

A MARKET FEASIBILITY STUDY OF:

ASPIRE

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ASPIRE

645 Church Street
Norfolk, Virginia 23510

Effective Date: June 29, 2022
Report Date: July 21, 2022

Prepared for:
Michael Schmeiler
Assistant Vice President
The Richman Group Development Corporation
777 West Putnam Avenue
Greenwich, CT 06830

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





July 21, 2022

Michael Schmeiler
Assistant Vice President
The Richman Group Development Corporation
777 West Putnam Avenue
Greenwich, CT 06830

Re: Application Market Study for Aspire in Norfolk, Virginia

Dear Michael Schmeiler:

At your request, Novogradac & Company LLP doing business under the brand name Novogradac Consulting (Novogradac) has performed a study of the multifamily rental market in the Norfolk, Virginia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project. The purpose of this market study is to assess the viability of the proposed 85-unit family LIHTC project. It will be a newly constructed affordable LIHTC project, with 85 revenue generating units, restricted to households earning 30, 60, and 80 percent of the Area Median Income (AMI), or less. All of the units at 30 percent of the AMI will operate with project-based subsidy, where tenants will pay 30 percent of their income towards rent. We are concurrently preparing an appraisal of the Subject property. We also performed a syndicator market study in April 2022, as well as a land appraisal and a previous application market study in April 2021. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

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

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

Novogradac adheres to the market study guidelines promulgated by the National Council of Housing Market Analysts (NCHMA). The NCHMA certification and checklist can be found in the Addenda of this report. Please refer to the checklist to find the sections in which content is located.

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The depth of discussion contained in the report is specific to the needs of the client.

The Richman Group Development Corporation is the client in this engagement and intended user of this report. As our client, The Richman Group Development Corporation owns this report and permission must be granted

from them before another third party can use this document. We assume that by reading this report another third party has accepted the terms of the original engagement letter including scope of work and limitations of liability. We are prepared to modify this document to meet any specific needs of the potential uses under a separate agreement.

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

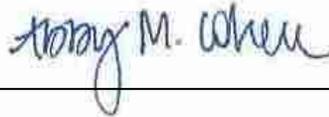
The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners.

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

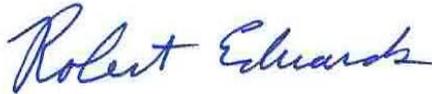
Respectfully submitted,
Novogradac



H. Blair Kincer, MAI, CRE
LEED Green Associate
Partner
Blair.Kincer@novoco.com



Abby M. Cohen
Partner
Abby.Cohen@novoco.com



Bob Edwards
Senior Analyst
Bob.Edwards@Novoco.com



Daniel Helt
Junior Analyst
Daniel.Helt@Novoco.com

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A. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Subject Site Description:

Aspire (Subject) is a proposed LIHTC project that will be restricted to family households earning 30, 60, and 80 percent of the AMI, or less. All of the units at 30 percent of the AMI will operate with project-based vouchers (PBV), where the tenant pays 30 percent of their income towards rent. The Subject will have six units set-aside for homeless or formerly homeless households. The Subject will offer 17 one-bedroom units, 47 two-bedroom units, and 21 three-bedroom units. Construction on the Subject is anticipated to begin in October 2022 and be completed in February 2024.



Subject site from W Brambleton Avenue looking west



Subject site with from W Brambleton Avenue and Lincoln Street looking southwest

Surrounding Land Uses:

The Subject site is located in a mixed-use neighborhood, on the edge of downtown Norfolk. Surrounding uses consist of commercial and multifamily uses that exhibit average to excellent condition. Weaknesses of the Subject's location include a low median household income level and elevated crime indices. The Subject's location is designated 'Somewhat Walkable' by Walk Score with a score of 69 (out of 100), indicating some errands can be accomplished on foot.

Subject Property Description:

The Subject will be a newly constructed LIHTC development restricted to households earning 30, 60, and 80 percent of the AMI, or less. All of the units at 30 percent of the AMI will operate with a project-based voucher, where tenants will pay 30 percent of their income towards rent. Construction on the Subject is anticipated to begin in October 2022 with completion in February 2024. The Subject will consist of 85 three-bedroom units contained in a four-story elevator serviced mid-rise building that will be in excellent condition upon completion and 77 off-street parking spaces located directly northwest of Subject.

Proposed Rents:

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

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2022 LIHTC Maximum Allowable Gross Rent	2022 HUD Fair Market Rents	
@30% (PBV)								
1BR / 1BA	608	4	\$1,239	\$70	\$1,309	\$526	\$1,015	
2BR / 2BA	851	12	\$1,449	\$91	\$1,540	\$631	\$1,193	
3BR / 2BA	1,111	5	\$2,054	\$113	\$2,167	\$729	\$1,676	
@60%								
1BR / 1BA	608	6	\$982	\$70	\$1,052	\$1,052	\$1,015	
2BR / 2BA	851	19	\$1,172	\$91	\$1,263	\$1,263	\$1,193	
3BR / 2BA	1,111	8	\$1,345	\$113	\$1,458	\$1,458	\$1,676	
@80%								
1BR / 1BA	608	7	\$1,157	\$70	\$1,227	\$1,403	\$1,015	
2BR / 2BA	851	16	\$1,382	\$91	\$1,473	\$1,684	\$1,193	
3BR / 2BA	1,111	8	\$1,588	\$113	\$1,701	\$1,945	\$1,676	
		85						

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

The income table presented above illustrates the targeted rent levels for the Subject’s units. The Subject’s rents at the 60 percent of AMI levels are set at the maximum allowable rents, while the rents at the 80 percent of AMI levels are below the maximum allowable rents. The Subject’s 30 percent of AMI rents are the projected contract rents and above LIHTC maximum allowable levels. Tenants in these units will pay 30 percent of their income towards rent. If the Subject were to lose its subsidy, these rents would have to be lowered to the achievable LIHTC rents.

Target Household Income Levels:

The Subject is a proposed 85-unit apartment community that will be restricted to family households earning 30, 60, and 80 percent of the AMI or less. All of the units at 30 percent of the AMI will operate with a project-based subsidy, where tenants will pay 30 percent of their income towards rent. Based on the proposed unit mix and rent levels, the range of annual household income levels is depicted below.

FAMILY INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@30% (PBV)		@60%		@80%	
1BR	\$0	\$22,440	\$36,069	\$44,880	\$42,069	\$59,840
2BR	\$0	\$25,260	\$43,303	\$50,520	\$50,503	\$67,360
3BR	\$0	\$30,300	\$49,989	\$60,600	\$58,320	\$80,800

FAMILY INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@30%		@60%		@80%	
1BR	\$18,034	\$22,440	\$36,069	\$44,880	\$42,069	\$59,840
2BR	\$21,634	\$25,260	\$43,303	\$50,520	\$50,503	\$67,360
3BR	\$24,994	\$30,300	\$49,989	\$60,600	\$58,320	\$80,800

Economic Conditions

Employment in the PMA is concentrated in the healthcare/social assistance, educational services, and retail trade industries, which collectively comprise 38.7 percent of local employment. The large share of PMA employment in retail trade is notable as this industry is historically volatile, and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. In the year ending April 2022, total employment in the MSA increased 1.8 percent, which was lower than the 4.5 percent gain across the overall nation. Since 2012, the MSA generally experienced a lower unemployment rate compared to the overall nation. According to the most recent labor statistics, the unemployment rate in the MSA is 3.0 percent, slightly lower than the current national unemployment rate of 3.3 percent. The nation appears to have slightly outperformed the MSA in the current economic recovery.

Primary Market Area

The Subject will be located at 645 Church Street in Norfolk, Virginia. We determined the Primary Market Area (PMA) based on our conversations with local market participants including property managers, as well as our physical inspection of the market. The PMA is generally defined as the south-central Norfolk. The PMA boundaries are: Terminal Boulevard to the north; Interstate 64 to the east; and the Elizabeth River to the west and south. The PMA encompasses 30 square miles. We believe that additional support will originate from areas outside of the established PMA. We estimate a leakage of 10 percent.

Demographic Data

The population in the PMA decreased by 10.3 percent between 2010 and 2021, compared to the 5.1 percent increase in the regional MSA and 8.2 percent increase across the overall nation. The percentage of renter households in the PMA remained relatively stable between 2010 and 2021, and is estimated to be 55.5 percent as of 2021. This is more than the estimated 33 percent of renter households across the overall nation. As of 2021, the median income in the PMA is below the surrounding MSA. Median household income growth in the PMA exceeded the MSA between 2000 and 2021. Income growth in both geographic areas exceeded the overall nation during this time period. In particular, median income in the PMA rose from 69 percent of the national median income in 2000 to 82 percent in 2021. Overall, the combination of rising population and household income levels bodes well for future demand for multifamily housing.

Vacancy

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

OVERALL VACANCY

Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Broad Creek Phase III	LIHTC/ Market	300	10	3.3%
Broad Creek Renaissance Phase I	LIHTC/Section 8/ Market	88	0	0.0%
Mission College Apartments	LIHTC/ Market	260	0	0.0%
St. Paul's Apartments	LIHTC/ Market	126	2	1.6%
The Banks At Berkley*	LIHTC	50	0	0.0%
The Pointe At Pickett Farms	LIHTC	120	0	0.0%
Ghent Village	Market	140	0	0.0%
Metro On Granby	Market	189	3	1.6%
River House Apartments	Market	194	2	1.0%
The Alexander At Ghent	Market	268	0	0.0%
The Belmont At Freemason	Market	239	13	5.4%
Total LIHTC		944	12	1.3%
Total Market Rate		1,030	18	1.7%
Overall Total		1,974	30	1.5%

*Located outside of the PMA

The comparables reported vacancy rates ranging from zero to 5.4 percent, with an overall weighted average of 1.5 percent. Managers at four of the six LIHTC properties reported being fully occupied and all of the LIHTC properties reported maintaining waiting lists. The average vacancy rate among all comparables is considered exceptionally low, and indicative of supply constrained conditions. All but one of the market rate properties reported vacancy rates lower than two percent. Based on the performance of the LIHTC comparables, we expect the Subject will operate with a vacancy rate and collection loss of five percent or less.

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

VACANCY BY BEDROOM TYPE

Property Name	Rent Structure	0BR	1BR	2BR	3BR	4BR	Overall
Broad Creek Phase III	LIHTC/ Market	-	-	-	-	-	3.3%
Broad Creek Renaissance Phase I	LIHTC/Section 8/ Market	-	0.0%	0.0%	0.0%	0.0%	0.0%
Mission College Apartments	LIHTC/ Market	-	0.0%	0.0%	0.0%	0.0%	0.0%
St. Paul's Apartments	LIHTC/ Market	-	0.0%	2.5%	0.0%	-	1.6%
The Banks At Berkley*	LIHTC	-	-	0.0%	0.0%	-	0.0%
The Pointe At Pickett Farms	LIHTC	-	-	-	-	-	0.0%
Ghent Village	Market	-	-	-	-	-	0.0%
Metro On Granby	Market	-	-	-	-	-	1.6%
River House Apartments	Market	-	0.0%	1.5%	0.0%	-	1.0%
The Alexander At Ghent	Market	0.0%	0.0%	0.0%	0.0%	-	0.0%
The Belmont At Freemason	Market	-	6.9%	2.5%	-	-	5.4%

*Located outside of the PMA

The Subject will consist of one, two, and three-bedroom units. Vacancy rates for all unit types are generally low. This supports that there is demand for additional rental housing in the market. We believe the Subject will not negatively impact the existing properties in the market.

Absorption

We obtained absorption information from the following developments in the Hampton Roads region, two of which are comparable properties.

ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
The Arbors At Towne Park	LIHTC	Senior	2019	130	12
St. Pauls Apartments	LIHTC/Section 8/ Market	Family	2019	126	21
October Station	LIHTC	Family	2018	48	24
The Banks at Berkley	LIHTC	Family	2017	50	25

The properties in the table above experienced absorption paces ranging from 12 to 25 units per month, with an overall average of 21 units per month. Overall, we expect the Subject will experience an absorption rate of 20 units per month. This equates to an absorption period of just over four months.

Demand – Subject

The Novogradac demand analysis illustrates demand for the Subject based on capture rates of income-eligible renter households. When viewing total income-eligible renter households the calculation for the LIHTC units indicates a capture rate of 0.4 percent as proposed and 0.6 percent absent subsidy.

To provide another level of analysis, we removed the households from the income-eligible renter demand pool that are currently suitably housed elsewhere in the PMA. We conducted an *annual demand analysis*, which is based on new income-eligible renter households moving into the area (in the Subject’s first year of operation only) and those income-eligible renter households that are rent-overburdened (paying over 35 percent of income to living costs). This is a subset of the income-eligible renter households used previously and yields a more conservative annual capture rate. This annual Novogradac capture rate is 0.8 percent as proposed, indicating that there are 10,714 units of demand in the PMA in the first year of the Subject’s operation. Absent subsidy, the capture rate is 1.2 percent, indicating that there are 6,585 units of demand in the PMA in the first year of the Subject’s operation. These capture rates are low indicates demand for additional affordable rental housing in the market.

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

Project Wide Capture Rate - LIHTC Units	1.4%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	1.4%
Project Wide Absorption Period (Months)	4 months

The capture rate and absorption are shown in the table below in the absent subsidy scenario.

Project Wide Capture Rate - LIHTC Units	1.5%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	1.5%
Project Wide Absorption Period (Months)	4 months

These are low capture rates and indicative of ample demand for the Subject.

Strengths

- The Subject will be in excellent condition upon completion, with a generally competitive amenity package.
- The weighted average vacancy rate of the LIHTC comparable properties is 1.3 percent, indicating a supply-constrained market for affordable housing.
- The LIHTC comparable properties reported short to moderate waiting lists.

- Two of the comparable LIHTC properties reported achieving maximum allowable rents. Based on full occupancy rates and waiting lists, we believe the remainder are not testing the maximum allowable rents.
- The Subject will be located in a PMA experiencing continued population and household growth.
- The Subject will be located in a desirable location on the edge of downtown Norfolk in an area that is currently undergoing a major redevelopment. Further, the Subject site is in the path of development and near major employers with recent job growth.
- The Subject has low capture rates, indicating additional demand for affordable rental housing such as the Subject.

Weaknesses

- The Subject's unit sizes will be at a disadvantage relative to the average unit sizes in the market.

Recommendations

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

B. INTRODUCTION AND SCOPE OF WORK

INTRODUCTION AND SCOPE OF WORK

Report Description:	Novogradac has performed a comprehensive market study of the multifamily rental market in the Norfolk, Virginia area relative to Aspire, a proposed family LIHTC development. The Subject will be a newly constructed development restricted to households earning 30, 60, and 80 percent of the AMI, or less. All of the units at 30 percent of the AMI will operate with a project-based voucher, where tenants will pay 30 percent of their income towards rent. Six units will be set-aside for households who are homeless or formerly homeless. Construction on the Subject is anticipated to begin in October 2022 with completion in February 2024. The Subject will consist of 85 three-bedroom units contained in a four-story elevator serviced mid-rise building that will be in excellent condition upon completion and 77 off-street parking spaces located directly northwest of Subject.
Developer/Client Information:	The Richman Group Development Corporation.
Intended Use and Users of the Report:	The report will be submitted to the Virginia Housing for application purposes. The intended user of the report is Virginia Housing.
Scope of the Report:	<ul style="list-style-type: none"> ▪ Inspecting the site of the to-be-developed Subject and its general location. ▪ Analyzing the appropriateness of the proposed unit mix, rent levels, unit and complex amenities, and site. ▪ Estimating the market rents, absorption rates and stabilized vacancy levels for the market area. ▪ Investigating the general economic health and conditions of the senior rental market. ▪ Complete a by-bedroom capture rate analysis that analyzes the level of potential income eligible tenants in the primary market area. ▪ Reviewing relevant public records and contacting appropriate public agencies. ▪ Providing a brief analysis of the economic and social conditions in the market area, in relation to the proposed project. ▪ Establishing the Subject’s Primary Market Area, if applicable. ▪ Surveying competing projects, both LIHTC and market-rate.
Effective Date:	The Subject site was last inspected by Robert Edwards on June 29, 2022, which shall be the effective date of this report.
Primary Contact for the Report:	H. Blair Kincer, MAI, CRE (Blair.Kincer@novoco.com); Abby Cohen (Abby.Cohen@novoco.com); Robert Edwards (Bob.Edwards@novoco.com)

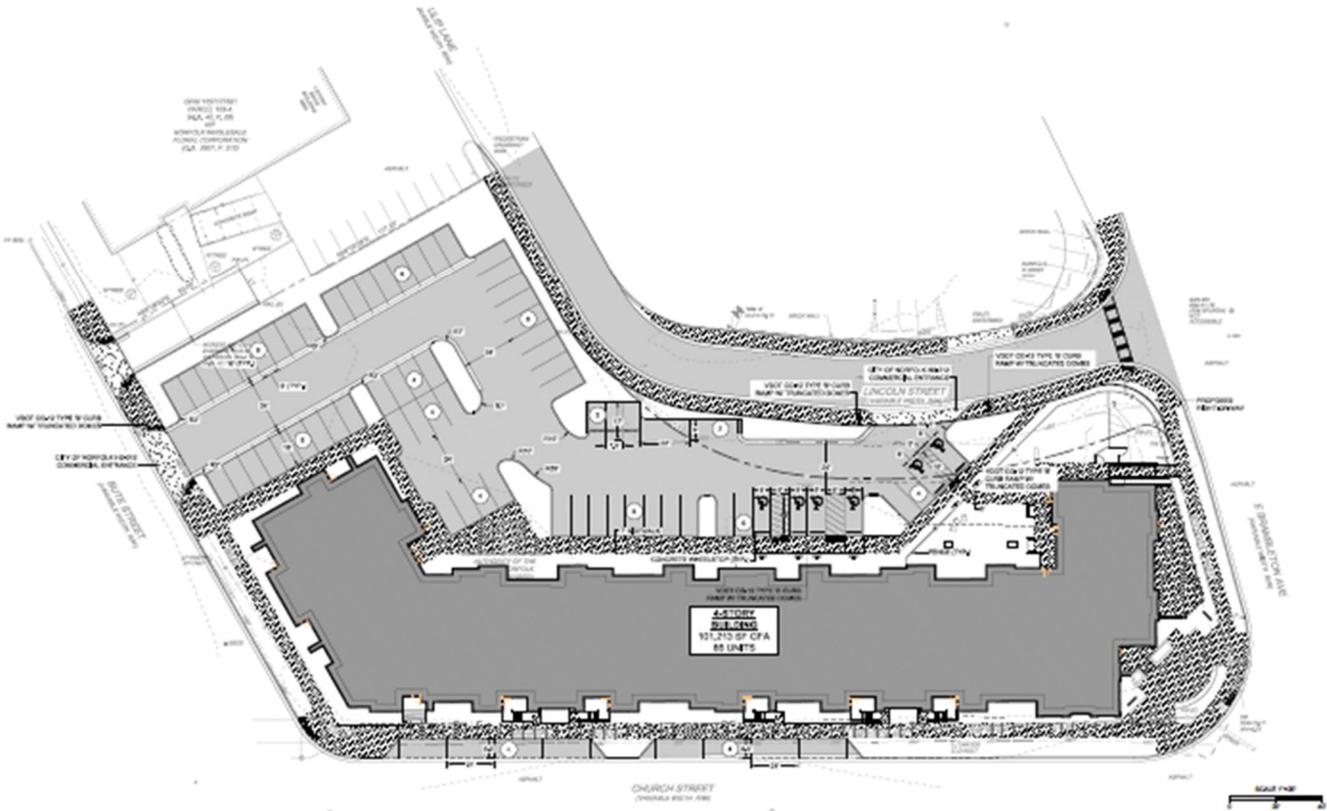
C. PROJECT DESCRIPTION

PROJECT DESCRIPTION

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

Subject Property Description:

The Subject, Aspire, will be a newly constructed LIHTC development restricted to households earning 30, 60, and 80 percent of the AMI, or less. All of the units at 30 percent of the AMI will operate with a project-based voucher, where tenants will pay 30 percent of their income towards rent. Six units will be set-aside for households who are homeless or formerly homeless. Construction on the Subject is anticipated to begin in October 2022 with completion in February 2024. The Subject will consist of 85 one, two, and three units partially financed with four percent tax-exempt bonds. A draft site plan is shown below.



Source: Developer, June 2022

The Subject site is currently vacant land with level topography. Upon completion, the Subject will be accessible from the east side of Lincoln Street.

Construction Type:

The Subject will be new construction.

Occupancy Type:

The Subject’s units will be reserved for family-oriented households who earn 30, 60, and 80 percent or less of the AMI.

Proposed Rents:

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

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2022 LIHTC Maximum Allowable Gross Rent	2022 HUD Fair Market Rents	
@30% (PBV)								
1BR / 1BA	608	4	\$1,239	\$70	\$1,309	\$526	\$1,015	
2BR / 2BA	851	12	\$1,449	\$91	\$1,540	\$631	\$1,193	
3BR / 2BA	1,111	5	\$2,054	\$113	\$2,167	\$729	\$1,676	
@60%								
1BR / 1BA	608	6	\$982	\$70	\$1,052	\$1,052	\$1,015	
2BR / 2BA	851	19	\$1,172	\$91	\$1,263	\$1,263	\$1,193	
3BR / 2BA	1,111	8	\$1,345	\$113	\$1,458	\$1,458	\$1,676	
@80%								
1BR / 1BA	608	7	\$1,157	\$70	\$1,227	\$1,403	\$1,015	
2BR / 2BA	851	16	\$1,382	\$91	\$1,473	\$1,684	\$1,193	
3BR / 2BA	1,111	8	\$1,588	\$113	\$1,701	\$1,945	\$1,676	
		85						

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

The income table presented above illustrates the targeted rent levels for the Subject’s units. The Subject’s rents at the 60 percent of AMI levels are set at the maximum allowable rents, while the rents at the 80 percent of AMI levels are below the maximum allowable rents. The Subject’s 30 percent of AMI rents are the projected contract rents and above LIHTC maximum allowable levels. Tenants in these units will pay 30 percent of their income towards rent. If the Subject were to lose its subsidy, these rents would have to be lowered to the achievable LIHTC rents.

Assisted Housing Program:

All of the units at 30 percent of the AMI will operate with project-based subsidy, where tenants will pay 30 percent of their income towards rent. It is presumed that the six units to be set-aside for homeless or formerly homeless households will be best suited for these units with subsidy.

Construction Date:

Construction on the Subject is expected to commence in October 2022 and is projected to be completed in February 2024.

Target Household Income Levels:

The Subject is a proposed 85-unit apartment community that will be restricted to family households earning 30, 60, and 80 percent of the AMI or less. All of the units at 30 percent of the AMI will operate with a project-based subsidy, where tenants will pay 30 percent of their income towards rent. Based on the proposed unit mix and rent levels, the range of annual household income levels is depicted below.

FAMILY INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@30% (PBV)		@60%		@80%	
1BR	\$0	\$22,440	\$36,069	\$44,880	\$42,069	\$59,840
2BR	\$0	\$25,260	\$43,303	\$50,520	\$50,503	\$67,360
3BR	\$0	\$30,300	\$49,989	\$60,600	\$58,320	\$80,800

FAMILY INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@30%		@60%		@80%	
1BR	\$18,034	\$22,440	\$36,069	\$44,880	\$42,069	\$59,840
2BR	\$21,634	\$25,260	\$43,303	\$50,520	\$50,503	\$67,360
3BR	\$24,994	\$30,300	\$49,989	\$60,600	\$58,320	\$80,800

Utility Structure:

Tenants at the Subject will be responsible for electric heat, electric water heating, electric cooking, central air conditioning, and general electricity expenses. Cold water, sewer, and trash removal/recycling expenses will be paid by the landlord. The comparable properties’ utility structures are illustrated in the respective property summaries and are adjusted appropriately to account for differences relative to the Subject’s utility structure, based on the one-exposed wall utility allowances provided by Virginia Housing, effective July 1, 2021.

HOUSING AUTHORITY UTILITY ALLOWANCE

UTILITY AND SOURCE	Paid By	1BR	2BR	3BR
Heating - Electric	Tenant	\$24	\$31	\$37
Cooking - Electric	Tenant	\$4	\$5	\$6
Other Electric	Tenant	\$14	\$18	\$22
Air Conditioning	Tenant	\$6	\$8	\$10
Water Heating - Electric	Tenant	\$12	\$15	\$19
Water	Landlord	\$24	\$31	\$37
Sewer	Landlord	\$29	\$38	\$46
Trash	Landlord	\$14	\$14	\$14
TOTAL - Paid By Landlord		\$67	\$83	\$97
TOTAL - Paid By Tenant		\$60	\$77	\$94
TOTAL - Paid By Tenant Provided by Developer		\$70	\$91	\$113
DIFFERENCE		117%	118%	120%

Source: Virginia Housing, effective 7/2021

The developer’s estimates are slightly above those of Virginia Housing. The Virginia Housing estimates are used to adjust the comparable properties with differing utility structures to the Subject’s utility structure for an “apples-to-apples” comparison.

Unit Mix: The following table details the proposed unit mix and sizes.

UNIT MIX AND SQUARE FOOTAGE

Unit Type	Number of Units	Unit Size (SF)	Net Leasable Area
1BR / 1BA	17	608	10,336
2BR / 2BA	47	851	39,997
3BR / 2BA	21	1,111	23,331
TOTAL	85		73,664

Net Leasable Area: Approximately 73,664 square feet, as illustrated above.

Gross Building Area: The Subject will have approximately 101,213 square feet of gross building area according to architectural plans provided by the client.

Unit Amenities: The Subject will offer affordable units and a competitive in-unit amenity package with high-quality finishes and fixtures. The proposed unit amenities will include balconies/patios, vinyl plank flooring, central air conditioning, washer/dryer hook-ups, dishwashers, disposals, and microwaves among others.

Common Area Amenities: The proposed common area amenities include a business center, a community room, on-site management, a fitness center, and a playground.

Parking: The Subject will offer 77 off-street parking spaces, which equates to approximately 0.9 spaces per unit. There will be no fee for parking. Given the close proximity of public transportation, we believe the number of parking spaces is adequate.

Number of Stories and Buildings: Upon completion, the Subject site will be improved with one, four-story mid-rise building.

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

Quality of Construction Condition and Deferred Maintenance: As it will be new construction, the Subject will not suffer from deferred maintenance. We assume the Subject will be completed in a timely manner with quality materials.

Functional Utility: We have reviewed the Subject’s floor plans and determined them to be reasonable and market-oriented.

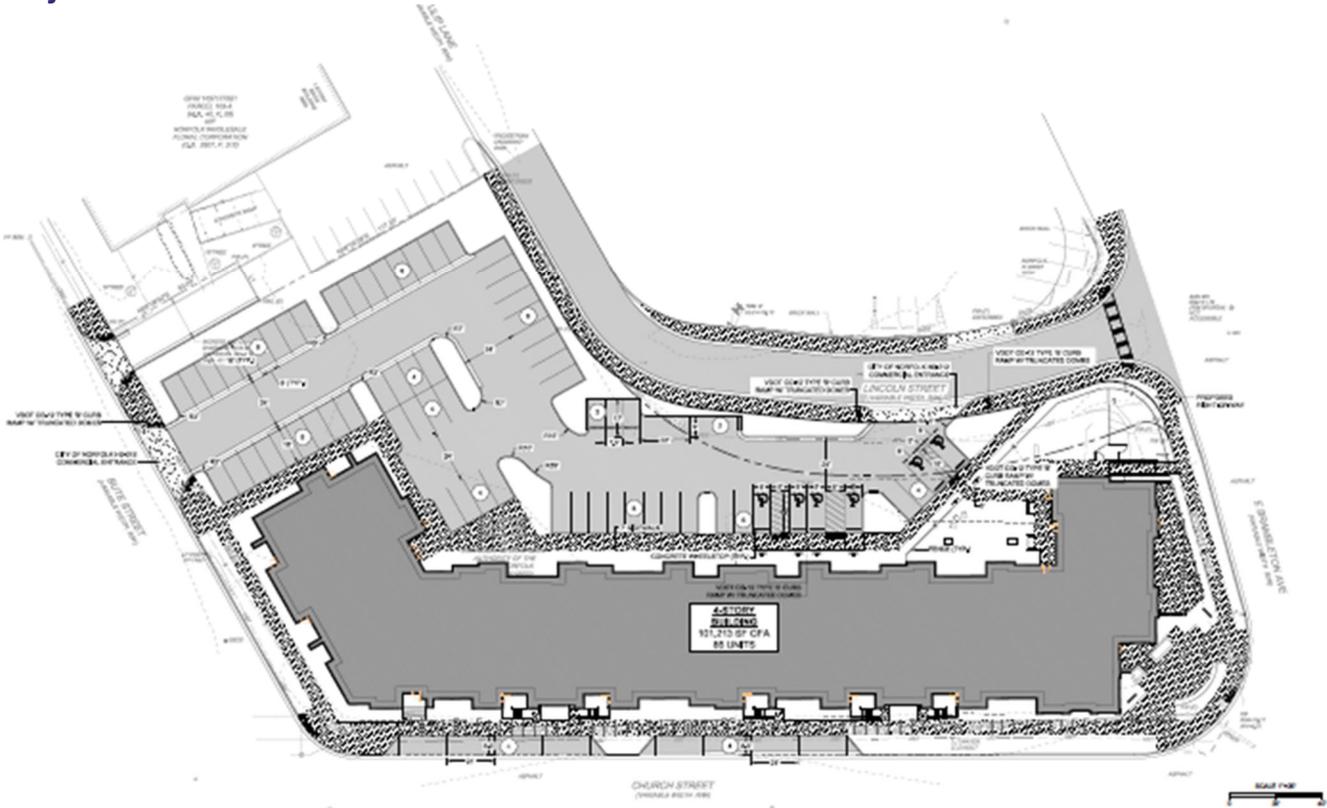
Conclusion: The Subject property will be a newly constructed 85-unit family-oriented LIHTC development. The Subject will exhibit excellent condition upon completion.

Architect: Hooker DeJong, Inc.

Site and Architectural Plans:

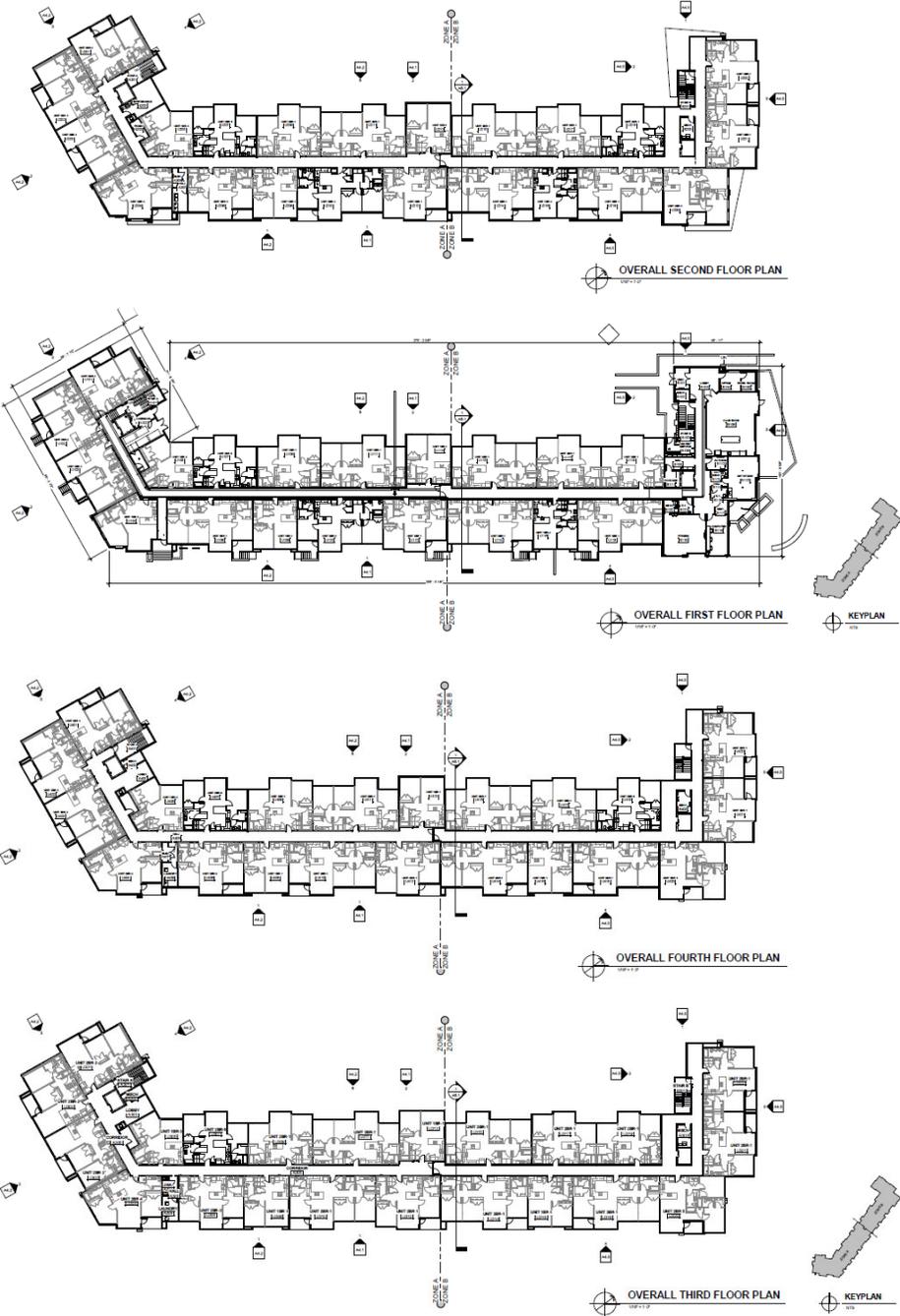
Based upon our review of the building and site plans, as well as the site inspection and local interviews, we believe the Subject will be functional upon completion. Copies of the Subject's architectural site plans are provided on the following pages and included in the addenda of this report.

Subject Site Plan



Source: Sponsor, June 2022

Subject Floor Plans



Source: Sponsor, June 2022

Subject Rendering



Source: Sponsor, June 2022

Aspire	
Location	645 Church Street Norfolk, VA 23510
Units	85
Vacant Units	N/A
Vacancy Rate	N/A
Type	Midrise (4 stories)
Year Built / Renovated	2024 / n/a



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

Unit Mix (face rent)											
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	Midrise	4	608	\$1,239	\$0	@30% (PBV)	n/a	N/A	N/A	N/A
1	1	Midrise	6	608	\$982	\$0	@60%	n/a	N/A	N/A	yes
1	1	Midrise	7	608	\$1,157	\$0	@80%	n/a	N/A	N/A	no
2	2	Midrise	12	851	\$1,449	\$0	@30% (PBV)	n/a	N/A	N/A	N/A
2	2	Midrise	19	851	\$1,172	\$0	@60%	n/a	N/A	N/A	yes
2	2	Midrise	16	851	\$1,382	\$0	@80%	n/a	N/A	N/A	no
3	2	Midrise	5	1,111	\$2,054	\$0	@30% (PBV)	n/a	N/A	N/A	N/A
3	2	Midrise	8	1,111	\$1,345	\$0	@60%	n/a	N/A	N/A	yes
3	2	Midrise	8	1,111	\$1,588	\$0	@80%	n/a	N/A	N/A	no

Amenities			
In-Unit	Balcony/Patio Blinds Carpet/Hardwood Central A/C Coat Closet Dishwasher Ceiling Fan Garbage Disposal Microwave Oven Refrigerator Washer/Dryer hookup	Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Elevators Exercise Facility Central Laundry Off-Street Parking On-Site Management Playground Wi-Fi
Security	Intercom (Buzzer) Limited Access	Premium	none
Services	none	Other	none

D. LOCATION

LOCATION

The location of a multifamily property can have a substantial negative or positive impact upon the performance, safety and appeal of the project. The site description will discuss the physical features of the site, as well as layout, access issues, and traffic flow. The map below outlines the Subject site.

It is noted that the following image depicts an improvement on the Subject site. This was a four-story office building that has since been demolished.



Source: Google Earth, June 2022

- Subject Site Description:** The Subject will be located along the west side of Church Street in Norfolk, Virginia 23510. The Subject site is currently vacant.
- Size:** The Subject site is approximately 1.5838 acres, or 68,990 square feet according to architectural plans prepared by Hooker DeJong, Inc., dated June 13, 2022.
- Shape:** The Subject site is generally irregular in shape.
- Frontage:** The Subject site has frontage along Church Street, East Brambleton Avenue, Bute Street, Lincoln Street, and Tulip Lane.

Topography:	The Subject site is generally level.
Utilities:	All utilities are provided to the site.
Visibility/Views:	The Subject site has good visibility from Church Street, East Brambleton Avenue, Bute Street, Lincoln Street, and Tulip Lane. The view to the north of the Subject, beyond East Brambleton Road, is Young Terrace, a public housing complex that was excluded due to its subsidized rent structure. To the east beyond Church Street, views consist of a larger scale United States Postal Service building. Views to the south, across east Bute Street, are of a house of worship and Saint Paul's Apartments, a mixed income property that has been included in our rent comparable survey. Finally, views to the west include commercial building occupied by Norfolk Wholesale Floral, New Generation Daycare and Learning Center, and several other local businesses.
Surrounding Uses:	<p>The Subject site is located on the edge of downtown Norfolk, approximately 0.6 miles north of Interstate 264. The immediate neighborhood consists of commercial and retail uses, single-family and multifamily homes, and parkland. Residential uses in the Subject's neighborhood are generally in average to good condition. A number of retail properties are located south of the Subject site at the MacArthur Center, a regional mall anchored by a Dillard's department store. Commercial areas in the Subject's larger neighborhood are approximately 80 percent occupied.</p> <p>The Subject is within close proximity to the larger scale St. Paul's redevelopment project. This will consist of the demolition of three public housing complexes, Tidewater Gardens, Young Terrace, and Calvert Square, which total nearly 1,700 units. In their place will be new, larger scale mixed-use developments with several hundred residential units. The first phase of this project, the redevelopment of the Tidewater Gardens project is underway. Two mixed-income residential buildings are planned in the first phase, a 72-unit four-story senior apartment building and a 120-unit family-oriented apartment property. Completion of this phase is scheduled for 2025. The Tidewater Gardens site is approximately three blocks south of the Subject. Young Terrace is across E Brambleton Avenue from the Subject, while Calvert Square is northeast of the Subject off of Church Street. While the Tidewater Gardens redevelopment has begun, there is not yet a timetable for the redevelopment of Young Terrace and Calvert Square. If this redevelopment progresses, we believe the Subject will benefit from this effort.</p>



View of Young Terrace public housing complex across W Brambleton Avenue to the northeast of Subject



Alternative view of Martin Luther King Plaza public housing complex

North: Land uses to the north of the Subject site consist of small commercial uses located along Church Street and the Young Terrace public housing complex. We exclude Young Terrace as a comparable property in this report as all units at the property operate with subsidy.



U.S. Post Office building across Church Street from the Subject



Alternative view of U.S. Post Office building across Church Street

East: Land uses to the east of the Subject consist of a United States Post Office, followed by commercial uses and a house of worship along E Brambleton Avenue.



View of St. Paul's Apartments to the southwest of Subject site



View of St. Paul's Apartments to the southwest of Subject site

South: Land uses to the south of the Subject consist of small commercial uses located along Church Street, and St. Paul Apartments, a LIHTC property that has been included as a comparable property in our rent analysis.



Commercial building along W Brambleton Avenue to the west of Subject



Norfolk Scope Arena to the west of Subject site

West: Land uses to the west of the Subject consist of small commercial uses in average condition. Further west of the Subject are uses in downtown Norfolk, including various multifamily and office buildings, in addition to Norfolk Scope Arena, a multipurpose facility that houses various sporting and cultural events.

