



**BOWEN
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RESEARCH**

Market Feasibility Analysis

Legacy on Main
100 Country Club Drive Southeast
Blacksburg, Montgomery County, Virginia 24060

Prepared For

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Authorized User

Virginia Housing
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Effective Date

February 2, 2022

Job Reference Number

22-127 JP

Market Study Certification

NCHMA Certification

This certifies that Ron Pompey, an employee of Bowen National Research, personally made an inspection of the area including competing properties and the proposed site in Blacksburg, Virginia. Further, the information contained in this report is true and accurate as of February 2, 2022.

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

Virginia Housing Certification

I affirm the following:

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

Certified:

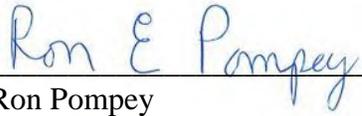


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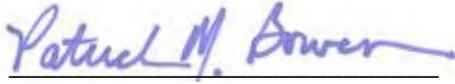


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I. Introduction

A. PURPOSE

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

B. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

C. SOURCES

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

- The 2000 and 2010 Census on Housing
- American Community Survey
- ESRI
- Urban Decision Group (UDG)
- Applied Geographic Solutions
- U.S. Department of Labor
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- U.S. Department of Housing and Urban Development (HUD)

D. REPORT LIMITATIONS

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

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

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II. Executive Summary

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

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

Project Description

The subject project involves the new construction of the 56-unit Legacy on Main rental community at 100 Country Club Drive Southeast in Blacksburg, Virginia. The project will target general-occupancy (family) households earning up to 40%, 50%, 60% and 80% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be completed in September of 2024. Additional details of the subject project can be found in Section III - *Project Description* of this report.

Site Evaluation

The subject site is a 2.75-acre parcel of undeveloped land and a single-family home located at 100 Country Club Drive Southeast in the eastern portion of Blacksburg, Virginia. The site is situated within an established, mixed-use area of Blacksburg. Surrounding land uses primarily consist of single-family homes and retail establishments. Visibility of the subject site is anticipated to be good as the site has frontage along South Main Street (U.S. Highway 460 Business), an arterial roadway and commercial corridor bordering the subject site to the west. This aforementioned roadway experiences moderate to heavy traffic, which will result in good passerby traffic. Although site plans were unavailable at the time of this report, it is anticipated that the subject site's entryway will be located along the northern border of the site from Country Club Drive Southeast, a two-lane roadway with light vehicular traffic. Given the generally light vehicular traffic patterns experienced on this aforementioned roadway, it is anticipated that ingress and egress will be convenient. Many community services are within 2.0 miles of the proposed subject site, some of which are also within walking distance of the site. Notably, Kroger (grocery, pharmacy, and gas station), MFRL-Blacksburg (public library), Blacksburg South Kinder Care (day care), Lefty's (restaurant), Dollar Tree, and Nellies Cave Park are all located within 1.0 mile of the site. Overall, the site's surrounding land uses and proximity to services should positively contribute to its marketability. Additional information regarding the subject site, surrounding land uses and the proximity of community services is included in Section IV - *Area Analysis*.

Primary Market Area (PMA)

The Primary Market Area (PMA) is the geographical area from which most of the support for the proposed development is expected to originate. The Blacksburg Site PMA includes Blacksburg, Christiansburg, Belview and Prices Fork, as well as the surrounding unincorporated areas of Montgomery County. Specifically, the boundaries of the Site PMA generally include Blacksburg limits and Census Tract 213 to the north; Census Tract 213, Lusters Gate Road, Den Hill Road and Interstate 81 to the east; Interstate 81 and U.S. Highway 11 to the south; and Montgomery County and Prices Fork Road to the west. A justification of this market area and a map illustrating the boundaries of the Site PMA can be found in *Section IV*, beginning on page *IV-10*.

Demographic Trends

Both the population and household bases within the Blacksburg Site PMA have been increasing since 2000, a trend that is expected to continue through 2027. Specifically, the population is projected to increase by 2,350 (3.1%) and households are projected to increase by 1,021 (3.6%), between 2022 and 2027. In addition, the 25 to 64 age cohort, which is expected to be the primary age cohort of potential renters at the general-occupancy subject project, comprise 57.0% of all households in 2022. Renters are projected to increase by 191, or 1.2%, between 2022 and 2027. Based on the preceding analysis, a large base of lower-income renter households will continue to exist in the market during this time period. Detailed demographic trends are included in *Section IV*, beginning on page *IV-11*.

Economic Trends

The Montgomery County economy generally experienced growth between 2011 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, which caused many area businesses to shut down in an attempt to mitigate the spread of the coronavirus. During this time, the Montgomery employment base declined by 3,035 jobs, or 6.1%, and its unemployment rate increased by nearly four percentage points. Specifically, the *monthly* unemployment rate peaked at 6.0% in July 2020 within the past 18-month period. On a positive note, the local economy appears to be improving in 2021. Nonetheless, several of the businesses impacted include those within the Retail Trade and Accommodation & Food Services sectors, which provide lower wage paying positions. The subject site will provide a good quality affordable housing option in an economy where lower-wage employees are most vulnerable. Detailed economic trends are included in *Section IV*, beginning on page *IV-16*.

Overall Rental Housing Market Conditions

We identified and personally surveyed 21 conventional housing projects containing a total of 1,696 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 98.9%, an excellent rate for rental housing. Each rental housing segment surveyed is summarized in the following table:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	9	1,009	1	99.9%
Market-rate/Tax Credit	2	32	0	100.0%
Tax Credit	6	387	17	95.6%
Tax Credit/Government-Subsidized	3	148	0	100.0%
Government-Subsidized	1	120	0	100.0%
Total	21	1,696	18	98.9%

All rental housing segments surveyed are performing at a high level as each reports an overall occupancy rate of 95.6% or higher. This is a clear indication of strong demand for rental product of all types in this market.

Competitive/Comparable Tax Credit Analysis

We identified and surveyed four family (general-occupancy) rental housing communities within the Blacksburg Site PMA that offer non-subsidized Low-Income Housing Tax Credit (LIHTC) units. These properties target households with income of up to 40%, 50% and/or 60% of Area Median Household Income (AMHI); therefore, they are considered competitive properties. We have also included one age-restricted LIHTC property that was built in 2018 in our comparable analysis, as this is the newest LIHTC property in the market. However, it is important to note that since this property is restricted to seniors; it will not be directly competitive with the general-occupancy subject site. These five LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the Field Survey of Conventional Rentals.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Legacy on Main	2024	56	-	-	-	Families; 40%, 50%, 60% & 80% AMHI
2	Cedar Crest	1998	82	100.0%	1.3 Miles	183 HH	Families; 40%, 50%, & 60% AMHI
4	Fieldstone Apts.	2018	84	83.3%	3.3 Miles	None	Seniors 55+; 50% & 60% AMHI
6	Forest Hills at Belview	2012	70	100.0%	9.4 Miles	100 HH	Families; 40% & 50% AMHI
8	Henley Place	2006	41	100.0%	7.6 Miles	140 HH	Families; 50% & 60% AMHI
9	Huckleberry Court Townhouses	2005	50	100.0%	4.0 Miles	155 HH	Families; 50% & 60% AMHI

OCC. - Occupancy

The five comparable LIHTC projects have a combined occupancy rate of 95.7%. Note that four of the properties are 100.0% occupied with extensive waiting lists. However, Fieldstone Apartments is currently operating with an occupancy rate of 83.3%. According to management at this property, prospective tenants do not want to go through the application process required to reside at the property. Considering the remaining properties are 100.0% occupied with waiting lists and likely have similar application processes, this appears to be a property-specific and/or management issue and does not appear to be reflective of the performance of the overall LIHTC market. It is also important to note that this property is restricted to seniors and will not be directly competitive with the subject project. As such, there is high and likely pent-up demand for LIHTC product such as that offered at the subject site.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)				Rent Special
		One-Br.	Two-Br.	Three-Br.	Four-Br.	
Site	Legacy on Main	-	\$717/40% (3) \$897/50% (11) \$1,076/60% (11) \$1,297/80% (3)	\$829/40% (3) \$1,036/50% (11) \$1,243/60% (11) \$1,494/80% (3)	-	-
2	Cedar Crest	\$709/50% (2/0)	\$692/40% (3/0) \$782/50% (2/0) \$782/50% (22/0) \$917/60% (6/0) \$917/60% (5/0)	\$935/50% (12/0) \$1,037/60% (30/0)	-	None
4	Fieldstone Apts.	-	\$927/50% (21/5) \$1,113/60% (21/2)	\$1,239/60% (42/7)	-	None
6	Forest Hills at Belview	\$610/40% (8/0) \$765/50% (8/0)	\$921/50% (35/0)	\$1,065/50% (14/0)	\$1,190/50% (5/0)	None
8	Henley Place	-	\$815-\$855/50% (9/0)	\$1,059- \$1,069/60% (27/0)	\$1,334/60% (5/0)	None
9	Huckleberry Court Townhouses	-	\$737/50% (5/0) \$853/60% (7/0)	\$958/60% (27/0)	\$1,120/60% (11/0)	None

The subject's proposed gross rents targeting households earning up to 40%, 50% and 60% of AMHI are generally among the highest rents in the market when compared with the rents being achieved at the comparable properties targeting similar income levels. However, given the high occupancy rates reported among the comparable general-occupancy (family) LIHTC properties, they could likely achieve higher rents without adversely impacting occupancy levels. It is also worth noting that the subject project will be much newer than some of these comparable properties. As such, it is expected that the subject's proposed gross LIHTC rents for these income levels (40%, 50% and 60% of AMHI) are considered achievable as proposed.

The subject's proposed gross LIHTC rents at the 80% of AMHI income level are higher than the rents being achieved at the comparable LIHTC properties, which is expected when considering the higher income targeting. Considering the 80% of AMHI rents are only slightly higher than the 60% of AMHI rents being achieved at the comparable LIHTC properties, they are considered appropriate for this market. This is especially true considering the market rent advantages that these rents represent, as illustrated in *Section VI*. The subject project will also be the only Tax Credit property in the market offering units at the 80% of AMHI level, which will enable the subject project to attract an income level of renters that are likely underserved.

Comparable Tax Credit Summary

The five comparable LIHTC projects have a combined occupancy rate of 95.7%. Note that four of the properties are 100.0% occupied with extensive waiting lists. However, Fieldstone Apartments is currently operating with an occupancy rate of 83.3%. According to management at this property, prospective tenants do not want to go through the application process required to reside at the property. Considering the remaining properties are 100.0% occupied with waiting lists and likely have similar application processes, this appears to be a property-specific and/or management issue and does not appear to be reflective of the performance of the overall LIHTC market.

The subject project will be very competitive in terms of unit sizes and amenities offered. In addition, the subject's proposed gross rents targeting households earning up to 40%, 50% and 60% of AMHI are generally among the highest rents in the market when compared with the rents being achieved at the comparable properties targeting similar income levels. However, it is expected that the subject's proposed gross LIHTC rents for these income levels (40%, 50% and 60% of AMHI) are considered achievable as proposed. The subject's proposed gross LIHTC rents at the 80% of AMHI income level are higher than the rents being achieved at the comparable LIHTC properties, which is expected when considering the higher income targeting. Considering the 80% of AMHI rents are only slightly higher than the 60% of AMHI rents being achieved at the comparable LIHTC properties, they are considered appropriate for this market.

Perception of Value

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

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
Two-Br.	40%	\$590	\$1,355	56.5%
Two-Br.	50%	\$770	\$1,355	43.2%
Two-Br.	60%	\$949	\$1,355	30.0%
Two-Br.	80%	\$1,170	\$1,355	13.7%
Three-Br.	40%	\$675	\$1,645	59.0%
Three-Br.	50%	\$882	\$1,645	46.4%
Three-Br.	60%	\$1,089	\$1,645	33.8%
Three-Br.	80%	\$1,340	\$1,645	18.5%

Typically, Tax Credit rents targeting households earning up to 60% of AMHI are set at least 10.0% below market rent to ensure the property represents a value and has a sufficient flow of prospective tenants within most markets. While units targeting households at higher income levels such as 80% of AMHI often do not need to represent a market rent advantage of 10.0% to be perceived a value, it is often recommended that such units/rents represent around a 5.0% market rent advantage.

As detailed in the preceding table, the subject rents represent market rent advantages ranging from 13.7% to 59.0%, depending upon unit type and income level. Thus, the subject rents, even those at the higher 80% AMHI levels, will represent significant values within the Blacksburg Site PMA.

Capture Rate Estimates

The following is a summary of our demand calculations:

Demand Component	Percent of Median Household Income				
	40% AMHI (\$24,583 - \$34,440)	50% AMHI (\$30,754 - \$43,050)	60% AMHI (\$36,891 - \$51,660)	80% AMHI (\$44,469 - \$68,880)	Overall LIHTC (\$24,583 - \$68,880)
Net Demand	960	650	334	318	1,673
Proposed Units	6	22	22	6	56
Proposed Units / Net Demand	6 / 960	22 / 650	22 / 334	6 / 318	56 / 1,673
Capture Rate	= 0.6%	= 3.4%	= 6.6%	= 1.9%	= 3.3%

Overall, the capture rates by targeted income level are considered very low and easily achievable, ranging from 0.6% to 6.6%. The overall LIHTC capture rate of 3.3% is also considered very low and easily achievable, illustrating that a substantial base of demographic support will exist for the subject development.

Penetration Rate

The 407 existing and planned non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned Tax Credit units is \$20,914 to \$68,880. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, the penetration rate is summarized in the following table:

	Market Penetration
Number of LIHTC Units (Existing, Planned & Proposed)	463
Income-Eligible Renter Households – 2024	/ 5,925
Overall Market Penetration Rate	= 7.8%

It is our opinion that the 7.8% penetration rate for the LIHTC units, existing and proposed, is low and achievable.

Absorption Projections

Considering the facts contained in the market study, as well as the preceding factors, and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the proposed subject development. It is our opinion that the proposed 56 LIHTC units at the subject site will likely reach a stabilized occupancy within approximately four months. This absorption period is based on an average monthly absorption rate of approximately 13 units per month.

These absorption projections assume a 2024 opening date. An earlier/later opening date may have a slowing impact on the initial absorption of the subject project. Further, these absorption projections assume that the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project throughout the Site PMA a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development receives.

III. Project Description

Project Name:	Legacy on Main
Location:	100 Country Club Drive Southeast, Blacksburg, Virginia 24060 (Montgomery County)
Census Tract:	206
Target Market:	Family
Construction Type:	New Construction
Funding Source:	LIHTC

The subject project involves the new construction of the 56-unit Legacy on Main rental community at 100 Country Club Drive Southeast in Blacksburg, Virginia. The project will target general-occupancy (family) households earning up to 40%, 50%, 60% and 80% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be completed in September of 2024. Additional details of the subject development are summarized as follows:

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
3	Two-Br.	2.0	Garden	929	40%	\$590	\$127	\$717	\$718
11	Two-Br.	2.0	Garden	929	50%	\$770	\$127	\$897	\$897
11	Two-Br.	2.0	Garden	929	60%	\$949	\$127	\$1,076	\$1,077
3	Two-Br.	2.0	Garden	1,180	80%	\$1,170	\$127	\$1,297	\$1,436
3	Three-Br.	2.0	Garden	1,219	40%	\$675	\$154	\$829	\$829
11	Three-Br.	2.0	Garden	1,219	50%	\$882	\$154	\$1,036	\$1,036
11	Three-Br.	2.0	Garden	1,219	60%	\$1,089	\$154	\$1,243	\$1,243
3	Three-Br.	2.0	Garden	1,231	80%	\$1,340	\$154	\$1,494	\$1,658
56	Total								

Source: Community Housing Partners

AMHI - Area Median Household Income (Blacksburg-Christiansburg-Radford, VA HUD Metro FMR Area; 2021)

Building/Site Information	
Residential Buildings:	One (1) three/four-story building
Building Style:	Elevator-served
Community Space:	Integrated throughout
Acres:	2.75

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	2023
Begin Preleasing:	April 2024
Construction End:	September 2024

Unit Amenities		
• Electric Range	• Washer/Dryer Connections	• Composite Flooring
• Refrigerator	• Central Air Conditioning	• Window Blinds
• Dishwasher	• Walk-In Closet	

Community Amenities		
• Bike Racks/Storage	• Clubhouse/Community Room	• Community Kitchen
• Multipurpose Room	• Common Area Wi-Fi	• Common Patio/Porch
• On-Site Management	• Elevator	• CCTV/Cameras
• Fitness Center	• Playground	• Surface Parking Lot (121 Spaces)

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

FLOOR AND SITE PLAN REVIEW:

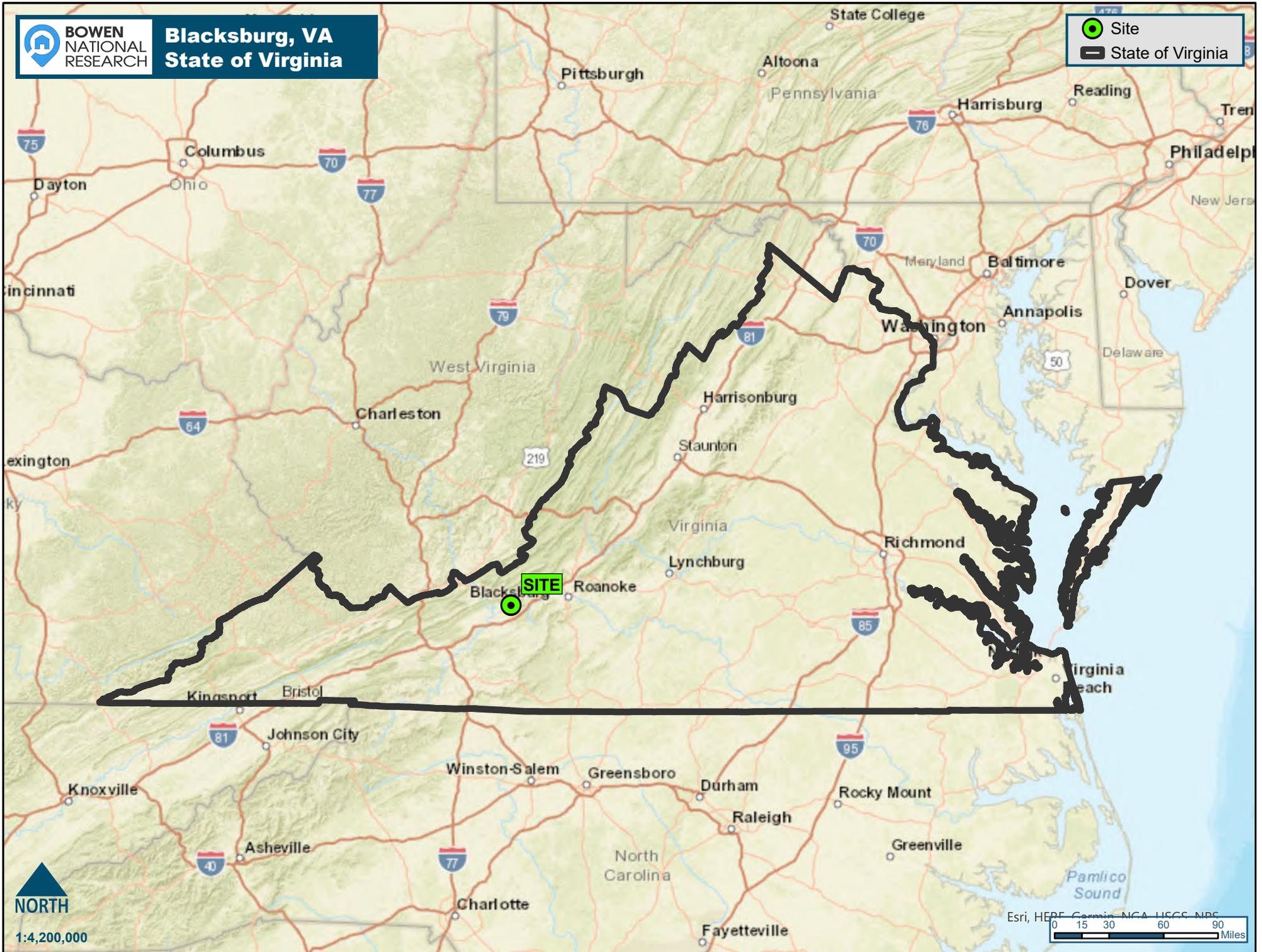
Floor and site plans were not available for review at the time this market study was issued. However, an in-depth analysis of comparable Tax Credit and market-rate housing projects has been completed and the proposed unit designs are considered appropriate for the market. The proposed development will offer marketable unit sizes, based on square footage, as well as in-unit washer/dryer connections, dishwashers and various community spaces that are considered desirable to the targeted population. In addition, all units at the subject site will be UD compliant. Overall, we believe the subject site will be appropriately positioned within the Blacksburg market, assuming the floorplans are marketable.

