

# MARKET STUDY

Property:  
Solace Springs  
North Landing Road  
Virginia Beach, Virginia 23453



Type of Property:  
Affordable Multifamily Development  
Family  
New Construction

Date of Report:  
March 8, 2026

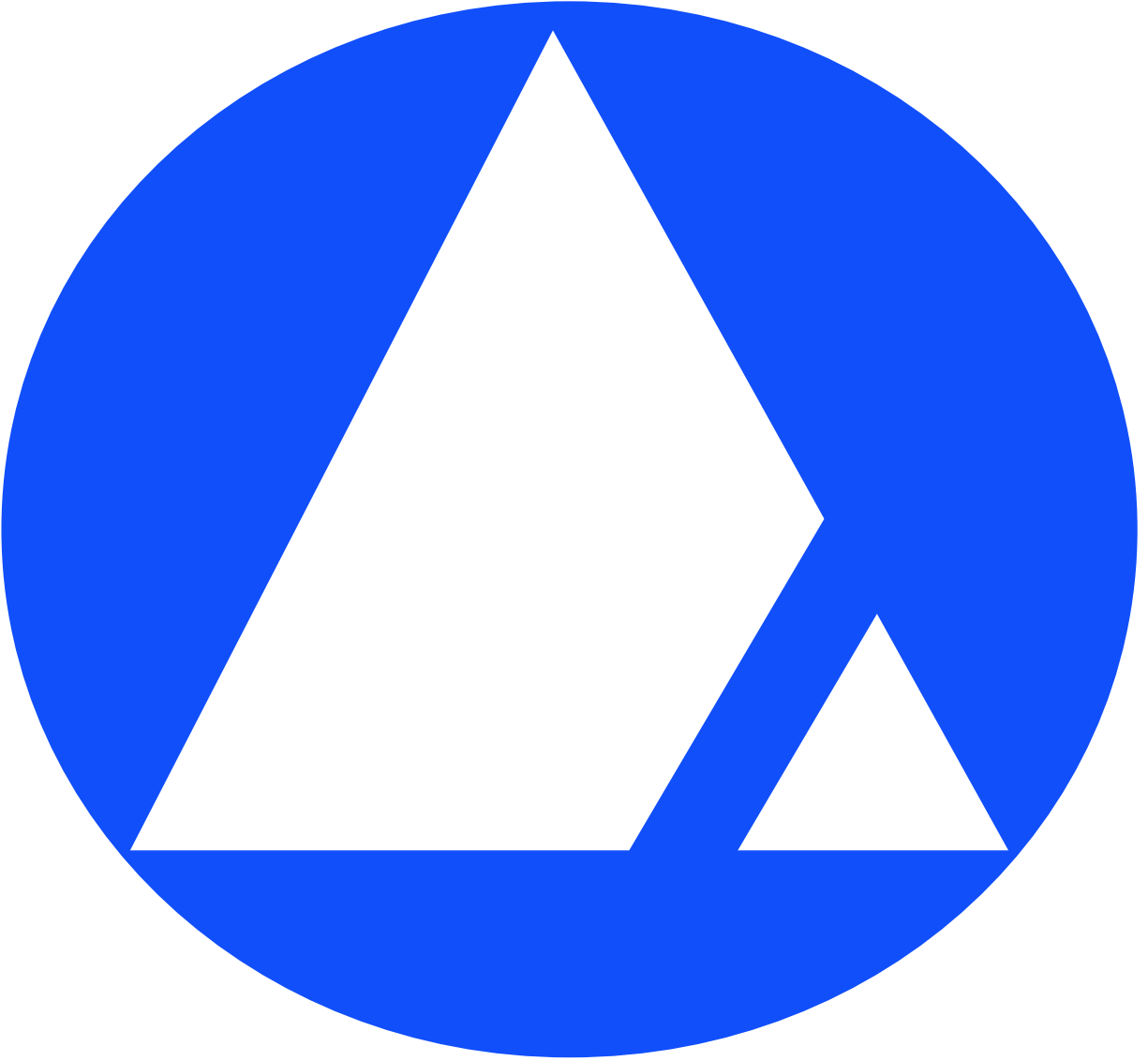
Effective Date:  
March 3, 2026

Date of Site Inspection:  
March 1, 2026

Prepared For:  
Ms. Ashley Jarvis  
Virginia Beach Community Development Corporation  
2400 Potters Road  
Virginia Beach, Virginia 23454  
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Prepared By:  
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AAC File Number:  
26-005





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March 8, 2026

Ms. Ashley Jarvis  
Virginia Beach Community Development Corporation  
2400 Potters Road  
Virginia Beach, Virginia 23454

Re: Solace Springs

Dear Ms. Ashley Jarvis:

The subject property, known as Solace Springs, is a proposed affordable multifamily development to be located on North Landing Road in Virginia Beach, Virginia. The subject property is proposed to consist of 60 revenue-producing units to be constructed with tax credit financing. The subject property is a proposed open-age community.

The subject property is proposed to consist of 60 revenue-producing units including 1, 2 and 3-bedroom garden apartments. A total of 30 units are proposed to be income restricted to 50% of AMI; a total of 30 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; no units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing. The rent and income restrictions will remain in place until the tax credit compliance period expires.

The scope of this assignment consists of a comprehensive market analysis for the subject property. The market study was completed in accordance with Virginia Housing, National Council for Housing Market Analyst (NCHMA) guidelines and the Uniform Standards of Professional Practice (USPAP). The completion of this report involved a site visit, interviews with local property managers, and the collection of market data through discussions with persons knowledgeable of the local real estate market.

The purpose, intended use, and function of the report is to assess the marketability of the subject property for tax credit application purposes. This report should not be used for any other purposes without the express written permission of Allen & Associates Consulting.

The report has been generated for the benefit of our client VBCDC. Virginia Housing is named as an additional user of the report. No other person or entity may use the report for any reason whatsoever without our express written permission.

A summary of our findings and conclusions is found in the following pages. The conclusions reported are based on the conditions that exist as of the effective date of this report. These factors are subject to change and may alter, or otherwise affect the findings and conclusions presented in this report.

To the best of our knowledge, this report presents an accurate evaluation of market conditions for the subject property as of the effective date of this report. While the analysis that follows is based upon information obtained from sources believed to be reliable, no guarantee is made of its accuracy.

Feel free to contact us with any questions or comments.

Respectfully submitted:  
ALLEN & ASSOCIATES CONSULTING

A handwritten signature in blue ink, appearing to read "Jeff Carroll".

Jeff Carroll

## EXECUTIVE SUMMARY

The following is a summary of our key findings and conclusions with respect to the subject property:

### Project Description

The subject property, known as Solace Springs, is a proposed affordable multifamily development to be located on North Landing Road in Virginia Beach, Virginia. The subject property is proposed to consist of 60 revenue-producing units to be constructed with tax credit financing. The subject property is a proposed open-age community.

### Proposed Unit Mix

The subject property is proposed to consist of 60 revenue-producing units including 1, 2 and 3-bedroom garden apartments. A total of 30 units are proposed to be income restricted to 50% of AMI; a total of 30 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; no units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing. The rent and income restrictions will remain in place until the tax credit compliance period expires.

Proposed Unit Configuration						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Gross Rent	UA	Net Rent
1BR-1BA-601.89sf / 50% of AMI / 40% of AMI	No	No	4	\$798	\$114	\$684
1BR-1BA-601.89sf / 50% of AMI / 50% of AMI	No	No	2	\$998	\$114	\$884
1BR-1BA-679.05sf / 50% of AMI / 50% of AMI	No	No	2	\$998	\$114	\$884
1BR-1BA-679.05sf / 60% of AMI / 60% of AMI	No	No	4	\$1,198	\$114	\$1,084
2BR-2BA-979.78sf / 50% of AMI / 40% of AMI	No	No	2	\$958	\$204	\$754
2BR-2BA-979.78sf / 50% of AMI / 50% of AMI	No	No	16	\$1,198	\$204	\$994
2BR-2BA-979.78sf / 60% of AMI / 60% of AMI	No	No	6	\$1,438	\$204	\$1,234
2BR-2BA-934.52sf / 60% of AMI / 60% of AMI	No	No	5	\$1,438	\$204	\$1,234
2BR-2BA-1010.49sf / 60% of AMI / 60% of AMI	No	No	5	\$1,438	\$204	\$1,234
3BR-2BA-1207.3sf / 50% of AMI / 50% of AMI	No	No	4	\$1,385	\$321	\$1,064
3BR-2BA-1207.3sf / 60% of AMI / 60% of AMI	No	No	6	\$1,662	\$321	\$1,341
3BR-2BA-1027.55sf / 60% of AMI / 60% of AMI	No	No	2	\$1,662	\$321	\$1,341
3BR-2BA-1103.52sf / 60% of AMI / 60% of AMI	No	No	2	\$1,662	\$321	\$1,341
Total/Average			60	\$1,304	\$213	\$1,091

### Achievable Rents

In the following table we present our concluded achievable rents and rent advantage for the subject property:

Achievable Rents						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Achievable	Proposed	Advantage
1BR-1BA-601.89sf / 50% of AMI / 40% of AMI	No	No	4	\$685	\$684	0.1%
1BR-1BA-601.89sf / 50% of AMI / 50% of AMI	No	No	2	\$884	\$884	0.0%
1BR-1BA-679.05sf / 50% of AMI / 50% of AMI	No	No	2	\$884	\$884	0.0%
1BR-1BA-679.05sf / 60% of AMI / 60% of AMI	No	No	4	\$1,084	\$1,084	0.0%
2BR-2BA-979.78sf / 50% of AMI / 40% of AMI	No	No	2	\$755	\$754	0.1%
2BR-2BA-979.78sf / 50% of AMI / 50% of AMI	No	No	16	\$994	\$994	0.0%
2BR-2BA-979.78sf / 60% of AMI / 60% of AMI	No	No	6	\$1,234	\$1,234	0.0%
2BR-2BA-934.52sf / 60% of AMI / 60% of AMI	No	No	5	\$1,234	\$1,234	0.0%
2BR-2BA-1010.49sf / 60% of AMI / 60% of AMI	No	No	5	\$1,234	\$1,234	0.0%
3BR-2BA-1207.3sf / 50% of AMI / 50% of AMI	No	No	4	\$1,064	\$1,064	0.0%
3BR-2BA-1207.3sf / 60% of AMI / 60% of AMI	No	No	6	\$1,341	\$1,341	0.0%
3BR-2BA-1027.55sf / 60% of AMI / 60% of AMI	No	No	2	\$1,341	\$1,341	0.0%
3BR-2BA-1103.52sf / 60% of AMI / 60% of AMI	No	No	2	\$1,341	\$1,341	0.0%
Total / Average			60	\$1,091	\$1,091	0.0%

Our analysis suggests an average achievable rent of \$1,091 for the subject property. This is compared with an average proposed rent of \$1,091, yielding an achievable rent advantage of 0 percent. Overall, the subject property appears to be priced at or below achievable rents for the area.

NCHMA Demand Analysis

In the following tables we present our concluded demand, capture rate, penetration rate and absorption period estimates for the subject property using the NCHMA demand methodology:

Unit Type / Rent Type / Income Limit	Vac Units at Market Entry	Gross Demand	Vacant & Pipeline Units	Capture Rate Gross	Capture Rate Net	Penetration Rate	Absorption Pd (Mos)
1-Bedroom / Restricted / 50% of AMI	8	949	0	0.8%	0.8%	0.8%	<1
1-Bedroom / Restricted / 60% of AMI	4	531	0	0.8%	0.8%	4.5%	<1
2-Bedroom / Restricted / 50% of AMI	18	1,419	3	1.3%	1.3%	1.6%	<1
2-Bedroom / Restricted / 60% of AMI	16	577	6	2.8%	2.8%	14.6%	3
3-Bedroom / Restricted / 50% of AMI	4	280	18	1.4%	1.5%	12.1%	1
3-Bedroom / Restricted / 60% of AMI	10	255	21	3.9%	4.3%	36.1%	5
Project-Wide Gross Capture Rate				1.9%			
Project-Wide Net Capture Rate				1.9%			
Project-Wide Penetration Rate				8.3%			
Stabilized Occupancy				97%			
Project-Wide Absorption Period				5 mos			

In our opinion, the estimated project-level capture rate suggests an appropriate number of units for the subject property. The unit level capture rates suggest an appropriate mix of units for the subject property.

In our opinion, the estimated project-level penetration rate suggest an appropriate number of units for the subject property. The unit-level penetration rates suggest an appropriate mix of units for the subject property.

Our analysis suggests that the subject property will stabilize at 97 percent occupancy. We estimate 5 months of absorption and an average absorption rate of 12.9 units per month for this project. In our opinion, the absorption period suggests an appropriate number and mix of units for the subject property.

It is important to note that this analysis does not account for pent-up demand, pre-leasing efforts or rent concessions. In our opinion, an effective pre-leasing effort could result in a month-for-month reduction in the estimated absorption period for this project. In addition, any concessions or rent subsidies not accounted for already in this analysis could cut capture rates and absorption periods significantly.

VHDA Demand Analysis

In the following table we present our concluded capture rate and absorption period estimates for the subject property using the VHDA demand methodology:

Project-Wide Capture Rate - LIHTC Units	5.4%
Project-Wide Capture Rate - Market Units	0.0%
Project-Wide Capture Rate - All Units	5.4%
Project-Wide Absorption Period (Months)	5 mos

Conclusion

In conclusion, the subject property appears to be feasible from a market standpoint. The units appear to be priced appropriately and we anticipate a rapid lease-up after construction.

Because of the demonstrated depth of demand in this area, we do not believe the construction of this property will have an adverse impact on existing projects in the market area.

Solace Springs  
TBD North Landing Road  
Virginia Beach, Virginia 23453

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Minimum Income				\$27,360	\$41,074				\$27,360
Maximum Income				\$57,550	\$69,060				\$69,060
New Rental Households				57	34				90
(+)									
Existing Households - Overburdened				558	332				890
(+)									
Existing Households - Substandard Housing				111	66				177
(+)									
Elderly Households - Likely to Convert to Rental Housing									
(+)									
Existing Qualifying Tenants - To Remain After Renovation									
(+)									
Total Demand				725	432				1,157
(-)									
Supply (Directly Comparable Vacant Units Completed or in Pipeline in PMA)				21	27				48
(=)									
Net Demand				704	405				1,109
Proposed Units				30	30				60
Capture Rate				4.3%	7.4%				5.4%
Absorption Period (Months)				5 mos	5 mos				5 mos

## TABLE OF CONTENTS

PROJECT OVERVIEW.....	PAGE 9
IMPROVEMENT DESCRIPTION & ANALYSIS.....	PAGE 12
SITE DESCRIPTION & ANALYSIS.....	PAGE 17
NEIGHBORHOOD DESCRIPTION & ANALYSIS.....	PAGE 24
SUBJECT PROPERTY PHOTOS.....	PAGE 30
MARKET AREA.....	PAGE 31
ECONOMIC OUTLOOK.....	PAGE 34
DEMOGRAPHIC CHARACTERISTICS.....	PAGE 40
SUPPLY ANALYSIS.....	PAGE 48
RENT COMPARABILITY ANALYSIS.....	PAGE 75
NCHMA DEMAND ANALYSIS.....	PAGE 103
VHDA DEMAND ANALYSIS.....	PAGE 125
APPENDIX.....	PAGE 136

## PROJECT OVERVIEW

### Project Description

The subject property, known as Solace Springs, is a proposed affordable multifamily development to be located on North Landing Road in Virginia Beach, Virginia. The subject property is proposed to consist of 60 revenue-producing units to be constructed with tax credit financing. The subject property is a proposed open-age community.

Select project details are summarized below:

Project Description	
Property Name	Solace Springs
Street Name	North Landing
Street Type	Road
City	Virginia Beach
County	Virginia Beach City
State	Virginia
Zip	23453
Units	60
Project Rent	Restricted
Project Type	Family
Project Status	Prop Const
Financing Type	tax Credit
Latitude	36.7862
Longitude	-76.1070

### Construction and Lease-Up Schedule

We anticipate a 12-month construction period for this project. Assuming a September 1, 2026 closing, this yields a date of completion of September 1, 2027. Our demand analysis (found later in this report) suggests a 5-month absorption period. This yields a date of stabilization of February 1, 2028.

### Unit Configuration

The subject property is proposed to consist of 60 revenue-producing units including 1, 2 and 3-bedroom garden apartments. A total of 30 units are proposed to be income restricted to 50% of AMI; a total of 30 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; no units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing. The rent and income restrictions will remain in place until the tax credit compliance period expires.

Proposed Unit Configuration										
BR	BA	SF	Unit Type	Income Limit	Rent Limit	HOME Units	Subs Units	Total Units	Gross Rent	Net Rent
1	1.0	602	Garden/Flat	50%	40%	No	No	4	\$798	\$684
1	1.0	602	Garden/Flat	50%	50%	No	No	2	\$998	\$884
1	1.0	679	Garden/Flat	50%	50%	No	No	2	\$998	\$884
1	1.0	679	Garden/Flat	60%	60%	No	No	4	\$1,198	\$1,084
2	2.0	980	Garden/Flat	50%	40%	No	No	2	\$958	\$754
2	2.0	980	Garden/Flat	50%	50%	No	No	16	\$1,198	\$994
2	2.0	980	Garden/Flat	60%	60%	No	No	6	\$1,438	\$1,234
2	2.0	935	Garden/Flat	60%	60%	No	No	5	\$1,438	\$1,234
2	2.0	1,010	Garden/Flat	60%	60%	No	No	5	\$1,438	\$1,234
3	2.0	1,207	Garden/Flat	50%	50%	No	No	4	\$1,385	\$1,064
3	2.0	1,207	Garden/Flat	60%	60%	No	No	6	\$1,662	\$1,341
3	2.0	1,028	Garden/Flat	60%	60%	No	No	2	\$1,662	\$1,341
3	2.0	1,104	Garden/Flat	60%	60%	No	No	2	\$1,662	\$1,341
Total/Average		954						60	\$1,304	\$1,091

## Income & Rent Limits

The subject property is operated subject to certain income restrictions. The following table gives the applicable income limits for this area:

Income Limits						
HH Size	30% of AMI	40% of AMI	50% of AMI	60% of AMI	70% of AMI	80% of AMI
1.0 Person	\$22,380	\$29,840	\$37,300	\$44,760	\$52,220	\$59,680
2.0 Person	\$25,560	\$34,080	\$42,600	\$51,120	\$59,640	\$68,160
3.0 Person	\$28,770	\$38,360	\$47,950	\$57,540	\$67,130	\$76,720
4.0 Person	\$31,950	\$42,600	\$53,250	\$63,900	\$74,550	\$85,200
5.0 Person	\$34,530	\$46,040	\$57,550	\$69,060	\$80,570	\$92,080
6.0 Person	\$37,080	\$49,440	\$61,800	\$74,160	\$86,520	\$98,880
7.0 Person	\$39,630	\$52,840	\$66,050	\$79,260	\$92,470	\$105,680
8.0 Person	\$42,180	\$56,240	\$70,300	\$84,360	\$98,420	\$112,480

Source: HUD; State Housing Finance Agency

The income limits found above were based (in part) on HUD's published median household income for the area. The table below shows how this statistic has increased/decreased over the past several years:

Historical Median Income		
Year	\$	Change
2016	\$70,500	-0.6%
2017	\$73,000	3.5%
2018	\$75,000	2.7%
2019	\$79,300	5.7%
2020	\$82,500	4.0%
2021	\$84,500	2.4%
2022	\$93,500	10.7%
2023	\$100,500	7.5%
2024	\$100,700	0.2%
2025	\$106,500	5.8%

Source: HUD

The subject property is operated subject to certain rent restrictions. The following table gives the maximum housing expense (net rent limit + tenant-paid utilities) for this area:

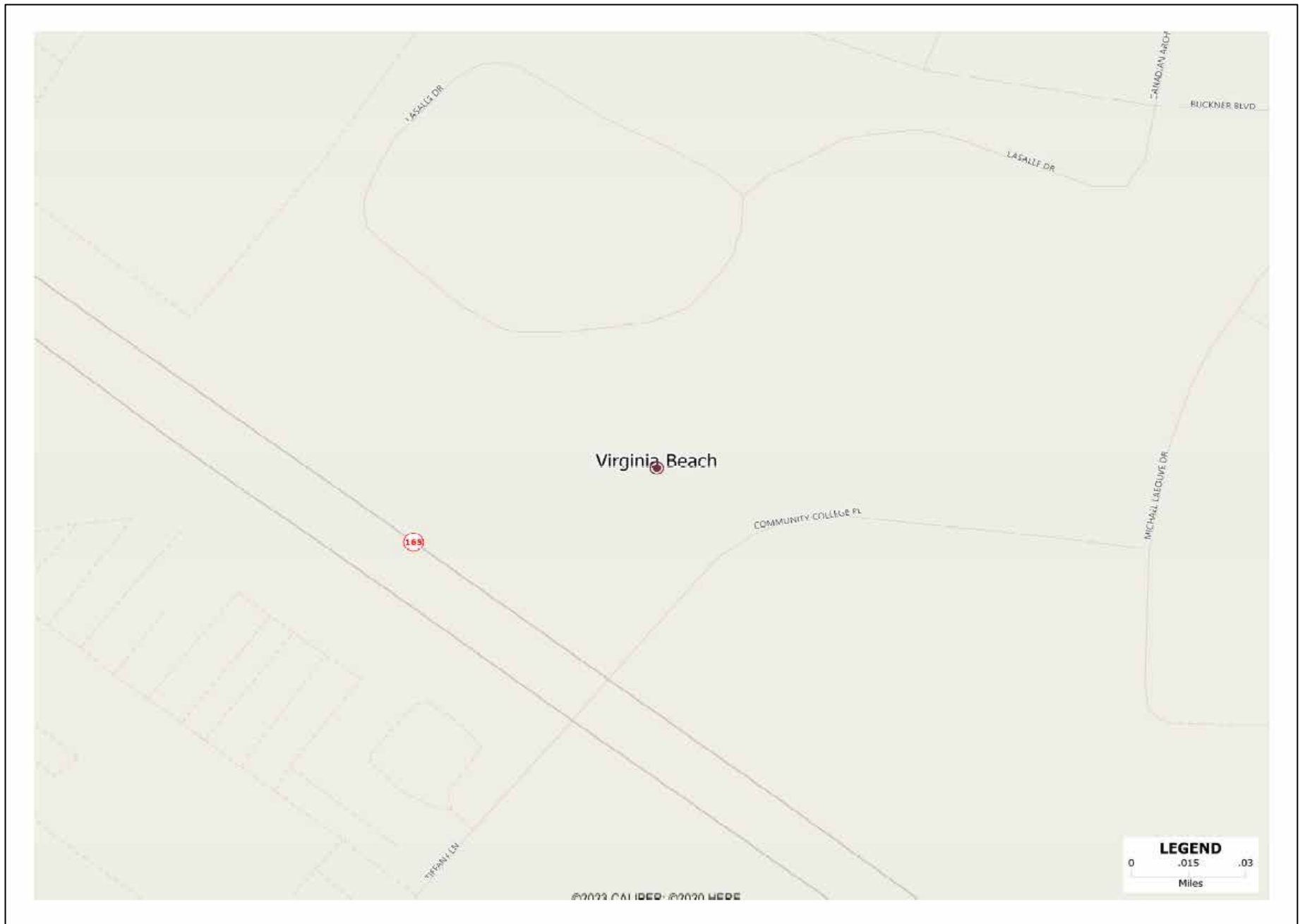
Maximum Housing Expense						
Unit Type	30% of AMI	40% of AMI	50% of AMI	60% of AMI	70% of AMI	80% of AMI
0 Bedroom	\$559	\$746	\$932	\$1,119	\$1,305	\$1,492
1 Bedroom	\$599	\$799	\$998	\$1,198	\$1,398	\$1,598
2 Bedroom	\$719	\$959	\$1,198	\$1,438	\$1,678	\$1,918
3 Bedroom	\$831	\$1,108	\$1,385	\$1,662	\$1,939	\$2,216
4 Bedroom	\$927	\$1,236	\$1,545	\$1,854	\$2,163	\$2,472

Source: HUD

The following table sets forth the gross fair market rents (net fair market rents + tenant-paid utilities) that would apply to any Section 8 voucher recipients or any units benefiting from HOME financing at the subject property:

Fair Market Rents	
Unit Type	Gross Rent
0 Bedroom	\$1,492
1 Bedroom	\$1,512
2 Bedroom	\$1,713
3 Bedroom	\$2,376
4 Bedroom	\$2,797

Source: HUD



## IMPROVEMENT DESCRIPTION & ANALYSIS

Our improvement analysis includes an evaluation of the following factors with respect to the subject property: (1) Building Features; (2) Unit Features; (3) Project Amenities, (4) Utility Configuration; and (5) Useful Life Analysis.

### **Building Features**

The subject property is proposed to consist of 60 revenue-producing units in 4 residential buildings and 0 non-residential buildings. The development is proposed to include approximately 57,261 square feet of net rentable area and 77,084 square feet of gross building area.

Additional information regarding the subject property's proposed major building systems is found below.

#### Foundation - Concrete Slab, Basements, Crawl Spaces, etc.

The subject property is proposed to include slab on grade foundations.

#### Structural Frame - Floor, Wall, Roof Structural Systems, etc.

The subject property is proposed to be constructed with wood frame surfaced with plywood. Floor/ceiling assemblies are proposed to consist of wood joists & plywood or concrete subfloors. Roof assemblies are proposed to consist of wood trusses & plywood sheathing.

#### Exterior Wall - Exterior Finishes, Doors, Windows, Exterior Stairs, etc.

The subject is proposed to include Hardiplank & brick veneer, double hung vinyl double pane windows, steel clad insulated six-panel unit entry doors, and steel clad insulated glass-panel patio doors.

#### Roof - Sheathing, Coverings, Warranties, Gutters & Downspouts, Soffit & Fascia, etc.

The subject is proposed to include pitched asphalt shingle roofs.

#### Vertical Transportation - Elevator, Interior Stair Systems

The subject property is a proposed 4-story development which is proposed to include 4 residential building(s) with no elevators.

#### Plumbing - Sanitary, Storm, Sewer, Fixtures, Domestic Hot Water

Domestic water piping is proposed to be constructed of CPVC pipe and fittings. Wastewater lines consist of PVC pipe and fittings. Potable hot water is proposed to be supplied via individual electric hot water heaters.

#### HVAC - Heating, Air Conditioning, Ventilation

The subject property is proposed to include individual interior-mounted electric heat, individual exterior-mounted a/c compressors with interior-mounted air handlers.

#### Electrical and Communications - Distribution, Aluminum Wiring, etc.

Buildings are proposed to receive electrical power from exterior pad-mounted transformers. Electrical service to units is proposed to consist of 120/240V AC with 100 amps available for each panel. Electrical wiring is proposed to consist of copper. Properly grounded, three-prong outlets are proposed in each dwelling unit. The outlets located in the wet areas are proposed to be Ground Fault Circuit Interrupter (GFCI) outlets. Surface-mounted fluorescent & LED fixtures are proposed.

#### Fire Suppression

The subject property is proposed to be equipped with an NFPA-13 fully automatic fire suppression (sprinkler) system. In addition, hard-wired smoke detectors with battery backup are proposed in each bedroom area.

## **Unit Features**

The subject property is proposed to contain 60 revenue-producing units including 54 regular units and 6 accessible units, including 122 bedrooms, 108 full bathrooms and 0 half bathrooms.

Additional information regarding the subject property's proposed unit features is found below.

### Walls / Ceilings / Interior Doors

Subject property units are proposed to include 8 foot ceilings, painted gypsum wallboard & ceilings, wood solid-core flat panel interior doors and wood solid-core flat panel closet doors.

### Floor Covering

Floor covering is proposed to consist of luxury vinyl plank in the entryways, bathrooms, and kitchens along with luxury vinyl plank in the living areas and bedrooms.

### Kitchens

Kitchens are proposed to include electric four-top ranges, range hoods, frost-free refrigerators, dishwashers, wood cabinets, laminated countertops and stainless steel sinks.

### Bathrooms

Bathrooms are proposed to include wood vanities, cultured marble countertops, porcelain sinks & toilets, along with fiberglass tubs & surrounds.

## **Project Amenities**

A discussion of the development's proposed project amenities is found below.

### Site & Common Area Amenities

A business/computer center, community center, and a gazebo/patio are proposed for the subject property.

### Parking

Open parking is proposed for the subject property.

### Laundry

Washer/dryer units are proposed for the subject property.

### Security

No security amenities are proposed for the subject property.

### Services

No special services are proposed for the subject property.

Tables comparing the subject property's proposed amenities to that of the most comparable properties are found at the end of this section.

## **Utility Configuration**

The subject property is proposed to include electric heat, electric cooking and electric hot water. All utilities - with the exception of trash - are proposed to be paid by the resident.

In the table that follows we compare the subject's proposed utility allowances (also known as tenant paid utilities) to the estimated allowances using the HUD Utility Schedule Model:

Utility Allowances										
BR	BA	SF	Unit Type	Inc Lmt	Rnt Lmt	HOME	Subs	Units	UA	HUD UA
1	1.0	602	Garden/Flat	50% of AMI	40% of AMI	No	No	4	\$114	\$133
1	1.0	602	Garden/Flat	50% of AMI	50% of AMI	No	No	2	\$114	\$133
1	1.0	679	Garden/Flat	50% of AMI	50% of AMI	No	No	2	\$114	\$133
1	1.0	679	Garden/Flat	60% of AMI	60% of AMI	No	No	4	\$114	\$133
2	2.0	980	Garden/Flat	50% of AMI	40% of AMI	No	No	2	\$204	\$171
2	2.0	980	Garden/Flat	50% of AMI	50% of AMI	No	No	16	\$204	\$171
2	2.0	980	Garden/Flat	60% of AMI	60% of AMI	No	No	6	\$204	\$171
2	2.0	935	Garden/Flat	60% of AMI	60% of AMI	No	No	5	\$204	\$171
2	2.0	1,010	Garden/Flat	60% of AMI	60% of AMI	No	No	5	\$204	\$171
3	2.0	1,207	Garden/Flat	50% of AMI	50% of AMI	No	No	4	\$321	\$215
3	2.0	1,207	Garden/Flat	60% of AMI	60% of AMI	No	No	6	\$321	\$215
3	2.0	1,028	Garden/Flat	60% of AMI	60% of AMI	No	No	2	\$321	\$215
3	2.0	1,104	Garden/Flat	60% of AMI	60% of AMI	No	No	2	\$321	\$215
Total/Average								60	\$213	\$174

The HUD utility allowances are a good measure of the energy costs for a given property. Our analysis suggests that the proposed utility allowances are higher than those established using the HUD model.

Tables comparing the subject property's utility configuration to that of the most comparable properties are found at the end of this section. Outputs from the HUD Utility Schedule Model are also found there.

### Useful Life Analysis

We anticipate a useful/economic life of 50 years for this development, assuming that appropriate replacement reserves are established for this property.

In the course of completing this study, we rated the condition of the subject property and the most comparable properties on a 1-5 scale (1 being the worst and 5 being the best). We also evaluated the actual and effective ages of the subject and select comparables. A table summarizing our findings is found below:

Actual Age   Effective Age   Condition								
Rating					Rank			
Key	Project Name	Actual Age	Effective Age	Property Condition	Actual Age	Effective Age	Property Condition	
Sub	Solace Springs	2026	2026	4.50	1	1	1	
008	Boulevard 45	2023	2023	4.50	2	2	1	
019	Green Lakes Apartments	1977	1992	2.50	11	10	11	
020	Holland House Apartments Phase 1	1999	1999	3.00	9	9	10	
027	Lynnhaven Cove Apartments	2004	2006	3.50	7	7	8	
029	Marq (The)	2018	2018	4.00	3	3	3	
033	Princess Anne House Sr	2002	2002	4.00	8	8	3	
042	Thalia Landing Apartments	1981	1991	3.50	10	11	8	
052	Apartments At Spence Crossing PH 1	2014	2014	4.00	6	6	3	
059	Southern Pine Apartment Homes	2016	2016	4.00	5	5	3	
063	Apartments At Spence Crossing PH 2	2017	2017	4.00	4	4	3	

Source: Allen & Associates; Sponsor

Amenities

		Site & Common Area Amenities																				
Key	Project Name	Ball Field	BBQ Area	Billiards Game Rm	Business Comp Ctr	Car Care Center	Community Center	Elevator	Fitness Center	Gazebo Patio	Hot Tub Jacuzzi	Herb Garden	Horseshoes	Lake	Library	Movie Media Ctr	Picnic Area	Playground	Pool	Sauna	Sports Court	Walking Trail
Sub	Solace Springs	no	no	no	yes	no	yes	no	no	yes	no	no	no	no	no	no	no	no	no	no	no	no
008	Boulevard 45	no	yes	no	no	no	yes	no	yes	yes	no	no	no	no	no	no	yes	no	yes	no	no	no
019	Green Lakes Apartments	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	yes	yes	no	no	no	no
020	Holland House Apartments Phase 1	no	yes	no	no	no	yes	yes	yes	no	no	no	no	no	yes	no	yes	yes	no	no	no	no
027	Lynnhaven Cove Apartments	no	yes	yes	yes	no	yes	yes	yes	yes	no	yes	no	no	yes	no	yes	no	no	no	no	no
029	Marq (The)	no	yes	no	yes	yes	yes	yes	yes	yes	no	no	no	no	no	yes	yes	yes	yes	no	no	no
033	Princess Anne House Sr	no	yes	no	no	no	yes	yes	no	yes	no	no	no	no	yes	no	yes	no	no	no	no	no
042	Thalia Landing Apartments	no	yes	no	no	no	yes	no	no	no	no	no	no	no	no	no	yes	yes	yes	no	no	no
052	Apartments At Spence Crossing PH 1	no	yes	no	no	no	yes	no	yes	yes	no	no	no	yes	no	yes	yes	yes	yes	no	no	no
059	Southern Pine Apartment Homes	no	yes	yes	no	no	yes	no	yes	yes	no	no	no	no	no	no	yes	no	yes	yes	yes	no
063	Apartments At Spence Crossing PH 2	no	yes	no	no	no	yes	no	yes	yes	no	no	no	yes	no	yes	yes	yes	yes	no	no	no

		Unit Amenities					Kitchen Amenities					Air Conditioning				Heat					
Key	Project Name	Blinds	Ceiling Fans	Carpeting	Fireplace	Patio Balcony	Storage	Stove	Refrigerator	Disposal	Dishwasher	Microwave	Central	Wall Units	Window Units	None	Central	Wall Units	Baseboards	Boiler Radiator	None
Sub	Solace Springs	yes	no	yes	no	yes	no	yes	yes	no	yes	no	yes	no	no	no	yes	no	no	no	no
008	Boulevard 45	yes	no	yes	no	yes	no	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
019	Green Lakes Apartments	yes	no	yes	no	no	no	yes	yes	yes	yes	no	yes	no	no	no	yes	no	no	no	no
020	Holland House Apartments Phase 1	yes	no	yes	no	no	no	yes	yes	yes	yes	no	yes	no	no	no	yes	no	no	no	no
027	Lynnhaven Cove Apartments	yes	no	yes	no	no	no	yes	yes	yes	yes	no	yes	no	no	no	yes	no	no	no	no
029	Marq (The)	yes	yes	yes	no	some	yes	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
033	Princess Anne House Sr	yes	no	yes	no	no	no	yes	yes	no	yes	no	yes	no	no	no	yes	no	no	no	no
042	Thalia Landing Apartments	yes	no	yes	no	yes	no	yes	yes	no	yes	no	yes	no	no	no	yes	no	no	no	no
052	Apartments At Spence Crossing PH 1	yes	yes	yes	no	yes	no	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
059	Southern Pine Apartment Homes	yes	no	yes	no	yes	no	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
063	Apartments At Spence Crossing PH 2	yes	yes	yes	no	yes	no	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no

		Parking					Laundry			Security					Services							
Key	Project Name	Garage	Covered Parking	Assigned Parking	Open Parking	None	Central	W/D Units	W/D Hookups	Call Buttons	Controlled Access	Courtesy Officer	Monitoring	Security Alarms	Security Patrols	After School	Concierge	Hair Salon	Health Care	House-keeping	Meals	Trans- portation
Sub	Solace Springs	no	no	no	yes	no	no	yes	no	no	no	no	no	no	no	na	na	na	na	na	na	na
008	Boulevard 45	no	no	no	yes	no	no	yes	no	no	no	no	no	no	yes	na	na	na	na	na	na	na
019	Green Lakes Apartments	no	no	yes	some	no	yes	some	some	no	no	no	no	no	yes	no	no	no	no	no	no	no
020	Holland House Apartments Phase 1	no	no	no	yes	no	yes	no	no	yes	yes	no	no	no	no	no	no	no	no	no	no	no
027	Lynnhaven Cove Apartments	no	no	no	yes	no	no	yes	no	yes	yes	no	no	yes	no	no	no	yes	no	no	no	yes
029	Marq (The)	no	no	yes	some	no	no	yes	no	no	yes	no	no	no	no	na	yes	na	na	na	na	na
033	Princess Anne House Sr	no	no	no	yes	no	no	yes	no	yes	yes	no	no	no	no	no	no	yes	no	no	no	no
042	Thalia Landing Apartments	no	no	no	yes	no	yes	no	yes	no	no	no	no	no	yes	no	no	no	no	no	no	no
052	Apartments At Spence Crossing PH 1	no	no	no	yes	no	no	yes	no	no	no	no	no	no	no	na	na	na	na	na	na	na
059	Southern Pine Apartment Homes	no	no	no	yes	no	no	yes	no	no	no	no	no	no	no	na	na	na	na	na	na	na
063	Apartments At Spence Crossing PH 2	no	no	no	yes	no	no	yes	no	no	no	no	no	no	no	na	na	na	na	na	na	na

Source: Allen & Associates; Sponsor

**Utilities**

Key	Project Name	Tenant-Paid											Owner-Paid											
		Heat / Gas	Heat / Electric	Cooking / Gas	Cooking / Electric	Other / Electric	AC / Electric	HW / Gas	HW / Electric	Water	Sewer	Trash	Heat / Gas	Heat / Electric	Cooking / Gas	Cooking / Electric	Other / Electric	AC / Electric	HW / Gas	HW / Electric	Water	Sewer	Trash	
Sub 008	Solace Springs Boulevard 45	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
019	Green Lakes Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
020	Holland House Apartments Phase 1	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	yes	yes	yes
027	Lynnhaven Cove Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	yes	yes	yes
029	Marq (The)	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no
033	Princess Anne House Sr	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes
042	Thalia Landing Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes
052	Apartments At Spence Crossing PH 1	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	no	yes
059	Southern Pine Apartment Homes	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	no	yes
063	Apartments At Spence Crossing PH 2	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no

Source: Allen & Associates; Sponsor

**HUD Utility Schedule Model Output**

	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Heat - Gas	42	47	51	55	60
Heat - Elec	13	16	18	21	23
Cooking - Gas	5	5	8	10	13
Cooking - Elec	6	6	9	12	15
Other Electric	21	24	34	44	53
Air Conditioning	8	10	14	17	21
Hot Water-Gas	10	12	18	23	28
Hot Water-Elec	13	16	20	24	28
Water	25	27	42	63	84
Sewer	34	34	34	34	34
Trash	31	31	31	31	31

Source: Local Utility Providers; HUD

## SITE DESCRIPTION & ANALYSIS

Our assessment of the site included an evaluation of the following factors with respect to the subject property: (1) Survey; (2) Site Plan; (3) Nuisances, Hazards, Detrimental Influences & Environmental; (4) Topography; (5) Flood Zone; (6) Difficult to Develop Area Status; (7) Qualified Census Tract Status; and (8) Traffic Patterns, Access & Visibility.

### **Survey**

A survey for the subject property was provided to the analyst for review. Current surveys should be evaluated to ascertain whether there are any easements encumbering the subject property. Our review/inspection suggested that the site is currently encumbered by standard utility easements that do not adversely affect its marketability and that the site is serviced by municipal utilities.

### **Site Plan**

A site plan for the subject property was provided to the analyst for review. Site plans are necessary to analyze the site improvements, parking configuration, internal traffic flow, location of building improvements and landscaping improvements for the subject property. Our review did not identify any problem areas with respect to the subject property. A summary of the development's site features is found below.

#### Acres / Lot Shape / Frontage

The subject property includes an irregular-shaped parcel consisting of approximately 3.189 acres and approximately 1000 feet of road frontage.

#### Zoning

According to the sponsor, the subject property is currently zoned B4. It is our understanding that the current zoning for the subject is a legal, conforming use.

#### Parking / Streets / Curbs / Sidewalks

A total of 122 privately-owned parking spaces are proposed for the subject property (118 regular / 4 accessible / 2.03 spaces per unit). We normally see 1.5 to 2.0 spaces per unit for projects like this. In our opinion, the proposed parking appears adequate for the subject property.

#### Dumpsters / Dumpster Enclosures

The subject is proposed to include 2 publicly-owned dumpsters along with 2 privately-owned wood enclosures.

#### Landscaping / Perimeter Fence / Retaining Walls / Entry Sign

Trees, shrubs & lawns are proposed for the subject property. A perimeter fence is not planned at the subject property. Retaining walls are not planned at this property. One unlighted entry sign is proposed for this property.

#### Stormwater Management / Site Lighting / Water Service / Wastewater Service

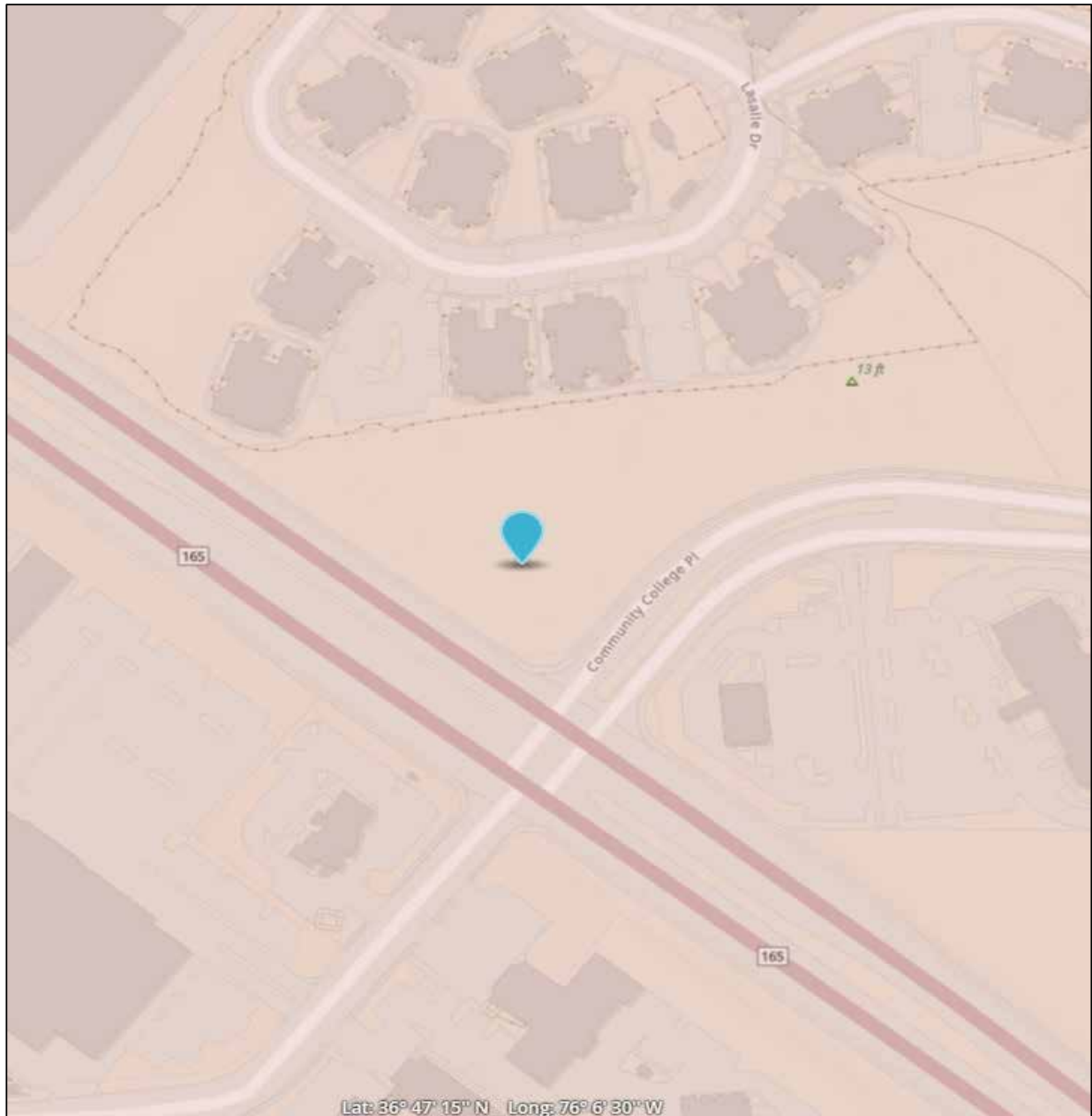
Stormwater management is proposed to consist of catch basins and concrete pipe connecting to a public system. Site lighting is proposed to consist of publicly-owned HID poles. Domestic water service to buildings is proposed to consist of ductile iron pipe connecting to a public system. Wastewater service to buildings is proposed to consist of PVC pipe connecting to a public system.

### **Nuisances, Hazards, Detrimental Influences & Environmental**

We did not observe any nuisances, hazards, detrimental influences or recognized environmental conditions on our inspection of the subject property. Nevertheless, we recommend that the sponsor obtain a comprehensive environmental assessment from a qualified professional.

## Topography

The USGS map showing the topography of the subject property and surrounding area is found below:



The topographic map shows that the site is flat and drains to adjacent properties to the north. In our opinion, there do not appear to be any topographic issues with respect to the subject property.

## Flood Zone

The map showing the location of the subject property relative to nearby areas prone to flooding (identified in purple) is found below:

Cotality RiskMeter.

