



**BOWEN
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RESEARCH**

Market Feasibility Analysis

Rady Street Apartments
2900 Rady Street and 2733 5th Street
Richmond, Virginia 23222

Prepared For

Ms. Elizabeth Nice
Virginia Supportive Housing
PO Box 8585
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Authorized User

Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

Effective Date

February 21, 2024

Job Reference Number

24-137 JP

Market Study Certification

NCHMA Certification

This certifies that Jeff Peters, an employee of Bowen National Research, personally made an inspection of the area including competing properties and the proposed site in Richmond, Virginia. Further, the information contained in this report is true and accurate as of February 21, 2024.

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

Virginia Housing Certification

I affirm the following:

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

Certified:



Jeff Peters (Primary Contact)

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Date: February 21, 2024



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Certificate of Professional Designation

This certificate verifies that

Patrick Bowen

Bowen National Research

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



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



Kaitlyn Snyder
Managing Director, NCHMA

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I. Introduction

A. PURPOSE

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

B. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

C. SOURCES

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

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

D. REPORT LIMITATIONS

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

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

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II. Executive Summary

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

The following is a summary of key findings from our report:

Project Description

The subject project involves the new construction of the 82-unit Rady Street Apartments at 2900 Rady Street and 2733 5th Avenue in Richmond, Virginia. The project will be developed utilizing funding from the Low-Income Housing Tax Credit (LIHTC) program and will target lower-income adults/homeless individuals earning up to 40%, 50% and 60% of Area Median Household Income (AMHI). Additionally, 70 units will operate with HUD Project-Based Vouchers (PBV), allowing tenants to pay up to 30% of their adjusted gross household income towards housing costs. The proposed project is expected to be completed in December 2027. Additional details of the subject project can be found in Section III - *Project Description* of this report.

Site Evaluation

The proposed site consists of vacant land located at 2900 Rady Street in the northeastern portion of Richmond, Virginia. The subject site is situated within a partially established, mixed-use area of Richmond, although several immediate surrounding land uses are residential in nature and the site is considered conducive to residential housing. The proposed site will be visible from both 5th Avenue (north of site) and Rady Street (east of site), both of which are lightly traveled roadways. The four-story design of the subject project is further expected to positively contribute to the visibility and awareness of the subject site, as it will be one of the tallest structures in the immediate area. Based on a site plan provided at the time of this report, the subject project will derive access from both 5th Avenue and Rady Street. The generally light traffic along these aforementioned roadways is expected to allow for convenient ingress and egress of the subject site. Several public bus stops are located within walking distance of the site, which further improves site access. The subject site is also within proximity of several community services, many of which are located within area shopping centers that can be accessed within approximately 2.0 miles of the site. Overall, the site's surrounding land uses and proximity to services should positively contribute to its marketability. Additional information regarding the subject site, surrounding land uses and the proximity of community services is included in Section IV - *Area Analysis*.

Primary Market Area (PMA)

The traditional Richmond Site Primary Market Area (PMA) includes the northern and northeastern portions of Richmond, including the Ginter Park and Highland Park neighborhoods of Richmond. The boundaries of the Site PMA generally include Azalea Avenue, East Laburnum Avenue and Meadowview Park to the north; North Laburnum Avenue to the east; Nine Mile Road and Interstate 64/Interstate 95 to the south; and Interstate 64/Interstate 95 to the west. A justification of this market area and a map illustrating the boundaries of the Site PMA can be found in *Section IV*, beginning on page *IV-9*.

Demographic Trends

The Richmond Site PMA demographic base is generally projected to remain stable between 2024 and 2029. In addition, of the 12,887 renter households projected for 2029, more than half (56.8%) are projected to earn below \$35,000, which is conducive to the incomes targeted at the site. These trends emphasize the ongoing need for additional rental housing within the Site PMA. In addition, it must be reiterated that the subject project will target homeless individuals that will likely be comprised from within the entirety of the CoC. Detailed demographic trends are included in *Section IV*, beginning on page *IV-11*.

Economic Trends

The Richmond economy experienced consistent growth between 2013 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, which caused many area businesses to shut down in an attempt to mitigate the spread of the coronavirus. During this time, the Richmond employment base declined by over 6,400 jobs, or 5.6%, and its unemployment rate increased by nearly six percentage points. On a positive note, the local economy has consistently improved since, with total employment at its highest level within the preceding ten-year period and the unemployment rate back to pre-pandemic levels through November 2023. These are good indications that the Richmond economy has fully recovered from the initial impact of the pandemic in terms of total employment and unemployment rate. This, in turn, will continue to create a stable environment for the local housing market. Detailed economic trends are included in *Section IV*, beginning on page *IV-15*.

Overall Rental Housing Market Conditions

We identified and personally surveyed 20 conventional housing projects containing a total of 3,498 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 91.8%, a generally stable rate for rental housing.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	5	1,580	72	95.4%
Market-Rate/Tax Credit	1	103	10	90.3%
Tax Credit	9	1,459	147	89.9%
Tax Credit/Government-Subsidized	5	356	58	83.7%
Total	20	3,498	287	91.8%

As illustrated in the preceding table, the Tax Credit rental housing segment is reporting a combined occupancy rate of 89.9%, and the Tax Credit/government-subsidized segment reports a combined occupancy rate of 83.7%, generally less than stable occupancy rates for affordable housing. However, it is important to note that this includes one property still in its initial lease-up period (Cool Lane) and reporting 54 vacant units. In addition, a Tax Credit property (Glenwood Farms Apartments) is reporting 105 vacant units and according to management, this property recently changed management companies and several tenants were evicted, while leasing was also paused for a short period of time during the transition between management companies. When excluding these two properties, the Tax Credit segment has a combined occupancy rate of 96.4%, the Tax Credit/government-subsidized segment has a combined occupancy rate of 97.4%, and the overall market has a combined occupancy rate of 95.9%. As such, it appears that there are no deficiencies within the Richmond rental housing market.

Competitive/Comparable Tax Credit Analysis

The subject site will provide 82 studio and one-bedroom units to low-income renters earning up to 40%, 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Of the 82 units, 70 will operate with a Section 8 subsidy and all units will target homeless individuals. As such, we have selected the five most comparable LIHTC properties within the Site PMA to serve as a baseline of comparison to the proposed subject project. These properties have been selected based on various features such as their location, units offered, age and targeted population. Notably, one of these properties is restricted to seniors, however, this property will provide an additional base of comparison for the subject project and is not considered directly competitive with the subject project.

In addition, one of these properties Cool Lane (Map ID 9), targets homeless individuals and offers studio and one-bedroom units, similar to that proposed/offered at the subject site. However, it should be noted that all units at this property operate with a subsidy allowing tenants to pay only a portion of their income towards rent. As such, no conclusions should be made based on the rents of this property, however, it is the only directly competitive property in the market and has been included in our comparable analysis.

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

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Rady Street Apartments	2027	82	-	-	-	Families/Homeless; 40%, 50% & 60% AMHI & PBV
7	Carter Woods I & II	2004	152	100.0%	3.5 Miles	150 HH	Seniors 62+; 40%, 50%, & 60% AMHI
9	Cool Lane	1977 / 2022	86	37.2%	1.3 Miles	None	Families/Homeless; 50% AMHI & PBV/PBRA
14	Lincoln Mews I & II	1969 / 2011	245	97.1%	2.4 Miles	None	Families; 40%, 50%, & 60% AMHI
15	Mallard Greens Townhomes	1965 / 2007	192	96.9%	2.6 Miles	None	Families; 60% AMHI
16	Oliver Apts.	1886 / 2020	164	94.5%	2.5 Miles	None	Families; 60% AMHI

OCC. – Occupancy; HH -Households

The five comparable LIHTC projects have a combined occupancy rate of 90.9%, however, as stated throughout this report, this includes Cool Lane, a Tax Credit property that is still in lease-up and reporting an occupancy rate of 37.2%. When excluding this property, the remaining comparable LIHTC properties have a combined occupancy rate of 97.1%, a good rate for rental housing. The development of the subject project will alleviate a portion of this high demand.

It is also important to note that Cool Lane offers a similar rental product as that proposed at the site, as this property targets homeless individuals and leased 32 units within less than two months. This is considered a good absorption rate and further illustrates the need for such housing in the market.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)					Rent Special
		Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.	
Site	Rady Street Apartments	\$747/40% (13)* \$933/50% (28)* \$933/60% (20)* \$1,120/60% (12)	\$1,200/60% (9)*	-	-	-	-
7	Carter Woods I & II	-	\$788/40% (16/0) \$988/50% (31/0) \$1,188/60% (44/0)	\$1,190/50% (25/0) \$1,430/60% (36/0)	-	-	None
9	Cool Lane	Subsidized/50% (6/3)**	Subsidized/50% (80/51)**	-	-	-	None
14	Lincoln Mews I & II	-	\$781/40% (14/0) \$981/50% (17/0) \$1,181/60% (1/0)	\$948/40% (4/0) \$948/40% (4/0) \$1,188/50% (27/1) \$1,188/50% (97/4) \$1,428/60% (3/0) \$1,428/60% (15/0)	\$1,105/40% (4/0) \$1,382/50% (45/2) \$1,659/60% (10/0)	\$1,548/50% (4/0)	None
15	Mallard Greens Townhomes	-	\$1,090/60% (3/3)	\$1,155/60% (186/0)	\$1,374/60% (3/3)	-	None
16	Oliver Apts.	-	\$1,180/60% (146/6)	\$1,405/60% (9/3) \$1,405/60% (9/0)	-	-	None

*Maximum allowable LIHTC rent; contract rent exceeds maximum allowable and units operate with subsidy allowing tenants to pay portion of their income towards rent

**Subsidized; tenants of this project pay only a portion of their income towards rent

Note that none of the comparable Tax Credit properties offer non-subsidized studio units with rents that are being paid by the tenants. The proposed non-subsidized gross rent at the subject site will generally be competitive with the gross LIHTC rents being achieved at the comparable LIHTC properties in the market. In addition, given the generally strong occupancy levels maintained at the comparable developments, these properties can likely achieve higher rents without adversely impacting their occupancy levels. Regardless, 70 of the units at the site will operate with a project-based subsidy and only the remaining 12 units at 60% of AMHI will be occupied by tenants that must pay the charged rents, although it is likely that these units will be filled by those with vouchers due to the special needs population targeted at the site and the referrals expected to fill the units at the site.

Comparable Tax Credit Summary

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

Perception of Value

The following table illustrates the market-rent advantages for the proposed subject units:

Bedroom Type	Proposed/Programmatic Collected LIHTC Rent (% AMHI)	Achievable Market Rent	Market Rent Advantage
Studio	\$747* (40%)	\$1,295	42.3%
Studio	\$933* (50%)	\$1,295	28.0%
Studio	\$1,120 (60%)	\$1,295	13.5%
One-Br.	\$1,200* (60%)	\$1,380	13.0%

*Maximum allowable LIHTC rent; contract rent exceeds maximum allowable rent

Typically, Tax Credit units should represent approximately a 10.0% market rent advantage. As such, the proposed/programmatic Tax Credit rents will likely be perceived as good values within the market, as they represent market rent advantages of between 13.0% and 42.3%.

Capture Rate Estimates

The subject project will be developed using financing from the Low-Income Housing Tax Credit (LIHTC) program. It will also offer a Section 8 subsidy with 70 of the 82 units, allowing tenants to pay no more than 30% of their income towards gross rent. Because the project will target the homeless population, the traditional method of calculating the capture rate of income-qualified renter households using U.S. Census data is not necessarily an accurate measure of the depth of support for the proposed development. As a result, we have calculated two sets of demand. First, we calculated the traditional capture rate of the project following Virginia Housing market study requirements. This approach evaluates the number of income-qualified renter households in the market, regardless if they meet the criteria of being designated as “homeless.” We then calculated the capture rate of the project that considers only homeless individuals based on Point-in-Time survey data.

Virginia Housing Demand

Subsidized Demand Estimates (As Proposed):

Demand Component	Percent of Median Household Income				
	40% AMHI w/ Section 8 (\$0-\$29,880)	50% AMHI w/Section 8 (\$0-\$37,350)	60% AMHI w/ Section 8 (\$0-\$51,180)	60% AMHI (\$38,400-\$44,820)	Overall w/ Section 8 (\$0-\$51,180)
Net Demand*	1,578	1,801	3,211	152	3,211
Proposed Units	13	28	29	12	82
Proposed Units / Net Demand	13 / 1,578	28 / 1,747	29 / 3,211	12 / 152	82 / 3,211
Capture Rate	= 0.8%	= 1.6%	= 0.9%	= 7.9%	= 2.6%

*Solely considers one-person households for studio units and one- and two-person households for the one-bedroom units

Non-Subsidized Demand Estimates:

Demand Component	Percent of Median Household Income			
	40% AMHI (\$25,611 -\$29,880)	50% AMHI (\$31,989 -\$37,350)	60% AMHI (\$38,400 -\$51,180)	LIHTC Only^ (\$25,611 -\$51,180)
Net Demand*	141	125	484	751
Proposed Units	13	28	41	82
Proposed Units / Net Demand	13 / 141	28 / 125	41 / 484	82 / 751
Capture Rate	= 9.2%	= 22.4%	= 8.5%	= 10.9%

**Solely considers one-person households for studio units and one- and two-person households for the one-bedroom units

^Accounts for gaps in affordability levels; N/A-Not Applicable

If targeting a general-occupancy population, the 82 units would require an overall capture rate of 2.6%, assuming the subsidy is offered on most units as proposed. If the subsidy was lost and the project operated solely under LIHTC program guidelines, it would require a 10.9% capture rate. These capture rates are considered achievable, illustrating that there will be sufficient market depth in the PMA to operate if the subsidy is lost and/or if the project only targeted a general-occupancy population.

Homeless Demand

Based on the Point-in-Time survey data included in *Section VII*, we have provided a homeless renter household capture rate. This capture rate calculation is summarized as follows:

	Homeless Capture Rate Point-in-Time Homeless Survey
Designated Units	82
Eligible Persons	/ 690*
Capture Rate	= 11.9%

*Homeless Individuals, collected from 2023 Point-in-Time survey.

Considering the nature of homelessness, capture rates up to and even beyond 100% are considered achievable. Therefore, the capture rate of 11.9% provided above is considered to be low and illustrates the demand for such housing.

Penetration Rate

The 2,283 existing and planned non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned Tax Credit units is \$25,611 to \$69,120. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, there will be a projected 4,766 renter households with eligible incomes in 2027. The 2,365 existing and planned non-subsidized Tax Credit units (including the 82 proposed subject units), represent a penetration rate of 49.6% of the 4,766 income-eligible renter households, which is summarized in the following table.

	Market Penetration
Number of LIHTC Units (Planned and Existing)	2,365
Income-Eligible Renter Households – 2027	/ 4,766
Overall Market Penetration Rate	= 49.6%

It is our opinion that the 49.6% penetration rate for the LIHTC units, both existing and planned, is elevated, yet achievable. This is especially true considering the generally high occupancy rates reported among most affordable properties in the market, and the fact that the subject project will offer subsidized units targeting homeless individuals. Thus, the subject’s penetration rate would only realistically include homeless units, and not the non-subsidized Tax Credit units included in the preceding penetration rate analysis.

Absorption Projections

The subject project will operate with a subsidy upon completion of construction and all units will likely be rented to those households currently eligible to reside at the site based on a waiting list maintained by the housing authority. Assuming the subject project operates with a subsidy on 70 units, we estimate that the 82 subject units can achieve a stabilized occupancy of 93.0% within six months of opening. This is based on a monthly absorption rate of approximately 13 units per month.

In the unlikely event the subject project operates without a subsidy, it would likely experience a slightly extended absorption period of eight months, reflective of nine to ten units per month.

However, the subject project is expected to be occupied from a lengthy waiting list that is maintained by the local housing authority. As such, it is anticipated that the subject project will likely be filled as quickly as applications can be processed and qualified individuals are accepted from the waiting list.

III. Project Description

Project Name:	Rady Street Apartments
Location:	2900 Rady Street and 2733 5th Avenue, Richmond, Virginia 23222
Census Tract:	109.00
Target Market:	Homeless and Low-Income Single Adults
Construction Type:	New Construction
Funding Source:	LIHTC

The subject project involves the new construction of the 82-unit Rady Street Apartments at 2900 Rady Street and 2733 5th Avenue in Richmond, Virginia. The project will be developed utilizing funding from the Low-Income Housing Tax Credit (LIHTC) program and will target lower-income adults/homeless individuals earning up to 40%, 50% and 60% of Area Median Household Income (AMHI). Additionally, 70 units will operate with HUD Project-Based Vouchers (PBV), allowing tenants to pay up to 30% of their adjusted gross household income towards housing costs. The proposed project is expected to be completed in December 2027. Additional details of the subject project are as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
13	Studio	1.0	Garden	405	40%/PBV	\$1,461	\$0	\$1,461	\$747
28	Studio	1.0	Garden	405	50%/PBV	\$1,461	\$0	\$1,461	\$933
2	Studio	1.0	Garden	405	60%/PBV	\$1,461	\$0	\$1,461	\$1,120
14	Studio	1.0	Garden	429	60%/PBV	\$1,461	\$0	\$1,461	\$1,120
2	Studio	1.0	Garden	490	60%/PBV	\$1,461	\$0	\$1,461	\$1,120
2	Studio	1.0	Garden	510	60%/PBV	\$1,461	\$0	\$1,461	\$1,120
12	Studio	1.0	Garden	429	60%	\$1,120	\$0	\$1,120	\$1,120
6	One-Br.	1.0	Garden	520	60%/PBV	\$1,502	\$0	\$1,502	\$1,200
1	One-Br.	1.0	Garden	650	60%/PBV	\$1,502	\$0	\$1,502	\$1,200
2	One-Br.	1.0	Garden	731	60%/PBV	\$1,502	\$0	\$1,502	\$1,200
82	Total								

Source: Virginia Supportive Housing

AMHI – Area Median Household Income (Richmond, VA MSA; 2023)

PBV – Project-Based Vouchers

Note that tenants residing within the units with PBV will effectively pay up to 30% of their adjusted gross household income towards gross rent due to the presence of the subsidy. The maximum allowable LIHTC gross rents of \$747 to \$1,200 are the programmatic limits for studio and one-bedroom units targeting households earning up to 40% and 60% of AMHI. However, these limits would only apply in the unlikely scenario that the property did not operate with a project-based subsidy. Regardless, considering the rents exceed maximum allowable LIHTC rents at these income levels, the maximum allowable LIHTC rent levels have been considered for these unit types throughout the remainder of this report.

Building/Site Information		Construction Timeline	
Residential Buildings:	One (1) four-story building	Original Year Built:	Not Applicable
Building Style:	Elevator-served	Construction Start:	May 2026
Community Space:	Integrated throughout	Begin Preleasing:	November 2027
Acres:	1.7	Construction End:	December 2027
Unit Amenities			
<ul style="list-style-type: none"> • Electric Range • Refrigerator • Dishwasher 	<ul style="list-style-type: none"> • Controlled Access/Intercom • Furnishings* • Central Air Conditioning 	<ul style="list-style-type: none"> • Composite & Tile Flooring • Window Blinds • Controlled Access/KeyFob 	

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

Community Amenities		
<ul style="list-style-type: none"> • Bike Racks/Storage • Community Kitchen • Laundry Room • Library/Reading Room • Parties/Picnics 	<ul style="list-style-type: none"> • Business/Computer Center • Common Area Wi-Fi • On-Site Management • CCTV/Cameras • Social Service Coordinator 	<ul style="list-style-type: none"> • Clubhouse/Community Room • Common Patio/Porch • Elevator • Surface Parking Lot (30 Spaces) • Night Monitor

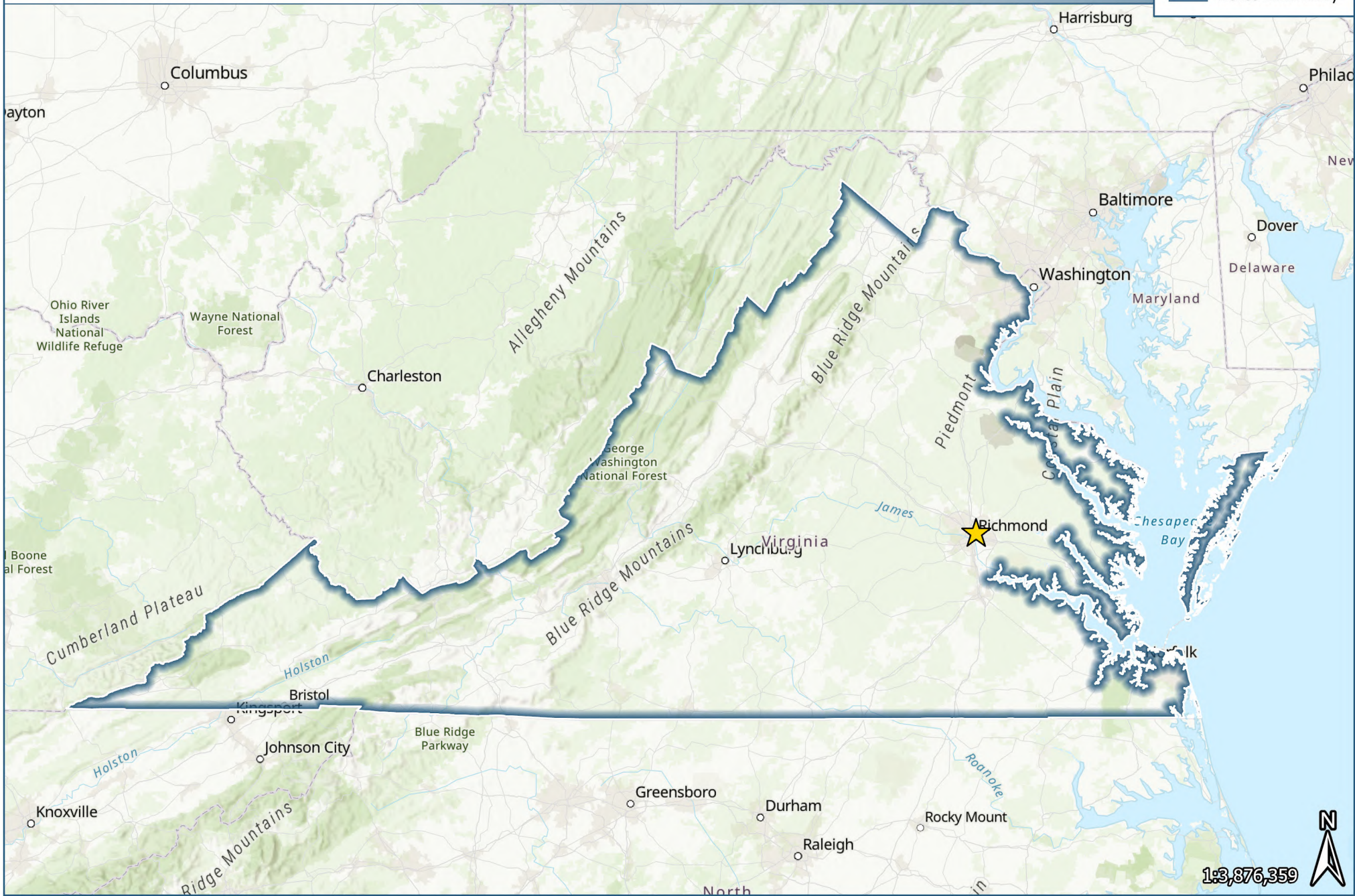
Utility Responsibility							
	Heat	Hot Water	Cooking	General Electric	Cold Water	Sewer	Trash
Paid By	Landlord	Landlord	Landlord	Landlord	Landlord	Landlord	Landlord
Source	Electric	Electric	Electric				

