

A MARKET FEASIBILITY STUDY OF:

NORTHWOODS VILLAGE

A MARKET FEASIBILITY STUDY OF: **NORTHWOODS VILLAGE**

Located at:
300 Bethune Square
Emporia, Emporia City, Virginia 23847

Inspection Date: February 28, 2024
Effective Date: February 28, 2024
Report Date: March 11, 2024

Prepared for:
PJ Hornik
Southport Financial Services, Inc
5403 W Gray Street
Tampa, FL 33609

Assignment Code: 10355134

Prepared by:
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March 11, 2024

PJ Hornik
Southport Financial Services, Inc.
5403 W Gray Street
Tampa, FL 33609

Re: Market Study of Northwoods Village
300 Bethune Square
Emporia, Emporia City, Virginia 23847

Dear Mr. Hornik:

At your request, Novogradac & Company, doing business under the brand name Novogradac Consulting ("Novogradac"), has performed a study of the multifamily rental market in the Emporia, Virginia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project. We have been engaged to perform an appraisal along with this application market study. We have also prepared rent comparability grids on the Subject of this report with the same effective date of February 28, 2024. We have previously completed a VHDA Application Rent Comparability Study, Market Study, and Appraisal for the Subject with an effective date of March 7, 2022. We have performed no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

The purpose of this market study is to assess the viability of Northwoods Village ("Subject"), an existing 72-unit Project-Based Section 8/USDA multifamily development that will be renovated with LIHTC equity. Following rehabilitation and LIHTC allocation, the Subject's units will be LIHTC restricted to households earning 40, 50, and 60 percent of AMI or less, and all units will continue to benefit from Section 8 subsidy where tenants pay 30 percent of their income towards rent. 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 2024 market study requirements of the Virginia Housing Development Authority (VHDA) and conforms to VHDA guidelines. In addition to the addressee, additional users of this report include VHDA.

The National Council of Housing Market Analysts (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 generally conforms to those standards. Any slight modifications or departures from those standards are considered incidental and result from the specific market study requirements of VHDA. The scope of the study is based on agreed upon procedures as outlined in the engagement letter and summarized as follows:

- Analyzing the appropriateness of the proposed unit mix, rent levels, unit and complex amenities, and site.
- In-person inspection of the Subject property.
- Estimating the market rents, absorption rates and stabilized vacancy levels for the market area.
- Investigating the general economic health and conditions of the multifamily rental market.
- 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 appropriate 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.

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.

Southport Financial Services, Inc. is the client in this engagement and intended user of this report. Furthermore, Virginia Housing Development Authority (VHDA) is an authorized user of this market study and VHDA may rely on representations made herein. As our client Southport Financial Services, Inc. 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 to assist with underwriting and for submittal to VHDA for the purposes of obtaining LIHTC funding. 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.

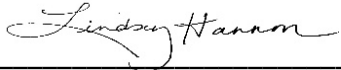
Pursuant to Virginia Housing requirements, we certify:

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.

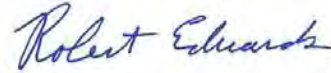
MR. PJ HORNIK
SOUTHPORT FINANCIAL SERVICES, INC.
MARCH 2024
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Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac can be of further assistance. It has been our pleasure to assist you with this project.

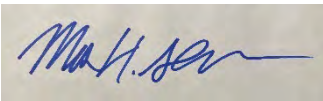
Respectfully submitted,
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I. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Northwoods Village (“Subject”) is an existing 72-unit Project-Based Section 8/USDA multifamily development that consists of 14 one- and two-story garden-style residential buildings and two one-story community buildings. The Subject consists of 20 one-, 36 two-, and 16 three-bedroom units. The Subject’s buildings were originally built in 1979 and are constructed with wood siding exterior with pitched, asphalt-shingled roofs. The Subject is located at 300 Bethune Square, Emporia, Emporia City, Virginia 23847. The Subject currently benefits from a Project-Based Section 8 contract (HAP# VA36-R000-004) that covers all units. The HAP contract was renewed on April 1, 2015 and runs for a period of 20 years. The Subject’s most recent HAP contract rent increase was effective April 1, 2023. According to a rent roll provided by the client, dated January 31, 2024, the Subject is 100 percent occupied.

The Subject is proposing substantial renovations with LIHTC equity in 2024. Following rehabilitation and LIHTC allocation, the Subject’s units will be LIHTC restricted to households earning 40, 50, and 60 percent of AMI or less, and all units will continue to benefit from Section 8 subsidy where tenants pay 30 percent of their income towards rent. The construction timeline is anticipated to be eight months, starting in August 2024, with an anticipated completion date of April 2025. Renovations are expected to occur with tenants in place to limit tenant disruption. Additionally, according to the client, the Subject is applying for a Chapter 15 mark-up-to-market restructuring of the current Section 8 contract.

The Subject is located in a mixed-use neighborhood surrounded by single-family homes, multifamily residential developments, religious, industrial, public, and retail/commercial uses. North of the Subject, across US-58 is vacant land and industrial uses. To the east of the Subject, land use consists of places of worship and single-family homes in average condition followed by vacant land. Immediately south of the Subject are single-family homes in average condition and places of worship. Farther south are public uses, a multifamily development, Reese Village Apartments, excluded due to subsidized rents, retail/commercial uses, and industrial uses. To the west of the Subject, land use consists of single-family homes in average condition, retail/commercial uses, public uses, and a multifamily development, Weaver Manor, excluded due to subsidized rents. Overall, the majority of surrounding land uses are in average condition.

The following table details the proposed hypothetical LIHTC rents and unit mix for the Subject. The utility structure will remain the same for the Subject, as renovated. It should be noted that based on the Subject’s location, the Subject qualifies for the non-metropolitan maximum allowable LIHTC rent levels, absent subsidy.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Current Contract Rent*	LIHTC Asking Rent	Utility Allowance (1)	Gross Rent	2023 Non-Metropolitan LIHTC Maximum Allowable Gross Rent	2024 HUD Fair Market Rent	
<i>@40% (Section 8)</i>									
1BR / 1BA	636	2	\$692	\$490	\$76	\$566	\$566	\$737	
2BR / 1BA	760	3	\$762	\$579	\$101	\$680	\$680	\$968	
2BR / 1BA	785	1	\$762	\$579	\$101	\$680	\$680	\$968	
3BR / 1BA	900	2	\$889	\$660	\$125	\$785	\$785	\$1,307	
<i>@50% (Section 8)</i>									
1BR / 1BA	636	8	\$692	\$632	\$76	\$708	\$708	\$737	
2BR / 1BA	760	13	\$762	\$749	\$101	\$850	\$850	\$968	
2BR / 1BA	785	1	\$762	\$749	\$101	\$850	\$850	\$968	
3BR / 1BA	900	6	\$889	\$856	\$125	\$981	\$981	\$1,307	
<i>@60% (Section 8)</i>									
1BR / 1BA	636	10	\$692	\$773	\$76	\$849	\$849	\$737	
2BR / 1BA	760	16	\$762	\$919	\$101	\$1,020	\$1,020	\$968	
2BR / 1BA	785	2	\$762	\$919	\$101	\$1,020	\$1,020	\$968	
3BR / 1BA	900	8	\$889	\$1,053	\$125	\$1,178	\$1,178	\$1,307	
		72							

Notes (1) Source of Utility Allowance provided by the HUD Rent Schedule, effective 04/01/2023

*Based on HUD Rent Schedule, effective 04/01/2023

Recommendations and Overall Conclusion

In general, we believe there is demand in the marketplace for the Subject as conceived. We recommend no changes for the Subject property. As detailed in our analysis of LIHTC rents at 40, 50, and 60 percent of AMI, we believe that non-metropolitan maximum allowable LIHTC rents are achievable. Thus, future LIHTC rent increases will be dependent on increases in AMI as well as market conditions, absent subsidy. Our estimated achievable market rents for the Subject as proposed are **\$1,080**, **\$1,175** to **\$1,200**, and **\$1,320** for the one-, two-, and three-bedroom units, respectively.

Strengths

- As a newly renovated property, the Subject will exhibit similar to superior condition relative to the comparable properties.
- The Subject’s achievable LIHTC rents represent significant rent advantages to the achievable market rents.
- Management at three of the four LIHTC comparables reported being fully occupied. The weighted average vacancy rate reported by the LIHTC comparables was 1.6 percent, below the 2.3 percent weighted average reported by the market rate comparables, which suggests a stable market for affordable housing. According to a rent roll provided by the client, dated January 31, 2024, the Subject is 100 percent occupied.
- The Subject offers a one- and two-story garden-style design, which will offer greater appeal to family renters over strictly two-story garden-style design.

Weaknesses

- The Subject is located in an inferior to similar location relative to the majority of comparables based on median rent.
- The Subject offers one-, two-, and three-bedroom units, and offers unit sizes below to within the range of unit sizes reported by the surveyed comparables. The Subject’s three-bedroom units are below the range of unit sizes reported by the surveyed comparables. The Subject’s one- and two-bedroom unit sizes are within the range but below the average unit sizes reported by the surveyed comparables.

Capture Rates - VHDA:

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 - Affordable Units	10.1%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	10.1%
Project Wide Absorption Period (Months)	4 months

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

Project Wide Capture Rate - Affordable Units	20.7%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	20.7%
Project Wide Absorption Period (Months)	4 months

These capture rates are moderate, indicating sufficient demand for additional affordable rental housing in the market. We believe there is sufficient demand for the Subject based on the high occupancy rates among all of the LIHTC comparables, as well as the utilization of waiting lists at three of the four LIHTC comparables.

We do not believe renovation of the existing project will harm other VHDA properties, as the capture rates are moderate and vacancy in the market is low.

Summary of Competitive Market Conditions

In general, we believe there is demand in the marketplace for the Subject, as proposed. Additionally, the market has reported strong occupancy rates and waiting lists at three of the four affordable comparable properties. The Subject will be well-positioned in the market as a newly renovated affordable property, and will exhibit similar to superior condition relative to the comparable properties. The market exhibits strong demand for additional affordable housing, with vacancy rates ranging from zero to 3.2 percent at the comparable LIHTC properties, with three of the four LIHTC properties being fully occupied yielding a weighted average vacancy rate of 1.6 percent for the affordable comparables. Vacancy and collection loss at the Subject is expected to be no more than three percent over the long term, which is in line with the Subject’s historical vacancy. Based on the comparable data, we have concluded to achievable LIHTC rents as illustrated in the following table:

SUBJECT COMPARISON TO MARKET RENTS - AS RENOVATED

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Adjusted Min	Adjusted Max	Adjusted Average	Achievable Market Rent	Subject Rent Advantage
1BR / 1BA	@40% (Section 8)	\$490	\$866	\$1,150	\$1,062	\$1,080	55%
1BR / 1BA	@50% (Section 8)	\$632	\$866	\$1,150	\$1,062	\$1,080	41%
1BR / 1BA	@60% (Section 8)	\$773	\$866	\$1,150	\$1,062	\$1,080	28%
2BR / 1BA - Garden	@40% (Section 8)	\$579	\$980	\$1,265	\$1,162	\$1,175	51%
2BR / 1BA - One-story	@40% (Section 8)	\$579	\$1,001	\$1,288	\$1,185	\$1,200	52%
2BR / 1BA - Garden	@50% (Section 8)	\$749	\$980	\$1,265	\$1,162	\$1,175	36%
2BR / 1BA - One-story	@50% (Section 8)	\$749	\$1,001	\$1,288	\$1,185	\$1,200	38%
2BR / 1BA - Garden	@60% (Section 8)	\$919	\$980	\$1,265	\$1,162	\$1,175	22%
2BR / 1BA - One-story	@60% (Section 8)	\$919	\$1,001	\$1,288	\$1,185	\$1,200	23%
3BR / 1BA	@40% (Section 8)	\$660	\$1,132	\$1,431	\$1,319	\$1,320	50%
3BR / 1BA	@50% (Section 8)	\$856	\$1,132	\$1,431	\$1,319	\$1,320	35%
3BR / 1BA	@60% (Section 8)	\$1,053	\$1,132	\$1,431	\$1,319	\$1,320	20%

The Subject’s proposed LIHTC rents offer significant market rent advantages. Overall, we believe there is demand for the Subject.

II. INTRODUCTION AND SCOPE OF WORK

INTRODUCTION AND SCOPE OF WORK

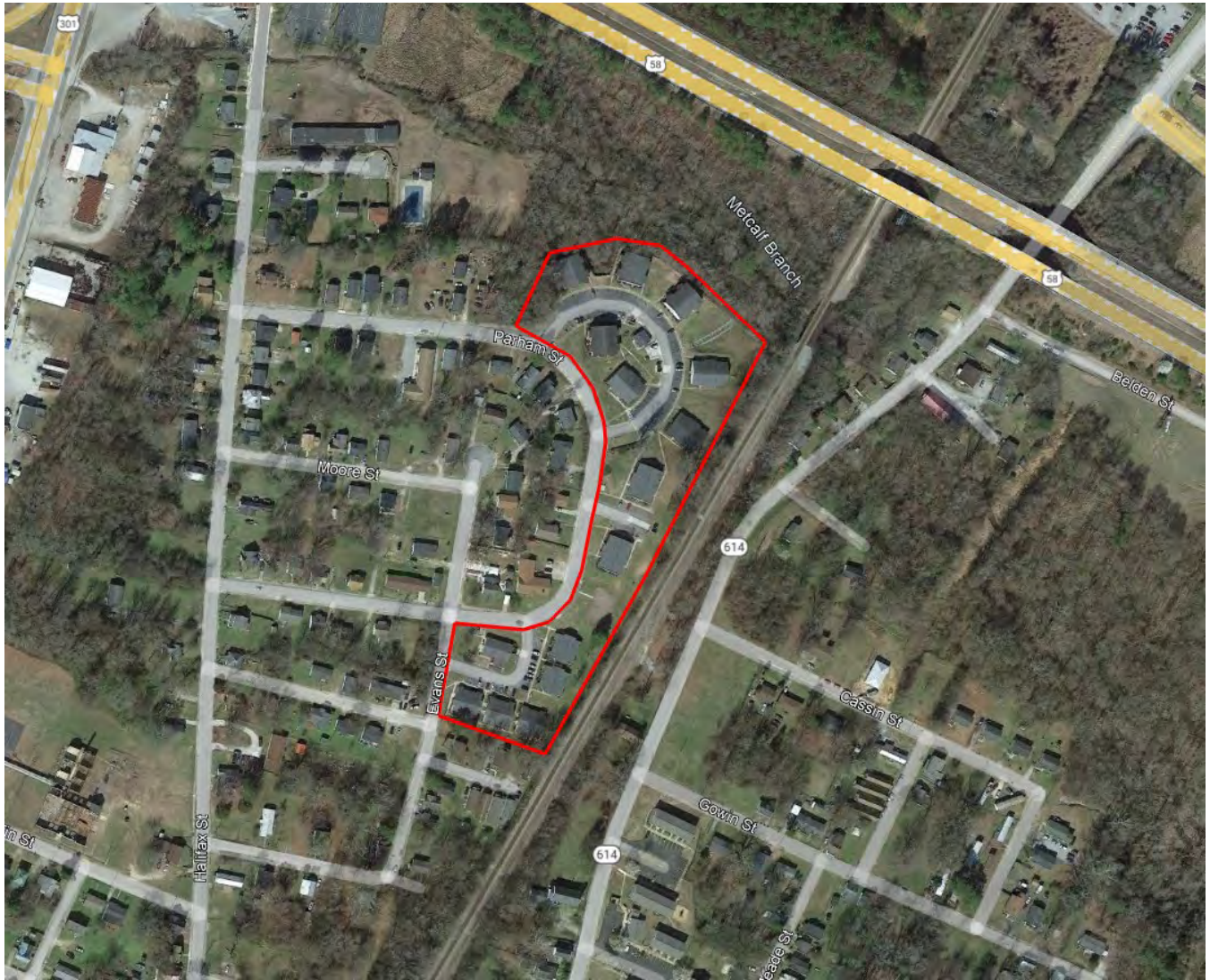
Report Description:	Novogradac has performed a comprehensive market study of the multifamily rental market in the Emporia, Virginia area to assess the viability of Northwoods Village (“Subject”). The Subject is an existing 72-unit Project-Based Section 8/USDA multifamily development that is proposed for renovations with LIHTC equity. Tenants at the Subject pay 30 percent of their income towards rent under the Section 8 program. Following rehabilitation and LIHTC allocation, the Subject’s units will be LIHTC restricted to households earning 40, 50, and 60 percent of AMI or less, and all units will continue to benefit from Section 8 subsidy where tenants pay 30 percent of their income towards rent. We have been engaged to perform an appraisal along with this application market study. We have also prepared rent comparability grids on the Subject of this report with the same effective date of February 28, 2024. We have previously completed a VHDA Application Rent Comparability Study, Market Study, and Appraisal for the Subject with an effective date of March 7, 2022. We have performed no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. The Subject is proposed to be financed through VHDA’s competitive nine percent LIHTC program.
Developer/Client Information:	Southport Financial Services, Inc.
Intended Use and Users of the Report:	The report will be submitted to the Virginia Housing Development Authority (VHDA) for application purposes. The intended users of the report are VHDA and Southport Financial Services, Inc.
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 property. ▪ Estimating the market rents, absorption rates and stabilized vacancy levels for the market area. ▪ Investigating the general economic health and conditions of the multifamily rental market. ▪ 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 appropriate 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 was inspected on February 28, 2024, which will serve as the effective date for this report.
Primary Contacts for the Report:	Lindsey Hannon – Lindsey.Hannon@novoco.com Robert Edwards – Bob.Edwards@novoco.com Doron Matian – Doron.Matian@novoco.com

III. PROJECT DESCRIPTION

PROJECT DESCRIPTION

- Location:** The Subject site is located at 300 Bethune Square, Emporia, Virginia 23847.
- Site Description:** The Subject site consists of one irregularly shaped parcel totaling 6.35 acres, or approximately 276,606 square feet. The Subject site has frontage along the east side of Parham Street and Evans Street.
- Visibility/Views:** The Subject site has average visibility from Parham Street and Evans Street. To the north of the Subject, views consist of vacant land. To the east of the Subject, views consist of single-family homes in average condition and places of worship. To the south and west, the Subject's views consists of single-family homes in average condition. Overall, visibility and views are considered average.
- Access and Traffic Flow:** The Subject is accessed via the east side of Evans Street, a lightly trafficked two-lane road, which extends north/south and provides access to Moore Street, approximately 0.1 miles west of the Subject site. Moore Street is a lightly trafficked two-lane road that traverses east/west and provides access to Halifax Street approximately 0.2 miles west of the Subject. Halifax Street extends north/south and provides access to US Highway 58 approximately 0.1 miles north of the Subject. US-58 extends east/west and provides access to Interstate 95 approximately one mile west of the Subject. Interstate 95 traverses north/south throughout eastern Virginia and provides access to Petersburg approximately 42 miles north of the Subject and Richmond approximately 65 miles north of the Subject. Overall, access in the Subject's immediate area is considered average, and traffic flow is considered light.
- Existing Improvements:** The Subject property consists of 20 one-, 36 two-, and 16 three-bedroom units contained within 14 one- and two-story garden-style residential buildings, in addition to two one-story community buildings. The Subject was constructed in 1979 and is proposed to be significantly renovated with LIHTC equity in 2024. The construction timeline is anticipated to be eight months, starting in August 2024, with an anticipated completion date of April 2025.

Aerial Photo:



Source: Google Earth, February 2024

Proposed Rents and Unit Mix:

The following table details the proposed hypothetical LIHTC rents and unit mix for the Subject. The utility structure will remain the same for the Subject, as renovated. It should be noted that based on the Subject's location, the Subject qualifies for the non-metropolitan maximum allowable LIHTC rent levels, absent subsidy.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Current Contract Rent*	LIHTC Asking Rent	Utility Allowance (1)	Gross Rent	2023 Non-Metropolitan LIHTC Maximum Allowable Gross Rent	2024 HUD Fair Market Rent
<i>@40% (Section 8)</i>								
1BR / 1BA	636	2	\$692	\$490	\$76	\$566	\$566	\$737
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3BR / 1BA	900	2	\$889	\$660	\$125	\$785	\$785	\$1,307
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1BR / 1BA	636	10	\$692	\$773	\$76	\$849	\$849	\$737
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3BR / 1BA	900	8	\$889	\$1,053	\$125	\$1,178	\$1,178	\$1,307
72								

Notes (1) Source of Utility Allowance provided by the HUD Rent Schedule, effective 04/01/2023

*Based on HUD Rent Schedule, effective 04/01/2023

Target Population & Occupancy Type: The Subject targets low-income households of the general population. Based on the unit mix and proposed 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
<i>@40% (Section 8)</i>						
1BR	\$0	\$24,160	\$0	\$30,200	\$0	\$36,240
2BR	\$0	\$27,200	\$0	\$34,000	\$0	\$40,800
3BR	\$0	\$32,640	\$0	\$40,800	\$0	\$48,960

INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
<i>@40%</i>						
1BR	\$19,406	\$24,160	\$24,274	\$30,200	\$29,109	\$36,240
2BR	\$23,314	\$27,200	\$29,143	\$34,000	\$34,971	\$40,800
3BR	\$26,914	\$32,640	\$33,634	\$40,800	\$40,389	\$48,960

Utility Structure:

The Subject offers all electric utilities. Tenants are responsible for all electric utility expenses, while the landlord covers cold water, sewer, and trash removal expenses. Following the renovations, the utility structure will remain the same. The Subject currently utilizes project-specific utility allowances, which are shown in the following table. The utility structure varies among the comparable properties and we

have adjusted the comparables’ rents in accordance with the utility calculations from VHDA, effective as of July 1, 2023.

HOUSING AUTHORITY UTILITY ALLOWANCE

Utility and Source	Paid By	1BR	2BR	3BR
Heating - electric	Tenant	\$36	\$46	\$57
Cooking - electric	Tenant	\$5	\$6	\$8
Electric	Tenant	\$20	\$25	\$31
Air Conditioning - central	Tenant	\$11	\$14	\$16
Hot Water - electric	Tenant	\$18	\$23	\$28
Cold Water	Landlord	\$25	\$32	\$40
Sewer	Landlord	\$29	\$38	\$46
Trash	Landlord	\$15	\$15	\$15
TOTAL - Paid by Landlord		\$69	\$85	\$101
TOTAL - Paid by Tenant		\$90	\$114	\$140
TOTAL - Paid By Tenant Per HUD Rent Schedule		\$76	\$101	\$125
% Delta (Developer / Housing Authority)		84%	89%	89%

Source: Virginia Housing Development Authority, July 2023

Unit Mix: The following table illustrates the Subject’s existing unit mix and sizes:

UNIT MIX AND SQUARE FOOTAGE

Unit Type	Number of Units	Unit Size (SF)	Net Leasable Area
1BR / 1BA	20	636	12,720
2BR / 1BA	32	760	24,320
2BR / 1BA	4	785	3,140
3BR / 1BA	16	900	14,400
TOTAL	72		54,580

Net Rentable Area: Approximately 54,580 square feet as outlined in the table above.

Number of Stories: The Subject consists of 14 one- and two-story garden-style residential buildings, in addition to two one-story community buildings.

Unit Amenities: The Subject’s in-unit amenities currently include blinds, carpeting, central air conditioning, ovens, and refrigerators. Upon completion of the proposed renovations, all units will replace the existing carpet with new vinyl plank flooring. Further, new appliances and a dishwasher will be added, post-renovations.

Common Area Amenities: The community amenities offered by the Subject currently include a central laundry facility, on-site management, and off-street parking. The Subject will add a community room and playground as part of the proposed renovations.

Security Features: The Subject does not offer any security amenities.

Parking: The Subject features off-street parking to its tenants at no additional cost. The Subject offers 118 surface parking spaces, which equates to a parking ratio of approximately 1.6 spaces per unit. Overall, the

parking offered at the Subject is reasonable given its tenancy and proximity to public transportation.

Date of Construction: The Subject was constructed in 1979 and is proposed to be significantly renovated with LIHTC equity in 2024. The construction timeline is anticipated to be eight months, starting in August 2024, with an anticipated completion date of April 2025.

Construction Details: The scope of renovations will include, but not be limited to the following:

SCOPE OF RENOVATIONS

Exterior	
Roof repairs	Landscaping repairs
Replace siding with cement board or vinyl plank	Stripe and seal parking lot
Sidewalks & repairs	Replace doors
Replace windows	
Interior	
Plumbing repairs	Replace HVAC, equipment, clean ducts
New paint	Patch drywall
Install vinyl plank flooring	Replace bathroom fixtures/accessories
Replace water heater	Replace appliances
Replace kitchen and bath millwork	Install dishwashers
Common Area	
ADA/Life Safety Compliance	Cleaning
Termite control	Electric (Light Fixtures, GFIs)
Window Coverings	Playground with equipment
Clubhouse/Community Building	

According to the developer, the estimated hard costs for renovations total \$5,999,440, or approximately \$83,325 per unit.

Assisted Housing Program: The Subject currently benefits from a Project-Based Section 8 contract (HAP# VA36-R000-004) that covers all units. The HAP contract was renewed on April 1, 2015 and runs for a period of 20 years. The most recent HAP contract rent increase was effective April 1, 2023. Additionally, according to the client, the Subject is applying for a Chapter 15 mark-up-to-market restructuring of the current Section 8 contract.

Americans with Disabilities Act of 1990: We assume the property will not have any violations of the Americans with Disabilities Act of 1990 as a newly renovated property.

Quality of Construction Condition and Deferred Maintenance: The Subject appears to have been constructed using average-quality materials and the structure/units are in fair condition and exhibit minimal deferred maintenance. Post renovation, the Subject will be in good condition with no deferred maintenance.

Functional Utility:

Based upon a site inspection of the Subject property, the units are functional and market-oriented.

Conclusion:

The Subject property is a 72-unit multifamily Section 8/USDA development in fair condition and will be in good condition, post-rehabilitation. The renovation of the Subject is expected to be an improvement to the existing neighborhood.

PROPERTY PROFILE REPORT

Northwoods Village

Effective Rent Date	2/28/2024
Location	300 Bethune Square Emporia, VA 23847 Emporia County
Distance	N/A
Units	72
Vacant Units	N/A
Vacancy Rate	N/A
Type	Various (2 stories)
Year Built/Renovated	1979 / 2025
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	N/A
Contact Name	N/A
Phone	N/A



Market Information

Program	@40% (Section 8), @50% (Section 8), @60%
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	N/A
Annual Chg. in Rent	N/A
Concession	N/A
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	One-story	2	636	\$490	\$0	@40% (Section 8)	N/A	N/A	N/A	yes	None
1	1	One-story	8	636	\$632	\$0	@50% (Section 8)	N/A	N/A	N/A	yes	None
1	1	One-story	10	636	\$773	\$0	@60% (Section 8)	N/A	N/A	N/A	yes	None
2	1	Garden (2 stories)	3	760	\$579	\$0	@40% (Section 8)	N/A	N/A	N/A	yes	None
2	1	Garden (2 stories)	13	760	\$749	\$0	@50% (Section 8)	N/A	N/A	N/A	yes	None
2	1	Garden (2 stories)	16	760	\$919	\$0	@60% (Section 8)	N/A	N/A	N/A	yes	None
2	1	One-story	1	785	\$579	\$0	@40% (Section 8)	N/A	N/A	N/A	yes	None
2	1	One-story	1	785	\$749	\$0	@50% (Section 8)	N/A	N/A	N/A	yes	None
2	1	One-story	2	785	\$919	\$0	@60% (Section 8)	N/A	N/A	N/A	yes	None
3	1	One-story	2	900	\$660	\$0	@40% (Section 8)	N/A	N/A	N/A	yes	None
3	1	One-story	6	900	\$856	\$0	@50% (Section 8)	N/A	N/A	N/A	yes	None
3	1	One-story	8	900	\$1,053	\$0	@60% (Section 8)	N/A	N/A	N/A	yes	None

Northwoods Village, continued

Unit Mix

@40%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$490	\$0	\$490	\$0	\$490	1BR / 1BA	\$632	\$0	\$632	\$0	\$632
2BR / 1BA	\$579	\$0	\$579	\$0	\$579	2BR / 1BA	\$749	\$0	\$749	\$0	\$749
3BR / 1BA	\$660	\$0	\$660	\$0	\$660	3BR / 1BA	\$856	\$0	\$856	\$0	\$856

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$773	\$0	\$773	\$0	\$773
2BR / 1BA	\$919	\$0	\$919	\$0	\$919
3BR / 1BA	\$1,053	\$0	\$1,053	\$0	\$1,053

Amenities

In-Unit		Security	Services
Blinds	Central A/C	None	None
Dishwasher	Oven		
Refrigerator	Vinyl Plank Flooring		

Property		Premium	Other
Clubhouse/Meeting Room/Community	Central Laundry	None	None
Off-Street Parking	On-Site Management		
Playground			

Comments

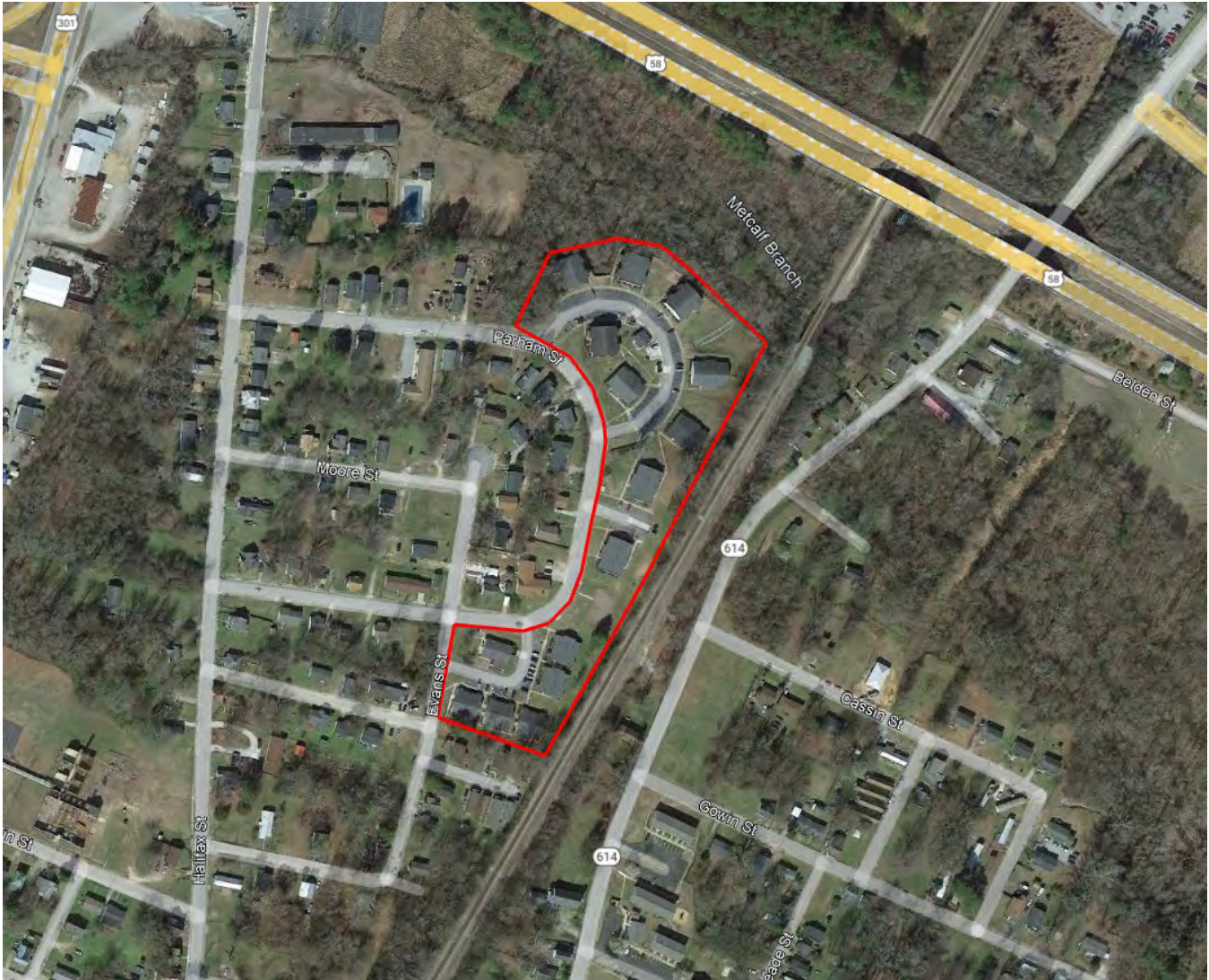
Northwoods Village is an existing Project-Based Section 8/USDA multifamily development that consists of 14 one- and two-story garden-style residential buildings and two one-story community buildings. The property is proposed for rehabilitation with Low-Income Housing Tax Credits (LIHTC). Renovations are expected to begin in August 2024 and be complete by April 2025. Post-renovation, all of the units will be restricted to households earning 40, 50, and 60 percent of the Area Median Income (AMI) or less. Additionally, the property will benefit from a new long-term HAP contract for all 72 units, post-renovation. This profile reflects proposed LIHTC rents.

IV. LOCATION

LOCATION

Description of the Site

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 discusses the physical features of the site, as well as the layout, access issues, and traffic flow.



Source: Google Earth, February 2024

- Size:** The Subject site consists of 6.35 acres, or approximately 276,606 square feet.
- Shape:** The Subject site consists of one irregularly shaped parcel.
- Frontage:** The Subject site has frontage along the east side of Parham Street and Evans Street.
- Topography:** The Subject site exhibits level topography.

- Utilities:** All utilities are available to the site.
- Visibility/Views:** The Subject site has average visibility from Parham Street and Evans Street. To the north of the Subject, views consist of vacant land. To the east of the Subject, views consist of single-family homes in average condition and places of worship. To the south and west, the Subject's views consists of single-family homes in average condition. Overall, visibility and views are considered average.
- Surrounding Uses:** The Subject is located in a mixed-use neighborhood surrounded by single-family homes, multifamily residential developments, religious, industrial, public, and retail/commercial uses. North of the Subject, across US-58 is vacant land and industrial uses. To the east of the Subject, land use consists of places of worship and single-family homes in average condition followed by vacant land. Immediately south of the Subject are single-family homes in average condition and places of worship. Farther south are public uses, a multifamily development, Reese Village Apartments, excluded due to subsidized rents, retail/commercial uses, and industrial uses. To the west of the Subject, land use consists of single-family homes in average condition, retail/commercial uses, public uses, and a multifamily development, Weaver Manor, excluded due to subsidized rents. Retail and commercial uses in the Subject's area appear to be approximately 90 percent occupied at the time of the inspection. According to Zillow, the current median listing price for a home in the Subject's zip code is approximately \$128,983. The Subject site is designated as "Car-Dependent" by Walk Score with a score of 37, indicating most errands require a car. No detrimental influences were observed at the time of inspection. Overall, the Subject site is an adequate location for multifamily use.
- Access and Traffic Flow:** The Subject is accessed via the east side of Evans Street, a lightly trafficked two-lane road, which extends north/south and provides access to Moore Street, approximately 0.1 miles west of the Subject site. Moore Street is a lightly trafficked two-lane road that traverses east/west and provides access to Halifax Street approximately 0.2 miles west of the Subject. Halifax Street extends north/south and provides access to US Highway 58 approximately 0.1 miles north of the Subject. US-58 extends east/west and provides access to Interstate 95 approximately one mile west of the Subject. Interstate 95 traverses north/south throughout eastern Virginia and provides access to Petersburg approximately 42 miles north of the Subject and Richmond approximately 65 miles north of the Subject. Overall, access in the Subject's immediate area is considered average, and traffic flow is considered light.
- Existing Improvements:** The Subject property consists of 20 one-, 36 two-, and 16 three-bedroom units contained within 14 one- and two-story garden-style residential buildings, in addition to two one-story community buildings.

Layout and Curb Appeal:

Based on our inspection, the Subject has a functional layout for its intended use and offers average curb appeal.

The following table summarizes various characteristics of the Subject site.

SUMMARY OF SUBJECT SITE	
Visibility	Average
Views	Average
Access/Traffic Flow	Average/Light
Layout/Curb Appeal	Average

Drainage:

Appears adequate, however, no specific tests were performed. Further, Novogradac is not an expert in this field and cannot opine on this issue.

Soil and Subsoil Conditions:

Novogradac did not perform any soil and subsoil test upon inspection of the site, as this is beyond the scope of work. We have not been provided with a soil and subsoil report. We are not experts in this field and assume the soil is adequate for development.

Environmental Assessment:

We requested but were not provided with a Phase I Environmental Site Assessment report for the Subject. During our inspection, we walked the grounds of the Subject and the rear of the buildings and observed no obvious signs of detrimental environmental conditions. However, Novogradac does not have expertise in this field and cannot opine as to the adequacy of the soil conditions, drainage, or existence of adverse environmental conditions.

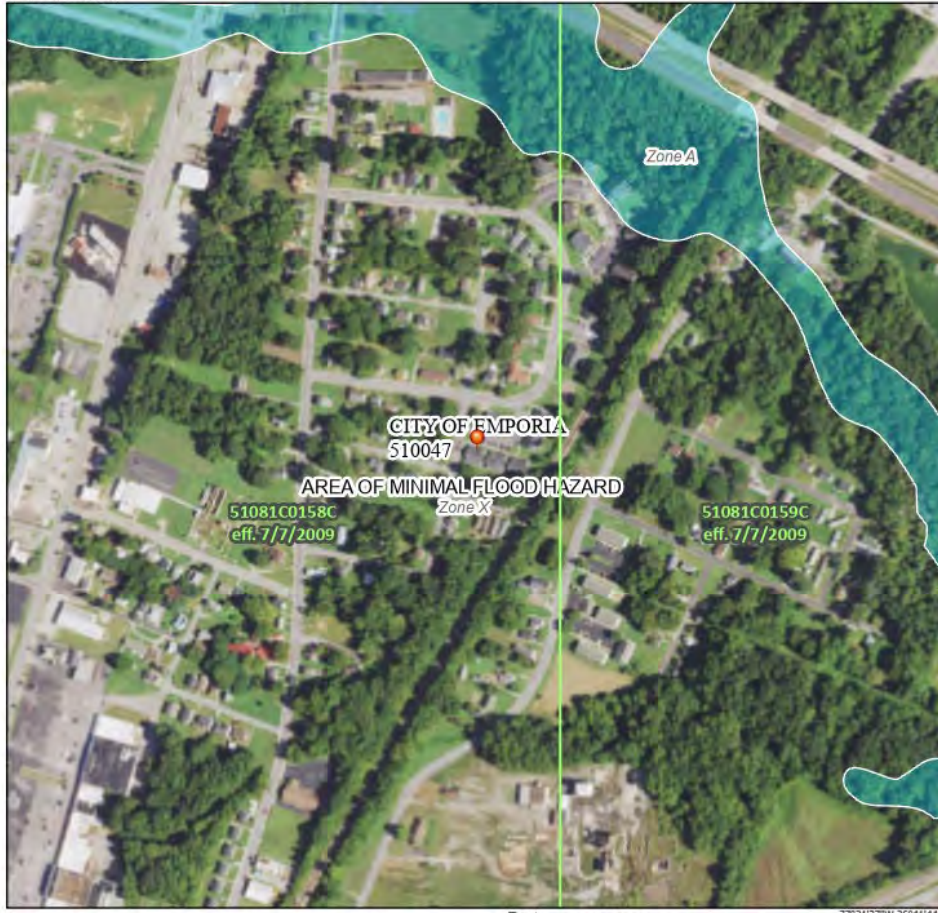
Flood Plain:

According to Flood Insurance Rate Map Community Panel Number 51081C0158C and 51081C0159C, dated July 7, 2009, a northern portion of the Subject site is located within a floodplain. Novogradac does not offer expertise in this field and cannot opine on this issue. Further analysis by Novogradac is beyond the scope of the report.

