



APPRAISAL & CONSULTATION

A Market Study Report Of:

Bacon Senior Housing
815 N 35th St
Richmond, VA 23223



Prepared For: Bacon Senior Housing
815 N 35th St
Richmond, VA 23223

Authorized User:
Virginia Housing (VH)
601 S. Belvidere Street
Richmond, Virginia 23220

Date of Report: June 22, 2026
EAJoseph File No. C2604004b

June 22, 2026

Client

Bacon Senior Housing
815 N. 35th Street
Richmond, VA 23223

Authorized User:

Virginia Housing
601 S. Belvidere Street
Richmond, Virginia 23220

RE: Bacon Senior Housing
815 N. 35th Street
Richmond, VA 23223

To Whom It May Concern:

At your request, we have completed the attached Market Analysis of elderly occupancy rental housing in the subject's Primary Market Area (PMA), as detailed herein. EAJoseph Appraisal & Consultation was engaged to conduct an analysis of the apartment rental housing market, particularly as it relates to Low Income Housing Tax Credit (LIHTC) apartments, in the subject's Primary Market Area (PMA) as defined herein.

Bacon Senior Housing is an affordable senior housing community located at 815 N. 35th Street in the City of Richmond, Virginia, within the city's East End neighborhood approximately two miles east of Downtown Richmond. The proposed development involves the rehabilitation and preservation of the existing 56 dwelling units together with the construction of an additional 70 new dwelling units, resulting in an expanded and modernized senior housing community financed in part through Low-Income Housing Tax Credits (LIHTC). The surrounding area is characterized by a mix of established residential neighborhoods, multifamily housing, churches, community facilities, and neighborhood-oriented commercial uses, with continued revitalization and reinvestment occurring throughout Richmond's East End. The property benefits from access to public transportation, healthcare providers, grocery stores, pharmacies, and other daily services, as well as convenient access to major transportation corridors including Interstate 64 and U.S. Route 360. Overall, the subject property is situated in an urban infill location that offers proximity to essential amenities and supportive services important to senior residents while helping meet the ongoing demand for affordable housing within the City of Richmond. The purpose of this market study is to;

- Analyze property productivity
- Delineate the market of property users
- Forecast demand
- Measure competitive supply
- Analyze market equilibrium/ disequilibrium
- Forecast subject capture

The entire PMA has been examined about economic factors, population projections, and the existing multi-family housing market. Emphasized examination was given to the subjects' macro-Primary Market Area (PMA) and sub-markets relevant to this property have also been examined. This is also the date of observation of the subject site and the surrounding market environs.

It has been a pleasure to assist you in this assignment. If you have any questions concerning the report, or if we can be of further assistance, please let us know how we may further serve you.

Respectfully submitted,

EAJoseph Appraisal & Consultation



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Table of Contents

Summary of Conclusions and Recommendations.....	1
SWOT Analysis	3
Purpose of the Market Study	4
A. Executive Summary	5
1. A Concise Description Of The Site And The Immediate Surrounding Area.	5
2. A Brief Summary Of The Project Including The Proposed Population To Be Served.....	5
3. Summary Of Economic Conditions	6
4. Brief Description and Support of the Defined Primary Market Area;	7
5. Summary of Key Demographic Data.....	7
6. Summary of Competitive Market Conditions	7
7. Summary Of Demand For The Proposed Development.....	8
8. A Summary Of Positive And Negative Attributes	8
9. Precise Statement Of Key Conclusions Reached By The Analyst.	9
10. Recommendations And/ Or Suggest Modifications To The Proposed Project Is Appropriate.	9
11. Absorption Rate.....	9
B. Introduction and Scope of Work.....	11
C. Project Description	13
1. Unit tabulations (Existing/ Proposed).....	13
2. The Communities Target Market and any Tenancy Restrictions.....	13
3. Utility.....	14
4. Description of development.....	14
5. For Rehabilitation Projects.....	14
6. Include The Status Or Date Of Architectural Plans	15
<i>Architectural Floor Plans.....</i>	<i>15</i>
7. Relevant dates:	17
8. Description Of Supportive Services Provided For Residences, If Provided.	17
Improvement Analysis and Conclusions.....	17
D. Location.....	20
1. Subject Site Photographs and Environs	20
Immediate Market Environs	23
2. Identify Land Uses Directly Surrounding The Subject Site	24
3. Map of Subject Site.....	26
4. Ingress/ Egress	27
5. Describe and evaluate the visibility of the subject site	27
6. Provide Analysis of Neighborhood Amenities;.....	28
7. Comment Of Availability Of Public Transportation.	31
8. Crime	31
9. Provide Conclusion Concerning The Suitability Of The Proposed Site For The Proposed Use. .	32
Location Analysis	32

E. Market Area Definition.....	34
1. Define the Primary Market Area	34
2. A map outlining the subjects Primary Market Area (PMA) is as follows;	37
F. Employment and Economy	38
1 & 2 Employment by Industry	38
3. Historical Unemployment Rate	39
4. Area Major Employers	40
5. Comment of Recent Or Planned Major Employment Expansions.	40
6. In relevant Markets, Comment of Availability of Affordable Housing.....	41
7. Typical wages by occupation	41
8. Commuting Patterns	41
9. Conclusions	42
G. Demographic Characteristics	44
Population And Household Estimates And Projections	44
Distribution of Income	46
Affordability Index	47
H. Competitive Environment.....	50
Comparable Property Profiles	50
Existing Stock of Competitive Properties.....	50
Analysis of competitive supply and rating of the subject against the competition	51
Conformity.....	70
I. FUNDAMENTAL MARKET ANALYSIS (FMA) & CONCLUSIONS.....	77
Market Equilibrium	77
Residual Demand Concepts.....	77
Observations on Equilibrium Analysis	77
Capture/ Penetration Rates	77
Interpretation and Conclusions of Blended Capture Rate	79
Evaluation of Proposed Rents	80
Absorption.....	81
Conclusions.....	83
VH Net Demand Table.....	85
Market Analysis Statement of Experience	86
J. Other Requirements	87
Analyst Statement:.....	87
Certification	88
Sequence of Addenda Materials	90

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

The subject is well positioned in the market to capture significant tenancy. The housing serves to satisfy the ever-present and growing need for affordable rental housing. The rental rates for the subject are consistent with the rental rates demonstrated in the PMA.

- The residual demand is positive throughout our mid-range forecast period. The residential demand is 5,224 dwelling units at the blended 60% level.
- VH requires the analyst to consider the impact, if any, on the analysis for proposed communities in which 20% or more of the units contain at least 3 bedrooms. The subject does not meet this threshold.
- The subject's capture rate is calculated as the percentage of residential demand the subject would have to capture to achieve stabilization. The total number of units for the subject is segmented by the percentage of units captured in the subject's PMA and a typical vacancy allowance. The adjusted total number of units is 108 units. The subject's overall blended capture rate is approximately 2% which indicates a strong demand for affordable house.
- The subject is expected to be absorbed into the market at a pace of 15 dwelling units per month. Financing is currently available at attractive terms, and the feasibility rent is sufficient to cover costs of construction and return a reasonable yield to the investor. This combined with the low capture rate indicates a strong demand for the subject's product type.
- The site is attractive and well located in regard to its access and proximity to employment, community services, shopping, medical, and transportation routes which provide extended access to all points throughout the MSA.
- The location, rents, and amenity package will appeal to the low to moderate income families and professionals.
- The bedroom mix of units, the household size distribution, the capabilities, and the unit vacancy levels indicate that the subject's bedroom mix is appropriate in this market at the rent levels. Market rents are sufficient to support new construction, and a positive residual demand indicates new construction in this market is likely.
- Project features are adequate in this portion of the city. The inventory is mixed ranging from older 30+ year inventory to newer inventory. The subject's amenity package and features are generally commensurate with other similar class properties in the subject's market.
- The subject property is a combination of existing and new construction. The economic infrastructure for the subject properties PMA is fundamentally sound and should continue to grow at a constant and moderate pace.
- The overall development scheme is appropriate and well suited for the market. We make no further recommendations and/ or modifications to the development.

- There do not appear to be any detrimental influences that would impede the absorption rate already established at 15 units per month.
- Our analysis contained herein incorporated the opinions of property managers and leasing agents as well as local market participants that are considered experts in their respective fields.

Given the indications described above, it is reasonable to conclude that the subject's current actual capture rate will continue throughout the mid-range forecast. Given the positive residual demand and the availability of land and capital, new competition is anticipated to materialize in the short and midterm. We have made appropriate allowances for additional new competition.

Noteworthy Issues:

None.

SWOT ANALYSIS

Strengths and weaknesses are specific to the subject whereas opportunities and threats are external.

STRENGTHS INCLUDE

- Bacon Senior Housing benefits from an established location within the City of Richmond's East End and includes an existing 56-unit senior housing component with an operating history in the market. The proposed rehabilitation combined with the addition of 70 new dwelling units will create a substantially upgraded and expanded affordable senior housing community. The use of LIHTC financing supports long-term affordability and positions the property to capture strong demand from income-qualified senior households. The subject also benefits from proximity to public transportation, healthcare facilities, pharmacies, grocery stores, and other services important to senior residents. In addition, access to Interstate 64 and Downtown Richmond enhances overall connectivity within the market area.

WEAKNESSES INCLUDE

- The existing improvements will likely require significant rehabilitation due to the age of the property, which may increase development costs and construction complexity. The urban infill setting may also present limitations related to parking, site circulation, and construction logistics. Portions of the surrounding East End area continue to experience economic challenges and older housing conditions that may negatively influence some market perceptions. Additionally, LIHTC developments are subject to ongoing compliance and administrative requirements that can increase operational complexity compared to conventional multifamily housing.

OPPORTUNITIES

- The property is well positioned to benefit from the growing demand for affordable senior housing within the Richmond market, particularly as the senior population continues to increase and affordable housing supply remains limited. Continued revitalization and reinvestment occurring throughout Richmond's East End may improve neighborhood appeal and support long-term occupancy stability. The expansion of the community through new construction will increase the property's market presence while potentially improving operational efficiencies. Furthermore, the renovated and newly constructed units should enhance the overall competitiveness of the property relative to older affordable housing alternatives in the market area.

THREATS

- Potential threats include rising construction costs, labor shortages, and inflationary pressures that could impact development feasibility and operating expenses. The property may also face competition from newer affordable or mixed-income senior housing developments within the Richmond market. Economic downturns or changes in government housing policy, including reductions in affordable housing funding programs, could affect long-term operations. Additionally, broader urban challenges and

neighborhood crime perceptions associated with portions of the East End may influence some prospective residents despite ongoing redevelopment activity in the area.

Summary & Conclusions

The proposed rehabilitation and expansion of Bacon Senior Housing at 815 N. 35th Street represents a significant affordable housing investment within the City of Richmond's East End. The development will preserve the existing 56 senior housing units while adding 70 newly constructed dwelling units, resulting in a larger, modernized community designed to serve income-qualified senior households. The subject benefits from a strategic urban location with access to public transportation, healthcare facilities, retail services, pharmacies, and major transportation corridors, all of which are important factors for senior residents. In addition, the surrounding area continues to experience ongoing public and private reinvestment that is contributing to broader neighborhood stabilization and revitalization efforts throughout Richmond's East End.

Overall, the subject property is expected to be well positioned within the Richmond affordable senior housing market due to strong underlying demand for quality affordable housing and the limited supply of modern senior-oriented rental communities at restricted rent levels. The combination of rehabilitation and new construction should enhance the long-term competitiveness and functionality of the property while supporting resident retention and market acceptance. Although the development faces typical risks associated with construction costs, LIHTC compliance requirements, and broader economic conditions, the project's location, affordability component, and senior housing focus provide a solid foundation for long-term occupancy stability and operational viability.

PURPOSE OF THE MARKET STUDY

EAJoseph Appraisal & Consultation was engaged by The Client, to prepare an analysis of the family-oriented rental housing, particularly as it relates to Low Income Housing Tax Credit (LIHTC) apartments like the subject. This study focuses on the Primary Market Area surrounding the subject. The purpose of this market study was to;

- Analyze property productivity
- Delineate the market of property users
- Forecast demand
- Measure competitive supply
- Analyze market equilibrium/ disequilibrium
- Forecast subject capture

A. EXECUTIVE SUMMARY

(Format derived from Version 3.0, Adopted 1/14/2013; Section A; NCHMA)

I. A CONCISE DESCRIPTION OF THE SITE AND THE IMMEDIATE SURROUNDING AREA.

Site description

The subject site is located at 815 N. 35th Street in the East End section of the City of Richmond, Virginia. The property is situated within an established urban residential area characterized by a mix of older single-family dwellings, multifamily residential developments, churches, community service facilities, and scattered neighborhood-oriented commercial uses. The site benefits from generally level topography and access from local public streets that connect to larger arterial roadways throughout the city. Existing utilities and public infrastructure typical of an urban infill setting are available to the property, including public water, sewer, electric, and telecommunications services. The surrounding street network provides convenient access to Interstate 64, U.S. Route 360, Downtown Richmond, and other employment and service centers within the metropolitan area.

Land uses in the immediate market area

Land uses within the immediate market area primarily consist of residential development, including detached homes, older apartment communities, and affordable housing properties interspersed throughout the neighborhood. Supporting commercial uses such as convenience stores, small retail establishments, restaurants, pharmacies, and service businesses are located along nearby corridors including Nine Mile Road and East Broad Street. Institutional and community-oriented land uses, including schools, churches, parks, medical facilities, and government service providers, are also present within the surrounding area and contribute to neighborhood support services for local residents. Overall, the immediate market area reflects a mature urban neighborhood environment with ongoing revitalization and reinvestment activity occurring throughout portions of Richmond's East End.

2. A BRIEF SUMMARY OF THE PROJECT INCLUDING THE PROPOSED POPULATION TO BE SERVED.

The proposed project involves the rehabilitation and preservation of the existing 56-unit Bacon Senior Housing community together with the construction of an additional 70 dwelling units at 815 N. 35th Street in the City of Richmond, Virginia. Upon completion, the development will provide an expanded affordable senior housing community financed in part through Low-Income Housing Tax Credits (LIHTC). The project is intended to modernize the existing improvements, enhance the overall quality of the property, and increase the supply of affordable rental housing available to senior residents within the Richmond market area. Income and rent restrictions associated with the development will be based on 60% of the Area Median Income (AMI), ensuring long-term housing affordability for qualifying residents.

The development is designed to serve income-qualified senior households, including elderly individuals and couples seeking affordable, safe, and accessible housing accommodations. The target population is expected to consist primarily of lower-income seniors living on fixed or limited incomes who require convenient access to healthcare services, public transportation, retail shopping, and community support services. The property's urban location, affordability

component, and 60% AMI rent structure position the development to address the continued demand for quality affordable senior housing within the City of Richmond.

The sponsor is proposing develop the units with below-market debt and/or tax credit financing. The community will be a low-income property which will have rent and income and rent restrictions at 60% of AMI. Household sizes will be 1.5 persons per household (based on an average household size of 1.5 persons per bedroom). The minimum household income level will be based upon the assumption that tenants will pay up to 40% of income toward rent.

3. SUMMARY OF ECONOMIC CONDITIONS

Richmond, Virginia functions as a regional economic hub supported by a diverse and stable employment base. The metropolitan area includes approximately 741,000 jobs across a wide range of industries, with no single sector dominating the economy. Key employment sectors include trade, transportation and utilities, professional and business services, government, and education and health services, reflecting the city's role as both the state capital and a center for corporate, healthcare, and institutional activity. This diversity helps insulate the local economy from volatility and supports consistent employment opportunities across skill levels.

Economic conditions in the City of Richmond are further supported by steady population growth and an expanding labor force. The city's population reached approximately 233,655 in 2024, reflecting continued growth since 2020, while the broader region exceeds 1.3 million residents. Employment levels have shown modest but positive growth in recent years, with approximately 124,000 employed residents and annual increases in the workforce. Major employment sectors for residents include healthcare, education, and professional services, indicating a workforce anchored by stable, service-oriented industries.

Despite these strengths, Richmond exhibits some economic challenges typical of urban markets. Median household income is approximately \$64,587, while the poverty rate remains relatively elevated at approximately 18.2%, indicating ongoing income disparity and a need for affordable housing options. Rising housing costs and continued population growth are contributing to affordability pressures, particularly among lower-income households. Overall, Richmond's economic outlook is considered stable to positive, supported by job diversity, population growth, and institutional anchors, though tempered by income inequality and housing affordability concerns.

4. BRIEF DESCRIPTION AND SUPPORT OF THE DEFINED PRIMARY MARKET AREA;

The subject's PMA is delineated graphically on the following pages. To determine the PMA for the subject, we conducted multiple interviews with the subject's competitive properties to establish where their tenants were being drawn from. Based upon our interviews, the clear majority of the tenant base was drawn from other localities within the described limits. We further considered demographic data, employers, and commuter patterns in framing the subject's PMA.

5. SUMMARY OF KEY DEMOGRAPHIC DATA

- Population is increasing putting upward pressure on the demand for housing
- Incomes are rising
- The number of households is increasing
- Renter ratios are steady; there is a large gap between renter ratio and multifamily ratio which is increasing the demand for additional multifamily housing

6. SUMMARY OF COMPETITIVE MARKET CONDITIONS

The senior multifamily housing market within the City of Richmond continues to demonstrate solid underlying demand driven by population growth, an aging demographic base, and ongoing affordability challenges throughout the region. Richmond's population exceeded 229,000 residents in 2023, with approximately 57% of households classified as renters, while more than half of renter households were considered housing cost burdened. Demand for affordable rental housing has remained particularly strong as rental vacancy rates within the Richmond market have tightened in recent years. Market data indicates that Richmond-area vacancy rates declined from approximately 8.2% to 5.2% between 2024 and 2025, reflecting a more balanced and increasingly competitive rental environment. The Richmond multifamily market also continues to benefit from broader economic and demographic growth trends, including in-migration, employment growth, and continued urban reinvestment activity. Current market-wide apartment rents average approximately \$1,500 to \$1,565 per month depending on unit type and submarket conditions, levels that are often unaffordable to many lower-income senior households living on fixed incomes.

Within the senior housing segment, market-rate senior multifamily properties generally cater to moderate- and higher-income households capable of paying unrestricted rents for newer units, expanded amenities, and service-oriented living environments. These properties typically achieve higher rental rates and may include features such as community gathering areas, fitness facilities, transportation services, and enhanced property management programs. However, rising market rents and broader inflationary pressures have increased affordability concerns for many seniors within the Richmond market. In contrast, senior LIHTC multifamily properties serve income-qualified households and provide rent-restricted housing typically affordable to residents earning at or below 60% of Area Median Income (AMI). LIHTC senior developments generally experience strong occupancy levels due to the limited supply of affordable senior housing and the growing number of seniors living on fixed or limited incomes. The affordability component associated with LIHTC properties creates a significant competitive advantage over market-rate senior housing for lower-income households, particularly in urban markets such as Richmond where housing costs continue to increase. Furthermore, many LIHTC senior developments benefit from stable

occupancy performance, lower turnover, and sustained demand due to long waiting lists and limited new affordable senior housing inventory entering the market.

7. SUMMARY OF DEMAND FOR THE PROPOSED DEVELOPMENT

Include a concise statement of the analyst's opinion of market feasibility, determined by factors of market demand.

- The residual demand is positive throughout our mid-range forecast period. The residential demand is 5,224 dwelling units at the blended 60% level.
- Based upon our market survey, the subject's proposed rents are achievable.
- The subject is expected to be absorbed into the market at a pace of 15 dwelling units per month. The subject is existing.
- The site is attractive and well located regarding its access and proximity to employment, community services, shopping, medical, and transportation routes which provide extended access to all points throughout the PMA.
- The location, rents, and amenity package will appeal to the low to moderate income families.
- The bedroom mix of units, the household size distribution, the capabilities, and the unit vacancy levels indicate that the subject's bedroom mix is appropriate in this market at the rent levels.

Economic rent is sufficient to cover debt service and return a reasonable return to the investor with the use of LIHTC equity.

8. A SUMMARY OF POSITIVE AND NEGATIVE ATTRIBUTES

Positive Attributes:

Bacon Senior Housing benefits from a well-established location within the City of Richmond's East End with access to public transportation, healthcare facilities, pharmacies, grocery stores, and other neighborhood services that are important to senior residents. The proposed rehabilitation of the existing 56 dwelling units together with the addition of 70 newly constructed units will create a substantially modernized and expanded affordable senior housing community. The project's LIHTC financing structure and income/rent restrictions at 60% of Area Median Income (AMI) position the property to address a significant unmet need for affordable senior housing within the Richmond market. The combination of renovated existing units and new construction should improve the property's physical appeal, energy efficiency, accessibility, and overall competitiveness relative to older affordable housing alternatives in the area. In addition, continued revitalization and reinvestment activity occurring throughout portions of Richmond's East End may contribute positively to long-term neighborhood stability and property marketability.

Negative Attributes and Marketability Considerations:

The subject's urban infill location may present challenges related to parking availability, traffic circulation, and construction logistics during the redevelopment process. In addition, portions of the surrounding East End area continue to experience economic challenges, older housing stock, and crime perceptions that could negatively influence the property's image among some prospective residents and family members. The existing improvements may also require substantial rehabilitation due to the age of the property, potentially increasing development costs

and creating temporary disruptions during construction. Furthermore, LIHTC compliance requirements and rent restrictions may limit operational flexibility and future revenue growth when compared to market-rate senior housing communities.

Several factors are expected to mitigate these potential negative attributes and support overall marketability, performance, and lease-up. The strong demand for affordable senior housing within the City of Richmond, particularly among households at or below 60% of AMI, should contribute to stable occupancy levels and a successful lease-up period. The subject's affordability advantage relative to market-rate senior housing communities is expected to be a significant competitive strength, especially for seniors living on fixed or limited incomes. Additionally, the rehabilitation and modernization of the existing units, combined with the development of new construction units, should improve the property's overall physical quality and market perception. The property's proximity to healthcare providers, public transportation, and daily retail services further enhances its appeal to the senior population. Overall, despite certain location and redevelopment-related challenges, the subject appears well positioned to achieve long-term occupancy stability and competitive performance within the Richmond affordable senior housing market.

9. PRECISE STATEMENT OF KEY CONCLUSIONS REACHED BY THE ANALYST.

Given the demand for senior multifamily housing in the subject's PMA, we anticipate the subject to be successful.

10. RECOMMENDATIONS AND/ OR SUGGEST MODIFICATIONS TO THE PROPOSED PROJECT IS APPROPRIATE.

Based upon our review of plans provided and the scope of the proposed renovations provided by the developer, no modifications to the current development are suggested. There will be a high degree of conformity with other competitive assets in the subject's PMA.

11. ABSORPTION RATE

The senior multifamily housing market within the City of Richmond has experienced strong absorption in recent years due to continued population growth among older age cohorts, limited affordable housing inventory, and rising rental costs throughout the broader multifamily market. Demand for senior-oriented rental housing has remained stable as many seniors seek smaller, maintenance-free housing options with convenient access to healthcare services, transportation, and retail amenities. Broader senior housing trends nationwide also indicate improving occupancy and strong absorption as demand continues to outpace new supply additions in many markets. Within Richmond, these trends are particularly evident among lower-income senior households living on fixed incomes who are increasingly impacted by rising market-rate apartment rents and housing cost burdens.

Senior market-rate multifamily properties within Richmond generally experience moderate but stable absorption patterns, particularly among newer developments offering modern amenities, accessible unit features, and service-oriented environments. However, market-rate senior communities typically target moderate- to higher-income households capable of paying unrestricted rents, which can limit the depth of the potential renter pool compared to affordable housing alternatives. Although occupancy levels in stabilized market-rate senior properties are generally healthy, lease-up periods for newly developed market-rate communities may be somewhat slower due to higher monthly rental obligations and competition from other

conventional multifamily housing options throughout the metropolitan area. Additionally, affordability concerns among seniors have become more pronounced as Richmond-area rental rates continue to rise faster than many fixed retirement incomes.

In contrast, senior LIHTC multifamily properties within the City of Richmond typically demonstrate stronger absorption rates and higher occupancy stability due to substantial demand for affordable housing among income-qualified senior households. LIHTC communities serving residents at or below 60% of Area Median Income (AMI) benefit from a large renter base of seniors seeking affordable housing options with predictable rent structures. The supply of affordable senior housing remains limited relative to demand throughout Richmond, contributing to consistently high occupancy levels, waiting lists, and relatively rapid lease-up periods for new LIHTC senior developments. Virginia Housing and HUD continue to identify affordable housing production as a significant need throughout the Commonwealth, particularly for vulnerable populations including seniors.

Overall, senior LIHTC multifamily properties in Richmond generally outperform market-rate senior developments with respect to absorption and long-term occupancy stability due to the significant shortage of affordable housing for seniors. While market-rate properties rely more heavily on discretionary renters with greater financial flexibility, LIHTC senior developments address a critical housing need for lower-income elderly households. As a result, affordable senior properties often experience faster lease-up, lower turnover, and more stable occupancy performance over time. Given the continued growth of the senior population, rising housing costs, and limited affordable inventory within the City of Richmond, demand for both market-rate and LIHTC senior housing is expected to remain positive, although LIHTC senior developments are anticipated to maintain the strongest absorption characteristics within the local market.

Conclusion

Based on current market conditions, the senior multifamily housing market within the City of Richmond appears well positioned to support continued absorption of both market-rate and LIHTC senior housing developments, with the strongest demand concentrated within the affordable housing segment. Rising housing costs, increasing numbers of senior households living on fixed incomes, and limited availability of affordable senior-oriented rental communities continue to contribute to strong occupancy and lease-up performance among LIHTC properties serving residents at or below 60% of Area Median Income (AMI). While market-rate senior communities also benefit from favorable demographic trends and an aging population base, their absorption rates are generally more sensitive to economic conditions and affordability constraints. Overall, the proposed Bacon Senior Housing development is expected to achieve favorable market acceptance due to its affordability component, expanded unit count, convenient urban location, and the continued unmet demand for quality affordable senior housing within the City of Richmond.

B. INTRODUCTION AND SCOPE OF WORK

(Format derived from Version 3.0, Adopted 1/14/2013; Section B; NCHMA)

1. Type of Report – Comprehensive Report
2. Client and project developer – See Letter of Transmittal
3. Intended Use and Users of Report - EAJoseph was engaged to conduct an analysis of the apartment rental housing market. The intended user is the Client and V.H
4. Identify Steps taken in completion of report – See below.

The scope of this study requires compliance with the Uniform Standard of Professional Appraisal Practice promulgated by the Appraisal Standards Board of the Appraisal Foundation and the Guide Notes to the Standards of Professional Appraisal Practice adopted by the Appraisal Institute. The standards contain requirements and specific guidelines that deal with the procedures to be followed in developing an appraisal, market study, analysis, or opinion. These uniform standards set the requirements to communicate in a manner that will be meaningful and not misleading in the marketplace. The appraiser/ analyst researched many different resources in the scope of this narrative report. Such information and the source of this information are as follows;

- Information pertaining to the property and the construction particulars was provided by the developer. In addition, we had several conversations with persons familiar with the subject.
- Information concerning the site was obtained from the owner and confirmed through county records.
- Information pertaining to employment data was provided on-line by the Virginia Employment Commission. We further obtained economic infrastructure information from the respective counties/ city's official web sites.
- Information pertaining to demographic data was obtained on-line from American Factfinder which is part of the U.S. Census Bureau's official website. In addition, we used Site-To-Do-Business (STDB) which is a reputable on-line database. Some extrapolations/ projections were done in-house while others were provided by the above stated providers.
- Information pertaining to multifamily market data for the subject submarket and the overall market is taken from online records, telephone surveys and various publications. This data is considered reliable, and we assume it is correct.
- Pertaining to the competitive rental housing market in the subject properties primary market area (PMA), the analyst interviewed a person or persons familiar with each respective property in an effort to obtain germane information to facilitate the analyst in providing a credible market study report. In addition, the analyst performed a windshield inspection of each property.
- In summary, the appraiser/ analyst thoroughly evaluated the subject property in this narrative report.