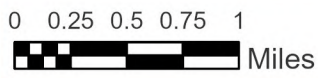
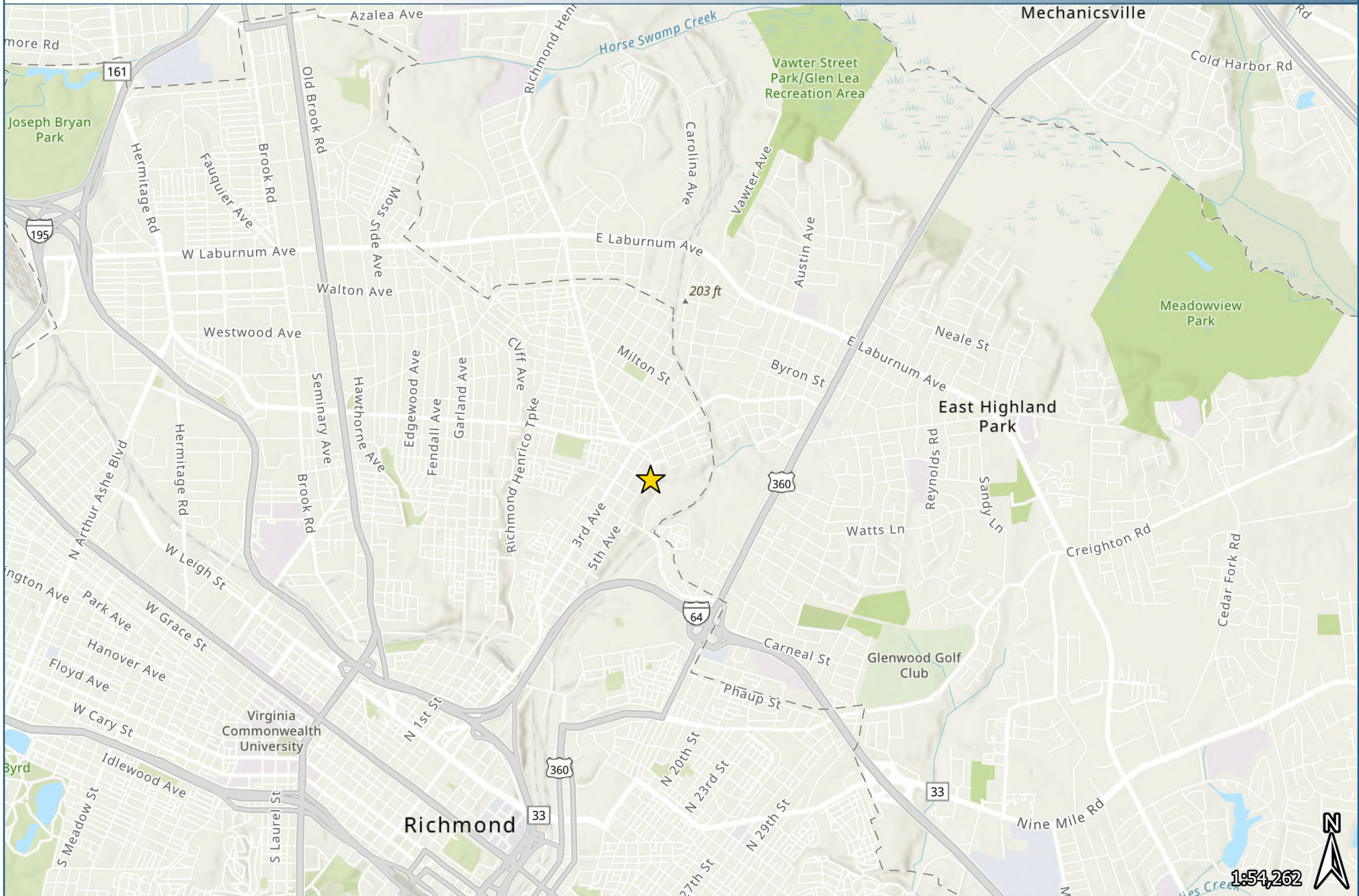
FLOOR AND SITE PLAN REVIEW:

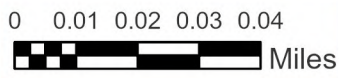
Preliminary site and floor plans were provided for the subject project for review at the time of this report. Based on these plans, as well as information provided at the time of this analysis, the subject property will include studio and one-bedroom garden-style units located within one (1), four-story building. The subject's studio units will comprise 405 to 510 square feet and the subject's one-bedroom units will comprise 520 to 731 square feet, with all units including one (1.0) bathroom. These unit sizes/designs are considered appropriate for the homeless/low-income single adult population targeted at the site. This is especially true considering the subject project will offer furnished units.

In addition to the subject's residential units, the property will feature an array of community amenities integrated throughout the property. These will include but not be limited to a community room, computer/business center, on-site management office, and community kitchen. Overall, the subject property appears to be marketable in terms of overall design. Nonetheless, an in-depth comparable/competitive analysis is included in *Section V* to better determine the competitive position and overall marketability of the subject project within the Richmond market.

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







Maxar, Microsoft, Esri Community Maps Contributors, City of Richmond, County of Henrico, VGIN, © OpenStreetMap, Microsoft, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US Census Bureau, USDA, USFWS
Additional Source(s): Bowen National Research



IV. Area Analysis

A. SITE DESCRIPTION AND EVALUATION

1. LOCATION

The proposed site consists of vacant land located at 2900 Rady Street and 2733 5th Avenue in the northeastern portion of Richmond, Virginia. The subject site is situated approximately 3.0 miles north of the downtown portion of Richmond, Virginia. The subject site visit was completed February 21, 2024, and the corresponding fieldwork was completed during the week of February 19, 2024.

2. SURROUNDING LAND USES

The proposed site is located within a partially established, mixed-use area of Richmond, although most of the immediate surrounding structures are residential buildings in fair to good condition. Adjacent land uses are detailed as follows:

North -	The northern boundary of the site is defined by wooded land and Rady Street, a lightly traveled two-lane roadway. Residential dwellings, Family Dollar and a fitness center extend farther north of the site.
East -	The eastern boundary of the site is defined by Rady Street and Richmond Behavioral Health. Wooded land and single-family homes in fair to good condition extend farther east of the site.
South -	The southern boundary of the site is defined by a tree line and a structure that appears to be used for storage. Wooded land and commercial structures extend farther south of the site to Woodland Cemetery.
West -	The western boundary of the site is defined by wooded land and the intersection of Custer Street and 5th Avenue, lightly traveled residential roadways. Single-family homes in fair to good condition extend farther west of the site.

The subject site is situated within a partially established, mixed-use area of Richmond, although several immediate surrounding land uses are residential in nature and the site is considered conducive to residential housing. Notably, the proximity to community services, dining options, and retail shopping, will likely contribute to the marketability of the subject site. The existing residential and commercial structures within the surrounding neighborhood were observed to be in fair to good condition and are not expected to adversely impact the overall marketability of the proposed subject site. Although there is a structure situated south of the site that

appears to be used for storage and is not well-maintained, the site will be buffered from this land use and no unfavorable noises were noticed from this structure during the site inspection.

Photographs of the site can be found in *Section X* of this report.

3. VISIBILITY AND ACCESS

The proposed site will be visible from both 5th Avenue (north of site) and Rady Street (east of site), both of which are lightly traveled roadways. The four-story design of the subject project is further expected to positively contribute to the visibility and awareness of the subject site, as it will be one of the tallest structures in the immediate area. Regardless, promotional signage placed along arterial roadways in the area would significantly enhance the overall visibility and awareness of the proposed project, although this is not considered to be a requirement to be marketable.

Based on a site plan provided at the time of this report, the subject project will derive access from both 5th Avenue and Rady Street. The generally light traffic on these aforementioned roadways is expected to allow for convenient ingress and egress of the subject site. In addition to being conveniently accessed, the subject site is also within proximity of arterial roadways, as U.S. Highway 360, Interstate 64 and U.S. Highway 301 are arterial roadways in the area that are accessible within 2.0 miles of the site. Additionally, several public bus stops, operated by Greater Richmond Transit Company (GRTC), are located within walking distance of the site, which further improves accessibility of the site. The availability of affordable public transportation within walking distance of the subject site is considered beneficial to the targeted low-income population. Overall, accessibility of the site is considered good.

4. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (miles)
Major Highways	U.S. Highway 360	0.9 Southeast
	Interstate 64	1.1 Southeast
	U.S. Highway 301	1.8 West
Public Bus Stop	GRTC	0.2 North
Major Employers/ Employment Centers	Richmond Speedway	1.7 North
	Dominion Energy	2.9 South
	Virginia Commonwealth University	3.0 South
Convenience Store	Sunoco	0.2 North
Grocery	Simpson's Market	0.3 Northwest
	Food Lion	1.6 East
Discount Department Store	Family Dollar	0.2 North
Shopping Center/Mall	Northeast Plaza Shopping Center	1.6 East
	Oak Hill Plaza	1.6 East
	Glen Lea Shopping Center	1.8 Northeast
Schools:		
Elementary	Overby-Sheppard Elementary School	0.8 West
Middle/Junior High	Thomas H. Henderson Middle School	3.2 Northwest
High	John Marshall High School	3.2 Northwest
College/University	Virginia Commonwealth University	3.0 Southwest
Hospital	Bon Secours	2.8 South
	VCU Health	3.0 South
Police	Richmond Sheriff's Office	2.2 South
Fire	Richmond Fire Department	0.6 West
Post Office	United States Postal Service	1.1 West
Bank	Wells Fargo	2.7 Southwest
Recreational/Community Center	Hotchkiss Field and Community Center	0.6 Northwest
	Whitcomb Court Community Center	1.8 South
Gas Station	Sunoco	0.2 North
Pharmacy	Walgreens	1.7 Northeast
Restaurant	New York Fried Chicken	0.3 Northwest
	Six Points & Deli	0.3 Northwest
	Firehouse 15 Restaurant	0.3 Northwest
Day Care	Let's Be A Kid Childcare	1.2 East
Church	Northside Crusaders Baptist Church	0.2 West
	5th Street Baptist Church	0.4 West
Park	Hotchkiss Park	0.6 Northwest
Library	North Avenue Branch - Richmond Library	1.2 West

The proposed site is situated within a generally established area of Richmond and is subsequently within approximately 2.0 miles of many essential community services. Notably, several area community services are located within walking distance of the site. In addition, the presence of several public transportation stops within walking distance of the site further contributes to the accessibility of area community services.

Public safety services are provided by the Richmond Sheriff's and Fire departments, which are located 2.2 miles south of the site and 0.6 mile west of the site, respectively. The nearest hospital, Bon Secours, is located 2.8 miles south of the site, while Virginia Commonwealth Health is located approximately 3.0 miles south of the site. All district schools are located within approximately 3.0 miles of the site, with the nearest being Overby-Sheppard Elementary School, which is 0.8 mile west of the site. Numerous restaurants, discount stores, parks, churches, libraries, and recreation centers are all located within approximately 2.0 miles of the site. Overall, the site's proximity to most essential services is considered good, which should contribute to overall site marketability.

5. OVERALL SITE EVALUATION

The proposed site consists of vacant land located at 2900 Rady Street in the northeastern portion of Richmond, Virginia. The subject site is situated within a partially established, mixed-use area of Richmond, although several immediate surrounding land uses are residential in nature and the site is considered conducive to residential housing. The proposed site will be visible from both 5th Avenue (north of site) and Rady Street (east of site), both of which are lightly traveled roadways. The four-story design of the subject project is further expected to positively contribute to the visibility and awareness of the subject site, as it will be one of the tallest structures in the immediate area. Based on a site plan provided at the time of this report, the subject project will derive access from both 5th Avenue and Rady Street. The generally light traffic along these aforementioned roadways is expected to allow for convenient ingress and egress of the subject site. Several public bus stops are located within walking distance of the site, which further improves site access. The subject site is also within proximity of several community services, many of which are located within area shopping centers that can be accessed within approximately 2.0 miles of the site. Overall, the site's surrounding land uses and proximity to services should positively contribute to its marketability.

6. CRIME ISSUES

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

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

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

Total crime risk for the Site PMA is 120, with an overall personal crime index of 155 and a property crime index of 114. Total crime risk for Richmond city is 125, with personal and property crime indices of 113 and 128, respectively.












	Crime Risk Index	
	PMA	Richmond (city)
Total Crime Index	120	125
Personal Crime Index	155	113
Murder	479	300
Rape	83	70
Robbery	215	163
Assault	140	99
Property Crime Index	114	128
Burglary	110	98
Larceny	114	137
Motor Vehicle Theft	118	108

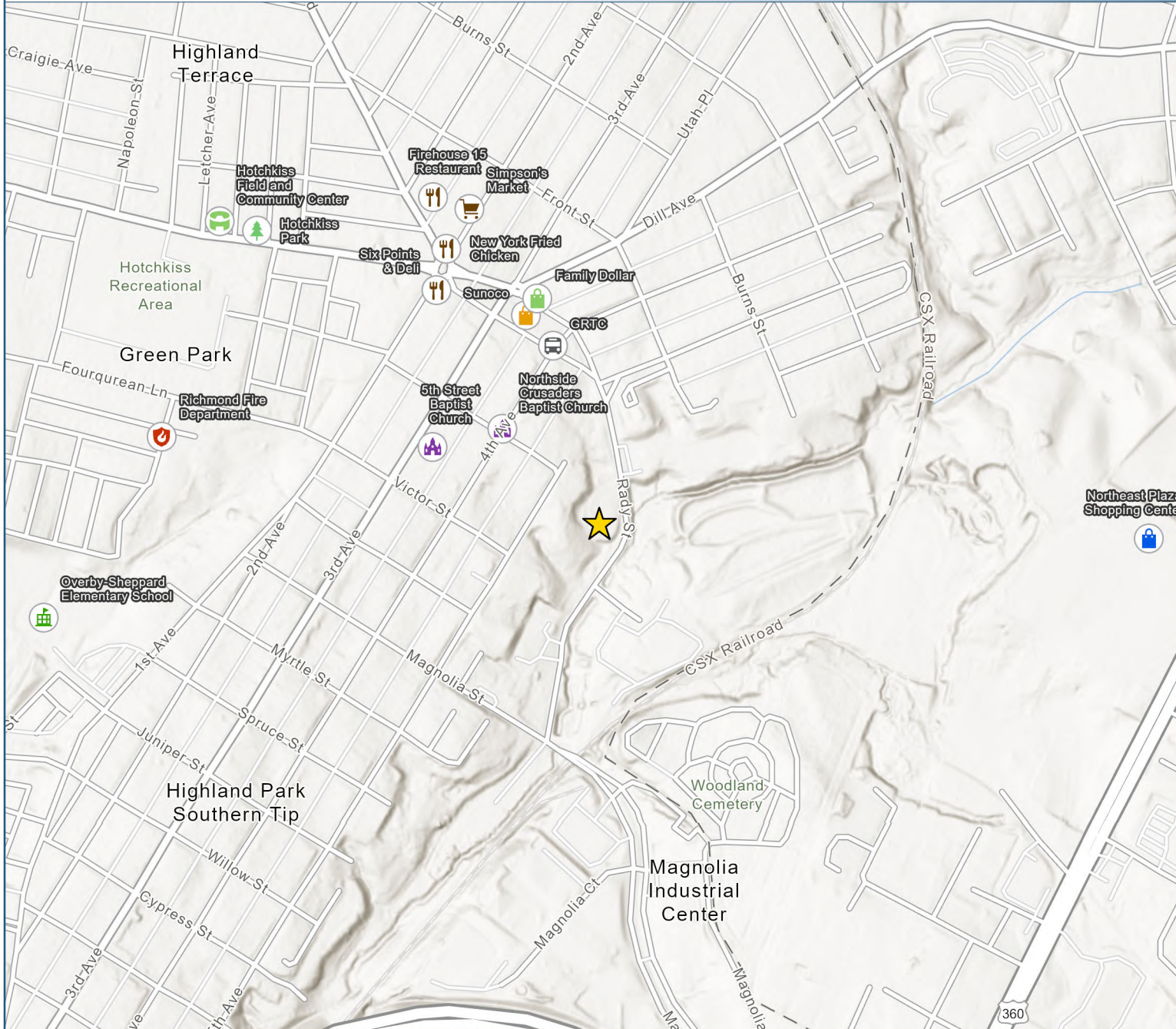
Source: Applied Geographic Solutions, FBI, ESRI

The crime risk index reported for the Site PMA (120) is similar to that reported for Richmond City (125), and both are slightly above the national average of 100. Crime indexes such as those reported for the site area and Richmond, however, are not uncommon for established and densely populated areas such as the Richmond market. In addition, the subject project will include an on-site management office and security cameras, features which typically deter crime. As such, we do not expect crime to have any adverse impact on the marketability of the subject project.

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

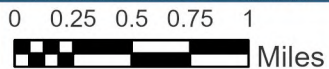
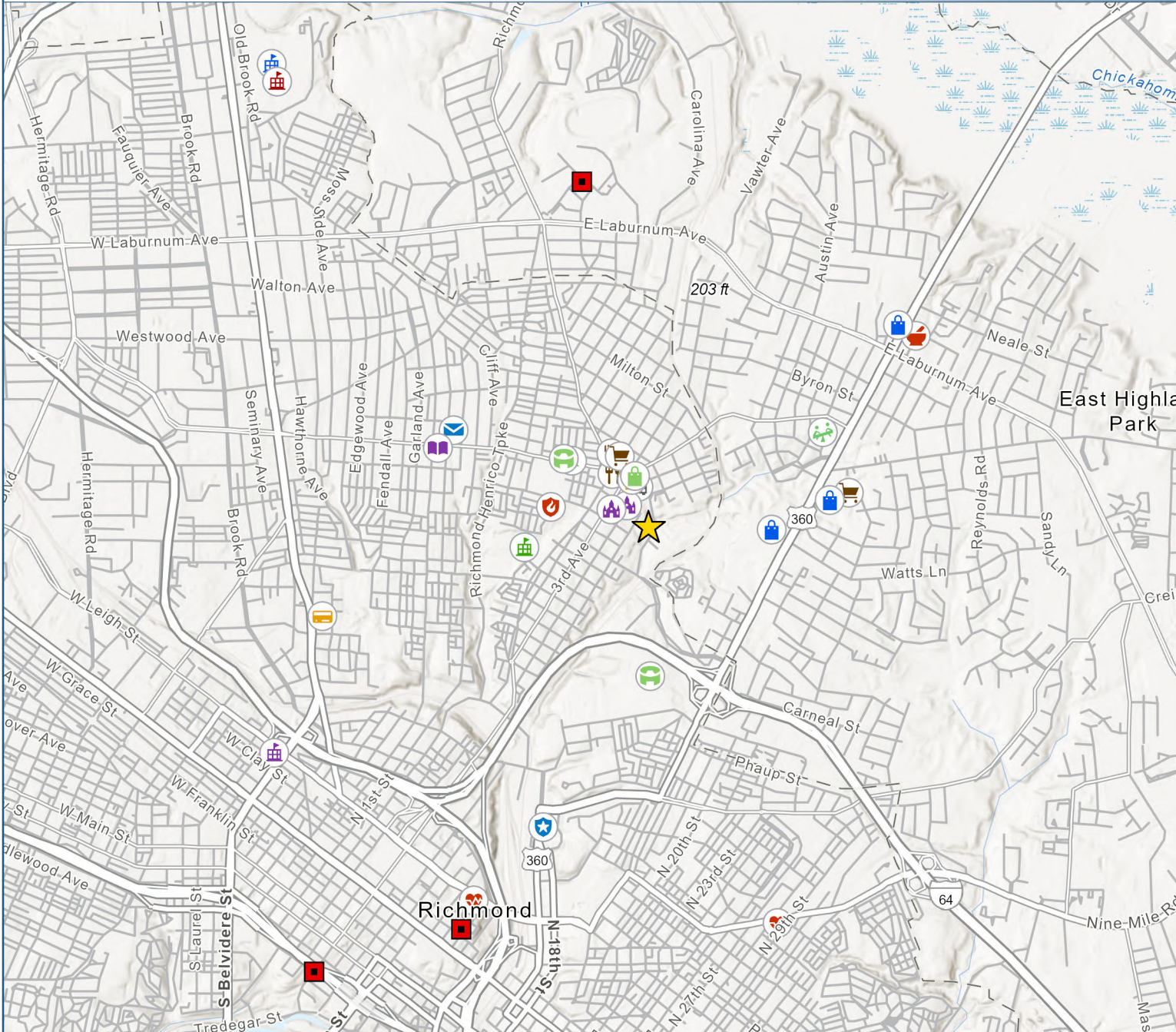
Community Services

-  Fire
-  Public Bus Stop
-  Schools, Elementary
-  Park
-  Recreational Facility
-  Church
-  Restaurant
-  Grocery
-  Convenience Store
-  Discount Department Store
-  Shopping Center/Mall



