



**BOWEN
NATIONAL
RESEARCH**

Market Feasibility Analysis

Honeytree Apartments
2313 Hamilton Boulevard
South Boston, Halifax County, Virginia 24592

Prepared For

Ms. Samantha Brown
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448 Depot Street Northeast
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Authorized User

Virginia Housing
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Richmond, Virginia 23220

Effective Date

February 11, 2026

Job Reference Number

26-143 JP

Market Study Certification

NCHMA Certification

This certifies that Dane Reichard, an employee of Bowen National Research, personally made an inspection of the area including competing properties and the proposed site in South Boston, Virginia. Further, the information contained in this report is true and accurate as of February 11, 2026.

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

Virginia Housing Certification

I affirm the following:

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

Certified:



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Certificate of Membership

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



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

Kaitlyn Snyder
Managing Director, NH&RA

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I. Introduction

A. PURPOSE

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

B. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

C. SOURCES

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

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

D. REPORT LIMITATIONS

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

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

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II. Executive Summary

Based on the findings contained in this report, it is our opinion that a market will continue to exist for the Honeytree Apartments rental property to be renovated utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program.

The following points support this conclusion:

Project Description

The proposed project involves the renovation of the 48-unit Honeytree Apartments property at 2313 Hamilton Boulevard in South Boston, Virginia. Built in 1986, the project operates under the Rural Development (RD) 515 program, with 42 units receiving Rental Assistance (RA). The RA allows tenants to pay up to 30% of their adjusted gross household incomes towards shelter costs (rent and utilities). According to management, the project is currently 100.0% occupied and maintains a 41-household waiting list.

The project will be renovated utilizing funding from the Low-Income Housing Tax Credit program, which will involve the extensive rehabilitation of each unit and the community spaces. Once renovations are completed, the project will target households with incomes of up to 40%, 50% and 60% of Area Median Household Income (AMHI). Notably, the project will continue to operate under the RD515 program and the 42 units of RA are expected to be retained. All renovations are expected to be completed by September of 2028. Additional details of the subject project can be found in *Section III - Project Description* of this report.

Site Evaluation

The subject site consists of the existing Honeytree Apartments, a government-subsidized apartment community located at 2313 Hamilton Boulevard in the northeast portion of South Boston, Virginia. The subject property is within a partially developed residential area of South Boston with surrounding land uses generally consisting of wooded land and single-family homes. Overall, existing structures in the immediate site area are well-maintained and in good condition. The subject property is expected to continue to fit well with existing residential structures in the immediate site area. Visibility and access are considered good, as the subject site is within proximity of various arterial roadways and/or major highways, including U.S. Highway 360, U.S. Highway 58, and U.S. Highway 501. Nonetheless, promotional signage is recommended near the U.S. Highway 360/Hamilton Boulevard intersection south of the site to take advantage of the higher volume of vehicular traffic along this roadway. Most essential community services are accessible within 3.0 miles of the site. Overall, the subject site is considered conducive and should continue to support the ongoing marketability of the subject property. Additional information regarding the subject site, surrounding land uses and the proximity of community services is included in *Section IV - Area Analysis*.

Primary Market Area (PMA)

The Primary Market Area (PMA) is the geographical area from which most of the support for the subject development is expected to continue to originate. The South Boston PMA includes all of South Boston, Riverdale, Mountain Road, Halifax and Clover, as well as the surrounding areas of Halifax County. The boundaries of the Site PMA are the boundaries of Halifax County in all directions. A justification of this market area and a map illustrating the boundaries of the Site PMA can be found in *Section IV*, beginning on page IV-9.

Demographic Trends

Overall, the market's population and household bases have generally been slightly declining since 2010. These demographic bases are projected to remain relatively stable through 2031. While most demographic growth in the market is projected to occur among senior households ages 75 and older between 2026 and 2031, approximately 55.0% of all households are projected to be between the ages of 25 and 64 in 2031. This indicates that a larger number of age-appropriate households will be present within the Site PMA to continue to support the subject project. Additionally, nearly two-thirds (64.5%) of renter households within the market are projected to earn less than \$50,000 in 2031. It should also be noted that Hitachi Energy is expanding operations in South Boston, which is expected to create more than 800 jobs for the area. There is also a proposal for workforce housing to be constructed in the area, targeting those earning an average annual salary of \$73,500, which will also further spark demographic growth in the area. Overall, the demographic trends contained within this report demonstrate a good base of current and potential support for the subject project. Detailed demographic trends are included in *Section IV*, beginning on page IV-11.

Economic Trends

Based on data provided by the State of Virginia Department of Labor, the Halifax County economy was negatively impacted by the COVID-19 pandemic in 2020, similar to many communities throughout the state and nation. During this time, the employment base declined by 962 jobs, or 6.7%, and its unemployment rate increased by more than three percentage points. On a positive note, the county's employment base has since recovered all jobs lost in 2020 and increased by 11,068 jobs, or 8.8%, since 2020 and through the end of 2023, reaching the highest employment base in the preceding decade. Annual unemployment also decreased to a rate of 3.8% throughout the end of 2023 and was similar to the national average. These are good indications that the Halifax County economy has generally recovered from the initial impact of the pandemic in terms of total employment and unemployment rate. This, in turn, will continue to create a stable environment for the local housing market. Although the area has experienced significant growth over previous years, it is worth noting that the employment base slightly declined in 2024 and 2025, while the unemployment rate slightly increased. Regardless, it is anticipated that the economic announcements in the area will contribute to the stability of the local economy. Detailed economic trends are included in *Section IV*, beginning on page IV-16.

Overall Rental Housing Market Conditions

We identified and personally surveyed just six conventional housing projects containing a total of 270 units within the rural Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 98.9%, a very strong rate for rental housing. The following table summarizes the rental housing projects surveyed in the market, broken out by project type.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	1	27	1	96.3%
Tax Credit	3	125	2	98.4%
Tax Credit/Government-Subsidized	2	118	0	100.0%
Total	6	270	3	98.9%

Nearly all rental housing projects identified and surveyed in the Site PMA offer affordable (i.e. Tax Credit and/or government-subsidized) units, including the subject project. The rental projects identified and surveyed in the market have a combined occupancy of 98.9% and most properties maintain waiting lists, indicating that pent-up demand exists for affordable rental housing in the Site PMA.

Competitive/Comparable Tax Credit Analysis

Following renovations, the subject project will offer one- and two-bedroom units targeting households earning up to 40%, 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. We identified and surveyed three non-subsidized general occupancy (family) LIHTC properties within the South Boston Site PMA that we consider comparable to the subject project. These properties offer similar bedroom types targeting households with incomes of up to 60% of AMHI; therefore, they are considered competitive properties in the unlikely event that the subject project lost its subsidy and had to operate exclusively under the LIHTC program.

These three LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the Field Survey of Conventional Rentals.

Map I.D.	Project Name	Year Built/Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Honey Tree	1986 / 2028	48	100.0%	-	41 HH	Families; 40%, 50% & 60% AMHI & RD 515
2	Miller Homes at Poplar Creek	1990 / 2014	46	100.0%	2.0 Miles	Shared: 150 HH	Families; 40%, 50%, & 60% AMHI
4	Poplar Creek Homes	2023	32	100.0%	2.1 Miles	Shared: 150 HH	Families; 40%, 50%, & 60% AMHI
5	Taylor Lofts	1920 / 2007	47	95.7%	1.9 Miles	None	Families; 60% AMHI

OCC. – Occupancy; HH - Households

The three comparable LIHTC projects are 98.4% occupied (reflective of just two vacant units) and two of the properties maintain a shared waiting list of 150 households for their next available units. This illustrates that significant pent-up demand exists for non-subsidized LIHTC housing in the market. The subject project will continue to alleviate the high demand for affordable housing in this market.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
		\$618/40% (1)* \$747/50% (5) \$791/60% (2)	\$712/40% (4) \$856/50% (30) \$876/60% (6)	-	-
Site	Honey Tree				
2	Miller Homes at Poplar Creek	\$577/40% (1/0) \$577/50% (2/0) \$577/60% (5/0)	\$666/40% (5/0) \$666/50% (10/0) \$666/60% (15/0)	\$741/40% (1/0) \$741/50% (2/0) \$741/60% (5/0)	None
4	Poplar Creek Homes	\$645/40% (1/0) \$715/50% (1/0) \$715/60% (2/0)	\$758/40% (2/0) \$758/40% (1/0) \$839/50% (2/0) \$839/50% (1/0) \$839/60% (8/0) \$839/60% (2/0)	\$874/40% (1/0) \$880/40% (1/0) \$965/50% (1/0) \$965/50% (1/0) \$965/60% (6/0) \$965/60% (2/0)	None
5	Taylor Lofts	\$738/60% (4/0)	\$855/60% (30/1)	\$984/60% (13/1)	None

*2025 Maximum allowable LIHTC rents (subsidized contract rent exceeds this limit)

The proposed/programmatic subject gross rents are the highest when compared with the LIHTC rents being achieved at the comparable LIHTC properties targeting similar income levels in the market. It should be noted that some of the rents at Miller Homes at Poplar Creek and Poplar Creek Homes are positioned equal between various income levels, which is a good indication that these properties are not maximizing their rent potential. However, the subject project will likely need to reduce their rents from the proposed/programmatic rent levels detailed in the preceding table as the rents should be discounted from the newer properties that offer generally larger unit sizes and a generally more comprehensive amenities package (as illustrated later). Regardless, the subject will continue to operate with a subsidy available to most units following renovations, allowing tenants of these units to pay up to 30% of their gross income towards collected rent and tenant-paid utilities. Therefore, the subject is expected to continue to represent a substantial value to low-income renters.

Comparable/Competitive Tax Credit Summary

The three comparable LIHTC projects are 98.4% occupied (reflective of just two vacant units) and two of the properties maintain a shared waiting list of 150 households for the next available unit. This illustrates that significant pent-up demand exists for non-subsidized LIHTC housing in the market. The subject project will continue to alleviate the high demand for affordable housing in this market.

The proposed subject gross rents are the highest when compared with the LIHTC rents being achieved at the comparable LIHTC properties targeting similar income levels in the market. Regardless, the subject will continue to operate with a subsidy available to most units following renovations, allowing tenants of these units to pay up to 30% of their gross income towards collected rent and tenant-paid utilities. Therefore, the subject is expected to continue to represent a substantial value to low-income renters.

Perception of Value

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

Bedroom Type	% AMHI	Proposed / Programmatic Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	40%/RD	\$546*	\$875	37.6%
One-Br.	50%/RD	\$675	\$875	22.9%
One-Br.	60%/RD	\$719	\$875	17.8%
Two-Br.	40%/RD	\$629	\$1,025	38.6%
Two-Br.	50%/RD	\$773	\$1,025	24.6%
Two-Br.	60%/RD	\$793	\$1,025	22.6%

RD – Rural Development ; *Maximum allowable net LIHTC rent (contract rent exceeds this limit)

Typically, Tax Credit rents for units targeting households earning up to 60% of AMHI should be positioned at least 10.0% below achievable market rent levels to ensure the property represents a value and is provided a sufficient flow of tenants. The subject’s proposed/programmatic rents represent market rent advantages ranging between 17.8% and 38.6%, which indicates that the rents (assuming maximum allowable in some cases) are expected to represent a good value to area renters. However, it is likely that the subject’s rents will need to be slightly reduced in the unlikely non-subsidized scenario to be competitive with existing LIHTC properties and to be marketable.

Nonetheless, the subject property is expected to be perceived as a significant value compared to the preceding market rent advantages. This is due to the fact that the subject project will continue to operate with a project-based subsidy available to most of the units following renovations. This will allow these tenants to pay up to only 30% of their income towards rent, rather than the non-subsidized rents evaluated throughout this report.

Capture Rate Estimates

The following is a summary of our demand calculations for the subject project, both with and without the proposed subsidy.

As Proposed (With Subsidy)				
Demand Component	40% AMHI / Subsidy (\$0-\$29,640)	50% AMHI / Subsidy (\$0-\$37,050)	60% AMHI / Subsidy (\$0-\$44,460)	Overall LIHTC w/ Subsidy (\$0-\$44,460)
Proposed Units / Net Demand	5 / 485	35 / 575	8 / 603	48 / 643
Capture Rate	1.0%	6.1%	1.3%	7.5%
Total Absorption Period	1 Month	< 4 Months	2 Months	< 4 Months
LIHTC Only				
Demand Component	40% AMHI (\$21,189-\$29,640)	50% AMHI (\$25,611-\$37,050)	60% AMHI (\$27,120-\$44,460)	Overall LIHTC (\$21,189-\$44,460)
Proposed Units / Net Demand	5 / 97	35 / 94	8 / 135	48 / 211
Capture Rate	5.2%	37.2%	5.9%	22.7%
Total Absorption Period	2 Months	6 Months	4 Months	6 Months

Utilizing this methodology, capture rates below 30% are typically considered achievable, though higher capture rates may be acceptable in certain markets/ instances. As such, the 7.5% capture rate for the subject property is considered low and easily achievable. This is supported by the 100.0% occupancy rate and waiting list maintained by the existing subject property. In the unlikely event the project-based subsidy was not retained, and the property had to operate *exclusively* under the LIHTC program, the subject project’s overall capture rate is 22.7%. This illustrates that there is a sufficient base of income-qualified renter support for the subject project in the Site PMA, regardless of whether the property operates with a subsidy available to most units. Although the 50% of AMHI capture rate is elevated, this capture rate is believed to be achievable in this rural market, as there are just two vacant units among the comparable LIHTC properties surveyed in the market.

Penetration Rate

The 125 existing non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned Tax Credit units is \$19,783 to \$53,340. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, the penetration rate calculation for the subject project is summarized in the following table.

	Market Penetration
Number of LIHTC Units (Proposed and Existing)	173
Income-Eligible Renter Households – 2028	/ 1,214
Overall Market Penetration Rate	= 14.3%

It is our opinion that the 14.3% penetration rate for the LIHTC units, both existing and proposed, is considered low and achievable.

Absorption Projections

The subject project currently operates under the Rural Development program with a project-based subsidy available to most units, and the project is expected to retain this subsidy following the proposed renovations. We also assume that most, if not all, current tenants will remain at the site once renovations are complete. In this scenario, the project will effectively have no absorption period. For the purpose of this analysis, however, we have provided absorption estimates assuming that all units will be vacated and will need to be re-rented following renovations. We have provided separate estimates assuming that the subject retains its subsidy for most units, as well as the unlikely scenario that the project had to operate exclusively under the LIHTC program.

For the purpose of this analysis, we assume the absorption period at the site begins as soon as the first renovated units are available for occupancy. We also assume that initial units at the site will be available for rent in 2028. Changes to the project's planned renovations or renovation timeline may alter our absorption projections.

Subsidized

Assuming the subject project retains its subsidy on most units but is entirely vacated, we estimate that the 48 subject units can achieve a stabilized occupancy of 93% within less than four months of re-opening. This is based on a monthly absorption rate of approximately 12 to 13 units per month.

Tax Credit

Assuming the subject project operated exclusively under the LIHTC program and was completely vacated, it is likely that the subject project would experience an extended absorption period of approximately six months, as it would no longer be able to target households earning less than \$21,189. This is based on a monthly absorption rate of approximately seven to eight units per month. In this scenario, the project's ultimate absorption may vary depending upon the amount of voucher support the property receives and assumes the project offers Tax Credit rents that are competitive with the existing Tax Credit properties in the market.

The following table summarizes the subject's projected absorption trends for each scenario:

Absorption Projections		
Scenario	UPM	Absorption Period
Tax Credit with Subsidy	12 to 13	< 4 Months
Tax Credit Only	7 to 8	6 Months

UPM – Units Per Month

In reality, most (if not all) existing tenants are expected to continue to qualify for and remain at the subject property. Further, any units which may become vacant due to typical tenant turnover are expected to be quickly filled from the waiting list maintained for the property. As such, there effectively will be no absorption period for the subject property.

III. Project Description

Project Name:	Honeytree Apartments
Location:	2313 Hamilton Boulevard, South Boston, Virginia 24592 (Halifax County)
Census Tract:	9308
Target Market:	Family
Construction Type:	Renovation of Existing Development
Funding Source:	LIHTC

The proposed project involves the renovation of the 48-unit Honeytree Apartments property at 2313 Hamilton Boulevard in South Boston, Virginia. Built in 1986, the project operates under the Rural Development (RD) 515 program, with 42 units receiving Rental Assistance (RA). The RA allows tenants to pay up to 30% of their adjusted gross household incomes towards shelter costs (rent and utilities). According to management, the project is currently 100.0% occupied and maintains a 41-household waiting list.

The project will be renovated utilizing funding from the Low-Income Housing Tax Credit program, which will involve the extensive rehabilitation of each unit and the community spaces. Once renovations are completed, the project will target households with incomes of up to 40%, 50% and 60% of Area Median Household Income (AMHI). Notably, the project will continue to operate under the RD515 program and the 42 units of RA are expected to be retained. All renovations are expected to be completed by September of 2028. Additional details of the subject project are as follows:

Proposed Unit Configuration										
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Current Basic/Note Rent	Proposed Rents			Max. Allowable LIHTC Gross Rent
							Collected Rent	Utility Allowance	Gross Rent	
1	One-Br.	1.0	Garden	574-643	40%/RD	\$553/\$766	\$553	\$72	\$625	\$618
5	One-Br.	1.0	Garden	574-643	50%/RD	\$675/\$796	\$675	\$72	\$747	\$772
2	One-Br.	1.0	Garden	574-643	60%/RD	\$719/\$874	\$719	\$72	\$791	\$927
4	Two-Br.	1.5	Garden	746-826	40%/RD	\$629/\$840	\$629	\$83	\$712	\$741
30	Two-Br.	1.5	Garden	746-826	50%/RD	\$773/\$874	\$773	\$83	\$856	\$926
6	Two-Br.	1.5	Garden	746-826	60%/RD	\$793/\$882	\$793	\$83	\$876	\$1,111
48	Total									

Source: Community Housing Partners

AMHI – Area Median Household Income (National Non-Metropolitan Rent Limits; 2025)

The maximum allowable LIHTC gross rents ranging from \$618 to \$1,111 are the programmatic limits for units targeting households earning up to 40%, 50% and 60% of AMHI. However, these rent limits would only apply in the unlikely scenario that the property ceased to operate with a project-based subsidy. Nonetheless, as some of the proposed contract rents are above these maximum allowable limits, we have evaluated these unit types assuming maximum allowable LIHTC rent limits throughout this report.

