Market Feasibility Analysis

Arrowbrook Centre Apartments I
Herndon, Virginia

Prepared for:

SCG Development
Project #19-6270

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EXECUTIVE SUMMARY

Real Property Research Group, Inc. (RPRG) has been retained by SCG Development to conduct a market feasibility study for a proposed new construction multifamily rental community to be located in Arrowbrook Centre in the Herndon area of Fairfax County, immediately south of the Dulles Access Road. The Arrowbrook Centre mixed use campus currently contains Arrowbrook Centre Park, for-sale townhomes and condominiums, and office buildings. The rental community will include a total of 274 apartments, all of which will target households with incomes at or below 30 percent, 40 percent, 50 percent, and 60 percent of the Area Median Income (AMI). Five percent of units (14) will have project based state and federal vouchers provided by Fairfax County, all targeted to households at 40% AMI. A portion of the community, 126 units (46 percent), will be financed with equity raised from the sale of nine percent Low Income Housing Tax Credits, while the remaining 148 units (54 percent) will be financed with four percent Low Income Housing Tax Credits and tax-exempt bond financing.

The subject of this report, Arrowbrook Centre Apartments I, is that portion of the proposed rental community that includes the first 126-unit phase financed with equity raised from the sale of nine percent Low Income Housing Tax Credits. Given that this community only contains one structure, all common area amenities are shared by both portions of the development.

This analysis has been conducted and formatted in accordance with the 2019 Market Study Guidelines of the Virginia Housing Development Authority (VHDA) and the guidelines of the National Council of Housing Market Analysts (NCHMA). The intended use of this report is to accompany applications to VHDA for nine percent (competitive) Low-Income Housing Tax Credits.

The following data summarizes key conclusions in the market study:

- Project Wide Capture Rate – LIHTC Units: 6.5 percent (page 69)
- Project Wide Capture Rate – Market Units: N/A
- Project Wide Capture Rate – All Units: 6.5 percent (page 69)
- Project Wide Absorption Period: 12 to 14 months (page 73)
- Stabilized Market Area Vacancy Rate: 3.4 percent (page 45)

Arrowbrook Centre Apartments will include a total of 274 studio, one-, two-, and three-bedroom units. Forty-four percent of units (126) will be financed through the sale of 9 percent LIHTC credits that include units targeted to households earning up to 30, 40, 50, and 60 percent AMI. Fifty-four percent of units (148) will be financed with equity proceeds from the sale of four percent (non-competitive) tax credits and tax-exempt bond financing. All 148 units are targeted to households earning up to 60 percent AMI.

<table>
<thead>
<tr>
<th>AMI</th>
<th>LIHTC Type</th>
<th># Units</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>30%</td>
<td>9%</td>
<td>13</td>
<td>5%</td>
</tr>
<tr>
<td>40% (Vouchers)</td>
<td>9%</td>
<td>14</td>
<td>5%</td>
</tr>
<tr>
<td>50%</td>
<td>9%</td>
<td>36</td>
<td>13%</td>
</tr>
<tr>
<td>60%</td>
<td>9%</td>
<td>63</td>
<td>23%</td>
</tr>
<tr>
<td>Total 9% Credits</td>
<td></td>
<td>126</td>
<td>46%</td>
</tr>
<tr>
<td>60%</td>
<td>4%</td>
<td>148</td>
<td>54%</td>
</tr>
<tr>
<td>Total 4% Credits</td>
<td></td>
<td>148</td>
<td>54%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>274</td>
<td></td>
</tr>
</tbody>
</table>

Note: Total of 211 60% AMI Units
Source: Stratford Capital Group

The following table summarizes the subject’s project’s proposed unit distribution, average unit sizes, net rents, utility allowances, and income targeting:
<table>
<thead>
<tr>
<th>Type ID</th>
<th>Income Target (% AMI)</th>
<th>LIHTC Type</th>
<th># of Units</th>
<th>% of Total Units</th>
<th>Net Avg SF</th>
<th>Utility Allowance</th>
<th>Proposed Net Rent (1)</th>
<th>Net Rent/Net SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio/1 BA A</td>
<td>60%</td>
<td>4%</td>
<td>4</td>
<td>10%</td>
<td>422</td>
<td>$81</td>
<td>$1,120</td>
<td>$2.65</td>
</tr>
<tr>
<td>1 BR/1 BA B1</td>
<td>30%</td>
<td>9%</td>
<td>4</td>
<td>1%</td>
<td>615</td>
<td>$100</td>
<td>$559</td>
<td>$0.91</td>
</tr>
<tr>
<td>1 BR/1 BA B3</td>
<td>30%</td>
<td>9%</td>
<td>1</td>
<td>0%</td>
<td>595</td>
<td>$100</td>
<td>$559</td>
<td>$0.94</td>
</tr>
<tr>
<td>1 BR/1 BA B2</td>
<td>40% (Vouchers)</td>
<td>9%</td>
<td>4</td>
<td>1%</td>
<td>796</td>
<td>$100</td>
<td>$2,846</td>
<td>$1.70</td>
</tr>
<tr>
<td>1 BR/1 BA B</td>
<td>50%</td>
<td>9%</td>
<td>1</td>
<td>0%</td>
<td>796</td>
<td>$100</td>
<td>$999</td>
<td>$1.25</td>
</tr>
<tr>
<td>1 BR/1 BA A</td>
<td>50%</td>
<td>9%</td>
<td>1</td>
<td>0%</td>
<td>706</td>
<td>$100</td>
<td>$999</td>
<td>$1.41</td>
</tr>
<tr>
<td>1 BR/1 BA C</td>
<td>60%</td>
<td>9%</td>
<td>8</td>
<td>2.9%</td>
<td>659</td>
<td>$100</td>
<td>$1,219</td>
<td>$1.85</td>
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<tr>
<td>1 BR/1 BA B</td>
<td>60%</td>
<td>9%</td>
<td>2</td>
<td>1%</td>
<td>607</td>
<td>$100</td>
<td>$1,219</td>
<td>$2.01</td>
</tr>
<tr>
<td><strong>9% 1 BR Subtotal</strong></td>
<td></td>
<td></td>
<td>21</td>
<td>8%</td>
<td>677</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>1 BR/1 BA A</td>
<td>60%</td>
<td>4%</td>
<td>5</td>
<td>2%</td>
<td>952</td>
<td>$100</td>
<td>$1,219</td>
<td>$1.28</td>
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<td>1 BR/1 BA B</td>
<td>60%</td>
<td>4%</td>
<td>9</td>
<td>3%</td>
<td>679</td>
<td>$100</td>
<td>$1,219</td>
<td>$1.80</td>
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<td>40% (Vouchers)</td>
<td>9%</td>
<td>4</td>
<td>1%</td>
<td>796</td>
<td>$100</td>
<td>$1,354</td>
<td>$1.70</td>
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<td>50%</td>
<td>9%</td>
<td>1</td>
<td>0%</td>
<td>796</td>
<td>$100</td>
<td>$999</td>
<td>$1.25</td>
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<tr>
<td>1 BR/1 BA B</td>
<td>60%</td>
<td>9%</td>
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<td>1%</td>
<td>607</td>
<td>$100</td>
<td>$1,219</td>
<td>$2.01</td>
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<td><strong>4% 1 BR Subtotal</strong></td>
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<td>46</td>
<td>17%</td>
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<td></td>
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<tr>
<td>2 BR/2 BA B</td>
<td>30%</td>
<td>9%</td>
<td>6</td>
<td>2.2%</td>
<td>882</td>
<td>$124</td>
<td>$667</td>
<td>$0.76</td>
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<tr>
<td>2 BR/2 BA B</td>
<td>40% (Vouchers)</td>
<td>9%</td>
<td>5</td>
<td>2%</td>
<td>1,190</td>
<td>$124</td>
<td>$1,541</td>
<td>$1.29</td>
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<tr>
<td>2 BR/2 BA B</td>
<td>50%</td>
<td>9%</td>
<td>13</td>
<td>5%</td>
<td>875</td>
<td>$124</td>
<td>$1,195</td>
<td>$1.37</td>
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<td>2 BR/2 BA D</td>
<td>60%</td>
<td>9%</td>
<td>9</td>
<td>3%</td>
<td>969</td>
<td>$124</td>
<td>$1,458</td>
<td>$1.51</td>
</tr>
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<td>2 BR/2 BA D</td>
<td>60%</td>
<td>9%</td>
<td>1</td>
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<td>$1,458</td>
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<td>9%</td>
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<td>$124</td>
<td>$1,458</td>
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<td>$124</td>
<td>$1,458</td>
<td>$1.67</td>
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<td><strong>9% 2 BR Subtotal</strong></td>
<td></td>
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<td>77</td>
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<td></td>
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<td>2 BR/2 BA A</td>
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<td>4%</td>
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(1) Proposed rents assume tenants pay for all utilities except trash; structured parking included

Source: SCG Development

Project Based Section 8 Vouchers
Based on our research, including a site visit on February 16, 2018, we arrived at the following findings:

- **Site**: Located in a neighborhood with a mix of residential, office, retail and recreational uses, the subject site affords excellent access to regional transportation and employment opportunities and is within one-half mile of the Innovation Station, part of the Phase II expansion of Metro’s Silver Line slated to open in 2020. The site has excellent visibility fronting on Centreville Road, one of the main arterials in western Fairfax County, and is located just south of the Dulles Access Road providing easy connections to the Silver Line Metro, Dulles Airport, and major retail, employment, and service nodes throughout the region. The subject will be bordered on the west by a new upscale townhome and condominium community and on the south by Arrowbrook Centre Park, a unique public recreation amenity offering a soccer field, tennis courts, basketball, playground, pet park, and amphitheater for outdoor entertainment.

- **Economic Analysis**: Despite the ebb and flow in at-place employment, the county economy is robust with unemployment rates consistently below the state and the nation. As of September 2018, the unemployment rate averaged 2.5 percent, less than the statewide rate of 3.1 percent and the national rate of 4.0 percent. The high-paying Professional-Business sector dominates the local economy, accounting for 2.5 times the national proportion. While the Fairfax County economy shed approximately 15,300 net jobs in 2009, it subsequently added back 17,800 net jobs over the next three years. Although Fairfax County again experienced a net loss of more than 11,000 jobs between 2013 and 2014, the local economy has since gained 30,600 positions, ending Q2 2018 at a new peak.

- **Demographic Analysis**: The Arrowbrook Centre Market Area’s household base is projected to increase at a steady pace over the next five year albeit at a lesser pace than healthier rates during the 2000 to 2010 decade. The market area is a younger, affluent section of an equally affluent county. Households in the Arrowbrook Centre Market Area are projected to grow at an annual rate of 1.3 percent, a healthy rate even though substantially below the more robust rates of the 2000’s decade (2.6 percent). Given the substantial pipeline of rental units and local trends, RPRG projects renter households will continue to contribute roughly 78.1 percent of net household growth over the next five years that matches renter share of household growth over the past 19 years. Forty percent of the primary market area’s renters are younger adults under the age of 35. Households between the ages of 35 and 54 represent another 41 percent of all renters. The estimated 2019 median household income in the Arrowbrook Centre Market Area is high at $121,459; the median rental income is also elevated at $91,690. Twenty-three percent of renter households pay more than 40 percent towards housing.

- **Competitive Housing Analysis**: Based on no vacancies and waiting lists reported at income restricted general occupancy rental communities and low vacancy rates in the “Lower Tier” market rate rental market, the affordable rental market in the Arrowbrook Centre Market Area is tight, pointing to its ability to support the proposed subject apartments.

The multifamily rental housing stock has expanded steadily over the past ten years although most new apartments have targeted the highest income renter households. These rental communities typically have a mid-rise elevator structure and have effective average rents far in excess of those being achieved in the Lower Tier market rate and affordable tax credit communities. The effective rents for Upper Tier studios average $1,469 ($2.59 per square foot); one bedroom units average $1,625 ($2.09 per square foot); two-bedroom apartments average $2,038 ($1.76 per square foot); and the three-bedroom units average $2,282 ($1.63 per square foot). The Lower Tier rental communities are generally older (30+ years) but several
have been renovated in recent years. These communities are typically walk-up garden apartment buildings. However, the rent differential between the Upper and Lower Tier (Upper Tier units command a rent premium of 12 to 18 percent relative to Lower Tier units) is not substantial further underscoring the need for affordable rental product. Income-restricted affordable rental units in the Arrowbrook Centre Market Area account for less than eight percent of the surveyed multifamily stock and all operate under LIHTC guidelines. Affordable Dwelling Units mandated under Fairfax County’s affordable housing policy account for only an additional 1.9 percent of units (152). The last market area LIHTC community opened in 1997 – 22 years ago. The current combined stabilized vacancy rate across the 26 surveyed rental communities is 3.4 percent with 253 available units. The vacancy rate in the income restricted rental supply is zero with waiting lists at all three communities. This is indicative of a very tight affordable rental market.

RPRG identified three market rate communities in the near term pipeline totaling 1,038 rental units targeting upper-income households. None are LIHTC communities.

- **Net Demand:** The demand analysis demonstrates a rental market virtually in balance that should be viewed as a conservative estimate given the scheduled opening of Phase II in 2020 of the Silver Line expansion to Herndon and Dulles Airport. The three pipeline market rate Upper Tier projects will be within walking distance of the new Silver Line stations and thus regional demand for transit oriented residences should overcome the more tightly focused market area demand analysis. Additionally, the subject will be providing affording units in an area with a limited inventory of such product. As such, the demand for these proposed affordable units will be separate and distinct from the general marketplace since all three existing market area LIHTC projects are fully leased with extensive waiting lists.

- **Effective Demand – Affordability/Capture and Penetration:** Assuming a 35 percent rent burden, RPRG judges that the tax credit renter capture rate of 6.5 percent is achievable, particularly since the proposed apartments will be the newest and most attractive affordable rental community within the market area. The relatively high capture rate for 60% units is a function of the limited moderate income households in this market due to the limited inventory of affordable apartments. Given the excellent location of the subject within walking distance of the Innovation Silver Line Metro Station, there should no issue in attracting a sufficient pool of qualified renters from the region.

RPRG considers the calculated penetration rate for the tax credit units of 28.4 percent of income-restricted renter households to be reasonable and also illustrates the lack of affordable housing within the Arrowbrook Centre Market Area. In essence, our analysis suggests that the most directly competitive rental units will need to capture less than three out of every ten income-qualified renter households. Both the capture and penetration rates are well within a reasonable and achievable range.

- **VHDA Demand Methodology:** RPRG considers the key captures rates for Arrowbrook Centre Apartments to be both reasonable and readily achievable since there is a limited pool of qualified renters in this very affluent market area (renter median income of $91,690). The renter capture rate for all units is 19.6 percent. All three existing LIHTC properties are fully leased with extensive waiting lists – these properties will be 25 to 27 years old when the subject opens in 2022. The subject will be the only affordable contemporary community within walking distance of a Metro station. The Residences at Government Center (a similar property to the subject developed by SCG Development), located in Fair Oaks south of the subject, took only ten months to fully lease its 270 units after opening in September 2016. Taking into consideration all of these factors, we have conservatively estimated an overall project lease
up pace of roughly 12 to 14 months to achieve 95 percent occupancy, reflecting an average absorption pace of 19 to 21 units per month.

- **Target Market:** As indicated in the Effective Demand Analysis (Affordability/Capture & Penetration), the subject’s income-restricted units would serve households with incomes between $0 and $73,140. 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.

With studio, 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 Arrowbrook Centre Apartments is as follows:

- **Structure Type:** Most Upper Tier properties are mid-rise elevator served properties similar to the subject. Given that the existing three LIHTC properties are garden-style, the subject will have a competitive advantage by offering elevators, interior hallways, direct access to structured garage parking, and first floor retail.

- **Project Size:** The surveyed rental communities within the market area range in size from 44 to 806 units, with an average size of 304 units (close to the subject’s size of 274 units). The Arrowbrook Centre Apartments will also be similar in size to two of the three existing LIHTC properties sized at 272 and 288 units. 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 studios (4 percent); one-bedroom units (17 percent); two-bedroom units (59 percent); and three-bedroom units (20 percent). The subject’s two bedroom distribution is similar to the distribution of units in the other tax credit/affordable rental properties where two-bedroom units account for 60 percent of all units. The subject offers a greater proportion of one bedroom units and a lesser percentage of three bedrooms relative to the affordable supply (at 8 percent and 31.5 percent respectively). The small number of studios (10) will also appeal to single person households. This distribution is reasonable given the 29 percent of one-person renters in the market area. 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. We believe that 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: 13 units (5 percent) will address incomes at or below 30 percent of AMI; 14 units (5 percent) will address incomes at or below 40 percent of AMI; 36 units (13 percent) will address households with incomes at or below 50 percent of AMI; and 211 units (77 percent) will target households with incomes at or below 60 percent of AMI. RPRG’s penetration analysis indicates that all of the subject’s units as well as those existing and future units addresses less than three out of ten (28 percent) of all income-qualified households. Furthermore the 14 units at 40 percent of AMI will address low income households with the availability of project based rental assistance.

- **Unit Size** The proposed unit sizes for Arrowbrook Centre Apartments average 422 square feet for studios, 692 square feet for one-bedroom units; 1,040 square feet for two-bedroom units;
and 1,305 square feet for the three-bedroom units. Though some of the floor plans are small by market area standards, all of the subject floor plans are adequately sized.

- The **studio** floor plan is smaller than the surveyed floor plans ranging in size from 524 to 588 square feet. However, the units are efficiently designed and are within the standard range for studio floor plans generally.

- The **one bedroom** floor plans are smaller than the average size of the Upper Tier one bedroom units (776 square feet) and the Lower Tier one bedroom units (749 square feet) but comparable in size to the one affordable one bedroom units (733 square feet). Five of the 16 affordable one bedroom floor plans are smaller than or within ten square feet of the subject floor plans.

- The **two bedroom** floor plans fall between the average size of the Upper Tier two bedroom units (1,159 square feet) and the Lower Tier two bedroom units (971 square feet). The average size of the affordable two bedroom floor plans is moderately larger at 1,052 square feet; however 12 of the 19 models are smaller than or within ten square feet of the subject floor plans.

- The **three bedroom** floor plans are generously sized - the Upper Tier average size is larger at 1,401 square feet but both the Lower Tier and affordable average are smaller at 1,204 and 1,244 square feet respectively.

- **Number of Bathrooms:** All of the subject’s studio and one-bedroom units will have one full bathroom, while the two- and three-bedroom units will have two bathrooms, similar to the offerings at the other LIHTC properties and the market rate inventory.

- **Kitchen Features:** All unit kitchens at Arrowbrook Centre Apartments will include features competitive with market rate communities including dishwasher, garbage disposals, and microwaves. 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 Arrowbrook Centre Apartments with full-size washers and dryers that is standard in 21 of the 26 surveyed market area communities including two of the three LIHTC communities.

- **Other Unit Features:** Units at Arrowbrook Centre Apartments will have carpeted bedrooms and living areas and attractive wood vinyl flooring in the kitchen, hallway and bath that is also standard in the market area.

- **Utilities Included in Rent:** The Developer proposes to have tenants pay for all utilities except trash which is standard practice at seven of the 26 surveyed communities and one of the three LIHTC communities.

- **Common Area Amenities:** The Developer intends to provide a significant offering of common area amenities at the subject, Common area amenities which will be available to all residents will include a furnished clubroom with on-site management, conference center, fitness room, and cyber lounge/ study area. Other amenities include an outdoor lounge with grilling area; bicycle storage, access to a dog park; one-half mile walking path to Metro; adjacency to Arrowbrook Centre Park; first floor restaurant and shops; and structured parking with direct access by floor. Other than not providing a pool, the proposed amenities are consistent with amenities provided at most Upper Tier communities. The subject has a competitive advantage with two key amenities – adjacency to Arrowbrook Centre Park that offers a soccer field, pet park, tennis courts, basketball court, playground, and amphitheater for entertainment plus walking distance to a Metro station – that will set is apart from most market rate and affordable communities.
• **Parking:** The subject will have free structured garage parking with direct access by floor that is only available at select Upper Tier communities and will provide Arrowbrook Centre Apartments with a distinct competitive advantage.

**Price Position/Rents:** The tax credit rents proposed by the Developer for Arrowbrook Centre Apartments are at or below the allowable maximums for all unit types, given the assumed utility allowances of $81 for studios, $100 for one-bedroom units; $124 for two-bedroom units; and $146 for three-bedroom units. The proposed rents are considered to be reasonable when viewed within the context of the directly competitive rental supply. The scatter charts indicate that the rents for the affordable rental supply are generally far below those without income restrictions.

**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. We only have two examples of recent absorption – Station on Silver (inside the market area) has leased at a pace of roughly 21 units per month since opening in September 2017 and Residences at Government Center (a similar project built the same development team as the subject outside the market area in Fair Oaks) leased at a pace of 27 units per month over the ten month period after opening in September. Given the strategic positioning of the subject close to the Metro, the Dulles Access Road, Dulles Airport, and the entire Herndon/Reston employment node, the strong pent up demand for affordable products (the last LIHTC property opened in 1997) and lack of any competition in the near term, a healthy rental market, and attractive contemporary product features and amenities including direct access structured parking and elevators, the subject should be very marketable when it opens in 2022.

As a result, we project an absorption pace of 19 to 21 units per month. Assuming this absorption pace, we would expect that the subject would attain stabilized occupancy in approximately 12 to 14 months. However, the 9 percent units which offer more affordable product than the 4 percent (all 60 percent AMI) units, should lease at a faster pace.

**Impact on Existing Market:** RPRG does not anticipate that the subject will have an adverse impact on the existing rental market. The overall vacancy rate for the income-restricted rental communities within the market area is very low at 0 percent and overall vacancies are low. The subject’s capture rate and penetration rates are reasonable, especially given the fact that there are limited moderate income households in this desirable area due to the dearth of affordable housing options. The capture rate is reflective of a limited pool of market area lower income households rather than any weakness in demand.
Introduction

A. Overview of Subject

Arrowbrook Centre Apartments is a proposed new construction multifamily rental community to be located in the Herndon area of Fairfax County, immediately south of the Dulles Access Road. The Arrowbrook Centre mixed use campus currently contains Arrowbrook Centre Park, Pulte for-sale townhomes and condominiums, and office buildings. The rental community will include a total of 274 rental units, all of which will be income-restricted in accordance with the Department of Housing and Urban Development’s 2018 median household income for the Washington-Arlington-Alexandria, DC-VA-MD FMR Area (Table 1). Five percent of units (14) will have project based state and federal vouchers provided by Fairfax County, all targeted to households at 40% AMI. Approximately 40,000 square feet of retail will be located on the first floor; the residential component is the sole focus of this study.

Phase I will consist of 126 apartments (46 percent) to be financed, in part, with equity raised from the sale of nine percent Low Income Housing Tax Credits. Phase II will include 148 units (54 percent) to be financed with four percent Low Income Housing Tax Credits and tax-exempt bond financing. The project will be developed in two phases, but constructed simultaneously.

This report is intended to be submitted as part of an application for nine percent Low Income Housing Tax Credits for the 126 rental units planned for Phase I.

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 Development Authority’s 2019 Market Study Guidelines, both net and effective demand will include all of the subject’s units proposed for both phases of development.

C. Format of Report

The report format is Comprehensive. Accordingly, the market study addresses all required items set forth in the 2019 Market Study Guidelines of the Virginia Housing Development Authority (VHDA). 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

SCG Development is Real Property Research Group’s (RPRG’s) Client for this market study. Along with the Client, the Intended Users are representatives of Fairfax County, VHDA, and potential investors. This report is intended to be submitted to VHDA as part of an application for 9 percent tax credits in 2019. A separate report will be submitted to VHDA as part of an application for four percent (non-competitive) tax credits.
Table 1 HUD Rent & Income Limits

| HUD 2018 Median Household Income | | |
|---------------------------------|-----------------|
| Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area | $117,200 |
| Very Low Income for 4 Person Household | $58,600 |
| 2018 Computed Area Median Gross Income | $117,200 |

- Utility Allowance: Efficiency $81
  - 1 Bedroom $100
  - 2 Bedroom $124
  - 3 Bedroom $147

Household Income Limits by Household Size:

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Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):

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LIHTC Tenant Rent Limits by Number of Bedrooms (Assumes 1.5 persons per bedroom):

<table>
<thead>
<tr>
<th># Persons</th>
<th>Gross</th>
<th>Net</th>
<th>Gross</th>
<th>Net</th>
<th>Gross</th>
<th>Net</th>
<th>Gross</th>
<th>Net</th>
<th>Gross</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>Efficieny</td>
<td>$615</td>
<td>$534</td>
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<td>$1,026</td>
<td>$945</td>
<td>$1,231</td>
<td>$1,150</td>
<td>$1,642</td>
<td>$1,561</td>
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<tr>
<td>1 Bedroom</td>
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<td>$559</td>
<td>$879</td>
<td>$779</td>
<td>$1,099</td>
<td>$999</td>
<td>$1,319</td>
<td>$1,219</td>
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<tr>
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<td>$1,459</td>
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<td>3 Bedroom</td>
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<td>$1,073</td>
<td>$1,523</td>
<td>$1,376</td>
<td>$1,828</td>
<td>$1,682</td>
<td>$2,438</td>
<td>$2,292</td>
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</table>

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

E. Applicable Requirements

This market study will conform to the requirements of the following:

- VHDA’s 2019 Market Study Guidelines.
- NCHMA’s Model Content Standards and Market Study Checklist.

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.
- Jerry Levin, Senior Analyst for Real Property Research Group, Inc., conducted a visit to the subject site, its immediate neighborhood, and wider primary market area on February 15, 2019.
• 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 Fairfax County Department of Planning; City of Herndon Department of Planning; and Patrick Dieter with the Baltimore office of the Department of Housing and Urban Development. We also reviewed the Virginia Housing Development Authority and local development websites for potential rental developments in the market area.

• All information obtained is 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.

H. Other Pertinent Remarks

While this study will be submitted to VHDA as part of an application for 9 percent tax credits, it will evaluate the entire residential component of the community including units potentially financed by both 9 percent and 4 percent tax credits. The study will not evaluate the non-residential component of the project.
II. PROJECT DESCRIPTION

A. Project Overview

Arrowbrook Centre Apartments is a proposed Low Income Housing Tax Credit (LIHTC) multifamily rental community to be located in the Arrowbrook Centre campus south of the Dulles Access Road and east of Dulles International Airport in Herndon, Fairfax County, Virginia (Figure 1). The rental community will include 274 apartments and associated community amenities. The project will have two separate financing structures. Phase I, the subject of this report, will consist of 126 rental units. These apartments will be financed, in part, with equity raised from the sale of nine percent (competitive) tax credits. Phase II will include the remaining 148 units to be constructed with equity proceeds from the sale of four percent (non-competitive) tax credits and tax-exempt bond financing. The Developer for Phase I is Arrowbrook Apartments I, LLC and for Phase II is Arrowbrook Apartments II, LLC. Approximately 40,000 square feet of retail will be located on the first level; the residential component is the sole focus of this study.

Figure 1 Arrowbrook Centre Mixed-Use Development

Source: SCG Development

B. Project Type and Target Market

Arrowbrook Centre Apartments will be a general occupancy multifamily rental complex that will target low- and moderate-income renter households. These units will restrict occupancy to households with incomes at or below 30 percent, 40 percent, 50 percent, and 60 percent of the area median income (AMI) for the Washington-Arlington-Alexandria, DC-VA-MD FMR Area as adjusted for household size. Arrowbrook Centre Phase I 126 units will be financed, in part, with equity raised from the sale of nine percent (competitive) tax credits. The remaining 148 units in a second phase will be financed with four percent (non-competitive) tax credits and tax-exempt
bonds. With a unit mix of studios, 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 four to five persons.

C. Building Types and Placement

Both phases of the proposed Arrowbrook Centre Apartments will be part of a single five story mid-rise structure on a 4.4 acre parcel. Most of the structure will face Centreville Road; the rear of the structure will wrap around the Pulte for-sale condominium and townhome community located west of the parcel (Figure 2). The structured parking garage will be located in the rear of the structure (western end) surrounded on three sides by apartments. An interior courtyard is located in the heart of the structure. Surface parking for the retail component and visitors is located along the eastern edge of the structure plus an overflow parking lot north of the structure. A narrow wing of the building stretches south to Arrowbrook Centre Drive.

The main entrance into the rental community will be from the south along Arrowbrook Centre Drive and then entering the property via the surface parking lot flanking the eastern edge of the property.

Figure 2 Site Plan, Arrowbrook Centre Apartments

Source: SCG Development

D. Detailed Project Description

1. Project Description

Arrowbrook Centre Apartments will include a total of 274 studio, one-, two-, and three-bedroom units. All of the apartments and community amenities will be constructed as one project, although with two different financing structures. From a renter perspective, there will be no visible
distinction between the portions of the rental community financed with nine percent tax credits compared with the portion financed with four percent tax credits. Table 3 summarizes the proposed project’s financing structure. Forty-four percent of units (126) will be financed through the sale of 9 percent LIHTC credits that include units targeted to households earning up to 30, 40, 50, and 60 percent AMI. All fourteen 40 percent AMI units will have project based state and federal vouchers provided by Fairfax County. Fifty-four percent of units (148) will be financed with equity proceeds from the sale of four percent (non-competitive) tax credits and tax-exempt bond financing. All 148 units are targeted to households earning up to 60 percent AMI.

### Table 2 Financing Structure

<table>
<thead>
<tr>
<th>AMI</th>
<th>LIHTC Type</th>
<th># Units</th>
<th>%</th>
</tr>
</thead>
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<tr>
<td>30%</td>
<td>9%</td>
<td>13</td>
<td>5%</td>
</tr>
<tr>
<td>40% (Vouchers)</td>
<td>9%</td>
<td>14</td>
<td>5%</td>
</tr>
<tr>
<td>50%</td>
<td>9%</td>
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<td>13%</td>
</tr>
<tr>
<td>60%</td>
<td>9%</td>
<td>63</td>
<td>23%</td>
</tr>
<tr>
<td>Total 9% Credits</td>
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<td>46%</td>
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<tr>
<td>60%</td>
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<td>54%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>274</td>
<td></td>
</tr>
</tbody>
</table>

Source: SCG Development

Note: Total of 211 60% AMI Units

At Arrowbrook Apartments Phase I, the proposed one-bedroom units will have one bathroom while the two- and three-bedroom units will have two full bathrooms. The one-bedroom units will average 667 square feet ranging in size from 607 to 796 square feet; the two-bedroom units will average 940 square feet ranging in size from 875 to 1,196 square feet; and the three-bedroom units will average 1,258 square feet ranging in size from 1,126 to 1,483 square feet. The monthly net rents at Arrowbrook Centre Apartments will not include any utilities except for trash. General electricity, electric-fueled hot water, cooking, heating and cooling, and water/ sewer will be the direct responsibility of future tenants. The proposed utility allowances as provided by the developer are as follows: $81 for studios; $100 for one-bedrooms; $126 for two-bedrooms; and $147 for three-bedrooms. The site will include unrestricted structured garage parking.

While most units in Phase I (as well as in the second phase) will require that tenants pay a contract rent or utilize their own Housing Choice voucher, 14 units (5 percent) will have project-based state and federal rental subsidies. These units will be located in the portion of the community financed with nine percent tax credits (Arrowbrook Apartments I).

All units at Arrowbrook Centre Apartments will be equipped with Energy Star appliances including electric range, refrigerator with an icemaker, dishwasher, microwave, range hood, and garbage disposal (Table 4). Kitchen appliances will have standard finishes. The kitchens will have laminate countertops and will feature breakfast bars with an open floor design.

Common area amenities which will be available to all residents will include a furnished clubroom with on-site management, conference center, fitness room, and cyber lounge/ study area. Other amenities include an outdoor lounge with grilling area; bicycle storage, access to a dog park; one-half mile walking path to Metro; adjacency to Arrowbrook Centre Park; first floor restaurant and shops; and structured parking with direct access by floor.

### 2. Other Proposed Uses

The first floor will include approximately 40,000 square feet of retail space devoted to restaurant, shopping, and service uses.
## Table 3: Unit Distribution, Unit Sizes and Net Rents, Arrowbrook Centre Apartments

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<thead>
<tr>
<th>Floor Plan Type</th>
<th>ID</th>
<th>Income Target (% AMI)</th>
<th>LIHTC Type</th>
<th># of Units</th>
<th>% of Total Units</th>
<th>Net Avg SF</th>
<th>Utility Allowance</th>
<th>Proposed Net Rent (1)</th>
<th>Net Rent/Net SF</th>
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<td>10</td>
<td>4%</td>
<td>422</td>
<td></td>
<td></td>
<td></td>
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<tr>
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<td>9%</td>
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<td>796</td>
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<td></td>
<td>28</td>
<td>10%</td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>3 BR Subtotal</td>
<td>55</td>
<td>20%</td>
<td></td>
<td>55</td>
<td>20%</td>
<td>1,281</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Proposed rents assume tenants pay for all utilities except trash; structured parking included
Source: SCG Development
Table 4 Salient Project Information, Arrowbrook Centre Apartments

<table>
<thead>
<tr>
<th>Arrowbrook Centre Apartments</th>
<th>Herndon, Fairfax County, Virginia</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Information</strong></td>
<td><strong>Additional Information</strong></td>
</tr>
<tr>
<td>Number of Residential Buildings</td>
<td>1</td>
</tr>
<tr>
<td>Building Type</td>
<td>Mid-Rise, Wood Frame, Elevators, Interior Corridors</td>
</tr>
<tr>
<td>Number of Stories</td>
<td>5 stories wrapped around structured garage</td>
</tr>
<tr>
<td>Construction Type</td>
<td>New Construction</td>
</tr>
<tr>
<td>Exterior Design Elements</td>
<td>Brick, Hardi-plank</td>
</tr>
<tr>
<td>Construction Start Date</td>
<td>June 2020</td>
</tr>
<tr>
<td>Delivery of First Units</td>
<td>Spring 2022</td>
</tr>
<tr>
<td>Delivery of Final Units</td>
<td>Spring 2022</td>
</tr>
<tr>
<td>Pre-Leasing Start Date</td>
<td>TBD</td>
</tr>
<tr>
<td>Parking Type &amp; Cost</td>
<td>Structured parking garage; no cost for 1st space; 474 spaces (429 residential; 49 retail)</td>
</tr>
<tr>
<td>Common Area Amenities</td>
<td></td>
</tr>
<tr>
<td>Controlled access; club room with wifi; business center with conference rooms; fitness center, cyber lounge/ study area; outdoor lounge with grilling area; bicycle storage; access to dog park; 1/2 mile walking path to Metro; first floor restaurants and shops; structured parking with direct access by floor</td>
<td></td>
</tr>
<tr>
<td>Kitchen Amenities</td>
<td></td>
</tr>
<tr>
<td>Dishwasher</td>
<td>Yes</td>
</tr>
<tr>
<td>Disposal</td>
<td>Yes</td>
</tr>
<tr>
<td>Microwave</td>
<td>Yes</td>
</tr>
<tr>
<td>Range</td>
<td>Yes</td>
</tr>
<tr>
<td>Refrigerator w/ Icemaker</td>
<td>Yes</td>
</tr>
<tr>
<td>Unit Features</td>
<td></td>
</tr>
<tr>
<td>Energy Star white appliances - refrigerator, stove, dishwasher, garbage disposal; microwave; laminate wood flooring in kitchen and living areas; carpeted bedrooms; ceramic tile surrounds, programmable thermostats; ceramic tile bathrooms; pre-wired to cable TV, phone, and high speed internet</td>
<td></td>
</tr>
<tr>
<td>Kitchen Amenities</td>
<td></td>
</tr>
<tr>
<td>Cold Water/Sewer</td>
<td>Tenant</td>
</tr>
<tr>
<td>Trash Removal</td>
<td>Tenant</td>
</tr>
<tr>
<td>Heat</td>
<td>Owner</td>
</tr>
<tr>
<td>Hot Water</td>
<td>Tenant</td>
</tr>
<tr>
<td>Electricity</td>
<td>Tenant</td>
</tr>
<tr>
<td>Cooking</td>
<td>Tenant</td>
</tr>
<tr>
<td>Cooking Source</td>
<td>Electric</td>
</tr>
<tr>
<td>Hot Water Source</td>
<td>Electric</td>
</tr>
<tr>
<td>Heat Source</td>
<td>Electric</td>
</tr>
</tbody>
</table>

Source: SCG Development

Salient features of the proposed Arrowbrook Centre Departments include:

- The community will be the first affordable multi-family development constructed in the market area since 1997.
- Arrowbrook will be have convenient access to the Innovation Silver Line Metro Station scheduled to open in 2020 (one-half mile via a walking path).
- Except for not providing a pool, community amenities will be commensurate with other nearby market rate properties. In addition, a park and soccer field are located directly south of the subject.
- All utilities, except trash, are included in the rent.

3. Zoning and Government Review

According to the developer, the present zoning for the site allows the proposed use.

4. Proposed Timing of Development

The Developer intends to begin construction in June 2020 with construction expected to take 24 months that translates to a late spring opening in 2022.
III. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location
The subject site is situated along the west side of Centreville Avenue, just south of the Dulles Access Road in Herndon, Fairfax County, Virginia (Map 1). The site is part of the Arrowbrook Centre campus that includes the Pulte for-sale townhomes and condominiums, Arrowbrook Centre Park, and offices. The site has good visibility from Centreville Avenue and limited visibility from the Dulles Access Road.

2. Size, Shape and Topography
The subject acreage is 4.4 acres and is irregularly rectangular in shape. The site’s overall topography is flat.

3. Existing Uses
As observed during RPRG’s recent site visit on February 15, 2019, the subject site has been largely cleared covered by a mixture of dirt, gravel, grass, and scrub (Figure 3).
4. General Description of Land Uses Surrounding the Subject Site

The subject is part of the Arrowbrook Centre mixed use development that includes Arrowbrook Centre Park; an actively selling Pulte for-sale townhome and condominium community, and several office buildings. Two parcels located north of the Pulte parcel and west of the parking outparcel are slated for future offices and/or hotels (Map 2).
• **Arrowbrook Centre Park**: Located directly south of the subject parcel, the park offers a variety of recreational uses includes a full-size soccer field, tennis courts, basketball court, children’s playground, landscaped courtyard with benches, a dog park, and amphitheater that offers musical entertainment during the summer.

• **MetroPark at Arrowbrook**: Opened in spring 2018, Pulte is actively selling three and four level townhomes and two over two townhome condominiums. The last phase of the community, located directly west of the subject, is currently under construction (preliminary footprints with utility rough-ins have been completed). When completed the community will contain 147 residences including 39 townhomes and 108 condominiums. To date 31 of the 39 three and four story townhomes have sold at prices ranging from $600,000 to $700,000, and 50 of the 108 condominiums have sold at prices ranging from $500,000 to $615,000.

