

A MARKET FEASIBILITY STUDY OF:
THE HEIGHTS
AT JACKSON
VILLAGE II

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THE HEIGHTS AT

JACKSON VILLAGE II

4808 The Heights Drive
Fredericksburg, Spotsylvania County, VA 22407

Effective Date: November 12, 2024
Report Date: December 10, 2024

Prepared for:
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December 10, 2024

Daniel Gerber
Development Analyst
KCG Development, LLC
9311 N. Meridian Street, Suite 100
Indianapolis, IN 46260

Re: Market Study for The Heights at Jackson Village II
4808 The Heights Drive
Fredericksburg, Spotsylvania County, VA 22407

Dear Daniel Gerber:

At your request, Novogradac and Company LLP, doing business under the brand name Novogradac Consulting ("Novogradac") has performed a study of the multifamily rental market in the Fredericksburg, Spotsylvania County, VA area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project.

The purpose of this market study is to assess the viability of The Heights at Jackson Village II (Subject), a proposed new construction 198-unit age-restricted Low-Income Housing Tax Credit (LIHTC) development restricted to senior households age 55 and older earning 60 percent of Area Median Income (AMI) or less. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

The scope of this report meets the requirements of Virginia Housing Development Authority (VHDA). Further, including the following:

- Inspecting the site of the Subject, and its general location.
- Analyzing the appropriateness of the proposed unit mix, rent levels, unit and complex amenities, and site.
- Estimating the market rents, absorption rates and stabilized occupancy levels for the market area.
- Investigating the general economic health and conditions of the multifamily rental market.
- Complete a by-bedroom capture rate analysis that analyzes the level of potential income eligible tenants in the primary market area. Calculation of penetration rate.
- Reviewing relevant public records and contacting appropriate public agencies.
- Brief analysis of the economic and social conditions in the market area, in relation to the proposed project.
- Establishing the Subject's Primary and Secondary Market Area(s), if applicable.
- Surveying competing projects, both LIHTC and market-rate.

Novogradac adheres to the market study guidelines promulgated by the National Council of Housing Market Analysts (NCHMA). NCHMA is a professional organization chartered to promote the development of high-quality market analysis for the affordable housing industry. Novogradac is a charter member of this organization. NCHMA has compiled model content standards for market studies. This report, which Novogradac certifies as a NCHMA-compliant comprehensive market analysis full narrative report, conforms to those standards; any slight modifications or departures from those standards are considered incidental. Novogradac is a disinterested third party. The report and the conclusions are subject to the Assumptions and Limiting Conditions attached.

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The depth of discussion contained in the report is specific to the needs of the client.

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The depth of discussion contained in the report is specific to the needs of the client.

KCG Development is the client in this engagement and intended user of this report. VHDA is also an intended user. As our client, KCG Development owns this report and permission must be granted from them before another third party can use this document. We assume that by reading this report another third party has accepted the terms of the original engagement letter including scope of work and limitations of liability. We are prepared to modify this document to meet any specific needs of the potential uses under a separate agreement.

The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners. Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac can be of further assistance. It has been our pleasure to assist you with this project.

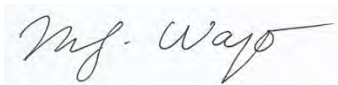
Respectfully submitted,
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I. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Subject Site Location:

The Subject site is located at 4808 The Heights Drive in Fredericksburg, Spotsylvania County, VA 22407.



Surrounding Land Uses:

The Subject site is located in the Massaponax neighborhood, a mixed-use area approximately six miles south of downtown Fredericksburg. Land use to the north consists of wooded, undeveloped land. Land use further north consists of The Allure at Jefferson, a 388-unit market rate multifamily development that has been included as a comparable property, and Cosner's Corner, a retail shopping center with more than 90 restaurants and stores, which exhibits good to excellent condition. Land use east of the Subject site consists of The Heights at Jackson Village I, the first phase of the overall Subject development, a 187-unit senior LIHTC development that has been included as a comparable property in this report, and new construction townhomes in excellent condition. Land use further east consists of wooded undeveloped land and commercial uses in average condition. Land use northeast of the Subject site consists of Spotsylvania Regional Medical Center, a prominent general hospital in the area. Land use south of the Subject site consists of single-family homes in fair to good condition, a light industrial use, followed by Orchard Ridge At Jackson Village I and II, two LIHTC multifamily

properties that target the general population and exhibit excellent condition. For the purposes of this report, we have included Orchard Ridge at Jackson Village as a comparable in our analysis. Land use west of the Subject site includes an automotive oriented use, undeveloped wooded land, and various retail and commercial uses. Land use further west consists of single-family homes in good condition. Overall, surrounding land uses appear to be in good condition.

Site Description:

The Subject site is irregular in shape and has frontage along the north side of Jackson Village Parkway, which provides access to US-1 to the west, as well as along the east side of Commercial Boulevard/Old Telegraph Road. The proposed Subject site currently consists of undeveloped land and offers a total lot size of approximately 3.89 acres or 169,448 square feet. according to the site plan provided by the client and the Spotsylvania County Assessor. The site exhibits gently sloping topography and is not located in a floodplain. Upon completion, the Subject site will be improved with two five-story elevator-serviced midrise residential buildings and off-street parking.

Scope of Construction:

The proposed Subject will be new construction. The developer anticipates that construction will begin in January 2026, with the first building completed in July 2027 and the second building completed in January 2028. The Subject will consist of two five-story elevator-serviced midrise residential buildings and off-street parking. The first four floors will be for residential units, while the fifth floor will be a terrace for community use. Additionally, the Subject will share some amenities with The Heights at Jackson Village I, which is located adjacent to the Subject site, was recently completed, and is still in lease-up.

Proposed Rents:

The following table details the proposed rents for the Subject's units.

PROPOSED RENTS

Unit Type	Unit Size (SF)	# Units	Asking Rent	Utility Allowance*	Gross Rent	2024 LIHTC Maximum Allowable Gross Rent	2024 HUD Fair Market Rent
				@60%			
1BR/1BA	690	86	\$1,500	\$93	\$1,593	\$1,740	\$1,540
2BR/2BA	964	112	\$1,750	\$106	\$1,856	\$2,089	\$1,750
Total		198					

All units at the Subject will be restricted to senior households age 55 and older earning 60 percent of the AMI or below. The proposed LIHTC rents are below the 2024 LIHTC maximum allowable levels for all unit types.

Target Household Income Levels: Based on the proposed unit mix and rent levels, the range of annual household income levels is depicted below. The Subject will also be targeted to senior households age 55 and older.

55+ INCOME LIMITS

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@60%	
1BR	\$47,790	\$74,280
2BR	\$55,680	\$83,580

Economic Conditions

Employment in the PMA is concentrated in public administration, retail trade, and healthcare/social assistance, which collectively comprise 38.4 percent of local employment. MSA employment currently remains slightly below the record high achieved in 2023. As of August 2024, employment in the MSA is declining at an annualized rate of 0.4 percent, compared to a less than 0.1 percent rate of decline reported across the nation. According to the latest labor statistics, dated August 2024, the current MSA unemployment rate is 3.7 percent. This is slightly below the current national unemployment rate of 4.4 percent.

Primary Market Area

The Subject site is located in Fredericksburg, Spotsylvania County, Virginia. The PMA boundaries are defined as U.S Highway 3, Interstate 95, and Warrenton Road to the north, Fredericksburg Turnpike and Muddy Creek to the east, State Routes 606 and 208 to the south, and Lake Anna Parkway, Old Block House Lane, and Gordon Road to the west. The PMA encompasses approximately 153 square miles, and was primarily devised based on our conversations with local property managers. We also considered commuting pattern data provided by the U.S. Census Bureau, though to a lesser extent given the Subject's tenancy. We have estimated that 10 percent of the Subject's tenants will come from outside of the PMA boundaries.

Demographic Data

The population and number of households in the PMA increased between 2020 and 2024, and among seniors, increased at a faster rate than the general population. The number of senior renter households in the PMA also increased during this period, and senior renters represent 23.6 percent of senior households as of 2024. Senior population, households, and renter household levels are all projected to continue to increase through 2029. As of 2024, the median income in the PMA is below the surrounding MSA, and is projected to increase at a slower pace than the MSA through 2029. Approximately 50.6 percent of senior renter households within the PMA have annual income below \$50,000. Overall, the demographic projections bode well for future demand for affordable senior multifamily housing.

Vacancy

The following table summarizes overall weighted average vacancy levels at the surveyed properties.

OVERALL VACANCY

Property Name	Program	Tenancy	Total Units	Vacant Units	Vacancy %
Crestview Apartments	LIHTC	Family	180	4	2.2%
Enoch George Manor	LIHTC	Senior	60	0	0.0%
Kings Crest Senior Apartments	LIHTC	Senior	100	2	2.0%
Meadows At Salem Run I & II	LIHTC	Senior	180	1	0.6%
Orchard Ridge At Jackson Village	LIHTC	Family	169	0	0.0%
The Heights At Jackson Village I*	LIHTC	Senior	187	88	47.1%
Abberly at Southpoint	Market	Family	280	1	0.4%
Alexander Heights	Market	Senior	147	0	0.0%
Kilburn Crossing	Market	Family	220	9	4.1%
MAA Cosner's Corner	Market	Family	380	12	3.2%
Silver Collection At Cosner's Corner	Market	Family	274	26	9.5%
The Allure At Jefferson	Market	Family	388	20	5.2%
LIHTC Total**			689	7	1.0%
Market Total			1,689	68	4.0%
Overall Total**			2,565	75	2.9%

*In lease-up

**Excludes property in lease-up

Phase I of the Subject, The Heights at Jackson Village I, is still in lease-up. The property consists of two buildings, the first of which opened in July 2023 and stabilized in December 2023, and currently has 96 out of 99 units occupied, or 97.0 percent occupancy. The second building opened on October 24, 2024, and currently has 11 out of 88 units occupied, 12.5 percent, although an additional eight units have pending leases. The other comparable properties reported vacancy rates ranging from zero to 9.5 percent. Managers at two of the six LIHTC properties reported being fully occupied, and the overall LIHTC vacancy rate excluding The Heights at Jackson Village I is 1.0 percent. One of the market rate properties, Silver Collection at Cosner's Corner, reported an elevated vacancy rate of 9.5 percent, and the contact noted that higher turnover/vacancy during the beginning of winter is typical for the property. The other market rate comparables reported vacancy rates ranging from zero to 5.2 percent. Based on the performance of the comparables, we expect the Subject will operate with vacancy and collection losses of approximately five percent over a typical investment period.

VACANCY BY BEDROOM TYPE

Property Name	Program	Tenancy	1BR	2BR	3BR
Crestview Apartments	LIHTC	Family	8.3%	1.9%	0.0%
Enoch George Manor	LIHTC	Senior	0.0%	0.0%	-
Kings Crest Senior Apartments	LIHTC	Senior	1.9%	2.1%	-
Meadows At Salem Run I & II	LIHTC	Senior	0.7%	0.0%	-
Orchard Ridge At Jackson Village	LIHTC	Family	0.0%	0.0%	0.0%
The Heights At Jackson Village I*	LIHTC	Senior	46.8%	47.4%	-
Abberly at Southpoint	Market	Family	0.0%	0.0%	16.7%
Alexander Heights	Market	Senior	N/A	N/A	-
Kilburn Crossing	Market	Family	N/A	N/A	N/A
MAA Cosner's Corner	Market	Family	N/A	N/A	N/A
Silver Collection At Cosner's Corner	Market	Family	15.8%	9.1%	8.3%
The Allure At Jefferson	Market	Family	N/A	N/A	N/A

*In lease-up

As proposed, the Subject will consist of one and two-bedroom units. Overall, taking into account the vacancy rates in the market, as well as the senior household growth rates projected for the PMA, we do not believe the Subject will negatively impact the existing properties in the market.

Absorption Estimate

We obtained absorption rate data from several recently built properties in the area, including the first phase of the overall Subject development, The Heights at Jackson Village I, which are detailed below.

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
The Heights at Jackson Village I*	LIHTC	Senior	Fredericksburg	2023	187	17-19**	<0.1 miles
The Allure At Jefferson*	Market	Family	Fredericksburg	2019	388	17	0.3 miles
Orchard Ridge At Jackson Village*	LIHTC	Family	Fredericksburg	2018	169	12	0.3 miles
New Post Apartments	LIHTC	Family	Fredericksburg	2017	102	15	6.2 miles
Overlook Terrace	LIHTC	Family	Fredericksburg	2016	72	12	0.9 miles
Abberly At Southpoint	Market	Family	Fredericksburg	2016	280	13	2.2 miles
Average Affordable					133	15	
Average Market					334	15	
Overall Average					200	15	

*Comparable Property

**This range reflects the absorption rate of the first building (approximately 17) and the second building (19) which opened in 2023 and 2024, respectively.

We obtained absorption data from six properties, located within 6.2 miles of the Subject site. The Heights at Jackson Village I, the first phase of the overall Subject development, reported that its first building (99 units) opened in July 2023 and stabilized in December 2023; according to management, 38 units were pre-leased prior to opening, although the contact could not state when exactly pre-leasing began. The second building at The Heights at Jackson Village I opened on October 24, 2024, and has currently leased 19 units (including both occupied and pre-leased units). Based primarily on this property, as well as the other comparable data, we estimate the proposed Subject could experience an absorption rate of 18 units per month, which equates to a period of within 10 to 11 months of completion in order to reach a stabilized occupancy rate. Further, with the assumption that the Subject begins pre-leasing units prior to the completion of construction, the Subject may experience a more expedient lease-up. We do not expect the Subject's absorption to adversely impact other existing LIHTC properties, all of which reported low vacancy rates.

Demand

The demand analysis illustrates demand for the Subject based on capture rates of income-eligible renter households. When viewing total income-eligible renter households the calculation illustrates an overall capture rate of 18.9 percent.

DEMAND CONCLUSION

Calculation	As Proposed
60%	18.9%
Annual Demand	41.6%
Penetration Rate	51.7%

To provide another level of analysis, we removed the households from the income-eligible renter demand pool that are currently suitably housed elsewhere in the PMA. We conducted an *annual demand analysis*, which is based on new income-eligible renter households moving into the area (in the Subject's first year of operation only) and those income-eligible renter households that are rent-overburdened (paying over 40 percent of income to living costs). This is a subset of the income-eligible renter households used previously and yields a far more conservative annual capture rate. Novoco's annual capture rate is 41.6 percent for the first year of operation. This suggests that the Subject will need to capture only a fraction of the available demand in its first year of operation in order to stabilize. This implies that no demand will be accommodated that is currently suitably housed elsewhere.

This calculation illustrates that there are approximately 452 units of demand in the first year of the Subject's operation. The Subject will need to accommodate 198 total units of demand in order to stabilize at 95 percent occupancy. Any unaccommodated households will most likely leave the PMA or remain severely rent-overburdened. The lack of available units will force many to look elsewhere.

The Virginia Housing net demand and capture rate table illustrates demand for the Subject based on capture rates of income-eligible renter households. The following table illustrates the conclusions from this table.

Income Restrictions	Up to 60% (min income to max income)
New Rental Households	622
+	
Existing Households - Overburdened	364
+	
Existing Households - Substandard Housing	12
+	
Elderly Households Likely to Convert to Rental Housing	0
+	
Existing Qualified Tenants - To Remain After Renovation	N/A
TOTAL DEMAND	998
-	
Supply (includes directly comparable vacant units or in pipeline in PMA)	78
NET DEMAND	920
PROPOSED UNITS	198
CAPTURE RATE	21.5%
ABSORPTION PERIOD	10-11 months

Project Wide Capture Rate - LIHTC Units @60% AMI	21.5%
Project Wide Absorption Period (Months)	10-11 months

This capture rate is indicative of moderate demand for the Subject, and upon completion, we estimate the Subject will experience an absorption period of approximately 10 to 11 months.

Strengths

- The Subject will offer excellent condition as a new construction development, similar to slightly superior to the comparable properties;
- The Subject will offer elevator-serviced midrise design, similar to slightly superior to the comparables;
- The Subject's location is in close proximity to most major locational amenities, and offers good accessibility and excellent visibility;
- The Subject's achievable LIHTC rents at 60 percent of AMI appear reasonable, and offer a significant market rent advantage;
- The Subject will be considered generally similar to most comparables in terms of in-unit and property amenities.

Weaknesses

- The demand analysis indicates a moderate penetration rate. However, this calculation does not account for leakage (i.e. tenants originating outside of the PMA), which is sometimes considerable, any percentage of seniors transitioning from homeownership to renters, or the number of senior households utilizing housing choice vouchers. The amount of owner-occupied senior households that may find a development such as the Subject an attractive alternative to homeownership would likely result in a lower overall penetration rate. Further, The Heights at Jackson Village I reported an occupancy rate of 97.0 percent for its complete and stabilized building (99 units). Overall, we believe there is adequate demand for the Subject;
- The Subject's unit sizes are within the range, but slightly below the overall average of surveyed comparable properties. However, among the senior comparables, the Subject's one-bedroom unit size is 10.4 percent larger than the average, and the Subject's two-bedroom unit size is 1.7 percent larger than the average, and appear reasonable based on this data.
- The Heights at Jackson Village I, the first phase of the overall Subject development, is still in lease-up with 88 vacant units at its second, unstabilized building (though an additional eight of these units have pending leases). While the demand analysis appears to illustrate sufficient demand for the Subject, this is still a significant number of competitive units left for the market to absorb in addition to the Subject's units.

Recommendations

We have no further recommendations for the Subject development.

II. INTRODUCTION AND SCOPE OF WORK

INTRODUCTION AND SCOPE OF WORK

Report Description:	Novogradac has performed a comprehensive market study of the multifamily rental market in the Fredericksburg, Virginia area relative to The Heights at Jackson Village II, a proposed new construction 198-unit age-restricted (55+) LIHTC development.
Developer/Client Information:	KCG Development.
Intended Use and Users of the Report:	The report will be submitted to VHDA for LIHTC application purposes. The intended users of the report are VHDA and KCG Development.
Scope of the Report:	<ul style="list-style-type: none">▪ Analyzing the appropriateness of the proposed unit mix, rent levels, unit and complex amenities, and site.▪ In-person inspection of the Subject site and its general location.▪ Estimating the market rents, absorption rates and stabilized occupancy levels for the market area.▪ Investigating the general economic health and conditions of the multifamily rental market.▪ Estimating number of income-eligible households and performing an analysis of relevant demographic demand for the Subject.▪ Complete a by-bedroom capture rate analysis that analyzes the level of potential income-eligible tenants in the Primary Market Area.▪ Reviewing relevant public records and contacting public agencies.▪ Analysis of the economic and social conditions in the market area, in relation to the project.▪ Establishing the Subject's Primary Market Area, if applicable.▪ Surveying competing projects, both LIHTC and market rate.
Effective Date:	The Subject site was inspected on November 12, 2024, which shall serve as the effective date of this report.
Primary Contacts for the Report:	Rebecca Arthur – Rebecca.Arthur@novoco.com Lawson Short – Lawson.Short@novoco.com Matthew Wargo – Matthew.Wargo@novoco.com

III. PROJECT DESCRIPTION

PROJECT DESCRIPTION

The project description will discuss the physical features of the Subject, the proposed unit mix, and rents.

Subject Property Description:

The Subject, is a proposed new construction 198-unit age-restricted LIHTC development located approximately six miles south of downtown Fredericksburg, Virginia. All of the Subject's units will be restricted to senior households, aged 55 and older, earning 60 percent of the AMI or less. The Subject's 198 one and two-bedroom units will be contained in two five-story elevator-serviced midrise-style residential buildings.

Construction Type:

The Subject's units will be contained within two, five-story, elevator-serviced, midrise residential buildings. The Subject will be wood-frame construction with vinyl plank and masonry siding, and pitched roofs.

Target Population and Occupancy Type:

The Subject will be restricted to senior households age 55 and older earning 60 percent of AMI or less. Based on the unit mix and proposed rent levels, the qualifying annual incomes for the Subject's proposed units will range from \$47,790 to \$83,580.

Proposed Rents:

The following table details proposed rents for the Subject's units based on the developer's pro forma.

PROPOSED RENTS

Unit Type	Unit Size (SF)	# Units	Asking Rent	Utility Allowance*	Gross Rent	2024 LIHTC Maximum Allowable Gross Rent	2024 HUD Fair Market Rent
				@60%			
1BR/1BA	690	86	\$1,500	\$93	\$1,593	\$1,740	\$1,540
2BR/2BA	964	112	\$1,750	\$106	\$1,856	\$2,089	\$1,750
Total		198					

All units at the Subject will be restricted to senior households age 55 and older earning 60 percent of the AMI or below. The proposed LIHTC rents are below the 2024 LIHTC maximum allowable levels.

Assisted Housing Program:

The Subject will not operate with assisted housing programs.

Construction Date:

The developer anticipates construction to begin in January 2026, with the first building completed in July 2027 and the second building completed in January 2028.

Target Household Income Levels:

Based on the proposed restrictions, the range of annual household income levels is depicted below.

INCOME LIMITS

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@60%	
1BR	\$47,790	\$74,280
2BR	\$55,680	\$83,580

Utility Structure:

According to the client, the tenant will be responsible for all electric utility, cold water, and sewer expenses, while the landlord will be responsible for trash expenses. The following utility allowances, effective July 1, 2024, were published by Virginia Housing, and apply to multifamily buildings with one exposed wall. The utility allowances are detailed below.

HOUSING AUTHORITY UTILITY ALLOWANCE

Utility and Source	Paid By	1BR	2BR
Heating - electric	Tenant	\$34	\$44
Cooking - electric	Tenant	\$5	\$6
Electric	Tenant	\$20	\$25
Air Conditioning - central	Tenant	\$9	\$12
Hot Water - electric	Tenant	\$17	\$22
Cold Water	Tenant	\$27	\$34
Sewer	Tenant	\$33	\$42
Trash	Landlord	\$15	\$15
TOTAL - Paid by Landlord		\$15	\$15
TOTAL - Paid by Tenant		\$145	\$185
TOTAL - Paid By Tenant Provided by Developer		\$93	\$106
% Delta (Developer / Housing Authority)		64%	57%

Source: Virginia Housing, July 2024

Unit Mix:

The following table illustrates the Subject's proposed unit mix and unit sizes, as provided by the developer:

UNIT MIX AND SQUARE FOOTAGE

Unit Type	Number of Units	Unit Size (SF)	Net Leasable Area
1BR/1BA	86	690	59,340
2BR/2BA	112	964	107,968
Total	198		167,308

Net Leasable Area:

The net leasable area totals approximately 167,308 square feet, as outlined above.

Unit Amenities:

The Subject's units will offer grab bars, balcony/patio, blinds, carpeting, central air conditioning, coat closet, walk-in closet, washer/dryer hookup, dishwasher, garbage disposal, microwave, oven, and refrigerator. The Subject will offer in-unit washer/dryer connections. Washer/dryers will be available to rent for a monthly fee, the amount of which has not yet been determined.

Common Area Amenities:

The Subject will share common area amenities with The Heights at Jackson Village I, which is currently under construction and will be located adjacent to the Subject site to the north/east. Common area amenities will include a clubhouse, a business center, a courtyard, central laundry, on-site management, exercise facility, swimming pool, picnic area, recreation area, and common area Wi-Fi.

Parking:	The Subject will offer 231 off-street surface parking spaces, which equates to approximately 1.2 spaces per unit. We believe the amount of proposed parking is adequate based on the unit mix, target population, and access to public transportation.
Number of Stories and Buildings:	Upon completion, the Subject site will be improved with two five-story elevator-serviced midrise residential buildings.
Americans with Disabilities Act of 1990:	As new construction, we assume the Subject property will not have any violations of the Americans with Disabilities Act of 1990.
Quality of Construction Condition and Deferred Maintenance:	We anticipate that the Subject will be constructed using good-quality materials. As new construction, the Subject will not suffer from deferred maintenance and will be in excellent condition.
Functional Utility:	We were provided with preliminary Subject floor plans dated May 18, 2022. Based upon our review of the Subject floor plans, as well as the site inspection and local interviews, we believe the Subject will be functional upon completion, based on the intended use. Copies of the floor plans are included in the <i>Addenda</i> of this report.
Architectural Plans:	We were provided with preliminary Subject architectural plans dated May 18, 2022. A copy of the site and architectural plans are included in the addenda of this report.
Conclusion:	The Subject property is a proposed new construction 198-unit age-restricted LIHTC development that will be in excellent condition following construction. As a new construction development with market-oriented floor plans, the Subject will not suffer from functional obsolescence and will provide good utility for its intended use. Additionally, the Subject will be amongst the newest supply of affordable housing in the market and will be superior to the existing supply of affordable housing.

Subject Elevations



Source: KCG Development, 2022

THE HEIGHTS AT JACKSON VILLAGE II – FREDERICKSBURG, VIRGINIA – VIRGINIA HOUSING MARKET STUDY

The Heights At Jackson Village II							
Location	4808 The Heights Drive Fredericksburg, VA 22407 Spotsylvania						
Units	198						
Type	Midrise (5-stories)						
Year Built / Renovated	2028						
Tenant Characteristics	Senior						
Utilities							
A/C	not included - central				Other	not included	
Cooking	not included - electric				Water	not included	
Water Heat	not included - electric				Sewer	not included	
Heat	not included - electric				Trash	included	
Unit Mix (Face Rent)							
Beds	Bath	Type	Units	Size (SF)	Rent	Restriction	Max Rent?
1	1	Midrise (5-stories)	86	690	\$1,500	@60%	No
2	2	Midrise (5-stories)	112	964	\$1,750	@60%	No
Amenities							
In-Unit	Balcony Blinds Carpeting Ceiling Fan Central/AC Coat Closet Dishwasher Disposal Exterior Storage Microwave Oven Refrigerator Walk-In-Closet W/D Hookups			Property	Elevators Exercise Facility Recreational Area Surface Parking Swimming Pool		
Security	Intercom (Buzzer) Limited Access			Premium			
Services				Other	Business Center Central Laundry Clubhouse Courtyard On-Site Mgmt WiFi		
Comments							
This property will share some community amenities with Phase I of The Heights at Jackson Village.							

IV. LOCATION

LOCATION

The location of a multifamily property can have a substantial negative or positive impact upon the performance, safety and appeal of the project. The site description will discuss the physical features of the site, as well as layout, access issues, and traffic flow.



Source: Google Earth, November 2024

Subject Site Location:

The Subject site is located at 4808 The Heights Drive in Fredericksburg, Spotsylvania County, Virginia 22407. The Subject site is located approximately six miles south of downtown Fredericksburg.

Size:

According to information provided by the client, the Subject site is approximately 3.89 acres or 169,448 square feet.

Shape:

The Subject site is irregular in shape.

Frontage:

The Subject site has frontage along the north side of Jackson Village Parkway and the east side of Commercial Boulevard, both of which are newly built access roads for The Heights at Jackson Village I and the Subject site. These roads connect to US-1 just west of the site and to Old Telegraph Road just south of the site.

Topography:	The Subject site generally exhibits gently sloping topography grading downwards from south to north.
Utilities:	All utilities are available to the Subject site.
Visibility/Views:	The Subject site is located in a mixed-use area approximately six miles south of downtown Fredericksburg. The Subject will be visible from US-1, also referred to as Patriot Highway, and Jackson Village Parkway, and Old Telegraph Road. Views to the north of the Subject site consist of vacant wooded land. Views to the east of the Subject site consist of The Heights at Jackson Village I, the first phase of the overall Subject development, a 187-unit senior LIHTC development that has been included as a comparable property in this report. Views to the south of the Subject site consist vacant, wooded land. Views to the west of the Subject site, across US-1, consist of PAL Used Tires, a commercial use, followed by additional vacant land. Overall, the Subject will have average visibility and offer average views.
Surrounding Land Uses:	The Subject site is located in the Massaponax neighborhood, a mixed-use area approximately six miles south of downtown Fredericksburg. Land use to the north consists of wooded, undeveloped land. Land use further north consists of The Allure at Jefferson, a 388-unit market rate multifamily development that has been included as a comparable property, and Cosner's Corner, a retail shopping center with more than 90 restaurants and stores, which exhibits good to excellent condition. Land use east of the Subject site consists of The Heights at Jackson Village I, the first phase of the overall Subject development, a 187-unit senior LIHTC development that has been included as a comparable property in this report, and new construction townhomes in excellent condition. Land use further east consists of wooded undeveloped land and commercial uses in average condition. Land use northeast of the Subject site consists of Spotsylvania Regional Medical Center, a prominent general hospital in the area. Land use south of the Subject site consists of single-family homes in fair to good condition, a light industrial use, followed by Orchard Ridge At Jackson Village I and II, two LIHTC multifamily properties that target the general population and exhibit excellent condition. For the purposes of this report, we have included Orchard Ridge at Jackson Village as a comparable in our analysis. Land use west of the Subject site includes an automotive oriented use, undeveloped wooded land, and various retail and commercial uses. Land use further west consists of single-family homes in good condition. Overall, surrounding land uses appear to be in good condition.



The Heights at Jackson Village I east of Subject site



Townhomes southeast of The Heights at Jackson Village I



Allure at Jefferson Apartments north of Subject site



Commercial use west of Subject site



Assisted living facility west of Subject site



Orchard Ridge at Jackson Village Apartments south of Subject site



Commercial uses south of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Typical single-family homes in Subject's neighborhood



Typical single-family homes in Subject's neighborhood



Typical single-family homes in Subject's neighborhood



Typical single-family homes in Subject's neighborhood

Access and Traffic Flow:

The Subject site is accessible from Jackson Village Parkway and the east side of Commercial Boulevard, both of which are newly built access roads for The Heights at Jackson Village I and the Subject site. These roads connect to US-1 just west of the site and to Old Telegraph Road just south of the site. US-1 is a lightly trafficked four-lane road that traverses north/south and provides access throughout Fredericksburg. Approximately 0.5 mile north of the Subject site, US-1 provides access to Interstate 95, which provides access to Washington D.C, approximately 55 miles to the northeast, and to Richmond, approximately 47 miles to the south. Overall, access is considered average, while traffic flow is considered moderate. The development of the Subject will enhance economic activity to surrounding retail and commercial business without burdening existing traffic flow.

Layout and Curb Appeal:

Summary of Subject Site Characteristics	
Visibility	Average
Views	Average
Access/Traffic Flow	Average/Moderate
Layout/Curb Appeal	Excellent

Drainage:

Based on our inspection, no obvious detrimental drainage issues were identified. However, Novogradac did not perform any drainage tests, and are not experts in this field; thus, further analysis is beyond the scope of this report.

Soil and Subsoil Conditions:

Novogradac did not perform any soil or subsoil tests upon inspection of the site, as this is beyond the scope of this report. We are not experts in this field, and assume the soil is adequate for development.

Environmental Assessment:

Novogradac has not been provided with an environmental report. We are not experts in this field and assume the site is adequate for development.

Detrimental Uses:

No detrimental influences were identified at the time of our site inspection.

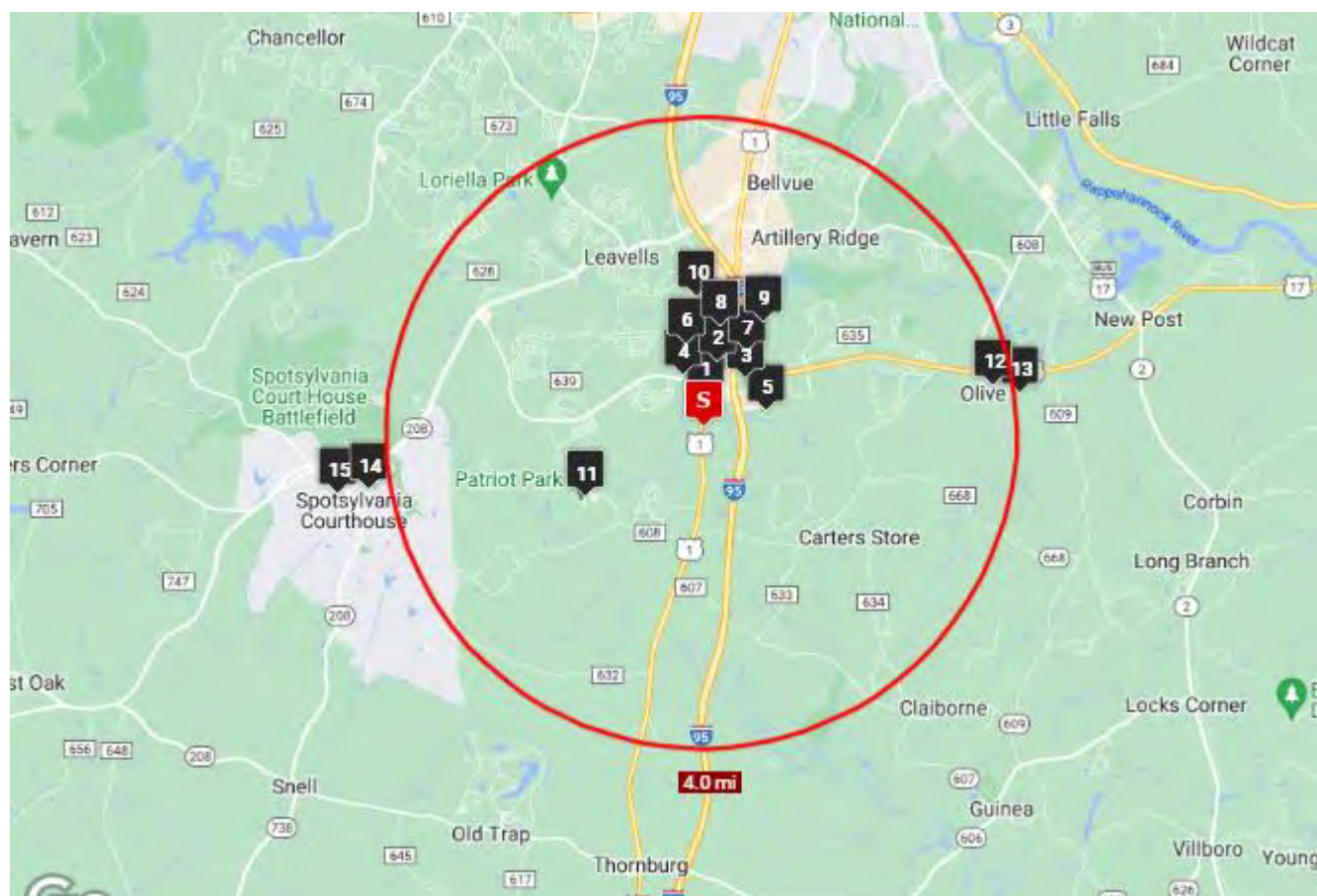
Flood Plain:

According to Flood Insights and Flood Insurance Rate Map Community Panel Number 5103080200C, dated February 17, 1998, the Subject site is located in Zone X. Zone X is defined as an area outside 500-year floodplain, which is determined to be outside the 0.2 percent annual chance floodplains.

Locational Amenities:

The following table and map illustrate the Subject's proximity to many local amenities and essential services.

Locational Amenities Map

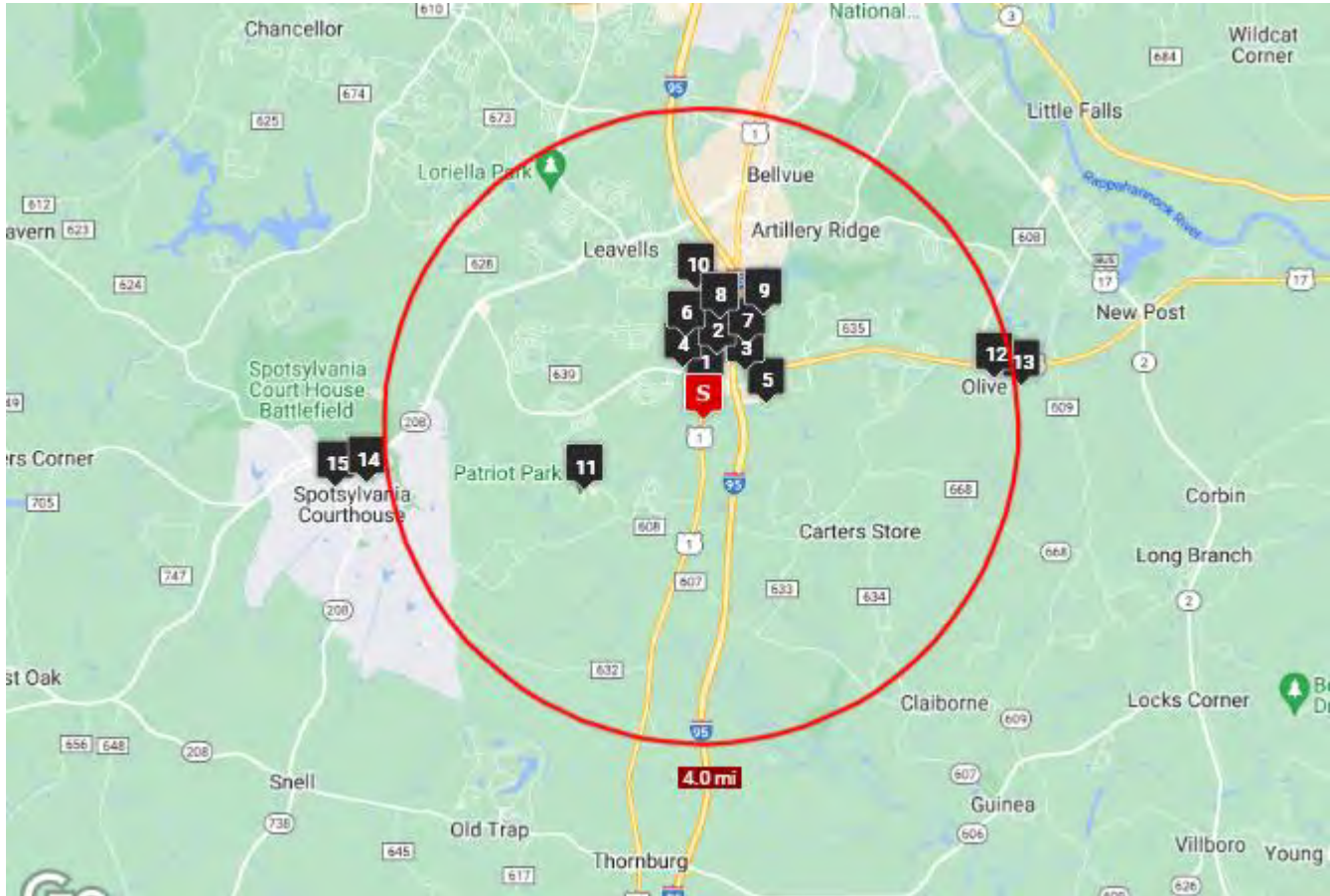


Source: Google Earth, November 2024

LOCATIONAL AMENITIES

#	Service or Amenity	Distance Subject (Crow)	#	Service or Amenity	Distance Subject (Crow)
1	Publix Supermarket	0.4 miles	9	Fredericksburg Library	1.5 miles
2	FRED Bus Stop	0.5 miles	10	Walmart Supercenter	1.6 miles
3	Cosner's Corner Shopping Mall	0.6 miles	11	Patriot Park	1.7 miles
4	CVS Pharmacy	0.7 miles	12	VRE Rail Station - Spotsylvania	3.7 miles
5	Spotsylvania Regional Medical Center	0.7 miles	13	Spotsylvania County Fire Station	4.0 miles
6	Wawa Gas Station	0.9 miles	14	Spotsylvania Sheriff	4.3 miles
7	Target	0.9 miles	15	U.S. Post Office	4.7 miles
8	Bank of America	0.9 miles	-	-	-

Locational Amenities Map II



Source: Google Earth, November 2024

LOCATIONAL AMENITIES

#	Service or Amenity	Distance Subject (Crow)	#	Service or Amenity	Distance Subject (Crow)
1	Publix Supermarket	0.4 miles	9	Fredericksburg Library	1.5 miles
2	FRED Bus Stop	0.5 miles	10	Walmart Supercenter	1.6 miles
3	Cosner's Corner Shopping Mall	0.6 miles	11	Patriot Park	1.7 miles
4	CVS Pharmacy	0.7 miles	12	VRE Rail Station - Spotsylvania	3.7 miles
5	Spotsylvania Regional Medical Center	0.7 miles	13	Spotsylvania County Fire Station	4.0 miles
6	Wawa Gas Station	0.9 miles	14	Spotsylvania Sheriff	4.3 miles
7	Target	0.9 miles	15	U.S. Post Office	4.7 miles
8	Bank of America	0.9 miles	-	-	-

Public Transportation:

Bus Service: The Fredericksburg Regional Transit (FRED) provides bus service throughout Fredericksburg and Spotsylvania County. The nearest bus station to the Subject site is located less than one mile north of the Subject site, next to Cosner's Corner. A regular service adult fare is \$1.25, and monthly and yearly passes are \$50 and \$250, respectively. Children ride for free.

