



REAL PROPERTY RESEARCH GROUP

ATLANTA ■ WASHINGTON/BALTIMORE

Market Feasibility Analysis

Block 17 Apartments

Norfolk, Virginia

Prepared for:

Block 17, L.P.

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EXECUTIVE SUMMARY

Real Property Research Group, Inc. (RPRG) has been retained by Block 17, L.P. to conduct a market feasibility study for a proposed new construction multifamily rental community to be located at the corner of Church Street and Freemason Street near St. Paul's Boulevard in downtown Norfolk, Virginia. The rental community will be developed among two components with a combined 138 apartments, which will target households with incomes at or below 40 percent, 50 percent, or 60 percent of the Area Median Income (AMI) – with a weighted average of 52.1 percent AMI - although 48 units (34 percent) will have project-based rental subsidies. An additional 42 units (30.4 percent) will be market rate units among both components. One component of the community, 68 units (49 percent), will be financed, in part, with equity raised from the sale of nine percent Low Income Housing Tax Credits, while the remaining 70 units (51 percent) will be financed, in part, with four percent Low Income Housing Tax Credits and tax-exempt bond financing.

The subject of this report, Block 17 Apartments, is that portion of the proposed rental community that includes the 68-unit component financed in part with equity raised from the sale of nine percent Low Income Housing Tax Credits. Block 17 will also contain ground-floor commercial use totaling 16,700 square feet, which will not be evaluated in this market study.

This analysis has been conducted and formatted in accordance with the 2022 Market Study Guidelines of Virginia Housing and the guidelines of the National Council of Housing Market Analysts (NCHMA). The intended use of this report is to accompany applications to Virginia Housing for nine percent (competitive) Low-Income Housing Tax Credits.

The following summarizes the subject's project's proposed unit distribution, average unit sizes, net rents, utility allowances, and income targeting:



Unit	Units	Income Level	Rent Subsidy	Net Unit Size	Contract Rent (1)	Utility Allowance	Gross Rent
Block 17 - 9% LIHTC							
1BR/1BA	1	40%	Sect 8	683	\$873	\$196	\$1,069
1BR/1BA	2	50%	Sect 8	683	\$873	\$196	\$1,069
1BR/1BA	1	50%	LIHTC	683	\$687	\$105	\$792
1BR/1BA	4	60%	LIHTC	683	\$846	\$105	\$951
1BR/1BA	4	MKT		683	\$1,233	\$105	\$1,338
2BR/2BA	4	40%	Sect 8	864	\$1,011	\$251	\$1,262
2BR/2BA	10	50%	Sect 8	864	\$1,011	\$251	\$1,262
2BR/2BA	5	50%	LIHTC	864	\$818	\$133	\$951
2BR/2BA	9	60%	LIHTC	864	\$1,008	\$133	\$1,141
2BR/2BA	13	MKT		864	\$1,533	\$133	\$1,666
3BR/2BA	2	40%	Sect 8	1,218	\$1,474	\$306	\$1,780
3BR/2BA	4	50%	Sect 8	1,218	\$1,474	\$306	\$1,780
3BR/2BA	2	50%	LIHTC	1,218	\$928	\$170	\$1,098
3BR/2BA	3	60%	LIHTC	1,218	\$1,148	\$170	\$1,318
3BR/2BA	4	MKT		1,218	\$1,779	\$170	\$1,949
Total/Avg	68				\$1,178	\$177	\$1,355
Block 18 - 4% LIHTC							
1BR/1BA	2	40%	Sect 8	683	\$873	\$196	\$1,069
1BR/1BA	2	50%	Sect 8	683	\$873	\$196	\$1,069
1BR/1BA	5	60%	LIHTC	683	\$846	\$105	\$951
1BR/1BA	5	MKT		683	\$1,233	\$105	\$1,338
2BR/2BA	8	40%	Sect 8	864	\$1,011	\$251	\$1,262
2BR/2BA	8	50%	Sect 8	864	\$1,011	\$251	\$1,262
2BR/2BA	15	60%	LIHTC	864	\$1,008	\$133	\$1,141
2BR/2BA	13	MKT		864	\$1,533	\$133	\$1,666
3BR/2BA	3	40%	Sect 8	1,218	\$1,474	\$306	\$1,780
3BR/2BA	2	50%	Sect 8	1,218	\$1,474	\$306	\$1,780
3BR/2BA	4	60%	LIHTC	1,218	\$1,148	\$170	\$1,318
3BR/2BA	3	MKT		1,218	\$1,779	\$170	\$1,949
Total/Avg	70				\$1,177	\$176	\$1,353
Grand Total	138						

(1) Contract rents include trash collection

Source: Block 17, L.P.

Based on our research, including a site visit in February 2022, we have arrived at the following findings:

Site Analysis: Located along the edge of Downtown Norfolk with a vibrant mix of commercial, institutional, and residential uses nearby, the subject site affords good access to public transportation, employment opportunities, and neighborhood services.

- The plan to reposition the subject parcel of land to a high quality, affordable rental property will benefit the local community. Surrounding land uses include public transportation, affordable multifamily, institutional, and light commercial uses.
- The site has good visibility and accessibility along the planned Church Street to the east and planned Freemason Street to the south. The Transit Center is to the north and Block 18 of the combined subject community is across an alley to the west. The subject's proximity to the Transit Center will enhance awareness. Pedestrian access is excellent at the subject site with sidewalks



available along all adjacent streets at the subject site, connecting to the surrounding neighborhoods' sidewalk network and providing convenient access to nearby neighborhood services.

- The subject's location near Norfolk's Downtown District provides convenient access to retail, cultural, and community amenities including grocery stores, schools, and community centers.
- The subject site is appropriate for affordable multifamily rental housing.

Economic Analysis: Norfolk's economy has been stable in recent years with average annual unemployment rates generally between state and national levels prior to the COVID-19 pandemic.

- The city's total labor force has remained relatively flat between 2010 to 2019, with a small net decline of 85 workers from 112,449 workers in 2010 to 112,364 workers in 2019. The number of unemployed workers declined from 9,843 workers in 2010 to 3,877 workers in 2019 while the employed portion of the total labor force grew from 102,606 workers to 108,487 workers during the same period. The number of unemployed workers spiked in April 2020 due to the onset of the COVID-19 pandemic but has decreased to roughly one-third of the April 2020 peak as of October 2021.
- Norfolk's unemployment rate improved significantly from the previous recession, dropping from 8.8 percent in 2010 to 3.5 percent in 2019, lower than the 3.7 percent national rate. Following national trends, unemployment spiked to 13.3 percent in April at the onset of the COVID-19 pandemic but recovered to 4.8 percent as of October 2021.
- The subject's market area is commuter-oriented with just under one third (30.2 percent) of St. Paul's Market Area workers reporting average commute times of 15 minutes or less each way as of 2015-2019, while 34.4 percent commuted 15 to 24 minutes and 31.5 percent commuted 25 or more minutes.
- Norfolk's At-Place Employment has fluctuated from 2010 through 2019, reaching a low of 134,424 jobs in 2014 followed by growth to an average of 141,017 jobs in 2019. Job growth averaged almost 2,100 jobs per year from 2014 to 2018, though most of these gains took place in 2017. At-Place Employment decreased by 8,225 jobs in 2020 and now stands at 132,671 as of the second quarter of 2021, a decrease of just 121 jobs from 2020.
- Norfolk's economy is concentrated among four economic sectors; nearly one out of every three citywide jobs (28.3 percent) are within the Government sector, followed by Education Health (16.4 percent), Trade-Transportation-Utilities (15.7 percent), and Professional-Business (14.2 percent). Five of 11 economic sectors added jobs in Norfolk from 2011 through the first quarter of 2021, inclusive of the recent impacts of the COVID-19 pandemic.

Population and Household Trends: The St. Paul's Market Area has grown steadily over the past 22 years with household and population growth rates projected to remain strong over the next five years.

- The St. Paul's Market Area added a net of 1,933 households, representing growth of 6.2 percent, between 2010 and 2022. As of 2022, an estimated 33,036 households reside in the St. Paul's Market Area.
- The market area is projected to reach 92,700 people and 34,902 households by 2027. Annual increases in the market area from 2022 to 2027 are projected at 823 people and 373 households, the average annual growth rate is projected at 0.9 percent for people and 1.1 percent for households, exceeding Norfolk's growth estimates of 0.1 percent for both.

Demographic Analysis: The demographics of the St. Paul's Market Area reflect its location as a suburban community outside of Downtown Norfolk with a higher percentage of young adults, singles, and households without children and total household incomes lower than Norfolk as a whole.

- Households in the St. Paul's Market Area have a higher propensity to rent than in Norfolk. The St. Paul's Market Area's renter percentage is 57.8 percent in 2022, and renters comprised 86.2



percent of net household growth over the past 12 years. RPRG projects renter households to continue to contribute 86.2 percent of net household growth over the next five years.

- Over two fifths (41.5 percent) of market area renters as of 2022 are estimated to be below the age of 35, and renter households between the ages of 35 and 54 account for 31.3 percent of all renter households within the market area. These are the households who are most likely to be permanent renters, renting more out of necessity than lifestyle preference.
- The estimated 2022 median household income in the St. Paul's Market Area is \$53,433 per year, 3.6 percent lower than the Norfolk overall median household income of \$55,497. The market area's median renter household earns \$37,142 per year. Half (48.3 percent) of the market area's renters have annual incomes below \$35,000.

Two fifths (39.2 percent) of all renter households residing in the St. Paul's Market Area have rent burdens of 40 percent or higher and 45.3 percent have rent burdens of 35 percent or higher. Additionally, 3.4 percent of the rental housing stock within the market area can be considered substandard, i.e., lacking complete plumbing facilities, or overcrowded with more than 1.0 occupants per room.

Competitive Analysis: Low vacancies reported in RPRG's survey of the lower income housing tax credit rental communities indicate the affordable rental market in the St. Paul's Market Area is tight.

- The multifamily rental housing stock is moderately aged with the market area average year built of 2001. As of our survey, 31 of the 5,562 units were reported vacant, yielding a very low overall aggregate vacancy rate of 0.6 percent. The Upper Tier communities reported 0.8 percent vacancy and Lower Tier communities reported 0.3 percent vacancy. Tax credit communities reported no vacancies.
- The effective rents for Upper Tier one-bedroom units average \$1,551 (\$2.16 per square foot); the two-bedroom units average \$1,957 (\$1.82 per square foot); and three-bedroom units average \$2,571 (\$1.88 per square foot).
- The effective rents for Lower Tier market rate one-bedroom apartments average \$1,133 (\$1.61 per square foot); two-bedroom units average \$1,350 (\$1.31 per square foot); and three-bedroom units average \$1,688 (\$1.35 per square foot).
- Only four income-restricted communities (non-deeply subsidized) are currently in the St. Paul's Market Area; all operate under LIHTC guidelines with units restricted to 50 and 60 percent AMI as well as some market rate units. Effective rents for affordable one-bedroom apartments average \$792 (\$1.07 per square foot); two-bedroom units average \$983 (\$1.02 per square foot); and three-bedroom units average \$1,188 (\$0.96 per square foot).
- RPRG identified nine near term projects totaling 1,719 units expected to be placed in service in the next three years and eight long term projects less likely to be placed in service beyond the next three years and outside the three-year net demand analysis.

Net Demand: The results of the Net Demand analysis indicate demand for 1,507 rental units over the next three years. Accounting for anticipated pipeline addition including the subject, the market area will have a short term excess supply of 257 rental units over the next three years. This excess supply represents only six additional months of demand. We note that four of the nine near-term pipeline communities are upscale market-rate properties which will not directly compete with the subject. Two communities, Aspire and Block 9, 10 & 16 (Tidewater Gardens) will contain 92 replacement units for existing affordable housing residents. Strong market conditions with full occupancy among the market's affordable rental stock indicate significant pent-up demand for affordable general occupancy rental units.

Effective Demand – Affordability/Capture and Penetration: RPRG judges that the overall renter capture rate of 0.9 percent and tax credit renter capture rate of 0.8 percent is readily achievable, particularly since the proposed apartments will be among the newest and most attractive affordable rental community within the market area. In the hypothetical situation where the subject loses its



subsidies, the overall capture rate of 1.4 percent is also achievable. RPRG considers the calculated penetration rate for the tax credit units of 7.4 percent of income-restricted renter households to be reasonable within the context of the St. Paul's Market Area Market Area. In essence, our analysis suggests that the most directly competitive rental units will need to capture approximately one out of every ten income-qualified renter households. Both the capture and penetration rates are well within a reasonable and achievable range, with or without subsidies.

Virginia Housing Demand Methodology: RPRG considers the key captures rates for Block 17 & 18 Apartments to be both reasonable and readily achievable, particularly since the project's overall capture rate is just over eight percent. Taking into consideration all these factors, we have conservatively estimated an overall project lease up pace of roughly 7 to 8 months, reflecting an average absorption pace of 18 to 20 units per month. According to Norfolk and Virginia Beach planning officials, affordable housing is a dire need throughout the cities, including the subject neighborhood. In addition, property managers at market area tax credit communities report high demand among lower-income households with consistently long wait lists at all tax credit communities.

Target Market: As indicated in the Effective Demand Analysis (Affordability/Capture & Penetration), the subject's income-restricted units without rental subsidies would serve households with incomes between \$27,154 and \$52,740. Market rate units will target moderate-income renter households earning below 100 percent of AMI. The groups most likely to reside at the subject's income restricted units include individuals working in service sectors such as retail, leisure and hospitality, or in civilian positions associated with the numerous military installations in the area. Other persons likely to reside at the subject project include government or contract workers; local public servants such as firefighters, police officers, and teachers; and early career workers in the professional-business, financial activities, information, and health sectors. It is also possible that military personnel posted to the Hampton Roads region would find the subject's apartments to be an attractive housing alternative to on-base housing.

With one, two, and three-bedroom units, the proposed community would have the capacity to serve single-person households, married and unmarried couples, roommate households, and single- and dual-parent families with as many as four children.

Considered in the context of the competitive environment, the relative position of the proposed Block 17 Apartments is as follows:

- **Structure Type:** Most competitive Lower Tier market rate and income-restricted rental communities include a mix of adaptive reuse, mid-rise and two- and three- story garden buildings. The subject will have mid-rise buildings, consistent with the market area's rental housing dynamics.
- **Project Size:** The surveyed rental communities within the market area range in size from 13 to 300 units, with an average size of 124 units. The 138-unit Block 17 & 18 Apartments will be slightly larger than the income-restricted average of 129 units and smaller than the Upper Tier average of 152 units yet well within the competitive range. The subject's size will appropriately allow it to provide on-site management and services similar to other market area rental communities.
- **Unit Distribution:** The subject will offer one-bedroom units (18.8 percent); two-bedroom units (61.6 percent); and three-bedroom units (19.6 percent). The subject's unit distribution is similar to the distribution of units in the other tax credit rental properties where one-bedroom units account for 13.6 percent of all units; two-bedroom units account for 70.0 percent; and three-bedroom units account for 16.4 percent of the supply. The proposed unit distribution positions the subject to target a wide variety of households, including single-person households, couples, roommates, single parent households and families. The proposed unit distribution is reasonable within the context of the directly competitive rental supply.



- **Income Targeting:** The subject's income targeting is as follows: 20 units (14 percent) will address households with incomes at or below 40 percent of AMI; 36 units (26.0 percent) will address households with incomes at or below 50 percent of AMI; 40 units (28.9 percent) will target households with incomes at or below 60 percent of AMI; and 42 units (30.4 percent) will be unrestricted market rate units. The subject's weighted average tax credit income target is 52.1 percent of AMI. RPRG's penetration analysis indicates that all of the subject's units as well as those existing and future units without rental subsidies address just over one out of ten (13.5 percent) of all income-qualified households.
- **Unit Size:** The proposed unit sizes for Block 17 & 18 Apartments are 683 square feet for one-bedroom units; 864 square feet for two-bedroom units; and 1,218 square feet for the average three-bedroom units. The subject's unit sizes are generally comparable to or larger than the directly competitive affordable and Lower Tier rental supply within the market area. Additionally, the units are planned with an open and modern floor plan. The size of the subject's units will be marketable and will be directly competitive with the other rental units in the multifamily supply, with a competitive advantage in some cases.
- **Number of Bathrooms:** All of the subject's one-bedroom units will have one full bathroom. Two- and three-bedroom units will have two bathrooms. Only one of the tax credit communities offer two baths for all two-bedroom units. As a result, the availability of two baths in all of the subject's two-bedroom units is viewed as a slight competitive advantage.
- **Kitchen Features:** All unit kitchens at Block 17 & 18 Apartments will include microwaves and dishwashers. Additionally, the fact that the units will have energy-efficient and modern appliances is also a positive feature.
- **Laundry:** The developer intends to equip all units at Block 17 Apartments with full-size washers and dryers. As in-unit washer/dryers are only available at eight of 24 Lower Tier or tax credit communities, this feature is considered to provide the subject with a competitive advantage.
- **Other Unit Features:** Units at Block 17 & 18 Apartments will have carpeted bedrooms and attractive vinyl plank flooring in the kitchen, living area, hallway, and bath. Carpeting is the primary flooring material throughout the market. Units will also feature USB outlets.
- **Utilities Included in Rent:** The developer proposes to include trash removal costs in monthly rents in Block 17 & 18 Apartments, leaving tenants responsible for paying all other utility bills. Wi-Fi internet capability will also be provided for each Block 17 unit at no charge. The trend among newer market area communities is to not include any utilities in the rent; 14 Upper Tier and Lower Tier communities do not include any utilities in the rent.
- **Common Area Amenities:** The developer intends to provide a significant offering of common area amenities at the subject, including community room, rooftop gathering area with outdoor seating, fitness room, bicycle parking, business center, and landscaped plaza. The proposed slate of amenities would position the subject community similar to or exceeding most market rate properties in the primary market area. Clubhouses/community rooms, fitness centers, and outdoor pools are available at most Upper Tier market area communities but are less available among Lower Tier communities. The proposed amenity slate is considered to be a competitive advantage in many cases.
- **Parking:** The subject will have free surface parking which is consistent with the other tax credit and Lower Tier communities. Many communities in the Downtown and Ghent Districts do not offer free parking options. As such, free surface parking is also considered an advantage in some cases.

Price Position/Rents: The tax credit rents proposed by the developer for Block 17 & 18 Apartments are at or below the allowable maximums for all unit types, given the assumed utility allowances of \$105 for one-bedroom units; \$133 for two-bedroom units; and \$170 for three-bedroom units. The proposed rents are considered to be reasonable when viewed within the context of the directly competitive rental supply.



Absorption Estimate: In estimating an absorption pace for the subject community, we consider recent absorption activity in the market in addition to demand and supply factors. As mentioned previously, several Upper Tier and Lower Tier market rate rental communities as well as one tax credit community have opened within the past three years. Known absorption details are as follows:

- **St. Paul's Apartment Homes:** The market area's newest tax credit community (and just north of the subject site) delivered 126 LIHTC units targeting households earning up to 50 and 60 percent AMI, as well as a small number of market rate units, in March 2019. The community completed lease up in June 2019 for an average absorption rate of 42 units per month.
- Several market rate communities have delivered recently: The Point on 38th (stabilized August 2021) averaging 30 units per month; Peanut Factory Flats (stabilized June 2020) averaging 21 units per month; Museum Apartments (stabilized February 2019) with an average absorption pace of 9 units per month with slower lease up due to unit delivery delays according to leasing staff; Icon (stabilized July 2018) with an average absorption of 38 units per month; First Colony Flats (stabilized June 2018) with an average absorption pace of 26 units per month; Savoy Apartments (stabilized June 2018) with an average absorption of 9 units per month; Tidewater Square (stabilized July 2019) with an average absorption pace of 21.7 units per month; and B&G Place (stabilized May 2019) with an average absorption pace of 19.5 units per month.

We note many of these communities were in lease up simultaneously with one or several additional communities. The affordable nature of the subject community will likely result in higher absorption rates than those reported by market rate communities.

We also consider the possibility of the subject leasing up simultaneously with tax credit pipeline communities. With these considerations, we conservatively estimate an absorption pace of 18 to 20 units per month. Assuming this absorption pace, we would expect that the subject would attain stabilized occupancy in approximately 7 to 8 months. This estimate is conservative considering St. Paul's Apartments, north of the subject site within the same neighborhood, reported an average absorption rate of 42 units in June 2019.

Impact on Existing Market: RPRG does not anticipate that the subject will have an adverse impact on the existing rental market. The income-restricted rental communities within the market area are fully occupied and communities reporting wait lists. Additionally, the subject's Virginia Housing capture rate for all units in the project is 1.8 percent while the capture rate for those units without rental subsidies is 3.1 percent. Both are reasonable and achievable. Importantly, the overall penetration rate for the income-restricted units is low at 7.4 percent.



I. INTRODUCTION

A. Overview of Subject

Block 17 Apartments is a proposed new construction multifamily rental community to be located at the corner of Church Street and Freemason Street near St. Paul's Boulevard in downtown Norfolk, Virginia. The Block 17 rental community is one of two components of a combined hybrid affordable multifamily development. Block 17 & 18 Apartments will total 138 rental units, most of which will be income-restricted in accordance with the Department of Housing and Urban Development's 2021 median household income for the Virginia Beach-Norfolk-Newport News-VA-NC MSA (Table 1).

The subject, Block 17 Apartments, will consist of 68 general occupancy apartments (49 percent of total developed units) to be financed, in part, with equity raised from the sale of nine percent Low Income Housing Tax Credits. Block 18 Apartments will be developed simultaneously and will include 70 general occupancy units (51 percent) to be financed using four percent Low Income Housing Tax Credits and tax-exempt bond financing. The project will be referenced as two components but constructed simultaneously.

This report is intended to be submitted as part of an application for the nine percent Low Income Housing Tax Credits component comprised of 68 rental units planned for Block 17 Apartments.

B. Purpose

The purpose of this study is to perform a market feasibility report and analysis. This report examines the subject site, the economic context of the jurisdiction in which the site is located, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of net demand and effective demand (affordability/penetration analyses). In accordance with Virginia Housing's 2021 Market Study Guidelines, both net and effective demand will include all of the subject's units proposed for both components of the development.

C. Format of Report

The report format is Comprehensive. Accordingly, the market study addresses all required items set forth in the 2021 Market Study Guidelines of Virginia Housing. Furthermore, the market analyst has considered the recommended model content and market study index of the National Council of Housing Market Analysts (NCHMA).

D. Client, Intended User, and Intended Use

Block 17, L.P. is Real Property Research Group's (RPRG's) Client for this market study. Along with the Client, the Intended Users are representatives of Virginia Housing and potential investors. The subject report will be submitted to Virginia Housing as part of an application for nine percent (competitive) tax credits. A separate report will be submitted to Virginia Housing as part of an application for four percent (non-competitive) tax credit.

E. Applicable Requirements

This market study is intended to conform to the requirements of the National Council of Housing Market Analyst's (NCHMA) content standards and Virginia Housing's 2021 Market Study Guidelines.

Table 1 HUD Rent & Income Limits

HUD 2021 Median Household Income											
Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area	\$84,500										
Very Low Income for 4 Person Household	\$42,250										
2021 Computed Area Median Gross Income	\$84,500										
Utility Allowance:	1 Bedroom	\$105									
	2 Bedroom	\$133									
	3 Bedroom	\$170									
Household Income Limits by Household Size:											
Household Size	30%	40%	50%	60%	80%	100%	120%	150%	200%		
1 Person	\$17,760	\$23,680	\$29,600	\$35,520	\$47,360	\$59,200	\$71,040	\$88,800	\$118,400		
2 Persons	\$20,280	\$27,040	\$33,800	\$40,560	\$54,080	\$67,600	\$81,120	\$101,400	\$135,200		
3 Persons	\$22,830	\$30,440	\$38,050	\$45,660	\$60,880	\$76,100	\$91,320	\$114,150	\$152,200		
4 Persons	\$25,350	\$33,800	\$42,250	\$50,700	\$67,600	\$84,500	\$101,400	\$126,750	\$169,000		
5 Persons	\$27,390	\$36,520	\$45,650	\$54,780	\$73,040	\$91,300	\$109,560	\$136,950	\$182,600		
6 Persons	\$29,430	\$39,240	\$49,050	\$58,860	\$78,480	\$98,100	\$117,720	\$147,150	\$196,200		
Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):											
Persons	# Bedrooms	30%	40%	50%	60%	80%	100%	120%	150%	200%	
1	0	\$17,760	\$23,680	\$29,600	\$35,520	\$47,360	\$59,200	\$71,040	\$88,800	\$118,400	
1.5	1	\$19,020	\$25,360	\$31,700	\$38,040	\$50,720	\$63,400	\$76,080	\$95,100	\$126,800	
3	2	\$22,830	\$30,440	\$38,050	\$45,660	\$60,880	\$76,100	\$91,320	\$114,150	\$152,200	
4.5	3	\$26,370	\$35,160	\$43,950	\$52,740	\$70,320	\$87,900	\$105,480	\$131,850	\$175,800	
6	4	\$29,430	\$39,240	\$49,050	\$58,860	\$78,480	\$98,100	\$117,720	\$147,150	\$196,200	
LIHTC Tenant Rent Limits by Number of Bedrooms (assumes 1.5 persons per bedroom):											
# Persons		30%		40%		50%		60%		80%	
		Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Efficiency		\$444		\$592		\$740		\$888		\$1,184	
1 Bedroom		\$475	\$370	\$634	\$529	\$792	\$687	\$951	\$846	\$1,268	\$1,163
2 Bedroom		\$570	\$437	\$761	\$628	\$951	\$818	\$1,141	\$1,008	\$1,522	\$1,389
3 Bedroom		\$659	\$489	\$879	\$709	\$1,098	\$928	\$1,318	\$1,148	\$1,758	\$1,588
4 Bedroom		\$735		\$981		\$1,226		\$1,471		\$1,962	

Source: U.S. Department of Housing and Urban Development

F. Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below.

- Please refer to Appendix 2 for a detailed list of NCHMA requirements and the corresponding pages of requirements within the report.
- Justin Moultrie, Analyst for Real Property Research Group, Inc., conducted a visit to the subject site, its immediate neighborhood, and wider primary market area on February 7, 2022.
- RPRG gathered primary information through field and phone interviews with rental community leasing agents and property managers. In the course of research, we obtained information on proposed developments through interviews with the Norfolk Planning Department, checked listings of recent LIHTC awards, reviewed news articles, corresponded with the Baltimore HUD office, and spoke to developers and lenders.
- All pertinent information obtained was incorporated in the appropriate section(s) of this report.



G. Report Limitations

The conclusions reached in a market feasibility analysis are inherently subjective and should not be relied upon as a determinative predictor of results that will actually occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix 1 of this report.

II. PROJECT DESCRIPTION

A. Project Overview

Block 17 & 18 Apartments is a proposed Lower Income Housing Tax Credit (LIHTC) multifamily community to be located at 600 E Freemason Street in Downtown Norfolk, VA at the corner of two proposed new roads, Church Street and Freemason Street. The overall project, composed of two components, will include 138 apartments and associated community amenities for each component. The project will have two separate financing structures. Block 17, the subject of this report, will consist of 68 units among three upper floors with ground floor commercial space. These apartments will be financed, in part, with equity raised from the sale of nine percent (competitive) tax credits. The second component, Block 18, will include the remaining 70 units to be financed using equity proceeds from the sale of four percent (non-competitive) tax credits and tax-exempt bond financing. The owner for Block 17 is Block 17, L.P. and the owner for Block 18 is Block 18, L.P. Figure 1 illustrates the conceptual rendering for the proposed apartment Block 17 apartment building.

Figure 1 Building Rendering, Block 17 Apartments



Source: Block 17, L.P.

B. Project Type and Target Market

Block 17 & 18 Apartments will be a general occupancy multifamily rental complex that will target low- and moderate-income renter households. The project will have two components with separate financing structures. Of the 138 apartments, 48 units (34 percent) will have project-based Section 8 rental subsidies and the remaining 90 units (66 percent) will require that tenants pay the contract rent or have their own Housing Choice voucher. These 138 rental units will include a broad range of target incomes with units restricted to households with incomes at 40 percent, 50 percent, and 60 percent of Area Median Income (AMI) for the Virginia Beach-Norfolk-Newport News-VA-NC MSA, with a total

LIHTC weighted average income-restriction of 52.1 percent AMI, as adjusted for household size. Both components will also contain non-income restricted units offered at market rent. The 68 units at Block 17 Apartments will be financed, in part, with nine percent (competitive) tax credits. The remaining 70 units in an additional component will be financed, in part, with equity raised from the sale of four percent (non-competitive) tax credits and tax-exempt bond financing. With a unit mix of one, two and three-bedroom units, the community will target a range of renter households, including single-person households, couples, roommates, and families with as many as six persons.

C. Building Types and Placement

The proposed Block 17 & 18 Apartments will consist of two components to be financed, in part, with tax credits. The nine percent LIHTC component will include one (1) four-story mid-rise residential building on a 1.32-acre site (Figure 2). This portion of the subject site will include commercial uses on the ground floor, adjacent landscaped plaza, and an associated 40-space surface parking lot.

A second project component financed using four percent tax credits will be comprised of one (1) four-story residential building and one (1) one-story parking garage connected to the residential building providing a total of 102 total spaces, including 37 spaces designated for commercial use.

Block 17 is accessed via the alley off of the new Freemason Street. Block 18 has access two access points, Freemason Street and the alley. Tenant pedestrians will access the site using the alley.

Figure 2 Preliminary Site Plan, Block 17 Apartments



Source: Block 17, L.P.



D. Detailed Project Description

1. Project Description

Block 17 & 18 Apartments will include a total of 138 one, two, and three-bedroom units. Each community represents a separate component and as such, each component will have its own amenities. All of the apartments and community amenities will be constructed simultaneously, although with two different financing structures. Although the material design palate for each community is different, from a renter perspective, there will be no distinction between the portion of the rental community financed with nine percent tax credits compared with the portion financed with four percent tax credits. Table 2 summarizes the proposed project's two components based upon financing structure as well as their associated unit distribution, income targeting, unit sizes, net rents, and utility allowances.

Table 2 Detailed Unit Mix and Rents, Block 17 & 18 Apartments

Unit	Units	Income Level	Rent Subsidy	Net Unit Size	Contract Rent (1)	Utility Allowance	Gross Rent
Block 17 - 9% LIHTC							
1BR/1BA	1	40%	Sect 8	683	\$873	\$196	\$1,069
1BR/1BA	2	50%	Sect 8	683	\$873	\$196	\$1,069
1BR/1BA	1	50%	LIHTC	683	\$687	\$105	\$792
1BR/1BA	4	60%	LIHTC	683	\$846	\$105	\$951
1BR/1BA	4	MKT		683	\$1,233	\$105	\$1,338
2BR/2BA	4	40%	Sect 8	864	\$1,011	\$251	\$1,262
2BR/2BA	10	50%	Sect 8	864	\$1,011	\$251	\$1,262
2BR/2BA	5	50%	LIHTC	864	\$818	\$133	\$951
2BR/2BA	9	60%	LIHTC	864	\$1,008	\$133	\$1,141
2BR/2BA	13	MKT		864	\$1,533	\$133	\$1,666
3BR/2BA	2	40%	Sect 8	1,218	\$1,474	\$306	\$1,780
3BR/2BA	4	50%	Sect 8	1,218	\$1,474	\$306	\$1,780
3BR/2BA	2	50%	LIHTC	1,218	\$928	\$170	\$1,098
3BR/2BA	3	60%	LIHTC	1,218	\$1,148	\$170	\$1,318
3BR/2BA	4	MKT		1,218	\$1,779	\$170	\$1,949
Total/Avg	68				\$1,178	\$177	\$1,355
Block 18 - 4% LIHTC							
1BR/1BA	2	40%	Sect 8	683	\$873	\$196	\$1,069
1BR/1BA	2	50%	Sect 8	683	\$873	\$196	\$1,069
1BR/1BA	5	60%	LIHTC	683	\$846	\$105	\$951
1BR/1BA	5	MKT		683	\$1,233	\$105	\$1,338
2BR/2BA	8	40%	Sect 8	864	\$1,011	\$251	\$1,262
2BR/2BA	8	50%	Sect 8	864	\$1,011	\$251	\$1,262
2BR/2BA	15	60%	LIHTC	864	\$1,008	\$133	\$1,141
2BR/2BA	13	MKT		864	\$1,533	\$133	\$1,666
3BR/2BA	3	40%	Sect 8	1,218	\$1,474	\$306	\$1,780
3BR/2BA	2	50%	Sect 8	1,218	\$1,474	\$306	\$1,780
3BR/2BA	4	60%	LIHTC	1,218	\$1,148	\$170	\$1,318
3BR/2BA	3	MKT		1,218	\$1,779	\$170	\$1,949
Total/Avg	70				\$1,177	\$176	\$1,353
Grand Total	138						

(1) Contract rents include trash collection

Source: Block 17, L.P.



In Block 17 & 18 Apartments, the proposed one-bedroom units will have one bathroom while the two- and three-bedroom units will have two full bathrooms. For both components, the one-bedroom units will average 683 net square feet; two-bedroom units will average 864 net square feet; and three-bedroom units will average 1,218 net square feet. The monthly net rents at Block 17 Apartments will include the cost of trash removal. The remaining utility costs, including general electricity, heat, cooking, heating and cooling, hot water, water, and sewer will be the direct responsibility of future tenants. The proposed utility allowances for the non-subsidized units are as follows: \$105 for one-bedroom units; \$133 for two-bedroom units; and \$170 for three-bedroom units. The community will include unrestricted free surface parking.

While most units in the Block 17 component (as well as in the Block 18 component) will require that tenants pay a contract rent or utilize their own Housing Choice voucher, 48 units (34 percent) will have project-based Section 8 rental subsidies. Of the 48 units with project-based vouchers, 23 will be located in Block 17 (nine percent tax credit component) and 25 will be located in Block 18 (four percent tax credit component). Block 17 & 18 will also have 42 market rate units (30.4 percent). Higher utility allowances are used for the Section 8 units.

All units at Block 17 & 18 Apartments will be equipped with an electric range, refrigerator with an icemaker, dishwasher, microwave, range hood, in-unit washer and dryer, and garbage disposal (Table 3). Kitchen appliances will have standard finishes.

A full-size washer/dryer will be provided in each unit. All units will have central air conditioning. The units will have carpeted bedrooms and vinyl plank flooring in other areas.

Common area amenities for Block 17, will include business center with computer access, terraced seating, lounge seating, and landscaped plaza. Select units will have private balconies.

Table 3 Unit Features and Community Amenities

Unit Features	Community Amenities
<ul style="list-style-type: none"> • Energy Star appliances including Microwave and Dishwasher • USB outlets • Internet access • In-unit full-size washer and dryer • Carpeted Bedrooms and Vinyl plank flooring in other areas • Private balconies in select units 	<ul style="list-style-type: none"> • Landscaped plaza • Fitness Center • Off-Street Surface and Bicycle Parking • Ground floor retail, commercial, and community incubator tenants • Rooftop deck with outdoor gathering space (Block 17 only) • Business Center with computer access

Source: Block 17, L.P.

2. Other Proposed Uses

In addition to the proposed Block 17 apartment buildings and associated surface parking will be constructed simultaneously with Block 18 (4 percent tax credit component). The subject site will have ground floor commercial use which is not addressed in this study.

3. Proposed Timing of Development

Construction on Block 17 Apartments is expected to commence in March 2023 with first move-ins and construction completion in June 2024.

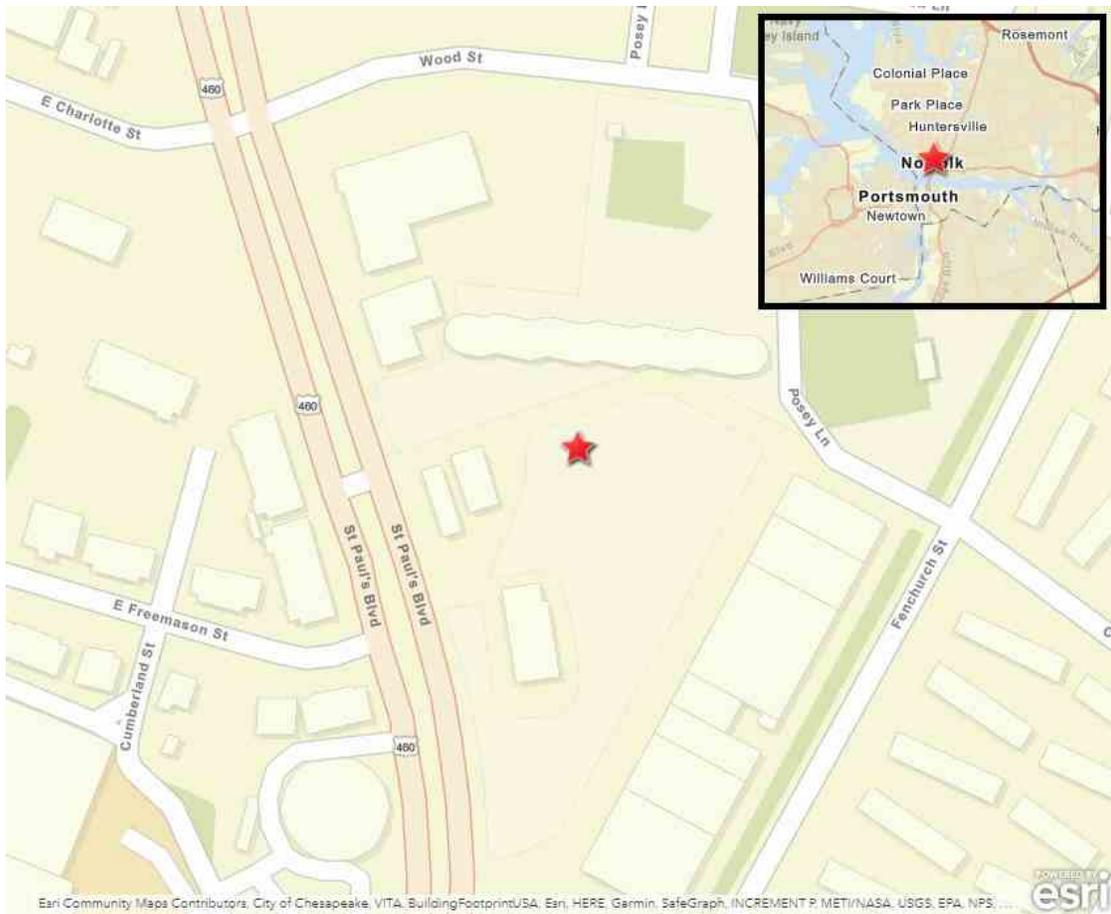
III. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location

The subject site is situated south of the Norfolk Downtown Transit Center, at the corner of the future Church and Freemason Streets in Norfolk, Virginia (Map 1). The existing roadways shown on Map 1 will be redeveloped to include Church and Freemason Streets as referenced in the project overview. The site is in the St. Paul's neighborhood, a city quadrant encompassing approximately 115 acres of land located just east of Norfolk's Downtown district.

Map 1 Site Location



2. Existing Uses

As observed during RPRG's recent site visit on February 7, 2022, the subject site is currently being used as a parking lot. (Figure 3).

3. Size, Shape, and Topography

The site for Block 17 Apartments is 1.32 acres and is roughly rectangular in shape. The site's overall topography is flat.

Figure 3 Views of Subject Site



View of site facing southwest from Downtown Norfolk Bus Transfer



View of site facing northeast from St. Paul's Boulevard



View of site facing northwest



View of site facing southeast from St. Paul's Boulevard



View from the center of the site facing west towards St. Paul's Boulevard

4. General Description of Land Uses Surrounding the Subject Site

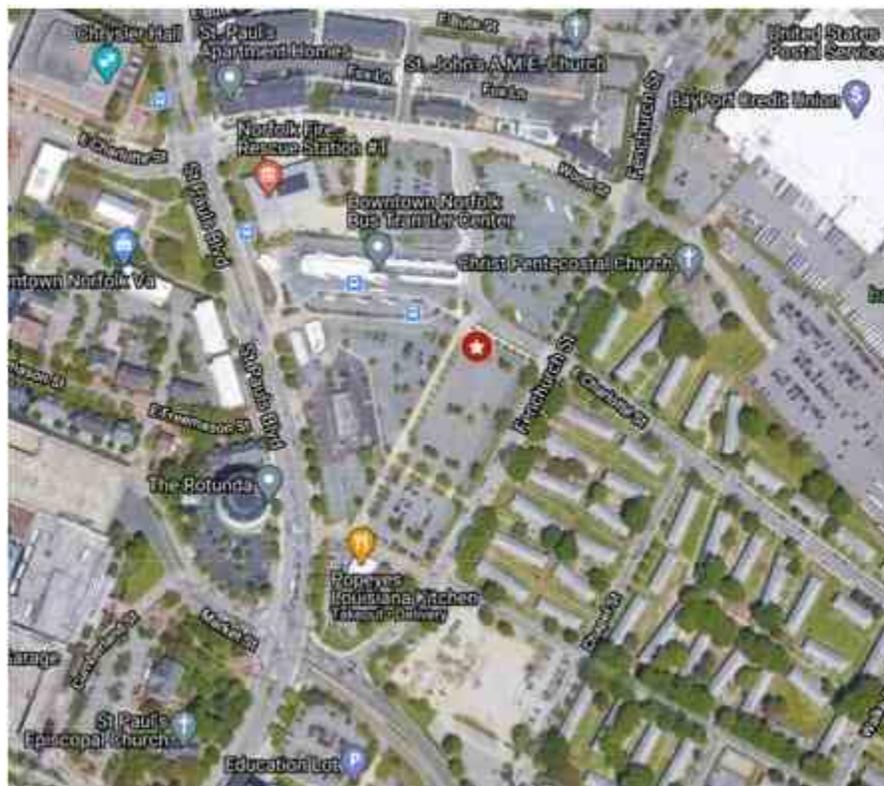
The subject neighborhood marks a transition from residential neighborhoods to the east and northeast to more dense development consistent with a central-city urban area to the west. Land uses surrounding the subject site include multifamily residential, public transportation, light commercial, retail, and institutional (Figure 4).

Many uses within the St. Paul's neighborhood are owned by the city or federal government. These include several parking lots, Tidewater Gardens, a 616-unit public housing community currently undergoing demolition to make way for the redevelopment of the St. Paul's area, the Downtown Norfolk Transit Center, Tidewater Park Elementary School, and the Norfolk Schools Administration Building. A United States Post Office processing and distribution facility is located northeast of the site.

The uses along St. Paul's Boulevard, one block west of the site, form the eastern edge of the Downtown district of Norfolk. Downtown Norfolk is a vibrant, dense, pedestrian-friendly, mixed-use environment. The Downtown district is relatively compact (and thus walkable), spreading roughly ten blocks from north to south and between six and eight blocks from east to west.

A desirable residential and mixed-use neighborhood known as Ghent spreads to the north and northwest of Downtown. Ghent offers quality shopping and dining opportunities, additional cultural facilities, and a large campus of medical uses. In contrast, neighborhoods to the north and east of the St. Paul's neighborhood are more modest, though these neighborhoods have witnessed scattered reinvestment over the most recent decade. The campus of Norfolk State University anchors the neighborhood to the southeast of the St. Paul's neighborhood.