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**Map 2 Aerial View of Site**

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

The land uses directly bordering the subject site are as follows and are presented in Figure 4:

- **North**: Parking outparcel for retail uses; Dulles Access Road and Silver Line Metro
- **East**: Centreville Road; Woodland Park campus (offices, hotels, apartments)
- **South**: Arrowbrook Centre Drive; Arrowbrook Center Park
- **West**: MetroPark at Arrowbrook (Pulte for-sale community); office buildings
Figure 4 Views of Surrounding Land Uses

- Pulte Condominiums under construction west of subject
- Entrance to Arrowbrook Centre Park south of subject
- Soccer field in Arrowbrook Centre Park
- Woodland Park neighborhood on east side of Centreville Road
B. Neighborhood Analysis

The subject site is located south of the Dulles Access Road and west of Dulles International Airport along the Silver Line Metro corridor. Two stations in the Phase II of the Silver Line expansion—Innovation and Herndon—will be opening in 2020. The Innovation Station is located 0.5 mile northwest of the site and the Herndon Station is located 1.5 miles northeast of the site. The opening of the final leg of the extension of the Metro to Dulles Airport is expected to spur substantial transit-oriented development proximate to these stations.

The Innovation Station is planned to service the existing and proposed expansion of the Center for Innovation Technology (CIT) campus. Plans are underway to transform land around the CIT Complex into Innovation Center, a nationally recognized center for innovation comprised of a smart growth, transit-oriented development that includes a mix of high-rise research, office, residential and retail establishments directly connected to the new Metro stop, also named Innovation Center, and Dulles International Airport (Figure 5).

Arrowbrook Centre is located in the heart of the Reston/Herndon neighborhood that is increasingly characterized by an array of mixed-used developments that include offices, hotels, apartments, retail centers, and institutional uses. The area immediately west of the Arrowbrook development (east of Dulles Airport) contains several recently built Upper Tier multi-family communities, office buildings, and scattered older apartment complexes. The Woodland Park neighborhood, located directly east of the site and Centreville Road, also contains a mix of offices, hotels, multi-family communities, and single family and townhome developments. Woodland Park contains Alexan Woodland Park, a 294 luxury apartment community, which is currently under construction.

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1 Exact date is uncertain – depends on results on testing and inspections.
C. Site Visibility and Accessibility

1. Visibility
The subject site will enjoy excellent visibility as it is located on the west side of Centreville Road, one of the main north-south arterials in western Fairfax County Road. Centreville Road provides direct access to the Dulles Access Road and Herndon to the north and travels south to Chantilly and Route 50.

2. Vehicular Access
The subject’s general neighborhood is well connected to both local and regional thoroughfares. Access to the subject is via Arrowbrook Center Drive, which is directly south of the subject and intersects with Centreville Road on the east. Centreville Road provides easy access to all parts of the immediate neighborhood including Herndon to the north and Reston to the northeast and the communities of Chantilly, Fair Oaks, and Fairfax located south along the Route 50 corridor. In addition, Centreville Road provides direct access to the Dulles Access Road and then Route 28 and Dulles International Airport to the west and the 495 Beltway and the Tysons Corner commercial, employment, and residential hub 12 miles to the east. Route 28 provides access to Route 7 and the Loudoun growth corridor to the north and northwest and to Interstate 66 to the south.
3. Availability of Public Transit

While bus service is convenient (the closest Fairfax Connector Bus Route is located one-half mile to the south at the intersection of Coppermine Road and Centreville Road), future residents of the subject site are most likely to avail themselves of rapid transit if using public transportation. When the Innovation Station of the Silver Line opens in 2020, it will be located within one-half mile walking distance of the subject via a direct pathway.

The Silver Line is a 23-mile extension of the Metrorail system with new tracks extending from East Falls Church, through Tysons and Reston, and eventually to Washington Dulles International Airport and further west to Ashburn (Figure 6). The project is being built in two phases. Phase 1 of the project opened on July 26, 2014, adding four new stations in Tysons, Virginia’s largest employment center, and one in Reston at Wiehle Avenue. Construction is underway on Phase 2 with completion in 2020 (two years prior to the opening of the subject), which will provide a transfer-free ride from Washington Dulles International Airport to downtown Washington. Phase 2 picks up at the Phase 1 terminus location, Wiehle-Reston East, and continues in the median of the Dulles Toll Road and the Dulles Access Highway with three stations, includes an aerial station at Dulles Airport and continues on with two stops in Loudoun County. Two of the stations, Innovation and Herndon, are located within one-half mile and 1.5 miles, respectively, of the subject. The six stations in Phase 2 will run westward through Reston and Herndon to the Dulles Airport and ends at Route 772 in eastern Loudoun County. All stations in this phase will have commuter parking except for the Reston Town Center and the Dulles Airport Stations.

Figure 6 Silver Line Metro Stations

Source: Washington Metro website
4. **Availability of Inter Regional Transit**

Three major transit hubs are convenient to the site. Dulles International Airport, located three miles to the west, can be accessed via the Dulles Access Road that lies immediately north of the site; in two years, Dulles can be also be assessed by Metro via the Silver Line. Reagan National Airport, located 25 miles to the southeast, can be accessed via the Silver Line Metro and the Orange and Blue lines. Union Station, one of the busiest train stations in the country, is served by Amtrak, MARC and Virginia Railway Express commuter rail services, as well as by Washington Metro subway trains and local busses. Union Station is accessed by Metro by travelling along the Silver Line, the Orange Line, to the Red Line.

5. **Pedestrian Access**

The subject site is planned with sidewalks to encourage pedestrian access within the Arrowbrook Centre campus. A walking path, parallel to Centreville Road, will connect directly with the Innovation Station.

D. **Public Safety**

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 3 displays the 2018 CrimeRisk index for the block groups near the subject site. The relative risk is displayed in gradations from light beige (least risk) to deep red (most risk). The block groups that contain the subject site and immediately adjacent parcels are shaded green and light beige, indicative of an overall lower 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. The local fire and police stations are within two to three miles of the site.
E. Residential Support Network

1. Key Facilities and Services near the Subject Site

The appeal of a residential community is based in part on its proximity to facilities and services that are required on a day-to-day basis. Key facilities and services and their distances from the subject site are listed in Table 5 and the locations of those facilities are plotted on Map 4.

2. Essential Services

   a. Health Care

   The site has good access to local medical services within one to three miles of the site plus access to the many major medical centers within Washington DC region. Reston Hospital Center, about three miles northwest of the subject in Reston Town Center, is a 187-bed, full-service, medical/surgical hospital. Services include The Family Center; the Critical Care, Progressive Care, Medical/Oncology and Surgical units; an Endoscopy suite; and Emergency and Radiology departments. Surrounding business campuses house a wide array of physicians’ offices and related medical services. The Inova Emergency Room, also located in Reston Town Center, is a freestanding emergency center open 24 hours a day. The Comprehensive Urgent Medical Care facility is located one mile from the site in Herndon. Additional medical facilities are located in Fair Oak six miles to the south (Inova Fair Oaks Hospital) and in Fairfax 16 miles to the east (Inova Fairfax Hospital).
Table 5  Key Facilities and Services Near Subject Site

<table>
<thead>
<tr>
<th>Type</th>
<th>Address</th>
<th>Community</th>
<th>Dist (mi)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrowbrook Centre Soccer Field</td>
<td>Recreation</td>
<td>Herndon</td>
<td>&lt;0.1 S</td>
</tr>
<tr>
<td>Village Center at Dulles (Giant, CVS, Homegoods)</td>
<td>Supermarket, Pharmacy</td>
<td>Herndon</td>
<td>0.5 SE</td>
</tr>
<tr>
<td>Sunoco Gas</td>
<td>Gas, Convenience</td>
<td>Herndon</td>
<td>0.6 NE</td>
</tr>
<tr>
<td>Elden Street Marketplace (Giant, Kohls)</td>
<td>Supermarket, bank, retail</td>
<td>Herndon</td>
<td>0.8 NE</td>
</tr>
<tr>
<td>Coates Elementary School</td>
<td>Public School (K-6)</td>
<td>Herndon</td>
<td>0.9 W</td>
</tr>
<tr>
<td>Comprehensive Urgent Medical Care</td>
<td>Medical Services</td>
<td>Herndon</td>
<td>1.0 NE</td>
</tr>
<tr>
<td>Herndon Station - Silver Line (U/C)</td>
<td>Shopping, Recreation</td>
<td>Herndon</td>
<td>1.4 E</td>
</tr>
<tr>
<td>Herndon Fire Station</td>
<td>Safety</td>
<td>Herndon</td>
<td>1.7 NE</td>
</tr>
<tr>
<td>Carson Middle School</td>
<td>Public School (7-8)</td>
<td>Herndon</td>
<td>1.9 NE</td>
</tr>
<tr>
<td>Herndon Fortnightly Library</td>
<td>Public Library</td>
<td>Herndon</td>
<td>1.9 NE</td>
</tr>
<tr>
<td>U.S. Post Office</td>
<td>Post Office</td>
<td>Herndon</td>
<td>2.1 NE</td>
</tr>
<tr>
<td>Herndon Police Dept</td>
<td>Safety</td>
<td>Herndon</td>
<td>2.7 NE</td>
</tr>
<tr>
<td>Reston Hospital Center</td>
<td>Medical Services</td>
<td>Reston</td>
<td>3.1 NE</td>
</tr>
<tr>
<td>Reston town Center (banks, restaurants, Haagen-Dasz, Chico, Ann Taylor, Sephora, Gap, Pottery Barn)</td>
<td>Comparison Shopping/ Eating/ Services</td>
<td>Library and Market Sts</td>
<td>3.3 E</td>
</tr>
<tr>
<td>Inova Emergency</td>
<td>Med/ Emergency Services</td>
<td>Reston</td>
<td>3.4 NE</td>
</tr>
<tr>
<td>Dulles International Airport</td>
<td>Transportation</td>
<td>Dulles</td>
<td>3.5 W</td>
</tr>
<tr>
<td>Spectrum Center (banks, restaurants, Haagen-Dasz, Chico, Ann Taylor, Sephora, Gap, Pottery Barn)</td>
<td>Comparison Shopping/ Eating/ Services</td>
<td>Reston</td>
<td>3.7 NE</td>
</tr>
<tr>
<td>Reston Fire Station</td>
<td>Safety</td>
<td>Reston</td>
<td>4.2 E</td>
</tr>
<tr>
<td>Westfield High School</td>
<td>Transportation</td>
<td>Reston</td>
<td>4.4 E</td>
</tr>
<tr>
<td>Walmart Super Center</td>
<td>General Retail</td>
<td>Sterling</td>
<td>6.8 NW</td>
</tr>
<tr>
<td>George Mason University</td>
<td>Higher Education</td>
<td>Sterling</td>
<td>8.3 N</td>
</tr>
<tr>
<td>Virginia Comm Coll</td>
<td>Higher Education</td>
<td>Sterling</td>
<td>8.7 N</td>
</tr>
<tr>
<td>Fair Oaks Mall (Lord &amp; Taylor, Macy’s, Sears, JC Penney)</td>
<td>Regional Mall</td>
<td>Fairfax</td>
<td>9.1 SE</td>
</tr>
<tr>
<td>Wolf Trap Center for the Performing Arts</td>
<td>Recreation</td>
<td>Vienna</td>
<td>11.4 E</td>
</tr>
<tr>
<td>Tyson’s Corner Center (Macy’s, Nordstroms, Lord &amp; Taylor, Bloomingdale’s, LL Bean, AMC Theatres)</td>
<td>Regional Mall</td>
<td>McLean</td>
<td>12.2 E</td>
</tr>
<tr>
<td>Eagle Bank Arena (Patriot Center)</td>
<td>Sports, Concert Venue</td>
<td>Fairfax</td>
<td>13.4 SE</td>
</tr>
<tr>
<td>George Mason Center for the Arts</td>
<td>Cultural</td>
<td>Fairfax</td>
<td>14.0 SE</td>
</tr>
<tr>
<td>Leesburg Premium Outlets</td>
<td>Regional Retail</td>
<td>Leesburg</td>
<td>14.9 NW</td>
</tr>
</tbody>
</table>

Compiled by Real Property Research Group, Inc.

b. Education

The Commonwealth of Virginia administers Standards of Learning (SOL) Assessment Tests to monitor student performance and the quality of classroom instruction in public school systems across the state. The most comprehensive testing occurs in the 3rd, 5th, 8th, and 11th grades. Elementary and middle school students are tested in core areas including English, history, mathematics, science, and writing. High school tests are conducted upon students’ completion of relevant coursework and focus on more specific subject areas such as algebra I, algebra, biology, chemistry, and geometry, in addition to English and writing.

The results of SOL tests can be used to compare the performance of students in various schools and school districts. To construct this comparison, we compiled data on the percentage of students testing at the state-defined ‘proficient’ level or ‘advanced’ level in core subject areas. We compiled data for the 2016 to 2017 school year to compare school performance across the school district.
Arrowbrook Centre Apartments | Site and Neighborhood Analysis

Map 4 Neighborhood Amenities

The site for Arrowbrook Centre Apartments lies in the jurisdiction of the Fairfax County Public Schools. According to current attendance zones, school-age residents of Arrowbrook Centre Apartments attending public schools would be assigned to Coates Elementary School (Grades K-6), Carson Middle School (Grades 7-8), and Westfield High School. Coates Elementary is 0.9 mile from the subject site at 2480 River Birch Road. Carson Middle School is located 1.9 miles from the site at 13618 McLaren Road. Westfield High School is located 4.4 miles from the subject site at 4700 Stonecroft Boulevard in Chantilly.

Based on the measure employed in this analysis (2016-2017 SOL results), the elementary school serving Arrowbrook Centre Apartments ranked 84th out of the 138 public elementary schools in Fairfax County with 77.5 percent of students tested as either proficient or advanced (Table 6). In comparison, 79.2 percent of all students in the Fairfax County Schools achieved at either a proficient or advanced level. In the Commonwealth of Virginia, the overall corresponding proportion was 80.0 percent.

At Carson Middle School, 90.0 percent of students achieved proficient or advanced ratings on the 2016-2017 SOL assessments. With this achievement level, Carson Middle ranked 8th out of 28 public middle schools in Fairfax County. Students in the school district had an average performance score of 83.4 percent while the statewide performance score with 75.0 percent.

At the high school level, 89.0 percent of students at Westfield High School achieved SOL assessment scores that qualified them as ‘proficient’ or advanced. In comparison, the countywide average was 84.1 percent while the statewide average was 88.5 percent. Westfield High School ranked 6th out of 24 public high schools in Fairfax County.
Table 6 Test Results, Fairfax County – 2016/2017 School Year

### Elementary Schools

<table>
<thead>
<tr>
<th>Rank</th>
<th>Elementary Schools</th>
<th>VSLA - 2017</th>
<th>Grade 5</th>
<th>Composite</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Chesterbrook Elementary</td>
<td>97.0%</td>
<td>98.0%</td>
<td>97.5%</td>
</tr>
<tr>
<td>2</td>
<td>Wolftrap Elementary</td>
<td>99.0%</td>
<td>96.0%</td>
<td>97.5%</td>
</tr>
<tr>
<td>3</td>
<td>Culvin Run Elementary</td>
<td>98.0%</td>
<td>96.0%</td>
<td>97.0%</td>
</tr>
<tr>
<td>4</td>
<td>Keene Mill Elementary</td>
<td>96.0%</td>
<td>98.0%</td>
<td>97.0%</td>
</tr>
<tr>
<td>5</td>
<td>Kent Gardens Elementary</td>
<td>99.0%</td>
<td>95.0%</td>
<td>97.0%</td>
</tr>
<tr>
<td>6</td>
<td>Westbriar Elementary</td>
<td>100.0%</td>
<td>93.0%</td>
<td>96.5%</td>
</tr>
<tr>
<td>7</td>
<td>Flint Hill Elementary</td>
<td>96.0%</td>
<td>96.0%</td>
<td>96.0%</td>
</tr>
<tr>
<td>8</td>
<td>Spring Hill Elementary</td>
<td>99.0%</td>
<td>93.0%</td>
<td>96.0%</td>
</tr>
<tr>
<td>9</td>
<td>Poplar Tree Elementary</td>
<td>96.0%</td>
<td>95.0%</td>
<td>95.5%</td>
</tr>
<tr>
<td>10</td>
<td>Wakefield Forest Elementary</td>
<td>95.0%</td>
<td>95.0%</td>
<td>95.0%</td>
</tr>
<tr>
<td>11</td>
<td>Floris Elementary</td>
<td>98.0%</td>
<td>92.0%</td>
<td>95.0%</td>
</tr>
<tr>
<td>12</td>
<td>Vienna Elementary</td>
<td>92.0%</td>
<td>98.0%</td>
<td>95.0%</td>
</tr>
<tr>
<td>27</td>
<td>Fairview Elementary</td>
<td>94.0%</td>
<td>86.0%</td>
<td>90.0%</td>
</tr>
<tr>
<td>28</td>
<td>Lemon Road Elementary</td>
<td>94.0%</td>
<td>86.0%</td>
<td>90.0%</td>
</tr>
<tr>
<td>29</td>
<td>Canterbury Woods Elementary</td>
<td>94.0%</td>
<td>85.0%</td>
<td>89.5%</td>
</tr>
<tr>
<td>30</td>
<td>Shrevewood Elementary</td>
<td>91.0%</td>
<td>88.0%</td>
<td>89.5%</td>
</tr>
<tr>
<td>31</td>
<td>Steenwood Elementary</td>
<td>97.0%</td>
<td>82.0%</td>
<td>89.5%</td>
</tr>
<tr>
<td>32</td>
<td>Sunrise Valley Elementary</td>
<td>88.0%</td>
<td>90.0%</td>
<td>89.0%</td>
</tr>
<tr>
<td>33</td>
<td>Waynewood Elementary</td>
<td>94.0%</td>
<td>84.0%</td>
<td>89.0%</td>
</tr>
<tr>
<td>34</td>
<td>Camelot Elementary</td>
<td>85.0%</td>
<td>92.0%</td>
<td>88.5%</td>
</tr>
<tr>
<td>35</td>
<td>Lees Corner Elementary</td>
<td>89.0%</td>
<td>88.0%</td>
<td>88.5%</td>
</tr>
<tr>
<td>36</td>
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<tr>
<td>37</td>
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<td>92.0%</td>
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</tr>
<tr>
<td>38</td>
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<td>87.5%</td>
</tr>
<tr>
<td>39</td>
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<td>80.0%</td>
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</tr>
<tr>
<td>40</td>
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<td>93.0%</td>
<td>81.0%</td>
<td>87.0%</td>
</tr>
<tr>
<td>41</td>
<td>Orange Hunt Elementary</td>
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<td>87.0%</td>
</tr>
<tr>
<td>53</td>
<td>Fairhill Elementary</td>
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<td>84.0%</td>
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<tr>
<td>56</td>
<td>Willow Springs Elementary</td>
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<td>58</td>
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<td>59</td>
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<td>83</td>
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<tr>
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<td>137</td>
<td>Armstrong Elementary</td>
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<table>
<thead>
<tr>
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<th>VSLA - 2017</th>
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<th>Composite</th>
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<tr>
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</tr>
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<td>Cooper Middle</td>
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<td>Franklin Middle</td>
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<td>94.0%</td>
<td>94.0%</td>
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<td>Rocky Run Middle</td>
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<td>94.0%</td>
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<tr>
<td>6</td>
<td>Frost Middle</td>
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<td>93.5%</td>
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<tr>
<td>7</td>
<td>Liberty Middle</td>
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<td>92.0%</td>
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<tr>
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<td>Harlan Middle</td>
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<td>80.0%</td>
</tr>
<tr>
<td>9</td>
<td>Thoreau Middle</td>
<td>88.0%</td>
<td>92.0%</td>
<td>90.0%</td>
</tr>
<tr>
<td>10</td>
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</tr>
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<td>Kilmer Middle</td>
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<table>
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<tr>
<th>High Schools</th>
<th>Rank</th>
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<th>Reading</th>
<th>Algebra II</th>
<th>Composite</th>
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<tr>
<td>1</td>
<td>1</td>
<td>Thon Jefferson Sci/Tech</td>
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<td>100.0%</td>
</tr>
<tr>
<td>2</td>
<td>2</td>
<td>Langley High</td>
<td>97.0%</td>
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<td>93.5%</td>
</tr>
<tr>
<td>3</td>
<td>3</td>
<td>McLean High</td>
<td>96.0%</td>
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<td>92.5%</td>
</tr>
<tr>
<td>4</td>
<td>4</td>
<td>Marshall High</td>
<td>96.0%</td>
<td>87.0%</td>
<td>91.5%</td>
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<tr>
<td>5</td>
<td>5</td>
<td>Oakton High</td>
<td>96.0%</td>
<td>83.0%</td>
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<tr>
<td>6</td>
<td>6</td>
<td>Westfield High</td>
<td>83.0%</td>
<td>83.0%</td>
<td>83.5%</td>
</tr>
<tr>
<td>7</td>
<td>7</td>
<td>Woodson High</td>
<td>96.0%</td>
<td>80.0%</td>
<td>88.0%</td>
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<tr>
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<td>19</td>
<td>South Lakes High</td>
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<td>79.0%</td>
</tr>
<tr>
<td>22</td>
<td>22</td>
<td>Lee High</td>
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<td>60.0%</td>
<td>72.5%</td>
</tr>
<tr>
<td>23</td>
<td>23</td>
<td>Herndon High</td>
<td>87.0%</td>
<td>56.0%</td>
<td>71.5%</td>
</tr>
<tr>
<td>24</td>
<td>24</td>
<td>Fairfax County Adult</td>
<td>82.0%</td>
<td>40.0%</td>
<td>60.0%</td>
</tr>
</tbody>
</table>

| Fairfax County Average | 91.1% | 77.1% | 84.1% |
| State Average          | 87.0% | 90.0% | 88.5% |

Source: Virginia Department of Education

The Loudoun Campus of Northern Virginia Community College (NVCC; informally NOVA), located in Sterling about nine miles north of the subject, provides a variety of academic programs, workforce development classes, student activities, events and campus facilities to more than 11,000 students each year. NOVA is a two-year college composed of six campuses and four centers located in the Northern Virginia suburbs of Washington, D.C. The College includes 77,332 students and more than 2,500 faculty and staff members. Located on 93 acres, the Loudoun Campus consists of eight buildings including the Waddell Theater and Art Gallery. The campus features state-of-the-art science and computer labs, a veterinary teaching hospital, a commercial grade greenhouse and an interior design resource library. George Mason University in Sterling, Loudoun County is co-located with Northern Virginia Community College at Signal Hill Plaza and offers coursework in nursing, education, information technology, and business, along with undergraduate general education courses.
3. Commercial Goods and Services

   a. Convenience Goods

   The term “convenience goods” refers to inexpensive, nondurable items that households purchase on a frequent basis and for which they generally do not comparison shop. Examples of convenience goods are groceries, health and personal care products, household cleaning products, newspapers, and gasoline. Restaurants, banks, gas stations, and personal care establishments such as salons and barbershops are examples of convenience services.

   Convenience shopping in this portion of Herndon is primarily located along Centreville Road. The Village Center at Dulles, located 0.5 mile to the southeast, contains a Giant and CVS drugstore in addition to a Home Goods, restaurants, and banks. Elden Street Marketplace, located 0.8 mile to the northeast, contains a Giant supermarket, restaurants, and Kohl’s. A Sunoco Gas Station and Convenience Store is located nearby. Reston Town Center, about three miles from the site, offers a large array of eating and shopping options both for everyday needs and comparison goods including Harris Teeter supermarket, the shops and restaurants at Reston Town Center (Ann Taylor, The Gap, J. Crew, Jos. Bank), and the “Big Box” outlets at Spectrum Center (Best Buy, Office Depot, Barnes & Noble, PetSmart). This center includes over 70 shops and restaurants, including Rite Aid Pharmacy and the U.S. Post Office. A Wal-Mart Super Center is located in Sterling seven miles to the northwest. The subject itself will feature approximately 40,000 square feet of retail space devoted to dining, retail, and services.

   b. Shoppers Goods

   The term “shoppers goods” refers to larger ticket merchandise that households purchase on an infrequent basis and for which they usually comparison shop. The category is sometimes called “comparison goods.” Examples of shoppers goods are apparel and accessories, furniture and home furnishings, appliances, jewelry, and sporting goods.

   The closest regional shopping center, Fair Oaks, is located roughly nine miles south of the subject along Route 50. Fair Oaks is anchored by Lord and Taylor, JC Penney, Macy’s, and Sears. Tysons Corner is a long-established destination for comparison-shopping, drawing patrons from throughout the Washington, DC region due to easy access to the Beltway. Tysons Corner, 12 miles to the east, can be easily accessed via the Dulles Access Road or via the Silver Line Metro. Two indoor shopping malls – one on either side of Route 123 – anchor the Tysons Corner retail environment. Tysons Corner Center features more than 200 tenants occupying more than 2 million square feet of enclosed space. Tysons Corner Center contains four department store anchors (Bloomingdale’s, Nordstrom, Lord & Taylor, and Macy’s), an L.L. Bean store, Barnes & Noble, a 16-screen AMC theater complex, and many in-line national chains. The Tysons Galleria is located north of Route 123. The tenant base of the Tysons Galleria trends toward high-end luxury goods, with department store anchors Neiman Marcus, Saks Fifth Avenue, and Macy’s and dozens of in-line boutiques.

   In addition to high-end retail offerings at both Tysons Corner Center and Tysons Galleria, the district incorporates strip centers with more mid-range establishments. Among these are three along the west side of Route 7 between Spring Hill Road and Route 123 featuring big-box retailers such as Best Buy, TJ Maxx, DSW, Staples, Marshalls, and Sports Authority. The big-box centers also incorporate personal services establishments and specialty shops. The Leesburg Premium Outlets are located 15 miles to the northwest.
4. **Recreational and Other Community Amenities**

The proposed Arrowbrook Centre Apartments is located directly north of Arrowbrook Centre Park which boasts tennis courts, a soccer field, basketball court and playground. Jogging, walking, and biking trails meander through a nearby wetlands nature preserve. Numerous golf courses are scattered throughout the Herndon/ Reston area and two nearby parks, Hutchison Park in Herndon and Lake Fairfax Park in Reston, provide a variety of outdoor recreational activities. Venues hosting sports and cultural events within 11 to 15 miles of the subject include Eagle Bank Arena, George Mason Center for the Arts, and the nationally renowned Wolf Trap Center for the Performing Arts. Downtown DC, 24 miles to the east, with its enormous concentration of employment centers, recreational and cultural amenities, and government offices is easily accessed either by car via the Dulles Toll Road or by METRO.

F. **Site and Neighborhood Conclusions**

Located in a neighborhood with a mix of residential, office, retail and recreational uses, the subject site affords excellent access to regional transportation and employment opportunities and is within one-half mile of the Innovation Station, part of the Phase II expansion of Metro’s Silver Line slated to open in 2020. The site has excellent visibility fronting on Centreville Road, one of the main arterials in western Fairfax County, and is located just south of the Dulles Access Road providing easy connections to the Silver Line Metro, Dulles Airport, and major retail, employment, and service nodes throughout the region.
IV. ECONOMIC CONTEXT

A. Introduction

This section focuses on economic trends and conditions in Fairfax County, including the two modestly-sized cities of Fairfax (which is fully surrounded by the county) and Falls Church (adjoining the county to the east). This definition of Fairfax County is consistent with that of the U.S. Department of Commerce’s Bureau of Economic Analysis (BEA). For purposes of comparison, we also discuss economic trends in the Commonwealth of Virginia and the nation.

B. Labor Force, Resident Employment, and Unemployment

1. Trends in County Labor Force and Resident Employment

Fairfax County’s labor force has increased most years since 2007 with a net increase of 59,348 workers or 9.9 percent through September 2018 (Table 7). The county’s labor force reached a peak of 661,288 workers in September 2018. The county added 26,000 employed residents since 2015, while the number of unemployed workers fell by 27 percent from 22,754 to 16,562 unemployed residents during the same period.

Table 7 Labor Force and Unemployment Rates, Fairfax County

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual Unemployment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Labor Force</td>
</tr>
<tr>
<td></td>
<td>Employment</td>
</tr>
<tr>
<td></td>
<td>Unemployment</td>
</tr>
</tbody>
</table>

2. Trends in County Unemployment Rate

Since 2007, the annual unemployment rate among residents of Fairfax County has tracked consistently lower than the state-wide annual unemployment rate for Virginia, which, in turn, has recorded an annual unemployment rate well below the national unemployment rate. Between 2007 and 2008, the local unemployment rate in Fairfax County ranged from 2.2 percent to 2.9 percent. After the onset of the national recession, the annual unemployment rates for Fairfax
County climbed to a high of 5.1 percent in 2010. While high in terms of the area’s recent historical context, the 5.1 percent 2010 unemployment rate was two percentage points below the statewide unemployment rate of 7.1 percent and was slightly more than half the national unemployment rate of 9.6 percent in this same year.

Unemployment data since 2011 suggests an improving economic situation with the average unemployment rate for Fairfax County dropping steadily in each subsequent year. As of September 2018, Fairfax County’s unemployment rate averaged 2.5 percent, compared to 3.1 percent in Virginia and 4.0 percent in the nation.

C. Commuting Patterns

Fairfax County is one of the economic engines of the large and economically diverse Washington, D.C. region, comprised of the District of Columbia and suburban counties and cities in both Virginia and Maryland. Commuting patterns of residents of the primary market area, labeled the Arrowbrook Market Area and defined in the following section, demonstrate the economic integration of the D.C. region. Data from the 2013-2017 American Community Survey (ACS) show that two-thirds (65.3 percent) of the working residents of the primary market area commuted to jobs located within their home jurisdiction of Fairfax County (Table 8). Twenty-one percent of market area workers commuted to other counties within the state and 13 percent worked outside of the state of Virginia (primarily either Washington DC or Maryland).

Twenty-two percent of Arrowbrook Centre Market Area workers reported average commute times less than 15 minutes as of 2013-2017 and one-third of workers commuted between 15 and 29 minutes. Thirty-nine percent of workers commuted thirty minutes or more.

D. At-Place Employment

1. Trends in Total At-Place Employment

As of 2007, aggregate at-place employment in Fairfax County – the total number of jobs located within Fairfax County, Fairfax City, and Falls Church – totaled 620,102 positions (Figure 7). During the recession years of 2008 and 2009, Fairfax County’s employment base decreased by 16,479
jobs. The downward trend was short-lived, however, as local employers added 17,797 net jobs over the next three years. Losses were registered in 2013 and 2014, but were more than offset the following 3.5 years as 30,600 net new jobs were added including several high-profile expansions such as Bechtel (700 jobs); Navy Federal Credit Union (600 jobs); Agilex (250 jobs); and the consolidation of jobs at Fort Belvoir. The base was a major beneficiary of the Base Realignment and Closure Act of 2005 (BRAC) in that roughly 19,300 net new military and civilian jobs were transferred to Fort Belvoir. Growth continued during 2017, with a net increase of 6,930 positions and an additional gain of 7,620 jobs through Q2 2018. Since 2007, at-place employment in Fairfax County has increased by 20,690 jobs, or 3.3 percent.

As illustrated by the lines in the bottom portion of Figure 7 has generally followed national trends in terms of year to year job change. The county’s job losses were less pronounced during the national recession, but employment dipped during 2013 and 2014 while the national rate of job growth remained steady.

Figure 7 At-Place Employment, Fairfax County

2. At-Place Employment by Industry Sector

The local economy is dominated by the Professional-Business sector (Figure 8). As of Q2 2018, employers in this white-collar sector account for 35 percent of the county’s employment base, a concentration that is more than twice the national average. Government contractors, law firms, lobbying groups, and national non-profit or membership organizations are among the entities
constituting the Professional-Business sector in the Washington, DC area. Employers in the white-collar Financial Activities and Information sectors account for an additional nine percent of all jobs in Fairfax County. Owing to the high concentration of white-collar employment in the county, the percentages of total jobs in the Government, Trade-Transportation-Utilities, Education-Health, and Leisure-Hospitality sectors (ranging from nine to fourteen percent) trail the national averages for these sectors. Fairfax County has a limited base of Manufacturing sector employment, representing just one percent of all jobs.

Figure 8 Total Employment by Sector, Q2 2018

Six of eleven economic sectors added jobs in Fairfax County from 2011 to Q2 2018 including 21 percent growth in Education-Health, 20 percent growth in Leisure-Hospitality, and 18 percent growth in Financial Activities. Sectors which grew by five percent or less include Other, Trade-Transportation-Utilities, and Government. Over this period, Fairfax County’s substantial Professional – Business sector decreased by 0.2 percent compared to 17.9 percent growth on a national basis. Three additional sectors, Manufacturing, Information, and Construction, experienced losses as well, but these sectors represent a relatively small portion of the local economy. The Natural Resources-Mining sector also lost ground but represents negligible portion of the county’s jobs.

3. Major Employers

Table 9 outlines Fairfax County’s largest private employers in terms of number of employees, as reported by the Virginia Employment Commission. All of the county’s largest employers have at least 1,000 employees each. Four of the largest employers are in the Professional-Business sector and conduct significant contracting work for the federal government. Much of this work is affiliated with national defense, and accordingly, both the US Department of Defense and the Department of Homeland Defense are major employers. Four of the top employers are in the Financial Services sector. The remaining employers are in the Education-Health and Government sectors. As shown in Map 5, most of the major employers in the county are within reasonable commuting distance from the subject community except for three organizations located in the Alexandria area.
Figure 9 Employment Change by Sector, 2011 – Q2 2018

Table 9 Largest Employers in Fairfax County 2017

<table>
<thead>
<tr>
<th>Rank</th>
<th>Name</th>
<th>Sector</th>
<th>Employment</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Anteon Corporation</td>
<td>Professional, Scientific, and Technical Services</td>
<td>1000 +</td>
</tr>
<tr>
<td>2</td>
<td>Booz, Allen and Hamilton</td>
<td>Professional, Scientific, and Technical Services</td>
<td>1000 +</td>
</tr>
<tr>
<td>3</td>
<td>Capital One Bank</td>
<td>Credit Intermediation and Related Activities</td>
<td>1000 +</td>
</tr>
<tr>
<td>4</td>
<td>County of Fairfax</td>
<td>County Government</td>
<td>1000 +</td>
</tr>
<tr>
<td>5</td>
<td>Fairfax County Public Schools</td>
<td>Educational Services</td>
<td>1000 +</td>
</tr>
<tr>
<td>6</td>
<td>Fannie Mae</td>
<td>Credit Intermediation and Related Activities</td>
<td>1000 +</td>
</tr>
<tr>
<td>7</td>
<td>Federal Home Loan Mortgage</td>
<td>Credit Intermediation and Related Activities</td>
<td>1000 +</td>
</tr>
<tr>
<td>8</td>
<td>George Mason University</td>
<td>Educational Services</td>
<td>1000 +</td>
</tr>
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<td>9</td>
<td>Inova Health System</td>
<td>Hospitals</td>
<td>1000 +</td>
</tr>
<tr>
<td>10</td>
<td>Navy Federal Credit Union</td>
<td>Finance and Insurance</td>
<td>1000 +</td>
</tr>
<tr>
<td>11</td>
<td>Northrop Grumman Corporation</td>
<td>Computer and Electronic Product Manufacturing</td>
<td>1000 +</td>
</tr>
<tr>
<td>12</td>
<td>Postal Service</td>
<td>Postal Service</td>
<td>1000 +</td>
</tr>
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<td>13</td>
<td>The Mitre Corporation</td>
<td>Professional, Scientific, and Technical Services</td>
<td>1000 +</td>
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<tr>
<td>14</td>
<td>U.S. Department of Defense</td>
<td>National Security and International Affairs</td>
<td>1000 +</td>
</tr>
</tbody>
</table>

Source: Virginia Employment Commission
E. Wage Trends

The average annual wage in 2017 for Fairfax County was $84,119 (Table 10). In 2017, the county's average annual wage was 49 percent higher than the average annual wage throughout Virginia ($56,503) and 52 percent higher than the average wage nationally ($55,375). The average annual wage in Fairfax County has steadily increased each year between 2010 and 2017.

Table 10 Average Annual Wage

<table>
<thead>
<tr>
<th></th>
<th></th>
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<td>Fairfax County</td>
<td>$74,398</td>
<td>$76,204</td>
<td>$77,744</td>
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<td>$78,839</td>
<td>$80,942</td>
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<td>Virginia</td>
<td>$49,651</td>
<td>$50,657</td>
<td>$51,646</td>
<td>$51,918</td>
<td>$52,929</td>
<td>$54,276</td>
<td>$54,855</td>
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<td>United States</td>
<td>$46,751</td>
<td>$48,043</td>
<td>$49,289</td>
<td>$49,804</td>
<td>$51,361</td>
<td>$52,942</td>
<td>$53,621</td>
<td>$55,375</td>
</tr>
</tbody>
</table>

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

The average wage in Fairfax County exceeds the national average for all sectors (Figure 10). The highest wage sectors in the county as of 2016 were Information ($135,065), Financial Activities ($119,008), and Professional-Business ($114,898).
F. Economic Expansions, Contractions, and Projections

The Fairfax County Economic Development Authority provides quarterly data on new and expanding businesses. The following is a summary of larger job additions announced in the first and second quarters of 2018:

- Appian, an IT firm in Tysons Corner, expanded with 600 positions.
- The College Board, an Education firm in Reston, expanded with 120 positions.
- Favor TechConsulting LLC, an IT firm in Tysons Corner, expanded with 800 positions.
- The Boat Owners Association of the United States, an Association in Springfield, relocated with 375 positions.
- 22nd Century Technologies, Inc., and IT firm in Tysons Corner, expanded with 100 positions.

RPRG did not identify any large-scale layoffs or closures that were recently reported in Fairfax County.

G. Economic Conclusions and Projections

Despite the ebb and flow in at-place employment, the county economy is robust with unemployment rates consistently below the state and the nation. As of September 2018, the unemployment rate averaged 2.5 percent, less than the statewide rate of 3.1 percent and the national rate of 4.0 percent. The high-paying Professional-Business sector dominates the local economy, accounting for 2.5 times the national proportion. While the Fairfax County economy shed approximately 15,300 net jobs in 2009, it subsequently added back 17,800 net jobs over the next three years. Although Fairfax County again experienced a net loss of more than 11,000 jobs between 2013 and 2014, the local economy has since gained 30,600 positions, ending Q2 2018 at a new peak.
V. HOUSING MARKET AREA

A. Introduction

The primary market area for any new residential community is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive housing alternatives are located. In defining the primary 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 primary market area defined by RPRG to evaluate the proposed Arrowbrook Centre Apartments rental community is depicted in Map 6. The nineteen 2010 Census tracts comprising the primary market area are listed on the edge of the map. The primary market area will be referred to as the Arrowbrook Centre Market Area for the remainder of this report.

The Arrowbrook Centre Market Area includes the western portion of Fairfax bisected by the Dulles Access Road (Route 267). The market area generally runs from Route 7 on the north to Lee Jackson Memorial Highway (US Route 50) on the south and from the Fairfax/ Loudoun County boundary and Washington Dulles International Airport on the west and Fairfax County Parkway (Route 286) on the east. The incorporated area of the Fairfax County lies entirely within the market area; the unincorporated area of Reston lies immediately east of the market area.