National Flood Hazard Layer FIRMette



77°32'15"W 36°42'13"N



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS

- Without Base Flood Elevation (BFE) Zone A, V, A99
- With BFE or Depth Zone AE, AO, AH, VE, AP
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD

- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
- Future Conditions 1% Annual Chance Flood Hazard Zone X
- Area with Reduced Flood Risk due to Levee. See Notes. Zone X
- Area with Flood Risk due to Levee Zone D

OTHER AREAS

- NO SCREEN Area of Minimal Flood Hazard Zone X
- Effective LOMRs
- Area of Undetermined Flood Hazard Zone D

GENERAL STRUCTURES

- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

CROSS SECTIONS

- 20.2 Cross Sections with 1% Annual Chance Water Surface Elevation
- 17.5
- Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

OTHER FEATURES

- Digital Data Available
- No Digital Data Available
- Unmapped

MAP PANELS

- The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

0 250 500 1,000 1,500 2,000 Feet 1:6,000 77°31'37"W 36°41'44"N
 Basemap Imagery Source: USGS National Map 2023

Detrimental Influences:

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

Northwoods Village - Emporia, VA
Source: Mark Shelburne, Senior Manager
Inspection Date: February 28, 2024



Subject signage



Subject exterior



Subject exterior



Subject exterior



Subject exterior



Subject exterior

Northwoods Village - Emporia, VA
Source: Mark Shelburne, Senior Manager
Inspection Date: February 28, 2024



Subject exterior



Subject exterior



View facing east along Parham Street



View facing west along Parham Street



View facing north along Evans Street



View facing south along Evans Street

Northwoods Village - Emporia, VA
Source: Mark Shelburne, Senior Manager
Inspection Date: February 28, 2024



Subject leasing office



Subject central laundry facility



Typical Subject staircase



Typical Subject parking



Typical kitchen



Typical kitchen

Northwoods Village - Emporia, VA
Source: Mark Shelburne, Senior Manager
Inspection Date: February 28, 2024



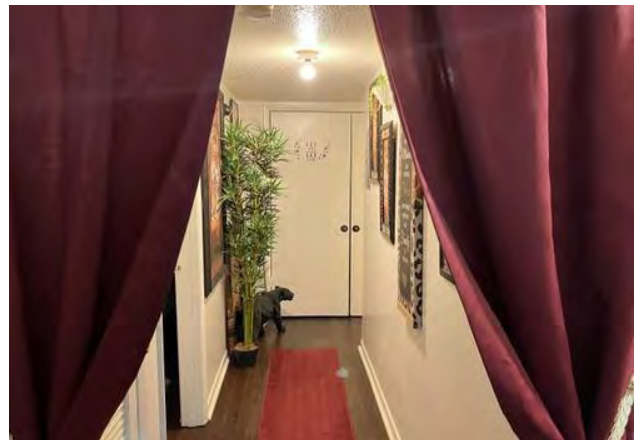
Typical bathroom



Typical bathroom



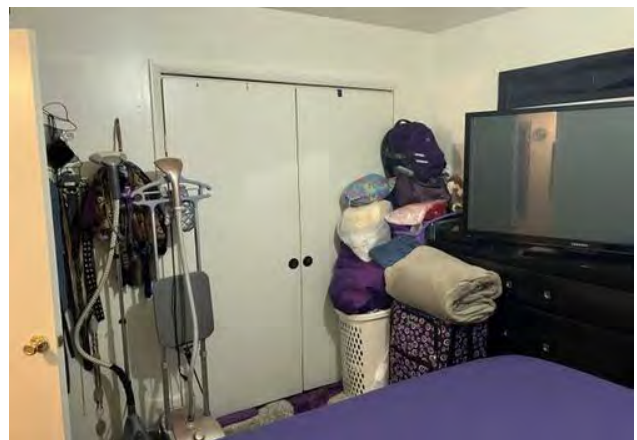
Typical living room



Typical in-unit hallway



Typical bedroom



Typical bedroom

Northwoods Village - Emporia, VA
Source: Mark Shelburne, Senior Manager
Inspection Date: February 28, 2024



Subject entry



Typical closet space



Retail use near Subject



Public use near Subject



Retail use near Subject



Retail use near Subject

Northwoods Village - Emporia, VA
Source: Mark Shelburne, Senior Manager
Inspection Date: February 28, 2024



Vacant building near Subject



Healthcare use near Subject



Retail use near Subject



Healthcare use near Subject



Typical single-family home near Subject

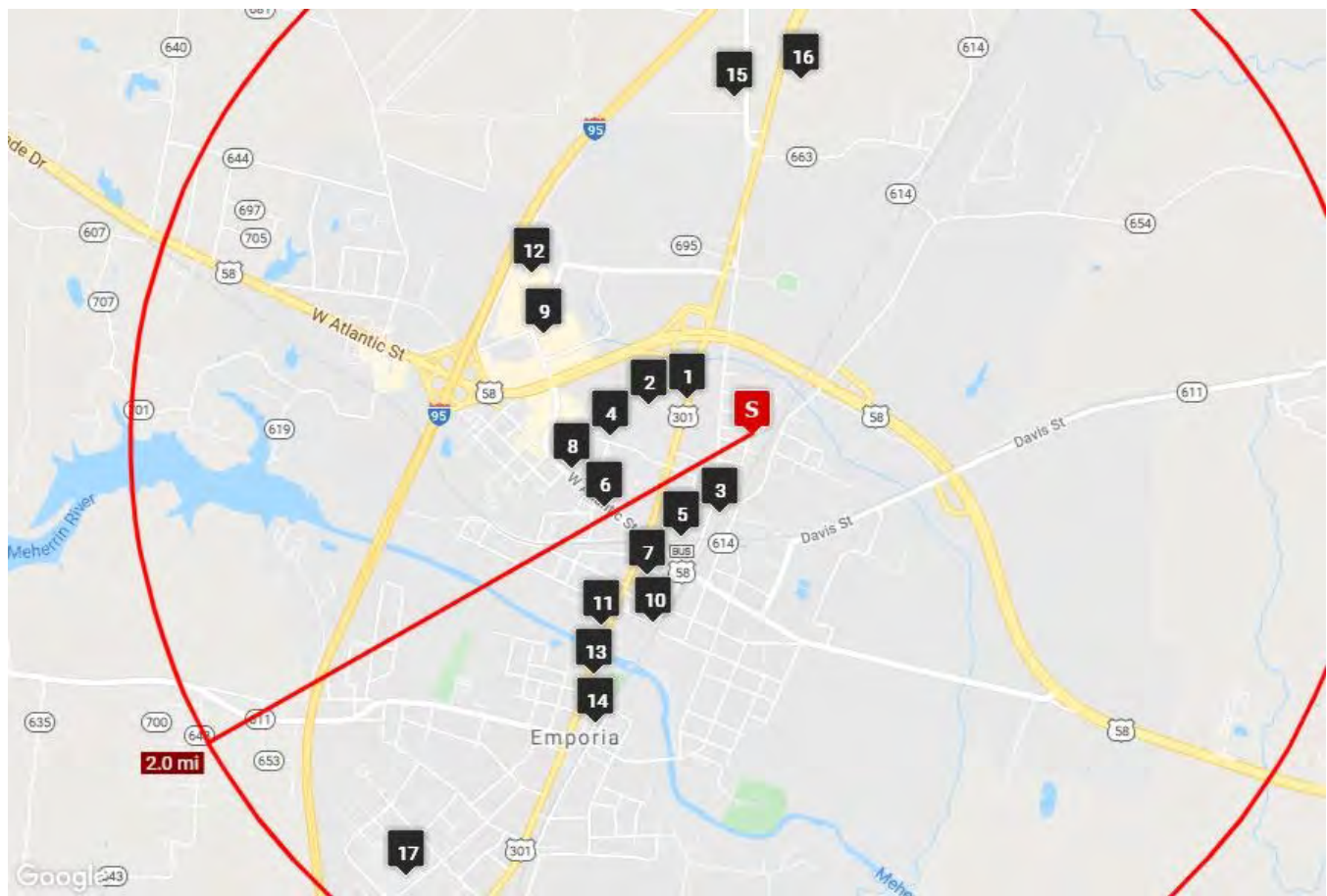


Typical single-family home near Subject

Proximity to Local Services

The Subject is located in close proximity to services including area retail, schools, and medical facilities. The distances of various services from the Subject and a map of the locations are provided following.

#	Service or Amenity	Distance (Crow)	#	Service or Amenity	Distance (Crow)
1	Bus Stop	0.3 miles	10	Food Lion	0.7 miles
2	Southern Virginia Medical Center	0.3 miles	11	Meherrin River Park	0.8 miles
3	Shell Gas Station	0.3 miles	12	United States Postal Service	0.9 miles
4	Family YMCA of Emporia	0.4 miles	13	Walmart Supercenter	0.9 miles
5	Dollar Tree	0.4 miles	14	Richardson Memorial Library	1.0 miles
6	First Community Bank	0.5 miles	15	Edward W. Wyatt Middle School	1.1 miles
7	CVS Pharmacy	0.6 miles	16	Greensville Elementary School	1.2 miles
8	Emporia Police Department	0.6 miles	17	Greensville County High School	1.8 miles
9	Emporia Fire Department	0.7 miles			



Source: Google Earth, February 2024

Location and Proximity to Metropolitan Areas

The following table illustrates distances to surrounding cities and metropolitan areas from the Subject:

PROXIMITY TO MAJOR CITIES	
Location	Miles
Richmond, VA	64 miles
Norfolk, VA	78 miles
Raleigh, NC	108 miles

Transportation

- Highway:** The region’s comprehensive transportation system includes interstate, state, and local highways. Access to Interstate 95 is approximately one mile west of the Subject, Interstate 95 traverses north/south throughout Virginia and provides access to Richmond approximately 64 miles north of the Subject. Access to U.S. Route 58 is approximately 1.5 miles east of the Subject. U.S. Route 58 provides access to Norfolk approximately 78 miles east of the Subject.
- Air:** The nearest major airport is the Richmond International Airport (RIC), located approximately 57 miles north of the Subject in Richmond, VA. RIC served over 3,150,000 passengers in 2021, and offers the following airlines: Allegiant, American Airlines, Breeze Airways, Delta, JetBlue Airways, Southwest Airlines, Spirit, and United.
- Mass Transit:** The Greenville Emporia Transit Advisory Board recently announced an expansion of the Greenville Emporia Transit (GET). The GET operates from 7:00 a.m. to 7:00 p.m., Monday through Friday and provides fixed-route bus transportation in the cities of Emporia and throughout Greenville County for a one-way fare of \$1.00. The Subject is located 0.3 miles north of the Halifax Street and Harris Street Bus Stop.
- Walkability:** The Subject’s neighborhood is in close proximity to public transportation. Further, the site is designated as “Car-Dependent” by Walk Score with a score of 36 (out of 100), which is defined as most errands require a car.

Community Center

The Family YMCA of Emporia-Greenville is located approximately 0.4 miles west of the Subject. The Family YMCA of Emporia-Greenville offers a variety of exercise programs, health screenings, teen programs, and community events such as basketball games, aquatics, rock climbing, diabetes support, and other programs and activities.

Healthcare

The Bon Secours Southern Virginia Medical Center (SVRMC) is a healthcare center, which serves residents in Emporia and the surrounding communities. SVRMC is an 80-bed acute care facility with over 100 physicians providing a variety of in-patient and out-patient general medical services, including 24-hour emergency services, diagnostic imaging, heart care, rehabilitation services, and surgical services. The Bon Secours Southern Virginia Medical Center is located approximately 0.3 miles west of the Subject.

Higher Education

Virginia State University (VSU), founded in 1882, is America's first fully state-assisted, four-year institution of higher learning for black Americans. VSU is a midsize public university with undergraduate and graduate programs located in Petersburg, Virginia. The 231-acre campus offers enrollment to approximately 4,300

students annually in biology, computer engineering, business, arts, political science, in addition to many other programs. The Subject is located approximately 39 miles south of Virginia State University’s main campus.

Crime Statistics

The table below illustrates crime indices in the PMA and SMA 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	SMA
Total Crime*	78	70
Personal Crime*	84	85
Murder	232	210
Rape	57	72
Robbery	68	67
Assault	90	90
Property Crime*	77	68
Burglary	86	88
Larceny	80	67
Motor Vehicle Theft	43	47

Source: Esri Demographics 2023, Novogradac, February 2024

*Unweighted aggregations

Total crime indices in the PMA are slightly below the national average and similar to the SMA. Both geographic areas feature crime indices below the overall nation. The Subject does not offer any security features and no security features will be added during renovations, similar to five of the comparables. Further, the Subject has performed well historically, and crime does not appear to be a factor based on our inspection and conversations with property management. Thus, the Subject is market oriented and slightly inferior to similar to the comparables in terms of security features.

Conclusion

The Subject is located in a mixed-use neighborhood surrounded by single-family homes, multifamily residential developments, religious, industrial, public, and retail/commercial uses. Access to public transportation, retail, and public uses is convenient. Overall, the Subject’s location is considered adequate. The neighborhood is well suited for this type of affordable multifamily housing.

V. MARKET AREA DEFINITION

MARKET AREA DEFINITION

Primary 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 more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

The Subject property is located in Emporia, Virginia. The boundaries of the PMA are defined below:

- North:** Greenville County lines/Nottoway River
- East:** Greenville County lines
- South:** NC-46, NC-48, Jack Swamp Road, U.S. Route 301 east to Meherrin River and VA-730
- West:** Greenville County lines

The PMA was determined based on input from area property managers, including the manager at the Subject property. The PMA encompasses approximately 277 square miles. The Secondary Market Area (SMA) consists of Emporia City, the following counties in Virginia: Greenville, Brunswick, Sussex, and Southampton, as well as Northampton County in North Carolina. The SMA encompasses approximately 1,564 square miles.

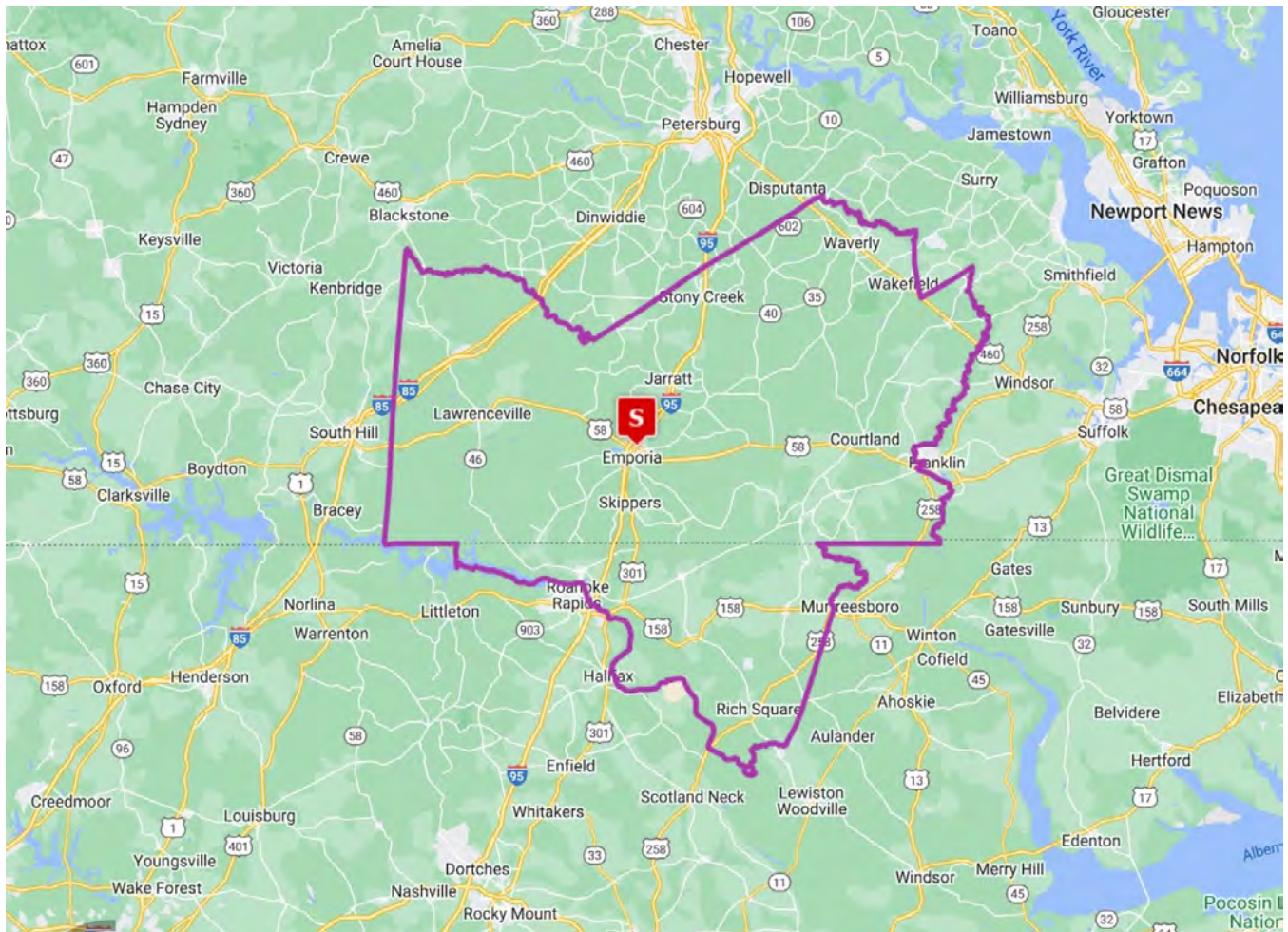
Per VHDA guidelines, analysts are not to include secondary or tertiary markets. In this case, we have conservatively defined the PMA for a multifamily development (also per specific VHDA guidance) and the secondary market area is simply presented as a source of comparison to the PMA.

Primary Market Area (PMA) Map



Source: Google Maps, February 2024

Secondary Market Area (SMA) Map



Source: Google Maps, February 2024

VI. EMPLOYMENT AND ECONOMY

ECONOMIC ANALYSIS

Emporia is an independent city and is surrounded by Greensville County. As of the 2020 U.S. census, the population in Emporia was 5,766.

Major Employers

The following table illustrates the major employers in Greensville County, VA. It should be noted that we were unable to obtain employee counts for each employer.

MAJOR EMPLOYERS - GREENSVILLE COUNTY, VA

Employer	Industry
Boar's Head Provisions Company, Inc.	Food Manufacturing
Greensville Correctional Center	Government
Greensville County Schools	Education
Beach Mold and Tool of Virginia	Manufacturing
Western Express Inc.	Transportation
County of Greensville Administration	Government
Jackson Feild Homes	Healthcare
SteelFab, Inc.	Manufacturing
Oran Safety Glass Inc.	Manufacturing
Georgia Pacific Wood Products	Manufacturing
Armor Correctional Health	Healthcare
McDonald's	Retail
Southside Regional Jail	Government
A&C Alternative Care LLC	Healthcare
Shoney's of Richmond, Inc.	Retail
HH of Emporia LLC	Retail
Vulcan Materials Company	Mining
Greensville, Emporia Social Services	Social Assistance
Southern Virginia Regional Medical Center	Healthcare

Source: Greensville County Economic Development, retrieved February 2024

The largest employers in Greensville County are within the state and local government services, manufacturing, healthcare, education, and retail sectors. Boar’s Head Provisions Company, a manufacturer of deli-style meats and cheese products, is the largest employer. The other largest employers offered in Greensville County are diverse and are represented in the government, healthcare, education, and retail sectors. The large portion of major employers in the healthcare and government sectors provides a stable employment base for a large portion of the workforce. The major employers in the area provide employment for a broad range of workers, spanning skilled and service occupations.

Employment and Unemployment Trends

The following table details employment and unemployment trends for the SMA from 2007 to December 2023.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	SMA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2007	33,093	-	5.2%	-	146,046,667	-	4.6%	-
2008	32,937	-0.5%	6.6%	1.4%	145,362,500	-0.5%	5.8%	1.2%
2009	31,819	-3.4%	10.4%	3.8%	139,877,500	-3.8%	9.3%	3.5%
2010	32,729	2.9%	10.7%	0.2%	139,063,917	-0.6%	9.6%	0.3%
2011	32,775	0.1%	10.0%	-0.7%	139,869,250	0.6%	9.0%	-0.7%
2012	32,488	-0.9%	9.2%	-0.8%	142,469,083	1.9%	8.1%	-0.9%
2013	32,139	-1.1%	8.1%	-1.0%	143,929,333	1.0%	7.4%	-0.7%
2014	31,931	-0.6%	6.8%	-1.3%	146,305,333	1.7%	6.2%	-1.2%
2015	31,944	0.0%	6.0%	-0.9%	148,833,417	1.7%	5.3%	-0.9%
2016	31,590	-1.1%	5.6%	-0.4%	151,435,833	1.7%	4.9%	-0.4%
2017	31,968	1.2%	5.0%	-0.6%	153,337,417	1.3%	4.3%	-0.5%
2018	31,717	-0.8%	4.2%	-0.7%	155,761,000	1.6%	3.9%	-0.4%
2019	31,957	0.8%	4.0%	-0.2%	157,538,083	1.1%	3.7%	-0.2%
2020	30,046	-6.0%	7.3%	3.3%	147,794,750	-6.2%	8.1%	4.4%
2021	30,366	1.1%	5.4%	-1.9%	152,580,667	3.2%	5.4%	-2.7%
2022	31,109	2.4%	4.0%	-1.4%	158,291,083	3.7%	3.6%	-1.7%
2023 YTD Average*	31,716	2.0%	3.8%	-0.2%	161,036,583	1.7%	3.6%	-0.0%
Dec-2022	31,401	-	3.7%	-	158,872,000	-	3.3%	-
Dec-2023	31,532	0.4%	3.5%	-0.2%	160,754,000	1.2%	3.5%	0.2%

Source: U.S. Bureau of Labor Statistics, February 2024

*2023 YTD Average is through December

Between 2012 and 2019, employment growth in the SMA trailed the nation in every year. Employment in the SMA declined by 6.0 percent in 2020 amid the pandemic, similar to the overall nation. Total employment in the SMA currently remains similar to the pre-COVID level reached in 2019. As of December 2023, employment in the SMA is increasing at an annualized rate of 0.4 percent, compared to 1.2 percent growth across the nation.

During the period preceding the onset of COVID-19 (2012 - 2019), the SMA generally experienced a higher unemployment rate relative to the nation. The SMA unemployment rate increased modestly by 3.3 percentage points in 2020 amid the pandemic, reaching a high of 7.3 percent. For comparison, the national unemployment rate rose by 4.4 percentage points and reached a high of 8.1 percent over the same time period. According to the latest labor statistics, dated December 2023, the current SMA unemployment rate is 3.5 percent. This is similar to 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. An article published by Kevin Dietsch (CNBC.com) from April 4, 2023 stated, “Federal Reserve Bank of Cleveland President Loretta Mester said...the U.S. central bank likely has more interest rate rises ahead.” The article later states that Mester “expects growth and hiring to slow and inflation pressures to ease...with price pressures easing from their current 5.0 percent year-over-year increase to 3.75 percent [in 2023] and 2.0 percent by 2025”. According to a March 22, 2023 article by Ann Saphir (Reuters.com), “Federal Reserve policymakers believe beating back inflation may require one more interest-rate hike [in 2023] but less easing [in 2024]”. A report published by CBS News on February 27, 2023 stated that a majority economists surveyed by the National Association for Business Economics believe a recession is likely to occur in 2023, beginning in 2Q2023 or 3Q2023.

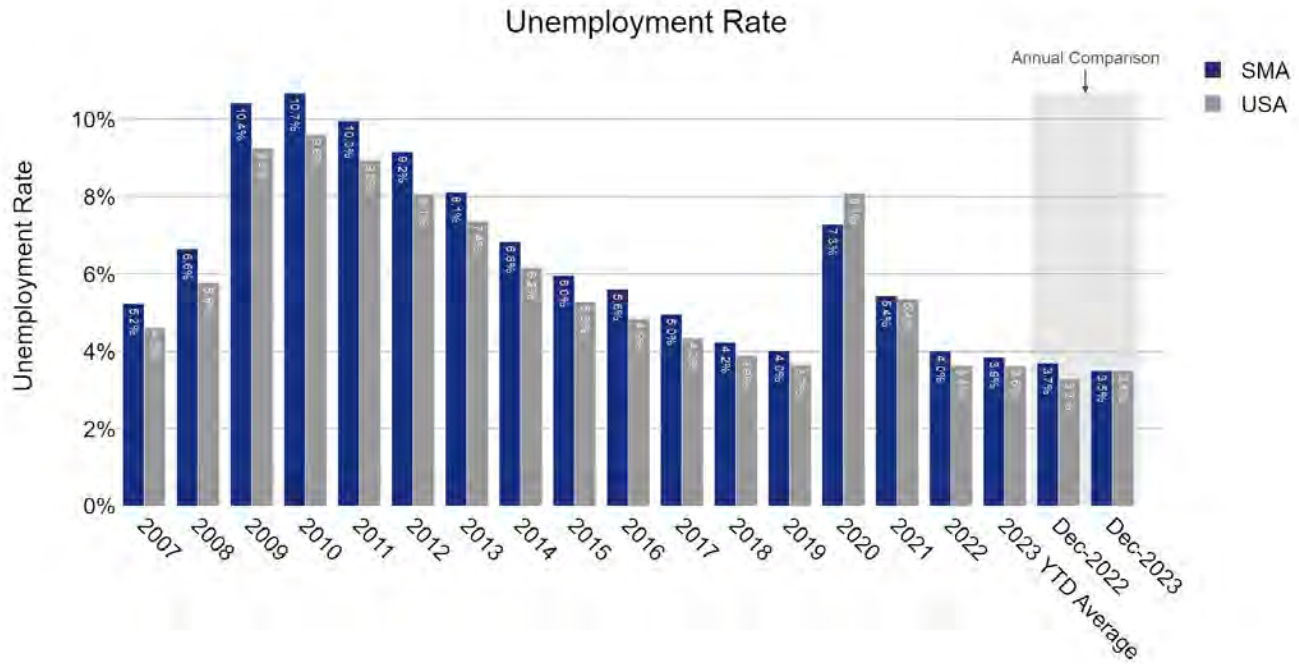
In March 2023, Silicon Valley Bank was shut down by regulators, and represents the largest U.S. bank failure since 2008. However, according to a statement made by St. Louis Fed President James Bullard on April 6, 2023, Bullard does not believe the SVB failure is “big enough by itself to send the U.S. economy into recession. Other things would have to happen.” However, according to an article published by Insider on April 7, 2023, JPMorgan Chase CEO Jamie Dimon “sees higher recession odds after March’s banking turmoil.”

In November 2023, Arend Kapteyn, UBS global head of economics and strategy research, told CNBC that the starting conditions are “much worse now than 12 months ago,” particularly in the form of the “historically large” amount of credit that is being withdrawn from the U.S. economy. UBS expects the U.S. Federal Reserve to cut interest rates by as much as 275 basis points in 2024, almost four times the market consensus, as the world’s largest economy tips into recession. UBS expects disinflation and rising unemployment to weaken economic output in 2024, leading the Federal Open Market Committee to cut rates “first to prevent the nominal funds rate from becoming increasingly restrictive as inflation falls, and later in the year to stem the economic weakening.”

The tables below provide more illustration of the changes in employment and unemployment rate trends in the SMA.

SMA Job Growth





Employment by Industry

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

2023 - EMPLOYMENT BY INDUSTRY

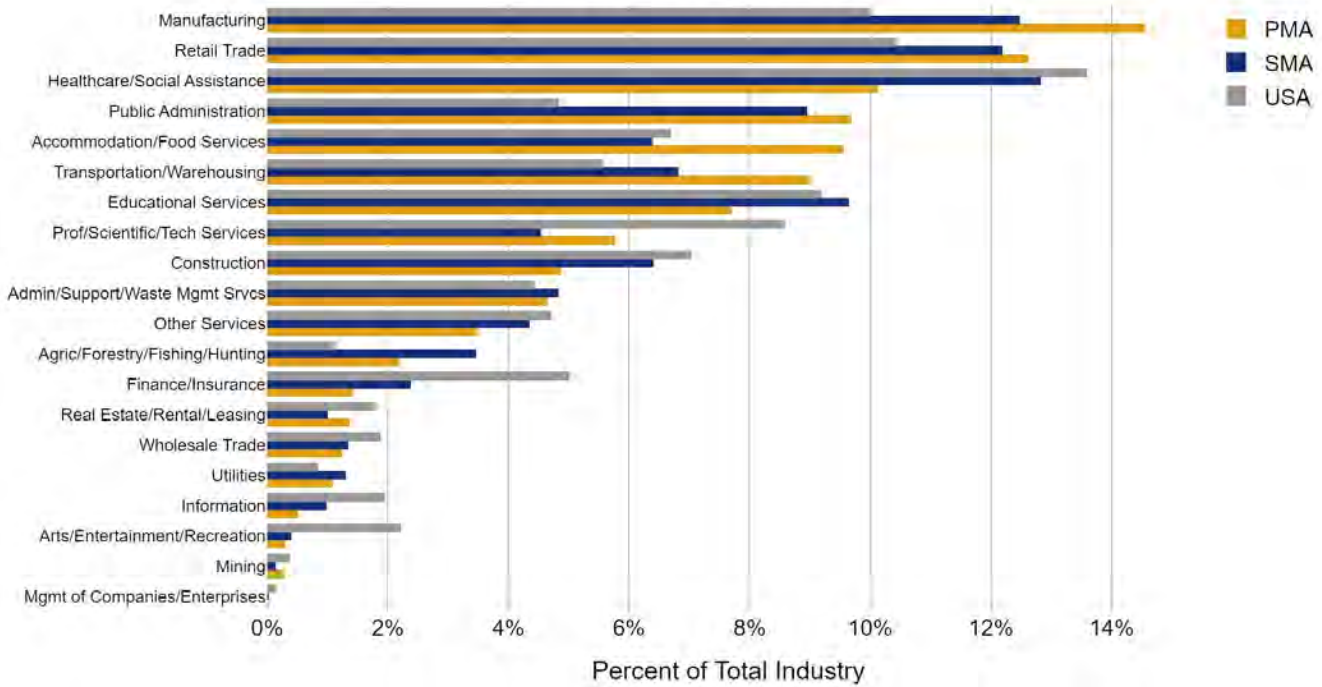
Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Manufacturing	1,037	14.5%	16,269,811	10.0%
Retail Trade	899	12.6%	16,983,329	10.4%
Healthcare/Social Assistance	721	10.1%	22,115,876	13.6%
Public Administration	690	9.7%	7,857,180	4.8%
Accommodation/Food Services	681	9.5%	10,883,169	6.7%
Transportation/Warehousing	641	9.0%	9,030,239	5.5%
Educational Services	548	7.7%	14,946,247	9.2%
Prof/Scientific/Tech Services	410	5.7%	13,955,403	8.6%
Construction	346	4.8%	11,436,301	7.0%
Admin/Support/Waste Mgmt Svcs	330	4.6%	7,195,078	4.4%
Other Services	248	3.5%	7,645,568	4.7%
Agric/Forestry/Fishing/Hunting	155	2.2%	1,800,335	1.1%
Finance/Insurance	100	1.4%	8,135,144	5.0%
Real Estate/Rental/Leasing	96	1.3%	2,901,274	1.8%
Wholesale Trade	87	1.2%	3,029,965	1.9%
Utilities	76	1.1%	1,335,595	0.8%
Information	35	0.5%	3,143,826	1.9%
Arts/Entertainment/Recreation	20	0.3%	3,578,110	2.2%
Mining	18	0.3%	572,355	0.4%
Mgmt of Companies/Enterprises	0	0.0%	216,588	0.1%
Total Employment	7,138	100.0%	163,031,393	100.0%

Source: Esri Demographics 2023, Novogradac, February 2024

Employment in the PMA is concentrated in manufacturing, retail trade, and healthcare/social assistance, which collectively comprise 37.2 percent of local employment. The large share of PMA employment in the manufacturing and retail trade is notable as both industries are historically volatile, and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the

healthcare/social assistance industry, which typically exhibits greater stability during economic recessions. Relative to the nation, the PMA features comparatively greater employment in the public administration, manufacturing, and transportation/warehousing industries. Conversely, the PMA is underrepresented in the finance/insurance, healthcare/social assistance, and prof/scientific/tech services sectors.

Employment By Industry



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
Manufacturing	1,024	9.0%	1,037	14.5%	13	0.1%
Retail Trade	1,166	10.2%	899	12.6%	-267	-1.8%
Healthcare/Social Assistance	1,226	10.8%	721	10.1%	-505	-3.2%
Public Administration	1,028	9.0%	690	9.7%	-338	-2.5%
Accommodation/Food Services	762	6.7%	681	9.5%	-81	-0.8%
Transportation/Warehousing	318	2.8%	641	9.0%	323	7.8%
Educational Services	1,229	10.8%	548	7.7%	-681	-4.3%
Prof/Scientific/Tech Services	997	8.8%	410	5.7%	-587	-4.5%
Construction	1,066	9.4%	346	4.8%	-720	-5.2%
Admin/Support/Waste Mgmt Svcs	491	4.3%	330	4.6%	-161	-2.5%
Other Services	635	5.6%	248	3.5%	-387	-4.7%
Agric/Forestry/Fishing/Hunting	113	1.0%	155	2.2%	42	2.9%
Finance/Insurance	429	3.8%	100	1.4%	-329	-5.9%
Real Estate/Rental/Leasing	253	2.2%	96	1.3%	-157	-4.8%
Wholesale Trade	164	1.4%	87	1.2%	-77	-3.6%
Utilities	79	0.7%	76	1.1%	-3	-0.3%
Information	246	2.2%	35	0.5%	-211	-6.6%
Arts/Entertainment/Recreation	136	1.2%	20	0.3%	-116	-6.6%
Mining	26	0.2%	18	0.3%	-8	-2.4%
Mgmt of Companies/Enterprises	1	0.0%	0	0.0%	-1	-7.7%
Total Employment	11,389	100.0%	7,138	100.0%	-4,251	-2.9%

Source: Esri Demographics 2023, Novogradac, February 2024

Total employment in the PMA declined at an annualized rate of 2.9 percent between 2010 and 2023. The industries that nominally expanded most substantially during this period include transportation/warehousing, agric/forestry/fishing/hunting, and manufacturing. Conversely during this same period, the construction, educational services, and prof/scientific/tech services sectors experienced the least nominal growth.

Employment Contraction/Expansion

We consulted the Virginia Employment Commission’s Worker Adjustment and Retraining Notification (WARN) filings to determine the reported contractions within the Central Virginia Region, which includes Emporia City and the counties of Greensville, Sussex, Brunswick, Mecklenburg, Dinwiddie, Lunenburg, and surrounding areas, from 2023 to 2024 YTD. The notices are summarized in the table below.

WARN LISTINGS
Central Virginia Region (2023 - 2024 YTD)

Company	Employees Affected	Notice Date	Impact Date
Sodexo	108	2/14/2024	4/14/2024
Advance Care Home Health	46	11/6/2023	1/5/2024
Advance Care Hospice	10	11/6/2023	1/5/2024
Great Minds	79	11/3/2023	12/31/2023
Cygnus Home Service	9	10/25/2023	12/15/2023
CVS Health	43	8/18/2023	10/21/2023
WayForth	78	8/11/2023	8/11/2023
Yellow Trucking (YRC Freight) Teamsters Local 592	70	7/30/2023	7/30/2023
Walmart Neighborhood Market (Store 3885)	98	7/11/2023	10/6/2023
Tyson Foods, Inc	612	3/13/2023	5/12/2023
Tyson Foods, Inc	60	3/13/2023	5/12/2023
Specialized Bicycle Components, Inc	1	1/11/2023	1/13/2023
Total	1,214		

As illustrated, there have been 12 WARN notices impacting 1,214 workers in the Central Virginia Region area since January 1, 2023. Taken in context with the size of the local labor markets and the business expansions outlined below, this is a relatively small number of documented layoffs and can be considered an indicator of a generally healthy local economy.

We attempted to contact the Greensville County Office of Economic Development regarding any new employment expansions or contractions in the area. However, as of the date of this report, our calls and emails have not been returned. Further, we researched the Greensville County Office of Economic Development website and various online articles for additional expansions in the region. Our findings are detailed below.

- In May 2023, HEYCO Werk USA Inc., an automotive parts manufacturer, announced its investment of \$5.4 million to expand its manufacturing operation in Greensville County. This expansion is expected to create 50 new jobs for the area in addition to retaining the 68 existing employees. The expansion is expected to be complete by 2026.
- In September 2021, Dominion Energy, an American power and energy company headquartered in Richmond, VA that supplies electricity for several states throughout the U.S. proposed its largest expansion of solar energy storage. The proposal includes 15 utility-owned solar energy storage projects, one of which will be located in Greensville County. The project is expected to generate a total of \$880 million in economic benefits and will create approximately 4,200 clean energy jobs across Virginia. The Greensville County expansion was completed in October 2023.

Wages by Occupation

The following table illustrates the mean hourly and annual wages for various occupations in the SMA; information at the PMA level was not available.

SMA - 2ND QTR 2022 AREA WAGE ESTIMATES

Occupation	Number of Employees	Mean Hourly Wage	Mean Annual Wage
All Occupations	99,810	\$22.63	\$47,070
Management	4,060	\$51.35	\$106,810
Computer and Mathematical	1,440	\$40.61	\$84,460
Architecture and Engineering	850	\$40.28	\$83,780
Healthcare Practitioners and Technical	6,420	\$37.15	\$77,270
Legal	380	\$34.70	\$72,180
Life Physical and Social Science	590	\$34.62	\$72,000
Business and Financial Operations	3,550	\$32.16	\$66,890
Installation Maintenance and Repair	4,900	\$24.79	\$51,560
Educational Instruction and Library	7,300	\$24.19	\$50,320
Arts Design Entertainment Sports and Media	870	\$23.93	\$49,770
Community and Social Service	2,050	\$22.86	\$47,540
Protective Service	3,920	\$21.80	\$45,340
Farming Fishing and Forestry	740	\$21.73	\$45,190
Construction and Extraction	3,700	\$21.62	\$44,960
Production	8,850	\$21.07	\$43,830
Sales and Related	8,910	\$19.21	\$39,960
Office and Administrative Support	11,180	\$18.46	\$38,410
Transportation and Material Moving	10,640	\$17.97	\$37,370
Personal Care and Service	1,230	\$14.83	\$30,850
Building and Grounds Cleaning and Maintenance	3,000	\$14.60	\$30,360
Healthcare Support	7,000	\$13.59	\$28,270
Food Preparation and Serving Related	8,230	\$13.57	\$28,230

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 \$13.57 per hour. The highest average hourly wage, of \$51.35, is for those in the management occupations. The qualifying incomes for the Subject's tenants will range from \$19,406 to \$48,960, assuming no subsidy. 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.

Renter household income data shown later in this report demonstrate a majority percentage of renter households within the region have earnings of less than \$30,000.

Commuting Patterns

The chart on the following page shows the travel time to work for the PMA according to ESRI Demographics.

COMMUTING PATTERNS

ACS Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	144	2.4%
Travel Time 5-9 min	945	15.5%
Travel Time 10-14 min	1,390	22.8%
Travel Time 15-19 min	923	15.2%
Travel Time 20-24 min	505	8.3%
Travel Time 25-29 min	435	7.1%
Travel Time 30-34 min	556	9.1%
Travel Time 35-39 min	46	0.8%
Travel Time 40-44 min	143	2.3%
Travel Time 45-59 min	691	11.4%
Travel Time 60-89 min	221	3.6%
Travel Time 90+ min	86	1.4%
Weighted Average	24 minutes	

Source: Esri Demographics 2023, Novogradac, February 2024

As shown in the preceding table, the weighted average commute time in the PMA is approximately 24 minutes. More than 62 percent of PMA commuters travel under 24 minutes, indicating many households work in the local area. The average commute time across the overall nation is approximately 28 minutes.

Conclusion

The largest employers in Greensville County are within the state and local government services, manufacturing, healthcare, education, and retail sectors. Employment in the PMA is concentrated in manufacturing, retail trade, and healthcare/social assistance, which collectively comprise 37.2 percent of local employment. Total employment in the SMA currently remains slightly below the pre-COVID level reached in 2019. As of December 2023, employment in the SMA is increasing at an annualized rate of 0.4 percent, compared to 1.2 percent growth across the nation. According to the latest labor statistics, dated December 2023, the current SMA unemployment rate is 3.5 percent.

VII. DEMOGRAPHIC CHARACTERISTICS

General Population and Household Trends

The following tables illustrates population and household trends in the PMA, MSA and nation from 2010 through 2023, as well as projections through 2028.

POPULATION

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	69,925	-	153,922	-	308,730,056	-
2023	65,512	-0.5%	150,854	-0.2%	337,460,311	0.7%
2028	64,381	-0.3%	149,005	-0.2%	342,629,524	0.3%

Source: Esri Demographics 2023, Novogradac, February 2024

The PMA experienced declining population growth between 2010 and 2023 however, contracted by less than the surrounding SMA. Both geographic areas experienced growth rates below the overall nation. According to ESRI demographic projections, annualized PMA growth is expected to decline annually by 0.3 percent through 2028, which is below growth expectations for the nation.

HOUSEHOLDS

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	26,940	-	57,853	-	116,709,667	-
2023	26,696	-0.1%	59,003	0.2%	129,912,564	0.9%
2028	26,600	-0.1%	59,021	0.0%	133,092,836	0.5%

Source: Esri Demographics 2023, Novogradac, February 2024

The PMA experienced declining household growth between 2010 and 2023 however, contracted by less than the surrounding SMA. Both geographic areas experienced growth rates below the overall nation. According to ESRI demographic projections, annualized PMA growth is expected to remain stable through 2028, which is similar to growth expectations for the SMA and below the nation.

Average Household Size

The following table is a summary of the average household size in the PMA, SMA and nation from 2010 through 2023, as well as projections through 2028. This table includes households of all ages.

AVERAGE HOUSEHOLD SIZE

Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2010	2.95	-	2.70	-	2.57	-
2023	2.35	-1.6%	2.28	-1.2%	2.53	-0.1%
2028	2.33	-0.2%	2.24	-0.3%	2.51	-0.2%

Source: Esri Demographics 2023, Novogradac, February 2024

The average household size in the PMA is similar to that of the SMA and smaller than that of the nation as of 2023. According to ESRI demographic projections, average household size in the PMA will remain generally stable along with the SMA and the nation through 2028.

Median Household Income Levels

The following table illustrates median household income levels in the PMA, SMA, and nation from 2010 through 2028. Note that this is based on data for all household sizes and is independent of the calculation of AMI.

MEDIAN HOUSEHOLD INCOME

Year	PMA		SMA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	\$53,012	-	\$44,827	-	\$55,535	-
2023	\$41,817	-1.6%	\$49,082	0.7%	\$72,604	2.4%
2028	\$46,920	2.4%	\$53,566	1.8%	\$82,410	2.7%

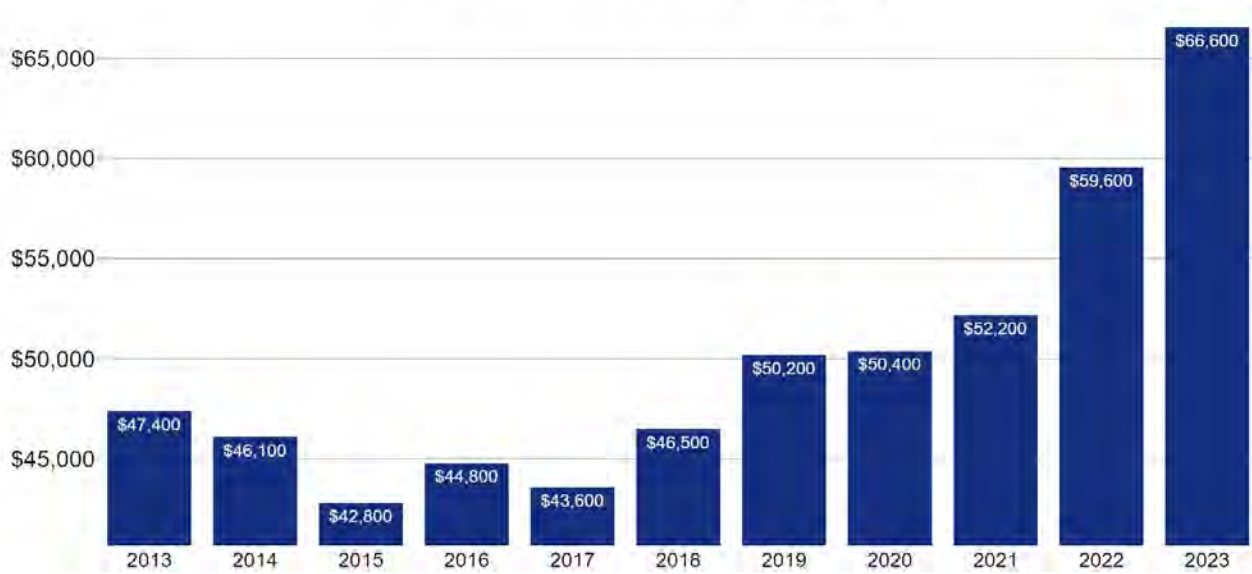
Source: Esri Demographics 2023, Novogradac, February 2024

As of 2023, the median income in the PMA is slightly below the surrounding SMA. The PMA experienced negative median household income between 2010 and 2023. Of note, median income in the PMA declined from 95.5 percent of the national median income in 2010 to 57.6 percent in 2023. According to ESRI demographic projections, annualized PMA growth is expected to increase to positive 2.4 percent through 2028, which is above projected growth in the surrounding SMA and slightly below the overall nation.

Area Household Income Levels

For Section 42 LIHTC rent determination purposes, the AMI is used. The following chart illustrates the AMI level for a four-person household in Emporia City.