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



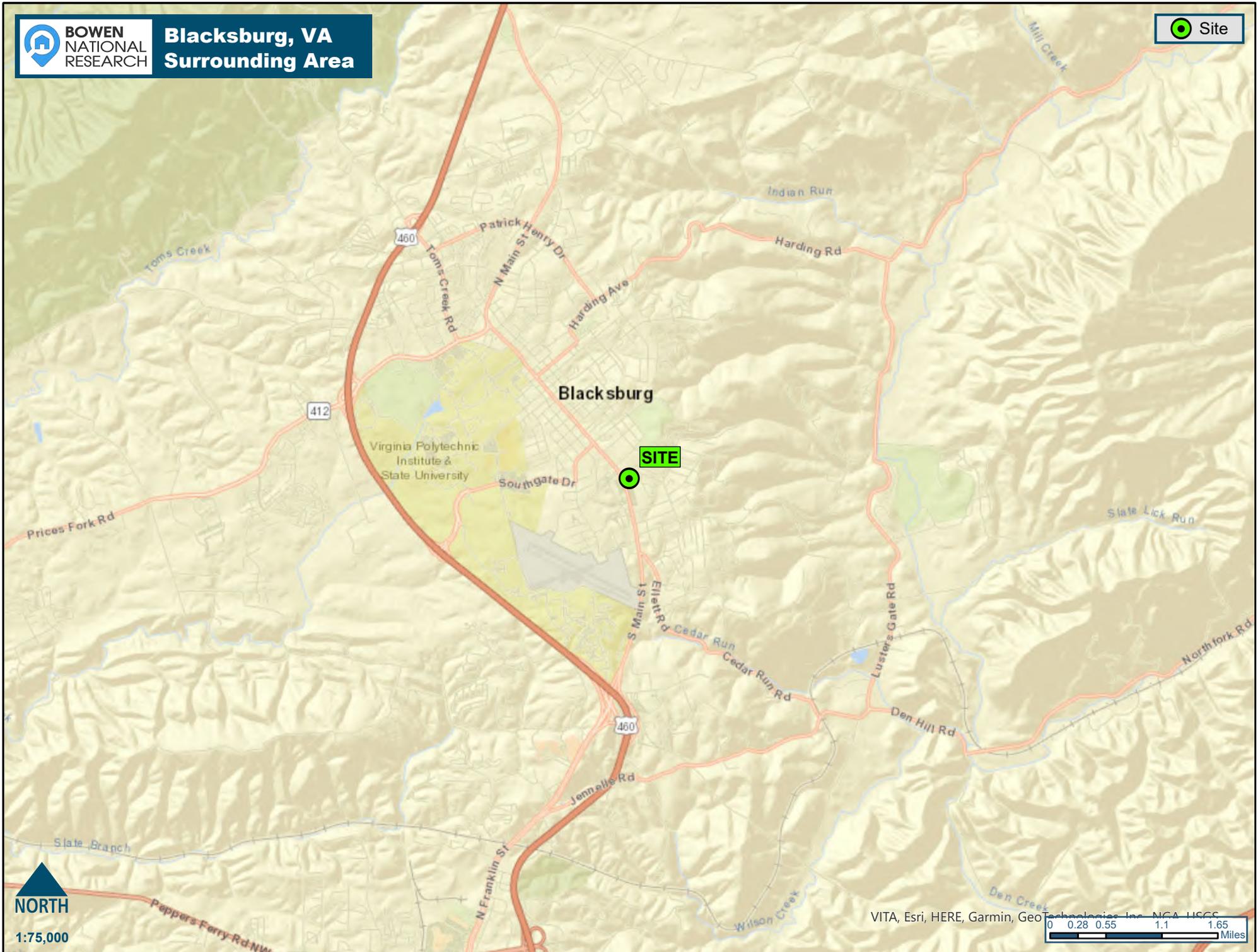
Blacksburg, VA State of Virginia

 Site
 State of Virginia





Blacksburg, VA Surrounding Area



NORTH

1:75,000

VITA, Esri, HERE, Garmin, GeoTechnologies, Inc, NGA, USGS
0 0.28 0.55 1.1 1.65 Miles



Blacksburg, VA
Site Neighborhood

Legend
Site Area



NORTH
1:3,000



IV. Area Analysis

A. SITE DESCRIPTION AND EVALUATION

1. LOCATION

The subject site is a 2.75-acre parcel of undeveloped land and a single-family home located at 100 Country Club Drive Southeast in the eastern portion of Blacksburg, Virginia. Located within Montgomery County, Blacksburg is approximately 42.0 miles west of Roanoke, Virginia. The subject site visit and corresponding fieldwork were completed during the week of January 31, 2022.

2. SURROUNDING LAND USES

The subject site is situated within an established, mixed-use area of Blacksburg. Surrounding land uses primarily consist of single-family homes and retail establishments. Adjacent land uses are detailed as follows:

North -	The northern boundary is defined by Country Club Drive Southeast, a two-lane lightly traveled roadway. Single-family homes in good condition extend farther north of the site.
East -	The eastern boundary is defined by a tree line, which buffers the site from single-family homes in good condition. Single-family homes extend east of the site until reaching an area of heavily wooded land.
South -	The southern boundary is defined by Blacksburg Square, a shopping center consisting of restaurants and retail establishments. Commercial buildings along South Main Street (U.S. Highway 460 Business), an arterial roadway in the area, and single-family homes, all of which appear to be in fair to good condition, extend south of the site.
West -	The western boundary is defined by South Main Street (U.S. Highway 460 Business), a major arterial highway in the area. Gables Shopping Center, offices, a daycare, vacant land, single-family homes and a school extend west to Airport Road, a two-lane roadway with light traffic.

The subject site is situated within an established, mixed-use area of eastern Blacksburg that is considered conducive to rental housing such as that proposed at the site. Notably, the proximity to community services, dining options, retail shopping, entertainment, and arterial roadways will contribute to the marketability of the subject site. The existing residential and retail structures within the immediate site neighborhood were observed to be in good condition and are expected to positively impact the overall marketability of the proposed subject site. Photographs of the site can be found in *Section X* of this report.

3. VISIBILITY AND ACCESS

Visibility of the subject site is anticipated to be good as the site has frontage along South Main Street (U.S. Highway 460 Business), an arterial roadway and commercial corridor bordering the subject site to the west. This aforementioned roadway experiences moderate to heavy traffic, which will result in good passerby traffic. Additionally, the proposed three-story design of the subject project will be one of the tallest structures in the immediate area, further contributing to the visibility of the site. Promotional signage at the intersection of South Main Street (U.S. Highway 460 Business) and Country Club Drive Southeast will significantly enhance the overall visibility of the site.

Although site plans were unavailable at the time of this report, it is anticipated that the subject site’s entryway will be located along the northern border of the site from Country Club Drive Southeast, a two-lane roadway with light vehicular traffic. Given the generally light vehicular traffic patterns experienced on this aforementioned roadway, it is anticipated that ingress and egress will be convenient. In addition to being conveniently accessed, the subject site is also within proximity of area arterial roadways, as South Main Street (U.S. Highway 460 Business) and U.S. Highway 460 are accessed within 2.0 miles of the site. Blacksburg Transit provides affordable public transportation throughout the area and the nearest bus stops are located 0.2 miles south and northwest of the site. Overall, accessibility of the site is considered excellent.

4. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (miles)
Major Highways	South Main Street (U.S. Highway 460 Business) U.S. Highway 460	Adjacent West 1.7 South
Public Bus Stop	Blacksburg Transit	0.2 South/Northwest
Major Employers/ Employment Centers	LewisGale Hospital- Montgomery Virginia Tech University Walmart Supercenter	2.6 Southwest 2.8 Northwest 4.4 Southwest
Convenience Store	7-Eleven Speedway Shell	1.1 Northwest 1.2 South 1.4 Northwest
Grocery	Kroger Food Lion Walmart Supercenter	0.2 Southwest 2.6 Northwest 4.4 Southwest
Discount Department Store	Dollar Tree Dollar General Walmart Supercenter	0.2 South 2.6 Northwest 4.4 Southwest
Shopping Center/Mall	Blacksburg Square Gables Shopping Center University Mall	0.2 South 0.2 Southwest 2.6 Northwest

(Continued)

Community Services	Name	Driving Distance From Site (miles)
Schools: Elementary Middle/Junior High High	Margaret Beeks Elementary Blacksburg Middle Blacksburg High	0.5 Southwest 4.4 West 5.1 West
Hospital	LewisGale Hospital-Montgomery	2.6 Southwest
Police	Blacksburg Police Department	1.0 Northwest
Fire	Blacksburg Fire Station #3	0.9 Southwest
Post Office	U.S. Post Office	1.1 Northwest
Bank	Freedom First Credit Union Carter Bank & Trust National Bank-Hubbard Street	0.1 Northwest 0.6 South 0.8 South
Recreational Facilities	CrossFit Blacksburg YMCA-Virginia Tech Fitness Park	0.2 West 1.2 Northwest 1.4 Northwest
Gas Station	Kroger Fuel Center Speedway Shell	0.2 West 1.2 South 1.4 Northwest
Pharmacy	Kroger CVS Main Street Pharmacy	0.2 Southwest 0.8 South 0.9 Northwest
Restaurant	Lucie Monroe's Mediterranean Café Double Dragon Lefty's	0.2 South 0.2 South 0.3 South
Day Care	Blacksburg South Kinder Care Children's Nest Pre-School BUMP Preschool	0.2 West 0.7 West 1.1 Northwest
Community Center	Southpaw Café & Community Center YMCA-Virginia Tech Blacksburg Community Center	1.0 Northwest 1.2 Northwest 2.5 Northwest
Library	MFRL-Blacksburg Library	0.9 Northwest
Church	Blacksburg Presbyterian Church First Baptist Church	0.7 Northwest 1.0 Northwest
Park	Nellies Cave Park	0.9 Southeast

As the preceding table illustrates, many community services are within 2.0 miles of the proposed subject site, some of which are also within walking distance of the site. Notably, Kroger (grocery, pharmacy, and gas station), MFRL-Blacksburg (public library), Blacksburg South Kinder Care (day care), Lefty's (restaurant), Dollar Tree, and Nellies Cave Park are all located within 1.0 mile of the site. The subject site's proximity to arterial roadways and public transportation further enhances the accessibility of area services, as South Main Street (U.S. Highway 460 Business) and U.S. Highway 460 are accessed within less than 2.0 miles of the site. It is also of note that the Blacksburg Transit provides fixed-route public transportation offering affordable transportation services throughout Blacksburg, with the nearest bus stops located approximately 0.2 miles south and northwest of the site.

Public safety services are provided by the Blacksburg Police Department, located 1.0 miles northwest of the site and Blacksburg Fire Station #3, located 0.9 miles southwest of the subject site. The nearest full-service hospital is the LewisGale Hospital-Montgomery located 2.6 miles southwest of the site, which offers a full range of services including emergency services. Overall, the subject site's proximity to community services is expected to positively contribute to its overall marketability.

5. OVERALL SITE EVALUATION

The subject site is a 2.75-acre parcel of undeveloped land and a single-family home located at 100 Country Club Drive Southeast in the eastern portion of Blacksburg, Virginia. The site is situated within an established, mixed-use area of Blacksburg. Surrounding land uses primarily consist of single-family homes and retail establishments. Visibility of the subject site is anticipated to be good as the site has frontage along South Main Street (U.S. Highway 460 Business), an arterial roadway and commercial corridor bordering the subject site to the west. This aforementioned roadway experiences moderate to heavy traffic, which will result in good passerby traffic. Although site plans were unavailable at the time of this report, it is anticipated that the subject site's entryway will be located along the northern border of the site from Country Club Drive Southeast, a two-lane roadway with light vehicular traffic. Given the generally light vehicular traffic patterns experienced on this aforementioned roadway, it is anticipated that ingress and egress will be convenient. Many community services are within 2.0 miles of the proposed subject site, some of which are also within walking distance of the site. Notably, Kroger (grocery, pharmacy, and gas station), MFRL-Blacksburg (public library), Blacksburg South Kinder Care (day care), Lefty's (restaurant), Dollar Tree, and Nellies Cave Park are all located within 1.0 mile of the site. Overall, the site's surrounding land uses and proximity to services should positively contribute to its marketability.

6. CRIME ISSUES

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

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

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

Total crime risk (39) for the Site ZIP Code is below the national average with an overall personal crime index of 27 and a property crime index of 40. Total crime risk (48) for Montgomery County is below the national average with indexes for personal and property crime of 31 and 51, respectively.

	Crime Risk Index	
	Site ZIP Code	Montgomery County
Total Crime	39	48
Personal Crime	27	31
Murder	17	31
Rape	106	93
Robbery	12	14
Assault	21	27
Property Crime	40	51
Burglary	30	32
Larceny	47	61
Motor Vehicle Theft	12	17

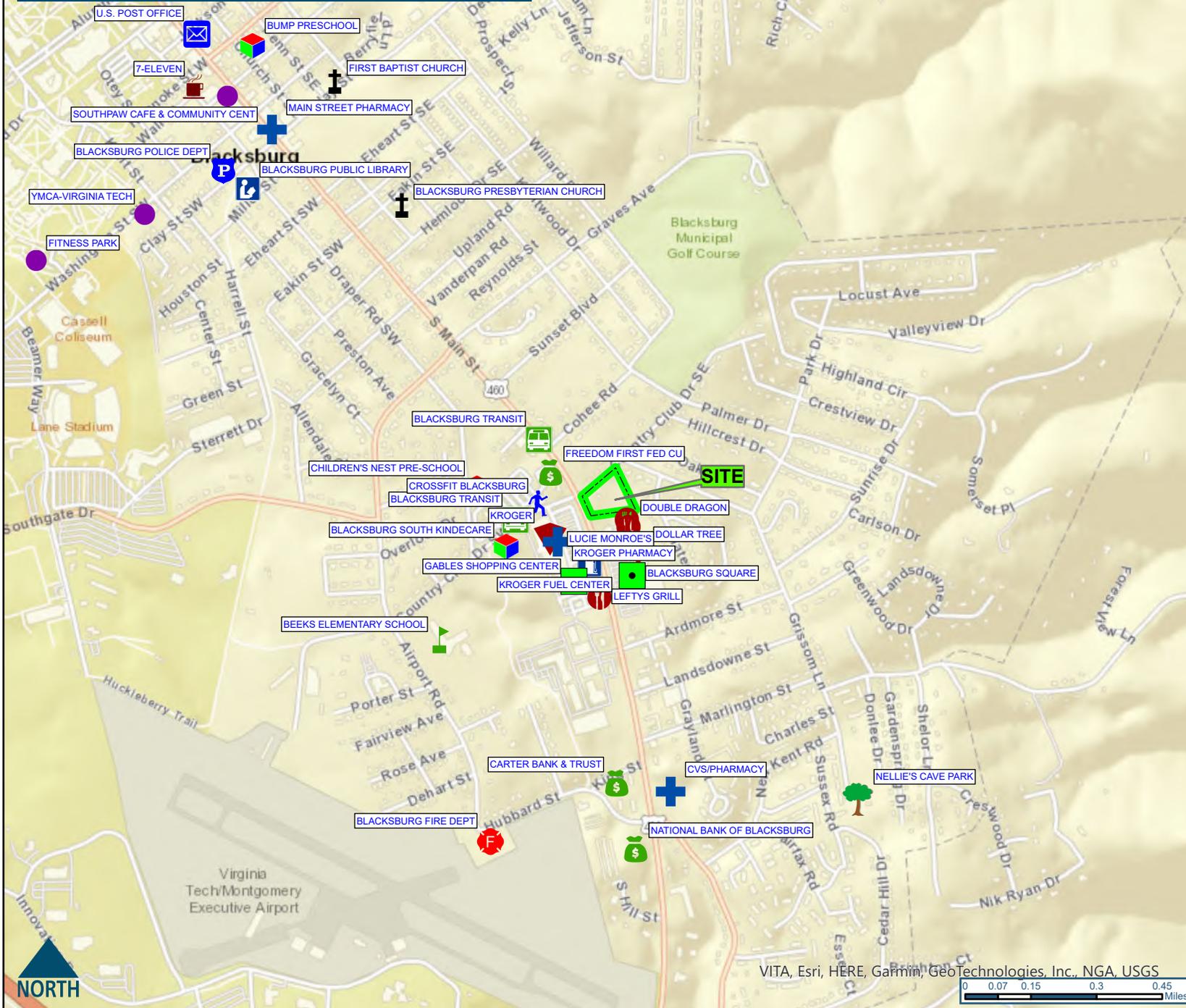
Source: Applied Geographic Solutions

The crime risk index for the Site ZIP Code is 39, which is similar to that reported for Montgomery County (48) as a whole, and both are below the national average of 100. This is a good indication that there is likely a low perception of crime within the site area.

