



DANVILLE HOUSE
MARCH 5, 2026



AREAPROBE

March 5, 2026

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

Dear Mr. Pryor,

Attached is our market study for the renovation of Danville House at 600 Main Street, Danville, Virginia 24541.

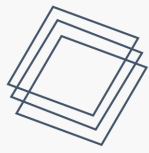
This Study details the rental income of low- and moderate-income housing to determine current market demand and potential competition for absorption in the housing market using a survey of existing properties. This has helped AreaProbe determine the potential competition for this market and the local economic environment.

The report shows full market support for the development based on the information provided for this study. This assessment is prepared according to the 2026 NCHMA market study requirements.

Sincerely,

CM Leatham

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



AREA PROBE

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ANALYST STATEMENT

Abstract

The purpose of this report is to provide an analysis of the primary market area to evaluate the demand for the renovation of an affordable senior housing property to be completed by the client. The property is situated at 600 Main Street, Danville, Virginia 24541. The intent is to conduct a substantial renovation and provide housing for low-income seniors earning up to 30 percent AMI or qualifying for Section 8 control housing. There will be a single LIHTC unit with a rental amount of \$796 for a one-bedroom floorplan. Tenants will be temporarily relocated during the renovation process.

The market study was completed according to the National Council for Housing Market Analyst (NCHMA) guidelines. This report was prepared after multiple site visits in February 2026, coupled with market data collection through conversations with property managers in the surrounding area and knowledgeable third-party data sources. During visits, AreaProbe personnel toured the property and visually observed grounds, public corridors, parking, supportive retail, and neighborhood activity. This report is intended to represent our professional opinion fairly. The report's purpose, intended use, and function information assess the marketability of the subject property for tax credit application purposes.

Sincerely,

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

SECTION A -

Executive Summary

EXECUTIVE SUMMARY

Executive Summary

AreaProbe was commissioned by the NHP Foundation to conduct a comprehensive market study for the renovation and continued operation of the Danville House, located at 600 Main Street, Danville, Virginia 24541. The Subject Property is a historically designated, 13-story multi-family residential facility containing 104,660 square feet of net rentable area. Originally built in 1927 as the Danville Hotel and rehabilitated for affordable housing in 1983, the proposed project will undergo a substantial renovation under an Option 2 Housing Assistance Payment (HAP) contract paired with 9% Low-Income Housing Tax Credits (LIHTC). Tenants will be relocated during the renovation.

The property is situated in the Central Downtown Business Commercial (CB-C) zone, positioning it ideally within Danville’s highly walkable, revitalizing River District. The project encompasses 106 fully subsidized senior housing units, targeted specifically toward extremely low-income seniors.

Target Population and Income Restrictions

The Danville House has 105 of the 106 units designated for Section 8 project-based vouchers and (1) LIHTC unit. The property is exclusively targeting income-qualified senior households (aged 62+) consisting of 1 or 2 people. The target demographic operates under strict income ceilings:

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

Upon completion of the renovations, the 106 units will be reconfigured slightly from their current state to optimize senior living requirements, resulting in the following 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 by a 75.2-square-mile radius encompassing the City of Danville and southern Pittsylvania County. While the broader county population is declining, the PMA's population is stabilizing, driven by an influx of young professionals and a significant transition toward a renter-dominated market (a 17.05% surge in renter households between 2010 and 2020).

Executive Summary Continued

For the Subject's target demographic (seniors 62+), demand is intense. By 2027, the PMA will host an estimated 2,722 senior renter households, 70% of which are single individuals. Crucially, nearly half of this senior cohort earns between \$10,000 and \$30,000 annually, aligning perfectly with the Danville House's affordability matrix.

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 thorough demographic analysis, economic indicators, and competitive environment survey, AreaProbe concludes that there is robust, immediate, and sustained demand for the proposed 106-unit renovation of the Danville House. The structural shift in the Danville PMA toward a renter-heavy housing market, combined with an aging population that is severely income-constrained, creates an ideal absorption environment for Section 8 project-based senior housing. The 62+ demographic is overwhelmingly comprised of solitary individuals living on fixed incomes well below \$30,000, perfectly matching the Subject's heavy concentration of 97 one-bedroom units and stringent maximum income limits (\$16,410 for individuals).

Executive Summary Continued

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 requires an overall capture rate of just 15.5% (15.9% for 1-BR; 11.8% for 2-BR) from the 685 eligible renter households in the market. In a rural/tertiary market, any capture rate below 20% indicates strong latent demand without the risk of over-saturation. There are 157 income eligible households that can afford the rental rate for the single LIHTC unit at 60% AMI. The capture rate for this floorplan is 0.6 percent.

Penetration Rate Results

The penetration rate rests at a conservative 21.40%.

Absorption

Because the property is already 98.5% occupied prior to renovation, and many current residents are expected to return post-rehabilitation, the lease-up risk is exceptionally low. We project that the property will reach full stabilization (100% occupancy) within three months of construction completion.

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.

We fully support the development and renovation of the Danville House as outlined in the project scope. The Subject Property is a flagship asset in downtown Danville, offering an impressive suite of amenities (elevators, secured access, fitness center) that elevate it above competing affordable housing options. Supported by a 99% market-wide affordable housing occupancy rate, a closed Section 8 waitlist, and a nearly 39% rent advantage over local market-rate housing, the Danville House is positioned for immediate stabilization and long-term operational success.

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 9% tax credits, and there is a single LIHTC unit at 60% AMI. 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.

SECTION B –

Introduction & Scope of Work

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
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5 Persons	\$25,320	\$33,760	\$42,200	\$50,640	\$59,080	\$67,520

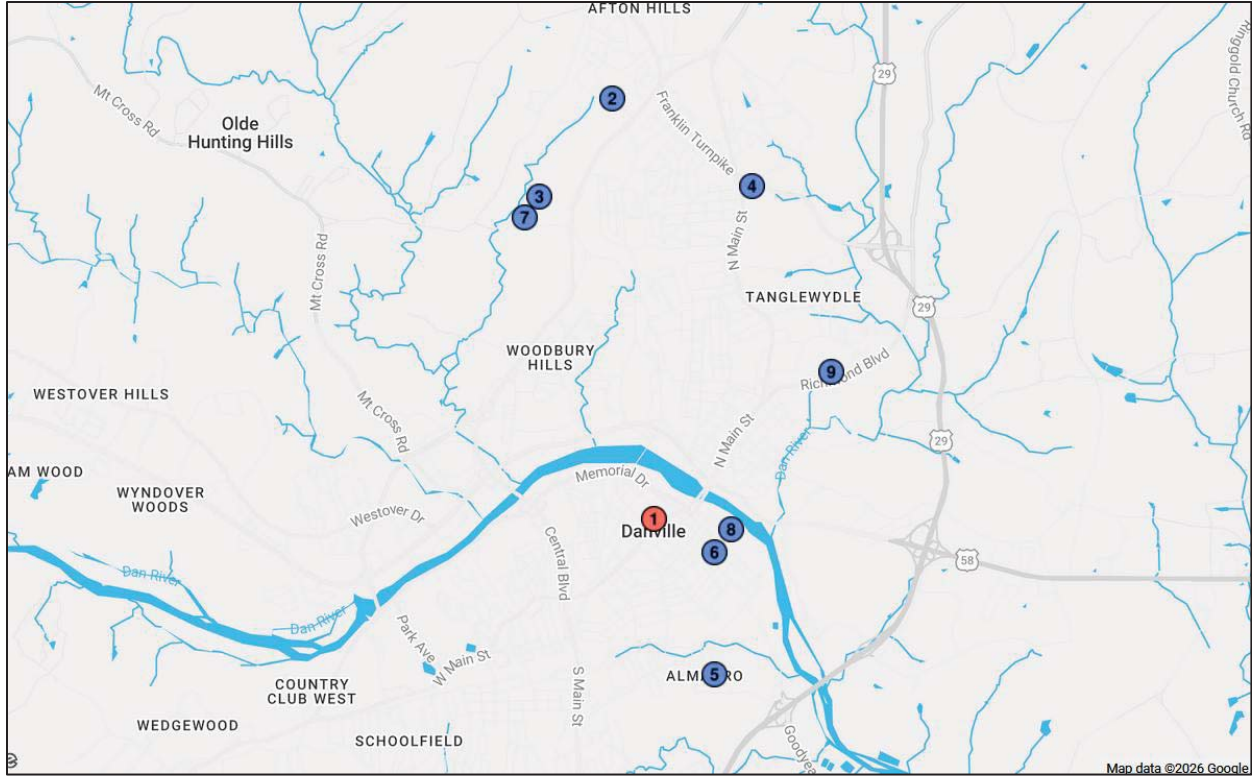
Maximum Income Limit by Household Size

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 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 than 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	\$ 1,589	902	\$ 1.76	
	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 \$1,589 (902 SF). These figures result in the highest price per square foot (PSF) for both categories at \$1.63 and \$1.76, respectively.

Affordable Housing Rental Rates Continued

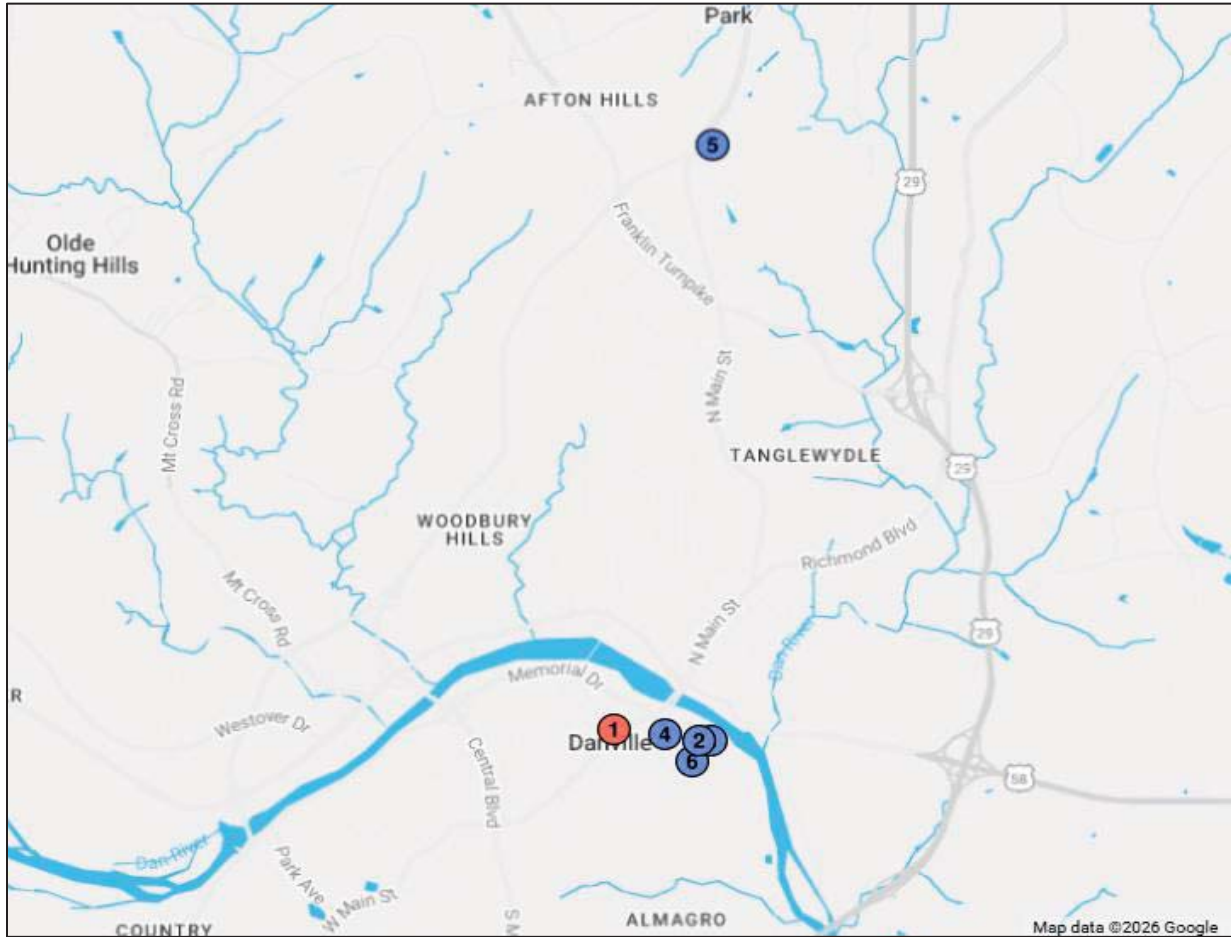
In contrast, the surrounding comparable properties resemble the rental rate of the single LIHTC unit at the Subject. The one-bedroom rent at the Subject is listed at a net rent of \$796, and gross rent of \$816. The broader market exhibits a wide range of unit sizes and specialized programs. Dan River 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.