Figure 4 Satellite Image of Site and Surrounding Land Uses



5. Specific Identification of Current Land Uses Surrounding the Subject Site

The land uses directly bordering the subject site are as follows and are presented in Figure 5:

- **North:** The Downtown Norfolk Transit Center which opened in 2016. The center has interior space to wait, public restrooms, and a customer service desk; each of the 14 routes that serve the center has a designated stop. The recently completed St. Paul's Apartments LIHTC multifamily community is along the north side of Wood Street. The second phase of the St. Paul redevelopment is planned just north of the subject site. Block 19/20 Apartments will have 120 general occupancy units along with 70 senior tax credit units with construction expected to commence in the near future.
- **East:** Tidewater Gardens public housing community is directly east of Fenchurch Street. However, a full demolition of Tidewater Gardens will make way for revitalization efforts in the neighborhood. A United States Post Office processing and distribution facility is located directly northeast of the site and Tidewater Park Elementary School is further east.
- **South:** A parking lot and a Popeye's restaurant are directly south of the subject site; Tidewater Gardens extends further southeast.
- **West:** To the northwest is a recently developed fire station (Norfolk Fire Station #1), along St Paul's Boulevard as are additional commercial facilities, Tidewater Park, and the Hurrah Players performance hall.

Figure 5 Views of Surrounding Land Uses



Transit Center northwest of subject site



Tidewater Gardens public housing community east of site, undergoing demolition



Condo community west of site



Existing Parking lot and site of future Block 19/20 Apartments



Retail and commercial uses southwest of site



Office buildings northwest of site

B. Neighborhood Analysis

After a decade of planning efforts targeting the redevelopment of this area, the St. Paul’s Quadrant Plan was released in October 2012. Numerous factors have led to redevelopment efforts by the City of Norfolk and the Norfolk Redevelopment & Housing Authority; The Quadrant has a sizable percentage of public land ownership, experienced ongoing issues with flooding during storms, and includes the obsolete Tidewater Gardens public housing community. The quadrant is also a key neighborhood for the city of Norfolk due to its proximity to the Downtown District and regional destinations and amenities.

The overall concept of the St. Paul’s Area Plan is that the St. Paul’s Quadrant is strategically located as the most logical geographic area into which Norfolk’s largely built-out Downtown district can expand over the coming decades. Buildings within the dense, pedestrian-friendly, mixed-use Downtown district currently extend to the western and southwestern boundaries of the St. Paul’s Quadrant at St. Paul’s Boulevard and City Hall Avenue. The St. Paul’s Area Plan envisions the St. Paul’s Quadrant redeveloped with a dense mixed-use and pedestrian-friendly development pattern that would seamlessly integrate the currently underutilized district into Downtown. The plan calls for higher-density mixed-use development in the western segment of the St. Paul’s Quadrant (generally to the west of the existing Church and Fenchurch Streets) and a focus on more moderate-density residential and civic uses in the eastern segment of the quadrant. The St. Paul redevelopment area also includes the redevelopment of the Tidewater Gardens public housing community. The subject community



represents the next phase in the redevelopment of the St. Paul Area which envisions a transformational design containing a variety of housing types and a neighborhood designed for safe, comfortable streets supporting the needs of families.

Downtown Norfolk is a vibrant dense pedestrian-friendly mixed-use environment. The Downtown district is relatively compact and walkable, spreading roughly ten blocks from north to south and between six and eight blocks from east to west. Downtown Norfolk's largest retail destination is the MacArthur Center, one of the region's largest retail destinations located less than one mile west of the subject including department stores, a variety of retailers, and dining establishments.

The central Norfolk region (west and east of the subject site) has several projects either recently completed or currently underway including The Main, a \$164 million public-private investment project which opened in 2017, offers a 300-room Hilton hotel, three full-service restaurants and a 105,000-square-foot conference center. In addition, Norfolk's Waterside Festival Marketplace recently completed extensive renovations. Developer Buddy Gadams recently converted the 24-story Bank of America office building into a mixed-use project including luxury apartments (Icon at City Walk), a ground-floor restaurant, and a fitness facility. Simon Property Group recently completed the \$75 million Norfolk Premium Outlets at the former Lake Wright Golf Course. Additionally, planning continues for a potential expansion of The Tide light rail into Virginia Beach. The City of Norfolk is also currently seeking a redevelopment proposal for the former 1.03-acre Greyhound bus station site at 701 Monticello Avenue adjacent to the NEON district in Downtown Norfolk. Redevelopment plans are also underway for Military Circle Mall, which was recently purchased by the Norfolk Economic Development Authority. Redevelopment proposals include a mixed-use development with residential and retail space.

Neighborhoods throughout the eastern portions of the area are generally low- to middle-income with more affluent households to the west and northwest. A large concentration of retail amenities is six miles east of the subject along the Military Highway corridor centered on Military Circle Mall. The Norfolk Premium Outlets are located further northeast as well. Norfolk is a primary commercial and employment center for the larger South Hampton Roads region comprised of Norfolk, Virginia Beach, Chesapeake, Portsmouth, and Suffolk. Residents living in this portion of the South Hampton Roads region have access to both urban and suburban settings with numerous employment opportunities and convenient access to the region's recreational amenities.

Approximately 83,000 active military are stationed in the Hampton Roads region. The massive Naval Station Norfolk is the heart of the military network in the region. The base occupies 4,300 acres and is the largest naval complex in the world, according to its website. The facility is home to aircraft and ships ranging from submarines to aircraft carriers. The Norfolk Naval Shipyard in Portsmouth is itself a sizable facility, covering 800 acres and featuring four miles of waterfront. The military will continue to play a vital role in the economy of Norfolk and in the surrounding jurisdictions into the foreseeable future.

C. Site Visibility and Accessibility

1. Visibility

The site has good visibility and accessibility along the planned Church Street to the east, the planned Freemason Street to the south, Transit Center to the north and Block 18 across an alley to the west. The subject's proximity to the Transit Center will enhance awareness. Pedestrian access is excellent at the subject site with sidewalks available along all adjacent streets at the subject site, connecting to the surrounding neighborhoods' sidewalk network and providing convenient access to nearby neighborhood services.



2. Vehicular Access

The site is well-integrated into the surface road network and highway network of Norfolk and the wider Hampton Roads region. Arterial roadways pass just north (Brambleton Avenue), east (Tidewater Drive), and west (St. Paul's Boulevard) of the site. Just over one block to the north of Brambleton, St. Paul's Boulevard merges with Monticello Avenue and continues northward under the name Monticello. The east-west highway Interstate 264 is accessible approximately 0.5 mile south of the site. Westbound I-264 is accessible from southbound Tidewater Drive or at the St. Paul's Boulevard/Market Street intersection. Eastbound I-264 is accessible from the St. Paul's/Market intersection, but not from southbound Tidewater. Shortly after these access points, westbound I-264 crosses over the Elizabeth River via the Berkley Bridge. Interstate 464 is accessible just across the bridge and travels southbound into the City of Chesapeake. Meanwhile, I-264 continues west via the Downtown Tunnel into the City of Portsmouth. Westbound I-264 eventually crosses into Virginia Beach, beyond an interchange of Interstate 64.

3. Availability of Public and Inter Regional Transit

Hampton Roads Transit (HRT) is the primary provider of mass transit services to the citizens of Norfolk. The other regional cities incorporated within the HRT transit network are Chesapeake, Portsmouth, Virginia Beach, Hampton, and Newport News. Most of the HRT transit routes are bus routes, though the system also includes a trolley in Virginia Beach and a paddlewheel ferry that links downtown Portsmouth and downtown Norfolk.

The region's light rail system, The Tide, links key activity nodes in and near Downtown Norfolk, including the Eastern Virginia Medical Center, Civic Plaza, the MacArthur Center, Harbor Park, and Norfolk State University. Monticello Station is two blocks west of the site.

As previously mentioned, the new Downtown Norfolk Transit Center is located north of the site. Local routes 1, 2, 3, 4, 6, 8, 9, 11, 13, 18, 20 and 45, plus MAX Routes 960 and 961 all stop at this station. Monday through Saturday service is provided between roughly 5:00 am and 12:00 midnight.

4. Pedestrian Access

Surrounding streets are equipped with sidewalks and crosswalks, and the subject site will be well-integrated with the pedestrian network providing convenient access to nearby amenities and services. While signaled crosswalks are available at key intersections, components of the St. Paul's Area Plan include enhancements to pedestrian access in the immediate area.

5. Roadway Improvements under Construction and Planned

Through site visit observations, a review of the Virginia Department of Transportation's (VDOT) Fiscal Years current Six-Year Improvement Program and a review of their website, RPRG assessed whether any capital improvement projects impacting road, transit, or pedestrian access to the subject site are currently underway or likely to commence in the next few years.

Roads and infrastructure within the St. Paul's area will be redeveloped with upgrades to include drainage improvements, utility replacement and upgrades, road improvements, among other infrastructure improvements.

The I-64/I-264 Interchange Improvements Project is the most significant transportation improvement project in the area. Upon completion, this project will enhance accessibility in the area surrounding the subject site; the interchange is four miles southeast of the subject site. The I-64/I-264 Interchange



Improvements Phase I is nearing completion with additional phases planned to provide additional capacity, reduce daily congestion, and improve safety and traffic operations in the corridor.

Similarly, numerous VDOT road projects are either underway or under study to mitigate traffic congestion throughout the entire Hampton Roads region. Some of these projects include the replacement of bridges throughout the region, the widening of roads and improvements in intersections, the construction of a new I-564 intermodal connector, among others.

6. Public Safety

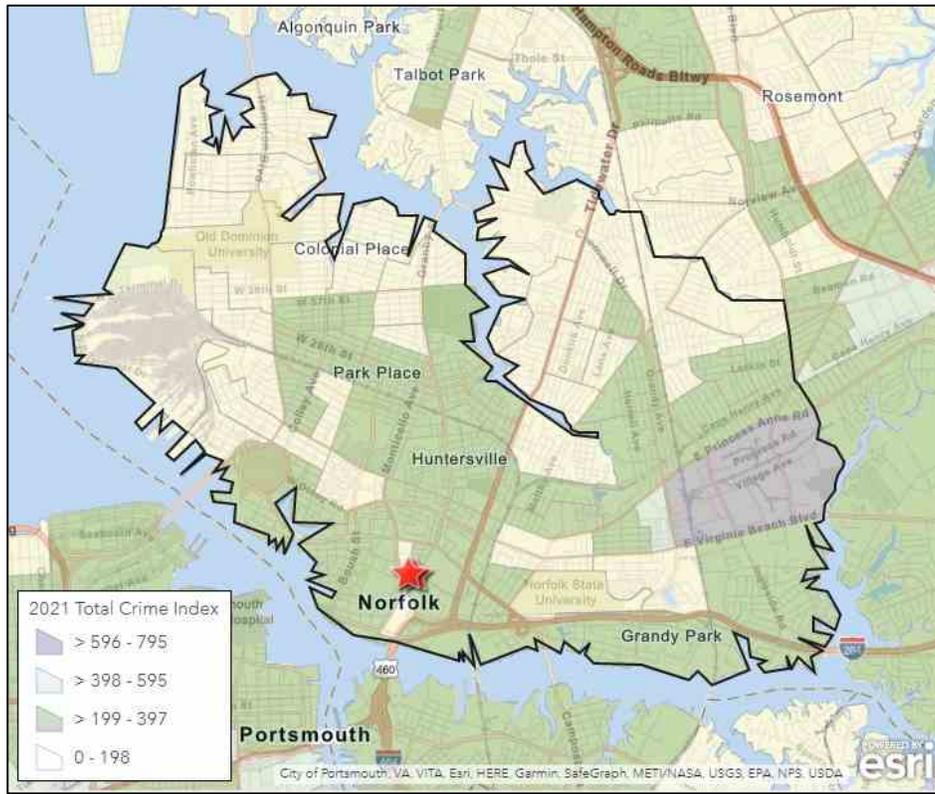
The Norfolk Police Department, which is responsible for the subject site's neighborhood, is located 0.6 miles to the south at 811 City Hall Avenue. The subject is one block east of Norfolk Fire Rescue Station Number 1 located at 450 St Paul's Boulevard. Emergency responders should thus generally be able to reach the subject site quickly when needed.

In order to gauge the topic of crime in the vicinity of the subject site, RPRG considered CrimeRisk data provided by Applied Geographic Solutions (AGS). CrimeRisk is an index that measures the relative risk of crime compared to a national average at the narrow geographic level of U.S. Census block groups. AGS analyzes known socio-economic indicators for local jurisdictions that report crime statistics to the Federal Bureau of Investigations (FBI) under the Uniform Crime Reporting (UCR) program. The UCR program tracks violent crimes (murder, forcible rape, robbery, and aggravated assault) and property crimes (burglary, larceny-theft, auto theft, and arson).

Based on modeling of these relationships, CrimeRisk provides a detailed view of the risk of total crime as well as specific crime types at the block-group level. Aggregate indexes have been prepared as a total crime index (as well as separately for violent and property crimes in accordance with the reporting procedures used in the UCR reports). An index value of 100 reflects a total crime risk on par with the national average, with values below 100 reflecting below average risk and values above 100 reflecting above average risk. In considering the indexes, note that they are not weighted, such that a murder is weighted no more heavily than a purse snatching. The indexes provide a useful measure of the relative overall crime risk in an area but are most useful when considered in conjunction with other measures.

Map 2 displays the 2021 CrimeRisk index for the block groups near the subject site. The relative risk is displayed in gradations from light yellow (least risk) to deep purple (most risk). The block groups that contain the subject site and immediately adjacent parcels are shaded green, indicative of an overall moderate level of crime. Inspections of the subject site and surrounding neighborhood as well as interviews with local property managers indicate crime or the perception of crime are not expected to negatively impact the subject site.

Map 2 Crime Index Map



D. Residential Support Network

1. Key Facilities and Services near the Subject Site

The appeal of any given community is often based in part of its proximity to those facilities and services required daily. Key facilities and services and their distances from the subject site are listed in Table 4 and their locations are plotted on Map 3.

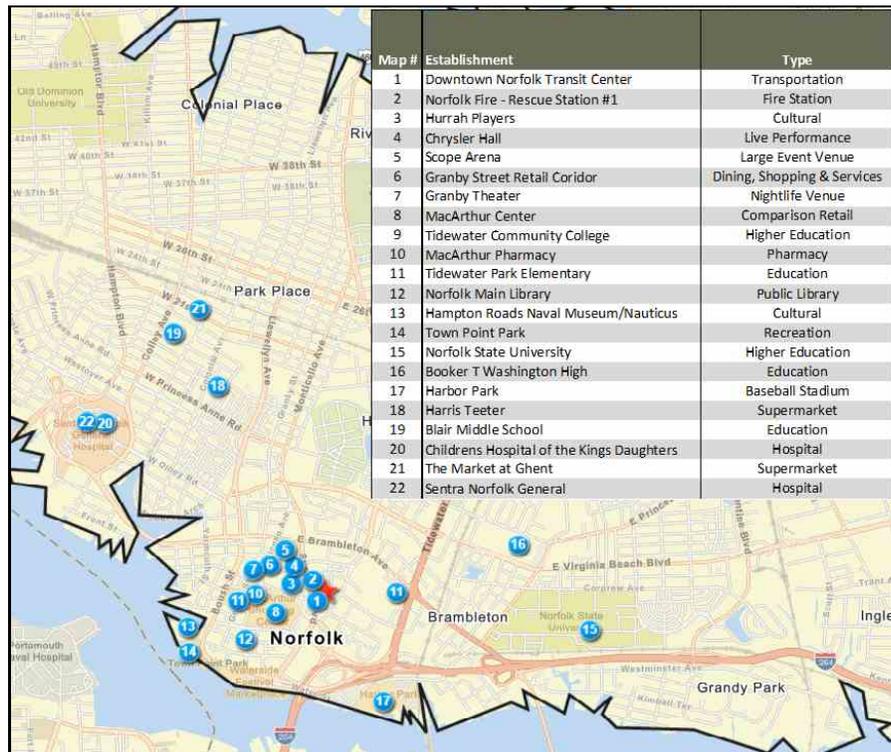


Table 4 Key Facilities and Services

Map #	Establishment	Type	Address	Distance (Miles) from Subj.
1	Downtown Norfolk Transit Center	Transportation	434 St. Paul's Blvd	0.2
2	Norfolk Fire - Rescue Station #1	Fire Station	450 St. Paul's Blvd	0.2
3	Hurrah Players	Cultural	450 St. Paul's Blvd	0.2
4	Chrysler Hall	Live Performance	215 St. Paul's Blvd	0.2
5	Scope Arena	Large Event Venue	201 E. Brambleton Ave	0.2
6	Granby Street Retail Corridor	Dining, Shopping & Services	B/t Charlotte & Main St	0.3
7	Granby Theater	Nightlife Venue	412 Granby St	0.4
8	MacArthur Center	Comparison Retail	300 Monticello Ave	0.4
9	Tidewater Community College	Higher Education	300 Granby St	0.5
10	MacArthur Pharmacy	Pharmacy	261 Granby St	0.5
11	Tidewater Park Elementary	Education	1045 W Brambleton Ave	0.5
12	Norfolk Main Library	Public Library	250 E. Plume St	0.7
13	Hampton Roads Naval Museum/Nauticus	Cultural	1 Waterside Dr	0.9
14	Town Point Park	Recreation	Waterside Dr	1.1
15	Norfolk State University	Higher Education	700 Park Ave	1.1
16	Booker T Washington High	Education	111 Park Ave	1.3
17	Harbor Park	Baseball Stadium	150 Park Ave	1.3
18	Harris Teeter	Supermarket	1320 Colonial Ave	1.7
19	Blair Middle School	Education	730 Spotswood Ave	1.7
20	Childrens Hospital of the Kings Daughters	Hospital	601 Childrens Lane	1.9
21	The Market at Ghent	Supermarket	730 W 21st St	1.9
22	Sentra Norfolk General	Hospital	600 Gresham Dr	1.9

Source: Field and Internet Research, Real Property Research Group, Inc.

Map 3 Location of Key Facilities and Services





2. Essential Services

a) Health Care

The site has good access within less than five miles to medical and other support services that are crucial to the health and well-being of residents choosing to rent at the subject. The 525-bed Sentara Norfolk General Hospital (a Level I Trauma Center), 112-bed Sentara Heart Hospital, 206-bed Children's Hospital of the King's Daughters, and Eastern Virginia Medical School are clustered approximately 1.5 miles to the northwest just outside downtown Norfolk. The four facilities in effect form one large campus bounded by Brambleton Avenue, Colley Avenue and Hampton Boulevard. The campus is typically regarded as the preeminent destination for medical services in the Hampton Roads region.

Another full-service hospital in Norfolk is Sentara Leigh Hospital, located at 830 Kempsville Road, roughly seven miles to the northeast of the proposed subject. Sentara Leigh Hospital has 250 inpatient beds as well as outpatient services and an emergency room. Sentara Norfolk General Hospital recently completed a \$199 million expansion and modernization project, adding floors to two existing wings, expanding the emergency department, expanding 18 operating rooms, replacing a 48-bed ward-style Special Care Nursery with a state-of-the-art unit with private and semi-private rooms, and consolidating the hospital's 54 ICU beds on two floors.

b) Education

Norfolk Public Schools serve roughly 32,000 students with over 2,500 teachers. The school system includes over 45 total schools: 31 elementary schools, 10 middle schools, and 5 high schools, as well as additional specialty schools. Five schools are combined elementary-middle schools (Academy for Discovery Lakewood, Ghent K-8, Crossroads, Lake Taylor, and Southside STEM Academy at Campostella.) Students residing at the subject site would attend Tidewater Park Elementary School (0.6 mile from the subject site), Blair Middle School (1.7 mile), and B.T. Washington High School (1.1 mile).

Compared to other schools in the school system reporting school scores, Tidewater Park Elementary ranked 24th of 27 elementary schools, Blair Middle School ranked 3rd of 10 middle schools, and B.T. Washington High ranked 5th of 5 high schools for the 2020-2021 school year (Table 5). Norfolk's average school scores are below the state-wide averages.



Table 5 Norfolk Schools, Test Scores

VSLA - 2020/2021					VSLA - 2020/2021				
Elementary Schools		Grade 5			Middle Schools		Grade 8		
Rank		English	Math	Composite	Rank		English	Math	Composite
1	Larchmont Elementary	75.0%	62.0%	68.5%	1	Academy for Discovery at Lakewood	79.0%	43.0%	61.0%
2	Walter Herron Taylor Elementary	66.0%	58.0%	62.0%	2	Ghent K-8	75.0%	47.0%	61.0%
3	Mary Calcott Elementary	66.0%	53.0%	59.5%	3	Blair Middle	57.0%	29.0%	43.0%
4	Bay View Elementary	68.0%	43.0%	55.5%	4	Northside Middle	58.0%	25.0%	41.5%
5	Sewells Point Elementary	65.0%	44.0%	54.5%	5	Crossroads Elementary	50.0%	26.0%	38.0%
6	Tarralton Elementary	68.0%	38.0%	53.0%	6	Azalea Gardens Middle	54.0%	21.0%	37.5%
7	Larrymore Elementary	59.0%	42.0%	50.5%	7	Norview Middle	54.0%	19.0%	36.5%
8	Willard Model Elementary	52.0%	29.0%	40.5%	8	Lake Taylor	45.0%	22.0%	33.5%
9	Sherwood Forest Elementary	51.0%	28.0%	39.5%	9	Southside STEM Academy at Campostella	37.0%	11.0%	24.0%
10	Camp Allen Elementary	49.0%	24.0%	36.5%	10	William H. Ruffner Middle	30.0%	11.0%	20.5%
11	Ocean View Elementary	53.0%	20.0%	36.5%	Norfolk City Average		53.9%	25.4%	39.7%
12	Ingleside Elementary	45.0%	25.0%	35.0%	State Average		76.0%	77.0%	76.5%
13	Little Creek Elementary	49.0%	20.0%	34.5%					
14	Norview Elementary	45.0%	19.0%	32.0%					
15	Granby Elementary	41.0%	21.0%	31.0%					
16	Oceanair Elementary	43.0%	17.0%	30.0%					
17	Suburban Park Elementary	39.0%	21.0%	30.0%					
18	Tanners Creek Elementary	38.0%	15.0%	26.5%					
19	Coleman Place Elementary	38.0%	13.0%	25.5%					
20	Richard Bowling Elementary	30.0%	13.0%	21.5%					
21	Lindenwood Elementary	34.0%	7.0%	20.5%					
22	James Monroe Elementary	24.0%	9.0%	16.5%					
23	St. Helena Elementary	25.0%	7.0%	16.0%					
24	Tidewater Park Elementary	25.0%	5.0%	15.0%					
25	Chesterfield Academy Elementary	21.0%	7.0%	14.0%					
26	Jacox Elementary	20.0%	5.0%	12.5%					
27	Old Fairlawn Elementary								
Norfolk City Average		45.7%	24.8%	35.3%					
State Average		78.0%	81.0%	79.5%					

High Schools				
EOC - 2020/2021				
Rank	High Schools	Reading	Algebra II	Composite
1	Matthew Fontaine Maury High	84.0%	44.0%	64.0%
2	Norview High	78.0%	32.0%	55.0%
3	Granby High	74.0%	31.0%	52.5%
4	Lake Taylor High	61.0%	38.0%	49.5%
5	Booker T Washington High	59.0%	26.0%	42.5%
Norfolk City Average		71.2%	34.2%	52.7%
State Average		86.0%	91.0%	88.5%

Source: Virginia Department of Education

The closest institutions of higher learning to the subject site include Tidewater Community College in downtown Norfolk and Norfolk State University (NSU) located one mile southeast of the subject site. NSU enrolls over 6,800 students in a wide number of Bachelor degree programs, 18 Master’s level degree programs and several Doctoral degree programs. NSU is well known throughout the region for its schools of Education, Liberal Arts, Science and Technology, Social Work and Business/Entrepreneurship.

An additional major public university – Old Dominion University (ODU) – is five miles northwest of the subject. Old Dominion University (ODU) enrolls nearly 20,000 undergraduate students in 70 bachelor’s degree programs. More than 5,000 graduate students are enrolled in ODU’s 54 master’s degree programs and 42 doctoral programs. The major colleges include Arts and Letters, Business and Public Administration, Education, Engineering and Technology, Health Sciences and Sciences.

3. Shopping

Retail amenities are extensive throughout the subject neighborhood. The closest supermarket to the site is Harris Teeter located 1.3 miles from the subject. A variety of smaller markets are located near the subject site as well.

Downtown Norfolk’s largest retail destination is the MacArthur Center, an indoor shopping mall anchored by Dillard’s, and a Barnes & Noble bookstore that serves the needs of Tidewater Community College students and staff as well as the general public. In-line retailers at the mall include many desirable national chains (such as Abercrombie & Fitch, Ann Taylor, Apple, Aveda, The Body Shop, Banana Republic, Express, Coldwater Creek, Eddie Bauer, and Brookstone), personal services establishments, and restaurants. In total, the MacArthur Center is home to more than 140 retail establishments. The MacArthur Center lies approximately one mile west of the subject site along Monticello Avenue.



An additional large concentration of retail in the area is five miles east of the subject along Military Highway centered at Military Circle Mall. This location is being considered for a large-scale redevelopment. The nearby J.A.N.F. Shopping Yard is a one million-square-foot strip center with several major retailers, such as BJ's, TJ Maxx, Petco, and Costco, among others.

4. Recreational and Other Community Amenities

The larger St. Paul's Area redevelopment plan, including the Tidewater Gardens redevelopment, calls for additional public open space and parks within the subject neighborhood. Neighborhoods surrounding the subject site include multiple recreational amenities. Brambleton Community Outreach Center is 1.3 miles east of the subject along Marshall Avenue offering multi-purpose rooms, indoor athletic courts, a fitness center, playground, outdoor athletic fields, a community kitchen, and an arts/crafts room.

The subject's location offers proximity to several downtown Norfolk recreational and cultural amenities including Scope Arena, Chrysler Hall, the Hurrah Players Perry Family Theatre, the Norfolk Police & Fire Museums, and Moses Myers House. Granby Street is Downtown Norfolk's traditional "shopping street", occupied with restaurants and entertainment-oriented venues at street level. The revitalized Waterside District, along the south side of the Downtown District, includes 135,000 square feet of retail, event, and public space overlooking the Elizabeth River. Harbor Park Stadium, home of the Norfolk Tides minor league baseball team, is located 1.5 miles southeast from the subject site along I-264. The police department, fire station, and the local library are all located within two miles of the site.

5. Overall Site Conclusion

The subject site is appropriate for affordable multifamily rental housing. Pedestrian access is excellent with schools, a public transit center, and multiple neighborhood services within a short walk. The subject site is conveniently located near primary transportation thoroughfares providing local and regional access to neighborhood services and employment centers in central and downtown Norfolk. A variety of retail and neighborhood services are within a short drive including a grocery store just over one mile from the subject site. Adjacent land uses include affordable multifamily residential, public transportation, institutional, commercial, and parcels slated for future redevelopment.



IV. ECONOMIC CONTEXT

A. Introduction

This section of the report focuses primarily on economic trends and conditions in Norfolk, Virginia, the city in which the subject site is located. Economic trends in Virginia and the nation are also discussed for comparison purposes. The full economic impact on any specific market area or county will be dependent on the longevity and severity of the COVID-19 pandemic including the emergence of new variants over the next several months, which may be affected by widespread availability and distribution of vaccines as well as state and local government actions. RPRG will provide an analysis and conclusion on the potential impact of COVID-19 in the Findings and Conclusions section of this market study.

B. Labor Force, Resident Employment, and Unemployment

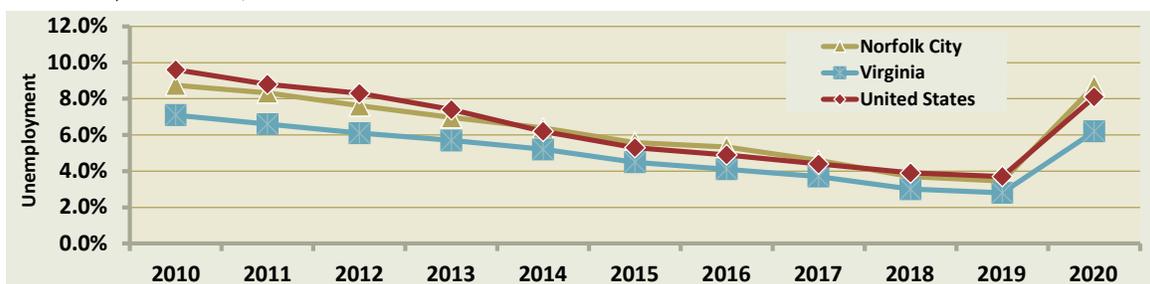
1. Trends in Annual Average Labor Force, Resident Employment, and Unemployment Rates

Norfolk’s average annual labor force remained relatively unchanged from 2010 to 2019, from 112,449 workers in 2010 to 112,364 workers in 2019, a slight decrease of 85 workers or less than one percent, prior to the COVID-19 pandemic (Table 6). The employed portion of the labor force increased most years from 2010 to 2019 with a net increase of 5,881 workers or 5.7 percent; the number of workers classified as unemployed was more than halved from 9,843 in 2010 to 3,877 workers in 2019. The overall labor force declined to 111,825 workers in 2020 with the onset of the COVID-19 pandemic. The number of unemployed workers roughly doubled from 2019 to 2020 with a corresponding decrease in the number of employed workers.

Table 6 Annual Average Labor Force and Unemployment Data

Annual Average Unemployment	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Labor Force	112,449	112,932	112,848	112,762	111,971	110,513	110,210	111,593	111,338	112,364	111,825
Employment	102,606	103,527	104,251	104,905	104,820	104,340	104,327	106,473	107,224	108,487	102,074
Unemployment	9,843	9,405	8,597	7,857	7,151	6,173	5,883	5,120	4,114	3,877	9,751
Unemployment Rate											
Norfolk City	8.8%	8.3%	7.6%	7.0%	6.4%	5.6%	5.3%	4.6%	3.7%	3.5%	8.7%
Virginia	7.1%	6.6%	6.1%	5.7%	5.2%	4.5%	4.1%	3.7%	3.0%	2.8%	6.2%
United States	9.6%	8.8%	8.3%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%

Source: U.S. Department of Labor, Bureau of Labor Statistics



Norfolk’s annual average unemployment rate was below the national average from 2010-2013 before trending slightly higher starting in 2014. Norfolk’s average unemployment rate of 3.5 percent in 2019 represented a significant drop from the recession-era high of 8.8 percent in 2010 and was lower than the 3.7 percent national rate yet higher than the state’s 2.8 percent average. Average annual



unemployment rates increased sharply in all three areas in 2020 due to the COVID-19 pandemic with the city’s 8.7 percent above the state’s 6.2 percent and near the nation’s 8.1 percent.

2. Trends in Recent Monthly Unemployment Data

The impact of the COVID-19 pandemic on the Norfolk economy is presented in recent monthly labor force and unemployment data. The total labor force remained relatively unchanged through the first March of 2020, reaching 113,317 workers, but decreased by 2,459 workers or 2.2 percent in April 2020 at the onset of the COVID-19 pandemic (Table 7). The number of unemployed workers increased from 4,498 workers in March 2020 to 14,736 workers in April 2020. The city’s total labor force fluctuated through 2020 and 2021, reaching 106,829 workers in October 2021. The total number of unemployed workers as of October 2021 was 5,169, a 65 percent decrease from the 14,736 workers classified as unemployed in April 2020.

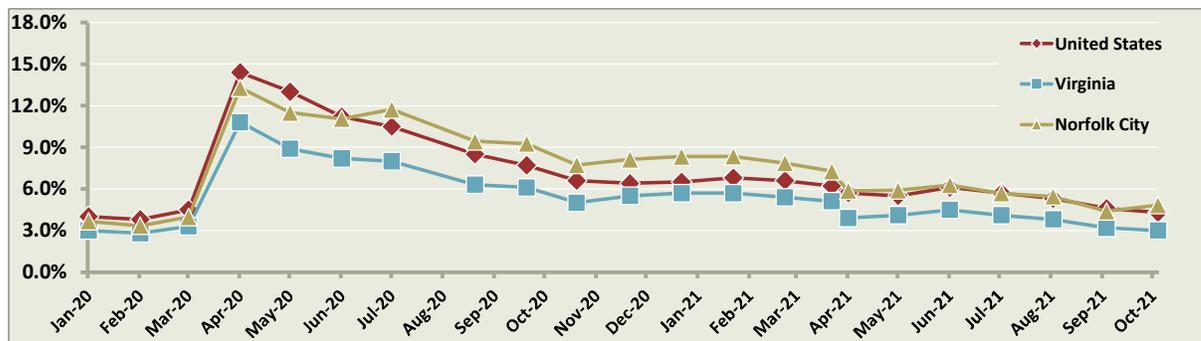
The city’s unemployment rate remained relatively flat over the first three months of 2020 but spiked to 13.3 percent in April 2020; this increase reflects the impact of business-related closures related to the COVID-19 pandemic. Peak unemployment rates were 13.3 percent in Norfolk, 10.8 percent in Virginia, and 14.4 percent in the nation. Unemployment rates have subsequently improved as of October 2021, reaching 4.8 percent in Norfolk, 3.0 percent in the state, and 4.3 percent in the nation.

Table 7 Monthly Labor Force and Unemployment Rates

2020 Monthly Unemployment	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Labor Force	112,273	112,762	113,317	110,858	112,614	113,603	116,654	114,540	112,061	111,496	109,201	109,109
Employment	108,168	108,996	108,819	96,122	99,661	101,044	102,966	103,732	101,673	102,881	100,317	100,018
Unemployment	4,105	3,766	4,498	14,736	12,953	12,559	13,688	10,808	10,388	8,615	8,884	9,091
Unemployment Rate												
Norfolk City	3.7%	3.3%	4.0%	13.3%	11.5%	11.1%	11.7%	9.4%	9.3%	7.7%	8.1%	8.3%
Virginia	3.0%	2.8%	3.3%	10.8%	8.9%	8.2%	8.0%	6.3%	6.1%	5.0%	5.5%	5.7%
United States	4.0%	3.8%	4.5%	14.4%	13.0%	11.2%	10.5%	8.5%	7.7%	6.6%	6.4%	6.5%

2021 Monthly Unemployment	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21
Labor Force	108,829	108,972	109,313	107,536	108,019	109,616	110,246	107,961	106,357	106,829
Employment	99,745	100,401	101,369	101,230	101,638	102,727	103,985	102,066	101,700	101,660
Unemployment	9,084	8,571	7,944	6,306	6,381	6,889	6,261	5,895	4,657	5,169
Unemployment Rate										
Norfolk City	8.3%	7.9%	7.3%	5.9%	5.9%	6.3%	5.7%	5.5%	4.4%	4.8%
Virginia	5.7%	5.4%	5.1%	3.9%	4.1%	4.5%	4.1%	3.8%	3.2%	3.0%
United States	6.8%	6.6%	6.2%	5.7%	5.5%	6.1%	5.7%	5.3%	4.6%	4.3%

Source: U.S. Department of Labor, Bureau of Labor Statistics



C. Commutation Patterns

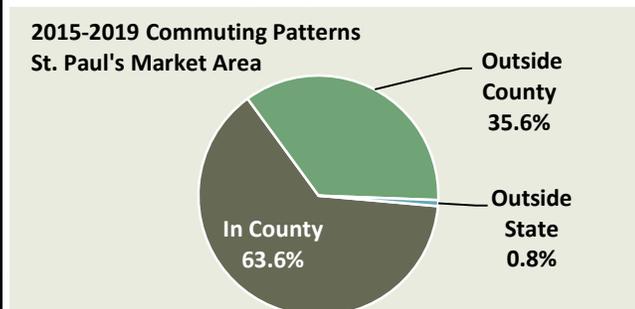
Norfolk is one of the economic engines of the large and economically diverse Hampton Roads region, which is also comprised of the municipalities of Chesapeake, Portsmouth, Virginia Beach, Hampton and Newport News, among others. The economic integration of the Hampton Roads region is demonstrated by reference to commuting patterns for residents of the primary market area for the subject project – labeled the St. Paul’s Market Area and defined in the next section. Data from the 2015 to 2019 American Community Survey (ACS) show that 63.6 percent of all market area workers were employed in Norfolk, while 35.6 percent commuted to another Virginia municipality (Table 8). Less than one percent of employed market area residents work outside Virginia.

Just under one third (30.2 percent) of St. Paul’s Market Area workers reported average commute times of 15 minutes or less each way as of 2015-2019, while 31.5 percent commuted 15 to 24 minutes and 30.3 percent commuted 25 or more minutes.

Table 8 Commutation Data, St. Paul’s Market Area

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home:	40,360	96.1%	Worked in state of residence:	41,677	99.2%
Less than 5 minutes	1,452	3.5%	Worked in county of residence	26,713	63.6%
5 to 9 minutes	4,695	11.2%	Worked outside county of residence	14,964	35.6%
10 to 14 minutes	6,550	15.6%	Worked outside state of residence	342	0.8%
15 to 19 minutes	7,965	19.0%	Total	42,019	100%
20 to 24 minutes	6,473	15.4%			
25 to 29 minutes	2,302	5.5%			
30 to 34 minutes	5,870	14.0%			
35 to 39 minutes	568	1.4%			
40 to 44 minutes	890	2.1%			
45 to 59 minutes	1,566	3.7%			
60 to 89 minutes	1,190	2.8%			
90 or more minutes	839	2.0%			
Worked at home	1,659	3.9%			
Total	42,019				

Source: American Community Survey 2015-2019



Source: American Community Survey 2015-2019

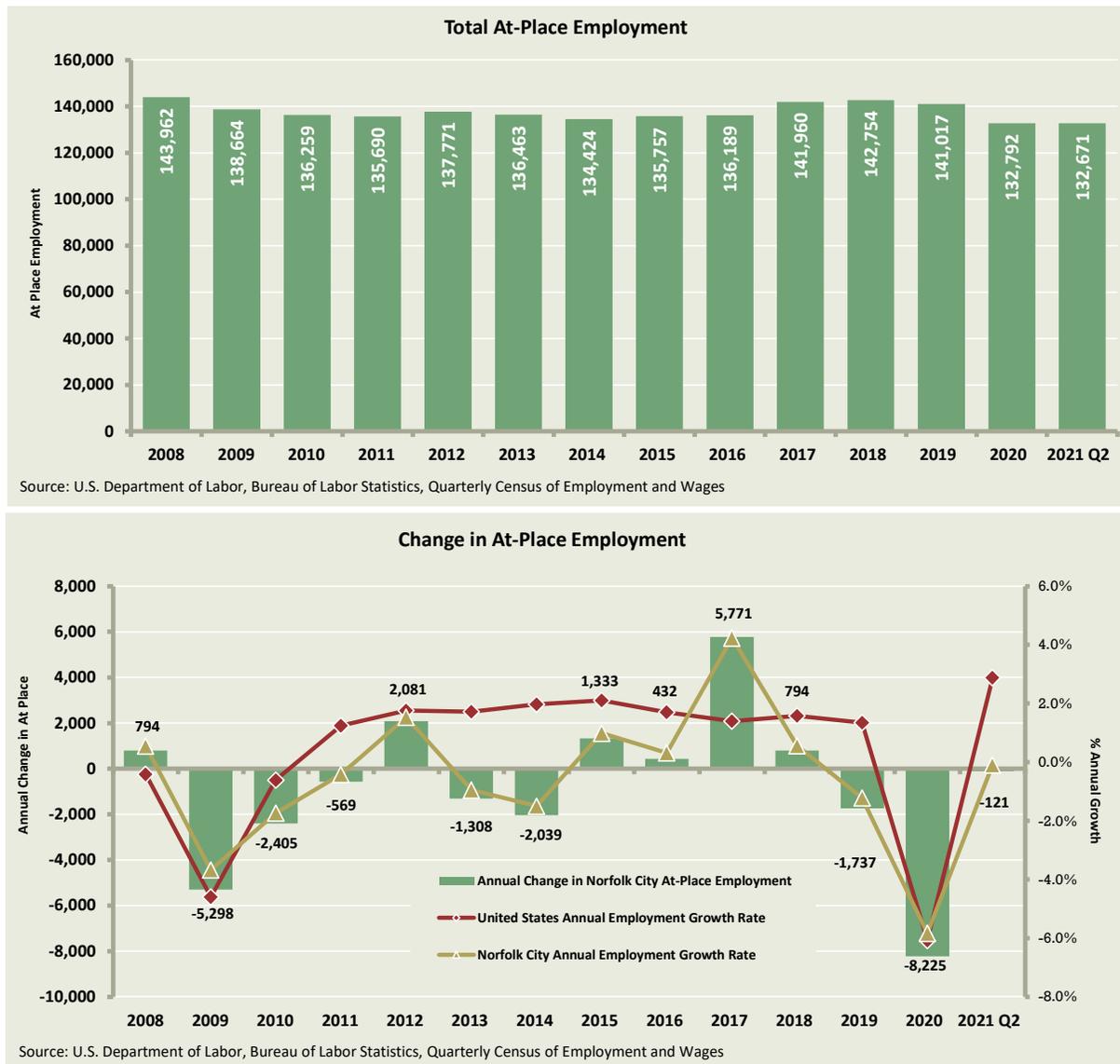
D. At-Place Employment

1. Trends in Total At-Place Employment

Norfolk’s At-Place Employment has fluctuated between 2008 and 2019, reaching a low of 134,424 jobs in 2014 followed by steady growth to 141,017 jobs in 2019 (Figure 6). Job growth averaged almost 2,100 jobs per year from 2014 to 2018, though most of these gains took place in 2017. Reflecting the impact of COVID-19 pandemic related closures, At-Place Employment in Norfolk decreased to 132,792 in 2020, a decrease of 5.8 percent or 8,225 jobs. The rate of loss in Norfolk was less than the nation’s 6.1 percent and these losses are expected to be largely temporary. During the first half of 2021, At-Place Employment stabilized, ticking down by 121 jobs (0.1 percent) compared to 2.9 percent growth in the nation. These losses in Norfolk reflect the ongoing impact of the COVID-19 pandemic although we would anticipate a rebound in the subsequent quarters, consistent with declining unemployment as presented in Table 7.