The approximate boundaries of the Arrowbrook Centre Market Area and their distances from the subject site are as follows:

- **North:** Leesburg Pike (Route 7); Dranesville Road; Wiehle Avenue (4.3 miles)
- **East:** Reston Parkway; Baron Cameron Avenue; Fairfax County Parkway (2.0 miles).
- **South:** Lee Jackson Memorial Highway; (4.5 miles)
- **West:** Fairfax County/ Loudoun County boundary; Sully Road (1.5 miles)

As appropriate for this analysis, RPRG compares and contrasts the Arrowbrook Centre Market Area with Fairfax County. We consider Fairfax County to be the secondary market area for Arrowbrook Centre Apartments.
Map 6 Arrowbrook Centre Market Area
VI. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Arrowbrook Centre Market Area and Fairfax County using the following data sources:

- The U.S. Census Bureau’s 2000 & 2010 Census of Population and Housing
- The U.S. Census Bureau’s American Community Survey for the years 2013 through 2017
- 2019 estimates and 2024 projections by Census tract from Esri, which incorporate 2010 Census data. Esri is a private national vendor of demographic data.
- We also examined the Round 9.1 forecasts by traffic analysis (TAZ) from the area’s metropolitan planning organization, the Metropolitan Washington Council of Governments (MWCOG). The forecasts were released on October 10, 2018. This data incorporates the 2010 Census Data.
- Data on permits for new residential units in Fairfax County, compiled by the U.S. Census Bureau

In considering population and household trends moving forward from the 2010 Census, RPRG evaluated both MWCOG and Esri estimates and projections. Both MWCOG and Esri project that population and household totals have continued to increase since 2010 and will continue to increase, though at lower rates than recorded between 2000 and 2010.

Given available information, RPRG elects to base our analysis on the estimates and projections from MWCOG as these projections have recently been updated and incorporate 2010 as their base. In general, local planning organizations are in the best position to incorporate new residential projects and developable land in their forecasts.

B. Trends in Population and Households

1. Recent Past Trends

At the time of the 2000 Census, 62,997 persons and 20,993 households resided in Arrowbrook Centre Market Area (Table 11). Based on the 2010 Census, the population of the market area stood at 76,763 in 2010, reflecting a 21.9 percent increase since 2000. The primary market area’s 2010 household base of 27,047 increased by 28.8 percent versus the 2000 base. These overall increases translate to annual growth rates of 2.0 percent for population and 2.6 percent for household growth. As of 2010, 1,116,623 persons and 405,075 households resided in the Fairfax County; the population and household bases increased by 1.1 percent annually since 2000.

Based on MWCOG trends, RPRG estimates that the primary market area’s population grew by 1,028 persons (1.3 percent) per year and its household base grew by 285 households (1.0 percent) annually. The estimated population and household totals for the Arrowbrook Centre Market Area as of 2019 are 86,017 persons and 29,612 households. For Fairfax County, RPRG estimates that the population and household bases increased by 0.7 percent, respectively, each year between 2010 and 2019.
2. Projected Trends

Based on MWCOG data, RPRG projects that the Arrowbrook Centre Market Area will continue to experience steady net population increases, though moderately slower than over the past 19 years. The population will grow at an average rate of 1.1 percent or 929 persons per year over the next five years. In contrast to population forecasts, the market area’s household base will expand at a faster rate compared to the 2010 to 2019 period but still well below 2000 to 2010 rates. RPRG projects that the market area’s household base will expand at an annual rate of 389 households (1.3 percent) through 2024. The county will experience population and household growth rates of 0.8 and 1.0, respectively, percent on an annual basis through 2024.

3. Building Permit Trends

Trends in residential building permits across the county (including the cities of Fairfax and Falls Church) generally reflect the strong household growth in this portion of Northern Virginia. Between 2007 and 2017, Fairfax County authorized an average of 1,711 new residential units per year with much greater activity during the last four years of this period (Table 12). During 2007 to 2008, permits averaged 1,485 units and then dropped to an average of 861 units during the recession years. In 2012, permit activity rebounded to the 1,500 level but then dropped to 1,106 permits in 2013. The true recovery started in 2014 when permits jumped to 2,850 permits and remained about the 2,000 level through 2017 (averaging 2,662 permits over the four year period).
Over this 11-year period, an annual average of 951 single family units were permitted, compared to the multifamily (structures with five or more units) average of 758 units. Multifamily rental units accounted for 44 percent of the new construction housing supply over this 17-year period while single-family units accounted for the remaining 56 percent. However, between 2014 and 2016, the number of multifamily units permitted nearly doubled relative to the single-family homes permitted, accounting to 65 percent of permitted units. Many of these multifamily units are being developed around the new Silver Line Metro stations (as well as other Metrorail locations) where residential density is increasing significantly because of efforts to encourage transit-oriented development.

Table 12 Building Permits for New Residential Units, Fairfax County

<table>
<thead>
<tr>
<th>Fairfax County (Includes Falls Church and Fairfax City)</th>
<th>2007-2017</th>
<th>Annual Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family</td>
<td>1,312</td>
<td>10,459</td>
</tr>
<tr>
<td>Two Family</td>
<td>0</td>
<td>16</td>
</tr>
<tr>
<td>3 - 4 Family</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>5+ Family</td>
<td>250</td>
<td>8,338</td>
</tr>
<tr>
<td>Total</td>
<td>1,562</td>
<td>18,816</td>
</tr>
<tr>
<td>Total Housing Units Permitted</td>
<td>1,509</td>
<td>1,711</td>
</tr>
</tbody>
</table>

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

C. Demographic Characteristics

1. Age Distribution and Household Type

The median age in the Arrowbrook Centre Market Area is 34, four years younger than the median age of residents of Fairfax County (38 years) (Table 13). Young adults comprise a higher percentage of the primary market area’s population than that of the county’s population – 22.7 percent versus 19.3 percent. Adults ages 35 to 61 account for roughly similar percentages in both areas – 38 percent. Senior citizens aged 62 and older account for only 12.0 percent of the primary market area’s population, significantly below the 18.2 percent share in the county. Children and youth under age 20 comprise roughly one-quarter of the population in the county and 27 percent in the market area.
According to the 2010 Census, 58.5 percent of households were married in the market area, slightly above the 57.2 percent proportion in the county. Individuals living alone – a category that typically includes many young adults and seniors – accounted for 21 percent of the households in the Arrowbrook Centre Market Area and 23 percent of the households throughout the county as of 2010 (Table 14). In the primary market area, 7.2 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 market area (41.4 percent) is greater than the percentage of households with children throughout in Fairfax County (36.6 percent). Households without children account for 37.4 percent of all households in the primary market area and 40.5 percent in the county.

**Table 13 2019 Age Distribution**

<table>
<thead>
<tr>
<th>2019 Age Distribution</th>
<th>Fairfax County</th>
<th>Arrowbrook Centre Market Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>#</td>
<td>%</td>
<td>#</td>
</tr>
<tr>
<td>Child/Youth</td>
<td>298,678</td>
<td>23,296</td>
</tr>
<tr>
<td>1st Age Group</td>
<td></td>
<td>%</td>
</tr>
<tr>
<td>Under 5 years</td>
<td>69,619</td>
<td>6,340</td>
</tr>
<tr>
<td>5-9 years</td>
<td>75,733</td>
<td>6,073</td>
</tr>
<tr>
<td>10-14 years</td>
<td>80,312</td>
<td>5,919</td>
</tr>
<tr>
<td>15-19 years</td>
<td>73,014</td>
<td>4,964</td>
</tr>
<tr>
<td>Young Adults</td>
<td>230,076</td>
<td>19,535</td>
</tr>
<tr>
<td>20-24 years</td>
<td>66,655</td>
<td>4,929</td>
</tr>
<tr>
<td>25-34 years</td>
<td>163,425</td>
<td>14,606</td>
</tr>
<tr>
<td>Adults</td>
<td>448,186</td>
<td>32,885</td>
</tr>
<tr>
<td>35-44 years</td>
<td>168,580</td>
<td>14,105</td>
</tr>
<tr>
<td>45-54 years</td>
<td>167,367</td>
<td>11,750</td>
</tr>
<tr>
<td>55-61 years</td>
<td>112,239</td>
<td>7,030</td>
</tr>
<tr>
<td>Seniors</td>
<td>216,901</td>
<td>10,302</td>
</tr>
<tr>
<td>62-64 years</td>
<td>48,102</td>
<td>3,013</td>
</tr>
<tr>
<td>65-74 years</td>
<td>105,579</td>
<td>5,339</td>
</tr>
<tr>
<td>75-84 years</td>
<td>45,866</td>
<td>1,533</td>
</tr>
<tr>
<td>85 and Older</td>
<td>17,533</td>
<td>418</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,193,840</td>
<td>86,017</td>
</tr>
</tbody>
</table>

**Median Age** 38 34

**Source:** Esri; RPRG, Inc.

**Table 14 2010 Households by Household Type**

<table>
<thead>
<tr>
<th>2010 Households by Household Type</th>
<th>Fairfax County</th>
<th>Arrowbrook Centre Market Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>#</td>
<td>%</td>
<td>#</td>
</tr>
<tr>
<td>Married w/Children</td>
<td>117,171</td>
<td>8,938</td>
</tr>
<tr>
<td>Other w/Children</td>
<td>31,225</td>
<td>2,258</td>
</tr>
<tr>
<td>Households w/Children</td>
<td>148,396</td>
<td>11,196</td>
</tr>
<tr>
<td>Married w/o Children</td>
<td>114,591</td>
<td>6,907</td>
</tr>
<tr>
<td>Other Family w/o Children</td>
<td>22,973</td>
<td>1,282</td>
</tr>
<tr>
<td>Non-Family w/o Children</td>
<td>26,480</td>
<td>1,935</td>
</tr>
<tr>
<td>Households w/o Children</td>
<td>164,044</td>
<td>10,124</td>
</tr>
<tr>
<td>Singles</td>
<td>92,635</td>
<td>5,727</td>
</tr>
<tr>
<td>Total</td>
<td>405,075</td>
<td>27,047</td>
</tr>
</tbody>
</table>

**Source:** 2010 Census; RPRG, Inc.
2. Households by Tenure
   
a. Recent Past Trends

The number of renter households in the Arrowbrook Centre Market Area increased from 6,151 in 2000 to 11,967 in 2019 for a net increase of 5,816 renter households or 94.6 percent (Figure 11). By comparison, the number of owner households in the market area increased by only 11.0 percent during the same period, from 14,842 to 16,475.

![Figure 11 Arrowhead Centre Market Area HH by Tenure, 2000 to 2019](source: U.S. Census of Population and Housing, 2000, 2010; Esri, RPRG, Inc.)

The Arrowbrook Centre Market Area’s renter percentage of 42.1 percent in 2019 is substantially above the county’s 33.8 percent (Table 15). The market area’s annual average growth by tenure over the past 19 years was 306 renter households (3.6 percent) compared to a gain of 86 owner households (0.6 percent). The last column of Table 15 (blue shaded) quantifies the market area’s net growth by tenure over the past 19 years; renter households contributed 78.1 percent of net household growth over this period. Renter households contributed a lesser share of net household growth in the region at 58.0 percent of net household growth over the past 19 years. The region’s renter households increased at an average annual rate of 1.7 percent compared to 0.6 percent for owner households.

### Table 15 Households by Tenure 2000-2019

<table>
<thead>
<tr>
<th>Housing Units</th>
<th>Owner Occupied</th>
<th>Renter Occupied</th>
<th>Total Occupied</th>
<th>Total Vacant</th>
<th>TOTAL UNITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fairfax County</td>
<td>2000</td>
<td>2010</td>
<td>2019</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owner Occupied</td>
<td>257,105</td>
<td>70.8%</td>
<td>281,123</td>
<td>69.4%</td>
<td>286,039</td>
</tr>
<tr>
<td>Renter Occupied</td>
<td>106,153</td>
<td>29.2%</td>
<td>123,952</td>
<td>30.6%</td>
<td>146,120</td>
</tr>
<tr>
<td>Total Occupied</td>
<td>363,258</td>
<td>100%</td>
<td>405,075</td>
<td>100%</td>
<td>432,159</td>
</tr>
<tr>
<td>Total Vacant</td>
<td>9,121</td>
<td>17,092</td>
<td>17,300</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL UNITS</td>
<td>372,379</td>
<td>422,167</td>
<td>449,459</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Change 2000-2019</th>
<th>% of Change 2000 - 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Change</td>
<td></td>
</tr>
<tr>
<td>Annual Change</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Arrowbrook Centre Market Area</th>
<th>2000</th>
<th>2010</th>
<th>2019</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner Occupied</td>
<td>14,842</td>
<td>70.7%</td>
<td>16,497</td>
<td>61.0%</td>
<td>16,475</td>
</tr>
<tr>
<td>Renter Occupied</td>
<td>6,151</td>
<td>29.3%</td>
<td>10,550</td>
<td>39.0%</td>
<td>11,967</td>
</tr>
<tr>
<td>Total Occupied</td>
<td>20,993</td>
<td>100%</td>
<td>27,047</td>
<td>100%</td>
<td>28,442</td>
</tr>
<tr>
<td>Total Vacant</td>
<td>808</td>
<td>1,124</td>
<td>1,298</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL UNITS</td>
<td>21,801</td>
<td>28,171</td>
<td>29,740</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

2 Based on change from 2000 to 2010 Census counts and Esri’s 2018 Estimate
b. Projected Tenure Trends

Esri projects the renter household growth in the market area to slow significantly 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. Esri changed its methodology for determining household tenure in its most recent data release to include national multi-family property data from Axiomtrics in addition to other changes. Esri’s new methodology is producing significant deviations from recent past trends that are inconsistent with verified construction and lease-up activity in many markets across the United States, including the Arrowbrook Centre Market Area.

As detailed in Table 16, Esri projects renter households to increase by 130 households over the next five years or annual growth of roughly 26 renter households; the market area added an average of 306 renter household year over the past 19 years. This decrease in renter household growth is also not supported by current development activity, which includes three short term and two longer term multi-family rental developments that exceeds the pace of one new multifamily community introduced over the past five years.

Based on our research including an analysis of demographic and multi-family trends, RPRG projects renter households will continue to contribute roughly 78.1 percent of net household growth over the next five years that matches renter share of household growth over the past 19 years.

Table 16 Households by Tenure, 2019-2024

<table>
<thead>
<tr>
<th>Arrowbrook Centre Market Area</th>
<th>Housing Units</th>
<th>2019</th>
<th>2024 Esri HH by Tenure</th>
<th>Esri Change by Tenure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>#</td>
<td>%</td>
<td>#</td>
</tr>
<tr>
<td>Owner Occupied</td>
<td>16,475</td>
<td>57.9%</td>
<td>17,002</td>
<td>527</td>
</tr>
<tr>
<td>Renter Occupied</td>
<td>11,967</td>
<td>42.1%</td>
<td>12,097</td>
<td>130</td>
</tr>
<tr>
<td>Total Occupied</td>
<td>28,442</td>
<td>100%</td>
<td>29,099</td>
<td>657</td>
</tr>
<tr>
<td>Total Vacant</td>
<td>1,290</td>
<td></td>
<td>1,617</td>
<td></td>
</tr>
<tr>
<td>TOTAL UNITS</td>
<td>29,732</td>
<td></td>
<td>30,716</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Arrowbrook Centre Market Area</th>
<th>Housing Units</th>
<th>2019</th>
<th>2024 RPRG HH by Tenure</th>
<th>RPRG Change by Tenure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>#</td>
<td>%</td>
<td>#</td>
</tr>
<tr>
<td>Owner Occupied</td>
<td>17,153</td>
<td>57.9%</td>
<td>17,579</td>
<td>427</td>
</tr>
<tr>
<td>Renter Occupied</td>
<td>12,459</td>
<td>42.1%</td>
<td>13,978</td>
<td>1,519</td>
</tr>
<tr>
<td>Total Occupied</td>
<td>29,612</td>
<td>100%</td>
<td>31,558</td>
<td>1,946</td>
</tr>
<tr>
<td>Total Vacant</td>
<td>1,290</td>
<td></td>
<td>1,617</td>
<td></td>
</tr>
<tr>
<td>TOTAL UNITS</td>
<td>30,901</td>
<td></td>
<td>33,174</td>
<td></td>
</tr>
</tbody>
</table>

Source: Esri, RPRG, Inc.

---

3 July 2018 Release
4 Correspondence with Douglas Skuta or Esri on 7/27/18
3. Renter Household Characteristics

One- and two-person households combined accounted for 57.8 percent of the renter households in the Arrowbrook Centre Market Area and a lesser proportion (55.8 percent) throughout the county, as of the 2010 Census (Table 17). Renter households with three to four members accounted for 31 percent of all renter households in the market area and county. Renter households with five or more members were slightly less common in the primary market area (12.4 percent of renters) than throughout Fairfax County (13.2 percent).

Table 17 Renter Households by Household Size

<table>
<thead>
<tr>
<th>Renter Occupied</th>
<th>Fairfax County</th>
<th>Arrowbrook Centre Market Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>#</td>
<td>%</td>
<td>#</td>
</tr>
<tr>
<td>1-person hld</td>
<td>36,362 29.3%</td>
<td>3,021 28.6%</td>
</tr>
<tr>
<td>2-person hld</td>
<td>32,838 26.5%</td>
<td>2,973 28.2%</td>
</tr>
<tr>
<td>3-person hld</td>
<td>20,560 16.6%</td>
<td>1,893 17.9%</td>
</tr>
<tr>
<td>4-person hld</td>
<td>17,857 14.4%</td>
<td>1,353 12.8%</td>
</tr>
<tr>
<td>5+-person hld</td>
<td>16,335 13.2%</td>
<td>1,310 12.4%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>123,952 100%</td>
<td>10,550 100%</td>
</tr>
</tbody>
</table>

Source: 2010 Census

The Arrowbrook Centre Market Area has a higher proportion of younger renters than does the county as a whole (Table 18). Forty percent of primary market area renters as of 2019 are estimated to be below the age of 35 while only 35 percent are represented throughout the county. Renter households between the ages of 35 and 54 account for 41 percent of all renter households within the market area and county. 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 18.8 percent of all renters within the market area, considerably less than the 24.3 percent share countywide.

Table 18 Renter Households by Age of Householder

<table>
<thead>
<tr>
<th>Renter Households</th>
<th>Fairfax County</th>
<th>Arrowbrook Centre Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age of HHldr</td>
<td>#</td>
<td>%</td>
</tr>
<tr>
<td>15-24 years</td>
<td>10,211 7.0%</td>
<td>931 7.5%</td>
</tr>
<tr>
<td>25-34 years</td>
<td>41,303 28.3%</td>
<td>4,077 32.7%</td>
</tr>
<tr>
<td>35-44 years</td>
<td>34,887 23.9%</td>
<td>3,315 26.6%</td>
</tr>
<tr>
<td>45-54 years</td>
<td>24,366 16.7%</td>
<td>1,806 14.5%</td>
</tr>
<tr>
<td>55-64 years</td>
<td>15,577 10.7%</td>
<td>1,092 8.8%</td>
</tr>
<tr>
<td>65-74 years</td>
<td>8,871 6.1%</td>
<td>745 6.0%</td>
</tr>
<tr>
<td>75+ years</td>
<td>10,904 7.5%</td>
<td>494 4.0%</td>
</tr>
<tr>
<td>Total</td>
<td>146,120 100%</td>
<td>12,459 100%</td>
</tr>
</tbody>
</table>

Source: Esri, Real Property Research Group, Inc.
D. Income Characteristics

The Arrowbrook Centre Market Area and Fairfax County as a whole are affluent communities with comparable median incomes in the $121,000 to $122,000 range (Table 19). Twenty seven percent of market area households earn between $0 and $74,999, the income range for the target 30 percent to 60 percent AMI rents. Twelve percent of households earn between $75,000 and $99,000 and 61 percent of households earn $100,000 and above.

Table 19 2018 Household Income

<table>
<thead>
<tr>
<th>Estimated 2019 Household Income</th>
<th>Fairfax County</th>
<th>Arrowbrook Centre Market Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0-$74,999</td>
<td>$784 (2.6%)</td>
<td>15,239 (3.5%)</td>
</tr>
<tr>
<td>$75,000-$99,999</td>
<td>$1,041 (3.5%)</td>
<td>14,815 (3.4%)</td>
</tr>
<tr>
<td>$100,000-$149,999</td>
<td>$1,756 (5.9%)</td>
<td>26,356 (6.1%)</td>
</tr>
<tr>
<td>$150,000 over</td>
<td>$1,765 (5.9%)</td>
<td>52,383 (12.1%)</td>
</tr>
<tr>
<td>Total</td>
<td>15,239 (3.5%)</td>
<td>432,159 (100%)</td>
</tr>
</tbody>
</table>

Median Income: $122,440

Source: Esri; Real Property Research Group, Inc.

Table 20 presents distributions of 2019 household incomes for renter and homeowner households in the Arrowbrook Centre Market Area. Based on income estimate data from the 2013-2017 ACS, Esri income projections, and RPRG’s household estimates, the median annual income among the primary market area’s renter households as of 2019 is estimated at a substantial $91,690. The median income of homeowner households in the market area ($147,394) is 61 percent higher than the median renter income. Only nine percent of the primary market area’s renters have annual incomes below $25,000. Roughly 39 percent of rental households earn between $0 and $74,999 (the income range for the target 30 percent to 60 percent AMI rents), while the remaining 61 percent have incomes of $75,000 or more.

Table 20 2019 Household Income by Tenure

<table>
<thead>
<tr>
<th>Estimated 2019 HH Income</th>
<th>Renter Households</th>
<th>Owner Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrowbrook Centre Market Area</td>
<td>#</td>
<td>%</td>
</tr>
<tr>
<td>less than $15,000</td>
<td>611</td>
<td>4.9%</td>
</tr>
<tr>
<td>$15,000-$24,999</td>
<td>537</td>
<td>4.3%</td>
</tr>
<tr>
<td>$25,000-$34,999</td>
<td>741</td>
<td>5.9%</td>
</tr>
<tr>
<td>$35,000-$49,999</td>
<td>1,063</td>
<td>8.5%</td>
</tr>
<tr>
<td>$50,000-$74,999</td>
<td>1,933</td>
<td>15.5%</td>
</tr>
<tr>
<td>$75,000-$99,999</td>
<td>2,013</td>
<td>16.2%</td>
</tr>
<tr>
<td>$100,000-$149,999</td>
<td>3,485</td>
<td>28.0%</td>
</tr>
<tr>
<td>$150,000 over</td>
<td>2,075</td>
<td>16.7%</td>
</tr>
<tr>
<td>Total</td>
<td>12,459</td>
<td>100%</td>
</tr>
</tbody>
</table>

Median Income: $91,690

E. 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. VHDA requires that household rent burdens under the LIHTC program be no higher than 35 percent.

Rent burden data from the 2013-2017 ACS highlights that a significant portion of households (primarily lower-income) in the Arrowbrook Centre Market Area tend to pay a very high percentage of their monthly income toward housing costs (Table 21). Twenty-three percent of all renter households residing in the Arrowbrook Centre Market Area have rent burdens of 40 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, 9.1 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, 2013-2017, Arrowbrook Centre Market Area

<table>
<thead>
<tr>
<th>Rent Cost Burden</th>
<th>Total Households</th>
<th>#</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 10.0 percent</td>
<td>179</td>
<td>1.5%</td>
<td></td>
</tr>
<tr>
<td>10.0 to 14.9 percent</td>
<td>1,331</td>
<td>11.5%</td>
<td></td>
</tr>
<tr>
<td>15.0 to 19.9 percent</td>
<td>2,246</td>
<td>19.4%</td>
<td></td>
</tr>
<tr>
<td>20.0 to 24.9 percent</td>
<td>2,120</td>
<td>18.3%</td>
<td></td>
</tr>
<tr>
<td>25.0 to 29.9 percent</td>
<td>1,544</td>
<td>13.3%</td>
<td></td>
</tr>
<tr>
<td>30.0 to 34.9 percent</td>
<td>996</td>
<td>8.6%</td>
<td></td>
</tr>
<tr>
<td>35.0 to 39.9 percent</td>
<td>396</td>
<td>3.4%</td>
<td></td>
</tr>
<tr>
<td>40.0 to 49.9 percent</td>
<td>987</td>
<td>8.5%</td>
<td></td>
</tr>
<tr>
<td>50.0 percent or more</td>
<td>1,608</td>
<td>13.9%</td>
<td></td>
</tr>
<tr>
<td>Not computed</td>
<td>178</td>
<td>1.5%</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>11,585</strong></td>
<td><strong>100%</strong></td>
<td></td>
</tr>
<tr>
<td><strong>&gt; 40% income on rent</strong></td>
<td><strong>2,595</strong></td>
<td><strong>22.7%</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: American Community Survey 2013-2017

<table>
<thead>
<tr>
<th>Substandardness</th>
<th>Total Households</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Owner occupied:</strong></td>
<td></td>
</tr>
<tr>
<td>Complete plumbing facilities:</td>
<td>16,178</td>
</tr>
<tr>
<td>1.00 or less occupants per room</td>
<td>15,896</td>
</tr>
<tr>
<td>1.01 or more occupants per room</td>
<td>282</td>
</tr>
<tr>
<td>Lacking complete plumbing facilities:</td>
<td>5</td>
</tr>
<tr>
<td>Overcrowded or lacking plumbing</td>
<td>287</td>
</tr>
<tr>
<td><strong>Renter occupied:</strong></td>
<td></td>
</tr>
<tr>
<td>Complete plumbing facilities:</td>
<td>11,543</td>
</tr>
<tr>
<td>1.00 or less occupants per room</td>
<td>10,536</td>
</tr>
<tr>
<td>1.01 or more occupants per room</td>
<td>1,007</td>
</tr>
<tr>
<td>Lacking complete plumbing facilities:</td>
<td>42</td>
</tr>
<tr>
<td>Overcrowded or lacking plumbing</td>
<td>1,049</td>
</tr>
</tbody>
</table>

| Substandard Housing | 1,336 |
| % Total Stock Substandard | 4.8% |
| % Rental Stock Substandard | 9.1% |
VII. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the Arrowbrook Centre Market Area. We provide data regarding structure types, structure age, and home values from the 2013-2017 ACS. We then report the results of our survey of competitive rental communities in February 2019. 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

As recorded in the 2013-2017 ACS, 60 percent of the renter-occupied housing stock of the Arrowbrook Centre Market Area was found in larger multifamily structures evenly divided between structures with 10 to 19 units and structures with 20 or more units (Table 22). Another 20 percent of all units were in single-family attached homes. Eleven percent of units were in medium-sized structures containing from three to nine units and 7.5 percent of rental units were in single-family detached homes. Throughout Fairfax County, more renter-occupied units were in single-family structures (32.8 percent) and fewer were in large multifamily structures (52.6 percent), while 13.1 percent of rental units were in medium-sized multifamily buildings.

Table 22 Rental Dwelling Units by Structure Type

<table>
<thead>
<tr>
<th>Structure Type</th>
<th>Fairfax County</th>
<th>Centre Market Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>#</td>
<td>%</td>
<td>#</td>
</tr>
<tr>
<td>1, detached</td>
<td>18,133</td>
<td>13.8%</td>
</tr>
<tr>
<td>1, attached</td>
<td>24,943</td>
<td>19.0%</td>
</tr>
<tr>
<td>2</td>
<td>1,320</td>
<td>1.0%</td>
</tr>
<tr>
<td>3-4</td>
<td>3,313</td>
<td>2.5%</td>
</tr>
<tr>
<td>5-9</td>
<td>13,893</td>
<td>10.6%</td>
</tr>
<tr>
<td>10-19</td>
<td>33,025</td>
<td>25.2%</td>
</tr>
<tr>
<td>20+ units</td>
<td>35,945</td>
<td>27.4%</td>
</tr>
<tr>
<td>Mobile home</td>
<td>702</td>
<td>0.5%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>131,274</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: American Community Survey 2013-2017

The median age of the rental housing stock of the Arrowbrook Centre Market Area at 23 years is significantly younger at than the median age of the Fairfax County rental housing stock at 36 years (Table 23). Nearly 38 percent of the market area rental stock has been built since 2000, double the 19 percent share in the county. Another 32 percent of the market area rental stock was built during the 1990’s, larger than the 18 percent share in the county. Almost all of the remaining rental stock in the market area (one quarter) was built during the 1970’s and 1980’s. In the county, 40 percent of the rental stock was built during the 1970’s and 1980’s and another 14 percent was built during the 1960’s.
Table 23 Rental Dwelling Units by Year Built

<table>
<thead>
<tr>
<th>Year Built</th>
<th>Fairfax County</th>
<th>Arrowbrook Centre Market Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014 or later</td>
<td>1,684 1.3%</td>
<td>152 1.3%</td>
</tr>
<tr>
<td>2010 to 2013</td>
<td>4,290 3.3%</td>
<td>508 4.4%</td>
</tr>
<tr>
<td>2000 to 2009</td>
<td>18,826 14.3%</td>
<td>3,732 32.2%</td>
</tr>
<tr>
<td>1990 to 1999</td>
<td>23,504 17.9%</td>
<td>3,691 31.9%</td>
</tr>
<tr>
<td>1980 to 1989</td>
<td>25,707 19.6%</td>
<td>1,806 15.6%</td>
</tr>
<tr>
<td>1970 to 1979</td>
<td>27,079 20.6%</td>
<td>1,267 10.9%</td>
</tr>
<tr>
<td>1960 to 1969</td>
<td>18,110 13.8%</td>
<td>169 1.5%</td>
</tr>
<tr>
<td>1950 to 1959</td>
<td>8,706 6.6%</td>
<td>196 1.7%</td>
</tr>
<tr>
<td>1940 to 1949</td>
<td>2,180 1.7%</td>
<td>52 0.4%</td>
</tr>
<tr>
<td>1939 or earlier</td>
<td>1,267 1.0%</td>
<td>12 0.1%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>131,353 100%</td>
<td>11,585 100%</td>
</tr>
</tbody>
</table>

Source: American Community Survey 2013-2017

Per the 2013-2017 ACS, both the Arrowbrook Centre Market Area and Fairfax County offer relatively high priced for-sale housing (Table 24). The median value across the owner-occupied housing stock in the primary market area as of 2013-2017 was $487,180. The median homeownership unit in the county as a whole was 10.1 percent higher at $536,532. Affordable homeownership opportunities in the Arrowbrook Centre Market Area are limited, as an estimated 500 units (3.1 percent) are valued at less than $200,000.

Table 24 Value of Owner Occupied Housing Stock

<table>
<thead>
<tr>
<th>2013-2017 Home Value</th>
<th>Fairfax County</th>
<th>Arrowbrook Centre Market Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>less than $60,000</td>
<td>4,434 1.6%</td>
<td>183 1.1%</td>
</tr>
<tr>
<td>$60,000-$99,999</td>
<td>1,402 0.5%</td>
<td>0 0.0%</td>
</tr>
<tr>
<td>$100,000-$149,999</td>
<td>2,916 1.1%</td>
<td>93 0.6%</td>
</tr>
<tr>
<td>$150,000-$199,999</td>
<td>5,848 2.1%</td>
<td>224 1.4%</td>
</tr>
<tr>
<td>$200,000-$299,999</td>
<td>21,321 7.7%</td>
<td>1,534 9.5%</td>
</tr>
<tr>
<td>$300,000-$399,999</td>
<td>39,534 14.3%</td>
<td>3,048 18.8%</td>
</tr>
<tr>
<td>$400,000-$499,999</td>
<td>49,142 17.8%</td>
<td>3,452 21.3%</td>
</tr>
<tr>
<td>$500,000-$749,999</td>
<td>91,150 33.0%</td>
<td>6,005 37.1%</td>
</tr>
<tr>
<td>$750,000 &amp; over</td>
<td>60,087 21.8%</td>
<td>1,644 10.2%</td>
</tr>
<tr>
<td>Total</td>
<td>275,834 100%</td>
<td>16,183 100%</td>
</tr>
</tbody>
</table>

Source: American Community Survey 2013-2017

C. Survey of General Occupancy Rental Communities

1. Introduction

To gauge the status of the rental market within which the proposed subject would compete, RPRG surveyed 26 general occupancy rental communities in the Arrowbrook Centre Market Area in
August 2018. Twenty-three properties offer strictly conventional market rate units and three communities are LIHTC properties; and one rental community includes 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 13 Upper Tier market rate communities represent the most modern (mostly built after 2000) and highest priced rental product available within the market area (one bedroom rents generally in excess of $1,500; two bedroom threshold rents in excess of $1,900). The ten Lower Tier market rate communities surveyed are lower priced, older communities (built between 1960 and 2000). The Affordable/Tax Credit rental communities are typically older properties that were financed with tax credit equity during the 1990’s.

Eight of the surveyed communities also offer Affordable Dwelling Units (ADU’s) which are primarily market rate communities with a small portion of units dedicated as income restricted (targeted to 50 and 70 percent AMI) through Fairfax County’s ADU program (started in 1996). Six of the communities are part of the Upper Tier group and two of the communities are part of the Lower Tier group.

Since 2007, Fairfax County has also mandated the Workforce Dwelling Unit (WDU’s) program that targets households earning 80, 100, and 120 percent AMI. Only one community, Station on Silver, currently participates in this program. According to the county, the limits are maximum rents – developers are allowed to charge lower rents if more compatible with market conditions. In today’s marketplace, the 80 percent rents are consistent with Upper Tier market rate rents – the 100 percent and 120 percent rents are substantially greater than the Upper Tier rent continuum. As a result, we did not isolate the 58 WDU’s at Station on Silver in the rent salient since all units will probably be rented at comparable levels to market rate apartments.

The detailed competitive survey excludes age-restricted senior rental properties. Other than properties containing ADU’s and WFHU’s, there are no market area subsidized communities. Profile sheets with detailed information on each surveyed general occupancy community, including photographs, are attached as Appendix 2.

2. Location

Map 7 shows the locations of the 26 surveyed competitive communities in relation to the subject site. Of the three rental communities with income-restricted units, two are located close to the subject just south of the Dulles Access Road; Apartments at North Point is located in the northeastern portion of the market area east of Fairfax County Parkway in Reston. Most of the Upper Tier communities (12 of 13) are located south of the Dulles Access Road within a one mile radius of the site (north of Frying Pan Road and east of Monroe Street). Two of the Lower Tier communities are also located within this general vicinity. Six of the remaining communities, including just one Upper Tier property is located north of the Dulles Access Road and south of Sterling Road/ Elden Street. The last two Lower Tier communities are located north of Sterling Road/ Elden Street and east of Herndon Parkway.
3. Age of Communities

The surveyed stock of market rate general occupancy rental communities has an average year built of 1995, translating to an average structure age of 24 years (Table 25). The Upper Tier market rate rental communities are relatively newer with an average year built of 2005, while the Lower Tier market rate and tax credit communities are older with an average year built of 1982 and 1996, respectively. Only two Upper Tier communities have opened since 2010 – the Icon at Dulles in 2013 and Station on Silver in September 2017 (currently in lease-up). The limited inventory of new rental product in the market area should expand over the next few years once the three Phase II Silver Line stations open in Reston Town Center and Herndon in 2020. Five of the Lower Tier communities opened during the period 1990 to 2000, concurrent with the three tax credit communities.

Among the Upper and Lower Tier market rate communities, five properties have reported significant renovations.

4. Structure Type

Among the Upper Tier communities, the mid-rise structure is the most common with seven properties having this structure type. Generally, these communities are elevator served with four to five stories. Four of the Upper Tier communities, seven of the Lower Tier communities, and all three tax credit communities are exclusively garden style. One Upper Tier property and three Lower Tier properties have a mix of both garden and townhouse units. The Upper Tier community of Townes at Herndon Center is the sole property offering exclusively townhouse units.
5. Size of Communities

The 26 surveyed rental communities offer 7,898 market rate and affordable units, with an overall average size of 304 units per community. The average size among the Upper Tier market rate rental communities is larger with 332 units, while the Lower Tier market rate communities have an average size of 298 units. The tax credit communities are smaller with an average size of 203 units.

6. Vacancy Rates

As of our survey, 253 of the 7,498 stabilized units were reported vacant, yielding an overall low vacancy rate of 3.4 percent. Among the Upper Tier market rate communities, the stabilized vacancy rate is 3.6 percent. The Lower Tier market rate communities reported an overall vacancy rate of 3.8 percent while the Affordable/Tax Credit communities are fully leased and all properties report waiting lists. Adding the one community currently in lease-up (Upper Tier), the overall vacancy rate increase to 3.7 percent and the Upper Tier vacancy rate increases to 4.3 percent. The
low stabilized vacancy rates for the surveyed communities are indicative of a tight rental market, given that 5.0 percent is a typical stabilized vacancy standard.

7. Rent Concessions

Among the 26 surveyed rental communities, four market rate rental properties (all Lower Tier) are advertising some leasing concessions, ranging from $1,000 off the first month’s rent to up to one month of free rent. None of the Upper Tier or tax credit communities are offering any type of leasing specials. Seven communities operate under a daily pricing regime where it is difficult to ascertain rent specials.

8. Absorption History

Station on Silver, opened in September 2017 and currently in lease-up, is the only community for which we have absorption history given that the next oldest community, Icon at Dulles, is five years old. The 400 unit Station on Silver is currently 89 percent leased that translates to a monthly lease-up pace of 21 units.

D. Analysis of Rental Products and Pricing

1. Payment of Utility Costs

Among all communities, twelve communities do not include any utilities in the rent and eight communities include only trash removal (Table 26). At three communities, nearly all utilities are included. Two communities include water, sewer, and trash and one community includes water, sewer, trash, and heat.

2. Parking

Among Upper Tier communities, seven communities offer free parking for the first car in structured garages and one community charges $50. Three communities offer surface parking exclusively; three also provide detached garages for monthly fees ranging from $129 to $150. Among Lower Tier communities, seven communities only offer surface parking and two communities offer detached garages for monthly fees ranging from $110 to $150. The three tax credit communities only provide surface parking.

3. Unit Features & Finishes

All kitchens at the surveyed rental communities are equipped with stoves/ranges and refrigerators; dishwashers are available in all units except in two Lower Tier market rate properties. Microwaves are available in ten Upper Tier properties, seven Lower Tier properties, and only one tax credit community. Full size washer-dryer units are provided in all Upper Tier communities, six Lower Tier communities, and two tax credit communities. One Lower Tier community and one tax credit community offer washer-dryer units in select units and one Lower Tier property provides hook-ups.

As expected, the Upper Tier market rate communities have the highest level of finishes, including units with granite countertops, stainless steel appliances, cherry or maple cabinetry, open kitchen floor plans with breakfast bars, laminate hardwood or ceramic tile flooring in the kitchen, as well as laminate wood flooring (or similar) in the main living area. Some communities also provide walk-in showers.
The level of finishes among the Lower Tier market rate and income-restricted rental supply is more basic, generally including laminated countertops, standard cabinets and lighting, white appliances and standard bathtubs/shower.

Private outdoor space in the form of patios or balconies is incorporated in some or all of the units at most rental communities. Within the Upper Tier market rate supply, this feature is available in only select units in the elevator-serviced communities but is available in all units at garden-style communities. Within the Lower Tier and tax credit rental communities, this feature is typically available.

Other features that are available in some rental communities include fireplaces; extra storage; and unit alarms. Some Upper Tier market rate communities include extra features, such as high ceilings; track or recessed lighting; built-in computer nooks, etc.

4. Community Amenities

As shown in Table 27, all surveyed rental communities in the Arrowbrook Centre Market, except for four smaller communities with 180 units or less, provide a full slate of amenities including a clubhouse (or dedicated community center space) with fitness center and outdoor swimming pool. Sixteen of these communities have a business center and eight communities (mostly garden style)
have playgrounds and tennis courts. Other features available within the competitive rental supply, particularly in the Upper Tier, include dog parks, yoga studios, outdoor grilling areas, bike storage, and game rooms.