Market Rate Rental Environment

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							
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	BD Rents	2 BD SF	2 BD PSF
1	Danville House HAP	-	\$ 1,266	660	\$ 1.63	\$1,589	902	\$ 1.76
	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.

Absorption Rate

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

Recommendations

Based on the information shared in producing this study, we believe the Subject will stabilize within three months of the completion date due to the demand for housing in the area, current residents returning after renovations, and the upgrades pushing occupancy from 52% to 100% within three months. AreaProbe predicts there will be at least 12 pre-leased apartments because of the market anticipation. Furthermore, all the units are part of a renovation, so many former residents will want to move back into their homes. The market anticipation includes the high number of eligible renters and limited available units. Therefore, the chart above reflects a very conservative absorption rate estimation.

SECTION C –

Project Description

PROJECT DESCRIPTION



Project Description

The subject property, located at 600 Main Street, Danville, VA, and is a converted multi-family, hi-rise apartment complex located in Downtown Danville VA. The improvements reportedly built in 1927 are comprised of a 13-story/three-story apartment building containing 104,660 square feet of net rentable area (NRA). The property is approximately 98.5% occupied and features 106 units with (96) one bedroom and (10) two bedrooms. Upon completion of the renovations, the property will have (97) one-bedroom units, and (9) two-bedroom units.

The property was originally the Danville Hotel and was rehabilitated for its present affordable housing usage in 1983. The CB-C zoning, 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. The regulations of the CB-C are intended to promulgate the goals of the Comprehensive Plan for thoughtful revitalization and historic preservation while encouraging a balanced mix of uses in Danville's central business area. The Danville House is a historically designated property on both the Virginia and Federal Register 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

SECTION D -

Location

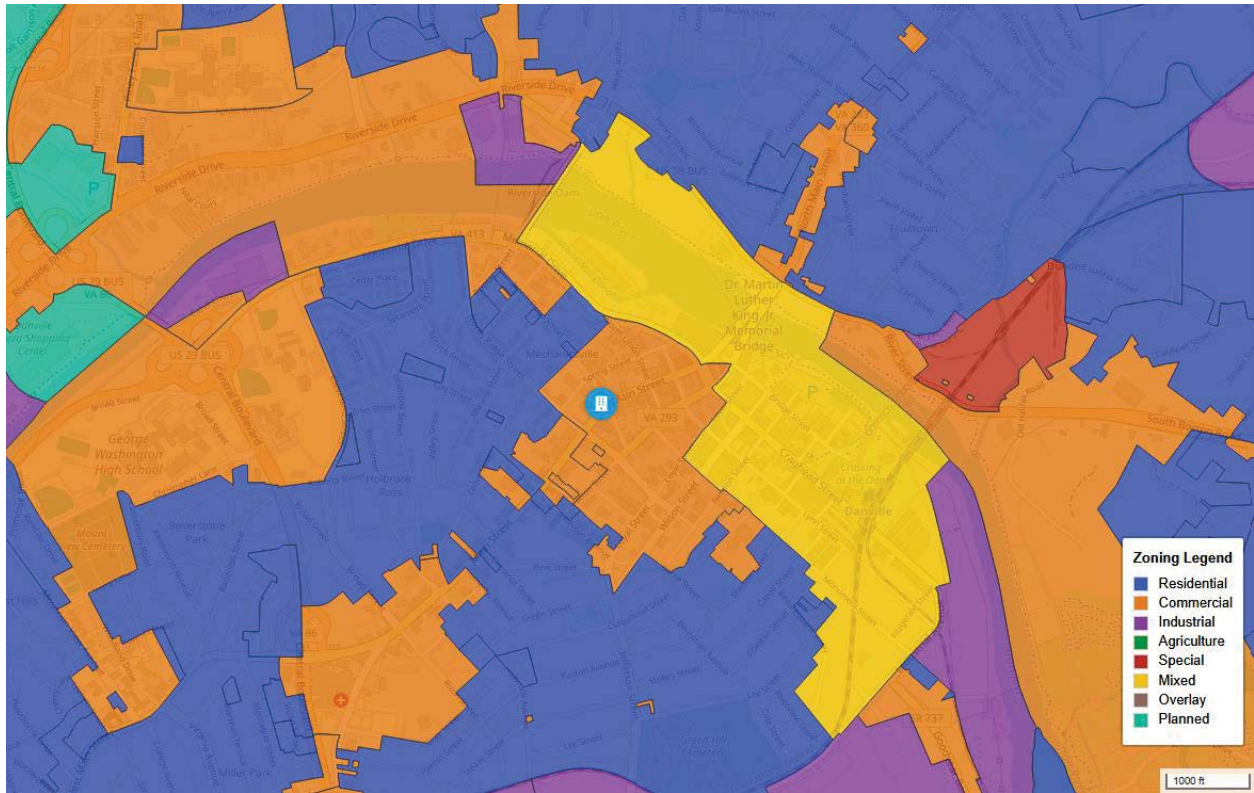
SITE LOCATION

Project Description
Satellite View



ZONING ANALYSIS

Description of Site and Adjacent Parcels Zoning



Source: Danville-va.gov

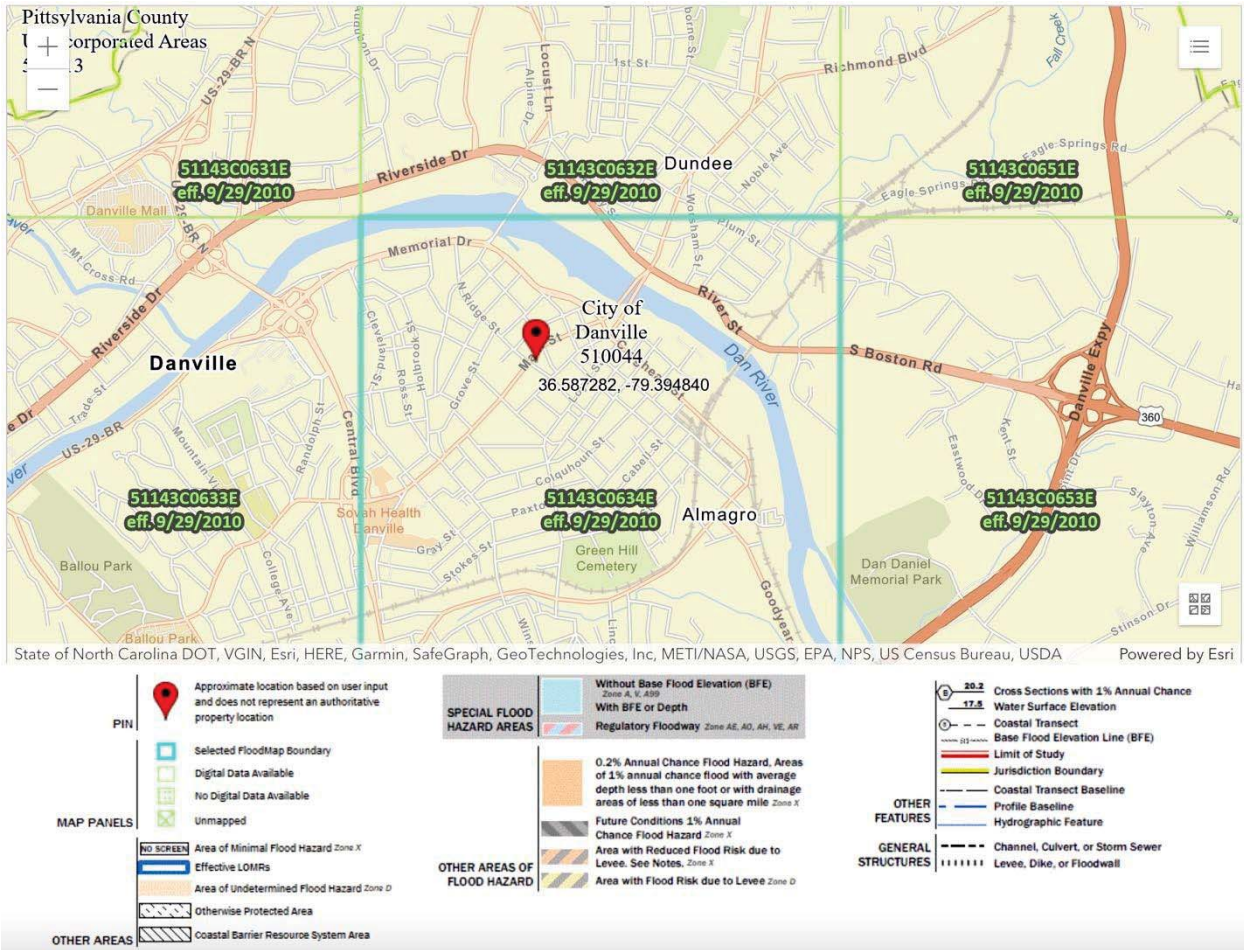
Zoning Ordinance: Central Downtown Business Commercial (CB-C)
Zone Type: Commercial
Subtype: Core Commercial
City: Richmond, VA
Last Updated: 2026-02-17

