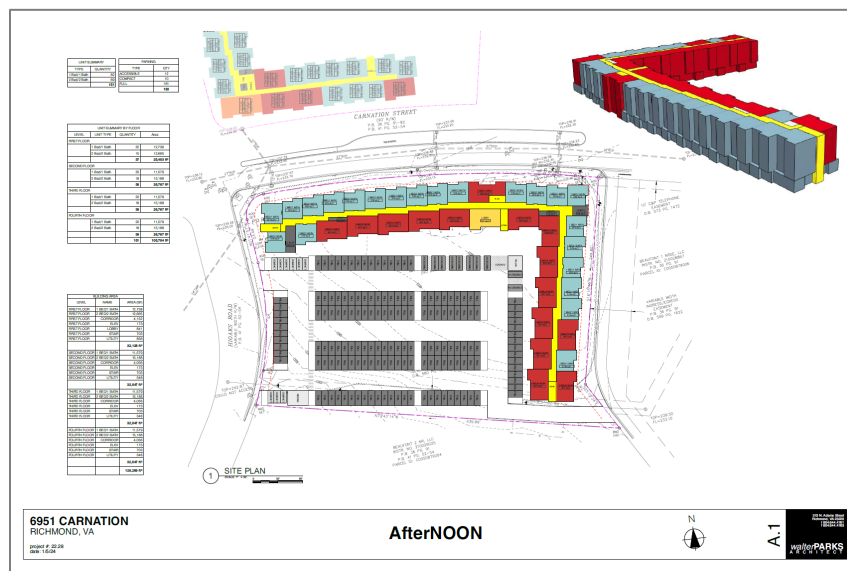




APPRAISAL & CONSULTATION

A Market Study Report Of:

NOON Hioaks Phase II
6951 Carnation Street
Richmond, VA 23225



Prepared For: 6951 Carnation, LLC

Care of:
Mr. John Gregory
Lynx Ventures
7 E. 2nd St
Richmond, VA 23224

Authorized User:
Virginia Housing
601 S. Belvidere St.
Richmond, VA 23220

January 10, 2025



6951 Carnation, LLC
Care of:
Mr. John Gregory
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601 S. Belvidere St.
Richmond, VA 23220

RE: NOON Hioaks Phase II
6951 Carnation Street
Richmond, VA 23225

Mr. Gregory:

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

The subject property consists of the multifamily project known as NOON Hioaks Phase II. Phase I of Hioaks contains 218 LIHTC units. Both phases I and II will share in amenities. The subject phase is located on a separate 2.65± acre parcel and will contain 151 units consisting of 1 and 2-bedroom dwelling units with income and rent restrictions at 60% of AMI. The sponsor is proposing to develop this phase with below-market debt and/or tax credit financing. This study focuses on apartment housing in the Primary Market Area (PMA) surrounding the subject located in the Hioaks neighborhood of the City of Richmond. The purpose of this market study is to;

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

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

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

Respectfully submitted,

EAJoseph Appraisal & Consultation



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SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

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

- The residual demand is positive throughout our mid-range forecast period. The residential demand is 4,939 dwelling units, overall.
- The analyst anticipates adequate demand for accessible and supportive housing for persons with disabilities in the subject's primary market area.
- Virginia Housing requires the analyst to consider the impact, if any, on the analysis for proposed communities in which 20% or more of the units contain at least 3 bedrooms. The subject contains no 3-bedroom units.
- The subject's capture rate is calculated as the percentage of residential demand the subject would have to capture to achieve stabilization. The total number of units for the subject is segmented by the percentage of units captured in the subject's PMA and a typical vacancy allowance. The adjusted total number of units is 129 units. The subject's overall blended capture rate is 2.61%.
- The subject is expected to be absorbed into the market at a pace of 15 dwelling units per month. Financing is currently available at feasible terms and the feasibility rent is sufficient to cover the costs of construction and return a reasonable yield to the investor. This combined with the low capture rate indicates a strong demand for the subject's product type.
- The site is attractive and well located in regard to its access and proximity to employment, community services, shopping, medical, and transportation routes which provides extended access to all points throughout the MSA.
- The location, rents, and amenity package will appeal to the low to moderate income families and professionals.
- The bedroom mix of units, the household size distribution, the capabilities, and the unit vacancy levels indicate that the subject's bedroom mix is appropriate in this market at the rent levels. Market rents are sufficient to support new construction, and a positive residual demand indicates new construction in this market is likely.
- Project features are adequate in this portion of the county. The inventory is mixed ranging from older 30+ year inventory to newer inventory. The subject's amenity package and features are generally commensurate with other similar class properties in the subject's market.
- The subject property is currently existing. The economic infrastructure for the subject properties PMA is fundamentally sound and should continue to grow at a constant and moderate pace.
- The overall development scheme is appropriate and well suited for the market. We make

no further recommendations and/ or modifications to the development.

- There do not appear to be any detrimental influences that would impede the absorption rate already established at 15 units per month.

Our analysis contained herein incorporated the opinions of property managers and leasing agents as well as local market participants that are considered experts in their respective fields.

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

Noteworthy Issues: None.

SWOT ANALYSIS

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

STRENGTHS INCLUDE;

- Competitive – subject will be competitively priced and will offer commensurate product with its competition

WEAKNESSES INCLUDE;

- None

OPPORTUNITIES

- Vacancy levels are stable in the market
- Market- the subject is in an area with strong demand and growth prospects.
- Rising housing costs putting upward pressure on rental housing
- Renewed economic optimism

THREATS

- General inflation and economic uncertainty
- Rising interest rate environment
- Conflicts in Ukraine and Middle East
- Redeveloping area with higher implicit risk

PURPOSE OF THE MARKET STUDY

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

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

A. EXECUTIVE SUMMARY

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

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

The subject site consists of one parcel constituting 2.65±acres, located at the intersection of Carnation St and Hioaks Rd, Richmond, VA. The site is generally rectangular in shape. The site is generally level and at road grade. The property is located in the southwestern portion of the City of Richmond, in the Hioaks neighborhood. All relevant utilities are available to the site. The shape of the site does not appear to impose any developmental issues. Based on a physical inspection of the site, there do not appear to be any adverse conditions that would impede the marketability of the site. Surrounding land uses consist of multifamily and industrial.

Land uses in the immediate area are consistent with and complementary to the development. A brief description of immediate land uses in each direction is as follows;

- North – Multifamily
- South – Multifamily
- East – Multifamily
- West – Multifamily

Existing land use patterns are residential in nature with some commercial type uses. Land use patterns are expected to remain the same; however, many of the structures will undergo redevelopment/ renovations as the area continues to improve.

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

The subject property is proposed and will consist of the apartment community known as NOON Hioaks Phase II. The sponsor is proposing to construct the proposed units with below-market debt and/or tax credit financing. The community will be a low-income property which will have rent and income restrictions at 60% of AMI. The subject will consist of one- and two- bedroom dwelling units. This study focuses on apartment housing in the Primary Market Area (PMA) surrounding the subject located in the southern portion of the City of Richmond.

The target market will be households earning below 60% of AMI. Household sizes will range from 1.5 persons up to 3 persons per household (based on an average household size of 1.5 persons per bedroom). The minimum household income level will be based upon the assumption that tenants will pay up to 35 percent of their income toward rent.

3. SUMMARY OF ECONOMIC CONDITIONS

Richmond is a continually growing market, as the area continues to expand, and a strong local economy and wealthy populace create business opportunities which should continue to attract people to the area. Population is expected to continue to increase in the years to come. The unemployment rate continues to lag the state average. The property is in the immediate vicinity of existing multifamily and medical/medical office uses. The area is suburban in nature.

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

The subject's PMA is defined as the southern portion of the City of Richmond, between the James River to the north, Jefferson Davis Hwy to the east, Powhite Pkwy to the west and Chippenham Blvd to the south. To determine the PMA for the subject, we conducted multiple interviews with the subject's competitive properties to establish where their tenants were being drawn from. Based upon our interviews, the clear majority of the tenant base was drawn from other localities within the described limits. We further considered demographic data, employers, and commuter patterns in framing the subject's PMA.

5. SUMMARY OF KEY DEMOGRAPHIC DATA

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

6. SUMMARY OF COMPETITIVE MARKET CONDITIONS

A summary of some key multifamily economic indicators in the outlying Richmond area are as follows;

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	39,339	10.4%	\$1,732	\$1,711	12	0	3,254
3 Star	36,368	7.1%	\$1,502	\$1,489	(6)	0	1,474
1 & 2 Star	29,118	8.0%	\$1,263	\$1,250	1	0	0
Market	104,825	8.6%	\$1,530	\$1,514	7	0	4,728
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	-1.1% (YOY)	6.7%	8.6%	9.7%	2023 Q4	3.7%	2000 Q3
Absorption Units	3,312	1,360	2,045	4,467	2021 Q4	(873)	2003 Q4
Delivered Units	2,384	1,632	2,223	5,419	2023 Q4	126	2010 Q3
Demolished Units	0	17	32	216	2010 Q2	0	2024 Q4
Asking Rent Growth	2.8%	2.6%	4.1%	10.6%	2022 Q1	-1.7%	2011 Q2
Effective Rent Growth	2.7%	2.6%	4.0%	11.4%	2022 Q1	-1.8%	2011 Q2
Sales Volume	\$435M	\$370.8M	N/A	\$1.9B	2022 Q3	\$11.1M	2010 Q4

7. SUMMARY OF DEMAND FOR THE PROPOSED DEVELOPMENT

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

- The residential demand is 4,939 dwelling units, overall (considering the entire project is LIHTC).
- Based upon our market survey, the subject's proposed rents appear to be achievable in the marketplace.
- The subject is expected to be absorbed into the market at a pace of 15 dwelling units per month. The subject is proposed.
- The site is attractive and well located regarding its access and proximity to employment, community services, shopping, medical, and transportation routes which provides extended access to all points throughout the PMA.
- The location, rents, and amenity package will appeal to the low to moderate income families.
- The bedroom mix of units, the household size distribution, the capabilities, and the unit vacancy levels indicate that the subject's bedroom mix is appropriate in this market at the rent levels.

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

8. A SUMMARY OF POSITIVE AND NEGATIVE ATTRIBUTES

In addition, include issues that will affect the properties marketability, performance and lease-up and points that will mitigate or reduce any negative attributes.

- (+) The subject provides affordable housing to a growing population and is well positioned in the market.
- (+) The Richmond MSA is experiencing a shortage of multifamily housing, and specifically income and rent restricted multifamily housing.
- (+) The subject is in a suburban location, located in the City of Richmond, which tends to be more insulated from economic variations.
- (+) The subject will generate additional revenue for purchases of goods and services which will help the local economy. The local spending index potential is on the following page;
- (-) The subject is adjacent to multifamily oriented uses

Top 3 Tapestry Segments	
1.	Family Foundations (12A)
2.	Modest Income Homes (12D)
3.	Emerald City (8B)
2022 Consumer Spending	
Apparel & Services: Total \$	\$32,206,410
Average Spent	\$1,727.44
Spending Potential Index	72
Education: Total \$	\$24,775,480
Average Spent	\$1,328.87
Spending Potential Index	68
Entertainment/Recreation: Total \$	\$46,920,078
Average Spent	\$2,516.63
Spending Potential Index	69
Food at Home: Total \$	\$82,172,241
Average Spent	\$4,407.44
Spending Potential Index	71
Food Away from Home: Total \$	\$56,967,090
Average Spent	\$3,055.52
Spending Potential Index	71
Health Care: Total \$	\$93,086,564
Average Spent	\$4,992.84
Spending Potential Index	70
HH Furnishings & Equipment: Total \$	\$32,894,021
Average Spent	\$1,764.32
Spending Potential Index	69
Personal Care Products & Services: Total \$	\$13,529,608
Average Spent	\$725.68
Spending Potential Index	71
Shelter: Total \$	\$297,772,945
Average Spent	\$15,971.52
Spending Potential Index	70
Support Payments/Cash Contributions/Gifts in Kind: Total \$	\$33,066,427
Average Spent	\$1,773.57
Spending Potential Index	65
Travel: Total \$	\$35,298,483
Average Spent	\$1,893.29
Spending Potential Index	66
Vehicle Maintenance & Repairs: Total \$	\$16,870,206
Average Spent	\$904.86
Spending Potential Index	72

Data Note: The Spending Potential Index (SPI) is household-based, and represents the amount spent for a product or service relative to a national average of 100.

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

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

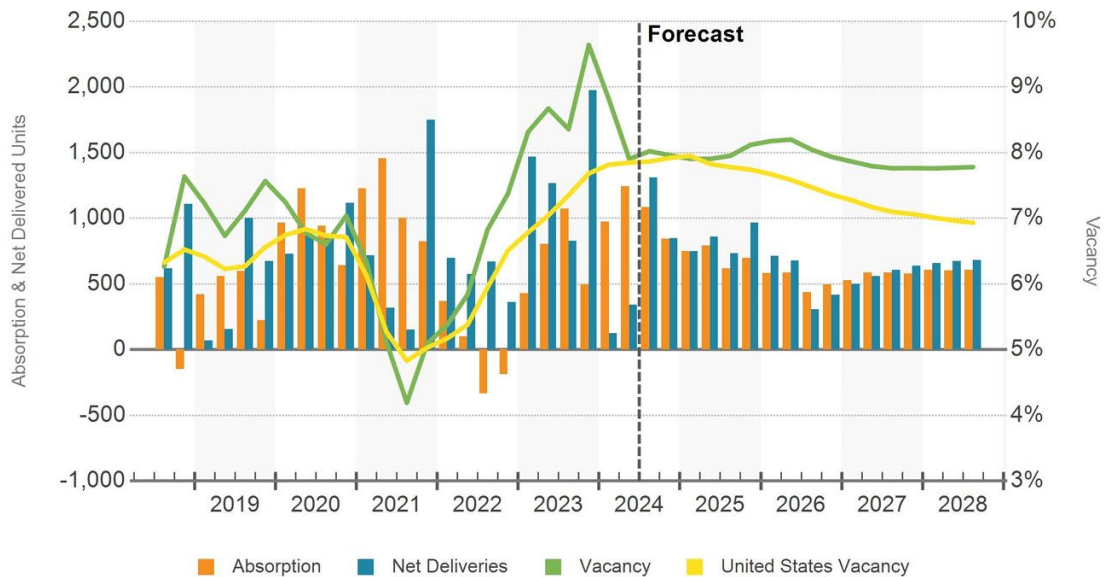
10. RECOMMENDATIONS AND/ OR SUGGEST MODIFICATIONS TO THE PROPOSED PROJECT IS APPROPRIATE.

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

II. ABSORPTION RATE

To estimate the absorption rate for the subject, we surveyed other similar assets in the subject's PMA to determine how quickly those assets leased up and achieved stabilization. Within the area, newer developments are absorbing at around 10-20 dwelling units per month, depending on size (larger/smaller communities tend to lease up faster/slower). Given the subject's size, we anticipate an average monthly absorption rate of 15 units per month. There is adequate demand for the subject and demand is anticipated to increase in the near future based on demographic data.

ABSORPTION, NET DELIVERIES & VACANCY



Absorption for 2024 thus far has increased significantly from the prior year, due to the historic net deliveries in the Richmond MSA. Near future absorption is anticipated to slow, as many new construction apartments come online in the Richmond MSA. Much of the new construction is market oriented, however, and the demand for rent-restricted housing is expected to continue to grow.

