

A MARKET FEASIBILITY STUDY OF:

JOYFIELD AT SCHOOL ROAD

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JOYFIELD AT SCHOOL ROAD

250 E German School Road
Richmond, Richmond City, Virginia 23224

Effective Date: April 2, 2025
Report Date: April 28, 2025

Prepared for:
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Prepared by:
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240-235-1701





April 28, 2025

Jack Gagnon
Senior Associate, Capital Markets
Standard Development Partners, LLC
1015 18th Street, NW Suite 601
Washington, DC 20036

Re: Market Study - Application for Joyfield at School Road in Richmond, Virginia

Dear Jack Gagnon:

At your request, Novogradac & Company LLP doing business under the brand name Novogradac Consulting ("Novogradac") has performed a market study of the multifamily rental market in the Richmond, Virginia area relative to the above-referenced referenced Low-Income Housing Tax Credit (LIHTC)/Project Based Voucher (PBV) project. We have previously completed a Rent and Demand Letter on the property with an effective date of April 18, 2024.

The Subject is a proposed, family-tenancy, Low-Income Tax Credit (LIHTC)/Project Based Voucher (PBV) project. The Subject will offer 234 units contained in 25 three-story, townhome buildings. The Subject will offer 164 three-bedroom units and 70 four-bedroom units. Of these 45 three-bedroom units and 19 four-bedroom units at 50 percent of the AMI will benefit from rental assistance through Project Based Vouchers (PBV's) and tenants in these units will contribute 30 percent of their income towards rent, not in excess of the LIHTC maximum allowable levels. The remaining 121 three-bedroom units and 51 four-bedroom units will operate as 60 percent LIHTC units that target the general population. 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, including the following:

- Inspecting the site of the proposed 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.
- Calculating income bands, given the proposed Subject rents.
- Estimating the number of income-eligible households.
- Reviewing relevant public records and contacting appropriate public agencies.
- Analyzing 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.

The depth of discussion contained in the report is compliant with both the requirements of Virginia Housing Market Study Guidelines and 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. 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.

Standard Development Partners, LLC is the client in this engagement and intended user of this report. Furthermore, Virginia Housing is an authorized user of this market study and Virginia Housing may rely on representations made herein. As our client, Standard Development Partners, LLC 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 Stated Purpose of this assignment is for application. You agree not to use the Report other than for the Stated Purpose, and you agree to indemnify us for any claims, damages or losses that we may incur as the result of your use of the Report for other than the Stated Purpose. Without limiting the general applicability of this paragraph, under no circumstances may the Report be used in advertisements, solicitations and/or any form of securities offering.

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.

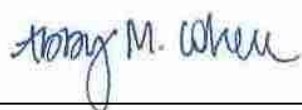
Pursuant to Virginia Housing Requirements, we certify:

1. We have made a physical inspection of the site and market area.
2. The appropriate information has been used in the comprehensive evaluation of the need and demand for the proposed rental units.
3. To the best of our knowledge the market can support the demand shown in this study. We 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. No one at this firm has any interest in the proposed development or a relationship with the ownership entity.
5. No one at this firm, nor anyone acting on behalf of the firm in connection with the preparation of this report, has communicated to others that the firm is representing Virginia Housing or in any way acting for, at the request of, or on behalf of Virginia Housing.
6. Compensation for our services is not contingent on this development receiving a LIHTC reservation or allocation.
7. Evidence of our NCHMA membership is included.

JACK GAGNON
STANDARD DEVELOPMENT PARTNERS, LLC
APRIL 28, 2025
PAGE 3

Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac can be of further assistance at 240-235-1701. It has been our pleasure to assist you with this project.

Respectfully submitted,
Novogradac



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TABLE OF CONTENTS

A. Executive Summary	1
Executive Summary	2
B. Introduction and Scope of Work	8
Introduction and Scope of Work	9
C. Project Description	10
Project Description	11
D. Location	16
Location	17
Photographs of Subject and Neighborhood	24
E. Market Area Definition	28
Market Area	29
F. Employment and Economy	31
Economic Analysis	32
G. Demographic Characteristics	40
Demographic Characteristics	41
H. Competitive Environment	48
Housing Summary	49
Survey of Comparable Properties	54
Market Characteristics	62
I. Affordability Analysis, Demand Analysis, Capture Rates and Penetration Rates	69
Affordability Analysis, Demand Analysis, Capture rates, and Penetration Rates	70
Capture Rate Analysis by Unit Type	74
ANNUAL CAPTURE RATE ANALYSIS	81
VIRGINIA HOUSING DEMAND ANALYSIS	85
PENETRATION RATE ANALYSIS	87
J. Local Perspectives of Rental Housing Market and Housing Alternatives	91
Interviews	92
K. Analysis/Conclusions	94
L. Other Requirements	97
Photographs of Subject and Neighborhood	103

Addendum A

Addendum B

Addendum C

Addendum D

Addendum E

Addendum F

Addendum G

A. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Subject Site Description:	The Subject will be located at 250 East German School Road in Richmond, Richmond City, Virginia 23224.
Surrounding Land Uses:	The Subject is located in a mixed-use neighborhood within the northern portion of South Richmond. The Subject site is rated as “Car Dependent” by Walk Score with a score of 25, indicating that most errands require a car. Land use to the north consists of commercial uses, and a daycare, followed farther north by auto repair shops north of Midlothian Turnpike. Land use to the east consists of commercial uses, with wooded land to the southeast and a single-family home in good condition to the northeast. Farther east are additional commercial and retail uses. Land uses south of the Subject site consist of single-family homes in average to good condition, as well as some commercial uses. Directly southwest of the Subject is Richmond Fire Station 23. Land uses west of the Subject consists of townhomes, wooded land, commercial uses, and a community recreational center. Farther west is undeveloped vacant land. Overall, the majority of surrounding land uses are in average to excellent condition.
Subject Property Description:	Novogradac has performed a comprehensive market study of the multifamily rental market in the Richmond City, Virginia area relative to the Subject, a proposed new construction development. Construction of the Subject is expected to begin in October 2025 and last for 26 months with an estimated completion date of December 2027. Following construction, the Subject’s units will be LIHTC restricted to 50 and 60 percent of AMI. The Subject’s proposed rents at 50 percent of the AMI are contract rents set above the maximum allowable levels and tenants in these units will contribute 30 percent of their income towards rent, not in excess of the LIHTC maximum allowable levels. The Subject’s proposed rents at 60 percent of the AMI are set to the 2025 maximum allowable levels. The Subject will consist of 25 three-story, townhome buildings, containing 234 three and four-bedroom units.

Proposed Rents:

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

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2025 LIHTC Maximum Allowable Gross Rent	2025 HUD Fair Market Rents
@50% (PBV)*							
3BR / 4BA	1,602	43	\$2,215	\$168	\$2,383	\$1,475	\$2,166
4BR / 4BA	1,836	19	\$2,793	\$206	\$2,383	\$1,646	\$2,677
@60%							
3BR / 4BA	1,602	121	\$1,660	\$110	\$1,770	\$1,770	\$2,166
4BR / 4BA	1,836	51	\$1,845	\$130	\$1,975	\$1,975	\$2,677
		234					

Notes (1) Source of Utility Allowance provided by the Developer.

*Contract rent

The Subject's proposed rents at 50 percent of the AMI are contract rents set above the maximum allowable levels and tenants in these units will contribute 30 percent of their income towards rent, not in excess of the LIHTC maximum allowable levels. The Subject's proposed rents at 60 percent of the AMI are set to the 2025 maximum allowable levels.

Target Household Income Levels:

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

FAMILY INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@50% (PBV)		@60%	
3BR	\$0	\$61,300	\$60,686	\$73,560
4BR	\$0	\$65,850	\$67,714	\$79,020

FAMILY INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@50%		@60%	
3BR	\$50,571	\$61,300	\$60,686	\$73,560
4BR	\$56,434	\$65,850	\$67,714	\$79,020

Economic Conditions

Employment in the PMA is concentrated in healthcare/social assistance, retail trade, and construction, which collectively comprise 35.6 percent of local employment. The large share of PMA employment in retail trade is notable as this industry is historically volatile, and prone to contraction during economic recessions. However, the PMA also has a significant share of employment in the healthcare/social assistance industry, which typically exhibits greater stability during recessionary periods. Relative to the nation, the PMA features

comparatively greater employment in the healthcare/social assistance, public administration, and construction industries. Conversely, the PMA is underrepresented in the manufacturing, prof/scientific/tech services, and educational services sectors. Employment in the MSA declined by 5.4 percent in 2020 amid the pandemic, compared to 6.2 percent across the overall nation. The MSA subsequently recovered all pandemic-related job losses, and employment levels are currently at a post-recessionary record. As of December 2024, employment in the MSA is increasing at an annualized rate of 1.6 percent, compared to 0.3 percent growth across the nation.

Primary Market Area

The PMA is generally defined as the communities of Manchester, Midlothian and South Richmond. The PMA boundaries are: VA 76 and the James River to the north; US 301 to the east; World War II Veterans Memorial Highway to the south; and Courthouse Road to the west. The PMA encompasses 26 square miles. We believe that additional support will originate from areas outside of the established PMA. We estimate a leakage of 10 percent.

The secondary market area (SMA) for the Subject is Richmond, VA Metropolitan Statistical Area (MSA), which consists of Amelia, Caroline, Charles City, Chesterfield, Colonial Heights City, Dinwiddie, Goochland, Hanover, Henrico, Hopewell City, King William, New Kent, Petersburg City, Powhatan, Prince George, Richmond City, and Sussex Counties in Virginia.

Demographic Data

Since 2010, PMA population and households have grown overall. Furthermore, population and households in the PMA are expected to grow through 2029. As of 2024, approximately 64.7 percent of renter households in the PMA earn less than \$50,0000 annually. As proposed, the incomes for the Subject will range from \$0 to \$79,020 as proposed and from \$50,571 to \$79,020 absent subsidy. With a large percentage of renters with low income, we project that there will be substantial demand for new construction affordable housing units.

Vacancy

The following table illustrates vacancy rates at the comparable properties.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Alexander At 1090	LIHTC/PBRA	Family	96	0	0.0%
Morningside Apartments	LIHTC/ Market	Family	392	27	6.9%
The Bend At 4800	LIHTC	Family	248	5	2.0%
Village South Townhomes	LIHTC	Family	296	1	0.3%
Cloverleaf Lake	Market	Family	210	1	0.5%
Communities At Southwood	Market	Family	1286	0	0.0%
Reserve South Apartments	Market	Family	200	0	0.0%
The Point At Beaufont	Market	Family	312	15	4.8%
Towns At Swift Creek*	Market	Family	200	10	5.0%
Total LIHTC			1,032	33	3.2%
Total Market Rate			2,208	26	1.2%
Overall Total			3,240	59	1.8%

*Located outside of the PMA

The comparables reported vacancy rates ranging from zero to 6.9 percent with an overall weighted average of 1.8 percent. The manager at Morningside Apartments reported the property is currently undergoing renovations and the vacant units at this property are offline for renovations. The average LIHTC vacancy rate is 3.2 percent, which indicates strong demand for affordable housing. The market rate comparables reported vacancy rates ranging from zero to 5.0 percent, with an overall weighted average of 1.2 percent. Given the low

vacancies in the local market, we believe the Subject will maintain a vacancy rate of five percent or less upon stabilization.

The following table details vacancy by bedroom type for the comparable properties surveyed:

VACANCY BY BEDROOM TYPE							
Property Name	Rent Structure	Tenancy	1BR	2BR	3BR	4BR	Overall
Alexander At 1090	LIHTC/PBRA	Family	-	0.0%	0.0%	-	0.0%
Morningside Apartments	LIHTC/ Market	Family	-	0.0%	-	-	6.9%
The Bend At 4800	LIHTC	Family	-	3.3%	0.8%	-	2.0%
Village South Townhomes	LIHTC	Family	-	-	-	-	0.3%
Cloverleaf Lake	Market	Family	0.0%	0.5%	0.0%	-	0.5%
Communities At Southwood	Market	Family	0.0%	0.0%	0.0%	-	0.0%
Reserve South Apartments	Market	Family	-	0.0%	0.0%	-	0.0%
The Point At Beaufont	Market	Family	3.9%	5.3%	0.0%	-	4.8%
Towns At Swift Creek*	Market	Family	-	-	5.6%	4.0%	5.0%

The Subject will consist of three and four-bedroom units. The vacancy rates for all unit types are considered low. This supports that there is demand for additional rental housing in the market. The Subject is not expected to negatively impact the existing properties in the market.

Absorption

We obtained absorption information from the following developments.

ABSORPTION							
Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Model Tobacco	Market	Family	Richmond	2022	203	7	3.2 miles
Towns At Swift Creek*	Market	Family	Midlothian	2021	200	13	8.4 miles
Alexander At 1090*	LIHTC	Family	Richmond	2020	96	48	1.2 miles
The Oliver	LIHTC	Family	Richmond	2020	164	15	5.3 miles
Average Affordable					130	32	
Average Market					202	10	
Overall Average					166	21	

*Comparable Property

The LIHTC properties reported absorption rates of seven to 48 units per month. We project the Subject will experience an absorption rate of 15 units per month, indicating an absorption period of approximately 15 to 16 months.

Summary of Competitive Market Conditions

The comparables reported vacancy rates ranging from zero to 6.9 percent, with an average of 1.8 percent. The average vacancy rate reported by the affordable comparables was 3.2 percent, while the average vacancy rate reported by the market rate comparables was 1.2 percent. Based on the performance of the LIHTC comparables, we expect the Subject will operate at a vacancy rate of 5.0 percent or less. Based on the comparable data, rental rates at the maximum allowable levels are achievable. Overall, the Subject will be well-accepted in the market as a LIHTC/PBV property. Based on the performance of the comparable properties, we expect the Subject to operate with a vacancy rate of five percent, or less. It should be noted there is no precedent in the market for a development of this size comprised only of three and four-bedroom units. None of the LIHTC comparables offer four-bedroom units. Our estimated achievable market rents for the Subject are illustrated below.

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Rent Level	Square Feet	Subject Achievable LIHTC Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rent	Subject Rent Advantage
3BR / 4BA	@50% (PBV)	1,602	\$1,365	\$1,557	\$2,866	\$2,136	\$2,500	45%
3BR / 4BA	@60%	1,602	\$1,660	\$1,557	\$2,866	\$2,136	\$2,500	34%
4BR / 4BA	@50% (PBV)	1,836	\$1,516	\$2,966	\$3,267	\$3,117	\$2,800	46%
4BR / 4BA	@60%	1,836	\$1,845	\$2,966	\$3,267	\$3,117	\$2,800	34%

Demand

We believe there is ample demand for the Subject. Our Virginia Housing concluded capture rates and absorption are shown in the table below.

Project Wide Capture Rate As Proposed - LIHTC Units	3.0%
Project Wide Capture Rate As Proposed - Market Units	N/A
Project Wide Capture Rate As Proposed - All Units	3.0%
Project Wide Absorption Period (Months)	15-16 months
Project Wide Capture Rate Absent Subsidy - LIHTC Units	19.3%
Project Wide Capture Rate Absent Subsidy - Market Units	N/A
Project Wide Capture Rate Absent Subsidy - All Units	19.3%
Project Wide Absorption Period (Months)	15-16 months

Additionally, the overall penetration rate for the Subject is 22.6 percent as proposed and 88.3 percent absent subsidy. These figures are moderate to elevated. It should be noted that the penetration rate analysis we have derived is conservative because it does not account for leakage (i.e. tenants originating outside of the PMA). Overall, the derived penetration rate for the Subject is considered reasonable.

Strengths

- The Subject will be new construction and will be among the newest multifamily developments in the market. Upon completion, the property will be similar to superior to the comparable properties in terms of condition.
- The Subject will offer large unit sizes and a desirable townhome style design.
- One of the four LIHTC properties are fully occupied. The average LIHTC vacancy rate for stabilized properties is 3.2 percent. Overall, this indicates strong demand for affordable housing in the market.
- The Subject site is located in close proximity to many services, public transportation, and retailers.

Weaknesses

- The capture rates in the absent subsidy scenario are moderate, however, taking into account the other indications of demand such as low vacancy, we believe there is sufficient demand for the Subject as proposed.
- The Subject's four-bedroom units are at a disadvantage and considered a weakness. We note there is a limited sample of four-bedroom units in the market.

- There is no precedent in the market for a development of this size comprised only of three and four-bedroom units. None of the LIHTC comparables offer four-bedroom units.

Recommendations

In general, we believe there is demand in the marketplace for the Subject. We recommend no changes for the Subject property.

B. 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 Richmond City, Virginia area relative to the Subject, a proposed new construction development. Construction of the Subject is expected to begin in October 2025 and last for 26 months with an estimated completion date of December 2027. Following construction, the Subject's units will be LIHTC restricted to 50 and 60 percent of AMI. The Subject's proposed rents at 50 percent of the AMI are contract rents set above the maximum allowable levels and tenants in these units will contribute 30 percent of their income towards rent, not in excess of the LIHTC maximum allowable levels. The Subject's proposed rents at 60 percent of the AMI are set to the 2025 maximum allowable levels. The Subject will consist of 25 three-story, townhome buildings, containing 234 three and four-bedroom units. We previously completed a preliminary rent and demand analysis for the Subject in April 2024. We have performed no other services in the past three years for the Subject property.
Developer/Client Information:	Standard Development Partners, LLC.
Intended Use and Users of the Report:	The report will be submitted to Virginia Housing for application purposes. The intended users of the report are Standard Development Partners, LLC and Virginia Housing.
Scope of the Report:	<ul style="list-style-type: none"> ▪ Inspecting the site of the to-be-developed 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 vacancy levels for the market area. ▪ Investigating the general economic health and conditions of the rental market. ▪ 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 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 Market Area, if applicable. ▪ Surveying competing projects, both LIHTC and market-rate.
Effective Date:	The Subject site was most recently inspected by Robert Edwards on April 2, 2025, which shall be the effective date of this report.
Primary Contact for the Report:	Abby Cohen (Abby.Cohen@novoco.com) 240-235-1701 and Lauren Lex (Lauren.Lex@novoco.com).

C. PROJECT DESCRIPTION

PROJECT DESCRIPTION

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

Subject Property Description:

Novogradac has performed a comprehensive market study of the multifamily rental market in the Richmond City, Virginia area relative to the Subject, a proposed new construction development. Construction of the Subject is expected to begin in October 2025 and last for 26 months with an estimated completion date of December 2027. Following construction, the Subject's units will be LIHTC restricted to 50 and 60 percent of AMI. The Subject's proposed rents at 50 percent of the AMI are contract rents set above the maximum allowable levels and tenants in these units will contribute 30 percent of their income towards rent, not in excess of the LIHTC maximum allowable levels. The Subject's proposed rents at 60 percent of the AMI are set to the 2025 maximum allowable levels. The Subject will consist of 25 three-story, townhome buildings, containing 234 three and four-bedroom units.

Construction Type:

The Subject will consist of 25 three-story, townhouse buildings as well as a one-story clubhouse.

Occupancy Type:

The Subject targets family households.

Proposed Rents:

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

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2025 LIHTC Maximum Allowable Gross Rent	2025 HUD Fair Market Rents
@50% (PBV)*							
3BR / 4BA	1,602	43	\$2,215	\$168	\$2,383	\$1,475	\$2,166
4BR / 4BA	1,836	19	\$2,793	\$206	\$2,383	\$1,646	\$2,677
@60%							
3BR / 4BA	1,602	121	\$1,660	\$110	\$1,770	\$1,770	\$2,166
4BR / 4BA	1,836	51	\$1,845	\$130	\$1,975	\$1,975	\$2,677
		234					

Notes (1) Source of Utility Allowance provided by the Developer.

*Contract rent

The Subject's proposed rents at 50 percent of the AMI are contract rents set above the maximum allowable levels and tenants in these units will contribute 30 percent of their income towards rent, not in excess of the LIHTC maximum allowable levels. The Subject's proposed rents at 60 percent of the AMI are set to the 2025 maximum allowable levels.

Assisted Housing Program:

A total of 45 three-bedroom units and 19 four-bedroom units at 50 percent of the AMI will benefit from rental assistance through Project Based Vouchers (PBV's) and tenants in these units will contribute 30 percent of their income towards rent, not in excess of the LIHTC maximum allowable levels. The remaining 121 three-bedroom units and 51 four-bedroom units will operate as 60 percent LIHTC units that target the general population

Construction Date:

Construction of the Subject is expected to begin in October 2025 and last for 26 months with an estimated completion date of December 2027.

Target Household Income Levels:

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

FAMILY INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@50% (PBV)		@60%	
3BR	\$0	\$61,300	\$60,686	\$73,560
4BR	\$0	\$65,850	\$67,714	\$79,020

FAMILY INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@50%		@60%	
3BR	\$50,571	\$61,300	\$60,686	\$73,560
4BR	\$56,434	\$65,850	\$67,714	\$79,020

Utility Structure:

Tenants at the Subject will be responsible for electric heat, hot water, cooking, central air conditioning, and general electricity expenses. The cold water, sewer, and trash removal expenses will be paid by the landlord. The comparable properties' utility structures are illustrated in the respective property summaries and are adjusted appropriately to account for differences relative to the Subject's utility structure, based on the two-exposed walls utility allowances provided by Virginia Housing, effective July 1, 2024.

HOUSING AUTHORITY UTILITY ALLOWANCE

UTILITY AND SOURCE	Paid By	3BR	4BR
Heating - Electric	Tenant	\$57	\$72
Cooking - Electric	Tenant	\$8	\$10
Other Electric	Tenant	\$31	\$39
Air Conditioning	Tenant	\$15	\$19
Water Heating - Electric	Tenant	\$26	\$34
Water	Landlord	\$42	\$53
Sewer	Landlord	\$52	\$66
Trash	Landlord	\$15	\$15
TOTAL - Paid By Landlord		\$109	\$134
TOTAL - Paid By Tenant		\$137	\$174
TOTAL - Paid By Tenant Provided by Developer		\$110 / \$168*	\$130 / \$206*
DIFFERENCE		80% / 123%	75% / 118%

Source: Virginia Housing, effective 7/2024

*Utility allowances for units benefitting from rental assistance

The developer utility allowance estimates are below to above those of Virginia Housing. The Virginia Housing estimates are used to adjust the comparable properties with differing utility structures to the Subject's utility structure for an "apples-to-apples" comparison.

Unit Mix:

The following table illustrates the Subject's unit mix and size:

UNIT MIX AND SQUARE FOOTAGE

Unit Type	Number of Units	Unit Size (SF)	Net Leasable Area
3BR / 4BA	164	1,602	262,728
4BR / 4BA	70	1,836	128,520
TOTAL	234		391,248

Net Leasable Area:

Approximately 391,248 square feet as outlined in the table above.

Unit Amenities:


The Subject's units will offer balconies/patios, blinds, central air conditioning, coat closets, dishwashers, ceiling fans, garbage disposals, microwaves, ovens, refrigerators, walk-in closets, and washer/dryer hookups.

Common Area Amenities:

The Subject will feature business center, clubhouse, courtyard, exercise facility, on-site management, a pet park, a picnic area, and a playground.

Parking:	The Subject will offer a total of 444 off-street parking spaces, which will equate to a parking ratio of 1.89 spaces per unit. Overall, the parking offered at the Subject is adequate.
Number of Stories and Buildings:	The Subject will consist of 25, three-story, townhouse buildings as well as a one-story clubhouse. Through conversations with area property managers, we have determined that this proposed design will be marketable.
Americans with Disabilities Act of 1990:	We assume the property will not have any violations of the Americans with Disabilities Act of 1990.
Quality of Construction Condition and Deferred Maintenance:	We expect the Subject to 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 assume the Subject's floor plans will be functional, though they were not available as of the date of this report.
Site Plans:	The site plans appear functional.
Conclusion:	The Subject property is a proposed 234-unit LIHTC/PBV development and will be in excellent condition following construction. As new construction 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 in the market and will be generally similar to superior to the existing supply.

JOYFIELD AT SCHOOL ROAD – RICHMOND, VIRGINIA – MARKET STUDY

Joyfield at School Road											
Location	250 E German School Rd Richmond, VA 23224 Richmond City										
Units	234										
Vacant Units	N/A										
Vacancy Rate	N/A										
Type	Townhouse (3 stories)										
Year Built / Renovated	2027 / n/a										
Utilities											
A/C	not included – central						Other Electric		not included		
Cooking	not included – electric						Water		included		
Water Heat	not included – electric						Sewer		included		
Heat	not included – electric						Trash Collection		included		
Unit Mix (face rent)											
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
3	4	Townhouse (3 stories)	43	1,602	\$2,215	\$0	@50% (PBV)	N/A	N/A	N/A	N/A
3	4	Townhouse (3 stories)	121	1,602	\$1,660	\$0	@60%	N/A	N/A	N/A	yes
4	4	Townhouse (3 stories)	19	1,836	\$2,793	\$0	@50% (PBV)	N/A	N/A	N/A	N/A
4	4	Townhouse (3 stories)	51	1,836	\$1,845	\$0	@60%	N/A	N/A	N/A	yes
Amenities											
In-Unit	Balcony/Patio Blinds Central A/C Coat Closet Dishwasher Ceiling Fan Garbage Disposal Microwave Oven Refrigerator Walk-In Closet Washer/Dryer hookup					Security		Limited Access Video Surveillance			
Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Courtyard Exercise Facility Off-Street Parking On-Site Management Pet Park Picnic Area Playground					Premium		none			
Services	none					Other		none			

D. 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, April 2025

Subject Site Description:

The Subject site is located at 250 East German School Road in Richmond, Richmond City, Virginia 23224.

Size:

The Subject site consists of a 4.17 acre, or 181,645 square feet, parcel.

Shape:

The overall site is irregular but functional in shape.

Frontage:

The Subject will be accessible via west side of German School Road.

Topography:

The Subject site exhibits generally level topography.

Utilities:

All utilities are provided to the site.

Visibility/Views:

The Subject site has good visibility from E German School Road. Views to the north consist of commercial uses in average condition. Views to the east consist of commercial and retail uses. Views to the south consist of single-family homes in average to good condition. Views to the west consist of commercial uses, townhomes, and wooded land. Overall, visibility is considered good and views are considered average/typical.

Surrounding Uses:

The Subject is located in a mixed-use neighborhood within the northern portion of South Richmond. The Subject site is rated as “Car Dependent” by Walk Score with a score of 25, indicating that most errands require a car. The following depicts the surrounding uses of the Subject.



Commercial access road north of the Subject site



Commercial use to the north of Subject site

North: Land use to the north consists of commercial uses, and a daycare, followed farther north by auto repair shops north of Midlothian Turnpike.



Retail center east of the Subject



Retail center east of the Subject

East: Land use to the east consists of commercial uses, with wooded land to the southeast and a single-family home in good condition to the northeast. Farther east are additional commercial and retail uses.



Single-family homes south of the Subject



Single-family homes south of the Subject

South: Land uses south of the Subject site consist of single-family homes in average to good condition, as well as some commercial uses. Directly southwest of the Subject is Richmond Fire Station 23.



Townhomes west of the Subject



Community Center west of the Subject site

West: Land uses west of the Subject consists of townhomes, wooded land, commercial uses, and a community recreational center. Farther west is undeveloped vacant land.

Access and Traffic Flow:

The Subject will have access via the west side of German School Road. German School Road is a moderately trafficked four-lane road that traverses north/south throughout the Subject's neighborhood. The Subject is located 0.2 miles from the Midlothian Turnpike, which provides access east to Downtown Richmond. Additionally, Interstate 95 is located approximately 4.5 miles east of the Subject site. Interstate 95 provides access north to the Washington, DC, metro area. Overall, traffic in the Subject's immediate area is considered moderate, and access is considered good.

Layout and Curb Appeal:

Based on our review of the site plan provided by the developer, the Subject will have a functional layout and good curb appeal.

Drainage:

Appears adequate, however, no specific tests were performed. Further, Novogradac is not an expert in this field and cannot opine on this issue.

Soil and Subsoil Conditions:

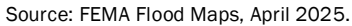
Novogradac did not perform any soil and subsoil tests upon inspection of the site, as this is beyond the scope of work. We have not been provided with a soil and subsoil report. We are not experts in this field and assume the soil is adequate for development.

Detrimental Influences:

No detrimental influences or site nuisances were observed.

Flood Plain:

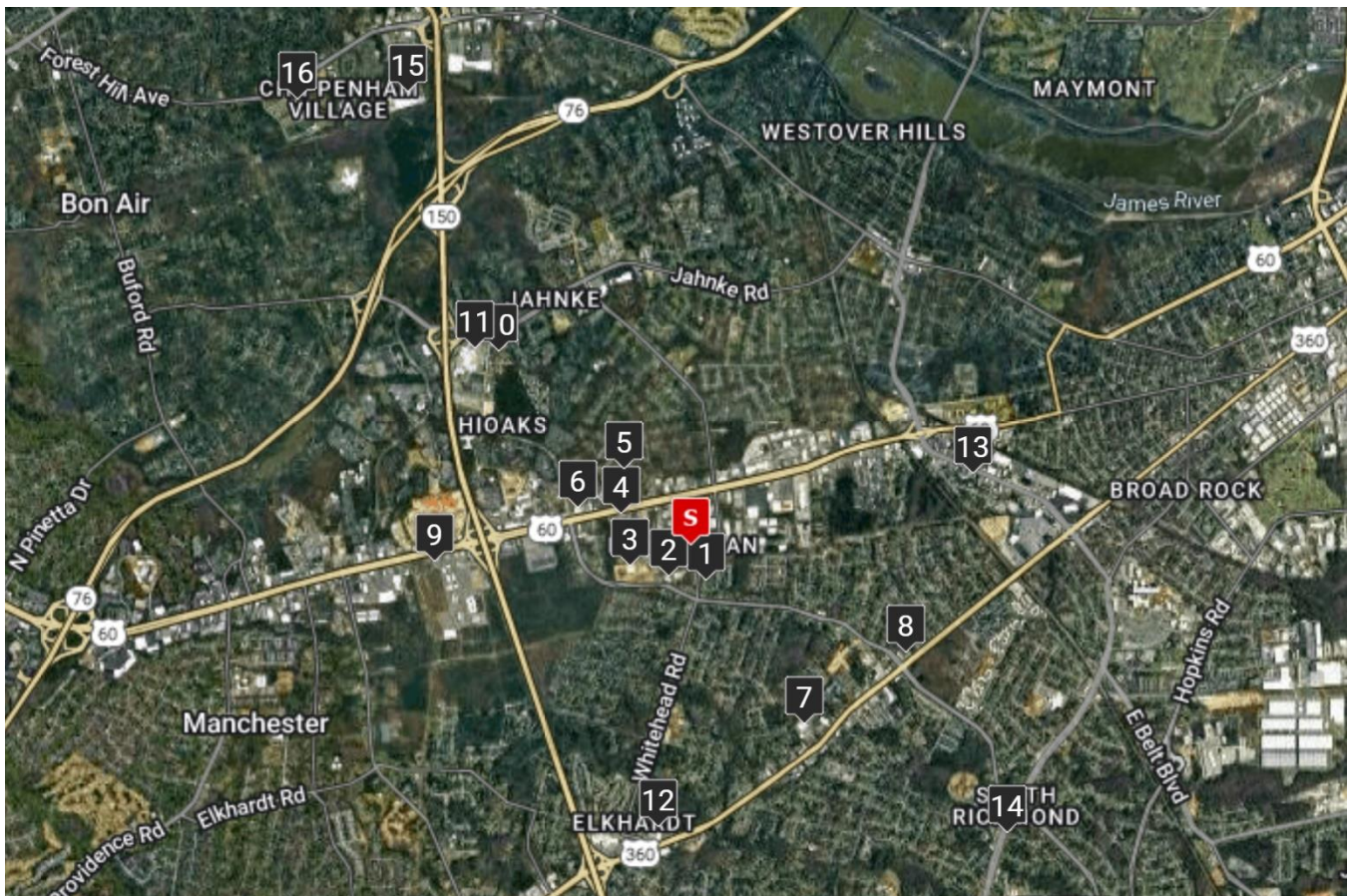
According to Flood Insights and Flood Insurance Rate Map Community Panel Number 5101290019D, dated April 2009, the Subject site is located in Zone X. Zone X is defined as an area outside 500-year floodplain, which is determined to be



Locational Amenities:

The following table and map illustrate the Subject's proximity to necessary services. Map numbers correspond with the *Locational Amenities Map*, presented below. Note that distances are calculated to the nearest tenth of a mile.