Light Rail: The Virginia Regional Express (VRE) is a commuter rail service along the I-66 and I-95 corridors that provides access from Virginia suburbs such as Richmond and Fredericksburg to

Alexandria, and Washington D.C. Operations are Monday through Friday, with northbound routes every 15 minutes from 5:00 am to 9:25 am. The Subject site is located 3.8 miles west of the Spotsylvania VRE Rail Station and 2.7 miles south of the VDOT Park & Ride, which provides shuttle service to the VRE Rail Station in downtown Fredericksburg.

Crime Statistics:

The table below illustrates crime indices in the PMA and MSA in comparison to that of the nation. A crime index below 100 is below the national average and anything over 100 is above the nation's crime index average. A crime index of 75 in a PMA would be 25 percent below the national average while a crime index of 200 would be twice that of the national average. Crime indices were provided by 2024 ESRI Demographics data.

2024 CRIME INDICES

	PMA	MSA
Total Crime*	66	99
Personal Crime*	46	90
Murder	80	112
Rape	67	80
Robbery	39	131
Assault	45	77
Property Crime*	70	101
Burglary	45	63
Larceny	79	112
Motor Vehicle Theft	44	88

Source: Esri Demographics 2024, Novogradac, November 2024

*Unweighted aggregations

As illustrated, total crime risk indices in the PMA are below the national average and below the MSA. Both geographic areas feature crime risk indices below the overall nation. The proposed Subject will offer limited access which we believe will be appropriate for the market.

Conclusion:

The Subject site is located in a mixed-use neighborhood in the eastern portion of Spotsylvania County. Access to groceries, pharmacy, public transportation and shopping are good. The Subject's overall location is considered good. The neighborhood is well-suited for this type of senior housing. The Subject will enhance the existing neighborhood, as proposed.

Subject Property & Neighborhood Photos



View of Subject site



View of Subject site



View of Subject site



View of Subject site



View of Subject site



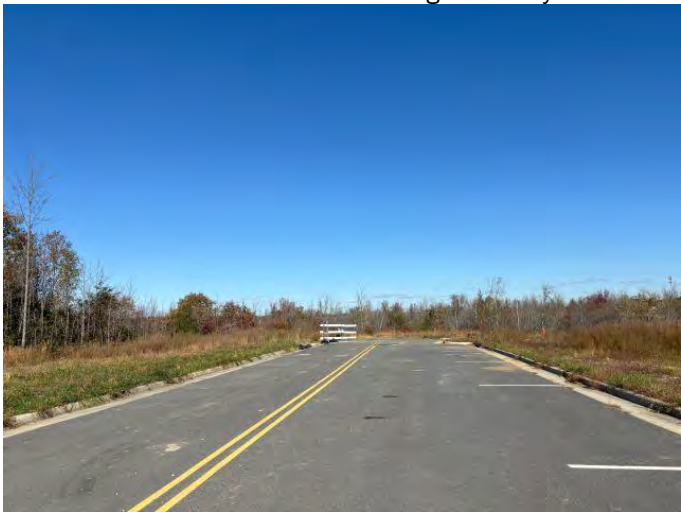
View of Subject site



View west on Jackson Village Parkway



View east on Jackson Village Parkway



View north on Commercial Boulevard/Old Telegraph Road



View south on Commercial Boulevard/Old Telegraph Road



View north on US Highway 1



View south on US Highway 1



The Heights at Jackson Village I east of Subject site



Townhomes southeast of The Heights at Jackson Village I



Allure at Jefferson Apartments north of Subject site



Commercial use west of Subject site



Assisted living facility west of Subject site



Orchard Ridge at Jackson Village Apartments south of Subject site



Commercial uses south of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Typical single-family homes in Subject's neighborhood



Typical single-family homes in Subject's neighborhood



Typical single-family homes in Subject's neighborhood



Typical single-family homes in Subject's neighborhood

V. MARKET AREA DEFINITION

MARKET AREA

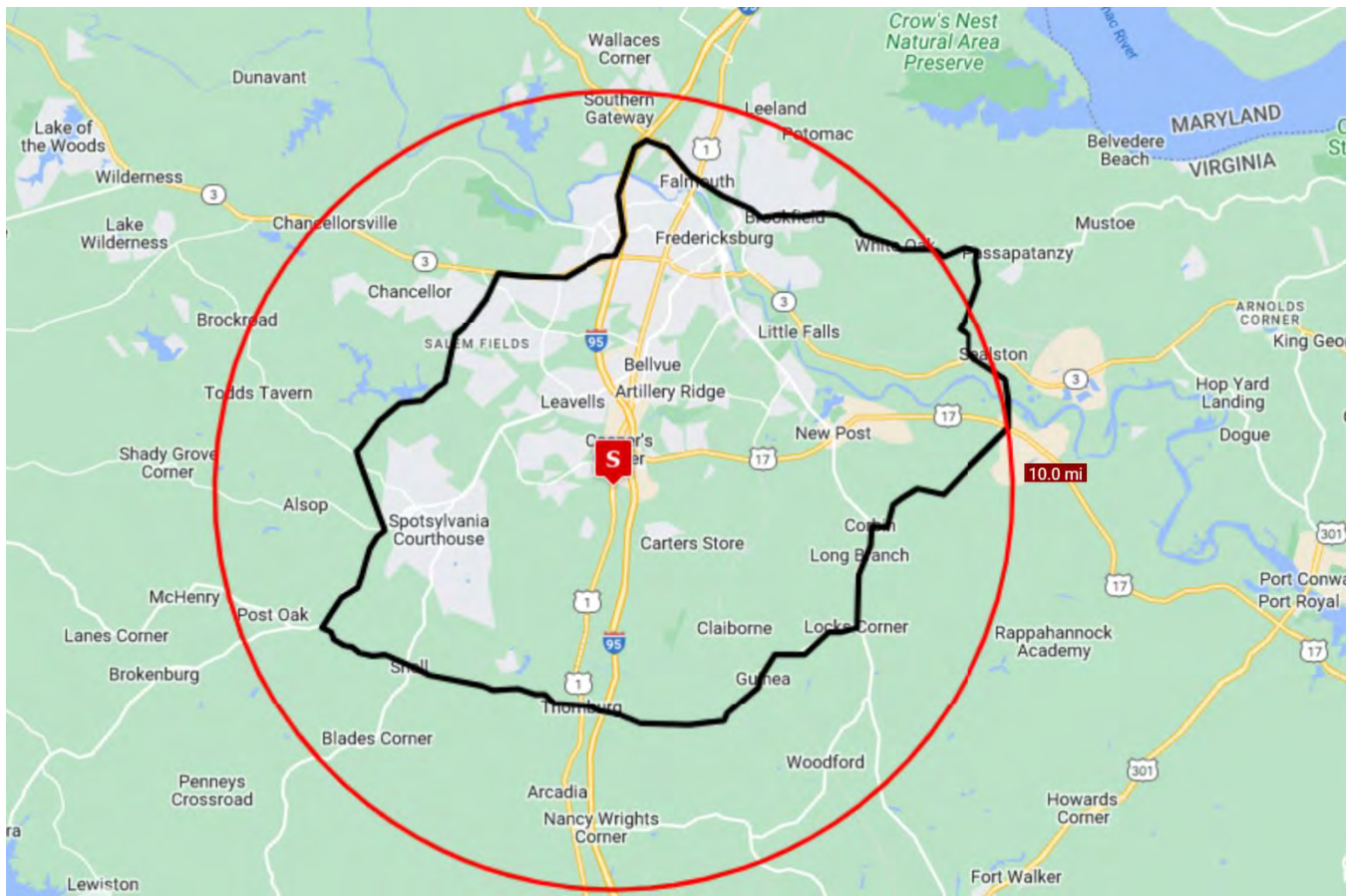
For the purpose of this study, it is necessary to define the competitive Primary Market Area (PMA), or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood oriented” and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

We determined the Primary Market Area (PMA) based on our conversations with local market participants including property managers, as well as our physical inspection of the market. The PMA is generally defined as the city of Fredericksburg, the eastern portion of Spotsylvania County, and areas of northern Caroline County. The PMA boundaries are defined as U.S Highway 3, Interstate 95, and Warrenton Road to the north, Fredericksburg Turnpike and Muddy Creek to the east, State Routes 606 and 208 to the south, and Lake Anna Parkway, Old Block House Lane, and Gordon Road to the west. The PMA encompasses approximately 153 square miles.

We believe that additional support will originate from areas outside of the established PMA. We estimate a leakage of 10 percent. To provide a broader economic context for the Subject, we also include a Secondary Market Area (SMA). The SMA for the Subject is Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area (MSA), which consists of the following counties: District of Columbia in District of Columbia; Jefferson in West Virginia; Calvert, Charles, Frederick, Montgomery, and Prince George's in Maryland; Alexandria city, Arlington, Clarke, Culpeper, Fairfax city, Fairfax, Falls Church city, Fauquier, Fredericksburg city, Loudoun, Manassas city, Manassas Park city, Prince William, Rappahannock, Spotsylvania, Stafford, and Warren in Virginia. The MSA encompasses 8,502 square miles. We include economic indicators for the SMA regarding employment and unemployment trends. In addition, our demographic analysis utilizes the SMA as an additional area of comparison for population and household trends.

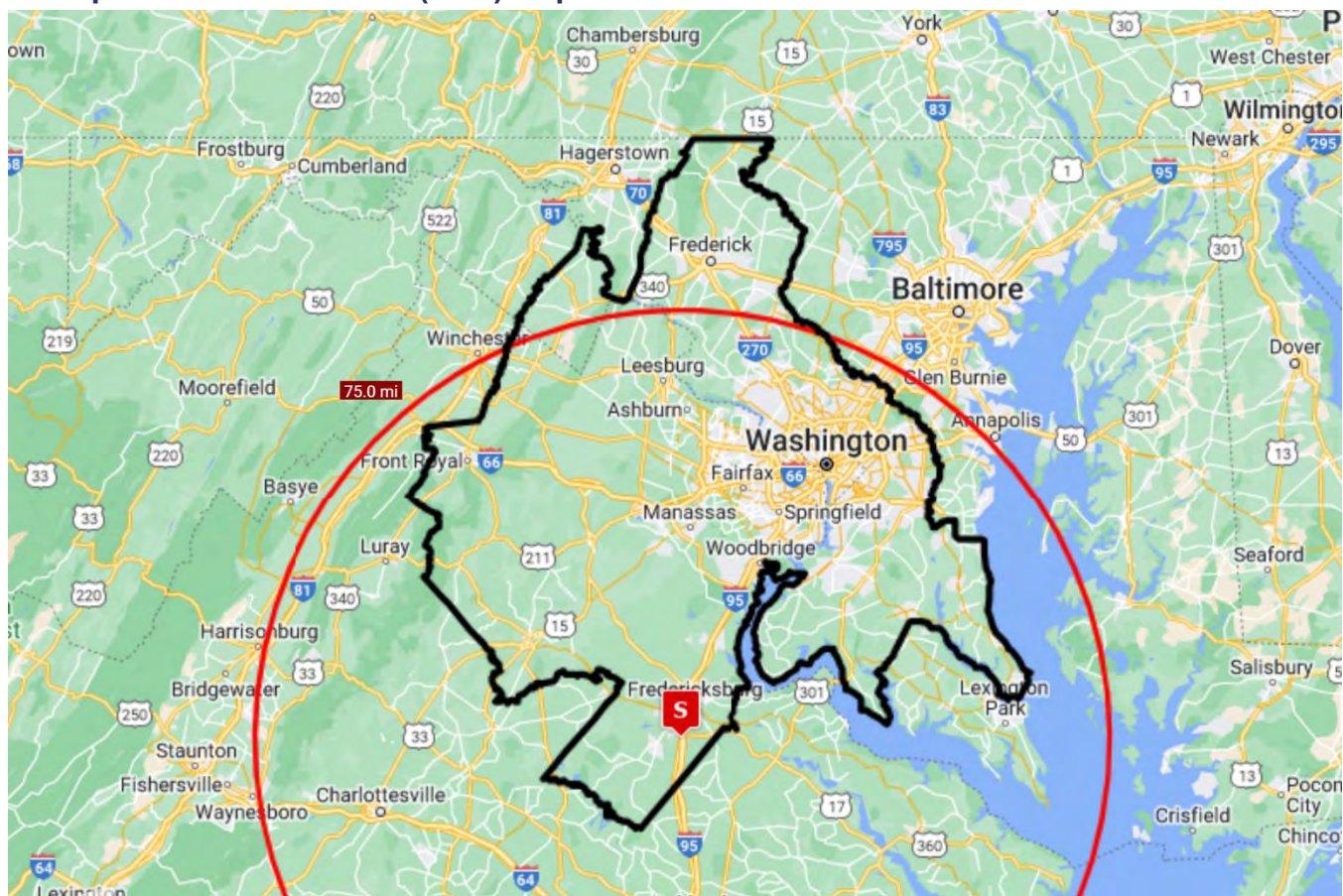
The PMA boundaries and overall market health assessment are based upon analyses of demographic and socioeconomic characteristics, target tenant population, political jurisdictional boundaries, natural boundaries, experience of nearby comparable developments, accessibility to mass transit or key transportation corridors and commute patterns, and market perceptions. No physical boundaries were identified that would inhibit anyone from relocating to the Subject. The market area boundaries identified are a reasonable approximation regarding the potential renter market for the Subject. Overall, we anticipate that the majority of the Subject's tenants will come from within the boundaries of the PMA. The following map outlines the PMA.

Primary Market Area Map



Source: Google Maps, October 2024

Metropolitan Statistical Area (MSA) Map



Source: Google Maps, October 2024

VI. EMPLOYMENT AND ECONOMY

ECONOMIC ANALYSIS

Employment by Industry

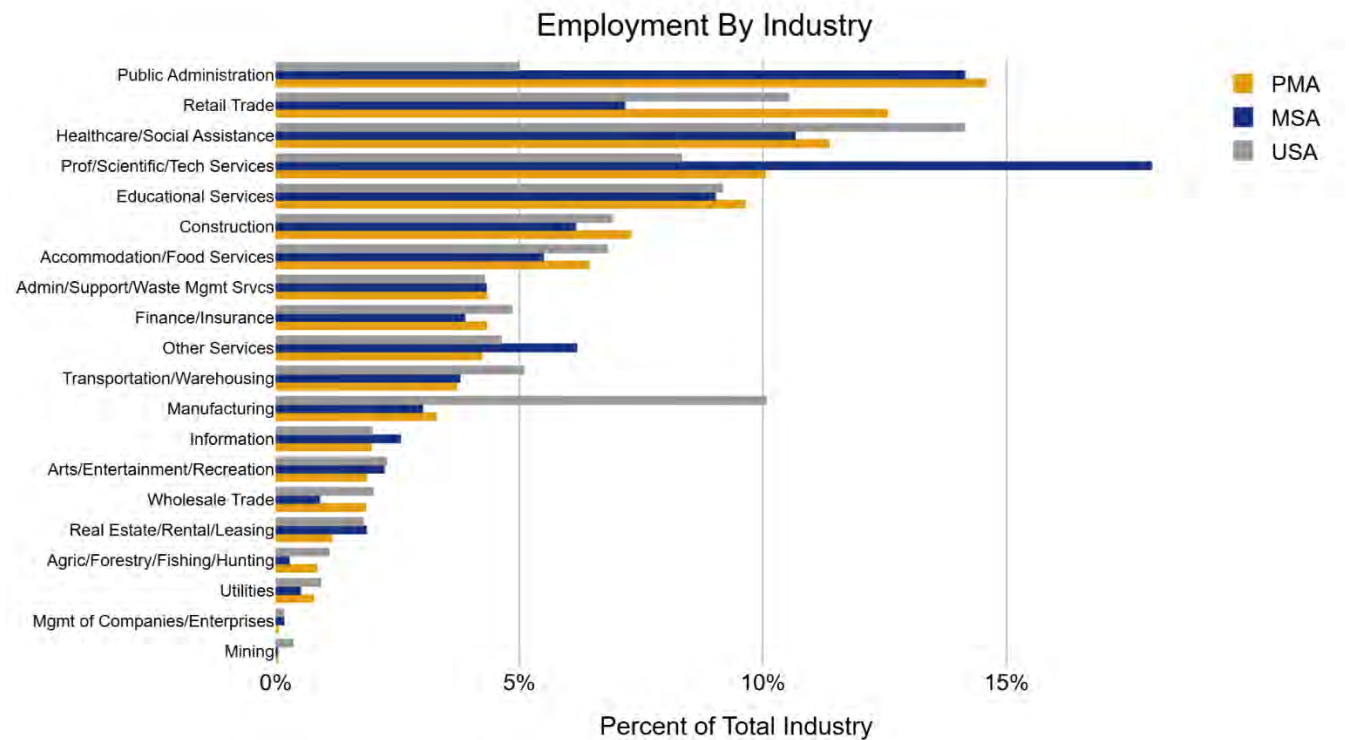
The following table illustrates employment by industry for the PMA and nation as of 2024.

2024 - EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Public Administration	10,666	14.6%	8,264,977	5.0%
Retail Trade	9,183	12.5%	17,466,879	10.5%
Healthcare/Social Assistance	8,303	11.3%	23,456,754	14.1%
Prof/Scientific/Tech Services	7,351	10.0%	13,808,768	8.3%
Educational Services	7,042	9.6%	15,195,042	9.1%
Construction	5,325	7.3%	11,451,658	6.9%
Accommodation/Food Services	4,697	6.4%	11,278,763	6.8%
Admin/Support/Waste Mgmt Svcs	3,162	4.3%	7,081,387	4.3%
Finance/Insurance	3,155	4.3%	8,016,602	4.8%
Other Services	3,086	4.2%	7,659,177	4.6%
Transportation/Warehousing	2,708	3.7%	8,419,689	5.1%
Manufacturing	2,399	3.3%	16,689,019	10.0%
Information	1,419	1.9%	3,255,493	2.0%
Arts/Entertainment/Recreation	1,352	1.8%	3,747,153	2.3%
Wholesale Trade	1,340	1.8%	3,291,556	2.0%
Real Estate/Rental/Leasing	838	1.1%	2,954,339	1.8%
Agric/Forestry/Fishing/Hunting	606	0.8%	1,785,076	1.1%
Utilities	556	0.8%	1,502,053	0.9%
Mgmt of Companies/Enterprises	28	0.0%	237,343	0.1%
Mining	20	0.0%	561,373	0.3%
Total Employment	73,236	100.0%	166,123,101	100.0%

Source: Esri Demographics 2024, Novogradac, November 2024

Employment in the PMA is concentrated in public administration, retail trade, and healthcare/social assistance, which collectively comprise 38.4 percent of local employment. Relative to the nation, the PMA features comparatively greater employment in the public administration, retail trade, and prof/scientific/tech services industries. Conversely, the PMA is underrepresented in the manufacturing, healthcare/social assistance, and transportation/warehousing sectors.



Growth by Industry

The following table illustrates the change in total employment by sector in the PMA from 2010 to 2024.

2010-2024 CHANGE IN EMPLOYMENT - PMA

Industry	2010		2024		2010-2024	
	Number Employed	Percent Employed	Number Employed	Percent Employed	Growth	Annualized Percent
Public Administration	6,380	11.6%	10,666	14.6%	4,286	4.8%
Retail Trade	7,082	12.8%	9,183	12.5%	2,101	2.1%
Healthcare/Social Assistance	6,112	11.1%	8,303	11.3%	2,191	2.6%
Prof/Scientific/Tech Services	3,568	6.5%	7,351	10.0%	3,783	7.6%
Educational Services	5,043	9.1%	7,042	9.6%	1,999	2.8%
Construction	4,672	8.5%	5,325	7.3%	653	1.0%
Accommodation/Food Services	3,471	6.3%	4,697	6.4%	1,226	2.5%
Admin/Support/Waste Mgmt Svcs	1,942	3.5%	3,162	4.3%	1,220	4.5%
Finance/Insurance	3,295	6.0%	3,155	4.3%	-140	-0.3%
Other Services	2,670	4.8%	3,086	4.2%	416	1.1%
Transportation/Warehousing	1,927	3.5%	2,708	3.7%	781	2.9%
Manufacturing	3,567	6.5%	2,399	3.3%	-1,168	-2.3%
Information	703	1.3%	1,419	1.9%	716	7.3%
Arts/Entertainment/Recreation	648	1.2%	1,352	1.8%	704	7.8%
Wholesale Trade	1,635	3.0%	1,340	1.8%	-295	-1.3%
Real Estate/Rental/Leasing	900	1.6%	838	1.1%	-62	-0.5%
Agric/Forestry/Fishing/Hunting	538	1.0%	606	0.8%	68	0.9%
Utilities	942	1.7%	556	0.8%	-386	-2.9%
Mgmt of Companies/Enterprises	28	0.1%	28	0.0%	0	0.0%
Mining	80	0.1%	20	0.0%	-60	-5.4%
Total Employment	55,203	100.0%	73,236	100.0%	18,033	2.3%

Source: Esri Demographics 2024, Novogradac, November 2024

Total employment in the PMA increased at an annualized rate of 2.3 percent between 2010 and 2024. The industries that nominally expanded most substantially during this period include public administration, prof/scientific/tech services, and healthcare/social assistance. Conversely during this same period, the manufacturing, utilities, and wholesale trade sectors experienced the least nominal growth.

Major Employers

The following table details major employers in Fredericksburg, Virginia.

MAJOR EMPLOYERS FREDERICKSBURG, VA		
Employer Name	Industry	# Of Employees
Mary Washington Hospital	Healthcare	1,000+
University of Mary Washington & Foundation	Education	1,000+
City of Fredericksburg & Public School System	Government	500 - 999
Walmart	Retail	500 - 999
Wegmans	Retail	500 - 999
Rappahannock Area Community Services Board	Administration	250 - 499
Encompass Health	Healthcare	100 - 249
Postal Service	Government	100 - 249
Lowes	Retail	100 - 249
Quarles Petroleum, Inc.	Service	100 - 249

Source: Fredericksburg Economic Development & Tourism, 2022

The area's major employers are primarily concentrated within the government, retail trade, healthcare, and public administration industries. We believe that the diverse industries represented by major employers provide stability to the local economy.

Employment Expansion/Contractions

We attempted to contact the Fredericksburg Department of Economic Development in order to gather information about economic expansions in the city; however, our calls have not been returned as of the date of this report. We have relied on internet-published news articles detailing recent developments in the region.

- In March 2024, technology company TES opened an IT asset repurposing and processing facility in Fredericksburg. The 128,000-square foot site will be used for recycling of technology assets and data center equipment, and is anticipated to add 100 new jobs to the area.
- Buc-ee's travel center chain submitted a conditional use permit in February 2024 for a site in Stafford, near exit 140 of Interstate 95, approximately 15 miles north of the Subject site. While plans are not yet concrete and Buc-ee's does not yet own the land, this expansion would create an estimate 200 jobs if fulfilled.
- In October 2023, Kalahari Resorts broke ground on a new waterpark and convention center located near Thornburg between Interstate 95 and Highway 1, approximately six miles south of the Subject site. The park is scheduled to open in 2026 and will become Kalahari's fifth US resort. The development site will include a 175,000-square foot indoor waterpark, 10 acres of outdoor pools, a 90,000-square foot outdoor adventure park, a 900-room hotel, a 156,278-square foot convention center, and 1.38 million square feet of commercial space. The estimated cost of the development will be \$885 million, and it is anticipated that it will create 1,400 jobs after completion, not including the temporary construction jobs.

- Beginning in 2019 and completing construction in 2023, Sustainable Power Group, also known as sPower, installed more than 1.8 million solar panels on a 6,300-acre plot in Spotsylvania County. The project, known as the Spotsylvania Solar Energy Center, is the largest solar project east of the Rocky Mountains. sPower has agreements to sell the electricity generated from the solar panels to companies such as Apple, Microsoft, and the University of Richmond. The project generated up to 800 jobs during peak construction, and is anticipated to add 35 full-time jobs to the area.
- In 2022, Burlington and T.J. Maxx, two national retail stores, opened locations in the Central Park Market Place, approximately six miles north of the Subject at the intersection of Interstate 95 and Highway 3. Together, the two stores occupy over 52,000 square feet. The number of jobs this expansion is expected to create was not available at the time of this report.

WARN Listings

We reviewed WARN (Worker Adjustment and Retraining Notification Act) notices published by the Virginia Employment Commission since January 2022. These layoffs are illustrated in the following table.

WARN LISTINGS
FREDERICKSBURG 2022 - 2024 YTD

Company	Industry	Employees Affected	Layoff Date
SSB Manufacturing Company	Manufacturing	128	6/30/2022
ABM Industry Group Inc.	Facility Services	25	2/28/2022
Total		153	

Source: Virginia Employment Commission, retrieved 2024

As illustrated in the previous table, there have been 153 layoffs in Fredericksburg since 2022, all of which occurred in 2022. The general lack of employment contractions relative to the employment base appears to be a positive indicator for the local economy.

Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA from 2007 to August 2024.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2007	2,909,586	-	3.2%	-	146,046,667	-	4.6%	-
2008	2,948,734	1.3%	3.9%	0.7%	145,362,500	-0.5%	5.8%	1.2%
2009	2,896,741	-1.8%	6.3%	2.4%	139,877,500	-3.8%	9.3%	3.5%
2010	2,947,955	1.8%	6.5%	0.2%	139,063,917	-0.6%	9.6%	0.3%
2011	3,001,024	1.8%	6.2%	-0.4%	139,869,250	0.6%	9.0%	-0.7%
2012	3,049,860	1.6%	5.7%	-0.5%	142,469,083	1.9%	8.1%	-0.9%
2013	3,081,172	1.0%	5.5%	-0.2%	143,929,333	1.0%	7.4%	-0.7%
2014	3,106,413	0.8%	5.0%	-0.5%	146,305,333	1.7%	6.2%	-1.2%
2015	3,136,814	1.0%	4.3%	-0.7%	148,833,417	1.7%	5.3%	-0.9%
2016	3,194,358	1.8%	3.8%	-0.5%	151,435,833	1.7%	4.9%	-0.4%
2017	3,276,258	2.6%	3.6%	-0.2%	153,337,417	1.3%	4.3%	-0.5%
2018	3,313,084	1.1%	3.3%	-0.4%	155,761,000	1.6%	3.9%	-0.4%
2019	3,386,251	2.2%	3.0%	-0.2%	157,538,083	1.1%	3.7%	-0.2%
2020	3,185,156	-5.9%	6.5%	3.4%	147,794,750	-6.2%	8.1%	4.4%
2021	3,199,834	0.5%	4.7%	-1.8%	152,580,667	3.2%	5.4%	-2.7%
2022	3,310,462	3.5%	2.9%	-1.8%	158,291,083	3.7%	3.6%	-1.7%
2023	3,391,131	2.4%	2.6%	-0.2%	161,036,583	1.7%	3.6%	-0.0%
2024 YTD Average*	3,406,271	0.4%	3.0%	0.4%	161,176,500	0.1%	4.1%	0.4%
Aug-2023	3,400,863	-	2.9%	-	161,427,000	-	3.9%	-
Aug-2024	3,387,032	-0.4%	3.7%	0.8%	161,348,000	-0.0%	4.4%	0.5%

Source: U.S. Bureau of Labor Statistics, November 2024

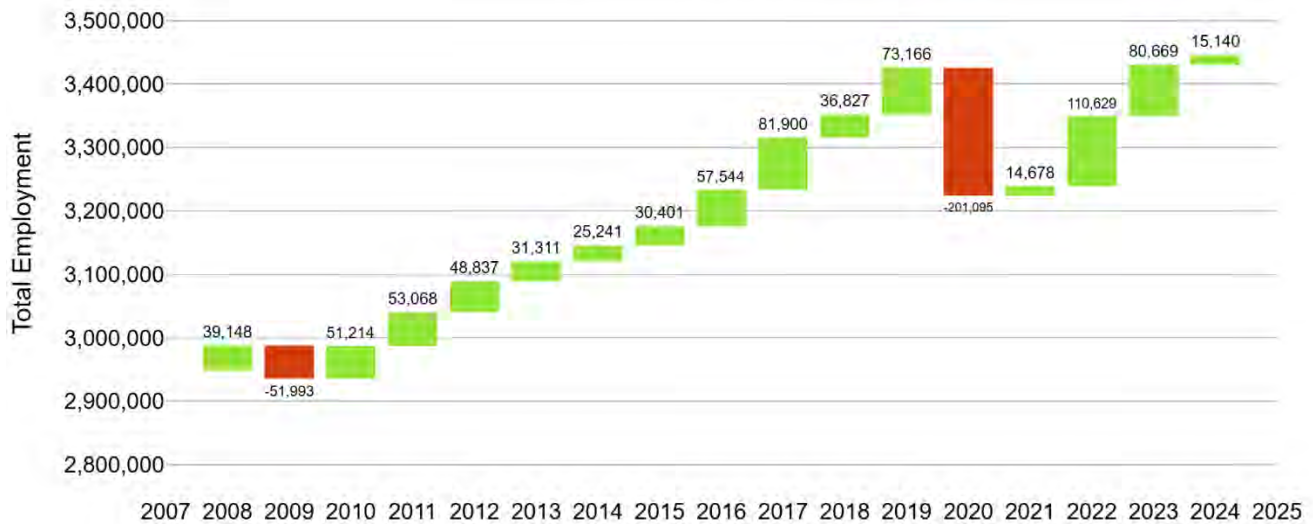
*2024 YTD Average is through August

Employment in the MSA declined by 5.9 percent in 2020 amid the pandemic, similar to the overall nation. The MSA subsequently recovered all pandemic-related job losses, however, local employment currently remains slightly below the record high achieved in 2023. As of August 2024, employment in the MSA is declining at an annualized rate of 0.4 percent, compared to a less than 0.1 percent rate of decline reported across the nation.

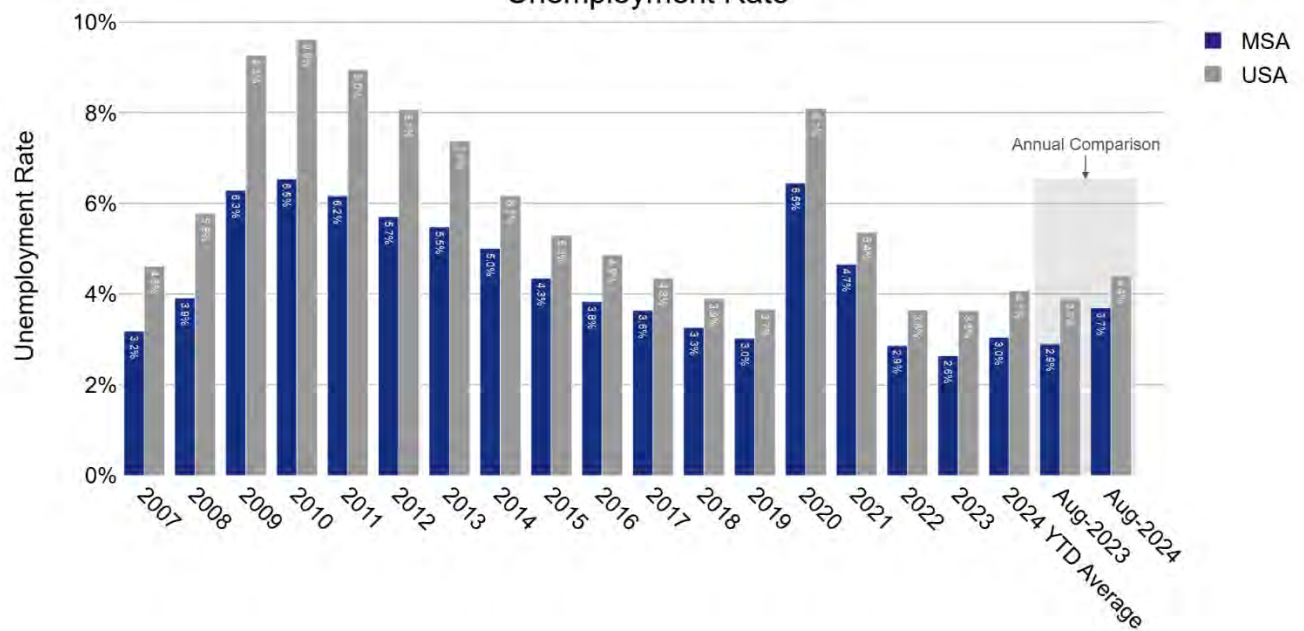
The MSA unemployment rate increased modestly by 3.4 percentage points in 2020 amid the pandemic, reaching a high of 6.5 percent. For comparison, the national unemployment rate rose by 4.4 percentage points and reached a high of 8.1 percent over the same time period. According to the latest labor statistics, dated August 2024, the current MSA unemployment rate is 3.7 percent. This is slightly below the current national unemployment rate of 4.4 percent.

The following charts further illustrate employment and unemployment trends in the MSA.

MSA Job Growth



Unemployment Rate



Wages by Occupation

The following table illustrates the wages by occupation for the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA.

MSA – 2ND QTR 2023 AREA WAGE ESTIMATES

Occupation	Number of Employees	Mean Hourly Wage	Mean Annual Wage
All Occupations	3,092,070	\$42.49	\$88,370
Legal	68,530	\$90.20	\$187,610
Management	304,760	\$78.80	\$163,900
Computer and Mathematical	239,700	\$62.96	\$130,950
Architecture and Engineering	54,590	\$57.11	\$118,790
Life Physical and Social Science	61,070	\$56.94	\$118,440
Business and Financial Operations	384,770	\$56.24	\$116,970
Healthcare Practitioners and Technical	148,350	\$55.79	\$116,050
Arts Design Entertainment Sports and Media	69,650	\$46.08	\$95,850
Educational Instruction and Library	190,940	\$35.40	\$73,630
Community and Social Service	45,180	\$32.83	\$68,290
Protective Service	90,240	\$32.61	\$67,830
Installation Maintenance and Repair	88,870	\$31.29	\$65,080
Construction and Extraction	109,380	\$30.43	\$63,300
Sales and Related	222,850	\$27.17	\$56,510
Office and Administrative Support	296,400	\$26.30	\$54,710
Production	44,200	\$25.56	\$53,150
Transportation and Material Moving	166,240	\$24.91	\$51,810
Farming Fishing and Forestry	1,950	\$21.51	\$44,730
Personal Care and Service	67,170	\$20.37	\$42,380
Healthcare Support	96,060	\$20.21	\$42,040
Building and Grounds Cleaning and Maintenance	97,160	\$19.49	\$40,550
Food Preparation and Serving Related	244,010	\$19.26	\$40,060

Source: Department of Labor, Occupational Employment Statistics, May 2023, retrieved October 2024

The preceding table shows the average hourly and annual wages by occupation classification. The classification with the lowest average hourly wage is food preparation and serving related occupations at \$19.26 per hour. The highest average hourly wage, of \$90.20, is for those in management occupations.

The Subject will be restricted to senior households earning 60 percent of AMI or less. As proposed, the Subject will serve tenants earning incomes ranging from \$47,790 (minimum allowable income for a one-bedroom 60 percent of AMI unit) to \$83,580 (maximum allowable income for a two-bedroom 60 percent of AMI unit). Utilizing the upper end of the Subject's qualifying income at \$83,580 corresponds to an approximate hourly wage rate of \$40.18, which is slightly below the mean hourly wage for all occupations. An element not reflected in the wage rate data is that many positions represent part-time employment, and starting rates are typically lower than mean wage rates. Senior household income data shown later in this report demonstrate a significant number of senior households within the region have earnings of less than \$50,000 annually.

Commuting Patterns

The chart below shows the travel time to work for the PMA according to U.S. Census data.

COMMUTING PATTERNS		
ACS Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	873	1.5%
Travel Time 5-9 min	4,385	7.6%
Travel Time 10-14 min	6,727	11.7%
Travel Time 15-19 min	9,235	16.0%
Travel Time 20-24 min	7,238	12.6%
Travel Time 25-29 min	2,941	5.1%
Travel Time 30-34 min	4,020	7.0%
Travel Time 35-39 min	1,460	2.5%
Travel Time 40-44 min	1,890	3.3%
Travel Time 45-59 min	6,589	11.4%
Travel Time 60-89 min	8,401	14.6%
Travel Time 90+ min	3,868	6.7%
Weighted Average	36 minutes	

Source: Esri Demographics 2024, Novogradac, November 2024

As shown in the preceding table, the weighted average commute time in the PMA is approximately 36 minutes, and the drive time zone of the PMA is approximately 36 minutes. Only 47 percent of PMA commuters travel under 24 minutes, indicating many households work outside, the local area, like closer to Washington, DC to the north. The average commute time across the overall nation is approximately 28 minutes. As the Subject will target active seniors, we believe the Subject's tenants may work locally part-time, having a shorter commute time than the weighted average, or may still be in the workforce and have a commute into the greater metro.

Conclusion

Employment in the PMA is concentrated in public administration, retail trade, and healthcare/social assistance, which collectively comprise 38.4 percent of local employment. MSA employment currently remains slightly below the record high achieved in 2023. As of August 2024, employment in the MSA is declining at an annualized rate of 0.4 percent, compared to a less than 0.1 percent rate of decline reported across the nation. According to the latest labor statistics, dated August 2024, the current MSA unemployment rate is 3.7 percent. This is slightly below the current national unemployment rate of 4.4 percent.

VII. DEMOGRAPHIC CHARACTERISTICS

DEMOGRAPHIC CHARACTERISTICS

Population and Households

The following tables illustrates population and household trends in the PMA, MSA and nation from 2010 through 2024, as well as projections through 2029.

POPULATION

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	112,181	-	5,547,463	-	308,736,218	-
2024	138,156	1.7%	6,429,395	1.1%	338,436,229	0.7%
2029	146,376	1.2%	6,609,906	0.6%	344,868,049	0.4%

Source: Esri Demographics 2024, Novogradac, November 2024

The PMA population increased by 1.7 percent annually between 2010 and 2024, a faster rate than the MSA and the overall nation. According to ESRI demographic projections, the population of the PMA is expected to continue to increase at a slightly slower rate of 1.2 percent annually through 2029. Growth in the PMA will remain faster than that of the MSA and nation.

HOUSEHOLDS

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	40,121	-	2,063,101	-	116,712,903	-
2024	50,613	1.9%	2,388,667	1.1%	130,714,038	0.9%
2029	54,428	1.5%	2,474,043	0.7%	134,926,628	0.6%

Source: Esri Demographics 2024, Novogradac, November 2024

The number of households in the PMA increased by 1.9 percent annually between 2010 and 2024, a faster rate than the MSA and the overall nation. According to ESRI demographic projections, the number of households in the PMA is expected to continue to increase at a slightly slower rate of 1.5 percent annually through 2029. Growth in the PMA will remain faster than that of the MSA and nation.

Senior Population and Households (55+)

The proposed Subject will be age-restricted to senior (55+) households; thus, we included a demographic analysis of the senior population. The following tables illustrate senior population and household trends in the PMA, MSA, and nation from 2010 through 2024, as well as projections through 2029.

POPULATION 55+

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	22,540	-	1,178,253	-	76,748,105	-
2024	36,430	4.4%	1,688,417	3.1%	102,959,124	2.4%
2029	40,618	2.3%	1,848,969	1.9%	109,313,592	1.2%

Source: Esri Demographics 2024, Novogradac, November 2024

The senior population of the PMA increased by 4.4 percent annually between 2010 and 2024, a faster rate than the MSA and the overall nation. According to ESRI demographic projections, the senior population of the PMA is expected to continue to increase at a slower rate of 2.3 percent annually through 2029. Growth in the PMA will remain faster than that of the MSA and nation.

HOUSEHOLDS 55+

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	15,510	-	792,074	-	50,931,069	-
2024	21,012	2.5%	979,455	1.7%	60,574,761	1.4%
2029	24,408	3.2%	1,105,516	2.6%	65,815,178	1.7%

Source: Esri Demographics 2024, Novogradac, November 2024

The number of senior households in the PMA increased by 2.5 percent annually between 2010 and 2024, a faster rate than the MSA and the overall nation. According to ESRI demographic projections, the number of senior households in the PMA is expected to continue to increase at a slightly faster rate of 3.2 percent annually through 2029. Growth in the PMA will remain faster than that of the MSA and nation.