Among the income-restricted rental supply, the 288 unit Coppermine Run offers a clubhouse, fitness room, pool, and tennis courts; the 272 unit Dulles Center offers a clubhouse, fitness room, pool, playground, and tennis courts; and the 82 unit Apartments at North Point offers only a playground.

Table 27 Community Amenities, Arrowbrook Centre Market Area Rental Communities

<table>
<thead>
<tr>
<th>Community</th>
<th>Clubhouse</th>
<th>Resident</th>
<th>Fitness Room</th>
<th>Pool</th>
<th>Hot Tub</th>
<th>Sauna</th>
<th>Playground</th>
<th>Tennis Court</th>
<th>Business Center</th>
<th>Gated Entry</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Upper Tier Communities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Station on Silver</td>
<td>☒</td>
<td>☒</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Ashton at Dulles Corner II</td>
<td>☒</td>
<td>☒</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Ashton at Dulles Corner</td>
<td>☒</td>
<td>☒</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Icon at Dulles</td>
<td>☒</td>
<td>☒</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Monroe Place</td>
<td>☒</td>
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<td>☒</td>
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<td>☐</td>
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<td>☒</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Adara Herndon</td>
<td>☒</td>
<td>☒</td>
<td>☒</td>
<td>☐</td>
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</tr>
<tr>
<td>Pointe at McNair Farms, The</td>
<td>☒</td>
<td>☒</td>
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<td>☐</td>
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</tr>
<tr>
<td>Mark at Dulles Station</td>
<td>☒</td>
<td>☒</td>
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<td>☐</td>
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<tr>
<td>Courts at Dulles</td>
<td>☒</td>
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</tr>
<tr>
<td>Townes at Herndon Center, The</td>
<td>☒</td>
<td>☒</td>
<td>☒</td>
<td>☐</td>
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<td>☐</td>
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</tr>
<tr>
<td>Camden Dulles Station</td>
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<td>☐</td>
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</tr>
<tr>
<td>Van Metre Woodland Park</td>
<td>☒</td>
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<td>☒</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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</tr>
<tr>
<td>The Pointe at Herndon</td>
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<tr>
<td><strong>Lower Tier Communities</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Westerly at Worldgate</td>
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<td>☐</td>
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</tr>
<tr>
<td>Berkdale</td>
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<td>☐</td>
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<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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</tr>
<tr>
<td>Ashford Meadows</td>
<td>☐</td>
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<td>☐</td>
<td>☐</td>
<td>☐</td>
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<td>☐</td>
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<tr>
<td>Dulles Greene</td>
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<td>☐</td>
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<tr>
<td>Trevors Run at Dulles Center</td>
<td>☐</td>
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<td>☐</td>
<td>☐</td>
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<tr>
<td>Pointe at Dulles, The</td>
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<td>☐</td>
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<td>☐</td>
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<td>☐</td>
<td>☐</td>
<td>☐</td>
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</tr>
<tr>
<td>Stuart Woods</td>
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<td>☐</td>
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<td>☐</td>
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<td>☐</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Coppermine Run</td>
<td>☒</td>
<td>☒</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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<td>☐</td>
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</tr>
<tr>
<td>Apts at North Point</td>
<td>☒</td>
<td>☒</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
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</tr>
</tbody>
</table>

5. Unit Distribution

Table 28 presents details on the unit distribution of those properties within our competitive survey. Of the 13 Upper Tier market rate communities, the unit distribution is known for 3,705 units, or 88 percent of the total. One-bedroom (including den units) and two-bedroom units account for nearly
### Table 28: Unit Distribution, Size, Pricing, Arrowbrook Centre Market Area Communities

<table>
<thead>
<tr>
<th>Community</th>
<th>Total Units</th>
<th>Studio Units</th>
<th>One Bedroom Units</th>
<th>Two Bedroom Units</th>
<th>Three Bedroom Units</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Rent(1) SF</td>
<td>Rent(1) SF</td>
<td>Rent(1) SF</td>
<td>Rent(1) SF</td>
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<tr>
<td>SUBJECT SITE-30%</td>
<td>13</td>
<td>5</td>
<td>$1,559 615 $0.91</td>
<td>6</td>
<td>$1,667 882 $0.76</td>
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<tr>
<td>SUBJECT SITE-40% (Vouchers)</td>
<td>14</td>
<td>4</td>
<td>$1,354 796 $1.70</td>
<td>5</td>
<td>$1,541 1,196 $1.29</td>
</tr>
<tr>
<td>SUBJECT SITE-50%</td>
<td>37</td>
<td>2</td>
<td>$1,112 890 $1.97</td>
<td>4</td>
<td>$1,295 1,279 $1.59</td>
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<tr>
<td>SUBJECT SITE-60%</td>
<td>62</td>
<td>10</td>
<td>$1,219 659 $1.85</td>
<td>8</td>
<td>$1,458 930 $1.57</td>
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<tr>
<td></td>
<td>126</td>
<td></td>
<td></td>
<td>14</td>
<td>$1,681 1,288 $1.31</td>
</tr>
</tbody>
</table>

#### Upper Tier Communities

- Station on Silver
- Ashton at Dulles Corner II
- Point at Herndon, The
- Camden Dulles Station
- Van Metre Woodland Park
- Ashton at Dulles Corner
- Courts at Dulles
- Townes at Herndon Center, The
- Monroe Place
- Icon at Dulles
- Point at McNair Farms, The
- Mark at Dulles Station
- Adara Herndon

#### Lower Tier Communities

- Trevors Run at Dulles Center
- Point at Dulles, The
- Parkridge Gardens
- Ashford Meadows
- Dulles Greene
- Westerly at Winchester
- Berkley
- Stuart Parks
- International
- Park Avenue

#### Sub-Total/Average

- **Trevors Run at Dulles Center**
- **Point at Dulles, The**
- **Parkridge Gardens**
- **Ashford Meadows**
- **Dulles Greene**
- **Westerly at Winchester**
- **Berkley**
- **Stuart Parks**
- **International**
- **Park Avenue**

#### Sub-Total/Average

- **Dulles Center 60%**
- **Monroe Place-ADU 70%**
- **Point at Dulles, The-ADU 70%**
- **Ashton at Dulles Corner-ADU 70%**
- **Adara Herndon-ADU 70%**
- **Courts at Dulles-ADU 70%**
- **Trevors Run at Dulles Center-ADU 70%**
- **Van Metre Woodland Park-ADU 70%**
- **Coppermine Run-60%**
- **Apts at North Point-60%**
- **Monroe Place-ADU 50%**
- **Point at Dulles, The-ADU 50%**
- **Ashton at Dulles Corner-ADU 50%**
- **Adara Herndon-ADU 50%**
- **Point at Herndon-ADU 50%**
- **Trevors Run at Dulles Center-ADU 50%**
- **Van Metre Woodland Park-ADU 50%**
- **Dulles Center-ADU 50%**

#### Sub-Total/Average

- **Subject Site-60%**
- **Total Studio Units One Bedroom Units One Bedroom Den Units Two Bedroom Units Three Bedroom Units**
- **Unit Distribution**
- **% of Total**

#### Average

- **Total Rent(1) SF Rent/SF Units Rent(1) SF Rent/SF Units Rent(1) SF Rent/SF Units Rent(1) SF Rent/SF Units Rent(1) SF Rent/SF Units Rent(1) SF Rent/SF**

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**Notes:**
- **(1)** Rent is adjusted to include only incentives
- **(2)** Tax Credit and Affordable Dwelling Communities (ADU’s)

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**Source:** Field Survey, Real Property Research Group, Inc. February 2019
90 percent of all units, evenly divided among one bedroom models (45.5 percent) and two bedroom models (43.6 percent). Three-bedroom units represent 10 percent of the Upper Tier unit distribution while only 1.2 percent of all Upper Tier rental units (46) are efficiencies.

The unit distribution is known for 74.5 percent of the Lower Tier rental communities. Of these, two-bedroom units account for 50 percent of all units; one-bedroom units (including dens make up 36 percent; and three-bedroom units account for 14 percent. A single Lower Tier rental community offers studio units for which no unit count is available.

The income-restricted rental supply has a higher proportion (60 percent) of two-bedroom units and three bedroom units (31.5 percent) than the market rate supply. Only eight percent of income-restricted units are one bedroom units and only two units are a studio.

6. Unit Size

The average unit sizes for the surveyed Upper Tier market rate units are 567 square feet for studios; 776 square feet for the one-bedroom units; 1,159 square feet for two-bedroom units; and 1,401 square feet for three-bedroom units. The Lower Tier market rate units are smaller in size across all unit types with average sizes of 535 square feet for studios; 749 square feet for the one-bedroom units; 971 square feet for the two-bedroom units; and 1,204 square feet for the three-bedroom units.

Among the affordable rental supply, efficiencies are sized at 588 square feet (larger than both tiers); one bedroom units are sized at 733 square feet (smaller than both tiers); two bedroom units are sized at 1,052 square feet, and three bedroom units are sized at 1,244 square feet. The two and three bedroom average floor plans fall between the average floor plans of the Upper and Lower Tiers.

7. Unit Pricing

The rents listed in Table 28 are net or effective rents, as opposed to published or street rents. We calculated effective rents in order to facilitate an ‘apples to apples’ comparison of tenants’ housing costs across the surveyed communities. To derive effective rents, we first applied downward adjustments to relevant published rents for units impacted by current rental incentives. Second, the effective rents reflect upward or downward adjustments to published rents to equalize the impact of utility expenses across properties. Specifically, the effective rents reflect the hypothetical situation where tenants of each community are responsible for all utility bills except trash. This is the proposed utility billing arrangement for Arrowbrook Centre Apartments.

The Upper Tier studio net rent averages $1,469; the one-bedroom net rent averages $1,625; the two-bedroom average net rent is $2,038, and the three-bedroom net rent averages $2,282. Average per square foot rents for Upper Tier units in the Arrowbrook Centre Market Area are $2.59 for studios; $2.09 for one-bedroom units; $1.76 for two-bedroom units; and $1.63 for three-bedroom units. Upper Tier rents enjoy a rent premium of 12 to 18 percent relative to Lower Tier rents (except for studios which are comparably priced).

The Lower Tier studio net average rent is $1,459; the one-bedroom net rent averages $1,457; the two-bedroom average net rent is $1,678; and the three-bedroom net rent averages $1,937. Average per square foot rents for Lower Tier units in the Arrowbrook Centre Market Area are $2.73 for studio units; $1.95 for one-bedroom units; $1.73 for two-bedroom units; and $1.61 for three-bedroom units.
Since the income-restricted units target households earning from 50 to 70 percent AMI, we did not derive rent averages for this grouping.

E. Subsidized Rental Communities & Housing Choice Voucher Statistics

We have identified no market area communities with project-based rental subsidies, commonly referred to as “deep” subsidy rental housing. Deep subsidy units include those where rental assistance is provided in the form of project-based state and federal 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.

In addition, the Department of Housing and Neighborhood Preservation with the Fairfax County administers the Housing Choice Voucher (HCV) program. According to statistics provided by Andrew Friedman, Director, there are 2,059 vouchers. Of these, 1,959 (95.0 percent) are actively utilized at this time.

The waiting list for the HCV program is extensive with 10,603 active applications. Of these, the screening preference make-up is as follows: 1,563 persons are homeless; 7,500 are comprised of families with children; 201 are elderly/disabled; and 219 are veterans. Additionally, of those on the waiting list, nearly three-quarters (7,847 persons or 73.5 percent) are considered to be extremely low income; 2,656 persons (24.9 percent) are very low income; 81 persons (0.8 percent) are low income; and 82 persons (0.8 percent) are over-income.

F. Derivation of Market Rent

To better understand how the proposed contract rents for Arrowbrook Centre 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 three market rate communities built in the late 1990’s and 2000’s located in the same general neighborhood as the subject (south of Dulles Access Road; west of Centreville Road; and east of Dulles Airport) – Camden Dulles Station, Mark at Dulles Station; and The Pointe at Dulles. Two additional communities, Station on Silver and the Point on Herndon (both in the same general neighborhood) were used to evaluate the studios at the subject. Once a particular floor plan’s market rent has been determined, it can be used to evaluate a.) whether or not thine 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. Table 32, and Table 32. The results of the calculations are summarized in Table 33. The assumptions used in the calculations are shown in Table 34. Since the subject will not be
offering a pool (standard for larger communities in the market area), we added an adjustment factor for the adjacency to Arrowbrook Centre Park. The park provides a unique recreational asset for the Arrowbrook Centre Apartments and counterbalances the lack of a pool amenity.

### Table 29 Market Rent Analysis – Studios

<table>
<thead>
<tr>
<th>One Bedroom Units</th>
<th>Subject Property</th>
<th>Comparable Property #1</th>
<th>Comparable Property #2</th>
<th>Comparable Property #3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrowbrook Centre Apartments</td>
<td>Camden Dulles Station</td>
<td>Mark at Dulles Station</td>
<td>The Pointe at Dulles</td>
<td></td>
</tr>
<tr>
<td>Herndon Centre Drive</td>
<td>2320 Dulles Station Rd</td>
<td>2323 Dulles Station Blvd</td>
<td>13690 Legacy Circle</td>
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<tr>
<td>A. Rents Charged</td>
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<td></td>
</tr>
<tr>
<td>Street Rent - 60% AMI</td>
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<td>$1,779</td>
<td>$1,595</td>
<td>$1,515</td>
</tr>
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<td>Utilities Included</td>
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<td>None</td>
<td>$10</td>
<td>W/S/T</td>
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<tr>
<td>Rent Concessions</td>
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<td>$0</td>
<td>None</td>
<td>$0</td>
</tr>
<tr>
<td>Effective Rent</td>
<td>$1,219</td>
<td>$1,789</td>
<td>$1,590</td>
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<tr>
<td>In parts B thru D, adjustments were made only for differences</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Design, Location, Condition</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Structure / Stories</td>
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<td>Mid-rise/4</td>
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<td>Mid-rise/4</td>
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<td>Quality/Street Appeal</td>
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<td>Excellent</td>
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<tr>
<td>Location</td>
<td>Excellent</td>
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<td>Above Average</td>
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<td></td>
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<td>Range / Refrigerator</td>
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<td>Microwave / Dishwasher</td>
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<td>Pool</td>
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<td>($48)</td>
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<td>101.9%</td>
<td></td>
</tr>
<tr>
<td>Estimated Market Rent</td>
<td>$1,644</td>
<td>$425</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent Advantage $</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent Advantage %</td>
<td></td>
<td></td>
<td>25.9%</td>
<td></td>
</tr>
</tbody>
</table>
Table 30 Market Rent Analysis – One-Bedroom Units

<table>
<thead>
<tr>
<th>One Bedroom Units</th>
<th>Comparable Property #1</th>
<th>Comparable Property #2</th>
<th>Comparable Property #3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject Property</td>
<td>Arrowbrook Centre Apartments</td>
<td>Camden Dulles Station</td>
<td>Mark at Dulles Station</td>
</tr>
<tr>
<td></td>
<td>Arrowbrook Centre Drive</td>
<td>2320 Dulles Station Rd</td>
<td>2323 Dulles Station Blvd</td>
</tr>
<tr>
<td></td>
<td>Herndon, Virginia 20171</td>
<td>13690 Legacy Circle</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>A. Rents Charged</th>
<th>Subject Data</th>
<th>$ Adj.</th>
<th>Data $ Adj.</th>
<th>Data $ Adj.</th>
<th>Data $ Adj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Rent - 60% AMI</td>
<td>$1,219</td>
<td>$1,219</td>
<td>$1,595</td>
<td>$1,595</td>
<td>$1,515</td>
</tr>
<tr>
<td>Rent Concessions</td>
<td>None</td>
<td>$0</td>
<td>None</td>
<td>$0</td>
<td>None</td>
</tr>
<tr>
<td>Effective Rent</td>
<td>$1,219</td>
<td>$1,789</td>
<td>$1,590</td>
<td>$1,525</td>
<td></td>
</tr>
</tbody>
</table>

In parts B thru D, adjustments were made only for differences

<table>
<thead>
<tr>
<th>B. Design, Location, Condition</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structure / Stories</td>
<td>Mid-rise/5</td>
<td>$0</td>
<td>Mid-rise/4</td>
<td>$0</td>
<td>Mid-rise/4</td>
<td>$0</td>
</tr>
<tr>
<td>Year Built / Renovated</td>
<td>2022</td>
<td>$14</td>
<td>2007</td>
<td>$15</td>
<td>1998</td>
<td>$24</td>
</tr>
<tr>
<td>Quality/Street Appeal</td>
<td>Excellent</td>
<td>$0</td>
<td>Excellent</td>
<td>$0</td>
<td>Excellent</td>
<td>$0</td>
</tr>
<tr>
<td>Location</td>
<td>Excellent</td>
<td>$0</td>
<td>Above Average</td>
<td>$20</td>
<td>Above Average</td>
<td>$20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>C. Unit Equipment / Amenities</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Bedrooms</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Number of Bathrooms</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Unit Interior Square Feet</td>
<td>659</td>
<td>766</td>
<td>($27)</td>
<td>772</td>
<td>($28)</td>
<td>739</td>
</tr>
<tr>
<td>Balcony / Patio / Porch</td>
<td>No</td>
<td>Yes</td>
<td>($5)</td>
<td>No</td>
<td>Yes</td>
<td>($5)</td>
</tr>
<tr>
<td>AC Type:</td>
<td>Central</td>
<td>Central</td>
<td>$0</td>
<td>Central</td>
<td>$0</td>
<td>Central</td>
</tr>
<tr>
<td>Range / Refrigerator</td>
<td>Yes / Yes</td>
<td>Yes / Yes</td>
<td>$0</td>
<td>Yes / Yes</td>
<td>$0</td>
<td>Yes / Yes</td>
</tr>
<tr>
<td>Microwave / Dishwasher</td>
<td>Yes / Yes</td>
<td>Yes / Yes</td>
<td>$0</td>
<td>Yes / Yes</td>
<td>$0</td>
<td>Yes / Yes</td>
</tr>
<tr>
<td>Washer / Dryer: In Unit</td>
<td>Yes</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
</tr>
<tr>
<td>Washer / Dryer: Hook-ups</td>
<td>No</td>
<td>No</td>
<td>$0</td>
<td>No</td>
<td>$0</td>
<td>No</td>
</tr>
<tr>
<td>D. Site Equipment / Amenities</td>
<td>Data</td>
<td>$ Adj.</td>
<td>Data</td>
<td>$ Adj.</td>
<td>Data</td>
<td>$ Adj.</td>
</tr>
<tr>
<td>Structured Parking</td>
<td>Yes</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
<td>$0</td>
<td>Surface</td>
</tr>
<tr>
<td>Club House</td>
<td>Yes</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
</tr>
<tr>
<td>Pool No</td>
<td>Yes</td>
<td>Yes</td>
<td>($15)</td>
<td>Yes</td>
<td>($15)</td>
<td>Yes</td>
</tr>
<tr>
<td>Recreation Areas</td>
<td>No</td>
<td>Yes</td>
<td>($5)</td>
<td>Yes</td>
<td>($5)</td>
<td>Yes</td>
</tr>
<tr>
<td>Fitness Center</td>
<td>Yes</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
</tr>
<tr>
<td>Adjacency to Park</td>
<td>Yes</td>
<td>No</td>
<td>$15</td>
<td>No</td>
<td>$15</td>
<td>No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>E. Adjustments Recap</th>
<th>Positive</th>
<th>Negative</th>
<th>Positive</th>
<th>Negative</th>
<th>Positive</th>
<th>Negative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Number of Adjustments</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Sum of Adjustments B to D</td>
<td>$49</td>
<td>($52)</td>
<td>$50</td>
<td>($48)</td>
<td>$74</td>
<td>($45)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>F. Total Summary</th>
<th>Gross Total Adjustment</th>
<th>$101</th>
<th>$98</th>
<th>$119</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Total Adjustment</td>
<td>(3)</td>
<td>$2</td>
<td>$29</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>G. Adjusted And Achievable Rents</th>
<th>Adj. Rent</th>
<th>Adj. Rent</th>
<th>Adj. Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Rent</td>
<td>$1,786</td>
<td>$1,592</td>
<td>$1,554</td>
</tr>
<tr>
<td>% of Effective Rent</td>
<td>99.8%</td>
<td>100.1%</td>
<td>101.9%</td>
</tr>
</tbody>
</table>

| Estimated Market Rent | $1,644 |
| Rent Advantage $ | $425 |
| Rent Advantage % | 25.9% |
Table 31 Market Rent Analysis – Two-Bedroom Units

<table>
<thead>
<tr>
<th>Subject Property</th>
<th>Comparable Property #1</th>
<th>Comparable Property #2</th>
<th>Comparable Property #3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrowbrook Centre Apartments</td>
<td>Camden Dulles Station</td>
<td>Mark at Dulles Station</td>
<td>The Pointe at Dulles</td>
</tr>
<tr>
<td>Arrowbrook Centre Drive</td>
<td>Herndon, Virginia 20171</td>
<td>Herndon, VA</td>
<td>Herndon, VA</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>A. Rents Charged</th>
<th>Subject</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Rent - 60%</td>
<td>$1,458</td>
<td>$2,139</td>
<td>$1,819</td>
<td>$0</td>
<td>$2,119</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Utilities Included</td>
<td>T</td>
<td>10</td>
<td>W/S/T</td>
<td>($10)</td>
<td>None</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent Concessions</td>
<td>None</td>
<td>$0</td>
<td>None</td>
<td>$0</td>
<td>$500 off 1st Mo</td>
<td>$0</td>
<td></td>
</tr>
</tbody>
</table>

**Effective Rent** $1,458 $2,139 $1,809 $2,119

*In parts B thru D, adjustments were made only for differences*

<table>
<thead>
<tr>
<th>B. Design, Location, Condition</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structure / Stories</td>
<td>Mid-rise/5</td>
<td>$0</td>
<td>Mid-rise/4</td>
<td>$0</td>
<td>Mid-rise/4</td>
<td>$0</td>
</tr>
<tr>
<td>Year Built / Condition</td>
<td>2022</td>
<td>$14</td>
<td>2008</td>
<td>$15</td>
<td>1900</td>
<td>$24</td>
</tr>
<tr>
<td>Quality/Street Appeal</td>
<td>Excellent</td>
<td>$0</td>
<td>Excellent</td>
<td>$0</td>
<td>Excellent</td>
<td>$0</td>
</tr>
<tr>
<td>Location</td>
<td>Excellent</td>
<td>$0</td>
<td>Above Average</td>
<td>$20</td>
<td>Above Average</td>
<td>$20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>C. Unit Equipment / Amenities</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Bedrooms</td>
<td>2</td>
<td>$0</td>
<td>2</td>
<td>$0</td>
<td>2</td>
<td>$0</td>
</tr>
<tr>
<td>Number of Bathrooms</td>
<td>2</td>
<td>$0</td>
<td>1</td>
<td>$90</td>
<td>2</td>
<td>$0</td>
</tr>
<tr>
<td>Unit Interior Square Feet</td>
<td>995</td>
<td>($13)</td>
<td>1,045</td>
<td>($9)</td>
<td>1,032</td>
<td>($67)</td>
</tr>
<tr>
<td>Balcony / Patio / Porch</td>
<td>No</td>
<td>$0</td>
<td>Yes</td>
<td>($5)</td>
<td>No</td>
<td>$0</td>
</tr>
<tr>
<td>AC: (C)entral / (W)all / (N)one</td>
<td>Central</td>
<td>$0</td>
<td>Central</td>
<td>$0</td>
<td>Central</td>
<td>$0</td>
</tr>
<tr>
<td>Range / Refrigerator</td>
<td>Yes / Yes</td>
<td>$0</td>
<td>Yes / Yes</td>
<td>$0</td>
<td>Yes / Yes</td>
<td>$0</td>
</tr>
<tr>
<td>Microwave / Dishwasher</td>
<td>Yes / Yes</td>
<td>$0</td>
<td>Yes / Yes</td>
<td>$0</td>
<td>Yes / Yes</td>
<td>$0</td>
</tr>
<tr>
<td>Washer / Dryer: In Unit</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
<td>$0</td>
</tr>
<tr>
<td>Washer / Dryer: Hook-ups</td>
<td>No</td>
<td>$0</td>
<td>No</td>
<td>$0</td>
<td>No</td>
<td>$0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>D. Site Equipment / Amenities</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structured Parking</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
<td>$0</td>
<td>Surface</td>
<td>$15</td>
</tr>
<tr>
<td>Club House</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
<td>$0</td>
</tr>
<tr>
<td>Pool</td>
<td>No</td>
<td>$15</td>
<td>Yes</td>
<td>($15)</td>
<td>Yes</td>
<td>($15)</td>
</tr>
<tr>
<td>Recreation Areas</td>
<td>No</td>
<td>($5)</td>
<td>No</td>
<td>$0</td>
<td>Yes</td>
<td>($5)</td>
</tr>
<tr>
<td>Fitness Center</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
<td>$0</td>
</tr>
<tr>
<td>Adjacency to Park</td>
<td>Yes</td>
<td>No</td>
<td>$15</td>
<td>No</td>
<td>$15</td>
<td>No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>E. Adjustments Recap</th>
<th>Positive</th>
<th>Negative</th>
<th>Positive</th>
<th>Negative</th>
<th>Positive</th>
<th>Negative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Number of Adjustments</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Sum of Adjustments B to D</td>
<td>$49</td>
<td>($38)</td>
<td>$80</td>
<td>($24)</td>
<td>$74</td>
<td>($92)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>F. Total Summary</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Total Adjustment</td>
<td>$87</td>
<td>$104</td>
<td>$166</td>
</tr>
<tr>
<td>Net Total Adjustment</td>
<td>$11</td>
<td>$56</td>
<td>($18)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>G. Adjusted And Achievable Rents</th>
<th>Adj. Rent</th>
<th>Adj. Rent</th>
<th>Adj. Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Rent</td>
<td>$2,150</td>
<td>$1,865</td>
<td>$2,100</td>
</tr>
<tr>
<td>% of Effective Rent</td>
<td>100.5%</td>
<td>103.1%</td>
<td>99.2%</td>
</tr>
</tbody>
</table>

| Estimated Market Rent | $2,039 |
| Rent Advantage $ | $581 |
| Rent Advantage % | 28.5% |
### Table 32 Market Rent Analysis – Three-Bedroom Units

<table>
<thead>
<tr>
<th>Subject Property</th>
<th>Comparable Property #1</th>
<th>Comparable Property #2</th>
<th>Comparable Property #3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrowbrook Centre Apartments</td>
<td>Camden Dulles Station</td>
<td>Mark at Dulles Station</td>
<td>The Pointe at Dulles</td>
</tr>
<tr>
<td>Arrowbrook Centre Drive</td>
<td>2320 Dulles Station Rd</td>
<td>2323 Dulles Station Blvd</td>
<td>13690 Legacy Circle</td>
</tr>
<tr>
<td>Herndon, Virginia 20171</td>
<td>Herndon VA</td>
<td>Herndon VA</td>
<td>Herndon VA</td>
</tr>
</tbody>
</table>

#### A. Rents Charged

<table>
<thead>
<tr>
<th>Subject</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Rent - 60%</td>
<td>$1,681</td>
<td>$0</td>
<td>$2,395</td>
<td>$0</td>
<td>$1,870</td>
<td>$0</td>
</tr>
<tr>
<td>Utilities Included</td>
<td>T</td>
<td>None</td>
<td>$10</td>
<td>W/S/T</td>
<td>($15)</td>
<td>None</td>
</tr>
<tr>
<td>Rent Concessions</td>
<td>$0</td>
<td>None</td>
<td>$0</td>
<td>None</td>
<td>$0</td>
<td>None</td>
</tr>
</tbody>
</table>

**Effective Rent** $1,681

In parts B thru D, adjustments were made only for differences.

#### B. Design, Location, Condition

<table>
<thead>
<tr>
<th>Structure / Stories</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid-rise/5</td>
<td>$0</td>
<td>Mid-rise/4</td>
<td>$0</td>
<td>Mid-rise/4</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Year Built / Condition</td>
<td>2022</td>
<td>2008</td>
<td>$14</td>
<td>2007</td>
<td>$15</td>
<td>1998</td>
</tr>
<tr>
<td>Quality/Street Appeal</td>
<td>Excellent</td>
<td>Excellent</td>
<td>$0</td>
<td>Excellent</td>
<td>$0</td>
<td>Excellent</td>
</tr>
<tr>
<td>Location</td>
<td>Above Average</td>
<td>$20</td>
<td>Above Average</td>
<td>$20</td>
<td>Above Average</td>
<td>$20</td>
</tr>
</tbody>
</table>

#### C. Unit Equipment / Amenities

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>$0</td>
<td>3</td>
<td>$0</td>
<td>3</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Number of Bathrooms</td>
<td>2</td>
<td>$0</td>
<td>2</td>
<td>$0</td>
<td>2</td>
<td>$0</td>
</tr>
<tr>
<td>Unit Interior Square Feet</td>
<td>1,290</td>
<td>$1503</td>
<td>($53)</td>
<td>1,556</td>
<td>($67)</td>
<td>1,425</td>
</tr>
<tr>
<td>Balcony / Patio / Porch</td>
<td>No</td>
<td>Central</td>
<td>$0</td>
<td>Central</td>
<td>$0</td>
<td>Central</td>
</tr>
<tr>
<td>AC: (C)entral / (W)all / (N)one</td>
<td>Central</td>
<td>Yes / Yes</td>
<td>$0</td>
<td>Yes / Yes</td>
<td>$0</td>
<td>Yes / Yes</td>
</tr>
<tr>
<td>Microwave / Dishwasher</td>
<td>Yes / Yes</td>
<td>Yes / Yes</td>
<td>$0</td>
<td>Yes / Yes</td>
<td>$0</td>
<td>Yes / Yes</td>
</tr>
<tr>
<td>Washer / Dryer: In Unit</td>
<td>Yes</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
</tr>
<tr>
<td>Washer / Dryer: Hook-ups</td>
<td>No</td>
<td>No</td>
<td>$0</td>
<td>No</td>
<td>$0</td>
<td>No</td>
</tr>
</tbody>
</table>

#### D. Site Equipment / Amenities

<table>
<thead>
<tr>
<th>Structured Parking</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
<th>Data</th>
<th>$ Adj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
<td>$0</td>
<td>Surface</td>
<td>$15</td>
<td></td>
</tr>
<tr>
<td>Club House</td>
<td>Yes</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
</tr>
<tr>
<td>Pool</td>
<td>No</td>
<td>Yes</td>
<td>($15)</td>
<td>Yes</td>
<td>($15)</td>
<td>Yes</td>
</tr>
<tr>
<td>Recreation Areas</td>
<td>No</td>
<td>Yes</td>
<td>($55)</td>
<td>No</td>
<td>$0</td>
<td>Yes</td>
</tr>
<tr>
<td>Fitness Center</td>
<td>Yes</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
<td>$0</td>
<td>Yes</td>
</tr>
<tr>
<td>Adjacency to Park</td>
<td>Yes</td>
<td>No</td>
<td>$15</td>
<td>No</td>
<td>$15</td>
<td>No</td>
</tr>
</tbody>
</table>

#### E. Adjustments Recap

<table>
<thead>
<tr>
<th>Positive</th>
<th>Negative</th>
<th>Positive</th>
<th>Negative</th>
<th>Positive</th>
<th>Negative</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>4</td>
<td>4</td>
</tr>
</tbody>
</table>

**Sum of Adjustments B to D** $49 ($78) $50 ($102) $74 ($159)

#### F. Total Summary

| Gross Total Adjustment | $127 | $132 | $133 |
| Net Total Adjustment | ($29) | ($32) | $15 |

#### G. Adjusted And Achievable Rents

| Adjusted Rent | $2,231 | $2,348 | $1,895 |
| % of Effective Rent | 98.7% | 98.7% | 100.8% |

**Estimated Market Rent** $2,158

**Rent Advantage $** $477

**Rent Advantage %** 22.1%
Table 33 Market Rent Advantage - Summary

<table>
<thead>
<tr>
<th>30% AMI Units</th>
<th>One Bedroom Units</th>
<th>Two Bedroom Units</th>
<th>Three Bedroom Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject Rent</td>
<td>$559</td>
<td>$667</td>
<td>$767</td>
</tr>
<tr>
<td>Estimated Market Rent</td>
<td>$1,644</td>
<td>$2,039</td>
<td>$2,158</td>
</tr>
<tr>
<td>Rent Advantage ($)</td>
<td>$1,085</td>
<td>$1,372</td>
<td>$1,391</td>
</tr>
<tr>
<td>Rent Advantage (%)</td>
<td>66.0%</td>
<td>67.3%</td>
<td>64.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>40% AMI Units (Vouchers)</th>
<th>One Bedroom Units</th>
<th>Two Bedroom Units</th>
<th>Three Bedroom Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject Rent</td>
<td>$1,354</td>
<td>$1,541</td>
<td>$2,029</td>
</tr>
<tr>
<td>Estimated Market Rent</td>
<td>$1,644</td>
<td>$2,039</td>
<td>$2,158</td>
</tr>
<tr>
<td>Rent Advantage ($)</td>
<td>$290</td>
<td>$498</td>
<td>$129</td>
</tr>
<tr>
<td>Rent Advantage (%)</td>
<td>17.6%</td>
<td>24.4%</td>
<td>6.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>50% AMI Units</th>
<th>One Bedroom Units</th>
<th>Two Bedroom Units</th>
<th>Three Bedroom Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject Rent</td>
<td>$999</td>
<td>$1,195</td>
<td>$1,377</td>
</tr>
<tr>
<td>Estimated Market Rent</td>
<td>$1,644</td>
<td>$2,039</td>
<td>$2,158</td>
</tr>
<tr>
<td>Rent Advantage ($)</td>
<td>$645</td>
<td>$844</td>
<td>$781</td>
</tr>
<tr>
<td>Rent Advantage (%)</td>
<td>39.2%</td>
<td>41.4%</td>
<td>36.2%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>60% AMI Units</th>
<th>Studio Units</th>
<th>One Bedroom Units</th>
<th>Two Bedroom Units</th>
<th>Three Bedroom Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject Rent</td>
<td>$1,120</td>
<td>$1,219</td>
<td>$1,458</td>
<td>$1,681</td>
</tr>
<tr>
<td>Estimated Market Rent</td>
<td>$1,494</td>
<td>$1,644</td>
<td>$2,039</td>
<td>$2,158</td>
</tr>
<tr>
<td>Rent Advantage ($)</td>
<td>$374</td>
<td>$425</td>
<td>$581</td>
<td>$477</td>
</tr>
<tr>
<td>Rent Advantage (%)</td>
<td>25.0%</td>
<td>25.9%</td>
<td>28.5%</td>
<td>22.1%</td>
</tr>
</tbody>
</table>

Table 34 Market Rent Advantage – Adjustment Table

<table>
<thead>
<tr>
<th>Rent Adjustments Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>B. Design, Location, Condition</td>
</tr>
<tr>
<td>Structure / Stories</td>
</tr>
<tr>
<td>Year Built / Renovated</td>
</tr>
<tr>
<td>Quality/Street Appeal</td>
</tr>
<tr>
<td>Location</td>
</tr>
<tr>
<td>C. Unit Equipment / Amenities</td>
</tr>
<tr>
<td>Number of Bedrooms</td>
</tr>
<tr>
<td>Number of Bathrooms</td>
</tr>
<tr>
<td>Unit Interior Square Feet</td>
</tr>
<tr>
<td>Balcony / Patio / Porch</td>
</tr>
<tr>
<td>AC Type:</td>
</tr>
<tr>
<td>Range / Refrigerator</td>
</tr>
<tr>
<td>Microwave / Dishwasher</td>
</tr>
<tr>
<td>Washer / Dryer: In Unit</td>
</tr>
<tr>
<td>Washer / Dryer: Hook-ups</td>
</tr>
<tr>
<td>D. Site Equipment / Amenities</td>
</tr>
<tr>
<td>Structured Parking</td>
</tr>
<tr>
<td>Learning Center</td>
</tr>
<tr>
<td>Club House</td>
</tr>
<tr>
<td>Pool</td>
</tr>
<tr>
<td>Recreation Areas</td>
</tr>
<tr>
<td>Adjacency to Park</td>
</tr>
<tr>
<td>Fitness Center</td>
</tr>
</tbody>
</table>
After adjustments, the estimated market rent for a studio/one bath is $1,494, providing the subject’s 60 percent AMI studios with a market advantage of 25.0 percent. The estimated market rent for a one-bedroom/one bath unit is $1,644, resulting in the subject’s 60 percent AMI one bedroom units with a 25.9 percent rent advantage. The estimated market rent for a two-bedroom/two bath unit is $2,039, resulting in the subject’s 60 percent AMI two bedrooms units with a 28.5 percent rent advantage. The estimated market rent for three-bedroom/two bath unit is $2,158 resulting in the subject’s 60 percent AMI three bedroom units having a 22.1 percent rent advantage.

Based on the same derived market rent, the subject’s 50 percent AMI one-bedroom units have a market advantage of 39.2 percent; the 50 percent AMI two-bedroom units have a market advantage of 41.4 percent; and the 50 percent AMI three-bedroom units have a market advantage of 36.2 percent. The subject’s 40 percent AMI rents reflect the state and federal voucher rent and would not be the rent charged if housing assistance were not available. Despite that, the state and federal voucher rents are below the derived market rents. The subject’s 30 percent AMI one-bedroom units have a market advantage of 66.0 percent, the 30 percent AMI two-bedroom units have a market advantage of 67.3 percent, and the 30 percent AMI three-bedroom units have a market advantage of 64.5 percent.

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 the maximum LIHTC rents are well below estimated adjusted market rents. Therefore, the maximum LIHTC rents are the achievable rents for all LIHTC units. All proposed LIHTC rents for the subject are equal to or below the achievable rents except for the 40 percent units, which are set at state and federal voucher rents.
Based on our research, the pipeline communities are divided into three categories; under construction, short term, and longer term (Table 36). All properties are market rate; no LIHTC developments were identified. These projects are described below and their location in relation to the subject site is highlighted on Map 8.

Alexan Woodland Park is the one project currently under construction. Located in Woodland Park just east of the site on the east side of Centreville Road, the 294 Class A multi-family project is expected to be completed in March 2020 with first units available in fall 2019.

According to the city of Herndon Planning Department, two projects are in the pre-development stages. One project is located in downtown Herndon at the intersection of Center and Elden Streets. Even though Comstock (the developer) had threatened to pull out of the deal, the project now appears to be on track with site plans being reviewed by the city of Herndon; construction is expected to start in fall 2019 with completion in 2021. The two phase 555 Herndon Parkway project is now actively proceeding with review of development plans by the city of Herndon. The first phase, containing 470 units, is expected to start construction in spring 2020 with completion in early 2022. These two projects would add another 744 units of multi-family development to the market area.