LOCATIONAL AMENITIES					
#	Service or Amenity	Distance to Subject	#	Service or Amenity	Distance to Subject
1	German School and Shallow Parkway Bus Stop	0.1 miles	9	Chase Bank	1.2 miles
2	Richmond Fire Station 23	0.2 miles	10	Post Office	1.3 miles
3	Southside Community Center	0.3 miles	11	Chippenham Hospital	1.4 miles
4	Raceway Gas Station	0.4 miles	12	River City Middle School	1.4 miles
5	Miles Jerome Jones Elementary School	0.5 miles	13	Police station	1.4 miles
6	Family Dollar	0.6 miles	14	Broad Rock Public Library	2.0 miles
7	Food Lion	1.0 miles	15	Walmart	2.6 miles
8	Walgreens	1.1 miles	16	Huguenot High School	2.8 miles



Source: Google Earth, April 2025

Public Transportation:

The GRTC Transit System provides bus service in the Richmond Area. The transit system provides service throughout the Richmond City County area, including Richmond International Airport. The GRTC operates on a zero-fare basis, meaning all rides are free. The Subject has several bus stops located within 0.5 miles. Additionally, an Amtrak station offering regional

heavy rail transit throughout the nation is located 5.0 miles of the Subject.

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*	95	76
Personal Crime*	90	62
Murder	216	139
Rape	82	59
Robbery	95	71
Assault	86	58
Property Crime*	96	78
Burglary	85	59
Larceny	101	86
Motor Vehicle Theft	75	56

Source: Esri Demographics 2024, Novogradac, April 2025

*Unweighted aggregations

Total crime indices in the PMA are similar to the national average and above the MSA. Both geographic areas feature crime indices below the overall nation. The proposed Subject will offer limited access and video surveillance. The upcoming *Supply* section of this report provides a more detailed analysis of crime indices on a 0.5-mile basis.

Conclusion:

The Subject's neighborhood appears to be a good location for a multifamily development. The majority of the local amenities are located within approximately 3.0 miles of the Subject. The Subject is located in a mixed-use neighborhood with commercial/retail uses, single-family homes, and multifamily homes. The Subject is a compatible use within the existing neighborhood.

PHOTOGRAPHS OF SUBJECT AND NEIGHBORHOOD



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 south along E German School Road



View south along E German School Road



View north along Labrook Concourse



View south along Labrook Concourse



Recreation center west of Subject



Comercial use west of Subject



Self storage facility west of Subject



Commercial use west of Subject



Commercial use north of Subject



Commercial use north of Subject



Retail center east of Subject



Retail center east of Subject



Typical single-family south of Subject



Typical single-family south of Subject



Typical single-family south of Subject



Typical single-family south of Subject



Typical single-family south of Subject



Typical single-family south of Subject

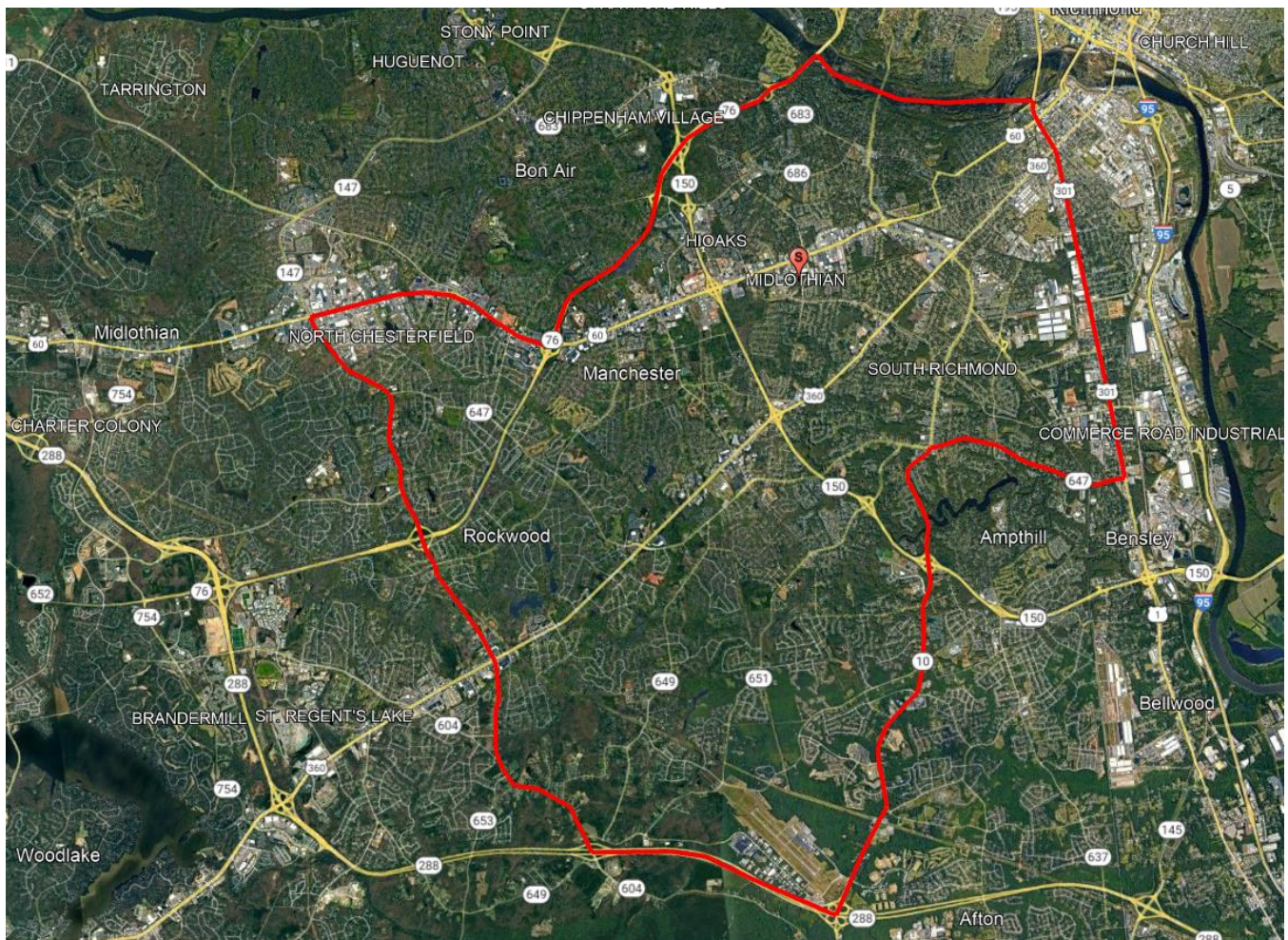
E. MARKET AREA DEFINITION

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.

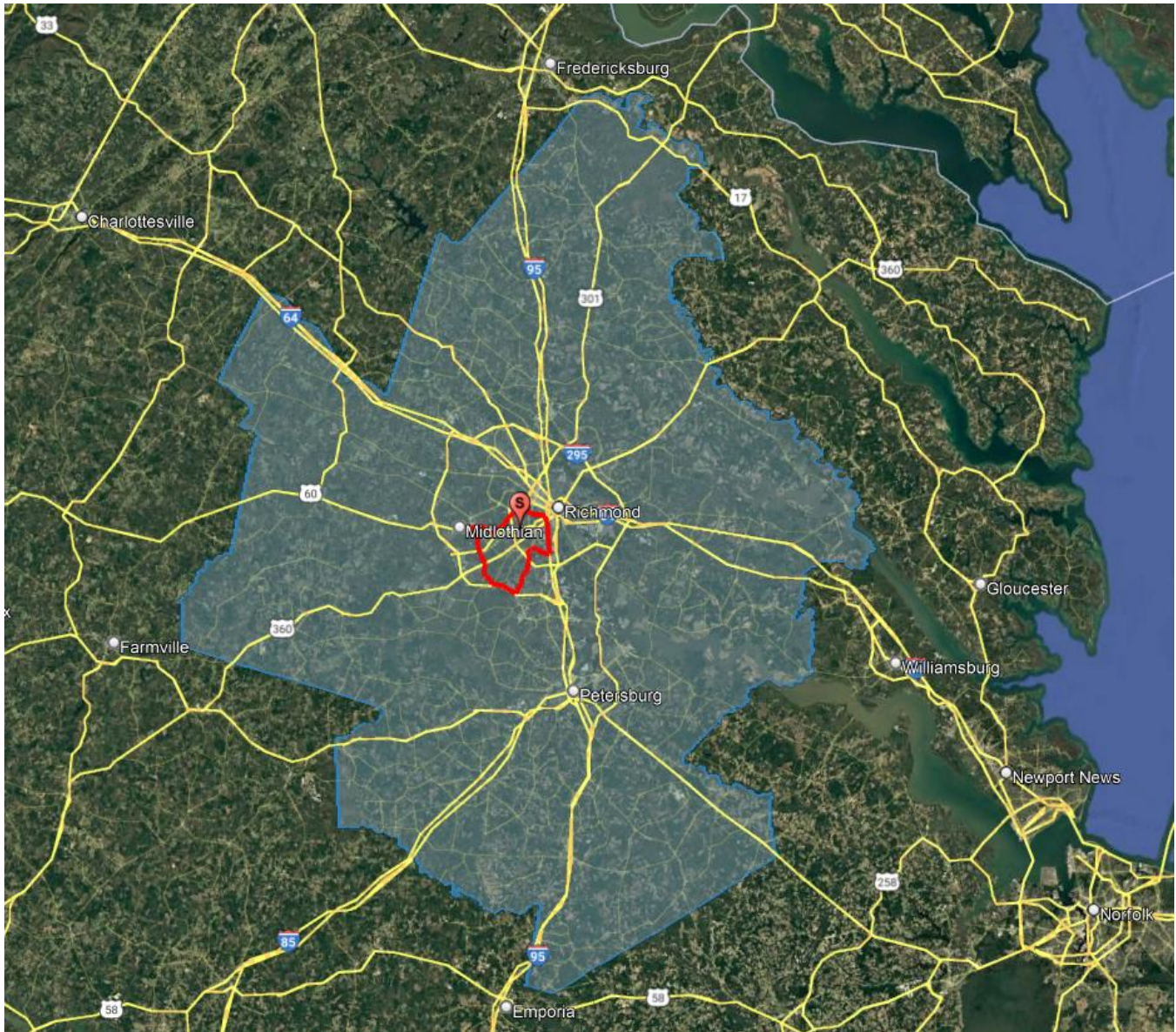
We determined the Primary Market Area (PMA) based on our conversations with local market participants including property managers, as well as our physical inspection of the market. The PMA is generally defined as the communities of Manchester, Midlothian and South Richmond. The PMA boundaries are: VA 76 and the James River to the north; US 301 to the east; World War II Veterans Memorial Highway to the south; and Courthouse Road to the west. The PMA encompasses 26 square miles. We believe that additional support will originate from areas outside of the established PMA. We estimate a leakage of 10 percent. The secondary market area (SMA) for the Subject is Richmond, VA Metropolitan Statistical Area (MSA), which consists of Amelia, Caroline, Charles City, Chesterfield, Colonial Heights City, Dinwiddie, Goochland, Hanover, Henrico, Hopewell City, King William, New Kent, Petersburg City, Powhatan, Prince George, Richmond City, and Sussex Counties in Virginia.

Primary Market Area Map



Source: Google Earth, April 2025

Metropolitan Statistical Area (MSA) Map



Source: Google Earth, April 2025

F. EMPLOYMENT AND ECONOMY

ECONOMIC ANALYSIS

The following sections will provide an analysis of the economic and demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and the Richmond, VA Metropolitan Statistical Area (MSA) are areas of growth or contraction.

Employment by Industry

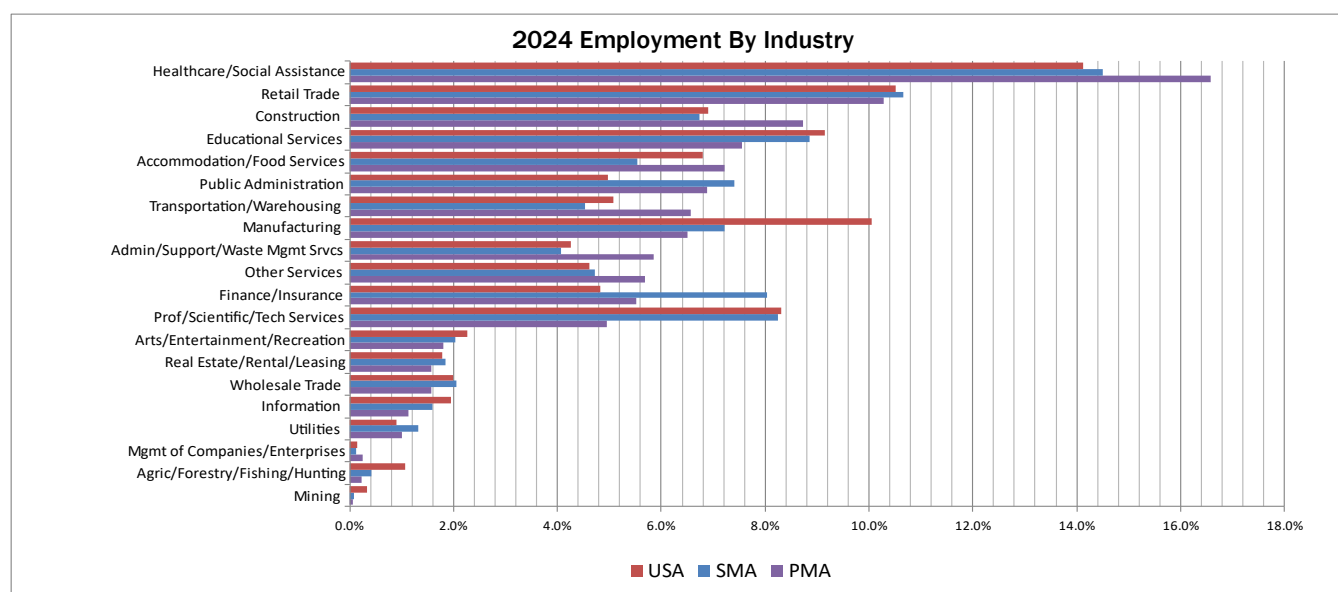
The following table illustrates employment by industry for the PMA and nation as of 2024.

2024 - EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Healthcare/Social Assistance	11,291	16.6%	23,456,754	14.1%
Retail Trade	7,010	10.3%	17,466,879	10.5%
Construction	5,949	8.7%	11,451,658	6.9%
Educational Services	5,140	7.5%	15,195,042	9.1%
Accommodation/Food Services	4,917	7.2%	11,278,763	6.8%
Public Administration	4,683	6.9%	8,264,977	5.0%
Transportation/Warehousing	4,477	6.6%	8,419,689	5.1%
Manufacturing	4,436	6.5%	16,689,019	10.0%
Admin/Support/Waste Mgmt Svcs	3,991	5.9%	7,081,387	4.3%
Other Services	3,876	5.7%	7,659,177	4.6%
Finance/Insurance	3,759	5.5%	8,016,602	4.8%
Prof/Scientific/Tech Services	3,376	5.0%	13,808,768	8.3%
Arts/Entertainment/Recreation	1,221	1.8%	3,747,153	2.3%
Real Estate/Rental/Leasing	1,077	1.6%	2,954,339	1.8%
Wholesale Trade	1,077	1.6%	3,291,556	2.0%
Information	771	1.1%	3,255,493	2.0%
Utilities	689	1.0%	1,502,053	0.9%
Mgmt of Companies/Enterprises	176	0.3%	237,343	0.1%
Agric/Forestry/Fishing/Hunting	160	0.2%	1,785,076	1.1%
Mining	44	0.1%	561,373	0.3%
Total Employment	68,120	100.0%	166,123,101	100.0%

Source: Esri Demographics 2024, Novogradac, April 2025

Employment in the PMA is concentrated in healthcare/social assistance, retail trade, and construction, which collectively comprise 35.6 percent of local employment. Relative to the nation, the PMA features comparatively greater employment in the healthcare/social assistance, public administration, and construction industries. Conversely, the PMA is underrepresented in the manufacturing, prof/scientific/tech services, and educational services 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
Healthcare/Social Assistance	7,055	15.6%	11,291	16.6%	4,236	4.3%
Retail Trade	5,860	12.9%	7,010	10.3%	1,150	1.4%
Construction	3,137	6.9%	5,949	8.7%	2,812	6.4%
Educational Services	3,783	8.3%	5,140	7.5%	1,357	2.6%
Accommodation/Food Services	3,081	6.8%	4,917	7.2%	1,836	4.3%
Public Administration	3,185	7.0%	4,683	6.9%	1,498	3.4%
Transportation/Warehousing	1,791	3.9%	4,477	6.6%	2,686	10.7%
Manufacturing	3,694	8.1%	4,436	6.5%	742	1.4%
Admin/Support/Waste Mgmt Svcs	1,987	4.4%	3,991	5.9%	2,004	7.2%
Other Services	2,370	5.2%	3,876	5.7%	1,506	4.5%
Finance/Insurance	3,267	7.2%	3,759	5.5%	492	1.1%
Prof/Scientific/Tech Services	2,366	5.2%	3,376	5.0%	1,010	3.0%
Arts/Entertainment/Recreation	472	1.0%	1,221	1.8%	749	11.3%
Wholesale Trade	1,283	2.8%	1,077	1.6%	-206	-1.1%
Real Estate/Rental/Leasing	681	1.5%	1,077	1.6%	396	4.2%
Information	794	1.8%	771	1.1%	-23	-0.2%
Utilities	327	0.7%	689	1.0%	362	7.9%
Mgmt of Companies/Enterprises	106	0.2%	176	0.3%	70	4.7%
Agric/Forestry/Fishing/Hunting	78	0.2%	160	0.2%	82	7.5%
Mining	28	0.1%	44	0.1%	16	4.1%
Total Employment	45,345	100.0%	68,120	100.0%	22,775	3.6%

Source: Esri Demographics 2024, Novogradac, April 2025

Total employment in the PMA increased at an annualized rate of 3.6 percent between 2010 and 2024. The industries that nominally expanded most substantially during this period include healthcare/social assistance, construction, and transportation/warehousing. Conversely during this same period, the wholesale trade, information, and mining sectors experienced the greatest contractions in employment.

Major Employers

The following table details major employers in the Richmond, Virginia Metropolitan Statistical Area (MSA).

MAJOR EMPLOYERS RICHMOND, VIRGINIA METROPOLITAN STATISTICAL AREA (MSA)		
Employer Name	Industry	# Of Employees
Virginia Commonwealth University Health System	Healthcare	13,500
Capital One Financial	Financial Services	13,000
HCA Virginia Health System	Healthcare	11,200
Bon Secours Richmond	Healthcare	8,516
Virginia Commonwealth University	Education	7,832
Dominion Energy	Energy	5,433
Amazon	Online Retail	5,100
Truist	Financial Services	4,549
Altria Group	Manufacturing	3,850
Federal Reserve Bank Richmond	Financial Services	2,700
Anthem Blue Cross Blue Shield	Insurance	2,655
Wells Fargo	Financial Services	2,582
DuPont	Manufacturing	2,436
United Parcel Service	Distribution/Delivery	2,250
Bank of America	Financial Services	1,921
Markel	Insurance	1,886
CoStar Group	Real Estate	1,800
Verizon Communications	Telecommunications	1,700
University of Richmond	Education	1,578
General Dynamics	Defense	1,450
Estes Express Lines	Logistics	1,345
T-Mobile USA	Telecommunications	1,316
Thermo Fisher Scientific	Research, Manufacturing	1,300
AdvanSix	Polymers	1,269
Kings Dominion	Amusement Park	1,000
Totals		102,168

Source: Greater Richmond Partnership, retrieved June 2024

The Richmond, Virginia MSA's major employers are primarily concentrated within the healthcare, financial services, and education sectors. We believe the diverse mix of industries in typically stable sectors bodes well for the local area economy.

Employment Expansions

We attempted to contact the Richmond Economic Development Authority (EDA) for recent business expansion information. However, despite our attempts at communication, our calls have not been returned. We conducted internet research regarding recent business expansions and contractions in the area and identified the following expansion announcements:

- Red Light Management, a music management company, is expected to invest \$30.5 million in a new, 7,500-person amphitheater on Tredegar Street. The venue is set to deliver in 2025 and is expected to host 25-30 major events annually.
- Two new buildings in the 110-acre Deepwater Industrial Park were delivered in 2023. The two buildings, ranging from 119,000 to 202,000 square feet, created over 200 new jobs in the area.
- An ongoing expansion to CoStar's research and technology campus is valued at approximately \$460 million with 2,000 new jobs. The expansion consists of a new 26-story tower with a mass-timber building totaling 750,000 square feet.

- Completed in 2023, the Children's Tower addition to the Children's Hospital of Richmond included 16-stories and over one million square feet of new space. The expansion added 72 critical and acute care beds, a level 01 trauma center, and rooftop helipad, and numerous additional facilities.
- Construction is currently ongoing for the Sauer Center Master Plan mixed-use development. The 37-acre development will include hotel, retail, office, and park space at over two million square feet.

WARN Notices

We reviewed the Worker Adjustment and Retraining Notification Act (WARN) notices published by the Virginia Economic Development Department for January 2022 to year-to-date 2025. The following table illustrates the companies that experienced layoffs as well as the number of affected employees.

WARN LISTINGS			
RICHMOND, VIRGINIA – 2022 – YTD 2025			
Company	Industry	Employees Affected	Layoff Date
Kaleo	Healthcare	8	11/30/2024
LL Flooring	Retail	300	10/10/2024
Sodexo	Facility Management	108	4/14/2024
Great Minds	Education	79	12/31/2023
Walmart	Retail	98	10/6/2023
Genesis Logistics Inc.	Logistics	35	8/12/2023
WayForth	Moving Company	78	8/11/2023
Specialized Bicycle Components, Inc	Retail	1	1/13/2023
First Transit	Transportation	95	12/1/2022
Total		802	

Source: Virginia Employment Commission, retrieved March 2025

As illustrated in the previous table, there were a total of 802 layoffs between December 2022 and YTD 2025. Due to the size of the Richmond area labor market, these recent WARN filings are not anticipated to substantively affect total employment in the PMA or MSA as overall job growth has far exceeded these losses.

Employment and Unemployment Trends

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

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2007	594,827	-	3.4%	-	146,046,667	-	4.6%	-
2008	600,856	1.0%	4.5%	1.1%	145,362,500	-0.5%	5.8%	1.2%
2009	577,465	-3.9%	7.7%	3.2%	139,877,500	-3.8%	9.3%	3.5%
2010	578,211	0.1%	8.2%	0.5%	139,063,917	-0.6%	9.6%	0.3%
2011	589,751	2.0%	7.3%	-0.9%	139,869,250	0.6%	9.0%	-0.7%
2012	599,925	1.7%	6.5%	-0.9%	142,469,083	1.9%	8.1%	-0.9%
2013	608,832	1.5%	5.9%	-0.5%	143,929,333	1.0%	7.4%	-0.7%
2014	621,804	2.1%	5.4%	-0.5%	146,305,333	1.7%	6.2%	-1.2%
2015	628,844	1.1%	4.6%	-0.8%	148,833,417	1.7%	5.3%	-0.9%
2016	638,687	1.6%	4.1%	-0.5%	151,435,833	1.7%	4.9%	-0.4%
2017	653,224	2.3%	3.8%	-0.2%	153,337,417	1.3%	4.3%	-0.5%
2018	659,579	1.0%	3.2%	-0.7%	155,761,000	1.6%	3.9%	-0.4%
2019	669,823	1.6%	2.9%	-0.2%	157,538,083	1.1%	3.7%	-0.2%
2020	631,522	-5.7%	6.9%	4.0%	147,794,750	-6.2%	8.1%	4.4%
2021	647,554	2.5%	4.2%	-2.8%	152,580,667	3.2%	5.4%	-2.7%
2022	677,605	4.6%	2.9%	-1.3%	158,291,083	3.7%	3.6%	-1.7%
2023	699,057	3.2%	3.1%	0.2%	161,036,583	1.7%	3.6%	-0.0%
2024 YTD Average*	705,413	0.9%	3.0%	-0.1%	161,345,500	0.2%	4.0%	0.4%
Dec-2023	696,721	-	2.9%	-	160,754,000	-	3.5%	-
Dec-2024	707,856	1.6%	2.7%	-0.2%	161,294,000	0.3%	3.8%	0.3%

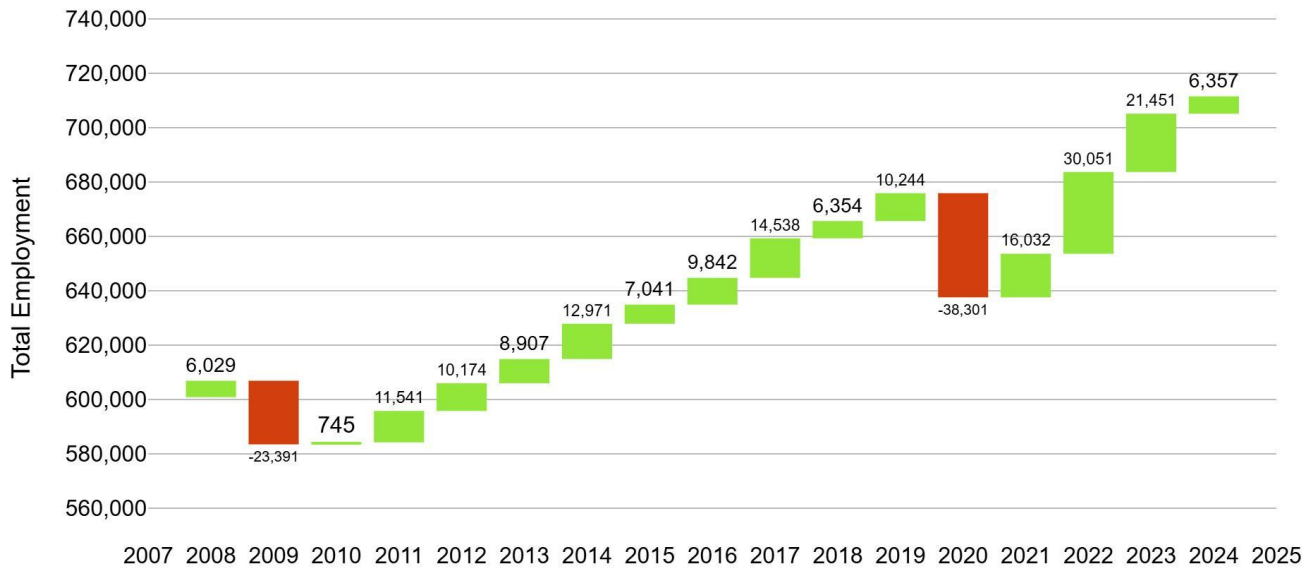
Source: U.S. Bureau of Labor Statistics, February 2025
*2024 YTD Average is through December

Employment in the MSA declined by 5.7 percent in 2020 amid the COVID-19 pandemic, similar to the overall nation. The MSA subsequently recovered all COVID-19 pandemic-related job losses, and employment levels are currently at a post-recessionary record. As of December 2024, employment in the MSA is increasing at an annualized rate of 1.6 percent, compared to 0.3 percent growth across the nation.

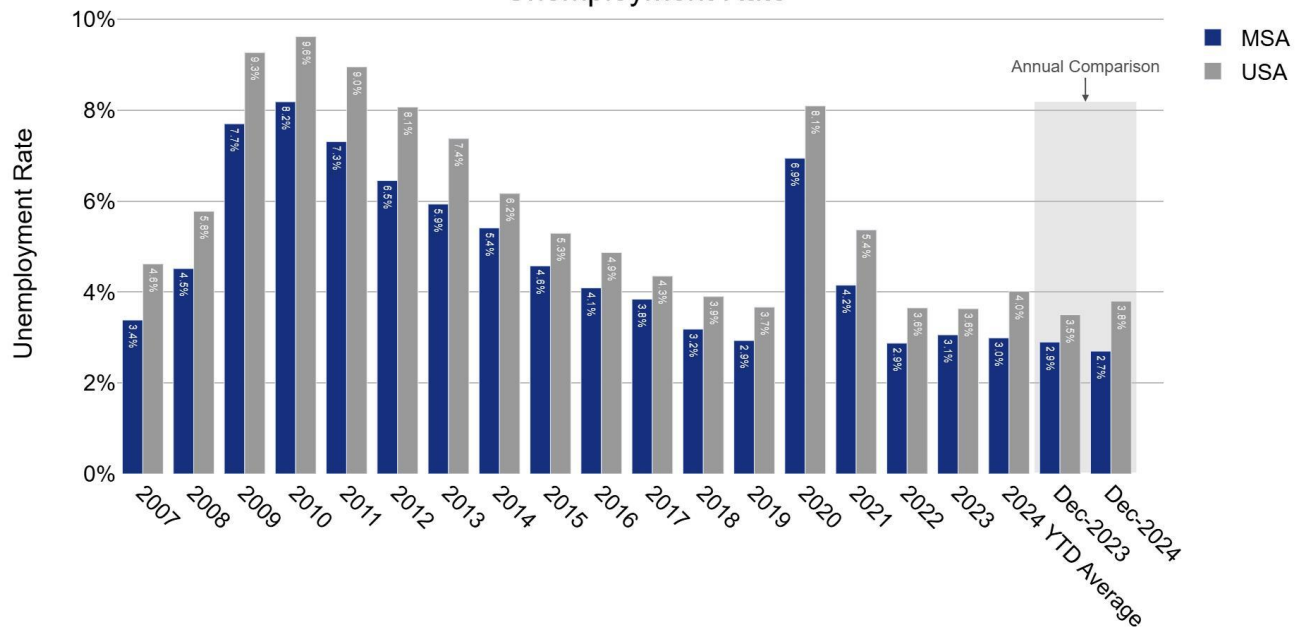
The MSA unemployment rate increased substantially by 4.0 percentage points in 2020 amid the COVID-19 pandemic, reaching a high of 6.9 percent. For comparison, the national unemployment rate rose by 4.4 percentage points and reached a high of 8.1 percent over the same time period. According to the latest labor statistics, dated December 2024, the current MSA unemployment rate is 2.7 percent. This is below the current national unemployment rate of 3.8 percent.

