DANVILLE HOUSE
Market Study
April 2026

600 Main Street,
Danville, Virginia

AreaProbe

April 30, 2026

Tim Pryor
NHP Foundation
1090 Vermont Avenue NW,
Washington DC, 20005

Dear Mr. Pryor,

AreaProbe is pleased to submit this comprehensive Market Study for the proposed renovation of Danville House, located at 600 Main Street, Danville, VA. This analysis evaluates the existing low- and moderate-income housing landscape to determine current demand levels and assess the competitive environment for post-rehabilitation absorption. By surveying the local competitive set and analyzing the regional economic climate, we have established a clear baseline for the project's marketability. Our findings confirm full market support for the development, and this assessment has been prepared in strict accordance with the 2026 NCHMA Market Study requirements.

Sincerely,

CM Leatham

Curvin Leatham, CRE, MPS
Founder & Chief Executive Officer
AreaProbe Inc.
NCHMA Member Approved Market Analyst

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Abstract

This market study evaluates the demand for the comprehensive renovation of Danville House, a senior affordable housing asset located at 600 Main Street, Danville, VA. The project's mission is to provide modernized, high-quality housing for extremely low-income seniors (at or below 30% AMI) through a substantial rehabilitation program. The property's financial structure is anchored by a 99% Project-Based Section 8 HAP contract, which provides for annual OCAF-based rent adjustments to ensure long-term operational viability. While the project includes a single LIHTC-restricted unit ($796 for a 1-BR), the vast majority of the units offer deep subsidies, necessitating a strategic and temporary tenant relocation plan during the construction phase.

Prepared in strict accordance with National Council of Housing Market Analysts (NCHMA) guidelines, this report is the result of multiple February 2026 site visits and exhaustive primary research. AreaProbe personnel conducted comprehensive physical inspections of the facility—including public corridors, grounds, and neighborhood supportive infrastructure—to assess the property's integration within the local community. This data was further bolstered by direct interviews with regional property managers and the integration of verified third-party data sources to ensure a highly accurate market reflection.

The primary function of this report is to provide a professional, fair-market opinion regarding the marketability of the Subject Property for Low-Income Housing Tax Credit (LIHTC) application purposes. By analyzing the intersection of existing supply, demographic trends, and the Subject's unique subsidy structure, this study determines the feasibility and absorption potential of the proposed renovation within the Danville Primary Market Area.

Sincerely,

Curvin Leatham, CRE, MPS
Founder & Chief Executive Officer
AreaProbe Inc.
NCHMA Member Approved Market Analyst

Executive Summary

AreaProbe was engaged by the NHP Foundation to perform a comprehensive market analysis for the revitalization and ongoing operation of Danville House, located at 600 Main Street, Danville, VA. A historically designated landmark originally constructed in 1927 as the Danville Hotel, the 13-story facility was first converted to affordable housing in 1983. The current proposal involves a substantial renovation encompassing 104,660 square feet of net rentable area. This rehabilitation will be financed through an Option 2 Housing Assistance Payment (HAP) contract in conjunction with 4% Low-Income Housing Tax Credits (LIHTC). To facilitate these improvements, a comprehensive tenant relocation plan will be implemented for the duration of the construction phase.

The Subject Property is situated within the Central Downtown Business Commercial (CB-C) zone, placing it at the heart of Danville's pedestrian-friendly and rapidly revitalizing River District. This prime location supports the project's mission to provide 106 fully subsidized residential units for Extremely Low-Income (ELI) seniors, offering high accessibility to local amenities and services.

Target Population and Income Restrictions

Danville House is dedicated to serving income-qualified senior households (ages 62+) consisting of one or two individuals. The project's regulatory framework includes 105 units under a Section 8 Project-Based Voucher contract and one dedicated LIHTC unit. To maintain its mission of affordability, the property operates under the following strict income ceilings and demographic guidelines:

Pittsylvania County-Danville City, VA [2025 HUD Inc. Restrictions]						
HH Size	30%	40%	50%	60%	70%	80%
1 Person	$16,410	$21,880	$27,350	$32,820	$38,290	$43,760
2 Persons	$18,750	$25,000	$31,250	$37,500	$43,750	$50,000
3 Persons	$21,090	$28,120	$35,150	$42,180	$49,210	$56,240
4 Persons	$23,430	$31,240	$39,050	$46,860	$54,670	$62,480
5 Persons	$25,320	$33,760	$42,200	$50,640	$59,080	$67,520

Note: There is no minimum income limit for this property.

Executive Summary Continued

Following the renovation, the 106 units will undergo a strategic reconfiguration to better align with modern senior living standards, resulting in the following updated unit mix:

Proposed Unit Mix

Proposed Unit Mix						
Floor Plan	Number of Units	SF	Program	Gross Rent	UA	Net Rent
One-Bedroom	96	660	HAP	$ 1,349	83	$ 1,266
One-Bedroom	1	660	LIHTC	$ 879	83	$ 796
Two-Bedroom	9	902	HAP	$ 1,677	88	$ 1,589
Total	106					

Property Amenities

The property is highly competitive in its amenity offerings, particularly compared to standard LIHTC garden-style communities in the area.

Unit Amenities: Walk-in closets, self-cleaning ovens, and air conditioning.
Site Amenities: Business center, clubhouse, fitness center, elevator access, secured entry, laundry facilities, interior courtyard, picnic area, and an on-site leasing office.

Market and Demographic Trends

The Primary Market Area (PMA) is defined as a 75.2-square-mile region encompassing the City of Danville and southern Pittsylvania County. While the broader county population experiences contraction, the PMA is showing signs of stabilization. This trend is driven by an influx of young professionals and a decisive shift toward a renter-dominated market—highlighted by a 17.05% surge in renter households between 2010 and 2020.

Executive Summary Continued

Demand for the Subject's target demographic—seniors aged 62 and older—is exceptionally strong. By 2027, the PMA is projected to support 2,722 senior renter households, 70% of which are single-person households. Notably, nearly half of this cohort earns between $10,000 and $30,000 annually, demonstrating a precise alignment with Danville House's affordability structure and income restrictions.

Competitive Positioning and Market Health

The affordable housing market in Danville is exceptionally tight. The surveyed affordable housing comparables boast a staggering 99% average occupancy rate, with six of the nine properties operating at 100% capacity.

Market Rent Advantage

The Subject Property benefits from a massive rent advantage over market-rate housing. One-bedroom affordable units offer a 32.92% savings compared to market rate, while two-bedroom units offer a 43.63% savings. This combined average rent advantage of nearly 39% provides a deep competitive defense.

Waitlists

The local Housing Choice Voucher (Section 8) waitlist is currently closed, indicating profound pent-up demand for subsidized units.

Conclusion and Final Recommendation

Based on the market analysis, AreaProbe confirms robust and sustained demand for the 106-unit renovation of Danville House. The project is ideally positioned for rapid absorption due to the following factors:

Market Dynamics: A structural shift within the Danville PMA toward a renter-dominated market.

Executive Summary Continued

Demographic Need: An aging population of solitary seniors (62+) with fixed incomes typically below $30,000.

Strategic Alignment: The Subject's concentration of 97 one-bedroom units and strict $16,410 income limit precisely match the area's largest underserved demographic.

The combination of extreme income constraints and the Section 8 project-based subsidy ensures a high-capture, low-vacancy environment for the foreseeable future.

Capture and Penetration Metrics

The quantitative demand metrics for the Danville House are highly favorable and fall well within safe underwriting standards:

Capture Rate Results

The project demonstrates a conservative capture profile, requiring only 15.5% of the 685 eligible renter households in the PMA (15.9% for 1-BR; 11.8% for 2-BR). In a rural or tertiary market, capture rates below the 20% threshold signify significant latent demand and a negligible risk of over-saturation. Furthermore, the single 60% AMI LIHTC unit is supported by 157 income-eligible households, resulting in a nearly nominal capture rate of 0.6% for that floorplan.

Penetration Rate Results

The penetration rate rests at a conservative 21.40%.

Absorption

With a pre-rehabilitation occupancy rate of 98.5% and a high anticipated tenant return rate, the project carries negligible lease-up risk. We project the property will reach full stabilization (100% occupancy) within a conservative 90-day window following the completion of construction.

Achievable Rent as Market Rate

If the Subject were to be converted to a market rate property, we believe the site can command a rental rate of $1200 for a one-bedroom, and $1340 for a two-bedroom floorplan. AreaProbe maintains a high degree of confidence in the proposed revitalization of Danville House. As a flagship downtown asset, its superior amenity package—including secured access and a fitness center, provides a distinct competitive advantage over existing affordable stock. Driven by a 99% regional affordable occupancy rate, a closed Section 8 waitlist, and a compelling 39% rent advantage over market-rate alternatives, the project is strategically positioned for immediate absorption and long-term stability.

Project Summary

AreaProbe was commissioned by the NHP Foundation to prepare a market study to evaluate the demand for 106 units of senior low-income housing on 104,660 square feet of rentable building area, made up of one building. The units are located at 600 Main Street, Danville, Virginia (which will, within this report, be referred to as the "Subject Property" for this study). The subject property is located directly within the limits of Danville, Virginia. The market study may be, included as part of NHPs application for Low-Income Housing Tax Credits (LIHTC) per the requirements of the Internal Revenue Code and the Qualified Allocation Plan ("QAP") of the Virginia Department of Housing and Community Development (DHCD), the state credit agency. AreaProbe recognizes the Virginia Department of Housing and Community Development as an authorized user of this market study and the representation made herein. AreaProbe visited the site in August without the client or any representatives.

When completed, the Subject property will offer one-bedroom and two-bedroom unit floor plans: 105 rental units are a part of Option 2 HAP at 4% tax credits, and there is a single LIHTC unit at 60% AMI. The property has a 99% HAP contract, which receives annual OCAF-based rent increases. This program is renewed through January 26, 2034. The annual rent increases are based on Operating Cost Adjustment Factors (OCAF) or Budget Based Rent Increases (BBRI), and the contract allows for five-year comparability adjustments.

The access, visibility, and traffic flow will be in great shape due to its position in downtown Danville, Virginia. The area is heavily trafficked and near essential amenities such as schools, parks, and health care.

We fully support the development as in the project scope provided by the client. We expect the residential units proposed to be fully leased within three months after the construction of the property. AreaProbe conducted a demand analysis to identify the total number of eligible renters within the PMA (primary market area) as part of the market examination. Management must capture 15.5 percent or less of the addressable market to fully lease of the 106 units. However, we assume a large number of the tenant base will be relocated back to the property after the renovations which will reduce the lease up burden on the property.

Project Summary

Property Address: 600 Main Street, Danville, Virginia 24541

Unit Amenities: Walk-in closets, self-cleaning oven, air conditioning

Site Amenities: Business center, clubhouse, fitness center, elevator, secured access, laundry facilities, courtyard, picnic area, and leasing office

Target Population: The Subject is a multi-family property targeting income-qualified senior households of 1 or 2 people. Due to 105 of the 106 units being Section 8 project-based Housing Assistance Payment program, the maximum income for these households is $16,410 for 1 person and $18,750 for 2 persons. There is no minimum income limit. The single one LIHTC unit is marketed at 60% AMI.

Unit Mix

Proposed Unit Mix						
Floor Plan	Number of Units	SF	Program	Gross Rent	UA	Net Rent
One-Bedroom	96	660	HAP	$ 1,349	83	$ 1,266
One-Bedroom	1	660	LIHTC	$ 879	83	$ 796
Two-Bedroom	9	902	HAP	$ 1,677	88	$ 1,589
Total	106					

Project Summary

The median household income for a family of four in the Danville MSA is $69,600, compared to the national median of $41,150. Danville is located in the Pittsylvania County-Danville City, VA HUD Nonmetro FMR Area.

Maximum Monthly Rent Amount by Floorplan

The table below shows the maximum monthly rents management can pursue based on the target AMI selection. The figures are retrieved from the Department of Housing and Urban Development. The maximum allowable rent is the HUD-calculated High Home Rent Limit and/or Low Home Rent Limit.

Pittsylvania County-Danville City, VA [2025 HUD Inc. Restrictions]						
HH Size	30%	40%	50%	60%	70%	80%
1 Person	$16,410	$21,880	$27,350	$32,820	$38,290	$43,760
2 Persons	$18,750	$25,000	$31,250	$37,500	$43,750	$50,000
3 Persons	$21,090	$28,120	$35,150	$42,180	$49,210	$56,240
4 Persons	$23,430	$31,240	$39,050	$46,860	$54,670	$62,480
5 Persons	$25,320	$33,760	$42,200	$50,640	$59,080	$67,520

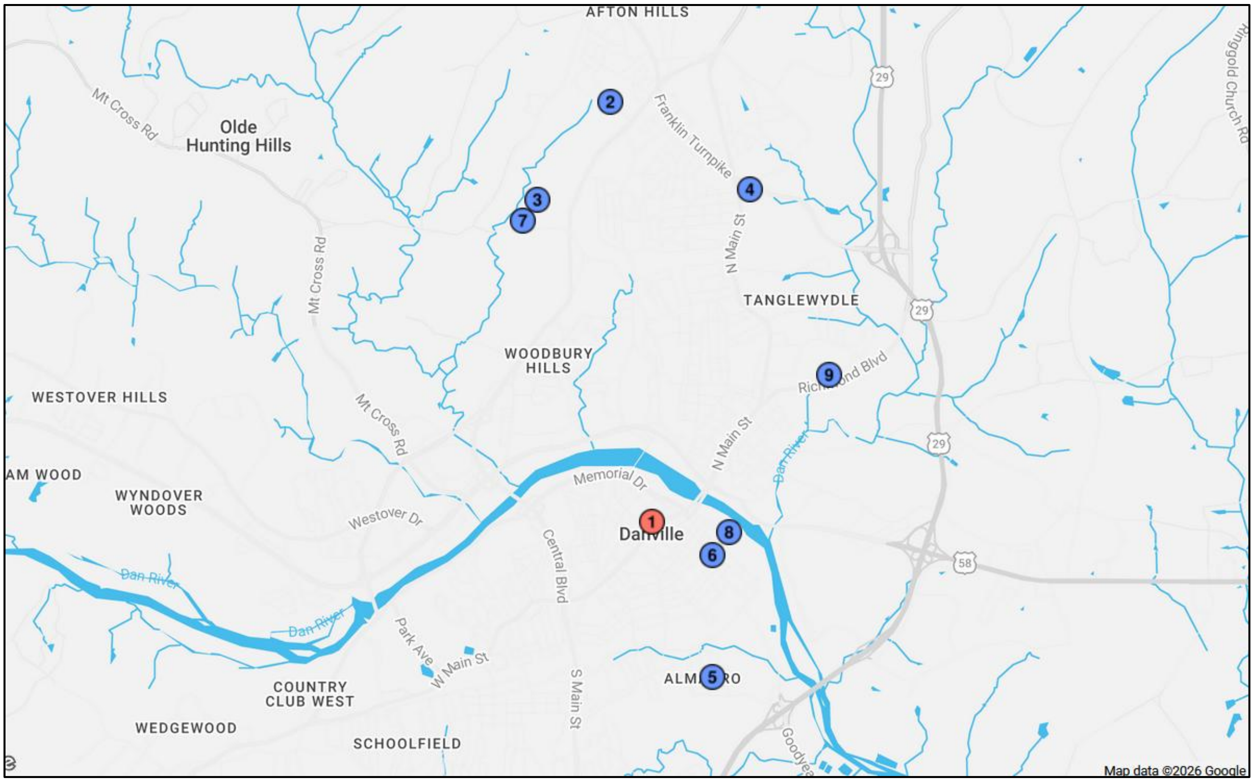
Maximum Income Limit by Household Size

LIHTC Rent Limits for 2025 - Pittsylvania County-Danville City, VA						
Bedrooms (People)	30%	40%	50%	60%	70%	80%
Efficiency (1)	$ 410	$ 547	$ 683	$ 820	$ 957	$ 1,094
1 Bedroom (1.5)	$ 439	$ 586	$ 732	$ 879	$ 1,025	$ 1,172
2 Bedrooms (3)	$ 527	$ 703	$ 878	$ 1,054	$ 1,230	$ 1,406
3 Bedrooms (4.5)	$ 609	$ 812	$ 1,015	$ 1,218	$ 1,421	$ 1,625

Housing Choice Voucher (Section 8) Waitlist

According to VHDA, there are not currently any open waitlists that are accepting new applicants for the Section 8 voucher program in Danville. This includes the Subject Property on Main Street. Limited access to affordable housing and housing choice vouchers may indicate pent-up demand for new affordable housing.

Affordable Housing Properties



Source: BatchGeo, Google, AreaProbe Inc.

Affordable Housing - LIHTC Properties Near Subject									
Map Order	Project Name	Address	Zip Code	Distance	LI Units	Mkt Units	Year Built	Occupancy	AMI
1	Danville House	600 Main Street	24541	0.0 miles	106	0	1927/2023	99%	HAP
2	Woodside Village	1321 Piney Forest Rd	24540	4.0 miles	81	0	2009	100%	60%
3	Piney Ridge Apartments*	233 Rocky Ln	24540	3.7 miles	408	0	1995	100%	HAP
4	Hilltop Gardens*	156 Forestdale Dr	24540	3.1 miles	41	0	1992	100%	HAP
5	Seeland Crossing*	299 Garfield St	24541	1.6 miles	20	0	2001	100%	HAP
6	Lynn Street Lofts	614 Lynn St	24541	0.7 miles	38	0	1900/2013	100%	60%
7	Sterling Trace Apartments	224 Beavers Mill Rd	24540	4.1 miles	48	0	2002	100%	60%
8	Dan River Crossing	601 Bridge St	24541	0.6 miles	60	14	1894/2004	90%	60%
9	Purdum Woods	1575 Richmond Blvd	24540	2.8 miles	180	0	1975	100%	60%
	TOTAL/AVERAGE				876	14	1996	99%	

* Denotes a Specialized Housing Program

Danville House, the subject property, maintains a 99% occupancy rate across its 106 low-income units, much of which is largely supported by a Housing Assistance Payment (HAP) contract.

Affordable Housing Rental Rates Continued

The local market within the 24540 and 24541 zip codes exhibits exhaustive demand, characterized by a 99% aggregate occupancy rate—well above the standard 95% underwriting benchmark. Six of the nine surveyed comparables, including Woodside Village, Sterling Trace, and Purdum Woods, report 100% occupancy. The only notable vacancies are found at Dan River Crossing (90%), located 0.6 miles from the Subject.

