



**BOWEN
NATIONAL
RESEARCH**

Market Feasibility Analysis

Cross Creek Rehab
2502-2542 Bird Lane
Portsmouth, Virginia 23702

Prepared For

Ms. Samantha Brown
Community Housing Partners
448 Depot Street Northeast
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Authorized User

Virginia Housing
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Effective Date

February 5, 2026

Job Reference Number

26-178 JW

Market Study Certification

NCHMA Certification

This certifies that Caleb Arteaga, an employee of Bowen National Research, personally made an inspection of the area including competing properties and the subject site in Portsmouth, Virginia. Further, the information contained in this report is true and accurate as of February 5, 2026.

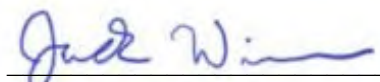
Bowen National Research is a disinterested third party without any current or future financial interest in the project under consideration. We have received a fee for the preparation of the market study. However, no contingency fees exist between our firm and the client.

Virginia Housing Certification

I affirm the following:

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

Certified:



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Certificate of Membership

Bowen National Research
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Membership Term
1/1/2026 - 12/31/2026



A handwritten signature in black ink that reads "Kaitlyn Snyder".

Kaitlyn Snyder
Managing Director, NH&RA

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I. Introduction

A. PURPOSE

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

B. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

C. SOURCES

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

- The 2010 and 2020 Census on Housing
- American Community Survey
- ESRI
- Applied Geographic Solutions
- U.S. Department of Labor
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- U.S. Department of Housing and Urban Development (HUD)

D. REPORT LIMITATIONS

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

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

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II. Executive Summary

Based on the findings contained in this report, it is our opinion that a market will continue to exist for the Cross Creek Rehab rental community in Portsmouth, Virginia post renovations utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program. The following points support this conclusion:

Project Description

The subject project involves the renovation of the 102-unit Cross Creek apartment property at 2502 to 2542 Bird Lane in Portsmouth, Virginia. Built in 1969 and renovated in 1999, the project currently operates as a mixed-income community. It should be noted that the property was financed through the HUD Section 236 program; however, none of the units receive Rental Assistance (RA) and is effectively operating as a non-subsidized property. According to management, all marketed units at the project are occupied, with a 74-household waiting list. Note that 12 units are offline due renovations.

The project will be renovated utilizing funding from the LIHTC program, which will involve the extensive rehabilitation of each unit and the community spaces. Once renovations are complete, the project will target households with incomes of up to 40%, 50%, 60% and 80% of Area Median Household Income (AMHI), with eight units operating as unrestricted market-rate. Note that most of the proposed rents will increase from current rent levels, which have been artificially constrained by LIHPRA, post renovations. All renovations are expected to be completed by July 2028. Additional details of the subject project can be found in Section III - *Project Description* of this report.

Site Evaluation

The existing subject site is located in the southern portion of Portsmouth. Surrounding land uses include single-family homes, farmland, multifamily housing, a mobile home park, a variety of restaurants, car repair and maintenance shops, a grocery store, banks, churches, a storage facility, and various other businesses. Most of the surrounding buildings range from fair to good condition. Entryway signage is present along Deep Creek Boulevard. Passerby traffic should have unobstructed views of this signage. The site is also within proximity of arterial roadways, as State Route 239, U.S. Highway 17, and Interstate 264 are within 2.1 miles of the site. Most essential community services, including shopping, dining, education, public safety services, and recreation, can be accessed within 4.1 miles of the site. Overall, the site's surrounding land uses and proximity to services should continue to positively contribute to its marketability. Additional information regarding the subject site, surrounding land uses and the proximity of community services is included in Section IV - *Area Analysis*.

Primary Market Area (PMA)

The Portsmouth Site PMA includes central and southern portions of Portsmouth and northern portions of Chesapeake. Specifically, the boundaries of the Portsmouth Site PMA include the Elizabeth River to the north, east and west and Interstate 64 to the south. A justification of this market area and a map illustrating the boundaries of the Site PMA can be found in *Section IV*, beginning on page 9.

Demographic Trends

The Portsmouth Site PMA has been experiencing positive household growth since 2010, a trend that is projected to continue through 2031. Notable increases projected among specific household age groups include those between the ages of 45 and 54, as well as those aged 75 and older, illustrating that there will likely be an increasing need for housing for both families and seniors within the market. While low- and moderate-income renters (generally those earning below \$75,000) are projected to decrease between 2026 and 2031, these households will continue to represent over 75.0% of all renter households within market by 2031. Additionally, the subject project is able to accommodate virtually all renter households within the market, based on household size. Overall, the demographic trends contained within this report demonstrate a good base of current and potential support for the subject project. Detailed demographic trends are included in *Section IV*, beginning on page 11.

Economic Trends

The Portsmouth area economy is improving and strategically expanding, showing steady improvement since the impact of the COVID-19 pandemic in 2020. Specifically, the city employment base has increased by 2,076, or 5.2%, since 2020 (through the end of 2025), while the annual unemployment rate for the city has declined by more than five full percentage points during this same time period to 4.5%. In addition, recent and ongoing economic development projects have resulted in a combined \$350 million investment and the creation of over 500 jobs. Based on the preceding factors, we expect the Portsmouth economy will continue to improve for the foreseeable future. Detailed economic trends are included in *Section IV*, beginning on page 15.

Overall Rental Housing Market Conditions

We identified and personally surveyed 33 conventional housing projects containing a total of 4,445 marketed units within the Site PMA, including the subject site. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 99.7%, an extremely high rate for rental housing. The table on the following page summarizes the surveyed rental communities broken out by project type.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	9	1,361	3	99.8%
Market-rate/Affordable	1	90	0	100.0%
Tax Credit	9	1,380	11	99.2%
Tax Credit/Government-Subsidized	10	1,114	0	100.0%
Market-rate/Tax Credit/Government-Subsidized	3	476	0	100.0%
Government-Subsidized	1	24	0	100.0%
Total	33	4,445	14	99.7%

Each of the surveyed rental housing segments are operating at occupancy rates above 99.0%, illustrating that the demand for rental housing is high among all rental housing affordability levels. With very few available units identified within the Site PMA, it is clear the existing housing supply is not meeting the needs of the market and that there are development opportunities for a variety of rental product.

Competitive/Comparable Tax Credit Analysis

As noted, we identified and surveyed 23 properties in which at least some units operate under the LIHTC program within the Portsmouth Site PMA, including the subject site. These properties target households with income of up to 80% of AMHI, though some target lower income households. We selected six properties that we believe are most comparable in terms of bedroom types, features, age, and target market, which are summarized in the following table, along with the subject development. Information regarding property address, phone number and contact name is included in the Field Survey of Conventional Rentals.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Cross Creek Rehab	1969 / 2028	94*	100.0%*	-	74 HH	Families; 40%, 50%, 60% & 80% AMHI
2	Ansell Gardens Apts.	1969 / 2003	78	100.0%	1.9 Miles	Yes^^	Families; 50% & 60% AMHI
8	Grand at Mallard Manor	1975 / 2000	160	99.4%	3.4 Miles	None	Families; 60% AMHI
16	Independence Square Apts.	1985 / 2005	152	100.0%	0.6 Mile	10 HH	Families; 60% AMHI
18	Maplewood I & II	1991 / 2010	320	100.0%	4.2 Miles	None	Families; 60% AMHI
29	Thrive Apartment Homes	1972 / 2016	102	97.1%	1.6 Miles	None	Families; 60% AMHI
33	Whispering Oaks Apts.	1970 / 2004	179 + 1^	100.0%	3.9 Miles	None	Families; 60% AMHI

OCC. – Occupancy; HH - Households

*Tax Credit units only; **Reflects marketed units; ^Unit under renovation; ^^Length unavailable

The six selected LIHTC projects have a combined occupancy rate of 99.6%, indicating very strong demand exists for affordable housing in the market. Notably, four of these projects are fully occupied, two of which maintain a waiting list. As such, it is clear there is pent-up demand for LIHTC product that is comparable to the subject project. Given there are virtually no vacancies among these rentals, the subject project will continue to fill a portion of the market's need for affordable rental housing.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Cross Creek Rehab	-	\$940/40% (6) \$1,173/50% (20) \$1,225/60% (15) \$1,225/80% (4)	\$1,087/40% (6) \$1,357/50% (20) \$1,590/60% (19) \$1,688/80% (4)	-
2	Ansell Gardens Apts.	-	\$1,048-\$1,098/50% (38/0) \$1,097-\$1,127/60% (40/0)	-	None
8	Grand at Mallard Manor	-	\$1,355/60% (80/0)	\$1,561/60% (80/1)	None
16	Independence Square Apts.	\$1,149/60% (33/0)	\$1,381/60% (106/0)	\$1,598/60% (13/0)	None
18	Maplewood I & II	-	\$1,459/60% (280/0)	\$1,688/60% (40/0)	None
29	Thrive Apartment Homes	-	\$1,504/60% (62/2)	\$1,748/60% (40/1)	None
33	Whispering Oaks Apts.	\$994/60% (28/0)	\$1,202-\$1,231/60% (122/0)	\$1,437/60% (29+1*/0)	None

*Unit under renovation

The proposed subject gross rents, ranging from \$939 to \$1,688, appear to be competitively aligned with the comparable properties' rental rates by similar AMHI levels. In fact, the proposed subject rents set aside at 80% of AMHI are within the range of the 60% of AMHI rents offered at the competition and, therefore, should represent good values to moderate-income renters within the market. Overall, the proposed rents should compete very well with these properties.

Comparable Tax Credit Summary

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing affordable properties within the market, it is our opinion that the subject development will continue to be positioned to compete well within the Portsmouth Site PMA.

Competitive/Comparable Market-Rate Analysis

Considering that the project will continue to offer market-rate units, we have also provided a comparable market-rate analysis to assess the competitiveness of these units. We identified five comparable market-rate properties within the Site PMA, which are summarized in the following table, along with the subject site:

Map I.D.	Project Name	Year Built/ Renovated	Units	Occupancy Rate	Distance to Site	Rent Special
Site	Cross Creek Rehab	1969 / 2028	8*	100.0%**	-	-
3	Ashton Village Apts.	1984 / 2022	120	98.3%	2.7 Miles	None
5	Biltmore Commons Apts.	1989	89	98.9%	1.8 Miles	None
19	Nav850 at Olde Towne	2005	246	100.0%	4.1 Miles	None
20	Newport Landing Apts.	1943 / 2012	250	100.0%	0.3 Mile	None
23	Seaboard Building Apts.	1985	81	100.0%	4.2 Miles	None

*Market-rate units only; **Reflects marketed units

The five selected market-rate projects have a combined total of 786 units with an overall occupancy rate of 99.6%, an extremely high rate for rental housing. Given that only three vacancies exist at these projects, illustrates that pent-up demand likely exists for additional market-rate rental housing within the Site PMA. The subject project will continue to accommodate a portion of this unmet demand.

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

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
Site	Cross Creek Rehab	-	\$1,225 (2)	\$1,688 (6)
3	Ashton Village Apts.	\$1,489 (23/1)	\$1,755-\$1,805 (97/1)	-
5	Biltmore Commons Apts.	-	\$1,450 (65/1)	\$1,594-\$1,929 (24/0)
19	Nav850 at Olde Towne	\$1,618-\$2,171 (156/0)	\$2,167-\$2,363 (90/0)	-
20	Newport Landing Apts.	\$1,000-\$1,150 (170/0)	\$1,237-\$1,342 (80/0)	-
23	Seaboard Building Apts.	\$1,419 (49/0)	\$1,849 (32/0)	-

The subject’s proposed gross market-rate rents will be some of the lowest, if not *the lowest* market-rate rents relative to those offered at the selected market-rate communities. This will position the subject project at a significant competitive advantage.

Perception of Value

Based on HUD Rent Comparability Grids in *Section VI*, the following table summarizes the proposed subject project’s market rent advantages:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
Two-Bedroom	40%	\$755	\$1,430	47.2%
	50%	\$988		30.9%
	60%	\$1,040		27.3%
	80%	\$1,040		27.3%
	Market	\$1,040		27.3%
Three-Bedroom	40%	\$838	\$1,620	48.3%
	50%	\$1,108		31.6%
	60%	\$1,342		17.2%
	80%	\$1,440		11.1%
	Market	\$1,440		11.1%

Typically, Tax Credit rents targeting households earning up to 60% of AMHI are set at least 10% below market rent to ensure the property represents a value and has a sufficient flow of prospective tenants within most markets. While units targeting households up to 80% of AMHI often do not need to represent a market rent advantage of 10% to be perceived a value, it is often recommended that such units/rents represent

around a 5.0% market rent advantage. Therefore, the subject’s proposed Tax Credit rents, which represent market rent advantages of between 11.1% and 48.3%, are considered appropriate and should represent good values within the Portsmouth market. Additionally, the subject’s market-rate rents are also anticipated to represent good values to renters, as they represent significant market rent advantages of at least 11.1%. This will contribute to the subject’s continued marketability.

Capture Rate Estimates

The following is a summary of our demand calculations:

Demand Component	Percent of Median Household Income				
	40% AMHI (\$32,229-\$46,040)	50% AMHI (\$40,217-\$57,550)	60% AMHI (\$42,000-\$69,060)	80% AMHI (\$42,000-\$92,080)	Overall (\$32,229-\$92,080)
Net Demand	1,151	1,215	1,756	2,438	3,312
Subject Units	12	40	34	16	102
Subject Units / Net Demand	12 / 1,151	40 / 1,215	34 / 1,756	16 / 2,438	102 / 3,312
Capture Rate	= 1.0%	= 3.3%	= 1.9%	= 0.7%	= 3.1%

Typically, utilizing the demand methodology illustrated above, capture rates of up to 30.0% are considered acceptable for projects located in urban markets, while higher capture rates of up to 35.0% are considered acceptable for projects in rural markets. As noted earlier in this report, the subject development will experience significant rent increases post renovations. However, given the limited availability that exists among the rental projects surveyed, tenants of the site generally have no other good quality affordable housing options available in the market. Therefore, it is anticipated that a significant number of current tenants will remain in place after renovations are completed. It is also assumed that the developer will offer some type of assistance to current tenants, mitigating the rent increases of the post-rehab rents, which will mitigate turnover. Any units which may become vacant due to typical turnover are expected to be quickly filled (with applicable post rehab rents/income levels) due to the significant demand that exists for additional affordable rental housing within the Portsmouth market.

Penetration Rate

The 1,629 existing non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing, planned and proposed subject Tax Credit units is \$23,897 to \$92,080. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, there will be an estimated 7,816 renter households with eligible incomes in 2028. The 1,803 existing, planned and subject non-subsidized Tax Credit units represent a penetration rate of 23.1% of the 7,816 income-eligible renter households, which is summarized in the table on the following page.

	Market Penetration
Number of LIHTC Units (Existing, Planned & Subject)	1,803
Income-Eligible Renter Households – 2028	/ 7,816
Overall Market Penetration Rate	= 23.1%

It is our opinion that the 23.1% penetration rate for the LIHTC units, existing, planned and subject, is low and easily achievable. This is especially true, given the pent-up demand that exists for additional affordable rental housing within the market.

Absorption Projections

According to management, the subject project is currently 100.0% occupied among marketed units and maintains a 74-household waiting list. Based on current tenant incomes that were provided, all existing tenants will continue to income-qualify to reside at the subject development post LIHTC renovations. Although the subject development will experience significant rent increases post renovations, given that nearly all rental housing projects surveyed within the market are fully occupied, as well as the fact that the proposed subject rents are competitively positioned and are generally well below the rents offered at the market-rate projects surveyed in the Site PMA, tenants of the site have limited options available in the market. Therefore, it is anticipated that a significant number of current tenants will remain in place after renovations are completed. It is also assumed that the developer will offer some type of assistance to current tenants, mitigating the rent increases of the post-rehab rents, which will mitigate turnover. Any units which may become vacant due to typical turnover are expected to be quickly filled (with applicable post rehab rents/income levels) due to the significant demand that exists for additional affordable rental housing within the Portsmouth market. However, for the purposes of this analysis, we assume that all 102 subject units will be vacated and that all units will have to be re-rented simultaneously.

It is our opinion that the 102 units at the subject project will reach a stabilized occupancy of around 95.0% within approximately eight to nine months following renovations. This absorption period is based on an average absorption rate of approximately 11 to 12 units/month. Our absorption projections take into consideration the high occupancy rates and waiting lists reported among existing non-subsidized LIHTC projects in the market, the required capture rate, achievable market rents and the competitiveness of the subject development within the Portsmouth Site PMA. Changes to the project's rents, amenities, scope of renovations, or other features may invalidate our findings. We assume the developer and/or management will aggressively market the project throughout the Site PMA a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period.

In reality, there effectively will be no absorption period for this project as most, if not all, current tenants are expected to continue to qualify for and remain at the property following renovations. Any units which may become vacant through typical tenant turnover are expected to be quickly filled within one month of being vacated, assuming these units are properly marketed/advertised throughout the Site PMA.

III. Project Description

Project Name:	Cross Creek Rehab
Location:	2502-2542 Bird Lane, Portsmouth, Virginia 23702
Census Tract:	2124.00
Target Market:	Family
Construction Type:	Renovation of Existing Development
Funding Source:	LIHTC

The subject project involves the renovation of the 102-unit Cross Creek apartment property at 2502 to 2542 Bird Lane in Portsmouth, Virginia. Built in 1969 and renovated in 1999, the project currently operates as a mixed-income community. It should be noted that the property was financed through the HUD Section 236 program; however, none of the units receive Rental Assistance (RA) and is effectively operating as a non-subsidized property. According to management, all marketed units at the project are occupied, with a 74-household waiting list. Note that 12 units are offline due to renovations.

The project will be renovated utilizing funding from the LIHTC program, which will involve the extensive rehabilitation of each unit and the community spaces. Once renovations are complete, the project will target households with incomes of up to 40%, 50%, 60% and 80% of Area Median Household Income (AMHI), with eight units operating as unrestricted market-rate. Note that most of the proposed rents will increase from current rent levels, which have been artificially constrained by LIHPRA, post renovations. All renovations are expected to be completed by July 2028. Additional details of the subject project are as follows:

Proposed Unit Configuration										
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Current Rent	Proposed Rents			Max. Allowable LIHTC Gross Rent
							Collected Rent	Utility Allowance	Gross Rent	
6	Two-Br.	1.0	Garden	677	40%	-	\$755	\$185	\$940	\$959
20	Two-Br.	1.0	Garden	677	50%	\$738	\$988	\$185	\$1,173	\$1,198
15	Two-Br.	1.0	Garden	677	60%	-	\$1,040	\$185	\$1,225	\$1,438
4	Two-Br.	1.0	Garden	677	80%	\$738	\$1,040	\$185	\$1,225	\$1,918
2	Two-Br.	1.0	Garden	677	Market	\$812	\$1,040	\$185	\$1,225	-
6	Three-Br.	1.0	Garden	860	40%	-	\$838	\$248	\$1,087	\$1,108
20	Three-Br.	1.0	Garden	860	50%	\$763	\$1,108	\$248	\$1,357	\$1,385
19	Three-Br.	1.0	Garden	860	60%	-	\$1,342	\$248	\$1,590	\$1,662
4	Three-Br.	1.0	Garden	860	80%	\$763	\$1,440	\$248	\$1,688	\$2,216
6	Three-Br.	1.0	Garden	860	Market	\$853	\$1,440	\$248	\$1,688	-
102	Total									

Source: Community Housing Partners

AMHI – Area Median Household Income (Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area; 2025)

It is an assumption of the Tax Credit application that the rent restrictions currently encumbering the subject under HUD's LIHPRA program will be modified. The developer has engaged in on-going discussions with HUD to increase the maximum rents to \$1,040 for two-bedroom units and \$1,440 for three-bedroom units. The aforementioned rent limits will apply to all units, including instances where 80% LIHTC maximum limits and market rate units are lower than these maximums. The current rents reflected in the subject's rent roll, therefore, will not remain in effect.

Building/Site Information	
Residential Buildings:	Five (5) two-story buildings
Building Style:	Walk-up
Community Space:	Integrated throughout
Acres:	3.9

Construction Timeline	
Original Year Built:	1969/Renovated 1999
Renovation Start:	April 2027
Begin Preleasing:	In-place renovation
Renovation End:	July 2028

Unit Amenities		
<ul style="list-style-type: none"> • Electric Range • Refrigerator • Dishwasher 	<ul style="list-style-type: none"> • Central Air Conditioning • Ceiling Fan • Walk-In Closet (Three-Bedrooms) 	<ul style="list-style-type: none"> • Composite Flooring • Window Blinds
Community Amenities		
<ul style="list-style-type: none"> • Bike Racks/Storage • Community Warming Kitchen • On-Site Management • CCTV/Cameras 	<ul style="list-style-type: none"> • Computer Center • Common Area Wi-Fi • Grilling Area • Surface Parking Lot (102 Spaces) 	<ul style="list-style-type: none"> • Clubhouse/Community Room • Laundry Room • Playground

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

Also note that in-unit internet services will be included within the rent.

Current Occupancy Status			
Total Units	Vacant Units	Occupancy Rate	Waiting List
102	0	100.0%	74 Households

The subject project will continue to offer market-rate units and units set aside at 50% and 80% of AMHI and will also offer units set aside at 40% and 60% of AMHI post renovations. Based on current tenant incomes that were provided, all existing tenants will continue to income-qualify to reside at the subject development post LIHTC renovations. Although the subject development will experience significant rent increases post renovations, given that nearly all rental housing projects surveyed within the market are fully occupied, as well as the fact that the proposed subject rents are competitively positioned and are generally well below the rents offered at the market-rate projects surveyed in the Site PMA (as illustrated later in *Section V* of this report), tenants of the site have limited options available in the market. Additionally, it is anticipated the site will be renovated in a way that will mitigate the need of offsite housing for current tenants. It is also assumed that the developer will offer some type of assistance to current tenants, mitigating the rent increases of the post-rehab rents, which will mitigate turnover. Any units which may become vacant due to typical tenant turnover are expected to be quickly filled due to the significant demand that exists for additional affordable rental housing within the Portsmouth market.