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



Blacksburg, VA Local Community Services

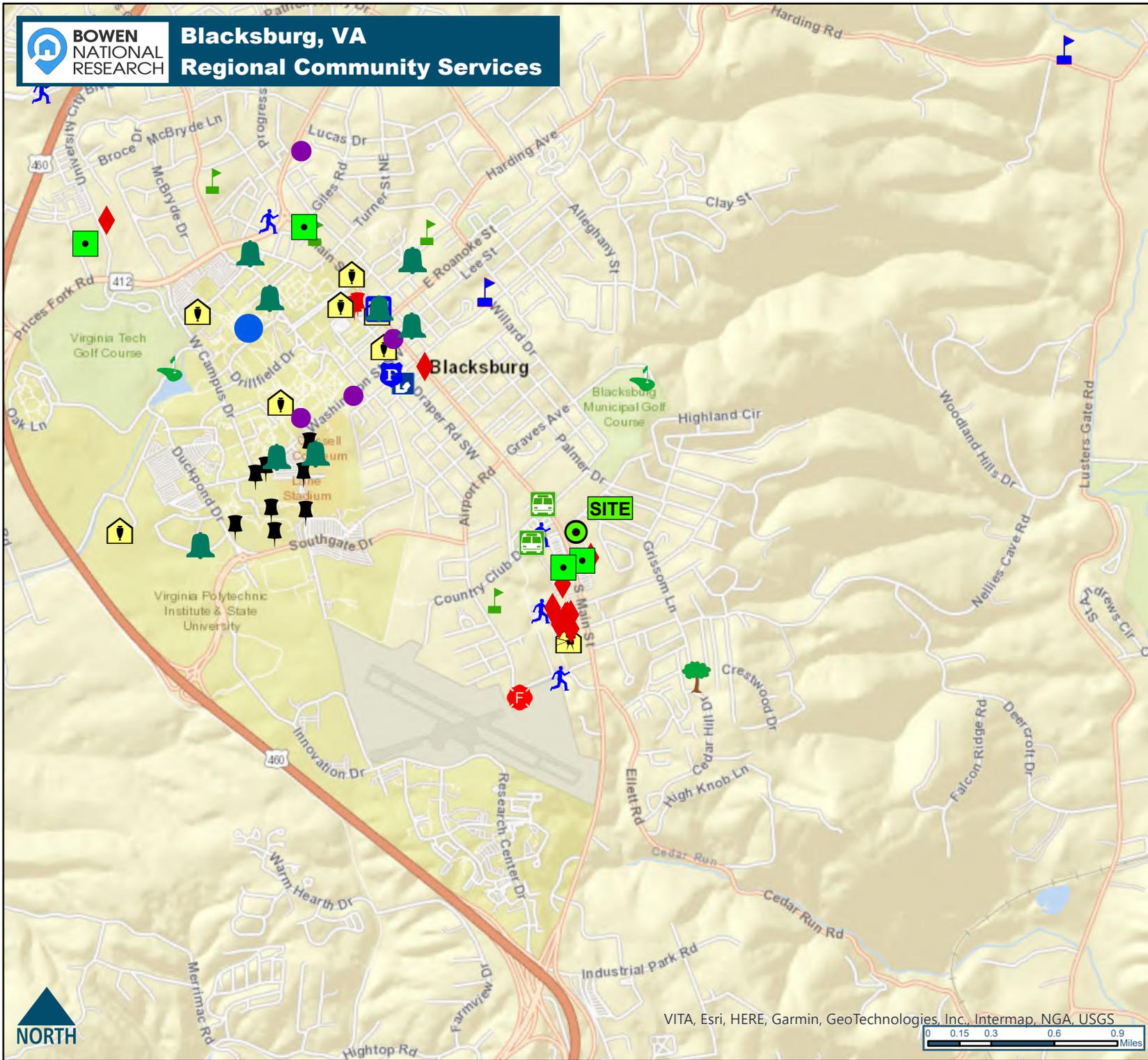


Legend

- Site Area
- Bank
- Child Care
- Church
- Convenience Store
- Elementary School
- Fire
- Fitness Center
- Gas
- Grocery
- Library
- Park
- Pharmacy
- Police
- Post Office
- Recreation Center
- Restaurant
- Shopping
- Transit
- Shopping Center



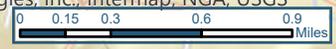
Blacksburg, VA Regional Community Services



- Legend**
- Site
 - Entertainment
 - Cinema
 - Elementary School
 - Fire
 - Fitness Center
 - Golf
 - High School
 - Library
 - Medical Center
 - Middle School
 - Museum
 - Park
 - Police
 - Post Office
 - Recreation Center
 - Shopping
 - Stadium
 - Swimming
 - Transit
 - University
 - Employer 1000-5000
 - Shopping Center



VITA, Esri, HERE, Garmin, GeoTechnologies, Inc., Intermap, NGA, USGS



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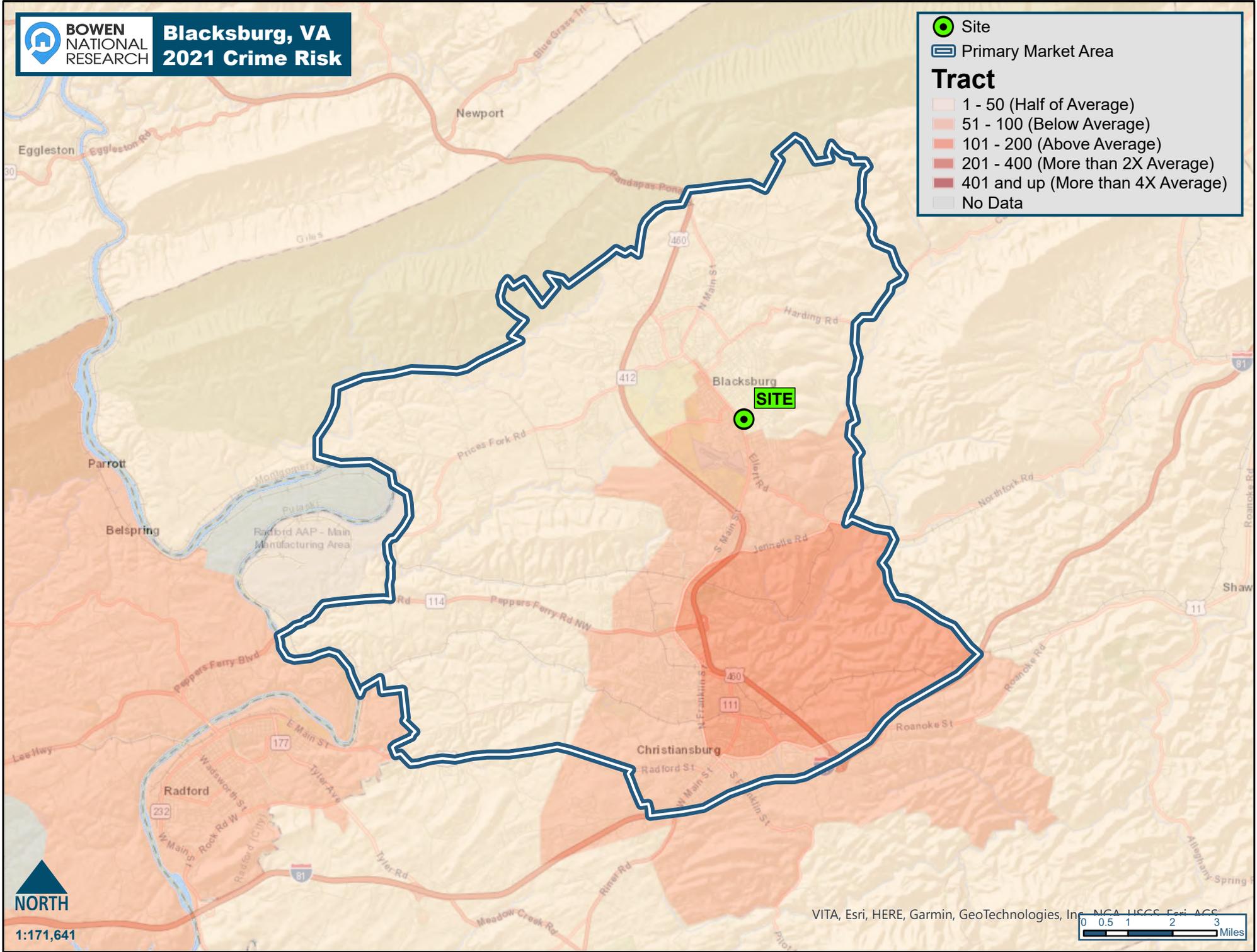
Blacksburg, VA 2021 Crime Risk

Site

Primary Market Area

Tract

- 1 - 50 (Half of Average)
- 51 - 100 (Below Average)
- 101 - 200 (Above Average)
- 201 - 400 (More than 2X Average)
- 401 and up (More than 4X Average)
- No Data



NORTH

1:171,641

VITA, Esri, HERE, Garmin, GeoTechnologies, Inc., NCA, USGS, Esri, ACS

0 0.5 1 2 3 Miles

B. PRIMARY MARKET AREA DELINEATION

The Primary Market Area (PMA) is the geographical area from which most of the support for the proposed development is expected to originate. The Blacksburg Site PMA was determined through interviews with area leasing and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Blacksburg Site PMA includes Blacksburg, Christiansburg, Belview and Prices Fork, as well as the surrounding unincorporated areas of Montgomery County. Specifically, the boundaries of the Site PMA generally include Blacksburg limits and Census Tract 213 to the north; Census Tract 213, Lusters Gate Road, Den Hill Road and Interstate 81 to the east; Interstate 81 and U.S. Highway 11 to the south; and Montgomery County and Prices Fork Road to the west.

- Tasha Meyers, Property Manager at Forest Hills at Belview Apartments (Map ID 6), a comparable Tax Credit community in the Blacksburg Site PMA, confirmed the boundaries of the Site PMA. Ms. Meyers agreed with the map showing the boundaries of the PMA as where she would get the majority of her support. Additionally, she stated that renters mainly come from Blacksburg and Christiansburg, with modest support from the Radford area.
- Vicki Lytton, Property Manager at Christiansburg Bluff Apartments (Map ID 3), a government-subsidized rental property in the Blacksburg Site PMA, confirmed the boundaries of the Site PMA. Ms. Lytton confirmed the boundaries of the Blacksburg Site PMA stating that most support for this property originates from Blacksburg and Christiansburg and that renters typically move back and forth between Blacksburg and Christiansburg.

A small portion of support may originate from some of the outlying areas of the Site PMA and suburban communities in the area; we have not, however, considered any secondary market area in this report.

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

C. DEMOGRAPHIC CHARACTERISTICS AND TRENDS

1. POPULATION TRENDS

The Site PMA population bases for 2000, 2010, 2022 (estimated) and 2027 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2022 (Estimated)	2027 (Projected)
Population	62,786	70,968	76,342	78,692
Population Change	-	8,182	5,374	2,350
Percent Change	-	13.0%	7.6%	3.1%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The Blacksburg Site PMA population base increased by 8,182 between 2000 and 2010. This represents a 13.0% increase over the 2000 population, or an annual rate of 1.2%. Between 2010 and 2022, the population increased by 5,374, or 7.6%. It is projected that the population will increase by 2,350, or 3.1%, between 2022 and 2027.

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

Population by Age	2010 (Census)		2022 (Estimated)		2027 (Projected)		Change 2022-2027	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	18,091	25.5%	18,737	24.5%	19,264	24.5%	527	2.8%
20 to 24	19,443	27.4%	18,926	24.8%	18,961	24.1%	35	0.2%
25 to 34	9,754	13.7%	10,816	14.2%	10,148	12.9%	-668	-6.2%
35 to 44	6,446	9.1%	7,124	9.3%	8,171	10.4%	1,047	14.7%
45 to 54	5,927	8.4%	5,966	7.8%	6,160	7.8%	194	3.3%
55 to 64	5,166	7.3%	5,787	7.6%	5,781	7.3%	-6	-0.1%
65 to 74	3,182	4.5%	4,948	6.5%	5,292	6.7%	344	7.0%
75 & Over	2,959	4.2%	4,037	5.3%	4,914	6.2%	877	21.7%
Total	70,968	100.0%	76,342	100.0%	78,692	100.0%	2,350	3.1%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, nearly 39% of the population is expected to be between 25 and 64 years old in 2022. This age group is the primary group of potential support for the subject site and will likely represent a significant number of the tenants.

2. HOUSEHOLD TRENDS

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

	Year			
	2000 (Census)	2010 (Census)	2022 (Estimated)	2027 (Projected)
Households	22,935	26,518	28,613	29,634
Household Change	-	3,583	2,095	1,021
Percent Change	-	15.6%	7.9%	3.6%
Household Size	2.74	2.68	2.33	2.33

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Within the Blacksburg Site PMA, households increased by 3,583 (15.6%) between 2000 and 2010. Between 2010 and 2022, households increased by 2,095 or 7.9%. By 2027, there will be 29,634 households, an increase of 1,021 households, or 3.6% over 2022 levels. This is an increase of approximately 204 households annually over the next five years.

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

Households by Age	2010 (Census)		2022 (Estimated)		2027 (Projected)		Change 2022-2027	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	7,057	26.6%	6,683	23.4%	6,735	22.7%	52	0.8%
25 to 34	5,166	19.5%	5,654	19.8%	5,284	17.8%	-370	-6.5%
35 to 44	3,642	13.7%	3,900	13.6%	4,433	15.0%	533	13.7%
45 to 54	3,520	13.3%	3,352	11.7%	3,438	11.6%	86	2.6%
55 to 64	3,186	12.0%	3,399	11.9%	3,370	11.4%	-29	-0.9%
65 to 74	2,029	7.7%	3,026	10.6%	3,216	10.9%	190	6.3%
75 to 84	1,349	5.1%	1,882	6.6%	2,287	7.7%	405	21.5%
85 & Over	569	2.1%	717	2.5%	871	2.9%	154	21.5%
Total	26,518	100.0%	28,613	100.0%	29,634	100.0%	1,021	3.6%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As previously discussed, the primary age group of potential renter support for the subject project is expected to be the 25 to 64 age group. Notably, this age cohort is estimated to comprise 57.0% of all households in 2022 and this age segment is projected to slightly increase between 2022 and 2027.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2022 (Estimated)		2027 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	11,933	45.0%	12,756	44.6%	13,586	45.8%
Renter-Occupied	14,585	55.0%	15,857	55.4%	16,048	54.2%
Total	26,518	100.0%	28,613	100.0%	29,634	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, homeowners occupied 44.6% of all occupied housing units, while the remaining 55.4% were occupied by renters. The share of renters is considered typical for a market of this size and renters are projected to increase by 191, or 1.2%, between 2022 and 2027.

The household sizes by tenure within the Site PMA, based on the 2022 estimates and 2027 projections, were distributed as follows:

Persons Per Renter Household	2022 (Estimated)		2027 (Projected)		Change 2022-2027	
	Households	Percent	Households	Percent	Households	Percent
1 Person	5,486	34.6%	5,502	34.3%	16	0.3%
2 Persons	5,155	32.5%	5,154	32.1%	-1	0.0%
3 Persons	2,535	16.0%	2,578	16.1%	43	1.7%
4 Persons	1,999	12.6%	2,096	13.1%	98	4.9%
5 Persons+	683	4.3%	718	4.5%	35	5.2%
Total	15,857	100.0%	16,048	100.0%	191	1.2%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Persons Per Owner Household	2022 (Estimated)		2027 (Projected)		Change 2022-2027	
	Households	Percent	Households	Percent	Households	Percent
1 Person	3,250	25.5%	3,499	25.8%	249	7.7%
2 Persons	5,392	42.3%	5,739	42.2%	347	6.4%
3 Persons	1,789	14.0%	1,882	13.9%	93	5.2%
4 Persons	1,536	12.0%	1,608	11.8%	72	4.7%
5 Persons+	788	6.2%	858	6.3%	70	8.8%
Total	12,756	100.0%	13,586	100.0%	830	6.5%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The two- and three-bedroom units proposed at the subject site are expected to generally house up to five-person households. As such, the subject project will be able to accommodate virtually all renter households in the market, based on household size.

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

Household Income	2010 (Census)		2022 (Estimated)		2027 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	2,869	10.8%	3,938	13.8%	3,924	13.2%
\$10,000 to \$19,999	3,549	13.4%	2,430	8.5%	2,145	7.2%
\$20,000 to \$29,999	3,427	12.9%	2,262	7.9%	2,096	7.1%
\$30,000 to \$39,999	2,714	10.2%	2,217	7.7%	2,018	6.8%
\$40,000 to \$49,999	2,336	8.8%	1,984	6.9%	1,785	6.0%
\$50,000 to \$59,999	2,219	8.4%	2,552	8.9%	2,278	7.7%
\$60,000 to \$74,999	2,203	8.3%	2,788	9.7%	2,831	9.6%
\$75,000 to \$99,999	3,066	11.6%	3,180	11.1%	3,502	11.8%
\$100,000 to \$124,999	1,937	7.3%	1,900	6.6%	2,227	7.5%
\$125,000 to \$149,999	705	2.7%	1,129	3.9%	1,430	4.8%
\$150,000 to \$199,999	885	3.3%	2,119	7.4%	2,723	9.2%
\$200,000 & Over	608	2.3%	2,113	7.4%	2,674	9.0%
Total	26,518	100.0%	28,613	100.0%	29,634	100.0%
Median Income	\$42,997		\$55,780		\$63,023	

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the median household income was \$42,997. This increased by 29.7% to \$55,780 in 2022. By 2027, it is projected that the median household income will be \$63,023, an increase of 13.0% over 2022.

The following tables illustrate renter household income by household size for 2010, 2022 and 2027 for the Blacksburg Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	843	793	386	279	118	2,419
\$10,000 to \$19,999	1,080	887	432	313	132	2,844
\$20,000 to \$29,999	858	771	375	272	115	2,390
\$30,000 to \$39,999	574	516	251	182	77	1,600
\$40,000 to \$49,999	475	415	202	146	62	1,301
\$50,000 to \$59,999	324	290	141	102	43	900
\$60,000 to \$74,999	332	283	138	100	42	895
\$75,000 to \$99,999	466	405	197	143	60	1,271
\$100,000 to \$124,999	183	152	74	53	23	484
\$125,000 to \$149,999	69	54	26	19	8	177
\$150,000 to \$199,999	76	53	26	19	8	181
\$200,000 & Over	53	36	18	13	5	125
Total	5,332	4,654	2,265	1,641	693	14,585

Source: ESRI; Urban Decision Group

Renter Households	2022 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	1,102	1,192	586	462	158	3,500
\$10,000 to \$19,999	677	616	303	239	81	1,916
\$20,000 to \$29,999	501	490	241	190	65	1,486
\$30,000 to \$39,999	465	440	216	170	58	1,350
\$40,000 to \$49,999	409	370	182	143	49	1,153
\$50,000 to \$59,999	481	435	214	168	58	1,355
\$60,000 to \$74,999	563	460	226	178	61	1,488
\$75,000 to \$99,999	544	510	251	198	67	1,569
\$100,000 to \$124,999	216	202	99	78	27	622
\$125,000 to \$149,999	132	118	58	46	16	371
\$150,000 to \$199,999	198	162	80	63	21	523
\$200,000 & Over	198	161	79	63	21	523
Total	5,486	5,155	2,535	1,999	683	15,857

Source: ESRI; Urban Decision Group

Renter Households	2027 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	1,061	1,171	586	477	163	3,458
\$10,000 to \$19,999	551	525	263	214	73	1,626
\$20,000 to \$29,999	413	424	212	173	59	1,281
\$30,000 to \$39,999	394	382	191	156	53	1,176
\$40,000 to \$49,999	347	317	159	129	44	997
\$50,000 to \$59,999	483	423	211	172	59	1,348
\$60,000 to \$74,999	649	504	252	205	70	1,680
\$75,000 to \$99,999	590	529	264	215	74	1,671
\$100,000 to \$124,999	284	263	131	106	36	821
\$125,000 to \$149,999	185	166	83	67	23	525
\$150,000 to \$199,999	275	227	113	92	31	738
\$200,000 & Over	271	223	112	91	31	728
Total	5,502	5,154	2,578	2,096	718	16,048

Source: ESRI; Urban Decision Group

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

Demographic Summary

Both the population and household bases within the Blacksburg Site PMA have been increasing since 2000, a trend that is expected to continue through 2027. Specifically, the population is projected to increase by 2,350 (3.1%) and households are projected to increase by 1,021 (3.6%), between 2022 and 2027. In addition, the 25 to 64 age cohort, which is expected to be the primary age cohort of potential renters at the general-occupancy subject project, comprise 57.0% of all households in 2022. Renters are projected to increase by 191, or 1.2%, between 2022 and 2027. Based on the preceding analysis, a large base of lower-income renter households will continue to exist in the market during this time period.