B. INTRODUCTION AND SCOPE OF WORK

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

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

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

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

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

5. Date of Field Work and Site Visit; Field work and site visits were conducted on December 30, 2024.

6. Person conducting field work; Eugene A. Joseph, Jr., MAI, SRA, AI-GRS, and Matthew W. Davis.

7. Primary analyst researching conclusions of report; Eugene A. Joseph, Jr., MAI, SRA, AI-GRS and Matthew W. Davis.

C. PROJECT DESCRIPTION

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

I. UNIT TABULATIONS (PROPOSED)

No.	Unit Type	SF	Proposed Rent	UA	Gross \$	Gross \$ Limit	Rent %	Inc. %	PBV Units	Type
82	1.1	585	\$1,177	\$65	\$1,242	\$1,242	60%	60%	0	LIHTC
69	2.2	845	\$1,411	\$79	\$1,490	\$1,490	60%	60%	0	LIHTC

Note: LIHTC Max Allowable Rent is used

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Note: The current gross rent limit, less the utility allowance, is estimated to be the proposed rent for the purposes of this market study.

2. THE COMMUNITIES TARGET MARKET AND ANY TENANCY RESTRICTIONS

The community will remain a low-income property which will have rent and income restrictions at 60% of AMI. The subject consists of one and two-bedroom units. The property does not have any age restrictions placed on the property.

The maximum incomes for the MSA are as follows;

Average Median Income	Maximum Gross Income							
	\$110,300 (Based on 4 person AMI)							
	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
Adj. for Fam. Size	0.7008	0.8005	0.9003	1.0000	1.0807	1.1605	1.2403	1.3200
% of Median Income								
10%	7,730	8,830	9,930	11,030	11,920	12,800	13,680	14,560
20%	15,460	17,660	19,860	22,060	23,840	25,600	27,360	29,120
30%	23,190	26,490	29,790	33,090	35,760	38,400	41,040	43,680
40%	30,920	35,320	39,720	44,120	47,680	51,200	54,720	58,240
50%	38,650	44,150	49,650	55,150	59,600	64,000	68,400	72,800
60%	46,380	52,980	59,580	66,180	71,520	76,800	82,080	87,360
70%	54,110	61,810	69,510	77,210	83,440	89,600	95,760	101,920
80%	61,840	70,640	79,440	88,240	95,360	102,400	109,440	116,480
90%	69,570	79,470	89,370	99,270	107,280	115,200	123,120	131,040
100%	77,300	88,300	99,300	110,300	119,200	128,000	136,800	145,600
110%	85,030	97,130	109,230	121,330	131,120	140,800	150,480	160,160
120%	92,760	105,960	119,160	132,360	143,040	153,600	164,160	174,720
130%	100,490	114,790	129,090	143,390	154,960	166,400	177,840	189,280
140%	108,220	123,620	139,020	154,420	166,880	179,200	191,520	203,840
150%	115,950	132,450	148,950	165,450	178,800	192,000	205,200	218,400

The maximum income at 60% of the AMI adjusted for family size is highlighted above.

	Maximum Gross Rents							
	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
Adj. for Fam. Size	0.7008	0.8005	0.9003	1.0000	1.0807	1.1605	1.2403	1.3200
% of Median Income								
10%	\$193	\$221	\$248	\$276	\$298	\$320	\$342	\$364
20%	\$387	\$442	\$497	\$552	\$596	\$640	\$684	\$728
30%	\$580	\$662	\$745	\$827	\$894	\$960	\$1,026	\$1,092
40%	\$773	\$883	\$993	\$1,103	\$1,192	\$1,280	\$1,368	\$1,456
50%	\$966	\$1,104	\$1,241	\$1,379	\$1,490	\$1,600	\$1,710	\$1,820
60%	\$1,160	\$1,325	\$1,490	\$1,655	\$1,788	\$1,920	\$2,052	\$2,184
70%	\$1,353	\$1,545	\$1,738	\$1,930	\$2,086	\$2,240	\$2,394	\$2,548
80%	\$1,546	\$1,766	\$1,986	\$2,206	\$2,384	\$2,560	\$2,736	\$2,912
90%	\$1,739	\$1,987	\$2,234	\$2,482	\$2,682	\$2,880	\$3,078	\$3,276
100%	\$1,933	\$2,208	\$2,483	\$2,758	\$2,980	\$3,200	\$3,420	\$3,640
110%	\$2,126	\$2,428	\$2,731	\$3,033	\$3,278	\$3,520	\$3,762	\$4,004
120%	\$2,319	\$2,649	\$2,979	\$3,309	\$3,576	\$3,840	\$4,104	\$4,368
130%	\$2,512	\$2,870	\$3,227	\$3,585	\$3,874	\$4,160	\$4,446	\$4,732
140%	\$2,706	\$3,091	\$3,476	\$3,861	\$4,172	\$4,480	\$4,788	\$5,096
150%	\$2,899	\$3,311	\$3,724	\$4,136	\$4,470	\$4,800	\$5,130	\$5,460

The maximum rents are:

Gross Rent Limit		
1 BR	2BR	Rent Restriction
\$1,242	\$1,490	60%
Rent Limit (less UA)		
1 BR	2BR	Rent Restriction
\$1,177	\$1,411	60%

3. UTILITY

The landlord will pay for trash, water, and sewer. The tenant will be responsible for electricity. All the appliances are electric. Nothing is gas. The utility allowance estimate is included in the above table.

4. DESCRIPTION OF DEVELOPMENT

- NOON at Hioaks Phase II is a proposed multifamily development which will contain 151 apartment units.
- Common/ site amenities will include swimming pool, courtyard with grilling stations, dog park/landscaped grounds, outdoor fitness equipment, indoor fitness center, on-site property management office, clubroom and community space, and EV chargers.
- Unit amenities include range/ oven, refrigerator, range hood, central air/heat, carpet/ vinyl flooring, shades/ blinds, cable/internet ready. Upon completion, the units will have washer/dryer connections.

- d. Parking options – adequate on-site parking is provided; 1:1 ratio or greater, considering Phases I and II sharing parking.

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

5. FOR REHABILITATION PROJECTS

Not Applicable.

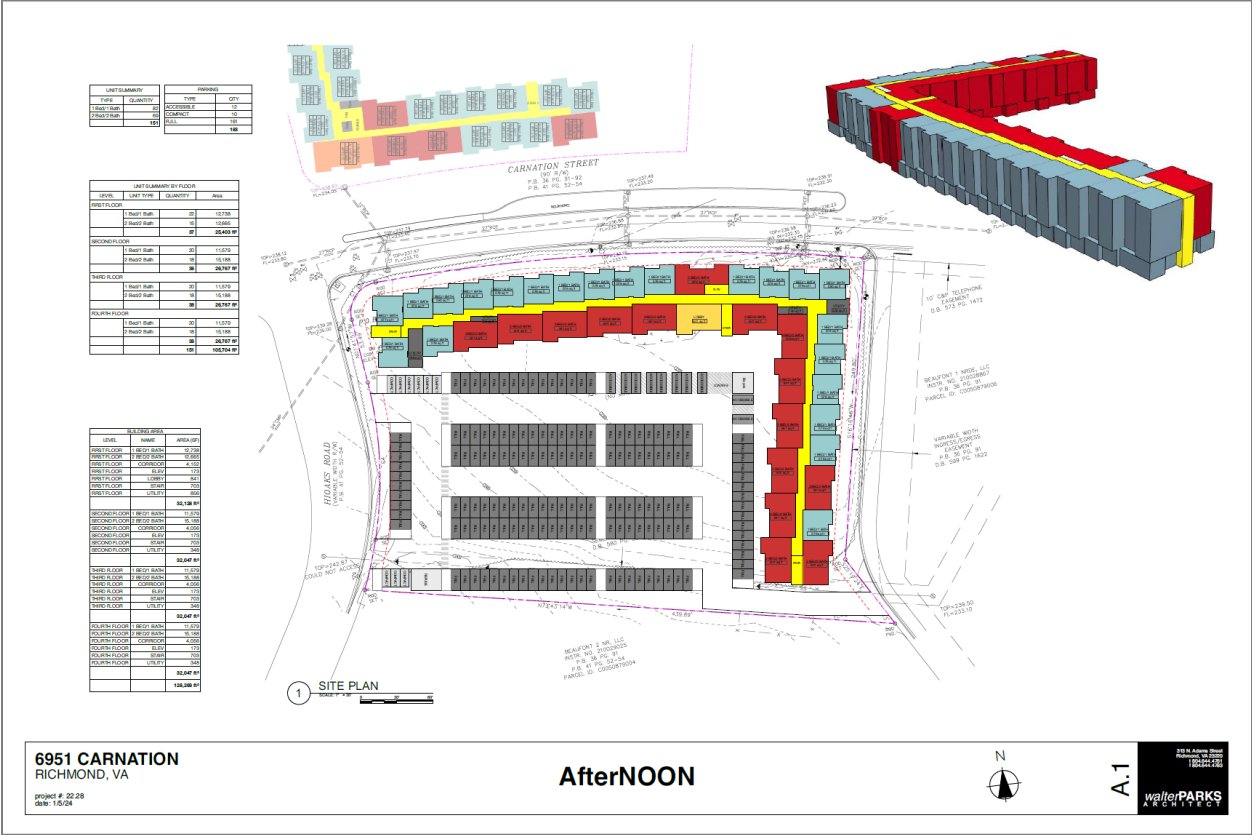
6. INCLUDE THE STATUS OR DATE OF ARCHITECTURAL PLANS

Scope of Construction was provided by the owner in a narrative format on the report's effective date.

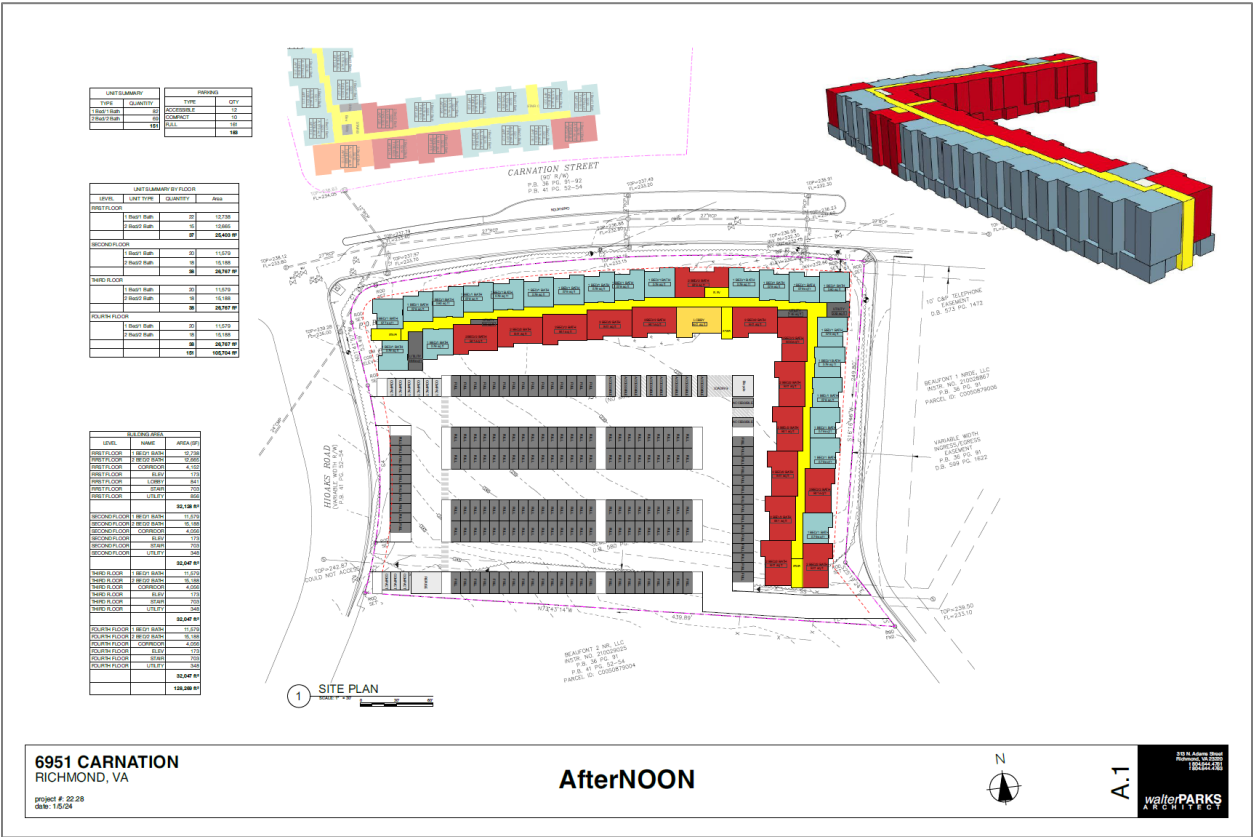
This development will consist of 151 multifamily units in one four-story building. Common amenities include a swimming pool, courtyard with grilling stations, dog park/landscaped grounds, outdoor fitness equipment, indoor fitness center, on-site property management office, clubroom and community space, and EV chargers.

ELEVATIONS

Conceptual Rendering



Site Plan



7. RELEVANT DATES:

Relevant Dates	
Start Construction	7/1/2025
End	1/29/2027
Months to Build	19.00
Pre-Lease Begins	10/30/2026
Months prior to completion	3.00
Pace	15
Units Pre-Leased	45
Units Total	136
Stabilized	129
Remaining Units	84
Months	5.61
Anticipated Date of Stabilization	7/19/2027

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

Not Applicable

(Additional Virginia Housing 2016 Market Study Guidelines; Project Description)

1. Construction Type – Proposed
2. Occupancy Type – Family
3. Special Needs Population – Not applicable
4. Structure Type – Garden Style
5. The subject is not a scattered site development
6. Site amenities – swimming pool, courtyard with grilling stations, dog park/landscaped grounds, outdoor fitness equipment, indoor fitness center, on-site property management office, clubroom and community space, and EV chargers. These are shared amenities with Phase I, which consists of 218 Units.

IMPROVEMENT ANALYSIS AND CONCLUSIONS

Effective Age

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

The subject is proposed construction and will be new upon completion. Based on an observation of the property, there does not currently appear to be any functional obsolescence. The subject is new construction, and the effective age is 0± years upon completion.

Remaining Economic Life

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

The remaining economic life is calculated as the total economic life less the effective age of the subject. The subject has an economic life of 50 to 60 years. Therefore, considering the effective age is 0 years upon completion, the remaining economic life is 50 to 60 years.

Functional Utility

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

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

The subject will be a 151-unit apartment complex with a mixture of one- and two- bedroom units. The design and function are like other competing properties in the market. The quality is commensurate with that of similar type properties of similar age. The subject has a commensurate site amenity package with that of similar properties of similar age.

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

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

Property Rating

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

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

Property Rating Sheet

Subject Apartment Building Rating									
Impact of Productivity	Inferior			Typical			Superior		
	High	Mod.	Slight	Average			Slight	Mod.	High
Design and appearance								x	
Quality of Construction								x	
Condition of Improvements								x	
Room Sizes/ Layout								x	
Closets/ Storage								x	
Appliances								x	
Unit Amenities								x	
Site Amenities								x	
Parking								x	
Number of Items	0	0	0	0	0	0	0	9	0
Times Category Score (weighting)	1	2	3	4			5	6	7
Subtotal Score									
Subtotal Score	0	0	0	0	0	0	0	54	0
Total Subject Score									54

The subject's score is 54, or 100% of the standard score which indicates the subject is in line to its respective market. The subject property ranked superior in nine of the 9 categories considered.. The subject did not rank inferior in any respect. The subject's improvements have an overall rating of superior as compared to other multifamily complexes located in the subjects PMA.