The market study report will be prepared in accordance with the Uniform Standards of Professional Practice and VH guidelines as promulgated by the National Council of Housing Market Analysts. The format herein is modeled after the most recent version of the Model Content Standards for Rental Housing Market Studies in conjunction with VH Market Study Guidelines.

5. Date of Field Work and Site Visit; Field work and site visits were conducted on May 1, 2026
6. Person conducting field work; Eugene A. Joseph, Jr., MAI, SRA, AI-GRS
7. Primary analyst researching conclusions of report; Eugene A. Joseph, Jr., MAI, SRA, AI-GRS

C. PROJECT DESCRIPTION

(Format derived from Version 3.0, Adopted 1/14/2013; Section C; Project Description; NCHMA)

I. UNIT TABULATIONS (EXISTING/ PROPOSED)

No.	Unit Type	SF	Proposed Rent	UA	*Applicable Gross Rent	Rent %	Inc. %	Max Rent Allowed	PBV Units	Type
56	1x1	490	\$1,216.00	\$61	\$1,277.00	60%	60%	\$1,277	0	LIHTC
69	1x1	479	\$1,216.00	\$61	\$1,277.00	60%	60%	\$1,277	0	LIHTC
1	2x1	589	\$1,422.00	\$78	\$1,500.00	60%	60%	\$1,533	0	LIHTC

126

2. THE COMMUNITIES TARGET MARKET AND ANY TENANCY RESTRICTIONS

The community will be a low-income property which will have rent and income restrictions at 60% of AMI. The subject will consist of one and two bedroom dwelling units. The property does has age restrictions placed on the property. The maximum incomes for the MSA are as follows;

		Maximum Gross Income						
Average Median Income	\$113,500	(Based on 4 person AMI)						
	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
Adj. for Fam. Size	0.7004	0.8000	0.9004	1.0000	1.0802	1.1604	1.2405	1.3207
% of Median Income								
10%	7,950	9,080	10,220	11,350	12,260	13,170	14,080	14,990
20%	15,900	18,160	20,440	22,700	24,520	26,340	28,160	29,980
30%	23,850	27,240	30,660	34,050	36,780	39,510	42,240	44,970
40%	31,800	36,320	40,880	45,400	49,040	52,680	56,320	59,960
50%	39,750	45,400	51,100	56,750	61,300	65,850	70,400	74,950
60%	47,700	54,480	61,320	68,100	73,560	79,020	84,480	89,940
70%	55,650	63,560	71,540	79,450	85,820	92,190	98,560	104,930
80%	63,600	72,640	81,760	90,800	98,080	105,360	112,640	119,920
90%	71,550	81,720	91,980	102,150	110,340	118,530	126,720	134,910
100%	79,500	90,800	102,200	113,500	122,600	131,700	140,800	149,900
110%	87,450	99,880	112,420	124,850	134,860	144,870	154,880	164,890
120%	95,400	108,960	122,640	136,200	147,120	158,040	168,960	179,880
130%	103,350	118,040	132,860	147,550	159,380	171,210	183,040	194,870
140%	111,300	127,120	143,080	158,900	171,640	184,380	197,120	209,860
150%	119,250	136,200	153,300	170,250	183,900	197,550	211,200	224,850

The maximum income at 60% of the AMI adjusted for family size is highlighted above. The maximum rents are as follows;

	Maximum Gross Rents							
	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
Adj. for Fam. Size	0.7004	0.8000	0.9004	1.0000	1.0802	1.1604	1.2405	1.3207
% of Median Income								
10%	\$199	\$227	\$256	\$284	\$307	\$329	\$352	\$375
20%	\$398	\$454	\$511	\$568	\$613	\$659	\$704	\$750
30%	\$596	\$681	\$767	\$851	\$920	\$988	\$1,056	\$1,124
40%	\$795	\$908	\$1,022	\$1,135	\$1,226	\$1,317	\$1,408	\$1,499
50%	\$994	\$1,135	\$1,278	\$1,419	\$1,533	\$1,646	\$1,760	\$1,874
60%	\$1,193	\$1,362	\$1,533	\$1,703	\$1,839	\$1,976	\$2,112	\$2,249
70%	\$1,391	\$1,589	\$1,789	\$1,986	\$2,146	\$2,305	\$2,464	\$2,623
80%	\$1,590	\$1,816	\$2,044	\$2,270	\$2,452	\$2,634	\$2,816	\$2,998
90%	\$1,789	\$2,043	\$2,300	\$2,554	\$2,759	\$2,963	\$3,168	\$3,373
100%	\$1,988	\$2,270	\$2,555	\$2,838	\$3,065	\$3,293	\$3,520	\$3,748
110%	\$2,186	\$2,497	\$2,811	\$3,121	\$3,372	\$3,622	\$3,872	\$4,122
120%	\$2,385	\$2,724	\$3,066	\$3,405	\$3,678	\$3,951	\$4,224	\$4,497
130%	\$2,584	\$2,951	\$3,322	\$3,689	\$3,985	\$4,280	\$4,576	\$4,872
140%	\$2,783	\$3,178	\$3,577	\$3,973	\$4,291	\$4,610	\$4,928	\$5,247
150%	\$2,981	\$3,405	\$3,833	\$4,256	\$4,598	\$4,939	\$5,280	\$5,621

3. UTILITY

The landlord pays water, sewer and trash. The tenant pays all else. All the appliances are electric. Nothing is gas. The utility allowance estimate is included in the above table.

4. DESCRIPTION OF DEVELOPMENT

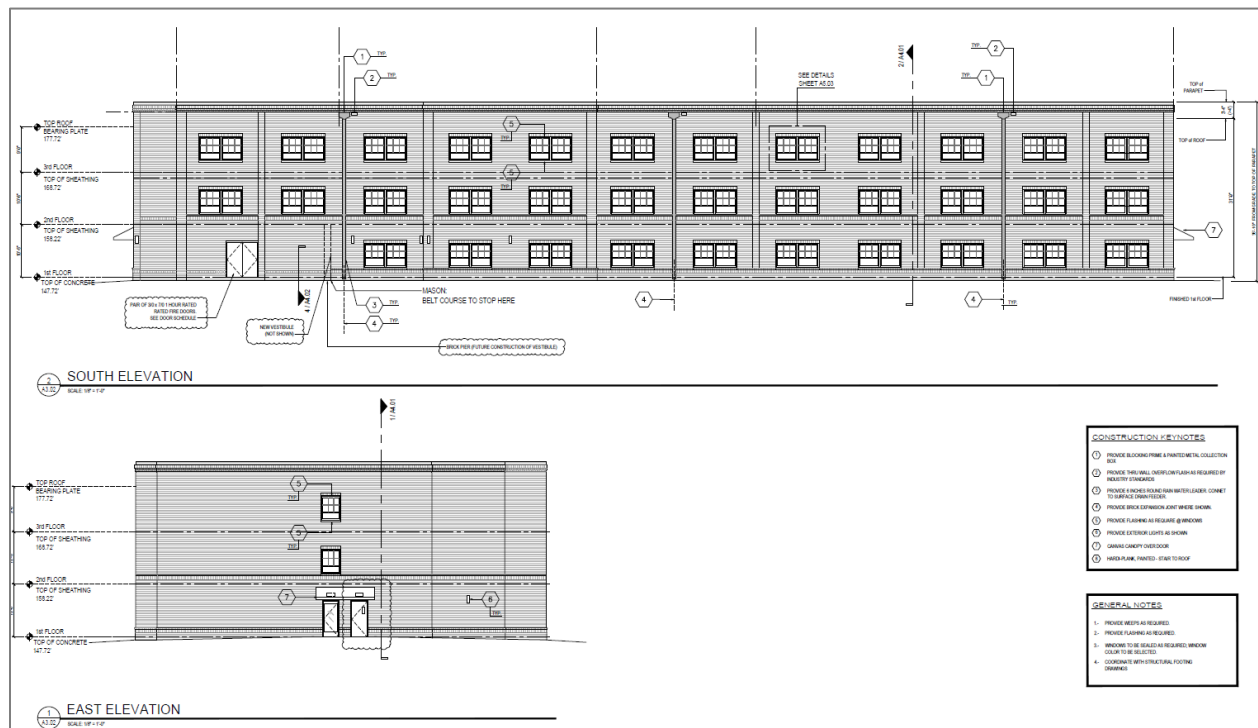
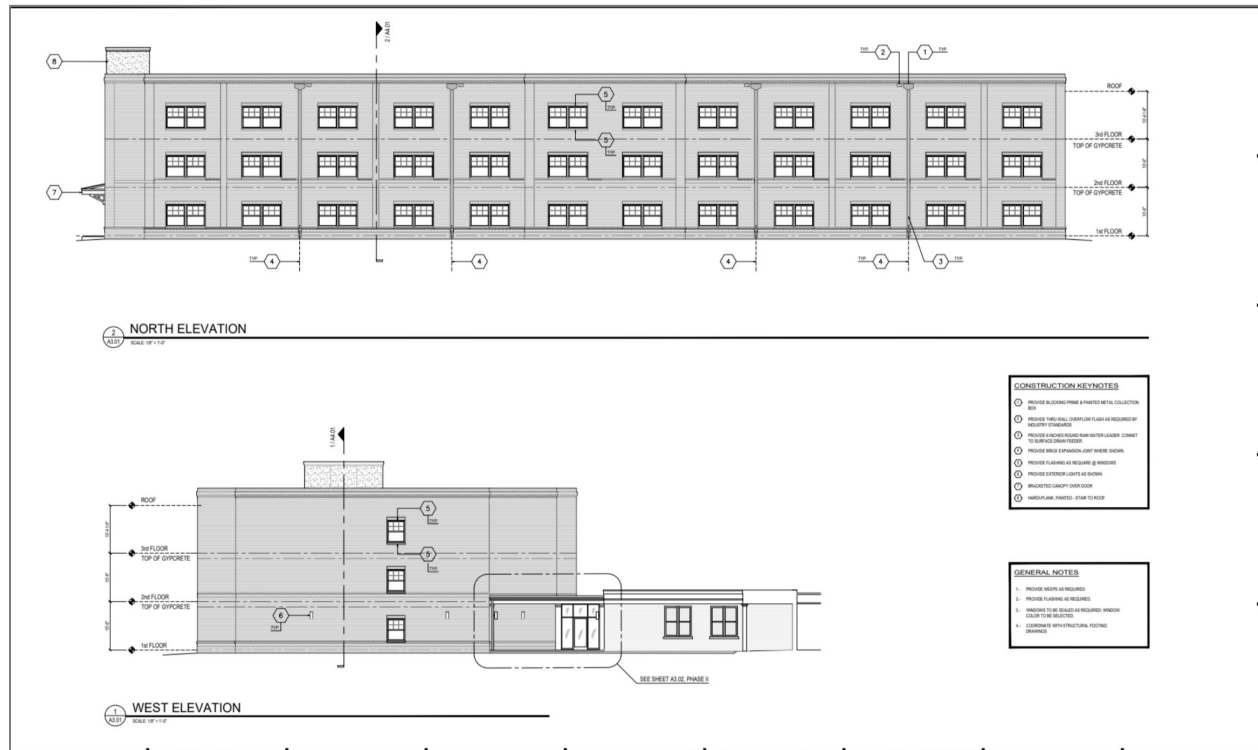
- a. The subject is an existing/ proposed multifamily development that will contain 126 apartment units (56 existing and 70 proposed)
- b. Common/ site amenities include; rental office, community rooms, laundry and onsite parking.
- c. Unit amenities include range/ oven, refrigerator, air/heat, shades/ blinds, cable/internet ready and limited access facility.
- d. Parking options – on site.

The improvements on this property are of good quality and are of typical design and exhibit high functional utility. The subject has a high level of functional utility, and the improvements are consistent with its market and therefore, there is a good degree of conformity with other similar class projects. Overall, this is a type of improvement that should be competitive in the local real estate rental market.

5. FOR REHABILITATION PROJECTS

The subject's rehab will consist of the following scope. This is a general rehab mainly lowering the effective age of the property by making capital improvements to nearly all interior aspects,

ELEVATIONS



7. RELEVANT DATES:

Relevant Dates	
Start Construction	1/1/2027
Complete	5/1/2028
Months to Build	16.00
Pre-Lease Begins	12/1/2027
Months prior to completion	5.0
Pace	15
Units Pre-Leased	75
Units Total	126
Stabilized	108
Remaining Units	33
Months	2.20
Anticipated Date of Stabilization	7/7/2028

8. DESCRIPTION OF SUPPORTIVE SERVICES PROVIDED FOR RESIDENCES, IF PROVIDED.

Not Applicable

(Additional VHDA 2016 Market Study Guidelines; Project Description)

1. Construction Type – Existing and Proposed Construction
2. Occupancy Type – Elderly
3. Special Needs Population – None
4. Structure Type – Mid-Rise, contemporary, existing historical structure
5. The subject is not a scattered site development
6. Site amenities – Common/ site amenities include; rental office, community room, laundry and onsite parking.

IMPROVEMENT ANALYSIS AND CONCLUSIONS

Effective Age

“Effective age is the age indicated by the condition and utility of a structure and is based on an appraiser’s judgement and interpretation of market perceptions”. This may be different than a subject’s actual, or chronological age. Effective age estimate considers not only physical wear and tear but also functional and external considerations.

The subject will be new construction. The subject will be in like new condition upon completion. Based on the plans provided, there does not currently appear to be any functional obsolescence. The subject will be in new condition with an estimated effective age of 0± years.

Remaining Economic Life

Economic life is the period over which improvements to real property contribute to property value". "1Remaining economic life is the estimated period over which existing improvements are expected to continue to contribute economically to property value".

The remaining economic life is calculated as the total economic life less the effective age of the subject. The subject has an economic life of 50 to 60 years. Therefore, considering the effective age is 5 years upon completion, the remaining economic life is 45 to 55 years.

Functional Utility

Architectural style and functional utility are interrelated and their combined effect on property value must be considered. The subject's architectural style is a transitional low-rise garden apartment community. The subject's architectural style is contemporary, a growing new style for this property class status. The newer build multifamily housing market is almost exclusively of this style type and therefore, we can conclude that the subject's architecture is preferred by the market.

Functional utility is "the ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards. The efficiency of the building's use in terms of architectural style, design and layout, traffic patterns, and the size and layout of the rooms". 2Functional utility is the impairment of the functional capacity of a property or building according to market tastes and standard; equivalent to functional obsolescence because ongoing change makes layouts and features obsolete".

The subject will be a 126-unit apartment complex featuring one and two units. The design and function are like other newer competing properties in the market. The quality is commensurate with that of similar type properties of similar age. The subject has a commensurate site amenity package with that of similar properties of similar age.

Property Rating

The Property Rating Sheet contained simply rates the subject relative to comparable properties located in the subject's competitive market. The elements of comparison considered in the Property Rating Sheet include; design and appearance, quality of construction, condition of improvements, room sizes/ layout, closets/ storage, appliances, unit amenities, site amenities and parking. Future multifamily properties are not expected to differ materially from current projects; hence, the subject is compared with the prevailing competition in the area, which, taken together, epitomizes a comparative standard for the local market. A *typical* rating is assigned a weight of four. Weights range from one through seven with the lower three corresponding to factors rated below typical and weights five through seven are above typical.

The following page displays a chart that itemizes the subject's attributes and rates the relative influence of each. The standard score for the major competition is 36, calculated by multiplying the 9 factors of comparability by each factor's average score of four.

¹ Source: The Appraisal of Real Estate, 13th edition published by the Appraisal Institute; page 415

² Source: The Appraisal of Real Estate, 13th edition published by the Appraisal Institute; page 262

Property Rating Sheet

Subject Apartment Building Rating									
Impact of Productivity	Inferior			Typical			Superior		
	High	Mod.	Slight	Average			Slight	Mod.	High
Design and appearance						x			
Quality of Construction						x			
Condition of Improvements						x			
Room Sizes/ Layout						x			
Closets/ Storage						x			
Appliances						x			
Unit Amenities						x			
Site Amenities						x			
Parking						x			
Number of Items	0	0	0	0	0	9	0	0	0
Times Category Score (weighting)	1	2	3		4		5	6	7
Subtotal Score									
Subtotal Score	0	0	0	0	0	36	0	0	0
Total Subject Score									36

The subject's score is 36, or 100% of the standard score which indicates the subject is generally superior than the current inventory in the subjects respective market. The subject property ranked superior in four categories. The subject did not rank inferior in any respect. The subject's improvements have an overall rating of superior as compared to other multifamily complexes located in the subjects PMA.

D. LOCATION

(Format derived from Version 3.0, Adopted 1/14/2013; Section D; Location; NCHMA)

I. SUBJECT SITE PHOTOGRAPHS AND ENVIRONS



Exterior Front



Exterior Side



Site



Site



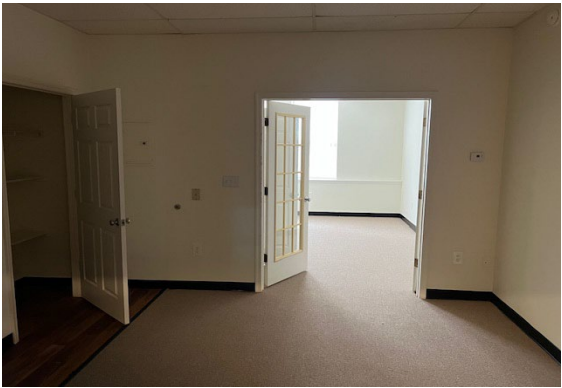
Subject Site



Exterior Rear



Typical Unit Interior



Typical Unit Interior



Typical Unit Interior



Typical Unit Interior



Hallway Interior



Hallway Interior



Typical Unit Interior



Typical Unit Interior



Typical Unit Interior



Hallway Interior



Laundry



Common Area

IMMEDIATE MARKET ENVIRONS



Immediate Market Environs



Immediate Market Environs



Immediate Market Environs

2. IDENTIFY LAND USES DIRECTLY SURROUNDING THE SUBJECT SITE

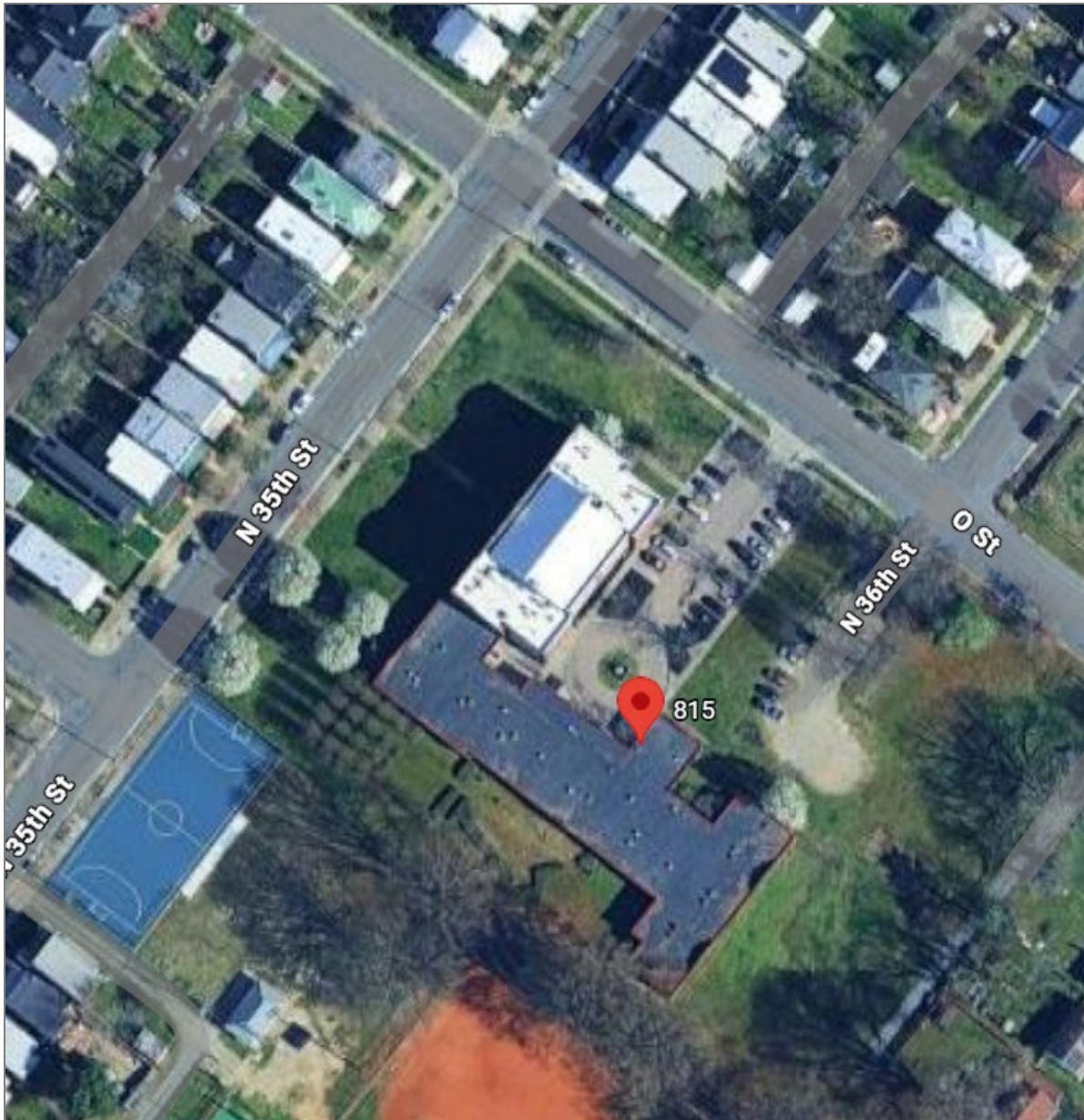
The surrounding land use patterns near Bacon Senior Housing at 815 N. 35th Street are characteristic of an established urban neighborhood within the East End of the City of Richmond. The area is predominantly residential in nature and consists primarily of older single-family homes, duplexes, townhomes, and scattered multifamily apartment communities, including several affordable housing developments. Residential uses are interspersed with churches, community centers, schools, and other institutional facilities that serve the surrounding neighborhoods. The overall development pattern reflects a mature urban environment with a traditional street grid, established infrastructure, and relatively dense residential development.

Commercial land uses within the surrounding area are generally concentrated along nearby arterial corridors such as Nine Mile Road, East Broad Street, and North 25th Street, where neighborhood-oriented retail, convenience stores, restaurants, pharmacies, gas stations, and small service businesses are located. Additional land uses in the broader area include medical offices, government facilities, parks, and recreational amenities that support neighborhood residents and senior households. Portions of the East End continue to experience public and private reinvestment activity, including housing redevelopment and infrastructure improvements, although some older structures and vacant parcels remain throughout the area. Overall, the surrounding land use patterns provide a mix of residential, commercial, and community-supportive uses that are generally compatible with the proposed senior housing development.

AERIAL VIEW OF LAND USES



3. MAP OF SUBJECT SITE



(North Orientation)

4. INGRESS/ EGRESS

Ingress and egress to the subject site are provided primarily via North 35th Street, a public local roadway that serves the surrounding residential neighborhood within Richmond's East End. The property benefits from direct street frontage and access to the existing urban street network, allowing residents and visitors convenient circulation throughout the immediate area. North 35th Street connects to nearby collector and arterial roadways including Nine Mile Road, East Broad Street, and U.S. Route 360, which provide access to Downtown Richmond, Interstate 64, and other portions of the metropolitan area. The surrounding street system is generally adequate for residential traffic volumes and provides multiple routes for access to neighborhood services, healthcare facilities, retail centers, and employment areas.

The site's urban infill location offers good overall accessibility for both private vehicles and public transportation users. Sidewalks and pedestrian infrastructure are present throughout much of the surrounding neighborhood, supporting walkability for senior residents. Public transit service is also available within the surrounding area through Greater Richmond Transit Company (GRTC) bus routes operating along nearby corridors. Overall, ingress and egress to the property are considered adequate for the proposed residential use, with convenient connectivity to the broader Richmond transportation network.

Overall access potential is considered adequate for the sites intended use.

5. DESCRIBE AND EVALUATE THE VISIBILITY OF THE SUBJECT SITE

The subject property at 815 N. 35th Street benefits from moderate overall visibility within the surrounding East End neighborhood of the City of Richmond. The site is located along a public neighborhood street within an established urban residential area consisting primarily of single-family and multifamily residential uses. Visibility from North 35th Street is generally adequate for a residential development, particularly for local traffic and neighborhood residents familiar with the area. The property's location within a developed urban setting provides consistent exposure to nearby residential activity and community traffic patterns.

While the subject does not benefit from frontage along a major commercial corridor or interstate highway, the level of visibility is considered appropriate and sufficient for an affordable senior housing community, where demand is typically generated through market need, referral sources, community outreach, and affordable housing waiting lists rather than drive-by commercial exposure. In addition, proximity to nearby arterial roadways including Nine Mile Road and East Broad Street enhances overall accessibility to the site. The proposed rehabilitation and new construction components are also expected to improve the physical appearance and presence of the property within the neighborhood, further supporting overall marketability and tenant recognition.

6. PROVIDE ANALYSIS OF NEIGHBORHOOD AMENITIES;

The subject's neighborhood is in immediate proximity to a multitude of amenities including;

- Shopping/ Retail
- Schools
- Transportation linkages
- Medical services
- Places of worship
- Employment Centers

Shopping/ Retail

The subject property at 815 N. 35th Street benefits from convenient proximity to a variety of neighborhood amenities and services that support the daily needs of senior residents. The surrounding East End area of the City of Richmond includes access to grocery stores, pharmacies, convenience retailers, restaurants, banks, healthcare providers, and community service facilities located along nearby commercial corridors such as Nine Mile Road, East Broad Street, and North 25th Street. Several shopping and retail destinations are located within a short driving distance of the property, providing residents with access to essential goods and services. In addition, the subject is located within reasonable proximity to medical offices, hospitals, churches, parks, and recreational amenities that are important to the senior population.

The property also benefits from access to public transportation through nearby Greater Richmond Transit Company (GRTC) bus routes, allowing residents without personal vehicles to access shopping, healthcare, and other community services throughout the Richmond area. Downtown Richmond is located approximately two miles west of the subject and provides additional retail, dining, entertainment, and employment opportunities. Overall, the subject's proximity to neighborhood retail and community amenities is considered a positive attribute that enhances the property's marketability and suitability for affordable senior housing residents.