PLANNED RENOVATION:

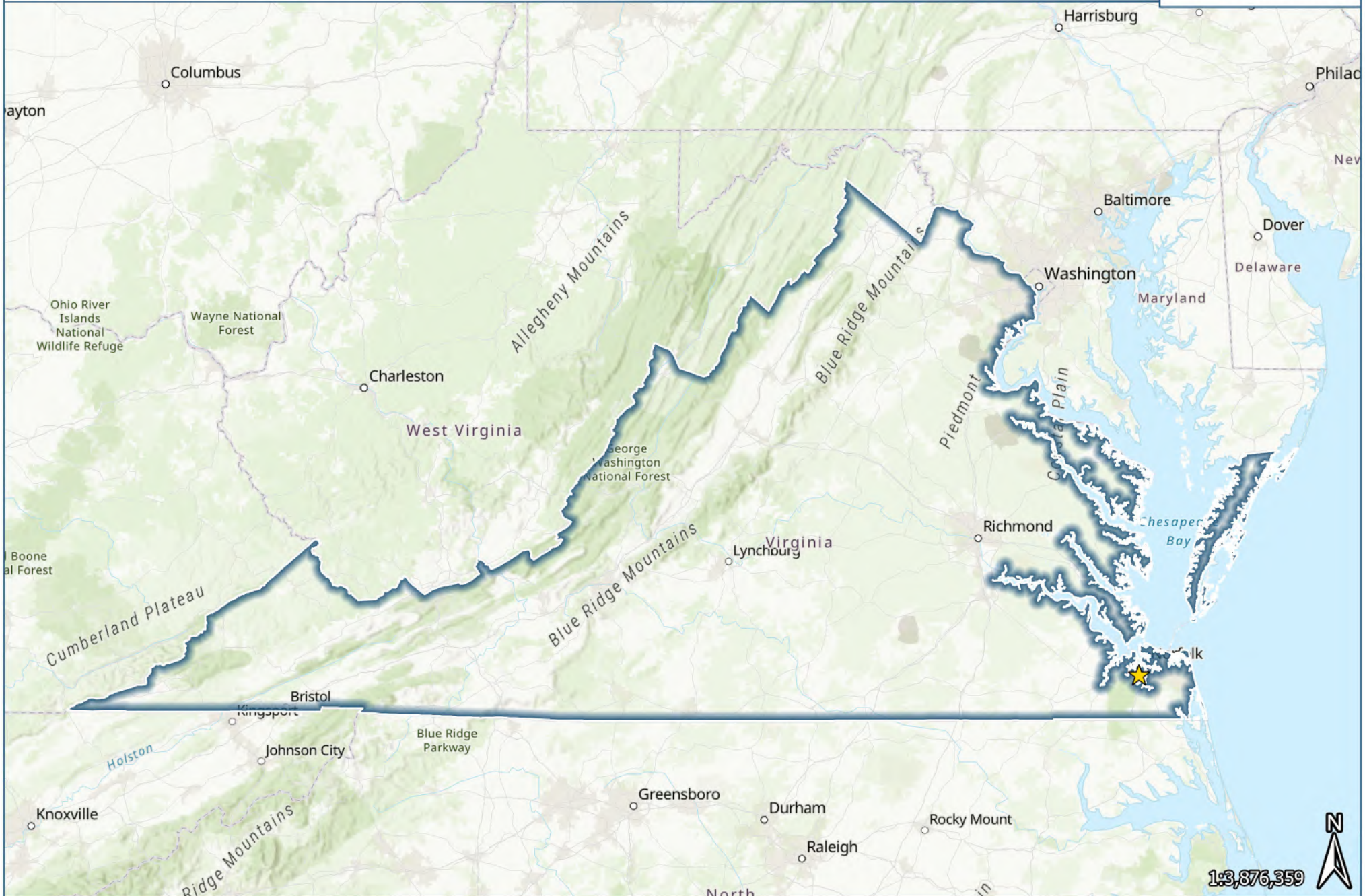
A detailed scope of renovations was not available at the time of this report. The subject property is anticipated to include the following renovations:

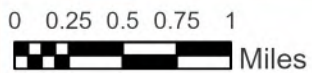
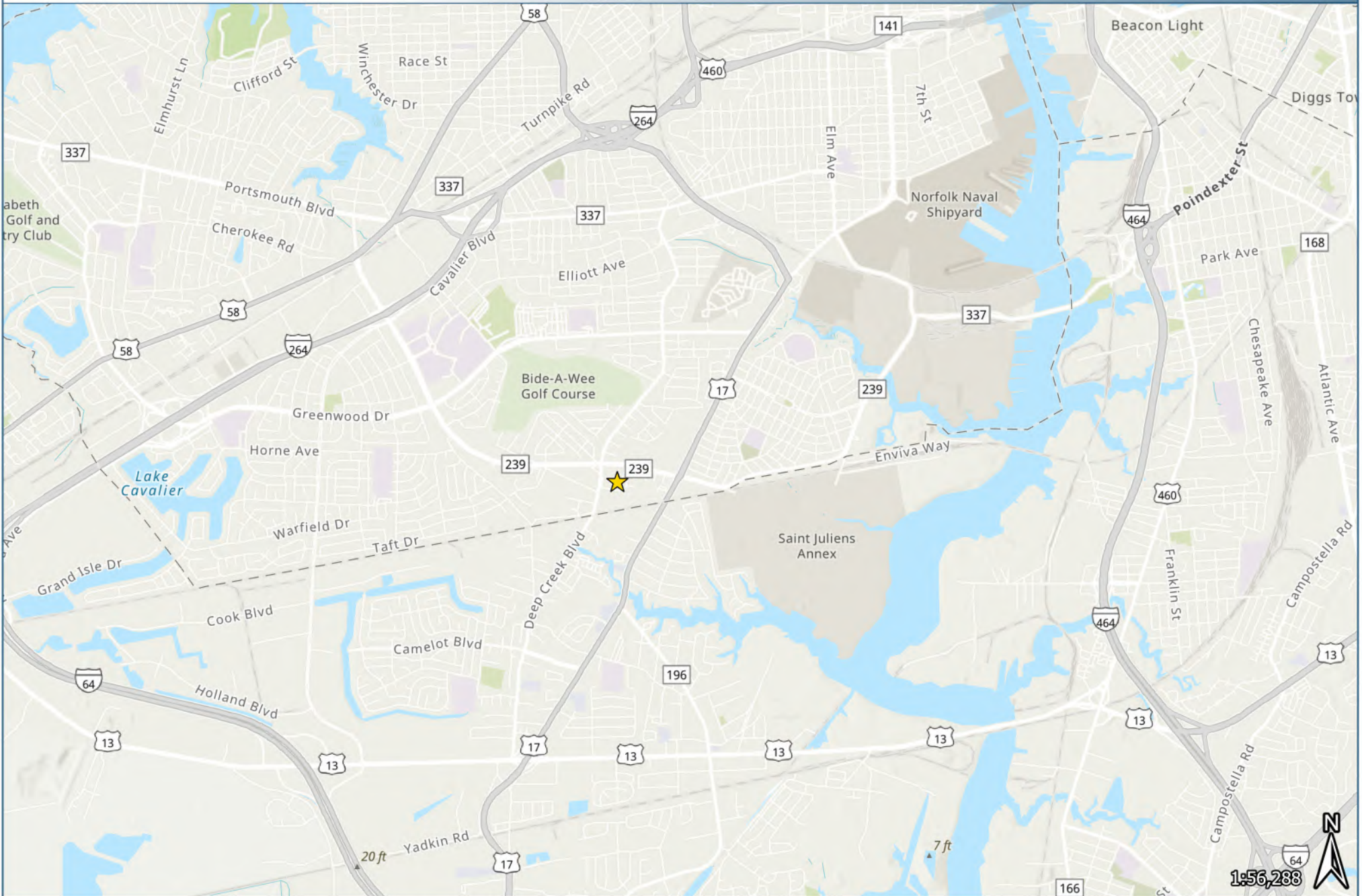
- Replace all flooring
- Install new kitchen appliances, cabinets and countertops
- Paint the interior of all the units
- New bathroom fixtures, replace/refurbish tubs and tub surrounds as needed
- Install new furnaces
- Install new mini-blinds at all windows
- Update exterior masonry repairs, replacement of existing siding and installation of new Energy Star windows
- Repair all sidewalks to remove any trip hazards
- Repair, seal coat and re-stripe the parking lots
- Replace roofs where necessary

FLOOR AND SITE PLAN REVIEW:

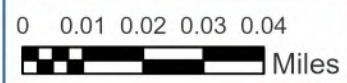
Draft floor and site plans for the existing subject project were available for review. Additionally, based on our in-person observations of the exterior buildings and interiors of select units, the subject project is marketable. This is further evidenced by the subject's 100.0% occupancy rate among marketed units and waiting list for the next available unit. The planned renovations will enhance the overall quality/condition of the site project and have a positive impact on its marketability.

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





Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community, Esri, NASA, NGA, USGS
Additional Source(s): Bowen National Research



Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community, VGIN, Vantor
Additional Source(s): Bowen National Research



IV. Area Analysis

A. SITE DESCRIPTION AND EVALUATION

1. LOCATION

The existing subject site is located at 2502 to 2542 Bird Lane in Portsmouth, Virginia. Located within the southern portion of the independent city, the subject site is approximately 5.0 miles southwest from the Central Business District (CBD) of Portsmouth. The subject site and corresponding fieldwork were completed the week of February 2, 2026.

2. SURROUNDING LAND USES

The subject site is located in a mixed-use area of Portsmouth. Surrounding land uses include single-family homes, farmland, multifamily housing, a mobile home park, a variety of restaurants, car repair and maintenance shops, a grocery store, banks, churches, a storage facility, and various other businesses. Adjacent land uses are detailed as follows:

North -	The northern boundary is defined by an auto repair shop and a multi-tenant commercial complex. Extending out to the north are Victory Village Apartments, New Port Landing Apartments, State Route 239/Victory Boulevard, Dollar Tree, Food Lion, Virginia ABC, and single-family homes. State Route 239 is a four- to five-lane divided highway with moderate traffic patterns. All structures to the north are maintained in fair to good condition.
East -	The eastern boundary is defined by Bird Lane, an internal access roadway with light vehicular traffic. Extending out to the east are Bay View Gardens, Independence Square, World Famous Blue Horseshoe Tattoo, Brentwood Hall Bingo, Loyal Order of Moose, Hardee's, Days Inn, GO Bird, Triangle Shopping Center, Planet Fitness, Wendy's, McDonald's, Arby's, North Star Credit Union, Taco Bell, Suburban Propane, Deep Creek Pawn, and single-family homes. All structures to the east are maintained in fair to good condition.
South -	The southern boundary is defined by the South Branch railroad line. Extending out to the south are the James R. Linksy Plant Farm, Temple Baptist Church, Hypnotic's Restaurant and Lounge, Shamrock Gardens Apartments, Chesapeake Mobile Home Park, single-family homes, and Geneva Mobil Home Park. All structures to the south are maintained in fair to good condition.

West -

The western boundary is defined by single-family homes and Deep Creek Boulevard. Deep Creek Boulevard is a two-lane roadway with moderate vehicular traffic. Extending out to the west are more single-family homes, AD Victor Starters and Alternators, Fink's Car Care, Terminix, Lee's Auto Care, Cintas Uniform Services, Miracle of Faith Baptist Church, and WC Godwin Trucking. All structures to the west are maintained in fair to good condition.

The site is within a mixed-use neighborhood of Portsmouth surrounded primarily by single-family homes, multifamily developments, and a variety of commercial land uses. Most of the surrounding residential and commercial structures are in fair to good condition. The site is near an active railroad line, with a dense tree line acting as a barrier to sound and sight, thereby mitigating potential nuisance. Additionally, there are multiple other multifamily developments near the rail line with high occupancy rates, further indicating the lack of negative impacts on marketability. The proximity of arterial roadways enhances marketability of the site. Overall, the subject property fits well with the surrounding land uses and they should contribute to its continued marketability.

Photographs of the site can be found in *Section VII* of this report.

3. VISIBILITY AND ACCESS

The site is clearly visible from Deep Creek Boulevard. As previously stated, Deep Creek Boulevard is a two-lane road with moderate vehicular traffic patterns. Minimal pedestrian traffic is present on adjacent roadways. There are no obstructions present to inhibit visibility of the site from Deep Creek Boulevard. Entryway signage is visible from Deep Creek Boulevard, improving the visibility of the site. Two arterial roadways are within 0.5 mile of the site, State Route 239 and U.S. Highway 17. Therefore, a substantial amount of through traffic is anticipated and should positively contribute to the visibility of the subject site. Overall, the visibility of the subject site is considered good.

There are two points of entry to the site via Bird Lane, which connects directly to Deep Creek Boulevard and State Route 239. As previously stated, traffic patterns on Deep Creek Boulevard are moderate. Additionally, traffic patterns on State Route 239 are heavy. Ingress and egress are anticipated to be convenient. The proximity of arterial roadways: State Route 239, U.S. Highway 17, and Interstate 264 will contribute to the accessibility to the site.

Hampton Roads Transit (HRT) maintains bus routes in Portsmouth. Several bus stops are available within walking distance from the site along State Route 239 that provide access to bus routes 041 and 057. In addition, HRT provides a dial-a-ride transit service, in accordance with ADA guidelines, that serves local area residents. This service is pay-per-trip and provides Portsmouth City residents with access to the basic necessities as well as surrounding areas of Portsmouth. Overall, access to and from the subject site is considered good.

4. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (miles)
Major Highways	State Route 239 U.S. Highway 17 Interstate 264	0.3 North 0.5 East 2.1 Northwest
Public Bus Stop	HRT	0.3 North
Major Employers/ Employment Centers	Tidewater Community College Bon Secours Maryview Medical Center Bae Systems	2.1 Northwest 3.8 North 5.2 Northeast
Convenience Store	Victory Mini Mart Freedom Food Mart #2	0.3 North 0.5 East
Grocery	Food Lion Farm Fresh	0.5 Northeast 2.6 Northwest
Discount Department Store	Family Dollar Tommy's Discount Deal Dollar General	0.5 East 0.7 Northeast 0.7 Northeast
Shopping Center/Mall	William Court I & II Triangle Center Afton Shopping Center	0.6 Northeast 0.7 East 1.6 Northeast
Schools: Elementary Middle/Junior High High	James Hurst Elementary School Cradock Middle School Wilson High School	1.1 East 1.5 Northeast 3.6 Northwest
Hospital	Bon Secours Maryview Medical Center	3.8 North
Police	Portsmouth Police Department	4.1 Northeast
Fire	Portsmouth Fire Station	1.0 West
Post Office	U.S. Post Office	2.2 Southwest
Bank	Northern Star Credit Union Wells Fargo	0.6 East 1.5 South
Recreational Facilities	Cradock Recreation Center	1.7 Northeast
Gas Station	Citgo Shell	0.3 North 0.7 East
Pharmacy	Rite Aid Walgreens	0.5 Northeast 1.4 South
Restaurant	McDonald's Taco Bell Wendy's	0.5 Northeast 0.5 East 0.5 East
Day Care	Youth University Learning Center	0.2 North
Community Center	Camelot Community Center	1.7 Southwest

Most essential community services, including shopping, dining, employment, education, public safety services, and recreation can be accessed within 4.1 miles of the site. Notable services within proximity of the site include Youth University Learning Center and Citgo. The nearest shopping center is located just 0.6 mile from the site. Discount stores, gas stations, and pharmacies can also be accessed within 1.4 miles of the site. Major employers, including Tidewater Community College and Bon Secours Maryview Medical Center are within 3.8 miles of the site. Many of these services are northeast of the site along the State Route 239 commercial corridor. Additional arterial roadways are accessible within 2.1 miles of the site, further enhancing accessibility of area services.

Public safety services are provided by the Portsmouth Fire and Police Departments, within 4.1 miles of the site. A U.S. Post Office is located within 2.2 miles of the site. The nearest full-service hospital with an emergency department, Bon Secours Maryview Medical Center, is located 3.8 miles from the site.

Overall, the site's proximity to community services should continue to positively contribute to its marketability.

5. OVERALL SITE EVALUATION

The existing subject site is located in the southern portion of Portsmouth. Surrounding land uses include single-family homes, farmland, multifamily housing, a mobile home park, a variety of restaurants, car repair and maintenance shops, a grocery store, banks, churches, a storage facility, and various other businesses. Most of the surrounding buildings range from fair to good condition. Entryway signage is present along Deep Creek Boulevard. Passerby traffic should have unobstructed views of this signage. The site is also within proximity of arterial roadways, as State Route 239, U.S. Highway 17, and Interstate 264 are within 2.1 miles of the site. Most essential community services, including shopping, dining, education, public safety services, and recreation, can be accessed within 4.1 miles of the site. Overall, the site's surrounding land uses and proximity to services should continue to positively contribute to its marketability.

6. CRIME ISSUES

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

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

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

The following table illustrates the crime risk indexes for the Primary Market Area (PMA) and the city of Portsmouth:

	Crime Risk Index	
	PMA	Portsmouth
Total Crime Index	235	223
Personal Crime Index	230	202
Murder	516	485
Rape	112	97
Robbery	264	247
Assault	231	198
Property Crime Index	236	227
Burglary	197	193
Larceny	253	243
Motor Vehicle Theft	183	172

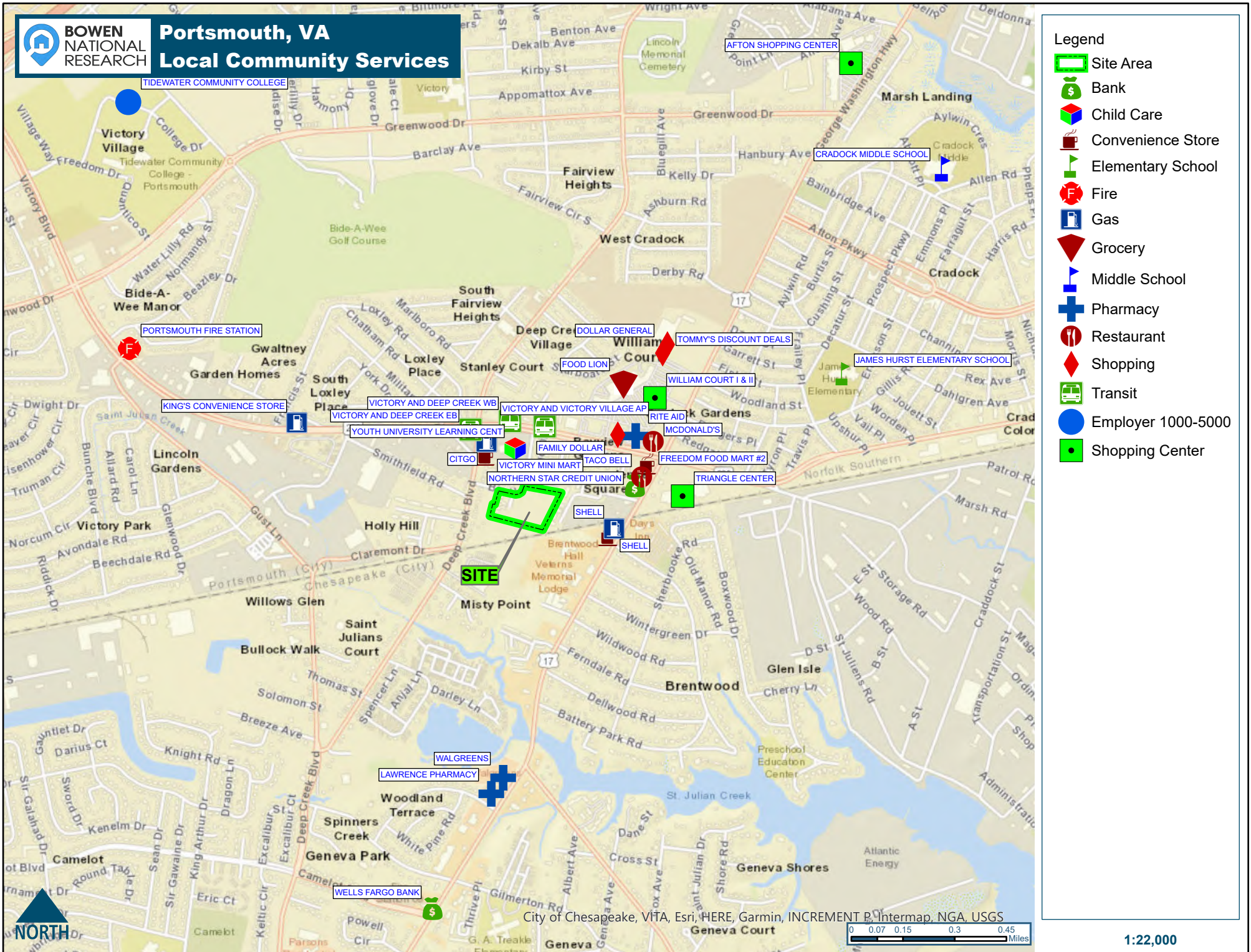
Source: Applied Geographic Solutions, FBI, ESRI

The crime risk index within the Site PMA (235) is similar to that reported for the city of Portsmouth (223), though both are above the national average (100). Crime indexes such as those reported for the site area and Portsmouth overall, however, are not uncommon for established and densely populated areas, such as this market. Further, the high occupancy rates reported among existing rental properties surveyed in the market (including the subject project) are clear indications that crime is not a factor impacting the area rental market. We do not expect crime to have any adverse impact on the continued marketability of the subject project.

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

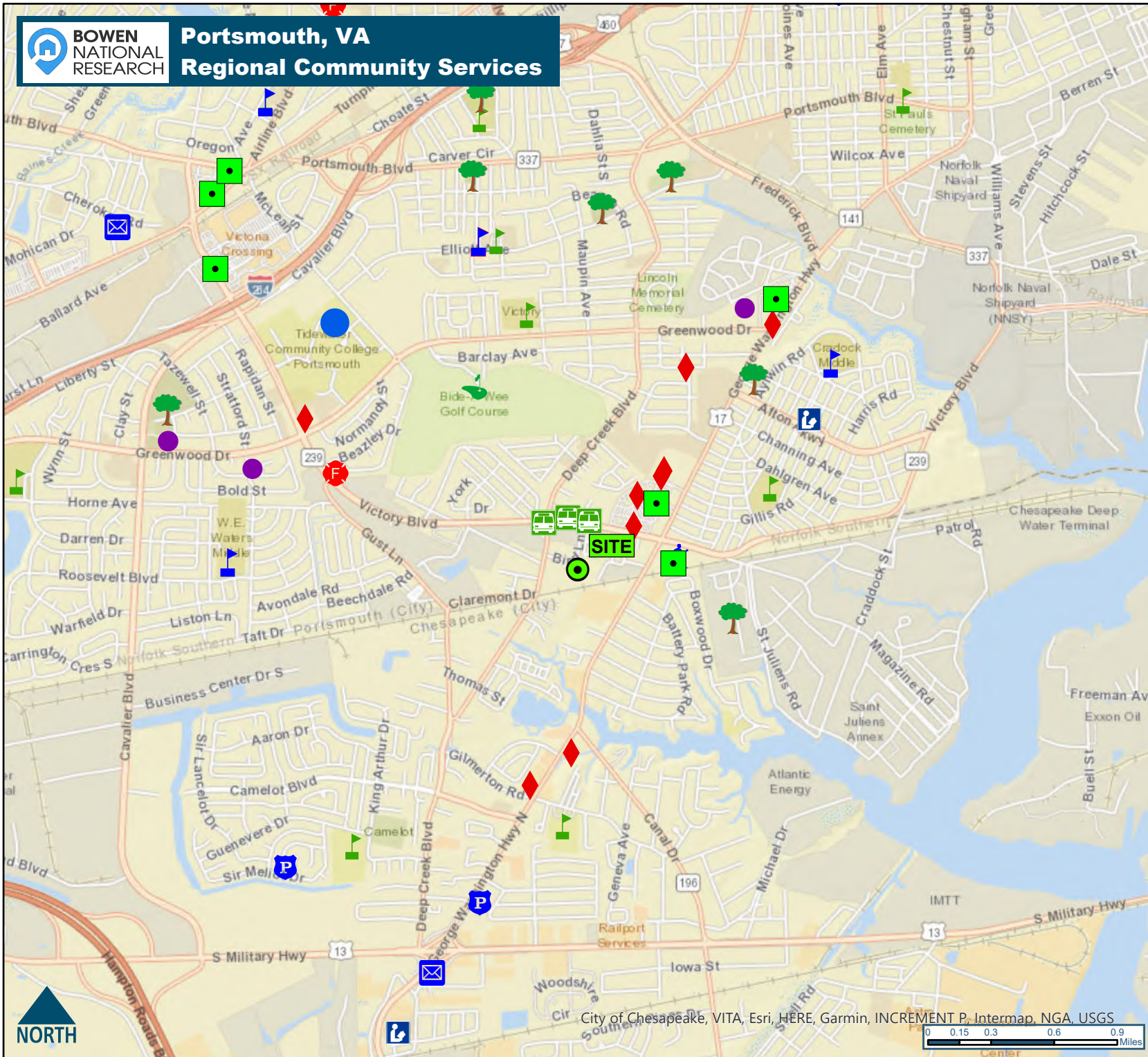


Portsmouth, VA Local Community Services





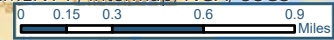
Portsmouth, VA Regional Community Services