Community Services

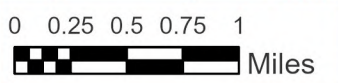
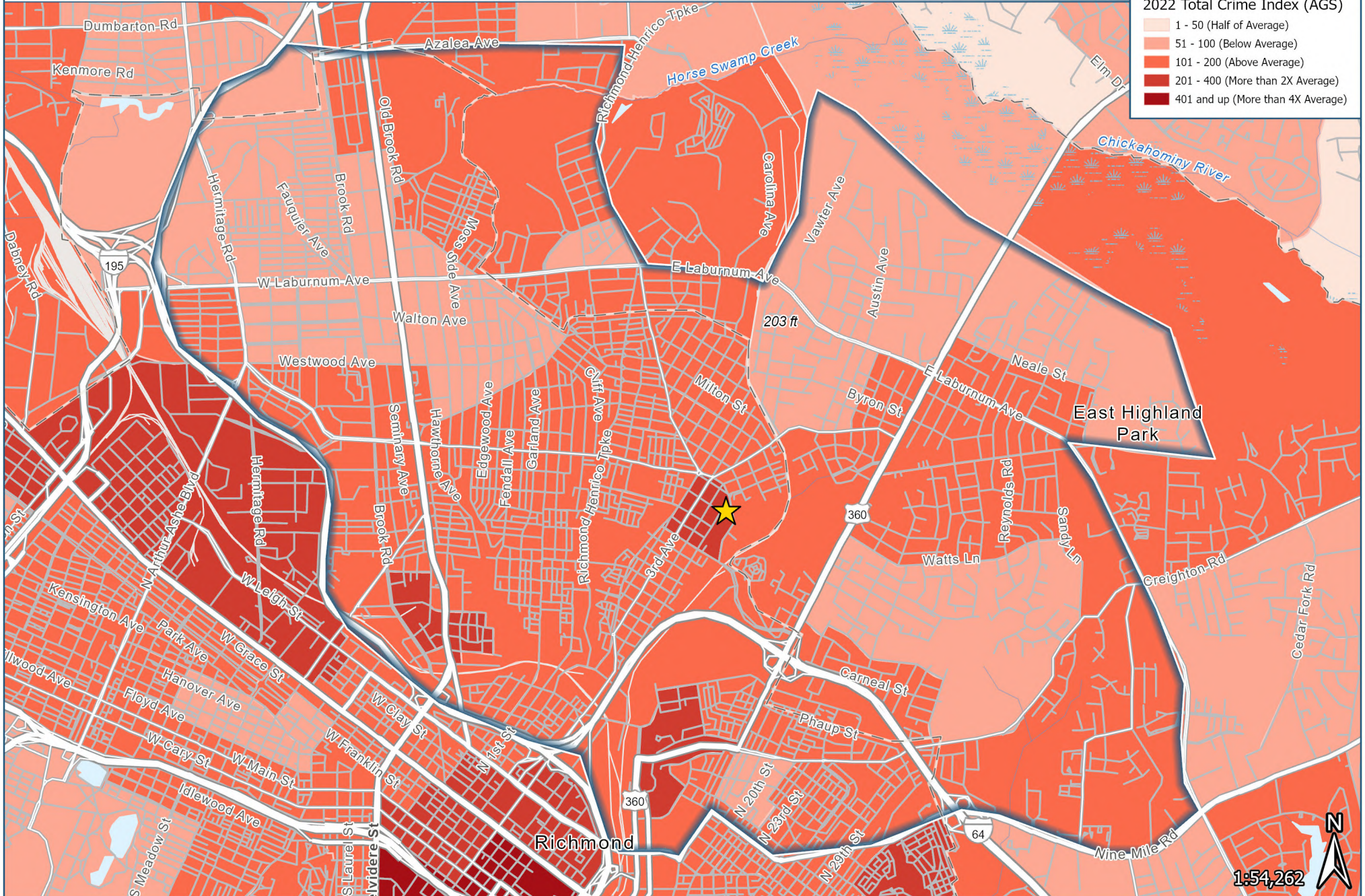
- Major Employers/Employment Centers
- Hospital/Medical Center
- Police
- Fire
- Post Office
- Pharmacy
- Gas Station
- Public Bus Stop
- Bank
- Day Care
- Schools, Elementary
- Schools, Middle/Junior High
- Schools, High
- Schools, College/University
- Library
- Park
- Recreational Facility
- Church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



★ Site
PMA

2022 Total Crime Index (AGS)

- 1 - 50 (Half of Average)
- 51 - 100 (Below Average)
- 101 - 200 (Above Average)
- 201 - 400 (More than 2X Average)
- 401 and up (More than 4X Average)



B. PRIMARY MARKET AREA DELINEATION

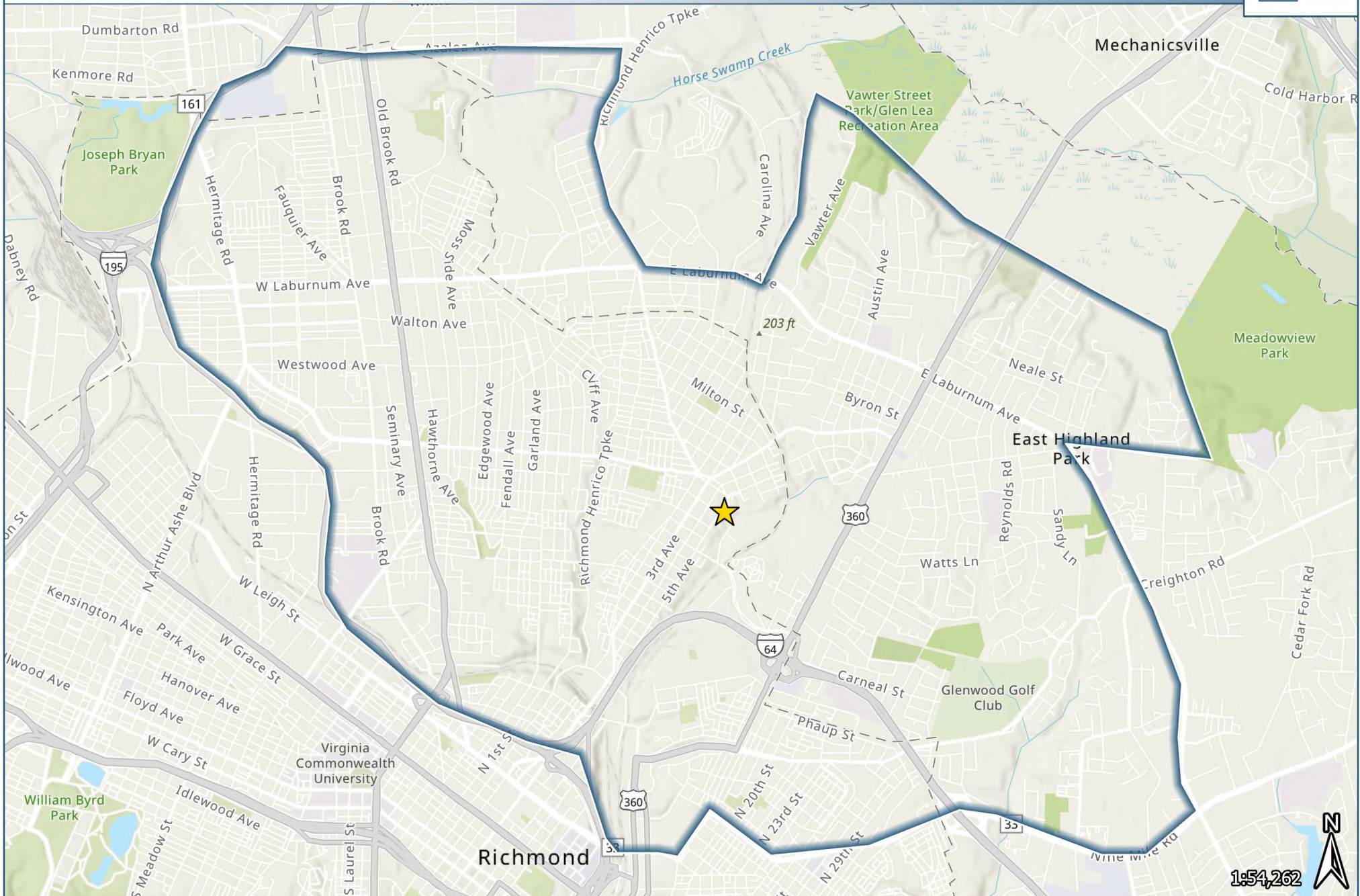
Typically, the Primary Market Area (PMA) is the smallest geographical area from which most of the support for a proposed development is expected to originate. Typical PMAs are determined through interviews with property managers, area leasing and real estate agents, government officials, economic development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

Due to the targeted special needs population, we believe that support for the units that are set-aside for the homeless population will be derived from the entire CoC jurisdiction, which includes Richmond/Henrico, Chesterfield, Hanover Counties. As such, data provided by 2023 Point-in-Time (PIT) survey of homeless households will be utilized to help establish demand for the special needs units at the subject project.

The traditional Richmond Site Primary Market Area (PMA) includes the northern and northeastern portions of Richmond, including the Ginter Park and Highland Park neighborhoods of Richmond. The boundaries of the Site PMA generally include Azalea Avenue, East Laburnum Avenue and Meadowview Park to the north; North Laburnum Avenue to the east; Nine Mile Road and Interstate 64/Interstate 95 to the south; and Interstate 64/Interstate 95 to the west. The surrounding areas of Richmond could provide some support for the project; however, the majority of support is expected to come from residents living within the Site PMA.

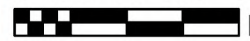
According to an interview with management at The Oliver (Map ID 16), the traditional Site PMA for the subject project appears to be accurate, as an affordable rental project at the site's location would likely generally the most support from within the boundaries of the PMA. They added that given the site's location, it would not likely generate significant support from the downtown portion of Richmond, thus confirming the Site PMA.

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



1:54,262

0 0.25 0.5 0.75 1

 Miles

Esri, NASA, NGA, USGS, FEMA, City of Richmond, County of Henrico, VGIN, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA, USFWS

Additional Source(s): Bowen National Research

C. DEMOGRAPHIC CHARACTERISTICS AND TRENDS

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

1. POPULATION TRENDS

The Site PMA population bases for 2010, 2020, 2024 (estimated), and 2029 (projected) are summarized as follows:

	Year			
	2010 (Census)	2020 (Census)	2024 (Estimated)	2029 (Projected)
Population	62,341	61,289	62,225	62,322
Population Change	-	-1,052	936	97
Percent Change	-	-1.7%	1.5%	0.2%

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

The Richmond Site PMA population base declined by 1,052 between 2010 and 2020. This represents a 1.7% decline over the 2010 population, or an annual rate of 0.2%. Between 2020 and 2024, the population increased by 936, or 1.5%. It is projected that the population will increase by 97, or 0.2%, between 2024 and 2029.

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

Population by Age	2010 (Census)		2024 (Estimated)		2029 (Projected)		Change 2024-2029	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	17,518	28.1%	15,952	25.6%	15,702	25.2%	-250	-1.6%
20 to 24	4,507	7.2%	3,843	6.2%	3,997	6.4%	154	4.0%
25 to 34	7,672	12.3%	8,049	12.9%	7,581	12.2%	-468	-5.8%
35 to 44	7,504	12.0%	7,220	11.6%	7,672	12.3%	452	6.3%
45 to 54	9,189	14.7%	6,896	11.1%	6,671	10.7%	-225	-3.3%
55 to 64	7,252	11.6%	8,002	12.9%	7,103	11.4%	-899	-11.2%
65 to 74	4,077	6.5%	6,815	11.0%	7,234	11.6%	419	6.1%
75 & Older	4,622	7.4%	5,448	8.8%	6,361	10.2%	913	16.8%
Total	62,341	100.0%	62,225	100.0%	62,322	100.0%	97	0.2%

Source: Bowen National Research, ESRI, Census

As the preceding table illustrates, nearly 49% of the population is expected to be between 25 and 64 years old in 2024. This age group is the primary group of potential renters for the subject site and will likely represent a significant number of the tenants.

2. HOUSEHOLD TRENDS

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

	Year			
	2010 (Census)	2020 (Census)	2024 (Estimated)	2029 (Projected)
Households	24,737	25,624	26,059	26,188
Household Change	-	887	435	129
Percent Change	-	3.6%	1.7%	0.5%
Average Household Size	2.44	2.39	2.30	2.30

Source: Bowen National Research, ESRI, Census

Within the Richmond Site PMA, households increased by 887 (3.6%) between 2010 and 2020. Between 2020 and 2024, households increased by 435 or 1.7%. By 2029, there will be 26,188 households, an increase of 129 households, or 0.5% over 2024 levels. This is an increase of approximately 26 households annually over the next five years.

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

Households by Age	2010 (Census)		2024 (Estimated)		2029 (Projected)		Change 2024-2029	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	1,425	5.8%	1,287	4.9%	1,342	5.1%	55	4.3%
25 to 34	3,585	14.5%	3,788	14.5%	3,562	13.6%	-226	-6.0%
35 to 44	3,865	15.6%	3,791	14.5%	4,002	15.3%	211	5.6%
45 to 54	5,051	20.4%	3,824	14.7%	3,667	14.0%	-157	-4.1%
55 to 64	4,464	18.0%	4,907	18.8%	4,320	16.5%	-587	-12.0%
65 to 74	2,840	11.5%	4,580	17.6%	4,832	18.5%	252	5.5%
75 & Older	3,508	14.2%	3,883	14.9%	4,463	17.0%	580	14.9%
Total	24,737	100.0%	26,059	100.0%	26,188	100.0%	129	0.5%

Source: Bowen National Research, ESRI, Census

Between 2024 and 2029, the greatest growth among household age groups is projected to be among those ages 65 and over. This projected growth among senior households indicates that there will be an increasing need for housing for seniors in the market. However, those between the ages of 25 and 64 are projected to comprise nearly two-thirds (59.4%) of all households in 2029.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2024 (Estimated)		2029 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	11,753	47.5%	12,927	49.6%	13,302	50.8%
Renter-Occupied	12,984	52.5%	13,132	50.4%	12,886	49.2%
Total	24,737	100%	26,059	100.0%	26,188	100.0%

Source: Bowen National Research, ESRI, Census

In 2024, homeowners occupied 49.6% of all occupied housing units, while the remaining 50.4% were occupied by renters. Renters are projected to remain stable between 2024 and 2029.

The household sizes by tenure within the Richmond Site PMA, based on the 2024 estimates and 2029 projections, were distributed as follows:

Persons per Owner Household	2024 (Estimated)		2029 (Projected)		Change 2024-2029	
	Households	Percent	Households	Percent	Households	Percent
1 Person	4,074	31.5%	4,273	32.1%	198	4.9%
2 Persons	4,602	35.6%	4,833	36.3%	232	5.0%
3 Persons	2,211	17.1%	2,267	17.0%	56	2.6%
4 Persons	1,270	9.8%	1,254	9.4%	-17	-1.3%
5+ Persons	770	6.0%	675	5.1%	-95	-12.3%
Total	12,927	100.0%	13,302	100.0%	375	2.9%

Source: Bowen National Research, ESRI, Census

Persons per Renter Household	2024 (Estimated)		2029 (Projected)		Change 2024-2029	
	Households	Percent	Households	Percent	Households	Percent
1 Person	5,299	40.4%	5,331	41.4%	32	0.6%
2 Persons	3,575	27.2%	3,676	28.5%	101	2.8%
3 Persons	1,752	13.3%	1,565	12.1%	-187	-10.7%
4 Persons	1,192	9.1%	1,094	8.5%	-98	-8.2%
5+ Persons	1,313	10.0%	1,219	9.5%	-94	-7.2%
Total	13,132	100.0%	12,886	100.0%	-246	-1.9%

Source: Bowen National Research, ESRI, Census

The studio units offered at the subject site will house one-person households, which comprise more than one-third of all households in the market, based on size.

3. INCOME TRENDS

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

Household Income	2010 (Census)		2024 (Estimated)		2029 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$15,000	6,027	24.4%	4,800	18.4%	4,568	17.4%
\$15,000 - \$24,999	3,385	13.7%	3,177	12.2%	2,834	10.8%
\$25,000 - \$34,999	2,960	12.0%	2,603	10.0%	2,330	8.9%
\$35,000 - \$49,999	3,854	15.6%	3,091	11.9%	2,795	10.7%
\$50,000 - \$74,999	4,151	16.8%	3,745	14.4%	3,667	14.0%
\$75,000 - \$99,999	2,232	9.0%	2,766	10.6%	2,739	10.5%
\$100,000 - \$149,999	1,517	6.1%	3,170	12.2%	3,652	13.9%
\$150,000 & Higher	611	2.5%	2,707	10.4%	3,602	13.8%
Total	24,737	100.0%	26,059	100.0%	26,188	100.0%
Median Income	\$34,987		\$46,886		\$53,862	

Source: Bowen National Research, ESRI, Census

In 2024, the median household income is estimated to be \$46,886. By 2029, it is projected that the median household income will be \$53,862, an increase of 14.9% over 2024.

The following tables illustrate renter household income by household size for 2020, 2024, and 2029 for the Richmond Site PMA:

Renter Households	2020 (ACS)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	1,923	842	507	375	332	3,979
\$15,000 - \$24,999	1,071	531	325	201	225	2,351
\$25,000 - \$34,999	740	499	255	140	177	1,811
\$35,000 - \$49,999	777	536	293	231	172	2,009
\$50,000 - \$74,999	432	477	272	201	215	1,598
\$75,000 - \$99,999	184	377	153	55	158	929
\$100,000 - \$149,999	72	105	44	60	77	357
\$150,000 & Higher	75	126	52	9	32	293
Total	5,274	3,494	1,901	1,271	1,388	13,329

Source: ESRI, Bowen National Research

Renter Households	2024 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	1,930	838	460	348	305	3,882
\$15,000 - \$24,999	1,028	506	284	180	200	2,196
\$25,000 - \$34,999	713	476	224	125	158	1,696
\$35,000 - \$49,999	757	517	260	208	155	1,897
\$50,000 - \$74,999	456	498	257	194	207	1,613
\$75,000 - \$99,999	197	400	146	54	154	952
\$100,000 - \$149,999	97	140	51	72	90	450
\$150,000 & Higher	120	201	69	12	44	446
Total	5,299	3,575	1,752	1,192	1,313	13,132

Source: ESRI, Bowen National Research

Renter Households	2029 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	1,939	833	402	314	272	3,761
\$15,000 - \$24,999	975	474	233	153	168	2,002
\$25,000 - \$34,999	679	447	185	106	134	1,552
\$35,000 - \$49,999	732	494	218	180	133	1,757
\$50,000 - \$74,999	486	524	238	186	197	1,631
\$75,000 - \$99,999	213	428	138	53	149	981
\$100,000 - \$149,999	129	184	59	87	107	566
\$150,000 & Higher	177	294	91	16	59	637
Total	5,331	3,676	1,565	1,094	1,219	12,887

Source: ESRI, Bowen National Research

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

Demographic Summary

The Richmond Site PMA demographic base is generally projected to remain stable between 2024 and 2029. In addition, of the 12,887 renter households projected for 2029, more than half (56.8%) are projected to earn below \$35,000, which is conducive to the incomes targeted at the site. These trends emphasize the ongoing need for additional rental housing within the Site PMA. In addition, it must be reiterated that the subject project will target homeless individuals that will likely be comprised from within the entirety of the CoC.

Data regarding the homeless population is included in this report in *Section VII*.

D. LOCAL ECONOMIC PROFILE AND ANALYSIS

1. LABOR FORCE PROFILE

The labor force within the Richmond Site PMA is based primarily in two sectors. Education Services (which comprises 22.4%) and Health Care & Social Assistance comprise over 36.4% of the Site PMA labor force. Employment in the Richmond Site PMA, as of 2023, was distributed as follows:

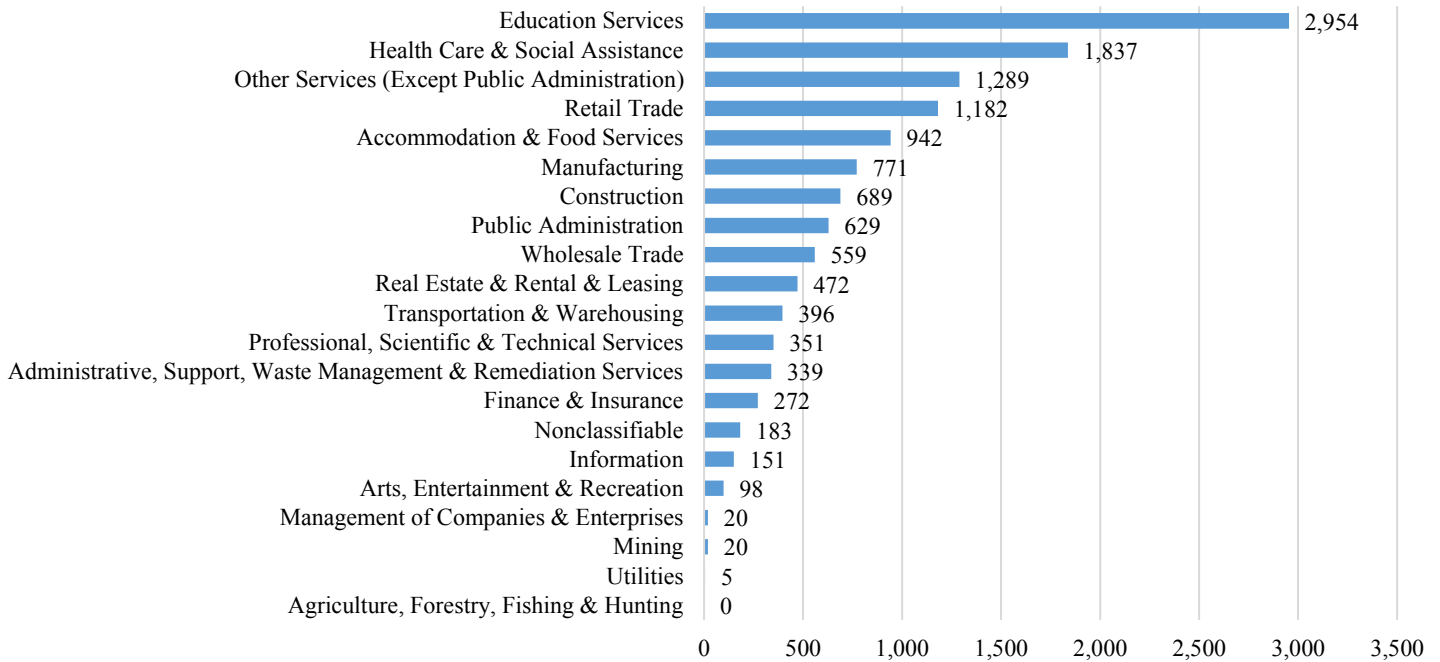
NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	0	0.0%	0	0.0%	0
Mining	2	0.2%	20	0.2%	10
Utilities	1	0.1%	5	0.0%	5
Construction	76	6.5%	689	5.2%	9
Manufacturing	40	3.4%	771	5.9%	19
Wholesale Trade	50	4.3%	559	4.2%	11
Retail Trade	167	14.3%	1,182	9.0%	7
Transportation & Warehousing	36	3.1%	396	3.0%	11
Information	23	2.0%	151	1.1%	7
Finance & Insurance	29	2.5%	272	2.1%	9
Real Estate & Rental & Leasing	72	6.1%	472	3.6%	7
Professional, Scientific & Technical Services	63	5.4%	351	2.7%	6
Management of Companies & Enterprises	2	0.2%	20	0.2%	10
Administrative, Support, Waste Management & Remediation Services	31	2.6%	339	2.6%	11
Education Services	46	3.9%	2,954	22.4%	64
Health Care & Social Assistance	109	9.3%	1,837	14.0%	17
Arts, Entertainment & Recreation	13	1.1%	98	0.7%	8
Accommodation & Food Services	70	6.0%	942	7.2%	13
Other Services (Except Public Administration)	235	20.1%	1,289	9.8%	5
Public Administration	31	2.6%	629	4.8%	20
Nonclassifiable	75	6.4%	183	1.4%	2
Total	1,171	100.0%	13,159	100.0%	11

Source: Bowen National Research, ESRI, Census

E.P.E.- Average Employees Per Establishment

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

Total Employment by Industry



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

Typical Wage By Occupation Type		
Occupation Type	MSA	Virginia
Management Occupations	\$85,173	\$93,365
Business And Financial Occupations	\$75,275	\$86,050
Computer And Mathematical Occupations	\$97,138	\$109,597
Architecture And Engineering Occupations	\$91,541	\$98,121
Community And Social Service Occupations	\$48,363	\$50,509
Art, Design, Entertainment, Sports, and Media Occupations	\$44,771	\$53,472
Healthcare Practitioners And Technical Occupations	\$66,775	\$67,928
Healthcare Support Occupations	\$27,883	\$27,725
Protective Service Occupations	\$53,968	\$58,916
Food Preparation And Serving Related Occupations	\$15,541	\$15,832
Building & Grounds Cleaning & Maintenance Occupations	\$25,237	\$24,701
Personal Care And Service Occupations	\$21,154	\$20,810
Sales And Related Occupations	\$38,909	\$34,051
Office And Administrative Support Occupations	\$40,154	\$39,126
Construction And Extraction Occupations	\$42,009	\$43,162
Installation, Maintenance And Repair Occupations	\$54,162	\$52,560
Production Occupations	\$42,152	\$41,817
Transportation Occupations	\$43,795	\$41,502
Material Moving Occupations	\$25,622	\$26,646

Source: U.S. Department of Labor, Bureau of Statistics
MSA - Richmond, VA Metro Area

It is important to note that most occupational types within the Richmond, Virginia MSA have similar typical wages compared to Virginia's typical wages.