Access and Traffic Flow:

Upon completion, the Subject will be accessible from Lincoln Street to the west. Lincoln Street intersects with East Brambleton Avenue immediately to the north. East Brambleton Avenue is moderately trafficked four-lane road that provides east west access throughout Norfolk. E Brambleton Avenue also intersects with Interstate 264 approximately 0.6 miles south of the Subject. Interstate 264 is a limited access highway that provides access to Virginia

Beach to the east and Suffolk to the west. It also provides access to Interstate 64, which leads to Richmond to the west.

Layout and Curb Appeal:

The overall Subject development will consist of a four-story mid-rise building. The Subject will be newly constructed and will exhibit excellent curb appeal upon completion.

Drainage:

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

Soil and Subsoil Conditions:

We were provided with a Geotechnical Engineering Report for the Subject property prepared by the Timmons Group, dated April 30, 2021. According to this report, the underlying soils appear to be suitable for new development. However, Novogradac is not experts in this field and further analysis is beyond the scope of this report.

Environmental Assessment:

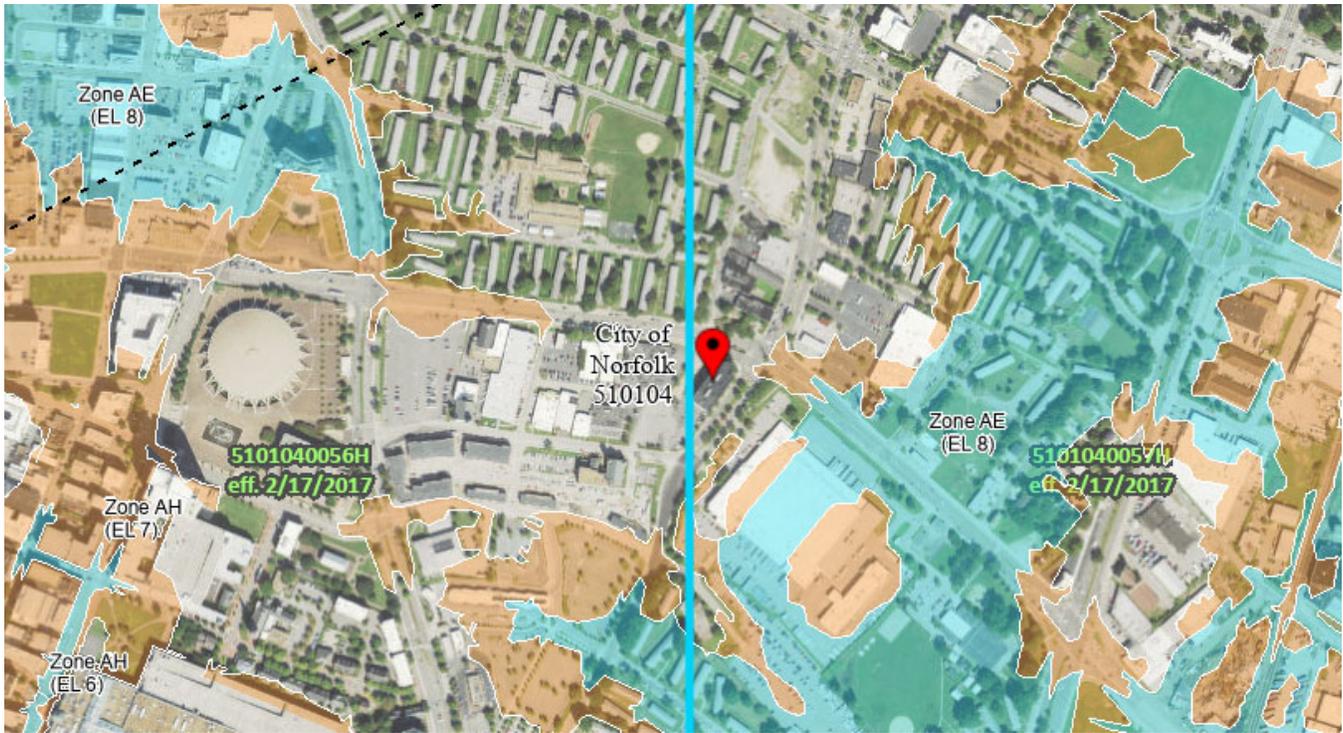
We were provided with a Phase I Environmental Site Assessment for the Subject property prepared by the Timmons Group dated April 26, 2022. According to the report, no recognized environmental concerns (REC) were identified in connection with the Subject property. Nonetheless, Novogradac is not experts in this field and further analysis is beyond the scope of this report.

Detrimental Influences:

No detrimental influences were noted.

Flood Plain:

According to Flood Insights and Flood Insurance Rate Map Community Panel Number 5101040056H, dated February 17, 2017, the Subject site is located in Zone X, which is defined as an area of minimal flood hazard. However, it should be noted that much of the surrounding area is in zone AE, which presents an annual one percent risk of flooding. Novogradac does not offer expertise in this field and cannot opine on this issue. Further analysis by is beyond the scope of the report.



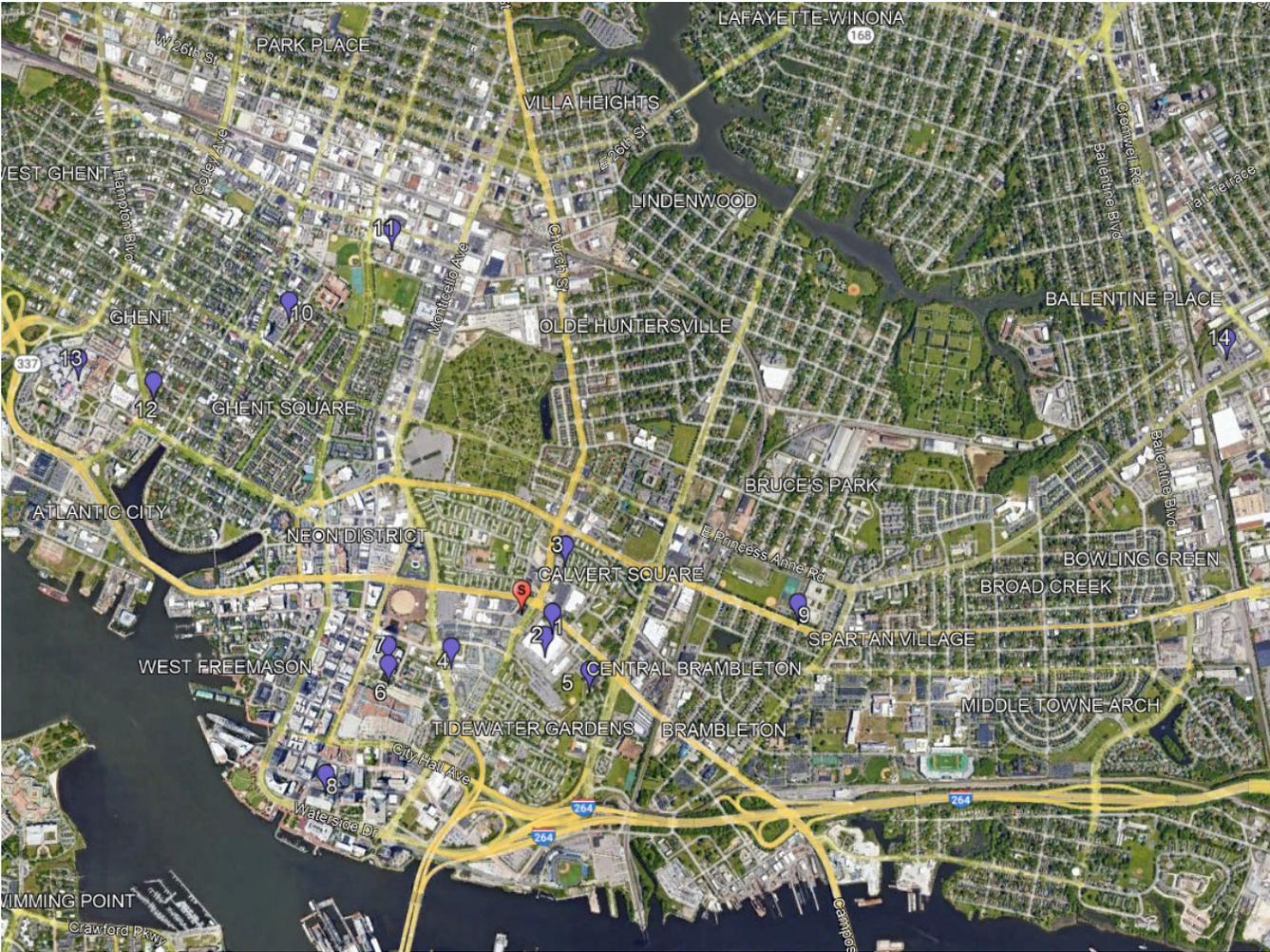
Source: FEMA Flood Map Service Center, June 2022

Locational Amenities:

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

LOCATIONAL AMENITIES

Map #	Service or Amenity	Distance from Subject (Crow)
1	Brambleton & Church Bus Stop	0.1 miles
2	US Post Office	0.1 miles
3	Norfolk Police Station	0.2 miles
4	Norfolk Fire Station	0.2 miles
5	Tidewater Park Elementary School	0.3 miles
6	James Blair Middle School	0.4 miles
7	Wells Fargo Bank	0.4 miles
8	Slover Library	0.7 miles
9	Booker T. Washington High School	0.8 miles
10	Harris Teeter grocery store	1.0 miles
11	Walgreens pharmacy	1.1 miles
12	Raleigh Park	1.2 miles
13	Sentara Norfolk General Hospital	1.4 miles
14	Walmart	2.1 miles



Source: Google Earth, June 2022

Public Transportation:

Public transportation, including bus and light rail transit, in the city of Norfolk and surrounding Hampton Roads region is provided by Hampton Roads Transit (HRT). The nearest bus stop is located 0.1 miles from the Subject site, while the nearest light rail station (Monticello) is located 0.4 miles from the Subject site. Current fares for routes operated by HRT are \$2.00 per one way trip. Monthly passes are available for \$70.00 per month. Additionally, discounted fares are available for seniors over the age of 65 and children under the age of 18.

Crime Statistics:

The table below illustrates crime statistics for the PMA and MSA, shown as an index where 100 represents the national average. Indices above 100 are above the national average, and indices below 100 are below the national average.

2021 CRIME INDICES

	PMA	Virginia Beach-Norfolk-Newport News, VA-NC Metropolitan Statistical Area
Total Crime*	252	125
Personal Crime*	238	106
Murder	373	159
Rape	209	111
Robbery	349	143
Assault	185	86
Property Crime*	254	128
Burglary	190	99
Larceny	279	142
Motor Vehicle Theft	226	92

Source: Esri Demographics 2021, Novogradac Consulting LLP, July 2022

*Unweighted aggregations

Total crime indices in the PMA are more than double the national average, and above the surrounding MSA. Both geographic areas feature crime indices above the overall nation. The Subject will offer controlled access with an intercom in terms of security features. All comparables are located in areas with elevated crime indices. All of the comparables reported offering at least one security feature. Overall, we consider the Subject’s proposed security features to be market-oriented. The upcoming Supply Section of this report provides a more detailed analysis of crime indices on a 0.5 mile basis.

Conclusion:

The Subject’s neighborhood appears to be a good location for an affordable family-oriented townhome development. The Subject site offers access to virtually all locational amenities within two miles. Additionally, there are some retailers in the immediate vicinity of the Subject site such as a Family Dollar. Overall, the Subject is located in a mixed-use neighborhood. The neighborhood is well-suited for this type of housing. The Subject will enhance the existing neighborhood, as proposed.

PHOTOGRAPHS OF SUBJECT AND NEIGHBORHOOD



Interior of Subject site looking northeast



Alternative view of interior of Subject site looking northeast



Subject site looking north from Church Street



Subject site looking north from Church Street



Subject site looking south from Church Street



Subject site looking south from Lincoln Street



View of Subject site from Lincoln Street looking south



Alternative view of Subject site from Lincoln Street



Alternative view of Subject site from Lincoln Street



View towards Tulip Lane from Subject site



Interior of Subject site looking south towards nearby house of worship



Interior of Subject site looking south



Interior of Subject site looking east



Interior of Subject site looking northeast



View Subject site looking west



View of Subject site from across Church Street looking west



View from Subject site looking west across Lincoln Street



View along Church Street to the south of Subject site



View along Church Street looking north (Subject site on the left)



Church Street at E Brambleton Avenue intersection immediately northeast of Subject site



View along E Brambleton Avenue looking west (Subject site to the left of photo)



Alternative view along E Brambleton Avenue looking west



House of worship along E Bute Street to the south of Subject site



View along E Bute Street looking west away from Subject site



Retail center along Church Street to the northeast of Subject site



Alternative view of retail center along Church Street to the northeast of Subject site



Gas station/convenience store at Church Street and E Brambleton Avenue northeast of Subject site



Retail building along Church Street to the north of Subject site



Commercial building along Church Street to the north of Subject site



Retail center along Church Street to the north of Subject site



Wyndham Garden Hotel off of E Brambleton Avenue to the west of Subject site



House of worship along E Brambleton Avenue to the east of Subject site



The Rotunda condominium building several blocks south of the Subject in downtown Norfolk



House of worship several blocks south of the Subject in downtown Norfolk



Bus terminal to the southwest of Subject



Newly constructed sewer pump station approximately three blocks southwest of Subject



View of Tidewater Gardens public housing redevelopment site to the south of Subject



View of Tidewater Gardens public housing redevelopment site to the south of Subject



Fast food restaurant several blocks south of Subject site



House of worship southwest of Subject site



Commercial building and house of worship along E Bute Street to the west of Subject site



Commercial building along E Bute Street to the west of Subject site



Single-family homes to the north of Subject



Single-family home to the north of Subject



Single-family homes to the north of Subject



Single-family homes to the north of Subject

E. MARKET AREA DEFINITION

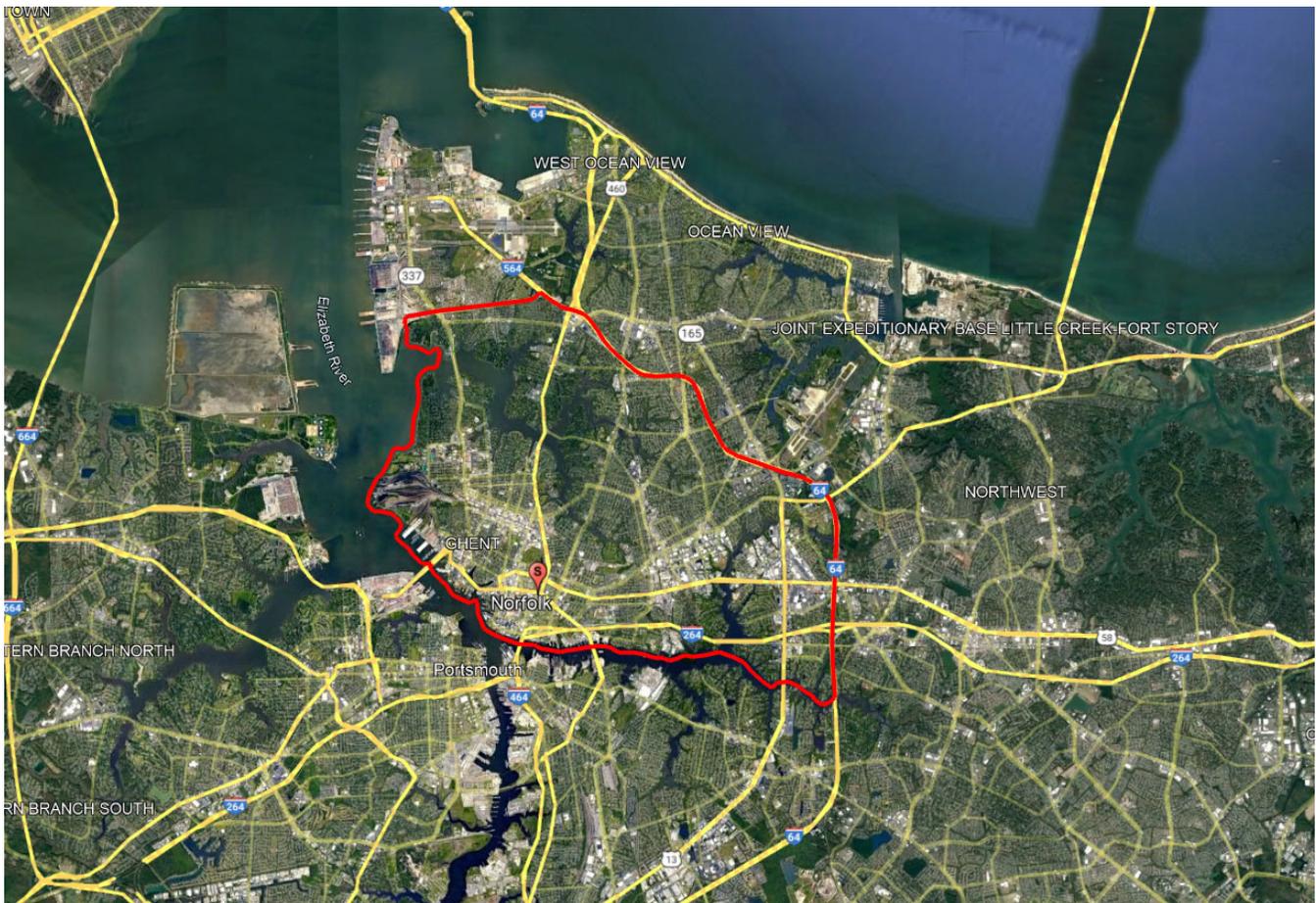
MARKET AREA

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

The Subject will be located at 645 Church Street in Norfolk, Virginia. We determined the Primary Market Area (PMA) based on our conversations with local market participants including property managers, as well as our physical inspection of the market. The PMA is generally defined as the south-central Norfolk. The PMA boundaries are: Terminal Boulevard to the north; Interstate 64 to the east; and the Elizabeth River to the west and south. The PMA encompasses 30 square miles. We believe that additional support will originate from areas outside of the established PMA. We estimate a leakage of 10 percent.

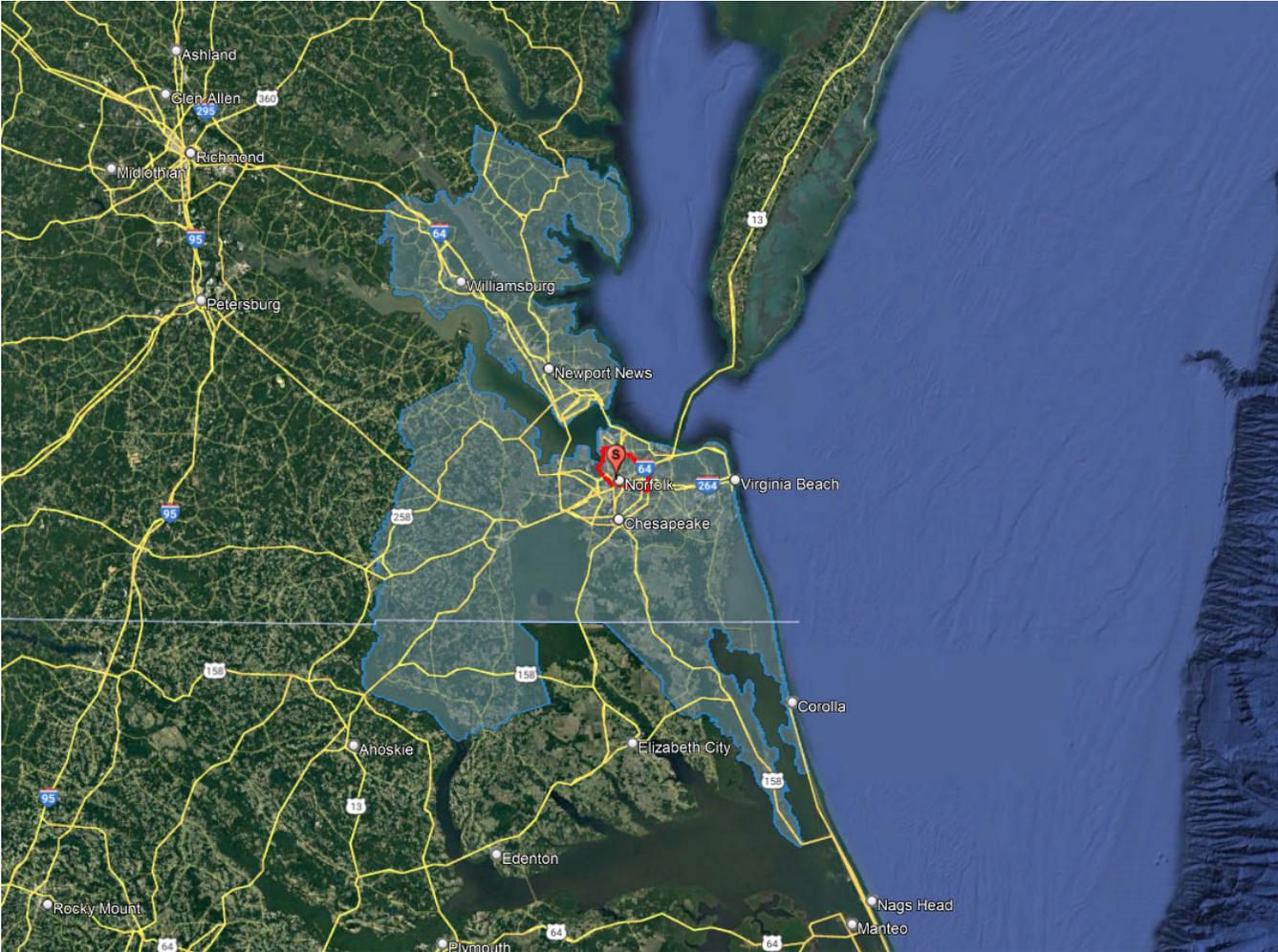
The SMA is defined as the Virginia Beach-Norfolk-Newport News, VA-NC Metropolitan Statistical Area (MSA), which consists of Gloucester, Isle of Wight, James City, Mathews, Southampton and York Counties in Virginia; Camden, Currituck and Gates Counties in North Carolina; and the independent cities of Chesapeake, Franklin, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach and Williamsburg in Virginia. The MSA encompasses 3,023 square miles. Maps outlining the general PMA boundaries as well as the MSA can be found on the following pages.

Primary Market Area Map



Source: Google Earth, June 2022

Metropolitan Statistical Area (MSA) Map



Source: Google Earth, June 2022

F. EMPLOYMENT AND ECONOMY

ECONOMIC ANALYSIS

Norfolk is an independent city in the Commonwealth of Virginia in the United States. At the 2020 census, the population was 238,005, making it the third-most populous city in Virginia after neighboring Virginia Beach and Chesapeake, and the 94th-largest city in the nation. The city was incorporated in 1705 and is one of the oldest cities in the Hampton Roads metropolitan area, and is considered to be the historic, urban, financial, and cultural center of the region. Norfolk is at the core of the metropolitan area, surrounding the Hampton Roads natural harbor at the mouth of the Chesapeake Bay. It is one of nine cities and seven counties that constitute the Hampton Roads metro area, officially known as the Virginia Beach-Norfolk-Newport News, VA-NC MSA. The city is bordered to the west by the Elizabeth River and to the north by the Chesapeake Bay. It also shares land borders with the independent cities of Chesapeake to its south and Virginia Beach to its east.

As the city is bordered by multiple bodies of water, Norfolk has many miles of riverfront and bayfront property, including beaches on the Chesapeake Bay. The coastal zones are important for the economy. The largest naval base in the world, Naval Station Norfolk, is located in Norfolk along with one of NATO's two Strategic Command headquarters. Additionally, Norfolk is an important contributor to the Port of Virginia. It is home to Maersk Line, Limited, which manages the world's largest fleet of US-flag vessels. The city has a long history as a strategic military and transportation point, where many railroad lines started. It is linked to its neighbors by an extensive network of interstate highways, bridges, tunnels, and three bridge-tunnel complexes.

After the military, the second largest and most important industry for Norfolk based on economic impact are the region's cargo ports. Headquartered in Norfolk, the Virginia Port Authority (VPA) is a Commonwealth of Virginia owned-entity that, in turn, owns and operates three major port facilities in Hampton Roads for break-bulk and container type cargo. In Norfolk, Norfolk International Terminals (NIT) represents one of those three facilities and is home to the world's largest and fastest container cranes.

The following sections will provide an analysis of the economic and demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the PMA and the Virginia Beach-Norfolk-Newport News, VA-NC MSA are areas of growth or contraction.

Employment by Industry

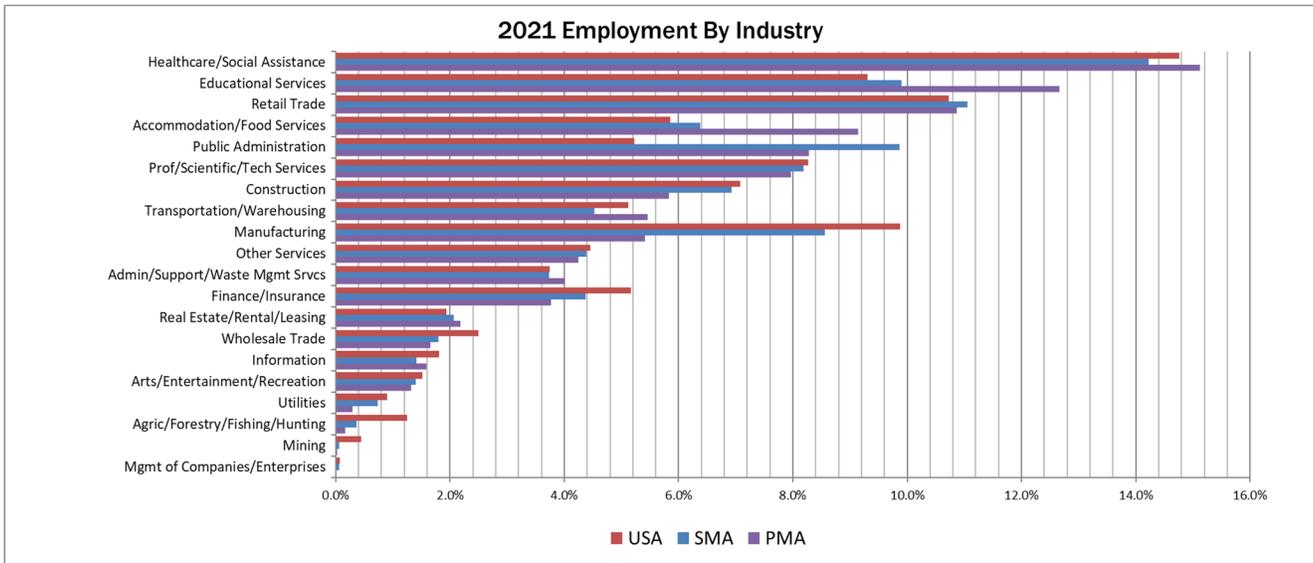
The following chart illustrates employment by industry as of 2021.

2021 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Healthcare/Social Assistance	8,925	15.1%	23,217,292	14.8%
Educational Services	7,469	12.7%	14,629,096	9.3%
Retail Trade	6,413	10.9%	16,864,485	10.7%
Accommodation/Food Services	5,394	9.1%	9,207,610	5.9%
Public Administration	4,885	8.3%	8,215,705	5.2%
Prof/Scientific/Tech Services	4,701	8.0%	13,005,287	8.3%
Construction	3,443	5.8%	11,127,591	7.1%
Transportation/Warehousing	3,223	5.5%	8,044,029	5.1%
Manufacturing	3,196	5.4%	15,526,471	9.9%
Other Services	2,503	4.2%	7,014,785	4.5%
Admin/Support/Waste Mgmt Svcs	2,367	4.0%	5,887,329	3.7%
Finance/Insurance	2,220	3.8%	8,123,688	5.2%
Real Estate/Rental/Leasing	1,286	2.2%	3,044,245	1.9%
Wholesale Trade	975	1.7%	3,934,179	2.5%
Information	934	1.6%	2,846,142	1.8%
Arts/Entertainment/Recreation	777	1.3%	2,388,480	1.5%
Utilities	176	0.3%	1,412,381	0.9%
Agric/Forestry/Fishing/Hunting	97	0.2%	1,973,200	1.3%
Mining	15	0.0%	705,964	0.4%
Mgmt of Companies/Enterprises	4	0.0%	116,402	0.1%
Total Employment	59,003	100.0%	157,284,361	100.0%

Source: Esri Demographics 2021, Novogradac Consulting LLP, July 2022

Employment in the PMA is concentrated in the healthcare/social assistance, educational services, and retail trade industries, which collectively comprise 38.7 percent of local employment. The large share of PMA employment in retail trade is notable as this industry is historically volatile, and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the educational services, accommodation/food services, and public administration industries. Conversely, the PMA is underrepresented in the manufacturing, finance/insurance, and construction industries.



Growth by Industry

The following table illustrates the change in total employment by sector from 2000 to 2021 in the PMA.

2010-2021 CHANGE IN EMPLOYMENT - PMA

Industry	2010		2021		2010-2021	
	Number Employed	Percent Employed	Number Employed	Percent Employed	Growth	Annualized Percent
Healthcare/Social Assistance	7,921	16.1%	8,925	15.1%	1,004	1.2%
Educational Services	6,524	13.2%	7,469	12.7%	945	1.3%
Retail Trade	5,811	11.8%	6,413	10.9%	602	0.9%
Accommodation/Food Services	4,906	9.9%	5,394	9.1%	488	0.9%
Public Administration	3,139	6.4%	4,885	8.3%	1,746	5.1%
Prof/Scientific/Tech Services	3,000	6.1%	4,701	8.0%	1,701	5.2%
Construction	3,024	6.1%	3,443	5.8%	419	1.3%
Transportation/Warehousing	1,754	3.6%	3,223	5.5%	1,469	7.6%
Manufacturing	2,052	4.2%	3,196	5.4%	1,144	5.1%
Other Services	2,312	4.7%	2,503	4.2%	191	0.8%
Admin/Support/Waste Mgmt Svcs	2,867	5.8%	2,367	4.0%	-500	-1.6%
Finance/Insurance	1,703	3.5%	2,220	3.8%	517	2.8%
Real Estate/Rental/Leasing	1,152	2.3%	1,286	2.2%	134	1.1%
Wholesale Trade	1,158	2.3%	975	1.7%	-183	-1.4%
Information	875	1.8%	934	1.6%	59	0.6%
Arts/Entertainment/Recreation	788	1.6%	777	1.3%	-11	-0.1%
Utilities	227	0.5%	176	0.3%	-51	-2.0%
Agric/Forestry/Fishing/Hunting	40	0.1%	97	0.2%	57	13.0%
Mining	61	0.1%	15	0.0%	-46	-6.9%
Mgmt of Companies/Enterprises	0	0.0%	4	0.0%	4	0.0%
Total Employment	49,314	100.0%	59,003	100.0%	9,689	1.8%

Source: Esri Demographics 2021, Novogradac Consulting LLP, June 2022

*Industry data current as of 2010. Other projections current as of 2021.

* Change in percentage is calculated as a rate of change by industry.

Total employment in the PMA increased at an annualized rate of 1.8 percent between 2010 and 2021. The industries which expanded most substantially during this period include public administration, prof/scientific/tech services, and transportation/warehousing. Conversely, the admin/support/waste management services, wholesale trade, and utilities sectors experienced declines.

Major Employers

The following table details the largest employers in the Hampton Roads Region of Virginia. Further, it is noted that the exact number of employees at each of these entities was not available.

**MAJOR EMPLOYERS
HAMPTON ROADS REGION, VA**

Employer Name	Industry	# Of Employees
Huntington Ingalls Industries	Manufacturing	1,000 +
Newport News Shipbuilding	Manufacturing	1,000 +
Naval Medical Center	Healthcare/Social Assistance	1,000 +
Sentara Norfolk General Hospital	Healthcare/Social Assistance	1,000 +
Landmark Interactive	Information	1,000 +
Bon Secours Maryview Medical Center	Healthcare/Social Assistance	1,000 +
Chesapeake Regional Healthcare	Healthcare/Social Assistance	1,000 +
Children's Hospital-The King's	Healthcare/Social Assistance	1,000 +
Stihl Inc.	Manufacturing	1,000 +
United States Department of Defense	Military	1,000 +
Landmark Media Enterprises LLC	Information	1,000 +
International Paper Co.	Manufacturing	1,000 +
Sentara VA Beach General Hospital	Healthcare/Social Assistance	1,000 +
Hampton Newport News Community Health	Healthcare/Social Assistance	1,000 +
Chesapeake Regional Medical Center	Healthcare/Social Assistance	1,000 +
Christian Broadcasting Network	Information	1,000 +
Sentara Leigh Hospital	Healthcare/Social Assistance	1,000 +
Arconic Power & Propulsion	Manufacturing	1,000 +
US Veterans Medical Center	Healthcare/Social Assistance	1,000 +
Riverside Regional Medical Center	Healthcare/Social Assistance	1,000 +

Source: Hampton Roads Alliance, Retrieved June 2022

As seen in the previous table, the major employers in the Hampton Roads region are predominately concentrated in the manufacturing, healthcare/social assistance, military, and information industries. Many of these employers are within commuting distance of the Subject site. In addition, the Subject is within walking distance of to downtown Norfolk, which is also a major employment center.

Employment Expansion/Contractions

We researched layoffs and closures in Norfolk from January 2020 through present, according to the Virginia Employment Commission. There have been several Worker Adjustment and Retraining Notification (WARN) filings over the past two years, as detailed in the following table.

**WARN LISTINGS
NORFOLK, VA**

Company	Industry	Employees Affected	Layoff Date
Imagine One Technology & Management	Information Technologies	187	6/28/2022
CACI NAVSEA03S Digital & Industrial Operations	Information Technologies	80	6/28/2022
CACI Technologies, LLC	Information Technologies	102	5/6/2022
Perspecta, Inc.	Software and Technology	374	6/4/2021
American Green Building Maintenance, Inc.	Professional Services	150	3/31/2021
PostalMile Inc.	Postal Services	61	8/20/2020
PSA Airlines (ORF)	Transportation	87	10/1/2020
Enterprise Holdings	Transportation	84	4/24/2020
Route 60 & Associates Inc.	Accommodation/Food Services	25	3/17/2020
Brick Anchor Brew House	Accommodation/Food Services	28	3/22/2020
The Virginian-Pilot	Publishing	137	4/27/2020
Total		1,315	

Source: Virginia Employment Commission, retrieved June 2022

As seen in the previous table, there have been a total of 1,315 position impacted by WARN filings since January 2020. Of note, due to the COVID-19 pandemic we anticipate that some of the previous layoffs will be temporary in nature, including those in the accommodation/food services industry. However, the Virginia Employment Commission does not currently identify layoffs by permanent or temporary status.

An important factor underlying the depth of demand for rental units of all types is the level of employment expansion and contraction in a region. Norfolk and the surrounding Hampton Roads region have historically been home to numerous military operations for the United States Department of Defense, in addition to shipbuilding operations. According to the Hampton Roads Alliance, there have been several recent expansions:

- Lyon Shipyard announced a \$24 million expansion that includes the addition of an 820 ton boat hoist and create over 100 new jobs in January 2022.
- Lineage Logistics, the world’s largest temperature controlled industrial REIT and logistics solutions provider, announced the opening of its newest fully automated facility located in Portsmouth in October 2021. This \$84 million investment produced over 80 high-paying jobs.
- In April 2021, Sunny Farms, Inc. announced plans to invest \$59.6 million for a new hydroponic greenhouse in Virginia Beach. The facility is expected to be constructed in three phases over the next 36 months, and the facility employ 155 persons upon full project completion.
- In April 2021, Katoen Natie Norfolk announced plans to invest \$61 million for a 243,000 freight distribution center to be located at its existing facility in Norfolk. The expansion is projected to create 35 jobs upon completion.
- Tabet Manufacturing Co. announced it will invest \$6.5 million to expand its Norfolk plant in January 2021. This 50,000 square foot expansion is expected to create 68 jobs.
- In September 2020, Huntington Ingalls Industries, a shipbuilder with operations in the region, announced plans to establish an Unmanned Systems Center of Excellence in the City of Hampton. Upon completion the facility is projected to create 250 additional jobs.
- In July 2020 Acoustical Sheetmetal Company (ASC) announced plans to invest \$15.8 million in its existing Virginia Beach facility. The investment is projected to result in the hiring of 200 additional employees upon completion.

Employment and Unemployment Trends

The following table details employment and unemployment trends for the Virginia Beach-Norfolk-Newport News, VA-NC MSA from 2006 to April 2022.

EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Virginia Beach-Norfolk-Newport News, VA-NC Metropolitan Statistical						
Year	Area			USA		
	Total Employment	% Change	Differential from peak	Total Employment	% Change	Differential from peak
2006	773,600	-	-8.3%	144,427,000	-	-8.3%
2007	786,515	1.7%	-6.7%	146,047,000	1.1%	-7.3%
2008	789,022	0.3%	-6.4%	145,363,000	-0.5%	-7.7%
2009	762,845	-3.3%	-9.5%	139,878,000	-3.8%	-11.2%
2010	770,312	1.0%	-8.6%	139,064,000	-0.6%	-11.7%
2011	777,300	0.9%	-7.8%	139,869,000	0.6%	-11.2%
2012	781,692	0.6%	-7.3%	142,469,000	1.9%	-9.6%
2013	791,554	1.3%	-6.1%	143,929,000	1.0%	-8.6%
2014	800,300	1.1%	-5.1%	146,305,000	1.7%	-7.1%
2015	796,773	-0.4%	-5.5%	148,833,000	1.7%	-5.5%
2016	800,416	0.5%	-5.1%	151,436,000	1.7%	-3.9%
2017	821,424	2.6%	-2.6%	153,337,000	1.3%	-2.7%
2018	832,113	1.3%	-1.3%	155,761,000	1.6%	-1.1%
2019	843,187	1.3%	0.0%	157,538,000	1.1%	0.0%
2020	794,727	-5.7%	-5.7%	147,795,000	-6.2%	-6.2%
2021	792,646	-0.3%	-6.0%	152,581,000	3.2%	-3.1%
2022 YTD Average*	800,656	1.0%	-	157,453,200	3.2%	-
Apr-2021	791,717	-	-	151,160,000	-	-
Apr-2022	805,892	1.8%	-	157,991,000	4.5%	-

Source: U.S. Bureau of Labor Statistics, June 2022

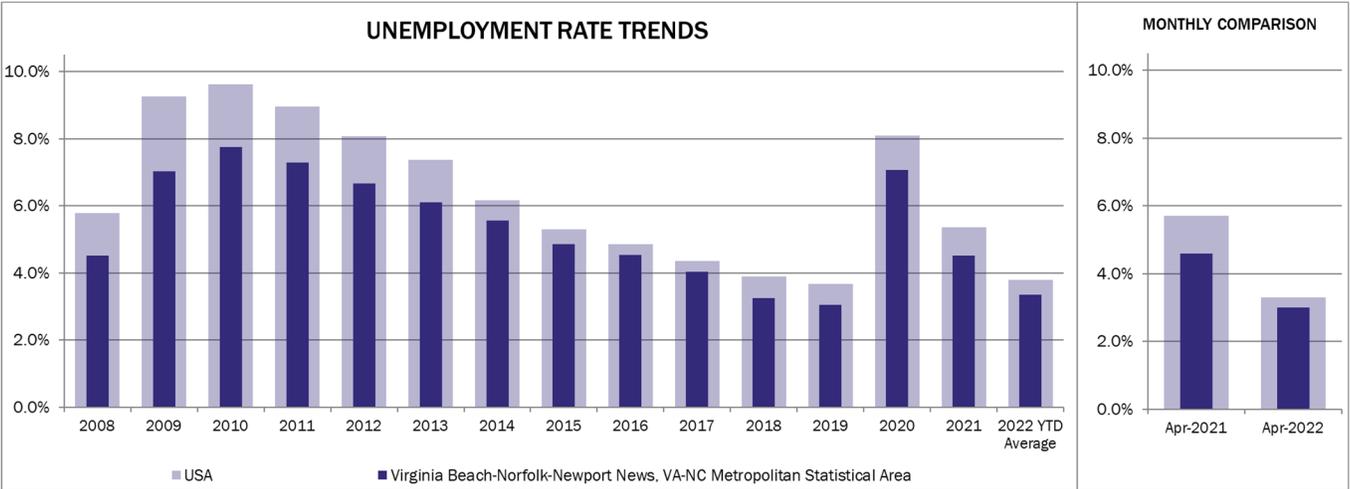
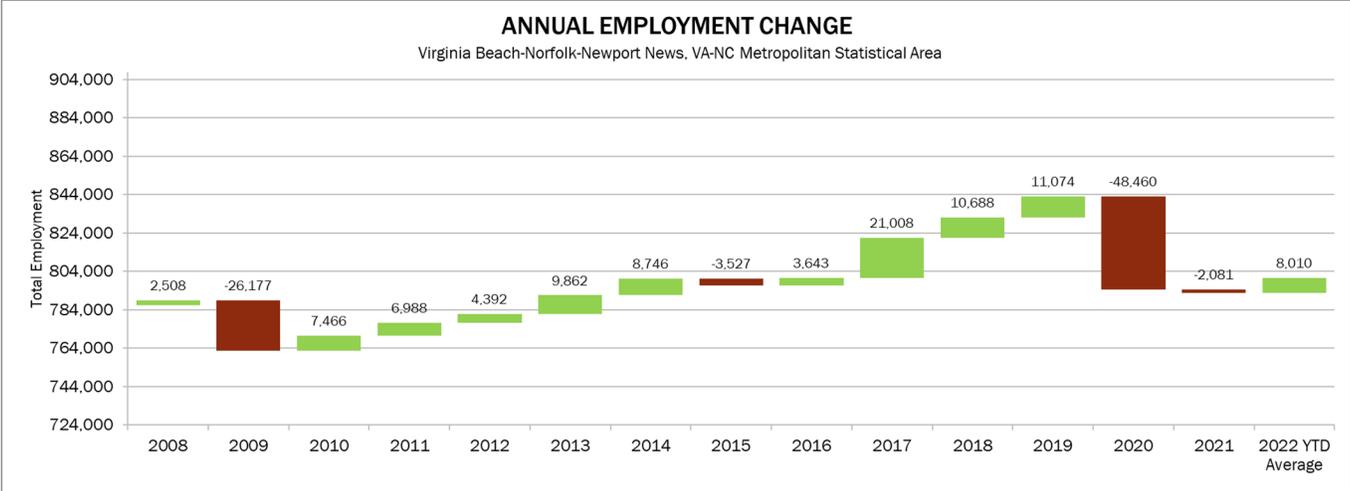
UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Virginia Beach-Norfolk-Newport News, VA-NC Metropolitan Statistical						
Year	Area			USA		
	Unemployment Rate	Change	Differential from peak	Unemployment Rate	Change	Differential from peak
2006	3.7%	-	0.6%	4.6%	-	1.0%
2007	3.5%	-0.2%	0.4%	4.6%	0.0%	1.0%
2008	4.5%	1.0%	1.5%	5.8%	1.2%	2.1%
2009	7.0%	2.5%	4.0%	9.3%	3.5%	5.6%
2010	7.8%	0.7%	4.7%	9.6%	0.3%	6.0%
2011	7.3%	-0.5%	4.2%	9.0%	-0.7%	5.3%
2012	6.7%	-0.6%	3.6%	8.1%	-0.9%	4.4%
2013	6.1%	-0.6%	3.1%	7.4%	-0.7%	3.7%
2014	5.6%	-0.6%	2.5%	6.2%	-1.2%	2.5%
2015	4.9%	-0.7%	1.8%	5.3%	-0.9%	1.6%
2016	4.5%	-0.3%	1.5%	4.9%	-0.4%	1.2%
2017	4.0%	-0.5%	1.0%	4.4%	-0.5%	0.7%
2018	3.3%	-0.8%	0.2%	3.9%	-0.4%	0.2%
2019	3.1%	-0.2%	0.0%	3.7%	-0.2%	0.0%
2020	7.1%	4.0%	4.0%	8.1%	4.4%	4.4%
2021	4.5%	-2.5%	1.5%	5.4%	-2.7%	1.7%
2022 YTD Average*	3.4%	-1.2%	-	3.8%	-1.6%	-
Apr-2021	4.6%	-	-	5.7%	-	-
Apr-2022	3.0%	-1.6%	-	3.3%	-2.4%	-

Source: U.S. Bureau of Labor Statistics, June 2022

Since 2012, job growth in the MSA has been generally similar to the nation. Employment declined in both the MSA and the nation in 2020 as a result of the COVID-19 pandemic, and total employment continued to slightly decline in the MSA during 2021. Currently, total employment in the MSA is down from its 2019 peak level by approximately 37,000 jobs, or four percent. In the year ending April 2022, total employment in the MSA increased 1.8 percent, which was lower than the 4.5 percent gain across the overall nation. The nation appears to have slightly outperformed the MSA in the current economic recovery.

Since 2012, the MSA generally experienced a lower unemployment rate compared to the overall nation. According to the most recent labor statistics, the unemployment rate in the MSA is 3.0 percent, slightly lower than the current national unemployment rate of 3.3 percent.



Wages by Occupation

The following table illustrates the wages by occupation for the Virginia Beach-Norfolk-Newport News, VA-NC MSA. Information at the PMA level was not available.

**VIRGINIA BEACH-NORFOLK-NEWPORT NEWS, VA-NC METROPOLITAN STATISTICAL AREA 2ND QTR
2022 AREA WAGE ESTIMATES**

Occupation	Number of Employees	Mean Hourly Wage	Mean Annual Wage
All Occupations	719,480	\$25.08	\$52,170
Management Occupations	29,420	\$56.67	\$117,870
Computer and Mathematical Occupations	24,520	\$44.25	\$92,040
Legal Occupations	4,580	\$43.48	\$90,440
Architecture and Engineering Occupations	21,500	\$42.13	\$87,630
Healthcare Practitioners and Technical Occupations	44,430	\$38.48	\$80,030
Business and Financial Operations Occupations	46,030	\$37.66	\$78,340
Life, Physical, and Social Science Occupations	6,670	\$37.51	\$78,020
Arts, Design, Entertainment, Sports, and Media Occupations	9,100	\$28.50	\$59,280
Educational Instruction and Library Occupations	43,560	\$27.81	\$57,840
Installation, Maintenance, and Repair Occupations	35,240	\$24.84	\$51,660
Community and Social Service Occupations	11,730	\$24.43	\$50,810
Protective Service Occupations	19,000	\$23.43	\$48,740
Construction and Extraction Occupations	38,580	\$22.91	\$47,640
Production Occupations	35,340	\$21.01	\$43,710
Office and Administrative Support Occupations	91,080	\$19.10	\$39,730
Sales and Related Occupations	68,030	\$18.27	\$38,010
Transportation and Material Moving Occupations	61,030	\$18.12	\$37,690
Farming, Fishing, and Forestry Occupations	760	\$18.03	\$37,510
Healthcare Support Occupations	28,810	\$14.02	\$29,170
Building and Grounds Cleaning and Maintenance Occupations	21,360	\$14.00	\$29,120
Personal Care and Service Occupations	16,280	\$13.65	\$28,400
Food Preparation and Serving Related Occupations	62,430	\$12.16	\$25,290

Source: Department Of Labor, Occupational Employment Statistics, 5/2020, retrieved 6/2022

The table above shows the average hourly and annual wages by occupation classification. The classification with the lowest average hourly wage is food preparation and serving related occupations at \$12.16 per hour. The highest average hourly wage, of \$56.67, is for those in management occupations. Qualifying income for the Subject's affordable units will range between \$0 and \$80,800 as proposed and \$18,034 to \$80,800 absent subsidy. This encompasses a significant amount of the employment based on wages in the area. An element not reflected in the data is that many positions represent part-time employment, and starting rates are typically lower than mean wage rates. We expect that part-time employment and entry-level positions will be common amongst the Subject's tenant base.

Commuting Patterns

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

COMMUTING PATTERNS

ACS Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	1,911	3.0%
Travel Time 5-9 min	6,326	9.9%
Travel Time 10-14 min	10,217	16.0%
Travel Time 15-19 min	13,112	20.6%
Travel Time 20-24 min	11,425	17.9%
Travel Time 25-29 min	3,904	6.1%
Travel Time 30-34 min	8,767	13.7%
Travel Time 35-39 min	1,104	1.7%
Travel Time 40-44 min	1,395	2.2%
Travel Time 45-59 min	2,492	3.9%
Travel Time 60-89 min	1,792	2.8%
Travel Time 90+ min	1,339	2.1%
Weighted Average	24 minutes	

Source: US Census 2021, Novogradac Consulting LLP, July 2022

As shown in the preceding table, the weighted average commute time in the PMA is approximately 24 minutes. More than 67 percent of PMA commuters travel under 24 minutes, indicating many households work in the local area. The average commute time across the overall nation is approximately 28 minutes.

Conclusion

Employment in the PMA is concentrated in the healthcare/social assistance, educational services, and retail trade industries, which collectively comprise 38.7 percent of local employment. The large share of PMA employment in retail trade is notable as this industry is historically volatile, and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. In the year ending April 2022, total employment in the MSA increased 1.8 percent, which was lower than the 4.5 percent gain across the overall nation. Since 2012, the MSA generally experienced a lower unemployment rate compared to the overall nation. According to the most recent labor statistics, the unemployment rate in the MSA is 3.0 percent, slightly lower than the current national unemployment rate of 3.3 percent. The nation appears to have slightly outperformed the MSA in the current economic recovery.

G. DEMOGRAPHIC CHARACTERISTICS

DEMOGRAPHIC CHARACTERISTICS

The tables below illustrate population and household trends for the general population in the PMA, the Virginia Beach-Norfolk-Newport News, VA-NC MSA, and the nation from 2000 through 2026.

General Population and Households

The tables below illustrate population and household trends in the PMA, MSA, and nation from 2000 through 2021 and projections for 2026.

POPULATION

Year	PMA		Virginia Beach-Norfolk-Newport News, VA-NC Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	117,333	-	1,549,208	-	280,304,282	-
2010	147,268	2.6%	1,675,603	0.8%	308,745,538	1.0%
2021	132,037	-0.9%	1,761,451	0.5%	333,934,112	0.7%
2026	133,462	0.2%	1,800,539	0.4%	345,887,495	0.7%

Source: Esri Demographics 2021, Novogradac Consulting LLP, July 2022

Historical population growth in the PMA exceeded the MSA between 2000 and 2010. The PMA experienced population growth greater than the nation whereas the MSA underperformed national growth rates. Population in the PMA declined from 2010 through 2021, while the surrounding MSA maintained positive growth. However, according to ESRI demographic projections, annualized PMA growth is expected to rise to 0.2 percent through 2026, slightly below the MSA and below the nation.

HOUSEHOLDS

Year	PMA		Virginia Beach-Norfolk-Newport News, VA-NC Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	45,941	-	576,971	-	105,081,032	-
2010	49,557	0.8%	629,949	0.9%	116,716,293	1.1%
2021	51,296	0.3%	662,948	0.5%	126,470,651	0.7%
2026	51,974	0.3%	678,115	0.5%	131,047,367	0.7%

Source: Esri Demographics 2021, Novogradac Consulting LLP, July 2022

Historical household growth in the PMA trailed the MSA between 2000 and 2010. Both geographic areas experienced household growth rates beneath the overall nation during the time period. Household growth in the PMA slowed between 2010 and 2021, and grew at a rate similar to the MSA. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively stable at 0.3 percent through 2026, slightly below the MSA and below the nation.

Average Household Size

The following table provides a summary of the household size distribution in the PMA, the MSA and the nation.

AVERAGE HOUSEHOLD SIZE

Year	PMA		Virginia Beach-Norfolk-Newport News, VA-NC Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.43	-	2.57	-	2.59	-
2010	2.85	1.8%	2.56	-0.1%	2.57	-0.1%
2021	2.38	-1.5%	2.55	0.0%	2.58	0.0%
2026	2.38	0.0%	2.55	0.0%	2.58	0.0%

Source: Esri Demographics 2021, Novogradac Consulting LLP, June 2022

The average household size in the PMA is smaller than that of the MSA and the nation. According to ESRI demographic projections, household sizes in the PMA will remain stable along with the MSA and the nation through 2026.

Population by Age

POPULATION BY AGE IN 2021

Age Cohort	PMA		Virginia Beach-Norfolk-Newport News, VA-NC Metropolitan Statistical Area		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
0-4	7,820	5.9%	101,048	5.7%	19,583,554	5.9%
5-9	7,446	5.6%	103,366	5.9%	20,285,004	6.1%
10-14	7,447	5.6%	106,887	6.1%	20,830,354	6.2%
15-19	10,654	8.1%	114,290	6.5%	20,895,063	6.3%
20-24	13,390	10.1%	134,747	7.6%	21,774,858	6.5%
25-29	11,080	8.4%	131,926	7.5%	23,635,805	7.1%
30-34	10,377	7.9%	129,785	7.4%	23,075,663	6.9%
35-39	8,747	6.6%	119,657	6.8%	22,214,979	6.7%
40-44	7,283	5.5%	104,942	6.0%	20,473,604	6.1%
45-49	6,366	4.8%	99,947	5.7%	19,884,128	6.0%
50-54	6,905	5.2%	104,897	6.0%	20,369,768	6.1%
55-59	7,613	5.8%	116,662	6.6%	21,854,615	6.5%
60-64	7,437	5.6%	110,839	6.3%	21,404,227	6.4%
65-69	6,288	4.8%	92,178	5.2%	18,643,582	5.6%
70-74	4,880	3.7%	75,164	4.3%	15,357,989	4.6%
75-79	3,301	2.5%	50,745	2.9%	10,256,260	3.1%
80-84	2,327	1.8%	32,366	1.8%	6,567,201	2.0%
85+	2,674	2.0%	32,005	1.8%	6,827,458	2.0%
Total	132,035	100.0%	1,761,451	100.0%	333,934,112	100.0%

Source: Esri Demographics 2021, Novogradac Consulting LLP, July 2022

POPULATION BY AGE IN 2026 ESTIMATE

Age Cohort	PMA		Virginia Beach-Norfolk- Newport News, VA-NC Metropolitan Statistical Area		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
0-4	7,940	5.9%	103,633	5.8%	20,376,508	5.9%
5-9	7,311	5.5%	102,774	5.7%	20,557,178	5.9%
10-14	7,116	5.3%	104,843	5.8%	21,175,516	6.1%
15-19	10,889	8.2%	116,794	6.5%	21,464,554	6.2%
20-24	13,650	10.2%	132,402	7.4%	21,430,752	6.2%
25-29	10,441	7.8%	121,097	6.7%	22,134,213	6.4%
30-34	9,322	7.0%	126,116	7.0%	24,254,848	7.0%
35-39	9,320	7.0%	130,841	7.3%	23,948,559	6.9%
40-44	8,091	6.1%	118,198	6.6%	22,461,154	6.5%
45-49	6,932	5.2%	104,960	5.8%	20,643,364	6.0%
50-54	6,338	4.7%	97,829	5.4%	19,678,616	5.7%
55-59	6,651	5.0%	101,778	5.7%	20,246,000	5.9%
60-64	7,041	5.3%	110,567	6.1%	21,095,848	6.1%
65-69	6,848	5.1%	104,099	5.8%	20,376,914	5.9%
70-74	5,600	4.2%	83,070	4.6%	17,021,089	4.9%
75-79	4,349	3.3%	65,526	3.6%	13,402,050	3.9%
80-84	2,791	2.1%	40,302	2.2%	8,180,378	2.4%
85+	2,832	2.1%	35,710	2.0%	7,439,954	2.2%
Total	133,462	100.0%	1,800,539	100.0%	345,887,495	100.0%

Source: Esri Demographics 2021, Novogradac Consulting LLP, July 2022

General Household Income Distribution

The following table illustrates household income distribution in the PMA and the MSA in 2021 and 2026.

HOUSEHOLD INCOME PMA

Income Cohort	2021		2026		Annual Change 2021 to 2026	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	4,848	9.5%	4,363	8.4%	-97	-2.0%
\$10,000-19,999	6,107	11.9%	5,387	10.4%	-144	-2.4%
\$20,000-29,999	5,146	10.0%	4,935	9.5%	-42	-0.8%
\$30,000-39,999	4,241	8.3%	3,902	7.5%	-68	-1.6%
\$40,000-49,999	4,190	8.2%	3,793	7.3%	-79	-1.9%
\$50,000-59,999	3,866	7.5%	3,763	7.2%	-21	-0.5%
\$60,000-74,999	4,620	9.0%	4,713	9.1%	19	0.4%
\$75,000-99,999	5,668	11.0%	5,829	11.2%	32	0.6%
\$100,000-124,999	4,032	7.9%	4,396	8.5%	73	1.8%
\$125,000-149,999	2,610	5.1%	3,149	6.1%	108	4.1%
\$150,000-199,999	2,653	5.2%	3,254	6.3%	120	4.5%
\$200,000+	3,315	6.5%	4,490	8.6%	235	7.1%
Total	51,296	100.0%	51,974	100.0%		

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, July 2022

HOUSEHOLD INCOME SMA

Virginia Beach-Norfolk-Newport News, VA-NC Metropolitan Statistical Area						
Income Cohort	2021		2026		Annual Change 2021 to 2026	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	36,201	5.5%	33,686	5.0%	-503	-1.4%
\$10,000-19,999	47,106	7.1%	43,089	6.4%	-803	-1.7%
\$20,000-29,999	51,780	7.8%	48,157	7.1%	-725	-1.4%
\$30,000-39,999	51,548	7.8%	47,776	7.0%	-754	-1.5%
\$40,000-49,999	53,158	8.0%	48,992	7.2%	-833	-1.6%
\$50,000-59,999	51,035	7.7%	49,329	7.3%	-341	-0.7%
\$60,000-74,999	70,802	10.7%	68,808	10.1%	-399	-0.6%
\$75,000-99,999	92,483	14.0%	93,311	13.8%	166	0.2%
\$100,000-124,999	70,103	10.6%	73,380	10.8%	655	0.9%
\$125,000-149,999	47,105	7.1%	53,693	7.9%	1,318	2.8%
\$150,000-199,999	45,839	6.9%	55,379	8.2%	1,908	4.2%
\$200,000+	45,788	6.9%	62,515	9.2%	3,345	7.3%
Total	662,948	100.0%	678,115	100.0%		

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, July 2022

Annual household income levels will range from \$0 to \$80,800 for the Subject’s units as proposed and from \$18,034 to \$80,800 absent subsidy.

General Household Tenure

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

TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage	Renter-Occupied	Percentage
		Owner-Occupied	Units	Renter-Occupied
2000	20,831	45.3%	25,110	54.7%
2010	22,880	46.2%	26,677	53.8%
2021	22,834	44.5%	28,462	55.5%
2026	23,531	45.3%	28,443	54.7%

Source: Esri Demographics 2021, Novogradac Consulting LLP, July 2022

The preceding table details household tenure patterns in the PMA since 2000. The percentage of renter households in the PMA remained relatively stable between 2010 and 2021, and is estimated to be 55.5 percent as of 2021. This is far more than the estimated 33 percent of renter households across the overall nation. According to ESRI demographic projections, the percentage of renter households in the PMA is expected to decline slightly through 2026, while the number of renter households is anticipated to remain stable.

General Renter Household Income Distribution

The following table illustrates total renter household income distribution.

RENTER HOUSEHOLD INCOME

Income Cohort	PMA					
	2021		2026		Annual Change 2021 to 2026	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	3,921	13.8%	3,492	12.3%	-86	-2.2%
\$10,000-19,999	4,608	16.2%	4,017	14.1%	-118	-2.6%
\$20,000-29,999	3,673	12.9%	3,518	12.4%	-31	-0.8%
\$30,000-39,999	2,827	9.9%	2,679	9.4%	-30	-1.0%
\$40,000-49,999	2,800	9.8%	2,506	8.8%	-59	-2.1%
\$50,000-59,999	2,061	7.2%	2,092	7.4%	6	0.3%
\$60,000-74,999	2,118	7.4%	2,168	7.6%	10	0.5%
\$75,000-99,999	2,192	7.7%	2,327	8.2%	27	1.2%
\$100,000-124,999	1,628	5.7%	1,941	6.8%	63	3.8%
\$125,000-149,999	819	2.9%	1,099	3.9%	56	6.8%
\$150,000-199,999	985	3.5%	1,340	4.7%	71	7.2%
\$200,000+	830	2.9%	1,264	4.4%	87	10.5%
Total	28,462	100.0%	28,443	100.0%		

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, July 2022

In the previous tables, the percentage of renter occupied households was applied to the total number of households in the PMA at each income level. As illustrated, the largest concentrations of renter households fall into the \$0 to \$39,999 income cohort. The large share of low-income renter households is a positive indicator for the Subject’s affordable units.

Median Household Income Levels

The table below illustrates median household income levels in the PMA, the MSA, and the nation from 2000 through 2026. Note that this is based on data for all household sizes and is independent of the calculation of AMI.

MEDIAN HOUSEHOLD INCOME

Year	Virginia Beach-Norfolk-Newport News, VA-NC Metropolitan Statistical Area					
	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2000	\$30,442	-	\$43,111	-	\$44,333	-
2021	\$53,362	3.5%	\$68,460	2.8%	\$64,730	2.2%
2026	\$56,868	1.3%	\$75,019	1.9%	\$72,932	2.5%

Source: Esri Demographics 2021, Novogradac Consulting LLP, July 2022

As of 2021, the median income in the PMA is below the surrounding MSA. Median household income growth in the PMA exceeded the MSA between 2000 and 2021. Income growth in both geographic areas exceeded the overall nation during this time period. In particular, median income in the PMA rose from 69 percent of the national median income in 2000 to 82 percent in 2021. The overall rise in median income levels reflects a market where lower income households may be priced out by more affluent households. It also indicates that affordable housing properties should prosper in the future as incomes and, therefore, achievable rents rise. According to ESRI demographic projections, annualized PMA growth is expected to decline significantly to 1.3 percent through 2026, which is below projected growth in the MSA and nation.

Rent Overburdened Households

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

RENT OVERBURDENED

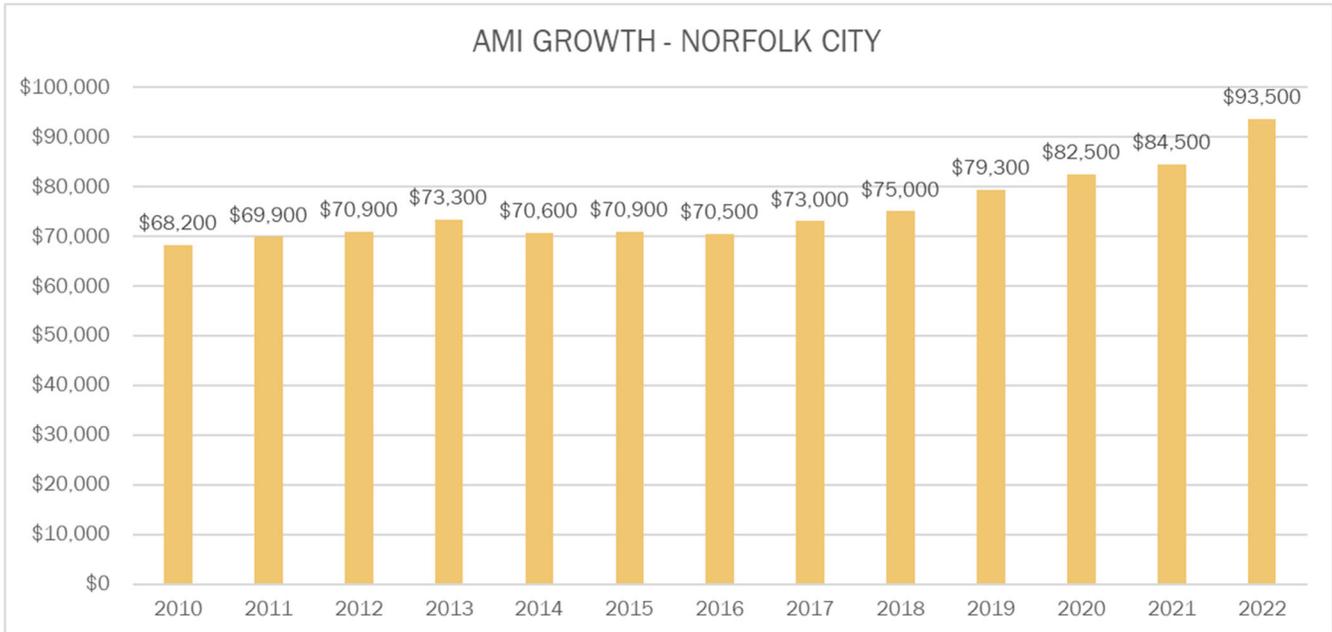
Year	PMA		Virginia Beach-Norfolk- Newport News, VA-NC Metropolitan Statistical Area		USA	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
2021	11,959	48.8%	104,824	44.8%	16,610,566	42.7%

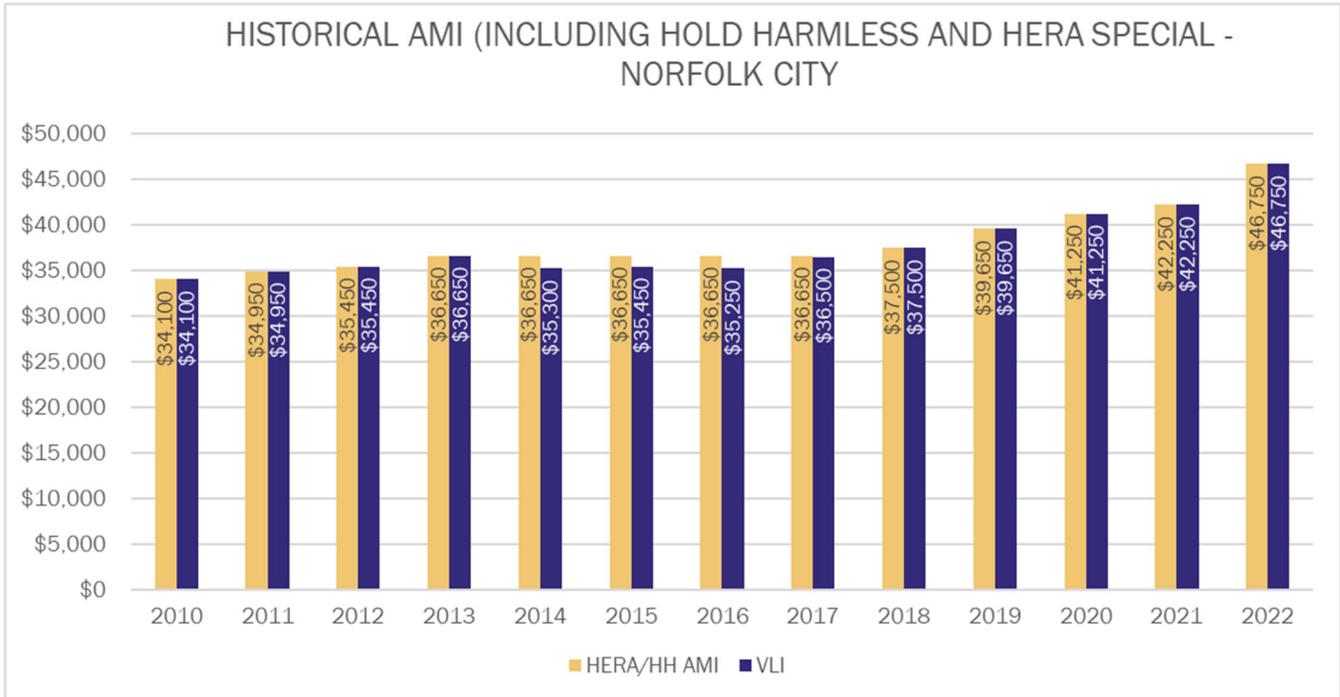
Source: Esri Demographics 2021, Novogradac Consulting LLP, July 2022

The incidence of rent-overburdened households is higher in the PMA relative to the MSA and nation.

Area Median Income

For Section 42 LIHTC rent determination purposes, the HUD AMI is used. It should be noted that the HUD AMI differs from the median household income illustrated previously. HUD uses the Area Median Income in metropolitan and non-metropolitan areas to calculate income limits for eligibility in a variety of housing programs. HUD estimates the AMI for an area in the current year and adjusts that amount for different household sizes so that household incomes may be expressed as a percentage of the area median income. The following chart illustrates historical AMI levels for a four-person household in Norfolk.





Source: Novogradac & Company, LLP, June 2022

Overall, the AMI has increased by an average of 2.2 percent annually between 2010 and 2022. The AMI reached a new peak in 2022, indicating that all properties will be restricted to the same rent and income limits as the Subject. There is no held harmless in Norfolk at this time.

The table below illustrates the change in AMI for Norfolk, VA from 2013 to 2022.

Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
AMI	\$73,300	\$70,600	\$70,900	\$70,500	\$73,000	\$75,000	\$79,300	\$82,500	\$84,500	\$93,500
Percentage	3.4%	-3.7%	0.4%	-0.6%	3.5%	2.7%	5.7%	4.0%	2.4%	10.7%

All of the Subject’s proposed one, two, and three-bedroom rents for its 60 percent of AMI units are set at the maximum allowable levels: therefore, rent increases for the Subject’s 60 percent of AMI units will be dependent upon future increases in the AMI. The following table illustrates the HUD adjustments to the AMI incorporated into the rent and income limits for Norfolk.

Adjustment	Included in Area
High Housing Cost	No
Low Housing Cost	No
State Median Non-Metro	No
Floor	No
Cap	No
USDA Rural	No
4-Person National Non-Metro Median	\$71,300

There are no HUD adjustments for Norfolk, as such, rent and income limits are based directly on the AMI for the city.

Conclusion

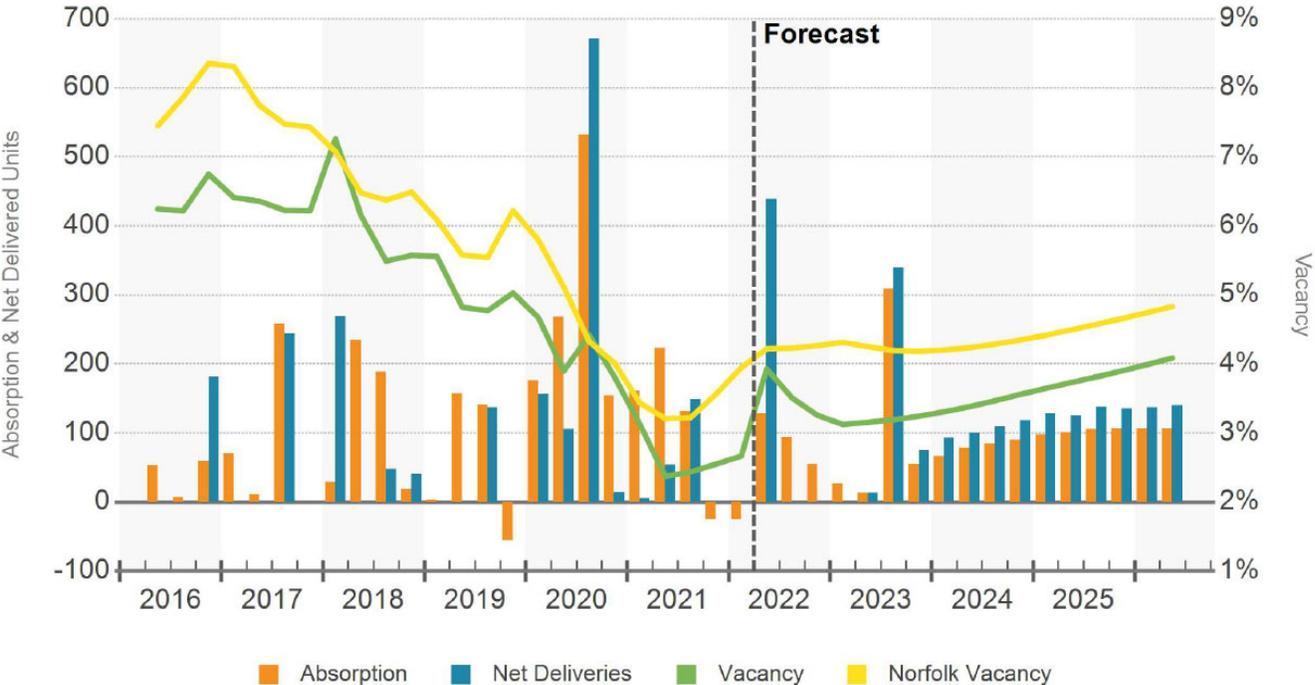
The population in the PMA increased by 12.5 percent between 2000 and 2021, compared to the 13.7 percent increase in the regional MSA and 19.1 percent increase across the overall nation. The percentage of renter households in the PMA remained relatively stable between 2010 and 2021, and is estimated to be 55.5 percent as of 2021. This is more than the estimated 33 percent of renter households across the overall nation. As of 2021, the median income in the PMA is below the surrounding MSA. Median household income growth in the PMA exceeded the MSA between 2000 and 2021. Income growth in both geographic areas exceeded the overall nation during this time period. In particular, median income in the PMA rose from 69 percent of the national median income in 2000 to 82 percent in 2021. Overall, the combination of rising population and household income levels bodes well for future demand for multifamily housing.

H. COMPETITIVE ENVIRONMENT

HOUSING SUMMARY

We consulted the June 2022 CoStar report for the Subject’s Norfolk City submarket of the Hampton Roads region to gather information on the local apartment rental market. According to this report, there are 22,599 existing units within the Subject’s submarket. As illustrated in the following graph, the current vacancy rate in the submarket is 2.7 percent, above the five-year historical average of 6.2 percent.

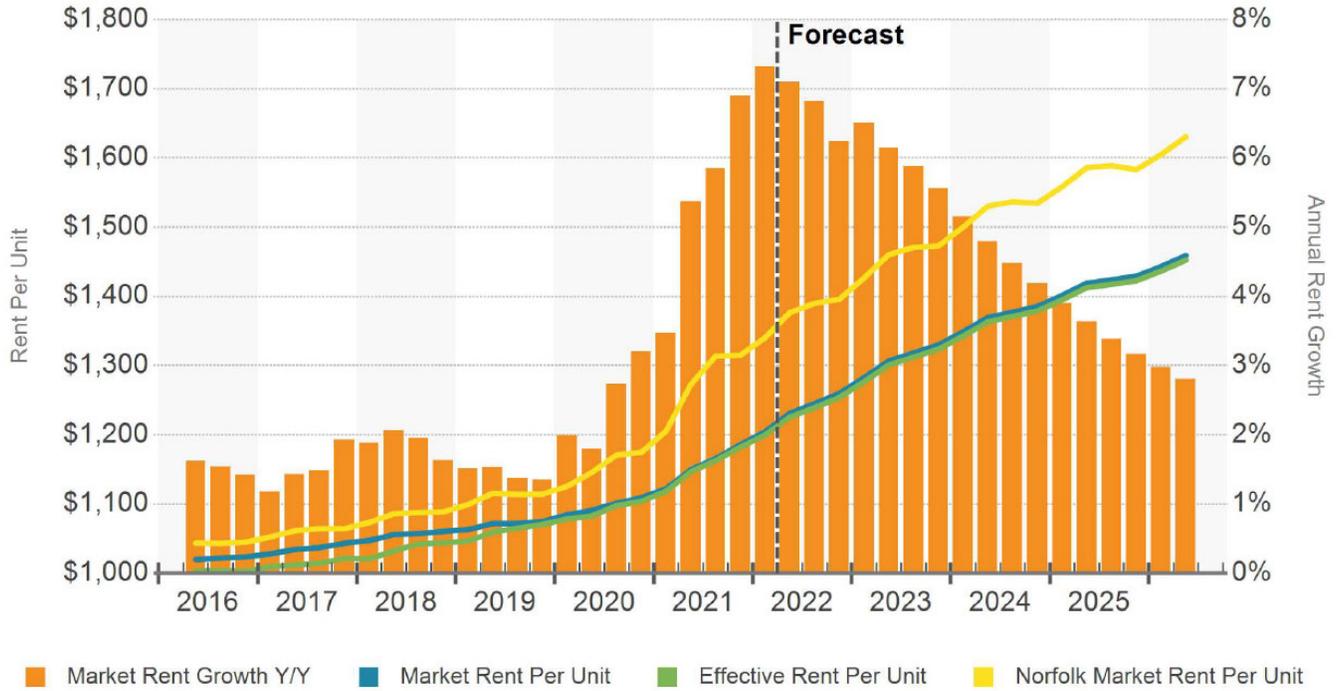
Norfolk City Submarket



Source: Costar, June 2022

The vacancy rate in the submarket is expected to increase slightly through 2025 as additional supply is expected to be delivered. Nonetheless, vacancy rates are expected to remain at historically low levels throughout this period. This bodes well for continued growth in the Norfolk City rental submarket.

Norfolk City Submarket



Source: Costar, April 2022

As vacancy rates in the submarket declined over the past several years, rent growth has been strong. Rent growth is expected to slow through 2025, as new additions to supply are added and absorbed into the market. This indicates strong continued demand for rental housing in the submarket in future years, which bodes well for the Subject.

Additionally, economic development has increased in the surrounding the Norfolk area, as new commercial, residential and community uses have opened in the last few years, with additional development underway. The average effective rent in the submarket is anticipated to reach approximately \$1,400 in 2024, when the Subject is anticipated to enter the market, which bodes well for housing of all types.

Age of Housing Stock

The following table illustrate the age of the existing housing stock in the PMA.

	HOUSING STOCK BY YEAR BUILT					
	PMA		Virginia Beach-Norfolk- Newport News, VA-NC Metropolitan Statistical Area		USA	
Built 2010 or later	1,173	2.1%	24,268	3.5%	3,690,038	2.8%
Built 2000 to 2009	4,727	8.6%	90,593	12.9%	19,186,932	14.3%
Built 1990 to 1999	3,235	5.9%	109,572	15.7%	19,072,607	14.2%
Built 1980 to 1989	5,411	9.8%	136,735	19.5%	18,455,307	13.8%
Built 1970 to 1979	5,431	9.9%	113,259	16.2%	20,877,555	15.6%
Built 1960 to 1969	6,610	12.0%	85,256	12.2%	14,526,829	10.8%
Built 1950 to 1959	9,702	17.6%	69,721	10.0%	14,142,147	10.6%
Built 1940 to 1949	6,657	12.1%	30,202	4.3%	6,748,599	5.0%
Built 1939 or earlier	12,108	22.0%	40,195	5.7%	17,329,130	12.9%
Total Housing Units	55,054	100.0%	699,801	100.0%	134,029,144	100.0%

Source: US Census American Community Estimates, July 2022

As illustrated in the previous table, the majority of the housing stock in the Subject’s PMA was built between prior to 1960. The newly constructed Subject is expected to be well received.

Substandard Housing

The following table illustrates the percentage of housing units that are considered substandard.

SUBSTANDARD HOUSING			
Year	PMA	Virginia Beach-Norfolk- Newport News, VA-NC Metropolitan Statistical Area	USA
	Percentage	Percentage	Percentage
2021	1.13%	1.02%	1.70%

Source: Esri Demographics 2021, Novogradac Consulting LLP, July 2022

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

Building Permits

The following table depicts building activity from 2000 through 2021 for the city of Norfolk.

RESIDENTIAL BUILDING PERMITS - NORFOLK, VA 2000-2021				
Year	Single-family and Duplex	Three and Four- Family	Five or More Family	Total Units
2000	189	3	95	287
2001	239	0	169	408
2002	298	0	319	617
2003	449	0	322	771
2004	522	33	214	769
2005	552	18	613	1,183
2006	415	12	118	545
2007	333	0	16	349
2008	261	0	560	821
2009	169	3	415	587
2010	183	0	121	304
2011	227	0	292	519
2012	313	0	183	496
2013	389	0	602	991
2014	393	0	257	650
2015	407	4	520	931
2016	458	0	587	1,045
2017	441	0	192	633
2018	319	0	275	594
2019	337	8	474	819
2020	472	0	730	1,202
2021	303	0	1,170	1,473
Total	7,669	81	8,244	15,994
Average*	349	4	375	727

*YTD, preliminary

Source: US Census Bureau Building Permits, July 2022

The number of residential building permit authorizations have accelerated in recent years with the 2021 figure the highest since at least 2000. This indicates that the city continues to be redeveloped despite relatively few large tracts of easily buildable land.