D. LOCATION

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

I. SUBJECT SITE PHOTOGRAPHS AND ENVIRONS



Site



Site



Site



Site

IMMEDIATE MARKET ENVIRONS



The Point Apts



Chippenham Hospital



NOON at Hioaks Phase I



NOON at Hioaks Phase I

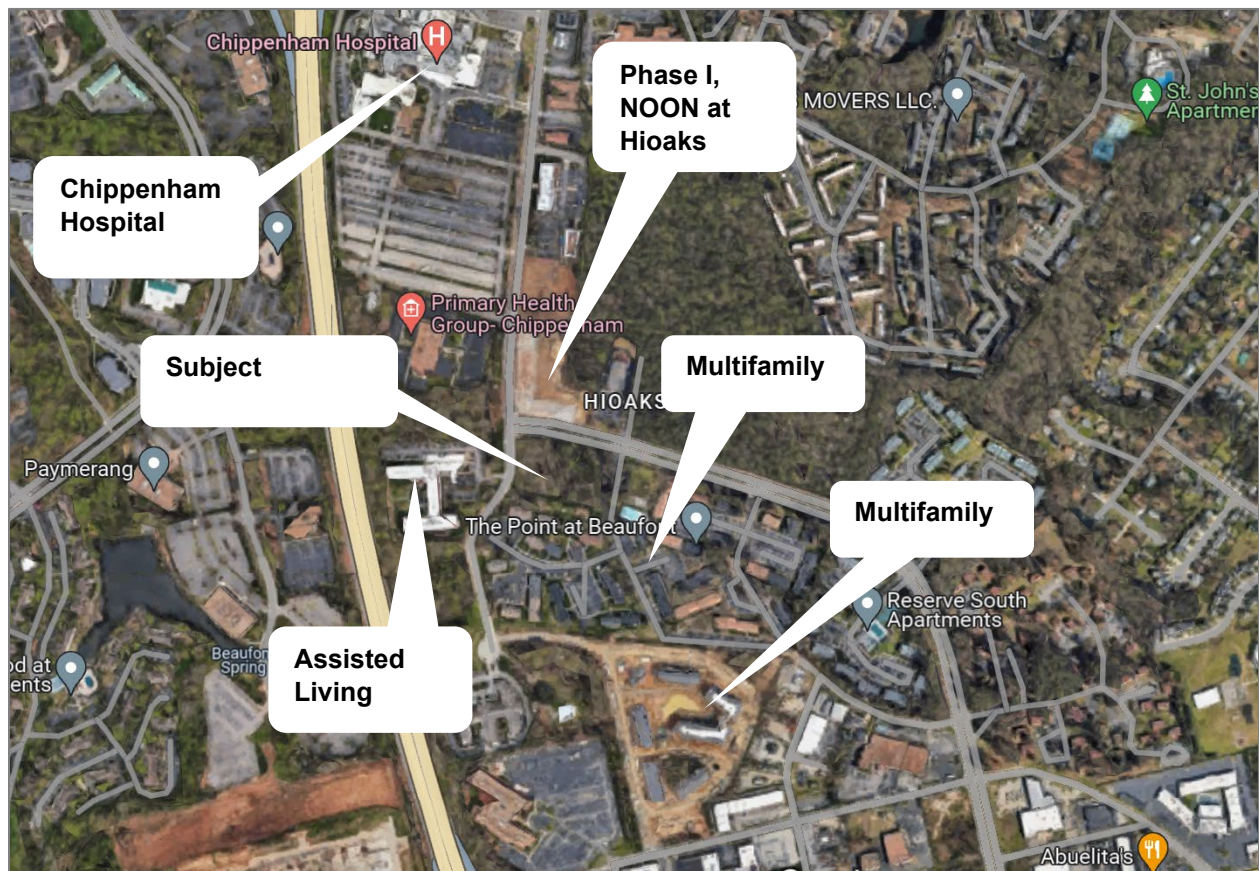
2. IDENTIFY LAND USES DIRECTLY SURROUNDING THE SUBJECT SITE(S)

Land uses in the immediate area are consistent with and complementary to the development. A brief description of immediate land uses in each direction is as follows;

- North – Multifamily
- South – Multifamily
- East – Multifamily
- West – Multifamily

Existing land use patterns are expected to remain the same as the area undergoes modest development.

AERIAL VIEW OF LAND USES



3. MAP OF SUBJECT SITE



(North Orientation)

4. INGRESS/ EGRESS

Primary ingress/ egress is gained from Hioaks Rd. Overall access potential is considered adequate for the sites intended use.

5. DESCRIBE AND EVALUATE THE VISIBILITY OF THE SUBJECT SITE

The subject site has adequate visibility from several secondary surface streets. Visibility and access do not adversely affect the subjects' marketability. The subject site appears suitable for its proposed use.

6. PROVIDE ANALYSIS OF NEIGHBORHOOD AMENITIES;

The subject's neighborhood is in immediate proximity to a multitude of amenities including; shopping, schools, transportation linkages, medical services, places of worship and retail. The area is rural/suburban in nature. The following maps will illustrate the subject's proximity to these various amenities:

Major Transportation Linkages



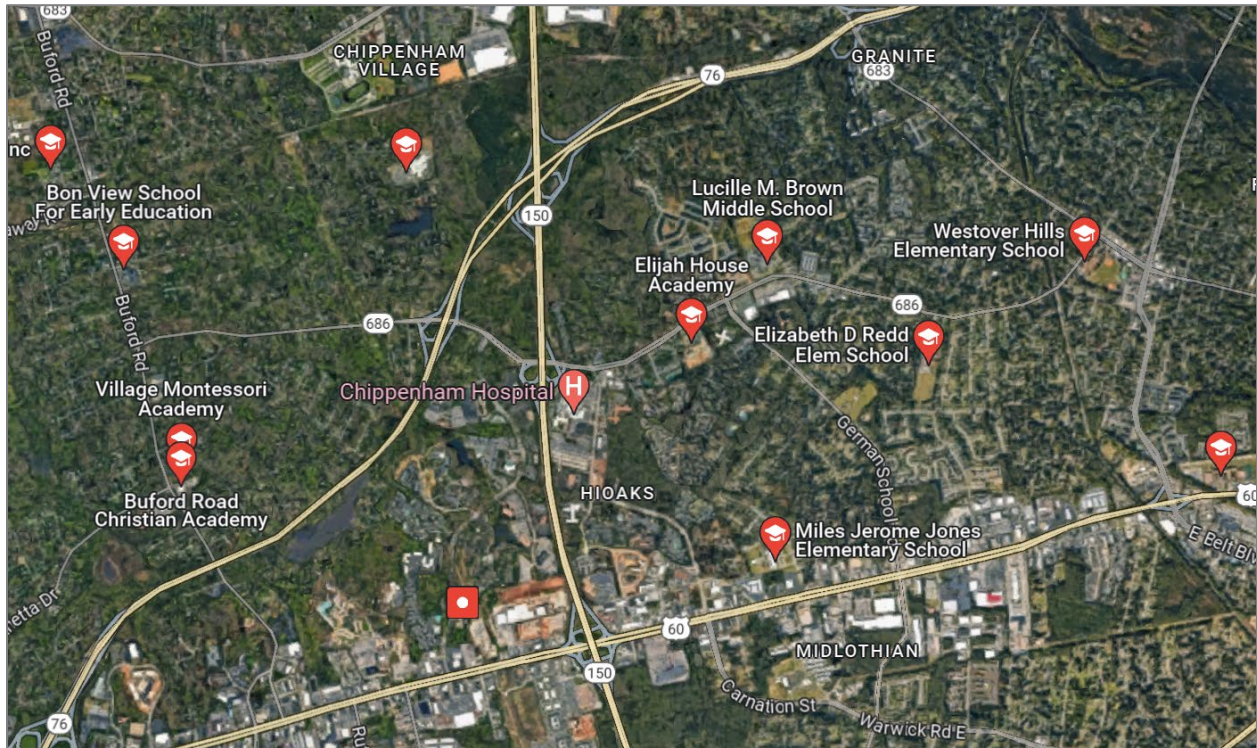
The subject site is located ~ 2 minutes from an I 95 interchange, allowing for quick transportation throughout the MSA.

Shopping



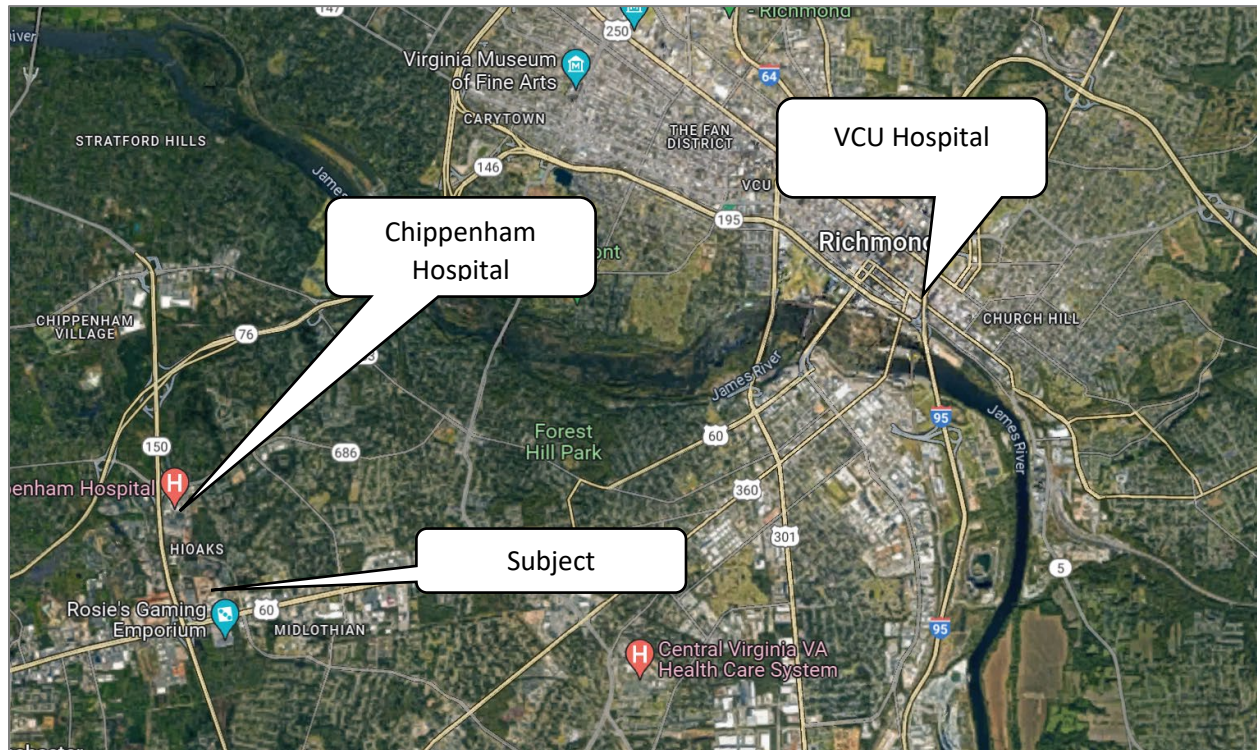
Various retail amenities are located along Midlothian Turnpike. The new Springline at District 60 mixed use development, located at Midlothian Tpke and Chippenham Pkwy, is to contain 27,000 SF of retail space, 150k SF of office, and 300 apartments. Stonebridge Shopping Center, located on the southside of Midlothian Tpke at the intersection of Midlothian and Chippenham, contains an anchor grocery store, ~48k SF of in-line retail, and four pad-sites.

Schools



Subject and Its Proximity to Hospitals

The nearest hospital to the subject is VCU medical center, which is a 5-minute drive from the subject.



Proximity to Public Transportation

There is a bus stop located at the subject site, at the intersection of Hioaks and Carnation.

7. COMMENT OF AVAILABILITY OF PUBLIC TRANSPORTATION.

There is a bus stop located at the subject site, at the intersection of Hioaks and Carnation.

8. CRIME

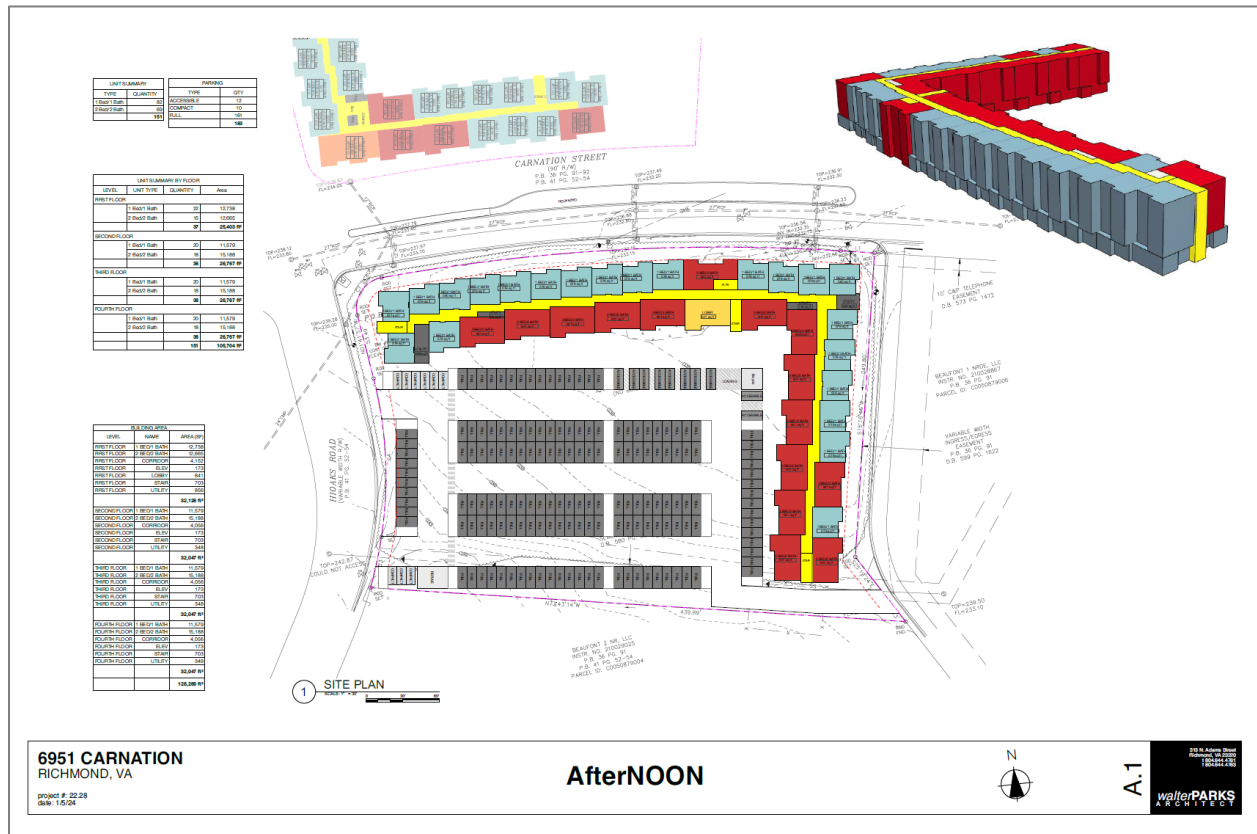
The City of Richmond has an above average total crime index, a significantly higher murder index, and an above average crime index for property, burglary, larceny, and motor vehicle theft. The chart below summarizes the most recent crime statistics for the City of Richmond:

Population Summary	
2024 Total Population	89,629
2029 Total Population	90,951
2024-2029 Annual Rate	0.29%
2024 Crime Indexes (AGS)	
Total Crime Index	103
Personal Crime Index	79
Murder Index	301
Rape Index	55
Robbery Index	82
Assault Index	76
Property Crime Index	107
Burglary Index	92
Larceny Index	115
Motor Vehicle Theft Index	82

Data Note: The Crime Index is an indication of the relative risk of a crime occurring and is measured against the overall risk at a national level. Values above 100 indicate the area has an above average risk of occurring compared to the US. Values below 100 indicate the area has a below average risk of occurring compared to the US. The Crime Indexes provides an assessment of the relative risk of seven major crime types: murder, rape, robbery, assault, burglary, larceny, and motor vehicle theft. It is modeled using data from the FBI Uniform Crime Report and demographic data from the U.S. Census and Applied Geographic Solutions (AGS).