Building/Site Information	
Residential Buildings:	Six (6) two-story buildings
Building Style:	Walk-up
Community Space:	Stand-alone
Acres:	4.7

Construction Timeline	
Original Year Built:	1986
Renovation Start:	April 2027
Begin Preleasing:	In-place renovation
Renovation End:	September 2028

Unit Amenities		
• Electric Range	• Washer/Dryer Hookups	• Composite Flooring
• Refrigerator	• Central Air Conditioning	• Window Blinds
• Dishwasher		

Community Amenities		
• On-Site Management	• Laundry Room	• Clubhouse/Community Room
• CCTV/Cameras	• Surface Parking Lot (80 Spaces)	• Playground

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

Current Occupancy Status			
Total Units	Vacant Units	Occupancy Rate	Waiting List
48	0	100.0%	41 Households

PLANNED RENOVATION:

Although a detailed scope of renovations was unavailable, the subject development will likely include the following renovations:

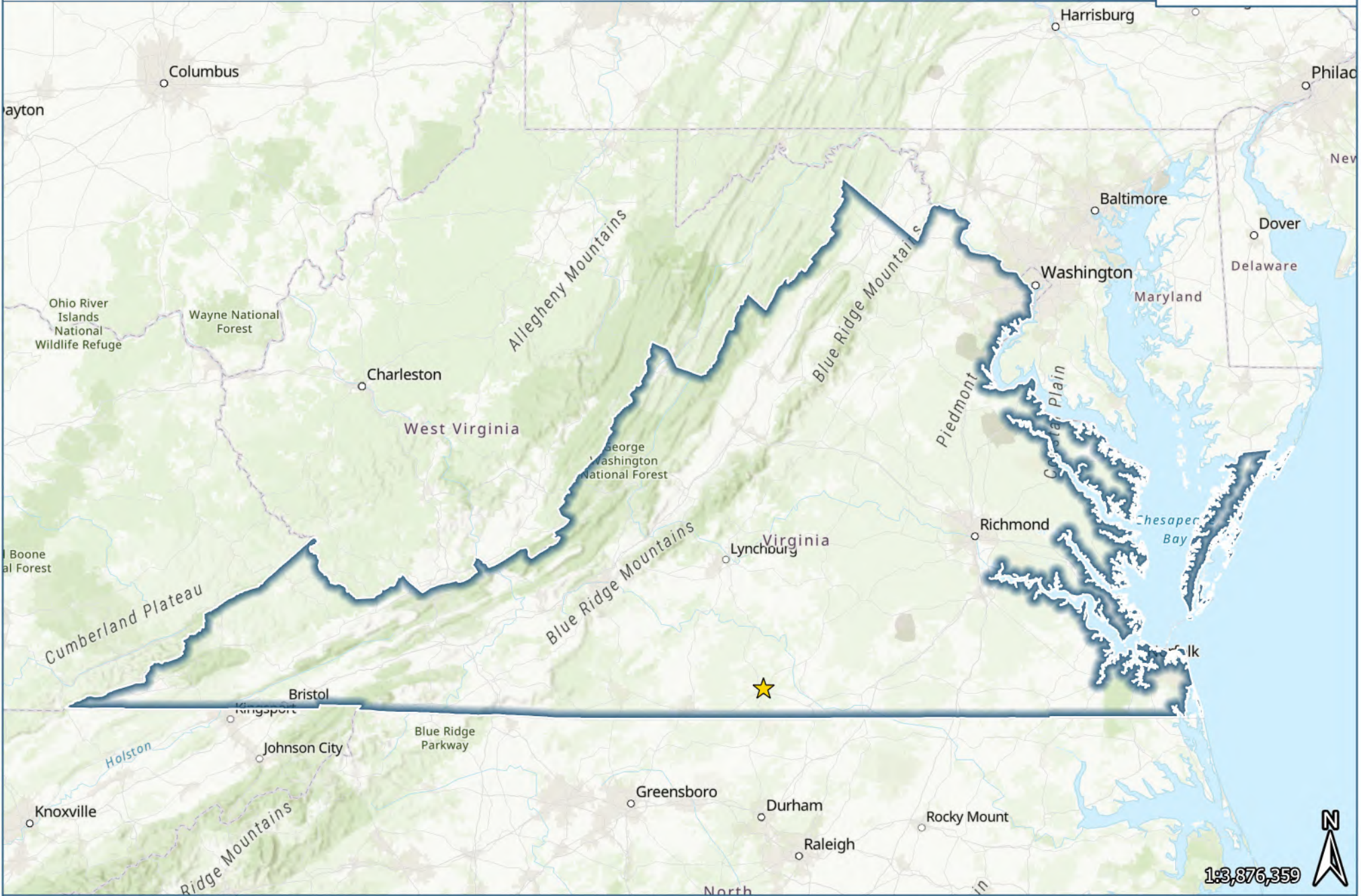
- Replace all flooring
- Install new kitchen appliances, cabinets and countertops
- Paint the interior of all the units
- New bathroom fixtures, replace/refurbish tubs and tub surrounds as needed
- Install new furnaces
- Install new mini-blinds at all windows
- Update exterior with siding/paint
- Repair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

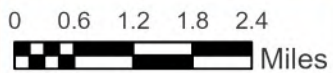
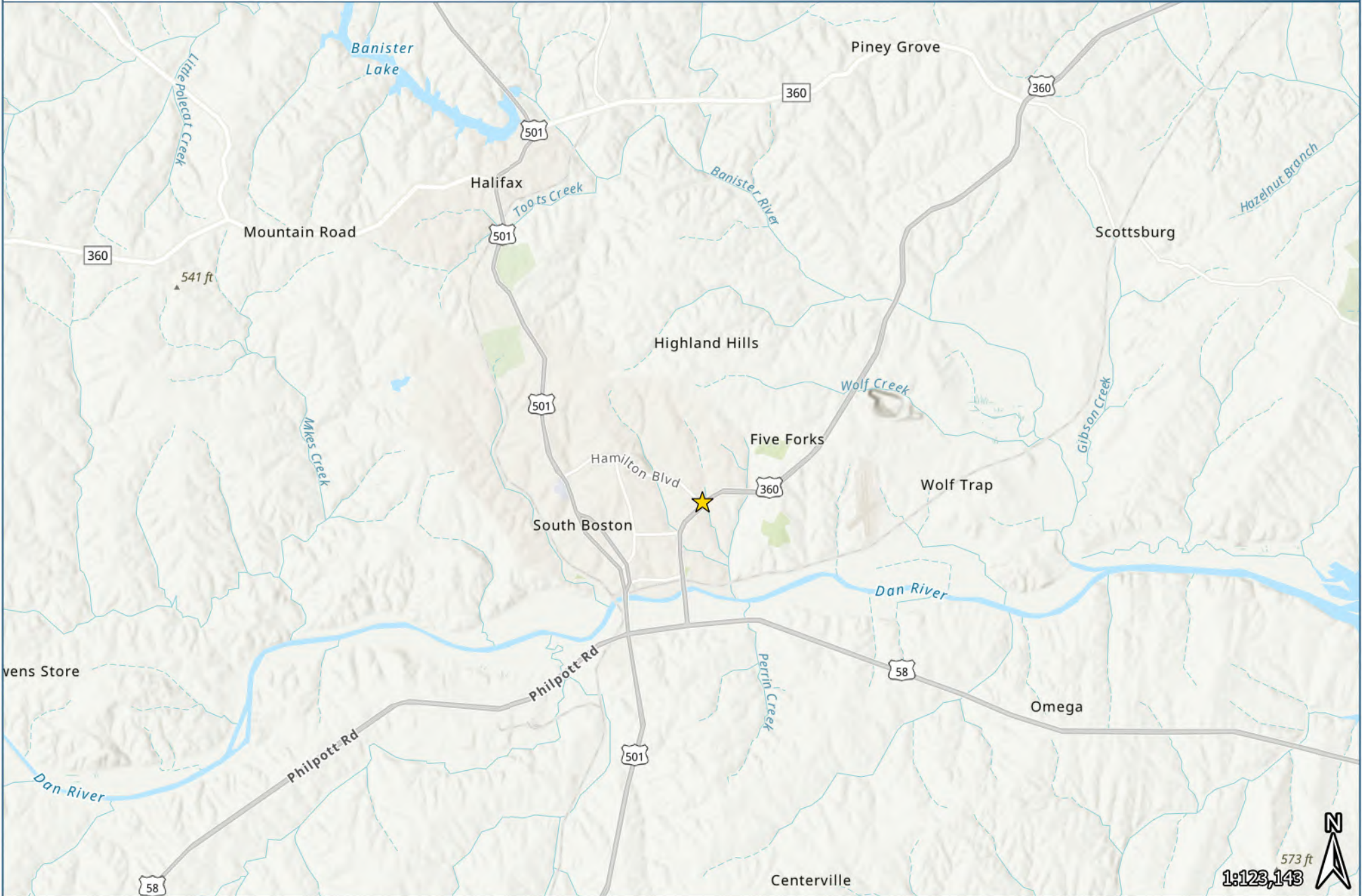
FLOOR AND SITE PLAN REVIEW:

Floor and site plans for the subject project were not provided for review at the time this report was prepared. However, based on our in-person site visit and additional information provided at the time of this analysis, the subject property will continue to offer one- and two-bedroom garden-style units located within six (6), two-story walk-up buildings. The subject units range in size from 574 to 826 square feet and include one (1.0) or one and half (1.5) bathrooms, depending on floorplan. Each unit will continue to offer all basic appliances and unit amenities typical of subsidized rental housing.

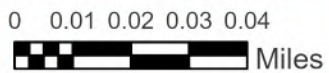
In addition to the subject's residential units, the property will continue to feature an array of community amenities integrated throughout the property. This will contribute to the continued marketability of the subject project. Overall, the subject property appears to be marketable in terms of overall design. Nonetheless, an in-depth comparable/competitive analysis is included in *Section V* to better determine the competitive position and overall marketability of the subject project within the South Boston market.

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





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



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

IV. Area Analysis

A. SITE DESCRIPTION AND EVALUATION

1. LOCATION

The subject site consists of Honeytree Apartments, a government-subsidized apartment community located at 2313 Hamilton Boulevard in the northeastern portion of South Boston, Virginia. Located within Halifax County, South Boston is approximately 60.0 miles south of Lynchburg, Virginia. The subject site visit and corresponding fieldwork were completed during the week of February 9, 2026.

2. SURROUNDING LAND USES

The subject property is within a partially developed residential area of South Boston, although many of the surrounding land uses include undeveloped land. Surrounding land uses generally consist of wooded land and single-family homes. Adjacent land uses are detailed as follows:

North -	The northern site boundary is defined by heavily wooded land that extends for a considerable distance, along with a pond.
East -	The eastern site boundary is defined by heavily wooded land, followed by U.S. Highway 360, a four-lane divided roadway with light to moderate vehicular traffic patterns. Single-family homes in good condition, wooded land, and South Boston Speedway extend east of the site.
South -	The southern site boundary is defined by the intersection of U.S. Highway 360 and Hamilton Boulevard, which is a four-lane roadway with light traffic patterns. Continuing south are single-family homes in good condition, as well as wooded land.
West -	The western site boundary is defined by Hamilton Boulevard and heavily wooded land. Continuing west are single-family homes and a church in good condition, as well as wooded land.

The subject project is located in a generally undeveloped and mixed-use area of South Boston. Surrounding land uses primarily consist of wooded land, allowing for a private living environment at the subject site. Overall, the subject property fits well with the surrounding land uses and they should continue to contribute to the marketability of the site. Photographs of the site can be found in *Section X* of this report.

3. VISIBILITY AND ACCESS

The subject property maintains notable frontage along Hamilton Boulevard, a four-lane roadway with light vehicular traffic patterns that terminates at the southern boundary of the site. The existing structures of the subject property, along with existing entryway signage, are clearly visible from this aforementioned roadway. Trees and foliage obscure visibility from U.S. Highway 360, a four-lane divided roadway with light to moderate vehicular traffic patterns that serves as the main arterial roadway for the immediate site area. According to the Virginia Department of Transportation (VDOT), U.S. Highway 360 experiences Average Annual Daily Traffic (AADT) volumes of more than 11,000 vehicles. While the subject property reports a 100.0% occupancy rate at the time of this analysis, promotional signage is nonetheless recommended near the U.S. Highway 360/Hamilton Boulevard intersection south of the site to take advantage of the higher volume of vehicular traffic along this roadway. Based on the preceding, visibility is considered good and should continue to contribute to the subject property's ongoing marketability.

Vehicular access to the subject property is derived via a surface parking lot entrance along the eastern side of Hamilton Boulevard. As previously indicated, this aforementioned roadway is a four-lane roadway with light vehicular traffic patterns and is accessible directly to/from U.S. Highway 360 to the south. This roadway should continue to provide convenient ingress/egress for the subject property. Regional connectivity is strong, as several arterial roadways are accessible within 2.0 miles of the site, including the aforementioned U.S. Highway 360 to the southeast, U.S. Highway 58 to the south, and U.S. Highway 501 to the west, providing connections to several neighboring communities, including Lynchburg, Virginia, and Richmond, Virginia. Additionally, on demand transportation services provided by Uber/Lyft are available upon request. Based on the preceding, access is considered good and should continue to contribute to the subject property's ongoing marketability.

4. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (miles)
Major Highways	U.S. Highway 360 U.S. Highway 58 U.S. Highway 501	Adjacent East 1.6 South 2.0 West
Public Bus Stop	Uber/Lyft	On Demand
Major Employers/ Employment Centers	South Boston School District Walmart Supercenter Sentara Halifax Regional Hospital Riverdale Plaza Hitachi Energy	0.8 Northwest 2.6 Northwest 2.6 West 2.7 Southwest 3.9 Southwest
Convenience Store	South Boston Market	1.2 South
Grocery	Food Lion Walmart Supercenter	2.7 Southwest 2.6 Northwest
Discount Department Store	Family Dollar Walmart Supercenter Dollar General	2.3 West 2.6 Northwest 2.8 Southwest
Shopping Center/Mall	Hupps Mill Plaza Riverdale Plaza	2.1 West 2.7 Southwest
Schools: Elementary Middle/Junior High High	South Boston Elementary Halifax Middle School Halifax County High School	0.8 Northwest 2.9 Northwest 2.6 Northwest
Hospital	Sentara Halifax Regional Hospital	2.6 West
Police	South Boston Police Department	1.8 Northwest
Fire	South Boston Fire Department	1.7 Southwest
Post Office	USPS	1.7 Southwest
Bank	First Horizon Bank	1.8 Southwest
Recreational Facilities	South Boston Speedway World of Sports	1.0 East 2.1 South
Gas Station	Exxon	1.2 South
Pharmacy	PATHS Community Pharmacy	0.8 Northwest
Restaurant	Badeaux's Seafood & Grill Four Oaks Restaurant & Lounge Chef Italian Restaurant	1.1 South 1.2 Southwest 1.9 West
Day Care	Tots and Company Childcare	2.4 Northwest
Community Center	Washington Coleman Community Center	1.4 West
Church	St. Paschal Catholic Church	0.8 South
Park	North Main Street Public Park	0.9 West
Library	South Boston Library	1.8 Southwest

The subject site is within a partially developed residential area of South Boston, with most essential community services accessible within 3.0 miles of the site. Notable nearby services include a convenience store, schools, a pharmacy, restaurants, a community center, a library, a gas station, and a discount department store. Most area services are concentrated along the U.S. Highway 501 commercial corridor west of the site.

Public safety services are provided by the South Boston Police Department and South Boston Fire Department, which are respectively accessible within 1.8 and 1.7 miles of the site. The nearest hospital with emergency services, Sentara Halifax Regional Hospital, is accessible within 2.6 miles of the site. All public schools servicing the site are accessible within 2.9 miles, and transportation is provided. Additionally, recreational services, such as World of Sports and North Main Street Public Park, are accessible within 2.9 and 0.9 miles of the site, respectively. Furthermore, all essential community services are accessible through on-demand transportation services such as Uber and Lyft. This further enhances access to most services throughout the South Boston area. Overall, access to community services is considered good and should continue to contribute to the subject property's ongoing marketability.

5. OVERALL SITE EVALUATION

The subject site consists of the existing Honeytree Apartments, a government-subsidized apartment community located at 2313 Hamilton Boulevard in the northeast portion of South Boston, Virginia. The subject property is within a partially developed residential area of South Boston with surrounding land uses generally consisting of wooded land and single-family homes. Overall, existing structures in the immediate site area are well-maintained and in good condition. The subject property is expected to continue to fit well with existing residential structures in the immediate site area. Visibility and access are considered good, as the subject site is within proximity of various arterial roadways and/or major highways, including U.S. Highway 360, U.S. Highway 58, and U.S. Highway 501. Nonetheless, promotional signage is recommended near the U.S. Highway 360/Hamilton Boulevard intersection south of the site to take advantage of the higher volume of vehicular traffic along this roadway. Most essential community services are accessible within 3.0 miles of the site. Overall, the subject site is considered conducive and should continue to support the ongoing marketability of the subject property.

6. CRIME ISSUES

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

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

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

Total crime risk for the market and Halifax County are illustrated in the following table.

	Crime Risk Index
	PMA/Halifax County
Total Crime Index	59
Personal Crime Index	67
Murder	226
Rape	60
Robbery	54
Assault	68
Property Crime Index	58
Burglary	68
Larceny	61
Motor Vehicle Theft	26

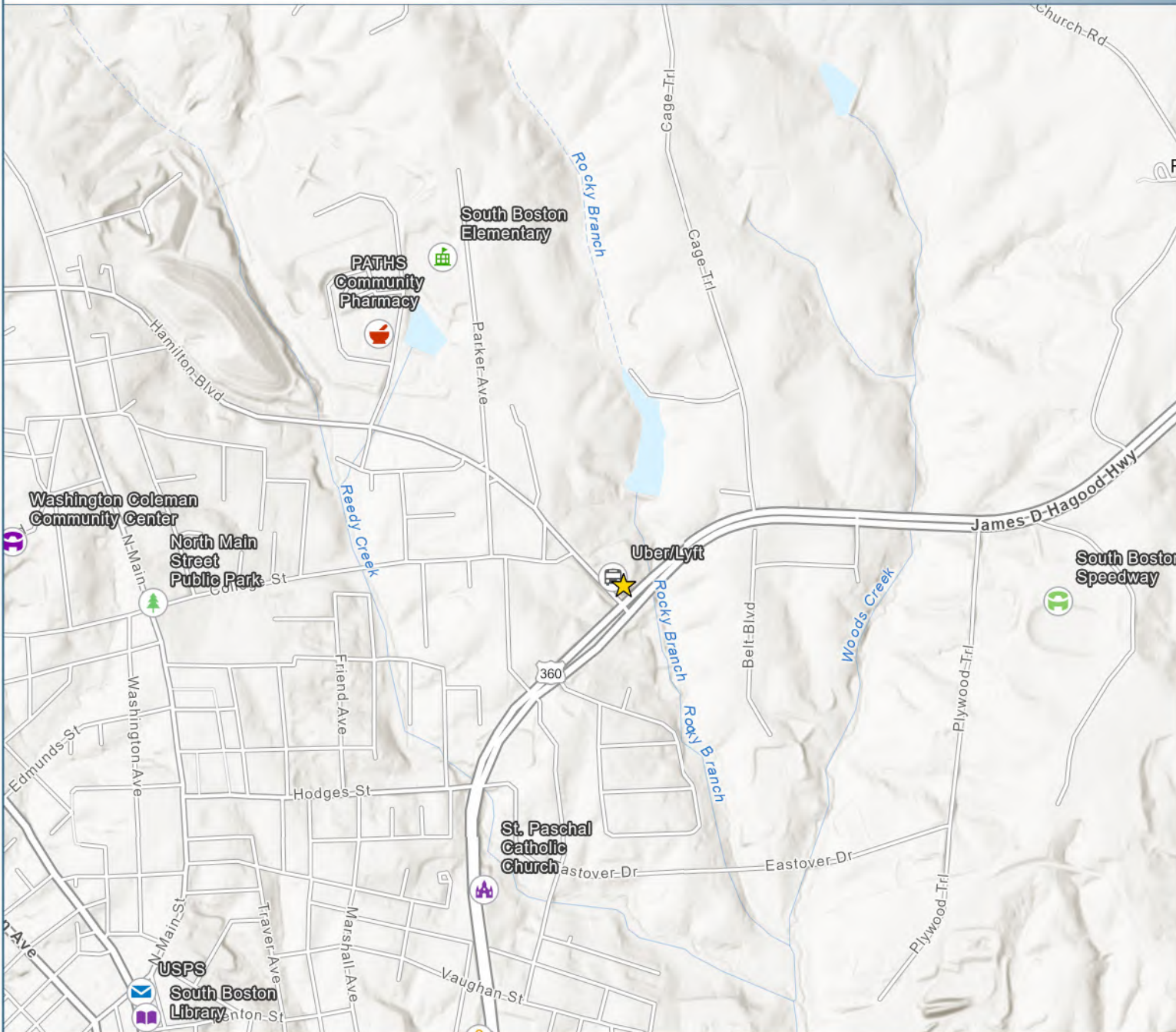
Source: Applied Geographic Solutions, FBI, ESRI
PMA - Primary Market Area

As the preceding illustrates, the crime risk for the market/Halifax County (59) is well below the national average of 100. Therefore, the perception of crime is not expected to have any impact on the continued marketability of the project, which is evidenced by its 100.0% occupancy rate and waiting list maintained at the property. The property also offers an on-site management office and CCTV/security cameras, features which typically deter crime.

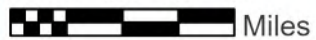
Maps illustrating the location of community services and crime risk are on the following pages.

