

MARKET STUDY

Property:
Jonesville Manor Apartments
100 Pauley Street
Jonesville, Virginia 24263



Type of Property:
Affordable Multifamily Development
Elderly
Renovation

Date of Report:
March 8, 2026

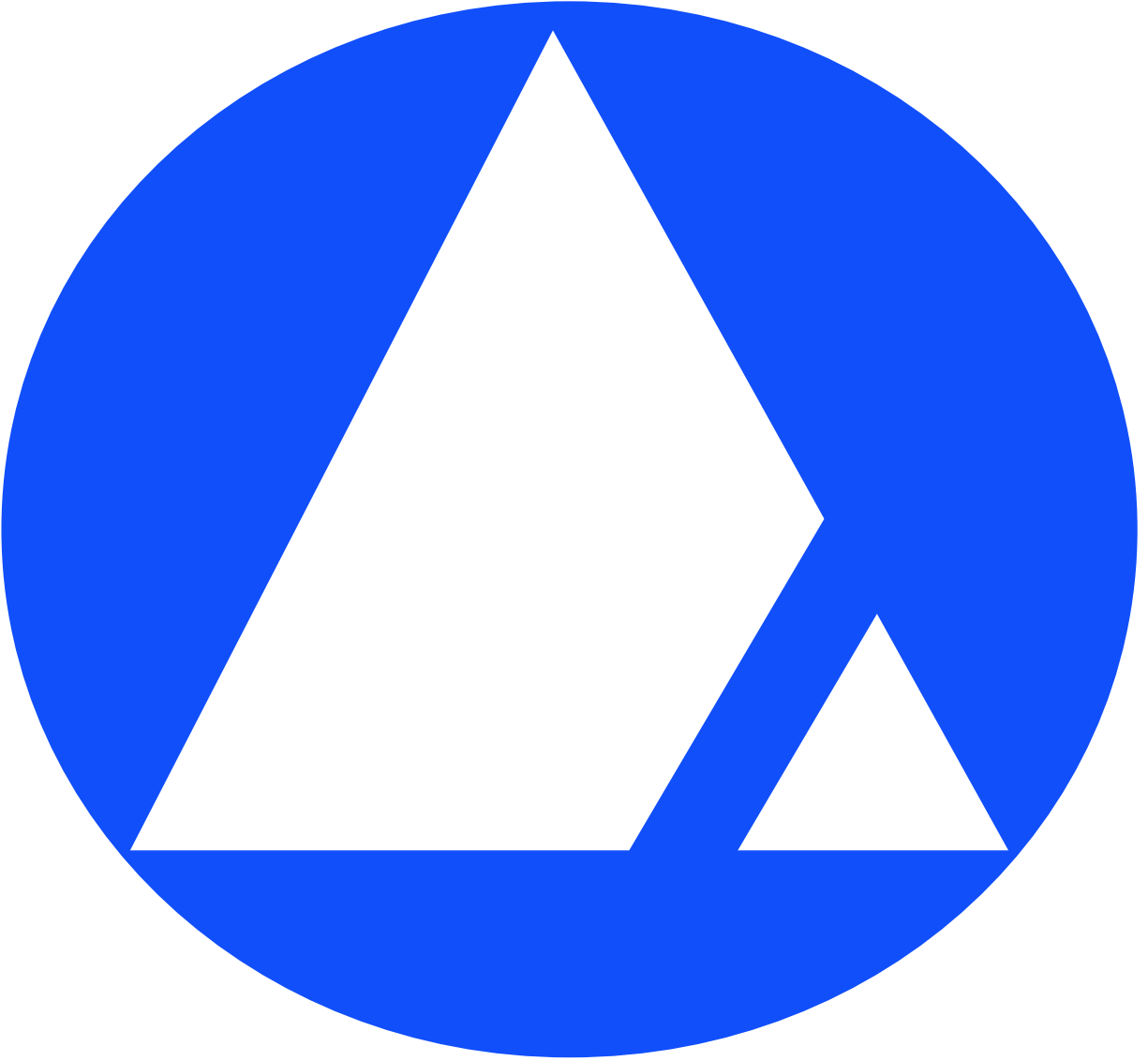
Effective Date:
March 6, 2026

Date of Site Inspection:
March 1, 2026

Prepared For:
Ms. Erika Dietz
People Incorporated Housing Group
1173 West Main Street
Abingdon, Virginia 24210
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Prepared By:
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AAC File Number:
26-019





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March 8, 2026

Ms. Erika Dietz
People Incorporated Housing Group
1173 West Main Street
Abingdon, Virginia 24210

Re: Jonesville Manor Apartments

Dear Ms. Erika Dietz:

The subject property, known as Jonesville Manor Apartments, is an existing affordable multifamily development located at 100 Pauley Street in Jonesville, Virginia. The subject property consists of 40 revenue-producing units originally constructed in 1991 and renovated with tax credits in 2010. The sponsor has proposed to renovate the property using below-market USDA-RD debt and tax credit financing. The subject property is a 62+ age restricted community.

The subject property is proposed to consist of 40 revenue-producing units including 1-bedroom garden apartments. A total of 40 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 40 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 outstanding USDA-RD debt is repaid or until the expiration of the tax credit compliance period, whichever is later.

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 People Incorporated Housing Group. 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", with a stylized, cursive script.

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 Jonesville Manor Apartments, is an existing affordable multifamily development located at 100 Pauley Street in Jonesville, Virginia. The subject property consists of 40 revenue-producing units originally constructed in 1991 and renovated with tax credits in 2010. The sponsor has proposed to renovate the property using below-market USDA-RD debt and tax credit financing. The subject property is a 62+ age restricted community.

Proposed Unit Mix

The subject property is proposed to consist of 40 revenue-producing units including 1-bedroom garden apartments. A total of 40 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 40 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 outstanding USDA-RD debt is repaid or until the expiration of the tax credit compliance period, whichever is later.

Proposed Unit Configuration						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Gross Rent	UA	Net Rent
1BR-1BA-569sf / 60% of AMI / 40% of AMI	No	Yes	4	\$729	\$74	\$655
1BR-1BA-569sf / 60% of AMI / 50% of AMI	No	Yes	36	\$729	\$74	\$655
Total/Average			40	\$729	\$74	\$655

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-569sf / 60% of AMI / 40% of AMI	No	Yes	4	\$775	\$655	15.5%
1BR-1BA-569sf / 60% of AMI / 50% of AMI	No	Yes	36	\$775	\$655	15.5%
Total / Average			40	\$775	\$655	15.5%

Our analysis suggests an average achievable rent of \$775 for the subject property. This is compared with an average proposed rent of \$655, yielding an achievable rent advantage of 15.5 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 / Subsidized / 60% of AMI	20	864	20	2.3%	2.4%	23.3%	3
				Project-Wide Gross Capture Rate	2.3%		
				Project-Wide Net Capture Rate	2.4%		
				Project-Wide Penetration Rate	23.3%		
				Stabilized Occupancy	97%		
				Project-Wide Absorption Period	3 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 3 months of absorption and an average absorption rate of 5.9 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	5.9%
Project-Wide Capture Rate - Market Units	0.0%
Project-Wide Capture Rate - All Units	5.9%
Project-Wide Absorption Period (Months)	3 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 renovation.

Because of the demonstrated depth of demand in this area and the current occupied status of the subject property, we do not believe the renovation of this property will have an adverse impact on existing projects in the market area.

Jonesville Manor Apartments
 100 Pauley Street
 Jonesville, Virginia 24263

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Minimum Income	\$2,220								\$2,220
Maximum Income	\$39,540								\$39,540
New Rental Households	20								20
(+)									
Existing Households - Overburdened	448								448
(+)									
Existing Households - Substandard Housing	71								71
(+)									
Elderly Households - Likely to Convert to Rental Housing	140								
(+)									
Existing Qualifying Tenants - To Remain After Renovation	20								20
(+)									
Total Demand	700								560
(-)									
Supply (Directly Comparable Vacant Units Completed or in Pipeline in PMA)	20								20
(=)									
Net Demand	680								540
Proposed Units	40								40
Capture Rate	5.9%								7.4%
Absorption Period (Months)	3 mos								3 mos

TABLE OF CONTENTS

PROJECT OVERVIEW.....	PAGE 9
IMPROVEMENT DESCRIPTION & ANALYSIS.....	PAGE 13
SITE DESCRIPTION & ANALYSIS.....	PAGE 18
NEIGHBORHOOD DESCRIPTION & ANALYSIS.....	PAGE 25
SUBJECT PROPERTY PHOTOS.....	PAGE 31
MARKET AREA.....	PAGE 32
ECONOMIC OUTLOOK.....	PAGE 35
DEMOGRAPHIC CHARACTERISTICS.....	PAGE 41
SUPPLY ANALYSIS.....	PAGE 49
RENT COMPARABILITY ANALYSIS.....	PAGE 76
NCHMA DEMAND ANALYSIS.....	PAGE 91
VHDA DEMAND ANALYSIS.....	PAGE 106
APPENDIX.....	PAGE 110

PROJECT OVERVIEW

Project Description

The subject property, known as Jonesville Manor Apartments, is an existing affordable multifamily development located at 100 Pauley Street in Jonesville, Virginia. The subject property consists of 40 revenue-producing units originally constructed in 1991 and renovated with tax credits in 2010. The sponsor has proposed to renovate the property using below-market USDA-RD debt and tax credit financing. The subject property is a 62+ age restricted community.

Select project details are summarized below:

Project Description	
Property Name	Jonesville Manor Apartments
Street Number	100
Street Name	Pauley
Street Type	Street
City	Jonesville
County	Lee County
State	Virginia
Zip	24263
Units	40
Project Rent	Subsidized
Project Type	Elderly
Project Status	Prop Rehab
Financing Type	Tax Credit
Latitude	36.6868
Longitude	-83.1125

Scope of Renovation

The subject property is currently in fair condition. The sponsor has proposed to rehabilitate the subject property. The contemplated rehabilitation scope includes limited roof, parking lot, landscape, appliance, cabinet, HVAC and tile repairs and/or replacement. Tenants will be temporarily displaced as renovation progresses for this property.

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 3-month absorption period. This yields a date of stabilization of December 1, 2027.

Unit Configuration

The subject property currently consists of 40 revenue-producing units including 1-bedroom garden apartments. A total of 40 units are currently income restricted to 60% of AMI; no units are currently set aside as market rate units; a total of 26 units currently benefit from project-based rental assistance. The subject property currently stands at 100% occupancy. The current rent and income restrictions will remain in place until the outstanding USDA-RD loan is repaid.

Current Unit Configuration										
BR	BA	SF	Unit Type	Income Limit	Rent Limit	HOME Units	Subs Units	Total Units	Gross Rent	Net Rent
1	1.0	569	Garden/Flat	60%	60%	No	Yes	40	\$727	\$655
Total/Average		569						40	\$727	\$655

The subject property is proposed to consist of 40 revenue-producing units including 1-bedroom garden apartments. A total of 40 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 40 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 outstanding USDA-RD debt is repaid or until the expiration of the tax credit compliance period, whichever is later.

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	569	Garden/Flat	60%	40%	No	Yes	4	\$729	\$655
1	1.0	569	Garden/Flat	60%	50%	No	Yes	36	\$729	\$655
Total/Average		569						40	\$729	\$655

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	\$17,310	\$23,080	\$28,850	\$34,620	\$40,390	\$46,160
2.0 Person	\$19,770	\$26,360	\$32,950	\$39,540	\$46,130	\$52,720
3.0 Person	\$22,230	\$29,640	\$37,050	\$44,460	\$51,870	\$59,280
4.0 Person	\$24,690	\$32,920	\$41,150	\$49,380	\$57,610	\$65,840
5.0 Person	\$26,670	\$35,560	\$44,450	\$53,340	\$62,230	\$71,120
6.0 Person	\$28,650	\$38,200	\$47,750	\$57,300	\$66,850	\$76,400
7.0 Person	\$30,630	\$40,840	\$51,050	\$61,260	\$71,470	\$81,680
8.0 Person	\$32,610	\$43,480	\$54,350	\$65,220	\$76,090	\$86,960

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	\$41,800	-4.3%
2017	\$42,600	1.9%
2018	\$45,600	7.0%
2019	\$47,800	4.8%
2020	\$49,300	3.1%
2021	\$50,000	1.4%
2022	\$52,300	4.6%
2023	\$58,200	11.3%
2024	\$60,500	4.0%
2025	\$65,000	7.4%

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:

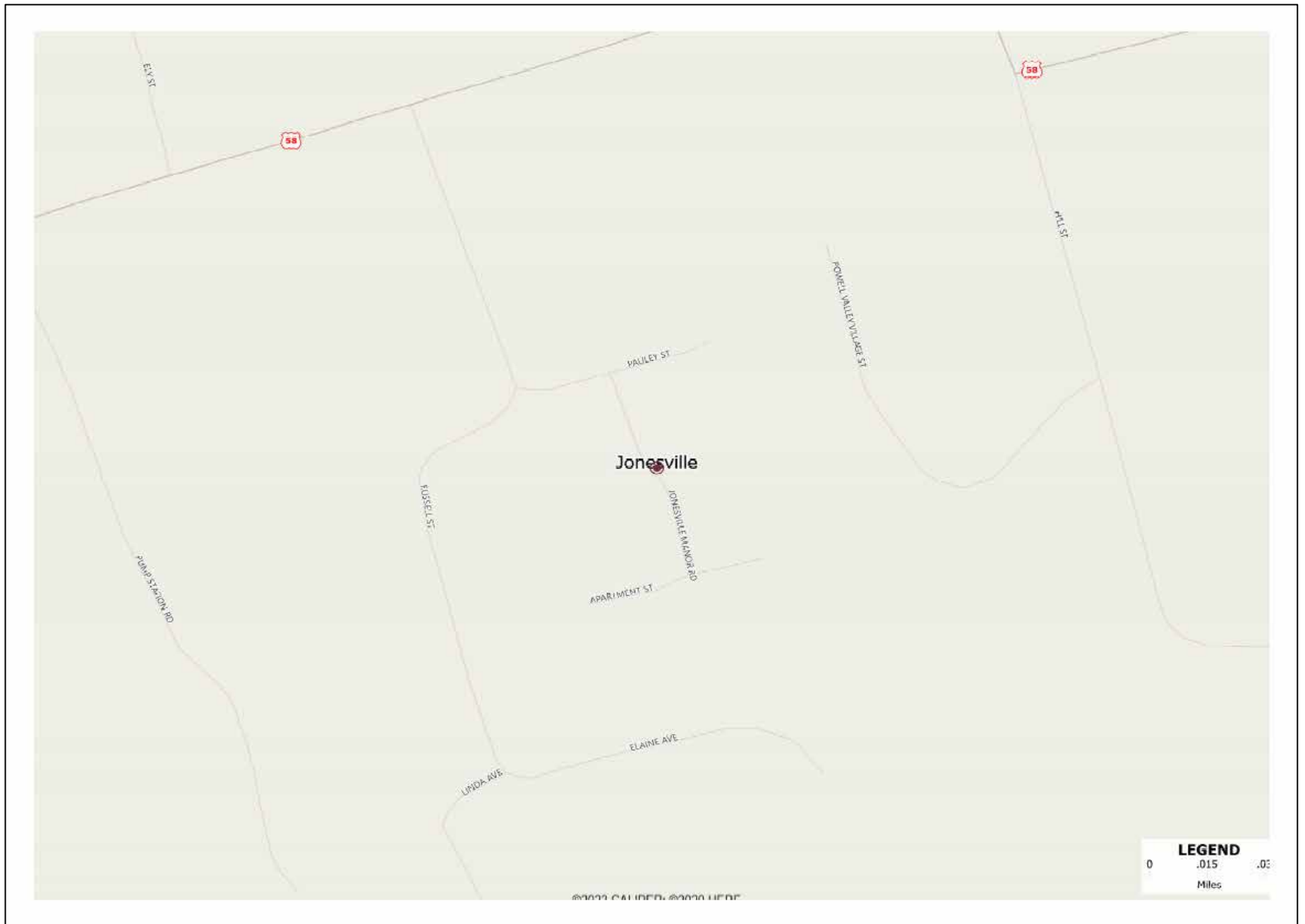
Maximum Housing Expense						
Unit Type	30% of AMI	40% of AMI	50% of AMI	60% of AMI	70% of AMI	80% of AMI
0 Bedroom	\$432	\$577	\$721	\$865	\$1,009	\$1,154
1 Bedroom	\$463	\$618	\$772	\$927	\$1,081	\$1,236
2 Bedroom	\$555	\$741	\$926	\$1,111	\$1,296	\$1,482
3 Bedroom	\$642	\$856	\$1,070	\$1,284	\$1,498	\$1,712
4 Bedroom	\$716	\$955	\$1,193	\$1,432	\$1,671	\$1,910

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	\$693
1 Bedroom	\$697
2 Bedroom	\$914
3 Bedroom	\$1,226
4 Bedroom	\$1,429

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 currently consists of 40 revenue-producing units in 4 residential buildings and 1 non-residential building. The development currently includes approximately 22,760 square feet of net rentable area and 27,507 square feet of gross building area.

The subject property is proposed to consist of 40 revenue-producing units in 4 residential buildings and 1 non-residential building. The development is proposed to include approximately 22,760 square feet of net rentable area and 27,507 square feet of gross building area.

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

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

The subject property includes slab on grade foundations.

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

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

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

The subject currently includes Hardiplank and brick veneer, double hung vinyl double pane windows, steel clad insulated six-panel unit entry doors, and sliding glass patio doors. The sponsor proposes to replace the siding, windows and exterior doors as part of the planned renovation.

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

The subject includes gabled asphalt shingle roofs. The sponsor proposes to replace the roofs as part of the planned renovation.

Vertical Transportation - Elevator, Interior Stair Systems

The subject property is a 1-story development which includes 4 residential buildings with no elevators.

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

Domestic water piping is constructed of CPVC pipe and fittings. Wastewater lines consist of PVC pipe and fittings. Potable hot water is supplied via individual electric hot water heaters. The sponsor proposes to replace the water heaters as part of the planned renovation.

HVAC - Heating, Air Conditioning, Ventilation

The subject property currently includes individual interior-mounted electric heat, individual exterior-mounted a/c compressors with interior-mounted air handlers. New HVAC systems are proposed as part of the planned renovation.

Electrical and Communications - Distribution, Aluminum Wiring, etc.

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

Fire Suppression

The subject property is not currently equipped with an NFPA-13 fully automatic fire suppression (sprinkler) system. However, hard-wired smoke detectors with battery backup are found in each bedroom area. The sponsor proposes to replace the smoke detectors as part of the planned renovation.

Unit Features

The subject property currently contains 40 revenue-producing units including 38 regular units and 2 accessible units including 40 bedrooms, 40 full bathrooms and 0 half bathrooms.

The subject property is proposed to contain 40 revenue-producing units including 36 regular units and 4 accessible units, including 40 bedrooms, 40 full bathrooms and 0 half bathrooms.

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

Walls / Ceilings / Interior Doors

Subject property units include 8 foot ceilings, painted gypsum wallboard & ceilings, wood hollow-core flat panel interior doors and wood hollow-core flat panel closet doors. The sponsor proposes to replace the interior doors as part of the planned renovation. Wood solid-core flat panel doors are planned post renovation.

Floor Covering

Floor covering currently consists of luxury vinyl plank in the entryways, bathrooms & kitchens along with wall-to-wall carpeting in the living areas & bedrooms. The sponsor proposes to replace the flooring as part of the planned renovation.

Kitchens

Kitchens currently include electric four-top ranges, range hoods, frost-free refrigerators, disposals, dishwashers, composite wood cabinets, laminated countertops and stainless steel sinks. The sponsor proposes to replace the appliances, cabinets and countertops as part of the planned renovation.

Bathrooms

Bathrooms currently include composite wood vanities, cultured marble countertops, porcelain sinks & toilets, along with fiberglass tubs & surrounds. The bathrooms also include exhaust fans and other accessories. The sponsor proposes to replace these components as part of the planned renovation.

Project Amenities

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

Site & Common Area Amenities

A community center, gazebo/patio, and picnic area are currently found at the subject property.

Parking

Open parking is found at the subject property.

Laundry

A central laundry is currently found at the subject property.

Security

Call buttons are currently found at the subject property.

Services

No additional services are currently found at the subject property.

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

Utility Configuration

The subject property currently includes electric heat, electric cooking and electric hot water. All utilities - with the exception of cold water, sewer and trash - are currently 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	569	Garden/Flat	60% of AMI	40% of AMI	No	Yes	4	\$74	\$72
1	1.0	569	Garden/Flat	60% of AMI	50% of AMI	No	Yes	36	\$74	\$72
Total/Average								40	\$74	\$72

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 slightly 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

The subject property was originally constructed in 1991 and is currently in fair condition. In our opinion, the subject has a remaining useful life & remaining economic life of 20 years in its current condition. Assuming the scope of work described above, we anticipate a remaining useful life & remaining economic life of 50 years after renovation. Finally, we estimate a post-renovation effective age of 10 years for this project.

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	Jonesville Manor Apartments	1991	2016	4.00	2	1	1	
012	Clinch View Manor Apartments	1994	2003	3.50	1	2	2	
014	Colonial Apartments	1970	1970	2.50	7	7	7	
023	Gatewood Apartments	1985	1985	3.00	4	4	3	
024	Gilliam Court Apartments	1980	1980	3.00	6	6	3	
049	Norton Heights Apartments	1984	1984	3.00	5	5	3	
072	Woodstone Village Phase 1	1986	1995	3.00	3	3	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	Gazabo Patio	Hot Tub Jacuzzi	Herb Garden	Horseshoes	Lake	Library	Movie Media Ctr	Picnic Area	Playground	Pool	Sauna	Sports Court	Walking Trail	
Sub	Jonesville Manor Apartments	no	no	no	no	no	yes	no	no	yes	no	no	no	no	no	no	yes	no	no	no	no	no	
012	Clinch View Manor Apartments	no	yes	no	no	no	yes	yes	no	no	no	no	yes	no	no	no	yes	no	no	no	no	no	
014	Colonial Apartments	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	
023	Gatewood Apartments	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	yes	yes	no	no	no	no	
024	Gilliam Court Apartments	no	no	no	no	no	yes	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	no	
049	Norton Heights Apartments	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	yes	yes	no	no	no	no	
072	Woodstone Village Phase 1	no	no	no	no	no	yes	yes	no	no	no	no	no	no	no	no	no	yes	no	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	Jonesville Manor Apartments	yes	no	yes	no	yes	no	yes	yes	yes	yes	no	yes	no	no	no	yes	no	no	no	no
012	Clinch View Manor Apartments	yes	no	yes	no	yes	no	yes	yes	no	yes	no	yes	no	no	no	yes	no	no	no	no
014	Colonial Apartments	yes	no	yes	no	yes	no	yes	yes	no	no	no	no	some	no	no	yes	no	no	no	no
023	Gatewood Apartments	yes	no	yes	no	yes	some	yes	yes	no	no	no	yes	no	no	no	yes	no	no	no	no
024	Gilliam Court Apartments	yes	no	no	no	yes	no	yes	yes	no	no	no	no	yes	no	no	no	yes	no	no	no
049	Norton Heights Apartments	yes	no	yes	no	yes	no	yes	yes	no	no	no	yes	no	no	no	yes	no	no	no	no
072	Woodstone Village Phase 1	yes	no	yes	no	yes	no	yes	yes	yes	no	no	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	Transportation
Sub	Jonesville Manor Apartments	no	no	no	yes	no	yes	no	no	yes	no	no	no	no	no	no	no	no	no	no	no	no
012	Clinch View Manor Apartments	no	no	no	yes	no	yes	no	no	yes	some	no	yes	no	no	no	no	no	no	no	no	yes
014	Colonial Apartments	no	no	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	0
023	Gatewood Apartments	no	no	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no
024	Gilliam Court Apartments	no	no	no	yes	no	yes	no	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no
049	Norton Heights Apartments	no	no	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no
072	Woodstone Village Phase 1	no	no	no	yes	no	yes	no	some	no	yes	no	yes	no	no	no	no	no	no	no	no	no

Source: Allen & Associates; Sponsor

		Tenant-Paid											Owner-Paid										
Key	Project Name	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	Jonesville Manor Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	yes	yes	yes
012	Clinch View Manor Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	yes	yes	yes
014	Colonial Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
023	Gatewood Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	yes	yes	yes
024	Gilliam Court Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	yes	yes	yes
049	Norton Heights Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
072	Woodstone Village Phase 1	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	yes	yes	yes

Source: Allen & Associates; Sponsor

HUD Utility Schedule Model Output					
	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Heat - Gas	33	36	39	41	44
Heat - Elec	15	18	21	24	26
Cooking - Gas	2	3	4	5	7
Cooking - Elec	6	6	9	12	15
Other Electric	21	24	34	44	53
Air Conditioning	7	8	11	14	17
Hot Water-Gas	5	6	9	12	15
Hot Water-Elec	14	16	20	25	29
Water	54	60	96	151	206
Sewer	60	66	102	157	212
Trash	10	10	10	10	10

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 4.013 acres and approximately 100 feet of road frontage.

Zoning

According to the sponsor, the subject property is currently zoned R-1 / C-1. It is our understanding that the current zoning for the subject is a legal, conforming use.