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

The proposed site is adequately sized and shaped for the proposed development. See below site plan:



LOCATION ANALYSIS

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

Location Rating Factor (by Submarket)			
Rating Factor	Subject	Hull St	North Chesterfield
Proximity to Existing Development	3	2	2
Public Planning/ Development Support	3	2	3
Path of Growth	3	2	2
Reputation/ Prestige	3	2	2
Access/ linkages (now and future)	3	3	3
Schools	1	1	1
Restaurants/ Shopping	1	2	3
Employment Center	3	2	3
Higher Income Housing	2	2	2
Recreational Facilities	3	3	3
Aesthetics- natural features	3	2	3
Infrastructure- existing and committed	3	2	3
*Detrimental Influences	2	1	2
Score	33	26	32
% of Total Scores	85%	67%	82%

The subject's PMA is compared to the two closest PMAs, Hull St and North Chesterfield. The subject scored 33 out of a possible 39, which equates to 85%. There are no known hazards, nuisances, or detrimental influences in the area. The subject's submarket appears to be suitable for low to moderate income housing.

E. MARKET AREA DEFINITION

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

I. DEFINE THE PRIMARY MARKET AREA

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

Time-Distance Concepts

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

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

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

Direct Survey Method

In employing the Direct Survey Method, we simply surveyed the existing competitive inventory to determine where they are drawing their residents from in terms of geographical location. Of those properties that participated in our survey, we found that approximately 90% of the residents are being drawn from an approximate 3-mile radius to their respective location. Accordingly, based upon our direct survey of the market, we can reasonably account for up to 136 of the 151 dwelling units' demand, which equates to 90%. Secondary market would make up the balance of the units, but our analysis only focuses on the PMA.

Commuting Patterns

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

Commuting to Work (16+)	%
Less than 5 minutes	1.50%
5 to 9	9.20%
10 to 14	16.00%
15 to 19	25.10%
20 to 24	18.30%
25 to 29	5.60%
30 to 34	10.40%
35 to 39	1.90%
40 to 44	1.80%
45 to 59	3.80%
60 to 89	3.70%
90+	2.70%
Mean travel time to work (min.)	21.5

Approximately 86% of commuters have a commute time of less than the 35-minute mean travel time to work.

Conclusion

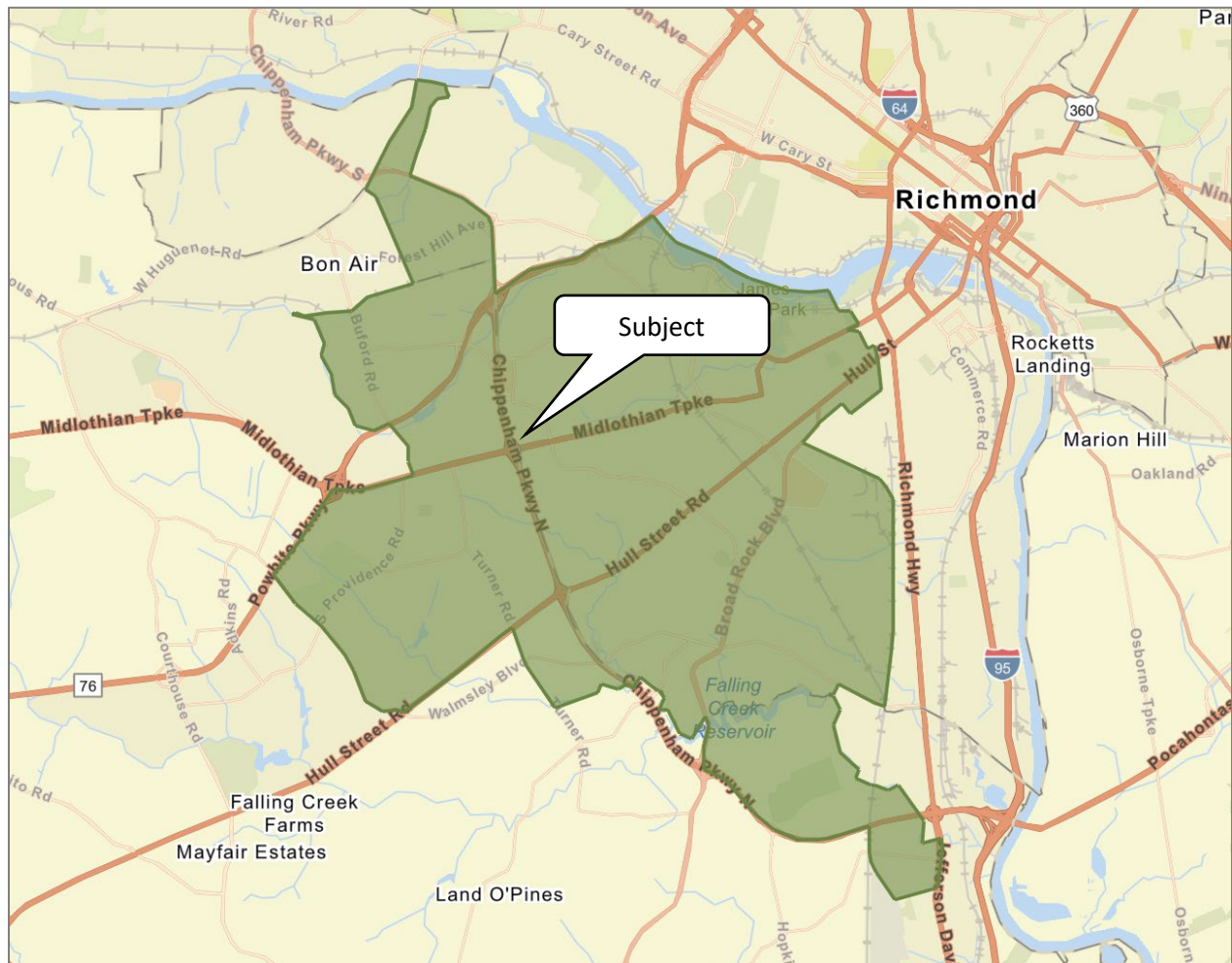
Based on field research and prior analysis of market conditions in the area, along with an assessment of population change and housing development, employment, transportation and geographic patterns, municipality definitions, housing stock conditions, and the location of competitive affordable housing,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

PMA

<u>Census Tracts</u>	<u>Jurisdiction</u>
510411001.06	Chesterfield County
510411001.07	Chesterfield County
510411002.09	Chesterfield County
510411002.10	Chesterfield County
510411002.11	Chesterfield County
510411004.05	Chesterfield County
510411008.04	Chesterfield County
510411009.23	Chesterfield County
517600604.00	City of Richmond
517600605.01	City of Richmond
517600605.02	City of Richmond
517600606.00	City of Richmond
517600703.00	City of Richmond
517600706.01	City of Richmond
517600706.02	City of Richmond
517600707.00	City of Richmond
517600708.02	City of Richmond
517600708.03	City of Richmond
517600708.04	City of Richmond
517600709.01	City of Richmond
517600709.02	City of Richmond
517600710.03	City of Richmond
517600710.04	City of Richmond
517600711.00	City of Richmond

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

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



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

F. EMPLOYMENT AND ECONOMY

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

I & 2 EMPLOYMENT BY INDUSTRY

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

Total Employment by Industry		
	Richmond City	% of Total
Agriculture, Forestry, Fishing and Hunting	15	0.01%
Mining, Quarrying, and Oil and Gas Extraction	31	0.02%
Utilities	192	0.12%
Construction	5,477	3.35%
Manufacturing	5,202	3.18%
Wholesale Trade	4,008	2.45%
Retail Trade	7,586	4.64%
Transportation and Warehousing	3,892	2.38%
Information	1,334	0.82%
Finance and Insurance	9,214	5.64%
Real Estate and Rental and Leasing	4,451	2.72%
Professional, Scientific, and Technical Servi	11,441	7.00%
Management of Companies and Enterprises	8,661	5.30%
Administrative and Support and Waste Management	11,453	7.01%
Educational Services	4,260	2.61%
Health Care and Social Assistance	25,203	15.42%
Arts, Entertainment, and Recreation	2,429	1.49%
Accommodation and Food Services	12,547	7.68%
Other Services (except Public Administration)	5,534	3.39%
Government Total	40,500	24.78%
Total, All Industries	163,430	100%

3. Historical Unemployment Rate

Unemployment rates in the City have historically been higher than the state and consistent with US levels.

Year	Richmond City	VA	US
2013	6.60%	5.60%	7.40%
2014	6.00%	5.10%	6.20%
2015	5.10%	4.40%	5.30%
2016	4.60%	4.00%	4.90%
2017	4.30%	3.70%	4.40%
2018	3.60%	3.00%	3.90%
2019	3.30%	2.80%	3.70%
2020	9.10%	6.40%	8.10%
2021	5.30%	3.90%	5.30%
2022	3.30%	2.80%	3.60%
2023	3.50%	2.90%	3.60%

Unemployment rates at the city, state and national levels have been relatively stable in the previous year. Unemployment rates in the city have been similar to national levels, and slightly higher than the state overall average.

Month/ Yr.	Richmond City	VA	US
Nov-23	3.50%	2.90%	3.50%
Dec-23	3.30%	2.70%	3.50%
Jan-24	3.30%	2.70%	4.10%
Feb-24	3.50%	2.90%	4.20%
Mar-24	3.00%	2.40%	3.90%
Apr-24	2.80%	2.30%	3.50%
May-24	3.20%	2.70%	3.70%
Jun-24	3.60%	3.00%	4.30%
Jul-24	3.90%	3.30%	4.50%
Aug-24	4.20%	3.50%	4.40%
Sep-24	3.70%	3.10%	3.90%
Oct-24	3.50%	2.90%	3.90%

Monthly trends have been consistent with years past.

4. AREA MAJOR EMPLOYERS

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

(Non Retail)

Employer Name	Jurisdiction	Industry Sector
VCU	City of Richmond	Educational
MCV Hospital	City of Richmond	Medical
City of Richmond	City of Richmond	Government
Richmond City Public Schools	City of Richmond	Educational
US Department of Veterans Affairs	City of Richmond	Government
HCA Virginia Health System	City of Richmond	Medical
BB&T Corp	City of Richmond	Financial
MCV Physicians	City of Richmond	Medical
Federal Reserve Bank, Richmond	City of Richmond	Government
University of Richmond	City of Richmond	Educational

5. COMMENT OF RECENT OR PLANNED MAJOR EMPLOYMENT EXPANSIONS.

There is no anticipated significant change in employment that is expected to alter the economic fundamentals of the subject's primary market area. The current employment base is expected to sustain the economy. Unemployment rates appear to be stable. As the economy improves, the unemployment rate is expected to improve. The MSA is somewhat economically insulated due to the large government-based presence.

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

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

Not Applicable

7. TYPICAL WAGES BY OCCUPATION

Average Weekly Wage by Industry	\$
Agriculture, Forestry, Fishing and Hunting	\$1,684
Mining, Quarrying, and Oil and Gas Extraction	\$990
Utilities	\$1,818
Construction	\$2,650
Manufacturing	\$1,810
Wholesale Trade	\$1,724
Retail Trade	\$756
Transportation and Warehousing	\$1,210
Information	\$2,000
Finance and Insurance	\$3,942
Real Estate and Rental and Leasing	\$2,460
Professional, Scientific, and Technical Servi	\$2,540
Management of Companies and Enterprises	\$3,275
Administrative and Support and Waste Manageme	\$1,185
Educational Services	\$1,407
Health Care and Social Assistance	\$1,307
Arts, Entertainment, and Recreation	\$647
Accommodation and Food Services	\$568
Other Services (except Public Administration)	\$1,137
Government Total	\$1,719
Average for City	\$1,741

The total average for the city of \$1,741.

8. COMMUTING PATTERNS

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

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

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

9. CONCLUSIONS

The market should continue to grow at a moderate and deliberate pace. The growth will continue to be fueled by the public sector and Richmond MSA growth. The area will continue to be an attractive business location due to; good location, quality labor supply, and diverse and deep corporate community with global reach.

The velocity of economic activity varies dramatically from an impending upsurge in some submarkets to continued softness in others. The City of Richmond is an economically viable market.

G. DEMOGRAPHIC CHARACTERISTICS

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

POPULATION AND HOUSEHOLD ESTIMATES AND PROJECTIONS

General Population Trends

The population for the subject's PMA increased approximately 8.26% between 2010 and 2024. The total population for the PMA is estimated at 90,951 in 2029 which represents an annual 0.29% growth rate over the next 5 years. This change in population over this time span is considered moderate and thus we can conclude that the population in the subject's PMA is growing at a constant and deliberate pace.

General Population Trends			
Year	No.	% Change	Annual % Change
2010	82,790	Base Year	Base
2024	89,629	8.26%	0.59%
2029 (est)	90,951	1.47%	0.29%

Population by Age

Population By Age	2024	%	2029 (est)	%
0-4	5,826	6.50%	5,730	6.30%
5-9	5,736	6.40%	5,457	6.00%
10-14	5,288	5.90%	5,457	6.00%
15-24	10,666	11.90%	10,914	12.00%
25-34	14,072	15.70%	12,369	13.60%
35-44	13,271	14.80%	14,006	15.40%
45-54	10,044	11.20%	10,914	12.00%
55-64	10,224	11.40%	9,459	10.40%
65-74	8,963	10.00%	9,368	10.30%
75-84	4,123	4.60%	5,457	6.00%
85+	1,434	1.60%	1,637	1.80%
Total	89,629	100%	90,951	100%
Below 35		46.40%		43.90%

As indicated above, approximately 46.40% of the population is 35 years of age or younger which is the typical age range for an apartment dweller. There does not appear to be any significant shifts in the age composition of the population over our survey period.