Rent/Buy Analysis

We performed a rent/buy analysis. Our inputs assume a three-bedroom, single-family home listing on Zillow in the Subject's neighborhood with a purchase price of \$350,000 and an interest rate of 5.5 percent for a 30-year fixed mortgage with a ten percent down payment. This was compared to the cost to rent the Subject's three-bedroom unit at 80 percent AMI. The analysis indicates that with a monthly differential of \$927, it is more affordable to rent than to purchase a home. This indicates that the Subject will face limited competition with home ownership at current interest rate levels. The rent buy analysis is illustrated in the following table.

RENT BUY ANALYSIS				
Property Type:		Three-Bedroom Single Family Home		
Sale Price				\$350,000
Down Payment at 10%				\$35,000
Mortgage Amount				\$315,000
Current Interest Rate				5.50%
	<i>Homeownership Costs</i>	<i>Monthly</i>	<i>% of Home Value</i>	<i>Annual</i>
Mortgage Payment		\$1,789		\$21,462
Property Taxes		\$365	1.25%	\$4,375
Private Mortgage Insurance ¹		\$131	0.50%	\$1,575
Maintenance		\$583	2.00%	\$7,000
Utility Costs ²		\$97		\$1,164
Tax Savings		-\$450		-\$5,399
Cost Comparison				
		<i>Monthly</i>		<i>Annual</i>
Costs of Homeownership		\$2,515		\$30,178
Cost of Renting At Subject	-	\$1,588		\$19,056
Differential		\$927		\$11,122
Cost of Occupancy				
	<i>Homeownership</i>			
Closing Costs			3.0%	\$10,500
Down Payment at 10%			10.0%	\$35,000
Total				\$45,500
	<i>Subject Rental</i>			
First Month's Rent		\$1,588		
Security Deposit		\$1,588		
Total		\$3,176		

(1) Based upon 0.50 percent of mortgage amount.

(2) Utility Costs Included in Rent at Subject

SURVEY OF COMPARABLE PROPERTIES

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

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

To evaluate the competitive position of the Subject, we surveyed a total of 1,974 units in 11 rental properties. The availability of LIHTC data is considered good. We included six affordable developments located between 0.2 and 3.3 miles from the Subject site, one which is located outside the PMA (The Banks at Berkley). The availability of market rate data is considered good. We included five market rate properties located between 0.5 and 1.5 miles from the Subject site, all of which are located within the PMA. Two of the LIHTC properties, Broad Creek Phase III and Broad Creek Renaissance Phase I, were last surveyed in April 2022 while one market rate property, Metro on Granby, was last surveyed in May 2022. The remaining comparables were surveyed in July 2022. Overall, we believe the availability of data is adequate to support our conclusions.

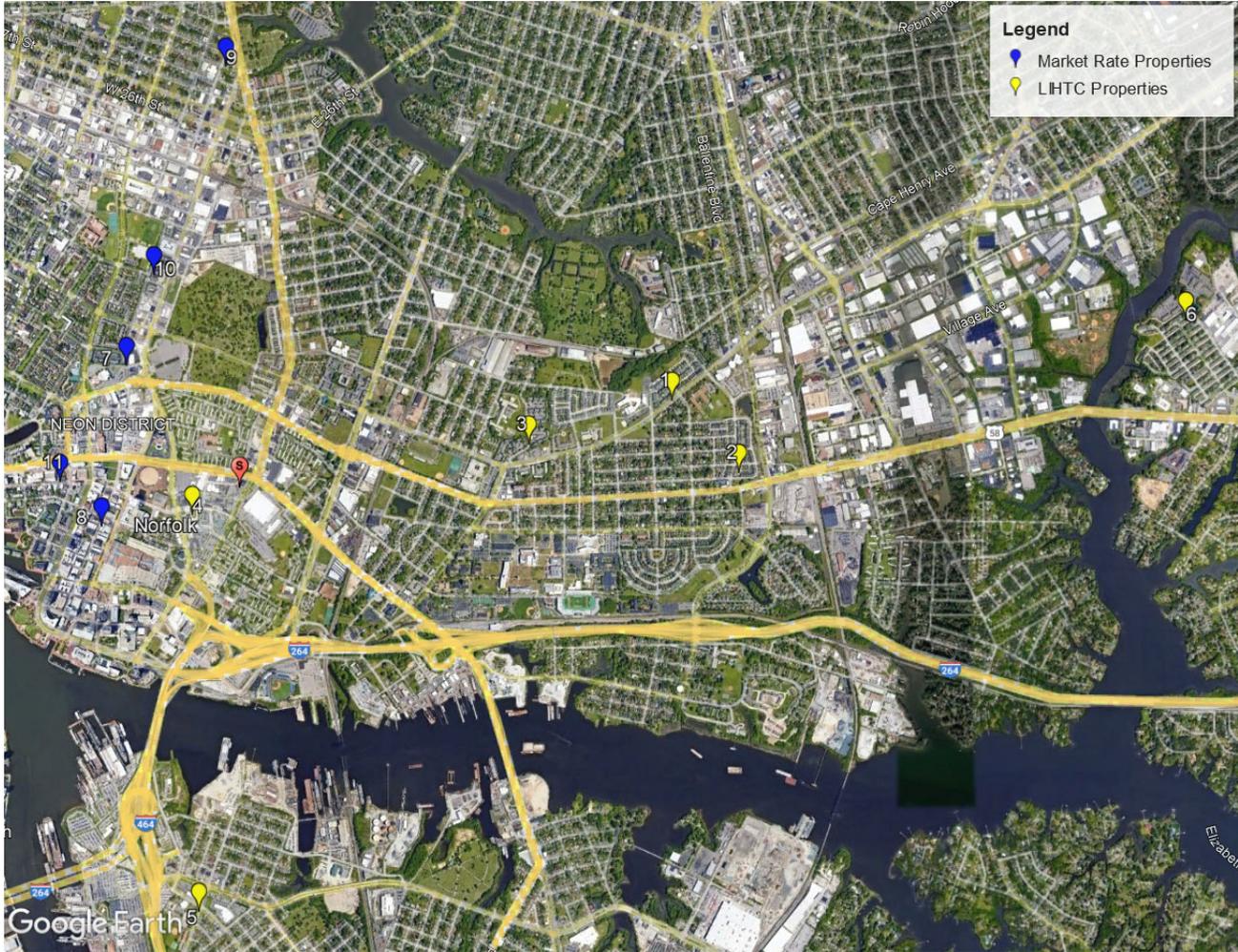
Excluded properties include, but are not limited to, the properties located in the following table.

EXCLUDED PROPERTIES

Property Name	Rent Structure	Tenancy	Reason for Exclusion
Archer's Green Apartments	LIHTC/ Market	Family	Dissimilar location
Grandy Village	LIHTC/Public Housing	Family	Subsidized
Lakewood Plaza	LIHTC/ Section 8	Senior	Dissimilar tenancy
Meadowood Apartments	LIHTC/ Market	Family	Dissimilar rent structure
Parkwood Manor Apartments	LIHTC	Family	Dissimilar location
Quill Farms	LIHTC	Family	Unable to contact
Riverpoint Apartments	LIHTC	Family	Inferior condition
Villa Terrace	LIHTC	Family	Lacks one and three-bedroom units
201 Twenty One	Market	Family	Unable to contact
Alta Vista	Market	Family	Inferior condition
Annetta M. Lane Apartments	Section 8	Family	Subsidized
Arbor Pointe Apartments	Market	Family	Dissimilar location
Arcadia Square Apartments	Market	Family	Dissimilar location
Ardley	Market	Family	Inferior condition
Beachwood Apartments	Market	Family	Dissimilar location
Buckingham Apartments	Market	Family	Inferior condition
Calvary Towers	Section 8	Senior	Subsidized
Cogic High Rise Apartments	Section 8	Family	Subsidized
Colonial Hall Apts.	Section 8	Family	Subsidized
Colony Point	Market	Family	Dissimilar location
CROMWELL HOUSE	LIHTC	Senior	Dissimilar tenancy
Crown Point Townhomes	Market	Family	Dissimilar location
Dockside Apartments	Section 8	Family	Subsidized
Dundale Square	Market	Family	Dissimilar location
East Manor	Market	Family	Inferior condition
Eastover	Market	Family	Inferior condition
Grace Place	Section 8	Family	Subsidized
Granby House	Section 8	Family	Subsidized
Hague Park Apartments	Market	Family	Inferior condition
Hague Towers	Market	Family	Inferior condition
Hampton Court	Market	Family	Inferior condition
Hampton Creek Apartments	Market	Family	Dissimilar location
ICON At City Walk	Market	Family	Dissimilar design
Ingleside Square	Market	Family	Inferior condition
John Knox Towers	Market	Senior	Dissimilar tenancy
Knitting Mill Apartments	Market	Family	Inferior condition
Lafayette Towers	Market	Family	Inferior condition
Lakewood Garden Apartments	Market	Family	Inferior condition
Lansdale Gardens	Market	Family	Dissimilar location
Lexington Park Apartments	Section 8	Family	Subsidized
Monticello Station	Market	Family	Unable to contact
North Shore Gardens	Market	Family	Dissimilar location
Northhampton	Market	Family	Inferior condition
Park Terrace	Section 8	Family	Subsidized
Pembroke Towers	Market	Family	Inferior condition
Promenade Pointe	Market	Family	Dissimilar location
Riverview Lofts	Market	Family	Inferior condition
Round Bay Apartments	Market	Family	Dissimilar location
Sherwood Forest Apartments	Market	Family	Inferior condition
So Hampton Rds Area Supportive	Section 8	Family	Subsidized
Spotswood Gardens	Market	Family	Lacks two-bedroom units
Sterling Oaks Apartments	Market	Family	Dissimilar location
Stonebridge Manor	Market	Senior	Dissimilar tenancy
Stuart Hall	Market	Family	Inferior condition
Suburban House	Section 8	Family	Subsidized
The Aberdeen	Market	Family	Better comparables available
The District	Market	Family	Better comparables available
The Heritage At Freemason Harbour	Market	Family	Better comparables available
The James Apartments	Market	Family	Better comparables available
The Law Building	Market	Family	Better comparables available
The Rockefeller	Market	Family	Better comparables available
The Wainwright	Market	Family	Unable to contact
Tucker House I & II	Section 8	Senior	Subsidized
Village Pointe Apartments	Section 8	Family	Subsidized
Young Terrace Phase I	Section 8	Family	Subsidized

Detailed matrices describing the individual competitive properties, as well as the proposed Subject, are provided in the addenda of this report. A map illustrating the location of the Subject in relation to the comparable properties follows.

Comparable Rental Property Map



Source: Google Earth, July 2022

COMPARABLE PROPERTIES

#	Comparable Property	Rent Structure	Tenancy	Distance to Subject
S	Aspire	@40% (PBV), @60%	Family	-
1	Broad Creek Phase III	@40%, @50%, @60%, Market, Public Housing	Family	1.5 miles
2	Broad Creek Renaissance Phase I	@40%, @40% (Section 8), @50%, @50% (Section 8), @60%, @60% (Section 8), Market	Family	1.7 miles
3	Mission College Apartments	@50%, Market	Family	1.0 miles
4	St. Paul's Apartments	@50%, @60%, Market	Family	0.2 miles
5	The Banks At Berkley*	@40%, @50%, @60%	Family	1.4 miles
6	The Pointe At Pickett Farms	@40%, @60%	Family	3.3 miles
7	Ghent Village	Market	Family	0.6 miles
8	Metro On Granby	Market	Family	0.5 miles
9	River House Apartments	Market	Family	1.5 miles
10	The Alexander At Ghent	Market	Family	0.8 miles
11	The Belmont At Freemason	Market	Family	0.6 miles

*Located outside PMA

ASPIRE - NORFOLK, VIRGINIA - MARKET STUDY

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate					
Subject	Aspire 645 Church Street Norfolk, VA 23510		Midrise 4-stories 2024 / n/a Family	@30% (PBV), @60%, @80%	1BR / 1BA	4	4.7%	608	@30% (PBV)	\$1,239	N/A	N/A	N/A	N/A	N/A				
					1BR / 1BA	6	7.1%	608	@60%	\$982	Yes	N/A	N/A	N/A	N/A				
					1BR / 1BA	7	8.2%	608	@60%	\$1,157	No	N/A	N/A	N/A	N/A				
					2BR / 2BA	12	14.1%	851	@30% (PBV)	\$1,449	N/A	N/A	N/A	N/A	N/A				
					2BR / 2BA	19	22.4%	851	@60%	\$1,172	Yes	N/A	N/A	N/A	N/A				
					2BR / 2BA	16	18.8%	851	@80%	\$1,382	No	N/A	N/A	N/A	N/A				
					3BR / 2BA	5	5.9%	1,111	@30% (PBV)	\$2,054	N/A	N/A	N/A	N/A	N/A				
					3BR / 2BA	8	9.4%	1,111	@60%	\$1,345	Yes	N/A	N/A	N/A	N/A				
					3BR / 2BA	8	9.4%	1,111	@80%	\$1,588	No	N/A	N/A	N/A	N/A				
					85														
1	Broad Creek Phase III 1420 Merrimac Avenue Norfolk, VA 23504	1.5 miles	Townhouse 2-stories 2004 / 2022 Family	@40%, @50%, @60%, Market, Public Housing	1BR / 1BA	N/A	N/A	748	@40%	\$619	No	Yes	N/A	N/A					
					1BR / 1BA	N/A	N/A	748	@50%	\$773	No	Yes	N/A	N/A					
					1BR / 1BA	N/A	N/A	748	@60%	\$928	No	Yes	N/A	N/A					
					1BR / 1BA	N/A	N/A	748	@60%	\$928	No	Yes	N/A	N/A					
					2BR / 1BA	N/A	N/A	960	@40%	\$743	No	Yes	N/A	N/A					
					2BR / 1BA	N/A	N/A	960	@50%	\$928	No	Yes	N/A	N/A					
					2BR / 1BA	N/A	N/A	960	@60%	\$1,114	No	Yes	N/A	N/A					
					2BR / 1BA	N/A	N/A	960	Market	\$1,114	N/A	Yes	N/A	N/A					
					2BR / 1.5BA	N/A	N/A	1,024	@60%	\$885	No	Yes	N/A	N/A					
					2BR / 1.5BA	N/A	N/A	1,024	Market	\$973	N/A	Yes	N/A	N/A					
					3BR / 2.5BA	N/A	N/A	1,408	@40%	\$858	No	Yes	N/A	N/A					
					3BR / 2.5BA	N/A	N/A	1,408	@50%	\$1,072	No	Yes	N/A	N/A					
					3BR / 2.5BA	N/A	N/A	1,408	@60%	\$1,287	No	Yes	N/A	N/A					
					3BR / 2.5BA	N/A	N/A	1,408	Market	\$1,287	N/A	Yes	N/A	N/A					
					4BR / 2BA	N/A	N/A	1,535	(Public Housing)	N/A	N/A	Yes	N/A	N/A					
					4BR / 2BA	N/A	N/A	1,535	@40%	\$957	No	Yes	N/A	N/A					
					4BR / 2BA	N/A	N/A	1,535	@50%	\$1,196	No	Yes	N/A	N/A					
					4BR / 2BA	N/A	N/A	1,535	@60%	\$1,305	No	Yes	N/A	N/A					
					4BR / 2BA	N/A	N/A	1,535	Market	\$1,305	N/A	Yes	N/A	N/A					
					300														
2	Broad Creek Renaissance Phase I 1100 Godfrey Avenue Norfolk, VA 23504	1.7 miles	Townhouse 2-stories 2004 / 2022 Family	@40%, @40%, (Section 8), @50%, @50% (Section 8), @60%, @60%	1BR / 1BA	4	4.6%	748	@40% (Section 8)	\$876	N/A	Yes	0	0.0%					
					1BR / 1BA	3	3.4%	748	@50%	\$687	No	Yes	0	0.0%					
					1BR / 1BA	6	6.8%	748	@50% (Section 8)	\$876	N/A	Yes	0	0.0%					
					1BR / 1BA	2	2.3%	748	@60%	\$842	No	Yes	0	0.0%					
					1BR / 1BA	1	1.1%	748	Market	\$928	N/A	Yes	0	0.0%					
					2BR / 1BA	1	1.1%	984	@40%	\$614	No	Yes	0	0.0%					
					2BR / 1BA	3	3.4%	984	@40% (Section 8)	\$1,218	N/A	Yes	0	0.0%					
					2BR / 1BA	5	5.7%	984	@50%	\$799	No	Yes	0	0.0%					
					2BR / 1BA	20	22.7%	984	@50% (Section 8)	\$1,218	N/A	Yes	0	0.0%					
					2BR / 1BA	2	2.3%	984	@60%	\$965	No	Yes	0	0.0%					
					2BR / 1BA	1	1.1%	984	@60% (Section 8)	\$1,218	N/A	Yes	0	0.0%					
					2BR / 1BA	4	4.6%	984	Market	\$1,114	N/A	Yes	0	0.0%					
					3BR / 1BA	1	1.1%	1,243	@40% (Section 8)	\$1,479	N/A	Yes	0	0.0%					
					3BR / 1BA	1	1.1%	1,243	@50%	\$914	No	Yes	0	0.0%					
					3BR / 1BA	19	21.6%	1,243	@50% (Section 8)	\$1,479	N/A	Yes	0	0.0%					
					3BR / 1BA	1	1.1%	1,243	@60%	\$1,129	No	Yes	0	0.0%					
					3BR / 1BA	3	3.4%	1,243	@60% (Section 8)	\$1,479	N/A	Yes	0	0.0%					
					3BR / 1BA	4	4.6%	1,243	Market	\$1,287	N/A	Yes	0	0.0%					
					4BR / 1BA	1	1.1%	1,554	@40% (Section 8)	\$1,858	N/A	Yes	0	0.0%					
					4BR / 1BA	6	6.8%	1,554	@50% (Section 8)	\$1,858	N/A	Yes	0	0.0%					
88																			
3	Mission College Apartments 1300 Lead Street Norfolk, VA 23504	1.0 miles	Garden 3-stories 1990 / 2008 Family	@50%, Market	1BR / 1BA	24	9.2%	855	@50%	\$808	Yes	Yes	0	0.0%					
					1BR / 1BA	12	4.6%	855	Market	\$884	N/A	Yes	0	0.0%					
					2BR / 1BA	84	32.3%	1,050	@50%	\$965	Yes	Yes	0	0.0%					
					2BR / 1BA	84	32.3%	1,050	Market	\$1,041	N/A	Yes	0	0.0%					
					3BR / 2BA	12	4.6%	1,200	@50%	\$1,108	Yes	Yes	0	0.0%					
					3BR / 2BA	24	9.2%	1,200	Market	\$1,139	N/A	Yes	0	0.0%					
					4BR / 2.5BA	10	3.9%	1,350	@50%	\$1,229	Yes	Yes	0	0.0%					
					4BR / 2.5BA	10	3.9%	1,350	Market	\$1,307	N/A	Yes	0	0.0%					
					88														
					4	St. Paul's Apartments 494 St. Paul's Boulevard Norfolk, VA 23510	0.2 miles	Garden 2-stories 2019 / n/a Family	@50%, @60%, Market	1BR / 1BA	14	11.1%	640	@50%	\$781	No	Yes	0	0.0%
1BR / 1BA	6	4.8%	640	@60%						\$907	No	Yes	0	0.0%					
2BR / 2BA	50	39.7%	946	@50%						\$927	No	Yes	0	0.0%					
2BR / 2BA	27	21.4%	946	@60%						\$1,138	No	Yes	2	7.4%					
2BR / 2BA	3	2.4%	946	Market						\$1,450	N/A	Yes	0	0.0%					
3BR / 2BA	23	18.3%	1,291	@60%						\$1,305	No	Yes	0	0.0%					
3BR / 2BA	3	2.4%	1,291	Market						\$1,725	N/A	Yes	0	0.0%					
126																			
5	The Banks At Berkley 701 S Main St Norfolk, VA 23523	1.4 miles	Midrise 4-stories 2017 / n/a Family	@40%, @50%, @60%						2BR / 1.5BA	4	8.0%	871	@40%	\$696	No	Yes	0	0.0%
										2BR / 1.5BA	31	62.0%	871	@50%	\$906	No	Yes	0	0.0%
					2BR / 1.5BA	4	8.0%	871	@60%	\$1,017	No	Yes	0	0.0%					
					3BR / 2BA	1	2.0%	1,083	@40%	\$795	No	Yes	0	0.0%					
					3BR / 2BA	4	8.0%	1,083	@50%	\$1,038	No	Yes	0	0.0%					
					3BR / 2BA	6	12.0%	1,083	@60%	\$1,215	No	Yes	0	0.0%					
					50														
					6	The Pointe At Pickett Farms 5424 Greenplain Road Norfolk, VA 23502	3.3 miles	Garden 5-stories 2014 / n/a Family	@40%, @60%	1BR / 1BA	N/A	N/A	720	@40%	\$602	Yes	Yes	0	N/A
										1BR / 1BA	N/A	N/A	720	@50%	\$953	Yes	Yes	0	N/A
										2BR / 2BA	N/A	N/A	1,035	@40%	\$716	Yes	Yes	0	N/A
2BR / 2BA	N/A	N/A	1,035	@60%						\$1,137	Yes	Yes	0	N/A					
3BR / 2BA	N/A	N/A	1,222	@40%						\$816	Yes	Yes	0	N/A					
3BR / 2BA	N/A	N/A	1,222	@60%						\$1,302	Yes	Yes	0	N/A					
120																			
7	Ghent Village 100 Westover Avenue Norfolk, VA 23510	0.6 miles	Garden 3-stories 1981 / 2020 Family	Market						0BR / 1BA	4	2.9%	569	Market	\$1,250	N/A	Yes	N/A	N/A
										1BR / 1BA	24	17.1%	804	Market	\$1,545	N/A	Yes	N/A	N/A
										2BR / 1BA	34	24.3%	1,229	Market	\$1,875	N/A	Yes	N/A	N/A
					2BR / 1BA	34	24.3%	1,268	Market	\$1,875	N/A	Yes	N/A	N/A					
					2BR / 1BA	34	24.3%	1,279	Market	\$1,875	N/A	Yes	N/A	N/A					
					3BR / 2BA	10	7.1%	1,334	Market	\$2,025	N/A	Yes	N/A	N/A					
					140														
					8	Metro On Granby 401 Granby Street Norfolk, VA 23510	0.5 miles	Midrise 5-stories 1980 / 2014 Family	Market	0BR / 1BA	N/A	N/A	434	Market	\$1,298	N/A	Yes	N/A	N/A
										0BR / 1BA	N/A	N/A	454	Market	\$1,339	N/A	Yes	N/A	N/A
										1BR / 1BA	N/A	N/A	573	Market	\$1,365	N/A	Yes	N/A	N/A
1BR / 1BA	N/A	N/A	581	Market						\$1,421	N/A	Yes	N/A	N/A					
1BR / 1BA	N/A	N/A	588	Market						\$1,454	N/A	Yes	N/A	N/A					
1BR / 1BA	N/A	N/A	629	Market						\$1,459	N/A	Yes	N/A	N/A					
1BR / 1BA	N/A	N/A	696	Market						\$1,473	N/A	Yes	N/A	N/A					
2BR / 2BA	N/A	N/A	839	Market						\$1,735	N/A	Yes	N/A	N/A					
2BR / 2BA	N/A	N/A	865	Market						\$1,784	N/A	Yes	N/A	N/A					
2BR / 2BA	N/A	N/A	870	Market						\$1,805	N/A	Yes	N/A	N/A					
2BR / 2BA	N/A	N/A	945	Market	\$1,848	N/A	Yes	N/A	N/A										
2BR / 2BA	N/A	N/A	965	Market	\$1,864	N/A	Yes	N/A	N/A										
2BR / 2BA	N/A	N/A	987	Market	\$1,904	N/A	Yes	N/A	N/A										
2BR / 2BA	N/A	N/A	1,039	Market	\$1,914	N/A	Yes	N/A	N/A										
2BR / 2BA	N/A	N/A	1,166	Market	\$1,954	N/A	Yes	N/A	N/A										
180																			
9	River House Apartments 4253 Llewellyn Avenue Norfolk, VA 23504	1.5 miles	Midrise 4-stories 2010 / n/a Family	Market	1BR / 1BA	45	23.2%	825	Market	\$1,852	N/A	No	0	0.0%					
					2BR / 2BA	66	34.0%	1,157	Market	\$2,033	N/A	No	2	3.0%					
					2BR / 2BA	65	33.5%	1,167	Market	\$2,119	N/A	No	0	0.0%					
					3BR / 2BA	9	4.6%	1,352	Market	\$2,897	N/A	No	0	0.0%					
					3BR / 2BA	9	4.6%	1,506	Market	\$2,707	N/A	No	0	0.0%					
194																			
10	The Alexander At Ghent 1600 Granby Street Norfolk, VA 23510	0.8 miles	Midrise 4-stories 2007 / n/a Family	Market	0BR / 1BA	62	23.1%	630	Market	\$1,579	N/A	Yes	0	0.0%					
					0BR / 1BA	N/A	N/A	695	Market	\$1,654	N/A	Yes	N/A	N/A					
					0BR / 1BA	N/A	N/A	565	Market	\$1,504	N/A	Yes	N/A	N/A					
					1BR / 1BA	12	4.5%	543	Market	\$1,438	N/A	Yes	0	0.0%					
					1BR / 1BA	56	20.9%	748	Market	\$1,598	N/A	Yes	0	0.0%					
					1BR / 1BA	6	2.2%	825	Market	\$1,737	N/A	Yes	0	0.0%					
					2BR / 2BA	120	44.8%	1,192	Market	\$2,002	N/A	Yes	0	0.0%					
					2BR / 2BA	N/A	N/A	1,192	Market	\$2,034	N/A	Yes	N/A	N/A					
					2BR / 2BA	N/A	N/A	1,036	Market	\$1,969	N/A	Yes	N/A						

Location

LOCATION COMPARISON SUMMARY

#	Property Name	City	Tenancy	Rent Structure	Distance to Subject	Household Income	Median Home Value	Median Rent	Crime Index	Walk Score	Vacant Housing	% Renter HH
S	Aspire	Norfolk	Family	LIHTC	-	\$14,525	\$366,000	\$1,190	227	69	4.8%	87.7%
1	Broad Creek Phase III	Norfolk	Family	LIHTC/Market	1.5 miles	\$37,196	\$173,900	\$764	317	50	9.3%	57.6%
2	Broad Creek Renaissance Phase I	Norfolk	Family	LIHTC/Section 8/Market	1.7 miles	\$54,461	\$173,900	\$764	334	49	7.8%	39.9%
3	Mission College Apartments	Norfolk	Family	LIHTC/Market	1.0 miles	\$26,641	\$173,900	\$764	232	60	10.1%	65.6%
4	St. Paul's Apartments	Norfolk	Family	LIHTC/Market	0.2 miles	\$24,328	\$366,000	\$1,190	223	74	6.8%	82.6%
5	The Banks At Berkley*	Norfolk	Family	LIHTC	1.4 miles	\$35,722	\$174,000	\$765	273	59	5.2%	48.9%
6	The Pointe At Pickett Farms	Norfolk	Family	LIHTC	3.3 miles	\$50,505	\$189,600	\$1,126	377	23	2.0%	81.4%
7	Ghent Village	Norfolk	Family	Market	0.6 miles	\$62,399	\$366,000	\$1,190	227	70	7.2%	66.7%
8	Metro On Granby	Norfolk	Family	Market	0.5 miles	\$61,464	\$366,000	\$1,190	223	81	8.0%	72.8%
9	River House Apartments	Norfolk	Family	Market	1.5 miles	\$34,420	\$173,900	\$764	191	79	14.8%	56.2%
10	The Alexander At Ghent	Norfolk	Family	Market	0.8 miles	\$81,014	\$366,000	\$1,190	226	76	8.9%	58.4%
11	The Belmont At Freemason	Norfolk	Family	Market	0.6 miles	\$73,896	\$366,000	\$1,190	248	77	8.6%	65.7%

*Located outside of the PMA

The Subject site is located on the edge of downtown Norfolk, approximately 0.5 miles north of Interstate 264. Weaknesses of the Subject's location include a low local median household income level. The Subject's location is designated 'Somewhat Walkable' by Walk Score with a score of 69, indicating some errands can be accomplished on foot.

The affordable properties are located between 0.2 and 3.3 miles from the Subject site. The LIHTC comparables are generally in neighborhoods ranging from slightly inferior to inferior relative to the Subject's location. These locations generally exhibit lower median home values, less walkability, higher area vacancy, lower median rent levels, and higher crime indices compared to the Subject's location. On balance, the location of St. Paul's Apartments, which is the closest comparable to the Subject, is considered similar to the Subject's location.

The market rate developments are located between 0.5 and 1.5 miles from the Subject site. The market rate comparables are generally located in neighborhoods considered slightly superior to the Subject's location. These locations generally offer higher median income levels and greater walkability compared to the Subject's location. The neighborhood surrounding River House Apartments generally exhibits higher area vacancy and lower median rents, and is considered slightly inferior to the Subject's neighborhood.

Age, Condition, and Design

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

	Subject	Broad Creek Phase III	Broad Creek Renaissance Phase I	Mission College Apartments	St. Paul's Apartments	The Banks At Berkley	The Pointe At Pickett Farms	Ghent Village	Metro On Granby	River House Apartments	The Alexander At Ghent	The Belmont At Freemason
Rent Structure	LIHTC	LIHTC/Market	LIHTC/Section 8/Market	LIHTC/Market	LIHTC/Market	LIHTC	LIHTC	Market	Market	Market	Market	Market
Building												
Property Type	Midrise	Townhouse	Townhouse	Garden	Garden	Midrise	Garden	Garden	Midrise	Midrise	Midrise	Highrise
# of Stories	4-stories	2-stories	2-stories	3-stories	2-stories	4-stories	3-stories	3-stories	5-stories	4-stories	4-stories	7-stories
Year Built	2024	2004	2004	1990	2019	2017	2014	1981	1980	2010	2007	2009
Year Renovated	n/a	2022	2022	2008	n/a	n/a	n/a	2004	2014	n/a	n/a	n/a
Elevators	yes	no	no	no	no	yes	no	no	yes	yes	yes	yes

The Subject will be new construction and will exhibit excellent condition. The comparable properties were constructed between 1980 and 2019. The comparable properties that were built between 2004 and 2014 exhibit good condition, slightly inferior to the Subject's anticipated condition. St. Paul's Apartments and The Banks At Berkley were constructed between 2017 and 2019, and exhibit similar condition relative to the proposed Subject. The remaining comparable properties were built prior to 1990 and exhibit average condition, inferior to the Subject's anticipated condition.

The proposed Subject will offer a four-story midrise design, similar to five of the comparable properties. Mission College Apartments, St. Paul's Apartments, The Pointe At Pickett Farms, and Ghent Village offer garden-style designs and are considered inferior to the Subject. Additionally, Broad Creek Phase III, Broad Creek Renaissance Phase I, Mission College Apartments, St. Paul's Apartments, The Pointe At Pickett Farms, and Ghent Village lack elevators, which the proposed Subject offers. We have considered the Subject's design and condition in our determination of achievable rents.

Unit Size

The following table summarizes unit sizes among the comparable properties providing a comparison of the Subject's unit size and the surveyed average unit sizes in the market.

UNIT SIZE COMPARISON			
Bedroom Type	1BR	2BR	3BR
Subject	608	851	1,111
Average	741	1,042	1,273
Min	434	865	1,083
Max	936	1,428	1,506
Advantage/Disadvantage	-18%	-18%	-13%

The Subject's proposed one, two, and three-bedroom unit sizes are among the smallest of the surveyed comparables. Overall, the Subject's units will exhibit a size disadvantage relative to the average unit sizes in the market. However, The Banks at Berkley offers similarly small units and reported low vacancy and an extensive waiting list, indicating that smaller units are accepted in the market. Therefore, we believe the Subject's unit sizes will also be accepted in the market. The Subject's unit sizes are considered in our determination of achievable rents. The following table ranks the Subject's unit sizes to the unit sizes at the comparable properties.

SQUARE FOOTAGE RANKING COMPARISON					
One Bedroom One Bath		Two Bedroom Two Bath		Three Bedroom Two Bath	
Property Name	Size	Property Name	Size	Property Name	Size
Metro On Granby (Market)	936	Metro On Granby (Market)(2.5BA)	1,428	River House Apartments (Market)	1,506
Mission College Apartments (Market)	855	Ghent Village (Market)(1BA)	1,279	Broad Creek Phase III (@40%)(2.5BA)	1,408
Mission College Apartments (@50%)	855	Ghent Village (Market)(1BA)	1,268	Broad Creek Phase III (@60%)(2.5BA)	1,408
The Belmont At Freemason (Market)	836	Metro On Granby (Market)	1,264	Broad Creek Phase III (@50%)(2.5BA)	1,408
River House Apartments (Market)	825	Ghent Village (Market)(1BA)	1,229	Broad Creek Phase III (Market)(2.5BA)	1,408
The Alexander At Ghent (Market)	825	The Alexander At Ghent (Market)	1,192	River House Apartments (Market)	1,352
Ghent Village (Market)	804	The Belmont At Freemason (Market)	1,182	Ghent Village (Market)	1,334
The Belmont At Freemason (Market)	769	River House Apartments (Market)	1,167	The Alexander At Ghent (Market)	1,324
Broad Creek Renaissance Phase I (Market)	748	River House Apartments (Market)	1,157	St. Paul's Apartments (@60%)	1,291
Broad Creek Renaissance Phase I (@50%)	748	The Belmont At Freemason (Market)	1,123	St. Paul's Apartments (Market)	1,291
Broad Creek Phase III (@50%)	748	The Belmont At Freemason (Market)	1,065	Broad Creek Renaissance Phase I (@50%)(1BA)	1,243
The Alexander At Ghent (Market)	748	Mission College Apartments (@50%)(1BA)	1,050	Broad Creek Renaissance Phase I (@60%)(1BA)	1,243
Broad Creek Phase III (Market)	748	Mission College Apartments (Market)(1BA)	1,050	Broad Creek Renaissance Phase I (@60%)(1BA)	1,243
Broad Creek Renaissance Phase I (@40%)	748	The Alexander At Ghent (Market)	1,036	Broad Creek Renaissance Phase I (@50%)(1BA)	1,243
Broad Creek Renaissance Phase I (@60%)	748	The Pointe At Pickett Farms (@60%)	1,035	Broad Creek Renaissance Phase I (Market)(1BA)	1,243
Broad Creek Renaissance Phase I (@50%)	748	The Pointe At Pickett Farms (@40%)	1,035	Broad Creek Renaissance Phase I (@40%)(1BA)	1,243
Broad Creek Phase III (@40%)	748	Broad Creek Phase III (@60%)(1.5BA)	1,024	The Pointe At Pickett Farms (@40%)	1,222
Broad Creek Phase III (@60%)	748	Broad Creek Phase III (Market)(1.5BA)	1,024	The Pointe At Pickett Farms (@60%)	1,222
The Pointe At Pickett Farms (@60%)	720	Broad Creek Renaissance Phase I (@60%)(1BA)	984	Mission College Apartments (@50%)	1,200
The Pointe At Pickett Farms (@40%)	720	Broad Creek Renaissance Phase I (@50%)(1BA)	984	Mission College Apartments (Market)	1,200
The Belmont At Freemason (Market)	702	Broad Creek Renaissance Phase I (@60%)(1BA)	984	Aspire (@60%)	1,111
Metro On Granby (Market)	672	Broad Creek Renaissance Phase I (@50%)(1BA)	984	Aspire (@40%)	1,111
St. Paul's Apartments (@60%)	640	Broad Creek Renaissance Phase I (@40%)(1BA)	984	The Banks At Berkley (@50%)	1,083
St. Paul's Apartments (@50%)	640	Broad Creek Renaissance Phase I (Market)(1BA)	984	The Banks At Berkley (@60%)	1,083
Aspire (@60%)	608	Broad Creek Renaissance Phase I (@40%)(1BA)	984	The Banks At Berkley (@40%)	1,083
Aspire (@40%)	608	Broad Creek Phase III (Market)(1BA)	960		
The Alexander At Ghent (Market)	565	Broad Creek Phase III (@40%)(1BA)	960		
Metro On Granby (Market)	434	Broad Creek Phase III (@50%)(1BA)	960		
		Broad Creek Phase III (@60%)(1BA)	960		
		St. Paul's Apartments (Market)	946		
		St. Paul's Apartments (@50%)	946		
		St. Paul's Apartments (@60%)	946		
		Metro On Granby (Market)	898		
		The Banks At Berkley (@50%)(1.5BA)	871		
		The Banks At Berkley (@60%)(1.5BA)	871		
		The Banks At Berkley (@40%)(1.5BA)	871		
		Metro On Granby (Market)	865		
		Aspire (@60%)	851		
		Aspire (@40%)	851		

Utility Structure

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

Subject	Broad Creek Phase III	Broad Creek Renaissance Phase I	Mission College Apartments	St. Paul's Apartments	The Banks At Berkley	The Pointe At Pickett Farms	Ghent Village	Metro On Granby	River House Apartments	The Alexander At Ghent	The Belmont At Freemason
Rent Structure	LIHTC	LIHTC/ Market	LIHTC/Section 8/ Market	LIHTC/ Market	LIHTC/	LIHTC	LIHTC	Market	Market	Market	Market
Utility Structure											
Cooking	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no
Water	yes	yes	yes	yes	yes	yes	yes	yes	no	no	no
Sewer	yes	yes	yes	yes	yes	yes	yes	yes	no	no	no
Trash	yes	yes	yes	yes	yes	yes	yes	yes	no	no	yes

In-Unit Amenities

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

Subject	Broad Creek Phase III	Broad Creek Renaissance Phase I	Mission College Apartments	St. Paul's Apartments	The Banks At Berkley	The Pointe At Pickett Farms	Ghent Village	Metro On Granby	River House Apartments	The Alexander At Ghent	The Belmont At Freemason
Rent Structure	LIHTC	LIHTC/ Market	LIHTC/Section 8/ Market	LIHTC/ Market	LIHTC/	LIHTC	LIHTC	Market	Market	Market	Market
Unit Amenities											
Balcony/Patio	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	no	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
Hardwood	yes	no	no	no	no	no	no	yes	no	yes	no
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	yes	no	no	no	no	no	no	yes	yes	yes	yes
Coat Closet	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	no	no	no	no	yes	no	no	no
Walk-In Closet	no	no	no	yes	no	yes	yes	yes	yes	yes	yes
Washer/Dryer	no	yes	no	no	no	yes	yes	yes	yes	yes	yes
W/D Hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Kitchen											
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Microwave	yes	no	no	no	yes	yes	yes	yes	yes	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

Notable unit amenities the Subject offers include balconies/patios, hardwood flooring, central air conditioning, washer/dryer hook-ups, dishwashers, disposals, and microwaves. The majority of the surveyed comparables offer superior unit amenities relative to the Subject. These properties offer features such as walk-in closets and washer/dryers, none of which are included in the Subject's proposed amenity scheme. The amenity packages offered by The Banks At Berkley and The Pointe At Pickett Farms are considered similar to the Subject. These properties generally offer features such as carpeting, walk-in closet, and washer/dryer which the proposed Subject will lack, however do not provide hardwood and ceiling fan which the proposed amenity scheme includes. The comparables generally superior amenities have been taken into consideration in our determination of achievable rents.