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LATITUDE: 36.786195, LONGITUDE: -76.106971  
 LOCATION ACCURACY: User-defined location    LATITUDE: 36.786195    LONGITUDE: -76.106971    MATCH CODE:    SOURCE: CENSUS BLOCK ID: 518100460131015

**Flood Zone Determination Report**

**Flood Zone Determination: OUT**

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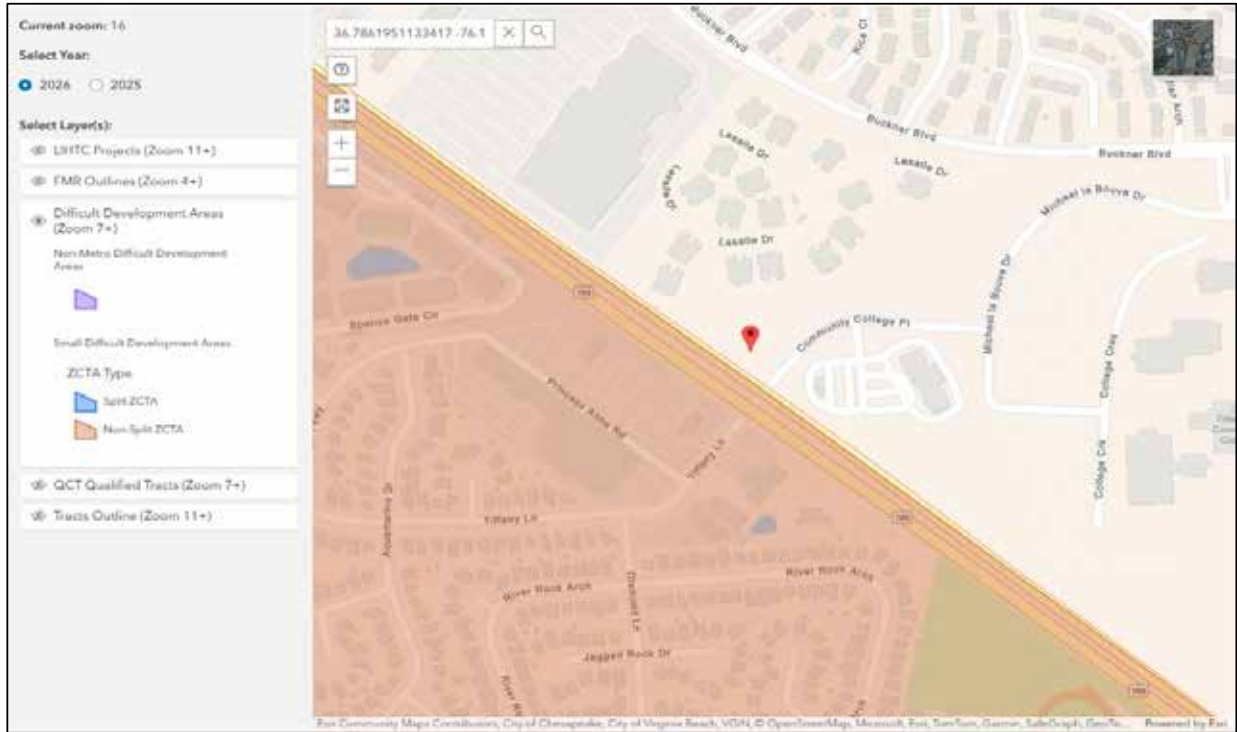
SFHA (FLOOD ZONE)	OUT	WITHIN 250 FEET OF FLOOD ZONE	NO
FLOOD ZONE	X	COMMUNITY	515531
COMMUNITY NAME	VIRGINIA BEACH, CITY OF	PANEL	0111G
PANEL DATE	January 16, 2015	COBRA	OUT
PARTICIPATION STATUS	R	ORIGIN FIRM DATE	October 03, 1970
MAP NUMBER	5155310111G	FIPS CODE	51810

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 Report generated March 10, 2026 by jcarroll@allenadvisors.com Page 2 of 2

According to FEMA map number 5155310111G dated January 16, 2015, the subject property is located in Zone X. This is an area that is identified as being located outside the 100-year flood zone.

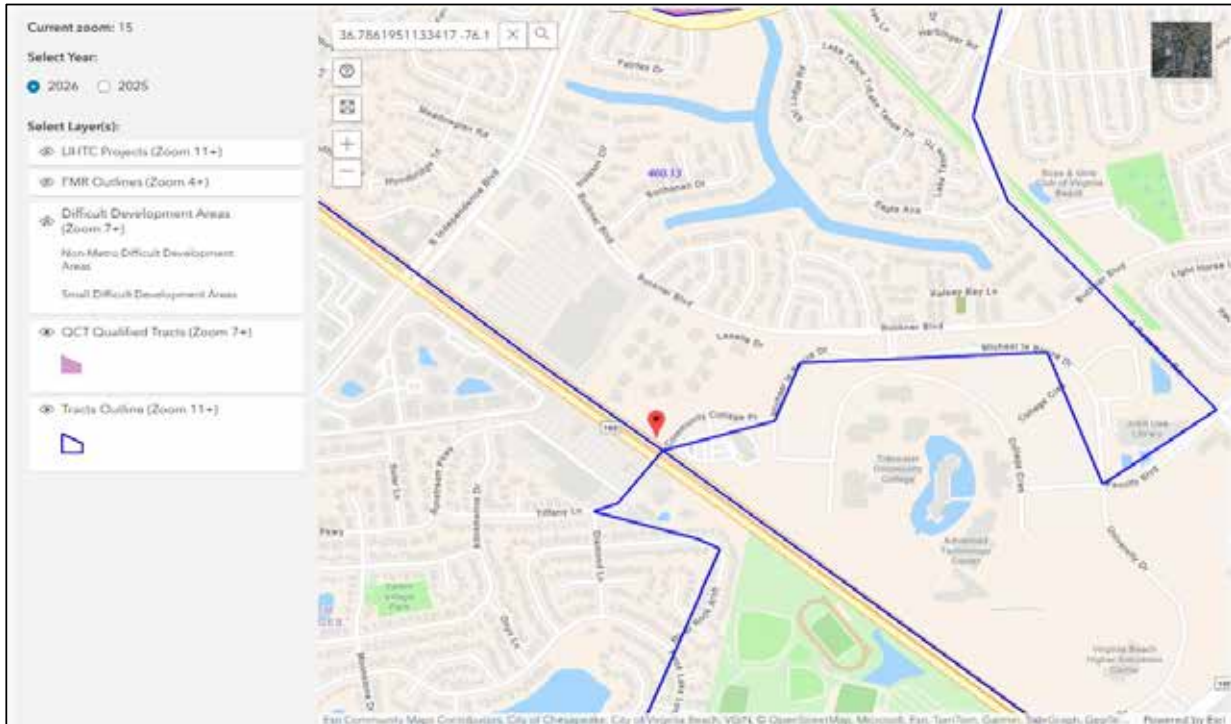
## Difficult to Develop Area Status

The subject property is located in Virginia Beach, Virginia - an area that is not designated as a Difficult to Develop Area. Consequently, the subject property does not appear to qualify for special DDA funding under state and federal programs.



### Qualified Census Tract Status

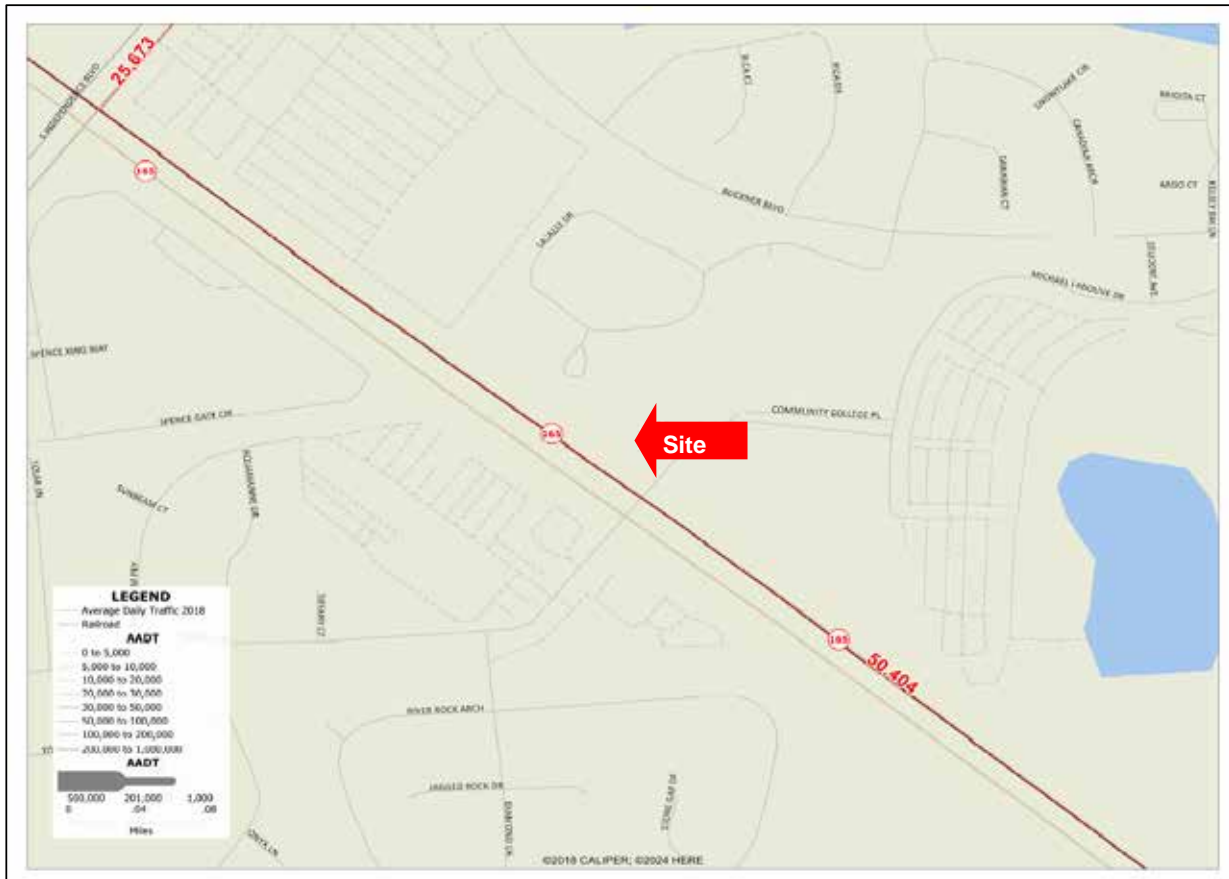
The federal government has identified census tracts throughout the United States that include high concentrations of low-income households and substandard housing units. These areas, known as Qualified Census Tracts, qualify for special funding under various state and federal programs. A QCT map showing the location of the subject property is found below:



The subject property is located in Census Tract 460.13 - an area that is not designated as a Qualified Census Tract. Consequently, the subject property does not appear to qualify for special QCT funding under state and federal programs.

## Traffic Patterns, Access & Visibility

A traffic map identifying the subject property is found below:



### Access

The subject property is located on North Landing Road, on the north side of Route 165 in Virginia Beach, Virginia. Route 165 is a heavily-traveled east-west road carrying approximately 50,000 vehicles per day. We did not observe any road or infrastructure improvements taking place in the immediate vicinity of the subject property. In our opinion, therefore, accessibility is very good by virtue of the location of the subject property relative to existing streets and thoroughfares.

### Visibility

The subject property is visible from Route 165 with significant frontage and a heavy volume of drive-by traffic. Consequently, in our opinion visibility is very good by virtue of the exposure of the subject property to existing drive-by traffic volumes.

In the course of completing this study, we rated the access and visibility for the subject property and the most comparable properties on a 1-5 scale (1 being the worst and 5 being the best). A table summarizing our findings is found below:

Access & Visibility					
Rating				Rank	
Key	Project Name	Access	Visibility	Access	Visibility
Sub	Solace Springs	4.50	4.50	1	1
008	Boulevard 45	3.50	3.50	2	5
019	Green Lakes Apartments	2.00	2.00	11	11
020	Holland House Apartments Phase 1	3.50	3.00	2	7
027	Lynnhaven Cove Apartments	3.00	3.00	5	7
029	Marq (The)	3.00	3.00	5	7
033	Princess Anne House Sr	3.50	4.00	2	2
042	Thalia Landing Apartments	3.00	3.25	5	6
052	Apartments At Spence Crossing PH 1	3.00	4.00	5	2
059	Southern Pine Apartment Homes	2.50	2.50	10	10
063	Apartments At Spence Crossing PH 2	3.00	4.00	5	2

Source: Allen & Associates

## NEIGHBORHOOD DESCRIPTION & ANALYSIS

### Neighborhood

Our assessment of the neighborhood includes an evaluation of the following factors with respect to the subject property: (1) Life Cycle; (2) Surrounding Properties; (3) Economic Characteristics; (4) Crime Rates; (5) Educational Attainment; and (6) Commuting Patterns.

#### Life Cycle

Neighborhoods are sometimes thought to evolve through four distinct stages:

- Growth – A period during which the area gains public favor and acceptance.
- Stability – A period of equilibrium without marked gains or losses.
- Decline – A period of diminishing demand.
- Revitalization – A period of renewal, redevelopment, modernization, and increasing demand.

Based on our evaluation of the neighborhood, the subject property is located in an area that appears to be in the stability stage of its life cycle. Modest population growth is anticipated for the next several years.

#### Surrounding Properties

The subject property is located in Virginia Beach, Virginia. The immediate area consists of a variety of land uses.

Multifamily is located to the north; Commercial is located to the south; Community College is located to the east; and Commercial is located to the west of the subject property.

Surrounding property uses are summarized in the table found below:

Direction	Use	Condition
North	Multifamily	Good
South	Commercial	Good
East	Community College	Good
West	Commercial	Good

Source: Allen & Associates

#### Economic Characteristics

The subject property is located in an area with average household incomes of \$54,141 (in constant 2015 dollars); this is compared with \$56,751 for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with median cash rents of \$1,344 (in constant 2015 dollars); this is compared with \$1,261 for the most comparable properties included in this analysis.

Finally, the subject property is located in an area with median single family home values of \$196,200 (in constant 2015 dollars); this is compared with \$187,845 for the most comparable properties included in this analysis.

#### Crime Rates

The subject property is located in an area with personal crime rates of 1.5%. Personal crime includes offenses such as rape, murder, robbery and assault. Our research suggests that the average personal crime rate for the most comparable properties stands at 2.4%.

In addition, the subject property is located in an area with property crime rates of 1.3%. Property crimes include offenses such as burglary, larceny and theft. Our research suggests that the average property crime rate for the most comparable properties stands at 4.0%.

Please note: The crime statistics included in this analysis are historical area-wide figures. These statistics make no consideration for changing demographics or the implementation of an affirmative crime prevention program at the subject property.

Educational Attainment

The subject property is located in an area with high school graduation rates of 98.5%; this is compared with 90.5% for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with college graduation rates of 21.6%; this is compared with 24.4% for the most comparable properties included in this analysis.

Commuting Patterns

The subject property is located in an area with an average drive to work of 25.9 minutes; this is compared with 27.0 minutes for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with an average of 1.94 vehicles per household; this is compared with 1.77 vehicles per household for the most comparable properties included in this analysis.

Conclusion

In our opinion, the subject property has a very good location relative to competing properties with respect to neighborhood characteristics.

**Proximity to Area Amenities**

Our assessment included an evaluation of the proximity of various amenities to the subject and the most comparable properties. We looked at the following amenities in our analysis: (1) Banks; (2) Grocery; (3) Emergency Clinics; (4) Pharmacies; and (5) Discount Stores.

A listing of some of the area amenities is found below. An amenity map is found in the following pages:

Proximity to Area Amenities		
Amenity	Name	Miles
Bank	Citi	0.1
Grocery	B & C Food Service	0.7
Emergency Clinic	Sentara Princess Anne Hospital	0.8
Pharmacy	CVS/pharmacy	0.1
Discount Store	Target	0.1

Source: Caliper Corporation

Citi, B & C Food Service, CVS/pharmacy, and Target are all located less than 0.7 miles away from the subject property. Sentara Princess Anne Hospital is located 0.8 miles away.

Number of Area Amenities

We utilized the Caliper Corporation 2021 Point of Interest database to evaluate the subject and the most comparable properties with respect to the number of amenities in the immediate area.

- Caliper Corporation identified 32 banks within 2.0 miles of the subject property. The subject is ranked 9 out of the 11 properties included in this analysis.
- A total of 13 grocery stores are in the vicinity of the subject property. The subject is ranked 8 for the area.
- A total of 1 hospital is in the vicinity of the subject property. The subject is ranked 1 for the area.
- A total of 8 pharmacies are in the vicinity of the subject property. The subject is ranked 7 for the area.
- A total of 15 shopping establishments are in the vicinity of the subject property. The subject is ranked 8 for the area.

### Nearest Area Amenities

We utilized the Caliper Corporation 2021 Point of Interest database to evaluate the subject and the most comparable properties with respect to the nearest area amenities.

- According to Caliper Corporation, the nearest bank is 0.1 miles away from the subject property. The subject is ranked 11 out of the 11 properties included in this analysis.
- The nearest grocery store is 0.7 miles away from the subject property. The subject is ranked 17 for the area.
- The nearest hospital is 0.8 miles away from the subject property. The subject is ranked 11 for the area.
- The nearest pharmacy is 0.1 miles away from the subject property. The subject is ranked 11 for the area.
- The nearest shopping center is 0.1 miles away from the subject property. The subject is ranked 11 for the area.

### Conclusion

In our opinion, the subject property has a good to very good location relative to competing properties with respect to area amenities.

Tables comparing the subject property's proximity to area amenities to that of the most comparable properties is found on the next page. Maps showing the proximity of the subject property to area amenities and area employers is also found in the following pages.

In the course of completing this study, we rated the neighborhood and the proximity to area amenities for the subject property and the most comparable properties on a 1-5 scale (1 being the worst and 5 being the best). The tables on the following pages give these ratings.

Neighborhood Ratings

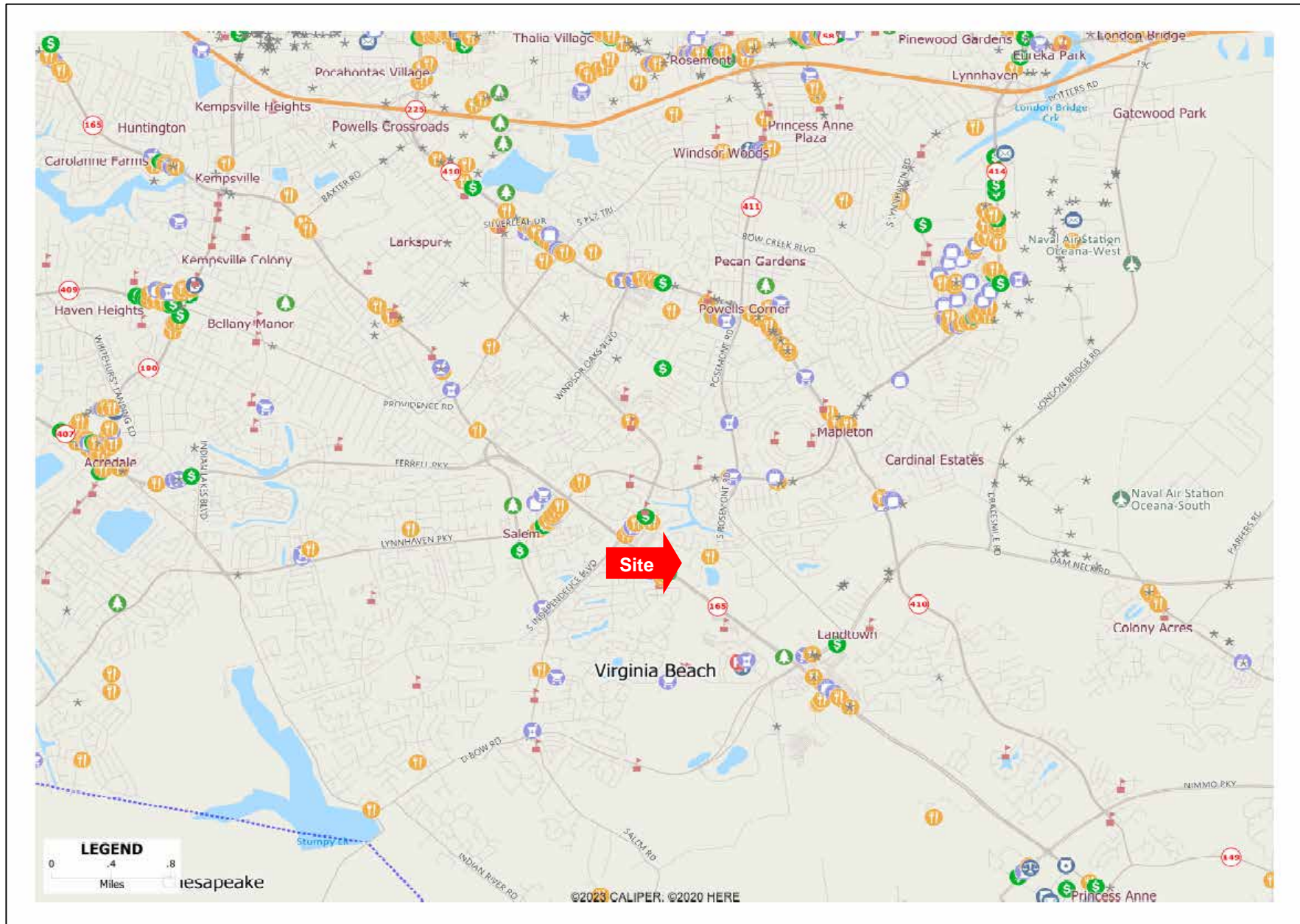
		Rating									Rank (1 = Property with Highest Rating)									Final Rating (1-5 Scale)
		Surrounding Area			Crime Rates		Education	Commute			Surrounding Area			Crime Rates		Education	Commute			
Key	Project Name	Avg HH Income (2015 \$)	Med Cash Rent (2015 \$)	Med SF Value (2015 \$)	Personal Crime	Property Crime	High School or More	Bachelor's or More	Average Commute	Avg HH Income (2015 \$)	Med Cash Rent (2015 \$)	Med SF Value (2015 \$)	Personal Crime	Property Crime	High School or More	Bachelor's or More	Average Commute			
Sub	Solace Springs	\$54,141	\$1,344	\$196,200	1.5%	1.3%	98.5%	21.6%	25.92	7	6	5	4	2	1	6	3	4.50		
008	Boulevard 45	\$53,173	\$1,292	\$231,600	5.1%	9.3%	97.2%	26.5%	27.61	8	7	3	10	11	2	5	9	2.50		
019	Green Lakes Apartments	\$41,719	\$1,189	\$222,200	2.0%	5.8%	89.6%	8.1%	29.54	11	8	4	5	9	8	11	10	2.00		
020	Holland House Apartments Phase 1	\$55,795	\$1,368	\$193,600	0.3%	1.6%	88.1%	27.4%	22.09	6	3	6	1	3	9	4	1	4.30		
027	Lynnhaven Cove Apartments	\$64,706	\$928	\$276,100	2.1%	4.2%	94.0%	35.0%	26.58	2	11	1	6	8	4	3	5	3.80		
029	Marq (The)	\$60,707	\$1,469	\$20,700	5.2%	7.8%	83.5%	39.0%	27.55	3	1	11	11	10	10	2	8	2.70		
033	Princess Anne House Sr	\$44,766	\$999	\$190,700	2.2%	3.3%	91.0%	42.2%	26.13	9	10	7	7	5	7	1	4	2.80		
042	Thalia Landing Apartments	\$42,778	\$1,105	\$164,300	2.8%	2.0%	95.8%	16.3%	23.84	10	9	8	8	4	3	9	2	2.70		
052	Apartments At Spence Crossing PH 1	\$56,921	\$1,359	\$154,400	0.6%	3.9%	92.1%	21.2%	27.26	4	4	9	2	6	5	7	6	4.00		
059	Southern Pine Apartment Homes	\$92,639	\$1,455	\$262,100	4.5%	0.6%	73.4%	10.0%	33.31	1	2	2	9	1	11	10	11	3.70		
063	Apartments At Spence Crossing PH 2	\$56,921	\$1,359	\$154,400	0.6%	3.9%	92.1%	21.2%	27.26	4	4	9	2	6	5	7	6	4.00		

Proximity to Area Amenities

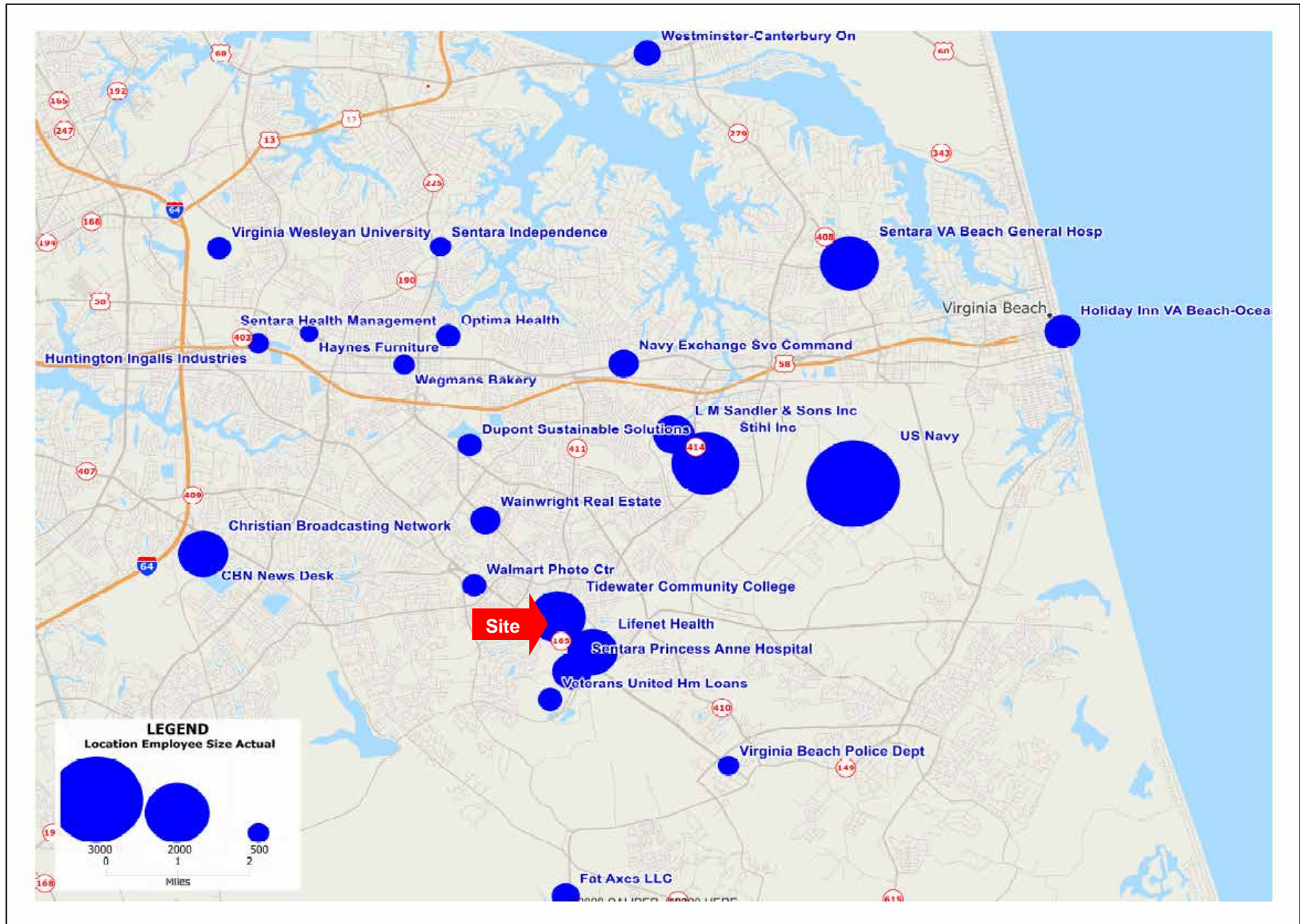
		Rating									Rank (1 = Property with Highest Rating)									Final Rating (1-5 Scale)
		Number within 2.0 miles of Property					Nearest to Property, Miles				Number within 2.0 miles of Property					Nearest to Property, Miles				
Key	Project Name	Banks	Grocery	Hospital	Pharmacy	Shopping	Shopping	Grocery	Hospital	Banks	Grocery	Hospital	Pharmacy	Shopping	Shopping	Grocery	Hospital			
Sub	Solace Springs	32	13	1	8	15	0.1	0.7	0.8	9	8	1	7	8	1	7	1	3.60		
008	Boulevard 45	62	14	1	9	18	0.4	0.7	2.0	4	5	1	3	4	5	7	4	3.10		
019	Green Lakes Apartments	52	12	0	8	25	0.5	0.5	2.2	6	9	5	7	2	7	2	8	2.70		
020	Holland House Apartments Phase 1	60	16	0	10	29	0.1	0.5	2.2	5	2	5	2	1	1	2	8	4.50		
027	Lynnhaven Cove Apartments	27	9	0	2	5	0.6	0.6	3.7	10	10	5	10	10	9	6	11	2.00		
029	Marq (The)	68	17	0	9	15	0.5	0.8	2.1	2	1	5	3	8	7	9	5	3.10		
033	Princess Anne House Sr	64	14	0	6	17	1.0	1.1	2.7	3	5	5	9	5	10	10	10	2.20		
042	Thalia Landing Apartments	72	14	0	11	22	0.4	0.2	2.1	1	5	5	1	3	5	1	5	3.70		
052	Apartments At Spence Crossing PH 1	36	15	1	9	16	0.2	0.5	1.1	7	3	1	3	6	3	2	2	3.60		
059	Southern Pine Apartment Homes	11	2	0	1	5	1.2	1.9	2.1	11	11	5	11	10	11	11	5	2.20		
063	Apartments At Spence Crossing PH 2	36	15	1	9	16	0.2	0.5	1.1	7	3	1	3	6	3	2	2	3.60		

Source: US Census; Claritas; Caliper Corporation

## Proximity to Area Amenities



## Proximity to Area Employers



## SUBJECT PROPERTY PHOTOS

Photos of the subject property and the surrounding area are found below:



Subject Property



Looking North From Entrance



Looking South From Entrance



Looking East From Entrance



Looking West From Entrance

# MARKET AREA

## Overview

Market areas are influenced by a variety of interrelated factors. These factors include site location, economic, and demographic characteristics (tenure, income, rent levels, etc.), local transportation patterns, physical boundaries (rivers, streams, topography, etc.), census geographies, and the location of comparable and/or potentially competing communities.

In areas where the county seat is the largest city, centrally located, and draws from the entire county, the county may be the market area. In the case where there are potentially competing communities in one county, the market area may be part of the county. In fact, the market area could include portions of adjacent counties. In this case, a combination of county subdivisions may be used to define the market area. In urban or suburban areas, the market area will be adjacent to the site extending to all locations of similar character with residents or potential residents likely to be interested in the project. In this case, county subdivisions, townships, or a combination of census tracts may be used to define the market area.

Allen & Associates recently conducted a series of property management interviews to better understand market areas and resident moving patterns for multifamily properties. Our study suggested that markets may be classified into the following general categories: urban, suburban and rural. Renters in urban markets are typically willing to move 5 to 10 minutes when looking for a new apartment. Our research also shows that renters in suburban markets are normally willing to move 10 to 15 minutes when looking for a new place to live. Renters in rural markets are typically willing to move 15 to 20 minutes when looking for a new apartment. We considered these general guidelines in our evaluation of the subject property.

Our study suggested that secondary market areas were generally a function of whether the proposed development was family or elderly. Our research suggested that secondary market demand for family properties ranged from 10 to 30 percent. Secondary market demand for elderly properties ranged from 10 to 50 percent. Although seniors move less frequently than younger renters, they are often willing to move longer distances when looking for housing. We considered these general secondary market guidelines in our evaluation of the subject property.

Our primary and secondary market area definitions are found below.

## Primary Market Area

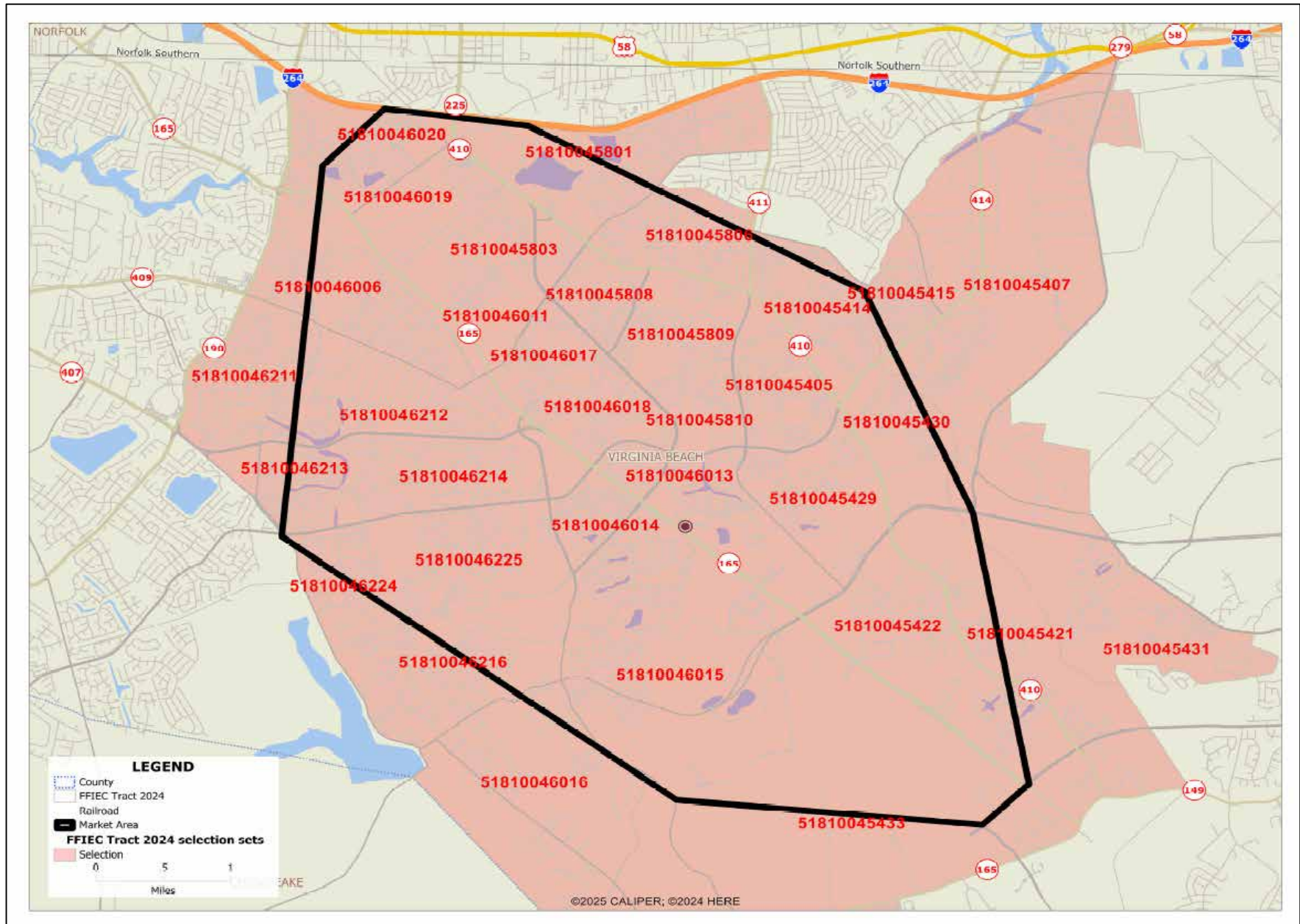
We defined the primary market area by generating a 7-minute drive time zone around the subject property. We also considered existing concentrations of multifamily properties and the nearest census tract boundaries in our analysis.

The primary market area includes a population of 108,155 persons and covers a total of 21.4 square miles, making it 5.2 miles across on average.

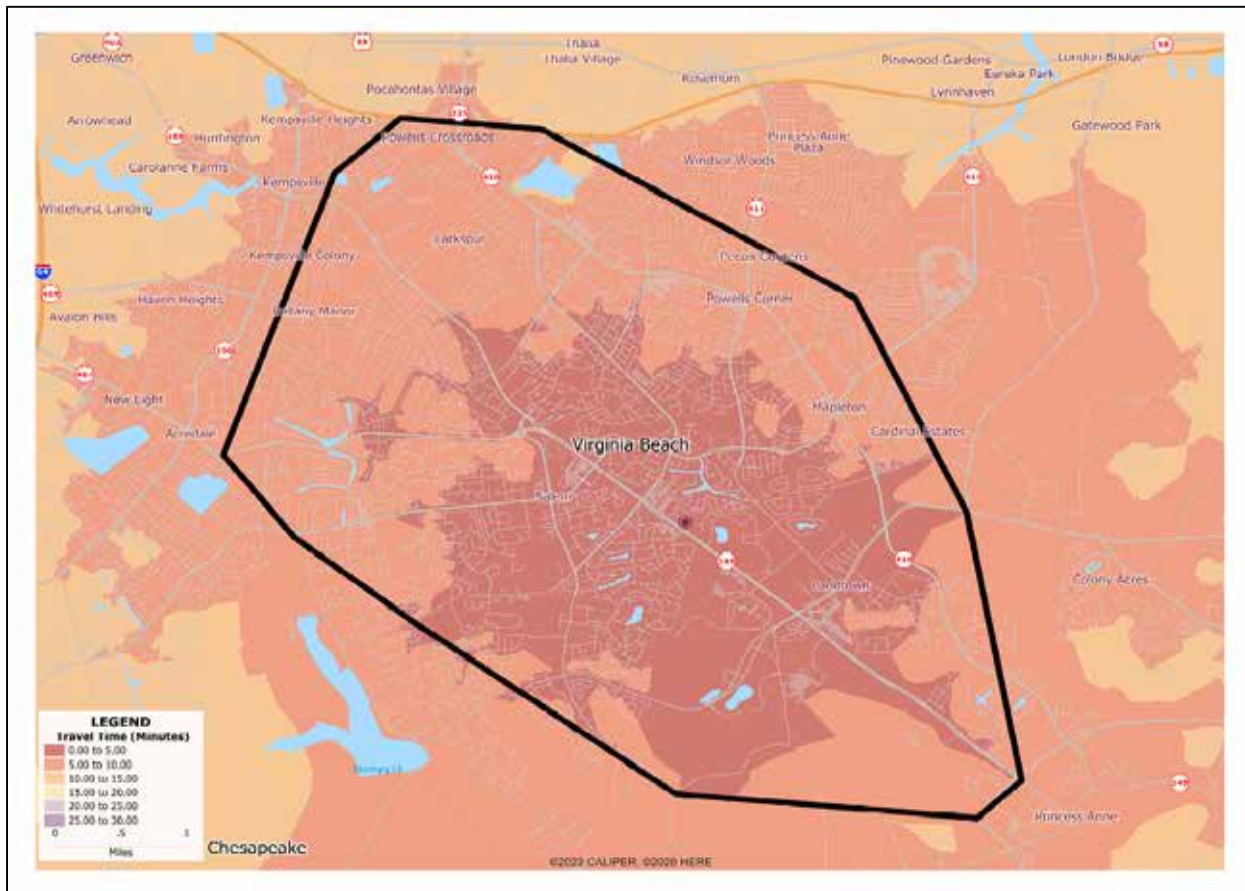
## Secondary Market Area

We estimate that up to 20 percent of demand will come from areas outside of the primary market area.

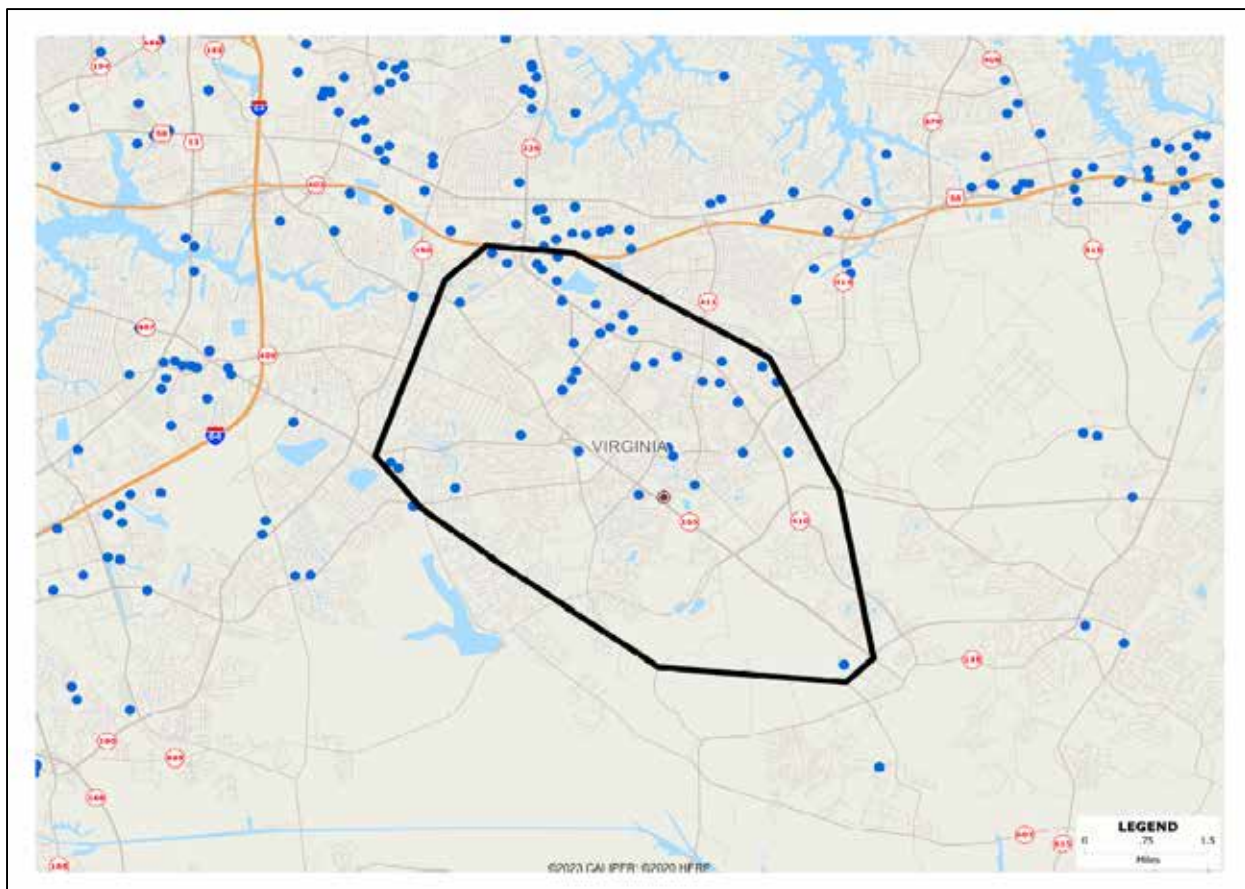
# Market Area



# Drive Time

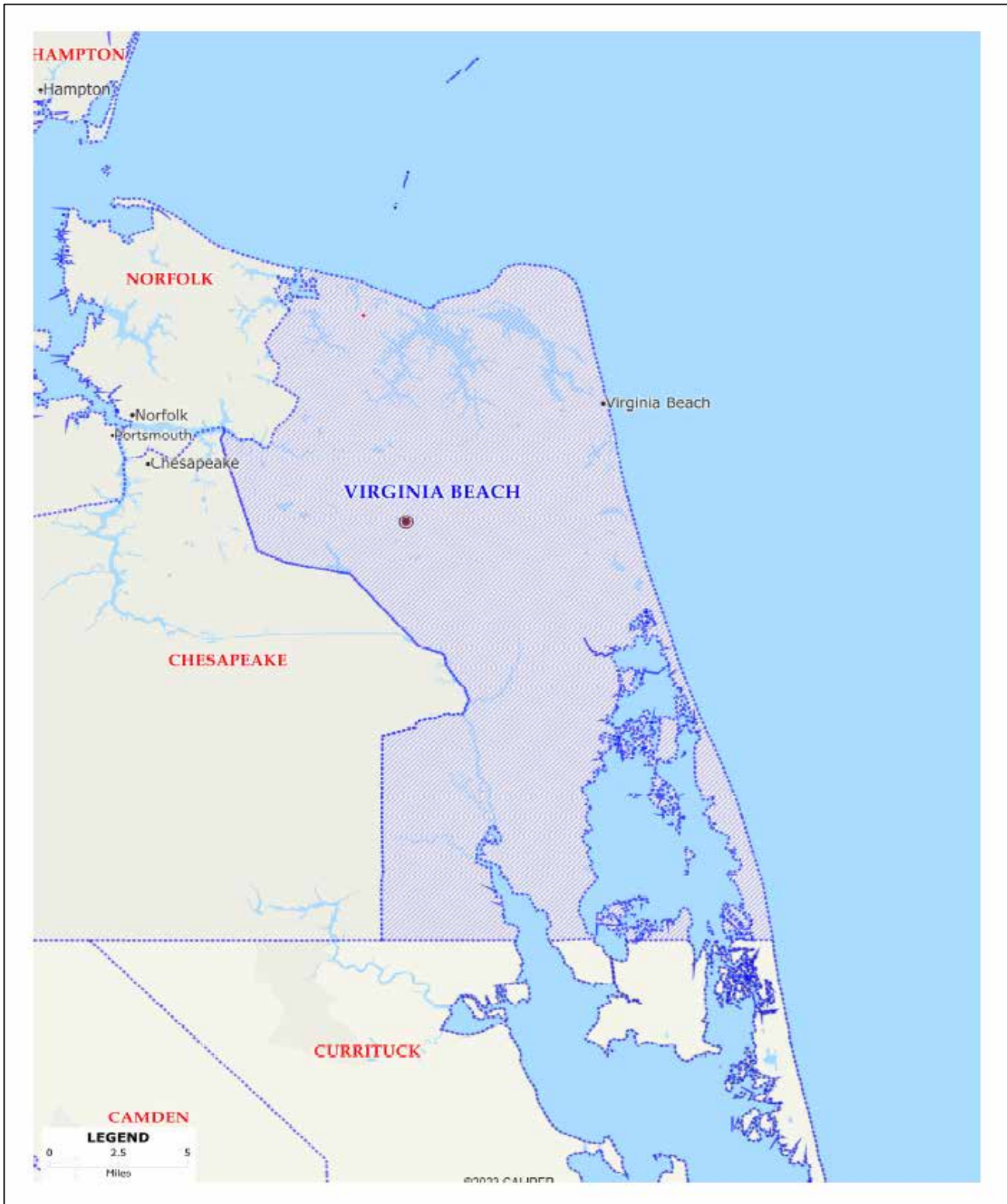


## Existing Multifamily



## ECONOMIC OUTLOOK

In this section we conduct an analysis of the regional economy. For purposes of our analysis, we define the region as Virginia Beach, Virginia. A map depicting the Region is found below.



## Employment by Industry

The Bureau of Labor Statistics (BLS) tracks establishment employment by major industry. In the table below we present the current breakdown and percent distribution. The data set comes from the Bureau of Labor Statistics (BLS) via Woods & Pool Economics.

Establishment Employment			
Industry	Region	Reg %	US %
Farm Employment	207	0.1%	1.2%
Forestry, Fishing, Related Activities And Other Employment	246	0.1%	0.4%
Mining Employment	119	0.0%	0.5%
Utilities Employment	257	0.1%	0.3%
Construction Employment	14,913	5.0%	5.2%
Manufacturing Employment	7,150	2.4%	6.1%
Wholesale Trade Employment	4,705	1.6%	3.0%
Retail Trade Employment	27,215	9.1%	8.6%
Transportation And Warehousing Employment	8,957	3.0%	4.7%
Information Employment	3,811	1.3%	1.6%
Finance And Insurance Employment	18,695	6.2%	5.6%
Real Estate And Rental And Lease Employment	22,725	7.6%	5.2%
Professional And Technical Services Employment	22,685	7.6%	7.7%
Management Of Companies And Enterprises Employment	2,987	1.0%	1.4%
Administrative And Waste Services Employment	18,595	6.2%	6.4%
Educational Services Employment	7,397	2.5%	2.7%
Health Care And Social Assistance Employment	32,250	10.8%	12.0%
Arts, Entertainment, And Recreation Employment	7,103	2.4%	2.4%
Accommodation And Food Services Employment	30,969	10.3%	7.9%
Other Services, Except Public Administration Employment	17,392	5.8%	5.7%
Federal Civilian Government Employment	7,035	2.3%	1.3%
Federal Military Employment	21,147	7.1%	0.8%
State And Local Government Employment	23,138	7.7%	9.3%
Establishment Employment	299,698	100.0%	100.0%

Source: W&P Economics

Regional establishment employment currently stands at 299,698. The data suggests that Health Care and Social Assistance is the largest employment category accounting for 10.8% of total regional employment. Accommodation and Food Services is the second largest category accounting for 10.3% of total employment. Retail Trade is the third largest category accounting for 9.1% of total employment. State and Local Government is the fourth largest category accounting for 7.7% of total employment. Real Estate is the fifth largest category accounting for 7.6% of total employment.