### H. Proposed and Pipeline Rental Communities

<table>
<thead>
<tr>
<th>30% AMI Units</th>
<th>One Bedroom Units</th>
<th>Two Bedroom Units</th>
<th>Three Bedroom Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Market Rent</td>
<td>$1,644</td>
<td>$2,039</td>
<td>$2,158</td>
</tr>
<tr>
<td>Less 10%</td>
<td>$1,480</td>
<td>$1,835</td>
<td>$1,942</td>
</tr>
<tr>
<td>Maximum LIHTC Rent*</td>
<td>$559</td>
<td>$667</td>
<td>$767</td>
</tr>
<tr>
<td>Achievable Rent</td>
<td>$559</td>
<td>$667</td>
<td>$767</td>
</tr>
<tr>
<td>SUBJECT RENT</td>
<td>$559</td>
<td>$667</td>
<td>$767</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>40% AMI Units (Vouchers)</th>
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<th>Two Bedroom Units</th>
<th>Three Bedroom Units</th>
</tr>
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<tr>
<td>Estimated Market Rent</td>
<td>$1,644</td>
<td>$2,039</td>
<td>$2,158</td>
</tr>
<tr>
<td>Less 10%</td>
<td>$1,480</td>
<td>$1,835</td>
<td>$1,942</td>
</tr>
<tr>
<td>Maximum LIHTC Rent*</td>
<td>$779</td>
<td>$931</td>
<td>$1,072</td>
</tr>
<tr>
<td>Achievable Rent</td>
<td>$779</td>
<td>$931</td>
<td>$1,072</td>
</tr>
<tr>
<td>SUBJECT RENT</td>
<td>$1,354</td>
<td>$1,541</td>
<td>$2,029</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>50% AMI Units</th>
<th>One Bedroom Units</th>
<th>Two Bedroom Units</th>
<th>Three Bedroom Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Market Rent</td>
<td>$1,644</td>
<td>$2,039</td>
<td>$2,158</td>
</tr>
<tr>
<td>Less 10%</td>
<td>$1,480</td>
<td>$1,835</td>
<td>$1,942</td>
</tr>
<tr>
<td>Maximum LIHTC Rent*</td>
<td>$999</td>
<td>$1,194</td>
<td>$1,376</td>
</tr>
<tr>
<td>Achievable Rent</td>
<td>$999</td>
<td>$1,194</td>
<td>$1,376</td>
</tr>
<tr>
<td>SUBJECT RENT</td>
<td>$999</td>
<td>$1,194</td>
<td>$1,376</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>60% AMI Units</th>
<th>Studio Units</th>
<th>Studio Units</th>
<th>Two Bedroom Units</th>
<th>Three Bedroom Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Market Rent</td>
<td>$1,494</td>
<td>$1,644</td>
<td>$2,039</td>
<td>$2,158</td>
</tr>
<tr>
<td>Less 10%</td>
<td>$1,345</td>
<td>$1,480</td>
<td>$1,835</td>
<td>$1,942</td>
</tr>
<tr>
<td>Maximum LIHTC Rent*</td>
<td>$1,150</td>
<td>$1,219</td>
<td>$1,458</td>
<td>$1,681</td>
</tr>
<tr>
<td>Achievable Rent</td>
<td>$1,150</td>
<td>$1,219</td>
<td>$1,458</td>
<td>$1,681</td>
</tr>
<tr>
<td>SUBJECT RENT</td>
<td>$1,120</td>
<td>$1,219</td>
<td>$1,458</td>
<td>$1,681</td>
</tr>
</tbody>
</table>

*Assumes utility allowances of $81 (Studio); $100 (1BR); $124 (2BR); $147 (3BR)
Table 36 Pipeline Projects – Arrowbrook Centre Market Area

<table>
<thead>
<tr>
<th>Name</th>
<th>Developer</th>
<th>Address</th>
<th>Units</th>
<th>Status</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alexan Woodland Park</td>
<td>Trammel Crow</td>
<td>13826 Woodland Park Rd</td>
<td>294</td>
<td>Class A Mid-rise apartments started construction Feb 2018 with completion March 2020</td>
<td>Spring 2020</td>
</tr>
<tr>
<td></td>
<td>Residential</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financing and/ or public approvals Total</td>
<td></td>
<td></td>
<td>294</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-Development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Downtown Herndon Redevelopment</td>
<td>Comstock</td>
<td>NE Center/ Elden St</td>
<td>274</td>
<td>After several starts, review process is again underway. Site plan being reviewed by Planning; expect construction to start Fall 2019.</td>
<td>2021</td>
</tr>
<tr>
<td>555 Herndon Parkway Phase I</td>
<td>Penzone Properties</td>
<td>555 Herndon Pkwy</td>
<td>470</td>
<td>Development Plan Approval Process underway for entire project; Phase II is longer term. Phase I construction is expected to start Spring 2020 with completion early 2022.</td>
<td>Early 2022</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Replacement of Existing Inventory Total</td>
<td></td>
<td></td>
<td>744</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Three Year Pipeline</td>
<td></td>
<td></td>
<td>1038</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Longer Term</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fairbrooke Development</td>
<td>Quadrangle</td>
<td>SE Herndon Pkwy/ Fairbrook Dr</td>
<td>300</td>
<td>Developer seeking zoning amendment to increase FAR to incorporate residential development. Exact unit count uncertain. Process has moving very slowly.</td>
<td>TBD</td>
</tr>
<tr>
<td>555 Herndon Parkway Phase II</td>
<td>Penzone Properties</td>
<td>555 Herndon Pkwy</td>
<td>755</td>
<td>Development Plan Approval Process underway for entire project; Phase II is longer term</td>
<td>TBD</td>
</tr>
<tr>
<td>Total Longer Term Pipeline</td>
<td></td>
<td></td>
<td>1055</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources: VHDA website; City of Herndon and Fairfax County Planning Depts; Local HUD office; development websites; RPRG field research; February 2019

Two longer term projects, both in the city of Herndon, have been identified. Phase II of 555 Herndon Parkway, containing 755 units, will start once Phase I has been completed. Fairbrook Development is a large mixed use project being developed by Quadrangle. Herndon’s Planning Department indicates that the project is moving slowly and timing is problematic. Quadrangle is seeking a zoning amendment that would allow additional residential development. The project size of 300 units was estimated by RPRG pending final zoning approval.
Map 8 Pipeline Communities in Arrowbrook Market Area
VIII. FINDINGS AND CONCLUSIONS

A. Key Findings

Based on the preceding review of the subject project, its neighborhood surroundings, and economic, demographic and competitive housing trends in the Arrowbrook Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

Located in a neighborhood with a mix of residential, office, retail and recreational uses, the subject site affords excellent access to regional transportation and employment opportunities and is within one-half mile of the Innovation Station, part of the Phase II expansion of Metro’s Silver Line slated to open in 2020.

- The site has excellent visibility fronting on Centreville Road, one of the main arterials in western Fairfax County, and is located just south of the Dulles Access Road providing easy connections to the Silver Line Metro, Dulles Airport, and major retail, employment, and service nodes throughout the region.
- The site will be connected via a one-half mile pathway to the Innovation Station slated to open in 2020 which will provide public transit access to all parts of the DC area including Dulles Airport, Tysons Corner, Reagan National Airport, and Downtown DC.
- The subject will be bordered on the west by a new upscale townhome and condominium community and on the south by Arrowbrook Centre Park, a unique public recreation amenity offering a soccer field, tennis courts, basketball, playground, pet park, and amphitheater for outdoor entertainment.

2. Economic Context

Despite the ebb and flow in at-place employment, the county economy is robust with unemployment rates consistently less than those of the state and the nation.

- As of Q2 2018, the unemployment rate averaged 2.5 percent, less than the statewide rate of 3.1 percent and the national rate of 4.0 percent.
- The high-paying Professional-Business sector dominates the local economy, accounting for 2.5 times the national proportion.
- Four of the largest employers are in the Professional-Business sector and conduct significant contracting work for the federal government. Much of this work is affiliated with national defense, and accordingly, both the US Department of Defense and the Department of Homeland Defense are major employers.
- While the Fairfax County economy shed approximately 15,300 net jobs in 2009, it subsequently added back 17,800 net jobs over the next three years. Although Fairfax County again experienced a net loss of more than 11,000 jobs between 2013 and 2014, the local economy has since gained 30,500 positions, ending Q2 2018 at a new peak.

3. Demographic Analysis

The Arrowbrook Centre Market Area’s household base is projected to increase at a steady pace over the next five year albeit at a lesser pace than healthier rates during the 2000 to 2010 decade. The market area is a younger, affluent section of an equally affluent county.
Households in the Arrowbrook Centre Market Area are projected to grow at an annual rate of 1.3 percent, a healthy rate even though substantially below the more robust rates of the 2000’s decade (2.6 percent).

Given the substantial pipeline of rental units and local trends, RPRG projects renter households will continue to contribute roughly 78.1 percent of net household growth over the next five years that matches renter share of household growth over the past 19 years.

Forty percent of the primary market area’s renters are younger adults under the age of 35. Households between the ages of 35 and 54 represent another 41 percent of all renters.

The estimated 2019 median household income in the Arrowbrook Centre Market Area is high at $121,459; the median rental income is also elevated at $91,690.

Twenty-three percent of renter households pay more than 40 percent towards housing. This excludes those households who reside in subsidized rent situations because their housing expenses are capped at 30 percent of their income.

4. Competitive Housing Analysis

Based on no vacancies and waiting lists reported at income restricted general occupancy rental communities and low vacancy rates in the “Lower Tier” market rate rental market, the affordable rental market in the Arrowbrook Centre Market Area is tight, pointing to its ability to support the proposed subject apartments.

The multifamily rental housing stock has expanded steadily over the past ten years although most new apartments have targeted the highest income renter households. These rental communities typically have a mid-rise elevator structure and have effective average rents far in excess of those being achieved in the Lower Tier market rate and affordable tax credit communities. The effective rents for Upper Tier studios average $1,469 ($2.59 per square foot); one bedroom units average $1,625 ($2.09 per square foot); two-bedroom apartments average $2,038 ($1.76 per square foot); and the three-bedroom units average $2,282 ($1.63 per square foot).

The Lower Tier rental communities are generally older (30+ years) but several have been renovated in recent years. These communities are typically walk-up garden apartment buildings. However, the rent differential between the Upper and Lower Tier (Upper Tier units command a rent premium of 12 to 18 percent relative to Lower Tier units) is not substantial further underscoring the need for affordable rental product. (Note: studio units are comparably priced).

Income-restricted affordable rental units in the Arrowbrook Centre Market Area account for less than eight percent of the surveyed multifamily stock and all operate under LIHTC guidelines. Affordable Dwelling Units mandated under Fairfax County’s affordable housing policy account for only an additional 1.9 percent of units (152). The last market area LIHTC community opened in 1997 – 22 years ago. The introduction of 14 project based state and federal voucher units in the market area will be first for the market area.

The current combined stabilized vacancy rate across the 26 surveyed rental communities is 3.4 percent with 253 available units. The vacancy rate in the income restricted rental supply is zero with waiting lists at all three communities. This is indicative of a very tight affordable rental market.

RPRG identified three market rate communities in the near term pipeline totaling 1,038 rental units targeting upper-income households (none are LIHTC communities).
B. Derivation of Demand

1. Net Demand 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 Arrowbrook Centre Apartments plus those units proposed at other pipeline rental communities that are expected to be brought online over a coming typical 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 2019 through February 2022. Since spring 2022 (the expected completion date) is only one to two months removed from February 2022, we have maintained the demand analysis period at three years.

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 February 2019 to February 2022 period:

- **Projected Change in the Household Base.** Earlier in this report, RPRG presented projections of household change within the primary market area over the 2019 to 2024 period. For this analysis, we factor in three years’ worth of the household change suggested by the annual rate of household growth or decline (2019 to 2020, 2020 to 2021, and 2021 to 2022). Note that net household change incorporates growth or decline stemming from both household migration into and out of the market area and organic changes within existing households (i.e. new household formation as a result of children moving out of their parents’ homes, divorces, roommates beginning to rent separately).

- **Units Removed from the Housing Stock.** A number of factors contribute to the removal of housing units in a given geographic area. An April 2016 report prepared for the U.S. Department of Housing and Urban Development by Econometrica, Inc. provides quantitative evidence of such removal factors. Using data collected as part of the national American Housing Survey (AHS) in 2011 and 2013, Econometrica highlighted the portions of the total number of housing units lost attributable to each of the following: units lost through demolition or natural disasters; units badly damaged or condemned (and thus unlivable); units lost due to merger of two or more units into a single unit or the conversion of a single unit into multiple units; units changed from residential to non-residential use; units (primarily mobile homes) moved out from their 2011 location; and units lost in other (unclassified) ways. Econometrica tabulated Components of Inventory Change (CINCH) data based on a range of unit characteristics such as occupancy (occupied, vacant, or seasonal); region (Northeast,
Midwest, South, or West); tenure (owner- or renter-occupied); metro status (units located in central cities, suburban areas, or outside of metro areas); and year built.

**Competitive Multifamily Vacancy Rates.** The final source of demand that factors into RPRG’s calculation of net demand for new 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 – a typical underwriting standard – 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 in part because 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.

### Table 37 US Components of Inventory Change (CINCH) 2011 - 2013

<table>
<thead>
<tr>
<th>A. Characteristics</th>
<th>C. Present in 2011</th>
<th>D. 2011 units present in 2013</th>
<th>E. Change in characteristics</th>
<th>F. Lost due to conversion / merger</th>
<th>G. House or mobile home moved out</th>
<th>H. Changed to non-residential use</th>
<th>I. Lost through demolition or disaster</th>
<th>J. Badly damaged or condemned</th>
<th>K. Lost in other ways</th>
<th>TOTAL Lost to Stock</th>
<th>Total exclude MH 2011-13 Annual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>US Total</strong></td>
<td>132,420</td>
<td>130,852</td>
<td>98</td>
<td>161</td>
<td>202</td>
<td>470</td>
<td>212</td>
<td>424</td>
<td>1,567</td>
<td>1,406</td>
<td>703</td>
</tr>
<tr>
<td><strong>Occupancy</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.07%</td>
</tr>
<tr>
<td>Occupied units</td>
<td>114,907</td>
<td>105,864</td>
<td>8,313</td>
<td>58</td>
<td>99</td>
<td>68</td>
<td>238</td>
<td>59</td>
<td>207</td>
<td>729</td>
<td>630</td>
</tr>
<tr>
<td><strong>Vacant</strong></td>
<td>13,381</td>
<td>5,123</td>
<td>7,642</td>
<td>38</td>
<td>50</td>
<td>85</td>
<td>175</td>
<td>110</td>
<td>158</td>
<td>616</td>
<td>566</td>
</tr>
<tr>
<td><strong>Seasonal</strong></td>
<td>4,132</td>
<td>2,132</td>
<td>1,778</td>
<td>2</td>
<td>11</td>
<td>49</td>
<td>57</td>
<td>43</td>
<td>59</td>
<td>221</td>
<td>210</td>
</tr>
<tr>
<td><strong>Region (All Units)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.05%</td>
</tr>
<tr>
<td>Northeast</td>
<td>23,978</td>
<td>23,718</td>
<td>28</td>
<td>0</td>
<td>28</td>
<td>55</td>
<td>40</td>
<td>99</td>
<td></td>
<td>260</td>
<td>260</td>
</tr>
<tr>
<td>Midwest</td>
<td>29,209</td>
<td>28,849</td>
<td>14</td>
<td>7</td>
<td>49</td>
<td>117</td>
<td>56</td>
<td>76</td>
<td>95</td>
<td>209</td>
<td>311</td>
</tr>
<tr>
<td>South</td>
<td>50,237</td>
<td>49,526</td>
<td>29</td>
<td>120</td>
<td>75</td>
<td>235</td>
<td>94</td>
<td>159</td>
<td></td>
<td>712</td>
<td>592</td>
</tr>
<tr>
<td>West</td>
<td>28,996</td>
<td>28,759</td>
<td>17</td>
<td>13</td>
<td>50</td>
<td>63</td>
<td>53</td>
<td>71</td>
<td></td>
<td>217</td>
<td>224</td>
</tr>
<tr>
<td><strong>Owner occupied</strong></td>
<td>76,092</td>
<td>69,324</td>
<td>6,418</td>
<td>14</td>
<td>83</td>
<td>14</td>
<td>116</td>
<td>26</td>
<td>97</td>
<td>350</td>
<td>267</td>
</tr>
<tr>
<td><strong>Renter occupied</strong></td>
<td>38,815</td>
<td>31,181</td>
<td>7,253</td>
<td>45</td>
<td>16</td>
<td>54</td>
<td>122</td>
<td>33</td>
<td>110</td>
<td>380</td>
<td>364</td>
</tr>
<tr>
<td><strong>Metro Status</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.02%</td>
</tr>
<tr>
<td>In Central Cities</td>
<td>37,400</td>
<td>36,974</td>
<td>49</td>
<td>3</td>
<td>70</td>
<td>124</td>
<td>67</td>
<td>112</td>
<td></td>
<td>425</td>
<td>422</td>
</tr>
<tr>
<td>In Suburbs</td>
<td>65,872</td>
<td>65,311</td>
<td>26</td>
<td>8</td>
<td>54</td>
<td>169</td>
<td>69</td>
<td>186</td>
<td></td>
<td>561</td>
<td>504</td>
</tr>
<tr>
<td>Outside Metro Area</td>
<td>29,148</td>
<td>28,567</td>
<td>23</td>
<td>101</td>
<td>78</td>
<td>177</td>
<td>76</td>
<td>125</td>
<td></td>
<td>580</td>
<td>479</td>
</tr>
</tbody>
</table>
2. **Net Demand Calculation**

Table 38 applies the discussion of sources of demand for new rental units to the Arrowbrook Centre Market Area. The steps in our Derivation of Demand analysis for the three-year period between February 2019 and February 2022 are as follows:

- Based on Esri trends, RPRG estimates that there are 29,644 households in the Arrowbrook Centre Market Area as of February 2019, a number that is projected to increase to 30,812 by February 2022. The Arrowbrook Centre Market Area is expected to add approximately 1,168 net households during the four-year period.

- Using national statistical observations from 2011-2013 CINCH data, Econometrica determined that the average annual loss of occupied housing units in the United States (for all reasons other than the moving of homes, particularly mobile homes) was 0.27 percent of the total occupied stock (Table 37). We determined the size of the housing stock in the primary market area for 2019, 2020, and 2021 by applying the ratio of occupied to total housing units from the 2010 Census to RPRG’s projected household totals. Applying the average 0.27 percent removal rate over the three years in question, we estimate that 254 units are likely to be lost.

- Summing the net household increases from the number of units removed from the market, we calculate the net new demand for housing units of all types over the three-year period to be 1,422 units.

- Given the substantial pipeline of rental units and local trends, RPRG projects renter households will continue to contribute roughly 78.1 percent of net household growth over the next five years that matches renter share of household growth over the past 19 years. Applying this rate to new housing demand results in demand for 1,110 new rental units over the next three years.

- RPRG’s survey of the stabilized general occupancy rental communities in the primary market area consisted of 7,498 units. Of these, 253 units are currently vacant, yielding a 3.4 percent vacancy rate. Additionally, one community is currently in lease-up with 43 of its 400 units vacant. In total, RPRG calculates that the competitive inventory consists of 7,898 units with 296 vacant units, or an overall vacancy rate of 3.7 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 7,898 units, 395 vacancies would be required to arrive at a 5.0 percent vacancy rate. Subtracting the 296 vacant units in the market from this number reveals an unmet demand for 99 units at 5.0 percent vacancy. Thus, we add 99 units to demand.

- Summing demand from household change, projected unit removals, and the vacancy rate in the existing market, there would be total demand for 1,209 new rental units in the primary 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. In addition to the subject’s proposed 274 units, three market rate communities in the near term pipeline are expected to deliver an additional 1,038 market rate units to the existing rental supply. After adjusting for 95 percent occupancy, all near term pipeline projects, including the subject, will add 1,246 rental units to the existing supply.
Upon subtracting the expected additions to the supply (1,246 units) from net demand for new rental units (1,209 units), we arrive at an excess supply of 38 rental units in the Arrowbrook Centre Market Area between 2019 and 2022.

### 3. Conclusions on Net Demand

The demand analysis demonstrates a rental market virtually in balance that should be viewed as a conservative estimate given the scheduled opening of Phase II in 2020 of the Silver Line expansion to Herndon and Dulles Airport. The three pipeline market rate Upper Tier projects will be within walking distance of the new Silver Line stations and thus regional demand for transit oriented residences should overcome the more tightly focused market area demand analysis. Most importantly, the subject will be providing affordable units in an area with a limited inventory of...
such product. As such, the demand for these proposed affordable units will be separate and distinct from the general marketplace since all three existing market area LIHTC projects are fully leased with extensive waiting lists. The demand for the subject’s units as well as for all of the income-restricted units within the market area will be addressed more specifically in the next section related to Effective Demand.

C. Effective Demand – Affordability/Capture & Penetration Analyses

1. Methodology

Following our estimate of the depth of demand for net new rental units in the primary market area, we next test whether enough 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 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 Arrowbrook Centre Market Area households for the target year. The Developer projects that units at Arrowbrook Centre Apartments will initially be placed in service in 2022 and as such, 2022 is used as the target year for these analyses. RPRG calculated 2022 income distributions for total households and renter households based on RPRG household projections, income estimates from the 2013-2017 ACS, and income projections from Esri (Table 39).

<table>
<thead>
<tr>
<th>2022 Income</th>
<th>Total Households</th>
<th>Renter Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>less than $15,000</td>
<td>699 2.3%</td>
<td>488 3.7%</td>
</tr>
<tr>
<td>$15,000-$24,999</td>
<td>788 2.6%</td>
<td>551 4.1%</td>
</tr>
<tr>
<td>$25,000-$34,999</td>
<td>942 3.1%</td>
<td>517 3.9%</td>
</tr>
<tr>
<td>$35,000-$49,999</td>
<td>1,628 5.3%</td>
<td>1,038 7.8%</td>
</tr>
<tr>
<td>$50,000-$74,999</td>
<td>3,236 10.5%</td>
<td>1,755 13.1%</td>
</tr>
<tr>
<td>$75,000-$99,999</td>
<td>3,707 12.0%</td>
<td>1,902 14.2%</td>
</tr>
<tr>
<td>$100,000-$149,999</td>
<td>8,335 27.1%</td>
<td>4,075 30.5%</td>
</tr>
<tr>
<td>$150,000+ Over</td>
<td>11,444 37.2%</td>
<td>3,034 22.7%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>30,779 100%</strong></td>
<td><strong>13,360 100%</strong></td>
</tr>
</tbody>
</table>

**Table 39 2022 Total and Renter Income Distribution, Arrowbrook Centre Market Area**

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 VHDA for use in evaluating proposed general occupancy LIHTC communities. Rent burdens of 35 percent are also typically used in underwriting multifamily rental communities in the Mid-Atlantic region, particularly communities with rents targeting low- and moderate-income households in areas with high housing costs.

All units at the subject will be restricted to households with incomes at 30 percent, 40 percent, 50 percent, and 60 percent of AMI. Since all of the 40 percent AMI have project based state and federal vouchers, there is no income floor for these units. The household sizes assume 1.5 persons per bedroom for the one-, two-, and three-bedroom units but assumes one person for the studio units.

2. Affordability Analysis

The steps in our Affordability Analysis for Arrowbrook Centre Apartments at the Developer’s proposed rents are as follows (Table 40). We note, per instructions from VHDA, 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.

- The overall shelter cost (gross rent) for a 30 percent one-bedroom unit at Arrowbrook Centre Apartments would be $659 per month ($559 rent plus a $100 utility allowance for all utility costs).
- By applying a 35 percent rent burden to this gross rent, we determined that the 30 percent one-bedroom unit would be affordable to renter households earning at least $22,594 per year. The projected number of primary market area renter households earning at least $22,594 in 2022 is 12,454.
- A household occupying a one-bedroom unit (assuming 1.5 persons/bedroom) and earning 30 percent of AMI for the Washington-Arlington-Alexandria DC-VA-MD HUD Metro FMR area would have an income of up to $26,385. According to the interpolated income distribution for 2022, there would be 12,250 renter households in the primary market area with incomes exceeding the upper income bound.
- Subtracting the 12,250 renter households with incomes above the 30 percent maximum income limit from the 12,454 renter households that could afford to rent this unit, we calculate that 204 renter households in the primary market area as of 2022 would be in the band of affordability for the subject’s 30 percent one-bedroom units. Arrowbrook Centre Apartments would need to capture 2.5 percent of these income-qualified renter households to absorb all 5 of the 30 percent one-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 range from less than one percent (for the 40 percent AMI units) to 9.4 percent (for the 60 percent AMI units).
- The 274 tax credit units would need to capture 6.5 percent of the income-qualified renter households.
If state and federal vouchers are not available and 40 percent AMI rents were set at maximum rent the overall capture rate would increase to 8.2 percent.

### Table 40 2022 Affordability Analysis for Arrowbrook Centre Apts., Assuming 35% Rent Burden

<table>
<thead>
<tr>
<th>Income Target</th>
<th>Units</th>
<th>Band of Qualified Hhlds</th>
<th># Qualified Hhlds</th>
<th>Capture Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% AMI</td>
<td>13</td>
<td>$22,594 - $26,385</td>
<td>6</td>
<td>1.7%</td>
</tr>
<tr>
<td>40% AMI</td>
<td>14</td>
<td>$37,680 - $43,180</td>
<td>204</td>
<td>0.6%</td>
</tr>
<tr>
<td>50% AMI</td>
<td>36</td>
<td>$41,177 - $49,260</td>
<td>1,568</td>
<td>0.2%</td>
</tr>
<tr>
<td>60% AMI</td>
<td>211</td>
<td>$51,201 - $59,140</td>
<td>204</td>
<td>0.2%</td>
</tr>
<tr>
<td>Total Units</td>
<td>274</td>
<td>$41,177 - $73,140</td>
<td>1,568</td>
<td>0.2%</td>
</tr>
</tbody>
</table>

#### 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 2022; the same 35 percent rent burden; and income levels as presented in the Affordability Analysis.
The steps in our Penetration Analysis for Arrowbrook Centre Apartments follow:

- Based on effective rents from RPRG’s survey, the stock of existing rental units that would be closely competitive with the subject’s 30 percent, 40 percent, 50 percent, and 60 percent of AMI units consists of a total of 834 units in the existing affordable rental communities ((including three market rate communities – International, Berkdale, and Park – that offer net effective rents in the 60% tax credit range plus 79 fifty percent AMI ADU units). There are no affordable pipeline projects; we assumed ten 50 percent AMI ADU units at Alexan Woodland Park. Summing the existing units with the anticipated supply, the relevant stock of directly competitive studio, one-bedroom, two-bedroom and three-bedroom units consists of 1,045 units, including the subject.

- The range of household incomes employed in our analysis ranges from $0 for the subject’s 40 percent one-bedroom units (with vouchers) up to the maximum allowable household income for a three-bedroom unit at 60 percent of AMI ($73,140). 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.

- As of 2022, an estimated 4,218 renter households in the primary market area will be in the band of affordability for the relevant income-restricted tax credit studio, one-, two- and three-bedroom rental stock. The existing and planned affordable supply would need to capture 28.4 percent of these renter households in order to reach full occupancy.

### Table 41 Penetration Analysis for Arrowbrook Centre Apartments, Assuming 35% Rent Burden

<table>
<thead>
<tr>
<th>Income Target</th>
<th>Total Competitive Units</th>
<th>Renter Households = 13,360</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>30% Units</strong></td>
<td><strong>40% Units</strong></td>
<td><strong>50% Units</strong></td>
</tr>
<tr>
<td><strong>Competitive Units</strong></td>
<td><strong>Units</strong></td>
<td><strong>Competitive Units</strong></td>
</tr>
<tr>
<td>13</td>
<td>14</td>
<td>125</td>
</tr>
<tr>
<td>13</td>
<td>14</td>
<td>1,045</td>
</tr>
</tbody>
</table>
4. Conclusions on Affordability and Penetration

RPRG judges that the tax credit renter capture rate of 6.5 percent is achievable, particularly since the proposed apartments will be the newest and most attractive affordable rental community within the market area. The relatively high capture rate for 60% units is a function of the limited moderate income households in this market due to the limited inventory of affordable apartments. Given the excellent location of the subject within walking distance of the Innovation Silver Line Metro Station, there should be no issue in attracting a sufficient pool of qualified renters from the region. RPRG considers the calculated penetration rate for the tax credit units of 28.4 percent of income-restricted renter households to be reasonable and also illustrates the lack of affordable housing within the Arrowbrook Centre Market Area. In essence, our analysis suggests that the most directly competitive rental units will need to capture less than three out of every ten income-qualified renter households. Both the capture and penetration rates are well within a reasonable and achievable range.

D. VHDA Demand Methodology

1. VHDA Demand Analysis

The Virginia Housing Development Authority (VHDA) mandates a particular demand methodology in evaluating applications for Low-Income Housing Tax Credits. VHDA 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 VHDA methodology for Arrowbrook Centre Apartments. VHDA’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 VHDA is the net increase or decrease in the number of income-qualified renter households in the primary market area between a base year of 2019 and a target year of 2022.

- **Cost Burdened Renters.** VHDA’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 2013-2017 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 2019 as defined by spending 40 percent of income on rent, or 22.7 percent of renters.

- **Renter Households in Substandard Housing.** VHDA’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 2013-2017 ACS, the percentage of renter households in the primary market area that lived in substandard conditions was 9.1 percent.

- **Existing Tenants Likely to Remain.** For projects that constitute the renovation of an existing property with current tenants, VHDA requests that analysts consider the percentage of current tenants that are likely to remain following the proposed renovation. Arrowbrook Centre Apartments will be a new construction project and, as such, VHDA’s fourth component of demand is not relevant.

Table 42 outlines the detailed VHDA demand calculations for Arrowbrook Centre Apartments that stem from the three relevant demand components. Total demand available for the 274-unit proposed affordable project is expected to include 155 net new renter households, 895 cost-
burdened households, and 356 households currently residing in substandard housing. The calculation thus yields a total demand for 1,406 additional units of rental housing serving the targeted income bands.

Table 42 VHDA Demand by Overall Income Targeting

<table>
<thead>
<tr>
<th>Income Target</th>
<th>30% AMI</th>
<th>40% AMI</th>
<th>50% AMI</th>
<th>60% AMI</th>
<th>Project Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Income Limit</td>
<td>$21,909</td>
<td>no min$</td>
<td>$41,109</td>
<td>$41,177</td>
<td>no min$</td>
</tr>
<tr>
<td>Maximum Income Limit</td>
<td>$36,570</td>
<td>$48,760</td>
<td>$60,950</td>
<td>$73,140</td>
<td>$73,140</td>
</tr>
<tr>
<td>(A) Renter Income Qualification Percentage</td>
<td>6.0%</td>
<td>18.8%</td>
<td>10.4%</td>
<td>16.7%</td>
<td>31.6%</td>
</tr>
<tr>
<td>Demand from New Renter Households - Calculation ((C-B)^2/F^A)</td>
<td>29</td>
<td>92</td>
<td>51</td>
<td>82</td>
<td>155</td>
</tr>
<tr>
<td>+ Demand from Rent Overburdened Hhs - Calculation (B^2E^2/F^A)</td>
<td>169</td>
<td>532</td>
<td>294</td>
<td>474</td>
<td>895</td>
</tr>
<tr>
<td>+ Demand from Substandard Housing - Calculation (B^2D^2/F^A)</td>
<td>67</td>
<td>212</td>
<td>117</td>
<td>189</td>
<td>356</td>
</tr>
<tr>
<td>Total Income Qualified Renter Demand</td>
<td>265</td>
<td>836</td>
<td>451</td>
<td>745</td>
<td>1,406</td>
</tr>
<tr>
<td>Less: Comparable Vacant Units</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Less: Comparable Pipeline Units</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Net Demand</td>
<td>265</td>
<td>836</td>
<td>451</td>
<td>735</td>
<td>1,396</td>
</tr>
<tr>
<td>Subject Proposed Units</td>
<td>13</td>
<td>14</td>
<td>36</td>
<td>211</td>
<td>274</td>
</tr>
<tr>
<td>Capture Rate</td>
<td>4.9%</td>
<td>1.7%</td>
<td>8.0%</td>
<td>28.3%</td>
<td>19.6%</td>
</tr>
</tbody>
</table>

Estimated Absorption Period: 13 to 15 months

Comparable units that are presently available or that would likely be available constitute supply that must be subtracted from total VHDA demand to arrive at VHDA net demand. Based on our February 2019 competitive survey, no subsidized or income-restricted units were reported vacant in the affordable rental supply. There are no affordable projects in the near term pipeline except for an estimated ten 50 percent AMI ADU units at Alexan Woodland Park. Subtracting the vacant existing and pipeline units, VHDA net demand totals 1,396 units.

Given net demand for 1,396 units, the 274-unit Arrowbrook Centre Apartments would need to capture 19.6 percent of income-qualified renter households per VHDA’s demand methodology.

Given that 20 percent of units will offer three bedrooms, Table 43 calculates demand for the proposed subject’s three-bedroom units. In this analysis, we have applied a large family factor of 43.2 percent in order to reflect the proportion of three-person and larger households within the market area, as referenced in Table 17. The VHDA capture rate for this unit type is 9.4 percent.

Table 43 VHDA Three-Bedroom Demand

<table>
<thead>
<tr>
<th>Project Total</th>
<th>Three Bedroom Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Income Limit</td>
<td>$31,337</td>
</tr>
<tr>
<td>Maximum Income Limit</td>
<td>$73,140</td>
</tr>
<tr>
<td>Renter Income Qualification Percentage</td>
<td>31.57%</td>
</tr>
<tr>
<td>Total Income Qualified Renter Demand</td>
<td>1,406</td>
</tr>
<tr>
<td>Large HH Size Adjustment (% renter 3+ hhlds)</td>
<td>43.2%</td>
</tr>
<tr>
<td>Total Income Qualified Renter Demand</td>
<td>607</td>
</tr>
<tr>
<td>Vacant and Comparable Units</td>
<td>0</td>
</tr>
<tr>
<td>Net Demand</td>
<td>607</td>
</tr>
<tr>
<td>Proposed Units</td>
<td>57</td>
</tr>
<tr>
<td>Capture Rate</td>
<td>9.4%</td>
</tr>
</tbody>
</table>
2. Conclusions on VHDA Demand

RPRG considers the key captures rates for Arrowbrook Centre Apartments to be both reasonable and readily achievable since there is a limited pool of qualified renters in this very affluent market area (renter median income of $91,690). The renter capture rate for all units is 19.6 percent. All three existing LIHTC properties are fully leased with extensive waiting lists – these properties will be 25 to 27 years old when the subject opens in 2022. The subject will be the only affordable contemporary community within walking distance of a Metro station. The Residences at Government Center (a similar property to the subject developed by SCG Development), located in Fair Oaks south of the subject, took only ten months to fully lease its 270 units after opening in September 2016. Taking into consideration all of these factors, we have conservatively estimated an overall project lease up pace of roughly 12 to 14 months to achieve 95 percent occupancy, reflecting an average absorption pace of 19 to 21 units per month.

E. Target Markets

As indicated in the Effective Demand Analysis (Affordability/Capture & Penetration), the subject’s income-restricted units would serve households with incomes between $0 and $73,140. 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.

With studio, 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 Arrowbrook Centre Apartments is as follows:

- **Structure Type**: Most Upper Tier properties are mid-rise elevator served properties similar to the subject. Given that the existing three LIHTC properties are garden-style, the subject will have a competitive advantage by offering elevators, interior hallways, direct access to structured garage parking, and first floor retail.

- **Project Size**: The surveyed rental communities within the market area range in size from 44 to 806 units, with an average size of 304 units (close to the subject’s size of 274 units). The Arrowbrook Centre Apartments will also be similar in size to two of the three existing LIHTC properties sized at 272 and 288 units. 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 studios (4 percent); one-bedroom units (17 percent); two-bedroom units (59 percent); and three-bedroom units (20 percent). The subject’s two bedroom distribution is similar to the distribution of units in the other tax credit/affordable rental properties where two-bedroom units account for 60 percent of all units. The subject offers a greater proportion of one bedroom units and a lesser percentage of three bedrooms relative to the affordable supply (at 8 percent and 31.5 percent respectively). The small number of studios (10) will also appeal to single person households. This distribution is reasonable given the 29 percent of one-person renters in the market area. 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. We believe that the proposed unit distribution is reasonable within the context of the directly competitive rental supply.

### Table 44: Unit Distribution, Unit Sizes and Net Rents, Arrowbrook Centre Apartments

<table>
<thead>
<tr>
<th>Floor Plan ID</th>
<th>Income Target (% AMI)</th>
<th># of Units</th>
<th>% of Total Units</th>
<th>Net Avg SF</th>
<th>Utility Allowance</th>
<th>Proposed Net Rent (1)</th>
<th>Net Rent/Net SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio/1 BA A</td>
<td>60%</td>
<td>4%</td>
<td>422</td>
<td>$81</td>
<td>$1,120</td>
<td>$2.65</td>
<td></td>
</tr>
<tr>
<td>Studio Subtotal</td>
<td></td>
<td></td>
<td>422</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 BR/1 BA B1</td>
<td>30%</td>
<td>9%</td>
<td>1</td>
<td>615</td>
<td>$100</td>
<td>$599</td>
<td>$0.91</td>
</tr>
<tr>
<td>1 BR/1 BA B3</td>
<td>30%</td>
<td>9%</td>
<td>1</td>
<td>595</td>
<td>$100</td>
<td>$599</td>
<td>$0.94</td>
</tr>
<tr>
<td>1 BR/1 BA B2</td>
<td>40% (Vouchers)</td>
<td>9%</td>
<td>4</td>
<td>796</td>
<td>$100</td>
<td>$1,354</td>
<td>$1.70</td>
</tr>
<tr>
<td>1 BR/1 BA B</td>
<td>50%</td>
<td>9%</td>
<td>1</td>
<td>796</td>
<td>$100</td>
<td>$999</td>
<td>$1.25</td>
</tr>
<tr>
<td>1 BR/1 BA A</td>
<td>60%</td>
<td>9%</td>
<td>2</td>
<td>659</td>
<td>$100</td>
<td>$1,219</td>
<td>$1.85</td>
</tr>
<tr>
<td>1 BR/1 BA B</td>
<td>60%</td>
<td>9%</td>
<td>2</td>
<td>607</td>
<td>$100</td>
<td>$1,219</td>
<td>$2.01</td>
</tr>
<tr>
<td>1 BR/1 BA B1</td>
<td>60%</td>
<td>4%</td>
<td>5</td>
<td>635</td>
<td>$100</td>
<td>$1,219</td>
<td>$1.92</td>
</tr>
<tr>
<td>1 BR/1 BA B3</td>
<td>60%</td>
<td>4%</td>
<td>6</td>
<td>679</td>
<td>$100</td>
<td>$1,219</td>
<td>$1.80</td>
</tr>
<tr>
<td>1 BR/1 BA B2</td>
<td>40% (Vouchers)</td>
<td>9%</td>
<td>4</td>
<td>796</td>
<td>$100</td>
<td>$1,354</td>
<td>$1.70</td>
</tr>
<tr>
<td>1 BR/1 BA B</td>
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<td>796</td>
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<td>$999</td>
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<td>60%</td>
<td>9%</td>
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<td>659</td>
<td>$100</td>
<td>$1,219</td>
<td>$1.85</td>
</tr>
<tr>
<td>1 BR/1 BA B</td>
<td>60%</td>
<td>9%</td>
<td>2</td>
<td>607</td>
<td>$100</td>
<td>$1,219</td>
<td>$2.01</td>
</tr>
<tr>
<td>2 BR/1.5 BA B</td>
<td>30%</td>
<td>9%</td>
<td>4</td>
<td>882</td>
<td>$124</td>
<td>$667</td>
<td>$0.76</td>
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<tr>
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<td>9%</td>
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<td>953</td>
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<td>50%</td>
<td>9%</td>
<td>13</td>
<td>953</td>
<td>$124</td>
<td>$1,195</td>
<td>$1.25</td>
</tr>
<tr>
<td>2 BR/1.5 BA D</td>
<td>50%</td>
<td>9%</td>
<td>13</td>
<td>953</td>
<td>$124</td>
<td>$1,195</td>
<td>$1.25</td>
</tr>
<tr>
<td>2 BR/1.5 BA E</td>
<td>60%</td>
<td>9%</td>
<td>8</td>
<td>953</td>
<td>$124</td>
<td>$1,219</td>
<td>$1.85</td>
</tr>
<tr>
<td>2 BR/1.5 BA B</td>
<td>60%</td>
<td>9%</td>
<td>1</td>
<td>635</td>
<td>$100</td>
<td>$1,219</td>
<td>$1.92</td>
</tr>
<tr>
<td>2 BR/1.5 BA B</td>
<td>60%</td>
<td>9%</td>
<td>1</td>
<td>679</td>
<td>$100</td>
<td>$1,219</td>
<td>$1.80</td>
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<tr>
<td>2 BR Subtotal</td>
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<td>1,216</td>
<td>$147</td>
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<td>$1.67</td>
</tr>
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<td>9%</td>
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<td>$1,377</td>
<td>$1.07</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Proposed rents assume tenants pay for all utilities except trash; structured parking included

Source: SCG Development
• **Income Targeting:** The subject’s income targeting is as follows: 13 units (5 percent) will address incomes at or below 30 percent of AMI; 14 units (5 percent) will address incomes at or below 40 percent of AMI; 36 units (13 percent) will address households with incomes at or below 50 percent of AMI; and 211 units (77 percent) will target households with incomes at or below 60 percent of AMI. RPRG’s penetration analysis indicates that all of the subject’s units as well as those existing and future units addresses less than three out of ten (28 percent) of all income-qualified households. Furthermore the 14 units at 40 percent of AMI will address low income households with the availability of project based rental assistance.