Figure 6 At-Place Employment, Norfolk



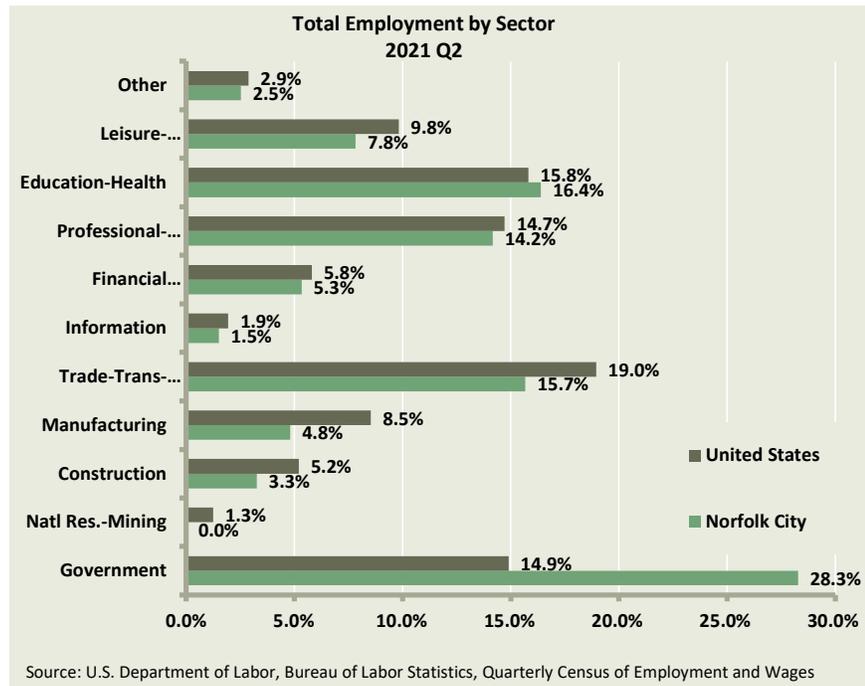
2. At-Place Employment by Industry Sector

Norfolk’s At-Place Employment is heavily weighted toward local, state, and federal government with this economic sector, representing nearly one-third (28.3 percent) of jobs in the city as of the second quarter of 2021 (Figure 7). The concentration of government jobs locally exceeds the national proportion of 14.9 percent. Education-Health is Norfolk’s second largest economic sector and is responsible for 16.4 percent of local employment. The largest job sector nationally (Trade-Transportation-Utilities) is the third largest job sector in Norfolk, representing 15.7 percent of all employment. The generally well-paying and white-collar Professional-Business, Financial Activities, and Information sectors contribute similar percentages of jobs compared to national proportions. The goods producing sectors of Manufacturing and Construction account for a combined 8.1 percent of Norfolk’s job base, while contributing 13.7 percent nationally.



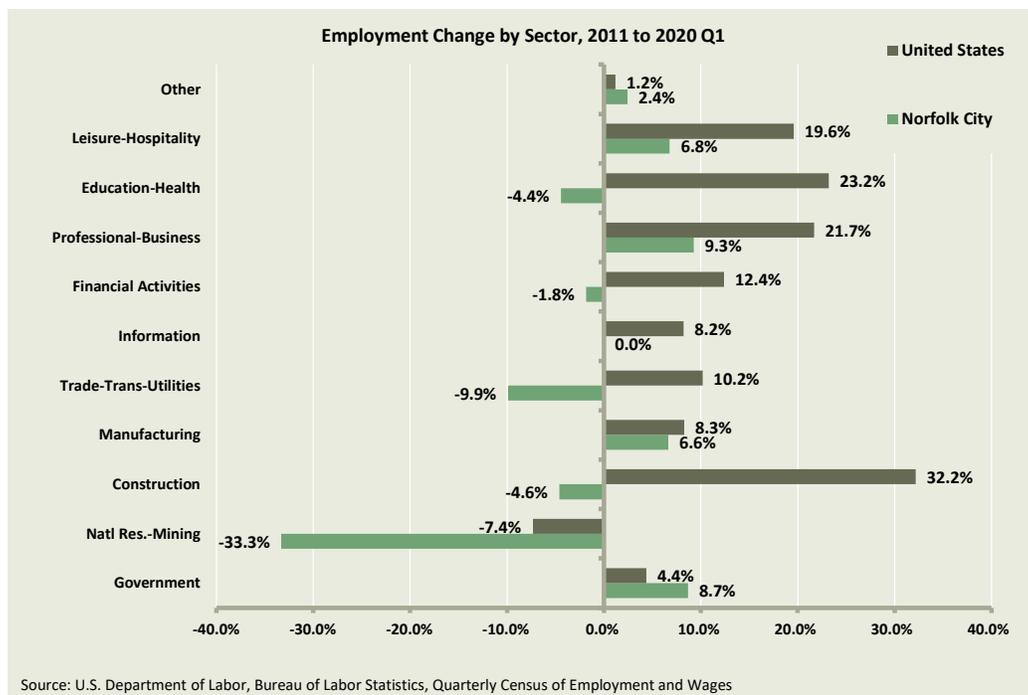
Figure 7 Total Employment by Sector

Norfolk City Employment by Industry Sector 2021 Q2	
Sector	Jobs
Other	3,352
Leisure-Hospitality	10,384
Education-Health	21,752
Professional-Business	18,802
Financial Activities	7,082
Information	2,008
Trade-Trans-Utilities	20,806
Manufacturing	6,376
Construction	4,333
Natl. Res.-Mining	9
Government	37,511
Total Employment	132,416



Six of 11 economic sectors added jobs in Norfolk from 2011 through the first quarter of 2021, prior to the recent impacts of the COVID-19 pandemic (Figure 8). The key Government sector grew by 8.7 percent; Manufacturing increased by 6.6 percent; and Professional-Business added 9.3 percent. The second and third largest sectors of Education-Health and Trade-Transportation-Utilities contracted by 4.4 percent and 9.9 percent, respectively. The city’s share of Leisure-Hospitality jobs grew by 6.8 percent.

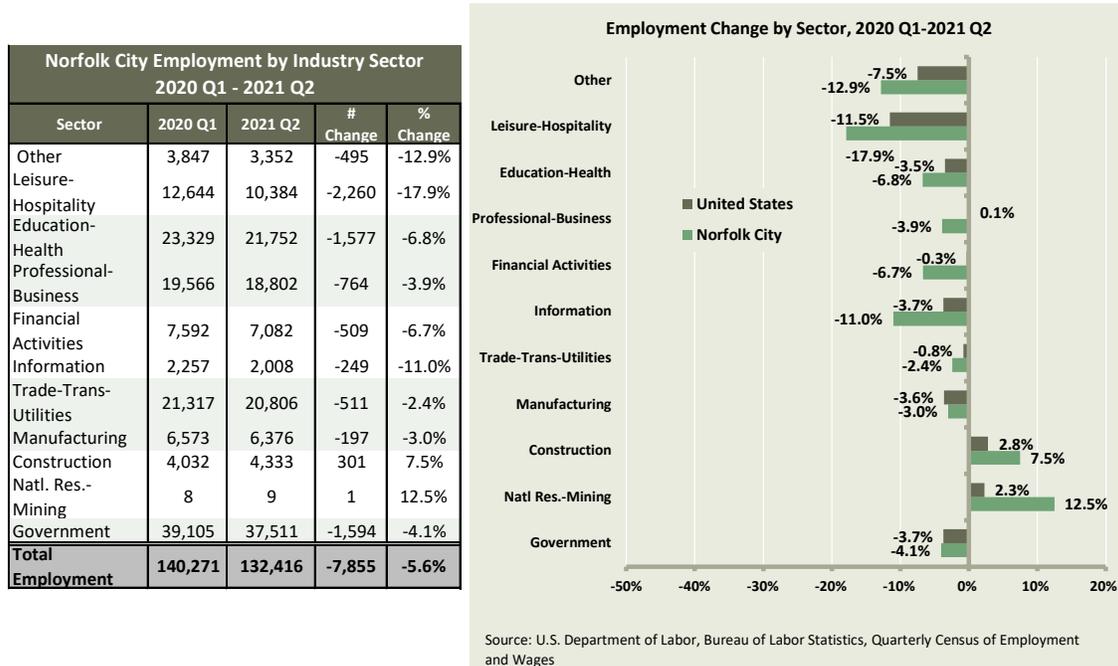
Figure 8 Employment Change by Sector, 2011-2020 Q1





Given the rapidly changing economic conditions in the latter part of 2020, we have isolated At-Place Employment change by sector from the first quarter of 2020 (Pre-Pandemic) to the second quarter of 2021 (most recent data available) (Figure 9). Over this period, nine of 11 sectors lost jobs, with the most significant losses on a nominal basis in the Leisure-Hospitality sector (2,260 jobs lost) followed by 1,577 jobs lost in the Education-Health sector. During this period in Norfolk, Construction added 301 jobs and Natural-Resources-Mining remained flat.

Figure 9 Employment Change by Sector, 2020 Q1-2021 Q2



E. Wage Data

The 2020 average annual wage in Norfolk was \$61,617, \$3,542 or 5.4 percent lower than the state-wide average of \$65,159 (Table 9). Norfolk’s average wage was \$2,396 or 3.7 percent below the national average of \$64,013. Norfolk’s average annual wage in 2020 represents an increase of \$15,875 or 34.7 percent since 2010.

Table 9 Wage Data, Norfolk

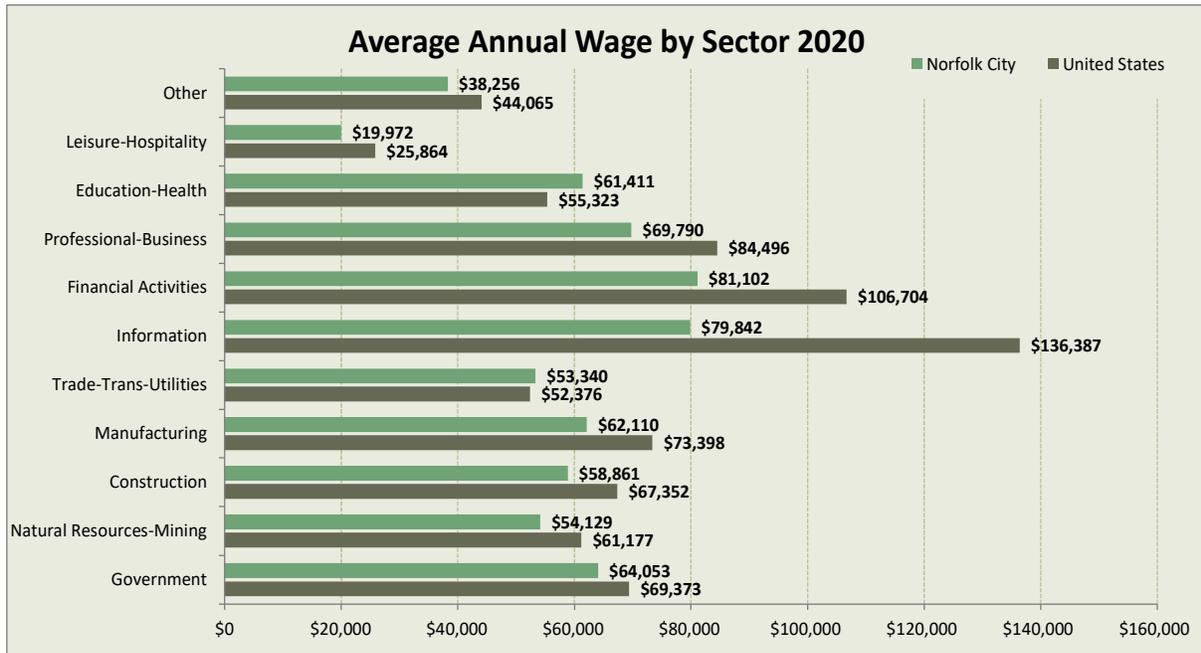
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Norfolk City	\$45,742	\$46,567	\$47,888	\$47,875	\$49,449	\$52,396	\$52,790	\$53,572	\$55,569	\$57,451	\$61,617
Virginia	\$49,651	\$50,657	\$51,646	\$51,918	\$52,929	\$54,276	\$54,836	\$56,503	\$58,239	\$60,200	\$65,159
United States	\$46,751	\$48,043	\$49,289	\$49,808	\$51,364	\$52,942	\$53,621	\$55,390	\$57,266	\$59,209	\$64,013

Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

The average annual wage in the city lagged the average annual wage nationally in every sector except Education-Health and Trade-Transportation Utilities (Figure 10). Education Health had an average annual wage of \$61,411 compared to a national average of \$55,323, while Trade-Transportation-Utilities had an average annual wage of \$53,340, slightly higher than the national average of \$52,376. Among the city’s most significant sectors, Government has an average wage of \$64,053 and Professional-Business averaged \$69,970 throughout the city.



Figure 10 Wage by Sector, Norfolk



Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

F. Major Employers

The listing of major employers in South Hampton Roads is reflective of the major employment sectors in the area (Table 10). The United States Federal Government is the top employer, reflecting the large military employment base in Norfolk. Manufacturing, Healthcare, and Education sectors are also well represented among major employers, accounting for six of the top 10 sectors.

Table 10 Major Employers, South Hampton Roads

Rank	Name	Sector	Employment
1	United States Federal Government	Government	50,000
2	Huntington Ingalls Industries, Inc.	Manufacturing	20,000
3	Sentra Healthcare	Healthcare	20,000
4	Virginia Beach City Public Schools	Education	12,000
5	Norfolk Naval Shipyard	Government	10,000
6	Riverside Health System	Healthcare	8,000
7	Chesapeake City Public Schools	Education	7,000
8	Norfolk City Public Schools	Education	7,000
9	Virginia Beach City Government	Government	7,000
10	Chesapeake City Government	Government	6,000
11	Norfolk City Government	Government	6,000
12	Dominion Enterprises	Information	5,700
13	Bon Secours Hampton Roads Health System	Healthcare	4,000
14	Old Dominion University	Education	4,000
15	Bank of America	Finance	3,600
16	Naval Medical Center Portsmouth	Healthcare	3,500
17	Portsmouth City Public Schools	Education	3,000
18	U.S Marine Repair/UDI	Manufacturing	2,570
19	Childrens Hospital of The King's Daughters	Healthcare	1,905

Source: Virginia Employment Commission



G. Economic Conclusions and Projections

Norfolk represents a primary economic engine for the Hampton Roads region. The city's average annual unemployment rate declined consistently between 2010 and 2019, while At-Place Employment has fluctuated with growth rates slowing slightly in recent years. Norfolk's economy was negatively impacted by the COVID-19 pandemic with increased unemployment and labor force declines in 2020 into the first quarter of 2021. Norfolk's most recent monthly unemployment rate is above the national rate and state rate. The rate of job loss in the city through 2020 was slightly less than the rate of loss nationwide, with losses continuing at a slightly lower rate through the second quarter of 2021. Norfolk's economy is concentrated among four economic sectors (Government, Education Health, Trade-Transportation-Utilities, and Professional-Business) with average wages generally lagging national averages.



V. HOUSING MARKET AREA

A. Introduction

The primary market area, referred to as the St. Paul's Market Area in this report, is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive rental housing alternatives are located. In defining the St. Paul's Market Area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities of the local rental housing marketplace.

B. Delineation of Market Area

The key factor driving RPRG's primary market area definition is the subject's central Norfolk location just east of the Downtown District. Residents of the neighborhoods throughout the primary market area can reach Downtown within a short drive or transit trip via arterial roadways such as Virginia Beach Boulevard, Tidewater Drive, Granby Street, and Hampton Boulevard. Downtown Norfolk and neighborhoods to the north and northwest such as historic Ghent and those near Old Dominion University are among the city's most desirable residential locations. Meanwhile, neighborhoods spreading to the east of Downtown near the subject site are typically more modest, drawing low- to middle-income households. As the subject site lies within the transitional area just east of Downtown Norfolk, with a mix of densities and development characteristics, all surrounding neighborhoods are considered comparable and competitive to the subject neighborhood.

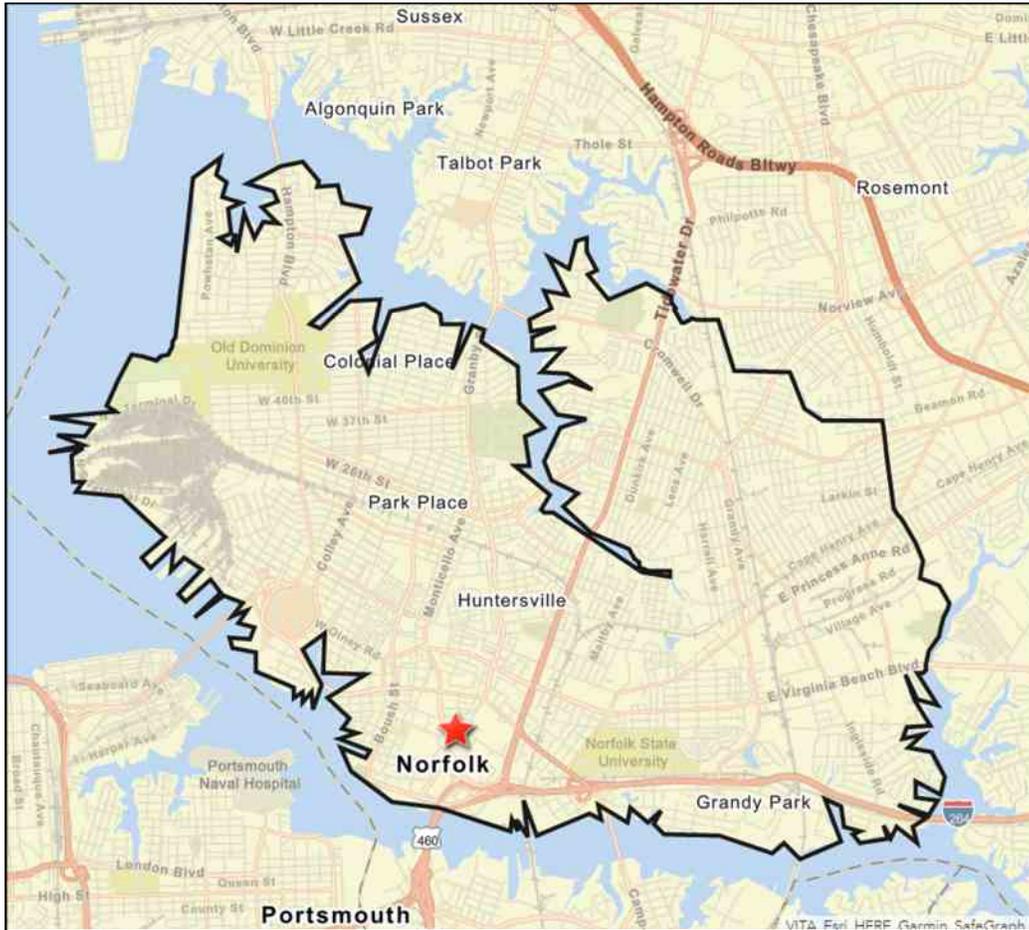
The southernmost segment of the city of Norfolk – comprised of the neighborhoods of Berkley and Campostella – is located across the Elizabeth River from the remainder of the city. RPRG excluded Berkley and Campostella from the St. Paul's Market Area as it is more oriented to Chesapeake City. Similarly, the northern portion of the city was excluded from the St. Paul's Market Area due to the more solid orientation of the northern neighborhoods to activity nodes other than Downtown Norfolk – such as Norfolk Naval Station and the Chesapeake Bay waterfront.

The approximate boundaries of the St. Paul's Market Area and their distances from the subject site for Block 17 & 18 Apartments are as follows (Map 4):

- **North:** The Lafayette River and Wayne Creek (2.1 miles)
- **East:** Sewells Point Road and the Elizabeth River (2.1 miles).
- **South:** Elizabeth River (0.9 miles)
- **West:** Elizabeth River (3.8 miles)

As appropriate for this analysis, RPRG compares and contrasts the St. Paul's Market Area with Norfolk, considered to be the secondary market area for Block 17 & 18 Apartments, though net demand is based only on the St. Paul's Market Area.

Map 4 St. Paul's Market Area





VI. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

RPRG analyzed recent population and household trends and characteristics in the St. Paul's Market Area and city of Norfolk using various U.S. Census Bureau data sources including the 2000 and 2010 Censuses of Population and Housing and the American Community Survey (ACS) for the years 2015 through 2019. For small area estimates, we examined projections of population and households prepared by Esri, and we also considered Weldon Cooper Center's local population estimates and projections as well as observed development and absorption patterns.

After reviewing Esri and Weldon Cooper Center data in comparison to observed multifamily absorption and development trends, RPRG elected to utilize Esri data for recent estimates and derive population and household projections factoring in observed household absorption trends which are more reflective of the continued strong current growth experienced throughout this area. RPRG's competitive housing research indicates 19 multifamily rental communities have been delivered in the market area since 2015, with a combined 1,609 rental units occupied from 2015 to 2021, or 321 rental units annually. Applying a projected 86.2 percent renter ratio, as originally estimated by Esri, equates to total household growth of 372 households annually. Data and insight provided by the local planning department support these projections. According to local planning and economic development officials, Esri's household growth estimates are understated and accelerated growth is expected throughout the region over the next five years, similar to recent trends.

We recognize the impact of the COVID-19 pandemic is fluid and specific to regions or markets, thus we have evaluated Esri's projections considering recent trends, available economic data, and current market conditions. We will present available estimates and projections and evaluate their appropriateness.

B. Trends in Population and Households

1. Recent Past Trends

At the time of the 2000 Census, 79,607 persons and 30,641 households resided in the St. Paul's Market Area (Table 11). Based on the 2010 Census, the population of the St. Paul's Market Area stood at 103,483 in 2010, reflecting a 30 percent increase since 2000. Esri projects that population totals have decreased between 2010 and 2022, however, this is inconsistent with observed growth trends and Esri's household estimates. Much of Esri's estimate likely has to do with the large increase reported in the 2010 census – which may be a data anomaly – as well as reported group quarters, as the market area accounts for 35 percent of the city's population, but 86 percent of its 32,754 persons in group quarters. The population growth between 2000 (79,607) and 2022 (88,584) is a reasonable 11.3 percent, or 408 people and 0.5 percent annually. The market area's 2010 household base of 31,103 reflected an annual increase of 0.1 percent versus the 2000 base.

Based on Esri data and observed absorption trends, RPRG estimates that the market area's household base grew by 161 households (0.5 percent) per year from 2010 to 2022. The estimated population and household totals for the St. Paul's Market Area as of 2022 are 88,584 persons and 33,036 households. For Norfolk, Esri estimates that the population and household bases each increased by 0.2 percent annually between 2010 and 2022.



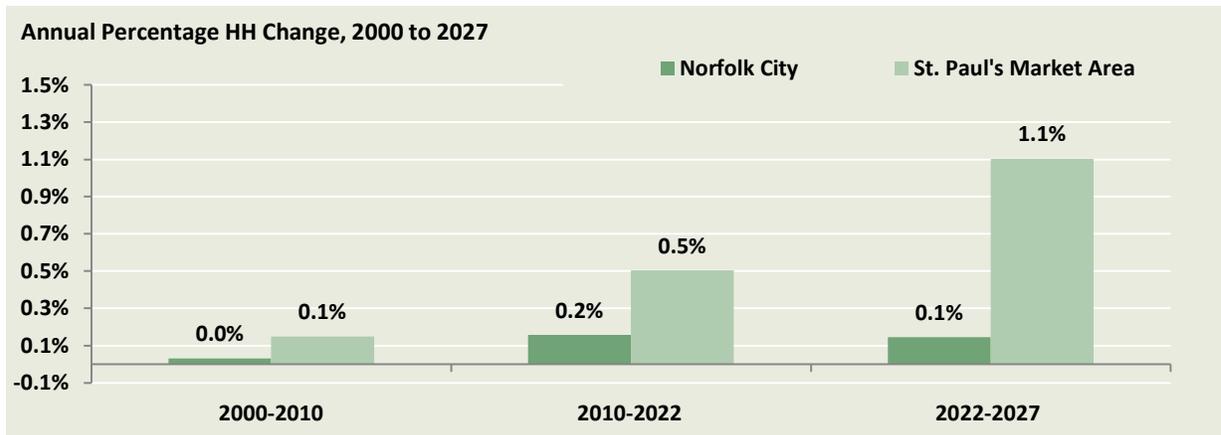
2. Projected Trends

RPRG projects that the St. Paul’s Market Area will experience accelerated net population increases at an average annual rate of 1.1 percent, or 823 persons per year over the next five years. RPRG’s household projections are based on Esri’s estimates from 2010 to 2016 and absorption trends observed from 2017 to 2021 which we believe more accurately reflect growth in the market than Esri’s full 11-year projections. The market area’s household base will expand annually by a net of 373 households (1.1 percent) through 2026. Norfolk is projected to experience annual growth of 0.1 percent in both the population and household base through 2026.

Table 11 Population and Household Trends, 2000 to 2027

Norfolk City					St. Paul's Market Area					
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	234,403					79,607				
2010	242,803	8,400	3.6%	840	0.4%	103,483	23,876	30.0%	2,388	2.7%
2022	247,712	4,909	2.0%	409	0.2%	88,584	-14,899	-14.4%	-1,242	-1.3%
2027	249,166	1,454	0.6%	291	0.1%	92,700	4,116	4.6%	823	0.9%
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	86,210					30,641				
2010	86,485	275	0.3%	28	0.0%	31,103	462	1.5%	46	0.1%
2022	88,128	1,643	1.9%	137	0.2%	33,036	1,933	6.2%	161	0.5%
2027	88,776	648	0.7%	130	0.1%	34,902	1,866	5.6%	373	1.1%

Source: 2000 Census; 2010 Census; Esri; and Real Property Research Group, Inc.



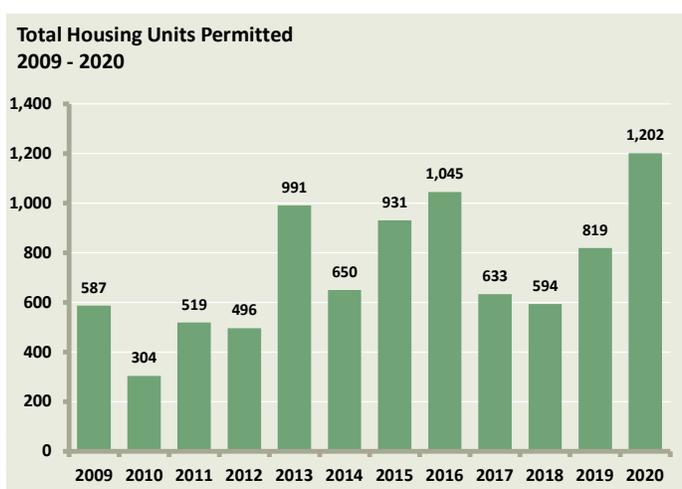
3. Building Permit Trends

Building permit trends across Norfolk show increased development activity in recent years, especially from 2013 through 2016 and in 2020 (Table 12). The city has averaged 731 units permitted annually from 2009 through 2020. Permit activity trends indicate accelerated growth throughout the city starting in 2013, with an annual average of 859 units permitted through 2016. An average of 872 units have been permitted annually during the last three years. From 2009 through 2020, multifamily units accounted for 53 percent of the residential units permitted.



Table 12 Building Permits by Structure Type, Norfolk

Norfolk City					
Year	Single - Unit	Two Units	3-4 Units	5+ Units	Ann. Total
2009	165	4	3	415	587
2010	171	12	0	121	304
2011	225	2	0	292	519
2012	311	2	0	183	496
2013	389	0	0	602	991
2014	393	0	0	257	650
2015	405	2	4	520	931
2016	378	80	0	587	1,045
2017	429	12	0	192	633
2018	317	2	0	275	594
2019	333	4	8	474	819
2020	464	8	0	730	1,202
2009-2020	3,980	128	15	4,648	8,771
Ann. Avg.	332	11	1	387	731



Source: U.S. Census Bureau, C-40 Building Permit Reports.

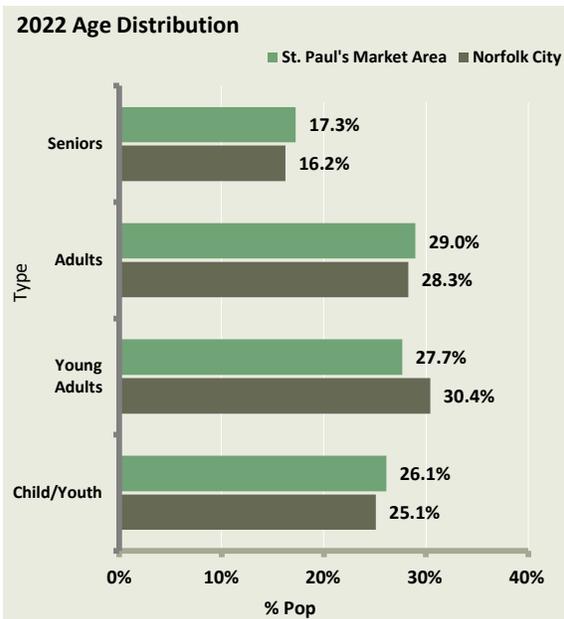
C. Demographic Characteristics

1. Age Distribution and Household Type

The median age of the populations in the St. Paul’s Market Area is 32, one year older than Norfolk (Table 13). Young adults comprise a lower percentage of the primary market area’s population than that of the Norfolk population at 27.7 percent in the market area versus 30.4 percent in the city. Adults aged 35 to 61 account for 29.0 percent of the populations in the St. Paul’s Market Area and 28.3 percent in Norfolk. Senior citizens aged 62 and older make up 17.3 percent of the market area’s population, a larger proportion compared to the 16.2 percent share in Norfolk. Children and youth under age 20 comprise just over one-quarter of the population in both areas.

Table 13 2021 Age Distribution

2022 Age Distribution	Norfolk City		St. Paul's Market Area	
	#	%	#	%
Children/Youth	62,147	25.1%	23,132	26.1%
Under 5 years	14,729	5.9%	5,115	5.8%
5-9 years	13,784	5.6%	4,854	5.5%
10-14 years	13,247	5.3%	4,837	5.5%
15-19 years	20,386	8.2%	8,325	9.4%
Young Adults	75,325	30.4%	24,513	27.7%
20-24 years	34,239	13.8%	10,399	11.7%
25-34 years	41,086	16.6%	14,114	15.9%
Adults	70,008	28.3%	25,652	29.0%
35-44 years	29,478	11.9%	10,446	11.8%
45-54 years	22,910	9.2%	8,643	9.8%
55-61 years	17,619	7.1%	6,564	7.4%
Seniors	40,232	16.2%	15,287	17.3%
62-64 years	7,551	3.0%	2,813	3.2%
65-74 years	19,108	7.7%	7,268	8.2%
75-84 years	9,448	3.8%	3,717	4.2%
85 and older	4,126	1.7%	1,489	1.7%
TOTAL	247,712	100%	88,584	100%
Median Age	31		32	



Source: Esri; RPRG, Inc.

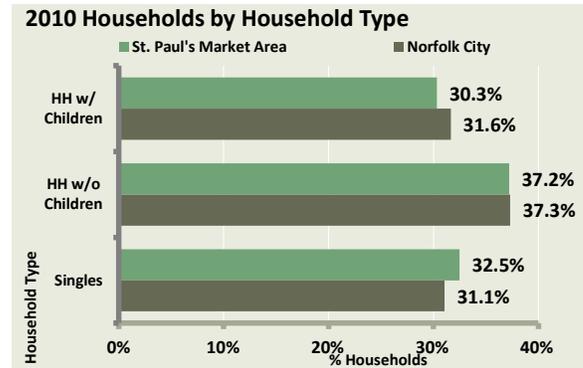


According to the 2010 Census, single householders accounted for roughly one-third (32.5 percent) of the households in the St. Paul’s Market Area and 31.1 percent of the households throughout Norfolk as of 2010 (Table 14). In the primary market area, 11.3 percent of households fell into the ‘non-family without children’ category, a designation that includes roommate living arrangements and unmarried couples. The percentage of households with children in the St. Paul’s Market Area (30.3 percent) is slightly lower than the percentage of households with children throughout Norfolk (31.6 percent).

Table 14 2010 Households by Household Type

2010 Households by Household Type	Norfolk City		St. Paul's Market Area	
	#	%	#	%
Married w/Children	13,023	15.1%	3,993	12.8%
Other w/ Children	14,340	16.6%	5,439	17.5%
Households w/ Children	27,363	31.6%	9,432	30.3%
Married w/o Children	16,549	19.1%	5,281	17.0%
Other Family w/o Children	7,227	8.4%	2,763	8.9%
Non-Family w/o Children	8,492	9.8%	3,528	11.3%
Households w/o Children	32,268	37.3%	11,572	37.2%
Singles	26,854	31.1%	10,099	32.5%
Total	86,485	100%	31,103	100%

Source: 2010 Census; RPRG, Inc.

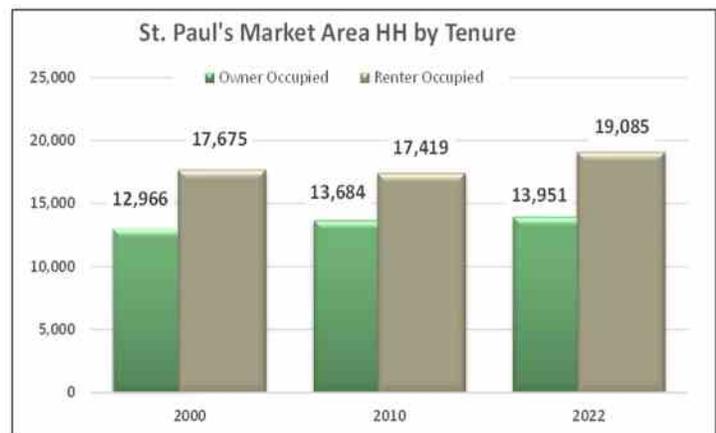


2. Households by Tenure

a. Recent Past Trends

Households in the St. Paul’s Market Area have a higher propensity to rent than in Norfolk. The number of renter households in the St. Paul’s Market Area increased from 17,419 in 2010 to 19,085 in 2022 for a net increase of 1,666 renter households or 9.6 percent¹ (Figure 11). By comparison, the number of owner households in the market area increased by 1.9 percent over the past 12 years, from 13,684 to 13,951.

Figure 11 St. Paul’s Market Area HH by Tenure, 2000 to 2022



Source: U.S. Census of Population and Housing, 2000, 2010; Esri, RPRG, Inc.

The St. Paul’s Market Area’s renter percentage of 57.8 percent in 2022 is higher than the city’s 55.3 percent (Table 15). The last column of Table 15 (blue shaded) quantifies the market area’s net growth by tenure over the past 12 years; renter households contributed 86.2 percent of the market area’s net household growth over this period based on Esri’s estimates and observed absorption trends.

¹ Based on change from 2010 Census counts and Esri’s 2021 Estimate



Table 15 Households by Tenure, 2000-2022

Norfolk City	2000		2010		2022		Change 2010-2022				% of Change 2010 - 2022
							Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	39,238	45.5%	39,252	45.4%	39,413	44.7%	161	0.4%	13	0.0%	9.8%
Renter Occupied	46,972	54.5%	47,233	54.6%	48,715	55.3%	1,482	3.1%	124	0.3%	90.2%
Total Occupied	86,210	100%	86,485	100%	88,128	100%	1,643	1.9%	137	0.2%	100%
Total Vacant	8,206		8,533		9,671						
TOTAL UNITS	94,416		95,018		97,799						

St. Paul's Market Area	2000		2010		2022		Change 2010-2022				% of Change 2010 - 2022
							Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	12,966	42.3%	13,684	44.0%	13,951	42.2%	267	1.9%	22	0.2%	13.8%
Renter Occupied	17,675	57.7%	17,419	56.0%	19,085	57.8%	1,666	9.6%	139	0.8%	86.2%
Total Occupied	30,641	100%	31,103	100%	33,036	100%	1,933	6.2%	161	0.5%	100%
Total Vacant	2,956		3,372		3,323						
TOTAL UNITS	33,597		34,475		36,360						

Source: U.S. Census of Population and Housing, 2000, 2010; Esri, RPRG, Inc.

b. Projected Household Tenure Trends

Esri projections indicate the renter household growth in the market area will slow over the next five years despite an increase in overall household growth, a significant departure from past census trends and Esri’s previous estimates/projections; this projection is inconsistent with verified construction and lease-up activity in the St. Paul’s Market Area. As detailed in Table 16, Esri projections result in a net increase in renter households of only 210 households from 2022 to 2027, while owner occupied households will increase by a net of 450 households. As we will detail in the competitive section of this analysis including absorption data on page 44 and new multi-family pipeline on page 56, Esri’s projected renter household decline is inconsistent with other data points. Since 2015, 1,609 multifamily rental units have been constructed and occupied in the market area.

Based on RPRG’s research including an analysis of demographic and multi-family trends, we project renter households will contribute 86.2 percent of net household growth over the next five years consistent with the renter percentage of household growth over the past 12 years. Interviews with City planning officials support these projections and indicate minimal single-family units permitted for future construction in the market area.

Table 16 Households by Tenure, 2022-2027

St. Paul's Market Area	2022		2027 Esri HH by Tenure		Esri Change by Tenure		Annual Change by Tenure	
	#	%	#	%	#	%	#	%
Owner Occupied	13,849	42.2%	14,299	42.7%	450	68.2%	90	0.6%
Renter Occupied	18,946	57.8%	19,156	57.3%	210	31.8%	42	0.2%
Total Occupied	32,795	100%	33,455	100%	660	100%	132	0.4%
Total Vacant	3,299		3,310					
TOTAL UNITS	36,094		36,765					

St. Paul's Market Area	2022		2027 RPRG HH by Tenure		RPRG Change by Tenure		Annual Change by Tenure	
	#	%	#	%	#	%	#	%
Owner Occupied	13,951	42.2%	14,208	40.7%	258	13.8%	52	0.4%
Renter Occupied	19,085	57.8%	20,694	59.3%	1,608	86.2%	322	1.7%
Total Occupied	33,036	100%	34,902	100%	1,866	100%	373	1.1%
Total Vacant	3,299		3,310					
TOTAL UNITS	36,335		38,212					

Source: Esri, RPRG, Inc.



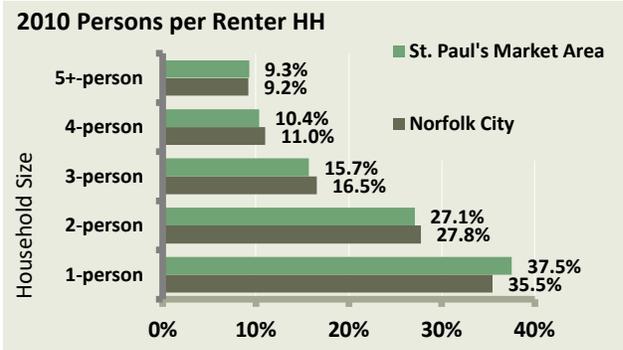
3. Household Characteristics

One-person and two-person households collectively accounted for 64.6 percent of the renter households in the St. Paul’s Market Area as of the 2010 Census (Table 17). Throughout Norfolk, 63.2 percent of renter households contained one or two people. Renter households with three to four members accounted for one-quarter (26.1 percent) of all renter households in the market area and 27.6 percent in Norfolk. Renter households with 5 or more persons make up 9.3 percent of the market area and 9.2 percent throughout the city.

Table 17 Renter Households by Household Size

Renter Occupied	Norfolk City		St. Paul's Market Area	
	#	%	#	%
1-person hhld	16,750	35.5%	6,538	37.5%
2-person hhld	13,109	27.8%	4,721	27.1%
3-person hhld	7,814	16.5%	2,733	15.7%
4-person hhld	5,206	11.0%	1,808	10.4%
5+-person hhld	4,354	9.2%	1,619	9.3%
TOTAL	47,233	100%	17,419	100%

Source: 2010 Census

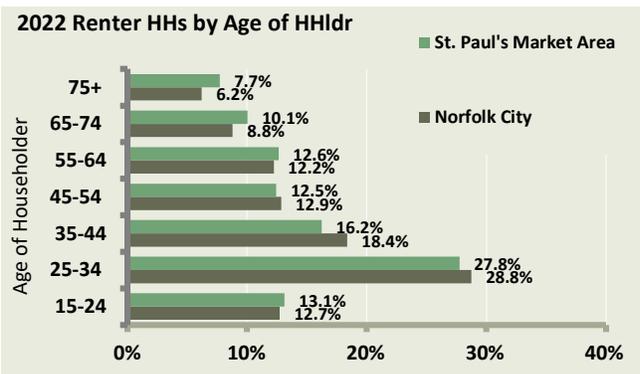


The St. Paul’s Market Area has a similar proportion of younger renters as Norfolk (Table 18). Over two fifths (41 percent) of market area renters as of 2022 are estimated to be below the age of 35 while 42 percent are represented throughout Norfolk. Renter households between the ages of 35 and 54 account for 29 percent of all renter households within the market area and 31 percent of renters in Norfolk. These are the households who are most likely to be permanent renters, renting more out of necessity than lifestyle preference. Seniors aged 55 and older represent 30 percent of all renters within the market area and 27 percent of all households in the city.

Table 18 Renter Households by Age of Householder

Renter Households	Norfolk City		St. Paul's Market Area	
	#	%	#	%
Age of HHldr				
15-24 years	6,207	12.7%	2,506	13.1%
25-34 years	14,008	28.8%	5,296	27.8%
35-44 years	8,948	18.4%	3,101	16.2%
45-54 years	6,269	12.9%	2,378	12.5%
55-64 years	5,962	12.2%	2,412	12.6%
65-74 years	4,288	8.8%	1,919	10.1%
75+ years	3,032	6.2%	1,473	7.7%
Total	48,715	100%	19,085	100%

Source: Esri, Real Property Research Group, Inc.



4. Income Characteristics

The St. Paul’s Market Area is a moderate-income market with incomes on average less than incomes throughout Norfolk (Table 19). Esri estimates the median annual household income in the St. Paul’s Market Area at \$53,433 per year, 3.6 percent lower than the Norfolk overall median household income of \$55,447. Roughly 27 percent market area households have annual incomes below \$25,000,



while 21.2 percent have incomes between \$25,000 and \$50,000. Roughly 17 percent of market area households earn between \$50,000 and \$75,000, and the highest income households, i.e., those with incomes of \$75,000 or more, account for the remaining 35 percent of all households within the market area.

Table 19 2022 Household Income

Estimated 2022 Household Income		Norfolk City		St. Paul's Market Area	
		#	%	#	%
less than	\$15,000	11,803	13.4%	5,661	17.1%
	\$15,000 \$24,999	7,761	8.8%	3,151	9.5%
	\$25,000 \$34,999	9,834	11.2%	3,433	10.4%
	\$35,000 \$49,999	10,821	12.3%	3,513	10.6%
	\$50,000 \$74,999	17,643	20.0%	5,538	16.8%
	\$75,000 \$99,999	11,607	13.2%	4,047	12.2%
	\$100,000 \$149,999	10,523	11.9%	3,971	12.0%
	\$150,000 Over	8,136	9.2%	3,723	11.3%
Total		88,128	100%	33,036	100%
Median Income		\$55,447		\$53,433	

Source: Esri; Real Property Research Group, Inc.