Property Amenities

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

Subject	Broad Creek Phase III	Broad Creek Renaissance Phase I	Mission College Apartments	St. Paul's Apartments	The Banks At Berkley	The Pointe At Pickett Farms	Ghent Village	Metro On Granby	River House Apartments	The Alexander At Ghent	The Belmont At Freemason
Rent Structure	LIHTC	LIHTC/ Market	LIHTC/Section 8/ Market	LIHTC/ Market	LIHTC/	LIHTC	LIHTC	Market	Market	Market	Market
Community											
Business Center	yes	yes	yes	no	yes	no	no	yes	yes	no	yes
Community Room	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central Laundry	yes	no	no	yes	yes	yes	no	no	no	no	no
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Recreation											
Exercise Facility	yes	no	no	yes	yes	no	yes	yes	yes	yes	yes
Playground	yes	no	no	yes	yes	yes	yes	no	no	no	no
Swimming Pool	no	no	no	yes	yes	no	yes	no	yes	yes	no
Picnic Area	no	no	no	no	yes	no	no	yes	yes	yes	no
Jacuzzi	no	no	no	no	no	no	no	no	yes	no	no
Recreational Area	no	no	no	no	yes	no	no	yes	no	no	no

Notable property amenities the Subject will offer include a business center, a community room, on-site management, a fitness center, and a playground. The majority of the surveyed comparables offer property

amenities ranging from slightly inferior to slightly superior relative to the Subject. We believe the Subject's lack of a swimming pool is generally offset by its playground, a business center, and a fitness center, which are not offered by several of the comparables. Overall, we believe the Subject's property amenities will be competitive in the market.

Security Features

The following table compares the Subject’s security amenities with comparable properties.

	Subject	Broad Creek Phase III	Broad Creek Renaissance Phase I	Mission College Apartments	St. Paul's Apartments	The Banks At Berkley	The Pointe At Pickett Farms	Ghent Village	Metro On Granby	River House Apartments	The Alexander At Ghent	The Belmont At Freemason
Rent Structure	LIHTC	LIHTC/ Market	LIHTC/Section 8/ Market	LIHTC/ Market	LIHTC/ Market	LIHTC	LIHTC	Market	Market	Market	Market	Market
Crime Index	227	317	334	232	223	273	377	227	223	191	226	248
Security												
In-Unit Alarm	no	no	no	no	no	no	no	yes	no	no	no	no
Intercom	yes	no	no	no	yes	yes	yes	no	yes	yes	yes	yes
Limited Access	yes	no	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Patrol	no	yes	yes	yes	no	no	no	yes	yes	no	yes	no
Perimeter Fencing	no	no	no	no	yes	no	yes	yes	no	yes	no	no
Video Surveillance	no	no	no	yes	yes	yes	no	no	no	no	no	no

According to ESRI Demographic data, crime indices in the Subject's location are modestly elevated relative to the national average. The Subject's security features will include limited access and intercom systems. All of the comparables offer some form of security features. Overall, the comparables security features range from similar to slightly superior compared to the Subject. We have considered the Subject's security amenities to be market-oriented.

Parking

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

	Subject	Broad Creek Phase III	Broad Creek Renaissance Phase I	Mission College Apartments	St. Paul's Apartments	The Banks At Berkley	The Pointe At Pickett Farms	Ghent Village	Metro On Granby	River House Apartments	The Alexander At Ghent	The Belmont At Freemason
Rent Structure	LIHTC	LIHTC/ Market	LIHTC/Section 8/ Market	LIHTC/ Market	LIHTC/ Market	LIHTC	LIHTC	Market	Market	Market	Market	Market
Walk Score	69	50	49	60	74	59	23	70	81	79	76	77
Parking												
Garage	no	no	no	no	no	yes	no	no	yes	no	yes	yes
Garage Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Off-Street Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50	\$0

The Subject will offer 77 off-street parking spaces, which equates to approximately 0.9 spaces per unit. There will be no fee for parking. We expect the number of parking spaces to be adequate for the Subject’s intended tenant base. The Subject location is considered walkable, and is located in close proximity to commercial and retail amenities in addition to both bus and light rail public transportation. We believe that these factors mitigate some need for off-street parking. Additionally, one of the comparables, Broad Creek Renaissance Phase I, reported offering fewer than one parking space per unit, which we believe provides support for the Subject’s proposed parking ratio. All but one of the comparable properties reported offering off-street parking at no additional cost. The exception is Metro on Granby where surface parking is available for \$50 per month. Four of the comparable properties also offer garage parking at no additional cost, which is slightly superior to the Subject’s proposed parking.

MARKET CHARACTERISTICS

Following are relevant market characteristics for the comparable properties surveyed.

Tenant Makeup

The Subject will target families, similar to all comparables. However, the Subject will also have six units set-aside for homeless or formerly homeless households. We are unaware of any other developments that target homeless households within Norfolk. However, we do not believe the inclusion of these special needs households will adversely affect demand for general tenancy units, given the strong demand for affordable housing in this market. The table below illustrates voucher tenancy among the comparable properties.

TENANTS WITH VOUCHERS

Property Name	Rent Structure	Housing Choice Voucher Tenants
Broad Creek Phase III	LIHTC/ Market	5%
Broad Creek Renaissance Phase I	LIHTC/Section 8/ Market	5%
Mission College Apartments	LIHTC/ Market	15%
St. Paul's Apartments	LIHTC/ Market	20%
The Banks At Berkley*	LIHTC	18%
The Pointe At Pickett Farms	LIHTC	40%
Ghent Village	Market	0%
Metro On Granby	Market	0%
River House Apartments	Market	0%
The Alexander At Ghent	Market	0%
The Belmont At Freemason	Market	0%

*Located outside of the PMA

The comparable properties reported voucher usage ranging from zero to 40 percent. None of the market rate properties reported voucher usage. All of the LIHTC properties reported voucher usage, with an average utilization of 17 percent. The highest voucher usage was reported by The Pointe At Pickett Farms, a 120-unit LIHTC property located 3.3 miles east of the Subject. Based on the performance of the LIHTC comparables, we expect the Subject will operate with voucher usage of approximately 15 percent.

Turnover

The following table illustrates reported turnover for the comparable properties.

TURNOVER

Property Name	Rent Structure	Annual Turnover
Broad Creek Phase III	LIHTC/ Market	20%
Broad Creek Renaissance Phase I	LIHTC/Section 8/ Market	20%
Mission College Apartments	LIHTC/ Market	8%
St. Paul's Apartments	LIHTC/ Market	10%
The Banks At Berkley*	LIHTC	5%
The Pointe At Pickett Farms	LIHTC	30%
Ghent Village	Market	34%
Metro On Granby	Market	1%
River House Apartments	Market	25%
The Alexander At Ghent	Market	36%
The Belmont At Freemason	Market	25%
Average Turnover		19%

*Located outside of the PMA

The comparables reported turnover rates ranging from one to 36 percent, with an overall average of 19 percent. The LIHTC comparables operate with an average turnover rate of 16 percent, which is below the 24 percent average reported by the market rate properties. Based on the performance of the LIHTC comparables, we expect the Subject will operate a turnover rate of approximately 15 percent.

Vacancy Levels

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

OVERALL VACANCY

Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Broad Creek Phase III	LIHTC/ Market	300	10	3.3%
Broad Creek Renaissance Phase I	LIHTC/Section 8/ Market	88	0	0.0%
Mission College Apartments	LIHTC/ Market	260	0	0.0%
St. Paul's Apartments	LIHTC/ Market	126	2	1.6%
The Banks At Berkley*	LIHTC	50	0	0.0%
The Pointe At Pickett Farms	LIHTC	120	0	0.0%
Ghent Village	Market	140	0	0.0%
Metro On Granby	Market	189	3	1.6%
River House Apartments	Market	194	2	1.0%
The Alexander At Ghent	Market	268	0	0.0%
The Belmont At Freemason	Market	239	13	5.4%
Total LIHTC		944	12	1.3%
Total Market Rate		1,030	18	1.7%
Overall Total		1,974	30	1.5%

*Located outside of the PMA

The comparables reported vacancy rates ranging from zero to 5.4 percent, with an overall weighted average of 1.5 percent. Managers at four of the six LIHTC properties reported being fully occupied and all of the LIHTC properties reported maintaining waiting lists. The average vacancy rate among all comparables is considered exceptionally low, and indicative of supply constrained conditions. All but one of the market rate properties reported vacancy rates lower than two percent. Based on the performance of the LIHTC comparables, we expect the Subject will operate with a vacancy rate and collection loss of five percent or less.

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

VACANCY BY BEDROOM TYPE

Property Name	Rent Structure	0BR	1BR	2BR	3BR	4BR	Overall
Broad Creek Phase III	LIHTC/ Market	-	-	-	-	-	3.3%
Broad Creek Renaissance Phase I	LIHTC/Section 8/ Market	-	0.0%	0.0%	0.0%	0.0%	0.0%
Mission College Apartments	LIHTC/ Market	-	0.0%	0.0%	0.0%	0.0%	0.0%
St. Paul's Apartments	LIHTC/ Market	-	0.0%	2.5%	0.0%	-	1.6%
The Banks At Berkley*	LIHTC	-	-	0.0%	0.0%	-	0.0%
The Pointe At Pickett Farms	LIHTC	-	-	-	-	-	0.0%
Ghent Village	Market	-	-	-	-	-	0.0%
Metro On Granby	Market	-	-	-	-	-	1.6%
River House Apartments	Market	-	0.0%	1.5%	0.0%	-	1.0%
The Alexander At Ghent	Market	0.0%	0.0%	0.0%	0.0%	-	0.0%
The Belmont At Freemason	Market	-	6.9%	2.5%	-	-	5.4%

*Located outside of the PMA

The Subject will consist of one, two, and three-bedroom units. Vacancy rates for all unit types are generally low. This supports that there is demand for additional rental housing in the market. We believe the Subject will not negatively impact the existing properties in the market.

Historical Vacancy

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

HISTORICAL VACANCY

Property Name	Program	HISTORICAL VACANCY											
		2018 Q1	2018 Q2	2018 Q3	2019 Q1	2019 Q3	2019 Q4	2020 Q3	2021 Q1	2021 Q2	2022 Q2	2022 Q3	
Broad Creek Phase III	LIHTC/ Market	0.7%	0.7%	3.3%	0.0%	N/A	N/A	N/A	3.3%	3.3%	3.3%	N/A	
Broad Creek Renaissance Phase I	LIHTC/Section 8/ Market	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.0%	0.0%	N/A	
Mission College Apartments	LIHTC/ Market	0.8%	0.8%	0.0%	3.1%	N/A	2.7%	N/A	0.4%	0.4%	0.0%	0.0%	
St. Paul's Apartments	LIHTC/ Market	N/A	N/A	N/A	N/A	N/A	0.8%	N/A	0.8%	0.8%	0.0%	1.6%	
The Banks At Berkley	LIHTC	0.0%	N/A	2.0%	0.0%	N/A	0.0%	N/A	0.0%	0.0%	0.0%	0.0%	
The Pointe At Pickett Farms	LIHTC	N/A	N/A	0.0%	0.0%	N/A	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Ghent Village	Market	N/A	0.7%	N/A	N/A	0.7%	N/A	N/A	4.3%	5.0%	0.0%	0.0%	
Metro On Granby	Market	N/A	N/A	N/A	N/A	2.1%	N/A	N/A	N/A	2.1%	1.6%	N/A	
River House Apartments	Market	N/A	N/A	0.5%	2.1%	N/A	6.2%	3.6%	4.6%	4.6%	0.5%	1.0%	
The Alexander At Ghent	Market	3.7%	8.2%	4.5%	2.2%	N/A	1.5%	6.0%	1.1%	1.1%	0.0%	0.0%	
The Belmont At Freemason	Market	N/A	N/A	2.1%	4.2%	N/A	0.0%	2.9%	N/A	2.5%	4.6%	5.4%	

As illustrated in the table above, the vacancy rates at all of the LIHTC comparable properties improved or remained stable since our previous interviews.

Concessions

None of the comparable properties currently offer concessions. We do not anticipate that the Subject will need to offer concessions in order to achieve or maintain stabilized occupancy.

Waiting Lists

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

WAITING LIST

Property Name	Rent Structure	Waiting List Length
Broad Creek Phase III	LIHTC/ Market	Yes, at least one year
Broad Creek Renaissance Phase I	LIHTC/Section 8/ Market	Yes, at least one year
Mission College Apartments	LIHTC/ Market	Yes, 10-15 households
St. Paul's Apartments	LIHTC/ Market	Yes, 53 households
The Banks At Berkley*	LIHTC	Yes, approximately 70 households
The Pointe At Pickett Farms	LIHTC	Yes, 12 households
Ghent Village	Market	Yes, 2 households
Metro On Granby	Market	Yes, length unknown
River House Apartments	Market	None
The Alexander At Ghent	Market	Yes, length unknown
The Belmont At Freemason	Market	Yes, two households

*Located outside of the PMA

All of the LIHTC properties maintain waiting lists. These waiting lists are extensive at some of the LIHTC developments. All but one of the market rate properties maintain waiting lists. Upon stabilization, we expect the Subject to operate with low vacancy and maintain a waiting list.

Absorption

We obtained absorption information from the following developments in the Hampton Roads region, two of which are comparable properties.

ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
The Arbors At Towne Park	LIHTC	Senior	2019	130	12
St. Pauls Apartments	LIHTC/Section 8/ Market	Family	2019	126	21
October Station	LIHTC	Family	2018	48	24
The Banks at Berkley	LIHTC	Family	2017	50	25

The properties in the table above experienced absorption paces ranging from 12 to 25 units per month, with an overall average of 21 units per month. Overall, we expect the Subject will experience an absorption rate of 20 units per month. This equates to an absorption period of just over four months.

Rental Rate Increases

The following table illustrates rental rate increases as reported by the comparable properties.

RENT GROWTH		
Property Name	Rent Structure	Rent Growth
Broad Creek Phase III	LIHTC/ Market	None
Broad Creek Renaissance Phase I	LIHTC/Section 8/ Market	None
Mission College Apartments	LIHTC/ Market	Increased 7-12%
St. Paul's Apartments	LIHTC/ Market	None
The Banks At Berkley*	LIHTC	Increased 17-33%
The Pointe At Pickett Farms	LIHTC	Increased 15-16%
Ghent Village	Market	Increased 3-5%
Metro On Granby	Market	Increased up to 20%
River House Apartments	Market	Increased 17-37%
The Alexander At Ghent	Market	Increased 10-28%
The Belmont At Freemason	Market	Increased 7-29%

*Located outside of the PMA

Three of the LIHTC comparable properties reported achieving rent growth, ranging from seven to 33 percent. Of these properties, Mission College Apartments, The Banks At Berkeley, and The Pointe At Pickett Farms, are achieving rents at the 2022 maximum allowable levels, The remaining LIHTC properties have yet to increase rents to these levels. All of the market-rate comparable properties reported achieving high rent growth in the past year.

Reasonability of Rents

The following table is a comparison of the Subject’s and comparable properties’ rents. For the purposes of this market study, “Base Rents” are the actual rents quoted to the tenant, and are most frequently those rents that potential renters consider when making a housing decision. “Net rents” are rents adjusted for the cost of utilities (adjusted to the Subject’s convention) and are used to compensate for the differing utility structures of the Subject and the comparable properties. Net rents represent the actual costs of residing at a property, and help to provide an “apples-to-apples” comparison of rents. Additionally, slight differences in maximum allowable rent are likely due to difference in individual utility allowances.

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

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2022 LIHTC Maximum Allowable Gross Rent	2022 HUD Fair Market Rents
@30% (PBV)							
1BR / 1BA	608	4	\$1,239	\$70	\$1,309	\$526	\$1,015
2BR / 2BA	851	12	\$1,449	\$91	\$1,540	\$631	\$1,193
3BR / 2BA	1,111	5	\$2,054	\$113	\$2,167	\$729	\$1,676
@60%							
1BR / 1BA	608	6	\$982	\$70	\$1,052	\$1,052	\$1,015
2BR / 2BA	851	19	\$1,172	\$91	\$1,263	\$1,263	\$1,193
3BR / 2BA	1,111	8	\$1,345	\$113	\$1,458	\$1,458	\$1,676
@80%							
1BR / 1BA	608	7	\$1,157	\$70	\$1,227	\$1,403	\$1,015
2BR / 2BA	851	16	\$1,382	\$91	\$1,473	\$1,684	\$1,193
3BR / 2BA	1,111	8	\$1,588	\$113	\$1,701	\$1,945	\$1,676
85							

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

Comparable LIHTC Rents

The Subject’s proposed LIHTC rents are set at the 2022 maximum allowable levels for units at 60 percent of AMI, while the proposed rents at the 80 percent AMI level are well below maximum allowable levels. All units at the 30 percent AMI level will have project-based subsidy where tenants pay 30 percent of their income as rent. The indicated rents at the 30 percent AMI level are the projected contract rents. The tables that follow illustrate the Subject’s proposed rents in comparison to rents at the comparable properties.

The following table details the Subject’s rents at 30 percent of AMI.

30% AMI Level

LIHTC RENT COMPARISON @30%

Property Name	1BR	2BR	3BR	Rents at Max?
Aspire*	\$1,239	\$1,449	\$2,054	N/A
LIHTC Maximum Rent (Net) - 2022	\$456	\$540	\$616	
LIHTC Maximum Rent (Net) - 2021	\$405	\$479	\$546	
Achievable LIHTC Rent	\$456	\$540	\$616	Yes - 2022

*Indicates the proposed contract rents

The Subject’s projected rents at the 30 percent of the AMI level are the projected contract rents. If the Subject were to lose its subsidy, its rents would have to be lowered the achievable LIHTC rents. None of the comparable properties offer units at the 30 percent of AMI level. Based on the fact that the comparable LIHTC properties report low vacancy rates and waiting lists, we believe the Subject will be able to easily achieve the maximum allowable rent at the 30 percent of AMI level. Additionally, these rents will be among the lowest in the market.

The following table details the Subject’s rents at 60 percent of AMI in comparison to rents at the comparables.

60% AMI Level

LIHTC RENT COMPARISON @60%

	1BR	2BR	3BR	Rents at Max?
Aspire	\$982	\$1,172	\$1,345	Yes - 2022
LIHTC Maximum Rent (Net) - 2022	\$982	\$1,172	\$1,345	
LIHTC Maximum Rent (Net) - 2021	\$881	\$1,050	\$1,205	
Broad Creek Phase III	\$928	\$885	\$1,287	Yes - 2021
Broad Creek Renaissance Phase I	\$842	\$985	\$1,129	Yes - 2021
St. Paul's Apartments	\$957	\$1,138	\$1,305	Yes - 2022
The Banks At Berkley	-	\$1,017	\$1,215	No
The Pointe At Pickett Farms	\$953	\$1,137	\$1,302	Yes - 2022
Average	\$920	\$1,032	\$1,248	
Achievable LIHTC Rent	\$982	\$1,172	\$1,345	Yes - 2022

As indicated, the Subject’s projected rents at the 60 percent AMI level are set at the 2022 maximum allowable levels. Two of the five comparables that feature units at this AMI level report achieving rents at the 2022 maximum allowable levels. Further, based on the performance of the LIHTC properties, it appears that management at The Banks at Berkeley are not fully testing the market with regard to achievable rents given low vacancy rates and the presence of extensive waiting lists. Broad Creek Phase III and Broad Creek Renaissance Phase I were last surveyed in April 2022, and neither property had increased rents to the 2022 maximum allowable levels. We were unable to contact these properties for an updated survey.

We compare the Subject to St. Paul’s Apartments, which is considered to be the most similar property to the Subject. This comparable has a 1.6 percent vacancy rate and maintains a waiting list of 53 households. It was completed in 2019, and reported an absorption pace of 21 units per month. It is located only 0.2 miles from the Subject site. St. Paul’s Apartments consists of garden buildings, which is slightly inferior to the Subject’s elevator serviced, midrise design. However, unit sizes at St. Paul’s Apartments are larger. In-unit amenities at this comparable are similar while property amenities are slightly superior as St. Paul’s Apartments features a swimming pool. Overall, the Subject will be generally similar to this comparable and can be expected to achieve similar rents.

The Pointe at Pickett Farms is also considered to be similar to the Subject. This property is located approximately 3.3 miles east of the Subject in a slightly inferior location, as it is less convenient to supporting services such as retail. The Pointe at Pickett Farms is fully leased with a waiting list of 12 households. Its garden-style design is slightly inferior to the Subject’s elevator-serviced building, although its unit sizes are larger. Completed in 2014, The Pointe at Pickett Farms is slightly inferior to the Subject in regards to age/condition. Amenities at this comparable are slightly superior to the Subject as it features washer/dryer appliances and a swimming pool. Overall, the Subject is generally similar to The Pointe at Pickett Farms and can be expected to achievable rents similar to this property.

Based on the performance of the LIHTC comparables, and St. Paul’s Apartments in particular, we believe that maximum allowable rents at 60 percent of AMI are achievable.

The following table details the Subject’s rents at 80 percent of AMI. None of the LIHTC comparables feature units at this income level. Therefore, we compare the Subject to market rate units.

80% AMI Level

LIHTC RENT COMPARISON @80%

Property Name	1BR	2BR	3BR	Rents at Max?
Aspire	\$1,157	\$1,382	\$1,588	No
LIHTC Maximum Rent (Net) - 2022	\$1,333	\$1,593	\$1,832	
LIHTC Maximum Rent (Net) - 2021	\$1,198	\$1,431	\$1,645	
Mission College Apartments (Market)	\$884	\$1,041	\$1,139	N/A
St. Paul's Apartments (Market)	-	\$1,450	\$1,725	N/A
Ghent Village (Market)	\$1,545	\$1,875	\$2,025	N/A
Metro On Granby (Market)	\$1,473	\$1,954	-	N/A
River House Apartments (Market)	\$1,852	\$2,119	\$2,707	N/A
The Alexander At Ghent (Market)	\$1,737	\$1,969	\$2,282	N/A
The Belmont At Freemason (Market)	\$1,762	\$1,878	-	N/A
Average	\$1,542	\$1,755	\$1,976	
Achievable LIHTC Rent	\$1,333	\$1,593	\$1,832	Yes - 2022

The Subject’s proforma rents are well below the maximum allowable levels by approximately \$175 to \$245. All of the market rate comparables report rents above the maximum allowable rents at 80 percent of the AMI, except for the unrestricted units at two mixed income comparables, Mission College Apartments and St. Paul’s Apartments. We believe that the unrestricted rents at both of these mixed income comparables are below what is achievable, given that older properties, such as Ghent Village and Metro on Granby, are achieving much higher rents. Therefore, we place little weight on Mission College Apartments and St. Paul’s Apartments in this analysis.

As indicated following, our estimated achievable market rents are well above the maximum allowable rents at the 80 percent AMI level. Therefore, we believe the achievable rents at this level are at the maximum allowable rents. We base this on the fact that most renters in this market typically have incomes that are 80 percent of AMI or below.

Achievable Market Rents

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

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rent	Subject Rent Advantage
1BR / 1BA	@30% (PBV)	\$456	\$884	\$1,932	\$1,476	\$1,475	69%
1BR / 1BA	@60%	\$982	\$884	\$1,932	\$1,476	\$1,475	33%
1BR / 1BA	@80%	\$1,333	\$884	\$1,932	\$1,476	\$1,475	10%
2BR / 2BA	@30% (PBV)	\$540	\$973	\$2,283	\$1,772	\$1,800	70%
2BR / 2BA	@60%	\$1,172	\$973	\$2,283	\$1,772	\$1,800	35%
2BR / 2BA	@80%	\$1,593	\$973	\$2,283	\$1,772	\$1,800	12%
3BR / 2BA	@30% (PBV)	\$616	\$1,139	\$2,897	\$1,919	\$1,950	68%
3BR / 2BA	@60%	\$1,345	\$1,139	\$2,897	\$1,919	\$1,950	31%
3BR / 2BA	@80%	\$1,832	\$1,139	\$2,897	\$1,919	\$1,950	6%

The Subject’s LIHTC rents are below the achievable market rents. The Subject’s achievable LIHTC rents at the 30 and 60 AMI levels represent a rent advantage of 31 to 70 percent over the achievable market rents. We concluded that achievable market rents for the Subject’s units are below the rents at River House Apartments and above the rents at Metro on Granby.

River House Apartments is a 194-unit, midrise development located 1.5 miles north of the Subject site, in a neighborhood considered slightly inferior relative to the Subject's location. The property was built in 2010, and currently exhibits slightly inferior condition relative to the Subject, which will be completed in 2024. The manager at River House Apartments reported a low vacancy rate of 1.0 percent, indicating the current rents are well accepted in the market. The following table compares the Subject with River House Apartments.

SUBJECT COMPARISON TO RIVER HOUSE APARTMENTS

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Square Feet	Subject RPSF	River House Apartments Rent	Square Feet	River House Apartments RPSF	Subject Rent Advantage
1BR / 1BA	@30% (PBV)	\$456	608	\$0.75	\$1,852	825	\$2.24	75.4%
1BR / 1BA	@60%	\$982	608	\$1.62	\$1,852	825	\$2.24	47.0%
1BR / 1BA	@80%	\$1,333	608	\$2.19	\$1,852	825	\$2.24	28.0%
2BR / 2BA	@30% (PBV)	\$540	851	\$0.63	\$2,033	1,157	\$1.76	73.4%
2BR / 2BA	@60%	\$1,172	851	\$1.38	\$2,033	1,157	\$1.76	42.4%
2BR / 2BA	@80%	\$1,593	851	\$1.87	\$2,033	1,157	\$1.76	21.6%
3BR / 2BA	@30% (PBV)	\$616	1,111	\$0.55	\$2,707	1,506	\$1.80	77.2%
3BR / 2BA	@60%	\$1,345	1,111	\$1.21	\$2,707	1,506	\$1.80	50.3%
3BR / 2BA	@80%	\$1,832	1,111	\$1.65	\$2,707	1,506	\$1.80	32.3%

River House Apartments offers walk-in closets, washer/dryers, a swimming pool, and Jacuzzis, all of which the proposed Subject will lack. However, the Subject will offer a business center, and a playground, neither of which are provided by River House Apartments. The in-unit and property amenity packages offered by River House Apartments are both considered slightly superior relative to the Subject's amenities. The Subject’s proposed unit sizes are inferior to the unit sizes offered by this property. In overall terms, we believe the Subject will be a similar product relative to the River House Apartments, largely due to its excellent condition. However due to the significant size differential between the Subject’s proposed unit sizes and the unit sizes at River House Apartments, our concluded achievable market rents are below the rents at this property.

Metro On Granby is a 189-unit, midrise development located 0.5 miles west of the Subject site, in a neighborhood considered slightly superior relative to the Subject's location. This property was constructed in 1980 and renovated in 2014. We consider the condition of this property inferior relative to the Subject, which will be newly constructed. The manager at Metro On Granby reported a low vacancy rate of 1.6 percent, indicating the current rents are well accepted in the market. The following table compares the Subject with Metro On Granby.

SUBJECT COMPARISON TO METRO ON GRANBY

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Square Feet	Subject RPSF	Metro On Granby Rent	Square Feet	Metro On Granby RPSF	Subject Rent Advantage
1BR / 1BA	@30% (PBV)	\$456	608	\$0.75	\$1,365	573	\$2.38	66.6%
1BR / 1BA	@60%	\$982	608	\$1.62	\$1,365	573	\$2.38	28.1%
1BR / 1BA	@80%	\$1,333	608	\$2.19	\$1,365	573	\$2.38	2.3%
2BR / 2BA	@30% (PBV)	\$540	851	\$0.63	\$1,784	865	\$2.06	69.7%
2BR / 2BA	@60%	\$1,172	851	\$1.38	\$1,784	865	\$2.06	34.3%
2BR / 2BA	@80%	\$1,593	851	\$1.87	\$1,784	865	\$2.06	10.7%
3BR / 2BA	@30% (PBV)	\$616	1,111	\$0.55	-	-	-	-
3BR / 2BA	@60%	\$1,345	1,111	\$1.21	-	-	-	-
3BR / 2BA	@80%	\$1,832	1,111	\$1.65	-	-	-	-

Metro On Granby offers exterior storage, walk-in closets, and in-unit washer/dryers, all of which the proposed Subject will lack. However, the proposed Subject will offer a playground, which is not offered by Metro On Granby. On balance, we believe the in-unit and property amenity packages offered by Metro On Granby to be slightly superior and similar relative to the Subject, respectively. The Subject will offer units that are similar or superior in size to the units at this property. In overall terms, we believe the Subject will be a superior product relative to the Metro On Granby, largely based on its excellent condition. Therefore, our concluded achievable market rents for the Subject's units are above the rents reported by Metro On Granby.

Summary Evaluation

The Subject will be a new construction family LIHTC property. The strengths of the Subject will be its excellent condition. Weaknesses of the Subject will be its small unit sizes. Overall, the Subject's units will exhibit a size disadvantage relative to the average unit sizes in the market. However, The Banks at Berkley offers similarly small units and reported low vacancy and an extensive waiting list, indicating that smaller units are accepted in the market. The average vacancy rate among the surveyed LIHTC properties is very low at 1.3 percent. Additionally, all of the surveyed LIHTC properties maintain waiting lists. Several property managers believe there is demand for additional affordable housing in the market. Two of the comparable properties report achieving the 2022 maximum allowable rents at the 60 percent of AMI level. Given the Subject's anticipated superior condition, we believe the Subject would also be capable of achieving rents at the maximum allowable levels at 30 percent of the AMI, absent subsidy, and at 60 percent of the AMI. We also believe that rents at the 80 percent AMI level are achievable as they are well below our estimated achievable market rents. Our concluded achievable market rents are generally similar to the average rents of the surveyed comparables. The Subject's achievable LIHTC rents at the 30 and 60 percent AMI levels offer a discount to the Novogradac estimate of achievable market rents.

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

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

Introduction

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

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

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

Capture Rate Determination

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

- 1) PMA Demography
- 2) Income Qualified
- 3) Renter Households
- 4) Unit Size Appropriate

The following text will examine each step through the process.

Step One – PMA Demography

Primary Market Area Defined

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

The Subject will be located at 645 Church Street in Norfolk, Virginia. We determined the Primary Market Area (PMA) based on our conversations with local market participants including property managers, as well as our physical inspection of the market. The PMA is generally defined as the south-central Norfolk. The PMA boundaries are: Terminal Boulevard to the north; Interstate 64 to the east; and the Elizabeth River to the west and south. The PMA encompasses 30 square miles. We believe that additional support will originate from areas outside of the established PMA. We estimate a leakage of 10 percent.

Demographic Information

The basic demographic information is based upon the definition of a primary market area (“PMA”) and an estimate of the characteristics of the people living within that geographic definition. We acknowledge Virginia Housing’s market study guideline specifying economic and demographic data use current year estimates with a five-year projection. It should be noted we have utilized the most recently available data published by our provider, with 2021 estimates and five-year projections through 2026.

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

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

Step one is to identify demographic data such as number of households, renter households, income distribution and AMI levels. The appropriate demographic is used based on the tenancy for the proposed development. When analyzing a property designated for families the demographics for the entire population within the PMA is used. However, senior properties are restricted to tenants who have reached the age of at least 55 or 62 years based upon the specifics of the applicable program. A property designated for seniors is analyzed using demographic data that includes only those households that are 62 years old and above. Even if a project has the lower restriction of 55 years of age, we still use the 62 plus as our research indicates that those younger than 62 are unlikely to seek age-restrictive housing. The demographic information was detailed in the demographic section of this report.

Step Two – Income Qualified

Assumptions and Data necessary for this calculation are:

Appropriate Municipality:	City of Norfolk, VA
2022 AMI for four person household:	\$93,500
Tenancy (Family vs Senior):	Family
Affordability percentage:	35 percent
Leakage:	10 percent

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

First, we estimate the Subject’s minimum and maximum income levels (income bands) for the proposed LIHTC project. HUD determines maximum income guidelines for tax credit properties, based on the AMI. This provides the upper end of the income band as illustrated below. However, the minimum income is not established by HUD and must be estimated. Often, lower-income families pay a higher percentage of gross income toward housing costs. The industry standard is 35 percent for LIHTC-only calculations for family-oriented properties. For senior properties this number increases to 40 percent based upon the nature of senior household economics. The lower end of the income band is calculated by taking the proposed rent by bedroom type multiplying by 12 and dividing by the applicable percentage to determine an income level. For example, if a property has a one bedroom unit with proposed gross rents of \$500, the estimated low end of the income range would be \$17,143 based on the family 35 percent or \$15,000 based on the senior 40 percent.

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

FAMILY INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@30% (PBV)		@60%		@80%	
1BR	\$0	\$22,440	\$36,069	\$44,880	\$42,069	\$59,840
2BR	\$0	\$25,260	\$43,303	\$50,520	\$50,503	\$67,360
3BR	\$0	\$30,300	\$49,989	\$60,600	\$58,320	\$80,800

FAMILY INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@30%		@60%		@80%	
1BR	\$18,034	\$22,440	\$36,069	\$44,880	\$42,069	\$59,840
2BR	\$21,634	\$25,260	\$43,303	\$50,520	\$50,503	\$67,360
3BR	\$24,994	\$30,300	\$49,989	\$60,600	\$58,320	\$80,800

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

RENTER HOUSEHOLD INCOME

Income Cohort	PMA					
	2021		2026		Annual Change 2021 to 2026	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	3,921	13.8%	3,492	12.3%	-86	-2.2%
\$10,000-19,999	4,608	16.2%	4,017	14.1%	-118	-2.6%
\$20,000-29,999	3,673	12.9%	3,518	12.4%	-31	-0.8%
\$30,000-39,999	2,827	9.9%	2,679	9.4%	-30	-1.0%
\$40,000-49,999	2,800	9.8%	2,506	8.8%	-59	-2.1%
\$50,000-59,999	2,061	7.2%	2,092	7.4%	6	0.3%
\$60,000-74,999	2,118	7.4%	2,168	7.6%	10	0.5%
\$75,000-99,999	2,192	7.7%	2,327	8.2%	27	1.2%
\$100,000-124,999	1,628	5.7%	1,941	6.8%	63	3.8%
\$125,000-149,999	819	2.9%	1,099	3.9%	56	6.8%
\$150,000-199,999	985	3.5%	1,340	4.7%	71	7.2%
\$200,000+	830	2.9%	1,264	4.4%	87	10.5%
Total	28,462	100.0%	28,443	100.0%		

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, July 2022

Step Three – Income Distribution

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

cohort will be calculated. The sum of these calculations provides an estimate of the total number of households that are income-eligible, both by AMI level and in total.

FAMILY INCOME DISTRIBUTION 2021 - AS PROPOSED

Income Cohort	Total Renter Households	@30% (PBV)			@60%			@80%			All Units		
		cohort	% in	# in	cohort	% in	# in	cohort	% in	# in	cohort	% in	# in
		overlap	cohort	cohort	overlap	cohort	cohort	overlap	cohort	cohort	overlap	cohort	cohort
\$0-9,999	3,921	9,999	100.0%	3,921							9,999	100.0%	3,921
\$10,000-19,999	4,608	9,999	100.0%	4,608							9,999	100.0%	4,608
\$20,000-29,999	3,673	9,999	100.0%	3,673							9,999	100.0%	3,673
\$30,000-39,999	2,827	301	3.0%	85	3,930	39.3%	1,111				4,231	42.3%	1,196
\$40,000-49,999	2,800				9,999	100.0%	2,800	7,930	79.3%	2,221	9,999	100.0%	2,800
\$50,000-59,999	2,061				9,999	100.0%	2,061	9,999	100.0%	2,061	9,999	100.0%	2,061
\$60,000-74,999	2,118				601	4.0%	85	14,999	100.0%	2,118	14,999	100.0%	2,118
\$75,000-99,999	2,192							5,801	23.2%	509	5,801	23.2%	509
\$100,000-124,999	1,628												
\$125,000-149,999	819												
\$150,000-199,999	985												
\$200,000+	830												
Total	28,462		43.2%	12,287		21.3%	6,057		24.3%	6,908		73.4%	20,886

FAMILY INCOME DISTRIBUTION 2021 - ABSENT SUBSIDY

Income Cohort	Total Renter Households	@30%			@60%			@80%			All Units		
		cohort	% in	# in	cohort	% in	# in	cohort	% in	# in	cohort	% in	# in
		overlap	cohort	cohort	overlap	cohort	cohort	overlap	cohort	cohort	overlap	cohort	cohort
\$0-9,999	3,921												
\$10,000-19,999	4,608	1,964	19.6%	905							1,964	19.6%	905
\$20,000-29,999	3,673	9,999	100.0%	3,673							9,999	100.0%	3,673
\$30,000-39,999	2,827	301	3.0%	85	3,930	39.3%	1,111				4,231	42.3%	1,196
\$40,000-49,999	2,800				9,999	100.0%	2,800	7,930	79.3%	2,221	9,999	100.0%	2,800
\$50,000-59,999	2,061				9,999	100.0%	2,061	9,999	100.0%	2,061	9,999	100.0%	2,061
\$60,000-74,999	2,118				601	4.0%	85	14,999	100.0%	2,118	14,999	100.0%	2,118
\$75,000-99,999	2,192							5,801	23.2%	509	5,801	23.2%	509
\$100,000-124,999	1,628												
\$125,000-149,999	819												
\$150,000-199,999	985												
\$200,000+	830												
Total	28,462		16.4%	4,663		21.3%	6,057		24.3%	6,908		46.6%	13,262

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

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

Step Five – Unit Size Appropriate

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

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

HOUSEHOLD DISTRIBUTION

HOUSEHOLD DISTRIBUTION		
1 BR	90%	Of one-person households in 1BR units
	20%	Of two-person households in 1BR units
2 BR	10%	Of one-person households in 2BR units
	80%	Of two-person households in 2BR units
	60%	Of three-person households in 2BR units
3 BR	30%	Of four-person households in 2BR units
	40%	Of three-person households in 3BR units
	40%	Of four-person households in 3BR units
	50%	Of five-person households in 3BR units

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

Step Six – Capture Rate by Bedroom Mix

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

CAPTURE RATE ANALYSIS BY UNIT TYPE

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

30 Percent of AMI (PBV) Demand – As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2021

	Renter Household Size Distribution	Total Number of Renter Households
1 person	39.9%	11,365
2 persons	25.7%	7,322
3 persons	15.8%	4,501
4 persons	10.2%	2,892
5+ persons	8.4%	2,382
Total	100.0%	28,462

Income-Qualified Renter Demand

	Total Number of Renter Households	% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	11,365	x	4,906
2 persons	7,322	x	3,161
3 persons	4,501	x	1,943
4 persons	2,892	x	1,248
5+ persons	2,382	x	1,028
Total	28,462		12,287

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	5,048
2BR	4,560
3BR	1,791
Total	11,398

Capture Rate Analysis - @30% (PBV) - As Proposed

	Developer's Unit Mix	Capture Rate
1BR	4	0.08%
2BR	12	0.26%
3BR	5	0.28%
Total/Overall	21	0.18%

Adjusted for Leakage from Outside of the PMA

10%

1BR	4	0.07%
2BR	12	0.24%
3BR	5	0.25%
Total/Overall	21	0.17%

60 Percent of AMI Demand As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2021

	Renter Household Size Distribution	Total Number of Renter Households
1 person	39.9%	11,365
2 persons	25.7%	7,322
3 persons	15.8%	4,501
4 persons	10.2%	2,892
5+ persons	8.4%	2,382
Total	100.0%	28,462

Income-Qualified Renter Demand

	Total Number of Renter Households	% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	11,365	x	2,419
2 persons	7,322	x	1,558
3 persons	4,501	x	958
4 persons	2,892	x	615
5+ persons	2,382	x	507
Total	28,462		6,057

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	2,488
2BR	2,248
3BR	883
Total	5,619

Capture Rate Analysis - @60% - As Proposed

	Developer's Unit Mix	Capture Rate
1BR	6	0.24%
2BR	19	0.85%
3BR	8	0.91%
Total/Overall	33	0.59%

Adjusted for Leakage from Outside of the PMA

10%

1BR	6	0.22%
2BR	19	0.76%
3BR	8	0.82%
Total/Overall	33	0.53%

80 Percent of AMI Demand As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2021

	Renter Household Size Distribution	Total Number of Renter Households
1 person	39.9%	11,365
2 persons	25.7%	7,322
3 persons	15.8%	4,501
4 persons	10.2%	2,892
5+ persons	8.4%	2,382
Total	100.0%	28,462

Income-Qualified Renter Demand

	Total Number of Renter Households	% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	11,365	x	2,759
2 persons	7,322	x	1,777
3 persons	4,501	x	1,092
4 persons	2,892	x	702
5+ persons	2,382	x	578
Total	28,462		6,908

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	2,838
2BR	2,564
3BR	1,007
Total	6,409

Capture Rate Analysis - @80% - As Proposed

	Developer's Unit Mix	Capture Rate
1BR	7	0.25%
2BR	16	0.62%
3BR	8	0.79%
Total/Overall	31	0.48%

Adjusted for Leakage from Outside of the PMA

10%

1BR	7	0.22%
2BR	16	0.56%
3BR	8	0.72%
Total/Overall	31	0.44%

All Units Demand As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2021

	Renter Household Size Distribution	Total Number of Renter Households
1 person	39.9%	11,365
2 persons	25.7%	7,322
3 persons	15.8%	4,501
4 persons	10.2%	2,892
5+ persons	8.4%	2,382
Total	100.0%	28,462

Income-Qualified Renter Demand

	Total Number of Renter Households	% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	11,365	x	8,340
2 persons	7,322	x	5,373
3 persons	4,501	x	3,303
4 persons	2,892	x	2,122
5+ persons	2,382	x	1,748
Total	28,462		20,886

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	8,580
2BR	7,751
3BR	3,044
Total	19,375

Capture Rate Analysis - All Units As Proposed

	Developer's Unit Mix	Capture Rate
1BR	17	0.20%
2BR	47	0.61%
3BR	21	0.69%
Total/Overall	85	0.44%

Adjusted for Leakage from Outside of the PMA

10%

1BR	17	0.18%
2BR	47	0.55%
3BR	21	0.62%
Total/Overall	85	0.39%

30 Percent of AMI Demand – Absent Subsidy

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2021

	Renter Household Size Distribution	Total Number of Renter Households
1 person	39.9%	11,365
2 persons	25.7%	7,322
3 persons	15.8%	4,501
4 persons	10.2%	2,892
5+ persons	8.4%	2,382
Total	100.0%	28,462

Income-Qualified Renter Demand

	Total Number of Renter Households	% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	11,365	x 16.4%	1,862
2 persons	7,322	x 16.4%	1,200
3 persons	4,501	x 16.4%	737
4 persons	2,892	x 16.4%	474
5+ persons	2,382	x 16.4%	390
Total	28,462		4,663

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	1,916
2BR	1,731
3BR	680
Total	4,326

Capture Rate Analysis - @30% Absent Subsidy

	Developer's Unit Mix	Capture Rate
1BR	4	0.21%
2BR	12	0.69%
3BR	5	0.74%
Total/Overall	21	0.49%

Adjusted for Leakage from Outside of the PMA

10%

1BR	4	0.19%
2BR	12	0.62%
3BR	5	0.66%
Total/Overall	21	0.44%

All Units Demand – Absent Subsidy

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2021

	Renter Household Size Distribution	Total Number of Renter Households
1 person	39.9%	11,365
2 persons	25.7%	7,322
3 persons	15.8%	4,501
4 persons	10.2%	2,892
5+ persons	8.4%	2,382
Total	100.0%	28,462

Income-Qualified Renter Demand

	Total Number of Renter Households	% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	11,365	x 46.6%	5,296
2 persons	7,322	x 46.6%	3,412
3 persons	4,501	x 46.6%	2,097
4 persons	2,892	x 46.6%	1,348
5+ persons	2,382	x 46.6%	1,110
Total	28,462		13,262

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	5,448
2BR	4,922
3BR	1,933
Total	12,303

Capture Rate Analysis - All Units Absent Subsidy

	Developer's Unit Mix	Capture Rate
1BR	17	0.31%
2BR	47	0.95%
3BR	21	1.09%
Total/Overall	85	0.69%

Adjusted for Leakage from Outside of the PMA

10%

1BR	17	0.28%
2BR	47	0.86%
3BR	21	0.98%
Total/Overall	85	0.62%

ANNUAL CAPTURE RATE ANALYSIS

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

The annual demand for rental housing depends upon the following factors:

Population/Household Change

Population change as a result of new households moving in or out of the area: This was previously calculated, in the estimated population increase from 2021 to 2026. Since the newly derived population will all be eligible, they are included directly into the annual demand estimate.