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 ANALYSIS

Flood Zone



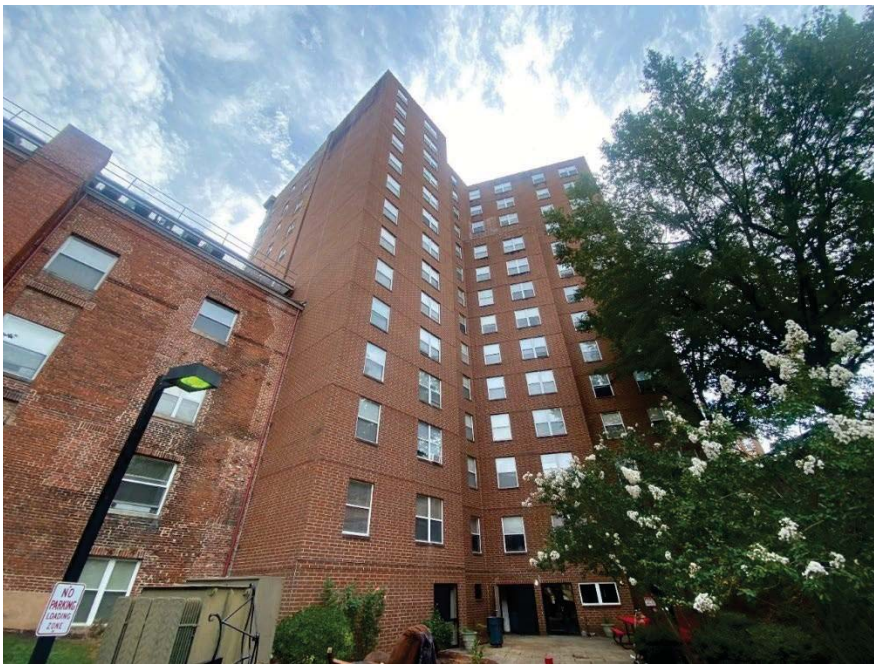
Source: FEMA

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

PROPERTY PHOTOS

Subject Property Photos

Front view from Main Street



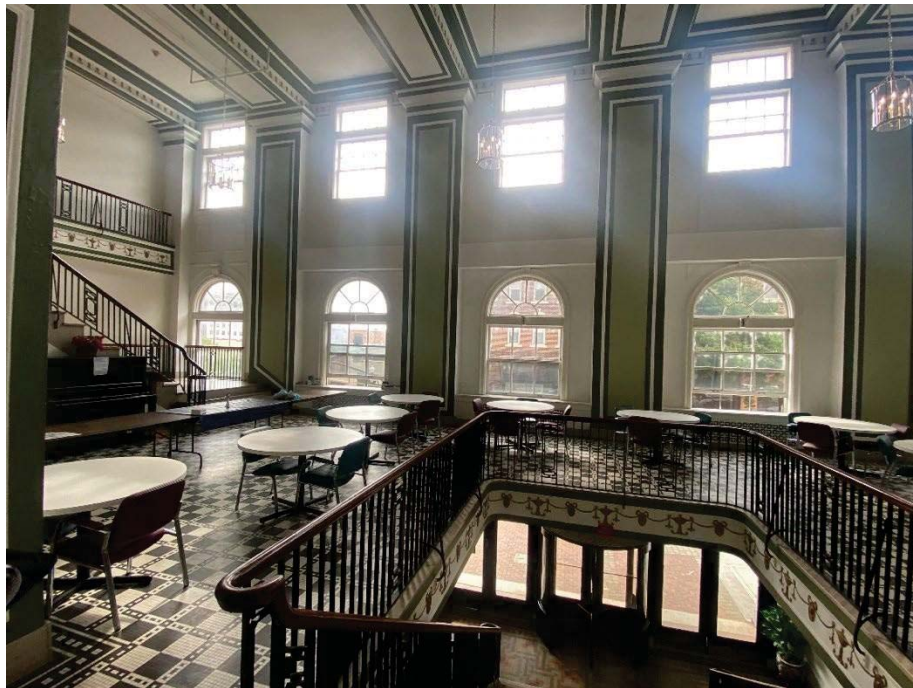
Rear Building, Parking Lot View



Additional Parking



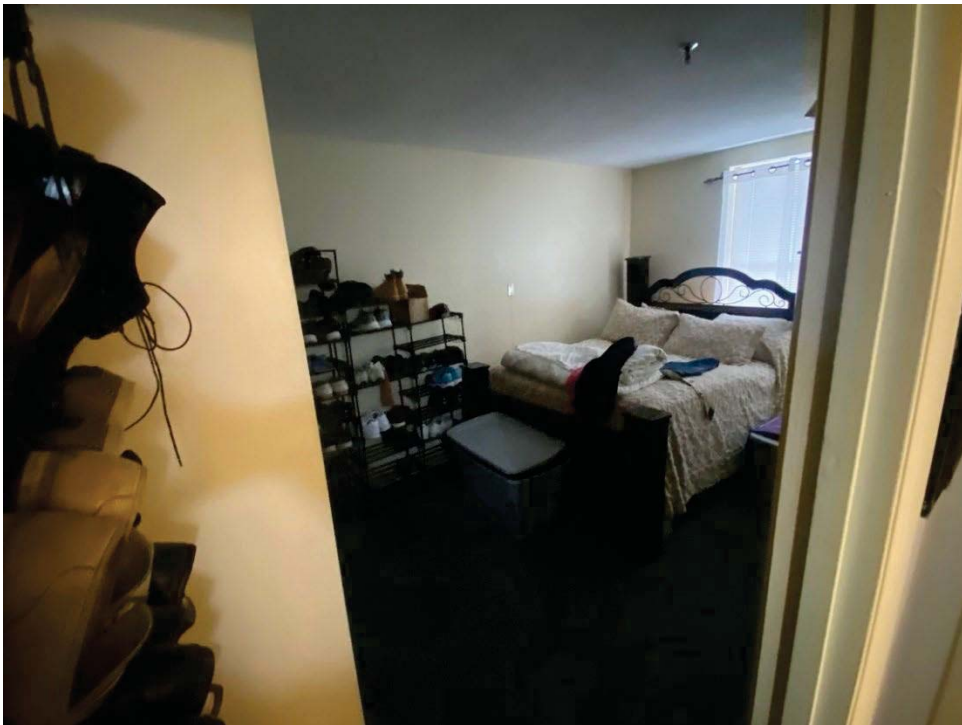
Interior Photos (Pre-Renovation)
Community Lounge





Two-bedroom Standard





One-bedroom Vacant (handicap accessible)



Trash and Electric



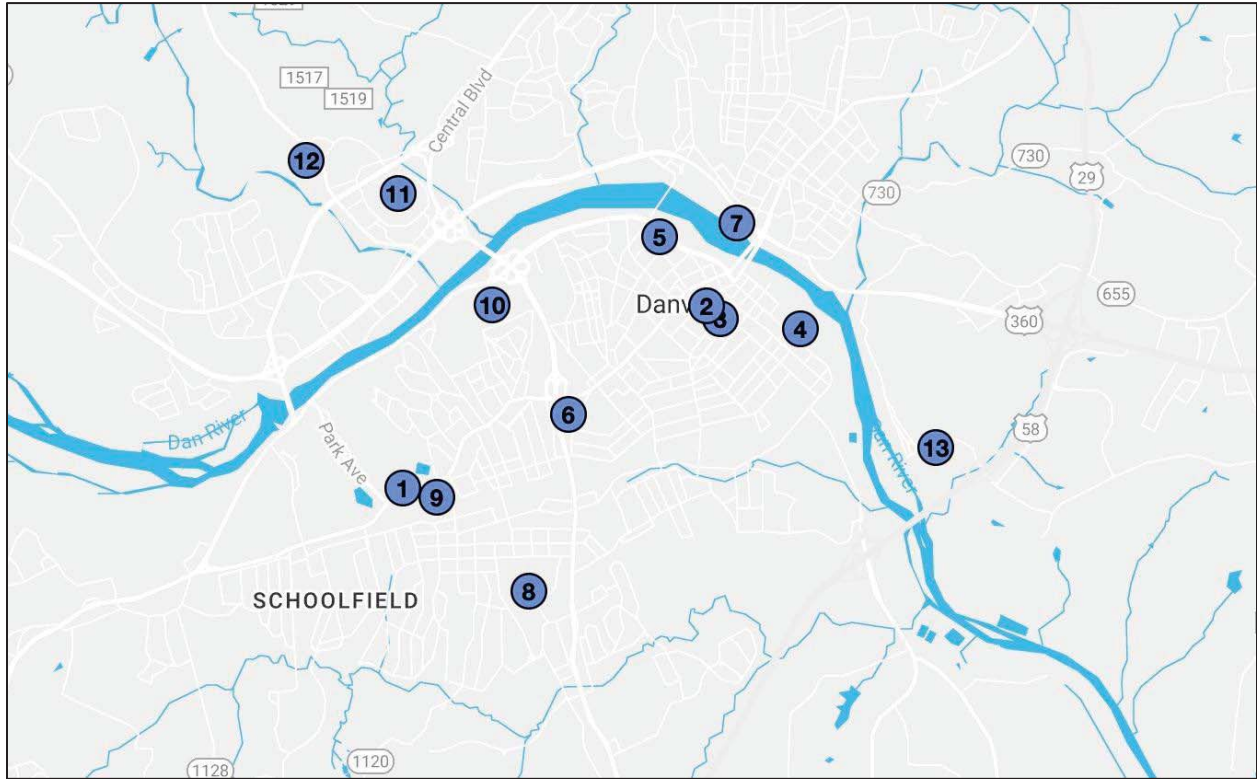
Laundry Facilities



NEIGHBORHOOD AMENITIES

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.