The ten largest employers within the Richmond area comprise a total of 75,680 employees and are summarized as follows:

Employer Name	Business Type	Total Employed
Virginia Commonwealth University Health System	Healthcare	13,500
Capital One Financial Corporation	Financial Services	13,000
HCA Virginia Health System	Healthcare	11,200
Bon Secours Richmond	Healthcare	8,516
Virginia Commonwealth University	Higher Education	7,832
Dominion Virginia Power	Energy	5,433
Truist	Banking	4,549
Amazon	Online Retail	5,100
Altria Group Incorporated	Manufacturer	3,850
Federal Reserve Bank Richmond	Reserve bank	2,700
Total		75,680

Source: Virginia Economic Development Partnership, CoStar Tenant; Dunn & Bradstreet / Hoovers & Database USA. September 15, 2023; (Excludes government and retail operations)

Despite multiple attempts, we were unable to receive a response from local economic representatives regarding the health of the local employment at the time this report was issued. However, via extensive online research, the following table summarizes some recent and notable economic development activities within Richmond area:

Project Name	Investment	Job Creation	Scope of Work/Details
CoStar Group Inc.	\$460 million	2,000	Commercial real estate data and analytics provider broke ground November 2022 on an expansion in downtown Richmond; Includes a 21-story building with 750,000 square feet of office and retail space and a five-story building with an auditorium, mixed-use retail, restaurants and additional amenities; Project is expected to be complete in early 2026.
Diamond District Project	\$2.4 billion	N/A	City of Richmond announced plans to create a mixed-use, mixed-income community on 458 acres of undeveloped land around Scott's Addition; Plans include mixed-income residential options, commercial office space, retail space, restaurants, hotels, a signature park, and to add a new multi-purpose stadium at the crossroads of I-64/I-95 and North Arthur Ashe Boulevard; Construction is planned to begin summer 2024.
City Center Innovation District	N/A	N/A	Richmond economic entities are soliciting developers to purchase and redevelop 9.4 acres of property owned by the Richmond Economic Development Authority.
ONE Casino	\$527 million	5,600	A proposed casino and entertainment district at Commerce Road and Walmsley Boulevard in Richmond. The site is on 100 acres and will include a 100,000 square-foot casino. Richmond voters rejected the casino in a November 2021 referendum; A second attempt for voter approval failed in November 2023.
VCU Health	\$400 million+	N/A	VCU Health's Children's Pavilion adding a 500,000 square-foot inpatient facility in Richmond was completed in 2023.
LEGO Group	\$1 billion	1,760	Announced in June 2022 plans to construct a U.S. manufacturing plant in the Meadowville Technology Park in Chesterfield County. They are currently constructing a new 1.7 million square-foot production facility. Packing in a temporary building is set to begin in mid-2024, and production is scheduled to begin in 2025.
Bon Secours St. Francis Medical Center	\$108 Million	100	179,000 square-foot renovation and expansion to existing spaces and adding two floors above the existing surgical department, a new third floor will have a surgical nursing unit and the fourth floor will be for intensive care beds and neonatal intensive care rooms. The hospital's capacity will increase to 185 beds. The project is estimated to be completed in spring 2024.

(Continued)

Project Name	Investment	Job Creation	Scope of Work/Details
Springline at District 60	\$210 million Phase I	N/A	The vacant Spring Rock Green Mall is currently being demolished and will be developed into a 42 acre, mixed-use, destination village. The development plans include 1,400 residential units, 300,000 square feet of office space, a 100,000 square-foot sports and entertainment facility, 150,000 square feet of retail space, and a 125-unit hotel. Plans also include walking and biking trails, public lawns, and shade trees. The site is located at the intersection of Route 60 and Chippenham Parkway.
The Lake	\$323 million	N/A	In August 2022 Chesterfield County approved an eight-figure grant agreement for mixed-use development at 13400 Genito Road, and 2500, 2601 and 2991 Genito Place. The project includes 150,000 square feet of retail and restaurant space, an amphitheater, multiple hotels, surf pool, recreational lake, and 1,190 residential units.
Plenty Unlimited Inc.	\$300 million	300	Announced September 2022 plans to build the largest indoor vertical farming campus in the world at the Meadowville Technology Park in Chesterfield County. Construction began summer 2023.

While these announcements likely represent only a portion of the economic expansions expected for the region, they provide clear indications as to the interest in investment and job expansions for the area. Such investment and job expansions will contribute to the strength of the Richmond area economy.

The following are summaries of some recent and notable infrastructure development projects within the Richmond area:

Scope of Work	Status
The Hull Street Streetscape project limits are from 9th Street to the Flood Wall; Improvements are limited to the existing right-of-way and generally include new street trees, street furnishings (benches, bike racks, trash cans) and concrete sidewalks. Upgraded curb ramps were nonexistent or non-compliant. Minor intersection modifications at Hull St. & 2nd Street, including signal reconstruction and new phasing, crosswalks, curb extensions, new sidewalks across the adjacent Norfolk Southern railroad. New traffic signal and crosswalks at 5th Street. New marked crosswalks across minor intersecting streets. New curb extension, crosswalks, southbound right-turn lane removal at Commerce Road intersection, and associated traffic signal modifications. \$4 million investment	Anticipated to begin 2025
Replacement of Route 360 over Manchester Canal Bridge. The proposed bridge will be constructed in three phases to maintain traffic in both directions on Route 360 during construction. Replacement of the existing sidewalks and a mill and overlay of the roadway within the project limits will be included. \$ 6.6 million investment	Anticipated to begin 2025
Widening Route 10 between Bermuda Triangle Road and Meadowville Road to eight lanes and widening of Meadowville Road from Route 10 to Hogan's Alley to six lanes.	Completed 2023
Widening Route 10 to six lanes between Whitepine Road and Frith Lane.	Completed 2023
Widening Winterpock Road from two lanes to four lanes from Route 360 (Hull Street Road) to 0.4 mile south of Royal Birkdale Parkway. The project will include the construction of a roundabout at the intersection of Winterpock Road, Ashbrook Parkway and McEnnally Drive, as well as a shared-use path from McEnnally Drive to Royal Birkdale Parkway.	Completed 2023
Improve the intersection of Woolridge Road and Watermill Parkway and widen Woolridge Road to a four-lane roadway from Watermill Parkway to Genito Road.	Construction began fall 2023
Replace the existing Mayo's Bridge superstructure. VDOT is currently evaluating the existing piers to determine replacement options. \$90 million investment	In design phase

N/A – Not Available

WARN (layoff notices)

WARN Notices of large-scale layoffs/closures were reviewed in March 2024 and according to the Virginia Employment Commission, there have been seven WARN notices reported for Richmond over the past 12 months, which are summarized in the following table:

Company	Jobs	Notice Date	Effective Date
Sodexo	108	2/14/2024	4/14/2024
Great Minds	79	11/3/2023	12/31/2023
WayForth	78	8/11/2023	8/11/2023
Walmart Neighborhood Market	98	7/11/2023	10/6/2023
Specialized Bicycle Components, Inc	1	1/11/2023	1/13/2023
Genesis Logistics	35	10/18/2022	8/12/2023
First Transit	95	8/5/2022	12/1/2022

2. EMPLOYMENT TRENDS

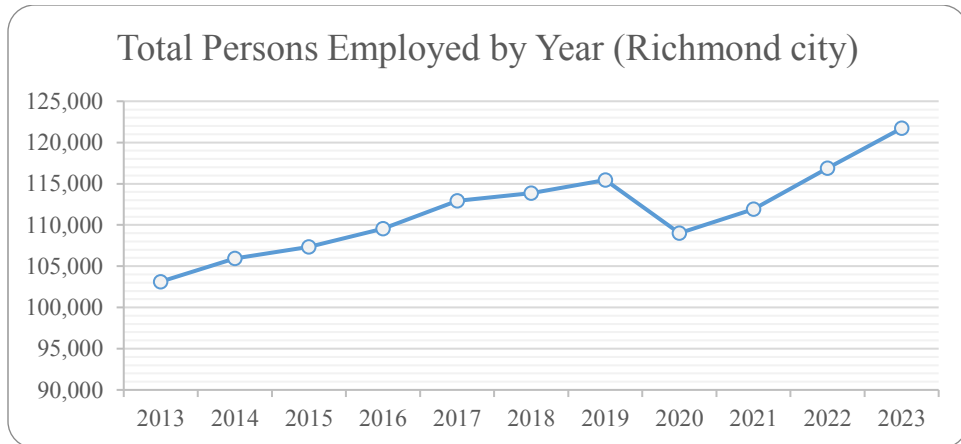
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county/city in which the site is located.

The following illustrates the total employment base for Richmond, the state of Virginia, and the United States. Total employment reflects the number of employed persons who live within the county/city.

Year	Total Employment					
	Richmond City		Virginia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2013	103,127	-	4,002,057	-	144,637,000	-
2014	105,947	2.7%	4,040,908	1.0%	146,305,000	1.2%
2015	107,324	1.3%	4,048,081	0.2%	148,833,000	1.7%
2016	109,549	2.1%	4,084,822	0.9%	151,436,000	1.7%
2017	112,921	3.1%	4,193,290	2.7%	153,337,000	1.3%
2018	113,838	0.8%	4,228,274	0.8%	155,761,000	1.6%
2019	115,433	1.4%	4,292,501	1.5%	157,538,000	1.1%
2020	109,002	-5.6%	4,062,417	-5.4%	147,795,000	-6.2%
2021	111,931	2.7%	4,162,555	2.5%	152,581,000	3.2%
2022	116,881	4.4%	4,308,805	3.5%	158,291,000	3.7%
2023	121,725*	4.1%	4,459,891*	3.5%	161,037,000**	1.7%

Source: Bureau of Labor Statistics

*Through November 2023; **Through December 2023



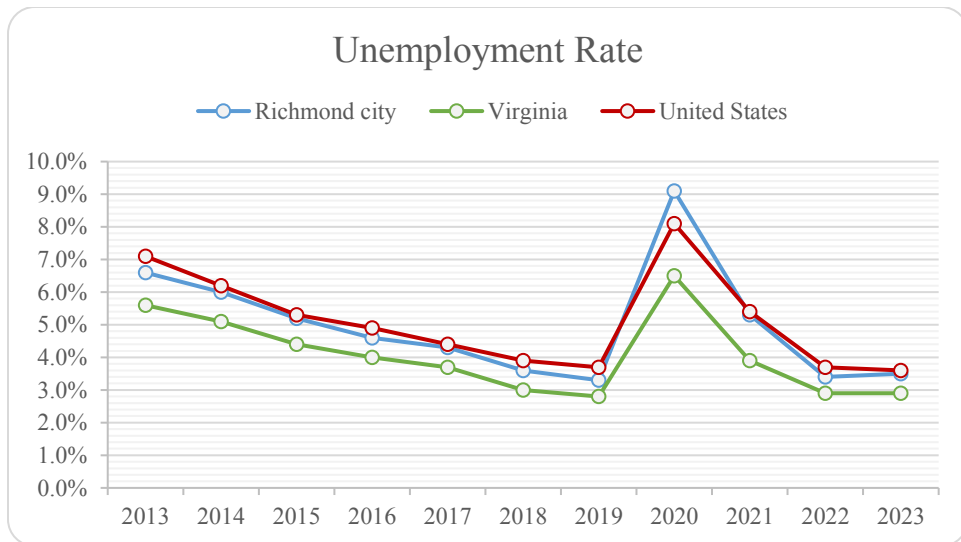
As the preceding illustrates, the Richmond employment base experienced consistent growth between 2013 and 2019. However, between 2019 and 2020, the city’s employment base declined by 5.6% as the result of the COVID-19 pandemic. On a positive note, the local employment base has experienced consistent growth since 2020, more than offsetting the jobs lost during the pandemic.

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

Year	Total Unemployment					
	Richmond City		Virginia		United States	
	Total Number	Percent of Workforce	Total Number	Percent of Workforce	Total Number	Percent of Workforce
2013	7,333	6.6%	236,320	5.6%	11,101,000	7.1%
2014	6,793	6.0%	217,948	5.1%	9,616,000	6.2%
2015	5,817	5.2%	185,900	4.4%	8,296,000	5.3%
2016	5,249	4.6%	169,526	4.0%	7,751,000	4.9%
2017	5,022	4.3%	159,687	3.7%	6,982,000	4.4%
2018	4,197	3.6%	130,779	3.0%	6,314,000	3.9%
2019	3,895	3.3%	122,471	2.8%	6,001,000	3.7%
2020	10,937	9.1%	280,533	6.5%	12,948,000	8.1%
2021	6,314	5.3%	168,742	3.9%	8,623,000	5.4%
2022	4,117	3.4%	127,053	2.9%	5,996,000	3.7%
2023	4,399*	3.5%	132,058*	2.9%	6,080,000**	3.6%

Source: Department of Labor, Bureau of Labor Statistics

*Through November 2023; **Through December 2023



Between 2013 and 2019, the unemployment rate within Richmond declined by over three percentage points, then increased by nearly six percentage points between 2019 and 2020 as the result of the COVID-19 pandemic. Similar to employment trends, the unemployment rate within the city has improved since 2020, averaging an annual unemployment rate of 3.5% (through November 2023), similar to pre-pandemic levels.

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

At-Place Employment Richmond city			
Year	Employment	Change	Percent Change
2013	147,607	-	-
2014	148,477	870	0.6%
2015	149,651	1,174	0.8%
2016	153,128	3,477	2.3%
2017	154,502	1,374	0.9%
2018	155,753	1,251	0.8%
2019	158,794	3,041	2.0%
2020	147,619	-11,175	-7.0%
2021	148,861	1,242	0.8%
2022	154,383	5,522	3.7%
2023*	159,341	4,958	3.2%

Source: Department of Labor, Bureau of Labor Statistics
*Through June

Data for 2022, the most recent year that year-end figures are available, indicates at-place employment in Richmond to be 132.1% of the total Richmond employment. This means that Richmond has more employed persons coming to the city from other cities/counties for work (daytime employment) than those who both live and work there.

3. ECONOMIC FORECAST

The Richmond economy experienced consistent growth between 2013 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, which caused many area businesses to shut down in an attempt to mitigate the spread of the coronavirus. During this time, the Richmond employment base declined by over 6,400 jobs, or 5.6%, and its unemployment rate increased by nearly six percentage points. On a positive note, the local economy has consistently improved since, with total employment at its highest level within the preceding ten-year period and the unemployment rate back to pre-pandemic levels through November 2023. These are good indications that the Richmond economy has fully recovered from the initial impact of the pandemic in terms of total employment and unemployment rate. This, in turn, will continue to create a stable environment for the local housing market.

4. COMMUTING PATTERNS

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

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	20,714	67.6%
Carpooled	3,266	10.7%
Public Transit	2,040	6.7%
Walked	595	1.9%
Motorcycle	56	0.2%
Bicycle	323	1.1%
Other Means	359	1.2%
Worked at Home	3,310	10.8%
Total	30,663	100.0%

Source: Bowen National Research, ESRI

Nearly 68.0% of all workers drove alone, 10.7% carpooled, and 6.7% used public transportation.

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

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	7,376	26.9%
15 – 29 Minutes	13,744	50.1%
30 – 44 Minutes	3,718	13.5%
45 – 59 Minutes	1,094	4.0%
60 + Minutes	1,528	5.6%
Total	27,460	100.0%

Source: Bowen National Research, ESRI

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

★ Site

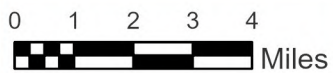
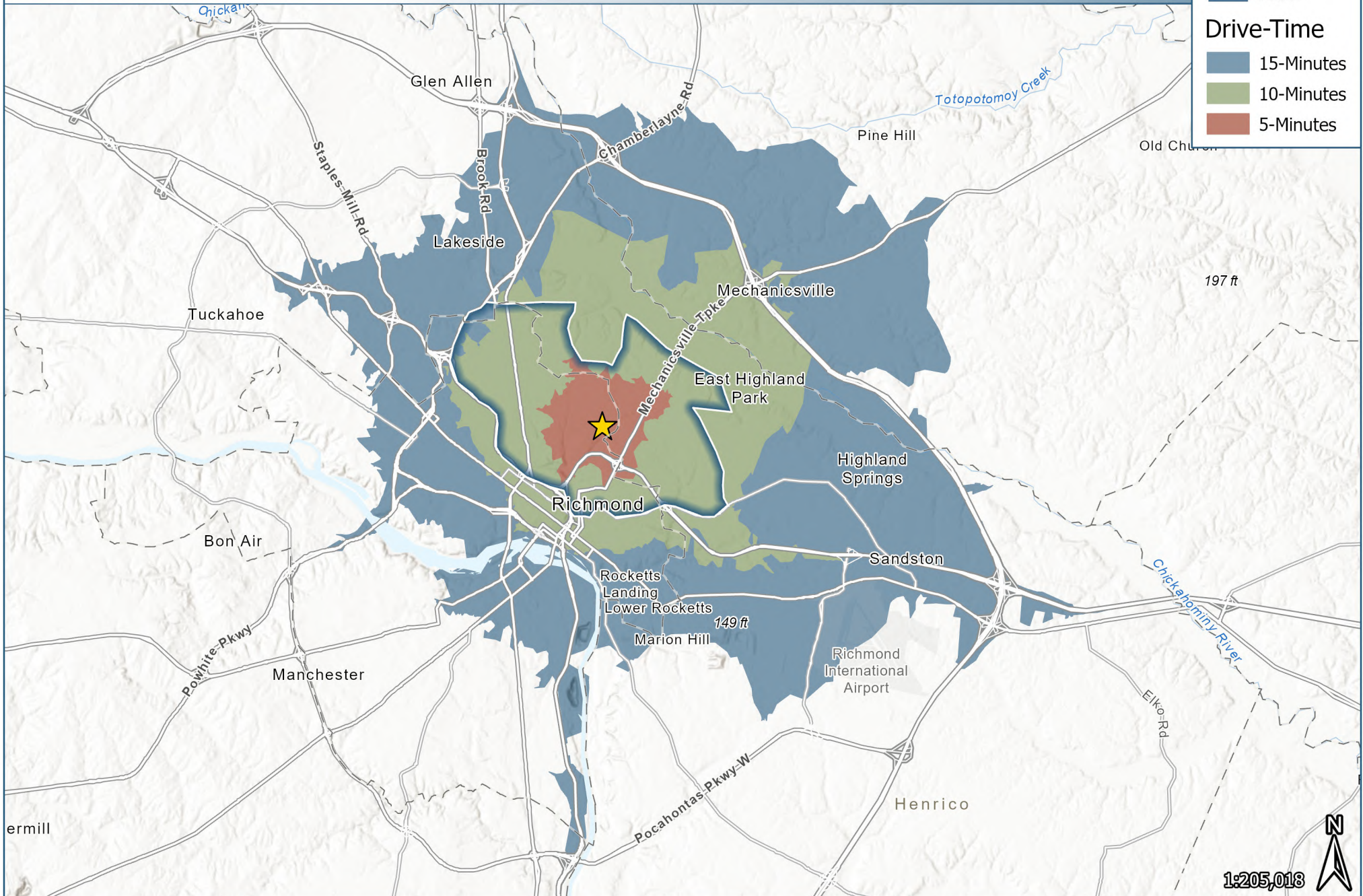
▬ PMA

Drive-Time

15-Minutes

10-Minutes

5-Minutes



V. Rental Housing Analysis (Supply)

A. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Richmond Site PMA in 2010 and 2024, are summarized in the following table:

Housing Status	2010 (Census)		2024 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	24,737	88.3%	26,059	88.3%
Owner-Occupied	11,753	47.5%	12,927	49.6%
Renter-Occupied	12,984	52.5%	13,132	50.4%
Vacant	3,284	11.7%	3,458	11.7%
Total	28,020	100.0%	29,517	100.0%

Source: 2010 Census, ESRI, Bowen National Research

Based on a 2024 update of the 2010 Census, of the 29,517 total housing units in the market, 11.7% were vacant. In 2024, it was estimated that homeowners occupied 49.6% of all occupied housing units, while the remaining 50.4% were occupied by renters.