• **Unit Size:** The proposed unit sizes for Arrowbrook Centre Apartments average 422 square feet for studios, 692 square feet for one-bedroom units; 1,040 square feet for two-bedroom units; and 1,305 square feet for the three-bedroom units. Though some of the floor plans are small by market area standards, all of the subject floor plans are adequately sized.
  
  o The **studio** floor plan is smaller than the surveyed floor plans ranging in size from 524 to 588 square feet. However, the units are efficiently designed and are within the standard range for studio floor plans generally.
  
  o The **one bedroom** floor plans are smaller than the average size of the Upper Tier one bedroom units (776 square feet) and the Lower Tier one bedroom units (749 square feet) but comparable in size to the one affordable one bedroom units (733 square feet). Five of the 16 affordable one bedroom floor plans are smaller than or within ten square feet of the subject floor plans.
  
  o The **two bedroom** floor plans fall between the average size of the Upper Tier two bedroom units (1,159 square feet) and the Lower Tier two bedroom units (971 square feet). The average size of the affordable two bedroom floor plans is moderately larger at 1,052 square feet; however 12 of the 19 models are smaller than or within ten square feet of the subject floor plans.
  
  o The **three bedroom** floor plans are generously sized - the Upper Tier average size is larger at 1,401 square feet but both the Lower Tier and affordable average are smaller at 1,204 and 1,244 square feet respectively.

• **Number of Bathrooms:** All of the subject’s studio and one-bedroom units will have one full bathroom, while the two- and three-bedroom units will have two bathrooms, similar to the offerings at the other LIHTC properties and the market rate inventory.

• **Kitchen Features:** All unit kitchens at Arrowbrook Centre Apartments will include features competitive with market rate communities including dishwasher, garbage disposals, and microwaves. 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 Arrowbrook Centre Apartments with full-size washers and dryers that is standard in 21 of the 26 surveyed market area communities including two of the three LIHTC communities.

• **Other Unit Features:** Units at Arrowbrook Centre Apartments will have carpeted bedrooms and living areas and attractive wood vinyl flooring in the kitchen, hallway and bath that is also standard in the market area.

• **Utilities Included in Rent:** The Developer proposes to have tenants pay for all utilities except trash which is standard practice at seven of the 26 surveyed communities and one of the three LIHTC communities.

• **Common Area Amenities:** The Developer intends to provide a significant offering of common area amenities at the subject, Common area amenities which will be available to all residents will include a furnished clubroom with on-site management, conference center, fitness room,
and cyber lounge/ study area. Other amenities include an outdoor lounge with grilling area; bicycle storage, access to a dog park; one-half mile walking path to Metro; adjacency to Arrowbrook Centre Park; first floor restaurant and shops; and structured parking with direct access by floor. Other than not providing a pool, the proposed amenities are consistent with amenities provided at most Upper Tier communities. The subject has a competitive advantage with two key amenities – adjacency to Arrowbrook Centre Park that offers a soccer field, pet park, tennis courts, basketball court, playground, and amphitheater for entertainment plus walking distance to a Metro station – that will set it apart from most market rate and affordable communities.

- Parking: The subject will have free structured garage parking with direct access by floor that is only available at select Upper Tier communities and will provide Arrowbrook Centre Apartments with a distinct competitive advantage.

G. Price Position

The tax credit rents proposed by the Developer for Arrowbrook Centre Apartments are at or below the allowable maximums for all unit types, given the assumed utility allowances of $81 for studios, $100 for one-bedroom units; $124 for two-bedroom units; and $146 for three-bedroom units. The proposed rents are considered to be reasonable when viewed within the context of the directly competitive rental supply. The scatter charts indicate that the rents for the affordable rental supply are generally far 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 studio, one-, two, and three-bedroom units relative to market rate Lower Tier rents. The 40 percent AMI rents indicated on the chart are maximum LIHTC rents.

**Figure 12 Price Position of Arrowbrook Centre Apartments**
H. 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. We only have two examples of recent absorption – Station on Silver (inside the market area) has leased at a pace of roughly 21 units per month since opening in September 2017 and Residences at Government Center (a similar project built by the same development team as the subject outside the market area in Fair Oaks) leased at a pace of 27 units per month over the ten month period starting in September. Given the strategic positioning of the subject close to the Metro, the Dulles Access Road, Dulles Airport, and the entire Herndon/Reston employment node, the strong pent up demand for affordable products (the last LIHTC property opened in 1997) and lack of any competition in the near term, a healthy rental market, and attractive contemporary product features and amenities including direct access structured parking and elevators, the subject should be very marketable when it opens in 2022.

As a result, we project an absorption pace of:

19 to 21 units per month

Assuming this absorption pace, we would expect that the subject would attain stabilized occupancy in approximately 12 to 14 months. However, the 9 percent units which offer more affordable product than the 4 percent (all 60 percent AMI) units, should lease at a faster pace.

I. Impact on Existing Market

RPRG does not anticipate that the subject will have an adverse impact on the existing rental market. The overall vacancy rate for the income-restricted rental communities within the market area is very low at 0 percent and overall vacancies are low. The subject’s capture rate and penetration rates are reasonable, especially given the fact that there are limited moderate income households in this desirable area due to the dearth of affordable housing options. The capture rate is reflective of a limited pool of market area lower income households rather than any weakness in demand.

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

________________________  _______________________
Jerry Levin               Robert M. Lefenfeld
Senior Analyst            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 no 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.
Multifamily Community Profile

Adara Herndon

2399 Glen Echo Road
Herndon, VA 20171

392 Units
4.3% Vacant (17 units vacant) as of 2/21/2019

Map Ref: FA-S-D04

Community Type: Market Rate - General
Structure Type: 4-Story Garden
Opened in 2000

Property Manager: Avalon Bay Commun

Features

Standard: Dishwasher; Disposal; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Carpet

Select Units: Ceiling Fan; Fireplace; High Ceilings

Optional($): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: Detached Garage
Fee: $150

Amenity Fee: $500

Community Amenities

Clubhouse: ✔ Pool-Outdr: 
Comm Rm: ✔ Basketball: 
Centrl Lndry: ✔ Tennis: 
Elevator: ✔ Volleyball: 
Fitness: ✔ CarWash: 
Hot Tub: ✔ BusinessCtr: 
Sauna: ✔ ComputerCtr: 
Playground: 

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>35.7%</td>
<td>$1,497</td>
<td>745</td>
<td>$2.01</td>
</tr>
<tr>
<td>One/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Two</td>
<td>48.0%</td>
<td>$1,903</td>
<td>1,092</td>
<td>$1.74</td>
</tr>
<tr>
<td>Two/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>16.3%</td>
<td>$2,099</td>
<td>1,306</td>
<td>$1.61</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
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<td>--</td>
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</tbody>
</table>

Community Amenities

Clubhouse: ✔ Pool-Outdr: 
Comm Rm: ✔ Basketball: 
Centrl Lndry: ✔ Tennis: 
Elevator: ✔ Volleyball: 
Fitness: ✔ CarWash: 
Hot Tub: ✔ BusinessCtr: 
Sauna: ✔ ComputerCtr: 
Playground: 

Parking 1: Free Surface Parking
Fee: --

Parking 2: Detached Garage
Fee: $150

Amenity Fee: $500

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
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<td>$2,099</td>
<td>1,306</td>
<td>$1.61</td>
</tr>
<tr>
<td>Four+</td>
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Unit Mix & Effective Rent (1)

<table>
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<tr>
<th>Bedroom</th>
<th>%Total</th>
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<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
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</thead>
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<tr>
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<td>--</td>
</tr>
<tr>
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<td>35.7%</td>
<td>$1,497</td>
<td>745</td>
<td>$2.01</td>
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<tr>
<td>One/Den</td>
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</tr>
<tr>
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<td>$1,903</td>
<td>1,092</td>
<td>$1.74</td>
</tr>
<tr>
<td>Two/Den</td>
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<tr>
<td>Three</td>
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<tr>
<td>Four+</td>
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Historic Vacancy & Eff. Rent (1)

<table>
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<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
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</thead>
<tbody>
<tr>
<td>2/21/19</td>
<td>4.3%</td>
<td>$1,497</td>
<td>$1,903</td>
<td>$2,099</td>
</tr>
<tr>
<td>8/20/18</td>
<td>1.3%</td>
<td>$1,550</td>
<td>$1,736</td>
<td>$2,142</td>
</tr>
<tr>
<td>10/2/13</td>
<td>2.8%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>10/20/11</td>
<td>4.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Utilities in Rent:
Heat: ✔
Cooking: 
Wtr/Swr: 
Electricity: 
Trash: ✔

Adjusted Rent

Incentives: none

Adjustments to Rent

Incentives:

Utilities in Rent:
Heat: ✔
Cooking: 
Wtr/Swr: 
Electricity: 
Trash: ✔

Floorplans (Published Rents as of 2/21/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
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<th>%Vac</th>
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<td>$1,903</td>
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<td>721</td>
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<td>ADU/ 50%</td>
<td>8/20/18</td>
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<td>$1,550</td>
<td>$1,736</td>
<td>$2,142</td>
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<td>1</td>
<td>1</td>
<td>3</td>
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<td>721</td>
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<td>ADU/ 70%</td>
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<td>4.1%</td>
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<td>$1,903</td>
<td>$2,099</td>
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<td>3</td>
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<td>1,021</td>
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<td>8/20/18</td>
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<td>$2,142</td>
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<tr>
<td>Garden</td>
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<td>$1,893</td>
<td>1,021</td>
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<td>2.8%</td>
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<td>Garden</td>
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<td>2</td>
<td>2</td>
<td>116</td>
<td>$1,910</td>
<td>1,136</td>
<td>$1.68</td>
<td>Market</td>
<td>10/20/11</td>
<td>4.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
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<tr>
<td>Garden</td>
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<td>2</td>
<td>62</td>
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<td>1,306</td>
<td>$1.60</td>
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<td>2/21/19</td>
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<td>$1,497</td>
<td>$1,903</td>
<td>$2,099</td>
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<td>2</td>
<td>1</td>
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<td>1,306</td>
<td>$1.22</td>
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<td>8/20/18</td>
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<td>$1,550</td>
<td>$1,736</td>
<td>$2,142</td>
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<tr>
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<td>3</td>
<td>2</td>
<td>1</td>
<td>$1,221</td>
<td>1,306</td>
<td>$0.93</td>
<td>ADU/ 50%</td>
<td>10/20/11</td>
<td>4.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent.
(2) Published Rent is rent as quoted by management.
Apts at North Point

11694 North Point Court
Reston, VA 20194

Multifamily Community Profile

Community Type: LIHTC - General
Structure Type: Garden
Opened in 1997

48 Units 0.0% Vacant (0 units vacant) as of 2/19/2019

Community Amenities

- Clubhouse
- Pool-Outdr
- Comm Rm
- Basketball
- Centrl Lndry
- Tennis
- Elevator
- Volleyball
- Fitness
- CarWash
- Hot Tub
- BusinessCtr
- Sauna
- ComputerCtr
- Playground

Features

- Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Carpet
- Select Units: --
- Optional($): --
- Security: --
- Parking 1: Free Surface Parking
- Parking 2: --
- Property Manager: Quantum RE Mgmt
- Owner: --

Waitlist: 1BR-1-3 years; 2BR- 3-6 months; 3BR- 3-6 years

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>25.0%</td>
<td>$1,073</td>
<td>791</td>
<td>$1.36</td>
</tr>
<tr>
<td>One/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Two</td>
<td>50.0%</td>
<td>$1,280</td>
<td>967</td>
<td>$1.32</td>
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<tr>
<td>Two/Den</td>
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<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>25.0%</td>
<td>$1,472</td>
<td>1,137</td>
<td>$1.29</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Utilities in Rent:
- Heat Fuel: Electric
- Heat: --
- Cooking: --
- Wtr/Swr: --
- Hot Water: --
- Electricity: --
- Trash: --

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
<th>1BR</th>
<th>2BR</th>
<th>3BR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/19/19</td>
<td>0.0%</td>
<td>$1,073</td>
<td>$1,280</td>
<td>$1,472</td>
</tr>
<tr>
<td>8/21/18</td>
<td>0.0%</td>
<td>$1,073</td>
<td>$1,280</td>
<td>$1,472</td>
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</tbody>
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Floorplans (Published Rents as of 2/19/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
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<td>Garden</td>
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<td>1</td>
<td>1</td>
<td>12</td>
<td>$1,048</td>
<td>791</td>
<td>$1.32</td>
<td>LIHTC/ 60%</td>
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<td>2</td>
<td>2</td>
<td>24</td>
<td>$1,250</td>
<td>967</td>
<td>$1.29</td>
<td>LIHTC/ 60%</td>
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<td>2</td>
<td>12</td>
<td>$1,437</td>
<td>1,137</td>
<td>$1.26</td>
<td>LIHTC/ 60%</td>
</tr>
</tbody>
</table>

Incentives:
None

Adjustments to Rent

© 2019 Real Property Research Group, Inc.

(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management.
Ashford Meadows
2551 Cornelia Road
Herndon, VA 20171

Community Type: Market Rate - General
Structure Type: 4-Story Garden
Opened in 1997

440 Units
3.9% Vacant (17 units vacant) as of 2/19/2019

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
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</thead>
<tbody>
<tr>
<td>Eff</td>
<td>0.0%</td>
<td>$1,495</td>
<td>896</td>
<td>$1.67</td>
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<tr>
<td>One</td>
<td>44.0%</td>
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<td>1,256</td>
<td>$1.44</td>
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<td>One/Den</td>
<td>0.0%</td>
<td>$2,109</td>
<td>1,426</td>
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<tr>
<td>Two</td>
<td>5.9%</td>
<td>$1,495</td>
<td>896</td>
<td>$1.67</td>
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<tr>
<td>Two/Den</td>
<td>4.3%</td>
<td>$1,806</td>
<td>1,256</td>
<td>$1.44</td>
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<tr>
<td>Three</td>
<td>50.6%</td>
<td>$2,109</td>
<td>1,426</td>
<td>$1.48</td>
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<tr>
<td>Four+</td>
<td>0.0%</td>
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<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent.

Features

- Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Carpet
- Select Units: Fireplace; High Ceilings; ADA Access
- Optional($): --
- Security: --
- Parking 1: Free Surface Parking
- Parking 2: Detached Garage
- Fee: $150

Community Amenities

- Clubhouse: ✔
- Pool-Outdr: ✔
- Comm Rm: ✔
- Basketball: □
- Centrl Lndry: ✔
- Tennis: □
- Elevator: ✔
- Volleyball: ✔
- Fitness: ✔
- CarWash: □
- Hot Tub: ✔
- Business Ctr: □
- Sauna: □
- Computer Ctr: □
- Playground: ✔

Comments

Units have french doors. Valet trash $35.
Storage units for $50, $75 and $100
picnic/grill area, walking trails surrounding community

Incentives:
Daily Pricing: none
Utilities in Rent:
Heat Fuel: Natural Gas
Heat: □
Cooking: □
Wtr/Swr: □
Electricity: □
Trash: □

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
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<tr>
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<td>3.9%</td>
<td>$1,495</td>
<td>$1,806</td>
<td>$2,109</td>
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<tr>
<td>8/20/18</td>
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</tr>
<tr>
<td>3/30/09</td>
<td>4.3%</td>
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</table>

Floorplans (Published Rents as of 2/19/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
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<tbody>
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<td>3</td>
<td>--</td>
<td>$1,926</td>
<td>1,400</td>
<td>$1.38</td>
<td>Market</td>
</tr>
<tr>
<td>Lexington / Garden</td>
<td>--</td>
<td>3</td>
<td>2</td>
<td>--</td>
<td>$2,475</td>
<td>1,581</td>
<td>$1.57</td>
<td>Market</td>
</tr>
</tbody>
</table>

Adjustments to Rent

Incentives:
Daily Pricing: none

© 2019 Real Property Research Group, Inc.
(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent.
(2) Published Rent is rent as quoted by management.
Ashton at Dulles Corner
13959 Mansarde Avenue
Herndon, VA 20171

171 Units
6.4% Vacant (11 units vacant) as of 2/22/2019

Opened in 2008

Community Type: Market Rate - General
Structure Type: 4-Story Mid Rise

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>$/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>52.0%</td>
<td>$1,593</td>
<td>863</td>
<td>$1.85</td>
</tr>
<tr>
<td>One/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Two</td>
<td>35.7%</td>
<td>$1,982</td>
<td>1,287</td>
<td>$1.54</td>
</tr>
<tr>
<td>Two/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>14.0%</td>
<td>$2,676</td>
<td>1,585</td>
<td>$1.69</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Features
- Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Gas Fireplace; Patio/Balcony; High Ceilings
- Select Units:
- Optional($):
- Security:
- Parking 1: Structured Garage
  Fee: $0
- Parking 2: Free Surface Parking
  Fee: --
- Property Manager: Greystar
- Owner: --

Floorplans (Published Rents as of 2/22/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid Rise - Elevator</td>
<td>Loft</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>$2,038</td>
<td>1,066</td>
<td>$1.91</td>
<td>Market</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>Sunroom</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>$1,755</td>
<td>696</td>
<td>$2.52</td>
<td>Market</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>Sunroom</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>$1,611</td>
<td>696</td>
<td>$2.31</td>
<td>Market</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td>$977</td>
<td>696</td>
<td>$1.40</td>
<td>ADU/ 50%</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td>$1,270</td>
<td>696</td>
<td>$1.82</td>
<td>ADU/ 70%</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>38</td>
<td>$1,630</td>
<td>834</td>
<td>$1.95</td>
<td>Market</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>32</td>
<td>$1,569</td>
<td>962</td>
<td>$1.63</td>
<td>Market</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>46</td>
<td>$1,991</td>
<td>1,264</td>
<td>$1.58</td>
<td>Market</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>$1,099</td>
<td>1,264</td>
<td>$0.87</td>
<td>ADU/ 50%</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>$1,428</td>
<td>1,264</td>
<td>$1.13</td>
<td>ADU/ 70%</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>Loft</td>
<td>2</td>
<td>2</td>
<td>8</td>
<td>$2,311</td>
<td>1,439</td>
<td>$1.61</td>
<td>Market</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>3</td>
<td>2</td>
<td>17</td>
<td>$2,757</td>
<td>1,527</td>
<td>$1.81</td>
<td>Market</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>$1,587</td>
<td>1,527</td>
<td>$1.04</td>
<td>ADU/ 70%</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>Loft</td>
<td>3</td>
<td>2</td>
<td>4</td>
<td>$2,416</td>
<td>1,733</td>
<td>$1.39</td>
<td>Market</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>Loft</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>$2,641</td>
<td>1,811</td>
<td>$1.46</td>
<td>Market</td>
</tr>
</tbody>
</table>

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/22/19</td>
<td>6.4%</td>
<td>$1,593</td>
<td>$1,982</td>
<td>$2,676</td>
</tr>
<tr>
<td>8/20/18</td>
<td>1.8%</td>
<td>$1,670</td>
<td>$2,053</td>
<td>$2,849</td>
</tr>
<tr>
<td>10/20/11</td>
<td>4.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>4/3/09</td>
<td>5.3%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>2/22/19</td>
<td>6.4%</td>
<td>$1,593</td>
<td>$1,982</td>
<td>$2,676</td>
</tr>
<tr>
<td>8/20/18</td>
<td>1.8%</td>
<td>$1,670</td>
<td>$2,053</td>
<td>$2,849</td>
</tr>
<tr>
<td>10/20/11</td>
<td>4.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Adjustments to Rent
- Incentives: none
- Utilities in Rent: Heat: Natural Gas
  - Heat: --
  - Cooking: --
  - Wtr/Swr: --
- Utilities in Rent: Hot Water: --
  - Hot Water: --
- Utilities in Rent: Electricity: --
  - Electricity: --
- Utilities in Rent: Trash: --
  - Trash: --

Comments
- Stainless steel appliances & granite counters standard.
- Unit Mix: 86-1BR 61-2BR 24-3BR

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(2) Published Rent is rent as quoted by management.
Ashton at Dulles Corner II

13959 Mansarde Avenue
Herndon, VA 20171

282 Units  6.4% Vacant (18 units vacant)  as of 2/22/2019

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>% Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>1.8%</td>
<td>$1,389</td>
<td>524</td>
<td>$2.65</td>
</tr>
<tr>
<td>One</td>
<td>47.5%</td>
<td>$1,649</td>
<td>842</td>
<td>$1.96</td>
</tr>
<tr>
<td>One/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Two</td>
<td>44.3%</td>
<td>$2,165</td>
<td>1,356</td>
<td>$1.60</td>
</tr>
<tr>
<td>Two/Den</td>
<td>6.4%</td>
<td>$2,536</td>
<td>1,647</td>
<td>$1.54</td>
</tr>
<tr>
<td>Three</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Community Amenities

- Clubhouse
- Pool-Outdr
- Comm Rm
- Basketball
- Centrl Lndry
- Tennis
- Elevator
- Volleyball
- Fitness
- CarWash
- Hot Tub
- BusinessCtr
- Sauna
- ComputerCtr
- Playground

Features

- Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Gas Fireplace; Patio/Balcony; HighCeilings; Carpet

Select Units: 

Optional($): 

Security: 

Parking 1: Structured Garage  Fee: $0

Parking 2: Structured Garage  Fee: $25

Property Manager: Greystar

Owner: 

Comments

SS appl & granite counters standard.

Parking: 1st $0, 2nd $25, 3rd $45

5 Studios, 134 1BR, 143 2BR

Floorplans (Published Rents as of 2/22/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>Eff</td>
<td>1</td>
<td>5</td>
<td>$1,366</td>
<td>524</td>
<td>$2.61</td>
<td>Market</td>
<td>2/22/19</td>
<td>6.4%</td>
<td>$1,649</td>
<td>$2,211</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>27</td>
<td>$1,551</td>
<td>696</td>
<td>$2.23</td>
<td>Market</td>
<td>8/20/18</td>
<td>1.8%</td>
<td>$1,728</td>
<td>$2,204</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>27</td>
<td>$1,683</td>
<td>742</td>
<td>$2.27</td>
<td>Market</td>
<td>10/20/11</td>
<td>3.9%</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>27</td>
<td>$1,691</td>
<td>834</td>
<td>$2.03</td>
<td>Market</td>
<td>6/3/11</td>
<td>1.4%</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>26</td>
<td>$1,577</td>
<td>949</td>
<td>$1.66</td>
<td>Market</td>
<td>* Indicates initial lease-up.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>Loft</td>
<td>1</td>
<td>1</td>
<td>27</td>
<td>$1,619</td>
<td>992</td>
<td>$1.63</td>
<td>Market</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>26</td>
<td>$1,724</td>
<td>1,122</td>
<td>$1.54</td>
<td>Market</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>26</td>
<td>$1,721</td>
<td>1,187</td>
<td>$1.45</td>
<td>Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>18</td>
<td>$2,375</td>
<td>1,286</td>
<td>$1.85</td>
<td>Market</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>Loft</td>
<td>2</td>
<td>2</td>
<td>18</td>
<td>$2,211</td>
<td>1,382</td>
<td>$1.60</td>
<td>Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>Loft</td>
<td>2</td>
<td>2</td>
<td>19</td>
<td>$2,336</td>
<td>1,474</td>
<td>$1.58</td>
<td>Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>Den</td>
<td>2</td>
<td>2</td>
<td>18</td>
<td>$2,506</td>
<td>1,647</td>
<td>$1.52</td>
<td>Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>18</td>
<td>$2,796</td>
<td>1,857</td>
<td>$1.51</td>
<td>Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Historic Vacancy & Eff. Rent (1)

- Date: %Vac 1BR $ 2BR $ 3BR $
- 6.4% 2/22/19 $1,649 $2,211 --
- 1.8% 8/20/18 $1,728 $2,204 --
- 3.9% 10/20/11 -- --
- 1.4% 6/3/11 -- --

Adjustments to Rent

- Incentives: none
- Utilities in Rent: Heat Fuel: Natural Gas
- Heat: 
- Cooking: 
- Wtr/Swr: 
- Electricity: 
- Trash: 

© 2019 Real Property Research Group, Inc.  
(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent. 
(2) Published Rent is rent as quoted by management.
## Berkdale

**611 Dulles Park Court**  
**Herndon, VA 20170**  

**Community Type:** Market Rate - General  
**Structure Type:** Garden

- **Units:** 184  
- **Vacancy:** 2.7% (5 units vacant) as of 2/19/2019
- **Opened:** 1972  
- **Major Rehab:** 2008

---

### Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
<th>Eff</th>
</tr>
</thead>
<tbody>
<tr>
<td>One</td>
<td>9.2%</td>
<td>$1,425</td>
<td>599</td>
<td>$2.38</td>
<td>--</td>
</tr>
<tr>
<td>Two</td>
<td>28.3%</td>
<td>$1,685</td>
<td>667</td>
<td>$2.53</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>62.5%</td>
<td>$1,590</td>
<td>778</td>
<td>$2.04</td>
<td>--</td>
</tr>
</tbody>
</table>

- **Historic Vacancy & Eff. Rent (1):**  
  - 2.7% 2/19/19: $1,425, $1,685, $1,590
  - 0.0% 8/21/18: $1,415, $1,855, $2,158
  - 0.0% 8/19/13: --
  - 1.1% 9/6/12: --

---

### Community Amenities

- Clubhouse: [ ]  
- Pool-Outd: [ ]  
- Comm Rm: [ ]  
- Basketball: [ ]  
- Centrl Lndry: [ ]  
- Tennis: [ ]  
- Elevator: [ ]  
- Volleyball: [ ]  
- Fitness: [ ]  
- CarWash: [ ]  
- Hot Tub: [ ]  
- BusinessCtr: [ ]  
- Sauna: [ ]  
- ComputerCtr: [ ]  
- Playground: [ ]

---

### Features

**Standard:** Disposal; Central A/C; Hardwood

**Select Units:** Ceiling Fan; ADA Access

**Optional($):** --

**Security:** --

**Parking 1:** Free Surface Parking  
**Fee:** --

**Parking 2:** --  
**Fee:** --

- **Property Manager:** Gates & Hudson  
- **Owner:** --

---

### Comments

2008 - interior renovations - floors, appliances, windows  
Water not included in rent.

---

### Floorplans (Published Rents as of 2/19/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garden</td>
<td>--</td>
<td>1 1</td>
<td>17</td>
<td>$1,515</td>
<td>599</td>
<td>$2.53</td>
<td>Market</td>
<td>2/19/19</td>
<td>2.7%</td>
<td>$1,425</td>
<td>$1,685</td>
<td>$1,590</td>
</tr>
<tr>
<td>Garden</td>
<td>--</td>
<td>2 1</td>
<td>52</td>
<td>$1,795</td>
<td>667</td>
<td>$2.69</td>
<td>Market</td>
<td>8/21/18</td>
<td>0.0%</td>
<td>$1,415</td>
<td>$1,855</td>
<td>$2,158</td>
</tr>
<tr>
<td>Garden</td>
<td>--</td>
<td>3 1</td>
<td>115</td>
<td>$1,725</td>
<td>778</td>
<td>$2.22</td>
<td>Market</td>
<td>8/19/13</td>
<td>0.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>9/6/12</td>
<td>1.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

---

### Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/19/19</td>
<td>2.7%</td>
<td>$1,425</td>
<td>$1,685</td>
<td>$1,590</td>
</tr>
<tr>
<td>8/21/18</td>
<td>0.0%</td>
<td>$1,415</td>
<td>$1,855</td>
<td>$2,158</td>
</tr>
<tr>
<td>8/19/13</td>
<td>0.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>9/6/12</td>
<td>1.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

---

### Adjustments to Rent

- **Incentives:** Daily Pricing: none

- **Utilities in Rent:**  
  - Heat: [ ]  
  - Cooking: [ ]  
  - Wtr/Swr: [ ]  
  - Hot Water: [ ]  
  - Electricity: [ ]  
  - Trash: [ ]

---

© 2019 Real Property Research Group, Inc.  
(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent.  
(2) Published Rent is rent as quoted by management.
Camden Dulles Station

2320 Dulles Station Blvd
Herndon, VA 20171

382 Units  2.1% Vacant (8 units vacant) as of 2/22/2019

Community Type: Market Rate - General
Structure Type: 4-Story Mid Rise

Opened in 2008

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>--</td>
<td>$1,766</td>
<td>813</td>
<td>$2.17</td>
</tr>
<tr>
<td>One/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Two</td>
<td>--</td>
<td>$2,203</td>
<td>1,223</td>
<td>$1.80</td>
</tr>
<tr>
<td>Two/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>--</td>
<td>$2,395</td>
<td>1,465</td>
<td>$1.63</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Community Amenities

- Clubhouse: ✓
- Pool-Outdr: ✓
- Comm Rm: ✓
- Basketball: ✓
- Centrl Lndry: ✓
- Tennis: ✓
- Elevator: ✓
- Volleyball: ✓
- Fitness: ✓
- CarWash: ✓
- Hot Tub: ✓
- BusinessCtr: ✓
- Sauna: ✓
- ComputerCtr: ✓
- Playground: ✓

Features

- Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; High Ceilings; Cable TV; Hardwood / Ceramic

Select Units: --

Optional($): --

Security: Intercom; Keyed Bldg Entry

Parking 1: Structured Garage
Fee: $0

Parking 2: Fee for Reserved
Fee: $45

Property Manager: Camden
Owner: --

Comments

Not all floorplans shown.

Mandatory technology package-$105, Valet trash-$30

SS appl, laminate flooring in kitchen, foyer, LR standard.

Floorplans (Published Rents as of 2/22/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alberta / Mid Rise - Eleva</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>--</td>
<td>$1,619</td>
<td>646</td>
<td>$2.51</td>
<td>Market</td>
</tr>
<tr>
<td>Boston / Mid Rise - Eleva</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>--</td>
<td>$1,779</td>
<td>766</td>
<td>$2.32</td>
<td>Market</td>
</tr>
<tr>
<td>Bridleton/Signature / Mid</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>--</td>
<td>$1,719</td>
<td>781</td>
<td>$2.20</td>
<td>Market</td>
</tr>
<tr>
<td>Copenhagen / Mid Rise</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>--</td>
<td>$1,669</td>
<td>812</td>
<td>$2.06</td>
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</tr>
<tr>
<td>Brighton/Brisbane / Mid</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>--</td>
<td>$1,919</td>
<td>908</td>
<td>$2.11</td>
<td>Market</td>
</tr>
<tr>
<td>Brussels / Mid Rise - Elev</td>
<td>Loft</td>
<td>1</td>
<td>1</td>
<td>--</td>
<td>$1,919</td>
<td>908</td>
<td>$2.11</td>
<td>Market</td>
</tr>
<tr>
<td>Barcelona / Mid Rise - El</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>--</td>
<td>--</td>
<td>912</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Georgetown / Mid Rise -</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>--</td>
<td>$2,139</td>
<td>1,045</td>
<td>$2.05</td>
<td>Market</td>
</tr>
<tr>
<td>Melbourne / Mid Rise - El</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>--</td>
<td>$1,809</td>
<td>1,151</td>
<td>$1.57</td>
<td>Market</td>
</tr>
<tr>
<td>Lucia/Monterrey / Mid Ri</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>--</td>
<td>$2,009</td>
<td>1,305</td>
<td>$1.54</td>
<td>Market</td>
</tr>
<tr>
<td>Vienna LiveWork / Mid Ri</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>--</td>
<td>$2,939</td>
<td>1,677</td>
<td>$1.75</td>
<td>Market</td>
</tr>
<tr>
<td>Florence / Mid Rise - Elev</td>
<td>--</td>
<td>2</td>
<td>1</td>
<td>--</td>
<td>$1,969</td>
<td>938</td>
<td>$2.10</td>
<td>Market</td>
</tr>
<tr>
<td>New York/Rome / Mid Ri</td>
<td>--</td>
<td>3</td>
<td>2</td>
<td>--</td>
<td>$2,469</td>
<td>1,427</td>
<td>$1.73</td>
<td>Market</td>
</tr>
<tr>
<td>Hamilton / Mid Rise - Ele</td>
<td>--</td>
<td>3</td>
<td>2</td>
<td>--</td>
<td>$2,250</td>
<td>1,503</td>
<td>$1.50</td>
<td>Market</td>
</tr>
</tbody>
</table>

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/22/19</td>
<td>2.1%</td>
<td>$1,269</td>
<td>$2,203</td>
<td>$2,395</td>
</tr>
<tr>
<td>8/20/18</td>
<td>2.1%</td>
<td>$923</td>
<td>$772</td>
<td>$1,060</td>
</tr>
<tr>
<td>10/21/11</td>
<td>2.6%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>4/3/09*</td>
<td>42.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

* Indicates initial lease-up.

Adjustments to Rent

Incentives: None

Utilities in Rent:
- Heat: Electric
- Cooking: Electric
- Wtr/Swr: Electric
- Trash: Electric

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management.
Coppermine Run

2450 Masons Ferry Drive
Herndon, VA 20171

Community Type: LIHTC - General
Structure Type: Garden

Opened in 1996

288 Units
0.0% Vacant (0 units vacant) as of 2/21/2019

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Two</td>
<td>75.0%</td>
<td>$1,423</td>
<td>926</td>
<td>$1.54</td>
</tr>
<tr>
<td>Two/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>25.0%</td>
<td>$1,609</td>
<td>1,178</td>
<td>$1.37</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent.

Community Amenities

- Clubhouse: Yes
- Pool-Outdr: Yes
- Comm Rm: No
- Basketball: No
- Centrl Lndry: Yes
- Tennis: Yes
- Elevator: Yes
- Volleyball: No
- Fitness: Yes
- CarWash: No
- Hot Tub: Yes
- BusinessCtr: No
- Sauna: Yes
- ComputerCtr: No
- Playground: No

Features

- Standard: Dishwasher; Disposal; In Unit Laundry (Full Size); Patio/Balcony; Carpet
- Select Units: Ceiling Fan; ADA Access
- Optional($): --
- Security: --

Parking:
- Parking 1: Free Surface Parking
  - Fee: --
- Parking 2: --
  - Fee: --

Property Manager: CRC Communities
Owner: --

Comments

Previously called The Fields of Herndon.
No wait list. First come, first serve.