- Legend**
- Site
 - Elementary School
 - Fire
 - Fitness Center
 - Golf
 - High School
 - Library
 - Middle School
 - Park
 - Police
 - Post Office
 - Recreation Center
 - Shopping
 - Transit
 - Employer 1000-5000
 - Shopping Center

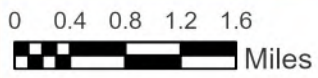
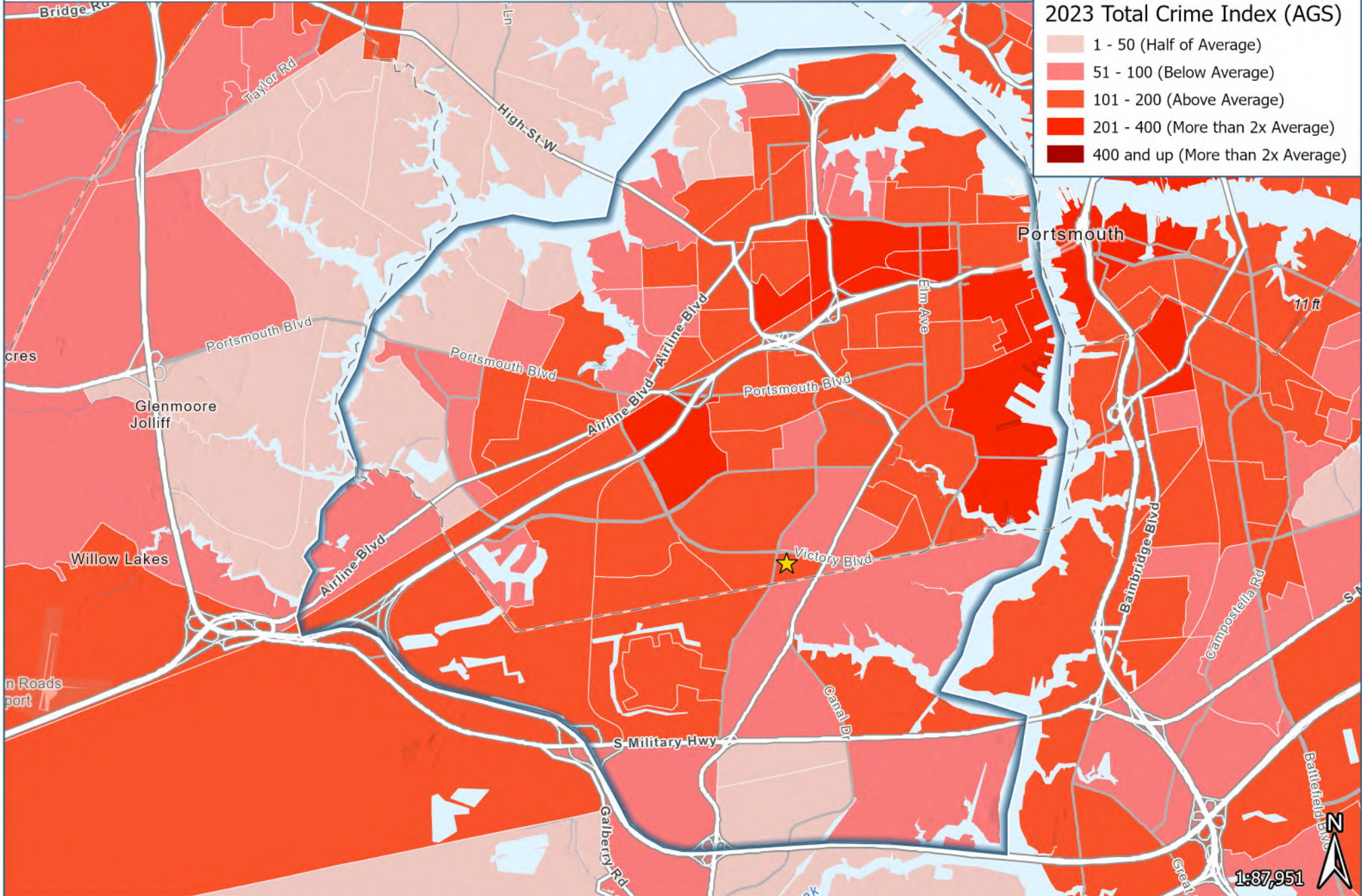
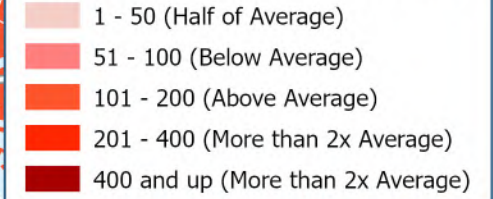


City of Chesapeake, VITA, Esri, HERE, Garmin, INCREMENT P, Intermap, NGA, USGS



1:40,000

2023 Total Crime Index (AGS)



Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community, Esri, NASA, NGA, USGS
Additional Source(s): Bowen National Research

B. PRIMARY MARKET AREA DELINEATION

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

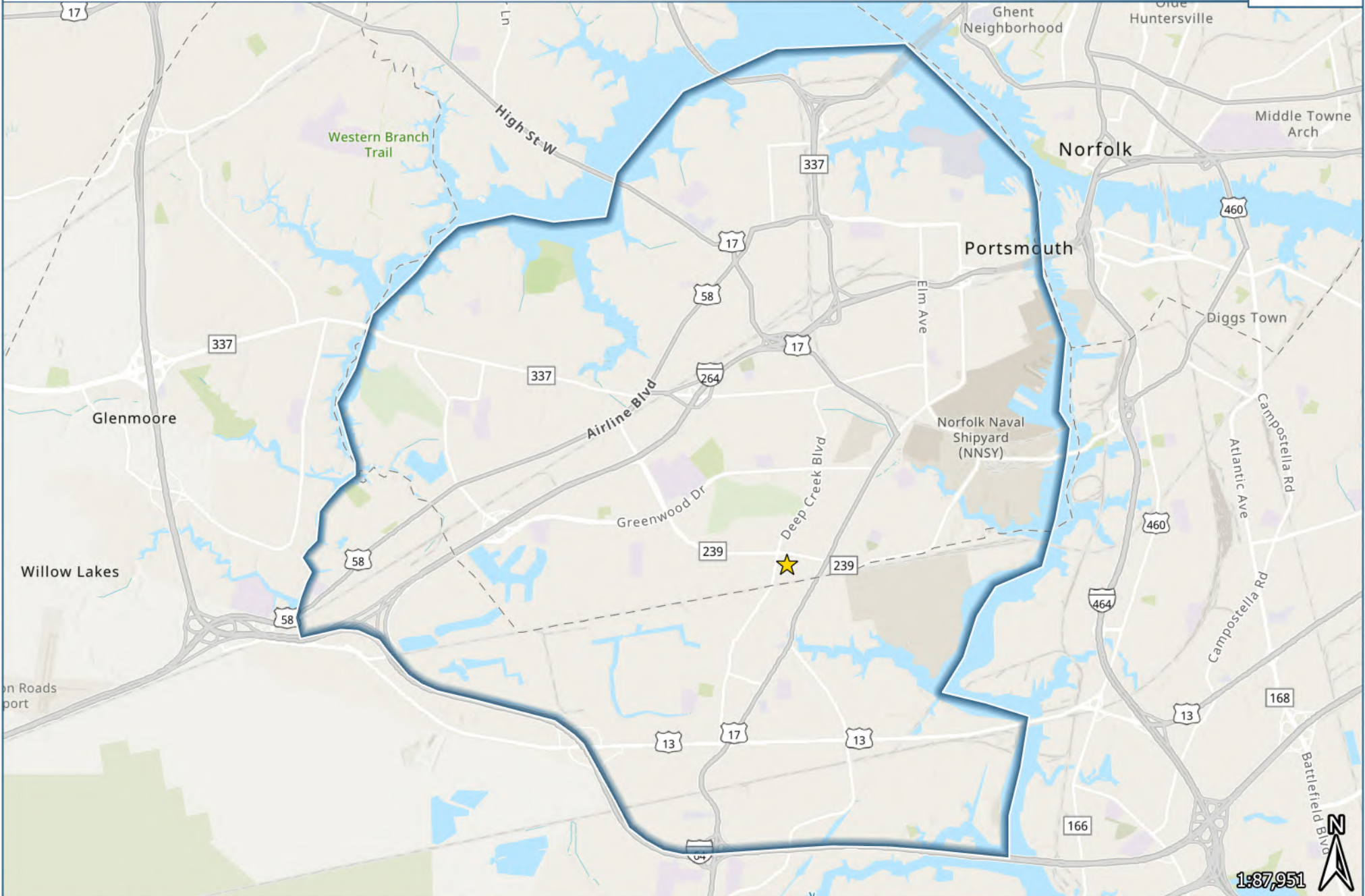
The Portsmouth Site PMA includes central and southern portions of Portsmouth and northern portions of Chesapeake. Specifically, the boundaries of the Portsmouth Site PMA include the Elizabeth River to the north, east and west and Interstate 64 to the south.

The following are summaries of interviews conducted with local property managers which assisted in confirming/establishing the boundaries of the PMA:

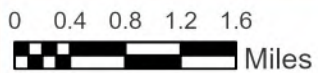
- Jonesa Smith, Leasing Consultant at Cross Creek Apartments (subject site), confirmed the market area, estimating that approximately 50% of her property's tenants originate from within its boundaries. Smith added that households relocating from outside of the PMA come from a wide range of surrounding areas, most often moving to Portsmouth for employment opportunities or to be closer to family members already residing in the area.
- Keyonna Askew, Community Manager at Thrive Apartment Homes (Map ID 29), a Tax Credit community located within the southern portion of the market, estimated that approximately 75% of her property's tenants originate from within the PMA boundaries. Askew noted that the remaining tenants do not originate from any single, identifiable area, and generally relocate to the community as a result of new job opportunities located in and around Portsmouth.
- Stephanie Auston, Community Manager at Whispering Oaks Apartments (Map ID 33), a Tax Credit community located within the northern portion of the market, estimated that approximately 60% of her property's tenants originate from within the PMA boundaries. Auston added that Portsmouth also attracts residents from a wide range of surrounding areas, which she says reflects the city's broader appeal.

The communities to the east could provide some support for the project; however, the majority of support is expected to come from residents living within the immediate Portsmouth and Chesapeake areas. Therefore, we have not considered any secondary market area in this report.

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



1:37,951



Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community, Esri, NASA, NGA, USGS
Additional Source(s): Bowen National Research

C. DEMOGRAPHIC CHARACTERISTICS AND TRENDS

The following demographic data relates to the Site PMA. It is important to note that not all estimates/projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the estimates/projections do not vary more than 1.0%.

1. POPULATION TRENDS

The Site PMA population bases for 2010, 2020, 2026 (estimated), and 2031 (projected) are summarized as follows:

	Year			
	2010 (Census)	2020 (Census)	2026 (Estimated)	2031 (Projected)
Population	91,768	93,799	94,020	94,025
Population Change	-	2,031	221	5
Percent Change	-	2.2%	0.2%	< 0.1%

Source: 2010 & 2020 Census; ESRI; Bowen National Research

As the preceding table illustrates, the population base within the Portsmouth Site PMA has been generally stable since 2010, a trend that is projected to continue through 2031.

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

Population by Age	2020 (Census)		2026 (Estimated)		2031 (Projected)		Change 2026-2031	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	23,772	25.3%	23,115	24.6%	22,322	23.7%	-793	-3.4%
20 to 24	6,708	7.2%	6,039	6.4%	6,082	6.5%	43	0.7%
25 to 34	14,406	15.4%	13,687	14.6%	12,313	13.1%	-1,374	-10.0%
35 to 44	12,099	12.9%	13,433	14.3%	13,731	14.6%	298	2.2%
45 to 54	10,091	10.8%	10,353	11.0%	11,704	12.4%	1,351	13.0%
55 to 64	12,339	13.2%	10,438	11.1%	9,213	9.8%	-1,225	-11.7%
65 to 74	8,798	9.4%	10,051	10.7%	10,209	10.9%	158	1.6%
75 & Older	5,588	6.0%	6,903	7.3%	8,452	9.0%	1,549	22.4%
Total	93,799	100.0%	94,020	100.0%	94,025	100.0%	5	0.0%

Source: Bowen National Research, ESRI, Census

As the preceding table illustrates, approximately 51.0% of the population is expected to be between 25 and 64 years old in 2026. This age group is the primary group of current and potential support for the subject site and likely represents a significant number of the tenants.

2. HOUSEHOLD TRENDS

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

	Year			
	2010 (Census)	2020 (Census)	2026 (Estimated)	2031 (Projected)
Households	35,031	37,152	38,041	38,472
Household Change	-	2,121	889	431
Percent Change	-	6.1%	2.4%	1.1%
Average Household Size	2.62	2.52	2.47	2.44

Source: Bowen National Research, ESRI, Census

Within the Portsmouth Site PMA, households increased by 2,121 (6.1%) between 2010 and 2020. Between 2020 and 2026, households increased by 889, or 2.4%. By 2031, there will be 38,472 households, an increase of 431 households, or 1.1%, from 2026. This is an increase of approximately 86 households annually over the next five years.

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

Households by Age	2020 (Census)		2026 (Estimated)		2031 (Projected)		Change 2026-2031	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	1,698	4.6%	1,493	3.9%	1,463	3.8%	-30	-2.0%
25 to 34	6,370	17.1%	6,006	15.8%	5,265	13.7%	-741	-12.3%
35 to 44	6,380	17.2%	7,109	18.7%	7,223	18.8%	114	1.6%
45 to 54	5,724	15.4%	5,874	15.4%	6,591	17.1%	717	12.2%
55 to 64	7,396	19.9%	6,274	16.5%	5,520	14.3%	-754	-12.0%
65 to 74	5,673	15.3%	6,471	17.0%	6,559	17.0%	88	1.4%
75 & Older	3,908	10.5%	4,814	12.7%	5,850	15.2%	1,036	21.5%
Total	37,152	100.0%	38,041	100.0%	38,472	100.0%	431	1.1%

Source: Bowen National Research, ESRI, Census

Between 2026 and 2031, the greatest growth among household age groups is projected to be among the aged 75 and older. Note that household growth is also occurring at a fairly rapid rate among households between the ages of 45 and 54, which are projected to increase by 12.2% during the next five years. Overall, households between the ages of 25 and 54 are projected to increase by 0.5% between 2026 and 2031.

Households by tenure are distributed as follows:

Tenure	2020 (Census)		2026 (Estimated)		2031 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	19,870	53.5%	21,612	56.8%	22,590	58.7%
Renter-Occupied	17,282	46.5%	16,430	43.2%	15,883	41.3%
Total	37,152	100.0%	38,041	100.0%	38,472	100.0%

Source: Bowen National Research, ESRI, Census

In 2026, homeowners are estimated to occupy 56.8% of all occupied housing units, while the remaining 43.2% are occupied by renters. The share of renters is considered typical for an urban market, such as the Portsmouth Site PMA.

The household sizes by tenure within the Portsmouth Site PMA, based on the 2026 estimates and 2031 projections, were distributed as follows:

Persons Per Household						
Persons	2026(Estimated)		2031 (Projected)		Change 2026-2031	
	Households	Percent	Households	Percent	Households	Percent
Owner						
1 Person	6,155	28.5%	6,596	29.2%	442	7.2%
2 Persons	7,660	35.4%	8,040	35.6%	380	5.0%
3 Persons	3,728	17.2%	3,861	17.1%	133	3.6%
4 Persons	2,267	10.5%	2,257	10.0%	-10	-0.5%
5+ Persons	1,802	8.3%	1,836	8.1%	34	1.9%
Total	21,611	100.0%	22,590	100.0%	978	4.5%
Renter						
1 Person	6,098	37.1%	6,073	38.2%	-25	-0.4%
2 Persons	4,576	27.8%	4,494	28.3%	-82	-1.8%
3 Persons	2,951	18.0%	2,939	18.5%	-12	-0.4%
4 Persons	1,347	8.2%	1,059	6.7%	-288	-21.4%
5+ Persons	1,458	8.9%	1,318	8.3%	-140	-9.6%
Total	16,430	100.0%	15,883	100.0%	-547	-3.3%

Source: Bowen National Research, ESRI, Census

The project offers two- and three-bedroom apartments, which are generally able to accommodate up to five-person households. These household sizes represent virtually all renter households within the market. Therefore, the subject project will continue to accommodate nearly all renters within the PMA, based on household size.

3. INCOME TRENDS

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

Household Income	2020 (Census)		2026 (Estimated)		2031 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$15,000	4,530	12.2%	5,696	15.0%	5,424	14.1%
\$15,000 - \$24,999	4,158	11.2%	2,960	7.8%	2,550	6.6%
\$25,000 - \$34,999	3,730	10.0%	3,409	9.0%	3,108	8.1%
\$35,000 - \$49,999	5,626	15.1%	4,124	10.8%	3,761	9.8%
\$50,000 - \$74,999	7,941	21.4%	7,491	19.7%	7,305	19.0%
\$75,000 - \$99,999	4,670	12.6%	3,567	9.4%	3,681	9.6%
\$100,000 - \$149,999	4,257	11.5%	5,920	15.6%	6,540	17.0%
\$150,000 & Higher	2,241	6.0%	4,875	12.8%	6,104	15.9%
Total	37,152	100.0%	38,041	100.0%	38,472	100.0%
Median Income	\$51,676		\$59,451		\$65,035	

Source: Bowen National Research, ESRI, Census

In 2026, the median household income is estimated to be \$59,451. By 2031, it is projected that the median household income will be \$65,035, an increase of 9.4% from 2026.

The following table illustrates renter household income by household size for 2020, 2026, and 2031 for the Portsmouth Site PMA:

Renter Households						
Income	1-Person	2-Person	3-Person	4-Person	5+Person	Total
2020 (Census)						
Less Than \$15,000	1,807	733	439	272	239	3,490
\$15,000 - \$24,999	1,003	673	339	219	171	2,405
\$25,000 - \$34,999	776	569	435	191	154	2,125
\$35,000 - \$49,999	1,307	716	633	456	358	3,470
\$50,000 - \$74,999	742	921	371	540	346	2,920
\$75,000 - \$99,999	160	483	377	239	232	1,491
\$100,000 - \$149,999	180	441	272	45	104	1,042
\$150,000 & Higher	17	109	34	30	146	336
Total	5,992	4,645	2,900	1,992	1,750	17,282
2026 (Estimated)						
Less Than \$15,000	2,229	822	533	229	211	4,022
\$15,000 - \$24,999	798	487	266	118	98	1,767
\$25,000 - \$34,999	823	548	454	138	117	2,079
\$35,000 - \$49,999	952	474	454	226	187	2,292
\$50,000 - \$74,999	812	914	399	400	269	2,794
\$75,000 - \$99,999	118	323	274	120	122	957
\$100,000 - \$149,999	313	695	465	53	128	1,655
\$150,000 & Higher	52	313	105	64	326	861
Total	6,098	4,576	2,951	1,347	1,458	16,430
2031 (Projected)						
Less Than \$15,000	2,211	760	507	172	170	3,819
\$15,000 - \$24,999	724	412	231	80	71	1,518
\$25,000 - \$34,999	791	491	419	100	91	1,890
\$35,000 - \$49,999	922	428	422	165	146	2,083
\$50,000 - \$74,999	855	899	404	321	231	2,710
\$75,000 - \$99,999	132	339	294	103	112	980
\$100,000 - \$149,999	365	759	521	48	123	1,816
\$150,000 & Higher	73	407	141	70	376	1,066
Total	6,073	4,494	2,939	1,059	1,318	15,883

Source: ESRI, Bowen National Research

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

Demographic Summary

The Portsmouth Site PMA has been experiencing positive household growth since 2010, a trend that is projected to continue through 2031. Notable increases projected among specific household age groups include those between the ages of 45 and 54, as well as those aged 75 and older, illustrating that there will likely be an increasing need for housing for both families and seniors within the market. While low- and moderate-income renters (generally those earning below \$75,000) are projected to decrease between 2026 and 2031, these households will continue to represent over 75.0% of all renter households within market by 2031. Additionally, the subject project is able to accommodate virtually all renter households within the market, based on household size. Overall, the demographic trends contained within this report demonstrate a good base of current and potential support for the subject project.

D. LOCAL ECONOMIC PROFILE AND ANALYSIS

1. LABOR FORCE PROFILE

The labor force within the Portsmouth Site PMA is based primarily in three sectors. Health Care & Social Assistance (which comprises 18.1%), Public Administration and Education Services comprise over 45.0% of the Site PMA labor force. Employment in the Portsmouth Site PMA, as of 2025, was distributed as follows:

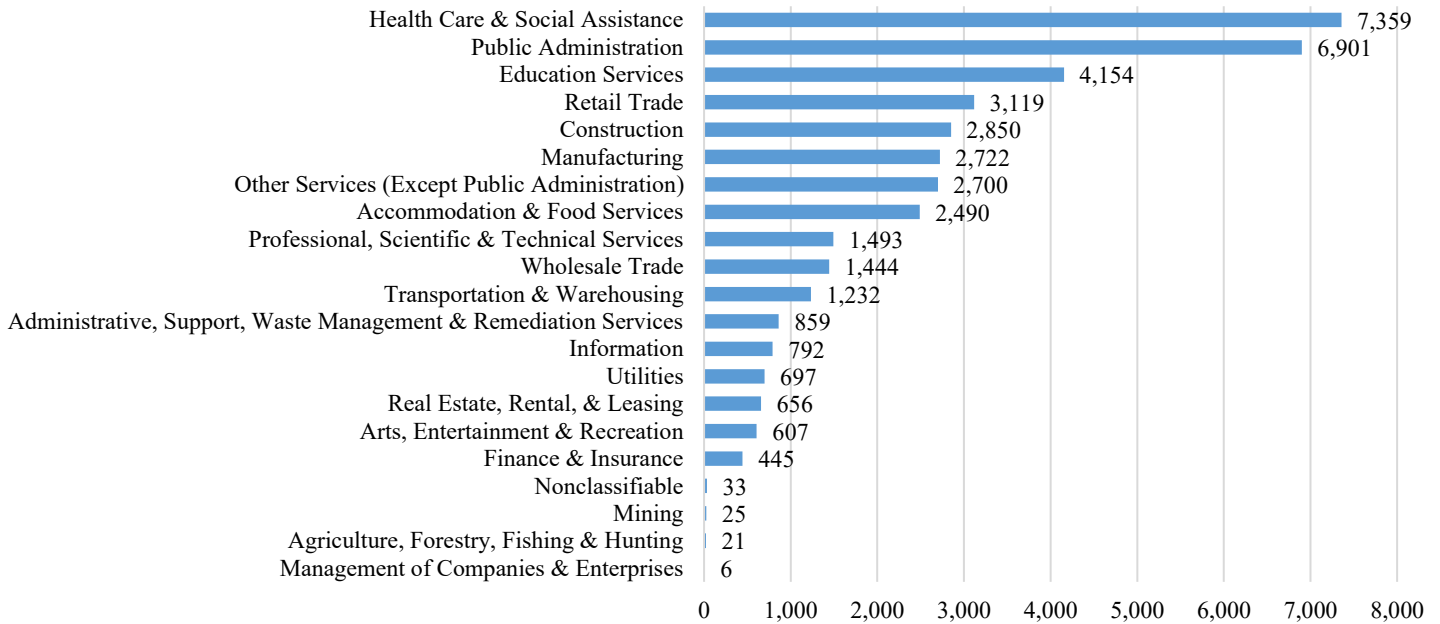
NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	6	0.2%	21	0.1%	4
Mining	2	0.1%	25	0.1%	13
Utilities	8	0.3%	697	1.7%	87
Construction	219	7.9%	2,850	7.0%	13
Manufacturing	133	4.8%	2,722	6.7%	20
Wholesale Trade	93	3.3%	1,444	3.6%	16
Retail Trade	336	12.1%	3,119	7.7%	9
Transportation & Warehousing	126	4.5%	1,232	3.0%	10
Information	36	1.3%	792	2.0%	22
Finance & Insurance	80	2.9%	445	1.1%	6
Real Estate, Rental, & Leasing	133	4.8%	656	1.6%	5
Professional, Scientific & Technical Services	181	6.5%	1,493	3.7%	8
Management of Companies & Enterprises	1	< 0.1%	6	< 0.1%	6
Administrative, Support, Waste Management & Remediation Services	106	3.8%	859	2.1%	8
Education Services	74	2.7%	4,154	10.2%	56
Health Care & Social Assistance	281	10.1%	7,359	18.1%	26
Arts, Entertainment & Recreation	49	1.8%	607	1.5%	12
Accommodation & Food Services	196	7.0%	2,490	6.1%	13
Other Services (Except Public Administration)	495	17.8%	2,700	6.6%	5
Public Administration	151	5.4%	6,901	17.0%	46
Nonclassifiable	79	2.8%	33	0.1%	< 1
Total	2,785	100.0%	40,605	100.0%	15

Source: Bowen National Research, ESRI, Census

E.P.E.- Average Employees Per Establishment

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

Total Employment by Industry



Typical wages by job category for the Virginia Beach-Chesapeake-Norfolk, Virginia-North Carolina Metropolitan Statistical Area (MSA) are compared with the state of Virginia in the following table:

Typical Wage by Occupation Type		
Occupation Type	MSA	Virginia
Management Occupations	\$82,505	\$99,033
Business and Financial Occupations	\$73,867	\$90,615
Computer and Mathematical Occupations	\$95,269	\$118,351
Architecture and Engineering Occupations	\$91,462	\$102,099
Community and Social Service Occupations	\$51,947	\$53,374
Art, Design, Entertainment, Sports, and Media Occupations	\$48,664	\$55,172
Healthcare Practitioners and Technical Occupations	\$70,173	\$73,186
Healthcare Support Occupations	\$29,888	\$30,281
Protective Service Occupations	\$59,213	\$63,288
Food Preparation and Serving Related Occupations	\$16,820	\$17,283
Building and Grounds Cleaning and Maintenance Occupations	\$26,405	\$27,325
Personal Care and Service Occupations	\$22,593	\$22,843
Sales and Related Occupations	\$33,635	\$36,929
Office and Administrative Support Occupations	\$39,764	\$41,569
Construction and Extraction Occupations	\$48,421	\$47,129
Installation, Maintenance and Repair Occupations	\$55,509	\$55,579
Production Occupations	\$49,572	\$46,035
Transportation Occupations	\$41,809	\$44,086
Material Moving Occupations	\$30,168	\$29,378

Source: Bowen National Research; American Community Survey (2020-2024)

As the preceding table illustrates, most occupational types within the MSA have generally similar typical wages as those of the state.