Inflation and fluctuating interest rates have created an uncertain economic climate over the last several years. In December 2024, the Federal Reserve announced interest rates will be lowered by 25 basis points to the 4.25 to 4.50 percent range, which marks the third rate cut since COVID-19 and brings the rates to a level not seen since 2022. Overall, the Federal Reserve cut interest rates by 100 basis points across three meetings between September 2024 and December 2024. The Fed opted to hold rates steady when they met in January and March 2025 but indicated that it expects to make two rate cuts this year even though inflation remains elevated. According to the Associated Press in March 2025, policy makers expect inflation will pick up slightly to 2.7 percent by the end of the year to its current level of 2.5 percent, with both rates above the central bank's 2 percent target. The Fed chair noted that tariffs have started to push up inflation and would likely stall progress in rate reductions. However, anticipated increases in unemployment and slower growth could cause the Fed to cut rates to lift the economy. The Fed began imposing interest rate hikes in March 2022 to combat rising inflation. From March 2022 through July 2023, the Fed increased interest rates eleven times. Despite the interest rate cuts that have occurred in 2024, mortgage rates continue to remain around 20-year highs.

MSA Job Growth



Unemployment Rate



Wages by Occupation

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

MSA - 2ND QTR 2023 AREA WAGE ESTIMATES

Occupation	Number of Employees	Mean Hourly Wage	Mean Annual Wage
All Occupations	647,440	\$30.55	\$63,540
Management	36,060	\$66.84	\$139,020
Legal	6,420	\$58.64	\$121,970
Computer and Mathematical	25,500	\$52.10	\$108,360
Healthcare Practitioners and Technical	42,060	\$46.67	\$97,080
Architecture and Engineering	8,500	\$43.99	\$91,500
Business and Financial Operations	57,620	\$41.76	\$86,860
Life Physical and Social Science	5,910	\$40.32	\$83,860
Arts Design Entertainment Sports and Media	8,760	\$30.79	\$64,030
Educational Instruction and Library	37,050	\$29.52	\$61,410
Community and Social Service	13,560	\$28.52	\$59,320
Installation Maintenance and Repair	26,090	\$27.21	\$56,600
Protective Service	16,970	\$26.46	\$55,040
Sales and Related	61,000	\$25.58	\$53,200
Construction and Extraction	28,270	\$25.44	\$52,900
Production	23,610	\$22.49	\$46,780
Office and Administrative Support	82,810	\$22.47	\$46,740
Transportation and Material Moving	58,830	\$21.48	\$44,670
Farming Fishing and Forestry	710	\$20.60	\$42,840
Personal Care and Service	14,230	\$17.91	\$37,250
Healthcare Support	24,450	\$17.37	\$36,120
Building and Grounds Cleaning and Maintenance	18,170	\$16.97	\$35,290
Food Preparation and Serving Related	50,860	\$16.40	\$34,110

Source: Department of Labor, Occupational Employment Statistics, May 2023, retrieved February 2025

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 \$16.40 per hour. The highest average hourly wage of \$66.84, is for those in management occupations. The qualifying incomes for the Subject's tenants will range from \$0 to \$79,020 as proposed. Absent subsidy, the qualifying incomes for the Subject's tenants will range from \$50,571 to \$79,020. This encompasses a significant amount of the employment based on wages in the area. An element not reflected in the data is that many positions represent part-time employment, and starting rates are typically lower than mean wage rates. We expect part-time employment and entry-level positions will be common among the Subject's tenant base.

Commuting Patterns

The chart below shows the travel time to work for commuters in the PMA according to ESRI data.

COMMUTING PATTERNS

ACS Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	938	1.6%
Travel Time 5-9 min	2,904	5.1%
Travel Time 10-14 min	6,121	10.7%
Travel Time 15-19 min	10,367	18.2%
Travel Time 20-24 min	11,837	20.8%
Travel Time 25-29 min	7,287	12.8%
Travel Time 30-34 min	9,529	16.7%
Travel Time 35-39 min	1,772	3.1%
Travel Time 40-44 min	1,709	3.0%
Travel Time 45-59 min	2,238	3.9%
Travel Time 60-89 min	1,392	2.4%
Travel Time 90+ min	852	1.5%
Weighted Average	25 minutes	

Source: Esri Demographics 2024, Novogradac, April 2025

As shown in the preceding table, the weighted average commute time in the PMA is approximately 25 minutes. More than 54 percent of PMA commuters travel under 24 minutes, indicating many households work in the local area. The average commute time across the overall nation is approximately 28 minutes.

Conclusion

Employment in the PMA is concentrated in healthcare/social assistance, retail trade, and construction, which collectively comprise 35.6 percent of local employment. The large share of PMA employment in retail trade is notable as this industry is historically volatile, and prone to contraction during economic recessions. However, the PMA also has a significant share of employment in the healthcare/social assistance industry, which typically exhibits greater stability during recessionary periods. Relative to the nation, the PMA features comparatively greater employment in the healthcare/social assistance, public administration, and construction industries. Conversely, the PMA is underrepresented in the manufacturing, prof/scientific/tech services, and educational services sectors. Employment in the MSA declined by 5.4 percent in 2020 amid the pandemic, compared to 6.2 percent across the overall nation. The MSA subsequently recovered all pandemic-related job losses, and employment levels are currently at a post-recessionary record. As of December 2024, employment in the MSA is increasing at an annualized rate of 1.6 percent, compared to 0.3 percent growth across the nation.

G. DEMOGRAPHIC CHARACTERISTICS

DEMOGRAPHIC CHARACTERISTICS

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	
	<i>Amount</i>	<i>Annual Change</i>	<i>Amount</i>	<i>Annual Change</i>	<i>Amount</i>	<i>Annual Change</i>
2010	114,878	-	1,186,646	-	308,736,218	-
2024	127,758	0.8%	1,365,279	1.1%	338,436,229	0.7%
2029	130,827	0.5%	1,407,480	0.6%	344,868,049	0.4%

Source: Esri Demographics 2024, Novogradac, April 2025

HOUSEHOLDS

Year	PMA		MSA		USA	
	<i>Amount</i>	<i>Annual Change</i>	<i>Amount</i>	<i>Annual Change</i>	<i>Amount</i>	<i>Annual Change</i>
2010	45,522	-	460,996	-	116,712,903	-
2024	50,883	0.8%	543,045	1.3%	130,714,038	0.9%
2029	52,576	0.7%	566,639	0.9%	134,926,628	0.6%

Source: Esri Demographics 2024, Novogradac, April 2025

Historical population growth in the PMA trailed the MSA between 2010 and 2024. Both geographic areas experienced population growth greater than the nation during the same time period. According to ESRI demographic projections, annualized PMA growth is expected to slow to 0.5 percent through 2029, which is slightly below growth expectations for the MSA and slightly above the nation.

Historical household growth in the PMA trailed the MSA between 2010 and 2024. According to ESRI demographic projections, annualized PMA growth is expected to slow to 0.7 percent through 2029, which is below growth expectations for the MSA and slightly above the nation.

Population by Age

POPULATION BY AGE IN 2024

Age Cohort	PMA		Richmond, VA Metropolitan Statistical Area		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
0-4	8,122	6.4%	73,457	5.4%	18,584,565	5.5%
5-9	8,252	6.5%	79,280	5.8%	19,791,939	5.8%
10-14	7,838	6.1%	80,562	5.9%	20,423,998	6.0%
15-19	7,404	5.8%	88,321	6.5%	21,774,384	6.4%
20-24	8,004	6.3%	92,006	6.7%	23,042,011	6.8%
25-29	8,923	7.0%	90,797	6.7%	22,101,332	6.5%
30-34	10,285	8.1%	99,301	7.3%	23,753,070	7.0%
35-39	9,895	7.7%	94,265	6.9%	22,701,131	6.7%
40-44	8,940	7.0%	90,612	6.6%	22,381,558	6.6%
45-49	7,487	5.9%	79,862	5.8%	20,062,709	5.9%
50-54	7,434	5.8%	83,464	6.1%	20,860,408	6.2%
55-59	7,214	5.6%	83,025	6.1%	20,263,436	6.0%
60-64	7,510	5.9%	86,580	6.3%	21,297,805	6.3%
65-69	7,042	5.5%	78,383	5.7%	19,399,830	5.7%
70-74	5,596	4.4%	64,516	4.7%	15,842,202	4.7%
75-79	3,805	3.0%	47,873	3.5%	12,056,452	3.6%
80-84	2,063	1.6%	27,716	2.0%	7,260,236	2.1%
85+	1,945	1.5%	25,259	1.9%	6,839,163	2.0%
Total	127,759	100.0%	1,365,279	100.0%	338,436,229	100.0%

Source: Esri Demographics 2024, Novogradac, April 2025

POPULATION BY AGE IN 2029 ESTIMATE

Age Cohort	PMA		Richmond, VA Metropolitan Statistical Area		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
0-4	8,041	6.1%	73,780	5.2%	18,632,070	5.4%
5-9	7,838	6.0%	75,135	5.3%	18,713,311	5.4%
10-14	8,038	6.1%	81,832	5.8%	20,043,778	5.8%
15-19	7,516	5.7%	86,831	6.2%	20,828,484	6.0%
20-24	7,997	6.1%	90,358	6.4%	22,503,458	6.5%
25-29	9,009	6.9%	98,187	7.0%	23,760,789	6.9%
30-34	9,000	6.9%	93,184	6.6%	22,603,863	6.6%
35-39	10,022	7.7%	98,520	7.0%	23,744,641	6.9%
40-44	9,649	7.4%	95,285	6.8%	22,719,989	6.6%
45-49	8,781	6.7%	91,501	6.5%	22,172,224	6.4%
50-54	7,261	5.6%	79,392	5.6%	19,831,850	5.8%
55-59	7,206	5.5%	81,675	5.8%	20,097,217	5.8%
60-64	6,897	5.3%	79,676	5.7%	19,513,767	5.7%
65-69	6,948	5.3%	82,250	5.8%	20,132,949	5.8%
70-74	6,444	4.9%	73,335	5.2%	17,878,428	5.2%
75-79	4,796	3.7%	57,043	4.1%	13,966,143	4.0%
80-84	3,068	2.3%	38,899	2.8%	9,698,603	2.8%
85+	2,316	1.8%	30,597	2.2%	8,026,485	2.3%
Total	130,827	100.0%	1,407,480	100.0%	344,868,049	100.0%

Source: Esri Demographics 2024, Novogradac, April 2025

General Household Income Distribution

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

HOUSEHOLD INCOME PMA

Income Cohort	2024		2029		Annual Change 2024 to 2029	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	3,550	7.0%	3,237	6.2%	-63	-1.8%
\$10,000-19,999	4,859	9.5%	4,280	8.1%	-116	-2.4%
\$20,000-29,999	4,897	9.6%	4,568	8.7%	-66	-1.3%
\$30,000-39,999	5,102	10.0%	4,748	9.0%	-71	-1.4%
\$40,000-49,999	4,837	9.5%	4,585	8.7%	-50	-1.0%
\$50,000-59,999	4,049	8.0%	4,198	8.0%	30	0.7%
\$60,000-74,999	5,365	10.5%	5,328	10.1%	-7	-0.1%
\$75,000-99,999	6,920	13.6%	7,105	13.5%	37	0.5%
\$100,000-124,999	4,707	9.3%	5,336	10.1%	126	2.7%
\$125,000-149,999	2,672	5.3%	3,545	6.7%	175	6.5%
\$150,000-199,999	2,075	4.1%	2,914	5.5%	168	8.1%
\$200,000+	1,850	3.6%	2,732	5.2%	176	9.5%
Total	50,883	100.0%	52,576	100.0%		

Source: HISTA Data / Ribbon Demographics 2024, Novogradac, April 2025

HOUSEHOLD INCOME SMA

Income Cohort	2024		2029		Annual Change 2024 to 2029	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	28,176	5.2%	26,308	4.6%	-374	-1.3%
\$10,000-19,999	38,515	7.1%	34,756	6.1%	-752	-2.0%
\$20,000-29,999	40,158	7.4%	37,722	6.7%	-487	-1.2%
\$30,000-39,999	43,144	7.9%	39,098	6.9%	-809	-1.9%
\$40,000-49,999	43,531	8.0%	41,949	7.4%	-316	-0.7%
\$50,000-59,999	37,100	6.8%	37,497	6.6%	79	0.2%
\$60,000-74,999	52,314	9.6%	50,818	9.0%	-299	-0.6%
\$75,000-99,999	72,326	13.3%	72,867	12.9%	108	0.1%
\$100,000-124,999	56,495	10.4%	59,832	10.6%	667	1.2%
\$125,000-149,999	40,031	7.4%	46,209	8.2%	1,236	3.1%
\$150,000-199,999	41,559	7.7%	50,951	9.0%	1,878	4.5%
\$200,000+	49,696	9.2%	68,632	12.1%	3,787	7.6%
Total	543,045	100.0%	566,639	100.0%		

Source: HISTA Data / Ribbon Demographics 2024, Novogradac, April 2025

As of 2024, approximately 72.4 percent of households within the PMA have annual incomes below \$100,000, compared to 60.2 percent for the MSA. The qualifying incomes for the Subject's tenants will range from \$0 to \$79,020 as proposed and from \$50,571 to \$79,020 absent subsidy.

General Household Size Distribution

The following table is a summary of the average household size in the PMA, the MSA and the nation from 2010 through 2029.

AVERAGE HOUSEHOLD SIZE						
Year	PMA		Richmond, VA Metropolitan Statistical Area		USA	
	Number	Annual	Number	Annual	Number	Annual Change
2010	2.49	-	2.50	-	2.57	-
2024	2.49	0.0%	2.44	-0.2%	2.53	-0.1%
2029	2.47	-0.2%	2.41	-0.2%	2.50	-0.2%

Source: Esri Demographics 2024, Novogradac, April 2025

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

Renter Households by Number of Persons

The following table is a summary of the household size distribution in the PMA.

PMA HOUSEHOLD SIZE DISTRIBUTION						
Household Size	2010		2024		2029	
	Total	Percent	Total	Percent	Total	Percent
1 persons	13,098	28.8%	14,816	29.1%	15,220	28.9%
2 persons	14,082	30.9%	15,579	30.6%	16,146	30.7%
3 persons	8,148	17.9%	9,122	17.9%	9,450	18.0%
4 persons	5,501	12.1%	6,087	12.0%	6,288	12.0%
5+ persons	4,693	10.3%	5,279	10.4%	5,472	10.4%
Total	45,522	100.0%	50,883	100.0%	52,576	100.0%

Source: Esri Demographics 2024, Novogradac, April 2025

Approximately 59.7 percent of households in the PMA as of 2024 are comprised of households with one to two persons. The percentage of households in the PMA with one to two persons is anticipated to remain stable through 2029. The Subject will target families and the units will range from one, two, and three-bedrooms, which appears reasonable considering the household size distribution.

General Household Tenure

The following table illustrates the tenure patterns in the PMA for the years 2010 and 2024, as well as the projected tenure patterns for the year 2029.

TENURE PATTERNS PMA				
Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2010	26,223	57.6%	19,299	42.4%
2024	28,860	56.7%	22,023	43.3%
2029	30,610	58.2%	21,966	41.8%

Source: Esri Demographics 2024, Novogradac, April 2025

The preceding table details household tenure patterns in the PMA since 2010. The percentage of renter households in the PMA increased between 2010 and 2024 and is estimated to be 43.3 percent as of 2024. This is above the estimated 35 percent of renter households across the overall nation. According to the ESRI

demographic projections, the percentage and number of renter households in the PMA is expected to decline slightly through 2029.

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.

MEDIAN HOUSEHOLD INCOME						
Year	PMA		Richmond, VA Metropolitan Statistical Area		USA	
	Amount	Annual	Amount	Annual	Amount	Annual Change
2010	\$59,898	-	\$63,446	-	\$60,686	-
2024	\$68,221	0.6%	\$85,432	1.4%	\$79,067	1.2%
2029	\$79,199	3.2%	\$99,885	3.4%	\$91,442	3.1%

Source: Esri Demographics 2024, Novogradac, April 2025

As of 2024, the median income in the PMA is below the surrounding MSA and the national median household income. Median household income growth in the PMA was below the MSA and nation between 2010 and 2024. The median household income in the PMA is projected to increase 3.2 percent annually through 2029, a growth rate similar to the nation and slightly below the MSA. As of 2029, the median household income is projected to be below that of the MSA and the nation.

General Renter Household Income Distribution

The following table illustrates renter household income distribution in the PMA.

RENTER HOUSEHOLD INCOME						
Income Cohort	PMA					
	2024		2029		Annual Change 2024 to 2029	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,673	12.1%	2,446	11.1%	-45	-1.7%
\$10,000-19,999	3,307	15.0%	2,868	13.1%	-88	-2.7%
\$20,000-29,999	3,084	14.0%	2,883	13.1%	-40	-1.3%
\$30,000-39,999	2,883	13.1%	2,683	12.2%	-40	-1.4%
\$40,000-49,999	2,305	10.5%	2,195	10.0%	-22	-1.0%
\$50,000-59,999	1,480	6.7%	1,586	7.2%	21	1.4%
\$60,000-74,999	2,091	9.5%	2,138	9.7%	9	0.4%
\$75,000-99,999	2,007	9.1%	2,069	9.4%	12	0.6%
\$100,000-124,999	898	4.1%	1,118	5.1%	44	4.9%
\$125,000-149,999	485	2.2%	756	3.4%	54	11.2%
\$150,000-199,999	446	2.0%	632	2.9%	37	8.3%
\$200,000+	364	1.7%	592	2.7%	46	12.5%
Total	22,023	100.0%	21,966	100.0%		

Source: HISTA Data / Ribbon Demographics 2024, Novogradac, April 2025

As illustrated, the income cohorts with the largest concentrations of renter households are the \$10,000-19,999, \$20,000-29,999, and \$30,000-\$39,000 income cohorts. As of 2024, approximately 64.7 percent of renter households in the PMA earn less than \$50,000 annually. The large percentage of low-income renter households is a positive indicator of demand for the Subject's proposed low-income units.

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		Richmond, VA Metropolitan Statistical Area		USA	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
2024	7,845	44.3%	61,968	41.2%	16,632,947	42.7%

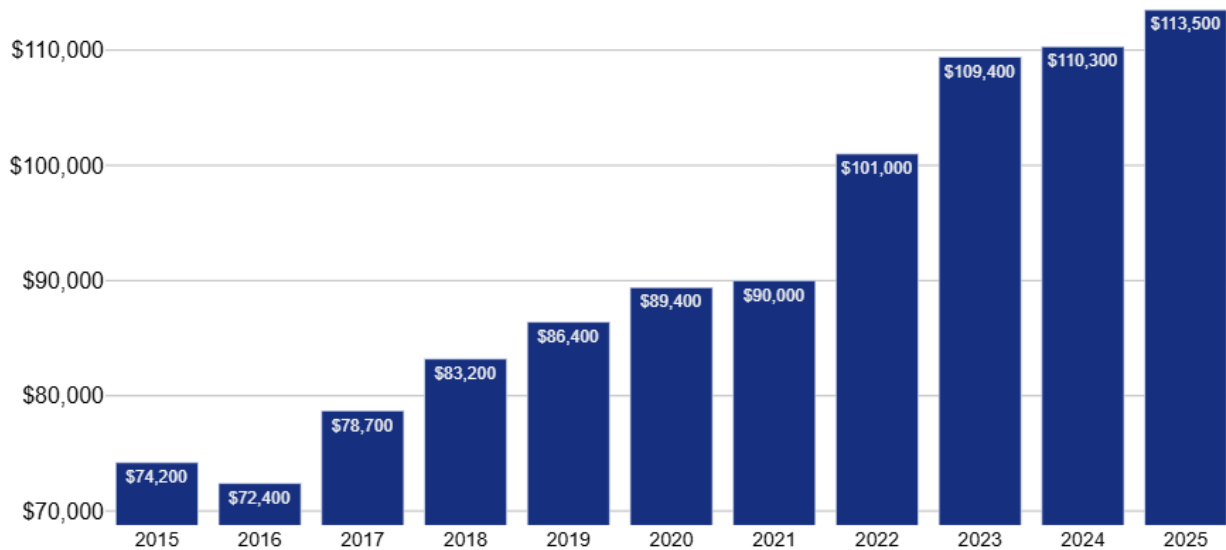
Source: Esri Demographics 2024, Novogradac, April 2025

The percentage of rent-overburdened households in the PMA is above the MSA and above the nation. The large share of rent-burdened households in the Subject's PMA underscores the need for affordable units, such as those offered by the proposed Subject.

Area Median Income

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 Richmond City, VA. Richmond City is part of the Richmond, VA MSA.

AMI Growth – Richmond City, VA



Overall, the AMI increase at an annual rate of 4.81 percent between 2015 and 2025. Over 95.9 percent of counties in the nation experienced an increase in AMI in 2025. This was also true in Richmond City, which reached a record high AMI level in 2025. Rising AMI levels bode well for future rent growth at affordable developments, such as the proposed Subject.

AMI GROWTH

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AMI	\$74,200	\$72,400	\$78,700	\$83,200	\$86,400	\$89,400	\$90,000	\$101,000	\$109,400	\$110,300	\$113,500
% Growth	1.78%	(2.43%)	8.70%	5.72%	3.85%	3.47%	0.67%	12.22%	8.32%	0.82%	2.90%

The Subject's proposed rents for the LIHTC units are set at the maximum allowable levels; therefore, rent increases for the Subject's units will be directly dependent upon future increases in the AMI.

Conclusion

Since 2010, PMA population and households have grown overall. Furthermore, population and households in the PMA are expected to grow through 2029. As of 2024, approximately 64.7 percent of renter households in the PMA earn less than \$50,000 annually. As proposed, the incomes for the Subject will range from \$0 to \$79,020 as proposed and from \$50,571 to \$79,020 absent subsidy. With a large percentage of renters with low income, we project that there will be substantial demand for new construction affordable housing units.

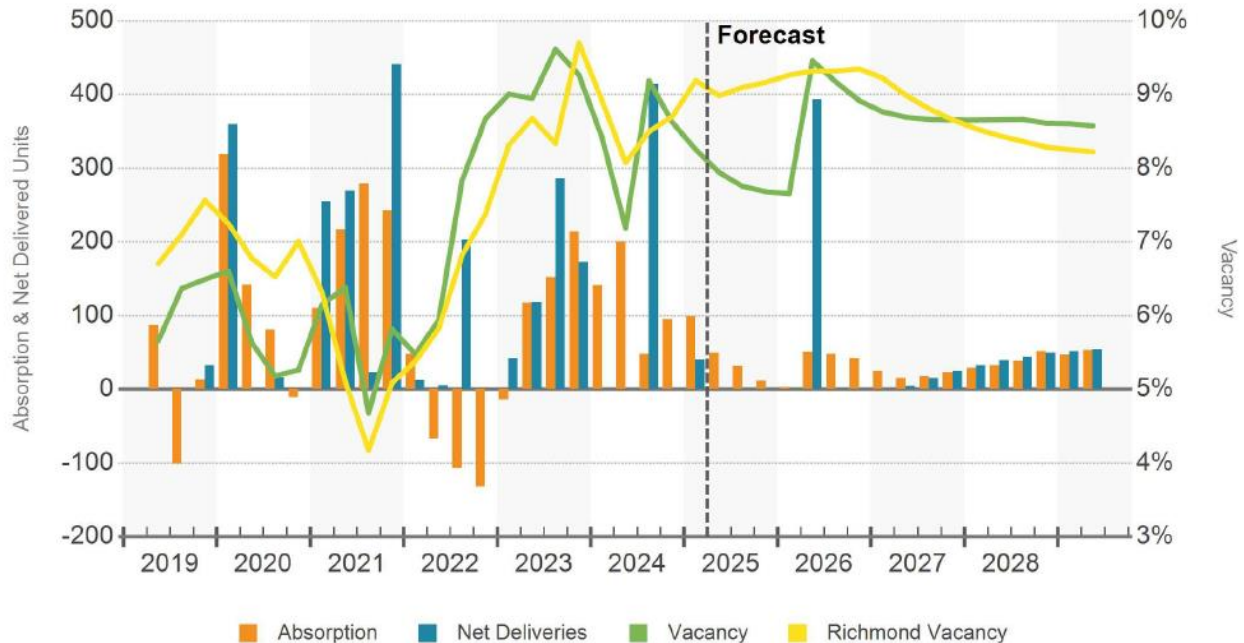
H. COMPETITIVE ENVIRONMENT

HOUSING SUMMARY

According to CoStar as of April 2025, there are currently 16,837 existing multifamily units within the Subject's South Richmond submarket. The current vacancy rate in the market is 8.2 percent, which is above the historical average of 7.4 percent. The vacancy rate has varied with a multitude of additions to supply in recent years and is expected to decrease through 2025, spike in 2026 with numerous additions to supply and then decrease through 2028.

South Richmond Submarket

ABSORPTION, NET DELIVERIES & VACANCY

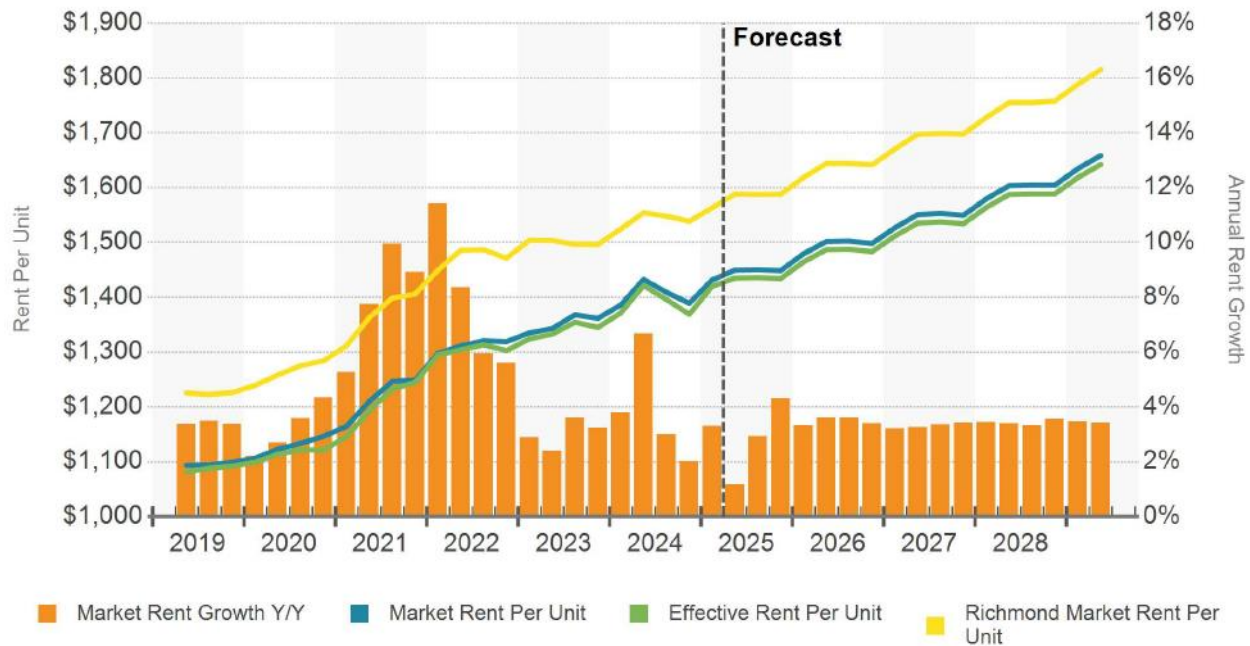


Source: CoStar, April 2025.

As vacancy rates in the submarket have varied with new additions to supply, rent growth has subsequently fluctuated. Rent growth is expected to remain relatively stable through 2028.

South Richmond Submarket

MARKET RENT PER UNIT & RENT GROWTH



Source: CoStar, April 2025

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		Richmond, VA Metropolitan Statistical Area		USA	
Built 2010 or later	3,445	6.4%	52,847	9.6%	11,588,353	8.3%
Built 2000 to 2009	4,989	9.2%	77,452	14.1%	19,083,030	13.6%
Built 1990 to 1999	5,217	9.7%	82,711	15.0%	18,595,726	13.3%
Built 1980 to 1989	10,689	19.8%	85,704	15.6%	18,543,181	13.2%
Built 1970 to 1979	10,791	20.0%	77,780	14.1%	20,613,288	14.7%
Built 1960 to 1969	6,790	12.6%	52,179	9.5%	14,350,524	10.2%
Built 1950 to 1959	6,226	11.5%	48,424	8.8%	13,899,149	9.9%
Built 1940 to 1949	2,664	4.9%	24,063	4.4%	6,504,533	4.6%
Built 1939 or earlier	3,188	5.9%	49,025	8.9%	16,976,065	12.1%
Total Housing Units	53,999	100.0%	550,185	100.0%	140,153,849	100.0%

Source: US Census American Community Estimates, April 2025

As illustrated in the previous table, a majority of the housing stock in the PMA was built prior to 1979. As new construction, the Subject will have a significant 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	Richmond, VA Metropolitan Statistical Area	USA
	Percentage	Percentage	Percentage
2024	2.48%	2.05%	1.70%

Source: Esri Demographics 2024, Novogradac, April 2025

The percentage of residents living in substandard housing in the PMA is above the MSA and nation. Furthermore, the percentage of residents living in substandard housing in the MSA is also above the nation.