Community Services

- 🚒 Fire
- 📬 Post Office
- 🏪 Pharmacy
- ⛽ Gas Station
- 🚌 Public Bus Stop
- 🏫 Schools, Elementary
- 📖 Library
- 🌳 Park
- 🏟️ Recreational Facility
- 🏠 Community Center
- ⛪ Church
- 🛒 Convenience Store

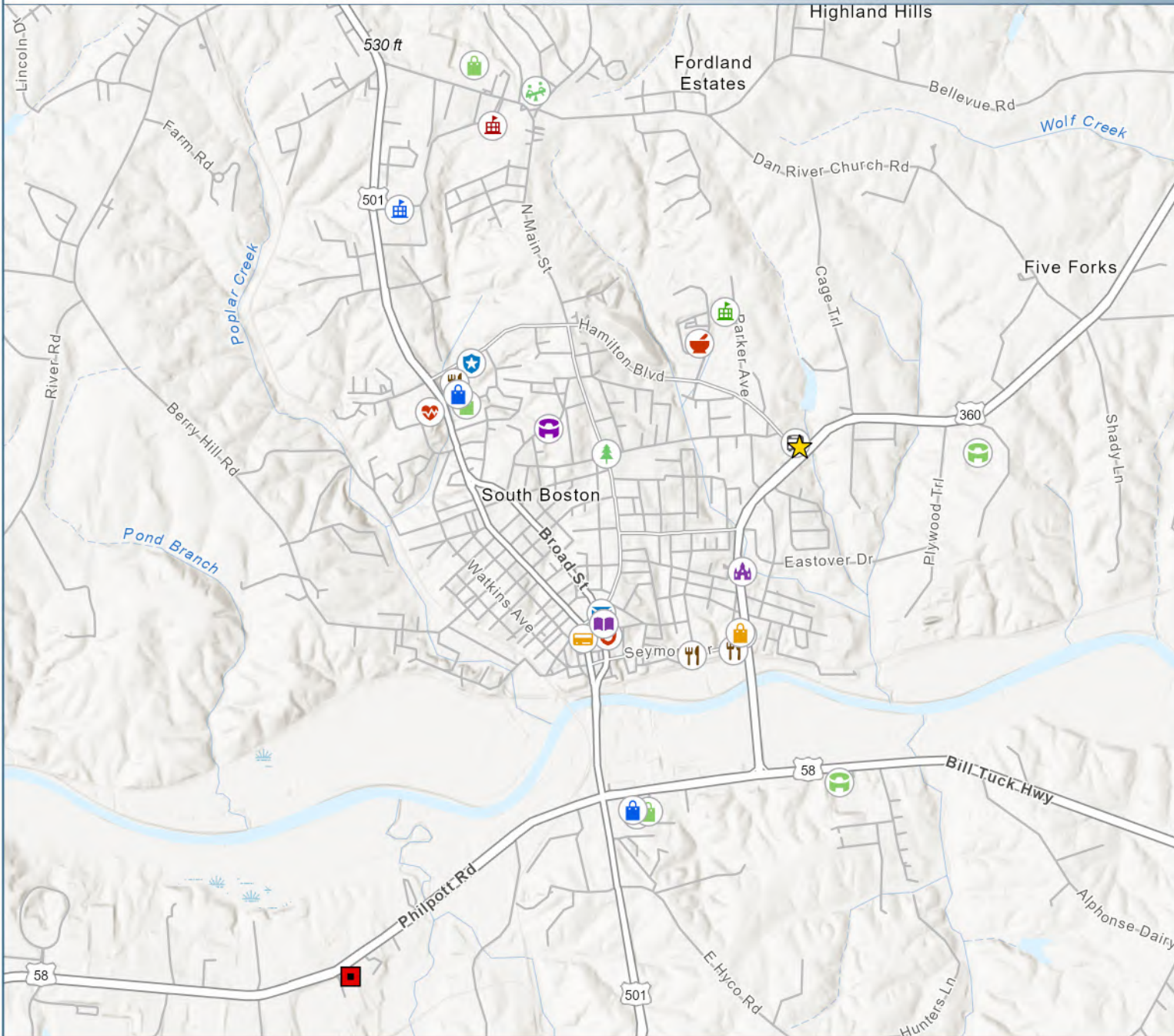

























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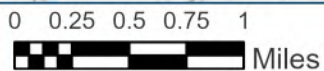


Miles

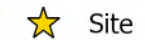
Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community, Esri, NASA, NGA, USGS, FEMA
Additional Source(s): Bowen National Research



- ★ Site
- ### Community Services
-  Major Employers/Employment Centers
 -  Hospital/Medical Center
 -  Police
 -  Fire
 -  Post Office
 -  Pharmacy
 -  Gas Station
 -  Public Bus Stop
 -  Bank
 -  Day Care
 -  Schools, Elementary
 -  Schools, Middle/Junior High
 -  Schools, High
 -  Library
 -  Park
 -  Recreational Facility
 -  Community Center
 -  Church
 -  Restaurant
 -  Grocery
 -  Convenience Store
 -  Discount Department Store
 -  Shopping Center/Mall

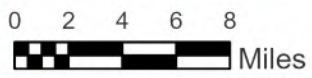
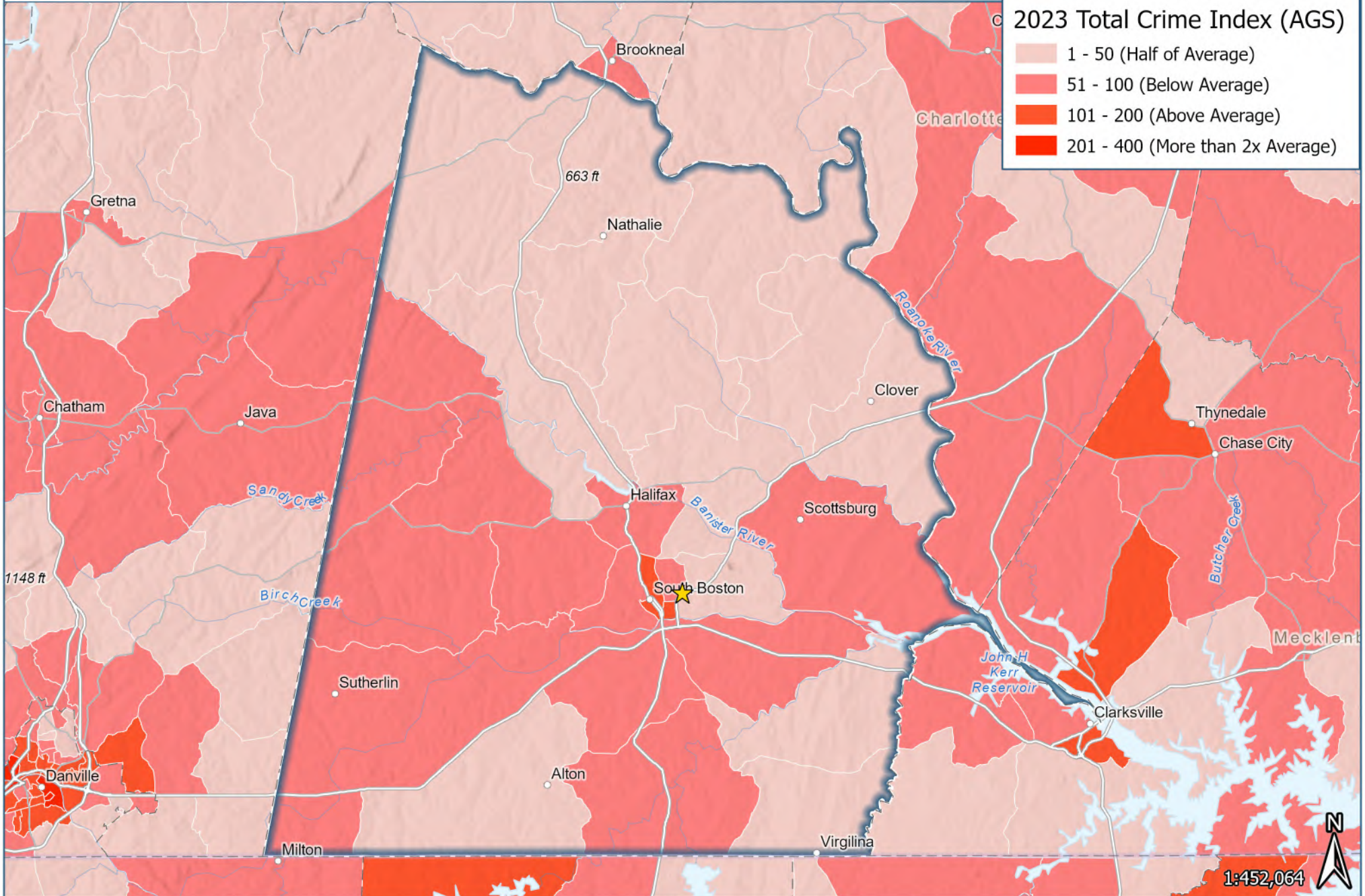


Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community, Esri, NASA, NGA, USGS
Additional Source(s): Bowen National Research



2023 Total Crime Index (AGS)

- 1 - 50 (Half of Average)
- 51 - 100 (Below Average)
- 101 - 200 (Above Average)
- 201 - 400 (More than 2x Average)



B. PRIMARY MARKET AREA DELINEATION

The Primary Market Area (PMA) is the geographical area from which most of the support for the subject development is expected to continue to originate. The South Boston Site PMA was determined through interviews with management at the subject site, area leasing and real estate agents, planning officials, economic development representatives and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

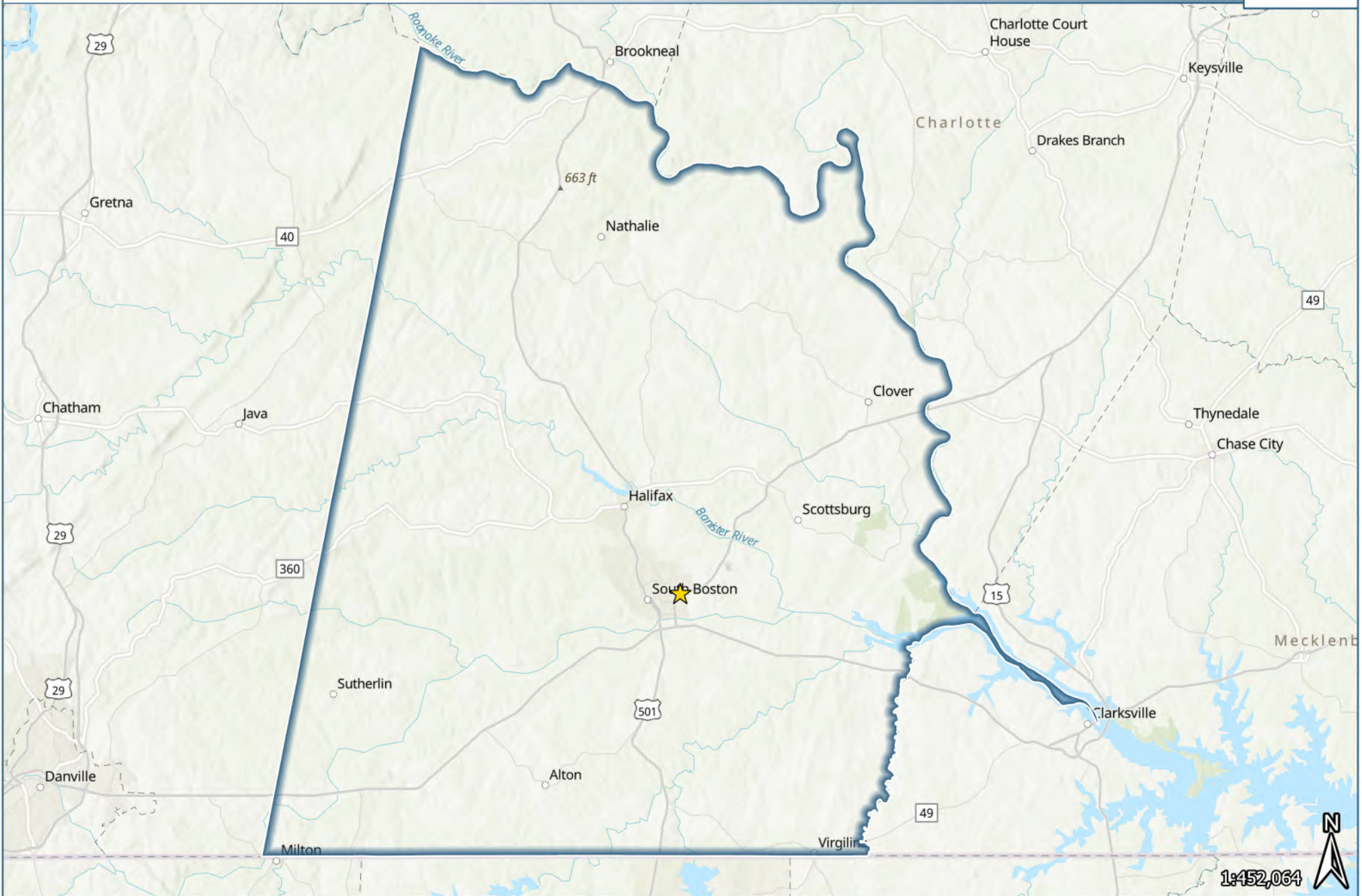
The South Boston PMA includes all of South Boston, Riverdale, Mountain Road, Halifax and Clover, as well as the surrounding areas of Halifax County. The boundaries of the Site PMA are the boundaries of Halifax County in all directions.

We conducted interviews with area stakeholders and real estate professionals to help establish and confirm the boundaries of the Primary Market Area for the subject project. The following are summaries of key interviews we conducted to establish this market area.

- Keyera Mitchell, Property Manager at Honeytree Apartments (subject property), a government-subsidized apartment community located within the boundaries of the Site PMA, confirmed the boundaries of the South Boston Site PMA. Mitchell stated that many people who reside in the area are there because of family, and that it is very common for many people to remain in the area for their entire lifetime. Lastly, Mitchell mentioned that many people are also in the area for work, specifically naming Hitachi Energy and Sentara Halifax Regional Hospital as major employers in the area that keep renters within this area.
- Tameka Vaden, Property Manager at Miller Homes at Poplar Creek, a comparable Tax Credit apartment community located within the Site PMA, confirmed the boundaries of the South Boston Site PMA. Vaden stated that many people reside in South Boston to be around family members. Vaden also mentioned that she works with the Southside Reach group, which focuses on finding homes for people in the area, so she is very aware of where residents originate from.

Additional areas outside of the market may generate some support for the subject development; however, we have not considered a secondary market area in this report.

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



C. DEMOGRAPHIC CHARACTERISTICS AND TRENDS

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

1. POPULATION TRENDS

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

	Year			
	2010 (Census)	2020 (Census)	2026 (Estimated)	2031 (Projected)
Population	36,241	34,022	33,968	33,243
Population Change	-	-2,219	-54	-725
Percent Change	-	-6.1%	-0.2%	-2.1%

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

The South Boston Site PMA population base declined by 2,219 between 2010 and 2020. This represents a 6.1% decline over the 2010 population, or an annual rate of 0.6%. Between 2020 and 2026, the population declined by 54, or 0.2%. It is projected that the population will decrease by 725, or 2.1%, between 2026 and 2031.

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

Population by Age	2020 (Census)		2026 (Estimated)		2031 (Projected)		Change 2026-2031	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	7,505	22.1%	7,093	20.9%	6,612	19.9%	-481	-6.8%
20 to 24	1,611	4.7%	1,628	4.8%	1,565	4.7%	-63	-3.9%
25 to 34	3,442	10.1%	3,618	10.7%	3,516	10.6%	-102	-2.8%
35 to 44	3,450	10.1%	3,701	10.9%	3,874	11.7%	173	4.7%
45 to 54	4,176	12.3%	3,877	11.4%	3,724	11.2%	-153	-3.9%
55 to 64	5,269	15.5%	4,755	14.0%	4,361	13.1%	-394	-8.3%
65 to 74	4,916	14.4%	5,031	14.8%	4,893	14.7%	-138	-2.7%
75 & Older	3,653	10.7%	4,265	12.6%	4,698	14.1%	433	10.2%
Total	34,022	100.0%	33,968	100.0%	33,243	100.0%	-725	-2.1%

Source: Bowen National Research, ESRI, Census

As the preceding table illustrates, approximately 47% of the population is expected to be between 25 and 64 years old in 2026. This age group is the primary group of current and potential renter support for the subject site and will likely represent a significant number of the tenants.

2. HOUSEHOLD TRENDS

Household trends within the South Boston Site PMA are summarized as follows:

	Year			
	2010 (Census)	2020 (Census)	2026 (Estimated)	2031 (Projected)
Households	15,085	14,698	14,616	14,266
Household Change	-	-387	-82	-350
Percent Change	-	-2.6%	-0.6%	-2.4%
Average Household Size	2.40	2.31	2.32	2.33

Source: Bowen National Research, ESRI, Census

Within the South Boston Site PMA, households decreased by 387 (2.6%) between 2010 and 2020. Between 2020 and 2026, households decreased by 82 or 0.6%. By 2031, there will be 14,266 households, a decrease of 350 households, or 2.4% under 2026 levels. This is a decrease of approximately 70 households annually over the next five years.

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

Households by Age	2020 (Census)		2026 (Estimated)		2031 (Projected)		Change 2026-2031	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	358	2.4%	337	2.3%	296	2.1%	-41	-12.2%
25 to 34	1,418	9.6%	1,483	10.1%	1,428	10.0%	-55	-3.7%
35 to 44	1,753	11.9%	1,848	12.6%	1,905	13.4%	57	3.1%
45 to 54	2,374	16.2%	2,170	14.8%	2,044	14.3%	-126	-5.8%
55 to 64	3,110	21.2%	2,735	18.7%	2,464	17.3%	-271	-9.9%
65 to 74	3,176	21.6%	3,172	21.7%	3,024	21.2%	-148	-4.7%
75 & Older	2,509	17.1%	2,871	19.6%	3,105	21.8%	234	8.2%
Total	14,698	100.0%	14,616	100.0%	14,266	100.0%	-350	-2.4%

Source: Bowen National Research, ESRI, Census

Between 2026 and 2031, the greatest growth among household age groups is projected to be among those ages of 75 and older. While households between the ages of 25 and 64 are projected to decline overall during this timeframe, they will still represent 55.0% of all households projected in 2031. As such, there will continue to be a large base of age-appropriate households within the market to support the subject site.

Households by tenure are distributed as follows:

Tenure	2020 (Census)		2026 (Estimated)		2031 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	10,408	70.8%	10,688	73.1%	10,734	75.2%
Renter-Occupied	4,290	29.2%	3,928	26.9%	3,532	24.8%
Total	14,698	100.0%	14,616	100.0%	14,266	100.0%

Source: Bowen National Research, ESRI, Census

In 2026, homeowners occupied 73.1% of all occupied housing units, while the remaining 26.9% were occupied by renters. The share of renters is low, although a lower share of renters is typical for a rural market, such as the South Boston Site PMA. Regardless, the more than 3,500 renter households projected in 2031 represent a good base of support for the subject site.

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

Persons per Owner Household	2026 (Estimated)		2031 (Projected)		Change 2026-2031	
	Households	Percent	Households	Percent	Households	Percent
1 Person	3,435	32.1%	3,535	32.9%	100	2.9%
2 Persons	3,875	36.3%	3,755	35.0%	-120	-3.1%
3 Persons	1,456	13.6%	1,430	13.3%	-26	-1.8%
4 Persons	1,047	9.8%	1,082	10.1%	35	3.3%
5+ Persons	875	8.2%	932	8.7%	57	6.5%
Total	10,688	100.0%	10,734	100.0%	46	0.4%

Source: Bowen National Research, ESRI, Census

Persons per Renter Household	2026 (Estimated)		2031 (Projected)		Change 2026-2031	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,650	42.0%	1,507	42.7%	-143	-8.7%
2 Persons	975	24.8%	884	25.0%	-91	-9.3%
3 Persons	597	15.2%	514	14.6%	-83	-13.9%
4 Persons	449	11.4%	425	12.0%	-24	-5.3%
5+ Persons	256	6.5%	201	5.7%	-55	-21.5%
Total	3,928	100.0%	3,532	100.0%	-396	-10.1%

Source: Bowen National Research, ESRI, Census

The subject site offers one- and two-bedroom units, which generally target up to three-person households. These household sizes comprise 82.0% of all renter households within the market. This will continue to bode well in the demand of the subject units, as it is able to accommodate the majority of renter households within the Site PMA, based on household size.