Parking / Streets / Curbs / Sidewalks

A total of 48 privately-owned parking spaces are proposed for the subject property (38 regular / 10 accessible / 1.20 spaces per unit). We normally see 1.0 to 1.5 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

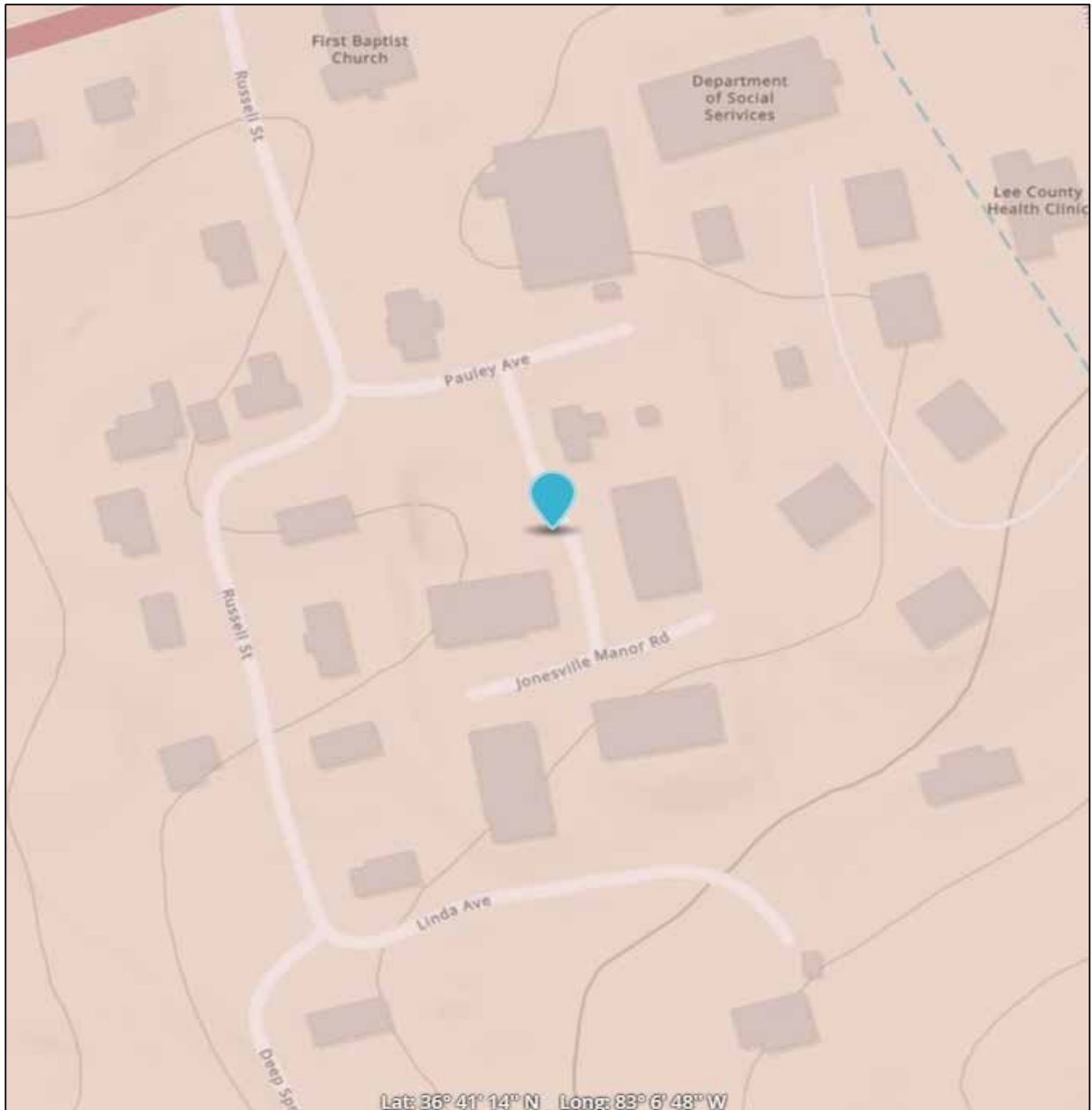
Stormwater management is proposed to consist of catch basins and concrete pipe connecting to a public system. Site lighting is proposed to consist of publicly-owned HID poles. Domestic water service to buildings is proposed to consist of ductile iron pipe connecting to a public system. Wastewater service 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. The subject property was originally constructed in 1991, after the 1978 ban on lead and asbestos containing construction materials. 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 south and west. 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:

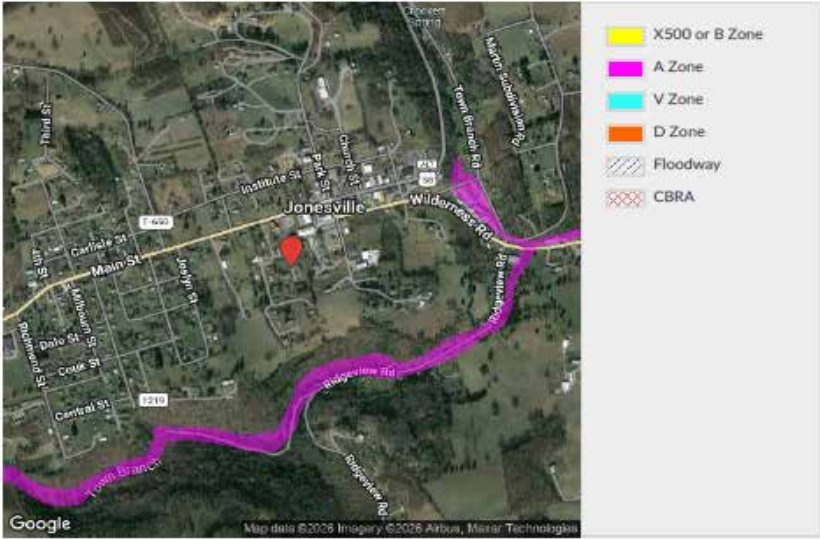
Cotality RiskMeter.

LATITUDE: 36.686752, LONGITUDE: -83.112460
 LOCATION ACCURACY: User-defined location LATITUDE: 36.686752 LONGITUDE: -83.112460 MATCH CODE: SOURCE: CENSUS BLOCK ID: 511059505004004

Flood Zone Determination Report

Flood Zone Determination: OUT

SFHA (FLOOD ZONE)	OUT	WITHIN 250 FEET OF FLOOD ZONE	NO
FLOOD ZONE	X	COMMUNITY	510086
COMMUNITY NAME	JONESVILLE, TOWN OF	PANEL	0290C
PANEL DATE	February 18, 2011	COBRA	OUT
PARTICIPATION STATUS	R	ORIGIN FIRM DATE	October 30, 1981
MAP NUMBER	51105C0290C	FIPS CODE	51105

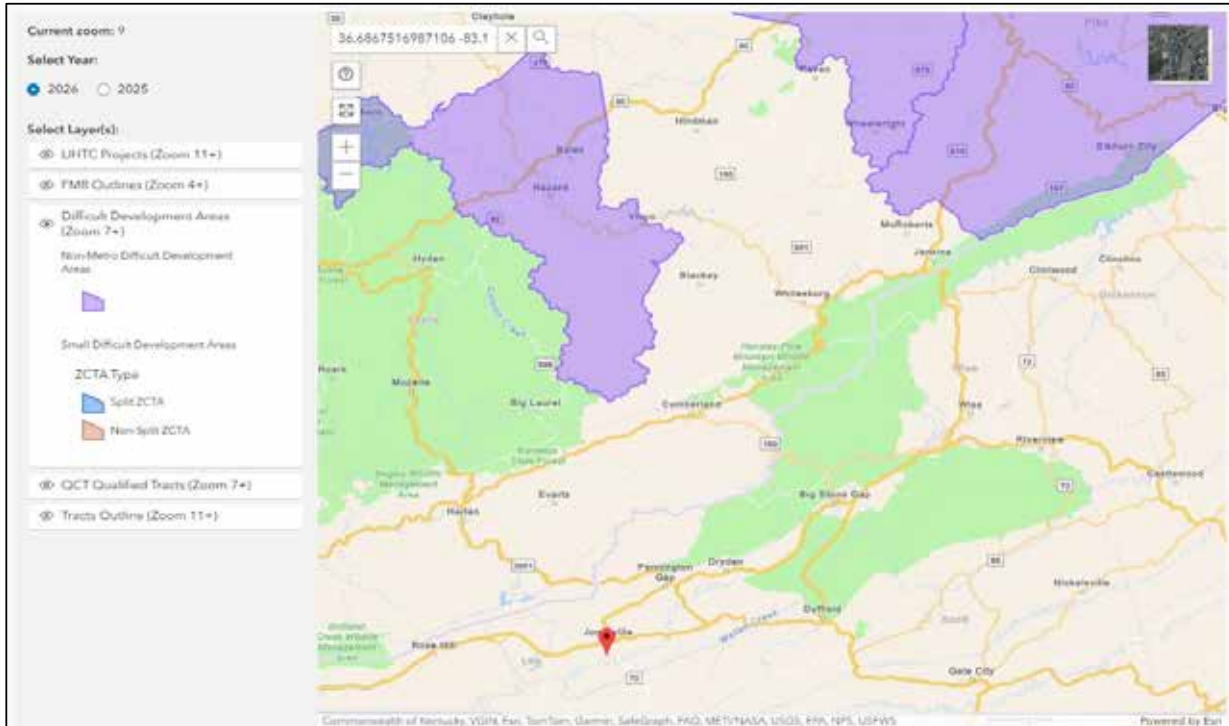


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 Report generated March 10, 2026 by jcarroll@allenadvisors.com Page 2 of 2

According to FEMA map number 51105C0290C dated February 18, 2011, the subject property is located in Zone X. This is an area that is identified as being located outside the 100-year flood zone.

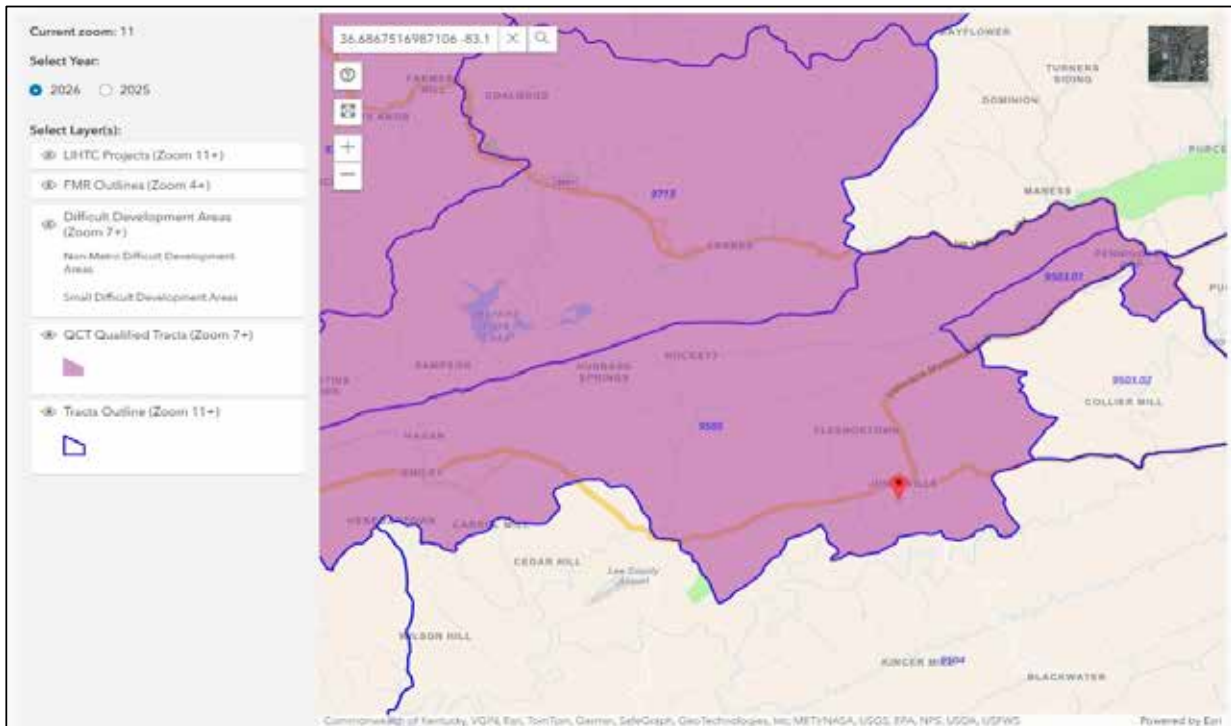
Difficult to Develop Area Status

The subject property is located in Lee County, 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 9505 - an area that is designated as a Qualified Census Tract. Consequently, the subject property does 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 Pauley Street, approximately 2 blocks south of US Highway 58 in Jonesville, Virginia. US Highway 58 is a moderately-traveled east-west road carrying approximately 6,000 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 fair to good by virtue of the location of the subject property relative to existing streets and thoroughfares.

Visibility

The subject property is visible from Pauley Street with +/- 100 feet of frontage and a moderate volume of drive-by traffic. Consequently, in our opinion visibility is fair to 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	Jonesville Manor Apartments	2.50	2.50	2	2
012	Clinch View Manor Apartments	2.00	1.75	6	7
014	Colonial Apartments	2.00	2.00	6	5
023	Gatewood Apartments	2.25	2.00	4	5
024	Gilliam Court Apartments	2.50	2.50	2	2
049	Norton Heights Apartments	2.25	2.25	4	4
072	Woodstone Village Phase 1	3.00	3.50	1	1

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 Jonesville, Virginia. The immediate area consists of a variety of land uses.

Single Family is located to the north; Single Family is located to the south; Single Family is located to the east; and Single Family is located to the west of the subject property.

Surrounding property uses are summarized in the table found below:

Direction	Use	Condition
North	Single Family	Fair
South	Single Family	Fair
East	Single Family	Fair
West	Single Family	Fair

Source: Allen & Associates

Economic Characteristics

The subject property is located in an area with average household incomes of \$37,188 (in constant 2015 dollars); this is compared with \$35,307 for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with median cash rents of \$355 (in constant 2015 dollars); this is compared with \$534 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 \$120,400 (in constant 2015 dollars); this is compared with \$99,271 for the most comparable properties included in this analysis.

Crime Rates

The subject property is located in an area with personal crime rates of 0.3%. 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 3.3%.

In addition, the subject property is located in an area with property crime rates of 0.1%. 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 2.2%.

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 83.4%; this is compared with 77.2% for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with college graduation rates of 18.6%; this is compared with 18.2% 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 32.2 minutes; this is compared with 22.3 minutes for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with an average of 1.92 vehicles per household; this is compared with 1.71 vehicles per household for the most comparable properties included in this analysis.

Conclusion

In our opinion, the subject property has a good to 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	Powell Valley National Bank	0.3
Grocery	Happy Mart	0.7
Emergency Clinic	Lonesome Pine Hospital	23.0
Pharmacy	Jonesville Drug	0.8
Discount Store	Walmart	2.3

Source: Caliper Corporation

Powell Valley National Bank, Happy Mart, Jonesville Drug, and Walmart are all located less than 2.3 miles away from the subject property. Lonesome Pine Hospital is located 23.0 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 1 bank within 2.0 miles of the subject property. The subject is ranked 7 out of the 7 properties included in this analysis.
- A total of 3 grocery stores are in the vicinity of the subject property. The subject is ranked 5 for the area.
- A total of 0 hospital are in the vicinity of the subject property. The subject is ranked 3 for the area.
- A total of 1 pharmacy is in the vicinity of the subject property. The subject is ranked 7 for the area.
- A total of 0 shopping establishments are in the vicinity of the subject property. The subject is ranked 5 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 0.3 miles away from the subject property. The subject is ranked 4 out of the 7 properties included in this analysis.
- The nearest grocery store is 0.7 miles away from the subject property. The subject is ranked 6 for the area.
- The nearest hospital is 2.3 miles away from the subject property. The subject is ranked 7 for the area.
- The nearest pharmacy is 0.8 miles away from the subject property. The subject is ranked 5 for the area.
- The nearest shopping center is 2.3 miles away from the subject property. The subject is ranked 5 for the area.

Conclusion

In our opinion, the subject property has a fair 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

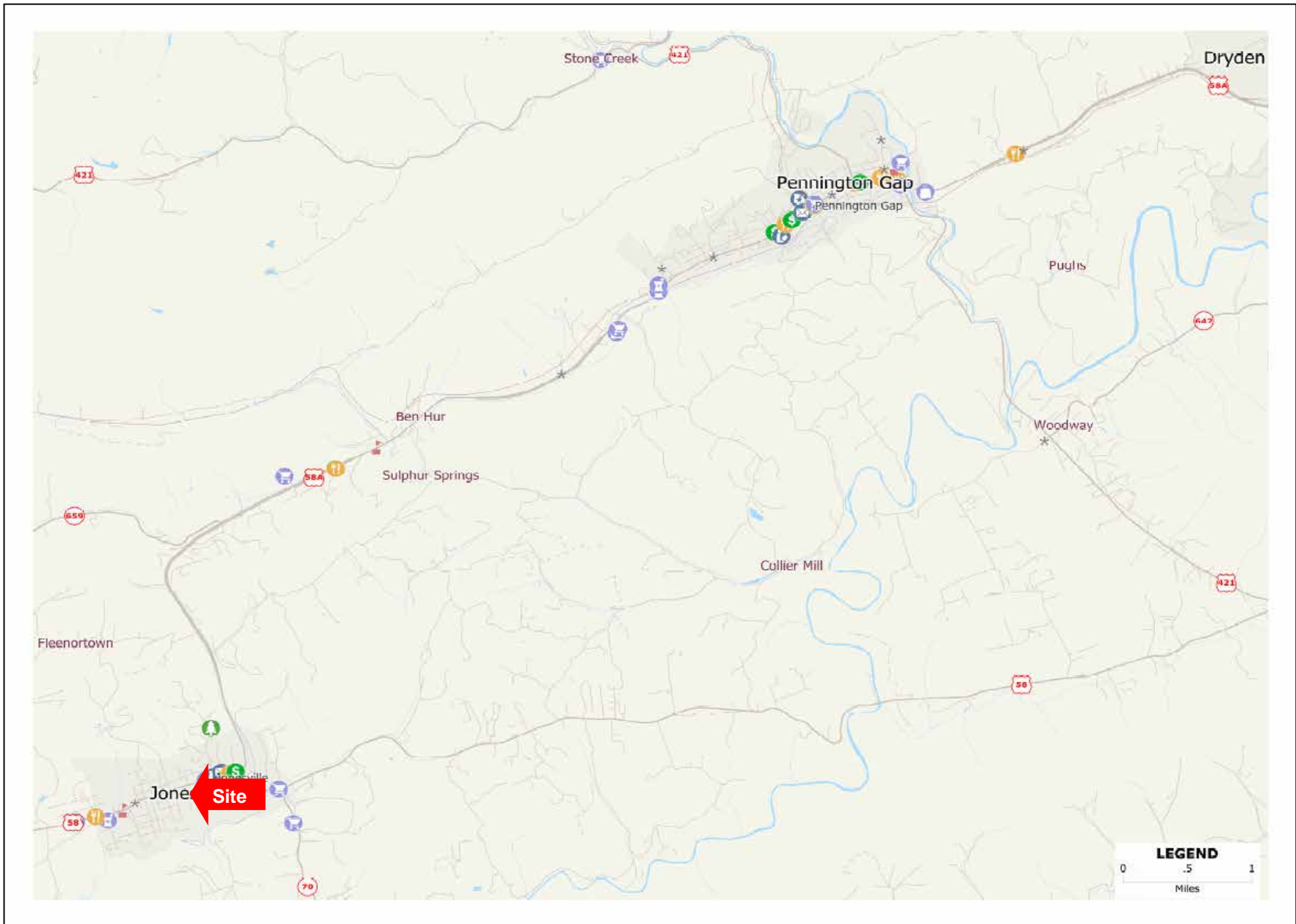
		Rating								Rank (1 = Property with Highest Rating)								Final Rating (1-5 Scale)
		Surrounding Area			Crime Rates		Education	Commute	Surrounding Area			Crime Rates		Education	Commute			
Key	Project Name	Avg HH Income (2015 \$)	Med Cash Rent (2015 \$)	Med SF Value (2015 \$)	Personal Crime	Property 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	Jonesville Manor Apartments	\$37,188	\$355	\$120,400	0.3%	0.1%	83.4%	18.6%	32.22	5	7	2	1	1	2	4	7	3.60
012	Clinch View Manor Apartments	\$40,900	\$460	\$89,300	2.2%	0.9%	79.4%	7.0%	26.92	2	5	5	5	5	5	6	4	2.80
014	Colonial Apartments	\$38,967	\$803	\$98,900	10.3%	5.0%	80.6%	34.0%	10.45	4	1	3	7	6	3	1	1	3.90
023	Gatewood Apartments	\$40,089	\$524	\$86,800	1.9%	0.8%	71.4%	7.5%	28.42	3	4	6	4	4	6	5	6	2.00
024	Gilliam Court Apartments	\$45,227	\$600	\$129,600	0.4%	0.5%	86.1%	23.9%	27.78	1	3	1	3	3	1	3	5	4.50
049	Norton Heights Apartments	\$25,000	\$357	\$89,800	7.4%	7.5%	79.7%	33.3%	12.37	6	6	4	6	7	4	2	2	2.00
072	Woodstone Village Phase 1	\$19,778	\$642	\$80,100	0.4%	0.3%	59.7%	2.9%	17.80	7	2	7	2	2	7	7	3	2.30

Proximity to Area Amenities

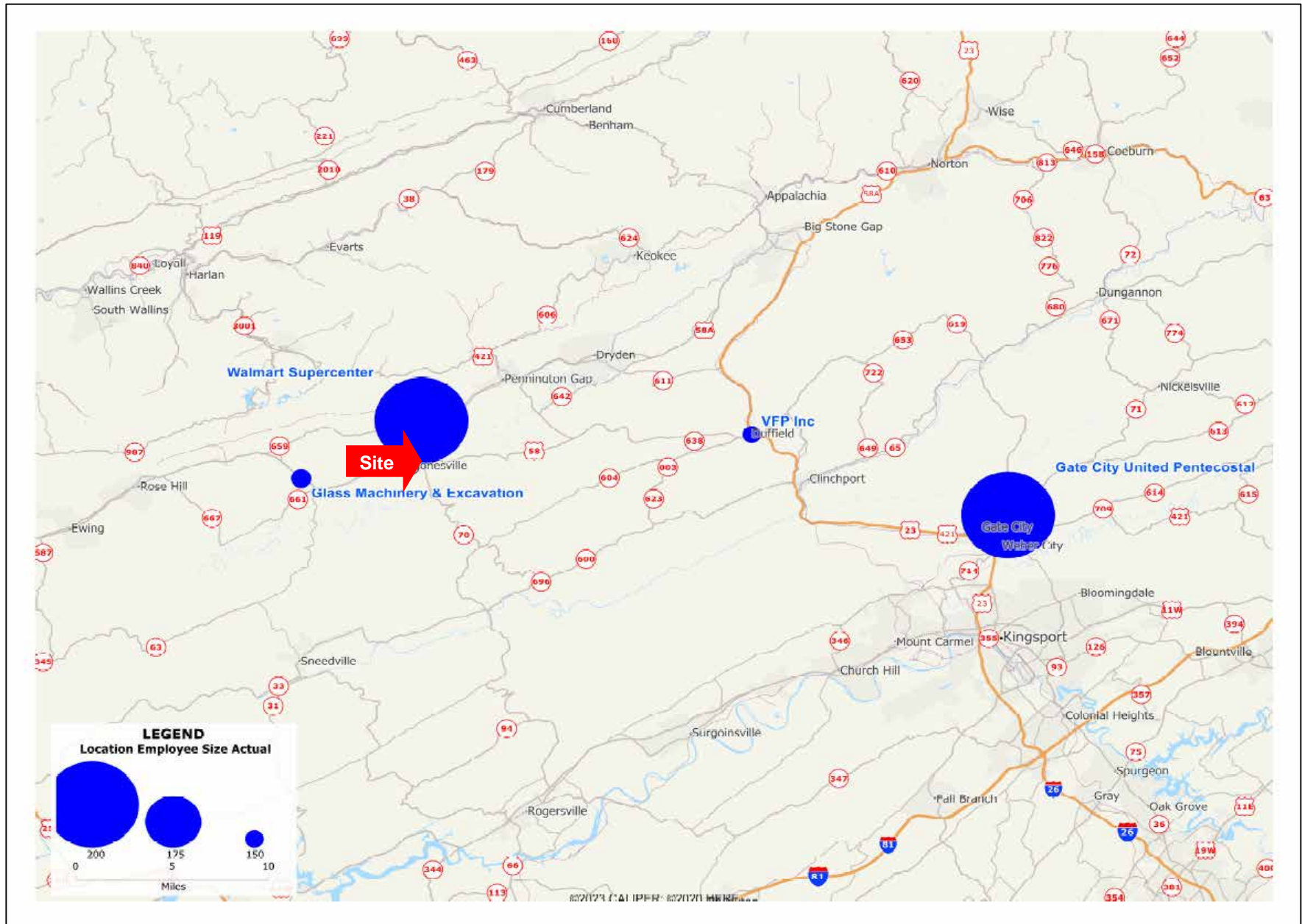
		Rating								Rank (1 = Property with Highest Rating)								Final Rating (1-5 Scale)
		Number within 2.0 miles of Property					Nearest to Property, Miles			Number within 2.0 miles of Property					Nearest to Property, Miles			
Key	Project Name	Banks	Grocery	Hospital	Pharmacy	Shopping	Shopping	Grocery	Hospital	Banks	Grocery	Hospital	Pharmacy	Shopping	Shopping	Grocery	Hospital	
Sub	Jonesville Manor Apartments	1	3	0	1	0	2.3	0.7	23.0	7	5	3	7	5	5	6	7	2.00
012	Clinch View Manor Apartments	7	5	0	3	0	2.8	0.2	16.2	3	2	3	3	5	7	1	5	2.70
014	Colonial Apartments	4	2	1	5	2	0.2	0.2	1.3	5	6	2	1	2	1	1	2	4.40
023	Gatewood Apartments	10	6	0	3	0	2.7	0.3	17.0	2	1	3	3	5	6	3	6	3.30
024	Gilliam Court Apartments	7	4	0	2	5	0.2	0.5	3.7	3	4	3	6	1	1	4	4	3.60
049	Norton Heights Apartments	11	5	2	3	2	1.6	0.6	0.5	1	2	1	3	2	4	5	1	4.50
072	Woodstone Village Phase 1	4	1	0	4	2	1.4	1.4	2.3	5	7	3	2	2	3	7	3	2.50