Schools

Although the subject property is a senior housing development, it is located within an established residential area of the City of Richmond that is served by several public and private educational facilities. Schools located within the broader surrounding area include elementary, middle, and high schools operated by Richmond Public Schools, as well as various childcare centers, community education facilities, and vocational programs. Educational facilities in the surrounding East End neighborhood contribute to the overall residential character and stability of the area and provide community-oriented services that support neighborhood residents.

The subject's proximity to schools is considered generally adequate for the surrounding residential environment, although school access is not a primary demand driver for senior housing developments. Nevertheless, nearby schools and educational facilities often contribute positively to neighborhood infrastructure, public investment, and community activity levels. In addition, the presence of established institutional uses within the surrounding area reflects a mature urban neighborhood pattern with access to a variety of public services and community resources.

Transportation linkages

The subject property at 815 N. 35th Street benefits from good access to the regional transportation network within the City of Richmond. The site is located within Richmond's East End and is served by an established network of local streets that connect to major arterial roadways including Nine Mile Road, East Broad Street (U.S. Route 250), and U.S. Route 360. These corridors provide convenient access to Downtown Richmond, surrounding employment centers, medical facilities, retail destinations, and other areas throughout the metropolitan region. Interstate 64 is also located within a short driving distance of the property, providing regional connectivity to Interstate 95 and other major transportation routes serving Central Virginia.

Public transportation access is considered a positive attribute of the subject location. Greater Richmond Transit Company (GRTC) bus routes operate along nearby corridors and provide transportation options for residents without personal vehicles, which is particularly important for senior households. Sidewalks and pedestrian infrastructure are present throughout much of the surrounding neighborhood, supporting walkability and access to nearby services and transit stops. Overall, the subject's proximity to both public transportation and major roadway systems enhances accessibility and supports the overall marketability of the proposed affordable senior housing development.

Medical services

The subject property at 815 N. 35th Street benefits from good proximity to a variety of medical services and healthcare providers within the City of Richmond. Several hospitals, medical offices, urgent care facilities, pharmacies, and specialty healthcare providers are located within a short driving distance of the site, which is an important consideration for senior residents. Major healthcare institutions serving the Richmond area, including VCU Medical Center and Bon Secours Richmond Community Hospital, are accessible from the property via nearby arterial roadways and public transportation routes. In addition, neighborhood medical clinics, dental offices, and pharmacies are located along nearby commercial corridors including Nine Mile Road and East Broad Street.

Access to healthcare services is considered a significant positive attribute for the subject given the needs of the senior population. The surrounding area is also served by public transit through Greater Richmond Transit Company (GRTC) bus routes, allowing residents without personal vehicles to access medical appointments and healthcare-related services. The subject's urban location within the City of Richmond provides residents with convenient connectivity to both routine and specialized medical care, enhancing the property's overall suitability and marketability as an affordable senior housing community.

Places of worship

The subject property at 815 N. 35th Street is located within an established residential area of Richmond's East End that contains numerous churches and places of worship serving the surrounding community. Several Baptist, Methodist, Catholic, and non-denominational congregations are located throughout the immediate and broader neighborhood, many of which are situated within a short driving distance or accessible by local streets and public transportation. These religious institutions are common components of the East End community and contribute to the area's longstanding neighborhood identity and community support network.

The subject's proximity to places of worship is considered a positive attribute for a senior housing development, as many senior residents value convenient access to religious services, fellowship opportunities, and community outreach programs. In addition to spiritual services, many local churches and faith-based organizations provide senior support programs, food assistance, transportation assistance, and other community resources that may benefit residents of the proposed development. Overall, the availability of nearby places of worship enhances the subject's compatibility with the surrounding neighborhood and supports the overall livability of the area for senior households.

Proximity to Employment Centers

The subject property at 815 N. 35th Street benefits from reasonable proximity to several employment centers within the City of Richmond and the greater metropolitan area. Downtown Richmond, located approximately two miles west of the site, serves as a major regional employment hub containing government offices, healthcare facilities, financial institutions, educational institutions, and a wide variety of professional and service-related employers. Additional employment opportunities are located throughout the East End and along nearby commercial corridors including Nine Mile Road and East Broad Street, where retail, healthcare, hospitality, and neighborhood service businesses are concentrated. Major employers within the broader Richmond market include VCU Health System, Bon Secours Health System, state government agencies, and numerous logistics, manufacturing, and distribution operations located throughout the region.

Although employment access is not a primary demand driver for a senior housing development, proximity to employment centers remains beneficial for resident family members, caregivers, service providers, and property staff. In addition, some senior residents may remain employed on a part-time basis or participate in volunteer and community service activities within the surrounding area. The subject's access to major roadways and public transportation routes further enhances connectivity to employment centers throughout Richmond. Overall, the property's location provides adequate access to employment opportunities and supporting economic activity within the metropolitan area.

Proximity to Senior Services

The subject property at 815 N. 35th Street benefits from good proximity to a variety of senior-oriented services and community resources within the City of Richmond. The surrounding area includes access to healthcare providers, pharmacies, grocery stores, community centers, public transportation, and social service agencies that support the daily needs of senior residents. Several organizations throughout Richmond provide services specifically targeted to the elderly population, including meal assistance programs, wellness services, transportation assistance, case management, and recreational activities. In addition, nearby medical facilities and outpatient healthcare providers contribute to the overall accessibility of healthcare and supportive services important to senior households.

The property's location within an established urban area also provides access to senior-focused programs offered through local churches, nonprofit organizations, and community service agencies throughout Richmond's East End and Downtown areas. Public transportation through Greater Richmond Transit Company (GRTC) bus routes enhances accessibility for residents who may not drive, allowing convenient travel to medical appointments, shopping destinations, and

community activities. Overall, the subject's proximity to senior services and support resources is considered a positive attribute that enhances the suitability and marketability of the development as an affordable senior housing community.

7. COMMENT OF AVAILABILITY OF PUBLIC TRANSPORTATION.

The subject property at 815 N. 35th Street benefits from good proximity to public transportation services within the City of Richmond. The surrounding East End neighborhood is served by Greater Richmond Transit Company (GRTC) bus routes operating along nearby corridors including Nine Mile Road, East Broad Street, and North 25th Street. These transit routes provide residents with access to Downtown Richmond, medical facilities, shopping centers, employment areas, community services, and other destinations throughout the metropolitan area. The availability of public transportation is an important amenity for senior residents, particularly for households that may not own or regularly operate personal vehicles.

The subject's location within an established urban area also supports pedestrian accessibility to nearby bus stops through existing sidewalks and local street connections. Access to reliable public transportation enhances the overall marketability and functionality of the property by improving resident mobility and connectivity to essential daily services. Overall, the subject's proximity to public transportation is considered a positive attribute that supports the needs of the targeted senior population and contributes to the long-term viability of the proposed affordable senior housing development.

8. CRIME

Crime within the subject's immediate market area is generally considered moderate to above average when compared to suburban areas of the Richmond metropolitan region, which is typical for older urban neighborhoods within the City of Richmond's East End. The surrounding area has historically experienced higher incidences of property crime and certain violent crime categories relative to some suburban localities; however, crime levels can vary significantly by neighborhood block and over time. Publicly available crime mapping and Richmond Police Department reporting indicate that portions of the East End continue to experience ongoing public safety challenges associated with urban density, older housing stock, and socioeconomic conditions.

Despite these conditions, the subject benefits from its location within an established residential neighborhood that continues to experience revitalization and reinvestment activity, including housing redevelopment and infrastructure improvements. In addition, affordable senior housing developments generally generate lower levels of resident turnover and activity compared to conventional multifamily properties, which can contribute positively to overall property stability and security. The proposed rehabilitation and new construction components are also expected to improve the physical appearance and functionality of the property, which may enhance neighborhood perception and marketability. Security measures such as controlled access, exterior lighting, property management oversight, and community engagement programs can further mitigate crime-related concerns and support long-term occupancy performance for the development.

9. PROVIDE CONCLUSION CONCERNING THE SUITABILITY OF THE PROPOSED SITE FOR THE PROPOSED USE.

The subject site at 815 N. 35th Street is considered suitable for its existing and proposed use as an affordable senior housing community due to its established urban residential location, access to neighborhood amenities, and proximity to services important to the senior population. The property benefits from convenient access to public transportation, healthcare providers, pharmacies, grocery stores, community facilities, and major transportation corridors throughout the City of Richmond. The surrounding area contains a mix of residential, institutional, and neighborhood-oriented commercial land uses that are generally compatible with multifamily residential development. In addition, the site is located within an area that continues to experience ongoing revitalization and reinvestment activity, supporting the long-term viability of residential uses within the neighborhood.

The proposed rehabilitation of the existing 56 dwelling units together with the construction of an additional 70 dwelling units will modernize and expand the property while helping address the continued demand for affordable senior housing within the Richmond market. The use of LIHTC financing with income and rent restrictions at 60% of Area Median Income (AMI) positions the development to serve a large segment of income-qualified senior households seeking affordable, accessible housing options. Although the property's urban infill setting presents certain challenges related to redevelopment logistics, neighborhood perceptions, and older surrounding infrastructure, these factors are offset by the strong demand for affordable senior housing, the subject's accessibility to essential services, and the overall benefits associated with the proposed modernization and expansion of the community.

LOCATION ANALYSIS

As part of the location analysis, a competitive location rating of the area is prepared. This rating procedure has two steps. First, each submarket is compared with another area about various factors, and each element of comparison is rated in terms of a numerical score. The higher the rating assigned to an area, the higher its score. Second, the submarkets are ranked relative to one another using a calibrating process. The resulting scores are then totaled. A higher score identifies an area considered superior. The rating numbers will range from 1, being the worst, to 3 being the best.

Location Rating Factor (by Submarket)			
Rating Factor	Subject	North	Central
Proximity to Existing Development	2	2	3
Public Planning/ Development Support	2	2	3
Path of Growth	2	2	3
Reputation/ Prestige	2	2	3
Access/ linkages (now and future)	3	2	2
Schools	2	2	1
Restaurants/ Shopping	2	2	3
Employment Center	2	2	3
Higher Income Housing	2	2	3
Recreational Facilities	2	2	2
Aesthetics- natural features	2	2	3
Infrastructure- existing and committed	2	2	2
*Detrimental Influences	2	2	2
Score	27	26	33
% of Total Scores	69%	67%	85%

The subject's PMA is compared to the two closest districts. The subject scored 27 out of a possible 39, which equates to 69%. There are no known hazards, nuisances, or detrimental influences in the area. The subject's submarket appears to be suitable for low to moderate income housing.

E. MARKET AREA DEFINITION

(Format derived from Version 3.0, Adopted 1/14/2013; Section E; Market Area Definition; NCHMA)

I. DEFINE THE PRIMARY MARKET AREA

The definition of a market area for any real estate use is generally limited to the geographical area within which consumers will consider the available product alternatives to be relatively equal. Frequently, a primary area is defined where consumers will have the highest propensity to choose a specific product at a specific location, and a secondary area is defined where consumers are less likely to select a product at that location, but where demand from consumers will still be significant.

TIME-DISTANCE CONCEPTS

Time distance relationships are often used to determine a subject's Primary Market Area (PMA). A PMA is the geographical area that the subject is expected to draw most of its tenant base from. Time distance concepts are simply the relationship between the time it takes, and distance one has to travel to get to their respective destination. This concept recognizes the relationship between where a tenant chooses to live and the distance to their respective destination. Some of the most important factors in a time-distance relationship include proximity to work, school, entertainment, or shopping.

Competitive Area (area over which equally desirable properties tend to compete with the subject)

After analyzing the time-distance relationship between the subject and employment and support facilities as well as the market area for competitive housing, the analyst concludes that the market area for the subject apartment project includes generally the central and southern portions of the City of Norfolk.

DIRECT SURVEY METHOD

In employing the Direct Survey Method, we simply surveyed the existing competitive inventory to determine where they are drawing their residents from in terms of geographical location. Of those properties that participated in our survey, we found that approximately 90% of the residents are being drawn from an approximate 3-mile radius to their respective location. Accordingly, based upon our direct survey of the market, we can reasonably account for up to 90% of the dwelling units. Secondary market would make up the balance of the units, but our analysis only focuses on the PMA.

COMMUTING PATTERNS

Commuting patterns measure the daily travel between places of residence and places of work. To be classified as a commuter, a worker must cross at least one political boundary when traveling between work and home. This information facilitates the analyst in establishing the demarcations of the subject's PMA. It estimates where employment hubs are in proximity to employee's places of residence. By measuring the mean travel time to work, we can establish the PMA by simply approximating the distance traveled from home to work. This is a good foundation facilitating how far residents are willing to travel to work.

Commuting to Work (16+)	%
Less than 5 minutes	1.90%
5 to 9	8.50%
10 to 14	14.00%
15 to 19	20.40%
20 to 24	19.20%
25 to 29	8.00%
30 to 34	14.20%
35 to 39	1.90%
40 to 44	3.30%
45 to 59	4.20%
60 to 89	2.80%
90+	1.70%

Mean travel time to work (min.) 24.7

Approximately 90% of commuters have a commute time of less than the 35-minute mean travel time to work.

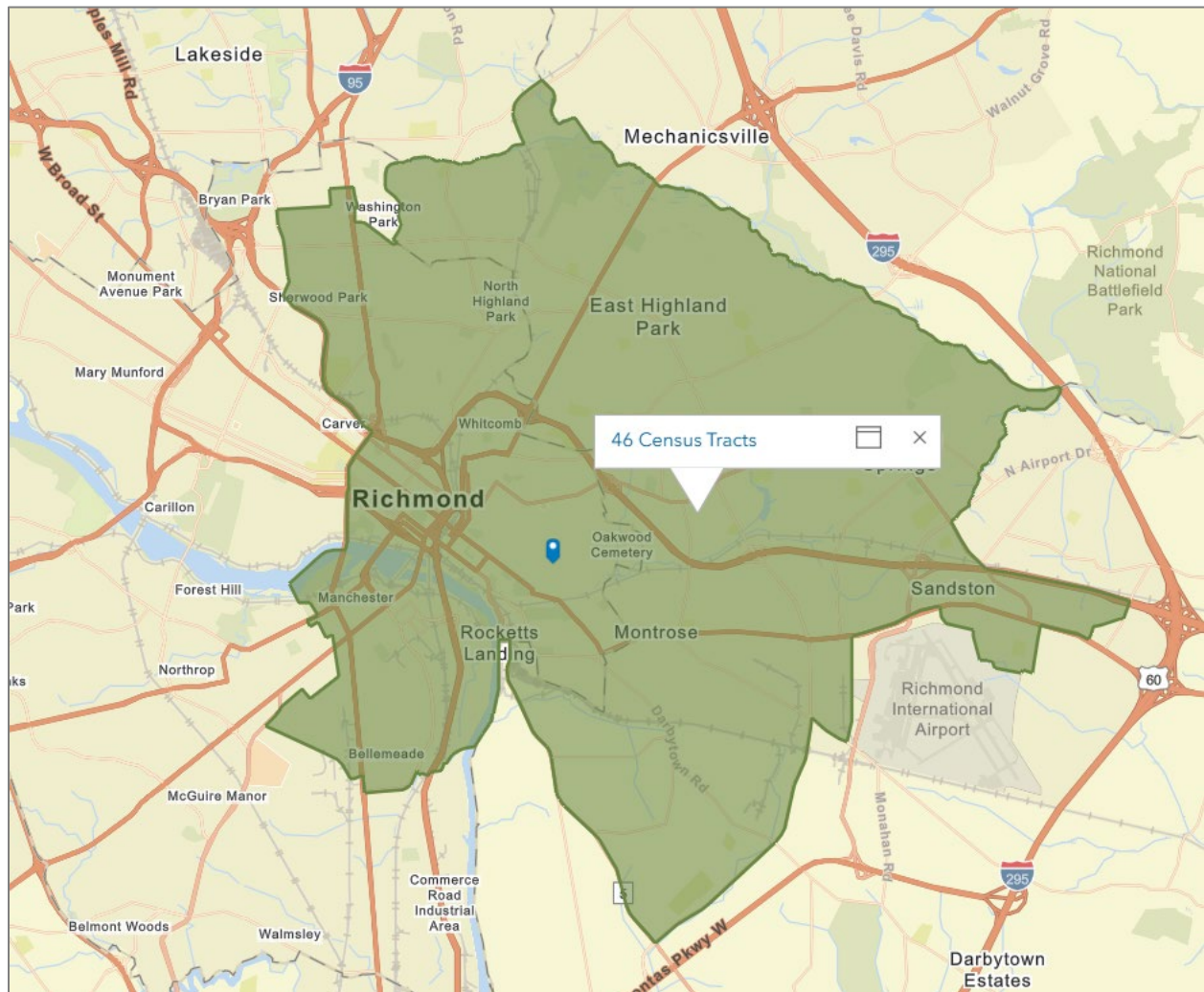
CONCLUSION

Based on field research and prior analysis of market conditions in the area, along with an assessment of population change and housing development, employment, transportation and geographic patterns, municipality definitions, housing stock conditions, and the location of competitive affordable housing, the effective primary market area for the subject is as follows;

PMA			
<u>Census Tracts</u>	<u>Jurisdiction</u>	<u>Census Tracts</u>	<u>Jurisdiction</u>
510872008.05	Henrico	517600110.00	Richmond City
510872010.01	Henrico	517600111.00	Richmond City
510872010.02	Henrico	517600201.00	Richmond City
510872010.03	Henrico	517600202.00	Richmond City
510872011.02	Henrico	517600203.00	Richmond City
510872011.03	Henrico	517600204.00	Richmond City
510872011.04	Henrico	517600205.01	Richmond City
510872012.03	Henrico	517600205.02	Richmond City
510872012.04	Henrico	517600206.00	Richmond City
510872012.05	Henrico	517600207.00	Richmond City
510872012.06	Henrico	517600208.00	Richmond City
510872014.05	Henrico	517600209.00	Richmond City
510872014.06	Henrico	517600210.00	Richmond City
510872015.03	Henrico	517600211.00	Richmond City
510872015.04	Henrico	517600212.00	Richmond City
510872017.01	Henrico	517600301.00	Richmond City
517600104.01	Richmond City	517600302.00	Richmond City
517600104.02	Richmond City	517600305.01	Richmond City
517600105.00	Richmond City	517600305.02	Richmond City
517600106.00	Richmond City	517600602.00	Richmond City
517600107.00	Richmond City	517600607.00	Richmond City
517600108.00	Richmond City	517600610.01	Richmond City
517600109.00	Richmond City	517600610.02	Richmond City

Secondary markets include concentric areas outward from previous boundaries determine. A Primary Market Area can further be examined on a macro and micro level. A macro-PMA is defined where consumers will have the highest propensity to choose a specific product at a specific location (as per the above stated definition) and demand may account for absorbing the vast majority of the proposed units. As previously stated, the subject properties macro-PMA is defined above. The micro-PMA examines relevant trends in the subject properties immediate market area. Because the area of study is significantly smaller than the macro-PMA, demand accounts for absorbing only a small portion of the units. Our micro-PMA includes the census tract in which the subject property is located. For illustrative purposes, we will often refer to demographic trends within the county only. We anticipate 30% of the units to be absorbed from the subject's micro-PMA; 60% to be absorbed by the subject's macro-PMA and the remaining 10% to be absorbed by secondary markets. Thus, we anticipate that by focusing on the subject's macro-PMA, we can reasonably account for 90% of derived demand.

2. A MAP OUTLINING THE SUBJECTS PRIMARY MARKET AREA (PMA) IS AS FOLLOWS;



The subject's PMA is defined in the above map. Land uses in the immediate area are consistent with and complementary to the subject's existing development. In the immediate vicinity of existing residential, office, multifamily, and retail. There is a wide array of land uses in the subject's immediate market area.

F. EMPLOYMENT AND ECONOMY

(Format derived from Version 3.0, Adopted 1/14/2013; Section F; Employment and Economy; NCHMA)

I & 2 EMPLOYMENT BY INDUSTRY

The chart below considers the employment by industry for the area, which most closely approximates the subject's PMA, and the entire MSA. As demonstrated, the composition of employment by industry for the county is consistent with the composition of employment by industry for the entire MSA. This is a diverse industry base with no one sector that is dominating the job sector to the detriment of the rest.

Total Employment by Industry		
	City of Richmond	% of Total
Agriculture, Forestry, Fishing and Hunting	5	0.00%
Mining, Quarrying, and Oil and Gas Extraction	0	0.00%
Utilities	370	0.26%
Construction	5,426	3.79%
Manufacturing	5,665	3.96%
Wholesale Trade	2,955	2.07%
Retail Trade	9,562	6.68%
Transportation and Warehousing	8,107	5.67%
Information	1,306	0.91%
Finance and Insurance	4,446	3.11%
Real Estate and Rental and Leasing	2,325	1.63%
Professional, Scientific, and Technical Servi	11,628	8.13%
Management of Companies and Enterprises	1,798	1.26%
Administrative and Support and Waste Management	8,944	6.25%
Educational Services	1,722	1.20%
Health Care and Social Assistance	22,985	16.07%
Arts, Entertainment, and Recreation	1,529	1.07%
Accommodation and Food Services	10,380	7.26%
Other Services (except Public Administration)	3,412	2.38%
Government Total	40,273	28.15%
Unclassified	230	0.16%
Total, All Industries	143,068	100%

3. HISTORICAL UNEMPLOYMENT RATE

Unemployment rates in the city have historically been somewhat higher than the state and US levels.

Year	Richmond City	VA	US
2014	6.00%	5.10%	3.20%
2015	5.10%	4.40%	5.30%
2016	4.30%	4.00%	4.90%
2017	3.90%	3.60%	4.40%
2018	3.30%	3.00%	3.90%
2019	3.00%	2.80%	3.70%
2020	8.60%	6.50%	8.10%
2021	5.00%	3.80%	5.30%
2022	3.00%	2.70%	3.60%
2023	3.10%	2.70%	3.60%
2024	3.20%	2.90%	4.00%

Unemployment rates at the city, state and national levels have been trending downwards. Unemployment rates in the city have maintained higher levels than state and lower than national levels.

Month/ Yr.	Richmond City	VA	US
Nov-24	3.30%	2.90%	4.50%
Dec-24	2.90%	2.70%	4.40%
Jan-25	3.50%	2.70%	3.90%
Feb-25	3.70%	2.90%	3.90%
Mar-25	3.90%	2.40%	4.00%
Apr-25	3.70%	2.30%	3.80%
May-25	3.90%	2.70%	4.40%
Jun-25	4.10%	3.00%	4.50%
Jul-25	4.10%	3.30%	4.20%
Aug-25	4.10%	3.50%	3.90%
Sep-25	3.70%	3.10%	4.00%

Monthly trends have been consistent with years past.

4. AREA MAJOR EMPLOYERS

PMA MAJOR EMPLOYER LIST (by order of number of employees)

Employer	Industry Sector	Product/Service	Notes
Capital One	Finance & Insurance	Credit cards, consumer banking, fintech	Largest private employer
VCU Health / VCU	Healthcare & Education	Hospital services, education, research	Major anchor institution
Commonwealth of Virginia	Government	Public administration, regulatory services	State capital employment base
City of Richmond	Government	Municipal services, public safety, utilities	
Dominion Energy	Utilities / Energy	Electric and natural gas services	Fortune 500 HQ
Wells Fargo / Bank of America / Truist	Finance & Insurance	Commercial banking, lending	Major regional banking presence
Altria Group	Manufacturing	Tobacco and nicotine products	Legacy employer
CarMax	Retail / Automotive	Used vehicle sales and financing	Headquarters
Bon Secours / HCA Healthcare	Healthcare	Hospital and outpatient care	Large healthcare systems
Performance Food Group	Wholesale Distribution	Food distribution	Fortune 500 HQ

5. COMMENT OF RECENT OR PLANNED MAJOR EMPLOYMENT EXPANSIONS.

Recent & Planned Employment Expansions

The Richmond MSA has experienced strong employment growth driven primarily by healthcare, logistics, and advanced manufacturing, with several major capital investments underway. Most notably, Eli Lilly announced a \$5 billion pharmaceutical manufacturing facility in Goochland County, expected to create approximately 650 high-wage permanent jobs and 1,800 construction jobs, representing one of the largest economic development projects in the region's history.

Healthcare continues to be a major expansion driver, with the region adding over 2,600 jobs in the health care and social assistance sector between 2024 and 2025 and continued projected growth. This trend is supported by ongoing expansion of major institutional employers such as VCU Health and Bon Secours, as well as broader demographic demand. Additionally, the logistics and distribution sector remains active, highlighted by large-scale facilities such as Amazon's robotics fulfillment center (over 2.7 million square feet) and continued warehouse/distribution investments across the metro area. Collectively, these expansions reinforce Richmond's role as a regional hub for healthcare, life sciences, and East Coast distribution.

Employment Contractions / Moderating Trends

While the overall employment outlook remains positive, some sectors are experiencing slowing growth or modest contraction. Regional data indicates softening in certain service sectors and professional/business services, reflecting broader national trends of normalization following the post-pandemic hiring surge. Additionally, local government hiring has faced constraints, including temporary hiring limitations tied to budget pressures following infrastructure and operational challenges, which may dampen short-term public sector employment growth.

More broadly, although Richmond continues to outperform peer metros in job postings, the labor market is transitioning from rapid expansion to more stabilized, moderate growth, particularly outside of healthcare and advanced manufacturing. This moderation is consistent with national trends and does not indicate structural weakness, but rather a shift toward sustainable long-term growth.

6. IN RELEVANT MARKETS, COMMENT OF AVAILABILITY OF AFFORDABLE HOUSING

Primary for employees of businesses and industries that draw from PMA.

Not Applicable

7. TYPICAL WAGES BY OCCUPATION

The following table provides the mean hourly wages and their corresponding estimated weekly wages for major occupational groups in the Richmond area:

Average Weekly Wage by Industry	\$
Agriculture, Forestry, Fishing and Hunting	\$1,083
Mining, Quarrying, and Oil and Gas Extraction	-
Utilities	\$3,057
Construction	\$1,530
Manufacturing	\$1,505
Wholesale Trade	\$1,617
Retail Trade	\$732
Transportation and Warehousing	\$11,613
Information	\$2,517
Finance and Insurance	\$2,636
Real Estate and Rental and Leasing	\$1,318
Professional, Scientific, and Technical Servi	\$1,797
Management of Companies and Enterprises	\$1,928
Administrative and Support and Waste Manageme	\$1,004
Educational Services	\$1,065
Health Care and Social Assistance	\$1,441
Arts, Entertainment, and Recreation	\$596
Accommodation and Food Services	\$475
Other Services (except Public Administration)	\$974
Government Total	\$1,581
Average for City	\$1,459

8. COMMUTING PATTERNS

Commuting patterns measure the daily travel between places of residence and places of work. To be classified as a commuter, a worker must cross at least one political boundary when traveling between work and home.

Commuting Patterns	Persons
People who live and work in area	34,011
In-Commuters	120,669
Out-Commuters	56,171
Net In-Commuters	64,498

There are approximately 34,011 people who reside and work in the city. The total number of persons commuting into the city is more than those that commute out of the by approximately 64,498 persons.