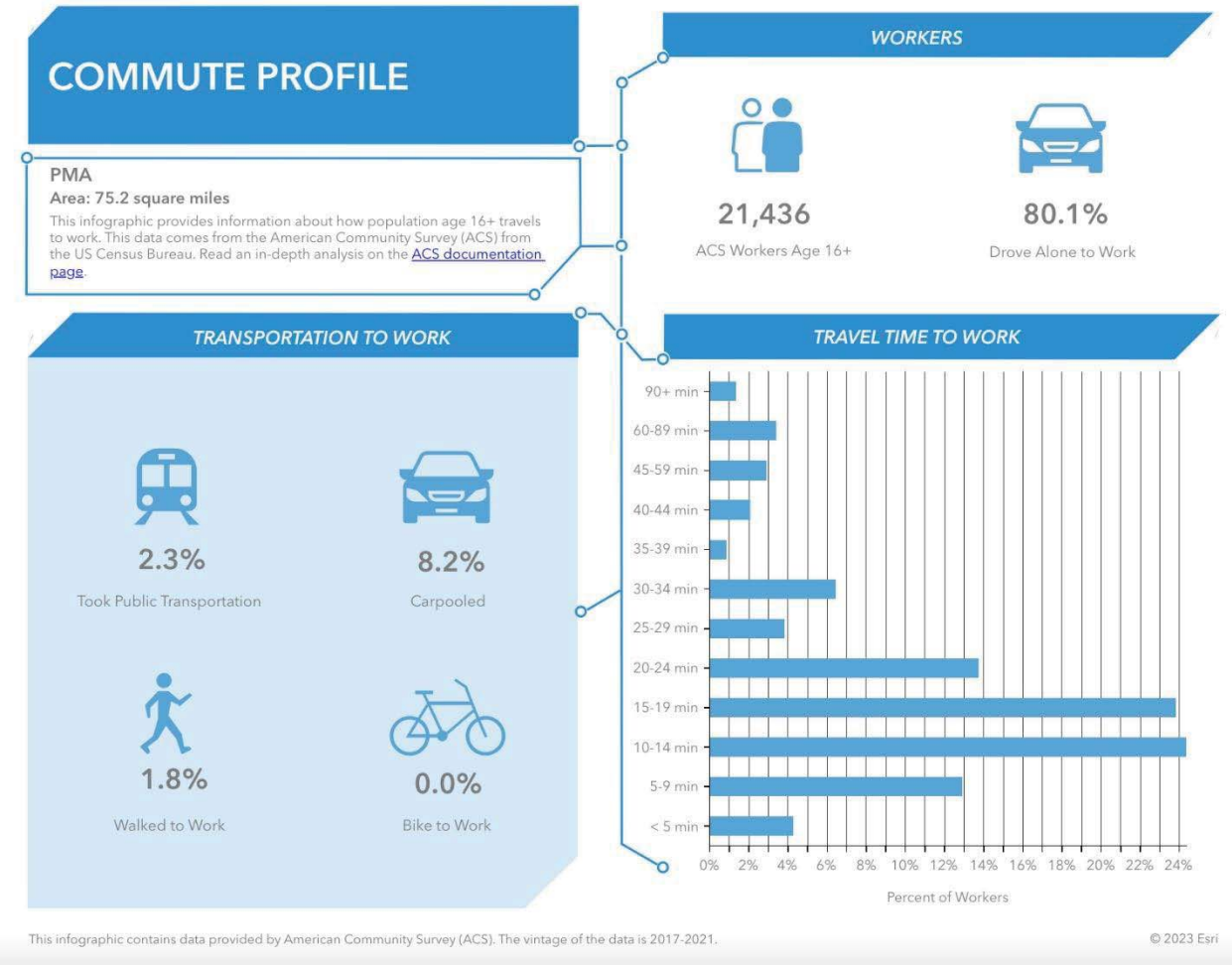
Recreation & Public Parks

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 PATTERNS



Commute Trends



Source: ESRI

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

SECTION E –

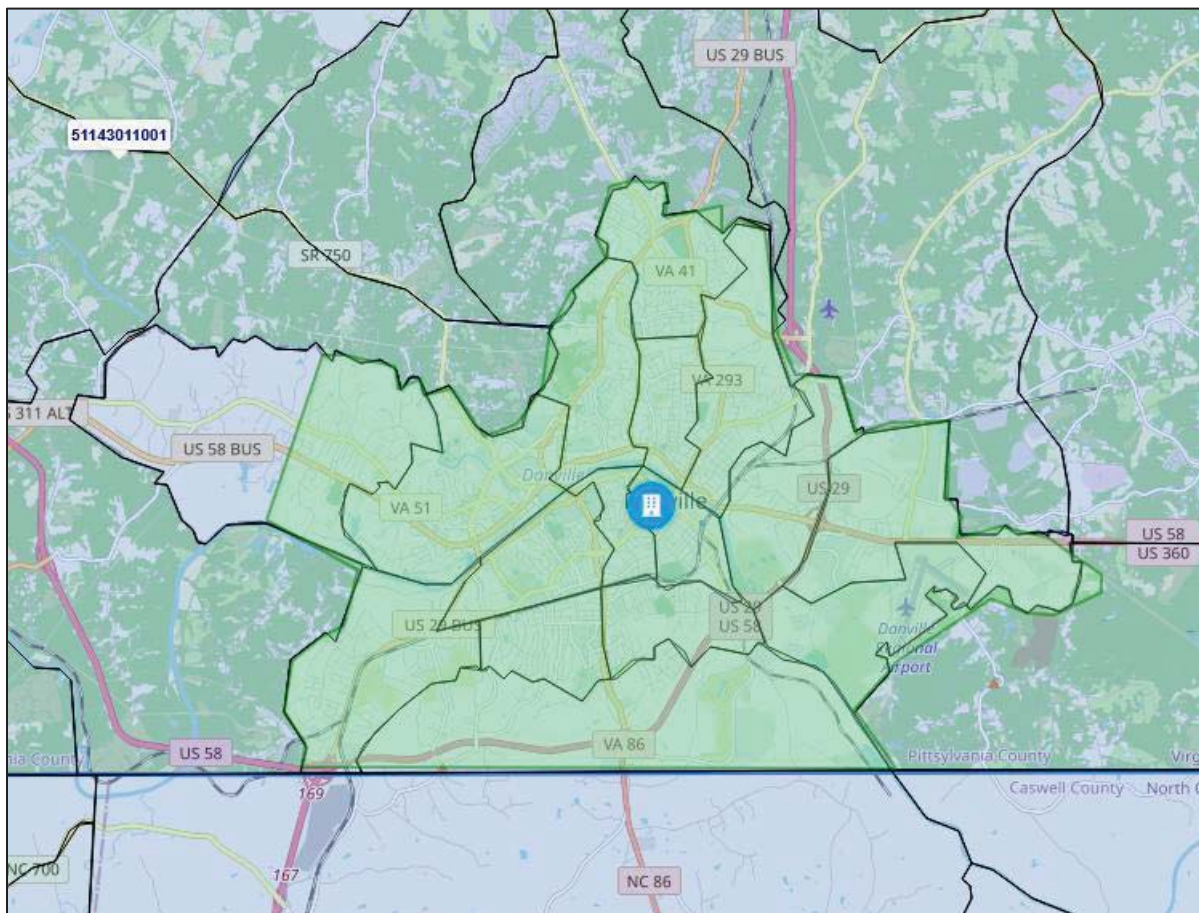
Market Area

PRIMARY MARKET AREA

Primary Market Area

Definition of PMA: The Subject’s Primary Market Area (PMA) is the area where most of the demand will be generated. Renters and buyers usually have a similar profile and budget within this area.

The just under 75.2 square miles PMA seen below was chosen for the Subject; it includes the whole city of Danville as well as southern Pittsylvania County. This region tends to have similar incomes and housing needs. Therefore, we expect primary demand for the Subject to come within this region; with higher housing prices, affordable and rentcontrolled housing will be in high demand. The borders of the PMA include Golf Club Road to the north, Danville Expressway to the south, South Boston Highway to the east, and Danville Expressway to the west. The Subject is located toward the center south of the 75 square mile area, about 6.2 miles to the northern border, 2.8 to the southern, 4.5 to the eastern, and 7.3 miles to the western.



DEMOGRAPHIC ANALYSIS



Demographic Analysis

The Primary Market Area (PMA) shows a high degree of correlation with the City of Danville, suggesting the PMA is largely centered on the city’s urban core. Both the PMA and the City are experiencing a steady, long-term population decline, with the PMA projected to drop from 39,793 residents in 2010 to 39,034 by 2031. This local contraction stands in stark contrast to the State of Virginia, which is experiencing robust growth (projected +1.95% through 2031). While Pittsylvania County is also seeing a population decrease, its decline is significantly sharper than the PMA’s—evidenced by a -2.23% projected change for the county compared to a nearly stagnant -0.02% for the PMA over the same period, indicating that the PMA’s population is stabilizing more effectively than the surrounding rural county.

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*

Year	Household Size							
	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

Year	Housing Unit Summary							
	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

Year	Vacant Housing Units							
	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

Most notably, the PMA and the City of Danville experienced a significant youth trend between 2020 and 2026, with the PMA’s median age dropping by 5.85% (from 42.5 to 40.02). This is a sharp divergence from Pittsylvania County and the State of Virginia, both of which have seen their median ages steadily climb. The county, in particular, remains significantly older than the PMA, with a projected median age of 49.63 by 2031—nearly a full decade older than the city core. Looking forward to 2031, the PMA and City are expected to begin aging again, though at a much slower rate (+1.01%) than the state average (+3.13%). This suggests that while the broader state and county populations are graying rapidly, the PMA has successfully attracted or retained a younger demographic base over the last few years, likely due to the smaller household sizes and housing absorption noted in the previous data. By 2031, the PMA’s median age of 40.42 will actually be lower than the State of Virginia's (41.15), positioning the PMA as a relatively younger pocket within an overall aging regional and state landscape.

Demographic Analysis *Housing Tenure*

Year	Median Age							
	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 housing tenure data reveals a significant structural shift toward a renter-dominated market within the Primary Market Area (PMA) and the City of Danville. Between 2010 and 2020, both the PMA and the City saw a massive 17.05% surge in household renters, while simultaneously experiencing a sharp double-digit decline in household owners (-13.36% for the PMA). This transition has created a tenure split where renters (9,841 in 2026) now significantly outnumber owners (7,665). This localized "renter-heavy" trend stands in stark contrast to the State of Virginia, where homeownership continues to grow steadily at approximately 2% per period. While Pittsylvania County is seeing a decline in both tenure types, its renter population is shrinking at a faster rate than the City's, further highlighting the City and PMA as the regional hubs for rental demand.

Year	Household Renters							
	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

Year	Household Owners							
	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

Unit	Housing Units by Units in Structure - 2026			
	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*

Households by income data across all four geographies illustrates a definitive wealth migration toward higher income brackets through 2031, with the Primary Market Area (PMA) and City of Danville showing the most aggressive growth in high-earning households. In the PMA, the number of households earning \$200K and up is projected to grow by 30.27%, a rate that significantly outpaces the State of Virginia’s already robust 21.89% growth in the same category. Conversely, both the PMA and City are seeing a double-digit decline in their lowest income bracket (Less than \$15K), indicating a notable upward shift in the economic floor of the urban core. While the PMA currently has a higher concentration of lower-income households compared to the state (15.14% vs. 6.56% in 2026), the rapid percentage growth in the \$100K+ cohorts suggests a gentrifying or diversifying economic base.

Pittsylvania County shares this upward trend but maintains a more middle-heavy distribution compared to the PMA. The County’s largest cohort remains the \$50K-\$75K bracket, which is notably stable compared to the sharper declines seen in lower-income brackets elsewhere. However, the County is projected to see the highest percentage increase in the wealthiest tier (31.97% for \$200K+), suggesting that the high-earning demographic is expanding across the entire region, not just the city center.

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

Demographic Analysis *Income Comparison*

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

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.