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

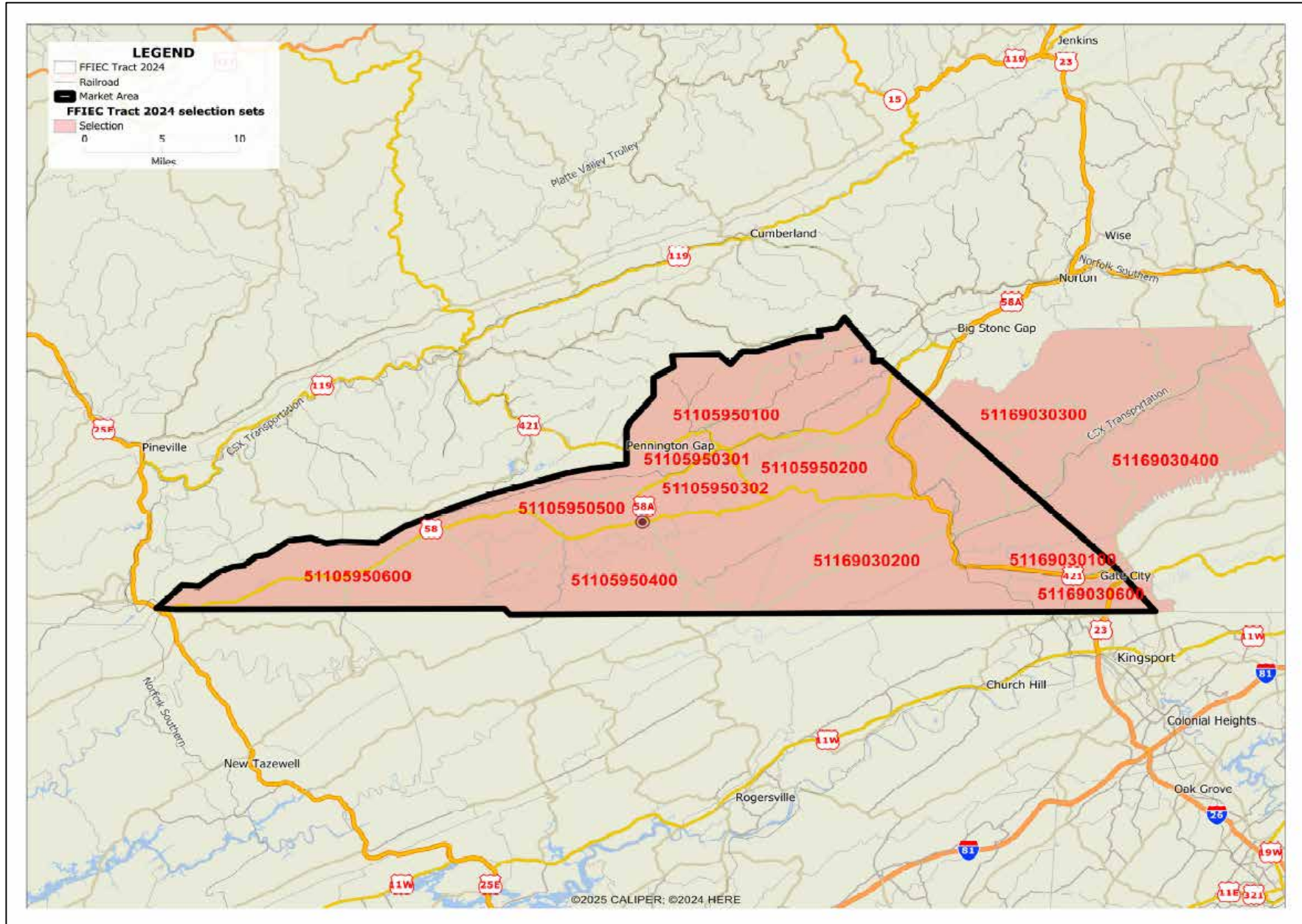
We defined the primary market area by generating a 30-minute drive time zone around the subject property. We also considered existing concentrations of multifamily properties and the nearest census tract boundaries in our analysis.

The primary market area includes a population of 32,771 persons and covers a total of 637.4 square miles, making it 28.5 miles across on average.

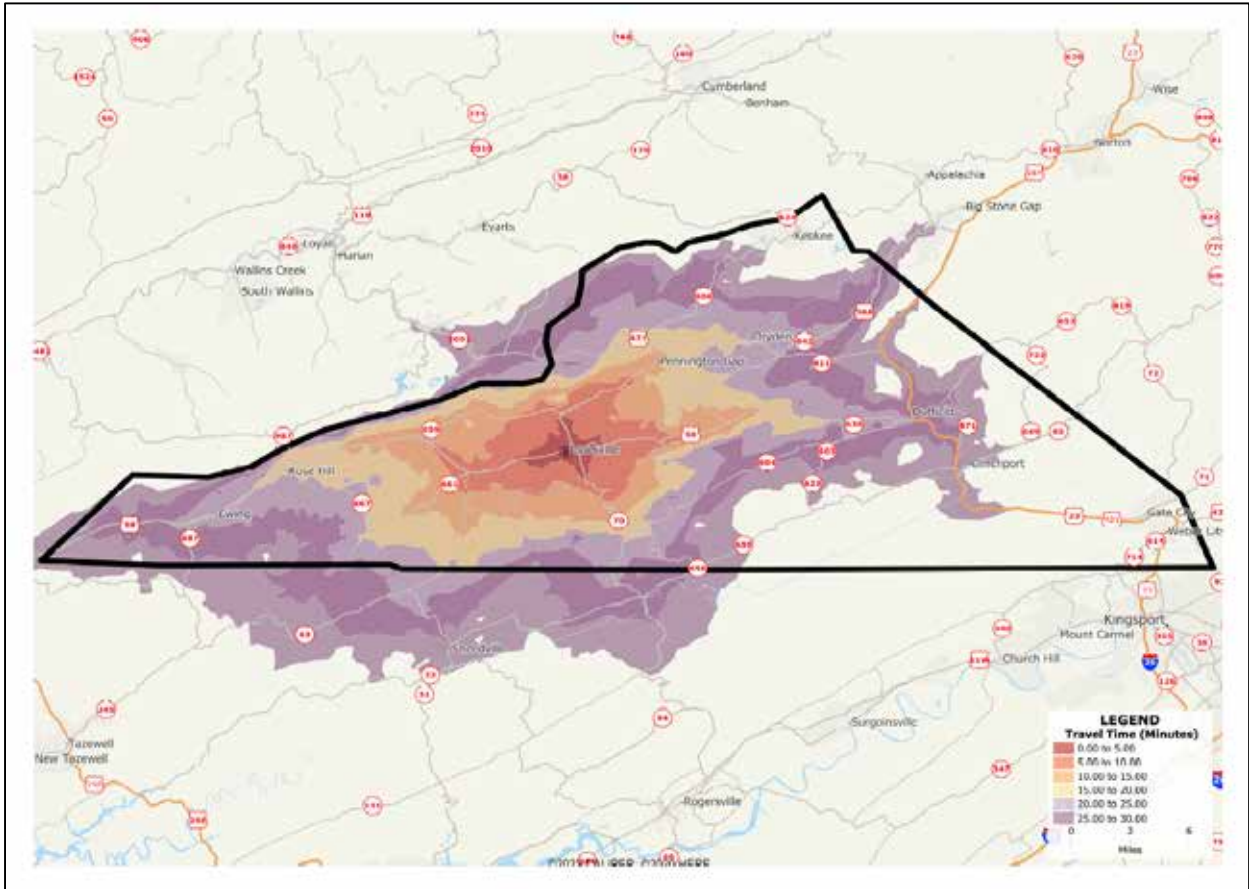
Secondary Market Area

We estimate that up to 40 percent of demand will come from areas outside of the primary market area.

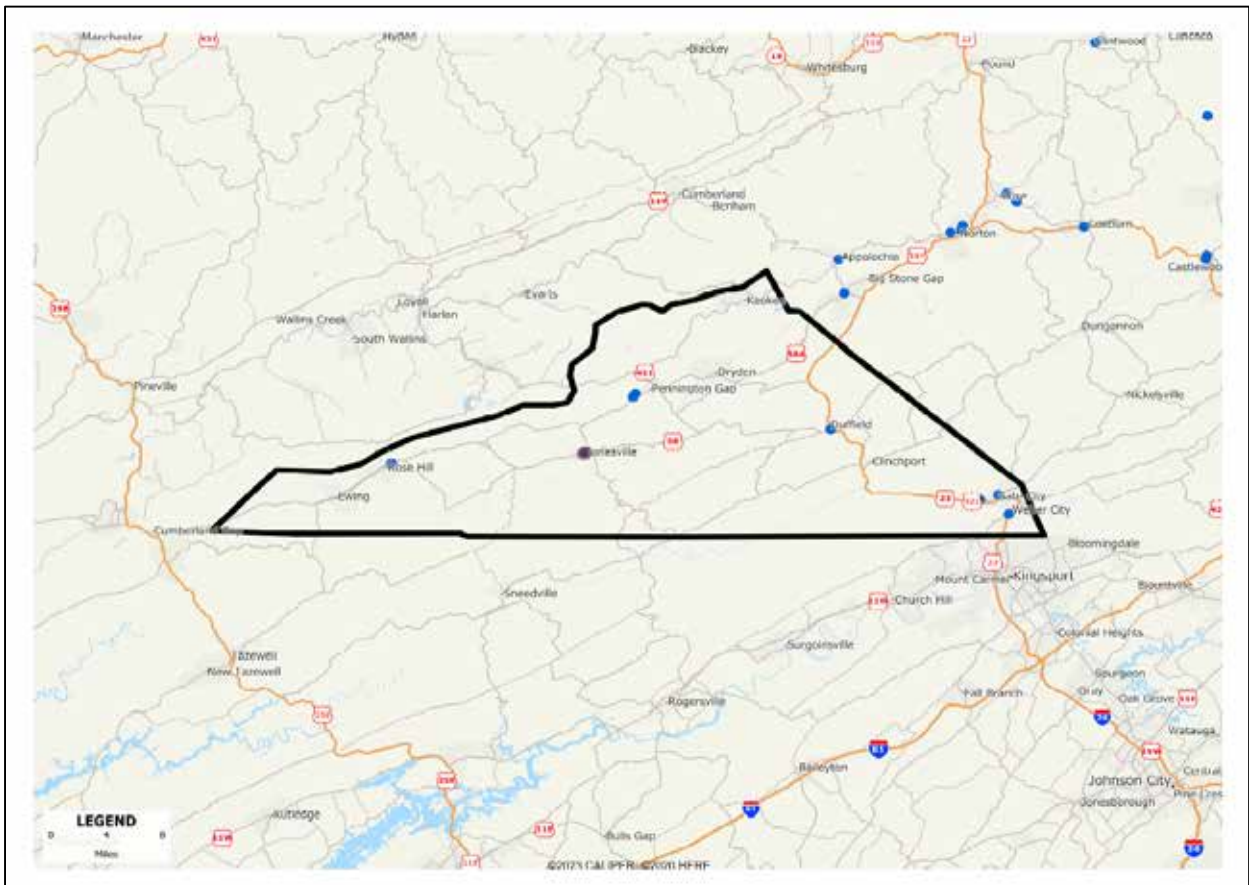
Market Area



Drive Time

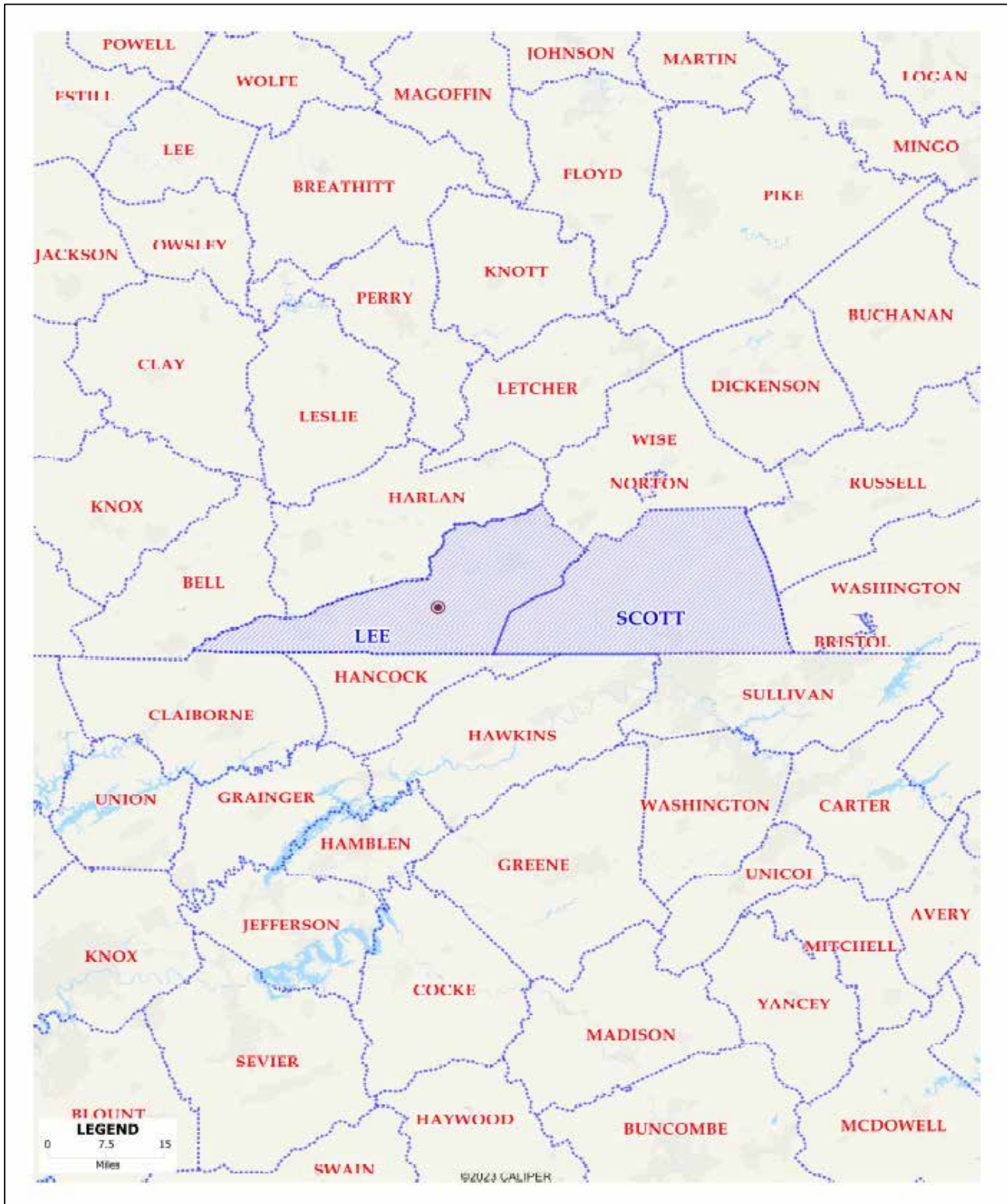


Existing Multifamily



ECONOMIC OUTLOOK

In this section we conduct an analysis of the regional economy. For purposes of our analysis, we define the region as Lee County, 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	881	12.6%	1.2%
Forestry, Fishing, Related Activities And Other Employment	109	1.6%	0.4%
Mining Employment	35	0.5%	0.5%
Utilities Employment	60	0.9%	0.3%
Construction Employment	360	5.1%	5.2%
Manufacturing Employment	205	2.9%	6.1%
Wholesale Trade Employment	140	2.0%	3.0%
Retail Trade Employment	777	11.1%	8.6%
Transportation And Warehousing Employment	138	2.0%	4.7%
Information Employment	35	0.5%	1.6%
Finance And Insurance Employment	179	2.6%	5.6%
Real Estate And Rental And Lease Employment	241	3.4%	5.2%
Professional And Technical Services Employment	291	4.2%	7.7%
Management Of Companies And Enterprises Employment	78	1.1%	1.4%
Administrative And Waste Services Employment	235	3.4%	6.4%
Educational Services Employment	21	0.3%	2.7%
Health Care And Social Assistance Employment	795	11.4%	12.0%
Arts, Entertainment, And Recreation Employment	44	0.6%	2.4%
Accommodation And Food Services Employment	337	4.8%	7.9%
Other Services, Except Public Administration Employment	444	6.3%	5.7%
Federal Civilian Government Employment	420	6.0%	1.3%
Federal Military Employment	63	0.9%	0.8%
State And Local Government Employment	1,108	15.8%	9.3%
Establishment Employment	6,996	100.0%	100.0%

Source: W&P Economics

Regional establishment employment currently stands at 6,996. The data suggests that State and Local Government is the largest employment category accounting for 15.8% of total regional employment. Farm Employment is the second largest category accounting for 12.6% of total employment. Health Care and Social Assistance is the third largest category accounting for 11.4% of total employment. Retail Trade is the fourth largest category accounting for 11.1% of total employment. Other Services is the fifth largest category accounting for 6.3% 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 3,862 employees or about 55.2% 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	\$2,073	23
Forestry, Fishing, Related Activities And Other Employment	\$25,367	17
Mining Employment	\$63,371	3
Utilities Employment	\$103,550	2
Construction Employment	\$37,344	9
Manufacturing Employment	\$33,190	11
Wholesale Trade Employment	\$43,707	6
Retail Trade Employment	\$25,892	16
Transportation And Warehousing Employment	\$40,326	7
Information Employment	\$29,257	14
Finance And Insurance Employment	\$30,441	13
Real Estate And Rental And Lease Employment	\$10,685	22
Professional And Technical Services Employment	\$24,574	18
Management Of Companies And Enterprises Employment	\$55,077	4
Administrative And Waste Services Employment	\$22,974	19
Educational Services Employment	\$14,000	20
Health Care And Social Assistance Employment	\$37,694	8
Arts, Entertainment, And Recreation Employment	\$26,318	15
Accommodation And Food Services Employment	\$13,231	21
Other Services, Except Public Administration Employment	\$32,468	12
Federal Civilian Government Employment	\$114,662	1
Federal Military Employment	\$36,556	10
State And Local Government Employment	\$49,931	5
Establishment Employment	\$35,312	

Source: W&P Economics

The data suggests that Federal Civilian Government is the highest paid industry averaging \$114,662 per employee. Utilities is the second highest paid industry averaging \$103,550 per employee. Mining is the third highest paid profession averaging \$63,371 per employee. Management of Companies is the fourth highest paid industry averaging \$55,077 per employee. State and Local Government is the fifth highest paid category averaging \$49,931 per employee. These figures are compared with regional Average Earnings of \$35,312 per employee.

The highlighted industries represent basic industries for the region. Average earnings for these basic industries comes to \$48,812 or 38.2% 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
Gate City United Pentecostal	200	8661-07	Churches	
Walmart Supercenter	200	5311-02	Department Stores	
Glass Machinery & Excavation	151	1794-06	Site Development Contractors	
VFP Inc	150	1771-05	Concrete Contractors	

Source: InfoUSA

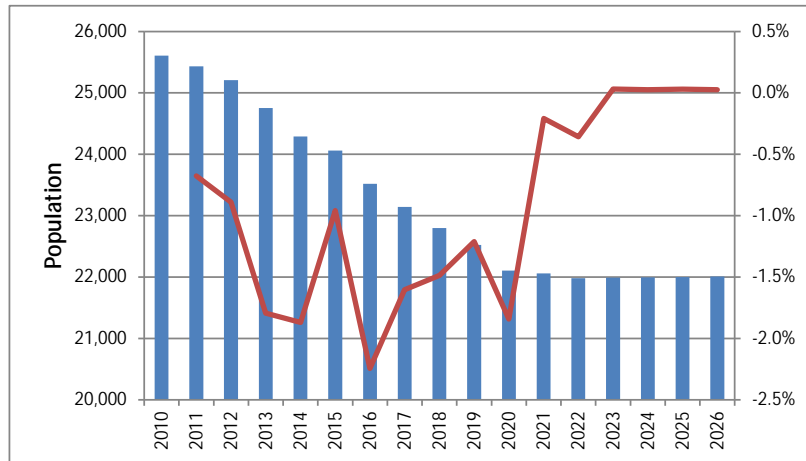
The top employers include: (1) Gate City United Pentecostal (200 employees); (2) Walmart Supercenter (200 employees) and; (3) Glass Machinery & Excavation (151 employees).

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	25,606	
2011	25,433	-0.7%
2012	25,207	-0.9%
2013	24,755	-1.8%
2014	24,292	-1.9%
2015	24,059	-1.0%
2016	23,519	-2.2%
2017	23,142	-1.6%
2018	22,798	-1.5%
2019	22,522	-1.2%
2020	22,107	-1.8%
2021	22,061	-0.2%
2022	21,982	-0.4%
2023	21,989	0.0%
2024	21,995	0.0%
2025	22,002	0.0%
2026	22,008	0.0%

Source: US Census; W&P Economics



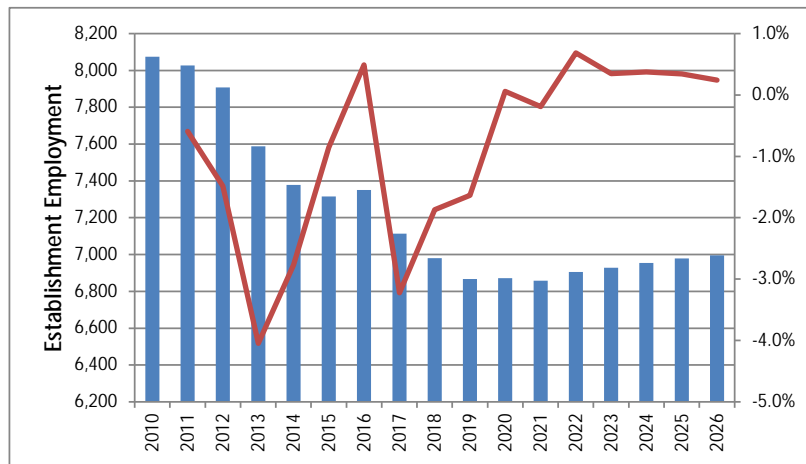
Population decreased from 25,606 in 2010 to 22,061 in 2021 and is anticipated to decrease to 22,008 in 2026.

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	8,075	
2011	8,027	-0.6%
2012	7,908	-1.5%
2013	7,588	-4.0%
2014	7,378	-2.8%
2015	7,315	-0.9%
2016	7,351	0.5%
2017	7,114	-3.2%
2018	6,981	-1.9%
2019	6,867	-1.6%
2020	6,871	0.1%
2021	6,858	-0.2%
2022	6,905	0.7%
2023	6,929	0.3%
2024	6,955	0.4%
2025	6,979	0.3%
2026	6,996	0.2%

Source: BLS; W&P Economics



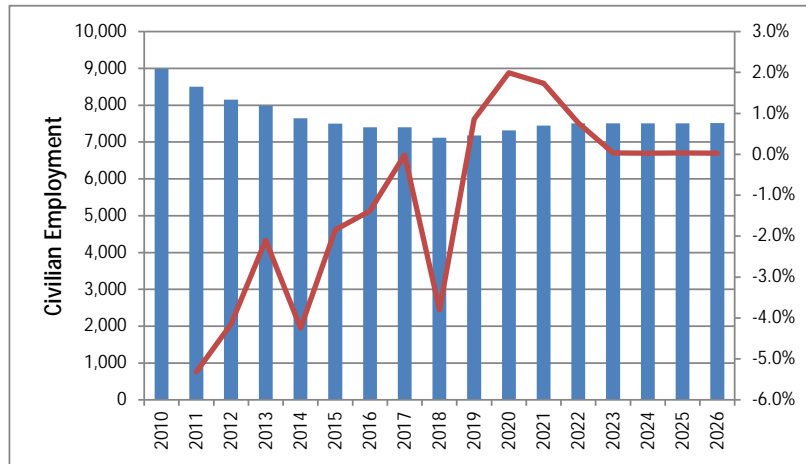
Establishment employment decreased from 8,075 in 2010 to 6,858 in 2021 and is anticipated to increase to 6,996 in 2026.