Commuting patterns in the City of Richmond reflect a highly interconnected regional labor market, with significant movement of workers both into and out of the city on a daily basis. A substantial share of city residents do not work within the city itself—approximately 63% of Richmond residents commute outside the city for employment, illustrating the importance of surrounding suburban job centers such as Henrico and Chesterfield counties. At the same time, the city functions as a major employment hub, attracting a large number of inbound commuters from the broader metropolitan area. Regional data indicates that over 400,000 workers commute between jurisdictions within the Richmond MSA daily, underscoring the integrated nature of the local economy. This bidirectional flow of labor is characteristic of modern metropolitan areas and supports a wide distribution of employment opportunities across the region.

Commuting behavior in Richmond is primarily automobile-oriented, consistent with most mid-sized U.S. metros, although public transit (GRTC bus system) and limited alternative modes (walking and biking in urban neighborhoods) play a secondary role. Average commute times are generally moderate, aligning with statewide averages of roughly 25–30 minutes one-way, which supports overall accessibility and workforce mobility. Notably, the region exhibits elements of a “reverse commute” pattern, where many city residents travel outward to suburban employment centers, particularly for white-collar jobs located in areas such as Innsbrook in Henrico County. Emerging trends, including hybrid work arrangements, have also introduced longer-distance commuting patterns (e.g., periodic travel to Washington, D.C.), though these remain a smaller segment of the workforce. Overall, Richmond’s commuting patterns reflect a balanced and accessible regional system that supports stable employment connectivity and is favorable for residential demand across the metropolitan area.

9. CONCLUSIONS

The economy of the City of Richmond is characterized by steady growth, a diversified employment base, and strong regional connectivity, which together support long-term economic stability. The Richmond MSA maintains a large labor force of approximately 700,000 workers and has achieved low unemployment levels near 3%–3.5%, indicating conditions consistent with full employment. The local economy is anchored by a broad mix of industries, with the largest sectors including trade, transportation and utilities; professional and business services; government; and education and health services, reflecting a balanced economic structure that reduces reliance on any single industry. Major employers such as Capital One, VCU Health, the Commonwealth of Virginia, Dominion Energy, and Altria provide a stable employment base, while recent large-scale investments—most notably the Eli Lilly pharmaceutical manufacturing facility and continued healthcare expansion—are expected to generate significant new employment opportunities, reinforcing economic growth. At the same time, some sectors such as professional services and certain government functions have experienced modest slowing, reflecting broader normalization following post-pandemic expansion rather than structural weakness.

Wage levels in the Richmond MSA are competitive relative to cost of living, with average hourly wages of approximately \$31.78 and annual wages in the mid-\$60,000 range, supporting overall affordability and purchasing power. Recent data also indicates continued wage growth, including increases of approximately 6% in the City of Richmond, further strengthening household incomes. Commuting patterns reflect a highly integrated regional economy, with substantial movement of workers between the City of Richmond and surrounding counties; notably, a majority of residents commute outside the city for employment while the city simultaneously attracts inbound workers. This bidirectional flow underscores Richmond's role as both an employment center and residential hub within the broader metro area. Overall, the combination of low unemployment, diversified employment sectors, ongoing economic expansion, rising wages, and strong regional connectivity supports a positive economic outlook for the City of Richmond, which in turn is favorable for sustained housing demand across market segments, including affordable and LIHTC housing.

G. DEMOGRAPHIC CHARACTERISTICS

(Format derived from Version 3.0, Adopted 1/14/2013; Section G; Demographic Characteristics; NCHMA)

POPULATION AND HOUSEHOLD ESTIMATES AND PROJECTIONS

General Population Trends

The population for the subject's PMA increased approximately 15% between 2010 and 2025. The total population for the PMA is estimated at 153,935 in 2030, which represents an annual 0.34% growth rate over the next 5 years. This change in population over this time span is considered moderate and thus we can conclude that the population in the subject's PMA is growing at a constant and deliberate pace.

General Population Trends			
Year	No.	% Change	Annual % Change
2010	131,672	Base Year	Base
2025	151,347	14.94%	1.15%
2030 (est)	153,935	1.71%	0.34%

POPULATION BY AGE

Population By Age	2025	%	2030 (est)	%
0-4	8,499	5.50%	8,368	5.50%
5-9	8,292	5.50%	7,703	5.00%
10-14	7,734	5.10%	7,765	5.00%
15-24	22,081	14.60%	22,162	14.50%
25-34	29,438	19.40%	27,930	18.20%
35-44	20,916	13.80%	22,485	14.60%
45-54	15,479	10.30%	16,855	11.00%
55-64	16,471	10.90%	15,067	9.80%
65-74	13,808	9.20%	14,677	9.50%
75-84	6,542	4.30%	8,340	5.50%
85+	2,087	1.40%	2,583	1.70%
Total	151,347	100%	153,935	100%
Aged 55+	38,908	25.80%	40,667	26.50%

As indicated above, approximately 26% or 38,908 of the population is 55 years of age or older in 2025 and in 2030, approximately 27% or 40,677 of the population is 55 years or older which is the target age group of the subject. There does not appear to be any significant shifts in the age composition of the population over our survey period.

ELDERLY HOUSING TRENDS

To take a more detailed look at the average and projected household size, we will take a closer look at the components of this equation; elderly households and elderly population.

Housing Trends; PMA			
Year	Elderly Population	Elderly Households	Elderly Persons per HH
2020	36,169	23,871	1.52
2025	38,908	25,702	1.51
2030 (est)	40,667	26,731	1.52
Household Trend Analysis			
Year	Number Total	Annual Change	
2020-2025	1,832	366	
2026-2030	1,029	206	

Housing Trends in macro-PMA

- The elderly population have had modest increases over our survey period.
- Households have had modest increases over our survey period.
- Persons per HH remained general level over our survey period

In almost every market, rural and urban, there has been a decline in the household size since 1960 because of several sociological factors including smaller families, fewer extended or three generation families, greater number of divorces and single parents, increased personal longevity yielding more elderly, one- and two-person households, etc. (By definition, the minimum household size is 1.0.). The PMA is no exception to this trend.

ELDERLY HOUSEHOLDS BY TENURE

Owner/ Renter Occupancy in PMA						
	2020	%	2025	%	2030 (est)	%
Elderly Owner	13,843	58%	14,907	58%	15,504	58%
Elderly Renter	10,053	42%	10,795	42%	11,227	42%
TOTAL:	23,896	100%	25,702	100%	26,731	100%

The ratio of elderly renters to owners in the subject PMA has remained level over our survey period.

DISTRIBUTION OF INCOME

Income Restrictions

Establishing the factor to identify which target households are eligible by income requires the definition of the limits of the affordable income range. The following table presents the data used in the MSA market in deriving these ranges. The upper limit is constrained using HUD income limits adjusted for household size. This analysis converts household size into bedroom mix using maximum reasonable occupancies, given the household size distribution. Therefore, the expected household size average of an EFF is 1 person; 1 BR is 1.5 persons; 2 BR is 3 persons, and a 3 BR is 4.5 persons, etc.

Pertaining to the affordable units; the affordability range, including the lower limits, for the analysis, is estimated using expenditure patterns reflecting what consumers typically pay for housing. The lower limits are typically established by assuming an **elderly** household can reasonably afford to pay no more than **40%** of its income for gross housing expenses, including utilities and maintenance. (The most recent Consumer Expenditure Survey (CEX) by the Census Bureau indicates that the average cost paid by U.S. households is around 38%). The upper limits are established using the HUD limits referred to above.

The analysis is as follows;

INCOME LIMIT DERIVATION		LIHTC Rents	
PMA			
LIHTC			
Income/Rent Restriction	60%	60%	
Unit Type (No. of BR's)	1x1	2x1	
No. of Units	125	1	
No. of PBV Units (assuming all LIHTC)	0	0	
Proposed Rents	\$1,216	\$1,422	
UTILITY ALLOWANCE	\$61	\$78	
GROSS RENTS	\$1,277	\$1,500	
Annual Rent	\$15,324	\$18,000	
Incomes needed to Support Gross Rents (with no subsidy component considered)		\$38,310	\$45,000
Proportion of Units Eligible for Restrictions Eligible Households:		100%	100%
Eligible Income, Upper Limit @ 60% of AMI		\$51,090	\$61,320
Maximum Tax Credit Eligible Gross Rents (60%)		\$1,277	\$1,533
Target Income Ranges:		\$38,310	\$45,000
to		\$51,090	\$61,320

The rent level, the resulting affordability limits, and the income distribution among the lower income households in the market, create a segment for elderly households. The income range for a rental project is illustrated in the above tables.

It is possible that some households, with higher incomes and larger family sizes, could qualify for units, and that some smaller households will also qualify for the bedroom units or choose to pay more than 40% of their income for housing. However, this range is estimated to include the bulk of the potential tenants. This analysis uses the income distributions for family households in the subject's PMA as the income standard, not the MSA. The inclusion of other county/ city households within the PD may skew the market area medians and result in an inaccurate estimation of demand.

AFFORDABILITY INDEX

The affordability index quantifies the number of households that fall within the income range established in the previous table. Those households that fall within the income range can afford the product. Within this analysis, we have assumed an even-spread of households throughout the income range. The affordability indexes are as follows;

Household Income Distribution; PMA					Overall	1x1	2x1
Household Income Range		% of HH	# of HH			60%	60%
\$0	to \$14,999	19%	2,051				
\$15,000	to \$24,999	10%	1,080				
\$25,000	to \$34,999	10%	1,080				0
\$35,000	to \$49,999	14%	1,511	1,511	1,511	1,619	
\$50,000	to \$74,999	15%	1,619	1,619	71	650	
\$75,000	to \$99,999	11%	1,187				
\$100,000	to \$149,999	11%	1,187				
\$150,000	+	10%	1,080				
Renter HH					3,131	1,582	2,269
Min Income					\$38,310	\$38,310	\$45,000
Max Income					\$61,320	\$51,090	\$61,320
Affordability Index					29%	15%	21%

The overall affordability index is 36% for all units. The affordability index is simply the ratio of renter qualified households by the total number of renter households. The affordability index is further segmented by bedroom as demonstrated in the above table.

Adjust for Normal Vacancy

At any given time, some units will be vacant because of seasonal occupancy or the need to refurbish units. A vacancy rate of about 5% is often applied to the demand forecast to reflect a market in equilibrium. In non-valuation studies, such as a feasibility analysis for proposed construction, this adjustment is used to estimate the supportable project size. We have made a 5% allowance in our analysis.

Demand Generators

Marginal demand for real estate is typically of function of two basic indices; Changes in Population and Trends within the Existing Housing Inventory. Within each category, various demand generators are present. A brief description of each form of marginal demand is described below.

Change in population

Initially, the change in population is the primary component which drives household demand. As population increases/ decreases, the demand for housing increases/ decreases relative to household size. If average household size remains constant, as population increases, the demand for households also increases. Conversely, if population decreases, the demand for households decreases. The change in population has the potential of increasing/ decreasing overall household demand. This form of demand is new demand.

Existing Inventory

Movership demand and latent demand (often referred to as “pent-up” demand)

Movership demand is simply a form of trending within the existing household inventory. Movership demand is created as the existing inventory of housing shifts into/ out of the subject’s target qualification criteria. Movership demand is demand generated by the upward/ downward mobility of lower/ upper-income households. If move-up demand exceeds move-down demand, then a positive “net” demand is created. This marginal demand estimate can be added to or subtracted from the existing demand, thus increasing/ decreasing overall demand. If move-down demand exceeds move-up demand, then a negative “net” demand is created. This marginal demand estimate is subtracted from the existing demand, thus decreasing overall demand.

Latent demand, which is also referred to as pent-up demand, typically results from underbuilding in an area. If, over the last several years, rental building has not kept pace with the population increase and, more importantly, the percentage of the population desiring (or needing) rental units that had been forecast to increase, latent demand might be present.

During our analysis, we have estimated that “latent” demand will be generated from five sources; existing unmet demand (existing demand exceeds existing supply), cost burden renters, substandard households, waiting lists and conversions.

- Existing Demand may be present if current demand for a product exceeds the current supply for a product type.
- Family/ Elderly Cost Burden Renters are those renters that are spending more than 35%/ 40% of their income for housing costs.
- Substandard Households are those households that have incomplete kitchen facilities, incomplete plumbing facilities or more than one person per room.
- Waiting lists is a form of pent-up demand in which a tenant (demand) must wait for a residential unit (supply).
- Conversions are simply those that reside in one form of housing and may convert to another form of housing. Most commonly this occurs between homeowners and renters.

If latent demand exists, then it always represents a positive adjustment to existing demand.

Adjust for Movership Demand

As previously discussed, movership demand is created from trending within the existing inventory.

Trends

Based upon our analysis, we anticipate that “move-up” gains are expected to mostly be cancelled out from “lateral- losses” and thus a 0% additional demand is generated from trending.

Adjust for Latent Demand

Our analysis indicates that the current demand for the subject exceeds the current supply and therefore, a positive residual demand exists.

Cost Burden Renters are those renters that spending more than 35% of income for housing costs. Based upon information provided by the US Census Bureau, approximately **37%** of renter households in the subject PMA are considered cost burden households.

Substandard Households are those households that have incomplete kitchen facilities, incomplete plumbing facilities or more than one person per room. Based upon information provided by the US Census Bureau, approximately **4%** of renter households are considered substandard households.

We have estimated that **around 40%** of *current* renter households are a combination of cost burden and substandard households. Not all the cost burden households and substandard households will qualify for the subject; however, more than the average affordability index will qualify given that the subject is designed to cater to this household segment. Therefore, we have estimated the affordability index at **50%** for this household segment. The balance of those households that would not qualify would likely remaining in their current house or find housing with a deeper form of subsidy.

H. COMPETITIVE ENVIRONMENT

COMPARABLE PROPERTY PROFILES

The first part of the analysis calls for an inventory of available and anticipated competitive supply. Quantitative supply data can be obtained from many sources. The most common sources include; costar, Carolina real data, and various online websites.

In the second part of the supply analysis, a quantitative ranking of competitive apartments is developed. We relied on judgment to complete the quantitative survey and rate the subject against the competition.

EXISTING STOCK OF COMPETITIVE PROPERTIES

Predominate type of development and conformity.

The predominately type of development in the subject's PMA is residential in nature. The multifamily inventory is typically garden style walk up communities. The subject will be a Class A community and is anticipated to have a moderate degree of conformity with other Class A and B projects in the PMA.

Existing Properties

Using quantitative data obtained from municipal lists of existing apartments and unit totals, we estimated the multifamily inventory within the subject's PMA at approximately 15,000 multifamily units (including LIHTC units). Not all these units are competitive with the subject. Some units are occupied by tenants with household incomes above or below the range specified for the subject. The subject is a family oriented LIHTC property and only other family oriented LIHTC properties are expected to compete with the subject. Therefore, we have conducted a survey on the existing inventory of family oriented LIHTC properties contained in the subject's PMA.

Planned Projects

We are aware of one competitive project that is coming online in the near term;

Walmsley Gardens Senior

4824–4890 Walmsley Blvd., Richmond, VA 23224

128 senior affordable units; 60% AMI average; under construction; completion deadline listed as 12/24/2029.

Conclusions

This equates to 128 dwelling units that will come online in the short term. Based upon conversations with city officials and housing trends, a total allowance of 150 competitive new dwelling units is estimated within the subject's PMA over the mid-range forecast (5 years).

The multifamily lending market in the Richmond and Henrico County area is best characterized as stable but conservative, with improving liquidity following the contraction experienced in 2022–2023. Interest rates remain elevated relative to historical lows, which continues to constrain loan proceeds and require more disciplined underwriting, including higher debt service coverage ratios and greater scrutiny of lease-up assumptions. However, capital remains available from a range of sources, including agency lenders (Fannie Mae/Freddie Mac), HUD programs, regional banks, and, most importantly for the subject, Virginia Housing through tax-exempt bonds and LIHTC equity. Affordable housing developments are generally favored by lenders due to their stable demand and income-restricted rent structures, making financing for LIHTC projects more accessible than for market-rate properties. While recent multifamily supply and modest rent growth have led to cautious underwriting, the region's solid economic fundamentals and sustained renter demand support continued lending activity, particularly for well-structured affordable housing developments such as the subject.

ANALYSIS OF COMPETITIVE SUPPLY AND RATING OF THE SUBJECT AGAINST THE COMPETITION

To obtain an inventory of apartment projects that are competitive with the subject, the noncompetitive properties must be segmented out from the existing and anticipated supply. In this step, noncompetitive supply is identified in the rating process. We have rated apartment complexes in the subject's PMA in terms of three major criteria: location, age/ condition, and amenities.

- **Location**
Each of the areas where apartment communities are clustered was assigned a rating on a scale of 1 to 3; the better the location within the PMA, the higher the rating.
- **Age/ Condition**
The age/ condition of the apartment complexes was rated 1 to 3. The older complexes received a lower rating whereas; newer complexes received a higher rating.
- **Amenities**
Property amenities include amenities offered within the apartments and common site amenities. Properties with a superior amenity package received the higher rankings.
- **Other factors considered** include whether the project is affordable or market oriented and the overall size of the complex. Properties of similar age and physical characteristics may not be considered competitive with the subject because it is not an affordable community. Also, smaller projects may not be considered competitive either. These factors were considered in our ranking analysis.

The subject is an elderly LIHTC community and all other elderly LIHTC properties in the subject's PMA will compete with the subject. Subsidized properties and family properties were excluded from our analysis. Our ranking analysis is as follows;

Property	Age Group	Units	Property Class	Overall Rating
Carter Woods I & II	15 to 30	152	B	7
Reflections Senior Living	6 to 15	104	B	7
Darby House	1 to 5	108	B	7
Sandston Plateau	30+	100	B	7
Bowler Retirement Community	30+	62	C	4
Shockoe Hill I	6 to 15	113	B	7
Manchester Grand	30+	45	B	7
Church Hill/Fairmount House	30+	297	C	4
Booker T. Washington Plaza	30+	28	C	4
Somanath Seniors	15 to 30	39	B	7
Highland Park Senior	30+	77	B	7
Rosa	1 to 5	72	B	7
Armstrong Renaissance	6 to 15	90	B	7
Baker School	1 to 5	51	B	7
Concord Northside	1 to 5	152	B	7

Total Units Surveyed in PMA
Competitive Units

1,490
1,490

The communities were sorted by their overall rating. The location ratings, the age ratings and the amenities rating were added to produce the overall rating illustrated above. Using their competitive supply ratings, the 5 communities were grouped into three classes; A, B and C. The following table shows the breakout of the apartment complexes by class.

Class	No. of Communities	% of Total Units	No. of Units per Class	Rating Scores
A	0	0%	0	9+
B	12	80%	1,103	6, 7, 8
C	3	20%	387	5 or less
Total	15	100%	1,490	

Conclusion of Competitive analysis

Class A

- There are 0 Class A projects containing 0 units located within the subject's PMA.

Class B

- There is a total of 12 Class B projects containing 1,103 units within the subject's PMA. The rating scores are 6 through 8.

Class C

- There is a total of 3 Class C project containing 387 dwelling units in the subject's PMA. The rating scores have a range from 5 and below.

The subject is expected to compete with all other LIHTC properties.

Comparable Property Photos and Property Profiles

Per VH Guidelines, a general write-up, including photos of all LIHTC properties contained in the subject's PMA is contained on the following pages. Only those LIHTC units that are family oriented and unsubsidized were included in our survey. No market rate properties were included in our survey; however, LIHTC properties with a market rate component were included in our survey as we feel the subject will effectively compete with those units as well.

In some cases, despite our best efforts, properties may not have been surveyed (not returning phone calls, refusal to cooperate). In instances in which we were unable to reach any party to the property, we may have updated older data based on trends or relied upon online sources. In some cases, in which alternative sources were not available, a property may not have been updated but still included in our analysis. There is a total of 15 LIHTC properties located in the subject's PMA of which 15 are considered competitive. Those competitive properties and their status include;

Property	Status
Carter Woods I & II	Updated online
Reflections Senior Living	Updated online
Darby House	Updated online
Sandston Plateau	Updated online
Bowler Retirement Community	Updated online
Shockoe Hill I	Updated online
Manchester Grand	Updated online
Church Hill/Fairmount House	Updated online
Booker T. Washington Plaza	Updated online
Somanath Seniors	Updated online
Highland Park Senior	Updated online
Rosa	Updated online
Armstrong Renaissance	Updated online
Baker School	Updated online
Concord Northside	Updated online

Several properties may not have been able to be reached for a phone survey. No data was available on these properties publicly. Therefore, they are not included in the following comparable write-ups.

A general write-up of the subject and those properties considered comparable are contained on the following pages. The property profile sheets outline each properties unit matrix, unit amenities, site amenities and utilities/ services included in rent. It's used as a basis for determining the subject's true competition and this analysis further establishes the subject's conformity with its competition and highlights unique aspects of the subject that may serve as a competitive advantage or deficiency.

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at % of AMI Other () Describe _____

Property Name: Bacon Senior Apartments

Property Address: 819 N 35th St, Richmond, VA Phone: _____

Physical Occupancy: 100 % Estimated (x) Actual () As of (date): Current

Specify the property's exterior: Brick (x) Vinyl () T1-11 () Wood (x) Other () Describe _____

Your impression of the Property: Good (x) Average () Poor () Actual/ Effective Age: 30 Years (redeveloped)

What condition was the property in considering its age?: Good (x) Average () Poor () _____

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____

Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

Has the property been renovated? If so, what was the scope of the work?: _____ Yes, the property has undergone periodic renovations in order to stay competitive in its respective market.

Is the property located on or near public transportation; if so, what? Yes.

Is the property accessed off a primary road or secondary / residential street? Describe: Secondary, the property is located along a secondary transportation route.

Does the property have a prominent entrance sign visible from the primary road? Yes (x) No ()

126 Total Units						
Unit Mix:			Rent			
# Units	BR/BA/Den	Square Feet	40%	50%	60%	Unit Type/ Name
56	1x1	490			\$1,216.00	n/a
69	1x1	479			\$1,216.00	n/a
1	2x1	589			\$1,500.00	n/a

Unit Amenities: Check where appropriate

Kitchen	Heat and Cool	Flooring	Other		
(x) Range and Oven	(x) Central System	(x) Carpet	(x) Shades/Blinds	() Fireplace	() Exposed Brick
(x) Frost Free Ref./ Ice maker	() Wall thru	(x) Vinyl	(x) Cable/ Satellite Ready	() Vaulted Ceiling	() Exposed Beams
(x) Microwave	() Window A/C Units	() Hardwood	(x) Balcony/Patio	() Upgraded Countertops	() Views
(x) Dishwasher	() Baseboard Heat	() Ceramic	() Washer/ Dryer	() Garden Tubs	() Other; Describe:
(x) Garbage Disposal	() Other: Describe	() Other	() W/D Hook-ups	() Molding	
() Range Hood			(x) Ceiling Fans	(x) High Ceiling	

Site Amenities: Check where appropriate

() Pool	(x) Clubhouse/ community room	(x) Laundry Facility
() Tennis	() Playground/Tot Lots	(x) On-Site Parking
() Rental Office	() Covered Parking/Garages	(x) Elevator
() Car Wash Area	(x) Limited Access;	() Basketball Court/ Racquet Ball Court
() Business Office for Residents	() Fitness Center	() Other; please specify:
() Jacuzzi/ Sauna	() Grilling Area	

Site Amenities (Senior Specific Property): Check where appropriate

Multi-Purpose Rooms	Services included in rent	Other:
() Dining Room	() Planned Meals: # _____	(x) Pull Cords/ ERS
() Game/ Gathering Rooms	() Planned Social Events	(x) Grab Bars
() Computer Room	() Housekeeping Services: # _____	() Garden area
() Arts and Crafts Room	(x) Laundry	() 2nd Person Fee: \$ _____
() Library	() Linen Services	() Entrance Fee: \$ _____
() Beauty Salon	() Transportation	() Other
(x) Sitting Areas	() Home Health Care	

Utilities and Services Included in Rent: Check where appropriate

(x) Water & Sewer	() Heat (Gas/ Elec)	() All Utilities; includes electricity
(x) Trash Pickup	() Hot Water (Gas/ Elec)	() No Utilities
() Security	() Cooking (Gas/ Elec)	() Other; please specify:

Tenant Retention (Annual)	<u>70%</u>
Renewal Rate as % of Market Growth:	<u>100%</u>
Typical Annual Market Growth Rate:	<u>2%</u>
Marketing Period	<u>2 weeks</u>

**Newer Property Only**

Pre-Leasing Began: _____

Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____

Key	
x=	indicates feature is present
s=	present in select units
\$=	present for a fee
*	See Comments

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager

EUGENE A. JOSEPH, JR. - Certified General Real Estate Appraiser, License VA #4001 009492

EXHIBIT 1 INFORMATION ON RENT COMPARABLE													
Property Type:	Market ()		Tax Credit (x) at % of AMI		Other () Describe _____								
Property Name:	Carter Woods												
Property Address:	301 Dabbs House Rd, Richmond, VA 23223				Phone: _____								
Physical Occupancy:	95	%	Estimated (x)	Actual ()		As of (date): Current							
Specify the property's exterior:	Brick (x)	Vinyl ()	T1-11 ()	Wood (x)	Other (); Describe _____								
Your impression of the Property:	Good (x)	Average ()	Poor ()	Actual/Effective Age:		20 Years							
What condition was the property in considering its age?:	Good (x)		Average ()		Poor ()								
How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____													
Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.													
Has the property been renovated? If so, what was the scope of the work?: _____ Yes, the property has undergone periodic renovations in order to stay competitive in its respective market.													
Is the property located on or near public transportation; if so, what? _____ Yes.													
Is the property accessed off a primary road or secondary / residential street? Describe: _____ Secondary, the property is located along a secondary transportation route.													
Does the property have a prominent entrance sign visible from the primary road? Yes (x) No ()													
152 Total Units													
Unit Mix:	# Units	BR/BA/Den	Square Feet	40%	50%	60%	Unit Type/ Name	Concessions					
Phase I													
8	1x1		600	x			Rents range from \$632 to \$1,325						
30	1x1		600		x			n/a					
8	1x1 (City View)		600		x								
3	1x1D		800		x								
6	1x1 HC		800		x								
2	2x2		806		x								
17	2x2		806		x								
6	2x2		806			x							
Phase II													
8	1x1		600	x									
35	1x1		600		x								
4	1x1D		800		x								
19	2x2		806		x								
6	2x2		806			x							
Unit Amenities: Check where appropriate													
Kitchen		Heat and Cool		Flooring		Other							
(x) Range and Oven		(x) Central System		(x) Carpet		(x) Shades/Blinds		() Fireplace					
(x) Frost Free Ref./ Ice maker		() Wall thru		(x) Vinyl		(x) Cable/ Satellite Ready		() Vaulted Ceiling					
(x) Microwave		() Window A/C Units		() Hardwood		(x) Balcony/Patio		() Upgraded Countertops					
(x) Dishwasher		() Baseboard Heat		() Ceramic		() Washer/ Dryer		() Garden Tubs					
() Garbage Disposal		() Other: Describe _____		() Other		() W/D Hook-ups		() Molding					
() Range Hood						() Ceiling Fans		() High Ceiling					
Site Amenities: Check where appropriate													
() Pool		(x) Clubhouse/ community room		(x) Laundry Facility									
() Tennis		() Playground/Tot Lots		(x) On-Site Parking									
() Rental Office		() Covered Parking/Garages		(x) Elevator									
() Car Wash Area		() Limited Access;		() Basketball Court/ Racquet Ball Court									
() Business Office for Residents		() Fitness Center		() Other, please specify: _____									
() Jacuzzi/ Sauna		() Grilling Area											
Site Amenities (Senior Specific Property): Check where appropriate													
Multi-Purpose Rooms		Services included in rent		Other:									
() Dining Room		() Planned Meals: # _____		(x) Pull Cords/ ERS									
(x) Game/ Gathering Rooms		() Planned Social Events		(x) Grab Bars									
() Computer Room		() Housekeeping Services: # _____		() Garden area									
() Arts and Crafts Room		(x) Laundry		() 2nd Person Fee: \$ _____									
(x) Library		() Linen Services		() Entrance Fee: \$ _____									
() Beauty Salon		() Transportation		() Other _____									
() Sitting Areas		() Home Health Care											
Utilities and Services included in Rent: Check where appropriate													
(x) Water & Sewer		() Heat (Gas/ Elec)		() All Utilities; includes electricity									
(x) Trash Pickup		() Hot Water (Gas/ Elec)		() No Utilities									
() Security		() Cooking (Gas/ Elec)		() Other, please specify: _____									
Tenant Retention (Annual)													
Renewal Rate as % of Market Growth:		70%		Newer Property Only									
Typical Annual Market Growth Rate:		100%		Pre-Leasing Began: _____									
Marketing Period		2 weeks		Construction Complete: _____									
				Stabilization: _____									
				Months: _____									
				Units: _____									
				Absorption Rate: _____									
													
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; vertical-align: top;"> Key x= indicates feature is present s= present in select units \$= present for a fee * See Comments </td> <td style="width: 50%;"></td> </tr> </table>										Key x= indicates feature is present s= present in select units \$= present for a fee * See Comments			
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COMMENTS:													
None.													
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">CONTACT PERSON:</td> <td style="width: 50%;">POSTION: Manager</td> </tr> <tr> <td colspan="2">EUGENE A. JOSEPH, JR. - Certified General Real Estate Appraiser, License VA #4001 009492</td> </tr> </table>										CONTACT PERSON:	POSTION: Manager	EUGENE A. JOSEPH, JR. - Certified General Real Estate Appraiser, License VA #4001 009492	
CONTACT PERSON:	POSTION: Manager												
EUGENE A. JOSEPH, JR. - Certified General Real Estate Appraiser, License VA #4001 009492													

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at % of AMI Other () Describe _____

Property Name: Reflection Senior Living _____

Property Address: 4611 Lou's Lore Ln, Richmond, VA 23231 Phone: _____

Physical Occupancy: 95 % Estimated (x) Actual () As of (date): Current

Specify the property's exterior: Brick (x) Vinyl () T1-11 () Wood (x) Other () Describe _____

Your impression of the Property: Good (X) Average () Poor () Actual/ Effective Age: 21 Years

What condition was the property in considering its age?: Good (x) Average () Poor () _____

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____

Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

Has the property been renovated? If so, what was the scope of the work?: Yes, the property has undergone periodic renovations in order to stay competitive in its respective market.