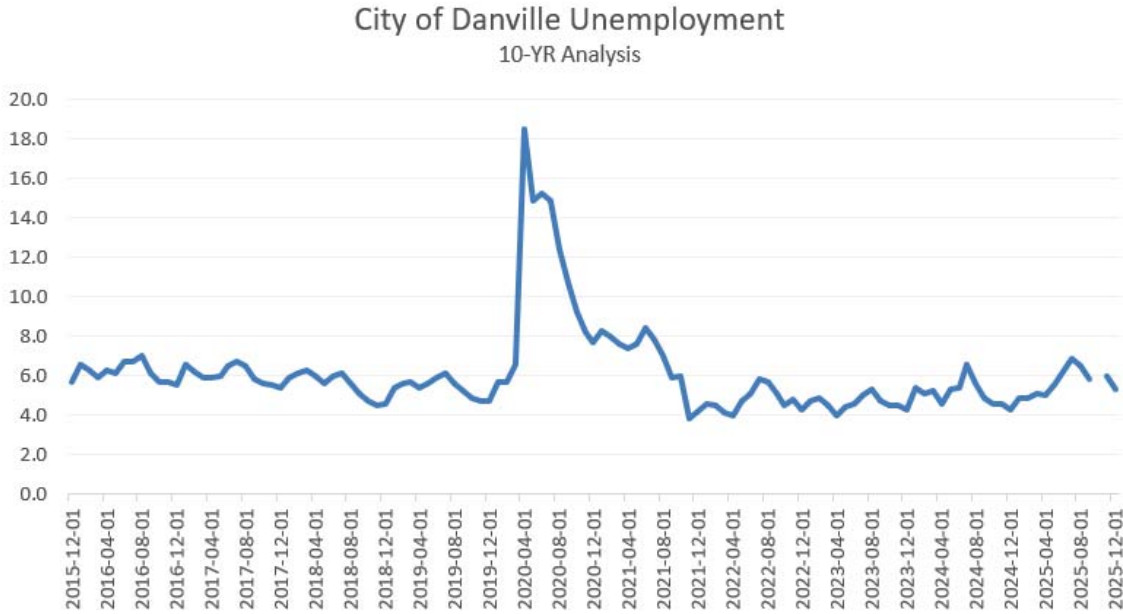
SECTION F –

Employment & Economy

EMPLOYMENT STATISTICS

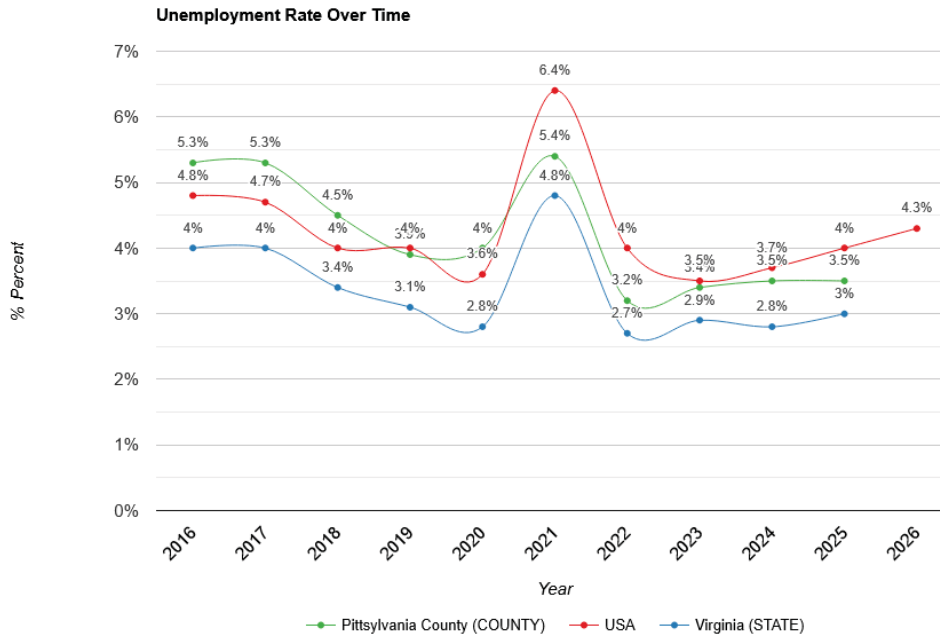


Employment Statistics



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*

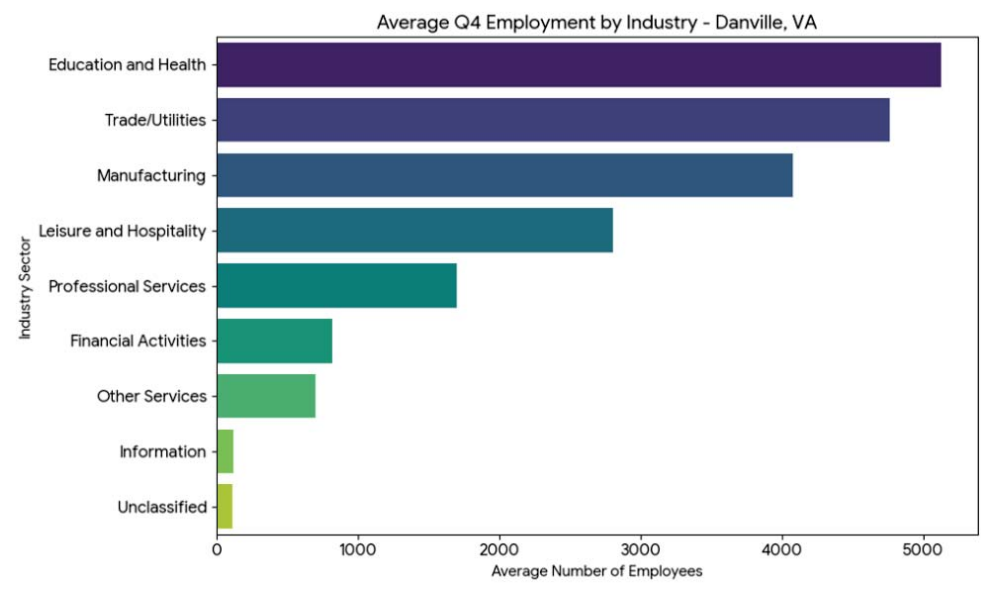
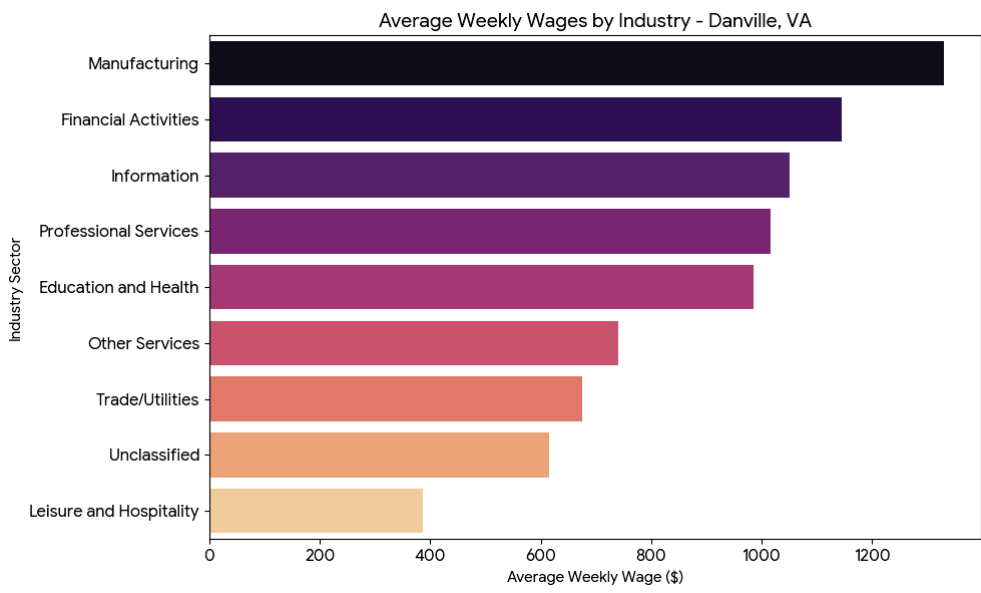


Pre-Pandemic Baseline (2016–2019): In the years leading up to 2020, all three regions (USA, Virginia, and Pittsylvania County) experienced a consistent downward trend in unemployment. During this period, Pittsylvania County typically maintained a higher unemployment rate than both the State of Virginia 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	<u>347</u>	<u>2.3%</u>
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		
<i>Current Year Estimates - 2026</i>		
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	<u>1,692</u>	<u>11.0%</u>
Total:	15,348	100.0%
White Collar	7,324	47.7%
Blue Collar	4,737	30.9%
Service and Farming	<u>3,287</u>	<u>21.4%</u>
Total:	15,348	100.0%

Source: Fibbion 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

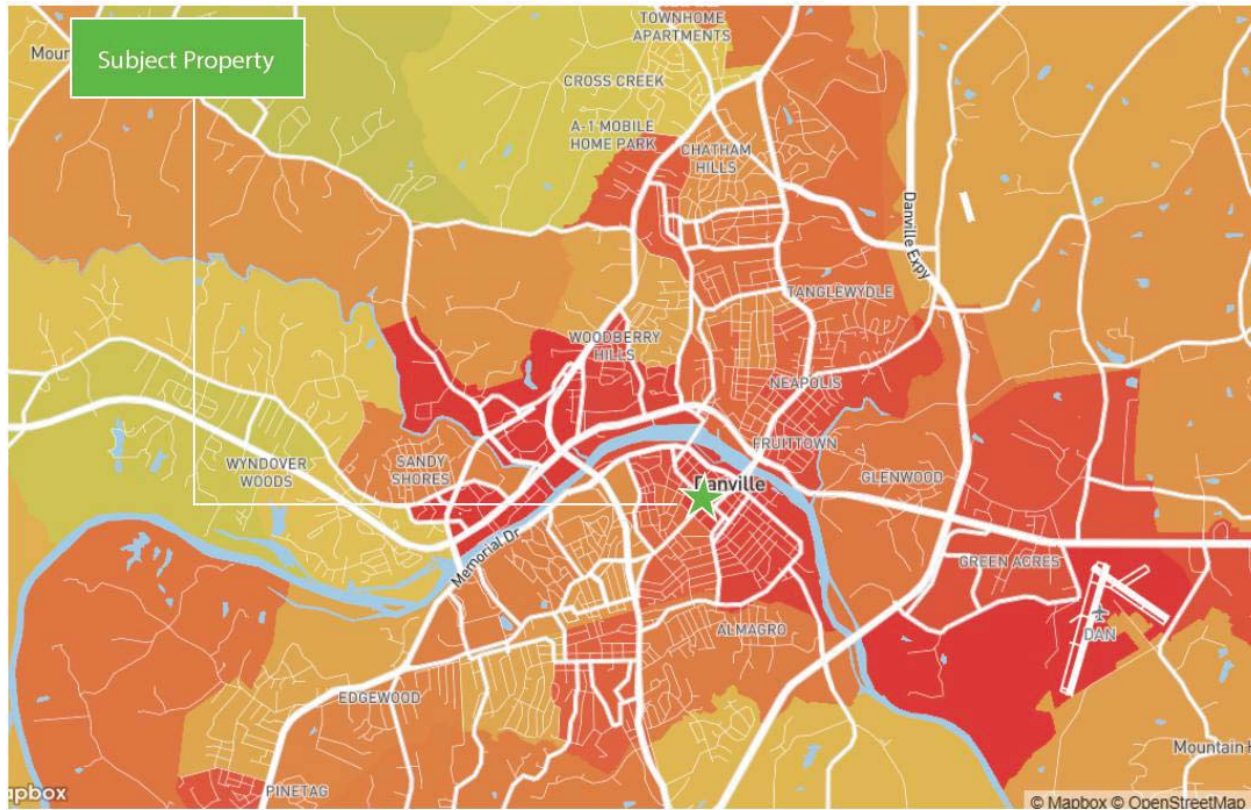
The city's role as a regional service hub is solidified by Sovah Health and a strong educational contingent including Danville Public Schools, Averett University, and Danville Community College. Furthermore, the recent full-scale operation of Caesars Virginia has revolutionized the local labor market, 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.