3. INCOME TRENDS

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

Household Income	2020 (Census)		2026 (Estimated)		2031 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$15,000	2,578	17.5%	2,368	16.2%	2,174	15.2%
\$15,000 - \$24,999	1,830	12.4%	1,528	10.5%	1,347	9.4%
\$25,000 - \$34,999	1,751	11.9%	1,429	9.8%	1,273	8.9%
\$35,000 - \$49,999	2,112	14.4%	1,776	12.1%	1,644	11.5%
\$50,000 - \$74,999	2,370	16.1%	2,426	16.6%	2,305	16.2%
\$75,000 - \$99,999	1,810	12.3%	1,882	12.9%	1,871	13.1%
\$100,000 - \$149,999	1,742	11.9%	1,957	13.4%	2,134	15.0%
\$150,000 & Higher	506	3.4%	1,251	8.6%	1,519	10.6%
Total	14,698	100.0%	14,616	100.0%	14,266	100.0%
Median Income	\$43,455		\$52,139		\$57,545	

Source: Bowen National Research, ESRI, Census

In 2026, the median household income is estimated to be \$52,139. By 2031, it is projected that the median household income will be \$57,545, an increase of 10.4% over 2026.

The following tables illustrate renter household income by household size for 2020, 2026, and 2031 for the South Boston Site PMA:

Renter Households	2020 (Census)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	511	213	204	40	52	1,020
\$15,000 - \$24,999	441	233	137	80	44	935
\$25,000 - \$34,999	400	184	58	97	62	801
\$35,000 - \$49,999	208	187	52	57	133	637
\$50,000 - \$74,999	84	88	87	78	39	376
\$75,000 - \$99,999	57	17	142	68	13	297
\$100,000 - \$149,999	23	64	20	9	4	120
\$150,000 & Higher	18	60	13	8	4	103
Total	1,742	1,046	713	437	351	4,290

Source: ESRI, Bowen National Research

Renter Households	2026 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	612	216	169	46	46	1,089
\$15,000 - \$24,999	330	148	71	58	25	632
\$25,000 - \$34,999	206	80	21	48	24	379
\$35,000 - \$49,999	193	147	34	51	92	518
\$50,000 - \$74,999	112	99	80	101	38	430
\$75,000 - \$99,999	92	24	159	106	16	395
\$100,000 - \$149,999	88	213	55	33	13	402
\$150,000 & Higher	17	47	8	7	3	83
Total	1,650	975	597	449	256	3,928

Source: ESRI, Bowen National Research

Renter Households	2031 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	557	187	141	42	35	964
\$15,000 - \$24,999	287	123	57	52	18	536
\$25,000 - \$34,999	178	66	16	42	18	320
\$35,000 - \$49,999	178	129	29	48	72	457
\$50,000 - \$74,999	103	88	67	94	30	382
\$75,000 - \$99,999	90	23	142	104	14	370
\$100,000 - \$149,999	94	218	54	36	12	414
\$150,000 & Higher	18	49	8	8	3	87
Total	1,507	884	514	425	201	3,530

Source: ESRI, Bowen National Research

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

Demographic Summary

Overall, the market's population and household bases have generally been slightly declining since 2010. These demographic bases are projected to remain relatively stable through 2031. While most demographic growth in the market is projected to occur among senior households ages 75 and older between 2026 and 2031, approximately 55.0% of all households are projected to be between the ages of 25 and 64 in 2031. This indicates that a larger number of age-appropriate households will be present within the Site PMA to continue to support the subject project. Additionally, nearly two-thirds (64.5%) of renter households within the market are projected to earn less than \$50,000 in 2031. It should also be noted that Hitachi Energy is expanding operations in South Boston, which is expected to create more than 800 jobs for the area. There is also a proposal for workforce housing to be constructed in the area, targeting those earning an average annual salary of \$73,500, which will also further spark demographic growth in the area. Overall, the demographic trends contained within this report demonstrate a good base of current and potential support for the subject project.

D. LOCAL ECONOMIC PROFILE AND ANALYSIS

1. LABOR FORCE PROFILE

The labor force within the South Boston Site PMA is based primarily in three sectors. Health Care & Social Assistance (which comprises 16.8%), Manufacturing, and Retail Trade comprise over 43.4% of the Site PMA labor force. Employment in the South Boston Site PMA, as of 2025, was distributed as follows:

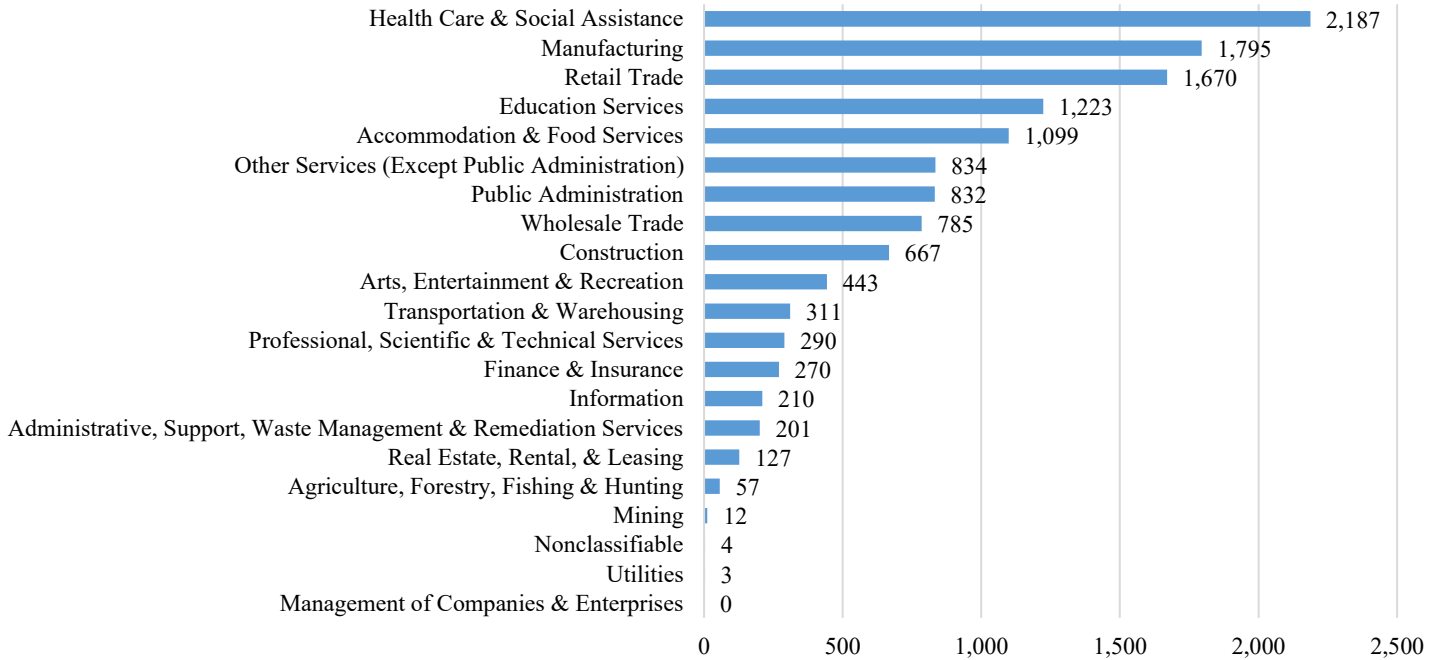
NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	15	1.3%	57	0.4%	4
Mining	1	0.1%	12	0.1%	12
Utilities	1	0.1%	3	0.0%	3
Construction	70	6.1%	667	5.1%	10
Manufacturing	38	3.3%	1,795	13.8%	47
Wholesale Trade	27	2.4%	785	6.0%	29
Retail Trade	164	14.3%	1,670	12.8%	10
Transportation & Warehousing	34	3.0%	311	2.4%	9
Information	18	1.6%	210	1.6%	12
Finance & Insurance	61	5.3%	270	2.1%	4
Real Estate, Rental, & Leasing	40	3.5%	127	1.0%	3
Professional, Scientific & Technical Services	69	6.0%	290	2.2%	4
Management of Companies & Enterprises	0	0.0%	0	0.0%	0
Administrative, Support, Waste Management & Remediation Services	26	2.3%	201	1.5%	8
Education Services	31	2.7%	1,223	9.4%	39
Health Care & Social Assistance	109	9.5%	2,187	16.8%	20
Arts, Entertainment & Recreation	25	2.2%	443	3.4%	18
Accommodation & Food Services	83	7.3%	1,099	8.4%	13
Other Services (Except Public Administration)	215	18.8%	834	6.4%	4
Public Administration	75	6.6%	832	6.4%	11
Nonclassifiable	41	3.6%	4	0.0%	0
Total	1,143	100.0%	13,020	100.0%	11

Source: Bowen National Research, ESRI, Census

E.P.E.- Average Employees Per Establishment

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

Total Employment by Industry



Typical wages by job category for the Halifax County MSA are compared with the state of Virginia in the following table:

Typical Wage By Occupation Type		
Occupation Type	Halifax County	Virginia
Management Occupations	\$62,813	\$99,033
Business and Financial Occupations	\$70,136	\$90,615
Computer and Mathematical Occupations	\$100,045	\$118,351
Architecture and Engineering Occupations	\$98,821	\$102,099
Community and Social Service Occupations	\$60,296	\$53,374
Art, Design, Entertainment, Sports, and Media Occupations	\$40,397	\$55,172
Healthcare Practitioners and Technical Occupations	\$62,448	\$73,186
Healthcare Support Occupations	\$12,470	\$30,281
Protective Service Occupations	\$46,686	\$63,288
Food Preparation and Serving Related Occupations	\$15,296	\$17,283
Building and Grounds Cleaning and Maintenance Occupations	\$15,625	\$27,325
Personal Care and Service Occupations	\$28,277	\$22,843
Sales and Related Occupations	\$24,081	\$36,929
Office and Administrative Support Occupations	\$35,688	\$41,569
Construction and Extraction Occupations	\$41,133	\$47,129
Installation, Maintenance and Repair Occupations	\$46,121	\$55,579
Production Occupations	\$45,878	\$46,035
Transportation Occupations	\$33,008	\$44,086
Material Moving Occupations	\$34,279	\$29,378

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

It is important to note that occupational types within the Halifax County MSA have slightly lower typical wages than Virginia's typical wages. Regardless, the area employment base has a significant number of income-appropriate households from which the proposed subject project will be able to draw renter support.

The ten largest employers within the Halifax County area comprise a total of 3,362 employees and are summarized as follows:

Employer Name	Business Type	Total Employed
Sentara Halifax Regional Health System	Healthcare	820
Hitachi Energy	Manufacturing	670
Halifax County Public Schools	Education	549
Presto Products Company	Manufacturing	450
Aquatic Bath	Manufacturing	280
Annin	Manufacturing	166
Huber Engineered Woods	Manufacturing	157
Comfort Systems USA Mid Atlantic	Heating Equipment	150
Voestalpine High Performance Metals Inc	Manufacturing	70
H&M Logging	Logging	50
Total		3,362

Source: Halifax County Chamber of Commerce (February 27, 2026)

According to a representative with the Halifax County Chamber of Commerce, the Halifax economy is stable and improving. The Halifax County unemployment rate fell by nearly a percentage point from 5.6% in August to 4.7% in September. The labor pool contracted by 97 workers, and jobless claims declined by 146. The following table summarizes some recent and/or ongoing economic development projects within the Halifax County area as of the time of this analysis:

Economic Development Activity			
Project Name	Investment	Job Creation	Scope of Work/Details
Hitachi Energy	\$457 million	825	Hitachi Energy, an electrification company announced in fall 2025 it will expand its power transformer production facility in South Boston. The new facility will produce large power transformers. Construction is expected to be completed by 2028.
IperionX Limited	\$82.1 million	108	IperionX Limited, a minerals company, announced in 2022 a two-phase project to establish a titanium demonstration facility in Halifax County. Job creation is expected through the end of 2026.
The Rook Hotel	\$13 million	60	Construction broke ground in January 2026 to replace the former John Randolph Hotel at 327 Main Street with a new 30 room hotel, a rooftop bar, and a restaurant. Project will create 100 construction jobs and 60 full-time jobs. The hotel is expected to open in early 2027.
Viny's Italian Restaurant	N/A	N/A	November of 2025 an expansion for this existing restaurant was approved by Halifax Town Council. This expansion will introduce a 1,000-square-foot venue space and construction was expected to start in December 2025 with completion in spring 2026.

Infrastructure:

Project Name	Investment	Scope of Work
South Boston Intersection Improvements	\$8 million	Project will improve the intersection on Route 501 at Factory Street and Wall Street. Project will eliminate the two-way stop-controlled intersection at Route 501, Factory and Wall streets. Convert Main Street to two-way from Seymour Drive to Factory Street. Add a dedicated free flow lane for vehicles heading south on Route 501 from Factory Street. Add a south bound movement on Broad Street from Seymour Drive to Wall Street. Provide a U-turn movement from Broad Street to Main Street. Construction is expected to begin in spring 2028 and complete in winter 2028.
Main Street Two-Way Conversion	\$1.9 million	Project will convert Main Street from Seymour Drive to Ferry Street from a one-way to a two-way directional traffic flow. Construction is expected to begin in summer 2027 and complete in spring 2028.

WARN Notices (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed on January 29, 2026, and according to the Virginia Works there have been no WARN notices reported for Halifax County over the past 12 months.

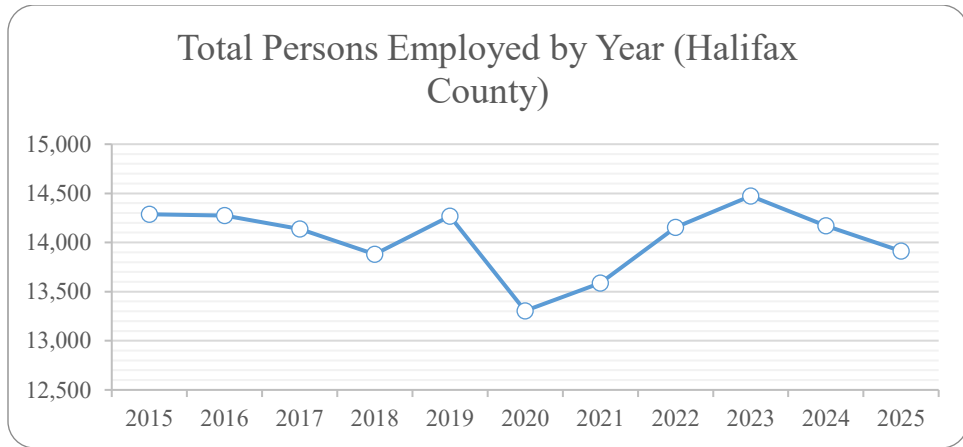
2. EMPLOYMENT TRENDS

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

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

Year	Total Employment					
	Halifax County		Virginia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2015	14,286	-	4,044,175	-	149,537,000	-
2016	14,274	-0.1%	4,081,183	0.9%	151,436,000	1.3%
2017	14,136	-1.0%	4,169,561	2.2%	153,337,000	1.3%
2018	13,879	-1.8%	4,222,546	1.3%	155,761,000	1.6%
2019	14,267	2.8%	4,283,473	1.4%	157,538,000	1.1%
2020	13,305	-6.7%	4,051,401	-5.4%	147,795,000	-6.2%
2021	13,587	2.1%	4,151,661	2.5%	152,581,000	3.2%
2022	14,152	4.2%	4,313,701	3.9%	158,291,000	3.7%
2023	14,473	2.3%	4,433,696	2.8%	161,037,000	1.7%
2024	14,169	-2.1%	4,454,616	0.5%	161,346,000	0.2%
2025	13,911	-1.8%	4,382,382	-1.6%	163,493,000	1.3%

Source: Bureau of Labor Statistics

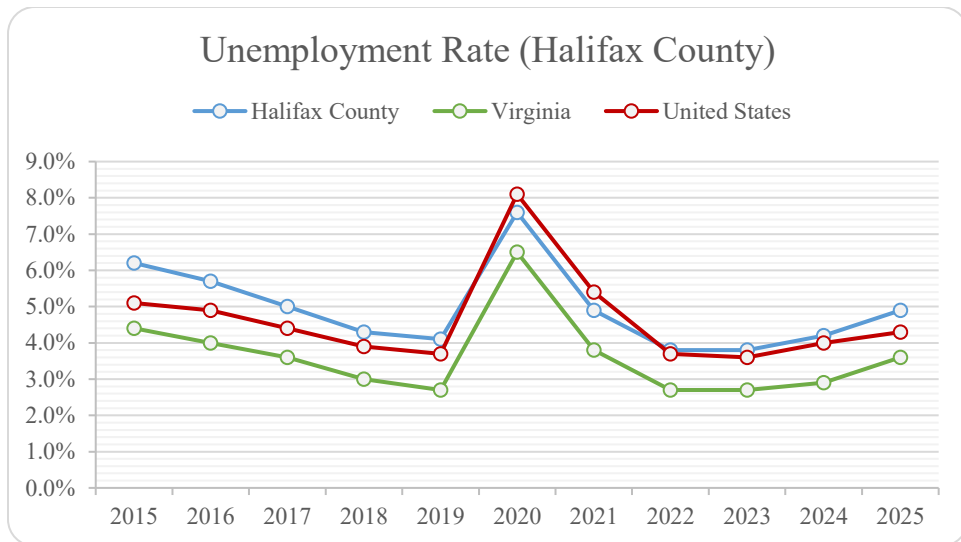


As the preceding illustrates, the Halifax County employment base experienced a 6.7% decline in 2020 due to the COVID-19 pandemic. This is slightly higher than the declines experienced by the state of Virginia during the same time period. Notably, the area’s employment base increased by 11,068 jobs, or 8.8%, since 2020 and through the end of 2023, gaining all jobs lost due to the pandemic in 2020. However, it is worth noting that the employment base has slightly declined in 2024 and 2025.

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

Year	Total Unemployment					
	Halifax County		Virginia		United States	
	Total Number	Percent of Workforce	Total Number	Percent of Workforce	Total Number	Percent of Workforce
2015	951	6.2%	184,737	4.4%	7,992,000	5.1%
2016	860	5.7%	170,348	4.0%	7,751,000	4.9%
2017	749	5.0%	156,998	3.6%	6,982,000	4.4%
2018	623	4.3%	129,919	3.0%	6,314,000	3.9%
2019	605	4.1%	121,287	2.7%	6,001,000	3.7%
2020	1,099	7.6%	280,443	6.5%	12,948,000	8.1%
2021	701	4.9%	165,560	3.8%	8,623,000	5.4%
2022	557	3.8%	119,448	2.7%	5,996,000	3.7%
2023	577	3.8%	123,089	2.7%	6,080,000	3.6%
2024	619	4.2%	131,269	2.9%	6,761,000	4.0%
2025	714*	4.9%	161,547*	3.6%	7,315,000*	4.3%

Source: Department of Labor, Bureau of Labor Statistics



The unemployment rate in Halifax County had steadily declined to a low of 4.1% from 2015 to 2019 before increasing by more than three full percentage points in 2020 due to the COVID-19 pandemic. The county unemployment rate declined to 3.8% through the end of 2023, which is similar to the national average. Similar to the employment base, the unemployment rate slightly increased in 2024 and 2025.

At-place employment reflects the total number of jobs within the county regardless of the employee’s county of residence. The following illustrates the total at-place employment base for Halifax County.