The 10 largest employers within the Portsmouth (Hampton Roads) area are summarized in the following table. Note that detailed employment numbers were not available at the time this report was published.

Employer Name	Business Type
U.S. Department of Defense	Federal Government
City of Portsmouth	Local Government
Portsmouth City Public Schools	Local Government
Bon Secours Health System Inc.	Healthcare
Aya Healthcare	Healthcare
Portsmouth Gaming Holdings LLC	Gaming
Virginia International Terminal	Terminal Operating
U.S. Department of Homeland Defense	Federal Government
Pines Residential Treatment	Healthcare
Food Lion	Supermarket

Source: Largest Employers in Hampton Roads (Q3 2024)

According to a representative with Portsmouth Economic Development, the economy is improving and strategically expanding. In the last year, the city has seen continued investments in port-related logistics, including projects by Raymont Logistics and DeLong Company Incorporated. The completion of the offshore wind staging area located at the Portsmouth Marine Terminal has made the city a key player in renewable energy logistics, while continued development around Rivers Casino Portsmouth is enhancing tourism, hospitality jobs, and local tax revenues. Small business support programs are helping local entrepreneurs grow and remain viable.

The following table summarizes some recent and/or ongoing economic development projects identified within the Portsmouth area:

Project Name	Investment	Job Creation	Scope of Work/Details
Ray-Mont Logistics	\$6 million	30-40	An integrated logistics provider specializing in agricultural, resin, and forest product transloading, is constructing a new rail transloading facility on the Norfolk & Portsmouth Beltline Railroad. The project will enhance chain efficiency.
Portsmouth Marine Terminal Redevelopment	\$223 Million	N/A	In 2025, the redevelopment project was completed. The project upgraded 72 acres of the 287-acre Portsmouth Marine Terminal for use as an offshore wind staging port.
Landing Hotel Portsmouth	\$65 million	60	Rivers Casino Portsmouth and Rush Street Gaming plan to build a hotel and conference center that will be connected to the casino. ECD 2027.
Containerized Agricultural Export Facility	\$26 Million	15-20	DeLong Company, Incorporated, began construction in May 2025 on a Containerized Agricultural Export Facility at the former CSX intermodal site in Portsmouth. The new facility will have the capability to receive unit trains and transload whole grains and feedstuffs into containers for export. ECD early 2026.
Stonemont Financial Group Distribution Center	\$16 million	N/A	In 2025, construction was completed on a new 296,000 square-foot warehouse & distribution facility in Burtons Point Industrial Area.
General Dynamics Electric Boat	\$22 million	200	General Dynamics Electric Boat designs, builds, repairs and modernizes nuclear submarines. Due to massive, multi-billion dollars, and multimillion-dollar contract modifications, the facility needs to have the pier and crane upgraded; ECD 2026.

N/A – Not Available; ECD – Estimated Completion Date

Infrastructure

The following table summarizes some recent and/or ongoing infrastructure improvements within the Portsmouth area as of the time of this analysis:

Project Name	Investment	Scope of Work
Complete High Street Innovation Corridor Project	\$24.1 Million	Project plans to provide 1.3 miles of connectivity in Portsmouth's new Innovation District. Plans include updating roadways and creating a pedestrian/bike route. This project will also convert the High Street corridor from a four-lane undivided road into a two-lane divided road from Effingham Street to the MLK Expressway. Still in the design phase.
Coastal Virginia Offshore Wind (CVOW) Project	\$11.5 billion	Due to the rising energy demands from data centers Dominion Energy is constructing 176 wind turbines to provide about 2.6-gigawatts of clean, reliable offshore wind energy for up to 660,000 homes. This project is largest offshore wind project in U.S. history. ECD early 2027.

ECD – Estimated Completion Date

WARN (layoff notices)

WARN Notices were reviewed in February 2026 and, according to the Department of Workforce Development and Advancement, there has been one WARN notice reported for Portsmouth over the past 12 months, which is summarized below:

Company	Location	Jobs	Notice Date	Effective Date
Railcrew Xpress	Newport News & Portsmouth	29	12/22/25	2/27/26

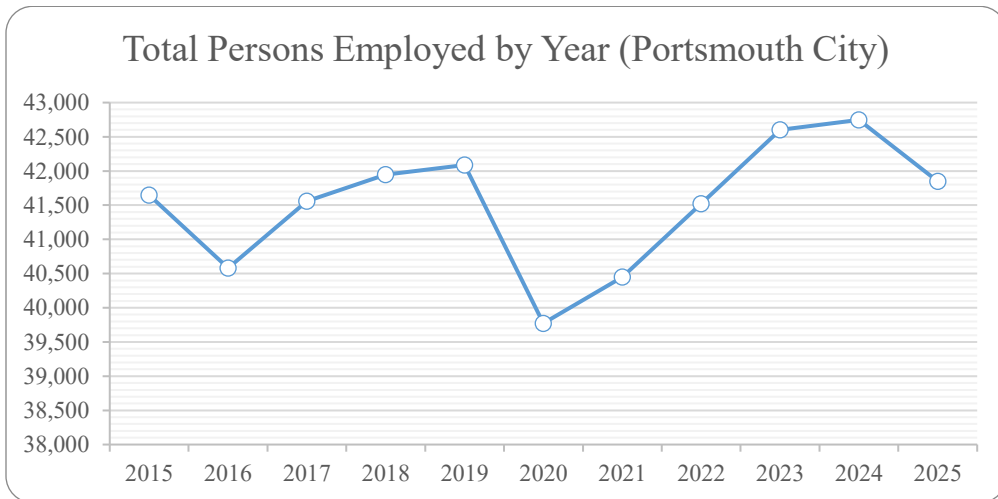
2. EMPLOYMENT TRENDS

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

The following illustrates the total employment base for Portsmouth, the state of Virginia, and the United States. Total employment reflects the number of employed persons who live within the county/independent city.

Year	Total Employment					
	Portsmouth City		Virginia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2015	41,648	-	4,044,175	-	149,537,000	-
2016	40,580	-2.6%	4,081,183	0.9%	151,436,000	1.3%
2017	41,556	2.4%	4,169,561	2.2%	153,337,000	1.3%
2018	41,947	0.9%	4,222,546	1.3%	155,761,000	1.6%
2019	42,087	0.3%	4,283,473	1.4%	157,538,000	1.1%
2020	39,773	-5.5%	4,051,401	-5.4%	147,795,000	-6.2%
2021	40,450	1.7%	4,151,661	2.5%	152,581,000	3.2%
2022	41,519	2.6%	4,313,701	3.9%	158,291,000	3.7%
2023	42,600	2.6%	4,433,696	2.8%	161,037,000	1.7%
2024	42,747	0.3%	4,454,616	0.5%	161,346,000	0.2%
2025	41,849	-2.1%	4,382,382	-1.6%	163,493,000	1.3%

Source: Bureau of Labor Statistics

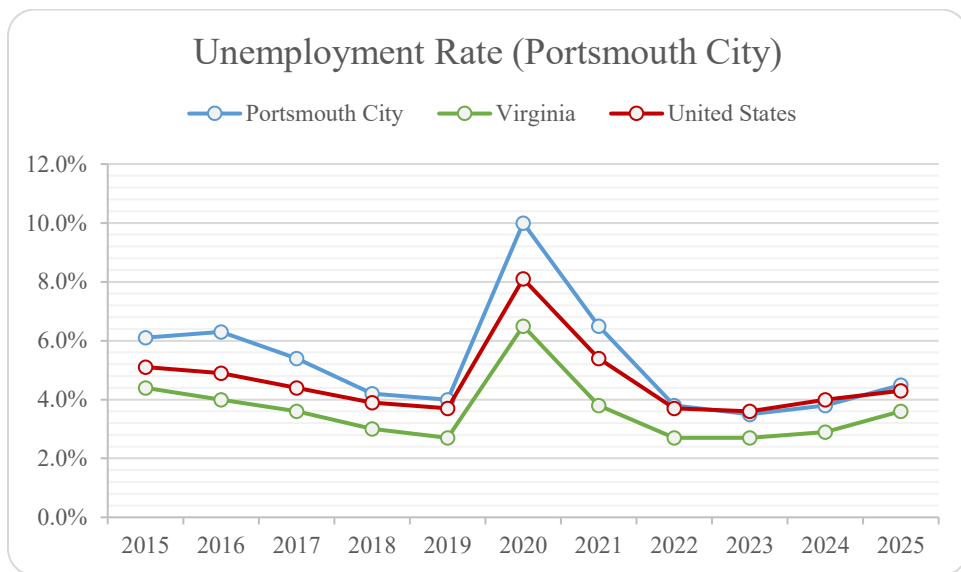


As the preceding illustrates, since the impact of the COVID-19 pandemic in 2020, the employment base within Portsmouth has increased at an average annual rate of approximately 1.0% through the end of 2025. To date, the city's current employment base represents 99.4% of its 2019 level, indicating that the area has recovered from the initial impact of the pandemic, in terms of total employment.

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

Year	Total Unemployment					
	Portsmouth City		Virginia		United States	
	Total Number	Percent of Workforce	Total Number	Percent of Workforce	Total Number	Percent of Workforce
2015	2,712	6.1%	184,737	4.4%	7,992,000	5.1%
2016	2,710	6.3%	170,348	4.0%	7,751,000	4.9%
2017	2,368	5.4%	156,998	3.6%	6,982,000	4.4%
2018	1,836	4.2%	129,919	3.0%	6,314,000	3.9%
2019	1,736	4.0%	121,287	2.7%	6,001,000	3.7%
2020	4,421	10.0%	280,443	6.5%	12,948,000	8.1%
2021	2,833	6.5%	165,560	3.8%	8,623,000	5.4%
2022	1,623	3.8%	119,448	2.7%	5,996,000	3.7%
2023	1,542	3.5%	123,089	2.7%	6,080,000	3.6%
2024	1,679	3.8%	131,269	2.9%	6,761,000	4.0%
2025	1,960	4.5%	161,547	3.6%	7,315,000	4.3%

Source: Department of Labor, Bureau of Labor Statistics



Between 2015 and 2019, the unemployment rate within Portsmouth declined by over two percentage points, then increased by approximately six percentage points between 2019 and 2020 as the result of the COVID-19 pandemic. Similar to employment trends, the unemployment rate within the city has generally improved through the end of 2025, declining to 4.5%, which is generally similar to pre-pandemic levels.

At-place employment reflects the total number of jobs within the county/independent city regardless of the employee’s county/independent city of residence. The following illustrates the total at-place employment base for Portsmouth:

Year	At-Place Employment Portsmouth City		
	Employment	Change	Percent Change
2014	44,093	-	-
2015	44,750	657	1.5%
2016	43,715	-1,035	-2.3%
2017	43,638	-77	-0.2%
2018	44,343	705	1.6%
2019	44,682	339	0.8%
2020	43,184	-1,498	-3.4%
2021	43,115	-69	-0.2%
2022	42,783	-332	-0.8%
2023	43,341	558	1.3%
2024	43,620	279	0.6%

Source: Department of Labor, Bureau of Labor Statistics

Data for 2024, the most recent year that year-end figures are available, indicates at-place employment in Portsmouth to be 102.0% of the total Portsmouth employment. This means that Portsmouth has more employed persons coming to the city from other independent cities/counties for work (daytime employment) than those who both live and work there.

3. **ECONOMIC FORECAST**

The Portsmouth area economy is improving and strategically expanding, showing steady improvement since the impact of the COVID-19 pandemic in 2020. Specifically, the city employment base has increased by 2,076, or 5.2%, since 2020 (through the end of 2025), while the annual unemployment rate for the city has declined by more than five full percentage points during this same time period to 4.5%. In addition, recent and ongoing economic development projects have resulted in a combined \$350 million investment and the creation of over 500 jobs. Based on the preceding factors, we expect the Portsmouth economy will continue to improve for the foreseeable future.

4. COMMUTING PATTERNS

The following is a distribution of commuting patterns for Site PMA workers age 16 and over:

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	31,331	73.8%
Carpooled	5,482	12.9%
Public Transit	639	1.5%
Walked	1,230	2.9%
Motorcycle	51	0.1%
Bicycle	153	0.4%
Other Means	606	1.4%
Worked at Home	2,969	7.0%
Total	42,461	100.0%

Source: Bowen National Research, ESRI

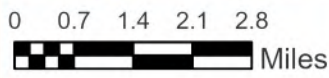
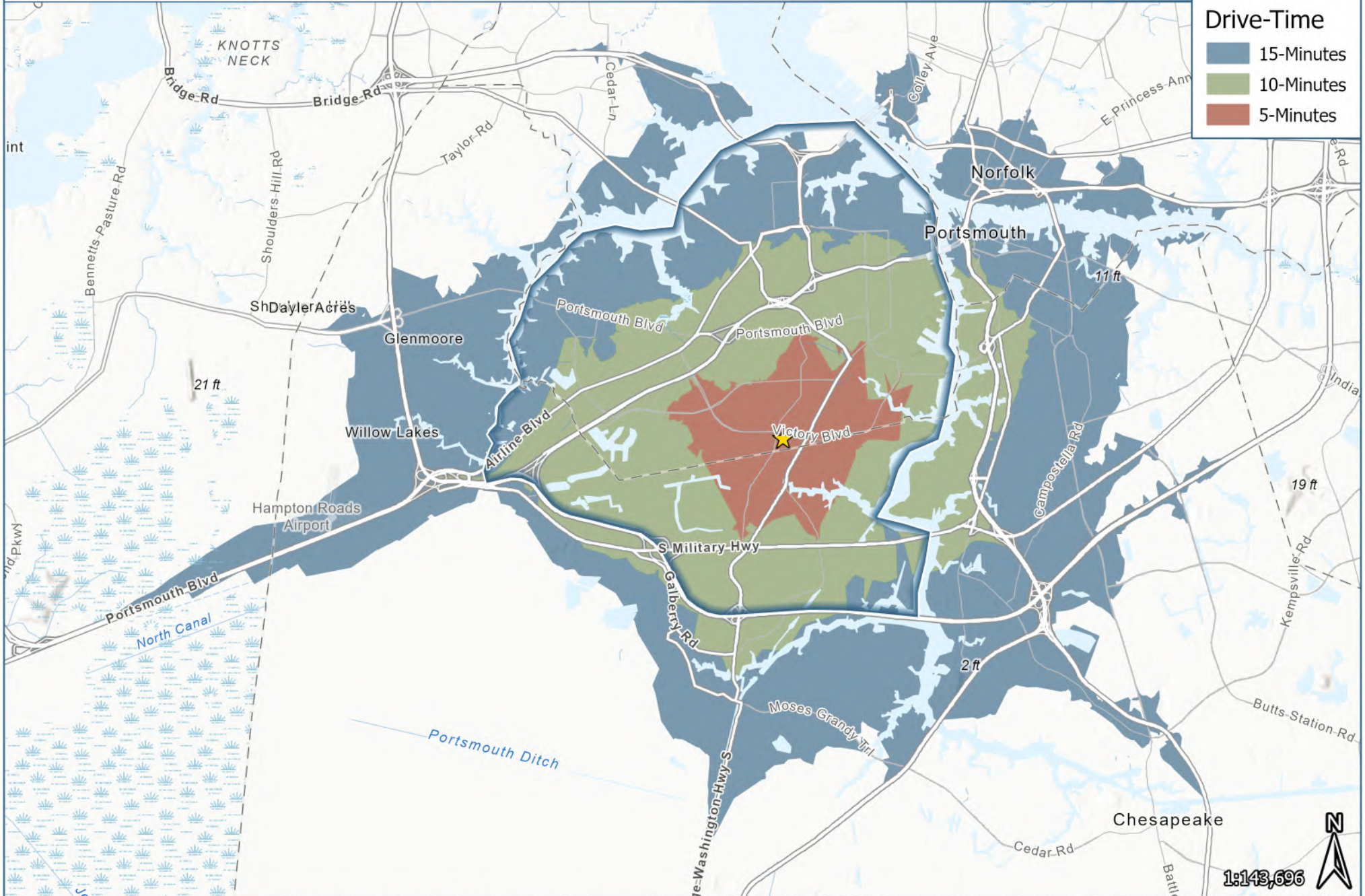
Nearly 74.0% of all workers drove alone, 12.9% carpooled, and 1.5% used public transportation. Notably, 7.0% of workers worked from home.

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

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	9,345	23.7%
15 – 29 Minutes	16,770	42.5%
30 – 44 Minutes	9,122	23.1%
45 – 59 Minutes	2,999	7.6%
60 + Minutes	1,257	3.2%
Total	39,493	100.0%

Source: Bowen National Research, ESRI

The largest share of area commuters has typical travel times to work ranging from 15 to 29 minutes. The subject site is within a 10-minute drive to many of the area's largest employers, which should contribute to its continued marketability. A drive-time map for the subject site is on the following page.



Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community, Esri, CGIAR, USGS
 Additional Source(s): Bowen National Research

1:143,696



V. Rental Housing Analysis (Supply)

A. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Portsmouth Site PMA in 2020 and 2026 are summarized in the following table:

Housing Status	2020 (Census)		2025 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	37,152	91.8%	38,041	92.3%
Owner-Occupied	19,870	53.5%	21,612	56.8%
Renter-Occupied	17,282	46.5%	16,430	43.2%
Vacant	3,335	8.2%	3,175	7.7%
Total	40,487	100.0%	41,217	100.0%

Source: 2020 Census, ESRI, Bowen National Research

Based on a 2025 update of the 2020 Census, of the 41,217 total housing units in the market, 7.7% are vacant. This is a decline from the 8.2% vacancy rate reported in 2020 and is likely a reflection of a strengthening housing market. Regardless, we have conducted a field survey of conventional rentals to determine the strength of this specific housing segment within the Portsmouth Site PMA.

Conventional Apartments

We identified and personally surveyed 33 conventional housing projects containing a total of 4,445 marketed units within the Site PMA, including the subject site. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 99.7%, an extremely high rate for rental housing. The following table summarizes the surveyed rental communities broken out by project type:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	9	1,361	3	99.8%
Market-rate/Affordable	1	90	0	100.0%
Tax Credit	9	1,380	11	99.2%
Tax Credit/Government-Subsidized	10	1,114	0	100.0%
Market-rate/Tax Credit/Government-Subsidized	3	476	0	100.0%
Government-Subsidized	1	24	0	100.0%
Total	33	4,445	14	99.7%

Each of the surveyed rental housing segments are operating at occupancy rates above 99.0%, illustrating that the demand for rental housing is high among all rental housing affordability levels. With very few available units identified within the Site PMA, it is clear the existing housing supply is not meeting the needs of the market and that there are development opportunities for a variety of rental product.

Non-Subsidized

The following table summarizes the breakdown of market-rate and non-subsidized affordable units surveyed within the Site PMA:

Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Market-rate						
Studio	1.0	17	1.2%	0	0.0%	\$1,492
One-Bedroom	1.0	694	49.8%	1	0.1%	\$1,618
One-Bedroom	1.5	78	5.6%	0	0.0%	\$2,171
Two-Bedroom	1.0	157	11.3%	1	0.6%	\$1,342
Two-Bedroom	1.5	49	3.5%	1	2.0%	\$1,755
Two-Bedroom	2.0	365	26.2%	0	0.0%	\$2,058
Two-Bedroom	2.5	4	0.3%	0	0.0%	\$2,714
Three-Bedroom	1.0	5	0.4%	0	0.0%	\$1,087
Three-Bedroom	2.0	24	1.7%	0	0.0%	\$1,762
Total Market-rate		1,393	100.0%	3	0.2%	-
Affordable, Non-Subsidized						
One-Bedroom	1.0	183	11.7%	4	2.2%	\$1,259
Two-Bedroom	1.0	597	38.2%	2	0.3%	\$1,459
Two-Bedroom	1.5	116	7.4%	0	0.0%	\$1,355
Two-Bedroom	2.0	322	20.6%	3	0.9%	\$1,464
Three-Bedroom	1.0	44	2.8%	0	0.0%	\$997
Three-Bedroom	1.5	80	5.1%	1	1.3%	\$1,561
Three-Bedroom	2.0	220	14.1%	1	0.5%	\$1,695
Total Affordable		1,562	100.0%	11	0.7%	-

The market-rate units are 99.8% occupied and the non-subsidized affordable units are 99.3% occupied. Vacancies are limited among all bedroom types. Median gross affordable rents among the most common bedroom and bathroom configurations in the market are more than 20.0% below corresponding market-rate units, representing a significant value in the marketplace.