Additions to Supply

To determine the amount of competitive new supply entering the market, we consulted a June 2022 CoStar report, as well as the Virginia Housing’s listing of LIHTC allocations from 2019 to present. The following table illustrates proposed, planned, under construction, and recently completed developments in the Subject’s PMA.

PLANNED DEVELOPMENT

Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	LIHTC Allocation Year	Construction Status	Distance to Subject
Ashton I	LIHTC	Family	70	70	2021	Under Const.	0.6 miles
Block 17	LIHTC	Family	68	47	2021	Proposed	0.3 miles
Block 20	LIHTC	Family	120	83	2021	Proposed	0.2 miles
Newport Gardens	LIHTC	Family	50	50	2021	Proposed	1.8 miles
Lakewood Plaza	LIHTC/ Section 8	Senior	200	0	2021	Existing	2.8 miles
Cogic High Rise Apartments	LIHTC/ Section 8	Senior	150	0	2021	Existing	0.9 miles
Block 19	LIHTC	Senior	72	0	2020	Proposed	0.2 miles
Riverside Station I & II	LIHTC	Family	136	136	2020	Proposed	4.3 miles
Ashton II	LIHTC	Family	48	48	2019	Under Const.	0.6 miles
Market Heights - Phase II	LIHTC/ Section 8	Family	84	84	2019	Under Const.	0.4 miles
Market Heights Apartments	LIHTC/ Section 8	Family	80	80	2019	Under Const.	0.5 miles
150 W Brambleton Ave	Market	Family	181	0	n/a	Under Const.	0.5 miles
Fusion at Neon	Market	Family	281	0	n/a	Under Const.	0.6 miles
Lofts at Front Street	Market	Family	258	0	n/a	Under Const.	1.1 miles
Newport Plaza - Park Place	Market	Family	52	0	n/a	Proposed	1.8 miles
Totals			1,850	598			

Source: CoStar, Virginia Housing, May 2022

- Ashton I & II are the first two phases of an under construction LIHTC development and were awarded LIHTC credits in 2021 and 2019, respectively. This development will offer 118 units to a family tenancy. As this development targets a similar tenancy to the Subject, it is expected to be directly competitive with the Subject upon completion. Thus, all 118 units will be deducted from our demand analysis.
- Block 17 is a proposed LIHTC development that was awarded tax credits in 2021 for the new construction of 68 one, two, and three-bedroom units. Of these units, 47 will be restricted to family households earning 40, 50, and 60 percent of the AMI, or less. The remaining 21 will be unrestricted market rate units. As the Subject will target a similar tenancy to this property, it is expected to be directly competitive upon completion. Thus, we will deduct the 47 LIHTC units from our demand analysis.
- Block 20 is a proposed LIHTC development that was awarded tax credits in 2021 for the construction of a 120-unit mixed-income development. Upon completion, the property will be located at 450 Posey Lane,

approximately 0.2 miles from the Subject site. The property will offer 83 LIHTC units restricted to households earning 40 and 60 percent of AMI, with the remaining units to be unrestricted market rate units. Given the AMI overlap between Block 20 Apartments and the proposed Subject we deduct these 83 units from our analysis.

- Newport Gardens is a proposed LIHTC development that was awarded tax credits in 2021. This property will offer 50 one and two-bedroom affordable units to family households. As this development will target a similar tenancy to the Subject, it is expected to be directly competitive with the Subject upon completion. Therefore, we will deduct all 50 units from our demand analysis.
- Lakewood Plaza is an existing development that was awarded tax credits for rehabilitation in 2021. This property offers 198 studio and one-bedroom units to senior households earning 60 percent of the AMI or less, as well as two, non-revenue generating, manager units. As this property targets a dissimilar tenancy to the Subject, it is not expected to be directly competitive with the Subject upon completion. Therefore, we will not deduct any units from our demand analysis.
- COGIC High-Rise is an existing development that was awarded tax credits for rehabilitation in 2021. This property offers 150 units to a senior tenancy. A total of 148 units are restricted to senior households earning 50 and 60 percent of the AMI, or less, and the remaining two units are unrestricted market rate units. As this property targets a dissimilar tenancy to this property, it is not expected to be directly competitive with the Subject upon completion. Therefore, no units will be deducted from our demand analysis.
- Block 19 is a proposed LIHTC development that was awarded tax credits in 2020 for the construction of a 72-unit mixed-income development. Upon completion, the property will be located at 501 Wood Street, approximately 0.2 miles from the Subject site. The property will offer 68 LIHTC units restricted to senior households earning 40 and 60 percent of AMI, with the remaining units to be unrestricted market rate units. Given this development will target a dissimilar tenancy to the Subject, none of its units are expected to be directly competitive with the Subject upon completion. Thus, no units will be deducted from our demand analysis.
- Riverside Station I & II is a proposed LIHTC development that received 4% and 9% LIHTC funding in 2020 for the new construction 136 one, two, and three bedroom units that will be restricted to family households earning 40, 50, 60, 70, and 80 percent of the AMI, or less. As this development will target a similar tenancy to the Subject, it is expected to be directly competitive with the Subject upon completion. Therefore, we will deduct all 136 units from our demand analysis.
- Market Heights Phase I and Phase II is an under construction LIHTC development that was awarded 4% and 9% LIHTC funding in 2019. This property will offer a total of 164 one, two, and three-bedroom units to family households earning 40, 50, 60, and 70 percent of the AMI, or less. Of these, 41 will operate with project-based rental assistance where the tenant will pay 30 percent of their income towards rent. As this property will target a similar tenancy to the Subject, its units are expected to be directly competitive with the Subject upon completion. Therefore, we will deduct 164 units from our demand analysis.

The remaining under construction and proposed developments are market rate properties that will not be considered competitive with the Subject. Therefore, we will only deduct the 598 proposed and under construction units from our capture rate analysis that are expected to compete with the Subject

Annual Demand Table – As Proposed

ANNUAL DEMAND - AS PROPOSED

Calculation	PMA
Number of Renter Households in 2021	28,462
Increase in Number of Renter Households	(19)
Number of Renter Households in 2026	28,443
<i>Existing Demand</i>	
Percentage of Total Households that are Renter	55.5%
Percentage of Income-Qualified Renter Households	73.4%
Number of Income-Qualified Renter Households	20,886
Percentage of Rent-Overburdened	48.8%
Existing Income-Qualified Renter Household Turnover	10,184
<i>New Income-Qualified Demand, Stated Annually</i>	
Increase in Renter Households per Annum	(4)
Percentage of Income-Qualified Renter Households	73.4%
New Rental Income Qualified Households	(3)
<i>Capture Rate Analysis</i>	
Number of Units in Subject	85
Occupied Units at Subject With Vacancy of: 5%	81
Units Pre-Leased	0
Total Demand (Turnover and Growth) from within PMA	10,181
Portion Originating within PMA	90%
Total Demand (Turnover and Growth) from within PMA	11,312
Less: Existing LIHTC Projects in Absorption Process (Number of Units)	598
Total Demand after Competition (Turnover and Growth)	10,714
Yielded Annual Capture Rate of Available Demand in 2022	0.8%

Annual Demand Table – Absent Subsidy

ANNUAL DEMAND - ABSENT SUBSIDY		
Calculation		PMA
Number of Renter Households in 2021		28,462
Increase in Number of Renter Households		(19)
Number of Renter Households in 2026		28,443
<i>Existing Demand</i>		
Percentage of Total Households that are Renter		55.5%
Percentage of Income-Qualified Renter Households		46.6%
Number of Income-Qualified Renter Households		13,262
Percentage of Rent-Overburdened		48.8%
Existing Income-Qualified Renter Household Turnover		6,466
<i>New Income-Qualified Demand, Stated Annually</i>		
Increase in Renter Households per Annum		(4)
Percentage of Income-Qualified Renter Households		46.6%
New Rental Income Qualified Households		(2)
<i>Capture Rate Analysis</i>		
Number of Units in Subject		85
Occupied Units at Subject With Vacancy of:	5%	81
Units Pre-Leased		0
Total Demand (Turnover and Growth) from within PMA		6,465
Portion Originating within PMA		90%
Total Demand (Turnover and Growth) from within PMA		7,183
Less: Existing LIHTC Projects in Absorption Process (Number of Units)	598	
Total Demand after Competition (Turnover and Growth)		6,585
Yielded Annual Capture Rate of Available Demand in 2022		1.2%

The yielded capture rate is approximately 0.8 percent of available demand per annum for the Subject’s units as proposed, and 1.2 percent of available demand per annum absent subsidy, both of which are low.

VIRGINIA HOUSING DEMAND ANALYSIS

We also included the required demand table from the Virginia Housing market study guidelines. The following table illustrates the total demand, the net demand, and the absorption period for the Subject property. There are several proposed or under construction affordable properties in the PMA, with a total of 598 competitive units. We also include the directly comparable vacant units at the comparable properties, or 12 vacant units. The total number of vacant units in existing comparable properties plus the number of units under construction or proposed equals 610 units.

The following table illustrates the resulting capture rate for demand currently existing in PMA in both the as proposed and absent subsidy scenarios.

Virginia Housing Demand Table – As Proposed

Income Restrictions	Up to 30% As Proposed (\$0-\$30,300)	Up to 60% As Proposed (\$36,069-\$60,600)	Up to 80% As Proposed (\$42,069-\$80,800)	Project Total As Proposed (\$0-\$80,800)
New Rental Households	293	144	165	498
+				
Existing Households – Overburdened	5,991	2,953	3,368	10,184
+				
Existing Households - Substandard Housing	139	68	78	236
+				
Senior Households – Likely to Convert to Rental Housing	0	0	0	0
=				
TOTAL DEMAND	6,422	3,166	3,611	10,917
-				
Supply (includes directly comparable vacant units or in pipeline in PMA)	0	610	0	610
NET DEMAND	6,422	2,556	3,611	10,307
PROPOSED UNITS	12	50	85	147
CAPTURE RATE	0.2%	2.0%	2.4%	1.4%
ABSORPTION PERIOD	4 months	4 months	4 months	4 months

Overall, we believe there is ample demand for the Subject. Our concluded project capture rates and absorption period estimate are summarized below.

Project Wide Capture Rate - LIHTC Units	1.4%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	1.4%
Project Wide Absorption Period (Months)	4 months

Virginia Housing Demand Table – Absent Subsidy

Income Restrictions	Up to 30% Absent Subsidy (\$18,034-\$30,300)	Up to 60% Absent Subsidy (\$36,069-\$60,600)	Up to 80% Absent Subsidy (\$42,069-\$80,800)	Project Total Absent Subsidy (\$18,034-\$80,800)
New Rental Households	111	144	165	316
+				
Existing Households – Overburdened	5,991	2,953	3,368	10,184
+				
Existing Households - Substandard Housing	139	68	78	236
+				
Senior Households – Likely to Convert to Rental Housing	0	0	0	0
=				
TOTAL DEMAND	6,241	3,166	3,611	10,735
-				
Supply (includes directly comparable vacant units or in pipeline in PMA)	0	610	0	610
NET DEMAND	6,241	2,556	3,611	10,125
PROPOSED UNITS	12	50	85	147
CAPTURE RATE	0.2%	2.0%	2.4%	1.5%
ABSORPTION PERIOD	4 months	4 months	4 months	4 months

Overall, we believe there is ample demand for the Subject. Our concluded project capture rates and absorption period estimate are summarized below.

Project Wide Capture Rate - LIHTC Units	1.5%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	1.5%
Project Wide Absorption Period (Months)	4 months

Capture Rate and Virginia Housing Conclusion

The Novogradac demand analysis illustrates demand for the Subject based on capture rates of income-eligible renter households. When viewing total income-eligible renter households the calculation for the LIHTC units indicates a capture rate of 0.4 percent as proposed and 0.6 percent absent subsidy.

To provide another level of analysis, we removed the households from the income-eligible renter demand pool that are currently suitably housed elsewhere in the PMA. We conducted an *annual demand analysis*, which is based on new income-eligible renter households moving into the area (in the Subject’s first year of operation only) and those income-eligible renter households that are rent-overburdened (paying over 35 percent of income to living costs). This is a subset of the income-eligible renter households used previously and yields a more conservative annual capture rate. This annual Novogradac capture rate is 0.8 percent as proposed, indicating that there are 10,714 units of demand in the PMA in the first year of the Subject’s operation. Absent subsidy, the capture rate is 1.2 percent, indicating that there are 6,585 units of demand in the PMA in the

first year of the Subject’s operation. These capture rates are low indicates demand for additional affordable rental housing in the market.

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

Project Wide Capture Rate - LIHTC Units	1.4%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	1.4%
Project Wide Absorption Period (Months)	4 months

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

Project Wide Capture Rate - LIHTC Units	1.5%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	1.5%
Project Wide Absorption Period (Months)	4 months

These are low capture rates and indicative of ample demand for the Subject.

PENETRATION RATE ANALYSIS

Per Virginia Housing guidelines, we also performed a penetration rate analysis for the Subject’s units, as illustrated in the following tables.

PENETRATION RATE - As Proposed	
Number of Proposed Competitive Affordable Units in the PMA	598
	+
Number of Existing Competitive Family Affordable Units in the PMA	3,041
	+
Number of Proposed Affordable Units at the Subject	85
	=
Total	3,724
	/
Income Eligible Households - All AMI Levels	20,886
	=
Overall Penetration Rate - Market Focus (NCHMA)	17.8%

PENETRATION RATE - Absent Subsidy	
Number of Proposed Competitive <i>LIHTC</i> Units in the PMA	598
	+
Number of Existing Competitive Family <i>LIHTC</i> Units in the PMA	1,385
	+
Number of Proposed <i>LIHTC</i> Units at the Subject	85
	=
Total	2,068
	/
Income Eligible Households - All AMI Levels	13,262
	=
Overall Penetration Rate - Market Focus (NCHMA)	15.6%

The overall penetration rate is derived by taking the number of *LIHTC* units proposed or under construction within the PMA, combined with the number of existing *LIHTC* units, and the number of the Subject’s units divided by the number of income eligible households. There are 598 competitive affordable units that are proposed or under construction. In addition, there are 3,041 existing competitive units in the PMA as proposed and 1,385 units absent subsidy. The Subject’s penetration rates are considered low at 17.8 and 15.6 percent for the as proposed and absent subsidy scenarios, respectively. Overall, we believe that there is ample demand in the market to support additional affordable rental housing such as the proposed Subject. We do not believe that existing housing projects in the PMA will be adversely affected by the Subject property.

The following table illustrates the *LIHTC* properties within the PMA that offer similar unit types and AMI levels, including age restricted properties.

EXISTING AFFORDABLE PROPERTIES IN PMA

Property Name	Rent Structure	Tenancy	Total Units	Competitive LIHTC Units	Competitive Subsidized Units
Broad Creek Phase Iii	LIHTC/ Market	Family	300	27	254
Broad Creek Renaissance Phase I	LIHTC/Section 8/ Market	Family	88	15	64
Mission College Apartments	LIHTC/ Market	Family	260	130	0
St. Paul'S Apartments	LIHTC/ Market	Family	126	107	13
The Pointe At Pickett Farms	LIHTC	Family	120	120	0
Lakewood Plaza	LIHTC/ Section 8	Senior	200	0	0
Cogic High Rise Apartments	Section 8	Senior	150	0	0
Archer'S Green Apartments	LIHTC/ Market	Family	86	85	0
Church Street Station Studios	LIHTC	Family	81	80	0
Gosnold Sro	LIHTC	Family	60	60	0
Grandy Village	LIHTC/Public Housing	Family	363	0	363
Meadowood Apartments	LIHTC/ Market	Family	180	180	0
Parkwood Manor Apartments	LIHTC	Family	100	100	0
Quill Farms	LIHTC	Family	180	180	0
Riverpoint Apartments	LIHTC	Family	220	220	0
Villa Terrace	LIHTC	Family	82	81	0
Annetta M. Lane Apartments	Section 8	Family	40	0	40
Calvary Towers	Section 8	Senior	112	0	0
Colonial Hall Apts.	Section 8	Family	40	0	40
Cromwell House	LIHTC	Senior	205	0	0
Dockside Apartments	Section 8	Family	190	0	190
Grace Place	Section 8	Family	40	0	39
Granby House	Section 8	Family	154	0	154
Lexington Park Apartments	Section 8	Family	180	0	180
Park Terrace	Section 8	Family	81	0	81
So Hampton Rds Area Supportive	Section 8	Family	25	0	25
Suburban House	Section 8	Family	154	0	154
Tucker House I & Ii	Section 8	Senior	127	0	0
Village Pointe Apartments	Section 8	Family	59	0	59
Young Terrace Phase I	Section 8	Family	199	0	0
Totals			4,202	1,385	1,656

As shown above, there are 1,385 competitive LIHTC units and 1,656 competitive subsidized units in the PMA for a total of 3,041 units. These units are deducted from our analysis, as previously depicted.

We obtained absorption information from the following developments in the Hampton Roads region, two of which are comparable properties.

ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
The Arbors At Towne Park	LIHTC	Senior	2019	130	12
St. Pauls Apartments	LIHTC/Section 8/ Market	Family	2019	126	21
October Station	LIHTC	Family	2018	48	24
The Banks at Berkley	LIHTC	Family	2017	50	25

The properties in the table above experienced absorption paces ranging from 12 to 25 units per month, with an overall average of 21 units per month. Overall, we expect the Subject will experience an absorption rate of 20 units per month. This equates to an absorption period of just over four months.

Rent conclusions were provided in Section H.

We do not anticipate any future changes in the housing stock or risks in the market area that would adversely affect the Subject. Another recently completed LIHTC property, the 126-unit St. Paul’s Apartments, was fully leased within six months upon completion. The Novogradac achievable market rents are reasonable and as a LIHTC property, the Subject will operate with a high occupancy rate.

Homeless Demand Analysis

The Subject will have six units targeted to homeless or formerly homeless households. We consulted the 2021 Southeastern Virginia Homeless Coalition Point in Time Count, which provides point in time counts to estimate the number of homeless people within selected jurisdictions in the Hampton Roads region. Their data includes the city of Norfolk. The point in time count was performed in January 2021. However, this survey did not include a count of the unsheltered homeless population due to health concerns relating to the COVID-19 pandemic. Therefore, it is probable that there were notable numbers of households who were unsheltered. According to this survey, there were a total of 381 homeless individuals who were sheltered. It is assumed that none of these individuals were in permanent housing. We also make the assumption all of the sheltered homeless population within Norfolk would qualify for the Subject’s six special needs units. It is assumed that the Subject would attract homeless households from the entire city of Norfolk, not just the PMA. The following table illustrates the estimated homeless population estimates for Norfolk and the Subject’s capture rate based on the number of eligible homeless veteran tenants.

HOMELESS DEMAND CONCLUSION

	Total
2021 Norfolk Homeless Population Estimate (Sheltered)	381
Estimated Percent of Homeless Households Qualified for the Subject	100%
Equals Eligible Homeless Population with Norfolk	381
Total Units at the Subject Restricted to Homeless or Formerly Homeless Households	6
Indicated Capture Rate	1.6%

Source: Southeastern Virginia Homeless Coalition, January 2021 Point in Time Count

As illustrated, the capture rate for the Subject’s set-aside units for homeless households is 1.6 percent, which is considered reasonable. We are unaware of any other developments that target homeless households within Norfolk. However, we do not believe the inclusion of these special needs households will adversely affect demand for general tenancy units, given the strong demand for affordable housing in this market.

**J. LOCAL PERSPECTIVES OF
RENTAL HOUSING MARKET
AND HOUSING
ALTERNATIVES**

INTERVIEWS

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

Norfolk Redevelopment and Housing Authority

Virginia Housing has contracted the Norfolk Redevelopment and Housing Authority (NRHA) to administer its Housing Choice Voucher program in Norfolk City. We contacted the NRHA in order to obtain further information regarding the Housing Choice Voucher program and we were directed to the organization’s website for further information. According to our research, NRHA currently administers 2,633 vouchers, all of which are currently in use. The waiting list for vouchers opened on April 12, 2022, and closed on April 14, 2022. The estimated wait for a voucher is two years. The following table details gross payment standards per Virginia Housing and NRHA, effective December 1, 2021.

PAYMENT STANDARDS	
Unit Type	Payment Standard
One-Bedroom	\$1,117
Two-Bedroom	\$1,312
Three-Bedroom	\$1,844

Source: Norfolk Redevelopment Housing Authority, effective December 2021

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

Planning Discussion

To determine the amount of competitive new supply entering the market, we consulted a June 2022 CoStar report, as well as the Virginia Housing’s listing of LIHTC allocations from 2019 to present. The following table illustrates proposed, planned, under construction, and recently completed developments in the Subject’s PMA.

PLANNED DEVELOPMENT							
Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	LIHTC Allocation Year	Construction Status	Distance to Subject
Ashton I	LIHTC	Family	70	70	2021	Under Const.	0.6 miles
Block 17	LIHTC	Family	68	47	2021	Proposed	0.3 miles
Block 20	LIHTC	Family	120	83	2021	Proposed	0.2 miles
Newport Gardens	LIHTC	Family	50	50	2021	Proposed	1.8 miles
Lakewood Plaza	LIHTC/ Section 8	Senior	200	0	2021	Existing	2.8 miles
Cogic High Rise Apartments	LIHTC/ Section 8	Senior	150	0	2021	Existing	0.9 miles
Block 19	LIHTC	Senior	72	0	2020	Proposed	0.2 miles
Riverside Station I & II	LIHTC	Family	136	136	2020	Proposed	4.3 miles
Ashton II	LIHTC	Family	48	48	2019	Under Const.	0.6 miles
Market Heights - Phase II	LIHTC/ Section 8	Family	84	84	2019	Under Const.	0.4 miles
Market Heights Apartments	LIHTC/ Section 8	Family	80	80	2019	Under Const.	0.5 miles
150 W Brambleton Ave	Market	Family	181	0	n/a	Under Const.	0.5 miles
Fusion at Neon	Market	Family	281	0	n/a	Under Const.	0.6 miles
Lofts at Front Street	Market	Family	258	0	n/a	Under Const.	1.1 miles
Newport Plaza - Park Place	Market	Family	52	0	n/a	Proposed	1.8 miles
Totals			1,850	598			

Source: CoStar, Virginia Housing, May 2022

- Ashton I & II are the first two phases of an under construction LIHTC development and were awarded LIHTC credits in 2021 and 2019, respectively. This development will offer 118 units to a family tenancy. As this

development targets a similar tenancy to the Subject, it is expected to be directly competitive with the Subject upon completion. Thus, all 118 units will be deducted from our demand analysis.

- Block 17 is a proposed LIHTC development that was awarded tax credits in 2021 for the new construction of 68 one, two, and three-bedroom units. Of these units, 47 will be restricted to family households earning 40, 50, and 60 percent of the AMI, or less. The remaining 21 will be unrestricted market rate units. As the Subject will target a similar tenancy to this property, it is expected to be directly competitive upon completion. Thus, we will deduct the 47 LIHTC units from our demand analysis.
- Block 20 is a proposed LIHTC development that was awarded tax credits in 2021 for the construction of a 120-unit mixed-income development. Upon completion, the property will be located at 450 Posey Lane, approximately 0.2 miles from the Subject site. The property will offer 83 LIHTC units restricted to households earning 40 and 60 percent of AMI, with the remaining units to be unrestricted market rate units. Given the AMI overlap between Block 20 Apartments and the proposed Subject we deduct these 83 units from our analysis.
- Newport Gardens is a proposed LIHTC development that was awarded tax credits in 2021. This property will offer 50 one and two-bedroom affordable units to family households. As this development will target a similar tenancy to the Subject, it is expected to be directly competitive with the Subject upon completion. Therefore, we will deduct all 50 units from our demand analysis.
- Lakewood Plaza is an existing development that was awarded tax credits for rehabilitation in 2021. This property offers 198 studio and one-bedroom units to senior households earning 60 percent of the AMI or less, as well as two, non-revenue generating, manager units. As this property targets a dissimilar tenancy to the Subject, it is not expected to be directly competitive with the Subject upon completion. Therefore, we will not deduct any units from our demand analysis.
- COGIC High-Rise is an existing development that was awarded tax credits for rehabilitation in 2021. This property offers 150 units to a senior tenancy. A total of 148 units are restricted to senior households earning 50 and 60 percent of the AMI, or less, and the remaining two units are unrestricted market rate units. As this property targets a dissimilar tenancy to this property, it is not expected to be directly competitive with the Subject upon completion. Therefore, no units will be deducted from our demand analysis.
- Block 19 is a proposed LIHTC development that was awarded tax credits in 2020 for the construction of a 72-unit mixed-income development. Upon completion, the property will be located at 501 Wood Street, approximately 0.2 miles from the Subject site. The property will offer 68 LIHTC units restricted to senior households earning 40 and 60 percent of AMI, with the remaining units to be unrestricted market rate units. Given this development will target a dissimilar tenancy to the Subject, none of its units are expected to be directly competitive with the Subject upon completion. Thus, no units will be deducted from our demand analysis.
- Riverside Station I & II is a proposed LIHTC development that received 4% and 9% LIHTC funding in 2020 for the new construction 136 one, two, and three bedroom units that will be restricted to family households earning 40, 50, 60, 70, and 80 percent of the AMI, or less. As this development will target a similar tenancy to the Subject, it is expected to be directly competitive with the Subject upon completion. Therefore, we will deduct all 136 units from our demand analysis.
- Market Heights Phase I and Phase II is an under construction LIHTC development that was awarded 4% and 9% LIHTC funding in 2019. This property will offer a total of 164 one, two, and three-bedroom units to family households earning 40, 50, 60, and 70 percent of the AMI, or less. Of these, 41 will operate with project-based rental assistance where the tenant will pay 30 percent of their income towards rent. As this property will target a similar tenancy to the Subject, its units are expected to be directly competitive with the Subject upon completion. Therefore, we will deduct 164 units from our demand analysis.

The remaining under construction and proposed developments are market rate properties that will not be considered competitive with the Subject. Therefore, we will only deduct the 598 proposed and under construction units from our capture rate analysis that are expected to compete with the Subject

K. ANALYSIS/CONCLUSIONS

Recommendations

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

Demand Summary

We believe there is ample demand for the Subject. The capture rate and absorption are shown in the table below in the as proposed scenario.

Project Wide Capture Rate - LIHTC Units	1.4%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	1.4%
Project Wide Absorption Period (Months)	4 months

The capture rate and absorption are shown in the table below in the absent subsidy scenario.

Project Wide Capture Rate - LIHTC Units	1.5%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	1.5%
Project Wide Absorption Period (Months)	4 months

Additionally, the penetration rates for the Subject are 17.8 percent as proposed and 15.6 percent absent subsidy. These are moderate and indicate support for additional affordable housing such as the proposed Subject.

Strengths and Weaknesses of the Subject

Strengths

- The Subject will be in excellent condition upon completion, with a generally competitive amenity package.
- The weighted average vacancy rate of the LIHTC comparable properties is 1.3 percent, indicating a supply-constrained market for affordable housing.
- The LIHTC comparable properties reported short to moderate waiting lists.
- Two of the comparable LIHTC properties reported achieving maximum allowable rents. Based on full occupancy rates and waiting lists, we believe the remainder are not testing the maximum allowable rents.
- The Subject will be located in a PMA experiencing continued population and household growth.
- The Subject will be located in a desirable location on the edge of downtown Norfolk in an area that is currently undergoing a major redevelopment. Further, the Subject site is in the path of development and near major employers with recent job growth.
- The Subject has low capture rates, indicating additional demand for affordable rental housing such as the Subject.

Weaknesses

- The Subject’s unit sizes will be at a disadvantage relative to the average unit sizes in the market.

Absorption Estimate

We obtained absorption information from the following developments in the Hampton Roads region, two of which are comparable properties.

ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
The Arbors At Towne Park	LIHTC	Senior	2019	130	12
St. Pauls Apartments	LIHTC/Section 8/ Market	Family	2019	126	21
October Station	LIHTC	Family	2018	48	24
The Banks at Berkley	LIHTC	Family	2017	50	25

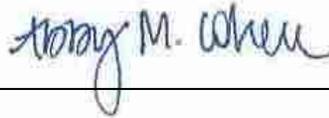
The properties in the table above experienced absorption paces ranging from 12 to 25 units per month, with an overall average of 21 units per month. Overall, we expect the Subject will experience an absorption rate of 20 units per month. This equates to an absorption period of just over four months.

L. OTHER REQUIREMENTS

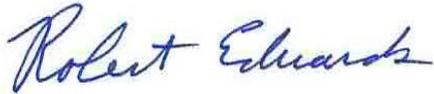
1. I (or one of the persons signing below) have made a physical inspection of the site and market area.
2. The appropriate information has been used in the comprehensive evaluation of the need and demand for the proposed rental units.
3. To the best of my knowledge the market can support the demand shown 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 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 of, 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 (or one of the persons signing below) NCHMA membership is included.



H. Blair Kincer, MAI, CRE
LEED Green Associate
Partner
Blair.Kincer@novoco.com



Abby M. Cohen
Partner
Abby.Cohen@novoco.com



Bob Edwards
Senior Analyst
Bob.Edwards@Novoco.com

July 21, 2022
Date

ADDENDUM A
Assumptions and Limiting Conditions

ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the market analyst has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the author assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All encumbrances, including mortgages, liens, leases, and servitudes, were disregarded in this valuation unless specified in the report. It was recognized, however, that the typical purchaser would likely take advantage of the best available financing, and the effects of such financing on property value were considered.
4. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
5. The report was made assuming responsible ownership and capable management of the property.
6. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
7. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
8. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.
9. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the market analyst did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
10. Any distribution of total property value between land and improvements applies only under the existing or specified program of property utilization. Separate valuations for land and buildings must not be used in conjunction with any other study or market study and are invalid if so used.
11. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the market analyst. Nor shall the market analyst, firm, or professional organizations of which the market analyst is a member be identified without written consent of the market analyst.

12. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional organization with which the market analyst is affiliated.
13. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
14. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
15. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the Subject property will sell or lease for the indicated amounts.
16. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the market study report.
17. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
18. On all studies, Subject to satisfactory completion, repairs, or alterations, the report and conclusions are contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time.
19. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums, except as reported to the market analyst and contained in this report.
20. The party for whom this report is prepared has reported to the market analyst there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
21. Unless stated otherwise, no percolation tests have been performed on this property. In making the market study, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use.
22. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The market analyst does not warrant the condition or adequacy of such systems.
23. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the property. The market analyst reserves the right to review and/or modify this market study if said insulation exists on the Subject property.
24. Estimates presented in this report are assignable to parties to the development's financial structure.

