	Rent Structure	Tenancy	Total Units	Competitive LIHTC Units	Competitive Subsidized Units
The Bloom At Braddock Apartments	LIHTC	Family	96	0	0
Longview Terrace	LIHTC	Family	41	0	0
Old Town Commons	LIHTC/PBRA	Family	54	0	0
Arbelo Apartments	LIHTC	Family	34	0	0
Fields Of Old Town	LIHTC	Family	98	0	0
Potomac West	LIHTC	Family	59	0	0
Brent Place	LIHTC	Family	207	0	0
Elbert Avenue	LIHTC	Family	28	0	0
Lacy Court Apartments	LIHTC	Family	44	0	0
Braddock Road Apartments	LIHTC	Family	48	0	0
Chatham Square	LIHTC	Family	52	0	0
Parc View	LIHTC/Market	Family	149	0	0
Station At Potomac Yard	LIHTC	Family	64	0	0
West Glebe Housing	LIHTC	Family	48	0	0
Old Dominion Housing	LIHTC	Family	36	0	0
James Bland	LIHTC/PBRA	Family	134	0	0
Jackson Crossing	LIHTC	Family	78	0	0
Lnyhaven Apartments	LIHTC	Family	24	0	0
Station 650 Apartments	Affordable/Market	Family	183	0	0
Foxchase Of Alexandria	Section 8/Market	Family	1,690	0	0
Annie B. Rose House	Section 8	Senior	91	0	91
Bellefonte Apartments	Section 8	Family	12	0	0
Claridge House	Section 8	Family	304	0	0
Old Town West III	Section 8	Family	75	0	0
Pendleton Park Apartments	Section 8	Senior	24	0	24
Lineage (Ramsey Homes)	LIHTC/ACC	Family	52	0	0
Oakwood North	LIHTC	Senior	79	79	0
The Arden	LIHTC	Family	126	0	0
Beverly Park	LIHTC	Family	33	0	0
Waypoint Apartments	LIHTC/PBRA	Family	81	0	0
Quaker Hill	LIHTC	Family	60	0	0
Totals			4,104	79	115

As shown above, there are 194 competitive affordable units in the PMA as proposed. This includes 79 LIHTC units and 115 subsidized units. Absent subsidy, there are 79 competitive LIHTC units, which excludes the 115 units with subsidy. These units are deducted from our analysis.

Penetration Rate - As Proposed

As shown in the income distribution previously, there are 4,202 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	4,202
Number of Proposed Competitive Affordable Senior Units in the PMA	225
Number of Existing Competitive Affordable Senior Units in the PMA	194
Remaining Income Eligible Renter Households	3,783
Number of Proposed Senior Units at the Subject	116
Overall Penetration Rate - Subject Focus	3.1%

For Methodology One, after deductions for existing and proposed competitive units in the PMA, the resulting penetration rate is 3.1 percent.

PENETRATION RATE - METHODOLOGY TWO - AS PROPOSED	
Number of Proposed Competitive Affordable Senior Units in the PMA	225
	+
Number of Existing Competitive Affordable Senior Units in the PMA	194
	+
Number of Proposed Senior Units at the Subject	116
	=
Total	535
	/
Income Eligible Households - All AMI Levels	4,202
	=
Overall Penetration Rate - Market Focus (NCHMA)	12.7%

After deductions for existing and proposed competitive units in the PMA, the resulting penetration rate is 12.7 percent.

Penetration Rate - Absent Subsidy

As shown in the income distribution previously, there are 2,716 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	2,716
Number of Proposed Competitive LIHTC Senior Units in the PMA	125
Number of Existing Competitive LIHTC Senior Units in the PMA	79
Remaining Income Eligible Renter Households	2,512
Number of Proposed Senior Units at the Subject	116
Overall Penetration Rate - Subject Focus	4.6%

After deductions for existing and proposed competitive units in the PMA, the resulting penetration rate, absent subsidy, is 4.6 percent.

PENETRATION RATE - METHODOLOGY TWO - ABSENT SUBSIDY	
Number of Proposed Competitive LIHTC Senior Units in the PMA	125
	+
Number of Existing Competitive LIHTC Senior Units in the PMA	79
	+
Number of Proposed Senior Units at the Subject	116
	=
Total	320
	/
Income Eligible Households - All AMI Levels	2,716
	=
Overall Penetration Rate - Market Focus (NCHMA)	11.8%

After deductions for existing and proposed competitive units in the PMA, the resulting penetration rate, absent subsidy, is 11.8 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 2.8 percent, as proposed, and 4.3 percent, absent subsidy.

DEMAND CONCLUSIONS		
Calculation	As Proposed	Absent Subsidy
@30% (HAP)	4.0%	17.3%
@60%	0.6%	-
@80%	3.5%	-
All Units	2.8%	4.3%
Annual Demand	6.2%	9.4%
Penetration Rate Methodology One	3.1%	4.6%
Penetration Rate Methodology Two	12.7%	11.8%

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. The annual demand calculation indicates there are approximately 1,770 units and 1,165 units of demand in the first year of the Subject's operation for the Subject's as proposed and absent subsidy scenarios, respectively. The Subject will need to accommodate 110 units of demand in order to stabilize at five percent vacancy. The demand analysis illustrates adequate demand for the Subject's units. Additionally, all penetration rates as proposed and absent subsidy are low to moderate and indicative of demand for additional affordable housing supply such as the Subject.

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	5.4%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	5.4%
Project Wide Absorption Period (Months)	6 months

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

Project Wide Capture Rate - LIHTC Units	5.7%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	5.7%
Project Wide Absorption Period (Months)	6 months

These capture rates are low. We believe there is sufficient demand for the Subject based on the high occupancy rates among the majority of the LIHTC comparables.

Absorption Estimate

The following table details the absorption paces of recently completed properties in the Alexandria region.

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Arlington View Terrace East	LIHTC	Family	Arlington	2023	77	11	3.8 miles
The Bridge	LIHTC	Family	Washington	2022	112	15	4.4 miles
MDL Flats	LIHTC	Family	Washington	2021	76	50	4.4 miles
The Apex	LIHTC	Family	Arlington	2020	256	21	2.7 miles
555 E Street SW	LIHTC	Senior	Washington	2020	58	20	5.1 miles
Riverpoint	Market	Family	Washington	2020	480	25	4.0 miles
Watermark At Buzzard Point	Market	Family	Washington	2020	453	25	4.2 miles
Eleven 64	LIHTC	Senior	Washington	2019	65	16	7.3 miles
The Belnor Senior Residences	LIHTC	Senior	Suitland	2019	122	31	5.8 miles
Maple View Flats	LIHTC	Family	Washington	2019	114	29	4.5 miles
Ainger Place Apartments	LIHTC	Family	Washington	2019	72	7	5.0 miles
City View Apartments	LIHTC	Family	Washington	2019	56	29	4.1 miles
Average Affordable					101	23	
Average Market					467	25	
Overall Average					162	23	

We obtained absorption data from 12 properties within 8.0 miles of the Subject in Arlington, Washington, and Suitland. These properties were completed over the 2019 to 2023 period. These properties reported absorption rates ranging from seven to 50 units per month, with an overall average of 23 units per month. Overall, we rely most on the data 555 E Street SW, as this property is the most recently built senior LIHTC development. Overall, we expect the Subject will experience an absorption rate of 20 units per month. This equates to an absorption period of approximately five to six 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

We were unable to speak with a representative at Virginia Housing, but we previously spoke with 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 regard to the availability of Housing Choice vouchers within the jurisdiction. According to Janell 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 the studio, one, and two-bedroom units are listed below.

PAYMENT STANDARDS	
Unit Type	Payment Standard
One-Bedroom	\$1,983
Two-Bedroom	\$2,249

Source: Virginia Housing, effective July 2023

The payment standards are above the Subject’s proposed gross LIHTC rents for the unsubsidized units at the 60 percent AMI level, indicating that voucher tenants in these units will not have to pay additional rent out of pocket. However, the payment standards are below the Subject’s proposed gross LIHTC rents for the units at the 80 percent AMI level, indicating that voucher tenants in these units will have to pay additional rent out of pocket.

Planning Discussion

To determine the amount of competitive new supply entering the market, 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 2021. According to our sources, there are multiple proposed, under construction, and recently completed developments within the PMA, illustrated in the following table.

LADREY APARTMENTS - 9 - ALEXANDRIA, VIRGINIA – MARKET STUDY

PLANNED DEVELOPMENT

Property Name	Rent Structure	Tenancy	Total Units	Competitive		LIHTC Allocation Year	Construction Status
				LIHTC/Affordable Units	Subsidized Units		
Ladrey Apartments - 4	LIHTC/HAP	Senior	154	62	92	N/A	Proposed
Samuel Madden Homes 4% and 9% Witter Place	LIHTC/PBRA	Family	207	0	0	2023	Proposed
Alexandria GMV 9A	LIHTC	Family	94	0	0	2023	Proposed
Oakwood South	LIHTC	Family	76	0	0	2022	Proposed
Alate Old Town	LIHTC	Senior	71	63	8	2021	Under Construction
Arlandria	Market	Family	133	0	0	N/A	Under Construction
Aventon Huntington Station	Market	Family	110	0	0	N/A	Proposed
Potomac Yard Block 15	Market	Family	366	0	0	N/A	Under Construction
Potomac Yard Block 20	Market	Family	172	0	0	N/A	Proposed
Braddock West	Market	Family	216	0	0	N/A	Proposed
CityHouse Old Town	Market	Family	177	0	0	N/A	Proposed
Columbus Street	Market	Family	210	0	0	N/A	Proposed
Meridian 2250 at Eisenhower Station	Market	Family	73	0	0	N/A	Under Construction
Montgomery Center	Market	Family	443	0	0	N/A	Under Construction
North Potomac Yard	Market	Family	327	0	0	N/A	Proposed
Oakville Triangle	Market	Family	240	0	0	N/A	Proposed
Parc View Apartments II	Market	Family	572	0	0	N/A	Under Construction
Riverside Apartments II	Market	Family	373	0	0	N/A	Proposed
2712 Duke St	Market	Family	550	0	0	N/A	Proposed
1033 N Fairfax St	Affordable Market	Family	93	0	0	N/A	Proposed
1055 N Fairfax St	Market	Family	77	0	0	N/A	Proposed
701 N Henry St	Affordable Market	Family	94	0	0	N/A	Under Construction
5360 Holmes Run Pky	Market	Family	236	0	0	N/A	Proposed
Mount Vernon Ave	Market	Family	420	0	0	N/A	Under Construction
2525 Mount Vernon Ave	Market	Family	78	0	0	N/A	Proposed
1201 E Abingdon Dr	Market	Family	136	0	0	N/A	Proposed
5001 Eisenhower Ave	Market	Family	400	0	0	N/A	Proposed
301 N Fairfax St	Market	Family	48	0	0	N/A	Proposed
3700 Mount Vernon Ave	Affordable Market	Family	375	0	0	N/A	Proposed
901 N Pitt St	Market	Family	250	0	0	N/A	Proposed
501 Slaters Ln	Market	Family	2000	0	0	N/A	Proposed
Totals			8,848	125	100		

Source: Virginia Housing and CoStar, February 2023

Following is a discussion of the proposed and under construction properties with an affordable component.

- Ladrey Apartments – 4 will be a phase of the Subject’s larger overall development that will consist of 154 units targeting seniors ages 55 and older. The developer plans to submit an application for four percent tax credits for this phase of the Subject’s larger overall development. This development will be located adjacent to the Subject on the same site. Upon completion this phase will offer 154 units targeting seniors (55+) earning 30, 60, and 80 percent of the AMI, or less and will be housed in the same building as the Subject. Of the total units, this phase will offer 92 units with subsidy, where the tenants will pay 30 percent of their income towards rent. As this phase of the Subject’s larger overall development will target the same tenancy as the Subject it will be considered directly competitive with the Subject. As such, we have deducted all 154 units in our demand analysis although this development has not received a LIHTC allocation.
- The Samuel Madden Homes is an existing public housing development in the far northern portion of Old Town. A redevelopment of this property is in the planning stages. The first phase will consist of 207 units, which was recently awarded a tax credit allocation. The units in this phase will be restricted at the 30, 50, 60, and 80 percent AMI levels, with the units at 30 percent having project-based subsidy. Construction is scheduled to begin in 2024 with completion anticipated for 2026. The entire project will consist of approximately 530 units. As this development will target a family tenancy it will not be considered directly competitive with the Subject. As such, we have not deducted any units in our demand analysis.
- Witter Place will be developed on the site of the existing Beyer Land Rover dealership at 2712 Duke Street. Upon completion, the property will offer a five-story midrise design and target family households between 40 and 60 percent AMI. As this development will target a family tenancy it will not be considered directly competitive with the Subject. As such, we have not deducted any units in our demand analysis.
- No details on the Alexandria GMV 9A project were available, although this proposed property will be located at 221 West Glebe Road in the Arlandria neighborhood in the far northern portion of the city.

As this development will target a family tenancy it will not be considered directly competitive with the Subject. As such, we have not deducted any units in our demand analysis.

- Oakwood South was allocated in 2021 for the development of 71 units targeting seniors. This development will be located 5.2 miles from the Subject. Upon completion this development will offer 71 one and two-bedroom units targeting seniors earning 30, 50, and 60 percent of the AMI, or less. Of the total units, this development will offer eight units with subsidy, where the tenants will pay 30 percent of their income towards rent. As this development will target the same tenancy as the Subject it will be considered directly competitive with the Subject. As such, we have deducted all 71 units in our demand analysis.
- 1033 N Fairfax Street will consist of the conversion of three vacant office buildings in Old Town North into residential and mixed-use buildings. The project is a proposed to construct 234-unit affordable/market development. According to Alexandria Living Magazine approximately 30 units will be affordable. As this development will target a family tenancy it will not be considered directly competitive with the Subject. As such, we have not deducted any units in our demand analysis.
- 701 N Henry St is a proposed 94-unit affordable/market development. Upon completion, the property will offer a four-story midrise design and target family households. At least seven of the units will be designated as affordable housing. The residences could be rentals or condominiums. As this development will target a family tenancy it will not be considered directly competitive with the Subject. As such, we have not deducted any units in our demand analysis.
- 3700 Mount Vernon Avenue is a proposed 375-unit affordable/market development located in the Arlandria neighborhood. All of its units would be priced for residents who are at or below 80 percent AMI. At least 25 percent of units will be available at 40 percent AMI. Upon completion, the property will offer a ten-story midrise design and target family households. Since none of its planned units are known to have subsidy, they are not directly competitive with the Subject as proposed.

There are 225 competitive units in LIHTC properties that received a tax credit allocation and the proposed four percent component that is a phase of the Subject’s larger overall development. Of these properties, the four percent phase of the Subject’s larger overall development will have 154 units that will be directly competitive with the Subject’s restricted units. Finally, none of the market rate units proposed or under construction will be competitive with the proposed Subject.

Recent LIHTC Allocations

The table below lists LIHTC allocations awarded in the Subject’s PMA since 2021.

RECENT LIHTC ALLOCATIONS IN PMA						
Property Name	Year Allocated	Rent Structure	Tenancy	Total Units	Competitive LIHTC Units	Competitive Subsidized Units
Ladrey Apartments (4% component)	N/A	LIHTC/HAP	Senior	154	62	92
Samuel Madden Homes 4% and 9%	2023	LIHTC/PBRA	Family	207	0	0
Witter Place	2023	LIHTC	Family	94	0	0
Alexandria GMV 9A	2022	LIHTC	Family	76	0	0
Oakwood South	2021	LIHTC	Senior	71	63	8
				602	125	100

Source: Virginia Housing and CoStar, February 2024

As detailed above, only four developments totaling 448 units have received tax credit allocation in the PMA since 2021. Additionally, we have included the proposed four percent component of the Subject’ larger overall development that has not been allocated but will consist of 154 units targeting seniors (55+). A detailed description of these projects was previously presented.

K. ANALYSIS/CONCLUSIONS

Recommendations

In general, we believe there is demand in the marketplace for the Subject as proposed. We recommend no changes for the Subject property.

Demand Summary

We believe there is adequate demand for the Subject as proposed and absent subsidy, especially given the high occupancy rates among the majority 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 - LIHTC Units	5.4%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	5.4%
Project Wide Absorption Period (Months)	6 months

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

Project Wide Capture Rate - LIHTC Units	5.7%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	5.7%
Project Wide Absorption Period (Months)	6 months

These capture rates are low. We believe there is sufficient demand for the Subject based on the high occupancy rates among the majority of the LIHTC comparables.

Strengths

- The Subject will offer excellent condition as a new construction development, similar to superior to the comparable properties.
- The Subject will offer a highrise, elevator-serviced design, similar to slightly superior to the comparables.
- The Subject will offer garage parking for no additional fees, similar to slightly superior to the comparables.
- The Subject’s proximity to local transportation. The closest bus stop to the Subject is located adjacent east, at the intersection of North Fairfax Street and Pendleton Street. Additionally, the nearest Metro rail station is the Braddock Road Metro Station, located 0.7 miles to the west.
- The Subject’s proposed two-bedroom unit size is larger than the surveyed average.
- Three of the comparable LIHTC properties reported achieving maximum allowable rents.
- There is ample demand for affordable housing as evidenced by low capture rates and low vacancy rates, at the majority of the comparable properties.