Conventional Apartments

We identified and personally surveyed 20 conventional housing projects containing a total of 3,498 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 91.8%, a generally stable rate for rental housing.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	5	1,580	72	95.4%
Market-Rate/Tax Credit	1	103	10	90.3%
Tax Credit	9	1,459	147	89.9%
Tax Credit/Government-Subsidized	5	356	58	83.7%
Total	20	3,498	287	91.8%

As illustrated in the preceding table, the Tax Credit rental housing segment is reporting a combined occupancy rate of 89.9%, and the Tax Credit/government-subsidized segment reports a combined occupancy rate of 83.7%, generally less than stable occupancy rates for affordable housing. However, it is important to note that this includes one property still in its initial lease-up period (Cool Lane) and reporting 54 vacant units. In addition, a Tax Credit property (Glenwood Farms Apartments) is reporting 105 vacant units and according to management, this property recently changed management companies and several tenants were evicted, while leasing was also paused for a short period of time during the transition between management companies. When excluding these two properties, the Tax Credit segment has a combined occupancy rate of 96.4%, the Tax Credit/government-subsidized segment has a combined occupancy rate of

97.4%, and the overall market has a combined occupancy rate of 95.9%. As such, it appears that there are no deficiencies within the Richmond rental housing market.

In addition to the projects surveyed in the market that offer Tax Credit units, there are additional Tax Credit developments within the market that we were unable to survey at the time this report was issued. Despite several attempts, management at these properties was unable/unwilling to provide detailed property information. Thus, these properties have been excluded from our survey and are summarized in the following table:

Project Name	Address	Year Built/Rehab	Total Units
Bradford Manor	2027 Fairfield Ave.	1963 / 1996	56
Fieldcrest Apts.	3731 Delmont St.	2006	29
Foundry	1207 School St.	2022	200
North Oak	617 W Laburnum Ave.	1963 / 2012	141
Delmont Plaza	3808 Delmont St.	1980 / 2008	41
Fairmont House	1501 N. 21st St.	1895 / 2007	160
Newman Village	4053 Old Brook Rd.	1977 / 2010	99
Oliver Crossing	1329 Coalter St.	1956 / 2011	222
Shockoe Hill I, II & III	210 Hospital St.	1894	189
St. Luke	3901 Pilots Ln.	1982 / 2020	480
Highland Grove	1132 Dove St.	2013	80*

*Affordable units only (property also offers market-rate units)

Notably, nearly all of the units in the preceding table that we were unable to survey operate with a subsidy. In addition, none of the projects that we were unable to survey are believed to target the homeless population.

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

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	40	2.4%	1	2.5%	\$1,055
One-Bedroom	1.0	716	43.3%	36	5.0%	\$1,186
Two-Bedroom	1.0	267	16.2%	8	3.0%	\$1,419
Two-Bedroom	1.5	121	7.3%	0	0.0%	\$1,546
Two-Bedroom	2.0	376	22.8%	19	5.1%	\$1,834
Three-Bedroom	1.0	54	3.3%	6	11.1%	\$1,658
Three-Bedroom	2.0	50	3.0%	5	10.0%	\$1,658
Three-Bedroom	2.5	3	0.2%	2	66.7%	\$3,794
Three-Bedroom	3.0	25	1.5%	5	20.0%	\$2,354
Total Market-rate		1,652	100.0%	82	5.0%	-

Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	24	1.5%	12	50.0%	\$1,026
One-Bedroom	1.0	512	31.9%	32	6.3%	\$991
Two-Bedroom	1.0	518	32.2%	72	13.9%	\$1,155
Two-Bedroom	1.5	116	7.2%	4	3.4%	\$1,188
Two-Bedroom	2.0	211	13.1%	8	3.8%	\$1,190
Three-Bedroom	1.0	53	3.3%	16	30.2%	\$1,592
Three-Bedroom	1.5	42	2.6%	2	4.8%	\$1,382
Three-Bedroom	2.0	127	7.9%	1	0.8%	\$1,404
Four-Bedroom	3.0	4	0.2%	0	0.0%	\$1,548
Total Tax Credit		1,607	100.0%	147	9.1%	-

As the preceding table illustrates, the median gross Tax Credit rents are well below the corresponding median gross market-rate rents. As such, Tax Credit product likely represents an excellent value to low-income renters within the Site PMA. This is further evidenced by the relatively low combined vacancy rate among all non-subsidized Tax Credit units surveyed within the market (when excluding the property that recently changed management companies).

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

Year Built	Projects	Units	Vacancy Rate
Before 1970	7	1,823	10.6%
1970 to 1979	1	498	0.6%
1980 to 1989	2	89	1.1%
1990 to 1999	0	0	0.0%
2000 to 2009	1	152	0.0%
2010 to 2014	0	0	0.0%
2015	1	103	9.7%
2016	0	0	0.0%
2017	0	0	0.0%
2018	1	54	0.0%
2019	1	301	4.3%
2020	0	0	0.0%
2021	2	215	4.2%
2022	1	24	0.0%
2023	0	0	0.0%
2024*	0	0	0.0%

*As of February

As illustrated in the preceding table, vacancy rates are highest among properties built in before 1970. This is a good indication that there could be a correlation between age and vacancy rates in this market. Regardless, the new construction subject site will be the newest property in the market upon completion, which is expected to contribute to the marketability of the subject site.

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

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	2	373	6.2%
B	1	85	0.0%
B-	1	4	25.0%
C+	2	1,190	4.9%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	6	488	3.7%
B	3	691	16.2%
B-	3	428	4.0%

Note that although the market-rate property assigned a quality rating of “B-“ is reporting a vacancy rate of 25.0%, this property only offers four units and this is reflective of just one vacant unit. In addition, the Tax Credit segment for properties assigned a rating of “B” includes the property that recently changed management companies and reporting a higher than typical number of vacant units. All remaining segments broken out by quality are reporting low vacancy rates and it can be concluded that there is not likely a correlation between appearance and vacancies within the Richmond rental housing market.

Government-Subsidized

The government-subsidized units in the Site PMA are summarized as follows.

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
Studio	1.0	56	23.4%	3	5.4%
One-Bedroom	1.0	157	65.7%	55	35.0%
Two-Bedroom	2.0	13	5.4%	0	0.0%
Three-Bedroom	2.0	13	5.4%	0	0.0%
Total Subsidized Tax Credit		239	100.0%	58	24.3%

The subsidized Tax Credit units are 97.4% occupied when excluding the property still in lease-up. This high occupancy rate among all subsidized projects in the Site PMA indicates there is very high demand for affordable rental housing available to very low-income renters such as that offered/proposed at the site.

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

B. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

The subject site will provide 82 studio and one-bedroom units to low-income renters earning up to 40%, 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Of the 82 units, 70 will operate with a Section 8 subsidy and all units will target homeless individuals. As such, we have selected the five most comparable LIHTC properties within the Site PMA to serve as a baseline of comparison to the proposed subject project. These properties have been selected based on various features such as their location, units offered, age and targeted population. Notably, one of these properties is restricted to seniors, however, this property will provide an additional base of comparison for the subject project and is not considered directly competitive with the subject project.

In addition, one of these properties Cool Lane (Map ID 9), targets homeless individuals and offers studio and one-bedroom units, similar to that proposed/offered at the subject site. However, it should be noted that all units at this property operate with a subsidy allowing tenants to pay only a portion of their income towards rent. As such, no conclusions should be made based on the rents of this property, however, it is the only directly competitive property in the market and has been included in our comparable analysis.

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

Map I.D.	Project Name	Year Built/Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Rady Street Apartments	2027	82	-	-	-	Families/Homeless; 40%, 50% & 60% AMHI & PBV
7	Carter Woods I & II	2004	152	100.0%	3.5 Miles	150 HH	Seniors 62+; 40%, 50%, & 60% AMHI
9	Cool Lane	1977 / 2022	86	37.2%	1.3 Miles	None	Families/Homeless; 50% AMHI & PBV/PBRA
14	Lincoln Mews I & II	1969 / 2011	245	97.1%	2.4 Miles	None	Families; 40%, 50%, & 60% AMHI
15	Mallard Greens Townhomes	1965 / 2007	192	96.9%	2.6 Miles	None	Families; 60% AMHI
16	Oliver Apts.	1886 / 2020	164	94.5%	2.5 Miles	None	Families; 60% AMHI

OCC. – Occupancy; HH -Households

The five comparable LIHTC projects have a combined occupancy rate of 90.9%, however, as stated throughout this report, this includes Cool Lane, a Tax Credit property that is still in lease-up and reporting an occupancy rate of 37.2%. When excluding this property, the remaining comparable LIHTC properties have a combined occupancy rate of 97.1%, a good rate for rental housing. The development of the subject project will alleviate a portion of this high demand.

It is also important to note that Cool Lane offers a similar rental product as that proposed at the site, as this property targets homeless individuals and leased 32 units within less than two months. This is considered a good absorption rate and further illustrates the need for such housing in the market.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
7	Carter Woods I & II	152	17	11.2%
9	Cool Lane	86	NA	-
14	Lincoln Mews I & II	245	NA	-
15	Mallard Greens Townhomes	192	NA	-
16	Oliver Apts.	164	NA	-
Total		152	17	11.2%

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

As the preceding table illustrates, there are a total of approximately 17 units that are occupied by Voucher holders at the one comparable LIHTC project surveyed that provided such information. The 17 units occupied by Voucher holders comprise 11.2% of these comparable units. This is considered a low share of Voucher support, however, as nearly 89.0% of these comparable Tax Credit units are occupied by tenants which are not currently receiving rental assistance, the gross rents charged at this aforementioned project in the market are achievable.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)					Rent Special
		Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.	
Site	Rady Street Apartments	\$747/40% (13)* \$933/50% (28)* \$933/60% (20)* \$1,120/60% (12)	\$1,200/60% (9)*	-	-	-	-
7	Carter Woods I & II	-	\$788/40% (16/0) \$988/50% (31/0) \$1,188/60% (44/0)	\$1,190/50% (25/0) \$1,430/60% (36/0)	-	-	None
9	Cool Lane	Subsidized/50% (6/3)**	Subsidized/50% (80/51)**	-	-	-	None
14	Lincoln Mews I & II	-	\$781/40% (14/0) \$981/50% (17/0) \$1,181/60% (1/0)	\$948/40% (4/0) \$948/40% (4/0) \$1,188/50% (27/1) \$1,188/50% (97/4) \$1,428/60% (3/0) \$1,428/60% (15/0)	\$1,105/40% (4/0) \$1,382/50% (45/2) \$1,659/60% (10/0)	\$1,548/50% (4/0)	None
15	Mallard Greens Townhomes	-	\$1,090/60% (3/3)	\$1,155/60% (186/0)	\$1,374/60% (3/3)	-	None
16	Oliver Apts.	-	\$1,180/60% (146/6)	\$1,405/60% (9/3) \$1,405/60% (9/0)	-	-	None

*Maximum allowable LIHTC rent; contract rent exceeds maximum allowable and units operate with subsidy allowing tenants to pay portion of their income towards rent

**Subsidized; tenants of this project pay only a portion of their income towards rent

Note that none of the comparable Tax Credit properties offer non-subsidized studio units with rents that are being paid by the tenants. The proposed non-subsidized gross rent at the subject site will generally be competitive with the gross LIHTC rents being achieved at the comparable LIHTC properties in the market. In addition, given the generally strong occupancy levels maintained at the comparable developments, these properties can likely achieve higher rents without adversely impacting their occupancy levels. Regardless, 70 of the units at the site will operate with a project-based subsidy and only the remaining 12 units at 60% of AMHI will be occupied by tenants that must pay the charged rents, although it is likely that these units will be filled by those with vouchers due to the special needs population targeted at the site and the referrals expected to fill the units at the site.

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

Map I.D.	Project Name	Square Footage				
		Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Rady Street Apartments	405 – 510	520 – 731	-	-	-
7	Carter Woods I & II	-	600	800	-	-
9	Cool Lane	501	511 - 789	-	-	-
14	Lincoln Mews I & II	-	602	747 - 749	891 - 1,179	1,507
15	Mallard Greens Townhomes	-	710	830	910	-
16	Oliver Apts.	-	547 - 766	665 - 1,045	-	-

Map I.D.	Project Name	Number of Baths				
		Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Rady Street Apartments	1.0	1.0	-	-	-
7	Carter Woods I & II	-	1.0	2.0	-	-
9	Cool Lane	1.0	1.0	-	-	-
14	Lincoln Mews I & II	-	1.0	1.0 - 1.5	1.5 - 2.0	3.0
15	Mallard Greens Townhomes	-	1.0	1.0	1.0	-
16	Oliver Apts.	-	1.0	2.0	-	-

The subject’s studio units will generally be competitive with the only existing studio unit sizes reported at the selected properties and one-bathroom is considered appropriate for a studio unit. Although among the smallest, the subject’s one-bedroom units are within the range of the one-bedroom unit sizes in the market.

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

Tax Credit Unit Amenities by Map ID							
	Site*	7 ♦	9	14	15	16	
Appliances	Dishwasher	X	X		X	X	X
	Disposal		X			X	X
	Microwave						X
	Range	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X
	W/D Hookup				S		X
	W/D						X
	No Appliances						
Unit Amenities	AC-Central	X	X	X	X	X	X
	AC-Other						
	Balcony/ Patio/ Sunroom				S		
	Basement						
	Ceiling Fan		X				
	Controlled Access	X		X			X
	E-Call System		X				
	Furnished	X		X			
	Walk-In Closet					X	X
	Window Treatments	X	X	X	X	X	X
			X		X	X	
Flooring	Carpet		X		X	X	
	Ceramic Tile	X					
	Hardwood						X
	Finished Concrete						X
	Composite/Vinyl/Laminate	X	X	X	X	X	X
Upgraded	Premium Appliances						
	Premium Countertops						
	Premium Cabinetry						
	Premium Fixtures						
	High/Vaulted Ceilings						X
	Oversized Windows						X
Parking	Attached Garage						
	Detached Garage						
	Street Parking						
	Surface Lot	X	X	X	X	X	X
	Carport						
	Property Parking Garage						
	No Provided Parking						

♦ - Senior Property

* Proposed Site(s): Rady Street Apts.

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

** Details in Comparable Property Profile Report

Continued on Next Page

Tax Credit Property Amenities by Map ID

	Site*	7 ♦	9	14	15	16	
	X		X			X	
Bike Racks / Storage	X		X			X	
Computer/Business Center	X	X		X	X		
Car Care **							
Community Garden							
Community	Multipurpose Room	X	X	X	X	X	
	Chapel						
	Community Kitchen	X		X			
	Dining Room - Private						
	Dining Room - Public						
	Rooftop Terrace						
	Concierge Service **						
	Convenience Amenities **				X	X	
	Covered Outdoor Area **						
	Elevator	X	X	X			X
Laundry Room	X	X	X	X	X		
On-Site Management	X	X	X	X	X	X	
Pet Care **					X	X	
Recreation	Basketball						
	Bocce Ball						
	Firepit						
	Fitness Center		X	X		X	X
	Grilling Area			X			X
	Game Room - Billiards						X
	Walking Path						
	Hot Tub						
	Library	X	X				
	Media Room / Theater						
	Playground				X	X	
	Putting Green						
	Racquetball						
	Shuffleboard						
	Swimming Pool - Indoor						
	Swimming Pool - Outdoor						
	Tennis						
Volleyball							
Security	CCTV	X	X	X	X	X	
	Courtesy Officer	X					
	Security Gate						
	Social Services **	X	X	X			
	Storage - Extra						O
Common Space WiFi	X		X		X		

♦ - Senior Property

* Proposed Site(s): Rady Street Apts.

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

** Details in Comparable Property Profile Report

The subject development will offer furnished units with basic kitchen appliances, air conditioning, and secured/controlled entry. In addition, the subject project will include furnished units, with each unit including a bed, dresser, table, chairs, nightstand and living area furniture. Further, the project amenities to be included at the subject development will include on-site management, laundry facilities, a community room, community porch/patio and a supportive services package, which will cater to the needs of the targeted homeless population. These amenities are considered to be relatively competitive among the comparable LIHTC projects in the market and the subject project does not appear to be lacking any key amenities which would impede it from operating as an affordable development.

Comparable Tax Credit Summary

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

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



Site

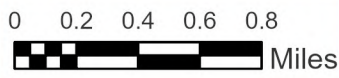
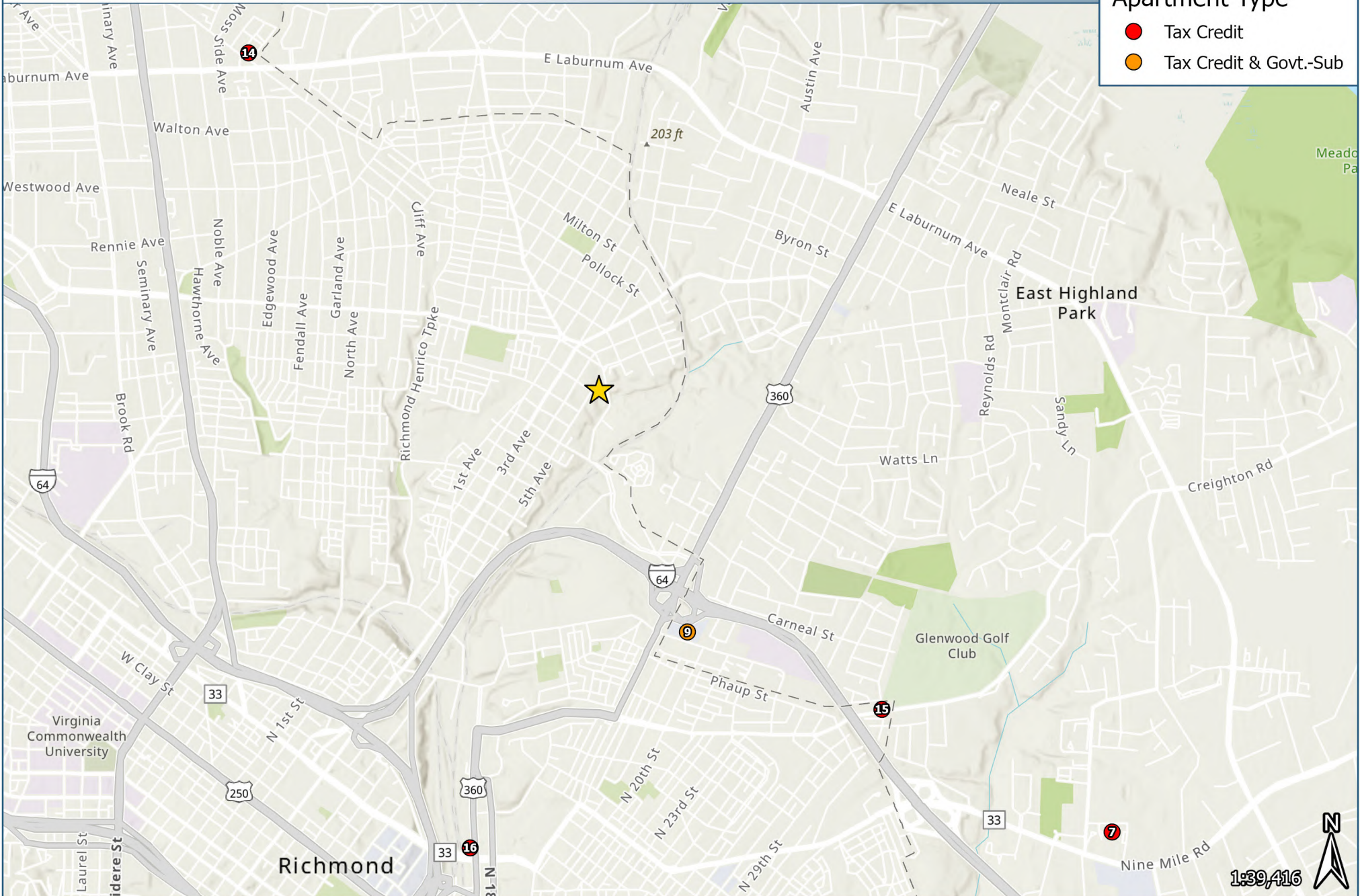
Apartment Type



Tax Credit



Tax Credit & Govt.-Sub



C. PLANNED MULTIFAMILY DEVELOPMENT

Despite numerous attempts, local planning and building representatives within the Richmond area were unable/unwilling to comment on the status of rental communities within the development pipeline in the Site PMA. The following was obtained via extensive online research and our in-person observations:

Project Name & Address	Type	Units	Developer	Status/Details
Horizon at Springdale Park 4100 Concord Creek Pl.	Market-Rate	78	Spy Rock	Under Construction: 247 units are completed and in lease-up and 78 units still under construction, with ECD July 2024; One-, two-, and three-bedroom units with premium finishes and amenities.
Compass at Springdale Park 4121 Concord Creek Pl.	Market-Rate Senior	160	Spy Rock	Under Construction: Luxury active senior 55+ community; One-, and two-bedrooms starting at \$1,600; ECD April 2024.
Brookland Park II 1218 -1228 East Brookland Park Blvd.	Tax Credit	66	Nehemiah Ventures & Community Housing, Inc.	Under Construction: Allocated LIHTC funding in 2021; 30 one-, two-, and 4 three-bedroom units; 30%, 40%, 50%, 70%, and 80% AMHI; Amenities will include a fitness center, community room, community retail flex space and outdoor plaza; ECD November 2024.
Creighton Court Phase 1A 3100 Nine Mile Rd.	Tax Credit & Subsidized	68	Richmond Redevelopment and Housing Authority	Under Construction: Replacement housing for public housing development; Developer was allocated LIHTC funding in 2021; 21 units will receive PBV rental assistance; Entire project could include 700 units built in phases, with new parks and other community amenities; ECD of Phase 1A spring 2025.
TBD 1203 E. Brookland Park	Tax Credit	43	Enterprise Community Development	Planned: Allocated LIHTC funding in 2024; Mixed-use with first floor commercial space; Plans include seven (7) one-, and (26) two-, and ten (10) three-bedroom units, with half of units for households at 50% AMHI, and the rest at 40% to 80% AMHI; 36 off-street parking spaces.
Bellevue Gardens (AKA Terraces at Bellevue) 1717 Bellevue Ave. 3940 Rosedale Ave.	Tax Credit	78	Surber Development and Consulting	Planned: Allocated LIHTC funding in 2023; Five (5) one-bedroom, 36 two-bedroom units, 37 three-bedroom units planned; 30% and 80% AMHI; 118 parking spaces; Hope to begin construction summer 2024.
Carter Woods III 301 Dabbs House Rd.	Tax Credit	53	Better Housing Coalition (BHC)	Planned: Allocated 9% LIHTC funding in 2024; One-, two-, and three-bedroom units; 40%, 50%, and 60% AMHI; Hope to begin construction Oct. 2024 and ECD early 2026.
Carter Woods IV 301 Dabbs House Rd.	Tax Credit	53	Better Housing Coalition (BHC)	Proposed: Applied for 4% Bond financing in conjunction with Phase III. Hope to begin construction Oct. 2024 and ECD early 2026.
Saint Elizabeth 1031 Fourquarean Ln.	Tax Credit	56	Commonwealth Catholic Charities Housing Corporation	Planned: Allocated 9% LIHTC funding in 2024 as Accessible Supportive Housing; Two (2) studios, eight one-bedroom units, 34 two-bedroom, and 12 three-bedroom units; 40%, 50%, and 60% AMHI; 76 parking spaces.
Highland Grove II 1132 Dove St.	Tax Credit, Subsidized & Market-rate	139	Richmond Redevelopment Housing Authority	Proposed: Second phase would add at least 139 more units, including single-family attached and detached dwellings.