Building Permits

The following table demonstrates building permit information from 2000 through 2024 for Richmond City, Virginia.

BUILDING PERMITS: RICHMOND CITY 2000 - 2024

Year	Single-family and Duplex	Three and Four-Family	Five or More Family	Total Units
2000	194	76	0	270
2001	181	3	99	283
2002	169	35	312	516
2003	285	68	142	495
2004	327	0	71	398
2005	527	3	226	754
2006	497	18	214	729
2007	362	0	202	564
2008	257	0	101	358
2009	141	0	220	361
2010	150	0	457	607
2011	98	3	242	343
2012	221	0	619	840
2013	134	4	711	849
2014	220	0	331	551
2015	278	4	241	523
2016	304	10	196	510
2017	328	10	979	1,317
2018	293	0	270	563
2019	353	15	872	1,240
2020	298	0	725	1,023
2021	504	0	563	1,067
2022	457	9	2,183	2,649
2023	389	4	1,890	2,283
2024	460	3	2,077	2,540
Average	297	11	558	865

Source: US Census Bureau, Novogradac, March 2025

Permit issuance declined by 4.7 percent during the previous national recession, reaching a low in 2011. Permit issuance increased in seven out of 13 years between 2011 and 2024. The most recent years with finalized data indicate construction activity increased in 2021 and 2022, decreased in 2023, and increased in 2024.

Rent/Buy Analysis

We performed a rent/buy analysis. Our inputs assume a four-bedroom, single-family home listing on Zillow in the Subject's neighborhood with a purchase price of \$419,900 and an interest rate of 6.70 percent for a 30-year fixed mortgage with a ten percent down payment. This was compared with the cost to rent the Subject's four-bedroom unit at 60 percent of AML. The analysis indicates that with a monthly differential of \$1,388, 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:		Four-Bedroom Single Family Home		
Sale Price				\$419,900
Down Payment at 10%				\$41,990
Mortgage Amount				\$377,910
Current Interest Rate				6.70%
<i>Homeownership Costs</i>		<i>Monthly</i>	<i>% of Home Value</i>	<i>Annual</i>
Mortgage Payment		\$2,439		\$29,263
Property Taxes		\$437	1.25%	\$5,249
Private Mortgage Insurance ¹		\$157	0.50%	\$1,890
Maintenance		\$700	2.00%	\$8,398
Utility Costs ²		\$134		\$1,608
Tax Savings		-\$634		-\$7,611
Cost Comparison				
		<i>Monthly</i>		<i>Annual</i>
Costs of Homeownership		\$3,233		\$38,796
Cost of Renting At Subject	-	\$1,845		\$22,140
Differential		\$1,388		\$16,656
Cost of Occupancy				
<i>Homeownership</i>				
Closing Costs			3.0%	\$12,597
Down Payment at 10%			10.0%	\$41,990
Total				\$54,587
<i>Subject Rental</i>				
First Month's Rent		\$1,845		
Security Deposit		<u>\$1,845</u>		
Total		\$3,690		

(1) Based upon 0.50 percent of mortgage amount.

(2) Utility Costs Included in Rent at Subject

As illustrated, the cash due at occupancy category more than \$54,000 for the down payment and closing costs. The cash necessary for homeownership is still a barrier to many families. In general, first-time home buyers have difficulty saving for a down payment. Further, renting at the Subject is more affordable than purchasing even a modest single-family home in the Subject's neighborhood. Overall, we believe the Subject will face limited competition from homeownership.

Additions to Supply

To determine the amount of competitive new supply entering the market, we consulted an April 2025 CoStar report, conducted an internet search and attempted to contact the City of Richmond Planning Division. However, our calls have not been returned to date. We additionally researched Virginia Housing's listing of LIHTC allocations from 2022 to present. The following table illustrates proposed, planned, under construction, and recently completed developments in the Subject's PMA.

PLANNED DEVELOPMENT

Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	LIHTC Allocation Year	Construction Status	Distance to Subject
2100 Bainbridge	LIHTC	Senior	83	0	2024	Proposed	3.2 miles
Swansboro Place	LIHTC	Family	90	90	2024	Proposed	3.3 miles
Walmsley Gardens Family	LIHTC	Family	216	216	2024	Proposed	2.3 miles
Walmsley Gardens Senior	LIHTC	Senior	128	0	2024	Proposed	2.3 miles
700 W 44th St I & II	LIHTC/PBRA	Family	144	144	2023	Proposed	1.4 miles
Chippenham Place	LIHTC	Family	144	0	2023	Existing	1.5 miles
Townhomes at Liberty Place	LIHTC/PBRA	Disabled	40	0	2023	Proposed	2.1 miles
Carnation Apartments	LIHTC	Family	218	218	2022	Under Construction	1.2 miles
South Gate	LIHTC	Family	112	0	2022	Existing	2.5 miles
Swansboro	LIHTC	Family	62	0	2022	Existing	2.5 miles
The Maverick	Affordable	Family	124	124	n/a	Proposed	0.5 miles
Belle Heights Phase 2	Market	Family	200	0	n/a	Proposed	3.1 miles
Starview Village	Market	Family	1200	0	n/a	Proposed	1.2 miles
The James at Springline	Market	Family	298	0	n/a	Under Construction	1.2 miles
Totals			3,059	792			

Source: Virginia Housing, CoStar, April 2025

- 2100 Bainbridge is a proposed LIHTC property that was awarded tax credits in 2024. This property will be new construction and offer 83 units for seniors. As the Subject targets seniors, we do not expect any of the units at this property to be directly competitive with the Subject and have not deducted any from our demand analysis.
- Swansboro Place is a proposed LIHTC property that was awarded tax credits in 2024. This property will be new construction and offer 90 units for families. As the Subject also targets families, we expect all 90 of the units at this property to be directly competitive with the Subject and have deducted them from our demand analysis.
- Walmsley Gardens Family is a proposed LIHTC property that was awarded tax credits in 2024. This property will be new construction and offer 216 units for families. As the Subject also targets families, we expect all 216 of the units at this property to be directly competitive with the Subject and have deducted them from our demand analysis.
- Walmsley Gardens Senior is a proposed LIHTC property that was awarded tax credits in 2024. This property will be new construction and offer 128 units for seniors. As the Subject targets seniors, we do not expect any of the units at this property to be directly competitive with the Subject and have not deducted any from our demand analysis.
- 700 W 44th Street I & II is a proposed LIHTC property that was awarded tax credits in 2023. This property will be new construction and offer 144 units for families. As the Subject also targets families, we expect all 144 of the units at this property to be directly competitive with the Subject and have deducted them from our demand analysis.
- Chippenham Place is an existing LIHTC property that was awarded tax credits for renovations in 2023. This property will be newly renovated and offer 144 units for families. As the Subject also targets families, we expect all 144 of the units at this property to be directly competitive with the Subject, however as this property is existing and will not have to re-lease its units we have not deducted them from our demand analysis as proposed or under construction units.
- Townhomes at Liberty Place is a proposed LIHTC/PBRA property that was awarded tax credits in 2023. This property will be new construction and offer 40 units for persons with disabilities. As the Subject targets families, we do not expect any of the units at this property to be directly competitive with the Subject and have not deducted them from our demand analysis.
- Carnation Apartments is an under construction LIHTC property that was awarded tax credits in 2022. This property will be new construction and offer 218 units for families. As the Subject also targets families, we expect all 218 of the units at this property to be directly competitive with the Subject and have deducted them from our demand analysis.
- South Gate is an existing LIHTC property that was awarded tax credits for renovations in 2022. This property will be newly renovated and offer 112 units for families. As the Subject also targets families, we

expect all 112 of the units at this property to be directly competitive with the Subject, however as this property is existing and will not have to re-lease its units we have not deducted them from our demand analysis as proposed or under construction units.

- Swansboro is an existing LIHTC property that was awarded tax credits for renovations in 2022. This property will be newly renovated and offer 62 units for families. As the Subject also targets families, we expect all 62 of the units at this property to be directly competitive with the Subject, however as this property is existing and will not have to re-lease its units we have not deducted them from our demand analysis as proposed or under construction units.
- The Maverick is a proposed affordable property that according to our research was not awarded tax credits but will offer affordable units. This property will be new construction and offer 124 units for families. As the Subject also targets families, we expect all 124 of the units at this property to be directly competitive with the Subject and have deducted them from our demand analysis.

The remaining under construction and proposed developments are market rate properties that will not be considered competitive with the Subject. Therefore, we will deduct the 792 proposed and under construction units from our capture rate analysis that are expected to compete with the Subject.

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 3,240 units in nine rental properties. The availability of LIHTC data is considered good. We included four affordable developments located between 1.2 and 3.4 miles from the Subject site, all of which are located within the PMA. The availability of market rate data is considered good. We included five market rate properties located between 0.8 and 8.4 miles from the Subject site, one of which is located outside the PMA (Towns at Swift Creek). Additionally, to supplement the lack of available market rate data for four-bedroom units in the market, we included an analysis of classified listings for four-bedroom units in the southwest Richmond area. Overall, we believe the availability of data is adequate to support our conclusions.

Property managers were interviewed for information on unit mix, size, absorption, unit features and project amenities; tenant profiles; and market trends in general. The table following details affordable properties in the PMA.

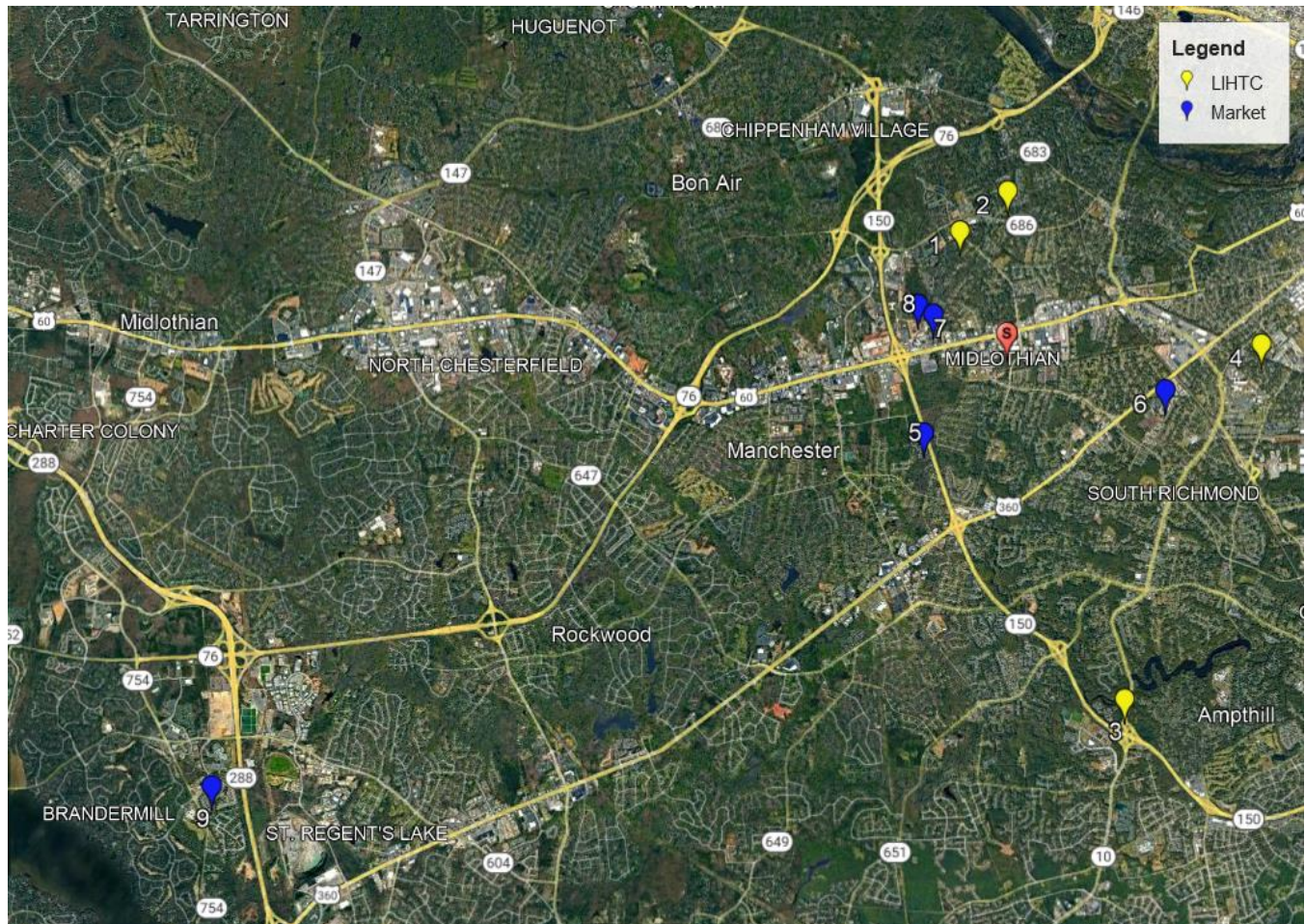
EXCLUDED PROPERTIES

Property Name	Rent Structure	Tenancy	Reason for Exclusion
Arbors at Hull Street	LIHTC	Senior	Differing tenancy
Belle Summit	LIHTC	Family	More proximate comparables available
Blue Ridge Estates	LIHTC	Family	Unable to contact
City View Place	LIHTC	Family	Unable to contact
Countryside Apartments	LIHTC	Family	Dissimilar unit mix
FOXWOOD APTS	LIHTC	Family	Inferior condition
Genesis Homes South	LIHTC	Family	Unable to contact
Holly Ridge (aka Norcroft)	LIHTC	Family	Dissimilar unit mix
Linden At Forest Hill	LIHTC	Family	Dissimilar unit mix
Melvin C. Fox Manor	LIHTC	Senior	Subsidized rents
Model Tobacco - Senior	LIHTC	Senior	Differing tenancy
Port City I	LIHTC	Family	More proximate comparables available
Port City II	LIHTC	Family	More proximate comparables available
Renaissance Senior Apartments	LIHTC	Senior	Differing tenancy
South Richmond Sro	LIHTC	Family	Dissimilar unit mix
Stonewall Place	LIHTC	Senior	Subsidized rents
Studios I	LIHTC	Family	Subsidized rents
Studios II	LIHTC	Family	Subsidized rents
Swansboro Apartments	LIHTC	Family	Dissimilar unit mix
The Park at Ridgedale	LIHTC	Senior	Differing tenancy
Townhomes at Warwick Place I	LIHTC	Family	Unable to contact
Tuscany Townhomes (fka Brook Run Apartments)	LIHTC	Family	Dissimilar unit mix
Urbana at Hioaks	LIHTC	Family	Unable to contact
Watermark Gardens	LIHTC	Senior	Differing tenancy
Bainbridge	LIHTC/ Section 8	Family	Subsidized rents
Chippenhams Place	LIHTC/ Section 8	Family	Subsidized rents
Midlothian Village	LIHTC/ Section 8	Family	Subsidized rents
Oscar E Stovall Place	LIHTC/ Section 8	Family	Subsidized rents
Townhomes at Warwick Place II	LIHTC/PBRA	Disabled	Subsidized rents
2000 Riverside	Market	Family	More proximate comparables available
404 Rivertowne Apartment Homes	Market	Family	Dissimilar unit mix
Abbingdon Hills	Market	Family	More proximate comparables available
Aden Park	Market	Family	Inferior condition
Ashley Park Apartments	Market	Family	Dissimilar unit mix
Ashton Square	Market	Family	Inferior condition
Belmont Hills	Market	Family	More proximate comparables available
Berkeley Place	Market	Family	More proximate comparables available
Bramblewood Estates	Market	Family	More proximate comparables available
Briarcliff Apartments	Market	Family	More proximate comparables available
Briarwood Court	Market	Family	More proximate comparables available
Chateau De Ville Apartments	Market	Family	Dissimilar unit mix
Chesterfield Flats	Market	Family	More proximate comparables available
Deering Manor	Market	Family	More proximate comparables available
Element At Stonebridge	Market	Family	Dissimilar unit mix
Glenway Greens Apartments	Market	Family	Inferior
Kingly Ones	Market	Family	More proximate comparables available
Manchester Lakes Apartments	Market	Family	Dissimilar unit mix
Meridian Watermark	Market	Family	More proximate comparables available
Model Tobacco	Market	Family	More proximate comparables available
Residences At Brookside	Market	Family	Unable to contact
Riverside Apartments	Market	Family	More proximate comparables available
Rock Creek	Market	Family	Dissimilar unit mix
St. Johns Wood Apartments	Market	Family	Inferior condition
The Crossings At Bramblewood	Market	Family	Inferior condition
The Park At Forest Hill	Market	Family	More proximate comparables available
The Residences Of Westover Hills	Market	Family	More proximate comparables available
The Village At Westlake	Market	Family	More proximate comparables available
The Vinings at Iron Bridge	Market	Family	More proximate comparables available
Timbercreek Apartments	Market	Family	Dissimilar unit mix
Bliley Manor	Section 8	Family	Subsidized rents
Chesterfield Alternatives Group Home	Section 8	Family	Subsidized rents
Chesterfield Square Homes	Section 8	Family	Subsidized rents
Monarch Woods	Section 8	Senior	Subsidized rents
Saints Cosma & Damianos House	Section 8	Senior	Subsidized rents
Town & Country South	Section 8	Family	Subsidized rents

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 have been excluded from the supply analysis of this report.

Comparable Rental Property Map

A map illustrating the location of the Subject in relation to the comparable properties is located below. A summary table comparing the individual comparable properties with the proposed Subject and individual property profiles are also provided on the following page. We have also included an amenity comparison matrix and a rent and square footage ranking table.



Source: Google Earth, March 2025

COMPARABLE PROPERTIES

#	Comparable Property	City	Rent Structure	Tenancy	Distance to Subject
S	Joyfield At School Road	Richmond	@50% (PBV), @60%	Family	-
1	Alexander At 1090	Richmond	@40%, @40% (PBRA), @50%, @50% (PBRA), @60%	Family	1.2 miles
2	Morningside Apartments	Richmond	@60%, Market	Family	1.5 miles
3	The Bend At 4800	Richmond	@60%	Family	3.4 miles
4	Village South Townhomes	Richmond	@50%, @60%	Family	2.4 miles
5	Cloverleaf Lake	Richmond	Market	Family	1.1 miles
6	Communities At Southwood	Richmond	Market	Family	1.5 miles
7	Reserve South Apartments	Richmond	Market	Family	0.8 miles
8	The Point At Beaufont	Richmond	Market	Family	0.9 miles
9	Towns At Swift Creek*	Midlothian	Market	Family	8.4 miles

*Located outside PMA

JOYFIELD AT SCHOOL ROAD – RICHMOND, VIRGINIA – MARKET STUDY

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	Joyfield At School Road 250 E German School Rd Richmond, VA 23224 Richmond City County	-	Townhouse 3-stories 2026 / n/a Family	@50% (PBV), @60% Based Rental Assistance - PBRA), @50%, @50% (Project	3BR / 4BA	43	18.4%	1,602	@50% (PBV)	\$2,215	N/A	N/A	N/A	N/A
					3BR / 4BA	121	51.7%	1,602	@60%	\$1,660	Yes	N/A	N/A	N/A
					4BR / 4BA	19	8.1%	1,836	@50% (PBV)	\$2,793	N/A	N/A	N/A	N/A
					4BR / 4BA	51	21.8%	1,836	@60%	\$1,845	Yes	N/A	N/A	N/A
						234							N/A	N/A
1	Alexander At 1090 1090 German School Rd Richmond, VA 23225 Richmond City County	1.2 miles	Garden 4-stories 2020 / n/a Family	@40%, @40% (Project Based Rental Assistance - PBRA), @50%, @50% (Project	2BR / 2BA	2	2.1%	907	@40%	\$930	No	Yes	0	0.0%
					2BR / 2BA	3	3.1%	907	@40% (Project Based Rental Assistance - PBRA)	\$1,034	N/A	Yes	0	0.0%
					2BR / 2BA	16	16.7%	907	@50%	\$1,178	No	Yes	0	0.0%
					2BR / 2BA	43	44.8%	907	@60%	\$1,427	No	Yes	0	0.0%
					3BR / 2BA	2	2.1%	1,036	@50% (Project Based Rental Assistance - PBRA)	\$1,352	N/A	Yes	0	0.0%
					3BR / 2BA	30	31.3%	1,036	@60%	\$1,652	No	Yes	0	0.0%
						96							0	0.0%
2	Morningside Apartments 1414 Newell Road Richmond, VA 23225 Richmond City County	1.5 miles	Various 2-stories 1966 / 2025 Family	@60%, Market	2BR / 1BA	9	2.3%	925	Market	\$1,201	No	No	0	0.0%
					2BR / 1.5BA	26	6.6%	977	@60%	\$1,196	No	No	0	0.0%
					2BR / 1.5BA	92	23.5%	1,032	@60%	\$1,196	No	No	0	0.0%
					2BR / 1.5BA	16	4.1%	977	Market	\$1,246	No	No	0	0.0%
						392							27	6.9%
3	The Bend At 4800 4800 Burr Oak Drive Richmond, VA 23234 Chesterfield County	3.4 miles	Garden 4-stories 2003 / 2021 Family	@60%	2BR / 2BA	122	49.2%	983	@60%	\$1,423	No	No	4	3.3%
					3BR / 2BA	126	50.8%	1,112	@60%	\$1,639	No	No	1	0.8%
						248							5	2.0%
4	Village South Townhomes 3450 Maury Street Richmond, VA 23224 Richmond City County	2.4 miles	Various 2-stories 1947 / 2023 Family	@50%, @60%	1BR / 1BA	N/A	N/A	675	@50%	\$1,013	Yes	No	1	N/A
					2BR / 1BA	N/A	N/A	850	@50%	\$1,211	Yes	No	0	N/A
					2BR / 1.5BA	N/A	N/A	912	@50%	\$1,211	Yes	No	0	N/A
					3BR / 1BA	N/A	N/A	1,000	@50%	\$1,394	Yes	No	0	N/A
					3BR / 1BA	N/A	N/A	1,000	@60%	\$1,789	Yes	No	0	N/A
5	Cloverleaf Lake 6295 Starview Court Richmond, VA 23225 Chesterfield County	1.1 miles	Townhouse 2-stories 1972 / 2015 Family	Market	1BR / 1.5BA	10	4.8%	1,065	Market	\$1,638	N/A	No	0	0.0%
					2BR / 1.5BA	190	90.5%	1,065	Market	\$1,871	N/A	No	1	0.5%
					2BR / 1.5BA	N/A	N/A	1,065	Market	\$1,886	N/A	No	0	N/A
					2BR / 1.5BA	N/A	N/A	1,065	Market	\$1,861	N/A	No	0	N/A
					3BR / 2.5BA	10	4.8%	1,200	Market	\$2,219	N/A	No	0	0.0%
						210							1	0.5%
						1,286							0	0.0%
6	Communities At Southwood 4602 Southwood Parkway Richmond, VA 23224 Richmond City County	1.5 miles	Various 2-stories 1960 / 2010 Family	Market	1BR / 1BA	333	25.9%	621	Market	\$1,087	N/A	No	0	0.0%
					2BR / 1BA	160	12.4%	847	Market	\$1,383	N/A	No	0	0.0%
					2BR / 2BA	68	5.3%	934	Market	\$1,383	N/A	No	0	0.0%
					2.5BR / 2BA	210	16.3%	1,169	Market	\$1,531	N/A	No	0	0.0%
					3BR / 1BA	94	7.3%	933	Market	\$1,666	N/A	No	0	0.0%
					3BR / 2BA	421	32.7%	1,184	Market	\$1,694	N/A	No	0	0.0%
7	Reserve South Apartments 6701 Carnation Street Richmond, VA 23225 Richmond City County	0.8 miles	Garden 2-stories 1989 / 2018 Family	Market	2BR / 1BA	18	9.0%	944	Market	\$1,437	N/A	No	0	0.0%
					2BR / 2BA	160	80.0%	996	Market	\$1,622	N/A	No	0	0.0%
					3BR / 2BA	22	11.0%	1,100	Market	\$2,094	N/A	No	0	0.0%
						200							0	0.0%
					1BR / 1BA	50	16.0%	710	Market	\$1,350	N/A	No	1	2.0%
					1BR / 1BA	24	7.7%	741	Market	\$1,507	N/A	No	0	0.0%
					1BR / 1BA	2	0.6%	854	Market	\$1,552	N/A	No	2	100.0%
8	The Point At Beaufort 6839 Carnation St Richmond, VA 23225 Richmond City County	0.9 miles	Garden 2-stories 1980/1982 / 2018 Family	Market	2BR / 1BA	52	16.7%	854	Market	\$1,466	N/A	No	5	9.6%
					2BR / 2BA	76	24.4%	944	Market	\$1,541	N/A	No	4	5.3%
					2BR / 2BA	12	3.9%	947	Market	\$1,723	N/A	No	0	0.0%
					2BR / 2BA	76	24.4%	1,015	Market	\$1,566	N/A	No	3	4.0%
					2BR / 2BA	12	3.9%	1,022	Market	\$1,566	N/A	No	0	0.0%
					3BR / 2BA	8	2.6%	1,203	Market	\$2,176	N/A	No	0	0.0%
						312							15	4.8%
					3BR / 2.5BA	36	18.0%	1,729	Market	\$2,960	N/A	No	2	5.6%
					3BR / 2.5BA	89	44.5%	1,800	Market	\$2,846	N/A	No	5	5.6%
9	Towns At Swift Creek 12224 Petrel Crossing Midlothian, VA 23112 Chesterfield County	8.4 miles	Townhouse 3-stories 2021 / n/a Family	Market	4BR / 2.5BA	54	27.0%	1,895	Market	\$3,085	N/A	No	3	5.6%
					4BR / 2.5BA	21	10.5%	2,287	Market	\$3,386	N/A	No	0	0.0%
						200							10	5.0%

Location

The Subject is located in a mixed-use neighborhood in Richmond. The following table illustrates demographic characteristics within a 0.5 mile radius of the comparable properties. Of note, median home value and rent are based on zip code data.

LOCATION COMPARISON SUMMARY

#	Property Name	City	Tenancy	Rent Structure	Distance to Subject	Household Income	Median Home Value	Median Rent	Crime Index	Walk Score	Transit Score	Vacant Housing	% Renter HH
S	Joyfield At School Road	Richmond	Family	LIHTC	-	\$45,126	\$111,500	\$877	119	25	33	8.1%	64.6%
1	Alexander At 1090	Richmond	Family	LIHTC/PBRA	1.2 miles	\$47,826	\$202,200	\$936	118	50	23	9.2%	60.1%
2	Morningside Apartments	Richmond	Family	LIHTC/ Market	1.5 miles	\$60,885	\$202,200	\$936	102	48	30	6.4%	55.2%
3	The Bend At 4800	Richmond	Family	LIHTC	3.4 miles	\$73,995	\$158,800	\$971	78	2	0	3.4%	28.1%
4	Village South Townhomes	Richmond	Family	LIHTC	2.4 miles	\$47,155	\$111,500	\$877	155	42	44	10.2%	56.3%
5	Cloverleaf Lake	Richmond	Family	Market	1.1 miles	\$65,883	\$202,200	\$936	136	16	0	4.5%	56.3%
6	Communities At Southwood	Richmond	Family	Market	1.5 miles	\$50,833	\$111,500	\$877	105	29	42	7.4%	59.7%
7	Reserve South Apartments	Richmond	Family	Market	0.8 miles	\$49,467	\$202,200	\$936	131	55	31	10.9%	78.7%
8	The Point At Beaufort	Richmond	Family	Market	0.9 miles	\$50,417	\$202,200	\$936	148	42	30	11.1%	81.6%
9	Towns At Swift Creek*	Midlothian	Family	Market	8.4 miles	\$103,368	\$237,900	\$1,312	56	13	0	2.6%	11.7%

*Located outside of the PMA

The Subject site is located in the Midlothian area of Richmond in a neighborhood consisting of commercial uses and single-family homes. Seven of the comparables are located within 2.4 miles of the Subject site in locations considered similar to that of the Subject site based on their similar median home values, median rents and crime indices as well as similar to higher median home values. These comparables include Alexander at 1090, Morningside Apartments, Village South Townhomes, Cloverleaf Lake, Communities at Southwood, Reserve South Apartments, and The Point at Beaufort. One comparable, The Bend at 4800 is located in an area considered superior to the Subject site. The location of this comparable offers a higher median household income, home value, and rent compared to the Subject site's location. The remaining comparable, Towns at Swift Creek is located 8.4 miles southwest of the Subject site in a location considered slightly inferior to the Subject site. The location of this comparable offers a higher median home value, household income, median rent and lower crime indices, but is also located farther from employment opportunities in Downtown Richmond.

Age, Condition, and Design

The Subject will be new construction and will be in excellent condition upon completion. Two comparables, Alexander at 1090 and Towns at Swift Creek were constructed in 2020 and 2021, respectively, and exhibit excellent condition, similar to the Subject upon completion. Five comparables, Morningside Apartments, The Bend at 4800, Village South Townhomes, Reserve South Apartments, and The Point at Beaufort, have been renovated since 2018 and exhibit good condition, slightly inferior to the Subject upon completion. The remaining comparables were most recently renovated between 2010 and 2015 and are in average condition, inferior to the Subject upon completion.

The LIHTC properties range in size from 96 to 392 units, with an average development size of 258 units. Additionally, the market rate developments range from 200 to 1,286 units, with an average development size of 441 units. The Subject, with 234 units, is slightly below the average, but is within the range of the development sizes for the comparable properties.

The Subject will offer 25, three-story, townhouse buildings as well as a one-story clubhouse. Six properties offer either townhome-style developments or a mix of garden-style and townhome-style developments, similar to the proposed Subject. These comparables include Morningside Apartments, Village South Townhomes, Cloverleaf Lake, Communities at Southwood, and Towns at Swift Creek. The remaining comparable properties

offer two to four-story, garden-style units, which are slightly inferior to the Subject's design. Overall, we believe that the Subject's proposed design will be competitive within the market.

Unit Size

The following table illustrates the unit sizes of the Subject and the comparable properties.

UNIT SIZE COMPARISON		
Bedroom Type	3BR	4BR
Subject	1,602	1,836
Average	1,194	2,091
Min	933	1,895
Max	1,800	2,287
Advantage/Disadvantage	34%	-12%

The Subject's proposed three-bedroom unit sizes are above the comparable average, but its four-bedroom units are below the comparable average. The Subject's four-bedroom units are at a disadvantage and considered a weakness. We note there is a limited sample of four-bedroom units in the market. We believe that the Subject's proposed unit sizes are market oriented. The following table ranks the Subject's unit sizes to the unit sizes at the comparable properties.