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	8,984	
2011	8,506	-5.3%
2012	8,153	-4.2%
2013	7,982	-2.1%
2014	7,643	-4.2%
2015	7,502	-1.8%
2016	7,398	-1.4%
2017	7,397	0.0%
2018	7,116	-3.8%
2019	7,177	0.9%
2020	7,320	2.0%
2021	7,447	1.7%
2022	7,504	0.8%
2023	7,506	0.0%
2024	7,508	0.0%
2025	7,511	0.0%
2026	7,513	0.0%

Source: BLS; W&P Economics



Civilian employment decreased from 8,984 in 2010 to 7,504 in 2022 and is anticipated to increase to 7,513 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	8,984	766	9,750	7.9%
2011	8,506	740	9,246	8.0%
2012	8,153	774	8,927	8.7%
2013	7,982	790	8,772	9.0%
2014	7,643	703	8,346	8.4%
2015	7,502	609	8,111	7.5%
2016	7,398	558	7,956	7.0%
2017	7,397	427	7,824	5.5%
2018	7,116	335	7,451	4.5%
2019	7,177	322	7,499	4.3%
2020	7,320	538	7,858	6.8%
2021	7,447	317	7,764	4.1%
2022	7,504	277	7,781	3.6%
2023	7,506	279	7,785	3.6%
2024	7,508	289	7,797	3.7%

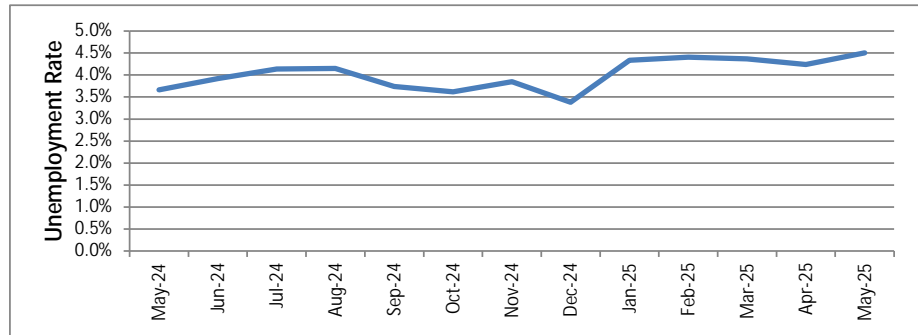
Source: BLS; Texas A&M Real Estate Center

Unemployment decreased from 766 in 2010 to 289 in 2024. The unemployment rate decreased from 7.9% in 2010 to 3.7% 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	3.7%
Jun-24	3.9%
Jul-24	4.1%
Aug-24	4.1%
Sep-24	3.7%
Oct-24	3.6%
Nov-24	3.8%
Dec-24	3.4%
Jan-25	4.3%
Feb-25	4.4%
Mar-25	4.4%
Apr-25	4.2%
May-25	4.5%

Source: TAMU



The Unemployment Rate for the Region came in at 3.7% in May 2024 and 4.5% 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	63	2	0	65
2001	52	2	0	54
2002	72	6	32	110
2003	59	4	0	63
2004	64	2	0	66
2005	55	2	0	57
2006	59	0	0	59
2007	59	0	0	59
2008	55	4	0	59
2009	35	4	0	39
2010	47	2	0	49
2011	17	7	0	24
2012	13	12	0	25
2013	27	0	0	27
2014	16	0	0	16
2015	12	0	0	12
2016	22	0	0	22
2017	21	0	0	21
2018	15	0	0	15
2019	12	0	0	12
2020	22	0	0	22
2021	16	0	0	16
2022	18	0	0	18
2023	22	0	0	22
2024	18	0	0	18

Source: US Census

Building permits for the region increased from 65 in 2000 to 110 in 2002, before decreasing to 49 in 2010 and decreasing to 18 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	35,559	-0.5%
2021	34,987	-1.6%
2022	34,416	-1.6%
2023	33,844	-1.7%
2024	33,272	-1.7%
2025	33,021	-0.8%
2026	32,771	-0.8%
2027	32,520	-0.8%
2028	32,269	-0.8%
2029	32,019	-0.8%
2030	31,768	-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	12,921	1.0%
2021	12,798	-1.0%
2022	12,676	-1.0%
2023	12,553	-1.0%
2024	12,430	-1.0%
2025	12,796	2.9%
2026	13,162	2.9%
2027	13,538	2.9%
2028	13,925	2.9%
2029	14,323	2.9%
2030	14,732	2.9%

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	7,703	1.6%
2021	7,706	0.0%
2022	7,709	0.0%
2023	7,712	0.0%
2024	7,715	0.0%
2025	7,972	3.3%
2026	8,229	3.2%
2027	8,494	3.2%
2028	8,768	3.2%
2029	9,050	3.2%
2030	9,342	3.2%

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	13,233	-1.4%
2021	13,145	-0.7%
2022	13,057	-0.7%
2023	12,968	-0.7%
2024	12,880	-0.7%
2025	12,795	-0.7%
2026	12,713	-0.6%
2027	12,634	-0.6%
2028	12,559	-0.6%
2029	12,486	-0.6%
2030	12,416	-0.6%

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	8,424	0.6%
2021	8,472	0.6%
2022	8,520	0.6%
2023	8,568	0.6%
2024	8,616	0.6%
2025	8,664	0.6%
2026	8,713	0.6%
2027	8,761	0.6%
2028	8,810	0.6%
2029	8,859	0.6%
2030	8,908	0.6%

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	5,476	1.4%
2021	5,550	1.4%
2022	5,625	1.4%
2023	5,701	1.3%
2024	5,776	1.3%
2025	5,851	1.3%
2026	5,927	1.3%
2027	6,003	1.3%
2028	6,080	1.3%
2029	6,159	1.3%
2030	6,238	1.3%

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	3,768	-0.6%
2021	3,662	-2.8%
2022	3,557	-2.9%
2023	3,451	-3.0%
2024	3,345	-3.1%
2025	3,242	-3.1%
2026	3,143	-3.1%
2027	3,047	-3.1%
2028	2,953	-3.1%
2029	2,863	-3.1%
2030	2,775	-3.1%

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	1,668	0.9%
2021	1,683	0.9%
2022	1,699	0.9%
2023	1,714	0.9%
2024	1,730	0.9%
2025	1,745	0.9%
2026	1,761	0.9%
2027	1,776	0.9%
2028	1,792	0.9%
2029	1,808	0.9%
2030	1,824	0.9%

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	1,057	1.9%
2021	1,077	1.9%
2022	1,098	1.9%
2023	1,119	1.9%
2024	1,139	1.8%
2025	1,160	1.8%
2026	1,181	1.8%
2027	1,202	1.8%
2028	1,223	1.8%
2029	1,245	1.8%
2030	1,267	1.8%

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	1,019	358	150	72	32	9	1,639
\$10,000	\$19,999	1,122	651	154	107	73	32	2,139
\$20,000	\$29,999	564	618	217	169	59	23	1,650
\$30,000	\$39,999	365	527	140	97	44	18	1,191
\$40,000	\$49,999	252	524	233	203	38	17	1,267
\$50,000	\$59,999	79	354	198	111	51	24	817
\$60,000	\$74,999	192	451	335	82	45	17	1,123
\$75,000	\$99,999	113	478	406	176	98	46	1,317
\$100,000	\$124,999	65	236	153	200	42	17	713
\$125,000	\$149,999	31	156	84	98	29	7	405
\$150,000	\$199,999	40	112	48	28	14	5	247
\$200,000	more	35	80	39	41	8	2	205
Total		3,875	4,545	2,158	1,383	534	218	12,713

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	839	191	81	8	10	1	1,131
\$10,000	\$19,999	1,178	593	71	17	25	12	1,896
\$20,000	\$29,999	519	589	98	33	5	0	1,245
\$30,000	\$39,999	316	487	60	15	28	12	917
\$40,000	\$49,999	210	495	93	28	12	5	842
\$50,000	\$59,999	85	241	80	12	26	11	456
\$60,000	\$74,999	129	385	159	31	6	2	713
\$75,000	\$99,999	112	368	156	36	27	9	709
\$100,000	\$124,999	75	168	72	22	14	8	359
\$125,000	\$149,999	34	117	40	4	3	0	198
\$150,000	\$199,999	26	68	16	10	6	2	128
\$200,000	more	32	61	20	4	2	0	119
Total		3,555	3,764	947	221	164	61	8,713

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	545	85	25	4	7	1	667
\$10,000	\$19,999	991	464	10	0	6	1	1,471
\$20,000	\$29,999	432	451	38	12	3	0	936
\$30,000	\$39,999	304	372	22	7	6	1	713
\$40,000	\$49,999	173	378	47	19	3	0	621
\$50,000	\$59,999	47	156	47	8	10	4	273
\$60,000	\$74,999	95	293	82	6	2	0	479
\$75,000	\$99,999	69	194	68	1	27	9	368
\$100,000	\$124,999	64	86	32	4	2	0	189
\$125,000	\$149,999	26	70	3	2	1	0	102
\$150,000	\$199,999	7	14	1	0	6	2	29
\$200,000	more	24	42	7	4	2	0	80
Total		2,778	2,604	380	70	76	19	5,927

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	519	180	84	26	24	9	843
\$10,000	\$19,999	357	192	47	59	38	16	709
\$20,000	\$29,999	141	121	110	60	43	20	494
\$30,000	\$39,999	100	60	31	26	9	3	229
\$40,000	\$49,999	57	84	46	18	10	2	217
\$50,000	\$59,999	28	86	30	48	7	2	201
\$60,000	\$74,999	61	44	37	7	2	0	151
\$75,000	\$99,999	31	19	62	24	3	0	140
\$100,000	\$124,999	14	10	12	7	1	0	45
\$125,000	\$149,999	9	8	5	3	7	1	32
\$150,000	\$199,999	16	11	9	5	2	0	43
\$200,000	more	12	9	7	5	5	1	39
Total		1,345	824	481	289	150	54	3,143

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	350	44	47	2	6	1	450
\$10,000	\$19,999	376	155	16	4	5	0	556
\$20,000	\$29,999	139	115	37	18	2	0	310
\$30,000	\$39,999	89	11	3	0	2	0	106
\$40,000	\$49,999	27	58	6	0	2	0	93
\$50,000	\$59,999	34	19	8	0	6	2	69
\$60,000	\$74,999	13	17	10	1	2	0	43
\$75,000	\$99,999	21	8	3	2	2	0	37
\$100,000	\$124,999	18	13	6	2	1	0	40
\$125,000	\$149,999	10	8	0	0	1	0	19
\$150,000	\$199,999	10	4	1	0	1	0	16
\$200,000	more	11	5	2	1	1	0	21
Total		1,098	458	140	32	30	4	1,761

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	210	15	7	1	4	1	238
\$10,000	\$19,999	287	117	5	0	2	0	411
\$20,000	\$29,999	118	97	11	12	2	0	240
\$30,000	\$39,999	77	3	2	0	2	0	84
\$40,000	\$49,999	20	38	3	0	2	0	64
\$50,000	\$59,999	15	7	2	0	6	2	34
\$60,000	\$74,999	10	4	10	0	2	0	27
\$75,000	\$99,999	10	5	3	1	2	0	21
\$100,000	\$124,999	15	8	3	2	1	0	30
\$125,000	\$149,999	7	8	0	0	1	0	16
\$150,000	\$199,999	1	0	0	0	1	0	2
\$200,000	more	7	2	2	1	1	0	13
Total		778	304	50	18	26	4	1,181

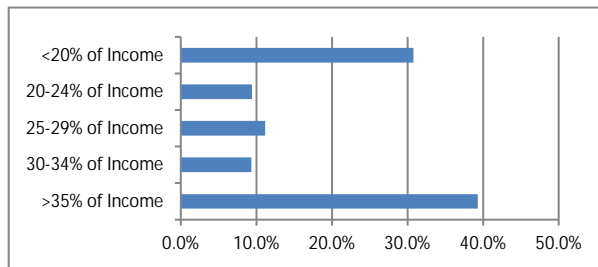
Source: Claritas & Ribbon Demographics

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	30.8%
20-24% of Income Spent on Housing	9.4%
25-29% of Income Spent on Housing	11.1%
30-34% of Income Spent on Housing	9.4%
>35% of Income Spent on Housing	39.3%
Total	100.0%

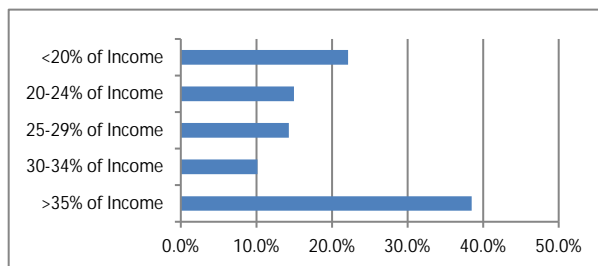
Source: U.S. Census Bureau



Our research suggests that 39.3 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 48.6 percent of the renter households are overburdened to 30 percent of income.

55+ Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	22.1%
20-24% of Income Spent on Housing	15.0%
25-29% of Income Spent on Housing	14.3%
30-34% of Income Spent on Housing	10.1%
>35% of Income Spent on Housing	38.5%
Total	100.0%

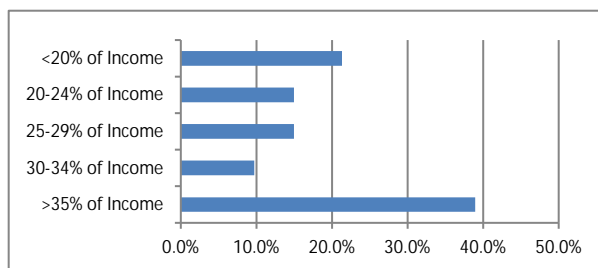
Source: U.S. Census Bureau



Our research suggests that 38.5 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 48.6 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	21.3%
20-24% of Income Spent on Housing	15.0%
25-29% of Income Spent on Housing	15.0%
30-34% of Income Spent on Housing	9.7%
>35% of Income Spent on Housing	39.0%
Total	100.0%

Source: U.S. Census Bureau



Our research suggests that 39.0 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 48.7 percent of the 65+ renter households are overburdened to 30 percent of income.

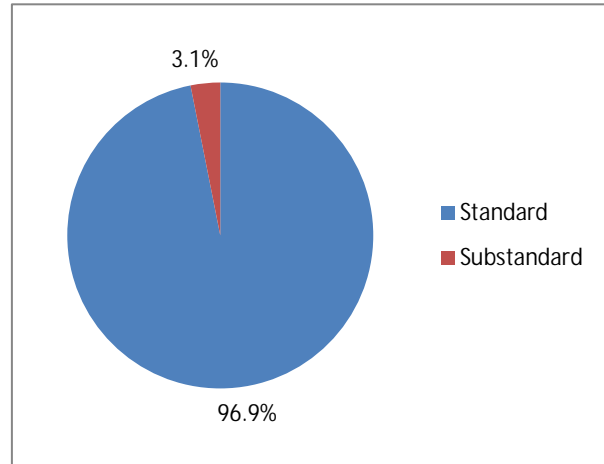
Owner Substandard Units

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	96.9%
1.01 to 1.50 persons per room	1.0%
1.51 persons per room or more	0.1%
Complete Plumbing	98.0%
1.00 persons per room or less	2.0%
1.01 to 1.50 persons per room	0.0%
1.51 persons per room or more	0.0%
Lacking Complete Plumbing	2.0%
Standard	96.9%
Substandard	3.1%
Total	100.0%

Source: U.S. Census Bureau



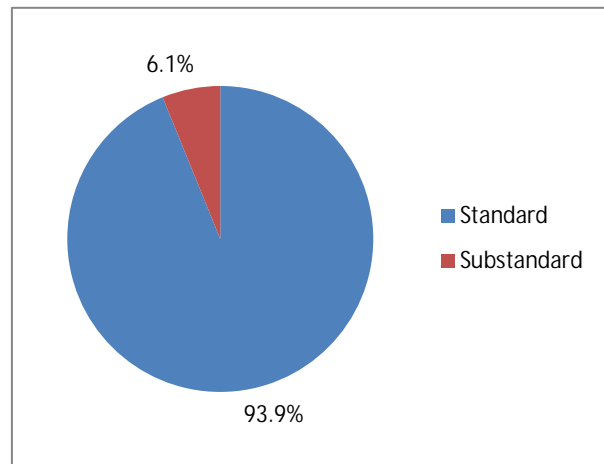
Our research suggests that 3.1 percent of occupied owner housing units in the market area are substandard.

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	93.9%
1.01 to 1.50 persons per room	2.5%
1.51 persons per room or more	0.4%
Complete Plumbing	96.7%
1.00 persons per room or less	3.3%
1.01 to 1.50 persons per room	0.0%
1.51 persons per room or more	0.0%
Lacking Complete Plumbing	3.3%
Standard	93.9%
Substandard	6.1%
Total	100.0%

Source: U.S. Census Bureau



Our research suggests that 6.1 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	2.2%	3.5%	4.5%	4.5%	4.8%	5.3%	6.1%	3.7%
Owner to Renter	2.1%	2.0%	3.6%	3.3%	3.3%	5.0%	7.7%	2.7%
Owner Movership Rate	4.4%	5.5%	8.1%	7.8%	8.2%	10.3%	13.8%	6.5%

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

Our research suggests an owner movership rate of 6.5 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	9.2%	20.4%	28.9%	34.7%	35.1%	38.0%	58.7%	20.7%
Renter to Owner	2.2%	8.4%	8.5%	10.8%	11.9%	9.2%	10.8%	6.5%
Renter Movership Rate	11.4%	28.8%	37.3%	45.5%	46.9%	47.2%	69.5%	27.3%

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

Our research suggests a renter movership rate of 27.3 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.

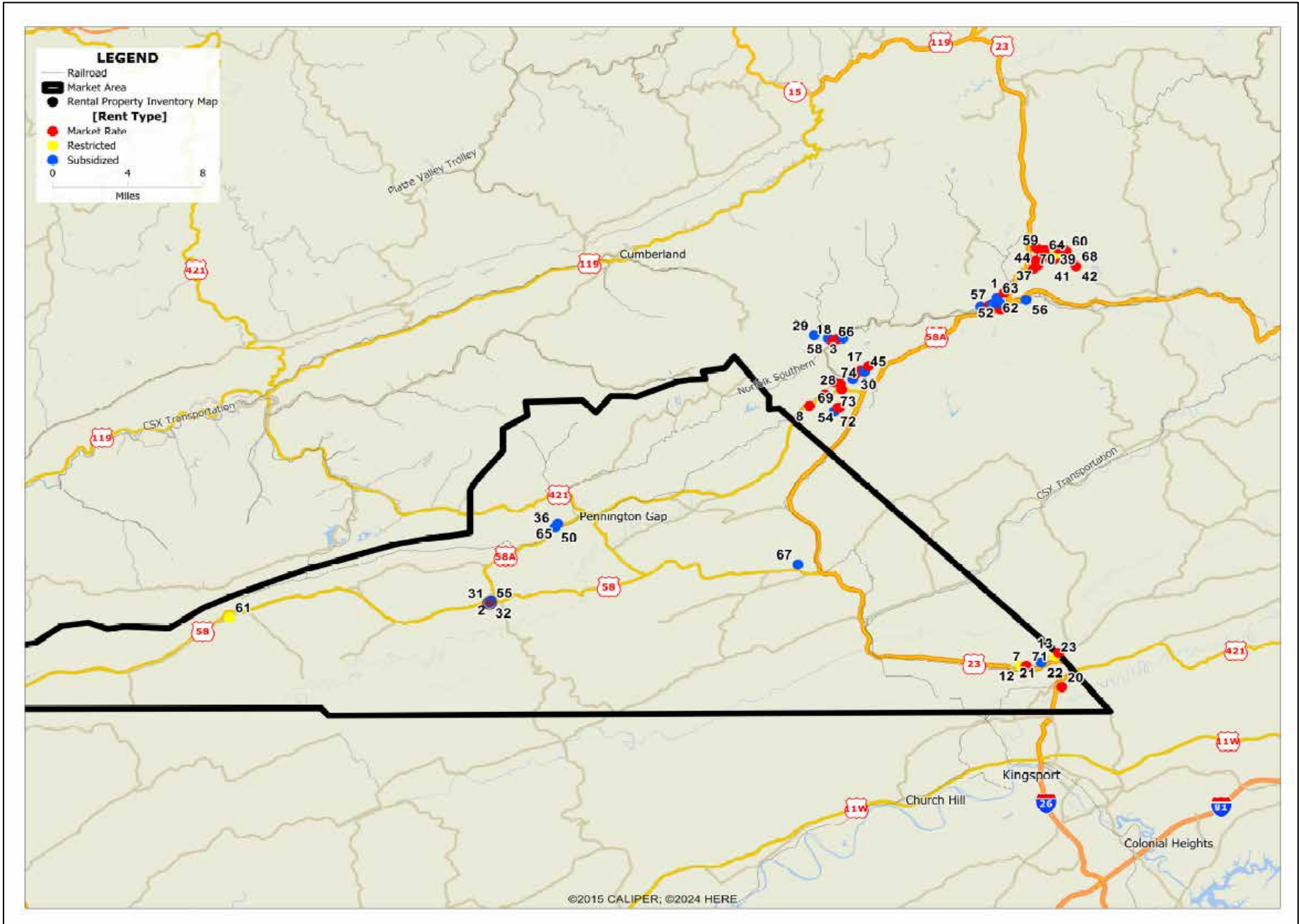
The balance of this section includes a breakdown of confirmed market area properties by rent type, project status, year built, and financing source. We also include a rent, unit mix, and amenity summary for confirmed market area properties. Finally, we provide summary of vouchers, concessions, and waiting 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	1028 Park Avenue Apartments	36.9455	-82.6178	1980	2006	Market Rate	Family	Stabilized	Conventional	13	0	100.0%
002	Appalachia Court Apartments	36.6891	-83.1110	na	na	Subsidized	Family	Special Needs	HUD	11	1	90.9%
003	Appalachia Towers Apartments	36.9077	-82.7726	1928	1983	Subsidized	Elderly	Stabilized	PHA	36	0	100.0%
004	Armistead Estate Rental	36.9348	-82.6305	1995	na	Market Rate	Family	Stabilized	Conventional	14	0	100.0%
005	Austin & Perry Rentals	36.8606	-82.7902	1985	na	Market Rate	Family	Stabilized	Conventional	3	0	100.0%
006	Baugh Apartments	36.9826	-82.5658	1975	na	Market Rate	Family	Stabilized	Conventional	12	0	100.0%
007	Blossom Hills Town Homes	36.6339	-82.5965	1955	na	Market Rate	Family	Stabilized	Conventional	12	2	83.3%
008	Bontri Apartments	36.8511	-82.8050	1999	na	Market Rate	Family	Stabilized	Conventional	23	0	100.0%
009	Campus Walk Apartments	36.9757	-82.5754	2014	na	Market Rate	Family	Student Housing	Conventional	30	1	96.7%
010	Cananche Creek Apartments	36.9408	-82.6244	1991	2009	Subsidized	Family	Stabilized	Tax Credit	35	0	100.0%
011	Cavalier Housing	36.9726	-82.5868	1954	2000	Market Rate	Family	Student Housing	Conventional	32	0	100.0%
012	Clinch View Manor Apartments	36.6344	-82.6022	1994	2013	Restricted	Elderly	Stabilized	Tax Credit	42	3	92.9%
013	Clinchview Apartments	36.6450	-82.5654	na	2006	Market Rate	Family	Stabilized	Conventional	9	0	100.0%
014	Colonial Apartments	36.8697	-82.7753	1970	na	Market Rate	Family	Stabilized	Conventional	5	0	100.0%
015	Commonwealth Apartments	36.9829	-82.5650	1969	2010	Subsidized	Family	Stabilized	Tax Credit	26	0	100.0%
016	Dogwood Terrace Apartments	36.8738	-82.7633	1980	2003	Subsidized	Family	Stabilized	Tax Credit	97	4	95.9%
017	Estep Rental	36.8844	-82.7482	1992	2007	Market Rate	Family	Stabilized	Conventional	14	3	78.6%
018	FIG Enterprises LLC	36.9072	-82.7781	na	na	Market Rate	Family	Stabilized	Conventional	30	7	76.7%
019	Gap Development	36.8806	-82.7559	1990	na	Market Rate	Family	Stabilized	Conventional	15	3	80.0%
020	Gardens At Del Ray	36.6166	-82.5623	2013	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
021	Gateway City Terrace Senior	36.6368	-82.5820	1985	2009	Subsidized	Elderly	Duplicate	PHA	26	0	100.0%
022	Gateway Terrace Apartments	36.6368	-82.5820	1985	2009	Subsidized	Elderly	Stabilized	PHA	26	0	100.0%
023	Gatewood Apartments	36.6420	-82.5687	1985	na	Restricted	Family	Stabilized	RD	48	0	100.0%
024	Gilliam Court Apartments	36.9779	-82.5686	1980	na	Restricted	Elderly	Stabilized	RD	71	0	100.0%
025	Gladeville Housing Authority Ltd	36.9829	-82.5650	1969	na	Market Rate	Family	Duplicate	Tax Credit	0	0	0.0%
026	Hawthorne Acres Apartments	36.9361	-82.6256	1960	na	Subsidized	Family	Stabilized	PHA	51	0	100.0%
027	Highland Avenue Apartments	36.9352	-82.6321	1980	na	Market Rate	Family	Unconfirmed	Conventional	31	0	100.0%
028	Hometown Properties	36.8649	-82.7739	1970	na	Market Rate	Family	Stabilized	Conventional	20	1	95.0%
029	Inman Village Apartments	36.9103	-82.8003	1987	2002	Subsidized	Family	Stabilized	Tax Credit	88	5	94.3%
030	Intermont Apartments	36.8776	-82.7612	1970	na	Market Rate	Family	Stabilized	Conventional	10	0	100.0%
031	Jonesville Manor Apartments	36.6868	-83.1125	1991	2026	Subsidized	Elderly	Prop Rehab	Tax Credit	40	0	100.0%
032	Jonesville Manor Apartments	36.6868	-83.1125	1991	2010	Subsidized	Elderly	Stabilized	Tax Credit	40	0	100.0%
033	Kennedy Enterprises - Norton Road	36.9757	-82.5818	1974	2007	Market Rate	Family	Stabilized	Conventional	8	0	100.0%
034	Kennedy Enterprises - Vanover Avenue	36.9753	-82.5718	1989	na	Market Rate	Family	Stabilized	Conventional	21	0	100.0%
035	King Cole Building Apartments	36.9339	-82.6293	1900	2006	Market Rate	Family	Stabilized	Conventional	65	0	100.0%
036	Lee Terrace Apartments	36.7497	-83.0493	1994	na	Subsidized	Elderly	Stabilized	Tax Credit	40	9	77.5%
037	Longworth Properties - Cherry Street	36.9687	-82.5854	1993	na	Market Rate	Family	Stabilized	Conventional	8	1	87.5%
038	Longworth Properties - Craft Avenue	36.9744	-82.5715	1985	na	Market Rate	Family	Stabilized	Conventional	2	0	100.0%
039	Longworth Properties - Lee Street	36.9740	-82.5698	1980	na	Market Rate	Family	Unconfirmed	Conventional	8	0	100.0%
040	Lost Creek Drive Apartments	36.9315	-82.6212	1998	na	Market Rate	Family	Stabilized	Conventional	12	0	100.0%
041	Midsouth Development	36.9680	-82.5486	2007	na	Market Rate	Family	Duplicate	Conventional	8	1	87.5%
042	Midsouth Development LLC	36.9680	-82.5486	2007	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
043	Miller Apartments - Mullins Street	36.9826	-82.5856	1993	na	Market Rate	Family	Stabilized	Conventional	4	0	100.0%
044	Miller Apartments - West Main	36.9836	-82.5869	1975	na	Market Rate	Family	Stabilized	Conventional	15	0	100.0%
045	Monte Vista Apartments	36.8800	-82.7519	1982	na	Subsidized	Family	Stabilized	PHA	20	0	100.0%
046	Mountain View Townhomes	36.8498	-82.7777	1980	2003	Market Rate	Family	Duplicate	Tax Credit	0	0	0.0%
047	Norton Green Apartments	36.9342	-82.6402	1991	2009	Subsidized	Elderly	Stabilized	Tax Credit	40	0	100.0%
048	Norton Green II	36.9342	-82.6402	1991	2025	Subsidized	Elderly	Prop Rehab	Tax Credit	40	0	100.0%
049	Norton Heights Apartments	36.9357	-82.6261	1984	na	Restricted	Family	Stabilized	RD	38	4	89.5%
050	Pennington Gap Apartments	36.7497	-83.0493	1994	2016	Subsidized	Elderly	Stabilized	Tax Credit	40	9	77.5%
051	Pierce House Group Home	36.8498	-82.7762	1989	na	Subsidized	Family	Special Needs	HUD	10	1	90.0%
052	Pine Hills Apartments	36.9373	-82.6222	1973	na	Subsidized	Family	Stabilized	PHA	27	0	100.0%