D. LOCAL ECONOMIC PROFILE AND ANALYSIS

1. LABOR FORCE PROFILE

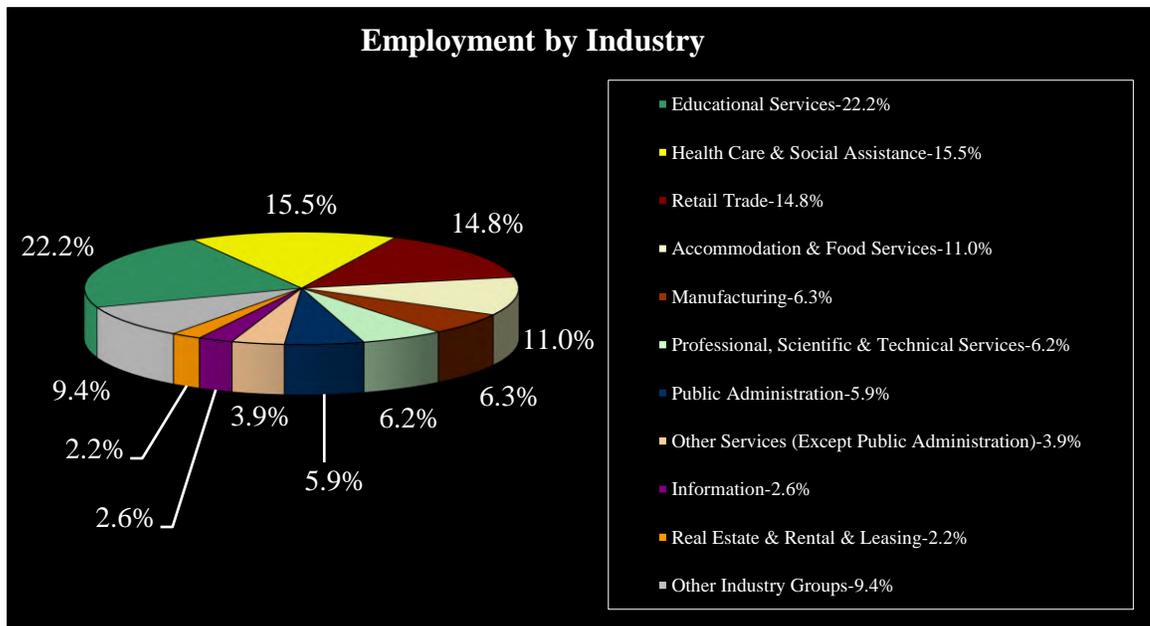
The labor force within the Blacksburg Site PMA is based primarily in four sectors. Educational Services (which comprises 22.2%), Health Care & Social Assistance, Retail Trade and Accommodation & Food Services comprise over 63% of the Site PMA labor force. Employment in the Blacksburg Site PMA, as of 2022, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	9	0.3%	31	0.1%	3.4
Mining	5	0.2%	36	0.1%	7.2
Utilities	5	0.2%	139	0.3%	27.8
Construction	124	4.7%	876	2.0%	7.1
Manufacturing	55	2.1%	2,727	6.3%	49.6
Wholesale Trade	43	1.6%	251	0.6%	5.8
Retail Trade	362	13.6%	6,364	14.8%	17.6
Transportation & Warehousing	35	1.3%	609	1.4%	17.4
Information	67	2.5%	1,116	2.6%	16.7
Finance & Insurance	123	4.6%	781	1.8%	6.3
Real Estate & Rental & Leasing	159	6.0%	963	2.2%	6.1
Professional, Scientific & Technical Services	283	10.7%	2,664	6.2%	9.4
Management of Companies & Enterprises	5	0.2%	114	0.3%	22.8
Administrative, Support, Waste Management & Remediation Services	64	2.4%	245	0.6%	3.8
Educational Services	138	5.2%	9,559	22.2%	69.3
Health Care & Social Assistance	302	11.4%	6,666	15.5%	22.1
Arts, Entertainment & Recreation	52	2.0%	668	1.6%	12.8
Accommodation & Food Services	227	8.6%	4,719	11.0%	20.8
Other Services (Except Public Administration)	337	12.7%	1,688	3.9%	5.0
Public Administration	114	4.3%	2,532	5.9%	22.2
Nonclassifiable	144	5.4%	315	0.7%	2.2
Total	2,653	100.0%	43,063	100.0%	16.2

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

E.P.E. - Average Employees Per Establishment

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



Typical wages by job category for the Blacksburg-Christiansburg-Radford Metropolitan Statistical Area (MSA) are compared with those of Virginia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Blacksburg-Christiansburg-Radford MSA	Virginia
Management Occupations	\$110,780	\$142,170
Business and Financial Occupations	\$73,050	\$88,480
Computer and Mathematical Occupations	\$73,160	\$107,130
Architecture and Engineering Occupations	\$77,740	\$94,480
Community and Social Service Occupations	\$45,090	\$53,450
Art, Design, Entertainment and Sports Medicine Occupations	\$45,470	\$65,300
Healthcare Practitioners and Technical Occupations	\$75,060	\$84,620
Healthcare Support Occupations	\$27,970	\$30,330
Protective Service Occupations	\$41,590	\$50,600
Food Preparation and Serving Related Occupations	\$23,750	\$25,950
Building and Grounds Cleaning and Maintenance Occupations	\$28,900	\$31,480
Personal Care and Service Occupations	\$30,740	\$31,230
Sales and Related Occupations	\$35,220	\$45,750
Office and Administrative Support Occupations	\$37,090	\$42,870
Construction and Extraction Occupations	\$42,240	\$48,430
Installation, Maintenance and Repair Occupations	\$47,850	\$53,610
Production Occupations	\$42,460	\$41,270
Transportation and Moving Occupations	\$32,790	\$39,160

Source: U.S. Department of Labor, Bureau of Statistics

Most annual blue-collar salaries range from \$23,750 to \$47,850 within the Blacksburg-Christiansburg-Radford MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$81,958. It is important to note that most occupational types within the Blacksburg-Christiansburg-Radford MSA have slightly lower typical wages than Virginia's typical wages. The area employment base has a significant number of income-appropriate households from which the proposed subject project will be able to draw renter support.

The ten largest employers within the Montgomery County area are summarized as follows:

Employer Name	Business Type	Total Employed
Virginia Tech	Education	5,000+
Moog Inc	Electrical, appliance, and component manufacturing	1,000+
Montgomery County School Board	Educational services	1,000+
Montgomery Regional Hospital	Healthcare/Hospital	500-999
Lexington Rowe Furniture Inc	Manufacturing	500-999
Carilion New River Valley Medical Center	Hospital	500-999
Kroger	Food and Beverage Stores	250-499
Town of Blacksburg	Local Government	250-499
County of Montgomery	Local Government	250-499
New River Valley Community Services	Social Assistance	250-499
Total		9,500+

Source: Virginia Employment Commission (4th Quarter of 2017)

According to a representative with the Montgomery County Economic Development Authority, the Montgomery County economy is improving and has been increasing at an annual rate of approximately 3.0%. Due to the pandemic in 2020, the area experienced a downturn due to Virginia Tech’s students and faculty numbers decreasing in the area. Local restaurants and retailers heavily rely on that student population and faculty to support businesses. The following are summaries of some notable economic development activity within Montgomery County.

- Torc Robotics plans to create approximately 350 jobs by building an additional building in Virginia Tech Corporate Research Center near its existing center in the Blacksburg Industrial Park. This expansion was announced in August 2020; however, an updated timeline was not available at the time of this report.
- Blacksburg’s Town Council approved the Sheetz chain opening a store on the First & Main shopping center (1704 South Main Street) in Blacksburg January 2022. The chain is known for being a “one stop shop” as it includes a gas station with a restaurant, and retail options.

Infrastructure:

The Virginia Tech Foundation plans to construct one million square feet of new buildings and roadways on the former Virginia Tech campus Golf Course.

COVID Vaccination Rates:

The following table summarizes COVID-19 vaccination rates by age group for Montgomery County as of January 25, 2022.

Vaccination Rates (Montgomery County – January 25 th , 2022)	
Age Group	Vaccination Rate
5 to 11	47.6%
12 to 17	49.5%
18 to 64	49.5%
65+	71.9%
Fully Vaccinated with Booster (All Eligible Ages)	36.5%

Source: Centers for Disease Control

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed in February 2022, and according to the Virginia Employment Commission there have been no WARN notices reported for Montgomery County over the past 12 months.

2. EMPLOYMENT TRENDS

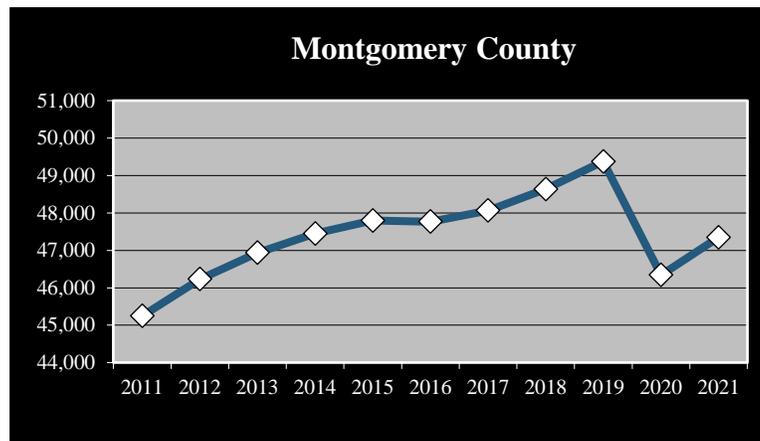
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

Excluding 2021, the employment base has declined by 3.0% over the past five years in Montgomery County, more than the Virginia state decline of 0.2%. Total employment reflects the number of employed persons who live within the county.

The following illustrates the total employment base for Montgomery County, the state of Virginia and the United States.

Year	Total Employment					
	Montgomery County		Virginia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2011	45,247	-	3,929,008	-	141,714,419	-
2012	46,231	2.2%	3,967,151	1.0%	143,548,588	1.3%
2013	46,938	1.5%	4,002,057	0.9%	144,904,568	0.9%
2014	47,448	1.1%	4,040,908	1.0%	147,293,817	1.6%
2015	47,798	0.7%	4,048,081	0.2%	149,540,791	1.5%
2016	47,769	-0.1%	4,084,822	0.9%	151,934,228	1.6%
2017	48,064	0.6%	4,174,453	2.2%	154,214,749	1.5%
2018	48,636	1.2%	4,232,972	1.4%	156,134,717	1.2%
2019	49,375	1.5%	4,308,622	1.8%	158,154,548	1.3%
2020	46,340	-6.1%	4,075,237	-5.4%	148,639,745	-6.0%
2021	47,347	2.2%	4,081,546	0.2%	152,591,388	2.7%

Source: Department of Labor; Bureau of Labor Statistics

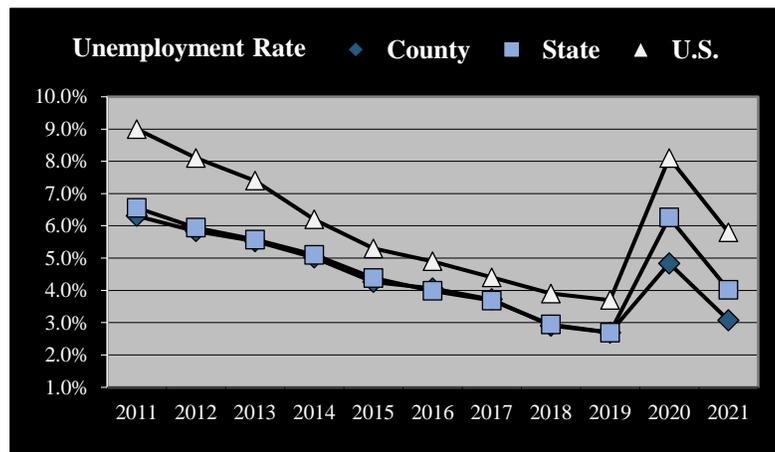


As the preceding illustrates, the Montgomery County employment base generally experienced growth between 2011 and 2019. However, between 2019 and 2020, the county's employment base declined by 6.1% as the result of the COVID-19 pandemic. Notably, the employment base improved by 2.2% in 2021, a good indication that the economy is recovering from the jobs lost due to the pandemic.

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

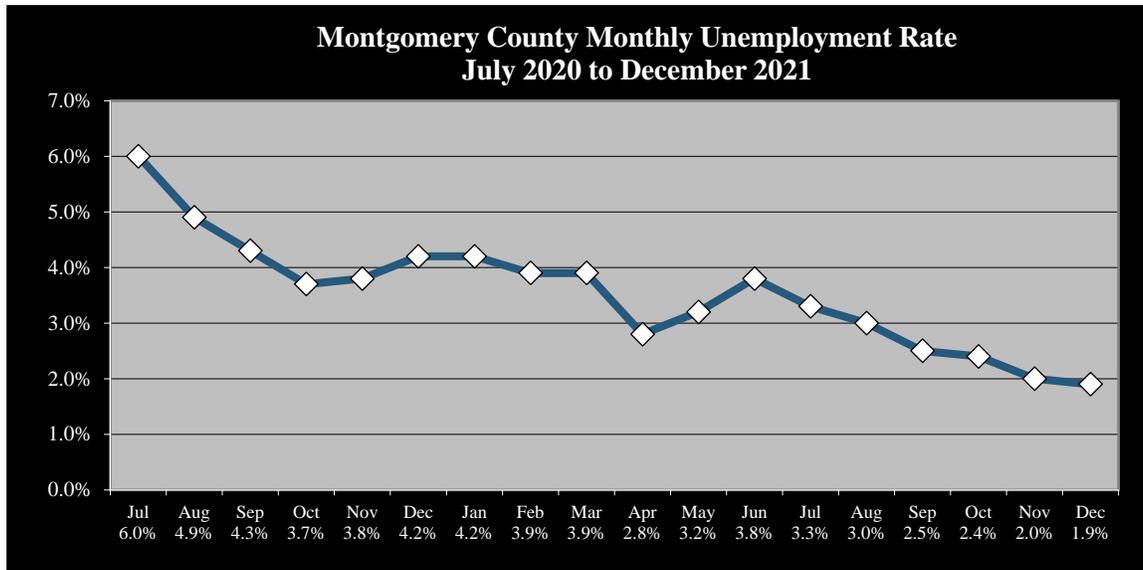
Year	Unemployment Rate		
	Montgomery County	Virginia	United States
2011	6.3%	6.6%	9.0%
2012	5.8%	5.9%	8.1%
2013	5.5%	5.6%	7.4%
2014	5.0%	5.1%	6.2%
2015	4.3%	4.4%	5.3%
2016	4.1%	4.0%	4.9%
2017	3.7%	3.7%	4.4%
2018	2.9%	2.9%	3.9%
2019	2.7%	2.7%	3.7%
2020	4.8%	6.3%	8.1%
2021	3.1%	4.0%	5.8%

Source: Department of Labor, Bureau of Labor Statistics



Between 2011 and 2019, the unemployment rate within Montgomery County declined by nearly four percentage points, then increased by more than two percentage points between 2019 and 2020 as the result of the COVID-19 pandemic. Similar to employment trends, the unemployment rate within the county has improved in 2021, declining to a rate of 3.1%.

The following table illustrates the monthly unemployment rate in Montgomery County for the most recent 18-month period for which data is currently available.



As the preceding table illustrates, the *monthly* unemployment rate for Montgomery County peaked at 6.0% in July 2020 during the height of the pandemic over the preceding 18-month period. On a positive note, the county’s monthly unemployment rate has generally decreased since and is currently at 1.9% as of December, its lowest rate within the past year and a half.

In-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total in-place employment base for Montgomery County.

In-Place Employment Montgomery County			
Year	Employment	Change	Percent Change
2011	39,221	-	-
2012	39,656	435	1.1%
2013	40,373	717	1.8%
2014	40,626	253	0.6%
2015	41,394	768	1.9%
2016	41,878	484	1.2%
2017	42,147	269	0.6%
2018	42,052	-95	-0.2%
2019	42,181	129	0.3%
2020	40,109	-2,072	-4.9%
2021*	40,857	748	1.9%

Source: Department of Labor, Bureau of Labor Statistics

*Through June

Data for 2020, the most recent year that year-end figures are available, indicates in-place employment in Montgomery County to be 86.6% of the total Montgomery County employment. This means that Montgomery County has more employed persons leaving the county for daytime employment than those who work in the county.

3. ECONOMIC FORECAST

The Montgomery County economy generally experienced growth between 2011 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, which caused many area businesses to shut down in an attempt to mitigate the spread of the coronavirus. During this time, the Montgomery employment base declined by 3,035 jobs, or 6.1%, and its unemployment rate increased by nearly four percentage points. Specifically, the *monthly* unemployment rate peaked at 6.0% in July 2020 within the past 18-month period. On a positive note, the local economy appears to be improving in 2021. Nonetheless, several of the businesses impacted include those within the Retail Trade and Accommodation & Food Services sectors, which provide lower wage paying positions. The subject site will provide a good quality affordable housing option in an economy where lower-wage employees are most vulnerable.

4. COMMUTING PATTERNS

Based on the American Community Survey (2015-2019), the following is a distribution of commuting patterns for Site PMA workers age 16 and over:

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	23,580	72.0%
Carpooled	2,539	7.8%
Public Transit	1,838	5.6%
Walked	2,235	6.8%
Other Means	778	2.4%
Worked at Home	1,766	5.4%
Total	32,736	100.0%

Source: American Community Survey (2015-2019); ESRI; Urban Decision Group; Bowen National Research

Approximately 72% of all workers drove alone, 7.8% carpooled and 5.6% used public transportation.