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

Year Built	Projects	Units	Vacancy Rate
Before 1970	4	422	0.0%
1970 to 1979	5	460	0.9%
1980 to 1989	5	630	0.5%
1990 to 1999	1	320	0.0%
2000 to 2009	4	635	1.1%
2010 to 2019	4	443	0.0%
2020 & 2021	0	0	-
2022	1	45	0.0%
2023 to 2026*	0	0	-

*As of February

The subject market has a good mix of rental product by development period, with both older and relatively modern rental supply. Regardless, vacancy rates are low among all development periods, illustrating the strong level of demand for all ages of product.

As the preceding table illustrates, the newest rental community surveyed was built in 2022, Holley Pointe (Map ID 14). This project is a 50-unit affordable rental community (government-subsidized units not included in the preceding table) that opened in July 2022. According to management, Holley Pointe first reached an occupancy rate of 90.0% in August 2022, yielding an absorption rate of approximately 22 to 23 units/month. This is an extremely high rate for affordable rental housing, illustrating that this housing product type has been very well received within the Portsmouth market. This will continue to bode well in the demand for the subject units.

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

Quality Rating	Projects	Total Units	Vacancy Rate
Market-rate			
A	1	134	0.0%
B+	2	359	0.0%
B	6	678	0.0%
B-	2	209	1.4%
C+	1	4	0.0%
C	1	9	0.0%
Non-Subsidized Affordable			
B+	2	165	0.0%
B	5	864	0.3%
B-	3	374	2.1%
C+	1	78	0.0%
C	1	81	0.0%

While limited, vacancies are the highest among properties with ratings of “B-” for both the market-rate and the affordable properties. The subject project is anticipated to have a quality rating of at least a “B”. This good quality rating should contribute to the subject project's marketability.

Government-subsidized

We identified and surveyed 14 rental projects that offer government-subsidized units within the Site PMA. Generally, these properties have few amenities, are older and offer small unit sizes (square feet). The government-subsidized units (both with and without Tax Credits) in the Site PMA are summarized in the table on the following page.

Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
Subsidized Tax Credit					
Studio	1.0	60	4.1%	0	0.0%
One-Bedroom	1.0	321	21.9%	0	0.0%
Two-Bedroom	1.0	568	38.7%	0	0.0%
Two-Bedroom	1.5	135	9.2%	0	0.0%
Two-Bedroom	2.0	81	5.5%	0	0.0%
Three-Bedroom	1.0	89	6.1%	0	0.0%
Three-Bedroom	1.5	50	3.4%	0	0.0%
Three-Bedroom	2.0	44	3.0%	0	0.0%
Three-Bedroom	2.5	75	5.1%	0	0.0%
Four-Bedroom	1.0	27	1.8%	0	0.0%
Four-Bedroom	2.0	16	1.1%	0	0.0%
Total Subsidized Tax Credit		1,466	100.0%	0	0.0%
Government-Subsidized					
One-Bedroom	1.0	24	100.0%	0	0.0%
Total Subsidized		24	100.0%	0	0.0%

All government-subsidized units surveyed are occupied and have combined wait lists of more than 100 households and/or up to two years for the next available unit, illustrating the pent-up demand for such product.

Additional information regarding the Portsmouth Site PMA apartment market is found in Section X of this report.

Tax Credit Property Disclosure: In addition to the 22 properties surveyed that offer Tax Credit units, we identified 10 additional properties within the Site PMA that operate, at least partially, under the Low-Income Housing Tax Credit (LIHTC) program that we were unable to survey at the time of this report. The known details of these projects based on previous surveys conducted by Bowen National Research in the Portsmouth area and from our review of the state Tax Credit allocation list are summarized in the following table:

Name	Location	Total Units	Target Population
Commons at Greenwood Apts.	205 Bedford Ct	52	Senior; Market-rate & Tax Credit
Lexington Place Apts. I	218 Paul Revere Dr.	72	Family; Subsidized Tax Credit
Lexington Reserve	26 Lexington Dr	105	Senior; Subsidized Tax Credit
London Oaks Apts.	2680 High St.	296	Family; Subsidized Tax Credit
Malvern Hills	426 King St.	55	Senior; Subsidized Tax Credit
Mount Herman Elderly	2400 Cutherell St.	90	Senior; Subsidized Tax Credit
Phoebus Square Apts.	606 Phoebus St.	122	Senior; Subsidized Tax Credit
Shea Terrace Senior Apts.	253 Constitution Ave.	21	Senior; Tax Credit
Westbury Holley Square Apts.	1325 County St.	59	Family; Subsidized Tax Credit
Westbury Pine Apts.	706 Crabapple St	58	Family; Subsidized Tax Credit

It is believed that these projects we were unable to survey offer a total of 59 non-subsidized Tax Credit units, which have been considered in our penetration rate estimates illustrated later in Section VII – *Capture Rate Analysis* of this report.

B. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit

As noted, we identified and surveyed 23 properties in which at least some units operate under the LIHTC program within the Portsmouth Site PMA, including the subject site. These properties target households with income of up to 80% of Area Median Household Income (AMHI), though some target lower income households. We selected six properties that we believe are most comparable in terms of bedroom types, features, age, and target market, which are summarized in the following table, along with the subject development. Information regarding property address, phone number and contact name is included in the Field Survey of Conventional Rentals.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Cross Creek Rehab	1969 / 2028	94*	100.0%**	-	74 HH	Families; 40%, 50%, 60% & 80% AMHI
2	Ansell Gardens Apts.	1969 / 2003	78	100.0%	1.9 Miles	Yes^^	Families; 50% & 60% AMHI
8	Grand at Mallard Manor	1975 / 2000	160	99.4%	3.4 Miles	None	Families; 60% AMHI
16	Independence Square Apts.	1985 / 2005	152	100.0%	0.6 Mile	10 HH	Families; 60% AMHI
18	Maplewood I & II	1991 / 2010	320	100.0%	4.2 Miles	None	Families; 60% AMHI
29	Thrive Apartment Homes	1972 / 2016	102	97.1%	1.6 Miles	None	Families; 60% AMHI
33	Whispering Oaks Apts.	1970 / 2004	179 + 1^	100.0%	3.9 Miles	None	Families; 60% AMHI

OCC. – Occupancy; HH - Households

*Tax Credit units only; **Reflects marketed units; ^Unit under renovation; ^^ Length unavailable

The six selected LIHTC projects have a combined occupancy rate of 99.6%, indicating very strong demand exists for affordable housing in the market. Notably, four of these projects are fully occupied, two of which maintain a waiting list. As such, it is clear there is pent-up demand for LIHTC product that is comparable to the subject project. Given there are virtually no vacancies among these rentals, the subject project will continue to fill a portion of the market’s need for affordable rental housing.

The gross rents for the competing LIHTC projects and the proposed LIHTC rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the table on the following page.

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Cross Creek Rehab	-	\$940/40% (6) \$1,173/50% (20) \$1,225/60% (15) \$1,225/80% (4)	\$1,087/40% (6) \$1,357/50% (20) \$1,590/60% (19) \$1,688/80% (4)	-
2	Ansell Gardens Apts.	-	\$1,048-\$1,098/50% (38/0) \$1,097-\$1,127/60% (40/0)	-	None
8	Grand at Mallard Manor	-	\$1,355/60% (80/0)	\$1,561/60% (80/1)	None
16	Independence Square Apts.	\$1,149/60% (33/0)	\$1,381/60% (106/0)	\$1,598/60% (13/0)	None
18	Maplewood I & II	-	\$1,459/60% (280/0)	\$1,688/60% (40/0)	None
29	Thrive Apartment Homes	-	\$1,504/60% (62/2)	\$1,748/60% (40/1)	None
33	Whispering Oaks Apts.	\$994/60% (28/0)	\$1,202-\$1,231/60% (122/0)	\$1,437/60% (29+1*/0)	None

*Unit under renovation

The proposed subject gross rents, ranging from \$939 to \$1,688, appear to be competitively aligned with the comparable properties' rental rates by similar AMHI levels. In fact, the proposed subject rents set aside at 80% of AMHI are within the range of the 60% of AMHI rents offered at the competition and, therefore, should represent good values to moderate-income renters within the market. Overall, the proposed rents should compete very well with these properties.

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

Map I.D.	Project Name	Occupied Units	Number of Vouchers	Share of Vouchers
2	Ansell Gardens Apts.	78	6	7.7%
8	Grand at Mallard Manor	159	80	50.3%
16	Independence Square Apts.	152	73	48.0%
18	Maplewood I & II	320	N/A	-
29	Thrive Apartment Homes	99	N/A	-
33	Whispering Oaks Apts.	179 + 1*	N/A	-
Total		389	159	40.9%

*Unit under renovation (not included in total)

N/A – Not Available (units not included in total)

As the preceding table illustrates, there are a total of approximately 159 voucher holders residing at the three comparable LIHTC properties within the market that provided such information. This comprises 40.9% of the 389 *occupied* units among these three properties. As such, it can be concluded that the gross rents at these properties are achievable, as evidenced by the overall 99.6% occupancy.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Cross Creek Rehab	-	677	860
2	Ansell Gardens Apts.	-	620 - 710	-
8	Grand at Mallard Manor	-	1,002	1,202
16	Independence Square Apts.	614	816	912
18	Maplewood I & II	-	875	1,200
29	Thrive Apartment Homes	-	975	1,200
33	Whispering Oaks Apts.	550	850 - 1,176	1,240

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Cross Creek Rehab	-	1.0	1.0
2	Ansell Gardens Apts.	-	1.0	-
8	Grand at Mallard Manor	-	1.5	1.5
16	Independence Square Apts.	1.0	1.0	2.0
18	Maplewood I & II	-	1.0	2.0
29	Thrive Apartment Homes	-	1.0	2.0
33	Whispering Oaks Apts.	1.0	1.0 - 2.0	2.0

The subject project will continue to offer some of the smallest, if not *the smallest* LIHTC unit sizes among the comparable properties. Additionally, the subject project will be the only LIHTC project to not offer an additional bathroom within its three-bedroom units. While these inferior unit characteristics will position the subject development at a competitive disadvantage, they have had no impact on marketability, as evidenced by the subject's 100.0% occupancy rate among marketed units and waiting list. Nonetheless, these unit features have been considered in our achievable market rent analysis illustrated later in *Section VI* of this report.

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

		Tax Credit Unit Amenities by Map ID						
		Site*	2	8	16	18	29	33
Appliances	Dishwasher	X		X	X	X	X	X
	Disposal			X	X		X	X
	Microwave							
	Range	X	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X	X
	W/D Hookup			X	X	X	X	X
	W/D			O	X	X		O
	No Appliances							
Unit Amenities	AC-Central	X	X	X	X	X	X	X
	AC-Other							
	Balcony/ Patio/ Sunroom		X		X			S
	Basement							
	Ceiling Fan	X		S		X		
	Controlled Access							
	E-Call System							
	Furnished							
	Walk-In Closet	S	X		X	X	X	
	Window Treatments	X	X	X	X	X	X	X
Flooring	Carpet		X	X	X	X	X	X
	Ceramic Tile							
	Hardwood							
	Finished Concrete							
	Composite/Vinyl/Laminate	X	X	X	X	X	X	X
Upgraded	Premium Appliances							
	Premium Countertops							
	Premium Cabinetry							
	Premium Fixtures							
	High/Vaulted Ceilings							
	Oversized Windows							
Parking	Attached Garage							
	Detached Garage							
	Street Parking							
	Surface Lot	X	X	X	X	X	X	X
	Carport							
	Property Parking Garage							
	No Provided Parking							

◆ - Senior Property

* Proposed Site(s): Cross Creek Rehab

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

** Details in Comparable Property Profile Report

Continued on Next Page

Tax Credit Property Amenities by Map ID							
	Site*	2	8	16	18	29	33
	Bike Racks / Storage	X					
	Computer/Business Center	X			X		
	Car Care **						
	Community Garden						
Community	Multipurpose Room	X	X		X		
	Chapel						
	Community Kitchen	X					
	Dining Room - Private						
	Dining Room - Public						
	Rooftop Terrace						
	Concierge Service **				X		
	Convenience Amenities **				X	X	X
	Covered Outdoor Area **						
	Elevator						
Laundry Room	X	X				X	
On-Site Management	X	X	X	X	X	X	
Pet Care **				X			
Recreation	Basketball						
	Bocce Ball						
	Firepit						
	Fitness Center						X
	Grilling Area	X			X		
	Game Room - Billiards						
	Walking Path						
	Hot Tub						
	Library						
	Media Room / Theater						
	Playground	X	X	X	X	X	X
	Putting Green						
	Racquetball						
	Shuffleboard						
	Swimming Pool - Indoor						
	Swimming Pool - Outdoor			X	X	X	X
	Tennis						
Volleyball							
Security	CCTV	X	X		X	X	
	Courtesy Officer				X	X	X
	Security Gate						
	Social Services **						
	Storage - Extra			S			
	Common Space WiFi	X					X

◆ - Senior Property

* Proposed Site(s): Cross Creek Rehab

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

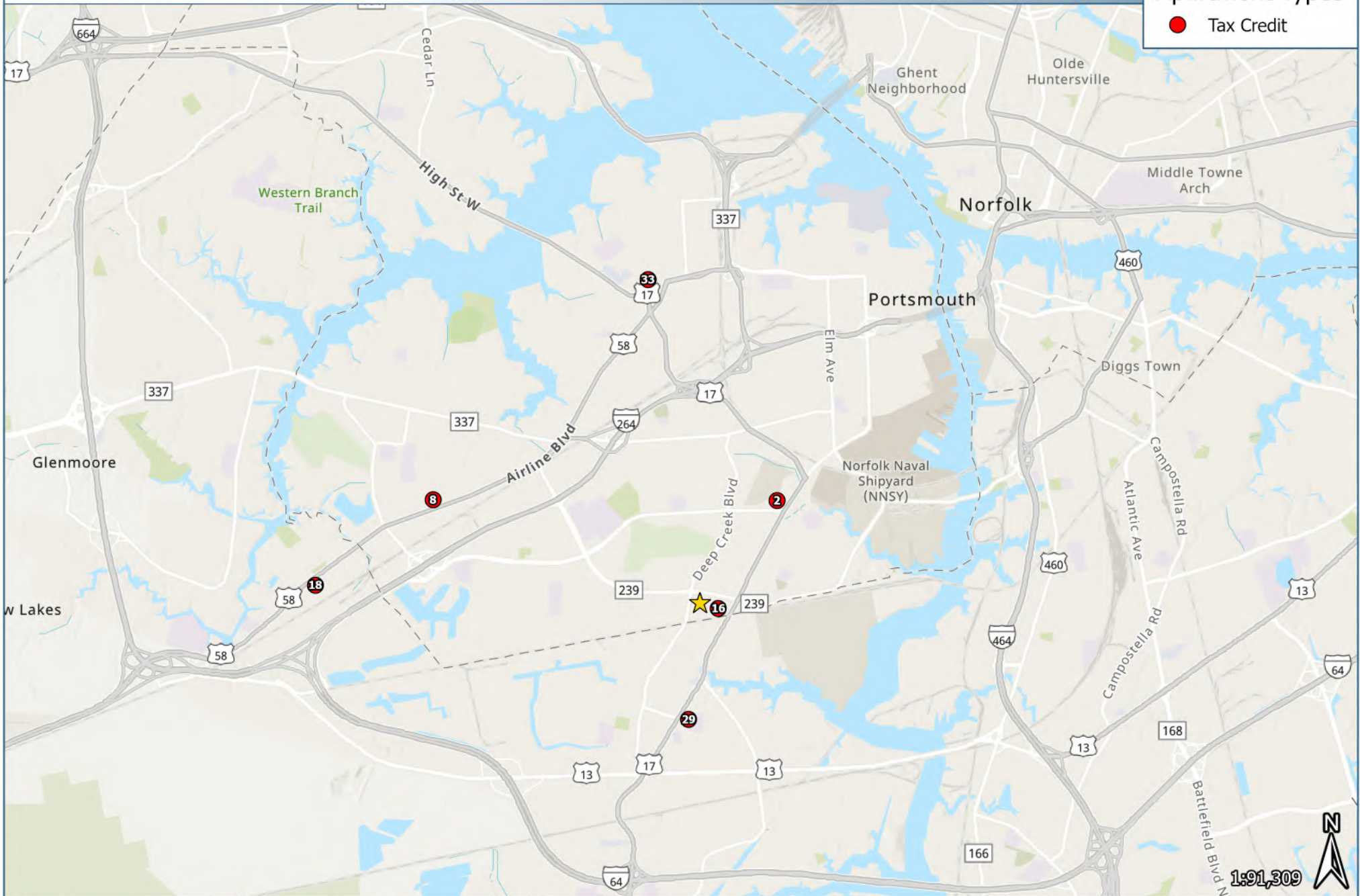
** Details in Comparable Property Profile Report

Once renovations are complete, the subject's amenity package will continue to be inferior to those offered at the comparable LIHTC projects surveyed. In terms of unit amenities, while the subject project will be one of few LIHTC projects to include ceiling fans, it will be one of few to not offer a garbage disposal and washer/dryer hookups (central laundry facility is provided). Regarding community amenities, the subject project will be the only or one of few LIHTC projects to include bike racks/storage, computer center, community room/clubhouse, community warming kitchen, grilling area and common space Wi-Fi; however, it will be one of few to lack a café/coffee bar, swimming pool and courtesy officer. While the lack of the aforementioned amenities will continue to position the subject at a competitive disadvantage, they have not had an adverse impact on marketability.

Comparable Tax Credit Summary

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing affordable properties within the market, it is our opinion that the subject development will continue to be positioned to compete well within the Portsmouth Site PMA.

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



Market-Rate

Considering that the project will continue to offer market-rate units, we have also provided a comparable market-rate analysis to assess the competitiveness of these units. We identified five comparable market-rate properties within the Site PMA, which are summarized in the following table, along with the subject site:

Map I.D.	Project Name	Year Built/Renovated	Units	Occupancy Rate	Distance to Site	Rent Special
Site	Cross Creek Rehab	1969 / 2028	8*	100.0%**	-	-
3	Ashton Village Apts.	1984 / 2022	120	98.3%	2.7 Miles	None
5	Biltmore Commons Apts.	1989	89	98.9%	1.8 Miles	None
19	Nav850 at Olde Towne	2005	246	100.0%	4.1 Miles	None
20	Newport Landing Apts.	1943 / 2012	250	100.0%	0.3 Mile	None
23	Seaboard Building Apts.	1985	81	100.0%	4.2 Miles	None

*Market-rate units only; **Reflects marketed units

The five selected market-rate projects have a combined total of 786 units with an overall occupancy rate of 99.6%, an extremely high rate for rental housing. Given that only three vacancies exist at these projects, illustrates that pent-up demand likely exists for additional market-rate rental housing within the Site PMA. The subject project will continue to accommodate a portion of this unmet demand.

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

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
Site	Cross Creek Rehab	-	\$1,225 (2)	\$1,688 (6)
3	Ashton Village Apts.	\$1,489 (23/1)	\$1,755-\$1,805 (97/1)	-
5	Biltmore Commons Apts.	-	\$1,450 (65/1)	\$1,594-\$1,929 (24/0)
19	Nav850 at Olde Towne	\$1,618-\$2,171 (156/0)	\$2,167-\$2,363 (90/0)	-
20	Newport Landing Apts.	\$1,000-\$1,150 (170/0)	\$1,237-\$1,342 (80/0)	-
23	Seaboard Building Apts.	\$1,419 (49/0)	\$1,849 (32/0)	-

The subject’s proposed gross market-rate rents will be some of the lowest, if not *the lowest* market-rate rents relative to those offered at the selected market-rate communities. This will position the subject project at a significant competitive advantage.

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

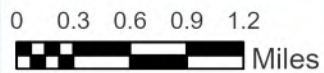
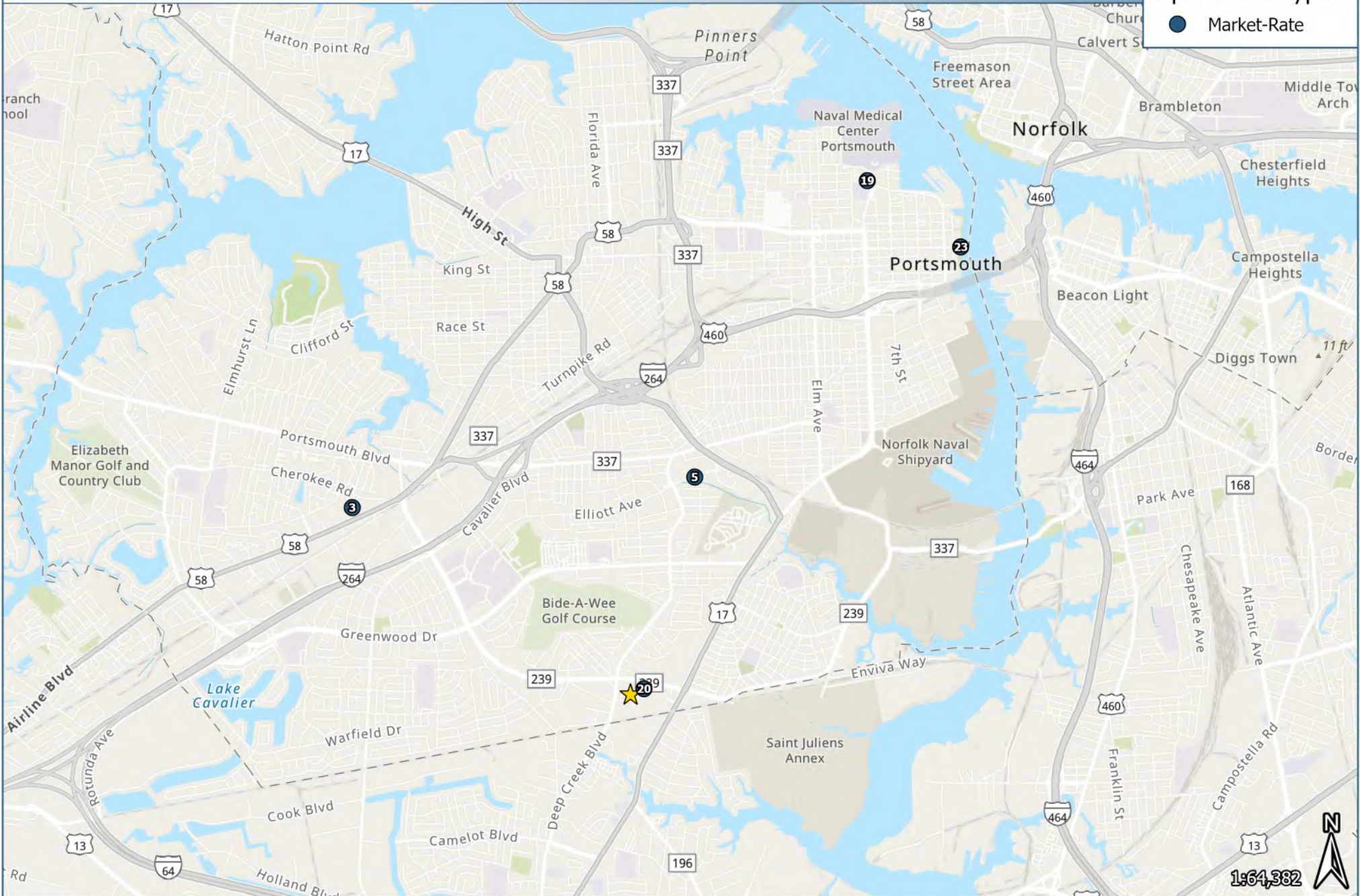
Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Cross Creek Rehab	-	677	860
3	Ashton Village Apts.	675	750 - 800	-
5	Biltmore Commons Apts.	-	736 - 828	896 - 1,016
19	Nav850 at Olde Towne	751 - 936	1,095 - 1,137	-
20	Newport Landing Apts.	480	610	-
23	Seaboard Building Apts.	550 - 692	1,099 - 1,195	-

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Cross Creek Rehab	-	1.0	1.0
3	Ashton Village Apts.	1.0	1.5 - 2.0	-
5	Biltmore Commons Apts.	-	1.0	2.0
19	Nav850 at Olde Towne	1.0 - 1.5	2.0	-
20	Newport Landing Apts.	1.0	1.0	-
23	Seaboard Building Apts.	1.0	2.0	-

The subject project will continue to offer some of the smallest, if not *the smallest* market-rate unit sizes within the market. Additionally, it will be one of two market-rate projects to lack an additional bathroom within the two-bedroom units and will be the only market-rate community with just one bathroom within the three-bedroom units. However, the subject's low market-rate rents should offset these inferior unit characteristics.