AMI Growth - Emporia County, VA

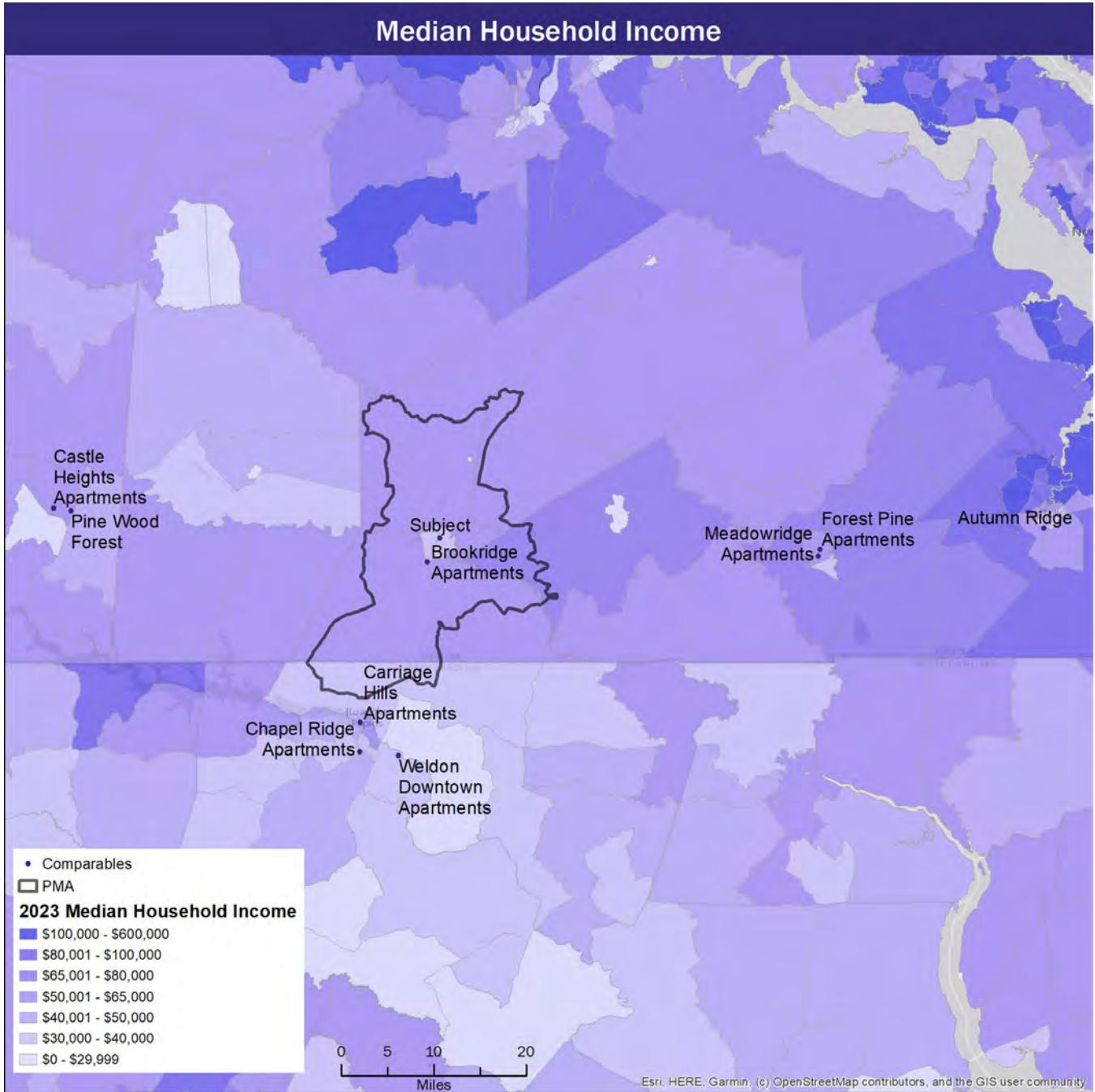


AMI GROWTH

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
AMI	\$51,600	\$46,800	\$47,400	\$47,400	\$46,100	\$42,800	\$44,800	\$43,600	\$46,500	\$50,200	\$50,400	\$52,200	\$59,600	\$66,600
% Growth	-	(9.30%)	1.28%	0.00%	(2.74%)	(7.16%)	4.67%	(2.68%)	6.65%	7.96%	0.40%	3.57%	14.18%	11.74%

Overall, the AMI increased at an annual rate of 3.68 percent between 2013 and 2023. Over 89.3 percent of counties in the nation experienced an increase in AMI in 2023. This was also true in Emporia County, which reached a record high AMI level in 2023. Rising AMI levels bode well for future rent growth at affordable developments, such as the Subject property. It should be noted that based on the Subject's location, the Subject qualifies for the non-metropolitan maximum allowable LIHTC rent levels, absent subsidy. The Subject's proposed LIHTC rents at 40, 50, and 60 percent of AMI are set at the 2023 non-metropolitan maximum allowable levels. Therefore, future LIHTC rent increases would be directly dependent on increases in AMI, absent subsidy.

The following map illustrates median household income throughout the PMA for the Subject and the rent comparables as of 2023. The Subject's immediate location has a slightly lower median household income relative to the majority of the comparables.



Household Income Distribution

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

HOUSEHOLD INCOME PMA

Income Cohort	2023		2028		Annual Change 2023 to 2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	671	10.5%	594	9.3%	-15	-2.3%
\$10,000-19,999	876	13.7%	751	11.8%	-25	-2.9%
\$20,000-29,999	959	15.0%	864	13.6%	-19	-2.0%
\$30,000-39,999	566	8.9%	632	9.9%	13	2.3%
\$40,000-49,999	491	7.7%	454	7.1%	-7	-1.5%
\$50,000-59,999	568	8.9%	459	7.2%	-22	-3.8%
\$60,000-74,999	640	10.0%	671	10.6%	6	1.0%
\$75,000-99,999	655	10.2%	715	11.2%	12	1.8%
\$100,000-124,999	427	6.7%	471	7.4%	9	2.1%
\$125,000-149,999	246	3.8%	311	4.9%	13	5.3%
\$150,000-199,999	170	2.7%	245	3.9%	15	8.8%
\$200,000+	126	2.0%	191	3.0%	13	10.3%
Total	6,395	100.0%	6,358	100.0%		

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

HOUSEHOLD INCOME SMA

Income Cohort	2023		2028		Annual Change 2023 to 2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,825	9.4%	2,517	8.4%	-62	-2.2%
\$10,000-19,999	3,796	12.6%	3,279	10.9%	-103	-2.7%
\$20,000-29,999	3,640	12.1%	3,386	11.3%	-51	-1.4%
\$30,000-39,999	3,021	10.0%	2,840	9.5%	-36	-1.2%
\$40,000-49,999	2,767	9.2%	2,575	8.6%	-38	-1.4%
\$50,000-59,999	2,423	8.0%	2,375	7.9%	-10	-0.4%
\$60,000-74,999	2,978	9.9%	2,963	9.9%	-3	-0.1%
\$75,000-99,999	3,432	11.4%	3,538	11.8%	21	0.6%
\$100,000-124,999	2,297	7.6%	2,512	8.4%	43	1.9%
\$125,000-149,999	1,420	4.7%	1,693	5.6%	55	3.8%
\$150,000-199,999	895	3.0%	1,343	4.5%	90	10.0%
\$200,000+	661	2.2%	1,001	3.3%	68	10.3%
Total	30,155	100.0%	30,022	100.0%		

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

As of 2023, approximately 48.1 percent of households within the PMA have annual incomes below \$40,000. Through 2028, the percentage of households in the PMA earning less than \$40,000 annually is projected to decline to approximately 44.6 percent.

Renter Household Income Distribution

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

RENTER HOUSEHOLD INCOME PMA

Income Cohort	2023		2028		Annual Change 2023 to 2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	447	18.5%	387	16.7%	-12	-2.7%
\$10,000-19,999	445	18.4%	384	16.6%	-12	-2.7%
\$20,000-29,999	443	18.4%	382	16.5%	-12	-2.8%
\$30,000-39,999	224	9.3%	261	11.3%	7	3.3%
\$40,000-49,999	158	6.5%	156	6.7%	0	-0.3%
\$50,000-59,999	201	8.3%	170	7.3%	-6	-3.1%
\$60,000-74,999	125	5.2%	133	5.7%	2	1.3%
\$75,000-99,999	116	4.8%	131	5.7%	3	2.6%
\$100,000-124,999	81	3.4%	87	3.8%	1	1.5%
\$125,000-149,999	75	3.1%	93	4.0%	4	4.8%
\$150,000-199,999	53	2.2%	73	3.1%	4	7.5%
\$200,000+	46	1.9%	61	2.6%	3	6.5%
Total	2,414	100.0%	2,318	100.0%		

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

RENTER HOUSEHOLD INCOME SMA

Income Cohort	2023		2028		Annual Change 2023 to 2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,605	18.2%	1,403	16.5%	-40	-2.5%
\$10,000-19,999	1,687	19.1%	1,427	16.8%	-52	-3.1%
\$20,000-29,999	1,437	16.3%	1,292	15.2%	-29	-2.0%
\$30,000-39,999	896	10.2%	905	10.7%	2	0.2%
\$40,000-49,999	778	8.8%	711	8.4%	-13	-1.7%
\$50,000-59,999	584	6.6%	544	6.4%	-8	-1.4%
\$60,000-74,999	498	5.6%	505	5.9%	1	0.3%
\$75,000-99,999	427	4.8%	499	5.9%	14	3.4%
\$100,000-124,999	321	3.6%	379	4.5%	12	3.6%
\$125,000-149,999	308	3.5%	392	4.6%	17	5.5%
\$150,000-199,999	137	1.6%	217	2.6%	16	11.7%
\$200,000+	138	1.6%	219	2.6%	16	11.7%
Total	8,816	100.0%	8,493	100.0%		

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

As of 2023, approximately 64.6 percent of renter households within the PMA have annual incomes below \$40,000. Through 2028, the percentage of renter households earning less than \$40,000 annually is projected to decline to 61.1 percent. Although this percentage is decreasing, the need for affordable housing is still evident as over 60 percent of renter households in the PMA earn less than \$40,000 annually.

Conclusion

Population in the PMA declined at an annualized rate of 0.6 percent between 2010 and 2023, compared to a contraction of 0.9 percent in the SMA and growth of 0.7 percent across the nation. The percentage of renter households in the PMA declined between 2010 and 2023 and is estimated to be 38 percent as of 2023. This is more than the estimated 33 percent renter households across the overall nation. The median income in the PMA as of 2023 is slightly below the SMA and overall nation. The AMI in Emporia City peaked in 2023 at

\$66,600. As of 2023, approximately 64.6 percent of renter households within the PMA have annual incomes below \$40,000. The Subject will not be adding units to the market and the need for affordable housing remains evident given the percentage of low-income renter households in the PMA.

VIII. COMPETITIVE ENVIRONMENT

HOUSING SUMMARY

Age of Housing Stock

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

HOUSING STOCK BY YEAR BUILT

	PMA		SMA		USA	
Built 2005 or later	372	4.9%	2,107	5.6%	10,163,329	7.3%
Built 2000 to 2004	734	9.7%	5,111	13.5%	18,956,990	13.6%
Built 1990 to 1999	1,149	15.1%	6,157	16.3%	18,929,789	13.6%
Built 1980 to 1989	916	12.1%	4,368	11.6%	18,493,512	13.3%
Built 1970 to 1979	1,571	20.7%	6,456	17.1%	20,705,644	14.9%
Built 1960 to 1969	796	10.5%	3,431	9.1%	14,432,008	10.4%
Built 1950 to 1959	957	12.6%	4,220	11.2%	14,008,116	10.1%
Built 1940 to 1949	450	5.9%	2,230	5.9%	6,584,609	4.7%
Built 1939 or earlier	648	8.5%	3,666	9.7%	17,104,504	12.3%
Total Housing Units	7,593	100.0%	37,746	100.0%	139,378,501	100.0%

Source: Esri Demographics 2023, Novogradac, February 2024

The data demonstrates a significant portion of the existing housing stock in the PMA, approximately 70.3 percent, was constructed in 1989 and earlier. Additionally, 85.4 percent of the existing housing stock was constructed prior to 2000. Therefore, the PMA exhibits a relatively older housing stock but there is a notable amount of recent construction that has occurred since 2000. The data does not reflect condition, which oftentimes is well-maintained through ongoing maintenance. The field inspection of the area reflects a varied housing stock, generally in average condition. The Subject will be in good condition following the proposed renovations, which will positively impact the Subject’s neighborhood.

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	Percentage Owner-Occupied	Renter-Occupied	Percentage Renter-Occupied
2010	4,027	60.0%	2,688	40.0%
2023	3,981	62.3%	2,414	37.7%
2028	4,040	63.5%	2,318	36.5%

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

The percentage of renter households in the PMA declined between 2010 and 2023, and is estimated to be 37.7 percent as of 2023. In nominal terms, the absolute number of renter households in the PMA still declined during this time period. The current percentage of renter households in the PMA is similar to 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 decline further through 2028.

Renter Household Size Distribution

The following table illustrates the breakdown of renter households by number of persons in the household within the Subject’s PMA.

PMA RENTER HOUSEHOLD SIZE DISTRIBUTION

Household Size	2010		2023		2028	
	Total	Percent	Total	Percent	Total	Percent
1 person	973	36.2%	909	37.70%	885	38.2%
2 persons	632	23.5%	569	23.6%	537	23.2%
3 persons	490	18.2%	428	17.7%	409	17.6%
4 persons	295	11.0%	251	10.4%	242	10.4%
5+ persons	298	11.1%	257	10.6%	245	10.6%
Total	2,688	100.0%	2,414	100.0%	2,318	100.00%

Source: Esri Demographics 2023, Novogradac, February 2024

Historically, the majority of renter households in the PMA have consisted of one and two person households. The Subject will target one, two, three, four, and five person households. Through 2028, total households are projected to slightly decrease across all household sizes. The projected stability in total number of renter households, and the household size composition of renter households in the PMA is a positive indicator for the Subject’s affordable rental units.

Building Permits

Historical building permit information for Emporia City from the U.S. Census Bureau is presented in the following table.

BUILDING PERMITS: EMPORIA CITY 2000 - 2023

Year	Single-family and Duplex	Three and Four-Family	Five or More Family	Total Units
2000	11	0	47	58
2001	11	0	61	72
2002	11	40	0	51
2003	13	0	0	13
2004	10	0	0	10
2005	16	0	0	16
2006	16	0	0	16
2007	30	0	0	30
2008	24	0	5	29
2009	14	0	8	22
2010	13	0	0	13
2011	10	3	6	19
2012	10	3	0	13
2013	8	0	6	14
2014	8	0	5	13
2015	8	0	0	8
2016	3	0	0	3
2017	5	0	0	5
2018	5	0	0	5
2019	4	0	0	4
2020	2	0	0	2
2021	0	0	0	0
2022	5	0	0	5
2023	1	0	0	1
Total	238	46	138	422
Average	10	2	6	18

Source: US Census Bureau Building Permits, February 2024

As illustrated in the previous table, building permits for single-family and duplex residential units have accounted for 56 percent of total building permits in Emporia City since 2000. Five or more family permitting last experienced activity in 2014. It should be noted that reporting of permit data by the city to the census is done on a voluntary basis.

SURVEY OF COMPARABLE PROJECTS

Comparable properties are examined on the basis of physical characteristics; i.e., building type, property age/quality, level of common amenities, and absorption rates, as well as 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 local rental market.

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

To evaluate the competitive position of the Subject, 776 units in nine rental properties were surveyed in depth. The LIHTC data is considered fair. Thus, we expanded our search for LIHTC comparables to nearby cities in Virginia and North Carolina. We included four LIHTC developments located between 2.4 and 32.0 miles from the Subject site, three of which are located outside the PMA. The market rate data in Emporia is considered fair as well. We were unable to identify any market rate comparables in the PMA. Thus, we expanded our search for market rate comparables to nearby cities in Virginia and North Carolina. We included five market rate developments located between 17.4 and 52.2 miles from the Subject site, all of which are located outside the PMA. Overall, we believe the availability of data is adequate to support our conclusions. We also visited and surveyed other properties that were excluded from the market survey because they are not considered comparable to the Subject or would not participate in the survey. Property managers were interviewed for information on unit mix, size, absorption, unit features and project amenities; tenant profiles; and market trends in general. The table following details affordable properties in the PMA.

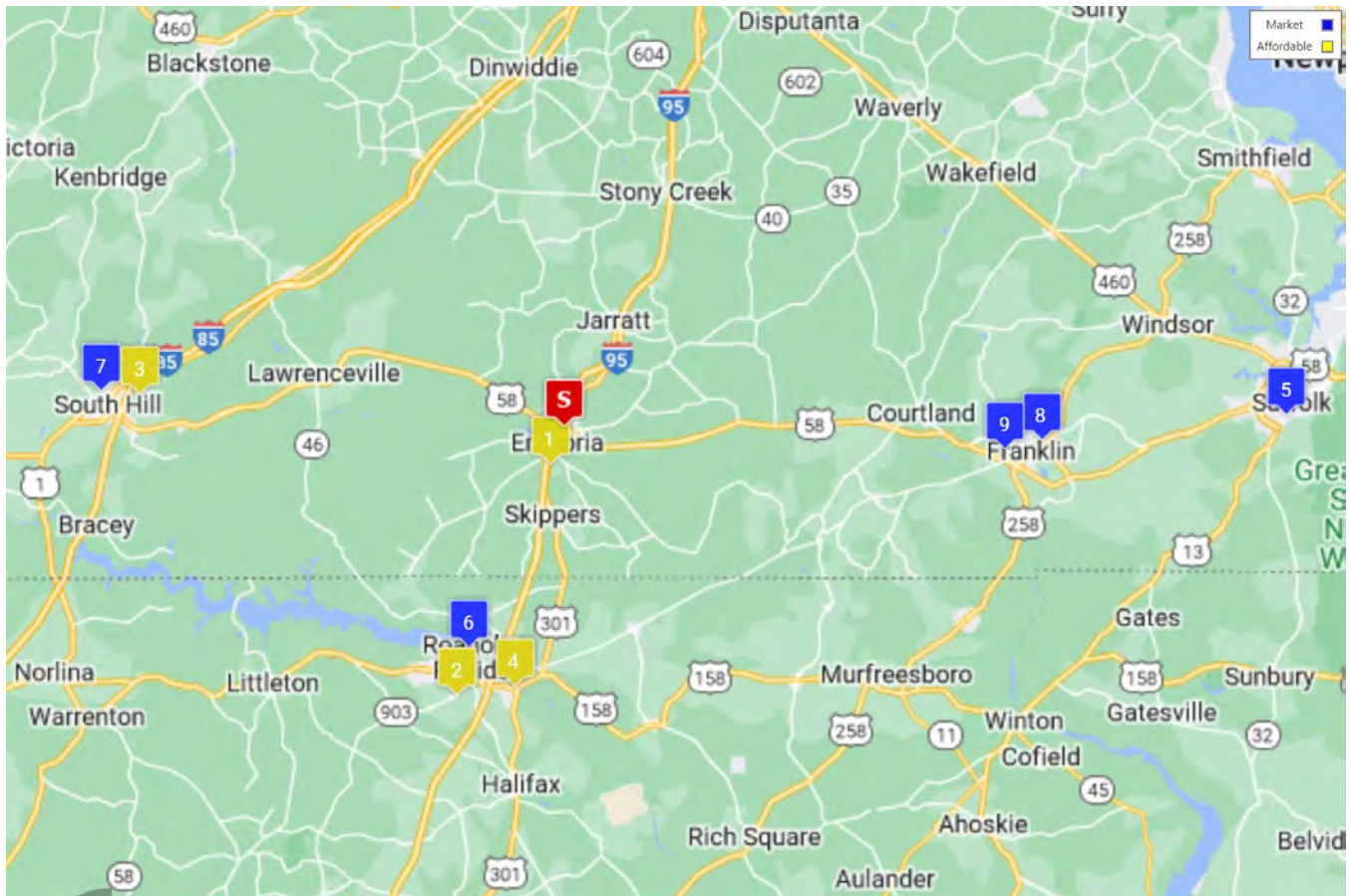
EXCLUDED PROPERTIES

Property Name	Rent Structure	Tenancy	Reason for Exclusion
Southern Trail Apartments	Market	Family	Unable to Contact
Jarratt Village	LIHTC	Family	Unable to Contact
Weaver Manor	LIHTC/USDA	Family	Subsidized rents
Washington Square	LIHTC/USDA	Family	Subsidized rents
Marvin Gardens	LIHTC	Senior	Incomparable tenancy
Reese Village	LIHTC/USDA	Family	Subsidized rents
Carriage Run	LIHTC/USDA	Senior	Subsidized rents/Incomparable tenancy
Nottoway River Commons	LIHTC	Family	Unable to Contact
Greenwood Terrace	Section 8	Family	Subsidized rents
Trinity Woods	Section 8	Senior	Subsidized rents/Incomparable tenancy
Belford Commons	Section 8	Senior	Subsidized rents/Incomparable tenancy

Comparable Rental Property Map

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

NORTHWOODS VILLAGE – EMPORIA, VIRGINIA – VHDA MARKET STUDY



Source: Google Earth, February 2024

COMPARABLE PROPERTIES

#	Property Name	City	Rent Structure	Distance to Subject
S	Northwoods Village	Emporia	LIHTC/Section 8	-
1	Brookridge Apartments	Emporia	LIHTC	2.4 miles
2	Chapel Ridge Apartments*	Roanoke Rapids	LIHTC	19.7 miles
3	Pine Wood Forest*	South Hill	LIHTC	32.1 miles
4	Weldon Downtown Apartments*	Weldon	LIHTC	19.1 miles
5	Autumn Ridge*	Suffolk	Market	52.4 miles
6	Carriage Hills Apartments*	Roanoke Rapids	Market	17.3 miles
7	Castle Heights Apartments*	South Hill	Market	33.6 miles
8	Forest Pine Apartments*	Franklin	Market	33.0 miles
9	Meadowridge Apartments*	Franklin	Market	32.8 miles

*Located outside PMA

NORTHWOODS VILLAGE – EMPORIA, VIRGINIA – VHDA MARKET STUDY

SUMMARY MATRIX

#	Property Name	Distance	Type/Built/Renovated	AMI	Unit Type	#	%	SF	Restriction	Rent (Adj)	Max Rent?	Waiting List	Vacant Units	Vacancy Rate
S	Northwoods Village 300 Bethune Square Emporia, VA Emporia County	-	Various 2-stories 1979 / 2025 Family	@40% (Section 8), @50% (Section 8), @60% (Section 8)	1BR/1BA	2	2.8%	636	@40% (Section 8)	\$490	Yes	N/A	N/A	N/A
					1BR/1BA	8	11.1%	636	@50% (Section 8)	\$632	Yes	N/A	N/A	N/A
					1BR/1BA	10	13.9%	636	@60% (Section 8)	\$773	Yes	N/A	N/A	N/A
					2BR/1BA	3	4.2%	760	@40% (Section 8)	\$579	Yes	N/A	N/A	N/A
					2BR/1BA	1	1.4%	785	@40% (Section 8)	\$579	Yes	N/A	N/A	N/A
					2BR/1BA	13	18.1%	760	@50% (Section 8)	\$749	Yes	N/A	N/A	N/A
					2BR/1BA	1	1.4%	785	@50% (Section 8)	\$749	Yes	N/A	N/A	N/A
					2BR/1BA	16	22.2%	760	@60% (Section 8)	\$919	Yes	N/A	N/A	N/A
					2BR/1BA	2	2.8%	785	@60% (Section 8)	\$919	Yes	N/A	N/A	N/A
					3BR/1BA	2	2.8%	900	@40% (Section 8)	\$660	Yes	N/A	N/A	N/A
					3BR/1BA	6	8.3%	900	@50% (Section 8)	\$856	Yes	N/A	N/A	N/A
					3BR/1BA	8	11.1%	900	@60% (Section 8)	\$1,053	Yes	N/A	N/A	N/A
					72									
1	Brookridge Apartments 1325 Skippers Rd Emporia, VA Greensville County	2.4 miles	Garden 3-stories 2000 Family	@50%, @60%	2BR/2BA	42	33.9%	975	@50%	\$736	Yes	No	0	0%
					2BR/2BA	42	33.9%	975	@60%	\$906	Yes	No	2	4.8%
					3BR/2BA	40	32.3%	1,365	@60%	\$1,038	Yes	No	2	5.0%
					124							4	3.2%	
2	Chapel Ridge Apartments 301 Jesslyn Drive Roanoke Rapids, NC Halifax County	19.7 miles	Garden 2-stories 2011 Family	@50%, @60%	2BR/1BA	12	24.0%	954	@50%	\$570	No	Yes	0	0%
					2BR/1BA	9	18.0%	954	@60%	\$610	No	Yes	0	0%
					3BR/2BA	20	40.0%	1,149	@50%	\$629	No	Yes	0	0%
					3BR/2BA	9	18.0%	1,149	@60%	\$649	No	Yes	0	0%
					50							0	0.0%	
3	Pine Wood Forest 881 Powell Dr South Hill, VA Mecklenburg County	32.1 miles	Garden 2-stories 1999 Family	@50%, @60%	2BR/1BA	12	25.0%	829	@50%	\$680	Yes	Yes	0	0%
					2BR/1BA	4	8.3%	829	@60%	\$995	Yes	Yes	0	0%
					3BR/2BA	20	41.7%	1,124	@50%	\$966	Yes	Yes	0	0%
					3BR/2BA	12	25.0%	1,124	@60%	\$1,152	Yes	Yes	0	0%
					48							0	0.0%	
4	Weldon Downtown Apartments 218 Washington Avenue Weldon, NC Halifax County	19.1 miles	Lowrise 2-stories 1898 / 2004 Family	@50%, @60%	1BR/1BA	6	25.0%	560	@50%	\$405	No	Yes	0	0%
					1BR/1BA	5	20.8%	615	@60%	\$452	No	Yes	0	0%
					2BR/1BA	5	20.8%	830	@50%	\$470	No	Yes	0	0%
					2BR/1BA	5	20.8%	850	@60%	\$513	No	Yes	0	0%
					3BR/2BA	2	8.3%	1,300	@50%	\$568	No	Yes	0	0%
					3BR/2BA	1	4.2%	1,400	@60%	\$610	No	Yes	0	0%
					24							0	0.0%	
5	Autumn Ridge 114 Nancy Drive Suffolk, VA Suffolk City County	52.4 miles	Townhouse 2-stories 1965 / 2012 Family	Market	1BR/1BA	24	18.8%	556	Market	\$1,204	N/A	No	2	8.3%
					2BR/1BA	88	68.8%	731	Market	\$1,345	N/A	No	2	2.3%
					3BR/1BA	16	12.5%	990	Market	\$1,536	N/A	No	1	6.2%
					128							5	3.9%	
6	Carriage Hills Apartments 325 Henry St Roanoke Rapids, NC Halifax County	17.3 miles	Townhouse 2-stories 1971 Family	Market	2BR/1BA	21	46.7%	900	Market	\$781	N/A	Yes	0	0%
					3BR/1BA	24	53.3%	1,050	Market	\$889	N/A	Yes	0	0%
					45								0	0.0%
7	Castle Heights Apartments 124 Raleigh Avenue South Hill, VA Mecklenburg County	33.6 miles	Garden 2-stories 2001 Family	Market	2BR/2BA	16	100.0%	1,116	Market	\$1,360	N/A	No	1	6.2%
8	Forest Pine Apartments 201 Forest Pine Road Franklin, VA Franklin County	33.0 miles	Garden 2-stories 1963 Family	Market	1BR/1BA	N/A	N/A	630	Market	\$1,000	N/A	Yes	1	N/A
					1BR/1BA	N/A	N/A	768	Market	\$1,045	N/A	Yes	0	N/A
					2BR/1BA	N/A	N/A	834	Market	\$1,125	N/A	Yes	0	N/A
					2BR/1BA	N/A	N/A	928	Market	\$1,150	N/A	Yes	1	N/A
					2BR/1.5BA	N/A	N/A	1,010	Market	\$1,175	N/A	Yes	0	N/A
					2BR/2BA	N/A	N/A	1,012	Market	\$1,200	N/A	Yes	1	N/A
					2BR/2BA	N/A	N/A	1,057	Market	\$1,220	N/A	Yes	1	N/A
					3BR/1BA	N/A	N/A	1,085	Market	\$1,275	N/A	Yes	0	N/A
					3BR/2BA	N/A	N/A	1,127	Market	\$1,315	N/A	Yes	0	N/A
					3BR/2BA	N/A	N/A	1,133	Market	\$1,330	N/A	Yes	0	N/A
										244				
9	Meadowridge Apartments 340 North College Drive Franklin, VA Southampton County	32.8 miles	Garden 2-stories 1990 Family	Market	1BR/1BA	N/A	N/A	765	Market	\$1,249	N/A	No	1	N/A
					1BR/1BA	N/A	N/A	765	Market	\$1,269	N/A	No	0	N/A
					2BR/2BA	N/A	N/A	940	Market	\$1,425	N/A	No	0	N/A
					2BR/2BA	N/A	N/A	940	Market	\$1,450	N/A	No	0	N/A
					2BR/1BA	N/A	N/A	940	Market	\$1,325	N/A	No	0	N/A
					2BR/1BA	N/A	N/A	940	Market	\$1,345	N/A	No	1	N/A
					3BR/2BA	N/A	N/A	1,090	Market	\$1,501	N/A	No	0	N/A
3BR/2BA	N/A	N/A	1,090	Market	\$1,536	N/A	No	0	N/A					
					97							2	2.1%	

Table with 6 columns: Subject, Comparable #1, Comparable #2, Comparable #3, Comparable #4, Comparable #5. Rows include property details like Northwoods Village, 300 Bethune Square, and Emporia, VA.

Table A: Rents Charged. Columns: Data, \$ Adj, Data, \$ Adj, Data, \$ Adj, Data, \$ Adj, Data, \$ Adj, Data, \$ Adj. Rows include \$ Last Rent, Date Last Leased, Rent Concessions, Occupancy for Unit Type, and Effective Rent & Rent/ sq. ft.

Table B: Design, Location, Condition. Columns: Data, \$ Adj, Data, \$ Adj, Data, \$ Adj, Data, \$ Adj, Data, \$ Adj, Data, \$ Adj. Rows include Structure / Stories, Yr. Built / Yr. Renovated, Condition / Street Appeal, Neighborhood, Same Market? Miles to Subj., Unit Equipment/ Amenities, # Bedrooms, # Bathrooms, Unit Interior Sq. Ft., Balcony / Patio, AC: Central / Wall, Range / Refrigerator, Microwave / Dishwasher, Washer / Dryer, Floor Coverings, Window Coverings, Cable / Satellite / Internet, Special Features.

Table D: Site Equipment/ Amenities. Columns: Data, \$ Adj, Data, \$ Adj, Data, \$ Adj, Data, \$ Adj, Data, \$ Adj, Data, \$ Adj. Rows include Parking (S Fee), Extra Storage, Security, Clubhouse / Meeting Rooms, Pool / Recreation Areas, Business Ctr / Nhd Network, Service Coordination, Non-shelter Services, Neighborhood Networks.

Table E: Utilities. Columns: Data, \$ Adj, Data, \$ Adj, Data, \$ Adj, Data, \$ Adj, Data, \$ Adj, Data, \$ Adj. Rows include Heat (in rent? / type), Cooling (in rent? / type), Cooking (in rent? / type), Hot water (in rent? / type), Other Electric, Cold Water / Sewer, Trash / Recycling.

Table F: Adjustments Recap. Columns: Pos, Neg, Pos, Neg, Pos, Neg, Pos, Neg, Pos, Neg, Pos, Neg. Rows include # Adjustments B to D, Sum Adjustments B to D, Sum Utility Adjustments, Net / Gross Adjustments B to E.

Table G: Adjusted & Market Rents. Columns: Adj. Rent, Adj. Rent, Adj. Rent, Adj. Rent, Adj. Rent. Rows include Adjusted Rent (5 + 43), Adj Rent / Last rent, Estimated Market Rent.

Appraiser's Signature

Robert Edwards

02-28-2024

Date

Attached are explanations of:

- a. why & how each adjustment was made
b. how market rent was derived from adjusted rents
c. how this analysis was used for a similar unit type

Grid was prepared: [] Manually [X] Using HUD's Excel form

form HUD-92273-S8 (04/2002)

Table with 6 columns: Subject, Comparable #1, Comparable #2, Comparable #3, Comparable #4, Comparable #5. Rows include Northwoods Village, 300 Bethune Square, and Emporia, VA.

Table A: Rents Charged. Columns: \$ Last Rent / Restricted?, Date Last Leased (mo/yr), Rent Concessions, Occupancy for Unit Type, Effective Rent & Rent/ sq. ft.

Table B: Design, Location, Condition. Columns: Structure / Stories, Yr. Built / Yr. Renovated, Condition / Street Appeal, Neighborhood, Same Market? Miles to Subj., Unit Equipment/ Amenities, # Bedrooms, # Bathrooms, Unit Interior Sq. Ft., Balcony / Patio, AC: Central / Wall, Range / Refrigerator, Microwave / Dishwasher, Washer / Dryer, Floor Coverings, Window Coverings, Cable / Satellite / Internet, Special Features.

Table C: Site Equipment/ Amenities. Columns: Parking (S Fee), Extra Storage, Security, Clubhouse / Meeting Rooms, Pool / Recreation Areas, Business Ctr / Nhd Network, Service Coordination, Non-shelter Services, Neighborhood Networks.

Table D: Utilities. Columns: Heat (in rent? / type), Cooling (in rent? / type), Cooking (in rent? / type), Hot water (in rent? / type), Other Electric, Cold Water / Sewer, Trash / Recycling.

Table E: Adjustments Recap. Columns: # Adjustments B to D, Sum Adjustments B to D, Sum Utility Adjustments, Net / Gross Adjustments B to E.

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form HUD-92273-S8 (04/2002)

Subject		Comparable #1	Comparable #2	Comparable #3	Comparable #4	Comparable #5
Northwoods Village	Data	Autumn Ridge	Carriage Hills Apartments	Castle Heights Apartments	Forest Pine Apartments	Meadowridge Apartments
300 Bethune Square	on	114 Nancy Drive	325 Henry St	124 Raleigh Avenue	201 Forest Pine Road	340 North College Drive
Emporia, Emporia County, VA	Subject	Suffolk, Suffolk City County, VA	Roanoke Rapids, Halifax County, NC	South Hill, Mecklenburg County, VA	Franklin, Franklin County, VA	Franklin, Southampton County, VA

A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,275	N	\$795	N	\$1,275	N	\$1,125	N	\$1,255	N
2	Date Last Leased (mo/yr)	Feb-24		Feb-24		Feb-24		Feb-24		Feb-24	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	98%		100%		94%		98%		98%	
5	Effective Rent & Rent/ sq. ft	\$1,275	\$1.74	\$795	\$0.88	\$1,275	\$1.14	\$1,125	\$1.35	\$1,255	\$1.34

B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	One-Story	T / 2	T / 2		G / 2	\$15	G / 2	\$15	G / 2	\$15
7	Yr. Built / Yr. Renovated	1979 / 2025	1965 / 2012	1971	\$105	2001	1963	1963	\$105	1990	\$15
8	Condition / Street Appeal	G	G	P	\$120	G		P	\$120	A	\$40
9	Neighborhood	F	E	F	(\$125)	A	(\$25)	A	(\$25)	G	(\$75)
10	Same Market? Miles to Subj.		N/52.4	Y/17.3		N/33.6		N/33.0		N/32.8	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2.0	2.0	2.0		2.0		2.0		2.0	
12	# Bathrooms	1.0	1.0	1.0		2.0	(\$40)	1.0		1.0	
13	Unit Interior Sq. Ft.	785	731	900	(\$25)	1,116	(\$95)	834	(\$17)	940	(\$52)
14	Balcony / Patio	N	N	N		Y	(\$10)	Y	(\$10)	Y	(\$10)
15	AC: Central / Wall	C	C	C		C		C		C	
16	Range / Refrigerator	R / F	R / F	R / F		R / F		R / F		R / F	
17	Microwave / Dishwasher	D	N	D	\$10	D		D		D	
18	Washer / Dryer	L	L	HU	(\$5)	WD	(\$30)	L / HU	(\$10)	L / HU	(\$10)
19	Floor Coverings	VP	C	C	\$10	HW		C	\$10	HW	
20	Window Coverings	B	B	B		B		B		B	
21	Cable / Satellite / Internet	N	N	Y	(\$10)	N		N		N	
22	Special Features	N	WIC	N	(\$5)	F / GD	(\$10)	CF / GD	(\$10)	CF / WIC	(\$10)

D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L	L	L		L		L		L	
25	Extra Storage	N	N	N		N		Y	(\$10)	N	
26	Security	N	N	N		N		Y	(\$5)	Y	(\$5)
27	Clubhouse / Meeting Rooms	Y	N	N	\$10	N	\$10	N	\$10	N	\$10
28	Pool / Recreation Areas	R	RR	N	(\$5)	R		P / R	(\$10)	R	
29	Business Ctr / Nhd Network	N	N	N		N		N		N	
30	Service Coordination	N	N	N		N		N		N	
31	Non-shelter Services	N	N	N		N		N		N	
32	Neighborhood Networks	N	N	N		N		N		N	

E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	N / E	N / E	N / E		N / E		N / E		N / E	
34	Cooling (in rent? / type)	N / C	N / C	Y / C	(\$14)	N / C		N / C		N / C	
35	Cooking (in rent? / type)	N / E	N / E	N / E		N / E		N / E		N / E	
36	Hot water (in rent? / type)	N / E	N / E	N / E		N / E		N / E		N / E	
37	Other Electric	N	N	N		N		N		N	
38	Cold Water / Sewer	Y / Y	N / N	Y / Y	\$70	N / N	\$70	Y / Y		N / N	\$70
39	Trash / Recycling	Y	Y	Y		N	\$15	Y		Y	

F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	4	(4)	6	(3)	2	(7)	5	(8)	3	(6)
41	Sum Adjustments B to D	\$54	(\$150)	\$260	(\$40)	\$25	(\$225)	\$260	(\$97)	\$65	(\$162)
42	Sum Utility Adjustments	\$70			(\$14)	\$85		\$70		\$70	
43	Net / Gross Adjustments B to E	(\$26)	\$274	\$206	\$314	(\$115)	\$335	\$163	\$357	(\$27)	\$297

G.	Adjusted & Market Rents	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	
44	Adjusted Rent (5 + 43)	\$1,249	\$1,001	\$1,160	\$1,288	\$1,228	
45	Adj Rent / Last rent		98%		126%		
46	Estimated Market Rent	\$1,200	\$1.53 Estimated Market Rent / Sq. Ft				

Appraiser's Signature

Robert Edwards

02-28-2024

Date

Attached are explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared: [] Manually [X] Using HUD's Excel form

form HUD-92273-S8 (04/2002)

Subject		Comparable #1	Comparable #2	Comparable #3	Comparable #4	Comparable #5
Northwoods Village	Data	Autumn Ridge	Carriage Hills Apartments	Castle Heights Apartments	Forest Pine Apartments	Meadowridge Apartments
300 Bethune Square	on	114 Nancy Drive	325 Henry St	124 Raleigh Avenue	201 Forest Pine Road	340 North College Drive
Emporia, Emporia County, VA	Subject	Suffolk, Suffolk City County, VA	Roanoke Rapids, Halifax County, NC	South Hill, Mecklenburg County, VA	Franklin, Franklin County, VA	Franklin, Southampton County, VA

A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,450	N	\$905	N	\$1,275	N	\$1,275	N	\$1,415	N
2	Date Last Leased (mo/yr)	Feb-24		Feb-24		Feb-24		Feb-24		Feb-24	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	94%		100%		94%		98%		98%	
5	Effective Rent & Rent/ sq. ft	\$1,450	\$1.46	\$905	\$0.86	\$1,275	\$1.14	\$1,275	\$1.18	\$1,415	\$1.30

B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	One-Story	T / 2	T / 2		G / 2	\$15	G / 2	\$15	G / 2	\$15
7	Yr. Built / Yr. Renovated	1979 / 2025	1965 / 2012	1971	\$105	2001	1963	2001	1990	1990	
8	Condition / Street Appeal	G	G	P	\$150	G		P	\$150	A	\$50
9	Neighborhood	F	E	F	(\$125)	A	(\$25)	A	(\$25)	G	(\$75)
10	Same Market? Miles to Subj.		N/52.4	Y/17.3		N/33.6		N/33.0		N/32.8	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3.0	3.0	3.0		2.0	\$75	3.0		3.0	
12	# Bathrooms	1.0	1.0	1.0		2.0	(\$40)	1.0		2.0	(\$40)
13	Unit Interior Sq. Ft.	900	990	1,050	(\$33)	1,116	(\$32)	1,085	(\$54)	1,090	(\$62)
14	Balcony / Patio	N	N	N		Y	(\$10)	Y	(\$10)	Y	(\$10)
15	AC: Central / Wall	C	C	C		C		C		C	
16	Range / Refrigerator	R / F	R / F	R / F		R / F		R / F		R / F	
17	Microwave / Dishwasher	D	N	N	\$10	D		D		D	
18	Washer / Dryer	L	L	HU	(\$5)	WD	(\$30)	L / HU	(\$10)	L / HU	(\$10)
19	Floor Coverings	VP	C	C	\$10	HW		C	\$10	HW	
20	Window Coverings	B	B	B		B		B		B	
21	Cable / Satellite / Internet	N	N	Y	(\$10)	N		N		N	
22	Special Features	N	WIC	N	(\$5)	F / GD	(\$10)	CF / GD	(\$10)	CF / WIC	(\$10)

D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L	L	L		L		L		L	
25	Extra Storage	N	N	N		N		Y	(\$10)	N	
26	Security	N	N	N		N		Y	(\$5)	Y	(\$5)
27	Clubhouse / Meeting Rooms	Y	N	N	\$10	N	\$10	N		N	\$10
28	Pool / Recreation Areas	R	RR	N	(\$5)	R	\$5	N	(\$10)	R	
29	Business Ctr / Nhd Network	N	N	N		N		N		N	
30	Service Coordination	N	N	N		N		N		N	
31	Non-shelter Services	N	N	N		N		N		N	
32	Neighborhood Networks	N	N	N		N		N		N	

E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	N / E	N / E	N / E		N / E		N / E		N / E	
34	Cooling (in rent? / type)	N / C	N / C	Y / C	(\$16)	N / C		N / C		N / C	
35	Cooking (in rent? / type)	N / E	N / E	N / E		N / E		N / E		N / E	
36	Hot water (in rent? / type)	N / E	N / E	N / E		N / E		N / E		N / E	
37	Other Electric	N	N	N		N		N		N	
38	Cold Water / Sewer	Y / Y	N / N	Y / Y	\$86	N / N	\$86	Y / Y		N / N	\$86
39	Trash / Recycling	Y	Y	Y		N	\$15	Y		Y	

F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	3	(5)	6	(3)	3	(7)	5	(8)	3	(7)
41	Sum Adjustments B to D	\$30	(\$183)	\$290	(\$47)	\$100	(\$192)	\$290	(\$134)	\$75	(\$212)
42	Sum Utility Adjustments	\$86		\$86	(\$16)	\$101		\$86		\$86	
43	Net / Gross Adjustments B to E	(\$67)	\$299	\$227	\$353	\$9	\$393	\$156	\$424	(\$51)	\$373

G.	Adjusted & Market Rents	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	
44	Adjusted Rent (5 + 43)	\$1,383		\$1,132		\$1,284		\$1,431		\$1,364		
45	Adj Rent / Last rent		95%		125%		101%		112%		96%	
46	Estimated Market Rent	\$1,320	\$1.47 Estimated Market Rent / Sq. Ft									

Appraiser's Signature

Robert Edwards

02-28-2024

Date

Attached are explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

PROPERTY PROFILE REPORT

Brookridge Apartments

Effective Rent Date	2/28/2024
Location	1325 Skippers Rd Emporia, VA 23847 Greensville County
Distance	2.4 miles
Units	124
Vacant Units	4
Vacancy Rate	3.2%
Type	Garden (3 stories)
Year Built/Renovated	2000 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mostly local, some come from as far as Petersburg and Lawrenceville
Contact Name	Angela
Phone	434-348-7700



Market Information

Program	@50%, @60%
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	15%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased to 2023 LIHTC 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	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (3 stories)	42	975	\$666	\$0	@50%	No	0	0.0%	yes	None
2	2	Garden (3 stories)	42	975	\$836	\$0	@60%	No	2	4.8%	yes	None
3	2	Garden (3 stories)	40	1,365	\$952	\$0	@60%	No	2	5.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$666	\$0	\$666	\$70	\$736	2BR / 2BA	\$836	\$0	\$836	\$70	\$906
						3BR / 2BA	\$952	\$0	\$952	\$86	\$1,038

Brookridge Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Courtyard	None	None
Central Laundry	Off-Street Parking		
On-Site Management	Picnic Area		
Playground	Swimming Pool		

Comments

None

Photos



PROPERTY PROFILE REPORT

Chapel Ridge Apartments

Effective Rent Date	2/28/2024
Location	301 Jesslyn Drive Roanoke Rapids, NC 27870 Halifax County
Distance	19.7 miles
Units	50
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2011 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mostly families from the Roanoke Rapids/Halifax County.
Contact Name	Rhonda Sheppard
Phone	252-308-1730



Market Information

Program	@50%, @60%
Annual Turnover Rate	5%
Units/Month Absorbed	N/A
HCV Tenants	40%
Leasing Pace	Within two to three weeks
Annual Chg. in Rent	Increased by 4-6%
Concession	None
Waiting List	Yes, approximately six months

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden (2 stories)	12	954	\$570	\$0	@50%	Yes	0	0.0%	no	None
2	1	Garden (2 stories)	9	954	\$610	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	20	1,149	\$629	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	9	1,149	\$649	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	\$570	\$0	\$570	\$0	\$570	2BR / 1BA	\$610	\$0	\$610	\$0	\$610
3BR / 2BA	\$629	\$0	\$629	\$0	\$629	3BR / 2BA	\$649	\$0	\$649	\$0	\$649

Chapel Ridge Apartments, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	None	None
Central A/C	Coat Closet		
Dishwasher	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Central Laundry	None	None
Off-Street Parking	Playground		

Comments

The contact estimated that approximately 20 percent of tenants are seniors. Most of the tenants are from the Roanoke Rapids area or elsewhere in Halifax County, however, a minority of tenants travel from adjacent counties or out of state.