The competitive set comprises 876 affordable and 14 market-rate units, representing a blend of historic rehabilitations and modern construction (build dates: 1894–2009). While the Subject and assets like Hilltop Gardens utilize specialized HAP contracts, the broader market provides a significant volume of 60% AMI LIHTC units. Scaling ranges from the 180-unit Purdum Woods to the boutique 20-unit Seeland Crossing, ensuring a diverse but deeply supply-constrained environment.

Affordable Housing Rental Rates

Affordable Housing - LIHTC Properties Near Subject								
Map Order	Project Name	Distance (miles)	1 BD Rent	1 BD SF	1 BD PSF	2 BD Rent	2 BD SF	2 BD PSF
1	Danville House HAP	0.0	$ 1,266	660	$ 1.63	$ 1,535	902	$ 1.71
	Danville House LIHTC	0.0	$ 796	660	$ 1.63	-	-	-
2	Woodside Village	4.0	-	-	-	$ 635	887	$ 0.72
3	Piney Ridge Apartments*	3.7	-	-	-	-	HAP	-
4	Hilltop Gardens*	3.1	-	-	-	-	HAP	-
5	Seeland Crossing*	1.6	-	-	-	-	HAP	-
6	Lynn Street Lofts	0.7	-	-	-	$ 825	887	$ 0.93
7	Sterling Trace Apartments	4.1	-	-	-	$ 859	950	$ 0.90
8	Dan River Crossing	0.6	$ 879	990	$ 0.89	$ 1,054	1150	$ 0.92
9	Purdum Woods	2.8	$ 750	700	$ 1.63	$ (265)	874	$ 1.06
	TOTAL / AVERAGE		$ 815	845	$ 0.98	$ 850	939.8	$ 0.91

Danville House commands the highest rental rates in the set due to the property currently receiving a HAP contract. At the time of this report, one-bedroom units at $1,266 (660 SF) and two-bedroom units at $1,535 (902 SF). These figures result in the highest price per square foot (PSF) for both categories at $1.63 and $1.71, respectively.

Affordable Housing Rental Rates Continued

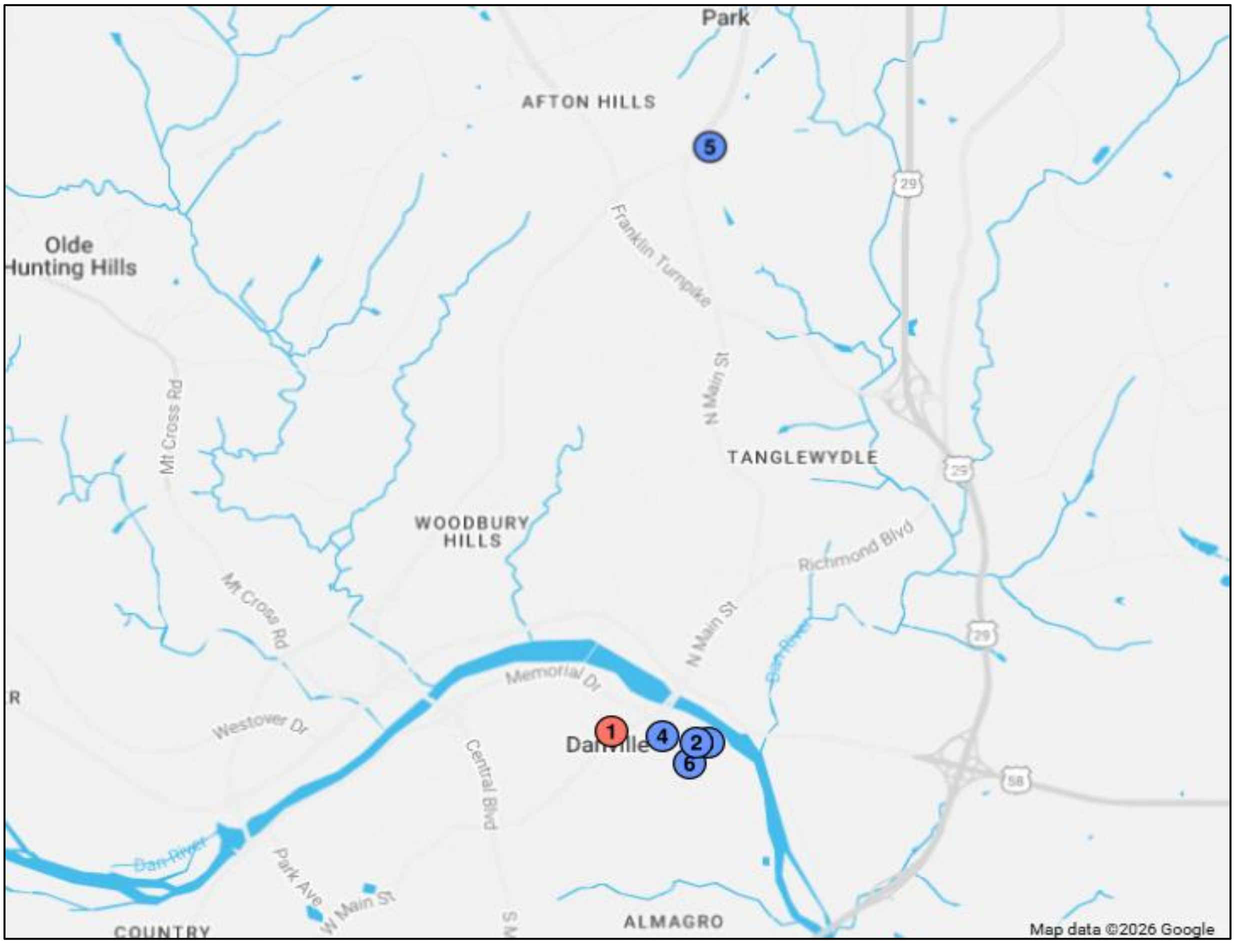
The Subject's one-bedroom LIHTC unit—priced at $796 net ($816 gross)—is strategically aligned with the broader market's pricing. Within the competitive set, dedicated one-bedroom inventory is limited, with only Dan River Crossing and Purdum Woods offering direct floor plan comparables. Dan River Crossing maintains the largest one-bedroom layout at 990 SF for $879. While several properties like Piney Ridge and Seeland Crossing operate under specialized HAP contracts, the Subject's rent profile sits comfortably near the market averages of $815 (1-BR) and $850 (2-BR), underscoring its premium positioning among LIHTC peers.

Market Rate Rental Environment

NorthPointe Apartments, situated 4.3 miles from the subject, represents the most affordable market entry with one-bedroom rents at $825 and two-bedroom units at $991. The broader competitive landscape exhibits significant variance in spatial efficiency; one-bedroom units range from a compact 643 SF at NorthPointe to a spacious 1,033 SF at The Gentry Lofts, while two-bedroom floor plans scale from 880 SF to 1,270 SF. With market averages currently at $1,215 ($1.49 PSF) for one-bedrooms and $1,508 ($1.31 PSF) for two-bedrooms, Danville House aligns closely with the market for smaller units. However, its two-bedroom units command a notable price-per-foot premium when compared to the market average unit size of 1,140 SF.

Market Rate Rental Environment							
Map Order	Project Name	Address	Zip Code	Distance	Total	Year Built	Occupancy
1	Danville House	600 Main Street	24541	-	106	1927/2023	99%
2	Pemberton Lofts	545 Bridge St	24541	0.6 miles	112	1885/2015	100%
3	Dan River Crossing	601 Bridge St	24541	0.7 miles	73	1903	93%
4	The Gentry Lofts	308 Craghead St	24541	0.4 miles	21	1015/2007	100%
5	NorthPointe Apts	100 Northpointe Ln	24540	4.3 miles	168	1996	96%
6	Craghead Street Lofts	600 Craghead St	24540	0.6 miles	41	1899/2015	98%
	TOTAL/AVERAGE				415	1950	97%

Market Rate Rental Environment Continued



Market Rate Environment								
Map Order	Project Name	Distance	1 BD Rents	1 BD SD	1 BD PSF	2 BD Rents	2 BD SF	2 BD PSF
1	Danville House HAP	-	$ 1,266	660	$ 1.63	$ 1,535	902	$ 1.71
	Danville House LIHTC	-	$ 796	660	$ 1.63	-	-	-
2	Pemberton Lofts	0.6 miles	$ 1,400	750	1.87	1850	1200	1.54
3	Dan River Crossing	0.7 miles	$ 1,100	990	1.11	1400	1150	1.22
4	The Gentry Lofts	0.4 miles	$ 1,350	1033	1.31	1650	1270	1.3
5	NorthPointe Apts	4.3 miles	$ 825	643	1.28	991	880	1.13
6	Craghead Street Lofts	0.6 miles	$ 1,400	750	1.87	1650	1200	1.38
	TOTAL/AVERAGE		**$ 1,215**	**833**	**1.49**	**1508**	**1140**	**1.31**

Achievable Rents

If the Subject were to be converted to a market rate property, we believe the site can command a rental rate of $1200 for a one-bedroom, and $1340 for a two-bedroom floorplan. Based on the scope of the proposed redevelopment, 5 one-bedroom units will have units reserved for residents earning 30% AMI and the rest for residents earning 60% AMI. However, because of the property's 99% HAP contract, all but one of the units will continue to see its existing rents subsidized, and increased based on OCAF

Absorption Rate

Absorption Rate	
Time	Units Leased
Pre-Lease	12
30-days	6
60-days	3
90-days	2

Recommendations

AreaProbe projects that the Subject Property will achieve full stabilization within 90 days of construction completion. This accelerated absorption timeline is supported by a fundamental supply-demand imbalance in the PMA and a robust tenant retention strategy. While current occupancy stands at 52% due to the renovation phase, we anticipate a seamless transition to 100% occupancy driven by the return of former residents and significant market anticipation. Based on current inquiry levels, we conservatively project a minimum of 12 pre-leased units prior to delivery. Given the high volume of eligible renters and the scarcity of high-quality affordable inventory, the absorption estimates provided in this study are considered highly conservative.

Project Description

Situated at 600 Main Street, Danville House is a 13-story historic high-rise apartment complex in the heart of Downtown Danville. Originally constructed in 1927 as the Danville Hotel and converted to affordable housing in 1983, the facility encompasses 104,660 square feet of net rentable area (NRA). The property currently maintains a stabilized occupancy of 98.5%. While the existing mix features 96 one-bedroom and 10 two-bedroom units, the post-renovation configuration will be strategically adjusted to 97 one-bedroom and 9 two-bedroom units.

The Subject is located within the Central Business Commercial (CB-C) zone, a designation intended to foster harmonious redevelopment and historic preservation within the downtown core. Aligned with Danville's Comprehensive Plan, the property supports the city's goal of balanced, thoughtful revitalization. Notably, Danville House is a designated landmark, listed on both the Virginia and National Registers of Historic Places.

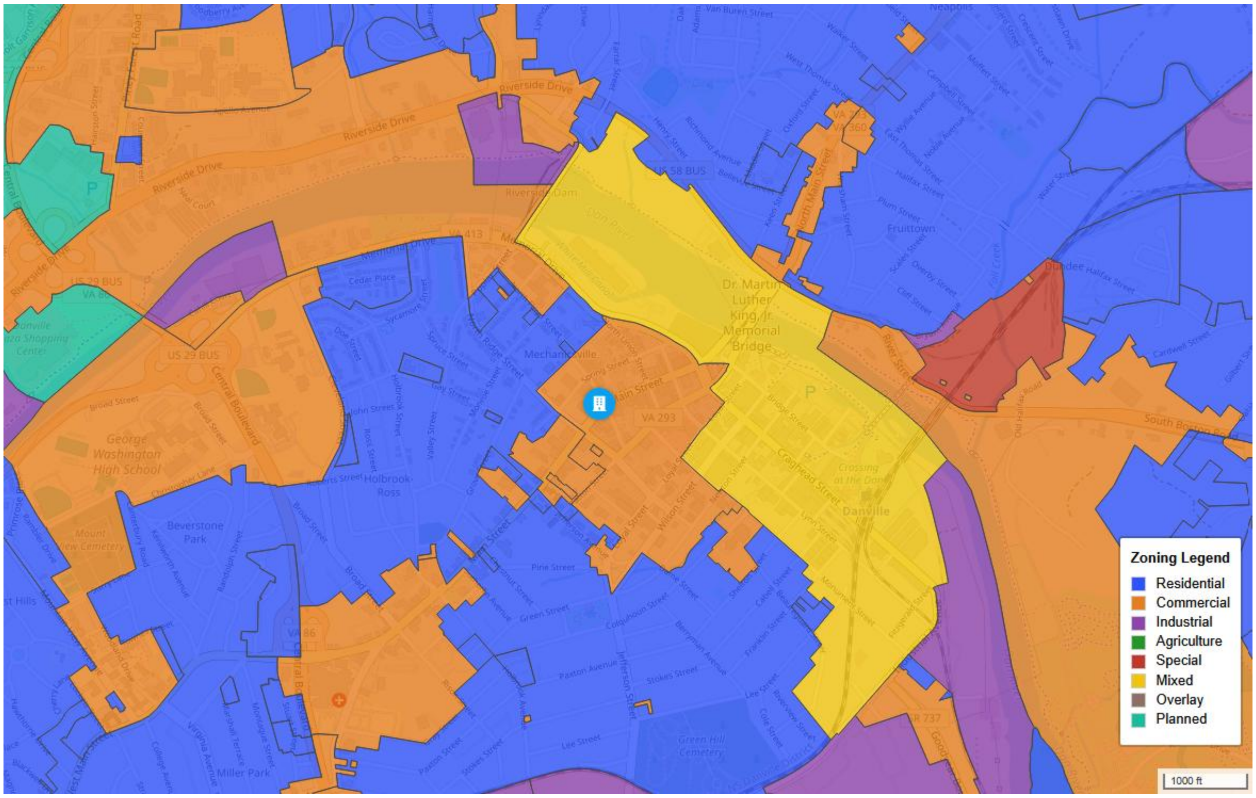
The following table summarizes the salient elements of the Property:

Property Name:	Danville House
Street Address:	600 Main Street
City, State, Zip:	Danville, Virginia 24541
Primary Use:	Low-rise, multi-family residential facility
Year Built & Age:	1927, Renovation: 1983 & 2023
Number of Residential Buildings:	1
Number of Stories:	13
Net Rentable Area (NRA):	104,660
Total Units:	106
Occupancy:	98.5%
Site Area:	0.76 acres
Flood Zone:	X
No. of On-Site Parking Spaces:	31
No. of On-Site Handicap Parking Spaces:	N/A
Parking Garage/ Carports:	None
Heating:	Individual gas-fired furnaces

Project Description

Satellite View

Description of Site and Adjacent Parcels Zoning



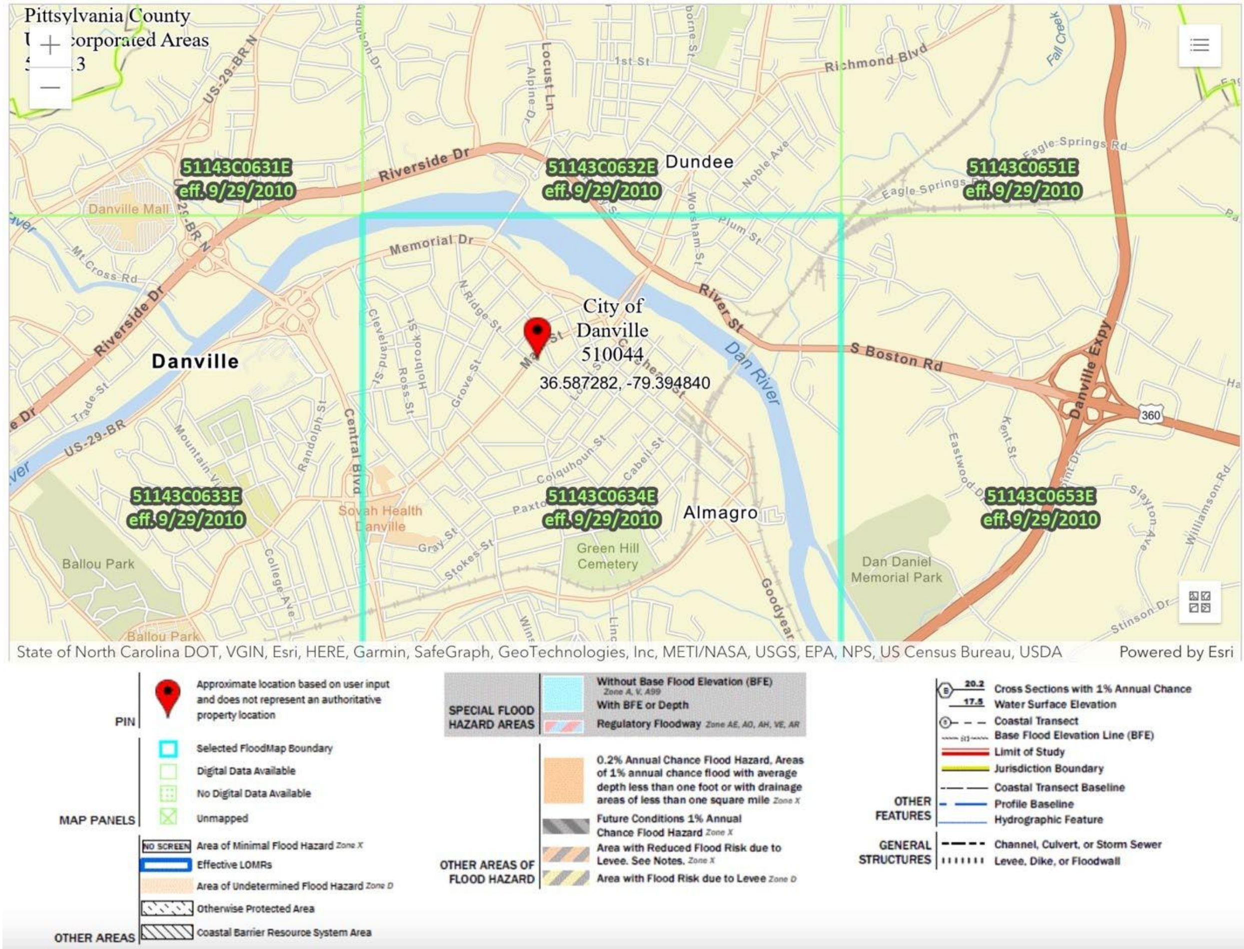
Source: Danville-va.gov

Zoning Ordinance: Central Downtown Business Commercial (CB-C)
Zone Type: Commercial
Subtype: Core Commercial
City: Richmond, VA
Last Updated: 2026-02-17

Purpose / Zone Guide: The CB-C, Central Business District is established to promote harmonious new development, redevelopment and rehabilitation of uses in and around the established downtown commercial areas of Danville.