Note that a further evaluation of the subject's amenities package compared to those offered at the selected market-rate projects is provided later in Section VI – *Achievable Market Rent Analysis* of this report.

A map depicting the location of the most comparable market-rate properties is included on the following page.



Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community, Esri, NASA, NGA, USGS, FEMA
Additional Source(s): Bowen National Research

1:64,382



C. PLANNED MULTIFAMILY DEVELOPMENT

From interviews with planning representatives who responded to our inquiries, extensive online research and the observations of our analyst while in the field, it was determined there are several rental projects currently in the development pipeline within the Site PMA, which are summarized in the following table:

Project Name & Address	Type	Units	Developer	Status/Details
Bains Pointe 1100 High St. <i>Portsmouth</i>	Tax Credit & Subsidized	50	Woda Cooper Companies	Under Construction: Allocated Tax Credit funding in 2023; 39 two- & 11 three-bedrooms targeting households earning up to 30%, 50% & 80% AMHI; Eight units will receive a subsidy; ECD February/March 2026.
Ansell 2216 & 2220 Waldron Ave. <i>Portsmouth</i>	Tax Credit & Subsidized	39	Community Housing Partners	Planned: Allocated Tax Credit funding in 2025; Two- & three-bedrooms targeting households earning up to 30%, 40%, 50%, 60% & 80% AMHI; Nine units will receive a subsidy; ECD spring 2027.
Harbor Vista II 700 Crawford St. <i>Portsmouth</i>	Market-rate	60	The Breeden Companies	Planned: As of early 2026 ground has not been broken; One- to three-bedroom units.
Elm Avenue Apartments 1001 Elm Ave. <i>Portsmouth</i>	Market-rate	28	Satisfied Home Builders LLC	Planned: City Council approved in early 2025; One- to two-bedroom units.
TBD 3741 Elliott Ave. <i>Portsmouth</i>	Market-rate	169	Canopy Development	Proposed: Use permit was approved in early 2026.
TBD 609 Columbia St. & 800 Washington St. <i>Portsmouth</i>	Market-rate	14	N/A	Proposed: No building permits issued as of February 2026.

ECD – Estimated Completion Date; TBD – To Be Determined; N/A – Not Available

Of the aforementioned rental communities within the development pipeline in the PMA, two will offer non-subsidized Tax Credit units and are anticipated to directly compete with the subject development, Bains Pointe and Ansell. Therefore, these properties have been considered in our demand estimates illustrated later in in Section VII – *Capture Rate Analysis* of this report. While the two planned market-rate projects within the pipeline could have some competitive overlap with the site, it is expected to be minimal, given the age of the subject site and its low market-rate rents, which are more in line with the 60% of AMHI rents offered at the comparable LIHTC properties. Therefore, we have not considered Harbor Vista II or Elm Avenue Apartments within our demand analysis.

D. ANTICIPATED IMPACT ON EXISTING TAX CREDIT PROPERTIES

Given that the subject project is an existing rental development, it is clear that the subject project has had no impact on the occupancy levels of the affordable rental housing alternatives within the Site PMA. This is especially true, considering that all affordable rental communities surveyed are performing at a high level, many of which are fully occupied.

E. BUY VERSUS RENT ANALYSIS

According to ESRI, the median home value in the Site PMA was \$261,461. At an estimated interest rate of 6.05% and a 30-year term (and 95% LTV), the monthly mortgage for a \$261,461 home is \$1,871, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price – ESRI 2025	\$261,461
Mortgaged Value = 95% Of Median Home Price	\$248,388
Interest Rate – MortgageNewsDaily.Com	6.05%
Term	30
Monthly Principal & Interest	\$1,497
Estimated Taxes And Insurance*	\$374
Estimated Monthly Mortgage Payment:	\$1,871

*Estimated at 25% of principal and interest.

In comparison, the proposed collected rents for the subject property range from \$755 to \$1,440 per month. As shown in the table above, the estimated monthly mortgage payment for a typical home in the subject market is \$1,871. Therefore, the cost of a monthly mortgage for a typical home is over \$430 greater than the cost of renting at the site, depending on unit size. It is highly unlikely that residents that would qualify for the subject rental units would have the income to be able to afford the monthly payment on a typical home and even fewer would likely have the down payment needed on such a home. Therefore, we do not anticipate any competitive impact on or from the homebuyer market and the subject property.

VI. Achievable Market Rent Analysis

A. INTRODUCTION

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

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

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

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

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

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

The subject development and the five selected properties include the following:

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Cross Creek Rehab	1969 / 2028	102	100.0%*	-	47 (100.0%)	55 (100.0%)
3	Ashton Village Apts.	1984 / 2022	120	98.3%	23 (95.7%)	97 (99.0%)	-
5	Biltmore Commons Apts.	1989	89	98.9%	-	65 (98.5%)	24 (100.0%)
19	Nav850 at Olde Towne	2005	246	100.0%	156 (100.0%)	90 (100.0%)	-
20	Newport Landing Apts.	1943 / 2012	250	100.0%	170 (100.0%)	80 (100.0%)	-
23	Seaboard Building Apts.	1985	81	100.0%	49 (100.0%)	32 (100.0%)	-

Occ. – Occupancy

*Reflects marketed units

The five selected market-rate projects have a combined total of 786 units with an overall occupancy rate of 99.6%, an extremely high rate for rental housing. This indicates that these projects have been very well received within the market and will serve as accurate benchmarks with which to compare the subject project.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate the adjustments made (as needed) for various features and location or neighborhood characteristics, as well as quality differences that exist among the selected properties and the subject development.

Rent Comparability Grid

Unit Type → **TWO-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Cross Creek Rehab		Ashton Village Apts.		Biltmore Commons Apts.		Nav850 at Olde Towne		Newport Landing Apts.		Seaboard Building Apts.	
2502-2542 Bird Lane		200 Chowan Dr		2341 Elliott Ave		850 Crawford Pkwy		9 Seminole Dr		1 High St.	
Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Portsmouth, VA	
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,550		\$1,245		\$1,977		\$1,168		\$1,849	
2	Date Surveyed	Jan-26		Jan-26		Jan-26		Jan-26		Jan-26	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	99%		98%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,550	2.07	\$1,245	1.69	\$1,977	1.81	\$1,168	1.91	\$1,849	1.68
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		WU/2,3		EE/3		WU/2		EE/6	
7	Yr. Built/Yr. Renovated	1969/2028	(\$4)	1984/2022	(\$4)	2005	(\$6)	1943/2012	\$21	1985	\$14
8	Condition/Street Appeal	G		G		G		G		G	
9	Neighborhood	G		F	\$10	G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1	(\$15)	1		2	(\$30)	1		2	(\$30)
13	Unit Interior Sq. Ft.	677	(\$33)	750	(\$33)	736	(\$27)	1095	(\$190)	610	\$30
14	Patio/Balcony/Sunroom	N	(\$5)	Y	(\$5)	N		N		N	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y		N/Y		Y/Y	(\$5)	N/Y		Y/Y	(\$5)
18	Washer/Dryer	L	(\$35)	W/D	(\$35)	W/D	(\$35)	L		W/D	(\$35)
19	Cable/Internet Included?	N/Y	\$35	N/N	\$35	Y/Y	(\$35)	N/N	\$35	N/N	\$35
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		Y	(\$3)	N		Y	(\$3)
22	Garbage Disposal	N		N		Y	(\$5)	N		N	
23	Ceiling Fan/Storage	Y/N		Y/N	\$5	Y/N		N/N	\$5	N/N	\$5
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$70	\$10
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y		Y		Y		N	\$5	Y	
27	Community Space	Y	\$5	N	\$5	Y		N	\$5	N	\$5
28	Pool/Recreation Areas	N	(\$15)	P/F	(\$15)	N		P/F/GR/MT	(\$21)	N	
29	Business/Computer Center	Y	\$3	N	\$3	Y		N	\$3	N	\$3
30	Grilling Area	Y	\$3	N	\$3	Y		N	\$3	N	\$3
31	Playground	Y	\$3	N	\$3	Y		N	\$3	Y	
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		Y/E	(\$46)
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		Y/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		Y/E	(\$6)
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/G		Y/E	(\$23)
37	Other Electric	N		N		N		N		Y	(\$39)
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		Y/Y	(\$76)
39	Trash/Recycling	Y/N	\$15	N/N	\$15	Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	6	6	6	3	1	9	8		8	7
41	Sum Adjustments B to D	\$59	(\$107)	\$61	(\$67)	\$3	(\$330)	\$107		\$78	(\$285)
42	Sum Utility Adjustments	\$15		\$15							(\$190)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$33)	\$181	\$9	\$143	(\$327)	\$333	\$107	\$107	(\$397)	\$553
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,517		\$1,254		\$1,650		\$1,275		\$1,452	
45	Adj Rent/Last rent		98%		101%		83%		109%		79%
46	Estimated Market Rent	\$1,430		\$2.11		← Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type → **THREE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Cross Creek Rehab		Ashton Village Apts.		Biltmore Commons Apts.		Nav850 at Olde Towne		Newport Landing Apts.		Seaboard Building Apts.	
2502-2542 Bird Lane		200 Chowan Dr		2341 Elliott Ave		850 Crawford Pkwy		9 Seminole Dr		1 High St.	
Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Portsmouth, VA		Portsmouth, VA	
Data		Data		Data		Data		Data		Data	
on		on		on		on		on		on	
Subject		Subject		Subject		Subject		Subject		Subject	
A. Rents Charged		Data		Data		Data		Data		Data	
1	\$ Last Rent / Restricted?	\$1,600		\$1,345		\$1,977		\$1,168		\$1,849	
2	Date Surveyed	Jan-26		Jan-26		Jan-26		Jan-26		Jan-26	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	99%		100%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,600	2.00	\$1,345	1.50	\$1,977	1.81	\$1,168	1.91	\$1,849	1.68
B. Design, Location, Condition		Data		Data		Data		Data		Data	
6	Structure / Stories	WU/2	WU/2,2.5	WU/2,3		EE/3		WU/2		EE/6	
7	Yr. Built/Yr. Renovated	1969/2028	1984/2022 (\$4)	1989	\$10	2005	(\$6)	1943/2012	\$21	1985	\$14
8	Condition/Street Appeal	G	G	G		G		G		G	
9	Neighborhood	G	F \$10	G		G		G		G	
10	Same Market?		Yes	Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data		Data		Data		Data		Data	
11	# Bedrooms	3	2 \$50	3		2	\$50	2	\$50	2	\$50
12	# Baths	1	2 (\$30)	2	(\$30)	2	(\$30)	1		2	(\$30)
13	Unit Interior Sq. Ft.	860	800 \$26	896	(\$16)	1095	(\$104)	610	\$110	1099	(\$105)
14	Patio/Balcony/Sunroom	N	Y (\$5)	N		N		N		Y	(\$5)
15	AC: Central/Wall	C	C	C		C		C		C	
16	Range/Refrigerator	R/F	R/F	R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y	N/Y	Y/Y (\$5)		Y/Y (\$5)		N/Y		Y/Y (\$5)	
18	Washer/Dryer	L	W/D (\$35)	W/D (\$35)		W/D (\$35)		L		W/D (\$35)	
19	Cable/Internet Included?	N/Y	N/N \$35	N/N \$35		Y/Y (\$35)		N/N \$35		N/N \$35	
20	Window Treatments	Y	Y	Y		Y		Y		Y	
21	Secured Entry	N	N	N		Y (\$3)		N		Y (\$3)	
22	Garbage Disposal	N	N	N		Y (\$5)		N		N	
23	Ceiling Fan/Storage	Y/N	Y/N	N/N \$5		Y/N		N/N \$5		N/N \$5	
D. Site Equipment/ Amenities		Data		Data		Data		Data		Data	
24	Parking (\$ Fee)	LOT/\$0	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$70	\$10
25	On-Site Management	Y	Y	Y		Y		Y		Y	
26	Security Features	Y	Y	Y		Y		N \$5		Y	
27	Community Space	Y	N \$5	N \$5		Y		N \$5		N \$5	
28	Pool/Recreation Areas	N	P/F (\$15)	N		P/F/GR/MT (\$21)		N		P/F (\$15)	
29	Business/Computer Center	Y	N \$3	N \$3		Y		N \$3		N \$3	
30	Grilling Area	Y	N \$3	N \$3		Y		N \$3		N \$3	
31	Playground	Y	N \$3	Y		N \$3		Y		N \$3	
32	Social Services	N	N	N		N		N		N	
E. Utilities		Data		Data		Data		Data		Data	
33	Heat (in rent?/ type)	N/E	N/E	N/E		N/E		N/E		Y/E (\$57)	
34	Cooling (in rent?/ type)	N/E	N/E	N/E		N/E		N/E		Y/E	
35	Cooking (in rent?/ type)	N/E	N/E	N/E		N/E		N/E		Y/E (\$8)	
36	Hot Water (in rent?/ type)	N/E	N/E	N/E		N/E		N/G		Y/E (\$28)	
37	Other Electric	N	N	N		N		N		Y (\$47)	
38	Cold Water/Sewer	N/N	N/N	N/N		N/N		N/N		Y/Y (\$94)	
39	Trash/Recycling	Y/N	N/N \$15	N/N \$15		Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos		Neg		Pos		Neg		Pos	
40	# Adjustments B to D	8	5	6	4	2	9	9		9	7
41	Sum Adjustments B to D	\$135	(\$89)	\$61	(\$86)	\$53	(\$244)	\$237		\$128	(\$198)
42	Sum Utility Adjustments	\$15		\$15							(\$234)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$61	\$239	(\$10)	\$162	(\$191)	\$297	\$237	\$237	(\$304)	\$560
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,661		\$1,335		\$1,786		\$1,405		\$1,545	
45	Adj Rent/Last rent		104%		99%		90%		120%		84%
46	Estimated Market Rent	\$1,620		\$1.88		← Estimated Market Rent/ Sq. Ft					

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

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

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
Two-Bedroom	40%	\$755	\$1,430	47.2%
	50%	\$988		30.9%
	60%	\$1,040		27.3%
	80%	\$1,040		27.3%
	Market	\$1,040		27.3%
Three-Bedroom	40%	\$838	\$1,620	48.3%
	50%	\$1,108		31.6%
	60%	\$1,342		17.2%
	80%	\$1,440		11.1%
	Market	\$1,440		11.1%

Typically, Tax Credit rents targeting households earning up to 60% of AMHI are set at least 10% below market rent to ensure the property represents a value and has a sufficient flow of prospective tenants within most markets. While units targeting households up to 80% of AMHI often do not need to represent a market rent advantage of 10% to be perceived a value, it is often recommended that such units/rents represent around a 5.0% market rent advantage. Therefore, the subject’s proposed Tax Credit rents, which represent market rent advantages of between 11.1% and 48.3%, are considered appropriate and should represent good values within the Portsmouth market. Additionally, the subject’s market-rate rents are also anticipated to represent good values to renters, as they represent significant market rent advantages of at least 11.1%. This will contribute to the subject’s continued marketability.

B. Rent Adjustment Explanations (Rent Comparability Grid)

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions. However, the required monthly fees offered at select properties have been considered.
7. Upon completion of renovations, the subject project will have an effective year build of 1999. The selected properties were developed between 1943 and 2005; two of which were extensively renovated in 2012 and 2022. We have adjusted the rents at the selected properties by \$1 per year of effective age difference to reflect the age of these properties.
9. One of the selected properties is located in a neighborhood considered less desirable than that of the subject site, Ashton Village Apartments (Comp #1). As such, we have made an adjustment to account for the differences in location among this project and the subject project.
11. Each of the selected market-rate properties offers two-bedroom units. However, only one of the selected properties offers three-bedroom units, similar to the subject project. As such, we have used the two-bedroom units at these selected properties and applied a positive adjustment of \$50 to reflect the inclusion of an additional defined bedroom at the subject project as compared to these selected properties.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar-for-dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The subject project will offer a unit amenity package generally inferior to those offered at the selected properties. We have made numerous adjustments for features lacking at the subject project, and in some cases, we have made adjustments for features the subject property does offer.

- 24.-32. The subject project will offer a project amenities package that is also generally considered inferior to those offered among the comparable market-rate projects. We have made monetary adjustments to reflect the difference between the subject project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

VII. Capture Rate Analysis

A. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is within the Virginia Beach-Norfolk-Newport News, Virginia-North Carolina HUD Metro FMR Area, which has a median four-person household income of \$106,500 for 2025. The subject property's LIHTC units will be restricted to households with incomes of up to 40%, 50%, 60% and 80% of AMHI. Note that the subject project also offers market-rate units that have no income restrictions. The following table summarizes the maximum allowable income by household size and targeted AMHI levels:

Household Size	Targeted AMHI Maximum Allowable Income			
	40%	50%	60%	80%
One-Person	\$29,840	\$37,300	\$44,760	\$59,680
Two-Person	\$34,080	\$42,600	\$51,120	\$68,160
Three-Person	\$38,360	\$47,950	\$57,540	\$76,720
Four-Person	\$42,600	\$53,250	\$63,900	\$85,200
Five-Person	\$46,040	\$57,550	\$69,060	\$92,080

1. Maximum Income Limits

The largest units (three-bedroom) at the subject site are expected to continue to generally house up to five-person households. As such, the maximum allowable income at the subject site is **\$92,080**.

2. Minimum Income Requirements

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

The lowest proposed LIHTC rent at the subject site is \$940. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$11,280. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement of **\$32,229**.

While the subject project will continue to offer market-rate units, its market-rate rents are equivalent to its rents set aside at 80% of AMHI and, therefore, will generally compete with affordable rental housing product within the Site PMA. Therefore, these units have been considered with the subject’s 80% of AMHI units within our demand analysis.

3. Income-Appropriate Range

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

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited to 40% of AMHI)	\$32,229	\$46,040
Tax Credit (Limited to 50% of AMHI)	\$40,217	\$57,550
Tax Credit (Limited to 60% of AMHI)	\$42,000	\$69,060
Tax Credit (Limited to 80% of AMHI)	\$42,000	\$92,080
Overall Tax Credit	\$32,229	\$92,080

B. CAPTURE RATE CALCULATIONS

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

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

1. **Demand from New Renter Households:** *Determine new units in the PMA based on projected rental household growth. The projected household base **must be** limited to the target group, age and income appropriate. Demand for each target group must be shown separately.*
2. **Demand from Existing Households:** *The sum of demand from rental household growth and demand from all components of existing households will constitute **Total Demand**. The demand components from existing households are detailed below:*
 - a) **Over-burdened** is defined by Virginia Housing as households paying more than 35% of gross income (40% if elderly) for gross rent. Analysts are encouraged to be conservative.

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25074), 48.7% of renters within the market are considered to be rent-burdened.

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

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25016), approximately 5.4% of renter households within the market are living in substandard housing. Considering the targeted low-income tenant base, this estimate is considered appropriate for the area.

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

The subject project will not be restricted to seniors; therefore, we have not included this number in our demand calculations.

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

The subject project is an existing development that is fully occupied among marketed units with a waiting list and, based on the existing tenant incomes, all current tenants will continue to income-qualify to reside at the site. Although the subject project will experience significant rent increases post renovations, given that nearly all rental housing projects surveyed within the market are fully occupied, as well as the fact that the proposed subject rents are competitively positioned and are generally well below the rents offered at the market-rate projects surveyed in the Site PMA, tenants of the site have limited options available in the market. Additionally, it is anticipated the site will be renovated in a way that will mitigate the need of offsite housing for current tenants. It is also assumed that the developer will offer some type of assistance to current tenants, mitigating the rent increases of the post-rehab rents, which will mitigate turnover. Any units which may become vacant due to typical tenant turnover are expected to be quickly filled due to the significant demand that exists for additional affordable rental housing within the Portsmouth market.

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

C. DEMAND/CAPTURE RATE CALUCLATIONS

As discussed in *Section V*, we identified and surveyed six LIHTC projects in the Site PMA which are considered comparable with the site based on targeted age and design. Among these projects, there are four *directly competitive* vacant units. The unit breakdowns of these existing Tax Credit units are illustrated in the following table. Also note that there are 67 directly competitive/comparable non-subsidized general occupancy Tax Credit units in the development pipeline, which have also been considered in our analysis.

Project Name	Competitive Vacant/Planned Units			
	40% AMHI	50% AMHI	60% AMHI	80% AMHI
Existing (Surveyed)				
Ansell Gardens Apts.	-	-	-	-
Grand at Mallard Manor	-	-	1	-
Independence Square Apts.	-	-	-	-
Maplewood I & II	-	-	-	-
Thrive Apartment Homes	-	-	3	-
Whispering Oaks Apts.	-	-	-	-
Planned				
Ansell	-	11	15	4
Bains Pointe	-	12	-	25

The directly comparable non-subsidized LIHTC units that are vacant or within the development pipeline have been subtracted from the total demand in the analysis on the following page to determine the net demand and corresponding capture rates.

Demand Component	Percent of Median Household Income				
	40% AMHI (\$32,229-\$46,040)	50% AMHI (\$40,217-\$57,550)	60% AMHI (\$42,000-\$69,060)	80% AMHI (\$42,000-\$92,080)	Overall (\$32,229-\$92,080)
Demand From New Rental Households (Income-Appropriate)	2,180 - 2,263 = -83	2,274 - 2,339 = -65	3,282 - 3,353 = -71	4,598 - 4,670 = -72	6,184 - 6,316 = -132
+					
Demand From Existing Households (Rent Overburdened)	2,263 x 48.7% = 1,101	2,339 x 48.7% = 1,138	3,353 x 48.7% = 1,632	4,670 x 48.7% = 2,273	6,316 x 48.7% = 3,074
+					
Demand From Existing Households (Renters in Substandard Housing)	2,263 x 5.4% = 121	2,339 x 5.4% = 125	3,353 x 5.4% = 180	4,670 x 5.4% = 250	6,316 x 5.4% = 339
+					
Demand From Existing Households (Elderly Homeowner Conversion)	N/A				
+					
Demand From Existing Households (Existing Qualifying Tenants Likely to Remain After Renovations)	12	40	34	16*	102
=					
Total Demand	1,151	1,238	1,775	2,467	3,383
-					
Supply (Directly Comparable Vacant Units Completed or in The Pipeline)	0	23	19	29	71
=					
Net Demand	1,151	1,215	1,756	2,438	3,312
Subject Units	12	40	34	16	102
Subject Units / Net Demand	12 / 1,151	40 / 1,215	34 / 1,756	16 / 2,438	102 / 3,312
Capture Rate	= 1.0%	= 3.3%	= 1.9%	= 0.7%	= 3.1%
Absorption Period**	1 Month	3 Months	3 Months	< 2 Months	8 to 9 Months

N/A – Not Applicable

*Includes the market-rate units at the site, as they will effectively compete with 80% AMHI units

**Assumes all units will be vacated and re-rented simultaneously post renovations

Typically, utilizing the demand methodology illustrated above, capture rates of up to 30.0% are considered acceptable for projects located in urban markets, while higher capture rates of up to 35.0% are considered acceptable for projects in rural markets. As noted earlier in this report, the subject development will experience significant rent increases post renovations. However, given the limited availability that exists among the rental projects surveyed, tenants of the site generally have no other good quality affordable housing options available in the market. Therefore, it is anticipated that a significant number of current tenants will remain in place after renovations are completed. It is also assumed that the developer will offer some type of assistance to current tenants, mitigating the rent increases of the post-rehab rents, which will mitigate turnover. Any units which may become vacant due to typical turnover are expected to be quickly filled (with applicable post rehab rents/income levels) due to the significant demand that exists for additional affordable rental housing within the Portsmouth market.