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

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	15,195	46.4%
15 to 29 Minutes	10,972	33.5%
30 to 44 Minutes	3,036	9.3%
45 to 59 Minutes	914	2.8%
60 or More Minutes	853	2.6%
Worked at Home	1,766	5.4%
Total	32,736	100.0%

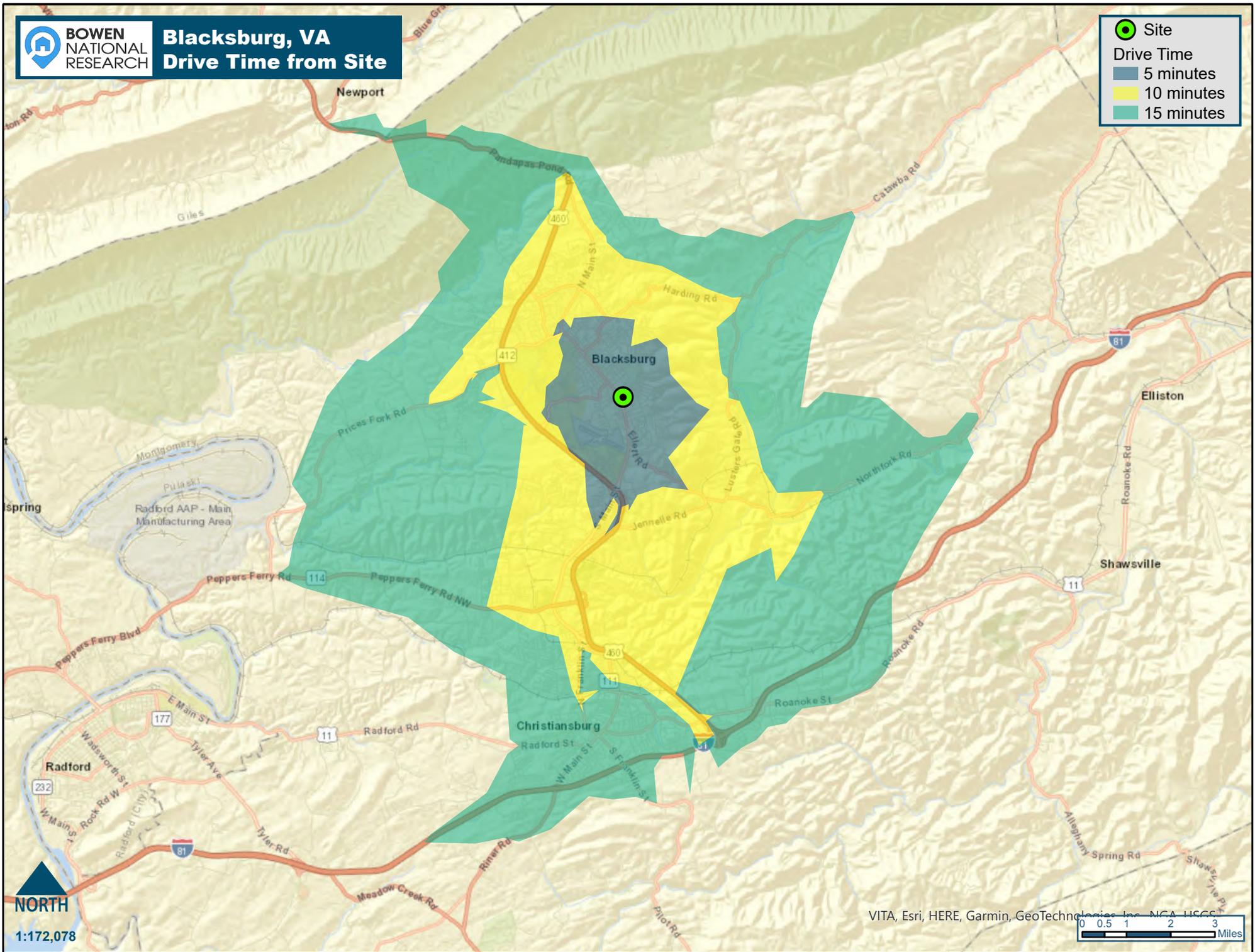
Source: American Community Survey (2015-2019); ESRI; Urban Decision Group; Bowen National Research

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



Blacksburg, VA Drive Time from Site

● Site
■ Drive Time
■ 5 minutes
■ 10 minutes
■ 15 minutes



NORTH
1:172,078

VITA, Esri, HERE, Garmin, GeoTechnologies, Inc, NGA, USGS
0 0.5 1 2 3 Miles

V. Rental Housing Analysis (Supply)

A. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Blacksburg Site PMA in 2010 and 2022 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2022 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	26,518	93.3%	28,613	91.8%
Owner-Occupied	11,933	45.0%	12,756	44.6%
Renter-Occupied	14,585	55.0%	15,857	55.4%
Vacant	1,905	6.7%	2,542	8.2%
Total	28,423	100.0%	31,155	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Based on a 2022 update of the 2010 Census, of the 31,155 total housing units in the market, 8.2% were vacant. In 2022, it was estimated that homeowners occupied 44.6% of all occupied housing units, while the remaining 55.4% were occupied by renters.

Conventional Apartments

We identified and personally surveyed 21 conventional housing projects containing a total of 1,696 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 98.9%, an excellent rate for rental housing. Each rental housing segment surveyed is summarized in the following table:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	9	1,009	1	99.9%
Market-rate/Tax Credit	2	32	0	100.0%
Tax Credit	6	387	17	95.6%
Tax Credit/Government-Subsidized	3	148	0	100.0%
Government-Subsidized	1	120	0	100.0%
Total	21	1,696	18	98.9%

All rental housing segments surveyed are performing at a high level as each reports an overall occupancy rate of 95.6% or higher. This is a clear indication of strong demand for rental product of all types in this market.

Tax Credit Property Disclosure:

In addition to the 11 properties surveyed that operate under the Tax Credit program, there is one additional Tax Credit property that we were unable to survey and therefore has been excluded from this analysis. This property, Cambridge Square, is believed to also operate with a subsidy available to all units and is not considered directly competitive with the subject site.

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

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	287	28.1%	0	0.0%	\$1,313
Two-Bedroom	1.0	202	19.8%	0	0.0%	\$1,164
Two-Bedroom	1.5	14	1.4%	0	0.0%	\$1,082
Two-Bedroom	2.0	294	28.8%	0	0.0%	\$1,736
Three-Bedroom	1.0	20	2.0%	0	0.0%	\$1,475
Three-Bedroom	1.5	4	0.4%	0	0.0%	\$1,114
Three-Bedroom	2.0	64	6.3%	1	1.6%	\$1,717
Three-Bedroom	2.5	35	3.4%	0	0.0%	\$1,597
Three-Bedroom	3.0	36	3.5%	0	0.0%	\$2,584
Three-Bedroom	3.5	35	3.4%	0	0.0%	\$1,597
Four-Bedroom	4.0	30	2.9%	0	0.0%	\$1,748
Total Market-rate		1,021	100.0%	1	0.1%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	58	14.3%	2	3.4%	\$969
Two-Bedroom	1.0	18	4.4%	0	0.0%	\$829
Two-Bedroom	1.5	39	9.6%	0	0.0%	\$782
Two-Bedroom	2.0	101	24.8%	8	7.9%	\$927
Two-Bedroom	2.5	12	2.9%	0	0.0%	\$853
Three-Bedroom	2.0	62	15.2%	7	11.3%	\$1,239
Three-Bedroom	2.5	96	23.6%	0	0.0%	\$1,037
Four-Bedroom	2.0	5	1.2%	0	0.0%	\$1,190
Four-Bedroom	2.5	16	3.9%	0	0.0%	\$1,120
Total Tax Credit		407	100.0%	17	4.2%	-

The market-rate units are 99.9% occupied and the Tax Credit units are 95.8% occupied, indicative of strong demand for each type of non-subsidized rental product in this market. Also note the median gross Tax Credit rents which are significantly lower than the median gross rents reported for similar unrestricted market-rate units. These lower gross rents along with the 95.8% occupancy rate are good indications that non-subsidized Tax Credit product represents a significant value within the Blacksburg Site PMA.

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

Year Built	Projects	Units	Vacancy Rate
Before 1970	1	16	0.0%
1970 to 1979	0	0	0.0%
1980 to 1989	4	346	0.3%
1990 to 1999	1	82	0.0%
2000 to 2009	3	375	0.0%
2010 to 2014	2	181	0.0%
2015	0	0	0.0%
2016	1	60	5.0%
2017	0	0	0.0%
2018	1	84	16.7%
2019	2	268	0.0%
2020	1	16	0.0%
2021	0	0	0.0%
2022*	1	0 + 206^	0.0%

*As of February

^Units under construction

As the preceding illustrates, the one project built in 2018 is reporting a vacancy rate of 16.7%. According to management at this property, this is due to potential tenants not wanting to wait through the entire application process to lease a unit. Considering the requirements to rent a Tax Credit unit are generally similar from property to property, the higher than typical vacancy rate at this property appears to be due to management deficiencies. Regardless, vacancy rates do not exceed 5.0% among all remaining non-subsidized properties, broken out by age.

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

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	2	395	0.0%
A-	1	0	0.0%
B+	2	174	0.0%
B	4	426	0.2%
B-	1	18	0.0%
C-	1	8	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A-	1	41	0.0%
B+	5	274	6.2%
B	2	92	0.0%

The non-subsidized Tax Credit properties surveyed are all of relatively good condition as indicated by the quality ratings assigned by our analyst. The subject project is expected to have an excellent quality finish upon completion which will enhance its marketability.

Government-Subsidized

The government-subsidized units (both with and without Tax Credits) in the Site PMA are summarized as follows.

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	12	8.1%	0	0.0%
Two-Bedroom	1.0	92	62.2%	0	0.0%
Three-Bedroom	1.0	19	12.8%	0	0.0%
Three-Bedroom	1.5	13	8.8%	0	0.0%
Four-Bedroom	1.5	12	8.1%	0	0.0%
Total Subsidized Tax Credit		148	100.0%	0	0.0%
Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	24	20.0%	0	0.0%
Two-Bedroom	1.0	72	60.0%	0	0.0%
Three-Bedroom	1.0	24	20.0%	0	0.0%
Total Subsidized		120	100.0%	0	0.0%

The subsidized units, both with and without Tax Credits, are 100.0% occupied, demonstrating strong and likely pent-up demand for such product in the market. This is further indication of the ongoing demand for affordable rental product within the Blacksburg Site PMA.

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

B. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

We identified and surveyed four family (general-occupancy) rental housing communities within the Blacksburg Site PMA that offer non-subsidized Low-Income Housing Tax Credit (LIHTC) units. These properties target households with income of up to 40%, 50% and/or 60% of Area Median Household Income (AMHI); therefore, they are considered competitive properties. We have also included one age-restricted LIHTC property that was built in 2018 in our comparable analysis, as this is the newest LIHTC property in the market. However, it is important to note that since this property is restricted to seniors; it will not be directly competitive with the general-occupancy subject site. These five LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the Field Survey of Conventional Rentals.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Legacy on Main	2024	56	-	-	-	Families; 40%, 50%, 60% & 80% AMHI
2	Cedar Crest	1998	82	100.0%	1.3 Miles	183 HH	Families; 40%, 50%, & 60% AMHI
4	Fieldstone Apts.	2018	84	83.3%	3.3 Miles	None	Seniors 55+; 50% & 60% AMHI
6	Forest Hills at Belview	2012	70	100.0%	9.4 Miles	100 HH	Families; 40% & 50% AMHI
8	Henley Place	2006	41	100.0%	7.6 Miles	140 HH	Families; 50% & 60% AMHI
9	Huckleberry Court Townhouses	2005	50	100.0%	4.0 Miles	155 HH	Families; 50% & 60% AMHI

OCC. - Occupancy

The five comparable LIHTC projects have a combined occupancy rate of 95.7%. Note that four of the properties are 100.0% occupied with extensive waiting lists. However, Fieldstone Apartments is currently operating with an occupancy rate of 83.3%. According to management at this property, prospective tenants do not want to go through the application process required to reside at the property. Considering the remaining properties are 100.0% occupied with waiting lists and likely have similar application processes, this appears to be a property-specific and/or management issue and does not appear to be reflective of the performance of the overall LIHTC market. It is also important to note that this property is restricted to seniors and will not be directly competitive with the subject project. As such, there is high and likely pent-up demand for LIHTC product such as that offered at the subject site.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
2	Cedar Crest	82	35	42.7%
4	Fieldstone Apts.	84	N/A	-
6	Forest Hills at Belview	70	N/A	-
8	Henley Place	41	25	61.0%
9	Huckleberry Court Townhouses	50	37	74.0%
Total		173	97	56.1%

N/A – Number not available (units not included in total)

As the preceding table illustrates, there are a total of approximately 97 units that are occupied by Voucher holders among the three comparable LIHTC projects surveyed that provided such information. The 97 units occupied by Voucher holders comprise 56.1% of these comparable units. This is considered a relatively high share of Voucher support, how considering nearly half of these comparable Tax Credit units are occupied by tenants which are not currently receiving rental assistance. Therefore, the gross rents charged at the aforementioned projects in the market are achievable.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)				Rent Special
		One-Br.	Two-Br.	Three-Br.	Four-Br.	
Site	Legacy on Main	-	\$717/40% (3) \$897/50% (11) \$1,076/60% (11) \$1,297/80% (3)	\$829/40% (3) \$1,036/50% (11) \$1,243/60% (11) \$1,494/80% (3)	-	-
2	Cedar Crest	\$709/50% (2/0)	\$692/40% (3/0) \$782/50% (2/0) \$782/50% (22/0) \$917/60% (6/0) \$917/60% (5/0)	\$935/50% (12/0) \$1,037/60% (30/0)	-	None
4	Fieldstone Apts.	-	\$927/50% (21/5) \$1,113/60% (21/2)	\$1,239/60% (42/7)	-	None
6	Forest Hills at Belview	\$610/40% (8/0) \$765/50% (8/0)	\$921/50% (35/0)	\$1,065/50% (14/0)	\$1,190/50% (5/0)	None
8	Henley Place	-	\$815-\$855/50% (9/0)	\$1,059- \$1,069/60% (27/0)	\$1,334/60% (5/0)	None
9	Huckleberry Court Townhouses	-	\$737/50% (5/0) \$853/60% (7/0)	\$958/60% (27/0)	\$1,120/60% (11/0)	None

The subject's proposed gross rents targeting households earning up to 40%, 50% and 60% of AMHI are generally among the highest rents in the market when compared with the rents being achieved at the comparable properties targeting similar income levels. However, given the high occupancy rates reported among the comparable general-occupancy (family) LIHTC properties, they could likely achieve higher rents without adversely impacting occupancy levels. It is also worth noting that the subject project will be much newer than some of these comparable properties. As such, it is expected that the subject's proposed gross LIHTC rents for these income levels (40%, 50% and 60% of AMHI) are considered achievable as proposed.

The subject's proposed gross LIHTC rents at the 80% of AMHI income level are higher than the rents being achieved at the comparable LIHTC properties, which is expected when considering the higher income targeting. Considering the 80% of AMHI rents are only slightly higher than the 60% of AMHI rents being achieved at the comparable LIHTC properties, they are considered appropriate for this market. This is especially true considering the market rent advantages that these rents represent, as illustrated in *Section VI*. The subject project will also be the only Tax Credit property in the market offering units at the 80% of AMHI level, which will enable the subject project to attract an income level of renters that are likely underserved.

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

Map I.D.	Project Name	Square Footage			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Legacy on Main	-	929-1,180	1,219-1,231	-
2	Cedar Crest	768	975 - 1,024	1,296	-
4	Fieldstone Apts.	-	787 - 1,065	1,265	-
6	Forest Hills at Belview	706	1,003	1,123	1,244
8	Henley Place	-	1,673	2,253	2,582
9	Huckleberry Court Townhouses	-	1,185	1,366	1,860

Map I.D.	Project Name	Number of Baths			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Legacy on Main	-	2.0	2.0	-
2	Cedar Crest	1.0	1.0 - 1.5	2.5	-
4	Fieldstone Apts.	-	2.0	2.0	-
6	Forest Hills at Belview	1.0	2.0	2.0	2.0
8	Henley Place	-	1.5	2.5	2.5
9	Huckleberry Court Townhouses	-	2.5	2.5	2.5

The proposed development will offer unit sizes that are generally the smallest when compared with the comparable LIHTC properties. The high and pent-up demand for affordable rental product will likely enable the subject project to be marketable despite these deficiencies, however, it could limit the rent potential of the subject project and it could be vulnerable to higher than typical tenant turnover due to these smaller unit sizes.

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

		Tax Credit Unit Amenities by Map ID					
		Site*	2	4	6	8	9
Appliances	Dishwasher	X	X	X	X	X	X
	Disposal		X	X	X	X	X
	Microwave		X	X			
	Range	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X
	W/D Hookup	X	X	X	X	X	X
	W/D		X	X	X	X	X
	No Appliances						
Unit Amenities	AC-Central	X	X	X	X	X	X
	AC-Other						
	Balcony/ Patio/ Sunroom		S		X	X	
	Basement					S	S
	Ceiling Fan					X	X
	Controlled Access						
	E-Call System						
	Furnished						
	Walk-In Closet	X	X	X		X	X
	Window Treatments	X	X	X	X	X	X
Flooring	Carpet		X	X	X	X	X
	Ceramic Tile						
	Hardwood						
	Finished Concrete						
	Composite/Vinyl/Laminate	X	X	X	X	X	X
Upgraded	Premium Appliances						
	Premium Countertops						
	Premium Cabinetry						
	Premium Fixtures						
	High/Vaulted Ceilings						
	Oversized Windows						
Parking	Attached Garage					S	
	Detached Garage						
	Street Parking		X				
	Surface Lot	X	X	X	X	X	X
	Carport						
	Property Parking Garage						
	No Provided Parking						

◆ - Senior Property

* Proposed Site(s): Legacy on Main

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

** Details in Comparable Property Profile Report

Continued on Next Page

Tax Credit Property Amenities by Map ID

	Site*	2	4	6	8	9	
	Bike Racks / Storage	X					
	Computer/Business Center			X			
	Car Care **						
	Community Garden		X				
Community	Multipurpose Room	X	X				
	Chapel						
	Community Kitchen	X					
	Dining Room - Private						
	Dining Room - Public						
	Rooftop Terrace						
	Concierge Service **						
	Convenience Amenities **						
	Covered Outdoor Area **						
	Elevator	X					
	Laundry Room						
	On-Site Management	X	X	X	X		X
	Pet Care **			X			
Recreation	Basketball						
	Bocce Ball						
	Firepit						
	Fitness Center	X		X			
	Grilling Area		X	X			
	Game Room - Billiards						
	Walking Path						
	Hot Tub						
	Library						
	Media Room / Theater						
	Playground	X	X	X	X		
	Putting Green						
	Racquetball						
	Shuffleboard						
	Swimming Pool - Indoor						
	Swimming Pool - Outdoor						
	Tennis						
Volleyball							
Security	CCTV	X					
	Courtesy Officer						
	Security Gate						
	Social Services **						
	Storage - Extra						
	Common Space WiFi	X					

◆ - Senior Property

* Proposed Site(s): Legacy on Main

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

** Details in Comparable Property Profile Report

As the preceding tables illustrate, the subject project's amenities package is generally considered competitive when compared with the amenities offered at the comparable LIHTC properties. Overall, the subject project does not appear to be lacking any amenity that would hinder its ability to operate as a LIHTC project.

Comparable/Competitive Tax Credit Summary

The five comparable LIHTC projects have a combined occupancy rate of 95.7%. Note that four of the properties are 100.0% occupied with extensive waiting lists. However, Fieldstone Apartments is currently operating with an occupancy rate of 83.3%. According to management at this property, prospective tenants do not want to go through the application process required to reside at the property. Considering the remaining properties are 100.0% occupied with waiting lists and likely have similar application processes, this appears to be a property-specific and/or management issue and does not appear to be reflective of the performance of the overall LIHTC market.