General Housing Trends

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

Housing Trends; PMA					
Year	Population in HH	Households	Housing Units	Persons per HH	Occupancy %
2010	81,593	33,856	37,451	2.41	90%
2024	88,366	36,819	39,083	2.40	94%
2029 (est)	89,650	37,668	40,342	2.38	93%

Household Trend Analysis				
Year	Number Total	Growth Rate (%)		
2010-2024	2,963	Annual	Total	Annual
2024-2029	849	212	8.75%	0.63%
		170	2.31%	0.46%

Housing Unit Trend Analysis				
Year	Number Total	Growth Rate (%)		
2010-2024	1,632	Annual	Total	Annual
2024-2029	1,259	117	4.36%	0.31%
		252	3.22%	0.64%

Housing Trends in macro-PMA

- Persons in occupied housing units increased from 2024 to 2029 and is expected to increase at a similar pace.
- Households increased from 2010 to 2024 and are expected to continue increasing at around 0.46% annually.
- Housing units increased from 2010 to 2024 and are expected to increase at a rate slightly higher than the previous statistical period.
- The persons-per-household has generally decreased and is expected to continue to decrease slightly. Persons per household decreased from 2.41 to 2.40 from 2010 to 2024.
- Occupancy rates have generally remained level. It is not uncommon for the ratio of households (occupied houses) to housing units (includes occupied and vacant houses) to be somewhat low because of the ratio of abandoned houses.

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

Households by Tenure

Owner/ Renter Occupancy in PMA						
	2010	%	2024	%	2029 (est)	%
Owner	17,265	46%	18,369	47%	19,324	48%
Renter	16,591	44%	18,486	47%	18,356	46%
Vacant	3,595	10%	2,267	6%	2,663	7%
TOTAL:	37,451	100%	39,083	100%	40,342	100%
Households	33,856		36,855		37,679	
*Adj Renter %	49%		50%		49%	

*- nets out vacant households

Based upon information provided by the Site to do Business, the ratio of renters to owners in the subject PMA increased from 2010 to 2024. It is currently 50%. This ratio is expected to be similar over the next five years. The ratio of multifamily households is approximately 50%, after netting out vacant households.

DISTRIBUTION OF INCOME

Income Restrictions

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

Pertaining to the affordable units; the affordability range, including the lower limits, for the analysis, is estimated using expenditure patterns reflecting what consumers typically pay for housing. The lower limits are typically established by assuming a household can reasonably afford to pay no more than **35%** of its income for gross housing expenses, including utilities and maintenance. (The most recent Consumer Expenditure Survey (CEX) by the Census Bureau indicates that the average cost paid by U.S. households is around 38%). The upper limits are established using the HUD limits referred to above.

The analysis is contained on the following page.

income bands are as follows;

INCOME LIMIT DERIVATION PMA		
LIHTC		
Income/Rent Restriction	60%/60%	60%/60%
Unit Type (No. of BR's)	1.1	2.2
No. of Units	82	69
No. of PBV Units	0	0
Proposed Rents	\$1,177	\$1,411
UTILITY ALLOWANCE	\$65	\$79
GROSS RENTS	\$1,242	\$1,490
Annual Rent	\$14,904	\$17,880
Incomes needed to Support Gross Rents (with no subsidy component considered)	\$42,583	\$51,086
Proportion of Units Eligible for Restrictions Eligible Households:	100%	100%
Eligible Income, Upper Limit @ 50% of AMI		
Eligible Income, Upper Limit @ 60% of AMI	\$49,680	\$59,580
Eligible Income, Upper Limit @ 70% of AMI		
Maximum Tax Credit Eligible Gross Rents (50%)		
Maximum Tax Credit Eligible Gross Rents (60%)	\$1,242	\$1,490
Maximum Tax Credit Eligible Gross Rents (70%)		
Target Income Ranges:	\$42,583	\$51,086
to	\$49,680	\$59,580

Units have income and rent restrictions at 60% of AMI for the subject's jurisdiction. The rent level, the resulting affordability limits, and the income distribution among the lower income households in the market, create a segment for family households. The income range for a rental project is illustrated in the above tables.

It is possible that some households, with higher incomes and larger family sizes, could qualify for units, and that some smaller households will also qualify for the bedroom units or choose to pay more than 35% of their income for housing. However, this range is estimated to include the bulk of the potential tenants. This analysis uses the income distributions for family households in the subject's PMA as the income standard, not the MSA. The inclusion of other county/ city households within the PD may skew the market area medians and result in an inaccurate estimation of demand.

AFFORDABILITY

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

There are two affordability indexes below. The affordability indexes are as follows;

Household Income Distribution; PMA					Overall	Overall	1BR	2BR
Household Income Range		% of HH	# of HH		60%	60%	60%	60%
\$0	to \$15,000	13%	2,311					
\$15,000	to \$24,999	7%	1,257					
\$25,000	to \$34,999	8%	1,534					
\$35,000	to \$49,999	14%	2,496	104	104			104
\$50,000	to \$74,999	17%	3,143	2,096	2,096	1,141		955
\$75,000	to \$99,999	14%	2,533					
\$100,000	to \$149,999	15%	2,810					
\$150,000	to \$199,999	8%	1,386					
\$200,000	to +	6%	1,035					
Renter HH		100%	18,486	2,201	2,201	1,141		1,060
Min Income				\$41,143	\$41,143	\$41,143		\$49,371
Max Income				\$57,600	\$57,600	\$48,000		\$57,600
Affordability Index				12%	12%	6%		6%

The overall affordability index is 12% for all units. The affordability index is simply the ratio of renter qualified households by the total number of renter households. The affordability index is further segmented by bedroom as demonstrated in the above table.

Adjust for Normal Vacancy

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

Demand Generators

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

Change in population

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

Existing Inventory

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

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

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

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

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

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

Adjust for Movership Demand

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

Trends

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

Adjust for Latent Demand

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

- Cost Burden Renters are those renters that spending more than 35% of income for housing costs. Based upon information provided by the US Census Bureau, approximately **36%** of renter households in the subject PMA are considered cost burden households.
- Substandard Households are those households that have incomplete kitchen facilities, incomplete plumbing facilities or more than one person per room. Based upon information provided by the US Census Bureau, approximately **5%** of rental households are considered substandard households.

We have estimated that **around 41%** of *current* renter households are a combination of cost burden and substandard households. Not all the cost burden households and substandard households will qualify for the subject; however, more than the average affordability index will qualify given that the subject is designed to cater to this household segment. Therefore, we have estimated the affordability index at **50%**.

for this household segment. The balance of those households that would not qualify would likely remaining in their current house or find housing with a deeper form of subsidy.

H. COMPETITIVE ENVIRONMENT

COMPARABLE PROPERTY PROFILES

The first part of the analysis calls for an inventory of available and anticipated competitive supply. Quantitative supply data can be obtained from many sources. The most common sources include; apartment associations, private market research firms and local municipal governments.

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

EXISTING STOCK OF COMPETITIVE PROPERTIES

Predominate type of development and conformity.

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

Existing Properties

Using quantitative data obtained from municipal lists of existing apartments and unit totals, we estimated the multifamily inventory within the subject's PMA at approximately 1,158 multifamily units (including project based and LIHTC units). Not all these units are competitive with the subject. Some units are occupied by tenants with household incomes above or below the range specified for the subject. The subject will be a family oriented LIHTC property and only other family oriented LIHTC properties are expected to compete with the subject. Therefore, we have conducted a survey on the existing inventory of family oriented LIHTC properties contained in the subject's PMA.

Planned Projects

We are not aware of any new LIHTC projects coming online in the subject's PMA, which are currently under construction or in the planning phase. Based upon conversations with city/ county officials and housing trends, a total allowance of **500** competitive new dwelling units is estimated within the subject's PMA over the mid-range forecast (5 years;). Because the lending market has become more restrictive, fewer development loans are being made in the area. However, more recently, signs of the lending market relaxing, increased occupancy rates and increasing rents again are expected to stir new development in the years to come.

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

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

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

Because the subject will be a family oriented LIHTC property, all other family oriented LIHTC properties are expected to compete with the subject. Subsidized properties and elderly properties were excluded from our analysis. Our ranking analysis is as follows;

Property	Submarket	Age Group	Units	Property Class	Overall Rating	Type	Build
Alexander at 1090	South Richmond	1 to 5	96	B	7	LIHTC	Traditional/Gdn
Belle Summit	South Richmond	6 to 15	50	B	7	LIHTC	Traditional/Gdn
Brookmont	South Richmond	30+	60	C	4	LIHTC	Traditional/Gdn
Chippenham Place	South Richmond	30+	144	C	4	LIHTC	Traditional/Gdn
Linden at Forest Hill	South Richmond	30+	102	C	5	LIHTC	Traditional/Gdn
Foxwood	South Richmond	30+	60	C	5	LIHTC	Traditional/Gdn
McGuire Park	South Richmond	30+	80	C	5	LIHTC	Traditional/Gdn
Park Vue	South Richmond	30+	174	C	4	LIHTC	Traditional/Gdn
The Mirage	South Richmond	1 to 5	139	C	4	LIHTC	Traditional/Gdn
Tuscany	South Richmond	30+	132	A	9	LIHTC	Traditional/Gdn
Village South	South Richmond	30+	121	C	4	LIHTC	Traditional/Gdn

Total Units Surveyed in PMA

1,158

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

Class	No. of Communities	% of Total Units	No. of Units per Class	Rating Scores
A	1	9%	132	9+
B	2	18%	146	7, 8
C	8	73%	880	<5
Total	11	100%	1,158	

Conclusion of Competitive analysis

Class A

- There are 1 Class A projects located within the subject's PMA.

Class B

- There are a total of 2 Class B projects. The rating scores are 7 and 8.

Class C

- There are a total of 8 Class C projects. The rating scores have a range from 5 and below.

The subject is considered to be a Class B asset community upon completion. The subject competes with all other LIHTC properties within the subject's PMA. The subject also competes with market rate properties within the PSA. Market rental rates are generally well above the maximum allowable gross rent (considering utility allowance); therefore, market properties are not considered to directly compete with LIHTC properties within the Subject's MSA. There is a total of 1,158 income and rent restricted dwelling units between 11 properties surveyed. Of those units surveyed, 100% of the units are expected to compete with the subject.

Comparable Property Photos and Property Profiles

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

In some cases, despite our best efforts, properties may not have been surveyed (not returning phone calls, refusal to cooperate). In instances in which we were unable to reach any party to the property, we may have updated older data based on trends or relied upon online sources. In some cases, in which alternative sources were not available, a property may not have been updated but is still included in our analysis. There is a total of 11 LIHTC properties located in the subject's PMA. Those properties and their status, include;

Property	Status
Alexander at 1090	Updated; Trended
Belle Summit	Updated; Trended
Brookmont	Updated; Trended
Chippenham Place	Survey
Linden at Forest Hill	Updated; Trended
Foxwood	Updated; Trended
McGuire Park	Updated; Trended
Park Vue	Updated; Trended
The Mirage	Survey
Tuscany	Updated; Trended
Village South	Survey

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

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

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at 60 of AMI Other () Describe _____

Property Name: NOON at Hioaks _____

Property Address: 6951 Carnation St _____ Phone: _____

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

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

Your impression of the Property: Good (x) Average () Poor () Actual/ Effective Age: Proposed _____

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

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

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

Has the property been renovated? If so, what was the scope of the work?: New Construction _____

order to stay competitive in its respective market.

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

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

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

151 Total Units

# Units	BR/BA/Den	Square Feet	Rent			Unit Type/ Name	Concessions
			50%	60%*	70%		
82	1.1	585		\$1,177.00			
69	2.2	845		\$1,411.00			

*Current maximum allowable rent (2024) less utility allowance

Unit Amenities: Check where appropriate

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

Site Amenities: Check where appropriate

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

Utilities and Services Included in Rent: Check where appropriate

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

Tenant Retention (Annual) _____

Renewal Rate as % of Market Growth: _____

Typical Annual Market Growth Rate: _____

Marketing Period _____

Newer Property Only

Pre-Leasing Began: _____

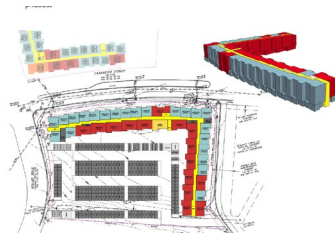
Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____



Key

x= indicates feature is present

s= present in select units

\$= present for a fee

* See Comments

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager

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

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at 60% of AMI Other () Describe _____

Property Name: Alexander at 1090

Property Address: 1090 German School Road, Richmond, VA, 23225 Phone: _____

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

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

Your impression of the Property: Good (x) Average () Poor () Actual/ Effective Age: 2020 / 1 Year

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

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____
Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

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

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

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

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

96 Total Units						
Unit Mix:			Rent			
# Units	BR/BA/Den	Square Feet	50% Mkt	60%	Unit Type/ Name	Concessions
64	2.2	894		\$1,115.00		none
32	3.2	1,031		\$1,286.00		none

Unit Amenities: Check where appropriate

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

Site Amenities: Check where appropriate

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

Utilities and Services Included in Rent: Check where appropriate

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

Tenant Retention (Annual) _____

Renewal Rate as % of Market Growth: _____

Typical Annual Market Growth Rate: _____

Marketing Period _____

Newer Property Only

Pre-Leasing Began: _____

Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____



Key

x= indicates feature is present

s= present in select units

\$= present for a fee

* See Comments

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager

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

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: ☐ Market ☐ Tax Credit ☒ at 50% of AMI ☐ Other ☐ Describe _____

Property Name: Belle Summit

Property Address: 600 Cowardin Avenue, Richmond, VA, 23224 Phone: _____

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

Specify the property's exterior: Brick ☒ Vinyl ☐ T1-11 ☐ Wood ☐ Other ☐ Describe _____

Your impression of the Property: Good ☒ Average ☐ Poor ☐ Actual/ Effective Age: 2014 / 6 to 15

What condition was the property in considering its age?: Good ☐ Average ☐ Poor ☐ _____

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

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

Has the property been renovated? If so, what was the scope of the work?: _____

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

Is the property accessed off a primary road or secondary / residential street? Describe: Secondary

Does the property have a prominent entrance sign visible from the primary road? Yes ☐ No ☐

50 Total Units

# Units	BR/BA/Den	Square Feet	Rent			Unit Type/ Name	Concessions
			50%	Mkt	60%		
10	1.1	556	\$856.00				
30	2.2	862	\$1,020.00				
10	3.2	1,080	\$1,178.00				

Unit Amenities: Check where appropriate

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

Site Amenities: Check where appropriate

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

Utilities and Services Included in Rent: Check where appropriate

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

Tenant Retention (Annual) _____

Renewal Rate as % of Market Growth: _____

Typical Annual Market Growth Rate: _____

Marketing Period _____

**Newer Property Only**

Pre-Leasing Began: _____

Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____

Key

x= indicates feature is present

s= present in select units

\$= present for a fee

* See Comments

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager

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

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at 60% of AMI Other () Describe _____

Property Name: Brookmont

Property Address: 3238 Broad Rock Boulevard Unit 1, Richmond, VA, 23224 Phone: _____

Physical Occupancy: 98.3 % Estimated () Actual (x) As of (date): Current

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

Your impression of the Property: Good () Average () Poor () Actual/ Effective Age: 1971; 30+

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

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

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

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

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

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

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

Unit Mix:		60 Total Units		<u>Rent</u>			
# Units	BR/BA/Den	Square Feet	50%	Mkt	60%	Unit Type/ Name	Concessions
60	2.2	850			\$1,149.00		none