D. PENETRATION RATE CALCULATIONS

The 1,629 existing non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing, planned and proposed subject Tax Credit units is \$23,897 to \$92,080. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, there will be an estimated 7,816 renter households with eligible incomes in 2028. The 1,803 existing, planned and subject non-subsidized Tax Credit units represent a penetration rate of 23.1% of the 7,816 income-eligible renter households, which is summarized in the following table:

	Market Penetration
Number of LIHTC Units (Existing, Planned & Subject)	1,803
Income-Eligible Renter Households – 2028	/ 7,816
Overall Market Penetration Rate	= 23.1%

It is our opinion that the 23.1% penetration rate for the LIHTC units, existing, planned and subject, is low and easily achievable. This is especially true, given the pent-up demand that exists for additional affordable rental housing within the market.

E. SUPPORT FROM HOUSING CHOICE VOUCHER HOLDERS

Despite numerous attempts, we were unable to receive a response from representatives with the Portsmouth Redevelopment and Housing Authority regarding information on their Housing Choice Voucher (HCV) program at the time this report was issued.

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

Bedroom Type	Payment Standards*	Proposed Gross Rents (AMHI)
Two-Bedroom	\$1,776	\$940 (40%) \$1,173 (50%) \$1,225 (60%/80%/Market)
Three-Bedroom	\$2,460	\$1,087 (40%) \$1,357 (50%) \$1,590 (60%) \$1,688 (80%/Market)

*Effective January 2026 for ZIP Code 23702

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

F. ABSORPTION PROJECTIONS

According to management, the subject project is currently 100.0% occupied among marketed units and maintains a 74-household waiting list. Based on current tenant incomes that were provided, all existing tenants will continue to income-qualify to reside at the subject development post LIHTC renovations. Although the subject development will experience significant rent increases post renovations, given that nearly all rental housing projects surveyed within the market are fully occupied, as well as the fact that the proposed subject rents are competitively positioned and are generally well below the rents offered at the market-rate projects surveyed in the Site PMA, tenants of the site have limited options available in the market. Therefore, it is anticipated that a significant number of current tenants will remain in place after renovations are completed. It is also assumed that the developer will offer some type of assistance to current tenants, mitigating the rent increases of the post-rehab rents, which will mitigate turnover. Any units which may become vacant due to typical turnover are expected to be quickly filled (with applicable post rehab rents/income levels) due to the significant demand that exists for additional affordable rental housing within the Portsmouth market. However, for the purposes of this analysis, we assume that all 102 subject units will be vacated and that all units will have to be re-rented simultaneously.

It is our opinion that the 102 units at the subject project will reach a stabilized occupancy of around 95.0% within approximately eight to nine months following renovations. This absorption period is based on an average absorption rate of approximately 11 to 12 units/month. Our absorption projections take into consideration the high occupancy rates and waiting lists reported among existing non-subsidized LIHTC projects in the market, the required capture rate, achievable market rents and the competitiveness of the subject development within the Portsmouth Site PMA. Changes to the project's rents, amenities, scope of renovations, or other features may invalidate our findings. We assume the developer and/or management will aggressively market the project throughout the Site PMA a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period.

In reality, there effectively will be no absorption period for this project as most, if not all, current tenants are expected to continue to qualify for and remain at the property following renovations. Any units which may become vacant through typical tenant turnover are expected to be quickly filled within one month of being vacated, assuming these units are properly marketed/advertised throughout the Site PMA.

VIII. Local Perspective (Interviews)

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

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

- Jomesa Smith, Leasing Consultant at Cross Creek Apartments (subject site), stated that there is a clear and growing need for additional affordable housing in Portsmouth. Smith indicated that her property is fully occupied among marketed units and maintains a 74-household waiting list. Smith explained that inflation has placed increasing pressure on local households, particularly with respect to housing costs, and noted that rising rents have made it difficult for many residents to afford market-rate housing in the area.
- Keyonna Askew, Community Manager at Thrive Apartment Homes (Map ID 29), a Tax Credit community, noted that there is a continued need for additional affordable housing in the area. Askew explained that housing costs in Portsmouth have increased significantly in recent years, while wages have remained largely stagnant. Askew added that her property is currently 97.1% occupied. Although her property does not maintain a formal waiting list, Askew noted that whenever a unit becomes available, there is consistently strong and immediate interest from prospective tenants ready to lease, reflecting sustained demand for affordable units in the market.
- Stephanie Auston, Community Manager at Whispering Oaks Apartments (Map ID 33), a Tax Credit community, stated that there is a need for additional affordable housing in the area, particularly for individuals facing housing instability. Auston noted that her property is fully occupied and does not maintain a waiting list. Auston indicated that the city of Portsmouth has a visible and growing population of individuals and families experiencing homelessness, and emphasized that limited housing options and a lack of available affordable units contribute to ongoing challenges in connecting these residents to stable and permanent housing.

IX. Analysis & Conclusions

Based on the findings reported in our market study, it is our opinion that a market will continue to exist for the existing 102 units at the subject site, assuming it is renovated as detailed in this report. Changes to the project's rents, amenities or opening date may alter these findings.

While the subject project will offer some of the smallest, if not *the smallest* Low-Income Housing Tax Credit (LIHTC) unit sizes (square feet) within the market and an inferior amenities package, its low rents should offset these inferior characteristics. Notably, the proposed subject rents represent market rent advantages of between 11.1% and 48.3%, illustrating that they will likely represent good values to low- and moderate-income renters within the Portsmouth Site PMA.

Given that all of the comparable LIHTC and market-rate developments surveyed within the Site PMA are performing at a high level, the subject project will continue to offer a housing alternative to low- and moderate-income renters that has limited availability in the area.

While the subject project will experience significant rent increases post renovations, given that all affordable rental housing communities within the market are performing at a very high level, as well as the fact that the proposed subject rents are competitively positioned and are generally well below the rents offered at the market-rate projects surveyed in the Site PMA, tenants of the site currently have limited affordable housing options available in the market. Therefore, it is anticipated that a significant number of current tenants will remain in place after renovations are completed. It is also assumed that the developer will offer some type of assistance to current tenants, mitigating the rent increases of the post-rehab rents, which will mitigate turnover. Any units which may become vacant due to typical turnover are expected to be quickly filled (with applicable post rehab rents/income levels) due to the significant demand that exists for additional affordable rental housing with the Portsmouth market. Therefore, the effective capture rate for the project is **0.0%**.

Based on the preceding analysis and facts contained within this report, we believe the subject project will continue to be marketable within the Portsmouth Site PMA. We do not have any recommendations or modifications to the subject development at this time.

X.

SITE PHOTOGRAPHS

Cross Creek Rehab



Entryway Signage



Typical exterior of building



View of site from the north



View of site from the northeast



View of site from the east



View of site from the southeast

Cross Creek Rehab



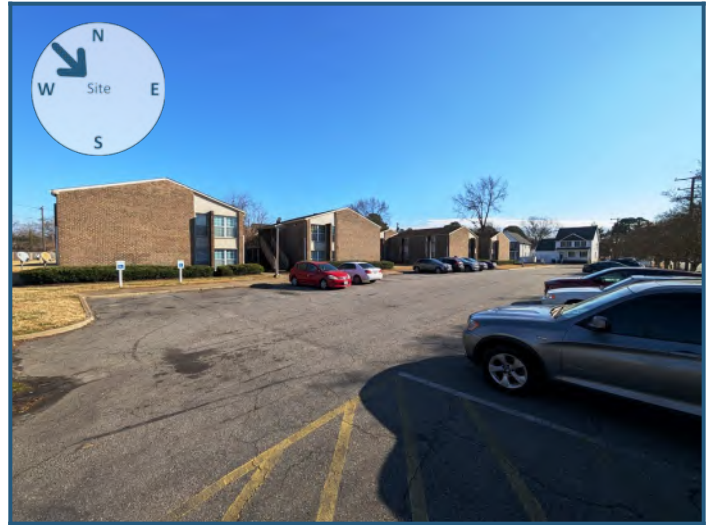
View of site from the south



View of site from the southwest



View of site from the west



View of site from the northwest



North view from site



Northeast view from site

Cross Creek Rehab



East view from site



Southeast view from site



South view from site



Southwest view from site



West view from site



Northwest view from site

Cross Creek Rehab



Streetscape: South view of Deep Creek Boulevard



Streetscape: North view of Deep Creek Boulevard



Streetscape: North view of Bird Lane



Streetscape: South view of Bird Lane



Streetscape: East view of Bird Lane



Streetscape: West view of Bird Lane

Cross Creek Rehab



Recreation Area: Playground



Recreation Area: Playground



Grilling Area



Laundry Facility



Community Room



Community Room: Kitchen

Cross Creek Rehab



Business/Computer Center



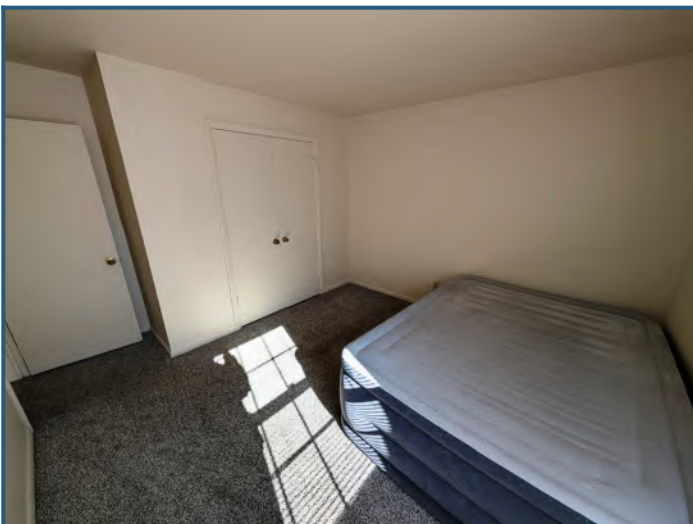
Two-Bedroom (Living Room)



Two-Bedroom (Kitchen)



Two-Bedroom (Master Bedroom - View A)

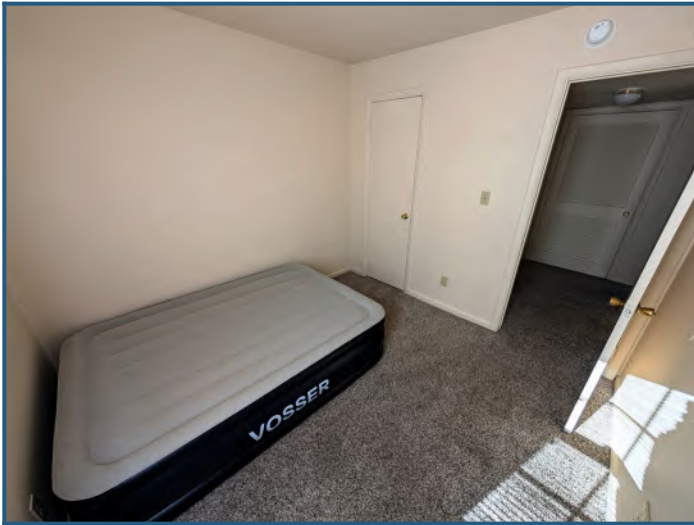


Two-Bedroom (Master Bedroom - View B)



Two-Bedroom (Second Bedroom - View A)

Cross Creek Rehab



Two-Bedroom (Second Bedroom - View B)



Two-Bedroom (Full Bathroom)



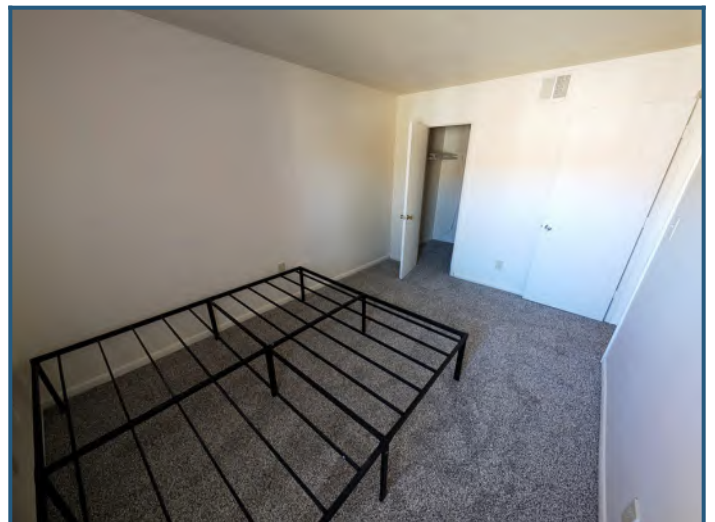
Three-Bedroom (Living Room)



Three-Bedroom (Kitchen)



Three-Bedroom (Master Bedroom - View A)



Three-Bedroom (Master Bedroom - View B)

Cross Creek Rehab



Three-Bedroom (Second Bedroom - View A)



Three-Bedroom (Second Bedroom - View B)



Three-Bedroom (Third Bedroom - View A)



Three-Bedroom (Third Bedroom - View B)



Three-Bedroom (Full Bathroom)



Three-Bedroom (Walk-In Closet)

XI.

COMPARABLE
PROPERTY PROFILES

2 Ansell Gardens Apts. 1.9 miles to site



Address: 301 Ansell Ave, Portsmouth, VA 23702
 Phone: (757) 397-6161 Contact: Shannon (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 78 Year Built: 1969 Ratings
 Vacant Units: 0 *AR Year: Quality: C+
 Occupancy: 100.0% Yr Renovated: 2003 Neighborhood: C+
 Turnover: Stories: 2 Access/Visibility: C/C-
 Waitlist: Yes
 Rent Special: None

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Range; Refrigerator; Central AC; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Multipurpose Room, Clubhouse/Community Room; Laundry Room; On-Site Management; Recreation Areas (Playground)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1	G	26	0	620	\$1.51	\$934	50%
2	1	G	12	0	710	\$1.39	\$984	50%
2	1	G	28	0	620	\$1.59	\$983	60%
2	1	G	12	0	710	\$1.43	\$1,013	60%

*Adaptive Reuse

*DTS is based on drive time

3 Ashton Village Apts. 2.7 miles to site



Address: 200 Chowan Dr, Portsmouth, VA 23701
 Phone: (833) 702-3288 Contact: Joy (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 120 Year Built: 1984
 Vacant Units: 2 *AR Year:
 Occupancy: 98.3% Yr Renovated: 2022
 Turnover: Stories: 2,2.5
 Waitlist: None
 Rent Special: None

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

Notes:



Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: No landlord paid utilities;

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

Property Amenities: Cafe / Coffee Bar; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Outdoor Swimming Pool); CCTV, Courtesy Officer; Extra Storage; WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	23	1	675	\$1.96	\$1,325	Market
2	1.5 - 2	G	97	1	750 - 800	\$2.07 - \$2.00	\$1,550 - \$1,600	Market

*Adaptive Reuse

*DTS is based on drive time

5 Biltmore Commons Apts. 1.8 miles to site



Address: 2341 Elliott Ave, Portsmouth, VA 23702
 Phone: (757) 393-7535 Contact: Lori (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 89 Year Built: 1989
 Vacant Units: 1 *AR Year:
 Occupancy: 98.9% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist: None
 Rent Special: None

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

Notes:



Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: No landlord paid utilities;

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

Property Amenities: Laundry Room; On-Site Management; Recreation Areas (Playground); Courtesy Officer

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1	G	65	1	736 - 828	\$1.69 - \$1.50	\$1,245	Market
3	2	G	24	0	896 - 1,016	\$1.50 - \$1.65	\$1,345 - \$1,680	Market

*Adaptive Reuse

*DTS is based on drive time

8 Grand at Mallard Manor 3.4 miles to site



Address: 840 Lancer Dr, Portsmouth, VA 23701
 Phone: (757) 488-4848 Contact: Kristi (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 160 Year Built: 1975
 Vacant Units: 1 *AR Year:
 Occupancy: 99.4% Yr Renovated: 2000
 Turnover: Stories: 2
 Waitlist: None
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

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

Property Amenities: On-Site Management; Recreation Areas (Playground, Outdoor Swimming Pool); CCTV; Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1.5	T	80	0	1,002	\$1.29	\$1,288	60%
3	1.5	T	80	1	1,202	\$1.23	\$1,480	60%

*Adaptive Reuse

*DTS is based on drive time

16 Independence Square Apts. 0.6 miles to site



Address: 5120 George Washington Hwy, Portsmouth, VA 23702
 Phone: (757) 487-6660 Contact: Jocelyn (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 152 Year Built: 1985
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated: 2005
 Turnover: Stories: 2,3
 Waitlist: 10 HH
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

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

Property Amenities: Concierge Services (Dry Cleaning); Cafe / Coffee Bar; On-Site Management; Dog Park/Pet Care; Recreation Areas (Grilling Area, Playground, Outdoor Swimming Pool); Courtesy Officer

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	33	0	614	\$1.78	\$1,093	60%
2	1	G	106	0	816	\$1.61	\$1,311	60%
3	2	G	13	0	912	\$1.66	\$1,512	60%

*Adaptive Reuse

*DTS is based on drive time

18 **Maplewood I & II** 4.2 miles to site



Address: 3824 Maplefield Dr, Chesapeake, VA 23321
 Phone: (757) 465-2001 Contact: Zakila (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 320 Year Built: 1991 Ratings
 Vacant Units: 0 *AR Year: Quality: B
 Occupancy: 100.0% Yr Renovated: 2010 Neighborhood: B
 Turnover: Stories: 2 Access/Visibility: B-/B
 Waitlist: None
 Rent Special: None

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

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

Property Amenities: Business Center (Computer/Business Center); Multipurpose Room, Clubhouse/Community Room; Cafe / Coffee Bar; On-Site Management; Recreation Areas (Playground, Outdoor Swimming Pool); CCTV, Courtesy Officer

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1	G	280	0	875	\$1.54	\$1,345	60%
3	2	G	40	0	1,200	\$1.29	\$1,548	60%

*Adaptive Reuse

*DTS is based on drive time

19 Nav850 at Olde Towne 4.1 miles to site



Address: 850 Crawford Pkwy, Portsmouth, VA 23704
 Phone: (757) 397-2000 Contact: Stephanie
 Property Type: Market Rate
 Target Population: Family
 Total Units: 246 Year Built: 2005
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3 (w/Elev)
 Waitlist: None
 Rent Special: None

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

Notes: Rents change daily



Features And Utilities

Utility Schedule Provided by: Virginia Housing

Utility Type & Responsibility: Landlord pays Trash, Cable, Internet

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

Property Amenities: Business Center (Computer/Business Center); Multipurpose Room, Clubhouse/Community Room; Cafe / Coffee Bar; Elevator; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Game Room-Billiards, Media Room / Theater, Outdoor Swimming Pool); CCTV; WiFi

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1 - 1.5	G	156	0	751 - 936	\$1.84 - \$2.07	\$1,469 - \$2,022	Market
2	2	G	90	0	1,095 - 1,137	\$1.73 - \$1.83	\$1,977 - \$2,173	Market

*Adaptive Reuse

*DTS is based on drive time

20 Newport Landing Apts. 0.3 miles to site



Address: 9 Seminole Dr, Portsmouth, VA 23702
 Phone: (877) 760-9514 Contact: Brianna (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 250 Year Built: 1943 Ratings
 Vacant Units: 0 *AR Year: Quality: B
 Occupancy: 100.0% Yr Renovated: 2012 Neighborhood: B
 Turnover: Stories: 2 Access/Visibility: A/A
 Waitlist: None
 Rent Special: None

Notes: Rent range due to renovated units

Features And Utilities

Utility Schedule Provided by: Virginia Housing
 Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Range; Refrigerator; Central AC; AC Other; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate, Hardwood); Premium Countertops

Property Amenities: Laundry Room; On-Site Management; Dog Park/Pet Care; Recreation Areas (Playground)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	170	0	480	\$1.77 - \$2.08	\$863 - \$1,013	Market
2	1	G	80	0	610	\$1.72 - \$1.89	\$1,063 - \$1,168	Market

*Adaptive Reuse

*DTS is based on drive time

23 Seaboard Building Apts. 4.2 miles to site



Address: 1 High St., Portsmouth, VA 23704
 Phone: (866) 513-2154 Contact: Bonnie VA (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 81 Year Built: 1985 Ratings
 Vacant Units: 0 *AR Year: Quality: B
 Occupancy: 100.0% Yr Renovated: Neighborhood: B+
 Turnover: Stories: 6 (w/Elev) Access/Visibility: B/B+
 Waitlist: None
 Rent Special: None

Notes:



Features And Utilities

Utility Schedule Provided by: Virginia Housing
 Utility Type & Responsibility: Landlord pays Electric, Heat (Electric), Hot Water (Electric), Cooking (Electric), Water, Sewer, Trash, Cable
 Unit Amenities: Dishwasher; Icemaker; Microwave; Range; Refrigerator; Central AC; Controlled Access; W/D Hookup; W/D; Window Treatments; Flooring (Carpet, Hardwood); Premium Appliances; Premium Countertops; High/Vaulted Ceilings
 Property Amenities: Bike Racks / Storage; Car Care (Charging Stations); Common Patio; Elevator; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Outdoor Swimming Pool); Security Gate; WiFi
 Parking Type: Surface Lot; Parking Garage

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	49	0	550 - 692	\$2.58 - \$2.05	\$1,419	Market
2	2	G	32	0	1,099 - 1,195	\$1.68 - \$1.55	\$1,849	Market

*Adaptive Reuse

*DTS is based on drive time

29 Thrive Apartment Homes 1.6 miles to site



Address: 1020 Thrive Pl, Chesapeake, VA 23323
 Phone: (757) 558-4111 Contact: Kenyonna Askew (In Person)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 102 Year Built: 1972 Ratings
 Vacant Units: 3 *AR Year: Quality: B-
 Occupancy: 97.1% Yr Renovated: 2016 Neighborhood: B-
 Turnover: Stories: 2 Access/Visibility: B/B
 Waitlist: None
 Rent Special: None

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Virginia Housing
 Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: Cafe / Coffee Bar; Laundry Room; On-Site Management; Recreation Areas (Playground); CCTV, Courtesy Officer

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1	G	62	2	975	\$1.35	\$1,314	60%
3	2	G	40	1	1,200	\$1.26	\$1,514	60%

*Adaptive Reuse

*DTS is based on drive time

33 **Whispering Oaks Apts.** 3.9 miles to site



Address: 2500 Oakleaf Pl., Portsmouth, VA 23707
 Phone: (757) 397-6461 Contact: Stephanie Austin (In Person)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 179 Year Built: 1970 Ratings
 Vacant Units: 0 *AR Year: Quality: B
 Occupancy: 100.0% Yr Renovated: 2004 Neighborhood: B
 Turnover: Stories: 2,3 Access/Visibility: B-/B
 Waitlist: None
 Rent Special: None

Notes: Tax Credit; Does not keep a WL; One unit under renovation



Features And Utilities

Utility Schedule Provided by: Virginia Housing
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash
 Unit Amenities: Dishwasher; Disposal; Range; Refrigerator; Central AC; W/D Hookup; W/D; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)
 Property Amenities: Cafe / Coffee Bar; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Playground, Outdoor Swimming Pool); Courtesy Officer; WiFi
 Parking Type: Surface Lot

Unit Configuration

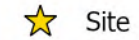
Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	28	0	550	\$1.64	\$904	60%
2	2	G	102	0	1,176	\$0.93	\$1,088	60%
2	1	T	20	0	850	\$1.31	\$1,117	60%
3	2	G	29	0	1,240	\$1.05	\$1,297	60%

*Adaptive Reuse

*DTS is based on drive time

XII.