SECTION G –

Demographic Characteristics

CRIME STATISTICS

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 ANALYSIS

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.

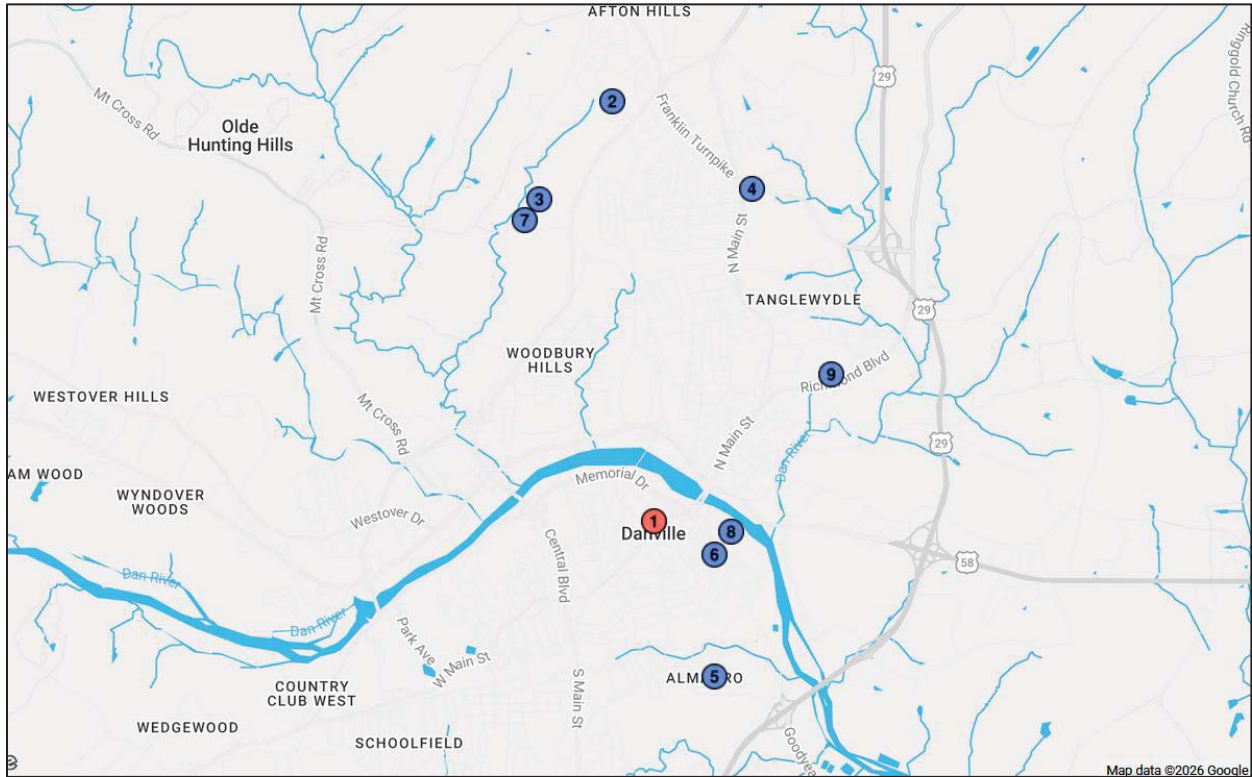
Geographically, the market exhibits varying levels of competition across Danville's diverse neighborhoods. While the city as a whole is currently categorized as a Buyer's Market—due to the inventory supply slightly exceeding demand—certain pockets remain highly competitive. High-value areas like Mount 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.

SECTION H –

Competitive Environment

LIHTC COMPETITIVE ENVIRONMENT

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 than 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	\$ 1,589	902	\$ 1.76
	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 \$1,589 (902 SF). These figures result in the highest price per square foot (PSF) for both categories at \$1.63 and \$1.76 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

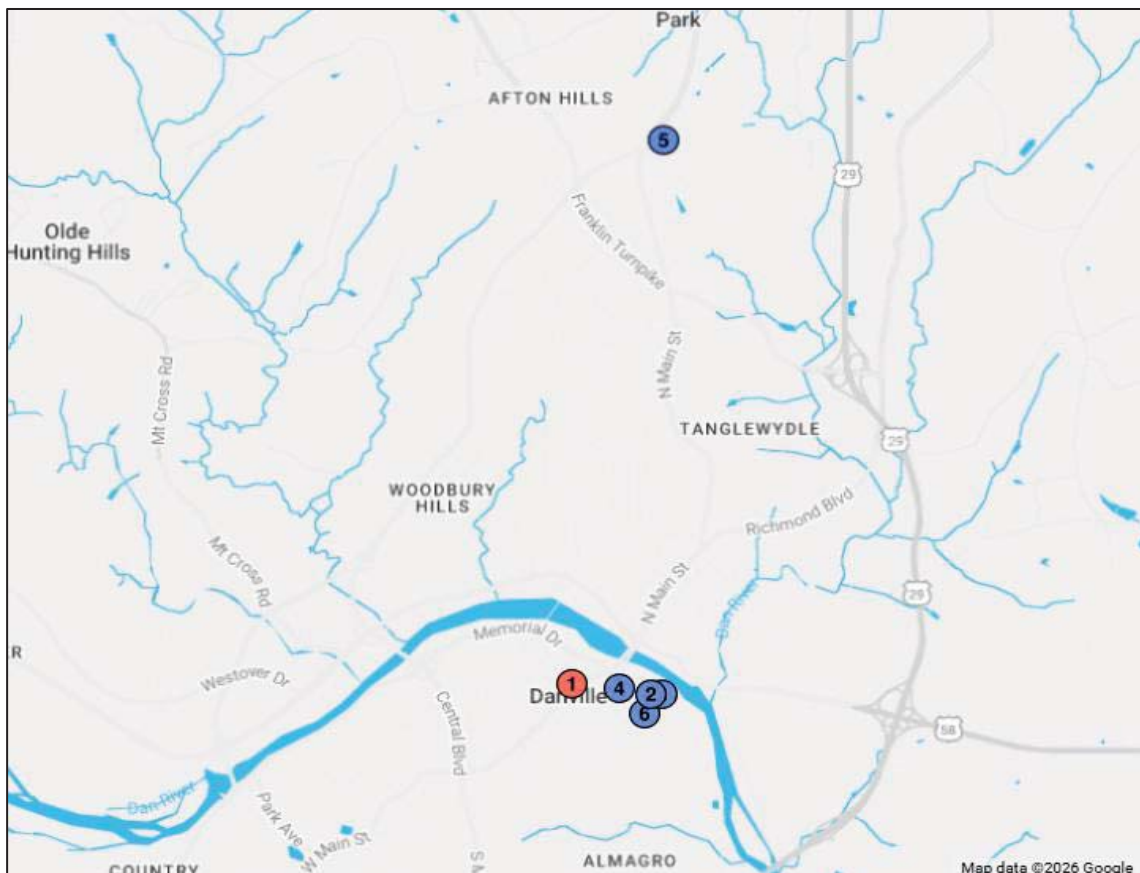
Affordable Housing Rental Rates Continued

The amenity matrix reveals a clear tiering in the market, with the Subject Property positioned as a highly competitive, service-rich option relative to its peer group. While nearly all surveyed properties, including Dan River Crossing and Purdum Woods, provide fundamental necessities such as central air conditioning and on-site leasing offices, the Subject Property distinguishes itself through a comprehensive suite of lifestyle site amenities—specifically its business center, fitness center, and elevator access—that are absent in more traditional garden-style communities like Sterling Trace and Woodside Village. However, a notable competitive gap exists in in-unit laundry; whereas high-end redevelopments like Lynn Street Lofts and Woodside Village offer the premium convenience of in-unit washers and dryers, the Subject relies on common laundry facilities. Despite this, the Subject’s combination of secured access, elevator service, and extensive communal spaces like the clubhouse and courtyard positions it favorably to capture the growing demographic of professional and senior renters in the downtown corridor.

MARKET RATE ENVIRONMENT

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	BD Rents	2 BD SF	2 BD PSF
1	Danville House HAP	-	\$ 1,266	660	\$ 1.63	\$1,589	902	\$ 1.76
	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).

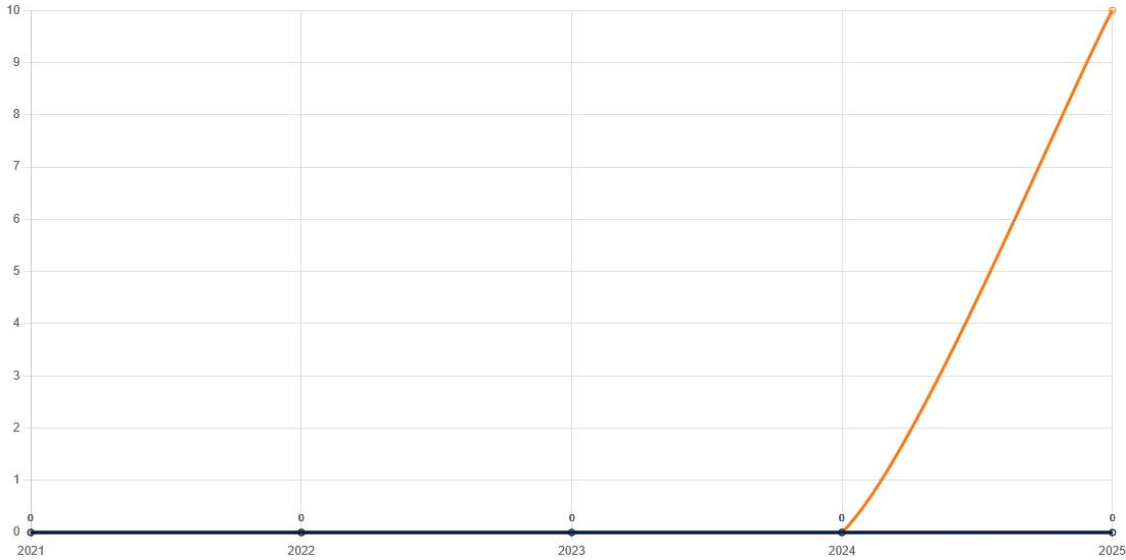
2-Bedroom Advantage: A massive 43.63% spread (\$1,508 market vs. \$850 LIHTC).

With an overall weighted rent advantage of nearly 39%, the project significantly exceeds the 10% threshold typically required by financiers. This massive 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.