Weaknesses

- The Subject’s one-bedroom unit sizes are small relative to the average unit sizes in the market. However, the Subject is a proposed senior development, which oftentimes feature smaller units than

family developments. The Subject’s units are significantly larger than the two surveyed senior comparables. Therefore, we anticipate that the Subject’s unit sizes will be well accepted in the market.

Absorption Estimate

The following table details the absorption paces of recently completed properties in the Alexandria region.

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Arlington View Terrace East	LIHTC	Family	Arlington	2023	77	11	3.8 miles
The Bridge	LIHTC	Family	Washington	2022	112	15	4.4 miles
MDL Flats	LIHTC	Family	Washington	2021	76	50	4.4 miles
The Apex	LIHTC	Family	Arlington	2020	256	21	2.7 miles
555 E Street SW	LIHTC	Senior	Washington	2020	58	20	5.1 miles
Riverpoint	Market	Family	Washington	2020	480	25	4.0 miles
Watermark At Buzzard Point	Market	Family	Washington	2020	453	25	4.2 miles
Eleven 64	LIHTC	Senior	Washington	2019	65	16	7.3 miles
The Belnor Senior Residences	LIHTC	Senior	Suitland	2019	122	31	5.8 miles
Maple View Flats	LIHTC	Family	Washington	2019	114	29	4.5 miles
Ainger Place Apartments	LIHTC	Family	Washington	2019	72	7	5.0 miles
City View Apartments	LIHTC	Family	Washington	2019	56	29	4.1 miles
Average Affordable					101	23	
Average Market					467	25	
Overall Average					162	23	

We obtained absorption data from 12 properties within 8.0 miles of the Subject in Arlington, Washington, and Suitland. These properties were completed over the 2019 to 2023 period. These properties reported absorption rates ranging from seven to 50 units per month, with an overall average of 23 units per month. Overall, we rely most on the data 555 E Street SW, as this property is the most recently built senior LIHTC development. Overall, we expect the Subject will experience an absorption rate of 20 units per month. This equates to an absorption period of approximately five to six months.

Conclusions

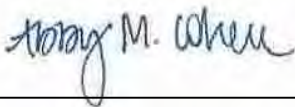
The Subject will be well-positioned in the market. As a newly constructed, the Subject will be in similar to superior condition relative to the majority of the comparable properties. The market exhibits strong demand for affordable housing, with a weighted average vacancy rate of 6.4 percent at the comparable LIHTC properties. Given the Subject’s superior condition upon completion we believe the Subject’s LIHTC rents should be priced at the maximum allowable levels in an absent subsidy scenario. Our achievable LIHTC rents are priced similar to above the comparables, and slightly above the proposed rents. We believe the Subject will be well-accepted in the market as a newly constructed LIHTC/HAP 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.

Novogradac,



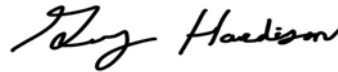
Abby M. Cohen
Partner
Abby.Cohen@novoco.com
240-235-1705



Lauren Lex
Manager
Lauren.Lex@novoco.com



Caroline McGimsey
Analyst
Caroline.McGimsey@novoco.com



Greg Hardison
Junior Analyst
Greg.Hardison@novoco.com

February 28, 2024
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

SUBJECT PHOTOS



Existing multifamily development on Subject site (to be razed)



Existing multifamily development on Subject site (to be razed)



Existing multifamily development on Subject site (to be razed)



Existing multifamily development on Subject site (to be razed)



Office building on Subject site (to be razed)



Office building on Subject site (to be razed)



View east along Wythe Street



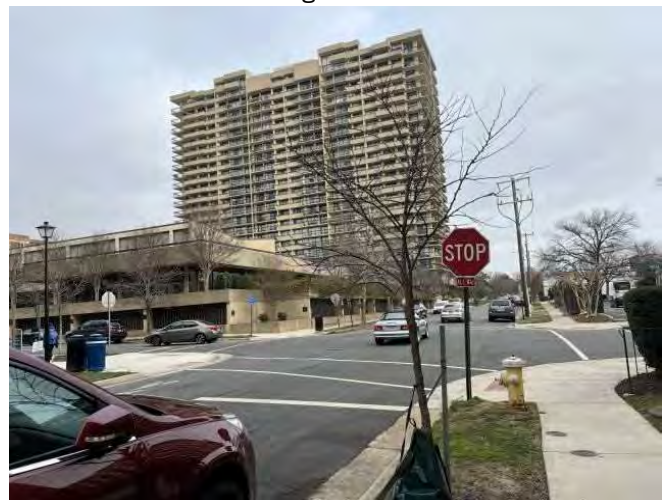
View west along Wythe Street



View north along North Fairfax Street



View south along North Fairfax Street



View north along North Royal Street



View south along North Royal Street



View east along Pendleton Street



View west along Pendleton Street



Office building north of the Subject site



Alexandria Redevelopment and Housing Authority north of the Subject site



Annie B. Rose House (excluded) south of the Subject site



Townhomes (owner-occupied) south of the Subject site



Owner-occupied condominiums east of the Subject site



Oronoco Bay Park east of the Subject site



Alexan Florence (included) west of the Subject site



Office building west of the Subject site

ADDENDUM C
Subject Matrices and Property Profile

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	Ladrey Apartments - 9 300 Wythe St & 600 N Fairfax St Alexandria, VA 22314 Alexandria County		Highrise 6-stories 2028 / n/a Senior	@30% (HAP), @60%, @80%	1BR / 1BA	73	62.9%	664	@30% (HAP)	\$2,487	N/A	N/A	N/A	N/A
					1BR / 1BA	6	5.2%	664	@60%	\$1,453	No	N/A	N/A	N/A
					1BR / 1BA	32	27.6%	664	@80%	\$1,962	No	N/A	N/A	N/A
					2BR / 2BA	5	4.3%	1,070	@30% (HAP)	\$2,801	N/A	N/A	N/A	N/A
						<u>116</u>								
1	Arbelo Apartments 831 - 833 Bashford Lane Alexandria, VA 22314 Fairfax County	0.6 miles	Garden 4-stories 1954 / 2014 Family	@60%	0BR / 1BA	8	23.5%	355	@60%	\$1,444	Yes	No	0	0.0%
					1BR / 1BA	6	17.7%	893	@60%	\$1,542	Yes	No	0	0.0%
					2BR / 1BA	20	58.8%	897	@60%	\$1,759	Yes	No	1	5.0%
					<u>34</u>							1	2.9%	
2	Gum Springs Glen 7837 Richmond Highway Alexandria, VA 22306 Fairfax County	5.1 miles	Lowrise 2-stories 2003 / n/a Senior	@50%	1BR / 1BA	56	93.3%	538	@50%	\$1,050	Yes	Yes	N/A	N/A
					2BR / 1BA	4	6.7%	723	@50%	\$1,227	Yes	Yes	N/A	N/A
					<u>60</u>								1	1.7%
3	Manchester Lakes 7131 Silver Lake Boulevard Alexandria, VA 22315 Fairfax County	6.9 miles	Midrise 4-stories 2000 / 2002 Senior	@50%, @60%	1BR / 1BA	20	7.9%	564	@50%	\$1,329	No	No	0	0.0%
					1BR / 1BA	83	32.9%	564	@60%	\$1,431	No	No	13	15.7%
					2BR / 1BA	96	38.1%	803	@50%	\$1,551	No	No	12	12.5%
					2BR / 1BA	53	21.0%	803	@60%	\$1,651	No	No	12	22.6%
					<u>252</u>							37	14.7%	
4	Station 650 Apartments 650 Potomac Ave Alexandria, VA 22301 Alexandria County	0.9 miles	Midrise 5-stories 2015 / n/a Family	@60%, Market	1BR / 1BA	N/A	N/A	777	Market	\$2,192	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	854	Market	\$2,344	N/A	No	0	N/A
					1BR / 1BA	N/A	N/A	700	Market	\$2,203	N/A	No	0	N/A
					2BR / 2BA	5	2.7%	1,095	@60%	\$1,709	No	No	0	0.0%
					2BR / 2BA	N/A	N/A	1,095	Market	\$3,059	N/A	No	0	N/A
					2BR / 2BA	N/A	N/A	1,247	Market	\$3,084	N/A	No	0	N/A
					2BR / 2BA	N/A	N/A	942	Market	\$2,521	N/A	No	0	N/A
3BR / 2BA	3	1.6%	1,198	@60%	\$2,068	No	No	0	0.0%					
3BR / 3BA	N/A	N/A	1,198	Market	\$3,499	N/A	No	0	N/A					
					<u>183</u>							1	0.5%	
5	The Bloom At Braddock Apartments 900 N Henry Street Alexandria, VA 22314 County	0.5 miles	Highrise 7-stories 2021 / n/a Family	@30%, @40%, @50%, @60%	0BR / 1BA	N/A	N/A	381	@30%	\$780	Yes	No	0	N/A
					0BR / 1BA	N/A	N/A	386	@40%	\$890	Yes	No	0	N/A
					1BR / 1BA	N/A	N/A	588	@50%	\$1,374	Yes	No	0	N/A
					1BR / 1BA	N/A	N/A	834	@50%	\$1,374	Yes	No	0	N/A
					2BR / 2BA	N/A	N/A	808	@50%	\$1,634	Yes	No	0	N/A
					2BR / 2BA	N/A	N/A	1,215	@60%	\$1,954	Yes	No	0	N/A
					3BR / 2BA	N/A	N/A	1,042	@50%	\$1,907	Yes	No	0	N/A
3BR / 2BA	N/A	N/A	1,428	@60%	\$2,277	Yes	No	0	N/A					
					<u>96</u>							0	0.0%	
6	1111 Belle Pre Apartments 1111 Belle Pre Way Alexandria, VA 22314 County	0.5 miles	Midrise 7-stories 2013 / n/a Family	Market	1BR / 1BA	180	60.0%	741	Market	\$2,302	N/A	No	3	1.7%
					1BR / 1BA	N/A	N/A	886	Market	\$2,440	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	596	Market	\$2,170	N/A	No	N/A	N/A
					2BR / 2BA	120	40.0%	1,143	Market	\$3,165	N/A	No	1	0.8%
					2BR / 2BA	N/A	N/A	1,279	Market	\$3,311	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,006	Market	\$3,019	N/A	No	N/A	N/A
					<u>300</u>							4	1.3%	
7	Alexan Florence 400 Wythe Street Alexandria, VA 22314 County	0.2 miles	Midrise 6-stories 2021 / n/a Family	Market	0BR / 1BA	22	7.7%	501	Market	\$2,429	N/A	No	0	0.0%
					1BR / 1BA	189	66.1%	757	Market	\$3,299	N/A	No	1	0.5%
					1BR / 1BA	N/A	N/A	869	Market	\$3,596	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	706	Market	\$3,002	N/A	No	N/A	N/A
					2BR / 1BA	4	1.4%	895	Market	-	N/A	No	0	0.0%
					2BR / 2BA	71	24.8%	1,066	Market	\$4,563	N/A	No	1	1.4%
2BR / 2BA	N/A	N/A	1,175	Market	\$5,160	N/A	No	N/A	N/A					
2BR / 2BA	N/A	N/A	954	Market	\$3,985	N/A	No	N/A	N/A					
					<u>286</u>							2	0.7%	
8	Gables Old Town North 525 Montgomery St Alexandria, VA 22314 Alexandria County	0.2 miles	Midrise 6-stories 2019 / n/a Family	Market	0BR / 1BA	N/A	N/A	579	Market	\$2,290	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	719	Market	\$3,151	N/A	No	2	N/A
					2BR / 2BA	N/A	N/A	1,268	Market	\$4,263	N/A	No	0	N/A
					<u>232</u>							3	1.3%	
9	Platform Alexandria 1100 N Fayette Street Alexandria, VA 22314 Alexandria County	0.7 miles	Midrise 8-stories 2021 / n/a Family	Market	0BR / 1BA	N/A	N/A	491	Market	\$2,218	N/A	N/A	0	N/A
					0BR / 1BA	N/A	N/A	491	Market	\$2,133	N/A	No	0	N/A
					0BR / 1BA	51	8.1%	438	Market	\$2,018	N/A	No	0	0.0%
					1BR / 1BA	N/A	N/A	838	Market	\$2,369	N/A	No	0	N/A
					1BR / 1BA	384	61.2%	522	Market	\$2,329	N/A	No	4	1.0%
					2BR / 1BA	13	2.1%	714	Market	\$3,323	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,216	Market	\$3,988	N/A	No	0	N/A
2BR / 2BA	141	22.5%	839	Market	\$2,873	N/A	No	5	3.6%					
3BR / 2BA	N/A	N/A	1,346	Market	\$4,249	N/A	No	2	N/A					
					<u>628</u>							12	1.9%	
10	The Asher 620 N Fayette Street Alexandria, VA 22314 Alexandria County	0.5 miles	Midrise 6-stories 2012 / N/A Family	Market	0BR / 1BA	N/A	N/A	500	Market	\$2,093	N/A	No	N/A	N/A
					0BR / 1BA	N/A	N/A	531	Market	\$2,124	N/A	No	N/A	N/A
					0BR / 1BA	N/A	N/A	468	Market	\$2,061	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	731	Market	\$2,485	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	752	Market	\$2,611	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	710	Market	\$2,358	N/A	No	N/A	N/A
					1BR / 2BA	N/A	N/A	937	Market	\$3,251	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,023	Market	\$3,369	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,023	Market	\$3,208	N/A	No	N/A	N/A
2BR / 2BA	N/A	N/A	1,077	Market	\$3,408	N/A	No	N/A	N/A					
2BR / 2BA	N/A	N/A	968	Market	\$2,996	N/A	No	N/A	N/A					
					<u>206</u>							6	2.9%	