SQUARE FOOTAGE RANKING COMPARISON			
Three Bedroom Four Bath		Four Bedroom Four Bath	
Property Name	Size	Property Name	Size
Towns At Swift Creek (Market)(2.5BA)	1,800	Towns At Swift Creek (Market)(2.5BA)	2,287
Towns At Swift Creek (Market)(2.5BA)	1,729	Towns At Swift Creek (Market)(2.5BA)	1,895
Joyfield At School Road (@60%)	1,602	Joyfield At School Road (@50%)	1,836
Joyfield At School Road (@50%)	1,602	Joyfield At School Road (@60%)	1,836
The Point At Beaufont (Market)(2BA)	1,203		
Cloverleaf Lake (Market)(2.5BA)	1,200		
Communities At Southwood (Market)(2BA)	1,184		
The Bend At 4800 (@60%)(2BA)	1,112		
Reserve South Apartments (Market)(2BA)	1,100		
Alexander At 1090 (@60%)(2BA)	1,036		
Alexander At 1090 (@50%)(2BA)	1,036		
Village South Townhomes (@50%)(1BA)	1,000		
Village South Townhomes (@60%)(1BA)	1,000		
Communities At Southwood (Market)(1BA)	933		

In-Unit Amenities

	Subject	Alexander At 1090	Morningside Apartments	The Bend At 4800	Village South Townhomes	Cloverleaf Lake	Communities At Southwood	Reserve South Apartments	The Point At Beaufont	Towns At Swift Creek
Rent Structure	LIHTC	LIHTC/PBRA	LIHTC/ Market	LIHTC	LIHTC	Market	Market	Market	Market	Market
Unit Amenities										
Balcony/Patio	yes	yes	no	yes	no	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	no	yes	no	yes	yes	yes	yes	yes	yes	yes
Hardwood	no	no	yes	no	no	yes	no	no	no	no
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	yes	yes	no	no	no	no	no	yes	no	yes
Coat Closet	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	no	no	yes	no	no	no	no
Fireplace	no	no	no	no	no	no	no	yes	no	no
Walk-In Closet	yes	yes	no	yes	no	no	yes	yes	yes	no
Washer/Dryer	no	no	no	no	no	no	no	yes	yes	yes
W/D Hookup	yes	yes	yes	yes	yes	no	no	yes	yes	yes
Kitchen										
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	yes	yes	yes	no	yes	yes	no	yes
Microwave	yes	no	no	no	yes	yes	yes	yes	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

Notable unit amenities the proposed Subject will offer include balconies/patios, central air conditioning, walk-in closets, dishwashers, disposals, and microwaves. The amenity packages offered by the comparables vary in quality, ranging from slightly inferior to superior relative to the proposed Subject. Properties offering features such as washer/dryers are generally considered superior to the Subject. Properties lacking walk-in closets and microwaves are generally considered inferior to the Subject. The amenity packages offered by Alexander At 1090, The Bend at 4800, and Communities at Southwood are considered similar to the Subject. Overall, we believe the Subject's proposed unit amenities will be competitive in the market.

Property Amenities

	Subject	Alexander At 1090	Morningside Apartments	The Bend At 4800	Village South Townhomes	Cloverleaf Lake	Communities At Southwood	Reserve South Apartments	The Point At Beaufont	Towns At Swift Creek
Rent Structure	LIHTC	LIHTC/PBRA	LIHTC/ Market	LIHTC	LIHTC	Market	Market	Market	Market	Market
Community										
Business Center	yes	no	no	yes	no	no	no	no	no	yes
Community Room	yes	yes	no	yes	no	no	no	yes	yes	yes
Central Laundry	no	yes	yes	no	yes	no	yes	no	yes	no
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Recreation										
Basketball Court	no	no	no	yes	no	no	no	no	no	no
Exercise Facility	yes	yes	no	yes	no	no	no	yes	yes	yes
Playground	yes	yes	yes	yes	no	yes	yes	yes	yes	yes
Swimming Pool	no	no	yes	yes	no	yes	yes	yes	yes	yes
Picnic Area	yes	no	yes	yes	yes	yes	yes	no	yes	yes
Sport Court	no	no	no	no	no	no	yes	no	no	no
Tennis Court	no	no	no	no	no	no	yes	yes	yes	no
Recreational Area	no	no	no	yes	no	yes	yes	no	no	no
WiFi	no	no	no	no	no	no	no	yes	no	no

Notable property amenities the proposed Subject will offer include a business center, a community room, on-site management, a fitness center, and a playground. The majority of the surveyed comparables offer property amenities ranging from slightly inferior to slightly superior relative to the proposed Subject. The amenity packages of Alexander At 1090 and Cloverleaf Lake offer features that are considered similar to the Subject. We believe the Subject's lack of basketball courts is generally offset by its business center, fitness center, and community room which are not offered by several of the comparables. Overall, we believe the Subject's property amenities will be competitive in the market.

Security Features

	Subject	Alexander At 1090	Morningside Apartments	The Bend At 4800	Village South Townhomes	Cloverleaf Lake	Communities At Southwood	Reserve South Apartments	The Point At Beaufont	Towns At Swift Creek
Rent Structure	LIHTC	LIHTC/PBRA	LIHTC/ Market	LIHTC	LIHTC	Market	Market	Market	Market	Market
Crime Index	119	118	102	78	155	136	105	131	148	56
Security										
In-Unit Alarm	no	no	no	no	yes	no	no	no	no	no
Intercom (Buzzer)	no	yes	no	no	no	no	yes	no	no	no
Limited Access	yes	yes	no	no	no	no	yes	no	no	no
Patrol	no	no	no	yes	yes	no	yes	yes	yes	no
Video Surveillance	yes	no	no	no	no	no	no	no	no	no

The Subject will offer limited access and video surveillance. Six of the comparables offer at least one form of security feature and are considered similar to the Subject. Three of the comparables, Morningside Apartments, Cloverleaf Lake, and Towns at Swift Creek do not offer any form of security feature and are considered inferior to the proposed Subject's security features. We believe that the Subject's security features will be competitive and market oriented.

Utility Structure

	Subject	Alexander At 1090	Morningside Apartments	The Bend At 4800	Village South Townhomes	Cloverleaf Lake	Communities At Southwood	Reserve South Apartments	The Point At Beaufont	Towns At Swift Creek
Rent Structure	LIHTC	LIHTC/PBRA	LIHTC/ Market	LIHTC	LIHTC	Market	Market	Market	Market	Market
Utility Structure										
Cooking	no	no	yes	no	no	no	no	no	no	no
Water Heat	no	no	yes	no	no	no	no	no	no	no
Heat	no	no	yes	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no
Water	yes	no	yes	yes	no	no	no	no	no	no
Sewer	yes	no	yes	yes	no	no	no	no	no	no
Trash	yes	yes	yes	yes	yes	yes	no	yes	no	yes

Tenants at the Subject will be responsible for electric heat, hot water, cooking, central air conditioning, and general electricity expenses. The cold water, sewer, and trash removal expenses will be paid by the landlord. The comparable properties' utility structures are illustrated in the respective property summaries and are adjusted appropriately to account for differences relative to the Subject's utility structure, based on the two-exposed walls utility allowances provided by Virginia Housing, effective July 1, 2024.

Parking

	Subject	Alexander At 1090	Morningside Apartments	The Bend At 4800	Village South Townhomes	Cloverleaf Lake	Communities At Southwood	Reserve South Apartments	The Point At Beaufont	Towns At Swift Creek
Rent Structure	LIHTC	LIHTC/PBRA	LIHTC/ Market	LIHTC	LIHTC	Market	Market	Market	Market	Market
Walk Score	25	50	48	2	42	16	29	55	42	13
Parking										
Garage	no	no	no	no	no	no	no	no	no	yes
Garage Fee	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$0
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Off-Street Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The Subject will offer a total of 444 off-street parking spaces, which will equate to a parking ratio of 1.89 spaces per unit. Overall, the parking offered at the Subject is adequate. All of the comparable properties offer surface parking included with rent, similar to the proposed Subject's parking scheme. One comparable, Towns at Swift Creek also offers garage parking spaces included in rent and is considered superior to the Subject's proposed parking scheme.

MARKET CHARACTERISTICS

Following are relevant market characteristics for the comparable properties surveyed.

Turnover

The following table details turnover rates at comparable properties.

TURNOVER			
Property Name	Rent Structure	Tenancy	Annual Turnover
Alexander At 1090	LIHTC/PBRA	Family	10%
Morningside Apartments	LIHTC/ Market	Family	20%
The Bend At 4800	LIHTC	Family	25%
Village South Townhomes	LIHTC	Family	4%
Cloverleaf Lake	Market	Family	22%
Communities At Southwood	Market	Family	25%
Reserve South Apartments	Market	Family	15%
The Point At Beaufont	Market	Family	25%
Towns At Swift Creek *	Market	Family	N/A
Average Turnover			18%

*Located outside of the PMA

Turnover rates in the market range from four to 25 percent, with an average of 18 percent. The LIHTC properties averaged 15 percent turnover, and the market rate properties averaged 22 percent turnover. We believe the Subject will operate with turnover of 20 percent, upon completion.

Vacancy Levels

The following table illustrates vacancy rates at the comparable properties.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Alexander At 1090	LIHTC/PBRA	Family	96	0	0.0%
Morningside Apartments	LIHTC/ Market	Family	392	27	6.9%
The Bend At 4800	LIHTC	Family	248	5	2.0%
Village South Townhomes	LIHTC	Family	296	1	0.3%
Cloverleaf Lake	Market	Family	210	1	0.5%
Communities At Southwood	Market	Family	1286	0	0.0%
Reserve South Apartments	Market	Family	200	0	0.0%
The Point At Beaufont	Market	Family	312	15	4.8%
Towns At Swift Creek *	Market	Family	200	10	5.0%
Total LIHTC			1,032	33	3.2%
Total Market Rate			2,208	26	1.2%
Overall Total			3,240	59	1.8%

*Located outside of the PMA

The comparables reported vacancy rates ranging from zero to 6.9 percent with an overall weighted average of 1.8 percent. The manager at Morningside Apartments reported the property is currently undergoing renovations and the vacant units at this property are offline for renovations. The average LIHTC vacancy rate is 3.2 percent, which indicates strong demand for affordable housing. The market rate comparables reported vacancy rates ranging from zero to 5.0 percent, with an overall weighted average of 1.2 percent. Given the low

vacancies in the local market, we believe the Subject will maintain a vacancy rate of five percent or less upon stabilization.

Concessions

None of the comparable properties are offering concessions at this time. We do not anticipate that the Subject will need to offer concessions to maintain a stabilized occupancy rate upon completion.

Waiting Lists

The following table illustrates the waiting lists reported at the comparable properties.

WAITING LIST			
Property Name	Rent Structure	Tenancy	Waiting List Length
Alexander At 1090	LIHTC/PBRA	Family	Yes, unknown length
Morningside Apartments	LIHTC/ Market	Family	None
The Bend At 4800	LIHTC	Family	None
Village South Townhomes	LIHTC	Family	None
Cloverleaf Lake	Market	Family	None
Communities At Southwood	Market	Family	None
Reserve South Apartments	Market	Family	None
The Point At Beaufont	Market	Family	None
Towns At Swift Creek*	Market	Family	None

*Located outside of the PMA

One of the comparable LIHTC properties and one of the comparable market rate properties maintain waiting lists. We anticipate that the Subject will maintain a waiting list to facilitate leasing upon turnover.

Absorption

We obtained absorption information from the following developments.

ABSORPTION							
Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Model Tobacco	Market	Family	Richmond	2022	203	7	3.2 miles
Towns At Swift Creek*	Market	Family	Midlothian	2021	200	13	8.4 miles
Alexander At 1090*	LIHTC	Family	Richmond	2020	96	48	1.2 miles
The Oliver	LIHTC	Family	Richmond	2020	164	15	5.3 miles
Average Affordable					130	32	
Average Market					202	10	
Overall Average					166	21	

*Comparable Property

The LIHTC properties reported absorption rates of seven to 48 units per month. We project the Subject will experience an absorption rate of 15 units per month, indicating an absorption period of approximately 15 to 16 months.

Rental Rate Increases

The following table illustrates rent increases reported at the comparable properties.

RENT GROWTH			
Property Name	Rent Structure	Tenancy	Rent Growth
Alexander At 1090	LIHTC/PBRA	Family	Increased to 2024 max
Morningside Apartments	LIHTC/ Market	Family	Increased up to 17%
The Bend At 4800	LIHTC	Family	Increased to 2024 max
Village South Townhomes	LIHTC	Family	Increased to 2025 max
Cloverleaf Lake	Market	Family	Increased up to 15%
Communities At Southwood	Market	Family	Increased 3-5%
Reserve South Apartments	Market	Family	Increased up to 30%
The Point At Beaufont	Market	Family	Increased up to 5%
Towns At Swift Creek *	Market	Family	Increased 6%

*Located outside of the PMA

All nine of the comparable properties reported rent growth over the past year. 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 rents and unit mix.

PROPOSED RENTS							
Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2025 LIHTC Maximum Allowable Gross Rent	2025 HUD Fair Market Rents
@50% (PBV)*							
3BR / 4BA	1,602	43	\$2,215	\$168	\$2,383	\$1,475	\$2,166
4BR / 4BA	1,836	19	\$2,793	\$206	\$2,999	\$1,646	\$2,677
@60%							
3BR / 4BA	1,602	121	\$1,660	\$110	\$1,770	\$1,770	\$2,166
4BR / 4BA	1,836	51	\$1,845	\$130	\$1,975	\$1,975	\$2,677
		234					

Notes (1) Source of Utility Allowance provided by the Developer.

*Contract rent

The Subject's proposed rents at 50 percent of the AMI are contract rents set above the maximum allowable levels and tenants in these units will contribute 30 percent of their income towards rent, not in excess of the LIHTC maximum allowable levels. The Subject's proposed rents at 60 percent of the AMI are set to the 2025 maximum allowable levels.

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. Additionally, it is important to note that we compared to concessured rent levels at the comparable properties.

The Subject will offer units targeting households earning 50 and 60 percent of AMI, or less. The following table details the Subject's proposed rents in comparison to rents at the comparables.

50 and 60% AMI

LIHTC RENT COMPARISON @50%

Property Name	County	Tenancy	3BR	4BR	Rents at Max?
Joyfield At School Road	Richmond City	Family	\$2,215*	\$2,793*	N/A
LIHTC Maximum Rent (Net) - 2025	Richmond city		\$1,365	\$1,516	
LIHTC Maximum Rent (Net) - 2024	Richmond city		\$1,324	\$1,470	
Alexander At 1090	Richmond City	Family	\$1,352	-	Yes (2024)
Village South Townhomes	Richmond City	Family	\$1,394	-	Yes
Average			\$1,373	-	
Achievable LIHTC Rent			\$1,365	\$1,516	Yes

*Contract rent

LIHTC RENT COMPARISON @60%

Property Name	County	Tenancy	3BR	4BR	Rents at Max?
Joyfield At School Road	Richmond City	Family	\$1,660	\$1,845	Yes
LIHTC Maximum Rent (Net) - 2025	Richmond city		\$1,660	\$1,845	
LIHTC Maximum Rent (Net) - 2024	Richmond city		\$1,611	\$1,790	
LIHTC Maximum Rent (Net) - 2025	Chesterfield County		\$1,660	\$1,845	
LIHTC Maximum Rent (Net) - 2024	Chesterfield County		\$1,611	\$1,790	
Alexander At 1090	Richmond City	Family	\$1,652	-	Yes (2024)
The Bend At 4800	Chesterfield	Family	\$1,639	-	Yes (2024)
Village South Townhomes	Richmond City	Family	\$1,789	-	Yes
Average			\$1,693	-	
Achievable LIHTC Rent			\$1,660	\$1,845	Yes

The Subject's pro forma rents at the 50 percent of AMI level are contract rents and tenants in these units will contribute 30 percent of their income towards rent, not in excess of the LIHTC maximum allowable levels, while its rents at 60 percent of the AMI are set at the 2025 maximum allowable rents. The 2025 maximum allowable rents were released in early April 2025 and one property, Village South Townhomes, reported having increased rents to the 2025 maximum allowable levels. None of the comparable properties offer four-bedroom units. Two of the comparables, Alexander at 1090 and The Bend at 4800 reported achieving rents at the maximum allowable levels for 2024. The managers at both of these comparables reported that they were unsure if they would be increasing rents to the 2025 maximum allowable levels.

We believe the Subject to be slightly superior to superior compared to the LIHTC comparables based on the Subject's generally superior condition, similar location, and amenity packages, as well as the Subject's proposed larger unit sizes. Management at all of the comparable properties reported high demand for affordable housing in the market. Therefore, we believe that the 2024 maximum allowable LIHTC rents at the 50 and 60 percent of the AMI are achievable for the Subject as proposed and absent subsidy.

Achievable Market Rents

Based on the quality of the surveyed comparable properties and the anticipated quality of the 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	3BR	4BR
Morningside Apartments	-	-
	\$2,219	-
Cloverleaf Lake	-	-
	\$1,666	-
Communities At Southwood	\$1,694	-
	\$2,094	-
Reserve South Apartments	-	-
	\$2,176	-
The Point At Beaufont	-	-
	-	-
Towns At Swift Creek	\$2,960	\$3,085
	\$2,846	\$3,386
Average	\$2,236	\$3,236
Achievable Market Rent	\$2,500	\$2,800

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Rent Level	Square Feet	Subject Achievable LIHTC Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rent	Subject Rent Advantage
3BR / 4BA	@50% (PBV)	1,602	\$1,365	\$1,557	\$2,866	\$2,136	\$2,500	45%
3BR / 4BA	@60%	1,602	\$1,660	\$1,557	\$2,866	\$2,136	\$2,500	34%
4BR / 4BA	@50% (PBV)	1,836	\$1,516	\$2,966	\$3,267	\$3,117	\$2,800	46%
4BR / 4BA	@60%	1,836	\$1,845	\$2,966	\$3,267	\$3,117	\$2,800	34%

The Subject's achievable LIHTC rents are below the achievable market rents. The Subject's proposed LIHTC rents represent a rent advantage of 34 to 46 percent over the achievable market rents. We concluded that achievable market rents for the Subject's units are above the rents at Cloverleaf Lake and slightly below the rents at Towns at Swift Creek as these properties offer inferior and slightly superior products, respectively.

Cloverleaf Lake is a 210-unit, development located 1.1 miles southwest of the Subject site, in a neighborhood considered similar relative to the Subject's location. This property was constructed in 1972 and renovated in 2015. We consider the condition of this property inferior relative to the proposed Subject, which will be new construction. The manager at Cloverleaf Lake reported a low vacancy rate of 0.5 percent, indicating the current rents are well accepted in the market. The following table compares the Subject with Cloverleaf Lake.

SUBJECT COMPARISON TO CLOVERLEAF LAKE

Unit Type	Rent Level	Subject Achievable Market Rent	Square Feet	Subject RPSF	Cloverleaf Lake Rent	Square Feet	Cloverleaf Lake RPSF
3BR / 4BA	@50% (PBV)	\$2,500	1,602	\$1.56	\$2,219	1,200	\$1.85
3BR / 4BA	@60%	\$2,500	1,602	\$1.56	\$2,219	1,200	\$1.85
4BR / 4BA	@50% (PBV)	\$2,800	1,836	\$1.53	-	-	-
4BR / 4BA	@60%	\$2,800	1,836	\$1.53	-	-	-

Cloverleaf Lake offers hardwood flooring, exterior storage, a swimming pool, and recreational areas, all of which the proposed Subject will lack. However, the Subject will offer walk-in closets, disposals, a business center, a community room, and a fitness center, none of which are provided by Cloverleaf Lake. On balance, we believe the in-unit and property amenity packages offered by Cloverleaf Lake to be slightly inferior and similar relative to the proposed Subject, respectively. The unit sizes at Cloverleaf Lake are smaller than those proposed at the Subject. In overall terms, we believe the Subject will be a superior product relative to Cloverleaf Lake. Our concluded achievable market rents for the Subject's units are above the rents reported by Cloverleaf Lake.

Towns at Swift Creek is a 200-unit, development located 8.4 miles southwest of the Subject site, in a neighborhood considered slightly superior relative to the Subject's location. The property was built in 2021, and currently exhibits similar condition relative to the proposed Subject, which will be new construction. The manager at Towns at Swift Creek reported a vacancy rate of 5.0 percent and noted that the property typically maintains a vacancy rate of five to eight percent, indicating the current rents are accepted in the market. The following table compares the Subject with Towns at Swift Creek.

SUBJECT COMPARISON TO TOWNS AT SWIFT CREEK

Unit Type	Rent Level	Subject Achievable Market Rent	Square Feet	Subject RPSF	Towns At Swift Creek Rent	Square Feet	Towns At Swift Creek RPSF
3BR / 4BA	@50% (PBV)	\$2,500	1,602	\$1.56	\$2,960	1,729	\$1.71
3BR / 4BA	@60%	\$2,500	1,602	\$1.56	\$2,960	1,729	\$1.71
4BR / 4BA	@50% (PBV)	\$2,800	1,836	\$1.53	\$3,085	1,895	\$1.63
4BR / 4BA	@60%	\$2,800	1,836	\$1.53	\$3,085	1,895	\$1.63

Towns at Swift Creek offers washer/dryers and a swimming pool, all of which the proposed Subject will lack. However, the Subject will offer walk-in closets, which are not provided by Towns at Swift Creek. On balance, we believe the in-unit and property amenity packages offered by Towns at Swift Creek to be superior and slightly superior relative to the proposed Subject, respectively. The Subject's proposed unit sizes are smaller than those at Towns at Swift Creek. In overall terms, we believe the Subject will be a slightly inferior product relative to the Towns at Swift Creek. Our concluded achievable market rents for the Subject's units are below the rents reported by Towns at Swift Creek.

Classified Listings

To supplement the lack of available market rate data for four-bedroom units in the market, an analysis of classified listings for four-bedroom units in the southwest Richmond area is included in the following table.

CLASSIFIED LISTINGS

Unit Type	Building Type	Rent	Size (SF)	Rent PSF	Condition
<i>Four-bedroom units</i>					
4BR / 2.5BA	Single-family home	\$3,100	2,100	\$1.48	Average
4BR / 1BA	Single-family home	\$2,550	2,550	\$1.00	Average
4BR / 2.5BA	Single-family home	\$2,650	2,540	\$1.04	Average
4BR / 1BA	Single-family home	\$2,200	1,700	\$1.29	Average
4BR / 2BA	Single-family home	\$2,650	1,694	\$1.56	Average
Average		\$2,630	2,117	\$1.28	

Source: Zillow, retrieved April 2025

The majority of the classified listings are larger units in single-family homes that are in inferior condition to the Subject's proposed units. As such, our concluded achievable market rents are above the average but within the surveyed range of classified listings.

Summary Evaluation

The comparables reported vacancy rates ranging from zero to 6.9 percent, with an average of 1.8 percent. The average vacancy rate reported by the affordable comparables was 3.2 percent, while the average vacancy rate reported by the market rate comparables was 1.2 percent. Based on the performance of the LIHTC comparables, we expect the Subject will operate at a vacancy rate of 5.0 percent or less. Based on the comparable data, rental rates at the maximum allowable levels are achievable. Overall, the Subject will be well-accepted in the market as a LIHTC/PBV property. Based on the performance of the comparable properties, we expect the Subject to operate with a vacancy rate of five percent, or less. It should be noted there is no precedent in the market for a development of this size comprised only of three and four-bedroom units. None of the LIHTC comparables offer four-bedroom units.

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 3,240 units at nine properties. Excluding Morningside Apartments which reported all vacancies offline for renovations, the affordable properties in the area reported occupancy rates of 98.0 percent or higher, with one of the properties reporting no vacancies. Further, the strong occupancy rates at the majority of the market rate projects 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 and awarded housing located in the PMA.

I. 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

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 communities of Manchester, Midlothian and South Richmond. The PMA boundaries are: VA 76 and the James River to the north; US 301 to the east; World War II Veterans Memorial Highway to the south; and Courthouse Road to the west. The PMA encompasses 26 square miles. We believe that additional support will originate from areas outside of the established PMA. We estimate a leakage of 10 percent. The secondary market area (SMA) for the Subject is Richmond, VA Metropolitan Statistical Area (MSA), which consists of Amelia, Caroline, Charles City, Chesterfield, Colonial Heights City, Dinwiddie, Goochland, Hanover, Henrico, Hopewell City, King William, New Kent, Petersburg City, Powhatan, Prince George, Richmond City, and Sussex Counties in Virginia.

Demographic Information

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 uses data provided by the ESRI Business Analyst. Business Analyst brings in data as produced by ESRI’s team of demographers. Sources include the US 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 (including 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. However, senior properties are restricted to tenants who have reached the age of at least 55 or 62 years based upon the specifics of the applicable program. A property designated for seniors is analyzed using demographic data that includes only those households that are 65 years old and above. Even if a project has the lower restriction of 55 years of age, we still use the 65 plus as our research indicates that those younger than 65 are unlikely to seek age restrictive housing. 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:	Richmond City, Virginia
AMI for four-person household:	\$113,500
Tenancy (Family vs. Senior):	Family
Affordability percentage:	35 percent
Leakage:	10 percent

To establish the number of income-eligible potential tenants for the Subject, the calculations are as follows:

First, we estimate the Subject’s minimum and maximum income levels (income bands) for the proposed LIHTC 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 35 percent for LIHTC-only calculations for family-oriented properties. For senior properties this number increases to 40 percent based upon the nature of senior household economics. The lower end of the income band is calculated by taking the proposed rent by bedroom type multiplying by 12 and dividing by the application percentage to determine an income level. For example, if a property has a one-bedroom unit with proposed gross rents of \$500, the estimated low end of the income range would be \$17,143 based on the family 35 percent or \$15,000 based on the senior 40 percent.

FAMILY INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@50% (PBV)		@60%	
3BR	\$0	\$61,300	\$60,686	\$73,560
4BR	\$0	\$65,850	\$67,714	\$79,020

FAMILY INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@50%		@60%	
3BR	\$50,571	\$61,300	\$60,686	\$73,560
4BR	\$56,434	\$65,850	\$67,714	\$79,020

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. This income distribution was illustrated previously in the demographic analysis section of this report.

RENTER HOUSEHOLD INCOME

Income Cohort	PMA					
	2024		2029		Annual Change 2024 to 2029	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,673	12.1%	2,446	11.1%	-45	-1.7%
\$10,000-19,999	3,307	15.0%	2,868	13.1%	-88	-2.7%
\$20,000-29,999	3,084	14.0%	2,883	13.1%	-40	-1.3%
\$30,000-39,999	2,883	13.1%	2,683	12.2%	-40	-1.4%
\$40,000-49,999	2,305	10.5%	2,195	10.0%	-22	-1.0%
\$50,000-59,999	1,480	6.7%	1,586	7.2%	21	1.4%
\$60,000-74,999	2,091	9.5%	2,138	9.7%	9	0.4%
\$75,000-99,999	2,007	9.1%	2,069	9.4%	12	0.6%
\$100,000-124,999	898	4.1%	1,118	5.1%	44	4.9%
\$125,000-149,999	485	2.2%	756	3.4%	54	11.2%
\$150,000-199,999	446	2.0%	632	2.9%	37	8.3%
\$200,000+	364	1.7%	592	2.7%	46	12.5%
Total	22,023	100.0%	21,966	100.0%		

Source: HISTA Data / Ribbon Demographics 2024, Novogradac, April 2025

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.

FAMILY INCOME DISTRIBUTION 2024 - AS PROPOSED

Income Cohort	Total Renter Households	@50% (PBV)			@60%			All Units		
		cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort
\$0-9,999	2,673	9,999	100.0%	2,673				9,999	100.0%	2,673
\$10,000-19,999	3,307	9,999	100.0%	3,307				9,999	100.0%	3,307
\$20,000-29,999	3,084	9,999	100.0%	3,084				9,999	100.0%	3,084
\$30,000-39,999	2,883	9,999	100.0%	2,883				9,999	100.0%	2,883
\$40,000-49,999	2,305	9,999	100.0%	2,305				9,999	100.0%	2,305
\$50,000-59,999	1,480	9,999	100.0%	1,480				9,999	100.0%	1,480
\$60,000-74,999	2,091	5,851	39.0%	816	14,313	95.4%	1,995	14,999	100.0%	2,091
\$75,000-99,999	2,007				4,021	16.1%	323	4,021	16.1%	323
\$100,000-124,999	898									
\$125,000-149,999	485									
\$150,000-199,999	446									
\$200,000+	364									
Total	22,023		75.1%	16,548		10.5%	2,318		82.4%	18,146

FAMILY INCOME DISTRIBUTION 2024 - ABSENT SUBSIDY

Income Cohort	Total Renter Households	@50%			@60%			All Units		
		cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort
\$0-9,999	2,673									
\$10,000-19,999	3,307									
\$20,000-29,999	3,084									
\$30,000-39,999	2,883									
\$40,000-49,999	2,305									
\$50,000-59,999	1,480	9,427	94.3%	1,395				9,427	94.3%	1,395
\$60,000-74,999	2,091	5,851	39.0%	816	14,313	95.4%	1,995	14,999	100.0%	2,091
\$75,000-99,999	2,007				4,021	16.1%	323	4,021	16.1%	323
\$100,000-124,999	898									
\$125,000-149,999	485									
\$150,000-199,999	446									
\$200,000+	364									
Total	22,023		10.0%	2,211		10.5%	2,318		17.3%	3,809

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 have also calculated 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		
3 BR	70%	Of three-person households in 3BR units
	40%	Of four-person households in 3BR units
	20%	Of five-person households in 3BR units
4 BR	50%	Of four-person households in 4BR units
	80%	Of five-person households in 4BR 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 also analyzed the demand capture rates expected at the Subject by bedroom type. This analysis illustrates demand for all AMI levels.