Economists generally classify employment two ways: basic and non-basic. Basic employment, which is considered to be the engine of a local economy, includes industries that rely on external factors to fuel demand. For instance, mining, logging and manufacturers are frequently considered basic employers. Goods for these industries are shipped outside the location where they are produced. Non-basic employers depend largely on local demand and usually employ local workers. For example, grocery stores and restaurants are sometimes considered non-basic employers.

The Location Quotient (LQ) technique is the most common method of identifying basic industries for a given economy. The LQ technique compares the share of workers in each industry of a given economy with that of a larger reference economy. If the number of workers in the given economy is greater than that of the reference economy, these are considered to be basic industries because they fill needs beyond those of the reference community.

In the table above we highlight the basic industries for the region. The distribution of employment in these industries exceeds that for the United States. These basic industries represent about 145,178 employees or about 48.4% of total regional employment. These are the industries that drive the regional economy.

## Earnings by Industry

The Bureau of Labor Statistics (BLS) tracks average earnings by major industry. In the table below we present the current breakdown and rank. The data set comes from the Bureau of Labor Statistics (BLS) via Woods & Pool Economics.

Average Earnings (2012 \$)		
Industry	Earnings	Rank
Farm Employment	\$9,488	21
Forestry, Fishing, Related Activities And Other Employment	\$6,049	22
Mining Employment	\$5,773	23
Utilities Employment	\$80,860	4
Construction Employment	\$61,941	8
Manufacturing Employment	\$58,238	10
Wholesale Trade Employment	\$85,417	3
Retail Trade Employment	\$28,355	17
Transportation And Warehousing Employment	\$19,706	19
Information Employment	\$41,918	13
Finance And Insurance Employment	\$57,827	11
Real Estate And Rental And Lease Employment	\$35,494	14
Professional And Technical Services Employment	\$71,780	6
Management Of Companies And Enterprises Employment	\$72,382	5
Administrative And Waste Services Employment	\$32,880	15
Educational Services Employment	\$49,171	12
Health Care And Social Assistance Employment	\$59,422	9
Arts, Entertainment, And Recreation Employment	\$17,389	20
Accommodation And Food Services Employment	\$24,270	18
Other Services, Except Public Administration Employment	\$32,036	16
Federal Civilian Government Employment	\$104,966	1
Federal Military Employment	\$101,183	2
State And Local Government Employment	\$63,363	7
Establishment Employment	\$50,968	

Source: W&P Economics

The data suggests that Federal Civilian Government is the highest paid industry averaging \$104,966 per employee. Federal Military is the second highest paid industry averaging \$101,183 per employee. Wholesale trade is the third highest paid profession averaging \$85,417 per employee. Utilities is the fourth highest paid industry averaging \$80,860 per employee. Management of Companies is the fifth highest paid category averaging \$72,382 per employee. These figures are compared with regional Average Earnings of \$50,968 per employee.

The highlighted industries represent basic industries for the region. Average earnings for these basic industries comes to \$54,876 or 7.7% higher than average for the region.

## Top Employers

The table below gives a listing of the region's top employers. The data comes from InfoUSA and includes a primary industry description for each employer.

Top Employers					
Name	Employees	SIC Code	Industry Description	Location Type	
US Navy	3,000	5063-04	Security Control Equip & Systems-Whls	Branch	
Stihl Inc	2,100	5084-54	Tools-Electric (Whls)	0	
Sentara VA Beach General Hosp	1,800	8062-02	Hospitals	Subsidiary	
Tidewater Community College	1,700	8222-98	Junior-Community College-Tech Institutes	Branch	
Christian Broadcasting Network	1,500	4832-01	Radio Stations & Broadcasting Companies	0	
Lifenet Health	1,500	8099-16	Blood & Organ Banks & Centers	0	
L M Sandler & Sons Inc	1,200	5146-01	Seafood-Wholesale	0	
Sentara Princess Anne Hospital	1,132	8062-02	Hospitals	Subsidiary	
CBN News Desk	1,000	4832-03	Broadcasting Companies	0	
Holiday Inn VA Beach-Oceanside	1,000	7011-01	Hotels & Motels	Branch	

Source: InfoUSA

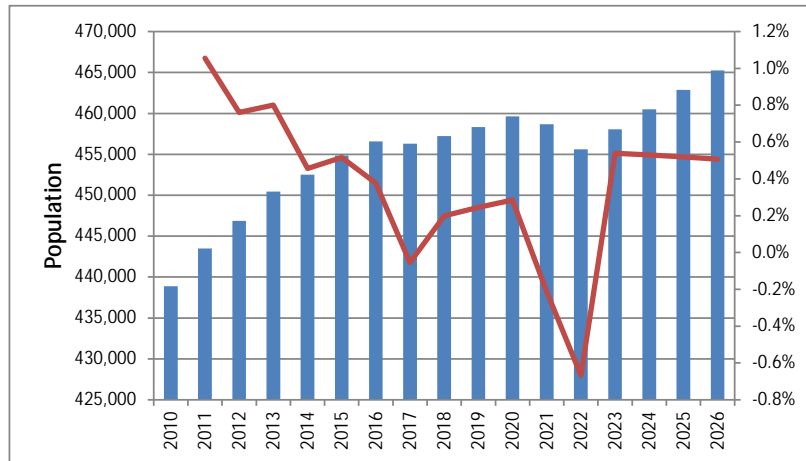
The top employers include: (1) US Navy (3000 employees); (2) Stihl Inc (2100 employees) and; (3) Sentara VA Beach General Hosp (1800 employees).

## Population

In this section we present population data for the region. The table and graph below show historic data between 2010 and 2021. The historic data comes from the US Census; the forecast comes from Woods & Pool Economics.

Population Forecast		
Year	Pop	Growth %
2010	438,864	
2011	443,496	1.1%
2012	446,872	0.8%
2013	450,447	0.8%
2014	452,505	0.5%
2015	454,843	0.5%
2016	456,559	0.4%
2017	456,308	-0.1%
2018	457,220	0.2%
2019	458,340	0.2%
2020	459,646	0.3%
2021	458,680	-0.2%
2022	455,618	-0.7%
2023	458,071	0.5%
2024	460,500	0.5%
2025	462,892	0.5%
2026	465,238	0.5%

Source: US Census; W&P Economics



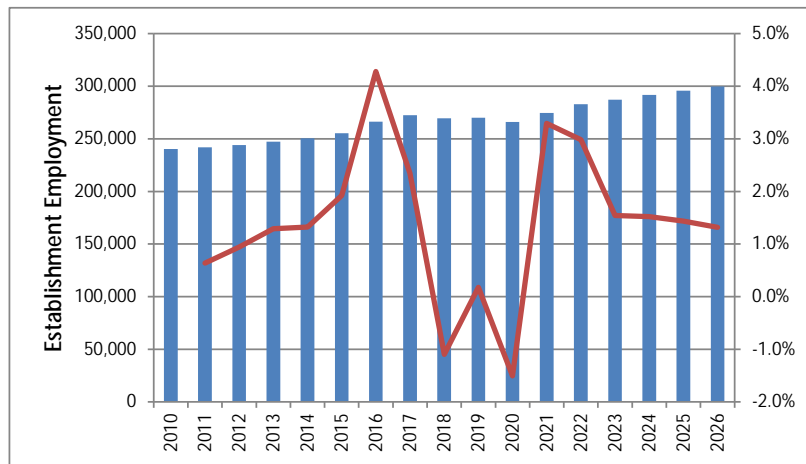
Population increased from 438,864 in 2010 to 458,680 in 2021 and is anticipated to increase to 465,238 in 2026.

## Establishment Employment

In this section we present establishment employment data for the region. The table and graph below show historic data between 2010 and 2021. The historic data comes from the Bureau of Labor Statistics (BLS); the forecast comes from Woods & Pool Economics.

Establishment Employment Forecast		
Year	Est Emp	Growth %
2010	240,301	
2011	241,829	0.6%
2012	244,114	0.9%
2013	247,262	1.3%
2014	250,530	1.3%
2015	255,345	1.9%
2016	266,272	4.3%
2017	272,519	2.3%
2018	269,522	-1.1%
2019	270,000	0.2%
2020	265,932	-1.5%
2021	274,685	3.3%
2022	282,883	3.0%
2023	287,239	1.5%
2024	291,604	1.5%
2025	295,797	1.4%
2026	299,698	1.3%

Source: BLS; W&P Economics



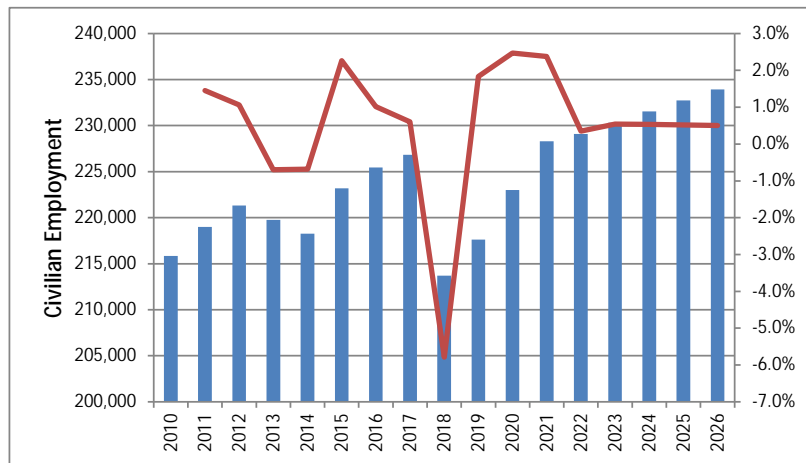
Establishment employment increased from 240,301 in 2010 to 274,685 in 2021 and is anticipated to increase to 299,698 in 2026.

## Civilian Employment

In this section we present civilian employment data for the region. The table and graph below show historic data between 2010 and 2022. The historic data comes from the Bureau of Labor Statistics (BLS); the forecast utilizes data from Woods & Pool Economics.

Civilian Employment Forecast		
Year	Civ Emp	Growth %
2010	215,860	
2011	218,991	1.5%
2012	221,317	1.1%
2013	219,773	-0.7%
2014	218,266	-0.7%
2015	223,203	2.3%
2016	225,468	1.0%
2017	226,832	0.6%
2018	213,705	-5.8%
2019	217,622	1.8%
2020	222,999	2.5%
2021	228,296	2.4%
2022	229,092	0.3%
2023	230,325	0.5%
2024	231,547	0.5%
2025	232,749	0.5%
2026	233,929	0.5%

Source: BLS; W&P Economics



Civilian employment increased from 215,860 in 2010 to 229,092 in 2022 and is anticipated to increase to 233,929 in 2026.

## Labor Force and Unemployment

In this section we take a look at the labor force and unemployment. The table below shows civilian employment, unemployment and labor force statistics for the region since 2010. The data set comes from the Bureau of Labor Statistics (BLS) via the Texas A&M Real Estate Center.

Labor Force & Unemployment				
Year	Civ Emp	Unemp	Lab Force	Unemp Rate
2010	215,860	14,082	229,942	6.1%
2011	218,991	13,393	232,384	5.8%
2012	221,317	12,577	233,894	5.4%
2013	219,773	12,106	231,879	5.2%
2014	218,266	11,127	229,393	4.9%
2015	223,203	9,653	232,856	4.1%
2016	225,468	8,999	234,467	3.8%
2017	226,832	8,107	234,939	3.5%
2018	213,705	6,718	220,423	3.0%
2019	217,622	6,266	223,888	2.8%
2020	222,999	14,872	237,871	6.3%
2021	228,296	8,313	236,609	3.5%
2022	229,092	6,112	235,204	2.6%
2023	230,325	6,322	236,647	2.7%
2024	231,547	6,473	238,020	2.7%

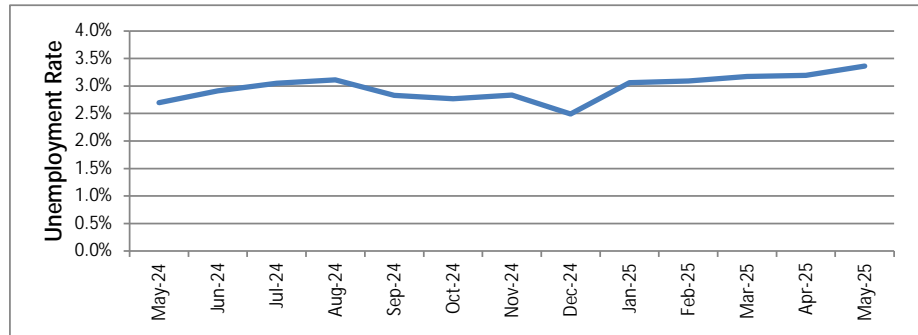
Source: BLS; Texas A&M Real Estate Center

Unemployment decreased from 14,082 in 2010 to 6,473 in 2024. The unemployment rate decreased from 6.1% in 2010 to 2.7% in 2024.

The table and graph below show the unemployment rate for the region for the past 12 months.

Unemployment Rate	
Month	Unemp Rate
May-24	2.7%
Jun-24	2.9%
Jul-24	3.1%
Aug-24	3.1%
Sep-24	2.8%
Oct-24	2.8%
Nov-24	2.8%
Dec-24	2.5%
Jan-25	3.1%
Feb-25	3.1%
Mar-25	3.2%
Apr-25	3.2%
May-25	3.4%

Source: TAMU



The Unemployment Rate for the Region came in at 2.7% in May 2024 and 3.4% in May 2025.

### Building Permits

In this section we look at building permits. The table and graph below show historical data for the region since 2000. The data set comes from the US Census.

Year	Building Permits			Total
	1 Family	2-4 Family	5+ Family	
2000	1,312	40	112	1,464
2001	1,636	10	193	1,839
2002	1,896	42	398	2,336
2003	1,758	28	155	1,941
2004	971	188	1,059	2,218
2005	894	423	786	2,103
2006	681	477	429	1,587
2007	821	140	135	1,096
2008	501	78	188	767
2009	503	0	726	1,229
2010	529	10	90	629
2011	535	6	938	1,479
2012	594	10	513	1,117
2013	733	0	929	1,662
2014	688	0	520	1,208
2015	696	12	785	1,493
2016	768	0	815	1,583
2017	646	0	877	1,523
2018	534	0	245	779
2019	667	0	683	1,350
2020	493	0	445	938
2021	335	0	128	463
2022	231	0	966	1,197
2023	201	14	327	542
2024	319	0	347	666

Source: US Census

Building permits for the region increased from 1,464 in 2000 to 2,336 in 2002, before decreasing to 629 in 2010 and increasing to 666 in 2024.

### Conclusion

We anticipate moderate economic growth accompanied by modest population growth for the region over the next several years.

## DEMOGRAPHIC CHARACTERISTICS

### Population

In the table below we give the 2020-2030 population projection for the Market Area.

Population Forecast		
Year	Population	Growth %
2020	102,875	0.3%
2021	103,773	0.9%
2022	104,671	0.9%
2023	105,568	0.9%
2024	106,466	0.9%
2025	107,311	0.8%
2026	108,155	0.8%
2027	109,000	0.8%
2028	109,844	0.8%
2029	110,689	0.8%
2030	111,533	0.8%

Source: Caliper; Allen & Associates

In the table below we give the 2020-2030 55+ population projection for the Market Area.

55+ Population Forecast		
Year	Population	Growth %
2020	24,589	2.9%
2021	24,932	1.4%
2022	25,275	1.4%
2023	25,617	1.4%
2024	25,960	1.3%
2025	26,468	2.0%
2026	26,976	1.9%
2027	27,493	1.9%
2028	28,021	1.9%
2029	28,558	1.9%
2030	29,106	1.9%

Source: Caliper; Allen & Associates

In the table below we give the 2020-2030 65+ population projection for the Market Area.

65+ Population Forecast		
Year	Population	Growth %
2020	12,341	4.1%
2021	12,802	3.7%
2022	13,262	3.6%
2023	13,723	3.5%
2024	14,183	3.4%
2025	14,622	3.1%
2026	15,061	3.0%
2027	15,513	3.0%
2028	15,979	3.0%
2029	16,459	3.0%
2030	16,953	3.0%

Source: Caliper; Allen & Associates

## Households

In the table below we give the 2020-2030 household projection for the Market Area.

Household Forecast		
Year	Households	Growth %
2020	38,121	0.7%
2021	38,612	1.3%
2022	39,102	1.3%
2023	39,593	1.3%
2024	40,083	1.2%
2025	40,580	1.2%
2026	41,083	1.2%
2027	41,592	1.2%
2028	42,108	1.2%
2029	42,630	1.2%
2030	43,159	1.2%

Source: US Census; Claritas

In the table below we give the 2020-2030 55+ household projection for the Market Area.

55+ Household Forecast		
Year	Households	Growth %
2020	13,263	1.6%
2021	13,481	1.6%
2022	13,702	1.6%
2023	13,923	1.6%
2024	14,144	1.6%
2025	14,365	1.6%
2026	14,586	1.5%
2027	14,810	1.5%
2028	15,039	1.5%
2029	15,271	1.5%
2030	15,506	1.5%

Source: US Census; Claritas

In the table below we give the 2020-2030 65+ household projection for the Market Area.

65+ Household Forecast		
Year	Households	Growth %
2020	6,825	3.5%
2021	7,066	3.5%
2022	7,315	3.5%
2023	7,565	3.4%
2024	7,814	3.3%
2025	8,064	3.2%
2026	8,313	3.1%
2027	8,570	3.1%
2028	8,836	3.1%
2029	9,110	3.1%
2030	9,392	3.1%

Source: US Census; Claritas

## Renter Households

In the table below we give the 2020-2030 renter household projection for the Market Area.

Renter Household Forecast		
Year	Households	Growth %
2020	11,634	0.5%
2021	11,814	1.5%
2022	11,994	1.5%
2023	12,174	1.5%
2024	12,354	1.5%
2025	12,537	1.5%
2026	12,722	1.5%
2027	12,910	1.5%
2028	13,101	1.5%
2029	13,295	1.5%
2030	13,491	1.5%

Source: US Census; Claritas

In the table below we give the 2020-2030 55+ renter household projection for the Market Area.

55+ Renter Household Forecast		
Year	Households	Growth %
2020	2,404	2.4%
2021	2,463	2.4%
2022	2,522	2.4%
2023	2,582	2.4%
2024	2,642	2.3%
2025	2,701	2.3%
2026	2,761	2.2%
2027	2,822	2.2%
2028	2,885	2.2%
2029	2,948	2.2%
2030	3,013	2.2%

Source: US Census; Claritas

In the table below we give the 2020-2030 65+ renter household projection for the Market Area.

65+ Renter Household Forecast		
Year	Households	Growth %
2020	1,278	4.8%
2021	1,340	4.8%
2022	1,404	4.8%
2023	1,468	4.6%
2024	1,532	4.4%
2025	1,597	4.2%
2026	1,661	4.0%
2027	1,728	4.0%
2028	1,797	4.0%
2029	1,870	4.0%
2030	1,945	4.0%

Source: US Census; Claritas

## Household Income

The following table shows the current distribution of household incomes for the Market Area. The data set comes from Claritas and Ribbon Demographics.

2026 \$		Households, by Income, by Size						
Min	Max	2026 Households						
		1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	406	258	255	137	50	18	1,124
\$10,000	\$19,999	671	374	221	224	26	4	1,519
\$20,000	\$29,999	780	709	387	165	115	60	2,217
\$30,000	\$39,999	893	710	425	305	83	45	2,460
\$40,000	\$49,999	1,003	909	614	548	223	117	3,413
\$50,000	\$59,999	1,088	867	452	418	179	94	3,097
\$60,000	\$74,999	1,028	1,925	971	721	247	135	5,026
\$75,000	\$99,999	918	2,280	1,649	1,255	564	334	7,000
\$100,000	\$124,999	535	1,759	1,327	938	542	315	5,418
\$125,000	\$149,999	222	1,087	1,088	616	358	212	3,583
\$150,000	\$199,999	367	1,125	648	625	467	288	3,519
\$200,000	more	281	742	649	686	220	128	2,707
Total		8,191	12,745	8,685	6,638	3,074	1,750	41,083

The following table shows the current distribution of 55+ household incomes for the Market Area.

2026 \$		55+ Households, by Income, by Size						
Min	Max	2026 Households						
		1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	181	102	44	19	12	1	360
\$10,000	\$19,999	509	250	67	61	18	3	907
\$20,000	\$29,999	532	270	82	41	25	13	962
\$30,000	\$39,999	457	270	107	31	18	7	890
\$40,000	\$49,999	407	394	136	161	29	17	1,144
\$50,000	\$59,999	323	399	140	48	22	7	939
\$60,000	\$74,999	438	887	266	118	35	16	1,760
\$75,000	\$99,999	495	1,260	430	85	110	62	2,442
\$100,000	\$124,999	331	801	312	108	109	58	1,720
\$125,000	\$149,999	196	336	215	195	44	29	1,015
\$150,000	\$199,999	265	560	279	78	77	44	1,303
\$200,000	more	187	491	237	123	71	35	1,144
Total		4,321	6,021	2,315	1,068	569	293	14,586

The following table shows the current distribution of 65+ household incomes for the Market Area.

2026 \$		65+ Households, by Income, by Size						
Min	Max	2026 Households						
		1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	128	61	26	12	6	0	232
\$10,000	\$19,999	422	146	45	48	6	2	668
\$20,000	\$29,999	420	193	44	22	15	6	700
\$30,000	\$39,999	298	161	78	23	9	4	572
\$40,000	\$49,999	300	263	98	95	12	6	773
\$50,000	\$59,999	182	261	74	16	11	3	547
\$60,000	\$74,999	302	592	194	40	12	3	1,143
\$75,000	\$99,999	175	776	170	14	20	10	1,165
\$100,000	\$124,999	218	390	184	46	69	35	942
\$125,000	\$149,999	76	145	58	43	21	15	358
\$150,000	\$199,999	225	302	118	27	45	25	742
\$200,000	more	92	196	103	39	29	12	470
Total		2,836	3,484	1,191	424	256	122	8,313

Source: Claritas & Ribbon Demographics

## Renter Household Income

The following table shows the current distribution of renter household incomes for the Market Area. The data set comes from Claritas and Ribbon Demographics.

2026 \$		2026 Households						
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	153	135	171	97	29	14	599
\$10,000	\$19,999	361	179	92	185	7	1	825
\$20,000	\$29,999	275	440	217	68	65	37	1,103
\$30,000	\$39,999	459	314	205	174	58	38	1,248
\$40,000	\$49,999	529	341	345	250	59	35	1,559
\$50,000	\$59,999	392	302	211	259	117	61	1,342
\$60,000	\$74,999	438	662	309	119	119	66	1,713
\$75,000	\$99,999	218	495	530	339	211	128	1,921
\$100,000	\$124,999	129	282	196	150	59	34	849
\$125,000	\$149,999	45	380	250	39	74	43	831
\$150,000	\$199,999	123	148	120	34	30	15	470
\$200,000	more	67	45	35	34	51	29	262
Total		3,189	3,724	2,679	1,748	880	502	12,722

The following table shows the current distribution of 55+ renter household incomes for the Market Area.

2026 \$		2026 Households						
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	57	28	17	5	4	1	111
\$10,000	\$19,999	236	83	17	30	4	1	372
\$20,000	\$29,999	139	81	34	17	4	2	277
\$30,000	\$39,999	152	51	17	12	3	2	237
\$40,000	\$49,999	142	48	39	15	5	3	253
\$50,000	\$59,999	135	44	23	33	5	1	240
\$60,000	\$74,999	166	83	20	18	11	4	302
\$75,000	\$99,999	102	114	84	30	53	30	413
\$100,000	\$124,999	97	31	19	38	10	3	198
\$125,000	\$149,999	33	17	15	16	5	3	89
\$150,000	\$199,999	89	36	20	4	7	4	161
\$200,000	more	53	16	6	3	21	9	108
Total		1,402	631	311	220	133	64	2,761

The following table shows the current distribution of 65+ renter household incomes for the Market Area.

2026 \$		2026 Households						
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	46	16	9	4	2	0	78
\$10,000	\$19,999	195	39	8	31	4	1	278
\$20,000	\$29,999	86	57	17	10	4	2	177
\$30,000	\$39,999	97	26	12	9	3	1	147
\$40,000	\$49,999	73	34	30	12	4	2	156
\$50,000	\$59,999	68	35	17	5	2	0	127
\$60,000	\$74,999	124	44	13	8	3	0	192
\$75,000	\$99,999	53	75	7	8	15	9	166
\$100,000	\$124,999	55	13	15	4	8	4	99
\$125,000	\$149,999	28	12	3	4	1	1	48
\$150,000	\$199,999	79	23	16	2	5	3	129
\$200,000	more	21	7	3	1	21	10	63
Total		926	381	150	98	73	34	1,661

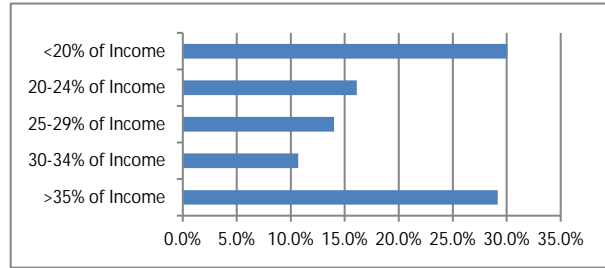
Source: Claritas & Ribbon Demographics

## Overburdened Renter Households

The following tables give overburdened renter household data for the Market Area. The data set comes from the U.S. Census Bureau.

Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	30.1%
20-24% of Income Spent on Housing	16.1%
25-29% of Income Spent on Housing	14.0%
30-34% of Income Spent on Housing	10.7%
>35% of Income Spent on Housing	29.2%
<b>Total</b>	<b>100.0%</b>

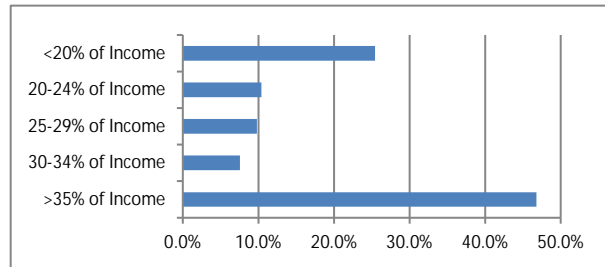
Source: U.S. Census Bureau



Our research suggests that 29.2 percent of the renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 39.8 percent of the renter households are overburdened to 30 percent of income.

55+ Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	25.4%
20-24% of Income Spent on Housing	10.4%
25-29% of Income Spent on Housing	9.8%
30-34% of Income Spent on Housing	7.6%
>35% of Income Spent on Housing	46.8%
<b>Total</b>	<b>100.0%</b>

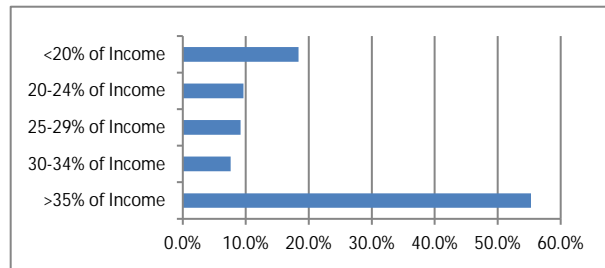
Source: U.S. Census Bureau



Our research suggests that 46.8 percent of the 55+ renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 54.4 percent of the 55+ renter households are overburdened to 30 percent of income.

65+ Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	18.4%
20-24% of Income Spent on Housing	9.6%
25-29% of Income Spent on Housing	9.2%
30-34% of Income Spent on Housing	7.6%
>35% of Income Spent on Housing	55.3%
<b>Total</b>	<b>100.0%</b>

Source: U.S. Census Bureau



Our research suggests that 55.3 percent of the 65+ renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 62.9 percent of the 65+ renter households are overburdened to 30 percent of income.

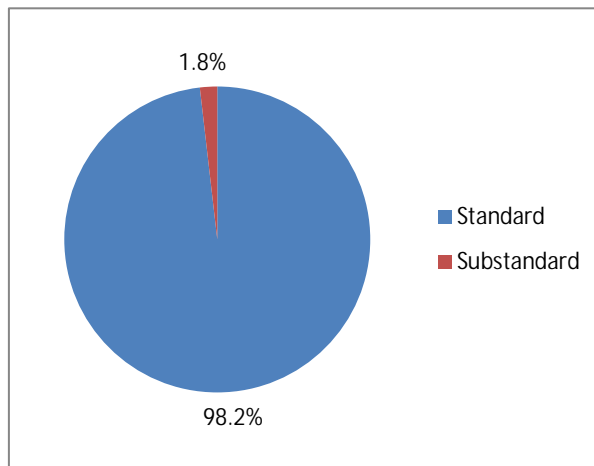
### Owner Substandard Units

The U.S. Census Bureau defines substandard housing units as follows: (1) Units without complete plumbing; or (2) Units with 1.00 or more persons per room.

The following tables give owner substandard housing unit data for occupied housing units in the nation, state, region and market area. The data comes from the U.S. Census Bureau:

Owner Substandard Units	
	% of Total
1.00 persons per room or less	98.2%
1.01 to 1.50 persons per room	1.2%
1.51 persons per room or more	0.4%
Complete Plumbing	99.8%
1.00 persons per room or less	0.2%
1.01 to 1.50 persons per room	0.0%
1.51 persons per room or more	0.0%
Lacking Complete Plumbing	0.2%
Standard	98.2%
Substandard	1.8%
Total	100.0%

Source: U.S. Census Bureau



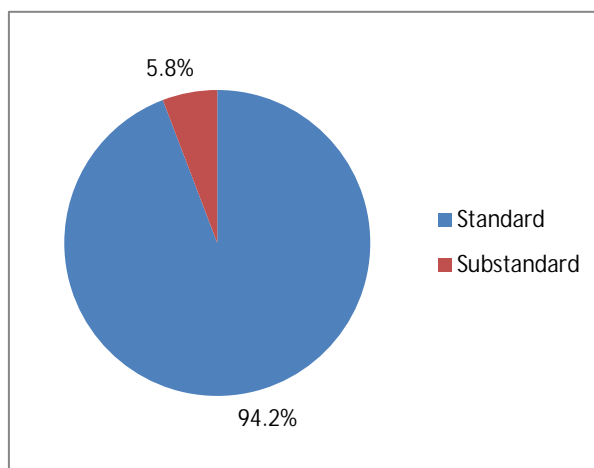
Our research suggests that 1.8 percent of occupied owner housing units in the market area are substandard.

### Renter Substandard Units

The following tables give renter substandard housing unit data for occupied housing units in the nation, state, region and market area. The data comes from the U.S. Census Bureau:

Renter Substandard Units	
	% of Total
1.00 persons per room or less	94.2%
1.01 to 1.50 persons per room	3.5%
1.51 persons per room or more	1.9%
Complete Plumbing	99.6%
1.00 persons per room or less	0.3%
1.01 to 1.50 persons per room	0.0%
1.51 persons per room or more	0.0%
Lacking Complete Plumbing	0.4%
Standard	94.2%
Substandard	5.8%
Total	100.0%

Source: U.S. Census Bureau



Our research suggests that 5.8 percent of renter owner housing units in the market area are substandard.

## Owner Movership

The following tables give owner household movership data for the market area with an estimated breakout by household size. The data comes from the U.S. Census Bureau and the American Housing Survey:

Owner Movership, by Size								
Market Area								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Owner to Owner	3.3%	5.2%	6.7%	6.6%	7.2%	7.8%	9.0%	5.5%
Owner to Renter	3.1%	2.9%	5.3%	4.9%	4.9%	7.4%	11.3%	4.0%
Owner Movership Rate	6.5%	8.1%	12.0%	11.6%	12.0%	15.2%	20.3%	9.5%

Source: U.S. Census, American Housing Survey; Allen & Associates

Our research suggests an owner movership rate of 9.5 percent.

Elderly Owner Movership, by Size								
AHS Survey								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Owner to Owner	2.0%	2.8%	2.3%	1.6%	3.1%	1.0%	3.7%	2.4%
Owner to Renter	1.7%	0.8%	1.4%	2.1%	0.6%	2.6%	0.0%	1.2%
Owner Movership Rate	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%

Source: U.S. Census, American Housing Survey; Allen & Associates

Our research suggests an elderly owner movership rate of 3.7 percent.

## Renter Movership

The following tables give renter household movership data for the market area with an estimated breakout by household size. The data comes from the U.S. Census Bureau and the American Housing Survey:

Renter Movership, by Size								
Market Area								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Renter to Renter	13.1%	29.2%	41.3%	49.6%	50.1%	54.3%	83.8%	29.6%
Renter to Owner	3.2%	12.0%	12.1%	15.5%	17.0%	13.2%	15.5%	9.4%
Renter Movership Rate	16.3%	41.2%	53.4%	65.0%	67.1%	67.4%	99.3%	39.0%

Source: U.S. Census, American Housing Survey; Allen & Associates

Our research suggests a renter movership rate of 39.0 percent.

Elderly Renter Movership, by Size								
AHS Survey								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Renter to Renter	7.4%	6.6%	7.2%	7.6%	6.0%	7.8%	0.0%	7.1%
Renter to Owner	0.6%	1.4%	0.7%	0.4%	2.0%	0.2%	8.0%	0.9%
Renter Movership Rate	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%

Source: U.S. Census, American Housing Survey; Allen & Associates

Our research suggests an elderly renter movership rate of 8.0 percent.

## SUPPLY ANALYSIS

In conducting our analysis, we began by attempting to compile a list of every multifamily property with 10 or more units in the market area. We included conventionally-financed multifamily communities as well as properties financed by the local housing authority and the state housing finance agency in our listing. We even included properties financed by and/or subsidized by USDA and/or HUD. Finally, we included properties that are either proposed or currently under construction. The result was a listing of projects with 10 or more units - whether existing, under construction, or proposed - for this area. Our rental property inventory listing is found in the pages that follow.

A map showing the location of the properties included in the rental property inventory is found in the pages that follow. Properties identified with red pushpins have 100 percent market rate units (market rate properties), properties identified with yellow pushpins have a mixture of market rate / restricted / subsidized units (restricted properties), and properties identified with blue pushpins have 100 percent project-based rental assistance (subsidized properties).

After accounting for any unconfirmed properties and any properties that are located outside the defined market area, we arrived at a list of confirmed market area properties. This was the listing of properties upon which our analysis is based. In our opinion, the properties included on this list give a credible picture of market conditions as of the effective date of this report. This listing is found in the pages that follow.

Our next step was to compile a master list of unrestricted market rate rent comparables from the listing of confirmed properties. We eliminated any properties which were either under construction, being renovated, in lease up, or which were unstabilized for one reason or another. We identified market rate properties of similar age and condition to the subject property. If we were unable to identify a sufficient number of market rate comparables in the market area, we included market rate properties from outside the market area. If we were still unable to identify a sufficient number of market rate comparables, we included rent restricted properties - provided, however, that the rents charged at these properties were below statutory limits and similar to the rents charged at the market rate properties in the market area (suggesting that these rent restricted properties were *de facto* market rate properties).

Finally, we compiled a master list of restricted rent comparables from the listing of confirmed properties. We used the same approach described above for unrestricted market rate properties.

The resulting master lists of rent comparables and accompanying locator maps are found in this section as well. Detailed write-ups for the properties included on these lists are found in the Appendix. We include write-ups for *all* of the rent comparables identified on our master lists, regardless of whether they ended up being selected as one of the *best* rent comparables. We did this for two reasons: (1) To be transparent; and (2) To provide the reader with context regarding our selection process.

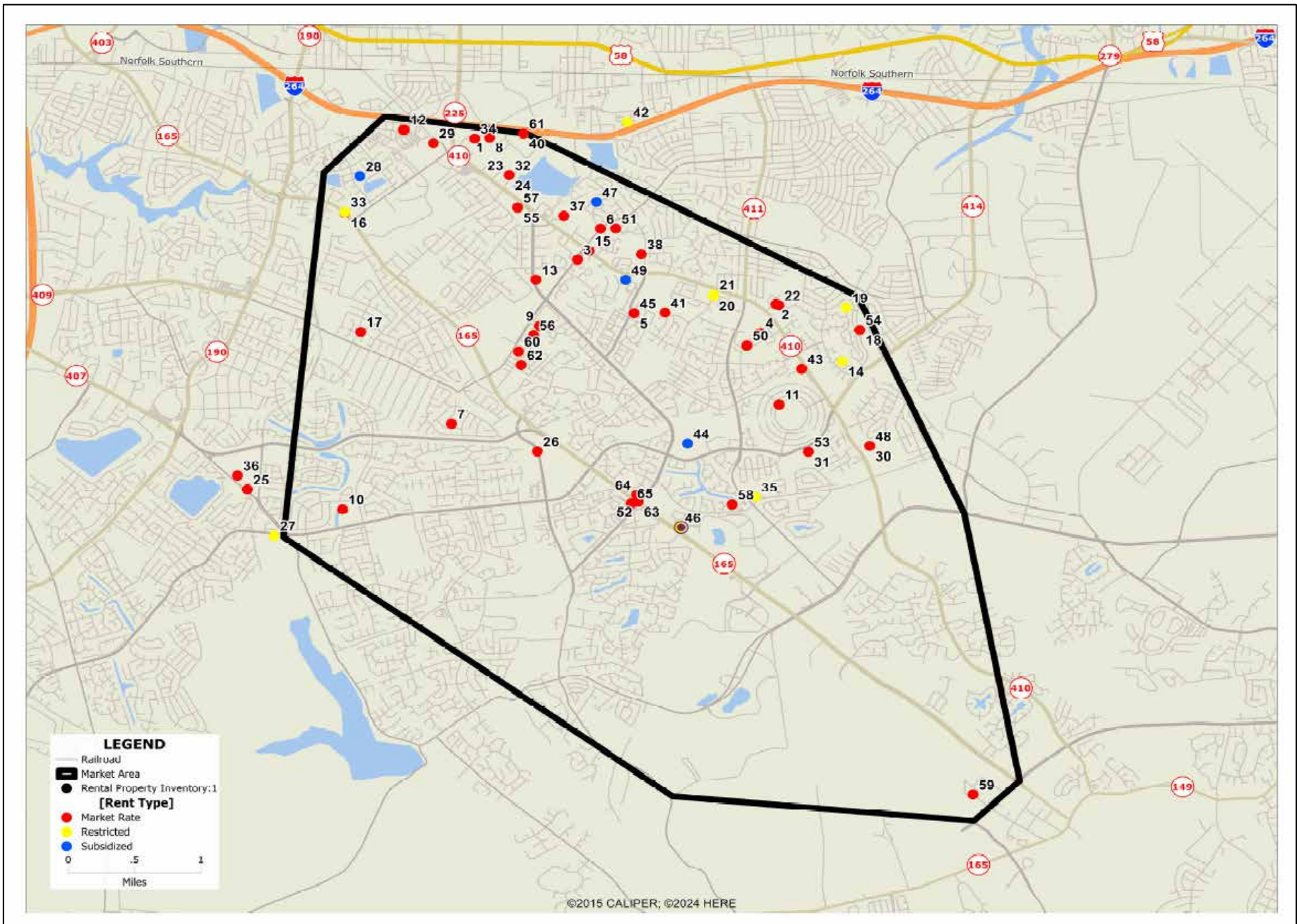
The balance of this section includes a breakdown of confirmed market area properties by rent type, project status, year built, and financing source. We also include a rent, unit mix, and amenity summary for confirmed market area properties. Finally, we provide summary of vouchers, concessions, and waiting lists for the properties included in this report.

Rental Property Inventory

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
001	4545 South Apartments	36.8323	-76.1328	2019	na	Market Rate	Family	Duplicate	Conventional	128	2	98.4%
002	Aria Apartments	36.8125	-76.0938	1983	na	Market Rate	Family	Unconfirmed	Conventional	96	1	99.0%
003	Aspen Apartments	36.8179	-76.1208	1979	2011	Market Rate	Family	Stabilized	Conventional	148	2	98.6%
004	Auburn Place Apartments	36.8092	-76.0960	1985	2008	Market Rate	Family	Stabilized	Conventional	168	0	100.0%
005	Banyan Grove at Towne Square	36.8115	-76.1131	2003	na	Market Rate	Family	Stabilized	Conventional	288	10	96.5%
006	Benwood Holding Co LLC	36.8215	-76.1177	2008	na	Market Rate	Family	Non-InVENTORY	Conventional	0	0	0.0%
007	Berry Properties	36.7985	-76.1380	2011	na	Market Rate	Family	Non-InVENTORY	Conventional	0	0	0.0%
008	Boulevard 45	36.8323	-76.1328	2023	na	Market Rate	Family	Stabilized	Conventional	128	2	98.4%
009	Brenneman Farm Apartments	36.8100	-76.1260	2006	na	Market Rate	Family	Stabilized	Conventional	304	3	99.0%
010	Bridle Creek Apartments	36.7883	-76.1526	1984	na	Market Rate	Family	Unconfirmed	Conventional	0	0	0.0%
011	Brookside Village Apartments	36.8007	-76.0934	1974	2010	Market Rate	Family	Stabilized	Conventional	104	4	96.2%
012	Cambria at Cornerstone Apartments Phas	36.8332	-76.1444	2012	na	Market Rate	Family	Stabilized	Conventional	276	6	97.8%
013	Chase Arbor Apartments	36.8155	-76.1265	1986	na	Market Rate	Family	Stabilized	Conventional	430	24	94.4%
014	Citywide Homes 2001	36.8058	-76.0848	1960	2004	Restricted	Family	Stabilized	Tax Credit	32	0	100.0%
015	Clark Whitehill Enterprise Inc	36.8189	-76.1192	1987	na	Market Rate	Family	Non-InVENTORY	Conventional	0	0	0.0%
016	Commons at Princess Anne	36.8234	-76.1523	2003	na	Market Rate	Elderly	Duplicate	Bond	0	0	0.0%
017	D & H Construction Inc	36.8093	-76.1502	1972	na	Market Rate	Family	Non-InVENTORY	Conventional	0	0	0.0%
018	Dominion Waterside at Lynhaven	36.8096	-76.0824	1966	2000	Market Rate	Family	Duplicate	Conventional	192	9	95.3%
019	Green Lakes Apartments	36.8122	-76.0842	1977	2002	Restricted	Family	Stabilized	Tax Credit	150	0	100.0%
020	Holland House Apartments Phase 1	36.8136	-76.1023	1999	na	Restricted	Elderly	Stabilized	Tax Credit	100	4	96.0%
021	Holland House Apartments Phase 2	36.8137	-76.1022	1999	na	Restricted	Elderly	Stabilized	Tax Credit	12	0	100.0%
022	Hollygreen Apartments	36.8125	-76.0934	1984	na	Market Rate	Family	Stabilized	Conventional	95	0	100.0%
023	Hunters Point I	36.8279	-76.1301	1970	na	Market Rate	Family	Non-InVENTORY	Conventional	0	0	0.0%
024	Hunters Point II	36.8279	-76.1301	1970	na	Market Rate	Family	Non-InVENTORY	Conventional	0	0	0.0%
025	Indian Lakes Apartments	36.7907	-76.1656	1986	na	Market Rate	Family	Stabilized	Conventional	296	10	96.6%
026	Lake Princess Anne Townvillas	36.7952	-76.1263	1986	2018	Market Rate	Family	Stabilized	Conventional	204	20	90.2%
027	Lynnhaven Cove Apartments	36.7852	-76.1619	2004	2016	Restricted	Elderly	Stabilized	Tax Credit	115	0	100.0%
028	Marlwood Group Home	36.8277	-76.1503	na	na	Subsidized	Family	Special Needs	HUD	2	0	100.0%
029	Marq (The)	36.8316	-76.1404	2018	na	Market Rate	Family	Stabilized	Conventional	264	1	99.6%
030	Occidental Development Co	36.7958	-76.0810	1985	na	Market Rate	Family	Duplicate	Conventional	684	34	95.0%
031	Pines of Green Run Apartments	36.7952	-76.0894	1969	2008	Market Rate	Family	Duplicate	Conventional	300	21	93.0%
032	Pleasant Park I Apartments	36.8279	-76.1301	1986	na	Market Rate	Family	Non-InVENTORY	Conventional	0	0	0.0%
033	Princess Anne House Sr	36.8235	-76.1523	2002	na	Restricted	Elderly	Stabilized	Bond	186	4	97.8%
034	Ridgewood Club Apartments	36.8322	-76.1348	1971	2011	Market Rate	Family	Stabilized	Conventional	192	41	78.6%
035	Rosemont Crossing	36.7898	-76.0966	2014	na	Restricted	Family	Prop Const	Tax Credit	54	54	0.0%
036	Royal Pointe Apartments	36.7924	-76.1669	1986	na	Market Rate	Family	Stabilized	Conventional	208	7	96.6%
037	Shoreline Apartments	36.8230	-76.1227	1986	2011	Market Rate	Family	Stabilized	Conventional	216	12	94.4%
038	South Lake Apartments	36.8185	-76.1121	1979	2011	Market Rate	Family	Stabilized	Conventional	152	1	99.3%
039	Spence Crossing Apartments	36.7892	-76.1126	2013	na	Market Rate	Family	Duplicate	Conventional	288	288	0.0%
040	Suffolk Station Apartments	36.8328	-76.1282	2012	na	Market Rate	Family	Non-InVENTORY	Conventional	0	0	0.0%
041	Summer Station Apartments	36.8116	-76.1089	1984	na	Market Rate	Family	Stabilized	Conventional	271	30	88.9%
042	Thalia Landing Apartments	36.8341	-76.1140	1981	2001	Restricted	Family	Stabilized	Tax Credit	154	0	100.0%
043	Tivoli Apartments	36.8049	-76.0903	1972	2010	Market Rate	Family	Stabilized	Conventional	140	8	94.3%
044	Twin Canal Village	36.7961	-76.1058	1979	2010	Subsidized	Family	Stabilized	Tax Credit	300	0	100.0%
045	Ultris Banyan Grove	36.8115	-76.1131	2003	na	Market Rate	Family	Duplicate	Conventional	288	10	96.5%
046	Solace Springs	36.7862	-76.1070	2026	na	Restricted	Family	Prop Const	tax Credit	60	60	0.0%
047	Water Oak Home	36.8247	-76.1182	1997	na	Subsidized	Family	Special Needs	HUD	4	0	100.0%
048	Waterfront Apartments	36.7958	-76.0810	1985	na	Market Rate	Family	Stabilized	Conventional	684	34	95.0%
049	Weymouth Home	36.8155	-76.1143	1997	na	Subsidized	Family	Special Needs	HUD	4	0	100.0%
050	Willow Lake Apartments	36.8077	-76.0978	1984	2010	Market Rate	Family	Stabilized	Conventional	152	8	94.7%
051	Windsor Lake Apartments	36.8215	-76.1156	1974	2011	Market Rate	Family	Stabilized	Conventional	256	4	98.4%
052	Apartments At Spence Crossing PH 1	36.7892	-76.1126	2014	na	Market Rate	Family	Stabilized	Conventional	288	3	99.0%