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

		Units Surveyed:	2,277	Weighted Occupancy:	97.1%
		Market Rate	1,652	Market Rate	98.4%
		Tax Credit	625	Tax Credit	93.6%
One Bedroom One Bath			Two Bedroom Two Bath		
	Property	Average	Property	Average	
RENT	Alexan Florence (Market)	\$3,596	Alexan Florence (Market)	\$5,160	
	Alexan Florence (Market)	\$3,299	Alexan Florence (Market)	\$4,563	
	The Asher (Market)(2BA)	\$3,251	Gables Old Town North (Market)	\$4,263	
	Gables Old Town North (Market)	\$3,151	Platform Alexandria (Market)	\$3,988	
	Alexan Florence (Market)	\$3,002	Alexan Florence (Market)	\$3,985	
	The Asher (Market)	\$2,611	The Asher (Market)	\$3,408	
	Ladrey Apartments - 9 (@30%)	\$2,487	The Asher (Market)	\$3,369	
	The Asher (Market)	\$2,485	Platform Alexandria (Market)(1BA)	\$3,323	
	1111 Belle Pre Apartments (Market)	\$2,440	1111 Belle Pre Apartments (Market)	\$3,311	
	Platform Alexandria (Market)	\$2,369	The Asher (Market)	\$3,208	
	The Asher (Market)	\$2,358	1111 Belle Pre Apartments (Market)	\$3,165	
	Platform Alexandria (Market)	\$2,329	Station 650 Apartments (Market)	\$3,059	
	1111 Belle Pre Apartments (Market)	\$2,302	1111 Belle Pre Apartments (Market)	\$3,019	
	Station 650 Apartments (Market)	\$2,192	The Asher (Market)	\$2,996	
	1111 Belle Pre Apartments (Market)	\$2,170	Platform Alexandria (Market)	\$2,873	
	Ladrey Apartments - 9 (@80%)	\$1,962	Ladrey Apartments - 9 (@30%)	\$2,801	
	Arbelo Apartments (@60%)	\$1,542	The Bloom At Braddock Apartments (@60%)	\$1,954	
	Ladrey Apartments - 9 (@60%)	\$1,453	Arbelo Apartments (@60%)(1BA)	\$1,759	
	Manchester Lakes (@60%)	\$1,431	Station 650 Apartments (@60%)	\$1,709	
	The Bloom At Braddock Apartments (@50%)	\$1,374	Manchester Lakes (@60%)(1BA)	\$1,651	
The Bloom At Braddock Apartments (@50%)	\$1,374	The Bloom At Braddock Apartments (@50%)	\$1,634		
Manchester Lakes (@50%)	\$1,329	Manchester Lakes (@50%)(1BA)	\$1,551		
Gum Springs Glen (@50%)	\$1,050	Gum Springs Glen (@50%)(1BA)	\$1,227		
SQUARE FOOTAGE	The Asher (Market)(2BA)	937	1111 Belle Pre Apartments (Market)	1,279	
	Arbelo Apartments (@60%)	893	Gables Old Town North (Market)	1,268	
	1111 Belle Pre Apartments (Market)	886	Platform Alexandria (Market)	1,216	
	Alexan Florence (Market)	869	The Bloom At Braddock Apartments (@60%)	1,215	
	Platform Alexandria (Market)	838	Alexan Florence (Market)	1,175	
	The Bloom At Braddock Apartments (@50%)	834	1111 Belle Pre Apartments (Market)	1,143	
	Station 650 Apartments (Market)	777	Station 650 Apartments (@60%)	1,095	
	Alexan Florence (Market)	757	Station 650 Apartments (Market)	1,095	
	The Asher (Market)	752	The Asher (Market)	1,077	
	1111 Belle Pre Apartments (Market)	741	Ladrey Apartments - 9 (@30%)	1,070	
	The Asher (Market)	731	Alexan Florence (Market)	1,066	
	Gables Old Town North (Market)	719	The Asher (Market)	1,023	
	The Asher (Market)	710	The Asher (Market)	1,023	
	Alexan Florence (Market)	706	1111 Belle Pre Apartments (Market)	1,006	
	Ladrey Apartments - 9 (@30%)	664	The Asher (Market)	968	
	Ladrey Apartments - 9 (@80%)	664	Alexan Florence (Market)	954	
	Ladrey Apartments - 9 (@60%)	664	Arbelo Apartments (@60%)(1BA)	897	
	1111 Belle Pre Apartments (Market)	596	Alexan Florence (Market)(1BA)	895	
	The Bloom At Braddock Apartments (@50%)	588	Platform Alexandria (Market)	839	
	Manchester Lakes (@50%)	564	The Bloom At Braddock Apartments (@50%)	808	
Manchester Lakes (@60%)	564	Manchester Lakes (@60%)(1BA)	803		
Gum Springs Glen (@50%)	538	Manchester Lakes (@50%)(1BA)	803		
Platform Alexandria (Market)	522	Gum Springs Glen (@50%)(1BA)	723		
		Platform Alexandria (Market)(1BA)	714		
RENT PER SQUARE FOOT	Platform Alexandria (Market)	\$4.46	Platform Alexandria (Market)(1BA)	\$4.65	
	Gables Old Town North (Market)	\$4.38	Alexan Florence (Market)	\$4.39	
	Alexan Florence (Market)	\$4.36	Alexan Florence (Market)	\$4.28	
	Alexan Florence (Market)	\$4.25	Alexan Florence (Market)	\$4.18	
	Alexan Florence (Market)	\$4.14	Platform Alexandria (Market)	\$3.42	
	Ladrey Apartments - 9 (@30%)	\$3.75	Gables Old Town North (Market)	\$3.36	
	1111 Belle Pre Apartments (Market)	\$3.64	The Asher (Market)	\$3.29	
	The Asher (Market)	\$3.47	Platform Alexandria (Market)	\$3.28	
	The Asher (Market)(2BA)	\$3.47	The Asher (Market)	\$3.16	
	The Asher (Market)	\$3.40	The Asher (Market)	\$3.14	
	The Asher (Market)	\$3.32	The Asher (Market)	\$3.10	
	1111 Belle Pre Apartments (Market)	\$3.11	1111 Belle Pre Apartments (Market)	\$3.00	
	Ladrey Apartments - 9 (@80%)	\$2.95	Station 650 Apartments (Market)	\$2.79	
	Platform Alexandria (Market)	\$2.83	1111 Belle Pre Apartments (Market)	\$2.77	
	Station 650 Apartments (Market)	\$2.82	Ladrey Apartments - 9 (@30%)	\$2.62	
	1111 Belle Pre Apartments (Market)	\$2.75	1111 Belle Pre Apartments (Market)	\$2.59	
	Manchester Lakes (@60%)	\$2.54	Manchester Lakes (@60%)(1BA)	\$2.06	
	Manchester Lakes (@50%)	\$2.36	The Bloom At Braddock Apartments (@50%)	\$2.02	
	The Bloom At Braddock Apartments (@50%)	\$2.34	Arbelo Apartments (@60%)(1BA)	\$1.96	
	Ladrey Apartments - 9 (@60%)	\$2.19	Manchester Lakes (@50%)(1BA)	\$1.93	
Gum Springs Glen (@50%)	\$1.95	Gum Springs Glen (@50%)(1BA)	\$1.70		
Arbelo Apartments (@60%)	\$1.73	The Bloom At Braddock Apartments (@60%)	\$1.61		
The Bloom At Braddock Apartments (@50%)	\$1.65	Station 650 Apartments (@60%)	\$1.56		

AMENITY MATRIX

	Subject	Arbelo Apartments	Gum Springs Glen	Manchester Lakes	Station 650 Apartments	The Bloom At Braddock Apartments	1111 Belle Pre Apartments	Alexan Florence	Gables Old Town North	Platform Alexandria	The Asher
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC/Market	LIHTC	Market	Market	Market	Market	Market
Tenancy	Senior	Family	Senior	Senior	Family	Family	Family	Family	Family	Family	Family
Building											
Property Type	Highrise	Garden	Lowrise	Midrise	Midrise	Highrise	Midrise	Midrise	Midrise	Midrise	Midrise
# of Stories	6-stories	4-stories	2-stories	4-stories	5-stories	7-stories	7-stories	6-stories	6-stories	8-stories	6-stories
Year Built	2028	1954	2003	2000	2015	2021	2013	2021	2019	2021	2012
Year Renovated	n/a	2014	n/a	2002	n/a	n/a	n/a	n/a	n/a	n/a	N/A
Commercial	no	no	no	no	no	no	no	no	yes	yes	no
Elevators	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Courtyard	yes	no	yes	yes	no	no	yes	no	yes	yes	no
Utility Structure											
Cooking	no	no	yes	no	no	no	no	no	no	no	no
Water Heat	no	no	yes	yes	no	no	no	no	no	no	no
Heat	no	no	yes	yes	no	no	no	no	no	no	no
Other Electric	no	no	yes	no	no	no	no	no	no	no	no
Water	yes	yes	yes	yes	no	no	no	no	no	no	no
Sewer	yes	yes	yes	yes	no	no	no	no	no	no	no
Trash	yes	yes	yes	yes	yes	no	no	no	no	no	yes
Accessibility											
Hand Rails	no	no	yes	yes	no	no	no	no	no	no	no
Unit Amenities											
Balcony/Patio	no	no	yes	yes	yes	yes	no	yes	no	no	no
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite	no	no	no	no	yes	no	no	no	no	no	no
Carpeting	yes	no	yes	yes	yes	no	no	yes	no	no	no
Hardwood	no	yes	no	no	no	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	no	no	no	no	no	yes	no	no	yes	no	yes
Coat Closet	no	yes	no	yes	no	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	yes	yes	no	no	no	yes	yes	yes
Fireplace	no	no	no	no	yes	no	no	no	no	no	no
Vaulted Ceilings	no	no	no	no	no	no	yes	no	no	no	no
Walk-In Closet	no	no	no	yes	yes	no	no	no	yes	yes	yes
Washer/Dryer	yes	no	no	no	yes	no	yes	yes	yes	yes	yes
W/D Hookup	yes	no	no	no	yes	no	yes	yes	yes	yes	yes
Kitchen											
Dishwasher	no	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	no	yes	no	yes	yes	no	yes	yes	yes
Microwave	yes	no	yes	no	yes	yes	yes	yes	yes	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community											
Business Center	yes	no	no	no	no	yes	yes	yes	yes	yes	yes
Community Room	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central Laundry	no	yes	yes	yes	no	yes	no	no	no	no	no
On-Site Mgmt	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Concierge	no	no	no	no	no	no	yes	yes	yes	yes	no
Recreation											
Exercise Facility	yes	no	no	yes	yes	no	yes	yes	yes	yes	yes
Playground	no	no	no	no	no	yes	no	no	no	no	no
Swimming Pool	no	no	no	no	no	no	yes	yes	yes	yes	no
Picnic Area	yes	no	no	yes	yes	no	yes	yes	yes	yes	yes
Theatre	no	no	no	no	no	no	yes	no	yes	no	yes
Recreational Area	yes	no	no	yes	no	no	no	yes	no	no	no
WiFi	yes	no	no	no	yes	no	yes	no	yes	yes	no
Hairdresser/Barber	no	no	no	yes	no	no	no	no	no	no	no
Security											
In-Unit Alarm	no	no	no	no	no	no	yes	no	no	no	no
Intercom (Buzzer)	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Intercom (Phone)	no	no	no	yes	no	no	no	no	no	no	no
Limited Access	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Perimeter Fencing	yes	no	yes	no	no	no	no	no	no	no	no
Video Surveillance	yes	no	no	yes	no	no	no	yes	no	yes	no
Parking											
Carport	no	no	no	yes	no	no	no	no	no	no	no
Carport Fee	n/a	n/a	n/a	\$35	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Garage	yes	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Garage Fee	n/a	n/a	n/a	\$60	\$0	\$0	\$75	\$150	\$100	\$125	\$75
Off-Street Parking	no	yes	yes	yes	yes	yes	no	yes	no	no	no
Off-Street Fee	n/a	\$0	\$0	\$0	\$0	\$0	n/a	\$0	n/a	n/a	n/a

Comments

The contact stated that the vacant two-bedroom unit has been pre-leased off of the waiting list.

Arbelo Apartments, continued

Trend Report

Vacancy Rates

4Q16	4Q17	1Q23	1Q24
2.9%	5.9%	14.7%	2.9%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$1,185	\$0	\$1,185	\$1,185
2017	4	0.0%	\$1,197	\$0	\$1,197	\$1,197
2023	1	16.7%	\$1,542	\$0	\$1,542	\$1,542
2024	1	0.0%	\$1,542	\$0	\$1,542	\$1,542

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$1,418	\$0	\$1,418	\$1,418
2017	4	5.0%	\$1,418	\$0	\$1,418	\$1,418
2023	1	15.0%	\$1,759	\$0	\$1,759	\$1,759
2024	1	5.0%	\$1,759	\$0	\$1,759	\$1,759

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	12.5%	\$1,108	\$0	\$1,108	\$1,108
2017	4	0.0%	\$1,118	\$0	\$1,118	\$1,118
2023	1	12.5%	\$1,444	\$0	\$1,444	\$1,444
2024	1	0.0%	\$1,444	\$0	\$1,444	\$1,444

Trend: Comments

4Q16	According to the contact, there are 25 off-street parking spaces, at no additional charge, which equates to a ratio of 0.7 spaces per unit at the property. The contact stated that the current studio vacancy is pre-leased. The contact indicated that there is strong demand in the area for affordable housing.
4Q17	The contact stated that there are 60% and 80% units at the property, but could not comment on the number of units at each level. The contact also stated that there is an extensive waiting list for studio and one bedrooms.
1Q23	The contact stated that there are 60%, but could not comment on the number of units at each level. The contact also stated that there is an extensive waiting list for studio and one bedrooms.
1Q24	The contact stated that the vacant two-bedroom unit has been pre-leased off of the waiting list.

Photos



PROPERTY PROFILE REPORT

Gum Springs Glen

Effective Rent Date	2/16/2024
Location	7837 Richmond Highway Alexandria, VA 22306 Fairfax County
Distance	5.1 miles
Units	60
Vacant Units	1
Vacancy Rate	1.7%
Type	Lowrise (age-restricted) (2 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Seniors 62+
Contact Name	Michelle
Phone	703-780-9072



Market Information

Program	@50%
Annual Turnover Rate	5%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased to 2023 max
Concession	None
Waiting List	Yes, 12 months in length

Utilities

A/C	included -- central
Cooking	included -- gas
Water Heat	included -- electric
Heat	included -- electric
Other Electric	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	Lowrise (2 stories)	56	538	\$1,130	\$0	@50%	Yes	N/A	N/A	yes	None
2	1	Lowrise (2 stories)	4	723	\$1,333	\$0	@50%	Yes	N/A	N/A	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,130	\$0	\$1,130	-\$80	\$1,050
2BR / 1BA	\$1,333	\$0	\$1,333	-\$106	\$1,227

Amenities

In-Unit	Security	Services
Balcony/Patio	Intercom (Buzzer)	None
Carpeting	Limited Access	
Hand Rails	Perimeter Fencing	
Oven		
Property	Premium	Other
Clubhouse/Meeting Room/Community	None	None
Elevators		
Off-Street Parking		

Comments

Housing Choice Vouchers are accepted and four to six tenants are currently utilizing them. The one vacancy is already pre-leased and the turnover rate was reported as being very low. The contact reported the rents are at the 2023 maximum allowable levels.

Gum Springs Glen, continued

Trend Report

Vacancy Rates

4Q17	3Q20	4Q21	1Q24
0.0%	0.0%	0.0%	1.7%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	\$1,006	\$0	\$1,006	\$926
2020	3	0.0%	\$1,056	\$0	\$1,056	\$976
2021	4	0.0%	\$1,076	\$0	\$1,076	\$996
2024	1	N/A	\$1,130	\$0	\$1,130	\$1,050

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	\$1,242	\$0	\$1,242	\$1,136
2020	3	0.0%	\$1,298	\$0	\$1,298	\$1,192
2021	4	0.0%	\$1,296	\$0	\$1,296	\$1,190
2024	1	N/A	\$1,333	\$0	\$1,333	\$1,227

Trend: Comments

4Q17	The contact reported that demand for senior housing in the area is extremely high and noted their property is small but could easily fill units if the property were larger. The contact reported the waiting list is two years in length.
3Q20	N/A
4Q21	The contact was not sure if the property accepted housing choice vouchers or if any tenants are currently utilizing them.
1Q24	Housing Choice Vouchers are accepted and four to six tenants are currently utilizing them. The one vacancy is already pre-leased and the turnover rate was reported as being very low. The contact reported the rents are at the 2023 maximum allowable levels.

Photos



PROPERTY PROFILE REPORT

Manchester Lakes

Effective Rent Date	2/16/2024
Location	7131 Silver Lake Boulevard Alexandria, VA 22315 Fairfax County
Distance	6.9 miles
Units	252
Vacant Units	37
Vacancy Rate	14.7%
Type	Midrise (age-restricted) (4 stories)
Year Built/Renovated	2000 / 2002
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Forest Glen
Tenant Characteristics	Seniors 55+; 40 percent previous homeowners
Contact Name	Arrisa
Phone	703-921-5500



Market Information

Program	@50%, @60%
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	40%
Leasing Pace	Within two months
Annual Chg. in Rent	Increased 6 percent
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	included -- gas
Heat	included -- gas
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 (4 stories)	20	564	\$1,363	\$0	@50%	No	0	0.0%	no	None
1	1	Midrise (4 stories)	83	564	\$1,465	\$0	@60%	No	13	15.7%	no	None
2	1	Midrise (4 stories)	96	803	\$1,595	\$0	@50%	No	12	12.5%	no	None
2	1	Midrise (4 stories)	53	803	\$1,695	\$0	@60%	No	12	22.6%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,363	\$0	\$1,363	-\$34	\$1,329	1BR / 1BA	\$1,465	\$0	\$1,465	-\$34	\$1,431
2BR / 1BA	\$1,595	\$0	\$1,595	-\$44	\$1,551	2BR / 1BA	\$1,695	\$0	\$1,695	-\$44	\$1,651

Manchester Lakes, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Intercom (Phone)	
Coat Closet	Dishwasher	Limited Access	
Exterior Storage	Garbage Disposal	Video Surveillance	
Hand Rails	Oven		
Pull Cords	Refrigerator		
Walk-In Closet			
Property		Premium	Other
Carport(\$35.00)	Clubhouse/Meeting Room/Community	Hairdresser / Barber	None
Courtyard	Elevators		
Exercise Facility	Garage(\$60.00)		
Central Laundry	Off-Street Parking		
On-Site Management	Picnic Area		
Recreation Areas			

Comments

The contact stated the high vacancy rate was due to a current shortage of staff and it is taking longer than normal to get the vacant units ready. The contact stated 10 vacancies are pre-leased.

Trend Report

Vacancy Rates

4Q17	2Q18	3Q20	1Q24
0.8%	0.4%	3.2%	14.7%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	\$1,005	\$0	\$1,005	\$971
2018	2	0.0%	\$1,052	\$0	\$1,052	\$1,018
2020	3	0.0%	\$1,103	\$0	\$1,103	\$1,069
2024	1	0.0%	\$1,363	\$0	\$1,363	\$1,329

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	\$1,200	\$0	\$1,200	\$1,156
2018	2	0.0%	\$1,268	\$0	\$1,268	\$1,224
2020	3	8.3%	\$1,299	\$0	\$1,299	\$1,255
2024	1	12.5%	\$1,595	\$0	\$1,595	\$1,551

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	1.2%	\$1,212	\$0	\$1,212	\$1,178
2018	2	0.0%	\$1,282	\$0	\$1,282	\$1,248
2020	3	0.0%	\$1,299	\$0	\$1,299	\$1,265
2024	1	15.7%	\$1,465	\$0	\$1,465	\$1,431

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	1.9%	\$1,448	\$0	\$1,448	\$1,404
2018	2	1.9%	\$1,532	\$0	\$1,532	\$1,488
2020	3	0.0%	\$1,499	\$0	\$1,499	\$1,455
2024	1	22.6%	\$1,695	\$0	\$1,695	\$1,651

Trend: Comments

- 4Q17 Carport and garage parking are available to tenants for an additional \$35 and \$60 per month, respectively. The contact indicated rents are slightly below the maximum allowable levels.
- 2Q18 The contact stated that there is higher demand for one-bedroom units than for two-bedroom units. The one vacant unit is pre-leased. The contact stated that management plans to increase rents by \$50 at the next lease renewal.
- 3Q20 The contact stated the elevated vacancy rate was due to COVID, as seniors are hesitant to tour the property during the pandemic.
- 1Q24 The contact stated the high vacancy rate was due to a current shortage of staff and it is taking longer than normal to get the vacant units ready. The contact stated 10 vacancies are pre-leased.