Population by Age

POPULATION BY AGE IN 2024

Age Cohort	PMA		MSA		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
0-4	8,438	6.1%	365,285	5.7%	18,584,565	5.5%
5-9	8,976	6.5%	396,428	6.2%	19,791,939	5.8%
10-14	9,021	6.5%	395,027	6.1%	20,423,998	6.0%
15-19	9,877	7.1%	396,328	6.2%	21,774,384	6.4%
20-24	10,263	7.4%	420,829	6.5%	23,042,011	6.8%
25-29	9,311	6.7%	461,207	7.2%	22,101,332	6.5%
30-34	10,244	7.4%	503,711	7.8%	23,753,070	7.0%
35-39	9,825	7.1%	481,816	7.5%	22,701,131	6.7%
40-44	9,241	6.7%	483,216	7.5%	22,381,558	6.6%
45-49	8,144	5.9%	418,911	6.5%	20,062,709	5.9%
50-54	8,383	6.1%	418,220	6.5%	20,860,408	6.2%
55-59	8,219	5.9%	383,628	6.0%	20,263,436	6.0%
60-64	7,936	5.7%	368,364	5.7%	21,297,805	6.3%
65-69	6,698	4.8%	307,135	4.8%	19,399,830	5.7%
70-74	5,275	3.8%	240,585	3.7%	15,842,202	4.7%
75-79	3,980	2.9%	181,804	2.8%	12,056,452	3.6%
80-84	2,266	1.6%	107,475	1.7%	7,260,236	2.1%
85+	2,056	1.5%	99,426	1.5%	6,839,163	2.0%
Total	138,153	100.0%	6,429,395	100.0%	338,436,229	100.0%

Source: Esri Demographics 2024, Novogradac Consulting LLP, November 2024

POPULATION BY AGE IN 2029 ESTIMATE

Age Cohort	PMA		MSA		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
0-4	8,774	6.0%	361,203	5.5%	18,632,070	5.4%
5-9	8,792	6.0%	375,638	5.7%	18,713,311	5.4%
10-14	9,043	6.2%	407,109	6.2%	20,043,778	5.8%
15-19	9,599	6.6%	393,971	6.0%	20,828,484	6.0%
20-24	10,558	7.2%	409,224	6.2%	22,503,458	6.5%
25-29	10,864	7.4%	479,562	7.3%	23,760,789	6.9%
30-34	9,975	6.8%	479,685	7.3%	22,603,863	6.6%
35-39	10,585	7.2%	499,552	7.6%	23,744,641	6.9%
40-44	10,085	6.9%	477,703	7.2%	22,719,989	6.6%
45-49	9,249	6.3%	470,377	7.1%	22,172,224	6.4%
50-54	8,234	5.6%	406,913	6.2%	19,831,850	5.8%
55-59	8,156	5.6%	391,687	5.9%	20,097,217	5.8%
60-64	7,826	5.3%	353,463	5.3%	19,513,767	5.7%
65-69	7,633	5.2%	336,354	5.1%	20,132,949	5.8%
70-74	6,460	4.4%	282,201	4.3%	17,878,428	5.2%
75-79	4,794	3.3%	216,184	3.3%	13,966,143	4.0%
80-84	3,241	2.2%	148,571	2.2%	9,698,603	2.8%
85+	2,508	1.7%	120,509	1.8%	8,026,485	2.3%
Total	146,376	100.0%	6,609,906	100.0%	344,868,049	100.0%

Source: Esri Demographics 2023, Novogradac Consulting LLP, November 2024

Senior Household Income Distribution (55+)

The following table illustrates senior household income distribution in the PMA, MSA, and nation as of 2024 and in 2029 based on demographic projections.

55+ HOUSEHOLD INCOME PMA

Income Cohort	2024		2029		Annual Change 2024 to 2029	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	762	3.6%	805	3.3%	9	1.1%
\$10,000-19,999	1,457	6.9%	1,439	5.9%	-4	-0.2%
\$20,000-29,999	1,425	6.8%	1,483	6.1%	12	0.8%
\$30,000-39,999	1,551	7.4%	1,513	6.2%	-8	-0.5%
\$40,000-49,999	1,491	7.1%	1,654	6.8%	33	2.2%
\$50,000-59,999	1,705	8.1%	1,775	7.3%	14	0.8%
\$60,000-74,999	2,002	9.5%	2,259	9.3%	51	2.6%
\$75,000-99,999	2,585	12.3%	2,894	11.9%	62	2.4%
\$100,000-124,999	1,998	9.5%	2,327	9.5%	66	3.3%
\$125,000-149,999	1,488	7.1%	1,888	7.7%	80	5.4%
\$150,000-199,999	2,239	10.7%	2,800	11.5%	112	5.0%
\$200,000+	2,309	11.0%	3,571	14.6%	252	10.9%
Total	21,012	100.0%	24,408	100.0%		

Source: HISTA Data / Ribbon Demographics 2024, Novogradac, November 2024

55+ HOUSEHOLD INCOME MSA

Income Cohort	2024		2029		Annual Change 2024 to 2029	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	45,974	4.7%	46,158	4.2%	37	0.1%
\$10,000-19,999	54,700	5.6%	54,556	4.9%	-29	-0.1%
\$20,000-29,999	51,960	5.3%	51,577	4.7%	-77	-0.1%
\$30,000-39,999	53,998	5.5%	54,926	5.0%	186	0.3%
\$40,000-49,999	52,904	5.4%	54,337	4.9%	287	0.5%
\$50,000-59,999	52,113	5.3%	53,774	4.9%	332	0.6%
\$60,000-74,999	76,131	7.8%	79,626	7.2%	699	0.9%
\$75,000-99,999	112,225	11.5%	120,806	10.9%	1,716	1.5%
\$100,000-124,999	97,105	9.9%	106,724	9.7%	1,924	2.0%
\$125,000-149,999	80,478	8.2%	93,315	8.4%	2,567	3.2%
\$150,000-199,999	107,174	10.9%	126,710	11.5%	3,907	3.6%
\$200,000+	194,693	19.9%	263,007	23.8%	13,663	7.0%
Total	979,455	100.0%	1,105,516	100.0%		

Source: HISTA Data / Ribbon Demographics 2024, Novogradac, November 2024

Annual senior household income levels will range from \$47,790 to \$83,580 for the Subject's housing units, as proposed.

Average Household Size

The following table is a summary of the average household size in the PMA, MSA, and nation in 2010, 2024, and 2029 among the general population and among seniors.

AVERAGE HOUSEHOLD SIZE

Year	PMA		MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2010	2.73	-	2.64	-	2.57	-
2024	2.68	-0.2%	2.65	0.0%	2.53	-0.1%
2029	2.64	-0.3%	2.63	-0.1%	2.50	-0.2%

Source: Esri Demographics 2024, Novogradac, November 2024

AVERAGE HOUSEHOLD SIZE - 55+

Year	PMA		MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2010	1.29	-	1.36	-	1.35	-
2024	1.60	1.7%	1.62	1.4%	1.57	1.2%
2029	1.55	-0.6%	1.58	-0.5%	1.54	-0.4%

Source: Esri Demographics 2024, Novogradac, November 2024

The average household size in the PMA is similar to the MSA and slightly above the overall nation. According to ESRI demographic projections, the average household size in the PMA is expected to decline slightly through 2029.

The average household size among senior households in the PMA is similar to the MSA and the overall nation. According to ESRI demographic projections, the average senior size in the PMA is expected to decline slightly through 2029. Based on the Subject's proposed unit mix and senior tenancy, it is likely the majority of the tenants will comprise of one to two person households, similar to the average senior household size for the PMA.

Senior Household Tenure (55+)

The table below shows the breakdown of senior households by tenure within the Subject's PMA.

PMA TENURE PATTERNS OF SENIORS 55+

Year	Owner-Occupied	Percentage Owner-Occupied	Renter-Occupied	Percentage Renter-Occupied
2010	11,904	76.8%	3,606	23.2%
2024	16,056	76.4%	4,956	23.6%
2029	18,830	77.1%	5,578	22.9%

Source: HISTA Data / Ribbon Demographics 2024, Novogradac, November 2024

The preceding table details senior household tenure patterns in the PMA since 2010. The number of senior renter households in the PMA increased between 2010 and 2024, and seniors are estimated to be 23.6 percent as of 2024. According to ESRI demographic projections, the percentage of senior renter households in the PMA is expected to decrease slightly through 2029; however, the total number of senior renter households is expected to increase.

Median Household Income Levels

The following table illustrates median household income levels in the PMA, MSA, and nation from 2010 through 2029. Note that this is based on data for all household sizes and is independent of the calculation of AMI. *The median household income data for senior households was not available.*

MEDIAN HOUSEHOLD INCOME

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	\$65,765	-	\$88,200	-	\$60,686	-
2024	\$95,759	3.3%	\$122,325	2.8%	\$79,067	2.2%
2029	\$107,236	2.4%	\$138,788	2.7%	\$91,442	3.1%

Source: Esri Demographics 2024, Novogradac, November 2024

As of 2024, the median income in the PMA is below the surrounding MSA. Median household income growth in the PMA exceeded the MSA between 2010 and 2024. Growth in both geographic areas exceeded the nation during the same time period. Relative to the nation, household income in the PMA increased slightly from 108 percent of the national median income in 2010 to 121 in 2024. According to ESRI demographic projections, annualized PMA growth is expected to slow to 2.4 percent through 2029, which is slightly below projected growth in surrounding the MSA but above the overall nation.

Senior Renter Household Income Distribution (55+)

The following tables illustrate the senior renter household income distribution for the PMA and MSA in 2024 and 2029.

55+ RENTER HOUSEHOLD INCOME PMA

Income Cohort	2024		2029		Annual Change 2024 to 2029	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	413	8.3%	427	7.7%	3	0.7%
\$10,000-19,999	621	12.5%	600	10.8%	-4	-0.7%
\$20,000-29,999	544	11.0%	564	10.1%	4	0.7%
\$30,000-39,999	497	10.0%	486	8.7%	-2	-0.4%
\$40,000-49,999	436	8.8%	479	8.6%	9	2.0%
\$50,000-59,999	420	8.5%	444	8.0%	5	1.1%
\$60,000-74,999	408	8.2%	474	8.5%	13	3.2%
\$75,000-99,999	397	8.0%	462	8.3%	13	3.3%
\$100,000-124,999	345	7.0%	403	7.2%	12	3.4%
\$125,000-149,999	217	4.4%	298	5.3%	16	7.5%
\$150,000-199,999	299	6.0%	385	6.9%	17	5.8%
\$200,000+	359	7.2%	556	10.0%	39	11.0%
Total	4,956	100.0%	5,578	100.0%		

Source: HISTA Data / Ribbon Demographics 2024, Novogradac, November 2024

55+ RENTER HOUSEHOLD INCOME MSA

Income Cohort	2024		2029		Annual Change 2024 to 2029	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	25,160	10.4%	25,445	9.4%	57	0.2%
\$10,000-19,999	26,997	11.2%	27,453	10.1%	91	0.3%
\$20,000-29,999	21,313	8.8%	21,759	8.0%	89	0.4%
\$30,000-39,999	19,621	8.1%	20,539	7.6%	184	0.9%
\$40,000-49,999	17,003	7.1%	18,100	6.7%	219	1.3%
\$50,000-59,999	15,867	6.6%	16,915	6.2%	210	1.3%
\$60,000-74,999	20,460	8.5%	22,358	8.2%	380	1.9%
\$75,000-99,999	25,251	10.5%	28,585	10.5%	667	2.6%
\$100,000-124,999	19,168	7.9%	22,497	8.3%	666	3.5%
\$125,000-149,999	14,685	6.1%	18,480	6.8%	759	5.2%
\$150,000-199,999	16,243	6.7%	20,655	7.6%	882	5.4%
\$200,000+	19,341	8.0%	28,227	10.4%	1,777	9.2%
Total	241,109	100.0%	271,013	100.0%		

Source: HISTA Data / Ribbon Demographics 2024, Novogradac, November 2024

As illustrated, the largest concentrations of senior renter households in the PMA are in the \$10,000 to \$19,999, \$20,000 to \$29,999, and \$30,000 to \$39,999 income cohorts. As of 2024, approximately 50.6 percent of senior renter households within the PMA have annual income below \$50,000.

Rent Overburdened Households

The following table illustrates the percentage of all households paying greater than 35 percent of their income towards housing in the PMA, MSA, and nation.

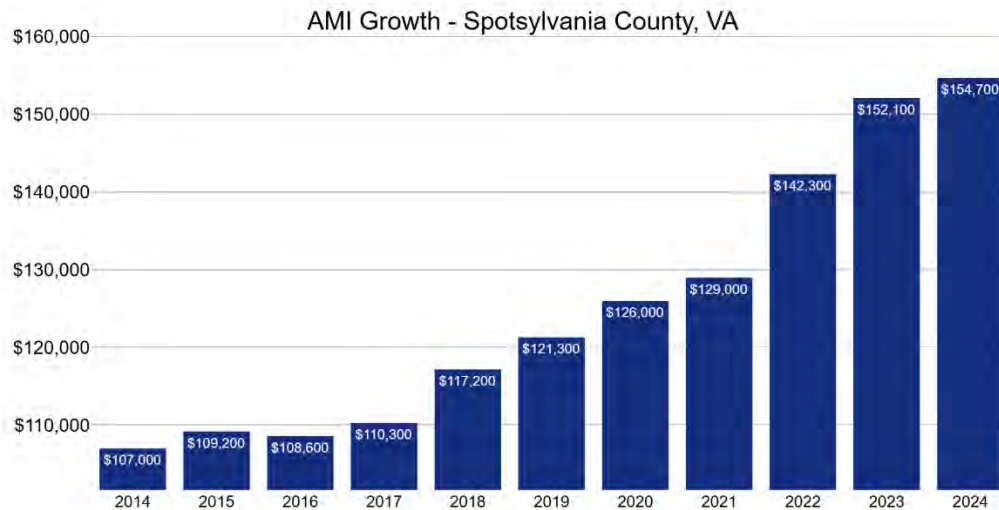
RENT OVERBURDENED						
Year	PMA		MSA		USA	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
2024	4,169	41.7%	286,294	38.7%	16,632,947	42.7%

Source: US Census 2024, Novogradac, November 2024

The percentage of rent-overburdened households in the PMA is above the MSA and slightly below the nation.

AMI Growth

For Section 42 LIHTC rent determination purposes, HUD begins with the Area Median Income (AMI). The following chart illustrates the HUD-published area median income in Spotsylvania County, VA. Spotsylvania County is part of the Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area.



Source: Novogradac Consulting LLP, 2024

Overall, the AMI increased at an annual rate of 4.1 percent between 2014 and 2024. As of 2024, the AMI in the MSA is at a peak level of \$154,700, up 1.7 percent from the \$152,100 AMI in 2023. The following chart illustrates the annual growth in AMI over the past eight years.

AMI GROWTH															
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
AMI	\$103,500	\$106,100	\$107,500	\$107,300	\$107,000	\$109,200	\$108,600	\$110,300	\$117,200	\$121,300	\$126,000	\$129,000	\$142,300	\$152,100	\$154,700
% Growth	-	2.51%	1.32%	(0.19%)	(0.28%)	2.06%	(0.55%)	1.57%	6.26%	3.50%	3.87%	2.38%	10.31%	6.89%	1.71%

The Subject's proposed LIHTC rents set at 2024 LIHTC maximum allowable levels. Therefore, rent increases for the Subject's units will be dependent on AMI growth.

Conclusion

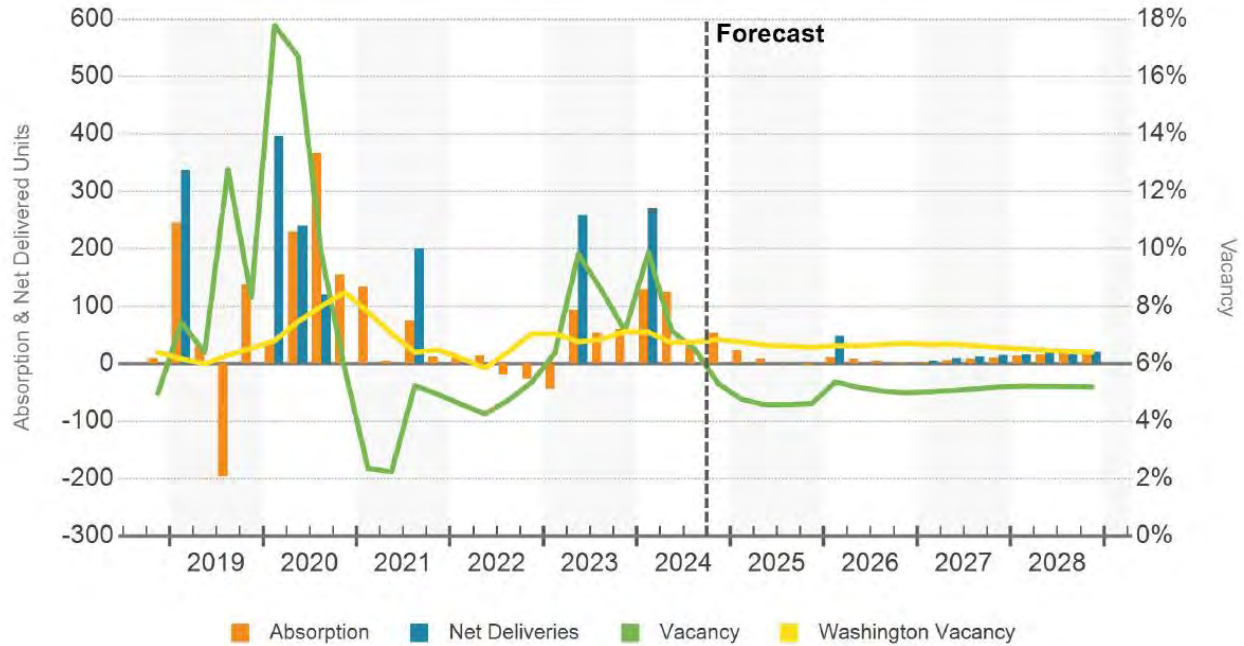
The population and number of households in the PMA increased between 2020 and 2024, and among seniors, increased at a faster rate than the general population. The number of senior renter households in the PMA also increased during this period, and senior renters represent 23.6 percent of senior households as of 2024. Senior population, households, and renter household levels are all projected to continue to increase through 2029. As of 2024, the median income in the PMA is below the surrounding MSA, and is projected to increase at a slower pace than the MSA through 2029. Approximately 50.6 percent of senior renter households within the PMA have annual income below \$50,000. Overall, the demographic projections bode well for future demand for affordable senior multifamily housing.

VIII. COMPETITIVE ENVIRONMENT

HOUSING SUMMARY

We consulted a CoStar report for the Spotsylvania County multifamily submarket to gather recent information on the local apartment rental market. The following chart illustrates absorption, net deliveries, and vacancy for the Spotsylvania County multifamily submarket, as well as vacancy rates for the Washington, D.C. market as a whole.

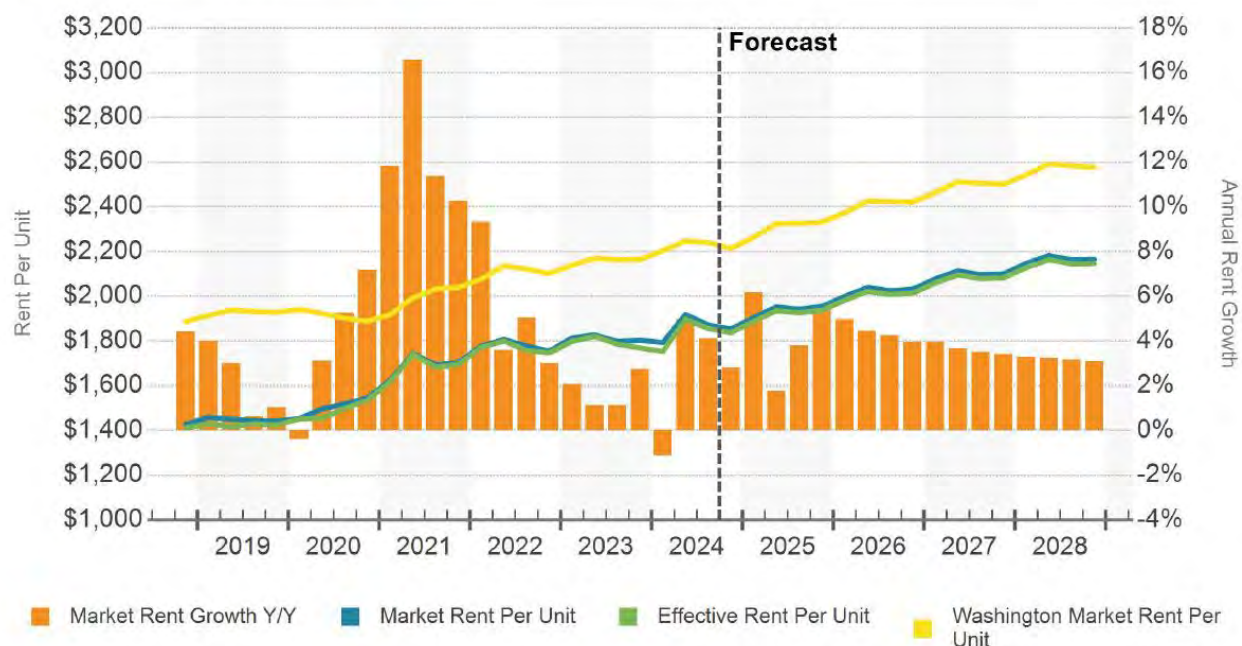
ABSORPTION, NET DELIVERIES & VACANCY



Source: CoStar, November 2024

According to CoStar, the vacancy rate in the submarket is currently 5.8 percent, and over the past five years has averaged 7.3 percent. The vacancy rate in the submarket is expected to decline over the next several quarters and remain below the vacancy rate of the overall Washington, D.C. market.

MARKET RENT PER UNIT & RENT GROWTH



Source: CoStar, November 2024

Market rent growth for the submarket is illustrated in the orange bars in the previous chart. According to CoStar, the market rent per unit in the submarket is currently \$1,860. As illustrated above, the market rent per unit in the submarket is projected to increase steadily over the next several years with growth rates between approximately two and six percent annually. The market rent per unit in the submarket has historically been below the Washington, D.C. market as a whole, which is projected to continue.

Age of Housing Stock

The following table illustrates the age of the existing housing stock in the PMA, MSA, and nation.

HOUSING STOCK BY YEAR BUILT						
	PMA		MSA		USA	
Built 2005 or later	6,918	14.1%	244,730	10.0%	11,588,353	8.3%
Built 2000 to 2004	10,102	20.5%	343,977	14.1%	19,083,030	13.6%
Built 1990 to 1999	10,621	21.6%	331,604	13.6%	18,595,726	13.3%
Built 1980 to 1989	8,258	16.8%	376,220	15.4%	18,543,181	13.2%
Built 1970 to 1979	5,570	11.3%	324,083	13.3%	20,613,288	14.7%
Built 1960 to 1969	2,247	4.6%	286,394	11.7%	14,350,524	10.2%
Built 1950 to 1959	2,000	4.1%	219,525	9.0%	13,899,149	9.9%
Built 1940 to 1949	1,315	2.7%	117,928	4.8%	6,504,533	4.6%
Built 1939 or earlier	2,190	4.4%	201,105	8.2%	16,976,065	12.1%
Total Housing Units	49,221	100.0%	2,445,566	100.0%	140,153,849	100.0%

Source: Esri Demographics 2024, Novogradac, November 2024

As illustrated in the previous table, a majority of the housing stock in the PMA, 58.9 percent, was built between 1980 and 2004. Approximately 27.1 percent of the housing stock was built before 1970, and 14.1 percent has been built since 2005. Based on our field inspection of the area, the local housing stock reflects generally average to good condition. As new construction, the Subject will have an advantage over the existing housing stock.

Substandard Housing

The following table illustrates the percentage of housing units that are considered substandard. According to HUD, substandard housing includes: dilapidated unit, unit lacks operable indoor plumbing, unit lacks a usable flush toilet for the exclusive use of a family, unit lacks a usable bathtub or shower for the exclusive use of the a family, unit lacks electricity or has inadequate or unsafe electrical services, unit lacks a safe or adequate source of heat, unit should, but lacks a kitchen, and unit has been declared inhabitable by an agency or government entity.

SUBSTANDARD HOUSING			
Year	PMA	MSA	USA
	<i>Percentage</i>	<i>Percentage</i>	<i>Percentage</i>
2024	1.32%	1.12%	1.70%

Source: Esri Demographics 2024, Novogradac, November 2024

The percentage of residents living in substandard housing in the PMA is slightly above that of the MSA and below the nation.

Building Permits

The following table demonstrates building permit information from 1997 through the year-to-date in 2024, the most recent data available, for Spotsylvania County.

BUILDING PERMITS: SPOTSYLVANIA COUNTY 1997 - 2024*				
Year	Single-family and Duplex	Three and Four-Family	Five or More Family	Total Units
1997	1,117	0	568	1,685
1998	1,562	0	68	1,630
1999	1,463	0	168	1,631
2000	1,460	0	0	1,460
2001	1,903	0	250	2,153
2002	1,651	0	0	1,651
2003	1,596	0	220	1,816
2004	1,290	0	129	1,419
2005	1,511	0	154	1,665
2006	1,174	0	92	1,266
2007	580	0	8	588
2008	131	0	0	131
2009	258	0	0	258
2010	254	0	0	254
2011	248	0	0	248
2012	300	0	0	300
2013	362	0	0	362
2014	375	0	0	375
2015	390	0	0	390
2016	420	0	0	420
2017	689	0	270	959
2018	648	0	940	1,588
2019	675	0	633	1,308
2020	779	0	632	1,411
2021	888	0	727	1,615
2022	766	0	886	1,652
2023	297	0	60	357
2024*	0	0	537	537
Average*	814	0	227	1,040

*YTD, preliminary

Source: US Census Bureau, Novogradac, November 2024

Permit issuance declined by 93.9 percent during the 2000's recession, reaching a low in 2008. Permit issuance increased in 12 out of 16 years between 2008 and 2024. Permit issuance peaked in 2001, well before the onset of the national recession. The most recent years with finalized data indicate construction activity declined by 78.4 percent between 2022 and 2023, however remains below the post-recessionary highs recorded in 2022. Additionally worth noting is that the share of overall permit issuance attributable to large-scale multifamily projects increased 38.9 percent between 2009 and 2023, compared to only 9.7 percent between 1997 and 2008.

Rent/Buy Analysis

We performed a rent/buy analysis. Our inputs assume a two-bedroom single-family home listing on Zillow in the Subject's neighborhood with a purchase price of \$299,000 and an interest rate of 6.5 percent for a 30-year fixed mortgage with a ten percent down payment. This was compared with the cost to rent the Subject's two-bedroom unit at 60 percent of AMI. The analysis indicates that with a monthly differential of \$447, it is more affordable to rent than purchase a home. The rent buy analysis is illustrated in the following table.

RENT BUY ANALYSIS			
Property Type:		Two-Bedroom Single-Family Home	
Sales Price			\$299,000
Down Payment at 10.0%			\$29,900
Mortgage Amount			\$269,100
Current Interest Rate			6.50%
<i>Homeownership Costs</i>		<i>Monthly</i>	<i>Annual</i>
Mortgage Payment		\$1,701	\$20,411
Property Taxes		\$311	\$3,738
Private Mortgage Insurance*		\$112	\$1,346
Maintenance		\$498	\$5,980
Utility Costs**		\$15	\$180
Tax Savings		(\$440)	(\$5,285)
Cost Comparison			
		<i>Monthly</i>	<i>Annual</i>
Costs of Homeownership		\$2,197	\$26,369
Cost of Renting At Subject		\$1,750	\$21,000
Differential		\$447	\$5,369
Cost of Occupancy			
<i>Homeownership</i>			
Closing Costs		3.00%	\$8,970
Down Payment at 10.0%		10.00%	\$29,900
Total			\$38,870
<i>Subject Rental</i>			
First Month's Rent		\$1,750	
Security Deposit		\$1,750	
Total		\$3,500	

* Based upon 0.50% of mortgage amount

** Utility Costs Included in Rent at Subject

As illustrated, the cash due at occupancy category more than \$38,000 for the down payment and closing costs. The cash necessary for homeownership is still a barrier to many. Further, as the Subject is a senior development, we believe the Subject will face limited competition from homeownership, as many seniors instead convert from homeownership to renting.

Additions to Supply

We attempted to contact the Fredericksburg Planning Department for information regarding new or recently delivered multifamily developments in the area. However, our calls have not been returned as of the date of this report. Thus, we consulted CoStar’s database of multifamily developments in the pipeline within the PMA, as well as conducted extensive internet research. According to our research, there is only one proposed or under construction development in the PMA, The Factory at Upper Spotsy II. This property would be the second phase of The Factory at Upper Spotsy, which opened in 2023 with 258 one and two-bedroom units as the adaptive redevelopment of a former industrial plant. The Factory at Upper Spotsy II is proposed to offer 300 additional units; however, the unit types are not yet known. The property is reportedly anticipated to begin construction in April 2026 and be completed in August 2028. As a market rate property targeting the general population, this property would not be competitive with the Subject.

Recent LIHTC Allocations

According to Virginia Housing development lists, there have been three LIHTC allocations awarded in the Subject’s PMA since 2020, as detailed in the following table.

RECENT LIHTC ALLOCATIONS IN PMA

Property Name	Rent Structure	Tenancy	Total Units	Competitive LIHTC Units*	LIHTC Allocation Year
Palmers Creek II	LIHTC	Family	200	0	2021
Salem Run I	LIHTC	Family	160	0	2022
Salem Run II	LIHTC	Family	108	0	2022
Totals			528	0	

*Excludes existing units receiving allocations for rehab

As detailed above, three developments totaling 528 units have received tax credit allocation in the PMA since 2020. Salem Run I and II are existing LIHTC properties built in 1996 that received allocations for acquisition/rehabilitation. As such, no new units are added to the market; further, these properties target the general population and are not directly competitive with the Subject, and they have been excluded as comparables in the report due to the availability of newer and more comparable properties. Palmers Creek II received an allocation in 2022 for the new construction of 200 one, two, and three-bedroom LIHTC units that will be the second phase of the larger Palmers Creek development (Phase I opened in 2021 and also consisted of 200 LIHTC units). This property is also not directly competitive with the Subject as it targets the general population.

The Heights at Jackson Village I, the first phase of the overall Subject development, received an allocation in 2019; however, this property is still in lease-up. The property consists of two buildings, the first of which opened in July 2023 and stabilized in December 2023, and currently has 96 out of 99 units occupied, or 97.0 percent occupancy. The second building opened on October 24, 2024, and currently has 11 out of 88 units occupied, 12.5 percent, although an additional eight units have pending leases.

Overall, there are an additional 69 competitive pipeline units.

SURVEY OF COMPARABLE PROPERTIES

Comparable properties are examined on the basis of physical characteristics; i.e., building type, building age/quality, the level of common amenities, absorption rates, and similarity in rent structure. We attempted to compare the Subject to properties from the competing market, in order to provide a picture of the general economic health and available supply in the market.

Description of Property Types Surveyed/Determination of Number of Tax Credit Units

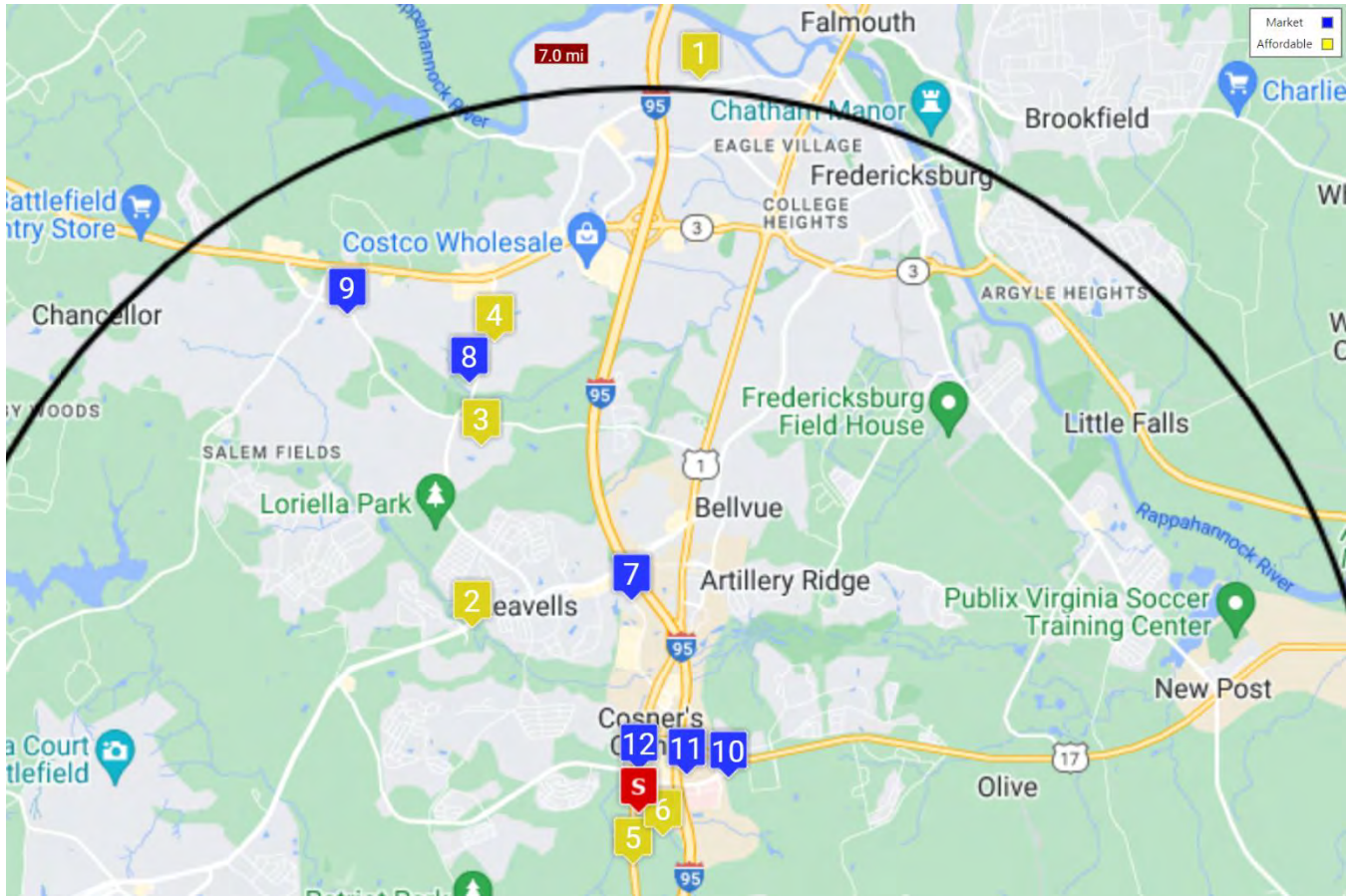
To evaluate the competitive position of the Subject, we surveyed a total of 2,565 units in 12 rental properties. The LIHTC data is considered good. We are aware of six senior LIHTC developments in the PMA and attempted to survey these properties; as of the date of this report, we were only able to obtain data from four senior LIHTC properties and these were included as comparables, including The Heights at Jackson Village I, the first phase of the overall Subject development. We also included two family LIHTC developments in the PMA as comparables. The market rate data is also considered good. We attempted to survey senior independent living developments, excluding properties that offer premium services or amenities such as meals or housekeeping included in the rent, and were able to obtain data from one property, Alexander Heights. We also included five family market rate developments located in close proximity to the Subject site. We included five total market rate properties located between 0.3 and 5.6 miles from the Subject site, all of which are within the PMA. Overall, we believe the availability of data is adequate to support our conclusions.

The comparable properties were chosen primarily based on location, age, condition, design, and amenities. Several properties were excluded for various reasons. The following table illustrates the properties that are excluded from the supply analysis of this report.