Photos



PROPERTY PROFILE REPORT

Pine Wood Forest

Effective Rent Date	2/28/2024
Location	881 Powell Dr South Hill, VA 23970 Mecklenburg County
Distance	32.1 miles
Units	48
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1999 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	N/A
Contact Name	Catherine
Phone	434-447-6535



Market Information

Program	@50%, @60%
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	10%
Leasing Pace	As current tenants vacate
Annual Chg. in Rent	Increased to 2023 LIHTC max
Concession	None
Waiting List	Yes, approximately one year

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	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
2	1	Garden (2 stories)	12	829	\$648	\$0	@50%	Yes	0	0.0%	yes	None
2	1	Garden (2 stories)	4	829	\$963	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	20	1,124	\$926	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	12	1,124	\$1,112	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	\$648	\$0	\$648	\$32	\$680	2BR / 1BA	\$963	\$0	\$963	\$32	\$995
3BR / 2BA	\$926	\$0	\$926	\$40	\$966	3BR / 2BA	\$1,112	\$0	\$1,112	\$40	\$1,152

Pine Wood Forest, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Video Surveillance	None
Carpeting	Central A/C		
Coat Closet	Exterior Storage		
Ceiling Fan	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Courtyard	None	None
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		

Comments

None

Photos



PROPERTY PROFILE REPORT

Weldon Downtown Apartments

Effective Rent Date	2/28/2024
Location	218 Washington Avenue Weldon, NC 27890 Halifax County
Distance	19.1 miles
Units	24
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (2 stories)
Year Built/Renovated	1898 / 2004
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mostly families
Contact Name	Amy
Phone	252.538.4103



Market Information

Program	@50%, @60%
Annual Turnover Rate	13%
Units/Month Absorbed	N/A
HCV Tenants	17%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased by 2-5%
Concession	None
Waiting List	Yes, approximately one year

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (2 stories)	6	560	\$405	\$0	@50%	Yes	0	0.0%	no	None
1	1	Lowrise (2 stories)	5	615	\$452	\$0	@60%	Yes	0	0.0%	no	None
2	1	Lowrise (2 stories)	5	830	\$470	\$0	@50%	Yes	0	0.0%	no	None
2	1	Lowrise (2 stories)	5	850	\$513	\$0	@60%	Yes	0	0.0%	no	None
3	2	Lowrise (2 stories)	2	1,300	\$568	\$0	@50%	Yes	0	0.0%	no	None
3	2	Lowrise (2 stories)	1	1,400	\$610	\$0	@60%	Yes	0	0.0%	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	\$405	\$0	\$405	\$0	\$405	1BR / 1BA	\$452	\$0	\$452	\$0	\$452
2BR / 1BA	\$470	\$0	\$470	\$0	\$470	2BR / 1BA	\$513	\$0	\$513	\$0	\$513
3BR / 2BA	\$568	\$0	\$568	\$0	\$568	3BR / 2BA	\$610	\$0	\$610	\$0	\$610

Weldon Downtown Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpet/Hardwood	Carpeting	Limited Access	
Central A/C	Coat Closet		
Dishwasher	Ceiling Fan		
Oven	Refrigerator		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		

Comments

The contact reported LIHTC properties in the area typically 100 percent occupied and that there is high demand for affordable housing.

Photos



PROPERTY PROFILE REPORT

Autumn Ridge

Effective Rent Date	2/22/2024
Location	114 Nancy Drive Suffolk, VA 23434 Suffolk City County
Distance	52.4 miles
Units	128
Vacant Units	5
Vacancy Rate	3.9%
Type	Townhouse (2 stories)
Year Built/Renovated	1965 / 2012
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Suffolk Station
Tenant Characteristics	Mixed tenancy
Contact Name	Ruby
Phone	(757) 934-0847



Market Information

Program	Market
Annual Turnover Rate	19%
Units/Month Absorbed	N/A
HCV Tenants	15%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased by 5-10%
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	Townhouse (2 stories)	24	556	\$1,150	\$0	Market	No	2	8.3%	N/A	None
2	1	Townhouse (2 stories)	88	731	\$1,275	\$0	Market	No	2	2.3%	N/A	None
3	1	Townhouse (2 stories)	16	990	\$1,450	\$0	Market	No	1	6.2%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,150	\$0	\$1,150	\$54	\$1,204
2BR / 1BA	\$1,275	\$0	\$1,275	\$70	\$1,345
3BR / 1BA	\$1,450	\$0	\$1,450	\$86	\$1,536

Autumn Ridge, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	None	None
Central A/C	Coat Closet		
Oven	Refrigerator		
Walk-In Closet			
Property		Premium	Other
Central Laundry	Off-Street Parking	None	None
On-Site Management	Playground		
Recreation Areas			

Comments

None

Photos



PROPERTY PROFILE REPORT

Carriage Hills Apartments

Effective Rent Date	2/22/2024
Location	325 Henry St Roanoke Rapids, NC 27870 Halifax County
Distance	17.3 miles
Units	45
Vacant Units	0
Vacancy Rate	0.0%
Type	Townhouse (2 stories)
Year Built/Renovated	1971 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Small families from Roanoke Rapids
Contact Name	Debra
Phone	252.537.2950



Market Information

Program	Market
Annual Turnover Rate	50%
Units/Month Absorbed	N/A
HCV Tenants	66%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased by 3-6%
Concession	None
Waiting List	Yes; 12 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Townhouse (2 stories)	21	900	\$795	\$0	Market	Yes	0	0.0%	N/A	None
3	1	Townhouse (2 stories)	24	1,050	\$905	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	\$795	\$0	\$795	-\$14	\$781
3BR / 1BA	\$905	\$0	\$905	-\$16	\$889

Amenities

In-Unit		Security	Services
Blinds	Cable/Satellite/Internet	None	None
Carpeting	Central A/C		
Oven	Refrigerator		
Washer/Dryer hookup			
Property		Premium	Other
Off-Street Parking	On-Site Management	None	None

Comments

The contact stated that the majority of households on the waiting list are for the three-bedroom units.

Photos



Photos



PROPERTY PROFILE REPORT

Forest Pine Apartments

Effective Rent Date	2/21/2024
Location	201 Forest Pine Road Franklin, VA 23851 Franklin County
Distance	33 miles
Units	244
Vacant Units	4
Vacancy Rate	1.6%
Type	Garden (2 stories)
Year Built/Renovated	1963 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Meadowridge Apartments
Tenant Characteristics	Family
Contact Name	Emily
Phone	757-562-2005



Market Information

Program	Market
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within two to three weeks
Annual Chg. in Rent	Increased by 5-13%
Concession	None
Waiting List	Yes; seven households for three-bedroom units

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	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	Garden (2 stories)	N/A	630	\$1,000	\$0	Market	Yes	1	N/A	N/A	None
1	1	Garden (2 stories)	N/A	768	\$1,045	\$0	Market	Yes	0	N/A	N/A	None
2	1	Garden (2 stories)	N/A	834	\$1,125	\$0	Market	Yes	0	N/A	N/A	None
2	1	Garden (2 stories)	N/A	928	\$1,150	\$0	Market	Yes	1	N/A	N/A	None
2	1.5	Garden (2 stories)	N/A	1,010	\$1,175	\$0	Market	Yes	0	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,012	\$1,200	\$0	Market	Yes	1	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,057	\$1,220	\$0	Market	Yes	1	N/A	N/A	None
3	1	Garden (2 stories)	N/A	1,085	\$1,275	\$0	Market	Yes	0	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,127	\$1,315	\$0	Market	Yes	0	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,133	\$1,330	\$0	Market	Yes	0	N/A	N/A	None

Photos



PROPERTY PROFILE REPORT

Meadowridge Apartments

Effective Rent Date	2/22/2024
Location	340 North College Drive Franklin, VA 23851 Southampton County
Distance	32.8 miles
Units	97
Vacant Units	2
Vacancy Rate	2.1%
Type	Garden (2 stories)
Year Built/Renovated	1990 / 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	Paula
Phone	757-657-4049



Market Information

Program	Market
Annual Turnover Rate	37%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased by 6-12%
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	Garden (2 stories)	N/A	765	\$1,215	\$0	Market	No	0	N/A	N/A	HIGH
1	1	Garden (2 stories)	N/A	765	\$1,195	\$0	Market	No	1	N/A	N/A	LOW
2	1	Garden (2 stories)	N/A	940	\$1,275	\$0	Market	No	1	N/A	N/A	HIGH
2	1	Garden (2 stories)	N/A	940	\$1,255	\$0	Market	No	0	N/A	N/A	LOW
2	2	Garden (2 stories)	N/A	940	\$1,380	\$0	Market	No	0	N/A	N/A	HIGH
2	2	Garden (2 stories)	N/A	940	\$1,355	\$0	Market	No	0	N/A	N/A	LOW
3	2	Garden (2 stories)	N/A	1,090	\$1,450	\$0	Market	No	0	N/A	N/A	HIGH
3	2	Garden (2 stories)	N/A	1,090	\$1,415	\$0	Market	No	0	N/A	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,195 - \$1,215	\$0	\$1,195 - \$1,215	\$54	\$1,249 - \$1,269
2BR / 1BA	\$1,255 - \$1,275	\$0	\$1,255 - \$1,275	\$70	\$1,325 - \$1,345
2BR / 2BA	\$1,355 - \$1,380	\$0	\$1,355 - \$1,380	\$70	\$1,425 - \$1,450
3BR / 2BA	\$1,415 - \$1,450	\$0	\$1,415 - \$1,450	\$86	\$1,501 - \$1,536

Meadowridge Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpet/Hardwood	Central A/C	Limited Access	
Coat Closet	Dishwasher		
Ceiling Fan	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Central Laundry	Off-Street Parking	None	None
On-Site Management	Playground		

Comments

According to the contact, the rent range is due to management charging more for the first floor and corner units. The property does not accept Housing Choice Vouchers. Washer and dryers can be rented for the two- and three-bedroom units for \$30 per month.

Photos



NORTHWOODS VILLAGE – EMPORIA, VIRGINIA – VHDA MARKET STUDY

AMENITY MATRIX

	Northwoods Village	Brookridge Apartments	Chapel Ridge Apartments	Pine Wood Forest	Weldon Downtown Apartments	Autumn Ridge	Carriage Hills Apartments	Castle Heights Apartments	Forest Pine Apartments	Meadowridge Apartments
Program	LIHTC/ Section 8	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Tenancy	Family	Family	Family	Family	Family	Family	Family	Family	Family	Family
Building										
Property Type	Various	Garden	Garden	Garden	Lowrise	Townhouse	Townhouse	Garden	Garden	Garden
# Stories	2	3	2	2	2	2	2	2	2	2
Year Built	1979	2000	2011	1999	1898	1965	1971	2001	1963	1990
Year Renovated	2025	n/a	n/a	n/a	2004	2012	n/a	n/a	n/a	n/a
Courtyard	no	yes	no	yes	no	no	no	no	no	no
Utility Structure										
Heat	no	no	no	no	no	no	no	no	no	no
Cooking	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no
Air Conditioning	no	no	no	no	no	no	yes	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no
Water	yes	no	yes	no	yes	no	yes	no	yes	no
Sewer	yes	no	yes	yes	yes	no	yes	no	yes	no
Unit										
Balcony	no	yes	no	yes	yes	no	no	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite	no	no	no	no	no	no	yes	no	no	no
Carpeting	no	yes	yes	yes	yes	yes	yes	no	yes	no
Ceiling Fan	no	yes	no	yes	yes	no	no	no	yes	yes
Central/AC	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	no	yes	yes	yes	yes	yes	no	yes	yes	yes
Exterior Storage	no	yes	no	yes	no	no	no	no	yes	no
Fireplace	no	no	no	no	no	no	no	yes	no	no
Hardwood Floors	no	no	no	no	yes	no	no	yes	no	yes
Vinyl Plank Flooring	yes	no	no	no	no	no	no	no	no	no
Walk-In-Closet	no	yes	yes	yes	no	yes	no	no	no	yes
Washer / Dryer	no	no	no	no	no	no	no	yes	no	no
W/D Hookups	no	yes	yes	yes	no	no	yes	yes	yes	yes
Kitchen										
Dishwasher	yes	yes	yes	no	yes	no	no	yes	yes	yes
Disposal	no	no	yes	no	no	no	no	yes	yes	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community										
Business Center	no	no	no	no	yes	no	no	no	no	no
Central Laundry	yes	yes	yes	yes	yes	yes	no	no	yes	yes
Clubhouse	yes	yes	yes	yes	yes	no	no	no	no	no
On-Site Mgmt	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Recreation										
Exercise Facility	no	no	no	yes	yes	no	no	no	no	no
Picnic Area	no	yes	no	yes	no	no	no	yes	no	no
Playground	yes	yes	yes	yes	no	yes	no	no	yes	yes
Recreational Area	no	no	no	no	no	yes	no	no	no	no
Swimming Pool	no	yes	no	no	no	no	no	no	yes	no
Security										
Intercom (Buzzer)	no	no	no	no	yes	no	no	no	yes	yes
Limited Access	no	no	no	no	yes	no	no	no	yes	yes
Video Surveillance	no	no	no	yes	no	no	no	no	no	no
Parking										
Surface	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

NORTHWOODS VILLAGE – EMPORIA, VIRGINIA – VHDA MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.						
	Units Surveyed	776	Weighted Occupancy	97.9%		
	Market Rate	530	Market Rate	97.7%		
	Tax Credit	246	Tax Credit	98.4%		
	1.0 Bed x 1.0 Bath		2.0 Bed x 1.0 Bath		3.0 Bed x 1.0 Bath	
RENT	Meadowridge Apartments (Market)	\$1,269	Meadowridge Apartments (Market)(2.0BA)	\$1,450	Autumn Ridge (Market)	\$1,536
	Meadowridge Apartments (Market)	\$1,249	Meadowridge Apartments (Market)(2.0BA)	\$1,425	Meadowridge Apartments (Market)(2.0BA)	\$1,536
	Autumn Ridge (Market)	\$1,204	Castle Heights Apartments (Market)(2.0BA)	\$1,360	Meadowridge Apartments (Market)(2.0BA)	\$1,501
	Northwoods Village (AMR)	\$1,080	Autumn Ridge (Market)	\$1,345	Forest Pine Apartments (Market)(2.0BA)	\$1,330
	Forest Pine Apartments (Market)	\$1,045	Meadowridge Apartments (Market)	\$1,345	Northwoods Village (AMR)	\$1,320
	Forest Pine Apartments (Market)	\$1,000	Meadowridge Apartments (Market)	\$1,325	Forest Pine Apartments (Market)(2.0BA)	\$1,315
	Northwoods Village (@60%)	\$773	Forest Pine Apartments (Market)(2.0BA)	\$1,220	Forest Pine Apartments (Market)	\$1,275
	Northwoods Village (@60%) (ALR)	\$773	Forest Pine Apartments (Market)(2.0BA)	\$1,200	Pine Wood Forest (@60%)(2.0BA)	\$1,152
	Northwoods Village (@50%)	\$632	Northwoods Village (AMR) (785 sf)	\$1,200	Northwoods Village (@60%)	\$1,053
	Northwoods Village (@50%) (ALR)	\$632	Forest Pine Apartments (Market)(1.5BA)	\$1,175	Northwoods Village (@60%) (ALR)	\$1,053
	Northwoods Village (@40%)	\$490	Northwoods Village (AMR) (760 sf)	\$1,175	Brookridge Apartments (@60%)(2.0BA)	\$1,038
	Northwoods Village (@40%) (ALR)	\$490	Forest Pine Apartments (Market)	\$1,150	Pine Wood Forest (@50%)(2.0BA)	\$966
	Weldon Downtown Apartments (@60%)	\$452	Forest Pine Apartments (Market)	\$1,125	Carriage Hills Apartments (Market)	\$889
	Weldon Downtown Apartments (@50%)	\$405	Pine Wood Forest (@60%)	\$995	Northwoods Village (@50%)	\$856
			Northwoods Village (@60%)	\$919	Northwoods Village (@50%) (ALR)	\$856
			Northwoods Village (@60%) (ALR)	\$919	Northwoods Village (@40%)	\$660
			Northwoods Village (@60%)	\$919	Northwoods Village (@40%) (ALR)	\$660
			Northwoods Village (@60%) (ALR)	\$919	Chapel Ridge Apartments (@60%)(2.0BA)	\$649
			Brookridge Apartments (@60%)(2.0BA)	\$906	Chapel Ridge Apartments (@50%)(2.0BA)	\$629
			Carriage Hills Apartments (Market)	\$781	Weldon Downtown Apartments (@60%)(2.0BA)	\$610
			Northwoods Village (@50%)	\$749	Weldon Downtown Apartments (@50%)(2.0BA)	\$568
			Northwoods Village (@50%) (ALR)	\$749		
			Northwoods Village (@50%)	\$749		
			Northwoods Village (@50%) (ALR)	\$749		
			Brookridge Apartments (@50%)(2.0BA)	\$736		
			Pine Wood Forest (@50%)	\$680		
			Chapel Ridge Apartments (@60%)	\$610		
			Northwoods Village (@40%)	\$579		
			Northwoods Village (@40%) (ALR)	\$579		
			Northwoods Village (@40%)	\$579		
		Northwoods Village (@40%) (ALR)	\$579			
		Chapel Ridge Apartments (@50%)	\$570			
		Weldon Downtown Apartments (@60%)	\$513			
		Weldon Downtown Apartments (@50%)	\$470			

NORTHWOODS VILLAGE – EMPORIA, VIRGINIA – VHDA MARKET STUDY

	1.0 Bed x 1.0 Bath		2.0 Bed x 1.0 Bath		3.0 Bed x 1.0 Bath	
SQUARE FOOTAGE	Forest Pine Apartments (Market)	768	Castle Heights Apartments (Market)(2.0BA)	1,116	Weldon Downtown Apartments (@60%)(2.0BA)	1,400
	Meadowridge Apartments (Market)	765	Forest Pine Apartments (Market)(2.0BA)	1,057	Brookridge Apartments (@60%)(2.0BA)	1,365
	Meadowridge Apartments (Market)	765	Forest Pine Apartments (Market)(2.0BA)	1,012	Weldon Downtown Apartments (@50%)(2.0BA)	1,300
	Northwoods Village (@40%)	636	Forest Pine Apartments (Market)(1.5BA)	1,010	Chapel Ridge Apartments (@50%)(2.0BA)	1,149
	Northwoods Village (@50%)	636	Brookridge Apartments (@50%)(2.0BA)	975	Chapel Ridge Apartments (@60%)(2.0BA)	1,149
	Northwoods Village (@60%)	636	Brookridge Apartments (@60%)(2.0BA)	975	Forest Pine Apartments (Market)(2.0BA)	1,133
	Forest Pine Apartments (Market)	630	Chapel Ridge Apartments (@50%)	954	Forest Pine Apartments (Market)(2.0BA)	1,127
	Weldon Downtown Apartments (@60%)	615	Chapel Ridge Apartments (@60%)	954	Pine Wood Forest (@50%)(2.0BA)	1,124
	Weldon Downtown Apartments (@50%)	560	Meadowridge Apartments (Market)	940	Pine Wood Forest (@60%)(2.0BA)	1,124
	Autumn Ridge (Market)	556	Meadowridge Apartments (Market)	940	Meadowridge Apartments (Market)(2.0BA)	1,090
			Meadowridge Apartments (Market)(2.0BA)	940	Meadowridge Apartments (Market)(2.0BA)	1,090
			Meadowridge Apartments (Market)(2.0BA)	940	Forest Pine Apartments (Market)	1,085
			Forest Pine Apartments (Market)	928	Carriage Hills Apartments (Market)	1,050
			Carriage Hills Apartments (Market)	900	Autumn Ridge (Market)	990
			Weldon Downtown Apartments (@60%)	850	Northwoods Village (@40%)	900
			Forest Pine Apartments (Market)	834	Northwoods Village (@50%)	900
			Weldon Downtown Apartments (@50%)	830	Northwoods Village (@60%)	900
			Pine Wood Forest (@50%)	829		
			Pine Wood Forest (@60%)	829		
			Northwoods Village (@40%)	785		
		Northwoods Village (@50%)	785			
		Northwoods Village (@60%)	785			
		Northwoods Village (@40%)	760			
		Northwoods Village (@50%)	760			
		Northwoods Village (@60%)	760			
		Autumn Ridge (Market)	731			
RENT PER SQUARE FOOT	Autumn Ridge (Market)	\$2.17	Autumn Ridge (Market)	\$1.84	Autumn Ridge (Market)	\$1.55
	Northwoods Village (AMR)	\$1.70	Northwoods Village (AMR) (785 sf)	\$1.55	Northwoods Village (AMR)	\$1.47
	Meadowridge Apartments (Market)	\$1.66	Meadowridge Apartments (Market)(2.0BA)	\$1.54	Meadowridge Apartments (Market)(2.0BA)	\$1.41
	Meadowridge Apartments (Market)	\$1.63	Northwoods Village (AMR) (760 sf)	\$1.53	Meadowridge Apartments (Market)(2.0BA)	\$1.38
	Forest Pine Apartments (Market)	\$1.59	Meadowridge Apartments (Market)(2.0BA)	\$1.52	Forest Pine Apartments (Market)	\$1.18
	Forest Pine Apartments (Market)	\$1.36	Meadowridge Apartments (Market)	\$1.43	Forest Pine Apartments (Market)(2.0BA)	\$1.17
	Northwoods Village (@60%)	\$1.22	Meadowridge Apartments (Market)	\$1.41	Northwoods Village (@60%)	\$1.17
	Northwoods Village (@60%) (ALR)	\$1.22	Forest Pine Apartments (Market)	\$1.35	Northwoods Village (@60%) (ALR)	\$1.17
	Northwoods Village (@50%)	\$0.99	Forest Pine Apartments (Market)	\$1.24	Forest Pine Apartments (Market)(2.0BA)	\$1.17
	Northwoods Village (@50%) (ALR)	\$0.99	Castle Heights Apartments (Market)(2.0BA)	\$1.22	Pine Wood Forest (@60%)(2.0BA)	\$1.02
	Northwoods Village (@40%)	\$0.77	Northwoods Village (@60%)	\$1.21	Northwoods Village (@50%)	\$0.95
	Northwoods Village (@40%) (ALR)	\$0.77	Northwoods Village (@60%) (ALR)	\$1.21	Northwoods Village (@50%) (ALR)	\$0.95
	Weldon Downtown Apartments (@60%)	\$0.73	Pine Wood Forest (@60%)	\$1.20	Pine Wood Forest (@50%)(2.0BA)	\$0.86
	Weldon Downtown Apartments (@50%)	\$0.72	Forest Pine Apartments (Market)(2.0BA)	\$1.19	Carriage Hills Apartments (Market)	\$0.85
			Northwoods Village (@60%)	\$1.17	Brookridge Apartments (@60%)(2.0BA)	\$0.76
			Northwoods Village (@60%) (ALR)	\$1.17	Northwoods Village (@40%)	\$0.73
			Forest Pine Apartments (Market)(1.5BA)	\$1.16	Northwoods Village (@40%) (ALR)	\$0.73
			Forest Pine Apartments (Market)(2.0BA)	\$1.15	Chapel Ridge Apartments (@60%)(2.0BA)	\$0.56
			Northwoods Village (@50%)	\$0.99	Chapel Ridge Apartments (@50%)(2.0BA)	\$0.55
			Northwoods Village (@50%) (ALR)	\$0.99	Weldon Downtown Apartments (@50%)(2.0BA)	\$0.44
			Northwoods Village (@50%)	\$0.95	Weldon Downtown Apartments (@60%)(2.0BA)	\$0.44
			Northwoods Village (@50%) (ALR)	\$0.95		
			Brookridge Apartments (@60%)(2.0BA)	\$0.93		
			Carriage Hills Apartments (Market)	\$0.87		
			Pine Wood Forest (@50%)	\$0.82		

NORTHWOODS VILLAGE – EMPORIA, VIRGINIA – VHDA MARKET STUDY

		Northwoods Village (@40%)	\$0.76
		Northwoods Village (@40%) (ALR)	\$0.76
		Brookridge Apartments (@50%)(2.0BA)	\$0.75
		Northwoods Village (@40%)	\$0.74
		Northwoods Village (@40%) (ALR)	\$0.74
		Chapel Ridge Apartments (@60%)	\$0.64
		Weldon Downtown Apartments (@60%)	\$0.60
		Chapel Ridge Apartments (@50%)	\$0.60
		Weldon Downtown Apartments (@50%)	\$0.57

PROPERTY CHARACTERISTICS

Following are the relevant characteristics of the comparable properties surveyed:

Location

The Subject is located in the City of Emporia in a fair overall neighborhood, similar to all of the LIHTC comparables and Carriage Hills Apartments. The table below illustrates the median income, rent, and home values by zip code for the Subject and each of the comparables.

LOCATION COMPARISON

No.	Property Name	Zip Code	Median Income	Median Rent	Median Home Value	Rent Differential (vs Subject)
S	Northwoods Village	23847	\$44,481	\$1,246	\$126,992	-
1	Brookridge Apartments	23847	\$44,481	\$1,246	\$126,992	0.0%
2	Chapel Ridge Apartments*	27870	\$41,756	\$1,229	\$127,597	-1.4%
3	Pine Wood Forest*	23970	\$53,253	\$1,320	\$185,719	5.9%
4	Weldon Downtown Apartments*	27890	\$33,253	\$923	\$113,333	-35.0%
5	Autumn Ridge*	23434	\$70,756	\$1,578	\$289,402	21.0%
6	Carriage Hills Apartments*	27870	\$41,756	\$1,229	\$127,597	-1.4%
7	Castle Heights Apartments*	23970	\$53,253	\$1,320	\$185,719	5.9%
8	Forest Pine Apartments*	23851	\$54,171	\$1,387	\$202,166	11.3%
9	Meadowridge Apartments*	23851	\$54,171	\$1,387	\$202,166	11.3%

*Located outside of the PMA

While we placed the most emphasis on the difference in median rent, we also considered access to employment centers, services, and amenities in our location analysis. The Subject’s neighborhood exhibits an inferior to superior location relative to the comparables in terms of median income, median rent, and median home value. We considered the neighborhood surrounding Carriage Hills Apartments to be fair, similar to the Subject’s neighborhood; thus, no adjustment was required in the rent grids. The neighborhood surrounding Autumn Ridge is considered excellent and received a negative adjustment of \$125 in the rent grids. The neighborhood surrounding Forest Pine Apartments and Castle Heights Apartments is considered average, thus the comparables received a negative \$25 adjustment in the rent grids. The neighborhood surrounding Meadowridge Apartments is considered good and received a negative adjustment of \$75 in the rent grids.

Condition

The Subject was constructed in 1979 and has proposed renovations in August 2024. Based on our site inspection of the Subject and the scope of renovations of the Subject, we estimate the Subject’s current effective age to be 40 years. Upon completion of renovations, we estimate that the Subject’s effective age will be 25 years. The following table illustrates the adjustments used to calculate the difference in year built and the impact of renovations on the effective age of the rent comparables relative to the Subject property.

YEAR BUILT/RENOVATED ADJUSTMENT							
Effective Age Diff. from Subject (Years)	1-2	3-5	6-8	9-11	12-15	16-25	26+
Line 7 Adjustment (\$)	\$0	\$15	\$30	\$45	\$60	\$75	\$100

The following table illustrates the comparable properties’ years of construction, year(s) of reported renovations, and the correlated net adjustment made to Line 7, As Is, based on the above parameters.

YEAR BUILT/RENOVATED ADJUSTMENT (AS IS)

#	Property Name	Year Built	Age Diff. from Subject	Year(s) Renovated	Estimated Effective Age	Eff Age Diff. from Subject	Net Adjustment
S	Northwoods Village	1979	-	-	40	-	-
1	Autumn Ridge	1965	14	2012	20	20	(\$75)
2	Carriage Hills Apartments	1971	8	-	50	-10	\$45
3	Castle Heights Apartments	2001	-22	-	20	20	(\$75)
4	Forest Pine Apartments	1963	16	-	50	-10	\$45
5	Meadowridge Apartments	1990	-11	-	25	15	(\$60)

The comparable properties were originally constructed between 1963 and 2001, and only one comparable (Autumn Ridge) reported renovations. Autumn Ridge was built in 1965 and renovated in 2012 and demonstrates a superior effective age when compared to the Subject, thus, a negative adjustment of \$75 was applied. Carriage Hills Apartments was built in 1971 and demonstrates a slightly inferior effective age when compared to the Subject, thus, a positive adjustment of \$45 was applied to this comparable. Castle Heights Apartments was originally constructed in 2001 and demonstrates a superior effective age when compared to the Subject. As such, the comparable requires a negative adjustment of \$75. Forest Pine Apartments was built in 1963 and demonstrates a slightly inferior effective age when compared to the Subject, thus, a positive \$45 adjustment has been applied. Meadowridge Apartments was built in 1990, thus, the comparable demonstrates a superior effective age when compared to the Subject. As such, the comparable requires a negative adjustment of \$60. The table above illustrates the indicated adjustments made to each of the comparables (as applicable) in the grids based on year built/renovated based on difference in utility, effective age, and overall functionality when compared to the Subject, Overall, the Subject appears to be inferior to slightly superior to the five comparables surveyed in terms of year built/renovated.

Based on our site inspection, the Subject is currently in fair overall condition. The following tables illustrate the condition designations applied to the Subject and comparable properties, as well as the correlated adjustment attributed to the determined condition for the comparables.

Condition	Description
Excellent	Desirable curb appeal, high end amenities & finishes, no deferred maintenance.
Good	Well maintained or renovated/updated, limited deferred maintenance.
Average	Minor upgrades needed, some original finishes and amenities.
Fair	In need of repair, obvious deferred maintenance.
Poor	Substantial need of major repairs.

The surveyed comparables range between fair, average, and good condition. In our conclusion of the condition of the Subject as well as the comparable determinations, we also considered the architectural style of each property, the site layouts/open space, landscaping and overall curb appeal in our analysis. The table below indicates the correlated adjustments we applied to each of the rent comparables in the 'as is' grids.

The Subject’s units exhibit fair condition, as is. Among the comparables, Autumn Ridge was built in 1965 and renovated in 2012 and Castle Heights Apartments was built in 2021, both comparables appear to be in good condition, superior to the Subject’s condition, as is. Therefore, a negative \$60 to \$100 adjustment was applied to the comparables. Meadowridge Apartments was built in 1990 and has not reported any renovations and exhibits average overall condition, slightly superior to the Subject, as is. Thus, a negative \$30 to \$50 adjustment was applied to the comparable. Forest Pine Apartments and Carriage Hills Apartments were built in 1963 and 1971, respectively and have not reported any renovations and exhibit poor overall condition, slightly inferior to the Subject, as is. Therefore, a positive \$30 to \$50 adjustment has been applied to the comparables in our as is grids.

The Subject is proposed for renovations with LIHTC equity. Renovations are anticipated to begin August 2024 and be complete in April 2025. The developer provided a scope of work for the renovations, which are estimated at \$5,999,440 in total hard costs, or approximately \$83,325 per unit. The renovation scope includes, but may not be limited to the following:

SCOPE OF RENOVATIONS

Exterior	
Roof repairs	Landscaping repairs
Replace siding with cement board or vinyl plank	Stripe and seal parking lot
Sidewalks & repairs	Replace doors
Replace windows	
Interior	
Plumbing repairs	Replace HVAC, equipment, clean ducts
New paint	Patch drywall
Install vinyl plank flooring	Replace bathroom fixtures/accessories
Replace water heater	Replace appliances
Replace kitchen and bath millwork	Install dishwashers
Common Area	
ADA/Life Safety Compliance	Cleaning
Termite control	Electric (Light Fixtures, GFIs)
Window Coverings	Playground with equipment
Clubhouse/Community Building	

The following table illustrates the comparable properties’ years of construction, year(s) of reported renovations, and the correlated net adjustment made to Line 7, As Is, based on the above parameters.

YEAR BUILT/RENOVATED ADJUSTMENT (AS RENOVATED)

#	Property Name	Year Built	Age Diff. from Subject	Year(s) Renovated	Estimated Effective Age	Eff Age Diff. from Subject	Net Adjustment
S	Northwoods Village	1979	-	2025	25	-	-
1	Autumn Ridge	1965	14	2012	20	5	(\$15)
2	Carriage Hills Apartments	1971	8	-	50	-25	\$105
3	Castle Heights Apartments	2001	-22	-	20	5	(\$15)
4	Forest Pine Apartments	1963	16	-	50	-25	\$105
5	Meadowridge Apartments	1990	-11	-	25	0	\$0

The Subject is proposed for significant renovations in August 2024 with LIHTC equity. Based on the scope of work above, we believe the effective age of the Subject will decrease at a minimum of 12-15 years, once renovations are complete. Thus, in the As Proposed grids, we have applied the appropriate adjustments to all of the comparables based on the significant increase to the property’s remaining economic life.

Based upon the Subject’s scope of work as well as the market data on increases in rent for multifamily properties that have renovated, we believe the renovation of the Subject would increase the street appeal/condition from fair to good. Thus, we have applied the appropriate adjustment to the comparables based on the Subject’s improved condition level in the As Proposed grids. No other adjustments are warranted.

CONDITION - CORRELATED ADJUSTMENT (AS RENOVATED)

#	Property Name	Condition / Street Appeal	1BR/1BA
S	Northwoods Village	G	-
1	Autumn Ridge	G	\$0
2	Carriage Hills Apartments	P	\$90
3	Castle Heights Apartments	G	\$0
4	Forest Pine Apartments	P	\$90
5	Meadowridge Apartments	A	\$30

CONDITION - CORRELATED ADJUSTMENT (AS RENOVATED)

#	Property Name	Condition / Street Appeal	2BR/1BA
S	Northwoods Village	G	-
1	Autumn Ridge	G	\$0
2	Carriage Hills Apartments	P	\$120
3	Castle Heights Apartments	G	\$0
4	Forest Pine Apartments	P	\$120
5	Meadowridge Apartments	A	\$40

CONDITION - CORRELATED ADJUSTMENT (AS RENOVATED)

#	Property Name	Condition / Street Appeal	3BR/1BA
S	Northwoods Village	G	-
1	Autumn Ridge	G	\$0
2	Carriage Hills Apartments	P	\$150
3	Castle Heights Apartments	G	\$0
4	Forest Pine Apartments	P	\$150
5	Meadowridge Apartments	A	\$50

Unit Size

The following table illustrates the unit sizes of the Subject and the comparable properties.

UNIT SIZE COMPARISON

Bedroom Type	1BR	2BR	3BR
Subject	636	760 - 785	900
Average	666	927	1,155
Min	556	731	990
Max	768	1,116	1,400
Advantage/Disadvantage	-4%	-18.03% : -15.34%	-22%

The Subject offers one-, two-, and three-bedroom units, and offers unit sizes below to within the range of unit sizes reported by the surveyed comparables. The Subject's three-bedroom units are below the range of unit sizes reported by the surveyed comparables. The Subject's one- and two-bedroom unit sizes are within the range but below the average unit sizes reported by the surveyed comparables. According to a rent roll provided by the client, dated January 31, 2024, the Subject is 100 percent occupied. Thus, based on the Subject's historical and current performance, the Subject's unit sizes appear to be well accepted in the market. We have considered the Subject's unit sizes in our rent conclusions.

Value of Bedroom

The Subject offers one-, two-, and three-bedroom units. Castle Heights Apartments only offers two-bedroom units, and the smallest unit type offered by Carriage Hills Apartments is two-bedroom units. Thus, we utilized a matched pair analysis, detailed below, to determine the market premium for an additional bedroom.

SUPPORT FOR BEDROOM ADJUSTMENT

Property Name	Unit Type	Structure	Rent	SF	Rent / SF	Value of Extra SF*	Value of Full Bedroom
Forest Pine Apartments	2BR/2BA	Garden	\$1,220	1,057	\$1.15		
	3BR/2BA	Garden	\$1,330	1,133	\$1.17	(\$22)	\$88
	Difference		\$110	76	\$1.45		
Autumn Ridge	2BR/1BA	Townhouse	\$1,275	731	\$1.74		
	3BR/1BA	Townhouse	\$1,450	990	\$1.46	(\$113)	\$62
	Difference		\$175	259	\$0.68		
Carriage Hills Apartments	2BR/1BA	Townhouse	\$795	900	\$0.88		
	3BR/1BA	Townhouse	\$905	1,050	\$0.86	(\$33)	\$77
	Difference		\$110	150	\$0.73		
Average							\$76

*Note: SF value is calculated as (square foot delta) * (rpsf smaller unit) * (25% PSF)

As illustrated in the previous table, the indicated premium for an additional bedroom is \$76. Based on the small sample provided, we supplemented our analysis with conversations with property managers in the area. We applied a negative \$75 adjustment to Castle Heights Apartments and Carriage Hills Apartments in the one-bedroom rent grids, and a positive \$75 adjustment to Castle Heights Apartments in the three-bedroom rent grids. Our estimated value of an additional bedroom is supported by the market and appears reasonable.

Value of Bathroom

The Subject offers one bathroom in its one-, two-, and three-bedroom units. The two-bedroom units at Castle Heights Apartments and the three-bedroom units at Meadowridge Apartments offer two bathrooms; thus, we utilized a matched pair analysis, detailed below, to determine the market premium for an additional bathroom.

SUPPORT FOR BATHROOM ADJUSTMENT

Property Name	Unit Type	Structure	Rent	SF	Rent / SF	Value of Extra SF*	Value of Full Bath
Forest Pine Apartments	3BR/1BA	Garden	\$1,275	1,085	\$1.18		
	3BR/2BA	Garden	\$1,330	1,133	\$1.17	(\$14)	\$41
	Difference		\$55	48	\$1.15		

*Note: SF value is calculated as (square foot delta) * (rpsf smaller unit) * (25% PSF)

As illustrated above, the indicated premium for an additional bedroom is \$41. Based on the small sample provided, we supplemented our analysis with conversations with property managers in the area. We estimated the value of an additional bathroom at \$40. Therefore, we applied a negative \$40 adjustment to Castle Heights Apartments in the one-, two-, and three-bedroom rent grids and a negative \$40 adjustment to Meadowridge Apartments in the three-bedroom grids. Our estimated value of an additional bathroom is supported by the market and appears reasonable.

Unit Amenities

The Subject’s in-unit amenities currently include blinds, carpeting, central air conditioning, ovens, and refrigerators. Upon completion of the proposed renovations, all units will replace the existing carpet with new vinyl flooring. Further, new appliances and a dishwasher will be added, post-renovations. For a detailed comparison between the Subject and the comparables, please refer to the amenity matrix at the beginning of this section of the report. Regarding in-unit amenities, the Subject is considered slightly inferior to similar to the comparables. We believe that the unit amenities are and will remain competitive as an affordable property.

Common Area Amenities

The community amenities offered by the Subject currently include a central laundry facility, on-site management, and off-street parking. The Subject will add a clubhouse and playground, post-renovations. For a detailed comparison between the Subject and the comparables, please refer to the amenity matrix at the beginning of this section of the report. Regarding community amenities, the Subject is considered slightly inferior to slightly superior to the comparables. We believe that the common area amenities are and will remain competitive as an affordable property.

Security Features

According to ESRI Demographic data, total crime indices in the PMA are slightly below the national average and similar to the SMA. Both geographic areas feature crime indices below the overall nation. The Subject does not offer any security amenities, similar to five of the comparables. Further, the Subject has performed well historically, and crime does not appear to be a factor based on our inspection and conversations with property management. Thus, the Subject is market oriented and slightly inferior to similar to the comparables in terms of security features.

Utility Structure

The Subject offers all electric utilities. Tenants are responsible for all electric utility expenses, while the landlord covers cold water, sewer, and trash removal expenses. Following the renovations, the utility structure will remain the same. The Subject currently utilizes project-specific utility allowances, which are shown in the following table. The utility structure varies among the comparable properties and we have adjusted the comparables’ rents in accordance with the utility calculations from VHDA, effective as of July 1, 2023.

HOUSING AUTHORITY UTILITY ALLOWANCE

Utility and Source	Paid By	1BR	2BR	3BR
Heating - electric	Tenant	\$36	\$46	\$57
Cooking - electric	Tenant	\$5	\$6	\$8
Electric	Tenant	\$20	\$25	\$31
Air Conditioning - central	Tenant	\$11	\$14	\$16
Hot Water - electric	Tenant	\$18	\$23	\$28
Cold Water	Landlord	\$25	\$32	\$40
Sewer	Landlord	\$29	\$38	\$46
Trash	Landlord	\$15	\$15	\$15
TOTAL - Paid by Landlord		\$69	\$85	\$101
TOTAL - Paid by Tenant		\$90	\$114	\$140
TOTAL - Paid By Tenant Per HUD Rent Schedule		\$76	\$101	\$125
% Delta (Developer / Housing Authority)		84%	89%	89%

Source: Virginia Housing Development Authority, July 2023

Parking

The Subject features off-street surface parking to its tenants at no additional cost. All of the comparable properties offer free off-street surface parking, similar to the Subject. Therefore, no adjustments are warranted for parking. Overall, the Subject will be considered similar to the comparables in terms of parking.

MARKET CHARACTERISTICS

Following are relevant market characteristics for comparable properties surveyed.

Vacancy Levels

The following table details vacancy levels at comparable properties.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Brookridge Apartments	LIHTC	Family	124	4	3.2%
Chapel Ridge Apartments*	LIHTC	Family	50	0	0.0%
Pine Wood Forest*	LIHTC	Family	48	0	0.0%
Weldon Downtown Apartments*	LIHTC	Family	24	0	0.0%
Autumn Ridge*	Market	Family	128	5	3.9%
Carriage Hills Apartments*	Market	Family	45	0	0.0%
Castle Heights Apartments*	Market	Family	16	1	6.2%
Forest Pine Apartments*	Market	Family	244	4	1.6%
Meadowridge Apartments*	Market	Family	97	2	2.1%
Total LIHTC			246	4	1.6%
Total Market Rate			530	12	2.3%
Overall Total			776	16	2.1%

*Located outside of the PMA

The comparables reported vacancy rates ranging from zero to 6.2 percent, with an overall weighted average of 2.1 percent. Management at three of the four LIHTC comparables reported being fully occupied. The weighted average vacancy rate reported by the LIHTC comparables was 1.6 percent, slightly below the 2.3 percent weighted average reported by the market rate comparables. The weighted average vacancy rate reported by the LIHTC comparables of 1.6 percent is considered exceptionally low, and indicative of supply constrained conditions. It should be noted that the market rate comparable with the highest vacancy rate has one vacant unit.

According to a rent roll provided by the client, dated January 31, 2024, the Subject is 100 percent occupied. It should be noted that the financials do not break out the vacancy and collection losses historically. Based on the current market conditions, we believe the Subject would likely perform in line with the comparable properties. Thus, based on the Subject's current and historical performance, as well as the low vacancy rates at the comparables in the market, we anticipate the Subject will maintain a vacancy rate of three percent as a restricted LIHTC and Section 8 property, and four percent as an unrestricted market rate property.