Rental Property Inventory

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
053	Sparrows Point Townhomes & Apt	36.7952	-76.0894	1969	2008	Market Rate	Family	Stabilized	Conventional	300	21	93.0%
054	Waterside At Lynnhaven	36.8096	-76.0824	1966	2000	Market Rate	Family	Stabilized	Conventional	192	9	95.3%
055	Azalea Garden Apartments	36.8240	-76.1290	2015	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
056	Brenneman Lake Apartments	36.8089	-76.1268	2007	na	Market Rate	Family	Stabilized	Conventional	48	0	100.0%
057	January 16th Assoc LC	36.8240	-76.1290	2011	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
058	Pelican Watch Apartments	36.7889	-76.0998	1986	na	Market Rate	Family	Unconfirmed	Conventional	216	10	95.4%
059	Southern Pine Apartment Homes	36.7546	-76.0670	2016	na	Market Rate	Family	Stabilized	Conventional	240	0	100.0%
060	Woodland Park at Lexington	36.8070	-76.1288	1984	na	Market Rate	Family	Condominium	Conventional	0	0	0.0%
061	Witchduck Crescent Apt Assoc	36.8328	-76.1282	1984	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
062	Nichols Park at Lexington	36.8054	-76.1285	2007	na	Market Rate	Family	Condominium	Conventional	0	0	0.0%
063	Apartments At Spence Crossing PH 2	36.7892	-76.1126	2017	na	Market Rate	Family	Stabilized	Conventional	94	0	100.0%
064	Harmony at Independence	36.7901	-76.1128	2014	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
065	Vankara Drive Condos	36.7891	-76.1135	2024	na	Market Rate	Family	Condominium	Conventional	0	0	0.0%



Rental Property Inventory, Unconfirmed

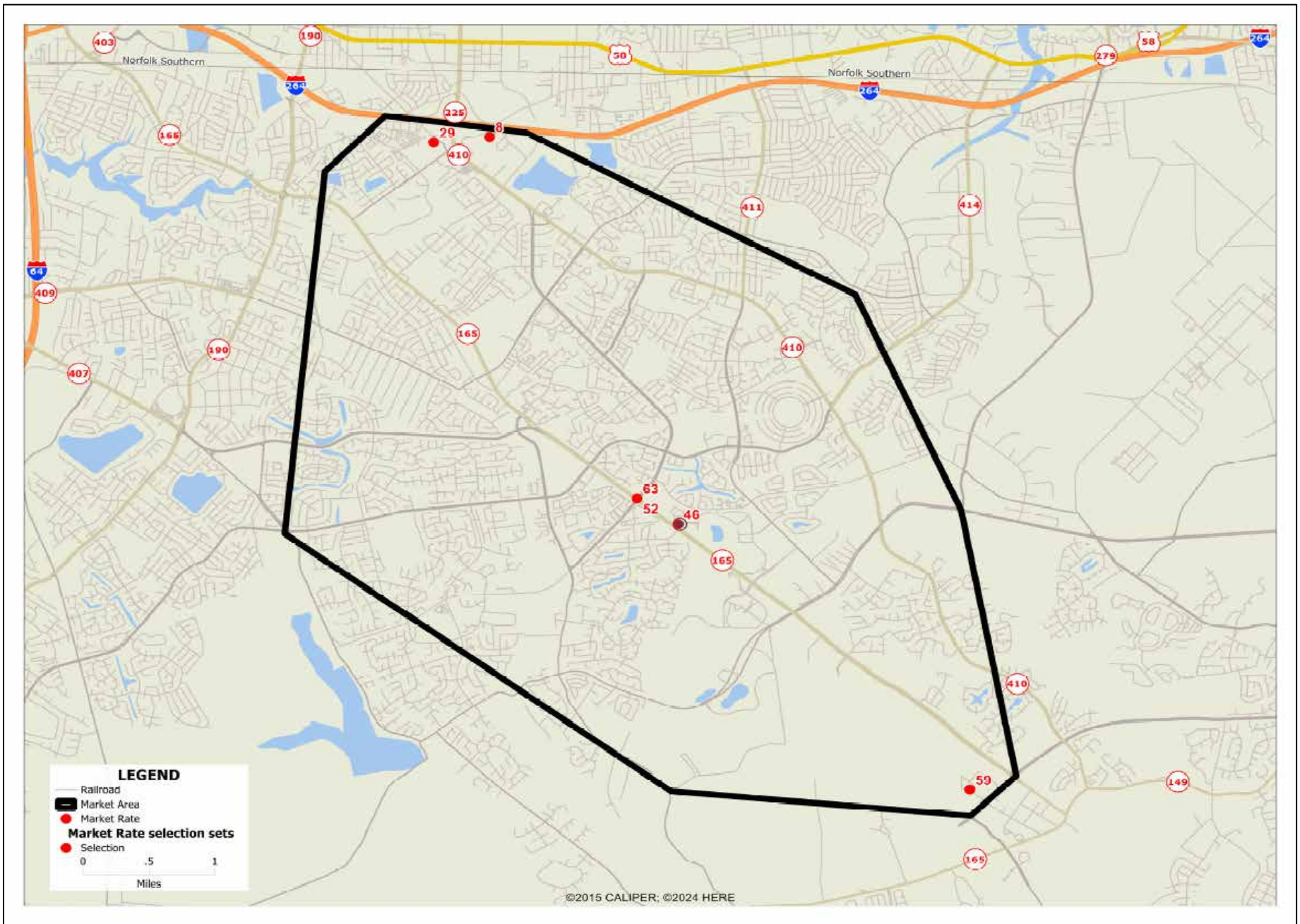
Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
002	Aria Apartments	36.8125	-76.0938	1983	na	Market Rate	Family	Unconfirmed	Conventional	96	1	99.0%
010	Bridle Creek Apartments	36.7883	-76.1526	1984	na	Market Rate	Family	Unconfirmed	Conventional	0	0	0.0%
058	Pelican Watch Apartments	36.7889	-76.0998	1986	na	Market Rate	Family	Unconfirmed	Conventional	216	10	95.4%

Rental Property Inventory, Confirmed, Inside Market Area

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
003	Aspen Apartments	36.8179	-76.1208	1979	2011	Market Rate	Family	Stabilized	Conventional	148	2	98.6%
004	Auburn Place Apartments	36.8092	-76.0960	1985	2008	Market Rate	Family	Stabilized	Conventional	168	0	100.0%
005	Banyan Grove at Towne Square	36.8115	-76.1131	2003	na	Market Rate	Family	Stabilized	Conventional	288	10	96.5%
008	Boulevard 45	36.8323	-76.1328	2023	na	Market Rate	Family	Stabilized	Conventional	128	2	98.4%
009	Brenneman Farm Apartments	36.8100	-76.1260	2006	na	Market Rate	Family	Stabilized	Conventional	304	3	99.0%
011	Brookside Village Apartments	36.8007	-76.0934	1974	2010	Market Rate	Family	Stabilized	Conventional	104	4	96.2%
012	Cambria at Cornerstone Apartments Phas	36.8332	-76.1444	2012	na	Market Rate	Family	Stabilized	Conventional	276	6	97.8%
013	Chase Arbor Apartments	36.8155	-76.1265	1986	na	Market Rate	Family	Stabilized	Conventional	430	24	94.4%
014	Citywide Homes 2001	36.8058	-76.0848	1960	2004	Restricted	Family	Stabilized	Tax Credit	32	0	100.0%
019	Green Lakes Apartments	36.8122	-76.0842	1977	2002	Restricted	Family	Stabilized	Tax Credit	150	0	100.0%
020	Holland House Apartments Phase 1	36.8136	-76.1023	1999	na	Restricted	Elderly	Stabilized	Tax Credit	100	4	96.0%
021	Holland House Apartments Phase 2	36.8137	-76.1022	1999	na	Restricted	Elderly	Stabilized	Tax Credit	12	0	100.0%
022	Hollygreen Apartments	36.8125	-76.0934	1984	na	Market Rate	Family	Stabilized	Conventional	95	0	100.0%
025	Indian Lakes Apartments	36.7907	-76.1656	1986	na	Market Rate	Family	Stabilized	Conventional	296	10	96.6%
026	Lake Princess Anne Townvillas	36.7952	-76.1263	1986	2018	Market Rate	Family	Stabilized	Conventional	204	20	90.2%
027	Lynnhaven Cove Apartments	36.7852	-76.1619	2004	2016	Restricted	Elderly	Stabilized	Tax Credit	115	0	100.0%
029	Marq (The)	36.8316	-76.1404	2018	na	Market Rate	Family	Stabilized	Conventional	264	1	99.6%
033	Princess Anne House Sr	36.8235	-76.1523	2002	na	Restricted	Elderly	Stabilized	Bond	186	4	97.8%
034	Ridgewood Club Apartments	36.8322	-76.1348	1971	2011	Market Rate	Family	Stabilized	Conventional	192	41	78.6%
035	Rosemont Crossing	36.7898	-76.0966	2014	na	Restricted	Family	Prop Const	Tax Credit	54	54	0.0%
036	Royal Pointe Apartments	36.7924	-76.1669	1986	na	Market Rate	Family	Stabilized	Conventional	208	7	96.6%
037	Shoreline Apartments	36.8230	-76.1227	1986	2011	Market Rate	Family	Stabilized	Conventional	216	12	94.4%
038	South Lake Apartments	36.8185	-76.1121	1979	2011	Market Rate	Family	Stabilized	Conventional	152	1	99.3%
041	Summer Station Apartments	36.8116	-76.1089	1984	na	Market Rate	Family	Stabilized	Conventional	271	30	88.9%
043	Tivoli Apartments	36.8049	-76.0903	1972	2010	Market Rate	Family	Stabilized	Conventional	140	8	94.3%
044	Twin Canal Village	36.7961	-76.1058	1979	2010	Subsidized	Family	Stabilized	Tax Credit	300	0	100.0%
048	Waterfront Apartments	36.7958	-76.0810	1985	na	Market Rate	Family	Stabilized	Conventional	684	34	95.0%
050	Willow Lake Apartments	36.8077	-76.0978	1984	2010	Market Rate	Family	Stabilized	Conventional	152	8	94.7%
051	Windsor Lake Apartments	36.8215	-76.1156	1974	2011	Market Rate	Family	Stabilized	Conventional	256	4	98.4%
052	Apartments At Spence Crossing PH 1	36.7892	-76.1126	2014	na	Market Rate	Family	Stabilized	Conventional	288	3	99.0%
053	Sparrows Point Townhomes & Apt	36.7952	-76.0894	1969	2008	Market Rate	Family	Stabilized	Conventional	300	21	93.0%
054	Waterside At Lynnhaven	36.8096	-76.0824	1966	2000	Market Rate	Family	Stabilized	Conventional	192	9	95.3%
056	Brenneman Lake Apartments	36.8089	-76.1268	2007	na	Market Rate	Family	Stabilized	Conventional	48	0	100.0%
059	Southern Pine Apartment Homes	36.7546	-76.0670	2016	na	Market Rate	Family	Stabilized	Conventional	240	0	100.0%
063	Apartments At Spence Crossing PH 2	36.7892	-76.1126	2017	na	Market Rate	Family	Stabilized	Conventional	94	0	100.0%

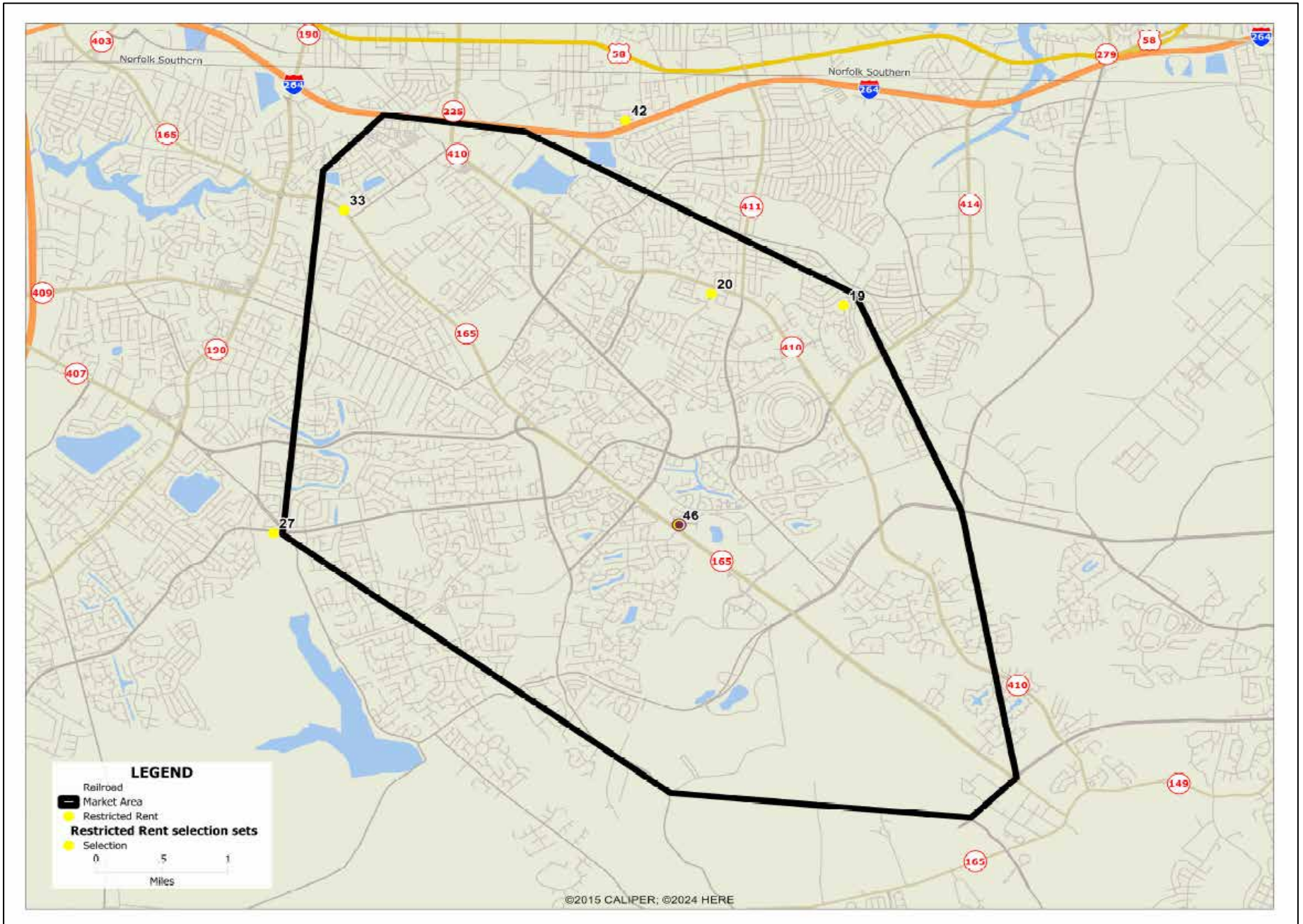
Master List of Market Rate Comparables

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
008	Boulevard 45	36.8323	-76.1328	2023	na	Market Rate	Family	Stabilized	Conventional	128	2	98.4%
029	Marq (The)	36.8316	-76.1404	2018	na	Market Rate	Family	Stabilized	Conventional	264	1	99.6%
052	Apartments At Spence Crossing PH 1	36.7892	-76.1126	2014	na	Market Rate	Family	Stabilized	Conventional	288	3	99.0%
059	Southern Pine Apartment Homes	36.7546	-76.0670	2016	na	Market Rate	Family	Stabilized	Conventional	240	0	100.0%
063	Apartments At Spence Crossing PH 2	36.7892	-76.1126	2017	na	Market Rate	Family	Stabilized	Conventional	94	0	100.0%



Master List of Restricted Rent Comparables

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
019	Green Lakes Apartments	36.8122	-76.0842	1977	2002	Restricted	Family	Stabilized	Tax Credit	150	0	100.0%
020	Holland House Apartments Phase 1	36.8136	-76.1023	1999	na	Restricted	Elderly	Stabilized	Tax Credit	100	4	96.0%
027	Lynnhaven Cove Apartments	36.7852	-76.1619	2004	2016	Restricted	Elderly	Stabilized	Tax Credit	115	0	100.0%
033	Princess Anne House Sr	36.8235	-76.1523	2002	na	Restricted	Elderly	Stabilized	Bond	186	4	97.8%
042	Thalia Landing Apartments	36.8341	-76.1140	1981	2001	Restricted	Family	Stabilized	Tax Credit	154	0	100.0%



## Rental Property Inventory, Confirmed, Inside Market Area, by Rent Type

The following tables and graphs provide a summary of the confirmed market area properties included in this analysis broken out by rent type:

Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
Market Rate		27	27
Restricted	4	3	7
Subsidized		1	1
<b>Total</b>	<b>4</b>	<b>31</b>	<b>35</b>

Total Units			
	Elderly	Family	Total
Market Rate		6,138	6,138
Restricted	413	230	643
Subsidized		306	306
<b>Total</b>	<b>413</b>	<b>6,674</b>	<b>7,087</b>

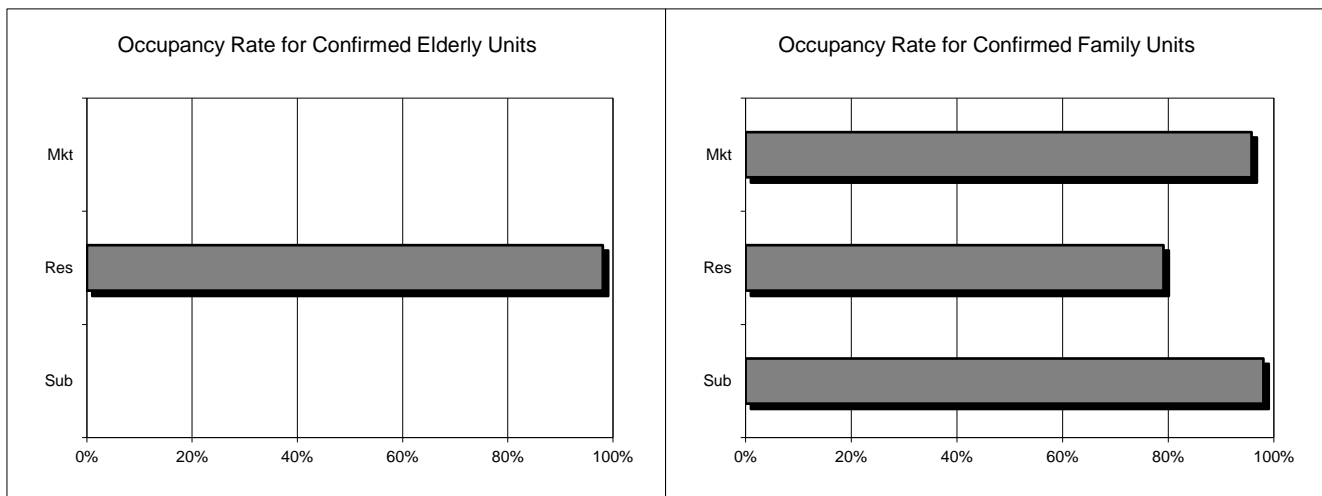
  

Vacant Units			
	Elderly	Family	Total
Market Rate		260	260
Restricted	8	48	56
Subsidized		6	6
<b>Total</b>	<b>8</b>	<b>314</b>	<b>322</b>

Occupancy Rate			
	Elderly	Family	Total
Market Rate		96%	96%
Restricted	98%	79%	91%
Subsidized		98%	98%
<b>Total</b>	<b>98%</b>	<b>95%</b>	<b>95%</b>

Source: Allen & Associates



Our analysis includes a total of 35 confirmed market area properties consisting of 7,087 units. The occupancy rate for these units currently stands at 95 percent. This rate reflects the occupancy for all confirmed market area units, regardless of project status (stabilized, under construction, proposed, etc.).

Confirmed market area properties break down by rent type and tenure as shown in the tables above.

## Rental Property Inventory, Confirmed, Inside Market Area, by Project Status

The following tables and graphs provide a summary of the confirmed market area properties included in this analysis broken out by project status:

### Rental Property Inventory, Confirmed, Inside Market Area

Elderly					Family				
Total Properties					Total Properties				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized		4		4	Stabilized	1	2	27	30
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const		1		1
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal		1		1
Total		4		4	Total	1	3	27	31

Total Units					Total Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized		413		413	Stabilized	300	182	6,138	6,620
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const	6	48		54
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal	6	48		54
Total		413		413	Total	306	230	6,138	6,674

Vacant Units					Vacant Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized		8		8	Stabilized			260	260
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const	6	48		54
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal	6	48		54
Total		8		8	Total	6	48	260	314

Source: Allen & Associates

Our survey includes a total of 34 stabilized market area properties consisting of 7,033 units standing at 96 percent occupancy.

Our survey also includes a total of 1 market area property consisting of 54 units that is not yet stabilized. Unstabilized units (also referred to as pipeline units) include vacant units in lease up, construction, rehabilitation, proposed new construction, and units with proposed renovation plans.

Rental Property Inventory, Confirmed, Inside Market Area

Elderly					Family				
Occupancy Rate					Occupancy Rate				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized		98%		98%	Stabilized	100%	100%	96%	96%
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const	0%	0%		0%
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal	0%	0%		0%
Total		98%		98%	Total	98%	79%	96%	95%

Source: Allen & Associates

Occupancies of stabilized market area properties broken out by occupancy type (elderly or family) and rent type (subsidized, restricted or market rate) are found below:



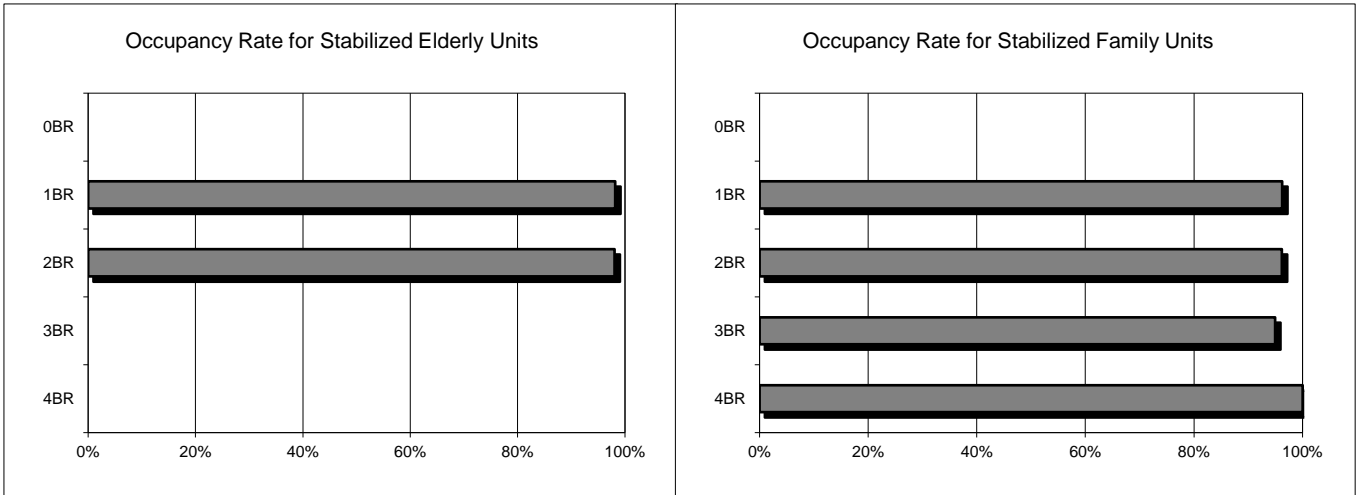
Our research suggests the following occupancy levels for the 413 stabilized elderly units in this market area:

- Subsidized, not applicable (0 units in survey)
- Restricted, 98 percent (413 units in survey)
- Market Rate, not applicable (0 units in survey)

Our research suggests the following occupancy levels for the 6,620 stabilized family units in this market area:

- Subsidized, 100 percent (300 units in survey)
- Restricted, 100 percent (182 units in survey)
- Market Rate, 96 percent (6138 units in survey)

Occupancy rates for stabilized market area properties broken out by occupancy type (elderly or family) and unit type are found below (supporting data is found in the pages that follow):



Our research suggests the following occupancy levels for the 413 stabilized elderly units in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 98 percent (109 units in survey)
- 2-Bedroom, 98 percent (304 units in survey)
- 3-Bedroom, not applicable (0 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Our research suggests the following occupancy levels for the 6,620 stabilized family units in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 96 percent (1859 units in survey)
- 2-Bedroom, 96 percent (3871 units in survey)
- 3-Bedroom, 95 percent (855 units in survey)
- 4-Bedroom, 100 percent (35 units in survey)

Rental Property Inventory, Confirmed, Inside Market Area, 0-Bedroom Units

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Source: Allen & Associates

Rental Property Inventory, Confirmed, Inside Market Area, 1-Bedroom Units

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized					3				3
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total					3				3

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized					1			24	25
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total					1			24	25

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized					109				109
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total					109				109

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized					20			1,839	1,859
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total					20			1,839	1,859

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized					2				2
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total					2				2

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								70	70
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total								70	70

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized					98%				98%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total					98%				98%

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized					100%			96%	96%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total					100%			96%	96%

Source: Allen & Associates

Rental Property Inventory, Confirmed, Inside Market Area, 2-Bedroom Units

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized				1	4				5
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal				1	4				5
Total				1	4				5

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	1		1	1	1				27
Lease Up									
Construction									
Rehabilitation									
Prop Const	1			1	1				3
Prop Rehab									
Unstabilized									
Subtotal	1			1	1				3
Total	2		1	2	2				27

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized				6	298				304
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal				6	298				304
Total				6	298				304

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	160		3	1	62			3,645	3,871
Lease Up									
Construction									
Rehabilitation									
Prop Const	3			3	6				12
Prop Rehab									
Unstabilized									
Subtotal	3			3	6				12
Total	163		3	4	68			3,645	3,883

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized					6				6
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal					6				6
Total					6				6

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								147	147
Lease Up									
Construction									
Rehabilitation									
Prop Const	3			3	6				12
Prop Rehab									
Unstabilized									
Subtotal	3			3	6				12
Total	3			3	6			147	159

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized				100%	98%				98%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total				100%	98%				98%

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	100%		100%	100%	100%			96%	96%
Lease Up									
Construction									
Rehabilitation									
Prop Const	0%			0%	0%				0%
Prop Rehab									
Unstabilized									
Subtotal	0%			0%	0%				0%
Total	98%		100%	25%	91%			96%	96%

Source: Allen & Associates

Rental Property Inventory, Confirmed, Inside Market Area, 3-Bedroom Units

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	1		1	1	2			19	24
Lease Up									
Construction									
Rehabilitation									
Prop Const	1			1	1				3
Prop Rehab									
Unstabilized									
Subtotal	1			1	1				3
Total	2		1	2	3			19	27

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	124		4	12	61			654	855
Lease Up									
Construction									
Rehabilitation									
Prop Const	3			18	21				42
Prop Rehab									
Unstabilized									
Subtotal	3			18	21				42
Total	127		4	30	82			654	897

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								43	43
Lease Up									
Construction									
Rehabilitation									
Prop Const	3			18	21				42
Prop Rehab									
Unstabilized									
Subtotal	3			18	21				42
Total	3			18	21			43	85

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	100%		100%	100%	100%			93%	95%
Lease Up									
Construction									
Rehabilitation									
Prop Const	0%			0%	0%				0%
Prop Rehab									
Unstabilized									
Subtotal	0%			0%	0%				0%
Total	98%		100%	40%	74%			93%	91%

Source: Allen & Associates

Rental Property Inventory, Confirmed, Inside Market Area, 4-Bedroom Units

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	1				2				3
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	1				2				3

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	16				19				35
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	16				19				35

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	100%				100%				100%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	100%				100%				100%

Source: Allen & Associates

## Rental Property Inventory, Confirmed, Inside Market Area, by Year Built

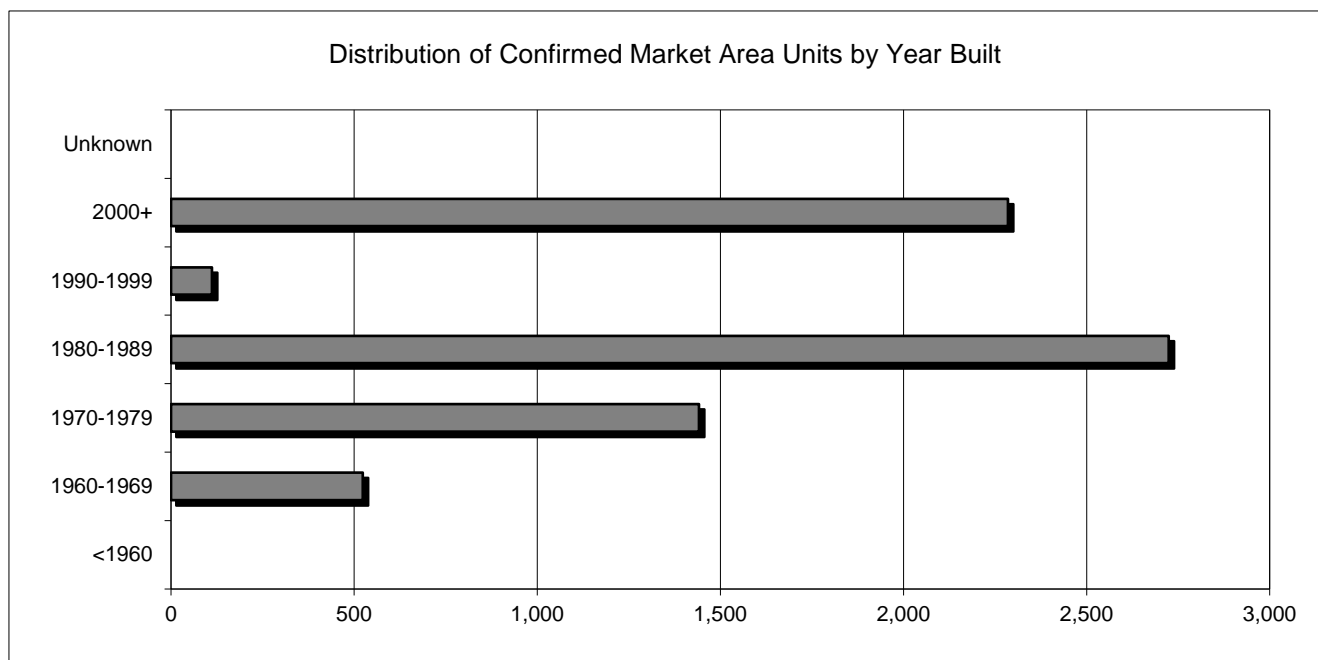
The following tables and graph provide a summary of the confirmed market area properties included in this analysis broken out by year built:

Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
<1960			
1960-1969		3	3
1970-1979		8	8
1980-1989		10	10
1990-1999	2		2
2000+	2	10	12
Unknown			
<b>Total</b>	<b>4</b>	<b>31</b>	<b>35</b>

Total Units			
	Elderly	Family	Total
<1960			
1960-1969		524	524
1970-1979		1,442	1,442
1980-1989		2,724	2,724
1990-1999	112		112
2000+	301	1,984	2,285
Unknown			
<b>Total</b>	<b>413</b>	<b>6,674</b>	<b>7,087</b>

Source: Allen & Associates



Our research suggests that of the 35 confirmed market area properties (7087 units) included in this report, 0 properties (0 units) were constructed before 1960, 3 properties (524 units) were constructed between 1960 and 1969, 8 properties (1442 units) between 1970 and 1979, 10 properties (2724 units) between 1980 and 1989, 2 properties (112 units) between 1990 and 1999, and 12 properties (2285 units) after 2000. In addition, 0 properties (0 units) had an unknown date of construction.

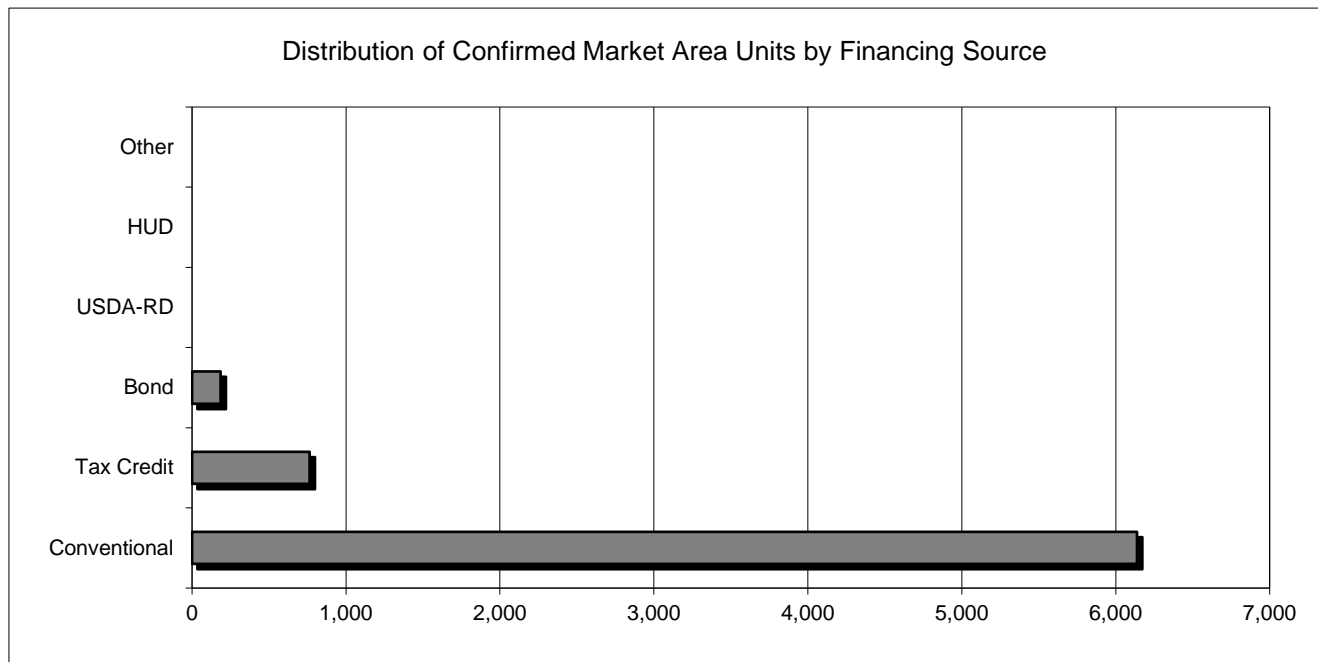
## Rental Property Inventory, Confirmed, Inside Market Area, by Financing Source

The following tables and graph provide a summary of the confirmed market area properties included in this analysis broken out by financing source:

Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
Conventional		27	27
Tax Credit	3	4	7
Bond	1		1
USDA-RD			
HUD			
Other			
<b>Total</b>	<b>4</b>	<b>31</b>	<b>35</b>

Total Units			
	Elderly	Family	Total
Conventional		6,138	6,138
Tax Credit	227	536	763
Bond	186		186
USDA-RD			
HUD			
Other			
<b>Total</b>	<b>413</b>	<b>6,674</b>	<b>7,087</b>

Source: Allen & Associates



Our research suggests that of the 35 confirmed properties in the market area, 27 properties (consisting of 6138 units) are conventionally financed, 7 properties (consisting of 763 units) include tax credit financing, 1 property (consisting of 186 units) is bond financed, 0 properties (consisting of 0 units) are exclusively USDA-RD financed, and 0 properties (consisting of 0 units) are exclusively HUD financed.

The average project size for this market area is 202 units. The smallest projects are tax credit financed, averaging 109 units in size. The largest projects are conventionally financed, averaging 227 units in size.

## Rental Property Inventory, Confirmed, Inside Market Area, Rent Summary

The following tables and graphs provide a summary of the rents charged at confirmed market area properties broken out by unit type:

Rental Property Inventory, Confirmed, Inside Market Area									
Rents									
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	-	-	-	-	-	-	-	-	-
1-Bedroom	-	-	-	\$1,077	\$1,123	\$1,110	\$590	\$1,965	\$1,168
2-Bedroom	\$598	\$650	\$624	\$434	\$1,343	\$1,007	\$871	\$2,470	\$1,367
3-Bedroom	\$684	\$763	\$724	\$486	\$1,586	\$852	\$1,045	\$2,890	\$1,790
4-Bedroom	\$867	\$867	\$867	\$938	\$1,653	\$1,296	-	-	-

Unit Size									
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	-	-	-	-	-	-	-	-	-
1-Bedroom	-	-	-	504	688	618	619	1,300	807
2-Bedroom	872	992	932	789	1,327	938	855	1,600	1,065
3-Bedroom	1,095	1,121	1,108	1,121	1,410	1,254	1,030	1,580	1,307
4-Bedroom	1,323	1,323	1,323	1,330	1,400	1,365	-	-	-

Rent per Square Foot									
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	-	-	-	-	-	-	-	-	-
1-Bedroom	-	-	-	\$1.63	\$2.14	\$1.80	\$0.95	\$1.51	\$1.45
2-Bedroom	\$0.66	\$0.69	\$0.67	\$0.55	\$1.01	\$1.07	\$1.02	\$1.54	\$1.28
3-Bedroom	\$0.62	\$0.68	\$0.65	\$0.43	\$1.12	\$0.68	\$1.01	\$1.83	\$1.37
4-Bedroom	\$0.66	\$0.66	\$0.66	\$0.71	\$1.18	\$0.95	-	-	-

Source: Allen & Associates



Our research suggests the following average rent levels for confirmed restricted rent units:

- 0-Bedroom, not applicable
- 1-Bedroom, \$1.80 per square foot
- 2-Bedroom, \$1.07 per square foot
- 3-Bedroom, \$0.68 per square foot
- 4-Bedroom, \$0.95 per square foot

Our research suggests the following average rent levels for confirmed market rate units:

- 0-Bedroom, not applicable
- 1-Bedroom, \$1.45 per square foot
- 2-Bedroom, \$1.28 per square foot
- 3-Bedroom, \$1.37 per square foot
- 4-Bedroom, not applicable

A detailed listing of rents and floor areas for confirmed market area properties by unit type and income target is found in the following pages.

## Rental Property Inventory, Confirmed, Inside Market Area, Unit Mix Summary

In the tables and graphs found below we present a breakdown of unit mix for confirmed market area properties broken out by occupancy type (elderly or family):

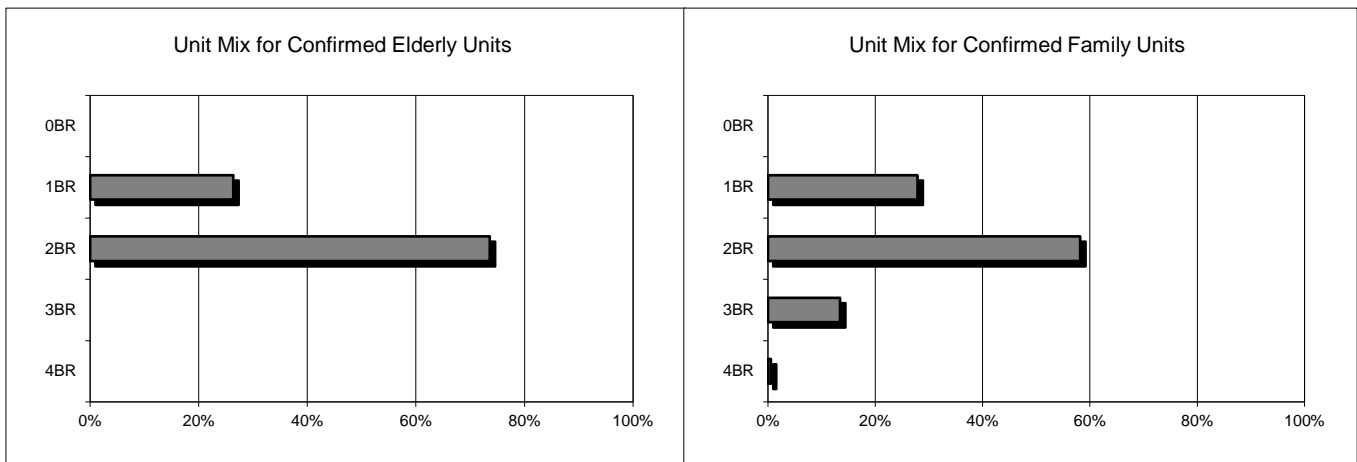
Rental Property Inventory, Confirmed, Inside Market Area, Unit Mix Summary

Elderly					Family				
Total Units					Total Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
0-Bedroom					0-Bedroom				
1-Bedroom		109		109	1-Bedroom		20	1,839	1,859
2-Bedroom		304		304	2-Bedroom	163	75	3,645	3,883
3-Bedroom					3-Bedroom	127	116	654	897
4-Bedroom					4-Bedroom	16	19		35
Total		413		413	Total	306	230	6,138	6,674

Unit Mix					Unit Mix				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
0-Bedroom					0-Bedroom				
1-Bedroom		26%		26%	1-Bedroom		9%	30%	28%
2-Bedroom		74%		74%	2-Bedroom	53%	33%	59%	58%
3-Bedroom					3-Bedroom	42%	50%	11%	13%
4-Bedroom					4-Bedroom	5%	8%		1%
Total		100%		100%	Total	100%	100%	100%	100%

Source: Allen & Associates



Our research suggests the following unit mix for the 413 confirmed elderly units located in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 26 percent (109 units in survey)
- 2-Bedroom, 74 percent (304 units in survey)
- 3-Bedroom, not applicable (0 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Our research suggests the following unit mix for the 6,674 confirmed family units located in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 28 percent (1,859 units in survey)
- 2-Bedroom, 58 percent (3,883 units in survey)
- 3-Bedroom, 13 percent (897 units in survey)
- 4-Bedroom, 1 percent (35 units in survey)

## Rental Property Inventory, Confirmed, Inside Market Area, Amenity Summary

In the table found below we present a summary of amenities found at confirmed market area properties:

Rental Property Inventory, Confirmed, Inside Market Area, Amenity Summary			
Building Type		Air Conditioning	
1 Story	0%	Central	100%
2-4 Story	97%	Wall Units	0%
5-10 Story	3%	Window Units	0%
>10 Story	0%	None	0%
Project Amenities		Heat	
Ball Field	0%	Central	100%
BBQ Area	54%	Wall Units	0%
Billiards	6%	Baseboards	0%
Bus/Comp Ctr	26%	Radiators	0%
Car Care Ctr	14%	None	0%
Comm Center	86%		
Elevator	17%	Parking	
Fitness Center	66%	Garage	0%
Gazebo	29%	Covered	0%
Hot Tub/Jacuzzi	17%	Assigned	14%
Horseshoe Pit	0%	Open	94%
Lake	9%	None	0%
Library	14%		
Movie Theatre	14%	Laundry	
Picnic Area	57%	Central	31%
Playground	54%	W/D Units	69%
Pool	74%	W/D Hookups	9%
Sauna	3%		
Sports Court	34%	Security	
Walking Trail	3%	Call Buttons	11%
		Cont Access	20%
		Courtesy Officer	9%
		Monitoring	0%
		Security Alarms	3%
		Security Patrols	40%
Unit Amenities		Services	
Blinds	97%	After School	0%
Ceiling Fans	43%	Concierge	3%
Upgraded Flooring	97%	Hair Salon	9%
Fireplace	9%	Health Care	0%
Patio/Balcony	74%	Linens	0%
Storage	37%	Meals	0%
		Transportation	6%
Kitchen Amenities			
Stove	100%		
Refrigerator	100%		
Disposal	77%		
Dishwasher	94%		
Microwave	26%		

Source: Allen & Associates

Our research suggests that 0 percent of confirmed market area properties are 1 story in height, 97 percent are 2-4 stories in height, 3 percent are 5-10 stories in height, and 0 percent are over 10 stories in height. In addition, surveyed properties benefit from the following project amenities: 26 percent have a business/computer center, 86 percent have a community center, 66 percent have a fitness center, 54 percent have a playground, and 34 percent have a sports court.

Our research also suggests that the following unit amenities are present at surveyed properties: 97 percent have blinds, 97 percent have carpeting, 74 percent have patios/balconies, and 37 percent have outside storage. Surveyed properties also include the following kitchen amenities: 100 percent have a stove, 100 percent have a refrigerator, 77 percent have a disposal, 94 percent have a dishwasher, and 26 percent have a microwave.

In addition, 100 percent of confirmed market area properties have central heat while 100 percent have central air. Our research also suggests that 94 percent of surveyed properties have open parking. A total of 31 percent of area properties have central laundry facilities, while 9 percent have washer/dryer hookups, and 69 percent have washer/dryer units in each residential unit.

A total of 11 percent of confirmed market area properties have call buttons, 20 percent have controlled access, and 3 percent have security alarms.

It is also our understanding that the majority of confirmed market area properties provide cable access.

Finally, in the following pages we provide a summary of vouchers, concessions and waiting lists for the confirmed market area properties included in this report. We also include any absorption information we have uncovered as part of our research.

Rental Property Inventory, Confirmed, Inside Market Area

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy	Concessions	Vouchers	Abs Rate	Waiting List
003	Aspen Apartments	36.8179	-76.1208	1979	2011	Market Rate	Family	Stabilized	Conventional	148	2	98.6%	3%	0%	-	2 people
004	Auburn Place Apartments	36.8092	-76.0960	1985	2008	Market Rate	Family	Stabilized	Conventional	168	0	100.0%	4%	0%	-	no
005	Banyan Grove at Towne Square	36.8115	-76.1131	2003	na	Market Rate	Family	Stabilized	Conventional	288	10	96.5%	0%	0%	-	-
008	Boulevard 45	36.8323	-76.1328	2023	na	Market Rate	Family	Stabilized	Conventional	128	2	98.4%	0%	0%	-	yes
009	Brenneman Farm Apartments	36.8100	-76.1260	2006	na	Market Rate	Family	Stabilized	Conventional	304	3	99.0%	0%	0%	-	-
011	Brookside Village Apartments	36.8007	-76.0934	1974	2010	Market Rate	Family	Stabilized	Conventional	104	4	96.2%	0%	0%	-	-
012	Cambria at Cornerstone Apartments Phas	36.8332	-76.1444	2012	na	Market Rate	Family	Stabilized	Conventional	276	6	97.8%	0%	0%	18-16	no
013	Chase Arbor Apartments	36.8155	-76.1265	1986	na	Market Rate	Family	Stabilized	Conventional	430	24	94.4%	1%	0%	-	13 people
014	Citywide Homes 2001	36.8058	-76.0848	1960	2004	Restricted	Family	Stabilized	Tax Credit	32	0	100.0%	0%	56%	-	yes
019	Green Lakes Apartments	36.8122	-76.0842	1977	2002	Restricted	Family	Stabilized	Tax Credit	150	0	100.0%	0%	17%	-	no
020	Holland House Apartments Phase 1	36.8136	-76.1023	1999	na	Restricted	Elderly	Stabilized	Tax Credit	100	4	96.0%	0%	18%	-	no
021	Holland House Apartments Phase 2	36.8137	-76.1022	1999	na	Restricted	Elderly	Stabilized	Tax Credit	12	0	100.0%	0%	42%	-	no
022	Hollygreen Apartments	36.8125	-76.0934	1984	na	Market Rate	Family	Stabilized	Conventional	95	0	100.0%	0%	0%	-	no
025	Indian Lakes Apartments	36.7907	-76.1656	1986	na	Market Rate	Family	Stabilized	Conventional	296	10	96.6%	4%	0%	-	3 people
026	Lake Princess Anne Townvillas	36.7952	-76.1263	1986	2018	Market Rate	Family	Stabilized	Conventional	204	20	90.2%	0%	0%	-	no
027	Lynnhaven Cove Apartments	36.7852	-76.1619	2004	2016	Restricted	Elderly	Stabilized	Tax Credit	115	0	100.0%	0%	5%	-	1 year
029	Marq (The)	36.8316	-76.1404	2018	na	Market Rate	Family	Stabilized	Conventional	264	1	99.6%	0%	0%	-	no
033	Princess Anne House Sr	36.8235	-76.1523	2002	na	Restricted	Elderly	Stabilized	Bond	186	4	97.8%	0%	0%	-	12 people
034	Ridgewood Club Apartments	36.8322	-76.1348	1971	2011	Market Rate	Family	Stabilized	Conventional	192	41	78.6%	5%	3%	-	0 people
035	Rosemont Crossing	36.7898	-76.0966	2014	na	Restricted	Family	Prop Const	Tax Credit	54	54	0.0%	0%	0%	-	-
036	Royal Pointe Apartments	36.7924	-76.1669	1986	na	Market Rate	Family	Stabilized	Conventional	208	7	96.6%	7%	0%	-	4 people
037	Shoreline Apartments	36.8230	-76.1227	1986	2011	Market Rate	Family	Stabilized	Conventional	216	12	94.4%	8%	0%	-	1 person
038	South Lake Apartments	36.8185	-76.1121	1979	2011	Market Rate	Family	Stabilized	Conventional	152	1	99.3%	7%	0%	-	3 people
041	Summer Station Apartments	36.8116	-76.1089	1984	na	Market Rate	Family	Stabilized	Conventional	271	30	88.9%	8%	0%	-	no
043	Tivoli Apartments	36.8049	-76.0903	1972	2010	Market Rate	Family	Stabilized	Conventional	140	8	94.3%	0%	0%	-	no
044	Twin Canal Village	36.7961	-76.1058	1979	2010	Subsidized	Family	Stabilized	Tax Credit	300	0	100.0%	0%	0%	-	6 months
048	Waterfront Apartments	36.7958	-76.0810	1985	na	Market Rate	Family	Stabilized	Conventional	684	34	95.0%	0%	0%	-	17 people
050	Willow Lake Apartments	36.8077	-76.0978	1984	2010	Market Rate	Family	Stabilized	Conventional	152	8	94.7%	0%	0%	-	no
051	Windsor Lake Apartments	36.8215	-76.1156	1974	2011	Market Rate	Family	Stabilized	Conventional	256	4	98.4%	6%	0%	-	2 people
052	Apartments At Spence Crossing PH 1	36.7892	-76.1126	2014	na	Market Rate	Family	Stabilized	Conventional	288	3	99.0%	0%	0%	-	no
053	Sparrows Point Townhomes & Apt	36.7952	-76.0894	1969	2008	Market Rate	Family	Stabilized	Conventional	300	21	93.0%	0%	0%	-	no
054	Waterside At Lynnhaven	36.8096	-76.0824	1966	2000	Market Rate	Family	Stabilized	Conventional	192	9	95.3%	0%	0%	-	no
056	Brenneman Lake Apartments	36.8089	-76.1268	2007	na	Market Rate	Family	Stabilized	Conventional	48	0	100.0%	0%	0%	-	2 months
059	Southern Pine Apartment Homes	36.7546	-76.0670	2016	na	Market Rate	Family	Stabilized	Conventional	240	0	100.0%	0%	0%	-	yes
063	Apartments At Spence Crossing PH 2	36.7892	-76.1126	2017	na	Market Rate	Family	Stabilized	Conventional	94	0	100.0%	0%	0%	-	no

## RENT COMPARABILITY ANALYSIS

In this section we develop restricted and unrestricted market rent conclusions for the subject property on an "as if complete & stabilized" basis. Our analysis begins with an evaluation of unrestricted market rents.