Is the property located on or near public transportation; if so, what? Yes. _____

Is the property accessed off a primary road or secondary / residential street? Describe: Secondary, the property is located along a secondary transportation route.

Does the property have a prominent entrance sign visible from the primary road? Yes (x) No ()

Unit Mix:		104 Total Units		Rent			Unit Type/ Name	Concessions
# Units	BR/BA/Den	Square Feet	40%	50%	60%			
52	1x1	788		\$974.00		Class B Apt	n/a	
52	2x1.5	997		\$1,163.00		Class B Apt	n/a	
							n/a	
							n/a	
							n/a	

Unit Amenities: Check where appropriate

Kitchen	Heat and Cool	Flooring	Other
(x) Range and Oven	(x) Central System	(x) Carpet	(x) Shades/Blinds
(x) Frost Free Ref./ Ice maker	() Wall thru	() Vinyl	(x) Cable/ Satellite Ready
(x) Microwave	() Window A/C Units	() Hardwood	(x) Balcony/Patio
(x) Dishwasher	() Baseboard Heat	(x) Ceramic	(x) Washer/ Dryer
() Garbage Disposal	() Other: Describe _____	() Other	() W/D Hook-ups
() Range Hood			() Ceiling Fans
			() High Ceiling

Site Amenities: Check where appropriate

() Pool	(x) Clubhouse/ community room	(x) Laundry Facility
() Tennis	() Playground/Tot Lots	() On-Site Parking
() Rental Office	() Covered Parking/Garages	() Elevator
() Car Wash Area	() Limited Access;	() Basketball Court/ Racquet Ball Court
() Business Office for Residents	() Fitness Center	() Other; please specify: _____
() Jacuzzi/ Sauna	(x) Grilling Area	

Site Amenities (Senior Specific Property): Check where appropriate

Multi-Purpose Rooms	Services included in rent	Other:
() Dining Room	() Planned Meals: # _____	(x) Pull Cords/ ERS
() Game/ Gathering Rooms	() Planned Social Events	(x) Grab Bars
() Computer Room	() Housekeeping Services: # _____	(x) Garden area
() Arts and Crafts Room	(x) Laundry	() 2nd Person Fee: \$ _____
(x) Library	() Linen Services	() Entrance Fee: \$ _____
() Beauty Salon	() Transportation	() Other
() Sitting Areas	() Home Health Care	

Utilities and Services Included in Rent: Check where appropriate

(x) Water & Sewer	() Heat (Gas/ Elec)	() All Utilities; includes electricity
(x) Trash Pickup	() Hot Water (Gas/ Elec)	() No Utilities
() Security	() Cooking (Gas/ Elec)	() Other; please specify: _____

Tenant Retention (Annual)	70%
Renewal Rate as % of Market Growth:	100%
Typical Annual Market Growth Rate:	2%
Marketing Period	2 weeks

Newer Property Only

Pre-Leasing Began: _____

Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____



Key

x= indicates feature is present

= present in select units

\$= present for a fee

* See Comments

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager

EUGENE A. JOSEPH, JR. - Certified General Real Estate Appraiser, License VA #4001 009492

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at % of AMI Other () Describe _____

Property Name: Darby House

Property Address: 1400 Shirleydale Ave, Richmond, VA 23231 Phone: _____

Physical Occupancy: 95 % Estimated (x) Actual () As of (date): Current

Specify the property's exterior: Brick (x) Vinyl () T1-11 () Wood (x) Other () Describe _____

Your impression of the Property: Good (X) Average () Poor () Actual/ Effective Age: 18 Years

What condition was the property in considering its age?: Good (x) Average () Poor () _____

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____

Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

Has the property been renovated? If so, what was the scope of the work?: Yes, the property has undergone periodic renovations in order to stay competitive in its respective market.

Is the property located on or near public transportation; if so, what? Yes.

Is the property accessed off a primary road or secondary / residential street? Describe: Secondary, the property is located along a secondary transportation route.

Does the property have a prominent entrance sign visible from the primary road? Yes (x) No ()

108 Total Units

Unit Mix: # Units	BR/BA/Den	Square Feet	Rent			Unit Type/ Name	Concessions
			40%	50%	60%		
11	1x1	588	\$848.00			Class B Apt	n/a
59	1x1	588		x		Class B Apt	n/a
38	2x2	803		x		Class B Apt	n/a

Unit Amenities: Check where appropriate

Kitchen	Heat and Cool	Flooring	Other
(x) Range and Oven	(x) Central System	(x) Carpet	(x) Shades/Blinds
(x) Frost Free Ref./ Ice maker	() Wall thru	() Vinyl	(x) Cable/ Satellite Ready
(x) Microwave	() Window A/C Units	() Hardwood	() Balcony/Patio
(x) Dishwasher	() Baseboard Heat	(x) Ceramic	(x) Washer/ Dryer
(x) Garbage Disposal	() Other: Describe _____	() Other	() W/D Hook-ups
() Range Hood			() Ceiling Fans

() Fireplace () Exposed Brick
() Vaulted Ceiling () Exposed Beams
() Upgraded Countertops () Views
() Garden Tubs () Other: Describe: _____
() Molding () High Ceiling

Site Amenities: Check where appropriate

() Pool	(x) Clubhouse/ community room	(x) Laundry Facility
() Tennis	() Playground/Tot Lots	(x) On-Site Parking
() Rental Office	() Covered Parking/Garages	() Elevator
() Car Wash Area	(x) Limited Access;	() Basketball Court/ Racquet Ball Court
() Business Office for Residents	(x) Fitness Center	() Other: please specify: _____
() Jacuzzi/ Sauna	() Grilling Area	

Site Amenities (Senior Specific Property): Check where appropriate

Multi-Purpose Rooms	Services included in rent	Other:
(x) Dining Room	() Planned Meals: # _____	(x) Pull Cords/ ERS
() Game/ Gathering Rooms	(x) Planned Social Events	(x) Grab Bars
(x) Computer Room	() Housekeeping Services: # _____	() Garden area
() Arts and Crafts Room	(x) Laundry	() 2nd Person Fee: \$ _____
(x) Library	() Linen Services	() Entrance Fee: \$ _____
(x) Beauty Salon	() Transportation	() Other
() Sitting Areas	() Home Health Care	

Utilities and Services Included in Rent: Check where appropriate

(x) Water & Sewer	() Heat (Gas/ Elec)	() All Utilities; includes electricity
(x) Trash Pickup	() Hot Water (Gas/ Elec)	() No Utilities
() Security	() Cooking (Gas/ Elec)	() Other: please specify: _____

Tenant Retention (Annual)	<u>70%</u>
Renewal Rate as % of Market Growth:	<u>100%</u>
Typical Annual Market Growth Rate:	<u>2%</u>
Marketing Period	<u>2 weeks</u>

**Newer Property Only**

Pre-Leasing Began:	
Construction Complete:	
Stabilization:	
Months:	
Units:	
Absorption Rate:	

Key	
x=	indicates feature is present
s=	present in select units
\$=	present for a fee
*	See Comments

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager
 EUGENE A. JOSEPH, JR. - Certified General Real Estate Appraiser, License VA #4001 009492

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at % of AMI Other () Describe _____
 Property Name: Sandston Plateau Senior Retirement Community
 Property Address: 600 E Williamsburg Rd, Sandston, VA 23150 Phone: _____
 Physical Occupancy: 95 % Estimated (x) Actual () As of (date): Current
 Specify the property's exterior: Brick (x) Vinyl () T1-11 () Wood (x) Other () Describe _____
 Your impression of the Property: Good (X) Average () Poor () Actual/ Effective Age: 18 Years
 What condition was the property in considering its age?: Good (x) Average () Poor () _____
 How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____
 Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.
 Has the property been renovated? If so, what was the scope of the work?: Yes, the property has undergone periodic renovations in order to stay competitive in its respective market.
 Is the property located on or near public transportation; if so, what? Yes.
 Is the property accessed off a primary road or secondary / residential street? Describe: Secondary, the property is located along a secondary transportation route.
 Does the property have a prominent entrance sign visible from the primary road? Yes (x) No ()

100 Total Units						
# Units	BR/BA/Den	Square Feet	Rent			Concessions
			40%	50%	60%	
10	1x1	521	\$775.00		Class B Apt	n/a
75	1x1	521		\$988.00	Class B Apt	n/a
15	2x2	722		\$1,185.00	Class B Apt	n/a

Unit Amenities: Check where appropriate

Kitchen	Heat and Cool	Flooring	Other
(x) Range and Oven	(x) Central System	() Carpet	(x) Shades/Blinds
(x) Frost Free Ref./ Ice maker	() Wall thru	() Vinyl	(x) Cable/ Satellite Ready
(x) Microwave	() Window A/C Units	(x) Hardwood	() Balcony/Patio
(x) Dishwasher	() Baseboard Heat	() Ceramic	(x) Washer/ Dryer
(x) Garbage Disposal	() Other: Describe _____	() Other	() W/D Hook-ups
() Range Hood		() Ceiling Fans	() High Ceiling

Site Amenities: Check where appropriate

() Pool	(x) Clubhouse/ community room	(x) Laundry Facility
() Tennis	() Playground/Tot Lots	(x) On-Site Parking
() Rental Office	() Covered Parking/Garages	(x) Elevator
() Car Wash Area	(x) Limited Access;	() Basketball Court/ Racquet Ball Court
() Business Office for Residents	(x) Fitness Center	() Other, please specify: _____
() Jacuzzi/ Sauna	() Grilling Area	

Site Amenities (Senior Specific Property): Check where appropriate

Multi-Purpose Rooms	Services included in rent	Other:
(x) Dining Room	() Planned Meals: # _____	(x) Pull Cords/ ERS
(x) Game/ Gathering Rooms	() Planned Social Events	(x) Grab Bars
() Computer Room	() Housekeeping Services: # _____	() Garden area
() Arts and Crafts Room	(x) Laundry	() 2nd Person Fee: \$ _____
(x) Library	() Linen Services	() Entrance Fee: \$ _____
() Beauty Salon	() Transportation	() Other
() Sitting Areas	() Home Health Care	

Utilities and Services Included in Rent: Check where appropriate

(x) Water & Sewer	() Heat (Gas/ Elec)	() All Utilities; includes electricity
(x) Trash Pickup	() Hot Water (Gas/ Elec)	() No Utilities
() Security	() Cooking (Gas/ Elec)	() Other, please specify: _____

Tenant Retention (Annual)	70%
Renewal Rate as % of Market Growth:	100%
Typical Annual Market Growth Rate:	2%
Marketing Period	2 weeks

**Newer Property Only**

Pre-Leasing Began: _____
 Construction Complete: _____
 Stabilization: _____
 Months: _____
 Units: _____
 Absorption Rate: _____

Key

x= indicates feature is present

= present in select units

\$= present for a fee

* See Comments

COMMENTS:

None.

CONTACT PERSON: EUGENE A. JOSEPH, JR. - Certified General Real Estate Appraiser, License VA #4001 009492
 POSITION: Manager

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at % of AMI Other () Describe _____

Property Name: Bowler Senior Housing

Property Address: 608 N 26th St Phone: _____

Physical Occupancy: 100 % Estimated (x) Actual () As of (date): Current

Specify the property's exterior: Brick (x) Vinyl () T1-11 () Wood (x) Other () Describe _____

Your impression of the Property: Good (X) Average () Poor () Actual/ Effective Age: 30 Years (redeveloped)

What condition was the property in considering its age?: Good (x) Average () Poor () _____

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____

Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

Has the property been renovated? If so, what was the scope of the work?: Yes, the property has undergone periodic renovations in order to stay competitive in its respective market.

Is the property located on or near public transportation; if so, what? Yes.

Is the property accessed off a primary road or secondary / residential street? Describe: Secondary, the property is located along a secondary transportation route.

Does the property have a prominent entrance sign visible from the primary road? Yes (x) No ()

62 Total Units						
Unit Mix:			Rent			
# Units	BR/BA/Den	Square Feet	40%	50%	60%	Unit Type/ Name
62	1BR/1BA	509.5			\$1,172	

Unit Amenities: Check where appropriate

Kitchen	Heat and Cool	Flooring	Other
(x) Range and Oven	(x) Central System	() Carpet	(x) Shades/Blinds
(x) Frost Free Ref./ Ice maker	() Wall thru	(x) Vinyl	(x) Cable/ Satellite Ready
(x) Microwave	() Window A/C Units	() Hardwood	(x) Balcony/Patio
(x) Dishwasher	() Baseboard Heat	(x) Ceramic	() Washer/ Dryer
(x) Garbage Disposal	() Other: Describe _____	() Other	() W/D Hook-ups
() Range Hood		(x) Ceiling Fans	(x) High Ceiling

Site Amenities: Check where appropriate

() Pool	(x) Clubhouse/ community room	(x) Laundry Facility
() Tennis	() Playground/Tot Lots	(x) On-Site Parking
() Rental Office	() Covered Parking/Garages	(x) Elevator
() Car Wash Area	(x) Limited Access;	() Basketball Court/ Racquet Ball Court
() Business Office for Residents	() Fitness Center	() Other; please specify: _____
() Jacuzzi/ Sauna	() Grilling Area	

Site Amenities (Senior Specific Property): Check where appropriate

Multi-Purpose Rooms	Services included in rent	Other:
() Dining Room	() Planned Meals: # _____	(x) Pull Cords/ ERS
() Game/ Gathering Rooms	() Planned Social Events	(x) Grab Bars
() Computer Room	() Housekeeping Services: # _____	() Garden area
() Arts and Crafts Room	(x) Laundry	() 2nd Person Fee: \$ _____
() Library	() Linen Services	() Entrance Fee: \$ _____
() Beauty Salon	() Transportation	() Other
(x) Sitting Areas	() Home Health Care	

Utilities and Services Included in Rent: Check where appropriate

(x) Water & Sewer	() Heat (Gas/ Elec)	() All Utilities; includes electricity
(x) Trash Pickup	() Hot Water (Gas/ Elec)	() No Utilities
() Security	() Cooking (Gas/ Elec)	() Other; please specify: _____

Tenant Retention (Annual)	<u>70%</u>
Renewal Rate as % of Market Growth:	<u>100%</u>
Typical Annual Market Growth Rate:	<u>2%</u>
Marketing Period	<u>2 weeks</u>



COMMENTS:
None.

Newer Property Only

Pre-Leasing Began:	
Construction Complete:	
Stabilization:	
Months:	
Units:	
Absorption Rate:	

Key

x= indicates feature is present

= present in select units

\$= present for a fee

* See Comments

CONTACT PERSON: _____ POSITION: Manager

EUGENE A. JOSEPH, JR. - Certified General Real Estate Appraiser, License VA #4001 009492

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at % of AMI Other () Describe _____

Property Name: Shockoe Hill Apartments

Property Address: 206-210 Hospital St, Richmond, VA 23219 Phone: _____

Physical Occupancy: 95 % Estimated (x) Actual () As of (date): Current

Specify the property's exterior: Brick (x) Vinyl () T1-11 () Wood (x) Other () Describe _____

Your impression of the Property: Good (X) Average () Poor () Actual/ Effective Age: 35 Years

What condition was the property in considering its age?: Good (x) Average () Poor () _____

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____

Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

Has the property been renovated? If so, what was the scope of the work?: Yes, the property has undergone periodic renovations in order to stay competitive in its respective market.

Is the property located on or near public transportation; if so, what? Yes.

Is the property accessed off a primary road or secondary / residential street? Describe: Secondary, the property is located along a secondary transportation route.

Does the property have a prominent entrance sign visible from the primary road? Yes (x) No ()

64 Total Units						
# Units	BR/BA/Den	Square Feet	Rent			Concessions
			40%	50%	60%	
64	1x1	499	x			n/a

Unit Amenities: Check where appropriate

Kitchen	Heat and Cool	Flooring	Other		
(x) Range and Oven	(x) Central System	() Carpet	(x) Shades/Blinds	() Fireplace	() Exposed Brick
(x) Frost Free Ref./ Ice maker	() Wall thru	() Vinyl	(x) Cable/ Satellite Ready	() Vaulted Ceiling	() Exposed Beams
(x) Microwave	() Window A/C Units	(x) Hardwood	() Balcony/Patio	() Upgraded Countertops	() Views
() Dishwasher	() Baseboard Heat	(x) Ceramic	() Washer/ Dryer	() Garden Tubs	() Other; Describe:
() Garbage Disposal	() Other: Describe	() Other	() W/D Hook-ups	() Molding	
() Range Hood			() Ceiling Fans	() High Ceiling	

Site Amenities: Check where appropriate

() Pool	(x) Clubhouse/ community room	(x) Laundry Facility
() Tennis	() Playground/Tot Lots	(x) On-Site Parking
() Rental Office	() Covered Parking/Garages	() Elevator
() Car Wash Area	() Limited Access;	() Basketball Court/ Racquet Ball Court
() Business Office for Residents	(x) Fitness Center	() Other; please specify:
() Jacuzzi/ Sauna	() Grilling Area	

Site Amenities (Senior Specific Property): Check where appropriate

Multi-Purpose Rooms	Services included in rent	Other:
() Dining Room	() Planned Meals: #	(x) Pull Cords/ ERS
(x) Game/ Gathering Rooms	() Planned Social Events	(x) Grab Bars
(x) Computer Room	() Housekeeping Services: #	() Garden area
() Arts and Crafts Room	(x) Laundry	() 2nd Person Fee: \$
(x) Library	() Linen Services	() Entrance Fee: \$
() Beauty Salon	() Transportation	() Other
() Sitting Areas	() Home Health Care	

Utilities and Services Included in Rent: Check where appropriate

(x) Water & Sewer	() Heat (Gas/ Elec)	() All Utilities; includes electricity
(x) Trash Pickup	() Hot Water (Gas/ Elec)	() No Utilities
() Security	() Cooking (Gas/ Elec)	() Other; please specify:

Tenant Retention (Annual)	70%
Renewal Rate as % of Market Growth:	100%
Typical Annual Market Growth Rate:	2%
Marketing Period	2 weeks



Newer Property Only

Pre-Leasing Began: _____

Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____

Key	
x=	indicates feature is present
s=	present in select units
\$=	present for a fee
*	See Comments

COMMENTS:

None.

CONTACT PERSON: EUGENE A. JOSEPH, JR. - Certified General Real Estate Appraiser, License VA #4001 009492

POSITION: Manager

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at % of AMI Other () Describe _____

Property Name: Manchester Grand Senior Apartments

Property Address: 1411 Brainbridge St, Richmond, VA 23224 Phone: _____

Physical Occupancy: 100 % Estimated (x) Actual () As of (date): Jul-24

Specify the property's exterior: Brick (x) Vinyl () T1-11 () Wood (x) Other () Describe _____

Your impression of the Property: Good (x) Average () Poor () Actual/ Effective Age: 30+ Years (redeveloped)

What condition was the property in considering its age?: Good (x) Average () Poor () _____

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____

Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

Has the property been renovated? If so, what was the scope of the work?: Yes, the property has undergone periodic renovations in order to stay competitive in its respective market.

Is the property located on or near public transportation; if so, what? Yes.

Is the property accessed off a primary road or secondary / residential street? Describe: Secondary, the property is located along a secondary transportation route.

Does the property have a prominent entrance sign visible from the primary road? Yes (x) No ()

45 Total Units

Unit Mix: # Units	BR/BA/Den	Square Feet	Rent			Unit Type/ Name	Concessions
			40%	50%	60%		
24	1x1	471		\$895.00			n/a
21	1x1	467		\$875.00			n/a

Unit Amenities: Check where appropriate

Kitchen	Heat and Cool	Flooring	Other		
(x) Range and Oven	(x) Central System	(x) Carpet	(x) Shades/Blinds	() Fireplace	(s) Exposed Brick
(x) Frost Free Ref./ Ice maker	() Wall thru	(x) Vinyl	(x) Cable/ Satellite Ready	() Vaulted Ceiling	(s) Exposed Beams
(x) Microwave	() Window A/C Units	(x) Hardwood	() Balcony/Patio	() Upgraded Countertops	() Views
(x) Dishwasher	() Baseboard Heat	(x) Ceramic	() Washer/ Dryer	() Garden Tubs	() Other; Describe:
(x) Garbage Disposal	() Other: Describe _____	() Other _____	() W/D Hook-ups	() Molding	
(x) Range Hood			(s) Ceiling Fans	() High Ceiling	

Site Amenities: Check where appropriate

() Pool	(x) Clubhouse/ community room	(x) Laundry Facility
() Tennis	() Playground/Tot Lots	(x) On-Site Parking
() Rental Office	() Covered Parking/Garages	(x) Elevator- 1
() Car Wash Area	() Limited Access;	() Basketball Court/ Racquet Ball Court
() Business Office for Residents	() Fitness Center	() Other; please specify:
() Jacuzzi/ Sauna	() Grilling Area	

Site Amenities (Senior Specific Property): Check where appropriate

Multi-Purpose Rooms	Services included in rent	Other:
() Dining Room	() Planned Meals: # _____	() Pull Cords/ ERS
(x) Game/ Gathering Rooms	() Planned Social Events	(s) Grab Bars
() Computer Room	() Housekeeping Services: # _____	() Garden area
(x) Arts and Crafts Room	() Laundry	() 2nd Person Fee: \$ _____
() Library	() Linen Services	() Entrance Fee: \$ _____
() Beauty Salon	() Transportation	(x) Other; courtyard area; outdoor sitting porch
(x) Sitting Areas	() Home Health Care	

Utilities and Services Included in Rent: Check where appropriate

(x) Water & Sewer	() Heat (Gas/ Elec)	() All Utilities; includes electricity
(x) Trash Pickup	() Hot Water (Gas/ Elec)	() No Utilities
() Security	() Cooking (Gas/ Elec)	() Other; please specify:

Tenant Retention (Annual)	<u>70%</u>
Renewal Rate as % of Market Growth:	<u>100%</u>
Typical Annual Market Growth Rate:	<u>2%</u>
Marketing Period	<u>2 weeks</u>

Newer Property Only

Pre-Leasing Began: _____

Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____



Key	
x=	indicates feature is present
s=	present in select units
\$=	present for a fee
*	See Comments

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager

EUGENE A. JOSEPH, JR. - Certified General Real Estate Appraiser, License VA #4001 009492

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at % of AMI Other () Describe _____

Property Name: Church Hill and Fairmount House

Property Address: 1501 N 21st St, Richmond, VA 23223 Phone: _____

Physical Occupancy: 95 % Estimated (x) Actual () As of (date): Current

Specify the property's exterior: Brick (x) Vinyl () T1-11 () Wood (x) Other () Describe _____

Your impression of the Property: Good (X) Average () Poor () Actual/ Effective Age: 30 Years

What condition was the property in considering its age?: Good (x) Average () Poor () _____

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____

Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

Has the property been renovated? If so, what was the scope of the work?: Yes, the property has undergone periodic renovations in order to stay competitive in its respective market.

Is the property located on or near public transportation; if so, what? Yes.

Is the property accessed off a primary road or secondary / residential street? Describe: Secondary, the property is located along a secondary transportation route.