Recommendation: Due to the nature of this property being currently in operations, we do not have any concerns pertaining to the zoning ordinance.

Flood Zone

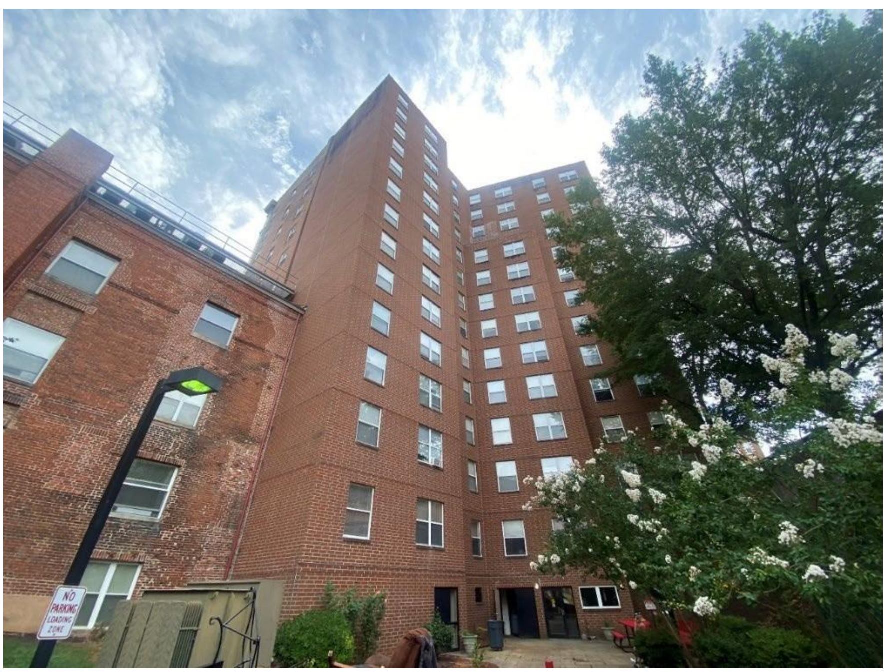


Source: FEMA

Note: the subject is not located within a flood zone or at risk of any flooding

Subject Property Photos

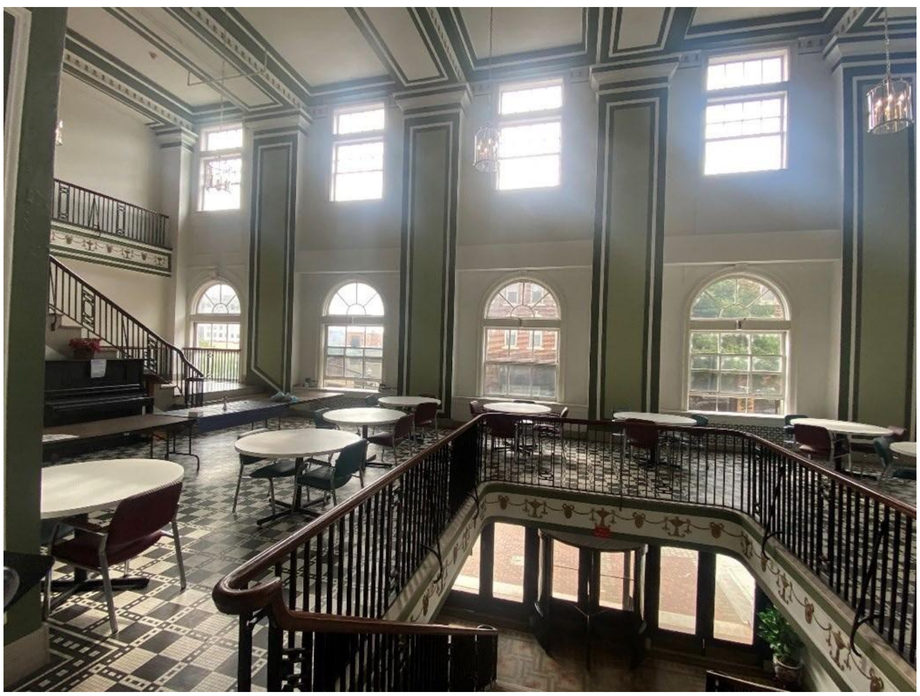
Front view from Main Street



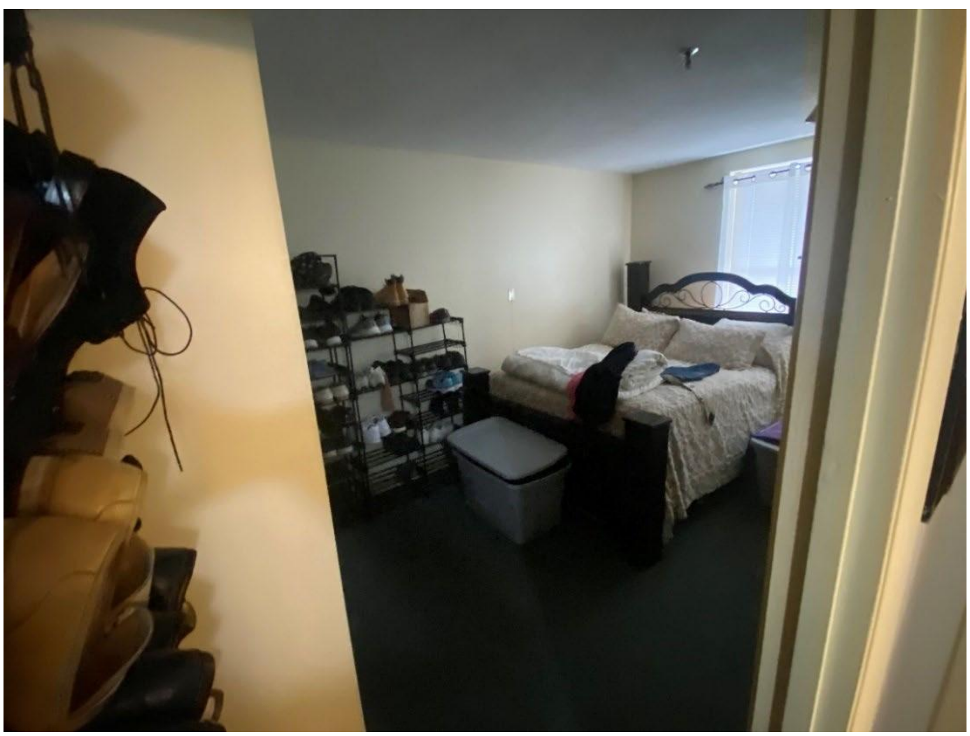
Rear Building, Parking Lot View

Additional Parking

Interior Photos (Pre-Renovation)
Community Lounge



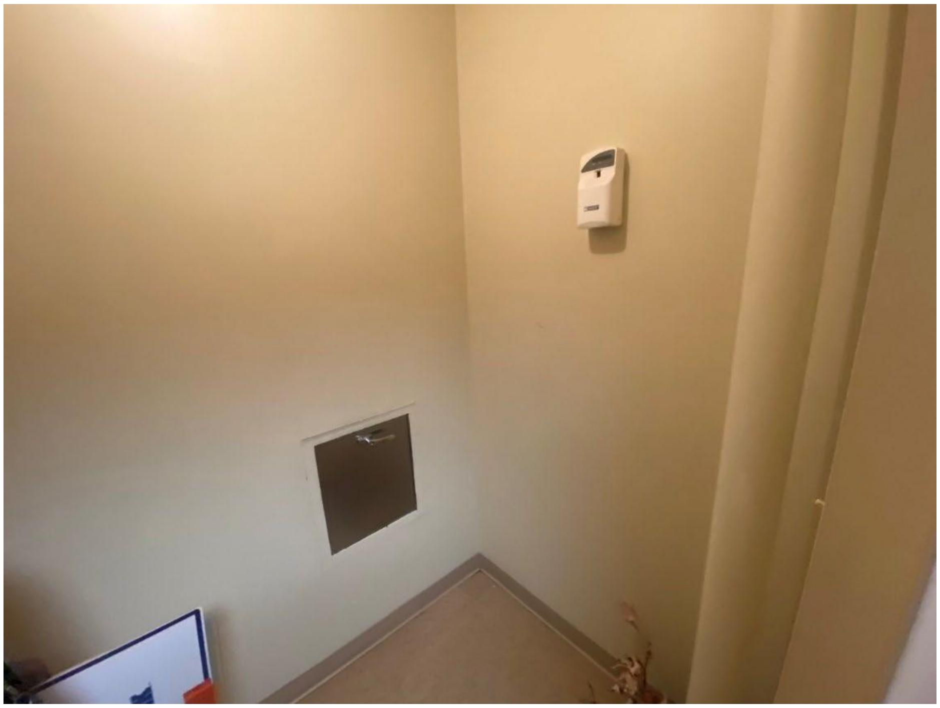
Two-bedroom Standard



One-bedroom Vacant (handicap accessible)

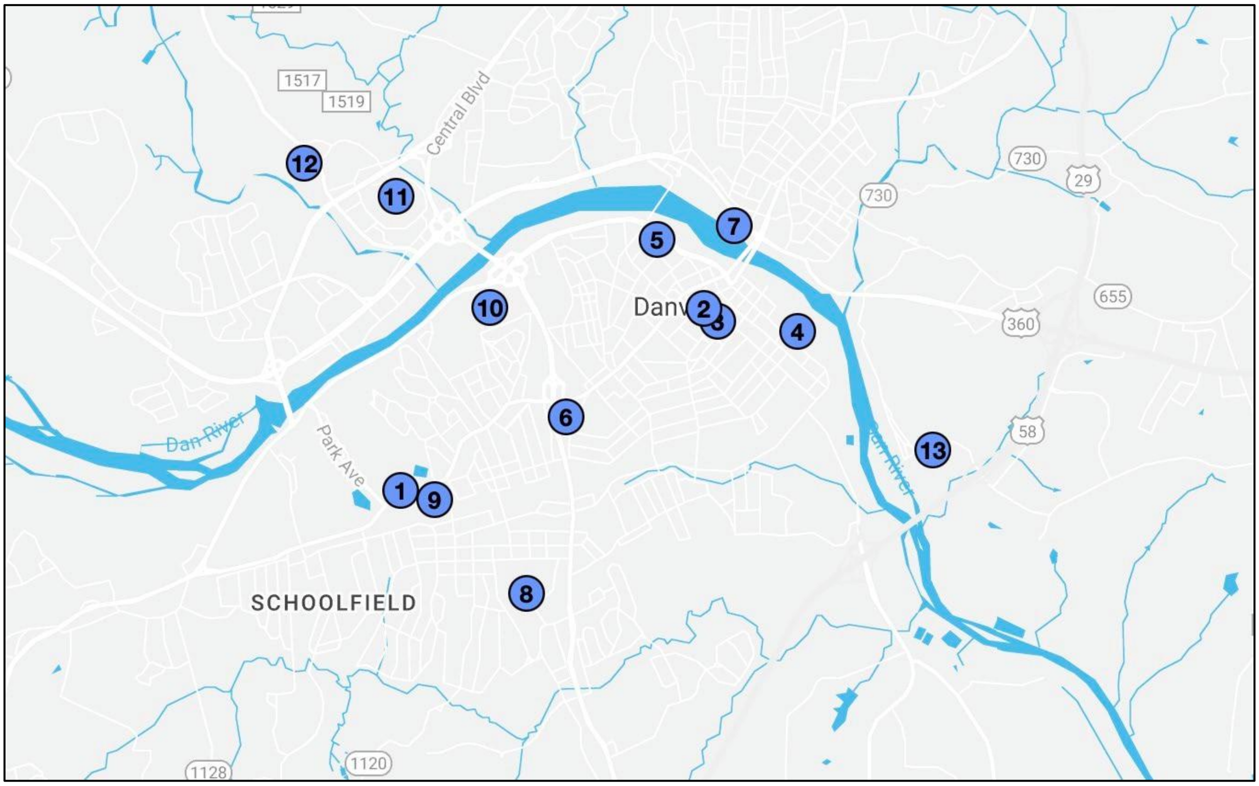
Trash and Electric

Laundry Facilities



Neighborhood Amenities

The maps and tables below illustrate the location of the amenities of the Subject's site.



Source: BatchGeo

Distance from Local Services			
Map	Name	Service	Distance
#	Subject Property	Subject	-
1	US Postal Service	Post Office	0.1 miles
2	Ruby B. Archie Library	Library	0.2 miles
3	Urban Fitness	Gym	0.4 miles
4	AMTRAK Station	Transport	0.7 miles
5	Main Mart	Grocery	0.7 miles
6	Sovah Health	Hospital	0.9 miles
7	Danville YMCA	Recreation	0.9 miles
8	George Washington High School	Education	1.7 miles
9	Food Lion	Grocery	1.9 miles
10	Danville Community College	Education	2.0 miles
11	Danville Mall	Shopping	2.5 miles
12	Walmart Supercenter	Department	3.0 miles
13	Dan Daniel Park	Recreation	3.3 miles

Neighborhood Amenities

Public Transportation

Danville's Transit System Hub is located just 0.2 miles from the Subject. This bus route offers flexible, convenient, and economical service options. A fixed route operates daily, Monday through Saturday, 6am to 6pm. A half-fare discount is available from 6am until noon on the fixed-route service for seniors, people with disabilities, and Medicare card holders. In addition, the Danville AMTRAK train station is located 0.7 miles from the Subject. This train goes all up and down the East Coast.

Healthcare

Sovah Health is the nearest full-service hospital to the Subject, located less than a mile down the road. It has an emergency room, an outpatient imaging center, over 20 primary and specialty care clinics, and 250 beds. It has the region's only designated Chest Pain Center and Certified Advanced Primary Stroke Center. The facility has served the region for more than 130 years. Today, it employs 1300 people, has over 175 physicians and health professionals. In addition to the hospital there are various private practice facilities, urgent cares, and pharmacies in close proximity to the Subject.

Education

Children residing at or near the Subject will have access to Danville Public Schools, Danville Public Charter Schools, and Private Schools throughout the area. Students living at the Subject will be inbounds for Forest Hills Elementary (1.29 miles) from kindergarten to 5th grade, O Trent Bonner Middle School (1.13 miles), and George Washington High School (1.0 miles). Other magnet, private, or charter schools close to the subject, such as Galileo Magnet High School and Westover Christian Academy have higher test scores and reviews. In addition, Danville Community College is located just a few miles down the road. Averett University, a small Baptist college, but the second largest employer in the city is 1.2 miles from the Subject.

Neighborhood Amenities

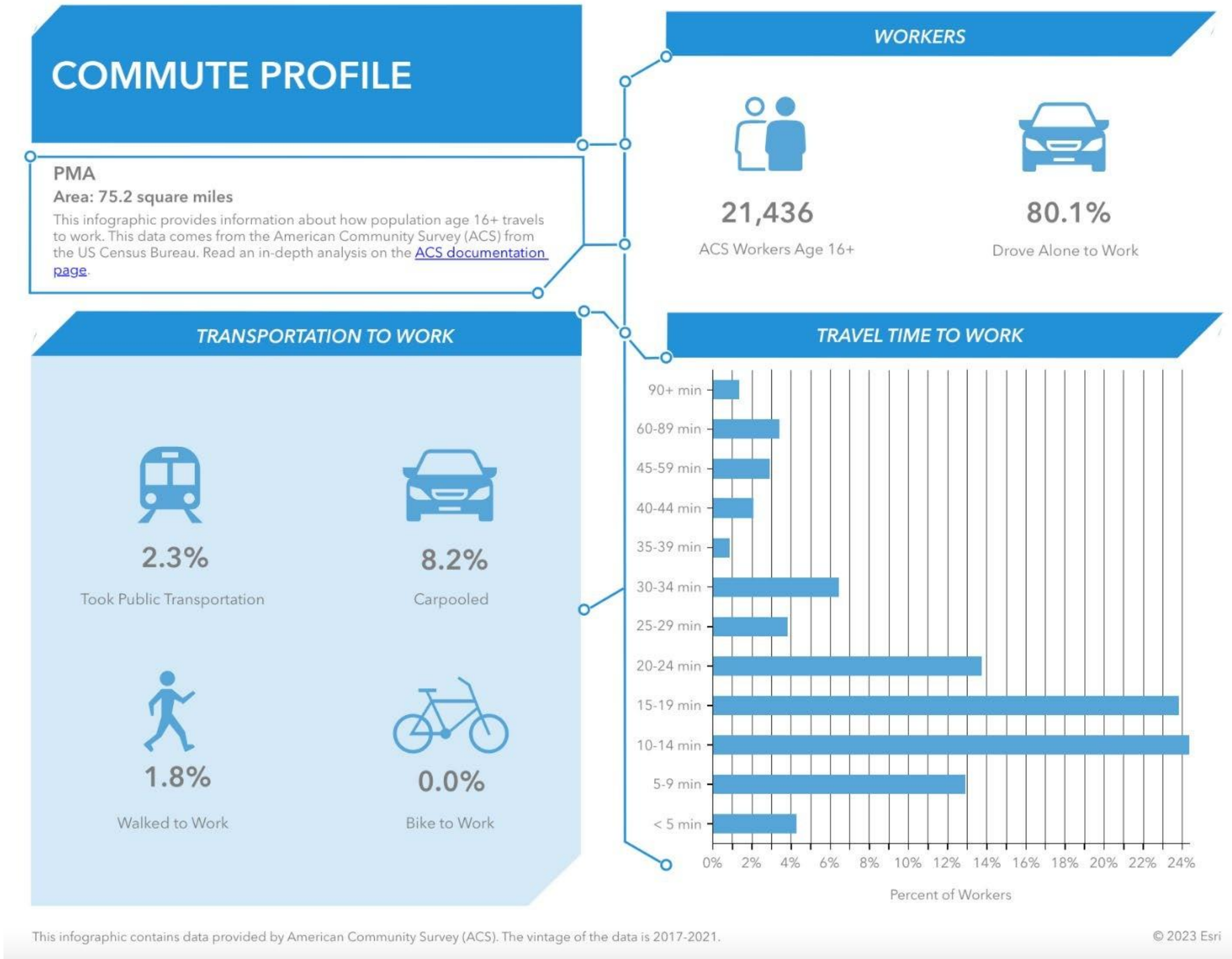
Grocery Stores & Dining

The nearest full-scale grocery stores to the Subject are Midtown Market (0.6 miles), Food Lion (1.8 miles), and Walmart (3.0 miles). In addition to those large grocery chains, there are smaller-scale food markets/ corner stores and various fast-food restaurants within walking distance from the subject property.