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

VACANCY BY BEDROOM TYPE						
Property Name	Rent Structure	Tenancy	1BR	2BR	3BR	Overall
Brookridge Apartments	LIHTC	Family	-	2.4%	5.0%	3.2%
Chapel Ridge Apartments*	LIHTC	Family	-	0.0%	0.0%	0.0%
Pine Wood Forest*	LIHTC	Family	-	0.0%	0.0%	0.0%
Weldon Downtown Apartments*	LIHTC	Family	0.0%	0.0%	0.0%	0.0%
Autumn Ridge*	Market	Family	8.3%	2.3%	6.3%	3.9%
Carriage Hills Apartments*	Market	Family	-	0.0%	0.0%	0.0%
Castle Heights Apartments*	Market	Family	-	6.3%	-	6.2%
Forest Pine Apartments*	Market	Family	-	-	-	1.6%
Meadowridge Apartments*	Market	Family	-	-	-	2.1%

*Located outside of the PMA

Concessions

Currently, none of the comparable properties are offering concessions. We do not believe that the Subject will need to offer concessions to remain stabilized.

Turnover

The following table illustrates reported turnover for the comparable properties.

TURNOVER			
Property Name	Rent Structure	Tenancy	Annual Turnover
Brookridge Apartments	LIHTC	Family	20%
Chapel Ridge Apartments*	LIHTC	Family	5%
Pine Wood Forest*	LIHTC	Family	25%
Weldon Downtown Apartments*	LIHTC	Family	13%
Autumn Ridge*	Market	Family	19%
Carriage Hills Apartments*	Market	Family	50%
Castle Heights Apartments*	Market	Family	20%
Forest Pine Apartments*	Market	Family	10%
Meadowridge Apartments*	Market	Family	37%
Average Turnover			22%

*Located outside of the PMA

The comparables reported turnover rates ranging from five to 50 percent, with an overall average of 22 percent. The comparable with the lowest turnover reported the highest percentage of tenants utilizing vouchers. Based on the performance of the comparables, we expect the Subject will operate with a turnover rate of approximately 20 percent or less.

Waiting Lists

The following table illustrates the waiting lists reported by the comparable properties included in our survey.

WAITING LIST			
Property Name	Rent Structure	Tenancy	Waiting List Length
Brookridge Apartments	LIHTC	Family	None
Chapel Ridge Apartments*	LIHTC	Family	Yes, approximately six months
Pine Wood Forest*	LIHTC	Family	Yes, approximately one year
Weldon Downtown Apartments*	LIHTC	Family	Yes, approximately one year
Autumn Ridge*	Market	Family	None
Carriage Hills Apartments*	Market	Family	Yes; 12 households
Castle Heights Apartments*	Market	Family	None
Forest Pine Apartments*	Market	Family	Yes; seven households for three-bedroom units
Meadowridge Apartments*	Market	Family	None

*Located outside of the PMA

Overall, three of the LIHTC comparables maintain a waiting list, indicating that there is unmet demand in the Subject’s market for affordable housing. Further, two of the market rate comparables maintain waiting lists. The Subject did not report a current waiting list. We believe the Subject will maintain a waiting list post renovations.

Rental Rate Increases

The following table illustrates rent growth at the comparables.

RENT GROWTH			
Property Name	Rent Structure	Tenancy	Rent Growth
Brookridge Apartments	LIHTC	Family	Increased to 2023 LIHTC max
Chapel Ridge Apartments*	LIHTC	Family	Increased by 4-6%
Pine Wood Forest*	LIHTC	Family	Increased to 2023 LIHTC max
Weldon Downtown Apartments*	LIHTC	Family	Increased by 2-5%
Autumn Ridge*	Market	Family	Increased by 5-10%
Carriage Hills Apartments*	Market	Family	Increased by 3-6%
Castle Heights Apartments*	Market	Family	Increased by six percent
Forest Pine Apartments*	Market	Family	Increased by 5-13%
Meadowridge Apartments*	Market	Family	Increased by 6-12%

*Located outside of the PMA

Two of the LIHTC comparables reported rental increases to 2023 maximum allowable levels, while the remaining LIHTC comparables reported rental increases ranging from two to six percent. All of the market rate comparables reported rental increases ranging from three to 13 percent. It should be noted that based on the Subject's location, the Subject qualifies for the non-metropolitan maximum allowable LIHTC rent levels, absent subsidy. The Subject's proposed LIHTC rents at 40, 50, and 60 percent of AMI are set at the 2023 non-metropolitan maximum allowable levels. Therefore, future LIHTC rent increases would be directly dependent on increases in AMI, absent subsidy.

Absorption Estimate

None of the comparables were able to report absorption data. However, we were able to obtain absorption information from five LIHTC properties and five market rate properties within a 70-mile radius of the Subject. Absorption information from these properties is detailed below.

ABSORPTION								
Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject	
Model Tobacco	Market	Family	Richmond	2022	203	7	55.7 miles	
St. Charles Place	LIHTC	Family	Henderson	2021	80	7	57.2 miles	
The Apartments At Kelton Station	Market	Family	Williamsburg	2021	204	26	61.9 miles	
Alexander At 1090	LIHTC	Family	Richmond	2020	48	48	56.4 miles	
The Oliver	LIHTC	Family	Richmond	2020	164	15	58.4 miles	
Cambridge Square	Market	Family	Mechanicsville	2020	207	17	63.7 miles	
The Arbors At Towne Park	LIHTC	Senior	Williamsburg	2019	130	12	62.2 miles	
Abberly Centerpointe	Market	Family	Midlothian	2019	271	12	53.2 miles	
The Jane At Moore's Lake	Market	Family	Chester	2019	385	26	46.1 miles	
Port City I	LIHTC	Family	Richmond	2018	135	22	56.0 miles	
Average Affordable					111	21		
Average Market					254	18		
Overall Average					183	19		

We obtained absorption data from ten properties, located between 46.1 and 63.7 miles from the Subject. These properties reported absorption rates ranging from seven to 48 units per month, with an overall average of 19 units per month. Based on the information above, we estimate that the Subject would reach a stabilized occupancy within four months, at an absorption rate of approximately 20 units per month, in the event that it needed to reabsorb its tenancy. It should be noted that the Subject is currently operating at a stabilized occupancy; thus, this analysis is hypothetical.

Affordable Properties in the PMA

We do not believe the Subject will adversely affect existing affordable housing projects in the PMA. A survey of comparable LIHTC rental housing developments in the area demonstrates substantial demand for quality affordable rental units.

AFFORDABLE HOUSING IN PMA

Property Name	Address	City	Zip Code	Program	Tenancy	Total Units	Competitive Affordable Units	Competitive LIHTC Units
Jarratt Village	23175 Hillcrest Ct	Jarratt	23867	LIHTC	Family	24	24	24
Brookridge Apartments*	1325 Skippers Rd	Emporia	23847	LIHTC	Family	124	124	124
Weaver Manor	216 Meherrin Ln	Emporia	23847	LIHTC/USDA	Family	42	42	0
Washington Square	503 Washington St	Emporia	23847	LIHTC/USDA	Family	24	24	0
Marvin Gardens	603 Maryland Ave	Emporia	23847	LIHTC	Senior	40	0	0
Reese Village	311 Bond Ct	Emporia	23847	LIHTC/USDA	Family	40	40	0
Carriage Run	240A Carriage Run Ct	Emporia	23847	LIHTC/USDA	Senior	40	0	0
Nottoway River Commons	23140 Bellwood Ct	Jarratt	23867	LIHTC	Family	44	44	44
Greenwood Terrace	205 Tinsley Way	Gaston	27832	Section 8	Family	28	28	0
Trinity Woods	200 Second St	Emporia	23847	Section 8	Senior	71	0	0
Belford Commons	425 Washington St	Emporia	23847	Section 8	Senior	23	0	0
Totals						500	326	192

*Utilized as a comparable

Reasonability of Rents

The tables below illustrate the Subject’s proposed asking rents.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Current Contract Rent*	LIHTC Asking Rent	Utility Allowance (1)	Gross Rent	2023 Non-Metropolitan LIHTC Maximum Allowable Gross Rent	2024 HUD Fair Market Rent
				<i>@40% (Section 8)</i>				
1BR / 1BA	636	2	\$692	\$490	\$76	\$566	\$566	\$737
2BR / 1BA	760	3	\$762	\$579	\$101	\$680	\$680	\$968
2BR / 1BA	785	1	\$762	\$579	\$101	\$680	\$680	\$968
3BR / 1BA	900	2	\$889	\$660	\$125	\$785	\$785	\$1,307
				<i>@50% (Section 8)</i>				
1BR / 1BA	636	8	\$692	\$632	\$76	\$708	\$708	\$737
2BR / 1BA	760	13	\$762	\$749	\$101	\$850	\$850	\$968
2BR / 1BA	785	1	\$762	\$749	\$101	\$850	\$850	\$968
3BR / 1BA	900	6	\$889	\$856	\$125	\$981	\$981	\$1,307
				<i>@60% (Section 8)</i>				
1BR / 1BA	636	10	\$692	\$773	\$76	\$849	\$849	\$737
2BR / 1BA	760	16	\$762	\$919	\$101	\$1,020	\$1,020	\$968
2BR / 1BA	785	2	\$762	\$919	\$101	\$1,020	\$1,020	\$968
3BR / 1BA	900	8	\$889	\$1,053	\$125	\$1,178	\$1,178	\$1,307
		72						

Notes (1) Source of Utility Allowance provided by the HUD Rent Schedule, effective 04/01/2023

*Based on HUD Rent Schedule, effective 04/01/2023

Comparable LIHTC Rents –As Renovated

Post-renovation, the Subject’s units will be LIHTC restricted to households earning 40, 50, and 60 percent of AMI or less, and all units will continue to benefit from Section 8 subsidy where tenants pay 30 percent of their income towards rent. The following tables detail the Subject’s rents at 40, 50, and 60 percent of AMI in comparison to rents at the comparables. None of the comparables offer units at 40 percent of AMI. It should be noted that based on the Subject's location, the Subject qualifies for the non-metropolitan maximum allowable LIHTC rent levels, absent subsidy.

LIHTC RENT COMPARISON @40%

Property Name	County	1BR	2BR	3BR	Max Rent?
Northwoods Village	Emporia City	\$490	\$579	\$660	Yes
Non-Metro Maximum Rent (Net)	Emporia City	\$490	\$579	\$660	-
LIHTC Maximum Rent (Net)	Emporia City	\$454	\$535	\$609	-
Achievable LIHTC Rent		\$490	\$579	\$660	Yes

LIHTC RENT COMPARISON @50%

Property Name	County	1BR	2BR	3BR	Max Rent?
Northwoods Village	Emporia City	\$632	\$749	\$856	Yes
Non-Metro Maximum Rent (Net)	Emporia City	\$632	\$749	\$856	-
LIHTC Maximum Rent (Net)	Emporia City	\$586	\$694	\$793	-
LIHTC Maximum Rent (Net)	Greensville	\$586	\$694	\$793	-
LIHTC Maximum Rent (Net)	Halifax	\$573	\$677	\$775	-
LIHTC Maximum Rent (Net)	Mecklenburg	\$586	\$694	\$793	-
Brookridge Apartments	Greensville	-	\$736	-	Yes
Chapel Ridge Apartments	Halifax	-	\$570	\$629	No
Pine Wood Forest	Mecklenburg	-	\$680	\$966	Yes
Weldon Downtown Apartments	Halifax	\$405	\$470	\$568	No
Average	-	\$405	\$614	\$721	-
Achievable LIHTC Rent		\$632	\$749	\$856	Yes

LIHTC RENT COMPARISON @60%

Property Name	County	1BR	2BR	3BR	Max Rent?
Northwoods Village	Emporia City	\$773	\$919	\$1,053	Yes
Non-Metro Maximum Rent (Net)	Emporia City	\$773	\$919	\$1,053	-
LIHTC Maximum Rent (Net)	Emporia City	\$719	\$853	\$976	-
LIHTC Maximum Rent (Net)	Greensville	\$719	\$853	\$976	-
LIHTC Maximum Rent (Net)	Halifax	\$703	\$833	\$955	-
LIHTC Maximum Rent (Net)	Mecklenburg	\$719	\$853	\$976	-
Brookridge Apartments	Greensville	-	\$906	\$1,038	Yes
Chapel Ridge Apartments	Halifax	-	\$610	\$649	No
Pine Wood Forest	Mecklenburg	-	\$995	\$1,152	Yes
Weldon Downtown Apartments	Halifax	\$452	\$513	\$610	No
Average	-	\$452	\$756	\$862	-
Achievable LIHTC Rent		\$773	\$919	\$1,053	Yes

All of the LIHTC comparables offer units at 50 and 60 percent of AMI. Both of the LIHTC comparables that are located in North Carolina did not report maximum allowable LIHTC rents. Both of the LIHTC comparables that are located in Virginia, one of which is located in Emporia, reported 2023 maximum allowable LIHTC rents. Brookridge Apartments is located in Emporia and offers a similar location relative to the Subject. Brookridge Apartments is in average condition, and will be considered slightly inferior to the Subject, post renovation. Further, Brookridge Apartments offers slightly superior in-unit and property amenities, and unit sizes, relative to the Subject. Management at three of the four LIHTC comparables reported being fully occupied. Three of the LIHTC comparables maintain a waiting list, indicating that there is unmet demand in the Subject’s market for affordable housing. Based on the current market conditions, and improved condition of the Subject, post renovation, we believe rents at the 2023 non-metropolitan maximum allowable LIHTC levels for the Subject’s proposed rents at 40, 50, and 60 percent AMI are achievable. It should be noted that the Section 8 subsidy will remain at the Subject, post renovations.

Achievable Market Rent Comparison - As Proposed

The Subject is proposed for renovations with LIHTC equity. Renovations are anticipated to begin August 2024 and be complete in April 2025. The developer provided a scope of work for the renovations, which are estimated at \$5,999,440 in total hard costs, or approximately \$83,325 per unit. The renovation scope includes, but may not be limited to the following:

SCOPE OF RENOVATIONS

Exterior	
Roof repairs	Landscaping repairs
Replace siding with cement board or vinyl plank	Stripe and seal parking lot
Sidewalks & repairs	Replace doors
Replace windows	
Interior	
Plumbing repairs	Replace HVAC, equipment, clean ducts
New paint	Patch drywall
Install vinyl plank flooring	Replace bathroom fixtures/accessories
Replace water heater	Replace appliances
Replace kitchen and bath millwork	Install dishwashers
Common Area	
ADA/Life Safety Compliance	Cleaning
Termite control	Electric (Light Fixtures, GFIs)
Window Coverings	Playground with equipment
Clubhouse/Community Building	

The following table illustrates the Subject’s achievable LIHTC rents, absent subsidy, compared to the adjusted market rents in the market. The adjusted market rents shown below are supported by the previous “as renovated” rent grids.

SUBJECT COMPARISON TO MARKET RENTS - AS RENOVATED

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Adjusted Min	Adjusted Max	Adjusted Average	Achievable Market Rent	Subject Rent Advantage
1BR / 1BA	@40% (Section 8)	\$490	\$866	\$1,150	\$1,062	\$1,080	55%
1BR / 1BA	@50% (Section 8)	\$632	\$866	\$1,150	\$1,062	\$1,080	41%
1BR / 1BA	@60% (Section 8)	\$773	\$866	\$1,150	\$1,062	\$1,080	28%
2BR / 1BA - Garden	@40% (Section 8)	\$579	\$980	\$1,265	\$1,162	\$1,175	51%
2BR / 1BA - One-story	@40% (Section 8)	\$579	\$1,001	\$1,288	\$1,185	\$1,200	52%
2BR / 1BA - Garden	@50% (Section 8)	\$749	\$980	\$1,265	\$1,162	\$1,175	36%
2BR / 1BA - One-story	@50% (Section 8)	\$749	\$1,001	\$1,288	\$1,185	\$1,200	38%
2BR / 1BA - Garden	@60% (Section 8)	\$919	\$980	\$1,265	\$1,162	\$1,175	22%
2BR / 1BA - One-story	@60% (Section 8)	\$919	\$1,001	\$1,288	\$1,185	\$1,200	23%
3BR / 1BA	@40% (Section 8)	\$660	\$1,132	\$1,431	\$1,319	\$1,320	50%
3BR / 1BA	@50% (Section 8)	\$856	\$1,132	\$1,431	\$1,319	\$1,320	35%
3BR / 1BA	@60% (Section 8)	\$1,053	\$1,132	\$1,431	\$1,319	\$1,320	20%

We completed rent adjustment grids to conclude to achievable market rent levels, as renovated. The grids can be found in the previous pages. As the table above illustrates, the Subject’s as renovated achievable market rents offer a 20 to 55 percent rent advantage relative to the Subject’s achievable LIHTC rents. We have taken all of the comparables into consideration, placed the most weight on the least adjusted comparables, and have set the Subject’s as renovated achievable market rate rents similar to slightly above the adjusted average rents of the comparables.

Conclusions and Recommendations

The Subject will be newly renovated, and upon completion, will exhibit good condition. The surveyed comparables exhibit inferior to similar condition relative to the anticipated condition of the Subject. The market exhibits stable demand for affordable housing, with limited vacancy and the presence of waiting lists among affordable properties. As a stabilized property, we expect the Subject to operate with an annual vacancy and collection loss of three percent, or less. As detailed in our analysis of LIHTC rents at 40, 50, and 60 percent of AMI, we believe that non-metropolitan maximum allowable LIHTC rents are achievable. Thus, future LIHTC rent increases will be dependent on increases in AMI as well as market conditions, absent subsidy. Our estimated achievable market rents for the Subject as proposed are **\$1,080**, **\$1,175** to **\$1,200**, and **\$1,320** for the one-, two-, and three-bedroom units, respectively.

IX. 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 communities of Purdy, Jarratt, Durand, Adams Grove, Skippers, and Pleasant Hill. The PMA boundaries are: Greenville County lines and Nottoway River to the north; Greenville County lines to the east; NC-46, NC-48, Jack Swamp Road, U.S. Route 301 east to Meherrin River and VA-730 to the south; and Greenville County lines to the west. The PMA encompasses approximately 277 square miles. We believe that additional

support will originate from areas outside of the established PMA. We have estimated leakage of 20 percent based on the Subject’s rural location. To provide a broader economic context for the Subject, we also include a Secondary Market Area (SMA). The Secondary Market Area (SMA) consists of Emporia City, the following counties in Virginia: Greensville, Brunswick, Sussex, and Southampton, as well as Northampton County in North Carolina. The SMA encompasses approximately 1,564 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:	Emporia City, VA
AMI for four-person household:	\$66,600
Tenancy:	Family
Affordability percentage:	35 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		Maximum		Minimum		Maximum	
	Allowable Income	Allowable Income	Allowable Income	Allowable Income	Allowable Income	Allowable Income	Allowable Income	
	@40% (Section 8)		@50% (Section 8)		@60% (Section 8)			
1BR	\$0	\$24,160	\$0	\$30,200	\$0	\$36,240		
2BR	\$0	\$27,200	\$0	\$34,000	\$0	\$40,800		
3BR	\$0	\$32,640	\$0	\$40,800	\$0	\$48,960		

INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum		Maximum		Minimum		Maximum	
	Allowable Income	Allowable Income	Allowable Income	Allowable Income	Allowable Income	Allowable Income	Allowable Income	
	@40%		@50%		@60%			
1BR	\$19,406	\$24,160	\$24,274	\$30,200	\$29,109	\$36,240		
2BR	\$23,314	\$27,200	\$29,143	\$34,000	\$34,971	\$40,800		
3BR	\$26,914	\$32,640	\$33,634	\$40,800	\$40,389	\$48,960		

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

RENTER HOUSEHOLD INCOME PMA

Income Cohort	2023		2028		Annual Change 2023 to 2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	447	18.5%	387	16.7%	-12	-2.7%
\$10,000-19,999	445	18.4%	384	16.6%	-12	-2.7%
\$20,000-29,999	443	18.4%	382	16.5%	-12	-2.8%
\$30,000-39,999	224	9.3%	261	11.3%	7	3.3%
\$40,000-49,999	158	6.5%	156	6.7%	0	-0.3%
\$50,000-59,999	201	8.3%	170	7.3%	-6	-3.1%
\$60,000-74,999	125	5.2%	133	5.7%	2	1.3%
\$75,000-99,999	116	4.8%	131	5.7%	3	2.6%
\$100,000-124,999	81	3.4%	87	3.8%	1	1.5%
\$125,000-149,999	75	3.1%	93	4.0%	4	4.8%
\$150,000-199,999	53	2.2%	73	3.1%	4	7.5%
\$200,000+	46	1.9%	61	2.6%	3	6.5%
Total	2,414	100.0%	2,318	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	@40% (Section 8)			@50% (Section 8)			@60% (Section 8)			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	447	\$9,999	100.0%	447	\$9,999	100.0%	447	\$9,999	100.0%	447	\$9,999	100.0%	447
\$10,000-\$19,999	445	\$9,999	100.0%	445	\$9,999	100.0%	445	\$9,999	100.0%	445	\$9,999	100.0%	445
\$20,000-\$29,999	443	\$9,999	100.0%	443	\$9,999	100.0%	443	\$9,999	100.0%	443	\$9,999	100.0%	443
\$30,000-\$39,999	224	\$2,640	26.4%	59	\$9,999	100.0%	224	\$9,999	100.0%	224	\$9,999	100.0%	224
\$40,000-\$49,999	158				\$800	8.0%	13	\$8,960	89.6%	142	\$8,960	89.6%	142
\$50,000-\$59,999	201												
\$60,000-\$74,999	125												
\$75,000-\$99,999	116												
\$100,000-\$124,999	81												
\$125,000-\$149,999	75												
\$150,000-\$199,999	53												
\$200,000-\$250,000	46												
Total	2,414		57.8%	1,394		65.1%	1,572		70.4%	1,701		70.4%	1,701

RENTER INCOME DISTRIBUTION - ABSENT SUBSIDY

Income Cohort	Total Renter Households	@40%			@50%			@60%			All Units		
		cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort
\$0-\$9,999	447												
\$10,000-\$19,999	445	\$593	5.9%	26							\$593	5.9%	26
\$20,000-\$29,999	443	\$9,999	100.0%	443	\$5,725	57.3%	254	\$890	8.9%	39	\$9,999	100.0%	443
\$30,000-\$39,999	224	\$2,640	26.4%	59	\$9,999	100.0%	224	\$9,999	100.0%	224	\$9,999	100.0%	224
\$40,000-\$49,999	158				\$800	8.0%	13	\$8,960	89.6%	142	\$8,960	89.6%	142
\$50,000-\$59,999	201												
\$60,000-\$74,999	125												
\$75,000-\$99,999	116												
\$100,000-\$124,999	81												
\$125,000-\$149,999	75												
\$150,000-\$199,999	53												
\$200,000-\$250,000	46												
Total	2,414		21.9%	529		20.3%	490		16.8%	405		34.6%	835

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
	65%	Of 3-person households in 2BR units
	45%	Of 4-person households in 2BR units
3BR	35%	Of 3-person households in 3BR units
	55%	Of 4-person households in 3BR units
	100%	Of 5-person households in 3BR units

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

Step Six – Capture Rate by Bedroom Mix

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

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

Capture Rate - 40% (Section 8) - As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2023

	Renter Household Size Distribution	Total Number of Renter Households
1 person	37.7%	909
2 person	23.6%	569
3 person	17.7%	428
4 person	10.4%	251
5 person	10.6%	257
Total	100.0%	2,414

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	909	x	57.8%	525
2 person	569	x	57.8%	329
3 person	428	x	57.8%	247
4 person	251	x	57.8%	145
5 person	257	x	57.8%	148
Total	2,414			1,394

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	538
2BR	541
3BR	315
Total	1,394

Capture Rate Analysis - @40% (Section 8)

	Developer's Unit Mix	Capture Rate
1BR	2	0.4%
2BR	4	0.7%
3BR	2	0.6%
Total/Overall	8	0.6%

Adjusted for Leakage from Outside of the PMA

20.0%

1BR	2	0.3%
2BR	4	0.6%
3BR	2	0.5%
Total/Overall	8	0.5%

Capture Rate - 50% (Section 8) - As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2023

	Renter Household Size Distribution	Total Number of Renter Households
1 person	37.7%	909
2 person	23.6%	569
3 person	17.7%	428
4 person	10.4%	251
5 person	10.6%	257
Total	100.0%	2,414

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	909	x	65.1%	592
2 person	569	x	65.1%	370
3 person	428	x	65.1%	279
4 person	251	x	65.1%	163
5 person	257	x	65.1%	167
Total	2,414			1,572

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	607
2BR	610
3BR	355
Total	1,572

Capture Rate Analysis - @50% (Section 8)

	Developer's Unit Mix	Capture Rate
1BR	8	1.3%
2BR	14	2.3%
3BR	6	1.7%
Total/Overall	28	1.8%

Adjusted for Leakage from Outside of the PMA

20.0%

1BR	8	1.1%
2BR	14	1.8%
3BR	6	1.4%
Total/Overall	28	1.4%

Capture Rate - 60% (Section 8) - As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2023

	Renter Household Size Distribution	Total Number of Renter Households
1 person	37.7%	909
2 person	23.6%	569
3 person	17.7%	428
4 person	10.4%	251
5 person	10.6%	257
Total	100.0%	2,414

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	909	x	70.4%	640
2 person	569	x	70.4%	401
3 person	428	x	70.4%	302
4 person	251	x	70.4%	177
5 person	257	x	70.4%	181
Total	2,414			1,701

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	656
2BR	660
3BR	384
Total	1,701

Capture Rate Analysis - @60% (Section 8)

	Developer's Unit Mix	Capture Rate
1BR	10	1.5%
2BR	18	2.7%
3BR	8	2.1%
Total/Overall	36	2.1%

Adjusted for Leakage from Outside of the PMA

20.0%

1BR	10	1.2%
2BR	18	2.2%
3BR	8	1.7%
Total/Overall	36	1.7%

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	37.7%	909
2 person	23.6%	569
3 person	17.7%	428
4 person	10.4%	251
5 person	10.6%	257
Total	100.0%	2,414

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	909	x	70.4%	640
2 person	569	x	70.4%	401
3 person	428	x	70.4%	302
4 person	251	x	70.4%	177
5 person	257	x	70.4%	181
Total	2,414			1,701

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	656
2BR	660
3BR	384
Total	1,701

Capture Rate Analysis - All Units

	Developer's Unit Mix	Capture Rate
1BR	20	3.0%
2BR	36	5.5%
3BR	16	4.2%
Total/Overall	72	4.2%

Adjusted for Leakage from Outside of the PMA

20.0%

1BR	20	2.4%
2BR	36	4.4%
3BR	16	3.3%
Total/Overall	72	3.4%

Capture Rate - 40% - Absent Subsidy

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2023

	Renter Household Size Distribution	Total Number of Renter Households
1 person	37.7%	909
2 person	23.6%	569
3 person	17.7%	428
4 person	10.4%	251
5 person	10.6%	257
Total	100.0%	2,414

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	909	x	21.9%	199
2 person	569	x	21.9%	125
3 person	428	x	21.9%	94
4 person	251	x	21.9%	55
5 person	257	x	21.9%	56
Total	2,414			529

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	204
2BR	205
3BR	119
Total	529

Capture Rate Analysis - @40%

	Developer's Unit Mix	Capture Rate
1BR	2	1.0%
2BR	4	1.9%
3BR	2	1.7%
Total/Overall	8	1.5%

Adjusted for Leakage from Outside of the PMA

20.0%

1BR	2	0.8%
2BR	4	1.6%
3BR	2	1.3%
Total/Overall	8	1.2%

Capture Rate - 50% - Absent Subsidy

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2023

	Renter Household Size Distribution	Total Number of Renter Households
1 person	37.7%	909
2 person	23.6%	569
3 person	17.7%	428
4 person	10.4%	251
5 person	10.6%	257
Total	100.0%	2,414

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	909	x	20.3%	185
2 person	569	x	20.3%	116
3 person	428	x	20.3%	87
4 person	251	x	20.3%	51
5 person	257	x	20.3%	52
Total	2,414			490

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	189
2BR	190
3BR	111
Total	490

Capture Rate Analysis - @50%

	Developer's Unit Mix	Capture Rate
1BR	8	4.2%
2BR	14	7.4%
3BR	6	5.4%
Total/Overall	28	5.7%

Adjusted for Leakage from Outside of the PMA

20.0%

1BR	8	3.4%
2BR	14	5.9%
3BR	6	4.3%
Total/Overall	28	4.6%

Capture Rate - 60% - Absent Subsidy

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2023

	Renter Household Size Distribution	Total Number of Renter Households
1 person	37.7%	909
2 person	23.6%	569
3 person	17.7%	428
4 person	10.4%	251
5 person	10.6%	257
Total	100.0%	2,414

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	909	x	16.8%	153
2 person	569	x	16.8%	95
3 person	428	x	16.8%	72
4 person	251	x	16.8%	42
5 person	257	x	16.8%	43
Total	2,414			405

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	156
2BR	157
3BR	91
Total	405

Capture Rate Analysis - @60%

	Developer's Unit Mix	Capture Rate
1BR	10	6.4%
2BR	18	11.4%
3BR	8	8.8%
Total/Overall	36	8.9%

Adjusted for Leakage from Outside of the PMA

20.0%

1BR	10	5.1%
2BR	18	9.2%
3BR	8	7.0%
Total/Overall	36	7.1%

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	37.7%	909
2 person	23.6%	569
3 person	17.7%	428
4 person	10.4%	251
5 person	10.6%	257
Total	100.0%	2,414

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	909	x	34.6%	314
2 person	569	x	34.6%	197
3 person	428	x	34.6%	148
4 person	251	x	34.6%	87
5 person	257	x	34.6%	89
Total	2,414			835

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	322
2BR	324
3BR	188
Total	835

Capture Rate Analysis - All Units (Absent Subsidy)

	Developer's Unit Mix	Capture Rate
1BR	20	6.2%
2BR	36	11.1%
3BR	16	8.5%
Total/Overall	72	8.6%

Adjusted for Leakage from Outside of the PMA

20.0%

1BR	20	5.0%
2BR	36	8.9%
3BR	16	6.8%
Total/Overall	72	6.9%

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

To determine the amount of competitive new supply entering the market, we consulted a February 2024 CoStar report, as well as the listing of LIHTC allocations for Virginia Housing Development Authority (VHDA) and North Carolina Housing Finance Agency from 2020 to present. There has been no new construction, and no developments have received LIHTC allocations within the Subject's PMA since 2020.

Annual Demand (As Proposed)

ANNUAL DEMAND - AS PROPOSED		
Calculation		PMA
Number of Renter Households in 2023		2,414
Increase in Number of Renter Households		(96)
Number of Renter Households in 2028		2,318
<i>Existing Demand</i>		
% of Total Households that are Renter		37.7%
% of Income-Qualified Renter Households		70.4%
Number of Income-Qualified Renter Households		1,701
Percentage Rent-Overburdened		45.2%
Existing Income-Qualified Renter Household Turnover		769
<i>New Income-Qualified Demand, Stated Annually</i>		
Increase in Renter Households per Annum		(19)
% of Income-Qualified Renter Households		70.4%
New Rental Income Qualified Households		(14)
<i>Capture Rate Analysis</i>		
Number of Revenue Units in Subject		72
Occupied Units at Subject With Vacancy of:	5.0%	68
Units Pre-Leased		0
Total Demand (Turnover and Growth) from within PMA		756
Portion Originating within PMA		80.0%
Total Demand (Turnover and Growth)		945
Less: Existing Projects in Absorption Process (# Units)	0	
Total Demand after Competition (Turnover and Growth)		945
Yielded Annual Capture Rate of Available Demand in 2023		7.2%

Annual Demand (Absent Subsidy)

ANNUAL DEMAND - ABSENT SUBSIDY

Calculation	PMA
Number of Renter Households in 2023	2,414
Increase in Number of Renter Households	(96)
Number of Renter Households in 2028	2,318
<i>Existing Demand</i>	
% of Total Households that are Renter	37.7%
% of Income-Qualified Renter Households	34.6%
Number of Income-Qualified Renter Households	835
Percentage Rent-Overburdened	45.2%
Existing Income-Qualified Renter Household Turnover	378
<i>New Income-Qualified Demand, Stated Annually</i>	
Increase in Renter Households per Annum	(19)
% of Income-Qualified Renter Households	34.6%
New Rental Income Qualified Households	(7)
<i>Capture Rate Analysis</i>	
Number of Revenue Units in Subject	72
Occupied Units at Subject With Vacancy of: Units Pre-Leased	5.0% 68 0
Total Demand (Turnover and Growth) from within PMA	371
Portion Originating within PMA	80.0%
Total Demand (Turnover and Growth)	464
Less: Existing LIHTC Projects in Absorption Process (# Units)	0
Total Demand after Competition (Turnover and Growth)	464
Yielded Annual Capture Rate of Available Demand in 2023	14.7%

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 seven directly comparable affordable properties in the PMA.

Virginia Housing Demand Table – As Proposed

We have determined the overall LIHTC weighted average vacancy rate among comparable properties is 1.6 percent. As noted previously, there are seven directly comparable affordable properties in the PMA. One of these properties (Brookridge Apartments) is used as a comparable in this report and reported a total of four vacant units. We have deducted these four units in our analysis. There are no proposed competitive units in the PMA; therefore, no properties have been deducted in our analysis.

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

VIRGINIA HOUSING DEMAND ANALYSIS (AS PROPOSED)

Income Restrictions	Up to 40% AMI (Section 8) (\$0 - \$32,640)	Up to 50% AMI (Section 8) (\$0 to \$40,800)	Up to 60% AMI (Section 8) (\$0 - \$48,960)	Project Total (\$0 - \$48,960)
New Rental Households	-55	-62	-68	-68
+				
Existing Households - Overburdened	630	711	769	769
+				
Existing Households - Substandard Housing	14	16	17	17
+				
Senior Households - Likely to Convert to Rental	0	0	0	0
+				
Total Demand	589	664	718	718
-				
Supply (includes directly comparable vacant units completed or in pipeline in PMA)	0	0	4	4
Net Demand	589	664	714	714
Proposed Units	8	28	36	72
Capture Rate	1.4%	4.2%	5.0%	10.1%
Absorption Period	Less than 1 month	2 months	2 months	4 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 (45.2 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 (1.01 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 all of the LIHTC comparables, as well as the utilization of waiting lists at three of the four LIHTC comparables. Our concluded capture rate and absorption period is shown in the table below as proposed.

Project Wide Capture Rate - Affordable Units	10.1%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	10.1%
Project Wide Absorption Period (Months)	4 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.

VIRGINIA HOUSING DEMAND ANALYSIS (ABSENT SUBSIDY)

Income Restrictions	Up to 40% AMI (\$19,406 - \$32,640)	Up to 50% AMI (\$24,274 - \$40,800)	Up to 60% AMI (\$29,109 - \$48,960)	Project Total (\$19,406 - \$48,960)
New Rental Households	-21	-19	-16	-33
+				
Existing Households - Overburdened	239	221	183	377
+				
Existing Households - Substandard Housing	5	5	4	8
+				
Senior Households - Likely to Convert to Rental	0	0	0	0
+				
Total Demand	223	207	171	353
-				
Supply (includes directly comparable vacant units completed or in pipeline in PMA)	0	0	4	4
Net Demand	223	207	167	349
Proposed Units	8	28	36	72
Capture Rate	3.6%	13.5%	21.6%	20.7%
Absorption Period	Less than 1 month	2 months	2 months	4 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 (45.2 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 (1.01 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 all of the LIHTC comparables, as well as the utilization of waiting lists at three of the four LIHTC comparables. Our concluded capture rate and absorption period is shown in the table below.

Project Wide Capture Rate - Affordable Units	20.7%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	20.7%
Project Wide Absorption Period (Months)	4 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 10.1 percent as proposed and 20.7 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 7.2 percent as proposed, indicating that there are 945 units of demand in the PMA in the first year of the Subject’s operation. Absent subsidy, the capture rate is 14.7 percent, indicating that there are 464 units of demand in the PMA in the first year of the Subject’s operation. These capture rates are moderate, 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 - Affordable Units	10.1%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	10.1%
Project Wide Absorption Period (Months)	4 months

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

Project Wide Capture Rate - Affordable Units	20.7%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	20.7%
Project Wide Absorption Period (Months)	4 months

These capture rates are moderate, indicating sufficient demand for additional affordable rental housing in the market. We believe there is sufficient demand for the Subject based on the high occupancy rates among all of the LIHTC comparables, as well as the utilization of waiting lists at three of the four 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 existing affordable properties within the Primary Market Area.

AFFORDABLE HOUSING IN PMA								
Property Name	Address	City	Zip Code	Program	Tenancy	Total Units	Competitive Affordable Units	Competitive LIHTC Units
Jarratt Village	23175 Hillcrest Ct	Jarratt	23867	LIHTC	Family	24	24	24
Brookridge Apartments*	1325 Skippers Rd	Emporia	23847	LIHTC	Family	124	124	124
Weaver Manor	216 Meherrin Ln	Emporia	23847	LIHTC/USDA	Family	42	42	0
Washington Square	503 Washington St	Emporia	23847	LIHTC/USDA	Family	24	24	0
Marvin Gardens	603 Maryland Ave	Emporia	23847	LIHTC	Senior	40	0	0
Reese Village	311 Bond Ct	Emporia	23847	LIHTC/USDA	Family	40	40	0
Carriage Run	240A Carriage Run Ct	Emporia	23847	LIHTC/USDA	Senior	40	0	0
Nottoway River Commons	23140 Bellwood Ct	Jarratt	23867	LIHTC	Family	44	44	44
Greenwood Terrace	205 Tinsley Way	Gaston	27832	Section 8	Family	28	28	0
Trinity Woods	200 Second St	Emporia	23847	Section 8	Senior	71	0	0
Belford Commons	425 Washington St	Emporia	23847	Section 8	Senior	23	0	0
Totals						500	326	192

*Utilized as a comparable

As shown above, there are 326 competitive affordable units in the PMA as proposed. This includes 192 LIHTC units and 134 subsidized units. Absent subsidy, there are 192 competitive LIHTC units, which excludes the 134 units with subsidy. These units are deducted from our analysis.

Penetration Rate - As Proposed

As shown in the income distribution previously, there are 1,701 income eligible renter households in the PMA for the Subject's units as proposed.

PENETRATION RATE - METHODOLOGY ONE - AS PROPOSED	
Income Eligible Households - All AMI Levels	1,701
Number of Proposed Competitive Affordable Family Units in the PMA	0
Number of Existing Competitive Affordable Family Units in the PMA	326
Remaining Income Eligible Renter Households	1,375
Number of Proposed Family Units at the Subject	72
Overall Penetration Rate - Subject Focus	5.2%

After deductions for existing and proposed competitive units in the PMA, the resulting penetration rate is 5.2 percent.

PENETRATION RATE - METHODOLOGY TWO - AS PROPOSED	
Number of Proposed Competitive Affordable Family Units in the PMA	0
	+
Number of Existing Competitive Affordable Family Units in the PMA	326
	+
Number of Proposed Family Units at the Subject	72
	=
Total	398
	/
Income Eligible Households - All AMI Levels	1,701
	=
Overall Penetration Rate - Market Focus (NCHMA)	23.4%

After deductions for existing and proposed competitive units in the PMA, the resulting penetration rate is 23.4 percent.

Penetration Rate - Absent Subsidy

As shown in the income distribution previously, there are 835 income eligible renter households in the PMA for the Subject's units absent a subsidy.

PENETRATION RATE - METHODOLOGY ONE - ABSENT SUBSIDY	
Income Eligible Households - All AMI Levels	835
Number of Proposed Competitive LIHTC Family Units in the PMA	0
Number of Existing Competitive LIHTC Family Units in the PMA	192
Remaining Income Eligible Renter Households	643
Number of Proposed Family Units at the Subject	72
Overall Penetration Rate - Subject Focus	11.2%

After deductions for existing and proposed competitive units in the PMA, the resulting penetration rate, absent subsidy, is 11.2 percent.

PENETRATION RATE - METHODOLOGY TWO - ABSENT SUBSIDY	
Number of Proposed Competitive LIHTC Family Units in the PMA	0
	+
Number of Existing Competitive LIHTC Family Units in the PMA	192
	+
Number of Proposed Family Units at the Subject	72
	=
Total	264
	/
Income Eligible Households - All AMI Levels	835
	=
Overall Penetration Rate - Market Focus (NCHMA)	31.6%

After deductions for existing and proposed competitive units in the PMA, the resulting penetration rate, absent subsidy, is 31.6 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 3.4 percent, as proposed, and 6.9 percent, absent subsidy.

DEMAND CONCLUSIONS		
Calculation	As Proposed	Absent Subsidy
@40% (Section 8)	0.5%	1.2%
@50% (Section 8)	1.4%	4.6%
@60% (Section 8)	1.7%	7.1%
All Units	3.4%	6.9%
Annual Demand	7.2%	14.7%
Penetration Rate Methodology One	5.2%	11.2%
Penetration Rate Methodology Two	23.4%	31.6%

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 945 units and 464 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 68 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 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 - Affordable Units	10.1%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	10.1%
Project Wide Absorption Period (Months)	4 months

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

Project Wide Capture Rate - Affordable Units	20.7%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	20.7%
Project Wide Absorption Period (Months)	4 months

These capture rates are moderate, indicating sufficient demand for additional affordable rental housing in the market. We believe there is sufficient demand for the Subject based on the high occupancy rates among all of the LIHTC comparables, as well as the utilization of waiting lists at three of the four LIHTC comparables.

Absorption Estimate

According to our rent survey and the analysis of affordable housing demand, the demand for housing of all types is strong. None of the comparables were able to report absorption data. However, we were able to obtain absorption information from five LIHTC properties and five market rate properties within a 70-mile radius of the Subject. Absorption information from these properties is detailed below.

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Model Tobacco	Market	Family	Richmond	2022	203	7	55.7 miles
St. Charles Place	LIHTC	Family	Henderson	2021	80	7	57.2 miles
The Apartments At Kelton Station	Market	Family	Williamsburg	2021	204	26	61.9 miles
Alexander At 1090	LIHTC	Family	Richmond	2020	48	48	56.4 miles
The Oliver	LIHTC	Family	Richmond	2020	164	15	58.4 miles
Cambridge Square	Market	Family	Mechanicsville	2020	207	17	63.7 miles
The Arbors At Towne Park	LIHTC	Senior	Williamsburg	2019	130	12	62.2 miles
Abberly Centerpointe	Market	Family	Midlothian	2019	271	12	53.2 miles
The Jane At Moore's Lake	Market	Family	Chester	2019	385	26	46.1 miles
Port City I	LIHTC	Family	Richmond	2018	135	22	56.0 miles
Average Affordable					111	21	
Average Market					254	18	
Overall Average					183	19	

We obtained absorption data from ten properties, located between 46.1 and 63.7 miles from the Subject. These properties reported absorption rates ranging from seven to 48 units per month, with an overall average of 19 units per month. Based on the information above, we estimate that the Subject would reach a stabilized occupancy within four months, at an absorption rate of approximately 20 units per month, in the event that it needed to reabsorb its tenancy. It should be noted that the Subject is currently operating at a stabilized occupancy; thus, this analysis is hypothetical. Further, the proposed renovations will occur with minimal disruption to tenants. Thus, we do not believe that there will be a need for any significant reabsorption of units.

X. LOCAL PERSPECTIVE OF RENTAL HOUSING AND HOUSING ALTERNATIVES

INTERVIEWS/DISCUSSION

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

Emporia Redevelopment and Housing Authority/Southside Outreach Group

According to a representative with the Emporia Redevelopment and Housing Authority, this department does not administer housing choice vouchers in Emporia or Greensville County. According to Brenda Drew with Southside Outreach Group, this non-profit organization administers 59 vouchers to households in Emporia. The waiting list is currently closed. The current gross payment standards, effective as of July 1, 2023, are illustrated in the following table.