EXCLUDED PROPERTIES

Property Name	Rent Structure	Tenancy	Reason for Exclusion
Apartments At Cobblestone Square	Market	Family	Unable to contact
Breezewood	Market	Family	Unable to contact
Brittany Commons	Market	Family	More similar comparables
Colonial Village At Greenbrier	Market	Family	Inferior condition
Evergreens At Smith Run	Market	Senior	More similar comparables
Kendalwood Apartments	Market	Family	Inferior condition
Kilburn Crossing	Market	Family	Unable to contact
Mark At Salem Station	Market	Family	Inferior condition
Monticello Square Apartments	Market	Family	More similar comparables
Residences At Belmont	Market	Family	More similar comparables
River Woods Apartments	Market	Family	More similar comparables
Southpoint Reserve At Stony Creek	Market	Family	More similar comparables
Spotsylvania Courthouse Village	Market	Family	More similar comparables
Stratford Square Apartments	Market	Family	More similar comparables
The Commons At Cowan	Market	Family	Inferior condition
Wellington Woods Apartments	Market	Family	Inferior condition
Asbury Manor	Section 8	Family	Subsidized rents
Heritage Park I & II	Section 8	Family	More similar comparables
Mill Park Terrace	Section 8	Senior	More similar comparables
Greens Of Salem Run	LIHTC	Family	More similar comparables
Hazel Hill	LIHTC	Family	Unable to contact
Heritage Park I Apartments	LIHTC	Family	Unable to contact
Heritage Park II Apartments	LIHTC	Family	Dissimilar Unable to contacttenancy
Keswick Apartments II	LIHTC	Family	Unable to contact
Keswick I Apartments	LIHTC	Family	Unable to contact
Keswick Senior Apartments	LIHTC	Senior	Unable to contact
Madonna House	LIHTC	Family	Dissimilar tenancy
Madonna House At Belmont	LIHTC	Senior	Unable to contact
New Post Apartments	LIHTC	Family	Unable to contact
Orchard Ridge At Jackson Village II	LIHTC	Family	Unable to contact
Overlook Terrace	LIHTC	Family	More similar comparables
Palmers Creek	LIHTC	Family	Unable to contact
Riverview Apartments	LIHTC	Family	Inferior condition
Salem Fields Apartments	LIHTC	Family	More similar comparables
Salem Run I & II	LIHTC	Family	Dissimilar tenancy
Timber Ridge Townhomes	LIHTC	Family	More similar comparables
Townsend Square	LIHTC	Family	More similar comparables
Valor Apartments	LIHTC	Family	Unable to contact
Weston Circle And Wicklow Square	LIHTC	Family	Inferior condition
Forest Village	LIHTC/Section 8	Family	Subsidized rents

Comparable Rental Property Map

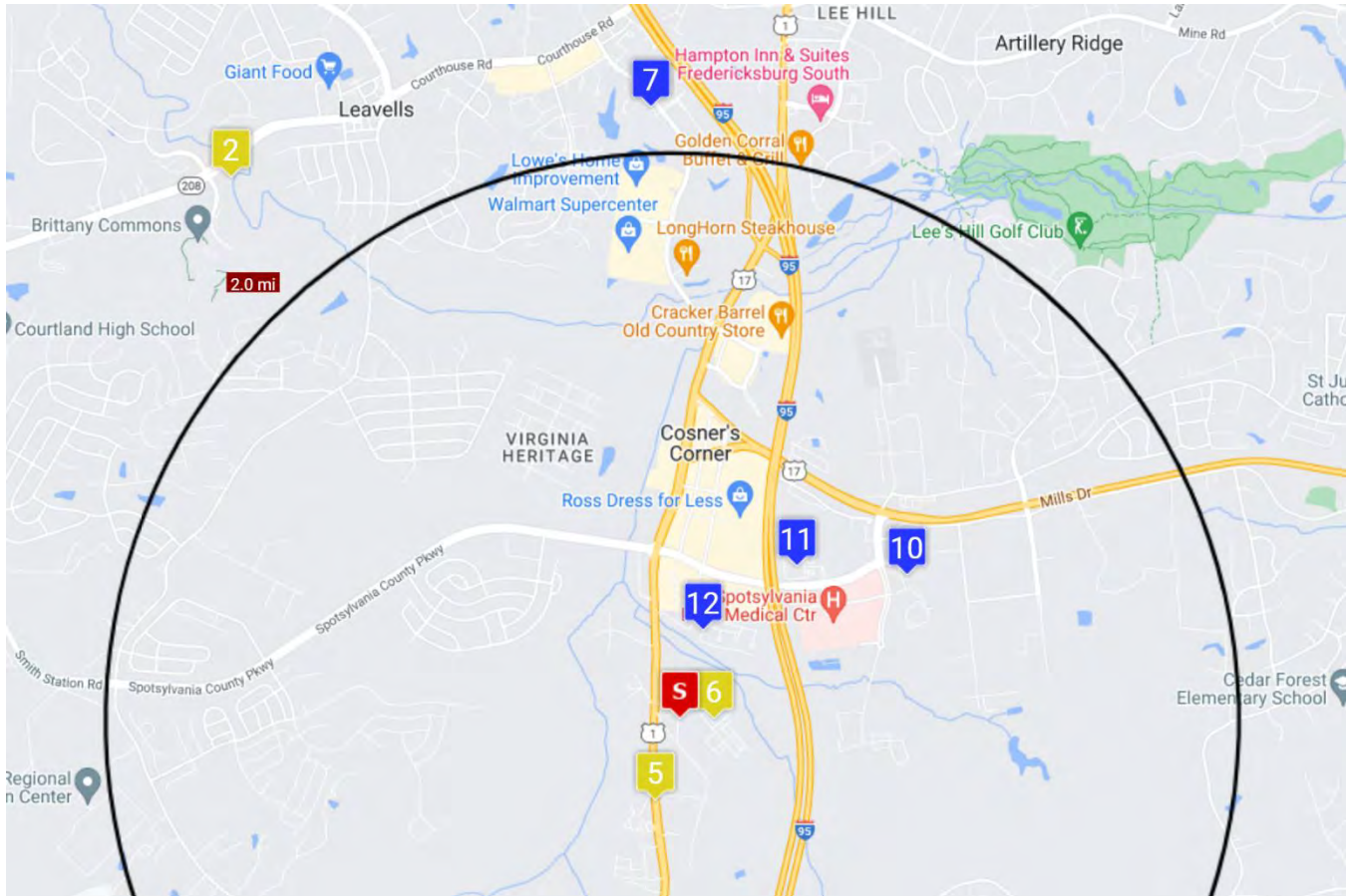


Source: Google Maps, November 2024

COMPARABLE PROPERTIES

#	Property Name	City	Rent Structure	Tenancy	Distance to Subject
S	The Heights At Jackson Village II	Fredericksburg	LIHTC	Senior	-
1	Crestview Apartments	Fredericksburg	LIHTC	Family	7.1 miles
2	Enoch George Manor	Spotsylvania Courthouse	LIHTC	Senior	2.5 miles
3	Kings Crest Senior Apartments	Fredericksburg	LIHTC	Senior	3.9 miles
4	Meadows At Salem Run I & II	Fredericksburg	LIHTC	Senior	4.8 miles
5	Orchard Ridge At Jackson Village	Fredericksburg	LIHTC	Family	0.3 mile
6	The Heights At Jackson Village I	Fredericksburg	LIHTC	Senior	0.0 mile
7	Abberly at Southpoint	Fredericksburg	Market	Family	2.2 miles
8	Alexander Heights	Fredericksburg	Market	Senior	4.5 miles
9	Kilburn Crossing	Fredericksburg	Market	Family	5.6 miles
10	Silver Collection At Cosner's Corner	Fredericksburg	Market	Family	0.7 mile
11	Station Square At Cosner's Corner	Fredericksburg	Market	Family	1.0 mile
12	The Allure At Jefferson	Fredericksburg	Market	Family	0.3 mile

Comparable Rental Property Map II



Source: Google Maps, November 2024

COMPARABLE PROPERTIES

#	Property Name	City	Rent Structure	Tenancy	Distance to Subject
S	The Heights At Jackson Village II	Fredericksburg	LIHTC	Senior	-
1	Crestview Apartments	Fredericksburg	LIHTC	Family	7.1 miles
2	Enoch George Manor	Spotsylvania Courthouse	LIHTC	Senior	2.5 miles
3	Kings Crest Senior Apartments	Fredericksburg	LIHTC	Senior	3.9 miles
4	Meadows At Salem Run I & II	Fredericksburg	LIHTC	Senior	4.8 miles
5	Orchard Ridge At Jackson Village	Fredericksburg	LIHTC	Family	0.3 mile
6	The Heights At Jackson Village I	Fredericksburg	LIHTC	Senior	0.0 mile
7	Abberly at Southpoint	Fredericksburg	Market	Family	2.2 miles
8	Alexander Heights	Fredericksburg	Market	Senior	4.5 miles
9	Kilburn Crossing	Fredericksburg	Market	Family	5.6 miles
10	Silver Collection At Cosner's Corner	Fredericksburg	Market	Family	0.7 mile
11	Station Square At Cosner's Corner	Fredericksburg	Market	Family	1.0 mile
12	The Allure At Jefferson	Fredericksburg	Market	Family	0.3 mile

THE HEIGHTS AT JACKSON VILLAGE II – FREDERICKSBURG, VIRGINIA – VIRGINIA HOUSING MARKET STUDY

SUMMARY MATRIX

#	Property Name	Distance	Type/Built/ Renovated	AMI	Unit Type	#	%	SF	Restriction	Rent (Adj)	Max Rent?	Waiting List	Vacant Units	Vacancy Rate
S	The Heights At Jackson Village II		Midrise	@60%	1BR/1BA	86	43.4%	690	@60%	\$1,500	No	N/A	N/A	N/A
	9202 Old Telegraph Road		5-stories		2BR/2BA	112	56.6%	964	@60%	\$1,750	No	N/A	N/A	N/A
	Fredericksburg, VA		2028											
	Spotsylvania County		Senior											
						198							N/A	N/A
1	Crestview Apartments	7.1 miles	Garden	@60%	1BR/1BA	24	13.3%	863	@60%	\$1,415	No	No	2	8.3%
	100 Crestview Way		3-stories		2BR/2BA	108	60.0%	988	@60%	\$1,499	No	No	2	1.9%
	Fredericksburg, VA		2000 / 2018		3BR/2BA	48	26.7%	1,128	@60%	\$1,706	No	No	0	0%
	Fredericksburg County		Family											
						180							4	2.2%
2	Enoch George Manor	2.5 miles	Lowrise	@60%	1BR/1BA	30	50.0%	550	@60%	\$1,035	No	Yes	0	0%
	10231 Brittany Commons Blvd		3-stories		2BR/1BA	30	50.0%	810	@60%	\$1,249	No	Yes	0	0%
	Spotsylvania Courthouse, VA		2005											
	Spotsylvania County		Senior											
						60							0	0.0%
3	Kings Crest Senior Apartments	3.9 miles	Lowrise	@50%	1BR/1BA	52	52.0%	564	@50%	\$1,131	No	Yes	1	1.9%
	11500 Kings Crest Court		3-stories		2BR/1BA	48	48.0%	803	@50%	\$1,230	No	Yes	1	2.1%
	Fredericksburg, VA		1999											
	Spotsylvania County		Senior											
						100							2	2.0%
4	Meadows At Salem Run I & II	4.8 miles	Lowrise	@50% @60%	1BR/1BA	57	31.7%	564	@50%	\$1,189	No	Yes	1	1.8%
	5711 & 5713 Castlebridge Road		3-stories		1BR/1BA	18	10.0%	549	@60%	\$1,189	No	Yes	0	0%
	Fredericksburg, VA		1997		1BR/1BA	60	33.3%	564	@60%	\$1,189	No	Yes	0	0%
	Spotsylvania County		Senior		2BR/1BA	23	12.8%	807	@50%	\$1,258	No	Yes	0	0%
					2BR/1BA	22	12.2%	807	@60%	\$1,258	No	Yes	0	0%
						180							1	0.6%
5	Orchard Ridge At Jackson Village	0.3 mile	Midrise	@60%	1BR/1BA	38	22.5%	790	@60%	\$1,439	No	Yes	0	0%
	9121 Jefferson Davis Highway		4-stories		2BR/2BA	124	73.4%	1,088	@60%	\$1,599	No	Yes	0	0%
	Fredericksburg, VA		2018		3BR/2BA	7	4.1%	1,402	@60%	\$2,099	No	Yes	0	0%
	Spotsylvania County		Family											
						169							0	0.0%
6	The Heights At Jackson Village I	0.0 mile	Midrise	@60%	1BR/1BA	18	9.6%	625	@60%	\$1,497	N/A	No	8	44.4%
	9200 Old Telegraph Road		5-stories		1BR/1BA	93	49.7%	650	@60%	\$1,497	No	No	44	47.3%
	Fredericksburg, VA		2023		2BR/1BA	76	40.6%	940	@60%	\$1,812	No	No	36	47.4%
	Spotsylvania County		Senior											
						187							88	47.1%
7	Abberly At Southpoint	2.2 miles	Midrise	Market	1BR/1BA	56	20.0%	807	Market	N/A	N/A	Yes	0	0%
	10500 Abberly Village Lane		4-stories		1BR/1BA	4	1.4%	813	Market	\$2,180	N/A	Yes	0	0%
	Fredericksburg, VA		2016		1BR/1BA	56	20.0%	907	Market	\$2,056	N/A	Yes	0	0%
	Spotsylvania County		Family		1BR/1.5BA	2	0.7%	1,199	Market	N/A	N/A	Yes	0	0%
					2BR/2BA	7	2.5%	1,101	Market	N/A	N/A	Yes	0	0%
					2BR/2BA	56	20.0%	1,194	Market	\$2,108	N/A	Yes	0	0%
					2BR/2BA	32	11.4%	1,279	Market	N/A	N/A	Yes	0	0%
					2BR/2.5BA	21	7.5%	1,327	Market	N/A	N/A	Yes	0	0%
					2BR/2BA	22	7.9%	1,454	Market	N/A	N/A	Yes	0	0%
					2.5BR/2BA	18	6.4%	1,496	Market	N/A	N/A	Yes	0	0%
					3BR/2BA	6	2.1%	1,496	Market	\$2,714	N/A	Yes	1	16.7%
						280							1	0.4%
8	Alexander Heights	4.5 miles	Midrise	Market	1BR/1BA	N/A	N/A	772	Market	\$1,445	N/A	No	0	0%
	2704 Salem Church Road		4-stories		1BR/1BA	N/A	N/A	789	Market	\$1,465	N/A	No	0	0%
	Fredericksburg, VA		2007		2BR/2BA	N/A	N/A	1,091	Market	\$1,765	N/A	No	0	0%
	Spotsylvania County		Senior		2BR/2BA	N/A	N/A	1,171	Market	\$1,885	N/A	No	0	0%
					2BR/2BA	N/A	N/A	1,245	Market	\$1,955	N/A	No	0	0%
						147							0	0.0%
9	Kilburn Crossing	5.6 miles	Garden	Market	1BR/1BA	N/A	N/A	804	Market	\$1,615	N/A	No	N/A	N/A
	6601 Charmed Way		3-stories		1BR/1BA	N/A	N/A	984	Market	N/A	N/A	No	0	N/A
	Fredericksburg, VA		2004 / 2017		2BR/1BA	N/A	N/A	1,051	Market	\$1,788	N/A	No	N/A	N/A
	Spotsylvania County		Family		2BR/2BA	N/A	N/A	1,125	Market	\$1,823	N/A	No	N/A	N/A
					2BR/2.5BA	N/A	N/A	1,219	Market	N/A	N/A	No	N/A	N/A
					3BR/2BA	N/A	N/A	1,350	Market	\$1,984	N/A	No	N/A	N/A
					3BR/2.5BA	N/A	N/A	1,400	Market	N/A	N/A	No	N/A	N/A
						220							9	4.1%
10	MAA Cosner's Corner	1.0 mile	Garden	Market	1BR/1BA	N/A	N/A	746	Market	\$1,648	N/A	No	N/A	N/A
	9419 Cumberland Drive		3-stories		1BR/1BA	N/A	N/A	780	Market	\$1,698	N/A	No	N/A	N/A
	Fredericksburg, VA		2013		1BR/1BA	N/A	N/A	861	Market	\$1,718	N/A	No	N/A	N/A
	Spotsylvania County		Family		1BR/1BA	N/A	N/A	995	Market	N/A	N/A	No	N/A	N/A
					2BR/2BA	N/A	N/A	1,157	Market	\$1,823	N/A	No	N/A	N/A
					2BR/2BA	N/A	N/A	1,191	Market	\$1,858	N/A	No	N/A	N/A
					2BR/2BA	N/A	N/A	1,242	Market	\$1,888	N/A	No	N/A	N/A
					3BR/2BA	N/A	N/A	1,300	Market	\$2,303	N/A	No	N/A	N/A
					3BR/2BA	N/A	N/A	1,514	Market	\$2,418	N/A	No	N/A	N/A
						380							12	3.2%

THE HEIGHTS AT JACKSON VILLAGE II – FREDERICKSBURG, VIRGINIA – VIRGINIA HOUSING MARKET STUDY

SUMMARY MATRIX

#	Property Name	Distance	Type/Built/ Renovated	AMI	Unit Type	#	%	SF	Restriction	Rent (Adj)	Max Rent?	Waiting List	Vacant Units	Vacancy Rate
11	Silver Collection At Cosner's Corner	0.7 mile	Garden	Market	1BR/1BA	36	13.1%	706	Market	\$1,647	N/A	No	3	8.3%
	9500 Silver Collection Circle		3-stories		1BR/1BA	72	26.3%	721	Market	\$1,665	N/A	No	14	19.4%
	Fredericksburg, VA		2016		1BR/1BA	12	4.4%	834	Market	\$1,734	N/A	No	2	16.7%
	Spotsylvania County		Family		2BR/2BA	18	6.6%	1,122	Market	N/A	N/A	No	0	0%
					2BR/2BA	48	17.5%	1,140	Market	\$1,940	N/A	No	6	12.5%
					2BR/2BA	N/A	N/A	1,217	Market	N/A	N/A	No	0	N/A
					3BR/2BA	12	4.4%	1,398	Market	\$2,687	N/A	No	1	8.3%
						274							26	9.5%
12	The Allure At Jefferson	0.3 mile	Midrise	Market	1BR/1BA	N/A	N/A	854	Market	\$1,654	N/A	No	N/A	N/A
	4660 Monroe Way		3-stories		1BR/1BA	N/A	N/A	941	Market	\$1,714	N/A	No	N/A	N/A
	Fredericksburg, VA		2019		2BR/2BA	N/A	N/A	1,062	Market	\$1,905	N/A	No	N/A	N/A
	Spotsylvania County		Family		2BR/2BA	N/A	N/A	1,079	Market	\$1,915	N/A	No	N/A	N/A
					2BR/2BA	N/A	N/A	1,107	Market	\$1,914	N/A	No	N/A	N/A
					3BR/2BA	N/A	N/A	1,311	Market	\$2,390	N/A	No	N/A	N/A
						388							20	5.2%

Location

Following are relevant characteristics of the comparable properties surveyed:

LOCATIONAL COMPARISON SUMMARY											
#	Property Name	Tenancy	Program	Distance Subject	Household Income	Median Home Value	Median Rent	Crime Index	Walk Score	Vacant Housing	% Renter HH
S	The Heights At Jackson Village II	Senior	LIHTC		\$89,397	\$369,740	\$2,197	109	22	18.5%	54.1%
1	Crestview Apartments	Family	LIHTC	7.1 miles	\$79,192	\$418,308	\$1,897	119	21	5.4%	73.3%
2	Enoch George Manor	Senior	LIHTC	2.5 miles	\$99,000	\$392,395	\$2,345	21	29	2.4%	28.9%
3	Kings Crest Senior Apartments	Senior	LIHTC	3.9 miles	\$83,548	\$369,740	\$2,197	45	23	3.6%	30.8%
4	Meadows At Salem Run I & II	Senior	LIHTC	4.8 miles	\$81,196	\$369,740	\$2,197	57	35	3.8%	39.0%
5	Orchard Ridge At Jackson Village	Family	LIHTC	0.3 mile	\$79,707	\$369,740	\$2,197	197	13	19.0%	50.6%
6	The Heights At Jackson Village I	Senior	LIHTC	0.0 mile	\$89,397	\$369,740	\$2,197	109	22	18.5%	54.1%
7	Abberly At Southpoint	Family	Market	2.2 miles	\$86,540	\$369,740	\$2,197	45	34	4.0%	60.1%
8	Alexander Heights	Senior	Market	4.5 miles	\$83,548	\$369,740	\$2,197	45	24	3.7%	35.6%
9	Kilburn Crossing	Family	Market	5.6 miles	\$105,553	\$369,740	\$2,197	37	2	2.3%	27.4%
10	MAA Cosner's Corner	Family	Market	1.0 mile	\$96,410	\$368,017	\$2,211	51	23	6.1%	25.0%
11	Silver Collection At Cosner's Corner	Family	Market	0.7 mile	\$81,738	\$368,017	\$2,211	53	33	13.6%	61.5%
12	The Allure At Jefferson	Family	Market	0.3 mile	\$89,902	\$369,740	\$2,197	89	38	16.3%	62.6%

The Subject is located in a developing neighborhood in the northeast portion of Spotsylvania County, approximately six miles south of the center of Fredericksburg. Surrounding uses consist of multifamily uses, single-family homes, and commercial/retail uses and some undeveloped wooded land. The Subject is located just 0.3 miles south of Cosner's Corner, a shopping mall that features over 90 stores, including restaurants, retail stores, a bank, and a grocery store. Surrounding uses generally exhibit good to excellent condition. Strengths of the Subject' location include proximity to these retail uses. Weaknesses of the Subject's location include a higher rate of vacant housing. The Subject's location is designated 'Car-Dependent' by Walk Score with a score of 22.

The affordable properties are located between less than 0.1 and 7.1 miles from the Subject site. The Heights at Jackson Village is located adjacent to the east of the Subject site, and offers a similar location. Orchard Ridge at Jackson Village is located just south of the Subject site, and also offers a similar location. Given the distance from amenities and general neighborhood characters, and taking the demographic data somewhat into account, Crestview Apartments also offers a similar location relative to the Subject site, while the other three LIHTC Comparables are located in more residential areas with slightly inferior access, and offer slightly inferior locations.

The market rate developments are located between 0.3 and 5.6 miles from the Subject site. Four of the market rate comparables, Abberly at Southpoint, MAA Cosner's Corner, Silver Collection at Cosner's Corner, and The Allure at Jefferson, are located in the Subject's general neighborhood near the Cosner's Corner development, and offer similar locations. Alexander Heights at Kilburn Crossing are located northwest of the Subject site in more residential areas, and offer slightly inferior locations.

Age, Condition, and Design

The following table illustrates the Subject's design and condition in comparison to the comparable properties.

	The Heights At Jackson Village II	Crestview Apartments	Enoch George Manor	Kings Crest Senior Apartments	Meadows At Salem Run I & II	Orchard Ridge At Jackson Village	The Heights At Jackson Village I	Abberly At Southpoint	Alexander Heights	Kilburn Crossing	MAA Cosner's Corner	Silver Collection At Cosner's Corner	The Allure At Jefferson
Program	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market	Market
Tenancy	Senior	Family	Senior	Senior	Senior	Family	Senior	Family	Senior	Family	Family	Family	Family
Building													
Property Type	Midrise	Garden	Lowrise	Lowrise	Lowrise	Midrise	Midrise	Midrise	Midrise	Garden	Garden	Garden	Midrise
# Stories	5	3	3	3	3	4	5	4	4	3	3	3	3
Year Built	2028	2000	2005	1999	1997	2018	2023	2016	2007	2004	2013	2016	2019
Year Reno.	N/A	2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2017	N/A	N/A	N/A
Commercial	no	no	no	no	no	no	no	yes	no	no	no	no	no
Elevators	yes	no	yes	yes	yes	yes	yes	yes	yes	no	no	no	yes

The Subject will be new construction and will exhibit excellent condition upon completion. Six of the comparables were constructed between 2013 and 2023 and exhibit excellent condition, similar to the Subject. The remaining three comparables, exhibit good condition, slightly inferior to the Subject.

The Subject will offer an elevator-serviced midrise design, similar to eight of the comparables. The remaining four comparable properties offer garden-style designs without elevator service, which is generally considered slightly inferior relative to the Subjects structure.

Unit Size

The following table summarizes unit sizes in the market area, and provides a comparison of the Subject's unit size relative to the surveyed average unit sizes in the market.

UNIT SIZE COMPARISON

Bedroom Type	1BR	2BR
Subject	690	964
Average	778	1,104
Min	549	803
Max	1,199	1,454
Advantage/Disadvantage	-11.3%	-12.7%

UNIT SIZE COMPARISON (SENIOR)

Bedroom Type	1BR	2BR
Subject	690	964
Average	625	959
Min	549	803
Max	789	1,245
Advantage/Disadvantage	10.4%	0.5%

The Subject's proposed unit sizes are within the range of the surveyed comparables, and below the surveyed averages. Among all the surveyed comparables, the Subject's one-bedroom unit size is 11.3 percent smaller than the average, and the Subject's two-bedroom unit size is 12.7 percent smaller than the average. However, among the senior comparables. The Subject's one-bedroom unit size is 10.4 percent larger than the average, and the Subject's two-bedroom unit size is 0.5 percent larger than the average. The Subject's unit sizes are slightly larger than those of The Heights at Jackson Village I, which appear to be accepted in the market. Overall, given the senior comparable unit sizes and the low vacancy rates among LIHTC comparables, we believe the Subject's unit sizes will be well accepted in the market. We have taken into account the Subject's proposed unit sizes in our determination of achievable rents. The following table ranks the Subject's unit sizes to the unit sizes at the comparable properties.

THE HEIGHTS AT JACKSON VILLAGE II – FREDERICKSBURG, VIRGINIA – VIRGINIA HOUSING MARKET STUDY

SQUARE FOOT RANKING			
1.0BR x 1.0BA		2.0BR x 2.0BA	
Property Name	Square Feet	Property Name	Square Feet
Abberly At Southpoint (Market)(1.5BA)	1,199	Abberly At Southpoint (Market)	1,454
MAA Cosner's Corner (Market)	995	Abberly At Southpoint (Market)(2.5BA)	1,327
Kilburn Crossing (Market)	984	Abberly At Southpoint (Market)	1,279
The Allure At Jefferson (Market)	941	Alexander Heights (Market)	1,245
Abberly At Southpoint (Market)	907	MAA Cosner's Corner (Market)	1,242
Crestview Apartments (@60%)	863	Kilburn Crossing (Market)(2.5BA)	1,219
MAA Cosner's Corner (Market)	861	Silver Collection At Cosner's Corner (Market)	1,217
The Allure At Jefferson (Market)	854	Abberly At Southpoint (Market)	1,194
Silver Collection At Cosner's Corner (Market)	834	MAA Cosner's Corner (Market)	1,191
Abberly At Southpoint (Market)	813	Alexander Heights (Market)	1,171
Abberly At Southpoint (Market)	807	MAA Cosner's Corner (Market)	1,157
Kilburn Crossing (Market)	804	Silver Collection At Cosner's Corner (Market)	1,140
Orchard Ridge At Jackson Village (@60%)	790	Kilburn Crossing (Market)	1,125
Alexander Heights (Market)	789	Silver Collection At Cosner's Corner (Market)	1,122
MAA Cosner's Corner (Market)	780	The Allure At Jefferson (Market)	1,107
Alexander Heights (Market)	772	Abberly At Southpoint (Market)	1,101
MAA Cosner's Corner (Market)	746	Alexander Heights (Market)	1,091
Silver Collection At Cosner's Corner (Market)	721	Orchard Ridge At Jackson Village (@60%)	1,088
Silver Collection At Cosner's Corner (Market)	706	The Allure At Jefferson (Market)	1,079
The Heights At Jackson Village II (@60%)	690	The Allure At Jefferson (Market)	1,062
The Heights At Jackson Village I (@60%)	650	Kilburn Crossing (Market)(1.0BA)	1,051
The Heights At Jackson Village I (@60%)	625	Crestview Apartments (@60%)	988
Kings Crest Senior Apartments (@50%)	564	The Heights At Jackson Village II (@60%)	964
Meadows At Salem Run I & II (@50%)	564	The Heights At Jackson Village I (@60%)(1.0BA)	940
Meadows At Salem Run I & II (@60%)	564	Enoch George Manor (@60%)(1.0BA)	810
Enoch George Manor (@60%)	550	Meadows At Salem Run I & II (@50%)(1.0BA)	807
Meadows At Salem Run I & II (@60%)	549	Meadows At Salem Run I & II (@60%)(1.0BA)	807
		Kings Crest Senior Apartments (@50%)(1.0BA)	803

Utility Structure

The following table details the Subject's utility structure in comparison to the comparable properties. The utility conventions differ at the comparable properties; therefore, we have adjusted "base" or "asking" rents of the comparable properties to "net" rents, reflecting the Subject's utility convention.

	The Heights At Jackson Village II	Crestview Apartments	Enoch George Manor	Kings Crest Senior Apartments	Meadows At Salem Run I & II	Orchard Ridge At Jackson Village	The Heights At Jackson Village I	Abberly At Southpoint	Alexander Heights	Kilburn Crossing	MAA Cosner's Corner	Silver Collection At Cosner's Corner	The Allure At Jefferson
Program	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market	Market
Tenancy	Senior	Family	Senior	Senior	Senior	Family	Senior	Family	Senior	Family	Family	Family	Family
Utility Structure													
Heat	no	no	no	yes	yes	no	no	no	no	no	no	no	no
Cooking	no	no	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no	no	no
Air Conditioning	no	no	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	yes	no	no	no	no	no	no	no	no
Water	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no
Sewer	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no
Trash	yes	yes	yes	yes	yes	yes	yes	yes	no	no	no	no	no

In-Unit Amenities

The following table compares the Subject's in-unit amenities with comparable properties.

	The Heights At Jackson Village II	Crestview Apartments	Enoch George Manor	Kings Crest Senior Apartments	Meadows At Salem Run I & II	Orchard Ridge At Jackson Village	The Heights At Jackson Village I	Abberly At Southpoint	Alexander Heights	Kilburn Crossing	MAA Cosner's Corner	Silver Collection At Cosner's Corner	The Allure At Jefferson
Program	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market	Market
Tenancy	Senior	Family	Senior	Senior	Senior	Family	Senior	Family	Senior	Family	Family	Family	Family
Accessibility													
Grab Bars	no	no	yes	no	no	no	no	no	no	no	no	no	no
Hand Rails	no	no	yes	no	no	no	no	no	no	no	no	no	no
Pull Cords	no	no	yes	yes	no	no	no	no	no	no	no	no	no
Unit													
Balcony	yes	yes	no	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite	no	no	no	no	yes	no	no	no	no	no	no	no	no
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	yes	yes	no	no	no	no	yes	yes	no	yes	yes	yes	yes
Central/AC	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	no	yes	yes	yes	no	no	yes	yes	yes	yes
Exterior Storage	yes	yes	no	no	yes	yes	yes	yes	yes	no	yes	yes	yes
Fireplace	no	no	no	no	no	no	no	no	no	yes	no	no	no
Hardwood Floors	no	no	no	no	no	no	no	yes	no	no	no	yes	yes
Tile Flooring	no	no	no	yes	no	no	no	no	no	no	no	no	no
Vaulted Ceilings	no	no	no	no	no	no	no	no	yes	no	no	no	yes
Vinyl Plank Flooring	no	yes	yes	yes	yes	yes	yes	no	no	yes	yes	yes	yes
Walk-In-Closet	yes	yes	no	no	no	yes	yes	yes	no	yes	yes	no	no
Washer / Dryer	no	yes	no	no	yes	no	no	yes	yes	yes	yes	no	yes
W/D Hookups	yes	no	no	no	no	no	yes	yes	no	no	no	yes	no
Kitchen													
Dishwasher	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Microwave	yes	no	no	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

Notable amenities offered by the proposed Subject will include balconies/patios, ceiling fans, central air conditioning, dishwashers, disposals, exterior storage, microwaves, walk-in closets, and washer/dryer hook-ups. The majority of the comparables offer unit amenities considered similar relative to the proposed Subject; however, Enoch George Manor and Kings Crest Senior Apartments offer inferior unit amenities. Overall, we believe the Subject's unit amenities will be competitive in the market.

Property Amenities

The following table compares the Subject's property amenities with the comparable properties.

	The Heights At Jackson Village II	Crestview Apartments	Enoch George Manor	Kings Crest Senior Apartments	Meadows At Salem Run I & II	Orchard Ridge At Jackson Village	The Heights At Jackson Village I	Abberly At Southpoint	Alexander Heights	Kilburn Crossing	MAA Cosner's Corner	Silver Collection At Cosner's Corner	The Allure At Jefferson
Program	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market	Market
Tenancy	Senior	Family	Senior	Senior	Senior	Family	Senior	Family	Senior	Family	Family	Family	Family
Community													
Business Center	yes	no	no	no	yes	yes	yes	yes	no	yes	yes	yes	yes
Central Laundry	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no
Clubhouse	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Concierge	no	no	no	no	no	no	no	no	no	yes	yes	no	no
Courtyard	yes	no	no	no	yes	no	yes	no	no	no	no	no	no
EV Charging Station	no	no	no	no	no	no	no	no	no	no	yes	no	no
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pet Park	no	yes	yes	yes	yes	yes	yes	no	no	yes	yes	yes	yes
WiFi	yes	no	no	no	yes	no	yes	yes	no	no	no	no	yes
Recreation													
Basketball Court	no	no	no	no	no	no	no	no	no	yes	no	no	no
Exercise Facility	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Library	no	no	no	no	yes	no	no	no	no	no	no	no	no
Picnic Area	no	yes	yes	no	yes	yes	yes	yes	no	yes	yes	yes	yes
Playground	no	yes	no	no	yes	yes	no	no	no	yes	no	no	yes
Recreational Area	yes	no	no	no	no	no	yes	yes	no	no	no	yes	no
Sauna	no	no	no	no	no	no	no	no	no	no	no	yes	no
Sport Court	no	no	no	no	no	no	yes	no	no	no	no	no	no
Swimming Pool	yes	yes	no	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Tennis Court	no	no	no	no	yes	no	no	no	no	yes	no	no	no
Theatre	no	no	yes	no	no	no	no	no	no	no	yes	no	no
Volleyball Court	no	no	no	no	no	no	no	no	no	yes	no	no	no
Services													
Car Wash	no	no	no	no	no	yes	no	yes	no	yes	yes	no	yes
Senior Services													
Hairdresser/Barber	no	no	no	yes	yes	no	no	no	no	no	no	no	no

Notable amenities offered by the proposed Subject will include a business center, central laundry, a clubhouse, a fitness center, on-site management, recreational areas, a swimming pool, and common area Wi-Fi. Although many of the comparables do not offer central laundry facilities, these comparables offer in-unit laundry amenities in place. The majority of the comparables offer property amenities considered similar to relative to the proposed Subject; however, Meadows at Salem Run I & II, Kilburn Crossing, and MAA Cosner's Corner offer slightly superior amenities. Overall, we believe the Subject's property amenities will be competitive in the market.

Security Features

The following table compares the Subject's security features with comparable properties.

	The Heights At Jackson Village II	Crestview Apartments	Enoch George Manor	Kings Crest Senior Apartments	Meadows At Salem Run I & II	Orchard Ridge At Jackson Village	The Heights At Jackson Village I	Abberly At Southpoint	Alexander Heights	Kilburn Crossing	MAA Cosner's Corner	Silver Collection At Cosner's Corner	The Allure At Jefferson
Program	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market	Market
Tenancy	Senior	Family	Senior	Senior	Senior	Family	Senior	Family	Senior	Family	Family	Family	Family
Crime Index	109	119	21	45	57	197	109	45	45	37	51	53	89
Security													
Intercom (Buzzer)	yes	no	yes	yes	yes	yes	yes	yes	yes	no	no	no	yes
Limited Access	yes	no	yes	yes	yes	yes	yes	yes	yes	no	yes	no	yes
Patrol	no	no	no	no	no	no	no	no	no	no	no	no	yes
Perimeter Fencing	no	no	no	no	no	no	no	yes	yes	yes	yes	yes	no
Video Surveillance	no	no	no	no	no	yes	yes	no	no	no	no	no	no

According to ESRI Demographic data, crime risk indices in the proposed Subject's location are similar to the national average. The proposed Subject will offer limited access. Eleven of the comparables offer at least one security amenity, similar to the Subject. Overall, the comparables security features range from slightly inferior

to slightly superior compared to the proposed Subject. As such, we believe the proposed Subject's security amenities are market oriented.

Parking

The following table compares the Subject's parking amenities with comparable properties.

	The Heights At Jackson Village II	Crestview Apartments	Enoch George Manor	Kings Crest Senior Apartments	Meadows At Salem Run I & II	Orchard Ridge At Jackson Village	The Heights At Jackson Village I	Alexander Heights	Kilburn Crossing	MAA Cosner's Corner	Silver Collection At Cosner's Corner	The Allure At Jefferson
Program	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Tenancy	Senior	Family	Senior	Senior	Senior	Family	Senior	Senior	Family	Family	Family	Family
Walk Score	22	21	29	23	35	13	22	24	2	23	33	38
Parking												
Carport	no	no	no	yes	yes	no	no	yes	no	no	no	no
Carport Fee	\$0	\$0	\$0	\$65	\$50	\$0	\$0	\$65	\$0	\$0	\$0	\$0
Garage	no	no	no	yes	yes	no	no	no	no	yes	yes	yes
Garage Fee	\$0	\$0	\$0	\$100	\$125	\$0	\$0	\$0	\$0	\$150	\$250	\$150
Surface	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Surface Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The Subject will offer off-street surface parking at no additional monthly fee, similar to all of the comparables. Kings Crest Senior Apartments, Meadows at Salem Run I & II, and Alexander Heights also offer carport parking for additional monthly fees of \$50 to \$65. Five of the comparables also offer garage parking for additional monthly fees of \$100 to \$250. Overall, the Subject is considered similar to the comparables in terms of parking, as it offers only off-street surface parking included in rent.

Conclusion

The Subject will be newly constructed and exhibit excellent condition upon completion. Six of the comparables were constructed between 2013 and 2023 and exhibit excellent condition, similar to the Subject. The remaining comparables exhibit good condition, slightly inferior to the Subject. The majority of the comparables offer in-unit amenities, property amenities, and parking considered similar relative to the proposed Subject. The Subject's unit sizes are slightly below the averages among all of comparables; however, are similar to larger than those of the senior comparables. Overall, strong demand for affordable housing has been reported by properties in the area, and we believe the Subject will be well accepted in the market.

MARKET CHARACTERISTICS

Following are relevant market characteristics for the comparable properties surveyed.

Tenant Makeup

The following table details housing choice voucher usage reported by the comparable properties, where available.

TENANTS WITH VOUCHERS			
Property Name	Program	Tenancy	Housing Choice Voucher %
Crestview Apartments	LIHTC	Family	N/A
Enoch George Manor	LIHTC	Senior	N/A
Kings Crest Senior Apartments	LIHTC	Senior	10%
Meadows At Salem Run I & II	LIHTC	Senior	6%
Orchard Ridge At Jackson Village	LIHTC	Family	N/A
The Heights At Jackson Village I	LIHTC	Senior	15%
Abberly at Southpoint	Market	Family	0%
Alexander Heights	Market	Senior	N/A
Kilburn Crossing	Market	Family	1%
MAA Cosner's Corner	Market	Family	0%
Silver Collection At Cosner's Corner	Market	Family	0%
The Allure At Jefferson	Market	Family	N/A

The seven comparable properties that were able to report voucher usage reported usage rates between zero and 15 percent, with an average of five percent. We expect the Subject will operate with voucher usage of approximately 15 percent or less.

Turnover

The following table illustrates reported turnover for the comparable properties.

TURNOVER			
Property Name	Program	Tenancy	Annual Turnover
Crestview Apartments	LIHTC	Family	13%
Enoch George Manor	LIHTC	Senior	10%
Kings Crest Senior Apartments	LIHTC	Senior	15%
Meadows At Salem Run I & II	LIHTC	Senior	7%
Orchard Ridge At Jackson Village	LIHTC	Family	12%
The Heights At Jackson Village I	LIHTC	Senior	3%
Abberly at Southpoint	Market	Family	34%
Alexander Heights	Market	Senior	10%
Kilburn Crossing	Market	Family	22%
MAA Cosner's Corner	Market	Family	20%
Silver Collection At Cosner's Corner	Market	Family	20%
The Allure At Jefferson	Market	Family	9%
Average Turnover			16%

The comparable properties reported turnover ranging between three and 34 percent, with an overall average of 16 percent. The LIHTC comparables operate with an average turnover rate of 11 percent, which is below the 19 percent average reported by the market rate properties. Based on the performance of the LIHTC comparables, we expect the Subject will operate with a turnover rate of approximately 15 percent or less.

Vacancy Levels

The following table summarizes overall weighted average vacancy levels at the surveyed properties.

OVERALL VACANCY

Property Name	Program	Tenancy	Total Units	Vacant Units	Vacancy %
Crestview Apartments	LIHTC	Family	180	4	2.2%
Enoch George Manor	LIHTC	Senior	60	0	0.0%
Kings Crest Senior Apartments	LIHTC	Senior	100	2	2.0%
Meadows At Salem Run I & II	LIHTC	Senior	180	1	0.6%
Orchard Ridge At Jackson Village	LIHTC	Family	169	0	0.0%
The Heights At Jackson Village I*	LIHTC	Senior	187	88	47.1%
Abberly at Southpoint	Market	Family	280	1	0.4%
Alexander Heights	Market	Senior	147	0	0.0%
Kilburn Crossing	Market	Family	220	9	4.1%
MAA Cosner's Corner	Market	Family	380	12	3.2%
Silver Collection At Cosner's Corner	Market	Family	274	26	9.5%
The Allure At Jefferson	Market	Family	388	20	5.2%
LIHTC Total**			689	7	1.0%
Market Total			1,689	68	4.0%
Overall Total**			2,565	75	2.9%

*In lease-up

**Excludes property in lease-up

Phase I of the Subject, The Heights at Jackson Village I, is still in lease-up. The property consists of two buildings, the first of which opened in July 2023 and stabilized in December 2023, and currently has 96 out of 99 units occupied, or 97.0 percent occupancy. The second building opened on October 24, 2024, and currently has 11 out of 88 units occupied, 12.5 percent, although an additional eight units have pending leases. The other comparable properties reported vacancy rates ranging from zero to 9.5 percent. Managers at two of the six LIHTC properties reported being fully occupied, and the overall LIHTC vacancy rate excluding The Heights at Jackson Village I is 1.0 percent. One of the market rate properties, Silver Collection at Cosner's Corner, reported an elevated vacancy rate of 9.5 percent, and the contact noted that higher turnover/vacancy during the beginning of winter is typical for the property. The other market rate comparables reported vacancy rates ranging from zero to 5.2 percent. Based on the performance of the comparables, we expect the Subject will operate with vacancy and collection losses of approximately five percent over a typical investment period.

VACANCY BY BEDROOM TYPE

Property Name	Program	Tenancy	1BR	2BR	3BR
Crestview Apartments	LIHTC	Family	8.3%	1.9%	0.0%
Enoch George Manor	LIHTC	Senior	0.0%	0.0%	-
Kings Crest Senior Apartments	LIHTC	Senior	1.9%	2.1%	-
Meadows At Salem Run I & II	LIHTC	Senior	0.7%	0.0%	-
Orchard Ridge At Jackson Village	LIHTC	Family	0.0%	0.0%	0.0%
The Heights At Jackson Village I*	LIHTC	Senior	46.8%	47.4%	-
Abberly at Southpoint	Market	Family	0.0%	0.0%	16.7%
Alexander Heights	Market	Senior	N/A	N/A	-
Kilburn Crossing	Market	Family	N/A	N/A	N/A
MAA Cosner's Corner	Market	Family	N/A	N/A	N/A
Silver Collection At Cosner's Corner	Market	Family	15.8%	9.1%	8.3%
The Allure At Jefferson	Market	Family	N/A	N/A	N/A

*In lease-up

As proposed, the Subject will consist of one and two-bedroom units. Overall, taking into account the vacancy rates in the market, as well as the senior household growth rates projected for the PMA, we do not believe the Subject will negatively impact the existing properties in the market.

Concessions

The Heights at Jackson Village I is currently offering a concession of one month free; however, this property is still in lease-up and is utilizing a concession to aid in lease-up. Silver Collection at Cosner's Corner, a market rate property, is also offering one month's rent free. As previously noted, this property is the only comparable with an elevated vacancy rate. Given the lack of concessions offered in the market among stabilized properties and the low vacancy rates among the LIHTC comparables, we do not anticipate that the Subject will need to offer concessions to maintain a stabilized occupancy rate upon completion; however, concessions may aid lease-up.

Waiting Lists

The following table summarizes waiting lists reported by the surveyed properties.

WAITING LISTS			
Property Name	Program	Tenancy	Waiting List Length
Crestview Apartments	LIHTC	Family	None
Enoch George Manor	LIHTC	Senior	Yes; undetermined length
Kings Crest Senior Apartments	LIHTC	Senior	Yes; 100 household in length
Meadows At Salem Run I & II	LIHTC	Senior	Yes; undetermined length
Orchard Ridge At Jackson Village	LIHTC	Family	Yes; undetermined length
The Heights At Jackson Village I	LIHTC	Senior	None
Abberly at Southpoint	Market	Family	Yes; undetermined length
Alexander Heights	Market	Senior	None
Kilburn Crossing	Market	Family	None
MAA Cosner's Corner	Market	Family	None
Silver Collection At Cosner's Corner	Market	Family	None
The Allure At Jefferson	Market	Family	None

Four of the six LIHTC properties reported operating with a waiting list, and one market rate property reported a waiting list. Given the low vacancy rates among the LIHTC comparables and reported waiting lists, we believe that the Subject could maintain a waiting list as a stabilized LIHTC property.

Absorption Estimate

We obtained absorption rate data from several recently built properties in the area, including the first phase of the overall Subject development, The Heights at Jackson Village I, which are detailed below.

ABSORPTION							
Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
The Heights at Jackson Village I*	LIHTC	Senior	Fredericksburg	2023	187	17-19**	<0.1 miles
The Allure At Jefferson*	Market	Family	Fredericksburg	2019	388	17	0.3 miles
Orchard Ridge At Jackson Village*	LIHTC	Family	Fredericksburg	2018	169	12	0.3 miles
New Post Apartments	LIHTC	Family	Fredericksburg	2017	102	15	6.2 miles
Overlook Terrace	LIHTC	Family	Fredericksburg	2016	72	12	0.9 miles
Abberly At Southpoint	Market	Family	Fredericksburg	2016	280	13	2.2 miles
Average Affordable					133	15	
Average Market					334	15	
Overall Average					200	15	

*Comparable Property

**This range reflects the absorption rate of the first building (approximately 17) and the second building (19) which opened in 2023 and 2024, respectively.