At-Place Employment Halifax County			
Year	Employment	Change	Percent Change
2014	11,962	-	-
2015	12,180	218	1.8%
2016	12,105	-75	-0.6%
2017	12,147	42	0.3%
2018	11,857	-290	-2.4%
2019	12,154	297	2.5%
2020	11,286	-868	-7.1%
2021	11,443	157	1.4%
2022	11,812	369	3.2%
2023	11,958	146	1.2%
2024	11,851	-107	-0.9%

Source: Department of Labor, Bureau of Labor Statistics

Data for 2024, the most recent year that year-end figures are available, indicates in-place employment in Halifax County to be 83.6% of the total Halifax County employment. This means that Halifax County has more employed persons leaving the county for daytime employment than those who work in the county.

3. ECONOMIC FORECAST

Based on data provided by the State of Virginia Department of Labor, the Halifax County economy was negatively impacted by the COVID-19 pandemic in 2020, similar to many communities throughout the state and nation. During this time, the employment base declined by 962 jobs, or 6.7%, and its unemployment rate increased by more than three percentage points. On a positive note, the county's employment base has since recovered all jobs lost in 2020 and increased by 11,068 jobs, or 8.8%, since 2020 and through the end of 2023, reaching the highest employment base in the preceding decade. Annual unemployment also decreased to a rate of 3.8% throughout the end of 2023 and was similar to the national average. These are good indications that the Halifax County economy has generally recovered from the initial impact of the pandemic in terms of total employment and unemployment rate. This, in turn, will continue to create a stable environment for the local housing market. Although the area has experienced significant growth over previous years, it is worth noting that the employment base slightly declined in 2024 and 2025, while the unemployment rate slightly increased. Regardless, it is anticipated that the economic announcements in the area will contribute to the stability of the local economy.

4. COMMUTING PATTERNS

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

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	10,336	78.9%
Carpooled	1,407	10.7%
Public Transit	26	0.2%
Walked	123	0.9%
Motorcycle	0	0.0%
Bicycle	7	0.1%
Other Means	371	2.8%
Worked at Home	834	6.4%
Total	13,104	100.0%

Source: Bowen National Research, ESRI

A total of 78.9% of all workers drove alone, 10.7% carpooled, and 0.2% used public transportation. Notably, 6.4% of workers worked from home, a trend which has become more popular since the pandemic.

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

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	3,511	28.6%
15 – 29 Minutes	4,591	37.4%
30 – 44 Minutes	2,108	17.2%
45 – 59 Minutes	1,183	9.6%
60 + Minutes	877	7.1%
Total	12,270	100.0%

Source: Bowen National Research, ESRI

The largest share of area commuters has typical travel times to work ranging from 15 to 29 minutes. The subject site is within a 20-minute drive to most of the area's largest employers, which should contribute to its marketability. A drive-time map for the subject site is on the following page.

★ Site

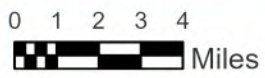
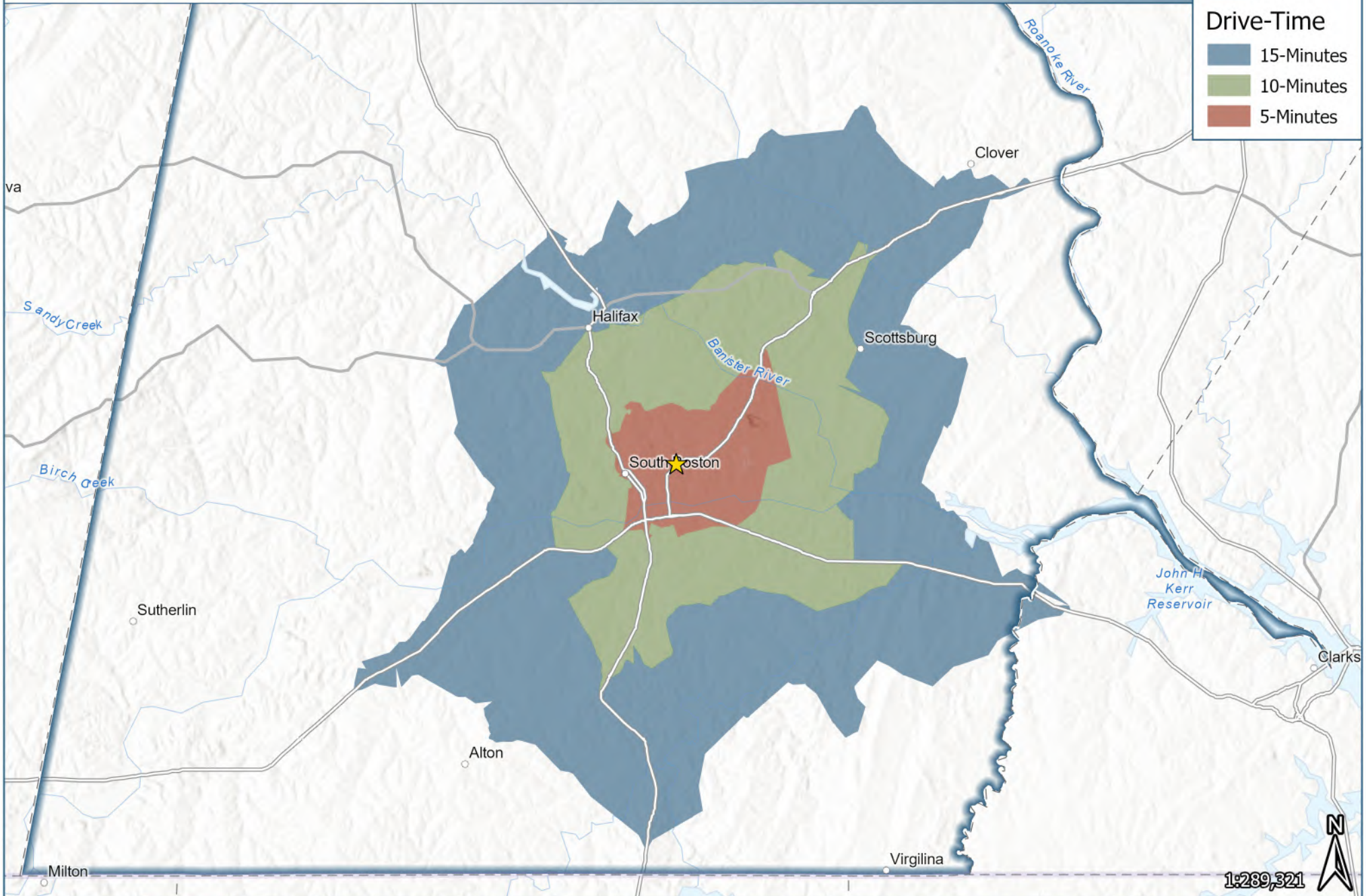
▬ PMA

Drive-Time

■ 15-Minutes

■ 10-Minutes

■ 5-Minutes



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

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V. Rental Housing Analysis (Supply)

A. OVERVIEW OF RENTAL HOUSING

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

Housing Status	2020 (Census)		2026 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	14,698	85.1%	14,616	84.5%
Owner-Occupied	10,408	70.8%	10,688	73.1%
Renter-Occupied	4,290	29.2%	3,928	26.9%
Vacant	2,577	14.9%	2,676	15.5%
Total	17,275	100.0%	17,292	100.0%

Source: 2020 Census, ESRI, Bowen National Research

Based on a 2026 update of the 2020 Census, of the 17,292 total housing units in the market, 15.5% were estimated to be vacant. However, it should be noted that these vacant units include several different property types/statuses other than rental units.

The following table illustrates the status of vacant units within the Site PMA:

Vacancy Status	Number	Percent
For-Rent	0	0.0%
For-Sale Only	77	2.1%
Renter/Sold, Not Occ.	7	0.2%
Seasonal or Recreational	960	25.9%
Other Vacant	2,665	71.9%
Total	3,709	100.0%

Source: American Community Survey (2019-2023); ESRI; Bowen National Research

Based on American Community Survey (ACS) estimates, 71.9% of the vacant units in the Site PMA were classified as “Other Vacant”. Units categorized as “Other Vacant” include a mix of units such as uninhabitable units, abandoned units and others that do not meet any of the other housing categories cited in the table. Additionally, none of the vacant units are classified as “For-Rent”. These are good indications that the vacant housing units included in the table earlier in this section are not reflective of the long-term rental housing market within the Site PMA. Regardless, we have conducted a Field Survey of Conventional Rentals to better determine the strength of the long-term rental market within the Site PMA.

Conventional Apartments

We identified and personally surveyed just six conventional housing projects containing a total of 270 units within the rural Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 98.9%, a very strong rate for rental housing. The following table summarizes the rental housing projects surveyed in the market, broken out by project type.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	1	27	1	96.3%
Tax Credit	3	125	2	98.4%
Tax Credit/Government-Subsidized	2	118	0	100.0%
Total	6	270	3	98.9%

Nearly all rental housing projects identified and surveyed in the Site PMA offer affordable (i.e. Tax Credit and/or government-subsidized) units, including the subject project. The rental projects identified and surveyed in the market have a combined occupancy of 98.9% and most properties maintain waiting lists, indicating that pent-up demand exists for affordable rental housing in the Site PMA.

The following table summarizes the breakdown of market-rate and non-subsidized Tax Credit units surveyed within the Site PMA.

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	14	51.9%	0	0.0%	\$1,265
Two-Bedroom	1.0	13	48.1%	1	7.7%	\$1,489
Total Market-rate		27	100.0%	1	3.7%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	16	12.8%	0	0.0%	\$611
Two-Bedroom	1.0	30	24.0%	1	3.3%	\$855
Two-Bedroom	2.0	46	36.8%	0	0.0%	\$666
Three-Bedroom	2.0	33	26.4%	1	3.0%	\$965
Total Tax Credit		125	100.0%	2	1.6%	-

The market-rate units are 96.3% occupied and the Tax Credit units are 98.4% occupied. Notably, the median gross Tax Credit rents are well below the corresponding median gross market-rate rents. This is a good indication that Tax credit product likely represents a good value to area renters.

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

Year Built	Projects	Units	Vacancy Rate
Before 1970	2	74	4.1%
1970 to 1979	0	0	0.0%
1980 to 1989	0	0	0.0%
1990 to 1999	1	46	0.0%
2000 to 2009	0	0	0.0%
2010 to 2019	0	0	0.0%
2020 to 2025	1	32	0.0%
2026*	0	0	0.0%

*As of February

Vacancy rates among non-subsidized rental product are low, regardless of age. However, it should be noted that the oldest properties surveyed are currently reporting the only vacant units in the market.

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

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A-	1	27	3.7%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	1	32	0.0%
B	1	47	4.3%
C+	1	46	0.0%

As noted, nearly all LIHTC rental housing units surveyed in the Site PMA are occupied, regardless of appearance/quality. The renovations to the subject project are expected to significantly enhance the overall quality of the site and will contribute to the marketability of the subject project.

Government-Subsidized

The government-subsidized units in the Site PMA are summarized as follows.

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	16	13.6%	0	0.0%
Two-Bedroom	1.0	86	72.9%	0	0.0%
Three-Bedroom	1.0	10	8.5%	0	0.0%
Four-Bedroom	2.0	6	5.1%	0	0.0%
Total Subsidized Tax Credit		118	100.0%	0	0.0%

Both subsidized projects surveyed in the Site PMA are 100.0% occupied with waiting lists, including the subject project. This indicates that significant pent-up demand exists for rental housing targeting very low-income households in the market.

Tax Credit Property Disclosure: In addition to the Tax Credit properties surveyed, we are also aware of additional existing properties which were allocated and operate under the Tax Credit program within the Site PMA. However, despite multiple attempts, management at these properties was unable/unwilling to provide detailed property information and these properties have been excluded from our survey. These properties are summarized in the following table:

Project Name	Address	Year Built/ Renovated	Total Units	Target Population
Country Green	1000 E. Bishop Dr.	N/A	44	Family; Tax Credit & Subsidized
Rose Hill I	111 Rosehill Dr.	1992	40	Senior; Tax Credit & Subsidized
Rose Hill II	116 Rosehill Dr.	1995	36	Senior; Tax Credit & Subsidized
Willow Oaks	300 Poplar Creek St.	N/A	72	Family; Tax Credit & Subsidized
Woodcrest	300 Hamilton Blvd.	1992	40	Senior; Tax Credit & Subsidized

Considering all of the projects unable to be surveyed also operate with a concurrent subsidy, we have not included any additional units in our penetration rate calculation in *Section VII*, which only includes non-subsidized affordable units.

Additional information regarding the South Boston Site PMA apartment market is found in *Section XII* of this report.

B. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Following renovations, the subject project will offer one- and two-bedroom units targeting households earning up to 40%, 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. We identified and surveyed three non-subsidized general occupancy (family) LIHTC properties within the South Boston Site PMA that we consider comparable to the subject project. These properties offer similar bedroom types targeting households with incomes of up to 60% of AMHI; therefore, they are considered competitive properties in the unlikely event that the subject project lost its subsidy and had to operate exclusively under the LIHTC program.

These three LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the Field Survey of Conventional Rentals.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Honeytree Apts.	1986 / 2028	48	100.0%	-	41 HH	Families; 40%, 50% & 60% AMHI & RD 515
2	Miller Homes at Poplar Creek	1990 / 2014	46	100.0%	2.0 Miles	Shared: 150 HH	Families; 40%, 50%, & 60% AMHI
4	Poplar Creek Homes	2023	32	100.0%	2.1 Miles	Shared: 150 HH	Families; 40%, 50%, & 60% AMHI
5	Taylor Lofts	1920 / 2007	47	95.7%	1.9 Miles	None	Families; 60% AMHI

OCC. – Occupancy; HH - Households

The three comparable LIHTC projects are 98.4% occupied (reflective of just two vacant units) and two of the properties maintain a shared waiting list of 150 households for their next available units. This illustrates that significant pent-up demand exists for non-subsidized LIHTC housing in the market. The subject project will continue to alleviate the high demand for affordable housing in this market.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
2	Miller Homes at Poplar Creek	46	3	6.5%
4	Poplar Creek Homes	32	8	25.0%
5	Taylor Lofts	47	N/A	-
Total		78	11	14.1%

N/A – Number not available (units not included in total)

There are a total of approximately 11 voucher holders residing at the comparable properties that provided such information. This comprises 14.1% of the 78 total non-subsidized LIHTC units offered among these properties. This is considered a low share of voucher support and is a good indication that the rents at these properties are achievable in this market, as approximately 86.0% of the units offered at these properties are paying the charged rents.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Honeytree Apts.	\$618/40% (1)* \$747/50% (5) \$791/60% (2)	\$712/40% (4) \$856/50% (30) \$876/60% (6)	-	-
2	Miller Homes at Poplar Creek	\$577/40% (1/0) \$577/50% (2/0) \$577/60% (5/0)	\$666/40% (5/0) \$666/50% (10/0) \$666/60% (15/0)	\$741/40% (1/0) \$741/50% (2/0) \$741/60% (5/0)	None
4	Poplar Creek Homes	\$645/40% (1/0) \$715/50% (1/0) \$715/60% (2/0)	\$758/40% (2/0) \$758/50% (1/0) \$839/50% (2/0) \$839/50% (1/0) \$839/60% (8/0) \$839/60% (2/0)	\$874/40% (1/0) \$880/40% (1/0) \$965/50% (1/0) \$965/50% (1/0) \$965/60% (6/0) \$965/60% (2/0)	None
5	Taylor Lofts	\$738/60% (4/0)	\$855/60% (30/1)	\$984/60% (13/1)	None

*2025 Maximum allowable LIHTC rents (subsidized contract rent exceeds this limit)

The proposed/programmatic subject gross rents are the highest when compared with the LIHTC rents being achieved at the comparable LIHTC properties targeting similar income levels in the market. It should be noted that some of the rents at Miller Homes at Poplar Creek and Poplar Creek Homes are positioned equal between various income levels, which is a good indication that these properties are not maximizing their rent potential. However, the subject project will likely need to reduce their rents from the proposed/programmatic rent levels detailed in the preceding table as the rents should be discounted from the newer properties that offer generally larger unit sizes and a generally more comprehensive amenities package (as illustrated later). Regardless, the subject will continue to operate with a subsidy available to most units following renovations, allowing tenants of these units to pay up to 30% of their gross income towards collected rent and tenant-paid utilities. Therefore, the subject is expected to continue to represent a substantial value to low-income renters.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Honeytree Apts.	574-643	746-826	-
2	Miller Homes at Poplar Creek	600	900	1,100
4	Poplar Creek Homes	600	900 - 1,000	1,100 - 1,200
5	Taylor Lofts	500	950	1,500

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Honeytree Apts.	1.0	1.5	-
2	Miller Homes at Poplar Creek	1.0	2.0	2.0
4	Poplar Creek Homes	1.0	2.0	2.0
5	Taylor Lofts	1.0	1.0	2.0

Although among the smallest, the subject development's unit sizes are considered appropriate based on the sizes of the existing LIHTC properties in the market. In addition, the subject project will generally offer fewer bathrooms in the two-bedroom units. Regardless, the strong occupancy rate and waiting list currently reported for the subject property further indicate that the unit sizes (square feet) and number of bathrooms offered are marketable within the Site PMA. These smaller unit sizes and fewer bathrooms could, however, limit the rent potential of the subject project in the unlikely non-subsidized scenario.