(Continued)

Project Name & Address	Type	Units	Developer	Status/Details
Creighton Court Phase B 3100 Nine Mile Rd.	Tax Credit & Subsidized	72	The Community Builders	Proposed: Replacement housing for public housing development slated for demolition; Working on getting financing completed, Developer submitted Tax Credit applications; Estimated time for financing to be completed in August 2024. Construction to begin winter 2024 and ECD summer 2025.
2906 5th Avenue 2906 5th Ave.	Affordable	52	Clean Livin LLC	Proposed: Submitted Plans in June 2022; apartments would be income-based units and likely targeted to lower-income households.
TBD 711 Dawn St.	Market-Rate and Income Restricted	52	Doug Dunlap	Proposed: In May 2021 rezoning request approved to develop a mixed-use building with 7,000 sq. ft. ground-floor commercial space; Plans call for 34 one-, and 18 two-bedroom units; 10 of the units would be for families making 80 % or less of AMHI.

ECD – Estimated Completion Date

None of the aforementioned developments is expected to target a similar demographic (homeless) as the site. As such, no additional units have been subtracted from our demand estimates in *Section VII* of this report.

In addition, we have conservatively included the 364 units at Creighton Court Phase 1A, Saint Elizabeth, Carter Woods III, Bellevue Gardens, 1201 E. Brookland Park and Brookland Park II in our penetration rate calculations in *Section VII*, although it is believed that some of these units are subsidized. These are the only Tax Credit projects in the development pipeline that are believed to be past the preliminary phase of development.

D. ANTICIPATED IMPACT ON EXISTING TAX CREDIT PROPERTIES

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

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2027
7	Carter Woods I & II	100.0%	95.0%+
9	Cool Lane	37.2%	95.0%+
14	Lincoln Mews I & II	97.1%	95.0%+
15	Mallard Greens Townhomes	96.9%	95.0%+
16	Oliver Apts.	94.5%	93.0%+

The combined LIHTC occupancy rate of the four *established* most comparable LIHTC projects in the market is 97.1%, a good rate for rental housing. The development of the subject project will alleviate a portion of this demand. Additionally, while all of the aforementioned developments were selected as comparable, only one will directly compete with the subject development. Cool Lane (Map ID 9) as it targets a similar income demographic as the site. As such, it is not anticipated that the subject development will have any tangible impact on the marketability of existing LIHTC product within the Site PMA. This is especially true considering the subject project will receive referrals from the housing authority to occupy the special needs units at the subject site.

E. BUY VERSUS RENT ANALYSIS

According to ESRI, the median home value in the Site PMA was \$289,156. At an estimated interest rate of 7.1% and a 30-year term (and 95% LTV), the monthly mortgage for a \$289,156 home is \$2,308, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price – ESRI	\$289,156
Mortgaged Value = 95% Of Median Home Price	\$274,698
Interest Rate – MortgageNewsDaily.Com	7.10%
Term	30
Monthly Principal & Interest	\$1,846
Estimated Taxes And Insurance*	\$462
Estimated Monthly Mortgage Payment:	\$2,308

*Estimated at 25% of principal and interest.

In comparison, most tenants of the site will be formerly homeless individuals and paying on a portion of their income towards rents, while the collected non-subsidized Tax Credit rents at the subject property are well below the cost of a monthly mortgage for a typical home in the area. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

VI. Achievable Market Rent Analysis

A. INTRODUCTION

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

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

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

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

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

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

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

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					Studio	One-Br.	Two-Br.	Three-Br.
Site	Rady Street Apartments	2027	82	-	73 (-)	9 (-)	-	-
6	Canopy at Ginter Park	2019	301	95.7%	-	112 (96.4%)	186 (96.2%)	3 (33.3%)
17	Red Oak	1972 / 2020	498	99.4%	16 (93.8%)	240 (99.2%)	242 (100.0%)	-
18	Saddlewood Apartment in the Pines	1987 / 2023	85	100.0%	24 (100.0%)	56 (100.0%)	5 (100.0%)	-
19	Spectrum Apts.	2015	72*	86.1%	-	8 (100.0%)	39 (87.2%)	25 (80.0%)

Occ. – Occupancy; *Market-rate units only (property also offers affordable units)

The four selected market-rate projects have a combined total of 956 units with an overall occupancy rate of 97.3%, a good rate for rental housing. This indicates that these projects have been well received within the market and will serve as accurate benchmarks with which to compare the subject project.

Note that although Spectrum Apartments is reporting an occupancy rate of 86.1%, this is reflective of just 10 vacant units at this property and all of the vacant units are within the two- and three-bedroom units, unit types not offered at the site.

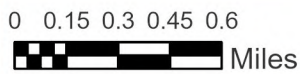
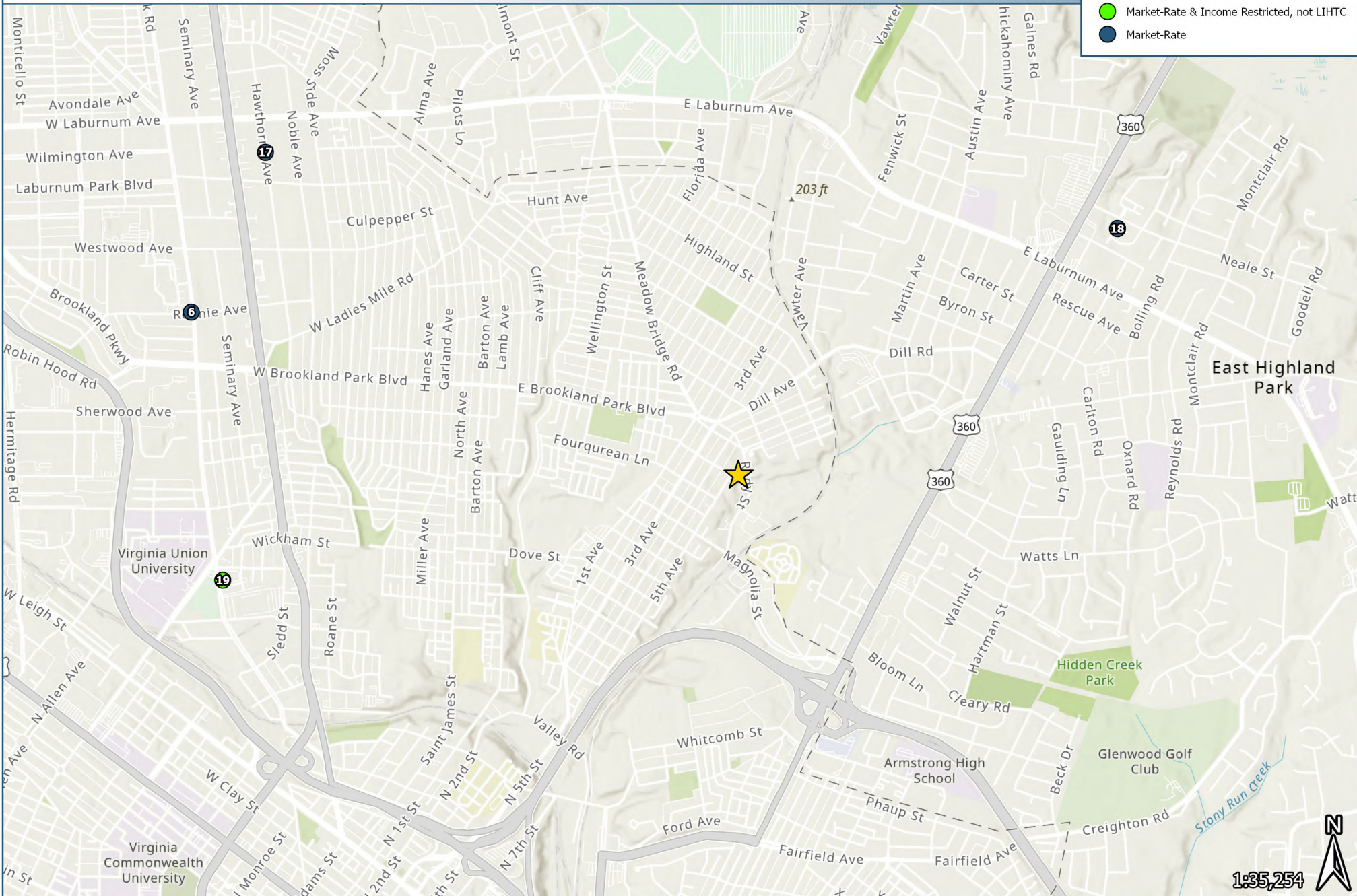
The Rent Comparability Grids on the following page show the collected rents for each of the selected properties and illustrate the adjustments made (as needed) for various features and location or neighborhood characteristics, as well as quality differences that exist among the selected properties and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



Site

Apartment Type

- Market-Rate & Income Restricted, not LIHTC
- Market-Rate



Rent Comparability Grid

Unit Type → **STUDIO**

Subject		Comp #1		Comp #2		Comp #3		Comp #4	
Rady Street Apartments		Canopy at Ginter Park		Red Oak		Saddlewood Apartment in the Pines		Spectrum Apts.	
2900 Rady Street and 2733 5th Avenue		3200 Brook Rd.		3609 Chamberlayne Ave.		3801 Elfstone Ln.		2017 Brook Rd.	
Richmond, VA		Richmond, VA		Richmond, VA		Richmond, VA		Richmond, VA	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,795		\$790		\$943		\$1,355	
2	Date Surveyed	Feb-24		Mar-24		Feb-24		Feb-24	
3	Rent Concessions	None		None		None		None	
4	Occupancy for Unit Type	96%		94%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,795	2.85	\$790	1.86	\$943	3.27	\$1,355	1.83
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/4		WU/2		R/1		EE/4	
7	Yr. Built/Yr. Renovated	2027	\$8	1972/2020	\$31	1987	\$40	2015	\$12
8	Condition/Street Appeal	E	\$15	F	\$30	G	\$15	G	\$15
9	Neighborhood	G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	STUDIO	(\$50)	STUDIO		STUDIO		1	(\$50)
12	# Baths	1		1		1		1	
13	Unit Interior Sq. Ft.	405	(\$131)	425	(\$12)	288	\$69	742	(\$197)
14	Patio/Balcony/Sunroom	N	(\$5)	N		N		N	
15	AC: Central/Wall	C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y	(\$5)	N/Y		N/N	\$10	Y/Y	(\$5)
18	Washer/Dryer	L	(\$35)	L		L		W/D	(\$35)
19	Floor Coverings	C/V		C/V		C		C/V	
20	Window Treatments	Y		Y		Y		Y	
21	Secured Entry	Y		N	\$3	N	\$3	Y	
22	Garbage Disposal	N	(\$5)	N		Y	(\$5)	Y	(\$5)
23	Ceiling Fan/Storage	N/N	(\$5)	N/N		N/N		N/N	
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		NONE	\$10
25	On-Site Management	Y		Y		Y		Y	
26	Security Features	Y		Y		N	\$5	Y	
27	Community Space	Y		N	\$5	N	\$5	Y	
28	Pool/Recreation Areas	L	(\$18)	N	\$3	N	\$3	F/GR	(\$5)
29	Business/Computer Center	Y	\$3	N	\$3	N	\$3	N	\$3
30	Grilling Area	N	(\$3)	N		N		Y	(\$3)
31	Playground	N		N		N		N	
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	Y/E	\$16	N/G	\$45	N/E	\$16	N/E	\$16
34	Cooling (in rent?/ type)	Y/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	Y/E	\$5	N/G	\$4	N/E	\$5	N/E	\$5
36	Hot Water (in rent?/ type)	Y/E	\$13	N/G	\$10	N/E	\$13	N/E	\$13
37	Other Electric	Y	\$35	N	\$35	N	\$35	N	\$35
38	Cold Water/Sewer	Y/Y	\$61	N/N	\$61	N/N	\$61	N/N	\$61
39	Trash/Recycling	Y/N		N/N	\$20	N/N	\$20	Y/N	
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	4	9	7	1	10	1	5	7
41	Sum Adjustments B to D	\$36	(\$257)	\$85	(\$12)	\$163	(\$5)	\$50	(\$300)
42	Sum Utility Adjustments	\$130		\$175		\$150		\$130	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$91)	\$423	\$248	\$272	\$308	\$318	(\$120)	\$480
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,704		\$1,038		\$1,251		\$1,235	
45	Adj Rent/Last rent		95%		131%		133%		91%
46	Estimated Market Rent	\$1,295	\$3.20	← Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type → **ONE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4	
Rady Street Apartments		Canopy at Ginter Park		Red Oak		Saddlewood Apartment in the Pines		Spectrum Apts.	
2900 Rady Street and 2733 5th Avenue		3200 Brook Rd.		3609 Chamberlayne Ave.		3801 Elfstone Ln.		2017 Brook Rd.	
Richmond, VA		Richmond, VA		Richmond, VA		Richmond, VA		Richmond, VA	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,795		\$800		\$1,070		\$1,355	
2	Date Surveyed	Feb-24		Mar-24		Feb-24		Feb-24	
3	Rent Concessions	None		None		None		None	
4	Occupancy for Unit Type	96%		99%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,795	2.85	\$800	1.23	\$1,070	1.86	\$1,355	1.83
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/4		WU/2		R/1		EE/4	
7	Yr. Built/Yr. Renovated	2027	\$8	1972/2020	\$31	1987	\$40	2015	\$12
8	Condition/Street Appeal	E	\$15	F	\$30	G	\$15	G	\$15
9	Neighborhood	G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1	
12	# Baths	1		1		1		1	
13	Unit Interior Sq. Ft.	520	(\$53)	650	(\$63)	576	(\$27)	742	(\$107)
14	Patio/Balcony/Sunroom	N	(\$5)	N		Y	(\$5)	N	
15	AC: Central/Wall	C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y	(\$5)	N/Y		N/Y		Y/Y	(\$5)
18	Washer/Dryer	L	(\$35)	L		HU/L	(\$10)	W/D	(\$35)
19	Floor Coverings	C/V		C/V		C		C/V	
20	Window Treatments	Y		Y		Y		Y	
21	Secured Entry	Y		N	\$3	N	\$3	Y	
22	Garbage Disposal	N	(\$5)	N		Y	(\$5)	Y	(\$5)
23	Ceiling Fan/Storage	N/N	(\$5)	N/N		N/N		N/N	
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		NONE	\$10
25	On-Site Management	Y		Y		Y		Y	
26	Security Features	Y		Y		N	\$5	Y	
27	Community Space	Y		N	\$5	N	\$5	Y	
28	Pool/Recreation Areas	L	(\$18)	N	\$3	N	\$3	F/GR	(\$5)
29	Business/Computer Center	Y	\$3	N	\$3	N	\$3	N	\$3
30	Grilling Area	N	(\$3)	N		N		Y	(\$3)
31	Playground	N		N		N		N	
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	Y/E	\$19	N/G	\$50	N/E	\$19	N/E	\$19
34	Cooling (in rent?/ type)	Y/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	Y/E	\$6	N/G	\$5	N/E	\$6	N/E	\$6
36	Hot Water (in rent?/ type)	Y/E	\$15	N/G	\$12	N/E	\$15	N/E	\$15
37	Other Electric	Y	\$40	N	\$40	N	\$40	N	\$40
38	Cold Water/Sewer	Y/Y	\$65	N/N	\$65	N/N	\$65	N/N	\$65
39	Trash/Recycling	Y/N		N/N	\$20	N/N	\$20	Y/N	
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	4	8	7	1	8	4	5	6
41	Sum Adjustments B to D	\$36	(\$129)	\$85	(\$63)	\$84	(\$47)	\$50	(\$160)
42	Sum Utility Adjustments	\$145		\$192		\$165		\$145	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$52	\$310	\$214	\$340	\$202	\$296	\$35	\$355
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,847		\$1,014		\$1,272		\$1,390	
45	Adj Rent/Last rent		103%		127%		119%		103%
46	Estimated Market Rent	\$1,380	\$2.65	← Estimated Market Rent/ Sq. Ft					

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

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

Bedroom Type	Proposed/Programmatic Collected LIHTC Rent (% AMHI)	Achievable Market Rent	Market Rent Advantage
Studio	\$747* (40%)	\$1,295	42.3%
Studio	\$933* (50%)	\$1,295	28.0%
Studio	\$1,120 (60%)	\$1,295	13.5%
One-Br.	\$1,200* (60%)	\$1,380	13.0%

*Maximum allowable LIHTC rent; contract rent exceeds maximum allowable rent

Typically, Tax Credit units should represent approximately a 10.0% market rent advantage. As such, the proposed/programmatic Tax Credit rents will likely be perceived as good values within the market, as they represent market rent advantages of between 13.0% and 42.3%.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions.

7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1972 and 2019, although the property built in 1972 was substantially renovated in 2020. As such, we have adjusted the rents at the selected properties by \$1 per year of (effective) age difference to reflect the age of these properties.

8. It is anticipated that the proposed subject project will have a high quality overall appearance, once construction is completed. We have made adjustments for those properties that we consider to be of inferior quality compared to the subject development.
10. Two of the selected properties do not offer studio units. As such, we have utilized the data for the one-bedroom units at these properties and applied a negative adjustment of \$50 to account for the lack of a defined bedroom at the subject site, compared to the one-bedroom units at these properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.- 23. The proposed subject project will offer a unit amenity package inferior to those offered at the selected properties. We have made adjustments for features lacking at the subject project.
- 24.-32. The proposed project will offer a comprehensive project amenities package. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

VII. Capture Rate Analysis

The subject project will be developed using financing from the Low-Income Housing Tax Credit (LIHTC) program. It will also offer a Section 8 subsidy with 70 of the 82 units, allowing tenants to pay no more than 30% of their income towards gross rent. Because the project will target the homeless population, the traditional method of calculating the capture rate of income-qualified renter households using U.S. Census data is not necessarily an accurate measure of the depth of support for the proposed development. As a result, we have calculated two sets of demand. First, we calculated the traditional capture rate of the project following Virginia Housing market study requirements. This approach evaluates the number of income-qualified renter households in the market, regardless if they meet the criteria of being designated as “homeless.” We then calculated the capture rate of the project that considers only homeless individuals based on Point-in-Time survey data.

A. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is within the Richmond, VA MSA, which has a median four-person household income of \$109,400 for 2023. The subject property will be restricted to households with incomes of up to 40%, 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and AMHI level:

Household Size	Targeted AMHI Maximum Allowable Income		
	40%	50%	60%
One-Person	\$29,880	\$37,350	\$44,820
Two-Person	\$34,120	\$42,650	\$51,180
Three-Person	\$38,400	\$48,000	\$57,600
Four-Person	\$42,640	\$53,300	\$63,960
Five-Person	\$46,080	\$57,600	\$69,120
Six-Person	\$49,480	\$61,850	\$74,220

1. Maximum Income Limits

The largest units at the subject site are expected to house up to two-person households. As such, the maximum allowable income at the site is **\$51,180**.

2. Minimum Income Requirements

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

The proposed LIHTC units will have a gross rent of \$747 (maximum allowable studio LIHTC rent at 40% of AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$8,964. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement of **\$25,611**.

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

3. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate ranges required to live at the proposed project with units built to serve households at 40%, 50% and 60% of AMHI are as follows:

Unit Type	Income Range	
	Minimum	Maximum
Overall Tax Credit/Section 8 (Limited to 60% of AMHI)	\$0	\$51,180
Tax Credit (Limited to 40% of AMHI)	\$25,611	\$29,880
Tax Credit (Limited to 50% of AMHI)	\$31,989	\$37,350
Tax Credit (Limited to 60% of AMHI)	\$38,400	\$44,820
Overall Tax Credit Only	\$25,611	\$51,180

B. CAPTURE RATE CALCULATIONS

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

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

1. **Demand from New Renter Households:** *Determine new units in the PMA based on projected rental household growth. The projected household base **must be** limited to the target group, age and income appropriate. Demand for each target group must be shown separately.*
2. **Demand from Existing Households:** *The sum of demand from rental household growth and demand from all components of existing households will constitute **Total Demand**. The demand components from existing households are detailed below:*

- a) **Over-burdened** *is defined by Virginia Housing as households paying more than 35% of gross income (40% if elderly) for gross rent. Analysts are encouraged to be conservative.*

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25074), 45.0% of renter households within the market are considered to be rent overburdened.

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

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25016), approximately 3.8% of all renters within the market are living in substandard housing. Considering the targeted low-income tenant base, this estimate is considered appropriate for the area.

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

Not applicable; subject site is not age-restricted.

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

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

C. DEMAND/CAPTURE RATE CALUCLATIONS

As illustrated in *Section V* of this report, there is one directly competitive Tax Credit property in the Site PMA that was identified and surveyed and this property is currently in lease-up and reporting 54 vacant units. We have included the 54 directly competitive studio and one-bedroom units in the following demand analysis.