50% AMI Demand (PBV) As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2024

	Renter Household Size	Total Number of Renter
	Distribution	Households
1 person	38.2%	8,408
2 persons	24.8%	5,472
3 persons	16.2%	3,559
4 persons	10.3%	2,276
5+ persons	10.5%	2,308
Total	100.0%	22,023

Income-Qualified Renter Demand

	Total Number of Renter		% Income-Qualified Renter	Number Qualified Renter
	Households		Households	Households
1 person	8,408	x	75.1%	6,318
2 persons	5,472	x	75.1%	4,112
3 persons	3,559	x	75.1%	2,674
4 persons	2,276	x	75.1%	1,710
5+ persons	2,308	x	75.1%	1,734
Total	22,023			16,548

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter
	Households
3BR	2,903
4BR	2,242
Total	5,145

Capture Rate Analysis - @50% (PBV) - As Proposed

	Developer's Unit Mix	Capture Rate
3BR	43	1.48%
4BR	19	0.85%
Total/Overall	62	1.20%

Adjusted for Leakage from Outside of the PMA

10%

3BR	43	1.33%
4BR	19	0.76%
Total/Overall	62	1.08%

60% AMI Demand As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2024

	Renter Household Size	Total Number of Renter
	Distribution	Households
1 person	38.2%	8,408
2 persons	24.8%	5,472
3 persons	16.2%	3,559
4 persons	10.3%	2,276
5+ persons	10.5%	2,308
Total	100.0%	22,023

Income-Qualified Renter Demand

	Total Number of Renter		% Income-Qualified Renter	Number Qualified Renter
	Households		Households	Households
1 person	8,408	x	10.5%	885
2 persons	5,472	x	10.5%	576
3 persons	3,559	x	10.5%	375
4 persons	2,276	x	10.5%	240
5+ persons	2,308	x	10.5%	243
Total	22,023			2,318

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter
	Households
3BR	407
4BR	314
Total	721

Capture Rate Analysis - @60% - As Proposed

	Developer's Unit Mix	Capture Rate
3BR	121	29.75%
4BR	51	16.23%
Total/Overall	172	23.86%

Adjusted for Leakage from Outside of the PMA

10%

3BR	121	26.78%
4BR	51	14.61%
Total/Overall	172	21.48%

All Units Demand – As Proposed

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2024

	Renter Household Size	Total Number of Renter
	Distribution	Households
1 person	38.2%	8,408
2 persons	24.8%	5,472
3 persons	16.2%	3,559
4 persons	10.3%	2,276
5+ persons	10.5%	2,308
Total	100.0%	22,023

Income-Qualified Renter Demand

	Total Number of Renter		% Income-Qualified Renter	Number Qualified Renter
	Households		Households	Households
1 person	8,408	x	82.4%	6,928
2 persons	5,472	x	82.4%	4,509
3 persons	3,559	x	82.4%	2,932
4 persons	2,276	x	82.4%	1,875
5+ persons	2,308	x	82.4%	1,902
Total	22,023			18,146

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter
	Households
3BR	3,183
4BR	2,459
Total	5,642

Capture Rate Analysis - All Units As Proposed

	Developer's Unit Mix	Capture Rate
3BR	164	5.15%
4BR	70	2.85%
Total/Overall	234	4.15%

Adjusted for Leakage from Outside of the PMA

10%

3BR	164	4.64%
4BR	70	2.56%
Total/Overall	234	3.73%

The overall capture rate for the Subject in the subsidized scenario is approximately 3.73 percent, which is considered healthy.

50% AMI Demand – Absent Subsidy

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2024

	Renter Household Size Distribution	Total Number of Renter Households
1 person	38.2%	8,408
2 persons	24.8%	5,472
3 persons	16.2%	3,559
4 persons	10.3%	2,276
5+ persons	10.5%	2,308
Total	100.0%	22,023

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	8,408	x	10.0%	844
2 persons	5,472	x	10.0%	549
3 persons	3,559	x	10.0%	357
4 persons	2,276	x	10.0%	229
5+ persons	2,308	x	10.0%	232
Total	22,023			2,211

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
3BR	388
4BR	300
Total	687

Capture Rate Analysis - @50% Absent Subsidy

	Developer's Unit Mix	Capture Rate
3BR	43	11.09%
4BR	19	6.34%
Total/Overall	62	9.02%

Adjusted for Leakage from Outside of the PMA

10%

3BR	43	9.98%
4BR	19	5.71%
Total/Overall	62	8.12%

60% AMI Demand – Absent Subsidy

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2024

	Renter Household Size Distribution	Total Number of Renter Households
1 person	38.2%	8,408
2 persons	24.8%	5,472
3 persons	16.2%	3,559
4 persons	10.3%	2,276
5+ persons	10.5%	2,308
Total	100.0%	22,023

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	8,408	x	10.5%	885
2 persons	5,472	x	10.5%	576
3 persons	3,559	x	10.5%	375
4 persons	2,276	x	10.5%	240
5+ persons	2,308	x	10.5%	243
Total	22,023			2,318

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
3BR	407
4BR	314
Total	721

Capture Rate Analysis - @60% Absent Subsidy

	Developer's Unit Mix	Capture Rate
3BR	121	29.75%
4BR	51	16.23%
Total/Overall	172	23.86%

Adjusted for Leakage from Outside of the PMA

10%

3BR	121	26.78%
4BR	51	14.61%
Total/Overall	172	21.48%

All Units Demand – Absent Subsidy

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2024

	Renter Household Size Distribution	Total Number of Renter Households
1 person	38.2%	8,408
2 persons	24.8%	5,472
3 persons	16.2%	3,559
4 persons	10.3%	2,276
5+ persons	10.5%	2,308
Total	100.0%	22,023

Income-Qualified Renter Demand

	Total Number of Renter Households		% Income-Qualified Renter Households	Number Qualified Renter Households
1 person	8,408	x	17.3%	1,454
2 persons	5,472	x	17.3%	946
3 persons	3,559	x	17.3%	616
4 persons	2,276	x	17.3%	394
5+ persons	2,308	x	17.3%	399
Total	22,023			3,809

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter Households
3BR	668
4BR	516
Total	1,184

Capture Rate Analysis - All Units Absent Subsidy

	Developer's Unit Mix	Capture Rate
3BR	164	24.54%
4BR	70	13.56%
Total/Overall	234	19.76%

Adjusted for Leakage from Outside of the PMA

10%

3BR	164	22.09%
4BR	70	12.20%
Total/Overall	234	17.78%

The overall capture rate for the Subject in the absent subsidy scenario is approximately 17.78 percent, which is considered moderate.

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 following tables outline 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 change from 2024 to 2029. Since the newly derived population will all be eligible, they are included directly into the annual demand estimate.

Additions to Supply

To determine the amount of competitive new supply entering the market, we consulted an April 2025 CoStar report, conducted an internet search and attempted to contact the City of Richmond Planning Division. However, our calls have not been returned to date. We additionally researched Virginia Housing's listing of LIHTC allocations from 2022 to present. The following table illustrates proposed, planned, under construction, and recently completed developments in the Subject's PMA.

PLANNED DEVELOPMENT							
Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	LIHTC Allocation Year	Construction Status	Distance to Subject
2100 Bainbridge	LIHTC	Senior	83	0	2024	Proposed	3.2 miles
Swansboro Place	LIHTC	Family	90	90	2024	Proposed	3.3 miles
Walmsley Gardens Family	LIHTC	Family	216	216	2024	Proposed	2.3 miles
Walmsley Gardens Senior	LIHTC	Senior	128	0	2024	Proposed	2.3 miles
700 W 44th St I & II	LIHTC/PBRA	Family	144	144	2023	Proposed	1.4 miles
Chippenham Place	LIHTC	Family	144	0	2023	Existing	1.5 miles
Townhomes at Liberty Place	LIHTC/PBRA	Disabled	40	0	2023	Proposed	2.1 miles
Carnation Apartments	LIHTC	Family	218	218	2022	Under Construction	1.2 miles
South Gate	LIHTC	Family	112	0	2022	Existing	2.5 miles
Swansboro	LIHTC	Family	62	0	2022	Existing	2.5 miles
The Maverick	Affordable	Family	124	124	n/a	Proposed	0.5 miles
Belle Heights Phase 2	Market	Family	200	0	n/a	Proposed	3.1 miles
Starview Village	Market	Family	1200	0	n/a	Proposed	1.2 miles
The James at Springline	Market	Family	298	0	n/a	Under Construction	1.2 miles
Totals			3,059	792			

Source: Virginia Housing, CoStar, April 2025

- 2100 Bainbridge is a proposed LIHTC property that was awarded tax credits in 2024. This property will be new construction and offer 83 units for seniors. As the Subject targets seniors, we do not expect any of the units at this property to be directly competitive with the Subject and have not deducted any from our demand analysis.
- Swansboro Place is a proposed LIHTC property that was awarded tax credits in 2024. This property will be new construction and offer 90 units for families. As the Subject also targets families, we expect all 90 of the units at this property to be directly competitive with the Subject and have deducted them from our demand analysis.
- Walmsley Gardens Family is a proposed LIHTC property that was awarded tax credits in 2024. This property will be new construction and offer 216 units for families. As the Subject also targets families, we expect all 216 of the units at this property to be directly competitive with the Subject and have deducted them from our demand analysis.
- Walmsley Gardens Senior is a proposed LIHTC property that was awarded tax credits in 2024. This property will be new construction and offer 128 units for seniors. As the Subject targets seniors, we do not expect

any of the units at this property to be directly competitive with the Subject and have not deducted any from our demand analysis.

- 700 W 44th Street I & II is a proposed LIHTC property that was awarded tax credits in 2023. This property will be new construction and offer 144 units for families. As the Subject also targets families, we expect all 144 of the units at this property to be directly competitive with the Subject and have deducted them from our demand analysis.
- Chippenham Place is an existing LIHTC property that was awarded tax credits for renovations in 2023. This property will be newly renovated and offer 144 units for families. As the Subject also targets families, we expect all 144 of the units at this property to be directly competitive with the Subject, however as this property is existing and will not have to re-lease its units we have not deducted them from our demand analysis as proposed or under construction units.
- Townhomes at Liberty Place is a proposed LIHTC/PBRA property that was awarded tax credits in 2023. This property will be new construction and offer 40 units for persons with disabilities. As the Subject targets families, we do not expect any of the units at this property to be directly competitive with the Subject and have not deducted them from our demand analysis.
- Carnation Apartments is an under construction LIHTC property that was awarded tax credits in 2022. This property will be new construction and offer 218 units for families. As the Subject also targets families, we expect all 218 of the units at this property to be directly competitive with the Subject and have deducted them from our demand analysis.
- South Gate is an existing LIHTC property that was awarded tax credits for renovations in 2022. This property will be newly renovated and offer 112 units for families. As the Subject also targets families, we expect all 112 of the units at this property to be directly competitive with the Subject, however as this property is existing and will not have to re-lease its units we have not deducted them from our demand analysis as proposed or under construction units.
- Swansboro is an existing LIHTC property that was awarded tax credits for renovations in 2022. This property will be newly renovated and offer 62 units for families. As the Subject also targets families, we expect all 62 of the units at this property to be directly competitive with the Subject, however as this property is existing and will not have to re-lease its units we have not deducted them from our demand analysis as proposed or under construction units.
- The Maverick is a proposed affordable property that according to our research was not awarded tax credits but will offer affordable units. This property will be new construction and offer 124 units for families. As the Subject also targets families, we expect all 124 of the units at this property to be directly competitive with the Subject and have deducted them from our demand analysis.

The remaining under construction and proposed developments are market rate properties that will not be considered competitive with the Subject. Therefore, we will deduct the 792 proposed and under construction units from our capture rate analysis that are expected to compete with the Subject.

Annual Demand Table -- As Proposed

ANNUAL DEMAND - AS PROPOSED		
Calculation		PMA
Number of Renter Households in 2024		22,023
Increase in Number of Renter Households		(57)
Number of Renter Households in 2029		21,966
<i>Existing Demand</i>		
Percentage of Total Households that are Renter		43.3%
Percentage of Income-Qualified Renter Households		82.4%
Number of Income-Qualified Renter Households		18,146
Percentage of Rent-Overburdened		44.3%
Existing Income-Qualified Renter Household Turnover		8,036
<i>New Income-Qualified Demand, Stated Annually</i>		
Increase in Renter Households per Annum		(11)
Percentage of Income-Qualified Renter Households		82.4%
New Rental Income Qualified Households		(9)
<i>Capture Rate Analysis</i>		
Number of Units in Subject		234
Occupied Units at Subject With Vacancy of:	5%	222
Units Pre-Leased		0
Total Demand (Turnover and Growth) from within PMA		8,027
Portion Originating within PMA		90%
Total Demand (Turnover and Growth) from within PMA		8,919
Less: Existing LIHTC Projects in Absorption Process (Number of Units)	792	
Total Demand after Competition (Turnover and Growth)		8,127
Yielded Annual Capture Rate of Available Demand in 2025		2.7%

As proposed, the annual capture rate is 2.7 percent for all of the Subject's units, which is considered healthy. The table below illustrates the annual capture rate for the Subject in the absent subsidy scenario.

Annual Demand Table – Absent Subsidy

ANNUAL DEMAND - ABSENT SUBSIDY		
Calculation		PMA
Number of Renter Households in 2024		22,023
Increase in Number of Renter Households		(57)
Number of Renter Households in 2029		21,966
<i>Existing Demand</i>		
Percentage of Total Households that are Renter		43.3%
Percentage of Income-Qualified Renter Households		17.3%
Number of Income-Qualified Renter Households		3,809
Percentage of Rent-Overburdened		44.3%
Existing Income-Qualified Renter Household Turnover		1,687
<i>New Income-Qualified Demand, Stated Annually</i>		
Increase in Renter Households per Annum		(11)
Percentage of Income-Qualified Renter Households		17.3%
New Rental Income Qualified Households		(2)
<i>Capture Rate Analysis</i>		
Number of Units in Subject		234
Occupied Units at Subject With Vacancy of:		5%
Units Pre-Leased		0
Total Demand (Turnover and Growth) from within PMA		1,685
Portion Originating within PMA		90%
Total Demand (Turnover and Growth) from within PMA		1,872
Less: Existing LIHTC Projects in Absorption Process (Number of Units)		792
Total Demand after Competition (Turnover and Growth)		1,080
Yielded Annual Capture Rate of Available Demand in 2025		20.6%

Absent subsidy, the annual capture rate is 20.6 percent for all of the Subject's units, which is considered moderate. Therefore, we believe that there is adequate demand for the Subject's units in the market.

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.

Virginia Housing Demand Table – As Proposed

We have determined the overall stabilized LIHTC weighted average vacancy rate among comparable properties is 3.2 percent. As noted previously, we have included four properties in the PMA as comparables in this report and they have reported a total of 33 comparable vacant units. We have deducted these 33 units from these properties in our analysis. It should be noted that we only deducted a total of 571 units at the 50 and 60 percent of the AMI that will directly compete with the Subject from the following capture rate calculations as proposed, and a total of 563 units at the 50 and 60 percent of the AMI that will directly compete with the Subject from the following capture rate calculations as proposed.

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

VIRGINIA HOUSING DEMAND ANALYSIS (AS PROPOSED)

Income Restrictions	Up to 50% (\$0 - \$65,850)	Up to 60% (\$60,686 - \$79,020)	Project Total (\$0 - \$79,020)
New Rental Households	-29	-4	-32
+			
Existing Households - Overburdened	7,329	1,027	8,036
+			
Existing Households - Substandard Housing	411	58	451
+			
Senior Households - Likely to Convert to Rental Housing	0	0	0
+			
Total Demand	7,710	1,080	8,455
-			
Supply (includes directly comparable vacant units completed or in pipeline in PMA)	112	459	571
Net Demand	7,598	621	7,884
Proposed Units	62	172	234
Capture Rate	0.8%	27.7%	3.0%
Absorption Period	4-5 Months	11-12 Months	15-16 Months

- **New Rental Households:** The number of new renter households was calculated previously in Annual Demand using the increase in renter households per annum and the percentage of income-qualified renter households.
- **Existing Households – Overburdened:** We calculated the number of existing households that are rent-overburdened using the percentage of households that are rent-overburdened in the PMA (44.3 percent) and the total number of income-qualified renter households in the PMA.
- **Existing Households – Substandard Housing:** We calculated the number of existing households that are living in substandard housing using the percentage of households that are living in substandard housing in the PMA (2.5 percent) and the total number of income-qualified renter households in the PMA.

- Absorption Period: We calculated the absorption period for each AMI level and the project total by applying our concluded absorption rate of 15 units per month to the number of proposed units.

In our previous demand calculations and discussions, we used a leakage rate of 10 percent, as these calculations do not take into account former homeowners. Virginia Housing does not require a capture rate calculation with leakage. However, according to the Virginia Housing guidelines, “the analyst is free to state other measures of demand in the body of the report.”

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

Project Wide Capture Rate As Proposed - LIHTC Units	3.0%
Project Wide Capture Rate As Proposed - Market Units	N/A
Project Wide Capture Rate As Proposed - All Units	3.0%
Project Wide Absorption Period (Months)	15-16 months

Virginia Housing Demand Table – Absent Subsidy

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

VIRGINIA HOUSING DEMAND ANALYSIS (ABSENT SUBSIDY)

Income Restrictions	Up to 50% (\$50,571 - \$65,850)	Up to 60% (\$60,686 - \$79,020)	Project Total (\$50,571 - \$79,020)
New Rental Households	-4	-4	-7
+			
Existing Households - Overburdened	979	1,027	1,687
+			
Existing Households - Substandard Housing	55	58	95
+			
Senior Households - Likely to Convert to Rental Housing	0	0	0
+			
Total Demand	1,030	1,080	1,775
-			
Supply (includes directly comparable vacant units completed or in pipeline in PMA)	104	459	563
Net Demand	926	621	1,212
Proposed Units	62	172	234
Capture Rate	6.7%	27.7%	19.3%
Absorption Period	4-5 Months	11-12 Months	15-16 Months

- New Rental Households: The number of new renter households was calculated previously in Annual Demand using the increase in renter households per annum and the percentage of income-qualified renter households.

- Existing Households – Overburdened: We calculated the number of existing households that are rent-overburdened using the percentage of households that are rent-overburdened in the PMA (44.3 percent) and the total number of income-qualified renter households in the PMA.
- Existing Households – Substandard Housing: We calculated the number of existing households that are living in substandard housing using the percentage of households that are living in substandard housing in the PMA (2.5 percent) and the total number of income-qualified renter households in the PMA.
- Absorption Period: We calculated the absorption period for each AMI level and the project total by applying our concluded absorption rate of 15 units per month to the number of proposed units.

While the capture rate is moderate absent subsidy, we believe there is adequate demand for the Subject absent subsidy, especially given the high occupancy rates among the majority of the LIHTC comparables. Our concluded capture rate and absorption period is shown in the table below.

Project Wide Capture Rate Absent Subsidy - LIHTC Units	19.3%
Project Wide Capture Rate Absent Subsidy - Market Units	N/A
Project Wide Capture Rate Absent Subsidy - All Units	19.3%
Project Wide Absorption Period (Months)	15-16 months

PENETRATION RATE ANALYSIS

Penetration Rate – As Proposed

Per Virginia Housing guidelines, we also performed a penetration rate analysis for the Subject's units as proposed and absent subsidy, as illustrated in the following tables.

PENETRATION RATE	
Number of Proposed Competitive Affordable Units in the PMA	792
	+
Number of Existing Competitive Family Affordable Units in the PMA	3,069
	+
Number of Proposed Affordable Units at the Subject	234
	=
Total	4,095
	/
Income Eligible Households - All AMI Levels	18,146
	=
Overall Penetration Rate - Market Focus (NCHMA)	22.6%

The overall penetration rate is derived by taking the number of LIHTC units proposed or under construction within the PMA, combined with the number of existing LIHTC units, and the number of the Subject's units divided by the number of income eligible households.

Penetration Rate – Absent Subsidy

Per Virginia Housing guidelines, we also performed a penetration rate analysis for the Subject's units as proposed and absent subsidy, as illustrated in the following tables.

PENETRATION RATE	
Number of Proposed Competitive <i>LIHTC</i> Units in the PMA	792
	+
Number of Existing Competitive Family <i>LIHTC</i> Units in the PMA	2,337
	+
Number of Proposed <i>LIHTC</i> Units at the Subject	234
	=
Total	3,363
	/
Income Eligible Households - All AMI Levels	3,809
	=
Overall Penetration Rate - Market Focus (NCHMA)	88.3%

The overall penetration rate is derived by taking the number of *LIHTC* units proposed or under construction within the PMA, combined with the number of existing *LIHTC* units, and the number of the Subject's units divided by the number of income eligible households. The following table illustrates the *LIHTC* properties within the PMA that are family oriented.

Existing affordable housing projects in the PMA will not be adversely affected by the proposed construction of the Subject property. A survey of comparable affordable *LIHTC* rental housing developments in the area demonstrates significant demand for quality rental units.

EXISTING AFFORDABLE PROPERTIES IN PMA

Property Name	Rent Structure	Tenancy	Total Units	Competitive LIHTC Units	Competitive Subsidized Units
Arbors at Hull Street	LIHTC	Senior	186	0	0
Belle Summit	LIHTC	Family	50	50	0
Blue Ridge Estates	LIHTC	Family	182	182	0
Countryside Apartments	LIHTC	Family	59	59	0
Foxwood Apts	LIHTC	Family	60	60	0
Genesis Homes South	LIHTC	Family	60	60	0
Holly Ridge (Aka Norcroft)	LIHTC	Family	109	109	0
Linden At Forest Hill	LIHTC	Family	58	58	0
McGuire Park	LIHTC	Family	80	80	0
Melvin C. Fox Manor	LIHTC	Senior	50	0	0
Port City I	LIHTC	Family	135	135	0
Port City II	LIHTC	Family	147	147	0
Renaissance Senior Apartments	LIHTC	Senior	240	0	0
Stonewall Place	LIHTC	Senior	70	0	0
Studios I	LIHTC	Family	21	21	0
Studios II	LIHTC	Family	39	39	0
Swansboro Apartments	LIHTC	Family	63	63	0
The Bend At 4800	LIHTC	Family	248	248	0
The Park at Ridgedale	LIHTC	Senior	120	0	0
Townhomes at Warwick Place I	LIHTC	Family	40	40	0
Tuscany Townhomes (Fka Brook Run Apartments)	LIHTC	Family	132	132	0
Urbana at Hioaks	LIHTC	Family	216	216	0
Village South Townhomes	LIHTC	Family	296	296	0
Watermark Gardens	LIHTC	Senior	80	0	0
Morningside Apartments	LIHTC/ Market	Family	392	249	0
Bainbridge	LIHTC/ Section 8	Family	18	0	18
Chippenham Place	LIHTC/ Section 8	Family	144	0	144
Oscar E Stovall Place	LIHTC/ Section 8	Family	30	0	30
The Belt Atlantic	LIHTC/ Section 8	Family	216	0	213
Alexander At 1090	LIHTC/PBRA	Family	96	93	5
Townhomes at Warwick Place II	LIHTC/PBRA	Disabled	30	0	0
Bliley Manor	Section 8	Family	8	0	8
Charnwood Forest	Section 8	Senior	100	0	0
Chesterfield Alternatives Group Home	Section 8	Family	8	0	8
Chesterfield Square Homes	Section 8	Family	175	0	174
Monarch Woods	Section 8	Senior	71	0	0
Saints Cosma & Damianos House	Section 8	Senior	35	0	0
Town & Country South	Section 8	Family	132	0	132
Totals			4,196	2,337	732

Only one of the comparables was able to report recent absorption data. In order to supplement our analysis, we have included absorption data for recently constructed multifamily properties within 10 miles of the Subject. This absorption information is presented in the following table.

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Model Tobacco	Market	Family	Richmond	2022	203	7	3.2 miles
Towns At Swift Creek*	Market	Family	Midlothian	2021	200	13	8.4 miles
Alexander At 1090*	LIHTC	Family	Richmond	2020	96	48	1.2 miles
The Oliver	LIHTC	Family	Richmond	2020	164	15	5.3 miles
Average Affordable					130	32	
Average Market					202	10	
Overall Average					166	21	

*Comparable Property

The LIHTC properties reported absorption rates of seven to 48 units per month. We project the Subject will experience an absorption rate of 15 units per month, indicating an absorption period of approximately 15 to 16 months. It should be noted that we do not expect that this absorption will adversely impact other LIHTC properties, which are generally performing well. Rent conclusions were provided in *Section H*.

We do not anticipate any future changes in the housing stock or risks in the market area that would adversely affect the Subject. The proposed rents appear to be achievable and we do not believe the Subject will need to rely on voucher support or a project-based subsidy in the future.

Conclusion

The demand analysis illustrates demand for the Subject based on capture rates of income-eligible renter households. The following table details the capture rates by AMI level, the overall capture rate for all units, the annual demand, and the market focus penetration rates.

DEMAND CONCLUSION

Calculation	As Proposed	Absent Subsidy
@50% (PBV)	1.1%	8.1%
@60%	21.5%	21.5%
All Units	3.7%	17.8%
Annual Demand	2.7%	20.6%
Penetration Rate	22.6%	88.3%

The capture rates for the units at 60 percent of the AMI level both as proposed and absent subsidy and all units absent subsidy are moderate. These capture rates are reasonable to moderate taking into account the other indications of demand such as low vacancy. The capture rates at the 60 percent of AMI level as proposed and all absent subsidy capture rates are moderate. The *Demand Analysis* illustrates demand for the Subject based on capture rates of income-eligible renter households. This calculation illustrates that there are approximately 8,127 units of demand in the first year of the Subject's operation based on the annual demand analysis. Absent subsidy, this calculation illustrates that there are approximately 1,080 units of demand in the first year of the Subject's operation based on the annual demand analysis. The Subject will need to accommodate 222 units of demand in order to stabilize at 95 percent occupancy. The demand analysis illustrates adequate demand for the Subject's units. We note that the Subject will need to capture a significant portion of available demand in the Subject's first year of operations. The penetration rates are moderate to elevated and indicative of demand for additional affordable housing supply such as the Subject as a penetration rate of 100 percent is indicative of a balanced market and these penetration rates do not account for leakage from outside of the PMA.

J. 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

The Richmond Redevelopment and Housing Authority (RRHA) is responsible for administering Housing Choice Vouchers in Richmond. We attempted to contact the Richmond Redevelopment and Housing Authority, but our calls have not been returned as of the date of this report. According to the RRHA, 4,044 vouchers are administered by the agency. Additionally, there are approximately 16,000 households currently spread across 30 different waiting lists with the RRHA. The payment standards for one and two-bedroom units are illustrated in the proceeding table.

PAYMENT STANDARDS	
Unit Type	Payment Standard
Three-Bedroom	\$1,685
Four-Bedroom	\$2,154

Source: Virginia Housing, effective January 2024

All of the payment standards are above the Subject's rents at 50 and 60 percent of AMI levels, indicating that voucher tenants will not have to pay additional rent out of pocket.

Planning Discussion

To determine the amount of competitive new supply entering the market, we consulted an April 2025 CoStar report, conducted an internet search and attempted to contact the City of Richmond Planning Division. However, our calls have not been returned to date. We additionally researched Virginia Housing's listing of LIHTC allocations from 2022 to present. The following table illustrates proposed, planned, under construction, and recently completed developments in the Subject's PMA.

PLANNED DEVELOPMENT							
Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	LIHTC Allocation Year	Construction Status	Distance to Subject
2100 Bainbridge	LIHTC	Senior	83	0	2024	Proposed	3.2 miles
Swansboro Place	LIHTC	Family	90	90	2024	Proposed	3.3 miles
Walmsley Gardens Family	LIHTC	Family	216	216	2024	Proposed	2.3 miles
Walmsley Gardens Senior	LIHTC	Senior	128	0	2024	Proposed	2.3 miles
700 W 44th St I & II	LIHTC/PBRA	Family	144	144	2023	Proposed	1.4 miles
Chippenham Place	LIHTC	Family	144	0	2023	Existing	1.5 miles
Townhomes at Liberty Place	LIHTC/PBRA	Disabled	40	0	2023	Proposed	2.1 miles
Carnation Apartments	LIHTC	Family	218	218	2022	Under Construction	1.2 miles
South Gate	LIHTC	Family	112	0	2022	Existing	2.5 miles
Swansboro	LIHTC	Family	62	0	2022	Existing	2.5 miles
The Maverick	Affordable	Family	124	124	n/a	Proposed	0.5 miles
Belle Heights Phase 2	Market	Family	200	0	n/a	Proposed	3.1 miles
Starview Village	Market	Family	1200	0	n/a	Proposed	1.2 miles
The James at Springline	Market	Family	298	0	n/a	Under Construction	1.2 miles
Totals			3,059	792			

Source: Virginia Housing, CoStar, April 2025

- 2100 Bainbridge is a proposed LIHTC property that was awarded tax credits in 2024. This property will be new construction and offer 83 units for seniors. As the Subject targets seniors, we do not expect any of the units at this property to be directly competitive with the Subject and have not deducted any from our demand analysis.
- Swansboro Place is a proposed LIHTC property that was awarded tax credits in 2024. This property will be new construction and offer 90 units for families. As the Subject also targets families, we expect all 90 of the units at this property to be directly competitive with the Subject and have deducted them from our demand analysis.

- Walmsley Gardens Family is a proposed LIHTC property that was awarded tax credits in 2024. This property will be new construction and offer 216 units for families. As the Subject also targets families, we expect all 216 of the units at this property to be directly competitive with the Subject and have deducted them from our demand analysis.
- Walmsley Gardens Senior is a proposed LIHTC property that was awarded tax credits in 2024. This property will be new construction and offer 128 units for seniors. As the Subject targets seniors, we do not expect any of the units at this property to be directly competitive with the Subject and have not deducted any from our demand analysis.
- 700 W 44th Street I & II is a proposed LIHTC property that was awarded tax credits in 2023. This property will be new construction and offer 144 units for families. As the Subject also targets families, we expect all 144 of the units at this property to be directly competitive with the Subject and have deducted them from our demand analysis.
- Chippenham Place is an existing LIHTC property that was awarded tax credits for renovations in 2023. This property will be newly renovated and offer 144 units for families. As the Subject also targets families, we expect all 144 of the units at this property to be directly competitive with the Subject, however as this property is existing and will not have to re-lease its units we have not deducted them from our demand analysis as proposed or under construction units.
- Townhomes at Liberty Place is a proposed LIHTC/PBRA property that was awarded tax credits in 2023. This property will be new construction and offer 40 units for persons with disabilities. As the Subject targets families, we do not expect any of the units at this property to be directly competitive with the Subject and have not deducted them from our demand analysis.
- Carnation Apartments is an under construction LIHTC property that was awarded tax credits in 2022. This property will be new construction and offer 218 units for families. As the Subject also targets families, we expect all 218 of the units at this property to be directly competitive with the Subject and have deducted them from our demand analysis.
- South Gate is an existing LIHTC property that was awarded tax credits for renovations in 2022. This property will be newly renovated and offer 112 units for families. As the Subject also targets families, we expect all 112 of the units at this property to be directly competitive with the Subject, however as this property is existing and will not have to re-lease its units we have not deducted them from our demand analysis as proposed or under construction units.
- Swansboro is an existing LIHTC property that was awarded tax credits for renovations in 2022. This property will be newly renovated and offer 62 units for families. As the Subject also targets families, we expect all 62 of the units at this property to be directly competitive with the Subject, however as this property is existing and will not have to re-lease its units we have not deducted them from our demand analysis as proposed or under construction units.
- The Maverick is a proposed affordable property that according to our research was not awarded tax credits but will offer affordable units. This property will be new construction and offer 124 units for families. As the Subject also targets families, we expect all 124 of the units at this property to be directly competitive with the Subject and have deducted them from our demand analysis.