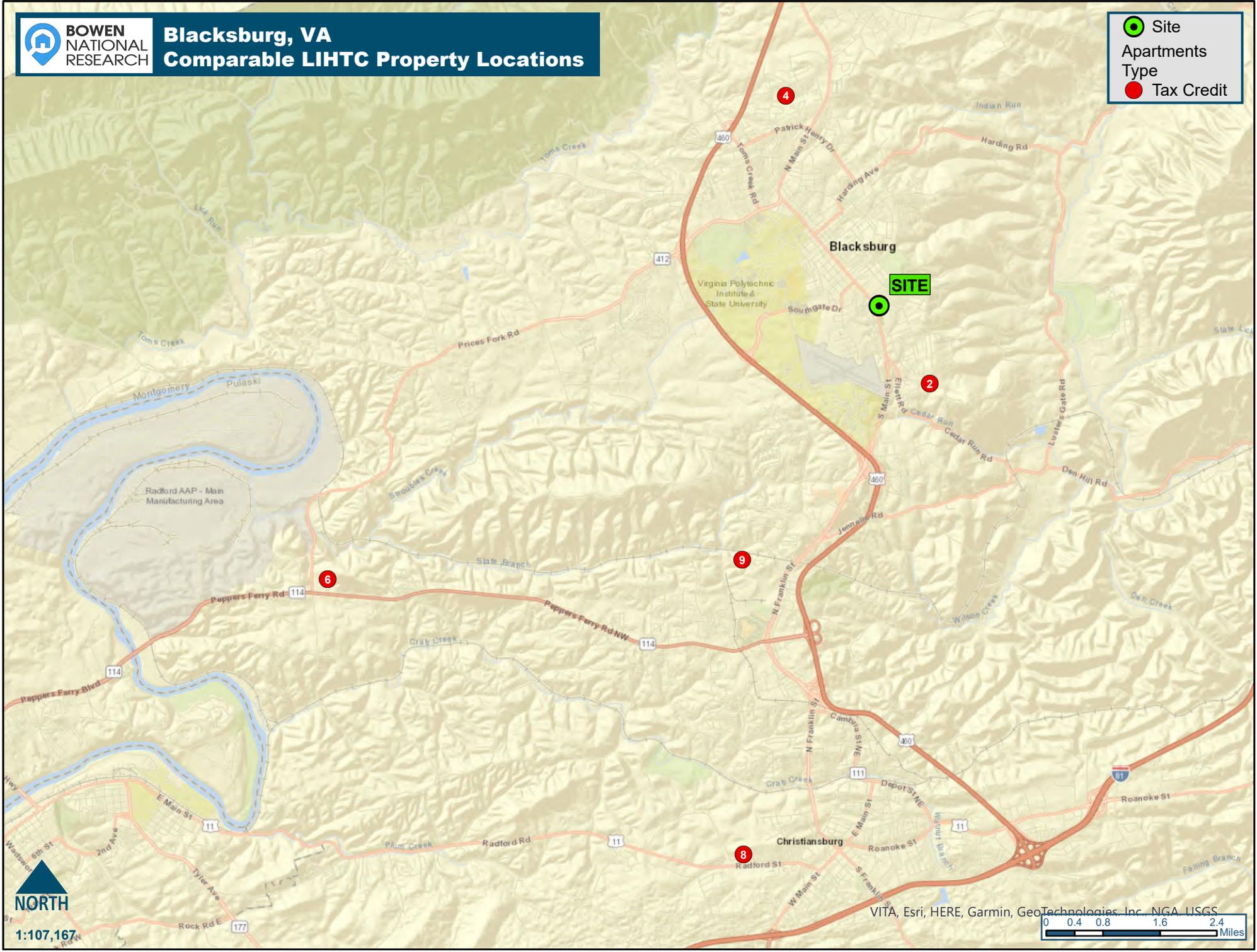
The subject project will be very competitive in terms of unit sizes and amenities offered. In addition, the subject's proposed gross rents targeting households earning up to 40%, 50% and 60% of AMHI are generally among the highest rents in the market when compared with the rents being achieved at the comparable properties targeting similar income levels. However, it is expected that the subject's proposed gross LIHTC rents for these income levels (40%, 50% and 60% of AMHI) are considered achievable as proposed. The subject's proposed gross LIHTC rents at the 80% of AMHI income level are higher than the rents being achieved at the comparable LIHTC properties, which is expected when considering the higher income targeting. Considering the 80% of AMHI rents are only slightly higher than the 60% of AMHI rents being achieved at the comparable LIHTC properties, they are considered appropriate for this market.

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



Blacksburg, VA Comparable LIHTC Property Locations

- Site
- Apartments
- Type
- Tax Credit



1:107,167

C. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with planning representatives, as well as the observations of our analyst while in the field, it was determined that there are six rental housing projects in the development pipeline within the Site PMA, which are summarized as follows:

- The Alexander, located at 100 Eheart Street in Blacksburg is an existing single-family house situated on a 0.06-acre site which is to be redeveloped into 37 unrestricted market-rate apartment units. This project is still in the planning stages and does not seem to be approved at time of study.
- Marlinton Townhomes, to be located at 200 Marlinton Street in Blacksburg is an approved rezoning projected set to demolish the two existing residential homes and construct 13 market-rate two-story townhomes with one bedroom and one and a half bathrooms. The project was approved in August 2021.
- Eagle Townhomes, to be located at 301 Eheart Street Southeast in Blacksburg is currently in the planning stages and is proposed to have 259 market-rate units. This site was approved with restrictive proffers, with no additional information found at time of study.
- Midtown Parcel, to be located at 401 Church Street Southeast in Blacksburg, is currently in the planning stages and is to have 178 market-rate units. This site was approved with restrictive proffers, with no additional information found at time of study.
- Old Blacksburg High School, located at 520 Patrick Henry in Blacksburg is currently approved with restrictive proffers to be built into up to 111 likely market-rate units. This project is still in the planning stages, and construction has not started at time of study.
- Vue at CRC, located at 1902 Research Center Drive in Blacksburg is a 206-unit market-rate property set to open Summer 2022. The one-, two-, and three-bedroom units ranging from about 590 to 1,200 square feet. The property will include features for residents such as a fitness center, dog park, grilling area, playground, and outdoor swimming pool.

None of the projects in the development pipeline are expected to offer affordable units that would be competitive with the subject site. As such, the development of these projects is not expected to have any impact on the affordable subject project.

D. ANTICIPATED IMPACT ON EXISTING TAX CREDIT PROPERTIES

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

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2024
2	Cedar Crest	100.0%	95.0% +
4	Fieldstone Apts.*	83.3%	93.0% +
6	Forest Hills at Belview	100.0%	95.0% +
8	Henley Place	100.0%	95.0% +
9	Huckleberry Court Townhouses	100.0%	95.0% +

*Age-restricted (not considered directly competitive)

The five comparable LIHTC projects have a combined occupancy rate of 95.7%. Note that four of the properties are 100.0% occupied with extensive waiting lists. However, Fieldstone Apartments is currently operating with an occupancy rate of 83.3%. According to management at this property, prospective tenants do not want to go through the application process required to reside at the property. Considering the remaining properties are 100.0% occupied with waiting lists and likely have similar application processes, this appears to be a property-specific and/or management issue and does not appear to be reflective of the performance of the overall LIHTC market. It is also important to note that this property is restricted to seniors and will not be directly competitive with the subject project. As such, there is high and likely pent-up demand for LIHTC product such as that offered at the subject site.

E. BUY VERSUS RENT ANALYSIS

According to ESRI, the median home value within the Site PMA was \$275,393. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$275,393 home is \$1,657, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$275,393
Mortgaged Value = 95% of Median Home Price	\$261,623
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$1,326
Estimated Taxes and Insurance*	\$331
Estimated Monthly Mortgage Payment	\$1,657

*Estimated at 25% of principal and interest

In comparison, the collected non-subsidized Tax Credit rents for the subject property range from \$590 to \$1,340 per month. Therefore, the cost of a monthly mortgage for a typical home in the area is at least \$317 more than the cost of renting at the subject project. Considering the higher cost of homeownership in this market, we do not anticipate any competitive impact on or from the homebuyer market. This is especially true when considering that the subject project will include a comprehensive amenities package which is not typically offered among for sale product.

VI. Achievable Market Rent Analysis

A. INTRODUCTION

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

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

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

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

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

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

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

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Legacy on Main	2024	56	-	-	28 (-)	28 (-)
1	Adams at Peppers Ferry	2019	168	100.0%	50 (100.0%)	84 (100.0%)	34 (100.0%)
17	Reserve at Knollwood	2013	111	100.0%	33 (100.0%)	67 (100.0%)	11 (100.0%)
18	Ridgewood Village	1980	120	99.2%	36 (100.0%)	72 (100.0%)	12 (91.7%)
20	Smith's Landing	2009	284	100.0%	108 (100.0%)	140 (100.0%)	36 (100.0%)

Occ. – Occupancy

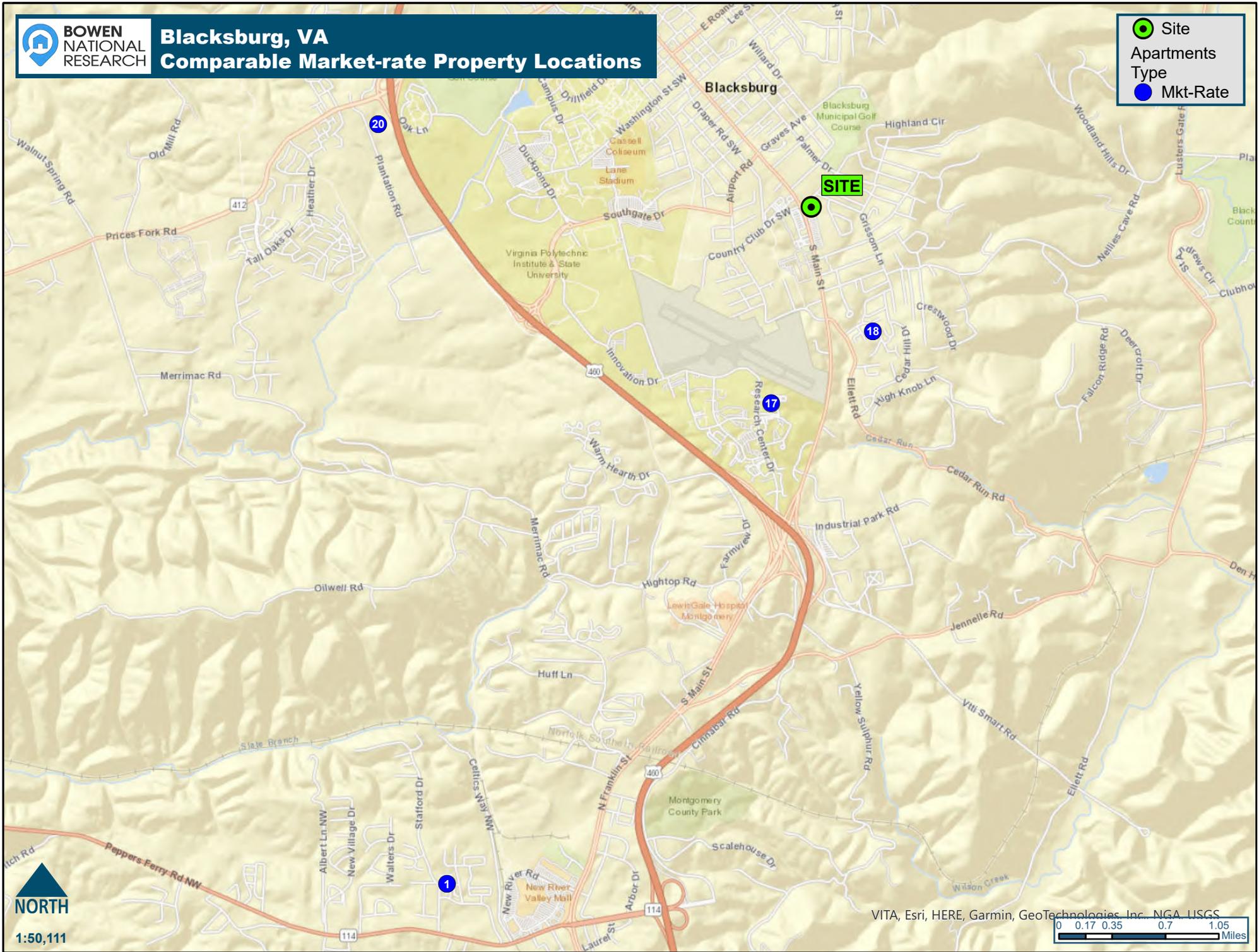
The four selected market-rate projects have a combined total of 683 units with an overall occupancy rate of 99.9%. These occupancy rates are good indications that the selected market-rate properties are well-received and will offer a good base of comparison for the subject project within the Blacksburg Site PMA.

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



Blacksburg, VA Comparable Market-rate Property Locations

Site
 Apartments
 Mkt-Rate



NORTH
1:50,111

VITA, Esri, HERE, Garmin, GeoTechnologies, Inc., NGA, USGS
0 0.17 0.35 0.7 1.05
Miles

Rent Comparability Grid

Unit Type → **TWO-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4	
Legacy on Main		Adams at Peppers Ferry		Reserve at Knollwood		Ridgewood Village		Smith's Landing	
100 Country Club Drive Southeast		375 Continental Cir		2401 Pamela Way		400 Fairfax Rd		870 Plantation Rd	
Blacksburg, VA		Christiansburg, VA		Blacksburg, VA		Blacksburg, VA		Blacksburg, VA	
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged									
1	\$ Last Rent / Restricted?	\$1,264		\$1,569		\$1,360		\$1,580	
2	Date Surveyed	Oct-21		Jan-22		Feb-22		Jan-22	
3	Rent Concessions	None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,264	1.27	\$1,569	1.48	\$1,360	1.47	\$1,580	1.49
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/3,4		WU/3		WU/2,3		WU/4,5	
7	Yr. Built/Yr. Renovated	2024		2019	\$5	2013	\$11	1980	\$44
8	Condition/Street Appeal	E		G	\$15	E		G	\$15
9	Neighborhood	G		G		G		G	
10	Same Market?			Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2	
12	# Baths	2		2		1	\$30	2	
13	Unit Interior Sq. Ft.	929	(\$24)	997	(\$24)	1058	(\$46)	928	\$0
14	Patio/Balcony/Sunroom	N	(\$5)	Y	(\$5)	N		Y	(\$5)
15	AC: Central/Wall	C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y	\$10	N/N	\$10	Y/Y	(\$5)	N/Y	(\$5)
18	Washer/Dryer	HU	(\$25)	W/D	(\$25)	W/D	(\$25)	L	\$5
19	Floor Coverings	T/V		C		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y	
21	Secured Entry	N		N		N		N	
22	Garbage Disposal	N		N		Y	(\$5)	N	
23	Ceiling Fan/Storage	N/N	(\$5)	Y/N	(\$5)	Y/N	(\$5)	Y/N	(\$5)
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		NONE	\$10
25	On-Site Management	Y		Y		N	\$5	Y	
26	Security Features	Y		N	\$5	N	\$5	N	\$5
27	Community Space	Y		Y		N	\$5	Y	
28	Pool/Recreation Areas	F	(\$16)	P/F/GR/MT	(\$16)	S	\$2	F/WT	(\$3)
29	Computer/Business Center	N		N		N		Y	(\$3)
30	Grilling Area	N	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)
31	Playground	Y	\$3	N		Y		N	\$3
32	Social Services	N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/G		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/G		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/G		N/E	
37	Other Electric	N		N		N		N	
38	Cold Water/Sewer	N/N	(\$69)	Y/Y	(\$69)	N/N		N/N	
39	Trash/Recycling	Y/N		Y/N		N/N	\$14	N/N	\$14
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	6	3	7	10	2	4	9
41	Sum Adjustments B to D	\$38	(\$78)	\$21	(\$102)	\$114	(\$8)	\$33	(\$102)
42	Sum Utility Adjustments		(\$69)			\$14		\$14	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$109)	\$185	(\$81)	\$123	\$120	\$136	(\$55)	\$149
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,155		\$1,488		\$1,480		\$1,525	
45	Adj Rent/Last rent		91%		95%		109%		97%
46	Estimated Market Rent	\$1,355	\$1.46 ←	Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type → **THREE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4	
Legacy on Main		Adams at Peppers Ferry		Reserve at Knollwood		Ridgewood Village		Smith's Landing	
100 Country Club Drive Southeast		375 Continental Cir		2401 Pamela Way		400 Fairfax Rd		870 Plantation Rd	
Blacksburg, VA		Christiansburg, VA		Blacksburg, VA		Blacksburg, VA		Blacksburg, VA	
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,658		\$2,110		\$1,520		\$2,390	
2	Date Surveyed	Oct-21		Jan-22		Feb-22		Jan-22	
3	Rent Concessions	None		None		None		None	
4	Occupancy for Unit Type	100%		100%		92%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,658	1.23	\$2,110	1.75	\$1,520	1.38	\$2,390	1.94
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/3,4		WU/3		WU/2,3		WU/4,5	
7	Yr. Built/Yr. Renovated	2024		2019	\$5	1980	\$44	2009	\$15
8	Condition/Street Appeal	E		G	\$15	G	\$15	E	
9	Neighborhood	G		G		G		G	
10	Same Market?			Yes		Yes		Yes	
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3		3		3		3	
12	# Baths	2		2		2		3	(\$30)
13	Unit Interior Sq. Ft.	1219	(\$50)	1347	\$5	1100	\$47	1235	(\$6)
14	Patio/Balcony/Sunroom	N	(\$5)	Y		N		Y	(\$5)
15	AC: Central/Wall	C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y	\$10	N/N		N/Y		Y/Y	(\$5)
18	Washer/Dryer	HU	(\$25)	W/D		HU/L	(\$5)	W/D	(\$25)
19	Floor Coverings	T/V		C		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y	
21	Secured Entry	N		N		N		N	
22	Garbage Disposal	N		N		Y	(\$5)	Y	(\$5)
23	Ceiling Fan/Storage	N/N	(\$5)	Y/N		Y/N	(\$5)	Y/N	(\$5)
D. Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		NONE	\$10
25	On-Site Management	Y		Y		N	\$5	Y	
26	Security Features	Y	\$5	N	\$5	N	\$5	N	\$5
27	Community Space	Y		Y		N	\$5	Y	
28	Pool/Recreation Areas	F	(\$16)	P/F/GR/MT		S	\$2	F/WT	(\$3)
29	Computer/Business Center	N		N		N		Y	(\$3)
30	Grilling Area	N	(\$3)	Y		Y	(\$3)	Y	(\$3)
31	Playground	Y	\$3	N		Y		N	\$3
32	Social Services	N		N		N		N	
E. Utilities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/G		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/G		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/G		N/E	
37	Other Electric	N		N		N		N	
38	Cold Water/Sewer	N/N	(\$83)	Y/Y		N/N		N/N	
39	Trash/Recycling	Y/N		Y/N		N/N	\$14	N/N	\$14
F. Adjustments Recap	Pos	Neg		Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	6	4	6	8	3	4	10
41	Sum Adjustments B to D	\$38	(\$104)	\$26	(\$56)	\$126	(\$13)	\$33	(\$90)
42	Sum Utility Adjustments		(\$83)			\$14		\$14	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$149)	\$225	(\$30)	\$82	\$127	\$153	(\$43)	\$137
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,509		\$2,080		\$1,647		\$2,347	
45	Adj Rent/Last rent		91%		99%		108%		98%
46	Estimated Market Rent	\$1,645	\$1.35 ←	Estimated Market Rent/ Sq. Ft					

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

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents for units similar to the subject project are summarized as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
Two-Br.	40%	\$590	\$1,355	56.5%
Two-Br.	50%	\$770	\$1,355	43.2%
Two-Br.	60%	\$949	\$1,355	30.0%
Two-Br.	80%	\$1,170	\$1,355	13.7%
Three-Br.	40%	\$675	\$1,645	59.0%
Three-Br.	50%	\$882	\$1,645	46.4%
Three-Br.	60%	\$1,089	\$1,645	33.8%
Three-Br.	80%	\$1,340	\$1,645	18.5%

Typically, Tax Credit rents targeting households earning up to 60% of AMHI are set at least 10.0% below market rent to ensure the property represents a value and has a sufficient flow of prospective tenants within most markets. While units targeting households at higher income levels such as 80% of AMHI often do not need to represent a market rent advantage of 10.0% to be perceived a value, it is often recommended that such units/rents represent around a 5.0% market rent advantage.