Does the property have a prominent entrance sign visible from the primary road? Yes (x) No ()

159 Total Units						
Unit Mix:			Rent			
# Units	BR/BA/Den	Square Feet	40%	50%	60%	Unit Type/ Name
	Studio	565		\$981.00		Class C Apt
	1x1	745		\$1,307.00		Class C Apt
	2x1	1128				Class C Apt

Unit Amenities: Check where appropriate

Kitchen	Heat and Cool	Flooring	Other		
(x) Range and Oven	(x) Central System	(x) Carpet	(x) Shades/Blinds	() Fireplace	() Exposed Brick
(x) Frost Free Ref./ Ice maker	() Wall thru	(x) Vinyl	(x) Cable/ Satellite Ready	() Vaulted Ceiling	() Exposed Beams
(x) Microwave	() Window A/C Units	() Hardwood	() Balcony/Patio	() Upgraded Countertops	() Views
(x) Dishwasher	() Baseboard Heat	(x) Ceramic	(x) Washer/ Dryer	() Garden Tubs	() Other; Describe:
(x) Garbage Disposal	() Other: Describe	() Other	() W/D Hook-ups	() Molding	
() Range Hood			(x) Ceiling Fans	() High Ceiling	

Site Amenities: Check where appropriate

() Pool	(x) Clubhouse/ community room	(x) Laundry Facility
() Tennis	() Playground/Tot Lots	() On-Site Parking
() Rental Office	() Covered Parking/Garages	(x) Elevator
() Car Wash Area	(x) Limited Access;	() Basketball Court/ Racquet Ball Court
() Business Office for Residents	() Fitness Center	() Other; please specify:
() Jacuzzi/ Sauna	() Grilling Area	

Site Amenities (Senior Specific Property): Check where appropriate

Multi-Purpose Rooms	Services included in rent	Other:
() Dining Room	() Planned Meals: #	(x) Pull Cords/ ERS
() Game/ Gathering Rooms	() Planned Social Events	(x) Grab Bars
() Computer Room	() Housekeeping Services: #	() Garden area
() Arts and Crafts Room	() Laundry	() 2nd Person Fee: \$
(x) Library	() Linen Services	() Entrance Fee: \$
() Beauty Salon	(x) Transportation	() Other
(x) Sitting Areas	() Home Health Care	

Utilities and Services Included in Rent: Check where appropriate

(x) Water & Sewer	() Heat (Gas/ Elec)	(x) All Utilities; includes electricity
(x) Trash Pickup	() Hot Water (Gas/ Elec)	() No Utilities
() Security	() Cooking (Gas/ Elec)	() Other; please specify:

Tenant Retention (Annual)	70%
Renewal Rate as % of Market Growth:	100%
Typical Annual Market Growth Rate:	2%
Marketing Period	2 weeks

Newer Property Only

Pre-Leasing Began: _____

Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____



Key	
x=	indicates feature is present
s=	present in select units
\$=	present for a fee
*	See Comments

COMMENTS:

None.

CONTACT PERSON: EUGENE A. JOSEPH, JR. - Certified General Real Estate Appraiser, License VA #4001 009492

POSITION: Manager

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at % of AMI Other () Describe _____

Property Name: Washington Plaza Apartments

Property Address: 21 E Leigh St, Richmond, VA 23219 Phone: _____

Physical Occupancy: 95 % Estimated (x) Actual () As of (date): Current

Specify the property's exterior: Brick (x) Vinyl () T1-11 () Wood (x) Other () Describe _____

Your impression of the Property: Good (X) Average () Poor () Actual/ Effective Age: 152 Years

What condition was the property in considering its age?: Good (x) Average () Poor () _____

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____

Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

Has the property been renovated? If so, what was the scope of the work?: Yes, the property has undergone periodic renovations in order to stay competitive in its respective market.

Is the property located on or near public transportation; if so, what? Yes.

Is the property accessed off a primary road or secondary / residential street? Describe: Secondary, the property is located along a secondary transportation route.

Does the property have a prominent entrance sign visible from the primary road? Yes (x) No ()

21 Total Units						
Unit Mix:			Rent			
# Units	BR/BA/Den	Square Feet	40%	50%	60%	Unit Type/ Name
20	1x1	487			\$855.00	3 Star Low-Rise Apt
1	2x2	696			\$970.00	3 Star Low-Rise Apt

Unit Amenities: Check where appropriate

Kitchen	Heat and Cool	Flooring	Other
(x) Range and Oven	(x) Central System	() Carpet	(x) Shades/Blinds
(x) Frost Free Ref./ Ice maker	() Wall thru	() Vinyl	(x) Cable/ Satellite Ready
(x) Microwave	() Window A/C Units	(x) Hardwood	(x) Balcony/Patio
(x) Dishwasher	() Baseboard Heat	(x) Ceramic	() Washer/ Dryer
(x) Garbage Disposal	() Other: Describe _____	() Other	() W/D Hook-ups
() Range Hood		(x) Ceiling Fans	() High Ceiling

Site Amenities: Check where appropriate

() Pool	(x) Clubhouse/ community room	(x) Laundry Facility
() Tennis	() Playground/Tot Lots	() On-Site Parking
() Rental Office	() Covered Parking/Garages	() Elevator
() Car Wash Area	() Limited Access;	() Basketball Court/ Racquet Ball Court
() Business Office for Residents	(x) Fitness Center	() Other; please specify: _____
() Jacuzzi/ Sauna	() Grilling Area	

Site Amenities (Senior Specific Property): Check where appropriate

Multi-Purpose Rooms	Services included in rent	Other:
() Dining Room	() Planned Meals: # _____	(x) Pull Cords/ ERS
() Game/ Gathering Rooms	() Planned Social Events	(x) Grab Bars
() Computer Room	() Housekeeping Services: # _____	() Garden area
() Arts and Crafts Room	(x) Laundry	() 2nd Person Fee: \$ _____
() Library	() Linen Services	() Entrance Fee: \$ _____
() Beauty Salon	() Transportation	() Other
() Sitting Areas	() Home Health Care	

Utilities and Services Included in Rent: Check where appropriate

(x) Water & Sewer	() Heat (Gas/ Elec)	() All Utilities; includes electricity
(x) Trash Pickup	() Hot Water (Gas/ Elec)	() No Utilities
() Security	() Cooking (Gas/ Elec)	() Other; please specify: _____

Tenant Retention (Annual)	<u>70%</u>
Renewal Rate as % of Market Growth:	<u>100%</u>
Typical Annual Market Growth Rate:	<u>2%</u>
Marketing Period	<u>2 weeks</u>

**Newer Property Only**

Pre-Leasing Began:	
Construction Complete:	
Stabilization:	
Months:	
Units:	
Absorption Rate:	

Key	
x=	indicates feature is present
=	present in select units
\$=	present for a fee
*	See Comments

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager
EUGENE A. JOSEPH, JR. - Certified General Real Estate Appraiser, License VA #4001 009492

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at % of AMI Other () Describe

Property Name: Somanath Senior Apartments

Property Address: 1208-1231 N 28th St, Richmond, VA 232235326 Phone:

Physical Occupancy: 95 % Estimated (x) Actual () As of (date): Current

Specify the property's exterior: Brick (x) Vinyl () T1-11 () Wood (x) Other () Describe

Your impression of the Property: Good (X) Average () Poor () Actual/ Effective Age: 11 Years

What condition was the property in considering its age?: Good (x) Average () Poor ()

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?:

Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

Has the property been renovated? If so, what was the scope of the work?: Yes, the property has undergone periodic renovations in order to stay competitive in its respective market.

Is the property located on or near public transportation; if so, what? Yes.

Is the property accessed off a primary road or secondary / residential street? Describe: Secondary, the property is located along a secondary transportation route.

Does the property have a prominent entrance sign visible from the primary road? Yes (x) No ()

		39 Total Units		Rent			Unit Type/ Name	Concessions
Unit Mix:	# Units	BR/BA/Den	Square Feet	40%	50%	60%		
19	1x1		590	x	\$995.00		Class B Apt	n/a
20	2x2		841	x	\$1,200.00		Class B Apt	n/a

Unit Amenities: Check where appropriate

Kitchen	Heat and Cool	Flooring	Other
(x) Range and Oven	(x) Central System	(x) Carpet	(x) Shades/Blinds
(x) Frost Free Ref./ Ice maker	() Wall thru	() Vinyl	(x) Cable/ Satellite Ready
(x) Microwave	() Window A/C Units	() Hardwood	() Balcony/Patio
() Dishwasher	() Baseboard Heat	(x) Ceramic	(x) Washer/ Dryer
() Garbage Disposal	() Other: Describe <u> </u>	() Other	() W/D Hook-ups
() Range Hood		() Ceiling Fans	() High Ceiling

Site Amenities: Check where appropriate

() Pool	(x) Clubhouse/ community room	(x) Laundry Facility
() Tennis	() Playground/Tot Lots	(x) On-Site Parking
() Rental Office	() Covered Parking/Garages	(x) Elevator
() Car Wash Area	(x) Limited Access;	() Basketball Court/ Racquet Ball Court
() Business Office for Residents	() Fitness Center	() Other; please specify: <u> </u>
() Jacuzzi/ Sauna	() Grilling Area	

Site Amenities (Senior Specific Property): Check where appropriate

Multi-Purpose Rooms	Services included in rent	Other:
() Dining Room	() Planned Meals: # <u> </u>	(x) Pull Cords/ ERS
() Game/ Gathering Rooms	(x) Planned Social Events	(x) Grab Bars
() Computer Room	() Housekeeping Services: # <u> </u>	() Garden area
() Arts and Crafts Room	() Laundry	() 2nd Person Fee: \$ <u> </u>
(x) Library	() Linen Services	() Entrance Fee: \$ <u> </u>
() Beauty Salon	() Transportation	() Other
() Sitting Areas	() Home Health Care	

Utilities and Services Included in Rent: Check where appropriate

(x) Water & Sewer	() Heat (Gas/ Elec)	() All Utilities; includes electricity
(x) Trash Pickup	() Hot Water (Gas/ Elec)	() No Utilities
() Security	() Cooking (Gas/ Elec)	() Other; please specify: <u> </u>

Tenant Retention (Annual)	<u>70%</u>
Renewal Rate as % of Market Growth:	<u>100%</u>
Typical Annual Market Growth Rate:	<u>2%</u>
Marketing Period	<u>2 weeks</u>

**COMMENTS:**

None.

Newer Property Only

Pre-Leasing Began:	
Construction Complete:	
Stabilization:	
Months:	
Units:	
Absorption Rate:	

Key

x= indicates feature is present
 s= present in select units
 \$= present for a fee
 * See Comments

CONTACT PERSON: EUGENE A. JOSEPH, JR. POSITION: Manager
- Certified General Real Estate Appraiser, License VA #4001 009492

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at % of AMI Other () Describe _____

Property Name: Highland Park Senior Apartments

Property Address: 1221 E Brookland Park Blvd, Richmond, VA 23223112 Phone: _____

Physical Occupancy: 95 % Estimated (x) Actual () As of (date): Current

Specify the property's exterior: Brick (x) Vinyl () T1-11 () Wood (x) Other () Describe _____

Your impression of the Property: Good (X) Average () Poor () Actual/ Effective Age: 115 Years

What condition was the property in considering its age?: Good (x) Average () Poor () _____

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____

Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

Has the property been renovated? If so, what was the scope of the work?: Yes, the property has undergone periodic renovations in order to stay competitive in its respective market.

Is the property located on or near public transportation; if so, what? Yes.

Is the property accessed off a primary road or secondary / residential street? Describe: Secondary, the property is located along a secondary transportation route.

Does the property have a prominent entrance sign visible from the primary road? Yes (x) No ()

77 Total Units						
Unit Mix:			Rent			
# Units	BR/BA/Den	Square Feet	40%	50%	60%	Unit Type/ Name
77	1BR/1BA	554			\$926.00	Class B Apt

Unit Amenities: Check where appropriate

Kitchen	Heat and Cool	Flooring	Other
(x) Range and Oven	(x) Central System	() Carpet	(x) Shades/Blinds
(x) Frost Free Ref./ Ice maker	() Wall thru	() Vinyl	(x) Cable/ Satellite Ready
(x) Microwave	() Window A/C Units	(x) Hardwood	() Balcony/Patio
(x) Dishwasher	() Baseboard Heat	() Ceramic	(x) Washer/ Dryer
(x) Garbage Disposal	() Other: Describe _____	() Other	() W/D Hook-ups
() Range Hood			() Ceiling Fans
			() High Ceiling

Site Amenities: Check where appropriate

() Pool	(x) Clubhouse/ community room	(x) Laundry Facility
() Tennis	() Playground/Tot Lots	(x) On-Site Parking
() Rental Office	() Covered Parking/Garages	(x) Elevator
() Car Wash Area	() Limited Access;	() Basketball Court/ Racquet Ball Court
() Business Office for Residents	(x) Fitness Center	() Other; please specify: _____
() Jacuzzi/ Sauna	() Grilling Area	

Site Amenities (Senior Specific Property): Check where appropriate

Multi-Purpose Rooms	Services included in rent	Other:
() Dining Room	() Planned Meals: # _____	(x) Pull Cords/ ERS
() Game/ Gathering Rooms	(x) Planned Social Events	(x) Grab Bars
(x) Computer Room	() Housekeeping Services: # _____	() Garden area
() Arts and Crafts Room	(x) Laundry	() 2nd Person Fee: \$ _____
(x) Library	() Linen Services	() Entrance Fee: \$ _____
() Beauty Salon	(x) Transportation	() Other
() Sitting Areas	() Home Health Care	

Utilities and Services Included in Rent: Check where appropriate

(x) Water & Sewer	() Heat (Gas/ Elec)	() All Utilities; includes electricity
(x) Trash Pickup	() Hot Water (Gas/ Elec)	() No Utilities
() Security	() Cooking (Gas/ Elec)	() Other; please specify: _____

Tenant Retention (Annual)	70%
Renewal Rate as % of Market Growth:	100%
Typical Annual Market Growth Rate:	2%
Marketing Period	2 weeks



Newer Property Only

Pre-Leasing Began:	
Construction Complete:	
Stabilization:	
Months:	
Units:	
Absorption Rate:	

Key	
x=	indicates feature is present
s=	present in select units
\$=	present for a fee
*	See Comments

COMMENTS:

None.

CONTACT PERSON: EUGENE A. JOSEPH, JR. - Certified General Real Estate Appraiser, License VA #4001 009492

POSITION: Manager

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at % of AMI Other () Describe _____

Property Name: The Rosa

Property Address: 744 N 2nd St, Richmond, VA 232191382 Phone: _____

Physical Occupancy: 95 % Estimated (x) Actual () As of (date): Current

Specify the property's exterior: Brick (x) Vinyl () T1-11 () Wood (x) Other () Describe _____

Your impression of the Property: Good (X) Average () Poor () Actual/ Effective Age: 4 Years

What condition was the property in considering its age?: Good (x) Average () Poor () _____

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____

Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

Has the property been renovated? If so, what was the scope of the work?: Yes, the property has undergone periodic renovations in order to stay competitive in its respective market.

Is the property located on or near public transportation; if so, what? Yes.

Is the property accessed off a primary road or secondary / residential street? Describe: Secondary, the property is located along a secondary transportation route.

Does the property have a prominent entrance sign visible from the primary road? Yes (x) No ()

72 Total Units						
Unit Mix:			Rent			
# Units	BR/BA/Den	Square Feet	40%	50%	60%	Unit Type/ Name
72	1x1	621		\$968.00		Class B Apt

Unit Amenities: Check where appropriate

Kitchen	Heat and Cool	Flooring	Other		
(x) Range and Oven	(x) Central System	(x) Carpet	(x) Shades/Blinds	() Fireplace	() Exposed Brick
(x) Frost Free Ref./ Ice maker	() Wall thru	() Vinyl	(x) Cable/ Satellite Ready	() Vaulted Ceiling	() Exposed Beams
(x) Microwave	() Window A/C Units	() Hardwood	() Balcony/Patio	() Upgraded Countertops	() Views
(x) Dishwasher	() Baseboard Heat	(x) Ceramic	() Washer/ Dryer	() Garden Tubs	() Other; Describe:
() Garbage Disposal	() Other: Describe	() Other	() W/D Hook-ups	() Molding	
() Range Hood			() Ceiling Fans	() High Ceiling	

Site Amenities: Check where appropriate

() Pool	(x) Clubhouse/ community room	(x) Laundry Facility
() Tennis	() Playground/Tot Lots	() On-Site Parking
() Rental Office	() Covered Parking/Garages	(x) Elevator
() Car Wash Area	() Limited Access;	() Basketball Court/ Racquet Ball Court
() Business Office for Residents	(x) Fitness Center	() Other; please specify:
() Jacuzzi/ Sauna	() Grilling Area	

Site Amenities (Senior Specific Property): Check where appropriate

Multi-Purpose Rooms	Services included in rent	Other:
() Dining Room	() Planned Meals: # _____	(x) Pull Cords/ ERS
() Game/ Gathering Rooms	() Planned Social Events	(x) Grab Bars
() Computer Room	() Housekeeping Services: # _____	() Garden area
() Arts and Crafts Room	(x) Laundry	() 2nd Person Fee: \$ _____
(x) Library	() Linen Services	() Entrance Fee: \$ _____
() Beauty Salon	() Transportation	() Other
(x) Sitting Areas	() Home Health Care	

Utilities and Services Included in Rent: Check where appropriate

(x) Water & Sewer	() Heat (Gas/ Elec)	() All Utilities; includes electricity
(x) Trash Pickup	() Hot Water (Gas/ Elec)	() No Utilities
() Security	() Cooking (Gas/ Elec)	() Other; please specify:

Tenant Retention (Annual)	<u>70%</u>
Renewal Rate as % of Market Growth:	<u>100%</u>
Typical Annual Market Growth Rate:	<u>2%</u>
Marketing Period	<u>2 weeks</u>



COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager
EUGENE A. JOSEPH, JR. - Certified General Real Estate Appraiser, License VA #4001 009492

Newer Property Only

Pre-Leasing Began: _____
Construction Complete: _____
Stabilization: _____
Months: _____
Units: _____
Absorption Rate: _____

Key	
x=	indicates feature is present
s=	present in select units
\$=	present for a fee
*	See Comments

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at % of AMI Other () Describe _____

Property Name: Armstrong Renaissance

Property Address: 1665 N 31st St, Richmond, VA 232235404 Phone: _____

Physical Occupancy: 95 % Estimated (x) Actual () As of (date): Current

Specify the property's exterior: Brick (x) Vinyl () T1-11 () Wood (x) Other () Describe _____

Your impression of the Property: Good (X) Average () Poor () Actual/ Effective Age: 4 Years

What condition was the property in considering its age?: Good (x) Average () Poor () _____

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____

Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

Has the property been renovated? If so, what was the scope of the work?: _____ Yes, the property has undergone periodic renovations in order to stay competitive in its respective market.

Is the property located on or near public transportation; if so, what? Yes.

Is the property accessed off a primary road or secondary / residential street? Describe: Secondary, the property is located along a secondary transportation route.

Does the property have a prominent entrance sign visible from the primary road? Yes (x) No ()

128 Total Units			a portion of the property is senior				
Unit Mix:				Rent			
# Units	BR/BA/Den	Square Feet	40%	50%	60%	Unit Type/ Name	Concessions
5	1x1	642		\$900 to \$1,342			n/a
8	1x1	763		\$1,656.00			n/a
5	1x1	807		\$900 to \$1,342			n/a
4	2x1	900		\$1,250.00			n/a
22	2x1.5	928		\$1,382 to \$1,986			n/a
29	2x2	989		\$1,382 to \$1,986			n/a
5	2x2	1050		\$1,382 to \$1,986			n/a
46	3x2	1423		\$1,570.00			n/a
4	4x2	1600		\$1,750.00			n/a

Unit Amenities: Check where appropriate

<i>Kitchen</i>	<i>Heat and Cool</i>	<i>Flooring</i>	<i>Other</i>		
(x) Range and Oven	(x) Central System	() Carpet	(x) Shades/Blinds	() Fireplace	() Exposed Brick
(x) Frost Free Ref./ Ice maker	() Wall thru	(x) Vinyl	(x) Cable/ Satellite Ready	() Vaulted Ceiling	() Exposed Beams
(x) Microwave	() Window A/C Units	(x) Hardwood	(x) Balcony/Patio	() Upgraded Countertops	() Views
(x) Dishwasher	() Baseboard Heat	() Ceramic	(x) Washer/ Dryer	() Garden Tubs	() Other; Describe:
() Garbage Disposal	() Other: Describe	() Other	() W/D Hook-ups	() Molding	
() Range Hood		(x) Ceiling Fans	() High Ceiling		

Site Amenities: Check where appropriate

() Pool	(x) Clubhouse/ community room	(x) Laundry Facility
() Tennis	(x) Playground/Tot Lots	(x) On-Site Parking
() Rental Office	() Covered Parking/Garages	(x) Elevator
() Car Wash Area	(x) Limited Access;	() Basketball Court/ Racquet Ball Court
(x) Business Office for Residents	(x) Fitness Center	() Other; please specify:
() Jacuzzi/ Sauna	() Grilling Area	

Utilities and Services Included in Rent: Check where appropriate

(x) Water & Sewer	() Heat (Gas/ Elec)	() All Utilities; includes electricity
(x) Trash Pickup	() Hot Water (Gas/ Elec)	() No Utilities
() Security	() Cooking (Gas/ Elec)	() Other; please specify:

Tenant Retention (Annual)	70%
Renewal Rate as % of Market Growth:	100%
Typical Annual Market Growth Rate:	2%
Marketing Period	2 weeks

Newer Property Only

Pre-Leasing Begin: _____

Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____



Key	
x=	indicates feature is present
s=	present in select units
\$=	present for a fee
*	See Comments

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager

EUGENE A. JOSEPH, JR. - Certified General Real Estate Appraiser, License VA #4001 009492

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) % of AMI Other () Describe

Property Name: The Concord Senior Apartments

Property Address: 710 W Fells St, Richmond, VA 23222 Phone:

Physical Occupancy: 95 % Estimated (x) Actual () As of (date): Current

Specify the property's exterior: Brick (x) Vinyl () T1-11 () Wood (x) Other () Describe

Your impression of the Property: Good (X) Average () Poor () Actual/ Effective Age: 2 Years

What condition was the property in considering its age?: Good (x) Average () Poor ()

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?:

Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

Has the property been renovated? If so, what was the scope of the work?: Yes, the property has undergone periodic renovations in order to stay competitive in its respective market.

Is the property located on or near public transportation; if so, what? Yes.

Is the property accessed off a primary road or secondary / residential street? Describe: Secondary, the property is located along a secondary transportation route.

Does the property have a prominent entrance sign visible from the primary road? Yes (x) No ()

152 Total Units

Unit Mix: # Units	BR/BA/Den	Square Feet	Rent			Unit Type/ Name	Concessions
			40%	50%	60%		
3	1x1	549			\$1,180.00	Class B Apt	n/a
12	1x1	579			\$1,177.00	Class B Apt	n/a
29	1x1	611			\$1,177.00	Class B Apt	n/a
8	1x1	666			\$1,178.00	Class B Apt	n/a
100	1x1	813			\$1,180.00	Class B Apt	n/a

Unit Amenities: Check where appropriate

Kitchen	Heat and Cool	Flooring	Other
(x) Range and Oven	(x) Central System	() Carpet	(x) Shades/Blinds
(x) Frost Free Ref./ Ice maker	() Wall thru	(x) Vinyl	(x) Cable/ Satellite Ready
(x) Microwave	() Window A/C Units	(x) Hardwood	() Balcony/Patio
(x) Dishwasher	() Baseboard Heat	() Ceramic	(x) Washer/ Dryer
(x) Garbage Disposal	() Other: Describe <u> </u>	() Other	() W/D Hook-ups
() Range Hood			() Ceiling Fans

() Fireplace () Exposed Brick
() Vaulted Ceiling () Exposed Beams
() Upgraded Countertops () Views
() Garden Tubs () Other: Describe:
() Molding () High Ceiling

Site Amenities: Check where appropriate

() Pool	(x) Clubhouse/ community room	(x) Laundry Facility
() Tennis	() Playground/Tot Lots	(x) On-Site Parking
() Rental Office	() Covered Parking/Garages	(x) Elevator
() Car Wash Area	(x) Limited Access;	() Basketball Court/ Racquet Ball Court
(x) Business Office for Residents	(x) Fitness Center	() Other: please specify: <u> </u>
() Jacuzzi/ Sauna	() Grilling Area	

Site Amenities (Senior Specific Property): Check where appropriate

Multi-Purpose Rooms	Services included in rent	Other:
(x) Dining Room	() Planned Meals: # <u> </u>	(x) Pull Cords/ ERS
(x) Game/ Gathering Rooms	(x) Planned Social Events	(x) Grab Bars
(x) Computer Room	() Housekeeping Services: # <u> </u>	(x) Garden area
() Arts and Crafts Room	(x) Laundry	() 2nd Person Fee: \$ <u> </u>
(x) Library	() Linen Services	() Entrance Fee: \$ <u> </u>
() Beauty Salon	(x) Transportation	() Other
(x) Sitting Areas	() Home Health Care	

Utilities and Services Included in Rent: Check where appropriate

(x) Water & Sewer	() Heat (Gas/ Elec)	() All Utilities; includes electricity
(x) Trash Pickup	() Hot Water (Gas/ Elec)	() No Utilities
() Security	() Cooking (Gas/ Elec)	() Other: please specify: <u> </u>

Tenant Retention (Annual)	<u>70%</u>
Renewal Rate as % of Market Growth:	<u>100%</u>
Typical Annual Market Growth Rate:	<u>2%</u>
Marketing Period	<u>2 weeks</u>

**COMMENTS:**

None.

Newer Property Only

Pre-Leasing Began:

Construction Complete:

Stabilization:

Months:

Units:

Absorption Rate:

Key

x= indicates feature is present

= present in select units

\$= present for a fee

* See Comments

CONTACT PERSON: EUGENE A. JOSEPH, JR. POSITION: Manager
- Certified General Real Estate Appraiser, License VA #4001 009492

CONFORMITY

A part of determining the subjects competitive set was surveying properties in the subject's PMA to determine the subject conformity with the competitive set. This also gives insight into the subject's competitive advantages and disadvantages. Because the subject is considered to be a LIHTC property, we limited our phone survey to other similar class assets. There was no need to survey market rate, elderly or subsidized properties as the subject is not expected to directly compete with these asset classes. The analysis is as follows;

Unit Profile	Kitchen Range	Ref.	Micro.	Dish.	Disp.	Central HVAC	Flooring Carpet	Vinyl	Other
Subject	x	x	x	x	x	x	x	x	x
Carter Woods I & II	x	x	x			x	x	x	
Reflections Senior Living	x	x	x	x	x	x	x	x	
Darby House	x	x	x	x	x	x	x	x	
Sandston Plateau	x	x	x	x	x	x		x	x
Bowler Retirement	x	x	x	x	x	x	x	x	
Shockoe Hill I	x	x	x	x	x	x		x	x
Manchester Grand	x	x	x	x	x	x		x	x
Church Hill/Fairmount House	x	x	x	x	x	x	x	x	
Booker T. Washington Plaza	x	x	x	x	x	x		x	x
Somanath Seniors	x	x	x	x	x	x	x	x	
Highland Park Senior	x	x	x	x	x	x		x	x
Rosa	x	x	x	x	x	x	x	x	
Armstrong Renaissance	x	x	x	x	x	x		x	x
Baker School	x	x	x	x	x	x		x	x
Concord Northside	x	x	x	x	x	x		x	x
	15	15	15	14	14	15	7	15	8
Compliance Ratio	100%	100%	100%	93%	93%	100%	47%	100%	53%
Overall Compliance Ratio	87%								

Unit Profile	Shades	Bal/ Pat.	W/D	Hook ups	Upgrades	High Ceilings
Subject	x		x	x	x	x
Carter Woods I & II	x					
Reflections Senior Living	x		x	x		
Darby House	x		x	x		
Sandston Plateau	x					
Bowler Retirement	x					
Shockoe Hill I	x					
Manchester Grand	x				x	
Church Hill/Fairmount House	x		x	x		
Booker T. Washington Plaza	x					
Somanath Seniors	x					
Highland Park Senior	x		x	x		
Rosa	x				x	
Armstrong Renaissance	x		x	x	x	
Baker School	x				x	x
Concord Northside	x		x	x	x	

	15	15	6	6	5	1
Compliance Ratio	100%	100%	40%	40%	33%	7%
Overall Compliance Ratio	53%					

Site Profile	Pool	CH Comm. Rm.	Other	Fitness	Laundry	Site Parking	Office
Subject		x				x	x
Carter Woods I & II						x	x
Reflections Senior Living						x	x
Darby House						x	x
Sandston Plateau						x	x
Bowler Retirement						x	x
Shockoe Hill I						x	x
Manchester Grand						x	x
Church Hill/Fairmount House						x	x
Booker T. Washington Plaza						x	
Somanath Seniors						x	x
Highland Park Senior						x	x
Rosa						x	x
Armstrong Renaissance						x	x
Baker School						x	x
Concord Northside						x	x

	15	0	15	15	15	15	14
Compliance Ratio	100%	0%	100%	100%	100%	100%	93%
Overall Compliance Ratio		85%					

Utility Structure	Water	Sewer	Trash	Heat	Hot Water	Cook	Elec.	Other
Subject	x	x	x					
Carter Woods I & II	x	x	x					
Reflections Senior Living	x	x	x					
Darby House	x	x	x					
Sandston Plateau	x	x	x					
Bowler Retirement	x	x	x					
Shockoe Hill I	x	x	x					
Manchester Grand	x	x	x					
Church Hill/Fairmount House	x	x	x					
Booker T. Washington Plaza	x	x	x					
Somanath Seniors	x	x	x					
Highland Park Senior	x	x	x					
Rosa	x	x	x					
Armstrong Renaissance	x	x	x					
Baker School	x	x	x					
Concord Northside	x	x	x					

	15	15	15	15	15	15	15	15
Compliance Ratio	100%	100%	100%	100%	100%	100%	100%	100%
Overall Compliance Ratio	100%							

The subject's overall compliance ratio with the competitive set is 83%, which is considered high and therefore, we can conclude that the subject is highly compliant within its market. The subject's overall compliance ratio is adequate and therefore, we can conclude that the subject follows other similar class assets within the subjects PMA.