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

Tax Credit Unit Amenities by Map ID				
	Site*	2	4	5
Appliances	Dishwasher	X	X	X
	Disposal			X
	Microwave			
	Range	X	X	X
	Refrigerator	X	X	X
	W/D Hookup		X	X
	W/D		X	X
	No Appliances			
Unit Amenities	AC-Central	X	X	X
	AC-Other			
	Balcony/ Patio/ Sunroom			
	Basement			
	Ceiling Fan			X
	Controlled Access			
	E-Call System			
	Furnished			
	Walk-In Closet			
	Window Treatments	X	X	X
Flooring	Carpet			X
	Ceramic Tile			X
	Hardwood			
	Finished Concrete			
	Composite/Vinyl/Laminate	X	X	X
Upgraded	Premium Appliances			
	Premium Countertops			
	Premium Cabinetry			
	Premium Fixtures			
	High/Vaulted Ceilings			
	Oversized Windows			
Parking	Attached Garage			
	Detached Garage			
	Street Parking			
	Surface Lot	X	X	X
	Carport			
	Property Parking Garage			
	No Provided Parking			

◆ - Senior Property

* Proposed Site(s): Honeytree Apartments

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

** Details in Comparable Property Profile Report

Continued on Next Page

Tax Credit Property Amenities by Map ID

	Site*	2	4	5	
Bike Racks / Storage					
Computer/Business Center		X	X	X	
Car Care **					
Community Garden					
Community	Multipurpose Room	X	X	X	
	Chapel				
	Community Kitchen				
	Dining Room - Private				
	Dining Room - Public				
	Rooftop Terrace				
	Concierge Service **				
	Convenience Amenities **				
	Covered Outdoor Area **				
	Elevator				X
Laundry Room	X			X	
On-Site Management	X	X	X	X	
Pet Care **					
Recreation	Basketball				
	Bocce Ball				
	Firepit				
	Fitness Center				X
	Grilling Area				
	Game Room - Billiards				
	Walking Path				
	Hot Tub				
	Library				X
	Media Room / Theater				
	Playground	X	X	X	
	Putting Green				
	Racquetball				
	Shuffleboard				
	Swimming Pool - Indoor				
	Swimming Pool - Outdoor				
Tennis					
Volleyball					
Security	CCTV	X		X	
	Courtesy Officer				
	Security Gate				
	Social Services **				
	Storage - Extra				
Common Space WiFi					

◆ - Senior Property

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

* Proposed Site(s): Honeytree Apartments

** Details in Comparable Property Profile Report

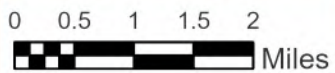
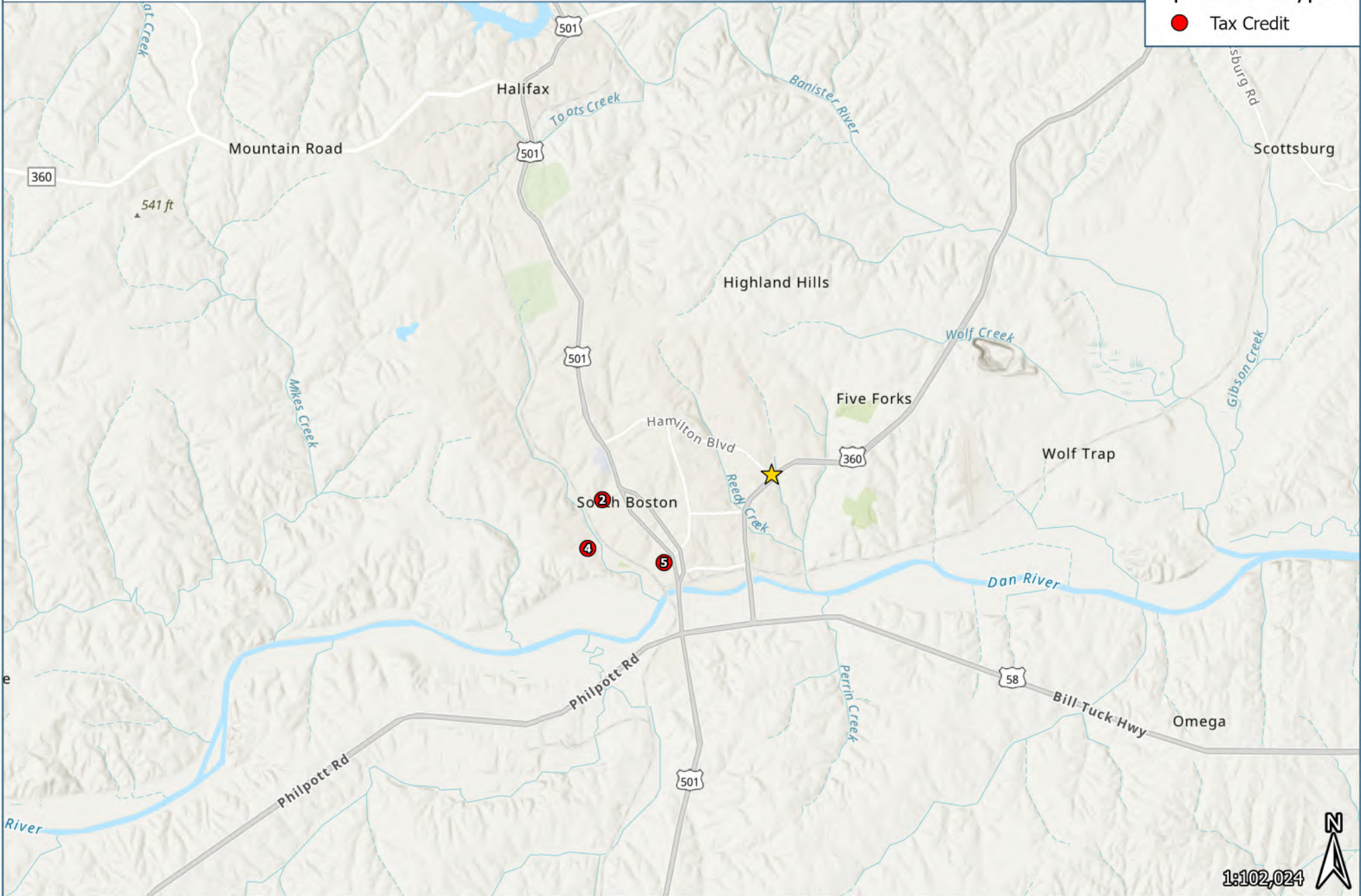
The subject project will continue to offer a unit amenities package considered slightly inferior overall to the selected properties, which is typical of older subsidized rental product such as the subject site, as the subject project will be one of two properties that does not include washer/dryer appliances within each unit, a premium amenity. The subject's project amenities package is generally competitive with the existing LIHTC properties. Further, the subject project is 100.0% occupied with a waiting list, indicating that the proposed amenities are appropriate for the subject population. The subject will also continue to operate with a subsidy available to most units, which will represent a substantial value to tenants.

Comparable/Competitive Tax Credit Summary

The three comparable LIHTC projects are 98.4% occupied (reflective of just two vacant units) and two of the properties maintain a shared waiting list of 150 households for the next available unit. This illustrates that significant pent-up demand exists for non-subsidized LIHTC housing in the market. The subject project will continue to alleviate the high demand for affordable housing in this market.

The proposed subject gross rents are the highest when compared with the LIHTC rents being achieved at the comparable LIHTC properties targeting similar income levels in the market. Regardless, the subject will continue to operate with a subsidy available to most units following renovations, allowing tenants of these units to pay up to 30% of their gross income towards collected rent and tenant-paid utilities. Therefore, the subject is expected to continue to represent a substantial value to low-income renters.

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



C. PLANNED MULTIFAMILY DEVELOPMENT

Based on interviews with local planning/building representatives, online research, and the observations of our analyst while in the field, it was determined there is one rental project currently in the development pipeline within the Site PMA, which is summarized in the following table:

Project in Development Pipeline				
Project Name & Address	Type	Units	Developer	Status/Details
US-58 & Industrial Park Rd., South Boston	Affordable	96	Community Housing Partners	Proposed: Project will construct a two-phase project with 96 apartments and 16 for-sale homes; Apartments will be workforce housing with income restrictions; Plans are still in designing phases and construction timeline has not been announced.

Although the project identified in the development pipeline is proposed to offer some affordable units, this project is not believed to be allocated at the time of this report and is in the preliminary phase of development. Thus, we have not included any pipeline units in our penetration rate calculations in *Section VII*.

D. ANTICIPATED IMPACT ON EXISTING TAX CREDIT PROPERTIES

The three comparable LIHTC projects are 98.4% occupied (reflective of just two vacant units) and two of the properties maintain a shared waiting list of 150 households. This illustrates that significant pent-up demand exists for non-subsidized LIHTC housing in the market. The subject project will continue to alleviate the high demand for affordable housing in this market. Further, the subject property is currently 100.0% occupied with a waiting list and the proposed renovations will not involve the addition of any new units to the property/market. Based on the preceding factors, the subject project is not expected to have any adverse impact on any existing rental properties within the Site PMA.

E. BUY VERSUS RENT ANALYSIS

According to ESRI, the median home value in the Site PMA was \$167,695. At an estimated interest rate of 5.99% and a 30-year term (and 95% LTV), the monthly mortgage for a \$167,695 home is \$1,193, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price – ESRI 2025	\$167,695
Mortgaged Value = 95% Of Median Home Price	\$159,310
Interest Rate – MortgageNewsDaily.Com	5.99%
Term	30
Monthly Principal & Interest	\$954
Estimated Taxes And Insurance*	\$239
Estimated Monthly Mortgage Payment:	\$1,193

*Estimated at 25% of principal and interest.

In comparison, nearly all of the proposed rents for the subject property are subsidized and the non-subsidized LIHTC rents at the site will continue to be well below the mortgage price for a typical home in the area. Therefore, we do not anticipate any competitive impact on or from the homebuyer market and the subject property.

VI. Achievable Market Rent Analysis

A. INTRODUCTION

Given the limited supply of market-rate rental communities identified within the South Boston Site PMA, we identified and surveyed one property in the Site PMA, and four market-rate properties within the nearby region of Lynchburg, Virginia; and Danville, Virginia. These are the closest identified and surveyed comparable market-rate properties. These selected properties are used to derive market rents for a project with characteristics similar to the subject development. It is important to note that for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the subject units without maximum income and rent restrictions.

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

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

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

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

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

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

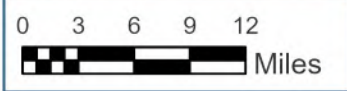
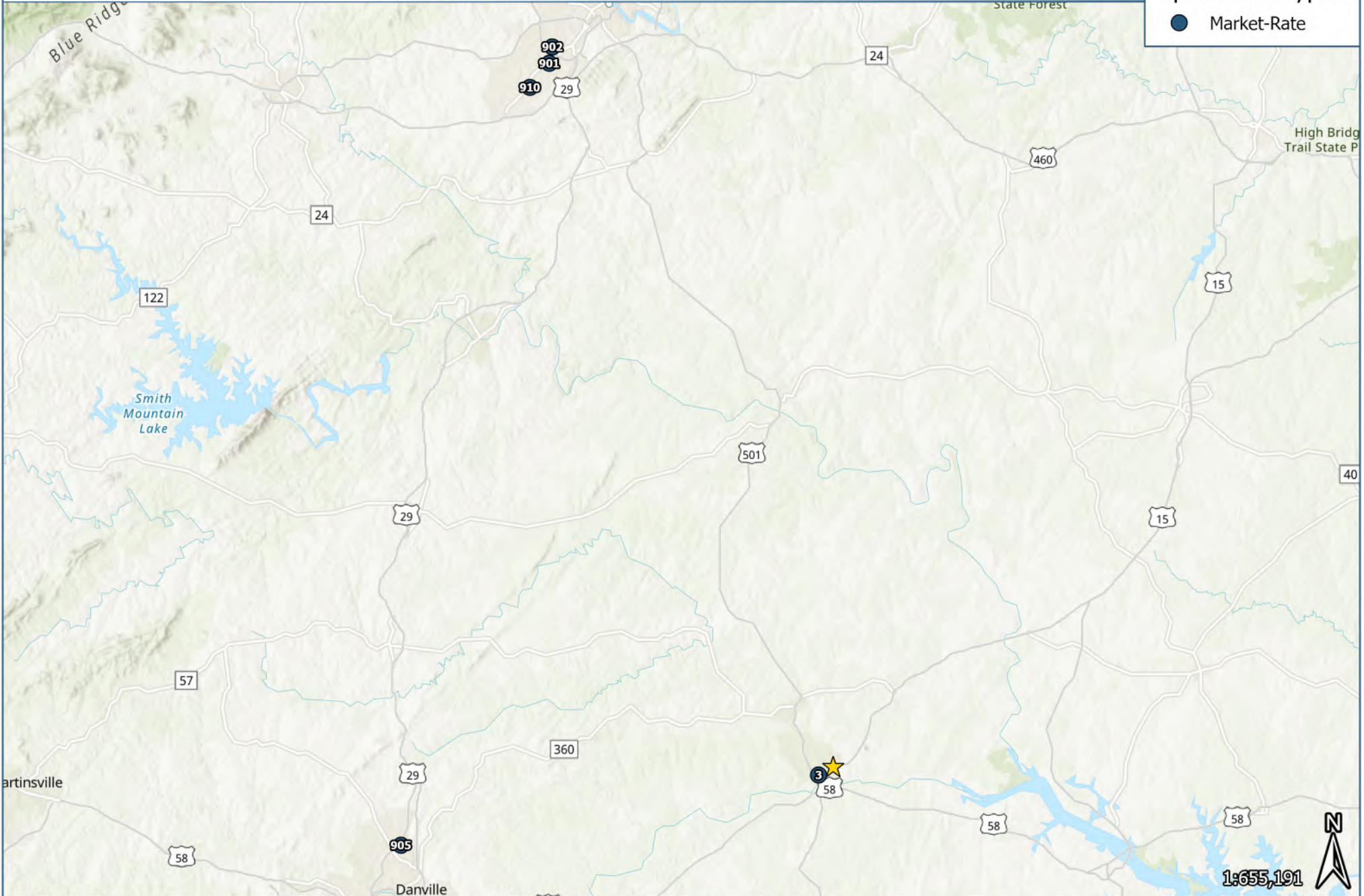
Map I.D.	Project Name	Year Built/Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Honeytree Apts.	1986 / 2028	48	100.0%	8 (100.0%)	40 (100.0%)	-	-
3	New Brick Historic Lofts	1925 / 2014	27	96.3%	14 (100.0%)	13 (92.3%)	-	-
901	Legacy at Linden Park	2008	408	98.3%	132 (94.7%)	204 (100.0%)	72 (100.0%)	-
902	Mill's Crossing	2018	156	98.7%	62 (98.4%)	94 (98.9%)	-	-
905	North Pointe Apts.	1996	155	100.0%	17 (100.0%)	98 (100.0%)	40 (100.0%)	-
910	Willowbrook Apts.	2006	372	100.0%	86 (100.0%)	186 (100.0%)	80 (100.0%)	20 (100.0%)

900 series Map IDs are located outside the Site PMA

Occ. – Occupancy

The five selected market-rate projects have a combined total of 1,118 units with an overall occupancy rate of 99.1%, a strong rate for rental housing. This indicates that these projects have been very well received within their respective markets and will serve as accurate benchmarks with which to compare the subject project.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate adjustments made (as needed) for various features and locations or neighborhood characteristics, as well as for quality differences that exist between the selected properties and the subject development. In addition to the Rent Comparability Grids, a map depicting the location of the comparable market-rate properties in relation to the subject project is included on the following page.



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

Rent Comparability Grid

Unit Type → **ONE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Honeytree Apartments		New Brick Historic Lofts		Legacy at Linden Park		Mill's Crossing		North Pointe Apts.		Willowbrook Apts.	
2313 Hamilton Boulevard		701 Jefferson Ave		1000 Misty Mountain Rd		6231 Old Mill Rd		100 Northpointe Ln		120 Clubhouse Dr	
South Boston, VA		South Boston, VA		Lynchburg, VA		Lynchburg, VA		Danville, VA		Lynchburg, VA	
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1	\$ Last Rent / Restricted?	\$1,125		\$1,037		\$1,074		\$825		\$1,075	
2	Date Surveyed	Jan-26		Jan-26		Jan-26		Jan-26		Jan-26	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		95%		98%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,125	1.56	\$1,037	1.41	\$1,074	1.39	\$825	1.28	\$1,075	1.19
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		WU/3		WU/3		WU/3		WU/2,3	
7	Yr. Built/Yr. Renovated	1986/2028		2014	(\$7)	2018	(\$11)	1996	\$11	2006	\$1
8	Condition/Street Appeal	G		E	(\$15)	G		G		E	(\$15)
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		No	(\$103)	No	(\$107)	No	(\$41)	No	(\$107)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	574	(\$50)	721	(\$50)	738	(\$56)	775	(\$68)	643	(\$23)
14	Patio/Balcony/Sunroom	N		N		N		Y	(\$5)	Y	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	N/Y		Y/Y	(\$5)
18	Washer/Dryer	L		L		HU/L	(\$10)	N	\$5	HU/L	(\$10)
19	Floor Coverings	V		C/W/V		C/V		C/W		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	N		N	(\$5)	Y	(\$5)	N	(\$5)	Y	(\$5)
23	Ceiling Fan/Storage	N/N	(\$10)	Y/Y	(\$10)	Y/N	(\$5)	Y/N	(\$5)	N/N	(\$5)
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y	\$5	N	\$5	N	\$5	Y		N	\$5
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	N	(\$5)	F	(\$5)	P/F/S/GR/MT	(\$24)	P/F	(\$15)	P/F	(\$15)
29	Business/Computer Center	N		N		Y	(\$3)	N		N	
30	Grilling Area	N		N		Y	(\$3)	N		N	
31	Playground	Y	\$3	N		Y		N	\$3	Y	
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	Y/Y		Y/Y		N/N	\$59	N/N	\$59	Y/Y	
39	Trash/Recycling	Y/N		Y/N		Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	2	6	1	11	3	7	1	6	2	11
41	Sum Adjustments B to D	\$8	(\$92)	\$5	(\$230)	\$13	(\$216)	\$11	(\$99)	\$6	(\$315)
42	Sum Utility Adjustments			\$59		\$59					
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$84)	\$100	(\$166)	\$294	(\$144)	\$288	(\$88)	\$110	(\$309)	\$321
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,041		\$871		\$930		\$737		\$766	
45	Adj Rent/Last rent		93%		84%		87%		89%		71%
46	Estimated Market Rent	\$875	\$1.52 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **TWO-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Honeytree Apartments		New Brick Historic Lofts		Legacy at Linden Park		Mill's Crossing		North Pointe Apts.		Willowbrook Apts.	
2313 Hamilton Boulevard		701 Jefferson Ave		1000 Misty Mountain Rd		6231 Old Mill Rd		100 Northpointe Ln		120 Clubhouse Dr	
South Boston, VA		South Boston, VA		Lynchburg, VA		Lynchburg, VA		Danville, VA		Lynchburg, VA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,375		\$1,188		\$1,274		\$991		\$1,192	
2	Date Surveyed	Jan-26		Jan-26		Jan-26		Jan-26		Jan-26	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	92%		100%		99%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,375	1.30	\$1,188	1.16	\$1,274	1.15	\$991	1.13	\$1,192	1.04
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		WU/3		WU/3		WU/3		WU/2,3	
7	Yr. Built/Yr. Renovated	1986/2028		2014 (\$7)		2018 (\$11)		1996 \$11		2006 \$1	
8	Condition/Street Appeal	G		E (\$15)		G		G		E (\$15)	
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		No (\$118)		No (\$127)		No (\$49)		No (\$119)	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1.5	\$15	2 (\$15)		2 (\$15)		1.5		2 (\$15)	
13	Unit Interior Sq. Ft.	746	(\$89)	1022 (\$80)		1105 (\$104)		880 (\$39)		1150 (\$117)	
14	Patio/Balcony/Sunroom	N		N		Y (\$5)		Y (\$5)		Y (\$5)	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y	(\$5)	Y/Y (\$5)		Y/Y (\$5)		N/Y		Y/Y (\$5)	
18	Washer/Dryer	L		HU/L (\$10)		N \$5		HU/L (\$10)		W/D (\$35)	
19	Floor Coverings	V		C/W/V		C/V		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	N		Y (\$5)		N		Y (\$5)		Y (\$5)	
23	Ceiling Fan/Storage	N/N	(\$10)	Y/N (\$5)		Y/N (\$5)		N/N		Y/N (\$5)	
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y	\$5	N \$5		N \$5		Y		N \$5	
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	N	(\$5)	P/F/S/GR/MT (\$24)		P/F (\$15)		P/F (\$15)		P/F/J/WT (\$21)	
29	Business/Computer Center	N		Y (\$3)		N		N		Y (\$3)	
30	Grilling Area	N		Y (\$3)		N		N		Y (\$3)	
31	Playground	Y	\$3	Y		N \$3		Y		Y	
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	Y/Y		N/N \$76		N/N \$76		Y/Y		Y/Y	
39	Trash/Recycling	Y/N		Y/N		Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	3	6	1	12	3	8	1	6	2	12
41	Sum Adjustments B to D	\$23	(\$131)	\$5	(\$284)	\$13	(\$287)	\$11	(\$123)	\$6	(\$348)
42	Sum Utility Adjustments			\$76		\$76					
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$108)	\$154	(\$203)	\$365	(\$198)	\$376	(\$112)	\$134	(\$342)	\$354
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,267		\$985		\$1,076		\$879		\$850	
45	Adj Rent/Last rent		92%		83%		84%		89%		71%
46	Estimated Market Rent	\$1,025	\$1.37 ←	Estimated Market Rent/ Sq. Ft							

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

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

Bedroom Type	% AMHI	Proposed / Programmatic Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	40%/RD	\$546*	\$875	37.6%
One-Br.	50%/RD	\$675	\$875	22.9%
One-Br.	60%/RD	\$719	\$875	17.8%
Two-Br.	40%/RD	\$629	\$1,025	38.6%
Two-Br.	50%/RD	\$773	\$1,025	24.6%
Two-Br.	60%/RD	\$793	\$1,025	22.6%

RD – Rural Development ; *Maximum allowable net LIHTC rent (contract rent exceeds this limit)

Typically, Tax Credit rents for units targeting households earning up to 60% of AMHI should be positioned at least 10.0% below achievable market rent levels to ensure the property represents a value and is provided a sufficient flow of tenants. The subject’s proposed/programmatic rents represent market rent advantages ranging between 17.8% and 38.6%, which indicates that the rents (assuming maximum allowable in some cases) are expected to represent a good value to area renters. However, it is likely that the subject’s rents will need to be slightly reduced in the unlikely non-subsidized scenario to be competitive with existing LIHTC properties and to be marketable.