Recreation & Public Parks

There are many attractive parks and recreation options near the Subject. The Danville Family YMCA is 0.6 miles away, the Danville Community Center is a mile away, and the Dan Daniel Memorial Park is 3 miles away and includes sporting fields, trails, and playgrounds. In addition, Caesars Casino is a short drive away. This is a large-scale economic growth opportunity for Danville. The Casino is currently under construction and set to be completed in 2024. It will provide a major influx of tourism and gaming tax revenue. The Casino's estimated annual revenue for Danville will be over $38 million. This will be allocated to education, infrastructure, housing, and other public services.

Commute Trends



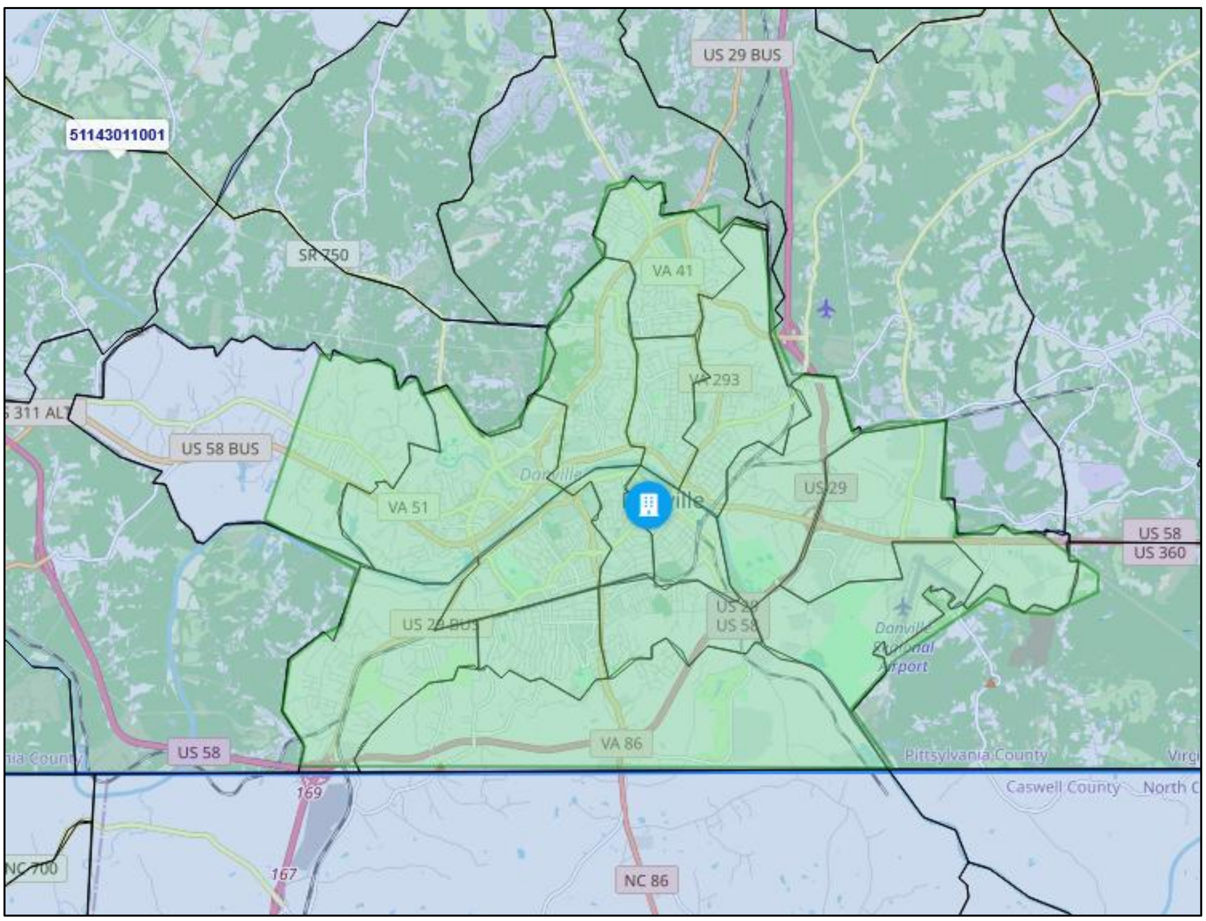
Source: ESRI

Bike Score: 29/100 – Somewhat bikeable
Transit Score: Very limited public transportation options
Walk Score: 75/100 - Extremely walkable

Primary Market Area

PMA Delineation and Scope: The Primary Market Area (PMA) represents the geographic region from which the Subject will draw its core tenant base. This 75.2-square-mile area was selected based on the demographic homogeneity of its residents, who share comparable income profiles and housing requirements. Encompassing the City of Danville and southern Pittsylvania County, the PMA is defined by Golf Club Road to the north, Danville Expressway to the south and west, and South Boston Highway to the east.

As market-rate housing costs continue to rise, the demand for rent-controlled and affordable options within this region remains high. The Subject is centrally located in the southern portion of the PMA, situated 2.8 miles from the southern border and 6.2 miles from the northern boundary.



Demographic Analysis

The Primary Market Area (PMA) is closely aligned with the City of Danville's urban core, sharing a long-term trend of gradual demographic contraction. While the PMA is projected to decrease from 39,793 residents (2010) to 39,034 (2031), this trend diverges significantly from the broader regional and state context. Although Virginia continues to see robust growth (+1.95%), the PMA's decline is notably decelerated compared to the surrounding Pittsylvania County. While the county faces a sharp -2.23% contraction, the PMA remains nearly stagnant at -0.02%, positioning it as a stabilized urban pocket within a more rapidly declining rural landscape.

General Population								
Year	PMA		City		County		State	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change
2010	39,793	-	43,025	-	63,532	-	8,001,005	-
2020	39,551	-0.61%	42,590	-1.01%	60,501	-4.77%	8,631,393	7.88%
2026	39,042	-1.29%	42,028	-1.32%	58,781	-2.84%	8,862,188	2.67%
2031	39,034	-0.02%	42,001	-0.06%	57,470	-2.23%	9,034,649	1.95%
Source: Ribbon Demographics, Claritas Mar. 2026								

Household Population								
Year	PMA		City		County		State	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change
2010	17,363	-	18,817	-	26,195	-	3,056,051	-
2020	17,599	1.36%	19,015	1.05%	25,315	-3.36%	3,321,218	8.68%
2026	17,506	-0.53%	18,922	-0.49%	24,809	-2.0%	3,417,993	2.91%
2031	17,575	0.39%	18,995	0.39%	24,353	-1.84%	3,491,148	2.14%
Source: Ribbon Demographics, Claritas Mar. 2026								

A closer look at household dynamics reveals a shift toward smaller, more concentrated living units within the PMA and City compared to broader regional trends. While the state is seeing an increase in total housing units and households, the PMA and City are seeing a reduction in average household size (dropping to 2.13 by 2031). Interestingly, the PMA and City are projected to see a significant decrease in vacant housing units (12.86% and -12.36% respectively) between 2026 and 2031.

This is a positive indicator of housing absorption and market tightening, especially when compared to the state of Virginia, where vacancies are projected to spike by 11.21%. This suggests that while the PMA is not growing in raw numbers, its existing housing stock is becoming more fully utilized than at the state level.

Demographic Analysis

Summary Continued

Household Size								
Year	PMA		City		County		State	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change
2010	2.21	-	2.21	-	2.39	-	2.54	-
2020	2.16	-2.03%	2.16	-2.14%	2.34	-2.3%	2.53	-0.47%
2026	2.14	-0.78%	2.14	-0.85%	2.32	-0.92%	2.52	-0.17%
2031	2.13	-0.48%	2.13	-0.51%	2.31	-0.49%	2.52	-0.18%
Source: Ribbon Demographics, Claritas Mar. 2026								

Housing Unit Summary								
Year	PMA		City		County		State	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change
2010	20,799	-	22,425	-	31,321	-	3,364,940	-
2020	20,684	-0.55%	22,259	-0.74%	29,369	-6.23%	3,618,247	7.53%
2026	20,726	0.2%	22,303	0.2%	29,099	-0.92%	3,735,598	3.24%
2031	20,381	-1.66%	21,958	-1.55%	28,405	-2.38%	3,844,344	2.91%
Source: Ribbon Demographics, Claritas Mar. 2026								

Vacant Housing Units								
Year	PMA		City		County		State	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change
2010	3,436	-	3,608	-	5,126	-	308,889	-
2020	3,085	-10.22%	3,244	-10.09%	4,054	-20.91%	297,029	-3.84%
2026	3,220	4.38%	3,381	4.22%	4,290	5.82%	317,605	6.93%
2031	2,806	-12.86%	2,963	-12.36%	4,052	-5.55%	353,196	11.21%
Source: Ribbon Demographics, Claritas Mar. 2026								

Between 2020 and 2026, the PMA exhibited a notable demographic shift, with the median age compressing by 5.85% (from 42.5 to 40.02). This "youth trend" represents a sharp departure from the broader graying of Pittsylvania County and the State of Virginia. While the county is projected to remain significantly older—reaching a median age of 49.63 by 2031—the PMA has successfully attracted or retained a younger demographic, likely driven by the increase in smaller household sizes and the revitalization of the urban core. Looking toward 2031, while the PMA will begin to age slightly (+1.01%), it will do so at roughly one-third the rate of the state average (+3.13%). Consequently, the PMA is poised to emerge as a relatively younger pocket (40.42) compared to the statewide median of 41.15.

Demographic Analysis
Housing Tenure

Median Age								
Year	PMA		City		County		State	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change
2020	42.5	-	43.21	-	47.14	-	38.82	-
2026	40.02	-5.85%	40.55	-6.15%	48.53	2.96%	39.9	2.77%
2031	40.42	1.01%	40.89	0.83%	49.63	2.25%	41.15	3.13%
Source: Ribbon Demographics, Claritas Mar. 2026								

The Primary Market Area (PMA) is undergoing a profound structural transition toward a renter-dominated landscape. Between 2010 and 2020, the PMA and the City of Danville experienced a 17.05% surge in renter households, coupled with a significant 13.36% decline in homeownership. This shift has resulted in a decisive tenure split; as of 2026, renters (9,841) outnumber owners (7,665) by a wide margin. This localized trend sharply diverges from the State of Virginia, where homeownership continues to grow at a steady 2%. While the broader Pittsylvania County is seeing contraction across all tenures, the PMA's robust renter growth solidifies its position as the regional epicenter for rental demand.

Household Renters								
Year	PMA		City		County		State	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change
2010	8,403	-	8,751	-	5,969	-	1,000,889	-
2020	9,836	17.05%	10,243	17.05%	6,126	2.63%	1,167,106	16.61%
2026	9,841	0.05%	10,247	0.04%	5,996	-2.12%	1,203,223	3.09%
2031	9,923	0.83%	10,330	0.81%	5,882	-1.9%	1,232,922	2.47%
Source: Ribbon Demographics, Claritas Mar. 2026								

Household Owners								
Year	PMA		City		County		State	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change
2010	8,960	-	10,066	-	20,226	-	2,055,162	-
2020	7,763	-13.36%	8,772	-12.86%	19,189	-5.13%	2,154,112	4.81%
2026	7,665	-1.26%	8,675	-1.11%	18,813	-1.96%	2,214,770	2.82%
2031	7,652	-0.17%	8,665	-0.12%	18,471	-1.82%	2,258,226	1.96%
Source: Ribbon Demographics, Claritas Mar. 2026								

Housing Units by Units in Structure - 2026				
Unit	PMA	City	County	State
1 Unit Detached	13,652	14,952	22,818	2,282,667
1 Unit Attached	293	369	146	417,730
2 Units	760	766	154	61,305
3 to 4 Units	869	891	228	103,670
5 to 19 Units	2,932	2,986	519	370,256
20 to 49 Units	675	675	190	83,453
50 or More Units	878	883	37	252,427
Mobile Home	667	781	4,975	162,622
Other	0	0	32	1,468
Total Units	20,726	22,303	29,099	3,735,598
Source: Ribbon Demographics, Claritas Mar. 2026				

Demographic Analysis

Income Comparison

Household income data reveals a definitive upward wealth migration across all four geographies through 2031. The Primary Market Area (PMA) and the City of Danville are leading this trend, with the PMA's wealthiest tier ($200K+) projected to grow by 30.27%—notably outpacing the State of Virginia's 21.89% growth in the same category. Simultaneously, the urban core is experiencing a double-digit contraction in the lowest income bracket (under $15K), signaling a rising economic floor. While the PMA maintains a higher concentration of lower-income households than the state (15.14% vs. 6.56%), the rapid expansion of the $100K+ cohorts indicates a diversifying and increasingly affluent economic base.

Households by Income – Primary Market Area						
Households by Income	2026		2031		Difference	
	Number	Percent	Number	Percent	Number	Percent
Less-than-15K	2,650	15.14%	2,363	13.45%	-287	-10.83
15K-25K	2,167	12.38%	2,026	11.53%	-141	-6.51
25K-35K	1,978	11.30%	1,902	10.82%	-76	-3.84
35K-50K	2,292	13.09%	2,225	12.66%	-67	-2.92
50K-75K	2,759	15.76%	2,715	15.45%	-44	-1.59
75K-100K	1,899	10.85%	1,917	10.91%	18	0.95
100K-125K	1,189	6.79%	1,335	7.60%	146	12.28
125K-150K	702	4.01%	854	4.86%	152	21.65
150K-200K	869	4.96%	934	5.31%	65	7.48
200K-and up	1,001	5.72%	1,304	7.42%	303	30.27
Source: Ribbon Demographics, Claritas Mar. 2026						

Households by Income – City						
Households by Income	2026		2031		Difference	
	Number	Percent	Number	Percent	Number	Percent
Less-than-15K	2,736	14.46%	2,438	12.83%	-298	-10.89
15K-25K	2,294	12.12%	2,130	11.21%	-164	-7.15
25K-35K	2,121	11.21%	2,030	10.69%	-91	-4.29
35K-50K	2,424	12.81%	2,348	12.36%	-76	-3.14
50K-75K	2,984	15.77%	2,942	15.49%	-42	-1.41
75K-100K	2,101	11.10%	2,102	11.07%	1	0.05
100K-125K	1,331	7.03%	1,488	7.83%	157	11.80
125K-150K	797	4.21%	961	5.06%	164	20.58
150K-200K	964	5.09%	1,048	5.52%	84	8.71
200K-and up	1,170	6.18%	1,508	7.94%	338	28.89
Source: Ribbon Demographics, Claritas Mar. 2026						

Demographic Analysis

Income Comparison

Households by Income - County						
Households by Income	2026		2031		Difference	
	Number	Percent	Number	Percent	Number	Percent
Less-than-15K	2,417	9.74%	2,080	8.54%	-337	-13.94
15K-25K	2,316	9.34%	2,083	8.55%	-233	-10.06
25K-35K	2,229	8.98%	2,088	8.57%	-141	-6.33
35K-50K	3,253	13.11%	2,829	11.62%	-424	-13.03
50K-75K	4,174	16.82%	4,065	16.69%	-109	-2.61
75K-100K	3,186	12.84%	3,036	12.47%	-150	-4.71
100K-125K	2,371	9.56%	2,403	9.87%	32	1.35
125K-150K	1,770	7.13%	1,841	7.56%	71	4.01
150K-200K	1,551	6.25%	1,893	7.77%	342	22.05
200K-and up	1,542	6.22%	2,035	8.36%	493	31.97
Source: Ribbon Demographics, Claritas Mar. 2026						

Households by Income - State						
Households by Income	2026		2031		Difference	
	Number	Percent	Number	Percent	Number	Percent
Less-than-15K	224,285	6.56%	204,608	5.86%	-19,677	-8.77
15K-25K	167,285	4.89%	155,107	4.44%	-12,178	-7.28
25K-35K	179,307	5.25%	164,015	4.70%	-15,292	-8.53
35K-50K	280,878	8.22%	253,894	7.27%	-26,984	-9.61
50K-75K	457,140	13.37%	430,658	12.34%	-26,482	-5.79
75K-100K	403,840	11.82%	391,263	11.21%	-12,577	-3.11
100K-125K	349,425	10.22%	345,924	9.91%	-3,501	-1.00
125K-150K	286,560	8.38%	296,458	8.49%	9,898	3.45
150K-200K	379,911	11.12%	408,950	11.71%	29,039	7.64
200K-and up	689,362	20.17%	840,271	24.07%	150,909	21.89
Source: Ribbon Demographics, Claritas Mar. 2026						

Demographic Analysis

Age Comparison

The Age Distribution for the Primary Market Area (PMA) reveals a significant restructuring of the local population, characterized by a shrinking middle-aged workforce and a burgeoning young adult and senior presence. Between 2020 and 2031, the 55-to-64 age cohort is projected to plummet by 27.91%, indicating a massive wave of retirements or out-migration of late-career professionals. However, this is being partially offset by a "youth spike" in the 21-to-24 age range (+16.22%) and the 35-to-44 range (+11.96%), suggesting the PMA is successfully attracting early-to-mid-career individuals. At the same time, the area is bracing for a significant silver tsunami, with the 75-to-84 age group expected to expand by 34.06%, the largest growth of any bracket.