The remaining under construction and proposed developments are market rate properties that will not be considered competitive with the Subject. Therefore, we will deduct the 792 proposed and under construction units from our capture rate analysis that are expected to compete with the Subject.

K. ANALYSIS/CONCLUSIONS

Recommendations

In general, we believe there is demand in the marketplace for the Subject. We recommend no changes for the Subject property.

Demand Summary

We believe there is ample demand for the Subject. Our VHDA concluded capture rates and absorption are shown in the table below.

Project Wide Capture Rate As Proposed - LIHTC Units	3.0%
Project Wide Capture Rate As Proposed - Market Units	N/A
Project Wide Capture Rate As Proposed - All Units	3.0%
Project Wide Absorption Period (Months)	15-16 months

Project Wide Capture Rate Absent Subsidy - LIHTC Units	19.3%
Project Wide Capture Rate Absent Subsidy - Market Units	N/A
Project Wide Capture Rate Absent Subsidy - All Units	19.3%
Project Wide Absorption Period (Months)	15-16 months

Additionally, the overall penetration rate for the Subject is 22.6 percent as proposed and 88.3 percent absent subsidy. These figures are moderate to elevated. It should be noted that the penetration rate analysis we have derived is conservative because it does not account for leakage (i.e. tenants originating outside of the PMA). Overall, the derived penetration rate for the Subject is considered reasonable.

Strengths and Weaknesses of the Subject

Strengths

- The Subject will be new construction and will be among the newest multifamily developments in the market. Upon completion, the property will be similar to superior to the comparable properties in terms of condition.
- The Subject will offer large unit sizes and a desirable townhome style design.
- One of the four LIHTC properties are fully occupied. The average LIHTC vacancy rate for stabilized properties is 3.2 percent. Overall, this indicates strong demand for affordable housing in the market.
- The Subject site is located in close proximity to many services, public transportation, and retailers.

Weaknesses

- The capture rates in the absent subsidy scenario are moderate, however, taking into account the other indications of demand such as low vacancy, we believe there is sufficient demand for the Subject as proposed.
- The Subject's four-bedroom units are at a disadvantage and considered a weakness. We note there is a limited sample of four-bedroom units in the market.
- There is no precedent in the market for a development of this size comprised only of three and four-bedroom units. None of the LIHTC comparables offer four-bedroom units.

Absorption Estimate

We obtained absorption information from the following developments.

ABSORPTION							
Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Model Tobacco	Market	Family	Richmond	2022	203	7	3.2 miles
Towns At Swift Creek*	Market	Family	Midlothian	2021	200	13	8.4 miles
Alexander At 1090*	LIHTC	Family	Richmond	2020	96	48	1.2 miles
The Oliver	LIHTC	Family	Richmond	2020	164	15	5.3 miles
Average Affordable					130	32	
Average Market					202	10	
Overall Average					166	21	

*Comparable Property

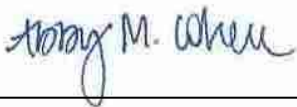
The LIHTC properties reported absorption rates of seven to 48 units per month. We project the Subject will experience an absorption rate of 15 units per month, indicating an absorption period of approximately 15 to 16 months.

L. OTHER REQUIREMENTS

Pursuant to Virginia Housing Requirements, we certify:

1. We have made a physical inspection of the site and market area.
2. The appropriate information has been used in the comprehensive evaluation of the need and demand for the proposed rental units.
3. To the best of our knowledge the market can support the demand shown in this study. We 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. No one at this firm has any interest in the proposed development or a relationship with the ownership entity.
5. No one at this firm, nor anyone acting on behalf of the firm in connection with the preparation of this report, has communicated to others that the firm is representing Virginia Housing or in any way acting for, at the request of, or on behalf of Virginia Housing.
6. Compensation for our services is not contingent on this development receiving a LIHTC reservation or allocation.
7. Evidence of our NCHMA membership is included.


Novogradac,



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April 28, 2025

Date

ADDENDUM A

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 B
Subject Property and Neighborhood Photographs

PHOTOGRAPHS OF SUBJECT AND NEIGHBORHOOD



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 south along E German School Road



View south along E German School Road



View north along Labrook Concourse



View south along Labrook Concourse



Recreation center west of Subject



Comercial use west of Subject



Self storage facility west of Subject



Commercial use west of Subject



Commercial use north of Subject



Commercial use north of Subject



Retail center east of Subject



Retail center east of Subject



Typical single-family south of Subject



Typical single-family south of Subject



Typical single-family south of Subject



Typical single-family south of Subject



Typical single-family south of Subject



Typical single-family south of Subject

ADDENDUM C

Subject Matrices and Property Profile

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	Joyfield At School Road	-	Townhouse	@50% (PBV), @60%	3BR / 4BA	43	18.4%	1,602	@50% (PBV)	\$2,215	N/A	N/A	N/A	N/A
	250 E German School Rd		3-stories		3BR / 4BA	121	51.7%	1,602	@60%	\$1,660	Yes	N/A	N/A	N/A
	Richmond, VA 23224		2026 / n/a		4BR / 4BA	19	8.1%	1,836	@50% (PBV)	\$2,793	N/A	N/A	N/A	N/A
	Richmond City County		Family		4BR / 4BA	51	21.8%	1,836	@60%	\$1,845	Yes	N/A	N/A	N/A
						234							N/A	N/A
1	Alexander At 1090	1.2 miles	Garden	@40%, @40% (Project Based Rental Assistance - PBRA), @50%, @50% (Project	2BR / 2BA	2	2.1%	907	@40%	\$930	No	Yes	0	0.0%
	1090 German School Rd		4-stories		2BR / 2BA	3	3.1%	907	@40% (Project Based Rental Assistance - PBRA)	\$1,034	N/A	Yes	0	0.0%
	Richmond, VA 23225		2020 / n/a		2BR / 2BA	16	16.7%	907	@50%	\$1,178	No	Yes	0	0.0%
	Richmond City County		Family		2BR / 2BA	43	44.8%	907	@60%	\$1,427	No	Yes	0	0.0%
					3BR / 2BA	2	2.1%	1,036	@50% (Project Based Rental Assistance - PBRA)	\$1,352	N/A	Yes	0	0.0%
					3BR / 2BA	30	31.3%	1,036	@60%	\$1,652	No	Yes	0	0.0%
						96							0	0.0%
2	Morningside Apartments	1.5 miles	Various	@60%, Market	2BR / 1BA	9	2.3%	925	Market	\$1,201	No	No	0	0.0%
	1414 Newell Road		2-stories		2BR / 1.5BA	26	6.6%	977	@60%	\$1,196	No	No	0	0.0%
	Richmond, VA 23225		1966 / 2025		2BR / 1.5BA	92	23.5%	1,032	@60%	\$1,196	No	No	0	0.0%
	Richmond City County		Family		2BR / 1.5BA	16	4.1%	977	Market	\$1,246	No	No	0	0.0%
						392							27	6.9%
3	The Bend At 4800	3.4 miles	Garden	@60%	2BR / 2BA	122	49.2%	983	@60%	\$1,423	No	No	4	3.3%
	4800 Burnt Oak Drive		4-stories		3BR / 2BA	126	50.8%	1,112	@60%	\$1,639	No	No	1	0.8%
	Richmond, VA 23234		2003 / 2021											
	Chesterfield County		Family											
						248							5	2.0%
4	Village South Townhomes	2.4 miles	Various	@50%, @60%	1BR / 1BA	N/A	N/A	675	@50%	\$1,013	Yes	No	1	N/A
	3450 Maury Street		2-stories		2BR / 1BA	N/A	N/A	850	@50%	\$1,211	Yes	No	0	N/A
	Richmond, VA 23224		1947 / 2023		2BR / 1.5BA	N/A	N/A	912	@50%	\$1,211	Yes	No	0	N/A
	Richmond City County		Family		3BR / 1BA	N/A	N/A	1,000	@50%	\$1,394	Yes	No	0	N/A
					3BR / 1BA	N/A	N/A	1,000	@60%	\$1,789	Yes	No	0	N/A
						296							1	0.3%
5	Cloverleaf Lake	1.1 miles	Townhouse	Market	1BR / 1.5BA	10	4.8%	1,065	Market	\$1,638	N/A	No	0	0.0%
	6295 Starview Court		2-stories		2BR / 1.5BA	190	90.5%	1,065	Market	\$1,871	N/A	No	1	0.5%
	Richmond, VA 23225		1972 / 2015		2BR / 1.5BA	N/A	N/A	1,065	Market	\$1,886	N/A	No	0	N/A
	Chesterfield County		Family		2BR / 1.5BA	N/A	N/A	1,065	Market	\$1,861	N/A	No	0	N/A
					3BR / 2.5BA	10	4.8%	1,200	Market	\$2,219	N/A	No	0	0.0%
						210							1	0.5%
6	Communities At Southwood	1.5 miles	Various	Market	1BR / 1BA	333	25.9%	621	Market	\$1,087	N/A	No	0	0.0%
	4602 Southwood Parkway		2-stories		2BR / 1BA	160	12.4%	847	Market	\$1,383	N/A	No	0	0.0%
	Richmond, VA 23224		1960 / 2010		2BR / 2BA	68	5.3%	934	Market	\$1,383	N/A	No	0	0.0%
	Richmond City County		Family		2.5BR / 2BA	210	16.3%	1,169	Market	\$1,531				

RENT AND SQUARE FOOTAGE RANKING -- All rents adjusted for utilities and concessions extracted from the market.

	Units Surveyed:	3,240	Weighted Occupancy:	98.2%
	Market Rate	2,208	Market Rate	98.8%
	Tax Credit	1,032	Tax Credit	96.8%
Three Bedroom Four Bath		Four Bedroom Four Bath		
	Property	Average	Property	Average
RENT	Towns At Swift Creek (Market)(2.5BA)	\$2,960	Towns At Swift Creek (Market)(2.5BA)	\$3,386
	Towns At Swift Creek (Market)(2.5BA)	\$2,846	Towns At Swift Creek (Market)(2.5BA)	\$3,085
	Joyfield At School Road (1602 SF)(AMR)	\$2,500	Joyfield At School Road (1836 SF)(AMR)	\$2,800
	Cloverleaf Lake (Market)(2.5BA)	\$2,219	Joyfield At School Road (@50%)	\$2,793
	Joyfield At School Road (@50%)	\$2,215	Joyfield At School Road (@60%)(ALR)	\$1,845
	The Point At Beaufont (Market)(2BA)	\$2,176	Joyfield At School Road (@60%)	\$1,845
	Reserve South Apartments (Market)(2BA)	\$2,094	Joyfield At School Road (@50%)(ALR)	\$1,516
	Village South Townhomes (@60%)(1BA)	\$1,789		
	Communities At Southwood (Market)(2BA)	\$1,694		
	Communities At Southwood (Market)(1BA)	\$1,666		
	Joyfield At School Road (@60%)(ALR)	\$1,660		
	Joyfield At School Road (@60%)	\$1,660		
	Alexander At 1090 (@60%)(2BA)	\$1,652		
	The Bend At 4800 (@60%)(2BA)	\$1,639		
	Village South Townhomes (@50%)(1BA)	\$1,394		
	Joyfield At School Road (@50%)(ALR)	\$1,365		
	Alexander At 1090 (@50%)(2BA)	\$1,352		
SQUARE FOOTAGE	Towns At Swift Creek (Market)(2.5BA)	1,800	Towns At Swift Creek (Market)(2.5BA)	2,287
	Towns At Swift Creek (Market)(2.5BA)	1,729	Towns At Swift Creek (Market)(2.5BA)	1,895
	Joyfield At School Road (@60%)	1,602	Joyfield At School Road (@60%)	1,836
	Joyfield At School Road (@50%)	1,602	Joyfield At School Road (@50%)	1,836
	The Point At Beaufont (Market)(2BA)	1,203		
	Cloverleaf Lake (Market)(2.5BA)	1,200		
	Communities At Southwood (Market)(2BA)	1,184		
	The Bend At 4800 (@60%)(2BA)	1,112		
	Reserve South Apartments (Market)(2BA)	1,100		
	Alexander At 1090 (@60%)(2BA)	1,036		
	Alexander At 1090 (@50%)(2BA)	1,036		
	Village South Townhomes (@50%)(1BA)	1,000		
	Village South Townhomes (@60%)(1BA)	1,000		
	Communities At Southwood (Market)(1BA)	933		
RENT PER SQUARE FOOT	Reserve South Apartments (Market)(2BA)	\$1.90	Towns At Swift Creek (Market)(2.5BA)	\$1.63
	Cloverleaf Lake (Market)(2.5BA)	\$1.85	Joyfield At School Road (1836 SF)(AMR)	\$1.53
	The Point At Beaufont (Market)(2BA)	\$1.81	Joyfield At School Road (@50%)	\$1.52
	Village South Townhomes (@60%)(1BA)	\$1.79	Towns At Swift Creek (Market)(2.5BA)	\$1.48
	Communities At Southwood (Market)(1BA)	\$1.79	Joyfield At School Road (@60%)(ALR)	\$1.00
	Towns At Swift Creek (Market)(2.5BA)	\$1.71	Joyfield At School Road (@60%)	\$1.00
	Alexander At 1090 (@60%)(2BA)	\$1.59	Joyfield At School Road (@50%)(ALR)	\$0.83
	Towns At Swift Creek (Market)(2.5BA)	\$1.58		
	Joyfield At School Road (1602 SF)(AMR)	\$1.56		
	The Bend At 4800 (@60%)(2BA)	\$1.47		
	Communities At Southwood (Market)(2BA)	\$1.43		
	Village South Townhomes (@50%)(1BA)	\$1.39		
	Joyfield At School Road (@50%)	\$1.38		
	Alexander At 1090 (@50%)(2BA)	\$1.31		
	Joyfield At School Road (@60%)	\$1.04		
	Joyfield At School Road (@60%)(ALR)	\$1.04		
	Joyfield At School Road (@50%)(ALR)	\$0.85		

AMENITY MATRIX

[illegible]

PROPERTY PROFILE REPORT

Alexander At 1090

Effective Rent Date	4/03/2025
Location	1090 German School Rd Richmond, VA 23225 Richmond City County
Distance	1.2 miles
Units	96
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (4 stories)
Year Built/Renovated	2020 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Jordan
Phone	804.562.6410



Market Information

Program	@40%, @40% (Project Based Rental
Annual Turnover Rate	10%
Units/Month Absorbed	48
HCV Tenants	0%
Leasing Pace	Pre-leased to within one week
Annual Chg. in Rent	Increased to 2024 max
Concession	None
Waiting List	Yes, unknown 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
2	2	Garden (4 stories)	2	907	\$854	\$0	@40%	Yes	0	0.0%	no	None
2	2	Garden (4 stories)	3	907	\$958	\$0	@40% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
2	2	Garden (4 stories)	16	907	\$1,102	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (4 stories)	43	907	\$1,351	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (4 stories)	2	1,036	\$1,258	\$0	@50% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
3	2	Garden (4 stories)	30	1,036	\$1,558	\$0	@60%	Yes	0	0.0%	no	None

Alexander At 1090, continued

Unit Mix

@40%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$854 - \$958	\$0	\$854 - \$958	\$76	\$930 - \$1,034	2BR / 2BA	\$1,102	\$0	\$1,102	\$76	\$1,178
						3BR / 2BA	\$1,258	\$0	\$1,258	\$94	\$1,352
@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
2BR / 2BA	\$1,351	\$0	\$1,351	\$76	\$1,427						
3BR / 2BA	\$1,558	\$0	\$1,558	\$94	\$1,652						

Amenities

In-Unit		Security	Services
Balcony/Patio		Intercom (Buzzer)	None
Carpeting	Blinds	Limited Access	
Coat Closet	Central A/C		
Ceiling Fan	Dishwasher		
Oven	Garbage Disposal		
Walk-In Closet	Refrigerator		
	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Exercise Facility	None	Dog walk and washing stations
Central Laundry	Off-Street Parking		
On-Site Management	Playground		

Comments

The contact was unable to disclose Housing Choice Voucher usage at the property. The rents are set at the 2024 maximum allowable levels. The contact reported that they do not expect to increase rents to the 2025 maximum allowable levels.

Trend Report

Vacancy Rates

2023	3Q23	2024	2025
10.4%	5.2%	4.2%	0.0%

Trend: @40%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	0.0%	\$782 - \$958	\$0	\$782 - \$958	\$858 - \$1,034
2023	3	0.0%	\$782 - \$958	\$0	\$782 - \$958	\$858 - \$1,034
2024	2	0.0%	\$828 - \$958	\$0	\$828 - \$958	\$904 - \$1,034
2025	2	0.0%	\$854 - \$958	\$0	\$854 - \$958	\$930 - \$1,034

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	0.0%	\$1,008	\$0	\$1,008	\$1,084
2023	3	0.0%	\$1,008	\$0	\$1,008	\$1,084
2024	2	0.0%	\$1,067	\$0	\$1,067	\$1,143
2025	2	0.0%	\$1,102	\$0	\$1,102	\$1,178

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	33.3%	\$1,163 - \$1,258	\$0	\$1,163 - \$1,258	\$1,257 - \$1,352
2023	3	33.3%	\$1,163 - \$1,258	\$0	\$1,163 - \$1,258	\$1,257 - \$1,352
2024	2	33.3%	\$1,231 - \$1,258	\$0	\$1,231 - \$1,258	\$1,325 - \$1,352
2025	2	0.0%	\$1,258	\$0	\$1,258	\$1,352

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	27.3%	\$1,235	\$0	\$1,235	\$1,311
2023	3	7.0%	\$1,235	\$0	\$1,235	\$1,311
2024	2	2.3%	\$1,307	\$0	\$1,307	\$1,383
2025	2	0.0%	\$1,351	\$0	\$1,351	\$1,427

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	7.7%	\$1,425	\$0	\$1,425	\$1,519
2023	3	3.4%	\$1,425	\$0	\$1,425	\$1,519
2024	2	6.9%	\$1,505	\$0	\$1,505	\$1,599
2025	2	0.0%	\$1,558	\$0	\$1,558	\$1,652

Trend: Comments

2Q23	All of the vacant LIHTC units have applicants. The vacant PBV unit is pending approval for the applicant. The contact was unable to disclose Housing Choice Voucher usage at the property. Rents are set at the 2022 maximum. The contact expects the property to increase rents, though she could not comment on when the increase will occur.
3Q23	N/A
2Q24	The contact was unable to disclose Housing Choice Voucher usage at the property. The rents are set at the 2023 maximum allowable levels. The contact expects the property to increase rents in 2024, though they could not comment on when the increase will occur.
2Q25	The contact was unable to disclose Housing Choice Voucher usage at the property. The rents are set at the 2024 maximum allowable levels. The contact reported that they do not expect to increase rents to the 2025 maximum allowable levels.

Photos



PROPERTY PROFILE REPORT

Morningside Apartments

Effective Rent Date	4/02/2025
Location	1414 Newell Road Richmond, VA 23225 Richmond City County
Distance	1.5 miles
Units	392
Vacant Units	27
Vacancy Rate	6.9%
Type	Various (2 stories)
Year Built/Renovated	1966 / 2025
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Majority families. Most of the tenants are from Richmond.
Contact Name	April
Phone	804.327.9151



Market Information

Program	@60%, Market, Non-Rental
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased up to 17%
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	included -- gas
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
2	1	Garden (2 stories)	9	925	\$1,275	\$0	Market	No	0	0.0%	no	None
2	1.5	Townhouse (2 stories)	26	977	\$1,270	\$0	@60%	No	0	0.0%	no	None
2	1.5	Townhouse (2 stories)	92	1,032	\$1,270	\$0	@60%	No	0	0.0%	no	None
2	1.5	Townhouse (2 stories)	16	977	\$1,320	\$0	Market	No	0	0.0%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1.5BA	\$1,270	\$0	\$1,270	-\$74	\$1,196	2BR / 1BA	\$1,275	\$0	\$1,275	-\$74	\$1,201
						2BR / 1.5BA	\$1,320	\$0	\$1,320	-\$74	\$1,246

Morningside Apartments, continued

Amenities

In-Unit		Security	Services
Blinds	Carpet/Hardwood	None	None
Central A/C	Coat Closet		
Dishwasher	Garbage Disposal		
Oven	Refrigerator		
Washer/Dryer hookup			
Property		Premium	Other
Central Laundry	Off-Street Parking	None	Dog park
On-Site Management	Picnic Area		
Playground	Swimming Pool		

Comments

The contact reported there is very high demand for larger affordable unit types in the area. The property is renovating units as they turn over which is the reason for the elevated vacancy. All current vacant units are held offline for renovations. The contact noted that there is no large distinction between affordable and market units, as prices are generally the same or similar. The manager reported they were unsure if there are plans to increase rents with the release of the 2025 rent and income limits, but noted that there is some room for rent growth.

Morningside Apartments, continued

Trend Report

Vacancy Rates

1Q23	2Q23	2Q24	2Q25
0.5%	1.0%	6.9%	6.9%

Trend: @60%

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	0.8%	\$1,135 - \$1,185	\$0	\$1,135 - \$1,185	\$1,061 - \$1,111
2023	2	0.8%	\$1,135 - \$1,185	\$0	\$1,135 - \$1,185	\$1,061 - \$1,111
2024	2	N/A	\$1,270	\$0	\$1,270	\$1,196
2025	2	N/A	\$1,270	\$0	\$1,270	\$1,196

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	0.0%	\$1,000 - \$1,050	\$0	\$1,000 - \$1,050	\$926 - \$976
2023	2	0.0%	\$1,000 - \$1,050	\$0	\$1,000 - \$1,050	\$926 - \$976
2024	2	N/A	\$1,270	\$0	\$1,270	\$1,196
2025	2	N/A	\$1,270	\$0	\$1,270	\$1,196

3BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	0.0%	\$1,300	\$0	\$1,300	\$1,209
2023	2	0.0%	\$1,300	\$0	\$1,300	\$1,209
2024	2	N/A	\$1,520	\$0	\$1,520	\$1,429
2025	2	N/A	\$1,520	\$0	\$1,520	\$1,429

Trend: Market

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	1.0%	\$1,235 - \$1,260	\$0	\$1,235 - \$1,260	\$1,161 - \$1,186
2023	2	2.1%	\$1,235 - \$1,260	\$0	\$1,235 - \$1,260	\$1,161 - \$1,186
2024	2	N/A	\$1,295 - \$1,325	\$58	\$1,237 - \$1,267	\$1,163 - \$1,193
2025	2	N/A	\$1,295 - \$1,335	\$0 - \$58	\$1,237 - \$1,335	\$1,163 - \$1,261

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	0.0%	\$1,185 - \$1,210	\$0	\$1,185 - \$1,210	\$1,111 - \$1,136
2023	2	2.8%	\$1,185 - \$1,210	\$0	\$1,185 - \$1,210	\$1,111 - \$1,136
2024	2	N/A	\$1,270 - \$1,300	\$58	\$1,212 - \$1,242	\$1,138 - \$1,168
2025	2	N/A	\$1,270 - \$1,300	\$0 - \$58	\$1,242 - \$1,275	\$1,168 - \$1,201

3BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	1	0.0%	\$1,500	\$0	\$1,500	\$1,409
2023	2	0.0%	\$1,500	\$0	\$1,500	\$1,409
2024	2	N/A	\$1,520	\$58	\$1,462	\$1,371
2025	2	N/A	\$1,520 - \$1,525	\$0 - \$58	\$1,462 - \$1,525	\$1,371 - \$1,434

Trend: Comments

1Q23	The contact reported that some units have been renovated as tenants move out, though this is only a limited number of the total units. The contact reported that the property typically maintains a waiting list, but that there is currently no one on the waiting list. However, the contact estimated that the vacant units would be rented quickly.
2Q23	The contact reported that some units have been renovated as tenants move out, though this is only a limited number of the total units. The contact was unable to comment on whether higher rents are achievable.
2Q24	The contact reported there is very high demand for larger affordable unit types in the area. The property is renovating units as they turn over which is the reason for the elevated vacancy. All current vacant units are held offline for renovations. The contact noted that there is no large distinction between affordable and market units, as prices are generally the same or similar.
2Q25	The contact reported there is very high demand for larger affordable unit types in the area. The property is renovating units as they turn over which is the reason for the elevated vacancy. All current vacant units are held offline for renovations. The contact noted that there is no large distinction between affordable and market units, as prices are generally the same or similar. The manager reported they were unsure if there are plans to increase rents with the release of the 2025 rent and income limits, but noted that there is some room for rent growth.

Photos



PROPERTY PROFILE REPORT

The Bend At 4800

Effective Rent Date	4/02/2025
Location	4800 Burnt Oak Drive Richmond, VA 23234 Chesterfield County
Distance	3.4 miles
Units	248
Vacant Units	5
Vacancy Rate	2.0%
Type	Garden (4 stories)
Year Built/Renovated	2003 / 2021
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Southpointe Landing, Arbor Lake
Tenant Characteristics	Primarily small families, some couples, few singles or seniors.
Contact Name	Kivona
Phone	(804) 538-3228



Market Information

Program	@60%
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	N/A
Annual Chg. in Rent	Increased to 2024 max
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	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
2	2	Garden (4 stories)	122	983	\$1,423	\$0	@60%	No	4	3.3%	no	None
3	2	Garden (4 stories)	126	1,112	\$1,639	\$0	@60%	No	1	0.8%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$1,423	\$0	\$1,423	\$0	\$1,423
3BR / 2BA	\$1,639	\$0	\$1,639	\$0	\$1,639

The Bend At 4800, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Basketball Court	Business Center/Computer Lab	None	None
Clubhouse/Meeting Room/Community	Exercise Facility		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Recreation Areas	Swimming Pool		

Comments

According to the contact, the demand for affordable housing is strong in the area. Additionally, the contact believes demand for affordable, larger bedrooms types is high. The manager reported the rents are at the 2024 maximum allowable levels and was unsure if the property would increase rents to the 2025 maximum allowable levels.

The Bend At 4800, continued

Trend Report

Vacancy Rates

3Q23	4Q23	2024	2025
1.6%	9.0%	1.6%	2.0%

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	3	3.6%	\$1,388	\$0	\$1,388	\$1,388
2023	4	N/A	\$1,371	\$0	\$1,371	\$1,371
2024	2	2.5%	\$1,371	\$0	\$1,371	\$1,371
2025	2	3.3%	\$1,423	\$0	\$1,423	\$1,423

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	3	0.0%	\$1,597	\$0	\$1,597	\$1,597
2023	4	N/A	\$1,585	\$0	\$1,585	\$1,585
2024	2	0.8%	\$1,578	\$0	\$1,578	\$1,578
2025	2	0.8%	\$1,639	\$0	\$1,639	\$1,639

Trend: Comments

3Q23 N/A

4Q23 According to the contact, the demand for affordable housing is strong in the area. The contact reported that the slightly elevated vacancy is because the property is in its slower season. Of the 11 vacant units, four are pre-leased. The contact was unable to provide the utility allowances.

2Q24 According to the contact, the demand for affordable housing is strong in the area. Additionally, the contact believes demand for affordable, larger bedrooms types is high. The manager reported the property will likely increase prices to the 2024 rent limits.

2Q25 According to the contact, the demand for affordable housing is strong in the area. Additionally, the contact believes demand for affordable, larger bedrooms types is high. The manager reported the rents are at the 2024 maximum allowable levels and was unsure if the property would increase rents to the 2025 maximum allowable levels.

Photos



PROPERTY PROFILE REPORT

Village South Townhomes

Effective Rent Date	4/10/2025
Location	3450 Maury Street Richmond, VA 23224 Richmond City County
Distance	2.4 miles
Units	296
Vacant Units	1
Vacancy Rate	0.3%
Type	Various (2 stories)
Year Built/Renovated	1947 / 2023
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Southwood, St. Jones Woods
Tenant Characteristics	Most of the tenants are from Richmond.
Contact Name	Malachi
Phone	(804) 230-4004



Market Information

Program	@50%, @60%
Annual Turnover Rate	4%
Units/Month Absorbed	N/A
HCV Tenants	7%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased to 2025 max
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- gas
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	Garden (2 stories)	N/A	675	\$953	\$0	@50%	No	1	N/A	yes	None
2	1	Townhouse (2 stories)	N/A	850	\$1,135	\$0	@50%	No	0	N/A	yes	None
2	1.5	Townhouse (2 stories)	N/A	912	\$1,135	\$0	@50%	No	0	N/A	yes	None
3	1	Townhouse (2 stories)	N/A	1,000	\$1,300	\$0	@50%	No	0	N/A	yes	None
3	1	Townhouse (2 stories)	N/A	1,000	\$1,695	\$0	@60%	No	0	N/A	yes	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	\$953	\$0	\$953	\$60	\$1,013	3BR / 1BA	\$1,695	\$0	\$1,695	\$94	\$1,789
2BR / 1BA	\$1,135	\$0	\$1,135	\$76	\$1,211						
2BR / 1.5BA	\$1,135	\$0	\$1,135	\$76	\$1,211						
3BR / 1BA	\$1,300	\$0	\$1,300	\$94	\$1,394						

Village South Townhomes, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	In-Unit Alarm	Computer Tutoring
Central A/C	Coat Closet	Patrol	
Dishwasher	Garbage Disposal		
Microwave	Oven		
Refrigerator	Washer/Dryer hookup		
Property		Premium	Other
Central Laundry	Off-Street Parking	None	None
On-Site Management	Picnic Area		

Comments

The contact stated that there is demand for larger, affordable bedroom units. The property finished renovations in 2023 which includes new kitchen appliances, cabinetry, adding in unit washer dryer hookups and new bathrooms. Rents are set to the 2025 maximum allowable levels.