Nonetheless, the subject property is expected to be perceived as a significant value compared to the preceding market rent advantages. This is due to the fact that the subject project will continue to operate with a project-based subsidy available to most of the units following renovations. This will allow these tenants to pay up to only 30% of their income towards rent, rather than the non-subsidized rents evaluated throughout this report.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions.
7. Upon completion of renovations, the subject project will have an effective age of a property built in 2007, which is a simple average of the project's year built and estimated completion year of renovations. The selected properties were built and/or renovated between 1996 and 2018. We have adjusted the rents at the selected properties by \$1 per year of effective age difference to reflect the age of these properties.
8. It is anticipated that the subject project will have an improved quality and an attractive aesthetic appeal upon the completion of renovations. We have made adjustments for a property that we consider to be of superior quality to the subject development.
10. Most of the selected properties are located outside of the Site PMA in the nearby communities of Danville, Virginia and Lynchburg, Virginia. Based on income, population and household data from the U.S. Census Bureau and American Community Survey, we have applied negative adjustments of approximately 5% to 10% to these selected properties to account for the differences between these markets.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. We have made monetary adjustments to reflect the difference between the subject project's and the selected properties' unit amenities. The largest adjustment was made for the in-unit washer/dryer appliances offered at one of the selected properties.
- 24.-32. The subject project offers a project amenity package considered inferior to the selected properties. We have made monetary adjustments to reflect the difference between the subject project's and the selected properties' project amenities.

33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

VII. Capture Rate Analysis

A. DETERMINATION OF INCOME ELIGIBILITY

The number of income-eligible households necessary to support the project from the Site PMA is an important consideration in evaluating the subject project's potential. Note that we have evaluated the subject project assuming two different scenarios. The first capture rate scenario has been calculated assuming that the project continues to operate with a subsidy available to most units. In this scenario, residents of these subsidized units will continue to pay up to 30% of their adjusted gross income towards rent. We have also provided a capture rate scenario for the unlikely event that the subject project lost its subsidy, requiring all units to operate exclusively under the Tax Credit guidelines, targeting households earning up to 40%, 50% and 60% of AMHI.

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

The subject site is located within Halifax County, Virginia, which has a median four-person household income of \$70,400 for 2025. The project location, however, is eligible for the National Non-Metropolitan Income and Rent Floor adjustment. Therefore, the income restrictions for the subject project are based on the national non-metropolitan four-person median household income of \$82,300 in 2025. The subject property will be restricted to households with incomes up to 40%, 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted income level:

Household Size	Targeted AMHI Maximum Allowable Income		
	40%	50%	60%
One-Person	\$23,080	\$28,850	\$34,620
Two-Person	\$26,360	\$32,950	\$39,540
Three-Person	\$29,640	\$37,050	\$44,460
Four-Person	\$32,920	\$41,150	\$49,380
Five-Person	\$35,560	\$44,450	\$53,340
Six-Person	\$38,200	\$47,750	\$57,300

1. Maximum Income Limits

The largest units (two-bedroom) at the subject site are expected to house up to three-person households. As such, the maximum allowable income at the subject site is **\$44,460**.

2. Minimum Income Requirements

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

Since the subject project will continue operate with a subsidy available to most units following renovations, the project will continue to be able to serve households with incomes as low as **\$0**. However, in the unlikely scenario that the project operated without a subsidy, the proposed LIHTC units will have a lowest gross rent of \$618 (assuming rents are positioned at maximum allowable rent levels). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$7,416. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement of **\$21,189**.

3. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate ranges required to live at the subject project with units renovated to serve households at 40% 50% and 60% of AMHI (both with and without the subsidy) are as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit Only (40% AMHI)	\$21,189	\$29,640
Tax Credit Only (50% AMHI)	\$25,611	\$37,050
Tax Credit Only (60% AMHI)	\$27,120	\$44,460
Overall Tax Credit Only	\$21,189	\$44,460
Overall Tax Credit with Subsidy	\$0	\$44,460

B. CAPTURE RATE CALCULATIONS

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

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

1. **Demand from New Renter Households:** *Determine new units in the PMA based on projected rental household growth. The projected household base **must be** limited to the target group, age and income appropriate. Demand for each target group must be shown separately.*

As all subject units will be comprised of one- and two-bedroom apartments, we have only considered one- through three-person household sizes in calculating demand. This was done so in order to avoid overestimating demand.

2. **Demand from Existing Households:** *The sum of demand from rental household growth and demand from all components of existing households will constitute **Total Demand**. The demand components from existing households are detailed below:*

- a) **Over-burdened** *is defined by Virginia Housing as households paying more than 35% of gross income (40% if elderly) for gross rent. Analysts are encouraged to be conservative.*

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25074), 32.2% of renters within the market are considered to be cost-burdened.

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

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25016), approximately 1.3% of all households within the market are living in substandard housing. Considering the targeted low-income tenant base, this estimate is considered appropriate for the area.

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

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

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

A rent roll containing current tenant incomes was not provided. However, assuming the subject project retains its subsidy, most (if not all) current tenants are anticipated to remain at the property. In addition, the collected rents among the property's current tenant base are equal to or below the proposed rents. Regardless, we have conservatively assumed a 0.0% retention rate in our demand estimates that consider the unlikely non-subsidized scenario.

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

C. DEMAND/CAPTURE RATE CALCULATIONS

As stated, and discussed in *Section V*, there are just two vacant units reported at one of the LIHTC properties in the market, only one of which is considered directly competitive (same bedroom type and income level). Considering this property is 95.7% occupied, we have not included any vacant units from this property in our demand estimates. In addition, there are no additional LIHTC properties currently in the development pipeline within the Site PMA. Based on the preceding factors, we have not considered any directly comparable/competitive supply units in our demand estimates.

The following is a summary of our demand calculations assuming the subject property operates as anticipated, *with a project-based subsidy*:

As Proposed (With Subsidy)				
Demand Component	40% AMHI / Subsidy (\$0-\$29,640)	50% AMHI / Subsidy (\$0-\$37,050)	60% AMHI / Subsidy (\$0-\$44,460)	Overall LIHTC w/ Subsidy (\$0-\$44,460)
Demand from New Rental Households (Income-Appropriate)	1,604 - 1,691 = -87	1,808 - 1,907 = -99	1,986 - 2,092 = -106	1,986 - 2,092 = -106
+				
Demand from Existing Households (Rent Overburdened)	1,691 x 32.2% = 545	1,907 x 32.2% = 614	2,092 x 32.2% = 674	2,092 x 32.2% = 674
+				
Demand from Existing Households (Renters in Substandard Housing)	1,691 x 1.3% = 22	1,907 x 1.3% = 25	2,092 x 1.3% = 27	2,092 x 1.3% = 27
+				
Demand from Existing Households (Elderly Homeowner Conversion)	N/A	N/A	N/A	N/A
Demand from Existing Households (Existing Qualifying Tenants Likely to Remain After Renovations)	5	35	8	48
=				
Total Demand	485	575	603	643
-				
Supply (Directly Comparable Vacant Units Completed or in the Pipeline)	0	0	0	0
=				
Net Demand	485	575	603	643
Proposed Units	5	35	8	48
Proposed Units / Net Demand	5 / 485	35 / 575	8 / 603	48 / 643
Capture Rate	1.0%	6.1%	1.3%	7.5%
Total Absorption Period	1 Month	< 4 Months	2 Months	< 4 Months

N/A-Not Applicable

Utilizing this methodology, capture rates below 30% are typically considered achievable, though higher capture rates may be acceptable in certain markets/instances. As such, the 7.5% capture rate for the subject property is considered low and easily achievable. This is supported by the 100.0% occupancy rate and waiting list maintained by the existing subject property.

The following is a summary of our demand calculations assuming the unlikely scenario that the subject project operates exclusively as a LIHTC property, *without* any type of project-based subsidy.

LIHTC Only				
Demand Component	40% AMHI (\$21,189-\$29,640)	50% AMHI (\$25,611-\$37,050)	60% AMHI (\$27,120-\$44,460)	Overall LIHTC (\$21,189-\$44,460)
Demand from New Rental Households (Income-Appropriate)	331 - 353 = -22	320 - 340 = -20	454 - 479 = -25	712 - 754 = -42
+				
Demand from Existing Households (Rent Overburdened)	353 x 32.2% = 114	340 x 32.2% = 110	479 x 32.2% = 154	754 x 32.2% = 243
+				
Demand from Existing Households (Renters in Substandard Housing)	353 x 1.3% = 5	340 x 1.3% = 4	479 x 1.3% = 6	754 x 1.3% = 10
+				
Demand from Existing Households (Elderly Homeowner Conversion)	N/A	N/A	N/A	N/A
Demand from Existing Households (Existing Qualifying Tenants Likely to Remain After Renovations)	0	0	0	0
=				
Total Demand	97	94	135	211
-				
Supply (Directly Comparable Vacant Units Completed or in the Pipeline)	0	0	0	0
=				
Net Demand	97	94	135	211
Proposed Units	5	35	8	48
Proposed Units / Net Demand	5 / 97	35 / 94	8 / 135	48 / 211
Capture Rate	5.2%	37.2%	5.9%	22.7%
Total Absorption Period	2 Months	6 Months	4 Months	6 Months

N/A-Not Applicable

In the unlikely event the project-based subsidy was not retained, and the property had to operate *exclusively* under the LIHTC program, the subject project's overall capture rate is 22.7%. This illustrates that there is a sufficient base of income-qualified renter support for the subject project in the Site PMA, regardless of whether the property operates with a subsidy available to most units. Although the 50% of AMHI capture rate is elevated, this capture rate is believed to be achievable in this rural market, as there are just two vacant units among the comparable LIHTC properties surveyed in the market.

D. PENETRATION RATE CALCULATIONS

The 125 existing non-subsidized Tax Credit units in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned Tax Credit units is \$19,783 to \$53,340. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, the penetration rate calculation for the subject project is summarized in the following table.

	Market Penetration
Number of LIHTC Units (Proposed and Existing)	173
Income-Eligible Renter Households – 2028	/ 1,214
Overall Market Penetration Rate	= 14.3%

It is our opinion that the 14.3% penetration rate for the LIHTC units, both existing and proposed, is considered low and achievable.

E. SUPPORT FROM HOUSING CHOICE VOUCHER HOLDERS

According to a representative with Pittsylvania County Community Action, which oversees the voucher program in Halifax County, there are approximately 108 Housing Choice Vouchers issued within the housing authority’s jurisdiction. However, housing authority representatives also stated that approximately 10 issued vouchers are currently going unused, likely due to holders of these vouchers being unable to locate/obtain a quality affordable rental housing unit that will accept the voucher. There is a total of 100 people currently on the waiting list for additional Vouchers. The waiting list is closed, and it is unknown when the waiting list will reopen. Annual turnover within the voucher program is estimated at one household. This reflects the continuing need for affordable housing alternatives and/or Housing Choice Voucher assistance.

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

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (AMHI)
One-Bedroom	\$827	\$618 (40%)*
		\$747 (50%)
		\$791 (60%)
Two-Bedroom	\$914	\$712 (40%)
		\$856 (50%)
		\$876 (60%)

*Maximum allowable LIHTC rent (subsidized contract rent exceeds this limit)

As the preceding table illustrates, the proposed/programmatic LIHTC gross rents are below the local payment standards. As such, the subject project will be able to rely on some support from Housing Choice Voucher holders if it does not offer a subsidy. This will increase the demographic base of potential support for the development if the project lost its subsidy and has been considered in our absorption projections in this unlikely scenario.

F. ABSORPTION PROJECTIONS

The subject project currently operates under the Rural Development program with a project-based subsidy available to most units, and the project is expected to retain this subsidy following the proposed renovations. We also assume that most, if not all, current tenants will remain at the site once renovations are complete. In this scenario, the project will effectively have no absorption period. For the purpose of this analysis, however, we have provided absorption estimates assuming that all units will be vacated and will need to be re-rented following renovations. We have provided separate estimates assuming that the subject retains its subsidy for most units, as well as the unlikely scenario that the project had to operate exclusively under the LIHTC program.

For the purpose of this analysis, we assume the absorption period at the site begins as soon as the first renovated units are available for occupancy. We also assume that initial units at the site will be available for rent in 2028. Changes to the project's planned renovations or renovation timeline may alter our absorption projections.

Subsidized

Assuming the subject project retains its subsidy on most units but is entirely vacated, we estimate that the 48 subject units can achieve a stabilized occupancy of 93% within less than four months of re-opening. This is based on a monthly absorption rate of approximately 12 to 13 units per month.

Tax Credit

Assuming the subject project operated exclusively under the LIHTC program and was completely vacated, it is likely that the subject project would experience an extended absorption period of approximately six months, as it would no longer be able to target households earning less than \$21,189. This is based on a monthly absorption rate of approximately seven to eight units per month. In this scenario, the project's ultimate absorption may vary depending upon the amount of voucher support the property receives and assumes the project offers Tax Credit rents that are competitive with the existing Tax Credit properties in the market.

The following table summarizes the subject's projected absorption trends for each scenario:

Absorption Projections		
Scenario	UPM	Absorption Period
Tax Credit with Subsidy	12 to 13	< 4 Months
Tax Credit Only	7 to 8	6 Months

UPM – Units Per Month

In reality, most (if not all) existing tenants are expected to continue to qualify for and remain at the subject property. Further, any units which may become vacant due to typical tenant turnover are expected to be quickly filled from the waiting list maintained for the property. As such, there effectively will be no absorption period for the subject property.

VIII. Local Perspective (Interviews)

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

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

- Madalyn Martin, Section 8 Program Coordinator with Pittsylvania County Community Action (which oversees the Housing Choice Voucher program in the area) stated there is a need for affordable housing in Halifax County, as well as the surrounding counties.
- Hope Cole, Administrator with the Town of South Boston Planning and Zoning stated there is a need for affordable housing in South Boston, as well as throughout Halifax County. Specifically, there is a need for middle class housing, the community has low- to moderate-income housing and high-end housing but there are not many options for middle class housing. South Boston has some small market-rate projects in the area, but the properties stay full and it's rare for them to have units available.
- Brian Brown, Executive Director of Halifax County Industrial Development Authority stated there is a need for affordable workforce housing for families in the community. There have been 825 new jobs announced and there will be an additional 600 to 800 announced so there is a need for 600 to 900 housing units with at least 600 of them to be workforce or affordable according to Brown.
- Carl Espy, Town Manager of the Town of Halifax stated there is a need for affordable housing in the area, specifically for seniors who are looking to age in place and for their younger working population searching for affordable housing.
- Tameka Vaden, Property Manager at Miller Homes at Poplar Creek, a comparable Tax Credit apartment community, stated that there is an "overwhelming need" for more affordable housing in the area. Vaden stated that she gets numerous calls daily from people inquiring about housing availability. Vaden also manages Poplar Creek Homes, another Tax Credit multifamily community in the area, and mentioned that, when the property opened in 2023, they received over 300 applicants for it. Both of these properties share a waitlist of roughly 150 individuals.

- Keyera Mitchell, Property Manager at Honeytree Apartments (subject site), a government-subsidized rental community in South Boston, stated that there is certainly a need for more affordable housing in the area. Mitchell stated that she hears from prospective tenants that they struggle to find affordable housing options and that it is very hard to find available units. Honeytree Apartments maintains a waiting list of 41 households and Mitchell stated that units rarely become available.

IX. Analysis & Conclusions

Based on the findings reported in our market study, it is our opinion that a market will continue to exist for the existing subject project, assuming it is renovated as detailed in this report. Changes to the project's scope of renovations, subsidy availability, rents, amenities and/or completion date may alter these findings.

The three comparable LIHTC projects are 98.4% occupied (reflective of just two vacant units) and two of the properties maintain a shared waiting list of 150 households for the next available unit. This illustrates that significant pent-up demand exists for non-subsidized LIHTC housing in the market. The subject project will continue to alleviate the high demand for affordable housing in this market. In addition, the subject project will not introduce any additional units to the market and it is our opinion that the subject project will have no impact on the existing Tax Credit developments in the Site PMA.

The proposed/programmatic subject gross rents are the highest when compared with the LIHTC rents being achieved at the comparable LIHTC properties targeting similar income levels in the market. Regardless, the subject will continue to operate with a subsidy available to most units following renovations, allowing tenants of these units to pay up to 30% of their gross income towards collected rent and tenant-paid utilities. Therefore, the subject is expected to continue to represent a substantial value to low-income renters.

As shown in the Project Specific Demand Analysis section of this report, the subject's overall capture rates of 7.5% (with subsidy) and 22.7% (LIHTC only) are considered low and achievable based on the methodology of Virginia Housing. These capture rates illustrate that there is a good base support for the subject development within the Site PMA, both with and without the subsidy. Although the 50% of AMHI capture rate is elevated, this capture rate is believed to be achievable in this rural market, as there are just two vacant units among the comparable LIHTC properties surveyed in the market.

The subject's proposed/programmatic rents represent market rent advantages ranging between 17.8% and 38.6%, which indicates that the rents (assuming maximum allowable in some cases) are expected to represent a good value to area renters. However, it is likely that the subject's rents will need to be slightly reduced in the unlikely non-subsidized scenario to be marketable.

Nonetheless, the subject property is expected to be perceived as a significant value compared to the preceding market rent advantages. This is due to the fact that the subject project will continue to operate with a project-based subsidy available to most of the units following renovations. This will allow these tenants to pay up to only 30% of their income towards rent, rather than the non-subsidized rents evaluated throughout this report.

Overall, all units at the subject project are currently 100.0% occupied and the property maintains a waiting list and is expected to retain its subsidy on most units following renovations. Therefore, the subject project will likely continue to represent a substantial value to low-income renters in this market.

X.

SITE PHOTOGRAPHS

Honeytree Apartments



View of site from the north



View of site from the northeast



View of site from the east



View of site from the southeast



View of site from the south



View of site from the southwest

Honeytree Apartments



View of site from the west



View of site from the northwest



North view from site



Northeast view from site



East view from site



Southeast view from site

Honeytree Apartments



South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: Southeast view of Hamilton Boulevard



Streetscape: Northwest view of Hamilton Boulevard

Honeytree Apartments



Streetscape: Northeast view of U.S. Highway 360



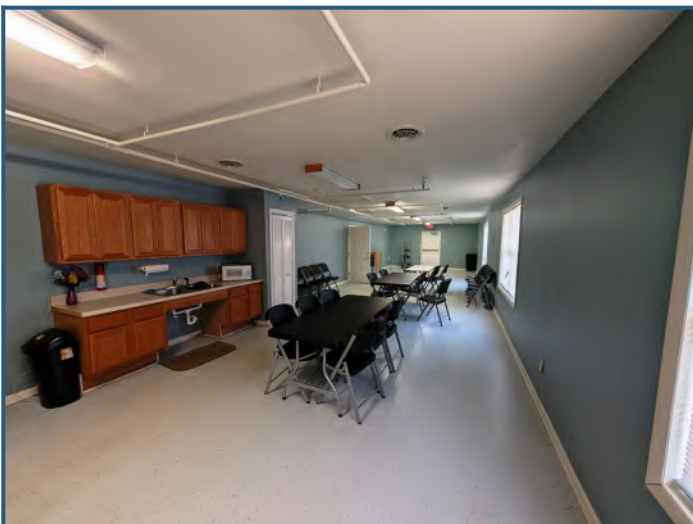
Streetscape: Southwest view of U.S. Highway 360



Recreation Area: Playground



Community Room



Community Room: Kitchen



Laundry Facility

Honeytree Apartments



One-Bedroom (Living Room - View A)



One-Bedroom (Living Room - View B)



One-Bedroom (Kitchen)



One-Bedroom (Bedroom - View A)



One-Bedroom (Bedroom - View B)



One-Bedroom (Bathroom)

Honeytree Apartments



Two-Bedroom (Living Room - View A)



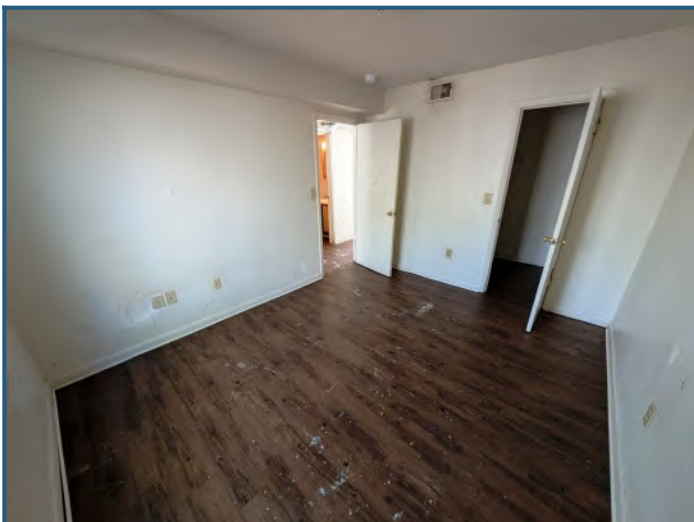
Two-Bedroom (Living Room - View B)



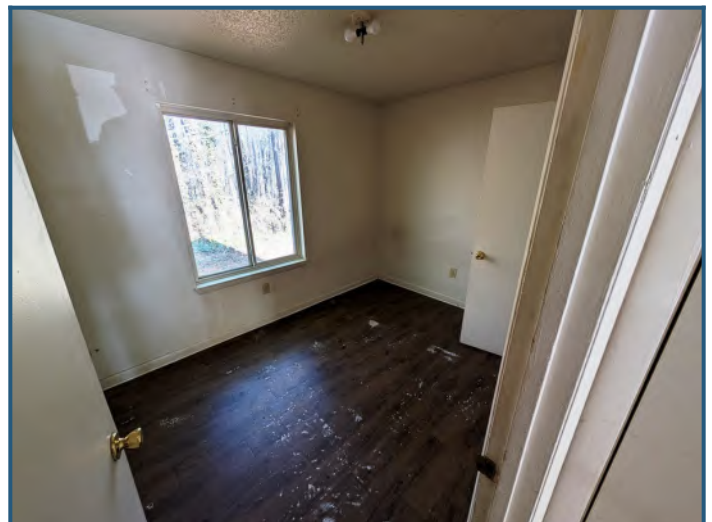
Two-Bedroom (Kitchen)



Two-Bedroom (Master Bedroom - View A)



Two-Bedroom (Master Bedroom - View B)



Two-Bedroom (Second Bedroom - View A)

Honeytree Apartments



Two-Bedroom (Second Bedroom - View B)



Two-Bedroom (Full Bathroom)

XI.