Rental Property Inventory

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
053	Planning District 1 Development Corp.	36.8499	-82.7762	na	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
054	Polly Summit Apartments	36.8499	-82.7762	1989	na	Subsidized	Family	Special Needs	HUD	10	0	100.0%
055	Powell Valley Village Apartments	36.6872	-83.1116	1998	2016	Subsidized	Family	Stabilized	Tax Credit	34	2	94.1%
056	Ramsey and South Side Apartments	36.9400	-82.5966	1960	na	Subsidized	Family	Stabilized	PHA	50	0	100.0%
057	Regency Towers Apartments	36.9364	-82.6293	1981	na	Subsidized	Elderly	Stabilized	HUD	90	0	100.0%
058	Ridgeview Apartments	36.9077	-82.7868	1982	na	Subsidized	Family	Stabilized	HUD	20	0	100.0%
059	Riggs Rentals - Dale Street	36.9816	-82.5793	1960	na	Market Rate	Family	Stabilized	Conventional	5	3	40.0%
060	Robert R. Varner Jr. Rentals	36.9805	-82.5580	1981	na	Market Rate	Family	Stabilized	Conventional	5	0	100.0%
061	Rose Hill Apartments	36.6744	-83.3614	2003	na	Restricted	Family	Stabilized	Tax Credit	32	3	90.6%
062	Serbree Apartments	36.9417	-82.6248	1955	na	Market Rate	Family	Special Needs	Conventional	10	1	90.0%
063	Shawnee Ridge Apartments	36.9417	-82.6248	1991	2009	Subsidized	Elderly	Stabilized	Tax Credit	20	0	100.0%
064	Sportswise Apartments	36.9777	-82.5801	1950	na	Market Rate	Family	Stabilized	Conventional	12	0	100.0%
065	Stonegate Apartments	36.7531	-83.0469	1985	2005	Subsidized	Family	Stabilized	Tax Credit	36	2	94.4%
066	Taylor's Apartments	36.9051	-82.7827	1925	2006	Market Rate	Family	Stabilized	Conventional	12	0	100.0%
067	Thomas Village Apartments	36.7191	-82.8159	1986	na	Subsidized	Family	Stabilized	RD	24	0	100.0%
068	Townhouses at Bear Creek (The)	36.9680	-82.5486	2007	na	Market Rate	Family	Stabilized	Conventional	8	0	100.0%
069	Two Inc.	36.8498	-82.7762	na	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
070	Wampler Rentals	36.9659	-82.5895	1945	2004	Market Rate	Family	Stabilized	Conventional	6	0	100.0%
071	Whispering Hills Apartments	36.6339	-82.5965	1955	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
072	Woodstone Village Phase 1	36.8468	-82.7809	1986	2005	Restricted	Family	Stabilized	Tax Credit	36	0	100.0%
073	Woodstone Village Phase 2	36.8468	-82.7809	1986	2005	Subsidized	Elderly	Stabilized	Tax Credit	18	0	100.0%
074	Riggs Rentals - Scattered Units	36.8709	-82.7803	1970	na	Market Rate	Family	Stabilized	Conventional	400	28	93.0%



Rental Property Inventory, Unconfirmed

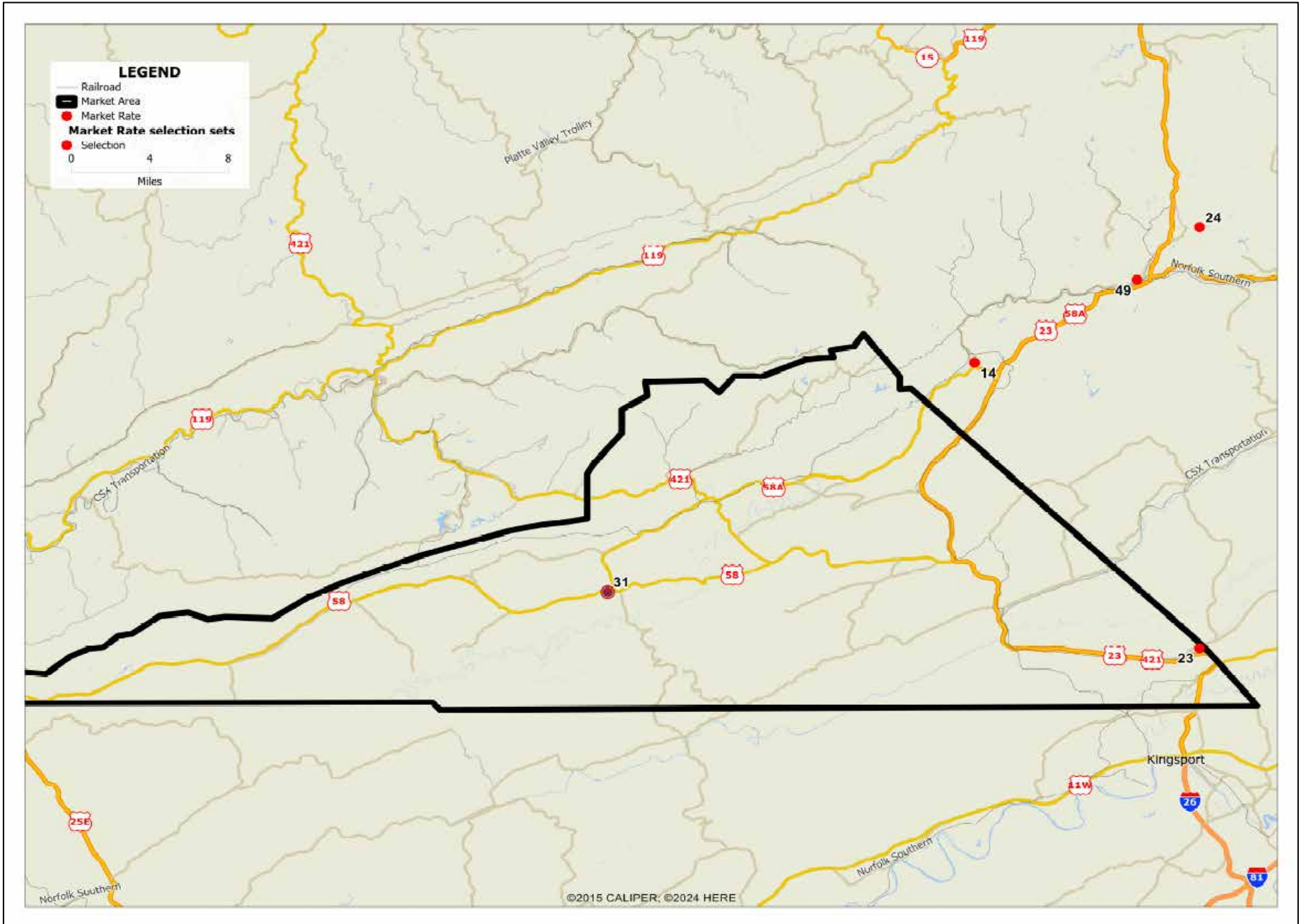
Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
027	Highland Avenue Apartments	36.9352	-82.6321	1980	na	Market Rate	Family	Unconfirmed	Conventional	31	0	100.0%
039	Longworth Properties - Lee Street	36.9740	-82.5698	1980	na	Market Rate	Family	Unconfirmed	Conventional	8	0	100.0%

Rental Property Inventory, Confirmed, Inside Market Area

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
007	Blooom Hills Town Homes	36.6339	-82.5965	1955	na	Market Rate	Family	Stabilized	Conventional	12	2	83.3%
012	Clinch View Manor Apartments	36.6344	-82.6022	1994	2013	Restricted	Elderly	Stabilized	Tax Credit	42	3	92.9%
013	Clinchview Apartments	36.6450	-82.5654	na	2006	Market Rate	Family	Stabilized	Conventional	9	0	100.0%
022	Gateway Terrace Apartments	36.6368	-82.5820	1985	2009	Subsidized	Elderly	Stabilized	PHA	26	0	100.0%
023	Gatewood Apartments	36.6420	-82.5687	1985	na	Restricted	Family	Stabilized	RD	48	0	100.0%
032	Jonesville Manor Apartments	36.6868	-83.1125	1991	2010	Subsidized	Elderly	Stabilized	Tax Credit	40	0	100.0%
036	Lee Terrace Apartments	36.7497	-83.0493	1994	na	Subsidized	Elderly	Stabilized	Tax Credit	40	9	77.5%
050	Pennington Gap Apartments	36.7497	-83.0493	1994	2016	Subsidized	Elderly	Stabilized	Tax Credit	40	9	77.5%
055	Powell Valley Village Apartments	36.6872	-83.1116	1998	2016	Subsidized	Family	Stabilized	Tax Credit	34	2	94.1%
061	Rose Hill Apartments	36.6744	-83.3614	2003	na	Restricted	Family	Stabilized	Tax Credit	32	3	90.6%
065	Stonegate Apartments	36.7531	-83.0469	1985	2005	Subsidized	Family	Stabilized	Tax Credit	36	2	94.4%
067	Thomas Village Apartments	36.7191	-82.8159	1986	na	Subsidized	Family	Stabilized	RD	24	0	100.0%

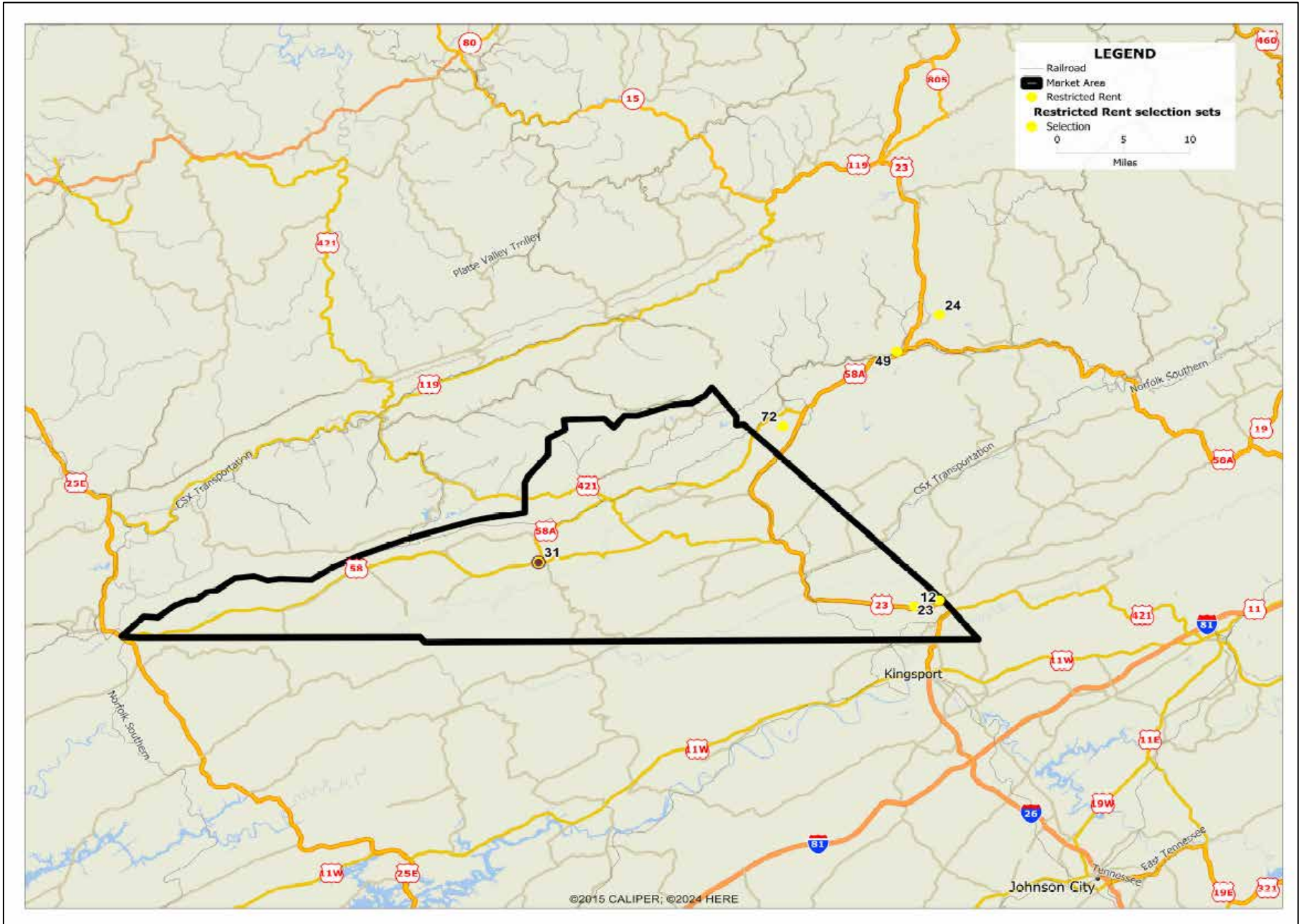
Master List of Market Rate Comparables

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
014	Colonial Apartments	36.8697	-82.7753	1970	na	Market Rate	Family	Stabilized	Conventional	5	0	100.0%
023	Gatewood Apartments	36.6420	-82.5687	1985	na	Restricted	Family	Stabilized	RD	48	0	100.0%
024	Gilliam Court Apartments	36.9779	-82.5686	1980	na	Restricted	Elderly	Stabilized	RD	71	0	100.0%
049	Norton Heights Apartments	36.9357	-82.6261	1984	na	Restricted	Family	Stabilized	RD	38	4	89.5%



Master List of Restricted Rent Comparables

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
012	Clinch View Manor Apartments	36.6344	-82.6022	1994	2013	Restricted	Elderly	Stabilized	Tax Credit	42	3	92.9%
023	Gatewood Apartments	36.6420	-82.5687	1985	na	Restricted	Family	Stabilized	RD	48	0	100.0%
024	Gilliam Court Apartments	36.9779	-82.5686	1980	na	Restricted	Elderly	Stabilized	RD	71	0	100.0%
049	Norton Heights Apartments	36.9357	-82.6261	1984	na	Restricted	Family	Stabilized	RD	38	4	89.5%
072	Woodstone Village Phase 1	36.8468	-82.7809	1986	2005	Restricted	Family	Stabilized	Tax Credit	36	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:

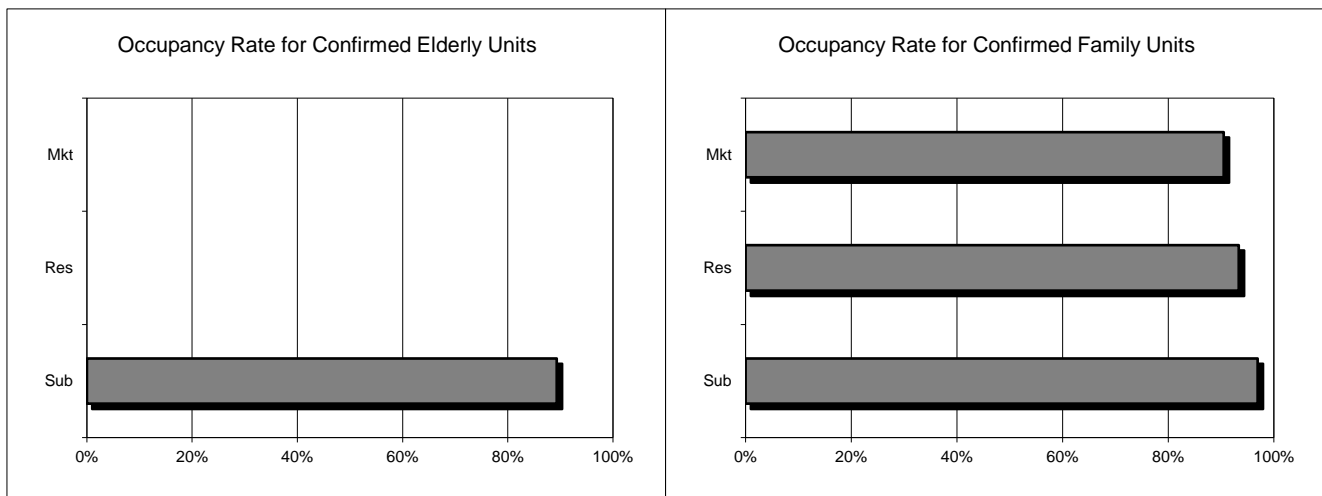
Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
Market Rate		2	2
Restricted	1	2	3
Subsidized	4	3	7
Total	5	7	12

Total Units			
	Elderly	Family	Total
Market Rate		21	21
Restricted	1	45	46
Subsidized	187	129	316
Total	188	195	383

Vacant Units			
	Elderly	Family	Total
Market Rate		2	2
Restricted	1	3	4
Subsidized	20	4	24
Total	21	9	30

Occupancy Rate			
	Elderly	Family	Total
Market Rate		90%	90%
Restricted		93%	91%
Subsidized	89%	97%	92%
Total	89%	95%	92%

Source: Allen & Associates



Our analysis includes a total of 12 confirmed market area properties consisting of 383 units. The occupancy rate for these units currently stands at 92 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	1		5	Stabilized	3	2	2	7
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal				
Total	4	1		5	Total	3	2	2	7

Total Units					Total Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	187	1		188	Stabilized	129	45	21	195
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal				
Total	187	1		188	Total	129	45	21	195

Vacant Units					Vacant Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	20	1		21	Stabilized	4	3	2	9
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal				
Total	20	1		21	Total	4	3	2	9

Source: Allen & Associates

Our survey includes a total of 12 stabilized market area properties consisting of 383 units standing at 92 percent occupancy.

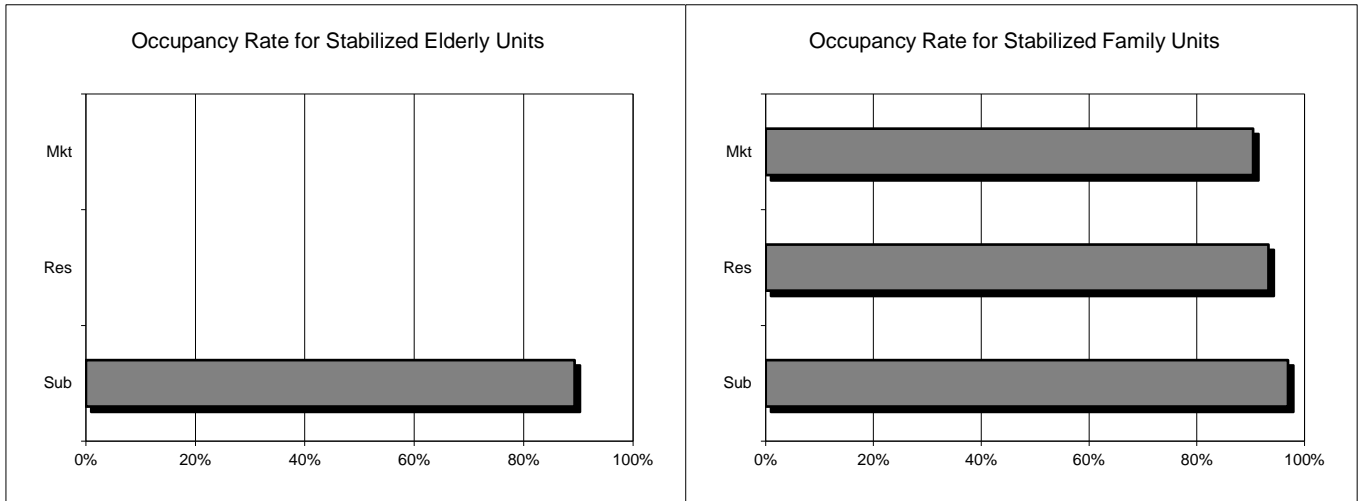
Our research suggests that there are no properties in the market area that are not yet stabilized. Unstabilized units (also referred to as pipeline units) include vacant units in lease up, construction, rehabilitation, proposed new construction, and units with proposed renovation plans.