Village South Townhomes, continued

Trend Report

Vacancy Rates

2023	3Q23	2024	2025
11.1%	11.1%	23.0%	0.3%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2024	2	N/A	\$900	\$0	\$900	\$960
2025	2	N/A	\$953	\$0	\$953	\$1,013

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2024	2	N/A	\$1,100	\$0	\$1,100	\$1,176
2025	2	N/A	\$1,135	\$0	\$1,135	\$1,211

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2024	2	N/A	\$1,100	\$0	\$1,100	\$1,176
2025	2	N/A	\$1,135	\$0	\$1,135	\$1,211

3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2024	2	N/A	\$1,200	\$0	\$1,200	\$1,294
2025	2	N/A	\$1,300	\$0	\$1,300	\$1,394

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	100.0	\$685	\$0	\$685	\$745
2023	3	100.0	\$685	\$0	\$685	\$745

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	5.6%	\$1,060	\$0	\$1,060	\$1,136
2023	3	5.6%	\$1,060	\$0	\$1,060	\$1,136

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	0.0%	\$975	\$0	\$975	\$1,051
2023	3	0.0%	\$975	\$0	\$975	\$1,051

3BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
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3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	100.0	\$960	\$0	\$960	\$1,054
2023	3	100.0	\$960	\$0	\$960	\$1,054
2024	2	N/A	\$1,555	\$0	\$1,555	\$1,649
2025	2	N/A	\$1,695	\$0	\$1,695	\$1,789

Trend: Comments

2023 N/A

3Q23 N/A

2024 The contact stated that there is demand for larger, affordable bedroom units. The property just finished renovations which includes new kitchen appliances, cabinetry, adding in unit washer dryer hookups and new bathrooms. The vacancy rate is due to recent delivery of renovated units to market. The contact noted that the property has been leasing 15 renovated units per month. The property is owned and managed by a non-profit and intentionally sets rents below maximum levels in order to maintain affordability. The property will increase prices in response to the 2024 income limits. The contact believes 2024 maximum rents are achievable. The waiting list is for one and three-bedroom units only.

2025 The contact stated that there is demand for larger, affordable bedroom units. The property finished renovations in 2023 which includes new kitchen appliances, cabinetry, adding in unit washer dryer hookups and new bathrooms. Rents are set to the 2025 maximum allowable levels.

Photos



PROPERTY PROFILE REPORT

Cloverleaf Lake

Effective Rent Date	4/03/2025
Location	6295 Starview Court Richmond, VA 23225 Chesterfield County
Distance	1.1 miles
Units	210
Vacant Units	1
Vacancy Rate	0.5%
Type	Townhouse (2 stories)
Year Built/Renovated	1972 / 2015
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Charles
Phone	804-587-7267



Market Information

Program	Market
Annual Turnover Rate	22%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within one month
Annual Chg. in Rent	Increased up to 15%
Concession	None
Waiting List	None

Utilities

A/C	not included -- wall
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	1.5	Townhouse (2 stories)	10	1,065	\$1,578	\$0	Market	No	0	0.0%	N/A	None
2	1.5	Townhouse (2 stories)	190	1,065	\$1,795	\$0	Market	No	1	0.5%	N/A	AVG*
2	1.5	Townhouse (2 stories)	N/A	1,065	\$1,810	\$0	Market	No	0	N/A	N/A	HIGH*
2	1.5	Townhouse (2 stories)	N/A	1,065	\$1,785	\$0	Market	No	0	N/A	N/A	LOW*
3	2.5	Townhouse (2 stories)	10	1,200	\$2,125	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1.5BA	\$1,578	\$0	\$1,578	\$60	\$1,638
2BR / 1.5BA	\$1,785 - \$1,810	\$0	\$1,785 - \$1,810	\$76	\$1,861 - \$1,886
3BR / 2.5BA	\$2,125	\$0	\$2,125	\$94	\$2,219

Cloverleaf Lake, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpet/Hardwood	Carpeting		
Central A/C	Coat Closet		
Dishwasher	Exterior Storage		
Microwave	Oven		
Refrigerator			
Property		Premium	Other
Off-Street Parking	On-Site Management	None	None
Picnic Area	Playground		
Recreation Areas	Swimming Pool		

Comments

The property accepts Housing Choice Vouchers, however the contact was unable to provide the number of tenants using vouchers. Surface parking is included at no additional cost. The manager provided no further comment.

Cloverleaf Lake, continued

Trend Report

Vacancy Rates

3Q23	4Q23	2Q24	2Q25
1.4%	6.2%	6.7%	0.5%

Trend: Market

1BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	3	20.0%	\$1,379	\$0	\$1,379	\$1,439
2023	4	0.0%	\$1,378	\$0	\$1,378	\$1,438
2024	2	10.0%	\$1,522	\$0	\$1,522	\$1,582
2025	2	0.0%	\$1,578	\$0	\$1,578	\$1,638

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	3	0.5%	\$1,513	\$0	\$1,513	\$1,589
2023	4	N/A	\$1,366 - \$1,510	\$0	\$1,366 - \$1,510	\$1,442 - \$1,586
2024	2	N/A	\$1,452 - \$1,562	\$0	\$1,452 - \$1,562	\$1,528 - \$1,638
2025	2	N/A	\$1,785 - \$1,810	\$0	\$1,785 - \$1,810	\$1,861 - \$1,886

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	3	0.0%	\$1,611	\$0	\$1,611	\$1,705
2023	4	0.0%	\$1,521	\$0	\$1,521	\$1,615
2024	2	0.0%	\$1,895	\$0	\$1,895	\$1,989
2025	2	0.0%	\$2,125	\$0	\$2,125	\$2,219

Trend: Comments

3Q23	The property accepts Housing Choice Vouchers, however the contact was unable to provide the number of tenants using vouchers. Surface parking is included at no additional cost.
4Q23	The property accepts Housing Choice Vouchers, however the contact was unable to provide the number of tenants using vouchers. Surface parking is included at no additional cost. The contact was unable to comment on the slightly elevated vacancy rate at the property.
2Q24	The property accepts Housing Choice Vouchers, however the contact was unable to provide the number of tenants using vouchers. Surface parking is included at no additional cost. The contact stated the elevated vacancy rate is due to move-out timing and evictions of multiple problem tenants.
2Q25	The property accepts Housing Choice Vouchers, however the contact was unable to provide the number of tenants using vouchers. Surface parking is included at no additional cost. The manager provided no further comment.

Photos



PROPERTY PROFILE REPORT

Communities At Southwood

Effective Rent Date	4/02/2025
Location	4602 Southwood Parkway Richmond, VA 23224 Richmond City County
Distance	1.5 miles
Units	1,286
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (2 stories)
Year Built/Renovated	1960 / 2010
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Most of the tenants are from Richmond.
Contact Name	Jackie
Phone	804-230-2300



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within a month
Annual Chg. in Rent	Increased 3-5%
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 (2 stories)	333	621	\$1,012	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	160	847	\$1,292	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	68	934	\$1,292	\$0	Market	No	0	0.0%	N/A	None
2.5	2	Townhouse (2 stories)	210	1,169	\$1,440	\$0	Market	No	0	0.0%	N/A	None
3	1	Garden (2 stories)	94	933	\$1,557	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	421	1,184	\$1,585	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,012	\$0	\$1,012	\$75	\$1,087
2BR / 1BA	\$1,292	\$0	\$1,292	\$91	\$1,383
2BR / 2BA	\$1,292	\$0	\$1,292	\$91	\$1,383
2.5BR / 2BA	\$1,440	\$0	\$1,440	\$91	\$1,531
3BR / 1BA	\$1,557	\$0	\$1,557	\$109	\$1,666
3BR / 2BA	\$1,585	\$0	\$1,585	\$109	\$1,694

Communities At Southwood, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Coat Closet	Dishwasher	Patrol	
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet			
Property		Premium	Other
Central Laundry	Off-Street Parking	None	None
On-Site Management	Pet Park		
Picnic Area	Playground		
Recreation Areas	Sport Court		
Swimming Pool	Tennis Court		

Comments

The contact reported being fully occupied. The property accepts Housing Choice Vouchers, however the contact was unable to provide the amount of tenants currently utilizing them. Two surface parking spaces are included in rent. The property was recently renovated and no longer offers one-bedroom units with a den.

Communities At Southwood, continued

Trend Report

Vacancy Rates

2023	3Q23	2024	2025
2.1%	2.0%	0.0%	0.0%

Trend: Market

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2024	2	0.0%	\$975	\$0	\$975	\$1,050

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	4.2%	\$925 - \$975	\$0	\$925 - \$975	\$1,000 - \$1,050
2023	3	N/A	\$880	\$0	\$880	\$955
2024	2	0.0%	\$880	\$0	\$880	\$955
2025	2	0.0%	\$1,012	\$0	\$1,012	\$1,087

2.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2024	2	0.0%	\$1,270	\$0	\$1,270	\$1,361

2.5BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2025	2	0.0%	\$1,440	\$0	\$1,440	\$1,531

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	2.8%	\$1,370	\$0	\$1,370	\$1,461
2023	3	N/A	\$1,370	\$0	\$1,370	\$1,461

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	0.0%	\$1,270	\$0	\$1,270	\$1,361
2023	3	0.0%	\$1,170	\$0	\$1,170	\$1,261
2024	2	0.0%	\$1,170	\$0	\$1,170	\$1,261
2025	2	0.0%	\$1,292	\$0	\$1,292	\$1,383

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	4.4%	\$1,270	\$0	\$1,270	\$1,361
2023	3	N/A	\$1,270	\$0	\$1,270	\$1,361
2024	2	0.0%	\$1,270	\$0	\$1,270	\$1,361
2025	2	0.0%	\$1,292	\$0	\$1,292	\$1,383

3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	N/A	\$1,370	\$0	\$1,370	\$1,479
2023	3	N/A	\$1,370	\$0	\$1,370	\$1,479
2024	2	0.0%	\$1,370	\$0	\$1,370	\$1,479
2025	2	0.0%	\$1,557	\$0	\$1,557	\$1,666

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	8.9%	\$1,525	\$0	\$1,525	\$1,634
2023	3	N/A	\$1,525	\$0	\$1,525	\$1,634
2024	2	0.0%	\$1,525	\$0	\$1,525	\$1,634
2025	2	0.0%	\$1,585	\$0	\$1,585	\$1,694

Trend: Market

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2024	2	0.0%	\$975	\$0	\$975	\$1,050

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	4.2%	\$925 - \$975	\$0	\$925 - \$975	\$1,000 - \$1,050
2023	3	N/A	\$880	\$0	\$880	\$955
2024	2	0.0%	\$880	\$0	\$880	\$955
2025	2	0.0%	\$1,012	\$0	\$1,012	\$1,087

2.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2024	2	0.0%	\$1,270	\$0	\$1,270	\$1,361

2.5BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2025	2	0.0%	\$1,440	\$0	\$1,440	\$1,531

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	2.8%	\$1,370	\$0	\$1,370	\$1,461
2023	3	N/A	\$1,370	\$0	\$1,370	\$1,461

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	0.0%	\$1,270	\$0	\$1,270	\$1,361
2023	3	0.0%	\$1,170	\$0	\$1,170	\$1,261
2024	2	0.0%	\$1,170	\$0	\$1,170	\$1,261
2025	2	0.0%	\$1,292	\$0	\$1,292	\$1,383

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	4.4%	\$1,270	\$0	\$1,270	\$1,361
2023	3	N/A	\$1,270	\$0	\$1,270	\$1,361
2024	2	0.0%	\$1,270	\$0	\$1,270	\$1,361
2025	2	0.0%	\$1,292	\$0	\$1,292	\$1,383

3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	N/A	\$1,370	\$0	\$1,370	\$1,479
2023	3	N/A	\$1,370	\$0	\$1,370	\$1,479
2024	2	0.0%	\$1,370	\$0	\$1,370	\$1,479
2025	2	0.0%	\$1,557	\$0	\$1,557	\$1,666

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	2	8.9%	\$1,525	\$0	\$1,525	\$1,634
2023	3	N/A	\$1,525	\$0	\$1,525	\$1,634
2024	2	0.0%	\$1,525	\$0	\$1,525	\$1,634
2025	2	0.0%	\$1,585	\$0	\$1,585	\$1,694

Communities At Southwood, continued

Trend: Comments

2Q23	N/A
3Q23	The contact reported being 98 percent occupied. The property is currently offering a special on the one-bedroom units at \$880, when they typically go for \$925 and \$975. The property accepts Housing Choice Vouchers, however the contact was unable to provide the amount of tenants currently utilizing them. Two surface parking spaces are included in rent.
2Q24	The contact reported being fully occupied. The property accepts Housing Choice Vouchers, however the contact was unable to provide the amount of tenants currently utilizing them. Two surface parking spaces are included in rent.
2Q25	The contact reported being fully occupied. The property accepts Housing Choice Vouchers, however the contact was unable to provide the amount of tenants currently utilizing them. Two surface parking spaces are included in rent. The property was recently renovated and no longer offers one-bedroom units with a den.

Photos



PROPERTY PROFILE REPORT

Reserve South Apartments

Effective Rent Date	4/09/2025
Location	6701 Carnation Street Richmond, VA 23225 Richmond City County
Distance	0.8 miles
Units	200
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1989 / 2018
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Ariel
Phone	804.323.7194



Market Information

Program	Market
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	20%
Leasing Pace	Pre-leased to within one month
Annual Chg. in Rent	Increased up to 30%
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	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden (2 stories)	18	944	\$1,361	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	160	996	\$1,546	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	22	1,100	\$2,000	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	\$1,361	\$0	\$1,361	\$76	\$1,437
2BR / 2BA	\$1,546	\$0	\$1,546	\$76	\$1,622
3BR / 2BA	\$2,000	\$0	\$2,000	\$94	\$2,094

Reserve South Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Fireplace		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Exercise Facility	None	Billiards table
Off-Street Parking	On-Site Management		
Playground	Swimming Pool		
Tennis Court	Wi-Fi		

Comments

The property does not accept Housing Choice Vouchers. Unit upgrades includes new wood-style vinyl flooring, new carpet, new fixtures, and new black appliances. The manager was unwilling to explain the sharp increase and subsequent decrease in rent.

Reserve South Apartments, continued

Trend Report

Vacancy Rates

4Q20	2Q21	2Q24	2Q25
2.5%	2.5%	2.0%	0.0%

Trend: Market

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	4	5.6%	\$1,052	\$0	\$1,052	\$1,128
2021	2	5.6%	\$1,339	\$0	\$1,339	\$1,415
2024	2	11.1%	\$1,989	\$0	\$1,989	\$2,065
2025	2	0.0%	\$1,361	\$0	\$1,361	\$1,437

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	4	1.9%	\$1,186	\$0	\$1,186	\$1,262
2021	2	2.5%	\$1,280	\$0	\$1,280	\$1,356
2024	2	0.6%	\$2,033	\$0	\$2,033	\$2,109
2025	2	0.0%	\$1,546	\$0	\$1,546	\$1,622

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	4	4.5%	\$1,286	\$0	\$1,286	\$1,380
2021	2	0.0%	\$1,404	\$0	\$1,404	\$1,498
2024	2	4.5%	\$2,671	\$0	\$2,671	\$2,765
2025	2	0.0%	\$2,000	\$0	\$2,000	\$2,094

Trend: Comments

4Q20	The contact reported stable occupancy with limited negative impact related to COVID-19. Arrangements have been made with those households affected by the downturn in the economy related to the pandemic but for the most part, majority of households have returned to work. The property does not accept housing choice vouchers. Unit upgrades includes new wood-style vinyl flooring, new carpet, new fixtures, and new black appliances.
2Q21	The contact reported stable occupancy with limited negative impact related to COVID-19. The property does not accept housing choice vouchers. Unit upgrades includes new wood-style vinyl flooring, new carpet, new fixtures, and new black appliances.
2Q24	The property does not accept Housing Choice Vouchers. Unit upgrades includes new wood-style vinyl flooring, new carpet, new fixtures, and new black appliances.
2Q25	The property does not accept Housing Choice Vouchers. Unit upgrades includes new wood-style vinyl flooring, new carpet, new fixtures, and new black appliances. The manager was unwilling to explain the sharp increase and subsequent decrease in rent.

Photos



PROPERTY PROFILE REPORT

The Point At Beaufont

Effective Rent Date	4/03/2025
Location	6839 Carnation St Richmond, VA 23225 Richmond City County
Distance	0.9 miles
Units	312
Vacant Units	15
Vacancy Rate	4.8%
Type	Garden (2 stories)
Year Built/Renovated	1980/1982 / 2018
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Rebecca
Phone	804-494-6264



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	1%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased up to 5%
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 (2 stories)	50	710	\$1,275	\$0	Market	No	1	2.0%	N/A	None
1	1	Garden (2 stories)	24	741	\$1,432	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (2 stories)	2	854	\$1,477	\$0	Market	No	2	100.0%	N/A	None
2	1	Garden (2 stories)	52	854	\$1,375	\$0	Market	No	5	9.6%	N/A	None
2	2	Garden (2 stories)	76	944	\$1,450	\$0	Market	No	4	5.3%	N/A	None
2	2	Garden (2 stories)	12	947	\$1,632	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	76	1,015	\$1,475	\$0	Market	No	3	3.9%	N/A	None
2	2	Garden (2 stories)	12	1,022	\$1,475	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	8	1,203	\$2,067	\$0	Market	No	0	0.0%	N/A	None

The Point At Beaufont, continued

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,275 - \$1,477	\$0	\$1,275 - \$1,477	\$75	\$1,350 - \$1,552
2BR / 1BA	\$1,375	\$0	\$1,375	\$91	\$1,466
2BR / 2BA	\$1,450 - \$1,632	\$0	\$1,450 - \$1,632	\$91	\$1,541 - \$1,723
3BR / 2BA	\$2,067	\$0	\$2,067	\$109	\$2,176

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Exercise Facility	None	None
Central Laundry	Off-Street Parking		
On-Site Management	Pet Park		
Picnic Area	Playground		
Swimming Pool	Tennis Court		

Comments

The property offers multiple floor plans and rents range based on unit size. The property has a contract with the City of Richmond to provide patrol service to the development. The contact noted that there is high demand for three-bedroom units. The property utilizes an electronic pricing system, therefore rents may change daily based on availability and market conditions.

The Point At Beaufont, continued

Trend Report

Vacancy Rates

3Q23	4Q23	2Q24	2Q25
2.9%	3.8%	3.8%	4.8%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	3	5.3%	\$1,293 - \$1,354	\$0	\$1,293 - \$1,354	\$1,368 - \$1,429
2023	4	N/A	\$1,213 - \$1,350	\$0	\$1,213 - \$1,350	\$1,288 - \$1,425
2024	2	3.9%	\$1,140 - \$1,209	\$0	\$1,140 - \$1,209	\$1,215 - \$1,284
2025	2	3.9%	\$1,275 - \$1,477	\$0	\$1,275 - \$1,477	\$1,350 - \$1,552

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	3	1.3%	\$1,408	\$0	\$1,408	\$1,499
2023	4	N/A	\$1,350	\$0	\$1,350	\$1,441
2024	2	1.3%	\$1,603	\$0	\$1,603	\$1,694
2025	2	9.6%	\$1,375	\$0	\$1,375	\$1,466

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	3	2.6%	\$1,435 - \$1,457	\$0	\$1,435 - \$1,457	\$1,526 - \$1,548
2023	4	N/A	\$1,800 - \$1,900	\$0	\$1,800 - \$1,900	\$1,891 - \$1,991
2024	2	5.2%	\$1,491 - \$1,781	\$0	\$1,491 - \$1,781	\$1,582 - \$1,872
2025	2	4.0%	\$1,450 - \$1,632	\$0	\$1,450 - \$1,632	\$1,541 - \$1,723

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2023	3	0.0%	\$1,895	\$0	\$1,895	\$2,004
2023	4	N/A	\$1,650 - \$2,100	\$0	\$1,650 - \$2,100	\$1,759 - \$2,209
2024	2	0.0%	\$1,878	\$0	\$1,878	\$1,987
2025	2	0.0%	\$2,067	\$0	\$2,067	\$2,176

Trend: Comments

3Q23	The property offers multiple floor plans and rents range based on unit size. The manager reported that the strongest demand is for three-bedroom units. The property has a contract with the City of Richmond to provide patrol service to the development.
4Q23	The property offers multiple floor plans and rents range based on unit size. The property has a contract with the City of Richmond to provide patrol service to the development. The waiting list is only for the three-bedroom units, but the contact reported that it is not utilized by many prospective tenants.
2Q24	The property offers multiple floor plans and rents range based on unit size. The property has a contract with the City of Richmond to provide patrol service to the development. The contact noted that there is high demand for three-bedroom units. Rent prices are adjusted regularly. The contact reported that prices are slightly lower than normal due to increased turnover and move-outs during the spring/summer.
2Q25	The property offers multiple floor plans and rents range based on unit size. The property has a contract with the City of Richmond to provide patrol service to the development. The contact noted that there is high demand for three-bedroom units. The property utilizes an electronic pricing system, therefore rents may change daily based on availability and market conditions.

Photos



PROPERTY PROFILE REPORT

Towns At Swift Creek

Effective Rent Date	4/03/2025
Location	12224 Petrel Crossing Midlothian, VA 23112 Chesterfield County
Distance	8.4 miles
Units	200
Vacant Units	10
Vacancy Rate	5.0%
Type	Townhouse (3 stories)
Year Built/Renovated	2021 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Leasing Agent
Phone	(866) 338-3759



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	13
HCV Tenants	N/A
Leasing Pace	N/A
Annual Chg. in Rent	Increased 6%
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	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
3	2.5	Townhouse (3 stories)	36	1,729	\$2,866	\$0	Market	No	2	5.6%	N/A	None
3	2.5	Townhouse (3 stories)	89	1,800	\$2,752	\$0	Market	No	5	5.6%	N/A	None
4	2.5	Townhouse (3 stories)	54	1,895	\$2,966	\$0	Market	No	3	5.6%	N/A	None
4	2.5	Townhouse (3 stories)	21	2,287	\$3,267	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
3BR / 2.5BA	\$2,752 - \$2,866	\$0	\$2,752 - \$2,866	\$94	\$2,846 - \$2,960
4BR / 2.5BA	\$2,966 - \$3,267	\$0	\$2,966 - \$3,267	\$119	\$3,085 - \$3,386

Towns At Swift Creek, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Washer/Dryer		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Garage		
Off-Street Parking	On-Site Management		
Pet Park	Picnic Area		
Playground	Swimming Pool		

Comments

Prices vary based on the size of garage and where the unit is in the development. The property utilizes an electronic pricing system and therefore rents may change daily based on market conditions and availability. The larger three-bedroom unit has a lower rent due to the electronic pricing. Rents in this profile include a \$25 amenity fee, \$30 per month trash fee and \$12 utility fee. The contact reported current vacancy is typical and there is more demand for units with more bedrooms.

Trend Report

Vacancy Rates

2Q24	2Q25
8.0%	5.0%

Trend: Market

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2024	2	5.6%	\$2,728 - \$2,874	\$0	\$2,728 - \$2,874	\$2,822 - \$2,968
2025	2	5.6%	\$2,752 - \$2,866	\$0	\$2,752 - \$2,866	\$2,846 - \$2,960

4BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2024	2	12.0%	\$2,821 - \$3,056	\$0	\$2,821 - \$3,056	\$2,940 - \$3,175
2025	2	4.0%	\$2,966 - \$3,267	\$0	\$2,966 - \$3,267	\$3,085 - \$3,386

Trend: Comments

2Q24	Prices vary based on the size of garage and where the unit is in the development. The property utilizes an electronic pricing system and therefore rents may change daily based on market conditions and availability. The larger three-bedroom unit has a lower rent due to the electronic pricing. Rents in this profile include a \$25 amenity fee, \$30 per month trash fee and \$12 utility fee. The contact reported current vacancy is typical
2Q25	Prices vary based on the size of garage and where the unit is in the development. The property utilizes an electronic pricing system and therefore rents may change daily based on market conditions and availability. The larger three-bedroom unit has a lower rent due to the electronic pricing. Rents in this profile include a \$25 amenity fee, \$30 per month trash fee and \$12 utility fee. The contact reported current vacancy is typical and there is more demand for units with more bedrooms.

Photos



ADDENDUM D

Site and Floor Plans

CITY OF RICHMOND, VIRGINIA

CONSTRUCTION REVISION SUMMARY



ADDENDUM E
Utility Allowance

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: 2 Exposed Walls				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	\$65.00	\$90.00	\$117.00	\$142.00	\$181.00	\$207.00	\$232.00	\$258.00
	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	\$13.00	\$15.00	\$19.00	\$22.00	\$24.00	\$27.00
	Home Heating	\$26.00	\$36.00	\$46.00	\$57.00	\$72.00	\$82.00	\$92.00	\$103.00
	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	\$13.00	\$16.00	\$20.00	\$25.00	\$28.00	\$33.00	\$36.00
	Water Heating	\$4.00	\$5.00	\$6.00	\$8.00	\$10.00	\$11.00	\$13.00	\$14.00
Oil	Home Heating	\$51.00	\$72.00	\$92.00	\$113.00	\$144.00	\$165.00	\$185.00	\$206.00
	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 F

Qualifications of Consultants

STATEMENT OF PROFESSIONAL QUALIFICATIONS

ABBY M. COHEN

I. Education

The Pennsylvania State University, University Park, PA, Bachelor of Arts

II. Licensing and Professional Affiliation

Certified General Appraiser, AK License #213395
Certified General Appraiser, FL License #RZ4143
Certified General Appraiser, GA License #427009
Certified General Appraiser, MD License #40032823
Certified General Appraiser, NC License #A8127
Certified General Appraiser, NJ License #42RG00255000
Certified General Appraiser, SC License #7487
Certified General Appraiser, TX License #1381138-G

Designated Member of the National Council of Housing Market Analysts (NCHMA)

III. Professional Experience

Novogradac & Company LLP, Partner
Novogradac & Company LLP, Principal
Novogradac & Company LLP, Manager
Novogradac & Company LLP, Senior Real Estate Analyst

IV. Professional Training

7-Hour National USPAP Update for 2024-2025, March 2024
GSE Appraisal Requirements and Guidelines, March 2024
Fair Housing Bias and Discrimination, March 2024
Market Disturbances – Appraisals in Atypical Markets and Cycles, March 2024
Appraisal of Land Subject to Ground Leases, December 2017
Business Practices and Ethics, January 2017
General Appraiser Report Writing and Case Studies, February 2015
General Appraiser Sales Comparison Approach, February 2015
General Appraiser Site Valuation and Cost Approach, February 2015
Expert Witness for Commercial Appraisers, January 2015
Commercial Appraisal Review, January 2015
Real Estate Finance Statistics and Valuation Modeling, December 2014
General Appraiser Income Approach Part II, December 2014
General Appraiser Income Approach Part I, November 2014
General Appraiser Market Analysis and Highest & Best Use, November 2014
Basic Appraisal Procedures, March 2013
Basic Appraisal Principles, January 2013

V. Publications

Co-authored “Determining Whether a Developer Fee is Reasonable and Market-Oriented for Purposes of the Revenue Procedure 2014-12 Historic Tax Credit Safe Harbor,” Novogradac Journal of Tax Credits, March 2021
Co-authored “Reasonableness of Historic Tax Credit Related-Party Fees a Complicated, Changing Question in Context of Rev. Proc. 2014-12,” Novogradac Journal of Tax Credits, March 2021
Co-authored “Post Rev. Proc. 2014-12 Trend Emerges: Developer Fee Reasonableness Opinions,” Novogradac Journal of Tax Credits, March 2016

VI. Real Estate Assignments

A representative sample of Asset Management, Due Diligence, and Valuation Engagements includes:

- Performed a variety of asset management services for a lender including monitoring and reporting property performance on a monthly basis. Data points monitored include economic vacancy, levels of concessions, income and expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations.
- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of deferred maintenance and property condition, security issues, signage, marketing strategy, condition of units upon turnover and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assessed how the property compares to competition. Analyzed operating expense results.
- 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, large family, and acquisition with rehabilitation. Completed market studies in all states.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Assisted in appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.
- Conducted market studies and appraisals for projects under the HUD Multifamily Accelerated Processing program.
- Prepared Rent Comparability Studies for expiring Section 8 contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting 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 all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.
- Completed numerous reasonableness opinions related to Revenue Procedure 2014-12. Transactions analyzed include projects involving the use of Historic Tax Credits, New Markets Tax Credits and Investment Tax Credits. Fees and arrangements tested for reasonableness include developer fees, construction management fees, property management fees, asset management fees, various leasing-related payments and overall prime lease terms.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

LAUREN E. LEX

I. Education

Trinity College, Hartford, CT
Bachelor of Arts in American Studies and Art History, *cum laude*

II. Professional Experience

Manager, *Novogradac & Company LLP*, December 2019 – Present
Senior Analyst, *Novogradac & Company LLP*, December 2017 – December 2019
Analyst, *Novogradac & Company LLP*, December 2015 – December 2017
Junior Analyst, *Novogradac & Company LLP*, August 2013 – December 2015
Communications Directorate Intern, *U.S. Census Bureau*, June 2011 – August 2011

III. Real Estate Assignments

A representative sample of work on various types of projects:

- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of deferred maintenance and property condition, security issues, signage, marketing strategy, condition of units upon turnover and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assessed how the property compares to competition. Analyzed operating expense results.
- 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, large family, and acquisition with rehabilitation. Completed market studies in all states.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Reviewed appraisals and market studies for various state agencies for LIHTC application. Market studies were reviewed for adherence to NCHMA, state guidelines and overall reasonableness. Appraisals reviewed for adherence to USPAP, state guidelines, reasonableness.
- Assisted in appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.

- Conducted market studies for projects under the HUD Multifamily Accelerated Processing program.
- Prepared Rent Comparability Studies for expiring Section 8 contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting 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 all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.
- Completed numerous analyses of overall reasonableness with regard to Revenue Procedure 2014-12. Transactions analyzed include projects involving the use of Historic Tax Credits, New Markets Tax Credits and Investment Tax Credits. Fees and arrangements tested for reasonableness include developer fees, construction management fees, property management fees, asset management fees, various leasing-related payments and overall master lease terms.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Warren A. Moss

I. Education

University of Virginia, Charlottesville, Virginia
Master of Science, Commerce - 2021
Bachelor of Arts in History, Media Studies - 2020

II. Professional Experience

Novogradac & Company LLP – September 2024 - Present
Senior Analyst
Novogradac & Company LLP – December 2021 - September 2024
Analyst
Novogradac & Company LLP – June 2021 – December 2021
Junior Analyst
The Katsias Company – June 2017 – February 2020
Leasing Assistant (Seasonal)

III. Research Assignments

A representative sample of work on various types of projects:

- Assist in performing and writing markets studies of proposed and existing Low-Income Housing Tax Credit (LIHTC) properties.
- Research web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and Housing Choice Voucher information.
- Assisted numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes: unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.

ADDENDUM G
NCHMA Certification and Checklist



Formerly known as
National Council of Affordable
Housing Market Analysts

NCHMA MEMBER CERTIFICATION

This market study has been prepared by **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 principal or employee of **Novogradac** has any financial interest whatsoever in the development for which this analysis has been undertaken.

Abby Cohen
Partner

Certificate of Professional Designation

This certificate verifies that

Abby Cohen

Novogradac & Company LLP

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



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

Membership Term
1/1/2025 - 12/31/2025



A handwritten signature in blue ink, reading "Kaitlyn Snyder".

Kaitlyn Snyder
Managing Director, NH&RA

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

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