Age Distribution - Primary Market Area				
Age Range	2020	2026	2031	Difference
0 to 4	2,167	2,296	2,279	5.17%
5 to 9	2,341	2,365	2,264	-3.29%
10 to 14	2,481	2,494	2,333	-5.97%
15 to 17	1,345	1,513	1,521	13.09%
18 to 20	1,620	1,771	1,789	10.43%
21 to 24	1,843	2,055	2,142	16.22%
25 to 34	4,835	4,741	4,647	-3.89%
35 to 44	4,190	4,557	4,691	11.96%
45 to 54	4,464	4,020	4,035	-9.61%
55 to 64	5,701	4,747	4,110	-27.91%
65 to 74	4,852	4,769	4,795	-1.17%
75 to 84	2,469	2,721	3,310	34.06%
85 to and Up	1,243	993	1,118	-10.06%
Source: Ribbon Demographics, Claritas Mar. 2026				

Education Attainment

Education Attainment - 2026 Population, Age 25+				
Attainment Level	PMA Percentage	City Percentage	County Percentage	State Percentage
Less than 9th Grade	4.65%	4.52%	4.64%	3.52%
9th-12th Grade, No Diploma	10.57%	10.31%	9.47%	5.02%
High School Graduate (Or Equivalent)	39.57%	39.18%	39.35%	24.01%
Some College, No Degree	17.67%	18.26%	21.15%	17.51%
Associate Degree	9.41%	9.40%	9.97%	7.65%
Bachelor's Degree	10.84%	11.08%	10.76%	23.82%
Graduate/Professional Degree	7.28%	7.25%	4.66%	18.47%
Total with Bachelor or Advanced Degree	18.13%	18.33%	15.42%	42.29%
Source: Ribbon Demographics, Claritas Mar. 2026				

Demographic Analysis

Educational Attainment

Regarding Educational Attainment, the PMA and the City of Danville exhibit a profile heavily rooted in vocational and high school level expertise, diverging sharply from state averages. Nearly 40% of the PMA's adult population are high school graduates, which is significantly higher than the Virginia state average of 24.01%. While the PMA lags behind the state in the percentage of residents with a Bachelor's or Advanced Degree (18.13% vs. 42.29%), it maintains a higher concentration of Associate Degree holders (9.41%). This suggests a labor market that is likely tailored toward manufacturing, healthcare support, or skilled trades rather than a purely white-collar corporate economy. Notably, the PMA still outpaces Pittsylvania County in graduate and professional degrees, reinforcing the City's role as the professional and service hub for the immediate region.

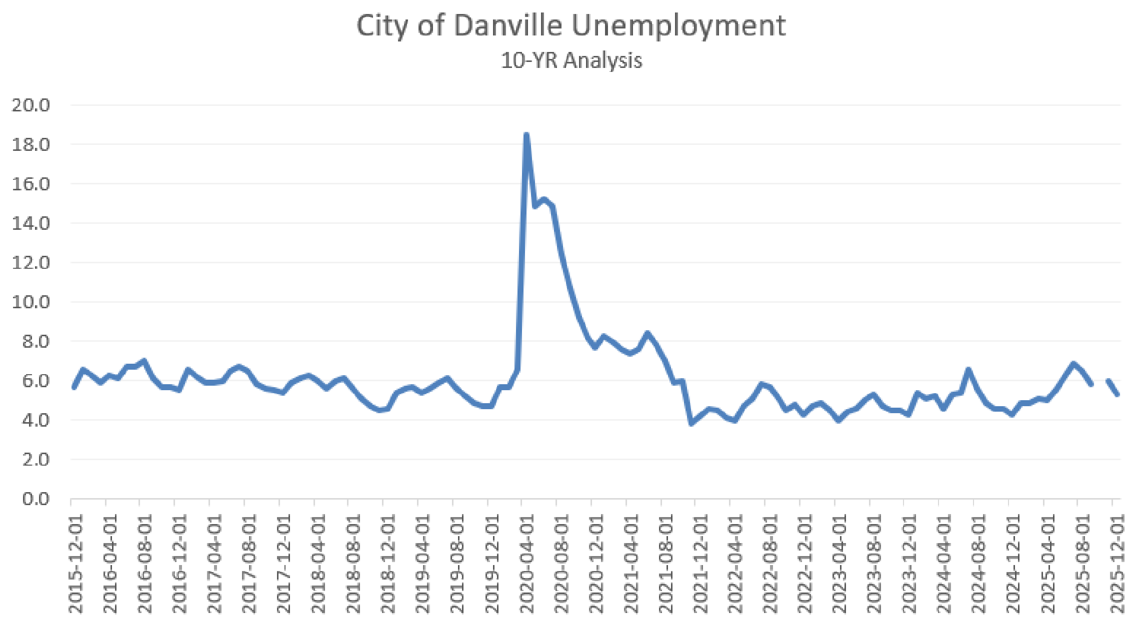
Demographic Conclusion

Population Stability vs. Growth: The PMA is projected to remain relatively stable (approx. 39,000 residents through 2031), while the state continues to grow. This indicates that Danville is effectively maintaining its core urban density despite rural flight in surrounding Pittsylvania County.

The Wealth Gap & Gentrification: There is a definitive upward shift in household income. High-earning households ($200K+) are growing at a rate of 30.27% in the PMA, significantly outperforming the state average. This suggests a maturing economic base, likely driven by the recent revitalization of the River District and the Schoolfield area.

The "Youthening" Core: Unlike the "graying" state of Virginia, the PMA has seen a recent dip in median age (dropping toward 40 years), fueled by a surge in young professionals and early-to-mid-career families in the 21–24 and 35–44 age brackets.

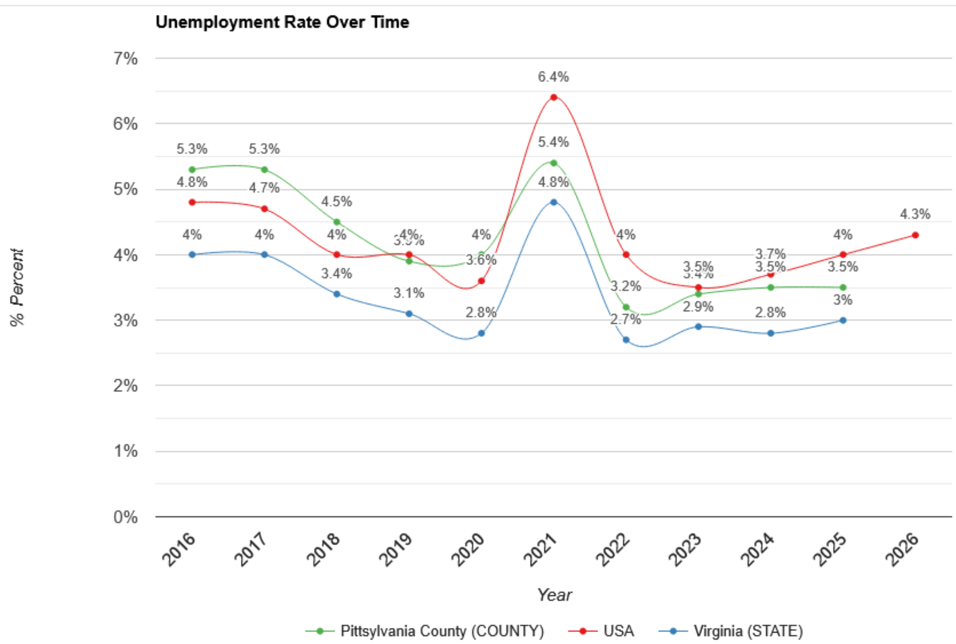
Employment Statistics



According to the Federal Reserve, the most recent unemployment rate recorded for Danville City was in December of 2025 was 5.3 percent. The data indicates that while Danville is susceptible to macro-economic shocks (like the 2020 spike), its structural unemployment has improved over the decade, moving from a 6-7% baseline in 2016 to a 4-5% baseline in the mid-2020s.

Ten Year Unemployment

County v. State v. Nation

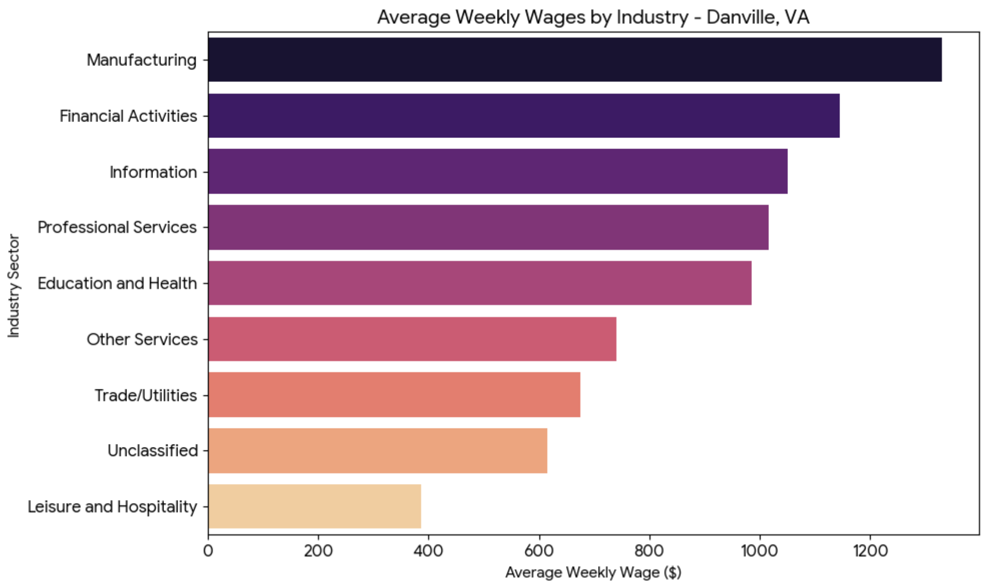


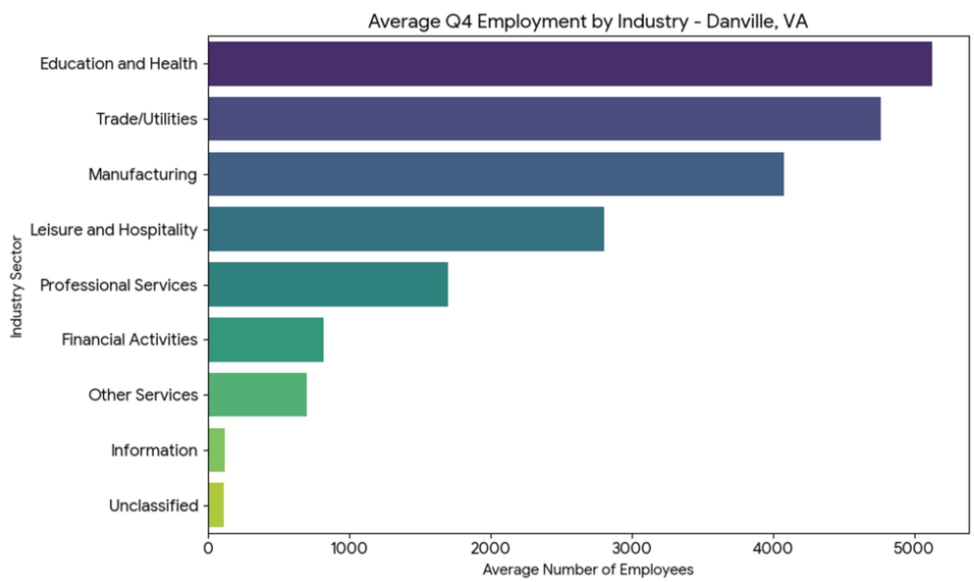
Pre-Pandemic Baseline (2016–2019): In the years leading up to 2020, all three regions (USA, Virginia, and Pittsylvania County) experienced a consistent downward trend in unemployment. During this period, Pittsylvania County typically maintained a higher unemployment rate than both the State of Virginia and the national average, reflecting its more rural and industrial economic base.

The 2020 Pandemic Shock: The most significant event in the decade was the April 2020 spike. The national unemployment rate peaked at 14.8%, while Pittsylvania County reached 14.2%. Interestingly, the State of Virginia proved more resilient during the initial shock, with its peak rate remaining significantly lower at 11.9%.

Post-Pandemic Recovery (2021–2024): The recovery was rapid and robust. By late 2021, unemployment rates in all three sectors had returned to pre-pandemic levels. Notably, the "gap" between Pittsylvania County and the state of Virginia narrowed significantly during this phase, suggesting stronger local job absorption.

Quarterly Census of Employment and Wages (QCEW) Data





Employment Distribution by Industry

Education and Health and Trade/Utilities are the primary employment drivers in Danville's service economy, each employing roughly 5,000 and 4,700 people respectively. Manufacturing remains a robust pillar of the local economy, maintaining a stable workforce of over 4,000 employees. Leisure and Hospitality also hold a significant share, representing over 2,800 jobs.

Quarterly Census of Employment and Wages (QCEW) Data

Industry Sector	Establishments	Avg. Q4 Employment	Average Weekly Wage
Manufacturing	40	4,078	$ 1,331
Financial Activities	126	820	$ 1,145
Information	13	119	$ 1,051
Professional Services	140	1,703	$ 1,016
Education and Health	892	5,132	$ 986
Trade/Utilities	353	4,767	$ 676
Leisure and Hospitality	162	2,805	$ 386
Total (All Sectors)	2,004	20,713	$ 898

Manufacturing ($1,331) and Financial Activities ($1,145) offer the highest average weekly wages in the city. Information and Professional Services also provide wages above the city-wide total average of $898. Leisure and Hospitality report the lowest average weekly wage at $386, which is typical for seasonal or part-time service sectors.

Jobs by Industry

Based on the employment statistics from Ribbon Demographics/Claritas, Service Providing industries dominate the local economy in the City of Danville, accounting for 1,898 establishments and over 16,000 employees. Within this category, Education and Health Services is the single largest employer, providing over 5,000 jobs, followed closely by Trade, Transportation, and Utilities at approximately 4,700 jobs. In contrast, Goods Producing industries represent a smaller number of establishments (106) but maintain a significant workforce of over 4,500, nearly all of which is concentrated in Manufacturing. This indicates that while the service sector is more fragmented across many small businesses, the manufacturing sector is concentrated in fewer, much larger industrial facilities.

Jobs by Industry

Danville VA
Employed Civilian Population Aged 16+ Years by Industry
Current Year Estimates - 2026

Industry	Number Employed	*Percent Employed*
Accommodation/Food Services	1,046	*6.8%*
Administrative/Support/Waste Management	683	*4.5%*
Agriculture/Forestry/Fishing/Hunting/Mining	70	*0.5%*
Arts/Entertainment/Recreation	141	*0.9%*
Construction	916	*6.0%*
Educational Services	1,294	*8.4%*
Finance/Insurance/Real Estate/Rent/Lease	392	*2.6%*
Health Care/Social Assistance	3,240	*21.1%*
Information	91	*0.6%*
Management of Companies and Enterprises	6	*0.0%*
Manufacturing	2,237	*14.6%*
Other Services Except Public Administration	610	*4.0%*
Professional/Scientific/Technical Services	510	*3.3%*
Public Administration	636	*4.1%*
Retail Trade	2,355	*15.3%*
Transportation/Warehousing/Utilities	774	*5.0%*
Wholesale Trade	347	*2.3%*
Total:	**15,348**	***100.0%***

Source: Ribbon Demographics; Claritas

Employment Statistics Continued

Jobs by Occupation

Danville VA
Employed Civilian Population Aged 16+ Years by Occupation
Current Year Estimates - 2026

Occupation	Number Employed	Percent Employed
Architecture/Engineering	104	0.7%
Arts/Design/Entertainment/Sports/Media	149	1.0%
Building/Grounds Cleaning/Maintenance	502	3.3%
Business/Financial Operations	432	2.8%
Community/Social Services	292	1.9%
Computer/Mathematical	138	0.0%
Construction/Extraction	791	5.2%
Education/Training/Library	752	4.9%
Farming/Fishing/Forestry	5	0.0%
Food Preparation/Serving Related	879	5.7%
Healthcare Practitioner/Technician	1,142	7.4%
Healthcare Support	1,174	7.6%
Installation/Maintenance/Repair	360	2.3%
Legal	45	0.3%
Life/Physical/Social Science	90	0.6%
Management	1,028	6.7%
Office/Administrative Support	1,539	10.0%
Production	1,894	12.3%
Protective Services	333	2.2%
Sales/Related	1,613	10.5%
Personal Care/Service	394	2.6%
Transportation/Material Moving	1,692	11.0%
Total:	**15,348**	***100.0%***
White Collar	7,324	47.7%
Blue Collar	4,737	30.9%
Service and Farming	3,287	21.4%
Total:	**15,348**	***100.0%***