Rental Property Inventory, Confirmed, Inside Market Area

Elderly					Family				
Occupancy Rate					Occupancy Rate				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	89%			89%	Stabilized	97%	93%	90%	95%
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal				
Total	89%			89%	Total	97%	93%	90%	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:



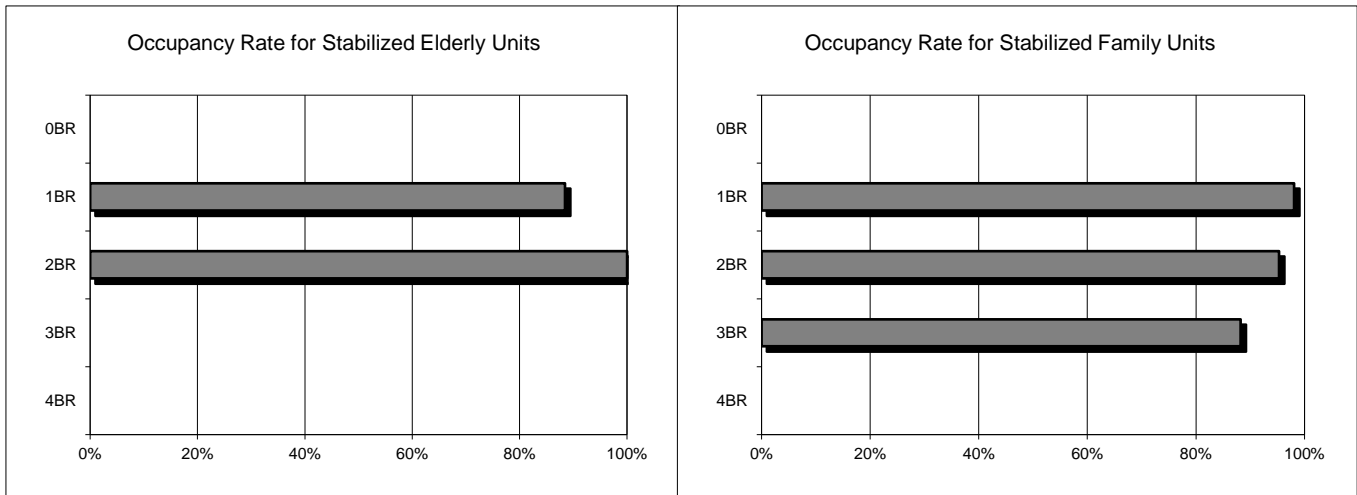
Our research suggests the following occupancy levels for the 188 stabilized elderly units in this market area:

- Subsidized, 89 percent (187 units in survey)
- Restricted, not applicable (1 units in survey)
- Market Rate, not applicable (0 units in survey)

Our research suggests the following occupancy levels for the 195 stabilized family units in this market area:

- Subsidized, 97 percent (129 units in survey)
- Restricted, 93 percent (45 units in survey)
- Market Rate, 90 percent (21 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 188 stabilized elderly units in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 88 percent (182 units in survey)
- 2-Bedroom, 100 percent (6 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 195 stabilized family units in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 98 percent (51 units in survey)
- 2-Bedroom, 95 percent (127 units in survey)
- 3-Bedroom, 88 percent (17 units in survey)
- 4-Bedroom, not applicable (0 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	5				1				6
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	5				1				6

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	3							1	5
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	3							1	5

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	181				1				182
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	181				1				182

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	41							9	51
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	41							9	51

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	20				1				21
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	20				1				21

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

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	89%				0%				88%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	89%				0%				88%

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

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	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	4			1				1	2
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	4			1				1	2

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

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	88			16				4	19
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	88			16				4	19

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	3			1				2	6
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	3			1				2	6

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

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	97%			94%				100%	89%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	97%			94%				100%	89%

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	2
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal				1				1	2
Total				1				1	2

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				1	17
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal				16				1	17
Total				16				1	17

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				2					2
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal				2					2
Total				2					2

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				88%				100%	88%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal				88%				100%	88%
Total				88%				100%	88%

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									
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

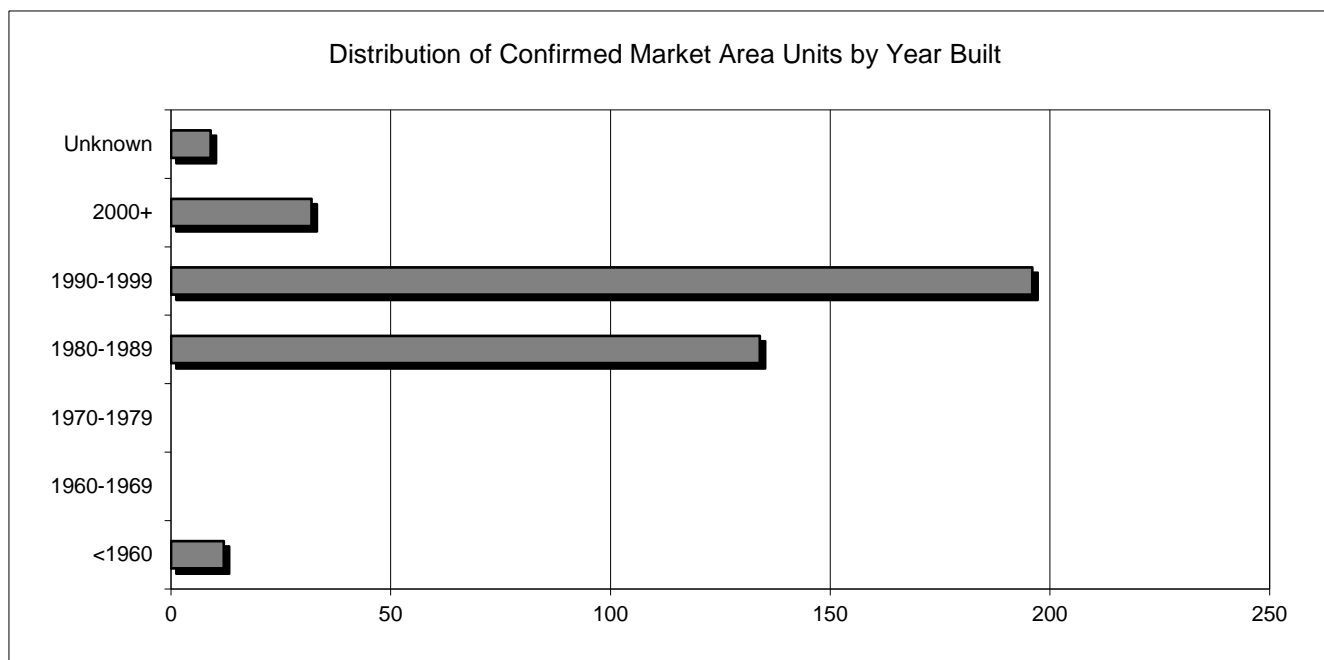
Rental Property Inventory, Confirmed, Inside Market Area, by Year Built

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		1	1
1960-1969			
1970-1979			
1980-1989	1	3	4
1990-1999	4	1	5
2000+		1	1
Unknown		1	1
Total	5	7	12

Total Units			
	Elderly	Family	Total
<1960		12	12
1960-1969			
1970-1979			
1980-1989	26	108	134
1990-1999	162	34	196
2000+		32	32
Unknown		9	9
Total	188	195	383

Source: Allen & Associates



Our research suggests that of the 12 confirmed market area properties (383 units) included in this report, 1 property (12 units) was constructed before 1960, 0 properties (0 units) were constructed between 1960 and 1969, 0 properties (0 units) between 1970 and 1979, 4 properties (134 units) between 1980 and 1989, 5 properties (196 units) between 1990 and 1999, and 1 property (32 units) after 2000. In addition, 1 property (9 units) had an unknown date of construction.

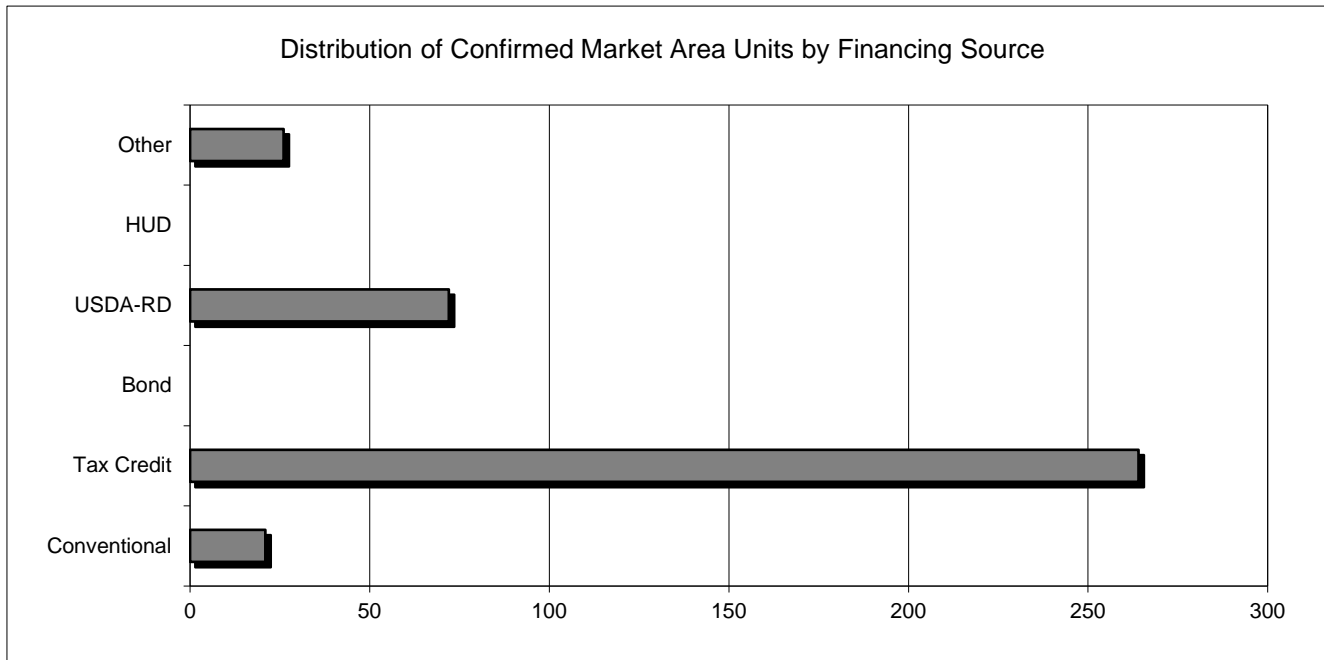
Rental Property Inventory, Confirmed, Inside Market Area, by Financing Source

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		2	2
Tax Credit	4	3	7
Bond			
USDA-RD		2	2
HUD			
Other	1		1
Total	5	7	12

Total Units			
	Elderly	Family	Total
Conventional		21	21
Tax Credit	162	102	264
Bond			
USDA-RD		72	72
HUD			
Other	26		26
Total	188	195	383

Source: Allen & Associates



Our research suggests that of the 12 confirmed properties in the market area, 2 properties (consisting of 21 units) are conventionally financed, 7 properties (consisting of 264 units) include tax credit financing, 0 properties (consisting of 0 units) are bond financed, 2 properties (consisting of 72 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 32 units. The smallest projects are conventionally financed, averaging 11 units in size. The largest projects are tax credit financed, averaging 38 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	\$448	\$683	\$571	\$670	\$683	\$677	\$320	\$320	\$320
2-Bedroom	\$514	\$731	\$617	\$702	\$731	\$717	\$370	\$400	\$385
3-Bedroom	-	-	-	\$845	\$845	\$845	\$450	\$450	\$450
4-Bedroom	-	-	-	-	-	-	-	-	-

Unit Size									
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	-	-	-	-	-	-	-	-	-
1-Bedroom	500	700	597	589	700	645	700	700	700
2-Bedroom	600	1,000	800	1,000	1,072	1,036	1,000	1,000	1,000
3-Bedroom	-	-	-	1,304	1,304	1,304	1,250	1,250	1,250
4-Bedroom	-	-	-	-	-	-	-	-	-

Rent per Square Foot									
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	-	-	-	-	-	-	-	-	-
1-Bedroom	\$0.90	\$0.98	\$0.96	\$0.98	\$1.14	\$1.05	\$0.46	\$0.46	\$0.46
2-Bedroom	\$0.73	\$0.86	\$0.77	\$0.68	\$0.70	\$0.69	\$0.37	\$0.40	\$0.39
3-Bedroom	-	-	-	\$0.65	\$0.65	\$0.65	\$0.36	\$0.36	\$0.36
4-Bedroom	-	-	-	-	-	-	-	-	-

Source: Allen & Associates



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

- 0-Bedroom, not applicable
- 1-Bedroom, \$1.05 per square foot
- 2-Bedroom, \$0.69 per square foot
- 3-Bedroom, \$0.65 per square foot
- 4-Bedroom, not applicable

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

- 0-Bedroom, not applicable
- 1-Bedroom, \$0.46 per square foot
- 2-Bedroom, \$0.39 per square foot
- 3-Bedroom, \$0.36 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

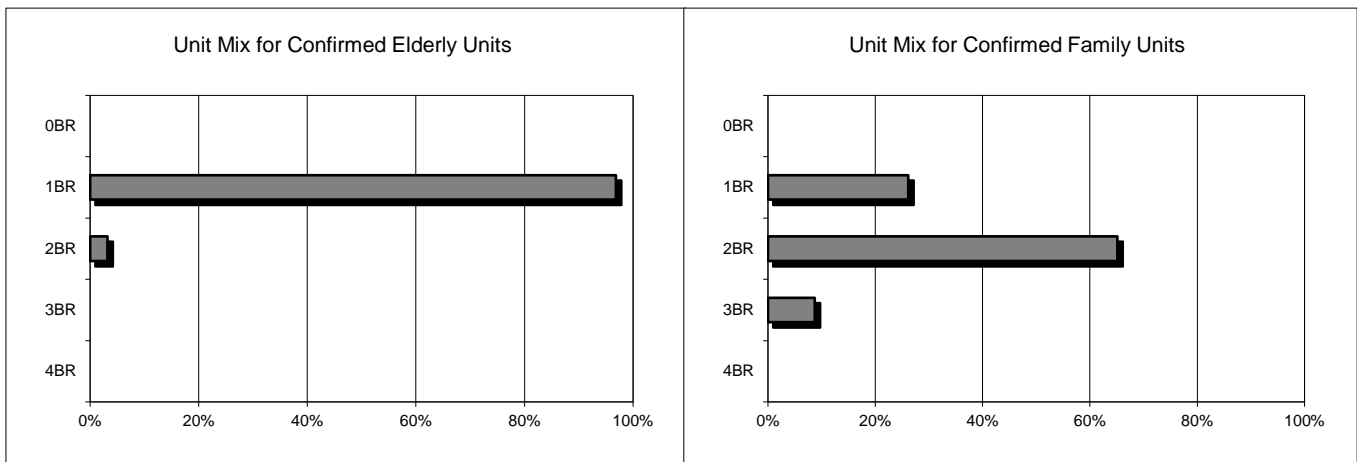
In the tables and graphs found below we present a breakdown of unit mix for confirmed market area properties broken out by occupancy type (elderly or family):

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	181	1		182	1-Bedroom	41	9	1	51
2-Bedroom	6			6	2-Bedroom	88	20	19	127
3-Bedroom					3-Bedroom		16	1	17
4-Bedroom					4-Bedroom				
Total	187	1		188	Total	129	45	21	195

Unit Mix					Unit Mix				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
0-Bedroom					0-Bedroom				
1-Bedroom	97%	100%		97%	1-Bedroom	32%	20%	5%	26%
2-Bedroom	3%			3%	2-Bedroom	68%	44%	90%	65%
3-Bedroom					3-Bedroom		36%	5%	9%
4-Bedroom					4-Bedroom				
Total	100%	100%		100%	Total	100%	100%	100%	100%

Source: Allen & Associates



Our research suggests the following unit mix for the 188 confirmed elderly units located in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 97 percent (182 units in survey)
- 2-Bedroom, 3 percent (6 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 195 confirmed family units located in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 26 percent (51 units in survey)
- 2-Bedroom, 65 percent (127 units in survey)
- 3-Bedroom, 9 percent (17 units in survey)
- 4-Bedroom, not applicable (0 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	17%	Central	92%
2-4 Story	83%	Wall Units	0%
5-10 Story	0%	Window Units	0%
>10 Story	0%	None	0%
Project Amenities		Heat	
Ball Field	0%	Central	92%
BBQ Area	33%	Wall Units	0%
Billiards	0%	Baseboards	8%
Bus/Comp Ctr	8%	Radiators	0%
Car Care Ctr	0%	None	0%
Comm Center	50%	Parking	
Elevator	33%	Garage	0%
Fitness Center	0%	Covered	0%
Gazebo	25%	Assigned	0%
Hot Tub/Jacuzzi	0%	Open	100%
Horseshoe Pit	8%	None	0%
Lake	0%	Laundry	
Library	0%	Central	83%
Movie Theatre	0%	W/D Units	0%
Picnic Area	75%	W/D Hookups	25%
Playground	42%	Security	
Pool	0%	Call Buttons	33%
Sauna	0%	Cont Access	25%
Sports Court	0%	Courtesy Officer	0%
Walking Trail	0%	Monitoring	33%
Unit Amenities		Security Alarms	0%
Blinds	92%	Security Patrols	0%
Ceiling Fans	8%	Services	
Upgraded Flooring	92%	After School	0%
Fireplace	0%	Concierge	0%
Patio/Balcony	67%	Hair Salon	0%
Storage	25%	Health Care	0%
Kitchen Amenities		Linens	0%
Stove	100%	Meals	0%
Refrigerator	100%	Transportation	8%
Disposal	25%		
Dishwasher	50%		
Microwave	0%		

Source: Allen & Associates

Our research suggests that 17 percent of confirmed market area properties are 1 story in height, 83 percent are 2-4 stories in height, 0 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: 8 percent have a business/computer center, 50 percent have a community center, 0 percent have a fitness center, 42 percent have a playground, and 0 percent have a sports court.

Our research also suggests that the following unit amenities are present at surveyed properties: 92 percent have blinds, 92 percent have carpeting, 67 percent have patios/balconies, and 25 percent have outside storage. Surveyed properties also include the following kitchen amenities: 100 percent have a stove, 100 percent have a refrigerator, 25 percent have a disposal, 50 percent have a dishwasher, and 0 percent have a microwave.

In addition, 92 percent of confirmed market area properties have central heat while 92 percent have central air. Our research also suggests that 100 percent of surveyed properties have open parking. A total of 83 percent of area properties have central laundry facilities, while 25 percent have washer/dryer hookups, and 0 percent have washer/dryer units in each residential unit.

A total of 33 percent of confirmed market area properties have call buttons, 25 percent have controlled access, and 0 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
007	Blossom Hills Town Homes	36.6339	-82.5965	1955	na	Market Rate	Family	Stabilized	Conventional	12	2	83.3%	0%	0%	-	-
012	Clinch View Manor Apartments	36.6344	-82.6022	1994	2013	Restricted	Elderly	Stabilized	Tax Credit	42	3	92.9%	0%	2%	-	1 person
013	Clinchview Apartments	36.6450	-82.5654	na	2006	Market Rate	Family	Stabilized	Conventional	9	0	100.0%	0%	11%	-	-
022	Gateway Terrace Apartments	36.6368	-82.5820	1985	2009	Subsidized	Elderly	Stabilized	PHA	26	0	100.0%	0%	0%	-	3 people
023	Gatewood Apartments	36.6420	-82.5687	1985	na	Restricted	Family	Stabilized	RD	48	0	100.0%	0%	17%	-	-
032	Jonesville Manor Apartments	36.6868	-83.1125	1991	2010	Subsidized	Elderly	Stabilized	Tax Credit	40	0	100.0%	0%	0%	-	50 people
036	Lee Terrace Apartments	36.7497	-83.0493	1994	na	Subsidized	Elderly	Stabilized	Tax Credit	40	9	77.5%	0%	0%	-	15 people
050	Pennington Gap Apartments	36.7497	-83.0493	1994	2016	Subsidized	Elderly	Stabilized	Tax Credit	40	9	77.5%	0%	0%	-	15 people
055	Powell Valley Village Apartments	36.6872	-83.1116	1998	2016	Subsidized	Family	Stabilized	Tax Credit	34	2	94.1%	0%	0%	-	50 people
061	Rose Hill Apartments	36.6744	-83.3614	2003	na	Restricted	Family	Stabilized	Tax Credit	32	3	90.6%	0%	66%	-	no
065	Stonegate Apartments	36.7531	-83.0469	1985	2005	Subsidized	Family	Stabilized	Tax Credit	36	2	94.4%	0%	0%	-	10 people
067	Thomas Village Apartments	36.7191	-82.8159	1986	na	Subsidized	Family	Stabilized	RD	24	0	100.0%	0%	0%	-	3 people

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.

The subject property is located in an area with very few market rate elderly developments. Consequently, we have elected to use general occupancy properties in our analysis of market rents. This is appropriate because most of the existing elderly renters currently reside in general occupancy units creating a linkage between the two property types. Our research suggests that the majority of elderly renter households in the market area currently reside in general occupancy housing. This is consistent with a 1995 AARP member survey which found that 80 percent of respondents resided in general occupancy properties. Because such a high percentage of seniors reside in general occupancy housing, the subject property will need to be priced competitively to attract these renters. Consequently, it is not only appropriate - but prudent - to address general occupancy rents when determining market rents for age-restricted units in this market.

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
001	1028 Park Avenue Apartments	1980	2006	Market Rate	Family	Stabilized								\$500
004	Armistead Estate Rental	1995	na	Market Rate	Family	Stabilized								\$450
005	Austin & Perry Rentals	1985	na	Market Rate	Family	Stabilized								\$350
006	Baugh Apartments	1975	na	Market Rate	Family	Stabilized								\$625
007	Bloosom Hills Town Homes	1955	na	Market Rate	Family	Stabilized								
008	Bontri Apartments	1999	na	Market Rate	Family	Stabilized								
013	Clinchview Apartments	na	2006	Market Rate	Family	Stabilized								\$320
014	Colonial Apartments	1970	na	Market Rate	Family	Stabilized								\$600
017	Estep Rental	1992	2007	Market Rate	Family	Stabilized								
018	FIG Enterprises LLC	na	na	Market Rate	Family	Stabilized								\$393
019	Gap Development	1990	na	Market Rate	Family	Stabilized								\$388
028	Hometown Properties	1970	na	Market Rate	Family	Stabilized								\$375
030	Intermont Apartments	1970	na	Market Rate	Family	Stabilized								
033	Kennedy Enterprises - Norton Road	1974	2007	Market Rate	Family	Stabilized								\$500
034	Kennedy Enterprises - Vanover Avenue	1989	na	Market Rate	Family	Stabilized								\$500
035	King Cole Building Apartments	1900	2006	Market Rate	Family	Stabilized								\$625
037	Longworth Properties - Cherry Street	1993	na	Market Rate	Family	Stabilized								
038	Longworth Properties - Craft Avenue	1985	na	Market Rate	Family	Stabilized								
040	Lost Creek Drive Apartments	1998	na	Market Rate	Family	Stabilized								\$650
043	Miller Apartments - Mullins Street	1993	na	Market Rate	Family	Stabilized								
044	Miller Apartments - West Main	1975	na	Market Rate	Family	Stabilized								\$450
059	Riggs Rentals - Dale Street	1960	na	Market Rate	Family	Stabilized								
060	Robert R. Varner Jr. Rentals	1981	na	Market Rate	Family	Stabilized								
064	Sportswise Apartments	1950	na	Market Rate	Family	Stabilized								\$423
066	Taylor's Apartments	1925	2006	Market Rate	Family	Stabilized								\$200
068	Townhouses at Bear Creek (The)	2007	na	Market Rate	Family	Stabilized								
070	Wampler Rentals	1945	2004	Market Rate	Family	Stabilized								
074	Riggs Rentals - Scattered Units	1970	na	Market Rate	Family	Stabilized								\$375

Source: Allen & Associates



Rent Conclusion, 1BR-1BA-569sf

The development of our rent conclusion for the 1BR-1BA-569sf units is found below.

Our analysis included the evaluation of a total of 6 unit types found at 4 properties. We selected the 6 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 6 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-02	Jonesville Manor Apartments	1BR-1BA-569sf	\$655	\$0	\$655	-	\$0	\$655	-
014-01	Colonial Apartments	1BR-1BA-700sf	\$600	\$0	\$600	\$417	\$311	\$911	5
023-02	Gatewood Apartments	1BR-1BA-700sf	\$670	\$0	\$670	\$121	\$28	\$698	1
023-04	Gatewood Apartments	2BR-1BA-1000sf	\$731	\$0	\$731	\$294	-\$109	\$622	3
024-03	Gilliam Court Apartments	1BR-1BA-562sf	\$747	\$0	\$747	\$147	-\$33	\$714	2
049-01	Norton Heights Apartments	1BR-1BA-700sf	\$662	\$0	\$662	\$384	\$274	\$936	4
049-02	Norton Heights Apartments	2BR-1BA-1000sf	\$738	\$0	\$738	\$736	\$306	\$1,044	6

Adjusted Rent, Minimum	\$622
Adjusted Rent, Maximum	\$1,044
Adjusted Rent, Average	\$821
Adjusted Rent, Modified Average	\$815
 Rent, Concluded	 \$775

Our analysis suggests a rent of \$775 for the 1BR-1BA-569sf units at the subject property.

In our opinion, the 1BR-1BA-700sf units at Gatewood Apartments (Property # 023), the 1BR-1BA-562sf units at Gilliam Court Apartments (Property # 024), the 2BR-1BA-1000sf units at Gatewood Apartments (Property # 023), the 1BR-1BA-700sf units at Norton Heights Apartments (Property # 049), and the 1BR-1BA-700sf units at Colonial Apartments (Property # 014) are the best comparables for the units at the subject property.