### **Unrestricted Rent Analysis**

In this section we develop an unrestricted market rent conclusion for the subject property units. Our analysis began by selecting comparable rentals to use to develop estimates of market rents for the units at the subject property, assuming that the subject was an unrestricted property. Our selection of comparables was based on location, age, condition, unit mix and amenities of the comparable properties relative to the subject property.

#### Rental Property Inventory, by Unit Type

In the following pages we present an inventory of properties included in this analysis. Rents for these properties, broken out by unit type, were used in selecting the rent comparables used in this analysis.

The properties that we consider to be comparable to the subject property are highlighted in the tables found in the following pages. We attempted to select stabilized market rate properties as comparables for purposes of our rent comparability analysis.

Comparables with restricted rents are used when a sufficient number of market rent comparables are not available and when maximum allowable rents for properties with restricted rents exceed prevailing rents in the area. In the event that program rental rates exceed market rental rates, restricted units are, in fact, *de facto* market rate units.

#### Rent Comparables, Market Rate, Map

A map showing the location of the properties selected as comparables in this analysis is found in the following pages. Properties identified with red pushpins have market rents, properties identified with yellow pushpins have restricted rents, and properties identified with blue pushpins have subsidized rents. Detailed write-ups for the select rent comparables are found in the Appendix to this report.

#### Rent Comparability Grids

Our analysis employed the use of rent comparability grids and resulted in an unrestricted market rent estimate for each of the subject's unit types. These grids and a narrative describing our rent adjustments are found in the following pages.

Rental Property Inventory, 1-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
003	Aspen Apartments	1979	2011	Market Rate	Family	Stabilized								\$1,078
004	Auburn Place Apartments	1985	2008	Market Rate	Family	Stabilized								\$975
005	Banyan Grove at Towne Square	2003	na	Market Rate	Family	Stabilized								\$1,076
008	Boulevard 45	2023	na	Market Rate	Family	Stabilized								\$1,861
009	Brenneman Farm Apartments	2006	na	Market Rate	Family	Stabilized								\$1,815
011	Brookside Village Apartments	1974	2010	Market Rate	Family	Stabilized								\$855
012	Cambria at Cornerstone Apartments Phase	2012	na	Market Rate	Family	Stabilized								\$1,664
013	Chase Arbor Apartments	1986	na	Market Rate	Family	Stabilized								\$959
022	Hollygreen Apartments	1984	na	Market Rate	Family	Stabilized								
025	Indian Lakes Apartments	1986	na	Market Rate	Family	Stabilized								\$834
026	Lake Princess Anne Townvillas	1986	2018	Market Rate	Family	Stabilized								
029	Marq (The)	2018	na	Market Rate	Family	Stabilized								\$1,820
034	Ridgewood Club Apartments	1971	2011	Market Rate	Family	Stabilized								\$590
036	Royal Pointe Apartments	1986	na	Market Rate	Family	Stabilized								\$833
037	Shoreline Apartments	1986	2011	Market Rate	Family	Stabilized								\$1,068
038	South Lake Apartments	1979	2011	Market Rate	Family	Stabilized								\$865
041	Summer Station Apartments	1984	na	Market Rate	Family	Stabilized								\$806
043	Tivoli Apartments	1972	2010	Market Rate	Family	Stabilized								\$810
048	Waterfront Apartments	1985	na	Market Rate	Family	Stabilized								\$880
050	Willow Lake Apartments	1984	2010	Market Rate	Family	Stabilized								\$1,050
051	Windsor Lake Apartments	1974	2011	Market Rate	Family	Stabilized								\$941
052	Apartments At Spence Crossing PH 1	2014	na	Market Rate	Family	Stabilized								\$1,905
053	Sparrows Point Townhomes & Apt	1969	2008	Market Rate	Family	Stabilized								\$749
054	Waterside At Lynnhaven	1966	2000	Market Rate	Family	Stabilized								\$827
056	Brenneman Lake Apartments	2007	na	Market Rate	Family	Stabilized								
059	Southern Pine Apartment Homes	2016	na	Market Rate	Family	Stabilized								\$1,811
063	Apartments At Spence Crossing PH 2	2017	na	Market Rate	Family	Stabilized								\$1,965

Source: Allen & Associates

Rental Property Inventory, 2-Bedroom Units

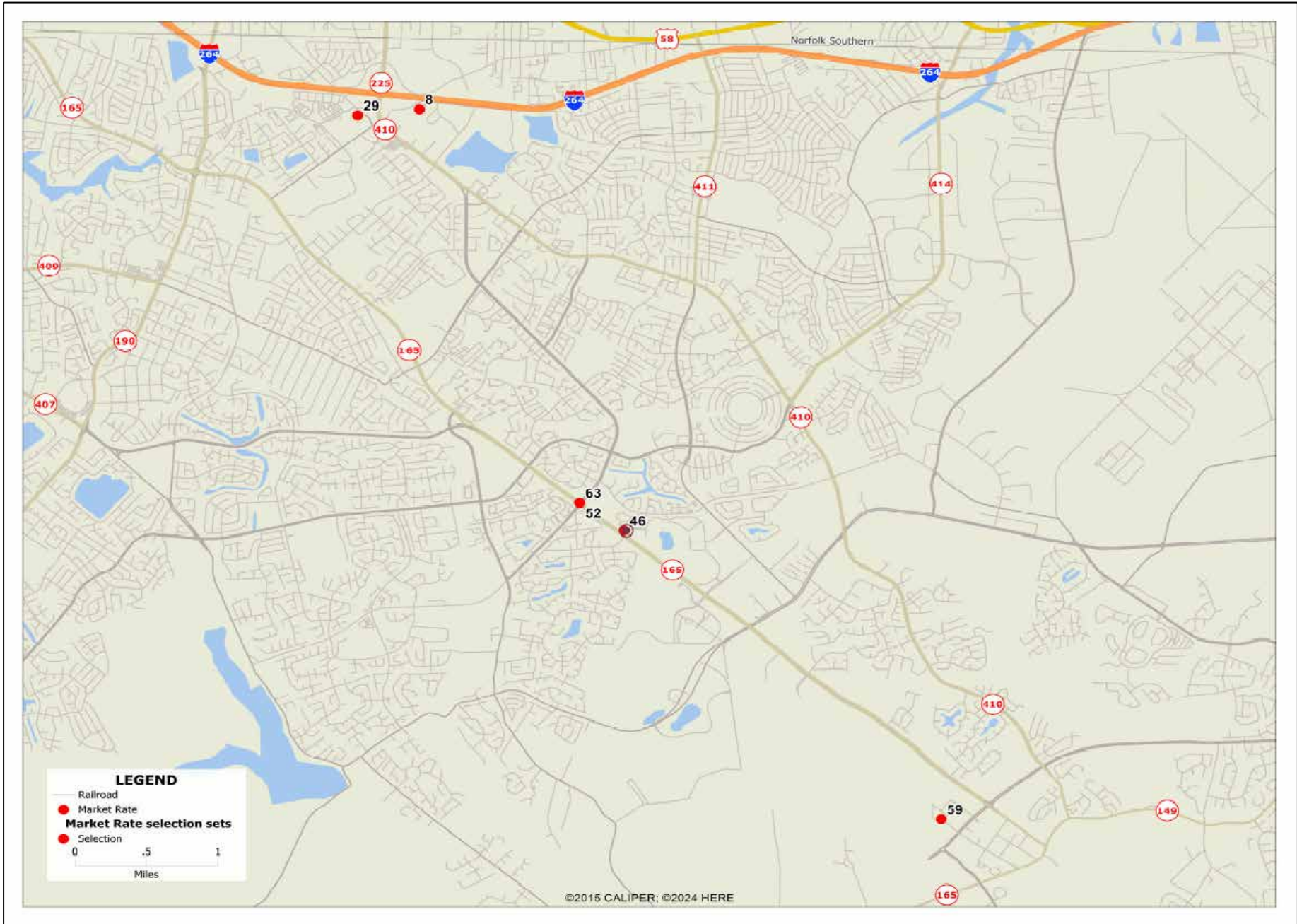
Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
003	Aspen Apartments	1979	2011	Market Rate	Family	Stabilized								\$1,188
004	Auburn Place Apartments	1985	2008	Market Rate	Family	Stabilized								\$1,130
005	Banyan Grove at Towne Square	2003	na	Market Rate	Family	Stabilized								\$1,273
008	Boulevard 45	2023	na	Market Rate	Family	Stabilized								\$2,257
009	Brenneman Farm Apartments	2006	na	Market Rate	Family	Stabilized								\$2,070
011	Brookside Village Apartments	1974	2010	Market Rate	Family	Stabilized								\$895
012	Cambria at Cornerstone Apartments Phase	2012	na	Market Rate	Family	Stabilized								\$1,699
013	Chase Arbor Apartments	1986	na	Market Rate	Family	Stabilized								\$1,172
022	Hollygreen Apartments	1984	na	Market Rate	Family	Stabilized								\$948
025	Indian Lakes Apartments	1986	na	Market Rate	Family	Stabilized								\$1,080
026	Lake Princess Anne Townvillas	1986	2018	Market Rate	Family	Stabilized								\$1,300
029	Marq (The)	2018	na	Market Rate	Family	Stabilized								\$1,925
034	Ridgewood Club Apartments	1971	2011	Market Rate	Family	Stabilized								\$871
036	Royal Pointe Apartments	1986	na	Market Rate	Family	Stabilized								\$963
037	Shoreline Apartments	1986	2011	Market Rate	Family	Stabilized								\$1,186
038	South Lake Apartments	1979	2011	Market Rate	Family	Stabilized								\$985
041	Summer Station Apartments	1984	na	Market Rate	Family	Stabilized								\$915
043	Tivoli Apartments	1972	2010	Market Rate	Family	Stabilized								\$930
048	Waterfront Apartments	1985	na	Market Rate	Family	Stabilized								\$1,081
050	Willow Lake Apartments	1984	2010	Market Rate	Family	Stabilized								\$1,173
051	Windsor Lake Apartments	1974	2011	Market Rate	Family	Stabilized								\$1,137
052	Apartments At Spence Crossing PH 1	2014	na	Market Rate	Family	Stabilized								\$2,338
053	Sparrows Point Townhomes & Apt	1969	2008	Market Rate	Family	Stabilized								\$941
054	Waterside At Lynnhaven	1966	2000	Market Rate	Family	Stabilized								\$977
056	Brenneman Lake Apartments	2007	na	Market Rate	Family	Stabilized								\$1,850
059	Southern Pine Apartment Homes	2016	na	Market Rate	Family	Stabilized								\$2,158
063	Apartments At Spence Crossing PH 2	2017	na	Market Rate	Family	Stabilized								\$2,470

Source: Allen & Associates

Rental Property Inventory, 3-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
003	Aspen Apartments	1979	2011	Market Rate	Family	Stabilized								
004	Auburn Place Apartments	1985	2008	Market Rate	Family	Stabilized								
005	Banyan Grove at Towne Square	2003	na	Market Rate	Family	Stabilized								\$1,420
008	Boulevard 45	2023	na	Market Rate	Family	Stabilized								\$2,800
009	Brenneman Farm Apartments	2006	na	Market Rate	Family	Stabilized								\$2,333
011	Brookside Village Apartments	1974	2010	Market Rate	Family	Stabilized								
012	Cambria at Cornerstone Apartments Phase	2012	na	Market Rate	Family	Stabilized								\$1,989
013	Chase Arbor Apartments	1986	na	Market Rate	Family	Stabilized								\$1,609
022	Hollygreen Apartments	1984	na	Market Rate	Family	Stabilized								
025	Indian Lakes Apartments	1986	na	Market Rate	Family	Stabilized								
026	Lake Princess Anne Townvillas	1986	2018	Market Rate	Family	Stabilized								\$1,400
029	Marq (The)	2018	na	Market Rate	Family	Stabilized								\$2,099
034	Ridgewood Club Apartments	1971	2011	Market Rate	Family	Stabilized								\$1,171
036	Royal Pointe Apartments	1986	na	Market Rate	Family	Stabilized								
037	Shoreline Apartments	1986	2011	Market Rate	Family	Stabilized								\$1,535
038	South Lake Apartments	1979	2011	Market Rate	Family	Stabilized								
041	Summer Station Apartments	1984	na	Market Rate	Family	Stabilized								\$1,053
043	Tivoli Apartments	1972	2010	Market Rate	Family	Stabilized								
048	Waterfront Apartments	1985	na	Market Rate	Family	Stabilized								\$1,500
050	Willow Lake Apartments	1984	2010	Market Rate	Family	Stabilized								\$1,530
051	Windsor Lake Apartments	1974	2011	Market Rate	Family	Stabilized								\$1,390
052	Apartments At Spence Crossing PH 1	2014	na	Market Rate	Family	Stabilized								\$2,665
053	Sparrows Point Townhomes & Apt	1969	2008	Market Rate	Family	Stabilized								\$1,045
054	Waterside At Lynnhaven	1966	2000	Market Rate	Family	Stabilized								\$1,176
056	Brenneman Lake Apartments	2007	na	Market Rate	Family	Stabilized								\$1,950
059	Southern Pine Apartment Homes	2016	na	Market Rate	Family	Stabilized								\$2,450
063	Apartments At Spence Crossing PH 2	2017	na	Market Rate	Family	Stabilized								\$2,890

Source: Allen & Associates



Rent Conclusion, 1BR-1BA-679sf

The development of our rent conclusion for the 1BR-1BA-679sf units is found below.

Our analysis included the evaluation of a total of 23 unit types found at 5 properties. We selected the 23 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 23 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader’s reference.

Comparable		Rent Conclusion							
Property-Unit Key	Property Name	Unit Type	Unadjusted Rent			Adjusted Rent			
			Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-04	Solace Springs	1BR-1BA-679sf	\$1,084	\$0	\$1,084	-	\$0	\$1,084	-
008-01	Boulevard 45	1BR-1BA-780sf	\$1,850	\$0	\$1,850	\$103	\$35	\$1,885	1
008-02	Boulevard 45	1BR-1BA-781sf	\$1,950	\$0	\$1,950	\$103	\$35	\$1,985	2
008-03	Boulevard 45	2BR-2BA-1115sf	\$2,225	\$0	\$2,225	\$358	-\$144	\$2,081	8
008-04	Boulevard 45	2BR-2BA-1122sf	\$2,238	\$0	\$2,238	\$360	-\$146	\$2,092	9
008-05	Boulevard 45	2BR-2BA-1131sf	\$2,375	\$0	\$2,375	\$361	-\$147	\$2,228	10
008-06	Boulevard 45	3BR-2BA-1305sf	\$2,800	\$0	\$2,800	\$540	-\$238	\$2,562	19
029-01	Marq (The)	1BR-1BA-813sf	\$1,820	\$0	\$1,820	\$257	-\$21	\$1,799	7
029-02	Marq (The)	2BR-2BA-1085sf	\$1,925	\$0	\$1,925	\$499	-\$187	\$1,738	18
029-03	Marq (The)	3BR-2BA-1428sf	\$2,099	\$0	\$2,099	\$712	-\$312	\$1,787	23
052-01	Apartments At Spence Crossing Pt	1BR-1BA-921sf	\$1,905	\$0	\$1,905	\$131	-\$5	\$1,900	3
052-02	Apartments At Spence Crossing Pt	2BR-2BA-1273sf	\$2,300	\$0	\$2,300	\$390	-\$188	\$2,112	11
052-03	Apartments At Spence Crossing Pt	2BR-2BA-1291sf	\$2,375	\$0	\$2,375	\$393	-\$191	\$2,184	12
052-04	Apartments At Spence Crossing Pt	3BR-2BA-1530sf	\$2,665	\$0	\$2,665	\$585	-\$295	\$2,370	20
059-01	Southern Pine Apartment Homes	1BR-1BA-880sf	\$1,800	\$0	\$1,800	\$156	\$40	\$1,840	4
059-03	Southern Pine Apartment Homes	1BR-1BA-1010sf	\$1,850	\$0	\$1,850	\$182	\$14	\$1,864	6
059-04	Southern Pine Apartment Homes	2BR-2BA-1260sf	\$2,150	\$0	\$2,150	\$420	-\$148	\$2,002	14
059-06	Southern Pine Apartment Homes	2BR-2BA-1370sf	\$2,150	\$0	\$2,150	\$442	-\$170	\$1,980	16
059-07	Southern Pine Apartment Homes	2BR-2BA-1500sf	\$2,238	\$0	\$2,238	\$468	-\$196	\$2,041	17
059-09	Southern Pine Apartment Homes	3BR-2BA-1580sf	\$2,450	\$0	\$2,450	\$628	-\$268	\$2,182	22
063-01	Apartments At Spence Crossing Pt	1BR-1BA-921sf	\$1,965	\$0	\$1,965	\$159	\$23	\$1,988	5
063-02	Apartments At Spence Crossing Pt	2BR-2BA-1273sf	\$2,475	\$0	\$2,475	\$418	-\$160	\$2,315	13
063-03	Apartments At Spence Crossing Pt	2BR-2BA-1291sf	\$2,465	\$0	\$2,465	\$421	-\$163	\$2,302	15
063-04	Apartments At Spence Crossing Pt	3BR-2BA-1530sf	\$2,890	\$0	\$2,890	\$613	-\$267	\$2,623	21
	Adjusted Rent, Minimum							\$1,738	
	Adjusted Rent, Maximum							\$2,623	
	Adjusted Rent, Average							\$2,081	
	Adjusted Rent, Modified Average							\$2,071	
	Rent, Concluded							\$1,875	

Our analysis suggests a rent of \$1,875 for the 1BR-1BA-679sf units at the subject property.

In our opinion, the 1BR-1BA-780sf units at Boulevard 45 (Property # 008), the 1BR-1BA-921sf units at Apartments At Spence Crossing PH 1 (Property # 052), the 1BR-1BA-880sf units at Southern Pine Apartment Homes (Property # 059), the 1BR-1BA-921sf units at Apartments At Spence Crossing PH 2 (Property # 063), and the 1BR-1BA-813sf units at Marq (The) (Property # 029) are the best comparables for the units at the subject property.

Comparable	Subject	1		2		3		4		5		
Property-Unit Key	Sub-04	008-01		029-01		052-01		059-01		063-01		
Unit Type	1BR-1BA-679sf	1BR-1BA-780sf		1BR-1BA-813sf		1BR-1BA-921sf		1BR-1BA-880sf		1BR-1BA-921sf		
Property Name	Solace Springs	Boulevard 45		Marq (The)		Apartments At Spence Crossing PH 1		Southern Pine Apartment Homes		Apartments At Spence Crossing PH 2		
Address	TBD North Landing Road	4540 Helm Drive		4781 Alicia Drive		3900 Spence Crossing Way		2520 Allie Nicole Circle		3900 Spence Crossing Way		
City	Virginia Beach	Virginia Beach		Virginia Beach		Virginia Beach		Virginia Beach		Virginia Beach		
State	Virginia	Virginia		Virginia		Virginia		Virginia		Virginia		
Zip	23453	23462		23462		23456		23456		23456		
Latitude	36.78620	36.83229		36.83162		36.78924		36.75462		36.78924		
Longitude	-76.10697	-76.13277		-76.14043		-76.11257		-76.06699		-76.11257		
Miles to Subject	0.00	2.99		3.20		0.36		2.89		0.36		
Year Built	2026	2023		2018		2014		2016		2017		
Year Rehab	na	na		na		na		na		na		
Project Rent	Restricted	Market Rate		Market Rate		Market Rate		Market Rate		Market Rate		
Project Type	Family	Family		Family		Family		Family		Family		
Project Status	Prop Const	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized		
Phone	na	(757) 937-1185		(757) 605-4610		(757) 471-2004		(757) 689-0080		(757) 471-2004		
Effective Date	03-Mar-26	20-Feb-26		20-Feb-26		20-Feb-26		23-Feb-26		20-Feb-26		
<u>Project Level</u>												
Units	60	128		264		288		240		94		
Vacant Units	60	2		1		3		0		0		
Vacancy Rate	100%	2%		0%		1%		0%		0%		
<u>Unit Type</u>												
Units	4	32		86		86		60		9		
Vacant Units	4	0		1		0		0		0		
Vacancy Rate	100%	0%		1%		0%		0%		0%		
Street Rent	\$1,084	\$1,850		\$1,820		\$1,905		\$1,800		\$1,965		
Concessions	\$0	\$0		\$0		\$0		\$0		\$0		
Net Rent	\$1,084	\$1,850		\$1,820		\$1,905		\$1,800		\$1,965		
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	
Tenant-Paid Utilities	TPU	\$114	\$133	\$19	\$164	\$50	\$133	\$19	\$133	\$19	\$164	\$50
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Internet	\$0	yes	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$100	1	1	\$0	1	\$0	1	\$0	1	\$0	1	\$0
Bathrooms	\$50	1.00	1.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0
Square Feet	\$0.20	679	780	-\$20	813	-\$27	921	-\$48	880	-\$40	921	-\$48
Visibility	\$10	4.50	3.50	\$10	3.00	\$15	4.00	\$5	2.50	\$20	4.00	\$5
Access	\$10	4.50	3.50	\$10	3.00	\$15	3.00	\$15	2.50	\$20	3.00	\$15
Neighborhood	\$10	4.50	2.50	\$20	2.70	\$18	4.00	\$5	3.70	\$8	4.00	\$5
Area Amenities	\$10	3.60	3.10	\$5	3.10	\$5	3.60	\$0	2.20	\$14	3.60	\$0
Condition	\$10	4.50	4.50	\$0	4.00	\$5	4.00	\$5	4.00	\$5	4.00	\$5
Effective Age	\$1.00	2026	2023	\$3	2018	\$8	2014	\$12	2016	\$10	2017	\$9
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no	\$0
Bus/Comp Center	\$2	yes	no	\$2	yes	\$0	no	\$2	no	\$2	no	\$2
Car Care Center	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Elevator	\$50	no	no	\$0	yes	-\$50	no	\$0	no	\$0	no	\$0
Fitness Center	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Gazebo	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	\$0	yes	-\$2	no	\$0	yes	-\$2
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Movie Theatre	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	yes	-\$2
Picnic Area	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Playground	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	yes	-\$2
Pool	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no	\$0
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	yes	-\$2
Carpeting	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Patio/Balcony	\$2	yes	yes	\$0	some	\$2	yes	\$0	yes	\$0	yes	\$0
Storage	\$30	no	no	\$0	yes	-\$30	no	\$0	no	\$0	no	\$0
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Dishwasher	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Microwave	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	no	\$0	yes	-\$10	no	\$0	no	\$0	no	\$0
Open	\$0	yes	yes	\$0	some	\$0	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$25	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
W/D Units	\$10	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
W/D Hookups	\$5	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Call Buttons	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Controlled Access	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Monitoring	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Patrols	\$2	no	yes	-\$2	no	\$0	no	\$0	no	\$0	no	\$0
Indicated Rent	\$1,875	\$1,885		\$1,799		\$1,900		\$1,840		\$1,988		

Rent Conclusion, 2BR-2BA-1010sf

The development of our rent conclusion for the 2BR-2BA-1010sf units is found below.

Our analysis included the evaluation of a total of 23 unit types found at 5 properties. We selected the 23 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 23 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader’s reference.

		Rent Conclusion							
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-09	Solace Springs	2BR-2BA-1010sf	\$1,234	\$0	\$1,234	-	\$0	\$1,234	-
008-01	Boulevard 45	1BR-1BA-780sf	\$1,850	\$0	\$1,850	\$331	\$161	\$2,011	20
008-02	Boulevard 45	1BR-1BA-781sf	\$1,950	\$0	\$1,950	\$331	\$161	\$2,111	19
008-03	Boulevard 45	2BR-2BA-1115sf	\$2,225	\$0	\$2,225	\$118	-\$18	\$2,207	2
008-04	Boulevard 45	2BR-2BA-1122sf	\$2,238	\$0	\$2,238	\$119	-\$19	\$2,218	4
008-05	Boulevard 45	2BR-2BA-1131sf	\$2,375	\$0	\$2,375	\$121	-\$21	\$2,354	5
008-06	Boulevard 45	3BR-2BA-1305sf	\$2,800	\$0	\$2,800	\$234	-\$112	\$2,688	12
029-01	Marq (The)	1BR-1BA-813sf	\$1,820	\$0	\$1,820	\$410	\$106	\$1,925	23
029-02	Marq (The)	2BR-2BA-1085sf	\$1,925	\$0	\$1,925	\$197	-\$61	\$1,864	9
029-03	Marq (The)	3BR-2BA-1428sf	\$2,099	\$0	\$2,099	\$406	-\$186	\$1,913	22
052-01	Apartments At Spence Crossing Pt	1BR-1BA-921sf	\$1,905	\$0	\$1,905	\$303	\$121	\$2,026	15
052-02	Apartments At Spence Crossing Pt	2BR-2BA-1273sf	\$2,300	\$0	\$2,300	\$150	-\$62	\$2,238	6
052-03	Apartments At Spence Crossing Pt	2BR-2BA-1291sf	\$2,375	\$0	\$2,375	\$153	-\$65	\$2,310	7
052-04	Apartments At Spence Crossing Pt	3BR-2BA-1530sf	\$2,665	\$0	\$2,665	\$279	-\$169	\$2,496	14
059-01	Southern Pine Apartment Homes	1BR-1BA-880sf	\$1,800	\$0	\$1,800	\$344	\$166	\$1,966	21
059-03	Southern Pine Apartment Homes	1BR-1BA-1010sf	\$1,850	\$0	\$1,850	\$318	\$140	\$1,990	17
059-04	Southern Pine Apartment Homes	2BR-2BA-1260sf	\$2,150	\$0	\$2,150	\$180	-\$22	\$2,128	8
059-06	Southern Pine Apartment Homes	2BR-2BA-1370sf	\$2,150	\$0	\$2,150	\$202	-\$44	\$2,106	10
059-07	Southern Pine Apartment Homes	2BR-2BA-1500sf	\$2,238	\$0	\$2,238	\$228	-\$70	\$2,168	11
059-09	Southern Pine Apartment Homes	3BR-2BA-1580sf	\$2,450	\$0	\$2,450	\$322	-\$142	\$2,308	18
063-01	Apartments At Spence Crossing Pt	1BR-1BA-921sf	\$1,965	\$0	\$1,965	\$269	\$149	\$2,114	13
063-02	Apartments At Spence Crossing Pt	2BR-2BA-1273sf	\$2,475	\$0	\$2,475	\$116	-\$34	\$2,441	1
063-03	Apartments At Spence Crossing Pt	2BR-2BA-1291sf	\$2,465	\$0	\$2,465	\$119	-\$37	\$2,428	3
063-04	Apartments At Spence Crossing Pt	3BR-2BA-1530sf	\$2,890	\$0	\$2,890	\$307	-\$141	\$2,749	16
	Adjusted Rent, Minimum					\$1,864			
	Adjusted Rent, Maximum					\$2,749			
	Adjusted Rent, Average					\$2,207			
	Adjusted Rent, Modified Average					\$2,198			
	Rent, Concluded					\$2,150			

Our analysis suggests a rent of \$2,150 for the 2BR-2BA-1010sf units at the subject property.

In our opinion, the 2BR-2BA-1273sf units at Apartments At Spence Crossing PH 2 (Property # 063), the 2BR-2BA-1115sf units at Boulevard 45 (Property # 008), the 2BR-2BA-1273sf units at Apartments At Spence Crossing PH 1 (Property # 052), the 2BR-2BA-1260sf units at Southern Pine Apartment Homes (Property # 059), and the 2BR-2BA-1085sf units at Marq (The) (Property # 029) are the best comparables for the units at the subject property.

Comparable	Subject	1	2	3	4	5			
Property-Unit Key	Sub-09	008-03	029-02	052-02	059-04	063-02			
Unit Type	2BR-2BA-1010sf	2BR-2BA-1115sf	2BR-2BA-1085sf	2BR-2BA-1273sf	2BR-2BA-1260sf	2BR-2BA-1273sf			
Property Name	Solace Springs	Boulevard 45	Marq (The)	Apartments At Spence Crossing PH 1	Southern Pine Apartment Homes	Apartments At Spence Crossing PH 2			
Address	TBD North Landing Road	4540 Helm Drive	4781 Alicia Drive	3900 Spence Crossing Way	2520 Allie Nicole Circle	3900 Spence Crossing Way			
City	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach			
State	Virginia	Virginia	Virginia	Virginia	Virginia	Virginia			
Zip	23453	23462	23462	23456	23456	23456			
Latitude	36.78620	36.83229	36.83162	36.78924	36.75462	36.78924			
Longitude	-76.10697	-76.13277	-76.14043	-76.11257	-76.06699	-76.11257			
Miles to Subject	0.00	2.99	3.20	0.36	2.89	0.36			
Year Built	2026	2023	2018	2014	2016	2017			
Year Rehab	na	na	na	na	na	na			
Project Rent	Restricted	Market Rate	Market Rate	Market Rate	Market Rate	Market Rate			
Project Type	Family	Family	Family	Family	Family	Family			
Project Status	Prop Const	Stabilized	Stabilized	Stabilized	Stabilized	Stabilized			
Phone	na	(757) 937-1185	(757) 605-4610	(757) 471-2004	(757) 689-0080	(757) 471-2004			
Effective Date	03-Mar-26	20-Feb-26	20-Feb-26	20-Feb-26	23-Feb-26	20-Feb-26			
<u>Project Level</u>									
Units	60	128	264	288	240	94			
Vacant Units	60	2	1	3	0	0			
Vacancy Rate	100%	2%	0%	1%	0%	0%			
<u>Unit Type</u>									
Units	5	16	132	86	98	38			
Vacant Units	5	0	0	2	0	0			
Vacancy Rate	100%	0%	0%	2%	0%	0%			
Street Rent	\$1,234	\$2,225	\$1,925	\$2,300	\$2,150	\$2,475			
Concessions	\$0	\$0	\$0	\$0	\$0	\$0			
Net Rent	\$1,234	\$2,225	\$1,925	\$2,300	\$2,150	\$2,475			
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>			
Tenant-Paid Utilities	TPU \$204	\$171	-\$33	\$202	-\$2	\$171	-\$33	\$202	-\$2
Cable	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Internet	\$0	yes	no	\$0	no	\$0	no	\$0	no
Bedrooms	\$100	2	\$0	2	\$0	2	\$0	2	\$0
Bathrooms	\$50	2.00	\$0	2.00	\$0	2.00	\$0	2.00	\$0
Square Feet	\$0.20	1010	1115	1085	-\$15	1273	-\$53	1260	-\$50
Visibility	\$10	4.50	\$10	3.00	\$15	4.00	\$5	2.50	\$20
Access	\$10	4.50	\$10	3.00	\$15	3.00	\$15	2.50	\$20
Neighborhood	\$10	4.50	\$20	2.70	\$18	4.00	\$5	3.70	\$8
Area Amenities	\$10	3.60	\$5	3.10	\$5	3.60	\$0	2.20	\$14
Condition	\$10	4.50	\$0	4.00	\$5	4.00	\$5	4.00	\$5
Effective Age	\$1.00	2026	2023	2018	\$8	2014	\$12	2016	\$10
Ball Field	\$2	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes
Billiards	\$2	no	no	\$0	no	\$0	no	-\$2	no
Bus/Comp Center	\$2	yes	no	\$2	yes	\$0	no	\$2	no
Car Care Center	\$2	no	no	\$0	yes	-\$2	no	\$0	no
Community Center	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes
Elevator	\$50	no	no	\$0	yes	-\$50	no	\$0	no
Fitness Center	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes
Gazebo	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no
Lake	\$2	no	no	\$0	no	\$0	yes	-\$2	no
Library	\$2	no	no	\$0	no	\$0	no	\$0	no
Movie Theatre	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no
Picnic Area	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes
Playground	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes
Pool	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes
Sauna	\$2	no	no	\$0	no	\$0	yes	-\$2	no
Sports Court	\$2	no	no	\$0	no	\$0	yes	-\$2	no
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes
Ceiling Fans	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes
Carpeting	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no
Patio/Balcony	\$2	yes	yes	\$0	some	\$2	yes	\$0	yes
Storage	\$30	no	no	\$0	yes	-\$30	no	\$0	no
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes
Disposal	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes
Dishwasher	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes
Microwave	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no
Assigned	\$10	no	no	\$0	yes	-\$10	no	\$0	no
Open	\$0	yes	yes	\$0	some	\$0	yes	\$0	yes
None	\$0	no	no	\$0	no	\$0	no	\$0	no
Central	\$25	no	no	\$0	no	\$0	no	\$0	no
W/D Units	\$10	yes	yes	\$0	yes	\$0	yes	\$0	yes
W/D Hookups	\$5	no	no	\$0	no	\$0	no	\$0	no
Call Buttons	\$2	no	no	\$0	no	\$0	no	\$0	no
Controlled Access	\$2	no	no	\$0	yes	-\$2	no	\$0	no
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no
Monitoring	\$2	no	no	\$0	no	\$0	no	\$0	no
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no
Security Patrols	\$2	no	yes	-\$2	no	\$0	no	\$0	no
Indicated Rent	\$2,150	\$2,207	\$1,864	\$2,238	\$2,128	\$2,441			

Rent Conclusion, 3BR-2BA-1104sf

The development of our rent conclusion for the 3BR-2BA-1104sf units is found below.

Our analysis included the evaluation of a total of 23 unit types found at 5 properties. We selected the 23 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 23 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-13	Solace Springs	3BR-2BA-1104sf	\$1,341	\$0	\$1,341	-	\$0	\$1,341	-
008-01	Boulevard 45	1BR-1BA-780sf	\$1,850	\$0	\$1,850	\$567	\$163	\$2,013	21
008-02	Boulevard 45	1BR-1BA-781sf	\$1,950	\$0	\$1,950	\$567	\$163	\$2,113	20
008-03	Boulevard 45	2BR-2BA-1115sf	\$2,225	\$0	\$2,225	\$316	-\$16	\$2,209	6
008-04	Boulevard 45	2BR-2BA-1122sf	\$2,238	\$0	\$2,238	\$318	-\$18	\$2,220	8
008-05	Boulevard 45	2BR-2BA-1131sf	\$2,375	\$0	\$2,375	\$319	-\$19	\$2,356	9
008-06	Boulevard 45	3BR-2BA-1305sf	\$2,800	\$0	\$2,800	\$210	-\$110	\$2,690	1
029-01	Marq (The)	1BR-1BA-813sf	\$1,820	\$0	\$1,820	\$645	\$107	\$1,927	23
029-02	Marq (The)	2BR-2BA-1085sf	\$1,925	\$0	\$1,925	\$403	-\$59	\$1,866	15
029-03	Marq (The)	3BR-2BA-1428sf	\$2,099	\$0	\$2,099	\$320	-\$184	\$1,915	10
052-01	Apartments At Spence Crossing Pl	1BR-1BA-921sf	\$1,905	\$0	\$1,905	\$539	\$123	\$2,028	18
052-02	Apartments At Spence Crossing Pl	2BR-2BA-1273sf	\$2,300	\$0	\$2,300	\$348	-\$60	\$2,240	11
052-03	Apartments At Spence Crossing Pl	2BR-2BA-1291sf	\$2,375	\$0	\$2,375	\$351	-\$63	\$2,312	12
052-04	Apartments At Spence Crossing Pl	3BR-2BA-1530sf	\$2,665	\$0	\$2,665	\$255	-\$167	\$2,498	3
059-01	Southern Pine Apartment Homes	1BR-1BA-880sf	\$1,800	\$0	\$1,800	\$580	\$168	\$1,968	22
059-03	Southern Pine Apartment Homes	1BR-1BA-1010sf	\$1,850	\$0	\$1,850	\$554	\$142	\$1,992	19
059-04	Southern Pine Apartment Homes	2BR-2BA-1260sf	\$2,150	\$0	\$2,150	\$378	-\$20	\$2,130	13
059-06	Southern Pine Apartment Homes	2BR-2BA-1370sf	\$2,150	\$0	\$2,150	\$400	-\$42	\$2,108	14
059-07	Southern Pine Apartment Homes	2BR-2BA-1500sf	\$2,238	\$0	\$2,238	\$426	-\$68	\$2,169	16
059-09	Southern Pine Apartment Homes	3BR-2BA-1580sf	\$2,450	\$0	\$2,450	\$298	-\$140	\$2,310	4
063-01	Apartments At Spence Crossing Pl	1BR-1BA-921sf	\$1,965	\$0	\$1,965	\$505	\$151	\$2,116	17
063-02	Apartments At Spence Crossing Pl	2BR-2BA-1273sf	\$2,475	\$0	\$2,475	\$314	-\$32	\$2,443	5
063-03	Apartments At Spence Crossing Pl	2BR-2BA-1291sf	\$2,465	\$0	\$2,465	\$317	-\$35	\$2,430	7
063-04	Apartments At Spence Crossing Pl	3BR-2BA-1530sf	\$2,890	\$0	\$2,890	\$221	-\$139	\$2,751	2

Adjusted Rent, Minimum	\$1,866
Adjusted Rent, Maximum	\$2,751
Adjusted Rent, Average	\$2,209
Adjusted Rent, Modified Average	\$2,199
Rent, Concluded	\$2,400

Our analysis suggests a rent of \$2,400 for the 3BR-2BA-1104sf units at the subject property.

In our opinion, the 3BR-2BA-1305sf units at Boulevard 45 (Property # 008), the 3BR-2BA-1530sf units at Apartments At Spence Crossing PH 2 (Property # 063), the 3BR-2BA-1530sf units at Apartments At Spence Crossing PH 1 (Property # 052), the 3BR-2BA-1580sf units at Southern Pine Apartment Homes (Property # 059), and the 3BR-2BA-1428sf units at Marq (The) (Property # 029) are the best comparables for the units at the subject property.

Comparable	Subject	1		2		3		4		5		
Property-Unit Key	Sub-13	008-06		029-03		052-04		059-09		063-04		
Unit Type	3BR-2BA-1104sf	3BR-2BA-1305sf		3BR-2BA-1428sf		3BR-2BA-1530sf		3BR-2BA-1580sf		3BR-2BA-1530sf		
Property Name	Solace Springs	Boulevard 45		Marq (The)		Apartments At Spence Crossing PH 1		Southern Pine Apartment Homes		Apartments At Spence Crossing PH 2		
Address	TBD North Landing Road	4540 Helm Drive		4781 Alicia Drive		3900 Spence Crossing Way		2520 Allie Nicole Circle		3900 Spence Crossing Way		
City	Virginia Beach	Virginia Beach		Virginia Beach		Virginia Beach		Virginia Beach		Virginia Beach		
State	Virginia	Virginia		Virginia		Virginia		Virginia		Virginia		
Zip	23453	23462		23462		23456		23456		23456		
Latitude	36.78620	36.83229		36.83162		36.78924		36.75462		36.78924		
Longitude	-76.10697	-76.13277		-76.14043		-76.11257		-76.06699		-76.11257		
Miles to Subject	0.00	2.99		3.20		0.36		2.89		0.36		
Year Built	2026	2023		2018		2014		2016		2017		
Year Rehab	na	na		na		na		na		na		
Project Rent	Restricted	Market Rate		Market Rate		Market Rate		Market Rate		Market Rate		
Project Type	Family	Family		Family		Family		Family		Family		
Project Status	Prop Const	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized		
Phone	na	(757) 937-1185		(757) 605-4610		(757) 471-2004		(757) 689-0080		(757) 471-2004		
Effective Date	03-Mar-26	20-Feb-26		20-Feb-26		20-Feb-26		23-Feb-26		20-Feb-26		
<u>Project Level</u>												
Units	60	128		264		288		240		94		
Vacant Units	60	2		1		3		0		0		
Vacancy Rate	100%	2%		0%		1%		0%		0%		
<u>Unit Type</u>												
Units	2	16		46		30		36		9		
Vacant Units	2	2		0		0		0		0		
Vacancy Rate	100%	13%		0%		0%		0%		0%		
Street Rent	\$1,341	\$2,800		\$2,099		\$2,665		\$2,450		\$2,890		
Concessions	\$0	\$0		\$0		\$0		\$0		\$0		
Net Rent	\$1,341	\$2,800		\$2,099		\$2,665		\$2,450		\$2,890		
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	
Tenant-Paid Utilities	TPU	\$321	\$215	-\$106	\$246	-\$75	\$215	-\$106	\$215	-\$106	\$246	-\$75
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Internet	\$0	yes	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$100	3	3	\$0	3	\$0	3	\$0	3	\$0	3	\$0
Bathrooms	\$50	2.00	2.00	\$0	2.00	\$0	2.00	\$0	2.00	\$0	2.00	\$0
Square Feet	\$0.20	1104	1305	-\$40	1428	-\$65	1530	-\$85	1580	-\$95	1530	-\$85
Visibility	\$10	4.50	3.50	\$10	3.00	\$15	4.00	\$5	2.50	\$20	4.00	\$5
Access	\$10	4.50	3.50	\$10	3.00	\$15	3.00	\$15	2.50	\$20	3.00	\$15
Neighborhood	\$10	4.50	2.50	\$20	2.70	\$18	4.00	\$5	3.70	\$8	4.00	\$5
Area Amenities	\$10	3.60	3.10	\$5	3.10	\$5	3.60	\$0	2.20	\$14	3.60	\$0
Condition	\$10	4.50	4.50	\$0	4.00	\$5	4.00	\$5	4.00	\$5	4.00	\$5
Effective Age	\$1.00	2026	2023	\$3	2018	\$8	2014	\$12	2016	\$10	2017	\$9
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no	\$0
Bus/Comp Center	\$2	yes	no	\$2	yes	\$0	no	\$2	no	\$2	no	\$2
Car Care Center	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Elevator	\$50	no	no	\$0	yes	-\$50	no	\$0	no	\$0	no	\$0
Fitness Center	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Gazebo	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	\$0	yes	-\$2	no	\$0	yes	-\$2
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Movie Theatre	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	yes	-\$2
Picnic Area	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Playground	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	yes	-\$2
Pool	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no	\$0
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	yes	-\$2
Carpeting	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Patio/Balcony	\$2	yes	yes	\$0	some	\$2	yes	\$0	yes	\$0	yes	\$0
Storage	\$30	no	no	\$0	yes	-\$30	no	\$0	no	\$0	no	\$0
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Dishwasher	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Microwave	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	no	\$0	yes	-\$10	no	\$0	no	\$0	no	\$0
Open	\$0	yes	yes	\$0	some	\$0	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$25	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
W/D Units	\$10	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
W/D Hookups	\$5	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Call Buttons	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Controlled Access	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Monitoring	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Patrols	\$2	no	yes	-\$2	no	\$0	no	\$0	no	\$0	no	\$0
Indicated Rent	\$2,400	\$2,690		\$1,915		\$2,498		\$2,310		\$2,751		

**Unrestricted Market Rent Conclusion**

Based on our evaluation of the rents at the select comparable properties, and considering the location, quality and amenities of the subject property, we conclude the following market rents for the subject property units, assuming that the subject were an unrestricted property:

Unrestricted Market Rent Conclusion						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Market	Proposed	Advantage
1BR-1BA-601.89sf / 50% of AMI / 40% of AMI	No	No	4	\$1,875	\$684	63.5%
1BR-1BA-601.89sf / 50% of AMI / 50% of AMI	No	No	2	\$1,875	\$884	52.9%
1BR-1BA-679.05sf / 50% of AMI / 50% of AMI	No	No	2	\$1,875	\$884	52.9%
1BR-1BA-679.05sf / 60% of AMI / 60% of AMI	No	No	4	\$1,875	\$1,084	42.2%
2BR-2BA-979.78sf / 50% of AMI / 40% of AMI	No	No	2	\$2,150	\$754	64.9%
2BR-2BA-979.78sf / 50% of AMI / 50% of AMI	No	No	16	\$2,150	\$994	53.8%
2BR-2BA-979.78sf / 60% of AMI / 60% of AMI	No	No	6	\$2,150	\$1,234	42.6%
2BR-2BA-934.52sf / 60% of AMI / 60% of AMI	No	No	5	\$2,150	\$1,234	42.6%
2BR-2BA-1010.49sf / 60% of AMI / 60% of AMI	No	No	5	\$2,150	\$1,234	42.6%
3BR-2BA-1207.3sf / 50% of AMI / 50% of AMI	No	No	4	\$2,400	\$1,064	55.7%
3BR-2BA-1207.3sf / 60% of AMI / 60% of AMI	No	No	6	\$2,400	\$1,341	44.1%
3BR-2BA-1027.55sf / 60% of AMI / 60% of AMI	No	No	2	\$2,400	\$1,341	44.1%
3BR-2BA-1103.52sf / 60% of AMI / 60% of AMI	No	No	2	\$2,400	\$1,341	44.1%
Total / Average			60	\$2,153	\$1,091	49.4%

Our analysis suggests an average unrestricted market rent of \$2,153 for the subject property. This is compared with an average proposed rent of \$1,091, yielding an unrestricted market rent advantage of 49.4 percent. Overall, the subject property appears to be priced at or below unrestricted market rents for the area.