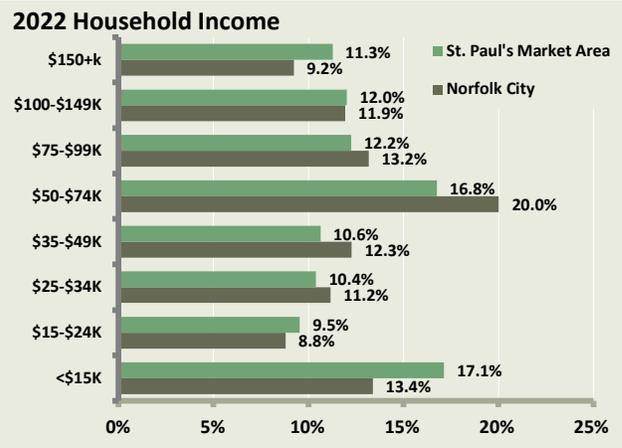
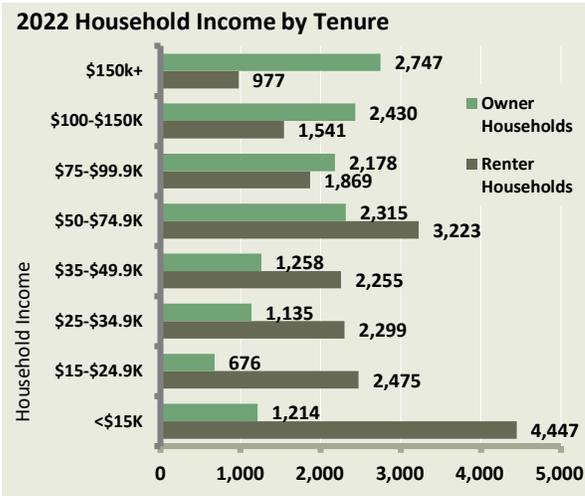


Table 20 presents distributions of 2022 household incomes for renter and homeowner households in the St. Paul's Market Area. Based on income estimate data from the 2015-2019 ACS, Esri income projections, and RPRG's household estimates, the median annual income among the market area's renter households as of 2022 is estimated at \$37,142. The median income of homeowner households in the St. Paul's Market Area (\$79,348) is more than double the median renter income. Nearly half (48.3 percent) of the market area's renters have annual incomes below \$35,000. Roughly 29 percent earn between \$35,000 and \$75,000, while the remaining 23 percent have incomes of \$75,000 or more.

Table 20 2022 Household Income by Tenure

Estimated 2022 HH Income	Renter Households		Owner Households	
	#	%	#	%
less than \$15,000	4,447	23.3%	1,214	8.7%
\$15,000 \$24,999	2,475	13.0%	676	4.8%
\$25,000 \$34,999	2,299	12.0%	1,135	8.1%
\$35,000 \$49,999	2,255	11.8%	1,258	9.0%
\$50,000 \$74,999	3,223	16.9%	2,315	16.6%
\$75,000 \$99,999	1,869	9.8%	2,178	15.6%
\$100,000 \$149,999	1,541	8.1%	2,430	17.4%
\$150,000 over	977	5.1%	2,747	19.7%
Total	19,085	100%	13,951	100%
Median Income	\$37,142		\$79,348	

Source: American Community Survey 2015-2019 Estimates, RPRG, Inc.





D. Cost-Burdened Renter Households

‘Rent Burden’ is defined as the ratio of a household’s gross monthly housing costs – rent paid to landlords plus utility costs – to that household’s monthly income. Virginia Housing requires that household rent burdens under the LIHTC program be no higher than 35 percent.

Rent burden data from the 2015-2019 ACS highlights that lower-income renter households in the St. Paul’s Market Area tend to pay a very high percentage of their monthly income toward housing costs (Table 21). Nearly two fifths (39.2 percent) of all renter households residing in the St. Paul’s Market Area have rent burdens of 40 percent or higher; 45.3 percent have rent burdens of 35 percent or higher. The cost-burdened situation of many low- to moderate-income renter households is a primary indicator of a need for new affordable income- and rent-restricted rental housing in the primary market area. Additionally, 3.4 percent of the rental housing stock within the market area can be considered substandard, i.e., lacking complete plumbing facilities, or overcrowded with more than 1.0 occupants per room.

Table 21 Rent Burden by Household Income, 2015-2019, St. Paul’s Market Area

Rent Cost Burden		
Total Households	#	%
Less than 10.0 percent	690	3.6%
10.0 to 14.9 percent	1,138	5.9%
15.0 to 19.9 percent	2,024	10.6%
20.0 to 24.9 percent	2,230	11.6%
25.0 to 29.9 percent	2,238	11.7%
30.0 to 34.9 percent	1,553	8.1%
35.0 to 39.9 percent	1,107	5.8%
40.0 to 49.9 percent	1,812	9.4%
50.0 percent or more	5,271	27.5%
Not computed	1,120	5.8%
Total	19,183	100.0%
> 35% income on rent	8,190	45.3%
> 40% income on rent	7,083	39.2%

Substandardness	
Total Households	
Owner occupied:	
Complete plumbing facilities:	13,072
1.00 or less occupants per room	12,918
1.01 or more occupants per room	154
Lacking complete plumbing facilities:	16
Overcrowded or lacking plumbing	170
Renter occupied:	
Complete plumbing facilities:	19,137
1.00 or less occupants per room	18,540
1.01 or more occupants per room	597
Lacking complete plumbing facilities:	46
Overcrowded or lacking plumbing	643
Substandard Housing	813
% Total Stock Substandard	2.5%
% Rental Stock Substandard	3.4%

Source: American Community Survey 2015-2019

VII. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the St. Paul's Market Area. We provide data regarding structure types, structure age, and home values from the 2015-2019 ACS. We then report the results of our survey of competitive rental communities in February 2022. Furthermore, we identify residential rental projects actively planned or that currently under construction, based on interviews with local government officials, on-line resources, and RPRG site visit observations.

B. Overview of Market Area Housing Stock

Based on the 2015-2019 ACS survey, multifamily structures (i.e., buildings with five or more units) accounted for over half (51.9 percent) of the rental housing units in the St. Paul's Market Area compared to 46.4 percent of rental housing in Norfolk (Table 22). Single-family dwelling units (attached and detached) account for 27.0 percent of the St. Paul's Market Area's rental housing units, a lower proportion than in the city where 31.1 percent of rental units are in single-family homes. Only 9.8 percent of owner-occupied housing units are among multifamily structures of five units or more in the market area.

Table 22 Occupied Housing Units by Structure and Tenure

Structure Type	Owner Occupied				Renter Occupied			
	Norfolk City		St. Paul Market Area		Norfolk City		St. Paul Market Area	
	#	%	#	%	#	%	#	%
1, detached	33,392	87.1%	10,922	83.5%	10,799	21.6%	4,007	20.9%
1, attached	1,762	4.6%	608	4.6%	4,734	9.5%	1,158	6.0%
2	638	1.7%	175	1.3%	4,535	9.1%	1,854	9.7%
3-4	283	0.7%	41	0.3%	6,405	12.8%	2,076	10.8%
5-9	389	1.0%	193	1.5%	9,352	18.7%	2,836	14.8%
10-19	583	1.5%	408	3.1%	5,224	10.5%	2,045	10.7%
20+ units	959	2.5%	681	5.2%	8,628	17.3%	5,073	26.5%
Mobile home	333	0.9%	60	0.5%	313	0.6%	115	0.6%
TOTAL	38,339	100%	13,088	100%	49,990	100%	19,164	100%

Source: American Community Survey 2015-2019

With a median year built of 1964, renter-occupied housing units in the St. Paul's Market Area are slightly older than those within all of Norfolk, which has a median year built of 1970 (Table 23). One quarter of market area rental housing units were built in the 1950's and 1960's with 25.9 percent of all rental housing units placed in service during this period. Roughly one quarter of market area rental housing units were built prior to 1940; 14.4 percent were placed in service since 2000. Owner-occupied structures are older in both the market area and Norfolk, with a median year built of 1952 and 1956, respectively.



Table 23 Dwelling Units by Year Built and Tenure

Year Built	Owner Occupied				Renter Occupied			
	Norfolk City		St. Paul's Market Area		Norfolk City		St. Paul's Market Area	
	#	%	#	%	#	%	#	%
2014 or later	982	2.6%	266	2.0%	969	1.9%	266	1.4%
2010 to 2013	930	2.4%	353	2.7%	902	1.8%	390	2.0%
2000 to 2009	2,514	6.6%	1,308	10.0%	4,710	9.4%	2,110	11.0%
1990 to 1999	1,778	4.6%	763	5.8%	3,918	7.8%	1,226	6.4%
1980 to 1989	2,790	7.3%	1,023	7.8%	6,466	12.9%	1,903	9.9%
1970 to 1979	2,336	6.1%	807	6.2%	8,059	16.1%	2,111	11.0%
1960 to 1969	3,685	9.6%	757	5.8%	7,423	14.8%	2,667	13.9%
1950 to 1959	10,889	28.4%	1,728	13.2%	7,064	14.1%	2,307	12.0%
1940 to 1949	5,574	14.5%	1,561	11.9%	4,167	8.3%	1,337	7.0%
1939 or earlier	6,861	17.9%	4,522	34.6%	6,336	12.7%	4,866	25.4%
TOTAL	38,339	100%	13,088	100%	50,014	100%	19,183	100%
MEDIAN YEAR BUILT	1956		1952		1970		1964	

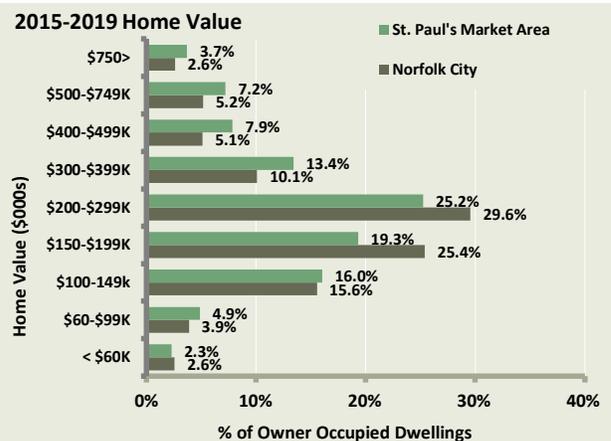
Source: American Community Survey 2015-2019

Per the 2015-2019 ACS, the St. Paul’s Market Area for-sale housing stock is generally priced higher than throughout Norfolk (Table 24). The median value across the owner-occupied housing stock in the market area was \$229,548. The median homeownership unit in Norfolk as a whole was lower at \$208,722. Affordable homeownership opportunities in the St. Paul’s Market Area are limited, as 7.2 percent of all housing units are valued at less than \$100,000.

Table 24 Value of Owner Occupied Housing Stock

2015-2019 Home Value		Norfolk City		St. Paul's Market Area	
		#	%	#	%
less than \$60,000		987	2.6%	300	2.3%
\$60,000 - \$99,999		1,496	3.9%	639	4.9%
\$100,000 - \$149,999		5,962	15.6%	2,099	16.0%
\$150,000 - \$199,999		9,736	25.4%	2,530	19.3%
\$200,000 - \$299,999		11,332	29.6%	3,303	25.2%
\$300,000 - \$399,999		3,872	10.1%	1,756	13.4%
\$400,000 - \$499,999		1,963	5.1%	1,029	7.9%
\$500,000 - \$749,999		1,983	5.2%	946	7.2%
\$750,000 over		1,008	2.6%	486	3.7%
Total		38,339	100%	13,088	100%
Median Value		\$208,722		\$229,548	

Source: American Community Survey 2015-2019



C. Survey of General Occupancy Rental Communities

1. Introduction to the Rental Housing Survey

To gauge the status of the rental market within which the proposed subject would compete, RPRG surveyed 45 general occupancy rental communities in the St. Paul's Market Area in February 2022. Forty-one properties offer strictly conventional market rate units and four communities are Low Income Housing Tax Credit (LIHTC) properties, three of which include both market rate and tax credit units.

We have divided the rental communities into three categories for ease of comparison: Upper Tier market rate; Lower Tier market rate; and Affordable/Tax Credit. The 20 Upper Tier market rate communities represent the most modern and highest priced rental product available within the market area and typically offer an extensive community amenity package. The 21 Lower Tier market rate communities surveyed are lower priced communities which are generally more modest in the amenities and finishes available to residents, though some were recently placed in service. The four Affordable/Tax Credit rental communities include two older properties which were recently purchased and renovated with tax credit equity, as well as one community constructed in 2004 and one constructed in 2019.

The detailed competitive survey excludes age-restricted senior rental properties for the purposes of analyzing the subject's general occupancy. A separate discussion of rental communities with project-based rental subsidies will be presented later in this section. Profile sheets with detailed information on each surveyed general occupancy community, including photographs, are attached as Appendix 2.

2. Location

Map 5 shows the locations of the 45 surveyed competitive communities in relation to the subject site. Of the four rental communities with income-restricted units, St. Paul's Apartments (built in 2019) is directly north of the subject site; and Mission College and Broad Creek are roughly within two miles east of the subject site. The remaining tax credit community, Villa Terrace, is two miles north of the subject along the Lafayette River.

Most Upper Tier communities are west of the subject site in Downtown Norfolk or to the northwest in the Ghent District. Lower Tier communities are primarily west of the subject property, a few are downtown, and the remaining are east of the subject site.

3. Age of Communities

The surveyed stock of general occupancy rental communities has an average year built of 2001 (Table 25). The Upper Tier rental communities are relatively modern with an average year built of 2012, while the Lower Tier market rate communities are older with an average year built of 1996. Four Lower Tier properties have undergone significant renovations from 2005 to 2007 and 2019. The market area's four tax credit communities were placed in service between 1970 and 2019 with two undergoing rehab in 2000 and 2008 respectively.

4. Structure Type

Market area communities offer a variety of structure types. Mid-rise or high-rise buildings are the most common in the market area with 18 properties having this structure type. Generally, these communities are located in the Downtown or Ghent Districts of Norfolk. Eleven communities are adaptive reuse structures – also typically in the Downtown or Ghent areas. Lower density structures



including garden, townhome, and duplex structures are more common in outer suburban portions of the market area. The newest market area communities are either mid-rise or adaptive reuse communities. Among the four tax credit communities, two have garden buildings; one is a duplex community; and one has garden and townhome units.

Map 5 Surveyed Competitive Rental Communities

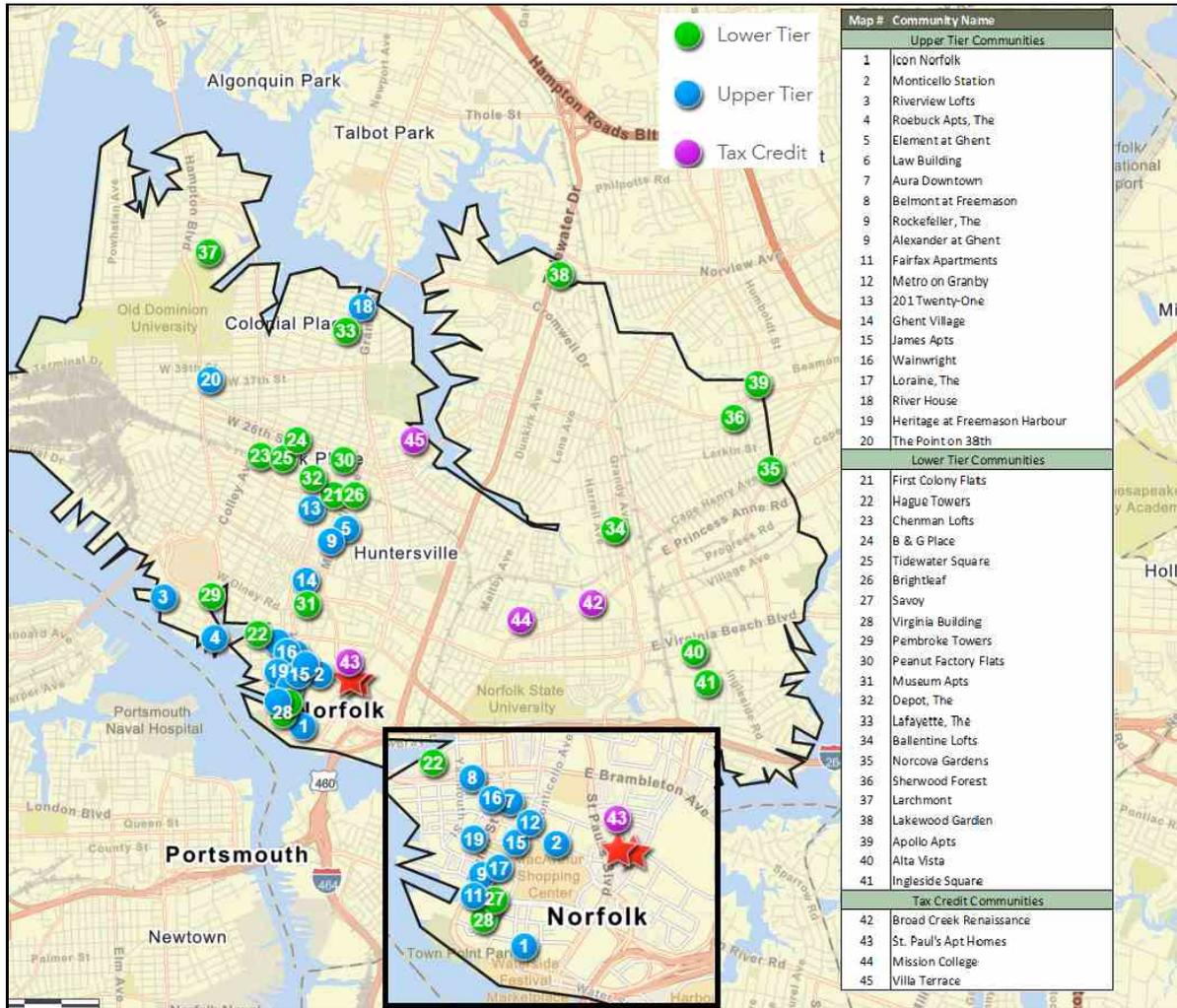




Table 25 Rental Communities Summary

Map #	Community	Year Built	Year Rehab	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Avg 3BR Rent (1)	Incentives
Upper Tier Communities											
1	Icon Norfolk	2017		High Rise	269	2	0.7%	\$1,835	\$2,342	\$3,203	None
2	Monticello Station^	2011		Midrise	121	4	3.3%	\$1,756	\$2,172	\$2,506	None
3	Riverview Lofts^	2012		Reuse	81	2	2.5%	\$1,523	\$2,198		\$500 off 1 month PH
4	Roebuck Apts, The	1916	2018	Reuse	60	0	0.0%	\$1,505	\$2,146		None
5	Element at Ghent	2014		Midrise	164	0	0.0%	\$1,558	\$2,085		Reduced rent select units
6	Law Building	2015		Midrise	135	0	0.0%	\$1,423	\$1,986		None
7	Aura Downtown	2017		Midrise	156	0	0.0%	\$1,660	\$1,975	\$2,500	None
8	Belmont at Freemason	2009		Midrise	239	7	2.9%	\$1,546	\$1,978		Reduced rent select units
9	Alexander at Ghent	2006		Midrise	268	0	0.0%	\$1,519	\$1,920	\$2,099	None
10	Rockefeller, The	2015	2018	Reuse	146	0	0.0%	\$1,366	\$1,916		None
11	Fairfax Apartments	2020		Reuse	56	0	0.0%	\$1,530	\$1,900		None
12	Metro on Granby	2014		Midrise	188	0	0.0%	\$1,432	\$1,888		None
13	201 Twenty-One^	2009		Midrise	225	0	0.0%	\$1,544	\$1,892		None
14	Ghent Village	1981	2020	Gar	138	0	0.0%	\$1,545	\$1,875	\$2,025	None
15	James Apts	2014		Reuse	78	0	0.0%	\$1,502	\$1,842	\$3,196	None
16	Wainwright	2013		Reuse	126	0	0.0%	\$1,522	\$1,822		None
17	Loraine, The	2016		Reuse	56	0	0.0%	\$1,366	\$1,821		None
18	River House	2009		Midrise	194	0	0.0%	\$1,565	\$1,806	\$2,440	None
19	Heritage at Freemason Harbour	1999		Midrise	185	6	3.2%	\$1,693	\$1,775	\$2,460	None
20	The Point on 38th	2021		Midrise	149	3	2.0%	\$1,519	\$1,720		Reduced fees
Upper Tier Total					3,034	24	0.8%				
Upper Tier Average		2012	2019		152			\$1,545	\$1,953	\$2,554	
Lower Tier Communities											
21	First Colony Flats	2018		Reuse	51	0	0.0%	\$1,374	\$1,869		None
22	Hague Towers	1964	2017	High Rise	250	4	1.6%	\$1,408	\$1,848		None
23	Chenman Lofts	2020		Reuse	43	0	0.0%	\$1,334	\$1,824		None
24	B & G Place	2019		Reuse	39	0	0.0%	\$1,304	\$1,821	\$1,999	None
25	Tidewater Square	2019		Reuse	65	0	0.0%	\$1,309	\$1,809	\$1,994	None
26	Brightleaf	2017		Midrise	88	1	1.1%	\$1,364	\$1,804	\$2,129	None
27	Savoy	2019		Reuse	44	0	0.0%	\$1,412			None
28	Virginia Building	2015		Midrise	34	0	0.0%	\$1,365		\$2,112	None
29	Pembroke Towers	1964		High Rise	168	1	0.6%	\$1,450	\$1,800	\$2,100	None
30	Peanut Factory Flats	2020		Reuse	85	0	0.0%	\$1,359	\$1,774	\$1,977	None
31	Museum Apts	2018		Midrise	48	0	0.0%	\$1,325	\$1,614		None
32	Depot, The	2019		Reuse	25	0	0.0%	\$1,409	\$1,755	\$1,964	None
33	Lafayette, The	1963	2015	High Rise	168	1	0.6%	\$1,355	\$1,545	\$1,850	None
34	Ballentine Lofts	1915	2019	Reuse	24	0	0.0%	\$1,163	\$1,375		None
35	Norcova Gardens	1968		Gar	40	0	0.0%	\$920	\$999		None
36	Sherwood Forest	1964	2007	Gar	173	0	0.0%	\$855	\$1,000	\$1,225	None
37	Larchmont	1938	2007	Gar	172	0	0.0%	\$825	\$970		None
38	Lakewood Garden	1979		Gar	92	0	0.0%	\$925	\$1,050		None
39	Apollo Apts	1980		Gar	91	0	0.0%	\$856	\$971		Reduced rents select units
40	Alta Vista	1960		Gar	13	0	0.0%		\$795		None
41	Ingleside Square	1956		Gar	300	0	0.0%	\$710	\$775	\$840	None
Lower Tier Total					2,013	7	0.3%				
Lower Tier Average		1996	2013		96			\$1,201	\$1,442	\$1,819	
Tax Credit Communities											
42	Broad Creek Renaissance*	2004		Duplex	48	0	0.0%	\$850	\$1,018	\$1,202	None
43	St. Paul's Apt Homes*^	2019		Gar	126	0	0.0%	\$742	\$908	\$1,211	None
44	Mission College*^	1990	2008	Gar/TH	260	0	0.0%	\$750	\$897	\$1,024	None
45	Villa Terrace*	1970	2000	Gar	81	0	0.0%		\$870		None
Tax Credit Total					515	0	0.0%				
Tax Credit Average		1996	2004		129			\$780	\$923	\$1,146	
Total Average		2001	2015		5,562	31	0.6%				
					124			\$1,332	\$1,631	\$2,003	

(1) Rent is contract rent, and not adjusted for utilities or incentives

Source: Phone Survey, RPRG, Inc. February 2022

(*) LIHTC



5. Size of Communities

The 45 surveyed rental communities include 5,562 market rate and affordable units, with an overall average size of 124 units per community. Upper Tier market rate rental communities are larger, averaging 152 units compared to Lower Tier market rate rental communities averaging 96 units per community. The tax credit communities average 129 units, though they range from 48 to 260 units.

6. Vacancy Rates

As of our February 2022 survey, only 31 of the 5,562 units were reported vacant, yielding an overall aggregate vacancy rate of 0.6 percent. Among the Upper Tier market rate communities, the vacancy rate is 0.8 percent. The Lower Tier market rate communities reported a vacancy rate of 0.3 percent, while tax credit communities reported no vacancies. The low vacancy rates for most market area communities are indicative of a tight rental market, given that 5.0 percent is a typical stabilized vacancy standard.

7. Rent Concessions

Among the 45 surveyed rental communities, only five market rate rental properties are advertising leasing concessions including reduced rents in select units at three communities up to \$500 off the first month for a penthouse unit at the Roebuck Apartments. None of the tax credit communities are offering any leasing concessions.

8. Absorption History

Several Upper Tier and Lower Tier market rate rental communities as well as one tax credit community have opened within the past three years. Known absorption details are as follows:

- **St. Paul's Apartment Homes:** The market area's newest tax credit community (and just north of the subject site) delivered 126 LIHTC units targeting households earning up to 50 and 60 percent AMI, as well as a small number of market rate units, in March 2019. The community completed lease up in June 2019 for an average absorption rate of 42 units per month.
- Several market rate communities have delivered recently: The Point on 38th (stabilized August 2021) averaging 30 units per month; Peanut Factory Flats (stabilized June 2020) averaging 21 units per month; Museum Apartments (stabilized February 2019) with an average absorption pace of 9 units per month with slower lease up due to unit delivery delays according to leasing staff; Icon (stabilized July 2018) with an average absorption of 38 units per month; First Colony Flats (stabilized June 2018) with an average absorption pace of 26 units per month; Savoy Apartments (stabilized June 2018) with an average absorption of 9 units per month; Tidewater Square (stabilized July 2019) with an average absorption pace of 21.7 units per month; and B&G Place (stabilized May 2019) with an average absorption pace of 19.5 units per month.

D. Analysis of Rental Product and Pricing

1. Payment of Utility Costs

Among Upper Tier market rate communities, three communities include only trash collection in the rent; three communities include water/sewer and trash; and tenants pay all utilities at the remaining properties (Table 26). Among the Lower Tier rental communities, two communities include trash collection only; three communities include water, sewer, and trash; three include no utilities; nine include all utilities; and the remainder include various selections of included utilities. Among the four



tax credit communities, three include water, sewer and trash in the base rent and one includes trash collection only.

Table 26 Utility Arrangement and Unit Features – Surveyed Rental Communities

Community	Heat Source	Heat	Hot Water	Cooking	Electric	Water	Trash	Dish-washer	Micro-wave	Appliances	Counters	In Unit Laundry
Subject Property	Elec	<input type="checkbox"/>	STD	STD	SS	Laminate	STD - Full					
Upper Tier Communities												
Icon Norfolk	Elec	<input type="checkbox"/>	STD	STD	SS	Quartz	STD - Full					
Monticello Station	Elec	<input type="checkbox"/>	STD	STD	SS	Granite	STD - Full					
Riverview Lofts	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	SS	Granite	STD - Full
Roebuck Apts, The	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	SS	Granite	STD - Full
Element at Ghent	Elec	<input type="checkbox"/>	STD	STD	SS	Granite	STD - Full					
Law Building	Elec	<input type="checkbox"/>	STD	STD	SS	Quartz	STD - Full					
Aura Downtown	Elec	<input type="checkbox"/>	STD	STD	SS	Quartz	STD - Full					
Belmont at Freemason	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	SS	Granite	STD - Full
Alexander at Ghent	Elec	<input type="checkbox"/>	STD	STD	SS	Granite	STD - Full					
Rockefeller, The	Elec	<input type="checkbox"/>	STD		SS	Quartz	STD - Stckd					
Fairfax Apartments	Elec	<input type="checkbox"/>	STD	Select	SS	Quartz	STD - Full					
Metro on Granby	Elec	<input type="checkbox"/>	STD	STD	SS	Granite	STD - Full					
201 Twenty-One	Elec	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	SS	Laminate	STD-Full				
Ghent Village	Elec	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	SS	Granite	STD - Full				
James Apts	Elec	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	SS	Quartz	STD - Full				
Wainwright	Elec	<input type="checkbox"/>	STD	STD	SS	Granite	STD - Full					
Lorraine, The	Elec	<input type="checkbox"/>	STD	STD	SS	Quartz	STD - Full					
River House	Elec	<input type="checkbox"/>	STD	STD	SS	Wood	STD - Full					
Heritage at Freemason Harbour	Elec	<input type="checkbox"/>	STD	STD	SS	Laminate	STD-Full					
The Point on 38th	Elec	<input type="checkbox"/>	STD	STD	SS	Granite	STD - Full					
Lower Tier Communities												
First Colony Flats	Elec	<input checked="" type="checkbox"/>	STD	STD	SS	Granite	STD - Full					
Hague Towers	Elec	<input checked="" type="checkbox"/>	STD	STD	Black	Laminate						
Chenman Lofts	Elec	<input checked="" type="checkbox"/>	STD	STD	SS	Granite	STD - Stckd					
B & G Place	Elec	<input checked="" type="checkbox"/>	STD	STD	SS	Granite	STD - Full					
Tidewater Square	Elec	<input checked="" type="checkbox"/>	STD	STD	SS	Granite	STD - Full					
Brightleaf	Elec	<input checked="" type="checkbox"/>	STD	STD	SS	Granite	STD - Full					
Savoy	Elec	<input type="checkbox"/>	STD	STD	SS	Quartz	STD - Full					
Virginia Building	Elec	<input type="checkbox"/>	STD	STD	SS	Quartz	STD - Full					
Pembroke Towers	Gas	<input checked="" type="checkbox"/>	STD	STD	SS	Granite						
Peanut Factory Flats	Elec	<input checked="" type="checkbox"/>	STD	STD	SS	Granite	STD - Stckd					
Museum Apts	Elec	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	SS	Quartz	STD - Full				
Depot, The	Elec	<input checked="" type="checkbox"/>	STD	STD	SS	Granite	STD - Full					
Lafayette, The	Gas	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Select		SS	Laminate	
Ballentine Lofts	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	SS	Granite	STD - Full
Norcova Gardens	Elec	<input type="checkbox"/>	STD				STD - Stckd					
Sherwood Forest	Elec	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Black	Laminate	
Larchmont	Elec	<input type="checkbox"/>	<input checked="" type="checkbox"/>			White	Laminate					
Lakewood Garden	Elec	<input checked="" type="checkbox"/>	STD		White	Laminate	STD - Full					
Apollo Apts	Elec	<input checked="" type="checkbox"/>			White	Laminate	STD - Full					
Alta Vista	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			White	Laminate	
Ingleside Square	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	White	Laminate	
Tax Credit Communities												
Broad Creek Renaissance	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		White	Laminate	STD - Full
St. Paul's Apt Homes	Elec	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Black	Granite	Hook Ups				
Mission College	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		White	Laminate	Select
Villa Terrace	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		White	Laminate	

Source: Phone Survey, RPRG, Inc. February 2022



2. Kitchen Features & Finishes

All unit kitchens at the surveyed rental communities are equipped with stoves/ranges and refrigerators; three Lower Tier market rate properties do not include dishwashers in units. Microwaves are available in all but one of the Upper Tier market rate properties and 14 Lower Tier communities. St. Paul’s is the only tax credit community with this feature. As expected, the Upper Tier market rate communities have the highest level of finish, including units with granite countertop, stainless steel appliances, laminate wood (or similar) flooring. Some higher-priced Lower Tier communities have a limited selection of upgraded features, while most Lower Tier market rate and income-restricted rental supply offer unit features which are more basic, generally including laminated countertop and white appliances. Three tax credit communities feature standard finishes including white appliances, laminate counters, and carpet. The newest tax credit community, St. Paul’s, includes granite counters and vinyl plank floors.

3. Other Unit Features & Finishes

All Upper Tier market rate communities have in-unit washer/dryers. Fourteen Lower Tier communities have this feature in some or all units. Among tax credit communities, Broad Creek includes in-unit washer/dryers; Mission College includes washer/dryers in some units; and Villa Terrace has no in-unit laundry options. St. Paul’s includes laundry connections in each unit. Private outdoor space in the form of patios or balconies is incorporated in some or all of the units at the garden communities but are limited among the mid-rise and adaptive reuse communities. Other features that are available in some rental communities include fireplaces, extra storage, and unit alarms. Upper Tier market rate communities include higher end finishes and extra features, such as high ceilings, designer fixtures, track or recessed lighting, and built-in computer nooks.

4. Parking

Most Upper Tier communities offer structured garage parking with monthly fees ranging from free to \$200. Lower Tier communities offer a variety of structured garage and surface parking options, while all four tax credit communities offer free surface parking.

Table 27 Parking Arrangements, St. Paul’s Market Area Rental Communities

Community	Garages				Notes
	Paid Surface	Reserved	Reserved	Structured	
201 Twenty-One				\$30	1st free
Alexander at Ghent				\$50	1/2BR: 1st free, 3BR: 2 free
Aura Downtown				\$58	\$65 onsite garage, \$50.50 city garage
Element at Ghent				\$35	
Fairfax Apartments				\$51	City garage
Icon Norfolk				\$56	City garage
James Apartments	\$125			\$51	City garage
Law Building				\$51	City garage
Loraine, The				\$51	City garage
Metro on Granby			\$200	\$88	\$125 onsite garage, \$50.50 city garage
Monticello Station				\$51	City garage
Museum Apts			\$50		
Pembroke Towers				\$85	
Riverview Lofts				\$110	1st free
Rockefeller, The				\$51	City garage
Roebuck Apts, The	\$50	\$100			
Savoy				\$51	City garage
The Point on 38th				\$50	
Virginia Building				\$51	City garage
Wainwright	\$75			\$51	City garage
Source: Phone Survey, RPRG, Inc. February 2022	\$83	\$100	\$125	\$56	



5. Community Amenities

As shown in Table 28, almost all Upper Tier communities in the St. Paul’s Market Area incorporate common area amenities. Community amenities are less common among Lower Tier communities, and very limited at the three older tax credit communities. The newest tax credit community, St. Paul’s, offers a more extensive array of amenities. Clubhouses/community rooms and fitness rooms are the most common Upper Tier market rate community, included at 15 and 19 communities, respectively. Swimming pools are included at nine Upper Tier communities and 12 include business centers.

Table 28 Community Amenities, St. Paul’s Market Area Rental Communities

The most typical common area amenity among the Lower Tier market rate communities is a fitness center available at ten communities. A clubhouse is available at two communities; swimming pool are available at five Lower Tier communities; and four communities have business centers. One Lower Tier property has a playground.

Among the income-restricted rental supply, two offer no amenities; Mission College offers a swimming pool and playground; St. Paul’s includes the most comprehensive amenity package with a community room, fitness center, swimming pool, playground, and business center.

Community	Clubhouse	Fitness Room	Outdoor Pool	Hot Tub	Playground	Tennis	Business Center
Subject Property	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Upper Tier Communities							
Icon Norfolk	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Monticello Station	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Riverview Lofts	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Roebuck Apts, The	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Element at Ghent	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Law Building	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Aura Downtown	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Belmont at Freemason	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Alexander at Ghent	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Rockefeller, The	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fairfax Apartments	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Metro on Granby	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
201 Twenty-One	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Ghent Village	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
James Apts	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Wainwright	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Loraine, The	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
River House	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Heritage at Freemason Harbour	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Point on 38th	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Lower Tier Communities							
First Colony Flats	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hague Towers	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chenman Lofts	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B & G Place	<input type="checkbox"/>						
Tidewater Square	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Brightleaf	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Savoy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Virginia Building	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Pembroke Towers	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Peanut Factory Flats	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Museum Apts	<input type="checkbox"/>						
Depot, The	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lafayette, The	<input type="checkbox"/>						
Ballentine Lofts	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Norcova Gardens	<input type="checkbox"/>						
Sherwood Forest	<input type="checkbox"/>						
Larchmont	<input type="checkbox"/>						
Lakewood Garden	<input type="checkbox"/>						
Apollo Apts	<input type="checkbox"/>						
Alta Vista	<input type="checkbox"/>						
Ingleside Square	<input type="checkbox"/>						
Tax Credit Communities							
Broad Creek Renaissance	<input type="checkbox"/>						
St. Paul’s Apt Homes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mission College	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Villa Terrace	<input type="checkbox"/>						

Source: Phone Survey, RPRG, Inc. February 2022



6. Distribution of Units by Bedroom Type

RPRG obtained unit distribution details for 96.6 percent of all market area units. Unit distribution details were reported for 95.5 percent of all Upper Tier units, 98.4 percent of all Lower Tier units; and all tax credit units (two tax credit communities include four-bedroom units not reflected in the table). The Upper Tier communities reporting unit distributions are comprised of 9.7 percent efficiencies, 51.1 percent one-bedroom units, 35.1 percent two-bedroom units, and 4.1 percent three-bedroom units. Lower Tier market rate communities are more heavily weighted towards two-bedroom units comprising 44.0 percent, while studios account for 11.5 percent, one-bedroom units make up 37.8 percent and three-bedroom units account for 6.8 percent. The income-restricted rental supply also has a larger proportion of two-bedroom units (70.0 percent) with one-bedroom units comprising 13.6 percent and three-bedroom units representing 16.4 percent. Broad Creek and Mission College also include four-bedroom units.

7. Unit Size

The average unit sizes for the surveyed Upper Tier market rate units are 514 square feet for efficiencies, 717 square feet for the one-bedroom units; 1,078 square feet for two-bedroom units; and 1,368 square feet for three-bedroom units. The Lower Tier market rate units have average sizes of 489 square feet for efficiencies, 702 square feet for the one-bedroom units; 1,028 square feet for two-bedroom units; and 1,254 square feet for three-bedroom units. Among the tax credit rental supply, units are generally comparable in size to the market rate properties with an average of 743 square feet for one-bedroom units; 963 square feet for two-bedroom units; and 1,239 square feet for three-bedroom units.

8. Unit Pricing

The rents listed in Table 29 are net or effective rents, as opposed to street or advertised rents. We applied downward adjustments to street rents to control for current rental incentives. The net rents further reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where base rents only include trash collection expenses, the utility situation for the subject.

Among Upper Tier market rate communities, the average effective rents are:

- One-bedroom rents averaging \$1,551 for 717 square feet, or \$2.16 per square foot.
- Two-bedroom rents averaging \$1,957 for 1,078 square feet, or \$1.82 per square foot.
- Three-bedroom rents averaging \$2,571 for 1,368 square feet, or \$1.88 per square foot.

Among Lower Tier market rate communities, the average effective rents are:

- One-bedroom rents averaging \$1,133 for 702 square feet, or \$1.61 per square foot.
- Two-bedroom rents averaging \$1,350 for 1,028 square feet, or \$1.31 per square foot.
- Three-bedroom rents averaging \$1,688 for 1,254 square feet, or \$1.35 per square foot.

Among tax credit communities, the average effective rents are:

- One-bedroom rents averaging \$792 for 743 square feet, or \$1.07 per square foot.
- Two-bedroom rents averaging \$983 for 963 square feet, or \$1.02 per square foot.
- Three-bedroom rents averaging \$1,188 for 1,239 square feet, or \$0.96 per square foot.