Unit Amenities: Check where appropriate

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

Site Amenities: Check where appropriate

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

Utilities and Services Included in Rent: Check where appropriate

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

Tenant Retention (Annual) _____

Renewal Rate as % of Market Growth: _____

Typical Annual Market Growth Rate: _____

Marketing Period _____

Newer Property Only

Pre-Leasing Began: _____

Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____



Key

x= indicates feature is present

s= present in select units

\$= present for a fee

* See Comments

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager

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

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at 60% of AMI Other () Describe _____

Property Name: Chippenham Place

Property Address: 5833 Orcutt Lane, Richmond, VA Phone: _____

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

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

Your impression of the Property: Good () Average (x) Poor () Actual/ Effective Age: 1980

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

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?:
Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

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

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

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

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

144 Total Units							
Unit Mix:			<u>Rent</u>				
# Units	BR/BA/Den	Square Feet	50%	Mkt	60%	Unit Type/ Name	Concessions
40	1.1	667			\$1,170.00		none
72	2.2	873			\$1,325.00		
32	3.2	1022			\$1,575.00		

Unit Amenities: Check where appropriate

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

Site Amenities: Check where appropriate

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

Utilities and Services Included in Rent: Check where appropriate

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

Tenant Retention (Annual) _____

Renewal Rate as % of Market Growth: _____

Typical Annual Market Growth Rate: _____

Marketing Period _____

Newer Property Only

Pre-Leasing Began: _____

Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____



Key

x= indicates feature is present

s= present in select units

\$= present for a fee

* See Comments

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager

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

**EXHIBIT 1
INFORMATION ON RENT COMPARABLE**

Property Type: Market () Tax Credit (x) at 60% of AMI Other () Describe _____

Property Name: Linden at Forest Hill

Property Address: 205 Roanoke Street, City of Richmond, VA Phone: _____

Physical Occupancy: 97.1 % Estimated () Actual (x) As of (date): Current

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

Your impression of the Property: Good (x) Average () Poor () Actual/ Effective Age: 1965/ +/-35

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

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____
Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

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

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

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

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

102 Total Units					
Unit Mix:			<u>Rent</u>		
# Units	BR/BA/Den	Square Feet	60%	Unit Type/ Name	Concessions
58	1.1	650	\$999	none	none
44	2.1	771	\$1,199	none	none

Unit Amenities: Check where appropriate

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

Site Amenities: Check where appropriate

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

Utilities and Services Included in Rent: Check where appropriate

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

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

Newer Property Only

Pre-Leasing Began: _____

Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____



Key

x= indicates feature is present

s= present in select units

\$= present for a fee

* See Comments

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager

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

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at 50% of AMI Other () Describe _____

Property Name: FOXWOOD

Property Address: 5000-5006 Snead Rd, Richmond, VA 23224 Phone: _____

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

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

Your impression of the Property: Good (x) Average () Poor () Actual/ Effective Age: 2005; 16-30 Years

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

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

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

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

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

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

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

60 Total Units						
Unit Mix:			Rent			
# Units	BR/BA/Den	Square Feet	40%	50%*	60%	Unit Type/ Name
20	1.1	678		\$901.00		none
20	2.1	985		\$1,114.00		none
20	3.2	1253		\$1,408.00		none

*Rents estimated via Costar

Unit Amenities: Check where appropriate

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

Site Amenities: Check where appropriate

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

Utilities and Services Included in Rent: Check where appropriate

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

Tenant Retention (Annual) _____

Renewal Rate as % of Market Growth: _____

Typical Annual Market Growth Rate: _____

Marketing Period _____

Newer Property Only

Pre-Leasing Began: _____

Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____



Key

x= indicates feature is present

s= present in select units

\$= present for a fee

* See Comments

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager

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

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at 60% of AMI Other () Describe _____

Property Name: MCGUIRE PARK

Property Address: 3811 MCGUIRE DRIVE, RICHMOND, VA, 23224 Phone: _____

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

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

Your impression of the Property: Good (x) Average () Poor () Actual/ Effective Age: 1965/ +/-35

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

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

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

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

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

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

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

80 Total Units						
# Units	BR/BA/Den	Square Feet	Rent		Unit Type/ Name	Concessions
			50%	Mkt 60%		
24	1.1	669	\$800.73			none
24	1.1	669		\$835.17		none
16	2.1	852	\$846.24			none
16	2.1	852		\$895.44		

Unit Amenities: Check where appropriate

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

Site Amenities: Check where appropriate

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

Utilities and Services Included in Rent: Check where appropriate

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

Tenant Retention (Annual) _____

Renewal Rate as % of Market Growth: _____

Typical Annual Market Growth Rate: _____

Marketing Period _____



Newer Property Only

Pre-Leasing Began: _____

Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____

Key

x= indicates feature is present

s= present in select units

\$= present for a fee

* See Comments

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager

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

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at 60% of AMI Other () Describe _____

Property Name: Park Vue (formerly Southgate & Swansboro)

Property Address: 3450 Maury Street, City of Richmond, VA Phone: _____

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

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

Your impression of the Property: Good (X) Average () Poor () Actual/ Effective Age: 1963/ +/-25

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

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

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

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

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

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

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

174 Total Units						
Unit Mix:						
# Units	BR/BA/Den	Square Feet	40%	50%	60%	Unit Type/ Name
174	2.1	804			\$1,186	none

Unit Amenities: Check where appropriate

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

Site Amenities: Check where appropriate

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

Utilities and Services Included in Rent: Check where appropriate

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

Tenant Retention (Annual)	60%
Renewal Rate as % of Market Growth:	100%
Typical Annual Market Growth Rate:	2%
Marketing Period	2 weeks

Newer Property Only

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



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

COMMENTS:

None.

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

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at 60% of AMI Other () Describe _____

Property Name: THE MIRAGE

Property Address: 1125 COMMERCE ROAD, RICHMOND, VA, 23224 Phone: _____

Physical Occupancy: 98.6 % Estimated () Actual (x) As of (date): Current

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

Your impression of the Property: Good (x) Average () Poor () Actual/ Effective Age: 1965/ +/-35

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

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

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

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

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

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

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

139 Total Units							
Unit Mix:			<u>Rent</u>				
# Units	BR/BA/Den	Square Feet	50%	Mkt	60%	Unit Type/ Name	Concessions
110	1.1	612avg			\$1,136.00		none
20	1.1.5	647avg			\$1,136.00		
9	2.1.5	866			\$1,350.00		

Unit Amenities: Check where appropriate

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

Site Amenities: Check where appropriate

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

Utilities and Services Included in Rent: Check where appropriate

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

Tenant Retention (Annual) _____

Renewal Rate as % of Market Growth: _____

Typical Annual Market Growth Rate: _____

Marketing Period _____

Newer Property Only

Pre-Leasing Began: _____

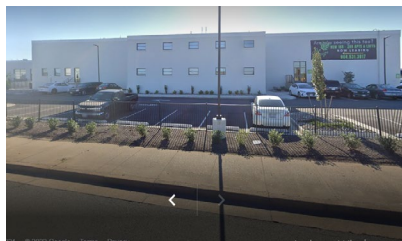
Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____



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

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager

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

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at 60% of AMI Other () Describe _____

Property Name: TUSCANY

Property Address: 3124 SNEAD COURT, RICHMOND, VA 23224 Phone: _____

Physical Occupancy: 97 % Estimated () Actual (x) As of (date): Current

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

Your impression of the Property: Good (x) Average () Poor () Actual/ Effective Age: 1965/ +/-35

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

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

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

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

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

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

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

Unit Mix:		<u>132</u> Total Units		<u>Rent</u>			
# Units	BR/BA/Den	Square Feet	50%	Mkt	60%	Unit Type/ Name	Concessions
132	2:1.5	1250	\$1,211.00				none

Unit Amenities: Check where appropriate

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

Site Amenities: Check where appropriate

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

Utilities and Services Included in Rent: Check where appropriate

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

Tenant Retention (Annual) _____

Renewal Rate as % of Market Growth: _____

Typical Annual Market Growth Rate: _____

Marketing Period _____

Newer Property Only

Pre-Leasing Began: _____

Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____



Key

x= indicates feature is present

s= present in select units

\$= present for a fee

* See Comments

COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager

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

EXHIBIT 1
INFORMATION ON RENT COMPARABLE

Property Type: Market () Tax Credit (x) at 60% of AMI Other () Describe _____

Property Name: VILLAGE SOUTH

Property Address: 801 HOLLY SPRINGS AVENUE, RICHMOND, VA 23224 Phone: _____

Physical Occupancy: 95.9 % Estimated () Actual (x) As of (date): Current

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

Your impression of the Property: Good (x) Average () Poor () Actual/ Effective Age: 1965/ +/-35

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

How would you categorize the property's curb appeal (Good, Average, or Poor) and why?: _____
Good, relative to other properties it is comparable in quality, amenities, landscaping and maintenance.

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

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

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

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

Unit Mix:		121 Total Units		<u>Rent</u>			<u>Unit Type/ Name</u>	<u>Concessions</u>
<u># Units</u>	<u>BR/BA/Den</u>	<u>Square Feet</u>	<u>40%</u>	<u>50%</u>	<u>60%</u>			
121	2.1	813		\$1,031.00				none

Unit Amenities: Check where appropriate

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

Site Amenities: Check where appropriate

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

Utilities and Services Included in Rent: Check where appropriate

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

Tenant Retention (Annual) _____

Renewal Rate as % of Market Growth: _____

Typical Annual Market Growth Rate: _____

Marketing Period _____

Newer Property Only

Pre-Leasing Began: _____

Construction Complete: _____

Stabilization: _____

Months: _____

Units: _____

Absorption Rate: _____



Key

x= indicates feature is present

s= present in select units

\$= present for a fee

* See Comments

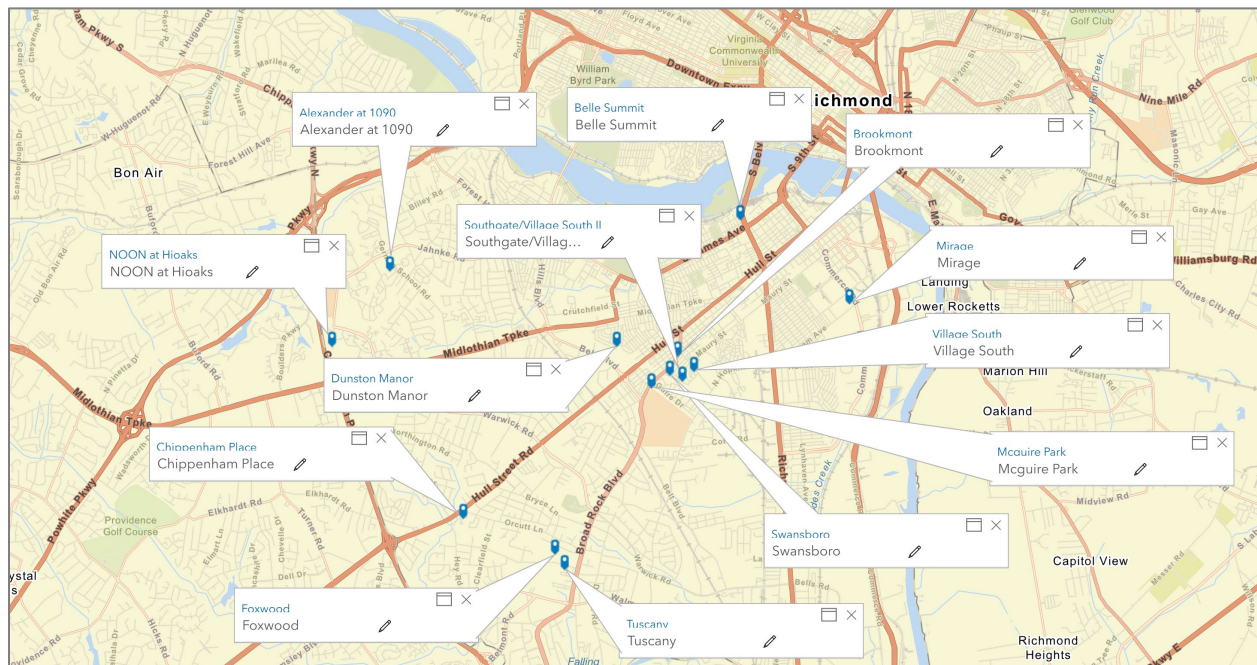
COMMENTS:

None.

CONTACT PERSON: _____ POSITION: Manager

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

LOCATION MAP



The above map provides an illustration of the concentration of communities in various portions of the subject's PMA.

CONFORMITY

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

Competitive Environment

Unit Profile	Kitchen					Central HVAC	Flooring		
	Range	Ref.	Micro.	Dish.	Disp.		Carpet	Vinyl	Other
Subject	x	x	x	x	x	x	x	x	x
	LIHTC								
Alexander at 1090	x	x				x		x	
Belle Summit	x	x		x		x	x		
Brookmont	x	x	x	x	x	x	x	x	x
Chippenham Place	x	x	x	x	x	x	x	x	
Linden at Forest Hill	x	x				x	x	x	
Foxwood	x	x			x	x	x		
McGuire Park	x	x		x	x	x			x
Park Vue	x	x		x	x	x		x	x
The Mirage	x	x	x	x	x	x		x	x
Tuscany	x	x		x	x	x			x
Village South	x	x		x		x			x
Compliance Ratio	11	11	3	8	7	11	5	6	6
	100%	100%	27%	73%	64%	100%	45%	55%	55%
Overall Compliance Ratio	69%								

The subject's overall compliance ratio with the competitive set is 69%.

Unit Profile	Shades	Bal/ Pat.	W/D	Hook ups	Upgrades	High Ceilings
Subject	x			x	x	
	LIHTC					
Alexander at 1090	x	x		x		
Belle Summit	x		x	x	x	
Brookmont	x					
Chippenham Place	x					
Linden at Forest Hill	x	x				
Foxwood	x					
McGuire Park	x					
Park Vue	x		x	x		
The Mirage	x		x	x	x	x
Tuscany	x		x	x		
Village South	x		x	x		
Compliance Ratio	11	9	6	6	2	10
	100%	82%	55%	55%	18%	91%
Overall Compliance Ratio	67%					

The subject's overall compliance ratio with the competitive set is 67%.

Site Profile	Pool	C.H.	Play Gds.	Fitness	Laundry	Site Parking	Office
Subject	x	x		x		x	x
			LIHTC				
Alexander at 1090		x	x	x	x	x	x
Belle Summit		x		x	x	x	x
Brookmont					x	x	x
Chippenham Place	x		x		x	x	x
Linden at Forest Hill					x	x	x
Foxwood		x			x	x	
McGuire Park					x	x	x
Park Vue			x			x	
The Mirage	x	x		x		x	x
Tuscany	x		x		x	x	x
Village South			x		x	x	x
	3	4	6	3	2	11	9
Compliance Ratio	25%	33%	50%	25%	17%	92%	75%
Overall Compliance Ratio		49%					

The subject's overall compliance ratio with the competitive set is 49%.