We selected a total of 5 properties as comparables for purposes of our analysis. The average occupancy at the select rent comparables currently stands at 99 percent.

Occupancy rates for the selected rent comparables are broken out below:

Occupancy Rate, Select Comparables								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								
1-Bedroom								100%
2-Bedroom								99%
3-Bedroom								99%
4-Bedroom								
Total								99%

Occupancy rates for all stabilized market area properties are broken out below:

Occupancy Rate, Stabilized Properties								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								
1-Bedroom					98%			96%
2-Bedroom	100%		100%	100%	98%			96%
3-Bedroom	100%		100%	100%	100%			93%
4-Bedroom	100%				100%			
Total	100%		100%	100%	99%			96%

HUD conducts an annual rent survey to derive Fair Market Rent estimates for an area. Based on this, 2-bedroom rents for the area grew from \$1136 to \$1696 since 2010. This represents an average 9.9% annual increase over this period.

Fair market rent data for the area is found below:

Year	Rent			Change		
	1BR	2BR	3BR	1BR	2BR	3BR
2020	\$958	\$1,136	\$1,603	-	-	-
2021	\$972	\$1,147	\$1,618	1.5%	1.0%	0.9%
2022	\$1,015	\$1,193	\$1,676	4.4%	4.0%	3.6%
2023	\$1,137	\$1,329	\$1,857	12.0%	11.4%	10.8%
2024	\$1,287	\$1,493	\$2,079	13.2%	12.3%	12.0%
2025	\$1,483	\$1,696	\$2,361	15.2%	13.6%	13.6%

Source: HUD

## **Restricted Rent Analysis**

In this section we develop a restricted market rent conclusion and an achievable rent conclusion for the subject property units. Our analysis began by selecting comparable rentals to use to develop estimates of market rents for the units at the subject property, assuming that the subject was a restricted property. Our selection of comparables was based on location, age, condition, unit mix and amenities of the comparable properties relative to the subject property.

### Rental Property Inventory, by Unit Type

In the following pages we present an inventory of properties included in this analysis. Rents for these properties, broken out by unit type, were used in selecting the rent comparables used in this analysis.

The properties that we consider to be comparable to the subject property are highlighted in the tables found in the following pages. We attempted to select stabilized restricted rent properties as comparables for purposes of our rent comparability analysis.

Comparables with market rents are used when a sufficient number of restricted rent comparables are not available and when maximum allowable rents for properties with restricted rents exceed prevailing rents in the area. In the event that program rental rates exceed market rental rates, restricted units are, in fact, *de facto* market rate units.

### Rent Comparables, Restricted Rent, Map

A map showing the location of the properties selected as comparables in this analysis is found in the following pages. Properties identified with red pushpins have market rents, properties identified with yellow pushpins have restricted rents, and properties identified with blue pushpins have subsidized rents. Detailed write-ups for the select rent comparables are found in the Appendix to this report.

### Rent Comparability Grids

Our analysis employed the use of rent comparability grids and resulted in a restricted market rent estimate for each of the subject's unit types. These grids and a narrative describing our rent adjustments are found in the following pages.

Rental Property Inventory, 1-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
014	Citywide Homes 2001	1960	2004	Restricted	Family	Stabilized								
019	Green Lakes Apartments	1977	2002	Restricted	Family	Stabilized					\$1,077			
020	Holland House Apartments Phase 1	1999	na	Restricted	Elderly	Stabilized					\$1,115			
021	Holland House Apartments Phase 2	1999	na	Restricted	Elderly	Stabilized								
027	Lynnhaven Cove Apartments	2004	2016	Restricted	Elderly	Stabilized					\$1,123			
033	Princess Anne House Sr	2002	na	Restricted	Elderly	Stabilized					\$1,123			
042	Thalia Landing Apartments	1981	2001	Restricted	Family	Stabilized				\$937	\$1,037			

Source: Allen & Associates

Rental Property Inventory, 2-Bedroom Units

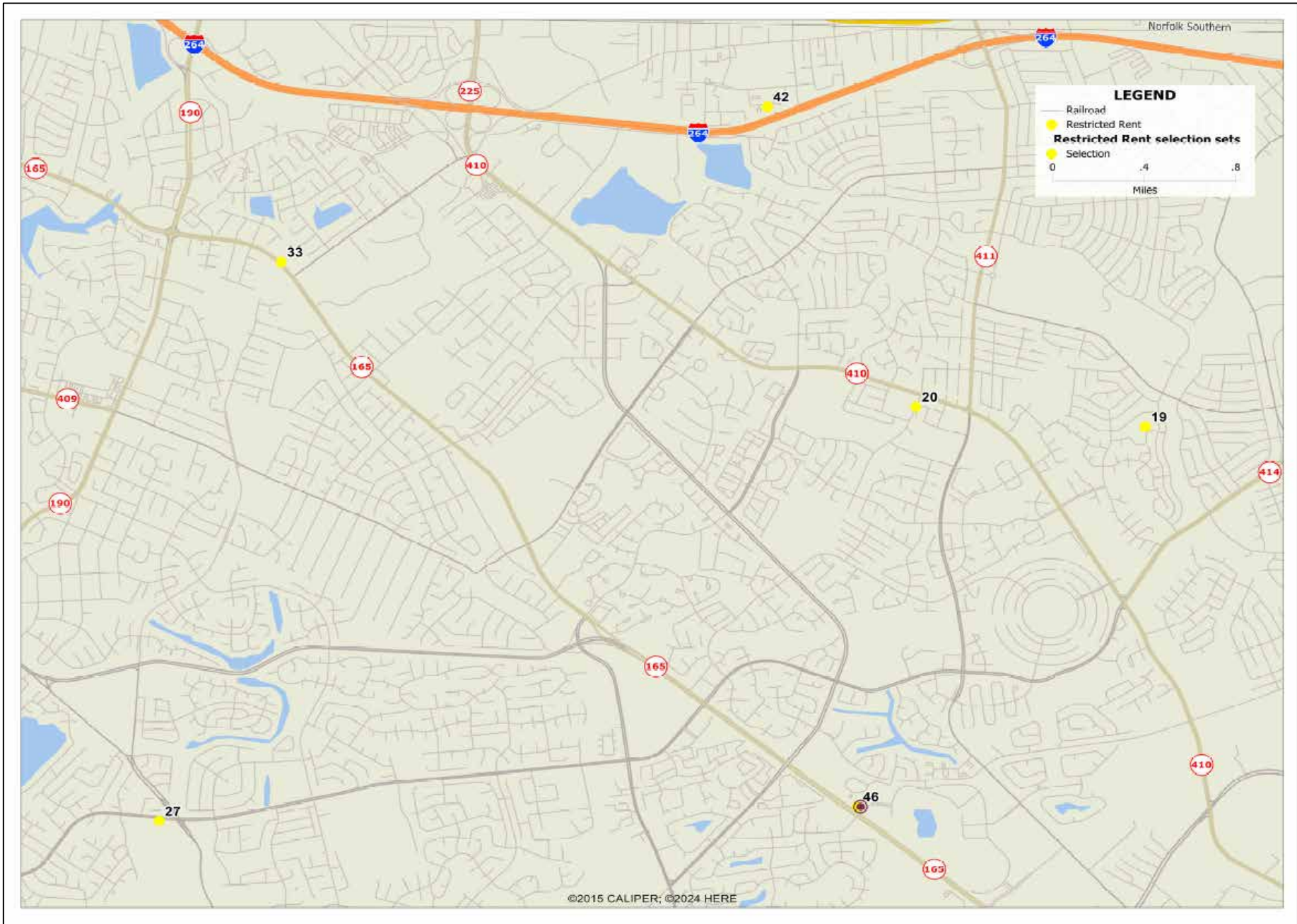
Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
014	Citywide Homes 2001	1960	2004	Restricted	Family	Stabilized			\$434	\$593				
019	Green Lakes Apartments	1977	2002	Restricted	Family	Stabilized					\$1,292			
020	Holland House Apartments Phase 1	1999	na	Restricted	Elderly	Stabilized					\$1,300			
021	Holland House Apartments Phase 2	1999	na	Restricted	Elderly	Stabilized				\$1,115	\$1,300			
027	Lynnhaven Cove Apartments	2004	2016	Restricted	Elderly	Stabilized					\$1,343			
033	Princess Anne House Sr	2002	na	Restricted	Elderly	Stabilized					\$1,343			
042	Thalia Landing Apartments	1981	2001	Restricted	Family	Stabilized			\$1,127	\$1,367				

Source: Allen & Associates

Rental Property Inventory, 3-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt
014	Citywide Homes 2001	1960	2004	Restricted	Family	Stabilized			\$486	\$652	\$835			
019	Green Lakes Apartments	1977	2002	Restricted	Family	Stabilized					\$1,586			
020	Holland House Apartments Phase 1	1999	na	Restricted	Elderly	Stabilized								
021	Holland House Apartments Phase 2	1999	na	Restricted	Elderly	Stabilized								
027	Lynnhaven Cove Apartments	2004	2016	Restricted	Elderly	Stabilized								
033	Princess Anne House Sr	2002	na	Restricted	Elderly	Stabilized								
042	Thalia Landing Apartments	1981	2001	Restricted	Family	Stabilized				\$1,301	\$1,578			

Source: Allen & Associates



Rent Conclusion, 1BR-1BA-679sf

The development of our rent conclusion for the 1BR-1BA-679sf units is found below.

Our analysis included the evaluation of a total of 16 unit types found at 5 properties. We selected the 16 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 16 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

		Rent Conclusion							
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-04	Solace Springs	1BR-1BA-679sf	\$1,084	\$0	\$1,084	-	\$0	\$1,084	-
019-01	Green Lakes Apartments	1BR-1BA-682sf	\$1,077	\$0	\$1,077	\$209	\$117	\$1,194	2
019-02	Green Lakes Apartments	2BR-1BA-745sf	\$1,297	\$0	\$1,297	\$341	\$25	\$1,322	9
019-03	Green Lakes Apartments	2BR-1BA-836sf	\$1,286	\$0	\$1,286	\$359	\$7	\$1,293	11
019-04	Green Lakes Apartments	3BR-1.5BA-1128sf	\$1,586	\$0	\$1,586	\$578	-\$142	\$1,444	14
019-05	Green Lakes Apartments	4BR-2BA-1330sf	\$1,653	\$0	\$1,653	\$768	-\$282	\$1,371	16
020-01	Holland House Apartments Phase 1	1BR-1BA-596sf	\$1,115	\$0	\$1,115	\$244	-\$40	\$1,075	5
020-02	Holland House Apartments Phase 1	2BR-1BA-817sf	\$1,300	\$0	\$1,300	\$332	-\$162	\$1,138	8
027-01	Lynnhaven Cove Apartments	1BR-1BA-688sf	\$1,123	\$0	\$1,123	\$199	-\$29	\$1,094	1
027-02	Lynnhaven Cove Apartments	2BR-1BA-920sf	\$1,343	\$0	\$1,343	\$323	-\$153	\$1,190	7
033-01	Princess Anne House Sr	1BR-1BA-504sf	\$1,123	\$0	\$1,123	\$216	\$12	\$1,135	3
033-02	Princess Anne House Sr	2BR-1BA-860sf	\$1,343	\$0	\$1,343	\$294	-\$136	\$1,207	6
042-02	Thalia Landing Apartments	1BR-1BA-860sf	\$1,037	\$0	\$1,037	\$235	-\$26	\$1,011	4
042-04	Thalia Landing Apartments	2BR-1BA-1000sf	\$1,367	\$0	\$1,367	\$353	-\$144	\$1,223	10
042-06	Thalia Landing Apartments	3BR-1BA-1250sf	\$1,578	\$0	\$1,578	\$490	-\$281	\$1,297	12
042-08	Thalia Landing Apartments	3BR-1.5BA-1250sf	\$1,578	\$0	\$1,578	\$515	-\$306	\$1,272	13
042-10	Thalia Landing Apartments	4BR-1.5BA-1550sf	\$1,748	\$0	\$1,748	\$653	-\$444	\$1,304	15
		Adjusted Rent, Minimum				\$1,011			
		Adjusted Rent, Maximum				\$1,444			
		Adjusted Rent, Average				\$1,223			
		Adjusted Rent, Modified Average				\$1,223			
		Rent, Concluded				\$1,100			

Our analysis suggests a rent of \$1,100 for the 1BR-1BA-679sf units at the subject property.

In our opinion, the 1BR-1BA-688sf units at Lynnhaven Cove Apartments (Property # 027), the 1BR-1BA-682sf units at Green Lakes Apartments (Property # 019), the 1BR-1BA-504sf units at Princess Anne House Sr (Property # 033), the 1BR-1BA-860sf units at Thalia Landing Apartments (Property # 042), and the 1BR-1BA-596sf units at Holland House Apartments Phase 1 (Property # 020) are the best comparables for the units at the subject property.

Comparable	Subject	1	2	3	4	5						
Property-Unit Key	Sub-04	019-01	020-01	027-01	033-01	042-02						
Unit Type	1BR-1BA-679sf	1BR-1BA-682sf	1BR-1BA-596sf	1BR-1BA-688sf	1BR-1BA-504sf	1BR-1BA-860sf						
Property Name	Solace Springs	Green Lakes Apartments	Holland House Apartments Phase 1	Lynnhaven Cove Apartments	Princess Anne House Sr	Thalia Landing Apartments						
Address	TBD North Landing Road	3218 Green Lakes Drive	721 Chimney Hill Parkway	5020 Lynnhaven Parkway	4924 Princess Anne Road	4101 Pine Oaks Circle						
City	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach						
State	Virginia	Virginia	Virginia	Virginia	Virginia	Virginia						
Zip	23453	23452	23462	23464	23462	23452						
Latitude	36.78620	36.81220	36.81355	36.78522	36.82349	36.83411						
Longitude	-76.10697	-76.08424	-76.10233	-76.16194	-76.15231	-76.11404						
Miles to Subject	0.00	1.96	1.57	3.11	3.32	2.74						
Year Built	2026	1977	1999	2004	2002	1981						
Year Rehab	na	2002	na	2016	na	2001						
Project Rent	Restricted	Restricted	Restricted	Restricted	Restricted	Restricted						
Project Type	Family	Family	Elderly	Elderly	Elderly	Family						
Project Status	Prop Const	Stabilized	Stabilized	Stabilized	Stabilized	Stabilized						
Phone	na	(757) 340-0542	(757) 498-9225	(757) 467-4000	(757) 490-7001	(757) 306-0023						
Effective Date	03-Mar-26	20-Feb-26	23-Feb-26	20-Feb-26	01-Mar-26	20-Feb-26						
<u>Project Level</u>												
Units	60	150	100	115	186	154						
Vacant Units	60	0	4	0	4	0						
Vacancy Rate	100%	0%	4%	0%	2%	0%						
<u>Unit Type</u>												
Units	4	20	48	59	2	10						
Vacant Units	4	0	2	0	0	0						
Vacancy Rate	100%	0%	4%	0%	0%	0%						
Street Rent	\$1,084	\$1,077	\$1,115	\$1,123	\$1,123	\$1,037						
Concessions	\$0	\$0	\$0	\$0	\$0	\$0						
Net Rent	\$1,084	\$1,077	\$1,115	\$1,123	\$1,123	\$1,037						
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>					
Tenant-Paid Utilities	TPU \$114	\$121	\$7	\$72	-\$42	\$70	-\$44	\$72	-\$42	\$61	-\$53	
Cable	\$0	no	\$0	yes	\$0	no	\$0	no	\$0	yes	\$0	
Internet	\$0	yes	no	no	\$0	no	\$0	no	\$0	no	\$0	
Bedrooms	\$100	1	1	\$0	1	\$0	1	\$0	1	\$0	1	\$0
Bathrooms	\$50	1.00	1.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0
Square Feet	\$0.20	679	682	-\$1	596	\$17	688	-\$2	504	\$35	860	-\$36
Visibility	\$10	4.50	2.00	\$25	3.00	\$15	3.00	\$15	4.00	\$5	3.25	\$13
Access	\$10	4.50	2.00	\$25	3.50	\$10	3.00	\$15	3.50	\$10	3.00	\$15
Neighborhood	\$10	4.50	2.00	\$25	4.30	\$2	3.80	\$7	2.80	\$17	2.70	\$18
Area Amenities	\$10	3.60	2.70	\$9	4.50	-\$9	2.00	\$16	2.20	\$14	3.70	-\$1
Condition	\$10	4.50	2.50	\$20	3.00	\$15	3.50	\$10	4.00	\$5	3.50	\$10
Effective Age	\$1.00	2026	1992	\$34	1999	\$27	2006	\$20	2002	\$24	1991	\$35
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Billiards	\$2	no	no	\$0	no	\$0	yes	-\$2	no	\$0	no	\$0
Bus/Comp Center	\$2	yes	no	\$2	no	\$2	yes	\$0	no	\$2	no	\$2
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	no	\$2	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Elevator	\$50	no	no	\$0	yes	-\$50	yes	-\$50	yes	-\$50	no	\$0
Fitness Center	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	no	\$0
Gazebo	\$2	yes	no	\$2	no	\$2	yes	\$0	yes	\$0	no	\$2
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Library	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2	no	\$0
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Picnic Area	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Playground	\$2	no	yes	-\$2	yes	-\$2	no	\$0	no	\$0	yes	-\$2
Pool	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	yes	-\$2
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Carpeting	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Patio/Balcony	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	yes	\$0
Storage	\$30	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	no	\$0	no	\$0
Dishwasher	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Microwave	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	yes	-\$10	no	\$0	no	\$0	no	\$0	no	\$0
Open	\$0	yes	some	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$25	no	yes	-\$25	yes	-\$25	no	\$0	no	\$0	yes	-\$25
W/D Units	\$10	yes	some	\$10	no	\$10	yes	\$0	yes	\$0	no	\$10
W/D Hookups	\$5	no	some	\$0	no	\$0	no	\$0	no	\$0	yes	-\$5
Call Buttons	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2	no	\$0
Controlled Access	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2	no	\$0
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Monitoring	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Alarms	\$2	no	no	\$0	no	\$0	yes	-\$2	no	\$0	no	\$0
Security Patrols	\$2	no	yes	-\$2	no	\$0	no	\$0	no	\$0	yes	-\$2
Indicated Rent	\$1,100	\$1,194	\$1,075	\$1,094	\$1,135	\$1,011						

Rent Conclusion, 2BR-2BA-1010sf

The development of our rent conclusion for the 2BR-2BA-1010sf units is found below.

Our analysis included the evaluation of a total of 16 unit types found at 5 properties. We selected the 16 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 16 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-09	Solace Springs	2BR-2BA-1010sf	\$1,234	\$0	\$1,234	-	\$0	\$1,234	-
019-01	Green Lakes Apartments	1BR-1BA-682sf	\$1,077	\$0	\$1,077	\$500	\$244	\$1,321	12
019-02	Green Lakes Apartments	2BR-1BA-745sf	\$1,297	\$0	\$1,297	\$367	\$151	\$1,448	5
019-03	Green Lakes Apartments	2BR-1BA-836sf	\$1,286	\$0	\$1,286	\$349	\$133	\$1,419	4
019-04	Green Lakes Apartments	3BR-1.5BA-1128sf	\$1,586	\$0	\$1,586	\$378	-\$16	\$1,570	6
019-05	Green Lakes Apartments	4BR-2BA-1330sf	\$1,653	\$0	\$1,653	\$468	-\$156	\$1,497	10
020-01	Holland House Apartments Phase 1	1BR-1BA-596sf	\$1,115	\$0	\$1,115	\$550	\$86	\$1,201	15
020-02	Holland House Apartments Phase 1	2BR-1BA-817sf	\$1,300	\$0	\$1,300	\$383	-\$35	\$1,265	7
027-01	Lynnhaven Cove Apartments	1BR-1BA-688sf	\$1,123	\$0	\$1,123	\$501	\$97	\$1,220	13
027-02	Lynnhaven Cove Apartments	2BR-1BA-920sf	\$1,343	\$0	\$1,343	\$333	-\$27	\$1,316	3
033-01	Princess Anne House Sr	1BR-1BA-504sf	\$1,123	\$0	\$1,123	\$522	\$138	\$1,261	14
033-02	Princess Anne House Sr	2BR-1BA-860sf	\$1,343	\$0	\$1,343	\$328	-\$10	\$1,333	1
042-02	Thalia Landing Apartments	1BR-1BA-860sf	\$1,037	\$0	\$1,037	\$469	\$101	\$1,138	11
042-04	Thalia Landing Apartments	2BR-1BA-1000sf	\$1,367	\$0	\$1,367	\$331	-\$17	\$1,350	2
042-06	Thalia Landing Apartments	3BR-1BA-1250sf	\$1,578	\$0	\$1,578	\$463	-\$154	\$1,424	9
042-08	Thalia Landing Apartments	3BR-1.5BA-1250sf	\$1,578	\$0	\$1,578	\$438	-\$179	\$1,399	8
042-10	Thalia Landing Apartments	4BR-1.5BA-1550sf	\$1,748	\$0	\$1,748	\$576	-\$317	\$1,431	16
		Adjusted Rent, Minimum				\$1,138			
		Adjusted Rent, Maximum				\$1,570			
		Adjusted Rent, Average				\$1,349			
		Adjusted Rent, Modified Average				\$1,349			
		Rent, Concluded				\$1,300			

Our analysis suggests a rent of \$1,300 for the 2BR-2BA-1010sf units at the subject property.

In our opinion, the 2BR-1BA-860sf units at Princess Anne House Sr (Property # 033), the 2BR-1BA-1000sf units at Thalia Landing Apartments (Property # 042), the 2BR-1BA-920sf units at Lynnhaven Cove Apartments (Property # 027), the 2BR-1BA-836sf units at Green Lakes Apartments (Property # 019), and the 2BR-1BA-817sf units at Holland House Apartments Phase 1 (Property # 020) are the best comparables for the units at the subject property.

Comparable	Subject	1	2	3	4	5						
Property-Unit Key	Sub-09	019-03	020-02	027-02	033-02	042-04						
Unit Type	2BR-2BA-1010sf	2BR-1BA-836sf	2BR-1BA-817sf	2BR-1BA-920sf	2BR-1BA-860sf	2BR-1BA-1000sf						
Property Name	Solace Springs	Green Lakes Apartments	Holland House Apartments Phase 1	Lynnhaven Cove Apartments	Princess Anne House Sr	Thalia Landing Apartments						
Address	TBD North Landing Road	3218 Green Lakes Drive	721 Chimney Hill Parkway	5020 Lynnhaven Parkway	4924 Princess Anne Road	4101 Pine Oaks Circle						
City	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach						
State	Virginia	Virginia	Virginia	Virginia	Virginia	Virginia						
Zip	23453	23452	23462	23464	23462	23452						
Latitude	36.78620	36.81220	36.81355	36.78522	36.82349	36.83411						
Longitude	-76.10697	-76.08424	-76.10233	-76.16194	-76.15231	-76.11404						
Miles to Subject	0.00	1.96	1.57	3.11	3.32	2.74						
Year Built	2026	1977	1999	2004	2002	1981						
Year Rehab	na	2002	na	2016	na	2001						
Project Rent	Restricted	Restricted	Restricted	Restricted	Restricted	Restricted						
Project Type	Family	Family	Elderly	Elderly	Elderly	Family						
Project Status	Prop Const	Stabilized	Stabilized	Stabilized	Stabilized	Stabilized						
Phone	na	(757) 340-0542	(757) 498-9225	(757) 467-4000	(757) 490-7001	(757) 306-0023						
Effective Date	03-Mar-26	20-Feb-26	23-Feb-26	20-Feb-26	01-Mar-26	20-Feb-26						
<u>Project Level</u>												
Units	60	150	100	115	186	154						
Vacant Units	60	0	4	0	4	0						
Vacancy Rate	100%	0%	4%	0%	2%	0%						
<u>Unit Type</u>												
Units	5	30	52	56	184	44						
Vacant Units	5	0	2	0	4	0						
Vacancy Rate	100%	0%	4%	0%	2%	0%						
Street Rent	\$1,234	\$1,286	\$1,300	\$1,343	\$1,343	\$1,367						
Concessions	\$0	\$0	\$0	\$0	\$0	\$0						
Net Rent	\$1,234	\$1,286	\$1,300	\$1,343	\$1,343	\$1,367						
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>					
Tenant-Paid Utilities	TPU	\$204	\$141	-\$63	\$95	-\$109	\$92	-\$112	\$95	-\$109	\$71	-\$133
Cable	\$0	no	no	\$0	yes	\$0	no	\$0	no	\$0	yes	\$0
Internet	\$0	yes	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$100	2	2	\$0	2	\$0	2	\$0	2	\$0	2	\$0
Bathrooms	\$50	2.00	1.00	\$50	1.00	\$50	1.00	\$50	1.00	\$50	1.00	\$50
Square Feet	\$0.20	1010	836	\$35	817	\$39	920	\$18	860	\$30	1000	\$2
Visibility	\$10	4.50	2.00	\$25	3.00	\$15	3.00	\$15	4.00	\$5	3.25	\$13
Access	\$10	4.50	2.00	\$25	3.50	\$10	3.00	\$15	3.50	\$10	3.00	\$15
Neighborhood	\$10	4.50	2.00	\$25	4.30	\$2	3.80	\$7	2.80	\$17	2.70	\$18
Area Amenities	\$10	3.60	2.70	\$9	4.50	-\$9	2.00	\$16	2.20	\$14	3.70	-\$1
Condition	\$10	4.50	2.50	\$20	3.00	\$15	3.50	\$10	4.00	\$5	3.50	\$10
Effective Age	\$1.00	2026	1992	\$34	1999	\$27	2006	\$20	2002	\$24	1991	\$35
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Billiards	\$2	no	no	\$0	no	\$0	yes	-\$2	no	\$0	no	\$0
Bus/Comp Center	\$2	yes	no	\$2	no	\$2	yes	\$0	no	\$2	no	\$2
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	no	\$2	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Elevator	\$50	no	no	\$0	yes	-\$50	yes	-\$50	yes	-\$50	no	\$0
Fitness Center	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	no	\$0
Gazebo	\$2	yes	no	\$2	no	\$2	yes	\$0	yes	\$0	no	\$2
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Library	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2	no	\$0
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Picnic Area	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Playground	\$2	no	yes	-\$2	yes	-\$2	no	\$0	no	\$0	yes	-\$2
Pool	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	yes	-\$2
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Carpeting	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Patio/Balcony	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	yes	\$0
Storage	\$30	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	no	\$0	no	\$0
Dishwasher	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Microwave	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	yes	-\$10	no	\$0	no	\$0	no	\$0	no	\$0
Open	\$0	yes	some	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$25	no	yes	-\$25	yes	-\$25	no	\$0	no	\$0	yes	-\$25
W/D Units	\$10	yes	some	\$10	no	\$10	yes	\$0	yes	\$0	no	\$10
W/D Hookups	\$5	no	some	\$0	no	\$0	no	\$0	no	\$0	yes	-\$5
Call Buttons	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2	no	\$0
Controlled Access	\$2	no	no	\$0	yes	-\$2	yes	-\$2	yes	-\$2	no	\$0
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Monitoring	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Alarms	\$2	no	no	\$0	no	\$0	yes	-\$2	no	\$0	no	\$0
Security Patrols	\$2	no	yes	-\$2	no	\$0	no	\$0	no	\$0	yes	-\$2
Indicated Rent		\$1,300	\$1,419		\$1,265		\$1,316		\$1,333		\$1,350	

Rent Conclusion, 3BR-2BA-1104sf

The development of our rent conclusion for the 3BR-2BA-1104sf units is found below.

Our analysis included the evaluation of a total of 16 unit types found at 5 properties. We selected the 16 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 16 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-13	Solace Springs	3BR-2BA-1104sf	\$1,341	\$0	\$1,341	-	\$0	\$1,341	-
019-01	Green Lakes Apartments	1BR-1BA-682sf	\$1,077	\$0	\$1,077	\$735	\$245	\$1,322	13
019-02	Green Lakes Apartments	2BR-1BA-745sf	\$1,297	\$0	\$1,297	\$603	\$153	\$1,450	10
019-03	Green Lakes Apartments	2BR-1BA-836sf	\$1,286	\$0	\$1,286	\$585	\$135	\$1,421	9
019-04	Green Lakes Apartments	3BR-1.5BA-1128sf	\$1,586	\$0	\$1,586	\$376	-\$14	\$1,572	1
019-05	Green Lakes Apartments	4BR-2BA-1330sf	\$1,653	\$0	\$1,653	\$466	-\$154	\$1,499	4
020-01	Holland House Apartments Phase 1	1BR-1BA-596sf	\$1,115	\$0	\$1,115	\$786	\$88	\$1,203	16
020-02	Holland House Apartments Phase 1	2BR-1BA-817sf	\$1,300	\$0	\$1,300	\$618	-\$34	\$1,266	11
027-01	Lynnhaven Cove Apartments	1BR-1BA-688sf	\$1,123	\$0	\$1,123	\$737	\$99	\$1,222	14
027-02	Lynnhaven Cove Apartments	2BR-1BA-920sf	\$1,343	\$0	\$1,343	\$569	-\$25	\$1,318	7
033-01	Princess Anne House Sr	1BR-1BA-504sf	\$1,123	\$0	\$1,123	\$758	\$140	\$1,263	15
033-02	Princess Anne House Sr	2BR-1BA-860sf	\$1,343	\$0	\$1,343	\$564	-\$8	\$1,335	5
042-02	Thalia Landing Apartments	1BR-1BA-860sf	\$1,037	\$0	\$1,037	\$704	\$102	\$1,139	12
042-04	Thalia Landing Apartments	2BR-1BA-1000sf	\$1,367	\$0	\$1,367	\$566	-\$16	\$1,351	6
042-06	Thalia Landing Apartments	3BR-1BA-1250sf	\$1,578	\$0	\$1,578	\$462	-\$153	\$1,425	3
042-08	Thalia Landing Apartments	3BR-1.5BA-1250sf	\$1,578	\$0	\$1,578	\$437	-\$178	\$1,400	2
042-10	Thalia Landing Apartments	4BR-1.5BA-1550sf	\$1,748	\$0	\$1,748	\$575	-\$316	\$1,432	8
	Adjusted Rent, Minimum					\$1,139			
	Adjusted Rent, Maximum					\$1,572			
	Adjusted Rent, Average					\$1,351			
	Adjusted Rent, Modified Average					\$1,350			
	Rent, Concluded					\$1,400			

Our analysis suggests a rent of \$1,400 for the 3BR-2BA-1104sf units at the subject property.

In our opinion, the 3BR-1.5BA-1128sf units at Green Lakes Apartments (Property # 019), the 3BR-1.5BA-1250sf units at Thalia Landing Apartments (Property # 042), the 3BR-1BA-1250sf units at Thalia Landing Apartments (Property # 042), the 2BR-1BA-860sf units at Princess Anne House Sr (Property # 033), and the 2BR-1BA-920sf units at Lynnhaven Cove Apartments (Property # 027) are the best comparables for the units at the subject property.

Comparable	Subject	1	2	3	4	5						
Property-Unit Key	Sub-13	019-04	027-02	033-02	042-06	042-08						
Unit Type	3BR-2BA-1104sf	3BR-1.5BA-1128sf	2BR-1BA-920sf	2BR-1BA-860sf	3BR-1BA-1250sf	3BR-1.5BA-1250sf						
Property Name	Solace Springs	Green Lakes Apartments	Lynnhaven Cove Apartments	Princess Anne House Sr	Thalia Landing Apartments	Thalia Landing Apartments						
Address	TBD North Landing Road	3218 Green Lakes Drive	5020 Lynnhaven Parkway	4924 Princess Anne Road	4101 Pine Oaks Circle	4101 Pine Oaks Circle						
City	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach	Virginia Beach						
State	Virginia	Virginia	Virginia	Virginia	Virginia	Virginia						
Zip	23453	23452	23464	23462	23452	23452						
Latitude	36.78620	36.81220	36.78522	36.82349	36.83411	36.83411						
Longitude	-76.10697	-76.08424	-76.16194	-76.15231	-76.11404	-76.11404						
Miles to Subject	0.00	1.96	3.11	3.32	2.74	2.74						
Year Built	2026	1977	2004	2002	1981	1981						
Year Rehab	na	2002	2016	na	2001	2001						
Project Rent	Restricted	Restricted	Restricted	Restricted	Restricted	Restricted						
Project Type	Family	Family	Elderly	Elderly	Family	Family						
Project Status	Prop Const	Stabilized	Stabilized	Stabilized	Stabilized	Stabilized						
Phone	na	(757) 340-0542	(757) 467-4000	(757) 490-7001	(757) 306-0023	(757) 306-0023						
Effective Date	03-Mar-26	20-Feb-26	20-Feb-26	01-Mar-26	20-Feb-26	20-Feb-26						
<u>Project Level</u>												
Units	60	150	115	186	154	154						
Vacant Units	60	0	0	4	0	0						
Vacancy Rate	100%	0%	0%	2%	0%	0%						
<u>Unit Type</u>												
Units	2	52	56	184	5	5						
Vacant Units	2	0	0	4	0	0						
Vacancy Rate	100%	0%	0%	2%	0%	0%						
Street Rent	\$1,341	\$1,586	\$1,343	\$1,343	\$1,578	\$1,578						
Concessions	\$0	\$0	\$0	\$0	\$0	\$0						
Net Rent	\$1,341	\$1,586	\$1,343	\$1,343	\$1,578	\$1,578						
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	
Tenant-Paid Utilities	TPU	\$321	\$176	-\$145	\$92	-\$229	\$95	-\$226	\$84	-\$237	\$84	-\$237
Cable	\$0	no	no	\$0	no	\$0	no	\$0	yes	\$0	yes	\$0
Internet	\$0	yes	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$100	3	3	\$0	2	\$100	2	\$100	3	\$0	3	\$0
Bathrooms	\$50	2.00	1.50	\$25	1.00	\$50	1.00	\$50	1.00	\$50	1.50	\$25
Square Feet	\$0.20	1104	1128	-\$5	920	\$37	860	\$49	1250	-\$29	1250	-\$29
Visibility	\$10	4.50	2.00	\$25	3.00	\$15	4.00	\$5	3.25	\$13	3.25	\$13
Access	\$10	4.50	2.00	\$25	3.00	\$15	3.50	\$10	3.00	\$15	3.00	\$15
Neighborhood	\$10	4.50	2.00	\$25	3.80	\$7	2.80	\$17	2.70	\$18	2.70	\$18
Area Amenities	\$10	3.60	2.70	\$9	2.00	\$16	2.20	\$14	3.70	-\$1	3.70	-\$1
Condition	\$10	4.50	2.50	\$20	3.50	\$10	4.00	\$5	3.50	\$10	3.50	\$10
Effective Age	\$1.00	2026	1992	\$34	2006	\$20	2002	\$24	1991	\$35	1991	\$35
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Billiards	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Bus/Comp Center	\$2	yes	no	\$2	yes	\$0	no	\$2	no	\$2	no	\$2
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	no	\$2	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Elevator	\$50	no	no	\$0	yes	-\$50	yes	-\$50	no	\$0	no	\$0
Fitness Center	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Gazebo	\$2	yes	no	\$2	yes	\$0	yes	\$0	no	\$2	no	\$2
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Library	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	no	\$0
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Picnic Area	\$2	no	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2	yes	-\$2
Playground	\$2	no	yes	-\$2	no	\$0	no	\$0	yes	-\$2	yes	-\$2
Pool	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	yes	-\$2
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Carpeting	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Patio/Balcony	\$2	yes	no	\$2	no	\$2	no	\$2	yes	\$0	yes	\$0
Storage	\$30	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	yes	-\$2	yes	-\$2	no	\$0	no	\$0	no	\$0
Dishwasher	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Microwave	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	yes	-\$10	no	\$0	no	\$0	no	\$0	no	\$0
Open	\$0	yes	some	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$25	no	yes	-\$25	no	\$0	no	\$0	yes	-\$25	yes	-\$25
W/D Units	\$10	yes	some	\$10	yes	\$0	yes	\$0	no	\$10	no	\$10
W/D Hookups	\$5	no	some	\$0	no	\$0	no	\$0	yes	-\$5	yes	-\$5
Call Buttons	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	no	\$0
Controlled Access	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	no	\$0
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Monitoring	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Alarms	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Security Patrols	\$2	no	yes	-\$2	no	\$0	no	\$0	yes	-\$2	yes	-\$2
Indicated Rent	\$1,400	\$1,572	\$1,318	\$1,335	\$1,425	\$1,400						

Restricted Market Rent Conclusion

Based on our evaluation of the rents at the select comparable properties, and considering the location, quality and amenities of the subject property, we conclude the following market rents for the subject property units, assuming that the subject were a restricted property:

Restricted Market Rent Conclusion				
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Market
1BR-1BA-601.89sf / 50% of AMI / 40% of AMI	No	No	4	\$1,100
1BR-1BA-601.89sf / 50% of AMI / 50% of AMI	No	No	2	\$1,100
1BR-1BA-679.05sf / 50% of AMI / 50% of AMI	No	No	2	\$1,100
1BR-1BA-679.05sf / 60% of AMI / 60% of AMI	No	No	4	\$1,100
2BR-2BA-979.78sf / 50% of AMI / 40% of AMI	No	No	2	\$1,300
2BR-2BA-979.78sf / 50% of AMI / 50% of AMI	No	No	16	\$1,300
2BR-2BA-979.78sf / 60% of AMI / 60% of AMI	No	No	6	\$1,300
2BR-2BA-934.52sf / 60% of AMI / 60% of AMI	No	No	5	\$1,300
2BR-2BA-1010.49sf / 60% of AMI / 60% of AMI	No	No	5	\$1,300
3BR-2BA-1207.3sf / 50% of AMI / 50% of AMI	No	No	4	\$1,400
3BR-2BA-1207.3sf / 60% of AMI / 60% of AMI	No	No	6	\$1,400
3BR-2BA-1027.55sf / 60% of AMI / 60% of AMI	No	No	2	\$1,400
3BR-2BA-1103.52sf / 60% of AMI / 60% of AMI	No	No	2	\$1,400
Total / Average			60	\$1,283

Our analysis suggests an average restricted market rent of \$1,283 for the subject property.

We selected a total of 5 properties as comparables for purposes of our analysis. The average occupancy at the select rent comparables currently stands at 99 percent.

The occupancy rate of the selected rent comparables is broken out in the tables below:

Occupancy Rate, Select Comparables								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								
1-Bedroom				100%	99%			
2-Bedroom				100%	98%			
3-Bedroom				100%	100%			
4-Bedroom								
Total				100%	99%			

Occupancy rates for all stabilized market area properties are broken out below:

Occupancy Rate, Stabilized Properties								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								
1-Bedroom					98%			96%
2-Bedroom	100%		100%	100%	98%			96%
3-Bedroom	100%		100%	100%	100%			93%
4-Bedroom	100%				100%			
Total	100%		100%	100%	99%			96%

Rents at rent restricted properties tend to move with median household incomes for an area. Given HUD's published median incomes, we were able to derive 1, 2 and 3-bedroom 60% of AMI rent limits for the subject's primary market area. According to our analysis, maximum 2-bedroom rents for the area grew from \$1114 to \$1438 since 2010. This represents an average 5.8% annual increase over this period.

Maximum tax credit rent data for the area is found below:

Maximum Tax Credit Rents, 60% of AMI						
Year	Rent			Change		
	1BR	2BR	3BR	1BR	2BR	3BR
2020	\$928	\$1,114	\$1,287	-	-	-
2021	\$951	\$1,141	\$1,318	2.5%	2.4%	2.4%
2022	\$1,052	\$1,262	\$1,459	10.6%	10.6%	10.7%
2023	\$1,131	\$1,357	\$1,568	7.5%	7.5%	7.5%
2024	\$1,133	\$1,359	\$1,571	0.2%	0.1%	0.2%
2025	\$1,198	\$1,438	\$1,661	5.7%	5.8%	5.7%

Source: HUD

**Achievable Rent Conclusion**

The next step in our analysis is to develop an achievable rent conclusion for the subject property. Achievable rents represent the absolute highest rent permissible for the area, considering market rents, program rent limits, and any other applicable rent restrictions on the subject property.

Our analysis begins by establishing the applicable program rent limits for the subject property. Program rent limits include any applicable LIHTC and FMR rent limits. LIHTC rent limits typically apply to units benefitting from tax credit and/or bond financing. The LIHTC rent limits for applicable units at the subject property follow:

LIHTC Rent Limits						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Gross Rent	Utilities	Net Rent
1BR-1BA-601.89sf / 50% of AMI / 40% of AMI	No	No	4	\$799	\$114	\$685
1BR-1BA-601.89sf / 50% of AMI / 50% of AMI	No	No	2	\$998	\$114	\$884
1BR-1BA-679.05sf / 50% of AMI / 50% of AMI	No	No	2	\$998	\$114	\$884
1BR-1BA-679.05sf / 60% of AMI / 60% of AMI	No	No	4	\$1,198	\$114	\$1,084
2BR-2BA-979.78sf / 50% of AMI / 40% of AMI	No	No	2	\$959	\$204	\$755
2BR-2BA-979.78sf / 50% of AMI / 50% of AMI	No	No	16	\$1,198	\$204	\$994
2BR-2BA-979.78sf / 60% of AMI / 60% of AMI	No	No	6	\$1,438	\$204	\$1,234
2BR-2BA-934.52sf / 60% of AMI / 60% of AMI	No	No	5	\$1,438	\$204	\$1,234
2BR-2BA-1010.49sf / 60% of AMI / 60% of AMI	No	No	5	\$1,438	\$204	\$1,234
3BR-2BA-1207.3sf / 50% of AMI / 50% of AMI	No	No	4	\$1,385	\$321	\$1,064
3BR-2BA-1207.3sf / 60% of AMI / 60% of AMI	No	No	6	\$1,662	\$321	\$1,341
3BR-2BA-1027.55sf / 60% of AMI / 60% of AMI	No	No	2	\$1,662	\$321	\$1,341
3BR-2BA-1103.52sf / 60% of AMI / 60% of AMI	No	No	2	\$1,662	\$321	\$1,341
Total / Average			60	\$1,304	\$213	\$1,091

Our analysis suggests an average net LIHTC rent limit of \$1,091 for 60 applicable units at the subject property.

FMR rent limits typically apply to units benefitting from HOME funds. The FMR rent limits for applicable units at the subject property follow:

FMR Rent Limits						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Gross Rent	Utilities	Net Rent
1BR-1BA-601.89sf / 50% of AMI / 40% of AMI	No	No	-	-	-	-
1BR-1BA-601.89sf / 50% of AMI / 50% of AMI	No	No	-	-	-	-
1BR-1BA-679.05sf / 50% of AMI / 50% of AMI	No	No	-	-	-	-
1BR-1BA-679.05sf / 60% of AMI / 60% of AMI	No	No	-	-	-	-
2BR-2BA-979.78sf / 50% of AMI / 40% of AMI	No	No	-	-	-	-
2BR-2BA-979.78sf / 50% of AMI / 50% of AMI	No	No	-	-	-	-
2BR-2BA-979.78sf / 60% of AMI / 60% of AMI	No	No	-	-	-	-
2BR-2BA-934.52sf / 60% of AMI / 60% of AMI	No	No	-	-	-	-
2BR-2BA-1010.49sf / 60% of AMI / 60% of AMI	No	No	-	-	-	-
3BR-2BA-1207.3sf / 50% of AMI / 50% of AMI	No	No	-	-	-	-
3BR-2BA-1207.3sf / 60% of AMI / 60% of AMI	No	No	-	-	-	-
3BR-2BA-1027.55sf / 60% of AMI / 60% of AMI	No	No	-	-	-	-
3BR-2BA-1103.52sf / 60% of AMI / 60% of AMI	No	No	-	-	-	-
Total / Average			-	-	-	-

HOME funding is not proposed for the subject property.

Units benefitting exclusively from tax credits and/or bond financing are subject to LIHTC rent limits. Units benefitting from HOME funds in addition to tax credit and/or bond financing are subject to the lesser of LIHTC rent limits or FMR rent limits. Units benefitting from project-based rental assistance are normally limited to unrestricted market rent. With these parameters in mind, the following table sets forth the concluded program rent limits for applicable units at the subject property:

Program Rent Limits							
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	LIHTC	FMR	Market	Program
1BR-1BA-601.89sf / 50% of AMI / 40% of AMI	No	No	4	\$685	-	-	\$685
1BR-1BA-601.89sf / 50% of AMI / 50% of AMI	No	No	2	\$884	-	-	\$884
1BR-1BA-679.05sf / 50% of AMI / 50% of AMI	No	No	2	\$884	-	-	\$884
1BR-1BA-679.05sf / 60% of AMI / 60% of AMI	No	No	4	\$1,084	-	-	\$1,084
2BR-2BA-979.78sf / 50% of AMI / 40% of AMI	No	No	2	\$755	-	-	\$755
2BR-2BA-979.78sf / 50% of AMI / 50% of AMI	No	No	16	\$994	-	-	\$994
2BR-2BA-979.78sf / 60% of AMI / 60% of AMI	No	No	6	\$1,234	-	-	\$1,234
2BR-2BA-934.52sf / 60% of AMI / 60% of AMI	No	No	5	\$1,234	-	-	\$1,234
2BR-2BA-1010.49sf / 60% of AMI / 60% of AMI	No	No	5	\$1,234	-	-	\$1,234
3BR-2BA-1207.3sf / 50% of AMI / 50% of AMI	No	No	4	\$1,064	-	-	\$1,064
3BR-2BA-1207.3sf / 60% of AMI / 60% of AMI	No	No	6	\$1,341	-	-	\$1,341
3BR-2BA-1027.55sf / 60% of AMI / 60% of AMI	No	No	2	\$1,341	-	-	\$1,341
3BR-2BA-1103.52sf / 60% of AMI / 60% of AMI	No	No	2	\$1,341	-	-	\$1,341
Total / Average			60	\$1,091	-	-	\$1,091

Our analysis suggests an average program rent limit of \$1,091 for 60 applicable units at the subject property.