Source: Ribbon Demographics; Claritas

Employment Statistics Continued

Top Ten Employers

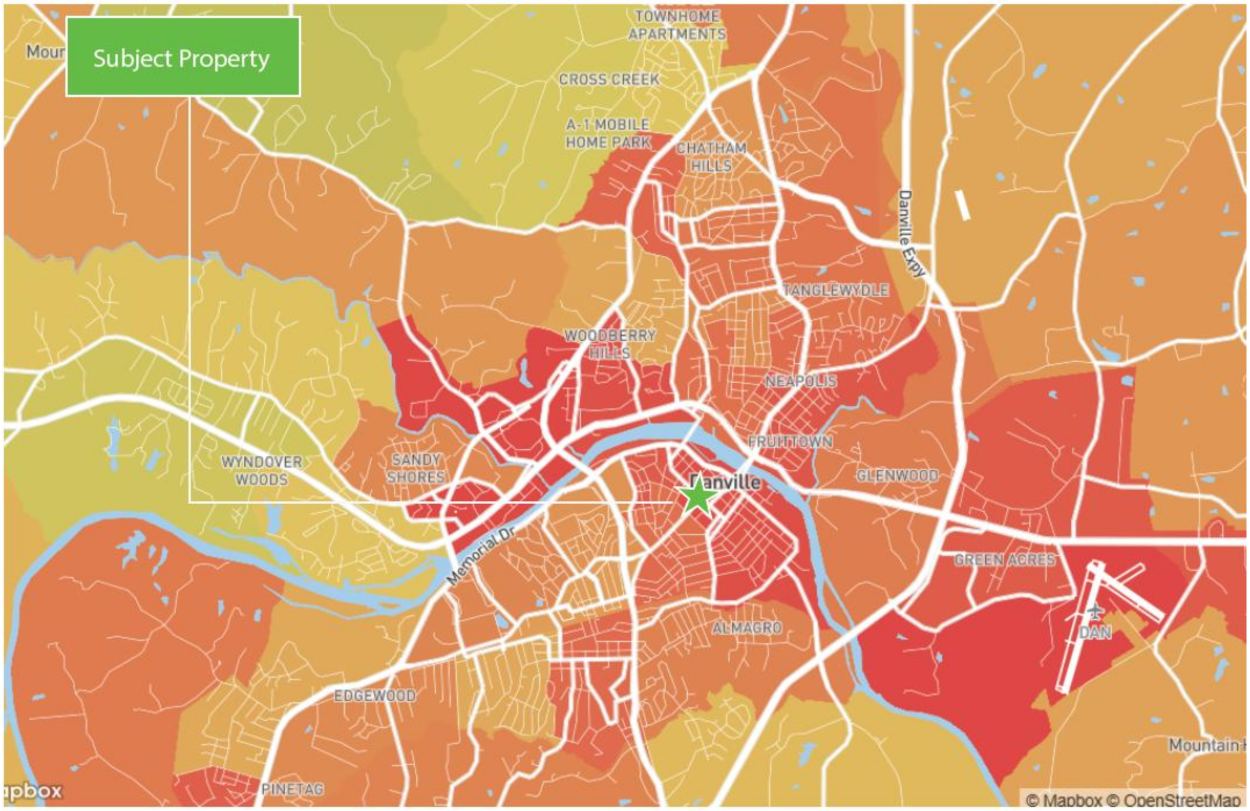
Top Ten Employers					
Rank	Employer	Address	Approx. Employees	Distance	Industry
1	Goodyear Tire & Rubber Co.	1901 Goodyear Blvd	2,100 – 2,500	3.8 miles	Manufacturing
2	Sovah Health - Danville	142 S Main St	1,000 – 1,500	0.9 miles	Healthcare
3	Danville Public Schools	341 Main St (Admin)	1,000 – 1,500	0.3 miles	Education
4	City of Danville	427 Patton St	1,000 – 1,499	0.2 miles	Government
5	Caesars Virginia (Casino)	1100 W Main St	1,000+	1.3 miles	Leisure/Gaming
6	Tyson Foods	111 Slayton Ave	600 – 999	3.5 miles	Food Processing
7	Averett University	420 W Main St	400 – 600	0.6 miles	Higher Education
8	Morgan Olson	4000 Cane Creek Pkwy	400 – 600	5.8 miles	Manufacturing
9	Walmart Supercenter	515 Mt Cross Rd	300 – 599	3.1 miles	Retail
10	Danville Community College	1008 S Main St	300 – 599	1.2 miles	Higher Education

The employment landscape in Danville is anchored by a diverse blend of legacy manufacturing, regional healthcare, and a rapidly expanding leisure sector, all of which provide a stable economic foundation for the city. Goodyear Tire & Rubber Co. remains the dominant private employer, maintaining a massive industrial presence that is complemented by other manufacturing leaders like Morgan Olson and Tyson Foods.

Employment Statistics Continued

The city’s role as a regional service hub is solidified by Sovah Health and a strong educational contingent including Danville Public Schools, Averett University, and Danville Community College. Furthermore, the recent full-scale operation of Caesars Virginia has revolutionized the local labor market, moving the hospitality and gaming industry into a primary leadership position. Collectively, these top ten employers represent a workforce that is increasingly bifurcated between high-skill technical manufacturing and a robust service economy centered around the downtown River District.

Crime Statistics



Source: crimegrade.org

Danville's crime rate is high for the number of people in the city, which is why they received a crime grade of a D. The property crime rate tends to be worse than the violent crime rate. A crime occurs every 4 hours 32 minutes on average in Danville. Danville is in the 21st percentile of crime compared to cities nationwide, meaning 79% of cities are safer.

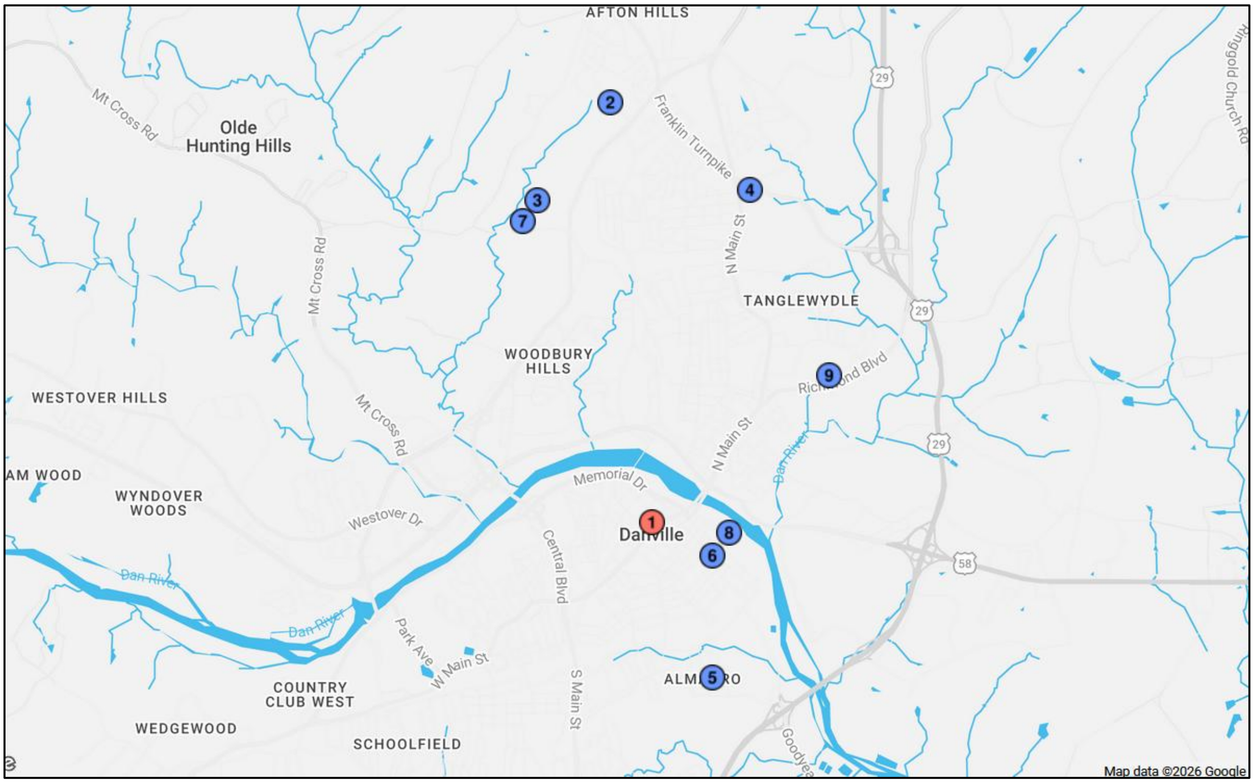
For-Sale Housing Statistics

The for-sale residential market in Danville, Virginia, is currently defined by a stable median sales price of $188,000, reflecting a market that is largely holding its value despite a slight 3.3% month-over-month dip. The inventory is heavily weighted toward smaller and mid-sized family homes, with 3-bedroom properties serving as the market's primary driver. These homes command a median price of $175,000, while larger 4-bedroom residences see a significant jump to $280,000. Interestingly, the entry-level 2-bedroom segment maintains a strong median of $115,000, suggesting robust demand from investors and smaller households even as the broader market experiences a year-over-year price decrease of 14.2%.

A significant portion of Danville’s housing stock is defined by its maturity, with a high concentration of homes built before 1930 or during the mid-century period of the 1950s and 60s. This age profile creates a distinct market bifurcation: while the average time on the market is roughly 63 to 83 days, updated "turn-key" properties are moving much faster, often going pending in just 33 to 35 days. The data shows that while older, unrenovated stock tends to linger, there is an aggressive appetite for modernized homes, particularly those that offer 3 or more bedrooms, as evidenced by the 14 homes sold in the most recent reporting period.

Geographically, the market exhibits varying levels of competition across Danville’s diverse neighborhoods. While the city as a whole is currently categorized as a Buyer's Market—due to the inventory supply slightly exceeding demand—certain pockets remain highly competitive. High-value areas like Mount Cross and Old West End continue to see higher price points, while neighborhoods like North Danville and West End offer more accessible entry points for first-time buyers. With 78 homes currently for sale and a consistent flow of new listings, the market provides ample opportunity for buyers to negotiate, provided they are looking outside of the most recently renovated and highly sought-after historic districts.

Competitive Environment
Affordable Housing Environment (LIHTC)



Source: BatchGeo, Google, AreaProbe Inc.

Affordable Housing - LIHTC Properties Near Subject									
Map Order	Project Name	Address	Zip Code	Distance	LI Units	Mkt Units	Year Built	Occupancy	AMI
1	Danville House	600 Main Street	24541	0.0 miles	106	0	1927/2023	99%	HAP
2	Woodside Village	1321 Piney Forest Rd	24540	4.0 miles	81	0	2009	100%	60%
3	Piney Ridge Apartments*	233 Rocky Ln	24540	3.7 miles	408	0	1995	100%	HAP
4	Hilltop Gardens*	156 Forestdale Dr	24540	3.1 miles	41	0	1992	100%	HAP
5	Seeland Crossing*	299 Garfield St	24541	1.6 miles	20	0	2001	100%	HAP
6	Lynn Street Lofts	614 Lynn St	24541	0.7 miles	38	0	1900/2013	100%	60%
7	Sterling Trace Apartments	224 Beavers Mill Rd	24540	4.1 miles	48	0	2002	100%	60%
8	Dan River Crossing	601 Bridge St	24541	0.6 miles	60	14	1894/2004	90%	60%
9	Purdum Woods	1575 Richmond Blvd	24540	2.8 miles	180	0	1975	100%	60%
	TOTAL/AVERAGE				876	14	1996	99%	

* Denotes a Specialized Housing Program

Affordable Housing Rental Rates Continued

Danville House, the subject property, maintains a 99% occupancy rate across its 106 low-income units, all of which are supported by a Housing Assistance Payment (HAP) contract. The broader market in the 24540 and 24541 zip codes demonstrates exceptionally high demand, with six of the nine listed properties—including Woodside Village, Sterling Trace Apartments, and Purdum Woods—reporting 100% occupancy. Only Dan River Crossing, located just 0.6 miles from the subject, shows a lower occupancy rate of 90%.

The surveyed properties represent a mix of historic rehabilitations and more modern constructions, with original build dates ranging from 1894 to 2009. While the subject property and others like Hilltop Gardens and Seeland Crossing operate under HAP specialized housing programs, several nearby developments specifically target the 60% Area Median Income (AMI) bracket.

Purdum Woods stands out as the largest comparable in terms of unit count with 180 low-income units, while Seeland Crossing is the smallest with 20 units. Collectively, these properties provide 876 low-income units and 14 market-rate units, maintaining a staggering total average occupancy of 99% for the area (1 percent vacancy) which is more favorable that the underwriting standards of 95%.

Affordable Housing Rental Rates

Affordable Housing - LIHTC Properties Near Subject								
Map Order	Project Name	Distance (miles)	1 BD Rent	1 BD SF	1 BD PSF	2 BD Rent	2 BD SF	2 BD PSF
1	Danville House HAP	0.0	$ 1,266	660	$ 1.63	$ 1,535	902	$ 1.71
	Danville House LIHTC	0.0	$ 796	660	$ 1.63	-	-	-
2	Woodside Village	4.0	-	-	-	$ 635	887	$ 0.72
3	Piney Ridge Apartments*	3.7	-	-	-	-	HAP	-
4	Hilltop Gardens*	3.1	-	-	-	-	HAP	-
5	Seeland Crossing*	1.6	-	-	-	-	HAP	-
6	Lynn Street Lofts	0.7	-	-	-	$ 825	887	$ 0.93
7	Sterling Trace Apartments	4.1	-	-	-	$ 859	950	$ 0.90
8	Dan River Crossing	0.6	$ 879	990	$ 0.89	$ 1,054	1150	$ 0.92
9	Purdum Woods	2.8	$ 750	700	$ 1.63	$ (265)	874	$ 1.06
	TOTAL / AVERAGE		$ 815	845	$ 0.98	$ 850	939.8	$ 0.91

Affordable Housing Rental Rates Continued

Danville House commands the highest rental rates in the set due to the property currently receiving a HAP contract. At the time of this report, one-bedroom units at $1,266 (660 SF) and two-bedroom units at $1,535 (902 SF). These figures result in the highest price per square foot (PSF) for both categories at $1.63 and $1.71, respectively. In contrast, the surrounding comparable properties offer significantly more affordable Options which is in line with the single one-bedroom LIHTC unit offered at the Subject.

For example, Woodside Village features the lowest two-bedroom rent at $635, with a PSF of just $0.72, however, the property is a LIHTC location and not under a HAP contract. The broader market exhibits a wide range of unit sizes and specialized programs. Dan River Crossing and Purdum Woods are the only other properties providing specific one-bedroom floorplans, with Dan River Crossing offering the largest one-bedroom floor plan at 990 SF for $879. Several locations, including Piney Ridge Apartments, Hilltop Gardens, and Seeland Crossing, operate under specialized HAP (Housing Assistance Payment) program. Overall, the average market rent for the surveyed area sits at $815 for one-bedroom units and $850 for two-bedroom units, highlighting the premium positioning of the subject property relative to its LIHTC peers.

Amenity Comparison

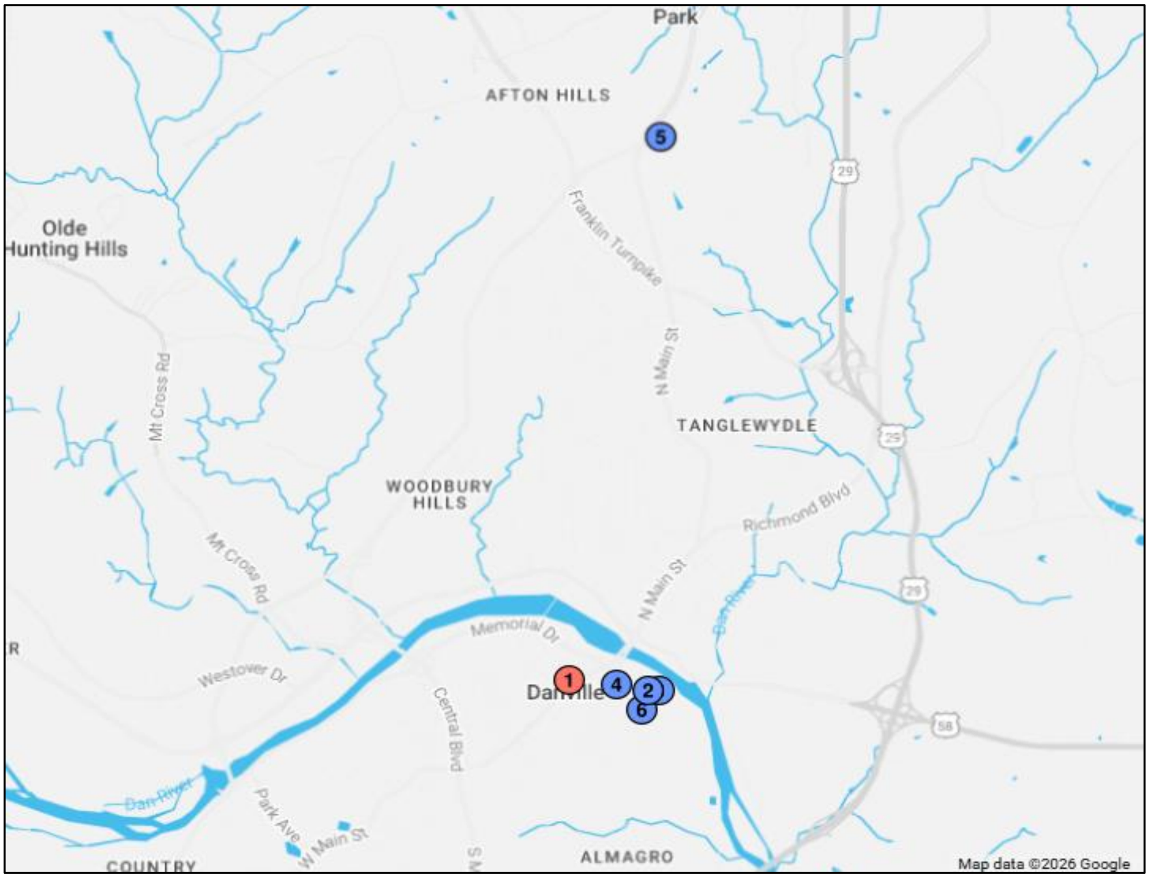
Amenity Matrix						
Feature	Subject Property	Woodside Village	Lynn Street Lofts	Sterling Trace	Dan River Crossing	Purdum Woods
Unit Amenities						
Walk-in Closets	Yes	Yes	No	No	Yes	Yes
Self-Cleaning Oven	Yes	Yes	Yes	Yes	Yes	Yes
Central Air	Yes	Yes	Yes	Yes	Yes	Yes
Washer/Dryer	No (Laundry)	Yes	Yes	No (Hookups)	No (Hookups)	No (Hookups)
Site Amenities						
Business Center	Yes	No	No	No	Yes	No
Clubhouse/Comm. Rm	Yes	No	Yes	Yes	Yes	Yes
Fitness Center	Yes	No	Yes	No	Yes	No
Elevator	Yes	No	Yes	No	Yes	No
Secured Access	Yes	Yes	Yes	No	Yes	No
Laundry Facilities	Yes	No (In-unit)	No (In-unit)	Yes	Yes	Yes
Courtyard/Picnic	Yes	No	Yes	No	Yes	Yes
On-Site Leasing	Yes	Yes	Yes	Yes	Yes	Yes

Affordable Housing Rental Rates Continued

The local amenity landscape reveals a clear hierarchy, with the Subject Property occupying a service-rich tier relative to its peers. While the competitive set consistently provides baseline necessities—such as central air conditioning and on-site management—the Subject distinguishes itself through a premium "lifestyle" package. Features like elevator access, a business center, and a fitness facility provide a significant competitive advantage over traditional garden-style developments like Sterling Trace and Woodside Village. Although a notable gap exists in the lack of in-unit laundry—a convenience offered by redevelopments like Lynn Street Lofts—the Subject’s superior security and communal infrastructure (clubhouse, courtyard, and elevators) effectively target the high-demand professional and senior demographics within the downtown core.