AREA VACANCY RATES

The multifamily housing market in the City of Richmond and the broader Richmond MSA has remained relatively stable despite a substantial wave of new apartment deliveries over the past several years. Recent market reports indicate overall multifamily occupancy levels ranging from approximately 95% to 96%, translating to vacancy rates between 4% and 5% in stabilized properties. CBRE reported that Richmond's multifamily occupancy rate reached 96.0% in Q2 2025, reflecting continued renter demand despite elevated construction activity. At the same time, regional analysts note that vacancy pressures have increased modestly due to rapid inventory growth, particularly in market-rate Class A developments concentrated in urban and suburban growth corridors. Virginia REALTORS® reported statewide multifamily vacancy rates around 6.6% during early 2025, though Richmond continues to outperform many comparable secondary markets due to strong demographic growth, expanding healthcare and government employment, and relatively affordable housing costs.

Senior affordable housing and LIHTC-supported properties in Richmond continue to exhibit significantly tighter occupancy conditions than the broader conventional apartment market. Industry participants and affordable housing operators report that senior LIHTC developments generally maintain stabilized occupancy above 97%, with many properties operating with waiting lists due to limited supply and persistent affordability challenges among elderly households on fixed incomes. The combination of rising market rents, an aging population, and constrained development of new income-restricted senior housing has reinforced demand for existing subsidized inventory. While newer market-rate multifamily projects have experienced some lease-up softness, senior LIHTC communities have remained comparatively insulated from vacancy increases because their rents remain substantially below prevailing market levels and benefit from deep demand among cost-burdened seniors. Consequently, vacancy within Richmond's senior affordable housing segment is considered functionally minimal and materially below overall multifamily market averages.

DISCUSSION OF ANY SIGNIFICANT IMPACT OF THE SUBJECT DEVELOPMENT ON THE EXISTING RENTAL HOUSING STOCK.

The renovation/ proposed development of Bacon Senior Apartments is not expected to have a significant adverse impact on the existing rental housing stock in the Richmond market area. The subject is a LIHTC property targeting low to moderate income households, a segment that remains underserved due to a persistent shortage of quality, income-restricted housing. Existing affordable properties in the market typically maintain high occupancy levels with waiting lists, indicating that demand exceeds supply. As such, the subject will primarily serve unmet demand rather than displace tenants from existing properties.

Furthermore, the introduction of a modern, well-amenitized LIHTC development may have a modest positive influence on the competitive stock by encouraging reinvestment and improved property management among older affordable communities. While some limited tenant migration from older or less competitive LIHTC and naturally occurring affordable housing (NOAH) properties may occur, particularly among renters seeking newer construction, this effect is expected to be minimal and typical of normal market turnover. Overall, the subject development will enhance the supply of quality affordable housing without materially impacting occupancy or rent levels at existing properties, and its presence is considered consistent with maintaining a balanced and healthy rental housing market.

- Identification of waiting lists – we are not aware of any waiting lists for any of the subject's anticipated competitive inventory. Waiting lists are commonly found among subsidized properties, in which case, subsidized properties are not considered competitive with our subject and therefore, any waiting lists derived at from a subsidized property would be excluded from our analysis.
- Availability of Affordable Housing Options

The availability of affordable housing options in the Richmond, Virginia market is limited relative to demand, particularly for lower-income households. While there is an established inventory of subsidized housing—including LIHTC properties, public housing, and voucher-supported units—supply is not sufficient to meet current needs. There are numerous LIHTC and other income-restricted communities throughout the Richmond and Henrico area; however, these properties typically operate at or near full occupancy. As a result, access is often constrained by long waiting lists and limited turnover, especially for units serving households at or below 50 percent of area median income.

More broadly, the Richmond region is experiencing a structural shortage of affordable housing, particularly for extremely low-income households. A significant portion of renters are cost-burdened, paying more than 30 percent of their income toward housing, which further reflects the imbalance between supply and demand. Although local and state initiatives, including LIHTC developments and housing trust fund programs, are helping to expand the inventory, the current availability of affordable housing remains constrained. Demand is expected to continue exceeding supply in the near to intermediate term, supporting continued high occupancy levels across the affordable housing stock.

- Discussion of future changes in housing stock

The future housing stock in the Richmond and Henrico County market area is expected to expand moderately over the next several years, reflecting both ongoing development activity and policy initiatives aimed at increasing housing supply. Following a multi-year construction cycle, the market currently has approximately 4,000+ multifamily units under construction, with additional projects planned or recently delivered, indicating continued near-term growth in inventory. New developments are occurring across a range of product types, including large-scale market-rate communities such as recently completed and proposed Class A projects, as well as mixed-use and transit-oriented developments along key corridors like West Broad Street. While this pipeline has contributed to a temporary increase in vacancy, construction activity is beginning to moderate, suggesting a more balanced supply-demand relationship over the medium term.

In addition to conventional multifamily development, the future housing stock will be shaped by a growing emphasis on affordability and zoning reform. Local initiatives and public policy efforts are focused on expanding affordable housing through LIHTC development, public housing redevelopment, and housing trust fund programs, while broader zoning changes are being considered to allow greater density, including duplexes, accessory dwelling units, and mixed-use residential formats. Emerging housing types such as micro-units and small-scale infill development are also expected to play a role in addressing affordability challenges. Overall, future changes in the housing stock are anticipated to include a mix of continued multifamily expansion, incremental increases in affordable housing supply, and diversification of housing types, all of

which will contribute to gradually improving availability while supporting long-term population and economic growth in the Richmond region.

The market is expected to grow at a constant and deliberate pace. The need for affordable housing is growing.

TAX CREDIT AND OTHER PLANNED OR UNDER CONSTRUCTION RENTAL COMMUNITIES IN MARKET AREA.

Previously discussed in the Existing Stock of Competitive Properties section

I. FUNDAMENTAL MARKET ANALYSIS (FMA) & CONCLUSIONS

MARKET EQUILIBRIUM

In order to determine the equilibrium status of a particular market, total competitive supply is subtracted from total demand. A negative balance in which supply exceeds demand indicates that there is excess supply. Conversely, a positive balance in which demand exceeds supply indicates excess demand. In this case, qualified demand exceeds competitive supply indicating excess demand.

RESIDUAL DEMAND CONCEPTS

The findings of the demand analysis and competitive supply analysis are considered and analyzed; if demand exceeds supply, then a positive residual demand exists whereas if supply exceeds demand, then the residual demand is negative. In instances where demand exceeds supply, then upward rental trends occur until new inventory is realized. Once the residual demand is offset by additional inventory, rental rates may decline, or rental concessions may become more prevalent. The increased supply brings the market back towards equilibrium. The residual demand in the subject's PMA is positive for each year in mid-range forecast.

OBSERVATIONS ON EQUILIBRIUM ANALYSIS

In order to determine the equilibrium status of a particular market, total competitive supply is subtracted from total demand. A negative balance in which supply exceeds demand indicates that there is excess supply. Conversely, a positive balance in which demand exceeds supply indicates excess demand. In this case, qualified demand exceeds competitive supply indicating excess demand. Our base year analysis indicates an excess demand at all levels.

CAPTURE/ PENETRATION RATES

Fundamental methods were used to estimate the subjects capture and penetration rates, which was then applied to the forecast of the real estate demand for space in the market. The subjects capture rate can be analyzed in a number of ways. We have determined that the most accurate way is to simply divide the marginal demand estimate by the total number of units that would need to be absorbed into the subject properties PMA.

There will be four analysis considered. A summary of each scenario is as follows;

- As Complete, a capture rate will be developed based on the total number of units with restrictions at 60% of the AMI.

A summary of the table calculating the overall capture rate is contained on the following pages;

TABLE I
Calculation of Elderly Housing Demand Schedule @ 60% of AMI Income

Total Current Population in HH (2025); Elderly		38,908
Average Elderly Household Size		1.51
Current Household Demand Estimate (2025)		25,702
Renter Ratio		42%
Total Demand		10,795
Affordability Index at 60%		29%
Total Potential Demand in Subject's Economic Segment		3,131
Existing Competitive Supply		324
Current Residual Demand		2,807
Residual Demand from Existing Inventory		2,807
Projected Households (2030)		26,731
Projected Change in Households		1,029
Renter Ratio		42%
Projected Change in Renter Households		432
Affordability Index		29%
Demand from Income Qualified Multifamily Growth		125
Vacancy Allowance	5%	
Adjusted Demand		132
Less: New Competitive Rental Housing (U/C or Planned)		36
Residual Multifamily Demand		96
Adjusted Residual Demand from Growth		96
Demand from Existing Renter Households		
Current Number of Renter Households		10,795
Turnover Demand from Cost Burden & Substandard HH	43%	4,642
Movership Demand	0.0%	0
Marginal Demand from all Turnover		4,642
Affordability Index		50%
Adjusted Demand		2,321
Tenant Retention		0
Net Demand-New & Existing Income Qualified Renter Households		5,224
# of Units (Subject)		126
Times: % drawn from PMA		90%
Adjusted Number of Units to be captured in PMA		113
Times: Ratio of stabilized occupancy		95%
Adjusted Number of Units to be captured in PMA		108

Rate Analysis			
Penetration Rate	Units	Competitive Units	
	23,018	467	2.03%
Capture Rate	Subject Units	Units in Demand	
	108	5,224	2.06%

Total Renter HH Demand @ 60%; LIHTC		10,795
	1x1	2x1
Tenure by BR	78.10%	17.44%
Adjusted Demand by BR	8,430	1,882
Affordability Index	29%	29%
Total Potential Demand in Subject's Economic Segment	2,991	2,991
Existing Competitive Supply	253	56
Current Residual Demand	2,738	2,934
Projected Change in Renter Households	338	75
Affordability Index	29%	29%
Demand from Income Qualified Multifamily Growth	97.88	21.85
Vacancy Allowance	5%	
Adjusted Demand	103.03	23.00
Less: New Competitive Rental Housing (U/C or Planned)	28	6
Residual Demand from Growth	75	17
Turnover Demand from Cost Burden & SS Housing	43% 3,625	809
Affordability Index	50%	
Adjusted Demand	1,813	405
Net Demand - New & Existing Income Qualified Renter Households	4,625	3,356
Subject Units	125	1
Times: % drawn from PMA	90%	
Times: Ratio of stabilized occupancy	95%	
Adjusted Subject Units	107	1
Capture Rate	2.31%	0.03%

INTERPRETATION AND CONCLUSIONS OF BLENDED CAPTURE RATE

A capture rate of approximately 2% for Bacon Senior Apartments indicates a very limited penetration into the overall qualified demand base within the Primary Market Area (PMA). In practical terms, the subject property would only need to attract approximately 2 out of every 100 age- and income-qualified renter households to achieve stabilized occupancy. Within LIHTC market analysis, a capture rate below 5.0% is generally considered very strong and indicative of adequate market support, particularly for senior affordable housing developments. The low capture rate suggests that the PMA contains a substantial pool of income-qualified senior renter households relative to the size of the proposed or existing development, thereby reducing leasing risk and supporting long-term occupancy stability.

The implications of this low capture rate are especially favorable given current conditions in Richmond's senior affordable housing sector, where occupancy levels are typically high and vacancy remains limited. An approximately 2% capture rate demonstrates that the market can absorb the subject's 108 units without materially impacting competing properties and indicates minimal dependence on aggressive lease-up assumptions or tenant migration from outside the PMA. Additionally, the large imbalance between demand (5,224 units) and the subject's supply reinforces the conclusion that there is significant unmet need for affordable senior housing in the market area. Overall, the capture rate supports a positive conclusion regarding market feasibility, competitive positioning, and the subject's ability to maintain stabilized occupancy over the long term.

EVALUATION OF PROPOSED RENTS

The subject contains 1 and 2-bedroom dwelling units with rent restrictions at 60% of AMI. In order to decide of whether the subject's rent levels are reasonable, we surveyed other similar class LIHTC oriented properties contained in the subject's PMA. The results of our analysis are as follows;

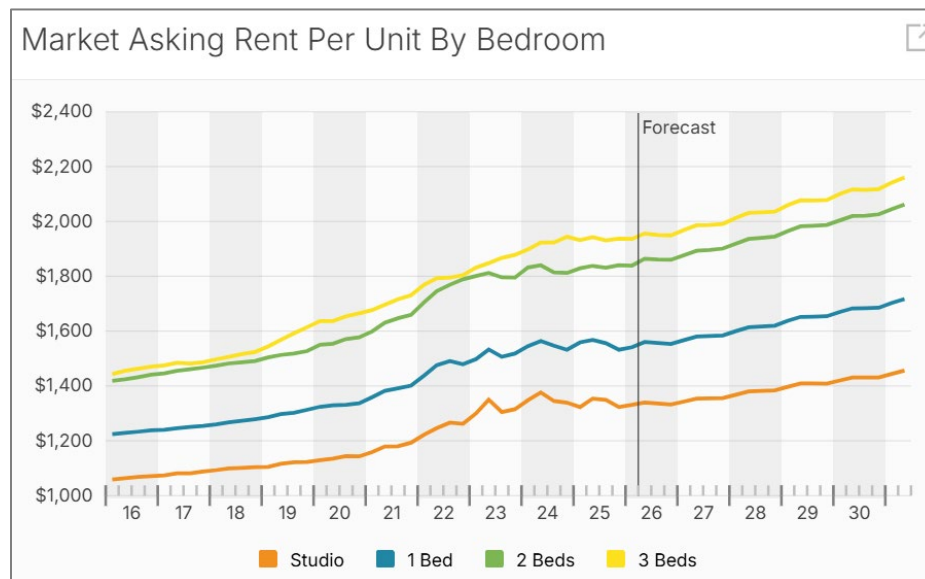
Rents for Similar Class LIHTC Assets					
Restrictions					
Property		1 BR	\$ / PSF	2 BR	\$ / PSF
Subject	60%	\$1,216	\$2.48	\$1,422	\$2.41
Helios Apts	60%	\$1,277	\$1.91	\$1,533	\$1.57
Summerdale	60%			\$1,378	\$1.41
The Foundry	60%	\$1,013	\$1.61	\$1,217	\$1.28
Highland Terrace	60%	\$1,140	\$1.74	\$1,356	\$1.38
Carter Woods	60%	\$962	\$1.90	\$1,011	\$1.33
The William Byrd	60%	\$1,059	\$2.35		
The Arbors	60%	\$1,191	\$2.11	\$1,425	\$1.77
Grace and Monroe	60%	\$1,332	\$2.14	\$1,616	\$1.94
Guardian Place Apartments	60%	\$1,277	\$2.33	\$1,520	\$1.81
Min		\$962.00	\$1.61	\$1,011.00	\$1.28
Max		\$1,332.00	\$2.35	\$1,616.00	\$1.94
Average		\$1,156.38	\$2.01	\$1,382.00	\$1.56

The subject's proposed rents appear to be reasonable based on comparable properties surveyed. Therefore, the subject's proposed rents appear obtainable. In order to make a determination of rent advantage, we surveyed other similar class market-oriented properties contained in the subject's PMA. The results of our analysis are as follows;

Rents for Similar Class Market Assets

Subject	Type	Restriction	SF	\$	\$/ psf
	1x1	60%	490	\$858	\$1.75
	2x1	60%	589	\$1,031	\$1.75
:					
		1 BR		2 BR	
826 West Broad		\$1,250	\$2.24	\$1,625	\$2.19
Tracks at the Masonry		\$1,267	\$2.24	\$1,557	\$2.12
The Hub		\$1,630	\$2.70	\$2,085	\$2.23
Canopy at GP		\$1,840	\$2.45	\$2,363	\$2.00
	Min	\$1,250	\$2.24	\$1,557	\$2.00
	Max	\$1,840	\$2.70	\$2,363	\$2.23
	Average	\$1,497	\$2.41	\$1,908	\$2.13
LIHTC rent advantage		24%	27%	28%	34%

Within the subject's PMA, asking rates on a per BR basis have been trending upwards as demonstrated in the below graphic.



ABSORPTION

Multifamily absorption trends in the Richmond, Virginia market have remained generally positive in recent years, even amid a significant wave of new supply. As of early 2026, annual net absorption totaled approximately 2,743 units, which is nearly 50% above the 10-year average, indicating that renter demand has kept pace with elevated deliveries. Quarterly data also reflects continued leasing activity, with hundreds of units absorbed per quarter and overall occupancy remaining strong near 95%–96%. While absorption has moderated slightly from peak levels in 2021–2022, the market continues to demonstrate resilience, with demand largely driven by

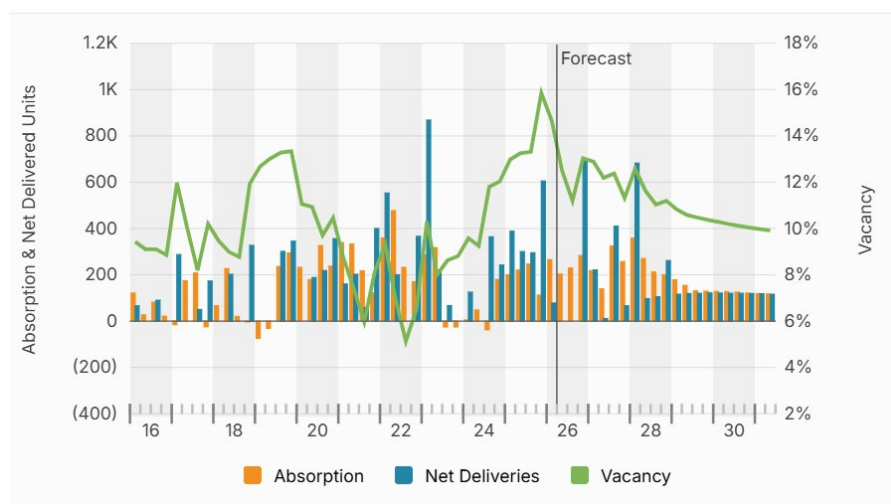
population growth, in-migration, and a relatively affordable cost of living compared to larger East Coast metros.

Despite overall positive absorption, trends have been influenced by the timing and scale of new construction. In 2025, deliveries exceeded absorption, and total absorption declined compared to the prior year, reflecting short-term supply pressure and a normalization of leasing activity. Quarterly data also indicates that absorption slowed for several consecutive quarters during 2025, though it remained positive, meaning more units were leased than vacated. Importantly, more recent data suggests that absorption is once again keeping pace with deliveries as construction activity begins to taper, signaling a return toward equilibrium conditions. Overall, the Richmond market is best characterized as experiencing a temporary softening in absorption due to supply rather than a fundamental decline in demand.

Absorption trends for market-rate multifamily properties have been more sensitive to these supply dynamics, particularly in higher-end Class A segments. A large portion of recent development has been concentrated in luxury or amenity-rich units, which has increased competition and extended lease-up periods in certain submarkets. As a result, absorption in the market-rate segment has become more segmented, with stronger performance in well-located or moderately priced assets and weaker performance in newly delivered, high-rent properties. Additionally, some data suggests that mid- and high-rise product types have absorbed more units than garden-style properties in recent periods, reflecting renter preference for newer or more centrally located housing options.

In contrast, LIHTC and other income-restricted multifamily properties typically experience consistently strong absorption due to a structural imbalance between supply and demand. While detailed LIHTC-specific absorption data is limited, broader market indicators—including elevated cost burdens, rising rents, and persistent affordability gaps—indicate that demand for affordable housing far exceeds available units in the Richmond market. As a result, LIHTC developments generally achieve rapid lease-up and maintain high occupancy levels, largely insulated from the short-term fluctuations affecting market-rate properties. This divergence highlights a key dynamic in the Richmond multifamily market: while market-rate absorption may fluctuate with supply cycles, LIHTC absorption remains consistently strong due to unmet need among income-qualified households.

Absorption, Net Deliveries & Vacancy



Given the subject's size and more intensive marketing efforts associated with such projects, we have estimated a monthly absorption rate of 15 dwelling units per month.

CONCLUSIONS

The subject is well positioned in the market to capture significant tenancy. The housing serves to satisfy the ever-present and growing need for affordable rental housing. The rental rates for the subject are consistent with the rental rates demonstrated in the PMA.

- The residual demand is positive throughout our mid-range forecast period. The residential demand is 5,224 dwelling units at the blended 60% level.
- VH requires the analyst to consider the impact, if any, on the analysis for proposed communities in which 20% or more of the units contain at least 3 bedrooms. The subject does not meet this threshold.
- The subject's capture rate is calculated as the percentage of residential demand the subject would have to capture to achieve stabilization. The total number of units for the subject is segmented by the percentage of units captured in the subject's PMA and a typical vacancy allowance. The adjusted total number of units is 108 units. The subject's overall blended capture rate is approximately 2% which indicates a strong demand for affordable house.
- The subject is expected to be absorbed into the market at a pace of 15 dwelling units per month. Financing is currently available at attractive terms, and the feasibility rent is sufficient to cover costs of construction and return a reasonable yield to the investor. This combined with the low capture rate indicates a strong demand for the subject's product type.
- The site is attractive and well located in regard to its access and proximity to employment, community services, shopping, medical, and transportation routes which provide extended access to all points throughout the MSA.
- The location, rents, and amenity package will appeal to the low to moderate income families and professionals.
- The bedroom mix of units, the household size distribution, the capabilities, and the unit vacancy levels indicate that the subject's bedroom mix is appropriate in this market at the rent levels. Market rents are sufficient to support new construction, and a positive residual demand indicates new construction in this market is likely.
- Project features are adequate in this portion of the city. The inventory is mixed ranging from older 30+ year inventory to newer inventory. The subject's amenity package and features are generally commensurate with other similar class properties in the subject's market.
- The subject property is a combination of existing and new construction. The economic infrastructure for the subject properties PMA is fundamentally sound and should continue to grow at a constant and moderate pace.

- The overall development scheme is appropriate and well suited for the market. We make no further recommendations and/ or modifications to the development.
- There do not appear to be any detrimental influences that would impede the absorption rate already established at 15 units per month.
- Our analysis contained herein incorporated the opinions of property managers and leasing agents as well as local market participants that are considered experts in their respective fields.

Given the indications described above, it is reasonable to conclude that the subject's current actual capture rate will continue throughout the mid-range forecast. Given the positive residual demand and the availability of land and capital, new competition is anticipated to materialize in the short and midterm. We have made appropriate allowances for additional new competition.

VH NET DEMAND TABLE

Using VH's required format, Net Demand is summarized on the following table. It should be noted that this format does not break out the net demand on a per bedroom type bases, but instead it represents the total net demand.

Income Restrictions	All Units
Min.	\$38,310
Max	\$61,320
Demand from Existing HH	2,807
New Rental HH's	96
PLUS	
*Existing HH's (Rent Overburdened+ Substandard HH+ Turnover)	2,321
PLUS	
Existing HH's (Substandard HH's)	see above
PLUS	
Homeowners converting to Rental HH's	0
PLUS	
Existing Qualifying Tenants (retain post rehab)	0
EQUALS	
Demand	5,224
MINUS	
**Supply	0
EQUALS	
NET DEMAND	5,224
TOTAL ABSORPTION PERIOD (months)	2.20

*Existing HH's combines substandard and cost burden HH's due to overlapping

**Demand estimates reflect 'net' demand in which supply has already been deducted from demand, therefore net supply is zero

The demand from existing HH's as indicated in the first line is simply latent/ pent up demand in which the existing inventory does not satisfy the existing demand.

MARKET ANALYSIS STATEMENT OF EXPERIENCE

A representative sample of Due Diligence, Consulting or Valuation Engagements for Eugene A. Joseph, Jr, the primary analyst, includes: (see addenda for primary market analysts and review analysts resume).

- Have managed and conducted numerous market and feasibility studies for affordable and conventional housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.
- Have managed and conducted numerous appraisals of affordable housing (primarily LIHTC developments). Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered (LIHTC) and unencumbered values were typically derived.
- In accordance with HUD Notice H 00-12, Mr. Joseph has completed numerous rent comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.

Selected vendors for demographic information and forecasts include:

- www.stdbonline.com
- <http://www.vec.virginia.gov/>
- <http://factfinder.census.gov/home/>

J. OTHER REQUIREMENTS

ANALYST STATEMENT:

I affirm the following:

1. I have made a physical inspection of the site and market area.
2. The appropriate information has been used in the comprehensive evaluation of the need and demand for the proposed rental units.
3. To the best of my knowledge the market can support the demand shown in this study. I understand that any misrepresentation in this statement may result in the denial of participation in the Low-Income Housing Tax Credit 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 VH or in any way acting for, at the request of, or on behalf of VH.
6. Compensation for my services is not contingent upon this development receiving a LIHTC reservation or allocation.



Market Analyst

June 22, 2026

Date

CERTIFICATION

The appraisers signing this report make the following certifications to the best of their knowledge and belief.

- The statements of fact contained in this report are true and correct.
- Reported analyses, opinions, and conclusions are limited only by the assumptions and limiting conditions contained within this report, and are the appraisers' personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- The appraisers have no present or prospective interest in the property that is the subject of this report, or personal interest with the parties involved. The appraisers have no bias with respect to the property that is the subject of this report, or to the parties involved with this assignment.
- The appraisers have not performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report during the three-year period immediately preceding acceptance of this assignment.
- The appraisers have no bias with respect to the subject property or to the parties involved with this assignment.
- This engagement is not contingent upon developing or reporting predetermined results.
- Compensation paid to the appraisers is not contingent upon the development or reporting of a predetermined value, or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.
- Reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Foundation.
- A statement regarding observation of the subject property by the appraisers is listed below. This viewing, if any, did not attempt to probe, study, investigate, detect, or discover unfavorable physical features.