Photos



PROPERTY PROFILE REPORT

Station 650 Apartments

Effective Rent Date	2/19/2024
Location	650 Potomac Ave Alexandria, VA 22301 Alexandria County
Distance	0.9 miles
Units	183
Vacant Units	1
Vacancy Rate	0.5%
Type	Midrise (5 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	None identified
Contact Name	Star
Phone	571-305-5190



Market Information

Program	@60%, Market
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased 2%
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
1	1	Midrise (5 stories)	N/A	777	\$2,110	\$0	Market	No	1	N/A	N/A	AVG
1	1	Midrise (5 stories)	N/A	854	\$2,262	\$0	Market	No	0	N/A	N/A	HIGH
1	1	Midrise (5 stories)	N/A	700	\$2,121	\$0	Market	No	0	N/A	N/A	LOW
2	2	Midrise (5 stories)	5	1,095	\$1,588	\$0	@60%	No	0	0.0%	no	None
2	2	Midrise (5 stories)	N/A	1,095	\$2,938	\$0	Market	No	0	N/A	N/A	AVG
2	2	Midrise (5 stories)	N/A	1,247	\$2,963	\$0	Market	No	0	N/A	N/A	HIGH
2	2	Midrise (5 stories)	N/A	942	\$2,400	\$0	Market	No	0	N/A	N/A	LOW
3	2	Midrise (5 stories)	3	1,198	\$1,886	\$0	@60%	No	0	0.0%	no	None
3	3	Midrise (5 stories)	N/A	1,198	\$3,317	\$0	Market	No	0	N/A	N/A	AVG

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$1,588	\$0	\$1,588	\$121	\$1,709	1BR / 1BA	\$2,110 - \$2,262	\$0	\$2,110 - \$2,262	\$82	\$2,192 - \$2,344
3BR / 2BA	\$1,886	\$0	\$1,886	\$182	\$2,068	2BR / 2BA	\$2,400 - \$2,963	\$0	\$2,400 - \$2,963	\$121	\$2,521 - \$3,084
						3BR / 3BA	\$3,317	\$0	\$3,317	\$182	\$3,499

Station 650 Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Cable/Satellite/Internet	Carpeting	Limited Access	
Central A/C	Dishwasher		
Exterior Storage	Fireplace		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Elevators	None	None
Exercise Facility	Garage		
Off-Street Parking	On-Site Management		
Picnic Area	Wi-Fi		

Comments

The contact stated that they do accept housing choice vouchers but no tenants are currently utilizing them. The property has eight units currently set aside to participate through the City of Alexandria's ADU program to offer units restricted at 60% AMI. Contact was unable to confirm three bedroom rents, previous rents are reflected in the unit mix. The contact reported that the rents for the LIHTC units are set at the 2023 maximum allowable levels.

Station 650 Apartments, continued

Trend Report

Vacancy Rates

3Q20	4Q21	1Q23	1Q24
1.1%	2.2%	2.2%	0.5%

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	4	N/A	\$1,520	\$0	\$1,520	\$1,641
2023	1	N/A	\$1,520	\$0	\$1,520	\$1,641
2024	1	0.0%	\$1,588	\$0	\$1,588	\$1,709

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	4	N/A	\$1,750	\$0	\$1,750	\$1,932
2023	1	N/A	\$1,750	\$0	\$1,750	\$1,932
2024	1	0.0%	\$1,886	\$0	\$1,886	\$2,068

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	3	N/A	\$1,812 - \$2,230	\$0	\$1,812 - \$2,230	\$1,894 - \$2,312
2021	4	N/A	\$2,020 - \$2,200	\$0	\$2,020 - \$2,200	\$2,102 - \$2,282
2023	1	N/A	\$2,020 - \$2,200	\$0	\$2,020 - \$2,200	\$2,102 - \$2,282
2024	1	N/A	\$2,110 - \$2,262	\$0	\$2,110 - \$2,262	\$2,192 - \$2,344

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	3	N/A	\$2,543 - \$2,864	\$0	\$2,543 - \$2,864	\$2,664 - \$2,985
2021	4	N/A	\$2,400 - \$3,317	\$0	\$2,400 - \$3,317	\$2,521 - \$3,438
2023	1	N/A	\$2,400 - \$3,317	\$0	\$2,400 - \$3,317	\$2,521 - \$3,438
2024	1	N/A	\$2,400 - \$2,963	\$0	\$2,400 - \$2,963	\$2,521 - \$3,084

3BR / 3BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	4	N/A	\$3,317	\$0	\$3,317	\$3,499
2023	1	N/A	\$3,317	\$0	\$3,317	\$3,499
2024	1	N/A	\$3,317	\$0	\$3,317	\$3,499

Trend: Comments

3Q20	The contact was not able to provide a break down of unit types as well as the absorption rate.
4Q21	The contact stated that they do accept housing choice vouchers but no tenants are currently utilizing them. The contact did note that one applicant intended to use a voucher but the case worker discouraged it given the asking rents. The property has 8 units currently set aside to participate through the City of Alexandria's ADU program to offer units restricted at 60% AMI. Previously we did not have these units listed.
1Q23	The contact stated that they do accept housing choice vouchers but no tenants are currently utilizing them. The contact did note that one applicant intended to use a voucher but the case worker discouraged it given the asking rents. The property has eight units currently set aside to participate through the City of Alexandria's ADU program to offer units restricted at 60% AMI. Previously we did not have these units listed.
1Q24	The contact stated that they do accept housing choice vouchers but no tenants are currently utilizing them. The property has eight units currently set aside to participate through the City of Alexandria's ADU program to offer units restricted at 60% AMI. Contact was unable to confirm three bedroom rents, previous rents are reflected in the unit mix. The contact reported that the rents for the LIHTC units are set at the 2023 maximum allowable levels.

Photos



PROPERTY PROFILE REPORT

The Bloom At Braddock Apartments

Effective Rent Date	2/15/2024
Location	900 N Henry Street Alexandria, VA 22314 Alexandria County
Distance	0.5 miles
Units	96
Vacant Units	0
Vacancy Rate	0.0%
Type	Highrise (7 stories)
Year Built/Renovated	2021 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mostly families
Contact Name	Nicole
Phone	703-343-9203



Market Information

Program	@30%, @40%, @50%, @60%
Annual Turnover Rate	16%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased to 2023 max
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
0	1	Highrise (7 stories)	N/A	381	\$662	\$0	@30%	No	0	N/A	yes	None
0	1	Highrise (7 stories)	N/A	386	\$772	\$0	@40%	No	0	N/A	yes	None
1	1	Highrise (7 stories)	N/A	588	\$1,250	\$0	@50%	No	0	N/A	yes	None
1	1	Highrise (7 stories)	N/A	834	\$1,250	\$0	@50%	No	0	N/A	yes	None
2	2	Highrise (7 stories)	N/A	808	\$1,471	\$0	@50%	No	0	N/A	yes	None
2	2	Highrise (7 stories)	N/A	1,215	\$1,791	\$0	@60%	No	0	N/A	yes	None
3	2	Highrise (7 stories)	N/A	1,042	\$1,683	\$0	@50%	No	0	N/A	yes	None
3	2	Highrise (7 stories)	N/A	1,428	\$2,053	\$0	@60%	No	0	N/A	yes	None

The Bloom At Braddock Apartments, continued

Trend Report

Vacancy Rates

1Q23	4Q23	1Q24
2.1%	1.0%	0.0%

Trend: @30%

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	N/A	\$662	\$0	\$662	\$780
2023	4	N/A	\$662	\$0	\$662	\$780
2024	1	N/A	\$662	\$0	\$662	\$780

Trend: @40%

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	N/A	\$772	\$0	\$772	\$890
2023	4	N/A	\$772	\$0	\$772	\$890
2024	1	N/A	\$772	\$0	\$772	\$890

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	N/A	\$1,250	\$0	\$1,250	\$1,374
2023	4	N/A	\$1,250	\$0	\$1,250	\$1,374
2024	1	N/A	\$1,250	\$0	\$1,250	\$1,374

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	N/A	\$1,791	\$0	\$1,791	\$1,954
2023	4	N/A	\$1,791	\$0	\$1,791	\$1,954
2024	1	N/A	\$1,791	\$0	\$1,791	\$1,954

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	N/A	\$1,471	\$0	\$1,471	\$1,634
2023	4	N/A	\$1,471	\$0	\$1,471	\$1,634
2024	1	N/A	\$1,471	\$0	\$1,471	\$1,634

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	N/A	\$2,053	\$0	\$2,053	\$2,277
2023	4	N/A	\$2,053	\$0	\$2,053	\$2,277
2024	1	N/A	\$2,053	\$0	\$2,053	\$2,277

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	N/A	\$1,083	\$0	\$1,083	\$1,307
2023	4	N/A	\$1,683	\$0	\$1,683	\$1,907
2024	1	N/A	\$1,683	\$0	\$1,683	\$1,907

Trend: Comments

- 1Q23 Subject offers 34 different unit types. 2 vacancies, no waiting list. Rents are at maximum allowable levels.
- 4Q23 This LIHTC property offers 34 different floor plans and the average unit size for each bedroom type is presented. The sole vacant unit is not preleased and there is no waiting list. Rents are held slightly below maximum allowable levels. A portion of the first floor is occupied by Carpenter's Shelter, which offers services to the homeless population. This property is within easy walking distance to the Braddock Road Metro station.
- 1Q24 This LIHTC property offers 34 different floor plans and the average unit size for each bedroom type is presented. The contact was unsure why the rents were being held below the maximum levels, but did state that the maximum rents could be achievable in the area. A portion of the first floor is occupied by Carpenter's Shelter, which offers services to the homeless population. This property is within easy walking distance to the Braddock Road Metro station. The property accepts Housing Choice Vouchers, but the contact was unsure how many tenants were utilizing vouchers.

Photos



PROPERTY PROFILE REPORT

1111 Belle Pre Apartments

Effective Rent Date	2/15/2024
Location	1111 Belle Pre Way Alexandria, VA 22314 County
Distance	0.5 miles
Units	300
Vacant Units	4
Vacancy Rate	1.3%
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	None identified
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	Increased up to four percent
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)	180	741	\$2,178	\$0	Market	No	3	1.7%	N/A	AVG*
1	1	Midrise (7 stories)	N/A	886	\$2,316	\$0	Market	No	N/A	N/A	N/A	HIGH*
1	1	Midrise (7 stories)	N/A	596	\$2,046	\$0	Market	No	N/A	N/A	N/A	LOW*
2	2	Midrise (7 stories)	120	1,143	\$3,002	\$0	Market	No	1	0.8%	N/A	AVG*
2	2	Midrise (7 stories)	N/A	1,279	\$3,148	\$0	Market	No	N/A	N/A	N/A	HIGH*
2	2	Midrise (7 stories)	N/A	1,006	\$2,856	\$0	Market	No	N/A	N/A	N/A	LOW*

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$2,046 - \$2,316	\$0	\$2,046 - \$2,316	\$124	\$2,170 - \$2,440
2BR / 2BA	\$2,856 - \$3,148	\$0	\$2,856 - \$3,148	\$163	\$3,019 - \$3,311

1111 Belle Pre Apartments, continued

Amenities

In-Unit		Security	Services
Blinds	Carpet/Hardwood	In-Unit Alarm	None
Central A/C	Coat Closet	Intercom (Buzzer)	
Dishwasher	Garbage Disposal	Limited Access	
Microwave	Oven		
Refrigerator	Vaulted Ceilings		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	Quartz Countertops; Gameroom;
Concierge	Courtyard		
Elevators	Exercise Facility		
Garage(\$75.00)	On-Site Management		
Picnic Area	Swimming Pool		
Theatre	Wi-Fi		

Comments

The range in rents reflects differences in floor plans offered, unit size, as well as floor level. The property offers flexible lease options; however, all rents in the profile reflect 12 month leases. The property utilizes a LRO pricing software and rents change daily.

1111 Belle Pre Apartments, continued

Trend Report

Vacancy Rates

3Q21	1Q23	3Q23	1Q24
3.7%	3.7%	0.7%	1.3%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	N/A	\$1,889 - \$2,150	\$0	\$1,889 - \$2,150	\$2,013 - \$2,274
2023	1	N/A	\$1,890 - \$2,349	\$0	\$1,890 - \$2,349	\$2,014 - \$2,473
2023	3	N/A	\$2,183 - \$2,355	\$0	\$2,183 - \$2,355	\$2,307 - \$2,479
2024	1	N/A	\$2,046 - \$2,316	\$0	\$2,046 - \$2,316	\$2,170 - \$2,440

2BR / 1BA

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

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	N/A	\$2,588 - \$2,701	\$0	\$2,588 - \$2,701	\$2,751 - \$2,864
2023	1	N/A	\$2,780 - \$2,980	\$0	\$2,780 - \$2,980	\$2,943 - \$3,143
2023	3	N/A	\$2,970 - \$3,091	\$0	\$2,970 - \$3,091	\$3,133 - \$3,254
2024	1	N/A	\$2,856 - \$3,148	\$0	\$2,856 - \$3,148	\$3,019 - \$3,311

Trend: Comments

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
3Q23	The range in rents reflects differences in floor plans offered, unit size, as well as floor level. The property offers flexible lease options; however, all rents in the profile reflect 12 month leases.
1Q24	The range in rents reflects differences in floor plans offered, unit size, as well as floor level. The property offers flexible lease options; however, all rents in the profile reflect 12 month leases. The property utilizes a LRO pricing software and rents change daily.

Photos



PROPERTY PROFILE REPORT

Alexan Florence

Effective Rent Date	2/15/2024
Location	400 Wythe Street Alexandria, VA 22314 County
Distance	0.2 miles
Units	286
Vacant Units	2
Vacancy Rate	0.7%
Type	Midrise (6 stories)
Year Built/Renovated	2021 / N/A
Marketing Began	N/A
Leasing Began	12/01/2021
Last Unit Leased	9/01/2022
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	571-642-3209
Phone	Cindy



Market Information

Program	Market
Annual Turnover Rate	20%
Units/Month Absorbed	31
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	None
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
0	1	Midrise (6 stories)	22	501	\$2,311	\$0	Market	No	0	0.0%	N/A	None
1	1	Midrise (6 stories)	189	757	\$3,175	\$0	Market	No	1	0.5%	N/A	AVG*
1	1	Midrise (6 stories)	N/A	869	\$3,472	\$0	Market	No	N/A	N/A	N/A	HIGH*
1	1	Midrise (6 stories)	N/A	706	\$2,878	\$0	Market	No	N/A	N/A	N/A	LOW*
2	1	Midrise (6 stories)	4	895	N/A	\$0	Market	No	0	0.0%	N/A	None
2	2	Midrise (6 stories)	71	1,066	\$4,400	\$0	Market	No	1	1.4%	N/A	AVG*
2	2	Midrise (6 stories)	N/A	1,175	\$4,997	\$0	Market	No	N/A	N/A	N/A	HIGH*
2	2	Midrise (6 stories)	N/A	954	\$3,822	\$0	Market	No	N/A	N/A	N/A	LOW*

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$2,311	\$0	\$2,311	\$118	\$2,429
1BR / 1BA	\$2,878 - \$3,472	\$0	\$2,878 - \$3,472	\$124	\$3,002 - \$3,596
2BR / 1BA	N/A	\$0	N/A	\$163	N/A
2BR / 2BA	\$3,822 - \$4,997	\$0	\$3,822 - \$4,997	\$163	\$3,985 - \$5,160

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpet/Hardwood	Carpeting	Limited Access	
Central A/C	Coat Closet	Video Surveillance	
Dishwasher	Microwave		
Oven	Refrigerator		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Bike Storage	Business Center/Computer Lab	None	None
Clubhouse/Meeting Room/Community	Concierge		
Elevators	EV Charging Station		
Exercise Facility	Garage(\$150.00)		
Off-Street Parking	On-Site Management		
Picnic Area	Recreation Areas		
Swimming Pool			

Comments

The contact reported strong demand for rental housing in the area. The property was opened in December 2021 and was leased up by September 2022. The range in rents is due to a difference in square footage and location of the unit on the property. The contact was unable to provide pricing for the two-bedroom, one-bath unit due to no availability.