Utility Structure	Water	Sewer	Trash	Heat	Hot Water	Cook	Elec.	Other
Subject	x	x	x					
Alexander at 1090			x					
Belle Summit			x					
Brookmont	x	x	x					
Chippenham Place	x	x	x					
Linden at Forest Hill	x	x	x					
Foxwood	x	x	x					
McGuire Park								
Park Vue			x					
The Mirage								
Tuscany	x	x	x					
Village South								
	5	5	8	11	11	11	11	11
Compliance Ratio	45%	45%	73%	100%	100%	100%	100%	100%
Overall Compliance Ratio		83%						

The subject's overall compliance ratio of 83%.

Unix Mix	Units	Studio	1 BR	2 BR	3 BR	Other
Subject	151	0%	54%	46%	0%	0%
		LIHTC				
Alexander at 1090	97	1%	0%	66%	33%	0%
Belle Summit	50	0%	20%	60%	20%	0%
Brookmont	60	0%	0%	100%	0%	0%
Chippenham Place	144	0%	28%	50%	22%	0%
Linden at Forest Hill	102	0%	0%	57%	43%	0%
Foxwood	60	0%	33%	33%	33%	0%
McGuire Park	80	0%	60%	40%	0%	0%
Park Vue	174	0%	7%	86%	7%	0%
The Mirage	139	0%	79%	14%	6%	0%
Tuscany	132	0%	0%	100%	0%	0%
Village South	121	0%	0%	100%	0%	0%

Overall Ratio	0%	21%	65%	14%	0%
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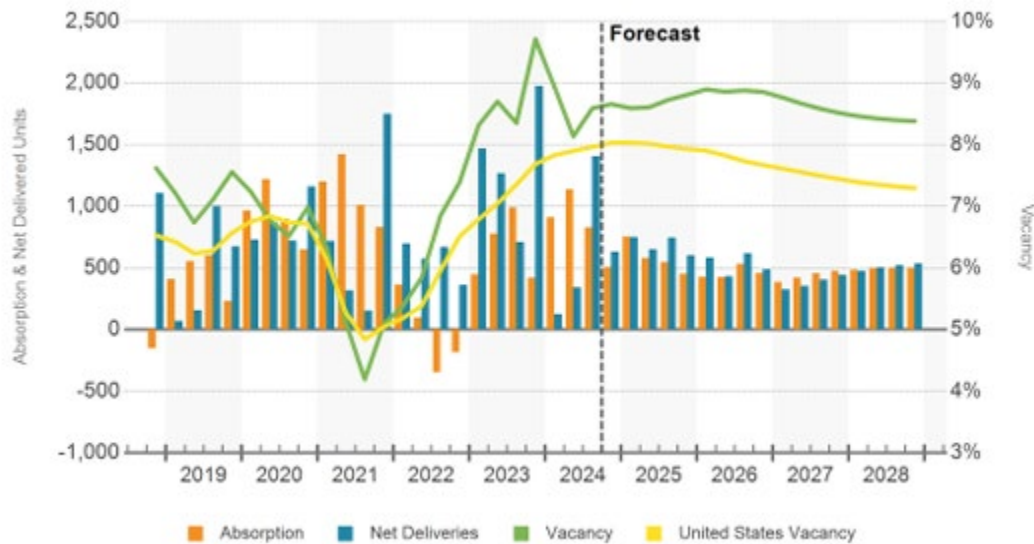
The subject's unit mix is similar to the encumbered properties in the PMA, which average around 21% 1BR units, 65% 2BR units and 14% 3BR units. The subject's unit mix is 0% Studio, 54% 1BR units, 46% 2BR units and 0% 3BR units. The subject's overall compliance ratio is adequate and therefore, we can conclude that the subject follows other similar class assets within the subjects PMA.

- Area Vacancy Rates

The subject's PMA was previously defined. Based upon our survey of competitive properties, vacancy levels were around 0%, not counting frictional vacancy from turnover, which is considered low indicating a strong demand for affordable housing. No one property appears to be under or over representative in our survey.

The overall vacancy rate in the subject's PMA has remained relatively stable at around 5-7% stabilized vacancy. There is a shortage of multifamily housing, especially encumbered multifamily housing, in the southern City of Richmond PMA.

ABSORPTION, NET DELIVERIES & VACANCY



The vacancy rate by unit type has demonstrated a similar pattern of stability over the same time span.

- Discussion of any significant impact of the subject development on the existing rental housing stock.

The subject is proposed and upon completion of the renovation, the subject is anticipated to be consistent with the existing inventory as previously defined. Therefore, the subject is not expected to have a significant impact on the existing rental housing stock.

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

While there is inventory of LIHTC, public and subsidized housing in the subject's PMA, there is an ever-growing demand for affordable housing.

- Discussion of future changes in housing stock

Based upon conversations with city/ county officials and investor surveys, an annual allowance of **100** competitive new dwelling units is estimated within the subject's PMA over the mid-range forecast. However, more recently, signs of the lending market relaxing, increased occupancy rates and increasing rents again are expected stir new development in the years to come. Tax Credit and other planned or under construction rental communities in the market area.

Only those communities that are considered competitive with the subject are considered germane to our analysis. As previously stated, we have made an annual 100-unit annual allowance over the mid-range forecast. This is the annualized estimate of new LIHTC units in the subject's PMA which are estimated to occur within the next five years, which may compete with the subject.

I. FUNDAMENTAL MARKET ANALYSIS (FMA) & CONCLUSIONS

MARKET EQUILIBRIUM

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

RESIDUAL DEMAND CONCEPTS

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

OBSERVATIONS ON EQUILIBRIUM ANALYSIS

In order to determine the equilibrium status of a particular market, total competitive supply is subtracted from total demand. A negative balance in which supply exceeds demand indicates that there is excess supply. Conversely, a positive balance in which demand exceeds supply indicates excess demand. In this case, qualified demand exceeds competitive supply indicating excess demand. Our base year analysis indicates an excess demand at the 60% of AMI level.

CAPTURE/ PENETRATION RATES

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

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

TABLE 2
Calculation of Housing Demand Schedule @ 60% of AMI Income; LIHTC

Total Current Population (2024)		88,366
Average Family Household Size		2.40
Current Household Demand Estimate (2029)		36,819
Renter Ratio		50%
Total Demand		18,468
Affordability Index		12%
Total Potential Demand in Subject's Economic Segment		2,199
Existing Competitive Supply		576
Current Residual Demand		1,623
Residual Demand from Existing Inventory		1,623
Projected Households (2028)		37,668
Projected Change in Households		849
Renter Ratio		50%
Projected Change in Renter Households		426
Affordability Index		12%
Demand from Income Qualified Multifamily Growth		51
Vacancy Allowance	5%	
Adjusted Demand		53
Less: New Competitive Rental Housing (U/C or Planned)		500
Residual Multifamily Demand		(447)
Adjusted Residual Demand from Growth		(447)
Demand from Existing Households		
Current Number of Renter Households		18,468
Turnover Demand from Cost Burden & Substandard HH	41%	7,526
Movership Demand	0.0%	0
Marginal Demand from all Turnover		7,526
Affordability Index		50%
Adjusted Demand		3,763
Tenant Retention		0
Net Demand-New & Existing Income Qualified Renter Households		4,939
# of Units (Subject)		151
Times: % drawn from PMA		90%
Adjusted Number of Units to be captured in PMA		136
Times: Ratio of stabilized occupancy		95%
Adjusted Number of Units to be captured in PMA		129

Rate Analysis			
Penetration Rate	Units	Competitive Units	
	18,486	1,205	6.52%
Capture Rate	Subject Units	Units in Demand	
	129	4,939	2.61%

Total Renter HH Demand @ 60%; LIHTC		18,468
	1BR	2BR
Tenure by BR	20.71%	65.49%
Adjusted Demand by BR	3,824	12,094
Affordability Index	6%	6%
Total Potential Demand in Subject's Economic Segment	982	913
Existing Competitive Supply	119	377
Current Residual Demand	863	535
Projected Change in Renter Households	88	279
Affordability Index	6%	6%
Demand from Income Qualified Multifamily Growth	5.44	15.99
Vacancy Allowance	5%	
Adjusted Demand	5.73	16.83
Less: New Competitive Rental Housing (U/C or Planned)	62	196
Residual Demand from Growth	(56)	(180)
Turnover Demand from Cost Burden & SS Housing	41% 1,557	4,924
Affordability Index	50%	
Adjusted Demand	778	2,462
Net Demand - New & Existing Income Qualified Renter Households	1,585	2,818
Subject Units	82	69
Times: % drawn from PMA	90%	
Times: Ratio of stabilized occupancy	95%	
Adjusted Subject Units	70	59
Capture Rate	4.42%	2.09%

EVALUATION OF PROPOSED RENTS

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

Rents for Similar Class Assets					
Property	Restrictions	Studio \$ / PSF	1 BR \$ / PSF	2BR \$ / PSF	\$ / PSF
Subject 60%	60%		\$1,177	\$2.01	\$1,411 \$1.67
Alexander at 1090	60%			\$1,286	\$1.44
Belle Summit	50%		\$856	\$1.54	\$1,020 \$1.18
Brookmont	60%			\$1,149	\$1.35
Chippenham Place	60%		\$1,170	\$1.75	\$1,325 \$1.52
Linden at Forest Hill	60%		\$999	\$1.54	\$1,199 \$1.56
Foxwood	50%		\$901	\$1.33	\$1,114 \$1.13
McGuire Park	50%		\$800	\$1.20	\$846 \$0.99
	60%		\$835	\$1.25	\$895 \$1.05
Park Vue	60%			\$1,186	\$1.48
The Mirage	60%		\$1,136	\$1.80	\$1,350 \$1.56
Tuscany	50%			\$1,200	\$0.96
Village South	50%			\$1,031	\$1.27
	Min			\$1.20	\$0.96
	Max			\$1.80	\$1.56
	Average			\$1.49	\$1.29

The subject's proposed rents appear to be reasonable based on comparable properties surveyed, and specifically Therefore, the subject's proposed rents appear reasonable and obtainable.

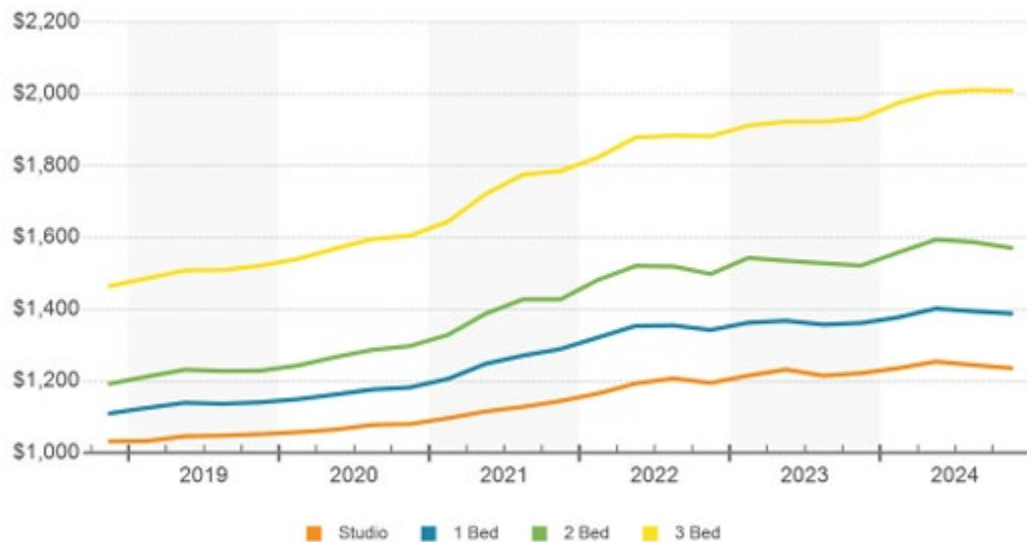
In order to make a determination of rent advantage, we surveyed other similar class market-oriented properties contained in the subject's PMA. The results of our analysis are as follows;

Rents for Similar Class Assets					
Property		1 BR \$	\$ / PSF	2 BR \$	\$ / PSF
Subject	LIHTC @ 60% Rent	\$1,177	\$2.01	\$1,411	1.67
<u>Market Rate Apartments</u>					
St Johns Wood		\$1,252	\$1.73	\$1,478	\$1.40
Village at Westlake		\$1,583	\$1.95	\$1,871	\$1.70
James River @ Stony Point		\$1,472	\$1.82	\$1,818	\$1.53
Creeks Edge @ Stony Point		\$1,696	\$2.65	\$1,929	\$2.17
	Min	\$1,252	\$1.73	\$1,478	\$1.40
	Max	\$1,696	\$2.65	\$1,929	\$2.17
	Average	\$1,501	\$2.04	\$1,774	\$1.70

As the above table illustrates, the subject does possess a discernable rent advantage for the 60% units. The comparables indicate the subject's proposed rent level appears reasonable and achievable. The above analysis indicates the subject's PMA compares favorably to the overall market.

Within the subject's PMA, asking rates on a per BR basis have been modestly trending upwards. Asking rents for the one, two, and three bedrooms are approximately \$1,400, \$1,600, and \$2,000, respectively.

MARKET RENT PER UNIT BY BEDROOM

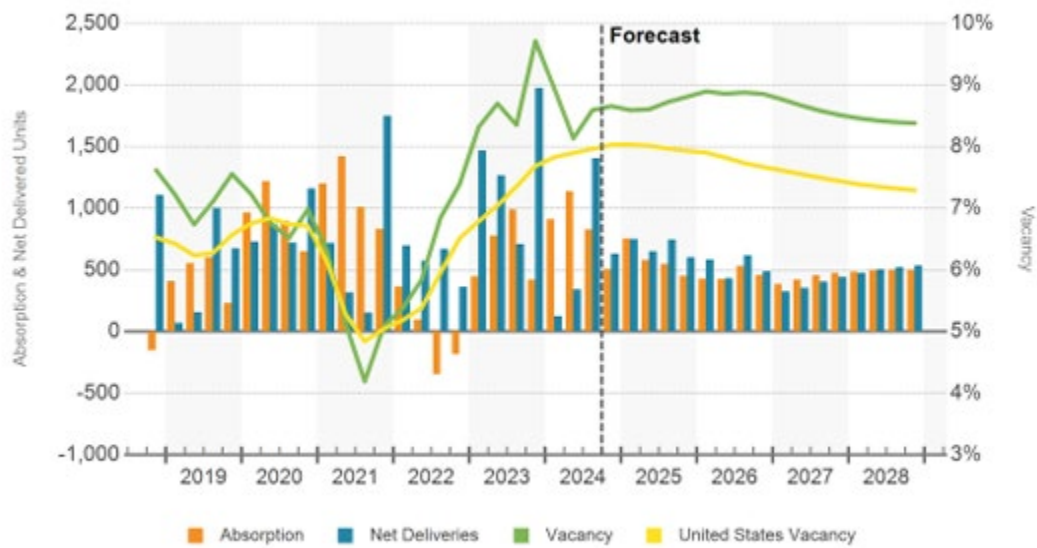


ABSORPTION

In order to estimate the absorption rate for the subject, we surveyed other similar assets in the subject's immediate and extended market area to determine how quickly those assets leased up and achieved stabilization. The analysis is as follows;

To estimate the absorption rate for the subject, we surveyed other similar assets in the subject's PMA to determine how quickly those assets leased up and achieved stabilization. The newer developments being developed in the area are absorbing at around 10-20 dwelling units per month, depending on size. Given the subject's size, we anticipate an average monthly absorption rate of 15 units per month. This will give the subject adequate time to pre-lease all units. The data below indicates that when new units are constructed, they tend to be absorbed relatively quickly. There appears to be a shortage of multifamily, and specifically income and rent restricted multifamily, in the City of Richmond. The subject is proposed and as such, adequate time for preleasing will exist.