Comparable	Subject	1		2		3		4		5	
Property-Unit Key	Sub-02	014-01		023-02		023-04		024-03		049-01	
Unit Type	1BR-1BA-569sf	1BR-1BA-700sf		1BR-1BA-700sf		2BR-1BA-1000sf		1BR-1BA-562sf		1BR-1BA-700sf	
Property Name	Jonesville Manor Apartments	Colonial Apartments		Gatewood Apartments		Gatewood Apartments		Gilliam Court Apartments		Norton Heights Apartments	
Address	100 Pauley Street	515 River Boulevard E		298 Benton Street		298 Benton Street		736 Gilliam Street		520 Alexander Street	
City	Jonesville	Big Stone Gap		Gate City		Gate City		Wise		Norton	
State	Virginia	Virginia		Virginia		Virginia		Virginia		Virginia	
Zip	24263	24219		24251		24251		24293		24273	
Latitude	36.68675	36.86967		36.64202		36.64202		36.97792		36.93570	
Longitude	-83.11246	-82.77531		-82.56867		-82.56867		-82.56856		-82.62610	
Miles to Subject	0.00	21.72		30.90		30.90		34.94		30.94	
Year Built	1991	1970		1985		1985		1980		1984	
Year Rehab	2026	na		na		na		na		na	
Project Rent	Subsidized	Market Rate		Restricted		Restricted		Restricted		Restricted	
Project Type	Elderly	Family		Family		Family		Elderly		Family	
Project Status	Prop Rehab	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized	
Phone	na	(276) 393-6400		(276) 386-9271		(276) 386-9271		(276) 328-2455		(276) 679-5280	
Effective Date	06-Mar-26	11-Feb-26		09-Feb-26		09-Feb-26		09-Feb-26		06-Feb-26	
<u>Project Level</u>											
Units	40	5		48		48		71		38	
Vacant Units	0	0		0		0		0		4	
Vacancy Rate	0%	0%		0%		0%		0%		11%	
<u>Unit Type</u>											
Units	36	5		9		4		1		4	
Vacant Units	0	0		0		0		0		1	
Vacancy Rate	0%	0%		0%		0%		0%		25%	
Street Rent	\$655	\$600		\$670		\$731		\$747		\$662	
Concessions	\$0	\$0		\$0		\$0		\$0		\$0	
Net Rent	\$655	\$600		\$670		\$731		\$747		\$662	
	<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>
Tenant-Paid Utilities	TPU	\$74	\$330	\$256	\$69	-\$5	\$92	\$18	\$65	-\$9	\$330
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	\$0
Internet	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	\$0
Bedrooms	\$100	1	1	\$0	1	\$0	2	-\$100	1	\$0	1
Bathrooms	\$50	1.00	1.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0	1.00
Square Feet	\$0.20	569	700	-\$26	700	-\$26	1000	-\$86	562	\$1	700
Visibility	\$10	2.50	2.00	\$5	2.00	\$5	2.00	\$5	2.50	\$0	2.25
Access	\$10	2.50	2.00	\$5	2.25	\$3	2.25	\$3	2.50	\$0	2.25
Neighborhood	\$10	3.60	3.90	-\$3	2.00	\$16	2.00	\$16	4.50	-\$9	2.00
Area Amenities	\$10	2.00	4.40	-\$24	3.30	-\$13	3.30	-\$13	3.60	-\$16	4.50
Condition	\$10	4.00	2.50	\$15	3.00	\$10	3.00	\$10	3.00	\$10	3.00
Effective Age	\$1.00	2016	1970	\$46	1985	\$31	1985	\$31	1980	\$36	1984
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
BBQ Area	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	yes
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Bus/Comp Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Community Center	\$2	yes	no	\$2	no	\$2	no	\$2	yes	\$0	no
Elevator	\$50	no	no	\$0	no	\$0	no	\$0	yes	-\$50	no
Fitness Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Gazebo	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Picnic Area	\$2	yes	no	\$2	yes	\$0	yes	\$0	no	\$2	yes
Playground	\$2	no	no	\$0	yes	-\$2	yes	-\$2	no	\$0	yes
Pool	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Ceiling Fans	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Carpeting	\$2	yes	yes	\$0	yes	\$0	yes	\$0	no	\$2	yes
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Patio/Balcony	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Storage	\$30	no	no	\$0	some	\$0	some	\$0	no	\$0	no
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Disposal	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no
Dishwasher	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no
Microwave	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Assigned	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Open	\$0	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Central	\$25	yes	no	\$25	yes	\$0	yes	\$0	yes	\$0	yes
W/D Units	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
W/D Hookups	\$5	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Call Buttons	\$2	yes	no	\$2	no	\$2	no	\$2	yes	\$0	no
Controlled Access	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no
Monitoring	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	yes	-\$2	no
Security Patrols	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Indicated Rent	\$775	\$911		\$698		\$622		\$714		\$936	

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-569sf / 60% of AMI / 40% of AMI	No	Yes	4	\$775	\$655	15.5%
1BR-1BA-569sf / 60% of AMI / 50% of AMI	No	Yes	36	\$775	\$655	15.5%
Total / Average			40	\$775	\$655	15.5%

Our analysis suggests an average unrestricted market rent of \$775 for the subject property. This is compared with an average proposed rent of \$655, yielding an unrestricted market rent advantage of 15.5 percent. Overall, the subject property appears to be priced at or below unrestricted market rents for the area.

We selected a total of 4 properties as comparables for purposes of our analysis. The average occupancy at the select rent comparables currently stands at 95 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%						93%	100%
2-Bedroom								
3-Bedroom								
4-Bedroom								
Total	100%						93%	100%

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	91%						100%	100%
2-Bedroom	97%			94%			100%	89%
3-Bedroom				88%				100%
4-Bedroom								
Total	92%			91%			100%	90%

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 \$714 to \$851 since 2010. This represents an average 3.8% 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	\$617	\$714	\$950	-	-	-
2021	\$599	\$701	\$899	-2.9%	-1.8%	-5.4%
2022	\$616	\$702	\$898	2.8%	0.1%	-0.1%
2023	\$675	\$793	\$1,014	9.6%	13.0%	12.9%
2024	\$775	\$905	\$1,157	14.8%	14.1%	14.1%
2025	\$698	\$851	\$1,107	-9.9%	-6.0%	-4.3%

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.

The subject property is located in an area with very few market rate elderly developments. Consequently, we have elected to use general occupancy properties in our analysis of market rents. This is appropriate because most of the existing elderly renters currently reside in general occupancy units creating a linkage between the two property types. Our research suggests that the majority of elderly renter households in the market area currently reside in general occupancy housing. This is consistent with a 1995 AARP member survey which found that 80 percent of respondents resided in general occupancy properties. Because such a high percentage of seniors reside in general occupancy housing, the subject property will need to be priced competitively to attract these renters. Consequently, it is not only appropriate - but prudent - to address general occupancy rents when determining market rents for age-restricted units in this market.

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
012	Clinch View Manor Apartments	1994	2013	Restricted	Elderly	Stabilized	\$683				\$683			
023	Gatewood Apartments	1985	na	Restricted	Family	Stabilized	\$670						\$670	
024	Gilliam Court Apartments	1980	na	Restricted	Elderly	Stabilized	\$663						\$747	
049	Norton Heights Apartments	1984	na	Restricted	Family	Stabilized							\$662	
061	Rose Hill Apartments	2003	na	Restricted	Family	Stabilized								
072	Woodstone Village Phase 1	1986	2005	Restricted	Family	Stabilized	\$595				\$595			

Source: Allen & Associates



Rent Conclusion, 1BR-1BA-569sf

The development of our rent conclusion for the 1BR-1BA-569sf units is found below.

Our analysis included the evaluation of a total of 8 unit types found at 5 properties. We selected the 8 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 8 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-02	Jonesville Manor Apartments	1BR-1BA-569sf	\$655	\$0	\$655	-	\$0	\$655	-
012-04	Clinch View Manor Apartments	1BR-1BA-589sf	\$683	\$0	\$683	\$119	-\$34	\$650	1
023-02	Gatewood Apartments	1BR-1BA-700sf	\$670	\$0	\$670	\$121	\$28	\$698	2
023-04	Gatewood Apartments	2BR-1BA-1000sf	\$731	\$0	\$731	\$294	-\$109	\$622	5
024-03	Gilliam Court Apartments	1BR-1BA-562sf	\$747	\$0	\$747	\$147	-\$33	\$714	3
049-01	Norton Heights Apartments	1BR-1BA-700sf	\$662	\$0	\$662	\$384	\$274	\$936	7
049-02	Norton Heights Apartments	2BR-1BA-1000sf	\$738	\$0	\$738	\$736	\$306	\$1,044	8
072-02	Woodstone Village Phase 1	1BR-1BA-781sf	\$595	\$0	\$595	\$183	-\$53	\$542	4
072-04	Woodstone Village Phase 1	2BR-1.5BA-859sf	\$627	\$0	\$627	\$359	-\$159	\$468	6
	Adjusted Rent, Minimum							\$468	
	Adjusted Rent, Maximum							\$1,044	
	Adjusted Rent, Average							\$709	
	Adjusted Rent, Modified Average							\$694	
	Rent, Concluded							\$700	

Our analysis suggests a rent of \$700 for the 1BR-1BA-569sf units at the subject property.

In our opinion, the 1BR-1BA-589sf units at Clinch View Manor Apartments (Property # 012), the 1BR-1BA-700sf units at Gatewood Apartments (Property # 023), the 1BR-1BA-562sf units at Gilliam Court Apartments (Property # 024), the 1BR-1BA-781sf units at Woodstone Village Phase 1 (Property # 072), and the 1BR-1BA-700sf units at Norton Heights Apartments (Property # 049) are the best comparables for the units at the subject property.

Comparable	Subject	1		2		3		4		5	
Property-Unit Key	Sub-02	012-04		023-02		024-03		049-01		072-02	
Unit Type	1BR-1BA-569sf	1BR-1BA-589sf		1BR-1BA-700sf		1BR-1BA-562sf		1BR-1BA-700sf		1BR-1BA-781sf	
Property Name	Jonesville Manor Apartments	Clinch View Manor Apartments		Gatewood Apartments		Gilliam Court Apartments		Norton Heights Apartments		Woodstone Village Phase 1	
Address	100 Pauley Street	292 Jay Street		298 Benton Street		736 Gilliam Street		520 Alexander Street		273 Woodstone Drive	
City	Jonesville	Gate City		Gate City		Wise		Norton		Big Stone Gap	
State	Virginia	Virginia		Virginia		Virginia		Virginia		Virginia	
Zip	24263	24251		24251		24293		24273		24219	
Latitude	36.68675	36.63441		36.64202		36.97792		36.93570		36.84678	
Longitude	-83.11246	-82.60219		-82.56867		-82.56856		-82.62610		-82.78085	
Miles to Subject	0.00	29.05		30.90		34.94		30.94		20.85	
Year Built	1991	1994		1985		1980		1984		1986	
Year Rehab	2026	2013		na		na		na		2005	
Project Rent	Subsidized	Restricted		Restricted		Restricted		Restricted		Restricted	
Project Type	Elderly	Elderly		Family		Elderly		Family		Family	
Project Status	Prop Rehab	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized	
Phone	na	(276) 386-3234		(276) 386-9271		(276) 328-2455		(276) 679-5280		(276) 523-4788	
Effective Date	06-Mar-26	13-Feb-26		09-Feb-26		09-Feb-26		06-Feb-26		07-Feb-25	
<u>Project Level</u>											
Units	40	42		48		71		38		36	
Vacant Units	0	3		0		0		4		0	
Vacancy Rate	0%	7%		0%		0%		11%		0%	
<u>Unit Type</u>											
Units	36	1		9		1		4		4	
Vacant Units	0	1		0		0		1		0	
Vacancy Rate	0%	100%		0%		0%		25%		0%	
Street Rent	\$655	\$683		\$670		\$747		\$662		\$595	
Concessions	\$0	\$0		\$0		\$0		\$0		\$0	
Net Rent	\$655	\$683		\$670		\$747		\$662		\$595	
	<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>
Tenant-Paid Utilities	TPU	\$74	\$65	-\$9	\$69	-\$5	\$65	-\$9	\$330	\$256	\$87
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	\$0
Internet	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	\$0
Bedrooms	\$100	1	1	\$0	1	\$0	1	\$0	1	\$0	1
Bathrooms	\$50	1.00	1.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0	1.00
Square Feet	\$0.20	569	589	-\$4	700	-\$26	562	\$1	700	-\$26	781
Visibility	\$10	2.50	1.75	\$8	2.00	\$5	2.50	\$0	2.25	\$3	3.50
Access	\$10	2.50	2.00	\$5	2.25	\$3	2.50	\$0	2.25	\$3	3.00
Neighborhood	\$10	3.60	2.80	\$8	2.00	\$16	4.50	-\$9	2.00	\$16	2.30
Area Amenities	\$10	2.00	2.70	-\$7	3.30	-\$13	3.60	-\$16	4.50	-\$25	2.50
Condition	\$10	4.00	3.50	\$5	3.00	\$10	3.00	\$10	3.00	\$10	3.00
Effective Age	\$1.00	2016	2003	\$13	1985	\$31	1980	\$36	1984	\$32	1995
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
BBQ Area	\$2	no	yes	-\$2	no	\$0	no	\$0	yes	-\$2	no
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Bus/Comp Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Community Center	\$2	yes	yes	\$0	no	\$2	yes	\$0	no	\$2	yes
Elevator	\$50	no	yes	-\$50	no	\$0	yes	-\$50	no	\$0	yes
Fitness Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Gazebo	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Horseshoe Pit	\$2	no	yes	-\$2	no	\$0	no	\$0	no	\$0	no
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Picnic Area	\$2	yes	yes	\$0	yes	\$0	no	\$2	yes	\$0	no
Playground	\$2	no	no	\$0	yes	-\$2	no	\$0	yes	-\$2	yes
Pool	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Ceiling Fans	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Carpeting	\$2	yes	yes	\$0	yes	\$0	no	\$2	yes	\$0	yes
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Patio/Balcony	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Storage	\$30	no	no	\$0	some	\$0	no	\$0	no	\$0	no
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
Disposal	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	yes
Dishwasher	\$2	yes	yes	\$0	no	\$2	no	\$2	no	\$2	no
Microwave	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Assigned	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Open	\$0	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Central	\$25	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes
W/D Units	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no
W/D Hookups	\$5	no	no	\$0	no	\$0	no	\$0	no	\$0	some
Call Buttons	\$2	yes	yes	\$0	no	\$2	yes	\$0	no	\$2	no
Controlled Access	\$2	no	some	\$0	no	\$0	yes	-\$2	no	\$0	yes
Courtesy Officer	\$2	no	no	\$0	no	\$0	yes	-\$2	no	\$0	no
Monitoring	\$2	no	yes	-\$2	no	\$0	no	\$0	no	\$0	yes
Security Alarms	\$2	no	no	\$0	no	\$0	yes	-\$2	no	\$0	no
Security Patrols	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no
Indicated Rent	\$700	\$650		\$698		\$714		\$936		\$542	

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-569sf / 60% of AMI / 40% of AMI	No	Yes	4	\$700
1BR-1BA-569sf / 60% of AMI / 50% of AMI	No	Yes	36	\$700
Total / Average			40	\$700

Our analysis suggests an average restricted market rent of \$700 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 89 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	99%				80%		93%	
2-Bedroom								
3-Bedroom								
4-Bedroom								
Total	99%				80%		93%	

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	91%						100%	100%
2-Bedroom	97%			94%			100%	89%
3-Bedroom				88%				100%
4-Bedroom								
Total	92%			91%			100%	90%

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 \$666 to \$878 since 2010. This represents an average 6.4% 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	\$555	\$666	\$769	-	-	-
2021	\$562	\$675	\$780	1.3%	1.4%	1.4%
2022	\$588	\$706	\$816	4.6%	4.6%	4.6%
2023	\$655	\$786	\$908	11.4%	11.3%	11.3%
2024	\$681	\$817	\$944	4.0%	3.9%	4.0%
2025	\$731	\$878	\$1,014	7.3%	7.5%	7.4%

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-569sf / 60% of AMI / 40% of AMI	No	Yes	4	\$618	\$74	\$544
1BR-1BA-569sf / 60% of AMI / 50% of AMI	No	Yes	36	\$772	\$74	\$698
Total / Average			40	\$757	\$74	\$683

Our analysis suggests an average net LIHTC rent limit of \$683 for 40 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-569sf / 60% of AMI / 40% of AMI	No	Yes	-	-	-	-
1BR-1BA-569sf / 60% of AMI / 50% of AMI	No	Yes	-	-	-	-
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-569sf / 60% of AMI / 40% of AMI	No	Yes	4	\$544	-	\$775	\$775
1BR-1BA-569sf / 60% of AMI / 50% of AMI	No	Yes	36	\$698	-	\$775	\$775
Total / Average			40	\$683	-	\$775	\$775

Our analysis suggests an average program rent limit of \$775 for 40 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-569sf / 60% of AMI / 40% of AMI	No	Yes	4	\$775	\$775	\$700	\$775	\$655	15.5%
1BR-1BA-569sf / 60% of AMI / 50% of AMI	No	Yes	36	\$775	\$775	\$700	\$775	\$655	15.5%
Total / Average			40	\$775	\$775	\$700	\$775	\$655	15.5%

Our analysis suggests an average achievable rent of \$775 for the subject property. This is compared with an average proposed rent of \$655, yielding an achievable rent advantage of 15.5 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 65+ 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 \$		65+ 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	214	15	7	1	4	1	242	
\$0	to \$19,999	507	134	12	1	6	1	661	
\$0	to \$29,999	627	233	23	14	8	1	906	
\$0	to \$39,999	705	236	25	14	10	1	991	
\$0	to \$49,999	726	274	29	14	13	1	1,056	
\$0	to \$59,999	742	282	31	14	19	3	1,091	
\$0	to \$74,999	752	286	42	14	21	3	1,118	
\$0	to \$99,999	762	291	45	15	23	3	1,139	
\$0	to \$124,999	777	299	48	18	24	4	1,170	
\$0	to \$149,999	784	307	49	18	25	4	1,186	
\$0	to \$199,999	785	307	49	18	26	4	1,188	
\$0	or more	792	310	51	19	27	4	1,202	

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

Key Property Name	Overview					Total Units								Vacant Units							
	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt	Sub	30%	40%	50%	60%	70%	80%	Mkt
012 Clinch View Manor Apartments	1994	2013	Restricted	Elderly	Stabilized	41				1				2							1
022 Gateway Terrace Apartments	1985	2009	Subsidized	Elderly	Stabilized	22															
032 Jonesville Manor Apartments	1991	2010	Subsidized	Elderly	Stabilized	40															
036 Lee Terrace Apartments	1994	na	Subsidized	Elderly	Stabilized	39								9							
050 Pennington Gap Apartments	1994	2016	Subsidized	Elderly	Stabilized	39								9							
Total						181				1				20							1

Source: Allen & Associates

Demand Estimate, 1-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 1-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 40 units, 20 of which are anticipated to be vacant on market entry in 2027. Our analysis assumes a 50% income qualification ratio and 2-person households.

Unit Details	
Target Population	65+ Households
Unit Type	1-Bedroom
Rent Type	Subsidized
Income Limit	60% of AMI
Total Units	40
Vacant Units at Market Entry	20

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$74
Gross Rent	\$74
Income Qualification Ratio	50%
Minimum Qualified Income	\$148
Months/Year	12
Minimum Qualified Income	\$1,776

65+ Renter Households, by Income, by Size								
2027								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	214	15	7	1	4	1
\$0	to	\$19,999	507	134	12	1	6	1
\$0	to	\$29,999	627	233	23	14	8	1
\$0	to	\$39,999	705	236	25	14	10	1
\$0	to	\$49,999	726	274	29	14	13	1
\$0	to	\$59,999	742	282	31	14	19	3
\$0	to	\$74,999	752	286	42	14	21	3
\$0	to	\$99,999	762	291	45	15	23	3
\$0	to	\$124,999	777	299	48	18	24	4
\$0	to	\$149,999	784	307	49	18	25	4
\$0	to	\$199,999	785	307	49	18	26	4
\$0	or	more	792	310	51	19	27	4

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$34,620	\$39,540	\$44,460	\$49,380	\$53,340	\$57,300	

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	662	236	0	0	0	0
HH Below Minimum Income	32	2	0	0	0	0
Subtotal	630	234	0	0	0	0

Demand Estimate 864

Our analysis suggests demand for a total of 864 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, Subsidized

In this section we account for income-band overlap and develop a demand estimate for the subsidized units at the subject property.

65+ Renter Households, by Income, by Size								
2027								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	214	15	7	1	4	1
\$0	to	\$19,999	507	134	12	1	6	1
\$0	to	\$29,999	627	233	23	14	8	1
\$0	to	\$39,999	705	236	25	14	10	1
\$0	to	\$49,999	726	274	29	14	13	1
\$0	to	\$59,999	742	282	31	14	19	3
\$0	to	\$74,999	752	286	42	14	21	3
\$0	to	\$99,999	762	291	45	15	23	3
\$0	to	\$124,999	777	299	48	18	24	4
\$0	to	\$149,999	784	307	49	18	25	4
\$0	to	\$199,999	785	307	49	18	26	4
\$0	or	more	792	310	51	19	27	4

Demand Estimate, Subsidized							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$34,620	\$39,540	-	-	-	-	-
Maximum Income, 2BR	-	-	-	-	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$34,620	\$39,540	-	-	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$1,776	\$1,776	-	-	-	-	-
Minimum Income, 2BR	-	-	-	-	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$1,776	\$1,776	-	-	-	-	-
HH Below Upper Income	662	236	0	0	0	0	0
HH Below Lower Income	32	2	0	0	0	0	0
Subtotal	630	234	0	0	0	0	0

Demand Estimate

864

Our analysis suggests demand for a total of 864 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.

65+ Renter Households, by Income, by Size								
			2027					
2026	\$		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	214	15	7	1	4	1
\$0	to	\$19,999	507	134	12	1	6	1
\$0	to	\$29,999	627	233	23	14	8	1
\$0	to	\$39,999	705	236	25	14	10	1
\$0	to	\$49,999	726	274	29	14	13	1
\$0	to	\$59,999	742	282	31	14	19	3
\$0	to	\$74,999	752	286	42	14	21	3
\$0	to	\$99,999	762	291	45	15	23	3
\$0	to	\$124,999	777	299	48	18	24	4
\$0	to	\$149,999	784	307	49	18	25	4
\$0	to	\$199,999	785	307	49	18	26	4
\$0	or	more	792	310	51	19	27	4

Demand Estimate, Project-Level							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, Subsidized	\$34,620	\$39,540	-	-	-	-	-
Maximum Income, 30% of AMI	-	-	-	-	-	-	-
Maximum Income, 40% of AMI	-	-	-	-	-	-	-
Maximum Income, 50% of AMI	-	-	-	-	-	-	-
Maximum Income, 60% of AMI	-	-	-	-	-	-	-
Maximum Income, 70% of AMI	-	-	-	-	-	-	-
Maximum Income, 80% of AMI	-	-	-	-	-	-	-
Maximum Income, Market Rate	-	-	-	-	-	-	-
Maximum Allowable Income	\$34,620	\$39,540	-	-	-	-	-
Minimum Income, Subsidized	\$1,776	\$1,776	-	-	-	-	-
Minimum Income, 30% of AMI	-	-	-	-	-	-	-
Minimum Income, 40% of AMI	-	-	-	-	-	-	-
Minimum Income, 50% of AMI	-	-	-	-	-	-	-
Minimum Income, 60% of AMI	-	-	-	-	-	-	-
Minimum Income, 70% of AMI	-	-	-	-	-	-	-
Minimum Income, 80% of AMI	-	-	-	-	-	-	-
Minimum Income, Market Rate	-	-	-	-	-	-	-
Minimum Qualified Income	\$1,776	\$1,776	-	-	-	-	-
HH Below Upper Income	662	236	0	0	0	0	0
HH Below Lower Income	32	2	0	0	0	0	0
Subtotal	630	234	0	0	0	0	0

Demand Estimate

864

Our analysis suggests project-level demand for a total of 864 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.

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	40								40
2BR									
3BR									
4BR									
Tot	40								40

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	20								20
2BR									
3BR									
4BR									
Tot	20								20

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.

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	864								864
2BR									
3BR									
4BR									
Tot	864								864

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:

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	2.3%								2.3%
2BR									
3BR									
4BR									
Tot	2.3%								2.3%

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
0BR									
1BR	20								20
2BR									
3BR									
4BR									
Tot	20								20

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.

Net Demand (Gross Demand - Vacant Competing & Pipeline Units)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	844								844
2BR									
3BR									
4BR									
Tot	844								844

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:

Capture Rates (Subject Property Units / Net Demand)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	2.4%								2.4%
2BR									
3BR									
4BR									
Tot	2.4%								2.4%

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	40								40
2BR									
3BR									
4BR									
Tot	40								40

Subject Property Units (Vacant at Market Entry)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	20								20
2BR									
3BR									
4BR									
Tot	20								20

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	864								864
2BR									
3BR									
4BR									
Tot	864								864

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	181								181
2BR									
3BR									
4BR									
Tot	181								181

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	201								201
2BR									
3BR									
4BR									
Tot	201								201

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	23.3%								23.3%
2BR									
3BR									
4BR									
Tot	23.3%								23.3%

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	40							
2BR								
3BR								
4BR								

Subject Property Units (Vacant at Market Entry)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	20							
2BR								
3BR								
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	864							
2BR								
3BR								
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	1.8%
Movership	8.0%
Total	9.8%

Growth & Movership Estimate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	84							
2BR								
3BR								
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	
	40%

Growth & Movership Estimate

	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	140							
2BR								
3BR								
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	5				1			
2BR	3							
3BR								
4BR								

Fair Share

	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	50.0%							
2BR								
3BR								
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	5.9							
2BR								
3BR								
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, Elderly, Stabilized Occupancy

	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	89%				0%			
2BR	100%							
3BR								
4BR								

Occupancy Rate, Select Comparables								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	99%				80%		93%	100%
2BR								
3BR								
4BR								

Concluded Stabilized Occupancy Rate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	97%							
2BR								
3BR								
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	19							
2BR								
3BR								
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	3							
2BR								
3BR								
4BR								

Our analysis suggests that the subject property will stabilize at 97 percent occupancy. We estimate 3 months of absorption and an average absorption rate of 5.9 units per month for this project. In our opinion, the absorption period suggests an appropriate number and mix of units for the subject property.