BUILDING PERMITS



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 & CAPTURE RATE ANALYSIS



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+	<u>72</u>	<u>39</u>	<u>11</u>	<u>12</u>	<u>2</u>	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+	<u>54</u>	<u>3</u>	<u>1</u>	<u>1</u>	<u>2</u>	61
Total	939	225	108	23	29	1,328

*Number of Senior Renter Households – 2026 – PMA
Continued*

Renter Households						
<i>Aged 75 to 84 Years</i>						
<i>Year 2026 Estimates</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	
	Household	Household	Household	Household	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+	<u>14</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>16</u>
Total	409	101	68	11	18	604

Renter Households						
<i>Aged 85+ Years</i>						
<i>Year 2026 Estimates</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	
	Household	Household	Household	Household	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+	<u>5</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>7</u>
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	2-Person	3-Person	4-Person	5+-Person	Total
	Household	Household	Household	Household	Household	
\$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	2-Person	3-Person	4-Person	5+-Person	Total
	Household	Household	Household	Household	Household	
\$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						
<i>Aged 75 to 84 Years</i>						
<i>Year 2031 Projections</i>						
	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+	<u>28</u>	<u>1</u>	<u>2</u>	<u>2</u>	<u>1</u>	34
Total	529	109	98	11	16	762

Renter Households						
<i>Aged 85+ Years</i>						
<i>Year 2031 Projections</i>						
	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+	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	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	2-Person	3-Person	4-Person	5-Person	6+ Person	Total
	Households	Households	Households	Households	Households	Households	
\$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)		
<i>Based on HISTA Data - 2026 Estimates and 2031 Projections</i>		
	1-Person Household	2-Person Household
Minimum income required	\$0	\$0
Maximum income allowed	\$16,410	\$18,750
<i>Percent of \$0-\$10k income band</i>	100%	100%
<i>Number of renter households \$0-\$10k</i>	249	23
Estimated eligible \$0-\$10k households	249	23
<i>Percent of \$10-\$20k income band</i>	64%	88%
<i>Number of renter households \$10-\$20k</i>	562	60
Estimated eligible \$10-\$20k households	360	53
<i>Percent of \$20-\$30k income band</i>	0%	0%
<i>Number of renter households \$20-\$30k</i>	345	176
Estimated eligible \$20-\$30k households	0	0
<i>Percent of \$30-\$40k income band</i>	0%	0%
<i>Number of renter households \$30-\$40k</i>	125	46
Estimated eligible \$30-\$40k households	0	0
<i>Percent of \$40-\$50k income band</i>	0%	0%
<i>Number of renter households \$40-\$50k</i>	67	13
Estimated eligible \$40-\$50k households	0	0
<i>Percent of \$50-\$60k income band</i>	0%	0%
<i>Number of renter households \$50-\$60k</i>	52	26
Estimated eligible \$50-\$60k households	0	0
<i>Percent of \$60-\$75k income band</i>	0%	0%
<i>Number of renter households \$60-\$75k</i>	76	21
Estimated eligible \$60-\$75k households	0	0
<i>Percent of \$75-\$100k income band</i>	0%	0%
<i>Number of renter households \$75-\$100k</i>	83	36
Estimated eligible \$75-\$100k households	0	0
<i>Percent of \$100-\$125k income band</i>	0%	0%
<i>Number of renter households \$100-\$125k</i>	87	13
Estimated eligible \$100-\$125k households	0	0
<i>Percent of \$125-\$150k income band</i>	0%	0%
<i>Number of renter households \$125-\$150k</i>	64	4
Estimated eligible \$125-\$150k households	0	0
<i>Percent of \$150-\$200k income band</i>	0%	0%
<i>Number of renter households \$150-\$200k</i>	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)		
<i>Based on HISTA Data - 2026 Estimates and 2031 Projections</i>		
	1-Person Household	2-Person Household
Minimum income required	\$23,880	\$23,880
Maximum income allowed	\$32,820	\$37,500
<i>Percent of \$0-\$10k income band</i>	0%	0%
<i>Number of renter households \$0-\$10k</i>	249	23
Estimated eligible \$0-\$10k households	0	0
<i>Percent of \$10-\$20k income band</i>	0%	0%
<i>Number of renter households \$10-\$20k</i>	562	60
Estimated eligible \$10-\$20k households	0	0
<i>Percent of \$20-\$30k income band</i>	61%	61%
<i>Number of renter households \$20-\$30k</i>	345	176
Estimated eligible \$20-\$30k households	211	108
<i>Percent of \$30-\$40k income band</i>	28%	75%
<i>Number of renter households \$30-\$40k</i>	125	46
Estimated eligible \$30-\$40k households	35	35
<i>Percent of \$40-\$50k income band</i>	0%	0%
<i>Number of renter households \$40-\$50k</i>	67	13
Estimated eligible \$40-\$50k households	0	0
<i>Percent of \$50-\$60k income band</i>	0%	0%
<i>Number of renter households \$50-\$60k</i>	52	26
Estimated eligible \$50-\$60k households	0	0
<i>Percent of \$60-\$75k income band</i>	0%	0%
<i>Number of renter households \$60-\$75k</i>	76	21
Estimated eligible \$60-\$75k households	0	0
<i>Percent of \$75-\$100k income band</i>	0%	0%
<i>Number of renter households \$75-\$100k</i>	83	36
Estimated eligible \$75-\$100k households	0	0
<i>Percent of \$100-\$125k income band</i>	0%	0%
<i>Number of renter households \$100-\$125k</i>	87	13
Estimated eligible \$100-\$125k households	0	0
<i>Percent of \$125-\$150k income band</i>	0%	0%
<i>Number of renter households \$125-\$150k</i>	64	4
Estimated eligible \$125-\$150k households	0	0
<i>Percent of \$150-\$200k income band</i>	0%	0%
<i>Number of renter households \$150-\$200k</i>	102	10
Estimated eligible \$150-\$200k households	0	0
Total Estimated Households in Income Ranges	246	142
		389

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	296	1	0.3%
Two Bedroom	N/A	N/A	N/A
Total:	296	1	0.3%

Source Household Data: HISTA Data by Ribbon Demographics

The 60% AMI one-bedroom unit require an easily attainable capture rate of just 0.3% 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. This analysis removes overlapping of the AMI bands.

PENETRATION RATE ANALYSIS

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

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 townhomes 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.

SECTION J –

Local Perspective of Market and Housing Alternatives

Interviews Conducted

Comparables

Type	Property Name	Phone	Individual	Position
LIHTC	Woodside Village	434-836-4134	Ciara Hoffman	Leasing Agent
LIHTC	Piney Ridge Apartments*	434-836-5717	No Response	-
LIHTC	Hilltop Gardens*	434-836-3323	Vikki Coleman	Property Manager
LIHTC	Seeland Crossing*	434-793-1267	No Response	-
LIHTC	Lynn Street Lofts	434-799-5898	No Response	-
LIHTC	Sterling Trace Apartments	434-836-1020	No Response	-
Market	Dan River Crossing	434-857-2665	Kimberly	Property Manager
Market	Purdum Woods	434-799-5742	No Response	-
Market	Pemberton Lofts	434-483-2138	Marybeth	Manager
Market	The Gentry Lofts	434-483-2138	No Response	-
Market	NorthPointe Apts	434-836-0277	No Response	-
Market	Craghead Street Lofts	434-483-2138	No Response	-

Note: The individuals that we spoke to indicated that the market was stable. The Manager at Dan River Crossing mention that once a unit becomes available it leases fairly quickly.

Local Stakeholders

Agency	Phone	Individual	Position
Office of Planning	434-799-5260 ext 3839	Stephanie Jackson	Associate Planner
Office of Planning	434-799-5260 ext 2503	Shanika Williams	Associate Planner
Darville Economic Development	434-793-1753	Kelvin Perry	Asst Director
Darville Housing Authority	434-792-5544	Andrea Knight	Asst Director

Note: We left voicemails for these individuals, but did not receive a call back prior to submitting the report.

SECTION K –

Analysis / Conclusions

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 den

PROJECT IMPACT

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

SECTION L –

Other Requirements

SOURCES

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

RENT COMPARABILITY STUDY

Subject		Comp #1		Comp #2		Comp #3	
Danville House		Craghead St Lofts		The Gentry Lofts		Pemberton Lofts	
600 Main Street		610 Craghead St		308 Craghead St		541 Bridge St	
Danville, VA		Danville, VA		Danville, VA		Danville, VA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,400		\$1,350		\$1,400	
2	Date Last Leased (mo/yr)	Feb-26		Feb-26		Feb-26	
3	Rent Concessions	No		No		No	
4	Occupancy for Unit Type	99%		100%		100.0%	
5	Effective Rent & Rent/ sq. ft	\$1,400	\$ 1.87	\$1,350	1.31	\$1,400	1.87
<i>In Parts B thru E, adjust only for differences the subject's market values.</i>							
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	13		3 story	-	4 story	
7	Yr. Built/Yr. Renovated	1927/2023		1899/2015		1815/2007	
8	Condition /Street Appeal	G	(\$50)	E	(\$50)	E	(\$50)
9	Neighborhood	G		G		G	
10	Same Market? Miles to Subj			0.6 miles		0.4 miles	
10	Same Market? Miles to Subj			0.6 miles		0.6 miles	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	Adj	Data	\$ Adj
11	# Bedrooms	1		1		1	
12	# Baths	1		1		1	
13	Unit Interior Sq. Ft.	750		750	(\$142)	1033	
14	Balcony/ Patio	N		N		N	
15	AC: Central/ Wall	Y		Y		Y	
16	Range/ refrigerator	Y		Y		Y	
17	Microwave/ Dishwasher	Y		Y		Y	
18	Washer/Dryer	N	(\$50)	Y	(\$50)	Y	(\$50)
19	Floor Coverings	C		C		C	
20	Window Coverings	B		B		B	
21	Cable/ Satellite/Internet	CI		CI		CI	
22	Special Features						
23							
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L, Free	(\$25)	L, \$50		L, Free	
25	Extra Storage	N	(\$10)	Y	(\$10)	Y	(\$10)
26	Security	Y		Y		Y	
27	Clubhouse/ Meeting Rooms	C		C		C	
28	Pool/ Recreation Areas	Y		Y		Y	
29	Business Ctr / Nbhd Netwk	Y		Y		Y	
30	Service Coordination	N		Y		Y	
31	Non-shelter Services	N		N		N	
32	Neighborhood Networks	N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N		N		N	
34	Cooling (in rent?/ type)	N		N		N	
35	Cooking (in rent?/ type)	N		N		N	
36	Hot Water (in rent?/ type)	N		N		N	
37	Other Electric	N		N		N	
38	Cold Water/ Sewer	N		N		N	
39	Trash /Recycling	N		N		N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D		4		4		3
41	Sum Adjustments B to D		(\$135)		(\$252)		(\$110)
42	Sum Utility Adjustments						
		Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E		(\$135)		(\$252)		(\$110)
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent			
44	Adjusted Rent (5+ 43)	\$1,265		\$1,099		\$1,290	
45	Adj Rent/Last rent		90%		81%		92%
46	Estimated Market Rent	\$1,200	\$1.60 ←	Estimated Market Rent/ Sq. Ft			