We obtained absorption data from six properties, located within 6.2 miles of the Subject site. The Heights at Jackson Village I, the first phase of the overall Subject development, reported that its first building (99 units) opened in July 2023 and stabilized in December 2023; according to management, 38 units were pre-leased

prior to opening, although the contact could not state when exactly pre-leasing began. The second building at The Heights at Jackson Village I opened on October 24, 2024, and has currently leased 19 units (including both occupied and pre-leased units). Based primarily on this property, as well as the other comparable data, we estimate the proposed Subject could experience an absorption rate of 18 units per month, which equates to a period of within 10 to 11 months of completion in order to reach a stabilized occupancy rate. Further, with the assumption that the Subject begins pre-leasing units prior to the completion of construction, the Subject may experience a more expedient lease-up. We do not expect the Subject's absorption to adversely impact other existing LIHTC properties, all of which reported low vacancy rates.

Rental Rate Increases

The following table illustrates rental rate increases as reported by the comparable properties.

RENT GROWTH			
Property Name	Program	Tenancy	Rent Growth
Crestview Apartments	LIHTC	Family	Decreased 0.5% to increased 1% annually since 2Q2022
Enoch George Manor	LIHTC	Senior	Increased up to 6.5% annually since 4Q2019
Kings Crest Senior Apartments	LIHTC	Senior	Increased 12.5% annually since 2Q2022
Meadows At Salem Run I & II	LIHTC	Senior	Increased up to 9% annually since 4Q2019
Orchard Ridge At Jackson Village	LIHTC	Family	Increased 3.2 to 12.9%
The Heights At Jackson Village I	LIHTC	Senior	Increased 15 to 17%
Abberly at Southpoint	Market	Senior	Changes daily
Alexander Heights	Market	Senior	Increased up to 9% annually since 2Q2022
Kilburn Crossing	Market	Family	Increased up to 6% annually since 1Q2021
MAA Cosner's Corner	Market	Family	Decreased 3.0 to 6.2%
Silver Collection At Cosner's Corner	Market	Family	Increased up to 11%
The Allure At Jefferson	Market	Family	Increased up to 4%

Five of the six LIHTC comparables reported moderate rent increases over the past year or annually, while Crestview Apartments reported a range of a slight decrease to slight increase in rents. The Heights at Jackson Village I reported rents at the 2024 maximum allowable levels. Five of the market rate comparables reported rent increases over the past year or annually, while Station Square at Cosner's Corner reported decreases in rents. Overall, we anticipate that the Subject will be able to achieve moderate rent growth in the future as a LIHTC property.

Reasonability of Rents

The table below illustrates the Subject's proposed rents and unit mix.

PROPOSED RENTS							
Unit Type	Unit Size (SF)	# Units	Asking Rent	Utility Allowance*	Gross Rent	2024 LIHTC Maximum Allowable Gross Rent	2024 HUD Fair Market Rent
				@60%			
1BR/1BA	690	86	\$1,500	\$93	\$1,593	\$1,740	\$1,540
2BR/2BA	964	112	\$1,750	\$106	\$1,856	\$2,089	\$1,750
Total		198					

Comparable LIHTC Rents

The following tables compare the Subject's and the comparable properties' rents. For the purposes of this market study, "Base Rents" are the actual rents quoted to the tenant, and are most frequently those rents that potential renters consider when making a housing decision. "Net rents" are rents adjusted for the cost of utilities (adjusted to the Subject's convention) and are used to compensate for the differing utility structures of the Subject and the comparable properties. Net rents represent the actual costs of residing at a property, and help to provide an "apples-to-apples" comparison of rents. Note that some of the comparable property's

LIHTC rents appear to be above the maximum levels; however, the majority are the result of differing utility allowance structures at the comparables. While several comparables are located outside of Spotsylvania County and within Fredericksburg city, both areas share the same rent limits as they are both within the Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area.

60% AMI Levels

LIHTC RENT COMPARISON @60%

Property Name	County	Tenancy	1BR	2BR	Max Rent?
The Heights At Jackson Village II	Spotsylvania	Senior	\$1,500	\$1,750	No
LIHTC Maximum Rent (Net)	Spotsylvania		\$1,647	\$1,983	
LIHTC Maximum Rent (Net)	Fredericksburg city		\$1,647	\$1,983	
Crestview Apartments	Fredericksburg city	Family	\$1,415	\$1,499	No
Enoch George Manor	Spotsylvania	Senior	\$1,035	\$1,249	No
Meadows At Salem Run I & II	Spotsylvania	Senior	\$1,189	\$1,258	No
Orchard Ridge At Jackson Village	Spotsylvania	Family	\$1,439	\$1,599	No
The Heights At Jackson Village I	Spotsylvania	Senior	\$1,497	\$1,812	No (Concession)
Average			\$1,315	\$1,483	
Achievable LIHTC Rent			\$1,500	\$1,750	No

The Subject's proposed rents at 60 percent of AMI are set at the 2024 maximum allowable LIHTC rents. The following discusses the achievable LIHTC rents at the Subject.

Five of the six LIHTC comparables offer units at 60 percent of AMI. King's Crest Senior Apartments only offers units at 50 percent of AMI, but reported these rents being below the maximum allowable levels (not shown). None of the comparables reported effective rents at the 2024 maximum allowable levels.

The Heights at Jackson Village I, the first phase of the overall Subject development, reported asking rents at the 2024 maximum allowable levels, but the property is currently offering a concession (in part to facilitate lease-up of the second building) rendering the effective rents lower than maximum levels. In addition, the contact at The Heights at Jackson Village I reported that due to delays that resulted in ongoing construction, the property offered tenants at the first building the ability to rent at the originally advertised rents from 2023, and as such, most tenants at the property are paying rents lower than those shown above, ranging from \$1,235 to \$1,370 for one-bedroom units, and \$1,490 to \$1,590 for two-bedroom units. Based on information provided by the property manager, only seven tenants at the property are paying the actual 2024 maximum allowable rents. The Heights at Jackson Village I is the most similar LIHTC comparable to the Subject, being the first phase of the overall Subject development, adjacent to the Subject site, and similar in condition, and exhibits the highest current effective rents among the LIHTC comparables. The Subject will offer slightly larger unit sizes relative to The Heights at Jackson Village I.

The contacts at Meadows at Salem Run I & II and Orchard Ridge at Jackson Village reported that while the properties' rents are below maximum allowable levels, they believe higher rents could be achievable; however, the contact at Crestview Apartments reported that they do not believe higher rents are achievable for the property. The contacts at the other two LIHTC comparables could not opine on whether higher rents are achievable.

Most Similar LIHTC

Based upon the overall comparison ratings, the Subject will be most similar to The Heights at Jackson Village I, which was previously discussed, and Orchard Ridge at Jackson Village.

Orchard Ridge At Jackson Village is a 169-unit property located 0.3 mile south, in a neighborhood considered similar relative to the Subject's location. This property was constructed in 2018. We consider the condition of this property similar relative to the proposed Subject. Orchard Ridge At Jackson Village offers similar in-unit and common area amenities, and slightly larger unit sizes relative to the proposed Subject. Orchard Ridge At Jackson Village reported a 100 percent occupancy rate and a waiting list. In overall terms, we believe the proposed Subject will be a similar product relative to Orchard Ridge at Jackson Village.

Based upon the comparison to these properties, as well as the low vacancy rates and waiting lists reported by the affordable comparables, we believe that the Subject could achieve LIHTC rents of \$1,500 and \$1,750 for its one and two-bedroom units. These rents are slightly above and within the range of the comparable rents, respectively, given the Subject will be the newest product in the market.

Achievable Market Rents

Based on the quality of the surveyed comparable properties and the anticipated quality of the proposed Subject, we conclude that the Subject's rental rates are below the achievable market rates for the Subject's area. The following table shows both market rent comparisons and achievable market rents.

MARKET RENT COMPARISON		
Property Name	1BR	2BR
Subject Pro Forma @60%	\$1,500	\$1,750
	\$1,688	\$1,974
	\$1,691	\$2,007
Abberly At Southpoint	\$1,999	\$2,045
	-	\$2,283
	-	\$2,290
	-	\$2,538
	\$1,445	\$1,765
Alexander Heights	\$1,465	\$1,885
	-	\$1,955
	\$1,615	\$1,788
Kilburn Crossing	-	\$1,823
	\$1,648	\$1,823
MAA Cosner's Corner	\$1,698	\$1,858
	\$1,718	\$1,888
	\$1,647	\$1,940
Silver Collection At Cosner's Corner	\$1,665	-
	\$1,734	-
	\$1,654	\$1,905
The Allure At Jefferson	\$1,714	\$1,914
	-	\$1,915
Average	\$1,711	\$1,890
Achievable Market Rents	\$1,650	\$1,800

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Rent Level	Square Feet	Pro Forma Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rent	Subject Rent Advantage
1BR/1BA	@60%	690	\$1,500	\$1,445	\$2,180	\$1,711	\$1,650	9%
2BR/2BA	@60%	964	\$1,750	\$1,765	\$2,108	\$1,890	\$1,800	3%

The achievable market rents are, on a per square foot basis, above the average market rents and between the market rents reported by the two most similar comparables, as detailed below, The Allure at Jefferson and Abberly at Southpoint. The Subject's proposed LIHTC rents represent a rent advantage of three to nine percent over the achievable market rents.

The most similar market rate properties to the Subject will be The Allure at Jefferson and Abberly at Southpoint. The Allure At Jefferson is a 388-unit property located 0.3 miles northeast, in a neighborhood considered similar relative to the Subject's location. This property was constructed in 2019. We consider the condition of this property similar relative to the proposed Subject. The Allure at Jefferson offers similar in-unit and common area amenities, and larger unit sizes relative to the Subject. The property is currently 94.8 percent occupied. The following table compares the Subject with The Allure at Jefferson.

SUBJECT COMPARISON TO THE ALLURE AT JEFFERSON

Unit Type	Rent Level	Subject Pro Forma Rent	Square Feet	Subject RPSF	Comparable Rent	Square Feet	Comparable RPSF	Subject Rent Advantage
1BR/1BA	@60%	\$1,500	690	\$2.17	\$1,654	854	\$1.94	9%
2BR/2BA	@60%	\$1,750	964	\$1.82	\$1,905	1,062	\$1.79	8%

The Subject's proposed rents are eight to nine percent below the lowest rents reported by The Allure At Jefferson.

Abberly at Southpoint is a 280-unit property located 2.2 miles northwest, in a neighborhood considered similar relative to the Subject's location. This property was constructed in 2016. We consider the condition of this property similar relative to the proposed Subject. Abberly at Southpoint offers slightly superior in-unit amenities and similar common area amenities, and larger unit sizes relative to the Subject. The property is currently 98.9 percent occupied. The following table compares the Subject with Abberly at Southpoint.

SUBJECT COMPARISON TO ABBERLY AT SOUTHPOINT

Unit Type	Rent Level	Subject Pro Forma Rent	Square Feet	Subject RPSF	Comparable Rent	Square Feet	Comparable RPSF	Subject Rent Advantage
1BR/1BA	@60%	\$1,500	690	\$2.17	\$2,180	813	\$2.68	31%
2BR/2BA	@60%	\$1,750	964	\$1.82	\$2,108	1,194	\$1.77	17%

The Subject's proposed rents are 17 to 31 percent below the lowest rents reported by Abberly at Southpoint

Our concluded achievable market rents are, on a per square foot basis, between the market rents reported by the two most similar comparables. The Subject's achievable market rents are above that of those at the senior property, Alexander Heights, as this property offers a slightly inferior product relative to the Subject in terms of location and condition. The Subject's proposed LIHTC rents represent a rent advantage of three to nine percent over the achievable market rents.

Summary Evaluation of the Project

The Subject will be well-positioned in the market. As a newly constructed property, the Subject will be in similar to slightly superior condition relative to the majority of the comparable properties. The market exhibits strong demand for affordable housing, with a weighted average vacancy rate of 1.0 percent at the stabilized comparable LIHTC properties. The Heights at Jackson Village I, the first phase of the overall Subject, is still in lease-up due to construction delays to its second building; however, its first building, which opened in 2023,

is currently 97.0 percent occupied. Vacancy loss at the Subject is expected to be no more than five percent over a typical investment period. We believe that the LIHTC rents of \$1,500 and \$1,750 for the Subject's one and two-bedroom units, respectively, are achievable based on an analysis of the affordable comparables. The Subject will be well-accepted in the market as a newly-constructed age-restricted LIHTC property, and the concluded achievable LIHTC rents offer a market rent advantage.

Impact on Existing Housing Stock

All the data combined with interviews of real estate professionals demonstrate a continuing need for affordable housing over the foreseeable term. The comparables surveyed include a total of 2,565 units in 12 multifamily properties. The stabilized LIHTC comparables in the area reported occupancy rates of 98.0 percent or higher, with two of the LIHTC comparables reporting 100 percent occupancy and four of the LIHTC comparables reporting waiting lists. Additionally, the strong occupancy rates at the market rate comparables in the PMA are evidence of a stable rental market and strong demand.

Our demand calculations illustrate a need for affordable housing in the area when we consider the Subject's achievable LIHTC rents. The existing and planned apartment developments will not hinder each other's ability to maintain high occupancy. Additionally, the construction of the property through the LIHTC program will have a positive impact on the surrounding neighborhood, and will not adversely affect the existing housing located in the PMA.

IX. AFFORDABILITY ANALYSIS, DEMAND ANALYSIS, CAPTURE RATES AND PENETRATION RATES

AFFORDABILITY ANALYSIS, DEMAND ANALYSIS, CAPTURE RATES, AND PENETRATION RATES

Introduction

When evaluating demand for a particular proposed development we rely primarily on two methods. These are a supply analysis and a demand analysis. The supply analysis focuses on satisfied demand and anecdotal reports from property managers and market participants regarding demand. We believe this evidence of demand is the most clear and reliable when measuring housing need in a market area. We explored that indication in the previous sections of this report.

This section focuses on analyzing demographic data to determine housing need. According to NCHMA model content standards there are two measurements used to evaluate demand based on the demographic data. The first measurement is termed the capture rate. NCHMA define Capture Rate as: “The percentage of age, size, and income qualified renter households in the Primary Market Area that the property must capture to fill the units. The Capture Rate is calculated by dividing the total number of units at the property by the total number of age, size and income qualified renter households in the Primary Market Area.”

The second measurement is the Penetration Rate, which has similarities to the capture rate. NCHMA defines Penetration Rate as “The percentage of age and income qualified renter households in the *Primary Market Area* that all existing and proposed properties, to be completed within six months of the Subject, and which are competitively priced to the subject that must be captured to achieve the *stabilized level of occupancy*.”

Capture Rate Determination

The following analysis will take the reader through a multi-step process in determining an appropriate capture rate for the Subject. Our analysis takes the entire population and distributes it by the following characteristics:

- 1) PMA Demography
- 2) Income Qualified
- 3) Renter Households
- 4) Unit Size Appropriate

The following text will examine each step through the process.

Step One – PMA Demography

Primary Market Area Defined

For the purposes of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood-oriented” and are generally very reluctant to move from the area in which they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below-market rents. A certain percent of the Subject’s tenants are expected to hail from the PMA; demand estimates will be adjusted to reflect the potential for “leakage.”

The Subject site is located in Fredericksburg, Spotsylvania County, Virginia. The PMA boundaries are defined as U.S Highway 3, Interstate 95, and Warrenton Road to the north, Fredericksburg Turnpike and Muddy Creek to the east, State Routes 606 and 208 to the south, and Lake Anna Parkway, Old Block House Lane, and Gordon Road to the west. The PMA encompasses approximately 153 square miles.

Demographic Information & Income-Eligible Calculations

The basic demographic information is based upon the definition of a Primary Market Area (“PMA”) and an estimate of the characteristics of the people living within that geographic definition.

Demographic data originates from the Census and is compiled by a third party data provider. Novogradac Consulting LLP uses data provided by the ESRI Business Analyst. Business Analyst brings in data as produced by ESRI’s team of demographers. Sources include the U.S. Census, American Community Survey, and other reputable sources. Housing characteristics are derived from several data sources, including construction data from Hanley Wood Market Intelligence, building permits from counties, the USPS, HUD, BLS, and the Census bureau. Owner and renter occupied units come from the Current Population Survey (BLS) and the Housing Vacancy Survey (Census). Data has been ground-truthed by ESRI staff and proven effective. ESRI’s products have been used by almost all US federal agencies (HUD and USDA), top state level agencies, over 24,000 state and local governments worldwide, as well as many industry leading technology users—AT&T, Citrix, SAP, Oracle, Microsoft. ESRI produces timely updates based on new releases of data.

Step One is to identify demographic data such as number of households, renter households, income distribution and AMI levels. The appropriate demographic is used based on the tenancy for the proposed development. When analyzing a property designated for families the demographics for the entire population within the PMA is used. The demographic information was detailed in the demographic section of this report.

Step Two – Income Qualified

Assumptions and Data necessary for this calculation are:

Appropriate Jurisdiction:	Spotsylvania County, VA
AMI for four-person household:	\$154,700
Tenancy:	Senior (55+)
Affordability percentage:	40 percent
Leakage:	10 percent

To establish the number of income-eligible potential tenants for the Subject, first, we estimate the Subject’s minimum and maximum income levels (income bands) for the proposed project. HUD determines maximum income guidelines for tax credit properties, based on the AMI. This provides the upper end of the income band as illustrated below. However, the minimum income is not established by HUD and must be estimated. Often, lower-income families pay a higher percentage of gross income toward housing costs. The industry standard is 40 percent for LIHTC-only calculations for senior oriented properties. The minimum income levels, absent subsidy, are calculated from the gross achievable LIHTC rents.

INCOME LIMITS

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@60%	
1BR	\$47,790	\$74,280
2BR	\$55,680	\$83,580

Second, we illustrate the household population segregated by income band in order to determine those who are income-qualified to reside in the Subject property.

55+ RENTER HOUSEHOLD INCOME PMA

Income Cohort	2024		2029		Annual Change 2024 to 2029	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	413	8.3%	427	7.7%	3	0.7%
\$10,000-19,999	621	12.5%	600	10.8%	-4	-0.7%
\$20,000-29,999	544	11.0%	564	10.1%	4	0.7%
\$30,000-39,999	497	10.0%	486	8.7%	-2	-0.4%
\$40,000-49,999	436	8.8%	479	8.6%	9	2.0%
\$50,000-59,999	420	8.5%	444	8.0%	5	1.1%
\$60,000-74,999	408	8.2%	474	8.5%	13	3.2%
\$75,000-99,999	397	8.0%	462	8.3%	13	3.3%
\$100,000-124,999	345	7.0%	403	7.2%	12	3.4%
\$125,000-149,999	217	4.4%	298	5.3%	16	7.5%
\$150,000-199,999	299	6.0%	385	6.9%	17	5.8%
\$200,000+	359	7.2%	556	10.0%	39	11.0%
Total	4,956	100.0%	5,578	100.0%		

Source: HISTA Data / Ribbon Demographics 2024, Novogradac, November 2024

Step Three – Income Distribution

Third, we combine the allowable income bands with the income distribution analysis in order to determine the number of potential income-qualified households. The Cohort Overlap is defined as the income amount within income bands defined above that falls within the ESRI provided Income Cohort. The % in Cohort is simply the cohort overlap divided by the income cohort range (generally \$10,000). The # in Cohort is determined by multiplying total renter households by the % in Cohort determination. In some cases, the income-eligible band overlaps with more than one income cohort. In those cases, the cohort overlap for more than one income cohort will be calculated. The sum of these calculations provides an estimate of the total number of households that are income-eligible, both by AMI level and in total.

SENIOR RENTER INCOME DISTRIBUTION

Income Cohort	Total Renter Households	@60%		
		cohort overlap	% in cohort	# in cohort
\$0-\$9,999	413			
\$10,000-\$19,999	621			
\$20,000-\$29,999	544			
\$30,000-\$39,999	497			
\$40,000-\$49,999	436	\$2,209	22.1%	96
\$50,000-\$59,999	420	\$9,999	100.0%	420
\$60,000-\$74,999	408	\$14,999	100.0%	408
\$75,000-\$99,999	397	\$8,580	34.3%	136
\$100,000-\$124,999	345			
\$125,000-\$149,999	217			
\$150,000-\$199,999	299			
\$200,000-\$250,000	359			
Total	4,956		21.4%	1,061

Step Four – Income Eligible Renter Households by Number of People in Household

At this point we know how many income eligible renter households there are within the PMA by AMI level. Using that household figure, we calculate the percentage of income eligible households to total households by AMI level (AMI percentage eligible). However, in order to provide a demand analysis by bedroom type the number of households must now be allocated to a bedroom mix. The first step in that process is to determine the number of income qualified renter households by the number of persons per household. This can be completed by applying the total number of rental households by person by the AMI percentage eligible. The total number of renter households by person is information provided by ESRI and illustrated in the demographic discussion.

Step Five – Unit Size Appropriate

Household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. Additionally, HUD assumes that one-person households are accommodated in one-bedroom units. For LIHTC income purposes, the actual size of the household is used. The distribution of households by unit type is dependent on the following assumptions. This table has been developed by Novogradac as a result of market research.

HOUSEHOLD DISTRIBUTION		
1BR	90%	Of 1-person households in 1BR units
	20%	Of 2-person households in 1BR units
2BR	10%	Of 1-person households in 2BR units
	80%	Of 2-person households in 2BR units
	50%	Of 3-person households in 2BR units

The projected renter household demand by bedroom size can then be determined by applying these weightings to the number of income qualified renter households determined in Step Four.

Step Six – Capture Rate by Bedroom Mix

The capture rate is simply determined by dividing the number of units by unit type for the subject by the total number of qualified renter households for that unit type. This calculation is then adjusted for leakage to arrive at a final determination of capture rate by bedroom type and AMI level.

CAPTURE RATE ANALYSIS BY UNIT TYPE

In order to determine demand for the proposed market mix, we analyze the demand capture rates expected at the Subject by bedroom type. This analysis illustrates demand for all AMI levels.

60% AMI Demand

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2024

	Renter Household Size Distribution	Total Number of Renter Households
1 person	56.3%	2,791
2 person	30.3%	1,504
3 person	4.4%	216
4 person	4.3%	211
5 person	4.7%	234
Total	100.0%	4,956

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	2,791	x	21.4%	597
2 person	1,504	x	21.4%	322
3 person	216	x	21.4%	46
4 person	211	x	21.4%	45
5 person	234	x	21.4%	50
Total	4,956			1,061

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
1BR	602
2BR	340
Total	942

Capture Rate Analysis - @60%

	Developer's Unit Mix	Capture Rate
1BR	86	14.3%
2BR	112	32.9%
Total/Overall	198	21.0%

Adjusted for Leakage from Outside of the PMA

10.0%

1BR	86	12.9%
2BR	112	29.6%
Total/Overall	198	18.9%

ANNUAL CAPTURE RATE ANALYSIS

The following calculation derives an estimated market penetration rate based on per annum demand. This is an indication of the percentage of net demand penetration that the Subject must attract in order to reach stabilized occupancy. This measure essentially takes the available household demand searching for apartments in the market area and deducts competition in order to determine net demand available to the Subject. The table on the following page outlines the analysis of this methodology.

The annual demand for rental housing depends upon the following factors:

Population/Household Change

Population change as a result of new households moving in or out of the area: This was previously calculated, in the estimated population increase from 2024 to 2029. Since the newly derived population will all be eligible, they are included directly into the annual demand estimate.

New Construction/Development

We attempted to contact the Fredericksburg Planning Department for information regarding new or recently delivered multifamily developments in the area. However, our calls have not been returned as of the date of this report. Thus, we consulted CoStar's database of multifamily developments in the pipeline within the PMA, as well as conducted extensive internet research. According to our research, there is only one proposed or under construction development in the PMA, The Factory at Upper Spotsy II. This property would be the second phase of The Factory at Upper Spotsy, which opened in 2023 with 258 one and two-bedroom units as the adaptive redevelopment of a former industrial plant. The Factory at Upper Spotsy II is proposed to offer 300 additional units; however, the unit types are not yet known. The property is reportedly anticipated to begin construction in April 2026 and be completed in August 2028. As a market rate property targeting the general population, this property would not be competitive with the Subject.

According to Virginia Housing development lists, there have been three LIHTC allocations awarded in the Subject's PMA since 2020, as detailed in the following table.

RECENT LIHTC ALLOCATIONS IN PMA

Property Name	Rent Structure	Tenancy	Total Units	Competitive LIHTC Units*	LIHTC Allocation Year
Palmers Creek II	LIHTC	Family	200	0	2021
Salem Run I	LIHTC	Family	160	0	2022
Salem Run II	LIHTC	Family	108	0	2022
Totals			528	0	

*Excludes existing units receiving allocations for rehab

As detailed above, three developments totaling 528 units have received tax credit allocation in the PMA since 2020. Salem Run I and II are existing LIHTC properties built in 1996 that received allocations for acquisition/rehabilitation. As such, no new units are added to the market; further, these properties target the general population and are not directly competitive with the Subject, and they have been excluded as comparables in the report due to the availability of newer and more comparable properties. Palmers Creek II received an allocation in 2022 for the new construction of 200 one, two, and three-bedroom LIHTC units that will be the second phase of the larger Palmers Creek development (Phase I opened in 2021 and also consisted of 200 LIHTC units). This property is also not directly competitive with the Subject as it targets the general population.

The Heights at Jackson Village I, the first phase of the overall Subject development, received an allocation in 2019; however, this property is still in lease-up. The property consists of two buildings, the first of which opened in July 2023 and stabilized in December 2023, and currently has 96 out of 99 units occupied, or 97.0

percent occupancy. The second building opened on October 24, 2024, and currently has 11 out of 88 units occupied, 12.5 percent, although an additional eight units have pending leases.

Overall, there are an additional 69 competitive pipeline units.

Annual Demand

ANNUAL DEMAND		
Calculation		PMA
Number of Renter Households in 2024		4,956
Increase in Number of Renter Households		622
Number of Renter Households in 2029		5,578
<i>Existing Demand</i>		
% of Total Households that are Renter		23.6%
% of Income-Qualified Renter Households		21.4%
Number of Income-Qualified Renter Households		1,061
Percentage Rent-Overburdened		41.7%
Existing Income-Qualified Renter Household Turnover		442
<i>New Income-Qualified Demand, Stated Annually</i>		
Increase in Renter Households per Annum		124
% of Income-Qualified Renter Households		21.4%
New Rental Income Qualified Households		27
<i>Capture Rate Analysis</i>		
Number of Revenue Units in Subject		198
Occupied Units at Subject With Vacancy of:	5.0%	188
Units Pre-Leased		0
Total Demand (Turnover and Growth) from within PMA		469
Portion Originating within PMA		90.0%
Total Demand (Turnover and Growth)		521
Less: Existing LIHTC Projects in Absorption Process (# Units)	69	
Total Demand after Competition (Turnover and Growth)		452
Yielded Annual Capture Rate of Available Demand in 2024		41.6%

The yielded capture rate is approximately 41.6 percent of available demand per annum for the Subject's units, which is moderate; however, indicative of adequate demand.

VIRGINIA HOUSING DEMAND ANALYSIS

We have also included the required demand table from the Virginia Housing market study guidelines. The following table illustrates the total demand, the net demand, and the absorption period for the Subject site. The supply illustrates all proposed or under construction units in the PMA. We determined that there are no proposed competitive affordable units in the PMA that have a tax credit allocation. Existing vacancies in the PMA are based on the vacancies at the three directly comparable LIHTC properties in the PMA.

We have determined the overall LIHTC weighted average vacancy rate among comparable properties is 1.1 percent. We have extrapolated the number of vacant units in the PMA based on this figure. As previously noted, there are six senior LIHTC developments in the PMA. Three of the surveyed properties reported a total of three vacant units. The Heights at Jackson Village I, while still in lease-up overall, has opened and stabilized one of its two buildings and has three vacant units (out of 99 units) at the stabilized building. Therefore, among these stabilized senior LIHTC developments that we were able to survey, there are six vacant units among 439 units, a vacancy rate of 1.4 percent. The other two senior properties in the PMA, Madonna House at Belmont and Keswick Senior Apartments, offer 130 and 50 units at the 60 percent AMI level, respectively. Therefore, we estimate an additional three vacant units based on a vacancy rate of 1.4 percent, and the total number of comparable vacant units included is nine. Additionally, as previously indicated, there are 69 competitive unstabilized LIHTC units in the PMA from the second building of The Heights at Jackson Village I.

The table below illustrates the resulting capture rate for demand currently proposed in PMA.

Income Restrictions	Up to 60% (min income to max income)
New Rental Households	622
+	
Existing Households - Overburdened	364
+	
Existing Households - Substandard Housing	12
+	
Elderly Households Likely to Convert to Rental Housing	0
+	
Existing Qualified Tenants - To Remain After Renovation	N/A
TOTAL DEMAND	998
-	
Supply (includes directly comparable vacant units or in pipeline in PMA)	78
NET DEMAND	920
PROPOSED UNITS	198
CAPTURE RATE	21.5%
ABSORPTION PERIOD	10-11 months

We believe there is adequate demand for the Subject as proposed, especially given the high occupancy rates and the prevalence of waiting lists among the LIHTC comparables. Our concluded capture rate and absorption period is shown in the table below.

Project Wide Capture Rate - LIHTC Units @60% AMI	21.5%
Project Wide Absorption Period (Months)	10-11 months

Capture Rate and VHDA Conclusion

The demand analysis illustrates demand for the Subject based on capture rates of income-eligible renter households. When viewing total income-eligible renter households the calculation illustrates an overall capture rate of 18.9 percent.

DEMAND CONCLUSION	
Calculation	As Proposed
60%	18.9%
Annual Demand	41.6%

To provide another level of analysis, we removed the households from the income-eligible renter demand pool that are currently suitably housed elsewhere in the PMA. We conducted an *annual demand analysis*, which is based on new income-eligible renter households moving into the area (in the Subject's first year of operation only) and those income-eligible renter households that are rent-overburdened (paying over 40 percent of income to living costs). This is a subset of the income-eligible renter households used previously and yields a far more conservative annual capture rate. Novoco's annual capture rate is 41.6 percent for the first year of operation. This suggests that the Subject will need to capture only a fraction of the available demand in its first year of operation in order to stabilize. This implies that no demand will be accommodated that is currently suitably housed elsewhere.

This calculation illustrates that there are approximately 452 units of demand in the first year of the Subject's operation. The Subject will need to accommodate 198 total units of demand in order to stabilize at 95 percent occupancy. Any unaccommodated households will most likely leave the PMA or remain severely rent-overburdened. The lack of available units will force many to look elsewhere.

The Virginia Housing net demand and capture rate table illustrates demand for the Subject based on capture rates of income-eligible renter households. The following table illustrates the conclusions from this table.

Income Restrictions	Up to 60% (min income to max income)
New Rental Households	622
+	
Existing Households - Overburdened	364
+	
Existing Households - Substandard Housing	12
+	
Elderly Households Likely to Convert to Rental Housing	0
+	
Existing Qualified Tenants - To Remain After Renovation	N/A
TOTAL DEMAND	998
-	
Supply (includes directly comparable vacant units or in pipeline in PMA)	78
NET DEMAND	920
PROPOSED UNITS	198
CAPTURE RATE	21.5%
ABSORPTION PERIOD	10-11 months

Project Wide Capture Rate - LIHTC Units @60% AMI	21.5%
Project Wide Absorption Period (Months)	10-11 months

This capture rate is indicative of moderate demand for the Subject, and upon completion, we estimate the Subject will experience an absorption period of approximately 10 to 11 months.

PENETRATION RATE ANALYSIS

Per VHDA guidelines, we performed a penetration rate analysis for the Subject's units. The Subject will offer one and two-bedroom units restricted at the 60 percent AMI level. The following table illustrates the affordable properties that are existing in the PMA and competitive with the Subject. Phase I of the Subject, The Heights at Jackson Village, is still in lease-up; however, all 187 of its units are online.

EXISTING AFFORDABLE IN PMA

Property Name	Program	Tenancy	Total Units	Competitive LIHTC Units	Distance to Subject
Crestview Apartments*	LIHTC	Family	180	0	7.1 miles
Kings Crest Senior Apartments*	LIHTC	Senior	100	99	3.9 miles
Madonna House At Belmont	LIHTC	Senior	130	130	6.6 miles
Meadows At Salem Run I & II*	LIHTC	Senior	180	180	4.8 miles
New Post Apartments	LIHTC	Family	102	0	6.2 miles
Orchard Ridge At Jackson Village*	LIHTC	Family	169	0	0.3 mile
Orchard Ridge At Jackson Village II	LIHTC	Family	76	0	0.3 mile
Overlook Terrace	LIHTC	Family	72	0	0.9 mile
Enoch George Manor*	LIHTC	Senior	60	60	2.5 miles
Forest Village	LIHTC/Section 8	Family	192	0	7.2 miles
Greens Of Salem Run	LIHTC	Family	200	0	4.6 miles
Hazel Hill	LIHTC	Family	147	0	6.3 miles
Heritage Park I Apartments	LIHTC	Family	100	0	6.9 miles
Heritage Park II Apartments	LIHTC	Family	101	0	6.9 miles
Hood Drive	LIHTC	Family	200	0	2.6 miles
Keswick Apartments II	LIHTC	Family	116	0	5.2 miles
Keswick I Apartments	LIHTC	Family	120	0	5.4 miles
Keswick Senior Apartments	LIHTC	Senior	100	100	5.3 miles
Madonna House	LIHTC	Family	130	0	6.6 miles
Palmer's Creek I & II	LIHTC	Family	200	0	0.6 miles
Pines	LIHTC	Family	46	0	5.0 miles
Riverview Apartments	LIHTC	Family	96	0	7.2 miles
Salem Fields Apartments	LIHTC	Family	139	0	5.0 miles
Salem Run I & II	LIHTC	Family	268	0	4.8 miles
Salem Run Phase II	LIHTC	Family	108	0	5.2 miles
The Heights at Jackson Village I*	LIHTC	Senior	187	187	<0.1 miles
Timber Ridge Townhomes	LIHTC	Family	147	0	2.9 miles
Townsend Square	LIHTC	Family	200	0	5.0 miles
Weston Circle And Wicklow Square	LIHTC	Family	246	0	7.2 miles
Totals				756	

*Utilized as a comparable property

The range of income eligible households in this analysis is determined based upon the lowest minimum income among competitive properties included in the analysis. The lowest minimum income is \$31,050, based upon the lowest rent offered by the comparables at Enoch George Manor (\$1,035 for a one-bedroom at the 60 percent AMI level). The following tables illustrate the market penetration for the Subject's LIHTC units.

RENTER INCOME DISTRIBUTION				
Income Cohort	Total Renter Households	@60%		
		<i>cohort overlap</i>	<i>% in cohort</i>	<i># in cohort</i>
\$0-9,999	413			
\$10,000-19,999	621			
\$20,000-29,999	544			
\$30,000-39,999	497	\$8,950	89.5%	445
\$40,000-49,999	436	\$9,999	100.0%	436
\$50,000-59,999	420	\$9,999	100.0%	420
\$60,000-74,999	408	\$14,999	100.0%	408
\$75,000-99,999	397	\$8,580	34.3%	136
\$100,000-124,999	345			
\$125,000-149,999	217			
\$150,000-199,999	299			
\$200,000-250,000	359			
Total	4,956		37.2%	1,845

The overall penetration rate is derived by taking the number of competitive LIHTC units proposed or under construction within the PMA, combined with the number of existing competitive LIHTC units and the number of the Subject's units divided by the number of income eligible households. As detailed in the supply analysis, no competitive LIHTC units proposed or under construction were deducted in our analysis. The following table illustrates the existing affordable properties in the PMA.

PENETRATION RATE - METHODOLOGY TWO	
Number of Proposed Competitive LIHTC Senior Units in the PMA	0
	+
Number of Existing Competitive LIHTC Senior Units in the PMA	756
	+
Number of Proposed Senior Units at the Subject	198
	=
Total	954
	/
Income Eligible Households - All AMI Levels	1,845
	=
Overall Penetration Rate - Market Focus (NCHMA)	51.7%

The overall penetration rate for the market is 51.7 percent. However, this calculation does not account for leakage (i.e. tenants originating outside of the PMA), which is sometimes considerable, any percentage of seniors transitioning from homeownership to renters, or the number of senior households utilizing housing choice vouchers. The amount of owner-occupied senior households that may find a development such as the Subject an attractive alternative to homeownership would likely result in a lower overall penetration rate. Further, The Heights at Jackson Village I reported that the property already maintains an extensive waiting list, and tenants from this list will be used to fill units at the Subject. Overall, we believe there is adequate demand for the Subject.

Absorption Estimate

We obtained absorption rate data from several recently built properties in the area, including the first phase of the overall Subject development, The Heights at Jackson Village I, which are detailed below.

ABSORPTION								
Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject	
The Heights at Jackson Village I*	LIHTC	Senior	Fredericksburg	2023	187	29	<0.1 miles	
The Allure At Jefferson*	Market	Family	Fredericksburg	2019	388	17	0.3 miles	
Orchard Ridge At Jackson Village*	LIHTC	Family	Fredericksburg	2018	169	12	0.3 miles	
New Post Apartments	LIHTC	Family	Fredericksburg	2017	102	15	6.2 miles	
Overlook Terrace	LIHTC	Family	Fredericksburg	2016	72	12	0.9 miles	
Abberly At Southpoint	Market	Family	Fredericksburg	2016	280	13	2.2 miles	
Average Affordable					133	17		
Average Market					334	15		
Overall Average					200	16		

*Comparable Property

We obtained absorption data from six properties, located within 6.2 miles of the Subject site. The properties reported absorption rates ranging from 12 to 29 units per month, with an overall average of 16 units per month. The Heights at Jackson Village I, the first phase of the overall Subject development, is the most comparable to the Subject as it is the only senior LIHTC property, and is the newest development in the market, and it reported the highest absorption rate of approximately 29 units per month. Overall, we conservatively estimate the proposed Subject will reach a stabilized occupancy rate of 95 percent within 10 to 11 months of completion, which equates to an absorption pace of 20 units per month. Further, with the assumption that the Subject begins pre-leasing units prior to the completion of construction from the existing waiting list at The Heights at Jackson Village I, it appears likely that the Subject will experience a more expedient lease-up. We do not expect the Subject's absorption to adversely impact other existing LIHTC properties, all of which reported low vacancy rates.

We do not anticipate any future changes in the housing stock or risks in the market area that would adversely affect the Subject. The achievable market rents are reasonable and as an affordable property, the Subject will operate with a strong occupancy rate.

X. LOCAL PERSPECTIVES OF RENTAL HOUSING MARKET AND HOUSING ALTERNATIVES

INTERVIEWS

In order to ascertain the need for housing and affordable housing in the Subject's area, interviews were conducted with various local officials.

Local Housing Authority Discussion

We attempted to contact the Central Virginia Housing Coalition, which administers Housing Choice Vouchers in Spotsylvania County and surrounding counties; however, our calls and email have not returned as of the effective date of this report. According to the Central Virginia Housing Coalition website, the waiting list has been closed for the past several years. The small area voucher payment standards for one and two-bedroom units, published by Virginia Housing, are illustrated in the following table.

PAYMENT STANDARDS		
Unit Type	Proposed Gross Rent	Gross Payment Standard
1BR	\$1,593	\$1,694
2BR	\$1,756	\$1,925

Source: Virginia Housing, effective July 2021

The Subject's LIHTC gross rents are below the payment standards for all units, indicating that voucher holders will not incur additional out of pocket costs to reside in the Subject's units.

Planning Discussion

We attempted to contact the Fredericksburg Planning Department for information regarding new or recently delivered multifamily developments in the area. However, our calls have not been returned as of the date of this report. Thus, we consulted CoStar's database of multifamily developments in the pipeline within the PMA, as well as conducted extensive internet research. According to our research, there is only one proposed or under construction development in the PMA, The Factory at Upper Spotsy II. This property would be the second phase of The Factory at Upper Spotsy, which opened in 2023 with 258 one and two-bedroom units as the adaptive redevelopment of a former industrial plant. The Factory at Upper Spotsy II is proposed to offer 300 additional units; however, the unit types are not yet known. The property is reportedly anticipated to begin construction in April 2026 and be completed in August 2028. As a market rate property targeting the general population, this property would not be competitive with the Subject.

Recent LIHTC Allocations

According to Virginia Housing development lists, there have been three LIHTC allocations awarded in the Subject's PMA since 2020, as detailed in the following table.