Table 29 Unit Distribution, Size, and Pricing

Community	Total Units	Efficiency Units			One Bedroom Units			Two Bedroom Units			Three Bedroom Units						
		Units	Rent (1)	SF	Rent/ SF	Units	Rent (1)	SF	Rent/ SF	Units	Rent (1)	SF	Rent/ SF				
Subject - 40% AMI (sub)	20				3	\$837	683	\$1.23	12	\$1,011	864	\$1.17	5	\$1,474	1,218	\$1.21	
Subject - 50% AMI (sub)	28				4	\$873	683	\$1.28	18	\$1,011	864	\$1.17	6	\$1,474	1,218	\$1.21	
Subject - 50% AMI	8				1	\$687	683	\$1.01	5	\$818	864	\$0.95	2	\$928	1,218	\$0.76	
Subject - 60% AMI	40				9	\$846	683	\$1.24	24	\$1,008	864	\$1.17	7	\$1,148	1,218	\$0.94	
Subject - Market	42				9	\$1,233	683	\$1.81	26	\$1,533	864	\$1.77	7	\$1,779	1,218	\$1.46	
Upper Tier Communities																	
Icon Norfolk	269	37	\$1,400	472	\$2.97	108	\$1,845	667	\$2.77	99	\$2,352	1,019	\$2.31	25	\$3,213	1,349	\$2.38
Monticello Station+	121				43	\$1,766	865	\$2.04	61	\$2,182	1,260	\$1.73	13	\$2,597	1,410	\$1.84	
Riverview Lofts	81				43	\$1,508	705	\$2.14	38	\$2,178	1,041	\$2.09					
Roebuck Apts, The	60				37	\$1,490	676	\$2.20	23	\$2,126	1,041	\$2.04					
Element at Ghent	164				100	\$1,568	707	\$2.22	64	\$2,095	1,105	\$1.90					
Law Building	135		\$1,256	524	\$2.40		\$1,433	571	\$2.51		\$1,996	912	\$2.19				
Aura Downtown	156	20	\$1,537	523	\$2.94	124	\$1,670	655	\$2.55	8	\$1,985	1,004	\$1.98	4	\$2,510	1,208	\$2.08
Belmont at Freemason	239				160	\$1,541	738	\$2.09	79	\$1,968	1,114	\$1.77					
Alexander at Ghent	268	62	\$1,520	670	\$2.27	74	\$1,529	725	\$2.11	120	\$1,930	1,083	\$1.78	12	\$2,109	1,324	\$1.59
Rockefeller, The	146	23	\$1,159	524	\$2.21	114	\$1,376	674	\$2.04	9	\$1,926	1,147	\$1.68				
Fairfax Apartments	56	14	\$1,229	438	\$2.81	35	\$1,540	687	\$2.24	7	\$1,910	1,023	\$1.87				
Metro on Granby	188	37	\$1,183	445	\$2.66	94	\$1,442	775	\$1.86	57	\$1,898	1,052	\$1.80				
201 Twenty-One	225	22	\$1,322	767	\$1.72	138	\$1,544	904	\$1.71	65	\$1,892	1,218	\$1.55				
Ghent Village	138	4	\$1,250	569	\$2.20	24	\$1,545	804	\$1.92	102	\$1,875	1,254	\$1.50	10	\$2,025	1,334	\$1.52
James Apts	78	17	\$1,145	465	\$2.47	54	\$1,502	676	\$2.22	6	\$1,842	968	\$1.90	1	\$3,196	1,695	\$1.89
Wainwright	126	19	\$1,120	391	\$2.87	91	\$1,532	721	\$2.12	16	\$1,832	906	\$2.02				
Lorraine, The	56	25	\$1,127	382	\$2.95	30	\$1,376	586	\$2.35	1	\$1,831	1,111	\$1.65				
River House	194				45	\$1,575	825	\$1.91	131	\$1,816	1,160	\$1.57	18	\$2,450	1,369	\$1.79	
Heritage at Freemason Harbour	185				51	\$1,703	795	\$2.14	97	\$1,785	1,201	\$1.49	37	\$2,470	1,257	\$1.97	
The Point on 38th	149				116	\$1,529	579	\$2.64	33	\$1,730	938	\$1.84					
Upper Tier Total/Average	3,034		\$1,271	514	\$2.47		\$1,551	717	\$2.16		\$1,957	1,078	\$1.82		\$2,571	1,368	\$1.88
Upper Tier Unit Distribution	2,897	280				1,481				1,016				120			
Upper Tier % of Total	95.5%	9.7%				51.1%				35.1%				4.1%			
Lower Tier Communities																	
First Colony Flats	51				42	\$1,254	713	\$1.76	9	\$1,719	1,112	\$1.55					
Hague Towers	250	53	\$1,152	528	\$2.18	137	\$1,288	800	\$1.61	66	\$1,698	1,056	\$1.61				
Chenman Lofts	43				32	\$1,214	706	\$1.72	11	\$1,674	1,197	\$1.40					
B & G Place	39				23	\$1,184	706	\$1.68	16	\$1,671	1,191	\$1.40	1	\$1,814	1,337	\$1.36	
Tidewater Square	65				44	\$1,189	666	\$1.79	3	\$1,659	1,252	\$1.33	18	\$1,809	1,220	\$1.48	
Brightleaf	88					\$1,244	754	\$1.65		\$1,654	1,180	\$1.40		\$1,944	1,440	\$1.35	
Savoy	44	16	\$1,245	450	\$2.77	28	\$1,422	550	\$2.58								
Virginia Building	34	17	\$1,108	503	\$2.20	16	\$1,375	539	\$2.55				1	\$2,122	1,112	\$1.91	
Pembroke Towers	168	51	\$1,149	460	\$2.50	75	\$1,330	726	\$1.83	27	\$1,650	1,140	\$1.45	15	\$1,915	1,242	\$1.54
Peanut Factory Flats	85				54	\$1,239	710	\$1.75	26	\$1,624	1,215	\$1.34	55	\$1,792	1,423	\$1.26	
Museum Apts	48				3	\$1,325	685	\$1.93	45	\$1,614	878	\$1.84					
Depot, The	25				10	\$1,289	689	\$1.87	12	\$1,605	1,018	\$1.58	3	\$1,779	1,191	\$1.49	
Lafayette, The	168	82	\$1,156	502	\$2.30	42	\$1,260	950	\$1.33	41	\$1,425	1,300	\$1.10	2	\$1,700	1,500	\$1.13
Ballentine Lofts	24	8	\$875	492	\$1.78	12	\$1,148	770	\$1.49	4	\$1,355	1,250	\$1.08				
Norcova Gardens	40				8	\$930	640	\$1.45	32	\$1,009	816	\$1.24					
Sherwood Forest	173				57	\$835	800	\$1.04	104	\$975	1,000	\$0.98	12	\$1,195	1,200	\$1.00	
Larchmont	172				75	\$825	550	\$1.50	97	\$970	713	\$1.36					
Lakewood Garden	92				40	\$840	736	\$1.14	52	\$945	912	\$1.04					
Apollo Apts	91				24	\$771	638	\$1.21	67	\$866	851	\$1.02					
Alta Vista	13								13	\$775	680	\$1.14					
Ingleside Square	300				27	\$695	720	\$0.97	246	\$755	770	\$0.98	27	\$815	880	\$0.93	
Lower Tier Total/Average	2,013		\$1,114	489	\$2.28		\$1,133	702	\$1.61		\$1,350	1,028	\$1.31		\$1,688	1,254	\$1.35
Lower Tier Unit Distribution	1,981	227				749				871				134			
Lower Tier % of Total	98.4%	11.5%				37.8%				44.0%				6.8%			
Tax Credit Communities																	
St. Paul's Apt Homes* MKT	6				4	\$936	748	\$1.25	3	\$1,370	940	\$1.46	3	\$1,625	1,146	\$1.42	
Broad Creek Renaissance* MKT+	20				6	\$853	630	\$1.35	6	\$1,121	992	\$1.13	9	\$1,293	1,370	\$0.94	
St. Paul's Apt Homes* 60%	56				6	\$853	630	\$1.35	27	\$1,013	940	\$1.08	23	\$1,157	1,146	\$1.01	
Broad Creek Renaissance* 50%	28				7	\$777	748	\$1.04	11	\$931	992	\$0.94	10	\$1,073	1,370	\$0.78	
Mission College* MKT+	130				12	\$784	850	\$0.92	84	\$909	1,050	\$0.87	24	\$1,014	1,200	\$0.85	
Villa Terrace* 50%	81								81	\$850	800	\$1.06					
Mission College* 50%+	130				24	\$710	850	\$0.84	84	\$845	1,050	\$0.80	12	\$968	1,200	\$0.81	
St. Paul's Apt Homes* 50%	64				14	\$694	630	\$1.10	50	\$823	940	\$0.88					
Tax Credit Total/Average	515					\$792	743	\$1.07		\$983	963	\$1.02		\$1,188	1,239	\$0.96	
Tax Credit Unit Distribution	494	0				67				346				81			
Tax Credit % of Total	95.9%	0.0%				13.6%				70.0%				16.4%			
Total/Average	5,562		\$1,233	511	\$2.41		\$1,345	716	\$1.88		\$1,668	1,059	\$1.58		\$2,020	1,309	\$1.54
Unit Distribution	5,372	507				2,297				2,233				335			
% of Total	96.6%	9.4%				42.8%				41.6%				6.2%			

(1) Rent is adjusted to include trash, and Incentives Source: Phone Survey, RPRG, Inc. February 2022 (*) LIHTC (+) Includes 4 bedroom units



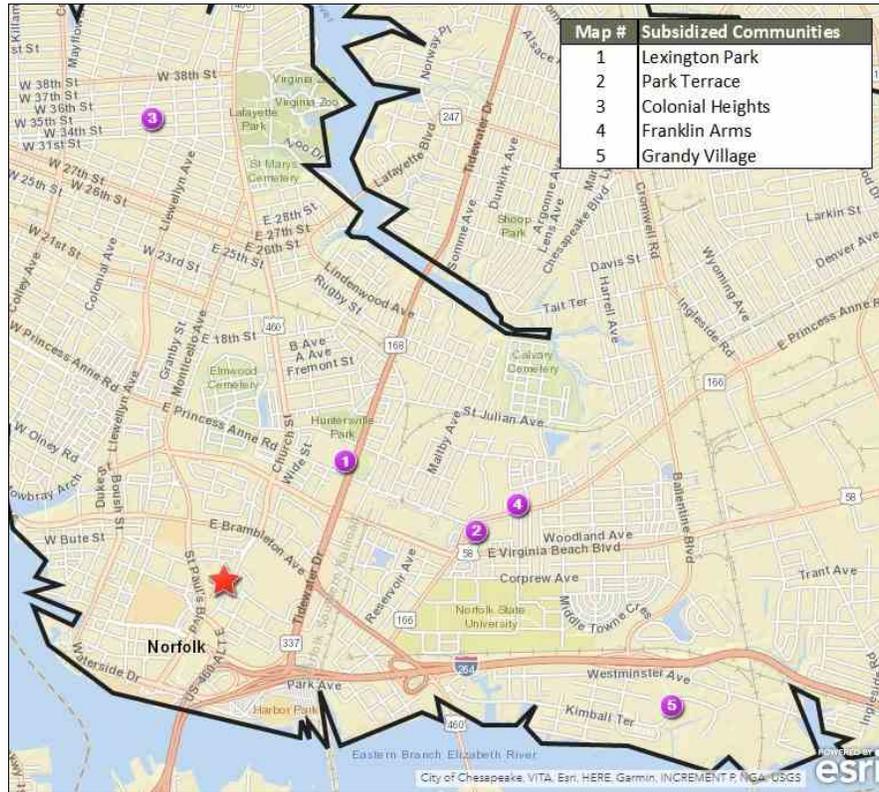
E. Subsidized Rental Communities & Housing Choice Voucher Statistics

RPRG identified five general occupancy multifamily rental communities totaling 764 units in the market area with project-based rental subsidies, commonly referred to as “deep” subsidy rental housing (Map 6). Deep subsidy units include those where rental assistance is provided in the form of project-based Section 8 rent subsidies or other governmental programs, such as in public housing. In many subsidized arrangements, tenants pay an amount roughly equivalent to 30 percent of their income toward housing costs (rents plus utility costs), while the rent subsidy covers the remainder of the relevant housing costs.

- **Lexington Park** is a 180-unit multifamily Section 8 rental community built in 1981 and located at 1225 Tidewater Drive, roughly one mile northeast of the subject site. The leasing staff reported a wait list of two years for one-bedroom units, 6 to 12 months for two-bedroom units, and one year for three-bedroom units.
- **Park Terrace** is an 81-unit Section 8 rental community built in 1976 and located 1.5 miles east of the subject site at 1120 Park Avenue. Leasing staff reported 57 two-bedroom units and 24 three-bedroom units with a wait list of over one year.
- **Colonial Heights** is a 40-unit multifamily Section 8 rental community located at 3412 Colonial Avenue, just over two miles northwest of the subject site. The leasing staff reported all units are general occupancy and distributed among 30 one-bedroom units and 10 two-bedroom units. According to the leasing staff, the waitlist spans 6 months to one year.
- **Franklin Arms/Marshall Manor** is a 100-unit multifamily Public Housing community owned and managed by the Norfolk Redevelopment and Housing Authority located at 2500 Princess Anne Road, roughly 1.5 miles east of the subject site. The community includes 88 one-bedroom units and 12 two-bedroom units. The leasing staff reported a waitlist of over six months.
- **Grandy Village** is a 363-unit multifamily Public Housing community owned and managed by the Norfolk Redevelopment and Housing Authority located at 3151 Kimball Terrace, three miles southeast of the subject site. The community was built over several phases starting in 1953, and the leasing staff reported a waitlist of 6 months to 1 year depending on floorplan. Redevelopment efforts are currently underway.

In addition, the Norfolk Redevelopment and Housing Authority (NRHA) with the City of Norfolk administers the Housing Choice Voucher (HCV) program for Norfolk residents. According to the NRHA, the Housing Authority currently administers approximately 2,800 vouchers throughout the city, with over 8,000 people currently on a waiting status for their HCV Standard waitlist.

Map 6 Deeply Subsidized Rental Communities, St. Paul's Market Area



F. Derivation of Market Rent

To better understand how the proposed contract rents for Block 17 Apartments compare with the surveyed rental market, the contract rents of comparable communities can be adjusted for differences in a variety of factors including curb appeal, structure age, square footage, the handling of utilities, and shared amenities. Market-rate communities are the most desirable comparables to be used in this type of analysis, as the use of market-rate communities allows RPRG to derive an estimate of market rent.

The purpose of this exercise is to determine whether the proposed LIHTC rents for the subject offer a value relative to market-rate rent levels within a given market area. The rent derived for bedroom type is not to be confused with an appraisal or rent comparability study (RCS) based approach, which is more specific as it compares specific models in comparable rental communities to specific floor plans at the subject and is used for income/expense analysis and valuation.

We elected to compare the units at the subject to the comparable floor plans at The Roebuck Apartments, Ghent Village, and Aura Downtown. Once a particular floor plan's market rent has been determined, it can be used to evaluate: a.) whether or not the subject project has a rent advantage or disadvantage versus competing communities, and b.) the extent of that rent advantage or disadvantage.

The derivation of achievable rent calculations for the 60 percent of AMI units are displayed in Table 30, Table 31 and Table 32. The results of the calculations are summarized in Table 33. The assumptions used in the calculations are shown in Table 34.

Table 30 Market Rent Analysis – One-Bedroom Units

One Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Block 17/Block 18 Saint Paul's Boulevard Norfolk, VA	Roebuck Apts, The		Ghent Village		Aura Downtown		
	328 E Freemason Street		100 Westover Ave		450 Broush Street		
	Norfolk	VA	Norfolk	VA	Norfolk	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60% AMI	\$846	\$1,505	\$0	\$1,545	\$0	\$1,660	\$0
Utilities Included	T	None	\$10	T	\$0	None	\$10
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$846	\$1,515		\$1,545		\$1,670	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid/4	Mid/4	\$0	Gar/3	(\$25)	Mid/6	\$0
Year Built / Renovated	2024	2011	\$10	2009	\$11	2017	\$5
Quality/Street Appeal	Excellent	Above Average	\$10	Above Average	\$10	Excellent	\$0
Location	Above Average	Above Average	\$0	Above Average	\$0	Excellent	(\$10)
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	1	1	\$0	1	\$0	1	\$0
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0
Unit Interior Square Feet	683	846	(\$41)	804	(\$30)	655	\$7
Balcony / Patio / Porch	Yes	Yes	\$0	Yes	\$0	Yes	\$0
AC Type:	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Washer / Dryer: In Unit	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Washer / Dryer: Hook-up	No	No	\$0	No	\$0	No	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	Str. Gar-Fee	\$25	\$0	\$0	Str. Gar-Fee	\$40
Club House	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Pool	No	Yes	(\$10)	No	\$0	Yes	(\$10)
Recreation Areas	No	No	\$0	No	\$0	No	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		3	3	2	3	3	3
Sum of Adjustments B to D		\$45	(\$61)	\$21	(\$65)	\$52	(\$30)
F. Total Summary							
Gross Total Adjustment		\$106		\$86		\$82	
Net Total Adjustment		(\$16)		(\$44)		\$22	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,499		\$1,501		\$1,692	
% of Effective Rent		98.9%		97.2%		101.3%	
Estimated Market Rent	\$1,564						
Rent Advantage \$	\$718						
Rent Advantage %	45.9%						



Table 31 Market Rent Analysis – Two-Bedroom Units

Two Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Block 17/Block 18 Saint Paul's Boulevard Norfolk, VA	Roebuck Apts, The		Ghent Village		Aura Downtown		
	328 E Freemason Street		100 Westover Ave		450 Broush Street		
	Norfolk	VA	Norfolk	VA	Norfolk	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60% AMI	\$1,008	\$2,146	\$0	\$1,875	\$0	\$1,975	\$0
Utilities Included	T	None	\$10	T	\$0	None	\$10
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$1,008	\$2,156		\$1,875		\$1,985	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid/4	Mid/4	\$0	Gar/3	(\$25)	Mid/6	\$0
Year Built / Condition	2024	2011	\$10	2009	\$11	2017	\$5
Quality/Street Appeal	Excellent	Above Average	\$10	Above Average	\$10	Excellent	\$0
Location	Above Average	Above Average	\$0	Above Average	\$0	Excellent	(\$10)
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	2	2	\$0	2	\$0	2	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0
Unit Interior Square Feet	864	1,250	(\$97)	1,254	(\$98)	1,015	(\$38)
Balcony / Patio / Porch	Yes	Yes	\$0	Yes	\$0	Yes	\$0
AC: (C)entral / (W)all / (N)o	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Washer / Dryer: In Unit	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Washer / Dryer: Hook-up	No	No	\$0	No	\$0	No	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	Str. Gar-Fee	\$25	\$0	\$0	Str. Gar-Fee	\$40
Club House	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Pool	No	Yes	(\$10)	No	\$0	Yes	(\$10)
Recreation Areas	No	No	\$0	No	\$0	No	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		3	3	2	3	2	4
Sum of Adjustments B to D		\$45	(\$117)	\$21	(\$133)	\$45	(\$68)
F. Total Summary							
Gross Total Adjustment		\$162		\$154		\$113	
Net Total Adjustment		(\$72)		(\$112)		(\$23)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$2,084		\$1,763		\$1,962	
% of Effective Rent		96.7%		94.0%		98.8%	
Estimated Market Rent	\$1,936						
Rent Advantage \$	\$928						
Rent Advantage %	47.9%						

Table 32 Market Rent Analysis – Three-Bedroom Units

Three Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Block 17/Block 18 Saint Paul's Boulevard Norfolk, VA	Roebuck Apts, The		Ghent Village		Aura Downtown		
	328 E Freemason Street		100 Westover Ave		450 Broush Street		
	Norfolk	VA	Norfolk	VA	Norfolk	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60% AMI	\$1,148	\$2,146	\$0	\$2,025	\$0	\$2,500	\$0
Utilities Included	T	None	\$10	T	\$0	None	\$10
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$1,148	\$2,156		\$2,025		\$2,510	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid/4	Mid/4	\$0	Gar/3	(\$25)	Mid/6	\$0
Year Built / Condition	2024	2011	\$10	2009	\$11	2017	\$5
Quality/Street Appeal	Excellent	Above Average	\$10	Above Average	\$10	Excellent	\$0
Location	Above Average	Above Average	\$0	Above Average	\$0	Excellent	(\$10)
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	3	2	\$25	2	\$25	3	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0
Unit Interior Square Feet	1,218	1,408	(\$48)	1,334	(\$29)	1,208	\$3
Balcony / Patio / Porch	Yes	Yes	\$0	Yes	\$0	Yes	\$0
AC: (C)entral / (W)all / (N)ot	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Washer / Dryer: In Unit	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Washer / Dryer: Hook-ups	No	No	\$0	No	\$0	No	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	Str. Gar-Fee	\$25	\$0	\$0	Str. Gar-Fee	\$40
Club House	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Pool	No	Yes	(\$10)	No	\$0	Yes	(\$10)
Recreation Areas	No	No	\$0	No	\$0	No	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		4	3	3	3	3	3
Sum of Adjustments B to D		\$70	(\$68)	\$46	(\$64)	\$48	(\$30)
F. Total Summary							
Gross Total Adjustment		\$138		\$110		\$78	
Net Total Adjustment		\$2		(\$18)		\$18	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$2,158		\$2,007		\$2,528	
% of Effective Rent		100.1%		99.1%		100.7%	
Estimated Market Rent	\$2,231						
Rent Advantage \$	\$1,083						
Rent Advantage %	48.5%						



Table 33 Market Rent Advantage - Summary

	One Bedroom	Two Bedroom	Three Bedroom
50% AMI Units	Units	Units	Units
Subject Rent	\$687	\$818	\$928
Estimated Market Rent	\$1,564	\$1,936	\$2,231
Rent Advantage (\$)	\$877	\$1,118	\$1,303
Rent Advantage (%)	56.1%	57.8%	58.4%
60% AMI Units			
	One Bedroom	Two Bedroom	Three Bedroom
60% AMI Units	Units	Units	Units
Subject Rent	\$846	\$1,008	\$1,148
Estimated Market Rent	\$1,564	\$1,936	\$2,231
Rent Advantage (\$)	\$718	\$928	\$1,083
Rent Advantage (%)	45.9%	47.9%	48.5%

Table 34 Market Rent Advantage – Adjustment Table

Rent Adjustments Summary	
B. Design, Location, Condition	
Structure / Stories	
Year Built / Renovated	\$0.75
Quality/Street Appeal	\$10.00
Location	\$10.00
C. Unit Equipment / Amenities	
Number of Bedrooms	\$25.00
Number of Bathrooms	\$30.00
Unit Interior Square Feet	\$0.25
Balcony / Patio / Porch	\$5.00
AC Type:	\$5.00
Range / Refrigerator	\$25.00
Microwave / Dishwasher	\$5.00
Washer / Dryer: In Unit	\$25.00
Washer / Dryer: Hook-ups	\$5.00
D. Site Equipment / Amenities	
Parking (\$ Fee)	
Learning Center	\$10.00
Club House	\$10.00
Pool	\$10.00
Recreation Areas	\$5.00
Fitness Center	\$10.00

After adjustments, the estimated market rent for a one-bedroom/one bath unit is \$1,564 providing the subject’s 60 percent of AMI one-bedroom units with a market advantage of 45.9 percent. The estimated market rent for a two-bedroom/two bath unit is \$1,936, resulting in the subject’s 60 percent of AMI units having a 47.9 percent rent advantage. The estimated market rent for three-bedroom/two bath unit is \$2,231, resulting in the subject’s 60 percent of AMI units having a 48.5 percent rent advantage. Market rent advantages among all subject floorplans and income targets range from 45.9 percent for one-bedroom 60 percent AMI units to 58.4 percent for three-bedroom 50 percent AMI units.

G. Achievable Restricted Rents

The market rent derived above is an estimate of what a willing landlord might reasonably expect to receive, and a willing tenant might reasonably expect to pay for a unit at the subject. However, as a tax credit community, the maximum rent that a project owner can charge for a low-income unit is a gross rent based on bedroom size and applicable HUD's median household income for the subject area. If these LIHTC maximum gross/net rents are below the market rent (adjusted downward by ten percent), then the maximum rents also function as the achievable rents for each unit type and income band. Conversely, if the adjusted market rents are below the LIHTC maximum rents, then the adjusted market rents (less ten percent) act as the achievable rents. Therefore, achievable rents are the lower of the market rent or maximum LIHTC rent.

As shown in Table 35, all of the maximum LIHTC rents are well below estimated adjusted market rents. Therefore, the maximum LIHTC rents are the achievable rents for all 50 and 60 percent AMI LIHTC units. All proposed LIHTC rents for the subject are at or below the achievable rents.

Table 35 Achievable Tax Credit Rent

	One Bedroom	Two Bedroom	Three Bedroom
50% AMI Units	Units	Units	Units
Estimated Market Rent	\$1,564	\$1,936	\$2,231
Less 10%	\$1,408	\$1,743	\$2,008
Maximum LIHTC Rent*	\$687	\$818	\$928
Achievable Rent	\$687	\$818	\$928
SUBJECT RENT	\$687	\$818	\$928
	One Bedroom	Two Bedroom	Three Bedroom
60% AMI Units	Units	Units	Units
Estimated Market Rent	\$1,564	\$1,936	\$2,231
Less 10%	\$1,408	\$1,743	\$2,008
Maximum LIHTC Rent*	\$846	\$1,008	\$1,148
Achievable Rent	\$846	\$1,008	\$1,148
SUBJECT RENT	\$846	\$1,008	\$1,148

*Assumes utility allowances of \$105 1BR; \$133 2BR; \$170 avg 3BR

H. Proposed and Pipeline Rental Communities

RPRG pursued several avenues of research to identify residential rental projects that are actively being planned or that are currently under construction within the St. Paul's Market Area. We obtained information on proposed developments through interviews with Chris Whitney, a Planner II with the City of Norfolk, and through interviews with local developers. We corresponded with HUD's Baltimore office, and we relied upon previous work conducted in Norfolk over the past several years.

The pipeline communities are divided into two categories, near term and long term. Near term projects include those that are under construction and those that we believe have the greatest likelihood of delivering in the next three years. Near term projects are considered in our derivation of three-year rental demand in the market. Long term projects do not have financing secured, are on hold for the present, and/or have estimated delivery dates beyond the next three years. Long term projects also include those for which rezoning or site plan approval is still required.



Through this research, RPRG identified six near term projects totaling 1,061 units expected to be placed in service in the next three years and seven long term projects less likely to be placed in service in the next three years (Map 7).

Near Term

- **The Ashton:** SL Nusbaum is planning a 118-unit tax credit community at 1140 E. Princess Anne Road. The project received tax credits in 2019. Construction began in September 2020 with an 18-month construction schedule.
- **Lofts at Front Street:** Breeden Investments' 258-unit luxury multifamily community located at 533 Front Street is under construction. Plans call for 35 studios, 116 one-bedroom units, 97 two-bedroom units, and 10 three-bedroom units is expected to deliver by mid-2022.
- **Market Heights Apartments:** A 164-unit affordable community has been proposed by Lawson Development. Plans have been submitted to the city and the project was awarded Low Income Housing Tax Credits. Construction began in October 2020 with delivery expected by mid- 2022.
- **Virginian Pilot Apartments:** Redevelopment of the Virginia Pilot Building at 150 W. Brambleton Avenue into a 181-unit multifamily community. The project is currently undergoing interior adaptive reuse construction.
- **St. Paul's Block 19 and Block 20:** Block 19 Apartments LP is planning a 190-unit income restricted tax credit community at 501 Wood Street among two phases, Block 19 and Block 20. Block 19 will consist of 70 senior income-restricted apartments and Block 20 will consist of 120 general occupancy income-restricted apartments. The project is applying for four percent tax credit and bond financing. Discussions with the developer indicate they hope to break ground in 2022 with timing of final delivery likely in approximately three years. We conservatively include it in the near term (three-year) pipeline.
- **St. Paul's Block 9, 10 & 16 (Tidewater Gardens):** Brinshore Development, LLC has proposed the redevelopment of the existing Tidewater Gardens public housing complex into a 191-unit affordable housing LIHTC community. Block 9 will contain 80 units and Blocks 10 & 16 will contain 111 units. Units will be restricted to residents earning 40% of AMI (71 units) or 60% (57 units). An additional 63 units will be market rate units. The developer anticipates beginning construction in June 2022 with completion in December 2024.
- **Fusion Apartments:** Marathon Development recently submitted a plan for a multifamily apartment building which will include 259 units to the City of Norfolk's Architectural Review Board. The project is currently undergoing site prep and conservatively included in our near-term pipeline.
- **Gravity 400:** A 273-unit proposed general occupancy market rate community located on the north side of Waterside Drive in the southern portion of downtown Norfolk. The project received construction financing through a HUD 221(d)(4) loan. Site prep began in late 2021 with delivery expected by Fall 2023.
- **Aspire:** Richman Group Development Corporation is planning an affordable housing community with 85 units located at the corner of Church Street and Brambleton Avenue. A minimum of 21 units will be replacement units for residents of the redeveloped Tidewater Gardens housing community restricted to incomes at or below 40% of AMI. An additional six units will be reserved for currently or formerly homeless residents. Remaining units will be restricted to residents with incomes at or below 80% of AMI. The project was approved by the Norfolk City Council on January 25, 2022.

Long Term

- **Newport Manor/Norfolk Place:** Hanson Co. is planning a 50-unit multifamily community at 608 35th Street. Although tax credits were awarded in 2016, plans have stalled and timing is undetermined.



- **Fareed Plaza:** A mixed-use project is planned at 611 W. 35th Street including 20 multifamily rental units and ground floor retail space. Planning officials indicate revisions are required for plans with no recent activity or communication.
- **Additional St. Paul's Phase (Snyder Lot):** The City's master plan for the St. Paul's redevelopment includes a possible 170-unit multifamily community at 555. E Plume Street. This is a later phase with details and timing undetermined.
- **West Olney Road:** Boyd Homes is contemplating a development at 801 Boush Street which may include various uses including potential of up to 300 multifamily units. Discussions with planning officials indicate approvals are still needed and this project is only in early preliminary stages with timing and details undetermined.
- **1500 Monticello:** A proposed mixed-use development on a 2.13-acre site with up to 501 units under discussion with Norfolk Planning.
- **Park Place Methodist Church (Adaptive Reuse):** Monument Companies has a proposed a 60-unit adaptive reuse development of the Park Place Methodist Church with development timing undetermined.
- **Seventy Eight at St. Paul's:** A proposed mixed-use development with 261 units at 689 St. Paul's Boulevard is under development review with the City of Norfolk.
- **Chenman Lofts Phase II:** An additional 100 units are planned for Chenman Lofts Phase II. The site plan is approved but development timing is undetermined.

Map 7 Pipeline Communities, St. Paul's Market Area





VIII. FINDINGS AND CONCLUSIONS

A. Key Findings

Based on the preceding review of the subject project and demographic and competitive housing trends in the St. Paul's Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

Located along the edge of Downtown Norfolk with a vibrant mix of commercial, institutional, and residential uses nearby, the subject site affords good access to public transportation, employment opportunities, and neighborhood services.

- The plan to reposition the subject parcel of land to a high quality, affordable rental property will benefit the local community. Surrounding land uses include public transportation, affordable multifamily, institutional, and light commercial uses.
- The site has good visibility and accessibility along the planned Church Street to the east and planned Freemason Street to the south. The Transit Center is to the north and Block 18 of the combined subject community is across an alley to the west. The subject's proximity to the Transit Center will enhance awareness. Pedestrian access is excellent at the subject site with sidewalks available along all adjacent streets at the subject site, connecting to the surrounding neighborhoods' sidewalk network and providing convenient access to nearby neighborhood services.
- The subject's location near Norfolk's Downtown District provides convenient access to retail, cultural, and community amenities including grocery stores, schools, and community centers.
- The subject site is appropriate for affordable multifamily rental housing.

2. Economic Context

Norfolk's economy has been stable in recent years with average annual unemployment rates generally between state and national levels prior to the COVID-19 pandemic.

- The city's total labor force has remained relatively flat between 2010 to 2019, with a small net decline of 85 workers from 112,449 workers in 2010 to 112,364 workers in 2019. The number of unemployed workers declined from 9,843 workers in 2010 to 3,877 workers in 2019 while the employed portion of the total labor force grew from 102,606 workers to 108,487 workers during the same period. The number of unemployed workers spiked in April 2020 due to the onset of the COVID-19 pandemic but has decreased to roughly one-third of the April 2020 peak as of October 2021.
- Norfolk's unemployment rate improved significantly from the previous recession, dropping from 8.8 percent in 2010 to 3.5 percent in 2019, lower than the 3.7 percent national rate. Following national trends, unemployment spiked to 13.3 percent in April at the onset of the COVID-19 pandemic but recovered to 4.8 percent as of October 2021.
- The subject's market area is commuter-oriented with just under one third (30.2 percent) of St. Paul's Market Area workers reporting average commute times of 15 minutes or less each way as of 2015-2019, while 34.4 percent commuted 15 to 24 minutes and 31.5 percent commuted 25 or more minutes.
- Norfolk's At-Place Employment has fluctuated from 2010 through 2019, reaching a low of 134,424 jobs in 2014 followed by growth to an average of 141,017 jobs in 2019. Job growth averaged almost 2,100 jobs per year from 2014 to 2018, though most of these gains took



place in 2017. At-Place Employment decreased by 8,225 jobs in 2020 and now stands at 132,671 as of the second quarter of 2021, a decrease of just 121 jobs from 2020.

- Norfolk's economy is concentrated among four economic sectors; nearly one out of every three citywide jobs (28.3 percent) are within the Government sector, followed by Education Health (16.4 percent), Trade-Transportation-Utilities (15.7 percent), and Professional-Business (14.2 percent). Five of 11 economic sectors added jobs in Norfolk from 2011 through the first quarter of 2021, inclusive of the recent impacts of the COVID-19 pandemic.

3. Population and Household Trends

The St. Paul's Market Area has grown steadily over the past 22 years with household and population growth rates projected to remain strong over the next five years.

- The St. Paul's Market Area added a net of 1,933 households, representing growth of 6.2 percent, between 2010 and 2022. As of 2022, an estimated 33,036 households reside in the St. Paul's Market Area.
- The market area is projected to reach 92,700 people and 34,902 households by 2027. Annual increases in the market area from 2022 to 2027 are projected at 823 people and 373 households, the average annual growth rate is projected at 0.9 percent for people and 1.1 percent for households, exceeding Norfolk's growth estimates of 0.1 percent for both.

4. Demographic Analysis

The demographics of the St. Paul's Market Area reflect its location as a suburban community outside of Downtown Norfolk with a higher percentage of young adults, singles, and households without children and total household incomes lower than Norfolk as a whole.

- Households in the St. Paul's Market Area have a higher propensity to rent than in Norfolk. The St. Paul's Market Area's renter percentage is 57.8 percent in 2022, and renters comprised 86.2 percent of net household growth over the past 12 years. RPRG projects renters to continue to contribute 86.2 percent of net household growth over the next five years.
- Over two fifths (41.5 percent) of market area renters as of 2022 are estimated to be below the age of 35, and renter households between the ages of 35 and 54 account for 31.3 percent of all renter households within the market area. These are the households who are most likely to be permanent renters, renting more out of necessity than lifestyle preference.
- The estimated 2022 median household income in the St. Paul's Market Area is \$53,433 per year, 3.6 percent lower than the Norfolk overall median household income of \$55,497. The market area's median renter household earns \$37,142 per year. Half (48.3 percent) of the market area's renters have annual incomes below \$35,000.
- Two fifths (39.2 percent) of all renter households residing in the St. Paul's Market Area have rent burdens of 40 percent or higher and 45.3 percent have rent burdens of 35 percent or higher. Additionally, 3.4 percent of the rental housing stock within the market area can be considered substandard, i.e., lacking complete plumbing facilities, or overcrowded with more than 1.0 occupants per room.

5. Competitive Housing Analysis

Low vacancies reported in RPRG's survey of the lower income housing tax credit rental communities indicate the affordable rental market in the St. Paul's Market Area is tight.



- The multifamily rental housing stock is moderately aged with the market area average year built of 2001. As of our survey, 31 of the 5,562 units were reported vacant, yielding a very low overall aggregate vacancy rate of 0.6 percent. The Upper Tier communities reported 0.8 percent vacancy and Lower Tier communities reported 0.3 percent vacancy. Tax credit communities reported no vacancies.
- The effective rents for Upper Tier one-bedroom units average \$1,551 (\$2.16 per square foot); the two-bedroom units average \$1,957 (\$1.82 per square foot); and three-bedroom units average \$2,571 (\$1.88 per square foot).
- The effective rents for Lower Tier market rate one-bedroom apartments average \$1,133 (\$1.61 per square foot); two-bedroom units average \$1,350 (\$1.31 per square foot); and three-bedroom units average \$1,688 (\$1.35 per square foot).
- Only four income-restricted communities (non-deeply subsidized) are currently in the St. Paul's Market Area; all operate under LIHTC guidelines with units restricted to 50 and 60 percent AMI as well as some market rate units. Effective rents for affordable one-bedroom apartments average \$792 (\$1.07 per square foot); two-bedroom units average \$983 (\$1.02 per square foot); and three-bedroom units average \$1,188 (\$0.96 per square foot).
- RPRG identified nine near term projects totaling 1,719 units expected to be placed in service in the next three years and eight long term projects less likely to be placed in service beyond the next three years and outside the three-year net demand analysis.

B. Derivation of Net Demand

1. Methodology

RPRG's Derivation of Demand calculation is intended to gauge whether sufficient demand from renter households would be available in the primary market area to absorb the number of units proposed for the subject Block 17 Apartments plus those units proposed at other pipeline rental communities that are expected to be brought online over a coming three-year period. The result of this analysis can be either a positive number (which shows the extent to which available demand for rental units would exceed available supply) or a negative number (which shows the extent to which available supply would exceed the number of units needed/demanded over the period in question). The closer the concluded number is to zero, the closer the rental market would be to an effective balance of supply and demand.

The three-year period in question for this analysis is the period from February 2022 to February 2025. We restrict the analysis to a three-year period in part to avoid artificially inflating demand by incorporating demand that would not be created until well after the subject project was introduced to the market and in part due to the difficulty in accurately predicting the likely supply of competing rental units beyond the three-year period.

RPRG's Derivation of Demand calculation is a gross analysis, meaning that the calculation balances the demand for new rental housing units of all types (i.e., luxury market-rate, more affordable market-rate, tax credit, rent-subsidized, and age-restricted) versus the upcoming supply of rental housing units of all types. The Derivation of Demand calculation is an incremental or net analysis, in that it focuses on the change in demand over the period in question as opposed to focusing on the market's total demand. Considerations such as household incomes and the floor plan types and proposed rents for the subject and other pipeline projects are not factored into the Derivation of Demand; rather, we address the interplay of these factors within the Affordability Analysis and Penetration Analysis in the next section of this report.

RPRG sums demand generated from three broad sources in order to arrive at ‘Net Demand for New Rental Units’ over the 2022 to 2025 period:

- **Projected Change in the Household Base.** Recall that in the Growth Trends section of this report, we presented projections of household change within the primary market area over the 2010 to 2027 period. We factor in three years’ worth of the household change suggested by the annual rate of household growth or decline (2022 to 2025). Note that net household change incorporates growth or decline stemming from both organic changes within existing households (i.e., new household formation as children move out of their parents’ homes, divorces, roommates electing to begin renting separately) and household migration into and out of the market area.
- **Need for Housing Stock Upgrades.** In accordance with HUD MAP Guide Chapter 7.5 Section I Paragraph c, demand for new housing units within a primary market area is generated when the stock of available housing units ceases to meet the housing needs of households that wish to remain residents of that primary market. In such instances, the housing stock needs to be upgraded either through the renovation of existing units or the construction of new units. That a particular housing unit has ceased to meet the housing needs of a market area’s households becomes evident in any number of ways, including:
 - **Physical Removal or Demolition.** Clearly, if a unit is demolished or otherwise physically removed from a market, it is no longer available to serve local households. Several factors contribute to the removal of housing units. Housing units are occasionally removed from any given market through disasters such as fires and various types of weather phenomenon. While such disasters occur somewhat randomly, the decision whether to repair or demolish a unit is based on the economic value of the property. Thus, a unit being permanently lost in a disaster should be correlated with factors such as its age, structure type, and physical condition. Demolitions can also be instigated through the loss of economic value or in response to a situation where vacant land has become more valuable than the land plus its existing structure. Based on American Housing Survey data, researchers have analyzed Components of Inventory Change (CINCH) (Table 36). CINCH data indicated that renter-occupied or vacant units were far more likely to be demolished than owner-occupied units; among renter-occupied and vacant units, single-family detached units were more likely to be demolished than multifamily units.
 - **Permanent Abandonment.** Housing units can be technically removed from the stock available to serve households without being physically removed. This happens when a housing unit’s owner elects to permanently abandon the unit – due to obsolescence, overwhelming repair costs, or other factors – without going through the steps (and costs) of demolishing it. If a dilapidated unit was occupied up until the time of permanent abandonment, the former occupant represents a source of demand for other units in the area.
 - **Overcrowding.** As defined by the U.S. Census Bureau, a housing unit is classified as overcrowded if the household occupying the unit has more people than the housing unit has rooms. Particularly in markets with high housing costs, lower-income individuals and families are often driven into an overcrowded housing situation. Overcrowded households constitute pent-up demand for new housing units not typically captured in household growth projections; were two affordable units to become available, an overcrowded household would very likely split into two households and generate an additional net unit of housing demand.
 - **Mismatch between Household Incomes and Housing Stock Quality.** While permanent abandonment and overcrowding are two factors likely to lead to net new demand for affordable housing units, limited recent housing construction in a stable, long-established neighborhood can be an indicator of pent-up demand for new housing units serving



middle- to upper-income households. Areas that exhibit this phenomenon are often downtown, inner city, or inner ring suburban locations that currently have – and have had for years – limited to no undeveloped land available for new housing construction/growth. When a neighborhood is stable in terms of overall household numbers but near the point of build-out for many years, many resident households develop a desire for a modern housing unit and the wherewithal to rent or purchase one, but have no stock of modern units from which to choose. Such households are ‘under-housed’ in that the quality of the housing stock in the area where they live (and wish to remain) does not match the type of housing they demand and could afford. Such pent-up demand is rarely captured in public projections of household growth and is difficult to translate to specific calculations. However, this pent-up demand is a very real factor driving demand for new housing units in stable, established residential neighborhoods.

- **Competitive Multifamily Vacancy Rates.** The final source of demand that factors into RPRG’s calculation of demand for rental units is the observed vacancy rate in the primary market area’s competitive rental market. RPRG assumes that a 5.0 percent vacancy rate is required to keep a rental market relatively elastic. Elasticity in this context means that an adequate number of quality housing units are vacant and available at any given time so that households seeking rental units can be accommodated and can have some choice among units. When the market vacancy rate is below 5.0 percent, additional units are needed to ensure an adequate number of available units from which to choose. When the market vacancy rate is above 5.0 percent, the market has the capacity to absorb some additional demand (whereby that amount of demand would not need to be met through the development of new units).
- In considering competitive vacancy rates, we focus on multifamily units for a number of reasons. One of the primary reasons is that the scattered market in single-family homes, condominiums, and other properties is extremely fluid and cannot be relied upon to consistently serve renter households, since the inventory can convert to homeownership very quickly. We leave rent-subsidized multifamily properties out of this calculation to avoid overestimating demand, as the deeply subsidized rental market is generally fully subscribed with waiting lists.

Table 36 Components of Inventory Change in Housing (CINCH)

A. Characteristics	C. Present in 2011	D. 2011 units present in 2013	2011 Unit change							TOTAL Lost to Stock	Total exclude MH	2011-13 Annual
			E. Change in characteristics	F. lost due to conversion /merger	G. house or mobile home moved out	H. changed to non residential use	I. lost through demolition or disaster	J. badly damaged or condemned	K. lost in other ways			
Total Housing Stock	132,420	130,852		98	161	202	470	212	424	1,567	1,406	703
				0.07%	0.12%	0.15%	0.35%	0.16%	0.32%	1.18%	1.06%	0.53%
Occupancy												
Occupied units	114,907	105,864	8,313	58	99	68	238	59	207	729	630	315
				0.05%	0.09%	0.06%	0.21%	0.05%	0.18%	0.63%	0.55%	0.27%
Vacant	13,381	5,123	7,642	38	50	85	175	110	158	616	566	283
				0.28%	0.37%	0.64%	1.31%	0.82%	1.18%	4.60%	4.23%	2.11%
Seasonal	4,132	2,132	1,778	2	11	49	57	43	59	221	210	105
				0.05%	0.27%	1.19%	1.38%	1.04%	1.43%	5.35%	5.08%	2.54%
Region (All Units)												
Northeast	23,978	23,718		38	0	28	55	40	99	260	260	130
				0.16%	0.00%	0.12%	0.23%	0.17%	0.41%	1.08%	1.08%	0.54%
Midwest	29,209	28,849		14	28	49	117	56	95	359	331	166
				0.05%	0.10%	0.17%	0.40%	0.19%	0.33%	1.23%	1.13%	0.57%
South	50,237	49,526		29	120	75	235	94	159	712	592	296
				0.06%	0.24%	0.15%	0.47%	0.19%	0.32%	1.42%	1.18%	0.59%
West	28,996	28,759		17	13	50	63	23	71	237	224	112
				0.06%	0.04%	0.17%	0.22%	0.08%	0.24%	0.82%	0.77%	0.39%
Owner occupied												
	76,092	69,324	6,418	14	83	14	116	26	97	350	267	134
				0.02%	0.11%	0.02%	0.15%	0.03%	0.13%	0.46%	0.35%	0.18%
Renter occupied												
	38,815	31,181	7,253	45	16	54	122	33	110	380	364	182
				0.12%	0.04%	0.14%	0.31%	0.09%	0.28%	0.98%	0.94%	0.47%
Metro Status												
In Central Cities	37,400	36,974		49	3	70	124	67	112	425	422	211
				0.13%	0.01%	0.19%	0.33%	0.18%	0.30%	1.14%	1.13%	0.56%
In Suburbs	65,872	65,311		26	57	54	169	69	186	561	504	252
				0.04%	0.09%	0.08%	0.26%	0.10%	0.28%	0.85%	0.77%	0.38%
Outside Metro Area	29,148	28,567		23	101	78	177	76	125	580	479	240
				0.08%	0.35%	0.27%	0.61%	0.26%	0.43%	1.99%	1.64%	0.82%

Source: American Housing Survey, Components of Inventory Change 2011-2013; Prepared by Ecometrica, Inc. for U.S. Department of Housing & Urban Development Office of Policy Development & Research; April 2016. Note: Data in Thousands

2. Net Demand Analysis

We apply the above discussion of sources of demand for new rental units to the St. Paul's Market Area (Table 37). The steps in our Derivation of Demand analysis are as follows:

- Per the household trend information discussed earlier, based on Esri data and observed absorption trends, RPRG estimates that 33,036 households resided in the St. Paul's Market Area as of January 2022, a number that is projected to increase to 34,902 by January 2027. Based on this estimate and projection, RPRG derived the number of households in the market area as of February 2022 and February 2025 through interpolation.

Based on this estimate and projection, RPRG computed 33,067 households reside in the market as of February 2022, increasing to 34,187 households by February 2025. The St. Paul's Market Area would gain 1,119 net households during the three-year study period.