FIELD SURVEY OF CONVENTIONAL RENTALS



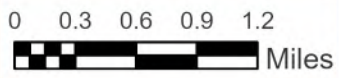
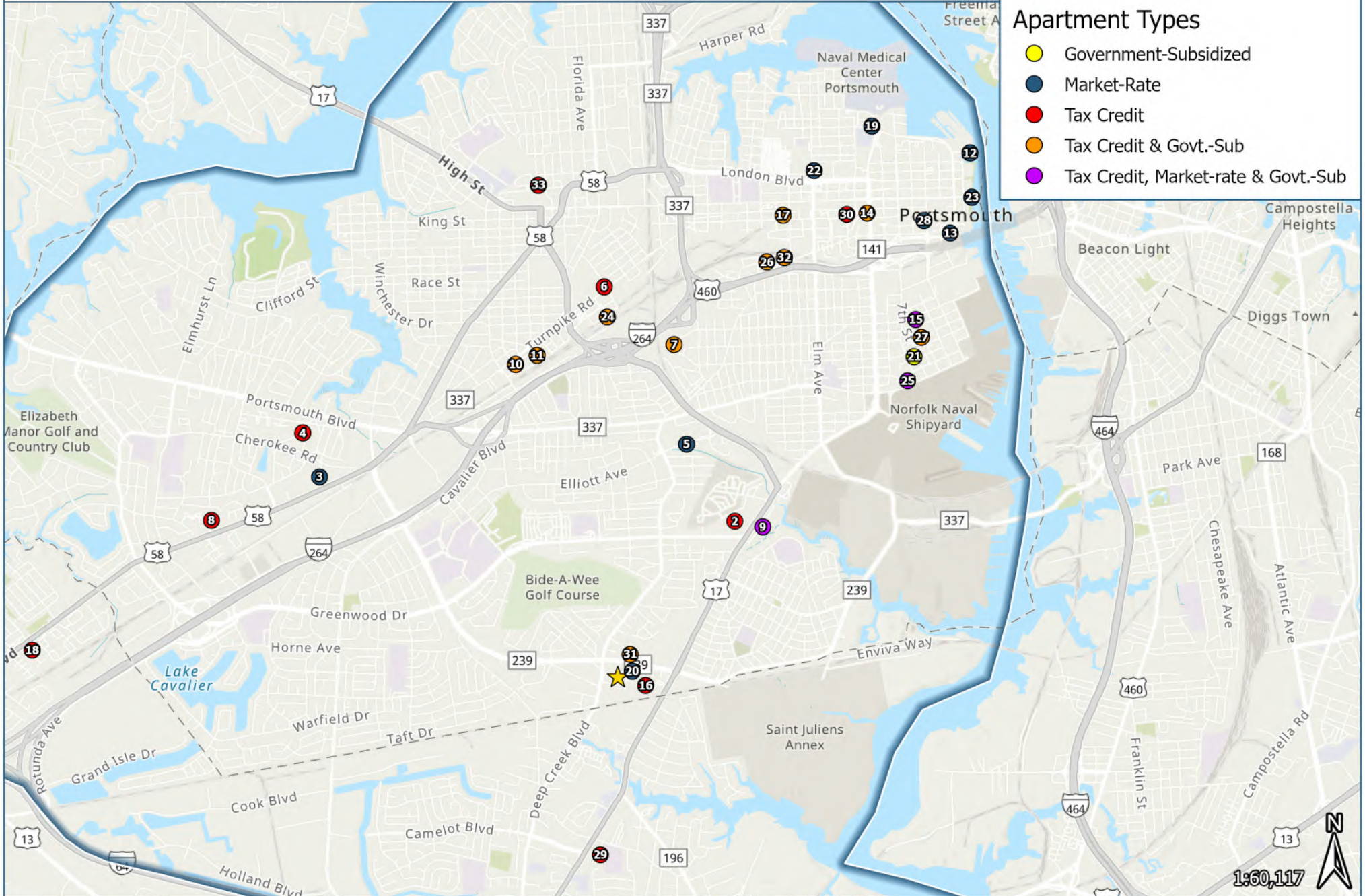
Site



PMA

Apartment Types

- Government-Subsidized
- Market-Rate
- Tax Credit
- Tax Credit & Govt.-Sub
- Tax Credit, Market-rate & Govt.-Sub




Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community, Esri, NASA, NGA, USGS
 Additional Source(s): Bowen National Research





Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
1	Cross Creek Apts.	MIN	C	1969	90	0	100.0%	-
✓ 2	Ansell Gardens Apts.	TAX	C+	1969	78	0	100.0%	1.9
✓ 3	Ashton Village Apts.	MRR	B-	1984	120	2	98.3%	2.7
4	Belle Hall Apts.	TAX	B+	2008	120	0	100.0%	3.0
✓ 5	Biltmore Commons Apts.	MRR	B-	1989	89	1	98.9%	1.8
6	Crescent Place Apts.	TAX	B	2008	157	3	98.1%	3.3
7	Dale Homes I & II	TGS	C-	1940	296	0	100.0%	2.6
✓ 8	Grand at Mallard Manor	TAX	B-	1975	160	1	99.4%	3.4
9	Grand at New Port	TMG	C+	1942	250	0	100.0%	1.4
10	Hamilton Place I	TGS	B	2010	84	0	100.0%	3.2
11	Hamilton Place II	TGS	B	2012	84	0	100.0%	3.2
12	Harbor Towers Apts.	MRR	B	1983	188	0	100.0%	4.6
13	Harbor Vista at Crawford Street I	MRR	A	2016	134	0	100.0%	4.0
14	Holley Pointe	TGS	B+	2022	50	0	100.0%	3.8
15	Hope Village Apts.	TMG	B	1978	48	0	100.0%	3.2
✓ 16	Independence Square Apts.	TAX	B	1985	152	0	100.0%	0.6
17	King Square Apts.	TGS	A	2007	57	0	100.0%	3.5
✓ 18	Maplewood I & II	TAX	B	1991	320	0	100.0%	4.2
✓ 19	Nav850 at Olde Towne	MRR	B+	2005	246	0	100.0%	4.1
✓ 20	Newport Landing Apts.	MRR	B	1943	250	0	100.0%	0.3
21	Portsmouth Christian Outreach Ministries	GSS	B+	2005	24	0	100.0%	3.0
22	Quarters at Park View Apts.	MRR	B	2014	140	0	100.0%	3.6
✓ 23	Seaboard Building Apts.	MRR	B	1985	81	0	100.0%	4.2
24	Seaboard Square I & II	TGS	C+	2011	221	0	100.0%	3.2
◆ 25	Silver Tree Seniors of Portsmouth	TMG	B	1979	178	0	100.0%	2.9
26	South Bay Apts.	TGS	A	2010	60	0	100.0%	3.0
27	Southside Gardens Apts.	TGS	B	1979	134	0	100.0%	3.1
28	Sterling King Apts.	MRR	B+	2016	113	0	100.0%	3.9
✓ 29	Thrive Apartment Homes	TAX	B-	1972	102	3	97.1%	1.6
◆ 30	Victory Square Senior Apts.	TAX	B-	2004	112	4	96.4%	3.7
31	Victory Village Apts.	TGS	B	1997	112	0	100.0%	0.2
32	Westbury Cottages	TGS	B	2015	16	0	100.0%	3.2
✓ 33	Whispering Oaks Apts.	TAX	B	1970	179	0	100.0%	3.9


*Drive distance in miles


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


















1	Cross Creek Apts. 2542 Bird Ln, Portsmouth, VA 23702		Contact: Jomesa Smith Phone: (757) 487-0935	
		Total Units: 90 UC: 12 BR: 2, 3 Target Population: Family Rent Special: None Notes: Market-rate (13 units); Income-restricted (89 units); 12 units offline due to renovations	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: 74 HH


2	Ansell Gardens Apts. 301 Ansell Ave, Portsmouth, VA 23702		Contact: Shannon Phone: (757) 397-6161	
		Total Units: 78 UC: 0 BR: 2 Target Population: Family Rent Special: None Notes: Tax Credit	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: Yes


3	Ashton Village Apts. 200 Chowan Dr, Portsmouth, VA 23701		Contact: Joy Phone: (833) 702-3288	
		Total Units: 120 UC: 0 BR: 1, 2 Target Population: Family Rent Special: None Notes:	Occupancy: 98.3% Vacant Units: 2	Stories: 2,2.5 Waitlist: None


4	Belle Hall Apts. 159 Cheyenne Trail, Portsmouth, VA 23701		Contact: Britney Raeburn Phone: (757) 488-1411	
		Total Units: 120 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit	Occupancy: 100.0% Vacant Units: 0	Stories: 2,3 Waitlist: Yes


5	Biltmore Commons Apts. 2341 Elliott Ave, Portsmouth, VA 23702		Contact: Lori Phone: (757) 393-7535	
		Total Units: 89 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes:	Occupancy: 98.9% Vacant Units: 1	Stories: 2,3 Waitlist: None


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


















6	Crescent Place Apts. 2804 Turnpike Rd, Portsmouth, VA 23707	Contact: Trisha Phone: (757) 673-3962
		Total Units: 157 UC: 0 Occupancy: 98.1% Stories: 3,4 w/Elevator Year Built: 2008 BR: 1, 2, 3 Vacant Units: 3 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; Does not keep a WL


7	Dale Homes I & II 2300 Columbus Ave, Portsmouth, VA 23704	Contact: Shelia Phone: (757) 391-3051
		Total Units: 296 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1940 BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: 24 mos AR Year: Target Population: Family Yr Renovated: 2002 Rent Special: None Notes: Tax Credit; HUD Section 8; Rent range due to PH I & PH II


8	Grand at Mallard Manor 840 Lancer Dr, Portsmouth, VA 23701	Contact: Kristi Phone: (757) 488-4848
		Total Units: 160 UC: 0 Occupancy: 99.4% Stories: 2 Year Built: 1975 BR: 2, 3 Vacant Units: 1 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2000 Rent Special: None Notes: Tax Credit


9	Grand at New Port 3817 George Washington Highway, Portsmouth, VA 23702	Contact: Kristi Phone: (212) 624-2776
		Total Units: 250 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1942 BR: 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: 1999 Rent Special: None Notes: Market-rate (4 units); Tax Credit & HUD Section 8 (246 units)


10	Hamilton Place I 1036 Patriot Way, Portsmouth, VA 23707	Contact: Victoria Phone: (757) 391-2918
		Total Units: 84 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2010 BR: 1, 2, 3 Vacant Units: 0 Waitlist: Shared; 24 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; HUD Section 8


<ul style="list-style-type: none">  Comparable Property  Senior Restricted  (MRR) Market-Rate  (MRT) Market-Rate & Tax Credit  (MRG) Market-Rate & Government-Subsidized  (MIN) Market-Rate & Income-Restricted (not LIHTC) 	<ul style="list-style-type: none">  (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized  (TAX) Tax Credit  (TGS) Tax Credit & Government-Subsidized  (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)  (TIN) Tax Credit & Income-Restricted (not LIHTC)  (TMG) Tax Credit, Market-Rate & Government-Subsidized 	<ul style="list-style-type: none">  (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized  (INR) Income-Restricted (not LIHTC)  (ING) Income-Restricted (not LIHTC) & Government-Subsidized  (GSS) Government-Subsidized  (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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








11	Hamilton Place II 3401 Turnpike Rd., Portsmouth, VA 23701	Contact: Victoria Phone: (757) 391-2918			
		Total Units: 84 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit (56 units); HUD Section 8 & Tax Credit (28 units)	Occupancy: 100.0% Vacant Units: 0	Stories: 3 Waitlist: Shared; 24 mos	Year Built: 2012 AR Year: Yr Renovated:

12	Harbor Towers Apts. 1 Harbor Ct, Portsmouth, VA 23704	Contact: Gina Phone: (757) 393-1600			
		Total Units: 188 UC: 0 BR: 1, 2 Target Population: Family Rent Special: None Notes: Rents change daily; Rent range due to floor level, view, and renovations; 15-month leasing only	Occupancy: 100.0% Vacant Units: 0	Stories: 25 w/Elevator Waitlist: 8 HH	Year Built: 1983 AR Year: Yr Renovated:

13	Harbor Vista at Crawford Street I 800 Crawford St, Portsmouth, VA 23704	Contact: Shay Phone: (757) 605-4612			
		Total Units: 134 UC: 0 BR: 1, 2 Target Population: Family Rent Special: None Notes: Rent range due to floor level & view	Occupancy: 100.0% Vacant Units: 0	Stories: 5 w/Elevator Waitlist: None	Year Built: 2016 AR Year: Yr Renovated:

14	Holley Pointe 622 Effingham St., Portsmouth, VA 23704	Contact: Mika Dennard Phone: (757) 323-4981			
		Total Units: 50 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit (45 units), PBV/ PBRA & Tax Credit (5 units); Preleasing 7/2021, 1st units opened 07/2022, 90% occupied 08/2022	Occupancy: 100.0% Vacant Units: 0	Stories: 4 w/Elevator Waitlist: 18 HH	Year Built: 2022 AR Year: Yr Renovated:

15	Hope Village Apts. 611 6th St, Portsmouth, VA 23704	Contact: Valerie Phone: (757) 391-2906			
		Total Units: 48 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit & HUD Section 8 (46 units); Market-rate (2 units); Family Self Sufficiency Program, tenants required to participate	Occupancy: 100.0% Vacant Units: 0	Stories: 1,2 Waitlist: Yes	Year Built: 1978 AR Year: Yr Renovated: 2014

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



16	Independence Square Apts. 5120 George Washington Hwy, Portsmouth, VA 23702	Contact: Jocelyn Phone: (757) 487-6660
	Total Units: 152 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 1985 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 10 HH AR Year: Target Population: Family Yr Renovated: 2005 Rent Special: None Notes: Tax Credit	



17	King Square Apts. 610 Godwin St., Portsmouth, VA 23704	Contact: Martin Phone: (757) 391-2971
	Total Units: 57 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2007 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 24 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; HUD Section 8	







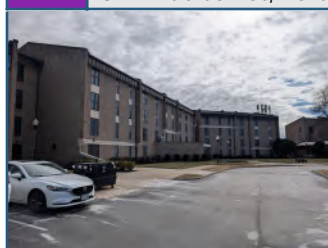
18	Maplewood I & II 3824 Maplefield Dr, Chesapeake, VA 23321	Contact: Zakila Phone: (757) 465-2001
	Total Units: 320 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1991 BR: 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2010 Rent Special: None Notes: Tax Credit	

























19	Nav850 at Olde Towne 850 Crawford Pkwy, Portsmouth, VA 23704	Contact: Stephanie Phone: (757) 397-2000
	Total Units: 246 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2005 BR: 1, 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rents change daily	


















20	Newport Landing Apts. 9 Seminole Dr, Portsmouth, VA 23702	Contact: Brianna Phone: (877) 760-9514
	Total Units: 250 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1943 BR: 1, 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2012 Rent Special: None Notes: Rent range due to renovated units	




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

21	Portsmouth Christian Outreach Ministries 910 7th St, Portsmouth, VA 23704	Contact: Pat Phone: (757) 397-4570
	Total Units: 24 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2005 BR: 1 Vacant Units: 0 Waitlist: Yes AR Year: Target Population: Homeless Yr Renovated: Rent Special: None Notes: HUD Section 8; Designated homeless transitional housing; Offers basic cable \$5/month	
22	Quarters at Park View Apts. 1140 London Blvd., Portsmouth, VA 23704	Contact: Nikki Phone: (757) 673-7500
	Total Units: 140 UC: 0 Occupancy: 100.0% Stories: 3,4 w/Elevator Year Built: 2014 BR: 0, 1, 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to location; Does not keep a WL	
23	Seaboard Building Apts. 1 High St., Portsmouth, VA 23704	Contact: Bonnie VA Phone: (866) 513-2154
	Total Units: 81 UC: 0 Occupancy: 100.0% Stories: 6 w/Elevator Year Built: 1985 BR: 1, 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:	
24	Seaboard Square I & II 2847 Berkley Ave, Portsmouth, VA 23707	Contact: declined Phone: (757) 391-2909
	Total Units: 221 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 2011 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 24 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; Public Housing	
25	Silver Tree Seniors of Portsmouth 817 Madison St, Portsmouth, VA 23704	Contact: Gwen Phone: (757) 393-4757
	Total Units: 178 UC: 0 Occupancy: 100.0% Stories: 4 w/Elevator Year Built: 1979 BR: 1, 2 Vacant Units: 0 Waitlist: 10 HH AR Year: Target Population: Senior 62+, Disabled Yr Renovated: 2009 Rent Special: None Notes: Market-rate (17 units) HUD Section 8 & Tax Credit (161 units)	

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

<p>26</p> 	<p>South Bay Apts. 1600 South St., Portsmouth, VA 23704</p> <p>Total Units: 60 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2010 BR: 0 Vacant Units: 0 Waitlist: Yes AR Year: Target Population: Homeless Yr Renovated: Rent Special: None Notes: Tax Credit; PBV/PBRA; Supportive housing for the formerly homeless</p>	<p>Contact: Sheila Parker Phone: (757) 394-3077</p>
<p>27</p> 	<p>Southside Gardens Apts. 707 7th St, Portsmouth, VA 23704</p> <p>Total Units: 134 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1979 BR: 2, 3, 4 Vacant Units: 0 Waitlist: 84 HH AR Year: Target Population: Family Yr Renovated: 2011 Rent Special: None Notes: Tax Credit; HUD Section 8</p>	<p>Contact: Crystal Phone: (757) 399-0271</p>
<p>28</p> 	<p>Sterling King Apts. 714 Court St., Portsmouth, VA 23704</p> <p>Total Units: 113 UC: 0 Occupancy: 100.0% Stories: 4 w/Elevator Year Built: 2016 BR: 0, 1, 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:</p>	<p>Contact: Sophia Phone: (757) 399-0058</p>
<p>29</p> 	<p>Thrive Apartment Homes 1020 Thrive Pl, Chesapeake, VA 23323</p> <p>Total Units: 102 UC: 0 Occupancy: 97.1% Stories: 2 Year Built: 1972 BR: 2, 3 Vacant Units: 3 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2016 Rent Special: None Notes: Tax Credit</p>	<p>Contact: Kenyonna Phone: (757) 558-4111</p>
<p>30</p> 	<p>Victory Square Senior Apts. 900 County St, Portsmouth, VA 23704</p> <p>Total Units: 112 UC: 0 Occupancy: 96.4% Stories: 4 w/Elevator Year Built: 2004 BR: 1, 2 Vacant Units: 4 Waitlist: None AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit; Does not keep a WL</p>	<p>Contact: Tamera Phone: (757) 397-9991</p>

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

31	Victory Village Apts. 2304 Victory Blvd, Portsmouth, VA 23702	Contact: Cherice Phone: (757) 485-3292
	Total Units: 112 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1997 BR: 2, 3 Vacant Units: 0 Waitlist: 3-br; 6 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; HUD Section 8	
32	Westbury Cottages South St and Godwin St, Portsmouth, VA 23704	Contact: Miss Phone: (757) 391-2971
	Total Units: 16 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 2015 BR: 1 Vacant Units: 0 Waitlist: 62 HH AR Year: Target Population: Disabled Yr Renovated: Rent Special: None Notes: Tax Credit; Public Housing	
33	Whispering Oaks Apts. 2500 Oakleaf Pl., Portsmouth, VA 23707	Contact: Stephanie Phone: (757) 397-6461
	Total Units: 179 UC: 1 Occupancy: 100.0% Stories: 2,3 Year Built: 1970 BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2004 Rent Special: None Notes: Tax Credit; Does not keep a WL; One unit under renovation	



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

Source: Virginia Housing
Effective: 07/2025

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	11	14	18	22	28	32	11	14	18	22	28	32
	+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0
	Bottled Gas	49	68	88	107	137	156	49	68	88	107	137	156
	Electric	26	36	46	57	72	82	26	36	46	57	72	82
	Heat Pump	0	0	0	0	0	0	0	0	0	0	0	0
	Oil	46	64	82	101	128	146	46	64	82	101	128	146
Cooking	Natural Gas	2	2	3	3	4	5	2	2	3	3	4	5
	Bottled Gas	9	12	15	19	24	27	9	12	15	19	24	27
	Electric	4	5	6	8	10	11	4	5	6	8	10	11
Other Electric	14	20	25	31	39	45	14	20	25	31	39	45	
+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0	
Air Conditioning	7	11	14	16	21	23	7	11	14	16	21	23	
Water Heating	Natural Gas	4	6	7	9	11	13	4	6	7	9	11	13
	Bottled Gas	20	28	36	44	56	64	20	28	36	44	56	64
	Electric	13	18	23	28	35	40	13	18	23	28	35	40
	Oil	19	26	33	41	52	59	19	26	33	41	52	59
Water	20	27	35	43	55	62	20	27	35	43	55	62	
Sewer	23	32	41	51	64	74	23	32	41	51	64	74	
Trash Collection	15	15	15	15	15	15	15	15	15	15	15	15	
Internet*													
Cable*													
Alarm Monitoring*													

* Estimated- not from source

XIII. Qualifications

The Company

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

Company Leadership

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

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

Market Analysts

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

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

Jeff Peters, Market Analyst, has completed over 1,000 site-specific market feasibility studies in a variety of rural and urban market areas throughout the country since 2014. He has provided specialized analysis specific to tribal reservations and senior living, evaluated the impacts of various market conditions and trends, and conducted on-site inspections and analysis for rental and for-sale housing. Mr. Peters graduated from The Ohio State University with a Bachelor of Arts in Economics.

Caleb Arteaga, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Arteaga holds a Bachelor of Science in Business Administration with a specialization in Real Estate from The Ohio State University.

Matthew Brown, Market Analyst, has travelled the country and studied the housing industry in both urban and rural markets. He is able to analyze both the aesthetics and operations of rental housing properties, particularly as they pertain to each particular market. Mr. Brown has a Bachelor Degree in Business Administration, Strategic Marketing and Social Media from the University of the Cumberlands.

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

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

Braden Henderson, Market Analyst, has researched various rental housing alternatives, both conventional and non-conventional in markets throughout the United States. In addition, he has conducted on-site inspection for existing properties and vacant parcels of land. This experience allows him to evaluate a project's ability to operate successfully within a market and compare it to surrounding comparable properties. Mr. Henderson has a Bachelor of Science degree in Business Administration from The Ohio State University.

Dane Reichard, Market Analyst, has experience in analysis of a variety of rental housing types. He has the ability to analyze market and economic trends and conditions in all sizes of markets throughout the country. Mr. Reichard holds a Bachelor Degree in General Business from Bowling Green State University.

Derick Steiner, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Steiner has an Associate of Arts in Communications from Columbus State Community College.

Research Staff

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

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

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

Addendum A – Member Certification & Checklist

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

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

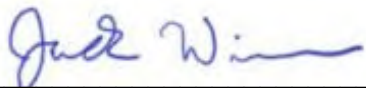


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Date: February 5, 2026



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

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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