Trend Report

Vacancy Rates

3Q23	1Q24
1.7%	0.7%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	3	N/A	\$3,528 - \$4,138	\$0	\$3,528 - \$4,138	\$3,652 - \$4,262
2024	1	N/A	\$2,878 - \$3,472	\$0	\$2,878 - \$3,472	\$3,002 - \$3,596

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	3	0.0%	\$4,219	\$0	\$4,219	\$4,382
2024	1	0.0%	N/A	\$0	N/A	N/A

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	3	N/A	\$4,297 - \$4,667	\$0	\$4,297 - \$4,667	\$4,460 - \$4,830
2024	1	N/A	\$3,822 - \$4,997	\$0	\$3,822 - \$4,997	\$3,985 - \$5,160

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	3	9.1%	\$2,485	\$0	\$2,485	\$2,603
2024	1	0.0%	\$2,311	\$0	\$2,311	\$2,429

Trend: Comments

3Q23	The contact reported strong demand for rental housing in the area. The property was opened in December 2021 and was leased up by September 2022. The range in rents is due to a difference in square footage and location of the unit on the property.
1Q24	The contact reported strong demand for rental housing in the area. The property was opened in December 2021 and was leased up by September 2022. The range in rents is due to a difference in square footage and location of the unit on the property. The contact was unable to provide pricing for the two-bedroom, one-bath unit due to no availability.

Photos





PROPERTY PROFILE REPORT

Gables Old Town North

Effective Rent Date	2/15/2024
Location	525 Montgomery St Alexandria, VA 22314 Alexandria County
Distance	0.2 miles
Units	232
Vacant Units	3
Vacancy Rate	1.3%
Type	Midrise (6 stories)
Year Built/Renovated	2019 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Noya
Phone	571-620-5037



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	15
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased less than one percent
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- gas
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 (6 stories)	N/A	579	\$2,172	\$0	Market	No	1	N/A	N/A	None
1	1	Midrise (6 stories)	N/A	719	\$3,027	\$0	Market	No	2	N/A	N/A	None
2	2	Midrise (6 stories)	N/A	1,268	\$4,100	\$0	Market	No	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$2,172	\$0	\$2,172	\$118	\$2,290
1BR / 1BA	\$3,027	\$0	\$3,027	\$124	\$3,151
2BR / 2BA	\$4,100	\$0	\$4,100	\$163	\$4,263

Gables Old Town North, continued

Amenities

In-Unit		Security	Services
Blinds	Carpet/Hardwood	Intercom (Buzzer)	None
Central A/C	Coat Closet	Limited Access	
Dishwasher	Exterior Storage(\$70.00)		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	Bar and lounge
Commercial/Retail	Concierge		
Courtyard	Elevators		
Exercise Facility	Garage(\$100.00)		
On-Site Management	Picnic Area		
Swimming Pool	Theatre		
Wi-Fi			

Comments

Exterior storage is available for an additional monthly fee ranging from \$70 to \$100 based on size. Garage parking is \$100 for an unreserved space and \$200 for a reserved space. The contact reported strong demand for rental housing in the area. The contact specified the apartment does not accept Housing Choice Vouchers and rents change often.

Trend Report

Vacancy Rates

3Q21	3Q23	1Q24
6.0%	6.5%	1.3%

Trend: Market

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	N/A	\$3,108	\$0	\$3,108	\$3,232
2023	3	N/A	\$3,210	\$0	\$3,210	\$3,334

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	N/A	\$2,335 - \$2,862	\$0	\$2,335 - \$2,862	\$2,459 - \$2,986
2023	3	N/A	\$2,564 - \$2,868	\$0	\$2,564 - \$2,868	\$2,688 - \$2,992
2024	1	N/A	\$3,027	\$0	\$3,027	\$3,151

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	N/A	\$3,557 - \$4,367	\$0	\$3,557 - \$4,367	\$3,720 - \$4,530
2023	3	N/A	\$4,415 - \$4,630	\$0	\$4,415 - \$4,630	\$4,578 - \$4,793
2024	1	N/A	\$4,100	\$0	\$4,100	\$4,263

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	N/A	\$2,137 - \$2,147	\$0	\$2,137 - \$2,147	\$2,255 - \$2,265
2023	3	N/A	\$2,168 - \$2,205	\$0	\$2,168 - \$2,205	\$2,286 - \$2,323
2024	1	N/A	\$2,172	\$0	\$2,172	\$2,290

Trend: Comments

3Q21	Rents range based on floor, size, and views. Exterior storage is available for an additional monthly fee ranging from \$70 to \$100 based on size. Garage parking is \$100 for an unreserved space and \$200 for a reserved space.
3Q23	Rents range based on floor, size, and views. Exterior storage is available for an additional monthly fee ranging from \$70 to \$100 based on size. Garage parking is \$100 for an unreserved space and \$200 for a reserved space. The Contact reported strong demand for rental housing in the area. The contact was unable to provide a reason for the slightly elevated vacancy rate.
1Q24	Exterior storage is available for an additional monthly fee ranging from \$70 to \$100 based on size. Garage parking is \$100 for an unreserved space and \$200 for a reserved space. The contact reported strong demand for rental housing in the area. The contact specified the apartment does not accept Housing Choice Vouchers and rents change often.

Photos



PROPERTY PROFILE REPORT

Platform Alexandria

Effective Rent Date	2/15/2024
Location	1100 N Fayette Street Alexandria, VA 22314 Alexandria County
Distance	0.7 miles
Units	628
Vacant Units	12
Vacancy Rate	1.9%
Type	Midrise (8 stories)
Year Built/Renovated	2021 / N/A
Marketing Began	N/A
Leasing Began	7/01/2021
Last Unit Leased	9/01/2022
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Temara
Phone	844-308-3768



Market Information

Program	Market
Annual Turnover Rate	23%
Units/Month Absorbed	44
HCV Tenants	5%
Leasing Pace	Within two to three weeks
Annual Chg. in Rent	Decreased one percent
Concession	Half month of free rent for 3BR units
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	\$2,100	\$0	Market	N/A	0	N/A	N/A	None
0	1	Midrise (8 stories)	N/A	491	\$2,015	\$0	Market	No	0	N/A	N/A	HIGH*
0	1	Midrise (8 stories)	51	438	\$1,900	\$0	Market	No	0	0.0%	N/A	LOW*
1	1	Midrise (8 stories)	N/A	838	\$2,245	\$0	Market	No	0	N/A	N/A	HIGH*
1	1	Midrise (8 stories)	384	522	\$2,205	\$0	Market	No	4	1.0%	N/A	LOW*
2	1	Midrise (8 stories)	13	714	\$3,160	\$0	Market	No	N/A	N/A	N/A	None
2	2	Midrise (8 stories)	N/A	1,216	\$3,825	\$0	Market	No	0	N/A	N/A	HIGH*
2	2	Midrise (8 stories)	141	839	\$2,710	\$0	Market	No	5	3.5%	N/A	LOW*
3	2	Midrise (8 stories)	N/A	1,346	\$4,200	\$175	Market	No	2	N/A	N/A	HIGH*
3	2	Midrise (8 stories)	39	1,323	\$4,130	\$172	Market	No	0	0.0%	N/A	LOW

Trend Report

Vacancy Rates

3Q21	1Q23	3Q23	1Q24
85.0%	18.0%	4.3%	1.9%

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	\$1,875 - \$2,141
2023	1	N/A	\$1,985 - \$2,915	\$0	\$1,985 - \$2,915	\$2,109 - \$3,039
2023	3	N/A	\$2,310 - \$2,460	\$0	\$2,310 - \$2,460	\$2,434 - \$2,584
2024	1	N/A	\$2,205 - \$2,245	\$0	\$2,205 - \$2,245	\$2,329 - \$2,369

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	N/A	\$2,800	\$0	\$2,800	\$2,963
2023	3	7.7%	\$3,160	\$0	\$3,160	\$3,323
2024	1	N/A	\$3,160	\$0	\$3,160	\$3,323

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	\$2,482 - \$3,710
2023	1	N/A	\$3,070 - \$3,900	\$0	\$3,070 - \$3,900	\$3,233 - \$4,063
2023	3	N/A	\$3,270 - \$3,895	\$0	\$3,270 - \$3,895	\$3,433 - \$4,058
2024	1	N/A	\$2,710 - \$3,825	\$0	\$2,710 - \$3,825	\$2,873 - \$3,988

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	N/A	\$3,630	\$303	\$3,327	\$3,551
2023	1	N/A	\$3,740 - \$4,285	\$0	\$3,740 - \$4,285	\$3,964 - \$4,509
2023	3	N/A	\$3,995 - \$4,245	\$0	\$3,995 - \$4,245	\$4,219 - \$4,469
2024	1	N/A	\$4,130 - \$4,200	\$172 - \$175	\$3,958 - \$4,025	\$4,182 - \$4,249

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	\$1,888 - \$2,158
2023	3	N/A	\$1,900 - \$2,015	\$0	\$1,900 - \$2,015	\$2,018 - \$2,133
2024	1	N/A	\$1,900 - \$2,100	\$0	\$1,900 - \$2,100	\$2,018 - \$2,218

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
3Q23	Leasing began in July 2021 and was fully leased by September 2022. The property uses a daily pricing system and rental rates change daily. Two of the vacant units have applications in process. The property is running a concession of \$2,000 towards first months rent for three-bedroom units.
1Q24	Leasing began in July 2021 and was fully leased by September 2022. The property uses a daily pricing system (LRO) and rental rates change daily. The property is running a concession for a half month of free rent for three-bedroom units.

Photos



PROPERTY PROFILE REPORT

The Asher

Effective Rent Date	2/16/2024
Location	620 N Fayette Street Alexandria, VA 22314 Alexandria County
Distance	0.5 miles
Units	206
Vacant Units	6
Vacancy Rate	2.9%
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	Benjamin
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	Increased six percent
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	500	\$2,017	\$0	Market	No	N/A	N/A	N/A	AVG*
0	1	Midrise (6 stories)	N/A	531	\$2,048	\$0	Market	No	N/A	N/A	N/A	HIGH*
0	1	Midrise (6 stories)	N/A	468	\$1,985	\$0	Market	No	N/A	N/A	N/A	LOW*
1	1	Midrise (6 stories)	N/A	731	\$2,403	\$0	Market	No	N/A	N/A	N/A	AVG*
1	1	Midrise (6 stories)	N/A	752	\$2,529	\$0	Market	No	N/A	N/A	N/A	HIGH*
1	1	Midrise (6 stories)	N/A	710	\$2,276	\$0	Market	No	N/A	N/A	N/A	LOW*
1	2	Midrise (6 stories)	N/A	937	\$3,169	\$0	Market	No	N/A	N/A	N/A	None
2	2	Midrise (6 stories)	N/A	1,023	\$3,248	\$0	Market	No	N/A	N/A	N/A	None
2	2	Midrise (6 stories)	N/A	1,023	\$3,087	\$0	Market	No	N/A	N/A	N/A	AVG*
2	2	Midrise (6 stories)	N/A	1,077	\$3,287	\$0	Market	No	N/A	N/A	N/A	HIGH*
2	2	Midrise (6 stories)	N/A	968	\$2,875	\$0	Market	No	N/A	N/A	N/A	LOW*

The Asher, continued

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$1,985 - \$2,048	\$0	\$1,985 - \$2,048	\$76	\$2,061 - \$2,124
1BR / 1BA	\$2,276 - \$2,529	\$0	\$2,276 - \$2,529	\$82	\$2,358 - \$2,611
1BR / 2BA	\$3,169	\$0	\$3,169	\$82	\$3,251
2BR / 2BA	\$2,875 - \$3,287	\$0	\$2,875 - \$3,287	\$121	\$2,996 - \$3,408

Amenities

In-Unit		Security	Services
Blinds	Carpet/Hardwood	Intercom (Buzzer)	None
Central A/C	Coat Closet	Limited Access	
Dishwasher	Exterior Storage		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Elevators	Exercise Facility		
Garage(\$75.00)	On-Site Management		
Picnic Area	Theatre		

Comments

The garage has 258 spaces available for residents to rent for \$75 per month, of which approximately 75 percent have been rented. The range in rents reflect differences in size of floor plans as well as floor level. The contact was unable to report a range of prices for the two-bedroom units. The property uses spark software to update rents daily.

Trend Report

Vacancy Rates

3Q21	1Q23	3Q23	1Q24
4.4%	4.4%	5.3%	2.9%

Trend: Market

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	N/A	\$2,100	\$0	\$2,100	\$2,182

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	N/A	\$2,011	\$0	\$2,011	\$2,093
2023	1	N/A	\$2,594 - \$2,671	\$0	\$2,594 - \$2,671	\$2,676 - \$2,753
2023	3	N/A	\$2,130 - \$2,336	\$0	\$2,130 - \$2,336	\$2,212 - \$2,418
2024	1	N/A	\$2,276 - \$2,529	\$0	\$2,276 - \$2,529	\$2,358 - \$2,611

1BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	N/A	\$2,717	\$0	\$2,717	\$2,799
2023	3	N/A	\$3,169	\$0	\$3,169	\$3,251
2024	1	N/A	\$3,169	\$0	\$3,169	\$3,251

2.5BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	N/A	\$2,800	\$0	\$2,800	\$2,921

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	N/A	\$2,550	\$0	\$2,550	\$2,671
2023	1	N/A	\$2,693 - \$2,819	\$0	\$2,693 - \$2,819	\$2,814 - \$2,940
2023	3	N/A	\$2,875 - \$3,287	\$0	\$2,875 - \$3,287	\$2,996 - \$3,408
2024	1	N/A	\$2,875 - \$3,287	\$0	\$2,875 - \$3,287	\$2,996 - \$3,408

3BR / 2BA

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

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	3	N/A	\$1,750	\$0	\$1,750	\$1,826
2023	1	N/A	\$1,861 - \$1,956	\$0	\$1,861 - \$1,956	\$1,937 - \$2,032
2023	3	N/A	\$1,890 - \$1,975	\$0	\$1,890 - \$1,975	\$1,966 - \$2,051
2024	1	N/A	\$1,985 - \$2,048	\$0	\$1,985 - \$2,048	\$2,061 - \$2,124

Trend: Comments

3Q21 N/A

1Q23 N/A

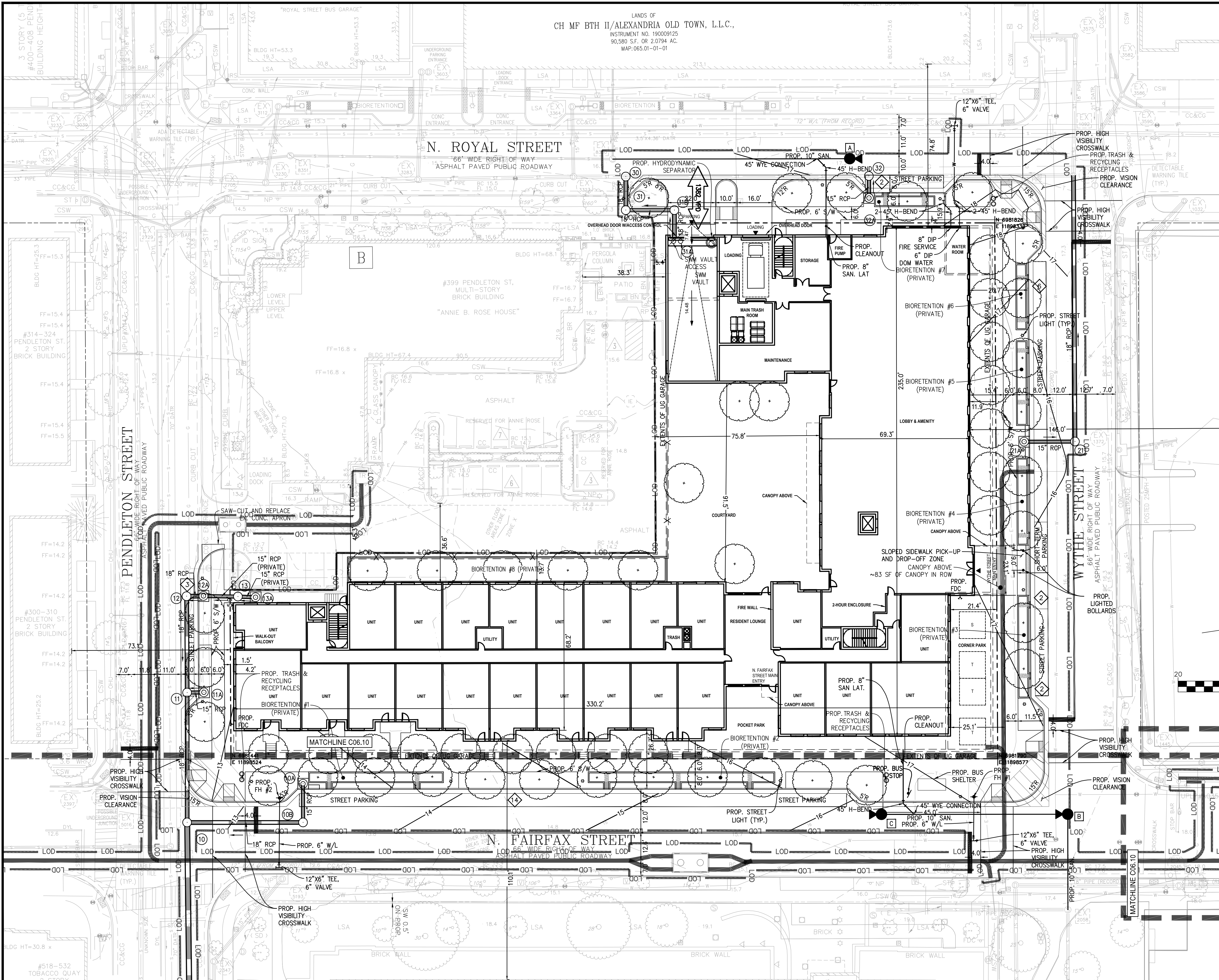
3Q23 The garage has 258 spaces available for residents to rent for \$75 per month, of which approximately 75 percent have been rented. The range in rents reflect differences in size of floor plans as well as floor level.