The following is a summary of our demand calculations:

Subsidized Demand Estimates (As Proposed):

Demand Component	Percent of Median Household Income				Overall w/ Section 8 (\$0 -\$51,180)
	40% AMHI w/ Section 8 (\$0-\$29,880)	50% AMHI w/ Section 8 (\$0-\$37,350)	60% AMHI w/ Section 8 (\$0-\$51,180)	60% AMHI (\$38,400-\$44,820)	
Demand from New Rental Households (Size*- And Income-Appropriate)	3,270 - 3,306 = - 36	3,741 - 3,790 = -49	6,698 - 6,810 = -112	318 - 324 = -6	6,698 - 6,810 = -112
+					
Demand from Existing Households (Rent Overburdened)	3,306 X 45.0% = 1,488	3,790 X 45.0% = 1,706	6,810 X 45.0% = 3,064	324 X 45.0% = 146	6,810 X 45.0% = 3,064
+					
Demand from Existing Households (Renters in Substandard Housing)	3,306 X 3.8% = 126	3,790 X 3.8% = 144	6,810 X 3.8% = 259	324 X 3.8% = 12	6,810 X 3.8% = 259
+					
Demand from Existing Households (Elderly Homeowner Conversion)	N/A				
+					
Demand from Existing Households (Existing Qualifying Tenants Likely to Remain After Renovations)	0	0	0	0	0
=					
Total Demand	1,578	1,801	3,211	152	3,211
-					
Supply (Directly Comparable Vacant Units Completed or in The Pipeline)	0	54	0	0	0
=					
Net Demand	1,578	1,801	3,211	152	3,211
Proposed Units	13	28	29	12	82
Proposed Units / Net Demand	13 / 1,578	28 / 1,747	29 / 3,211	12 / 152	82 / 3,211
Capture Rate	= 0.8%	= 1.6%	= 0.9%	= 7.9%	= 2.6%
Total Absorption Period	2 Months	4 Months	4 Months	3 Months	6 Months

*Solely considers one-person households for studio units and one- and two-person households for the one-bedroom units

N/A-Not Applicable

Non-Subsidized Demand Estimates:

Demand Component	Percent of Median Household Income			
	40% AMHI (\$25,611 -\$29,880)	50% AMHI (\$31,989 -\$37,350)	60% AMHI (\$38,400 -\$51,180)	LIHTC Only [^] (\$25,611 -\$51,180)
Demand from New Rental Households (Size*- And Income-Appropriate)	296 - 304 = -8	380 - 393 = -13	1,011 - 1,030 = -19	1,689 - 1,727 = -38
+				
Demand from Existing Households (Rent Overburdened)	304 X 45.0% = 137	393 X 45.0% = 177	1,030 X 45.0% = 464	1,727 X 45.0% = 777
+				
Demand from Existing Households (Renters in Substandard Housing)	304 X 3.8% = 12	393 X 3.8% = 15	1,030 X 3.8% = 39	1,727 X 3.8% = 66
+				
Demand from Existing Households (Elderly Homeowner Conversion)	N/A			
=				
Total Demand	141	179	484	805
-				
Supply (Directly Comparable Vacant Units Completed or in The Pipeline)	0	54	0	54
=				
Net Demand	141	125	484	751
Proposed Units	13	28	41	82
Proposed Units / Net Demand	13 / 141	28 / 125	41 / 484	82 / 751
Capture Rate	= 9.2%	= 22.4%	= 8.5%	= 10.9%
Total Absorption Period	2 Months	7 Months	3 Months	8 Months

*Solely considers one-person households for studio units and one- and two-person households for the one-bedroom units

N/A-Not Applicable; ^Accounts for gaps in affordability levels

If targeting a general-occupancy population, the 82 units would require an overall capture rate of 2.6%, assuming the subsidy is offered on most units as proposed. If the subsidy was lost and the project operated solely under LIHTC program guidelines, it would require a 10.9% capture rate. These capture rates are considered achievable, illustrating that there will be sufficient market depth in the PMA to operate if the subsidy is lost and/or if the project only targeted a general-occupancy population.

Homeless Capture Rate

All 82 units at the subject site will target homeless individuals.

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

- The subject site is located within Richmond, which is within the Richmond/Henrico, Chesterfield, Hanover Counties. Continuum of Care (Coc). A Point-in-Time survey of homeless individuals in the CoC was completed in January 2023 and identified 690 persons as homeless. It is important to note that this is a conservative count, as not all homeless individuals are identified within the 24-hour survey period.
- As the subject development will provide studio and one-bedroom units which will primarily house one- and two-person households, these 690 homeless adults likely represent the primary group of potential tenants at the subject development.

Based on the preceding analysis, we have provided a homeless renter household capture rate considering Point-in-Time survey data. This capture rate calculation is summarized as follows:

	Homeless Capture Rate Point-in-Time Homeless Survey
Designated Units	82
Eligible Persons	/ 690*
Capture Rate	= 11.9%

*Homeless Individuals, collected from 2023 Point-in-Time survey.

Considering the nature of homelessness, capture rates up to and even beyond 100% are considered achievable. Therefore, the capture rate of 11.9% provided above is considered to be low and illustrates the demand for such housing.

D. PENETRATION RATE CALCULATIONS

The 2,283 existing and planned non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned Tax Credit units is \$25,611 to \$69,120. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, there will be a projected 4,766 renter households with eligible incomes in 2027. The 2,365 existing and planned non-subsidized Tax Credit units (including the 82 proposed subject units), represent a penetration rate of 49.6% of the 4,766 income-eligible renter households, which is summarized in the following table.

	Market Penetration
Number of LIHTC Units (Planned and Existing)	2,365
Income-Eligible Renter Households – 2027	/ 4,766
Overall Market Penetration Rate	= 49.6%

It is our opinion that the 49.6% penetration rate for the LIHTC units, both existing and planned, is elevated, yet achievable. This is especially true considering the generally high occupancy rates reported among most affordable properties in the market, and the fact that the subject project will offer subsidized units targeting homeless individuals. Thus, the subject’s penetration rate would only realistically include homeless units, and not the non-subsidized Tax Credit units included in the preceding penetration rate analysis.

E. SUPPORT FROM HOUSING CHOICE VOUCHER HOLDERS

According to a representative with the Richmond Redevelopment and Housing Authority, there are approximately 3,570 Housing Choice Vouchers issued within the housing authority’s jurisdiction. However, it was also revealed by housing authority representatives that approximately 339 issued vouchers are currently going unused, likely due to holders of these vouchers being unable to locate/obtain a quality affordable rental housing unit that will accept the voucher. There is a total of 1,667 people currently on the waiting list for additional Vouchers. The waiting list is closed and is expected to reopen in 2024. Annual turnover within the voucher program is estimated at 154 households. This reflects the continuing need for affordable housing alternatives and/or Housing Choice Voucher assistance.

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

Bedroom Type	Payment Standard	Proposed / Programmatic Tax Credit Gross Rent (% AMHI)
Studio	\$1,272	\$747 (40%)*
Studio	\$1,272	\$933 (50%)*
Studio	\$1,272	\$1,120 (60%)
One-Br.	\$1,301	\$1,200 (60%)*

*Maximum allowable LIHTC rent; contract rent exceeds maximum allowable

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

F. ABSORPTION PROJECTIONS

The subject project will operate with a subsidy upon completion of construction and all units will likely be rented to those households currently eligible to reside at the site based on a waiting list maintained by the housing authority. Assuming the subject project operates with a subsidy on 70 units, we estimate that the 82 subject units can achieve a stabilized occupancy of 93.0% within six months of opening. This is based on a monthly absorption rate of approximately 13 units per month.

In the unlikely event the subject project operates without a subsidy, it would likely experience a slightly extended absorption period of eight months, reflective of nine to ten units per month.

However, the subject project is expected to be occupied from a lengthy waiting list that is maintained by the local housing authority. As such, it is anticipated that the subject project will likely be filled as quickly as applications can be processed and qualified individuals are accepted from the waiting list.

VIII. Local Perspective (Interviews)

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

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

- Fatimah Smothers Hargrove, Vice President of the Housing Choice Voucher Program and Tenant Selection Office for the Richmond Redevelopment and Housing Authority, indicated that the need for affordable housing, especially in the metro Richmond area, is higher than what most would believe. The housing authority has waitlists for some of their other properties that exceed 8,000 households. There are working families who are paid the bare minimum and constantly struggle to make ends meet. Housing is a fundamental right that everyone should have access to. The security of knowing that you will have a place for you and your children to sleep, eat, bathe, and thrive on a daily basis does wonders for the psyche. It is one less barrier a husband or a mother must fight against for their families. Increasing rents on low-income families just because the market says it is “okay” is simply wrong.
- According to management at The Oliver Apartments (Map ID 16), a comparable Tax Credit property in Richmond, there is a need for more affordable housing throughout the Richmond area. They added that there is also a significant homeless population in the area that would greatly benefit from affordable housing targeting the homeless population.

IX. Analysis & Conclusions

Based on the findings reported in our market study, it is our opinion that a market exists for the 82 units proposed at the subject site, assuming it is developed as detailed in this report with the inclusion of a subsidy available to nearly all units. Changes in the project's location, rents, amenities or opening date may alter these findings.

The project will be very competitive within the market area in terms of unit amenities and unit sizes, and the proposed Tax Credit rents will be perceived as good values in the marketplace. The proposed/programmatic Tax Credit rents represent market rent advantages of between 13.0% and 42.3%.

Given that the *established* comparable LIHTC developments surveyed within the Site PMA are 97.1% occupied, the subject project will offer a housing alternative to low-income households that has limited availability in the area. It is also important to note that Cool Lane offers a similar rental product as that proposed at the site, as this property targets homeless individuals and leased 32 units within less than two months. This is considered a good absorption rate and further illustrates the need for such housing in the market.

As shown in the Project Specific Demand Analysis section of this report, with an overall capture rate of 2.6% of size- and income-appropriate renter households in the market as proposed with the subsidy, there is substantial demographic support for the subject development. There is also a large base of homeless individual support that could respond to the subject site based on data from a PIT count of the homeless population in the area. Therefore, it is our opinion that the subject project will have no impact on the existing Tax Credit developments in the Site PMA.

X.

SITE PHOTOGRAPHS



View of site from the north



View of site from the northeast



View of site from the east



View of site from the southeast



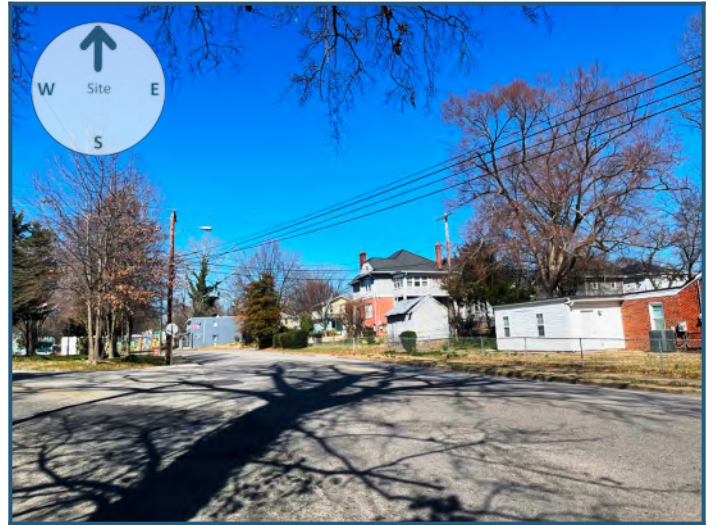
View of site from the south



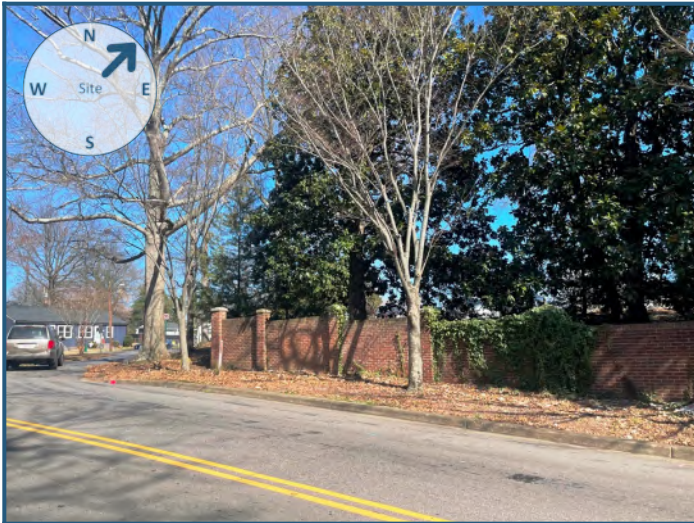
View of site from the southwest



View of site from the west



North view from site



Northeast view from site



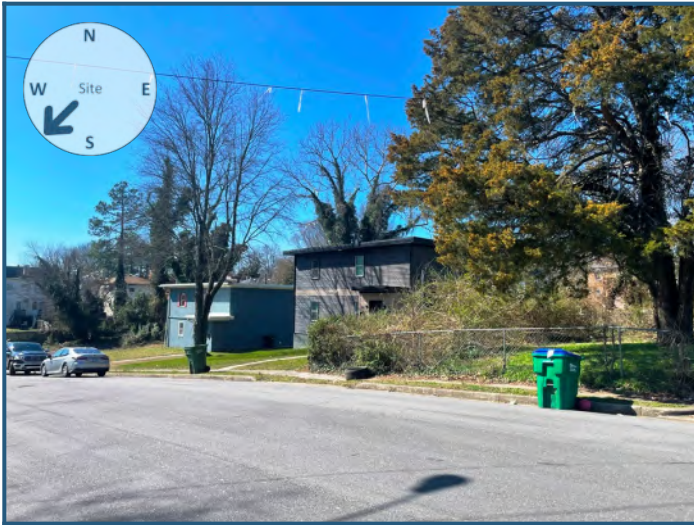
East view from site



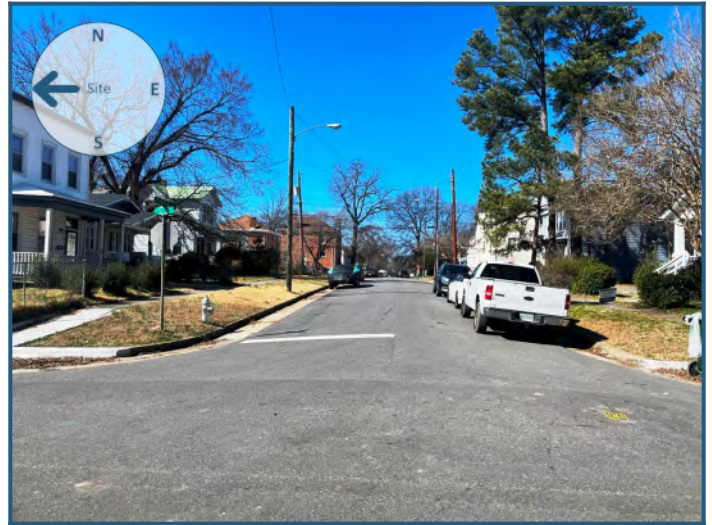
Southeast view from site



South view from site



Southwest view from site



West view from site



Streetscape: South view of Rady Street



Streetscape: North view of Rady Street



Streetscape: South view of 5th Avenue



Streetscape: North view of 5th Avenue



Streetscape: East view of Custer Street



Streetscape: West view of Custer Street

XI.

COMPARABLE
PROPERTY PROFILES

6 Canopy at Ginter Park 2.7 miles to site



Address: 3200 Brook Rd, Richmond, VA 23227
 Phone: (804) 534-2810 Contact: Amanda (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 301 Year Built: 2019 Ratings
 Vacant Units: 13 *AR Year: Quality: B+
 Occupancy: 95.7% Yr Renovated: Neighborhood: B
 Turnover: Stories: 2,3 Access/Visibility: A/A
 Waitlist: None
 Rent Special: None

Notes: Rent range based on floorplan & attached garage; Rents change daily



Features And Utilities

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

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

Property Amenities: Bike Racks / Storage; Common Patio; Multipurpose Room, Community Kitchen, Clubhouse/Community Room; Cafe / Coffee Bar; Courtyard; On-Site Management; Dog Park/Pet Care; Recreation Areas (Bocce Ball, Firepit, Fitness Center, Grilling Area, Game Room-Billiards, Outdoor Swimming Pool); CCTV; Extra Storage

Parking Type: Attached Garage; Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	112	4	629 - 848	\$2.81 - \$2.27	\$1,795 - \$1,954	Market
2	2	G	186	7	1,050 - 1,536	\$2.35 - \$1.63	\$2,495 - \$2,528	Market
3	2.5	G	3	2	1,623	\$2.16	\$3,525	Market

*Adaptive Reuse

*DTS is based on drive time

7 Carter Woods I & II 3.5 miles to site



Address: 301 Dabbs House Rd, Richmond, VA 23223
 Phone: (804) 222-4395 Contact: Israel (By Phone)
 Property Type: Tax Credit
 Target Population: Senior 62+
 Total Units: 152 Year Built: 2004
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2,3 (w/Elev)
 Waitlist: 150 HH
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

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

Unit Amenities: Dishwasher; Disposal; Range; Refrigerator; Central AC; Ceiling Fan; E-Call System; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Multipurpose Room, Clubhouse/Community Room; Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Library); CCTV; Social Services (Parties / Picnics, Social Services Coordinator)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	16	0	600	\$1.18	\$708	40%
1	1	G	31	0	600	\$1.51	\$908	50%
1	1	G	44	0	600	\$1.85	\$1,108	60%
2	2	G	25	0	800	\$1.36	\$1,085	50%
2	2	G	36	0	800	\$1.66	\$1,325	60%

*Adaptive Reuse

*DTS is based on drive time

9 Cool Lane 1.3 miles to site



Address: 1900 Cool Ln, Richmond, VA 23223
 Phone: Contact: Elizabeth Nice (By Phone)
 Property Type: Tax Credit, Government Subsidized
 Target Population: Family, Homeless
 Total Units: 86 Year Built: 1977 Ratings
 Vacant Units: 54 *AR Year: 2022 Quality: B+
 Occupancy: 37.2% Yr Renovated: Neighborhood: C
 Turnover: Stories: 2 (w/Elev) Access/Visibility: B/A
 Waitlist: None
 Rent Special: None

Notes: Tax Credit; Opened 1/2024; Preleasing date unknown; In lease-up



Features And Utilities

Utility Schedule Provided by: Richmond Redevelopment and Housing Authority

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

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

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

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	6	3	501	Subsidized	Subsidized	Subsidized
1	1	G	80	51	511 - 789	Subsidized	Subsidized	Subsidized

*Adaptive Reuse

*DTS is based on drive time

14 Lincoln Mews I & II 2.4 miles to site



Address: 4101 North Ave., Richmond, VA 23222
 Phone: (804) 321-6225 Contact: Mary (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 245 Year Built: 1969 Ratings
 Vacant Units: 7 *AR Year: Quality: B
 Occupancy: 97.1% Yr Renovated: 2011 Neighborhood: B
 Turnover: Stories: 2 Access/Visibility: B/B
 Waitlist: None
 Rent Special: None

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Richmond Redevelopment and Housing Authority

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

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

Property Amenities: Multipurpose Room, Clubhouse/Community Room; Laundry Room; On-Site Management; Recreation Areas (Playground); CCTV

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	T	14	0	602	\$1.17	\$705	40%
1	1	T	17	0	602	\$1.50	\$905	50%
1	1	T	1	0	602	\$1.84	\$1,105	60%
2	1	G	4	0	749	\$1.13	\$846	40%
2	1	G	27	1	749	\$1.45	\$1,086	50%
2	1	G	3	0	749	\$1.77	\$1,326	60%
2	1.5	T	4	0	747	\$1.13	\$846	40%
2	1.5	T	97	4	747	\$1.45	\$1,086	50%
2	1.5	T	15	0	747	\$1.78	\$1,326	60%
3	1.5 - 2	T	4	0	891 - 1,179	\$1.10 - \$0.83	\$977	40%
3	1.5 - 2	T	45	2	893 - 1,179	\$1.40 - \$1.06	\$1,254	50%

*Adaptive Reuse

*DTS is based on drive time

14 Unit Configuration- cont.								
Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
3	1.5 - 2	T	10	0	893 - 1,179	\$1.71 - \$1.30	\$1,531	60%
4	3	T	4	0	1,507	\$0.93	\$1,396	50%

15 Mallard Greens Townhomes 2.6 miles to site



Address: 2852 Fairfield Ave, Richmond, VA 23223
 Phone: (804) 352-1539 Contact: Mike (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 192 Year Built: 1965
 Vacant Units: 6 *AR Year:
 Occupancy: 96.9% Yr Renovated: 2007
 Turnover: Stories: 2
 Waitlist: None
 Rent Special: None

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

Notes: Tax Credit; Higher 2-br rent for renovated units



Features And Utilities

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

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

Property Amenities: Multipurpose Room; Cafe / Coffee Bar; Laundry Room; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Playground); CCTV; WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	T	3	3	710	\$1.42	\$1,010	60%
2	1	T	186	0	830	\$1.27	\$1,050	60%
3	1	T	3	3	910	\$1.37	\$1,243	60%

*Adaptive Reuse

*DTS is based on drive time

16 Oliver Apts. 2.5 miles to site



Address: 908 Oliver Hill Way, Richmond, VA 23219
 Phone: (804) 509-2594 Contact: Tarnecia (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 164 Year Built: 1886 Ratings
 Vacant Units: 9 *AR Year: 2020 Quality: B+
 Occupancy: 94.5% Yr Renovated: 2020 Neighborhood: C
 Turnover: Stories: 2,3,4 (w/Elev) Access/Visibility: B/B
 Waitlist: None
 Rent Special: None

Notes: Tax Credit; Preleasing 11/2019, opened 1/2020

Features And Utilities

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

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Controlled Access; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Composite/Vinyl/Laminate, Hardwood, Finished Concrete); High/Vaulted Ceilings; Oversized Windows

Property Amenities: Bike Racks / Storage; Cafe / Coffee Bar; Elevator; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Game Room-Billiards); Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	146	6	547 - 766	\$2.01 - \$1.44	\$1,100	60%
2	2	G	9	3	776 - 1,045	\$1.68 - \$1.24	\$1,300	60%
2	2	L	9	0	665 - 800	\$1.95 - \$1.63	\$1,300	60%