Now that we have established program rent limits, we are in a position to develop an achievable rent conclusion for the subject property. Achievable rents represent the absolute highest rent permissible for the area, considering unrestricted and restricted market rents, program rent limits, and any other applicable rent restrictions on the subject property. The following table summarizes our findings:

Achievable Rents									
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Program	Unrestricted	Restricted	Achievable	Proposed	Advantage
1BR-1BA-601.89sf / 50% of AMI / 40% of AMI	No	No	4	\$685	\$1,875	\$1,100	\$685	\$684	0.1%
1BR-1BA-601.89sf / 50% of AMI / 50% of AMI	No	No	2	\$884	\$1,875	\$1,100	\$884	\$884	0.0%
1BR-1BA-679.05sf / 50% of AMI / 50% of AMI	No	No	2	\$884	\$1,875	\$1,100	\$884	\$884	0.0%
1BR-1BA-679.05sf / 60% of AMI / 60% of AMI	No	No	4	\$1,084	\$1,875	\$1,100	\$1,084	\$1,084	0.0%
2BR-2BA-979.78sf / 50% of AMI / 40% of AMI	No	No	2	\$755	\$2,150	\$1,300	\$755	\$754	0.1%
2BR-2BA-979.78sf / 50% of AMI / 50% of AMI	No	No	16	\$994	\$2,150	\$1,300	\$994	\$994	0.0%
2BR-2BA-979.78sf / 60% of AMI / 60% of AMI	No	No	6	\$1,234	\$2,150	\$1,300	\$1,234	\$1,234	0.0%
2BR-2BA-934.52sf / 60% of AMI / 60% of AMI	No	No	5	\$1,234	\$2,150	\$1,300	\$1,234	\$1,234	0.0%
2BR-2BA-1010.49sf / 60% of AMI / 60% of AMI	No	No	5	\$1,234	\$2,150	\$1,300	\$1,234	\$1,234	0.0%
3BR-2BA-1207.3sf / 50% of AMI / 50% of AMI	No	No	4	\$1,064	\$2,400	\$1,400	\$1,064	\$1,064	0.0%
3BR-2BA-1207.3sf / 60% of AMI / 60% of AMI	No	No	6	\$1,341	\$2,400	\$1,400	\$1,341	\$1,341	0.0%
3BR-2BA-1027.55sf / 60% of AMI / 60% of AMI	No	No	2	\$1,341	\$2,400	\$1,400	\$1,341	\$1,341	0.0%
3BR-2BA-1103.52sf / 60% of AMI / 60% of AMI	No	No	2	\$1,341	\$2,400	\$1,400	\$1,341	\$1,341	0.0%
Total / Average			60	\$1,091	\$2,153	\$1,283	\$1,091	\$1,091	0.0%

Our analysis suggests an average achievable rent of \$1,091 for the subject property. This is compared with an average proposed rent of \$1,091, yielding an achievable rent advantage of 0 percent. Overall, the subject property appears to be priced at or below achievable rents for the area.

## DEMAND ANALYSIS

### Overview

In this section we evaluate demand for the subject property using the recommended demand methodology promulgated by the National Council of Housing Market Analysts (NCHMA). For purposes of this analysis, we define demand as the number of income-qualified renter households (by household size and unit type) that would qualify to live at the subject property at the lesser of the developer's proposed rents or achievable rents.

Our analysis begins by developing a breakdown of the number of renter households, by income, by size as of the date of market entry for this development. This breakdown, which utilizes demographic data presented earlier in this report, is presented below:

2026 \$		Renter Households, by Income, by Size							
		2027							
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Total	
\$0	to \$9,999	155	137	173	98	30	15	608	
\$0	to \$19,999	522	319	266	285	37	16	1,446	
\$0	to \$29,999	801	766	487	354	103	54	2,565	
\$0	to \$39,999	1,267	1,084	694	531	162	92	3,832	
\$0	to \$49,999	1,804	1,431	1,045	785	222	127	5,413	
\$0	to \$59,999	2,202	1,737	1,258	1,048	341	189	6,775	
\$0	to \$74,999	2,646	2,409	1,572	1,169	461	256	8,513	
\$0	to \$99,999	2,867	2,911	2,110	1,513	675	386	10,463	
\$0	to \$124,999	2,998	3,198	2,308	1,666	735	420	11,324	
\$0	to \$149,999	3,043	3,583	2,562	1,705	810	464	12,168	
\$0	to \$199,999	3,168	3,733	2,684	1,740	841	479	12,645	
\$0	or more	3,236	3,779	2,719	1,774	893	509	12,910	

Source: ESRI & Ribbon Demographics

Our analysis includes an estimate of demand along with capture rate and penetration rate estimates. Capture rates were computed two ways: (1) On a gross basis (the number of proposed units divided by qualified demand) and (2) On a net basis (the number of proposed units divided by qualified demand minus competing & pipeline units). Penetration rates are defined as the number of proposed units plus competing & pipeline units divided by income-qualified demand. In the following pages we provide detailed listings of competing & pipeline units in the market area broken by unit type.

Competing & Pipeline Units, 1-Bedroom Units

Overview						Total Units								Vacant Units									
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt	Sub	30%	40%	50%	60%	70%	80%	Mkt	
003	Aspen Apartments	1979	2011	Market Rate	Family	Stabilized								24									
004	Auburn Place Apartments	1985	2008	Market Rate	Family	Stabilized								54									
005	Banyan Grove at Towne Square	2003	na	Market Rate	Family	Stabilized								96								1	
008	Boulevard 45	2023	na	Market Rate	Family	Stabilized								36									
009	Brenneman Farm Apartments	2006	na	Market Rate	Family	Stabilized								32									
011	Brookside Village Apartments	1974	2010	Market Rate	Family	Stabilized								25									
012	Cambria at Cornerstone Apartments Phase	2012	na	Market Rate	Family	Stabilized								60								4	
013	Chase Arbor Apartments	1986	na	Market Rate	Family	Stabilized								228								13	
014	Citywide Homes 2001	1960	2004	Restricted	Family	Stabilized																	
019	Green Lakes Apartments	1977	2002	Restricted	Family	Stabilized				20													
022	Hollygreen Apartments	1984	na	Market Rate	Family	Stabilized																	
025	Indian Lakes Apartments	1986	na	Market Rate	Family	Stabilized								148									10
026	Lake Princess Anne Townvillas	1986	2018	Market Rate	Family	Stabilized																	
029	Marq (The)	2018	na	Market Rate	Family	Stabilized								86								1	
034	Ridgewood Club Apartments	1971	2011	Market Rate	Family	Stabilized								48									9
035	Rosemont Crossing	2014	na	Restricted	Family	Prop Const																	
036	Royal Pointe Apartments	1986	na	Market Rate	Family	Stabilized								104									2
037	Shoreline Apartments	1986	2011	Market Rate	Family	Stabilized								36									1
038	South Lake Apartments	1979	2011	Market Rate	Family	Stabilized								48									
041	Summer Station Apartments	1984	na	Market Rate	Family	Stabilized								81									2
043	Tivoli Apartments	1972	2010	Market Rate	Family	Stabilized								72									5
044	Twin Canal Village	1979	2010	Subsidized	Family	Stabilized																	
048	Waterfront Apartments	1985	na	Market Rate	Family	Stabilized								288									15
050	Willow Lake Apartments	1984	2010	Market Rate	Family	Stabilized								24									2
051	Windsor Lake Apartments	1974	2011	Market Rate	Family	Stabilized								64									1
052	Apartments At Spence Crossing PH 1	2014	na	Market Rate	Family	Stabilized								86									
053	Sparrows Point Townhomes & Apt	1969	2008	Market Rate	Family	Stabilized								72									1
054	Waterside At Lynnhaven	1966	2000	Market Rate	Family	Stabilized								42									3
056	Brenneman Lake Apartments	2007	na	Market Rate	Family	Stabilized																	
059	Southern Pine Apartment Homes	2016	na	Market Rate	Family	Stabilized								76									
063	Apartments At Spence Crossing PH 2	2017	na	Market Rate	Family	Stabilized								9									
Total										20				1,839									70

Source: Allen & Associates

Competing & Pipeline Units, 2-Bedroom Units

Overview						Total Units								Vacant Units									
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt	Sub	30%	40%	50%	60%	70%	80%	Mkt	
003	Aspen Apartments	1979	2011	Market Rate	Family	Stabilized								124									2
004	Auburn Place Apartments	1985	2008	Market Rate	Family	Stabilized								114									
005	Banyan Grove at Towne Square	2003	na	Market Rate	Family	Stabilized								132									5
008	Boulevard 45	2023	na	Market Rate	Family	Stabilized								76									
009	Brenneman Farm Apartments	2006	na	Market Rate	Family	Stabilized								224									3
011	Brookside Village Apartments	1974	2010	Market Rate	Family	Stabilized								79									4
012	Cambria at Cornerstone Apartments Phase	2012	na	Market Rate	Family	Stabilized								144									1
013	Chase Arbor Apartments	1986	na	Market Rate	Family	Stabilized								186									10
014	Citywide Homes 2001	1960	2004	Restricted	Family	Stabilized				3	1												
019	Green Lakes Apartments	1977	2002	Restricted	Family	Stabilized						62											
022	Hollygreen Apartments	1984	na	Market Rate	Family	Stabilized								95									
025	Indian Lakes Apartments	1986	na	Market Rate	Family	Stabilized								148									
026	Lake Princess Anne Townvillas	1986	2018	Market Rate	Family	Stabilized								152									15
029	Marq (The)	2018	na	Market Rate	Family	Stabilized								132									
034	Ridgewood Club Apartments	1971	2011	Market Rate	Family	Stabilized								96									27
035	Rosemont Crossing	2014	na	Restricted	Family	Prop Const	3			3	6				3			3		6			
036	Royal Pointe Apartments	1986	na	Market Rate	Family	Stabilized								104									5
037	Shoreline Apartments	1986	2011	Market Rate	Family	Stabilized								164									9
038	South Lake Apartments	1979	2011	Market Rate	Family	Stabilized								104									1
041	Summer Station Apartments	1984	na	Market Rate	Family	Stabilized								163									18
043	Tivoli Apartments	1972	2010	Market Rate	Family	Stabilized								68									3
044	Twin Canal Village	1979	2010	Subsidized	Family	Stabilized	160																
048	Waterfront Apartments	1985	na	Market Rate	Family	Stabilized								360									17
050	Willow Lake Apartments	1984	2010	Market Rate	Family	Stabilized								116									5
051	Windsor Lake Apartments	1974	2011	Market Rate	Family	Stabilized								168									3
052	Apartments At Spence Crossing PH 1	2014	na	Market Rate	Family	Stabilized								172									3
053	Sparrows Point Townhomes & Apt	1969	2008	Market Rate	Family	Stabilized								152									13
054	Waterside At Lynnhaven	1966	2000	Market Rate	Family	Stabilized								132									3
056	Brenneman Lake Apartments	2007	na	Market Rate	Family	Stabilized								36									
059	Southern Pine Apartment Homes	2016	na	Market Rate	Family	Stabilized								128									
063	Apartments At Spence Crossing PH 2	2017	na	Market Rate	Family	Stabilized								76									
Total							163		3	4	68			3,645	3			3		6			147

Source: Allen & Associates

Competing & Pipeline Units, 3-Bedroom Units

Overview						Total Units								Vacant Units									
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt	Sub	30%	40%	50%	60%	70%	80%	Mkt	
003	Aspen Apartments	1979	2011	Market Rate	Family	Stabilized																	
004	Auburn Place Apartments	1985	2008	Market Rate	Family	Stabilized																	
005	Banyan Grove at Towne Square	2003	na	Market Rate	Family	Stabilized								60									4
008	Boulevard 45	2023	na	Market Rate	Family	Stabilized								16									2
009	Brenneman Farm Apartments	2006	na	Market Rate	Family	Stabilized								48									
011	Brookside Village Apartments	1974	2010	Market Rate	Family	Stabilized																	
012	Cambria at Cornerstone Apartments Phase	2012	na	Market Rate	Family	Stabilized								72									1
013	Chase Arbor Apartments	1986	na	Market Rate	Family	Stabilized								16									1
014	Citywide Homes 2001	1960	2004	Restricted	Family	Stabilized				4	12												
019	Green Lakes Apartments	1977	2002	Restricted	Family	Stabilized						52											
022	Hollygreen Apartments	1984	na	Market Rate	Family	Stabilized																	
025	Indian Lakes Apartments	1986	na	Market Rate	Family	Stabilized																	
026	Lake Princess Anne Townvillas	1986	2018	Market Rate	Family	Stabilized								52									5
029	Marq (The)	2018	na	Market Rate	Family	Stabilized								46									
034	Ridgewood Club Apartments	1971	2011	Market Rate	Family	Stabilized								48									
035	Rosemont Crossing	2014	na	Restricted	Family	Prop Const	3			18	21				3			18	21				
036	Royal Pointe Apartments	1986	na	Market Rate	Family	Stabilized																	
037	Shoreline Apartments	1986	2011	Market Rate	Family	Stabilized								16									2
038	South Lake Apartments	1979	2011	Market Rate	Family	Stabilized																	
041	Summer Station Apartments	1984	na	Market Rate	Family	Stabilized								27									10
043	Tivoli Apartments	1972	2010	Market Rate	Family	Stabilized																	
044	Twin Canal Village	1979	2010	Subsidized	Family	Stabilized	124																
048	Waterfront Apartments	1985	na	Market Rate	Family	Stabilized								36									2
050	Willow Lake Apartments	1984	2010	Market Rate	Family	Stabilized								12									1
051	Windsor Lake Apartments	1974	2011	Market Rate	Family	Stabilized								24									
052	Apartments At Spence Crossing PH 1	2014	na	Market Rate	Family	Stabilized								30									
053	Sparrows Point Townhomes & Apt	1969	2008	Market Rate	Family	Stabilized								76									7
054	Waterside At Lynnhaven	1966	2000	Market Rate	Family	Stabilized								18									3
056	Brenneman Lake Apartments	2007	na	Market Rate	Family	Stabilized								12									
059	Southern Pine Apartment Homes	2016	na	Market Rate	Family	Stabilized								36									
063	Apartments At Spence Crossing PH 2	2017	na	Market Rate	Family	Stabilized								9									
Total							127		4	30	82			654	3			18	21				43

Source: Allen & Associates

## Demand Estimate, 1-Bedroom, Restricted, 50% of AMI

In this section we estimate demand for the 1-Bedroom / Restricted / 50% of AMI units at the subject property. Our analysis assumes a total of 8 units, 8 of which are anticipated to be vacant on market entry in 2027. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	50% of AMI
Total Units	8
Vacant Units at Market Entry	8

Minimum Qualified Income	
Net Rent	\$684
Utilities	\$114
Gross Rent	\$798
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,280
Months/Year	12
Minimum Qualified Income	\$27,360

Renter Households, by Income, by Size								
2027								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	155	137	173	98	30	15
\$0	to	\$19,999	522	319	266	285	37	16
\$0	to	\$29,999	801	766	487	354	103	54
\$0	to	\$39,999	1,267	1,084	694	531	162	92
\$0	to	\$49,999	1,804	1,431	1,045	785	222	127
\$0	to	\$59,999	2,202	1,737	1,258	1,048	341	189
\$0	to	\$74,999	2,646	2,409	1,572	1,169	461	256
\$0	to	\$99,999	2,867	2,911	2,110	1,513	675	386
\$0	to	\$124,999	2,998	3,198	2,308	1,666	735	420
\$0	to	\$149,999	3,043	3,583	2,562	1,705	810	464
\$0	to	\$199,999	3,168	3,733	2,684	1,740	841	479
\$0	or	more	3,236	3,779	2,719	1,774	893	509

Maximum Allowable Income							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income		\$37,300	\$42,600	\$47,950	\$53,250	\$57,550	\$61,800

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	No	No	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	1,127	1,171	0	0	0	0
HH Below Minimum Income	717	632	0	0	0	0
Subtotal	410	539	0	0	0	0

Demand Estimate 949

Our analysis suggests demand for a total of 949 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

## Demand Estimate, 1-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 1-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 4 units, 4 of which are anticipated to be vacant on market entry in 2027. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	4
Vacant Units at Market Entry	4

Minimum Qualified Income	
Net Rent	\$1,084
Utilities	\$114
Gross Rent	\$1,198
Income Qualification Ratio	35%
Minimum Qualified Income	\$3,423
Months/Year	12
Minimum Qualified Income	\$41,074

Renter Households, by Income, by Size								
2027								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	155	137	173	98	30	15
\$0	to	\$19,999	522	319	266	285	37	16
\$0	to	\$29,999	801	766	487	354	103	54
\$0	to	\$39,999	1,267	1,084	694	531	162	92
\$0	to	\$49,999	1,804	1,431	1,045	785	222	127
\$0	to	\$59,999	2,202	1,737	1,258	1,048	341	189
\$0	to	\$74,999	2,646	2,409	1,572	1,169	461	256
\$0	to	\$99,999	2,867	2,911	2,110	1,513	675	386
\$0	to	\$124,999	2,998	3,198	2,308	1,666	735	420
\$0	to	\$149,999	3,043	3,583	2,562	1,705	810	464
\$0	to	\$199,999	3,168	3,733	2,684	1,740	841	479
\$0	or	more	3,236	3,779	2,719	1,774	893	509

Maximum Allowable Income							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income		\$44,760	\$51,120	\$57,540	\$63,900	\$69,060	\$74,160

Size Qualified							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified		Yes	Yes	No	No	No	No

Demand Estimate							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income		1,509	1,462	0	0	0	0
HH Below Minimum Income		1,321	1,119	0	0	0	0
Subtotal		188	343	0	0	0	0

Demand Estimate 531

Our analysis suggests demand for a total of 531 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

## Demand Estimate, 2-Bedroom, Restricted, 50% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 50% of AMI units at the subject property. Our analysis assumes a total of 18 units, 18 of which are anticipated to be vacant on market entry in 2027. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	50% of AMI
Total Units	18
Vacant Units at Market Entry	18

Minimum Qualified Income	
Net Rent	\$754
Utilities	\$204
Gross Rent	\$958
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,737
Months/Year	12
Minimum Qualified Income	\$32,846

Renter Households, by Income, by Size								
2027								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	155	137	173	98	30	15
\$0	to	\$19,999	522	319	266	285	37	16
\$0	to	\$29,999	801	766	487	354	103	54
\$0	to	\$39,999	1,267	1,084	694	531	162	92
\$0	to	\$49,999	1,804	1,431	1,045	785	222	127
\$0	to	\$59,999	2,202	1,737	1,258	1,048	341	189
\$0	to	\$74,999	2,646	2,409	1,572	1,169	461	256
\$0	to	\$99,999	2,867	2,911	2,110	1,513	675	386
\$0	to	\$124,999	2,998	3,198	2,308	1,666	735	420
\$0	to	\$149,999	3,043	3,583	2,562	1,705	810	464
\$0	to	\$199,999	3,168	3,733	2,684	1,740	841	479
\$0	or	more	3,236	3,779	2,719	1,774	893	509

Maximum Allowable Income						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income	\$37,300	\$42,600	\$47,950	\$53,250	\$57,550	\$61,800

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	1,127	1,171	957	864	0	0
HH Below Minimum Income	918	846	539	398	0	0
Subtotal	210	325	419	466	0	0

Demand Estimate 1,419

Our analysis suggests demand for a total of 1,419 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

## Demand Estimate, 2-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 16 units, 16 of which are anticipated to be vacant on market entry in 2027. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	16
Vacant Units at Market Entry	16

Minimum Qualified Income	
Net Rent	\$1,234
Utilities	\$204
Gross Rent	\$1,438
Income Qualification Ratio	35%
Minimum Qualified Income	\$4,109
Months/Year	12
Minimum Qualified Income	\$49,303

Renter Households, by Income, by Size								
2027								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	155	137	173	98	30	15
\$0	to	\$19,999	522	319	266	285	37	16
\$0	to	\$29,999	801	766	487	354	103	54
\$0	to	\$39,999	1,267	1,084	694	531	162	92
\$0	to	\$49,999	1,804	1,431	1,045	785	222	127
\$0	to	\$59,999	2,202	1,737	1,258	1,048	341	189
\$0	to	\$74,999	2,646	2,409	1,572	1,169	461	256
\$0	to	\$99,999	2,867	2,911	2,110	1,513	675	386
\$0	to	\$124,999	2,998	3,198	2,308	1,666	735	420
\$0	to	\$149,999	3,043	3,583	2,562	1,705	810	464
\$0	to	\$199,999	3,168	3,733	2,684	1,740	841	479
\$0	or	more	3,236	3,779	2,719	1,774	893	509

Maximum Allowable Income						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income	\$44,760	\$51,120	\$57,540	\$63,900	\$69,060	\$74,160

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	0	1,462	1,205	1,076	0	0
HH Below Minimum Income	0	1,396	1,010	760	0	0
Subtotal	0	65	195	317	0	0

Demand Estimate 577

Our analysis suggests demand for a total of 577 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

## Demand Estimate, 3-Bedroom, Restricted, 50% of AMI

In this section we estimate demand for the 3-Bedroom / Restricted / 50% of AMI units at the subject property. Our analysis assumes a total of 4 units, 4 of which are anticipated to be vacant on market entry in 2027. Our analysis assumes a 35% income qualification ratio and 5-person households.

Unit Details	
Target Population	Family Households
Unit Type	3-Bedroom
Rent Type	Restricted
Income Limit	50% of AMI
Total Units	4
Vacant Units at Market Entry	4

Minimum Qualified Income	
Net Rent	\$1,064
Utilities	\$321
Gross Rent	\$1,385
Income Qualification Ratio	35%
Minimum Qualified Income	\$3,957
Months/Year	12
Minimum Qualified Income	\$47,486

Renter Households, by Income, by Size								
2027								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	155	137	173	98	30	15
\$0	to	\$19,999	522	319	266	285	37	16
\$0	to	\$29,999	801	766	487	354	103	54
\$0	to	\$39,999	1,267	1,084	694	531	162	92
\$0	to	\$49,999	1,804	1,431	1,045	785	222	127
\$0	to	\$59,999	2,202	1,737	1,258	1,048	341	189
\$0	to	\$74,999	2,646	2,409	1,572	1,169	461	256
\$0	to	\$99,999	2,867	2,911	2,110	1,513	675	386
\$0	to	\$124,999	2,998	3,198	2,308	1,666	735	420
\$0	to	\$149,999	3,043	3,583	2,562	1,705	810	464
\$0	to	\$199,999	3,168	3,733	2,684	1,740	841	479
\$0	or	more	3,236	3,779	2,719	1,774	893	509

Maximum Allowable Income							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income		\$37,300	\$42,600	\$47,950	\$53,250	\$57,550	\$61,800

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	Yes	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	0	0	957	864	311	0
HH Below Minimum Income	0	0	940	709	204	0
Subtotal	0	0	18	155	107	0

Demand Estimate 280

Our analysis suggests demand for a total of 280 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

## Demand Estimate, 3-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 3-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 10 units, 10 of which are anticipated to be vacant on market entry in 2027. Our analysis assumes a 35% income qualification ratio and 5-person households.

Unit Details	
Target Population	Family Households
Unit Type	3-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	10
Vacant Units at Market Entry	10

Minimum Qualified Income	
Net Rent	\$1,341
Utilities	\$321
Gross Rent	\$1,662
Income Qualification Ratio	35%
Minimum Qualified Income	\$4,749
Months/Year	12
Minimum Qualified Income	\$56,983

Renter Households, by Income, by Size								
2027								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	155	137	173	98	30	15
\$0	to	\$19,999	522	319	266	285	37	16
\$0	to	\$29,999	801	766	487	354	103	54
\$0	to	\$39,999	1,267	1,084	694	531	162	92
\$0	to	\$49,999	1,804	1,431	1,045	785	222	127
\$0	to	\$59,999	2,202	1,737	1,258	1,048	341	189
\$0	to	\$74,999	2,646	2,409	1,572	1,169	461	256
\$0	to	\$99,999	2,867	2,911	2,110	1,513	675	386
\$0	to	\$124,999	2,998	3,198	2,308	1,666	735	420
\$0	to	\$149,999	3,043	3,583	2,562	1,705	810	464
\$0	to	\$199,999	3,168	3,733	2,684	1,740	841	479
\$0	or	more	3,236	3,779	2,719	1,774	893	509

Maximum Allowable Income							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income		\$44,760	\$51,120	\$57,540	\$63,900	\$69,060	\$74,160

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	Yes	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	0	0	1,205	1,076	413	0
HH Below Minimum Income	0	0	1,183	956	299	0
Subtotal	0	0	21	120	114	0

Demand Estimate 255

Our analysis suggests demand for a total of 255 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

## Demand Estimate, Restricted, 50% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 50% of AMI at the subject property.

Renter Households, by Income, by Size								
2027								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	155	137	173	98	30	15
\$0	to	\$19,999	522	319	266	285	37	16
\$0	to	\$29,999	801	766	487	354	103	54
\$0	to	\$39,999	1,267	1,084	694	531	162	92
\$0	to	\$49,999	1,804	1,431	1,045	785	222	127
\$0	to	\$59,999	2,202	1,737	1,258	1,048	341	189
\$0	to	\$74,999	2,646	2,409	1,572	1,169	461	256
\$0	to	\$99,999	2,867	2,911	2,110	1,513	675	386
\$0	to	\$124,999	2,998	3,198	2,308	1,666	735	420
\$0	to	\$149,999	3,043	3,583	2,562	1,705	810	464
\$0	to	\$199,999	3,168	3,733	2,684	1,740	841	479
\$0	or	more	3,236	3,779	2,719	1,774	893	509

Demand Estimate, Restricted, 50% of AMI						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Income, 0BR	-	-	-	-	-	-
Maximum Income, 1BR	\$37,300	\$42,600	-	-	-	-
Maximum Income, 2BR	\$37,300	\$42,600	\$47,950	\$53,250	-	-
Maximum Income, 3BR	-	-	\$47,950	\$53,250	\$57,550	-
Maximum Income, 4BR	-	-	-	-	-	-
Maximum Allowable Income	\$37,300	\$42,600	\$47,950	\$53,250	\$57,550	-
Minimum Income, 0BR	-	-	-	-	-	-
Minimum Income, 1BR	\$27,360	\$27,360	-	-	-	-
Minimum Income, 2BR	\$32,846	\$32,846	\$32,846	\$32,846	-	-
Minimum Income, 3BR	-	-	\$47,486	\$47,486	\$47,486	-
Minimum Income, 4BR	-	-	-	-	-	-
Minimum Qualified Income	\$27,360	\$27,360	\$32,846	\$32,846	\$47,486	-
HH Below Upper Income	1,127	1,171	957	864	311	0
HH Below Lower Income	717	632	539	398	204	0
Subtotal	410	539	419	466	107	0

Demand Estimate 1,940

Our analysis suggests demand for a total of 1,940 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

## Demand Estimate, Restricted, 60% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 60% of AMI at the subject property.

Renter Households, by Income, by Size								
2027								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	155	137	173	98	30	15
\$0	to	\$19,999	522	319	266	285	37	16
\$0	to	\$29,999	801	766	487	354	103	54
\$0	to	\$39,999	1,267	1,084	694	531	162	92
\$0	to	\$49,999	1,804	1,431	1,045	785	222	127
\$0	to	\$59,999	2,202	1,737	1,258	1,048	341	189
\$0	to	\$74,999	2,646	2,409	1,572	1,169	461	256
\$0	to	\$99,999	2,867	2,911	2,110	1,513	675	386
\$0	to	\$124,999	2,998	3,198	2,308	1,666	735	420
\$0	to	\$149,999	3,043	3,583	2,562	1,705	810	464
\$0	to	\$199,999	3,168	3,733	2,684	1,740	841	479
\$0	or	more	3,236	3,779	2,719	1,774	893	509

Demand Estimate, Restricted, 60% of AMI						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Income, 0BR	-	-	-	-	-	-
Maximum Income, 1BR	\$44,760	\$51,120	-	-	-	-
Maximum Income, 2BR	-	\$51,120	\$57,540	\$63,900	-	-
Maximum Income, 3BR	-	-	\$57,540	\$63,900	\$69,060	-
Maximum Income, 4BR	-	-	-	-	-	-
Maximum Allowable Income	\$44,760	\$51,120	\$57,540	\$63,900	\$69,060	-
Minimum Income, 0BR	-	-	-	-	-	-
Minimum Income, 1BR	\$41,074	\$41,074	-	-	-	-
Minimum Income, 2BR	-	\$49,303	\$49,303	\$49,303	-	-
Minimum Income, 3BR	-	-	\$56,983	\$56,983	\$56,983	-
Minimum Income, 4BR	-	-	-	-	-	-
Minimum Qualified Income	\$41,074	\$41,074	\$49,303	\$49,303	\$56,983	-
HH Below Upper Income	1,509	1,462	1,205	1,076	413	0
HH Below Lower Income	1,321	1,119	1,010	760	299	0
Subtotal	188	343	195	317	114	0

Demand Estimate 1,156

Our analysis suggests demand for a total of 1,156 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

## Demand Estimate, Project-Level

In this section we account for income-band overlap and develop a project-level demand estimate for the subject property.

Renter Households, by Income, by Size								
			2027					
2026	\$		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	155	137	173	98	30	15
\$0	to	\$19,999	522	319	266	285	37	16
\$0	to	\$29,999	801	766	487	354	103	54
\$0	to	\$39,999	1,267	1,084	694	531	162	92
\$0	to	\$49,999	1,804	1,431	1,045	785	222	127
\$0	to	\$59,999	2,202	1,737	1,258	1,048	341	189
\$0	to	\$74,999	2,646	2,409	1,572	1,169	461	256
\$0	to	\$99,999	2,867	2,911	2,110	1,513	675	386
\$0	to	\$124,999	2,998	3,198	2,308	1,666	735	420
\$0	to	\$149,999	3,043	3,583	2,562	1,705	810	464
\$0	to	\$199,999	3,168	3,733	2,684	1,740	841	479
\$0	or	more	3,236	3,779	2,719	1,774	893	509

Demand Estimate, Project-Level						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Income, Subsidized	-	-	-	-	-	-
Maximum Income, 30% of AMI	-	-	-	-	-	-
Maximum Income, 40% of AMI	-	-	-	-	-	-
Maximum Income, 50% of AMI	\$37,300	\$42,600	\$47,950	\$53,250	\$57,550	-
Maximum Income, 60% of AMI	\$44,760	\$51,120	\$57,540	\$63,900	\$69,060	-
Maximum Income, 70% of AMI	-	-	-	-	-	-
Maximum Income, 80% of AMI	-	-	-	-	-	-
Maximum Income, Market Rate	-	-	-	-	-	-
Maximum Allowable Income	\$44,760	\$51,120	\$57,540	\$63,900	\$69,060	-
Minimum Income, Subsidized	-	-	-	-	-	-
Minimum Income, 30% of AMI	-	-	-	-	-	-
Minimum Income, 40% of AMI	-	-	-	-	-	-
Minimum Income, 50% of AMI	\$27,360	\$27,360	\$32,846	\$32,846	\$47,486	-
Minimum Income, 60% of AMI	\$41,074	\$41,074	\$49,303	\$49,303	\$56,983	-
Minimum Income, 70% of AMI	-	-	-	-	-	-
Minimum Income, 80% of AMI	-	-	-	-	-	-
Minimum Income, Market Rate	-	-	-	-	-	-
Minimum Qualified Income	\$27,360	\$27,360	\$32,846	\$32,846	\$47,486	-
HH Below Upper Income	1,509	1,462	1,205	1,076	413	0
HH Below Lower Income	717	632	539	398	204	0
Subtotal	791	830	666	678	209	0

Demand Estimate 3,174

Our analysis suggests project-level demand for a total of 3,174 size- and income-qualified units in the market area.

## Capture Rates

In this section, we summarize our demand conclusions and estimate the capture rate for the subject property. Our analysis begins by summarizing the estimated number of vacant subject property units on the date of market entry.

Subject Property Units (Total)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR				8	4				12
2BR				18	16				34
3BR				4	10				14
4BR									
Tot				30	30				60

Subject Property Units (Vacant at Market Entry)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR				8	4				12
2BR				18	16				34
3BR				4	10				14
4BR									
Tot				30	30				60

The next step in our analysis is to summarize the demand conclusions derived previously. For purposes of this analysis, we define demand as age- and income- qualified renter households for each of the unit types proposed at the subject property. Unit-level demand estimates are found in the body of the chart found below; project-level demand estimates are found in the column and row totals.

Please note: Because of income-band overlap, unit-level demand may not add up to project-level demand. The overlap, which was quantified in the demand estimates presented earlier, has been accounted for in our estimates of project-level demand.

Gross Demand									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR				949	531				1,480
2BR				1,419	577				1,996
3BR				280	255				535
4BR									
Tot				1,940	1,156				3,174

The next step in our analysis is to compute the capture rate for the project. For purposes of this computation, we define capture rate as the number of subject property units divided by gross demand. Underwriters often utilize capture rate limits of 10 to 25 percent using this methodology. Our estimates are presented below:

Capture Rates (Subject Property Units / Gross Demand)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR				0.8%	0.8%				0.8%
2BR				1.3%	2.8%				1.7%
3BR				1.4%	3.9%				2.6%
4BR									
Tot				1.5%	2.6%				1.9%

The next step in our analysis is to tabulate the number of vacant competing & pipeline units in the market area by

unit/income type. This information will be used to further refine our capture rate estimate for the subject property. A table showing the distribution of vacant competing & pipeline units is found below.

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR									
2BR				3	6				9
3BR				18	21				39
4BR									
Tot				21	27				48

The next step in our analysis is to subtract the number of vacant competing & pipeline units from gross demand to arrive at a net demand estimate for the subject property units. As described earlier, unit-level net demand estimates are found in the body of the chart found below; project-level net demand estimates are found in the column and row totals.

Please note: Because of income-band overlap, unit-level net demand may not add up to project-level net demand. The overlap, which was quantified in the demand estimates presented earlier, has been accounted for in our estimates of project-level net demand.

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR				949	531				1,480
2BR				1,416	571				1,987
3BR				262	234				496
4BR									
Tot				1,919	1,129				3,126

The next step in our analysis is to compute the capture rate for the project. For purposes of this computation, we define capture rate as the number of subject property units divided by net demand. A capture rate in excess of 20 percent is considered excessive using this methodology. Our estimates are presented below:

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR				0.8%	0.8%				0.8%
2BR				1.3%	2.8%				1.7%
3BR				1.5%	4.3%				2.8%
4BR									
Tot				1.6%	2.7%				1.9%

In our opinion, the estimated project-level capture rate suggests an appropriate number of units for the subject property. The unit level capture rates suggest an appropriate mix of units for the subject property.

## Penetration Rates

In this section, we summarize our demand conclusions and estimate the penetration rate for the subject property. Our analysis begins by summarizing the estimated number of vacant subject property units on the date of market entry.

Subject Property Units (Total)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR				8	4				12
2BR				18	16				34
3BR				4	10				14
4BR									
Tot				30	30				60

Subject Property Units (Vacant at Market Entry)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR				8	4				12
2BR				18	16				34
3BR				4	10				14
4BR									
Tot				30	30				60

The next step in our analysis is to summarize the demand conclusions derived previously. For purposes of this analysis, we define demand as age- and income- qualified renter households for each of the unit types proposed at the subject property. Unit-level demand estimates are found in the body of the chart found below; project-level demand estimates are found in the column and row totals.

Please note: Because of income-band overlap, unit-level demand may not add up to project-level demand. The overlap, which was quantified in the demand estimates presented earlier, has been accounted for in our estimates of project-level demand.

Gross Demand									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR				949	531				1,480
2BR				1,419	577				1,996
3BR				280	255				535
4BR									
Tot				1,940	1,156				3,174

The next step in our analysis is to tabulate the number of competing & pipeline units in the market area by unit/income type. This information will be used to derive our penetration rate estimate for the subject property. A table showing the distribution of competing & pipeline units is found below.

Competing & Pipeline Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR					20				20
2BR				4	68				72
3BR				30	82				112
4BR									
Tot				34	170				204

The next step in our analysis is to compute inclusive supply for the market area by unit/income type. Inclusive

supply will be taken into account in our penetration rate estimate for the subject property. For purposes of this estimate, inclusive supply consists of vacant subject property units plus competing & pipeline units.

Inclusive Supply (Subject Property Units + Competing & Pipeline Units)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR				8	24				32
2BR				22	84				106
3BR				34	92				126
4BR									
Tot				64	200				264

The next step in our analysis is to compute the penetration rate for the project. For purposes of this computation, penetration rate is defined as inclusive supply divided by gross demand. A penetration rate in excess of 100 percent is considered excessive using this methodology. Our estimates are presented below:

Penetration Rates (Inclusive Supply / Gross Demand)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR				0.8%	4.5%				2.2%
2BR				1.6%	14.6%				5.3%
3BR				12.1%	36.1%				23.6%
4BR									
Tot				3.3%	17.3%				8.3%

In our opinion, the estimated project-level penetration rate suggest an appropriate number of units for the subject property. The unit-level penetration rates suggest an appropriate mix of units for the subject property.

## Absorption Period

In this section, we estimate the absorption period for the subject property. Our analysis begins by summarizing the estimated number of vacant subject property units on the date of market entry.

Subject Property Units (Total)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR				8	4			
2BR				18	16			
3BR				4	10			
4BR								

Subject Property Units (Vacant at Market Entry)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR				8	4			
2BR				18	16			
3BR				4	10			
4BR								

The next step in our analysis is to summarize the demand conclusions derived previously. For purposes of this analysis, we define demand as age- and income- qualified renter households for each of the unit types proposed at the subject property. Our analysis uses the unit-level demand estimates derived previously.

Gross Demand								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR				949	531			
2BR				1,419	577			
3BR				280	255			
4BR								

The next step in our analysis is to apply an annual growth & movership rate to derive an annual rental household growth & movership estimate for the market area. Our estimates are found in the tables below.

Annual Growth & Movership Rate	
Growth	1.5%
Movership	39.0%
Total	40.4%

Growth & Movership Estimate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR				384	215			
2BR				574	233			
3BR				113	103			
4BR								

The next step in our analysis is to account for secondary market area migration in our annual rental household growth & movership estimate for the market area. Our estimates are found in the tables below.

Secondary Market Area	
	20%

Growth & Movership Estimate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR				480	268			
2BR				717	292			
3BR				142	129			
4BR								

The next step in our analysis is to estimate fair share, or the proportion of growth and movership that we would expect the subject property to capture. The fair share analysis is used extensively in single-family, multifamily, commercial, and retail market studies. The books entitled Market Analysis for Valuation Appraisals (1994, Appraisal Institute) and Market Analysis and Highest & Best Use (2005, Appraisal institute) provide a good overview of this technique and its application to a variety of property types.

Based on our review of the subject and competing properties, along with their relative conditions/locations, we arrive at the following fair share estimates for the various unit/income types at the subject property.

Competing Properties								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR					1			24
2BR	2		1	2	2			27
3BR	2		1	2	3			19
4BR	1				2			

Fair Share								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR				30.0%	20.0%			
2BR				30.0%	20.0%			
3BR				30.0%	20.0%			
4BR								

Applying the concluded fair share estimates to annual growth & movership and dividing by twelve yields the following monthly absorption rate estimates for the various unit/income types at the subject property.

Monthly Absorption Rate Estimate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR				12.0	4.5			
2BR				17.9	4.9			
3BR				3.5	2.1			
4BR								

The next step in our analysis is to estimate stabilized occupancy by unit/income type for the subject property. These estimates, which were based on data previously presented in the supply analysis and rent comparability analysis sections of this report, are found below.

Rental Property Inventory, Confirmed, Inside Market Area, Family, Stabilized Occupancy								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR					100%			96%
2BR	100%		100%	100%	100%			96%
3BR	100%		100%	100%	100%			93%
4BR	100%				100%			

Occupancy Rate, Select Comparables								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR				100%	99%			100%
2BR				100%	98%			99%
3BR				100%	100%			99%
4BR								

Concluded Stabilized Occupancy Rate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR				97%	97%			
2BR				97%	97%			
3BR				97%	97%			
4BR								

Applying the stabilized occupancy rate estimates to the number of vacant subject property units at market entry, yields the number of occupied units by unit/income type at stabilization as set forth below.

Occupied Units at Stabilization								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR				8	4			
2BR				17	16			
3BR				4	10			
4BR								

Dividing the number of occupied units at stabilization by the monthly absorption rate yields an absorption period estimate by unit/income type for the various units at the subject property. Underwriters often utilize absorption period limits of 12 to 18 months for projects similar to the subject property. Our absorption period estimates are found below.

Absorption Period (Months to Stabilization)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR				<1	<1			
2BR				<1	3			
3BR				1	5			
4BR								

Our analysis suggests that the subject property will stabilize at 97 percent occupancy. We estimate 5 months of absorption and an average absorption rate of 12.9 units per month for this project. In our opinion, the absorption period suggests an appropriate number and mix of units for the subject property.

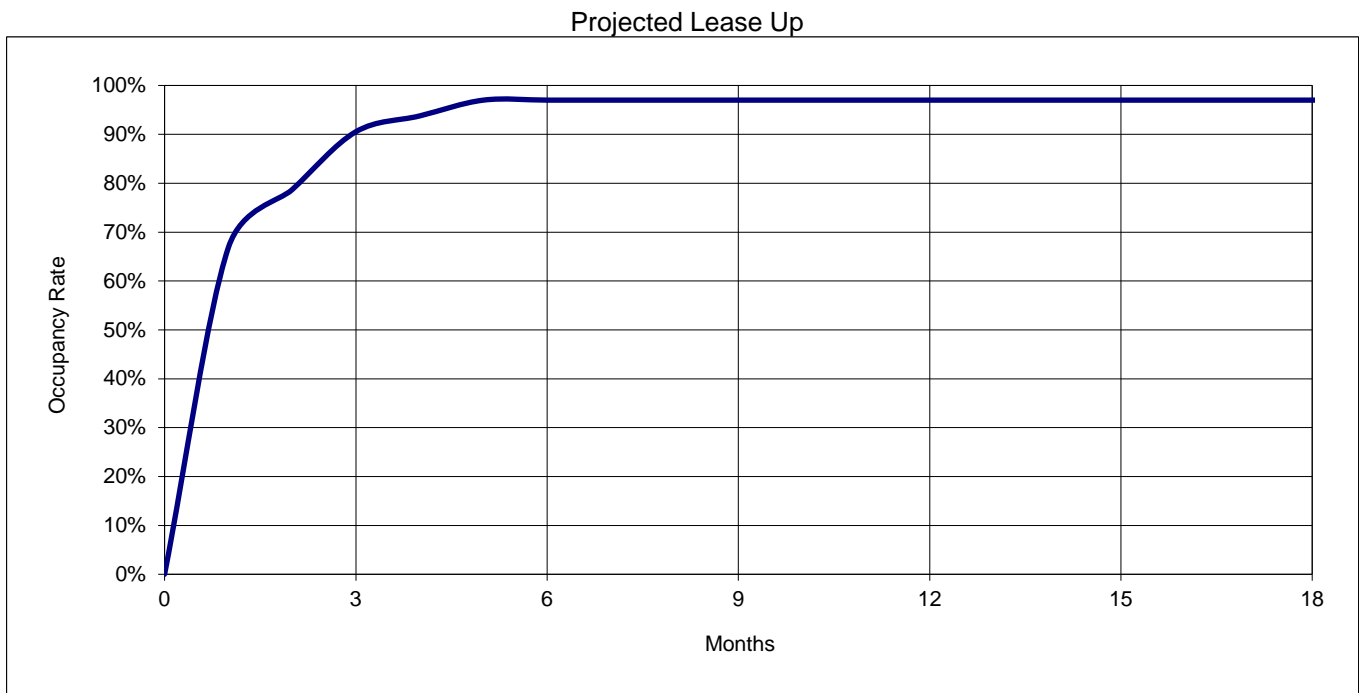
Absorption rates for multifamily properties depend on a variety of factors: (1) The competitive environment in which the property resides; (2) The pricing of the subject property units relative to competing units, (3) The presence of rent or income restrictions at the subject property; and (4) The availability of any rent concessions or rental assistance at the subject property. Subsidized properties normally lease up at a rate of 15-20 units per month. Unsubsidized properties with rent and income restrictions typically fill at a rate of 5-10 units per month. Market rate properties normally lease up at a rate of 10-15 units per month.

As part of our analysis, we inquired about the absorption history for every property we surveyed. The following list summarizes our findings:

Key	Project	Built	Renovated	Rent Type	Occ Type	Tot Units	Ab Rte
012	Cambria at Cornerstone Apartments Phase 1	2012	na	Market Rate	Family	276	18-16

## Absorption Analysis

In this section, we analyze the anticipated lease up for the subject property. We begin our analysis by taking the the absorption period conclusions from the previous section and restating them graphically as illustrated below.



Our analysis suggests that the subject property will achieve 70 percent occupancy in 1 months, 80 percent occupancy in 2 months, and 90 percent occupancy in 2 months. We anticipate that the subject property will stabilize at 97 percent occupancy in 5 months.

It is important to note that this analysis does not account for pent-up demand, pre-leasing efforts or rent concessions. In our opinion, an effective pre-leasing effort could result in a month-for-month reduction in the estimated absorption period for this project. In addition, any concessions or rent subsidies not accounted for already in this analysis could cut capture rates and absorption periods significantly.

## VHDA DEMAND ANALYSIS

### Overview

In this section we evaluate demand for the subject property using the VHDA demand methodology. For purposes of this analysis, we define VHDA demand as the number of new income-qualified and existing income-qualified overburdened and substandard renter households that would qualify to live at the subject property at the lesser of achievable rents or the sponsor's proposed rents. Our analysis accounts for any rent subsidies for the subject property.