- Using national statistical observations from 2011 and 2013 CINCH data, Econometrica determined that the average annual loss of occupied housing units in the United States between 2011 and 2013 (for all reasons other than the moving of homes, particularly mobile homes) was 0.27 percent of the total occupied stock (See Table 36). This blended rate includes an annual loss of 0.47 percent of renter-occupied units and 0.18 percent of owner-occupied units. In the interest of conservatively estimating demand, we assume the lower blended rate of 0.27 percent rather than the higher renter-occupied rate of 0.47 percent. We determined the size of the housing stock in 2022, 2023, and 2024 via interpolation of household projections. Applying the removal rate over the three years in question, we estimate that 298 units are likely to be lost in the St. Paul's Market Area.
- Total demand for new housing units will total 1,417 units based on household change and unit removal.

Table 37 Derivation of Net Demand

Demand			
<i>Projected Change in Household Base</i>			Units
February 2022 Households			33,067
February 2025 Households			34,187
Net Change in Households			1,119
Add: Units Removed from Housing Stock	Housing Stock	Removal Rate	Units Removed
2022 Housing Stock	36,360	0.27%	98
2023 Housing Stock	36,732	0.27%	99
2024 Housing Stock	37,103	0.27%	100
Total Units Removed from Housing Stock			298
New Housing Demand			1,417
Average Percent Renter Households over Analysis Period			86.2%
New Rental Housing Demand			1,221
Add: Multifamily Competitive Vacancy	Inventory	Vacant	
Stabilized Communities	5,562	31	
Deeply Subsidized	764	0	
Total Competitive Inventory	6,326	31	
Market Vacancy at 5%			316
Less: Current Vacant Units			-31
Vacant Units Required to Reach 5% Market Vacancy			285
Total Demand for New Rental Units			1,507
Planned Additions to the Supply			
	Total Units	95% Occupancy	
The Ashton	118	112	
Lofts at Front Street	258	245	
Market Heights Apartments	164	156	
Virginia Pilot Apartments	181	172	
St. Paul's Block 19/20	190	181	
St. Paul's Block 9/16 (Tidewater Gardens)	191	181	
Fusion Apartments	259	246	
Gravity 400	273	259	
Aspire	85	81	
Subject Property	138	131	
Total New Rental Supply			1,764
Excess Demand for Rental Housing			-257

Source: RPRG, Inc.

- RPRG projects renter households to account for approximately 86.2 percent of net household growth over the next five years. Applying this percentage to total housing demand results in demand for 1,221 new rental units over the next three years.
- RPRG's survey of the general occupancy rental communities in the market area consisted of 5,562 rental units. Of these, 31 are currently vacant for a vacancy rate of 0.6 percent. Five communities with deep subsidies were identified in the market area totaling 764 units (none were vacant). The combined market area rental inventory totals 6,326 units with 31 units vacant, yielding a vacancy rate of nearly zero percent.

Typically, it is assumed that a 5.0 percent vacancy rate is required to keep a rental market relatively fluid. There must be some number of quality units vacant and available at any given time so that households seeking rental units can be accommodated and can have some choice among units. Given the total competitive inventory of 6,326 units, 316 vacancies would be



required to arrive at a 5.0 percent vacancy rate. Subtracting the 31 vacant units in the market from this number reveals a demand for 285 units at 5.0 percent vacancy. Thus, we add 285 units to demand.

- Summing demand from household change, projected unit removals, and the vacancy rate in the existing market, results in total demand for 1,507 new rental units in the market area over the next three years.
- Net demand for new rental units must be balanced against new rental stock likely to be added to the market area's inventory over this period. Nine pipeline projects were identified in addition to the subject's proposed 138 general occupancy units, combining for a total of 1,857 units.
- Subtracting 95 percent of these units (1,764) from the total demand of 1,507 units yields net excess supply for 257 rental units in the market area over the next three years.

3. Conclusions on Net Demand

The results of the Net Demand analysis indicate demand for 1,507 rental units over the next three years. Accounting for anticipated pipeline addition including the subject, the market area will have a short term excess supply of 257 rental units over the next three years. This excess supply represents only six additional months of demand. We note that four of the nine near-term pipeline communities are upscale market-rate properties which will not directly compete with the subject. Two communities, Aspire and Block 9, 10 & 16 (Tidewater Gardens) will contain 92 replacement units for existing affordable housing residents. Strong market conditions with full occupancy among the market's affordable rental stock indicate significant pent-up demand for affordable general occupancy rental units.

This market study was completed based on the most recent available data, which considers any recent impacts by the COVID-19 pandemic on demographic and economic trends as well as housing demand. However, in general, we have not seen a diminution of demand due to COVID-19. At this stage, we do not believe demand for affordable rental housing will be reduced in the long term due to economic losses related to COVID-19. Demand for rental housing, especially affordable housing, is projected to increase over the next several years.

C. Effective Demand - Affordability/Penetration Analysis

1. Methodology

Following our estimate of the depth of demand for net new rental units in the primary market area, we next test whether sufficient income-qualified households would be available to support the specific units at the subject property and properties in the same broad segment of the rental market in terms of pricing. This analysis is conducted independently of the Net Demand Analysis as units at the subject property are likely to be filled by a combination of new households (either moving to or created in the market area) and existing households moving within the market area. The total demand – comprised of the net or incremental demand and the demand from existing households – is the relevant frame of reference for the analysis.

The Affordability/Capture Analysis tests the percentage of income-qualified households in the primary market area that the subject community must capture in order to achieve full occupancy. The Penetration Analysis tests the percentage of income-qualified households in the market area that the subject community and comparable competitive communities combined must capture in order to achieve full occupancy. The combination of the Net Demand, Affordability/Capture, and Penetration Analyses determines if the primary market area can support additional rental units and if sufficient households exist in the targeted income range to support the proposed units.

The first component of the Effective Demand analysis involves looking at total income and renter income among St. Paul's Market Area households for the target year. The developer projects that units at Block 17 & 18 Apartments will be placed in service in 2024 and as such, 2024 is used as the target year for these analyses. RPRG calculated 2024 income distributions for total households and renter households based on RPRG household projections, income estimates from the 2015-2019 ACS, and income projections from Esri (Table 38).

Table 38 2024 Total and Renter Income Distribution, St. Paul's Market Area

St. Paul's Market Area		2024 Total Households		2024 Renter Households	
2024 Income		#	%	#	%
less than	\$15,000	5,548	16.4%	4,448	22.6%
	\$15,000 \$24,999	3,138	9.3%	2,516	12.8%
	\$25,000 \$34,999	3,443	10.2%	2,352	11.9%
	\$35,000 \$49,999	3,542	10.5%	2,320	11.8%
	\$50,000 \$74,999	5,655	16.7%	3,359	17.0%
	\$75,000 \$99,999	4,207	12.5%	1,983	10.1%
	\$100,000 \$149,999	4,161	12.3%	1,648	8.4%
	\$150,000 Over	4,091	12.1%	1,097	5.6%
Total		33,782	100%	19,722	100%
Median Income		\$55,399		\$38,524	

Source: American Community Survey 2015-2019 Projections, RPRG, Inc.

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to property owners and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household's 'gross rent burden'. For the Affordability/Capture and Penetration Analyses, RPRG employs a 35 percent gross rent burden. The 35 percent rent burden is the rent burden mandated by Virginia Housing for use in evaluating proposed general occupancy LIHTC communities.

Block 17 & 18 Apartments will include a broad range of target incomes with units restricted to households with incomes at 40 percent, 50 percent, and 60 percent, and will also include market rate units. For the purpose of this analysis, a conservative income limit of 100 percent AMI is applied to these market rate units, though households exceeding this limit will be eligible to rent them. The weighted average for income restricted units is 52.1 percent of AMI, although 48 units will also have project-based rental subsidies between Block 17 and Block 18 so that these households could essentially have incomes as low as \$0. The household sizes assume 1.5 persons per bedroom for the one, two, and three-bedroom units.

2. Affordability Analysis

The steps in our Affordability Analysis for Block 17 & 18 Apartments at the developer's proposed rents are as follows (Table 39). We note, per instructions from Virginia Housing, that both components of the project (the units which are expected to be financed with nine percent tax credits and the units which are expected to be financed with four percent tax credits) are analyzed as one combined property. We further assume no minimum income for subsidized units.

- The overall shelter cost (gross rent) for the average 60 percent two-bedroom unit at Block 17 & 18 Apartments –would be \$1,141 per month (\$1,008 rent plus a \$133 utility allowance for utility costs beyond those for trash removal).
- By applying a 35 percent rent burden to this gross rent, we determined that the 60 percent two-bedroom unit would be affordable to households earning at least \$39,120 per year. The projected number of market area renter households earning at least this amount in 2024 is 9,769.



- A household occupying a two-bedroom unit (assuming 1.5 persons/bedroom) and earning 60 percent of AMI for the Virginia Beach-Norfolk-Newport News-VA-NC MSA would have an income of up to \$45,660. According to the interpolated income distribution for 2024, there would be 8,757 renter households in the market area with incomes exceeding the upper income bound.
- Subtracting the 8,757 renter households with incomes above the 60 percent maximum income limit from the 9,769 renter households that could afford to rent this unit, we calculate that 1,011 renter households in the primary market area as of 2024 would be in the band of affordability for the subject's 60 percent two-bedroom units. Block 17 & 18 Apartments would need to capture 2.4 percent of these income-qualified renter households to absorb all 24 of the 60 percent two-bedroom units.
- Following the same methodology, we tested the affordability of the remaining unit types at each of the income bands. The capture rates among income-qualified renter households for these distinct unit types by income band are less than one percent across all income bands.
- The 96 tax credit units assuming project-based subsidies would need to capture 0.9 percent of the income-qualified renter households. Capture rates among each income band range from 0.2 percent to 1.2 percent. The 42 unrestricted market rate units at a conservative 100 percent AMI income limit would need to capture 0.8 percent of all income-qualified renter households. All combined proposed units at the subject would need to capture 0.9 percent of all income-qualified renter households.

As noted, all 20 of the 40 percent AMI units and 28 of the thirty-six 50 percent AMI units will have project-based rental subsidies. Should those subsidies be removed, those units will have to be filled with households that can afford the 40 percent and 50 percent AMI rents. Table 40 depicts the affordability calculation in the hypothetical situation where the subsidy is removed. Should that happen, the overall capture rate for the entire community increases to 1.4 percent of income qualified renter households.



Table 39 2024 Affordability Analysis for Block 17 & 18 Apartments, Assuming 35% Rent Burden

40% AMI (Subs.)	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		3		12		5	
Net Rent		\$873		\$1,011		\$1,474	
Gross Rent		\$1,069		\$1,262		\$1,780	
Income Range (Min, Max)		no min\$ \$25,360		no min\$ \$30,440		no min\$ \$35,160	
Renter Households							
Range of Qualified Hhlds		19,722 12,674		19,722 11,479		19,722 10,381	
# Qualified Hhlds		7,048		8,243		9,341	
Renter HH Capture Rate		0.0%		0.1%		0.1%	
50% AMI (Subs.)	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		4		18		6	
Net Rent		\$873		\$1,011		\$1,474	
Gross Rent		\$978		\$1,144		\$1,644	
Income Range (Min, Max)		no min\$ \$31,700		no min\$ \$38,050		no min\$ \$43,950	
Renter Households							
Range of Qualified Hhlds		19,722 11,182		19,722 9,934		19,722 9,022	
# Qualified Hhlds		8,540		9,787		10,700	
Renter HH Capture Rate		0.0%		0.2%		0.1%	
50% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		1		5		2	
Net Rent		\$687		\$818		\$928	
Gross Rent		\$792		\$951		\$1,098	
Income Range (Min, Max)		\$27,154 \$31,700		\$32,606 \$38,050		\$37,646 \$43,950	
Renter Households							
Range of Qualified Hhlds		12,252 11,182		10,969 9,934		9,997 9,022	
# Qualified Households		1,069		1,035		975	
Renter HH Capture Rate		0.1%		0.5%		0.2%	
60% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		9		24		7	
Net Rent		\$846		\$1,008		\$1,148	
Gross Rent		\$951		\$1,141		\$1,318	
Income Range (Min, Max)		\$32,606 \$38,040		\$39,120 \$45,660		\$45,189 \$52,740	
Renter Households							
Range of Qualified Hhlds		10,969 9,936		9,769 8,757		8,830 7,718	
# Qualified Households		1,033		1,011		1,112	
Renter HH Capture Rate		0.9%		2.4%		0.6%	
100% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		9		26		7	
Net Rent		\$1,233		\$1,533		\$1,779	
Gross Rent		\$1,338		\$1,666		\$1,949	
Income Range (Min, Max)		\$45,874 \$63,400		\$57,120 \$76,100		\$66,823 \$87,900	
Renter Households							
Range of Qualified Hhlds		8,724 6,286		7,129 4,640		5,826 3,704	
# Qualified Households		2,438		2,490		2,122	
Renter HH Capture Rate		0.4%		1.0%		0.3%	
Income Target		# Units	Band of Qualified Hhlds		# Qualified Hhlds	Capture Rate	
40% AMI (Subs.)		20	Income Households	no min\$ 19,722 10,381	9,341	0.2%	
50% AMI (Subs.)		28	Income Households	no min\$ 19,722 9,022	10,700	0.3%	
50% AMI		8	Income Households	\$27,154 12,252 \$43,950 9,022	3,230	0.2%	
60% AMI		40	Income Households	\$32,606 10,969 \$52,740 7,718	3,251	1.2%	
LIHTC Units		96	Income Households	no min\$ 19,722 7,718	12,004	0.8%	
100% AMI		42	Income Households	\$45,874 8,724 \$87,900 3,704	5,020	0.8%	
Total Units		138	Income Households	no min\$ 19,722 3,704	16,018	0.9%	

Source: Income Projections, RPRG, Inc.



Table 40 2024 Affordability Analysis without the Subsidy

40% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		3		12		5	
Net Rent		\$514		\$610		\$688	
Gross Rent		\$619		\$743		\$858	
Income Range (Min, Max)		\$21,223	\$25,360	\$25,474	\$30,440	\$29,417	\$35,160
Renter Households							
Range of Qualified HHlds		13,709	12,674	12,647	11,479	11,719	10,381
# Qualified HHlds			1,035		1,168		1,338
Renter HH Capture Rate		0.3%		1.0%		0.4%	
50% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		5		23		8	
Net Rent		\$687		\$818		\$928	
Gross Rent		\$792		\$951		\$1,098	
Income Range (Min, Max)		\$27,154	\$31,700	\$32,606	\$38,050	\$37,646	\$43,950
Renter Households							
Range of Qualified HHlds		12,252	11,182	10,969	9,934	9,997	9,022
# Qualified HHlds			1,069		1,035		975
Renter HH Capture Rate		0.5%		2.2%		0.8%	
60% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		9		24		7	
Net Rent		\$846		\$1,008		\$1,148	
Gross Rent		\$951		\$1,141		\$1,318	
Income Range (Min, Max)		\$32,606	\$38,040	\$39,120	\$45,660	\$45,189	\$52,740
Renter Households							
Range of Qualified HHlds		10,969	9,936	9,769	8,757	8,830	7,718
# Qualified Households			1,033		1,011		1,112
Renter HH Capture Rate		0.9%		2.4%		0.6%	
100% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		9		26		7	
Net Rent		\$1,233		\$1,533		\$1,779	
Gross Rent		\$1,338		\$1,666		\$1,949	
Income Range (Min, Max)		\$45,874	\$63,400	\$57,120	\$76,100	\$66,823	\$87,900
Renter Households							
Range of Qualified HHlds		8,724	6,286	7,129	4,640	5,826	3,704
# Qualified Households			2,438		2,490		2,122
Renter HH Capture Rate		0.4%		1.0%		0.3%	

Income Target	# Units	Renter Households = 19,722				
			Band of Qualified HHlds		# Qualified HHs	Capture Rate
40% AMI	20	<i>Income Households</i>	\$21,223 13,709	\$35,160 10,381	3,300	0.6%
50% AMI	36	<i>Income Households</i>	\$27,154 12,252	\$43,950 9,022	3,230	1.1%
60% AMI	40	<i>Income Households</i>	\$32,606 10,969	\$52,740 7,718	3,251	1.2%
LIHTC Units	96	<i>Income Households</i>	\$21,223 13,709	\$52,740 7,718	5,991	1.6%
100% AMI	42	<i>Income Households</i>	\$45,874 8,724	\$87,900 3,704	5,020	0.8%
Total Units	138	<i>Income Households</i>	\$21,223 13,709	\$87,900 3,704	10,005	1.4%

Source: Income Projections, RPRG, Inc.



3. Penetration Analysis

To provide further insight into the market dynamics, we have also conducted a Penetration Analysis (Table 41). The Penetration Analysis evaluates the capacity of the market area to serve the entire inventory of directly competitive rental units. Our analysis utilizes the same target date of 2024; the same 35 percent rent burden; and income levels as presented in the Affordability Analysis.

The steps in our Penetration Analysis for Block 17 & 18 Apartments is as follow:

- Based on effective rents from RPRG's survey, the stock of existing rental units that would be closely competitive with the subject's subsidized 40 and 50 percent, 50 percent, 60 percent, and 100 percent of AMI units consists of a total of 888 units in the existing subsidized and affordable rental communities. Three affordable pipeline projects were identified in the market area in addition to the subject's proposed units, most of the units at the pipeline projects are comparable to the subject's proposed units. Summing the existing units with the pipeline and subject, the directly competitive stock of one, two, and three-bedroom units totals 1,556 units, including 886 LIHTC units and 670 unrestricted market rate units.
- Subsidized units have no minimum income and have a maximum income of \$43,950. The range of household incomes employed in our analysis of tax credit units without rental subsidies ranges from \$25,029 for 50 percent one-bedroom unit up to the maximum allowable household income for a three-bedroom unit at 60 percent of AMI (\$52,740). This analysis utilizes the subject's proposed utility allowances when calculating the minimum income required for the total housing cost as well as a 35 percent housing affordability ratio.
- We have repeated this analysis for all units within the competitive supply, including the units with project-based subsidies. The range of qualifying incomes expands from \$0 up to the three-bedroom maximum income at 100 percent of AMI. The total inventory of 1,556 units would need to be filled from the estimated 16,018 income-qualified renter households. This reflects an overall penetration rate of 9.7 percent.
- Should the subject's subsidies be removed, those units will have to be filled with households that can afford the 40 and 50 percent AMI rents. Table 42 depicts the penetration analysis calculation in the hypothetical situation where the subsidy is removed. Should that happen, the overall penetration rate increases to 15.6 percent of income qualified renter households.



Table 41 Penetration Analysis for Block 17 & 18 Apartments, Assuming 35% Rent Burden

40/50% sub units		50% Units		60% Units		100% Units	
Competitive Units	Units	Competitive Units	Units	Competitive Units	Units	Competitive Units	Units
		Mission College	130	St. Paul's Apt. Homes	56	Ballentine Lofts	24
		Villa Terrace	81	Broad Creek	29	Lafayette, The	168
		St. Paul's Apt. Homes	64			St. Paul's Apt Homes	3
						Broad Creek	9
						Mission College	130
						River House	194
subtotal	0	subtotal	275	subtotal	85	subtotal	528
Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units
Market Heights	20	Market Heights	20	Market Heights	40	SP Block 20	37
The Ashton	7	The Ashton	28	The Ashton	83	SP Block 9, 10&16	63
SP Block 20	37			SP Block 20	46		
SP Block 9, 10 & 16	71			SP Block 9, 10&16	57		
Aspire	21						
subtotal	156	subtotal	48	subtotal	226	subtotal	100
Subject Property	Units	Subject Property	Units	Subject Property	Units	Subject Property	Units
	48		8		40		42
Total	204	Total	331	Total	351	Total	670

Income Target	Total Competitive Units	Renter Households = 19,722		# Qualified HHs	Penetration Rate
		Band of Qualified HHlds			
		One Bedroom	Three Bedroom		
40/50% sub units	204	no min\$ 19,722	\$35,160 10,381	9,341	2.2%
50% Units	331	\$25,029 12,752	\$43,950 9,022	3,730	8.9%
60% Units	351	\$35,000 10,406	\$52,740 7,718	2,688	13.1%
LIHTC Units	886	no min\$ 19,722	\$52,740 7,718	12,004	7.4%
100% Units	670	\$43,886 7,925	\$87,900 3,704	4,221	15.9%
Total Units	1,556	no min\$ 19,722	\$87,900 3,704	16,018	9.7%



Table 42 Penetration Analysis without Subsidy

40% Units		50% Units		60% Units		100% Units	
Competitive Units	Units	Competitive Units	Units	Competitive Units	Units	Competitive Units	Units
		Mission College	130	St. Paul's Apt. Homes	56	Ballentine Lofts	24
		Villa Terrace	81	Broad Creek	29	Lafayette, The	168
		St. Paul's Apt. Homes	64			St. Paul's Apt Homes	3
						Broad Creek	9
						Mission College	130
						River House	194
subtotal	0	subtotal	275	subtotal	85	subtotal	528
Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units
Market Heights	20	Market Heights	20	Market Heights	40	SP Block 20	37
The Ashton	7	The Ashton	28	The Ashton	83	SP Block 9, 10&16	63
SP Block 20	37			SP Block 20	46		
SP Block 9, 10 & 16	71			SP Block 9, 10&16	57		
Aspire	21						
subtotal	156	subtotal	48	subtotal	226	subtotal	100
Subject Property	Units	Subject Property	Units	Subject Property	Units	Subject Property	Units
	48		8		40		42
Total	204	Total	331	Total	351	Total	670

Income Target	Total Competitive Units	Renter Households = 19,722		# Qualified HHs	Penetration Rate
		Band of Qualified Hhlds			
		One Bedroom	Three Bedroom		
40% Units	204	\$21,223 13,709	\$35,160 10,381	3,327	6.1%
		One Bedroom	Three Bedroom		
50% Units	331	\$25,029 12,752	\$43,950 9,022	3,730	8.9%
		One Bedroom	No Data		
60% Units	351	\$30,000 11,582	\$52,740 7,718	3,864	9.1%
		One Bedroom	Three Bedroom		
LIHTC Units	886	\$21,223 13,709	\$52,740 7,718	5,991	14.8%
		One Bedroom	Three Bedroom		
100% Units	670	\$43,886 9,032	\$87,900 3,704	5,328	12.6%
		One Bedroom	Three Bedroom		
Total Units	1,556	\$21,223 13,709	\$87,900 3,704	10,005	15.6%

4. Conclusions on Affordability and Penetration

RPRG judges that the overall renter capture rate of 0.9 percent and tax credit renter capture rate of 0.8 percent is readily achievable, particularly since the proposed apartments will be among the newest and most attractive affordable rental community within the market area. In the hypothetical situation where the subject loses its subsidies, the overall capture rate of 1.4 percent is also achievable. RPRG considers the calculated penetration rate for the tax credit units of 7.4 percent of income-restricted renter households to be reasonable within the context of the St. Paul's Market Area Market Area. In essence, our analysis suggests that the most directly competitive rental units will need to capture approximately one out of every ten income-qualified renter households. Both the capture and penetration rates are well within a reasonable and achievable range, with or without subsidies.

D. Virginia Housing Demand Methodology

1. Virginia Housing Demand Analysis

The Virginia Housing mandates a particular demand methodology in evaluating applications for Low-Income Housing Tax Credits. Virginia Housing opts for a need-driven demand methodology which factors the topics of cost-burdened renters and substandard rental housing into the demand equation. In this section, RPRG calculates demand according to the Virginia Housing methodology for Block 17 & 18 Apartments. Virginia Housing's demand methodology for general occupancy LIHTC projects such as the subject accounts for as many as four primary components of potential need/demand:

- **Household Growth or Decline.** The household trend required by Virginia Housing is the net increase or decrease in the number of income-qualified renter households in the primary market area between a base year of 2022 and a target year of 2025.
- **Cost Burdened Renters.** Virginia Housing's second component of demand is cost burdened renters, a designation which is typically defined as those renter households paying more than 35 percent of household income for housing costs. To be conservative, RPRG uses the 2015-2019 ACS data on cost-burdened renter households presented earlier in Table 21 to estimate the percentage and number of income-qualified renters for the subject project that will be cost-burdened as of 2022 as defined by spending 40 percent of income on rent, or 39.2 percent of renters.
- **Renter Households in Substandard Housing.** Virginia Housing's third component of demand accounts for income-qualified renter households living in substandard units, defined as overcrowded units (having 1.01 or more persons per room) and/or units lacking complete plumbing facilities. According to the 2015-2019 ACS, the percentage of renter households in the primary market area that lived in substandard conditions was 3.4 percent.
- **Existing Tenants Likely to Remain.** For projects that constitute the renovation of an existing property with current tenants, Virginia Housing requests that analysts consider the percentage of current tenants that are likely to remain following the proposed renovation. Block 17 & 18 Apartments will be a new construction project and, as such, Virginia Housing's fourth component of demand is not relevant.

Table 43 outlines the detailed Virginia Housing demand calculations for Block 17 & 18 Apartments that stem from the three relevant demand components. Total demand available for the 138-unit proposed affordable project is expected to include 525 net new renter households, 7,029 cost-burdened households, and 520 households currently residing in substandard housing. The calculation thus yields a total demand for 8,073 additional units of rental housing serving the targeted income bands.

Comparable units that are presently available or that would likely be available constitute supply that must be subtracted from total Virginia Housing demand to arrive at Virginia Housing net demand. Based on our February 2022 competitive survey, one comparable market rate units were reported vacant in the comparable rental supply. The near-term pipeline consists of four LIHTC projects totaling 430 comparable units and 100 market rate units. Subtracting the vacant existing and pipeline units, Virginia Housing net demand totals 7,542 units.



Table 43 Virginia Housing Demand by Overall Income Targeting

Income Target	Subsidized	Subsidized	50% AMI	60% AMI	LIHTC Units	100% AMI	Project Total
	40% AMI (Subs.)	50% AMI (Subs.)					
Minimum Income Limit	no min\$	no min\$	\$27,154	\$32,606	no min\$	\$45,874	no min\$
Maximum Income Limit	\$35,160	\$43,950	\$43,950	\$52,740	\$52,740	\$87,900	\$87,900
(A) Renter Income Qualification Percentage	47.4%	54.3%	16.4%	16.5%	60.9%	25.5%	81.2%
Demand from New Renter Households - Calculation (C-B)*F*A	306	351	106	107	394	165	525
+ Demand from Rent Overburdened HHs - Calculation: B*E*F*A	4,099	4,695	1,417	1,427	5,267	2,203	7,029
+ Demand from Substandard Housing - Calculation B*D*F*A	303	347	105	105	389	163	520
Total Income Qualified Renter Demand	4,708	5,393	1,628	1,639	6,050	2,530	8,073
Less: Comparable Vacant Units	0	0	0	0	0	1	1
Less: Comparable Pipeline Units	148	8	48	226	430	100	530
Net Demand	4,560	5,385	1,580	1,413	5,620	2,429	7,542
Subject Proposed Units	20	28	8	40	96	42	138
Capture Rate	0.4%	0.5%	0.5%	2.8%	1.7%	1.7%	1.8%

Demand Calculation Inputs	
A). % of Renter HHlds with Qualifying Income	see above
B). 2022 Households	33,036
C). 2025 Households	34,156
D). Substandard Housing (% of Rental Stock)	3.4%
E). Rent Overburdened (% of Renter HHlds at >40%)	45.3%
F). Renter Percentage (% of all 2022 HHlds)	57.8%

Project Wide Capture Rate - LIHTC Units	<u>1.7%</u>
Project Wide Capture Rate - Market Units	<u>1.7%</u>
Project Wide Capture Rate - All Units	<u>1.8%</u>
Project Wide Absorption Period (Months)	<u>7-8 months</u>

Given net demand for 7,542 units, the 138-unit Block 17 & 18 Apartments would need to capture 1.8 percent of income-qualified renter households per Virginia Housing’s demand methodology. Among unsubsidized units, the 50 percent AMI units would need to capture 0.4 percent of all income-qualified renter households; the 60 percent AMI units would need to capture 2.3 percent of all income-qualified renter households; and the subject’s market rate units would need to capture 1.6 percent.

Table 44 depicts the Virginia Housing net demand analysis calculation in the hypothetical situation where the subsidy is removed. Should that happen, the overall capture rate increases to 3.1 percent of income qualified renter households.



Table 44 Virginia Housing Demand by Overall Income Targeting, without subsidy

<i>Income Target</i>	40% AMI	50% AMI	60% AMI	LIHTC Units (no subsidy)	100% AMI	Project Total
<i>Minimum Income Limit</i>	\$21,223	\$27,154	\$32,606	\$21,223	\$45,874	\$21,223
<i>Maximum Income Limit</i>	\$35,160	\$43,950	\$52,740	\$52,740	\$87,900	\$87,900
(A) Renter Income Qualification Percentage	16.7%	16.4%	16.5%	30.4%	25.5%	50.7%
Demand from New Renter Households - <i>Calculation (C-B)*F*A</i>	108	106	107	196	165	328
+ Demand from Rent Overburdened HHs - <i>Calculation: B*E*F*A</i>	1,448	1,417	1,427	2,629	2,203	4,390
+ Demand from Substandard Housing - <i>Calculation B*D*F*A</i>	107	105	105	194	163	325
Total Income Qualified Renter Demand	1,663	1,628	1,639	3,019	2,530	5,043
Less: Comparable Vacant Units	0	0	0	0	1	1
Less: Comparable Pipeline Units	148	56	226	430	100	530
Net Demand	1,515	1,572	1,413	2,589	2,429	4,512
Subject Proposed Units	20	36	40	96	42	138
Capture Rate	1.3%	2.3%	2.8%	3.7%	1.7%	3.1%
Estimated Absorption Period						

Demand Calculation Inputs	
A). % of Renter HHlds with Qualifying Income	see above
B). 2022 Households	33,036
C). 2025 Households	34,156
D). Substandard Housing (% of Rental Stock)	3.4%
E). Rent Overburdened (% of Renter HHlds at >40%)	45.3%
F). Renter Percentage (% of all 2022 HHlds)	57.8%

2. Conclusions on Virginia Housing Demand

RPRG considers the key captures rates for Block 17 & 18 Apartments to be both reasonable and readily achievable, particularly since the project’s overall capture rate is just over eight percent. Taking into consideration all these factors, we have conservatively estimated an overall project lease up pace of roughly 7 to 8 months, reflecting an average absorption pace of 18 to 20 units per month. According to Norfolk and Virginia Beach planning officials, affordable housing is a dire need throughout the cities, including the subject neighborhood. In addition, property managers at market area tax credit communities report high demand among lower-income households with consistently long wait lists at all tax credit communities.

E. Target Markets

As indicated in the Effective Demand Analysis (Affordability/Capture & Penetration), the subject’s income-restricted units without rental subsidies would serve households with incomes between \$25,029 and \$52,740. Market rate units will target moderate-income renter households earning below 100 percent of AMI. The groups most likely to reside at the subject’s income restricted units include individuals working in service sectors such as retail, leisure and hospitality, or in civilian positions associated with the numerous military installations in the area. Other persons likely to reside at the subject project include government or contract workers; local public servants such as firefighters, police officers, and teachers; and early career workers in the professional-business, financial activities, information, and health sectors. It is also possible that military personnel posted to the Hampton Roads region would find the subject’s apartments to be an attractive housing alternative to on-base housing.

With one, two, and three-bedroom units, the proposed community would have the capacity to serve single-person households, married and unmarried couples, roommate households, and single- and dual-parent families with as many as four children.



F. Product Evaluation

Considered in the context of the competitive environment, the relative position of the proposed Block 17 & 18 Apartments is as follows:

- **Structure Type:** Most competitive Lower Tier market rate and income-restricted rental communities include a mix of adaptive reuse, mid-rise and two- and three- story garden buildings. The subject will have mid-rise buildings, consistent with the market area's rental housing dynamics.
- **Project Size:** The surveyed rental communities within the market area range in size from 13 to 300 units, with an average size of 124 units. The 138-unit Block 17 & 18 Apartments will be slightly larger than the income-restricted average of 129 units and smaller than the Upper Tier average of 152 units yet well within the competitive range. The subject's size will appropriately allow it to provide on-site management and services similar to other market area rental communities.
- **Unit Distribution:** The subject will offer one-bedroom units (18.8 percent); two-bedroom units (61.6 percent); and three-bedroom units (19.6 percent). The subject's unit distribution is similar to the distribution of units in the other tax credit rental properties where one-bedroom units account for 13.6 percent of all units; two-bedroom units account for 70.0 percent; and three-bedroom units account for 16.4 percent of the supply. The proposed unit distribution positions the subject to target a wide variety of households, including single-person households, couples, roommates, single parent households and families. The proposed unit distribution is reasonable within the context of the directly competitive rental supply.
- **Income Targeting:** The subject's income targeting is as follows: 20 units (14 percent) will address households with incomes at or below 40 percent of AMI; 36 units (26.0 percent) will address households with incomes at or below 50 percent of AMI; 40 units (28.9 percent) will target households with incomes at or below 60 percent of AMI; and 42 units (30.4 percent) will be unrestricted market rate units. The subject's weighted average tax credit income target is 52.1 percent of AMI. RPRG's penetration analysis indicates that all of the subject's units as well as those existing and future units without rental subsidies address just over one out of ten (13.5 percent) of all income-qualified households.
- **Unit Size:** The proposed unit sizes for Block 17 & 18 Apartments are 683 square feet for one-bedroom units; 864 square feet for two-bedroom units; and 1,218 square feet for the average three-bedroom units. The subject's unit sizes are generally comparable to or larger than the directly competitive affordable and Lower Tier rental supply within the market area. Additionally, the units are planned with an open and modern floor plan. The size of the subject's units will be marketable and will be directly competitive with the other rental units in the multifamily supply, with a competitive advantage in some cases.
- **Number of Bathrooms:** All of the subject's one-bedroom units will have one full bathroom. Two- and three-bedroom units will have two bathrooms. Only one of the tax credit communities offer two baths for all two-bedroom units. As a result, the availability of two baths in all of the subject's two-bedroom units is viewed as a slight competitive advantage.
- **Kitchen Features:** All unit kitchens at Block 17 & 18 Apartments will include microwaves and dishwashers. Additionally, the fact that the units will have energy-efficient and modern appliances is also a positive feature.
- **Laundry:** The developer intends to equip all units at Block 17 Apartments with full-size washers and dryers. As in-unit washer/dryers are only available at eight of 24 Lower Tier or tax credit communities, this feature is considered to provide the subject with a competitive advantage.
- **Other Unit Features:** Units at Block 17 & 18 Apartments will have carpeted bedrooms and attractive vinyl plank flooring in the kitchen, living area, hallway, and bath. Carpeting is the primary flooring material throughout the market. Units will also feature USB outlets.



- **Utilities Included in Rent:** The developer proposes to include trash removal costs in monthly rents in Block 17 & 18 Apartments, leaving tenants responsible for paying all other utility bills. Wi-Fi internet capability will also be provided for each Block 17 unit at no charge. The trend among newer market area communities is to not include any utilities in the rent; 14 Upper Tier and Lower Tier communities do not include any utilities in the rent.
- **Common Area Amenities:** The developer intends to provide a significant offering of common area amenities at the subject, including community room, rooftop gathering area with outdoor seating, fitness room, bicycle parking, business center, and landscaped plaza. The proposed slate of amenities would position the subject community similar to or exceeding most market rate properties in the primary market area. Clubhouses/community rooms, fitness centers, and outdoor pools are available at most Upper Tier market area communities but are less available among Lower Tier communities. The proposed amenity slate is considered to be a competitive advantage in many cases.
- **Parking:** The subject will have free surface parking which is consistent with the other tax credit and Lower Tier communities. Many communities in the Downtown and Ghent Districts do not offer free parking options. As such, free surface parking is also considered an advantage in some cases.

G. Price Position

The tax credit rents proposed by the developer for Block 17 & 18 Apartments are at or below the allowable maximums for all unit types, given the assumed utility allowances of \$105 for one-bedroom units; \$133 for two-bedroom units; and \$170 for three-bedroom units. The proposed rents are considered to be reasonable when viewed within the context of the directly competitive rental supply. Even the market rate units are positioned in a lower position than most of the competitive inventory.

The scatter charts indicate that the rents for the affordable rental supply are generally below those without income restrictions. Figure 12 provides a graphic representation of the competitive positions of the rents and square footages proposed for the subject's one, two, and three-bedroom units.



We also consider the possibility of the subject leasing up simultaneously with tax credit pipeline communities. With these considerations, we conservatively estimate an absorption pace of 18 to 20 units per month. Assuming this absorption pace, we would expect that the subject would attain stabilized occupancy in approximately 7 to 8 months. This estimate is conservative considering St. Paul's Apartments, north of the subject site within the same neighborhood, reported an average absorption rate of 42 units in June 2019.

I. Impact on Existing Market

RPRG does not anticipate that the subject will have an adverse impact on the existing rental market. The income-restricted rental communities within the market area are fully occupied and communities reporting wait lists. Additionally, the subject's Virginia Housing capture rate for all units in the project is 1.8 percent while the capture rate for those units without rental subsidies is 3.1 percent. Both are reasonable and achievable. Importantly, the overall penetration rate for the income-restricted units is low at 7.4 percent.

We hope you find this analysis helpful in your decision-making process.

Handwritten signature of Justin Moultrie in black ink.

Justin Moultrie
Analyst

Handwritten signature of Ethan Reed in black ink.

Ethan Reed
Senior Analyst

Handwritten signature of Robert M. Lefenfeld in black ink.

Robert M. Lefenfeld
Founding Principal



IX. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed, and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national, and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities, and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed, and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are neither existing judgments nor any pending or threatened litigation, which could hinder the development, marketing, or operation of the subject project.



The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural, and other engineering matters.
5. Information, estimates, and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.



X. APPENDIX 2 RENTAL COMMUNITY PROFILES

201 Twenty-One



ADDRESS 201 21st Street, Norfolk, VA, 23517 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 4 Story – Mid Rise **UNITS** 225 **VACANCY** 0.0 % (0 Units) as of 02/18/22 **OPENED IN** 2009



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	10%	\$1,312	767	\$1.71
One	30%	\$1,462	791	\$1.85
One/Den	31%	\$1,604	1,015	\$1.58
Two	7%	\$1,766	1,253	\$1.41
Two/Den	22%	\$1,917	1,208	\$1.59

Community Amenities
Clubhouse, Community Room, Fitness Room, Hot Tub, Outdoor Pool, Business Center, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, Patio Balcony, High Ceilings
Not Available	Ceiling Fan, Fireplace
Central / Heat Pump	Air Conditioning
In Building/Fee	Storage
Carpet	Flooring Type 1
Hardwood	Flooring Type 2
SS	Appliances
Laminate	Countertops
Community Security	Monitored Unit Alarms, Intercom, Keyed Bldg Entry

Parking		Contacts	
Parking Description	Structured Garage — \$0.00	Owner / Mgmt.	Emily, April
Parking Description #2	Structured Garage — \$30.00	Phone	757-321-6411

Comments
 1.7 parking spaces/unit. 1 space included in rent. Addtl \$30/mo. 22 floor plans. Yoga room, theater, valet trash incl theater, simulated golf, putting green, fire pit. Retail on-site.
 French/Full Balc, 9ft+ ceiling, surround sound, laminate counters, stainless appl. Select: hardwood, roof terraces.

Description	Feature	Floorplans							
		BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Plans S1-S4 Mid Rise - Elevator		0	1.0	22	\$1,322	767	\$1.72	Market	
Plans A1-A5, A8 Mid Rise - Elevator		1	1.0	68	\$1,472	791	\$1.86	Market	
Plans A6-A7 Mid Rise - Elevator	Den	1	1.0	70	\$1,614	1,015	\$1.59	Market	
Plans B4-B6, B8 Mid Rise - Elevator	Den	2	2.0	50	\$1,927	1,208	\$1.60	Market	
Plans B1-B3, B7, B9-B10 Mid Rise - Elevator		2	2.0	15	\$1,776	1,253	\$1.42	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/18/22	12/06/21	03/16/21
% Vac	0.0%	0.0%	1.3%
Studio	\$1,322	\$1,322	\$1,322
One	\$736	\$736	\$736
One/Den	\$807	\$805	\$801
Two	\$888	\$895	\$895
Two/Den	\$963	\$950	\$953

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Initial Absorption	
Opened: 2009-09-15	Months: 14.0
Closed: 2010-11-15	16.1 units/month

201 Twenty-One

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Alexander at Ghent



ADDRESS 1600 Granby Street, Norfolk, VA, 23510 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 4 Story - Mid Rise **UNITS** 268 **VACANCY** 0.0 % (0 Units) as of 02/18/22 **OPENED IN** 2006



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	23%	\$1,510	670	\$2.25
One	28%	\$1,519	725	\$2.10
Two	45%	\$1,920	1,083	\$1.77
Three	4%	\$2,099	1,324	\$1.59

Community Amenities
Clubhouse, Fitness Room, Central Laundry, Outdoor Pool, Business Center, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Not Available	Fireplace, Storage
Select Units	Patio Balcony, High Ceilings
Carpet	Flooring Type 1
Hardwood	Flooring Type 2
SS	Appliances
Granite	Countertops
Community Security	Keyed Bldg Entry

Parking	
Parking Description	Structured Garage — \$0.00
Parking Description #2	Structured Garage — \$50.00

Contacts	
Owner / Mgmt.	Bernard
Phone	757-962-8058

Comments
 Stacked w/d in 565 sq ft 1BRs. Balcony/French Balcony. Select Units: W/C, comp stations, White/SS apps
 Initially Bristol at Ghent. 1&2BRs: 1 structured space; 3BRs: 2; limited additional spaces \$50/mo. Formica/Granite CT.
 Billiards, 2 courtyards, dvd library, planned activities, grills, massage therapy room, internet café. A3 rent from 12/21 survey, current rent unavailable.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
S1 Mid Rise - Elevator		0	1.0	12	\$1,385	565	\$2.45	Market	
S2 Mid Rise - Elevator	Patio/Balcony	0	1.0	50	\$1,540	695	\$2.22	Market	
A1		1	1.0	12	\$1,385	565	\$2.45	Market	
A2		1	1.0	56	\$1,545	748	\$2.07	Market	
A3		1	1.0	6	\$1,550	825	\$1.88	Market	
B1 Mid Rise - Elevator	Patio/Balcony	2	2.0	84	\$1,900	1,036	\$1.83	Market	
B2 Mid Rise - Elevator	Patio/Balcony	2	2.0	36	\$1,965	1,192	\$1.65	Market	
C1 Mid Rise - Elevator	Patio/Balcony	3	2.0	12	\$2,099	1,324	\$1.59	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/18/22	12/06/21	03/16/21
% Vac	0.0%	0.0%	0.4%
Studio	\$1,463	\$1,335	\$1,253
One	\$1,493	\$1,467	\$1,365
Two	\$1,933	\$1,834	\$0
Three	\$2,099	\$2,199	\$0

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Alexander at Ghent

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Alta Vista



ADDRESS Scott Street @ Mangrove Avenue, Norfolk, VA, 23502 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 2 Story - Garden **UNITS** 13 **VACANCY** 0.0 % (0 Units) as of 02/18/22 **OPENED IN** 1960



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	100%	\$765	680	\$113

Community Amenities

Features

- Standard** IceMaker
- Wall Units** Air Conditioning
- Vinyl/Linoleum** Flooring Type 1
- Carpet** Flooring Type 2
- White** Appliances
- Laminate** Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Phone	757-466-8111 Lynn
Parking Description #2			

Comments

Both wall and window a/c units visible. Property is at the Scott/Mangrove intersection's southwest corner. Approximately 14 parking spaces. Same leasing office as Ingleside Square Apts. Two 2-story buidings & one 1-story building. No one currently on waitlist.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		2	1.0	13	\$795	680	\$117	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/18/22	01/04/22	12/06/21
% Vac	0.0%	0.0%	0.0%
Two	\$/95	\$/95	\$/95

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Alta Vista

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Apollo Apts



ADDRESS 3044 Sewells Point Road, Norfolk, VA, 23513 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 2 Story - Garden **UNITS** 91 **VACANCY** 0.0 % (0 Units) as of 02/18/22 **OPENED IN** 1980



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	23%	\$755	625	\$1.21
One/Den	3%	\$800	725	\$1.10
Two	74%	\$856	851	\$1.01

Community Amenities
Central Laundry

Features

Not Available	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan, Fireplace, Patio Balcony, Storage
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Select Units	Accessibility
White	Appliances
Laminate	Countertops

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Phone	757-853-5516

Comments

Picnic area. Assigned parking spaces.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	21	\$850	625	\$1.36	Market	
Garden	Den	1	1.0	3	\$895	725	\$1.23	Market	
Standard Garden		2	1.0	35	\$950	830	\$1.14	Market	
Large Garden		2	1.0	32	\$995	875	\$1.14	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/18/22	12/06/21	03/24/21
% Vac	0.0%	0.0%	0.0%
One	\$425	\$425	\$386
One/Den	\$448	\$448	\$415
Two	\$973	\$973	\$880

Adjustments to Rent	
Incentives	Reduced rents select units
Utilities in Rent	Heat, Hot Water, Cooking, Water/Sewer, Trash
Heat Source	Electric

Apollo Apts

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Aura Downtown



ADDRESS 450 Boush Street, Norfolk, VA, 23510 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 6 Story – Mid Rise **UNITS** 156 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 2017



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	13%	\$1,527	523	\$2.92
One	79%	\$1,660	655	\$2.53
Two	5%	\$1,975	1,004	\$1.97
Three	3%	\$2,500	1,208	\$2.07

Community Amenities
 Clubhouse, Community Room, Fitness Room, Outdoor Pool, Business Center, Concierge, Elevators, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
In Building/Fee	Storage
Hardwood	Flooring Type 1
Ceramic	Flooring Type 2
SS	Appliances
Quartz	Countertops

Parking		Contacts	
Parking Description	Structured Garage — \$65.00	Owner / Mgmt.	Bonaventure Property Management
Parking Description #2	Structured Garage — \$50.50	Phone	757-351-3555 Lindsay

Comments
 Private onsite parking garage, tanning beds, on-site bike storage, dog washing station, wood/tile flooring
 Started preleasing Summer 2017. Rental insurance in rent price, VWC, billiard room,
 City of Norfolk parking garage \$50.50/mo. Under new mgmt 1/23/19. Previously called "The Edge".