Floorplans (Published Rents as of 2/21/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turquoise / Garden</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>72</td>
<td>$1,403</td>
<td>1,010</td>
<td>$1.39</td>
<td>LIHTC/ 60%</td>
<td>2/21/19</td>
<td>0.0%</td>
<td>--</td>
<td>$1,423</td>
<td>$1,609</td>
</tr>
<tr>
<td>Garnet / Garden</td>
<td>--</td>
<td>2</td>
<td>1</td>
<td>72</td>
<td>$1,403</td>
<td>877</td>
<td>$1.60</td>
<td>LIHTC/ 60%</td>
<td>8/21/18</td>
<td>0.0%</td>
<td>--</td>
<td>$1,424</td>
<td>$1,429</td>
</tr>
<tr>
<td>Topaz / Garden</td>
<td>--</td>
<td>2</td>
<td>1.5</td>
<td>72</td>
<td>$1,403</td>
<td>890</td>
<td>$1.58</td>
<td>LIHTC/ 60%</td>
<td>3/30/09</td>
<td>9.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Amethyst / Garden</td>
<td>--</td>
<td>3</td>
<td>2</td>
<td>72</td>
<td>$1,584</td>
<td>1,178</td>
<td>$1.34</td>
<td>LIHTC/ 60%</td>
<td></td>
<td></td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/21/19</td>
<td>0.0%</td>
<td>$1,423</td>
<td>$1,609</td>
<td></td>
</tr>
<tr>
<td>8/21/18</td>
<td>0.0%</td>
<td>$1,424</td>
<td>$1,429</td>
<td></td>
</tr>
<tr>
<td>3/30/09</td>
<td>9.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Adjustments to Rent

- Incentives: None
- Utilities in Rent:
  - Heat: Natural Gas
  - Cooking: Electric
  - Wtr/Swr: Not Included
  - Hot Water: Included in Rent
  - Electricity: Included in Rent
  - Trash: Included in Rent

(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management

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Courts at Dulles

13800 Jefferson Park Drive
Herndon, 20170

Map Ref: FA-5-B05

Community Type: Market Rate - General
Structure Type: 0-Story Garden

Opened in 2000

411 Units 2.2% Vacant (9 units vacant) as of 2/22/2019

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>27.3%</td>
<td>$1,568</td>
<td>724</td>
<td>$2.16</td>
</tr>
<tr>
<td>One/Den</td>
<td>20.0%</td>
<td>$1,669</td>
<td>906</td>
<td>$1.84</td>
</tr>
<tr>
<td>Two</td>
<td>43.6%</td>
<td>$2,034</td>
<td>1,124</td>
<td>$1.81</td>
</tr>
<tr>
<td>Two/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>9.2%</td>
<td>$2,194</td>
<td>1,306</td>
<td>$1.68</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Community Amenities

- Clubhouse: ✓
- Pool-Outdr: ✓
- Comm Rm: □
- Basketball: □
- Centrl Lndry: □
- Tennis: □
- Elevator: □
- Volleyball: □
- Fitness: ✓
- CarWash: □
- Hot Tub: □
- BusinessCtr: □
- Sauna: □
- ComputerCtr: ✓
- Playground: □

Features

- Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings; Carpet / Hardwood
- Select Units: Fireplace
- Optional($): --
- Security: --

Parking 1: Free Surface Parking
Fee: $0
Parking 2: Detached Garage
Fee: $130

Property Manager: UDR
Owner: --

Community Amenities

- Clubhouse: ✓
- Pool-Outdr: ✓
- Comm Rm: □
- Basketball: □
- Centrl Lndry: □
- Tennis: □
- Elevator: □
- Volleyball: □
- Fitness: ✓
- CarWash: □
- Hot Tub: □
- BusinessCtr: □
- Sauna: □
- ComputerCtr: ✓
- Playground: □

Features

- Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings; Carpet / Hardwood
- Select Units: Fireplace
- Optional($): --
- Security: --

Parking 1: Free Surface Parking
Fee: $0
Parking 2: Detached Garage
Fee: $130

Property Manager: UDR
Owner: --

Comments

Previously called Oakwood Dulles.
Attached garages $150
Unit Mix: 196-1BR, 178-2 BR, 37-3BR

Floorplans (Published Rents as of 2/22/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR ($)</th>
<th>2BR ($)</th>
<th>3BR ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>--</td>
<td>1 1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>$977</td>
<td>650</td>
<td>$1.50</td>
<td>ADU/ 50%</td>
<td>2/22/19</td>
<td>2.2%</td>
<td>$1,610</td>
<td>$2,034</td>
<td>$2,194</td>
</tr>
<tr>
<td>--</td>
<td>1 1</td>
<td>28</td>
<td></td>
<td>55</td>
<td>$1,554</td>
<td>725</td>
<td>$2.14</td>
<td>Market</td>
<td>8/21/18</td>
<td>5.6%</td>
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</tr>
<tr>
<td>--</td>
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<td>1</td>
<td>2</td>
<td>25</td>
<td>$1,609</td>
<td>800</td>
<td>$2.01</td>
<td>Market</td>
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<td></td>
<td>$1,569</td>
<td>$1,860</td>
<td>$2,010</td>
</tr>
<tr>
<td>Den</td>
<td>1 1</td>
<td>28</td>
<td></td>
<td>54</td>
<td>$1,573</td>
<td>830</td>
<td>$1.90</td>
<td>Market</td>
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<td>$1,696</td>
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<td>$2,130</td>
</tr>
<tr>
<td>Den</td>
<td>2 2</td>
<td>30</td>
<td></td>
<td>54</td>
<td>$1,972</td>
<td>1,040</td>
<td>$1.90</td>
<td>Market</td>
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<td></td>
<td>$1,888</td>
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<td>$2,372</td>
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<td>1,100</td>
<td>$2,088</td>
<td>1,000</td>
<td>$1.90</td>
<td>Market</td>
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<td></td>
<td>$2,088</td>
<td>$2,324</td>
<td>$2,500</td>
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<tr>
<td>--</td>
<td>2 2</td>
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<td>1,173</td>
<td>$1,985</td>
<td>1,173</td>
<td>$1.69</td>
<td>Market</td>
<td></td>
<td></td>
<td>$1,895</td>
<td>$2,124</td>
<td>$2,300</td>
</tr>
<tr>
<td>--</td>
<td>3 2</td>
<td>1</td>
<td>2</td>
<td>80</td>
<td>$1,428</td>
<td>830</td>
<td>$1.72</td>
<td>ADU/ 70%</td>
<td></td>
<td></td>
<td>$1,587</td>
<td>$1,860</td>
<td>$2,020</td>
</tr>
<tr>
<td>--</td>
<td>3 2</td>
<td>37</td>
<td></td>
<td>1,308</td>
<td>$2,185</td>
<td>1,308</td>
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<td>Market</td>
<td></td>
<td></td>
<td>$2,185</td>
<td>$2,420</td>
<td>$2,560</td>
</tr>
</tbody>
</table>

Adjustments to Rent

Incentives: None

Utilities in Rent:
- Heat Fuel: Gas
- Cooking: Electric
- Wtr/Swr: Water
- Electricity: Electric
- Trash: Trash

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent.
(2) Published Rent is rent as quoted by management.
**Multifamily Community Profile**

**Dulles Center**

2410 Little Current Drive  
Herndon, VA 20170  

Map Ref: FA-05-B03  
Community Type: LIHTC - General  
Structure Type: Garden  
Opened in 1996

272 Units  
0.0% Vacant (0 units vacant) as of 2/21/2019

---

**Unit Mix & Effective Rent (1)**

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Two</td>
<td>50.0%</td>
<td>$1,470</td>
<td>1,009</td>
<td>$1.46</td>
</tr>
<tr>
<td>Two/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>50.0%</td>
<td>$1,692</td>
<td>1,209</td>
<td>$1.40</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

**Community Amenities**

- Clubhouse: 
- Pool-Outdr: 
- Comm Rm: 
- Basketball: 
- Centrl Lndry: 
- Tennis: 
- Elevator: 
- Volleyball: 
- Fitness: 
- CarWash: 
- Hot Tub: 
- BusinessCtr: 
- Sauna: 
- ComputerCtr: 
- Playground: 

---

**Features**

- Standard: Dishwasher; carpet
- Select Units: Ceiling Fan
- Optional($): --
- Security: --
- Parking 1: Free Surface Parking
  - Fee: --
- Parking 2: --
  - Fee: --

**Property Manager:** Van Metre

**Owner:** --

---

**Community Type:** LIHTC - General

**Structure Type:** Garden

**Opened in:** 1996

---

**Affordable Dwelling Units 50% & LIHTC 60%AMI**

ADU-resident responsible for electric & water. Tax Credit-resident responsible for electric only.

WL: 2BR-1 year; 3BR-3 years

---

**Floorplans (Published Rents as of 2/21/2019) (2)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garden</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>127</td>
<td>$1,496</td>
<td>1,009</td>
<td>$1.48</td>
<td>LIHTC/ 60%</td>
<td>2/21/19</td>
<td>0.0%</td>
<td>--</td>
<td>$1,470</td>
<td>$1,692</td>
</tr>
<tr>
<td>Garden</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>9</td>
<td>$1,099</td>
<td>1,009</td>
<td>$1.09</td>
<td>ADU/ 50%</td>
<td>8/20/18</td>
<td>0.0%</td>
<td>--</td>
<td>$1,470</td>
<td>$1,692</td>
</tr>
<tr>
<td>Garden</td>
<td>--</td>
<td>3</td>
<td>2</td>
<td>127</td>
<td>$1,725</td>
<td>1,209</td>
<td>$1.43</td>
<td>LIHTC/ 60%</td>
<td>3/30/09</td>
<td>0.7%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Garden</td>
<td>--</td>
<td>3</td>
<td>2</td>
<td>9</td>
<td>$1,221</td>
<td>1,209</td>
<td>$1.01</td>
<td>ADU/ 50%</td>
<td>3/30/09</td>
<td>0.7%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

---

**Historic Vacancy & Eff. Rent (1)**

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/21/19</td>
<td>0.0%</td>
<td>--</td>
<td>$1,470</td>
<td>$1,692</td>
</tr>
<tr>
<td>8/20/18</td>
<td>0.0%</td>
<td>--</td>
<td>$1,470</td>
<td>$1,692</td>
</tr>
<tr>
<td>3/30/09</td>
<td>0.7%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>3/30/09</td>
<td>0.7%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

---

**Comments**

Affordable Dwelling Units 50% & LIHTC 60%AMI

ADU-resident responsible for electric & water. Tax Credit-resident responsible for electric only.

WL: 2BR-1 year; 3BR-3 years

---

**Adjustments to Rent**

- Incentives: None
- Utilities in Rent: Heat Fuel: Electric
  - Hot Water: Water/Sewer: Yes
  - Cooking: Electricity: Yes

---

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management.
Dulles Greene

2150 Astoria Circle
Herndon, VA 20170

Map Ref: FA-05-C02

806 Units
4.2% Vacant (34 units vacant) as of 2/21/2019

Opened in 1998

Community Type: Market Rate - General
Structure Type: 4-Story Garden/TH

Bedroom | %Total | Avg Rent | Avg SqFt | Avg $/SqFt
--- | --- | --- | --- | ---
Eff | -- | -- | -- | --
One | 9.9% | $1,550 | 750 | $2.07
One/Den | 22.2% | $1,747 | 995 | $1.76
Two | 46.0% | $1,772 | 1,163 | $1.52
Two/Den | 6.2% | $1,807 | 1,360 | $1.33
Three | 15.6% | $2,002 | 1,327 | $1.51
Four+ | -- | -- | -- | --

Community Amenities
- Clubhouse: ✓
- Pool-Outd: ✓
- Comm Rm: ✓
- Basketball: ✓
- Centrl Lndry: ✓
- Tennis: ✓
- Elevator: ✓
- Volleyball: ✓
- Fitness: ✓
- CarWash: ✓
- Hot Tub: ✓
- BusinessCt: ✓
- Sauna: ✓
- ComputerCt: ✓
- Playground: ✓

Features
- Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Carpet / Vinyl/Linoleum
- Select Units: Fireplace; HighCeilings; ADA Access
- Optional($): --
- Security: Unit Alarms; Fence; Gated Entry

Parking 1: Free Surface Parking
Fee: $0

Parking 2: Detached Garage
Fee: $115

Property Manager: Harbor Group Mgmt
Owner: --

Comments
Attached garages available with Astoria, Biltmore, Dorchester, Carlyle, Grande for $100-150 more than listed rent.
Garages $115-$170. Storage-$35-$75
Garden tubs standard. Some units have vaulted ceilings.

Floorplans (Published Rents as of 2/21/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR</th>
<th>2BR</th>
<th>3BR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Astoria / Garden</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>80</td>
<td>$1,675</td>
<td>750</td>
<td>$2.23</td>
<td>Market</td>
<td>2/21/19</td>
<td>4.2%</td>
<td>$1,686</td>
<td>$1,776</td>
<td>$2,002</td>
</tr>
<tr>
<td>Biltmore / Garden</td>
<td>Den</td>
<td>1</td>
<td>1</td>
<td>179</td>
<td>$1,890</td>
<td>995</td>
<td>$1.90</td>
<td>Market</td>
<td>8/21/18</td>
<td>5.2%</td>
<td>$1,614</td>
<td>$1,720</td>
<td>$2,059</td>
</tr>
<tr>
<td>Dorchester / Garden</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>30</td>
<td>$1,965</td>
<td>1,095</td>
<td>$1.79</td>
<td>Market</td>
<td>9/3/13</td>
<td>2.2%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Carlton / Garden</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>121</td>
<td>$1,870</td>
<td>1,125</td>
<td>$1.66</td>
<td>Market</td>
<td>8/26/13</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Fairmount / Townhouse</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>60</td>
<td>$1,885</td>
<td>1,165</td>
<td>$1.62</td>
<td>Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carlyle / Garden</td>
<td>Garage</td>
<td>2</td>
<td>2</td>
<td>100</td>
<td>$1,915</td>
<td>1,190</td>
<td>$1.61</td>
<td>Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Essex / Townhouse</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>60</td>
<td>$1,990</td>
<td>1,225</td>
<td>$1.62</td>
<td>Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carlyle LOFT / Garden</td>
<td>Den</td>
<td>2</td>
<td>2</td>
<td>50</td>
<td>$1,950</td>
<td>1,360</td>
<td>$1.43</td>
<td>Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grande / Garden</td>
<td>--</td>
<td>3</td>
<td>2</td>
<td>30</td>
<td>$2,015</td>
<td>1,190</td>
<td>$1.69</td>
<td>Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greenbriar / Garden</td>
<td>--</td>
<td>3</td>
<td>2</td>
<td>96</td>
<td>$2,200</td>
<td>1,370</td>
<td>$1.61</td>
<td>Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/21/19</td>
<td>4.2%</td>
</tr>
<tr>
<td>8/21/18</td>
<td>5.2%</td>
</tr>
<tr>
<td>9/3/13</td>
<td>2.2%</td>
</tr>
<tr>
<td>8/26/13</td>
<td>--</td>
</tr>
</tbody>
</table>

Adjustments to Rent
- Incentives: 1 month free
- Utilities in Rent: Heat Fuel: Natural Gas
  - Heat: ✓
  - Cooking: ✓
  - Wtr/Swr: ✓
  - Electricity: ✓
  - Trash: ✓

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management.
Icon at Dulles

2341 Dulles Station Road
Herndon, VA 20171

457 Units 1.5% Vacant (7 units vacant) as of 2/22/2019

Opened in 2013

**Multifamily Community Profile**

**Community Type:** Market Rate - General

**Structure Type:** 5-Story Mid Rise

---

### Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>6.6%</td>
<td>$1,465</td>
<td>699</td>
<td>$2.10</td>
</tr>
<tr>
<td>One</td>
<td>26.9%</td>
<td>$1,770</td>
<td>799</td>
<td>$2.22</td>
</tr>
<tr>
<td>One/Den</td>
<td>13.1%</td>
<td>$1,743</td>
<td>995</td>
<td>$1.75</td>
</tr>
<tr>
<td>Two</td>
<td>34.6%</td>
<td>$1,914</td>
<td>1,112</td>
<td>$1.72</td>
</tr>
<tr>
<td>Two/Den</td>
<td>4.8%</td>
<td>$2,291</td>
<td>1,308</td>
<td>$1.75</td>
</tr>
<tr>
<td>Three</td>
<td>19.7%</td>
<td>$2,401</td>
<td>1,417</td>
<td>$1.69</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

**Community Amenities**

- Clubhouse: ☑
- Pool-Outdr: ☑
- Comm Rm: ☑
- Basketball: ☑
- Centrl Lndry: ☑
- Tennis: ❌
- Elevator: ☑
- Volleyball: ☑
- Fitness: ☑
- CarWash: ❌
- Hot Tub: ☑
- BusinessCtr: ❌
- Sauna: ☑
- ComputerCtr: ❌
- Playground: ❌

**Features**

- Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; Central A/C; Patio/Balcony; HighCeilings; Hardwood

- Select Units: --

- Optional($): --

- Security: --

- Parking 1: Structured Garage
  - Fee: $0

- Parking 2: --
  - Fee: --

- Property Manager: --
- Owner: --

**Comments**

SS appl, Granite CT, Maple cabinets.
Walk-in showers, track lighting, gourmet kitchen
Courtyard, grilling area, demo kitchen, electric car charging, yoga station, billiards room, media room

**Floorplans (Published Rents as of 2/22/2019) (2)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>% Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>Eff</td>
<td>1</td>
<td>15</td>
<td>$1,441</td>
<td>662</td>
<td>$2.18</td>
<td>Market</td>
<td>2/22/19</td>
<td>1.5%</td>
<td>$1,761</td>
<td>$1,960</td>
<td>$2,401</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>Eff</td>
<td>1</td>
<td>15</td>
<td>$1,442</td>
<td>736</td>
<td>$1.96</td>
<td>Market</td>
<td>8/21/18</td>
<td>3.9%</td>
<td>$1,825</td>
<td>$2,062</td>
<td>$2,551</td>
</tr>
</tbody>
</table>

**Adjustments to Rent**

- Incentives: None

- Utilities in Rent: Heat: Electric
  - Heat: ☑
  - Cooking: ❌
  - Wtr/Swr: ☑
  - Trash: ☑

---

(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management.
Multifamily Community Profile

RealProperty Group

831 Locust Street
Herndon, VA 20170

Community Type: Market Rate - General
Structure Type: Garden

1.1% Vacant (1 units vacant) as of 2/22/2019

90 Units

Opened in 1959
Last Major Rehab in 2003

Community Amenities
- Clubhouse: 
- Pool-Outdr: 
- Comm Rm: 
- Basketball: 
- Centrl Lndry: Yes
- Tennis: 
- Elevator: 
- Volleyball: 
- Fitness: 
- CarWash: 
- Hot Tub: 
- BusinessCtr: 
- Sauna: 
- ComputerCtr: 
- Playground: Yes

Features
- Standard: Disposal; In Unit Laundry (Hook-ups); Patio/Balcony; Hardwood
- Select Units: Ceiling Fan; ADA Access
- Optional($): --
- Security: --
- Parking 1: Free Surface Parking
  Fee: --
- Parking 2: --
- Property Manager: Cassow
  Owner: --

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>40.0%</td>
<td>$1,183</td>
<td>700</td>
<td>$1.69</td>
</tr>
<tr>
<td>One/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Two</td>
<td>54.4%</td>
<td>$1,425</td>
<td>800</td>
<td>$1.78</td>
</tr>
<tr>
<td>Two/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>5.6%</td>
<td>$1,735</td>
<td>1,000</td>
<td>$1.74</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent.

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/22/19</td>
<td>1.1%</td>
<td>$1,183</td>
<td>$1,425</td>
<td>$1,735</td>
</tr>
<tr>
<td>8/20/18</td>
<td>2.2%</td>
<td>$1,183</td>
<td>$1,407</td>
<td>$1,589</td>
</tr>
<tr>
<td>8/20/13</td>
<td>5.6%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>9/6/12</td>
<td>3.3%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Incentives:
- 1 mo free w/ 13 mo lease

Utilities in Rent:
- Heat: Yes
- Cooking: Yes
- Wtr/Swr: Yes
- Hot Water: Yes
- Electricity: Yes
- Trash: Yes

Floorplans (Published Rents as of 2/22/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garden</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>36</td>
<td>$1,395</td>
<td>700</td>
<td>$1.99</td>
<td>Market</td>
<td>2/22/19</td>
<td>1.1%</td>
<td>$1,183</td>
<td>$1,425</td>
<td>$1,735</td>
</tr>
<tr>
<td>Garden</td>
<td>--</td>
<td>2</td>
<td>1</td>
<td>49</td>
<td>$1,685</td>
<td>800</td>
<td>$2.11</td>
<td>Market</td>
<td>8/20/18</td>
<td>2.2%</td>
<td>$1,183</td>
<td>$1,407</td>
<td>$1,589</td>
</tr>
<tr>
<td>Garden</td>
<td>--</td>
<td>3</td>
<td>1.5</td>
<td>5</td>
<td>$1,895</td>
<td>1,000</td>
<td>$1.90</td>
<td>Market</td>
<td>8/20/13</td>
<td>5.6%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>9/6/12</td>
<td>3.3%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

© 2019 Real Property Research Group, Inc.
(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent.
(2) Published Rent is rent as quoted by management.
Mark at Dulles Station

Multifamily Community Profile

2323 Dulles Station Blvd
Herndon, VA 20171

119 Units 4.2% Vacant (5 units vacant) as of 2/22/2019

Opened in 2007

Unit Mix & Effective Rent (1)

```
<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg SqFt</th>
<th>SqFt</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Rent/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>27.7%</td>
<td>$1,595</td>
<td>772</td>
<td>2.07</td>
<td></td>
<td></td>
</tr>
<tr>
<td>One/Den</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Two</td>
<td>42.9%</td>
<td>$1,725</td>
<td>958</td>
<td>1.80</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Two/Den</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Three</td>
<td>2.5%</td>
<td>$2,395</td>
<td>1,556</td>
<td>1.54</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
```

Community Amenities

- Clubhouse
- Pool-Outdr
- Comm Rm
- Basketball
- Centrl Lndry
- Tennis
- Elevator
- Volleyball
- Fitness
- CarWash
- Hot Tub
- BusinessCtr
- Sauna
- ComputerCtr
- Playground

Features

- Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Carpet
- Select Units: --
- Optional($): --
- Security: Keyed Bldg Entry
- Parking 1: Free Surface Parking
- Parking 2: Structured Garage
  - Fee: $0
- Property Manager: BET Investments
  - Owner: --

Comments

- Also has 50 furnished units that are managed like a hotel. 1 Free parking space in garage.
- Previously called Ave Dulles

Floorplans (Published Rents as of 2/22/2019) (2)

```
<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>33</td>
<td>$1,595</td>
<td>772</td>
<td>$2.07</td>
<td>Market</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>Den</td>
<td>1</td>
<td>1</td>
<td>32</td>
<td>$1,725</td>
<td>958</td>
<td>$1.80</td>
<td>Market</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td></td>
<td>2</td>
<td>1</td>
<td>17</td>
<td>$1,819</td>
<td>1,032</td>
<td>$1.76</td>
<td>Market</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td></td>
<td>2</td>
<td>2</td>
<td>17</td>
<td>$2,149</td>
<td>1,407</td>
<td>$1.53</td>
<td>Market</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td></td>
<td>2</td>
<td>2</td>
<td>17</td>
<td>$1,849</td>
<td>980</td>
<td>$1.89</td>
<td>Market</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td></td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>$2,395</td>
<td>1,556</td>
<td>$1.54</td>
<td>Market</td>
</tr>
</tbody>
</table>
```

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/22/19</td>
<td>4.2%</td>
<td>$1,659</td>
<td>$1,939</td>
<td>$2,395</td>
</tr>
<tr>
<td>8/21/18</td>
<td>7.6%</td>
<td>$1,714</td>
<td>$1,909</td>
<td>$2,395</td>
</tr>
<tr>
<td>10/21/11</td>
<td>3.4%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>4/3/09</td>
<td>0.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Adjustments to Rent

- Incentives: None
- Utilities in Rent: Heat Fuel: Natural Gas
- Heat: Natural Gas
- Cooking: Electric
- Wtr/Swr: --
- Hot Water: --
- Electricity: --
- Trash: --

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent.
(2) Published Rent is rent as quoted by management.
Monroe Place

2300 Woodland Crossing Drive
Herndon, VA 20171

205 Units 3.4% Vacant (7 units vacant) as of 2/21/2019

Opened in 2008

Community Amenities

- Clubhouse: ✔
- Pool-Outdr: ✔
- Comm Rm: ✔
- Basketball: ☐
- Centrl Lndry: ☐
- Tennis: ☐
- Elevator: ✔
- Volleyball: ☐
- Fitness: ✔
- CarWash: ☐
- Hot Tub: BusinessCtr: ✔
- Sauna: ComputerCtr: ☐
- Playground: ☐

Features

- Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Full Size); Central A/C; HighCeilings; Carpet / Ceramic
- Select Units: Patio/Balcony
- Optional($): --
- Security: Intercom

Parking 1: Free Surface Parking
Fee: --
Parking 2: Structured Garage
Fee: $50

Property Manager: Gates Hudson
Owner: --

Comments

Valet trash-$35

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>41.5%</td>
<td>$1,575</td>
<td>793</td>
<td>$1.99</td>
</tr>
<tr>
<td>One/Den</td>
<td>22.9%</td>
<td>$1,785</td>
<td>990</td>
<td>$1.80</td>
</tr>
<tr>
<td>Two</td>
<td>32.7%</td>
<td>$1,914</td>
<td>951</td>
<td>$2.01</td>
</tr>
<tr>
<td>Two/Den</td>
<td>2.9%</td>
<td>$2,180</td>
<td>1,214</td>
<td>$1.80</td>
</tr>
<tr>
<td>Three</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Community Type: Market Rate - General
Structure Type: 4-Story Mid Rise

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/21/19</td>
<td>3.4%</td>
<td>$1,650</td>
<td>$1,936</td>
<td>--</td>
</tr>
<tr>
<td>8/20/18</td>
<td>0.5%</td>
<td>$1,664</td>
<td>$2,003</td>
<td>--</td>
</tr>
<tr>
<td>8/19/13</td>
<td>2.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>9/7/12</td>
<td>3.9%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

* Indicates initial lease-up.

Adjusted Vacancy:

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid Rise - Elevator</td>
<td>Den</td>
<td>1</td>
<td>1</td>
<td>30</td>
<td>$1,750</td>
<td>1,001</td>
<td>$1.75</td>
<td>Market</td>
<td>2/21/19</td>
<td>3.4%</td>
<td>$1,650</td>
<td>$1,936</td>
<td>--</td>
</tr>
<tr>
<td>DEN &amp; LOFT / Mid Rise -</td>
<td>Den</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>$1,870</td>
<td>1,050</td>
<td>$1.85</td>
<td>Market</td>
<td>8/20/18</td>
<td>0.5%</td>
<td>$1,664</td>
<td>$2,003</td>
<td>--</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>$977</td>
<td>539</td>
<td>$1.81</td>
<td>ADU/ 50%</td>
<td>8/19/13</td>
<td>2.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>$1,270</td>
<td>628</td>
<td>$2.02</td>
<td>ADU/ 70%</td>
<td>9/7/12</td>
<td>3.9%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>8</td>
<td>$1,575</td>
<td>806</td>
<td>$1.96</td>
<td>Market</td>
<td>1/3/18</td>
<td>3.4%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>LOFT / Mid Rise - Elevato</td>
<td>Den</td>
<td>1</td>
<td>1</td>
<td>13</td>
<td>$1,750</td>
<td>947</td>
<td>$1.85</td>
<td>Market</td>
<td>4/10/19</td>
<td>3.4%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>23</td>
<td>$2,100</td>
<td>1,079</td>
<td>$1.95</td>
<td>Market</td>
<td>4/10/19</td>
<td>3.4%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>$1,985</td>
<td>1,123</td>
<td>$1.77</td>
<td>Market</td>
<td>4/10/19</td>
<td>3.4%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>Den</td>
<td>2</td>
<td>2</td>
<td>6</td>
<td>$2,150</td>
<td>1,214</td>
<td>$1.77</td>
<td>Market</td>
<td>4/10/19</td>
<td>3.4%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>2</td>
<td>1</td>
<td>35</td>
<td>$1,814</td>
<td>845</td>
<td>$2.15</td>
<td>Market</td>
<td>4/10/19</td>
<td>3.4%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>$1,099</td>
<td>940</td>
<td>$1.77</td>
<td>ADU/ 50%</td>
<td>4/10/19</td>
<td>3.4%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>$1,428</td>
<td>982</td>
<td>$1.45</td>
<td>ADU/ 70%</td>
<td>4/10/19</td>
<td>3.4%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Adjustments to Rent

- Incentives: Daily Pricing; none
- Utilities in Rent: Heat: Gas
  - Heat: ☐
  - Cooking: ☐
  - Wtr/Swr: ☐
  - Electricity: ☐
  - Trash: ☐

Floorplans (Published Rents as of 2/21/2019) (2)

© 2019 Real Property Research Group, Inc.

(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management.
# Park Avenue

**901 Park Avenue**  
**Herndon, VA 20170**  
**Map Ref:** FA-01-H03  
**Community Type:** Market Rate - General  
**Structure Type:** Garden  
**Opened in:** 1965

## Multifamily Community Profile

- **Units:** 44  
- **Vacancy:** 0.0% (0 units vacant) as of 2/21/2019

## Community Amenities

<table>
<thead>
<tr>
<th>Feature</th>
<th>Marked</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clubhouse</td>
<td>☐</td>
</tr>
<tr>
<td>Pool-Outdr</td>
<td>☐</td>
</tr>
<tr>
<td>Comm Rm</td>
<td>☐</td>
</tr>
<tr>
<td>Basketball</td>
<td>☐</td>
</tr>
<tr>
<td>Centrl Lndry</td>
<td>☑</td>
</tr>
<tr>
<td>Tennis</td>
<td>☐</td>
</tr>
<tr>
<td>Elevator</td>
<td>☐</td>
</tr>
<tr>
<td>Volleyball</td>
<td>☐</td>
</tr>
<tr>
<td>Fitness</td>
<td>☐</td>
</tr>
<tr>
<td>CarWash</td>
<td>☐</td>
</tr>
<tr>
<td>Hot Tub</td>
<td>☐</td>
</tr>
<tr>
<td>BusinessCtr</td>
<td>☐</td>
</tr>
<tr>
<td>Sauna</td>
<td>☐</td>
</tr>
<tr>
<td>ComputerCtr</td>
<td>☐</td>
</tr>
<tr>
<td>Playground</td>
<td>☐</td>
</tr>
</tbody>
</table>

## Features

- **Standard:** Hardwood
- **Select Units:** Ceiling Fan; ADA Access
- **Optional($):** --
- **Security:** --

## Parking

- **Parking 1:** Free Surface Parking  
- **Fee:** --
- **Parking 2:** --
- **Fee:** --

## Property Manager

- **Manager:** Privately Managed  
- **Owner:** --

## Comments

- No vacancies in over a year.

## Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Two</td>
<td>100.0%</td>
<td>$1,415</td>
<td>650</td>
<td>$2.18</td>
</tr>
<tr>
<td>Two/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

## Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/21/19</td>
<td>0.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>8/20/18</td>
<td>0.0%</td>
<td>--</td>
<td>$1,415</td>
<td>--</td>
</tr>
<tr>
<td>8/19/13</td>
<td>0.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>9/10/12</td>
<td>0.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

## Adjustments to Rent

- **Incentives:** None

## Floorplans (Published Rents as of 2/21/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garden</td>
<td>--</td>
<td>2</td>
<td>1</td>
<td>44</td>
<td>$1,500</td>
<td>650</td>
<td>$2.31</td>
<td>Market</td>
</tr>
</tbody>
</table>

---

(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent  
(2) Published Rent is rent as quoted by management.
# Parkridge Gardens

560 Florida Avenue
Herndon, VA 20170

Map Ref: FA-05-F03

144 Units 4.2% Vacant (6 units vacant) as of 2/19/2019

## Community Profile

- **Community Type:** Market Rate - General
- **Structure Type:** Garden/TH
- **Opened in:** 1964

## Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>50.0%</td>
<td>$1,541</td>
<td>675</td>
<td>$2.28</td>
</tr>
<tr>
<td>One/Den</td>
<td>4.2%</td>
<td>$1,720</td>
<td>792</td>
<td>$2.17</td>
</tr>
<tr>
<td>Two</td>
<td>37.5%</td>
<td>$1,825</td>
<td>862</td>
<td>$2.12</td>
</tr>
<tr>
<td>Two/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>8.3%</td>
<td>$2,230</td>
<td>1,266</td>
<td>$1.76</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent.

## Community Amenities

- Clubhouse: 
- Pool-Outdr: 
- Comm Rm: 
- Basketball: 
- Centrl Lndry: 
- Tennis: 
- Elevator: 
- Volleyball: 
- Fitness: 
- CarWash: 
- Hot Tub: 
- BusinessCtr: 
- Sauna: 
- ComputerCtr: 
- Playground: 

## Features

- **Standard:** Dishwasher; Disposal; Microwave; Central A/C; Patio/Balcony; Carpet
- **Select Units:** Ceiling Fan; In Unit Laundry; ADA Access
- **Optional($):** 
- **Security:** 
- **Parking 1:** Free Surface Parking
  - Fee: 
- **Parking 2:** 
  - Fee: 
- **Property Manager:** Promark Partners, LL
- **Owner:** 

## Comments

Phase I 1964, Phase II 1989

All tenants have free access to Herndon Community Center 1 mile northwest for amenities.

## Floorplans (Published Rents as of 2/19/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>A / Garden</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>30</td>
<td>$1,405</td>
<td>596</td>
<td>$2.36</td>
<td>Market</td>
<td>2/19/19</td>
<td>4.2%</td>
<td>$1,555</td>
<td>$1,825</td>
<td>$2,230</td>
</tr>
<tr>
<td>C-w/d / Garden</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>42</td>
<td>$1,595</td>
<td>732</td>
<td>$2.18</td>
<td>Market</td>
<td>8/20/18</td>
<td>0.7%</td>
<td>$1,511</td>
<td>$1,775</td>
<td>$2,440</td>
</tr>
<tr>
<td>B-w/d / Garden</td>
<td>Den</td>
<td>1</td>
<td>1</td>
<td>6</td>
<td>$1,695</td>
<td>792</td>
<td>$2.14</td>
<td>Market</td>
<td>8/20/13</td>
<td>0.7%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>D / Garden</td>
<td>--</td>
<td>2</td>
<td>1</td>
<td>54</td>
<td>$1,795</td>
<td>862</td>
<td>$2.08</td>
<td>Market</td>
<td>9/7/12</td>
<td>1.4%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>E-w/d / Townhouse</td>
<td>--</td>
<td>3</td>
<td>1.5</td>
<td>12</td>
<td>$2,195</td>
<td>1,266</td>
<td>$1.73</td>
<td>Market</td>
<td>2/19/19</td>
<td>4.2%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

## Historic Vacancy & Eff. Rent (1)

- **Incentives:** None
- **Utilities in Rent:** Heat Fuel: Electric
  - Heat: 
  - Cooking: 
  - Wtr/Swr: 
  - Hot Water: 
  - Electricity: 
  - Trash: 

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Point at Herndon, The
13161 Fox Hunt Lane
Herndon, VA 20171

244 Units 6.1% Vacant (15 units vacant) as of 2/22/2019

Opened in 2004

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>5.3%</td>
<td>$1,433</td>
<td>588</td>
<td>$2.44</td>
</tr>
<tr>
<td>One</td>
<td>37.7%</td>
<td>$1,676</td>
<td>773</td>
<td>$2.17</td>
</tr>
<tr>
<td>One/Den</td>
<td>9.8%</td>
<td>$1,667</td>
<td>964</td>
<td>$1.73</td>
</tr>
<tr>
<td>Two</td>
<td>34.4%</td>
<td>$2,090</td>
<td>1,059</td>
<td>$1.97</td>
</tr>
<tr>
<td>Two/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>13.1%</td>
<td>$1,997</td>
<td>1,232</td>
<td>$1.62</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Community Amenities

- Clubhouse: ✓
- Pool-Outdr: ✓
- Comm Rm: ☐
- Basketball: ☐
- Centrl Lndry: ✓
- Tennis: ☐
- Elevator: ✓
- Volleyball: ☐
- Fitness: ✓
- CarWash: ✓
- Hot Tub: BusinessCtr: ✓
- Sauna: ☐
- ComputerCtr: ✓
- Playground: ✓

Features

- Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings
- Select Units: Fireplace
- Optional($): --
- Security: --
- Parking 1: Structured Garage
  Fee: $0
- Parking 2: Structured Garage
  Fee: $70
- Property Manager: Panco Mgmt
- Owner: KSI Services

Comments

Previously called Metropolitan of Fairfax. Media Room, Rock Climbing Wall, Billiards, Cyber Cafe, Verizon FiOs.
Crown moulding & garden tubs standard
1 parking space is free, additional spaces are $70 per month; uncovered special $25 (Reg. $50)

Floorplans (Published Rents as of 2/22/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garden</td>
<td>--</td>
<td>Eff 1</td>
<td>1</td>
<td>1</td>
<td>$1,011</td>
<td>588</td>
<td>$1.72</td>
<td>ADU/70%</td>
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<td>Garden</td>
<td>--</td>
<td>Eff 1</td>
<td>11</td>
<td>$1,508</td>
<td>588</td>
<td>$2.56</td>
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<td>Garden</td>
<td>--</td>
<td>Eff 1</td>
<td>1</td>
<td>1</td>
<td>$855</td>
<td>588</td>
<td>$1.45</td>
<td>ADU/50%</td>
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<tr>
<td>Garden</td>
<td>--</td>
<td>1</td>
<td>5</td>
<td>1</td>
<td>$977</td>
<td>742</td>
<td>$1.32</td>
<td>ADU/50%</td>
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<td>Garden</td>
<td>--</td>
<td>1</td>
<td>5</td>
<td>1</td>
<td>$1,270</td>
<td>742</td>
<td>$1.71</td>
<td>ADU/70%</td>
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<tr>
<td>Garden</td>
<td>--</td>
<td>1</td>
<td>59</td>
<td>$1,812</td>
<td>742</td>
<td>$2.44</td>
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<td>1</td>
<td>4</td>
<td>1</td>
<td>$1,622</td>
<td>802</td>
<td>$2.02</td>
<td>Market</td>
</tr>
<tr>
<td>Loft / Garden</td>
<td>Loft 1</td>
<td>1</td>
<td>19</td>
<td>$1,487</td>
<td>881</td>
<td>$1.69</td>
<td>Market</td>
<td></td>
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<tr>
<td>Den / Garden</td>
<td>Den 1</td>
<td>1</td>
<td>24</td>
<td>$1,652</td>
<td>964</td>
<td>$1.71</td>
<td>Market</td>
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<tr>
<td>Garden</td>
<td>--</td>
<td>2</td>
<td>5</td>
<td>2</td>
<td>$1,428</td>
<td>1,059</td>
<td>$1.35</td>
<td>ADU/70%</td>
</tr>
<tr>
<td>Garden</td>
<td>--</td>
<td>2</td>
<td>5</td>
<td>2</td>
<td>$1,099</td>
<td>1,059</td>
<td>$1.04</td>
<td>ADU/50%</td>
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<tr>
<td>Garden</td>
<td>--</td>
<td>2</td>
<td>6</td>
<td>2</td>
<td>$1,848</td>
<td>1,145</td>
<td>$1.61</td>
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</tr>
<tr>
<td>Garden</td>
<td>--</td>
<td>2</td>
<td>6</td>
<td>2</td>
<td>$1,668</td>
<td>966</td>
<td>$1.73</td>
<td>Market</td>
</tr>
<tr>
<td>Garden</td>
<td>Den 3</td>
<td>2</td>
<td>32</td>
<td>$1,972</td>
<td>1,232</td>
<td>$1.60</td>
<td>Market</td>
<td></td>
</tr>
</tbody>
</table>

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/2/11</td>
<td>0.8%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>10/21/11</td>
<td>2.9%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>2/22/19</td>
<td>6.1%</td>
<td>$1,674</td>
<td>$2,090</td>
<td>$1,997</td>
</tr>
</tbody>
</table>

Adjustments to Rent

- Incentives: Daily Pricing: none
- Utilities in Rent: Heat: Natural Gas
  - Heat: ☐
  - Cooking: ☐
  - Wtr/Swr: ☐
  - Electricity: ☐
  - Trash: ✓

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management.
Pointe at Dulles, The

13690 Legacy Circle
Herndon, VA 20171

Map Ref: FA-38-J05

Community Type: Market Rate - General
Structure Type: 4-Story Garden/TH

Opened in 1999

328 Units 2.4% Vacant (8 units vacant) as of 2/21/2019

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>$1,484</td>
<td>535</td>
<td>$2.77</td>
</tr>
<tr>
<td>One</td>
<td>0.9%</td>
<td>$1,100</td>
<td>783</td>
<td>$1.40</td>
</tr>
<tr>
<td>One/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Two</td>
<td>3.0%</td>
<td>$1,294</td>
<td>1,132</td>
<td>$1.14</td>
</tr>
<tr>
<td>Two/Den</td>
<td>--</td>
<td>$1,812</td>
<td>1,002</td>
<td>$1.81</td>
</tr>
<tr>
<td>Three</td>
<td>0.9%</td>
<td>$1,378</td>
<td>1,131</td>
<td>$1.22</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Community Amenities

- Clubhouse: 
- Comm Rm: Basketball:
- Centrl Lndry: Tennis:
- Elevator: Volleyball:
- Fitness: CarWash:
- Hot Tub: BusinessCtr:
- Sauna: ComputerCtr:
- Playground:

Features

- Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Carpet / Vinyl/Linoleum
- Select Units: Fireplace; HighCeilings
- Optional($): 
- Security: Unit Alarms; Gated Entry; Patrol