Subject		Comp #1		Comp #2		Comp #3	
Danville House		Craghead St Lofts		The Gentry Lofts		Pemberton Lofts	
600 Main Street		610 Craghead St		308 Craghead St		541 Bridge St	
Danville, VA		Danville, VA		Danville, VA		Danville, VA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,600		\$1,750		\$1,750	
2	Date Last Leased (mo/yr)	Feb-26		Feb-26		Feb-26	
3	Rent Concessions	No		No		No	
4	Occupancy for Unit Type	99%		100%		100.0%	
5	Effective Rent & Rent/ sq. ft	\$1,600	\$ 1.45	\$1,750	1.38	\$1,750	1.40
<i>In Parts B thru E, adjust only for differences the subject's market values.</i>							
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	13		3 story	-	4 story	
7	Yr. Built/Yr. Renovated	1927/2023		1899/2015		1815/2007	
8	Condition /Street Appeal	G	(\$50)	E	(\$50)	E	(\$50)
9	Neighborhood	G		G		G	
10	Same Market? Miles to Subj			0.6 miles		0.4 miles	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	Adj	Data	\$ Adj
11	# Bedrooms	2		2		2	
12	# Baths	1	(\$50)	2	(\$50)	1	
13	Unit Interior Sq. Ft.	950	(\$75)	1100	(\$160)	1250	(\$150)
14	Balcony/ Patio	N		N		N	
15	AC: Central/ Wall	Y		Y		Y	
16	Range/ refrigerator	Y		Y		Y	
17	Microwave/ Dishwasher	Y		Y		Y	
18	Washer/Dryer	N	(\$50)	Y	(\$50)	Y	(\$50)
19	Floor Coverings	C		C		C	
20	Window Coverings	B		B		B	
21	Cable/ Satellite/Internet	CI		CI		CI	
22	Special Features						
23							
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L, Free	(\$25)	L, \$50	(\$10)	L, Free	(\$10)
25	Extra Storage	N	(\$10)	Y	(\$10)	Y	(\$10)
26	Security	Y		Y		Y	
27	Clubhouse/ Meeting Rooms	C		C		C	
28	Pool/ Recreation Areas	Y		Y		Y	
29	Business Ctr / Nbhd Netwk	Y		Y		Y	
30	Service Coordination	N		Y		Y	
31	Non-shelter Services	N		N		N	
32	Neighborhood Networks	N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N		N		N	
34	Cooling (in rent?/ type)	N		N		N	
35	Cooking (in rent?/ type)	N		N		N	
36	Hot Water (in rent?/ type)	N		N		N	
37	Other Electric	N		N		N	
38	Cold Water/ Sewer	N		N		N	
39	Trash /Recycling	N		N		N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D		8		8		8
41	Sum Adjustments B to D		(\$260)		(\$320)		(\$260)
42	Sum Utility Adjustments						
		Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E		(\$260)		(\$320)		(\$260)
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent			
44	Adjusted Rent (5+ 43)	\$1,340		\$1,430		\$1,490	
45	Adj Rent/Last rent		84%		82%		85%
46	Estimated Market Rent	\$1,340	\$1.41 ←	Estimated Market Rent/ Sq. Ft			

APPENDIX

Certificate of Professional Designation

This certificate verifies that

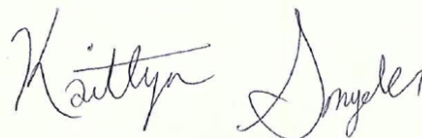
Curvin Leatham
AreaProbe

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



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

Membership Term
1/1/2026 - 12/31/2026



Kaitlyn Snyder
Managing Director, NH&RA

CURVIN LEATHAM, CRE, FRICS

FOUNDER & CHIEF EXECUTIVE OFFICER

o: +(1) 202.899.9455 | e: cleatham@areaprobe.com

PROFESSIONAL BACKGROUND

- Curvin Leatham is the CEO of AreaProbe Inc., a Washington, DC based real estate firm focused on investment advisory and real estate technology. The firm has offices and staff in New York City, Pittsburgh, PA, and Washington, DC. Curvin oversees revenue growth, personnel, and product management for multiple service lines. Throughout his career, Curvin has conducted over 500 feasibility studies for organizations seeking to mitigate risk when evaluating acquisition or disposition of real assets.

He is recognized for his understanding of inner city communities and his ability to maximize the existing infrastructure of a community to drive economic growth for the local economic system. His past experience includes retail and housing projects in Hartford, CT, Washington, DC, Newark, NJ, Long Beach, CA, Reno, NV, Las Vegas, NV, Atlanta, GA and Baltimore, MD.

NOTABLE REAL ESTATE DEVELOPMENT ADVISORY EXPERIENCE

- **Project Manager** for 18-unit LIHTC housing development project in Washington, DC targeting households earning up to 60% AMI
- **Owner's Rep** for \$600MM retail and industrial warehouse portfolio in Maryland and Washington, DC.
- **Owner's Rep** for a 60-unit LIHTC housing development project in Columbus, OH for senior households earning up to 60% AMI.

TECHNOLOGY DEVELOPMENT & SYSTEMS INTEGRATION EXPERIENCE

- He is recognized for his understanding of inner city communities and his ability to maximize the existing infrastructure of a community to drive economic growth for the local economic system. His past experience includes retail and housing projects in Hartford, CT, Washington, DC, Newark, NJ, Long Beach, CA, Reno, NV, Las Vegas, NV, Atlanta, GA and Baltimore, MD.
- Designed, developed and launched a smart camera solution called CatalystCX which enables business improvement districts (BIDS) to count the number of pedestrians, cars, cyclist, and groups traveling throughout a retail district. Catalyst is a data collection solution to support urban planning using real-time data analysis via artificial intelligence.
- Designed, developed and launched ResidentView, a smart camera surveillance system that enables a property operator to query a network of live cameras to identify people and objects that are involved with a crime.
- Designed, developed and launched BCAP (Business Communication Access Portal), a web-based application commissioned by the Anacostia Business Improvement District to connect local business owners with public sector agency liaisons, funding sources, and available real estate space for their operations.

LICENSE & CERTIFICATIONS

- Counselor of Real Estate (CRE) Designation
- FRICS Designation
- NCHMA Peer Reviewed Member (Market Analyst)

EDUCATION

- Georgetown University, Master of Real Estate Finance & Development
- Hampton University, Bachelor of Science in Marketing,
- Commercial Banking & Real Estate Experience Since 2008

ORGANIZATIONS

- Real Estate Executive Council (Member)
- NABHOOD (Member)
- DC Building Industry Association (Board Member)
- AAREP DC (Member)
- ULI (Member)
- Georgetown University (Speaker)
- Howard University (Speaker)
- National Foundation for Teaching Entrepreneurship (Speaker)
- IDA (Member)



Appendices continued

6. Analysts are required to use net demand in calculating capture rates and the absorption period. Net demand should be determined by subtracting the supply of vacant comparable units in the PMA, completed or pipeline, from total demand. Demand, Supply, Net Demand and Total Absorption Period should be indicated as follows:

Income Restrictions	Up to 40%(min. income to max. income)	Up to 50% (min. income to max. income)	Up to 60% (min. income to max. income)	Market Rate (min. income to max. income)	Project Total (min. income to max. income)
New Rental Households			-1		
(+)					
Existing Households - Overburdened			389		
(+)					
Existing Households - Substandard Housing			87.6		
(+)					
Elderly Households - Likely to Convert to Rental Housing			23		
(+)					
Existing Qualifying Tenants - to Remain After Renovation			85		
TOTAL DEMAND			491		
(-)					
Supply (includes directly comparable vacant Units completed or in pipeline in PMA)			83		
NET DEMAND			584		
PROPOSED UNITS			1		
CAPTURE RATE			.001%		
ABSORPTION PERIOD			1 Month		

Project Wide Capture Rate – LIHTC Units
 Project Wide Capture Rate – Market Units
 Project Wide Capture Rate – All Units
 Project Wide Absorption Period (Months)

.001%

 9.9%

 1 Months

Appendices continued

New Rental Households: determine new units in the primary market area based on projected rental household growth. The projected household base **must be** limited to the target group, age and income appropriate. Demand for each target group must be shown separately.

Existing Households: The sum of demand from rental household growth and demand from all components of existing households will constitute **Total Demand**.

- Over-burdened' is defined by Virginia Housing as households paying more than 35% of gross income (40% if elderly) for gross rent. Analysts are encouraged to be conservative.
- Households in substandard housing (i.e. overcrowded and/or lack of plumbing): Must be age and income group appropriate. Analysts must use their knowledge of the market area and the proposed development to determine if demand from this source is realistic. Analysts are encouraged to be conservative.
- Elderly homeowners likely to convert to rental housing: This component may not comprise more than 20% of total demand. The analyst must provide a narrative describing how these numbers were derived. Analysts are encouraged to be conservative.
- Existing qualifying tenants likely to remain at the subject property after renovation: This component of demand applies only to existing developments undergoing rehabilitation.

In addition to the above, the analyst is free to state other measures of demand in the body of the report. These statements must be fully explained as to where such demand is being derived, e.g. pent-up demand, tertiary demand, or demand from existing tenants in other rental properties.

Section J (Virginia Housing & NCHMA Model Content Standards): **Local Perspective of Rental Housing Market and Housing Alternatives**

Section K (Virginia Housing & NCHMA Model Content Standards): **Analysis/ Conclusions**

Section L (Virginia Housing & NCHMA Model Content Standards): **Other Requirements**

NOTE: #5 in this Section is not required by Virginia Housing.

In addition to NCHMA requirements under this section, the analyst must include and affirm (by signature) the following:

1. I have made a physical inspection of the site and market area.
2. The appropriate information has been used in the comprehensive evaluation of the need and demand for the proposed rental units.
3. To the best of my knowledge the market can support the demand shown in this study. I understand that any misrepresentation in this statement may result in the denial of participation in the Low Income Housing Tax Credit Program in Virginia as administered by Virginia Housing.

Appendices continued

4. Neither I nor anyone at my firm has any interest in the proposed development or a relationship with the ownership entity.
5. Neither I nor anyone at my firm nor anyone acting on behalf of my firm in connection with the preparation of this report has communicated to others that my firm is representing Virginia Housing or in any way acting for, at the request of, or on behalf of Virginia Housing.
6. Compensation for my services is not contingent upon this development receiving a LIHTC reservation or allocation.
7. Evidence of my NCHMA membership is included.

Date 3/11/2026

Market Analyst Area Probe Inc - Curvin Leatham

ANALYST STATEMENT

The purpose of this report is to provide an analysis of the primary market area to evaluate demand for Danville House; a project located at 600 Main Street, Danville VA.

This report was prepared after a site visit to the Subject property in February of 2026. During this visits, Curvin Leatham walked the property without any representatives from the Development team from NHP or Virginia Housing Development Authority. He made visual observations of the grounds, exterior walls, public corridors, parking, supportive retail, and neighborhood activity.

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

3/11/2026

C.M. Leatham

Market Analyst

Date



AREAPROBE

GET IN TOUCH :

P: 202-899-9455
www.areaprobe.com



2000 Pennsylvania Avenue NW Suite 7000
Washington, DC 20006