Description	Feature	Floorplans							
		BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Mid Rise - Elevator		0	1.0	20	\$1,527	523	\$2.92	Market	
Mid Rise - Elevator		1	1.0	124	\$1,660	655	\$2.53	Market	
Mid Rise - Elevator		2	2.0	5	\$1,900	973	\$1.95	Market	
Mid Rise - Elevator	Loft	2	2.0	3	\$2,100	1,057	\$1.99	Market	
Mid Rise - Elevator		3	2.0	4	\$2,500	1,208	\$2.07	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	09/20/21
% Vac	0.0%	0.6%	0.0%
Studio	\$1,527	\$1,703	\$1,625
One	\$1,660	\$1,773	\$1,560
Two	\$2,000	\$2,000	\$1,985
Three	\$2,500	\$2,490	\$2,685

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Initial Absorption	
Opened: 2017-09-01	Months: 16.0
Closed: 2019-01-01	7.7 units/month

Aura Downtown

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent

(2) Published Rent is rent as quoted by management.

B & G Place



ADDRESS 2607 Colonial Ave, Norfolk, VA, 23517	COMMUNITY TYPE Market Rate - General	STRUCTURE TYPE 2 Story - Adaptive Reuse	UNITS 39	VACANCY 0.0 % (0 Units) as of 02/17/22	OPENED IN 2019
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Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	59%	\$1,174	706	\$1.66
Two	41%	\$1,661	1,191	\$1.40
Three	3%	\$1,804	1,337	\$1.35

Community Amenities

Features

Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan, High Ceilings, Cable TV, Broadband Internet
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Ceramic	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
SS	Appliances
Granite	Countertops
Community Security	Keyed Bldg Entry

Parking	Free Surface Parking
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Phone	757-819-4697

Comments

Tile backsplash, glass stove top, tile flooring & wood-plank throughout, pendant & track lighting island kitchen. Bike racks. Access to pool & fitness center at sister property 2 blocks away. Adaptive Reuse. Daily All utilities, cable & internet included in rent. One 2BR/2.5BA (4,998 sqft) contains the former basketball court. Updated rents unavailable for 3BR and largest 2BR units.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	23	\$1,304	706	\$1.85	Market	
Garden		2	2.0	10	\$1,684	823	\$2.05	Market	
		2	2.5	5	\$1,879	1,165	\$1.61	Market	
		2	2.5	1	\$2,899	4,998	\$0.58	Market	
		3	3.0	1	\$1,999	1,337	\$1.50	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	03/24/21
% Vac	0.0%	0.0%	0.0%
One	\$1,304	\$1,260	\$1,305
Two	\$2,154	\$2,108	\$2,048
Three	\$1,999	\$1,870	\$1,870

Adjustments to Rent	
Incentives	None
Utilities in Rent	Heat, Hot Water, Cooking, Electricity, Water/Sewer, Trash, Cable, Internet
Heat Source	Electric

Initial Absorption	
Opened: 2019-03-15	Months: 2.0
Closed: 2019-05-15	19.5 units/month

B & G Place

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Ballentine Lofts



ADDRESS 2415 Ballentine Blvd, Norfolk, VA, 23509 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 3 Story – Adaptive Reuse **UNITS** 24 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 1915



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	33%	\$865	492	\$1.76
One	50%	\$1,138	770	\$1.48
Two	17%	\$1,345	1,250	\$1.08

Community Amenities
Fitness Room, Playground

Features	
Standard	Dishwasher, Microwave, IceMaker, Ceiling Fan, High Ceilings
Standard - Full	In Unit Laundry
In Building/Fee	Storage
Hardwood	Flooring Type 1
SS	Appliances
Granite	Countertops
Community Security	Monitored Unit Alarms

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Phone	757-416-5862/800-837-0037

Comments
 Adaptive reuse of school. Newly renovated-wood-plank floors, 12ft ceilings & 8ft windows, window shades, track lighting, tile kitchen backsplash, designer cabinetry, island in select units. Common lounge area w/ kitchen, outdoor patio w/seating & grills. Recently changed Mgt. 3BR updated rent unavailable and reflect 12/21 survey.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
		0	1.0	8	\$888	492	\$1.81	Market	
		1	1.0	12	\$1,163	770	\$1.51	Market	
		2	2.0	4	\$1,375	1,250	\$1.10	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	03/16/21
% Vac	0.0%	0.0%	0.0%
Studio	\$888	\$875	\$875
One	\$1,163	\$1,025	\$1,025
Two	\$1,375	\$1,375	\$1,375

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Initial Absorption	
Opened: 2019-03-01	Months: 10
Closed: 2019-04-01	24.0 units/month

Ballentine Lofts

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Belmont at Freemason



ADDRESS 260 York Street, Norfolk, VA, 23510 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 7 Story – Mid Rise **UNITS** 239 **VACANCY** 2.9 % (7 Units) as of 02/17/22 **OPENED IN** 2009



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	60%	\$1,525	727	\$2.10
One/Den	7%	\$1,590	836	\$1.90
Two	33%	\$1,958	1,114	\$1.76

Community Amenities
Fitness Room, Business Center, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan, High Ceilings
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Not Available	Fireplace, Storage
Select Units	Patio Balcony
Carpets	Flooring Type 1
Ceramic	Flooring Type 2
SS	Appliances
Granite	Countertops
Community Security	Intercom, Keyed Bldg Entry

Parking	
Parking Description	Structured Garage — \$0.00
Parking Description #2	

Contacts	
Owner / Mgmt.	Teresa Holmes
Phone	757-275-7340

Comments
 Building 2 (46): 8/15/09; Building 3 (82): 1/1/10; Building 4 (83): 4/1/10. 1BR:1 pkg space included, 2BR: 2 included. Add'l parking: \$50
 Double sinks, 2BRs Full w/d, 1BRs full stacked. Conf. Room, game room.
 Over-size cabinets. Adjacent YMCA. W/5/T Fee: 1BR \$35 2BR \$45.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
A1 Mid Rise - Elevator	Patio/Balcony	1	1.0	14	\$1,480	702	\$2.11	Market	
A2 Mid Rise - Elevator		1	1.0	81	\$1,535	722	\$2.13	Market	
A2A Mid Rise - Elevator	Patio/Balcony	1	1.0	18	\$1,555	727	\$2.14	Market	
A3 Mid Rise - Elevator		1	1.0	25	\$1,565	750	\$2.09	Market	
A3A Mid Rise - Elevator	Patio/Balcony	1	1.0	6	\$1,595	750	\$2.13	Market	
A4 Mid Rise - Elevator	Den	1	1.0	16	\$1,605	836	\$1.92	Market	
B2 Mid Rise - Elevator	Patio/Balcony	2	2.0	40	\$2,015	1,065	\$1.89	Market	
B3 Mid Rise - Elevator		2	2.0	11	\$1,915	1,120	\$1.71	Market	
B1 Mid Rise - Elevator		2	2.0	28	\$1,950	1,182	\$1.65	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	03/24/21
% Vac	2.9%	0.0%	1.7%
One	\$1,288	\$1,270	\$1,190
One/Den	\$268	\$266	\$241
Two	\$1,960	\$1,975	\$1,808

Adjustments to Rent	
Incentives	Reduced rent select units
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Initial Absorption	
Opened: 2009-06-01	Months: 16.0
Closed: 2010-10-01	14.9 units/month

Belmont at Freemason

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Brightleaf



ADDRESS
200 E. 22nd Street, Norfolk, VA, 23517

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story - Mid Rise

UNITS
88

VACANCY
1.1% (1 Units) as of 02/17/22

OPENED IN
2017



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$1,234	754	\$1.64
Two	0%	\$1,644	1,180	\$1.39
Three	0%	\$1,934	1,440	\$1.34

Community Amenities
Fitness Room, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave, High Ceilings, Cable TV, Broadband Internet
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Hardwood	Flooring Type 1
SS	Appliances
Granite	Countertops
Community Security	Gated Entry

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Phone	757-389-8348

Comments
Polished concrete or wood floors, full w/d, high ceilings
All utilities included. Rents listed are starting rents. Cable & internet included.
Reached 95% by Jan 2018.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Mid Rise - Elevator		1	1.0		\$1,364	754	\$1.81	Market	
Mid Rise - Elevator		2	2.0		\$1,804	1,180	\$1.53	Market	
Mid Rise - Elevator		3	2.0		\$2,129	1,440	\$1.48	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	03/24/21
% Vac	1.1%	0.0%	0.0%
One	\$1,364	\$1,409	\$1,382
Two	\$1,804	\$1,740	\$1,728
Three	\$2,129	\$2,124	\$2,149

Adjustments to Rent	
Incentives	None
Utilities in Rent	Heat, Hot Water, Cooking, Electricity, Water/Sewer, Trash
Heat Source	Electric

Initial Absorption	
Opened: 2017-08-01	Months: 5.0
Closed: 2018-01-01	17.6 units/month

Brightleaf

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Broad Creek Renaissance



ADDRESS 1420 Merrimac Ave, Norfolk, VA, 23504 **COMMUNITY TYPE** LIHTC - General **STRUCTURE TYPE** 2 Story – Duplex **UNITS** 48 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 2004



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	23%	\$825	748	\$1.10
Two	35%	\$988	992	\$1.00
Three	40%	\$1,167	1,370	\$0.85
Four+	2%	\$1,431	1,535	\$0.93

Community Amenities

Features

Standard	Dishwasher, Disposal
Not Available	Microwave, IceMaker, Ceiling Fan, Fireplace, Storage
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Select Units	Patio Balcony
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
White	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Sheila
Parking Description #2		Phone	757-231-3790

Comments

4-bedroom unit is a detached home. Parking is surface or on street. No common area amenities. No central laundry. 300 total units (281 LIHTC, 19 market rate). Of these, 29 are just LIHTC and 252 are replacement public housing units. Waitlist: 6-12 months

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	4	\$951	748	\$1.27	Market	
Garden		1	1.0	7	\$792	748	\$1.06	LIHTC	50%
Duplex		2	1.0	6	\$1,141	992	\$1.15	Market	
Duplex		2	1.0	11	\$951	992	\$0.96	LIHTC	50%
Duplex		3	2.0	9	\$1,318	1,370	\$0.96	Market	
Duplex		3	2.0	10	\$1,098	1,370	\$0.80	LIHTC	50%
SF Detached		4	2.0	1	\$1,471	1,535	\$0.96	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/03/21	03/24/21
% Vac	0.0%	0.0%	0.0%
One	\$872	\$872	\$851
Two	\$1,046	\$1,046	\$1,021
Three	\$1,208	\$1,208	\$1,164
Four+	\$1,471	\$1,471	\$1,435

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Natural Gas

Broad Creek Renaissance

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Chenman Lofts



ADDRESS
619-639 W. 24th Street, Norfolk, VA, 23517

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
Adaptive Reuse

UNITS
43

VACANCY
0.0 % (0 Units) as of 02/17/22

OPENED IN
2020



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	74%	\$1,204	706	\$1.71
Two	26%	\$1,664	1,197	\$1.39

Community Amenities
Community Room, Fitness Room, Outdoor Pool

Features

Standard	Dishwasher, Disposal, Microwave, IceMaker
Standard - Stacked	In Unit Laundry
Central / Heat Pump	Air Conditioning
SS	Appliances
Granite	Countertops

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Phone	757-447-3730
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Comments

Pets-\$300 one time fee, onsite indoor bike racks
1st move-in April 1st, 2020.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	32	\$1,334	706	\$1.89	Market	
Garden		2	2.0	11	\$1,824	1,197	\$1.52	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/03/21	03/24/21
% Vac	0.0%	0.0%	0.0%
One	\$1,334	\$1,320	\$1,305
Two	\$1,824	\$1,769	\$1,724

Adjustments to Rent

Incentives	None
Utilities in Rent	Heat, Hot Water, Cooking, Electricity, Water/Sewer, Trash, Cable, Internet
Heat Source	Electric

Initial Absorption

Opened: 2019-11-14	Months: 5.0
Closed: 2020-04-24	8.6 units/month

Chenman Lofts

Depot, The



ADDRESS 2202 Llewellyn Ave, Norfolk, VA, 23517 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** Adaptive Reuse **UNITS** 25 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 2019



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	40%	\$1,279	689	\$1.86
Two	48%	\$1,595	1,018	\$1.57
Three	12%	\$1,769	1,191	\$1.49

Community Amenities
Community Room, Fitness Room, Outdoor Pool

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, High Ceilings, Cable TV, Broadband Internet
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
SS	Appliances
Granite	Countertops
Community Security	Keyed Bldg Entry

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Phone	757-550-2569

Comments

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	10	\$1,409	689	\$2.04		
Garden		2	1.0	12	\$1,755	1,018	\$1.72		
Garden		3	2.0	3	\$1,964	1,191	\$1.65		

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/03/21	03/24/21
% Vac	0.0%	0.0%	0.0%
One	\$1,409	\$1,385	\$1,415
Two	\$1,755	\$1,660	\$1,644
Three	\$1,964	\$1,874	\$1,874

Adjustments to Rent	
Incentives	None
Utilities in Rent	Heat, Hot Water, Cooking, Electricity, Water/Sewer, Trash, Cable, Internet
Heat Source	Electric

Depot, The

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Element at Ghent



ADDRESS 111 18th St, Norfolk, VA, 23517 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** Mid Rise **UNITS** 164 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 2014



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	61%	\$1,558	707	\$2.21
Two	39%	\$2,085	1,105	\$1.89

Community Amenities
Clubhouse, Fitness Room, Outdoor Pool

Features	
Standard	Dishwasher, Disposal, Microwave, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
In Building/Fee	Storage
Carpet	Flooring Type 1
Hardwood	Flooring Type 2
SS	Appliances
Granite	Countertops

Parking	
Parking Description	Structured Garage — \$35.00
Parking Description #2	

Contacts	
Phone	757-663-7545

Comments
 Opened November 2014; Started leasing in October. Property reaching 95% leased in mid-Dec 2015
 Fire pit, grilling stations poolside.
 Valet Trash fee- \$22.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Palladium Mid Rise - Elevator		1	1.0	32	\$1,464	611	\$2.40	Market	
Argon Mid Rise - Elevator		1	1.0	30	\$1,511	685	\$2.21	Market	
Gallium Mid Rise - Elevator		1	1.0	38	\$1,675	804	\$2.08	Market	
Iridium Mid Rise - Elevator		2	2.0	32	\$2,119	1,093	\$1.94	Market	
Cobalt Mid Rise - Elevator		2	2.0	32	\$2,050	1,117	\$1.84	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	03/16/21
% Vac	0.0%	0.0%	0.0%
One	\$1,550	\$1,625	\$1,473
Two	\$2,085	\$2,025	\$1,865

Adjustments to Rent	
Incentives	Reduced rent select units
Utilities in Rent	
Heat Source	Electric

Initial Absorption	
Opened: 2014-11-01	Months: 13.0
Closed: 2015-12-15	12.6 units/month

Element at Ghent

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Fairfax Apartments



ADDRESS 117 W City Hall Ave, Norfolk, VA, 23510 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 8 Story - Adaptive Reuse **UNITS** 56 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 2020



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	0%	\$1,219	438	\$2.78
One	0%	\$1,530	687	\$2.23
Two	0%	\$1,900	1,023	\$1.86

Community Amenities
Clubhouse, Community Room, Fitness Room, Elevator Served

Features	
Standard	Dishwasher, Disposal, High Ceilings, Broadband Internet
Select Units	Microwave
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Hardwood	Flooring Type 1
Ceramic	Flooring Type 2
SS	Appliances
Quartz	Countertops
Community Security	Keyed Bldg Entry

Parking	
Parking Description	Structured Garage — \$50.50
Parking Description #2	

Contacts	
Phone	757-512-5077

Comments
 Rooftop Courtyard, Lounge & Grills, Bike Storage, Resident Lounge, Billiards. Formerly The Fairfax Hotel opened 1907.
 Unit mix: 14 S, 35 1BR, 7 2BR
 Leasing same as The Law Building, Virginia, and Savoy

Description	Floorplans								
	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Appomattox Mid Rise - Elevator		0	1.0		\$1,174	405	\$2.90	Market	
Gauley Mid Rise - Elevator		0	1.0		\$1,270	413	\$2.95	Market	
York/Rivanna Mid Rise - Elevator		0	1.0		\$1,262	495	\$2.55	Market	
Shenandoah/Nansemond Mid Rise - Elevator		1	1.0		\$1,447	627	\$2.31	Market	
Potomac/James Mid Rise - Elevator		1	1.0		\$1,575	650	\$2.42	Market	
Elizabeth/Laf/Sas/Ches Mid Rise - Elevator		1	1.0		\$1,519	724	\$2.10	Market	
Rappahannock Mid Rise - Elevator		1	1.0		\$1,580	748	\$2.11	Market	
Maury Mid Rise - Elevator		2	1.0		\$1,900	1,023	\$1.86	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/03/21	03/24/21
% Vac	0.0%	0.0%	0.0%
Studio	\$1,219	\$1,219	\$1,093
One	\$1,530	\$1,545	\$1,398
Two	\$1,900	\$1,900	\$1,781

Adjustments to Rent	
Incentives	M1/Gov/Shipyard emp 250 off 1st mo
Utilities in Rent	
Heat Source	Electric

Fairfax Apartments

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

First Colony Flats



ADDRESS 204 W 22nd Street, Norfolk, VA, 23517 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 5 Story - Adaptive Reuse **UNITS** 51 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 2018



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	82%	\$1,244	713	\$1.75
Two	18%	\$1,709	1,112	\$1.54

Community Amenities
Fitness Room, Elevator Served

Features

Standard	Dishwasher, Microwave, IceMaker, Patio Balcony, High Ceilings, Cable TV, Broadband Internet
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Hardwood	Flooring Type 1
SS	Appliances
Granite	Countertops
Community Security	Keyed Bldg Entry

Parking		Contacts	
Parking Description	Free Surface Parking	Phone	757-644-1445
Parking Description #2			

Comments

Breakfast bars. All utilities included

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
		1	1.0	42	\$1,374	713	\$1.93	Market	
		2	2.0	9	\$1,869	1,112	\$1.68	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/03/21	03/24/21
% Vac	0.0%	0.0%	0.0%
One	\$1,374	\$1,439	\$1,323
Two	\$1,869	\$1,829	\$1,881

Adjustments to Rent	
Incentives	None
Utilities in Rent	Heat, Hot Water, Cooking, Electricity, Water/Sewer, Trash, Internet, Cable
Heat Source	Electric

Initial Absorption	
Opened: 2018-03-01	Months: 3.0
Closed: 2018-06-01	26.3 units/month

First Colony Flats

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 (2) Published Rent is rent as quoted by management.

Ghent Village



ADDRESS
100 Westover Avenue, Norfolk, VA, 23507

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story - Garden

UNITS
138

VACANCY
0.0 % (0 Units) as of 02/18/22

OPENED IN
1981



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	3%	\$1,240	569	\$2.18
One	17%	\$1,535	804	\$1.91
Two	74%	\$1,865	1,254	\$1.49
Three	7%	\$2,015	1,334	\$1.51

Community Amenities
Clubhouse, Community Room, Fitness Room, Outdoor Pool, Tennis, Volleyball, Business Center

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Select Units	Fireplace, High Ceilings
Standard - In Unit	Storage
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
SS	Appliances
Granite	Countertops
Community Security	Monitored Unit Alarms, Perimeter Fence, Gated Entry, Patrol, Cameras

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Lawson
Parking Description #2		Phone	757-627-4040 Brittany

Comments
Pond, gazebo, putting grn & outside storage
Not leasing any unrenovated units. Sept. 15, 2020 - PH I of Renov. (Cabinets, CT, appl., flrs, paint, light fixtures, windows/doors). 9/2021 survey -43 units offline-not included in the total (140) & vacant units. Expect 10 PHs. currently 2 units left to renovate

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		0	1.0	4	\$1,250	569	\$2.20	Market	
Garden		1	1.0	24	\$1,545	804	\$1.92	Market	
Garden		2	2.0	102	\$1,875	1,254	\$1.50	Market	
Garden		3	2.0	10	\$2,025	1,334	\$1.52	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/18/22	12/06/21	09/20/21
% Vac	0.0%	0.0%	0.0%
Studio	\$1,250	\$1,250	\$1,250
One	\$1,545	\$1,545	\$1,545
Two	\$1,875	\$1,875	\$1,875
Three	\$2,025	\$2,025	\$2,025

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Ghent Village

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Hague Towers



ADDRESS
330 West Brambleton Avenue, Norfolk, VA, 23510

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
21 Story - High Rise

UNITS
250

VACANCY
1.6 % (4 Units) as of 02/17/22

OPENED IN
1964



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	21%	\$1,142	528	\$2.16
One	55%	\$1,278	800	\$1.60
Two	26%	\$1,688	1,056	\$1.60

Community Amenities
Fitness Room, Central Laundry, Hot Tub, Sauna, Indoor Pool, Concierge, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, Patio Balcony, Cable TV
Not Available	Ceiling Fan, In Unit Laundry, Fireplace, High Ceilings
Central / Heat Pump	Air Conditioning
In Building/Fee	Storage
Carpet	Flooring Type 1
Hardwood	Flooring Type 2
Black	Appliances
Laminate	Countertops

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Owner / Mgmt.	Caitlin
Phone	757 622-3351

Comments
Laminate counters. Appliances varied (white, black and almond). Upgraded units are \$300 more. Prices listed are starting rents. Always ongoing renov when tenants move out.
Indoor Pool. Several Penthouse units beginning at \$2395 per month. Storage fees: \$65-\$90

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Brambleton		0	1.0	53	\$1,253	528	\$2.37	Market	
Granby		1	1.0	137	\$1,408	800	\$1.76	Market	
Olney		2	1.0	17	\$1,763	1,056	\$1.67	Market	
Hague		2	2.0	49	\$1,878	1,056	\$1.78	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/03/21	03/24/21
% Vac	1.6%	1.2%	0.4%
Studio	\$1,253	\$1,248	\$1,123
One	\$1,408	\$1,518	\$1,460
Two	\$1,820	\$1,759	\$1,664

Adjustments to Rent	
Incentives	None
Utilities in Rent	Heat, Hot Water, Cooking, Electricity, Water/Sewer, Trash
Heat Source	Electric

Hague Towers

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Heritage at Freemason Harbour



ADDRESS 200 College Place, Norfolk, VA, 23510 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 3 Story - Mid Rise **UNITS** 185 **VACANCY** 3.2 % (6 Units) as of 02/17/22 **OPENED IN** 1999



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	23%	\$1,667	766	\$2.18
One/Den	4%	\$1,830	954	\$1.92
Two	52%	\$1,775	1,201	\$1.48
Three	20%	\$2,460	1,257	\$1.96

Community Amenities
Clubhouse, Fitness Room, Central Laundry, Business Center, Concierge, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, Patio Balcony
Select Units	Ceiling Fan, Fireplace, High Ceilings
Central / Heat Pump	Air Conditioning
In Building/Fee	Storage
Ceramic	Flooring Type 2
SS	Appliances
Laminate	Countertops
Community Security	Monitored Unit Alarms, Keyed Bldg Entry

Parking		Contacts	
Parking Description	Covered Spaces — \$0.00	Owner / Mgmt.	Kate
Parking Description #2	Free Surface Parking	Phone	855-208-2708

Comments
 Bay window, comp. sta., pantry: opt. Stacked w/d 1BRs; Full-size 2/3BR. 35 floor plans.
 1BR added in 2011. Gated parking. 3rd/4th fl. High ceiling & FP. Global amenity fee \$25/mo. Trash fee- \$13. Storage \$30-\$100/mo. Formal Garden, latte bar, video club. dry cleaning services, monthly cont. bkfst. \$100 for 2nd car.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Mid Rise - Elevator		1	1.0	43	\$1,667	766	\$2.18	Market	
Mid Rise - Elevator	Den	1	1.0	8	\$1,830	954	\$1.92	Market	
Mid Rise - Elevator		2	2.0	97	\$1,775	1,201	\$1.48	Market	
Mid Rise - Elevator		3	2.0	37	\$2,460	1,257	\$1.96	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/07/21	03/24/21
% Vac	3.2%	11%	0.5%
One	\$834	\$877	\$728
One/Den	\$915	\$975	\$845
Two	\$1,775	\$2,150	\$1,813
Three	\$2,460	\$2,393	\$2,015

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Heritage at Freemason Harbour

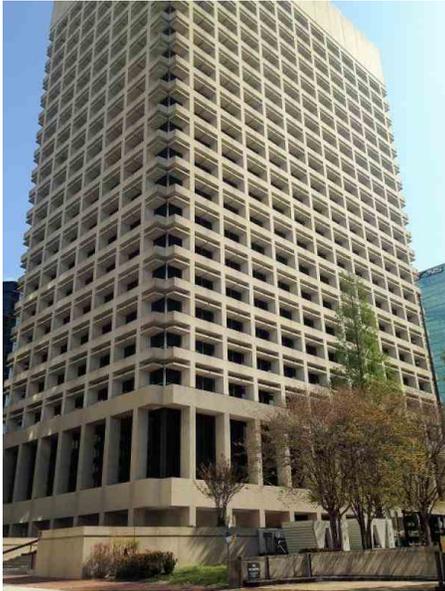
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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Icon Norfolk



ADDRESS 321 E Main Street, Norfolk, VA, 23510 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 24 Story - High Rise **UNITS** 269 **VACANCY** 0.7 % (2 Units) as of 02/17/22 **OPENED IN** 2017



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	14%	\$1,390	472	\$2.94
One	40%	\$1,835	667	\$2.75
Two	37%	\$2,342	1,019	\$2.30
Three	9%	\$3,203	1,349	\$2.37

Community Amenities
Clubhouse, Community Room, Business Center, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
SS	Appliances
Quartz	CounterTops
Community Security	Gated Entry

Parking	
Parking Description	Structured Garage — \$55.60
Parking Description #2	

Contacts	
Owner / Mgmt.	Jackie
Phone	757-965-3111

Comments
 Art gallery, jazz café, lounge, rooftop deck, lounge, spa, media lounge, movie theater, wine vault w/ tasting room
 Conference room, game room, library, tanning salon, grocery delivery, guest suites, usb outlets. Parking is in city garage.
 Mixed use. Rents listed are starting rents. Select 1B/1ff income restricted <66k by VHDA

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
High Rise - Elevator		0	1.0	37	\$1,390	472	\$2.94	Market	
High Rise - Elevator		1	1.0	108	\$1,835	667	\$2.75	Market	
High Rise - Elevator		2	2.0	99	\$2,342	1,019	\$2.30	Market	
High Rise - Elevator		3	2.0	19	\$2,728	1,200	\$2.27	Market	
High Rise - Elevator		3	2.0	6	\$4,710	1,822	\$2.59	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/03/21	03/24/21
% Vac	0.7%	0.7%	0.4%
Studio	\$1,390	\$1,360	\$1,360
One	\$1,835	\$1,663	\$1,780
Two	\$2,342	\$2,302	\$2,303
Three	\$3,719	\$3,645	\$3,620

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Initial Absorption	
Opened: 2017-12-14	Months: 6.0
Closed: 2018-07-02	38.4 units/month

Icon Norfolk

Ingleside Square



ADDRESS 3515 Gatling Ave, Norfolk, VA, 23502 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 2 Story - Garden **UNITS** 300 **VACANCY** 0.0 % (0 Units) as of 02/18/22 **OPENED IN** 1956



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	9%	\$685	720	\$0.95
Two	82%	\$745	770	\$0.97
Three	9%	\$805	880	\$0.91

Community Amenities
Central Laundry

Features

Standard	Dishwasher, Microwave, IceMaker
Window Units	Air Conditioning
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
White	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Phone	757-466-8111 Lynn
Parking Description #2			

Comments

Community relies upon street parking. No on-site lots.
 Waitlist- 1BR: 3, 2BR: 8, 3BR: no WL
 Same leasing office as Alta Vista Apts.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	27	\$710	720	\$0.99	Market	
Garden		2	1.0	246	\$775	770	\$1.01	Market	
Garden		3	1.0	27	\$840	880	\$0.95	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/18/22	01/04/22	12/06/21
% Vac	0.0%	0.0%	0.0%
One	\$710	\$730	\$730
Two	\$775	\$775	\$788
Three	\$840	\$840	\$848

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Natural Gas

Ingleside Square

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

James Apts



ADDRESS 345 Granby St, Norfolk, VA	COMMUNITY TYPE Market Rate - General	STRUCTURE TYPE Adaptive Reuse	UNITS 78	VACANCY 0.0 % (0 Units) as of 02/17/22	OPENED IN 2014
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Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	22%	\$1,135	465	\$2.44
One	69%	\$1,492	676	\$2.21
Two	8%	\$1,832	968	\$1.89
Three	1%	\$3,186	1,695	\$1.88

Community Amenities
Clubhouse, Community Room, Fitness Room, Business Center, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave, High Ceilings
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Select Units	Patio Balcony
SS	Appliances
Quartz	Countertops

Parking	
Parking Description	Paid Surface Parking/On Site — \$125
Parking Description #2	Structured Garage — \$50.50

Contacts	
Phone	757-352-2244

Comments
 Opened 8/14/14; Started leasing July 2014; 13 units/month lease-up.
 Under new mgmt as of 2/19 (S.L.Nusbaum)
 Parking garage- City of Norfolk. Leases with Metro on Granby.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
High Rise - Elevator		0	1.0	10	\$1,122	406	\$2.77	Market	
High Rise - Elevator		0	1.0	7	\$1,179	549	\$2.15	Market	
High Rise - Elevator		1	1.0	25	\$1,394	571	\$2.44	Market	
High Rise - Elevator		1	1.0	24	\$1,561	757	\$2.06	Market	
High Rise - Elevator	Loft	1	1.0	5	\$1,764	819	\$2.16	Market	
High Rise - Elevator		2	2.0	5	\$1,805	951	\$1.90	Market	
High Rise - Elevator	Loft	2	2.0	1	\$2,028	1,050	\$1.93	Market	
High Rise - Elevator		3	2.0	1	\$3,196	1,695	\$1.89	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/03/21	03/24/21
% Vac	0.0%	0.0%	1.3%
Studio	\$1,151	\$1,151	\$1,071
One	\$1,573	\$1,573	\$1,478
Two	\$1,917	\$1,912	\$1,833
Three	\$3,196	\$3,196	\$3,049

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

James Apts

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent.
 (2) Published Rent is rent as quoted by management.

Lafayette, The



ADDRESS
4601 Mayflower Rd, Norfolk, VA, 23508

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
12 Story - High Rise

UNITS
168

VACANCY
0.6 % (1 Units) as of 02/18/22

OPENED IN
1963



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	49%	\$1,146	502	\$2.28
One	25%	\$1,250	950	\$1.32
Two	24%	\$1,415	1,300	\$1.09
Three	1%	\$1,690	1,500	\$1.13

Community Amenities
Central Laundry, Elevator Served

Features	
Select Units	Dishwasher, Patio Balcony
Standard	Disposal, IceMaker, Ceiling Fan
Not Available	Microwave, In Unit Laundry, Fireplace, High Ceilings
Central / Heat Pump	Air Conditioning
In Building/Fee	Storage
Carpet	Flooring Type 1
Hardwood	Flooring Type 2
SS	Appliances
Laminate	Countertops

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Phone	757-760-3418

Comments
 Parking controlled by issuance of decals. Dishwashers in 2BRs and 3BRs. Heating is a mix of gas and elec. Standard 8-foot ceilings. Renovation completed in summer 2005 was an in-place renovation. Classic: White appl, carpet. Upgraded: SS appl, wood-plank flr. 168 total units: renovating starting summer 2015. 3 renos a month.

Description	Feature	BRs	Floorplans				Program	IncTarg%
			Bath	# Units	Rent	SqFt		
Studio High Rise - Elevator		0	1.0	78	\$1,229	500	\$2.46	Market
Deluxe Studio High Rise - Elevator		0	1.0	4	\$1,351	550	\$2.46	Market
High Rise - Elevator		1	1.0	42	\$1,355	950	\$1.43	Market
High Rise - Elevator		2	2.0	41	\$1,545	1,300	\$1.19	Market
Deluxe High Rise - Elevator		2	2.0		\$1,723	1,300	\$1.33	Market
High Rise - Elevator		3	2.0	2	\$1,850	1,500	\$1.23	Market

Historic Vacancy & Eff. Rent (1)			
Date	02/18/22	12/06/21	03/24/21
% Vac	0.6%	0.0%	1.2%
Studio	\$1,290	\$1,107	\$1,090
One	\$1,355	\$1,322	\$1,235
Two	\$1,634	\$1,526	\$1,430
Three	\$1,850	\$1,717	\$1,799

Adjustments to Rent	
Incentives	None
Utilities in Rent	Heat, Hot Water, Cooking, Electricity
Heat Source	Natural Gas

Lafayette, The

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Lakewood Garden



ADDRESS 5656 Tidewater Drive, Norfolk, VA, 23509 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 2 Story - Garden **UNITS** 92 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 1979



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	43%	\$830	736	\$113
Two	57%	\$935	912	\$1.03

Community Amenities

Features

Standard	Dishwasher
Not Available	Disposal, Microwave, IceMaker, Ceiling Fan, Fireplace, Patio Balcony, Storage
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Select Units	Accessibility
White	Appliances
Laminate	Countertops

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Phone	757-855-4777
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Comments

Units can be modified per request for accessibility.
Dog run and picnic area. Assigned parking spaces.
New roofs put on in 2012. Short waitlist.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	40	\$925	736	\$1.26	Market	
Garden		2	1.0	52	\$1,050	912	\$1.15	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	03/24/21
% Vac	0.0%	0.0%	0.0%
One	\$925	\$925	\$866
Two	\$1,050	\$1,050	\$982

Adjustments to Rent

Incentives	None
Utilities in Rent	Heat, Hot Water, Cooking, Water/Sewer, Trash
Heat Source	Electric

Lakewood Garden

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Larchmont



ADDRESS
5504-A Monroe Place, Norfolk, VA, 23508

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
2 Story - Garden

UNITS
172

VACANCY
0.0 % (0 Units) as of 02/18/22

OPENED IN
1938



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	44%	\$815	550	\$1.48
Two	56%	\$960	713	\$1.35

Community Amenities
Central Laundry

Features

Not Available	Dishwasher, Microwave, IceMaker, Ceiling Fan, In Unit Laundry, Fireplace, Patio Balcony, High Ceilings
Standard	Disposal
Central / Heat Pump	Air Conditioning
In Building/Fee	Storage
Hardwood	Flooring Type 1
Carpet	Flooring Type 2
White	Appliances
Laminate	Countertops

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Phone	757-489-8929

Comments

A substantial rehabilitation process began at the community on April 1, 2007.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	75	\$825	550	\$1.50	Market	
Garden		2	1.0	97	\$970	713	\$1.36	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/18/22	12/06/21	03/24/21
% Vac	0.0%	0.0%	0.0%
One	\$825	\$825	\$795
Two	\$970	\$970	\$925

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Larchmont

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Law Building



ADDRESS 145 Granby St, Norfolk, VA	COMMUNITY TYPE Market Rate - General	STRUCTURE TYPE Mid Rise	UNITS 135	VACANCY 0.0 % (0 Units) as of 02/17/22	OPENED IN 2015
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Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	0%	\$1,246	524	\$2.38
One	0%	\$1,423	571	\$2.49
Two	0%	\$1,986	912	\$2.18

Community Amenities
Community Room, Fitness Room, Business Center, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave, High Ceilings
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Hardwood	Flooring Type 1
SS	Appliances
Quartz	Countertops
Community Security	Manned Door

Parking	
Parking Description	Structured Garage — \$50.50
Parking Description #2	

Contacts	
Phone	757-395-4655

Comments
Opening Feb 2015; started pre-leasing 12/1/14. Parking is in a city garage. Tile shower, custom cabinets, modern lighting, W/C, glass tile backsplash bike storage, social events, billiards, pet spa, grill area. Same leasing as Fairfax, Virginia, and Savoy Apts.

Description	Feature	Floorplans							
		BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Baylor Mid Rise - Elevator		0	1.0		\$1,090	360	\$3.03	Market	
Emory Mid Rise - Elevator		0	1.0		\$1,137	394	\$2.89	Market	
Princeton/Harvard Mid Rise - Elevator		0	1.0		\$1,288	586	\$2.20	Market	
Yale Mid Rise - Elevator		0	1.0		\$1,468	757	\$1.94	Market	
Syracuse Mid Rise - Elevator		1	1.0		\$1,317	479	\$2.75	Market	
Cornell Mid Rise - Elevator		1	1.0		\$1,343	489	\$2.75	Market	
Rutgers/Albany Mid Rise - Elevator		1	1.0		\$1,343	549	\$2.45	Market	
Tulane Mid Rise - Elevator		1	1.0		\$1,394	560	\$2.49	Market	
Vanderbilt Mid Rise - Elevator		1	1.0		\$1,430	566	\$2.53	Market	
Duke Mid Rise - Elevator		1	1.0		\$1,485	580	\$2.56	Market	
Columbia Mid Rise - Elevator		1	1.0		\$1,497	619	\$2.42	Market	
Stanford Mid Rise - Elevator		1	1.0		\$1,497	646	\$2.32	Market	
Dartmouth Mid Rise - Elevator		1	1.0		\$1,500	654	\$2.29	Market	
Villanova Mid Rise - Elevator		2	2.0		\$1,986	912	\$2.18	Market	

Date	Historic Vacancy & Eff. Rent (1)		
	02/17/22	12/03/21	03/24/21
% Vac	0.0%	0.0%	0.0%
Studio	\$1,246	\$1,246	\$1,151
One	\$1,423	\$1,418	\$1,299
Two	\$1,986	\$1,986	\$1,825

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Law Building

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Loraine, The



ADDRESS 245 Granby Street, Norfolk, VA, 23510 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 7 Story - Adaptive Reuse **UNITS** 56 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 2016



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	45%	\$1,117	382	\$2.92
One	54%	\$1,366	586	\$2.33
Two	2%	\$1,821	1,111	\$1.64

Community Amenities
Clubhouse, Fitness Room, Concierge, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave
Standard - Full	In Unit Laundry
SS	Appliances
Quartz	Countertops
Community Security	Gated Entry

Parking	
Parking Description	Structured Garage — \$50.50
Parking Description #2	

Contacts	
Phone	757-218-3872

Comments
Former Tazewell Hotel. Opened in 9/2016, 88% leased as of 3/2017. Custom cabinets, wood grain flooring, historic reno tile backsplash. Same leasing office as Rocketeller. City of Norfolk parking garage. Grill area, billiards. Under new mgmt as of 2/19 (S.L.Nusbaum).