Parking 1: Free Surface Parking
Parking 2: 
Fee: --

Property Manager: Penco
Owner: --

Comments

Storage $35-$75
Valet trash-$25

Floorplans (Published Rents as of 2/21/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Efficiency / Garden</td>
<td>--</td>
<td>Eff</td>
<td>1</td>
<td>--</td>
<td>$1,461</td>
<td>535</td>
<td>$2.73</td>
<td>Market</td>
<td>2/21/19</td>
<td>2.4%</td>
<td>$1,100</td>
<td>$1,294</td>
<td>$1,378</td>
</tr>
<tr>
<td>Alexander/Avonleigh / Ga</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>--</td>
<td>$1,515</td>
<td>739</td>
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<td>Market</td>
<td>8/20/18</td>
<td>5.8%</td>
<td>$1,100</td>
<td>$1,294</td>
<td>$1,378</td>
</tr>
<tr>
<td>Avonleigh / Garden</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>$977</td>
<td>783</td>
<td>$1.25</td>
<td>ADU/ 50%</td>
<td>10/21/11</td>
<td>3.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Avonleigh / Garden</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>$1,270</td>
<td>783</td>
<td>$1.62</td>
<td>ADU/ 70%</td>
<td>4/1/09</td>
<td>2.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Abingdon/Ashbury / Gard</td>
<td>Loft</td>
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<td>1</td>
<td>--</td>
<td>$1,727</td>
<td>940</td>
<td>$1.84</td>
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<td>1.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Bishop / Garden</td>
<td>Den</td>
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<td>1</td>
<td>--</td>
<td>$1,782</td>
<td>1,002</td>
<td>$1.78</td>
<td>Market</td>
<td>12/1/18</td>
<td>2.5%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Barrington / Garden</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>5</td>
<td>$1,099</td>
<td>1,132</td>
<td>$.97</td>
<td>ADU/ 50%</td>
<td>8/20/18</td>
<td>5.8%</td>
<td>$1,100</td>
<td>$1,294</td>
<td>$1,378</td>
</tr>
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<td>Barrington / Garden</td>
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<td>2</td>
<td>2</td>
<td>5</td>
<td>$1,248</td>
<td>1,132</td>
<td>$1.26</td>
<td>ADU/ 70%</td>
<td>8/20/18</td>
<td>5.8%</td>
<td>$1,100</td>
<td>$1,294</td>
<td>$1,378</td>
</tr>
<tr>
<td>Barrington / Garden</td>
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<td>2</td>
<td>2</td>
<td>5</td>
<td>$1,675</td>
<td>1,132</td>
<td>$1.48</td>
<td>Market</td>
<td>8/20/18</td>
<td>5.8%</td>
<td>$1,100</td>
<td>$1,294</td>
<td>$1,378</td>
</tr>
<tr>
<td>Thornto/Trecastle / Town</td>
<td>Garage</td>
<td>2</td>
<td>2</td>
<td>--</td>
<td>$1,954</td>
<td>1,301</td>
<td>$1.50</td>
<td>Market</td>
<td>12/1/18</td>
<td>2.5%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Beacon / Garden</td>
<td>Garage</td>
<td>2</td>
<td>2</td>
<td>--</td>
<td>$1,846</td>
<td>1,303</td>
<td>$1.42</td>
<td>Market</td>
<td>12/1/18</td>
<td>2.5%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Bainbridge/Talbot / Gard</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>--</td>
<td>$2,025</td>
<td>1,332</td>
<td>$1.52</td>
<td>Market</td>
<td>12/1/18</td>
<td>2.5%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Baldwin / Garden</td>
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<td>2</td>
<td>1</td>
<td>--</td>
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<td>893</td>
<td>$1.80</td>
<td>Market</td>
<td>12/1/18</td>
<td>2.5%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Cambridge / Garden</td>
<td>--</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>$1,221</td>
<td>1,131</td>
<td>$1.08</td>
<td>ADU/ 50%</td>
<td>12/1/18</td>
<td>2.5%</td>
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<td>--</td>
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</tr>
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<td>Cambridge / Garden</td>
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<td>$1,587</td>
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<td>12/1/18</td>
<td>2.5%</td>
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<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Cambridge / Garden</td>
<td>--</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>$1,729</td>
<td>1,131</td>
<td>$1.53</td>
<td>Market</td>
<td>12/1/18</td>
<td>2.5%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Coventry / Garden</td>
<td>--</td>
<td>3</td>
<td>2</td>
<td>--</td>
<td>$1,769</td>
<td>1,362</td>
<td>$1.30</td>
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<td>12/1/18</td>
<td>2.5%</td>
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<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Carlisle / Garden</td>
<td>Loft</td>
<td>3</td>
<td>2</td>
<td>--</td>
<td>$1,870</td>
<td>1,425</td>
<td>$1.31</td>
<td>Market</td>
<td>12/1/18</td>
<td>2.5%</td>
<td>--</td>
<td>--</td>
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</tbody>
</table>

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/21/19</td>
<td>2.4%</td>
<td>$1,100</td>
<td>$1,294</td>
<td>$1,378</td>
</tr>
<tr>
<td>8/20/18</td>
<td>5.8%</td>
<td>$1,100</td>
<td>$1,294</td>
<td>$1,378</td>
</tr>
<tr>
<td>10/21/11</td>
<td>3.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>4/1/09</td>
<td>2.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Adjustments to Rent

Incentives: none

Utilities in Rent:
Heat: Natural Gas
Hot Water: Electric
Cooking: Electric
Wtr/Swr: Electric
Trash: Electric

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management.
Pointe at McNair Farms, The

RealProperty Research Group

Multifamily Community Profile

2511 Farmcrest Drive
Herndon, VA 20171

Community Type: Market Rate - General
Structure Type: Garden

Opened in 1990

283 Units 2.8% Vacant (8 units vacant) as of 2/21/2019

Property Manager: Penco

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>62.2%</td>
<td>$1,533</td>
<td>655</td>
<td>$2.34</td>
</tr>
<tr>
<td>One/Den</td>
<td>8.8%</td>
<td>$1,734</td>
<td>843</td>
<td>$2.06</td>
</tr>
<tr>
<td>Two</td>
<td>29.0%</td>
<td>$1,953</td>
<td>1,045</td>
<td>$1.87</td>
</tr>
<tr>
<td>Two/Den</td>
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<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Community Amenities

- Clubhouse:
- Pool-Outdr:
- Comm Rm:
- Basketball:
- Centrl Lndry:
- Tennis:
- Elevator:
- Volleyball:
- Fitness:
- CarWash:
- Hot Tub:
- BusinessCtr:
- Sauna:
- ComputerCtr:
- Playground:

Features

- Standard: Dishwasher; Disposal; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Carpet
- Select Units: Fireplace; HighCeilings; ADA Access
- Optional($): --
- Security: Unit Alarms

Floorplans (Published Rents as of 2/21/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aspen / Garden</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>85</td>
<td>$1,360</td>
<td>585</td>
<td>$2.32</td>
<td>Market</td>
<td>2/21/19</td>
<td>2.8%</td>
<td>$1,558</td>
<td>$1,953</td>
<td>--</td>
</tr>
<tr>
<td>Birch / Garden</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>91</td>
<td>$1,647</td>
<td>721</td>
<td>$2.28</td>
<td>Market</td>
<td>8/20/18</td>
<td>2.1%</td>
<td>$1,458</td>
<td>$1,826</td>
<td>--</td>
</tr>
<tr>
<td>Chestnut / Garden</td>
<td>Den</td>
<td>1</td>
<td>1</td>
<td>25</td>
<td>$1,709</td>
<td>843</td>
<td>$2.03</td>
<td>Market</td>
<td>10/21/11</td>
<td>6.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Evergreen / Garden</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>59</td>
<td>$1,873</td>
<td>1,076</td>
<td>$1.74</td>
<td>Market</td>
<td>3/30/09</td>
<td>7.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Dogwood / Garden</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>23</td>
<td>$2,051</td>
<td>967</td>
<td>$2.12</td>
<td>Market</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td></td>
</tr>
</tbody>
</table>

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.8%</td>
<td>$1,558</td>
<td>$1,953</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>2.1%</td>
<td>$1,458</td>
<td>$1,826</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>6.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>7.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td></td>
</tr>
</tbody>
</table>

Adjustments to Rent

- Incentives: none
- Utilities in Rent: Heat Fuel: Natural Gas
- Heat: 
- Cooking: 
- Wtr/Swr: 
- Hot Water: 
- Electricity: 
- Trash: 

Comments

- Trash-$12

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management.
Station on Silver

2340 Carta Way
Herndon, VA 20171

400 Units 10.8% Vacant (43 units vacant) as of 2/21/2019

Opened in 2017

Community Amenities

- Clubhouse: ✔
- Pool-Outd: ✔
- Comm Rm: ✔
- Basketball: ✔
- Centrl Lndry: ✔
- Tennis: ✔
- Elevator: ✔
- Volleyball: ✔
- Fitness: ✔
- CarWash: ✔
- Hot Tub: ✔
- BusinessCtr: ✔
- Sauna: ✔
- ComputerCtr: ✔
- Playground: ✔

Features

- Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings; Carpet / Hardwood

- Select Units: --
- Optional($): --
- Security: --

Parking 1: Structured Garage
Parking 2: 2nd Car

- Fee: $35
- Fee: $50

Property Manager: Greystar
Owner: --

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>$1,569</td>
<td>588</td>
<td>$2.67</td>
</tr>
<tr>
<td>One</td>
<td>--</td>
<td>$1,715</td>
<td>763</td>
<td>$2.25</td>
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<tr>
<td>One/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Two</td>
<td>--</td>
<td>$2,230</td>
<td>1,091</td>
<td>$2.04</td>
</tr>
<tr>
<td>Two/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>--</td>
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<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent.

Unit Mix: Eff-30 1BR-240 2BR-130. Amenity fee is 1 time.

Amenity Fee: $ 500

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Program</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR</th>
<th>2BR</th>
<th>3BR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market</td>
<td>2/21/19*</td>
<td>10.8%</td>
<td>$1,715</td>
<td>$2,230</td>
<td>--</td>
</tr>
<tr>
<td>Market</td>
<td>8/21/18*</td>
<td>40.0%</td>
<td>$1,596</td>
<td>$2,120</td>
<td>--</td>
</tr>
</tbody>
</table>

* Indicates initial lease-up.

Incentives:
- Daily Pricing: none

Utilities in Rent:
- Heat: ✔
- Cooking: ✔
- Wtr/Swr: ✔
- Electricity: ✔
- Trash: ✔

Floorplans (Published Rents as of 2/21/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR</th>
<th>2BR</th>
<th>3BR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid Rise - Elevator</td>
<td>--</td>
<td>1</td>
<td>--</td>
<td>1</td>
<td>$1,429</td>
<td>551</td>
<td>$2.59</td>
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<tr>
<td>Mid Rise - Elevator</td>
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<td>585</td>
<td>$2.85</td>
<td>Market</td>
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</tr>
<tr>
<td>Mid Rise - Elevator</td>
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<td>1</td>
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<td>$1,533</td>
<td>603</td>
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<tr>
<td>Mid Rise - Elevator</td>
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<td>1</td>
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<td>4</td>
<td>$1,558</td>
<td>612</td>
<td>$2.55</td>
<td>Market</td>
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<tr>
<td>Mid Rise - Elevator</td>
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<td>5</td>
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<td>660</td>
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<td>740</td>
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<td>Market</td>
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<tr>
<td>Mid Rise - Elevator</td>
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<td>7</td>
<td>$1,597</td>
<td>770</td>
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<tr>
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<td>--</td>
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<tr>
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<td>1,026</td>
<td>$1.95</td>
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<td>Mid Rise - Elevator</td>
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<td>$1.97</td>
<td>Market</td>
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<tr>
<td>Mid Rise - Elevator</td>
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<td>--</td>
<td>13</td>
<td>$2,224</td>
<td>1,130</td>
<td>$1.97</td>
<td>Market</td>
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<tr>
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<td>$2.04</td>
<td>Market</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent

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

Stuart Woods
140A Laurel Way
Herndon, VA 20170
Map Ref: FA-05-K01

Community Type: Market Rate - General
Structure Type: Garden

450 Units  3.3% Vacant (15 units vacant) as of 2/19/2019  Last Major Rehab in 2006  Opened in 1972

Property Manager: AJ Dwoskin

Opened in 1972
Last Major Rehab in 2006

Community Amenities
- Clubhouse: ✓
- Pool-Outdr: ✓
- Comm Rm: ✓
- Basketball: ✓
- Centrl Lndry: ✓
- Tennis: ✓
- Elevator: ✓
- Volleyball: ✓
- Fitness: ✓
- CarWash: ✓
- Hot Tub: ✓
- Business Ctr: ✓
- Sauna: ✓
- Computer Ctr: ✓
- Playground: ✓

Features
- Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Carpet
- Select Units: Ceiling Fan; ADA Access
- Optional($): --
- Security: --
- Parking 1: Free Surface Parking
  - Fee: --
- Parking 2: Fee for Reserved
  - Fee: $35
- Property Manager: AJ Dwoskin
  - Owner: --

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>50.0%</td>
<td>$1,496</td>
<td>895</td>
<td>$1.67</td>
</tr>
<tr>
<td>One/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Two</td>
<td>50.0%</td>
<td>$1,655</td>
<td>1,032</td>
<td>$1.60</td>
</tr>
<tr>
<td>Two/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Description BRs Bath Rent SqFt Program</th>
<th>Rent/SF</th>
<th>#Units</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>Rent</th>
<th>SqFt</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
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<tbody>
<tr>
<td>Aspen / Garden  -- 1 1 120 $1,543 853 $1.81 Market</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2/19/19</td>
<td>3.3%</td>
<td>$1,496</td>
<td>$1,655</td>
<td></td>
</tr>
<tr>
<td>Cedar / Garden -- 1 1 105 $1,588 943 $1.68 Market</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8/20/18</td>
<td>0.0%</td>
<td>$1,570</td>
<td>$1,708</td>
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</tr>
<tr>
<td>Elm / Garden   -- 2 2 105 $1,847 1,055 $1.75 Market</td>
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<td></td>
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<td></td>
<td>8/19/13</td>
<td>4.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Dogwood / Garden -- 2 1 60 $1,637 1,055 $1.55 Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>9/7/12</td>
<td>15.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Bayberry / Garden -- 2 1 60 $1,573 967 $1.63 Market</td>
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<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Floorplans (Published Rents as of 2/19/2019) (2)

<table>
<thead>
<tr>
<th>Description BRs Bath #Units Rent SqFt Rent/SF Program</th>
<th>Rent/SF</th>
<th>#Units</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>Rent</th>
<th>SqFt</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aspen / Garden  -- 1 1 120 $1,543 853 $1.81 Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2/19/19</td>
<td>3.3%</td>
<td>$1,496</td>
<td>$1,655</td>
<td></td>
</tr>
<tr>
<td>Cedar / Garden -- 1 1 105 $1,588 943 $1.68 Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8/20/18</td>
<td>0.0%</td>
<td>$1,570</td>
<td>$1,708</td>
<td></td>
</tr>
<tr>
<td>Elm / Garden   -- 2 2 105 $1,847 1,055 $1.75 Market</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8/19/13</td>
<td>4.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Dogwood / Garden -- 2 1 60 $1,637 1,055 $1.55 Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>9/7/12</td>
<td>15.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Bayberry / Garden -- 2 1 60 $1,573 967 $1.63 Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Adjustments to Rent

Incentives:
$1000 off 1st month

Utilities in Rent:
- Heat: Electric
- Cooking: Electric
- Wtr/Swr: Electric
- Hot Water: Electric
- Trash: Electric

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management.
Townes at Herndon Center, Th

640 Center Street
Herndon, VA 20170

Community Type: Market Rate - General
Structure Type: 3-Story Townhouse

215 Units  6.5% Vacant (14 units vacant) as of 2/19/2019
Last Major Rehab in 2013  Opened in 2001

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Average SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Two</td>
<td>74.9%</td>
<td>$2,033</td>
<td>1,272</td>
<td>$1.60</td>
</tr>
<tr>
<td>Two/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>25.1%</td>
<td>$2,291</td>
<td>1,427</td>
<td>$1.61</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Community Amenities

- Clubhouse: ☑ Pool-Outdr: ☑
- Comm Rm: ☑ Basketball: ☑
- Centrl Lndry: ☑ Tennis: ☑
- Elevator: ☑ Volleyball: ☑
- Fitness: ☑ CarWash: ☑
- Hot Tub: ☑ BusinessCrt: ☑
- Sauna: ☑ ComputerCrt: ☑
- Playground: ☑

Features

- Standard: Dishwasher; Disposal; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; High Ceilings

- Select Units: --
- Optional($): --
- Security: Unit Alarms; Gated Entry

Parking

- Parking 1: Free Surface Parking
  Fee: --
- Parking 2: --
  Fee: --

Property Manager: Hampshire Assets
Owner: --

Comments

Renovations on kitchens, baths, & adding hardwood flr to 2nd floor units.
Partial renovations & partial classic units as of 8/20/18.
Trash-$19

Floorplans (Published Rents as of 2/19/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amelia / Townhouse</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>113</td>
<td>$1,990</td>
<td>1,264</td>
<td>$1.57</td>
<td>Market</td>
<td>2/19/19</td>
<td>6.5%</td>
<td>--</td>
<td>$2,033</td>
<td>$2,291</td>
</tr>
<tr>
<td>Caroline / Townhouse</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>24</td>
<td>$2,075</td>
<td>1,292</td>
<td>$1.61</td>
<td>Market</td>
<td>8/20/18</td>
<td>3.3%</td>
<td>--</td>
<td>$1,914</td>
<td>$2,023</td>
</tr>
<tr>
<td>Essex / Townhouse</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>24</td>
<td>$1,990</td>
<td>1,292</td>
<td>$1.54</td>
<td>Market</td>
<td>8/21/13</td>
<td>8.4%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Madison / Townhouse</td>
<td>--</td>
<td>3</td>
<td>2.5</td>
<td>35</td>
<td>$2,170</td>
<td>1,411</td>
<td>$1.54</td>
<td>Market</td>
<td>9/7/12</td>
<td>7.4%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Shenandoah / Townhouse</td>
<td>--</td>
<td>3</td>
<td>3</td>
<td>19</td>
<td>$2,415</td>
<td>1,457</td>
<td>$1.66</td>
<td>Market</td>
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</table>

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.5%</td>
<td>2/19/19</td>
<td>--</td>
<td>$2,033</td>
<td>$2,291</td>
</tr>
<tr>
<td>3.3%</td>
<td>8/20/18</td>
<td>--</td>
<td>--</td>
<td>$2,023</td>
</tr>
<tr>
<td>8.4%</td>
<td>8/21/13</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>7.4%</td>
<td>9/7/12</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Adjustments to Rent

- Incentives: none
- Utilities in Rent: Heat Fuel: Natural Gas
  - Heat: ☐  Cooking: ☑  Wtr/Swr: ☐
  - Hot Water: ☐  Electricity: ☑  Trash: ☐

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management.
Trevors Run at Dulles Center

Multifamily Community Profile

2411 Little Current Drive
Herndon, VA 20171

Map Ref: FA-05-B03

170 Units

2.4% Vacant (4 units vacant) as of 2/19/2019

Opened in 1999

Community Type: Market Rate - General
Structure Type: 4-Story Garden

Property Manager: Allen & Rocks, Inc.

Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>% Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>12.9%</td>
<td>$1,580</td>
<td>800</td>
<td>$1.97</td>
</tr>
<tr>
<td>One/Den</td>
<td>24.1%</td>
<td>$1,753</td>
<td>956</td>
<td>$1.83</td>
</tr>
<tr>
<td>Two</td>
<td>53.5%</td>
<td>$1,858</td>
<td>1,104</td>
<td>$1.68</td>
</tr>
<tr>
<td>Two/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Three</td>
<td>9.4%</td>
<td>$2,146</td>
<td>1,256</td>
<td>$1.71</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Community Amenities

- Clubhouse: [ ]
- Pool-Indoors: [ ]
- Comm. Rm: [ ]
- Basketball: [ ]
- Centrl Lndry: [ ]
- Tennis: [ ]
- Elevator: [ ]
- Volleyball: [ ]
- Fitness: [ ]
- CarWash: [ ]
- Hot Tub: [ ]
- BusinessCt: [ ]
- Sauna: [ ]
- ComputerCt: [ ]
- Playground: [ ]

Features

- Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Gas Fireplace; Patio/Balcony; Storage (In Unit); Cable TV; Carpet / Vinyl/Linoleum

- Select Units: High Ceilings; ADA Access

Optional($): --

Security: Unit Alarms

Parking 1: Free Surface Parking
Parking 2: --

Property Manager: Allen & Rocks, Inc.
Owner: --

Comments

Floorplans (Published Rents as of 2/19/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>% Vac</th>
<th>1BR $</th>
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<th>3BR $</th>
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</thead>
<tbody>
<tr>
<td>Garden</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>18</td>
<td>$1,679</td>
<td>800</td>
<td>$2.10</td>
<td>Market</td>
<td>2/19/19</td>
<td>2.4%</td>
<td>$1,692</td>
<td>$1,858</td>
<td>$2,146</td>
</tr>
<tr>
<td>Garden</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>$977</td>
<td>800</td>
<td>$1.22</td>
<td>ADU/ 50%</td>
<td>8/20/18</td>
<td>1.2%</td>
<td>$1,618</td>
<td>$1,724</td>
<td>$1,992</td>
</tr>
<tr>
<td>Garden</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>$1,270</td>
<td>800</td>
<td>$1.59</td>
<td>ADU/ 70%</td>
<td>10/21/11</td>
<td>2.9%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Garden</td>
<td>Den</td>
<td>1</td>
<td>1</td>
<td>41</td>
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<td>956</td>
<td>$1.82</td>
<td>Market</td>
<td>3/30/09</td>
<td>0.6%</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Garden</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>$1,099</td>
<td>1,008</td>
<td>$1.09</td>
<td>ADU/ 50%</td>
<td>--</td>
<td>--</td>
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<tr>
<td>Garden</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>13</td>
<td>$1,832</td>
<td>1,008</td>
<td>$1.82</td>
<td>Market</td>
<td>--</td>
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</tr>
<tr>
<td>Garden</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>$1,428</td>
<td>1,123</td>
<td>$1.27</td>
<td>ADU/ 70%</td>
<td>--</td>
<td>--</td>
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<td></td>
</tr>
<tr>
<td>Garden</td>
<td>--</td>
<td>2</td>
<td>2</td>
<td>72</td>
<td>$1,883</td>
<td>1,123</td>
<td>$1.68</td>
<td>Market</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>Garden</td>
<td>--</td>
<td>3</td>
<td>2</td>
<td>15</td>
<td>$2,157</td>
<td>1,256</td>
<td>$1.72</td>
<td>Market</td>
<td>--</td>
<td>--</td>
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<td>--</td>
<td></td>
</tr>
</tbody>
</table>

Historic Vacancy & Eff. Rent (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>% Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.4%</td>
<td>2/19/19</td>
<td>$1,692</td>
<td>$1,858</td>
<td>$2,146</td>
</tr>
<tr>
<td>2%</td>
<td>8/20/18</td>
<td>$1,618</td>
<td>$1,724</td>
<td>$1,992</td>
</tr>
<tr>
<td>10%</td>
<td>10/21/11</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>0.6%</td>
<td>3/30/09</td>
<td>0.6%</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Adjustments to Rent

- Incentives: None
- Utilities in Rent: Heat: [ ]
- Hot Water: [ ]
- Cooking: [ ]
- Electricity: [ ]

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management.
Van Metre Woodland Park

13025 Elm Tree Drive
Herndon, VA 20171

753 Units  2.9% Vacant (22 units vacant) as of 2/21/2019

Van Metre Property

Community Type: Market Rate - General
Structure Type: Garden/TH
Opened in 2001

Unit Mix & Effective Rent (1)

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eff</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>One</td>
<td>30.7%</td>
<td>$1,607</td>
<td>823</td>
<td>$1.95</td>
</tr>
<tr>
<td>One/Den</td>
<td>8.8%</td>
<td>$1,706</td>
<td>956</td>
<td>$1.78</td>
</tr>
<tr>
<td>Two</td>
<td>29.1%</td>
<td>$2,060</td>
<td>1,172</td>
<td>$1.76</td>
</tr>
<tr>
<td>Two/Den</td>
<td>22.3%</td>
<td>$2,008</td>
<td>1,293</td>
<td>$1.55</td>
</tr>
<tr>
<td>Three</td>
<td>9.2%</td>
<td>$2,201</td>
<td>1,304</td>
<td>$1.69</td>
</tr>
<tr>
<td>Four+</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent.

Community Amenities

- Clubhouse: ☑
- Pool-Outd: ☑
- Comm Rm: ☐
- Basketball: ☐
- Centrl Lndry: ☑
- Tennis: ☑
- Elevator: ☑
- Volleyball: ☐
- Fitness: ☑
- CarWash: ☐
- Sauna: ☐
- ComputerCtr: ☐
- Playground: ☑

Features

- Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Gas Fireplace; Patio/Balcony; Cable TV; Broadband Internet
- Select Units: --
- Optional($): --
- Security: --

Parking 1: Free Surface Parking
Parking 2: Fee for Reserved Fee: $50

Floorplans (Published Rents as of 2/21/2019) (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Feature</th>
<th>BRs</th>
<th>Bath</th>
<th>#Units</th>
<th>Rent</th>
<th>SqFt</th>
<th>Rent/SF</th>
<th>Program</th>
<th>Date</th>
<th>%Vac</th>
<th>1BR $</th>
<th>2BR $</th>
<th>3BR $</th>
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<tr>
<td>Dogwood Loft / Garden Den</td>
<td>1 1 46</td>
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<td>Market</td>
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<td>2.9%</td>
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<td>$2,037</td>
<td>$2,201</td>
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<td></td>
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</tr>
<tr>
<td>Dogwood / Garden</td>
<td>-- 1 1 150</td>
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<td>819</td>
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<td>Market</td>
<td>8/21/18</td>
<td>1.3%</td>
<td>$1,585</td>
<td>$1,820</td>
<td>$2,013</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Dogwood / Garden</td>
<td>-- 1 1 5</td>
<td>$977</td>
<td>819</td>
<td>$1.19</td>
<td>ADU/50%</td>
<td>10/2/13</td>
<td>2.0%</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dogwood / Garden</td>
<td>-- 1 1 6</td>
<td>$1,270</td>
<td>819</td>
<td>$1.55</td>
<td>ADU/70%</td>
<td>10/21/11</td>
<td>1.1%</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oak / Garden Den</td>
<td>1 1 20</td>
<td>$1,654</td>
<td>824</td>
<td>$2.01</td>
<td>Market</td>
<td>8/21/18</td>
<td>1.3%</td>
<td>$1,585</td>
<td>$1,820</td>
<td>$2,013</td>
<td></td>
<td></td>
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<tr>
<td>Maple / Garden</td>
<td>-- 1 1 70</td>
<td>$1,635</td>
<td>832</td>
<td>$1.97</td>
<td>Market</td>
<td>8/21/18</td>
<td>1.3%</td>
<td>$1,585</td>
<td>$1,820</td>
<td>$2,013</td>
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<tr>
<td>Chestnut / Garden</td>
<td>-- 2 2 92</td>
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<td>$1,585</td>
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<tr>
<td>Chestnut / Garden</td>
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<td>1,119</td>
<td>$0.98</td>
<td>ADU/50%</td>
<td>8/21/18</td>
<td>1.3%</td>
<td>$1,585</td>
<td>$1,820</td>
<td>$2,013</td>
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<td>$1,585</td>
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<td>Hawthorne / Garden Den</td>
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<td>$1,820</td>
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<td>Redwood / Townhouse</td>
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<tr>
<td>Chestnut Loft / Garden Den</td>
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<td>$2,013</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Cedar / Townhouse</td>
<td>-- 3 2.5 3</td>
<td>$1,221</td>
<td>1,272</td>
<td>$0.96</td>
<td>ADU/50%</td>
<td>8/21/18</td>
<td>1.3%</td>
<td>$1,585</td>
<td>$1,820</td>
<td>$2,013</td>
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<tr>
<td>Cedar / Townhouse</td>
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<td>ADU/70%</td>
<td>8/21/18</td>
<td>1.3%</td>
<td>$1,585</td>
<td>$1,820</td>
<td>$2,013</td>
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<tr>
<td>Cedar / Townhouse</td>
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<td>1,272</td>
<td>$1.70</td>
<td>Market</td>
<td>8/21/18</td>
<td>1.3%</td>
<td>$1,585</td>
<td>$1,820</td>
<td>$2,013</td>
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<td></td>
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<tr>
<td>Spruce / Townhouse</td>
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<td>$1.73</td>
<td>Market</td>
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<td>$1,820</td>
<td>$2,013</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Adjustments to Rent

- Incentives: Daily Pricing; none
- Utilities in Rent: Heat: Gas; Cooking: Wtr/Swr:; Trash:
- Heat: ☐; Cooking: ☑; Wtr/Swr: ☐; Trash: ☐

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent.
(2) Published Rent is rent as quoted by management.
## Multifamily Community Profile

### Westerly at Worldgate

**13000 Wilkes Way**  
**Herndon, VA 20170**

### Community Profile

- **Community Type:** Market Rate - General  
- **Structure Type:** Garden

### Unit Mix & Effective Rent

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>%Total</th>
<th>Avg Rent</th>
<th>Avg SqFt</th>
<th>Avg $/SqFt</th>
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<tbody>
<tr>
<td>Eff</td>
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<tr>
<td>One</td>
<td>--</td>
<td>$1,395</td>
<td>684</td>
<td>$2.04</td>
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<tr>
<td>One/Den</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Two</td>
<td>--</td>
<td>$1,730</td>
<td>992</td>
<td>$1.74</td>
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<tr>
<td>Two/Den</td>
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<tr>
<td>Three</td>
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<td>$2,086</td>
<td>1,248</td>
<td>$1.67</td>
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<tr>
<td>Four+</td>
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### Effective Rent

<table>
<thead>
<tr>
<th>Unit Mix</th>
<th>Rent</th>
<th>SqFt</th>
<th>Program</th>
<th>Date</th>
<th>%Vac</th>
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<th>2BR $</th>
<th>3BR $</th>
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<td>$1,778</td>
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</tr>
<tr>
<td>3BR</td>
<td>$1,571</td>
<td>737</td>
<td>Market</td>
<td>9/7/12</td>
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</tr>
<tr>
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<td>3BR</td>
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<td>--</td>
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<tr>
<td>3BR</td>
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<td>915</td>
<td>Market</td>
<td>9/7/12</td>
<td>6.9%</td>
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<td>--</td>
</tr>
<tr>
<td>3BR</td>
<td>$2,248</td>
<td>1,248</td>
<td>Market</td>
<td>2/19/19</td>
<td>6.9%</td>
<td>$1,395</td>
<td>$1,730</td>
<td>$2,086</td>
</tr>
</tbody>
</table>

### Adjustments to Rent

- **Incentives:** Daily Pricing; 1 month free
- **Utilities in Rent:** Heat: Natural Gas  
  - Cooking:
  - Wtr/Swr:
  - Heat:
  - Electricity:
  - Trash:

---

### Community Amenities

- Clubhouse:  
- Pool-Outdr:  
- Comm Rm:  
- Basketball:  
- Centrl Lndry:  
- Tennis:  
- Elevator:  
- Volleyball:  
- Fitness:  
- CarWash:  
- Hot Tub:  
- BusinessCtr:  
- Sauna:  
- ComputerCtr:  

### Features

- Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size); Central A/C; HighCeilings; Cable TV; Carpet
- Select Units: Ceiling Fan; Fireplace; Patio/Balcony
- Optional($): --
- Security: Unit Alarms
- Parking 1: Free Surface Parking  
  Fee: --
- Parking 2: Fee for Reserved  
  Fee: $50

### Comments

- Trash-$27
- Vaulted ceilings
- Unit Mix: 1BR-114 2BR-172 3BR-34

---

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent  
(2) Published Rent is rent as quoted by management.
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

_______________________________
Managing Principal

_______________________________
Title

_______________________________
February 21, 2019

_______________________________
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.

<table>
<thead>
<tr>
<th>Component (*First occurring page is noted)</th>
<th>*Page(s)</th>
</tr>
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<tbody>
<tr>
<td><strong>Executive Summary</strong></td>
<td></td>
</tr>
<tr>
<td>1. Executive Summary</td>
<td>VI</td>
</tr>
<tr>
<td><strong>Project Summary</strong></td>
<td></td>
</tr>
<tr>
<td>2. Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents, and utility allowances</td>
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<tr>
<td>3. Utilities (and utility sources) included in rent</td>
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<tr>
<td>4. Project design description</td>
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<td>5. Unit and project amenities; parking</td>
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<tr>
<td>6. Public programs included</td>
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<tr>
<td>7. Target population description</td>
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<tr>
<td>8. Date of construction/preliminary completion</td>
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<tr>
<td>9. If rehabilitation, existing unit breakdown and rents</td>
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<tr>
<td>10. Reference to review/status of project plans</td>
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<td>11. Market area/secondary market area description</td>
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<td>12. Concise description of the site and adjacent parcels</td>
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<tr>
<td>13. Description of site characteristics</td>
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<tr>
<td>14. Site photos/maps</td>
<td>11</td>
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<tr>
<td>15. Map of community services</td>
<td>9</td>
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<tr>
<td>16. Visibility and accessibility evaluation</td>
<td>14</td>
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<tr>
<td>17. Crime information</td>
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<td><strong>Employment and Economy</strong></td>
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<td>18. Employment by industry</td>
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<tr>
<td>19. Historical unemployment rate</td>
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<td>Area major employers</td>
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<td>Five-year employment growth</td>
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<td>Typical wages by occupation</td>
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<td>23.</td>
<td>Discussion of commuting patterns of area workers</td>
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<td>24.</td>
<td>Population and household estimates and projections</td>
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<td>25.</td>
<td>Area building permits</td>
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<td>Distribution of income</td>
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<td>Households by tenure</td>
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<td>28.</td>
<td>Comparable property profiles</td>
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<td>29.</td>
<td>Map of comparable properties</td>
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<td>30.</td>
<td>Comparable property photos</td>
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<td>Existing rental housing evaluation</td>
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<td>32.</td>
<td>Comparable property discussion</td>
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<td>33.</td>
<td>Area vacancy rates, including rates for tax credit and government-subsidized communities</td>
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<td>34.</td>
<td>Comparison of subject property to comparable properties</td>
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<td>35.</td>
<td>Availability of Housing Choice Vouchers</td>
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<tr>
<td>36.</td>
<td>Identification of waiting lists</td>
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<tr>
<td>37.</td>
<td>Description of overall rental market including share of market-rate and affordable properties</td>
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<tr>
<td>38.</td>
<td>List of existing LIHTC properties</td>
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<tr>
<td>39.</td>
<td>Discussion of future changes in housing stock</td>
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<tr>
<td>40.</td>
<td>Discussion of availability and cost of other affordable housing options, including homeownership</td>
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<tr>
<td>41.</td>
<td>Tax credit and other planned or under construction rental communities in market area</td>
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<tr>
<td>42.</td>
<td>Calculation and analysis of Capture Rate</td>
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<tr>
<td>43.</td>
<td>Calculation and analysis of Penetration Rate</td>
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<tr>
<td>44.</td>
<td>Evaluation of proposed rent levels</td>
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<tr>
<td>45.</td>
<td>Derivation of Achievable Market Rent and Market Advantage</td>
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<tr>
<td>46.</td>
<td>Derivation of Achievable Restricted Rent</td>
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<td>47.</td>
<td>Precise statement of key conclusions</td>
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<tr>
<td>48.</td>
<td>Market strengths and weaknesses impacting project</td>
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<tr>
<td>49.</td>
<td>Recommendation and/or modification to project description</td>
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<tr>
<td>50.</td>
<td>Discussion of subject property’s impact on existing housing</td>
</tr>
<tr>
<td>51.</td>
<td>Absorption projection with issues impacting performance</td>
</tr>
<tr>
<td>52.</td>
<td>Discussion of risks or other mitigating circumstances impacting project</td>
</tr>
<tr>
<td>53.</td>
<td>Interviews with area housing stakeholders</td>
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### Certifications

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<td>Sources of data not otherwise identified</td>
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<td>59.</td>
<td>Utility allowance schedule</td>
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</table>
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.
Gerald Levin
Senior Analyst

Mr. Levin has over 30 years of experience in all aspects of real estate development, financial and market feasibility analyses, financing and due diligence, project management, marketing, and development programming. Along with research experience with Real Property Research Group and Gladstone Associates, his work experience has included development and asset management. Prior to joining Real Property Research Group as a Director, Mr. Levin was part of senior management at Landex Corporation, a regional development and property management firm specializing in redevelopment of multi-family properties, and at Struever Bros., Eccles & Rouse, Baltimore’s largest developer of historic properties. He served 12 years as Vice President of Chevy Chase/B. F. Saul Co. in Washington DC where he managed $300 million plus residential and commercial real estate portfolios in both the development and work-out departments; served as Director of Development for RS Properties in Baltimore, a real estate investment firm specializing in the historic redevelopment of urban properties; and served as Financial Services Officer for the Baltimore Economic Development Corporation.

Areas of Concentration:

- **Feasibility Analysis:** Mr. Levin’s experience has encompassed a wide range of studies including: residential (single-family, townhouse, multi-family, condominium, senior, active adult, lot sales, tax credit), industrial, office, retail, research & development, special purpose (retreat facilities, performing arts Centers, self-storage facilities, convention centers, conference facilities), and mixed-use development. Recent studies have focused on family and senior tax credit communities, inner-city revitalization projects, and due diligence for investment funds in locations throughout the Mid-Atlantic and Midwest.

- **Site Analysis and Development Programming:** Mr. Levin has a comprehensive background in development including analysis of zoning and public ordinance compatibility, the neighborhood setting, availability of utilities, public transit and road connections, market feasibility, community issues, and developer experience. His development experience has included preparation of development profiles based on site features and market, development of public/private partnerships to showcase “anchor” projects impacted by public infrastructure (i.e., transit stations), project scheduling, coordination of financing, due diligence, community participation, and coordination of critical issues – environment review, historic certification, historic tax credits, transportation linkages, and parking.

- **Financial Analyses and Financial Packaging:** Mr. Levin has a broad background in the preparation of proforma development budgets and operating statements, analysis of economic returns to owners and investors, the preparation of financial loan packages for review by potential lenders, investors, and owners including project overview, project financial information, market overview, status of required public approvals/actions, and the oversight of the due diligence process required for transfer of property and loan closings.

**Education:**

Master of Urban and Regional Planning; University of North Carolina at Chapel Hill
Bachelor of Arts, Economics; Yale University
XIV. APPENDIX 6 VHDA CERTIFICATION

I affirm the following:

1.) I have made a physical inspection of the site and market area.

2.) The appropriate information has been used in the comprehensive evaluation of the need and demand for 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 VHDA.

4.) Neither I nor anyone at my firm has any interest in the proposed development or a relationship with the ownership entity.

5.) Neither I nor anyone at my firm nor anyone acting on behalf of my firm in connection with the preparation of this report has communicated to others that my firm is representing VHDA or in any way acting for, at the request of, or on behalf of VHDA.

6.) Compensation for my services is not contingent upon this development receiving a LIHTC reservation or allocation.

____________________________ ________February 21, 2019___________

Jerry Levin Date

Market Analyst