1Q24 The garage has 258 spaces available for residents to rent for \$75 per month, of which approximately 75 percent have been rented. The range in rents reflect differences in size of floor plans as well as floor level. The contact was unable to report a range of prices for the two-bedroom units. The property uses spark software to update rents daily.

Photos

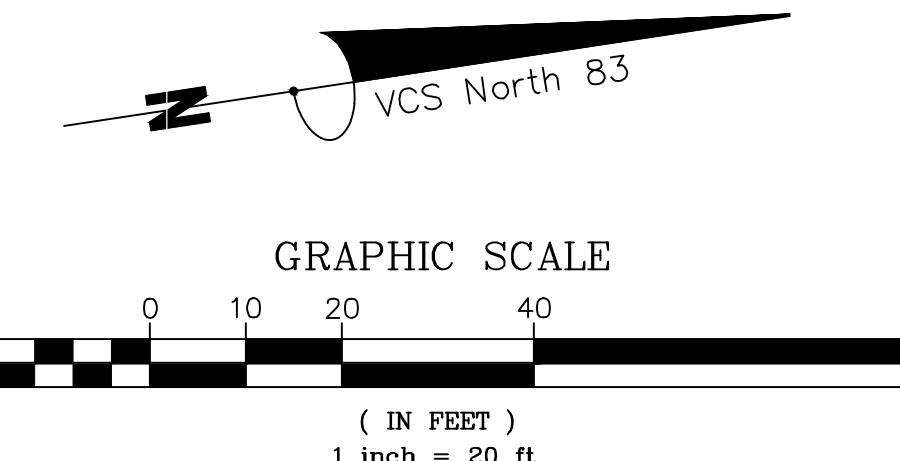
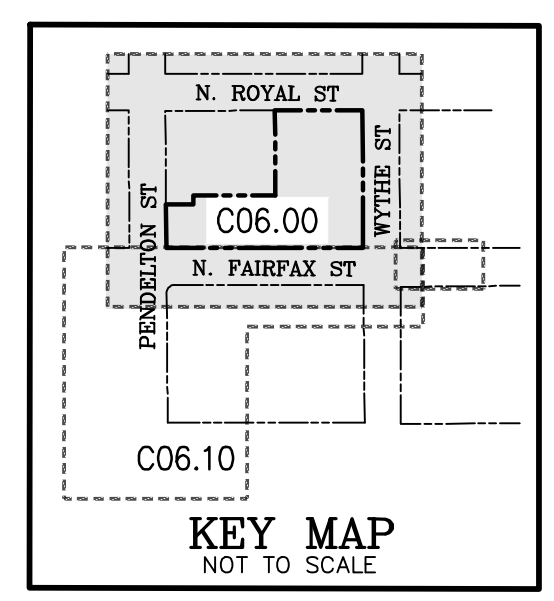


ADDENDUM D
Site and Floor Plans



LANDS OF
 CH MF BTH II/ALEXANDRIA OLD TOWN, L.L.C.,
 INSTRUMENT NO. 190009125
 90,580 S.F. OR 2.0794 AC.
 MAP:065.01-01-01

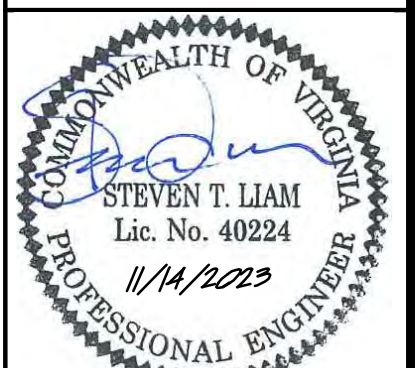
- NOTES:**
- ALL EXISTING OVERHEAD UTILITIES AROUND THE SITE SHALL BE UNDERGROUNDED.
 - A SEPARATE DRY UTILITY GRADING PLAN IS BEING PROPOSED TO RELOCATE THE OVERHEAD UTILITIES UTILIZING UNDERGROUND DUCTBANKS AND ELECTRICAL MANHOLES.
 - ALL EXISTING LOTS ARE TO BE CONSOLIDATED INTO ONE PROPOSED LOT.



Bowman

Bowman Consulting Group, Ltd.
 13445 Sunrise Valley Drive
 Suite 500, Virginia 20171
 Herndon, Virginia 20171
 Phone: (703) 464-1000
 Fax: (703) 461-9720
 www.bowman.com

PRELIMINARY SITE PLAN (1 OF 2)
THE LADREY
 DEVELOPMENT PRELIMINARY SITE PLAN
 VIRGINIA
 CITY OF ALEXANDRIA



PLAN STATUS

08/25/2023	1ST SUBMISSION
10/19/2023	2ND SUBMISSION
11/14/2023	3RD SUBMISSION

APPROVED
 SPECIAL USE PERMIT NO.
 DEPARTMENT OF PLANNING & ZONING

DIRECTOR _____ DATE _____

DEPARTMENT OF TRANSPORTATION & ENVIRONMENTAL SERVICES
 SITE PLAN NO. _____

DIRECTOR _____ DATE _____

CHAIRMAN, PLANNING COMMISSION _____ DATE _____

DATE RECORDED _____

INSTRUMENT NO. _____ DEED BOOK NO. _____ PAGE NO. _____

DATE	DESCRIPTION

JOB No. 140292-01-001
 DATE : NOVEMBER, 2023
 FILE No. _____

SHEET C06.00

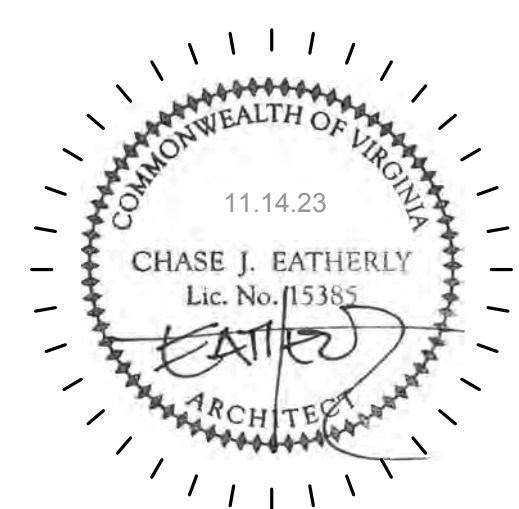
ARCHITECT
Hord Coplan Macht, Inc.
 1925 Ballenger Ave., Suite 525
 Alexandria, VA 22314
 p. 571.388.7761

CIVIL ENGINEER
Bowman Consulting Group
 14020 Thunderbolt Place, Suite 300
 Chantilly, VA 20151
 p. 703.464.1000

LANDSCAPE ARCHITECT
Bowman Consulting Group
 14020 Thunderbolt Place, Suite 300
 Chantilly, VA 20151
 p. 703.464.1000

1 WINN COMPANIES - IBF DEVELOPMENT

hord | coplan | macht



PROFESSIONAL CERTIFICATION: I CERTIFY THAT THESE DOCUMENTS WERE PREPARED OR APPROVED BY ME, AND THAT I AM A DULY LICENSED ARCHITECT UNDER THE LAWS OF THE STATE OF MARYLAND.

no. date revision
 Project Number
 222321.00
 Project

4 **THE LADREY**
 Phase
 PDSUP SUBMISSION

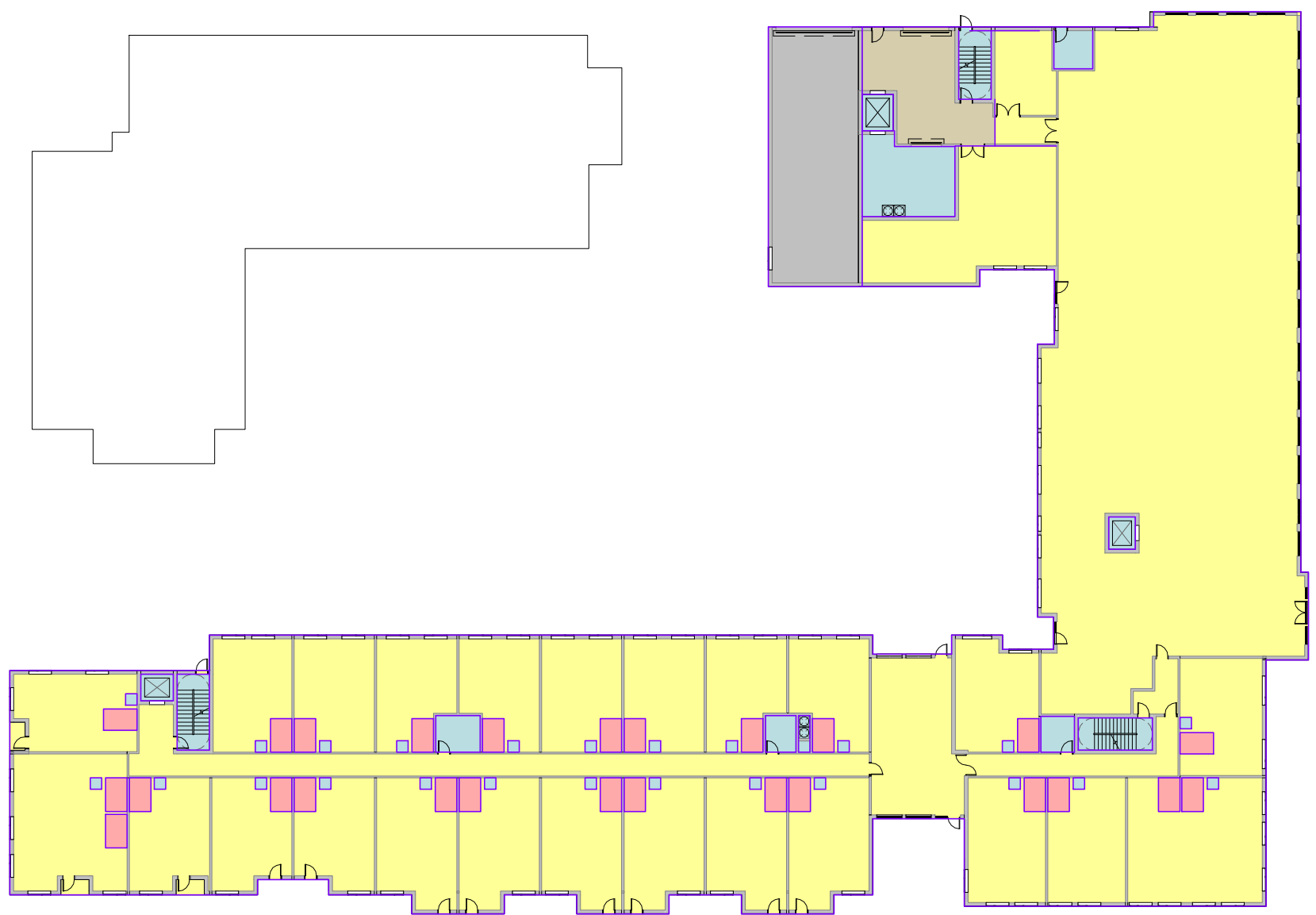
Date
 11.14.2023
 Scale
 As indicated
 Drawing
 5 **AREA PLANS**

No
A1.2
 © Hord Coplan Macht, Inc.

6 **APPROVED**
SPECIAL USE PERMIT NO.
 DEPARTMENT OF PLANNING & ZONING

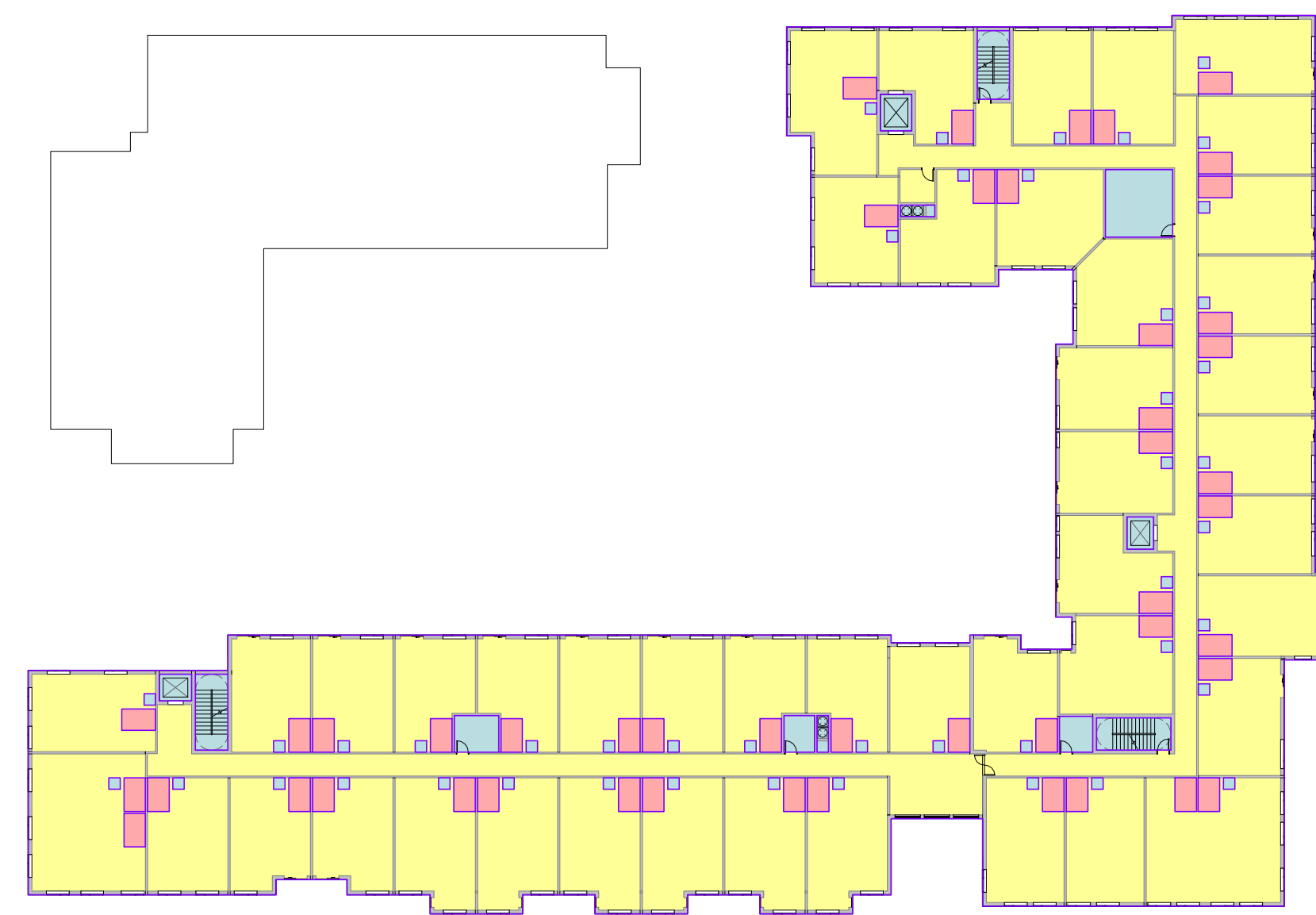
DIRECTOR DATE
 DEPARTMENT OF TRANSPORTATION & ENVIRONMENTAL SERVICES
 SITE PLAN No. _____

DIRECTOR DATE
 CHAIRMAN, PLANNING COMMISSION DATE
 DATE RECORDED _____
 INSTRUMENT NO. DEED BOOK NO. PAGE NO.