Our analysis begins by developing a breakdown of the number of renter households, by income, by size as of the date of market entry for this development. This breakdown, which utilizes demographic data presented earlier in this report, is presented below:

2026 \$		Renter Households, by Income, by Size							Total
		2026							
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person		
\$0	to \$9,999	153	135	171	97	29	14	599	
\$0	to \$19,999	515	314	262	281	37	15	1,425	
\$0	to \$29,999	790	755	480	349	101	53	2,527	
\$0	to \$39,999	1,249	1,069	684	524	160	91	3,776	
\$0	to \$49,999	1,778	1,410	1,029	774	219	125	5,335	
\$0	to \$59,999	2,170	1,711	1,240	1,033	336	186	6,676	
\$0	to \$74,999	2,607	2,373	1,549	1,152	455	252	8,389	
\$0	to \$99,999	2,825	2,869	2,079	1,491	665	380	10,310	
\$0	to \$124,999	2,954	3,151	2,275	1,642	724	414	11,159	
\$0	to \$149,999	2,999	3,531	2,525	1,680	798	457	11,990	
\$0	to \$199,999	3,122	3,679	2,645	1,714	829	472	12,460	
\$0	or more	3,189	3,724	2,679	1,748	880	502	12,722	

Source: ESRI & Ribbon Demographics

## Demand Estimate, 1-Bedroom, Restricted, 50% of AMI

In this section we estimate demand for the 1-Bedroom / Restricted / 50% of AMI units at the subject property. Our analysis assumes a total of 8 units, 8 of which are anticipated to be vacant on market entry in 2026. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	50% of AMI
Total Units	8
Vacant Units at Market Entry	8

Minimum Qualified Income	
Net Rent	\$684
Utilities	\$114
Gross Rent	\$798
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,280
Months/Year	12
Minimum Qualified Income	\$27,360

Renter Households, by Income, by Size								
2026								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	153	135	171	97	29	14
\$0	to	\$19,999	515	314	262	281	37	15
\$0	to	\$29,999	790	755	480	349	101	53
\$0	to	\$39,999	1,249	1,069	684	524	160	91
\$0	to	\$49,999	1,778	1,410	1,029	774	219	125
\$0	to	\$59,999	2,170	1,711	1,240	1,033	336	186
\$0	to	\$74,999	2,607	2,373	1,549	1,152	455	252
\$0	to	\$99,999	2,825	2,869	2,079	1,491	665	380
\$0	to	\$124,999	2,954	3,151	2,275	1,642	724	414
\$0	to	\$149,999	2,999	3,531	2,525	1,680	798	457
\$0	to	\$199,999	3,122	3,679	2,645	1,714	829	472
\$0	or	more	3,189	3,724	2,679	1,748	880	502

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$37,300	\$42,600	\$47,950	\$53,250	\$57,550	\$61,800	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	No	No	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	1,111	1,154	0	0	0	0
HH Below Minimum Income	708	623	0	0	0	0
Subtotal	404	532	0	0	0	0

Demand Estimate 935

Our analysis suggests demand for a total of 935 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

## Demand Estimate, 1-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 1-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 4 units, 4 of which are anticipated to be vacant on market entry in 2026. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	4
Vacant Units at Market Entry	4

Minimum Qualified Income	
Net Rent	\$1,084
Utilities	\$114
Gross Rent	\$1,198
Income Qualification Ratio	35%
Minimum Qualified Income	\$3,423
Months/Year	12
Minimum Qualified Income	\$41,074

Renter Households, by Income, by Size								
2026								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	153	135	171	97	29	14
\$0	to	\$19,999	515	314	262	281	37	15
\$0	to	\$29,999	790	755	480	349	101	53
\$0	to	\$39,999	1,249	1,069	684	524	160	91
\$0	to	\$49,999	1,778	1,410	1,029	774	219	125
\$0	to	\$59,999	2,170	1,711	1,240	1,033	336	186
\$0	to	\$74,999	2,607	2,373	1,549	1,152	455	252
\$0	to	\$99,999	2,825	2,869	2,079	1,491	665	380
\$0	to	\$124,999	2,954	3,151	2,275	1,642	724	414
\$0	to	\$149,999	2,999	3,531	2,525	1,680	798	457
\$0	to	\$199,999	3,122	3,679	2,645	1,714	829	472
\$0	or	more	3,189	3,724	2,679	1,748	880	502

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$44,760	\$51,120	\$57,540	\$63,900	\$69,060	\$74,160	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	No	No	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	1,487	1,440	0	0	0	0
HH Below Minimum Income	1,302	1,103	0	0	0	0
Subtotal	185	337	0	0	0	0

Demand Estimate 522

Our analysis suggests demand for a total of 522 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

## Demand Estimate, 2-Bedroom, Restricted, 50% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 50% of AMI units at the subject property. Our analysis assumes a total of 18 units, 18 of which are anticipated to be vacant on market entry in 2026. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	50% of AMI
Total Units	18
Vacant Units at Market Entry	18

Minimum Qualified Income	
Net Rent	\$754
Utilities	\$204
Gross Rent	\$958
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,737
Months/Year	12
Minimum Qualified Income	\$32,846

Renter Households, by Income, by Size								
2026								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	153	135	171	97	29	14
\$0	to	\$19,999	515	314	262	281	37	15
\$0	to	\$29,999	790	755	480	349	101	53
\$0	to	\$39,999	1,249	1,069	684	524	160	91
\$0	to	\$49,999	1,778	1,410	1,029	774	219	125
\$0	to	\$59,999	2,170	1,711	1,240	1,033	336	186
\$0	to	\$74,999	2,607	2,373	1,549	1,152	455	252
\$0	to	\$99,999	2,825	2,869	2,079	1,491	665	380
\$0	to	\$124,999	2,954	3,151	2,275	1,642	724	414
\$0	to	\$149,999	2,999	3,531	2,525	1,680	798	457
\$0	to	\$199,999	3,122	3,679	2,645	1,714	829	472
\$0	or	more	3,189	3,724	2,679	1,748	880	502

Maximum Allowable Income						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income	\$37,300	\$42,600	\$47,950	\$53,250	\$57,550	\$61,800

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	1,111	1,154	943	852	0	0
HH Below Minimum Income	905	834	531	393	0	0
Subtotal	207	321	412	459	0	0

Demand Estimate 1,398

Our analysis suggests demand for a total of 1,398 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

## Demand Estimate, 2-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 16 units, 16 of which are anticipated to be vacant on market entry in 2026. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	16
Vacant Units at Market Entry	16

Minimum Qualified Income	
Net Rent	\$1,234
Utilities	\$204
Gross Rent	\$1,438
Income Qualification Ratio	35%
Minimum Qualified Income	\$4,109
Months/Year	12
Minimum Qualified Income	\$49,303

Renter Households, by Income, by Size								
2026								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	153	135	171	97	29	14
\$0	to	\$19,999	515	314	262	281	37	15
\$0	to	\$29,999	790	755	480	349	101	53
\$0	to	\$39,999	1,249	1,069	684	524	160	91
\$0	to	\$49,999	1,778	1,410	1,029	774	219	125
\$0	to	\$59,999	2,170	1,711	1,240	1,033	336	186
\$0	to	\$74,999	2,607	2,373	1,549	1,152	455	252
\$0	to	\$99,999	2,825	2,869	2,079	1,491	665	380
\$0	to	\$124,999	2,954	3,151	2,275	1,642	724	414
\$0	to	\$149,999	2,999	3,531	2,525	1,680	798	457
\$0	to	\$199,999	3,122	3,679	2,645	1,714	829	472
\$0	or	more	3,189	3,724	2,679	1,748	880	502

Maximum Allowable Income							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income		\$44,760	\$51,120	\$57,540	\$63,900	\$69,060	\$74,160

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	0	1,440	1,187	1,061	0	0
HH Below Minimum Income	0	1,376	995	749	0	0
Subtotal	0	64	193	312	0	0

Demand Estimate 569

Our analysis suggests demand for a total of 569 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

### Demand Estimate, 3-Bedroom, Restricted, 50% of AMI

In this section we estimate demand for the 3-Bedroom / Restricted / 50% of AMI units at the subject property. Our analysis assumes a total of 4 units, 4 of which are anticipated to be vacant on market entry in 2026. Our analysis assumes a 35% income qualification ratio and 5-person households.

Unit Details	
Target Population	Family Households
Unit Type	3-Bedroom
Rent Type	Restricted
Income Limit	50% of AMI
Total Units	4
Vacant Units at Market Entry	4

Minimum Qualified Income	
Net Rent	\$1,064
Utilities	\$321
Gross Rent	\$1,385
Income Qualification Ratio	35%
Minimum Qualified Income	\$3,957
Months/Year	12
Minimum Qualified Income	\$47,486

Renter Households, by Income, by Size								
2026								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	153	135	171	97	29	14
\$0	to	\$19,999	515	314	262	281	37	15
\$0	to	\$29,999	790	755	480	349	101	53
\$0	to	\$39,999	1,249	1,069	684	524	160	91
\$0	to	\$49,999	1,778	1,410	1,029	774	219	125
\$0	to	\$59,999	2,170	1,711	1,240	1,033	336	186
\$0	to	\$74,999	2,607	2,373	1,549	1,152	455	252
\$0	to	\$99,999	2,825	2,869	2,079	1,491	665	380
\$0	to	\$124,999	2,954	3,151	2,275	1,642	724	414
\$0	to	\$149,999	2,999	3,531	2,525	1,680	798	457
\$0	to	\$199,999	3,122	3,679	2,645	1,714	829	472
\$0	or	more	3,189	3,724	2,679	1,748	880	502

Maximum Allowable Income						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income	\$37,300	\$42,600	\$47,950	\$53,250	\$57,550	\$61,800

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	Yes	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	0	0	943	852	307	0
HH Below Minimum Income	0	0	926	699	201	0
Subtotal	0	0	17	153	105	0

Demand Estimate 275

Our analysis suggests demand for a total of 275 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

## Demand Estimate, 3-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 3-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 10 units, 10 of which are anticipated to be vacant on market entry in 2026. Our analysis assumes a 35% income qualification ratio and 5-person households.

Unit Details	
Target Population	Family Households
Unit Type	3-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	10
Vacant Units at Market Entry	10

Minimum Qualified Income	
Net Rent	\$1,341
Utilities	\$321
Gross Rent	\$1,662
Income Qualification Ratio	35%
Minimum Qualified Income	\$4,749
Months/Year	12
Minimum Qualified Income	\$56,983

Renter Households, by Income, by Size								
2026								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	153	135	171	97	29	14
\$0	to	\$19,999	515	314	262	281	37	15
\$0	to	\$29,999	790	755	480	349	101	53
\$0	to	\$39,999	1,249	1,069	684	524	160	91
\$0	to	\$49,999	1,778	1,410	1,029	774	219	125
\$0	to	\$59,999	2,170	1,711	1,240	1,033	336	186
\$0	to	\$74,999	2,607	2,373	1,549	1,152	455	252
\$0	to	\$99,999	2,825	2,869	2,079	1,491	665	380
\$0	to	\$124,999	2,954	3,151	2,275	1,642	724	414
\$0	to	\$149,999	2,999	3,531	2,525	1,680	798	457
\$0	to	\$199,999	3,122	3,679	2,645	1,714	829	472
\$0	or	more	3,189	3,724	2,679	1,748	880	502

Maximum Allowable Income						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income	\$44,760	\$51,120	\$57,540	\$63,900	\$69,060	\$74,160

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	Yes	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	0	0	1,187	1,061	407	0
HH Below Minimum Income	0	0	1,166	942	295	0
Subtotal	0	0	21	118	112	0

Demand Estimate 252

Our analysis suggests demand for a total of 252 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

## Demand Estimate, Restricted, 50% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 50% of AMI at the subject property.

Renter Households, by Income, by Size								
2026								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	153	135	171	97	29	14
\$0	to	\$19,999	515	314	262	281	37	15
\$0	to	\$29,999	790	755	480	349	101	53
\$0	to	\$39,999	1,249	1,069	684	524	160	91
\$0	to	\$49,999	1,778	1,410	1,029	774	219	125
\$0	to	\$59,999	2,170	1,711	1,240	1,033	336	186
\$0	to	\$74,999	2,607	2,373	1,549	1,152	455	252
\$0	to	\$99,999	2,825	2,869	2,079	1,491	665	380
\$0	to	\$124,999	2,954	3,151	2,275	1,642	724	414
\$0	to	\$149,999	2,999	3,531	2,525	1,680	798	457
\$0	to	\$199,999	3,122	3,679	2,645	1,714	829	472
\$0	or	more	3,189	3,724	2,679	1,748	880	502

Demand Estimate, Restricted, 50% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$37,300	\$42,600	-	-	-	-	-
Maximum Income, 2BR	\$37,300	\$42,600	\$47,950	\$53,250	-	-	-
Maximum Income, 3BR	-	-	\$47,950	\$53,250	\$57,550	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$37,300	\$42,600	\$47,950	\$53,250	\$57,550	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$27,360	\$27,360	-	-	-	-	-
Minimum Income, 2BR	\$32,846	\$32,846	\$32,846	\$32,846	-	-	-
Minimum Income, 3BR	-	-	\$47,486	\$47,486	\$47,486	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$27,360	\$27,360	\$32,846	\$32,846	\$47,486	-	-
HH Below Upper Income	1,111	1,154	943	852	307	0	
HH Below Lower Income	708	623	531	393	201	0	
Subtotal	404	532	412	459	105	0	

Demand Estimate 1,912

Our analysis suggests demand for a total of 1,912 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

## Demand Estimate, Restricted, 60% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 60% of AMI at the subject property.

Renter Households, by Income, by Size								
2026								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	153	135	171	97	29	14
\$0	to	\$19,999	515	314	262	281	37	15
\$0	to	\$29,999	790	755	480	349	101	53
\$0	to	\$39,999	1,249	1,069	684	524	160	91
\$0	to	\$49,999	1,778	1,410	1,029	774	219	125
\$0	to	\$59,999	2,170	1,711	1,240	1,033	336	186
\$0	to	\$74,999	2,607	2,373	1,549	1,152	455	252
\$0	to	\$99,999	2,825	2,869	2,079	1,491	665	380
\$0	to	\$124,999	2,954	3,151	2,275	1,642	724	414
\$0	to	\$149,999	2,999	3,531	2,525	1,680	798	457
\$0	to	\$199,999	3,122	3,679	2,645	1,714	829	472
\$0	or	more	3,189	3,724	2,679	1,748	880	502

Demand Estimate, Restricted, 60% of AMI						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Income, 0BR	-	-	-	-	-	-
Maximum Income, 1BR	\$44,760	\$51,120	-	-	-	-
Maximum Income, 2BR	-	\$51,120	\$57,540	\$63,900	-	-
Maximum Income, 3BR	-	-	\$57,540	\$63,900	\$69,060	-
Maximum Income, 4BR	-	-	-	-	-	-
Maximum Allowable Income	\$44,760	\$51,120	\$57,540	\$63,900	\$69,060	-
Minimum Income, 0BR	-	-	-	-	-	-
Minimum Income, 1BR	\$41,074	\$41,074	-	-	-	-
Minimum Income, 2BR	-	\$49,303	\$49,303	\$49,303	-	-
Minimum Income, 3BR	-	-	\$56,983	\$56,983	\$56,983	-
Minimum Income, 4BR	-	-	-	-	-	-
Minimum Qualified Income	\$41,074	\$41,074	\$49,303	\$49,303	\$56,983	-
HH Below Upper Income	1,487	1,440	1,187	1,061	407	0
HH Below Lower Income	1,302	1,103	995	749	295	0
Subtotal	185	337	193	312	112	0

Demand Estimate 1,139

Our analysis suggests demand for a total of 1,139 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

## Demand Estimate

In this section, we derive our overburdened demand and capture rate estimates for the subject property. Our analysis, which begins with the income-qualified renter household estimates developed above, is found below.

Income Qualified Renter Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot				1,912	1,139			

The next step in our analysis is to account for 2 years of growth to estimate the demand stemming from new income qualified rental households. Our estimates are found below.

Annual Renter Household Growth Rate								
1.5%								
New Rental Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot				57	34			

The next step in our analysis is to estimate existing demand stemming from income-qualified overburdened renter households in this market area. Our estimates are found below.

Overburdened Renter Households								
29.2%								
Existing Households - Rent Overburdened								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot				558	332			

The next step in our analysis is to estimate existing demand stemming from income-qualified substandard renter households in this market area. Our estimates are found below.

Substandard Renter Households								
5.8%								
Existing Households - Substandard								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot				111	66			

The next step in our analysis is to account for elderly homeowners likely to convert to rental housing. This component may not comprise more than 20 percent of total demand. Our estimates are found below.

Elderly Homeowners Likely to Convert to Rental Housing								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot								

The next step in our analysis is to account for existing qualifying tenants likely to remain after renovation. Our estimates are found below.

Subject Property Units (Total)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot				30	30			
Existing Qualifying Tenants Likely to Remain after Renovation								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot								

The next step in our analysis is to tally up total demand for the subject property. Our estimates are found below.

Total Demand								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot				725	432			

The next step in our analysis is to tabulate the number of vacant competing & pipeline units in the market area by unit/income type. This information will be used to further refine our capture rate estimate for the subject property. A table showing the distribution of vacant competing & pipeline units is found below.

Vacant Competing & Pipeline Units								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot				21	27			

The next step in our analysis is to subtract the number of vacant competing & pipeline units from total demand to arrive at a net demand estimate for the subject property. Our estimates are found below.

Net Demand (Total Demand - Vacant Competing & Pipeline Units)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot				704	405			

The next step in our analysis is to compute the capture rate for the project. For purposes of this computation, we define capture rate as the total number of subject property units divided by net demand. Underwriters often utilize capture rate limits of 10 to 20 percent using this methodology. Our estimates are presented below:

Capture Rates (Subject Property Units / Net Demand)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot				4.3%	7.4%			

Our findings are summarized below.

Project-Wide Capture Rate - LIHTC Units	5.4%
Project-Wide Capture Rate - Market Units	
Project-Wide Capture Rate - All Units	5.4%
Project-Wide Absorption Period (Months)	5 months

Please note: Project-wide capture rate estimates do not account for income band overlap at the project level.

**RENT COMPARABLES, MARKET RATE**

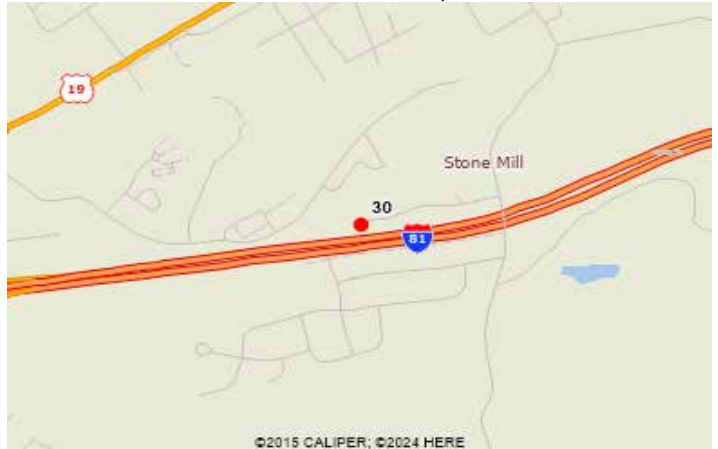
Project Information

Property Name	Hallock Drive Townhomes
Street Number	275
Street Name	Hallock
Street Type	Drive
City	Abingdon
State	Virginia
Zip	24210
Phone Number	(276) 608-0959
Year Built	2003
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$35
Waiting List	32 people
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	2
Latitude	36.6962
Longitude	-81.9959
Nearest Crossroads	Main Street, off Stone Mill Road
AAC Code	26-002 030

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Terri, Manager
Phone Number	(276) 608-0959
Interview Date	04-Feb-26
Interviewed By	PL

This office also serves Aston Ridge, Gray Drive Apartments. Contact advised in 2024, 6 units have been completely renovated. Contact advised in 2026, of 3 units getting bathroom renovations in 2025.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
2	1.5	950	Townhome	Mar	Mar	No	No	38	1	\$1,000		\$1,000	\$163	\$1,163
Total / Average		950						38	1	\$1,000		\$1,000	\$163	\$1,163

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	yes	no
Sewer	yes	no
Trash	no	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.00	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.00	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.70	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.90	3.10
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2003	2026
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	yes
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	yes
Fitness Ctr	no	no
Gazebo/Patio	no	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	no	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	some	no
Dishwasher	yes	yes
Microwave	no	no
Comp vs. Subject	Similar	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	no	no
W/D Units	no	yes
W/D Hookups	yes	no
Comp vs. Subject	Inferior	

Security		
Amenity	Comp	Subj
Call Buttons	no	yes
Cont Access	no	yes
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Hallock Drive Townhomes is an existing multifamily development located at 275 Hallock Drive in Abingdon, Virginia. The property, which consists of 38 apartment units, was originally constructed in 2003 with conventional financing. All units are set aside as market rate units. The property currently stands at 97 percent occupancy.

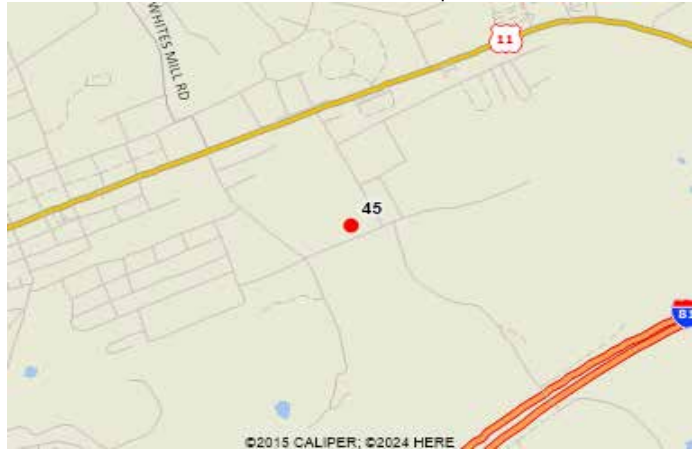
Project Information

Property Name	Nicholas Apartments
Street Number	378
Street Name	Nicholas
Street Type	Street
City	Abingdon
State	Virginia
Zip	24210
Phone Number	(276) 628-9799
Year Built	1996
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$25
Waiting List	no
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	8
Latitude	36.7116
Longitude	-81.9596
Nearest Crossroads	Main Street & Deadmore Street
AAC Code	26-002 045

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Jessica, Manager
Phone Number	(276) 628-9799
Interview Date	28-Jan-26
Interviewed By	PL

Manager advised that 1 duplex . Ms. Jessica advised that most apartments in the area are owned by Carrico Investment. In 2024, contact advised they are gradually upgrading units with new cabinets, heat pump, and flooring. In 2025, contact advised still upgrading as tenants move out. In 2026, contact advised still updating as tenants

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	700	Garden/Flat	Mar	Mar	No	No	38	1	\$550		\$550	\$160	\$710
2	1.5	1000	Duplex	Mar	Mar	No	No	2		\$950		\$950	\$218	\$1,168
Total / Average		715						139	40	\$570		\$570	\$163	\$733

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	yes	no
Sewer	yes	no
Trash	no	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	3.50	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.50	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.90	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.20	3.10
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1996	2026
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	yes
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	yes
Fitness Ctr	no	no
Gazebo/Patio	no	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	no	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Similar	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	no	yes
Microwave	yes	no
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	no	yes
Wall Units	yes	no
Window Units	no	no
None	no	no
Comp vs. Subject	Inferior	

Heat		
Amenity	Comp	Subj
Central	no	yes
Wall Units	no	no
Baseboards	yes	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Inferior	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	no
W/D Units	no	yes
W/D Hookups	no	no
Comp vs. Subject	Inferior	

Security		
Amenity	Comp	Subj
Call Buttons	no	yes
Cont Access	no	yes
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Nicholas Apartments is an existing multifamily development located at 378 Nicholas Street in Abingdon, Virginia. The property, which consists of 40 apartment units, was originally constructed in 1996 with conventional financing. All units are set aside as market rate units. The property currently stands at 98 percent occupancy.

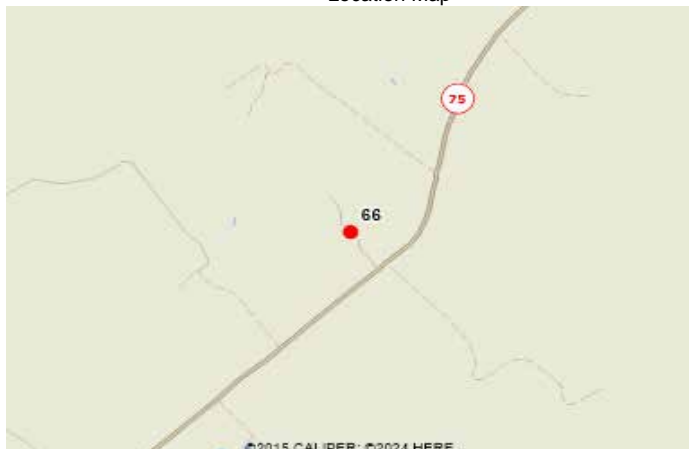
Project Information

Property Name	Sweetland Apartments
Street Number	21055
Street Name	Sweetland
Street Type	Court
City	Abingdon
State	Virginia
Zip	24211
Phone Number	(276) 623-4254
Year Built	1997
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$40
Waiting List	3 months
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.6461
Longitude	-81.9886
Nearest Crossroads	na
AAC Code	26-002 066

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Trisha, Office Asst.
Phone Number	(276) 623-4254
Interview Date	10-Feb-26
Interviewed By	PL

Contact advised in 2015 there have been no rehabs at this property. There are no new apartments or businesses nearby.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
2	1.5	1000	Garden/Flat	Mar	Mar	No	No	12		\$950		\$950	\$253	\$1,203
Total / Average		1,000					141	12		\$950		\$950	\$253	\$1,203

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	yes	no
Sewer	yes	no
Trash	yes	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.00	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.00	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.50	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.00	3.10
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1997	2026
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	yes
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	yes
Fitness Ctr	no	no
Gazebo/Patio	no	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Mov/ Media Ctr	no	no
Picnic Area	no	no
Playground	no	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	yes
Microwave	yes	no
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	no	no
W/D Units	no	yes
W/D Hookups	yes	no
Comp vs. Subject	Inferior	

Security		
Amenity	Comp	Subj
Call Buttons	no	yes
Cont Access	no	yes
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Sweetland Apartments is an existing multifamily development located at 21055 Sweetland Court in Abingdon, Virginia. The property, which consists of 12 apartment units, was originally constructed in 1997 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Willow Run Apartments
Street Number	1175
Street Name	Willow Run
Street Type	Drive
City	Abingdon
State	Virginia
Zip	24210
Phone Number	(276) 628-4084
Year Built	2009
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	\$300
Other Fees	
Waiting List	no
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.7232
Longitude	-81.9279
Nearest Crossroads	na
AAC Code	26-002 080

Photo



Location Map



Interview Notes

Person Interviewed	Mr. Aaron, Leasing Agent
Phone Number	(276) 600-6577
Interview Date	04-Feb-26
Interviewed By	PL

Rates for some of the different floor plans available at this property. Total property unit count reported is correct. Rent range due to floor plan. Units with garages are \$50 - \$70 more depending on garage layout. The vacancies for the units with a garage are shown in reported vacancies. Rent reflects special pricing of 6 weeks free. \$89 fee for

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent	
1	1.0	496	Garden/Flat	Mar	Mar	No	No	58	1	\$1,048	\$120	\$928	\$158	\$1,086	
2	1.0		Garden/Flat			No									
2	1.5		Garden/Flat			No									
2	1.5	960	Townhome	Mar	Mar	No	No	40	2	\$1,305	\$151	\$1,154	\$201	\$1,355	
2	2.5	960	Garden/Flat	Mar	Mar	No	No	115	4	\$1,247	\$144	\$1,103	\$190	\$1,293	
3	2.0	1344	Garden/Flat	Mar	Mar	No	No	19	6	\$1,284	\$150	\$1,134	\$233	\$1,367	
3	2.0		Garden/Flat			No									
Total / Average		875						143	232	13	\$1,210	\$140	\$1,071	\$187	\$1,258

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	yes	no
Sewer	yes	no
Trash	yes	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	no	yes
Internet	no	yes
Comp vs. Subject	Superior	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.00	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.50	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.50	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.10	3.10
Comp vs. Subject	Similar	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.50	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2009	2026
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	yes	no
Billiard/Game	no	no
Bus/Comp Ctr	yes	yes
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	yes
Fitness Ctr	yes	no
Gazebo/Patio	no	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movie/Media Ctr	no	no
Picnic Area	yes	no
Playground	no	no
Pool	yes	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Similar	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	yes
Microwave	yes	no
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	yes	no
Open	some	yes
None	no	no
Comp vs. Subject	Superior	

Laundry		
Amenity	Comp	Subj
Central	yes	no
W/D Units	no	yes
W/D Hookups	yes	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	yes
Cont Access	no	yes
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	na	no
Concierge	na	no
Hair Salon	na	no
Health Care	na	no
Housekeeping	na	no
Meals	na	no
Transportation	na	no
Comp vs. Subject	Similar	

Willow Run Apartments is an existing multifamily development located at 1175 Willow Run Drive in Abingdon, Virginia. The property, which consists of 232 apartment units, was originally constructed in 2009 with conventional financing. All units are set aside as market rate units. The property currently stands at 94 percent occupancy.

Project Information

Property Name	Wyndale Court Condominiums
Street Number	640
Street Name	Wyndale
Street Type	Road
City	Abingdon
State	Virginia
Zip	24210
Phone Number	(276) 619-1187
Year Built	2003
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	
Waiting List	na
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	36.7099
Longitude	-82.0086
Nearest Crossroads	na
AAC Code	26-002 083

Photo



Location Map



Interview Notes

Person Interviewed	Mr. Andrew Neese, Owner
Phone Number	(276) 619-1187
Interview Date	04-Feb-26
Interviewed By	PL
Property has off-site management and maintenance.	

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
2	1.5	960	Townhome	Mar	Mar	No	No	16	1	\$1,075		\$1,075	\$163	\$1,238
Total / Average		960						145	16	1	\$1,075	\$1,075	\$163	\$1,238

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	yes	no
Sewer	yes	no
Trash	no	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	3.00	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.50	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.10	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.30	3.10
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2003	2026
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	yes
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	yes
Fitness Ctr	no	no
Gazebo/Patio	no	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	no
Playground	no	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Similar	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	yes
Microwave	no	no
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	yes	no
Open	some	yes
None	no	no
Comp vs. Subject	Superior	

Laundry		
Amenity	Comp	Subj
Central	no	no
W/D Units	no	yes
W/D Hookups	yes	no
Comp vs. Subject	Inferior	

Security		
Amenity	Comp	Subj
Call Buttons	no	yes
Cont Access	no	yes
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Wyndale Court Condominiums is an existing multifamily development located at 640 Wyndale Road in Abingdon, Virginia. The property, which consists of 16 apartment units, was originally constructed in 2003 with conventional financing. All units are set aside as market rate units. The property currently stands at 94 percent occupancy.

## **RENT COMPARABLES, RESTRICTED RENT**

Project Information

Property Name	Eastridge Apartments
Street Number	837
Street Name	Portsmouth
Street Type	Avenue
City	Bristol
State	Virginia
Zip	24201
Phone Number	(276) 669-0581
Year Built	1970
Year Renovated	2008
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$38
Waiting List	yes
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	HUD
Vouchers	
Latitude	36.5984
Longitude	-82.1661
Nearest Crossroads	na
AAC Code	26-002 022

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Pat, Manager
Phone Number	(276) 669-0581
Interview Date	28-Jan-26
Interviewed By	PL

HUD property with 65 units of project based rental assistance available to tenants. Contact advised this property has HUD subsidies but does not have HUD financing. 2023 new roof. In 2025, contact advised complete renovation of units as tenants move out. 2 vacant units are being renovated.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	659	Garden/Flat	60%	60%	No	Yes	6		\$800		\$800	\$75	\$875
1	1.0	659	Garden/Flat	60%	60%	No	No	2		\$800		\$800	\$75	\$875
2	1.0	825	Garden/Flat	60%	60%	No	Yes	49	2	\$900		\$900	\$93	\$993
2	1.0	825	Garden/Flat	60%	60%	No	No	23	3	\$900		\$900	\$93	\$993
3	1.0	990	Garden/Flat	60%	60%	No	Yes	10		\$1,000		\$1,000	\$124	\$1,124
3	1.0	990	Garden/Flat	60%	60%	No	No	6		\$1,000		\$1,000	\$124	\$1,124
Total / Average		839						148		\$908		\$908	\$97	\$1,005

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	no	no
Sewer	no	no
Trash	no	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.50	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.50	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.50	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.40	3.10
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	2.50	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1998	2026
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	yes
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	yes
Fitness Ctr	no	no
Gazebo/Patio	no	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	no
Playground	no	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Similar	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	no	yes
Microwave	no	no
Comp vs. Subject	Inferior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	no
W/D Units	no	yes
W/D Hookups	no	no
Comp vs. Subject	Inferior	

Security		
Amenity	Comp	Subj
Call Buttons	no	yes
Cont Access	no	yes
Courtesy Officer	no	no
Monitoring	yes	yes
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Eastridge Apartments is an existing multifamily development located at 837 Portsmouth Avenue in Bristol, Virginia. The property, which consists of 96 apartment units, was originally constructed in 1970. This property is currently operated as a rent restricted property. The property currently stands at 95 percent occupancy.

Project Information

Property Name	Highland View Apartments
Street Number	502
Street Name	Lowry
Street Type	Drive
City	Abingdon
State	Virginia
Zip	24210
Phone Number	(276) 258-5040
Year Built	1983
Year Renovated	2013
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$10
Waiting List	100+ people
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	2011 Tax Credit
Vouchers	12
Latitude	36.7018
Longitude	-81.9821
Nearest Crossroads	off I-81 or Hwy 11
AAC Code	26-002 032

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Erika Dietz, People Inc.
Phone Number	(276) 608-6094
Interview Date	19-Feb-26
Interviewed By	PL

Property was awarded 2011 TC's to rehab this RD property with 4 units of RD project based rental assistance from the county and 5 HC units. 10 of the 76 parking spaces are HC accessible. Property had a basket ball court but has removed the nets at this time although the court remains on the site. Property still plans to build a playground on an

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent		
1	1.0	589	Garden/Flat	50%	40%	Yes	Yes	2		\$750		\$750	\$75	\$825		
1	1.0	740	Garden/Flat	50%	50%	Yes	No	2		\$642		\$642	\$75	\$717		
1	1.0	589	Garden/Flat	60%	50%	No	No	4		\$642		\$642	\$75	\$717		
2	1.5	746	Garden/Flat	50%	40%	Yes	Yes	2		\$890		\$890	\$96	\$986		
2	1.5	746	Garden/Flat	50%	50%	Yes	No	10		\$765		\$765	\$96	\$861		
2	1.5	746	Garden/Flat	60%	50%	No	No	14		\$765		\$765	\$96	\$861		
3	2.0	903	Garden/Flat	50%	40%	Yes	Yes	1		\$940		\$940	\$132	\$1,072		
3	2.0	903	Garden/Flat	50%	50%	Yes	No	5		\$863		\$863	\$132	\$995		
3	2.0	1501	Garden/Flat	60%	50%	No	No	2		\$863		\$863	\$132	\$995		
3	2.0	1563	Garden/Flat	60%	50%	No	No	2	1	\$878		\$878	\$132	\$1,010		
Total / Average		817						150	44	1		\$778		\$778	\$100	\$878

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	no	no
Sewer	no	no
Trash	no	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	3.00	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	3.00	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.70	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.50	3.10
Comp vs. Subject	Superior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2003	2026
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	yes
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	no	yes
Fitness Ctr	no	no
Gazebo/Patio	no	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	yes	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Hardwood	yes	yes
Fireplace	no	no
Patio/Balcony	no	yes
Storage	yes	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	yes	yes
Microwave	no	no
Comp vs. Subject	Similar	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	no
W/D Units	no	yes
W/D Hookups	some	no
Comp vs. Subject	Inferior	

Security		
Amenity	Comp	Subj
Call Buttons	no	yes
Cont Access	no	yes
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Highland View Apartments is an existing multifamily development located at 502 Lowry Drive in Abingdon, Virginia. The property, which consists of 44 apartment units, was originally constructed in 1983. This property is currently operated as a rent restricted property. The property currently stands at 98 percent occupancy.

Project Information

Property Name	Ridgecrest Town Apartments
Street Number	2
Street Name	Heritage
Street Type	Drive
City	Bristol
State	Virginia
Zip	24201
Phone Number	(276) 466-2465
Year Built	2008
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	\$250
Other Fees	\$25
Waiting List	yes
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	2006 Tax Credit
Vouchers	53
Latitude	36.6251
Longitude	-82.1344
Nearest Crossroads	na
AAC Code	26-002 051

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Sarah, Manager
Phone Number	(276) 466-2465
Interview Date	05-Feb-26
Interviewed By	PL

2006 TC's awarded for construction of this property without project based rental assistance. There are 4 HC units in the 2BR and 4 HC units in the 3BR gardens. Property getting new roofs in 2024.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
2	1.5	972	Garden/Flat	60%	40%	No	No	4		\$592		\$592	\$119	\$711
2	1.5	1021	Townhome	60%	50%	No	No	20		\$769		\$769	\$119	\$888
2	1.5	1021	Townhome	60%	60%	No	No	8		\$947		\$947	\$119	\$1,066
2	1.5	1021	Townhome	60%	60%	No	No	8		\$947		\$947	\$119	\$1,066
3	2.0	1173	Garden/Flat	60%	40%	No	No	4		\$676		\$676	\$146	\$822
3	2.0	1173	Townhome	60%	50%	No	No	8		\$881		\$881	\$146	\$1,027
3	2.0	1173	Townhome	60%	50%	No	No	7		\$881		\$881	\$146	\$1,027
3	2.0	1173	Townhome	60%	60%	No	No	13		\$1,087		\$1,087	\$146	\$1,233
Total / Average		1,086						152	72	\$874		\$874	\$131	\$1,005

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	no
Cooking-Electric	yes	no
Other Electric	yes	no
Air Cond	yes	no
Hot Water-Electric	yes	no
Water	no	no
Sewer	no	no
Trash	no	no
Comp vs. Subject	Inferior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.75	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	3.00	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.40	2.00
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.10	3.10
Comp vs. Subject	Similar	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.00	4.50
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2008	2026
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	yes	no
Billiard/Game	no	no
Bus/Comp Ctr	yes	yes
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	no	yes
Fitness Ctr	yes	no
Gazebo/Patio	yes	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	no
Playground	yes	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	yes	no
Comp vs. Subject	Similar	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	no
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	yes
Microwave	yes	no
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	no
W/D Units	no	yes
W/D Hookups	yes	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	yes	yes
Cont Access	no	yes
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	no
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Ridgecrest Town Apartments is an existing multifamily development located at 2 Heritage Drive in Bristol, Virginia. The property, which consists of 72 apartment units, was originally constructed in 2008. This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

## STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The title to the subject property is merchantable, and the property is free and clear of all liens and encumbrances, except as noted.
- No liability is assumed for matters legal in nature.
- Ownership and management are assumed to be in competent and responsible hands.
- No survey has been made by the appraiser. Dimensions are as supplied by others and are assumed to be correct.
- The report was prepared for the purpose so stated and should not be used for any other reason.
- All direct and indirect information supplied by the owner and their representatives concerning the subject property is assumed to be true and accurate.
- No responsibility is assumed for information supplied by others and such information is believed to be reliable and correct. This includes zoning and tax information provided by Municipal officials.
- The signatories shall not be required to give testimony or attend court or be at any governmental hearing with respect to the subject property unless prior arrangements have been made with the client.
- Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute.
- The legal description is assumed to be accurate.
- This report specifically assumes that there are no site, subsoil, or building contaminants present resulting from residual substances or construction materials, such as asbestos, radon gas, PCB, etc. Should any of these factors exist, the appraiser reserves the right to review these findings, review the value estimates, and change the estimates, if deemed necessary.
- The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with
- This analysis specifically assumes that the subject property is operated as described in this report.
- This analysis specifically assumes that the subject property is constructed/rehabilitated as described in this report.
- This analysis specifically assumes that the subject property is financed as described in this report.
- This analysis specifically assumes the timing set forth in this report.

## CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
- I made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification. Debbie Rucker (Allen & Associates Consulting) assisted in compiling the data used in this report.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the Standards and Ethics Education Requirements for Members of the Appraisal Institute.
- I am presently licensed in good standing as a Certified General Real Estate Appraiser in the states of Delaware, Maryland, North Carolina, and Virginia, allowing me to appraise all types of real estate.

Respectfully submitted:

ALLEN & ASSOCIATES CONSULTING, INC.



Jeff Carroll

## VHDA 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 Program in Virginia as administered by the VHDA.
- 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 VHDA or in any way acting for, at the request of, or on behalf of VHDA.
- 6) Compensation for my services is not contingent upon this development receiving a LIHTC reservation or allocation.



Jeff Carroll

March 8, 2026

Date

## NCHMA MARKET STUDY INDEX

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

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

## NCHMA MARKET STUDY INDEX

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

<b>Affordability, Demand, and Penetration Rate Analysis</b>		
31	Estimate of demand	Section 11
32	Affordability analysis with capture rate	Section 11
33	Penetration rate analysis with capture rate	Section 11
<b>Analysis/Conclusions</b>		
34	Absorption rate and estimated stabilized occupancy for subject	Section 11
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	Section 10
36	Precise statement of key conclusions	Executive Summary
37	Market strengths and weaknesses impacting project	Executive Summary
38	Product recommendations and/or suggested modifications to subject	Executive Summary
39	Discussion of subject property's impact on existing housing	Executive Summary
40	Discussion of risks or other mitigating circumstances impacting subject	Executive Summary
41	Interviews with area housing stakeholders	Appendix
<b>Other Requirements</b>		
42	Certifications	Appendix
43	Statement of qualifications	Appendix
44	Sources of data not otherwise identified	NA

**MISCELLANEOUS**

# Certificate of Membership

**Allen & Associates Consulting Inc.**  
Is a Member Firm in Good Standing of



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

**Designation Maintained By**  
Jeff Carroll

**Membership Term**  
1/1/2026 - 12/31/2026



**Kaitlyn Snyder**  
Managing Director, NH&RA

JEFFREY B. CARROLL  
4301 Horseshoe Bend  
Matthews, North Carolina 28104  
Phone: 704-905-2276  
E-Mail: allenadvisors@gmail.com

## Current Activities

### President | Allen & Associates Consulting, Inc. | Charlotte, NC | 2000 - present

Founder of Allen & Associates Consulting, a real estate advisory firm specializing in workforce and affordable housing. Practice areas include low-income housing tax credits, tax-exempt bond transactions, HUD assisted and financed multifamily, USDA-RD assisted and financed properties, public housing, historic tax credits, conventional multifamily, and factory-built housing. Services include development consulting, feasibility studies, market analysis, rent comparability studies, appraisals, capital needs assessments, and utility studies. Performed over 4000 development consulting assignments in 46 states since 2000. Related certifications and designations:

- Mr. Carroll is a peer-reviewed member of the National Council of Housing Market Analysts (NCHMA), where he served on the Executive Committee and chaired the Data and Ethics Committees.
- Mr. Carroll is a certified general appraiser, licensed to appraise real estate in the states of Delaware, Maryland, North Carolina, and Virginia. Mr. Carroll is also a designated member of the Appraisal Institute (MAI).
- Mr. Carroll holds a BS in Engineering from Clemson University and has conducted over 2000 multifamily energy studies using the HUD Utility Schedule Model. In addition, Mr. Carroll is also a REM/Rate and an Ekotrope modeler, having received training through the Myers-Lawson School of Construction at Virginia Tech. Mr. Carroll has successfully completed the Air Conditioning Contractors of America Manual J, Manual D, ACCA Standard 5 Quality Installation courses.

### President | Tartan Residential, Inc. | Charlotte, NC | 1997 - present

Founder of Tartan Residential, a firm specializing in the development of workforce housing utilizing structural insulated exterior wall panels. Panelization delivers cost savings/benefits that put newly-constructed units within reach for workforce housing renters. Major projects include:

- Buchanan's Crossing Subdivision - A 40-unit duplex development serving families in Kansas City, Kansas. The estimated cost of this three-phase project is \$11.0 million. This mixed income project, targeting families between 50% and 80% of area median income, is financed with a mixture of conventional debt, conventional equity, and tax credit equity. Construction commenced in 2016.
- Davidson's Landing - A 115-unit garden apartment community serving families in Kansas City, Kansas. The cost of this project was \$26 million. This workforce housing development project, which targets families between 30% and 80% of area median income, was financed with tax-exempt bonds. Construction commenced in 2021 during COVID and the global supply chain crisis. The project was completed ahead of schedule and below budget in early 2023. Davidson's Landing won the 2024 SIPA Excellence in Building Award in the multifamily category
- Johnston Farms - A proposed 120-unit apartment community serving families in Rock Hill, South Carolina. The estimated cost of this project is \$31 million. This workforce housing development project, which targets families between 50% and 80% of area median income, is proposed to be financed with HUD 221d4 financing. Construction to begin in 2025.

### Manager | Multifamily Building Systems LLC | Charlotte, NC | 2019 - present

Founder of Multifamily Building Systems LLC, a firm dedicated to the construction and operation of energy-efficient multifamily properties. MBS brings together building scientists, engineers, and specialty

contractors to design, construct, and monitor high-performance buildings. Through the careful selection and sourcing of critical components, MBS helps owners maximize the returns on their multifamily investments.

Co-Founder | Workforce Housing Development Corporation, Inc. | Charlotte, NC | 2019 - present

Co-Founder and non-voting Advisory Board Member of the Workforce Housing Development Corporation, a 501c3 non-profit dedicated to the construction, finance, and operation of workforce housing. Participating projects are positioned to deliver a triple bottom line return (financial, social, environmental) to investors. Major projects include:

- Provided \$450,000 in financing for a bond-financed multifamily development in 2021.
- Secured a tax-exemption for a rental workforce housing development resulting in a \$36 million tax-exempt bond inducement in 2022.
- Developed an intern program known as Workforce Housing University. Hosted 3 interns in 2022 introducing them to the development, construction, management, and finance of rental workforce housing.
- Co-created the HousingThink podcast, a program dedicated to analyzing and discussing the nation's affordable and workforce housing crisis.
- Developed an exchange program for 4 workforce housing developments with a twofold purpose: (1) to notify participating employers of vacant units at participating developments, and (2) to notify residents at participating developments of job openings with participating employers.
- Establishing a training incentive program for residents at participating developments seeking to work in manufacturing, the trades, and other select professions.
- Developing a comprehensive set of planning tools for workforce housing developers to utilize in land use, zoning, and entitlement matters.

## **Prior Experience**

Co-Founder | Delphin Properties LLC | Charlotte, NC | 1998 - present

Co-founder of Delphin Properties, a firm specializing in the acquisition and development of manufactured home communities. This entity is currently inactive. Major projects included:

- Crystal Lakes - A 338-unit manufactured home community serving seniors in Fort Myers, Florida. Purchased the partially-constructed development in 1998, completed construction, and sold it in 2001 for a \$1 million profit.
- Mahler's Glen - A 348-unit development originally planned as a manufactured home community serving families in Garner, North Carolina. Secured zoning and site plan approval, engineered the property (including a private wastewater treatment facility), and sold it to a national homebuilder in 2000 for a \$2 million profit.
- Beacon Wood - A 363-unit development originally planned as a manufactured home community serving families in Crockery Township, Michigan. Secured zoning and site plan approval, engineered the property, and sold it to a regional homebuilder in 2001 for a \$1 million profit.

Development Director | Clayton, Williams & Sherwood, Inc. | Austin, TX | 1995 - 1997

Development Director for Clayton, Williams & Sherwood, a privately-owned operator of manufactured home communities and apartment complexes. Managed the construction and lease-up of two apartment communities consisting of 564 units and valued at \$38 million. Each property leased up in excess of 25 units per month. Put together development plans for 4 landlease manufactured home communities

consisting of 1800 units and valued at \$54 million. Put together development plans for 2 fee simple modular home subdivisions consisting of 200 units and valued at \$20 million.

Assistant to the President | Southwest Property Trust | Dallas, TX | 1993 - 1995

Assistant to the President for Southwest Property Trust, a large apartment REIT. Provided support to management personnel operating a 12,000-unit apartment portfolio.

Investment Analyst/Manager | GE Capital | Dallas, TX | 1991 - 1993

Investment Analyst/Manager for GE Capital's Residential Construction Lending business. Assisted in the management of a \$500 million investment portfolio including 30 single family residential land development investments and 70 single family construction lines of credit.

Regional Manager | Clayton, Williams & Sherwood, Inc. | Newport Beach, CA | 1989 - 1991

Regional Manager for Clayton, Williams & Sherwood, a privately-owned operator of manufactured home communities and apartment complexes. Managed a 1200-unit apartment portfolio valued at over \$72 million. Implemented a portfolio-wide 10 percent rent increase while cutting operating expenses 3 percent resulting in a \$7 million increase in portfolio value. Managed a 1200-unit manufactured home community portfolio valued at over \$36 million. Implemented a 15 percent rent increase in a 500-unit community resulting in a \$4 million increase in property value.

Manufacturing Management | Milliken & Company | Pendleton, SC | 1983 - 1986

Manufacturing Manager for Milliken & Company, a specialty textile manufacturer headquartered in Spartanburg, South Carolina. Assigned to a dyeing and finishing facility. Exposed to a wide range of manufacturing issues: facility layout, purchasing, scheduling, material handling, automation, process improvement, quality control, inventory management, logistics, personnel, safety, environmental, and customer service.

## **Education**

Harvard Business School | MBA, General Management, Real Estate, Economics | 1986 - 1988

Graduated in 1988 with an MBA from Harvard Business School. Emphasis in General Management and Real Estate with a minor concentration in Economics.

Clemson University | BS, Engineering, Economics | 1978 - 1983

Graduated in 1983 with a BS in Engineering from Clemson University. Minor concentration in Economics. Honors included Dean's List and Alpha Lambda Delta honorary. Elected officer for Phi Delta Theta social fraternity. Awarded scholarship on Clemson's varsity wrestling team.

## **Affiliations**

Mr. Carroll is a member of the Harvard Real Estate Alumni Organization, the HBS Real Estate Alumni Association, and the North Carolina Building Performance Association.

## **Specialties**

Specialties include workforce and affordable housing, low-income housing tax credits, tax-exempt bond transactions, development, development consulting, land use, zoning, entitlements, structured real estate investments, multifamily, manufactured housing, modular construction, panelization, HVAC system design, and manufacturing management.