ADDENDUM B
Subject Property and Neighborhood Photographs

PHOTOGRAPHS OF SUBJECT AND NEIGHBORHOOD



Subject site from W Brambleton Avenue looking west



Subject site with from W Brambleton Avenue and Lincoln Street looking southwest



Interior of Subject site looking northeast



Alternative view of interior of Subject site looking northeast



Subject site looking north from Church Street



Subject site looking north from Church Street



Subject site looking south from Church Street



Subject site looking south from Lincoln Street



View of Subject site from Lincoln Street looking south



Alternative view of Subject site from Lincoln Street



Alternative view of Subject site from Lincoln Street



View towards Tulip Lane from Subject site



Interior of Subject site looking south towards nearby house of worship



Interior of Subject site looking south



Interior of Subject site looking east



Interior of Subject site looking northeast



View Subject site looking west



View of Subject site from across Church Street looking west



View from Subject site looking west across Lincoln Street



View along Church Street to the south of Subject site



View along Church Street looking north (Subject site on the left)



Church Street at E Brambleton Avenue intersection immediately northeast of Subject site



View along E Brambleton Avenue looking west (Subject site to the left of photo)



Alternative view along E Brambleton Avenue looking west



View of Young Terrace public housing complex across W Brambleton Avenue to the northeast of Subject



Alternative view of Martin Luther King Plaza public housing complex



U.S. Post Office building across Church Street from the Subject



Alternative view of U.S. Post Office building across Church Street



View of St. Paul's Apartments to the southwest of Subject site



View of St. Paul's Apartments to the southwest of Subject site



Commercial building along W Brambleton Avenue to the west of Subject



Norfolk Scope Arena to the west of Subject site



House of worship along E Bute Street to the south of Subject site



View along E Bute Street looking west away from Subject site



Retail center along Church Street to the northeast of Subject site



Alternative view of retail center along Church Street to the northeast of Subject site



Gas station/convenience store at Church Street and E Brambleton Avenue northeast of Subject site



Retail building along Church Street to the north of Subject site



Commercial building along Church Street to the north of Subject site



Retail center along Church Street to the north of Subject site



Wyndham Garden Hotel off of E Brambleton Avenue to the west of Subject site



House of worship along E Brambleton Avenue to the east of Subject site



The Rotunda condominium building several blocks south of the Subject in downtown Norfolk



House of worship several blocks south of the Subject in downtown Norfolk



Bus terminal to the southwest of Subject



Newly constructed sewer pump station approximately three blocks southwest of Subject



View of Tidewater Gardens public housing redevelopment site to the south of Subject



View of Tidewater Gardens public housing redevelopment site to the south of Subject



Fast food restaurant several blocks south of Subject site



House of worship southwest of Subject site



Commercial building and house of worship along E Bute Street to the west of Subject site



Commercial building along E Bute Street to the west of Subject site



Single-family homes to the north of Subject



Single-family home to the north of Subject



Single-family homes to the north of Subject



Single-family homes to the north of Subject

ADDENDUM C
Subject Matrices and Property Profiles

ASPIRE - NORFOLK, VIRGINIA - MARKET STUDY

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	vacancy Rate					
Subject	Aspire 645 Church Street Norfolk, VA 23510		Midrise 4-stories 2024 / n/a Family	@30% (PBV), @60%, @80%	1BR / 1BA	4	4.7%	608	@30% (PBV)	\$1,239	Yes	N/A	N/A	N/A	N/A				
					1BR / 1BA	6	7.1%	608	@60%	\$962	No	N/A	N/A	N/A	N/A				
					1BR / 1BA	7	8.2%	608	@90%	\$1,157	No	N/A	N/A	N/A	N/A				
					2BR / 2BA	12	14.1%	851	@30% (PBV)	\$1,449	N/A	N/A	N/A	N/A	N/A				
					2BR / 2BA	19	22.4%	851	@60%	\$1,172	Yes	N/A	N/A	N/A	N/A				
					2BR / 2BA	16	18.8%	851	@80%	\$1,382	No	N/A	N/A	N/A	N/A				
					3BR / 2BA	5	5.9%	1,111	@30% (PBV)	\$2,054	N/A	N/A	N/A	N/A	N/A				
					3BR / 2BA	9	9.4%	1,111	@60%	\$1,245	Yes	N/A	N/A	N/A	N/A				
					3BR / 2BA	8	9.4%	1,111	@80%	\$1,588	No	N/A	N/A	N/A	N/A				
										85							N/A	N/A	
1	Broad Creek Phase III 1420 Merrimac Avenue Norfolk, VA 23504	1.5 miles	Townhouse 2-stories 2004 / 2022 Family	@40%, @50%, @60%, Market, Public Housing	1BR / 1BA	N/A	N/A	748	@40%	\$619	No	Yes	N/A	N/A	N/A				
					1BR / 1BA	N/A	N/A	748	@50%	\$773	No	Yes	N/A	N/A	N/A				
					1BR / 1BA	N/A	N/A	748	@60%	\$928	No	Yes	N/A	N/A	N/A				
					1BR / 1BA	N/A	N/A	748	Market	\$928	N/A	Yes	N/A	N/A	N/A				
					2BR / 1BA	N/A	N/A	960	@40%	\$743	No	Yes	N/A	N/A	N/A				
					2BR / 1BA	N/A	N/A	960	@50%	\$928	No	Yes	N/A	N/A	N/A				
					2BR / 1BA	N/A	N/A	960	@60%	\$1,114	No	Yes	N/A	N/A	N/A				
					2BR / 1BA	N/A	N/A	960	Market	\$1,114	N/A	Yes	N/A	N/A	N/A				
					2BR / 1.5BA	N/A	N/A	1,024	@60%	\$885	No	Yes	N/A	N/A	N/A				
					2BR / 1.5BA	N/A	N/A	1,024	Market	\$973	N/A	Yes	N/A	N/A	N/A				
					3BR / 2.5BA	N/A	N/A	1,408	@40%	\$858	No	Yes	N/A	N/A	N/A				
					3BR / 2.5BA	N/A	N/A	1,408	@50%	\$1,072	No	Yes	N/A	N/A	N/A				
					3BR / 2.5BA	N/A	N/A	1,408	@60%	\$1,287	No	Yes	N/A	N/A	N/A				
					3BR / 2.5BA	N/A	N/A	1,408	Market	\$1,287	N/A	Yes	N/A	N/A	N/A				
					4BR / 2BA	N/A	N/A	1,535	(Public Housing)	\$1,267	N/A	Yes	N/A	N/A	N/A				
					4BR / 2BA	N/A	N/A	1,535	@40%	\$957	No	Yes	N/A	N/A	N/A				
					4BR / 2BA	N/A	N/A	1,535	@50%	\$1,196	No	Yes	N/A	N/A	N/A				
4BR / 2BA	N/A	N/A	1,535	@60%	\$1,305	No	Yes	N/A	N/A	N/A									
4BR / 2BA	N/A	N/A	1,535	Market	\$1,305	N/A	Yes	N/A	N/A	N/A									
					300							10	3.3%						
2	Broad Creek Renaissance Phase I 1100 Godfrey Avenue Norfolk, VA 23504	1.7 miles	Townhouse 2-stories 2004 / 2022 Family	@40%, @40%, (Section 8), @50%, @50% (Section 8), @60%, @60%	1BR / 1BA	4	4.6%	748	@40% (Section 8)	\$876	N/A	Yes	0	0.0%					
					1BR / 1BA	3	3.4%	748	@50%	\$687	No	Yes	0	0.0%					
					1BR / 1BA	6	6.8%	748	@50% (Section 8)	\$876	N/A	Yes	0	0.0%					
					1BR / 1BA	2	2.3%	748	@60%	\$842	No	Yes	0	0.0%					
					1BR / 1BA	1	1.1%	748	Market	\$928	N/A	Yes	0	0.0%					
					2BR / 1BA	1	1.1%	984	@40%	\$614	No	Yes	0	0.0%					
					2BR / 1BA	3	3.4%	984	@40% (Section 8)	\$1,218	N/A	Yes	0	0.0%					
					2BR / 1BA	5	5.7%	984	@50%	\$799	No	Yes	0	0.0%					
					2BR / 1BA	20	22.7%	984	@50% (Section 8)	\$1,218	N/A	Yes	0	0.0%					
					2BR / 1BA	2	2.3%	984	@60%	\$995	No	Yes	0	0.0%					
					2BR / 1BA	1	1.1%	984	@60% (Section 8)	\$1,218	N/A	Yes	0	0.0%					
					2BR / 1BA	4	4.6%	984	Market	\$1,114	N/A	Yes	0	0.0%					
					3BR / 1BA	1	1.1%	1,243	@40% (Section 8)	\$1,479	N/A	Yes	0	0.0%					
					3BR / 1BA	1	1.1%	1,243	@50%	\$914	No	Yes	0	0.0%					
					3BR / 1BA	19	21.5%	1,243	@50% (Section 8)	\$1,479	N/A	Yes	0	0.0%					
					3BR / 1BA	1	1.1%	1,243	@60%	\$1,129	No	Yes	0	0.0%					
					3BR / 1BA	3	3.4%	1,243	@60% (Section 8)	\$1,479	N/A	Yes	0	0.0%					
3BR / 1BA	4	4.6%	1,243	Market	\$1,287	N/A	Yes	0	0.0%										
4BR / 1BA	1	1.1%	1,554	@40% (Section 8)	\$1,858	N/A	Yes	0	0.0%										
4BR / 1BA	6	6.8%	1,554	@50% (Section 8)	\$1,858	N/A	Yes	0	0.0%										
					88							0	0.0%						
3	Mission College Apartments 1300 Lead Street Norfolk, VA 23504	1.0 miles	Garden 3-stories 1990 / 2008 Family	@50%, Market	1BR / 1BA	24	9.2%	855	@50%	\$808	Yes	Yes	0	0.0%					
					1BR / 1BA	12	4.6%	855	Market	\$884	N/A	Yes	0	0.0%					
					2BR / 1BA	84	32.3%	1,050	@50%	\$965	Yes	Yes	0	0.0%					
					2BR / 1BA	84	32.3%	1,050	Market	\$1,041	N/A	Yes	0	0.0%					
					3BR / 2BA	12	4.6%	1,200	@50%	\$1,108	Yes	Yes	0	0.0%					
					3BR / 2BA	24	9.2%	1,200	Market	\$1,139	N/A	Yes	0	0.0%					
					4BR / 2.5BA	10	3.9%	1,350	@50%	\$1,229	Yes	Yes	0	0.0%					
					4BR / 2.5BA	10	3.9%	1,350	Market	\$1,307	N/A	Yes	0	0.0%					
										260							0	0.0%	
					4	St. Paul's Apartments 494 St. Paul's Boulevard Norfolk, VA 23510	0.2 miles	Garden 2-stories 2019 / n/a Family	@50%, @60%, Market	1BR / 1BA	14	11.1%	640	@50%	\$781	No	Yes	0	0.0%
1BR / 1BA	6	4.8%	640	@60%						\$957	No	Yes	0	0.0%					
2BR / 2BA	50	39.7%	946	@50%						\$927	No	Yes	0	0.0%					
2BR / 2BA	27	21.4%	946	@60%						\$1,138	No	Yes	2	7.4%					
2BR / 2BA	3	2.4%	946	Market						\$1,450	N/A	Yes	0	0.0%					
3BR / 2BA	23	18.3%	1,291	@60%						\$1,305	No	Yes	0	0.0%					
3BR / 2BA	3	2.4%	1,291	Market						\$1,725	N/A	Yes	0	0.0%					
										126							2	1.6%	
5	The Banks At Berkley 701 S Main St Norfolk, VA 23523	1.4 miles	Midrise 4-stories 2017 / n/a Family	@40%, @50%, @60%						2BR / 1.5BA	4	8.0%	871	@40%	\$696	No	Yes	0	0.0%
										2BR / 1.5BA	31	62.0%	871	@50%	\$906	No	Yes	0	0.0%
					2BR / 1.5BA	4	8.0%	871	@60%	\$1,017	No	Yes	0	0.0%					
					3BR / 2BA	1	2.0%	1,083	@40%	\$795	Yes	0	0.0%						
					3BR / 2BA	4	8.0%	1,083	@50%	\$1,038	No	Yes	0	0.0%					
					3BR / 2BA	6	12.0%	1,083	@60%	\$1,215	No	Yes	0	0.0%					
										50							0	0.0%	
					6	The Points At Pickett Farms 5424 Greenlawn Road Norfolk, VA 23502	3.3 miles	Garden 3-stories 2014 / n/a Family	@40%, @60%	1BR / 1BA	N/A	N/A	720	@40%	\$602	Yes	Yes	0	N/A
										1BR / 1BA	N/A	N/A	720	@60%	\$953	Yes	Yes	0	N/A
										2BR / 2BA	N/A	N/A	1,035	@40%	\$716	Yes	Yes	0	N/A
2BR / 2BA	N/A	N/A	1,035	@60%						\$1,137	Yes	Yes	0	N/A					
3BR / 2BA	N/A	N/A	1,222	@40%						\$816	Yes	Yes	0	N/A					
3BR / 2BA	N/A	N/A	1,222	@60%						\$1,302	Yes	Yes	0	N/A					
										120							0	0.0%	
7	Ghent Village 100 Westover Avenue Norfolk, VA 23510	0.6 miles	Garden 3-stories 1981 / 2020 Family	Market						0BR / 1BA	4	2.9%	569	Market	\$1,250	N/A	Yes	N/A	N/A
										1BR / 1BA	24	17.1%	804	Market	\$1,545	N/A	Yes	N/A	N/A
										2BR / 1BA	34	24.3%	1,229	Market	\$1,875	N/A	Yes	N/A	N/A
					2BR / 1BA	34	24.3%	1,268	Market	\$1,875	N/A	Yes	N/A	N/A					
					2BR / 1BA	34	24.3%	1,279	Market	\$1,875	N/A	Yes	N/A	N/A					
					3BR / 2BA	10	7.1%	1,334	Market	\$2,025	N/A	Yes	N/A	N/A					
										140							0	0.0%	
					8	Metro On Granby 401 Granby Street Norfolk, VA 23510	0.5 miles	Midrise 5-stories 1980 / 2014 Family	Market	0BR / 1BA	N/A	N/A	434	Market	\$1,298	N/A	Yes	N/A	N/A
										0BR / 1BA	N/A	N/A	454	Market	\$1,339	N/A	Yes	N/A	N/A
										1BR / 1BA	N/A	N/A	573	Market	\$1,365	N/A	Yes	N/A	N/A
1BR / 1BA	N/A	N/A	581	Market						\$1,421	N/A	Yes	N/A	N/A					
1BR / 1BA	N/A	N/A	588	Market						\$1,454	N/A	Yes	N/A	N/A					
1BR / 1BA	N/A	N/A	629	Market						\$1,459	N/A	Yes	N/A	N/A					
1BR / 1BA	N/A	N/A	696	Market						\$1,473	N/A	Yes	N/A	N/A					
2BR / 2BA	N/A	N/A	839	Market						\$1,735	N/A	Yes	N/A	N/A					
2BR / 2BA	N/A	N/A	855	Market						\$1,784	N/A	Yes	N/A	N/A					
2BR / 2BA	N/A	N/A	870	Market						\$1,805	N/A	Yes	N/A	N/A					
2BR / 2BA	N/A	N/A	945	Market						\$1,848	N/A	Yes	N/A	N/A					
2BR / 2BA	N/A	N/A	965	Market						\$1,864	N/A	Yes	N/A	N/A					
2BR / 2BA	N/A	N/A	987	Market						\$1,904	N/A	Yes	N/A	N/A					
2BR / 2BA	N/A	N/A	1,039	Market						\$1,914	N/A	Yes	N/A	N/A					
2BR / 2BA	N/A	N/A	1,166	Market						\$1,954	N/A	Yes	N/A	N/A					
										189							3	1.6%	
9	River House Apartments 4253 Llewellyn Avenue Norfolk, VA 23504	1.5 miles	Midrise 4-stories 2010 / n/a Family	Market						1BR / 1BA	45	23.2%	825	Market	\$1,852	N/A	No	0	0.0%
					2BR / 2BA	66	34.0%	1,157	Market	\$2,033	N/A	No	2	3.0%					
					2BR / 2BA	65	33.5%	1,167	Market	\$2,119	N/A	No	0	0.0%					
					3BR / 2BA	9	4.6%	1,352	Market	\$2,897	N/A	No	0	0.0%					
					3BR / 2BA	9	4.6%	1,506	Market	\$2,707	N/A	No	0	0.0%					
					194							2	1.0%						
10	The Alexander At Ghent 1600 Granby Street Norfolk, VA 23510	0.8 miles	Midrise 4-stories 2007 / n/a Family	Market	0BR / 1BA	62	23.1%	630	Market	\$1,579	N/A	Yes	0	0.0%					
					0BR / 1BA	N/A	N/A	695	Market	\$1,654	N/A	Yes	N/A	N/A					
					0BR / 1BA	N/A	N/A	655	Market	\$1,504	N/A	Yes	N/A	N/A					
					1BR / 1BA	12	4.5%	565	Market	\$1,438	N/A	Yes	0	0.0%					
					1BR / 1BA	56	20.9%	748	Market	\$1,598	N/A	Yes	0	0.0%					
					1BR / 1BA	6	2.2%	825	Market	\$1,737	N/A	Yes	0	0.0%					
					2BR / 2BA														

ASPIRE - NORFOLK, VIRGINIA - MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING - All rents adjusted for utilities and concessions extracted from the market.						
	Units Surveyed:	1,974	Weighted Occupancy:	98.5%		
	Market Rate:	1,030	Market Rate:	98.3%		
	Tax Credit:	944	Tax Credit:	98.7%		
	One Bedroom One Bath Property		Two Bedroom Two Bath Property		Three Bedroom Two Bath Property	
	Average	Average	Average	Average	Average	Average
RENT	The Belmont At Freemason (Market)	\$1,932	The Belmont At Freemason (Market)	\$2,293	River House Apartments (Market)	\$2,897
	River House Apartments (Market)	\$1,852	River House Apartments (Market)	\$2,119	River House Apartments (Market)	\$2,707
	The Belmont At Freemason (Market)	\$1,847	The Belmont At Freemason (Market)	\$2,081	The Alexander At Ghent (Market)	\$2,282
	The Belmont At Freemason (Market)	\$1,792	The Alexander At Ghent (Market)	\$2,034	Aspire (85%)	\$2,084
	The Alexander At Ghent (Market)	\$1,737	River House Apartments (Market)	\$2,033	Ghent Village (Market)	\$2,025
	The Alexander At Ghent (Market)	\$1,598	The Alexander At Ghent (Market)	\$2,002	Aspire (1111 SF)AMR	\$1,990
	Ghent Village (Market)	\$1,545	The Alexander At Ghent (Market)	\$1,969	Aspire (86%)ALR	\$1,832
	Aspire (608 SF)AMR	\$1,475	Metro On Granby (Market)	\$1,954	St. Paul's Apartments (Market)	\$1,725
	Metro On Granby (Market)	\$1,473	Metro On Granby (Market)	\$1,914	Aspire (86%)	\$1,588
	Metro On Granby (Market)	\$1,459	Metro On Granby (Market)	\$1,848	Broad Creek Renaissance Phase I (850%)(1BA)	\$1,479
	Metro On Granby (Market)	\$1,454	The Belmont At Freemason (Market)	\$1,878	Broad Creek Renaissance Phase (840%)(1BA)	\$1,479
	The Alexander At Ghent (Market)	\$1,438	Ghent Village (Market)(1BA)	\$1,875	Broad Creek Renaissance Phase (860%)(1BA)	\$1,479
	Metro On Granby (Market)	\$1,421	Ghent Village (Market)(1BA)	\$1,875	Aspire (86%)	\$1,348
	Metro On Granby (Market)	\$1,365	Ghent Village (Market)(1BA)	\$1,875	Aspire (86%)ALR	\$1,348
	Aspire (86%)ALR	\$1,333	Metro On Granby (Market)	\$1,884	St. Paul's Apartments (860%)	\$1,305
	Aspire (86%)	\$1,298	Metro On Granby (Market)	\$1,784	The Pointe At Pickett Farms (860%)	\$1,302
	Aspire (86%)	\$1,157	Metro On Granby (Market)	\$1,805	Broad Creek Phase III (Market)(2.5BA)	\$1,287
	Aspire (86%)	\$982	Aspire (851 SF)AMR	\$1,800	Broad Creek Phase III (Market)(2.5BA)	\$1,287
	Aspire (86%)ALR	\$982	Metro On Granby (Market)	\$1,735	The Banks At Berkeley (860%)	\$1,215
	St. Paul's Apartments (860%)	\$957	Metro On Granby (Market)	\$1,735	The Banks At Berkeley (860%)	\$1,215
	The Pointe At Pickett Farms (860%)	\$953	Aspire (86%)ALR	\$1,593	Mission College Apartments (Market)	\$1,139
	Broad Creek Phase III (Market)	\$928	St. Paul's Apartments (Market)	\$1,450	Broad Creek Renaissance Phase I (860%)(1BA)	\$1,129
	Broad Creek Phase III (860%)	\$928	Aspire (86%)	\$1,449	Mission College Apartments (850%)	\$1,108
	Broad Creek Renaissance Phase I (Market)	\$928	Aspire (86%)	\$1,382	Broad Creek Phase III (Market)(2.5BA)	\$1,072
	Mission College Apartments (Market)	\$884	Broad Creek Renaissance Phase I (840%)(1BA)	\$1,218	Broad Creek Phase III (850%)(2.5BA)	\$1,038
	Broad Creek Renaissance Phase I (850%)	\$876	Broad Creek Renaissance Phase I (850%)(1BA)	\$1,218	Broad Creek Renaissance Phase I (840%)(1BA)	\$914
	Broad Creek Renaissance Phase I (840%)	\$872	Broad Creek Renaissance Phase I (860%)(1BA)	\$1,218	Broad Creek Phase III (840%)(2.5BA)	\$858
	Broad Creek Renaissance Phase I (860%)	\$842	Aspire (86%)ALR	\$1,172	The Pointe At Pickett Farms (840%)	\$808
	Mission College Apartments (850%)	\$809	Aspire (86%)	\$1,167	The Banks At Berkeley (840%)	\$716
	St. Paul's Apartments (850%)	\$781	St. Paul's Apartments (860%)	\$1,138	Aspire (830%)ALR	\$616
	Broad Creek Phase III (850%)	\$773	The Pointe At Pickett Farms (860%)	\$1,137		
	Broad Creek Renaissance Phase I (850%)	\$687	Broad Creek Renaissance Phase I (Market)(1BA)	\$1,114		
	Broad Creek Phase III (840%)	\$619	Broad Creek Phase III (860%)(1BA)	\$1,114		
	The Pointe At Pickett Farms (840%)	\$602	Broad Creek Renaissance Phase I (Market)(1BA)	\$1,041		
	Aspire (850%)ALR	\$486	The Banks At Berkeley (860%)(1.5BA)	\$1,017		
			Broad Creek Renaissance Phase I (860%)(1BA)	\$985		
			Broad Creek Phase II (Market)(1.5BA)	\$973		
			Mission College Apartments (850%)(1BA)	\$965		
			Broad Creek Phase III (850%)(1BA)	\$928		
			St. Paul's Apartments (850%)	\$927		
		The Banks At Berkeley (850%)(1.5BA)	\$906			
		Broad Creek Phase III (850%)(1.5BA)	\$885			
		Broad Creek Renaissance Phase I (850%)(1BA)	\$799			
		Broad Creek Phase III (840%)(1BA)	\$743			
		The Pointe At Pickett Farms (840%)	\$716			
		The Banks At Berkeley (840%)(1.5BA)	\$696			
		Broad Creek Renaissance Phase I (840%)(1BA)	\$614			
		Aspire (830%)ALR	\$540			
SQUARE FOOTAGE	Mission College Apartments (850%)	855	Ghent Village (Market)(1BA)	1,279	River House Apartments (Market)	1,506
	Mission College Apartments (Market)	855	Ghent Village (Market)(1BA)	1,268	Broad Creek Phase III (840%)(2.5BA)	1,408
	The Belmont At Freemason (Market)	836	Ghent Village (Market)(1BA)	1,229	Broad Creek Phase III (850%)(2.5BA)	1,408
	River House Apartments (Market)	825	The Alexander At Ghent (Market)	1,206	Broad Creek Phase III (860%)(2.5BA)	1,408
	The Alexander At Ghent (Market)	825	The Alexander At Ghent (Market)	1,192	Broad Creek Phase III (Market)(2.5BA)	1,408
	Ghent Village (Market)	804	The Belmont At Freemason (Market)	1,182	River House Apartments (Market)	1,352
	The Belmont At Freemason (Market)	769	River House Apartments (Market)	1,167	Ghent Village (Market)	1,334
	Broad Creek Renaissance Phase I (850%)	769	Metro On Granby (Market)	1,166	The Alexander At Ghent (Market)	1,324
	Broad Creek Renaissance Phase I (850%)	748	River House Apartments (Market)	1,157	St. Paul's Apartments (860%)	1,291
	Broad Creek Phase III (860%)	748	The Belmont At Freemason (Market)	1,149	St. Paul's Apartments (Market)	1,291
	Broad Creek Renaissance Phase I (860%)	748	The Belmont At Freemason (Market)	1,065	Broad Creek Renaissance Phase I (860%)(1BA)	1,243
	Broad Creek Renaissance Phase I (Market)	748	Mission College Apartments (Market)(1BA)	1,050	Broad Creek Renaissance Phase I (850%)(1BA)	1,243
	Broad Creek Phase III (Market)	748	Mission College Apartments (850%)(1BA)	1,039	Broad Creek Renaissance Phase I (840%)(1BA)	1,243
	Broad Creek Renaissance Phase I (840%)	748	Metro On Granby (Market)	1,039	Broad Creek Renaissance Phase I (860%)(1BA)	1,243
	The Alexander At Ghent (Market)	748	The Alexander At Ghent (Market)	1,036	Broad Creek Renaissance Phase I (860%)(1BA)	1,243
	Broad Creek Phase III (840%)	748	The Pointe At Pickett Farms (840%)	1,035	Broad Creek Renaissance Phase I (Market)(1BA)	1,243
	Broad Creek Phase III (860%)	748	The Pointe At Pickett Farms (860%)	1,035	The Pointe At Pickett Farms (840%)	1,222
	The Pointe At Pickett Farms (840%)	720	Broad Creek Phase III (860%)(1.5BA)	1,024	The Pointe At Pickett Farms (860%)	1,222
	The Pointe At Pickett Farms (860%)	720	Broad Creek Phase III (Market)(1.5BA)	1,024	Mission College Apartments (Market)	1,200
	The Belmont At Freemason (Market)	720	Metro On Granby (Market)	987	Mission College Apartments (850%)	1,200
	Metro On Granby (Market)	696	Broad Creek Renaissance Phase I (860%)(1BA)	984	Aspire (830%)	1,111
	St. Paul's Apartments (860%)	640	Broad Creek Renaissance Phase I (Market)(1BA)	984	Aspire (86%)	1,111
	St. Paul's Apartments (860%)	640	Broad Creek Renaissance Phase I (840%)(1BA)	984	Aspire (86%)	1,111
	Metro On Granby (Market)	629	Broad Creek Renaissance Phase I (860%)(1BA)	984	The Banks At Berkeley (860%)	1,083
	Aspire (86%)	608	Broad Creek Renaissance Phase I (840%)(1BA)	984	The Banks At Berkeley (860%)	1,083
	Aspire (86%)	608	Broad Creek Renaissance Phase I (850%)(1BA)	984	The Banks At Berkeley (840%)	1,083
	Aspire (830%)	608	Broad Creek Renaissance Phase I (850%)(1BA)	984		
	Metro On Granby (Market)	583	Metro On Granby (Market)	965		
	Metro On Granby (Market)	581	Broad Creek Phase III (860%)(1BA)	960		
	Metro On Granby (Market)	573	Broad Creek Phase III (850%)(1BA)	960		
	The Alexander At Ghent (Market)	563	Broad Creek Phase III (Market)(1BA)	960		
			Broad Creek Phase III (840%)(1BA)	960		
			St. Paul's Apartments (Market)	946		
			St. Paul's Apartments (860%)	946		
			St. Paul's Apartments (850%)	946		
			Metro On Granby (Market)	945		
			The Banks At Berkeley (840%)(1.5BA)	871		
			The Banks At Berkeley (860%)(1.5BA)	871		
			The Banks At Berkeley (860%)(1.5BA)	871		
			Metro On Granby (Market)	870		
		Metro On Granby (Market)	865			
		Aspire (830%)	851			
		Aspire (86%)	851			
		Metro On Granby (Market)	839			
RENT PER SQUARE FOOT	The Alexander At Ghent (Market)	\$2.55	Aspire (851 SF)AMR	\$2.12	River House Apartments (Market)	\$2.14
	The Belmont At Freemason (Market)	\$2.51	Metro On Granby (Market)	\$2.07	Aspire (830%)	\$1.86
	Metro On Granby (Market)	\$2.47	Metro On Granby (Market)	\$2.07	River House Apartments (Market)	\$1.80
	Metro On Granby (Market)	\$2.45	Metro On Granby (Market)	\$2.06	Aspire (1111 SF)AMR	\$1.78
	Aspire (608 SF)AMR	\$2.43	Metro On Granby (Market)	\$1.96	The Alexander At Ghent (Market)	\$1.72
	The Belmont At Freemason (Market)	\$2.40	Metro On Granby (Market)	\$1.93	Aspire (86%)ALR	\$1.68
	Metro On Granby (Market)	\$2.38	The Belmont At Freemason (Market)	\$1.93	Ghent Village (Market)	\$1.53
	Metro On Granby (Market)	\$2.32	The Alexander At Ghent (Market)	\$1.93	Aspire (86%)	\$1.43
	The Belmont At Freemason (Market)	\$2.31	The Alexander At Ghent (Market)	\$1.90	St. Paul's Apartments (Market)	\$1.34
	River House Apartments (Market)	\$2.24	Aspire (86%)ALR	\$1.87	Aspire (86%)	\$1.21
	Aspire (86%)ALR	\$2.19	The Belmont At Freemason (Market)	\$1.85	Aspire (86%)ALR	\$1.21
	The Alexander At Ghent (Market)	\$2.14	Metro On Granby (Market)	\$1.84	Broad Creek Renaissance Phase I (840%)(1BA)	\$1.19
	Metro On Granby (Market)	\$2.12	River House Apartments (Market)	\$1.82	Broad Creek Renaissance Phase I (850%)(1BA)	\$1.19
	The Alexander At Ghent (Market)	\$2.11	The Belmont At Freemason (Market)	\$1.76	Broad Creek Renaissance Phase I (860%)(1BA)	\$1.19
	Aspire (830%)	\$2.04	River House Apartments (Market)	\$1.76	The Banks At Berkeley (860%)	\$1.12
	Ghent Village (Market)	\$1.92	The Alexander At Ghent (Market)	\$1.72	The Pointe At Pickett Farms (860%)	\$1.07
	Aspire (86%)	\$1.90	Aspire (830%)	\$1.70	Broad Creek Renaissance Phase I (Market)(1BA)	\$1.04
	Aspire (86%)ALR	\$1.62	The Alexander At Ghent (Market)	\$1.68	St. Paul's Apartments (860%)	\$1.01
	Aspire (86%)	\$1.62	Metro On Granby (Market)	\$1.68	The Banks At Berkeley (850%)	\$0.96
	St. Paul's Apartments (860%)	\$1.50	Aspire (86%)	\$1.62	Mission College Apartments (Market)	\$0.95
	The Pointe At Pickett Farms (860%)	\$1.32	St. Paul's Apartments (Market)	\$1.53	Mission College Apartments (850%)	\$0.92
	Broad Creek Phase III (860%)	\$1.24	Ghent Village (Market)(1BA)	\$1.53	Broad Creek Phase III (860%)(2.5BA)	\$0.91
	Broad Creek Phase III (Market)	\$1.24	Ghent Village (Market)(1BA)	\$1.48	Broad Creek Phase III (Market)(2.5BA)	\$0.91
	Broad Creek Renaissance Phase I (Market)	\$1.24	Ghent Village (Market)(1BA)	\$1.47	Broad Creek Renaissance Phase I (860%)(1BA)	\$0.91
	St. Paul's Apartments (850%)	\$1.22	Aspire (86%)ALR	\$1.47	Broad Creek Phase III (850%)(2.5BA)	\$0.76
	Broad Creek Renaissance Phase I (840%)	\$1.17	Aspire (86%)	\$1.38	Broad Creek Renaissance Phase I (850%)(1BA)	\$0.74
	Broad Creek Renaissance Phase I (850%)	\$1.17	Broad Creek Renaissance Phase I (860%)(1BA)	\$1.24	The Banks At Berkeley (840%)	\$0.73
	Broad Creek Renaissance Phase I (860%)	\$1.13	Broad Creek Renaissance Phase I (840%)(1BA)	\$1.24	The Pointe At Pickett Farms (840%)	\$0.67
	Mission College Apartments (Market)	\$1.03	Broad Creek Renaissance Phase I (850%)(1BA)	\$1.24	Broad Creek Phase III (840%)(2.5BA)	\$0.61
	Broad Creek Phase III (850%)	\$1.03	St. Paul's Apartments (860%)	\$1.20	Aspire (830%)ALR	\$0.58
	Mission College Apartments (850%)	\$0.95	The Banks At Berkeley (860%)(1.5BA)	\$1.11		
	Broad Creek Renaissance Phase I (850%)	\$0.92	Broad Creek Phase III (Market)(1BA)	\$1.06		
	The Pointe At Pickett Farms (840%)	\$0.84	Broad Creek Phase III (860%)(1BA)	\$1.16		
	Broad Creek Phase III (840%)	\$0.83	Broad Creek Renaissance Phase I (Market)(1BA)	\$1.13		
	Aspire (850%)ALR	\$0.75	The Pointe At Pickett Farms (860%)	\$1.10		
			The Banks At Berkeley (850%)(1.5BA)	\$1.04		
			Broad Creek Renaissance Phase I (860%)(1BA)	\$1.00		
			Mission College Apartments (Market)(1BA)	\$0.99		
			St. Paul's Apartments (850%)	\$0.98		
			Broad Creek Phase III (850%)(1BA)	\$0.97		
		Broad Creek Phase III (Market)(1.5BA)	\$0.95			
		Mission College Apartments (850%)(1BA)	\$0.92			
		Broad Creek Phase III (840%)(1.5BA)	\$0.86			
		Broad Creek Renaissance Phase I (850%)(1BA)	\$0.81			
		The Banks At Berkeley (840%)(1.5BA)	\$0.80			
		Broad Creek Phase III (840%)(1BA)	\$0.77			
		The Pointe At Pickett Farms (840%)	\$0.69			
		Aspire (830%)ALR	\$0.63			
		Broad Creek Renaissance Phase I (840%)(1BA)	\$0.62			

AMENITY MATRIX

Subject	Broad Creek Phase III	Broad Creek Renaissance Phase I	Mission College Apartments	St. Paul's Apartments	The Banks At Berkley	The Pointe At Pickett Farms	Ghent Village	Metro On Granby	River House Apartments	The Alexander At Ghent	The Belmont At Freemason	
Rent Structure	LIHTC	LIHTC/Market	LIHTC/Section 8/Market	LIHTC/Market	LIHTC/Market	LIHTC	LIHTC	Market	Market	Market	Market	
Building												
Property Type	Midrise	Townhouse	Townhouse	Garden	Garden	Midrise	Garden	Garden	Midrise	Midrise	Midrise	Highrise
# of Stories	4-stories	2-stories	2-stories	3-stories	2-stories	4-stories	3-stories	3-stories	5-stories	4-stories	4-stories	7-stories
Year Built	2024	2004	2004	1990	2019	2017	2014	1981	1980	2010	2007	2009
Year Renovated	n/a	2022	2022	2008	n/a	n/a	n/a	2020	2014	n/a	n/a	n/a
Elevators	yes	no	no	no	no	yes	no	no	yes	yes	yes	yes
Courtyard	no	no	no	no	yes	no	no	yes	yes	no	yes	no
Unit Amenities												
Balcony/Patio	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	no	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
Hardwood	yes	no	no	no	no	no	no	no	yes	no	yes	no
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	yes	no	no	no	no	no	no	yes	yes	yes	yes	yes
Coat Closet	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	no	no	no	no	no	yes	no	no	no
Fireplace	no	no	no	no	no	no	no	yes	no	no	no	no
Vaulted Ceilings	no	yes	no	no	no	no	no	yes	no	no	no	no
Walk-In Closet	no	no	no	yes	no	yes	no	yes	yes	yes	yes	yes
Washer/Dryer	no	yes	no	no	no	no	yes	yes	yes	yes	yes	yes
W/D Hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Kitchen												
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Microwave	yes	no	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community												
Business Center	yes	yes	yes	no	yes	no	no	yes	yes	no	yes	yes
Community Room	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central Laundry	yes	no	no	yes	yes	yes	no	no	no	no	no	no
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Concierge	no	no	no	no	no	no	no	no	yes	no	no	no
Recreation												
Exercise Facility	yes	no	no	yes	yes	no	yes	yes	yes	yes	yes	yes
Playground	yes	no	no	yes	yes	yes	yes	no	no	no	no	no
Swimming Pool	no	no	no	yes	yes	no	yes	yes	no	yes	yes	no
Picnic Area	no	no	no	no	yes	no	no	yes	yes	yes	yes	no
Jacuzzi	no	no	no	no	no	no	no	no	no	yes	no	no
Recreational Area	no	no	no	no	yes	no	no	no	yes	no	no	no
WiFi	yes	no	no	no	no	no	no	yes	no	no	yes	yes
Service Coordination	no	no	yes	no	no	no	no	no	no	no	no	no
Security												
In-Unit Alarm	no	no	no	no	no	no	no	yes	no	no	no	no
Intercom (Buzzer)	yes	no	no	no	yes	yes	yes	no	yes	yes	yes	yes
Intercom (Phone)	no	no	no	no	no	no	no	no	no	no	no	yes
Limited Access	yes	no	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Patrol	no	yes	yes	yes	no	yes	no	yes	yes	no	yes	no
Perimeter Fencing	no	no	no	no	yes	no	yes	yes	no	yes	no	no
Video Surveillance	no	no	no	yes	yes	yes	no	no	no	no	no	no
Parking												
Garage	no	no	no	no	no	yes	no	no	yes	no	yes	yes
Garage Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes
Off-Street Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$51	\$0	\$0	\$0

PROPERTY PROFILE REPORT

Broad Creek Phase III

Effective Rent Date	4/26/2022
Location	1420 Merrimac Avenue Norfolk, VA 23504 Norfolk County
Distance	1.5 miles
Units	300
Vacant Units	10
Vacancy Rate	3.3%
Type	Townhouse (2 stories)
Year Built/Renovated	2004 / 2022
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Majority families
Contact Name	Denisa
Phone	757-628-8270



Market Information

Program	@40%, @50%, @60%, Market, Public Housing
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	5%
Leasing Pace	Pre-leased
Annual Chg. in Rent	None
Concession	None
Waiting List	Yes, at least one year

Utilities

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

Broad Creek Phase III, continued

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Townhouse (2 stories)	N/A	748	\$619	\$0	@40%	Yes	N/A	N/A	no	None
1	1	Townhouse (2 stories)	N/A	748	\$773	\$0	@50%	Yes	N/A	N/A	no	None
1	1	Townhouse (2 stories)	N/A	748	\$928	\$0	@60%	Yes	N/A	N/A	no	None
1	1	Townhouse (2 stories)	N/A	748	\$928	\$0	Market	Yes	N/A	N/A	N/A	None
2	1	Townhouse (2 stories)	N/A	960	\$743	\$0	@40%	Yes	N/A	N/A	no	None
2	1	Townhouse (2 stories)	N/A	960	\$928	\$0	@50%	Yes	N/A	N/A	no	None
2	1	Townhouse (2 stories)	N/A	960	\$1,114	\$0	@60%	Yes	N/A	N/A	no	None
2	1	Townhouse (2 stories)	N/A	960	\$1,114	\$0	Market	Yes	N/A	N/A	N/A	None
2	1.5	Townhouse (2 stories)	N/A	1,024	\$885	\$0	@60%	Yes	N/A	N/A	no	None
2	1.5	Townhouse (2 stories)	N/A	1,024	\$973	\$0	Market	Yes	N/A	N/A	N/A	None
3	2.5	Townhouse (2 stories)	N/A	1,408	\$858	\$0	@40%	Yes	N/A	N/A	no	None
3	2.5	Townhouse (2 stories)	N/A	1,408	\$1,072	\$0	@50%	Yes	N/A	N/A	no	None
3	2.5	Townhouse (2 stories)	N/A	1,408	\$1,287	\$0	@60%	Yes	N/A	N/A	no	None
3	2.5	Townhouse (2 stories)	N/A	1,408	\$1,287	\$0	Market	Yes	N/A	N/A	N/A	None
4	2	Townhouse (2 stories)	N/A	1,535	N/A	\$0	Public Housing	Yes	N/A	N/A	N/A	None
4	2	Townhouse (2 stories)	N/A	1,535	\$957	\$0	@40%	Yes	N/A	N/A	no	None
4	2	Townhouse (2 stories)	N/A	1,535	\$1,196	\$0	@50%	Yes	N/A	N/A	no	None
4	2	Townhouse (2 stories)	N/A	1,535	\$1,305	\$0	@60%	Yes	N/A	N/A	no	None
4	2	Townhouse (2 stories)	N/A	1,535	\$1,305	\$0	Market	Yes	N/A	N/A	N/A	None

Unit Mix

	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@40%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
4BR / 2BA	N/A	\$0	N/A	\$0	N/A	1BR / 1BA	\$619	\$0	\$619	\$0	\$619
						2BR / 1BA	\$743	\$0	\$743	\$0	\$743
						3BR / 2.5BA	\$858	\$0	\$858	\$0	\$858
						4BR / 2BA	\$957	\$0	\$957	\$0	\$957
@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$773	\$0	\$773	\$0	\$773	1BR / 1BA	\$928	\$0	\$928	\$0	\$928
2BR / 1BA	\$928	\$0	\$928	\$0	\$928	2BR / 1BA	\$1,114	\$0	\$1,114	\$0	\$1,114
3BR / 2.5BA	\$1,072	\$0	\$1,072	\$0	\$1,072	2BR / 1.5BA	\$885	\$0	\$885	\$0	\$885
4BR / 2BA	\$1,196	\$0	\$1,196	\$0	\$1,196	3BR / 2.5BA	\$1,287	\$0	\$1,287	\$0	\$1,287
						4BR / 2BA	\$1,305	\$0	\$1,305	\$0	\$1,305
Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
1BR / 1BA	\$928	\$0	\$928	\$0	\$928						
2BR / 1BA	\$1,114	\$0	\$1,114	\$0	\$1,114						
2BR / 1.5BA	\$973	\$0	\$973	\$0	\$973						
3BR / 2.5BA	\$1,287	\$0	\$1,287	\$0	\$1,287						
4BR / 2BA	\$1,305	\$0	\$1,305	\$0	\$1,305						

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C		
Dishwasher	Garbage Disposal		
Oven	Refrigerator		
Vaulted Ceilings	Washer/Dryer		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Off-Street Parking	On-Site Management		

Comments

The property has maintained a waiting list since opening in 2004. The development was built in multiple phases and was formerly known as Bowling Green and Marshall Manor. Market rents are same as 60 percent AMI rents. Rents are at 2021 maximum allowable levels.