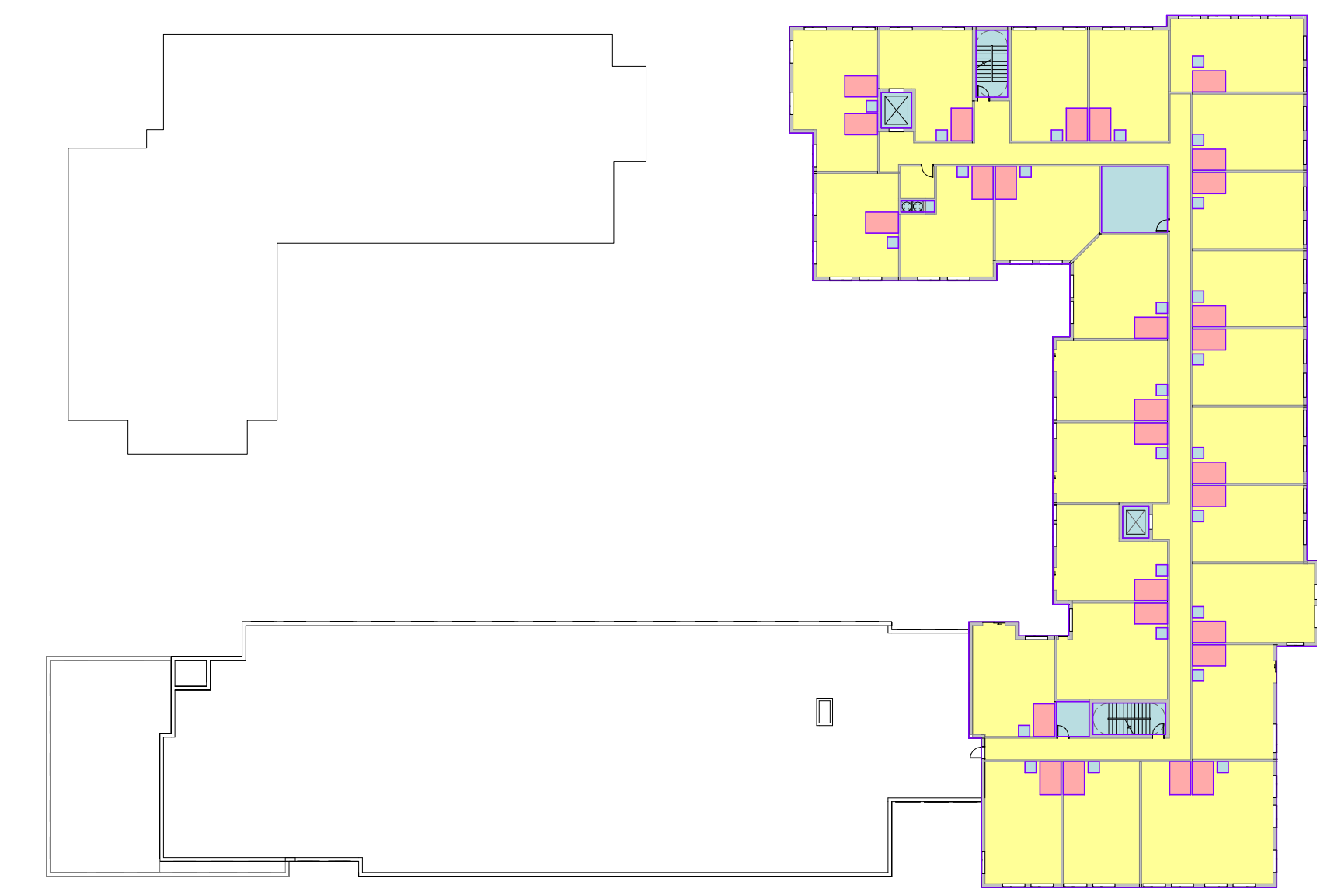
LEVEL 1 GROSS AREA

AREA EXCLUSION - Basement	1,684 SF
AREA EXCLUSION - Circulation, Shaft, Mechanical	1,802 SF
AREA EXCLUSION - Lavatory	1,300 SF
AREA EXCLUSION - Loading	801 SF
NET FLOOR AREA - After Exclusions	32,312 SF
TOTAL GROSS AREA	37,898 SF



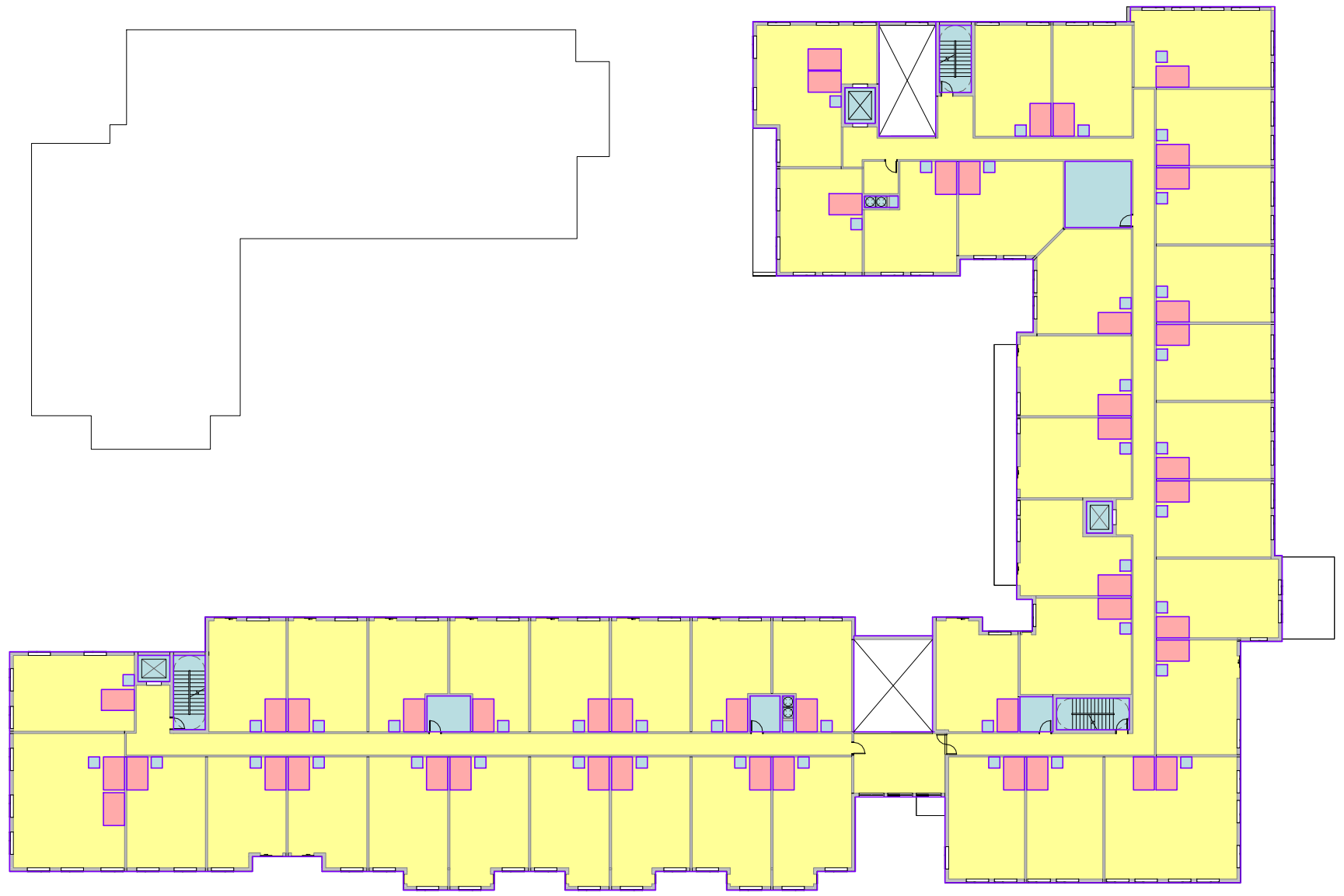
LEVEL 4 GROSS AREA

AREA EXCLUSION - Circulation, Shaft, Mechanical	1,731 SF
AREA EXCLUSION - Lavatory	2,349 SF
NET FLOOR AREA - After Exclusions	33,464 SF
TOTAL GROSS AREA	37,544 SF



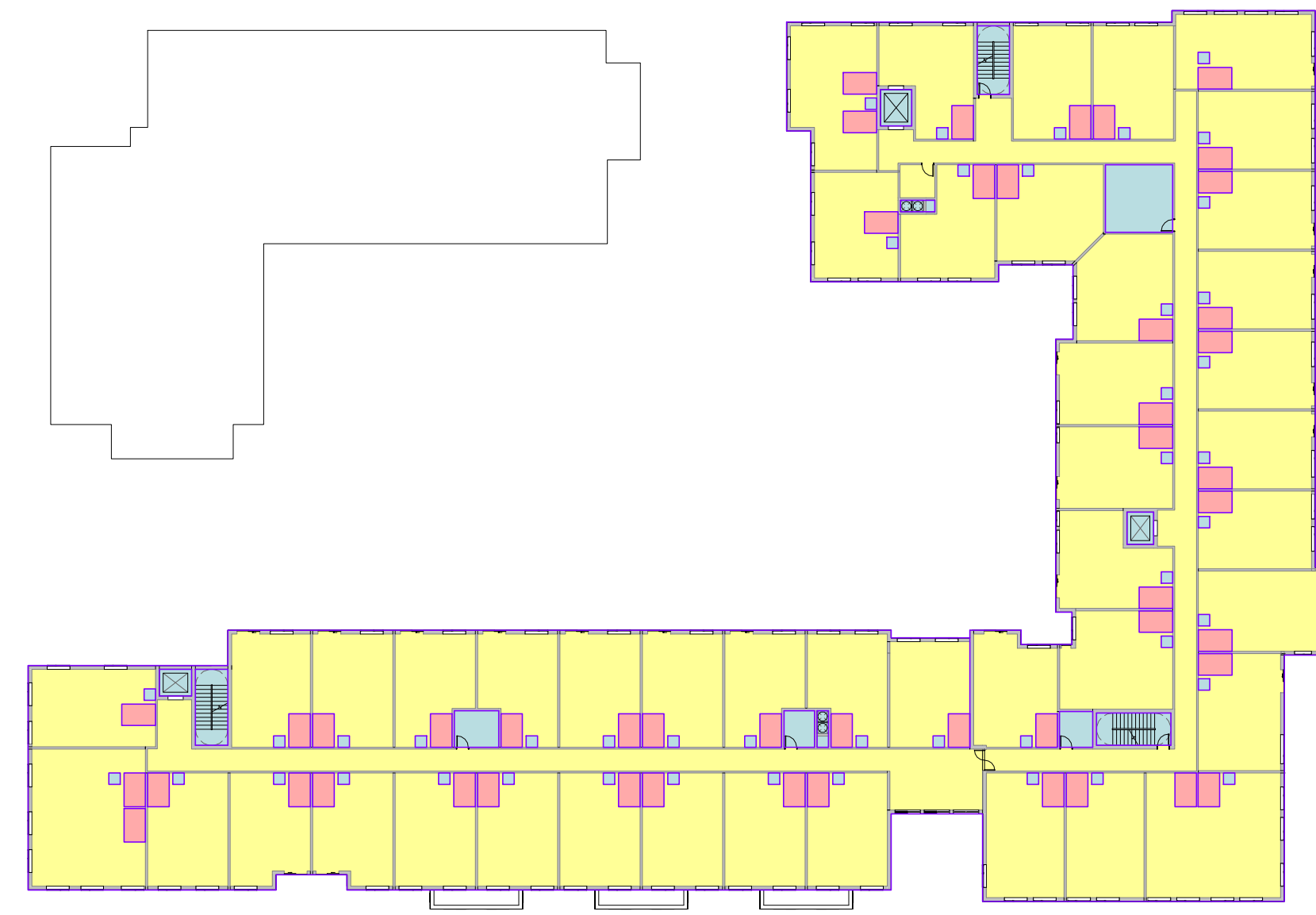
LEVEL 7 GROSS AREA

AREA EXCLUSION - Circulation, Shaft, Mechanical	1,104 SF
AREA EXCLUSION - Lavatory	1,350 SF
NET FLOOR AREA - After Exclusions	18,792 SF
TOTAL GROSS AREA	21,246 SF



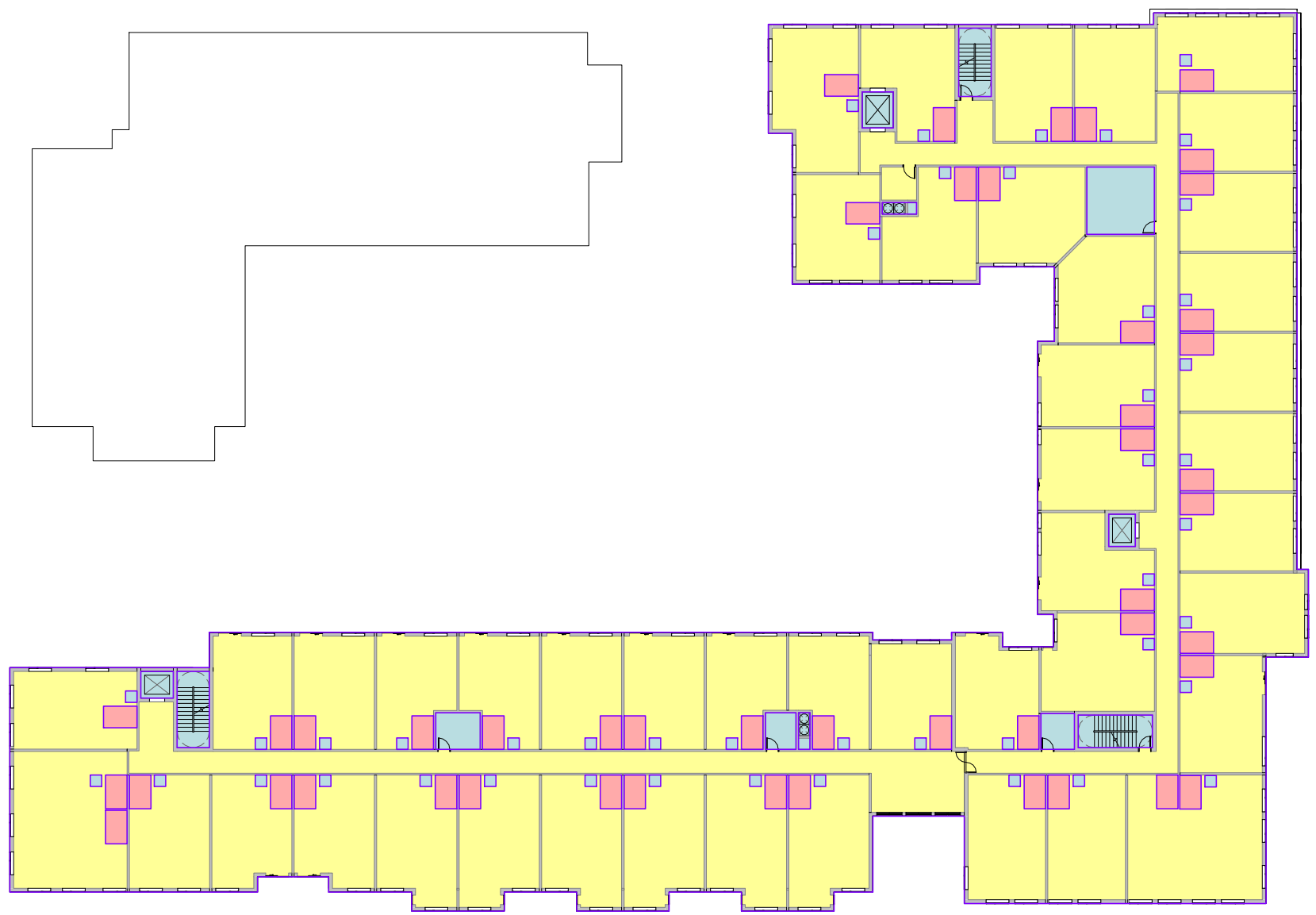
LEVEL 2 GROSS AREA

AREA EXCLUSION - Circulation, Shaft, Mechanical	1,712 SF
AREA EXCLUSION - Lavatory	2,299 SF
NET FLOOR AREA - After Exclusions	32,645 SF
TOTAL GROSS AREA	36,657 SF