*Adaptive Reuse *DTS is based on drive time

17 Red Oak 2.8 miles to site



Address: 3609 Chamberlayne Ave., Richmond, VA 23222
 Phone: (804) 329-6249 Contact: Carlashia (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 498 Year Built: 1972 Ratings
 Vacant Units: 3 *AR Year: Quality: C+
 Occupancy: 99.4% Yr Renovated: 2020 Neighborhood: B
 Turnover: Stories: 2 Access/Visibility: B-/B
 Waitlist: None
 Rent Special: None

Notes: Rent range due to upgrades & floorplan

Features And Utilities

Utility Schedule Provided by: Richmond Redevelopment and Housing Authority

Utility Type & Responsibility: No landlord paid utilities;

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

Property Amenities: Laundry Room; On-Site Management; CCTV

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	16	1	425	\$1.86	\$790	Market
1	1	G	240	2	650 - 775	\$1.23 - \$1.48	\$800 - \$1,150	Market
2	1 - 1.5	T	242	0	750 - 900	\$1.73 - \$1.44	\$1,300	Market

*Adaptive Reuse

*DTS is based on drive time

18 Saddlewood Apartment in the Pines 2.1 miles to site



Address: 3801 Elfstone Ln., Richmond, VA 23223
 Phone: (804) 321-0700 Contact: Diane (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 85 Year Built: 1987
 Vacant Units: 0 *AR Year: 2023
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1
 Waitlist: None
 Rent Special: None

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

Notes: Rent range based on unit amenities



Features And Utilities

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

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

Property Amenities: Laundry Room; On-Site Management

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	24	0	288	\$3.13 - \$3.39	\$905 - \$980	Market
1	1	G	56	0	576	\$1.76 - \$1.94	\$1,020 - \$1,120	Market
2	2	G	5	0	864	\$1.35 - \$1.46	\$1,170 - \$1,270	Market

*Adaptive Reuse

*DTS is based on drive time

19 Spectrum Apts.

3.8 miles to site



Address: 2017 Brook Rd, Richmond, VA 23220
 Phone: (804) 599-4429 Contact: Erin (By Phone)
 Property Type: Market Rate, Income Restricted
 Target Population: Family
 Total Units: 103 Year Built: 2015
 Vacant Units: 10 *AR Year:
 Occupancy: 90.3% Yr Renovated:
 Turnover: Stories: 4 (w/Elev)
 Waitlist: None
 Rent Special: None

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

Notes: Market-rate (72 units); Income-restricted, not LIHTC (31 units); Rents change daily



Features And Utilities

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

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Controlled Access; W/D Hookup; W/D; Window Treatments;
 Flooring (Carpet, Composite/Vinyl/Laminate); Premium Appliances; Premium Countertops

Property Amenities: Bike Racks / Storage; Multipurpose Room, Community Kitchen, Clubhouse/Community Room; Courtyard; Elevator; On-Site Management;
 Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Game Room-Billiards); CCTV, Courtesy Officer

Parking Type: Street Parking; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	1	0	492	\$2.24 - \$2.85	\$1,105 - \$1,405	80%
1	1	G	17	0	742 - 860	\$1.82 - \$1.72	\$1,355 - \$1,480	80%
1	1	G	8	0	742 - 860	\$1.82 - \$1.72	\$1,355 - \$1,480	Market
2	2	G	13	0	833 - 1,054	\$1.80 - \$1.57	\$1,505 - \$1,655	80%
2	2	G	39	5	833 - 1,054	\$1.80 - \$1.57	\$1,505 - \$1,655	Market
3	3	G	25	5	998 - 1,232	\$2.10 - \$1.70	\$2,105	Market

*Adaptive Reuse

*DTS is based on drive time

XII.

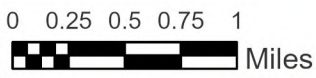
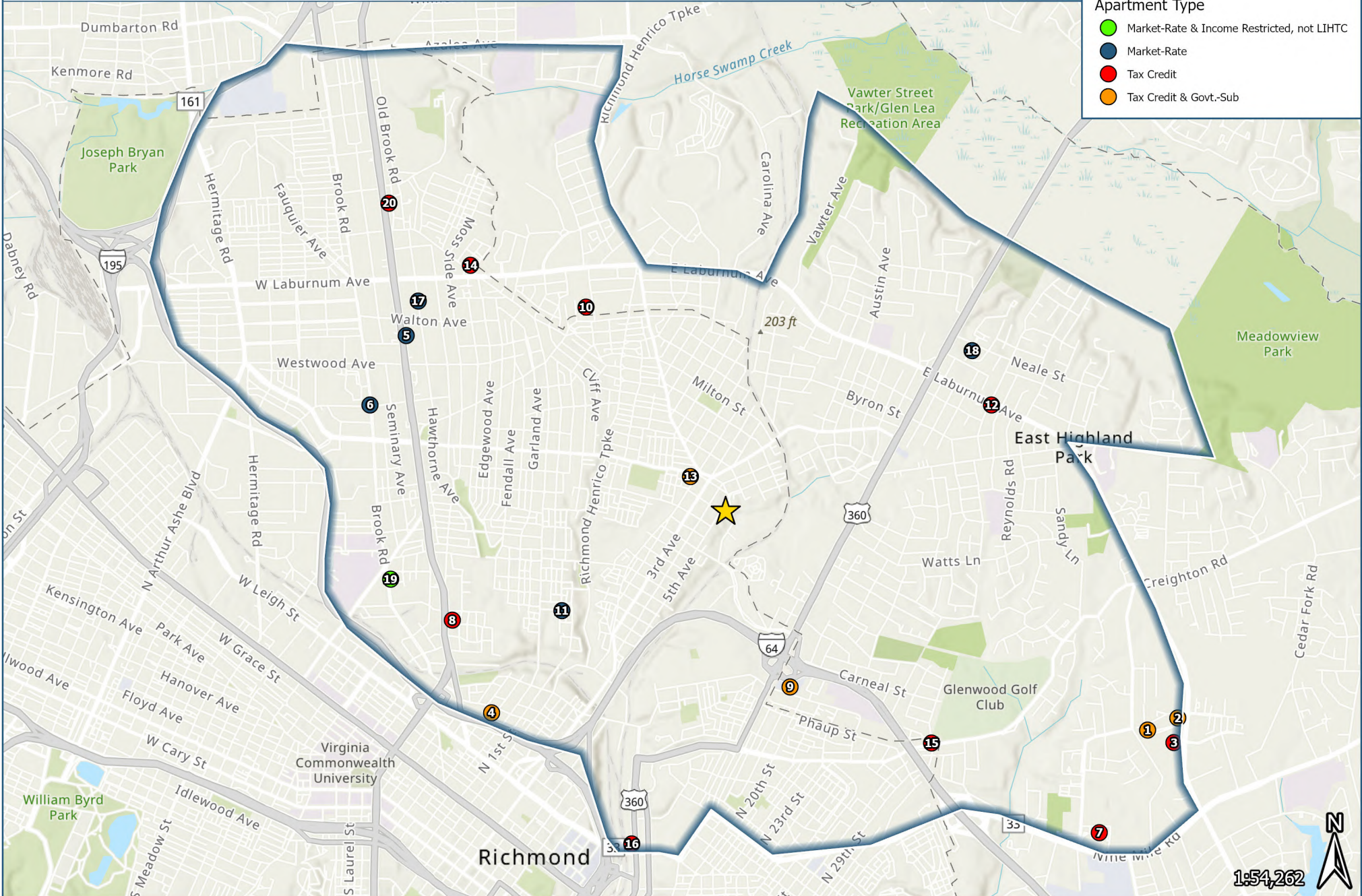
FIELD SURVEY OF CONVENTIONAL RENTALS

★ Site

■ PMA


















Apartment Type


- Market-Rate & Income Restricted, not LIHTC
- Market-Rate
- Tax Credit
- Tax Credit & Govt-Sub





Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
1	Apartments at Kingsridge I	TGS	B+	2018	72	0	100.0%	4.3
2	Apartments at Kingsridge II	TGS	B+	2021	71	0	100.0%	4.2
3	Apartments at Kingsridge III	TAX	B+	2022	24	0	100.0%	4.2
4	Baker School Senior Apts.	TGS	B-	1939	50	0	100.0%	2.4
5	Bloom Apts.	MRR	C+	1968	692	55	92.1%	2.4
6	Canopy at Ginter Park	MRR	B+	2019	301	13	95.7%	2.7
7	Carter Woods I & II	TAX	B	2004	152	0	100.0%	3.5
8	Concord Apts.	TAX	B+	2021	152	9	94.1%	3.5
9	Cool Lane	TGS	B+	1977	86	54	37.2%	1.3
10	Delmont Village	TAX	B-	1960	94	5	94.7%	1.6
11	FIND I	MRR	B-	1989	4	1	75.0%	1.9
12	Glenwood Farms Apts.	TAX	B	1948	294	105	64.3%	2.1
13	Highland Park Senior	TGS	B	1909	77	4	94.8%	0.4
14	Lincoln Mews I & II	TAX	B	1969	245	7	97.1%	2.4
15	Mallard Greens Townhomes	TAX	B-	1965	192	6	96.9%	2.6
16	Oliver Apts.	TAX	B+	1886	164	9	94.5%	2.5
17	Red Oak	MRR	C+	1972	498	3	99.4%	2.8
18	Saddlewood Apartment in the Pines	MRR	B	1987	85	0	100.0%	2.1
19	Spectrum Apts.	MIN	B+	2015	103	10	90.3%	3.8
20	Terraces at Bellevue	TAX	B-	1930	142	6	95.8%	3.0


*Drive distance in miles


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

1	Apartments at Kingsridge I 390 Kingsridge Rd, Richmond, VA 23223	Contact: Ann Phone: (804) 781-4695
	Total Units: 72 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2018 BR: 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit (54 units); PBV/PBRA & Tax Credit (18 units)	

2	Apartments at Kingsridge II Kingsridge Pkwy & N Laburnum Ave, Richmond, VA 23223	Contact: Ann Phone: (804) 781-4695
	Total Units: 71 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2021 BR: 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit (63 units); PBV/PBRA & Tax Credit (8 units); Does not keep a wl	


3	Apartments at Kingsridge III Kingsridge Pkwy & N. Laburnum Ave., Richmond, VA 23223	Contact: Ann Phone: (804) 781-4695
	Total Units: 24 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2022 BR: 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit	

4	Baker School Senior Apts. 100 W Baker St, Richmond, VA 23220	Contact: Robert Phone: (804) 964-0900
	Total Units: 50 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 1939 BR: 0 Vacant Units: 0 Waitlist: 20 HH AR Year: 2020 Target Population: Senior 55+ Yr Renovated: 2021 Rent Special: None Notes: Tax Credit & HUD Section 8	


5	Bloom Apts. 3505 Chamberlayne Ave, Richmond, VA 23227	Contact: Darris Phone: (804) 308-2002
	Total Units: 692 UC: 0 Occupancy: 92.1% Stories: 3 Year Built: 1968 BR: 1, 2, 3 Vacant Units: 55 Waitlist: None AR Year: 2020 Target Population: Family Yr Renovated: 2020 Rent Special: None Notes: Does not keep a WL	

<ul style="list-style-type: none"> ✔ Comparable Property ◆ Senior Restricted (MRR) Market-Rate (MRT) Market-Rate & Tax Credit (MRG) Market-Rate & Government-Subsidized (MIN) Market-Rate & Income-Restricted (not LIHTC) 	<ul style="list-style-type: none"> (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized (TAX) Tax Credit (TGS) Tax Credit & Government-Subsidized (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC) (TIN) Tax Credit & Income-Restricted (not LIHTC) (TMG) Tax Credit, Market-Rate & Government-Subsidized 	<ul style="list-style-type: none"> (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized (INR) Income-Restricted (not LIHTC) (ING) Income-Restricted (not LIHTC) & Government-Subsidized (GSS) Government-Subsidized (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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6	Canopy at Ginter Park 3200 Brook Rd, Richmond, VA 23227	Contact: Amanda Phone: (804) 534-2810
	 <p>Total Units: 301 UC: 0 Occupancy: 95.7% Stories: 2,3 Year Built: 2019 BR: 1, 2, 3 Vacant Units: 13 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on floorplan & attached garage; Rents change daily</p>	





7	Carter Woods I & II 301 Dabbs House Rd, Richmond, VA 23223	Contact: Israel Phone: (804) 222-4395
	 <p>Total Units: 152 UC: 0 Occupancy: 100.0% Stories: 2,3 w/Elevator Year Built: 2004 BR: 1, 2 Vacant Units: 0 Waitlist: 150 HH AR Year: Target Population: Senior 62+ Yr Renovated: Rent Special: None Notes: Tax Credit</p>	








8	Concord Apts. 710 West Fells St, Richmond, VA 23222	Contact: Marcy Phone: (804) 250-8919
	 <p>Total Units: 152 UC: 0 Occupancy: 94.1% Stories: 4 w/Elevator Year Built: 2021 BR: 1 Vacant Units: 9 Waitlist: None AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit</p>	



9	Cool Lane 1900 Cool Ln, Richmond, VA 23223	Contact: Elizabeth Nice Phone:
	 <p>Total Units: 86 UC: 0 Occupancy: 37.2% Stories: 2 w/Elevator Year Built: 1977 BR: 0, 1 Vacant Units: 54 Waitlist: None AR Year: 2022 Target Population: Family, Homeless Yr Renovated: Rent Special: None Notes: Tax Credit; Opened 1/2024; Preleasing date unknown; In lease-up</p>	


10	Delmont Village 3716 Delmont St, Richmond, VA 23222	Contact: Samantha Phone: (804) 329-1881
	 <p>Total Units: 94 UC: 0 Occupancy: 94.7% Stories: 1,2 Year Built: 1960 BR: 2, 3 Vacant Units: 5 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2006 Rent Special: None Notes: Tax Credit</p>	

<ul style="list-style-type: none"> Comparable Property Senior Restricted (MRR) Market-Rate (MRT) Market-Rate & Tax Credit (MRG) Market-Rate & Government-Subsidized (MIN) Market-Rate & Income-Restricted (not LIHTC) 	<ul style="list-style-type: none"> (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized (TAX) Tax Credit (TGS) Tax Credit & Government-Subsidized (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC) (TIN) Tax Credit & Income-Restricted (not LIHTC) (TMG) Tax Credit, Market-Rate & Government-Subsidized 	<ul style="list-style-type: none"> (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized (INR) Income-Restricted (not LIHTC) (ING) Income-Restricted (not LIHTC) & Government-Subsidized (GSS) Government-Subsidized (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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<p>11</p>	<p>FIND I 200 Minor St, Richmond, VA 23222</p> 	<p>Contact: James Bristol Phone: (804) 578-7441</p> <p>Total Units: 4 UC: 0 Occupancy: 75.0% Stories: 2 Year Built: 1989 BR: 3 Vacant Units: 1 Waitlist: None AR Year: Target Population: Family, Homeless Yr Renovated: Rent Special: None Notes:</p>
<p>12</p>	<p>Glenwood Farms Apts. 3753 Bolling Rd, Richmond, VA 23233</p> 	<p>Contact: Lina Phone: (804) 643-8954</p> <p>Total Units: 294 UC: 0 Occupancy: 64.3% Stories: 1, 2 Year Built: 1948 BR: 0, 1, 2, 3 Vacant Units: 105 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2003 Rent Special: None Notes: Tax Credit; Keeps a wl</p>
<p>13</p>	<p>Highland Park Senior 1221 E Brookland Park Blvd, Richmond, VA 23222</p> 	<p>Contact: Marchez Phone: (804) 303-6229</p> <p>Total Units: 77 UC: 0 Occupancy: 94.8% Stories: 2,2.5 w/Elevator Year Built: 1909 BR: 1 Vacant Units: 4 Waitlist: 15 HH AR Year: 2016 Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit; HUD Section 8</p>
<p>14</p>	<p>Lincoln Mews I & II 4101 North Ave., Richmond, VA 23222</p> 	<p>Contact: Mary Phone: (804) 321-6225</p> <p>Total Units: 245 UC: 0 Occupancy: 97.1% Stories: 2 Year Built: 1969 BR: 1, 2, 3, 4 Vacant Units: 7 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2011 Rent Special: None Notes: Tax Credit</p>
<p>15</p>	<p>Mallard Greens Townhomes 2852 Fairfield Ave, Richmond, VA 23223</p> 	<p>Contact: Mike Phone: (804) 352-1539</p> <p>Total Units: 192 UC: 0 Occupancy: 96.9% Stories: 2 Year Built: 1965 BR: 1, 2, 3 Vacant Units: 6 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2007 Rent Special: None Notes: Tax Credit; Higher 2-br rent for renovated units</p>

<p>✓ Comparable Property</p> <p>◆ Senior Restricted</p> <p>■ (MRR) Market-Rate</p> <p>■ (MRT) Market-Rate & Tax Credit</p> <p>■ (MRG) Market-Rate & Government-Subsidized</p> <p>■ (MIN) Market-Rate & Income-Restricted (not LIHTC)</p>	<p>■ (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized</p> <p>■ (TAX) Tax Credit</p> <p>■ (TGS) Tax Credit & Government-Subsidized</p> <p>■ (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)</p> <p>■ (TIN) Tax Credit & Income-Restricted (not LIHTC)</p> <p>■ (TMG) Tax Credit, Market-Rate & Government-Subsidized</p>	<p>■ (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized</p> <p>■ (INR) Income-Restricted (not LIHTC)</p> <p>■ (ING) Income-Restricted (not LIHTC) & Government-Subsidized</p> <p>■ (GSS) Government-Subsidized</p> <p>■ (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted</p>
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16	Oliver Apts. 908 Oliver Hill Way, Richmond, VA 23219	Contact: Tarnecia Phone: (804) 509-2594
	 <p>Total Units: 164 UC: 0 Occupancy: 94.5% Stories: 2,3,4 w/Elevator Year Built: 1886 BR: 1, 2 Vacant Units: 9 Waitlist: None AR Year: 2020 Target Population: Family Yr Renovated: 2020 Rent Special: None Notes: Tax Credit; Preleasing 11/2019, opened 1/2020</p>	





17	Red Oak 3609 Chamberlayne Ave., Richmond, VA 23222	Contact: Carlashia Phone: (804) 329-6249
	 <p>Total Units: 498 UC: 0 Occupancy: 99.4% Stories: 2 Year Built: 1972 BR: 0, 1, 2 Vacant Units: 3 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2020 Rent Special: None Notes: Rent range due to upgrades & floorplan</p>	



18	Saddlewood Apartment in the Pines 3801 Elfstone Ln., Richmond, VA 23223	Contact: Diane Phone: (804) 321-0700
	 <p>Total Units: 85 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1987 BR: 0, 1, 2 Vacant Units: 0 Waitlist: None AR Year: 2023 Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on unit amenities</p>	



19	Spectrum Apts. 2017 Brook Rd, Richmond, VA 23220	Contact: Erin Phone: (804) 599-4429
	 <p>Total Units: 103 UC: 0 Occupancy: 90.3% Stories: 4 w/Elevator Year Built: 2015 BR: 0, 1, 2, 3 Vacant Units: 10 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Market-rate (72 units); Income-restricted, not LIHTC (31 units); Rents change daily</p>	

20	Terraces at Bellevue 3935 Chamberlayne Ave, Richmond, VA 23227	Contact: Wayne Phone: (804) 228-1363
	 <p>Total Units: 142 UC: 0 Occupancy: 95.8% Stories: 2 Year Built: 1930 BR: 1, 2, 3 Vacant Units: 6 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2017 Rent Special: None Notes: Tax Credit</p>	

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

Source: Richmond Redevelopment and Housing Authority
 Effective: 01/2023

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	28	33	37	41	46	50	28	33	37	41	46	50
	+Base Charge	17	17	17	17	17	17	17	17	17	17	17	17
	Bottled Gas	69	81	93	104	116	127	69	81	93	104	116	127
	Electric	16	19	24	29	33	37	16	19	24	29	33	37
	Heat Pump	14	16	19	21	22	23	14	16	19	21	22	23
	Oil	56	66	75	84	94	103	56	66	75	84	94	103
Cooking	Natural Gas	4	5	8	10	12	15	4	5	8	10	12	15
	Bottled Gas	11	12	18	24	29	35	11	12	18	24	29	35
	Electric	5	6	9	12	15	17	5	6	9	12	15	17
Other Electric	20	24	33	42	51	60	20	24	33	42	51	60	
+Base Charge	7	7	7	7	7	7	7	7	7	7	7	7	
Air Conditioning	8	9	13	17	21	25	8	9	13	17	21	25	
Water Heating	Natural Gas	10	12	17	23	28	32	10	12	17	23	28	32
	Bottled Gas	24	28	41	54	66	79	24	28	41	54	66	79
	Electric	13	15	19	24	28	32	13	15	19	24	28	32
	Oil	20	23	33	44	54	64	20	23	33	44	54	64
Water	25	27	40	60	80	100	25	27	40	60	80	100	
Sewer	36	38	54	78	101	125	36	38	54	78	101	125	
Trash Collection	20	20	20	20	20	20	20	20	20	20	20	20	
Internet*	20	20	20	20	20	20	20	20	20	20	20	20	
Cable*	20	20	20	20	20	20	20	20	20	20	20	20	
Alarm Monitoring*	0	0	0	0	0	0	0	0	0	0	0	0	

* Estimated- not from source

XIII. Qualifications

The Company

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

Company Leadership

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

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

Market Analysts

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

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

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

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

Kwame Amoako, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Amoako holds a Bachelor of Arts in Business Management from Capital University.

Matthew Brown, Market Analyst, has travelled the country and studied the housing industry in both urban and rural markets. He is able to analyze both the aesthetics and operations of rental housing properties, particularly as they pertain to each particular market. Mr. Brown has a Bachelor Degree in Business Administration, Strategic Marketing and Social Media from the University of the Cumberlands.

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

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

Braden Henderson, Market Analyst, has researched various rental housing alternatives, both conventional and non-conventional in markets throughout the United States. In addition, he has conducted on-site inspection for existing properties and vacant parcels of land. This experience allows him to evaluate a project's ability to operate successfully within a market and compare it to surrounding comparable properties. Mr. Henderson has a Bachelor of Science degree in Business Administration from The Ohio State University.

Xavier Williams, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market.

Research Staff

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

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

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

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

Addendum A – Member Certification & Checklist

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

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



Patrick M. Bowen

President

patrickb@bowennational.com

Date: February 21, 2024



Jeff Peters (Primary Contact)

Market Analyst

jeffp@bowennational.com

Date: February 21, 2024

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

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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