Market Rate Rents

NorthPointe Apartments, located 4.3 miles away, represents the most affordable option with one-bedroom rents at $825 and two-bedroom rents at $991. The broader rental environment across these properties shows a significant variance in unit sizing and spatial efficiency. One-bedroom units range from a compact 643 SF at NorthPointe Apartments to a spacious 1,033 SF at The Gentry Lofts. Similarly, two-bedroom units vary from 880 SF to a maximum of 1,270 SF. On average, the market reflects a one-bedroom rent of $1,215 at $1.49 PSF and a two-bedroom rent of $1,508 at $1.31 PSF. These figures indicate that while Danville House is priced near the market average for one-bedroom units, its two-bedroom units carry a premium price-per-foot compared to the market average of 1,140 SF.



Market Rate Rental Environment Continued

Market Rate Rental Environment							
Map Order	Project Name	Address	Zip Code	Distance	Total	Year Built	Occupancy
1	Danville House	600 Main Street	24541	-	106	1927/2023	99%
2	Pemberton Lofts	545 Bridge St	24541	0.6 miles	112	1885/2015	100%
3	Dan River Crossing	601 Bridge St	24541	0.7 miles	73	1903	93%
4	The Gentry Lofts	308 Craghead St	24541	0.4 miles	21	1015/2007	100%
5	NorthPointe Apts	100 Northpointe Ln	24540	4.3 miles	168	1996	96%
6	Craghead Street Lofts	600 Craghead St	24540	0.6 miles	41	1899/2015	98%
	TOTAL/AVERAGE				415	1950	97%

Market Rate Environment									
Map Order	Project Name	Distance	1 BD Rents	1 BD SD	1 BD PSF	2 BD Rents	2 BD SF	2 BD PSF
1	Danville House HAP	-	$ 1,266	660	$ 1.63	$ 1,535	902	$ 1.71
	Danville House LIHTC	-	$ 796	660	$ 1.63	-	-	-
2	Pemberton Lofts	0.6 miles	$ 1,400	750	1.87	1850	1200	1.54
3	Dan River Crossing	0.7 miles	$ 1,100	990	1.11	1400	1150	1.22
4	The Gentry Lofts	0.4 miles	$ 1,350	1033	1.31	1650	1270	1.3
5	NorthPointe Apts	4.3 miles	$ 825	643	1.28	991	880	1.13
6	Craghead Street Lofts	0.6 miles	$ 1,400	750	1.87	1650	1200	1.38
	TOTAL/AVERAGE		**$ 1,215**	**833**	**1.49**	**1508**	**1140**	**1.31**

Amenity Matrix

Amenity Matrix - Market Rate Comparison						
Feature	Subject (Danville House)	Pemberton Lofts	Dan River Crossing	The Gentry Lofts	NorthPointe Apts	Craghead Street Lofts
Unit Amenities						
Walk-in Closets	Yes	Yes	Yes	Yes	Yes	Yes
Self-Cleaning Oven	Yes	Yes	Yes	Yes	Yes	Yes
Central Air	Yes	Yes	Yes	Yes	Yes	Yes
Washer/Dryer (In-Unit)	No (Laundry Rm)	Yes	No (Hookups)	Yes	Yes	Yes
Stainless/Granite	No	Yes	No	Yes	Partial	Yes
Site Amenities						
Business Center	Yes	No	Yes	No	Yes	No
Clubhouse/Comm. Rm	Yes	Yes	Yes	Yes	Yes	Yes
Fitness Center	Yes	Yes	Yes	Yes	Yes	Yes
Elevator	Yes	Yes	Yes	Yes	No	Yes
Secured Access	Yes	Yes	Yes	Yes	No	Yes
Laundry Facilities	Yes	No	Yes	No	No	No
Courtyard/Picnic Area	Yes	Yes	Yes	Yes	Yes	Yes
Swimming Pool	No	No	No	No	Yes	No

Market Rate Advantage

Market Rate Advantage				
Floor Plan	LIHTC Rental Rate	Market Rate Rental	$ Diff	% Diff
One-Bedroom	$ 815	$ 1,215	$ (400)	-32.9%
Two-Bedroom	$ 850	$ 1,508	$ (658)	-43.6%

Based on the figures above, the gap between market-rate housing and LIHTC-restricted units is even more pronounced, reflecting a substantial competitive advantage for affordable housing. For 1-bedroom units, the average market rent of $1,215 compared to the LIHTC rent of $815 creates a monthly savings of $400, or a 32.92% rent advantage. The disparity is most significant in the 2-bedroom category, where the market rate of $1,508 is $658 higher than the LIHTC average of $850, representing a massive 43.63% advantage.

Affordable vs. Market Rate Housing Conclusion

A definitive Rent Advantage exists for income-restricted units in Danville, providing a compelling case for financiers and stakeholders. The gap between market-rate housing and LIHTC-restricted units has reached historic levels:

1-Bedroom Advantage: A 32.92% spread ($1,215 market vs. $815 LIHTC).
2-Bedroom Advantage: A massive 43.63% spread ($1,508 market vs. $850 LIHTC).

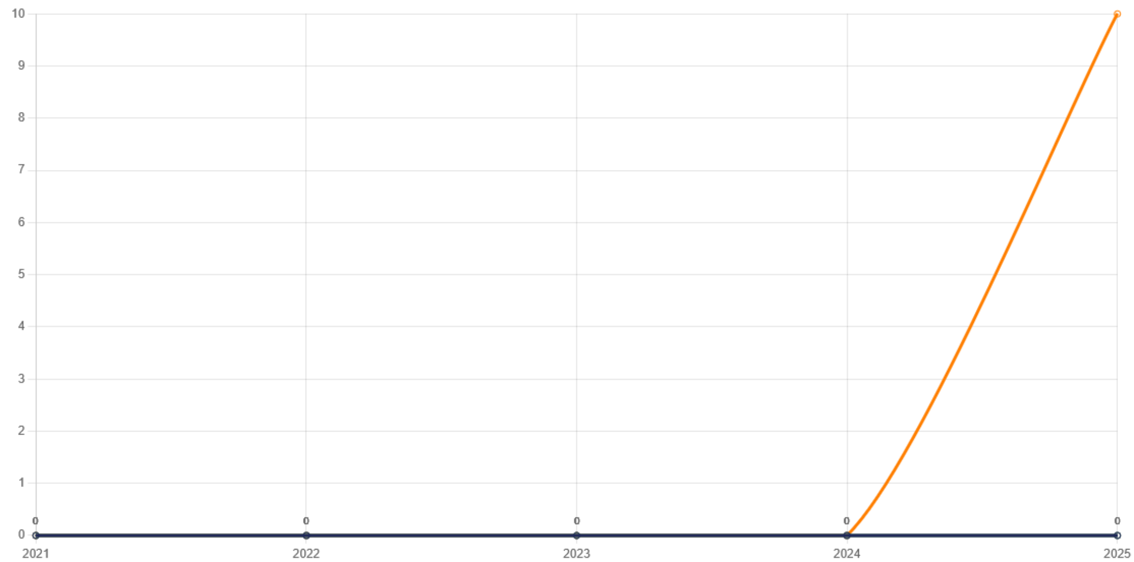
Although the LIHTC rents are generally lower than the market rents, Danville House's actual rents for all but one unit will be driven by the HAP Contract. The project has an overall weighted rent advantage of nearly 39%, which exceeds the 10% threshold typically required by financiers. This disparity ensures that restricted units act as a high-demand safety net, protecting the property's cash flow even during broader economic shifts. Danville is transitioning into a bifurcated market where turn-key luxury lofts and high-service traditional high-rises like Danville House are in high demand among professional and senior renters. Although a competitive gap exists regarding in-unit laundry, the Subject's secured access, elevator service, and downtown Main Street location position it as a flagship asset.

Affordable vs. Market Rate Housing Conclusion Continued

The combination of record-low vacancies and a 38.85% average rent advantage confirms that the Subject Property is exceptionally well-positioned for long-term stability and continued premium performance within the Danville rental environment access, management on-site, and in-unit laundry. What they don't have are luxury amenities such as a pool, fitness center, spa, or sporting courts.

It is also important to note that none of these properties are independent senior living properties like the Subject. There are quite a few nursing homes and assisted living homes in Danville but no close by independent senior living properties. Once again, this is good for competition. The market rate comparable properties are still useful to get the overall sense of the rents and amenities in the area.

Building Permits Filed



Building Permits Filed					
Type	2021	2022	2023	2024	2025
Units in Single Family	0	0	0	0	10
Units in 2-Unit Multifamily	0	0	0	0	0
Units in 3 & 4-Unit Multifamily	0	0	0	0	0
Units in 5+-Unit Multifamily	0	0	0	0	0

Based on the provided building permits chart for Danville and Pittsylvania County between 2011 and 2023, development activity has been highly cyclical and primarily concentrated within the city limits. Danville experienced significant spikes in permit issuance early in the decade, with peaks of approximately 120 permits in both 2011 and 2013. Following this period of robust activity, new development sharply declined, with Danville averaging fewer than 20 permits annually from 2014 through 2021. A minor resurgence occurred in 2022, reaching around 30 permits, before dipping again in 2023. Conversely, Pittsylvania County has seen negligible new building permit activity throughout this entire 12-year span, registering almost zero permits from 2017 onward. This data indicates a historically constrained pipeline for new housing supply, particularly outside the immediate city boundaries.

Demand Analysis

This section of the report will evaluate the market demand for senior households earning up to 40% AMI. The exact income limits will depend on the number of bedrooms and the household size. This project is under a HAP contract, and the development team will not pursue LIHTC rents. For this particular market study, we will identify the number of households that earn less than 30% AMI for one- and two-bedroom apartments.

MSA: Pittsylvania County-Danville City, VA HUD Nonmetro FMR Area

Maximum Monthly Rent Amount by Floorplan

The table below shows the maximum monthly rents management can pursue based on the target AMI selection. The figures are retrieved from the Department of Housing and Urban Development. The maximum allowable rent is the HUD-calculated High Home Rent Limit and/or Low Home Rent Limit.

Pittsylvania County-Danville City, VA [2025 HUD Inc. Restrictions]						
HH Size	30%	40%	50%	60%	70%	80%
1 Person	$16,410	$21,880	$27,350	$32,820	$38,290	$43,760
2 Persons	$18,750	$25,000	$31,250	$37,500	$43,750	$50,000
3 Persons	$21,090	$28,120	$35,150	$42,180	$49,210	$56,240
4 Persons	$23,430	$31,240	$39,050	$46,860	$54,670	$62,480
5 Persons	$25,320	$33,760	$42,200	$50,640	$59,080	$67,520

Maximum Income Limit by Household Size

LIHTC Rent Limits for 2025 - Pittsylvania County-Danville City, VA						
Bedrooms (People)	30%	40%	50%	60%	70%	80%
Efficiency (1)	$ 410	$ 547	$ 683	$ 820	$ 957	$ 1,094
1 Bedroom (1.5)	$ 439	$ 586	$ 732	$ 879	$ 1,025	$ 1,172
2 Bedrooms (3)	$ 527	$ 703	$ 878	$ 1,054	$ 1,230	$ 1,406
3 Bedrooms (4.5)	$ 609	$ 812	$ 1,015	$ 1,218	$ 1,421	$ 1,625

Demand Analysis Continued

Number of Senior Renter Households – 2026 – PMA

Based on the 2026 estimates for the Danville, VA Primary Market Area (PMA), there is a projected total of 3,778 senior renter households aged 55 and older across the four analyzed age brackets. The data reveals that the local senior renter population is most heavily concentrated in the younger senior cohorts, with the 55 to 64 age group making up the largest segment at 1,580 households, followed closely by the 65 to 74 age group with 1,328 households. Across every age bracket, single-person households overwhelmingly dominate the market, accounting for a combined total of 2,506 households—roughly 66% of the entire 55+ renter base. Two-person households represent the second-largest segment, while household sizes of three or more drop off precipitously, indicating that future senior rental demand in this PMA will be driven almost entirely by individuals or couples seeking one- and two-bedroom units.

Financially, the senior renter households in this PMA skew heavily toward the lower end of the income spectrum, highlighting a substantial need for affordable senior housing options. Across all age cohorts, the highest concentrations of renters consistently fall into the $10,000 to $30,000 income tiers. For instance, in the 65 to 74 age group alone, over half of the renter households (671 out of 1,328) report annual income within this narrow $10,000 to $30,000 range. While there are modest numbers of senior renters earning $100,000 or more—particularly in the youngest 55 to 64 cohort—these higher-income earners make up a comparatively small fraction of the overall market. As the population ages into the 75 to 84 and 85+ categories, total household numbers naturally decrease, but the severe concentration within the lowest income bands remains remarkably consistent, underscoring the highly constrained purchasing power of Danville's aging renter demographic.

Number of Senior Renter Households – 2026 – PMA Continued

Renter Households
Age 55 to 64 Years
Year 2026 Estimates

	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
$0-10,000	146	19	12	2	0	**179**
$10,000-20,000	189	48	8	8	1	**254**
$20,000-30,000	146	91	9	2	5	**253**
$30,000-40,000	58	40	6	6	3	**113**
$40,000-50,000	52	17	24	2	3	**98**
$50,000-60,000	48	23	44	2	2	**118**
$60,000-75,000	29	14	13	2	2	**60**
$75,000-100,000	102	28	7	1	6	**143**
$100,000-125,000	32	25	7	14	3	**81**
$125,000-150,000	24	7	5	2	4	**42**
$150,000-200,000	66	24	9	4	1	**104**
$200,000+	72	39	11	12	2	**135**
Total	**964**	**375**	**155**	**57**	**32**	**1,580**

Renter Households
Age 65 to 74 Years
Year 2026 Estimates

	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
$0-10,000	113	16	10	0	1	**140**
$10,000-20,000	320	23	2	2	3	**351**
$20,000-30,000	157	107	50	3	3	**320**
$30,000-40,000	52	22	1	9	3	**87**
$40,000-50,000	29	4	13	2	2	**51**
$50,000-60,000	17	2	2	3	2	**26**
$60,000-75,000	27	14	1	0	5	**48**
$75,000-100,000	28	25	14	0	1	**69**
$100,000-125,000	52	4	2	2	3	**63**
$125,000-150,000	39	2	0	0	3	**44**
$150,000-200,000	51	3	12	1	1	**68**
$200,000+	54	3	1	1	2	**61**
Total	**939**	**225**	**108**	**23**	**29**	**1,328**

Number of Senior Renter Households – 2026 – PMA
Continued

Renter Households Aged 75 to 84 Years *Year 2026 Estimates*	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
$0-10,000	57	2	2	0	4	**65**
$10,000-20,000	106	11	10	1	1	**129**
$20,000-30,000	71	39	13	3	3	**129**
$30,000-40,000	32	16	24	3	1	**76**
$40,000-50,000	12	3	13	3	1	**31**
$50,000-60,000	20	19	0	0	1	**39**
$60,000-75,000	25	3	2	0	2	**31**
$75,000-100,000	28	2	1	1	2	**34**
$100,000-125,000	14	3	1	0	0	**18**
$125,000-150,000	10	0	0	0	1	**11**
$150,000-200,000	20	3	1	0	1	**25**
$200,000+	14	0	1	0	1	**16**
Total	**409**	**101**	**68**	**11**	**18**	**604**

Renter Households Aged 85+ Years *Year 2026 Estimates*	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
$0-10,000	38	2	1	1	3	**45**
$10,000-20,000	48	12	1	1	0	**62**
$20,000-30,000	48	17	3	1	2	**70**
$30,000-40,000	20	4	2	0	3	**28**
$40,000-50,000	7	1	1	1	1	**10**
$50,000-60,000	7	3	1	0	0	**10**
$60,000-75,000	7	1	2	1	1	**12**
$75,000-100,000	3	0	1	0	3	**7**
$100,000-125,000	5	0	0	1	1	**7**
$125,000-150,000	2	0	0	0	0	**2**
$150,000-200,000	4	0	0	2	0	**6**
$200,000+	5	0	1	1	0	**7**
Total	**194**	**40**	**13**	**9**	**14**	**266**

Number of Senior Renter Households – 2031 – PMA

Based on the 2031 projections for the Danville, VA Primary Market Area (PMA), there is an estimated total of 3,798 senior renter households aged 55 and older across the four analyzed age brackets. The senior renter demographic remains heavily concentrated in the younger cohorts, with the 55 to 64 and 65 to 74 age groups representing nearly equal segments at 1,372 and 1,368 households, respectively. Consistent with earlier estimates, single-person households continue to overwhelmingly dominate the market, accounting for a combined total of 2,498 households—roughly 66% of the entire 55+ renter base. Two-person households remain the second-largest segment, while household sizes of three or more are minimal, confirming that future senior rental demand in this PMA will continue to be driven almost entirely by individuals or couples needing one- and two-bedroom units.

Financially, the 2031 projections indicate that senior renter households in this PMA will remain heavily skewed toward the lower end of the income spectrum, emphasizing a sustained need for affordable senior housing. Across all age cohorts, the highest concentrations of renters consistently fall into the $10,000 to $30,000 income tiers. For example, in the 65 to 74 age group, nearly half of the renter households (601 out of 1,368) report projected annual incomes within this narrow $10,000 to $30,000 range.

While there are still modest numbers of senior renters earning $100,000 or more—most notably in the youngest 55 to 64 cohort—these higher-income earners make up a small fraction of the overall market. As seniors age into the 75 to 84 and 85+ categories, the severe concentration within the lowest income bands persists, underscoring the highly constrained, fixed-income reality of Danville's aging renter demographic over the next several years.