PAYMENT STANDARDS			
Unit Type	Proposed Gross Rent	Gross Payment Standard	Proposed Rent Vs. Payment Standard
@40% (Section 8)			
1BR	\$566	\$810	-43.1%
2BR	\$680	\$1,064	-56.5%
2BR	\$680	\$1,064	-56.5%
3BR	\$785	\$1,437	-83.1%
@50% (Section 8)			
1BR	\$708	\$810	-14.4%
2BR	\$850	\$1,064	-25.2%
2BR	\$850	\$1,064	-25.2%
3BR	\$981	\$1,437	-46.5%
@60% (Section 8)			
1BR	\$849	\$810	4.8%
2BR	\$1,020	\$1,064	-4.3%
2BR	\$1,020	\$1,064	-4.3%
3BR	\$1,178	\$1,437	-22.0%

Source: Virginia Housing Development Authority, effective July 2023

The Subject’s proposed gross LIHTC rents for all unit types at 40 and 50 percent of AMI and the two- and three-bedroom units at 60 percent of AMI are below the current payment standards, indicating that voucher tenants in these units would not have to pay additional rent out of pocket to reside at the Subject, absent subsidy. However, the Subject’s proposed gross LIHTC rent for the one-bedroom units at 60 percent of AMI is slightly above the current payment standards, indicating that voucher tenants in this unit type would have to pay additional rent out of pocket to reside at the Subject, absent subsidy.

City Planning and Development Department

We attempted to contact the Emporia City Planning and Zoning Department regarding new multifamily developments in the Subject’s rental market. However, as of the date of this report, our calls have not been returned. Additionally, according to CoStar, there are currently no proposed or under construction developments in the PMA.

LIHTC Competition / Recent and Proposed Construction

According to the Virginia Housing Development Authority (VHDA) and North Carolina Housing Finance Agency, no developments have received LIHTC allocations within the Subject’s PMA since 2020.

XI. ANALYSIS/CONCLUSIONS

ANALYSIS/CONCLUSIONS

In general, we believe there is demand in the marketplace for the Subject as conceived. We recommend no changes for the Subject property. As detailed in our analysis of LIHTC rents at 40, 50, and 60 percent of AMI, we believe that non-metropolitan maximum allowable LIHTC rents are achievable. Thus, future LIHTC rent increases will be dependent on increases in AMI as well as market conditions, absent subsidy. Our estimated achievable market rents for the Subject as proposed are **\$1,080, \$1,175 to \$1,200, and \$1,320** for the one-, two-, and three-bedroom units, respectively.

Strengths

- As a newly renovated property, the Subject will exhibit similar to superior condition relative to the comparable properties.
- The Subject’s achievable LIHTC rents represent significant rent advantages to the achievable market rents.
- Management at three of the four LIHTC comparables reported being fully occupied. The weighted average vacancy rate reported by the LIHTC comparables was 1.6 percent, below the 2.3 percent weighted average reported by the market rate comparables, which suggests a stable market for affordable housing. According to a rent roll provided by the client, dated January 31, 2024, the Subject is 100 percent occupied.
- The Subject offers a one- and two-story garden-style design, which will offer greater appeal to family renters over strictly two-story garden-style design.

Weaknesses

- The Subject is located in an inferior to similar location relative to the majority of comparables based on median rent.
- The Subject offers one-, two-, and three-bedroom units, and offers unit sizes below to within the range of unit sizes reported by the surveyed comparables. The Subject’s three-bedroom units are below the range of unit sizes reported by the surveyed comparables. The Subject’s one- and two-bedroom unit sizes are within the range but below the average unit sizes reported by the surveyed comparables.

Capture Rates - VHDA:

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 - Affordable Units	10.1%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	10.1%
Project Wide Absorption Period (Months)	4 months

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

Project Wide Capture Rate - Affordable Units	20.7%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	20.7%
Project Wide Absorption Period (Months)	4 months

These capture rates are moderate, indicating sufficient demand for additional affordable rental housing in the market. We believe there is sufficient demand for the Subject based on the high occupancy rates among all

of the LIHTC comparables, as well as the utilization of waiting lists at three of the four LIHTC comparables. We do not believe renovation of the existing project will harm other VHDA properties, as the capture rates are moderate and vacancy in the market is low.

Summary of Competitive Market Conditions

In general, we believe there is demand in the marketplace for the Subject, as proposed. Additionally, the market has reported strong occupancy rates and waiting lists at three of the four affordable comparable properties. The Subject will be well-positioned in the market as a newly renovated affordable property, and will exhibit similar to superior condition relative to the comparable properties. The market exhibits strong demand for additional affordable housing, with vacancy rates ranging from zero to 3.2 percent at the comparable LIHTC properties, with three of the four LIHTC properties being fully occupied yielding a weighted average vacancy rate of 1.6 percent for the affordable comparables. Vacancy and collection loss at the Subject is expected to be no more than three percent over the long term, which is in line with the Subject’s historical vacancy. Based on the comparable data, we have concluded to achievable LIHTC rents as illustrated in the following table:

SUBJECT COMPARISON TO MARKET RENTS - AS RENOVATED

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Adjusted Min	Adjusted Max	Adjusted Average	Achievable Market Rent	Subject Rent Advantage
1BR / 1BA	@40% (Section 8)	\$490	\$866	\$1,150	\$1,062	\$1,080	55%
1BR / 1BA	@50% (Section 8)	\$632	\$866	\$1,150	\$1,062	\$1,080	41%
1BR / 1BA	@60% (Section 8)	\$773	\$866	\$1,150	\$1,062	\$1,080	28%
2BR / 1BA - Garden	@40% (Section 8)	\$579	\$980	\$1,265	\$1,162	\$1,175	51%
2BR / 1BA - One-story	@40% (Section 8)	\$579	\$1,001	\$1,288	\$1,185	\$1,200	52%
2BR / 1BA - Garden	@50% (Section 8)	\$749	\$980	\$1,265	\$1,162	\$1,175	36%
2BR / 1BA - One-story	@50% (Section 8)	\$749	\$1,001	\$1,288	\$1,185	\$1,200	38%
2BR / 1BA - Garden	@60% (Section 8)	\$919	\$980	\$1,265	\$1,162	\$1,175	22%
2BR / 1BA - One-story	@60% (Section 8)	\$919	\$1,001	\$1,288	\$1,185	\$1,200	23%
3BR / 1BA	@40% (Section 8)	\$660	\$1,132	\$1,431	\$1,319	\$1,320	50%
3BR / 1BA	@50% (Section 8)	\$856	\$1,132	\$1,431	\$1,319	\$1,320	35%
3BR / 1BA	@60% (Section 8)	\$1,053	\$1,132	\$1,431	\$1,319	\$1,320	20%

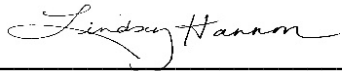
The Subject’s proposed LIHTC rents offer significant market rent advantages. Overall, we believe there is demand for the Subject.

XII. OTHER REQUIREMENTS

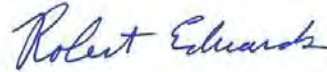
Pursuant to Virginia Housing Requirements, we certify:

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.

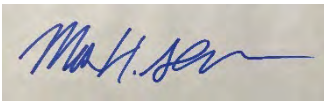
Respectfully submitted,
Novogradac



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512.349.3212



Robert Edwards
Senior Analyst
Bob.Edwards@novoco.com
240.235.1733



Mark Shelburne
Senior Manager
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Doron Matian
Analyst
Doron.Matian@novoco.com
562.256.3543

March 11, 2024
Date

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 A
Statement of Qualifications

STATEMENT OF PROFESSIONAL QUALIFICATIONS
LINDSEY HANNON

EDUCATION

Texas State University, Bachelor of Business Administration in Finance

LICENSING AND AFFILIATIONS

Certified General Real Estate Appraiser – State of Texas (TX 1380684-G)
Certified General Real Estate Appraiser – State of Washington (1102489)
Certified General Real Estate Appraiser – State of Colorado (CG.200001730)
Certified General Real Estate Appraiser – State of Louisiana (G4447)
Certified General Real Estate Appraiser – State of Florida (RZ4150)
Certified General Real Estate Appraiser – State of Georgia (406008)
Certified General Real Estate Appraiser – State of Oklahoma (13562CGA)
Certified General Real Estate Appraiser – State of Tennessee (5982)
Certified General Real Estate Appraiser – State of Maryland (34566)
Certified General Real Estate Appraiser – State of Arizona (1047864)
Certified General Real Estate Appraiser – State of Mississippi (GA-1481)
Certified General Real Estate Appraiser – State of Alabama (2880)

Candidate for Designation in the Appraisal Institute

EXPERIENCE

Novogradac & Company LLP, Partner

PROFESSIONAL TRAINING

National USPAP and USPAP Updates
General Appraiser Report Writing and Case Studies
General Appraiser Sales Comparison
Approach General Appraiser Site Valuation
Cost Approach Expert Witness for Commercial Appraisers
Commercial Appraisal Review
Real Estate Finance Statistics and Valuation Modeling
General Appraiser Income Approach Part II
General Appraiser Income Approach Part I
General Appraiser Market Analysis and Highest & Best Use
Basic Appraisal Procedures
Basic Appraisal Principles
Advanced Hotel Appraising – Full Service Hotels
Basic Hotel Appraising – Limited Service Hotels
Appraisal of Assisted Living Facilities
Divorce and Estate Appraisal Elements

REAL ESTATE ASSIGNMENTS

A representative sample of work on various types of projects:

- Managed and completed hundreds of market studies and appraisals for proposed new construction and existing Low Income Housing Tax Credit, USDA Rural Development,

Section 8 and market rate multifamily and age-restricted developments. This included property screenings, market and demographic analysis, comparable rent surveys, supply and demand analysis, determination of market rents, expense comparability analysis, and other general market analysis. Property types include proposed multifamily, acquisition with rehabilitation, historic rehabilitation, adaptive reuse, and single-family development.

- Complete agency and HUD appraisals using the cost approach, income capitalization approach, and sales comparison approach for Low Income Housing Tax Credit, USDA Rural Development, and Section 8 properties. Additional assignments also include partnership valuations and commercial land valuation.
- Prepared HUD Market-to-Market rent comparability studies for Section 8 multifamily developments.
- Perform valuations of General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.
- Prepare Fair Market Value analyses for solar panel installations in connection with financing and structuring analyses performed for various clients. The reports are used by clients to evaluate with their advisors certain tax consequences applicable to ownership. Additionally, these reports can be used in connection with application for the Federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009 and the ITC funding process.
- Perform market studies and appraisals for proposed and existing multifamily properties under the HUD MAP program. These reports meet the requirements outlined in Chapter 7 of the HUD MAP Guide for the 221(d)4, 223(f), and the LIHTC Pilot Program.
- Consult with lenders and developers and complete valuation assignments for developments converting under the RAD program.
- Prepare valuations for unique redevelopment sites with mixed uses including a variety of commercial, multifamily, and recreational uses. Further, performing analysis and valuations for assisted living facilities for potential acquisition, hold or trade purposes.
- Prepare and develop individual development models for forecasting and residual land value analysis for large-scale development sites

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Robert C. Edwards

I. Education

George Washington University
Master of Business Administration, Finance and Investments

St. Bonaventure University
Bachelor of Science, Economics

II. Licensure

District of Columbia Certified General Appraiser, License Number GA12355
Illinois Certified General Real Estate Appraiser, License Number 553.002855
Indiana Certified General Appraiser, License Number CG42100058
Kentucky Certified General Real Property Appraiser, License Number 5235
Maryland Certified General Real Property Appraiser, License Number 40033019
Michigan Certified General Appraiser, License Number 1205075824
New York Certified Real Estate General Appraiser, License Number 46000052142
Ohio Certified General Appraiser, License Number ACG0.2018000555
Pennsylvania Certified General Appraiser, License Number GA004299
Tennessee Certified General Real Estate Appraiser, License Number 6368
Virginia Certified General Appraiser, License Number 4001017477

III. Professional Experience

Senior Real Estate Analyst, Novogradac Consulting, Bethesda, MD
Senior Associate, Associated Real Estate Advisors, Bethesda, MD
Review Appraiser, PNC Bank, Pittsburgh, PA
Project Director, Delta Associates, Alexandria, VA

IV. Real Estate Assignments

- Provided appraisal assistance on a wide variety of properties including multifamily developments, office, industrial, retail, vacant land, special-use, and proposed new construction. Performed site inspections, and conducted in-depth property, economic and market data research, expense analyses, and revenue projections. Have also reviewed appraisals by others for compliance.
- Performed market studies on over 450 multifamily properties in 48 states, specializing with the Low-Income Housing Tax Credit program. Have also performed analyses on multifamily properties that are HUD subsidized or operated under the USDA Rural Development program. Specialized housing types such as single-room-occupancy, disabled, veterans, and Native American housing, have also been analyzed. Also have provided assistance on over 300 appraisals and over 50 rent comparability studies of multifamily properties.

V. Professional Training

15-Hour National USPAP Equivalent, 2015-2022
Basic Appraisal Procedures, 2015
Basic Appraisal Principals, 2015
General Appraiser Market Analysis Highest and Best Use, 2016
Real Estate Statistics and Valuation Modeling, 2016
General Appraiser Report Writing and Case Studies, 2016
General Appraiser Sales Comparison Approach, 2016
General Appraiser Site Valuation and Cost Approach, 2016
General Appraiser Income Approach, 2016

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Doron Matian

I. EDUCATION

University of California, Santa Barbara, June 2021
Bachelor of Arts – Economics

II. PROFESSIONAL EXPERIENCE

Analyst, Novogradac & Company LLP

III. 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 B

Data Sources

DATA SOURCES

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

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

- U.S. Census Bureau
- Emporia Redevelopment and Housing Authority/Southside Outreach Group
- Virginia Housing Development Authority
- Virginia Employment Commission
- Greenville County Office of Economic Development
- CoStar
- ESRI, Business Information Solutions
- Ribbon Demographics
- Bankrate
- Zillow
- U.S. Department of Commerce, Bureau of Labor Statistics
- Department of Housing and Urban Development (HUD)
- VHDA Market Study Requirements, 2024

ADDENDUM C

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.

Lindsey Hannon (formerly Sutton)
Partner
Lindsey.Hannon@novoco.com
512.349.3212

NCHMA Market Study Index

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

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

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

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

ADDENDUM D
Utility Allowance Schedule

Virginia Housing | Housing Choice Voucher Program

**Allowances for
Tenant-Furnished Utilities
and Other Services**

Family Name: _____
Unit Address: _____

Voucher Size*: _____ **Unit Bedroom Size*:** _____

**Use smaller size to calculate tenant-supplied utilities and appliances.*

		Unit Type: 2 Exposed Walls				Effective Date: 07/01/2023			
Utility	Usage	Monthly Dollar Amount							
		0 BR	1 BR	2BR	3BR	4BR	5 BR	6 BR	7BR
Appliance	Range/Microwave	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
	Refrigerator	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Bottled Gas	Cooking	\$11.00	\$15.00	\$20.00	\$24.00	\$31.00	\$35.00	\$40.00	\$44.00
	Home Heating	\$64.00	\$89.00	\$114.00	\$140.00	\$177.00	\$204.00	\$229.00	\$254.00
	Water Heating	\$27.00	\$37.00	\$48.00	\$58.00	\$74.00	\$85.00	\$95.00	\$106.00
Electricity	Cooking	\$4.00	\$5.00	\$6.00	\$8.00	\$10.00	\$11.00	\$13.00	\$14.00
	Cooling (A/C)	\$7.00	\$11.00	\$14.00	\$16.00	\$21.00	\$23.00	\$26.00	\$29.00
	Home Heating	\$26.00	\$36.00	\$46.00	\$57.00	\$72.00	\$82.00	\$92.00	\$103.00
	Other Electric	\$14.00	\$20.00	\$25.00	\$31.00	\$39.00	\$45.00	\$50.00	\$56.00
	Water Heating	\$13.00	\$18.00	\$23.00	\$28.00	\$35.00	\$40.00	\$45.00	\$50.00
Natural Gas	Cooking	\$2.00	\$2.00	\$3.00	\$3.00	\$4.00	\$5.00	\$5.00	\$6.00
	Home Heating	\$9.00	\$14.00	\$17.00	\$21.00	\$26.00	\$30.00	\$34.00	\$38.00
	Water Heating	\$4.00	\$6.00	\$7.00	\$9.00	\$11.00	\$13.00	\$14.00	\$16.00
Oil	Home Heating	\$58.00	\$81.00	\$104.00	\$127.00	\$162.00	\$185.00	\$208.00	\$231.00
	Water Heating	\$24.00	\$33.00	\$42.00	\$52.00	\$66.00	\$75.00	\$85.00	\$94.00
Sewer	Other	\$21.00	\$29.00	\$38.00	\$46.00	\$59.00	\$67.00	\$76.00	\$84.00
Trash Collection	Other	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Water	Other	\$18.00	\$25.00	\$32.00	\$40.00	\$50.00	\$58.00	\$65.00	\$72.00
UTILITY ALLOWANCE TOTAL:		\$	\$	\$	\$	\$	\$	\$	\$

ADDENDUM E

Subject and Neighborhood Photographs

Northwoods Village - Emporia, VA
Source: Mark Shelburne, Senior Manager
Inspection Date: February 28, 2024



Subject signage



Subject exterior



Subject exterior



Subject exterior



Subject exterior



Subject exterior

Northwoods Village - Emporia, VA
Source: Mark Shelburne, Senior Manager
Inspection Date: February 28, 2024



Subject exterior



Subject exterior



View facing east along Parham Street



View facing west along Parham Street



View facing north along Evans Street



View facing south along Evans Street

Northwoods Village - Emporia, VA
Source: Mark Shelburne, Senior Manager
Inspection Date: February 28, 2024



Subject leasing office



Subject central laundry facility



Typical Subject staircase



Typical Subject parking



Typical kitchen



Typical kitchen

Northwoods Village - Emporia, VA
Source: Mark Shelburne, Senior Manager
Inspection Date: February 28, 2024



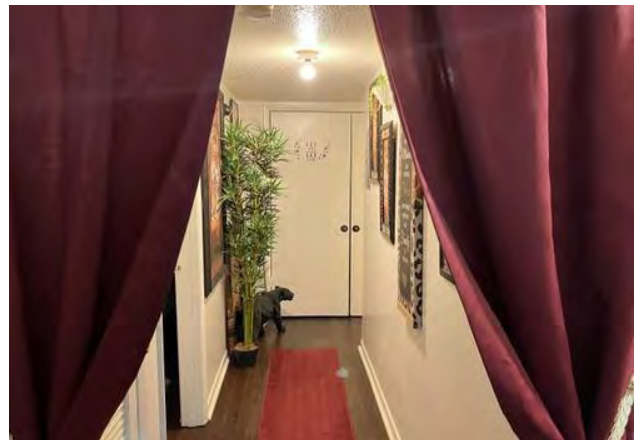
Typical bathroom



Typical bathroom



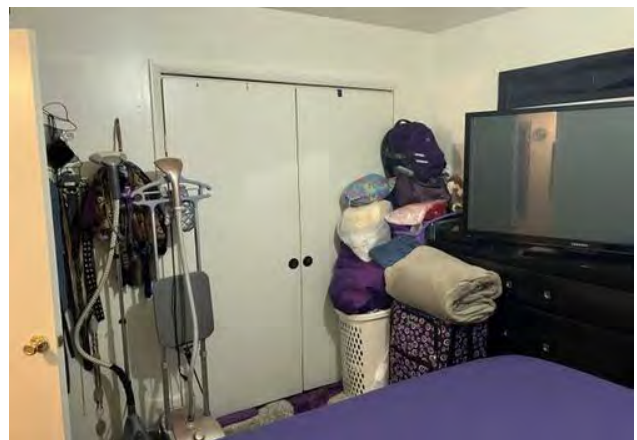
Typical living room



Typical in-unit hallway



Typical bedroom



Typical bedroom

Northwoods Village - Emporia, VA
Source: Mark Shelburne, Senior Manager
Inspection Date: February 28, 2024



Subject entry



Typical closet space



Retail use near Subject



Public use near Subject



Retail use near Subject



Retail use near Subject

Northwoods Village - Emporia, VA
Source: Mark Shelburne, Senior Manager
Inspection Date: February 28, 2024



Vacant building near Subject



Healthcare use near Subject



Retail use near Subject



Healthcare use near Subject



Typical single-family home near Subject



Typical single-family home near Subject

ADDENDUM F

Site and Floor Plans



PERSPECTIVE (NOT TO BE USED FOR CONSTRUCTION)

INDEX OF DRAWINGS

1. COVER SHEET
2. LANDSCAPE PLAN
3. BUILDING "A" (ONE FLOOR - TWO BR. UNIT) & SERVICE DELIVERY BUILDING
4. BUILDING "C" (TWO FLOOR - TWO BR. UNIT) & BUILDING "E" (LAUNDRY/MAINTENANCE)
5. BUILDING "A" (ONE FLOOR - ONE BR. UNIT)
6. LOT PLAN
7. DETAILS
8. BUILDING "B" (ONE FLOOR - THREE BR. UNIT)
9. BUILDING "E" (STORAGE/LAUNDRY/MAINTENANCE)
10. PLUMBING & A/C
11. PLUMBING
12. HEATING & ELECTRICAL
13. PLUMBING, HEATING, A/C, & ELECTRICAL

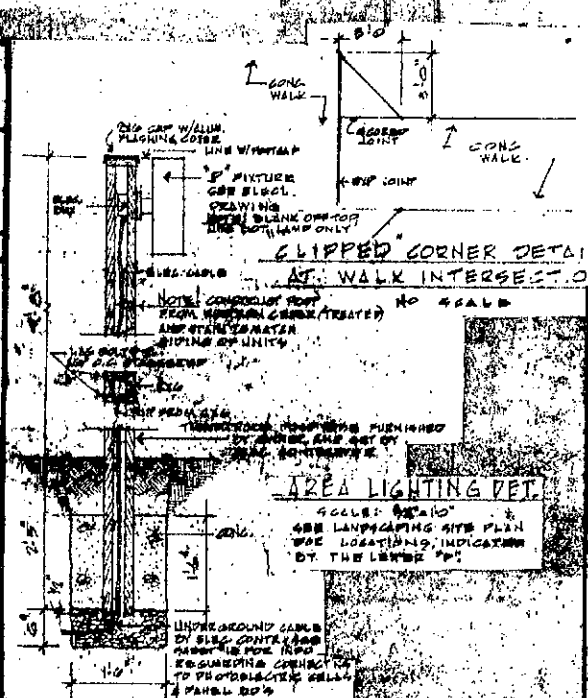
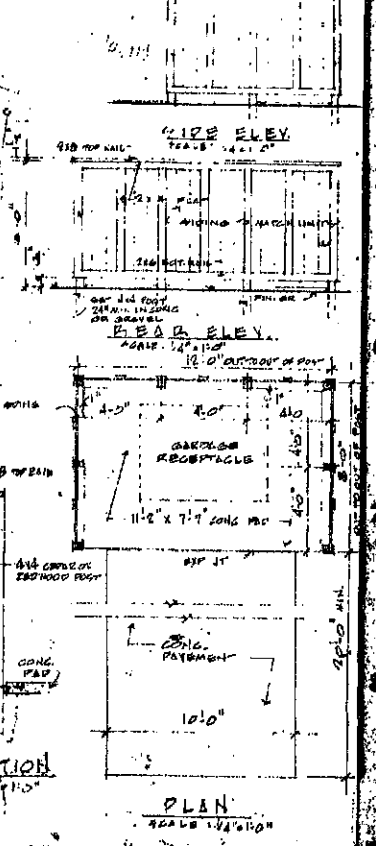
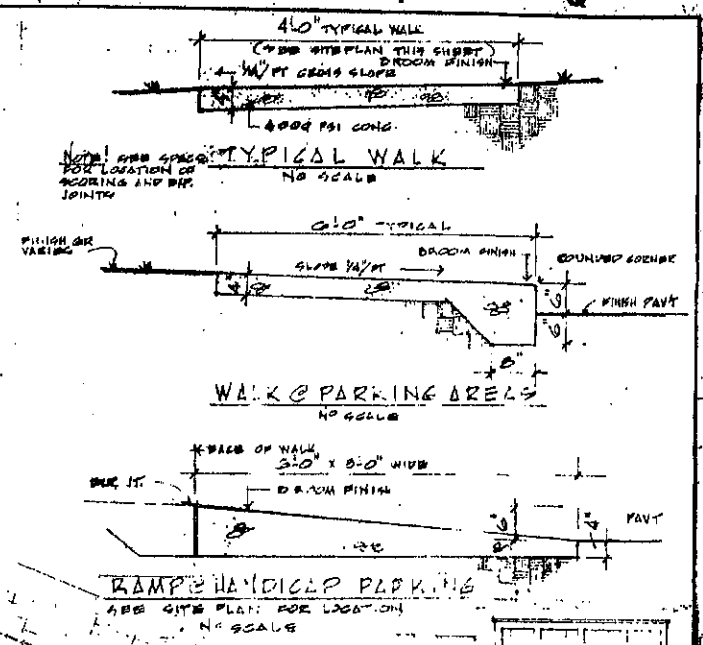
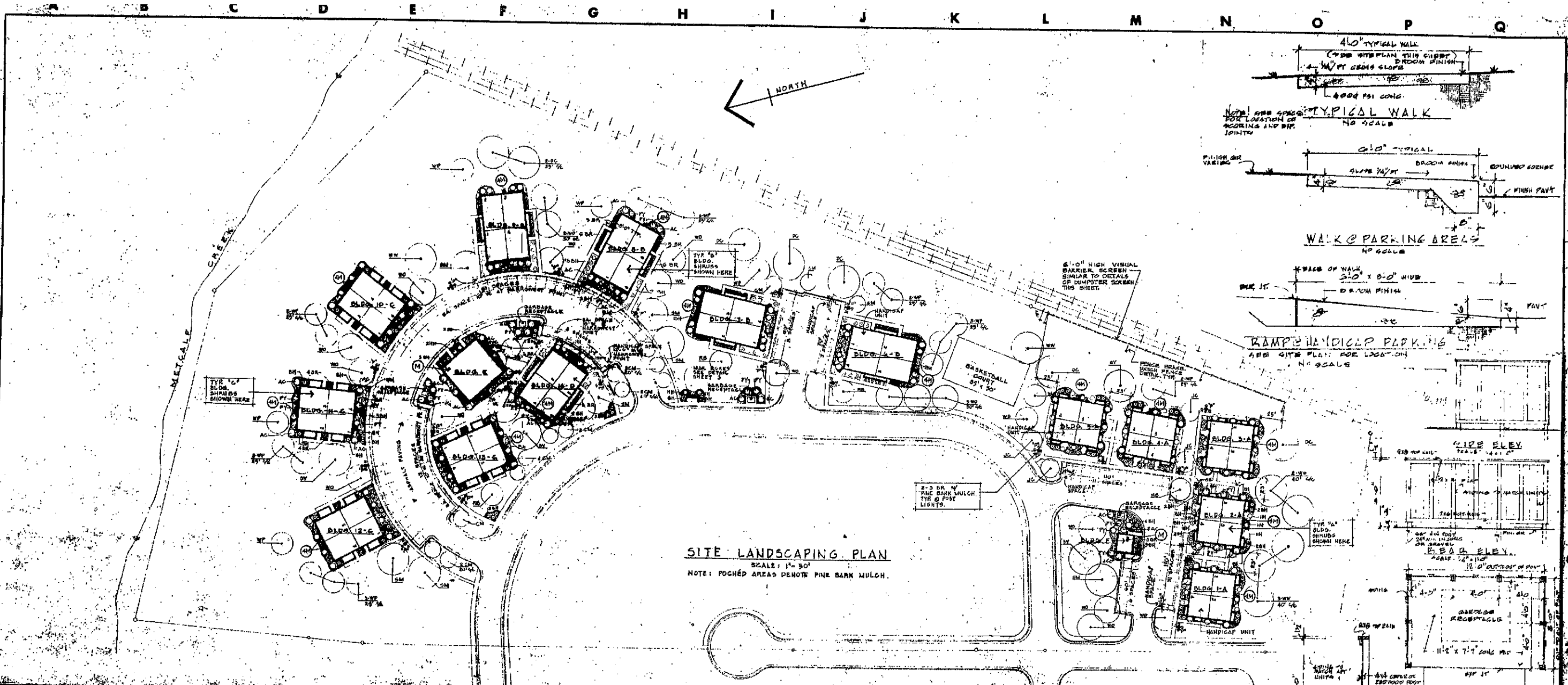
37

72 UNITS - EMPORIA, VIRGINIA
MULTI-FAMILY HOUSING COMPLEX FOR
LANDURA CORP. OF THE SOUTHEAST
WINSTON-SALEM, N.C.

Emporia, Va.

72 UNITS - EMPORIA, VA.		DRAWN	COMD
MULTI-FAMILY HOUSING COMPLEX		B	7811
LANDURA CORP. OF THE SOUTHEAST		CHECKED	DATE
J. AUBREY KIRBY A.I.A.		<i>[Signature]</i>	JULY 1976
ARCHITECT		REVISED	SHEET
1066 W. 4TH ST. WINSTON-SALEM, N.C.		11 OCT 76	1

Walters Photo Co., Winston-Salem, N.C. 743 500 973



PLANTING LIST

KEY	QUANTITY	BOTANICAL NAME	COMMON NAME	GALIPER	HEIGHT	REMARKS
DC	17	CEBOLUS DRODARA	DRODARA CEDAR	-	8-10'	DAB
RD	4	BETULA NERA	RIVER BIRCH	2" MIN. GALIPER	-	DAB MIN. 5'-0" DIA
SM	7	ACER SACCHARUM	SUGAR MAPLE	5-8"	14-16'	DAB
WO	18	SLYMBEGUS RUBRO	WILLOW OAK	5-8"	12-14'	DAB
WF	14	PINUS STROBUS	WHITE PINE	-	6-8'	DAB
WW	7	SALIX BABYLONICA	WEBBING WILLOW	3-4"	12-14'	DAB
JC	6	PRUNUS SERRULATA KWANZAN	KWANZAN CHERRY	-	8-10'	DAB
BY	5	PLATANUS ACEROLIA	SYCAMORE	5-8"	14-16'	DAB

KEY	QUANTITY	BOTANICAL NAME	COMMON NAME	SIZE	HEIGHT	REMARKS
AG	70	AUCUBA JAPONICA	JAPANESE AUCUBA	2 GAL.	-	CONT.
BN	189	ILEX CORNUTA 'NANA'	SHARP BURDECK HOLLY	3 GAL.	-	CONT.
BE	201	JUNIPERUS H. WILSONI	BLUE PINE JUNIPER	2 GAL.	-	CONT.
BN	58	ILEX CORNUTA 'HELLERI'	HELLERI HOLLY	3 GAL.	-	CONT.
BY	30	PYRACANTHA CORNINA	PYRACANTHA	-	5-6'	DAB
CM	15	LAGERSTROEMIA INDICA	GRAPE MYRTLE	-	5'-0"	DAB

PLANTING LIST ABBREVIATIONS
DAB: DUMPSTER AREA BARRIERS
SAL: SCHEDULED
SAL: SCHEDULED

DESIGNATES QUANTITY 2 - RD
DESIGNATES PLANT KEY RD
DESIGNATES SPACING (OR APPROX.) 20' @

MATERIALS

- EARTH
- CRUSHED STONE
- CONCRETE
- WOOD FRAMING
- WOOD (FINISH)
- INSULATION (LOOSE FILL)
- INSULATION (BATT)
- INSULATION RIGID
- PLYWOOD
- PARTICLE BOARD
- DRYWALL (SINGLE LAYER)
- INDICATES W/STUD PARTITION IN PLAN

SYMBOLS

- DOOR DESIGNATION
- ◊ WINDOW DESIGNATION
- ◊ INTERIOR ELEVATION DESIGNATION
- ◊ SECTION NE
- ◊ SECTION CUT DESIGNATION
- ◊ SECTION CUT DESIGNATION
- ▲ EXTERIOR ELEVATION DESIGNATION
- Ⓜ ELECTRIC METER
- Ⓜ ELECTRIC METERS

BUILDING SCHEDULE

MARK	TYPE	NO. UNITS	U. PER BLDG.	TOTAL U.
A	1 BR	5	4	20
B	3 BR	4	4	16
C	2 BR	4	8	32
D	2 BR	1	4	4
B & P	LAUND. & STOR.	2	-	-
TOTALS		16		72

DEVELOPMENT INFO.

ACCESS: 72 LIVING UNITS REQUIRES 108 PARKING SPACES @ 1.5 PER UNIT. 108 SPACES PROVIDED

4 HANDICAPPED UNITS PROVIDED

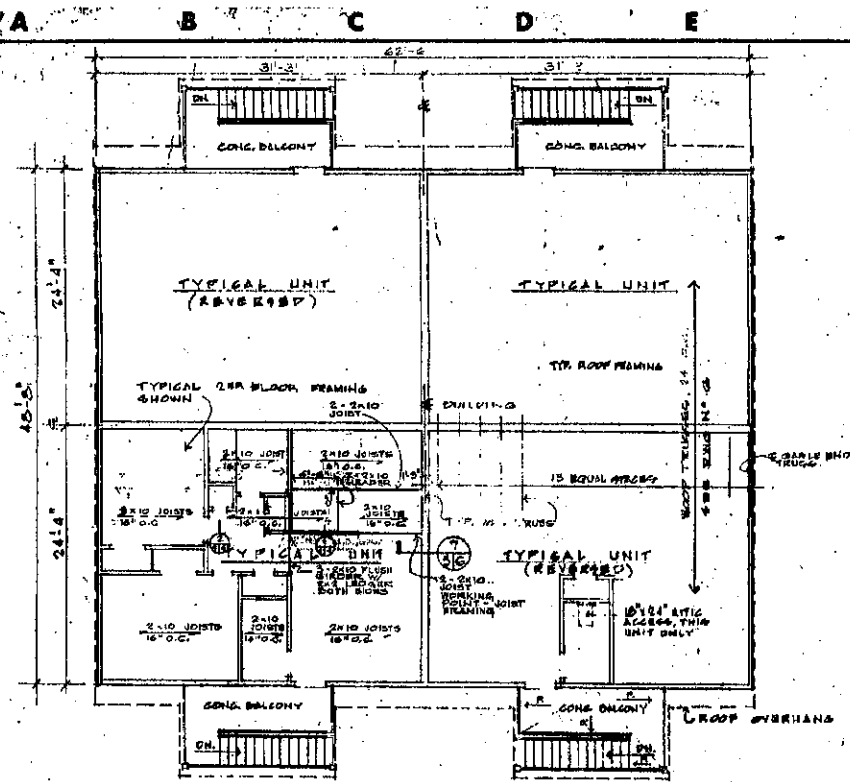
BUILDING CONSTRUCTION CLASSIFICATION: TYPE III WOOD FRAME - UNRESTRICTED ZONING

72 UNITS - EMPORIA, VA.
MULTI-FAMILY HOUSING COMPLEX
LANDURA CORP. OF THE SOUTHEAST

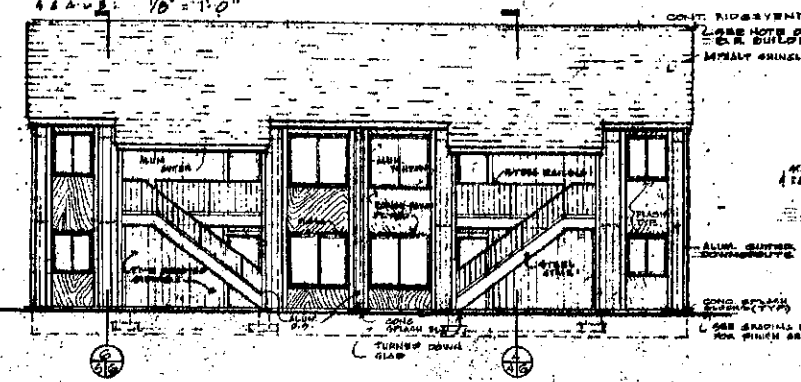
J. AUBREY KIRBY AIA
ARCHITECT

1006 W. STATE ST. WINSTON-SALEM, N.C.

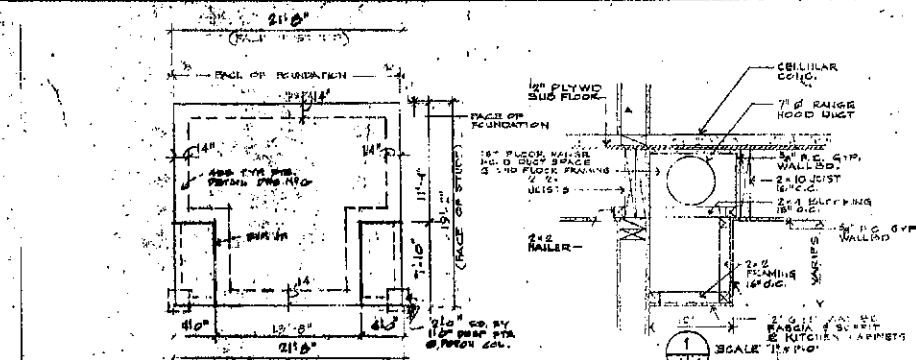
DATE: JULY 1975
REVISION: OCT 75
SHEET: 2



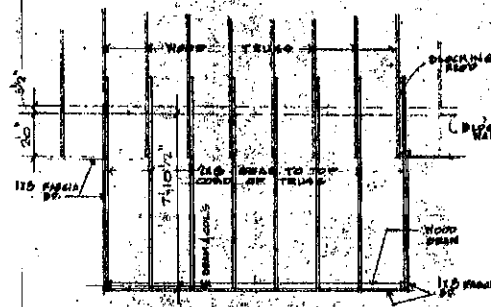
TYPICAL EIGHT UNIT - TWO B.R. BUILDING PLAN
SCALE: 1/8" = 1'-0"



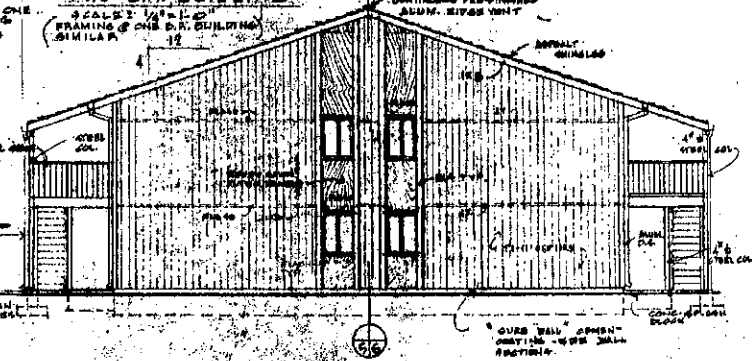
ENTRANCE ELEVATION
SCALE: 1/8" = 1'-0"
(OPPOSITE ELEVATION SIMILAR)



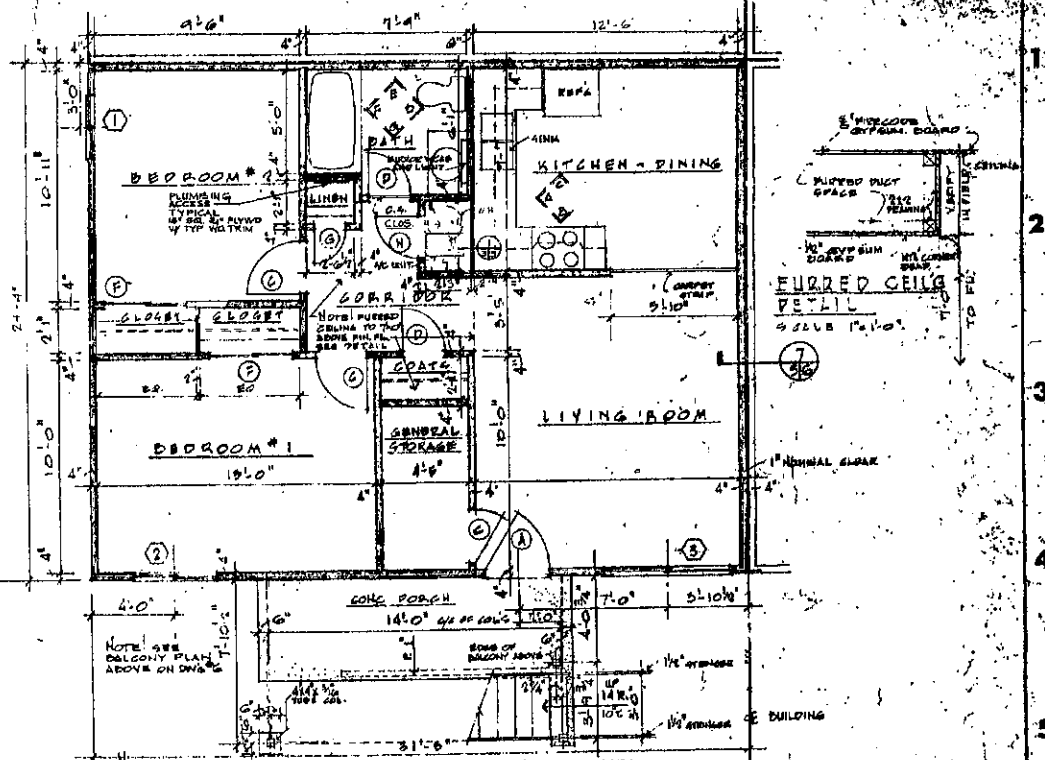
FOUNDATION PLAN
LAUNDRY / MAINTENANCE BLDG
SCALE: 1/8" = 1'-0"



ROOF FRAMING & STAIR/DALCONY
TWO B.R. BUILDING
SCALE: 1/8" = 1'-0"



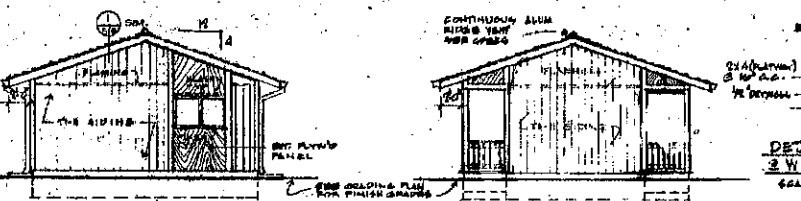
END ELEVATION
SCALE: 1/8" = 1'-0"
(OPPOSITE ELEVATION SIMILAR)



TWO BEDROOM UNIT PLAN 760 S.F. - FIRST FLOOR
SCALE: 1/4" = 1'-0" SECOND FLOOR SIMILAR

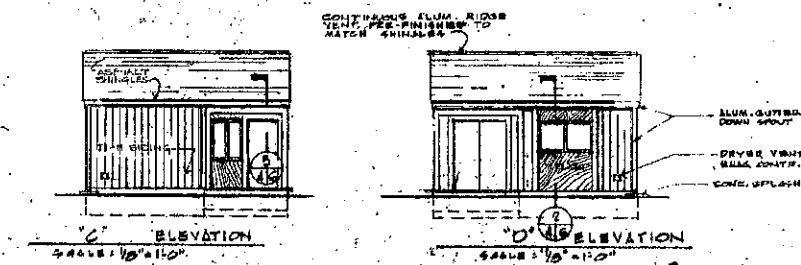
AREA FOOTAGE SCHEDULE			
TWO BEDROOM UNIT - TWO FLOOR			
AREA	SQUARE FEET	LINEAL FEET	CUBIC FEET
LIVING ROOM	144		
KITCHEN - DINING	120		
BEDROOM #1	100		
BEDROOM #2	100		
CLOSET		5	
COAT CLOSET		5	
LINEN		17.5	
GENERAL STORAGE			
KITCHEN CLOSET		27.5	
KITCHEN DRAWER AREA		14	
GROSS ENCLOSED HEATED AREA	700		
EXTERIOR STORAGE REQUIREMENT - SEE DWG 9.			