RECENT LIHTC ALLOCATIONS IN PMA					
Property Name	Rent Structure	Tenancy	Total Units	Competitive LIHTC Units*	LIHTC Allocation Year
Palmers Creek II	LIHTC	Family	200	0	2021
Salem Run I	LIHTC	Family	160	0	2022
Salem Run II	LIHTC	Family	108	0	2022
Totals			528	0	

*Excludes existing units receiving allocations for rehab

As detailed above, three developments totaling 528 units have received tax credit allocation in the PMA since 2020. Salem Run I and II are existing LIHTC properties built in 1996 that received allocations for acquisition/rehabilitation. As such, no new units are added to the market; further, these properties target the general population and are not directly competitive with the Subject, and they have been excluded as comparables in the report due to the availability of newer and more comparable properties. Palmers Creek II received an allocation in 2022 for the new construction of 200 one, two, and three-bedroom LIHTC units that will be the second phase of the larger Palmers Creek development (Phase I opened in 2021 and also consisted

of 200 LIHTC units). This property is also not directly competitive with the Subject as it targets the general population.

The Heights at Jackson Village I, the first phase of the overall Subject development, received an allocation in 2019; however, this property is still in lease-up. The property consists of two buildings, the first of which opened in July 2023 and stabilized in December 2023, and currently has 96 out of 99 units occupied, or 97.0 percent occupancy. The second building opened on October 24, 2024, and currently has 11 out of 88 units occupied, 12.5 percent, although an additional eight units have pending leases.

Overall, there are an additional 69 competitive pipeline units.

XI. ANALYSIS/CONCLUSION

Recommendations

We have no further recommendations for the Subject development.

Demand Summary

The demand analysis illustrates demand for the Subject based on capture rates of income-eligible renter households. When viewing total income-eligible renter households the calculation illustrates an overall capture rate of 18.9 percent.

DEMAND CONCLUSION

Calculation	As Proposed
60%	18.9%
Annual Demand	41.6%
Penetration Rate	51.7%

To provide another level of analysis, we removed the households from the income-eligible renter demand pool that are currently suitably housed elsewhere in the PMA. We conducted an *annual demand analysis*, which is based on new income-eligible renter households moving into the area (in the Subject's first year of operation only) and those income-eligible renter households that are rent-overburdened (paying over 40 percent of income to living costs). This is a subset of the income-eligible renter households used previously and yields a far more conservative annual capture rate. Novoco's annual capture rate is 41.6 percent for the first year of operation. This suggests that the Subject will need to capture only a fraction of the available demand in its first year of operation in order to stabilize. This implies that no demand will be accommodated that is currently suitably housed elsewhere.

This calculation illustrates that there are approximately 452 units of demand in the first year of the Subject's operation. The Subject will need to accommodate 198 total units of demand in order to stabilize at 95 percent occupancy. Any unaccommodated households will most likely leave the PMA or remain severely rent-overburdened. The lack of available units will force many to look elsewhere.

The Virginia Housing net demand and capture rate table illustrates demand for the Subject based on capture rates of income-eligible renter households. The following table illustrates the conclusions from this table.

Income Restrictions	Up to 60% (min income to max income)
New Rental Households	622
+	
Existing Households - Overburdened	364
+	
Existing Households - Substandard Housing	12
+	
Elderly Households Likely to Convert to Rental Housing	0
+	
Existing Qualified Tenants - To Remain After Renovation	N/A
TOTAL DEMAND	998
-	
Supply (includes directly comparable vacant units or in pipeline in PMA)	78
NET DEMAND	920
PROPOSED UNITS	198
CAPTURE RATE	21.5%
ABSORPTION PERIOD	10-11 months

Project Wide Capture Rate - LIHTC Units @60% AMI	21.5%
Project Wide Absorption Period (Months)	10-11 months

This capture rate is indicative of moderate demand for the Subject, and upon completion, we estimate the Subject will experience an absorption period of approximately 10 to 11 months.

Strengths

- The Subject will offer excellent condition as a new construction development, similar to slightly superior to the comparable properties;
- The Subject will offer elevator-serviced midrise design, similar to slightly superior to the comparables;
- The Subject's location is in close proximity to most major locational amenities, and offers good accessibility and excellent visibility;
- The Subject's achievable LIHTC rents at 60 percent of AMI appear reasonable, and offer a significant market rent advantage;

- The Subject will be considered generally similar to most comparables in terms of in-unit and property amenities.

Weaknesses

- The demand analysis indicates a moderate penetration rate. However, this calculation does not account for leakage (i.e. tenants originating outside of the PMA), which is sometimes considerable, any percentage of seniors transitioning from homeownership to renters, or the number of senior households utilizing housing choice vouchers. The amount of owner-occupied senior households that may find a development such as the Subject an attractive alternative to homeownership would likely result in a lower overall penetration rate. Further, The Heights at Jackson Village I reported an occupancy rate of 97.0 percent for its complete and stabilized building (99 units). Overall, we believe there is adequate demand for the Subject;
- The Subject's unit sizes are within the range, but slightly below the overall average of surveyed comparable properties. However, among the senior comparables, the Subject's one-bedroom unit size is 10.4 percent larger than the average, and the Subject's two-bedroom unit size is 1.7 percent larger than the average, and appear reasonable based on this data.
- The Heights at Jackson Village I, the first phase of the overall Subject development, is still in lease-up with 88 vacant units at its second, unstabilized building (though an additional eight of these units have pending leases). While the demand analysis appears to illustrate sufficient demand for the Subject, this is still a significant number of competitive units left for the market to absorb in addition to the Subject's units.

Absorption Estimate

We obtained absorption rate data from several recently built properties in the area, including the first phase of the overall Subject development, The Heights at Jackson Village I, which are detailed below.

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
The Heights at Jackson Village I*	LIHTC	Senior	Fredericksburg	2023	187	17-19**	<0.1 miles
The Allure At Jefferson*	Market	Family	Fredericksburg	2019	388	17	0.3 miles
Orchard Ridge At Jackson Village*	LIHTC	Family	Fredericksburg	2018	169	12	0.3 miles
New Post Apartments	LIHTC	Family	Fredericksburg	2017	102	15	6.2 miles
Overlook Terrace	LIHTC	Family	Fredericksburg	2016	72	12	0.9 miles
Abberly At Southpoint	Market	Family	Fredericksburg	2016	280	13	2.2 miles
Average Affordable					133	15	
Average Market					334	15	
Overall Average					200	15	

*Comparable Property

**This range reflects the absorption rate of the first building (approximately 17) and the second building (19) which opened in 2023 and 2024, respectively.

We obtained absorption data from six properties, located within 6.2 miles of the Subject site. The Heights at Jackson Village I, the first phase of the overall Subject development, reported that its first building (99 units) opened in July 2023 and stabilized in December 2023; according to management, 38 units were pre-leased prior to opening, although the contact could not state when exactly pre-leasing began. The second building at The Heights at Jackson Village I opened on October 24, 2024, and has currently leased 19 units (including both occupied and pre-leased units). Based primarily on this property, as well as the other comparable data, we estimate the proposed Subject could experience an absorption rate of 18 units per month, which equates to a period of within 10 to 11 months of completion in order to reach a stabilized occupancy rate. Further, with the assumption that the Subject begins pre-leasing units prior to the completion of construction, the Subject may experience a more expedient lease-up. We do not expect the Subject's absorption to adversely impact other existing LIHTC properties, all of which reported low vacancy rates.

Conclusions

The Subject will be well-positioned in the market. As a newly constructed senior-targeted property, the Subject will be in similar to slightly superior condition relative to the majority of the comparable properties. The market exhibits strong demand for affordable housing, with a weighted average vacancy rate of 1.0 percent at the stabilized comparable LIHTC properties, and The Heights at Jackson Village I, the first phase of the overall Subject which is still in lease-up, reported a vacancy rate of 3.0 percent for its currently open building (99 units). Four of the LIHTC properties also reported operating with a waiting list. Vacancy loss at the Subject is expected to be no more than five percent over a typical investment period. Based on the comparable data, we believe the proposed LIHTC rents are achievable. The Subject will be well-accepted in the market as a newly-constructed age-restricted LIHTC property, and the concluded achievable LIHTC rents offer a market rent advantage.

XII. OTHER REQUIREMENTS

Novogradac affirms the following:

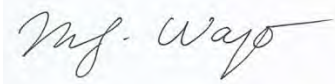
1. A Novogradac employee, Evan Laugen, made a physical inspection of the site and market area.
2. The appropriate information has been used in the comprehensive evaluation of the need and demand for the proposed rental units.
3. To the best of my knowledge the market can support the demand shown in this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



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Principal
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Matthew Wargo
Senior Analyst
469-329-5213
Matthew.Wargo@novoco.com

December 10, 2024

Date

ASSUMPTIONS AND LIMITING CONDITIONS

ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the market analyst has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the author assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All encumbrances, including mortgages, liens, leases, and servitudes, were disregarded in this valuation unless specified in the report. It was recognized, however, that the typical purchaser would likely take advantage of the best available financing, and the effects of such financing on property value were considered.
4. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
5. The report was made assuming responsible ownership and capable management of the property.
6. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
7. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
8. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.
9. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the market analyst did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
10. Any distribution of total property value between land and improvements applies only under the existing or specified program of property utilization. Separate valuations for land and buildings must not be used in conjunction with any other study or market study and are invalid if so used.
11. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the market analyst. Nor shall the market analyst, firm, or professional organizations of which the market analyst is a member be identified without written consent of the market analyst.

12. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional organization with which the market analyst is affiliated.
13. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
14. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
15. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the Subject property will sell or lease for the indicated amounts.
16. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the market study report.
17. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
18. On all studies, Subject to satisfactory completion, repairs, or alterations, the report and conclusions are contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time.
19. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums, except as reported to the market analyst and contained in this report.
20. The party for whom this report is prepared has reported to the market analyst there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
21. Unless stated otherwise, no percolation tests have been performed on this property. In making the market study, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use.
22. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The market analyst does not warrant the condition or adequacy of such systems.
23. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the property. The market analyst reserves the right to review and/or modify this market study if said insulation exists on the Subject property.
24. Estimates presented in this report are assignable to parties to the development's financial structure.

ADDENDUM A

Statement of Qualifications

STATEMENT OF PROFESSIONAL QUALIFICATIONS
REBECCA S. ARTHUR, MAI

I. Education

University of Nebraska, Lincoln, Nebraska
Bachelor of Science in Business Administration – Finance

Appraisal Institute
Designated Member (MAI)

II. Licensing and Professional Affiliation

Member of Kansas Housing Association
Board of Directors; 2017 – Present
Vice President - Board of Directors; 2017 - 2021
Designated Member of the Appraisal Institute (MAI)
Kansas City Chapter of the Appraisal Institute Board of Directors: 2013 – 2014
National Council of Housing Market Analysts (NCHMA) – Member in Good Standing
Member of Texas Association of Affordable Housing Providers
Member of Women's Affordable Housing Network (WAHN)

State of Arkansas Certified General Real Estate Appraiser No. CG2682
State of Arizona Certified General Real Estate Appraiser No. 31992
State of California Certified General Real Estate Appraiser No. AG041010
State of Connecticut Certified General Real Estate Appraiser No. RCG.0001770
State of Delaware Certified General Real Estate Appraiser No. X1-0010790
State of Georgia Certified General Real Estate Appraiser No. CG416465
State of Hawaii Certified General Real Estate Appraiser No. CGA-1047
State of Iowa Certified General Real Estate Appraiser No. CG03200
State of Indiana Certified General Real Estate Appraiser No. CG41300037
State of Kansas Certified General Real Estate Appraiser No. G-2153
State of Louisiana Certified General Real Estate Appraiser No. 4018
State of Massachusetts Certified General Real Estate Appraiser No. 1000327-RA-CG
State of Maryland Certified General Real Estate Appraiser No. 35109
State of Michigan Certified General Real Estate Appraiser No. 1205074011
State of Minnesota Certified General Real Estate Appraiser No. 40219655
State of Missouri Certified General Real Estate Appraiser No. 2004035401
State of New Jersey Certified General Real Estate Appraiser No. 42RG00289900
State of New York Certified General Real Estate Appraiser No. 46000053039
State of North Carolina Certified General Real Estate Appraiser No. A8713
State of Oklahoma Certified General Real Estate Appraiser No. 13563CGA
State of Rhode Island Certified General Real Estate Appraiser No. CGA.0020164
State of South Carolina Certified General Real Estate Appraiser No. 8417
State of Tennessee Certified General Real Estate Appraiser No. 6399
State of Texas Certified General Real Estate Appraiser No. TX-1338818-G
State of Virginia Certified General Real Estate Appraiser No. 4001018566
State of Washington Certified General Real Estate Appraiser No. 23001712

III. Professional Experience

Partner, Novogradac & Company LLP
Principal, Novogradac & Company LLP
Manager, Novogradac & Company LLP
Real Estate Analyst, Novogradac & Company LLP
Corporate Financial Analyst, Deloitte LLP

IV. Professional Training

RAD and HUD related seminars
Various Continuing Education Classes as required by appraisal licensing, ongoing
NCHMA Seminars
Uniform Standards of Professional Appraisal Practice
Forecasting Revenue
Discounted Cash Flow Model
Business Practices and Ethics
Biases in Appraising
HUD MAP Training – Ongoing
The Appraiser as an Expert Witness: Preparation & Testimony
How to Analyze and Value Income Properties
Appraising Apartments – The Basics
HUD MAP Third Party Tune-Up Workshop
HUD MAP Third Party Valuation Training
HUD LEAN Third Party Training
National Uniform Standards of Professional Appraisal Practice
MAI Comprehensive Four Part Exam
Report Writing & Valuation Analysis
Advanced Applications
Highest and Best Use and Market Analysis
HUD MAP – Valuation Advance MAP Training
Advanced Sales Comparison and Cost Approaches
Advanced Income Capitalization
Basic Income Capitalization
Appraisal Procedures
Appraisal Principals

IV. Real Estate Assignments

A representative sample of Valuation or Consulting Engagements includes:

- In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2001, with an emphasis on multifamily housing and land.
- Have managed and conducted numerous market and feasibility studies for multifamily housing. Properties types include Section 42 Low Income Housing Tax Credit (LIHTC) Properties, Public Housing for RAD conversion, Section 18 disposition, Section 8, USDA and/or conventional. Local housing authorities, developers, syndicators, HUD and lenders have used these studies to assist in the financial underwriting and design of multifamily properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying, and overall market analysis. The Subjects include both new construction and rehabilitation properties in both rural and metro regions throughout the United States and its territories.
- Have managed and conducted numerous appraisals of multifamily housing. Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered LIHTC and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and PILOT agreements.
- Completed numerous appraisals of public housing properties for RAD conversion, Section 18 disposition, and/or LIHTC application of housing authority owned properties.

- Performed market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs, as well as the LIHTC PILOT Program.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA, and the developer in the underwriting process. Market studies are compliant to State, FannieMae, and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae and FreddieMac appraisals of affordable and market rate multi-family properties for DUS Lenders.
- Managed and completed numerous Section 8 Rent Comparability Studies in accordance with HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities.
- Managed and conducted various City and County-wide Housing Needs Assessments in order to determine the characteristics of existing housing, as well as determine the need for additional housing within designated areas.
- Performed numerous valuations of the General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.
- Performs valuations of solar panels, wind turbines and other renewable energy installations in connection with financing and structuring analyses performed by various clients.

V. Speaking Engagements

A representative sample of industry speaking engagements follows:

- Novogradac & Company LLP: RAD Conferences, LIHTC, Developer and Bond Conferences
- Institute for Professional Education and Development (IPED): LIHTC and Year 15 Seminars
- Institute for Responsible Housing Preservation (IRHP): Annual Meetings
- Western FHA Mortgage Lenders Conference: Annual Meetings
- Midwest FHA Mortgage Lenders Conference: Annual Meetings
- Southwest FHA Mortgage Association Lenders Conference: Annual Meetings
- National Council of Housing Market Analysts (NCHMA): Seminars and Workshops
- National Council of State Housing Agencies: Housing Credit Connect Conferences
- National Leased Housing Association: Annual Meeting
- Nebraska's County Assessors: Annual Meeting
- AHF Live! Affordable Housing Finance Magazine Annual Conference
- Missouri Workforce Housing (MOWHA) Annual Conference
- Ohio Housing Council Symposium
- Kansas Housing Conference
- California Council for Affordable Housing (CCAH) Meetings

VI. Industry Engagements

- Novogradac & Company LLP – Chairperson of Annual RAD Conference
- Novogradac & Company LLP – Chairperson of Annual Affordable Housing LIHTC and Bond Developer and Investor Conference

STATEMENT OF PROFESSIONAL QUALIFICATIONS

LAWSON SHORT

I. EDUCATION

St. Edward's University, Austin, Texas

Bachelor of Arts, English Writing and Rhetoric, 2010

II. PROFESSIONAL EXPERIENCE

Principal – Novogradac & Company LLP, September 2024 to Present

Manager – Novogradac & Company LLP, March 2018 to September 2024

Real Estate Analyst – Novogradac & Company LLP, March 2012 to March 2018

Researcher – Novogradac & Company LLP, March 2011 to March 2012

III. LICENSING AND PROFESSIONAL AFFILIATIONS

State of Texas Certified General Real Estate Appraiser No. TX 1381458 G

State of Illinois Certified General Real Estate Appraiser No. 553.003065

National Council of Housing Market Analysts (NCHMA) – Member in Good Standing

IV. PROFESSIONAL TRAINING

Market Disturbances-Appraisals in Atypical Markets and Cycles

2022-2023 7-hour National USPAP Update Course

Supervisor-Trainee Course

Basic Appraisal Principles

Basic Appraisal Procedures

General Appraiser Market Analysis Highest and Best Use Course

Statistics, Modeling, and Finance

General Appraiser Site Valuation and Cost Approach

General Appraiser Sales Comparison Approach

General Appraiser Report Writing and Case Studies

Commercial Appraisal Review

Green Building Concepts

Fair Housing, Bias, Discrimination

Land and Site Evaluation

V. REAL ESTATE ASSIGNMENTS

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Prepared Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included interviewing potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed Rent Comparability Study reviews of various subsidized properties located throughout the United States.
- Prepared various types of appraisals of proposed new construction, rehabilitation, and existing properties. Analysis includes property screenings, valuation analysis, capitalization rate analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis. Appraisals assisted on have included Freddie Mac, Fannie Mae, HUD Multifamily Accelerated Processing (MAP), and USDA, among others.
- Conducted over 150 site inspections for market studies and appraisals throughout the United States for various reports including proposed new construction and rehabilitation projects.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects through the United States.
- Prepared Housing Needs Assessments for municipalities across the country in order to determine the needs for additional multifamily housing units.
- Performed valuations of solar panels, wind turbines and other renewable energy installations in connection with financing and structuring analyses performed by various clients.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

MATTHEW WARGO

I. EDUCATION

The University of Texas at Austin, Austin, Texas
Bachelor of Arts, Economics and Government, 2018

II. PROFESSIONAL EXPERIENCE

Novogradac & Company LLP
Senior Analyst, *December 2021 to Present*
Analyst, *December 2019 to December 2021*
Junior Analyst, *August 2018 to December 2019*

III. PROFESSIONAL TRAINING

Basic Appraisal Principles, *August 2021*
Basic Appraisal Procedures, *August 2021*
National USPAP Course, *August 2021*
Texas Appraiser Trainee License

IV. REAL ESTATE ASSIGNMENTS

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, and supply analysis. Property types include proposed multifamily, senior independent living, large family, and acquisition with rehabilitation.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included interviewing potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects through the United States.

ADDENDUM B

Data Sources

DATA SOURCES

Sources used in this study include data that is both written and oral, published and unpublished, and proprietary and non-proprietary. Real estate developers, housing officials, local housing, and planning authority employees, property managers and other housing industry participants were interviewed. In addition, we conducted a survey of proposed, comparable properties.

This report incorporates published data supplied by various agencies and organizations including:

- U.S. Census Bureau
- Virginia Housing Development Authority
- Virginia Employment Commission
- Virginia Workforce Connection
- CoStar
- ESRI, Business Information Solutions
- Ribbon Demographics
- Bankrate
- Zillow
- U.S. Department of Commerce, Bureau of Labor Statistics
- Department of Housing and Urban Development (HUD)
- Virginia Housing Market Study Requirements, 2024

ADDENDUM C

NCHMA Certification and Checklist



NCHMA MEMBER CERTIFICATION

This market study has been prepared by **Novogradac & Company LLP**, doing business under the brand name **Novogradac Consulting (Novogradac)**, 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*, and *Model Content Standards for the Content of Market Studies*. 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.

Novogradac is duly qualified and experienced in providing market analysis for Affordable 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. **Novogradac** is an independent market analyst. No partner or employee of **Novogradac** has any financial interest whatsoever in the development for which this analysis has been undertaken.

Rebecca Arthur
Partner
Rebecca.Arthur@novoco.com
November 26, 2024

NCHMA Market Study Index

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

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

NCHMA Market Study Index

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

		Section
Affordability, Demand, and Penetration Rate Analysis		
31	Estimate of demand	IX
32	Affordability analysis with capture rate	IX
33	Penetration rate analysis with capture rate	IX
Analysis/Conclusions		
34	Absorption rate and estimated stabilized occupancy for subject	V
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	V
36	Precise statement of key conclusions	XI
37	Market strengths and weaknesses impacting project	XI
38	Product recommendations and/or suggested modifications to subject	XI
39	Discussion of subject property's impact on existing housing	XI
40	Discussion of risks or other mitigating circumstances impacting subject	XI
41	Interviews with area housing stakeholders	X
Other Requirements		
42	Certifications	Addendum C
43	Statement of qualifications	Addendum A
44	Sources of data not otherwise identified	Addendum B

ADDENDUM D

Utility Allowance Schedule

Virginia Housing | Housing Choice Voucher Program

Allowances for Tenant-Furnished Utilities and Other Services

Family Name: _____

Unit Address: _____

Voucher Size*: _____ Unit Bedroom Size*: _____

**Use smaller size to calculate tenant-supplied utilities and appliances.*

		Unit Type: 1 Exposed Wall				Effective Date: 07/01/2024			
Utility	Usage	Monthly Dollar Amount							
		0 BR	1 BR	2BR	3BR	4BR	5 BR	6 BR	7BR
Appliance	Range/Microwave	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
	Refrigerator	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Bottled Gas	Cooking	\$11.00	\$15.00	\$20.00	\$24.00	\$31.00	\$35.00	\$40.00	\$44.00
	Home Heating	\$62.00	\$86.00	\$111.00	\$135.00	\$172.00	\$197.00	\$221.00	\$246.00
	Water Heating	\$27.00	\$37.00	\$48.00	\$58.00	\$74.00	\$85.00	\$95.00	\$106.00
Electricity	Cooking	\$4.00	\$5.00	\$6.00	\$8.00	\$10.00	\$11.00	\$13.00	\$14.00
	Cooling (A/C)	\$7.00	\$9.00	\$12.00	\$14.00	\$18.00	\$21.00	\$23.00	\$26.00
	Home Heating	\$25.00	\$34.00	\$44.00	\$54.00	\$69.00	\$78.00	\$88.00	\$98.00
	Other Electric	\$14.00	\$20.00	\$25.00	\$31.00	\$39.00	\$45.00	\$50.00	\$56.00
	Water Heating	\$12.00	\$17.00	\$22.00	\$26.00	\$34.00	\$38.00	\$43.00	\$48.00
Natural Gas	Cooking	\$2.00	\$2.00	\$3.00	\$3.00	\$4.00	\$5.00	\$5.00	\$6.00
	Home Heating	\$9.00	\$12.00	\$15.00	\$19.00	\$24.00	\$27.00	\$31.00	\$34.00
	Water Heating	\$4.00	\$5.00	\$6.00	\$8.00	\$10.00	\$11.00	\$13.00	\$14.00
Oil	Home Heating	\$49.00	\$69.00	\$88.00	\$108.00	\$137.00	\$157.00	\$176.00	\$196.00
	Water Heating	\$21.00	\$29.00	\$38.00	\$46.00	\$59.00	\$67.00	\$76.00	\$84.00
Sewer	Other	\$24.00	\$33.00	\$42.00	\$52.00	\$66.00	\$75.00	\$85.00	\$94.00
Trash Collection	Other	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Water	Other	\$19.00	\$27.00	\$34.00	\$42.00	\$53.00	\$61.00	\$68.00	\$76.00
UTILITY ALLOWANCE TOTAL:		\$	\$	\$	\$	\$	\$	\$	\$

ADDENDUM E

Subject and Neighborhood Photographs

Subject Property & Neighborhood Photos



View of Subject site



View of Subject site



View of Subject site



View of Subject site



View of Subject site



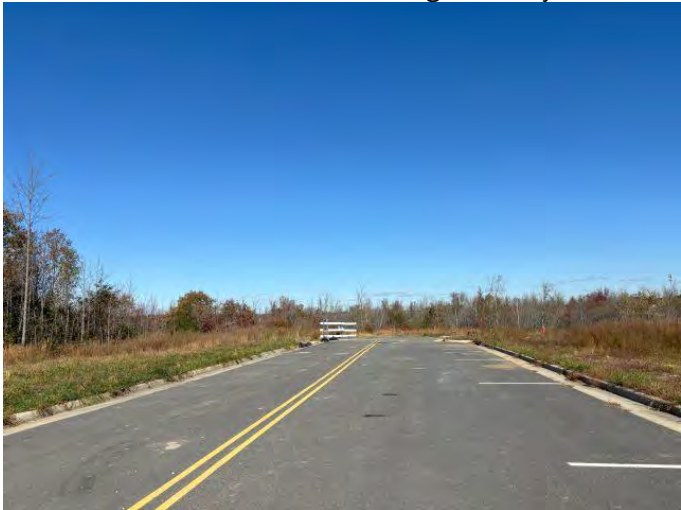
View of Subject site



View west on Jackson Village Parkway



View east on Jackson Village Parkway



View north on Commercial Boulevard/Old Telegraph Road



View south on Commercial Boulevard/Old Telegraph Road



View north on US Highway 1



View south on US Highway 1



The Heights at Jackson Village I east of Subject site



Townhomes southeast of The Heights at Jackson Village I



Allure at Jefferson Apartments north of Subject site



Commercial use west of Subject site



Assisted living facility west of Subject site



Orchard Ridge at Jackson Village Apartments south of Subject site



Commercial uses south of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Commercial/retail uses north of Subject site



Typical single-family homes in Subject's neighborhood



Typical single-family homes in Subject's neighborhood



Typical single-family homes in Subject's neighborhood



Typical single-family homes in Subject's neighborhood

ADDENDUM F

Site and Floor Plans

PROJECT SQUARE FOOTAGES:

BUILDING 3 SQUARE FOOTAGE:	
TERRACE AREA:	23,288 GSF
FIRST FLOOR AREA:	23,761 GSF
SECOND FLOOR AREA:	23,761 GSF
THIRD FLOOR AREA:	23,761 GSF
FOURTH FLOOR AREA:	23,761 GSF
TOTAL BUILDING AREA:	118,332 GSF
TOTAL BUILDING HEIGHT	62'-4"/51'-7"

PROJECT UNIT MIX:

BUILDING 3	1 BR	2 BR	TOTAL
TERRACE:	7	4	11
FIRST FLOOR:	9	13	22
SECOND FLOOR:	9	13	22
THIRD FLOOR:	9	13	22
FOURTH FLOOR:	9	13	22
TOTAL:	43	56	99

BUILDING 4 SQUARE FOOTAGE:	
TERRACE AREA:	23,288 GSF
FIRST FLOOR AREA:	23,761 GSF
SECOND FLOOR AREA:	23,761 GSF
THIRD FLOOR AREA:	23,761 GSF
FOURTH FLOOR AREA:	23,761 GSF
TOTAL BUILDING AREA:	118,332 GSF
TOTAL BUILDING HEIGHT	62'-4"/51'-7"

BUILDING 4	1 BR	2 BR	TOTAL
TERRACE:	7	4	11
FIRST FLOOR:	9	13	22
SECOND FLOOR:	9	13	22
THIRD FLOOR:	9	13	22
FOURTH FLOOR:	9	13	22
TOTAL:	43	56	99

TOTAL RESIDENTIAL SF:

UNIT SUMMARY		
UNIT DESCRIPTION	SQUARE FOOTAGE	QUANTITY
ONE BEDROOM (1 BR-1) UNITS	653 NSF (760 GSF)	44
ONE BEDROOM (1 BR-1) UNITS - UFAS		X
ONE BEDROOM (1 BR-1) UNITS - A/V		X
ONE BEDROOM (1 BR-2) UNITS	635 NSF (760 GSF)	20
ONE BEDROOM (1 BR-3) UNITS	665 NSF (785 GSF)	20
ONE BEDROOM (1 BR-4) UNITS	653 NSF (719 GSF)	2
TWO BEDROOM (2 BR-1) UNITS	951 NSF (1,071 GSF)	68
TWO BEDROOM (2 BR-1) UNITS - UFAS		X
TWO BEDROOM (2 BR-1) UNITS - A/V		X
TWO BEDROOM (2 BR-2) UNITS	951 NSF (1,013 GSF)	20
TWO BEDROOM (2 BR-3) UNITS	902 NSF (1,020 GSF)	8
TWO BEDROOM (2 BR-4) UNITS	833 NSF (947 GSF)	8
TWO BEDROOM (2 BR-5) UNITS	920 NSF (1,047 GSF)	8
UNITS, TOTAL RENTABLE AREA:	160,966 NSF (182,968 GSF)	198

DEVELOPER 5/18/22

KCG DEVELOPMENT

9311 NORTH MERIDIAN STREET,
SUITE 100
INDIANAPOLIS, IN 46260
P PHONE #

HEIGHTS AT JACKSON VILLAGE - PHASE 2

STREET
SPOTSYLVANIA COUNTY, VA ZIP CODE

TIER 2 SET

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1 PROPOSED TERRACE PLAN
SCALE: 3/32" = 1'-0"

DEVELOPER 5/18/22
KCG DEVELOPMENT
9311 NORTH MERIDIAN STREET,
SUITE 100
INDIANAPOLIS, IN 46260
P PHONE #

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1 PROPOSED FIRST FLOOR PLAN
SCALE: 3/32" = 1'-0"



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1 PROPOSED SECOND FLOOR PLAN
SCALE: 3/32" = 1'-0"



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1 PROPOSED THIRD FLOOR PLAN
SCALE: 3/32" = 1'-0"



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1 PROPOSED FOURTH FLOOR PLAN

SCALE: 3/32" = 1'-0"



DEVELOPER 5/18/22

KCG DEVELOPMENT

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INDIANAPOLIS, IN 46260
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e+a

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1

FOURTH FLOOR

SCALE: 1/16" = 1'-0"



HEIGHTS AT JACKSON VILLAGE - PHASE 2

STREET
SPOTSYLVANIA COUNTY, VA ZIP CODE
TIER 2 SET

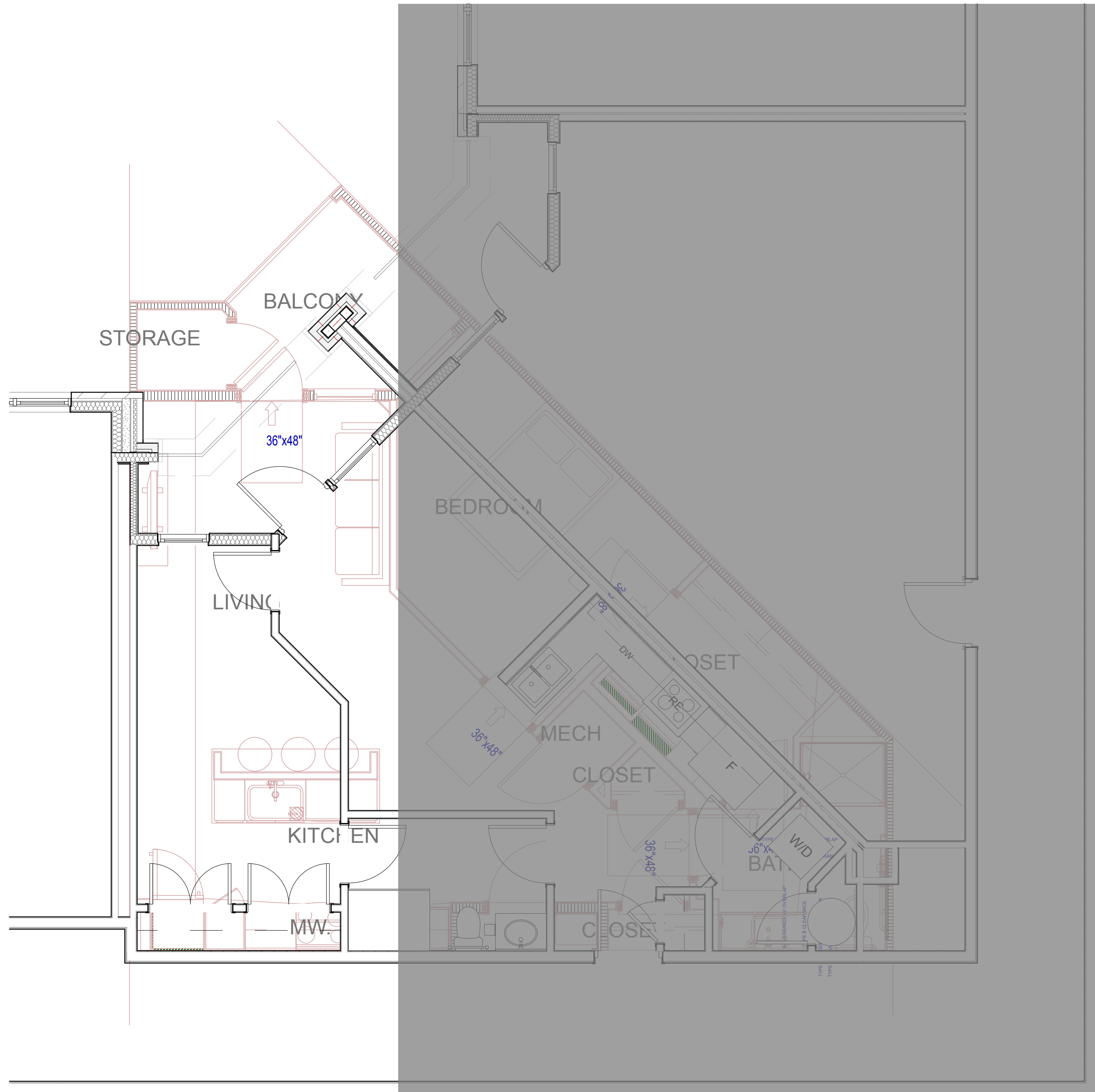
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architecture

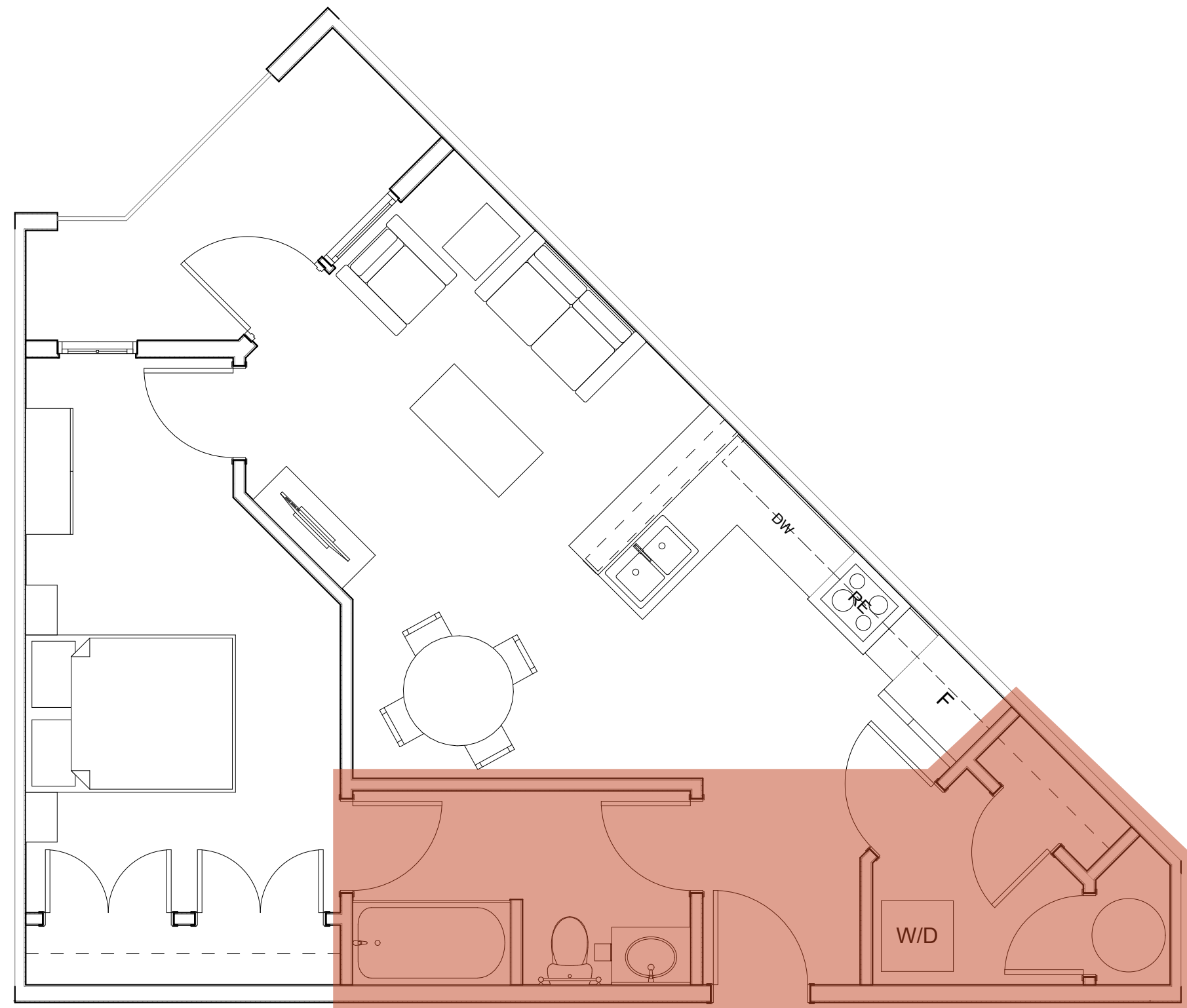
DEVELOPER

KCG
DEVELOPME

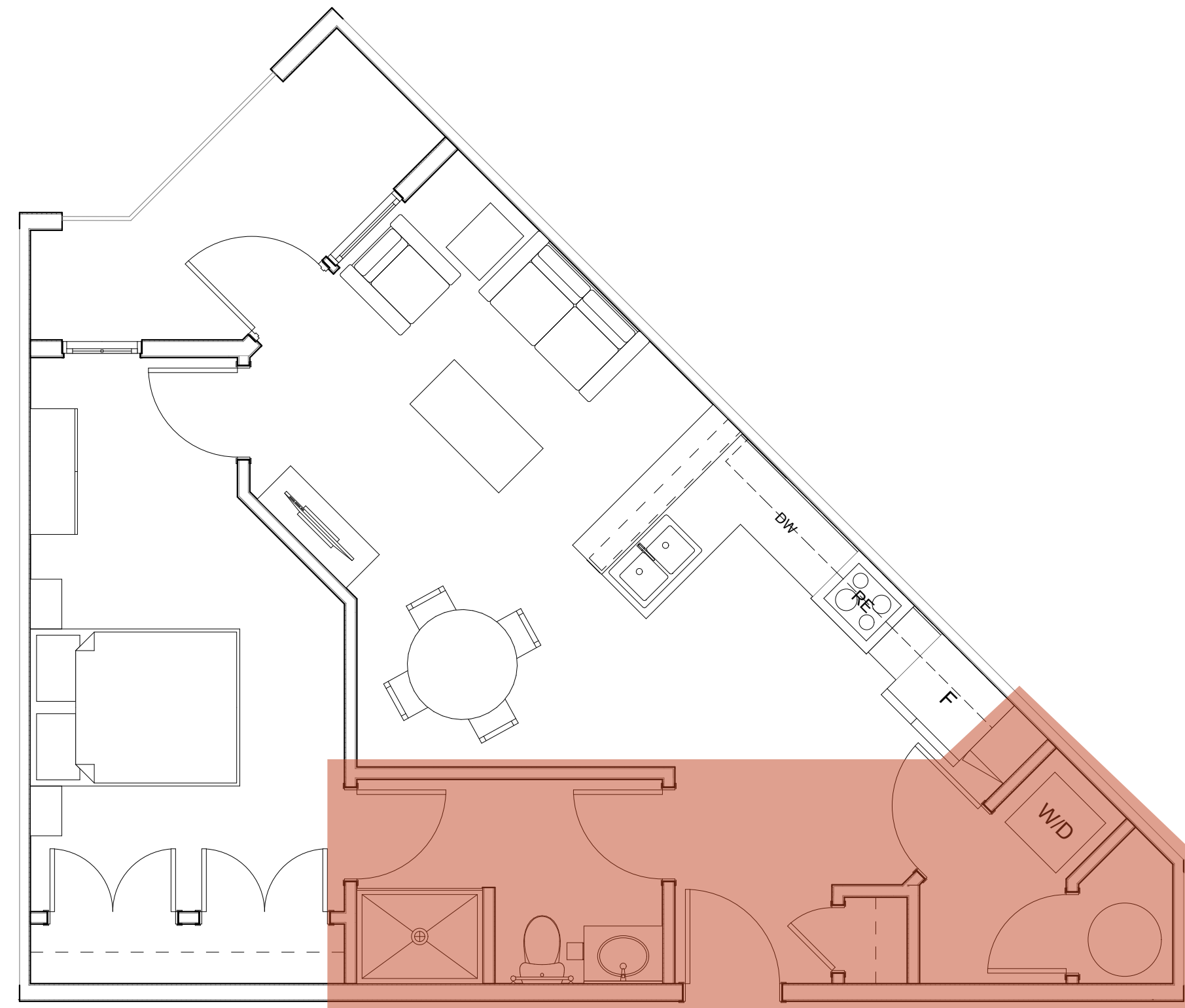
NT
9311 NORTH MERIDIAN STREET,
SUITE 100
INDIANAPOLIS, IN
46260
P PHONE #



3 CORNER UNIT - 1 BED OPTION: C
SCALE: 1/4" = 1'-0"



2 CORNER UNIT - 1 BED OPTION: B
SCALE: 1/4" = 1'-0"



1 CORNER UNIT - 1 BED OPTION: A
SCALE: 1/4" = 1'-0"

DEVELOPER 5/18/22

KCG DEVELOPMENT

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SUITE 100
INDIANAPOLIS, IN 46260
P PHONE #