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
		0	1.0	25	\$1,117	382	\$2.92	Market	
		1	1.0	30	\$1,366	586	\$2.33	Market	
		2	2.0	1	\$1,821	1,111	\$1.64	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	03/24/21
% Vac	0.0%	0.0%	0.0%
Studio	\$1,117	\$1,097	\$1,000
One	\$1,366	\$1,346	\$1,300
Two	\$1,821	\$1,801	\$1,800

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Initial Absorption	
Opened: 2016-09-01	Months: 7.0
Closed: 2017-04-01	8.0 units/month

Loraine, The

Metro on Granby



ADDRESS 401 Granby Street, Norfolk, VA, 23510 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 5 Story - Mid Rise **UNITS** 188 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 2014



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	20%	\$1,173	445	\$2.63
One	50%	\$1,432	775	\$1.85
Two	30%	\$1,888	1,052	\$1.79

Community Amenities
Clubhouse, Fitness Room

Features

Standard	Dishwasher, Disposal, Microwave
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Select Units	Patio Balcony
SS	Appliances
Granite	Countertops

Parking	
Parking Description	Structured Garage — \$125
Parking Description #2	Fee for Reserved — \$200
Structured Garage	\$50.50

Contacts	
Phone	757-962-8060

Comments

3 Bldgs-Loft at Granby 49 units, 401 Granby 65 units/ & 416 Boush 71 units. 401 opened in 4/14 and 416 opened 8/14. Glass tile backsplash, plank flooring, rooftop garden, cyber café, dance studio, grill. Garage \$80-\$100. City parking \$50.50. Trash \$5. Leases with James Apts.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Mid Rise - Elevator		0	1.0	19	\$1,164	437	\$2.66	Market	
Mid Rise - Elevator		0	1.0	18	\$1,182	454	\$2.60	Market	
Mid Rise - Elevator		1	1.0	47	\$1,356	635	\$2.14	Market	
Mid Rise - Elevator		1	1.0	47	\$1,509	915	\$1.65	Market	
Mid Rise - Elevator		2	2.0	28	\$1,825	952	\$1.92	Market	
Mid Rise - Elevator	Loft	2	2.0	29	\$1,950	1,149	\$1.70	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/03/21	03/24/21
% Vac	0.0%	0.0%	0.5%
Studio	\$1,173	\$1,173	\$1,098
One	\$1,432	\$1,394	\$1,345
Two	\$1,887	\$1,905	\$1,773

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Initial Absorption	
Opened: 2014-06-01	Months: 20.0
Closed: 2016-02-01	8.5 units/month

Metro on Granby

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Mission College



ADDRESS 1300 Lead St., Norfolk, VA, 23504 **COMMUNITY TYPE** LIHTC - General **STRUCTURE TYPE** 3 Story - Garden/TH **UNITS** 260 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 1990



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	14%	\$725	850	\$0.85
Two	65%	\$867	1,050	\$0.83
Three	14%	\$989	1,200	\$0.82
Four+	8%	\$1,096	1,350	\$0.81

Community Amenities
Community Room, Central Laundry, Outdoor Pool, Playground

Features	
Standard	Dishwasher, Disposal
Not Available	Microwave, IceMaker, Ceiling Fan, Fireplace, Patio Balcony, Storage
Select Units	In Unit Laundry, Accessibility
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
White	Appliances
Laminate	Countertops
Community Security	Patrol, SecLighting

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Owner / Mgmt.	Kesha Reid
Phone	757-640-1300

Comments
Laundry hookups in 3BR & 4BR. Patrol after 5pm. TH 2-story.
130-unit LIHTC renovation complete 12/31/08; 130-unit market-rate renovation complete 9/09. LIHTC 1990-2005; Market-rate 2005-2008.
W/S/T included with TC rent, not market.
Waitlist: 6 months

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	24	\$725	850	\$0.85	LIHTC	50%
Garden		1	1.0	12	\$799	850	\$0.94	Market	
Garden		2	1.0	84	\$865	1,050	\$0.82	LIHTC	50%
Garden		2	1.0	84	\$929	1,050	\$0.88	Market	
Garden		3	2.0	12	\$993	1,200	\$0.83	LIHTC	50%
Garden		3	2.0	24	\$1,039	1,200	\$0.87	Market	
Townhouse		4	2.5	10	\$1,102	1,350	\$0.82	LIHTC	50%
Townhouse		4	2.5	10	\$1,169	1,350	\$0.87	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	03/24/21
% Vac	0.0%	0.0%	0.0%
One	\$762	\$762	\$751
Two	\$897	\$897	\$867
Three	\$1,016	\$1,016	\$987
Four+	\$1,136	\$1,136	\$1,102

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Mission College

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Monticello Station



ADDRESS 328 East Freemason Street, Norfolk, VA, 23510 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 4 Story - Mid Rise **UNITS** 121 **VACANCY** 3.3 % (4 Units) as of 02/17/22 **OPENED IN** 2011



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	36%	\$1,756	865	\$2.03
Two	47%	\$2,183	1,273	\$1.72
Two/Den	3%	\$2,026	1,085	\$1.87
Three	6%	\$2,506	1,375	\$1.82
Three/Den	5%	\$2,681	1,450	\$1.85
Four+	2%	\$2,857	1,610	\$1.77

Community Amenities
Fitness Room, Outdoor Pool, Business Center, Elevator Served

Features

Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan, Patio Balcony, High Ceilings
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Not Available	Fireplace
Select Units	Storage
Carpet	Flooring Type 1
Ceramic	Flooring Type 2
SS	Appliances
Granite	Countertops
Community Security	Intercom, Keyed Bldg Entry

Parking	
Parking Description	Structured Garage — \$50.50
Parking Description #2	

Contacts	
Owner / Mgmt.	Geena
Phone	757-321-7282

Comments

Ground floor commercial space (Buffalo Wild Wings), 23 floor plans. 1st building open 6/1/11
 Last building 8/15/11. 4 grills. Storage \$45-\$100. Trash \$5. Daily pricing
 surround Bank Street public garage, where spaces are \$50.50/mo. 3 CY, 1 w/ fire pit. Select balcony storage.

Description	Feature	BRs	Bath	Floorplans					
				# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Mid Rise - Elevator		1	1.0	43	\$1,756	865	\$2.03	Market	
Loft Mid Rise - Elevator	Den	2	2.0	4	\$2,026	1,085	\$1.87	Market	
Mid Rise - Elevator		2	2.0	57	\$2,183	1,273	\$1.72	Market	
Mid Rise - Elevator		3	2.0	7	\$2,506	1,375	\$1.82	Market	
Loft Mid Rise - Elevator	Den	3	3.0	6	\$2,681	1,450	\$1.85	Market	
Loft Mid Rise - Elevator	Den	4	3.0	2	\$2,857	1,610	\$1.77	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	03/23/21
% Vac	3.3%	0.8%	0.8%
One	\$1,756	\$1,796	\$1,449
Two	\$1,091	\$1,152	\$1,007
Two/Den	\$1,013	\$1,073	\$1,037
Three	\$1,253	\$1,083	\$1,050
Three/Den	\$1,341	\$1,110	\$1,162
Four+	\$0	\$0	\$0

Adjustments to Rent	
Incentives	Yieldstar; None
Utilities in Rent	
Heat Source	Electric

Initial Absorption	
Opened: 2011-06-01	Months: 9.0
Closed: 2012-03-05	13.4 units/month

Monticello Station

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent.
 (2) Published Rent is rent as quoted by management.

Museum Apts



ADDRESS 888 Magazine Ln, Norfolk, VA, 23510 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 4 Story - Mid Rise **UNITS** 48 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 2018



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	6%	\$1,315	685	\$1.92
Two	94%	\$1,604	878	\$1.83

Community Amenities
Community Room, Elevator Served

Features

Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan, Patio Balcony, High Ceilings
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Vinyl/Linoleum	Flooring Type 1
SS	Appliances
Quartz	Countertops
Community Security	Keyed Bldg Entry, Cameras, Manned Door

Parking		Contacts	
Parking Description	Underground Garage — \$0.00	Phone	757-334-5204
Parking Description #2	Fee for Reserved — \$50		

Comments

Opened 9/18, started preleasing 6/18. Contemporary cabinetry, Quartz CT in kitchen & bath, breakfast bar, range, side by side refrigerator, wood-plank flrs, LED lighting, WIC, pantry/linen closets, Bike room, The Gallery Space & Courtyard. Free parking garage & covered parking. \$50 for reserved spot in garage.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
LC1 Mid Rise - Elevator		1	1.0	3	\$1,325	685	\$1.93	Market	
LC2 Mid Rise - Elevator		2	2.0	21	\$1,513	830	\$1.82	Market	
Mid Rise - Elevator		2	1.0	3	\$1,463	891	\$1.64	Market	
LC3 Mid Rise - Elevator		2	2.0	21	\$1,738	925	\$1.88	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	03/23/21
% Vac	0.0%	0.0%	2.1%
One	\$1,325	\$1,325	\$1,325
Two	\$1,571	\$1,625	\$1,625

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Initial Absorption	
Opened: 2018-09-01	Months: 5.0
Closed: 2019-02-01	9.6 units/month

Museum Apts

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Norcova Gardens



ADDRESS
2307 Norcova Avenue, Norfolk, VA, 23513

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
2 Story - Garden

UNITS
40

VACANCY
0.0 % (0 Units) as of 02/18/22

OPENED IN
1968



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	20%	\$920	640	\$1.44
Two	80%	\$999	816	\$1.22

Community Amenities
Central Laundry

Features

Standard	Dishwasher, Disposal
Not Available	Microwave, IceMaker, Ceiling Fan, Fireplace, Patio Balcony, Storage, Accessibility
Standard - Stacked	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2

Parking	
Parking Description	Free Surface Parking — \$0.00
Parking Description #2	

Contacts	
Phone	757-461-5504

Comments

No on-site management office; managed out of University Gardens.
 Going through renovation. No wait list. Trash \$7.50
 Select units have washer/dryer hookups. 39 units carpeted; 1 unit has hardwood floors.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	8	\$920	640	\$1.44	Market	
Garden		2	1.0	32	\$999	816	\$1.22	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/18/22	12/06/21	03/24/21
% Vac	0.0%	0.0%	0.0%
One	\$920	\$870	\$830
Two	\$999	\$945	\$895

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Norcova Gardens

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Peanut Factory Flats



ADDRESS 201 W 24th St, Norfolk, VA, 23517 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** Adaptive Reuse **UNITS** 85 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 2020



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	64%	\$1,229	710	\$1.73
Two	31%	\$1,614	1,215	\$1.33
Three	65%	\$1,782	1,423	\$1.25

Community Amenities
Fitness Room, Outdoor Pool

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker
Standard - Stacked	In Unit Laundry
SS	Appliances
Granite	Countertops
Community Security	Monitored Unit Alarms

Parking		Contacts	
Parking Description	Free Surface Parking	Phone	757-517-2347
Parking Description #2			

Comments
Former Old Dominion Peanut Factory Opened Feb 2020, First Move-in-Mar 2020, Leased up June 2020.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
		1	1.0	54	\$1,359	710	\$1.92	Market	
		2	2.0	26	\$1,774	1,215	\$1.46	Market	
		3	2.0	53	\$1,969	1,411	\$1.40	Market	
		3	3.0	2	\$2,179	1,741	\$1.25	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	03/24/21
% Vac	0.0%	0.0%	0.0%
One	\$1,359	\$1,379	\$1,309
Two	\$1,774	\$1,749	\$1,719
Three	\$2,074	\$2,024	\$1,889

Adjustments to Rent	
Incentives	None
Utilities in Rent	Heat, Hot Water, Cooking, Electricity, Water/Sewer, Trash, Cable, Internet
Heat Source	Electric

Initial Absorption	
Opened: 2020-02-14	Months: 4.0
Closed: 2020-06-30	21.3 units/month

Peanut Factory Flats

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent.
 (2) Published Rent is rent as quoted by management.

Pembroke Towers



ADDRESS 601 Pembroke Avenue, Norfolk, VA, 23507 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 13 Story - High Rise **UNITS** 168 **VACANCY** 0.6 % (1 Units) as of 02/17/22 **OPENED IN** 1964



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	30%	\$1,139	460	\$2.48
One	45%	\$1,320	726	\$1.82
Two	16%	\$1,640	1,140	\$1.44
Three	9%	\$1,905	1,242	\$1.53

Community Amenities
Central Laundry, Hot Tub, Outdoor Pool, Concierge, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, Patio Balcony, High Ceilings, Cable TV
Not Available	Ceiling Fan, In Unit Laundry, Fireplace, Storage
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Hardwood	Flooring Type 2
SS	Appliances
Granite	Countertops

Parking	
Parking Description	Free Surface Parking
Parking Description #2	Underground Garage — \$85

Contacts	
Phone	757-625-5855

Comments
 All units: 9-foot ceilings. Fresh paint. Laminate or granite counters. Newest appliances are black, almond, or SS.
 Now accept pets (\$250 deposit + \$25/mo)
 College grad, med students, military. Rents listed are starting rents.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
High Rise - Elevator	Studio	0	1.0	51	\$1,250	460	\$2.72	Market	
High Rise - Elevator		1	1.0	75	\$1,450	726	\$2.00	Market	
High Rise - Elevator		2	2.0	27	\$1,800	1,140	\$1.58	Market	
High Rise - Elevator		3	2.0	15	\$2,100	1,242	\$1.69	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/03/21	03/24/21
% Vac	0.6%	0.0%	4.2%
Studio	\$1,250	\$1,163	\$1,178
One	\$1,450	\$1,323	\$1,373
Two	\$1,800	\$1,715	\$1,690
Three	\$2,100	\$1,945	\$1,978

Adjustments to Rent	
Incentives	None
Utilities in Rent	Heat, Hot Water, Cooking, Electricity, Water/Sewer, Trash
Heat Source	Natural Gas

Pembroke Towers

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

River House



ADDRESS 4253 Llewellyn Avenue, Norfolk, VA, 23504 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 4 Story - Mid Rise **UNITS** 194 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 2009



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	23%	\$1,565	825	\$1.90
Two	68%	\$1,806	1,160	\$1.56
Three	9%	\$2,440	1,369	\$1.78

Community Amenities
Clubhouse, Fitness Room, Outdoor Pool, Business Center, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, Patio Balcony, High Ceilings
Not Available	Ceiling Fan, Fireplace, Storage
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Ceramic	Flooring Type 2
SS	Appliances
Wood	Countertops
Community Security	Gated Entry, Intercom, Keyed Bldg Entry

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Owner / Mgmt.	Kristen
Phone	757-305-9296

Comments
Stainless appls except black range. Composite counters. Wired for ceiling fans. 9ft or vaulted ceilings. Window treatments. Patio chairs. B'fast bar or kitchen island. Fire pits, gas grills, conference/poker room, coffee station, kayaks & bikes for res.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Haven		1	1.0	45	\$1,565	825	\$1.90	Market	
Elizabeth		2	2.0	95	\$1,815	1,157	\$1.57	Market	
Sunset		2	2.0	36	\$1,784	1,167	\$1.53	Market	
Lafayette		3	2.0	16	\$2,407	1,352	\$1.78	Market	
Point		3	2.0	2	\$2,700	1,506	\$1.79	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	03/23/21
% Vac	0.0%	0.0%	0.0%
One	\$1,565	\$1,630	\$1,299
Two	\$1,799	\$2,001	\$1,539
Three	\$2,554	\$2,474	\$2,187

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Initial Absorption	
Opened: 2009-09-01	Months: 14.0
Closed: 2010-11-15	13.9 units/month

River House

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Riverview Lofts



ADDRESS
139 Riverview Avenue, Norfolk, VA, 23510

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story - Adaptive Reuse

UNITS
81

VACANCY
2.5 % (2 Units) as of 02/17/22

OPENED IN
2012



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	53%	\$1,498	705	\$2.13
Two	47%	\$2,168	1,041	\$2.08

Community Amenities
Fitness Room, Outdoor Pool, Indoor Pool, Elevator Served

Features

Standard	Dishwasher, Disposal, Microwave, Broadband Internet
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Hardwood	Flooring Type 1
SS	Appliances
Granite	Countertops

Parking

Parking Description	Structured Garage — \$0.00
Parking Description #2	Structured Garage — \$110.00

Contacts

Phone	757-630-6205
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Comments

Roof deck, grilling area, exposed ceilings, bike racks, solar shades.
Preleasing started in May 2012. Water View units generally \$100 to \$150 more than City View units.
Wifi & 1 parking space included in rent. No wait list. 2nd Parking space \$110.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
		1	1.0	22	\$1,488	638	\$2.33	Market	
		1	1.0	21	\$1,560	775	\$2.01	Market	
		2	1.0	8	\$1,723	913	\$1.89	Market	
		2	2.0	30	\$2,325	1,075	\$2.16	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/07/21	03/24/21
% Vac	2.5%	3.7%	4.9%
One	\$1,524	\$1,588	\$1,553
Two	\$2,024	\$1,999	\$1,999

Adjustments to Rent	
Incentives	\$500 off 1 month PH
Utilities in Rent	Water/Sewer, Trash, Internet
Heat Source	Electric

Initial Absorption	
Opened: 2012-11-20	Months: 6.0
Closed: 2013-06-10	11.6 units/month

Riverview Lofts

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent.
(2) Published Rent is rent as quoted by management.

Rockefeller, The



ADDRESS 130 Brooke Avenue, Norfolk, VA, 23510 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 6 Story - Adaptive Reuse **UNITS** 146 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 2015



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	16%	\$1,149	524	\$2.19
One	78%	\$1,366	674	\$2.03
Two	6%	\$1,916	1,147	\$1.67

Community Amenities
Clubhouse, Fitness Room

Features

Standard	Dishwasher, Disposal
Standard - Stacked	In Unit Laundry
Central / Heat Pump	Air Conditioning
SS	Appliances
Quartz	Countertops

Parking		Contacts	
Parking Description	Structured Garage — \$50.50	Phone	757-963-7526
Parking Description #2			

Comments

rooftop deck, 1 free parking space in rent. \$5/mo trash.
 Gray cabinets. Phase 2 completed 3/1/18 leased 25 units in first month.
 City parking garage \$50.50/mo. Rents update 1/month. Shares leasing office with The Loriane

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Mid Rise - Elevator		0	1.0	23	\$1,149	524	\$2.19	Market	
Mid Rise - Elevator		1	1.0	109	\$1,352	664	\$2.04	Market	
Mid Rise - Elevator	Loft	1	1.0	5	\$1,678	897	\$1.87	Market	
Mid Rise - Elevator	Loft	2	2.0	2	\$2,088	1,088	\$1.92	Market	
Mid Rise - Elevator		2	1.5	7	\$1,867	1,165	\$1.60	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	03/24/21
% Vac	0.0%	0.0%	0.0%
Studio	\$1,149	\$1,248	\$1,050
One	\$1,515	\$1,495	\$1,575
Two	\$1,978	\$1,958	\$2,000

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Initial Absorption	
Opened: 2015-09-01	Months: 8.0
Closed: 2016-05-01	10.8 units/month

Rockefeller, The

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Roebuck Apts, The



ADDRESS 519 Front St., Norfolk, VA, 23510 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 4 Story - Adaptive Reuse **UNITS** 60 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 1916



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	62%	\$1,480	676	\$2.19
Two	38%	\$2,116	1,041	\$2.03

Community Amenities
Fitness Room, Computer Center, Elevator Served

Features

Standard	Dishwasher, Disposal, Microwave, High Ceilings
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Not Available	Storage
Carpet	Flooring Type 1
SS	Appliances
Granite	Countertops
Community Security	Patrol, Cameras

Parking

Parking Description	Paid Surface Parking/On Site — \$50.00
Parking Description #2	Fee for Reserved — \$'00.00

Contacts

Phone	757-955-0650
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Comments

Historic Bldg-Adaptive reuse of Sears, Roebuck & Co Warehouse. Waterfront of Elizabeth River. Industrial lighting, glass tile bcksplsh, Plug & Play for Cox. Roofdeck w/grill area, private dock, waterside storage for kayak & paddle boards. Firepit, bike storage, wheelchair lift.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Surf		1	1.0	3	\$1,250	520	\$2.40	Market	
Sand Dollar		1	1.0	12	\$1,450	657	\$2.21	Market	
Tide		1	1.0	11	\$1,475	672	\$2.19	Market	
Shore		1	1.0	4	\$1,775	707	\$2.51	Market	
Coast		1	1.0	3	\$1,400	716	\$1.96	Market	
Star Fish		1	1.0	4	\$1,750	800	\$2.19	Market	
Beach Break		2	2.0	4	\$1,925	906	\$2.12	Market	
Waterside		2	1.0	1	\$2,000	1,000	\$2.00	Market	
Driftwood		2	2.0	4	\$2,100	1,029	\$2.04	Market	
Pier		2	2.0	8	\$2,200	1,064	\$2.07	Market	
Boardwalk		2	2.0	6	\$2,275	1,114	\$2.04	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	09/22/21
% Vac	0.0%	0.0%	0.0%
One	\$1,517	\$1,431	\$1,431
Two	\$2,100	\$2,056	\$2,056

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Initial Absorption	
Opened: 2018-12-15	Months: 4.0
Closed: 2019-05-01	11.4 units/month

Roebuck Apts, The

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent

(2) Published Rent is rent as quoted by management.

Savoy



ADDRESS 161 Granby Street, Norfolk, VA, 23510	COMMUNITY TYPE Market Rate - General	STRUCTURE TYPE 9 Story - Adaptive Reuse	UNITS 44	VACANCY 0.0 % (0 Units) as of 02/17/22	OPENED IN 2019
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Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	36%	\$1,235	450	\$2.74
One	64%	\$1,412	550	\$2.57

Community Amenities
Clubhouse, Fitness Room, Business Center, Elevator Served

Features

Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Hardwood	Flooring Type 1
SS	Appliances
Quartz	Countertops

Parking	Contacts
Parking Description Structured Garage — \$50.50	Phone 757-716-7274
Parking Description #2	

Comments

Adaptive Reuse of The Savoy Hotel 1907. Subway tile bcksplsh, wide baseboards, double door closets, charcoal cabinetry, chevron bathrm flr tile. Rooftop lounge & courtyard w/grills. Amenities at The Law Bldg & VA Bldg. Leases with Law, Virginia, and Fairfax Apts. Clubhouse w/kitchen & billiards. Views of Elizabeth River & skyline.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Pearl High Rise - Elevator		0	1.0	7	\$1,148	378	\$3.04	Market	
Onyx High Rise - Elevator		0	1.0	7	\$1,276	458	\$2.79	Market	
Topaz High Rise - Elevator		0	1.0	1	\$1,396	668	\$2.09	Market	
Sapphire High Rise - Elevator		0	1.0	1	\$1,396	683	\$2.04	Market	
Ruby High Rise - Elevator		1	1.0	7	\$1,245	407	\$3.06	Market	
Diamond High Rise - Elevator		1	1.0	7	\$1,436	540	\$2.66	Market	
Emerald High Rise - Elevator		1	1.0	7	\$1,431	575	\$2.49	Market	
Amber High Rise - Elevator		1	1.0	7	\$1,534	678	\$2.26	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/03/21	03/24/21
% Vac	0.0%	2.3%	0.0%
Studio	\$1,304	\$1,303	\$1,213
One	\$1,412	\$1,414	\$1,304

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Initial Absorption	
Opened: 2019-01-12	Months: 5.0
Closed: 2019-06-30	8.8 units/month

Savoy

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent.
 (2) Published Rent is rent as quoted by management.

Sherwood Forest



ADDRESS 2803 Early St, Norfolk, VA, 23513 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 2 Story - Garden **UNITS** 173 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 1964



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	33%	\$825	800	\$1.03
Two	60%	\$965	1,000	\$0.97
Three	7%	\$1,185	1,200	\$0.99

Community Amenities
Central Laundry

Features

Standard	Dishwasher, Disposal, Ceiling Fan
Not Available	Microwave, IceMaker, In Unit Laundry, Fireplace, Patio Balcony, Storage, Accessibility
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
Black	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Phone	757-853-5650
Parking Description #2			

Comments

Many unit interiors renovated between 2007 & 2009; units were vacated & re-leased to facilitate.
 One assigned parking space/unit, addl general parking.
 3 laundry rooms. Trash/Sewer only included in rent

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	57	\$855	800	\$1.07	Market	
Garden		2	1.0	104	\$1,000	1,000	\$1.00	Market	
Garden		3	1.0	12	\$1,225	1,200	\$1.02	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	03/24/21
% Vac	0.0%	1.2%	0.0%
One	\$855	\$825	\$808
Two	\$1,000	\$1,000	\$908
Three	\$1,225	\$1,225	\$1,130

Adjustments to Rent	
Incentives	None
Utilities in Rent	Hot Water, Trash
Heat Source	Electric

Sherwood Forest

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

St. Paul's Apt Homes



ADDRESS 531 Posey Ln, Norfolk, VA, 23510 **COMMUNITY TYPE** LIHTC - General **STRUCTURE TYPE** 3 Story - Garden **UNITS** 126 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 2019



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	16%	\$732	630	\$1.16
Two	63%	\$898	940	\$0.95
Three	21%	\$1,201	1,146	\$1.05

Community Amenities
Clubhouse, Fitness Room, Central Laundry, Outdoor Pool, Playground, Business Center

Features	
Standard	Dishwasher, Microwave
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning
Select Units	Patio Balcony
Vinyl/Linoleum	Flooring Type 1
Black	Appliances
Granite	Countertops
Community Security	Gated Entry

Parking		Contacts	
Parking Description	Free Surface Parking	Phone	/57-216-1121
Parking Description #2			

Comments
 Compl scheduled 3/2019. L laminate/granite counters, plank floors, 9' ceilings, designer finishes, walk-in closets. Open floorplan. Pool w/sundeck & cabanas, BBQ/Picnic area, walking distance to downtown Norfolk; shopping, dining & night life. On HRT bus line. Waitlist: 100+, mostly 2-2BR
 Some 2/3BR have 1 bathroom

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	14	\$694	627	\$1.11	LIHTC	50%
Garden		1	1.0	6	\$853	639	\$1.34	LIHTC	60%
Garden		2	2.0	27	\$1,013	927	\$1.09	LIHTC	60%
Garden		2	2.0	50	\$823	947	\$0.87	LIHTC	50%
Garden		2	2.0	3	\$1,370	947	\$1.45	Market	
Garden		3	2.0	3	\$1,625	1,110	\$1.46	Market	
Garden		3	2.0	23	\$1,157	1,151	\$1.01	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/03/21	03/24/21
% Vac	0.0%	0.0%	0.0%
One	\$774	\$774	\$749
Two	\$1,069	\$1,069	\$1,036
Three	\$1,391	\$1,391	\$1,351

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Initial Absorption	
Opened: 2019-03-01	Months: 3.0
Closed: 2019-06-01	42.0 units/month

St. Paul's Apt Homes

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

The Point on 38th



ADDRESS 1055 W 38th St, Norfolk, VA, 23508	COMMUNITY TYPE Market Rate - General	STRUCTURE TYPE 4 Story - Mid Rise	UNITS 149	VACANCY 2.0 % (3 Units) as of 02/28/22	OPENED IN 2021
--	--	---	---------------------	--	--------------------------

Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$1,519	579	\$2.62
Two	0%	\$1,720	938	\$1.83

Community Amenities
Outdoor Pool, Fitness Room, Clubhouse, EV Charging Station, Pet Spa, Rooftop Deck, Business Center, Community Room, Elevator Served

Features	
Standard	Dishwasher, Microwave
Standard - Full	In Unit Laundry
Select Units	Patio Balcony
SS	Appliances
Vinyl/Linoleum	Flooring Type 1
Granite	Countertops
Not Available	IceMaker
Central / Heat Pump	Air Conditioning
Community Security	Keyed Bldg Entry
Parking	Contacts
Parking Description	Structured Garage — \$50
Parking Description #2	Phone
	844-493-9242

Comments
Community began pre-leasing in March 2021 and was 100% leased within five months. Bike storage. Unit mix: 116 1BR, 33 2BR.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
The Anchor Mid Rise - Elevator		1	1.0		\$1,478	540	\$2.74	Market	
The Clove Mid Rise - Elevator		1	1.0		\$1,560	618	\$2.53	Market	
The Bowline Mid Rise - Elevator		2	2.0		\$1,781	925	\$1.93	Market	
The Reef Mid Rise - Elevator		2	2.0		\$1,658	950	\$1.75	Market	

Historic Vacancy & Eff. Rent (1)		
Date	02/28/22	12/07/21
% Vac	2.0%	0.0%
One	\$1,519	\$1,526
Two	\$1,720	\$1,926

Adjustments to Rent	
Incentives	Reduced fees
Utilities in Rent	
Heat Source	Electric

Initial Absorption	
Opened: 2021-08-15	Months: 1.0
Closed: 2021-09-15	29.8 units/month

The Point on 38th

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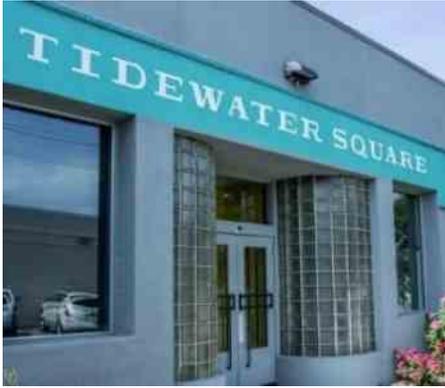
(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent

(2) Published Rent is rent as quoted by management.

Tidewater Square



ADDRESS 529 W. 24th St., Norfolk, VA, 23517 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 2 Story - Adaptive Reuse **UNITS** 65 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 2019



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	68%	\$1,179	666	\$1.77
Two	5%	\$1,649	1,252	\$1.32
Three	28%	\$1,799	1,220	\$1.47

Community Amenities
Fitness Room, Outdoor Pool

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan, Cable TV, Broadband Internet
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
SS	Appliances
Granite	Countertops
Community Security	Keyed Bldg Entry

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Phone	757-512-6054

Comments
 Newly renovated-Granite CT, SS appt, breakfast bar in most units, industrial concrete polished flooring throughout, glass top electric stove, designer lighting, large windows w/blinds, Bike racks, sundeck. Daily pricing.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
		1	1.0	44	\$1,309	666	\$1.97	Market	
		2	2.0	3	\$1,809	1,252	\$1.44	Market	
		3	3.0	18	\$1,994	1,220	\$1.63	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/03/21	03/24/21
% Vac	0.0%	0.0%	0.0%
One	\$1,309	\$1,339	\$1,269
Two	\$1,809	\$1,834	\$1,723
Three	\$1,994	\$2,009	\$1,959

Adjustments to Rent	
Incentives	None
Utilities in Rent	Heat, Hot Water, Cooling, Electricity, Water/Sewer, Trash
Heat Source	Electric

Initial Absorption	
Opened: 2019-04-01	Months: 3.0
Closed: 2019-07-01	21.7 units/month

Tidewater Square

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Villa Terrace



ADDRESS
2804 Waverly Way, Norfolk, VA, 23504

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
2 Story - Garden

UNITS
81

VACANCY
0.0 % (0 Units) as of 02/17/22

OPENED IN
1970



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	100%	\$840	800	\$1.05

Community Amenities
Central Laundry

Features

Standard	Dishwasher, Disposal
Not Available	Microwave, IceMaker, Ceiling Fan, In Unit Laundry, Fireplace, Patio Balcony, Storage
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
White	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Phone	866-202-2452
Parking Description #2			

Comments

Received LIHTC allocation for 81 units in 2001 competitive round.
No WL-First come first serve

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		2	1.0	81	\$870	800	\$1.09	LIHTC	50%

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/03/21	03/24/21
% Vac	0.0%	0.0%	0.0%
Two	\$870	\$870	\$835

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Villa Terrace

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Virginia Building



ADDRESS
131 Granby Street, Norfolk, VA, 23510

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
Mid Rise

UNITS
34

VACANCY
0.0 % (0 Units) as of 02/17/22

OPENED IN
2015



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	50%	\$1,098	503	\$2.18
One	47%	\$1,365	539	\$2.53
Three	3%	\$2,112	1,112	\$1.90

Community Amenities
Clubhouse, Fitness Room, Business Center, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Quartz	Countertops
SS	Appliances

Parking	
Parking Description	Structured Garage — \$50.50
Parking Description #2	

Contacts	
Phone	757-395-4655

Comments
Shares amenities with the Law Building. Large windows, hardwoods, quartz ct, glass backsplash, tile tub, modern lights. Trash \$5, bike storage, planned events, pets ok. Leased with Law, Savoy, and Fairfax Apts. Garage is city owned.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Mid Rise - Elevator		0	1.0	17	\$1,098	503	\$2.18	Market	
Mid Rise - Elevator		1	1.0	16	\$1,365	539	\$2.53	Market	
Mid Rise - Elevator		3	2.0	1	\$2,112	1,112	\$1.90	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/03/21	03/24/21
% Vac	0.0%	0.0%	0.0%
Studio	\$1,098	\$1,098	\$964
One	\$1,365	\$1,307	\$1,277
Three	\$2,112	\$2,112	\$1,978

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Virginia Building

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent.
(2) Published Rent is rent as quoted by management.

Wainwright



ADDRESS 229 West Bute Street, Norfolk, VA, 23510 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** Adaptive Reuse **UNITS** 126 **VACANCY** 0.0 % (0 Units) as of 02/17/22 **OPENED IN** 2013



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	15%	\$1,110	391	\$2.84
One	72%	\$1,522	721	\$2.11
Two	13%	\$1,822	906	\$2.01

Community Amenities
Clubhouse, Community Room, Fitness Room, Elevator Served

Features

Standard	Dishwasher, Disposal, Microwave
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Hardwood	Flooring Type 1
SS	Appliances
Granite	Countertops

Parking	
Parking Description	Structured Garage — \$50.00
Parking Description #2	Paid Surface Parking/On Site — \$75.00

Contacts	
Phone	757-961-4633

Comments

Glass backsplash, composite wood plank flooring. Trash \$5.
 Sky lounge, rooftop grilling & dog park, cyber café. Opened 8/13; pre-leasing 4/13.
 City of Norfolk parking garage across street \$50.50. On-site gated parking lot \$75.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Mid Rise - Elevator		0	1.0	10	\$1,083	346	\$3.13	Market	
Mid Rise - Elevator		0	1.0	9	\$1,141	440	\$2.59	Market	
Mid Rise - Elevator		1	1.0	79	\$1,472	698	\$2.11	Market	
Mid Rise - Elevator	Loft	1	1.5	12	\$1,852	877	\$2.11	Market	
Mid Rise - Elevator		2	2.0	16	\$1,822	906	\$2.01	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/17/22	12/06/21	03/24/21
% Vac	0.0%	0.0%	0.0%
Studio	\$1,112	\$1,125	\$1,065
One	\$1,662	\$1,655	\$1,518
Two	\$1,822	\$1,822	\$1,696

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Initial Absorption	
Opened: 2013-08-01	Months: 9.0
Closed: 2014-05-01	14.0 units/month

Wainwright



XI. APPENDIX 3 NCHMA CERTIFICATION

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

Real Property Research Group, Inc. is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in NCHMA educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Real Property Research Group, Inc. is an independent market analyst. No principal or employee of Real Property Research Group, Inc. has any financial interest whatsoever in the development for which this analysis has been undertaken.

While the document specifies Real Property Research Group, Inc., the certification is always signed by the individual completing the study and attesting to the certification.

Real Property Research Group, Inc.



Bob Lefenfeld

Name

Founding Principal

Title

February 22, 2022

Date



XII. APPENDIX 4 NCHMA CHECKLIST

Introduction: The National Council of Housing Market Analysts provides a checklist referencing all components of their market study. This checklist is intended to assist readers on the location and content of issues relevant to the evaluation and analysis of market studies. The page number of each component referenced is noted in the right column. In cases where the item is not relevant, the author has indicated "N/A" or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a "V" (variation) with a comment explaining the conflict. More detailed notations or explanations are also acceptable.

Component (*First occurring page is noted)		*Page(s)
Executive Summary		
1.	Executive Summary	VI
Project Summary		
2.	Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents, and utility allowances	6
3.	Utilities (and utility sources) included in rent	1
4.	Project design description	6
5.	Unit and project amenities; parking	7
6.	Public programs included	6
7.	Target population description	4
8.	Date of construction/preliminary completion	7
9.	If rehabilitation, existing unit breakdown and rents	N/A
10.	Reference to review/status of project plans	7
Location and Market Area		
11.	Market area/secondary market area description	29
12.	Concise description of the site and adjacent parcels	8
13.	Description of site characteristics	8
14.	Site photos/maps	9
15.	Map of community services	17
16.	Visibility and accessibility evaluation	13
17.	Crime information	15
Employment and Economy		
18.	Employment by industry	24
19.	Historical unemployment rate	23
20.	Area major employers	27
21.	Five-year employment growth	23
22.	Typical wages by occupation	26



23.	Discussion of commuting patterns of area workers	23
Demographic Characteristics		
24.	Population and household estimates and projections	31
25.	Area building permits	32
26.	Distribution of income	36
27.	Households by tenure	34
Competitive Environment		
28.	Comparable property profiles	84
29.	Map of comparable properties	42
30.	Comparable property photos	84
31.	Existing rental housing evaluation	39
32.	Comparable property discussion	41
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	43
34.	Comparison of subject property to comparable properties	77
35.	Availability of Housing Choice Vouchers	4
36.	Identification of waiting lists	N/A
37.	Description of overall rental market including share of market-rate and affordable properties	43
38.	List of existing LIHTC properties	42
39.	Discussion of future changes in housing stock	50
40.	Discussion of availability and cost of other affordable housing options, including homeownership	40
41.	Tax credit and other planned or under construction rental communities in market area	50
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	67
43.	Calculation and analysis of Penetration Rate	71
44.	Evaluation of proposed rent levels	78
45.	Derivation of Achievable Market Rent and Market Advantage	50
46.	Derivation of Achievable Restricted Rent	56
47.	Precise statement of key conclusions	59
48.	Market strengths and weaknesses impacting project	59
49.	Recommendation and/or modification to project description	77, if applicable
50.	Discussion of subject property's impact on existing housing	81
51.	Absorption projection with issues impacting performance	80
52.	Discussion of risks or other mitigating circumstances impacting project	80, if applicable
53.	Interviews with area housing stakeholders	2
Certifications		



54.	Preparation date of report	Cover
55.	Date of field work	Cover
56.	Certifications	85
57.	Statement of qualifications	89
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	N/A



XIII. APPENDIX 5 ANALYST RESUMES

TAD SCEPANIAK **Managing Principal**

Tad Scepaniak assumed the role of Real Property Research Group's Managing Principal in November 2017 following more than 15 years with the firm. Tad has extensive experience conducting market feasibility studies on a wide range of residential and mixed-use developments for developers, lenders, and government entities. Tad directs the firm's research and production of feasibility studies including large-scale housing assessments to detailed reports for a specific project on a specific site. He has extensive experience analyzing affordable rental communities developed under the Low Income Housing Tax Credit (LIHTC) program and market-rate apartments developed under the HUD 221(d)(4) program and conventional financing. Tad is the key contact for research contracts many state housing finance agencies, including several that commission market studies for LIHTC applications.

Tad is Immediate Past Chair of the National Council of Housing Market Analysts (NCHMA) and previously served as National Chair, Vice Chair and Co-Chair of Standards Committee. He has taken a lead role in the development of the organization's Standard Definitions and Recommended Market Study Content, and he has authored and co-authored white papers on market areas, derivation of market rents, and selection of comparable properties. Tad is also a founding member of the Atlanta chapter of the Lambda Alpha Land Economics Society.

Areas of Concentration:

- Low Income Tax Credit Rental Housing: Mr. Scepaniak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions.
- Senior Housing: Mr. Scepaniak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low Income Tax Credit program; however his experience includes assisted living facilities and market rate senior rental communities.
- Market Rate Rental Housing: Mr. Scepaniak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.
- Public Housing Authority Consultation: Tad has worked with Housing Authorities throughout the United States to document trends rental and for sale housing market trends to better understand redevelopment opportunities. He has completed studies examining development opportunities for housing authorities through the Choice Neighborhood Initiative or other programs in Florida, Georgia, North Carolina, South Carolina, Texas, and Tennessee.

Education:

Bachelor of Science – Marketing; Berry College – Rome, Georgia



ROBERT M. LEFENFELD
Founding Principal

Mr. Lefenfeld, Founding Principal of the firm, with over 30 years of experience in the field of residential market research. Before founding Real Property Research Group in 2001, Bob served as an officer of research subsidiaries of Reznick Fedder & Silverman and Legg Mason. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting residential market studies throughout the United States. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles. Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, analyzing markets throughout the Eastern United States and evaluating the company's active building operation.

Bob provides input and guidance for the completion of the firm's research and analysis products. He combines extensive experience in the real estate industry with capabilities in database development and information management. Over the years, he has developed a series of information products and proprietary databases serving real estate professionals.

Bob has lectured and written extensively about residential real estate market analysis. Bob has created and teaches the market study module for the MBA HUD Underwriting course and has served as an adjunct professor for the Graduate Programs in Real Estate Development, School of Architecture, Planning and Preservation, University of Maryland College Park. He is the past National Chair of the National Council of Housing Market Analysts (NCHMA) and currently chairs its FHA Committee.

Areas of Concentration:

- **Strategic Assessments:** Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.
- **Feasibility Analysis:** Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects for these analyses have included for-sale single-family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations and continuing care facilities for the elderly.
- **Information Products:** Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for sale housing, pipeline information, and rental communities.

Education:

Master of Urban and Regional Planning; The George Washington University.
Bachelor of Arts - Political Science; Northeastern University.



ETHAN REED
Senior Analyst

Ethan Reed joined RPRG in 2016 where he focuses on rental market studies and community and economic analyses for development projects. Throughout his extensive career, Ethan has served in various analysis and advisory capacities in the residential and commercial real estate industry. Ethan's experience includes advising lenders, developers, homebuilders, investors, nonprofit organizations, and government agencies through market and property analysis, economic analysis, site selection, and marketing strategy.

Prior to joining RPRG, Ethan served as Senior Research Manager with CoStar Group, leading market research & analysis efforts as well as developing new research and analysis products & services for the commercial real estate industry. Ethan's additional experience includes directing regional research and marketing efforts for CBRE as well as providing valuation, analysis and advisory services for commercial and residential clients throughout Texas. Appraisal and consulting assignments have included, but are not limited to apartment complexes, for sale subdivisions, agricultural land, shopping centers, office, and industrial buildings. Valuations have been prepared on proposed, renovated, and existing structures.

Areas of Concentration:

- Low Income Housing Tax Credits: Ethan prepares rental market studies for submission to lenders and state agencies for nine percent and four percent Low Income Housing Tax Credit allocations.
- FHA Section 221(d)(4): Ethan prepares comprehensive feasibility studies for submission to HUD regional offices as part of a lender's application for Section 221(d)(4) mortgage insurance. These reports strictly adhere to HUD's Multifamily Accelerated Processing (MAP) guidelines for market studies
- Market and Product Advisory Analysis: Ethan provides detailed analysis of existing markets, product and pricing recommendations, and targeted marketing suggestions for developers and land owners in the preliminary stages of development.
- Commercial Feasibility: Ethan conducts feasibility analyses of proposed commercial and industrial uses in the context of the existing marketplace.
- New Markets Tax Credits: Ethan conducts community development and economic impact analyses to illustrate the impacts of development projects that utilize federally-regulated New Markets Tax Credits. Components of these reports include employment projections, local and regional economic impacts, and fiscal impacts on local governments.

Education:

Masters of Business Administration; Liberty University
Bachelor of Science – Business Administration; University of Texas at Dallas



JUSTIN MOULTRIE
Analyst

Justin Moultrie joined RPRG in 2020 bringing real estate research and analysis experience from both the residential and commercial real estate industries. As an Analyst with RPRG, Justin focuses on rental market studies and community and economic analyses for development projects.

Areas of Concentration:

- Low Income Housing Tax Credits: Justin prepares rental market studies for submission to lenders and state agencies for nine percent and four percent Low Income Housing Tax Credit allocations. Studies include analysis of new construction as well as the feasibility of renovating existing family rental communities.
- FHA Section 221(d)(4): Justin prepares comprehensive feasibility studies for submission to HUD regional offices as part of a lender's application for Section 221(d)(4) mortgage insurance. These reports strictly adhere to HUD's Multifamily Accelerated Processing (MAP) guidelines for market studies.

Education:

Bachelor of Science, Marketing; University of Maryland, College Park, MD



XIV. APPENDIX 6 VIRGINIA HOUSING CERTIFICATION

I affirm the following:

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

A handwritten signature in black ink, appearing to read 'Justin Moultrie', is positioned above a horizontal line.

Justin Moultrie
Market Analyst

February 22, 2022

Date