ONE BEDROOM UNIT			
AREA	SQUARE FEET	LINEAL FEET	CUBIC FEET
LIVING ROOM	159.5		
KITCHEN - DINING	120		
KITCHEN DINING/HANDICAP UNIT	120		
BEDROOM	120		
CLOSET		7	
COAT CLOSET		14	
LINEN		14	
GENERAL STORAGE (LESS W.H.A.)			208
KITCHEN SHELVING		27.5	
KITCHEN DRAWER AREA		14	
GROSS ENCLOSED HEATED AREA	388		



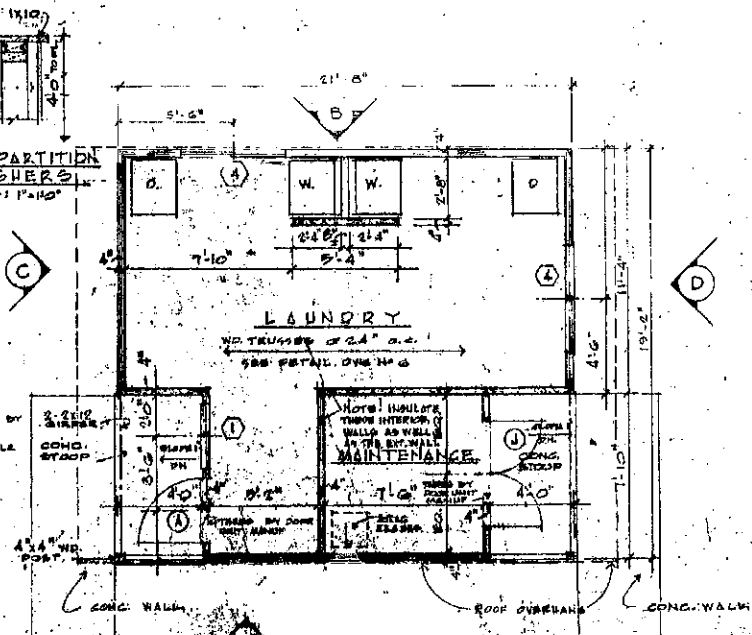
B ELEVATION
SCALE: 1/8" = 1'-0"

A ELEVATION
SCALE: 1/8" = 1'-0"



C ELEVATION
SCALE: 1/8" = 1'-0"

D ELEVATION
SCALE: 1/8" = 1'-0"



PLAN - LAUNDRY / MAINTENANCE BLDG
SCALE: 1/8" = 1'-0"

72 UNITS - EMPORIA, VA.
MULTI-FAMILY HOUSING COMPLEX
LANDURA CORP. OF THE SOUTHEAST
J. AUBREY KIRBY A.I.A.
ARCHITECT
1066 W. 4TH ST. WINSTON-SALEM, N.C.

NOTE: TRUSS MFG. SHALL SUBMIT DESIGN AND SHOP DRAWINGS FOR EACH TRUSS TYPE TO APPROPRIATE STATE AGENCY FOR APPROVAL. ATTACH COPIES OF APPROVAL TO SHOP DRAWING SUBMITTAL. DO NOT FABRICATE WITHOUT THE APPROVAL OF THE ARCHITECT.

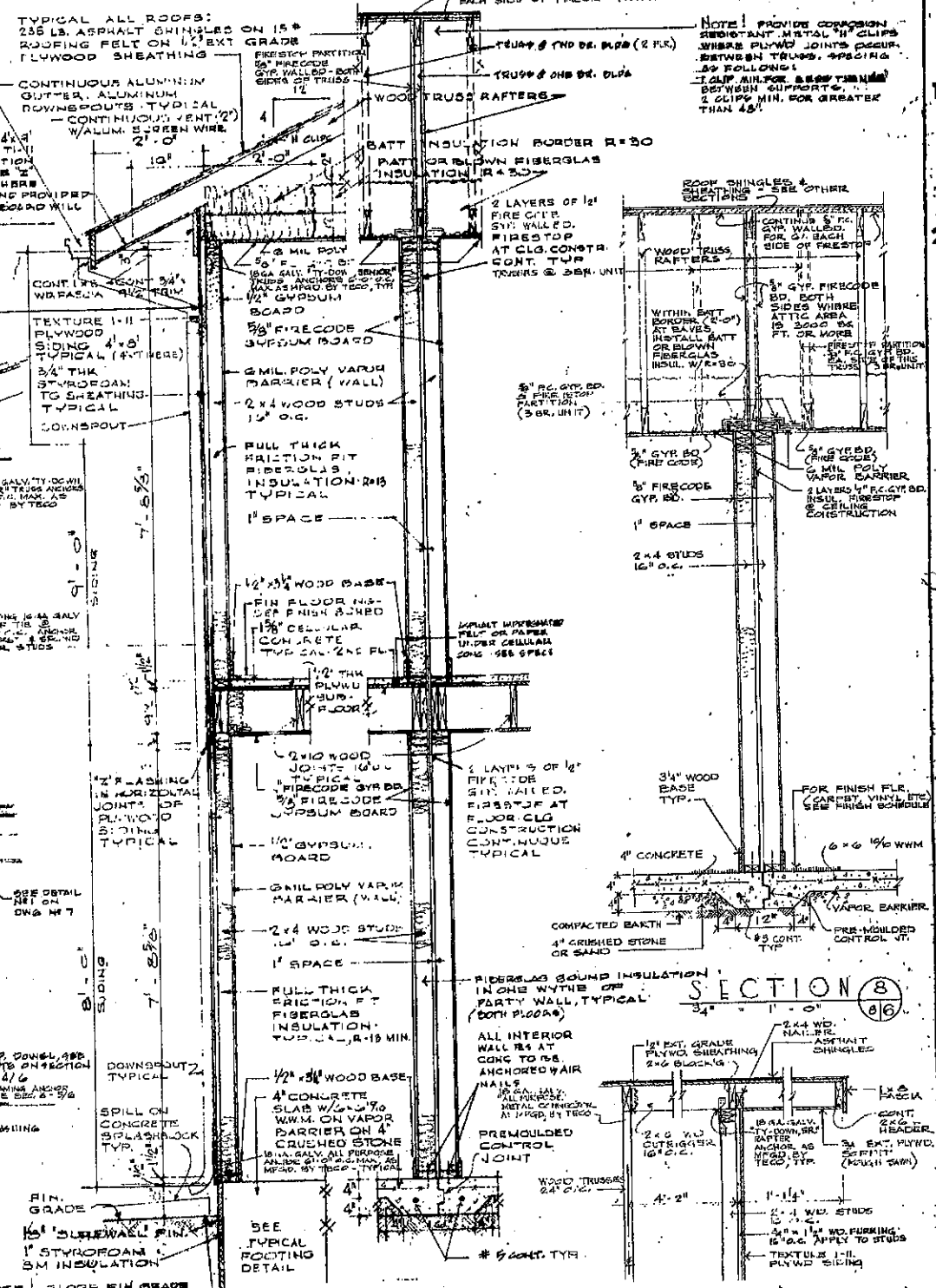
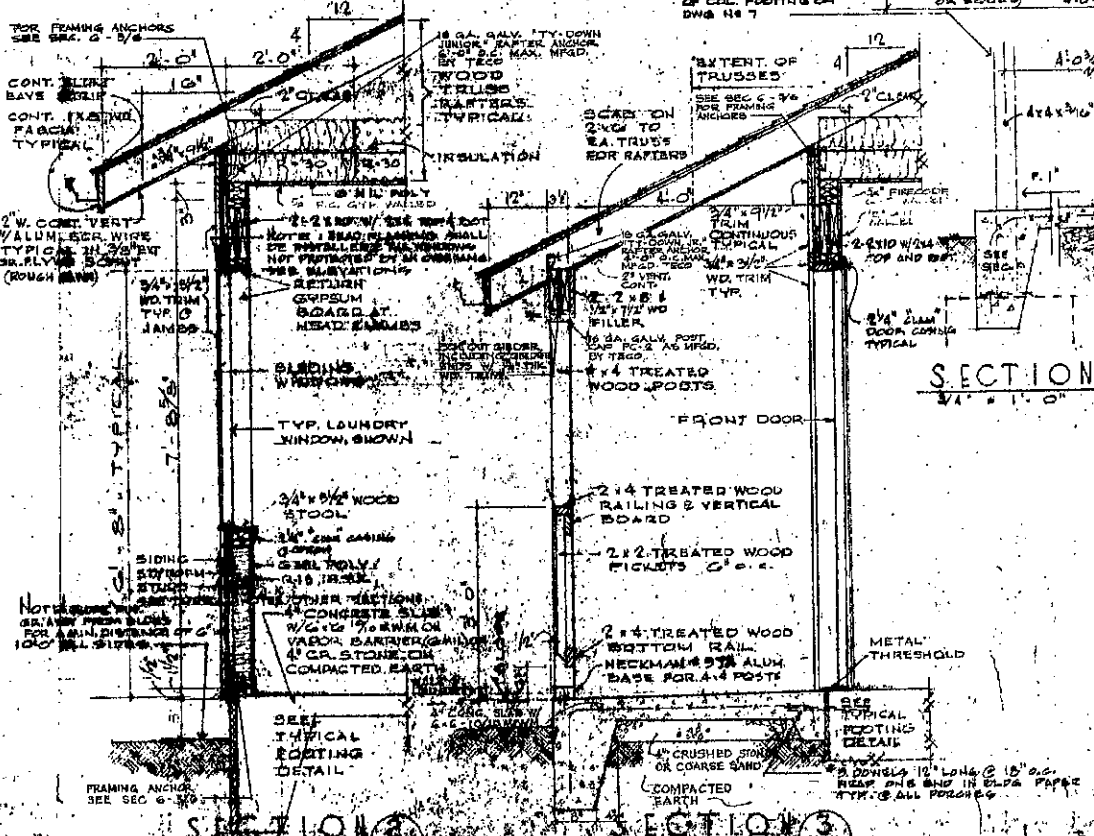
TRUSS DESIGN CRITERIA:
 TOP CHORD LIVE LOAD 25 PSF
 TOP CHORD DEAD LOAD 15 PSF
 BOT. CHORD DEAD LOAD 10 PSF
 TOTAL DESIGN LOAD 50 PSF
 33% INCREASE SHORT TIME LOADING
 F = 1400 PSI

HALF-LAUNDRY TRUSS - SCALE: 3/8" = 1'-0"
 PART-TYPICAL GABLE END TRUSS - SCALE: 3/8" = 1'-0"
 MAIN TRUSS - SCALE: 3/8" = 1'-0"

EXCEPTION: GABLE END TRUSS IS NOT SYMMETRICAL ABOUT CENTER LINE.

ALL TRUSSES ARE SYMMETRICAL ABOUT CENTER LINE.

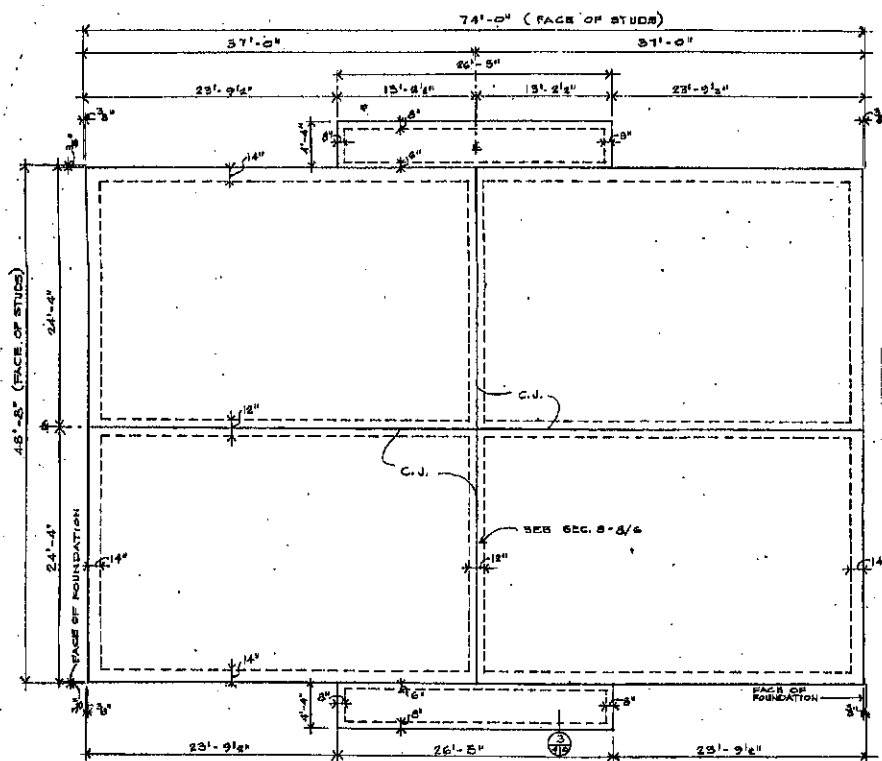
TWO-BEDROOM UNIT - BALCONY/STAIR PLAN - SCALE: 3/4" = 1'-0"



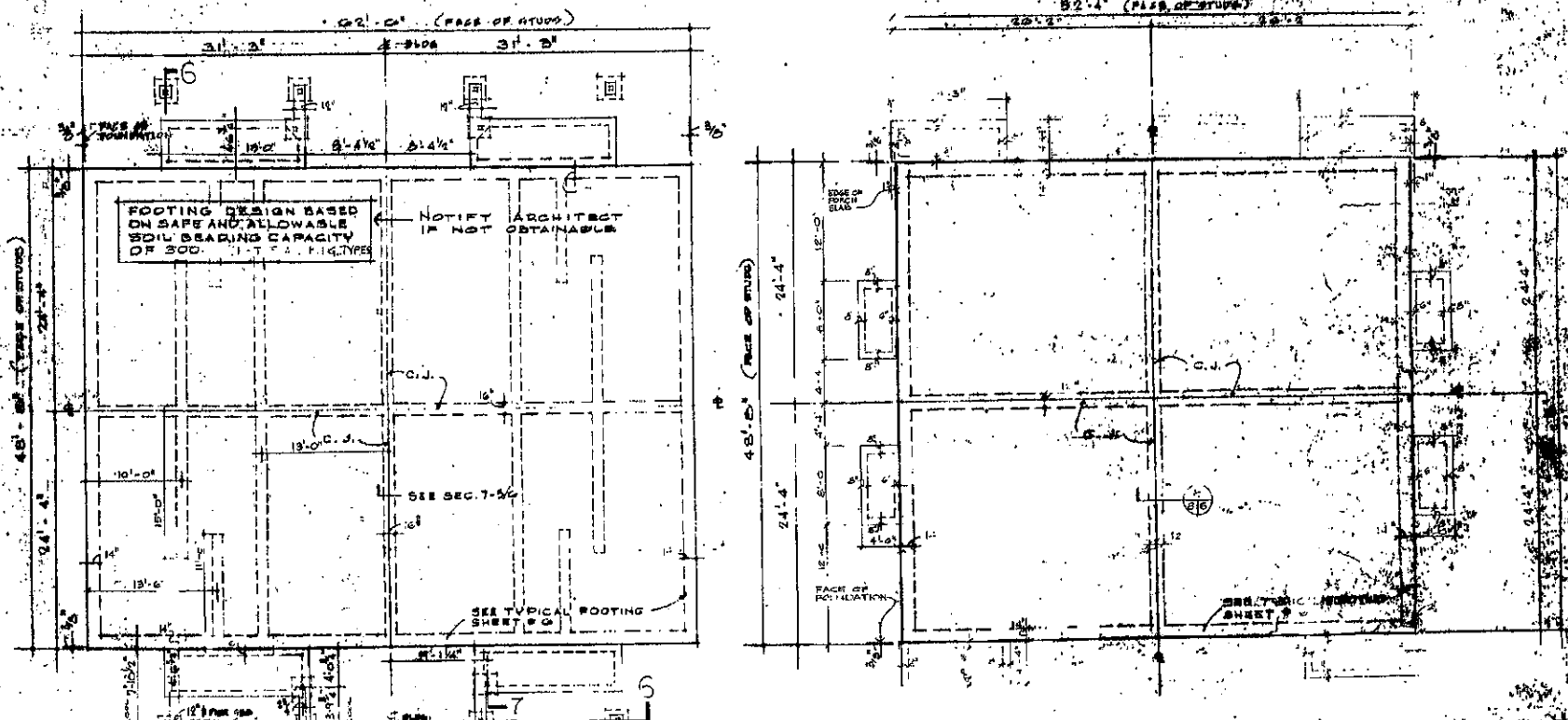
FOOTING DETAIL - SCALE: 3/4" = 1'-0"

72 UNITS - EMPORIA VA.
 MULTI-FAMILY HOUSING COMPLEX
 LANDURA CORP. OF THE SOUTHEAST
 J. AUBREY KIRBY A.A.
 ARCHITECT
 1066 W. 4TH ST. WINGTON-SEALM, N.C.

DRAWN	COMM.
7811	7811
DATE	DATE
10/15/75	10/15/75
REVISION	REVISION
11/07/75	11/07/75



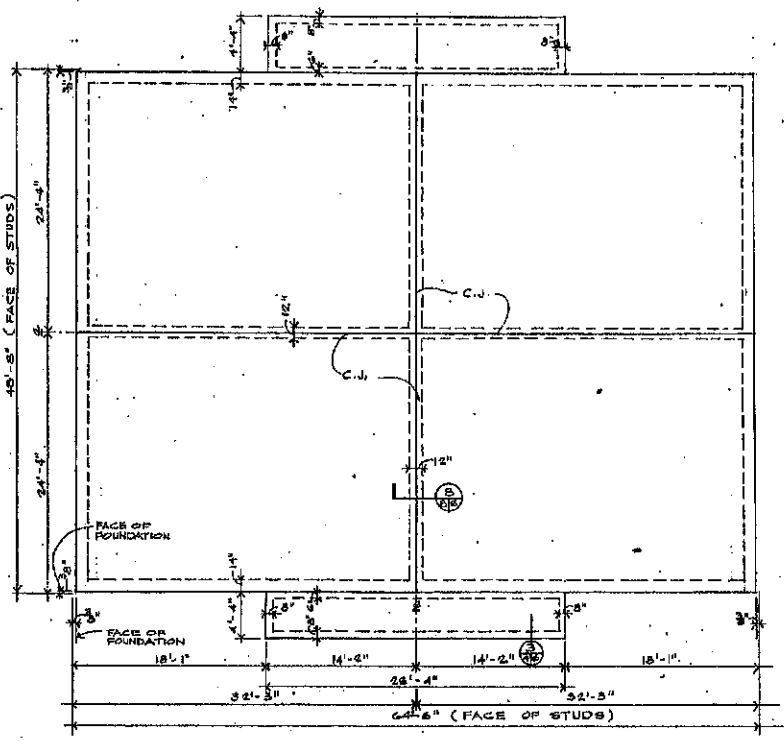
**FOUR UNIT - THREE BEDROOM
FOUNDATION & FOOTING PLAN**
SCALE: 1/8" = 1'-0"



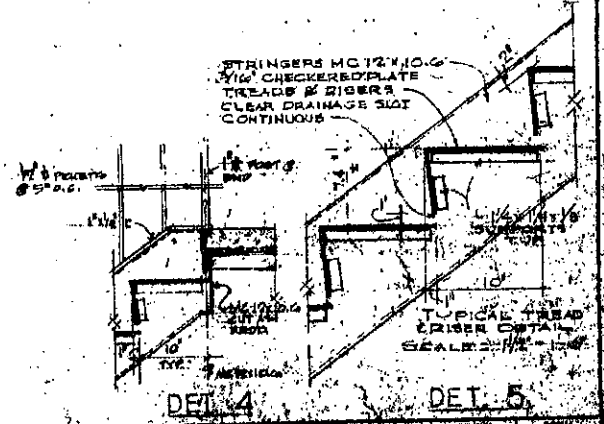
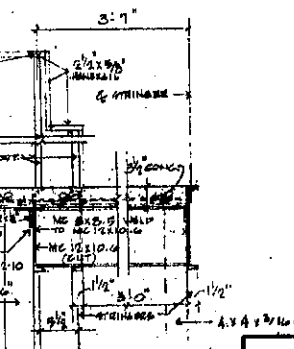
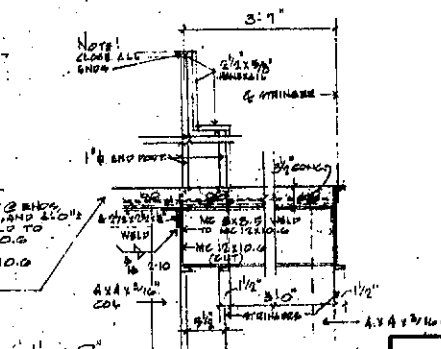
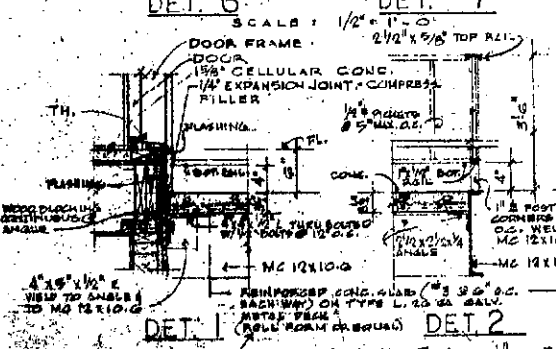
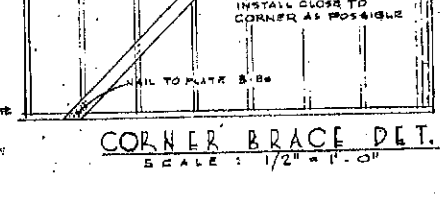
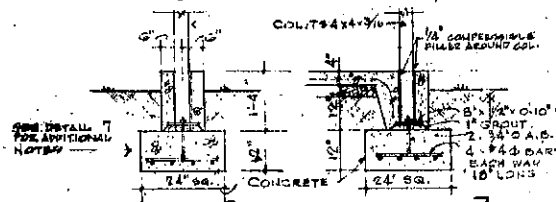
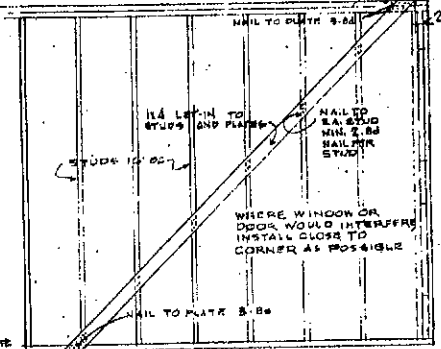
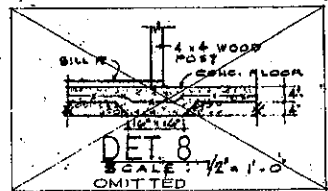
**EIGHT UNIT - TWO BEDROOM
FOUNDATION AND FOOTING
PLAN**
SCALE: 1/8" = 1'-0"

**FOUR UNIT - ONE BEDROOM
FOUNDATION AND FOOTING
PLAN**
SCALE: 1/8" = 1'-0"

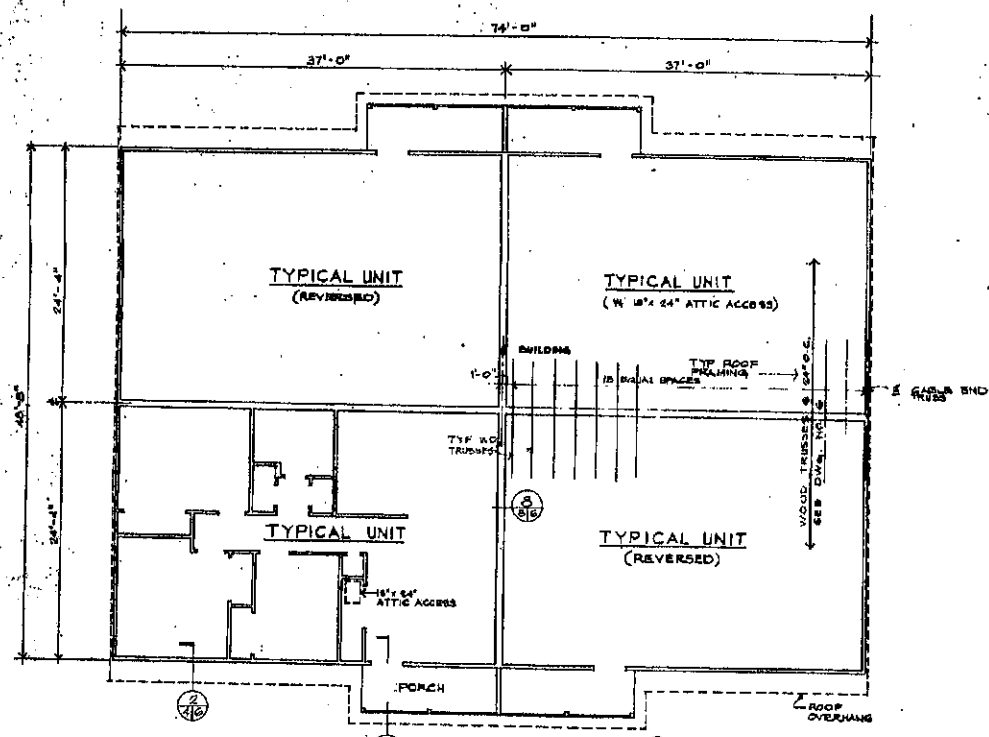
NOTE: FOUNDATION AND FOOTING DIMENSIONS SHOWN ARE FLOOR PLAN DIMENSIONS. ACTUAL DIFFERENCE IN THICKNESS OF WALL AND FOUNDATION INSULATION, PLUS ACTUAL THICKNESS OF SUB-WALL FINISH (APPROX. 3/8") SHALL BE DEDUCTED IN LAYING OUT MAIN OUTSIDE FOUNDATIONS. SEE TYPICAL FOOTING DETAIL ON SHEET 7-2 AND SECTIONS 2-4/0 AND 6-5/0.



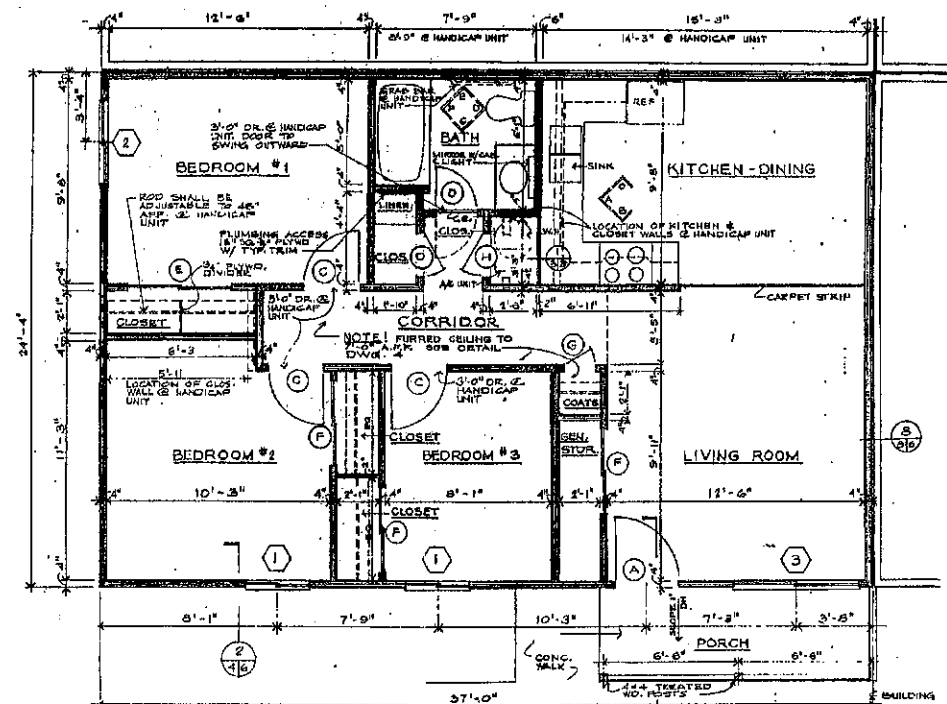
**FOUR UNIT - TWO BEDROOM
FOUNDATION & FOOTING PLAN**
SCALE: 1/8" = 1'-0"



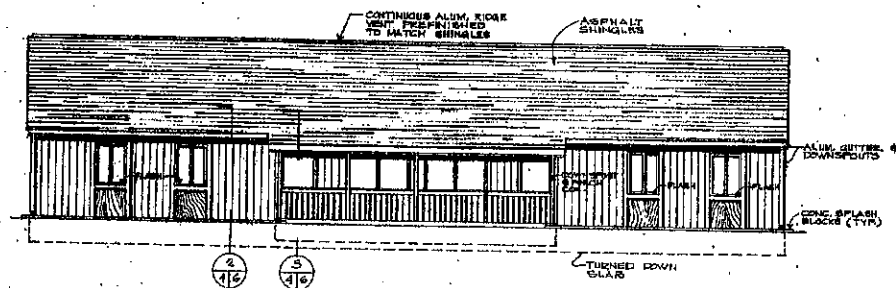
72 UNITS - EMPORIA, VA.
MULTI-FAMILY HOUSING COMPLEX
LANDLORDS CORP. OF THE SOUTHEAST
J. AUBREY KIRBY A.I.A.
ARCHITECT
1000 W. 4TH ST. WINSTON-SALEM, N.C.



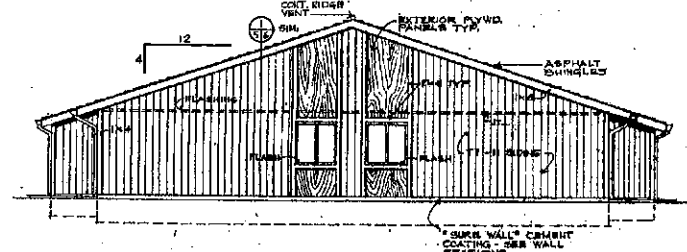
TYPICAL FOUR UNIT - THREE B.R. BUILDING PLAN
SCALE 1/8" = 1'-0"



NOTE: DIMENSIONS ARE TO FACE OF NOMINAL 2x4 WOOD STUDS
THREE BEDROOM UNIT PLAN 900 S.F.
SCALE 1/4" = 1'-0"



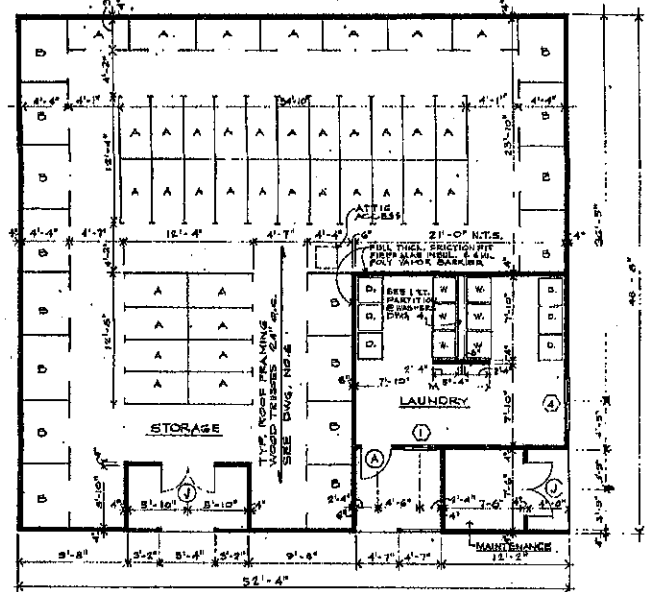
ENTRANCE ELEVATION (OPPOSITE ELEVATION SIMILAR)
SCALE 1/8" = 1'-0"



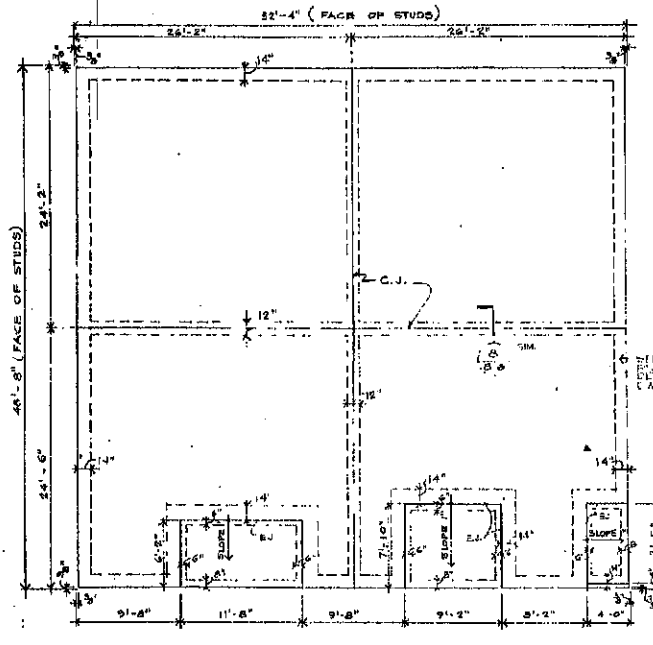
END ELEVATION (OPPOSITE ELEVATION SIMILAR)
SCALE 1/8" = 1'-0"

AREA	FOOTAGE	SCHEDULE	
THREE BEDROOM UNIT	SQUARE FEET	LINEAL FEET	CUBIC FEET
LIVING ROOM	170		
KITCHEN - DINING	148		
BEDROOM #1	120		
CLOSET		5	
BEDROOM #2	115		
CLOSET		5	
BEDROOM #3	80		
CLOSET		5	
COAT CLOSET	4		
LINEN	15.7		
GENERAL STORAGE			192
KITCHEN SHELVING	70		
KITCHEN DRAWER AREA	16		
KITCHEN CBN. - (HANDICAP UNIT)	140		
GROSS ENCLOSED HEATED AREA	900		
EXTERIOR STORAGE REQUIREMENT - SEE DWG 9.			

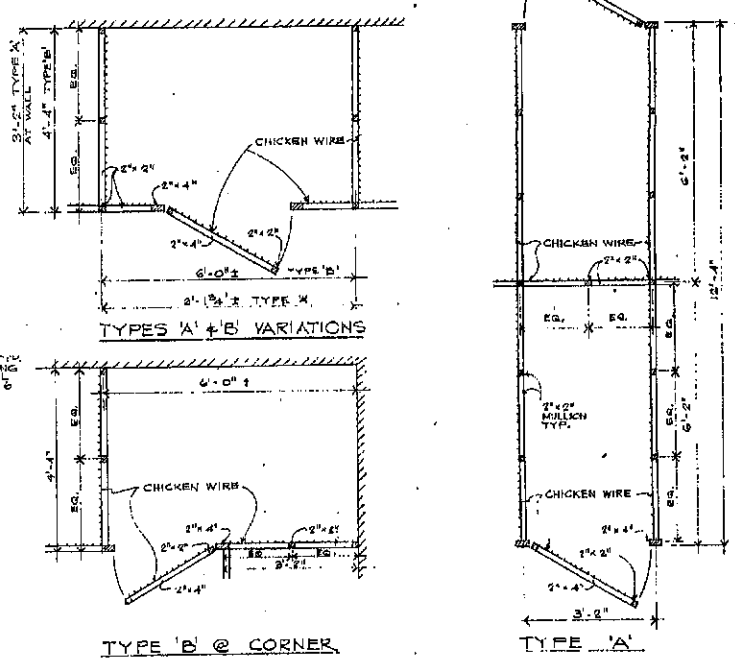
72 UNITS - EMPORIA, VA.		DRAWN	COMM.
MULTI-FAMILY HOUSING COMPLEX		DA	7811
FOR LANDURA CORP. OF THE SOUTHEAST		CHECKED	DATE
J. AUBREY KIRBY A.I.A.		REVERSED	JULY 1978
ARCHITECT		11 OCT 78	SHEET
1266 W. 4TH ST. WINGTOWN, SALEM, N.C.			8
			OF 12



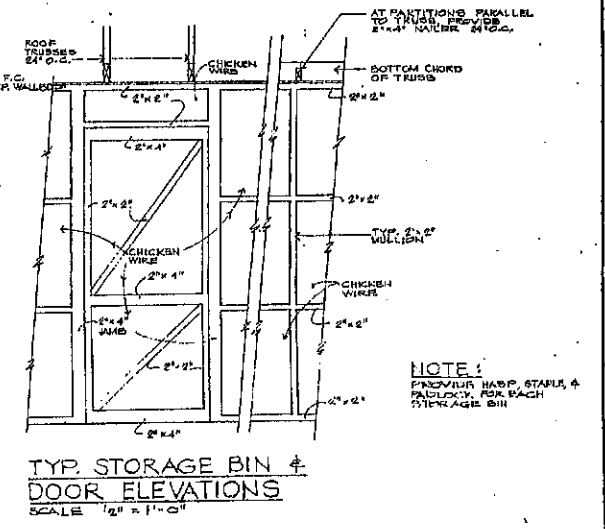
PLAN - STORAGE/LAUNDRY/MAINTENANCE BLDG.
 SCALE 1/8" = 1'-0"
 NOTE: DIMENSIONS ARE TO FACE OF NOMINAL 2"x4" & 2"x6" WOOD STUDS



STORAGE/LAUNDRY/MAINTENANCE BLDG. FOUNDATION & FOOTING PLAN
 SCALE 1/8" = 1'-0"

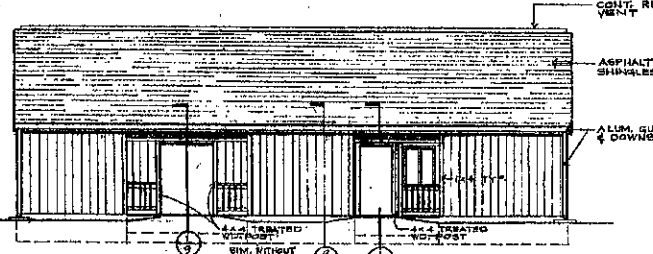


PLANS OF STORAGE BINS
 SCALE 1/2" = 1'-0"

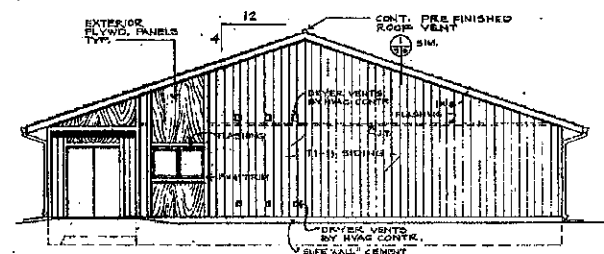


TYP. STORAGE BIN & DOOR ELEVATIONS
 SCALE 1/2" = 1'-0"

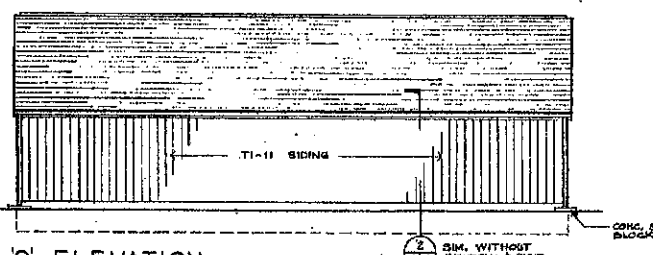
STORAGE BIN SCHEDULE				
STOR. BIN TYPE	UNIT TYPE	QUANTITY	CU. FT./STOR. BIN	
'A'	2 BR. UNIT	36	192	
'B'	3 BR. UNIT	16	208	



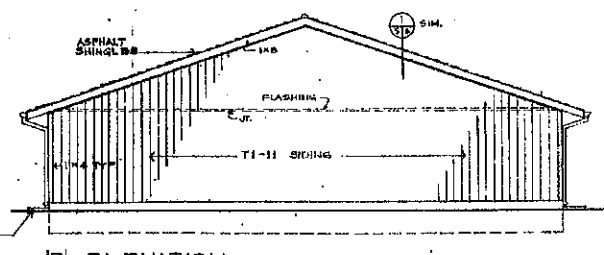
A' ELEVATION
 SCALE 1/8" = 1'-0"



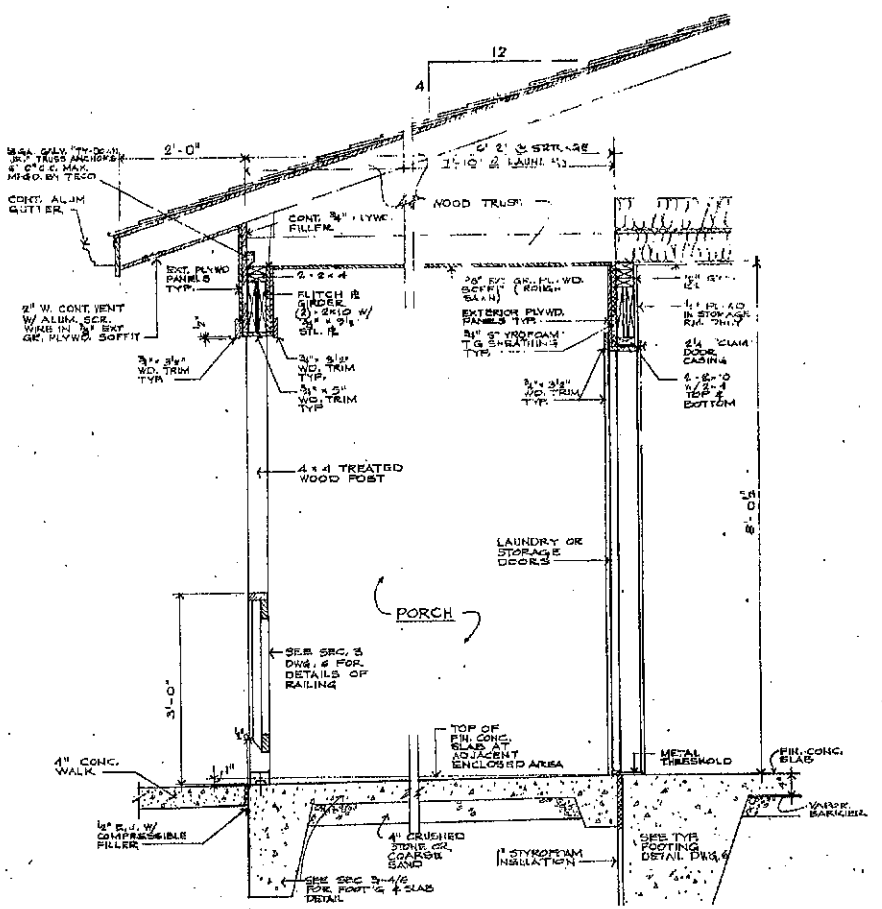
B' ELEVATION
 SCALE 1/8" = 1'-0"



C' ELEVATION
 SCALE 1/8" = 1'-0"