Appraiser	Observation
Eugene A. Joseph, Jr., MAI, SRA, AI-GRS	Adequate Observation

- No one provided significant real property appraisal assistance to the appraiser(s) signing this certification.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics &

Standards of Professional Appraisal Practice of the Appraisal Institute, which includes the Uniform Standards of Professional Appraisal Practice.

- Use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, Eugene A., Joseph, Jr., MAI, SRA has completed the continuing education program for Designated Members of the Appraisal Institute.

EAJoseph Appraisal & Consultation



Eugene A. Joseph, Jr., MAI, SRA, AI-GRS
Principal Appraiser
Certified General Real Estate Appraiser
License No. 4001 009492

SEQUENCE OF ADDENDA MATERIALS

- Contingent and Limiting Conditions
- Appraiser Qualifications
- License
- Insurance Information
- Service Agreement

Eugene A. Joseph, Jr., MAI, SRA, AI-GRS

Proprietor

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EJoseph Appraisal & Consultation

PO Box 8225

Richmond, Virginia 23226

CONTINGENT AND LIMITING CONDITIONS

1. By this notice, all persons, companies, or corporations using or relying on this report in any manner bind themselves to accept these Contingent and Limiting conditions, and all other contingent and limiting conditions contained elsewhere in this report. Do not use any portion of this report unless you fully accept all Contingent and Limiting conditions contained throughout this document.
2. The "Subject" or "Subject Property" refers to the real property that is the subject of this report. An Appraiser is defined as an individual person who is licensed to prepare real estate appraisal-related services in the State of Virginia and affixes his / her signature to this document.
3. Throughout this report, the singular term "Appraiser" also refers to the plural term "Appraisers". The terms "Appraiser" and "Appraisers" also refer collectively to "EAJoseph Appraisal & Consultation ", its officers, employees, subcontractors, and affiliates. The masculine terms "he" or "his" also refer to the feminine term "she" or "her".
4. In these Contingent and Limiting Conditions, the "Parties" refers to all of the following collectively: (a) the Appraiser(s), (b) EAJoseph Appraisal & Consultation, (c) the client, and (d) all intended users.
5. These Contingent and Limiting Conditions are an integral part of this report along with all certifications, definitions, descriptions, facts, statements, assumptions, disclosures, hypotheses, analyses, and opinions.
6. All contents of this report are prepared solely for the explicitly identified client and other explicitly identified intended users. The liability of the Appraiser is limited solely to the client. There is no accountability, obligation, or liability to any other third party. Other intended users may read but not rely on this report.
7. This document communicates the results of an appraisal assignment. This communication is not an inspection, engineering, construction, legal, or architectural report. It is not an examination or survey of any kind. Expertise in these areas is not implied. The Appraiser is not responsible for any costs incurred to discover, or correct any deficiency in the property.
8. As part of this appraisal, information was gathered and analyzed to form opinion(s) that pertain solely to one or more explicitly identified effective value dates. The effective value date is the only point in time that the value applies. Information about the subject property, neighborhood, comparables, or other topics discussed in this report was obtained from sensible sources. In accordance with the extent of research disclosed in the Scope of Work section, all information cited herein was examined for accuracy, is believed to be reliable, and is assumed reasonably accurate. However, no guaranties or warranties are made for this information. No liability or responsibility is assumed for any inaccuracy which is outside the control of the Appraiser, beyond the scope of work, or outside reasonable due diligence of the Appraiser.
9. Real estate values are affected by many changing factors. Therefore, any value opinion expressed herein is considered credible only on the effective value date. Every day that passes thereafter, the degree of credibility wanes as the subject changes physically, the economy changes, or market conditions change. The Appraiser reserves the right to amend these analyses and/or value opinion(s) contained within this appraisal report if erroneous, or more factual-information is subsequently discovered. No guarantee is made for the accuracy of estimates or opinions furnished by others, and relied upon in this report.
10. In the case of limited partnerships, syndication offerings, or stock offerings in the real estate, the client agrees that in case of lawsuit (brought by the lender, partner, or part owner in any form of ownership, tenant, or any other party), the client will hold EAJoseph Appraisal & Consultation , its officers, contractors, employees and associate appraisers completely harmless. Acceptance of, and/or use of this report by the client, or any third party is prima facie evidence that the user understands and agrees to all these conditions.
11. For appraisals of multiunit residential, only a portion of all dwellings was observed. A typical ratio of observed dwellings roughly approximates 10% of the total number of units, and this ratio declines as the number of dwellings grows. It is assumed the functionality, physical condition, construction quality, and interior finish of unseen units are similar to the functionality, physical condition, construction quality, and interior finish of observed units. If unobserved dwellings significantly differ from those that were viewed in functionality, physical condition, quality, or finish, the Appraiser reserves the right to amend theses analysis and/or value opinion(s).

12. If the appraised property consists of a physical portion of a larger parcel is subject to the following limitations. The value opinion for the property appraised pertains only to that portion defined as the subject property. This value opinion should not be construed as applying with equal validity to other complementary portions of the same parcel. The value opinion for the physical portion appraised + the value of all other complementary physical portions may or may not equal the value of the whole parcel.
13. Unless specifically stated otherwise herein, the Appraiser is unaware of any engineering study made to determine the bearing capacity of the subject land, or nearby lands. Improvements in the vicinity, if any, appear to be structurally sound. It is assumed soil and subsoil conditions are stable and free from features that cause supernormal costs to arise. It is also assumed existing soil conditions of the subject land have proper load bearing qualities to support the existing improvements, or proposed improvements appropriate for the site. No investigations for potential seismic hazards were made. This appraisal assumes there are no conditions of the site, subsoil, or structures, whether latent, patent, or concealed that would render the subject property less valuable. Unless specifically stated otherwise in this document, no earthquake compliance report, engineering report, flood zone analysis, hazardous substance determination, or analysis of these unfavorable attributes was made, or ordered in conjunction with this appraisal report. The client is strongly urged to retain experts in these fields, if so desired.
14. If this report involves an appraisal that values an interest, which is less than the whole fee simple estate, then the following disclosure applies. The value for any fractional interest appraised + the value of all other complementary fractional interests may or may not equal the value of the entire fee simple estate.
15. If this appraisal values the subject as though construction, repairs, alterations, remodeling, renovation, or rehabilitation will be completed in the future, then it is assumed such work will be completed in a timely fashion, using non-defective materials, and proper workmanship. All previously completed work is assumed completed in substantial conformance with plans, specifications, descriptions, or attachments made or referred to herein. It is also assumed all planned, in-progress, or recently completed construction complies with the zoning ordinance, and all applicable building codes. A prospective value opinion has an effective value date that is beyond or in the future relative to this report's preparation date. If this appraisal includes a prospective valuation, it is understood and agreed the Appraiser is not responsible for an unfavorable value effect caused by unforeseeable events that occur before completion of the project.
16. This valuation may or may not include an observation of the appraised property by an Appraiser. The extent of any observation is disclosed in the Scope of Work section of this report. Any observation by an Appraiser is not a professional property inspection. Viewing of the subject was limited to components that were not concealed, clearly observable, and readily accessible without a ladder on the property observation date. As used herein, readily accessible means within the Appraiser's normal reach without the movement of any man made or natural object. Comments or descriptions about physical condition of the improvements are based solely on a superficial visual observation. These comments are intended to familiarize the reader with the property in a very general fashion.
17. Electric, heating, cooling, plumbing, water supply, sewer or septic, mechanical equipment, and other property systems were not tested. No determination was made regarding the operability, capacity, or remaining physical life of any component in, on, or under the real estate appraised. All building components are assumed adequate and in good working order unless stated otherwise. Private water wells and private septic systems are assumed sufficient to comply with federal, state, or local health safety standards. No liability is assumed for the soundness of structural members since structural elements were not tested or studied to determine their structural integrity. The roof cover for all structures is assumed water tight unless otherwise noted. This document is not an inspection, engineering or architectural report. If the client has any concern regarding structural, mechanical, or protective components of the improvements, or the adequacy or quality of sewer, water or other utilities, the client should hire an expert in the appropriate discipline before relying upon this report. No warranties or guarantees of any kind are expressed or implied regarding the current or future physical condition or operability of any property component.
18. The allocation of value between the subject's land and improvements, if any, represents our judgment only under the existing use of the property. A re-evaluation should be made if the improvements are removed, substantially altered, or the land is utilized for another purpose.
19. The Client and all intended users agree to all the following. (A) This appraisal does not serve as a warranty on the physical condition or operability of the property appraised. (B) All users of this report should take all

necessary precautions before making any significant financial commitments to or for the subject. (C) Any estimate for repair or alternations is a non-warranted opinion of the Appraiser.

20. No liability is assumed for matters of legal nature that affect the value of the subject property. Unless a clear statement to the contrary is made in this report, value opinion(s) formed herein are predicated upon the following assumptions. (A) The real property is appraised as though, and assumed free from all value impairments including yet not limited to title defects, liens, encumbrances, title claims, boundary discrepancies, encroachments, adverse easements, environmental hazards, pest infestation, leases, and atypical physical deficiencies. (B) All real estate taxes and assessments, of any type, are assumed fully paid. (C) It is assumed ownership of the property appraised is lawful. (D) It is also assumed the subject property is operated under competent and prudent management. (E) The subject property was appraised as though, and assumed free of indebtedness. (F) The subject real estate is assumed fully compliant with all applicable federal, state, and local environmental regulations and laws. (G) The subject is assumed fully compliant with all applicable zoning ordinances, building codes, use regulations, and restrictions of all types. (H) All licenses, consents, permits, or other documentation required by any relevant legislative or governmental authority, private entity, or organization have been obtained, or can be easily be obtained or renewed for a nominal fee.
21. Any exhibits in the report are intended to assist the reader in visualizing the subject property and its surroundings. The drawings are not surveys unless specifically identified as such. No responsibility is assumed for cartographic accuracy. Drawings are not intended to be exact in size, scale, or detail.
22. Value opinions involve only real estate, and inconsequential personal property. Unless explicitly stated otherwise, value conclusions do not include personal property, unaffixed equipment, trade fixtures, business-good will, chattel, or franchise items of material worth.
23. Conversion of the subject's income into a market value opinion is based upon typical financing terms that were readily available from a disinterested, third party lender on this report's effective date. Atypical financing terms and conditions do not influence market value, but may affect investment value.
24. All information and comments concerning the location, market area, trends, construction quality, construction costs, value loss, physical condition, rents, or any other data for the subject represent estimates and opinions of the Appraiser. Expenses shown in the Income Approach, if used, are only estimates. They are based on past operating history, if available, and are stabilized as generally typical over a reasonable ownership period.
25. This appraisal was prepared by EAJoseph Appraisal & Consultation and consists of trade secrets and commercial or financial information, which is privileged, confidential, and exempt from disclosure under 5 U.S.C. 522 (b) (4).
26. The Appraiser is not required to give testimony or produce documents because of having prepared this report unless arrangements are agreed to in advance. If the Appraiser is subpoenaed pursuant to court order or required to produce documents by judicial command, the client agrees to compensate the Appraiser for his appearance time, preparation time, travel time, and document preparation time at the regular hourly rate then in effect plus expenses and attorney fees. In the event the real property appraised is, or becomes the subject of litigation, a condemnation, or other legal proceeding, it is assumed the Appraiser will be given reasonable advanced notice, and reasonable additional time for court preparation.
27. Effective January 26, 1992, the Americans with Disabilities Act (ADA) - a national law, affects all non-residential real estate or the portion of any property, which is non-residential. The Appraiser has not observed the subject property to determine whether the subject conforms to the requirements of the ADA. It is possible a compliance survey, together with a detailed analysis of ADA requirements, could reveal the subject is not fully compliant. If such a determination was made, the subject's value may or may not be adversely affected. Since the Appraiser has no direct evidence, or knowledge pertaining to the subject's compliance or lack of compliance, this appraisal does not consider possible noncompliance or its effect on the subject's value.
28. EAJoseph Appraisal & Consultation and the Appraiser have no expertise in the field of insect, termite, or pest infestation. We are not qualified to detect the presence of these or any other unfavorable infestation. The Appraiser has no knowledge of the existence of any infestation on, under, above, or within the subject real estate. No overt evidence of infestation is apparent to the untrained eye. However, we have not specifically inspected or tested the subject property to determine the presence of any infestation. No effort was made to dismantle or probe the structure. No effort was exerted to observe enclosed, encased, or otherwise concealed evidence of infestation. The presence of any infestation would likely diminish the property's value. All value

opinions in this communication assume there is no infestation of any type affecting the subject real estate or the Appraiser is not responsible for any infestation or for any expertise required to discover any infestation. Our client is urged to retain an expert in this field, if desired.

29. All opinions are those of the signatory Appraiser based on the information in this report. No responsibility is assumed by the Appraiser for changes in market conditions, or for the inability of the client, or any other party to achieve their desired results based upon the appraised value. Some of the assumptions or projections made herein can vary depending upon evolving events. We realize some assumptions may never occur and unexpected events or circumstances may occur. Therefore, actual results achieved during the projection period may differ from those set forth in this report. Compensation for appraisal services is dependent solely on the delivery of this report, and no other event or occurrence
30. No warranties are made by the Appraiser concerning the property's conformance with any applicable government code or property covenant including but not limited to all laws, ordinances, regulations, agreements, declarations, easements, condominium regulations, restrictions, either recorded or unrecorded. The client is urged to engage the services of a licensed attorney to confirm any legal issue affecting the property appraised. No liability or responsibility is assumed by the Appraiser to determine the cost of replacing or curing any supposedly defective physical component.
31. In the event of an alleged claim due to some defective physical component, the client must notify EAJoseph Appraisal & Consultation and allow its representatives and experts to examine and test the alleged defective component before any repairs or modifications are made. If any type of repair or modification is made without the knowledge of the Appraisers, the Appraiser is released from all liability, real or alleged.
32. The client and all explicitly identified intended users agree to notify in writing EAJoseph Appraisal & Consultation, within one year of this report's preparation date, of any claim relating to or arising from this report regardless of any statute of limitations. If EAJoseph Appraisal & Consultation does not receive this written notification within the year period defined in the paragraph, then the claimant releases the Appraiser from all claims arising from or related to this report.
33. The client and all explicitly identified intended users acknowledge that any claim relating to this report shall be settled in accordance with the commercial arbitration rules of the American Arbitration Association with the Parties each paying an equal share of all associated costs.
34. Any alleged claim must be filed in the Circuit Court for the County that encompasses most of or all of Richmond, Virginia 23226 where the Appraiser's business office is located. If a court of law voids any portion of these Contingent and Limiting Conditions, then the remainder remains in full force and effect. The claimant(s) agree not to contest the venue set forth herein and to submit to, and not contest, the exercise of personal jurisdiction over them by the foregoing court. The claimant(s) waive all rights concerning the exercise of personal jurisdiction of them by the foregoing courts and all claims of or concerning forum non-conveniences in the foregoing forum.
35. Superseding all comments to the contrary regardless of date, this report may not be transferred or assigned without the prior written consent of EAJoseph Appraisal & Consultation.
36. No part of this report shall be published or disseminated to the public by the use of advertising media, public relations media, news media, sales media, electronic devices, or other media without the prior written consent of EAJoseph Appraisal & Consultation. This restriction applies particularly as to analyses, opinions, and conclusions; the identity of the Appraiser; and any reference to the Appraisal Institute or its MAI, SRPA, or SRA designations. Furthermore, no part of this report may be reproduced or incorporated into any information retrieval system without written permission from EAJoseph Appraisal & Consultation, the copyright holder.



Eugene A. Joseph, Jr. MAI, SRA, AI-GRS

PROPRIETOR & CEO
Appraisal & Consultation Services



Gene@eajoseph.com

EDUCATION AND QUALIFICATIONS

Virginia Commonwealth University, Richmond, VA

Bachelor of Science degree in Business, Real Estate and Urban Land Development

Graduate Certificate of Real Estate and Urban Land Development

STATE CERTIFICATION

Virginia

CONTACT DETAILS

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EJoseph Appraisal & Consultation
Richmond Office
PO Box 8225
Richmond, VA 23226

Eugene A. Joseph, Jr. MAI, SRA opened Joseph Appraisal & Consultation in January of 2015 in which Eugene is the owner and operator and is responsible for all phases of real property appraisal and consulting services. In October of 2014, MGMiller Valuations was acquired by Colliers International Valuation & Advisory Services in Richmond, VA. Eugene worked for MGMiller Valuations/ Colliers International since April of 1998 in which he was responsible for all phases of commercial and residential valuation in accordance with USPAP and FIRREA regulations. In 2012, Eugene was promoted to upper management of the commercial division in which his additional responsibilities included performing reviews, scoping and bidding assignments and mentoring members of his commercial team.

EXPERIENCE

Owner and CEO of EJoseph Appraisal & Consultation, Richmond, VA, January 2015- present

Senior Valuation Services Director, Colliers International Valuation & Advisory Services, Richmond, VA, October 2014- January 2015

Senior Valuation Appraiser and Director, MGMiller Valuations, Richmond, VA., 1998-2014

PROFESSIONAL AFFILIATIONS AND ACCREDITATIONS

MAI, SRA, AI-GRS; Appraisal Institute

Member of National Council of Housing Marketing Analyst (NCHMA)

HUD Certified

APPRAISAL INSTITUTE COURSES

IA1, Real Estate Principals

IA2, Basic Valuation Procedures

Course 510, Advanced Income Analysis

Course 520, Highest and Best Use and Market Analysis

Course 530, Advanced Sales Comparison and Cost Approaches

Course 540, Advanced Report Writing

Course 550, Advanced Applications

CE as needed

OTHER RELATED COURSES

Real Estate Principals

Real Estate Law

Real Estate Finance

Real Property Management

Real Estate Appraisal

Real Estate Negotiation

Advanced Real Estate Appraisal

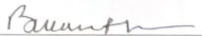
Advanced Valuation Analysis (Graduate Level)

Real Estate Investment Analysis (Graduate Level)

Commercial Mortgage Lending (Graduate Level)

Real Property Investment Law (Graduate Level)

Real Estate Development (Graduate Level)

EXPIRES ON 04-30-2027	COMMONWEALTH of VIRGINIA Department of Professional and Occupational Regulation 9960 Mayland Drive, Suite 400, Richmond, VA 23233 Telephone: (804) 367-8500	NUMBER 4001009492
REAL ESTATE APPRAISER BOARD CERTIFIED GENERAL REAL ESTATE APPRAISER		
	EUGENE ALBER JOSEPH JR 4612 W FRANKLIN STREET RICHMOND, VA 23226	  BRIAN WOLFORD, DIRECTOR
Status can be verified at http://www.dpor.virginia.gov		
(SEE REVERSE SIDE FOR PRIVILEGES AND INSTRUCTIONS)		
DPOR-LIC (02/2017)		

11/13/2025

RSG Specialty, LLC
9020 Stony Point Parkway
Richmond, VA 23235

INSURANCE BINDER FOR: EA Joseph Appraisal & Consultation Services, LLC
POLICY NUMBER: MEO-HS-0006008-02

Thank you for binding coverage with Houston Specialty Insurance Company. HSIC is a property and casualty insurer rated A IX by the A.M. Best Company. We are pleased to provide you with the attached binder for insurance.

The collection and filing of all surplus lines taxes and fees as well as any other applicable surcharges are your responsibility and are not included in the premium set forth in the attached binder. Please note that commissions will not be paid on taxes and/or surcharge amounts.

Sincerely,



Jung Lee-Stouffer

INSURANCE BINDER

Insurance Company: Houston Specialty Insurance Company

Policy Number: MEO-HS-0006008-02

Named Insured: EA Joseph Appraisal & Consultation Services, LLC

CERTIFICATES OF INSURANCE

The Company will not review, accept or retain copies of any certificates of insurance or additional insured endorsements prepared by anyone. Moreover, the Company will not be responsible for any liability resulting from the issuance of any unauthorized endorsement or the issuance of an endorsement which has been authorized by the Company but where the authorized wording is amended or revised in any way, without the prior written approval of the Company. The Company will not be responsible for any liability resulting from the issuance of any certificate of insurance. In no event does anyone have the authority to issue certificates of insurance which include any addition and/or modification of the policy terms and conditions, additional named insureds, waivers of subrogation or any special additional coverages unless expressly approved in writing by the Company.

Copies of all certificates of insurance and any endorsement sent with those certificates must be retained by the issuer for the time period required by state law or regulation in the state in which the certificate of insurance is issued, but in no event less than five years from the date indicated on the certificate.

Unless this policy is physically endorsed, the issuance of a certificate of insurance does not amend, extend, or alter the coverage provided by this policy or change the person(s) or entities to whom such coverage is afforded under this policy. No one without the express written authority of the Company has the authority to issue certificates of insurance or endorsements of any kind including without limitation additional insured endorsements, which include any addition and/or modification of this policy's terms and conditions, or purport to add any additional insured(s) and/or change any term, condition, or provision of this policy unless such policy changes or modifications are first approved by the Company and a policy endorsement is issued by the Company and signed by an officer of the Company.

INSURANCE BINDER
Policy Number: MEO-HS-0006008-02

NAMED INSURED: EA Joseph Appraisal & Consultation Services, LLC
4612 W. Franklin St
Richmond, VA 23226

Policy Period: From 1/12/2026 to 1/12/2027 at 12:01 A.M. Standard Time at your mailing address shown above.

COVERAGES

Professional Services: Real Estate Appraisal Services
Retroactive Date: 1/12/2015

LIMITS OF INSURANCE

Per Claim \$1,000,000
Aggregate Limit \$1,000,000

DEFENSE COSTS ARE INCLUDED WITHIN THE LIMITS OF LIABILITY

RETENTION

Retention \$2,500 Each & Every Claim

PREMIUM

Policy Premium \$2,980.00
Audit Period Not Subject To Audit

All premiums applicable to additional coverage(s) as required during the policy period will be invoiced separately and will not apply toward the estimated policy premiums. **The collection and filing of all surplus lines taxes and fees as well as any other applicable surcharges shall be the sole responsibility of the Excess and Surplus Lines Broker and not included as part of the premiums set forth above.**

INSURANCE BINDER

Policy Number: MEO-HS-0006008-02

Named Insured: EA Joseph Appraisal & Consultation Services, LLC

SUBJECTIVITIES/REQUIREMENTS

Please be advised that coverage has been bound conditional upon receipt, review, verification and approval of the following items within 30 days of binding coverage:

N/A

In order to complete the underwriting process, we require that you send us the subjectivities requested above. We are not required to bind coverage prior to our receipt, review and underwriting approval of the above information. However, if we do bind coverage prior to such approval, it shall be for a temporary period of not more than 30 days. Such temporary binding of coverage shall be void ab initio ("from the beginning") if we have not received, reviewed and approved in writing such material within 30 days from the effective date of the temporary binder.

FORMS

FORM/ENDORSEMENT NUMBER	NAME
HSIC JACKET-POLICY A (07-2021)	HSIC JACKET-POLICY A (07-2021)
MP PN 01 05 23	NOTICE REGARDING INSURANCE COVERAGE FOR ACTS OF TERRORISM
HSIC CW SOS 05 25	HSIC SERVICE OF SUIT
DS PN Annual (02-22)	SKYWARD PRIVACY NOTICE
MP FORM SCHED 00	FORMS SCHEDULE
HSIC MEO DS 01 04 24	HSIC POLICY DECLARATIONS - MISCELLANEOUS ERRORS AND OMISSIONS LIABILITY INSURANCE
MP 01 08 11 13	U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL - OFAC - ADVISORY NOTICE TO POLICYHOLDERS
MP 01 26 1113	IMPORTANT NOTICE
MP 02 52 11 13	PENDING OR PRIOR LITIGATION EXCLUSION
MP 00 01 04 24	MISCELLANEOUS PROFESSIONAL LIABILITY INSURANCE POLICY
MP 02 24 11 13	NUCLEAR LIABILITY EXCLUSION
MP 03 10 08 21	APPRAISER ENDORSEMENT
MP 03 20 08 21	EXTENDED REPORTING PERIOD ENDORSEMENT
MP 03 31 03 22	RETENTION REDUCTION FOR MEDIATION ENDORSEMENT
MP 03 39 01 23	LIMITED GENERAL LIABILITY
MP 03 47 05 23	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
MP 03 54 10 25	ARTIFICIAL INTELLIGENCE OFFENSE COVERAGE ENDORSEMENT

PENDING OR PRIOR LITIGATION EXCLUSION – 1/12/2024

ARTIFICIAL INTELLIGENCE OFFENSE COVERAGE ENDORSEMENT:

AI IP Offense - \$100K/ \$100K

AI Discrimination Claim - \$100k/\$100k

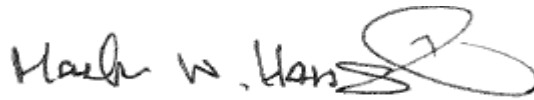
AI Consumer Protection Violations - \$100K/\$100K (Sublimit to Address Exclusion L & N, respectively)

Failure to provide Skyward Specialty Insurance with any of the above-listed items, within the specified time frame, can result in the automatic issuance of a Notice of Cancellation.

In witness whereof, this company has caused this policy to be signed by its President and Secretary but if required by state law, the policy shall not be valid unless countersigned by an authorized representative of the Company.



SECRETARY SIGNATURE



PRESIDENT SIGNATURE

HOUSTON SPECIALTY INSURANCE COMPANY
POLICY DECLARATIONS
MISCELLANEOUS ERRORS AND OMISSIONS
LIABILITY INSURANCE

POLICY NUMBER: MEO-HS-0006008-02
RENEWAL OF POLICY: MEO-HS-0006008-01

Named Insured & Mailing Address:
EA Joseph Appraisal & Consultation Services, LLC
4612 W. Franklin St
Richmond, VA 23226

Broker Name & Mailing Address:
RSG Specialty, LLC
9020 Stony Point Parkway
Richmond, VA 23235

Policy Period: From 1/12/2026 to 1/12/2027 at 12:01 A.M. Eastern Time

This policy is issued by the insurance company listed above (herein “Company”).

THIS POLICY IS A CLAIMS MADE AND REPORTED POLICY WHICH COVERS ONLY CLAIMS FIRST MADE
AGAINST THE INSURED AND REPORTED TO THE COMPANY DURING THE POLICY PERIOD.
PLEASE READ THIS POLICY CAREFULLY.

RETROACTIVE DATE

1/12/2015

LIMITS OF INSURANCE

Each Claim	\$1,000,000
Aggregate Limit	\$1,000,000

RETENTION

Each & Every Claim	\$2,500.00
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PROFESSIONAL SERVICES

Real Estate Appraisal Services

PREMIUM

Premium	\$2,980.00
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Policy Premium	\$2,980.00
Surplus Lines Tax	\$68.40
Stamping Fee	\$0.00
Policy Fee	\$60.00
VirginiaAssessment Fee	\$0.76
	\$0.00
	\$0.00
Total	\$3,109.16

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Richmond, Virginia 23226
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All opinions, analyses, and conclusions stated herein are intended for the exclusive use of our client, and other specifically identified intended users. Only the client and other specifically identified intended users may use this report for the sole purpose and intended use stated herein.

END OF REPORT