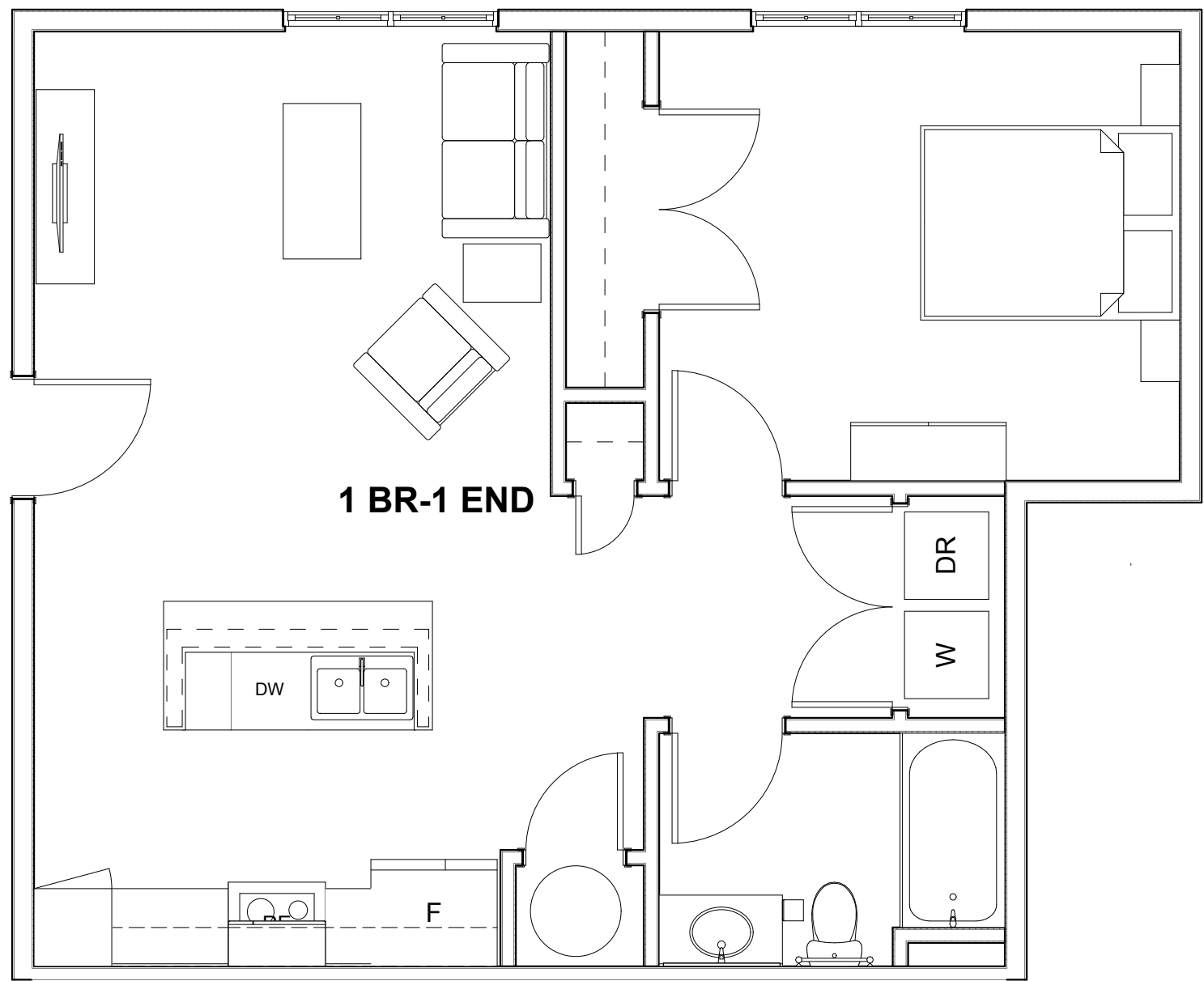
HEIGHTS AT JACKSON VILLAGE - PHASE 2



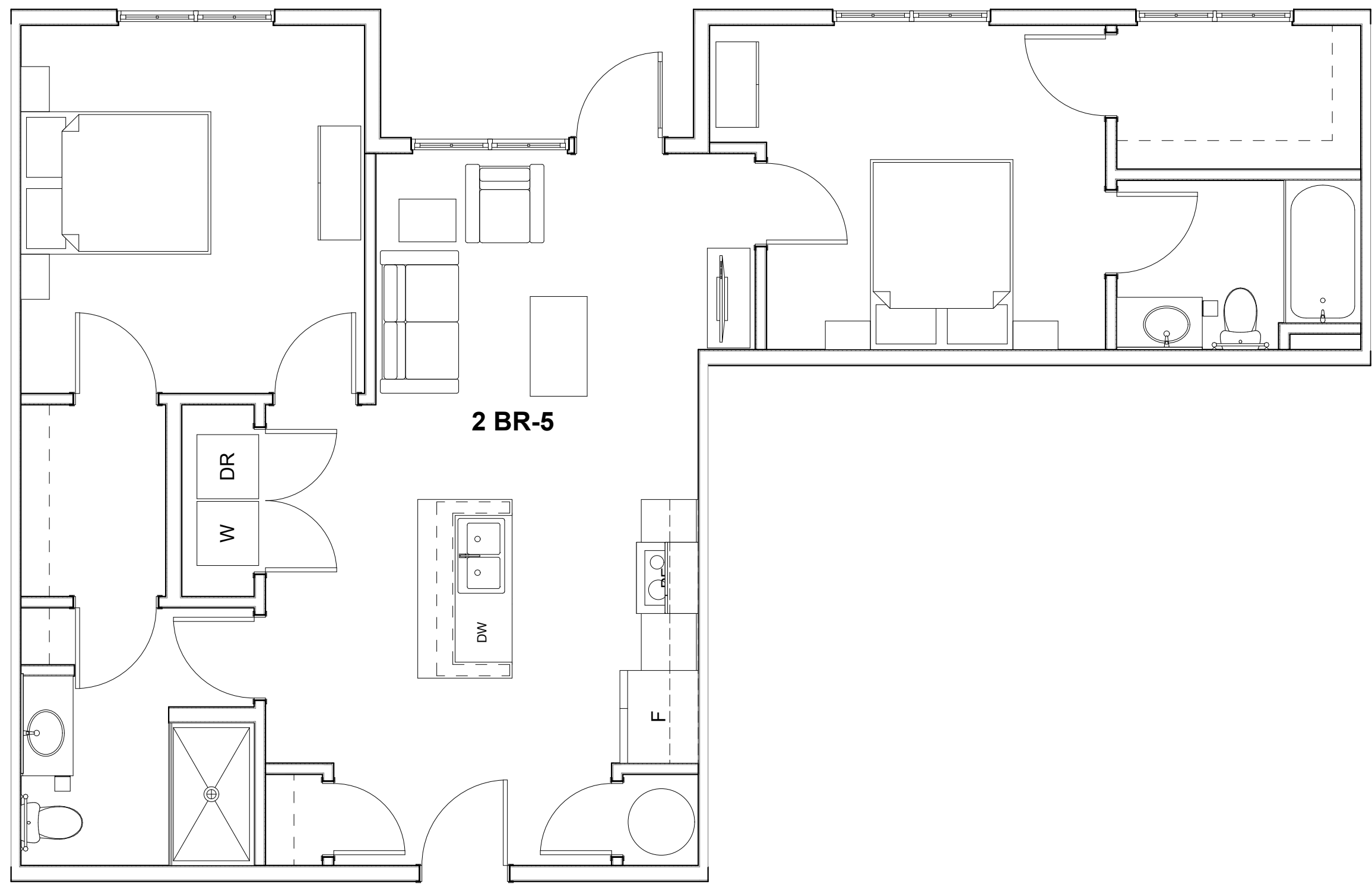
STREET
SPOTSYLVANIA COUNTY, VA ZIP CODE

TIER 2 SET

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2 TERRACE LEVEL - 1 BED
SCALE: 1/4" = 1'-0"



1 ELEVATOR UNIT - 2 BED
SCALE: 1/4" = 1'-0"

DEVELOPER 5/18/22

KCG DEVELOPMENT

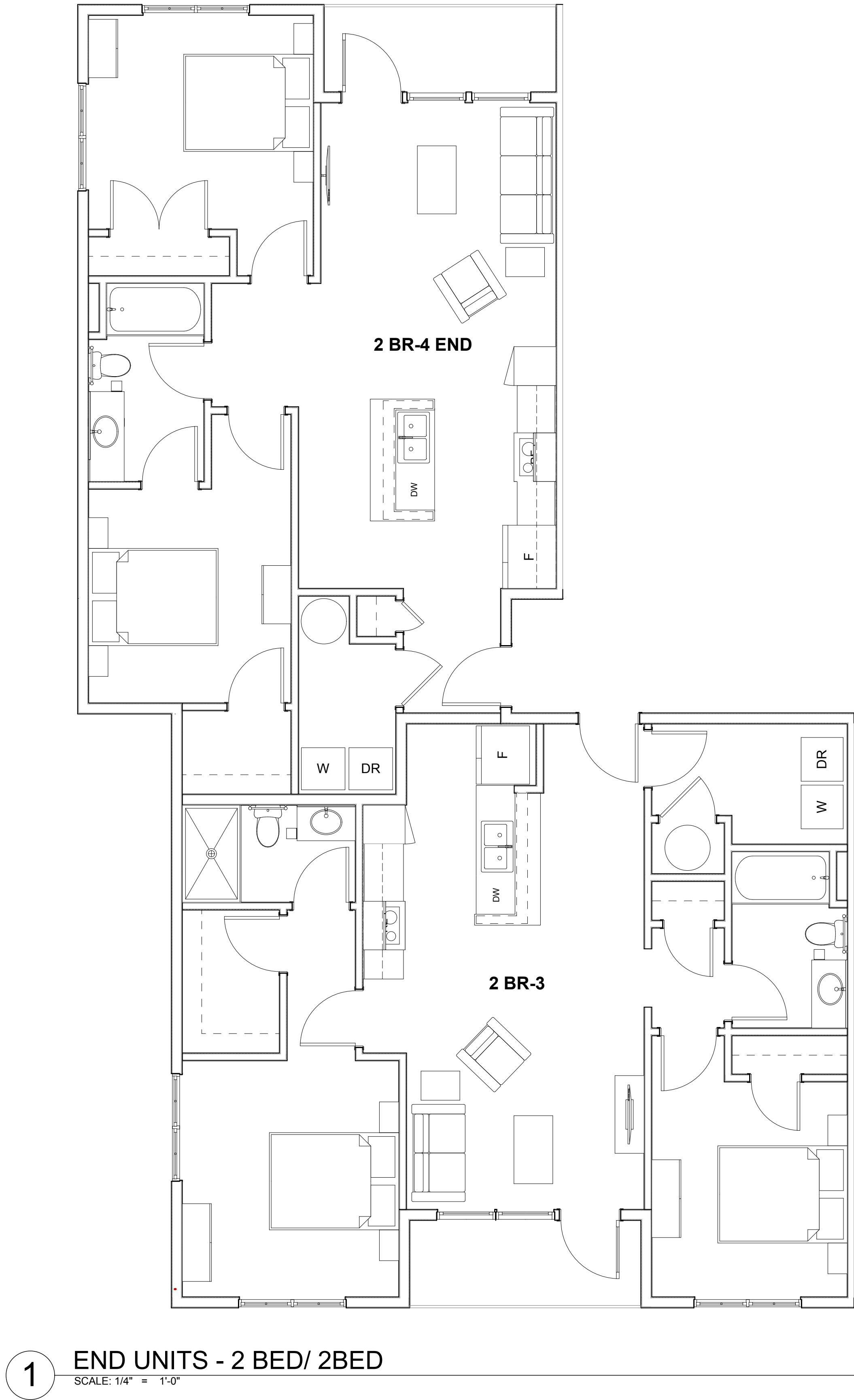
9311 NORTH MERIDIAN STREET,
SUITE 100
INDIANAPOLIS, IN 46260
P PHONE #

HEIGHTS AT JACKSON VILLAGE - PHASE 2

STREET
SPOTSYLVANIA COUNTY, VA ZIP CODE

TIER 2 SET

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1 END UNITS - 2 BED/ 2BED
SCALE: 1/4" = 1'-0"

DEVELOPER 5/18/22
KCG DEVELOPMENT
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2 FRONT ELEVATION
SCALE: 3/32" = 1'-0"



1 FRONT ELEVATION
SCALE: 3/32" = 1'-0"

DEVELOPER 5/18/22

KCG DEVELOPMENT

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HEIGHTS AT JACKSON VILLAGE - PHASE 2



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2 REAR ELEVATION
SCALE: 3/32" = 1'-0"



1 REAR ELEVATION
SCALE: 3/32" = 1'-0"

DEVELOPER 5/18/22

KCG DEVELOPMENT

9311 NORTH MERIDIAN STREET,
SUITE 100
INDIANAPOLIS, IN 46260
P PHONE #

HEIGHTS AT JACKSON VILLAGE - PHASE 2



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ADDENDUM G

Subject Matrices and Property Profiles

SUMMARY MATRIX

#	Property Name	Distance	Type/Built/ Renovated	AMI	Unit Type	#	%	SF	Restriction	Rent (Adj)	Max Rent?	Waiting List	Vacant Units	Vacancy Rate		
5	The Heights At Jackson Village II 9202 Old Telegraph Road Fredericksburg, VA Spotsylvania County		Midrise 5-stories 2028 Senior	@60%	1BR/1BA	86	43.4%	690	@60%	\$1,500	No	N/A	N/A	N/A		
					2BR/2BA	112	56.6%	964	@60%	\$1,750	No	N/A	N/A	N/A		
															N/A	N/A
1	Crestview Apartments 100 Crestview Way Fredericksburg, VA Fredericksburg County	7.1 miles	Garden 3-stories 2000 / 2018 Family	@60%	1BR/1BA	24	13.3%	863	@60%	\$1,415	No	No	2	8.3%		
					2BR/2BA	108	60.0%	988	@60%	\$1,499	No	No	2	1.9%		
					3BR/2BA	48	26.7%	1,128	@60%	\$1,706	No	No	0	0%		
															4	2.2%
2	Enoch George Manor 10231 Brittany Commons Blvd Spotsylvania Courthouse, VA Spotsylvania County	2.5 miles	Lowrise 3-stories 2005 Senior	@60%	1BR/1BA	30	50.0%	550	@60%	\$1,035	No	Yes	0	0%		
					2BR/1BA	30	50.0%	810	@60%	\$1,249	No	Yes	0	0%		
															0	0.0%
3	Kings Crest Senior Apartments 11500 Kings Crest Court Fredericksburg, VA Spotsylvania County	3.9 miles	Lowrise 3-stories 1999 Senior	@50%	1BR/1BA	52	52.0%	564	@50%	\$1,131	No	Yes	1	1.9%		
					2BR/1BA	48	48.0%	803	@50%	\$1,230	No	Yes	1	2.1%		
															2	2.0%
4	Meadows At Salem Run I & II 5711 & 5713 Castlebridge Road Fredericksburg, VA Spotsylvania County	4.8 miles	Lowrise 3-stories 1997 Senior	@50% @60%	1BR/1BA	57	31.7%	564	@50%	\$1,189	No	Yes	1	1.8%		
					1BR/1BA	18	10.0%	549	@60%	\$1,189	No	Yes	0	0%		
					1BR/1BA	60	33.3%	564	@60%	\$1,189	No	Yes	0	0%		
					2BR/1BA	23	12.8%	807	@50%	\$1,258	No	Yes	0	0%		
					2BR/1BA	22	12.2%	807	@60%	\$1,258	No	Yes	0	0%		
															1	0.6%
5	Orchard Ridge At Jackson Village 9121 Jefferson Davis Highway Fredericksburg, VA Spotsylvania County	0.3 mile	Midrise 4-stories 2018 Family	@60%	1BR/1BA	38	22.5%	790	@60%	\$1,439	No	Yes	0	0%		
					2BR/2BA	124	73.4%	1,088	@60%	\$1,599	No	Yes	0	0%		
					3BR/2BA	7	4.1%	1,402	@60%	\$2,099	No	Yes	0	0%		
															0	0.0%
6	The Heights At Jackson Village I 9200 Old Telegraph Road Fredericksburg, VA Spotsylvania County	0.0 mile	Midrise 5-stories 2023 Senior	@60%	1BR/1BA	18	9.6%	625	@60%	\$1,497	N/A	No	8	44.4%		
					1BR/1BA	93	49.7%	650	@60%	\$1,497	No	No	44	47.3%		
					2BR/1BA	76	40.6%	940	@60%	\$1,812	No	No	36	47.4%		
															88	47.1%
7	Abberly At Southpoint 10500 Abberly Village Lane Fredericksburg, VA Spotsylvania County	2.2 miles	Midrise 4-stories 2016 Family	Market	1BR/1BA	56	20.0%	807	Market	N/A	N/A	Yes	0	0%		
					1BR/1BA	4	1.4%	813	Market	\$2,180	N/A	Yes	0	0%		
					1BR/1BA	56	20.0%	907	Market	\$2,056	N/A	Yes	0	0%		
					1BR/1.5BA	2	0.7%	1,199	Market	N/A	N/A	Yes	0	0%		
					2BR/2BA	7	2.5%	1,101	Market	N/A	N/A	Yes	0	0%		
					2BR/2BA	56	20.0%	1,194	Market	\$2,108	N/A	Yes	0	0%		
					2BR/2BA	32	11.4%	1,279	Market	N/A	N/A	Yes	0	0%		
					2BR/2.5BA	21	7.5%	1,327	Market	N/A	N/A	Yes	0	0%		
					2BR/2BA	22	7.9%	1,454	Market	N/A	N/A	Yes	0	0%		
					2.5BR/2BA	18	6.4%	1,496	Market	N/A	N/A	Yes	0	0%		
					3BR/2BA	6	2.1%	1,496	Market	\$2,714	N/A	Yes	1	16.7%		
															1	0.4%
					8	Alexander Heights 2704 Salem Church Road Fredericksburg, VA Spotsylvania County	4.5 miles	Midrise 4-stories 2007 Senior	Market	1BR/1BA	N/A	N/A	772	Market	\$1,445	N/A
1BR/1BA	N/A	N/A	789	Market						\$1,465	N/A	No	0	0%		
2BR/2BA	N/A	N/A	1,091	Market						\$1,765	N/A	No	0	0%		
2BR/2BA	N/A	N/A	1,171	Market						\$1,885	N/A	No	0	0%		
2BR/2BA	N/A	N/A	1,245	Market						\$1,955	N/A	No	0	0%		
										0	0.0%					
9	Kilburn Crossing 6601 Charmed Way Fredericksburg, VA Spotsylvania County	5.6 miles	Garden 3-stories 2004 / 2017 Family	Market	1BR/1BA	N/A	N/A	804	Market	\$1,615	N/A	No	N/A	N/A		
					1BR/1BA	N/A	N/A	984	Market	N/A	N/A	No	0	N/A		
					2BR/1BA	N/A	N/A	1,051	Market	\$1,788	N/A	No	N/A	N/A		
					2BR/2BA	N/A	N/A	1,125	Market	\$1,823	N/A	No	N/A	N/A		
					2BR/2.5BA	N/A	N/A	1,219	Market	N/A	N/A	No	N/A	N/A		
					3BR/2BA	N/A	N/A	1,350	Market	\$1,984	N/A	No	N/A	N/A		
					3BR/2.5BA	N/A	N/A	1,400	Market	N/A	N/A	No	N/A	N/A		
															9	4.1%
10	MAA Cosner's Corner 9419 Cumberland Drive Fredericksburg, VA Spotsylvania County	1.0 mile	Garden 3-stories 2013 Family	Market	1BR/1BA	N/A	N/A	746	Market	\$1,648	N/A	No	N/A	N/A		
					1BR/1BA	N/A	N/A	780	Market	\$1,698	N/A	No	N/A	N/A		
					1BR/1BA	N/A	N/A	861	Market	\$1,718	N/A	No	N/A	N/A		
					1BR/1BA	N/A	N/A	995	Market	N/A	N/A	No	N/A	N/A		
					2BR/2BA	N/A	N/A	1,157	Market	\$1,823	N/A	No	N/A	N/A		
					2BR/2BA	N/A	N/A	1,191	Market	\$1,858	N/A	No	N/A	N/A		
					2BR/2BA	N/A	N/A	1,242	Market	\$1,888	N/A	No	N/A	N/A		
					3BR/2BA	N/A	N/A	1,300	Market	\$2,303	N/A	No	N/A	N/A		
					3BR/2BA	N/A	N/A	1,514	Market	\$2,418	N/A	No	N/A	N/A		

SUMMARY MATRIX

[illegible]

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.					
	Units Surveyed	2,565	Weighted Occupancy	93.6%	
	Market Rate	1,689	Market Rate	96.0%	
	Tax Credit	876	Tax Credit	89.2%	
1.0 Bed x 1.0 Bath			2.0 Bed x 2.0 Bath		
RENT	Abberly At Southpoint (Market)	\$2,180	Abberly At Southpoint (Market)	\$2,108	
	Abberly At Southpoint (Market)	\$2,056	Alexander Heights (Market)	\$1,955	
	Silver Collection At Cosner's Corner (Market)	\$1,734	Silver Collection At Cosner's Corner (Market)	\$1,940	
	MAA Cosner's Corner (Market)	\$1,718	The Allure At Jefferson (Market)	\$1,915	
	The Allure At Jefferson (Market)	\$1,714	The Allure At Jefferson (Market)	\$1,914	
	MAA Cosner's Corner (Market)	\$1,698	The Allure At Jefferson (Market)	\$1,905	
	Silver Collection At Cosner's Corner (Market)	\$1,665	MAA Cosner's Corner (Market)	\$1,888	
	The Allure At Jefferson (Market)	\$1,654	Alexander Heights (Market)	\$1,885	
	The Heights At Jackson Village II (AMR)	\$1,650	MAA Cosner's Corner (Market)	\$1,858	
	MAA Cosner's Corner (Market)	\$1,648	Kilburn Crossing (Market)	\$1,823	
	Silver Collection At Cosner's Corner (Market)	\$1,647	MAA Cosner's Corner (Market)	\$1,823	
	Kilburn Crossing (Market)	\$1,615	The Heights At Jackson Village I (@60%)(1.OBA)	\$1,812	
	The Heights At Jackson Village II (@60%)	\$1,500	The Heights At Jackson Village II (AMR)	\$1,800	
	The Heights At Jackson Village II (@60%) (ALR)	\$1,500	Kilburn Crossing (Market)(1.OBA)	\$1,788	
	The Heights At Jackson Village I (@60%)	\$1,497	Alexander Heights (Market)	\$1,765	
	The Heights At Jackson Village I (@60%)	\$1,497	The Heights At Jackson Village II (@60%)	\$1,750	
	Alexander Heights (Market)	\$1,465	The Heights At Jackson Village II (@60%) (ALR)	\$1,750	
	Alexander Heights (Market)	\$1,445	Orchard Ridge At Jackson Village (@60%)	\$1,599	
	Orchard Ridge At Jackson Village (@60%)	\$1,439	Crestview Apartments (@60%)	\$1,499	
	Crestview Apartments (@60%)	\$1,415	Meadows At Salem Run I & II (@50%)(1.OBA)	\$1,258	
	Meadows At Salem Run I & II (@50%)	\$1,189	Meadows At Salem Run I & II (@60%)(1.OBA)	\$1,258	
	Meadows At Salem Run I & II (@60%)	\$1,189	Enoch George Manor (@60%)(1.OBA)	\$1,249	
	Meadows At Salem Run I & II (@60%)	\$1,189	Kings Crest Senior Apartments (@50%)(1.OBA)	\$1,230	
	Kings Crest Senior Apartments (@50%)	\$1,131			
	Enoch George Manor (@60%)	\$1,035			
SQUARE FOOTAGE	The Allure At Jefferson (Market)	941	Alexander Heights (Market)	1,245	
	Abberly At Southpoint (Market)	907	MAA Cosner's Corner (Market)	1,242	
	Crestview Apartments (@60%)	863	Abberly At Southpoint (Market)	1,194	
	MAA Cosner's Corner (Market)	861	MAA Cosner's Corner (Market)	1,191	
	The Allure At Jefferson (Market)	854	Alexander Heights (Market)	1,171	
	Silver Collection At Cosner's Corner (Market)	834	MAA Cosner's Corner (Market)	1,157	
	Abberly At Southpoint (Market)	813	Silver Collection At Cosner's Corner (Market)	1,140	
	Kilburn Crossing (Market)	804	Kilburn Crossing (Market)	1,125	
	Orchard Ridge At Jackson Village (@60%)	790	The Allure At Jefferson (Market)	1,107	
	Alexander Heights (Market)	789	Alexander Heights (Market)	1,091	
	MAA Cosner's Corner (Market)	780	Orchard Ridge At Jackson Village (@60%)	1,088	
	Alexander Heights (Market)	772	The Allure At Jefferson (Market)	1,079	
	MAA Cosner's Corner (Market)	746	The Allure At Jefferson (Market)	1,062	
	Silver Collection At Cosner's Corner (Market)	721	Kilburn Crossing (Market)(1.OBA)	1,051	
	Silver Collection At Cosner's Corner (Market)	706	Crestview Apartments (@60%)	988	
	The Heights At Jackson Village II (@60%)	690	The Heights At Jackson Village II (@60%)	964	
	The Heights At Jackson Village I (@60%)	650	The Heights At Jackson Village I (@60%)(1.OBA)	940	
	The Heights At Jackson Village I (@60%)	625	Enoch George Manor (@60%)(1.OBA)	810	
	Kings Crest Senior Apartments (@50%)	564	Meadows At Salem Run I & II (@50%)(1.OBA)	807	
	Meadows At Salem Run I & II (@50%)	564	Meadows At Salem Run I & II (@60%)(1.OBA)	807	
	Meadows At Salem Run I & II (@60%)	564	Kings Crest Senior Apartments (@50%)(1.OBA)	803	
	Enoch George Manor (@60%)	550			
	Meadows At Salem Run I & II (@60%)	549			
	RENT	Abberly At Southpoint (Market)	\$2.68	The Heights At Jackson Village I (@60%)(1.OBA)	\$1.93
PER	The Heights At Jackson Village I (@60%)	\$2.40	The Heights At Jackson Village II (AMR)	\$1.87	
SQUARE	The Heights At Jackson Village II (AMR)	\$2.39	The Heights At Jackson Village II (@60%)	\$1.82	
FOOT	Silver Collection At Cosner's Corner (Market)	\$2.33	The Heights At Jackson Village II (@60%) (ALR)	\$1.82	
	Silver Collection At Cosner's Corner (Market)	\$2.31	The Allure At Jefferson (Market)	\$1.79	
	The Heights At Jackson Village I (@60%)	\$2.30	The Allure At Jefferson (Market)	\$1.77	
	Abberly At Southpoint (Market)	\$2.27	Abberly At Southpoint (Market)	\$1.77	
	MAA Cosner's Corner (Market)	\$2.21	The Allure At Jefferson (Market)	\$1.73	
	MAA Cosner's Corner (Market)	\$2.18	Silver Collection At Cosner's Corner (Market)	\$1.70	
	The Heights At Jackson Village II (@60%)	\$2.17	Kilburn Crossing (Market)(1.OBA)	\$1.70	
	The Heights At Jackson Village II (@60%) (ALR)	\$2.17	Kilburn Crossing (Market)	\$1.62	
	Meadows At Salem Run I & II (@60%)	\$2.17	Alexander Heights (Market)	\$1.62	
	Meadows At Salem Run I & II (@50%)	\$2.11	Alexander Heights (Market)	\$1.61	
	Meadows At Salem Run I & II (@60%)	\$2.11	MAA Cosner's Corner (Market)	\$1.58	
	Silver Collection At Cosner's Corner (Market)	\$2.08	Alexander Heights (Market)	\$1.57	
	Kilburn Crossing (Market)	\$2.01	MAA Cosner's Corner (Market)	\$1.56	
	Kings Crest Senior Apartments (@50%)	\$2.01	Meadows At Salem Run I & II (@50%)(1.OBA)	\$1.56	
	MAA Cosner's Corner (Market)	\$2.00	Meadows At Salem Run I & II (@60%)(1.OBA)	\$1.56	
	The Allure At Jefferson (Market)	\$1.94	Enoch George Manor (@60%)(1.OBA)	\$1.54	
	Enoch George Manor (@60%)	\$1.88	Kings Crest Senior Apartments (@50%)(1.OBA)	\$1.53	
	Alexander Heights (Market)	\$1.87	MAA Cosner's Corner (Market)	\$1.52	
	Alexander Heights (Market)	\$1.86	Crestview Apartments (@60%)	\$1.52	
	Orchard Ridge At Jackson Village (@60%)	\$1.82	Orchard Ridge At Jackson Village (@60%)	\$1.47	
	The Allure At Jefferson (Market)	\$1.82			
	Crestview Apartments (@60%)	\$1.64			

PROPERTY PROFILE REPORT

Crestview Apartments

Effective Rent Date	10/29/2024
Location	100 Crestview Way Fredericksburg, VA 22401 Fredericksburg County
Distance	7.1 miles
Units	180
Vacant Units	4
Vacancy Rate	2.2%
Type	Garden (3 stories)
Year Built/Renovated	2000 / 2018
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Forest Village, Heritage Park
Tenant Characteristics	Most tenants are from outside of Fredericksburg; many teachers, service industry employees, some military
Contact Name	Ann
Phone	540-368-1303



Market Information

Program	@60%
Annual Turnover Rate	13%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within two weeks
Annual Chg. in Rent	See comments
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	24	863	\$1,475	\$0	@60%	No	2	8.3%	no	None
2	2	Garden (3 stories)	108	988	\$1,575	\$0	@60%	No	2	1.9%	no	None
3	2	Garden (3 stories)	48	1,128	\$1,800	\$0	@60%	No	0	0.0%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,475	\$0	\$1,475	-\$60	\$1,415
2BR / 2BA	\$1,575	\$0	\$1,575	-\$76	\$1,499
3BR / 2BA	\$1,800	\$0	\$1,800	-\$94	\$1,706

Crestview Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Vinyl Plank Flooring		
Walk-In Closet	Washer/Dryer		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Exercise Facility	None	None
Off-Street Parking	On-Site Management		
Pet Park	Picnic Area		
Playground	Swimming Pool		

Comments

The property accepts Housing Choice Vouchers; however, the contact was unable to provide the number of vouchers in use. The contact reported all vacant units are pre-leased. The contact did not believe the property could achieve higher rents. One and two-bedroom rents have decreased 0.5%, while three-bedroom rents have increased one percent annually since 2Q2022.

Crestview Apartments, continued

Trend Report

Vacancy Rates

4Q19	1Q21	2Q22	4Q24
0.0%	0.0%	0.0%	2.2%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	4	0.0%	\$1,224	\$0	\$1,224	\$1,164
2021	1	0.0%	\$1,159	\$0	\$1,159	\$1,099
2022	2	0.0%	\$1,490	\$0	\$1,490	\$1,430
2024	4	8.3%	\$1,475	\$0	\$1,475	\$1,415

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	4	0.0%	\$1,299	\$0	\$1,299	\$1,223
2021	1	0.0%	\$1,229	\$0	\$1,229	\$1,153
2022	2	0.0%	\$1,589	\$0	\$1,589	\$1,513
2024	4	1.9%	\$1,575	\$0	\$1,575	\$1,499

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	4	0.0%	\$1,499	\$0	\$1,499	\$1,405
2021	1	0.0%	\$1,419	\$0	\$1,419	\$1,325
2022	2	0.0%	\$1,764	\$0	\$1,764	\$1,670
2024	4	0.0%	\$1,800	\$0	\$1,800	\$1,706

Trend: Comments

4Q19	The contact reported that the property receives a high number of inquiries per week, and that there is strong demand for affordable housing in the market. However, the property operates on a first-come, first-served basis. The contact reported renovations began in 2018 as units turnover. Rents in the profile reflect asking rents for renovated units. Approximately twenty percent of the units have received renovations. The contact stated that renovations occur on a rolling basis and depend on the budget for renovations, as well as turnover. The property requires rental insurance of \$20 per month on top of rent.
1Q21	The contact reported that the property receives a high number of inquiries per week, and that there is strong demand for affordable housing in the market. However, the property operates on a first-come, first-served basis. In 2018, approximately twenty percent of the units have received renovations. Renovated units are an additional \$100 a month to rents shown in the profile. The property requires rental insurance of \$20 per month on top of rent.
2Q22	The contact reported that the property receives a high number of inquiries per week, and that there is strong demand for affordable housing in the market. However, the property operates on a first-come, first-served basis and does not maintain a waiting list. In 2018, approximately twenty percent of the units have received renovations. Renovated units are an additional \$100 a month over non-renovated units; renovated rents are shown in the profile. The one-bedroom units are set at 2021 maximum allowable levels. The contact reported that 2022 maximum allowable levels could be achievable at the property, but was unsure if they would increase to 2022 max.
4Q24	The property accepts Housing Choice Vouchers; however, the contact was unable to provide the number of vouchers in use. The contact reported all vacant units are pre-leased. The contact did not believe the property could achieve higher rents. One and two-bedroom rents have decreased 0.5%, while three-bedroom rents have increased one percent annually since 2Q2022.

Photos



PROPERTY PROFILE REPORT

Enoch George Manor

Effective Rent Date	10/31/2024
Location	10231 Brittany Commons Blvd Spotsylvania Courthouse, VA 22553 Spotsylvania County
Distance	2.5 miles
Units	60
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (age-restricted) (3 stories)
Year Built/Renovated	2005 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Not provided
Tenant Characteristics	Seniors (55+)
Contact Name	Amanda
Phone	(540) 710-9989



Market Information

Program	@60%
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased up to 6.5% annually since 4Q2019
Concession	None
Waiting List	Yes; undetermined length

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (3 stories)	30	550	\$1,095	\$0	@60%	Yes	0	0.0%	no	None
2	1	Lowrise (3 stories)	30	810	\$1,325	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,095	\$0	\$1,095	-\$60	\$1,035
2BR / 1BA	\$1,325	\$0	\$1,325	-\$76	\$1,249

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Intercom (Buzzer)	None
Central A/C	Coat Closet	Limited Access	
Dishwasher	Garbage Disposal		
Grab Bars	Hand Rails		
Oven	Pull Cords		
Refrigerator	Vinyl Plank Flooring		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Elevators	None	None
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Pet Park	Picnic Area		
Theatre			

Comments

The property accepts Housing Choice Vouchers; however, the contact was unable to provide the number of vouchers in use. The contact was not able to report why rents are below maximum allowable levels and could not opine as to whether maximum allowable rents were achievable.

Trend Report

Vacancy Rates

4Q19	4Q24
1.7%	0.0%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	4	3.3%	\$900	\$0	\$900	\$840
2024	4	0.0%	\$1,095	\$0	\$1,095	\$1,035

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	4	0.0%	\$1,000	\$0	\$1,000	\$924
2024	4	0.0%	\$1,325	\$0	\$1,325	\$1,249

Trend: Comments

4Q19	The property accepts Housing Choice Vouchers, though the tenant could not provide the exact number of voucher users. The property operates on a first-come, first-served basis. The contact maintained that there is adequate demand for the units without a waiting list.
4Q24	The property accepts Housing Choice Vouchers; however, the contact was unable to provide the number of vouchers in use. The contact was not able to report why rents are below maximum allowable levels and could not opine as to whether maximum allowable rents were achievable.

Photos



PROPERTY PROFILE REPORT

Kings Crest Senior Apartments

Effective Rent Date	10/29/2024
Location	11500 Kings Crest Court Fredericksburg, VA 22407 Spotsylvania County
Distance	3.9 miles
Units	100
Vacant Units	2
Vacancy Rate	2.0%
Type	Lowrise (age-restricted) (3 stories)
Year Built/Renovated	1999 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Seniors 55+, from VA, MD, and DC area
Contact Name	Sally
Phone	(540) 891-9278



Market Information

Program	@50%
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	10%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased 12.5% annually since 2020
Concession	None
Waiting List	Yes; 100 household in length

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	included -- gas
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (3 stories)	52	564	\$1,225	\$0	@50%	Yes	1	1.9%	no	None
2	1	Lowrise (3 stories)	48	803	\$1,350	\$0	@50%	Yes	1	2.1%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,225	\$0	\$1,225	-\$94	\$1,131
2BR / 1BA	\$1,350	\$0	\$1,350	-\$120	\$1,230

Kings Crest Senior Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Dishwasher	Garbage Disposal		
Oven	Pull Cords		
Refrigerator	Tile Flooring		
Vinyl Plank Flooring			
Property		Premium	Other
Carport(\$65.00)	Clubhouse/Meeting Room/Community	Hairdresser / Barber	Hair Salon
Elevators	Exercise Facility		
Garage(\$100.00)	Central Laundry		
Off-Street Parking	On-Site Management		
Pet Park			

Comments

The contact was not able to report why rents are below maximum allowable levels and could not opine as to whether maximum allowable rents were achievable. The contact stated both vacant units are pre-leased. Exterior storage is included in the rent.

Kings Crest Senior Apartments, continued

Trend Report

Vacancy Rates

2Q19	4Q19	2Q22	4Q24
1.0%	1.0%	0.0%	2.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	0.0%	\$922	\$0	\$922	\$828
2019	4	0.0%	\$922	\$0	\$922	\$828
2022	2	0.0%	\$980	\$0	\$980	\$886
2024	4	1.9%	\$1,225	\$0	\$1,225	\$1,131

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	2.1%	\$1,126	\$0	\$1,126	\$1,006
2019	4	2.1%	\$1,126	\$0	\$1,126	\$1,006
2022	2	0.0%	\$1,150	\$0	\$1,150	\$1,030
2024	4	2.1%	\$1,350	\$0	\$1,350	\$1,230

Trend: Comments

2Q19	The contact reported slight rent increases since our prior survey in early 2019. The property maintains a waiting list with more than 12 applicants. Typical occupancy has remained above 96 percent in the past year, with typically low turnover.
4Q19	The contact reported slight rent decreases since our prior survey in May 2019. The property maintains a waiting list that is approximately six months in length. Typical occupancy has remained above 96 percent in the past year, with typically low turnover.
2Q22	The contact stated that the property has not been affected by the COVID-19 pandemic. The property stated that rents are not at the maximum allowable level, and an increase in rents would likely impact the property's occupancy, at least in the short-term.
4Q24	The contact was not able to report why rents are below maximum allowable levels and could not opine as to whether maximum allowable rents were achievable. The contact stated both vacant units are pre-leased. Exterior storage is included in the rent.