Photos



PROPERTY PROFILE REPORT

Broad Creek Renaissance Phase I

Effective Rent Date	4/22/2022
Location	1100 Godfrey Avenue Norfolk, VA 23504 Norfolk County
Distance	1.7 miles
Units	88
Vacant Units	0
Vacancy Rate	0.0%
Type	Townhouse (2 stories)
Year Built/Renovated	2004 / 2022
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mix of transplants and households from the area
Contact Name	Denisa
Phone	757-628-8270



Market Information

Program	@40%, @40% (Section 8), @50%, @50%
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	5%
Leasing Pace	Preleased
Annual Chg. in Rent	None
Concession	None
Waiting List	Yes, at least one year

Utilities

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

Broad Creek Renaissance Phase I, continued

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Townhouse (2 stories)	4	748	\$876	\$0	@40% (Section 8)	Yes	0	0.0%	N/A	None
1	1	Townhouse (2 stories)	3	748	\$687	\$0	@50%	Yes	0	0.0%	no	None
1	1	Townhouse (2 stories)	6	748	\$876	\$0	@50% (Section 8)	Yes	0	0.0%	N/A	None
1	1	Townhouse (2 stories)	2	748	\$842	\$0	@60%	Yes	0	0.0%	no	None
1	1	Townhouse (2 stories)	1	748	\$928	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Townhouse (2 stories)	1	984	\$614	\$0	@40%	Yes	0	0.0%	no	None
2	1	Townhouse (2 stories)	3	984	\$1,218	\$0	@40% (Section 8)	Yes	0	0.0%	N/A	None
2	1	Townhouse (2 stories)	5	984	\$799	\$0	@50%	Yes	0	0.0%	no	None
2	1	Townhouse (2 stories)	20	984	\$1,218	\$0	@50% (Section 8)	Yes	0	0.0%	N/A	None
2	1	Townhouse (2 stories)	2	984	\$985	\$0	@60%	Yes	0	0.0%	no	None
2	1	Townhouse (2 stories)	1	984	\$1,218	\$0	@60% (Section 8)	Yes	0	0.0%	N/A	None
2	1	Townhouse (2 stories)	4	984	\$1,114	\$0	Market	Yes	0	0.0%	N/A	None
3	1	Townhouse (2 stories)	1	1,243	\$1,479	\$0	@40% (Section 8)	Yes	0	0.0%	N/A	None
3	1	Townhouse (2 stories)	1	1,243	\$914	\$0	@50%	Yes	0	0.0%	no	None
3	1	Townhouse (2 stories)	19	1,243	\$1,479	\$0	@50% (Section 8)	Yes	0	0.0%	N/A	None
3	1	Townhouse (2 stories)	1	1,243	\$1,129	\$0	@60%	Yes	0	0.0%	no	None
3	1	Townhouse (2 stories)	3	1,243	\$1,479	\$0	@60% (Section 8)	Yes	0	0.0%	N/A	None
3	1	Townhouse (2 stories)	4	1,243	\$1,287	\$0	Market	Yes	0	0.0%	N/A	None
4	1	Townhouse (2 stories)	1	1,554	\$1,858	\$0	@40% (Section 8)	Yes	0	0.0%	N/A	None
4	1	Townhouse (2 stories)	6	1,554	\$1,858	\$0	@50% (Section 8)	Yes	0	0.0%	N/A	None

Unit Mix

@40%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$876	\$0	\$876	\$0	\$876	1BR / 1BA	\$687 - \$876	\$0	\$687 - \$876	\$0	\$687 - \$876
2BR / 1BA	\$614 - \$1,218	\$0	\$614 - \$1,218	\$0	\$614 - \$1,218	2BR / 1BA	\$799 - \$1,218	\$0	\$799 - \$1,218	\$0	\$799 - \$1,218
3BR / 1BA	\$1,479	\$0	\$1,479	\$0	\$1,479	3BR / 1BA	\$914 - \$1,479	\$0	\$914 - \$1,479	\$0	\$914 - \$1,479
4BR / 1BA	\$1,858	\$0	\$1,858	\$0	\$1,858	4BR / 1BA	\$1,858	\$0	\$1,858	\$0	\$1,858
@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$842	\$0	\$842	\$0	\$842	1BR / 1BA	\$928	\$0	\$928	\$0	\$928
2BR / 1BA	\$985 - \$1,218	\$0	\$985 - \$1,218	\$0	\$985 - \$1,218	2BR / 1BA	\$1,114	\$0	\$1,114	\$0	\$1,114
3BR / 1BA	\$1,129 - \$1,479	\$0	\$1,129 - \$1,479	\$0	\$1,129 - \$1,479	3BR / 1BA	\$1,287	\$0	\$1,287	\$0	\$1,287

Broad Creek Renaissance Phase I, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Garbage Disposal	Oven		
Refrigerator	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Off-Street Parking	On-Site Management		
Service Coordination			

Comments

The property offers single-family, duplex, and triplex designs with shared parking lots, similar to a townhouse design. Alternate to the utility structure shown, some of the one and two-bedroom units offer gas water heating and some offer electric heating. Rents are at 2021 maximum allowable levels.

Photos



PROPERTY PROFILE REPORT

Mission College Apartments

Effective Rent Date	7/14/2022
Location	1300 Lead Street Norfolk, VA 23504 Norfolk County
Distance	1 mile
Units	260
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	1990 / 2008
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Ingleside Square Aaprtments
Tenant Characteristics	Local Families
Contact Name	Erica
Phone	(757) 640-1300



Market Information

Program	@50%, Market
Annual Turnover Rate	8%
Units/Month Absorbed	N/A
HCV Tenants	15%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased 7-12%
Concession	None
Waiting List	Yes, 10-15 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	24	855	\$808	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (3 stories)	12	855	\$884	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Garden (3 stories)	84	1,050	\$965	\$0	@50%	Yes	0	0.0%	yes	None
2	1	Garden (3 stories)	84	1,050	\$1,041	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Garden (3 stories)	12	1,200	\$1,108	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	24	1,200	\$1,139	\$0	Market	Yes	0	0.0%	N/A	None
4	2.5	Garden (3 stories)	10	1,350	\$1,229	\$0	@50%	Yes	0	0.0%	yes	None
4	2.5	Garden (3 stories)	10	1,350	\$1,307	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$808	\$0	\$808	\$0	\$808	1BR / 1BA	\$884	\$0	\$884	\$0	\$884
2BR / 1BA	\$965	\$0	\$965	\$0	\$965	2BR / 1BA	\$1,041	\$0	\$1,041	\$0	\$1,041
3BR / 2BA	\$1,108	\$0	\$1,108	\$0	\$1,108	3BR / 2BA	\$1,139	\$0	\$1,139	\$0	\$1,139
4BR / 2.5BA	\$1,229	\$0	\$1,229	\$0	\$1,229	4BR / 2.5BA	\$1,307	\$0	\$1,307	\$0	\$1,307

Mission College Apartments, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Patrol	None
Central A/C	Coat Closet	Video Surveillance	
Dishwasher	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Exercise Facility	None	None
Central Laundry	Off-Street Parking		
On-Site Management	Playground		
Swimming Pool			

Comments

The restricted units included water, sewer, and trash with their rent while the market rate units do not include any utilities with rent. Only the three and four-bedroom units have washer and dryer hookups. The contact reported that restricted rents are at the 2022 maximum allowable levels.

Photos



PROPERTY PROFILE REPORT

St. Paul's Apartments

Effective Rent Date	7/15/2022
Location	494 St. Paul's Boulevard Norfolk, VA 23510 County
Distance	0.2 miles
Units	126
Vacant Units	2
Vacancy Rate	1.6%
Type	Garden (3 stories)
Year Built/Renovated	2019 / N/A
Marketing Began	N/A
Leasing Began	2/01/2019
Last Unit Leased	8/01/2019
Major Competitors	None identified
Tenant Characteristics	Families, singles, couples from Norfolk
Contact Name	Rosilyn
Phone	757.260.3586



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	10%
Units/Month Absorbed	21
HCV Tenants	20%
Leasing Pace	Pre-leased
Annual Chg. in Rent	None
Concession	None
Waiting List	Yes, 53 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	14	640	\$781	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (3 stories)	6	640	\$957	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	50	946	\$927	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	27	946	\$1,138	\$0	@60%	Yes	2	7.4%	no	None
2	2	Garden (3 stories)	3	946	\$1,450	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Garden (3 stories)	23	1,291	\$1,305	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	3	1,291	\$1,725	\$0	Market	Yes	0	0.0%	N/A	None

St. Paul's Apartments, continued

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$781	\$0	\$781	\$0	\$781	1BR / 1BA	\$957	\$0	\$957	\$0	\$957
2BR / 2BA	\$927	\$0	\$927	\$0	\$927	2BR / 2BA	\$1,138	\$0	\$1,138	\$0	\$1,138
						3BR / 2BA	\$1,305	\$0	\$1,305	\$0	\$1,305
Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
2BR / 2BA	\$1,450	\$0	\$1,450	\$0	\$1,450						
3BR / 2BA	\$1,725	\$0	\$1,725	\$0	\$1,725						

Amenities

In-Unit	Blinds	Security	Services
Balcony/Patio	Central A/C	Intercom (Buzzer)	None
Carpeting	Dishwasher	Limited Access	
Coat Closet	Microwave	Perimeter Fencing	
Garbage Disposal	Refrigerator	Video Surveillance	
Oven			
Washer/Dryer hookup			
Property	Clubhouse/Meeting Room/Community	Premium	Other
Business Center/Computer Lab	Exercise Facility	None	Dog park
Courtyard	Off-Street Parking		
Central Laundry	Picnic Area		
On-Site Management	Recreation Areas		
Playground			
Swimming Pool			

Comments

All vacancies are pre-leased. There are 26 households on the waiting list for one-bedroom units, 21 for two-bedroom units, and six for three-bedroom units.

Photos



PROPERTY PROFILE REPORT

The Banks At Berkley

Effective Rent Date	7/12/2022
Location	701 S Main Street Norfolk, VA 23523 Norfolk County
Distance	1.4 miles
Units	50
Vacant Units	0
Vacancy Rate	0.0%
Type	Midrise (4 stories)
Year Built/Renovated	2017 / N/A
Marketing Began	12/01/2017
Leasing Began	N/A
Last Unit Leased	1/31/2018
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Wanda
Phone	757-375-7216



Market Information

Program	@40%, @50%, @60%
Annual Turnover Rate	5%
Units/Month Absorbed	25
HCV Tenants	18%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased 17-33%
Concession	None
Waiting List	Yes, approximately 75 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1.5	Midrise (4 stories)	4	871	\$696	\$0	@40%	Yes	0	0.0%	no	None
2	1.5	Midrise (4 stories)	31	871	\$906	\$0	@50%	Yes	0	0.0%	no	None
2	1.5	Midrise (4 stories)	4	871	\$1,017	\$0	@60%	Yes	0	0.0%	no	None
3	2	Midrise (4 stories)	1	1,083	\$795	\$0	@40%	Yes	0	0.0%	no	None
3	2	Midrise (4 stories)	4	1,083	\$1,038	\$0	@50%	Yes	0	0.0%	no	None
3	2	Midrise (4 stories)	6	1,083	\$1,215	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@40%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1.5BA	\$696	\$0	\$696	\$0	\$696	2BR / 1.5BA	\$906	\$0	\$906	\$0	\$906
3BR / 2BA	\$795	\$0	\$795	\$0	\$795	3BR / 2BA	\$1,038	\$0	\$1,038	\$0	\$1,038
@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
2BR / 1.5BA	\$1,017	\$0	\$1,017	\$0	\$1,017						
3BR / 2BA	\$1,215	\$0	\$1,215	\$0	\$1,215						

The Banks At Berkley, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Coat Closet	Dishwasher	Patrol	
Garbage Disposal	Microwave	Video Surveillance	
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Elevators	None	None
Garage	Central Laundry		
Off-Street Parking	On-Site Management		
Playground			

Comments

Rents at the property are deliberately kept below the maximum allowable levels to maintain affordability. According to the contact, the demand for affordable housing in the area is high; however, the contact reported that they do not plan to raise rents to the new 2022 maximum allowable levels.

Photos



PROPERTY PROFILE REPORT

The Pointe At Pickett Farms

Effective Rent Date	7/12/2022
Location	5424 Greenplain Road Norfolk, VA 23502 County
Distance	3.3 miles
Units	120
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	2014 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Crown Point Townhomes
Tenant Characteristics	None identified
Contact Name	Charlay
Phone	(757) 962-3159



Market Information

Program	@40%, @60%
Annual Turnover Rate	30%
Units/Month Absorbed	60
HCV Tenants	40%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased 15-16%
Concession	None
Waiting List	Yes, 12 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	720	\$602	\$0	@40%	Yes	0	N/A	yes	None
1	1	Garden (3 stories)	N/A	720	\$953	\$0	@60%	Yes	0	N/A	yes	None
2	2	Garden (3 stories)	N/A	1,035	\$716	\$0	@40%	Yes	0	N/A	yes	None
2	2	Garden (3 stories)	N/A	1,035	\$1,137	\$0	@60%	Yes	0	N/A	yes	None
3	2	Garden (3 stories)	N/A	1,222	\$816	\$0	@40%	Yes	0	N/A	yes	None
3	2	Garden (3 stories)	N/A	1,222	\$1,302	\$0	@60%	Yes	0	N/A	yes	None

Unit Mix

@40%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$602	\$0	\$602	\$0	\$602	1BR / 1BA	\$953	\$0	\$953	\$0	\$953
2BR / 2BA	\$716	\$0	\$716	\$0	\$716	2BR / 2BA	\$1,137	\$0	\$1,137	\$0	\$1,137
3BR / 2BA	\$816	\$0	\$816	\$0	\$816	3BR / 2BA	\$1,302	\$0	\$1,302	\$0	\$1,302

The Pointe At Pickett Farms, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Coat Closet	Dishwasher	Perimeter Fencing	
Garbage Disposal	Microwave		
Oven	Refrigerator		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Exercise Facility	None	None
Off-Street Parking	On-Site Management		
Playground	Swimming Pool		

Comments

The contact stated that their rents are at the 2022 maximum allowable levels. It was also reported that demand is very strong in this market.

Photos



PROPERTY PROFILE REPORT

Ghent Village

Effective Rent Date	7/13/2022
Location	100 Westover Avenue Norfolk, VA 23510 Norfolk County
Distance	0.6 miles
Units	140
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	1981 / 2020
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	The Belmont, The River House
Tenant Characteristics	Many single households
Contact Name	Brittany
Phone	757-627-4040



Market Information

Program	Market
Annual Turnover Rate	34%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased 3-5%
Concession	None
Waiting List	Yes, two households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden (3 stories)	4	569	\$1,250	\$0	Market	Yes	N/A	N/A	N/A	None
1	1	Garden (3 stories)	24	804	\$1,545	\$0	Market	Yes	N/A	N/A	N/A	None
2	1	Garden (3 stories)	34	1,229	\$1,875	\$0	Market	Yes	N/A	N/A	N/A	None
2	1	Garden (3 stories)	34	1,268	\$1,875	\$0	Market	Yes	N/A	N/A	N/A	None
2	1	Garden (3 stories)	34	1,279	\$1,875	\$0	Market	Yes	N/A	N/A	N/A	None
3	2	Garden (3 stories)	10	1,334	\$2,025	\$0	Market	Yes	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$1,250	\$0	\$1,250	\$0	\$1,250
1BR / 1BA	\$1,545	\$0	\$1,545	\$0	\$1,545
2BR / 1BA	\$1,875	\$0	\$1,875	\$0	\$1,875
3BR / 2BA	\$2,025	\$0	\$2,025	\$0	\$2,025

Ghent Village, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	In-Unit Alarm	None
Carpeting	Central A/C	Limited Access	
Coat Closet	Dishwasher	Patrol	
Ceiling Fan	Fireplace	Perimeter Fencing	
Garbage Disposal	Microwave		
Oven	Refrigerator		
Vaulted Ceilings	Walk-In Closet		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Courtyard	Exercise Facility		
Off-Street Parking	On-Site Management		
Picnic Area	Swimming Pool		
Wi-Fi			

Comments

According to the contact, interior renovations are completed while exterior renovations are still underway. The scope of the renovations included new appliances, flooring, windows, counter tops, and doors. The rents reflected in this profile are the renovated rents. Post renovation rents increased between \$115 and \$220. According to the contact, the demand for rental housing in the area is high.

Photos



PROPERTY PROFILE REPORT

Metro On Granby

Effective Rent Date 5/19/2022
Location 401 Granby Street
Norfolk, VA 23510
Norfolk City County
Distance 0.5 miles
Units 189
Vacant Units 3
Vacancy Rate 1.6%
Type Midrise (5 stories)
Year Built/Renovated 1980 / 2014
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors None identified
Tenant Characteristics Some seniors
Contact Name Ashley
Phone 757-962-8060



Market Information

Program Market
Annual Turnover Rate 1%
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace Within one month
Annual Chg. in Rent Increased up to 20%
Concession None
Waiting List Yes, length unknown

Utilities

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

Photos



PROPERTY PROFILE REPORT

River House Apartments

Effective Rent Date	7/13/2022
Location	4253 Llewellyn Avenue Norfolk, VA 23504 County
Distance	1.5 miles
Units	194
Vacant Units	2
Vacancy Rate	1.0%
Type	Midrise (4 stories)
Year Built/Renovated	2010 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	201 Twenty-One, Ghent Village, The Element
Tenant Characteristics	Mixed tenancy from the local area, roughly 20 percent military.
Contact Name	Stephanie
Phone	757-305-9296



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	16
HCV Tenants	0%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased 17-37%
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	45	825	\$1,785	\$0	Market	No	0	0.0%	N/A	None
2	2	Midrise (4 stories)	66	1,157	\$1,950	\$0	Market	No	2	3.0%	N/A	None
2	2	Midrise (4 stories)	65	1,167	\$2,036	\$0	Market	No	0	0.0%	N/A	None
3	2	Midrise (4 stories)	9	1,352	\$2,800	\$0	Market	No	0	0.0%	N/A	None
3	2	Midrise (4 stories)	9	1,506	\$2,610	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,785	\$0	\$1,785	\$67	\$1,852
2BR / 2BA	\$1,950 - \$2,036	\$0	\$1,950 - \$2,036	\$83	\$2,033 - \$2,119
3BR / 2BA	\$2,610 - \$2,800	\$0	\$2,610 - \$2,800	\$97	\$2,707 - \$2,897

River House Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Coat Closet	Dishwasher	Perimeter Fencing	
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Elevators	None	None
Exercise Facility	Jacuzzi		
Off-Street Parking	On-Site Management		
Picnic Area	Swimming Pool		

Comments

According to the contact, the largest three-bedroom units have not been available in four years. The rent shown for this unit type is the last price one was rented for. All vacancies are pre-leased.

Photos



PROPERTY PROFILE REPORT

The Alexander At Ghent

Effective Rent Date	7/14/2022
Location	1600 Granby Street Norfolk, VA 23510 Norfolk County
Distance	0.8 miles
Units	268
Vacant Units	0
Vacancy Rate	0.0%
Type	Midrise (4 stories)
Year Built/Renovated	2007 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Heritage at Freemason Harbour
Tenant Characteristics	Approximately 35 percent military. Mostly tenants from the Norfolk area.
Contact Name	Alecia
Phone	(757) 516-7465



Market Information

Program	Market
Annual Turnover Rate	36%
Units/Month Absorbed	0
HCV Tenants	0%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased 10-28%
Concession	None
Waiting List	Yes, length unknown

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Midrise (4 stories)	62	630	\$1,540	\$0	Market	Yes	0	0.0%	N/A	AVG*
0	1	Midrise (4 stories)	N/A	695	\$1,615	\$0	Market	Yes	N/A	N/A	N/A	HIGH*
0	1	Midrise (4 stories)	N/A	565	\$1,465	\$0	Market	Yes	N/A	N/A	N/A	LOW*
1	1	Midrise (4 stories)	12	565	\$1,385	\$0	Market	Yes	0	0.0%	N/A	None
1	1	Midrise (4 stories)	56	748	\$1,545	\$0	Market	Yes	0	0.0%	N/A	None
1	1	Midrise (4 stories)	6	825	\$1,684	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Midrise (4 stories)	120	1,192	\$1,933	\$0	Market	Yes	0	0.0%	N/A	AVG*
2	2	Midrise (4 stories)	N/A	1,192	\$1,965	\$0	Market	Yes	N/A	N/A	N/A	HIGH*
2	2	Midrise (4 stories)	N/A	1,036	\$1,900	\$0	Market	Yes	N/A	N/A	N/A	LOW*
3	2	Midrise (4 stories)	12	1,324	\$2,199	\$0	Market	Yes	0	0.0%	N/A	None

Photos



PROPERTY PROFILE REPORT

The Belmont At Freemason

Effective Rent Date	7/13/2022
Location	260 York Street Norfolk, VA 23510 County
Distance	0.6 miles
Units	239
Vacant Units	13
Vacancy Rate	5.4%
Type	Highrise (7 stories)
Year Built/Renovated	2009 / N/A
Marketing Began	1/01/2009
Leasing Began	6/01/2009
Last Unit Leased	6/01/2011
Major Competitors	The Heritage at Freemason Harbour, The James
Tenant Characteristics	None identified
Contact Name	Susan
Phone	757-275-7340



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	10
HCV Tenants	0%
Leasing Pace	Pre-leased to one week
Annual Chg. in Rent	Increased 7-29%
Concession	None
Waiting List	Yes, two households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Highrise (7 stories)	160	769	\$1,780	\$0	Market	No	11	6.9%	N/A	AVG*
1	1	Highrise (7 stories)	N/A	836	\$1,865	\$0	Market	No	N/A	N/A	N/A	HIGH*
1	1	Highrise (7 stories)	N/A	702	\$1,695	\$0	Market	No	N/A	N/A	N/A	LOW*
2	2	Highrise (7 stories)	79	1,123	\$1,998	\$0	Market	No	2	2.5%	N/A	AVG*
2	2	Highrise (7 stories)	N/A	1,182	\$2,200	\$0	Market	No	N/A	N/A	N/A	HIGH*
2	2	Highrise (7 stories)	N/A	1,065	\$1,795	\$0	Market	No	N/A	N/A	N/A	LOW*

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,695 - \$1,865	\$0	\$1,695 - \$1,865	\$67	\$1,762 - \$1,932
2BR / 2BA	\$1,795 - \$2,200	\$0	\$1,795 - \$2,200	\$83	\$1,878 - \$2,283

The Belmont At Freemason, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Intercom (Phone)	
Coat Closet	Dishwasher	Limited Access	
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Elevators	Exercise Facility		
Garage	Off-Street Parking		
On-Site Management	Wi-Fi		

Comments

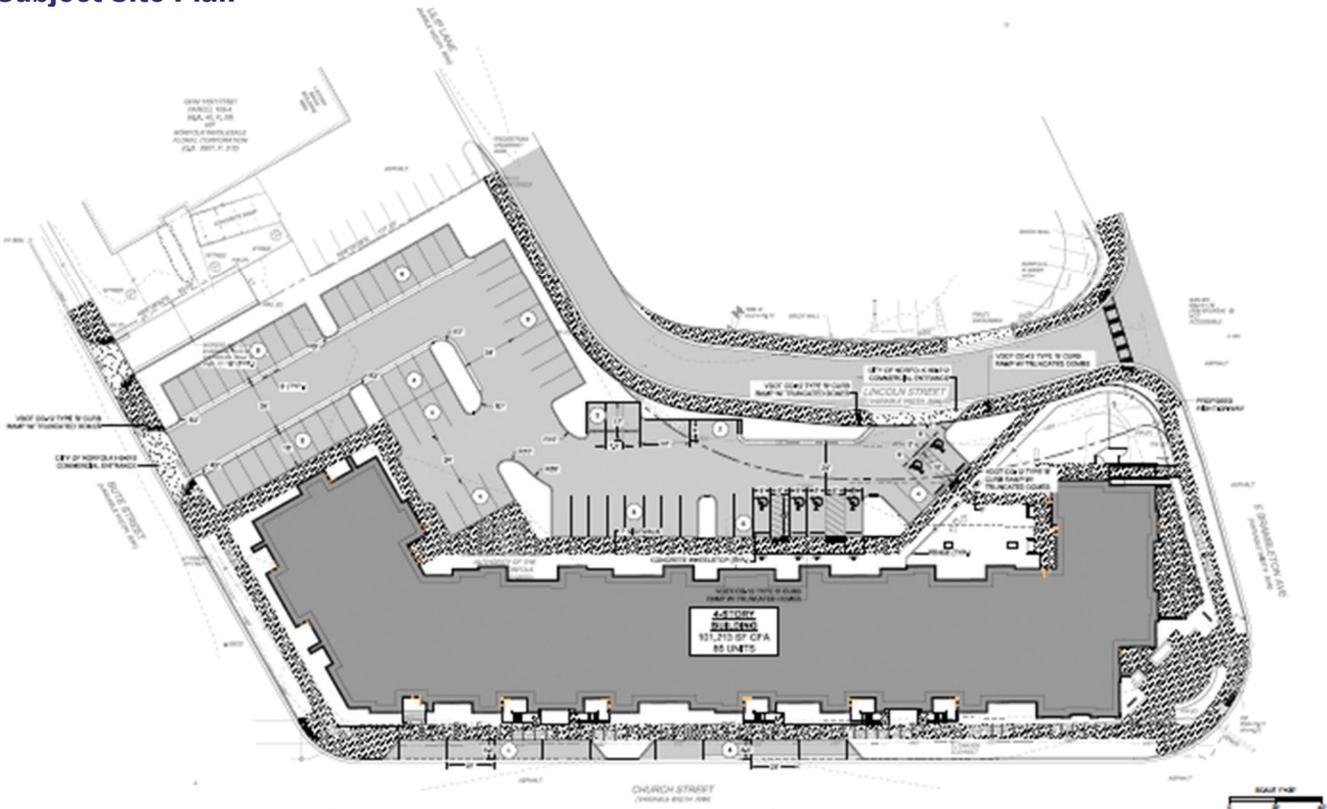
One-bedroom units come with one free parking space, and two-bedroom units come with two free parking spaces. Additional garage spaces lease for \$50 per month.

Photos



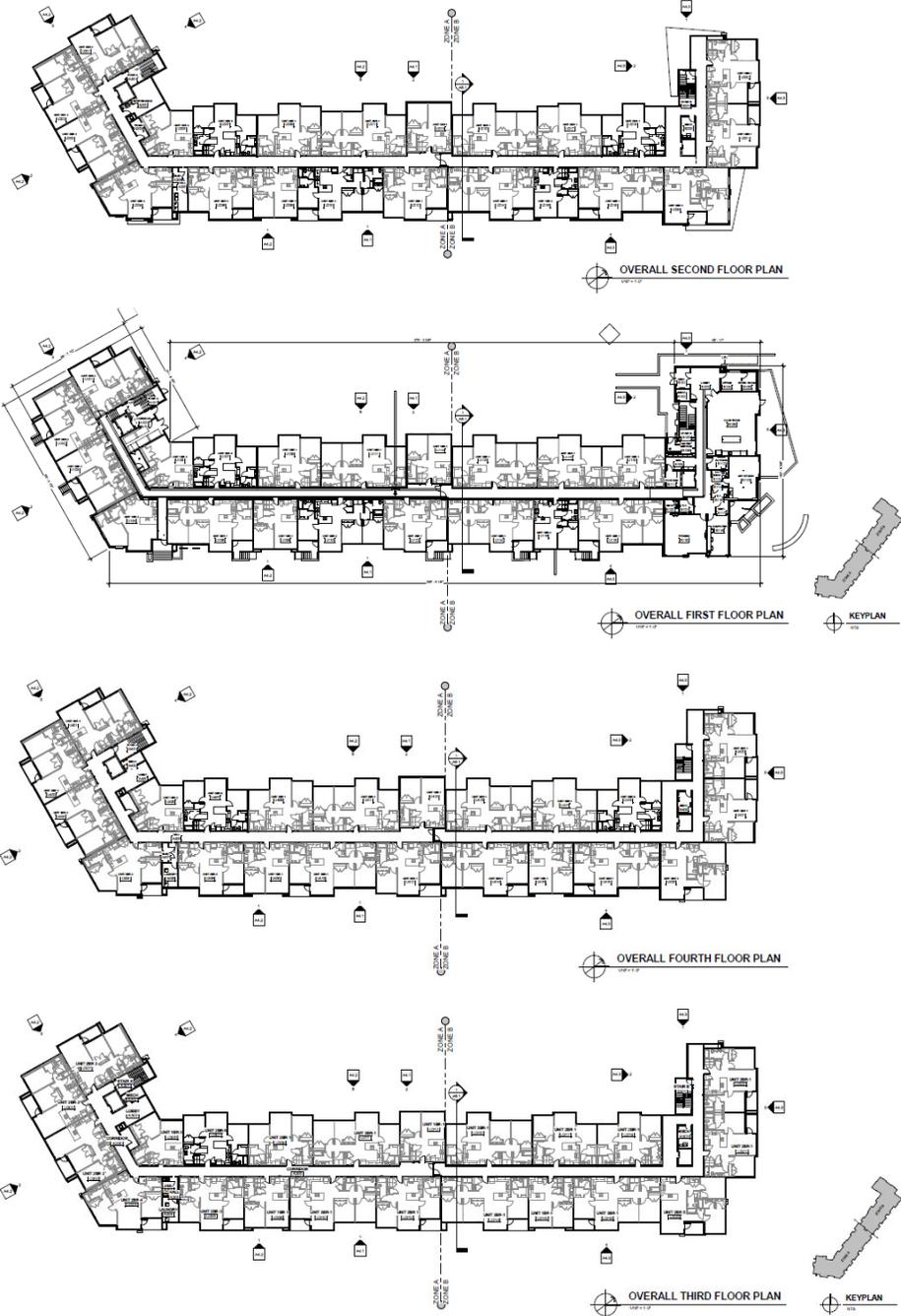
ADDENDUM D
Site and Floor Plans

Subject Site Plan



Source: Sponsor, June 2022

Subject Floor Plans



Source: Sponsor, June 2022

Subject Rendering



Source: Sponsor, June 2022

ADDENDUM E

Utility Allowance

Virginia Housing | Housing Choice Voucher Program

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

Family Name: _____

Unit Address: _____

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

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

		Unit Type: 2 Exposed Walls				Effective Date: 07/01/2021			
Utility	Usage	Monthly Dollar Amount							
		0 BR	1 BR	2BR	3BR	4BR	5 BR	6 BR	7BR
Appliance	Range/Microwave	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
	Refrigerator	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Bottled Gas	Cooking	\$8.00	\$11.00	\$14.00	\$18.00	\$22.00	\$26.00	\$29.00	\$32.00
	Home Heating	\$46.00	\$65.00	\$83.00	\$102.00	\$129.00	\$148.00	\$166.00	\$185.00
	Water Heating	\$19.00	\$27.00	\$34.00	\$41.00	\$53.00	\$61.00	\$68.00	\$76.00
Electricity	Cooking	\$3.00	\$4.00	\$5.00	\$6.00	\$7.00	\$8.00	\$9.00	\$10.00
	Cooling (A/C)	\$5.00	\$6.00	\$8.00	\$11.00	\$14.00	\$15.00	\$17.00	\$19.00
	Home Heating	\$19.00	\$25.00	\$33.00	\$39.00	\$50.00	\$57.00	\$64.00	\$71.00
	Other Electric	\$10.00	\$14.00	\$18.00	\$22.00	\$28.00	\$32.00	\$36.00	\$40.00
	Water Heating	\$9.00	\$12.00	\$15.00	\$19.00	\$24.00	\$27.00	\$31.00	\$34.00
Natural Gas	Cooking	\$2.00	\$2.00	\$3.00	\$3.00	\$4.00	\$5.00	\$5.00	\$6.00
	Home Heating	\$8.00	\$12.00	\$15.00	\$19.00	\$23.00	\$27.00	\$30.00	\$34.00
	Water Heating	\$4.00	\$5.00	\$6.00	\$8.00	\$10.00	\$11.00	\$13.00	\$14.00
Oil	Home Heating	\$27.00	\$38.00	\$48.00	\$59.00	\$75.00	\$86.00	\$97.00	\$107.00
	Water Heating	\$11.00	\$15.00	\$20.00	\$24.00	\$31.00	\$35.00	\$40.00	\$44.00
Sewer	Other	\$21.00	\$29.00	\$38.00	\$46.00	\$59.00	\$67.00	\$76.00	\$84.00
Trash Collection	Other	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00
Water	Other	\$18.00	\$24.00	\$31.00	\$37.00	\$48.00	\$54.00	\$61.00	\$68.00
UTILITY ALLOWANCE TOTAL:		\$	\$	\$	\$	\$	\$	\$	\$

ADDENDUM F
Qualifications of Consultants

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI, CRE

I. Education

Duquesne University, Pittsburgh, Pennsylvania
Masters in Business Administration
Graduated Summa Cum Laude

West Virginia University, Morgantown, West Virginia
Bachelor of Science in Business Administration
Graduated Magna Cum Laude

II. Licensing and Professional Affiliation

Member of the Appraisal Institute (MAI)
Member, The Counselors of Real Estate (CRE)
LEED Green Associate
Member, National Council of Housing Market Analysts (NCHMA)
Past Member Frostburg Housing Authority

Certified General Real Estate Appraiser, No. GA12288 – District of Columbia
Certified General Real Estate Appraiser, No. RZ4162 – State of Florida
Certified General Real Estate Appraiser, No. CG1694 – State of Maine
Certified General Real Estate Appraiser, No. 1326 – State of Maryland
Certified General Real Estate Appraiser, No. 103789 – State of Massachusetts
Certified General Real Estate Appraiser, No. 46000039124 – State of New York
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia
Certified General Real Estate Appraiser, No. CG360 – State of West Virginia

III. Professional Experience

Partner, Novogradac & Company LLP
Vice President/Owner, Capital Realty Advisors, Inc.
Vice President - Acquisitions, The Community Partners Development Group, LLC
Commercial Loan Officer/Work-Out Specialist, First Federal Savings Bank of Western MD
Manager - Real Estate Valuation Services, Ernst & Young LLP
Senior Associate, Joseph J. Blake and Associates, Inc.
Senior Appraiser, Chevy Chase, F.S.B.
Senior Consultant, Pannell Kerr Forster

IV. Professional Training

Have presented at and attended various industry conferences regarding the HTC, RETC, NMTC and LIHTC and various market analysis and valuation issues.

Obtained the MAI designation in 1998, maintaining continuing education requirements since. Registered as completing additional professional development programs administered by the Appraisal Institute in the following topic areas:

- 1) Valuation of the Components of a Business Enterprise
- 2) Valuation of Sustainable Buildings: Commercial
- 3) Valuation of Sustainable Buildings: Residential

V. Real Estate Assignments – Examples

In general, have managed and conducted numerous market analyses and appraisals for all types of commercial real estate since 1988.

- Performed numerous appraisals for the US Army Corps of Engineers US Geological Survey and the GSA. Property types included Office, Hotel, Residential, Land, Gymnasium, warehouse space, border patrol office. Properties located in varied locations such as the Washington, DC area, Yuma, AZ, Moscow, ID, Blaine, WA, Lakewood, CO, Seattle, WA
- Performed appraisals of commercial properties such as hotels, retail strip centers, grocery stores, shopping centers etc for properties in various locations throughout Pennsylvania, New Jersey, Maryland, New York for Holiday, Fenoglio, Fowler, LP and Three Rivers Bank.
- Have managed and conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis. An area of special concentration has been the category of Senior Independent living properties. Work has been national in scope.
- Provided appraisal and market studies for a large portfolio of properties located throughout the United States. The reports provided included a variety of property types including vacant land, office buildings, multifamily rental properties, gas stations, hotels, retail buildings, industrial and warehouse space, country clubs and golf courses, etc. The portfolio included more than 150 assets and the work was performed for the SBA through Metec Asset Management LLP.
- Have managed and conducted numerous appraisals of affordable housing (primarily LIHTC developments). Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered

(LIHTC) and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and Pilot agreements.

- Performed numerous appraisals in 17 states of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. These appraisals meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.
- Completed Fair Market Value analyses for solar panel installations, wind turbine installations, and other renewable energy assets in connection with financing and structuring analyses performed by various clients. The clients include lenders, investors, and developers. The reports are used by clients and their advisors to evaluate certain tax consequences applicable to ownership. Additionally, the reports have been used in the ITC funding process and in connection with the application for the federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

ABBY M. COHEN

I. Education

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

II. Licensing and Professional Affiliation

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

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

III. Professional Experience

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

IV. Professional Training

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

V. Publications

Co-authored "Determining Whether a Developer Fee is Reasonable and Market-Oriented for Purposes of the Revenue Procedure 2014-12 Historic Tax Credit Safe Harbor," Novogradac Journal of Tax Credits, March 2021
Co-authored "Reasonableness of Historic Tax Credit Related-Party Fees a Complicated, Changing Question in Context of Rev. Proc. 2014-12," Novogradac Journal of Tax Credits, March 2021
Co-authored "Post Rev. Proc. 2014-12 Trend Emerges: Developer Fee Reasonableness Opinions," Novogradac Journal of Tax Credits, March 2016

VI. Real Estate Assignments

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

- Performed a variety of asset management services for a lender including monitoring and reporting property performance on a monthly basis. Data points monitored include economic vacancy, levels of concessions, income and expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations.
- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of deferred maintenance and property condition, security issues, signage, marketing strategy, condition of units upon turnover and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assessed how the property compares to competition. Analyzed operating expense results.
- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, large family, and acquisition with rehabilitation. Completed market studies in all states.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Assisted in appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.
- Conducted market studies and appraisals for projects under the HUD Multifamily Accelerated Processing program.
- Prepared Rent Comparability Studies for expiring Section 8 contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.
- Completed numerous reasonableness opinions related to Revenue Procedure 2014-12. Transactions analyzed include projects involving the use of Historic Tax Credits, New Markets Tax Credits and Investment Tax Credits. Fees and arrangements tested for reasonableness include developer fees, construction management fees, property management fees, asset management fees, various leasing-related payments and overall prime lease terms.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Robert C. Edwards

I. Education

George Washington University
Master of Business Administration, Finance and Investments

St. Bonaventure University
Bachelor of Science, Economics

II. Licensure

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

III. Professional Experience

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

IV. Real Estate Assignments

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

V. Professional Training

15-Hour National USPAP Equivalent, 2015-2020
Basic Appraisal Procedures, 2015
Basic Appraisal Principals, 2015
General Appraiser Market Analysis Highest and Best Use, 2016
Real Estate Statistics and Valuation Modeling, 2016
General Appraiser Report Writing and Case Studies, 2016
General Appraiser Sales Comparison Approach, 2016
General Appraiser Site Valuation and Cost Approach, 2016
General Appraiser Income Approach, 2016

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Daniel Helt

I. EDUCATION

University of Maryland, May 2021
Bachelor of Science – Economics

II. PROFESSIONAL EXPERIENCE

Junior Analyst, Novogradac & Company LLP

III. REAL ESTATE ASSIGNMENTS

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

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

ADDENDUM G
NCHMA Certification and Checklist

Certificate of Professional Designation

This certificate verifies that

Abby Cohen
Novogradac & Company LLP

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



Formerly known as
NCAHMA

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

Membership Term
1/1/2022 to 12/31/2022



A handwritten signature in black ink, appearing to read 'Thomas Amdur'.

Thomas Amdur
President, NCHMA

NCHMA Market Study Index

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

		Page Number(s)
Executive Summary		
1	Executive Summary	1
Scope of Work		
2	Scope of Work	transmittal letter
Project Description		
3	Unit mix including bedrooms, bathrooms, square footage, rents, and income targeting	3
4	Utilities (and utility sources) included in rent	13
5	Target market/population description	12
6	Project description including unit features and community amenities	14
7	Date of construction/preliminary completion	11
8	If rehabilitation, scope of work, existing rents, and existing vacancies	N/A
Location		
9	Concise description of the site and adjacent parcels	20
10	Site photos/maps	28
11	Map of community services	25
12	Site evaluation/neighborhood including visibility, accessibility, and crime	20-27
Market Area		
13	PMA description	37
14	PMA Map	37
Employment and Economy		
15	At-Place employment trends	44-46
16	Employment by sector	40-41
17	Unemployment rates	45
18	Area major employers/employment centers and proximity to site	43
19	Recent or planned employment expansions/reductions	43-44
Demographic Characteristics		
20	Population and household estimates and projections	44
21	Area building permits	53
22	Population and household characteristics including income, tenure, and size	44-48
23	For senior or special needs projects, provide data specific to target market	N/A
Competitive Environment		
24	Comparable property profiles and photos	Addendum C
25	Map of comparable properties	65
26	Existing rental housing evaluation including vacancy and rents	70-74
27	Comparison of subject property to comparable properties	67-70
28	Discussion of availability and cost of other affordable housing options including homeownership, if applicable	62
29	Rental communities under construction, approved, or proposed	92-93
30	For senior or special needs populations, provide data specific to target market	N/A

NCHMA Market Study Index

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

		Page Number(s)
Affordability, Demand, and Penetration Rate Analysis		
31	Estimate of demand	81-100
32	Affordability analysis with capture rate	81-96
33	Penetration rate analysis with capture rate	97-99
Analysis/Conclusions		
34	Absorption rate and estimated stabilized occupancy for subject	99
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	74-79
36	Precise statement of key conclusions	105
37	Market strengths and weaknesses impacting project	105
38	Product recommendations and/or suggested modifications to subject	105
39	Discussion of subject property's impact on existing housing	105
40	Discussion of risks or other mitigating circumstances impacting subject	105
41	Interviews with area housing stakeholders	102
Other Requirements		
42	Certifications	108
43	Statement of qualifications	Addendum F
44	Sources of data not otherwise identified	Addendum D,E