As detailed in the preceding table, the subject rents represent market rent advantages ranging from 13.7% to 59.0%, depending upon unit type and income level. Thus, the subject rents, even those at the higher 80% AMHI levels, will represent significant values within the Blacksburg Site PMA.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions. When multiple rent levels were offered, we included an average rent.
7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were adjusted by \$1 per year of age difference to reflect the age of these properties.
8. It is anticipated that the proposed subject project will have an excellent appearance and quality finish once construction is complete. We have made adjustments for those properties that we consider to be of inferior quality compared to the subject development.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package similar to the selected properties. We have made, however, adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The proposed project offers a comprehensive project amenities package which is relatively competitive with those offered among most of the comparable market-rate properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

VII. Capture Rate Analysis

A. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is within the Blacksburg-Christiansburg-Radford, VA HUD Metro FMR Area, which has a median four-person household income of \$79,700 for 2021. The subject property will be restricted to households with incomes of up to 40%, 50%, 60% and 80% of AMHI. The following table summarizes the maximum allowable income by household size and income level:

Household Size	Targeted AMHI Maximum Allowable Income			
	40%	50%	60%	80%
One-Person	\$22,320	\$27,900	\$33,480	\$44,640
Two-Person	\$25,520	\$31,900	\$38,280	\$51,040
Three-Person	\$28,720	\$35,900	\$43,080	\$57,440
Four-Person	\$31,880	\$39,850	\$47,820	\$63,760
Five-Person	\$34,440	\$43,050	\$51,660	\$68,880

1. Maximum Income Limits

The largest proposed units (three-bedroom) at the subject site are expected to generally house up to five-person households. As such, the maximum allowable income at the subject site is **\$68,880**.

2. Minimum Income Requirements

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

The lowest proposed LIHTC rent at the subject site is \$717. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$8,604. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement of **\$24,583**.

3. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate ranges by targeted income level are illustrated as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited to 40% of AMHI)	\$24,583	\$34,440
Tax Credit (Limited to 50% of AMHI)	\$30,754	\$43,050
Tax Credit (Limited to 60% of AMHI)	\$36,891	\$51,660
Tax Credit (Limited to 80% of AMHI)	\$44,469	\$68,880
Overall Tax Credit	\$24,583	\$68,880

B. CAPTURE RATE CALCULATIONS

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

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

1. **Demand from New Renter Households.** *Determine demand for new units in the Primary Market Area based on projected rental household growth. This is to be determined using 2022 as the base year and projecting forward to 2024, per Virginia Housing guidelines. The projected population must be limited to the target group, age- and income-appropriate. Demand for each target group must be shown separately, as reflected in the market study requirements. In instances where a significant number of proposed units (more than 20%) are comprised on three- and four-bedroom units, the analyst must refine the analysis by factoring in the number of large households, typically four or more persons. Failure to account for this may result in overstated demand.*
2. **Demand from Existing Households:** *The sum of demand from rental household growth and demand from all components of existing households will constitute **Total Demand**. The demand components from existing households are detailed below:*
 - a) **Rent overburdened households, if any, within the age group, income groups and renters targeted for the proposed development.** *“Overburdened” is defined by Virginia Housing as households paying more than 35% of gross income (40% if elderly) for gross rent. Analysts are encouraged to be conservative in this regard.*

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25074), 7.6% to 70.5% of income-appropriate renter households, depending upon income level, within the market are considered to be rent overburdened.

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

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25016), approximately 3.2% of all households within the market are living in substandard housing. Considering the targeted low-income tenant base, this estimate is considered appropriate for the area.

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

Not applicable; subject site is general-occupancy.

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

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

C. DEMAND/CAPTURE RATE CALCULATIONS

As discussed in *Section V*, we identified and surveyed four *directly competitive* (general-occupancy) LIHTC projects in the Site PMA. These projects are all 100.0% occupied. Therefore, we have not included any units from these properties in our demand estimates. In addition, there are no directly competitive general-occupancy Tax Credit units in the development pipeline to subtract from the following demand estimates.

The following is a summary of our demand calculations.

Demand Component	40% AMHI (\$24,583-\$34,440)	50% AMHI (\$30,754-\$43,050)	60% AMHI (\$36,891-\$51,660)	80% AMHI (\$44,469-\$68,880)	Overall LIHTC (\$24,583-\$68,880)
Demand from New Rental Households (Income-Appropriate)	1,329 - 1,404 = - 75	1,516 - 1,600 = - 84	1,713 - 1,797 = - 84	2,881 - 2,873 = 8	5,410 - 5,544 = - 134
+					
Demand from Existing Households (Rent Overburdened)	1,404 X 70.5% = 990	1,600 X 42.7% = 683	1,797 X 20.1% = 360	2,873 X 7.6% = 218	5,544 X 29.4% = 1,629
+					
Demand from Existing Households (Renters in Substandard Housing)	1,404 X 3.2% = 45	1,600 X 3.2% = 51	1,797 X 3.2% = 58	2,873 X 3.2% = 92	5,544 X 3.2% = 178
+					
Demand from Existing Households (Elderly Homeowner Conversion)	N/A	N/A	N/A	N/A	N/A
=					
Total Demand	960	650	334	318	1,673
-					
Supply (Directly Comparable Vacant Units Completed or in the Pipeline)	0	0	0	0	0
=					
Net Demand	960	650	334	318	1,673
Proposed Units	6	22	22	6	56
Proposed Units / Net Demand	6 / 960	22 / 650	22 / 334	6 / 318	56 / 1,673
Capture Rate	= 0.6%	= 3.4%	= 6.6%	= 1.9%	= 3.3%
Total Absorption Period	2 Months	3 Months	4 Months	2 Months	4 Months

N/A-Not Applicable

Overall, the capture rates by targeted income level are considered very low and easily achievable, ranging from 0.6% to 6.6%. The overall LIHTC capture rate of 3.3% is also considered very low and easily achievable, illustrating that a substantial base of demographic support will exist for the subject development.

D. PENETRATION RATE CALCULATIONS

The 407 existing and planned non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned Tax Credit units is \$20,914 to \$68,880. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, the penetration rate is summarized in the following table:

	Market Penetration
Number of LIHTC Units (Existing, Planned & Proposed)	463
Income-Eligible Renter Households – 2024	/ 5,925
Overall Market Penetration Rate	= 7.8%

It is our opinion that the 7.8% penetration rate for the LIHTC units, existing and proposed, is low and achievable.

E. SUPPORT FROM HOUSING CHOICE VOUCHER HOLDERS

According to a representative with Virginia Housing, there are approximately 769 Housing Choice Voucher holders within the housing authority’s jurisdiction (within Craig, Floyd, Giles, Montgomery, and Pulaski County), and 236 people currently on the waiting list for additional Vouchers. The waiting list is closed and is expected to reopen possibly in late 2022. Annual turnover is estimated at 120 households. This reflects the continuing need for Housing Choice Voucher assistance.

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

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (AMHI)
Two-Bedroom	\$1,075	\$717 (40%)
		\$897 (50%)
		\$1,076 (60%)
		\$1,297 (80%)
Three-Bedroom	\$1,540	\$829 (40%)
		\$1,036 (50%)
		\$1,243 (60%)
		\$1,494 (80%)

As the preceding table illustrates, all of the proposed LIHTC gross rents are below the local payment standards, with the exception of the one-bedroom 80% of AMHI units. As such, the subject project will be able to rely on support from Housing Choice Voucher holders. This will increase the demographic base of potential support for the proposed development and has been considered in our absorption projections.

F. ABSORPTION PROJECTIONS

Considering the facts contained in the market study, as well as the preceding factors, and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the proposed subject development. It is our opinion that the proposed 56 LIHTC units at the subject site will likely reach a stabilized occupancy within approximately four months. This absorption period is based on an average monthly absorption rate of approximately 13 units per month.

These absorption projections assume a 2024 opening date. An earlier/later opening date may have a slowing impact on the initial absorption of the subject project. Further, these absorption projections assume that the project will be built as outlined in this report. Changes to the project’s rents, amenities, floor plans, location or other features may invalidate our findings.

Finally, we assume the developer and/or management will aggressively market the project throughout the Site PMA a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development receives.

VIII. Local Perspective (Interviews)

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

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

- Annie McClung, Planning and Building Director for Blacksburg, stated that the town's market is skewed by the student population, and she would like to see more non-student rental properties, especially those that offer affordable units.
- Dawn Minkema, Property Manager at Huckleberry Court Townhomes (Map ID 9), a comparable Tax Credit property, stated that there is a need for affordable housing in the Blacksburg area. Ms. Minkema noted that she maintains a lengthy waiting list, with an average of 100 households per property, on the properties that she manages in the Blacksburg area, illustrating the need for more affordable housing throughout the area.
- Vicki Lytton, Property Manager at Christiansburg Bluff Apartments (Map ID 3), a government-subsidized property, stated that there is a need for affordable housing in Blacksburg area. Ms. Lytton added that she receives a large volume of calls daily inquiring about available units and maintains a long waiting list.

IX. Analysis & Conclusions

Based on the findings of this report, a market exists for the subject property and the project is considered marketable as proposed.

The subject property will offer two- and three-bedroom garden-style units within an elevator-equipped building, an appropriate product type for rental housing such as that proposed at the site.

The five comparable LIHTC projects have a combined occupancy rate of 95.7%. Note that four of the properties are 100.0% occupied with extensive waiting lists. However, Fieldstone Apartments is currently operating with an occupancy rate of 83.3%. According to management at this property, prospective tenants do not want to go through the application process required to reside at the property. Considering the remaining properties are 100.0% occupied with waiting lists and likely have similar application processes, this appears to be a property-specific and/or management issue and does not appear to be reflective of the performance of the overall LIHTC market. The subject project will be very competitive in terms of unit sizes and amenities offered. In addition, the subject's proposed gross rents targeting households earning up to 40%, 50% and 60% of AMHI are generally among the highest rents in the market when compared with the rents being achieved at the comparable properties targeting similar income levels.

The subject's proposed gross LIHTC rents at the 80% of AMHI income level are higher than the rents being achieved at the comparable LIHTC properties, which is expected when considering the higher income targeting. Considering the 80% of AMHI rents are only slightly higher than the 60% of AMHI rents being achieved at the comparable LIHTC properties, they are considered appropriate for this market. This is especially true considering the market rent advantages that these rents represent, as illustrated in *Section VI*.

The subject project will be well supported demographically, as evidenced by the subject's overall capture rate of 3.3%, which is considered low and easily achievable.

In conclusion, the subject property is considered marketable and is expected to be met with positive demand within the Blacksburg market. Given the strong occupancy rates of existing competitive rental product surveyed and the deep base of demographic support, we do not anticipate the subject project having any adverse impact on future occupancy rates among existing comparable LIHTC properties in this market.

X.

SITE PHOTOGRAPHS



View of site from the north



View of site from the northeast



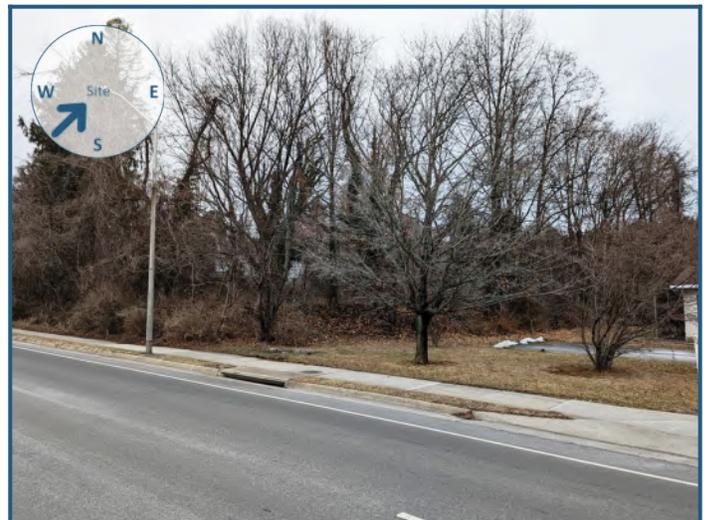
View of site from the east



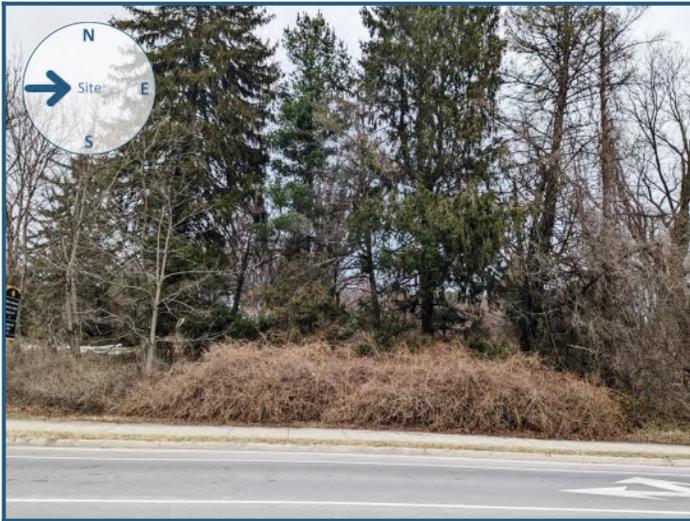
View of site from the southeast



View of site from the south



View of site from the southwest



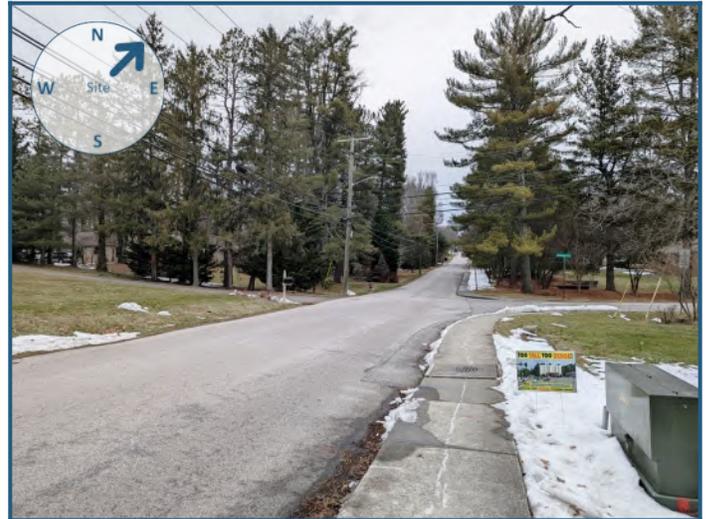
View of site from the west



View of site from the northwest



North view from site



Northeast view from site



East view from site



Southeast view from site



South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: Northwest view of South Main Street (US Highway 460 Business)



Streetscape: South view of South Main Street (US Highway 460 Business)



Streetscape: Northeast view of view of Country Club Drive Southeast



Streetscape: Southwest view of Country Club Drive Southeast

XI.

COMPARABLE
PROPERTY PROFILES

1 Adams at Peppers Ferry 5.0 miles to site



Address: 375 Continental Cir, Christiansburg, VA 24073
 Phone: (540) 251-3048 Contact: Austin
 Property Type: Market Rate
 Target Population: Family
 Total Units: 168 Year Built: 2019
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3
 Waitlist: None
 Rent Special: None

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



Notes: Rent range due to floor level & view; Preleasing 9/2019, opened 10/2019, stabilized occupancy 8/2020

Features And Utilities

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

Unit Amenities: Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet); Premium Appliances; Premium Countertops; Premium Cabinetry; High/Vaulted Ceilings

Property Amenities: Bike Racks / Storage; Community Kitchen; Cafe / Coffee Bar; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Game Room-Billiards, Media Room / Theater, Outdoor Swimming Pool)

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	50	0	803	\$1.42 - \$1.51	\$1,163 - \$1,238	Market
2	2	G	84	0	997 - 1,152	\$1.24 - \$1.20	\$1,264 - \$1,408	Market
3	2	G	34	0	1,347	\$1.18 - \$1.24	\$1,620 - \$1,695	Market

*Adaptive Reuse

*DTS is based on drive time

2 Cedar Crest 1.3 miles to site



Address: 1325 Brighton Ct, Blacksburg, VA 24060
 Phone: (540) 951-0004 Contact: Jody
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 82 Year Built: 1998
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1,2
 Waitlist: 183 HH
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

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

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

Property Amenities: Multipurpose Room; On-Site Management; Recreation Areas (Grilling Area, Playground)

Parking Type: Street Parking; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	T	2	0	768	\$0.84	\$648	50%
2	1	G	2	0	975	\$0.72	\$703	50%
2	1	G	6	0	975	\$0.86	\$838	60%
2	1.5	T	3	0	1,024	\$0.60	\$613	40%
2	1.5	T	22	0	1,024	\$0.69	\$703	50%
2	1.5	T	5	0	1,024	\$0.82	\$838	60%
3	2.5	T	12	0	1,296	\$0.65	\$838	50%
3	2.5	T	30	0	1,296	\$0.73	\$940	60%

*Adaptive Reuse

*DTS is based on drive time

4 Fieldstone Apts. 3.3 miles to site



Address: 401 Given's Lane, Blacksburg, VA 24060
 Phone: (540) 605-8156 Contact: Jonathon
 Property Type: Tax Credit
 Target Population: Family, Senior 55+
 Total Units: 84 Year Built: 2018
 Vacant Units: 14 *AR Year:
 Occupancy: 83.3% Yr Renovated:
 Turnover: Stories: 3
 Waitlist: None
 Rent Special: None

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

Notes: Tax Credit; Preleasing 5/2018, opened 9/2018



Features And Utilities

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

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

Property Amenities: Community Gardens; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Playground)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	21	5	787 - 1,003	\$1.08 - \$0.85	\$848	50%
2	2	G	21	2	1,065	\$0.97	\$1,034	60%
3	2	G	42	7	1,265	\$0.90	\$1,142	60%

*Adaptive Reuse

*DTS is based on drive time

6 Forest Hills at Belview 9.4 miles to site



Address: 180 Belview Dr, Radford, VA 24141
 Phone: (540) 639-1100 Contact: Tasha
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 70 Year Built: 2012
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1,2
 Waitlist: 100 HH
 Rent Special: None

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

Notes: Tax Credit

Features And Utilities

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

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

Property Amenities: Business Center (Computer/Business Center); On-Site Management; Recreation Areas (Playground)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	8	0	706	\$0.70	\$496	40%
1	1	G	8	0	706	\$0.92	\$651	50%
2	2	G	35	0	1,003	\$0.77	\$773	50%
3	2	G	14	0	1,123	\$0.79	\$885	50%
4	2	G	5	0	1,244	\$0.77	\$960	50%

*Adaptive Reuse

*DTS is based on drive time

8 **Henley Place** 7.6 miles to site



Address: 1020 Beaver Dr NW, Christiansburg, VA 24073
 Phone: (540) 382-5058 Contact: Paula
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 41 Year Built: 2006
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist: 140 HH
 Rent Special: None

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

Notes: Rent range due to how many exposed walls & units with attached garage



Features And Utilities

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

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

Property Amenities:

Parking Type: Attached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1.5	T	9	0	1,673	\$0.42 - \$0.45	\$705 - \$745	50%
3	2.5	T	27	0	2,253	\$0.41 - \$0.42	\$925 - \$935	60%
4	2.5	T	5	0	2,582	\$0.45	\$1,163	60%

*Adaptive Reuse

*DTS is based on drive time

9 Huckleberry Court Townhouses 4.0 miles to site



Address: 517 Virginian Dr, Christiansburg, VA 24073
 Phone: (540) 382-5058 Contact: Paula
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 50 Year Built: 2005
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1,2
 Waitlist: 155 HH
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

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

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

Property Amenities: On-Site Management

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2.5	T	5	0	1,185	\$0.53	\$627	50%
2	2.5	T	7	0	1,185	\$0.63	\$743	60%
3	2.5	T	27	0	1,366	\$0.60	\$824	60%
4	2.5	T	11	0	1,860	\$0.51	\$949	60%

*Adaptive Reuse

*DTS is based on drive time

17 Reserve at Knollwood 2.5 miles to site



Address: 2401 Pamela Way, Blacksburg, VA 24060
 Phone: (540) 961-0500 Contact: Sandy
 Property Type: Market Rate
 Target Population: Family
 Total Units: 111 Year Built: 2013
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3
 Waitlist: None
 Rent Special: None

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

Notes: Rent range due to updates & view



Features And Utilities

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

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate); Premium Countertops

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

Parking Type: Attached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	33	0	667 - 715	\$1.83 - \$1.74	\$1,219 - \$1,246	Market
2	2	G	67	0	1,058 - 1,112	\$1.48 - \$1.45	\$1,569 - \$1,608	Market
3	2	G	11	0	1,206 - 1,226	\$1.75 - \$1.77	\$2,110 - \$2,168	Market

*Adaptive Reuse

*DTS is based on drive time

18 Ridgewood Village 1.0 miles to site



Address: 400 Fairfax Rd, Blacksburg, VA 24060
 Phone: (540) 951-8100 Contact: Josh
 Property Type: Market Rate
 Target Population: Family
 Total Units: 120 Year Built: 1980
 Vacant Units: 1 *AR Year:
 Occupancy: 99.2% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist: None
 Rent Special: None

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

Notes: Rents change daily



Features And Utilities

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

Unit Amenities: Dishwasher; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate); Premium Appliances; Premium Countertops

Property Amenities: Laundry Room; Recreation Areas (Basketball, Grilling Area)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	36	0	720	\$1.66 - \$1.83	\$1,195 - \$1,315	Market
2	1	G	72	0	924 - 928	\$1.42 - \$1.47	\$1,315 - \$1,360	Market
3	2	G	12	1	1,100	\$1.35 - \$1.41	\$1,490 - \$1,550	Market

*Adaptive Reuse

*DTS is based on drive time

20 Smith's Landing 4.5 miles to site



Address: 870 Plantation Rd, Blacksburg, VA 24060
 Phone: (540) 835-5071 Contact: Dale
 Property Type: Market Rate
 Target Population: Family
 Total Units: 284 Year Built: 2009
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 4,5
 Waitlist: None
 Rent Special: None

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



Notes:

Features And Utilities

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

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

Property Amenities: Bike Racks / Storage; Business Center (Computer/Business Center); Cafe / Coffee Bar; On-Site Management; Recreation Areas (Fitness Center, Grilling Area, Walking Path); WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	108	0	680 - 704	\$1.80 - \$1.74	\$1,225	Market
2	2	G	140	0	1,063 - 1,078	\$1.49 - \$1.47	\$1,580	Market
3	3	G	36	0	1,235 - 1,241	\$1.94 - \$1.93	\$2,390	Market

*Adaptive Reuse

*DTS is based on drive time

XII.

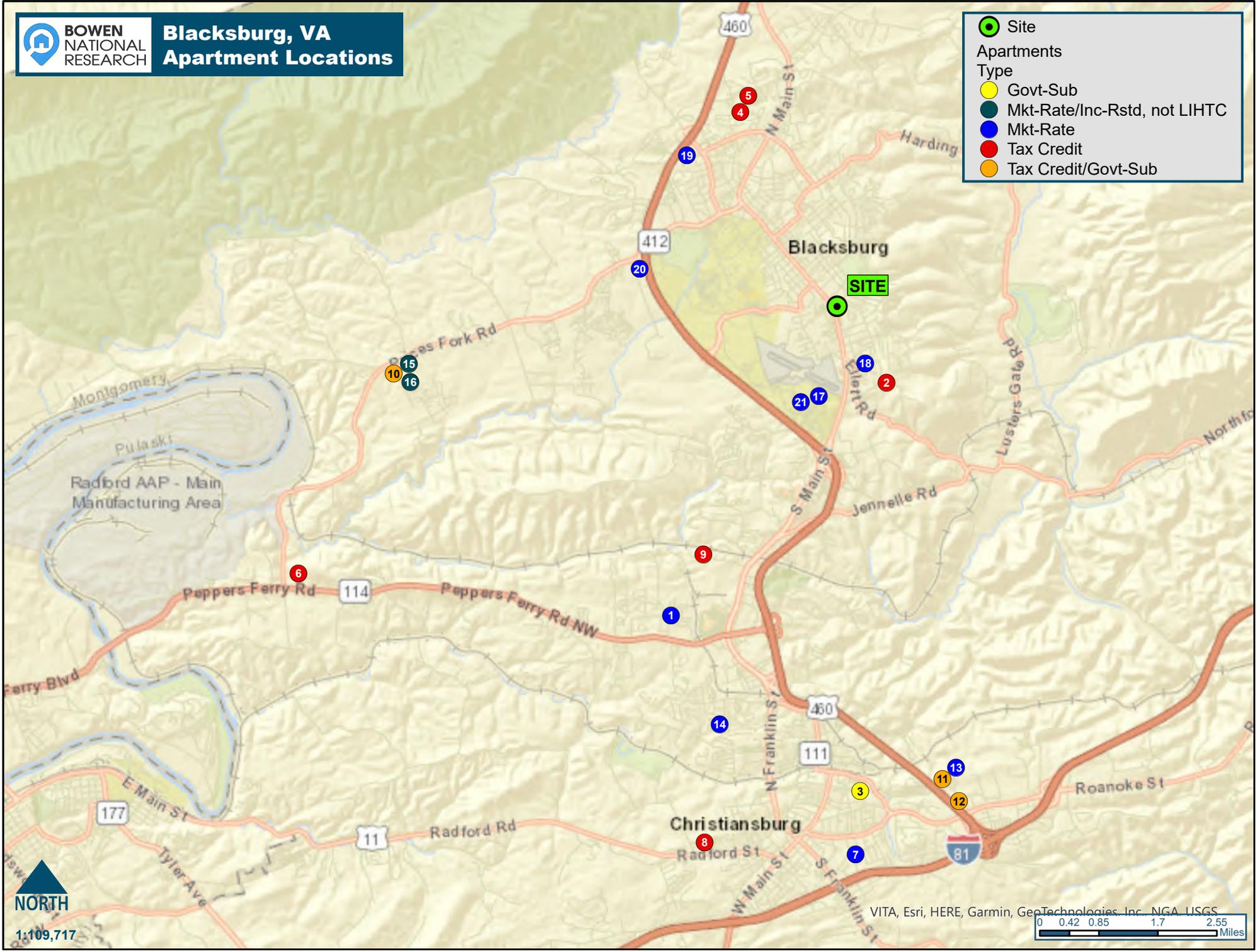
FIELD SURVEY OF CONVENTIONAL RENTALS



Blacksburg, VA Apartment Locations

Site
 Apartments
 Type

- Govt-Sub
- Mkt-Rate/Inc-Rstd, not LIHTC
- Mkt-Rate
- Tax Credit
- Tax Credit/Govt-Sub



Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Adams at Peppers Ferry	MRR	B+	2019	168	0	100.0%	5.0
✓ 2	Cedar Crest	TAX	B	1998	82	0	100.0%	1.3
3	Christiansburg Bluff	GSS	B	1979	120	0	100.0%	8.8
✓ 4	Fieldstone Apts.	TAX	B+	2018	84	14	83.3%	3.3
◆ 5	Fieldstone Senior	TAX	B+	2016	60	3	95.0%	3.1
✓ 6	Forest Hills at Belview	TAX	B+	2012	70	0	100.0%	9.4
7	Harmon Circle Duplexes	MRR	B-	1980	18	0	100.0%	9.2
✓ 8	Henley Place	TAX	A-	2006	41	0	100.0%	7.6
✓ 9	Huckleberry Court Townhouses	TAX	B+	2005	50	0	100.0%	4.0
10	Hunting Hills	TGS	C+	1978	12	0	100.0%	7.4
11	Linden Green	TGS	B+	1979	84	0	100.0%	8.4
12	Linden Grove	TGS	B	1972	52	0	100.0%	8.0
13	Mountain View Apts.	MRR	C-	1980	8	0	100.0%	8.3
14	Oak Tree Townhomes	MRR	B	2019	100	0	100.0%	6.2
◆ 15	Prices Fork Village Apts. I	MIN	B	1950	16	0	100.0%	7.2
16	Prices Fork Village Apts. III	MIN	B+	2020	16	0	100.0%	7.2
✓ 17	Reserve at Knollwood	MRR	A	2013	111	0	100.0%	2.5
✓ 18	Ridgewood Village	MRR	B	1980	120	1	99.2%	1.0
19	Shawnee Apts.	MRR	B	1980	200	0	100.0%	2.7
✓ 20	Smith's Landing	MRR	A	2009	284	0	100.0%	4.5
21	Vue at CRC	MRR	A-	2022	0	0		2.6

*Drive distance in miles

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



1	Adams at Peppers Ferry 375 Continental Cir, Christiansburg, VA 24073	Contact: Austin Phone: (540) 251-3048
	Total Units: 168 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2019 BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to floor level & view; Preleasing 9/2019, opened 10/2019, stabilized occupancy 8/2020	



2	Cedar Crest 1325 Brighton Ct, Blacksburg, VA 24060	Contact: Jody Phone: (540) 951-0004
	Total Units: 82 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1998 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 183 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit	



3	Christiansburg Bluff 595 Republic Rd, Christiansburg, VA 24073	Contact: Vickie Phone: (540) 382-1977
	Total Units: 120 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 1979 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 156 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: HUD Section 8	



4	Fieldstone Apts. 401 Given's Lane, Blacksburg, VA 24060	Contact: Jonathon Phone: (540) 605-8156
	Total Units: 84 UC: 0 Occupancy: 83.3% Stories: 3 Year Built: 2018 BR: 2, 3 Vacant Units: 14 Waitlist: None AR Year: Target Population: Family, Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit; Preleasing 5/2018, opened 9/2018	

5	Fieldstone Senior 300 Fieldstone Ln., Blacksburg, VA 24060	Contact: Jonathan Phone: (540) 605-8156
	Total Units: 60 UC: 0 Occupancy: 95.0% Stories: 1 Year Built: 2016 BR: 1, 2 Vacant Units: 3 Waitlist: None AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit	

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



6	Forest Hills at Belview 180 Belview Dr, Radford, VA 24141	Contact: Tasha Phone: (540) 639-1100
	Total Units: 70 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 2012 BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: 100 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit	



7	Harmon Circle Duplexes 420-465 Harmon Cir., Christiansburg, VA 24073	Contact: Lindie Phone: (540) 951-1075
	Total Units: 18 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1980 BR: 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:	



8	Henley Place 1020 Beaver Dr NW, Christiansburg, VA 24073	Contact: Paula Phone: (540) 382-5058
	Total Units: 41 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 2006 BR: 2, 3, 4 Vacant Units: 0 Waitlist: 140 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to how many exposed walls & units with attached garage	

9	Huckleberry Court Townhouses 517 Virginian Dr, Christiansburg, VA 24073	Contact: Paula Phone: (540) 382-5058
	Total Units: 50 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 2005 BR: 2, 3, 4 Vacant Units: 0 Waitlist: 155 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit	

10	Hunting Hills 3134 Hillman Ln, Blacksburg, VA 24060	Contact: Gale Phone: (540) 382-7045
	Total Units: 12 UC: 0 Occupancy: 100.0% Stories: 1.5 Year Built: 1978 BR: 2 Vacant Units: 0 Waitlist: 25 HH AR Year: Target Population: Family Yr Renovated: 1994 Rent Special: None Notes: Tax Credit; RD 515, has RA (3 units)	

✓ Comparable Property ♦ Senior Restricted (MRR) Market-Rate (MRT) Market-Rate & Tax Credit (MRG) Market-Rate & Government-Subsidized (MIN) Market-Rate & Income-Restricted (not LIHTC)	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized (TAX) Tax Credit (TGS) Tax Credit & Government-Subsidized (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC) (TIN) Tax Credit & Income-Restricted (not LIHTC) (TMG) Tax Credit, Market-Rate & Government-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized (INR) Income-Restricted (not LIHTC) (ING) Income-Restricted (not LIHTC) & Government-Subsidized (GSS) Government-Subsidized (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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11	Linden Green 1600 Simpson Rd NE, Christiansburg, VA 24073		Contact: Paula Phone: (540) 382-8578	
		Total Units: 84 UC: 0 BR: 1, 2, 3, 4 Target Population: Family Rent Special: None Notes: Tax Credit; HUD Section 8	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: 278 HH

12	Linden Grove 240 Countrie Dr., Christiansburg, VA 24073		Contact: Gale Phone: (540) 382-7045	
		Total Units: 52 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit; RD 515, has RA (41 units)	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: 164 HH

13	Mountain View Apts. 653 Village Ln., Christiansburg, VA 24073		Contact: Lindie Phone: (540) 951-1075	
		Total Units: 8 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: None

14	Oak Tree Townhomes 310 Twig St, Christiansburg, VA 24073		Contact: Kensie Phone:	
		Total Units: 100 UC: 0 BR: 3, 4 Target Population: Family Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0	Stories: 2,3 Waitlist: None

15	Prices Fork Village Apts. I 4237 Prices Fork Rd., Blacksburg, VA 24060		Contact: Heather Phone: (540) 838-2333	
		Total Units: 16 UC: 0 BR: 2 Target Population: Senior 55+ Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0	Stories: 1 Waitlist: 16 HH

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

	16 Prices Fork Village Apts. III 4237 Prices Fork Rd, Blacksburg, VA 24060	Contact: Heather Phone: (540) 639-0195
		Total Units: 16 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 2020 BR: 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Market-rate (6 units); Income-restricted, not LIHTC (10 units)

	17 Reserve at Knollwood 2401 Pamela Way, Blacksburg, VA 24060	Contact: Sandy Phone: (540) 961-0500
		Total Units: 111 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2013 BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to updates & view

	18 Ridgewood Village 400 Fairfax Rd, Blacksburg, VA 24060	Contact: Josh Phone: (540) 951-8100
		Total Units: 120 UC: 0 Occupancy: 99.2% Stories: 2,3 Year Built: 1980 BR: 1, 2, 3 Vacant Units: 1 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rents change daily

	19 Shawnee Apts. 1222 University City Blvd, Blacksburg, VA 24060	Contact: Jennifer Phone:
		Total Units: 200 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1980 BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:

	20 Smith's Landing 870 Plantation Rd, Blacksburg, VA 24060	Contact: Dale Phone: (540) 835-5071
		Total Units: 284 UC: 0 Occupancy: 100.0% Stories: 4,5 Year Built: 2009 BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:

 Comparable Property  Senior Restricted  (MRR) Market-Rate  (MRT) Market-Rate & Tax Credit  (MRG) Market-Rate & Government-Subsidized  (MIN) Market-Rate & Income-Restricted (not LIHTC)	 (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized  (TAX) Tax Credit  (TGS) Tax Credit & Government-Subsidized  (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)  (TIN) Tax Credit & Income-Restricted (not LIHTC)  (TMG) Tax Credit, Market-Rate & Government-Subsidized	 (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized  (INR) Income-Restricted (not LIHTC)  (ING) Income-Restricted (not LIHTC) & Government-Subsidized  (GSS) Government-Subsidized  (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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21	Vue at CRC 1902 Research Center Dr, Blacksburg, VA 24060		Contact: Harmony Phone: (540) 552-6000			
		Total Units: 0 UC: 206 Occupancy: Stories: 4 w/Elevator Year Built: 2022 BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: 206 units UC, expect completion 7/2022; Preleasing 9/2021, still in lease-up				

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

Source: Richmond Redevelopment and Housing Authority
Effective: 07/2021

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	8	12	15	19	23	27	8	12	15	19	23	27
	+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0
	Bottled Gas	46	65	83	102	129	148	46	65	83	102	129	148
	Electric	19	25	33	39	50	57	19	25	33	39	50	57
	Heat Pump	0	0	0	0	0	0	0	0	0	0	0	0
	Oil	27	38	48	59	75	86	27	38	48	59	75	86
Cooking	Natural Gas	2	2	3	3	4	5	2	2	3	3	4	5
	Bottled Gas	8	11	14	18	22	26	8	11	14	18	22	26
	Electric	3	4	5	6	7	8	3	4	5	6	7	8
Other Electric		10	14	18	22	28	32	10	14	18	22	28	32
	+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0
Air Conditioning		5	6	8	11	14	15	5	6	8	11	14	15
Water Heating	Natural Gas	4	5	6	8	10	11	4	5	6	8	10	11
	Bottled Gas	19	27	34	41	53	61	19	27	34	41	53	61
	Electric	9	12	15	19	24	27	9	12	15	19	24	27
	Oil	11	15	20	24	31	35	11	15	20	24	31	35
Water		18	24	31	37	48	54	18	24	31	37	48	54
Sewer		21	29	38	46	59	67	21	29	38	46	59	67
Trash Collection		14	14	14	14	14	14	14	14	14	14	14	14
Internet*		20	20	20	20	20	20	20	20	20	20	20	20
Cable*		20	20	20	20	20	20	20	20	20	20	20	20
Alarm Monitoring*		0	0	0	0	0	0	0	0	0	0	0	0

* Estimated- not from source

XIII. Qualifications

The Company

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

Company Leadership

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

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

Market Analysts

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

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

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

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

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

Jonathan Kabat, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Kabat graduated from The Ohio State University with a Bachelor of Art in History and a minor in Geography.

Andrew Lundell, Market Analyst, has an experienced background in customer service and financial analysis. He has evaluated the rental market in cities throughout the United States and is able to provide detailed site-specific analysis. Mr. Lundell has a Bachelor of Arts in Criminal Justice from Ohio University.

Sidney McCrary, Market Analyst, is experienced in the on-site analysis of residential and commercial properties. He has the ability to analyze a site's location in relation to community services, competitive properties and the ease of access and visibility. Mr. McCrary has a Bachelor of Science in Business Administration from Ohio Dominican University.

Gregory Piduch, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Piduch holds a Bachelor of Arts in Communication and Rhetoric from the University of Albany, State University of New York and a Master of Professional Studies in Sports Industry Management from Georgetown University.

Ron Pompey, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Pompey has a Bachelor of Science in Electrical Engineering from the University of Florida.

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

Chris Wilhoit, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Wilhoit also has a background in architectural photography.

Research Staff

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

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

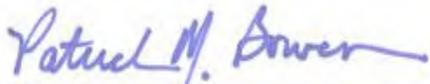
Stephanie Viren is the Research and Travel Coordinator at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary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

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

Addendum A – Member Certification & Checklist

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

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



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

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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