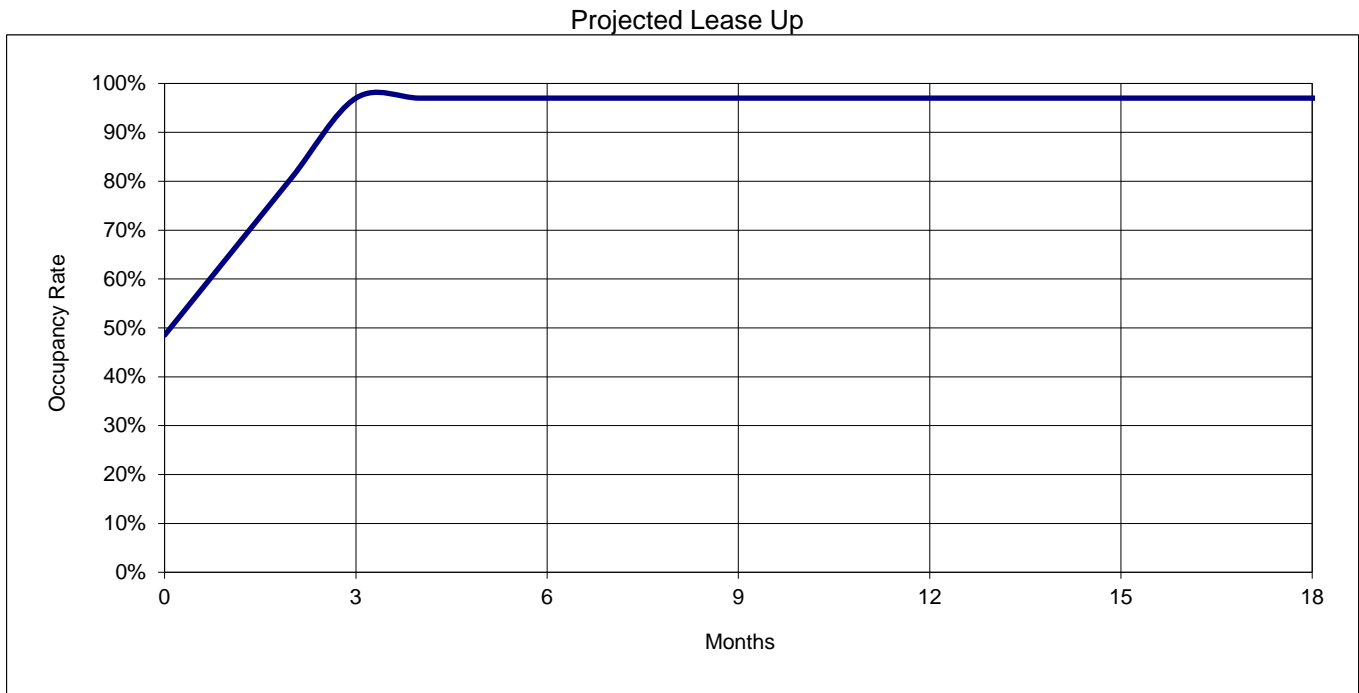
Absorption rates for age-restricted multifamily properties depend on a variety of factors: (1) The competitive environment in which the property resides; (2) The pricing of the subject property units relative to competing units, (3) The presence of rent or income restrictions at the subject property; and (4) The availability of any rent concessions or rental assistance at the subject property. Subsidized elderly properties normally lease up at a rate of 12-16 units per month. Unsubsidized elderly properties with rent and income restrictions typically fill at a rate of 4-8 units per month. Market rate elderly properties normally lease up at a rate of 8-12 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	Abs
003	Appalachia Towers Apartments	1928	1983	Subsidized	Elderly	36	-
022	Gateway Terrace Apartments	1985	2009	Subsidized	Elderly	26	-
032	Jonesville Manor Apartments	1991	2010	Subsidized	Elderly	40	-
036	Lee Terrace Apartments	1994	na	Subsidized	Elderly	40	-
047	Norton Green Apartments	1991	2009	Subsidized	Elderly	40	-
050	Pennington Gap Apartments	1994	2016	Subsidized	Elderly	40	-
057	Regency Towers Apartments	1981	na	Subsidized	Elderly	90	-
063	Shawnee Ridge Apartments	1991	2009	Subsidized	Elderly	20	-
073	Woodstone Village Phase 2	1986	2005	Subsidized	Elderly	18	-

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 1 months, and 90 percent occupancy in 2 months. We anticipate that the subject property will stabilize at 97 percent occupancy in 3 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 55+ 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 \$		55+ Renter Households, by Income, by Size							
		2026							
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Total	
\$0	to \$9,999	350	44	47	2	6	1	450	
\$0	to \$19,999	726	199	63	6	11	1	1,006	
\$0	to \$29,999	865	314	100	24	13	1	1,317	
\$0	to \$39,999	954	325	103	24	15	1	1,423	
\$0	to \$49,999	981	383	109	24	17	1	1,516	
\$0	to \$59,999	1,015	402	117	25	23	3	1,584	
\$0	to \$74,999	1,028	419	127	26	24	3	1,627	
\$0	to \$99,999	1,049	427	130	28	26	3	1,664	
\$0	to \$124,999	1,067	440	136	30	27	4	1,704	
\$0	to \$149,999	1,077	448	136	30	28	4	1,724	
\$0	to \$199,999	1,086	453	138	31	29	4	1,740	
\$0	or more	1,098	458	140	32	30	4	1,761	

Source: ESRI & Ribbon Demographics

Demand Estimate, 1-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 1-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 40 units, 20 of which are anticipated to be vacant on market entry in 2026. Our analysis assumes a 40% income qualification ratio and 2-person households.

Unit Details	
Target Population	55+ Households
Unit Type	1-Bedroom
Rent Type	Subsidized
Income Limit	60% of AMI
Total Units	40
Vacant Units at Market Entry	20

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$74
Gross Rent	\$74
Income Qualification Ratio	40%
Minimum Qualified Income	\$185
Months/Year	12
Minimum Qualified Income	\$2,220

55+ Renter Households, by Income, by Size								
2026								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	350	44	47	2	6	1
\$0	to	\$19,999	726	199	63	6	11	1
\$0	to	\$29,999	865	314	100	24	13	1
\$0	to	\$39,999	954	325	103	24	15	1
\$0	to	\$49,999	981	383	109	24	17	1
\$0	to	\$59,999	1,015	402	117	25	23	3
\$0	to	\$74,999	1,028	419	127	26	24	3
\$0	to	\$99,999	1,049	427	130	28	26	3
\$0	to	\$124,999	1,067	440	136	30	27	4
\$0	to	\$149,999	1,077	448	136	30	28	4
\$0	to	\$199,999	1,086	453	138	31	29	4
\$0	or	more	1,098	458	140	32	30	4

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$34,620	\$39,540	\$44,460	\$49,380	\$53,340	\$57,300	

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	905	324	0	0	0	0
HH Below Minimum Income	70	9	0	0	0	0
Subtotal	835	316	0	0	0	0

Demand Estimate 1,151

Our analysis suggests demand for a total of 1,151 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, Subsidized

In this section we account for income-band overlap and develop a demand estimate for the subsidized units at the subject property.

55+ Renter Households, by Income, by Size								
2026								
2026	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	350	44	47	2	6	1
\$0	to	\$19,999	726	199	63	6	11	1
\$0	to	\$29,999	865	314	100	24	13	1
\$0	to	\$39,999	954	325	103	24	15	1
\$0	to	\$49,999	981	383	109	24	17	1
\$0	to	\$59,999	1,015	402	117	25	23	3
\$0	to	\$74,999	1,028	419	127	26	24	3
\$0	to	\$99,999	1,049	427	130	28	26	3
\$0	to	\$124,999	1,067	440	136	30	27	4
\$0	to	\$149,999	1,077	448	136	30	28	4
\$0	to	\$199,999	1,086	453	138	31	29	4
\$0	or	more	1,098	458	140	32	30	4

Demand Estimate, Subsidized							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$34,620	\$39,540	-	-	-	-	-
Maximum Income, 2BR	-	-	-	-	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$34,620	\$39,540	-	-	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$2,220	\$2,220	-	-	-	-	-
Minimum Income, 2BR	-	-	-	-	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$2,220	\$2,220	-	-	-	-	-
HH Below Upper Income	905	324	0	0	0	0	0
HH Below Lower Income	70	9	0	0	0	0	0
Subtotal	835	316	0	0	0	0	0

Demand Estimate 1,151

Our analysis suggests demand for a total of 1,151 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	1,151							

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
0.9%

New Rental Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	20							

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
39.0%

Existing Households - Rent Overburdened								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	448							

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
6.1%

Existing Households - Substandard								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	71							

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	140							

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	40							

Existing Qualifying Tenants Likely to Remain after Renovation								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	20							

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	699							

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	20							

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	679							

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	5.9%							

Our findings are summarized below.

Project-Wide Capture Rate - LIHTC Units	5.9%
Project-Wide Capture Rate - Market Units	
Project-Wide Capture Rate - All Units	5.9%
Project-Wide Absorption Period (Months)	3 months

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

RENT COMPARABLES, MARKET RATE

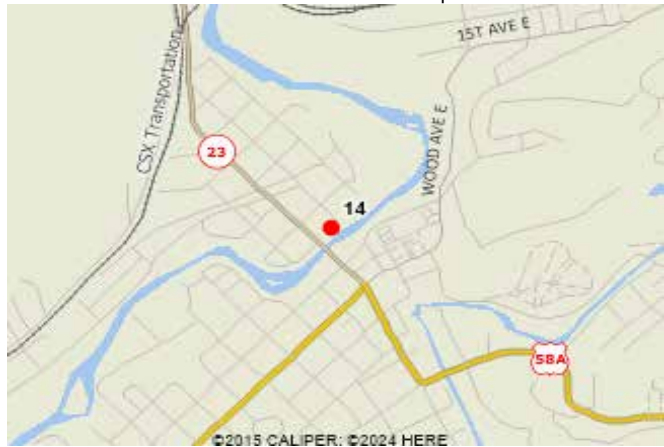
Project Information

Property Name	Colonial Apartments
Street Number	515
Street Name	River
Street Type	Boulevard E
City	Big Stone Gap
State	Virginia
Zip	24219
Phone Number	(276) 393-6400
Year Built	1970
Year Renovated	na
Minimum Lease	1
Min. Security Dep.	1 month
Other Fees	
Waiting List	no
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	1
Latitude	36.8697
Longitude	-82.7753
Nearest Crossroads	ver Boulevard & E 5th Street N
AAC Code	26-019 014

Photo



Location Map



Interview Notes

Person Interviewed	Mr. Wayne Gallaway, Owner
Phone Number	(276) 393-6400
Interview Date	11-Feb-26
Interviewed By	JS

Select units have air conditioning, but most tenants need to purchase their own air conditioning if desired.

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	5		\$600		\$600	\$330	\$930
Total / Average		700						11	5	\$600		\$600	\$330	\$930

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
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	2.50
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.00	2.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.90	3.60
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.40	2.00
Comp vs. Subject	Superior	

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

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1970	2016
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	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
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	yes
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
Ungraded Flooring	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	yes
Dishwasher	no	yes
Microwave	no	no
Comp vs. Subject	Inferior	

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

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	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Inferior	

Security		
Amenity	Comp	Subj
Call Buttons	no	yes
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
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	

Colonial Apartments is an existing multifamily development located at 515 River Boulevard E in Big Stone Gap, Virginia. The property, which consists of 5 apartment units, was originally constructed in 1970 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Gatewood Apartments
Street Number	298
Street Name	Benton
Street Type	Street
City	Gate City
State	Virginia
Zip	24251
Phone Number	(276) 386-9271
Year Built	1985
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$50
Waiting List	na
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	RD
Vouchers	8
Latitude	36.6420
Longitude	-82.5687
Nearest Crossroads	Jackson St, behind Post Office
AAC Code	26-019 023

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Paula, Regional Manager
Phone Number	(859) 276-5388
Interview Date	09-Feb-26
Interviewed By	JS

RD property with 35 units of project based rental assistance available to tenants. The 2BRs have storage. Amenities include a playground with a slide only. 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
1	1.0	700	Garden/Flat	50%	50%	No	Yes	23		\$670		\$670	\$69	\$739
1	1.0	700	Garden/Flat	80%	80%	No	No	9		\$670		\$670	\$69	\$739
2	1.0	1000	Garden/Flat	50%	50%	No	Yes	12		\$731		\$731	\$92	\$823
2	1.0	1000	Garden/Flat	80%	80%	No	No	4		\$731		\$731	\$92	\$823
Total / Average		799						113		\$690		\$690	\$77	\$767

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

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	2.50
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.25	2.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.00	3.60
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.30	2.00
Comp vs. Subject	Superior	

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

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1985	2016
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	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
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	yes
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
Ungraded Flooring	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	some	no
Comp vs. Subject	Similar	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	yes
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	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	yes
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
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	

Gatewood Apartments is an existing multifamily development located at 298 Benton Street in Gate City, Virginia. The property, which consists of 48.33333333333333 apartment units, was originally constructed in 1985 with rd financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Gilliam Court Apartments
Street Number	736
Street Name	Gilliam
Street Type	Street
City	Wise
State	Virginia
Zip	24293
Phone Number	(276) 328-2455
Year Built	1980
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$17
Waiting List	20 people
Project Rent	Restricted
Project Type	Elderly
Project Status	Stabilized
Financing	RD
Vouchers	
Latitude	36.9779
Longitude	-82.5686
Nearest Crossroads	na
AAC Code	26-019 024

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Jody, Manager
Phone Number	(276) 228-6280
Interview Date	09-Feb-26
Interviewed By	JS

RD property with 70 units of project based rental assistance available to tenants. Manager lives in 1 2BR unit on property. Previous survey information: Property is located in area eligibility for National Non-Metro Limits. Ms. Lorie Pultz provided interior square footage but didn't send back up documents for square footage. regular unit 562 handicap unit

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	562	Garden/Flat	50%	50%	No	Yes	63		\$663		\$663	\$65	\$728
1	1.0	687	Garden/Flat	50%	50%	No	Yes	7		\$663		\$663	\$65	\$728
1	1.0	562	Garden/Flat	80%	80%	No	No	1		\$747		\$747	\$65	\$812
Total / Average		574						115		\$664		\$664	\$65	\$729

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

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	2.50
Comp vs. Subject	Similar	

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

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.50	3.60
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.60	2.00
Comp vs. Subject	Superior	

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

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1980	2016
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	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	yes	no
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
Movie/Media Ctr	no	no
Picnic Area	no	yes
Playground	no	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Superior	

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

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

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	yes	no
Baseboards	no	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	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

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

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	

Gilliam Court Apartments is an existing multifamily development located at 736 Gilliam Street in Wise, Virginia. The property, which consists of 71 apartment units, was originally constructed in 1980 with rd financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Norton Heights Apartments
Street Number	520
Street Name	Alexander
Street Type	Street
City	Norton
State	Virginia
Zip	24273
Phone Number	(276) 679-5280
Year Built	1984
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$50
Waiting List	3 people
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	RD
Vouchers	23
Latitude	36.9357
Longitude	-82.6261
Nearest Crossroads	reported Alexander St is wrong
AAC Code	26-019 049

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Sue, Manager
Phone Number	(276) 679-5280
Interview Date	06-Feb-26
Interviewed By	JS

RD property without project based rental assistance. In 2026, contact advised tenant is paying more than Basic Rent in one of the units with the heat pump, although she could not give the amount.

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	80%	80%	No	No	4	1	\$662		\$662	\$330	\$992	
2	1.0	1000	Townhome	80%	80%	No	No	34	3	\$738		\$738	\$522	\$1,260	
Total / Average		968						117	38	4	\$730		\$730	\$502	\$1,232

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
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	2.25	2.50
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.25	2.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.00	3.60
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.50	2.00
Comp vs. Subject	Superior	

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

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1984	2016
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	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
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	yes
Playground	yes	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Similar	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Ungraded Flooring	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	yes
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	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	yes
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
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	

Norton Heights Apartments is an existing multifamily development located at 520 Alexander Street in Norton, Virginia. The property, which consists of 38 apartment units, was originally constructed in 1984 with rd financing. All units are set aside as market rate units. The property currently stands at 89 percent occupancy.

RENT COMPARABLES, RESTRICTED RENT

Project Information

Property Name	Clinch View Manor Apartments	
Street Number		292
Street Name		Jay
Street Type		Street
City		Gate City
State		Virginia
Zip		24251
Phone Number	(276)	386-3234
Year Built		1994
Year Renovated		2013
Minimum Lease		12
Min. Security Dep.		1 month
Other Fees		\$10
Waiting List		1 person
Project Rent		Restricted
Project Type		Elderly
Project Status		Stabilized
Financing	2011	Tax Credit
Vouchers		1
Latitude		36.6344
Longitude		-82.6022
Nearest Crossroads		Off Hwy 71
AAC Code	26-019	012

Photo



Location Map



Interview Notes

Person Interviewed	a Dietz, Affordable Housing Dir.	
Phone Number		(276) 608-6694
Interview Date		13-Feb-26
Interviewed By		JS

Property was awarded 2011 TC's to rehab units with 1992 TC's for construction of this RD property and 41 units of RD project based rental assistance available to tenants and 5 HC units. Property has garden plots available for tenants. The property's heating and cooling systems will be ductless mini-split units.

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	5	1	\$683		\$683	\$65	\$748
1	1.0	589	Garden/Flat	50%	50%	Yes	Yes	16	1	\$683		\$683	\$65	\$748
1	1.0	589	Garden/Flat	50%	50%	No	Yes	20		\$683		\$683	\$65	\$748
1	1.0	589	Garden/Flat	60%	50%	No	No	1	1	\$683		\$683	\$65	\$748
Total / Average		589						42	3	\$683		\$683	\$65	\$748

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

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

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	1.75	2.50
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.00	2.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.80	3.60
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.70	2.00
Comp vs. Subject	Superior	

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

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2003	2016
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	no	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	yes	no
Fitness Ctr	no	no
Gazebo/Patio	no	yes
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	yes	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	yes
Playground	no	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Superior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Engineered Flooring	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	yes
Dishwasher	yes	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	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

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

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	yes	no
Comp vs. Subject	Superior	

Clinch View Manor Apartments is an existing multifamily development located at 292 Jay Street in Gate City, Virginia. The property, which consists of 42 apartment units, was originally constructed in 1994 . This property is currently operated as a rent restricted property. The property currently stands at 93 percent occupancy.

Project Information

Property Name	Gatewood Apartments
Street Number	298
Street Name	Benton
Street Type	Street
City	Gate City
State	Virginia
Zip	24251
Phone Number	(276) 386-9271
Year Built	1985
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$50
Waiting List	na
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	RD
Vouchers	8
Latitude	36.6420
Longitude	-82.5687
Nearest Crossroads	Jackson St, behind Post Office
AAC Code	26-019 023

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Paula, Regional Manager
Phone Number	(859) 276-5388
Interview Date	09-Feb-26
Interviewed By	JS

RD property with 35 units of project based rental assistance available to tenants. The 2BRs have storage. Amenities include a playground with a slide only. 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
1	1.0	700	Garden/Flat	50%	50%	No	Yes	23		\$670		\$670	\$69	\$739
1	1.0	700	Garden/Flat	80%	80%	No	No	9		\$670		\$670	\$69	\$739
2	1.0	1000	Garden/Flat	50%	50%	No	Yes	12		\$731		\$731	\$92	\$823
2	1.0	1000	Garden/Flat	80%	80%	No	No	4		\$731		\$731	\$92	\$823
Total / Average		799						48		\$690		\$690	\$77	\$767

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

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	2.50
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.25	2.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.00	3.60
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.30	2.00
Comp vs. Subject	Superior	

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

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1985	2016
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	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
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	yes
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
Ungraded Flooring	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	some	no
Comp vs. Subject	Similar	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	yes
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	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	yes
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
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	

Gatewood Apartments is an existing multifamily development located at 298 Benton Street in Gate City, Virginia. The property, which consists of 48.33333333333333 apartment units, was originally constructed in 1985. This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Gilliam Court Apartments
Street Number	736
Street Name	Gilliam
Street Type	Street
City	Wise
State	Virginia
Zip	24293
Phone Number	(276) 328-2455
Year Built	1980
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$17
Waiting List	20 people
Project Rent	Restricted
Project Type	Elderly
Project Status	Stabilized
Financing	RD
Vouchers	
Latitude	36.9779
Longitude	-82.5686
Nearest Crossroads	na
AAC Code	26-019 024

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Jody, Manager
Phone Number	(276) 228-6280
Interview Date	09-Feb-26
Interviewed By	JS

RD property with 70 units of project based rental assistance available to tenants. Manager lives in 1 2BR unit on property. Previous survey information: Property is located in area eligibility for National Non-Metro Limits. Ms. Lorie Pultz provided interior square footage but didn't send back up documents for square footage. regular unit 562 handicap unit

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	562	Garden/Flat	50%	50%	No	Yes	63		\$663		\$663	\$65	\$728
1	1.0	687	Garden/Flat	50%	50%	No	Yes	7		\$663		\$663	\$65	\$728
1	1.0	562	Garden/Flat	80%	80%	No	No	1		\$747		\$747	\$65	\$812
Total / Average		574						71		\$664		\$664	\$65	\$729

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

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	2.50
Comp vs. Subject	Similar	

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

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.50	3.60
Comp vs. Subject	Superior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.60	2.00
Comp vs. Subject	Superior	

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

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1980	2016
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	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	yes	no
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	yes
Playground	no	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Superior	

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

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

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	yes	no
Baseboards	no	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	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

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

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	

Gilliam Court Apartments is an existing multifamily development located at 736 Gilliam Street in Wise, Virginia. The property, which consists of 71 apartment units, was originally constructed in 1980. This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Norton Heights Apartments
Street Number	520
Street Name	Alexander
Street Type	Street
City	Norton
State	Virginia
Zip	24273
Phone Number	(276) 679-5280
Year Built	1984
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$50
Waiting List	3 people
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	RD
Vouchers	23
Latitude	36.9357
Longitude	-82.6261
Nearest Crossroads	reported Alexander St is wrong
AAC Code	26-019 049

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Sue, Manager
Phone Number	(276) 679-5280
Interview Date	06-Feb-26
Interviewed By	JS

RD property without project based rental assistance. In 2026, contact advised tenant is paying more than Basic Rent in one of the units with the heat pump, although she could not give the amount.

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	80%	80%	No	No	4	1	\$662		\$662	\$330	\$992	
2	1.0	1000	Townhome	80%	80%	No	No	34	3	\$738		\$738	\$522	\$1,260	
Total / Average		968						126	38	4	\$730		\$730	\$502	\$1,232

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
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	2.25	2.50
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.25	2.50
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.00	3.60
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.50	2.00
Comp vs. Subject	Superior	

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

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1984	2016
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	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
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	yes
Playground	yes	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Similar	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Ungraded Flooring	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	yes
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	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	yes
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	no
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	

Norton Heights Apartments is an existing multifamily development located at 520 Alexander Street in Norton, Virginia. The property, which consists of 38 apartment units, was originally constructed in 1984 . This property is currently operated as a rent restricted property. The property currently stands at 89 percent occupancy.

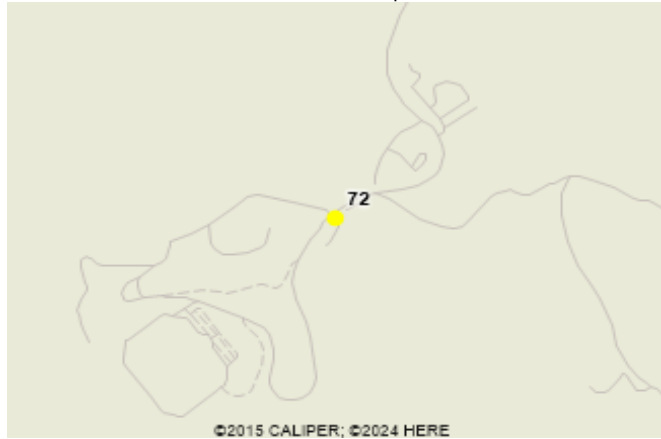
Project Information

Property Name	Woodstone Village Phase 1
Street Number	273
Street Name	Woodstone
Street Type	Drive
City	Big Stone Gap
State	Virginia
Zip	24219
Phone Number	(276) 523-4788
Year Built	1986
Year Renovated	2005
Minimum Lease	12
Min. Security Dep.	\$275
Other Fees	
Waiting List	yes
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	2004 Tax Credit
Vouchers	6
Latitude	36.8468
Longitude	-82.7809
Nearest Crossroads	na
AAC Code	26-019 072

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Reva, Management
Phone Number	(276) 523-4788
Interview Date	07-Feb-25
Interviewed By	PL

2004 TC's awarded for rehabilitation of this RD property with 28 units of project based rental assistance available to tenants. Property amenities include an elevator in the one 3-story building. Sister property is Dogwood Terrace. 2024 updated security cameras, 2025 planning to replace tile and carpet. We were unable to confirm information for this

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	781	Garden/Flat	50%	50%	No	Yes	18		\$595		\$595	\$87	\$682
1	1.0	781	Garden/Flat	60%	60%	No	No	4		\$595		\$595	\$87	\$682
2	1.5	859	Townhome	50%	50%	No	Yes	10		\$627		\$627	\$122	\$749
2	1.5	859	Townhome	60%	60%	No	No	4		\$627		\$627	\$122	\$749
Total / Average		811						128	36	\$607		\$607	\$101	\$708

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

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	2.50
Comp vs. Subject	Superior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	3.00	2.50
Comp vs. Subject	Superior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.30	3.60
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.50	2.00
Comp vs. Subject	Superior	

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

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1995	2016
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	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	yes	no
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	yes
Playground	yes	no
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Superior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	no
Ungraded Flooring	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	yes
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	yes
W/D Units	no	no
W/D Hookups	some	no
Comp vs. Subject	Similar	

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

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	

Woodstone Village Phase 1 is an existing multifamily development located at 273 Woodstone Drive in Big Stone Gap, Virginia. The property, which consists of 36 apartment units, was originally constructed in 1986. 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.

Executive Summary		
1	Executive Summary	Executive Summary
Scope of Work		
2	Scope of Work	Letter of Transmittal
Project Description		
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
Location		
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
Market Area		
13	PMA description	Section 6
14	PMA Map	Section 6
Employment and Economy		
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
Demographic Characteristics		
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
Competitive Environment		
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

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Affordability, Demand, and Penetration Rate Analysis		
31	Estimate of demand	Section 11
32	Affordability analysis with capture rate	Section 11
33	Penetration rate analysis with capture rate	Section 11
Analysis/Conclusions		
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
Other Requirements		
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



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Designation Maintained By
Jeff Carroll

Membership Term
1/1/2026 - 12/31/2026



Kaitlyn Snyder
Managing Director, NH&RA

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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.