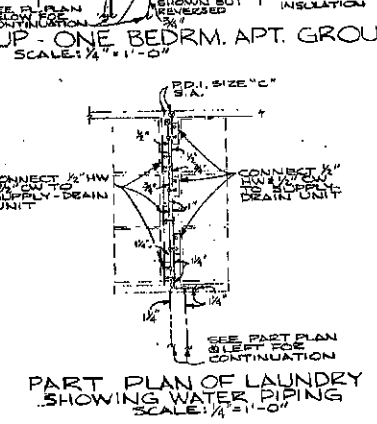
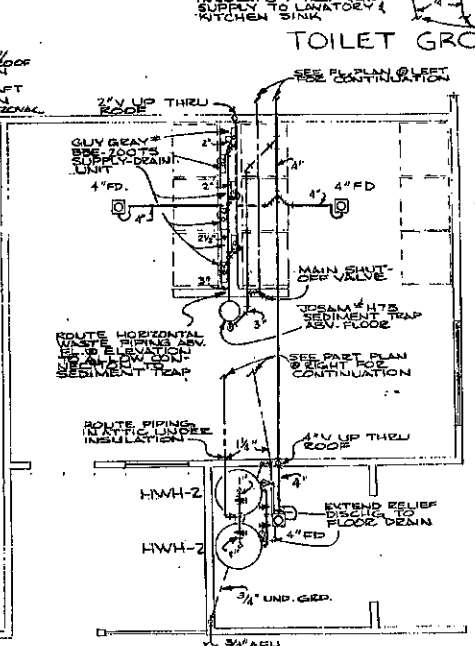
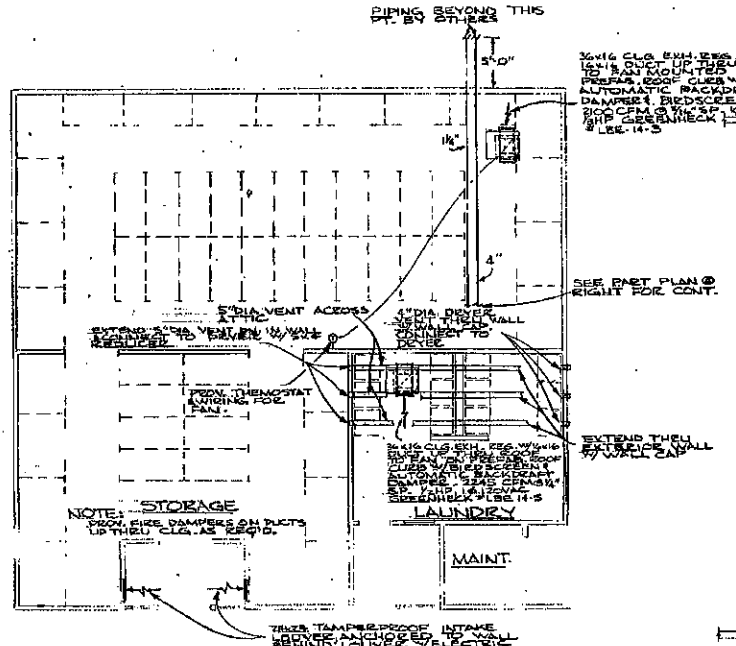
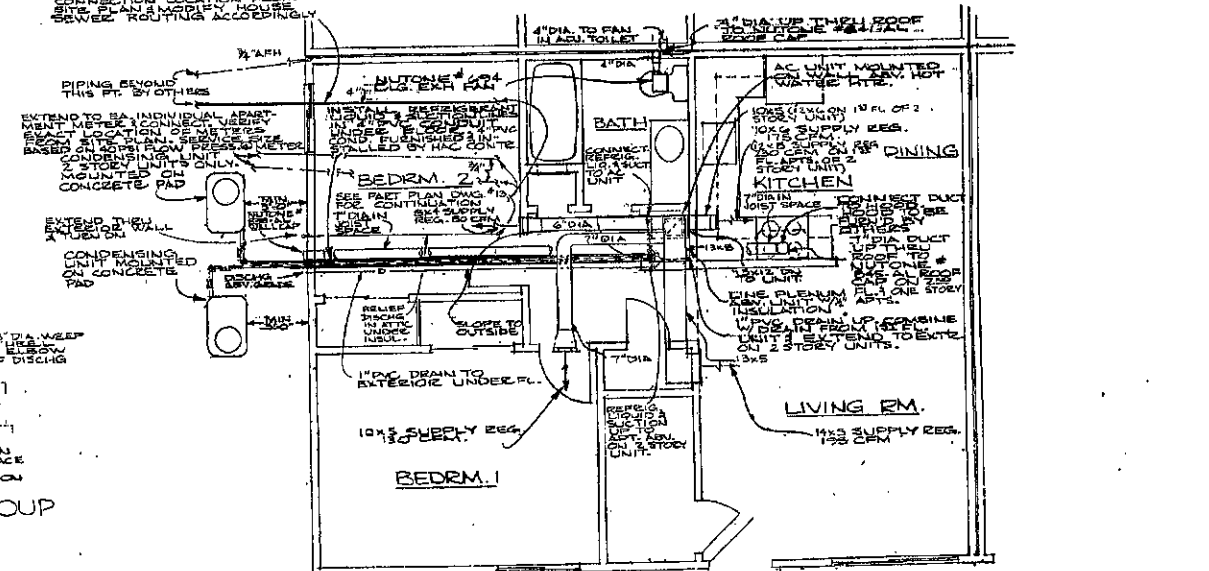
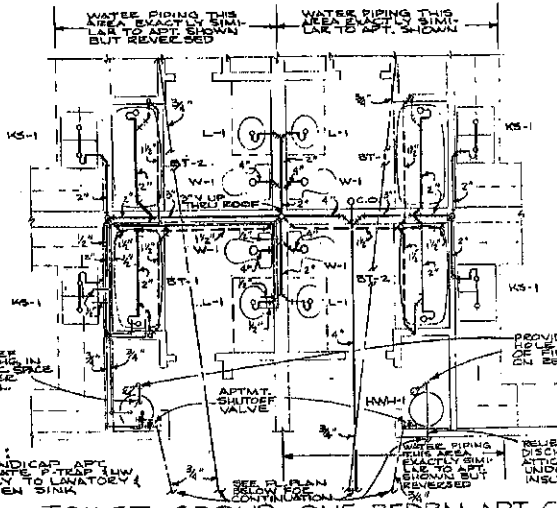
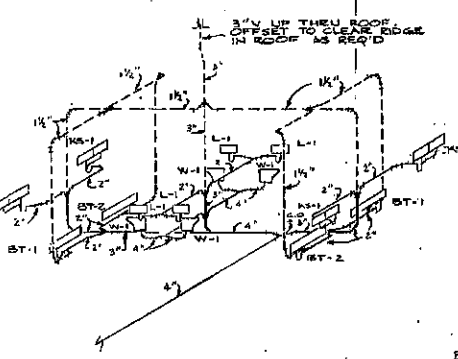
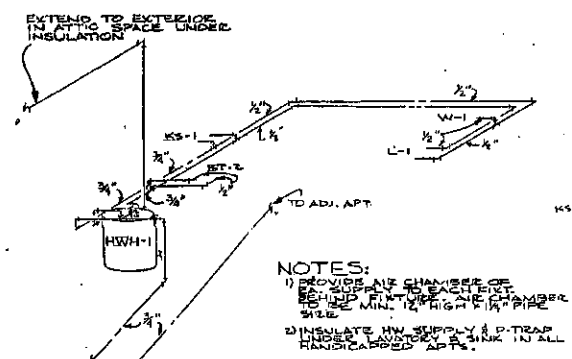
D' ELEVATION
 SCALE 1/8" = 1'-0"



SECTION 1
 SCALE 3/8" = 1'-0"

72 UNITS - EMPORIA, VA.		DRAWN	COMPL.
MULTI-FAMILY HOUSING COMPLEX		D A	7811
FOR LANDURA CORP. OF THE SOUTHEAST		CHECKED	DATE
J. AUBREY KIRBY A.I.A.		REVIEWED	DATE
ARCHITECT		10 OCT 78	SHEET
1066 W. 4TH ST. WINSTON-SALEM, N.C.		9	OF 13

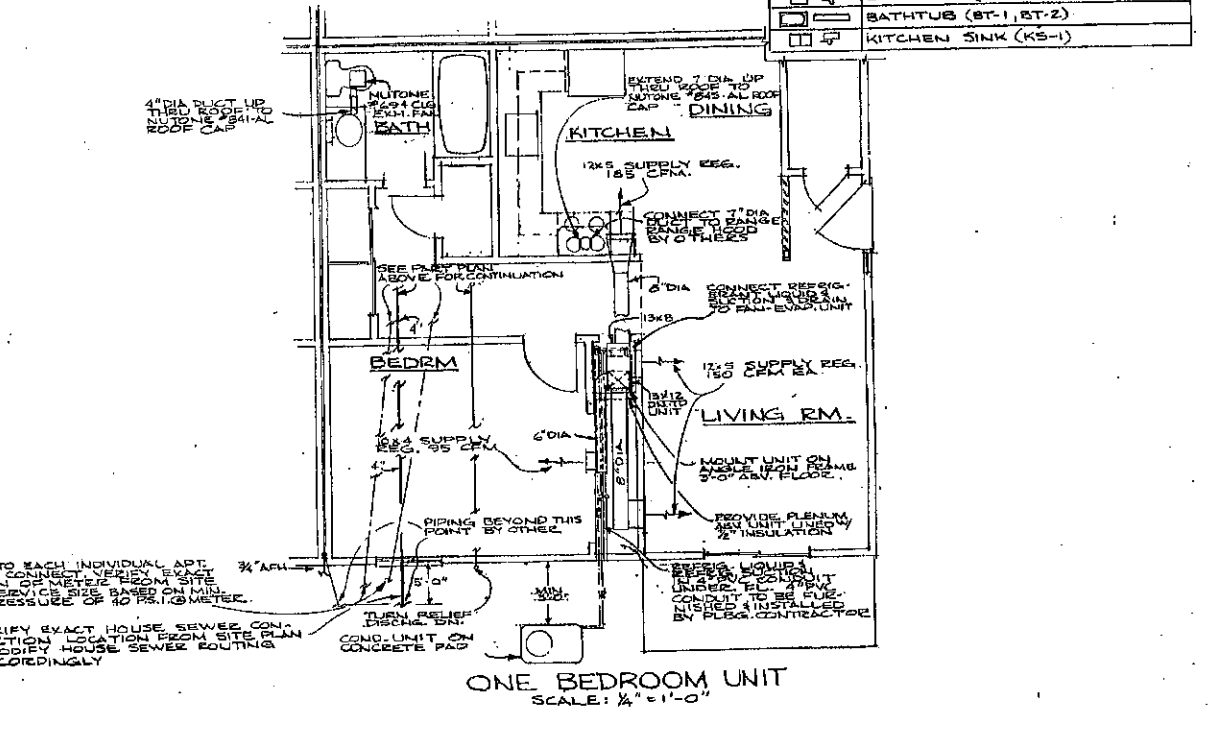
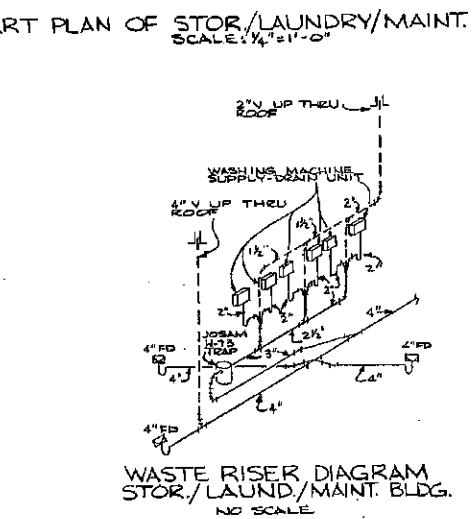
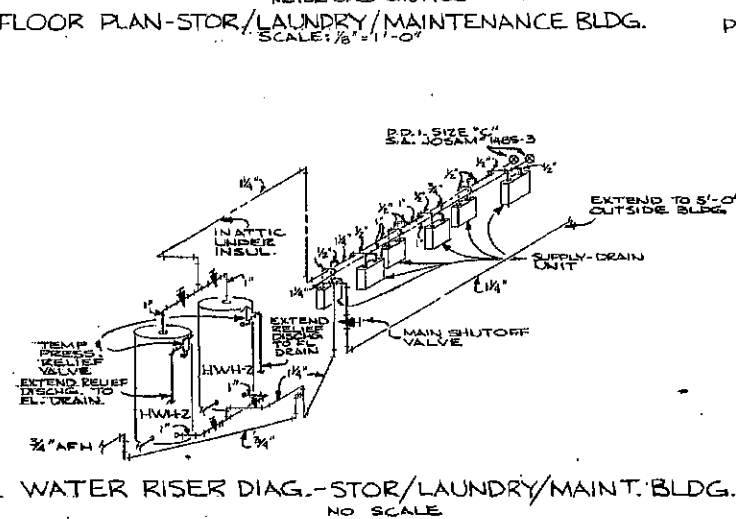
NOTE:
SEE DWG. #11 FOR 2 STORY - 2 BEDRM. APT. UNIT
PLUMBING LAYOUT.



PLUMBING SYMBOLS

---	WASTE PIPE
---	VENT PIPE
---	COLD WATER PIPE
---	HOT WATER PIPE
⊘	ELBOW UP
⊙	ELBOW DOWN
⊘	CLEAN OUT
W-1	WATER CLOSET (W-1)
L-1	LAVATORY (L-1)
BT-1, BT-2	BATHTUB (BT-1, BT-2)
KS-1	KITCHEN SINK (KS-1)

NOTES:
1. EACH ACS SYSTEM SHALL BE COMPLETE W/ PIPING, CHARGED REFRIGERANT, THERM. VALVES, FILTER, THERM. CONTROL, ETC.
2. PROVIDE FLEXIBLE DUCT CONNECTION ON EACH RAN-EVAP. UNIT



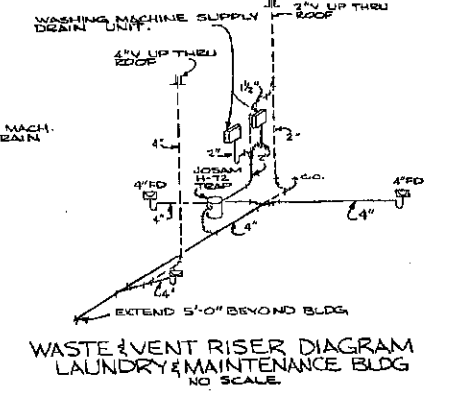
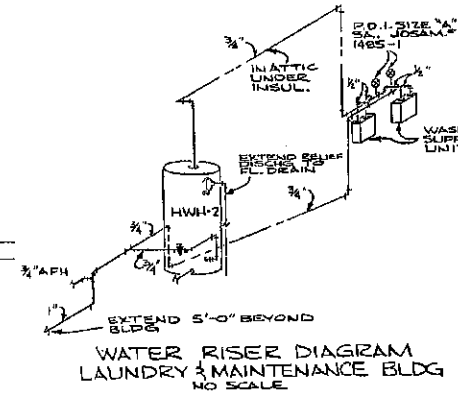
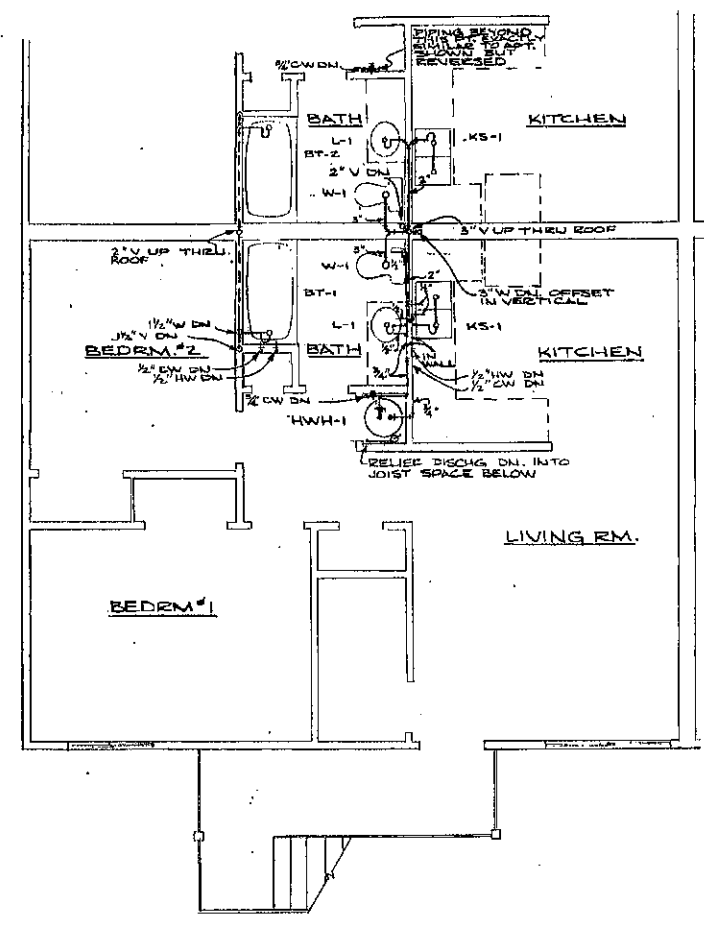
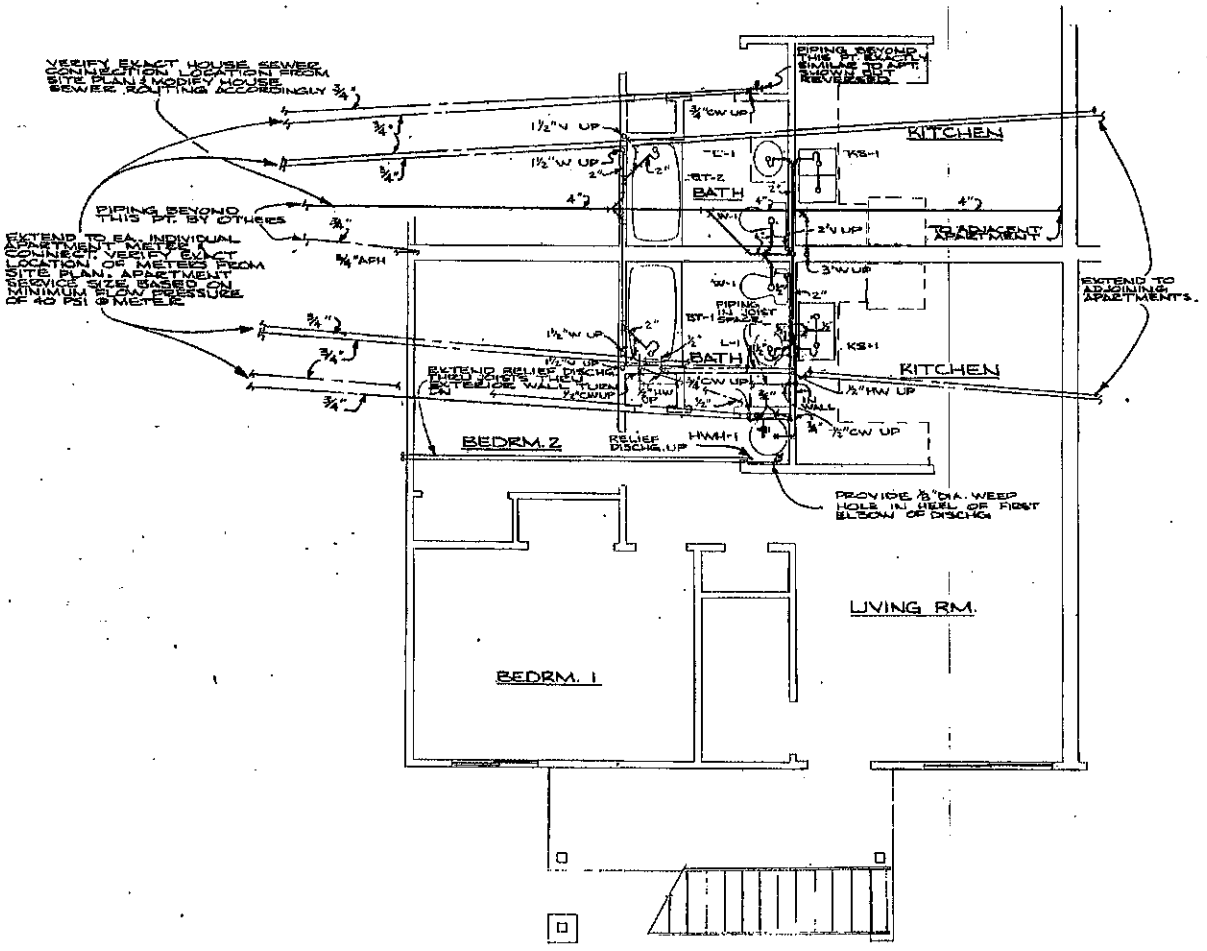
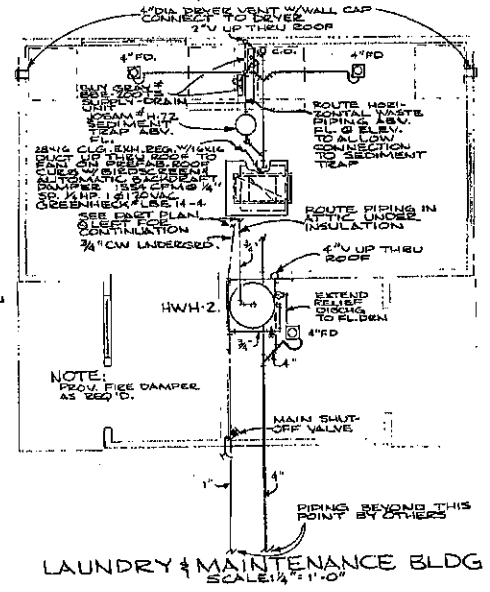
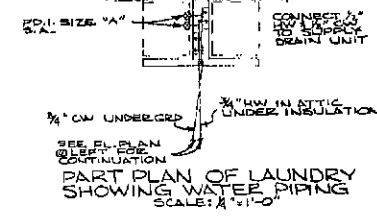
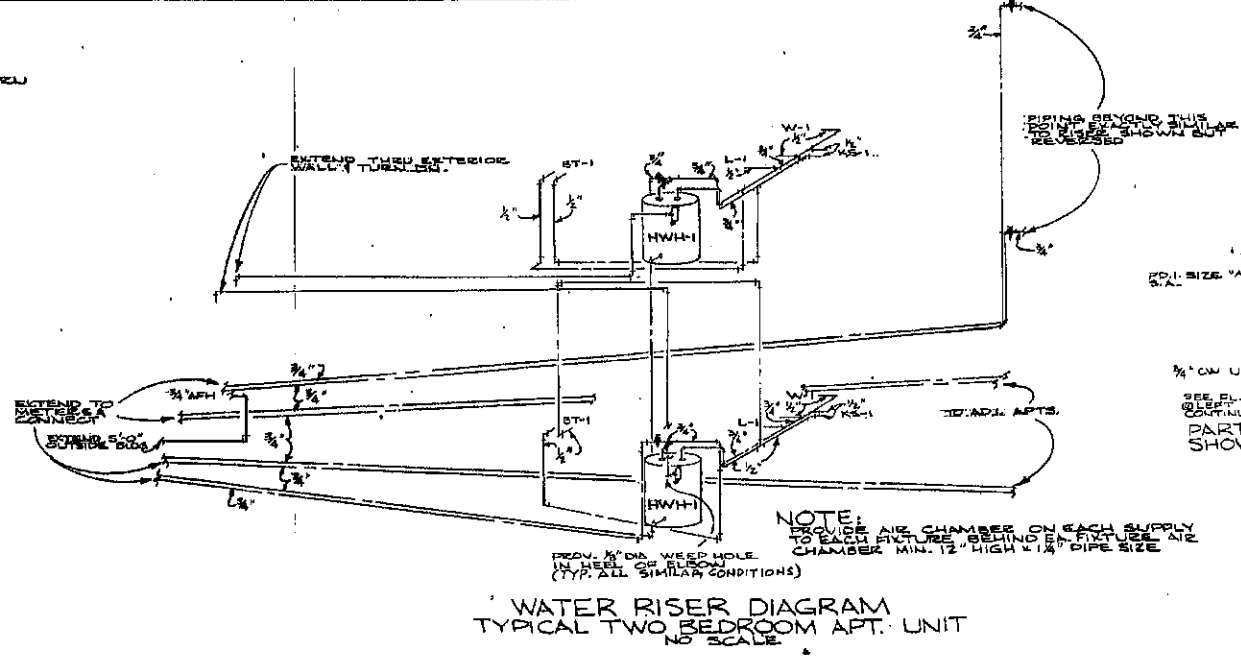
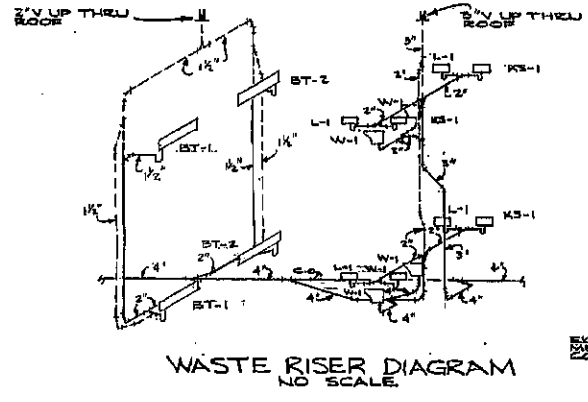
HEATING & AIR CONDITIONING SYMBOLS

---	SUPPLY DUCT
---	EXHAUST DUCT
---	REFRIGERANT LIQUID PIPE
---	REFRIGERANT SUCTION PIPE
---	DRAIN PIPE
---	SUPPLY REGISTER
---	SANITROL

LOUIS M. BOUVIER
CONSULTING ENGINEER
WINSTON - SALEM
N. C.

72 UNITS - EMPORIA, VA.
MULTI-FAMILY HOUSING COMPLEX
FOR
LANDURA CORP. OF THE SOUTHEAST

DRAWN	7811
CHECKED	DATE
REVISED	11 OCT. 78
SHEET	10
OF 15	



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CONSULTING ENGINEER
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72 UNITS - EMPORIA, VA.
MULTI-FAMILY HOUSING COMPLEX
FOR
LANDURA CORP. OF THE SOUTHEAST

ADDENDUM G

Subject Matrices and Property Profiles

SUMMARY MATRIX

#	Property Name	Distance	Type/Built/Renovated	AMI	Unit Type	#	%	SF	Restriction	Rent (Adj)	Max Rent?	Waiting List	Vacant Units	Vacancy Rate
S	Northwoods Village 300 Bethune Square Emporia, VA Emporia County	-	Various 2-stories 1979 / 2025 Family	@40% (Section 8), @50% (Section 8), @60% (Section 8)	1BR/1BA	2	2.8%	636	@40% (Section 8)	\$490	Yes	N/A	N/A	N/A
					1BR/1BA	8	11.1%	636	@50% (Section 8)	\$632	Yes	N/A	N/A	N/A
					1BR/1BA	10	13.9%	636	@60% (Section 8)	\$773	Yes	N/A	N/A	N/A
					2BR/1BA	3	4.2%	760	@40% (Section 8)	\$579	Yes	N/A	N/A	N/A
					2BR/1BA	1	1.4%	785	@40% (Section 8)	\$579	Yes	N/A	N/A	N/A
					2BR/1BA	13	18.1%	760	@50% (Section 8)	\$749	Yes	N/A	N/A	N/A
					2BR/1BA	1	1.4%	785	@50% (Section 8)	\$749	Yes	N/A	N/A	N/A
					2BR/1BA	16	22.2%	760	@60% (Section 8)	\$919	Yes	N/A	N/A	N/A
					2BR/1BA	2	2.8%	785	@60% (Section 8)	\$919	Yes	N/A	N/A	N/A
					3BR/1BA	2	2.8%	900	@40% (Section 8)	\$660	Yes	N/A	N/A	N/A
					3BR/1BA	6	8.3%	900	@50% (Section 8)	\$856	Yes	N/A	N/A	N/A
					3BR/1BA	8	11.1%	900	@60% (Section 8)	\$1,053	Yes	N/A	N/A	N/A
											72			
1	Brookridge Apartments 1325 Skippers Rd Emporia, VA Greensville County	2.4 miles	Garden 3-stories 2000 Family	@50%, @60%	2BR/2BA	42	33.9%	975	@50%	\$736	Yes	No	0	0%
					2BR/2BA	42	33.9%	975	@60%	\$906	Yes	No	2	4.8%
					3BR/2BA	40	32.3%	1,365	@60%	\$1,038	Yes	No	2	5.0%
											124			
												4	3.2%	
2	Chapel Ridge Apartments 301 Jesslyn Drive Roanoke Rapids, NC Halifax County	19.7 miles	Garden 2-stories 2011 Family	@50%, @60%	2BR/1BA	12	24.0%	954	@50%	\$570	No	Yes	0	0%
					2BR/1BA	9	18.0%	954	@60%	\$610	No	Yes	0	0%
					3BR/2BA	20	40.0%	1,149	@50%	\$629	No	Yes	0	0%
					3BR/2BA	9	18.0%	1,149	@60%	\$649	No	Yes	0	0%
											50			
												0	0.0%	
3	Pine Wood Forest 881 Powell Dr South Hill, VA Mecklenburg County	32.1 miles	Garden 2-stories 1999 Family	@50%, @60%	2BR/1BA	12	25.0%	829	@50%	\$680	Yes	Yes	0	0%
					2BR/1BA	4	8.3%	829	@60%	\$995	Yes	Yes	0	0%
					3BR/2BA	20	41.7%	1,124	@50%	\$966	Yes	Yes	0	0%
					3BR/2BA	12	25.0%	1,124	@60%	\$1,152	Yes	Yes	0	0%
											48			
												0	0.0%	
4	Weldon Downtown Apartments 218 Washington Avenue Weldon, NC Halifax County	19.1 miles	Lowrise 2-stories 1898 / 2004 Family	@50%, @60%	1BR/1BA	6	25.0%	560	@50%	\$405	No	Yes	0	0%
					1BR/1BA	5	20.8%	615	@60%	\$452	No	Yes	0	0%
					2BR/1BA	5	20.8%	830	@50%	\$470	No	Yes	0	0%
					2BR/1BA	5	20.8%	850	@60%	\$513	No	Yes	0	0%
					3BR/2BA	2	8.3%	1,300	@50%	\$568	No	Yes	0	0%
					3BR/2BA	1	4.2%	1,400	@60%	\$610	No	Yes	0	0%
						24								
												0	0.0%	
5	Autumn Ridge 114 Nancy Drive Suffolk, VA Suffolk City County	52.4 miles	Townhouse 2-stories 1965 / 2012 Family	Market	1BR/1BA	24	18.8%	556	Market	\$1,204	N/A	No	2	8.3%
					2BR/1BA	88	68.8%	731	Market	\$1,345	N/A	No	2	2.3%
					3BR/1BA	16	12.5%	990	Market	\$1,536	N/A	No	1	6.2%
											128			
												5	3.9%	
6	Carriage Hills Apartments 325 Henry St Roanoke Rapids, NC Halifax County	17.3 miles	Townhouse 2-stories 1971 Family	Market	2BR/1BA	21	46.7%	900	Market	\$781	N/A	Yes	0	0%
					3BR/1BA	24	53.3%	1,050	Market	\$889	N/A	Yes	0	0%
											45			
												0	0.0%	
7	Castle Heights Apartments 124 Raleigh Avenue South Hill, VA Mecklenburg County	33.6 miles	Garden 2-stories 2001 Family	Market	2BR/2BA	16	100.0%	1,116	Market	\$1,360	N/A	No	1	6.2%
											16			
												1	6.2%	
8	Forest Pine Apartments 201 Forest Pine Road Franklin, VA Franklin County	33.0 miles	Garden 2-stories 1963 Family	Market	1BR/1BA	N/A	N/A	630	Market	\$1,000	N/A	Yes	1	N/A
					1BR/1BA	N/A	N/A	768	Market	\$1,045	N/A	Yes	0	N/A
					2BR/1BA	N/A	N/A	834	Market	\$1,125	N/A	Yes	0	N/A
					2BR/1BA	N/A	N/A	928	Market	\$1,150	N/A	Yes	1	N/A
					2BR/1.5BA	N/A	N/A	1,010	Market	\$1,175	N/A	Yes	0	N/A
					2BR/2BA	N/A	N/A	1,012	Market	\$1,200	N/A	Yes	1	N/A
					2BR/2BA	N/A	N/A	1,057	Market	\$1,220	N/A	Yes	1	N/A
					3BR/1BA	N/A	N/A	1,085	Market	\$1,275	N/A	Yes	0	N/A
					3BR/2BA	N/A	N/A	1,127	Market	\$1,315	N/A	Yes	0	N/A
					3BR/2BA	N/A	N/A	1,133	Market	\$1,330	N/A	Yes	0	N/A
						244								
												4	1.6%	
9	Meadowridge Apartments 340 North College Drive Franklin, VA Southampton County	32.8 miles	Garden 2-stories 1990 Family	Market	1BR/1BA	N/A	N/A	765	Market	\$1,249	N/A	No	1	N/A
					1BR/1BA	N/A	N/A	765	Market	\$1,269	N/A	No	0	N/A
					2BR/2BA	N/A	N/A	940	Market	\$1,425	N/A	No	0	N/A
					2BR/2BA	N/A	N/A	940	Market	\$1,450	N/A	No	0	N/A
					2BR/1BA	N/A	N/A	940	Market	\$1,325	N/A	No	0	N/A
					2BR/1BA	N/A	N/A	940	Market	\$1,345	N/A	No	1	N/A
					3BR/2BA	N/A	N/A	1,090	Market	\$1,501	N/A	No	0	N/A
					3BR/2BA	N/A	N/A	1,090	Market	\$1,536	N/A	No	0	N/A
						97								
												2	2.1%	

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

		Units Surveyed	776	Weighted Occupancy	97.9%	
		Market Rate	530	Market Rate	97.7%	
		Tax Credit	246	Tax Credit	98.4%	
		1.0 Bed x 1.0 Bath		2.0 Bed x 1.0 Bath		
RENT	Meadowridge Apartments (Market)	\$1,269	Meadowridge Apartments (Market)(2.0BA)	\$1,450	Autumn Ridge (Market)	\$1,536
	Meadowridge Apartments (Market)	\$1,249	Meadowridge Apartments (Market)(2.0BA)	\$1,425	Meadowridge Apartments (Market)(2.0BA)	\$1,536
	Autumn Ridge (Market)	\$1,204	Castle Heights Apartments (Market)(2.0BA)	\$1,360	Meadowridge Apartments (Market)(2.0BA)	\$1,501
	Northwoods Village (AMR)	\$1,080	Autumn Ridge (Market)	\$1,345	Forest Pine Apartments (Market)(2.0BA)	\$1,330
	Forest Pine Apartments (Market)	\$1,045	Meadowridge Apartments (Market)	\$1,345	Northwoods Village (AMR)	\$1,320
	Forest Pine Apartments (Market)	\$1,000	Meadowridge Apartments (Market)	\$1,325	Forest Pine Apartments (Market)(2.0BA)	\$1,315
	Northwoods Village (@60%)	\$773	Forest Pine Apartments (Market)(2.0BA)	\$1,220	Forest Pine Apartments (Market)	\$1,275
	Northwoods Village (@60%) (ALR)	\$773	Forest Pine Apartments (Market)(2.0BA)	\$1,200	Pine Wood Forest (@60%)(2.0BA)	\$1,152
	Northwoods Village (@50%)	\$632	Northwoods Village (AMR) (785 sf)	\$1,200	Northwoods Village (@60%)	\$1,053
	Northwoods Village (@50%) (ALR)	\$632	Forest Pine Apartments (Market)(1.5BA)	\$1,175	Northwoods Village (@60%) (ALR)	\$1,053
	Northwoods Village (@40%)	\$490	Northwoods Village (AMR) (760 sf)	\$1,175	Brookridge Apartments (@60%)(2.0BA)	\$1,038
	Northwoods Village (@40%) (ALR)	\$490	Forest Pine Apartments (Market)	\$1,150	Pine Wood Forest (@50%)(2.0BA)	\$966
	Weldon Downtown Apartments (@60%)	\$452	Forest Pine Apartments (Market)	\$1,125	Carriage Hills Apartments (Market)	\$889
	Weldon Downtown Apartments (@50%)	\$405	Pine Wood Forest (@60%)	\$995	Northwoods Village (@50%)	\$856
			Northwoods Village (@60%)	\$919	Northwoods Village (@50%) (ALR)	\$856
			Northwoods Village (@60%) (ALR)	\$919	Northwoods Village (@40%)	\$660
			Northwoods Village (@60%)	\$919	Northwoods Village (@40%) (ALR)	\$660
			Northwoods Village (@60%) (ALR)	\$919	Chapel Ridge Apartments (@60%)(2.0BA)	\$649
			Brookridge Apartments (@60%)(2.0BA)	\$906	Chapel Ridge Apartments (@50%)(2.0BA)	\$629
			Carriage Hills Apartments (Market)	\$781	Weldon Downtown Apartments (@60%)(2.0BA)	\$610
			Northwoods Village (@50%)	\$749	Weldon Downtown Apartments (@50%)(2.0BA)	\$568
			Northwoods Village (@50%) (ALR)	\$749		
			Northwoods Village (@50%)	\$749		
			Northwoods Village (@50%) (ALR)	\$749		
			Brookridge Apartments (@50%)(2.0BA)	\$736		
			Pine Wood Forest (@50%)	\$680		
			Chapel Ridge Apartments (@60%)	\$610		
			Northwoods Village (@40%)	\$579		
			Northwoods Village (@40%) (ALR)	\$579		
			Northwoods Village (@40%)	\$579		
		Northwoods Village (@40%) (ALR)	\$579			
		Chapel Ridge Apartments (@50%)	\$570			
		Weldon Downtown Apartments (@60%)	\$513			
		Weldon Downtown Apartments (@50%)	\$470			

	1.0 Bed x 1.0 Bath		2.0 Bed x 1.0 Bath		3.0 Bed x 1.0 Bath	
SQUARE FOOTAGE	Forest Pine Apartments (Market)	768	Castle Heights Apartments (Market)(2.0BA)	1,116	Weldon Downtown Apartments (@60%)(2.0BA)	1,400
	Meadowridge Apartments (Market)	765	Forest Pine Apartments (Market)(2.0BA)	1,057	Brookridge Apartments (@60%)(2.0BA)	1,365
	Meadowridge Apartments (Market)	765	Forest Pine Apartments (Market)(2.0BA)	1,012	Weldon Downtown Apartments (@50%)(2.0BA)	1,300
	Northwoods Village (@40%)	636	Forest Pine Apartments (Market)(1.5BA)	1,010	Chapel Ridge Apartments (@50%)(2.0BA)	1,149
	Northwoods Village (@50%)	636	Brookridge Apartments (@50%)(2.0BA)	975	Chapel Ridge Apartments (@60%)(2.0BA)	1,149
	Northwoods Village (@60%)	636	Brookridge Apartments (@60%)(2.0BA)	975	Forest Pine Apartments (Market)(2.0BA)	1,133
	Forest Pine Apartments (Market)	630	Chapel Ridge Apartments (@50%)	954	Forest Pine Apartments (Market)(2.0BA)	1,127
	Weldon Downtown Apartments (@60%)	615	Chapel Ridge Apartments (@60%)	954	Pine Wood Forest (@50%)(2.0BA)	1,124
	Weldon Downtown Apartments (@50%)	560	Meadowridge Apartments (Market)	940	Pine Wood Forest (@60%)(2.0BA)	1,124
	Autumn Ridge (Market)	556	Meadowridge Apartments (Market)	940	Meadowridge Apartments (Market)(2.0BA)	1,090
			Meadowridge Apartments (Market)(2.0BA)	940	Meadowridge Apartments (Market)(2.0BA)	1,090
			Meadowridge Apartments (Market)(2.0BA)	940	Forest Pine Apartments (Market)	1,085
			Forest Pine Apartments (Market)	928	Carriage Hills Apartments (Market)	1,050
			Carriage Hills Apartments (Market)	900	Autumn Ridge (Market)	990
			Weldon Downtown Apartments (@60%)	850	Northwoods Village (@40%)	900
			Forest Pine Apartments (Market)	834	Northwoods Village (@50%)	900
			Weldon Downtown Apartments (@50%)	830	Northwoods Village (@60%)	900
			Pine Wood Forest (@50%)	829		
			Pine Wood Forest (@60%)	829		
			Northwoods Village (@40%)	785		
			Northwoods Village (@50%)	785		
		Northwoods Village (@60%)	785			
		Northwoods Village (@40%)	760			
		Northwoods Village (@50%)	760			
		Northwoods Village (@60%)	760			
		Autumn Ridge (Market)	731			
RENT PER SQUARE FOOT	Autumn Ridge (Market)	\$2.17	Autumn Ridge (Market)	\$1.84	Autumn Ridge (Market)	\$1.55
	Northwoods Village (AMR)	\$1.70	Northwoods Village (AMR) (785 sf)	\$1.55	Northwoods Village (AMR)	\$1.47
	Meadowridge Apartments (Market)	\$1.66	Meadowridge Apartments (Market)(2.0BA)	\$1.54	Meadowridge Apartments (Market)(2.0BA)	\$1.41
	Meadowridge Apartments (Market)	\$1.63	Northwoods Village (AMR) (760 sf)	\$1.53	Meadowridge Apartments (Market)(2.0BA)	\$1.38
	Forest Pine Apartments (Market)	\$1.59	Meadowridge Apartments (Market)(2.0BA)	\$1.52	Forest Pine Apartments (Market)	\$1.18
	Forest Pine Apartments (Market)	\$1.36	Meadowridge Apartments (Market)	\$1.43	Forest Pine Apartments (Market)(2.0BA)	\$1.17
	Northwoods Village (@60%)	\$1.22	Meadowridge Apartments (Market)	\$1.41	Northwoods Village (@60%)	\$1.17
	Northwoods Village (@60%) (ALR)	\$1.22	Meadowridge Apartments (Market)	\$1.35	Northwoods Village (@60%) (ALR)	\$1.17
	Northwoods Village (@50%)	\$0.99	Forest Pine Apartments (Market)	\$1.24	Forest Pine Apartments (Market)(2.0BA)	\$1.17
	Northwoods Village (@50%) (ALR)	\$0.99	Castle Heights Apartments (Market)(2.0BA)	\$1.22	Pine Wood Forest (@60%)(2.0BA)	\$1.02
	Northwoods Village (@40%)	\$0.77	Northwoods Village (@60%)	\$1.21	Northwoods Village (@50%)	\$0.95
	Northwoods Village (@40%) (ALR)	\$0.77	Northwoods Village (@60%) (ALR)	\$1.21	Northwoods Village (@50%) (ALR)	\$0.95
	Weldon Downtown Apartments (@60%)	\$0.73	Pine Wood Forest (@60%)	\$1.20	Pine Wood Forest (@50%)(2.0BA)	\$0.86
	Weldon Downtown Apartments (@50%)	\$0.72	Forest Pine Apartments (Market)(2.0BA)	\$1.19	Carriage Hills Apartments (Market)	\$0.85
			Northwoods Village (@60%)	\$1.17	Brookridge Apartments (@60%)(2.0BA)	\$0.76
			Northwoods Village (@60%) (ALR)	\$1.17	Northwoods Village (@40%)	\$0.73
			Forest Pine Apartments (Market)(1.5BA)	\$1.16	Northwoods Village (@40%) (ALR)	\$0.73
			Forest Pine Apartments (Market)(2.0BA)	\$1.15	Chapel Ridge Apartments (@60%)(2.0BA)	\$0.56
			Northwoods Village (@50%)	\$0.99	Chapel Ridge Apartments (@50%)(2.0BA)	\$0.55
			Northwoods Village (@50%) (ALR)	\$0.99	Weldon Downtown Apartments (@50%)(2.0BA)	\$0.44
			Northwoods Village (@50%)	\$0.95	Weldon Downtown Apartments (@60%)(2.0BA)	\$0.44
			Northwoods Village (@50%) (ALR)	\$0.95		
			Brookridge Apartments (@60%)(2.0BA)	\$0.93		

Carriage Hills Apartments (Market)	\$0.87
Pine Wood Forest (@50%)	\$0.82
Northwoods Village (@40%)	\$0.76
Northwoods Village (@40%) (ALR)	\$0.76
Brookridge Apartments (@50%)(2.0BA)	\$0.75
Northwoods Village (@40%)	\$0.74
Northwoods Village (@40%) (ALR)	\$0.74
Chapel Ridge Apartments (@60%)	\$0.64
Weldon Downtown Apartments (@60%)	\$0.60
Chapel Ridge Apartments (@50%)	\$0.60
Weldon Downtown Apartments (@50%)	\$0.57