Photos



PROPERTY PROFILE REPORT

Meadows At Salem Run I & II

Effective Rent Date	10/29/2024
Location	5711 & 5713 Castlebridge Road Fredericksburg, VA 22407 Spotsylvania County
Distance	4.8 miles
Units	180
Vacant Units	1
Vacancy Rate	0.6%
Type	Lowrise (age-restricted) (3 stories)
Year Built/Renovated	1996/1997 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Seniors 55+, mostly from the local area
Contact Name	Kelly
Phone	540-786-1733



Market Information

Program	@50%, @60%
Annual Turnover Rate	7%
Units/Month Absorbed	N/A
HCV Tenants	6%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased up to 9% annually since 4Q2019
Concession	None
Waiting List	Yes; undetermined length

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	included -- gas
Heat	included -- gas
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (3 stories)	57	564	\$1,300	\$0	@50%	Yes	1	1.8%	no	None
1	1	Lowrise (3 stories)	18	549	\$1,300	\$0	@60%	Yes	0	0.0%	no	None
1	1	Lowrise (3 stories)	60	564	\$1,300	\$0	@60%	Yes	0	0.0%	no	None
2	1	Lowrise (3 stories)	23	807	\$1,400	\$0	@50%	Yes	0	0.0%	no	None
2	1	Lowrise (3 stories)	22	807	\$1,400	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,300	\$0	\$1,300	-\$111	\$1,189	1BR / 1BA	\$1,300	\$0	\$1,300	-\$111	\$1,189
2BR / 1BA	\$1,400	\$0	\$1,400	-\$142	\$1,258	2BR / 1BA	\$1,400	\$0	\$1,400	-\$142	\$1,258

Meadows At Salem Run I & II, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Cable/Satellite/Internet	Carpeting	Limited Access	
Central A/C	Coat Closet		
Exterior Storage	Garbage Disposal		
Oven	Refrigerator		
Vinyl Plank Flooring	Washer/Dryer		
Property		Premium	Other
Business Center/Computer Lab	Carport(\$50.00)	Hairdresser / Barber	None
Courtyard	Elevators		
Exercise Facility	Garage(\$125.00)		
Central Laundry	Library		
Off-Street Parking	On-Site Management		
Pet Park	Picnic Area		
Playground	Tennis Court		
Wi-Fi			

Comments

Exterior storage is included in the rent. The contact was not able to report why rents are below maximum allowable levels, however the contact believes higher rents could be achievable.

Meadows At Salem Run I & II, continued

Trend Report

Vacancy Rates

1Q13	1Q19	4Q19	4Q24
N/A	1.1%	2.2%	0.6%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	\$880	\$0	\$880	\$769
2019	1	0.0%	\$880	\$0	\$880	\$769
2019	4	1.8%	\$895	\$0	\$895	\$784
2024	4	1.8%	\$1,300	\$0	\$1,300	\$1,189

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	\$1,100	\$0	\$1,100	\$958
2019	1	0.0%	\$1,050	\$0	\$1,050	\$908
2019	4	4.3%	\$1,075	\$0	\$1,075	\$933
2024	4	0.0%	\$1,400	\$0	\$1,400	\$1,258

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	\$795 - \$880	\$0	\$795 - \$880	\$684 - \$769
2019	1	2.6%	\$880	\$0	\$880	\$769
2019	4	1.3%	\$895	\$0	\$895	\$784
2024	4	0.0%	\$1,300	\$0	\$1,300	\$1,189

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	\$1,100	\$0	\$1,100	\$958
2019	1	0.0%	\$1,050	\$0	\$1,050	\$908
2019	4	4.5%	\$1,075	\$0	\$1,075	\$933
2024	4	0.0%	\$1,400	\$0	\$1,400	\$1,258

Trend: Comments

1Q13	This property is made up of two phases with common management and shared amenities. Phase I & II are encumbered by LURAs, which expire in 2036 and 2037. The property offers 18 garage parking spaces for \$60 per month and 27 carport parking spaces for \$20 per month.
1Q19	The contact reported rents for both the 50 and 60 percent of AMI are the same amount. No major recent renovations reported. Both vacant units are reportedly preleased. This property is made up of two phases with common management and shared amenities. Phase I & II are encumbered by LURAs, which expire in 2036 and 2037.
4Q19	The contact reported rents for both the 50 and 60 percent of AMI are the same amount. This property is made up of two phases with common management and shared amenities. Phase I & II are encumbered by LURAs, which expire in 2036 and 2037.
4Q24	Exterior storage is included in the rent. The contact was not able to report why rents are below maximum allowable levels, however the contact believes higher rents could be achievable.

Photos



PROPERTY PROFILE REPORT

Orchard Ridge At Jackson Village

Effective Rent Date	10/29/2024
Location	9121 Jefferson Davis Highway Fredericksburg, VA 22407 Spotsylvania County
Distance	0.3 miles
Units	169
Vacant Units	0
Vacancy Rate	0.0%
Type	Midrise (4 stories)
Year Built/Renovated	2018 / N/A
Marketing Began	N/A
Leasing Began	4/01/2018
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Sydney
Phone	540-642-4055



Market Information

Program	@60%
Annual Turnover Rate	12%
Units/Month Absorbed	12
HCV Tenants	N/A
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased 3.2-12.9%
Concession	None
Waiting List	Yes; undetermined length

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	38	790	\$1,439	\$0	@60%	Yes	0	0.0%	no	None
2	2	Midrise (4 stories)	124	1,088	\$1,599	\$0	@60%	Yes	0	0.0%	no	None
3	2	Midrise (4 stories)	7	1,402	\$2,099	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,439	\$0	\$1,439	\$0	\$1,439
2BR / 2BA	\$1,599	\$0	\$1,599	\$0	\$1,599
3BR / 2BA	\$2,099	\$0	\$2,099	\$0	\$2,099

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Intercom (Buzzer)	None
Central A/C	Coat Closet	Limited Access	
Dishwasher	Exterior Storage	Video Surveillance	
Garbage Disposal	Microwave		
Oven	Refrigerator		
Vinyl Plank Flooring	Walk-In Closet		
Property		Premium	Other
Business Center/Computer Lab	Car Wash	None	None
Clubhouse/Meeting Room/Community	Elevators		
Exercise Facility	Off-Street Parking		
On-Site Management	Pet Park		
Picnic Area	Playground		
Swimming Pool			

Comments

The property accepts Housing Choice Vouchers; however, the contact was unable to provide the number of vouchers in use. The contact believed that higher LIHTC rents could be achievable.

Orchard Ridge At Jackson Village, continued

Trend Report

Vacancy Rates

1Q21	2Q22	3Q23	4Q24
1.8%	0.0%	0.6%	0.0%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	1	2.6%	\$1,122	\$0	\$1,122	\$1,122
2022	2	0.0%	\$1,230	\$0	\$1,230	\$1,230
2023	3	0.0%	\$1,275	\$0	\$1,275	\$1,275
2024	4	0.0%	\$1,439	\$0	\$1,439	\$1,439

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	1	1.6%	\$1,385	\$0	\$1,385	\$1,385
2022	2	0.0%	\$1,400	\$0	\$1,400	\$1,400
2023	3	0.8%	\$1,550	\$0	\$1,550	\$1,550
2024	4	0.0%	\$1,599	\$0	\$1,599	\$1,599

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	1	0.0%	\$1,650	\$0	\$1,650	\$1,650
2022	2	0.0%	\$1,899	\$0	\$1,899	\$1,899
2023	3	0.0%	\$1,899	\$0	\$1,899	\$1,899
2024	4	0.0%	\$2,099	\$0	\$2,099	\$2,099

Trend: Comments

1Q21	The property manager was unavailable for comment. We have consulted Costar to confirm rent and vacancy information.
2Q22	The contact stated that the property is no longer being affected by the COVID-19 pandemic. The contact was unable to state whether the 2022 maximum allowable rents are achievable at the property. The contact noted that units are set at the 2021 maximum allowable levels.
3Q23	The contact reported that the property has not yet increased rents to the 2023 maximum allowable levels, and was unsure if they would increase to the maximum levels in the future.
4Q24	The property accepts Housing Choice Vouchers; however, the contact was unable to provide the number of vouchers in use. The contact believed that higher LIHTC rents could be achievable.

Photos



PROPERTY PROFILE REPORT

The Heights At Jackson Village I

Effective Rent Date	11/21/2024
Location	9200 Old Telegraph Road Fredericksburg, VA 22407 Spotsylvania County
Distance	0.1 miles
Units	187
Vacant Units	88
Vacancy Rate	47.1%
Type	Midrise (age-restricted) (5 stories)
Year Built/Renovated	2023 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	12/31/2023
Major Competitors	None identified
Tenant Characteristics	Seniors, Veterans, Disabled/Elderly
Contact Name	Sheri/Jennifer
Phone	540-372-4400



Market Information

Program	@60%
Annual Turnover Rate	N/A
Units/Month Absorbed	17
HCV Tenants	15%
Leasing Pace	Within one week
Annual Chg. in Rent	N/A
Concession	One month free
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (5 stories)	18	625	\$1,633	\$136	@60%	No	8	44.4%	N/A	None
1	1	Midrise (5 stories)	93	650	\$1,633	\$136	@60%	No	44	47.3%	no	None
2	1	Midrise (5 stories)	76	940	\$1,977	\$165	@60%	No	36	47.4%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,633	\$136	\$1,497	\$0	\$1,497
2BR / 1BA	\$1,977	\$165	\$1,812	\$0	\$1,812

The Heights At Jackson Village I, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Coat Closet	Dishwasher	Video Surveillance	
Exterior Storage(\$55.00)	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Vinyl Plank Flooring	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Courtyard	Elevators		
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Pet Park	Picnic Area		
Recreation Areas	Sport Court		
Swimming Pool	Wi-Fi		

Comments

The property is still in lease-up. The first building of the property (99 units) opened in July 2023 and stabilized in December 2023. There were 38 pre-leased units at the time of opening, and the building currently has 96 occupied units. The second building of the property (88 units) opened in October 2024, after delays in construction due to weather, and currently has 11 units occupied (12.5 percent) with eight more pending leases (21.6 percent leased). This equates to an absorption rate of 19 units per month for the second building. The contact reported that due to delays that resulted in ongoing construction, the property offered tenants at the first building the ability to rent at the originally advertised rents from 2023, and as such, most tenants at the property are not paying the current asking rents shown in the profile. The current asking rents are at the 2024 maximum allowable levels; however, the contact reported that the property is now offering a concession of one month free in order to facilitate lease-up at the second building, so effective rents are below the maximum allowable levels. Storage is available for a fee ranging between \$55 to \$70 per month, depending on the size.

The Heights At Jackson Village I, continued

Trend Report

Vacancy Rates

1Q19	4Q19	4Q24
N/A	N/A	47.1%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$1,261	\$0	\$1,261	\$1,261
2019	4	N/A	\$1,225	\$0	\$1,225	\$1,225
2024	4	46.8%	\$1,633	\$136	\$1,497	\$1,497

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$1,506	\$0	\$1,506	\$1,506
2019	4	N/A	\$1,425	\$0	\$1,425	\$1,425
2024	4	47.4%	\$1,977	\$165	\$1,812	\$1,812

Trend: Comments

1Q19	<p>The Heights at Jackson Village I is a proposed LIHTC age-restricted development that will offer 111 one- and 76 two-bedroom units restricted to senior households earning 60 percent of AMI or less. The property is Phase I of a two-part senior development. Apartments will be marketed to active seniors ages 55 and above, veterans, and empty nesters desiring to downsize. The one- and two-bedroom units have utility allowances of \$104 and \$132, respectively. The proposed LIHTC rents at 60% AMI are set at the 2019 maximum allowable LIHTC rent levels.</p> <p>Common area amenities will include a business center/computer lab, clubhouse, resident lounge/community room, as well as elevator service in each residential building. Further, the Subject will offer central laundry facilities, on-site management, off-street parking, fitness center, swimming pool, dog park with a watering station, a community workshop, leasable exterior storage units, and a courtyard with a picnic pavilion, fireplace, and recreational outdoor spaces. The Subject's proposed courtyard and recreational areas will include a bocce ball court, community garden, pergola, and small pond/water feature with "green space" landscaping. Based on information provided by the developer, the Subject property will offer 322 off-street parking spaces included in rent. The property will share its amenities with The Heights at Jackson Village II, the proposed second phase of the planned development.</p>
4Q19	N/A
4Q24	<p>The property is still in lease-up. The first building of the property (99 units) opened in July 2023 and stabilized in December 2023. There were 38 pre-leased units at the time of opening, and the building currently has 96 occupied units. The second building of the property (88 units) opened in October 2024, after delays in construction due to weather, and currently has 11 units occupied (12.5 percent) with eight more pending leases (21.6 percent leased). This equates to an absorption rate of 19 units per month for the second building. The contact reported that due to delays that resulted in ongoing construction, the property offered tenants at the first building the ability to rent at the originally advertised rents from 2023, and as such, most tenants at the property are not paying the current asking rents shown in the profile. The current asking rents are at the 2024 maximum allowable levels; however, the contact reported that the property is now offering a concession of one month free in order to facilitate lease-up at the second building, so effective rents are below the maximum allowable levels. Storage is available for a fee ranging between \$55 to \$70 per month, depending on the size.</p>

Photos



PROPERTY PROFILE REPORT

Abberly At Southpoint

Effective Rent Date	11/14/2024
Location	10500 Abberly Village Lane Fredericksburg, VA 22407 Spotsylvania County
Distance	2.2 miles
Units	280
Vacant Units	1
Vacancy Rate	0.4%
Type	Midrise (4 stories)
Year Built/Renovated	2016 / N/A
Marketing Began	6/01/2016
Leasing Began	8/01/2016
Last Unit Leased	5/01/2018
Major Competitors	Allure at Jefferson, Station Square Apts, Silver
Tenant Characteristics	Mixed tenancy
Contact Name	Stephanie
Phone	844-486-7482



Market Information

Program	Market
Annual Turnover Rate	34%
Units/Month Absorbed	13
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Changes daily
Concession	None
Waiting List	Yes; undetermined length

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	56	807	N/A	\$0	Market	Yes	0	0.0%	N/A	None
1	1	Midrise (4 stories)	4	813	\$2,180	\$0	Market	Yes	0	0.0%	N/A	None
1	1	Midrise (4 stories)	56	907	\$2,056	\$0	Market	Yes	0	0.0%	N/A	None
1	1.5	Midrise (4 stories)	2	1,199	N/A	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Midrise (4 stories)	7	1,101	N/A	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Midrise (4 stories)	56	1,194	\$2,108	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Midrise (4 stories)	32	1,279	N/A	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Midrise (4 stories)	22	1,454	N/A	\$0	Market	Yes	0	0.0%	N/A	None
2	2.5	Midrise (4 stories)	21	1,327	N/A	\$0	Market	Yes	0	0.0%	N/A	None
2.5	2	Midrise (4 stories)	18	1,496	N/A	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Midrise (4 stories)	6	1,496	\$2,714	\$0	Market	Yes	1	16.7%	N/A	None

Abberly At Southpoint, continued

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$2,056 - \$2,180	\$0	\$2,056 - \$2,180	\$0	\$2,056 - \$2,180
1BR / 1.5BA	N/A	\$0	N/A	\$0	N/A
2BR / 2BA	\$2,108	\$0	\$2,108	\$0	\$2,108
2BR / 2.5BA	N/A	\$0	N/A	\$0	N/A
2.5BR / 2BA	N/A	\$0	N/A	\$0	N/A
3BR / 2BA	\$2,714	\$0	\$2,714	\$0	\$2,714

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpet/Hardwood	Carpeting	Limited Access	
Central A/C	Dishwasher	Perimeter Fencing	
Exterior Storage(\$55.00)	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Car Wash	None	Dog park, Granite Countertops
Clubhouse/Meeting Room/Community	Commercial/Retail		
Elevators	Exercise Facility		
Garage(\$175.00)	Off-Street Parking		
On-Site Management	Picnic Area		
Recreation Areas	Swimming Pool		
Wi-Fi			

Comments

The contact could only provide rents for units with current or upcoming availability due to the property utilizing an automated pricing software. property accepts Housing Choice Vouchers; however, there are no tenants utilizing HCVs at this time. The property offers car charging stations for residents and smart home devices. Exterior storage is available for a fee starting at \$55 per month.

Trend Report

Vacancy Rates

4Q19	2Q22	3Q23	4Q24
1.8%	0.4%	1.1%	0.4%

Trend: Market

1BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	4	N/A	\$1,475	\$0	\$1,475	\$1,475
2022	2	N/A	N/A	\$0	N/A	N/A
2023	3	0.0%	\$1,984	\$0	\$1,984	\$1,984
2024	4	0.0%	N/A	\$0	N/A	N/A

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	4	N/A	\$1,388 - \$1,434	\$0	\$1,388 - \$1,434	\$1,388 - \$1,434
2022	2	N/A	\$1,693 - \$2,668	\$0	\$1,693 - \$2,668	\$1,693 - \$2,668
2023	3	0.0%	\$1,673 - \$1,676	\$0	\$1,673 - \$1,676	\$1,673 - \$1,676
2024	4	0.0%	\$2,056 - \$2,180	\$0	\$2,056 - \$2,180	\$2,056 - \$2,180

2.5BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	4	N/A	\$2,114	\$0	\$2,114	\$2,114
2022	2	N/A	\$3,908	\$0	\$3,908	\$3,908
2023	3	0.0%	\$2,523	\$0	\$2,523	\$2,523
2024	4	0.0%	N/A	\$0	N/A	N/A

2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	4	N/A	\$1,897	\$0	\$1,897	\$1,897
2022	2	N/A	\$1,897	\$0	\$1,897	\$1,897
2023	3	9.5%	\$2,268	\$0	\$2,268	\$2,268
2024	4	0.0%	N/A	\$0	N/A	N/A

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	4	N/A	\$1,612 - \$1,863	\$0	\$1,612 - \$1,863	\$1,612 - \$1,863
2022	2	N/A	\$1,863 - \$3,438	\$0	\$1,863 - \$3,438	\$1,863 - \$3,438
2023	3	0.0%	\$1,959 - \$2,275	\$0	\$1,959 - \$2,275	\$1,959 - \$2,275
2024	4	0.0%	\$2,108	\$0	\$2,108	\$2,108

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	4	N/A	\$2,060	\$0	\$2,060	\$2,060
2022	2	N/A	N/A	\$0	N/A	N/A
2023	3	16.7%	\$2,705	\$0	\$2,705	\$2,705
2024	4	16.7%	\$2,714	\$0	\$2,714	\$2,714

Trend: Comments

4Q19	The property uses Yieldstar to set daily rents. The property does not accept Housing Choice Vouchers. The property offers car charging stations for residents and smart home devices.
2Q22	The contact stated that a few tenants had become delinquent on rent due to the COVID-19 pandemic. The property accepts Housing Choice Vouchers; however, there are no tenants utilizing HCVs at this time. The property offers car charging stations for residents and smart home devices. The contact was only able to provide rents for units that are currently available, or on notice. Exterior storage is available for monthly fees ranging from \$50 to \$75 per month, depending on size.
3Q23	The property accepts Housing Choice Vouchers; however, there are no tenants utilizing HCVs at this time. The property offers car charging stations for residents and smart home devices. Exterior storage is available for monthly fees ranging from \$50 to \$75 per month, depending on size.
4Q24	The contact could only provide rents for units with current or upcoming availability due to the property utilizing an automated pricing software. property accepts Housing Choice Vouchers; however, there are no tenants utilizing HCVs at this time. The property offers car charging stations for residents and smart home devices. Exterior storage is available for a fee starting at \$55 per month.

Photos



PROPERTY PROFILE REPORT

Alexander Heights

Effective Rent Date	10/29/2024
Location	2704 Salem Church Road Fredericksburg, VA 22407 Spotsylvania County
Distance	4.5 miles
Units	147
Vacant Units	0
Vacancy Rate	0.0%
Type	Midrise (age-restricted) (4 stories)
Year Built/Renovated	2007 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Evergreens at Smith Run
Tenant Characteristics	Seniors 62+. 60% from surrounding area, 40% out of state. Typical age of 70
Contact Name	Carrie
Phone	540-548-0010 x101



Market Information

Program	Market
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within one week
Annual Chg. in Rent	Increased up to 9% annually since 2Q2022
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	N/A	772	\$1,430	\$0	Market	No	0	N/A	N/A	None
1	1	Midrise (4 stories)	N/A	789	\$1,450	\$0	Market	No	0	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,091	\$1,750	\$0	Market	No	0	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,171	\$1,870	\$0	Market	No	0	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,245	\$1,940	\$0	Market	No	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,430 - \$1,450	\$0	\$1,430 - \$1,450	\$15	\$1,445 - \$1,465
2BR / 2BA	\$1,750 - \$1,940	\$0	\$1,750 - \$1,940	\$15	\$1,765 - \$1,955

Alexander Heights, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Dishwasher	Exterior Storage(\$25.00)	Perimeter Fencing	
Garbage Disposal	Microwave		
Oven	Refrigerator		
Vaulted Ceilings	Washer/Dryer		
Property		Premium	Other
Carport(\$65.00)	Clubhouse/Meeting Room/Community	None	None
Elevators	Exercise Facility		
Off-Street Parking	On-Site Management		
Swimming Pool			

Comments

Storage is available for a fee ranging between \$25 to \$90 per month, depending on the size.

Alexander Heights, continued

Trend Report

Vacancy Rates

4Q18	1Q19	2Q22	4Q24
6.1%	6.8%	1.4%	0.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	4	N/A	\$1,199 - \$1,219	\$0	\$1,199 - \$1,219	\$1,214 - \$1,234
2019	1	N/A	\$1,205 - \$1,219	\$0	\$1,205 - \$1,219	\$1,220 - \$1,234
2022	2	N/A	\$1,350 - \$1,365	\$50	\$1,300 - \$1,315	\$1,315 - \$1,330
2024	4	N/A	\$1,430 - \$1,450	\$0	\$1,430 - \$1,450	\$1,445 - \$1,465

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	4	N/A	\$1,469 - \$1,645	\$0	\$1,469 - \$1,645	\$1,484 - \$1,660
2019	1	N/A	\$1,552 - \$1,645	\$0	\$1,552 - \$1,645	\$1,567 - \$1,660
2022	2	N/A	\$1,650 - \$1,800	\$50	\$1,600 - \$1,750	\$1,615 - \$1,765
2024	4	N/A	\$1,750 - \$1,940	\$0	\$1,750 - \$1,940	\$1,765 - \$1,955

Trend: Comments

4Q18 N/A

1Q19 This property is an independent living facility and no additional services such as housekeeping or meals are included. Overall occupancy in the mid to high 90 percent range has been typical during the past year.

2Q22 The contact stated that the property has not been affected by the COVID-19 pandemic. Tenants are able to rent storage units for \$27 to \$90, depending on size.

4Q24 Storage is available for a fee ranging between \$25 to \$90 per month, depending on the size.

Photos



PROPERTY PROFILE REPORT

Kilburn Crossing

Effective Rent Date	10/29/2024
Location	6601 Charmed Way Fredericksburg, VA 22407 Spotsylvania County
Distance	5.6 miles
Units	220
Vacant Units	9
Vacancy Rate	4.1%
Type	Garden (3 stories)
Year Built/Renovated	2004 / 2017
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Diverse mix, some military, others employed in tech, healthcare, and govt jobs
Contact Name	Amelia
Phone	540-786-8660



Market Information

Program	Market
Annual Turnover Rate	22%
Units/Month Absorbed	N/A
HCV Tenants	1%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased up to 6% annually since 1Q2021
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- gas
Heat	not included -- gas
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	804	\$1,600	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	N/A	984	N/A	\$0	Market	No	0	N/A	N/A	None
2	1	Garden (3 stories)	N/A	1,051	\$1,773	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,125	\$1,808	\$0	Market	No	N/A	N/A	N/A	None
2	2.5	Garden (3 stories)	N/A	1,219	N/A	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,350	\$1,969	\$0	Market	No	N/A	N/A	N/A	None
3	2.5	Garden (3 stories)	N/A	1,400	N/A	\$0	Market	No	N/A	N/A	N/A	None

Kilburn Crossing, continued

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,600	\$0	\$1,600	\$15	\$1,615
2BR / 1BA	\$1,773	\$0	\$1,773	\$15	\$1,788
2BR / 2BA	\$1,808	\$0	\$1,808	\$15	\$1,823
2BR / 2.5BA	N/A	\$0	N/A	\$15	N/A
3BR / 2BA	\$1,969	\$0	\$1,969	\$15	\$1,984
3BR / 2.5BA	N/A	\$0	N/A	\$15	N/A

Amenities

In-Unit	Security	Services
Balcony/Patio	Perimeter Fencing	None
Carpeting		
Coat Closet		
Ceiling Fan		
Garbage Disposal		
Oven		
Vinyl Plank Flooring		
Washer/Dryer		
Property	Premium	Other
Basketball Court	None	Granite counters
Car Wash		
Concierge		
Off-Street Parking		
Pet Park		
Playground		
Tennis Court		

Comments

The property accepts Housing Choice Vouchers; however, the contact was unable to provide the number of vouchers in use. The contact reported all vacant units are pre-leased. The contact stated rents shown are for units that are currently available or on notice.

Trend Report

Vacancy Rates

1Q19	3Q20	1Q21	4Q24
3.2%	1.8%	0.5%	4.1%

Trend: Market

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$1,275 - \$1,603	\$0	\$1,275 - \$1,603	\$1,290 - \$1,618

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$1,261 - \$1,275	\$0	\$1,261 - \$1,275	\$1,276 - \$1,290
2020	3	N/A	\$1,280 - \$1,358	\$0	\$1,280 - \$1,358	\$1,295 - \$1,373
2021	1	N/A	\$1,315 - \$1,365	\$0	\$1,315 - \$1,365	\$1,330 - \$1,380
2024	4	N/A	\$1,600	\$0	\$1,600	\$1,615

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	3	N/A	\$1,505	\$0	\$1,505	\$1,520
2021	1	N/A	\$1,500	\$0	\$1,500	\$1,515
2024	4	N/A	\$1,773	\$0	\$1,773	\$1,788

2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$1,722	\$0	\$1,722	\$1,737
2020	3	N/A	\$1,722	\$0	\$1,722	\$1,737
2021	1	N/A	\$1,680	\$0	\$1,680	\$1,695
2024	4	N/A	N/A	\$0	N/A	N/A

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$1,400	\$0	\$1,400	\$1,415
2020	3	N/A	\$1,527	\$0	\$1,527	\$1,542
2021	1	N/A	\$1,552	\$0	\$1,552	\$1,567
2024	4	N/A	\$1,808	\$0	\$1,808	\$1,823

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$1,961	\$0	\$1,961	\$1,976
2020	3	N/A	\$1,767	\$0	\$1,767	\$1,782
2021	1	N/A	\$1,777	\$0	\$1,777	\$1,792
2024	4	N/A	N/A	\$0	N/A	N/A

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$1,614	\$0	\$1,614	\$1,629
2020	3	N/A	\$1,707	\$0	\$1,707	\$1,722
2021	1	N/A	\$1,784	\$0	\$1,784	\$1,799
2024	4	N/A	\$1,969	\$0	\$1,969	\$1,984

Trend: Comments

1Q19	The contact reported current occupancy rates have been typical during the past year.
3Q20	The contact reported occupancy rates have remained stable during 2020 and has not been negatively impacted by COVID-19. The tenancy is diverse and most are employed in various industries and jobs deemed essential.
1Q21	The contact reported occupancy rates have remained stable during 2020 and has not been negatively impacted by COVID-19. The tenancy is diverse and most are employed in various industries and jobs deemed essential. The contact reported that rents change on a daily basis.
4Q24	The property accepts Housing Choice Vouchers; however, the contact was unable to provide the number of vouchers in use. The contact reported all vacant units are pre-leased. The contact stated rents shown are for units that are currently available or on notice.

Photos



PROPERTY PROFILE REPORT

MAA Cosner's Corner

Effective Rent Date	11/08/2024
Location	9419 Cumberland Drive Fredericksburg, VA 22408 Spotsylvania County
Distance	1 mile
Units	380
Vacant Units	12
Vacancy Rate	3.2%
Type	Garden (3 stories)
Year Built/Renovated	2013 / N/A
Marketing Began	N/A
Leasing Began	12/01/2015
Last Unit Leased	5/01/2016
Major Competitors	Seasons at Celebrate Virginia
Tenant Characteristics	Diverse mix of families and individuals from all over the country
Contact Name	Liz
Phone	540-546-6549



Market Information

Program	Market
Annual Turnover Rate	20%
Units/Month Absorbed	24
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Decreased 3.0 to 6.2%
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	746	\$1,633	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	N/A	780	\$1,683	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	N/A	861	\$1,703	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	N/A	995	N/A	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,157	\$1,808	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,191	\$1,843	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,242	\$1,873	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,300	\$2,288	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,514	\$2,403	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,633 - \$1,703	\$0	\$1,633 - \$1,703	\$15	\$1,648 - \$1,718
2BR / 2BA	\$1,808 - \$1,873	\$0	\$1,808 - \$1,873	\$15	\$1,823 - \$1,888
3BR / 2BA	\$2,288 - \$2,403	\$0	\$2,288 - \$2,403	\$15	\$2,303 - \$2,418

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpeting	Central A/C	Perimeter Fencing	
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Vinyl Plank Flooring	Walk-In Closet		
Washer/Dryer			
Property		Premium	Other
Business Center/Computer Lab	Car Wash	None	None
Clubhouse/Meeting Room/Community	Concierge		
EV Charging Station	Exercise Facility		
Garage(\$150.00)	Off-Street Parking		
On-Site Management	Pet Park		
Picnic Area	Swimming Pool		
Theatre			

Comments

Garage parking is available for a fee ranging between \$150 to \$200 per month. The property accepts Housing Choice Vouchers; however, the contact was unable to provide the number of vouchers in use.

Trend Report

Vacancy Rates

2022	2Q23	3Q23	4Q24
1.6%	7.1%	1.1%	3.2%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2022	2	N/A	\$1,633 - \$2,013	\$0	\$1,633 - \$2,013	\$1,648 - \$2,028
2023	2	N/A	\$1,623 - \$1,808	\$0	\$1,623 - \$1,808	\$1,638 - \$1,823
2023	3	N/A	\$1,623 - \$1,808	\$0	\$1,623 - \$1,808	\$1,638 - \$1,823
2024	4	N/A	\$1,633 - \$1,703	\$0	\$1,633 - \$1,703	\$1,648 - \$1,718

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2022	2	N/A	\$2,058 - \$2,068	\$0	\$2,058 - \$2,068	\$2,073 - \$2,083
2023	2	N/A	\$1,928 - \$1,988	\$0	\$1,928 - \$1,988	\$1,943 - \$2,003
2023	3	N/A	\$1,928 - \$1,988	\$0	\$1,928 - \$1,988	\$1,943 - \$2,003
2024	4	N/A	\$1,808 - \$1,873	\$0	\$1,808 - \$1,873	\$1,823 - \$1,888

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2022	2	N/A	\$2,418 - \$2,473	\$0	\$2,418 - \$2,473	\$2,433 - \$2,488
2023	2	N/A	\$2,433 - \$2,478	\$0	\$2,433 - \$2,478	\$2,448 - \$2,493
2023	3	N/A	\$2,433 - \$2,478	\$0	\$2,433 - \$2,478	\$2,448 - \$2,493
2024	4	N/A	\$2,288 - \$2,403	\$0	\$2,288 - \$2,403	\$2,303 - \$2,418

Trend: Comments

2022	The contact stated that the property has not been affected by the COVID-19 pandemic. The property uses LRO pricing and rents change daily. The contact could only provide rental rates for units that are currently available. The contact stated that units are being renovated as units turn over. The scope of renovations includes new countertops, stainless steel appliances, ceiling fans, and light fixtures. None of the current vacancies are pre-leased. The property currently has one tenant utilizing Housing Choice Vouchers. The contact stated tenants can rent one-car garage spaces for \$99, or extended garages for \$149. Reserved (off-street) parking spaces are also available for \$40 per month.
2Q23	The contact reported 27 current vacancies and stated that many tenants have been purchasing homes or relocating for work. The property does not have a waitlist.
3Q23	The property does not have a waitlist.
4Q24	Garage parking is available for a fee ranging between \$150 to \$200 per month. The property accepts Housing Choice Vouchers; however, the contact was unable to provide the number of vouchers in use.

Photos



PROPERTY PROFILE REPORT

Silver Collection At Cosner's Corner

Effective Rent Date	10/30/2024
Location	9500 Silver Collection Circle Fredericksburg, VA 22408 Spotsylvania County
Distance	0.7 miles
Units	274
Vacant Units	26
Vacancy Rate	9.5%
Type	Garden (3 stories)
Year Built/Renovated	2016 / N/A
Marketing Began	1/01/2016
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Station Square, Abberly at South Point
Tenant Characteristics	Tenants from Fredericksburg and military personnel
Contact Name	Robert
Phone	540-401-5521



Market Information

Program	Market
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased up to 11% since 3Q2023
Concession	One month free
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	36	706	\$1,780	\$148	Market	No	3	8.3%	N/A	None
1	1	Garden (3 stories)	72	721	\$1,800	\$150	Market	No	14	19.4%	N/A	None
1	1	Garden (3 stories)	12	834	\$1,875	\$156	Market	No	2	16.7%	N/A	None
2	2	Garden (3 stories)	18	1,122	N/A	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	48	1,140	\$2,100	\$175	Market	No	6	12.5%	N/A	None
2	2	Garden (3 stories)	N/A	1,217	N/A	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (3 stories)	12	1,398	\$2,915	\$243	Market	No	1	8.3%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,780 - \$1,875	\$148 - \$156	\$1,632 - \$1,719	\$15	\$1,647 - \$1,734
2BR / 2BA	\$2,100	\$0 - \$175	\$1,925	\$15	\$1,940
3BR / 2BA	\$2,915	\$243	\$2,672	\$15	\$2,687

Silver Collection At Cosner's Corner, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Perimeter Fencing	None
Carpet/Hardwood	Carpeting		
Central A/C	Coat Closet		
Dishwasher	Exterior Storage(\$50.00)		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Vinyl Plank Flooring		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	Yoga studio
Exercise Facility	Garage(\$250.00)		
Off-Street Parking	On-Site Management		
Pet Park	Picnic Area		
Recreation Areas	Sauna		
Swimming Pool			

Comments

The property does not accept Housing Choice Vouchers. The contact noted that the property typically experiences higher turnover/vacancy during the beginning of winter. The contact stated none of the vacant units are pre-leased.

Silver Collection At Cosner's Corner, continued

Trend Report

Vacancy Rates

2022	2Q23	3Q23	4Q24
2.6%	0.7%	0.7%	9.5%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2022	2	N/A	\$1,695 - \$1,725	\$0	\$1,695 - \$1,725	\$1,710 - \$1,740
2023	2	N/A	\$1,605 - \$1,795	\$0	\$1,605 - \$1,795	\$1,620 - \$1,810
2023	3	N/A	\$1,605 - \$1,795	\$0	\$1,605 - \$1,795	\$1,620 - \$1,810
2024	4	15.8%	\$1,780 - \$1,875	\$148 - \$156	\$1,632 - \$1,719	\$1,647 - \$1,734

2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2022	2	N/A	N/A	\$0	N/A	N/A

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2022	2	N/A	\$2,080	\$0	\$2,080	\$2,095
2023	2	N/A	\$2,035 - \$2,150	\$0	\$2,035 - \$2,150	\$2,050 - \$2,165
2023	3	N/A	\$2,035 - \$2,150	\$0	\$2,035 - \$2,150	\$2,050 - \$2,165
2024	4	N/A	\$2,100	\$0 - \$175	\$1,925	\$1,940

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2022	2	N/A	\$2,650	\$0	\$2,650	\$2,665
2023	2	N/A	\$2,695	\$0	\$2,695	\$2,710
2023	3	N/A	\$2,695	\$0	\$2,695	\$2,710
2024	4	8.3%	\$2,915	\$243	\$2,672	\$2,687

Trend: Comments

2Q22	The contact stated that some tenants are utilizing government rental assistance as a result of the COVID-19 pandemic. The property accepts Housing Choice Vouchers; however, the property does not currently have any tenants utilizing them. The contact was only able to provide rents for units that are currently available. The staff is new and was unable to confirm when the first unit was delivered and when the property reached stabilized occupancy. The contact stated that tenants can rent attached and detached garages for monthly fees of \$225 and \$200, respectively.
2Q23	The contact reported two current vacancies in the one-bedroom unit type. The property does not maintain a waitlist and the units are first come; first serve. The property does not accept Housing Choice Vouchers. The contact reported that rents change daily.
3Q23	The contact reported two current vacancies in the one-bedroom unit type. The property does not maintain a waitlist, and the units are first come, first serve. The property does not accept Housing Choice Vouchers. The contact reported that rents change daily.
4Q24	The property does not accept Housing Choice Vouchers. The contact noted that the property typically experiences higher turnover/vacancy during the beginning of winter. The contact stated none of the vacant units are pre-leased.

Photos



PROPERTY PROFILE REPORT

The Allure At Jefferson

Effective Rent Date	10/30/2024
Location	4660 Monroe Way Fredericksburg, VA 22407 Spotsylvania County
Distance	0.3 miles
Units	388
Vacant Units	20
Vacancy Rate	5.2%
Type	Midrise (3 stories)
Year Built/Renovated	2019 / N/A
Marketing Began	N/A
Leasing Began	3/01/2019
Last Unit Leased	N/A
Major Competitors	Silver Collection, Aberlee at Southpoint
Tenant Characteristics	Mixed tenancy
Contact Name	Jessica
Phone	540-701-4583



Market Information

Program	Market
Annual Turnover Rate	9%
Units/Month Absorbed	17
HCV Tenants	N/A
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased up to 4% since 3Q2023
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (3 stories)	N/A	854	\$1,639	\$0	Market	No	N/A	N/A	N/A	None
1	1	Midrise (3 stories)	N/A	941	\$1,699	\$0	Market	No	N/A	N/A	N/A	None
2	2	Midrise (3 stories)	N/A	1,062	\$1,890	\$0	Market	No	N/A	N/A	N/A	None
2	2	Midrise (3 stories)	N/A	1,079	\$1,900	\$0	Market	No	N/A	N/A	N/A	None
2	2	Midrise (3 stories)	N/A	1,107	\$1,899	\$0	Market	No	N/A	N/A	N/A	None
3	2	Midrise (3 stories)	N/A	1,311	\$2,375	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,639 - \$1,699	\$0	\$1,639 - \$1,699	\$15	\$1,654 - \$1,714
2BR / 2BA	\$1,890 - \$1,900	\$0	\$1,890 - \$1,900	\$15	\$1,905 - \$1,915
3BR / 2BA	\$2,375	\$0	\$2,375	\$15	\$2,390

The Allure At Jefferson, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpet/Hardwood	Carpeting	Limited Access	
Central A/C	Coat Closet	Patrol	
Dishwasher	Exterior Storage(\$25.00)		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Vaulted Ceilings		
Vinyl Plank Flooring	Washer/Dryer		
Property		Premium	Other
Business Center/Computer Lab	Car Wash	None	None
Clubhouse/Meeting Room/Community	Elevators		
Exercise Facility	Garage(\$150.00)		
Off-Street Parking	On-Site Management		
Pet Park	Picnic Area		
Playground	Swimming Pool		
Wi-Fi			

Comments

The property accepts Housing Choice Vouchers; however, the contact was unable to provide the number of vouchers in use. Storage is available for a fee ranging between \$25 to \$75 per month, depending on the size.

Trend Report

Vacancy Rates

1Q21	2Q22	3Q23	4Q24
0.0%	1.0%	1.5%	5.2%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	1	N/A	\$1,370 - \$1,460	\$0	\$1,370 - \$1,460	\$1,385 - \$1,475
2022	2	N/A	\$1,679 - \$1,749	\$0	\$1,679 - \$1,749	\$1,694 - \$1,764
2023	3	N/A	\$1,625 - \$1,635	\$0	\$1,625 - \$1,635	\$1,640 - \$1,650
2024	4	N/A	\$1,639 - \$1,699	\$0	\$1,639 - \$1,699	\$1,654 - \$1,714

1BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
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2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	1	N/A	\$1,625 - \$1,670	\$0	\$1,625 - \$1,670	\$1,640 - \$1,685
2022	2	N/A	\$1,889	\$0	\$1,889	\$1,904
2023	3	N/A	\$1,815 - \$1,845	\$0	\$1,815 - \$1,845	\$1,830 - \$1,860
2024	4	N/A	\$1,890 - \$1,900	\$0	\$1,890 - \$1,900	\$1,905 - \$1,915

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	1	N/A	\$1,855	\$0	\$1,855	\$1,870
2022	2	N/A	\$2,499	\$0	\$2,499	\$2,514
2023	3	N/A	\$2,295	\$0	\$2,295	\$2,310
2024	4	N/A	\$2,375	\$0	\$2,375	\$2,390

Trend: Comments

1Q21	The first building of the property was completed in March 2019 and began leasing in mid-March. The contact indicated that 388 of the planned 450 units have been completed. The contact could not state how many of the buildings have been completed. The property is expected to be fully completed in 2021 with 450 total units. The unit-mix only reflects the completed units at the property. Upon completion, the property will include a total of 14 three-story and three to four split level buildings with enclosed corridors. The development will also offer 42 garages, 18 detached garages and 142 storage spaces. The property does not accept Housing Choice Vouchers. Further, the contact reported that on-site garage parking spaces will be provided beginning in August 2019 and will be an additional \$99 monthly fee.
2Q22	The contact stated that the property experienced slowed leasing and increased delinquencies as a result of the COVID-19 pandemic.
3Q23	The contact provided no additional information.
4Q24	The property accepts Housing Choice Vouchers; however, the contact was unable to provide the number of vouchers in use. Storage is available for a fee ranging between \$25 to \$75 per month, depending on the size.

Photos