Number of Senior Renter Households – 2031 – PMA Continued

Renter Households Age 55 to 64 Years *Year 2031 Projections*	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
$0-10,000	107	13	14	3	3	**139**
$10,000-20,000	150	39	6	9	4	**207**
$20,000-30,000	109	81	7	4	1	**202**
$30,000-40,000	45	35	4	5	1	**90**
$40,000-50,000	39	12	17	3	2	**72**
$50,000-60,000	34	15	40	2	2	**93**
$60,000-75,000	25	14	15	1	2	**57**
$75,000-100,000	80	32	8	3	4	**126**
$100,000-125,000	30	23	15	11	2	**81**
$125,000-150,000	28	4	10	2	4	**47**
$150,000-200,000	66	21	13	2	2	**103**
$200,000+	94	45	12	4	1	**155**
Total	**807**	**334**	**161**	**49**	**28**	**1,372**

Renter Households Age 65 to 74 Years *Year 2031 Projections*	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
$0-10,000	107	13	9	0	3	**132**
$10,000-20,000	282	24	2	0	1	**309**
$20,000-30,000	144	102	46	1	0	**292**
$30,000-40,000	55	20	3	10	2	**90**
$40,000-50,000	30	9	23	1	4	**66**
$50,000-60,000	16	2	4	3	0	**25**
$60,000-75,000	32	9	2	2	3	**48**
$75,000-100,000	34	24	22	1	1	**81**
$100,000-125,000	56	12	4	2	6	**80**
$125,000-150,000	53	3	2	1	4	**62**
$150,000-200,000	59	12	21	2	3	**97**
$200,000+	77	6	1	0	2	**86**
Total	**945**	**236**	**139**	**23**	**29**	**1,368**

Number of Senior Renter Households – 2031 – PMA
Continued

Renter Households Aged 75 to 84 Years *Year 2031 Projections*						
	1-Person Household	**2-Person Household**	**3-Person Household**	**4-Person Household**	**5+-Person Household**	**Total**
$0-10,000	71	3	1	1	1	**77**
$10,000-20,000	131	13	12	0	2	**158**
$20,000-30,000	87	38	13	2	3	**142**
$30,000-40,000	37	21	40	1	2	**101**
$40,000-50,000	19	5	15	1	0	**40**
$50,000-60,000	22	14	2	0	3	**41**
$60,000-75,000	25	3	2	3	2	**35**
$75,000-100,000	42	3	5	0	0	**50**
$100,000-125,000	25	3	3	0	1	**32**
$125,000-150,000	11	3	1	0	1	**16**
$150,000-200,000	31	2	2	1	0	**36**
$200,000+	28	1	2	2	1	**34**
Total	**529**	**109**	**98**	**11**	**16**	**762**

Renter Households Aged 85+ Years *Year 2031 Projections*						
	1-Person Household	**2-Person Household**	**3-Person Household**	**4-Person Household**	**5+-Person Household**	**Total**
$0-10,000	39	2	1	1	3	**45**
$10,000-20,000	48	14	3	0	1	**66**
$20,000-30,000	55	14	2	1	1	**73**
$30,000-40,000	18	2	1	2	3	**25**
$40,000-50,000	10	3	1	0	0	**13**
$50,000-60,000	10	4	1	0	3	**18**
$60,000-75,000	9	5	2	1	0	**17**
$75,000-100,000	6	3	1	0	0	**10**
$100,000-125,000	8	1	0	1	0	**10**
$125,000-150,000	2	0	0	0	0	**2**
$150,000-200,000	6	1	1	1	1	**10**
$200,000+	6	0	0	0	1	**7**
Total	**217**	**49**	**13**	**7**	**13**	**296**

Renter Households by Income – 62+
2027 – Entry Year

HISTA Data Age 62+ Years *Year of Market Entry Estimates 2027* Renter Households - Primary Market Area	1-Person Households	2-Person Households	3-Person Households	4-Person Households	5-Person Households	6+-Person Households	Total
$0-10,000	249	23	18	3	4	4	**301**
$10,000-20,000	562	60	20	4	3	2	**651**
$20,000-30,000	345	176	69	9	4	5	**608**
$30,000-40,000	125	46	35	13	7	2	**228**
$40,000-50,000	67	13	32	6	2	3	**123**
$50,000-60,000	52	26	8	4	3	2	**95**
$60,000-75,000	76	21	15	4	5	3	**124**
$75,000-100,000	83	36	19	1	3	5	**147**
$100,000-125,000	87	13	8	4	2	2	**116**
$125,000-150,000	64	4	1	1	5	2	**77**
$150,000-200,000	102	10	16	4	0	3	**135**
$200,000+	96	5	7	5	0	4	**117**
Total	**1,908**	**433**	**248**	**58**	**38**	**37**	**2,722**

Based on the 2027 HISTA data estimates for the Danville, VA Primary Market Area (PMA), there is a projected total of 2,722 senior renter households aged 62 and older. The demographic breakdown reveals a staggering concentration of single individuals; 1-person households make up the vast majority of the market, accounting for 1,908 households, or approximately 70% of the entire 62+ renter base. Two-person households represent the only other substantial segment with 433 households, while households of three or more people account for a very small fraction of the overall market. This distribution strongly indicates that future senior rental demand for this specific age cohort in the Danville PMA will be almost exclusively driven by solitary individuals and couples, translating to a primary need for one-bedroom and, to a lesser extent, two-bedroom units. The 62+ renter population in this PMA is distinctly concentrated at the lower end of the income spectrum, indicating a significant need for affordable housing solutions. The data shows a massive clustering of households earning between $10,000 and $30,000 annually. Combined, these two specific income brackets encompass 1,259 households—nearly half of the total 62+ renter market. This lower-income concentration is especially pronounced among single renters, with 907 of the 1-person households falling squarely into this $10,000 to $30,000 range. While there is a scattering of higher-income senior renters, including 117 households earning over $200,000, they represent a minor segment of the market. Overall, the data underscores a highly constrained purchasing power among Danville's seniors, pointing to robust demand for affordable, fixed-income friendly rental options.

Affordability Analysis by Floorplan

To determine the number of senior households that earn less than the maximum limit at 30% AMI, AreaProbe completed an affordability based on the demographic projections for 2027 by income, only people over the age of 62.

Renter Households 30% Area Median Income (AMI) *Based on HISTA Data - 2026 Estimates and 2031 Projections*		
	1-Person Household	2-Person Household
Minimum income required	**$0**	**$0**
Maximum income allowed	**$16,410**	**$18,750**
Percent of $0-$10k income band	*100%*	*100%*
Number of renter households $0-$10k	*249*	*23*
Estimated eligible $0-$10k households	249	23
Percent of $10-$20k income band	*64%*	*88%*
Number of renter households $10-$20k	*562*	*60*
Estimated eligible $10-$20k households	360	53
Percent of $20-$30k income band	*0%*	*0%*
Number of renter households $20-$30k	*345*	*176*
Estimated eligible $20-$30k households	0	0
Percent of $30-$40k income band	*0%*	*0%*
Number of renter households $30-$40k	*125*	*46*
Estimated eligible $30-$40k households	0	0
Percent of $40-$50k income band	*0%*	*0%*
Number of renter households $40-$50k	*67*	*13*
Estimated eligible $40-$50k households	0	0
Percent of $50-$60k income band	*0%*	*0%*
Number of renter households $50-$60k	*52*	*26*
Estimated eligible $50-$60k households	0	0
Percent of $60-$75k income band	*0%*	*0%*
Number of renter households $60-$75k	*76*	*21*
Estimated eligible $60-$75k households	0	0
Percent of $75-$100k income band	*0%*	*0%*
Number of renter households $75-$100k	*83*	*36*
Estimated eligible $75-$100k households	0	0
Percent of $100-$125k income band	*0%*	*0%*
Number of renter households $100-$125k	*87*	*13*
Estimated eligible $100-$125k households	0	0
Percent of $125-$150k income band	*0%*	*0%*
Number of renter households $125-$150k	*64*	*4*
Estimated eligible $125-$150k households	0	0
Percent of $150-$200k income band	*0%*	*0%*
Number of renter households $150-$200k	*102*	*10*
Estimated eligible $150-$200k households	0	0
Total Estimated Households in Income Ranges	**609**	**76**
		685

Capture Rate Analysis

Based on the provided capture rate data for the proposed 106-unit renovation of the Danville House in 2027, the project demonstrates a highly favorable market position. To fill the entire 106-unit property, the development will need to capture 15.5% of the 685 total estimated eligible renter households within the Primary Market Area (PMA). Given that a capture rate of under 20% is generally considered strong and indicative of healthy demand—especially in a rural market where the pool of eligible households is naturally smaller—this 15.5% overall rate suggests that there is more than enough latent demand to comfortably support the renovated units without over-saturating the market.

Breaking down the demand by unit type further reinforces the project's viability. The one-bedroom units, which make up the vast majority of the property (97 units), require a capture rate of 15.9% from a robust pool of 609 eligible households. The two-bedroom units, though far fewer in number (9 units), draw from a smaller pool of 76 eligible households but boast an even lower, highly conservative capture rate of just 11.8%. Ultimately, both individual unit types and the project as a whole sit comfortably below the 20% threshold, indicating that the Danville House is appropriately sized for the specific demographic and income constraints of the 2027 Danville renter market.

Total Estimated Eligible Households and Capture Rates

Unit Size	Number Households	Number Units	Capture Rate
Studio	N/A	N/A	*N/A*
One Bedroom	609	97	15.9%
Two Bedroom	76	9	11.8%
Total:	**685**	**106**	***15.5%***

Source Household Data: HISTA Data by Ribbon Demographics

Capture Rate Analysis – Single LIHTC Unit

Affordability Analysis at 60% AMI

Renter Households 60% Area Median Income (AMI) *Based on HISTA Data - 2026 Estimates and 2031 Projections*		
	1-Person Household	2-Person Household
Minimum income required	**$27,291**	**$27,291**
Maximum income allowed	**$32,820**	**$37,500**
Percent of $0-$10k income band	*0%*	*0%*
Number of renter households $0-$10k	*249*	*23*
Estimated eligible $0-$10k households	0	0
Percent of $10-$20k income band	*0%*	*0%*
Number of renter households $10-$20k	*562*	*60*
Estimated eligible $10-$20k households	0	0
Percent of $20-$30k income band	*27%*	*27%*
Number of renter households $20-$30k	*345*	*176*
Estimated eligible $20-$30k households	93	48
Percent of $30-$40k income band	*28%*	*75%*
Number of renter households $30-$40k	*125*	*46*
Estimated eligible $30-$40k households	35	35
Percent of $40-$50k income band	*0%*	*0%*
Number of renter households $40-$50k	*67*	*13*
Estimated eligible $40-$50k households	0	0
Percent of $50-$60k income band	*0%*	*0%*
Number of renter households $50-$60k	*52*	*26*
Estimated eligible $50-$60k households	0	0
Percent of $60-$75k income band	*0%*	*0%*
Number of renter households $60-$75k	*76*	*21*
Estimated eligible $60-$75k households	0	0
Percent of $75-$100k income band	*0%*	*0%*
Number of renter households $75-$100k	*83*	*36*
Estimated eligible $75-$100k households	0	0
Percent of $100-$125k income band	*0%*	*0%*
Number of renter households $100-$125k	*87*	*13*
Estimated eligible $100-$125k households	0	0
Percent of $125-$150k income band	*0%*	*0%*
Number of renter households $125-$150k	*64*	*4*
Estimated eligible $125-$150k households	0	0
Percent of $150-$200k income band	*0%*	*0%*
Number of renter households $150-$200k	*102*	*10*
Estimated eligible $150-$200k households	0	0
Total Estimated Households in Income Ranges	**129**	**82**
		211

Capture Rate Analysis – Single LIHTC Unit

Capture Rate Results at 60% AMI

Total Estimated Eligible Households and Capture Rates			
Unit Size	**Number Households**	**Number Units**	**Capture Rate**
Studio	N/A	N/A	*N/A*
One Bedroom	157	1	0.6%
Two Bedroom	N/A	N/A	*N/A*
Total:	**157**	**1**	***0.6%***
Source Household Data: HISTA Data by Ribbon Demographics			

(Overlapping with AMIs Removed)

The 60% AMI one-bedroom unit require an easily attainable capture rate of just 0.6% Overall, the data indicates a sufficient depth of income-qualified renters in the market to successfully absorb the 106 proposed units without over-saturating the area.

Penetration Rate
New or Proposed Construction

The total annual demand estimate is reduced by the number of competitive properties that will come online before the Subject. The table below illustrates the penetration rate. The properties used for the existing and planned LIHTC units were the Subject and Hilltop Gardens.

Note: These are conservative estimates for both the capture and penetration rates. The property is renovated and is already mostly occupied; it is predicted that many of those residents will be returning.

Penetration Rate	
Existing and Planned LIHTC Units	147
Eligible Households	685
Penetration Rate	21.40%

Development Pipeline

According to recent regional economic development reports, Danville and neighboring Pittsylvania County are aggressively targeting housing development, with a projected 5,300 multi-family units expected to be added to the regional inventory by 2029 through various conversions, historic rehabs, and new builds.

1. Dan River Falls (The White Mill Redevelopment)

Status: In Progress (First residents moved in late 2024; Phase 2 completion expected in 2026).

This is the flagship $110 million redevelopment of the iconic 650,000-square-foot Dan River Mills building. The mixed-use project features 190 apartments (a mix of market-rate and workforce housing for those earning less than 80% of the Area Median Income), alongside 147,000 square feet of commercial and office space. It also includes a new riverfront park with a whitewater channel.

2. Monument-Berryman Redevelopment

Status: In Progress / Expanding (Ground broken in March 2024; density increases proposed in early 2026).

A nearly $14 million multi-phase infill project by developer CCKW LLC located in the city's tobacco warehouse district near the River District. Originally slated for 34 single-family townhomes and 60 market-rate apartments across three buildings. As of February 2026, developers are working with the planning commission to introduce "one-over-one" duplexes to further increase housing density on the site.

3. Stewart Street Development

Status: Approved.

A neighborhood revitalization project by CWC Holdings near the Central Boulevard interchange and West Main Street. After clearing blighted structures, the developer is building 24 multi-family units, with the remainder of the land set aside for new townhouses and single-family homes.

4. Upper Street Affordable Apartments

Status: Approved / In Progress.

A $2.6 million adaptive reuse project in the Westmoreland neighborhood targeting affordable housing. The project is converting the former Sledd Memorial Church and two vacant duplexes into 15 affordable apartment units (11 in the church, 4 in the duplexes). The majority of these are dedicated to veterans, individuals with disabilities, and very-low-income households.

5. River District Lofts (High Street)

Status: Rezoning Approved.

Continued expansion of downtown living by Winston-Salem Rehab Development and Level 2 Development. This project will create 23 market-rate apartments at 549 High Street, featuring an interior courtyard and dedicated parking where a collapsed building was recently demolished.

Conclusion

AreaProbe fully supports the proposed renovation and continued operation of the Danville House. Based on our comprehensive market evaluation, this 106-unit is an exceptionally well-positioned asset that addresses a critical and expanding need within the Danville Primary Market Area (PMA). The project exhibits minimal lease-up risk, outstanding competitive advantages, and highly favorable underwriting metrics.

Demographic Alignment and Pent-Up Demand

The project's scope perfectly intercepts the demographic trajectory of the region. By 2027, the PMA will host an estimated 2,722 senior renter households (aged 62+), approximately 70% of which will be single individuals. Crucially, the data reveals a massive clustering of these seniors at the lowest end of the income spectrum, with nearly half earning between $10,000 and $30,000 annually. By targeting extremely low-income households (e.g., a $14,850 maximum income limit for a single person) and heavily weighting the unit mix toward one-bedroom floorplans, the Danville House directly aligns with the region's most severe housing deficit. The fact that local Section 8 waitlists are currently closed further validates a profound level of pent-up demand.

The Subject Property operates from a position of profound competitive strength within a highly constrained housing landscape. The surveyed affordable housing market is operating at a functional maximum, boasting a staggering 99% average occupancy rate, with six of the nine comparable properties completely full. The property enjoys a massive rent advantage over local market-rate housing, nearly 33% for one-bedroom units and over 43% for two-bedroom units. This 38.85% weighted average spread acts as a powerful safety net, protecting the property's cash flow against broader economic volatility.

Located in the revitalizing Central Business District, the Danville House offers an amenity package (secured entry, elevators, fitness and business centers) that significantly outpaces traditional garden-style LIHTC competitors, making it a flagship option for downtown senior living. To achieve full occupancy, the project must capture just 15.5% of the 685 eligible renter households in the PMA (15.9% for one-bedroom and 11.8% for two-bedroom units). A capture rate below 20% in a rural market indicates robust latent demand without the threat of over-saturation. Another significant factor is the tenants will return upon the completion of the renovation. Lastly, the overall penetration rate sits at a healthy, manageable 21.40% which shows there is unmet demand.

Project Impact

The Subject will have a nominal impact the existing rental housing market because its an existing property with 98.5 percent occupancy. We presume the renovations will be appreciated by the tenants upon completion.

Strengths and Weaknesses

Strengths:

1. High visibility and traffic flow
2. Low Vacancy Rates
3. Proposed Modernization
4. Increasing Senior Population
5. Close to transit options, healthcare, and grocery stores, all of which are important to seniors

Weaknesses

1. High crime rates

Source Used

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

- Census
- Ribbon Demographics / Claritas
- Bureau of Labor Statistics
- GoogleMaps
- BatchGeo
- RealtyTrac
- Long & Foster
- CoStar
- Apartment List
- Crimegrade.org
- Local Housing Authority Representatives
- Local Planning and Building Officials
- Fred
- Redfin
- U.S. Department of Housing and Urban Development (HUD)

NCHMA MARKET STUDY INDEX

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

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

NCHMA MARKET STUDY INDEX (Continued)

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

	CATEGORY(S)	SECTION(S)
	Affordability, Demand, and Penetration Rate Analysis	
31	Estimate of demand	VI
32	Affordability analysis with capture rate	VI
33	Penetration rate analysis with capture rate	VI
	Analysis/Conclusions	
34	Absorption rate and estimated stabilized occupancy for subject	V
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	V
36	Precise statement of key conclusions	I
37	Market strengths and weaknesses impacting project	I
38	Product recommendations and/or suggested modifications to subject	I
39	Discussion of subject property's impact on existing housing	V
40	Discussion of risks or other mitigating circumstances impacting subject	V
41	Interviews with area housing stakeholders	V
	Other Requirements	
42	Certifications	Addenda
43	Statement of qualifications	Addenda
44	Sources of data	N/A