ABSORPTION, NET DELIVERIES & VACANCY



Given the subject's size and more intensive marketing efforts associated with larger projects, we have estimated a monthly absorption rate of 10-15 dwelling units per month. The subject is proposed construction.

CONCLUSIONS

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

- The residual demand is positive throughout our mid-range forecast period. The residential demand is 4,939 dwelling units, overall.
- The analyst anticipates adequate demand for accessible and supportive housing for persons with disabilities in the subject's primary market area.
- Virginia Housing requires the analyst to consider the impact, if any, on the analysis for proposed communities in which 20% or more of the units contain at least 3 bedrooms. The subject contains no 3-bedroom units.
- The subject's capture rate is calculated as the percentage of residential demand the subject would have to capture to achieve stabilization. The total number of units for the subject is segmented by the percentage of units captured in the subject's PMA and a typical vacancy allowance. The adjusted total number of units is 129 units. The subject's overall blended capture rate is 2.61%.
- The subject is expected to be absorbed into the market at a pace of 15 dwelling units per month. Financing is currently available at feasible terms and the feasibility rent is sufficient to cover the costs of construction and return a reasonable yield to the investor. This combined with the low capture rate indicates a strong demand for the subject's product type.
- The site is attractive and well located in regard to its access and proximity to employment, community services, shopping, medical, and transportation routes which provides extended access to all points throughout the MSA.
- The location, rents, and amenity package will appeal to the low to moderate income families and professionals.
- The bedroom mix of units, the household size distribution, the capabilities, and the unit vacancy levels indicate that the subject's bedroom mix is appropriate in this market at the rent levels. Market rents are sufficient to support new construction, and a positive residual demand indicates new construction in this market is likely.
- Project features are adequate in this portion of the county. The inventory is mixed ranging from older 30+ year inventory to newer inventory. The subject's amenity package and features are generally commensurate with other similar class properties in the subject's market.
- The subject property is currently existing. The economic infrastructure for the subject properties PMA is fundamentally sound and should continue to grow at a constant and moderate pace.
- The overall development scheme is appropriate and well suited for the market. We make

no further recommendations and/ or modifications to the development.

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

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

VIRGINIA HOUSING NET DEMAND TABLE

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

Income Restrictions	60%
Min.	\$42,583
Max	\$59,580
Demand from Existing HH	1,623
New Rental HH's	(447)
PLUS	
*Existing HH's	
(Rent Overburdened+ Substandard HH+ Turnover)	3,763
PLUS	
Existing HH's	see above
(Substandard HH's)	
PLUS	
Homeowners	
converting to Rental HH's	0
PLUS	
Existing Qualifying Tenants	
(retain post rehab)	0
EQUALS	
Demand	4,939
MINUS	
**Supply	0
EQUALS	
NET DEMAND	4,939
TOTAL ABSORPTION PERIOD (months)	5.61

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

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

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

MARKET ANALYSIS STATEMENT OF EXPERIENCE

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

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

Selected vendors for demographic information and forecasts include:

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

J. OTHER REQUIREMENTS

ANALYST STATEMENT:

I affirm the following:

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



Market Analyst

January 05, 2025

Date

CERTIFICATION

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

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

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

- Matthew W. Davis provided significant real property appraisal assistance to the appraiser(s) signing this certification.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics &

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

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

EAJoseph Appraisal & Consultation



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



Matthew W. Davis
Principal Appraiser
Certified General Real Estate Appraiser
License No. 4001 018648

SEQUENCE OF ADDENDA MATERIALS

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

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

Proprietor

Office: +1 804 353 1757

Fax: +1 888 977 3716

Mobile: +1 804 467 2517

gene@eajoseph.com

EJoseph Appraisal & Consultation

PO Box 8225

Richmond, Virginia 23226

CONTINGENT AND LIMITING CONDITIONS

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

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

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

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

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

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



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

PROPRIETOR & CEO
Appraisal & Consultation Services



Gene@eajoseph.com

EDUCATION AND QUALIFICATIONS

Virginia Commonwealth University, Richmond, VA

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

Graduate Certificate of Real Estate and Urban Land Development

STATE CERTIFICATION

Virginia

CONTACT DETAILS

MOB +1 804 467 2517
DIR +1 804 353 1757
FAX +1 888 977 3716

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

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

EXPERIENCE

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

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

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

PROFESSIONAL AFFILIATIONS AND ACCREDITATIONS

MAI, SRA, AI-GRS; Appraisal Institute

Member of National Council of Housing Marketing Analyst (NCHMA)

HUD Certified

APPRAISAL INSTITUTE COURSES

IA1, Real Estate Principals

IA2, Basic Valuation Procedures

Course 510, Advanced Income Analysis

Course 520, Highest and Best Use and Market Analysis

Course 530, Advanced Sales Comparison and Cost Approaches

Course 540, Advanced Report Writing

Course 550, Advanced Applications

CE as needed

OTHER RELATED COURSES

Real Estate Principals

Real Estate Law

Real Estate Finance

Real Property Management

Real Estate Appraisal

Real Estate Negotiation

Advanced Real Estate Appraisal

Advanced Valuation Analysis (Graduate Level)

Real Estate Investment Analysis (Graduate Level)

Commercial Mortgage Lending (Graduate Level)

Real Property Investment Law (Graduate Level)

Real Estate Development (Graduate Level)

MATTHEW DAVIS

Certified General Real Estate Appraiser

WORK EXPERIENCE

I am a certified general appraiser who has written over 600 narrative commercial appraisal reports of various property types, including:

- **Residential Subdivisions**
- **Office** (from single tenant to 200,000+ SF office buildings)
- **Medical office** (from single tenant to large ambulatory surgery centers)
- **Retail** (freestanding retail, neighborhood, community, and shopping centers, absolute-net retail, convenience stores/gas stations, QSR, branch banks, auto dealerships)
- **Industrial** (office warehouse, flex, self-storage, distribution, light and heavy manufacturing, warehousing)
- **Multifamily** (student housing, LIHTC Section 42 (including market studies), Section 8, adaptive reuse, mobile home parks, general multifamily)
- **Hospitality** (branded and independent hotels and motels, bed and breakfasts)
- **Assisted Living**
- **Mixed use**
- Other property types including golf courses, marinas, RV parks, nutrient and wetland credit banks, large farm estates, poultry farms, timber, agricultural land, wedding/event venues, wineries, churches, and schools.

CONTACT

PHONE: 540-580-4049
EMAIL: matt.d@eajoseph.com

EDUCATION

Virginia Commonwealth University- School of Business 2023; Master of Science in Business, Real Estate Concentration

This program satisfies the educational requirements for the MAI & CCIM designations. Relevant coursework includes Real Estate Appraisal, Real Estate Development, Real Estate Finance, Investment Analysis, Financial Markets, Statistical Analysis. Guided study project entailed successfully creating and training a deep neural network AVM for multifamily. Completed with 3.76 GPA.

Hampden Sydney College 2005 – 2009: Bachelor of Arts, Economics & Commerce

Economics major with a concentration in accounting. Completed with 3.13 GPA.

WORK EXPERIENCE

Appraiser at EA Joseph Appraisal & Consultation,

January 2015–Present

Responsible for providing written valuation reports of real property interests in a variety of property types.

Valuation Analyst at MG Miller Valuations/Colliers International

August 2011–September 2014

Responsible for providing written valuation reports of real property interests in a variety of property types.



Residential Analyst at Southern Bankers Services

May 2009–May 2010

Responsible for providing written valuation reports of residential properties

SKILLS

- Advanced proficiency in Excel and Word
- Experience in Argus Enterprise
- Advanced DCF modeling
- Lease Analysis
- Highest & Best Use Analysis
- Market Studies
- Valuation
- Automated Valuation Models
- Neural Network Modeling
- Statistical Analysis

COMMONWEALTH of VIRGINIA		
Department of Professional and Occupational Regulation		
9960 Mayland Drive, Suite 400, Richmond, VA 23233		
Telephone: (804) 367-8500		
EXPIRES ON 04-30-2025		NUMBER 4001009492
REAL ESTATE APPRAISER BOARD		
CERTIFIED GENERAL REAL ESTATE APPRAISER		
	EUGENE ALBER JOSEPH JR 4612 W FRANKLIN STREET RICHMOND, VA 23226	
Status can be verified at http://www.dpor.virginia.gov		 Demetrios J. Mello, Director

COMMONWEALTH of VIRGINIA

Department of Professional and Occupational Regulation

9960 Mayland Drive, Suite 400, Richmond, VA 23233

Telephone: (804) 367-8500

EXPIRES ON

07-31-2026

NUMBER

4001018648

REAL ESTATE APPRAISER BOARD

CERTIFIED GENERAL REAL ESTATE APPRAISER



MATTHEW WALTER DAVIS
1408 CHOWAN RD
HENRICO, VA 23229



Brian W. Welford

Brian Welford, Interim Director

Status can be verified at <http://www.dpor.virginia.gov>

(SEE REVERSE SIDE FOR PRIVILEGES AND INSTRUCTIONS)

DPOR-LIC (02/2017)

1/2/2024

R-T Specialty, LLC
9020 Stony Point Parkway
Richmond, VA 23235

INSURANCE BINDER FOR: EA Joseph Appraisal & Consultation Services, LLC
POLICY NUMBER: MEO-HS-0006008-00

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

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

Sincerely,



Jung Lee-Stouffer

INSURANCE BINDER

Insurance Company: Houston Specialty Insurance Company

Policy Number: MEO-HS-0006008-00

Named Insured: EA Joseph Appraisal & Consultation Services, LLC

CERTIFICATES OF INSURANCE

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

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

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

INSURANCE BINDER
Policy Number: MEO-HS-0006008-00

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

Policy Period: From 1/12/2024 to 1/12/2025 at 12:01 A.M. Standard Time at your mailing address shown above.

COVERAGES

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

LIMITS OF INSURANCE

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

DEFENSE COSTS ARE INCLUDED WITHIN THE LIMITS OF LIABILITY

RETENTION

Retention	\$2,500 Each & Every Claim
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PREMIUM

Policy Premium	\$2,500.00
Audit Period	Not Subject To Audit

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

INSURANCE BINDER

Policy Number: MEO-HS-0006008-00

Named Insured: EA Joseph Appraisal & Consultation Services, LLC

SUBJECTIVITIES/REQUIREMENTS

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

N/A

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

FORMS

FORM/ENDORSEMENT NUMBER	NAME
HSIC JACKET-POLICY A (07-2021)	HSIC JACKET-POLICY A (07-2021)
SOS HSIC CW 09 13	CW SERVICE OF SUIT CLAUSE
DS PN Annual (02-22)	SKYWARD PRIVACY NOTICE
HSIC MEO DS 01 10 10 16	HSIC POLICY DECLARATIONS - MISCELLANEOUS ERRORS AND OMISSIONS LIABILITY INSURANCE
MP FORM SCHED 00	FORMS SCHEDULE
MP 01 08 11 13	U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL - OFAC - ADVISORY NOTICE TO POLICYHOLDERS
MP 01 26 11 13	IMPORTANT NOTICE
MP 02 52 11 13	PENDING OR PRIOR LITIGATION EXCLUSION
MP 00 01 03 22	MISCELLANEOUS PROFESSIONAL LIABILITY INSURANCE POLICY
MP 02 24 11 13	NUCLEAR LIABILITY EXCLUSION
MP 03 10 08 21	APPRAISER ENDORSEMENT
MP 03 20 08 21	EXTENDED REPORTING PERIOD ENDORSEMENT
MP 03 31 03 22	RETENTION REDUCTION FOR MEDIATION ENDORSEMENT

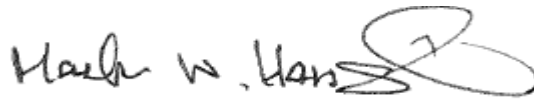
PENDING OR PRIOR-1/12/2024

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

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



SECRETARY SIGNATURE



PRESIDENT SIGNATURE



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

POLICY NUMBER: MEO-HS-0006008-00
RENEWAL OF POLICY: New

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

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

Policy Period: From 1/12/2024 to 1/12/2025 at 12:01 A.M. Eastern Time

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

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

RETROACTIVE DATE

1/12/2015

PRIOR AND PENDING LITIGATION DATE

1/12/2024

LIMITS OF INSURANCE

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

RETENTION

Each & Every Claim	\$2,500.00
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PROFESSIONAL SERVICES

Real Estate Appraisal Services

PREMIUM

Premium	\$2,500.00
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**HOUSTON SPECIALTY INSURANCE COMPANY
POLICY DECLARATIONS
MISCELLANEOUS ERRORS AND OMISSIONS
LIABILITY INSURANCE**

NOTICES

Notices to Insurance
Company:

Notice of Claim or Potential Claim:
Claims Department
Claims@skywardinsurance.com
888-321-0714

All other notices:
VP Legal - HIIG
800 Gessner, Suite 600
Houston, TX 77024

IN CONSIDERATION OF THE PAYMENT OF THE PREMIUMS, AND SUBJECT TO ALL THE TERMS, CONDITIONS AND EXCLUSIONS OF THIS POLICY, WE AGREE TO PROVIDE THE INSURED WITH THE INSURANCE AS STATED IN THIS POLICY.

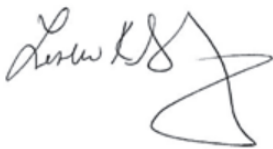
THESE DECLARATIONS, TOGETHER WITH THE COMPLETED AND SIGNED APPLICATION FOR THIS POLICY INCLUDING INFORMATION FURNISHED IN CONNECTION THEREWITH, AND THE COVERAGE FORM AND ANY ENDORSEMENTS ATTACHED HERETO, CONSTITUTE THE ABOVE NUMBERED INSURANCE POLICY.

NOTICE TO THE INSURED

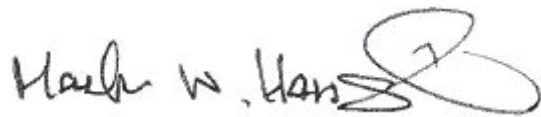
The insurance policy that you have applied for has been placed with or is being obtained from an insurer approved by the State Corporation Commission for issuance of surplus lines insurance in the Commonwealth, but not licensed or regulated by the State Corporation Commission of the Commonwealth of Virginia. Therefore, you, the policyholder, and persons filing a claim against you are not protected under the Virginia Property and Casualty Insurance Guaranty Association Act (Va. Code Ann. §38.2-1600 et seq.) of the Code of Virginia against default of the company due to insolvency. In the event of insurance company insolvency, you may be unable to collect any amount owed to you by the company regardless of the terms of this insurance policy, and you may have to pay for

In witness whereof, this company has caused this policy to be signed by its President and Secretary but if any claims made against you, (Virginia Form SLD-9 (Rev. 9/98)). (Va. Code Ann. §38.2-4016) required by state law, the policy shall not be valid unless countersigned by an authorized representative of the Company.

Surplus Line Broker: _____ License# _____



SECRETARY SIGNATURE



PRESIDENT SIGNATURE

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Richmond, Virginia 23226
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END OF REPORT