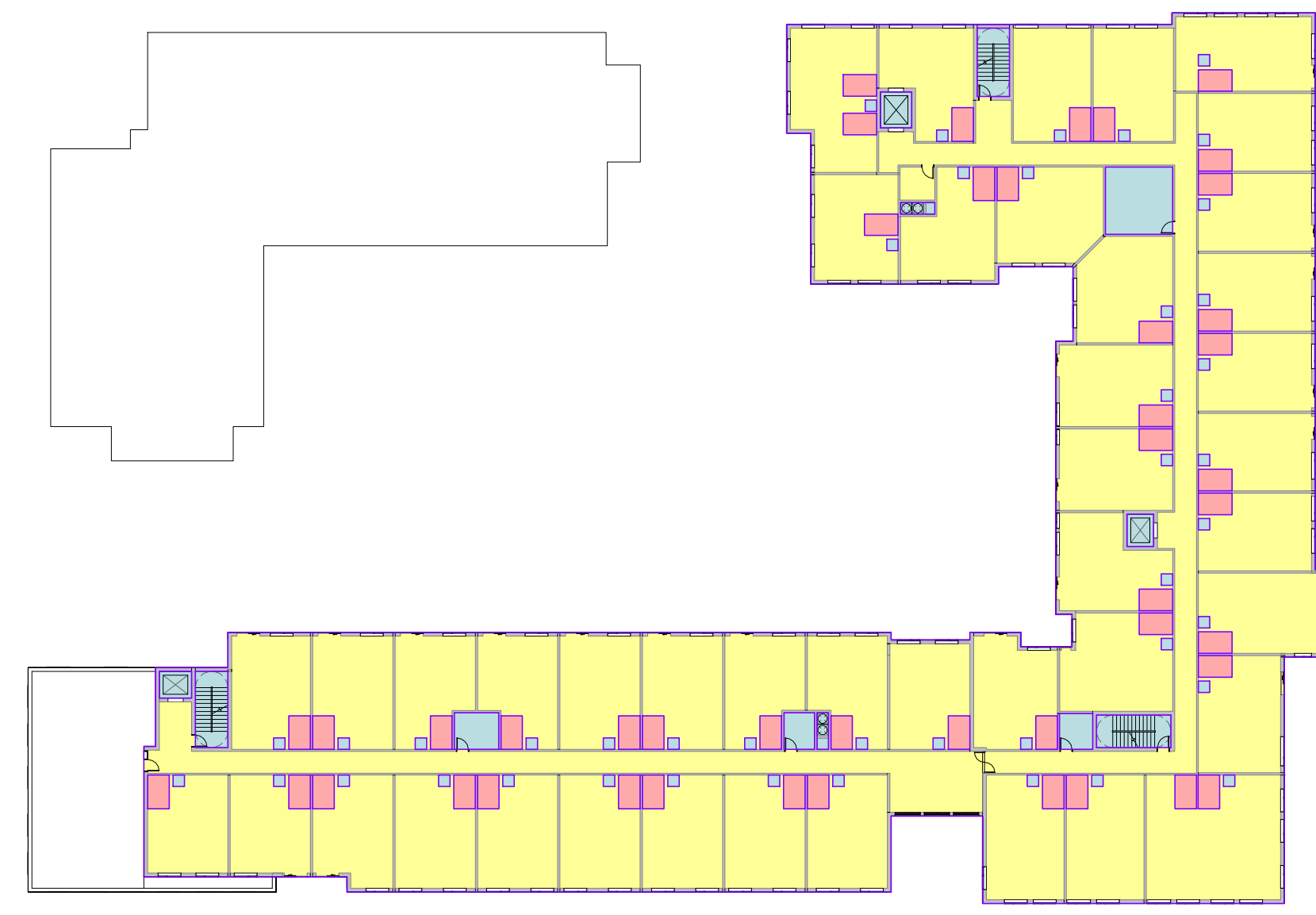
LEVEL 5 GROSS AREA

AREA EXCLUSION - Circulation, Shaft, Mechanical	1,731 SF
AREA EXCLUSION - Lavatory	2,399 SF
NET FLOOR AREA - After Exclusions	33,049 SF
TOTAL GROSS AREA	37,179 SF



LEVEL 3 GROSS AREA

AREA EXCLUSION - Circulation, Shaft, Mechanical	1,731 SF
AREA EXCLUSION - Lavatory	2,349 SF
NET FLOOR AREA - After Exclusions	33,464 SF
TOTAL GROSS AREA	37,544 SF



LEVEL 6 GROSS AREA

AREA EXCLUSION - Circulation, Shaft, Mechanical	1,713 SF
AREA EXCLUSION - Lavatory	2,249 SF
NET FLOOR AREA - After Exclusions	31,220 SF
TOTAL GROSS AREA	35,182 SF

BUILDING TOTAL GROSS AREA	
AREA EXCLUSION - Basement	1,684 SF
AREA EXCLUSION - Circulation, Shaft, Mechanical	11,524 SF
AREA EXCLUSION - Lavatory	14,295 SF
AREA EXCLUSION - Loading	801 SF
NET FLOOR AREA - After Exclusions	214,948 SF
TOTAL GROSS AREA	243,251 SF

- **BASEMENT.** Area exclusions per City of Alexandria Zoning Ordinance 2-145
- **LOADING DOCK.** Area exclusions per City of Alexandria Zoning Ordinance 2-145 (850 SF of area excluded per required isle)
- **BALCONY.** Area exclusions per City of Alexandria Zoning Ordinance 2-145
- **CIRCULATION - SHAFTS - MECHANICAL ROOMS.** Area exclusions per City of Alexandria Zoning Ordinance 2-145
- **LAVATORY.** Area exclusions per City of Alexandria Zoning Ordinance 2-145 (50 SF max. of area excluded per lavatory)
- **REMAINING NET FLOOR AREA.** Per City of Alexandria Zoning Ordinance 2-145

*NOTE: Basement garage levels not counted towards GFA or Floor Area Ratio

ARCHITECT
Hord Coplan Macht, Inc.
 1925 Ballenger Ave, Suite 525
 Alexandria, VA 22314
 p. 571.388.7761

CIVIL ENGINEER
Bowman Consulting Group
 14020 Thunderbolt Place, Suite 300
 Chantilly, VA 20151
 p. 703.464.1000

LANDSCAPE ARCHITECT
Bowman Consulting Group
 14020 Thunderbolt Place, Suite 300
 Chantilly, VA 20151
 p. 703.464.1000

WINN COMPANIES - IBF DEVELOPMENT

hord | coplan | macht



PROFESSIONAL CERTIFICATION: I CERTIFY THAT THESE DOCUMENTS WERE PREPARED OR APPROVED BY ME, AND THAT I AM A DULY LICENSED ARCHITECT UNDER THE LAWS OF THE STATE OF MARYLAND.

no.	date	revision
Project Number	222321.00	
Project	THE LADREY	

Phase
 PDSUP SUBMISSION

Date
 11.14.2023

Scale
 1/16" = 1'-0"

Drawing
 LEVEL 5

No.
A2.5

© Hord Coplan Macht, Inc.

APPROVED SPECIAL USE PERMIT NO. _____		
DEPARTMENT OF PLANNING & ZONING		
DIRECTOR	DATE	
DEPARTMENT OF TRANSPORTATION & ENVIRONMENTAL SERVICES		
SITE PLAN No. _____		
DIRECTOR	DATE	
CHAIRMAN, PLANNING COMMISSION		
DATE RECORDED _____		
INSTRUMENT NO.	DEED BOOK NO.	PAGE NO.



1 DSUP - LEVEL 5
 A1.1 A2.5 1/16" = 1'-0"

ADDENDUM E
Utility Allowance

Allowances for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing



Locality		Green Discount	Unit Type			Weather Code	Date
City of Alexandria, HCVP, PH, TC, PBV, MOD Programs		None	High-Rise Apartment (5+ Stories)			22305	2023-10-01
Utility/Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Space Heating	Natural Gas	\$29	\$34	\$39	\$44	\$49	\$53
	Bottle Gas						
	Electric Resistance	\$17	\$19	\$25	\$30	\$34	\$38
	Electric Heat Pump	\$14	\$17	\$20	\$22	\$23	\$24
	Fuel Oil						
Cooking	Natural Gas	\$4	\$5	\$7	\$10	\$12	\$14
	Bottle Gas						
	Electric	\$5	\$6	\$9	\$12	\$15	\$17
	Other						
Other Electric	\$20	\$24	\$33	\$42	\$51	\$60	
Air Conditioning	\$8	\$9	\$13	\$17	\$21	\$25	
Water Heating	Natural Gas	\$10	\$12	\$17	\$22	\$27	\$32
	Bottle Gas						
	Electric	\$13	\$15	\$19	\$24	\$28	\$32
	Fuel Oil						
Water	\$27	\$29	\$42	\$63	\$83	\$104	
Sewer	\$49	\$53	\$79	\$119	\$158	\$198	
Electric Fee	\$7	\$7	\$7	\$7	\$7	\$7	
Natural Gas Fee	\$12	\$12	\$12	\$12	\$12	\$12	
Fuel Oil Fee							
Bottled Gas Fee							
Trash Collection	\$42	\$42	\$42	\$42	\$42	\$42	
Range/Microwave							
Refrigerator							
Other – specify							

ADDENDUM F
Qualifications of Consultants

STATEMENT OF PROFESSIONAL QUALIFICATIONS

ABBY M. COHEN

I. Education

The Pennsylvania State University, University Park, PA, Bachelor of Arts

II. Licensing and Professional Affiliation

Certified General Appraiser, AK License #213395
Certified General Appraiser, FL License #RZ4143
Certified General Appraiser, GA License #427009
Certified General Appraiser, MD License #40032823
Certified General Appraiser, NC License #A8127
Certified General Appraiser, NJ License #42RG00255000
Certified General Appraiser, SC License #7487
Certified General Appraiser, TX License #1381138-G

Designated Member of the National Council of Housing Market Analysts (NCHMA)
Member of Commercial Real Estate Women (CREW) Network

III. Professional Experience

Novogradac & Company LLP, Partner
Novogradac & Company LLP, Principal
Novogradac & Company LLP, Manager
Novogradac & Company LLP, Senior Real Estate Analyst

IV. Professional Training

7-Hour National USPAP Update for 2022-2023, April 2022
Appraisal of Industrial and Flex Buildings, April 2022
Green Building Concepts for Appraisers, April 2022
Basic and Advanced Hotel Appraising, October 2019
Appraisal of Land Subject to Ground Leases, December 2017
Business Practices and Ethics, January 2017
General Appraiser Report Writing and Case Studies, February 2015
General Appraiser Sales Comparison Approach, February 2015
General Appraiser Site Valuation and Cost Approach, February 2015
Expert Witness for Commercial Appraisers, January 2015
Commercial Appraisal Review, January 2015
Real Estate Finance Statistics and Valuation Modeling, December 2014
General Appraiser Income Approach Part II, December 2014
General Appraiser Income Approach Part I, November 2014
General Appraiser Market Analysis and Highest & Best Use, November 2014
Basic Appraisal Procedures, March 2013
Basic Appraisal Principles, January 2013

V. Publications

Co-authored "Determining Whether a Developer Fee is Reasonable and Market-Oriented for Purposes of the Revenue Procedure 2014-12 Historic Tax Credit Safe Harbor," Novogradac Journal of Tax Credits, March 2021
Co-authored "Reasonableness of Historic Tax Credit Related-Party Fees a Complicated, Changing Question in Context of Rev. Proc. 2014-12," Novogradac Journal of Tax Credits, March 2021

Co-authored "Post Rev. Proc. 2014-12 Trend Emerges: Developer Fee Reasonableness Opinions," *Novogradac Journal of Tax Credits*, March 2016

VI. Real Estate Assignments

A representative sample of Asset Management, Due Diligence, and Valuation Engagements includes:

- Performed a variety of asset management services for a lender including monitoring and reporting property performance on a monthly basis. Data points monitored include economic vacancy, levels of concessions, income and expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations.
- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of deferred maintenance and property condition, security issues, signage, marketing strategy, condition of units upon turnover and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assessed how the property compares to competition. Analyzed operating expense results.
- 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, large family, and acquisition with rehabilitation. Completed market studies in all states.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Assisted in appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.
- Conducted market studies and appraisals for projects under the HUD Multifamily Accelerated Processing program.
- Prepared Rent Comparability Studies for expiring Section 8 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.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.
- Completed numerous reasonableness opinions related to Revenue Procedure 2014-12. Transactions analyzed include projects involving the use of Historic Tax Credits, New Markets Tax Credits and Investment Tax Credits. Fees and arrangements tested for reasonableness include developer fees, construction management fees, property management fees, asset management fees, various leasing-related payments and overall prime lease terms.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

LAUREN E. LEX

I. Education

Trinity College, Hartford, CT
Bachelor of Arts in American Studies and Art History, *cum laude*

II. Professional Experience

Manager, *Novogradac & Company LLP*, December 2019 – Present
Senior Analyst, *Novogradac & Company LLP*, December 2017 – December 2019
Analyst, *Novogradac & Company LLP*, December 2015 – December 2017
Junior Analyst, *Novogradac & Company LLP*, August 2013 – December 2015
Communications Directorate Intern, *U.S. Census Bureau*, June 2011 – August 2011

III. Real Estate Assignments

A representative sample of work on various types of projects:

- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of deferred maintenance and property condition, security issues, signage, marketing strategy, condition of units upon turnover and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assessed how the property compares to competition. Analyzed operating expense results.
- 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, large family, and acquisition with rehabilitation. Completed market studies in all states.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Reviewed appraisals and market studies for various state agencies for LIHTC application. Market studies were reviewed for adherence to NCHMA, state guidelines and overall reasonableness. Appraisals reviewed for adherence to USPAP, state guidelines, reasonableness.
- Assisted in appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.

- Conducted market studies for projects under the HUD Multifamily Accelerated Processing program.
- Prepared Rent Comparability Studies for expiring Section 8 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.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.
- Completed numerous analyses of overall reasonableness with regard to Revenue Procedure 2014-12. Transactions analyzed include projects involving the use of Historic Tax Credits, New Markets Tax Credits and Investment Tax Credits. Fees and arrangements tested for reasonableness include developer fees, construction management fees, property management fees, asset management fees, various leasing-related payments and overall master lease terms.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Caroline McGimsey

I. Education

Elon University – Elon, NC
Bachelor of Arts, Economics

II. Professional Experience

Analyst, *Novogradac & Company LLP* – July 2022 - Present
Junior Analyst, *Novogradac & Company LLP* – November 2021 – June 2022

III. Research Assignments

A representative sample of work on various types of projects:

- Assist in performing and writing markets studies of proposed and existing Low-Income Housing Tax Credit (LIHTC) properties.
- Research web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and Housing Choice Voucher information.
- Assisted numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes: unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Greg Hardison

I. EDUCATION

University of Michigan, Ann Arbor, MI
Master of Urban and Regional Planning, 2022

University of Iowa, Iowa City, IA
Bachelor of Arts, Geography, 2019

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



Formerly known as
National Council of Affordable
Housing Market Analysts

NCHMA MEMBER CERTIFICATION

This market study has been prepared by **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 principal or employee of **Novogradac** has any financial interest whatsoever in the development for which this analysis has been undertaken.

Abby Cohen
Partner

Certificate of Professional Designation

This certificate verifies that

Abby Cohen

Novogradac & Company LLP

Has completed NCHMA's Professional Designation Requirements
and is hence an approved member in good standing of:



National Council of Housing Market Analysts
1400 16th St. NW
Suite 420
Washington, DC 20036
202-939-1750

Membership Term
1/1/2024 to 12/31/2024



Kaitlyn Snyder
Managing Director, NCHMA

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.

		Page Number(s)
Executive Summary		
1	Executive Summary	1
Scope of Work		
2	Scope of Work	transmittal letter
Project Description		
3	Unit mix including bedrooms, bathrooms, square footage, rents, and income targeting	3
4	Utilities (and utility sources) included in rent	12
5	Target market/population description	12
6	Project description including unit features and community amenities	13
7	Date of construction/preliminary completion	11
8	If rehabilitation, scope of work, existing rents, and existing vacancies	11-12
Location		
9	Concise description of the site and adjacent parcels	19
10	Site photos/maps	24
11	Map of community services	21
12	Site evaluation/neighborhood including visibility, accessibility, and crime	17-23
Market Area		
13	PMA description	33
14	PMA Map	33
Employment and Economy		
15	At-Place employment trends	40-42
16	Employment by sector	36-38
17	Unemployment rates	41
18	Area major employers/employment centers and proximity to site	39
19	Recent or planned employment expansions/reductions	39
Demographic Characteristics		
20	Population and household estimates and projections	46
21	Area building permits	57
22	Population and household characteristics including income, tenure, and size	46-51
23	For senior or special needs projects, provide data specific to target market	N/A
Competitive Environment		
24	Comparable property profiles and photos	Addendum C
25	Map of comparable properties	59
26	Existing rental housing evaluation including vacancy and rents	66-71
27	Comparison of subject property to comparable properties	69-71
28	Discussion of availability and cost of other affordable housing options including homeownership, if applicable	58
29	Rental communities under construction, approved, or proposed	81
30	For senior or special needs populations, provide data specific to target market	N/A

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.

		Page Number(s)
Affordability, Demand, and Penetration Rate Analysis		
31	Estimate of demand	74-87
32	Affordability analysis with capture rate	75-87
33	Penetration rate analysis with capture rate	86-87
Analysis/Conclusions		
34	Absorption rate and estimated stabilized occupancy for subject	87
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	69-71
36	Precise statement of key conclusions	91
37	Market strengths and weaknesses impacting project	91
38	Product recommendations and/or suggested modifications to subject	91
39	Discussion of subject property's impact on existing housing	91
40	Discussion of risks or other mitigating circumstances impacting subject	91
41	Interviews with area housing stakeholders	89
Other Requirements		
42	Certifications	94
43	Statement of qualifications	Addendum F
44	Sources of data not otherwise identified	Addendum D,E