COMPARABLE
PROPERTY PROFILES

2 Miller Homes at Poplar Creek 2.0 miles to site



Address: 130 Poplar Creek St, South Boston, VA 24592
 Phone: (434) 575-5318 Contact: Tamika (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 46 Year Built: 1990
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated: 2014
 Turnover: Stories: 2
 Waitlist: Shared; 150 HH
 Rent Special: None

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

Notes: Tax Credit; HOME Funds (4 units)



Features And Utilities

Utility Schedule Provided by: Virginia Housing

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

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

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

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	1	0	600	\$0.81	\$487	40%
1	1	G	2	0	600	\$0.81	\$487	50%
1	1	G	5	0	600	\$0.81	\$487	60%
2	2	G	5	0	900	\$0.61	\$552	40%
2	2	G	10	0	900	\$0.61	\$552	50%
2	2	G	15	0	900	\$0.61	\$552	60%
3	2	G	1	0	1,100	\$0.55	\$601	40%
3	2	G	2	0	1,100	\$0.55	\$601	50%
3	2	G	5	0	1,100	\$0.55	\$601	60%

*Adaptive Reuse

*DTS is based on drive time

3 New Brick Historic Lofts 1.8 miles to site



Address: 701 Jefferson Ave, South Boston, VA 24592
 Phone: (434) 797-4009 Contact: Dana
 Property Type: Market Rate
 Target Population: Family
 Total Units: 27 Year Built: 1925
 Vacant Units: 1 *AR Year: 2014
 Occupancy: 96.3% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: None
 Rent Special: None

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

Notes:



Features And Utilities

Utility Schedule Provided by: Virginia Housing

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

Unit Amenities: Dishwasher; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate, Hardwood)

Property Amenities: Bike Racks / Storage; Multipurpose Room, Clubhouse/Community Room; Laundry Room; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center); Extra Storage; WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	L	14	0	721 - 894	\$1.56 - \$1.37	\$1,125 - \$1,225	Market
2	1	L	13	1	1,054 - 1,078	\$1.30 - \$1.28	\$1,375	Market

*Adaptive Reuse

*DTS is based on drive time

4 Poplar Creek Homes 2.1 miles to site



Address: Poplar Creek St, South Boston, VA 24592
 Phone: (434) 575-5318 Contact: Tamika (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 32 Year Built: 2023
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: Shared; 150 HH
 Rent Special: None

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

Notes: Tax Credit; HOME Funds (11 units)



Features And Utilities

Utility Schedule Provided by: Virginia Housing

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

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

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

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	1	0	600	\$0.93	\$555	40%
1	1	G	1	0	600	\$1.04	\$625	50%
1	1	G	2	0	600	\$1.04	\$625	60%
2	2	G	2	0	900	\$0.72	\$644	40%
2	2	G	2	0	900	\$0.81	\$725	50%
2	2	G	8	0	900	\$0.81	\$725	60%
2	2	T	1	0	1,000	\$0.64	\$644	40%
2	2	T	1	0	1,000	\$0.73	\$725	50%
2	2	T	2	0	1,000	\$0.73	\$725	60%
3	2	G	1	0	1,100	\$0.67	\$734	40%
3	2	G	1	0	1,100	\$0.75	\$825	50%

*Adaptive Reuse

*DTS is based on drive time

Continued on Next Page

4 Unit Configuration- cont.								
Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
3	2	G	6	0	1,100	\$0.75	\$825	60%
3	2	T	1	0	1,200	\$0.62	\$740	40%
3	2	T	1	0	1,200	\$0.69	\$825	50%
3	2	T	2	0	1,200	\$0.69	\$825	60%

5 Taylor Lofts 1.9 miles to site



Address: 340 Ferry St, South Boston, VA 24592
 Phone: (434) 517-0006 Contact: Lisa
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 47 Year Built: 1920
 Vacant Units: 2 *AR Year: 2007
 Occupancy: 95.7% Yr Renovated:
 Turnover: Stories: 3 (w/Elev)
 Waitlist: None
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Virginia Housing

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

Unit Amenities: Dishwasher; Disposal; Icemaker; Range; Refrigerator; Central AC; Ceiling Fan; Window Treatments; Flooring (Carpet, Ceramic Tile)

Property Amenities: Business Center (Computer/Business Center); Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Library); CCTV

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	4	0	500	\$1.30	\$648	60%
2	1	G	30	1	950	\$0.78	\$741	60%
3	2	G	13	1	1,500	\$0.56	\$844	60%

*Adaptive Reuse

*DTS is based on drive time

901 Legacy at Linden Park 57.9 miles to site



Address: 1000 Misty Mountain Rd, Lynchburg, VA 24502
 Phone: (434) 215-0883 Contact: Lauren
 Property Type: Market Rate
 Target Population: Family
 Total Units: 408 Year Built: 2008
 Vacant Units: 7 *AR Year:
 Occupancy: 98.3% Yr Renovated:
 Turnover: Stories: 3
 Waitlist: None
 Rent Special: None

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

Notes: Rents change daily



Features And Utilities

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

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

Property Amenities: Business Center (Computer/Business Center); Car Care (Car Wash Area); Multipurpose Room, Community Kitchen, Clubhouse/Community Room; Cafe / Coffee Bar; Laundry Room; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Game Room-Billiards, Media Room / Theater, Playground, Outdoor Swimming Pool, Volleyball); Extra Storage

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	132	7	738 - 826	\$1.40 - \$1.30	\$1,037 - \$1,077	Market
2	2	G	204	0	1,022 - 1,173	\$1.16 - \$1.08	\$1,188 - \$1,278	Market
3	2	G	72	0	1,249 - 1,317	\$1.20 - \$1.14	\$1,505	Market

*Adaptive Reuse

*DTS is based on drive time

902 Mill's Crossing 58.5 miles to site



Address: 6231 Old Mill Rd, Lynchburg, VA 24502
 Phone: (434) 329-3279 Contact: Rylie
 Property Type: Market Rate
 Target Population: Family
 Total Units: 156 Year Built: 2018
 Vacant Units: 2 *AR Year:
 Occupancy: 98.7% Yr Renovated:
 Turnover: Stories: 3
 Waitlist: None
 Rent Special: None

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

Notes:



Features And Utilities

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

Unit Amenities: Dishwasher; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; Window Treatments; Flooring (Carpet, Hardwood); Premium Appliances; Premium Countertops

Property Amenities: Multipurpose Room, Clubhouse/Community Room; On-Site Management; Recreation Areas (Fitness Center, Outdoor Swimming Pool)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	62	1	775	\$1.39	\$1,074	Market
2	2	G	94	1	1,105	\$1.15	\$1,274	Market

*Adaptive Reuse *DTS is based on drive time

905 North Pointe Apts. 35.4 miles to site



Address: 100 Northpointe Ln, Danville, VA 24540
 Phone: (434) 836-0277 Contact: Larue
 Property Type: Market Rate
 Target Population: Family
 Total Units: 155 Year Built: 1996
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3
 Waitlist: None
 Rent Special: None

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

Notes:



Features And Utilities

Utility Schedule Provided by: Virginia Housing

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

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

Property Amenities: Multipurpose Room, Clubhouse/Community Room; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Playground, Outdoor Swimming Pool); Security Gate

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	17	0	643	\$1.28	\$825	Market
2	1.5	G	98	0	880	\$1.13	\$991	Market
3	2	G	40	0	1,025	\$1.10	\$1,132	Market

*Adaptive Reuse

*DTS is based on drive time

910 Willowbrook Apts. 57.8 miles to site



Address: 120 Clubhouse Dr, Lynchburg, VA 24502
 Phone: (434) 582-1609 Contact: Hannah
 Property Type: Market Rate
 Target Population: Family
 Total Units: 372 Year Built: 2006
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist: Yes
 Rent Special: None

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

Notes: Rent range due to phase of units



Features And Utilities

Utility Schedule Provided by: Virginia Housing

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

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

Property Amenities: Business Center (Computer/Business Center); Car Care (Car Wash Area); Multipurpose Room, Clubhouse/Community Room; Pavilion/Gazebo; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Walking Path, Hot Tub, Playground, Outdoor Swimming Pool); Extra Storage; WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	86	0	900	\$1.14 - \$1.19	\$1,050 - \$1,100	Market
2	2	G	186	0	1,150 - 1,173	\$1.00 - \$1.09	\$1,192 - \$1,317	Market
3	2	G	80	0	1,300 - 1,323	\$1.02 - \$1.10	\$1,385 - \$1,510	Market
4	2	G	20	0	1,400	\$1.14	\$1,655	Market

*Adaptive Reuse

*DTS is based on drive time

XII.

FIELD SURVEY OF CONVENTIONAL RENTALS

★ Site

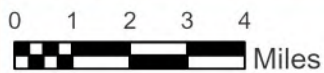
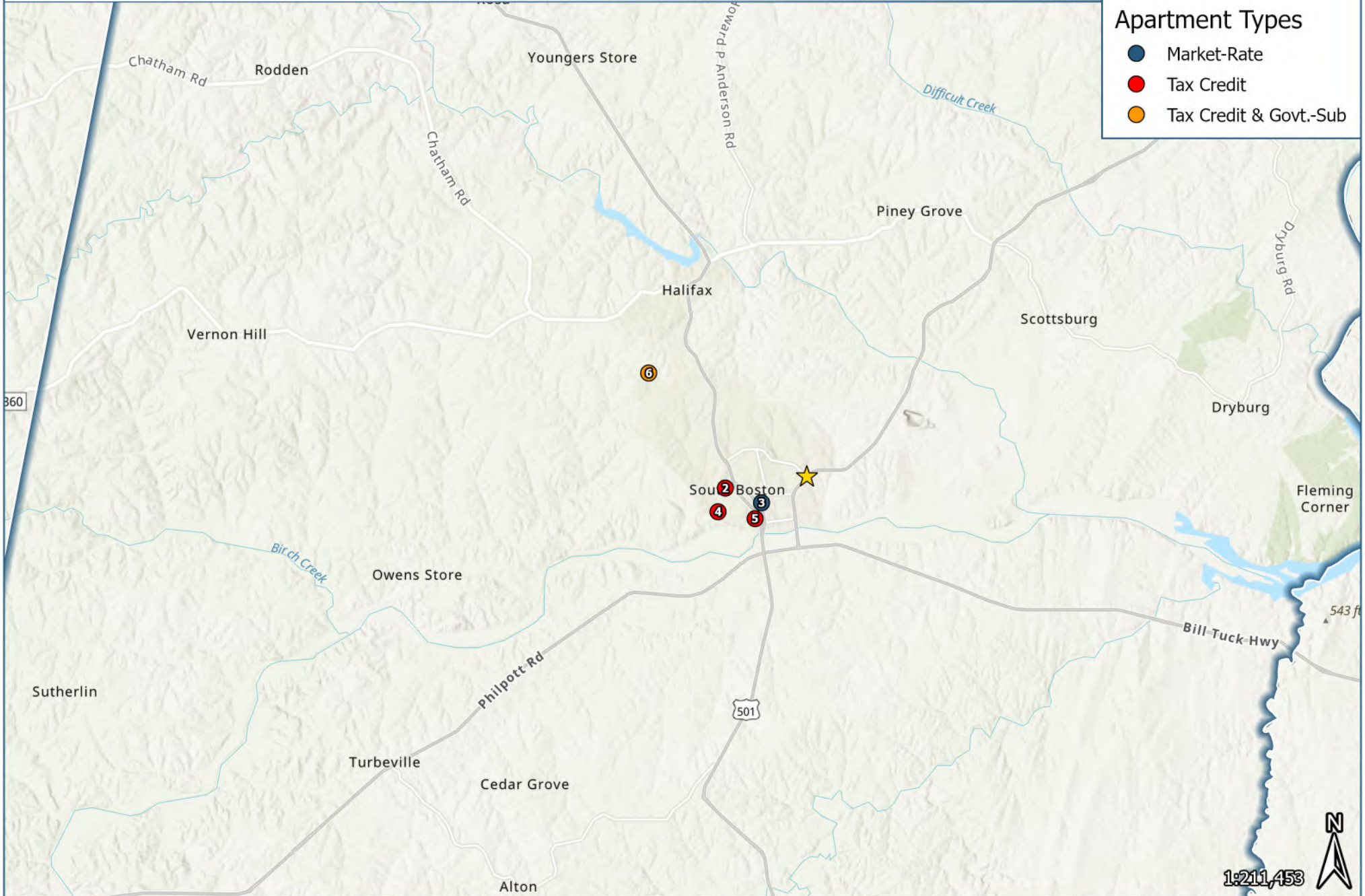
▬ PMA

Apartment Types

● Market-Rate

● Tax Credit

● Tax Credit & Govt.-Sub

























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






Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
1	Honeytree Apts.	TGS	B-	1986	48	0	100.0%	-
✓ 2	Miller Homes at Poplar Creek	TAX	C+	1990	46	0	100.0%	2.0
✓ 3	New Brick Historic Lofts	MRR	A-	1925	27	1	96.3%	1.8
✓ 4	Poplar Creek Homes	TAX	B+	2023	32	0	100.0%	2.1
✓ 5	Taylor Lofts	TAX	B	1920	47	2	95.7%	1.9
6	Westside Village	TGS	B	1970	70	0	100.0%	4.7
✓ 901	Legacy at Linden Park	MRR	A	2008	408	7	98.3%	57.9
✓ 902	Mill's Crossing	MRR	B+	2018	156	2	98.7%	58.5
✓ 905	North Pointe Apts.	MRR	B	1996	155	0	100.0%	35.4
✓ 910	Willowbrook Apts.	MRR	A-	2006	372	0	100.0%	57.8






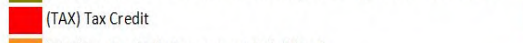

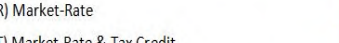
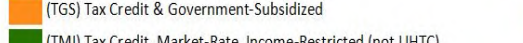

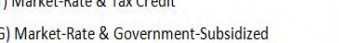
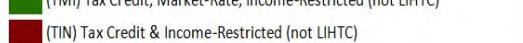

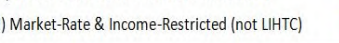



*Drive distance in miles

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

1	Honeytree Apts. 2313 Hamilton Blvd, South Boston, VA 24592	Contact: Keyera Phone: (434) 572-1602
	Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1986 BR: 1, 2 Vacant Units: 0 Waitlist: 41 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; RD 515, has RA (42 units)	
2	Miller Homes at Poplar Creek 130 Poplar Creek St, South Boston, VA 24592	Contact: Tamika Phone: (434) 575-5318
	Total Units: 46 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1990 BR: 1, 2, 3 Vacant Units: 0 Waitlist: Shared; 150 HH AR Year: Target Population: Family Yr Renovated: 2014 Rent Special: None Notes: Tax Credit; HOME Funds (4 units)	
3	New Brick Historic Lofts 701 Jefferson Ave, South Boston, VA 24592	Contact: Dana Phone: (434) 797-4009
	Total Units: 27 UC: 0 Occupancy: 96.3% Stories: 2 Year Built: 1925 BR: 1, 2 Vacant Units: 1 Waitlist: None AR Year: 2014 Target Population: Family Yr Renovated: Rent Special: None Notes:	
4	Poplar Creek Homes Poplar Creek St, South Boston, VA 24592	Contact: Tamika Phone: (434) 575-5318
	Total Units: 32 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2023 BR: 1, 2, 3 Vacant Units: 0 Waitlist: Shared; 150 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; HOME Funds (11 units)	
5	Taylor Lofts 340 Ferry St, South Boston, VA 24592	Contact: Lisa Phone: (434) 517-0006
	Total Units: 47 UC: 0 Occupancy: 95.7% Stories: 3 w/Elevator Year Built: 1920 BR: 1, 2, 3 Vacant Units: 2 Waitlist: None AR Year: 2007 Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit	

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

6	Westside Village 2150 Sinai Rd, South Boston, VA 24592	Contact: Barbara Phone: (434) 572-2093
	Total Units: 70 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1970 BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: 1br 12; 2br 13; 3br 3; 4br 5; 33 AR Year: Target Population: Family Yr Renovated: 2022 Rent Special: None Notes: Tax Credit; HUD Section 8	
901	Legacy at Linden Park 1000 Misty Mountain Rd, Lynchburg, VA 24502	Contact: Lauren Phone: (434) 215-0883
	Total Units: 408 UC: 0 Occupancy: 98.3% Stories: 3 Year Built: 2008 BR: 1, 2, 3 Vacant Units: 7 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rents change daily	
902	Mill's Crossing 6231 Old Mill Rd, Lynchburg, VA 24502	Contact: Rylie Phone: (434) 329-3279
	Total Units: 156 UC: 0 Occupancy: 98.7% Stories: 3 Year Built: 2018 BR: 1, 2 Vacant Units: 2 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:	
905	North Pointe Apts. 100 Northpointe Ln, Danville, VA 24540	Contact: Larue Phone: (434) 836-0277
	Total Units: 155 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 1996 BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:	
910	Willowbrook Apts. 120 Clubhouse Dr, Lynchburg, VA 24502	Contact: Hannah Phone: (434) 582-1609
	Total Units: 372 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 2006 BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: Yes AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to phase of units	

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

Source: Virginia Housing
Effective: 07/2025

Monthly Dollar Allowances

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

* Estimated- not from source

XIII. Qualifications

The Company

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

Company Leadership

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

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

Market Analysts

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

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

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

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

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

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

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

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

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

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

Research Staff

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

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

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

Addendum A – Member Certification & Checklist

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

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



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Date: February 11, 2026



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

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

Other Requirements		Section (s)
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55.	Date of Field Work	Certification
56.	Certifications	Certification
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58.	Sources of data not otherwise identified	I
59.	Utility allowance schedule	XII